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PROCEEDINGS AND DEBATES OF THE 102^d CONGRESS, FIRST SESSION

SENATE—*Wednesday, November 6, 1991*

(Legislative day of Tuesday, October 29, 1991)

The Senate met at 10:30 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. AKAKA].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

The eternal God is thy refuge, and underneath are the everlasting arms.—Isaiah 33:27.

Eternal God, infinite in nature and attributes, the wise words of the prophet Isaiah speak to the need of each of us. Great as the conflicts which surround us, far greater the conflict which rages within us. We handle external battles with some effectiveness, but the inward struggle refuses to yield to our most noble efforts. We are like prisoners bound by the limited, finite walls of the temporal and the material. With no light from the outside we struggle in darkness within.

Gracious Father, help us to see the need of our inner selves—our spirits. Forgive us when we satiate our bodies and starve our souls. Like blind people in a tunnel closed at both ends, we grope and stumble for inner direction, yet we will not open our hearts to eternity. Deliver us, God of light and life, from the terrible bondage of pride which will not acknowledge need, and guilt which, when suppressed, festers and weakens resolve and action. Help us to understand Isaiah and turn to the One who is our refuge, whose everlasting arms sustain us inwardly.

In the name of Jesus who loved us and gave Himself for us. Amen.

RESERVATION OF LEADERSHIP TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, under the previous order, there is now to be a period for morning business with the first hour under my control, or that of my designee. I now designate Senator FORD to control the time during that first hour.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein, with the time until 11:30 a.m. to be controlled by the designee, Senator FORD. The Chair recognizes the Senator from Kentucky [Mr. FORD].

Mr. FORD. Mr. President, I yield 10 minutes to the distinguished Senator from Massachusetts [Mr. KENNEDY].

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts is recognized.

COMPREHENSIVE HEALTH CARE

THE PENNSYLVANIA ELECTION

Mr. KENNEDY. I thank the Senator.

Mr. President, HARRIS WOFFORD'S dramatic win in the Pennsylvania Senate campaign makes clear that the American people want comprehensive health care reform, and they want it now. As Muhammed Ali used to say, his opponents can run but they cannot hide. George Bush may still prefer to run from the issue of health care, but the American people will no longer let him hide.

We face a crisis in health care, and the country needs a solution. Too many Americans are uninsured or underinsured. Thirty-four million fellow citizens have no health insurance whatever. Sixty million more have insurance that even the Reagan administration admitted was inadequate.

Too many Americans do not get the health care they need, when they need it. Too many more do not even seek health care, because they know they cannot afford it. Too many others live only one serious illness away from financial ruin, because of the high cost of health care.

Even the majority of insured Americans fear that the coverage they have today will not protect them tomorrow. And with good reason. Businesses are cutting back on coverage, as the economy declines. Insurance companies are becoming more insistent on insuring only the best risks. No family is safe from rising prices and the loss of coverage. More and more Americans are one job loss, one job change, one management decision, or one serious illness away from the ranks of the uninsured.

Soaring costs are pricing health care out of reach of average families, and imposing excessive burdens on American businesses struggling to compete in world markets.

In the past 10 years, the amount that average Americans pay for health care has almost tripled. No wonder a quarter of our fellow citizens now say they have put off seeking medical care because of high costs.

We spend more than any other country in the world on health care, far more than our major competitors. We spend 40 percent more than Canada, twice as much as Germany, and more than twice as much as Japan. Yet, the American people are more dissatisfied with their health care system than those of any other developed country.

These concerns have been boiling for many years, and they finally boiled over in Pennsylvania. One of the central issues in Senator WOFFORD'S campaign was the need for comprehensive national health insurance to guarantee coverage for every American, and bring health costs under control.

The people of Pennsylvania responded overwhelmingly to that mes-

• This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

sage—and the people of other States will, too. Band-Aids and delay are no longer acceptable. The voters of Pennsylvania have spoken, and they have spoken for the Nation. The Keystone State has become the cornerstone for action on health care at last.

The Pennsylvania election was also a referendum on one other major issue—the economy. The people of that State, like citizens across the country, know that the Bush administration had led the Nation into a dead end of no growth and alarming decline.

The recession that the administration said would be short and shallow drags on—long and deep. Although GNP may have risen slightly in the last quarter, many economists now feel that we are slipping back into recession. New homes sales are down. Consumer confidence has plummeted to levels not seen since the 1982 recession, reflecting what the American people know—the economy in is deep trouble.

The Bush administration has compiled the worst record on economic growth of any administration since World War II. And what do they offer as their prescription for recovery? Trickle-down economics; capital gains tax cuts that benefit the rich.

We have tried that remedy before. It was called supply-side economics under Ronald Reagan. It did not work then, and it will not work now. It gave the most to the wealthy. It shifted more of the tax burden onto middle-class and working families. It sent the Federal deficit into orbit—to the highest levels in history.

This administration does not care about domestic policy. They have neglected the economy, and the whole country is paying the price.

After months of ignoring economic data, the President finally saw a number that concerns him—his collapsing rating in the polls. Unfortunately, the American people are now being subjected to a public relations campaign to improve the image of the administration, rather than a substantial effort to improve the economy.

Nowhere is their lipservice more evident than in the administration's treatment of unemployment benefits. After two successive vetoes of bills to provide help, the President started to issue sound bites expressing concern for the unemployed about how he wanted extended benefits. Those benefits would have been extended last August, if the President had approved the legislation Congress passed.

Unemployed workers cannot use sound bites and public relations to feed their families and pay their mortgages. They need jobs. They need unemployment benefits to tide them over now. Most of all, they need leadership in Washington to end this recession and get this country back on the right track.

That was the message to Washington from the voters of Pennsylvania. It is time for national health insurance. It is time for a new economic policy that is fair to the vast majority of Americans, that rebuilds our economy for the future, that does not bankrupt the middle class so that the rich can become richer, and that extends a helping hand to the unemployed and others in need.

Mr. WOFFORD is coming to Washington, and he is bringing an urgent message with him.

Democrats in Congress heard that message, and we intend to act. The real questions are: Is anyone listening in the Republican Party? Is anyone home at the White House?

Mr. FORD. Mr. President, I yield up to 5 minutes to my distinguished colleague from South Dakota.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

Mr. DASCHLE. I thank the distinguished Democratic whip.

FAIRNESS FOR MIDDLE-CLASS TAXPAYERS

Mr. DASCHLE. Mr. President, as the distinguished Senator from Massachusetts has just indicated, many Americans throughout the country awoke to a new message this morning, a new realization that there are middle-class people who very deeply need to be heard in Washington, who no doubt awoke also asking themselves, "Who is HARRIS WOFFORD?"

Middle-class Americans in California, in Colorado, Kentucky, and Massachusetts, and my State of South Dakota, probably wondered why an election in Pennsylvania should have any bearing on their daily lives. But the reason is simple. Even though he was running for the Senate in Pennsylvania, HARRIS WOFFORD spoke for fairness for the middle-class taxpayers all across America. Fairness for those Americans seeking to control runaway health care costs, because they are concerned about meeting their basic health care needs. Fairness for Americans concerned about educational excellence available to their children, too.

HARRIS WOFFORD will be sworn in for a full term as Pennsylvania's Senator because he stood for what is important to those Americans who have been ignored by the Reagan and the Bush administrations. He successfully made the case that this administration's domestic agenda is lagging behind and that it is time for the President to begin to focus on the needs of Americans rather than those of the nations across the globe, especially now as he travels once again this morning to Rome.

The people of Pennsylvania sent the White House a wake-up call last night. They said they wanted middle-class tax fairness. They said they had enough of the 1980's style handouts to the rich. They said their standard of living has decreased, that it is becoming more and more difficult to pay for the education of their children.

They told the White House that health care problems have invaded the middle class and they expect leadership from Washington to solve this crisis. And while the administration is telling Americans to hold on, that they may come up with a health care program "at some time in the future," Pennsylvanians told the White House what South Dakotans tell me every day: We want national health care policy and we want it now.

Senator WOFFORD clearly laid out the problem for Pennsylvanians when he told them that our health care system simply does not work for the majority of our citizens. And the solution is clear as well: We need fundamental health care reform in the form of a national health care plan.

Instead of being scared off by his calls for a national health care plan, as many inside the Beltway observers had warned, the citizens of Pennsylvania flocked to support Senator WOFFORD's call for an overhaul of the entire system. To those who asserted that incremental reform was more than adequate, they said, "Steps are not enough. Comprehensive reform is what we have to have."

For all Americans, regardless of location, this is an important day. And today HARRIS WOFFORD is more than just one Senator among 100. He has helped to focus the national attention on the agenda that Senate Democrats have been talking about here for a long period of time: for middle-class tax fairness; for comprehensive health care reform aimed at controlling costs; for a program to ensure that all Americans, regardless of income class, receive the most comprehensive educational program possible.

I truly hope the White House will begin to heed the wake-up call of the people of Pennsylvania and, for that matter, the people all across this Nation. It is time to put away the luggage and the veto pen and get to work addressing the problems facing the people of America.

I yield the floor.

Mr. FORD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Democratic whip, the Senator from Kentucky.

Mr. FORD. I yield myself as much time as I might use.

WEARINESS OF FAILED POLICIES

Mr. FORD. Mr. President, I have heard a lot in the last few hours from about 11 o'clock last night and at breakfast this morning and in meetings I have attended that yesterday was an unusual day, an unusual day.

Well, there is nothing unusual about yesterday. The people of America began to speak, and they spoke under the Constitution of this great Nation that the people shall govern and the people's voice shall be heard. I believe it was Hamilton who said that in these Halls, referring to Congress, the people's voice shall be heard by their immediate representative. So yesterday, in my opinion, was not an unusual day. It was just the American people exercising their God-given right.

Mr. President, Americans are weary of the failed policies of this and the past administration. They are weary of waiting for action on the issues closest to their needs—better health care, reduced unemployment, unemployment benefits, job security, education. These are the things the American people want.

Mr. President, yesterday the people of Pennsylvania spoke. Oh, we are going to hear a spin on it today: New Jersey, there is an antitax revolt in New Jersey. Democrats have been in, Republicans are going to win. There was no question about what was going to happen yesterday. They are going to talk about a congressional seat. Well, that congressional seat is going to be redistricted out. It will not be here next year. There is going to be a spin put on yesterday, but the people spoke.

A cross section of this great land of ours came together in overwhelming numbers, a large percentage, and said we want a change. They rejected the policies of this administration. They rejected the priorities of this administration, the priorities of giving billions in handouts to foreign governments but not seeing to the needs of our own unemployed right here in America.

The people of Pennsylvania rejected the hand-picked candidate of the administration and instead returned HARRIS WOFFORD to the Senate.

Let us go back a minute to the first political poll that was taken in Pennsylvania. There were 44 points between former Governor and former Attorney General Richard Thornburgh and HARRIS WOFFORD—44 points HARRIS WOFFORD was down.

But in that poll there was a question. It said: HARRIS WOFFORD stands for this, which he enunciated in his campaign. It said: Richard Thornburgh stands for this, which is the administration's program. If the vote was today, for whom would you vote?

Well, lo and behold, the 44 points were wiped out—37 points for HARRIS WOFFORD, 37 points for Richard Thornburgh, 8 leaning to WOFFORD and 5 leaning to Thornburgh. The message was there then, Mr. President.

I am sure others were taking polls similar to that. But the Pennsylvania Senate race can only be viewed as a direct rejection of the policies of this administration. Senator HARRIS WOFFORD came from 44 points behind to win an election in less than 3 months. Believe you me, this is the beginning of a ground swell of resentment, of anger and weariness with the Republican policies of the last 11 years.

I will mention a name that is not mentioned around here very much. I am going to mention Jimmy Carter. When Jimmy Carter left office, the Federal budget deficit was $73.8 billion, and the total national debt at that time was $908.5 billion. After 11 years of a Republican White House, the Federal budget deficit is nearing $300 billion a year and going up, and the national debt has swelled to nearly $4 trillion.

Let us think about Jimmy Carter one more time. Say what you may about Jimmy Carter, but in the first 8 months of this year, January through August of 1991, the Bush budget deficit exceeded the cumulative budget deficit for Carter's entire 4 years. It is significant, is not it? I think so. I believe the people of this country believe it.

Let us think about another fact. It takes 40 percent of our income tax revenues, almost half of our income tax revenues, just to pay the interest on the national debt. It takes all of the taxes paid by people west of the Mississippi, if you want to put it in another direction, just to pay the interest on the debt. During the Reagan-Bush years, this Nation went from the largest creditor nation in the world to the largest debtor nation. How long did it take? Seven short years.

Where did this Republican philosophy take the American people? In the past year more than 2 million jobs have been lost. Unemployment is the highest it has been in 5 years. Over 8.6 million Americans are out of work through no fault of their own and 400,000 Americans applied for unemployment benefits just this last month.

We are sending almost $17 billion to 47 foreign countries. And we will not even help Americans. The majority leader stood right here and said let us just freeze foreign aid. Do not cut them any. Just do not give them any more. And we can by that savings pay the extended unemployment benefits to Americans. Think about that a little bit.

This year, 3 million jobless Americans will lose every source of income. They will be forced to dip into their savings, if they have any left. They are going to risk losing their homes, losing their cars, risk losing everything they worked so long for.

Here is an intolerable number, a number that should never happen: 37 million Americans have no health insurance. And 54 percent of the 37 million Americans are working full time. And all the jobs that have been created are so-called service jobs; fast foods and minimum wage.

During these 11 years, Mr. President, the rich have gotten richer while the poor and middle class get poorer. The top fifth—think about this now—the top one-fifth of working Americans took home more money, more pay, than the other four-fifths put together. So the top 20 percent took home more money than the other 80 percent of Americans.

The American people in my opinion are saddlesore. And the people of Pennsylvania just happened to have the ability to be the first to say something about it. The people of Pennsylvania had a clear choice: to affirm the failed policies of the last 11 years, or to embark on a new era of Democratic leadership and commitment to taking care of the needs of American families. The people of Pennsylvania spoke loud and clear for the man and for the party who is committed to putting the needs of American families first; for the man and the party that has a plan for restoring economic growth and prosperity for this Nation.

Just last week the distinguished majority leader of this Senate, Senator MITCHELL of Maine, outlined the economic growth plan for putting America first. We Democrats know what this Nation needs for growth.

I will tell you. If you have a wet pen, that is a veto, and 34 Republicans that will stand fast, the President of the United States runs Congress. That is where the problems have been; no cooperation, no one to work together.

Well, maybe, just maybe, last night got through that shield of Sununu and Darman and others at the White House because the President has canceled his next foreign trip. It is about time he stayed home and started working with his people, working with us to try to get us back in economic stability and on the right track.

One hundred percent of the American people, almost, understand we are off the right track.

What did Senator MITCHELL say about the program to get America back on a right track? He said a cut for middle-income families. Boy, do they need it. And we are trying. We have started.

Somebody said the other day, you all cannot get together. You have two or three programs. That is more than they have. When has the White House sent a program down here to get us back on the economic path?

We have three to choose from. We will put it together. We are going to help the American people.

We need incentives, the majority leader said, to help first-time home buyers reach the American dream of owning their own home. If you can buy a home how many people do you help? Start ticking them off: the carpenter, the electrician, the plumber, the concrete man, the appliance dealer, the rugs. You just name them. If you buy a new home you help a lot of people, and you give a stability to that new family.

The majority leader said an interest rate and credit policy that gives business the capital it needs to expand, create jobs, and stimulate the economy—not send another $10 billion or $20 billion to some country overseas because they stopped fighting and we want to rebuild them. Let us start rebuilding America.

The majority leader said we need a transportation bill that will restore our transportation infrastructure. We have a $7 billion surplus. Let us start spending some of it in a prudent way. Let us start spending some of it.

And by the way, we have an $8 billion surplus in the airport improvement trust fund. Why not start building some additional runways, make it safer in the sky, so we can have good air transportation? Help these small communities so they can have corporate jets come in and have an opportunity to get new industry into their communities.

The majority leader talked about an unemployment insurance system that keeps its promise to American workers who lost their jobs through no fault of their own and who have exhausted the unemployment benefits.

The American people want results, not campaign rhetoric and slogans. We Democrats stand ready to work with this administration to solve the pressing needs of the people. I just cannot believe that those on that side have gone home and listened to their people and do not feel strongly about wanting to help, but are restrained because they are good soldiers. They are good Republicans.

Well, that is fine. But at some point we have to push aside party labels, and we have to start working for the American people. We need to sit down and find out what we can do first, what we can do second, and move forward to help the people we represent.

I repeat, the Democrats stand ready to work with this administration to solve the pressing needs of our people. But as long as the President puts foreign policy ahead of domestic policy for Americans, the cries of Americans will go unheeded.

As long as this President is more interested in being a world President than being President of the United States of America, the needs of our people will go unanswered. As long as the President has a wet pen, which is a veto, and 34 Republican votes in the Senate, the basic necessities of jobs, affordable housing, access to health care, quality education, economic security will go unmet.

These are the issues, Mr. President, issues that American families want us to address. They are tired of empty promises and hollow assurances. President Bush promised to create—think about this now—he promised, in running for President, to create 30 million jobs, 30 million jobs in 8 years. To date, only 260,000 have been created, and they are minimum wage. This is an average of 86,000 jobs a year. At that rate, it will take 348 years to reach President Bush's 30 million jobs mark—348 years. Take away the 3 years he has been in office already, and you have 345 years to go.

Mr. President, the American people do not have 345 years to wait. We are here being pushed to support a free trade agreement with Mexico, when they are paying people down there 57 cents an hour, and our industry moves to Mexico, Mexico City, the most polluted city in the world. Our small businessmen stay here. They have to comply with the EPA and OSHA and all of the standards. Yet, we are saying, let our factories go down there, pay 57 cents an hour, ship the products back up here, and let us buy them. With what? We do not have the jobs and the economy.

So there is a message; yesterday, the American people began to speak, and it is time that we put aside party labels and start working to solve the problems of Americans.

You know, you travel around a lot in your own State, and I do in mine, and during the August recess I was in a small community in west Kentucky, sitting on a front porch, eating a candy bar, and drinking a Coca-Cola and talking to the farmers there.

I turned around and looked at one farmer and I said, "Do you have any suggestions for a fellow like me that is up there trying to do a job and having a hard time?"

He looked at me and he said, "Wendell, I do not mind you all sending these ships up into space, getting all of that information, but I want to tell you, you better get your launching pad in order. You better get your launching pad repaired."

What he is telling me is that we ought to get our economy in this country in order while other industrial countries of the world are moving ahead.

Mr. President, I yield the floor, and I yield to the distinguished Senator from Illinois 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized for 5 minutes.

HEALTH CARE

Mr. SIMON. Mr. President, I thank my colleague, the majority whip. I do not have his eloquence, but his blunt talk about where we are and the need to face our problems, I think, was underscored by what happened in Pennsylvania last night. The election in Pennsylvania was a tribute to a good, decent, progressive human being, HARRIS WOFFORD. But it was also more than that.

And if there was one issue that came through strong and clear in that election, it was the issue of health care. We have problems in our country. I am going to be introducing a bill next week that covers one part of the problem, and that is long-term care. I recognize that we are not going to get the kind of total package that the Nation needs at this point, but I hope we can at least do something there.

Only two industrial nations do not take care of their parents and their grandparents if they need long-term care, and they are South Africa and the United States of America. The bill I am going to propose is a self-financing, pay-as-you-go way, a half-percent increase in Social Security to pay for it, plus take the cap off of the Medicare. The cap is now at $125,000. But that is just part of the problem.

These charts right here—and I am just going to show two—show what has happened to the cost of health care for the average American. In 1960, it was below $150; in 1990, above $2,400; and in many cases, that is absorbed by businesses, businesses that are having a very, very tough time to get by. And as a result, some businesses are dropping, or dramatically curtailing, the health care coverage that people have. But that chart is illustrative of the problem that we have in this Nation, and it is a problem that we have been ducking and we cannot continue to duck.

The second chart, Mr. President, deals with a problem of people who are losing their health insurance, 36 million Americans without health insurance, an additional 1.3 million Americans last year lost their health insurance. Percentage without health care coverage, fully employed workers: 12 percent of workers who work full-time have no health insurance coverage whatsoever. Among those who are unemployed or working part time, 30 percent have no health insurance coverage.

When people worry about their jobs, it is not simply their immediate job that they are worrying about, their immediate income; they are worrying what is going to happen to my family in terms of health insurance coverage if I lose my job. That fear hangs like a dark cloud over a great many Americans. We have to work out something.

I join Senator FORD in hoping that we can do it in a bipartisan way. The need is just overwhelming.

I see my friend, Senator JOE LIEBERMAN from Connecticut, on the floor here. I know that when he holds town meetings in Connecticut, the same thing happens there that happens in Illinois: People get up and say, "We are facing overwhelming problems."

Two or three weeks ago, I had a town meeting in a little county, Putnam County, IL. A woman came up holding an obviously disabled child, and she said, "We are covered by insurance, but our problems have greatly exceeded our insurance coverage."

People are underinsured is a major problem.

She said, "We have lost our home; we now have $27,000 in hospital and medical bills." And she asked, "What can you do to help us?" I had to tell her, "Right now, there is nothing I can do."

But that woman is asking the U.S. Senate, and that woman is asking the

President of the United States: What can you do to help us? These people who have no health insurance at all are asking us that question.

And I think the message from Pennsylvania yesterday—where the question of health care was the No. 1 issue—to this Senate, to the President, to the House, is let us pay attention to the health care issue.

I yield the floor.

Mr. FORD. Mr. President, I yield up to 10 minutes to the distinguished Senator from Connecticut [Mr. LIEBERMAN].

The PRESIDING OFFICER (Mr. BRYAN). The Senator from Connecticut [Mr. LIEBERMAN] is recognized for up to 10 minutes.

ECONOMIC STATISTICS

Mr. LIEBERMAN. I thank the Chair and I thank my distinguished colleague from Kentucky.

Mr. President, today is the day after election day, and in this Chamber there is a natural focus on the Pennsylvania returns, and I say certainly from those of us on this side of the aisle a tremendous sense of excitement and gratitude about the great personal victory that our friend and colleague HARRIS WOFFORD won in that State. All of us, because we admire him so much, but also because we like a good battle and saw a longshot come from behind and win, are celebrating with him. And there will be a lot of analyses today about those election statistics from Pennsylvania.

But, Mr. President, as we analyze those statistics, I think we have to understand that behind the election statistics from Pennsylvania there are some very powerful economic statistics that explain that election. We see them in Connecticut. Here is a headline from one of the leading newspapers in my State, the Bridgeport Post, just a few days ago, "Current Downturn Tops Great Depression." Economic statistics behind the election statistics, unemployment statistics, business failures statistics, bankruptcy statistics, food stamps statistics; real people are out there and they are really suffering.

Mr. President, 8.5 million Americans are out of work today. Just take a look at this chart. It begins here in February of 1990: Up, up, up, and away. October of 1991, 8.5 million real people out there really suffering because they are out of work.

Beyond the numbers—and I will tell you this, in two decades now, a little bit more, that I have been involved in public life in Connecticut, I have seen some unemployment statistics that are a little bit higher than they are now, but I have never seen the public mood so desperate. I have never seen people so fearful about not the macroeconomic future, yes, but more about their personal economic futures. Confidence is low.

The President of the United States has said that this is not going to be a double-dip recession; we seem to be pulling out of it, and he says we are on our way up. Take a look at this chart which reflects the index of consumer confidence. Way up here, 1989; begins to drop dramatically, January of 1991; after the war picks up again; and right back down again in October of 1991. If that is not a double-dip recession, I do not know what is.

Real people are really suffering out in America, and what have they received from Washington, from the White House? Just about nothing. They have received denial. They have received delay. They have received disparaging comments from the White House about this problem.

I can tell you, Mr. President, that without leadership from the President of the United States, without the kind of help that people are crying out for from this Government, we are never going to pull out of this recession. And what do we hear from the White House? Let me go back a couple weeks.

I think a really significant act of leadership was performed just about 2 weeks ago by the Senator from Texas, chairman of the Finance Committee, Mr. BENTSEN, who came forward with a reasonable, strong economic stimulus program, doing what we have always done before in a recession to get us out of it, and that is to cut taxes. And there were some positive responses from the other side, from the Republicans in this Chamber. I remember particularly Senator BENTSEN's colleague from Texas, Senator GRAMM. It looked to me like we were finally having a break in this wall of indifference from Washington.

While real people out there in the real America were suffering from a real recession, some of the Republicans went up to the White House, argued the case for a tax cut program, for some kind of leadership. And what happened? They were stifled.

Last week Budget Director Darman says we decided to reject this tax cut economic stimulus program now because we were concerned about the effect it might have on the financial markets.

What about the job markets? What about the supermarkets where more people are bringing in food stamps than ever before in our history?

This wall of indifference continues right to this very morning from the White House. The President, prior to departing for Rome, when asked about why have an economic stimulus program to help get us out of recession, said that he was concerned about the effect of an economic stimulus program now on long-term interest rates.

What about short-term unemployment rates? What about the real people who have lost jobs, cannot afford to send their kids to the schools they want to go to, cannot afford health care, cannot afford the little extras that they have worked hard for that make life a little bit better in this country? Real people are really suffering. And from the White House and from the President we have received nothing, nothing but words.

Mr. President, it is time to stop the posturing and start producing, it is time to put the partisanship aside and start delivering for the American people.

The President can easily try to make this into an "us or them" contest, saying that we need a capital gains cut or else there will not be any program. But I will tell you this, Mr. President, I have seen a willingness on this side to consider a capital gains cut so long as we get the President to agree to do something to help America out of the recession.

The fact is that even on the Democratic side there are at least three of us who have our own capital gains cut programs in there: Senator BUMPERS, Senator BREAUX, and I. But we know, Mr. President, and I hope the President of the United States knows, that while a capital gains tax cut might help, that is not an economic growth program. We need to combine it with leadership from Washington that helps the real people who are suffering. We need middle-class tax cuts to get some more money churning in the economy to help the middle class that is squeezed so much it does not know where to turn. And we need to recognize that this recession is not just another recession.

I think this is the first revelation of some profound underlying weaknesses in our economy. Look here at the statistics again. Cost of capital twice as high in the United States as in Japan. In 1988, while Americans invested $20 billion in new equities, the Japanese invested five times that amount. Venture capital investments, which are the primer of the pump for emerging businesses, are at their lowest point in the decade. New startup businesses are receiving less of the overall venture capital funds available; whereas those firms once accounted for 20 percent of total venture capital, they now make up only 10 percent.

The drop in research and development spending in this country is almost as dramatic as the falloff in capital availability. In 1990, American companies increased R&D investment at the lowest rate, 2.2 percent, since 1976. And predictions are that this year will even be worse. Without sufficient research and development, new products and technologies will not come into the market and our ability to compete globally and create new jobs and protect old jobs will be seriously impaired.

The credit crunch; we felt it in New England first; we feel it across America now.

There are all of these problems. There is the lack of support from the American Government for American businesses that are trying to develop new products alone while their competitors in Asia and Europe have a partnership with their governments which helps them win so many of these new fields of economic opportunity. We are doing nothing for our businesses in that regard. And there are plenty of ideas here in this Congress how we might.

Our colleagues, Senators BINGAMAN, HOLLINGS, GORE, NUNN, and ROCKEFELLER have each had substantial constructive proposals for building strong public-private partnerships which will get use out of the recession and on the road to long-term economic recovery.

Mr. President, I made a proposal of my own which I will mention briefly here which builds on the idea of the personal IRA. But in this case I have legislation in that would create a business IRA. Let us encourage American businesses to take some of the money that they earn, put it into a savings account, and then be able to take that money out of the savings accont tax free so long as they invest it in new plant and equipment.

Mr. President, there is no shortage of ideas out there for how to give a helping hand to the people of America. Middle-class working people who believe in this country as a land of economic opportunity are now losing that faith.

There is one thing that is so clear. It is clear in Government, as it is clear in family and business and personal life: Without the person at the top showing some leadership, nothing will happen; without the captain of the ship directing the ship, the ship will flounder.

So I say to the President of the United States: Come home from Rome and lead us. Extend your hand to the Congress, and we will extend ours back to you. Let us work together to recognize that we are in one of the most serious economic downturns we have been in in a long time, and it is not going to fix itself. It is going to take leadership, Mr. President, in Washington. We in Congress are ready to join.

Now is the time for the President to exert the authority that the American people gave him when they elected him in 1988, and which, on these important domestic matters, he has done nothing to use for our benefit.

I thank the Chair and I yield the floor.

Mr. FORD. Mr. President, I ask unanimous consent that the previous order be extended by 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I now yield 6 minutes to the distinguished Senator from Virginia [Mr. ROBB].

The PRESIDING OFFICER. The Senator from Virginia [Mr. ROBB] is recognized.

Mr. ROBB. Thank you, Mr. President, and I thank the Senator from Kentucky.

THE 1991 AND 1992 ELECTIONS

Mr. ROBB. Mr. President, I rise to congratulate our colleague, Senator HARRIS WOFFORD, on a great victory. He ran a spirited campaign, and he won the old-fashioned way; he earned it. His campaign was much more than a simple political exercise; it became a debate on the purpose of government, in the nineties and beyond.

In his campaign, HARRIS WOFFORD argued with passion that constituents aren't just a mass of voters to be placated but are real people with real problems, and they need to be addressed. And that message resonates across the country. People from every walk of life are sending us a message.

Their voices were heard in this campaign, daring to bring up questions which were taboo in the materialistic eighties. Does government have an interest in healthy children? The people answered "yes." Should government ensure that every American has access to basic health care? The people answered "yes." Does the economy go beyond charts and graphs, to touch real lives and hurt real people? The people answered "yes." Those questions, Mr. President, are the basis for the debate which we'll hear in next year's elections. Candidates for President, candidates for the Senate, and candidates for the House are on notice that they'll be judged on the sensitivity and compassion of their answers.

It has been a long time since America had such basic issues with which to redefine the role of government. This Nation was shaped by debate. The Federalists argued over the form of the Nation's laws, its economics, and what constituted the basic rights of individuals. The Union and the Confederacy came to mortal blows over where Federal Government authority ends, and States rights begin. Abolitionist versus slaveowner; monetarists versus champions of the gold standard; isolationists versus internationalists, and so many more; these debates and their aftermaths have forged a democratic nation in which ideals are not frozen, but regularly reconsidered. They're the wellspring of our national vigor.

Yet, after the great social upheaval of the sixties, government and the polity became, in too many instances, complacent. And for the last 10 years, the discussion of how a democratic society and its government interact has been replaced by sharp exchanges on single issues, as if the sum of the answers to these issues could somehow form a coherent grander pattern.

The question asked of government went from, "What can I do for my country?" in 1960 to "How much can I make off my countrymen?" in 1990. Government came to be an accomplice in avarice, not an institution to serve everyone, even those left behind by runaway greed.

That is, until this year. This year, voices are again asking, "What about the rest? What about the people who are not born of privilege, and who don't share in the prosperity? What about most of America? What has Washington done for them?"

Those, Mr. President, are the questions which government and those who would serve in it simply cannot duck. We in the Senate, and our colleagues in every level and branch of government, have got to answer them. We owe it to the people who have invested their trust in us. And we owe it to the office we hold and the institution in which we serve. And make no mistake, the President is going to have to answer these questions, too. If all was indeed well in America, the people wouldn't be asking why they can't afford health care, why they can't afford a quality education for their children, and why—in too many cases—they cannot afford a home.

The agenda for 1992 is clear. The illusion of prosperity has vanished, and the bills of the eighties have come due. Americans are demanding security not from external threats, but from the threats to their jobs, to their health, and to their future. Americans demand what Washington simply hasn't been willing to give: attention, care, and compassion.

Mr. President, government is a great enterprise, and it cannot be turned rapidly. But turn it will, and turn it must. With people of conscience asking the right questions and supplying thoughtful answers, we can bring government back to the role in which it belongs: Of the people, by the people, and especially for the people.

Mr. President, I thank you. I thank the Senator from Kentucky, and I yield back any remaining time I may have.

Mr. FORD. Mr. President, I now yield up to 15 minutes to the distinguished Senator from West Virginia [Mr. ROCKEFELLER].

The PRESIDING OFFICER. The Senator from West Virginia [Mr. ROCKEFELLER] is recognized.

SENATOR HARRIS WOFFORD'S WIN

Mr. ROCKEFELLER. Mr. President, yesterday the people of Pennsylvania made a choice for leadership, for bold action, and for an agenda that addresses their day-to-day problems and concerns. From a State that gave birth to our Nation over 200 years ago, the people spoke up yesterday on behalf of Americans throughout our country. From a State that is home to the Liberty Bell, the people sent a ringing message that it's time for the President and Congress to solve the problems that are hurting families in Pennsylvania and across America.

HARRIS WOFFORD is somebody who was absolutely unknown in the State of Pennsylvania, insofar as I am able to see, virtually unknown, running against somebody who had been Attorney General known across the entire United States, a two-term Governor known across Pennsylvania, known by everybody.

And he was the incumbent because he was representing so clearly the Bush administration, and the people of Pennsylvania have evidently decided—like the people of my own State, West Virginia decided—that they do not like the status quo and they particularly do not like the status quo when it comes to health care.

It has been my privilege to know HARRIS WOFFORD for many years—all the way back to the time we worked in the Peace Corps during the Kennedy administration. And, I am very proud of him. I said in Pittsburgh, when I was campaigning for him a few weeks ago, that the moment he stepped on the floor of this body, he was one of the five best people in the U.S. Senate by virtue of his background, his education, his intellect, his character, and his value system. I join all of my colleagues in congratulating him for his victory. And it is a tribute to HARRIS WOFFORD that he returns to the Senate with a resounding mandate to focus on real issues and real solutions—a mandate to deal with the economy, to toughen our trade policies, to help families afford homes and send their kids to college, and to reform our health-care system.

For 3 years, the Bush administration has said the problems in our health care system are too complicated to solve. That we need to study the problem more, that another task force has been charged to look at the options. That we should wait until the next election before tackling the problem. That they're not sure the American people really want comprehensive reform or a national solution.

Yesterday, the people spoke. They voted for the candidate who pledged to fight for a national solution. Who said Americans shouldn't fear losing their health insurance when they change jobs, or get sick, or work for a small business. Who laid out a plan that will ensure all Americans good, reliable health care at an affordable price.

Maybe this election will clear away the rhetoric and the distractions that have held us back from being able to get to work on the health-care needs of Americans. Maybe instead of waiting for the next election to propose a solution to our health care crisis, the President will decide that this election in Pennsylvania sent a message to go to work.

The crisis worsens each day the President holds back. The country's health care costs are mounting, to the tune of $660 billion this year alone. Rising costs are crushing State governments, small businesses, and hard-working families in every corner of this land. In these hard economic times, when workers by the thousands are losing their jobs each month, they then face the cruelty of losing their health insurance, too. If they're pregnant, they may no longer get prenatal care. If they have children, they fear the day when a child gets an earache or a high temperature.

Health insurance isn't working the way it used to. When I chaired the Pepper Commission, we heard from a couple in Ohio with three children who, despite desperate efforts, can't get health insurance. They both work, but private insurance won't offer either employer an affordable plan. And because one of their children had a serious illness, the couple can't get any coverage on their own.

A member of my own staff just told me about his mother who runs a small business in Connecticut. She has struggled courageously with throat cancer and had successful surgery. But that was followed by a call from the insurance company, which informed her that their rates were going up by almost 60 percent—in a country called America.

Mr. President, we can't let this continue. We can't sustain these exploding costs. We can't have a country where pregnant women don't get prenatal care; children can't see a doctor when they are sick; and hard-working families are being shut out from insurance for no fault of their own.

I hope the people of Pennsylvania will be heard throughout the Halls of Congress and in every corner of the White House. They have asked us to focus on the economy. It's a message that I welcome. In my State of West Virginia, the latest Federal count of unemployed is 74,000—and I would bet the number is much higher. My State's unemployment rate of 10.5 percent is the highest of any State in the Nation. My people need help, just like the people of Pennsylvania, Michigan, Maine, and every other State. And yet our President called the bill we sent to him to extend unemployment benefits, "garbage," and went on to veto the bill.

Last week, we saw the result of Presidential leadership, determination, and around the clock hard work. But it was in a distant land, far off in Madrid, Spain, where a historic summit on the problems of the Middle East were finally put on the table.

Americans should be proud of our role in that summit, and I share the hope that it will succeed in achieving a lasting peace in that troubled region.

But the same leadership and the same dedication are needed to the crises facing our people here in America. We need a summit on health care, where all the parties are brought to the table and urged to forge a consensus. Where differences are also put aside, and we hammer out a solution for the sake of our future and all Americans.

Mr. President, the people of Pennsylvania have sent a message that we all should heed. It's one spoken from the heart, and speaks about the pocketbook. I sincerely hope the President will take it to heart as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. FORD].

Mr. FORD. I now yield up to 7 minutes to the distinguished Senator from Minnesota [Mr. WELLSTONE].

The PRESIDING OFFICER. The Senator from Minnesota [Mr. WELLSTONE] is recognized for up to 7 minutes.

MAKING NATIONAL HEALTH INSURANCE A REALITY

Mr. WELLSTONE. Mr. President, last night, about 7:15, I jumped on a train to go up to Philadelphia just to be there for a little while, hoping that it would be a big victory for HARRIS WOFFORD, and I think for all of us. And I could tell, once I got up there, from talking to cab drivers and telephone operators and what not, that HARRIS was going to win. And I think there is one reason that he won that race. HARRIS WOFFORD understood that it is not a question of left or right or center. It is a question of a politics that speaks to people's lives.

I believed that the people in Pennsylvania believed in him at a personal level and they believed that he believed what he was saying and that he was saying what he believed.

Mr. President, when I was at the Minnesota State Fair earlier this year, late August, beginning of September, I tried to make sure that was my focus group. I do not have the money to hire focus groups. Half the State's population comes to the Minnesota State Fair, and what were people saying at the Minnesota State Fair?

It was: "Senator, health care; we cannot afford the doctor's bill." Or, from a small town, "We cannot find a doctor."

It was, "Senator"—I see the Senator from Texas who has done so much work on this, Senator BENTSEN—"Senator, what about jobs?" Or, "Senator, we are out of work and we do not have any unemployment insurance."

It was: "Senator, how can we afford to send our kids to college or vo-tech school?" It was: "Senator, our kids cannot find work anywhere."

It was: "Senator, we cannot keep going with our small business." "Senator, how do we hold on to our small farms?"

In other words, Mr. President, what people were saying in Minnesota—I think this is what people said in Pennsylvania—was, look, the real national security of our country has to be the security of our local communities where there are jobs, where there is a commitment to education, where there is health care available for citizens, where there is affordable child care, where we get serious about economic investment. I think those will be the issues that will matter as we move further into the decade of the 1990's. I think the election yesterday in Pennsylvania was a wake-up call.

Mr. President, the most central issue that I can think of—I look in the Chamber and I wish I could talk to people right now up there to see what they would say—is health care. You hear it in cafes, you hear it in small towns, you hear it in large cities, you hear it in schools, you hear it in farms, people talk about health care and they want us to talk to them about health care. It is a central issue in people's lives; absolutely critical issue in people's lives.

Mr. President, I would join other Senators today here on the floor in saying in a very unequivocal, loud and bold way that every citizen in the United States of America deserves affordable, humane, high-quality health care regardless of employment status, regardless of income, regardless of age and regardless of prior or current health care status.

But we have been told for too long that you cannot make some kind of national health insurance program a reality here in Washington. That is what we have been told. It is time, and this campaign in Pennsylvania showed that it is time, that we listen to the voices and stories of people from all across this country. It is time that we do that.

Can we make universal health care coverage a reality here in Washington, DC, in the U.S. Senate? Let us look at some other realities. Thirty-four, thirty-six million people without any health insurance at all. That is a reality. Double that number underinsured. That is a reality. Almost every American just one major illness or one job away from not having any health insurance, a reality. The United States, the only advanced economy in the world without some kind of national health insurance program, a reality; I think a disgraceful reality. There are older Americans who live in fear of catastrophic expenses, small businesses that cannot afford the premiums.

The reality is that we have to make a national health insurance program a reality. There has to be effective cost control and it has to be care that is available to all citizens in this country. I believe, Mr. President, that health care policy will be at the top of the agenda of the U.S. Senate. I look so forward to being a part of helping to develop that legislation and a part of the discussion and debate that we will have. I believe that if we take action on this central issue in peoples' lives, then we will be sending a message that people really want to hear, which is public policy can make a difference in the lives of people.

The reason we are here in the U.S. Senate is to try to develop that kind of public policy, and I think health care will be the litmus test as to whether or not we are really listening to people across this country.

Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I yield up to 15 minutes to the distinguished Senator from Texas [Mr. BENTSEN].

The PRESIDING OFFICER. The Senator from Texas [Mr. BENTSEN] is recognized for 15 minutes.

THE PROBLEMS OF THE UNINSURED

Mr. BENTSEN. Mr. President, I appreciate the time yielded to me by senior Senator from the State of Kentucky, who has been long concerned with this issue, and to my friend Senator WELLSTONE, for his very compassionate concern for the problems of the uninsured.

There is no question that we have the best health care in the world, best hospitals, best doctors for those who can afford it. The problem is the accessibility. The problem is the cost of health insurance. It went up 24 percent in the premiums last year. It is predicted to go up another 24 percent this year. Almost 50 percent in 2 years.

How do you think they can keep health insurance policies that way? How can you afford to do it? There is no question that we need a major, major reform and change in health care systems in this country.

We need to take care of problems created when a person has a preexisting condition, a back problem, a heart condition, or one of their children has such a condition, and they cannot change jobs.

Some companies come in and cherrypick and say we will take this set of employees because they are young with few health problems, but we are not going to take those employees who are greater risks. Employees see the increase in costs and respond by raising the deductible, increasing the coinsurance, dropping the dependents and, finally, dropping the whole policy.

Of course we need changes. Senator WOFFORD's election in Pennsylvania highlights that because he delivered the message over and over again: People need health insurance and access to affordable health care.

I listened to Senator ROCKEFELLER, Chairman of the Children's Commission. He did an extraordinary job as Chairman and the Commission issued a detailed substantial report on the problems facing families and children in this country and what should be done about it. He is one of the leading advocates in trying to resolve this problem. Senator DURENBERGER and I, will be introducing legislation addressing some of the problems confronting small businesses who are trying desperately to insure their employees.

There was another message, however, delivered by Senator WOFFORD in Pennsylvania: Middle-income taxpayers need a tax cut. And today I am introducing the Bentsen-Roth-Mikulski middle-income tax cut bill to address this issue.

(The remarks of Mr. BENTSEN pertaining to the introduction of S. 1921 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions")

Mr. LOTT. Mr. President, could I inquire about the time remaining and how that time will be allocated?

The PRESIDING OFFICER. Under the previous order, the Senator from Kentucky controls now 1 minute 50 seconds.

Mr. FORD. I yield the remainder of my time then to the distinguished Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana [Mr. BAUCUS] is recognized.

Mr. BAUCUS. I thank the Chair.

BAKER TRIP TO CHINA

Mr. BAUCUS. Mr. President, in the upcoming weeks Secretary of State Baker will travel to Asia.

Among other stops, Secretary Baker plans to visit the People's Republic of China on November 15. This will be the first high level visit to China since the Tiananmen Square massacre.

I support Secretary Baker's planned visit to China. Clearly, we have problems with China. But ignoring China will not address our concerns.

But instead of putting diplomatic pomp-and-circumstance at the top of the agenda Secretary Baker must make this a meaningful visit that advances United States economic, diplomatic, and security objectives with regard to China.

CHINA

As was made clear in the recent debate over extension of most-favored-nation trading status to China, we have many concerns with the PRC.

China's record on respect for human rights is simply disgraceful.

Its trade policy is blatantly protectionist.

And China's policy on sales of weapons and nuclear materials is grossly irresponsible.

No doubt Chinese leaders are hopeful that Secretary Baker's visit will be a sign to the world that United States-Chinese ties are improving. This gives the United States leverage to press for progress on all major bilateral issues.

HUMAN RIGHTS

Since the Tiananmen Square massacre, China has grossly violated the basic human rights of its citizens.

On his visit, Secretary Baker should press for progress on human rights in three specific areas.

First, Secretary Baker should press to conclude an agreement with the Chinese to stop the export of goods made with prison labor. These exports violate United States law and put United States consumers in the position of supporting Chinese prison labor camps.

In addition to stopping prison labor exports, the agreement should include meaningful enforcement provisions that allow the United States Customs Service to inspect cities in China to ensure that prison labor goods are not being exported to the United States.

Second, Secretary Baker should make a point of visiting prominent released Chinese dissidents while in China. This would underline United States concern for human rights and political reform in China.

Finally, Secretary Baker should press to improve the plight of Chinese political prisoners by requesting an accounting of the hundreds of political prisoners in China. Secretary Baker should also seek to secure International Red Cross access to Chinese prisoners.

INTERNATIONAL TRADE

In the last 4 years, China has excluded United States exports by imposing new trade barriers and allowing piracy of United States intellectual property exports. As a result, the bilateral deficit with China threatens to reach $15 billion this year.

The United States has already initiated two unfair trade actions against China under the section 301 provisions of the 1988 Trade Act.

But Secretary Baker should seek meaningful commitments from the Chinese to open their market to United States exports. In particular, Secretary Baker should seek commitments to end Chinese piracy of United States intellectual property. If such commitments are not made by November 26, the United States will be obligated under United States law to retaliate against Chinese exports to the United States.

WEAPONS AND NUCLEAR PROLIFERATION

Moreover, disturbing reports have recently come to light of China aiding Iran in its efforts to develop nuclear weapons. China has also shown a willingness to sell dangerous missile technologies into the Middle East.

If these reports are true, China has become a major threat to peace in the Middle East.

China has already promised to sign the Nuclear Proliferation Treaty and indicated a willingness to abide by the Missile Technology Control Regime. But Secretary Baker should seek to firm up these commitments and win specific commitments not to sell nuclear material or missile technology into unstable regions.

CONCLUSION

Admittedly, this is an ambitious agenda for Secretary Baker's trip. But our problems with China are both serious and numerous. He must make it clear to China that the price of continued strong diplomatic and economic ties with the United States is China becoming a responsible world citizen.

If Secretary Baker uses his visit to China to press for progress, the visit could advance United States interests. However, if the issues are ignored and the visit becomes nothing more than a photo opportunity, U.S. interests will be set back. It is up to Secretary Baker to make sure that does not happen.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. GORE). Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein.

Mr. LOTT. Mr. President, I ask unanimous consent to speak for 15 minutes in the morning business period.

The PRESIDING OFFICER. Without objection, it is so ordered.

A NEW DAY IN MISSISSIPPI

Mr. LOTT. Mr. President, there is a new day in Mississippi this morning. When the sun came up, we had a completely new political landscape that is going to have a dramatic impact on the aggressive, progressive development of my home State of Mississippi.

For the first time in 120 years, the State of Mississippi elected a Republican to lead our State as Governor for the next 4 years. And, Mr. President, we elected a Republican to lead our state senate as Lieutenant Governor; and Mr. President, we elected a Republican to serve as public service commissioner for the central district of the State. I might add that that particular public servant is Nielson Cochran, the brother of our distinguished colleague, the senior Senator from Mississippi.

Elected Governor yesterday in Mississippi was Kirk Fordice. Elected Lieutenant Governor was State Senator Eddie Briggs. In addition to these distinguished men who I have just mentioned, Mississippians elected new Republican officeholders throughout the State—from the county courthouses to the city halls to the State Capitol.

There are some truly dramatic developments happening in our State of Mississippi.

This morning I have heard much about what happened in Pennsylvania yesterday, so I thought it was time we tell the other side of the story, that we shift our attention from the Rust Belt to the Snow Belt down to the Sun Belt, and tell the people of America a little bit about what has been happening there.

The reason why we saw such historical changes in Mississippi is that the Republican candidates were offering real alternatives for Mississippians. They talked about issues. They said Government is not the solution, that Government is the problem. They said we have to find ways to get the tax burden off of the people's backs and get Government out of business.

We have to learn that Government controls and intimidates and holds back business in its effort to create jobs and to prosper. We have to create jobs so our people can live decently; so that we will have more revenue to put into our schools and to provide for our children.

Yes, Kirk Fordice talked about cutting the capital gains tax rate in what is generally considered to be the poorest State in the Nation. He figured it out—the more you raise taxes, the less you get. We need to unleash incentives for people to go out and create jobs and to have jobs.

As I listened here this morning, I agreed with much of what the distinguished Senator from Texas had to say about the IRA's and as well as capital gains changes. I think we should definitely do that.

I also agree with him that we should quit playing political football with unemployment compensation benefits. As soon as the Congress gets tired of playing politics with it and gets serious about it, we can pass additional unemployment compensation benefits. But more importantly, we can do something about helping the economy so the people can have a job.

But I must say that the candidate in Mississippi who was elected Governor, Kirk Fordice, is a shining example of how the American political system can work for anyone. One year ago he was a general contractor—a small businessman in Vicksburg, MS. He had never run for office. He had never held office. In fact, the closest he had ever come to holding political office was when he served as president of the Associated General Contractors, a national organization. That had been his only political experience.

But he was a fresh face. He came in and said "Look, I am a businessman. I think it is time we run this State like a business. Let's get government out of people's lives, and out of their pockets. Let's see what we can do to create a better business atmosphere in our State of Mississippi, and, yes, work on having a better educational system that will compliment growth, not just more money for education but reform in education."

He said, "let's see what we can do in the State of Mississippi to foster innovative ideas that will help our children get a better education." Here he is, this businessman from Vicksburg, MS, who ran against the establishment, who ran against the incumbents. There are no Republican Party operatives in Mississippi today that can take a deep bow and say: We did it, this is a party victory.

No, this is really a victory for a man with principles and the issues that he believed in. He took his message to the people. He didn't back off. He faced the issues straight on. He was under vicious attack from the negative campaign of his opponent.

There is a message in that for us on both sides of the aisle, Republican and Democrat alike. Negative campaigning hurts you; it does not help. Kirk Fordice kept to the high road, and he told his story. He defeated the establishment candidate in the Republican primary, and he took on the whole State. He took on 120 years of tradition which has hurt our State, and he said: "Let's throw the rascals out and give a new man with some new ideas a chance."

The people agreed with him and gave this Vicksburg businessman who had never been in politics before this year a historic victory.

I believe that what the people of Mississippi said Tuesday is that we want some fresh faces. We don't think Government has all the answers. We do want capital gains tax rate cuts. We do want a favorable business climate. We do want better education, not just more expensive education. We said what we do not want is tax increases of any kind. We don't want more irresponsible spending.

I think that what we have heard this morning about the campaign in Pennsylvania has missed the whole point. Almost all of what was being said was, well, this shows proof once again that we need more Federal Government, more State government, more spending, more programs for this and that. Do not worry about how to pay for it. Let's just do it.

I know that wasn't the message we heard from Mississippi and I do not think that was the message from Pennsylvania. I watched that campaign closely.

What happened in Pennsylvania really was that the candidate talked about issues, and the candidate who was perceived as being part of the establishment was kicked out. In the current political climate, Republican or Democrat, if you say, "I am the establishment, stick with me," the people are going to boot you out, I think.

The American people want action on energy, education, crime, transportation, and tax cuts to spur the economy. That is what was talked about in Mississippi. That is why Kirk Fordice will be the next Governor of our great State.

I think it is a monumental accomplishment, and one that will lead our State in a new, different, positive, aggressive direction. It is long overdue. The pendulum will swing back and forth, but at least it has begun to swing. Unfortunately for more than 100 years we were locked into a one-party system in Mississippi, but the people of my State are not going to do that anymore. They are going to vote for men and women who have some ideas that they believe in and for which they will stand up and fight.

This morning I want to extend congratulations to Kirk Fordice, the new Governor of Mississippi, and to Eddie Briggs, the new Lieutenant Governor. I wish them the very best as they begin to lead our State into greater participation on the national level, with more opportunity and hope for our people.

I yield the remainder of my time, Mr. President.

Mr. SEYMOUR. Mr. President, I ask unanimous consent to address the Senate for a period of time not to exceed 12 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICA'S ENERGY FUTURE

Mr. SEYMOUR. Mr. President, on Friday of last week, the Senate had an opportunity to proceed to the consideration of the National Energy Security Act. Unfortunately, 44 Members of this body decided that they did not want to vote on, they did not want to amend, and they did not even want to debate S. 1220.

I believe that Congress must develop a comprehensive framework for America's energy future. I also believe that it needs to be done soon—today. Clearly, 44 Members of this body felt no such urging, no imperative.

I was not surprised by the Senate's lack of action last Friday. It is always easier to avoid politically difficult decisions than to address them straight on. I was, however, surprised by the euphoric response of those who chose not to debate, amend, or vote on our Nation's energy future. I was particularly taken aback by the statement submitted for the RECORD, following the cloture vote, by the distinguished senior Senator from Massachusetts.

The Senator stated, and I quote:

> We have taken a giant step toward the creation of a sensible and balanced energy future that respects the environment and pays more than lip service to essential goals, such as energy conservation, the development of promising alternative energy sources, and the preservation of the environment.

Senator KENNEDY must have thought the Senate had just passed an energy bill, not scuttled debate on one. I think we owe it to the taxpayers to make it clear what the Senate accomplished last Friday.

On the 1st of November 1991, the U.S. Senate did not decide to reduce our Nation's dependence on foreign oil. It did not decide to improve energy efficiency. It did not decide to promote renewable sources of energy. It did not decide to increase production of alternative fuels or the vehicles that run on them. It did not decide to raise fuel efficiency standards for automobiles. It did not decide to protect the California coastline from Outer Continental Shelf oil and gas leasing. It did not even decide to protect one single acre of wilderness in Alaska. Last Friday, the U.S. Senate decided to do nothing.

Equally as disturbing as the Senate's lack of action were the tactics of special interest groups intent on generating the required political climate to prevent consideration of S. 1220. Since the Energy and Natural Resources Committee began consideration of a national energy strategy, single interest groups have been carrying out a negative campaign of unequaled proportions. For months my constituents have been receiving propaganda on the horrors of S. 1220.

Unfortunately, much of this information has been wrong. Let me read to you from a letter I received in a package of correspondence from the environmental community. The letter is from the National Outer Continental Shelf [OCS] Coalition.

The letter requested that I vote against the motion to proceed. It gives as justification for this request the fact that S. 1220 will, and now I am quoting, "Undermine the offshore drilling deferrals granted by President Bush in June of 1990 * * * for areas offshore California. * * *"

This statement is simply not true.

Well, the answer is simple. Most of the critics of this bill never have read S. 1220, and therefore will never know what really is in the National Energy Security Act.

In February, at the opening of committee debate on the energy bill, I stated that the country "must commit itself to developing those untapped treasures of the laboratory, the air, the Sun, and our Earth that can bring affordable, home-grown supplies of energy to all Americans. The National Energy Security Act represents a start in the right direction * * *," and I still believe that to be the case.

The Energy and Natural Resources Committee, in a month-long markup, made substantial improvements to the original national energy bill. Along with my amendment that would prohibit offshore exploration and drilling from the coast of California, the committee additionally approved another provision I offered to speed up the purchase by State governments of alternative-fueled vehicles. The committee, with my strong support, also added amendments to establish electric and electric-hybrid vehicle research and development programs, to enact strict showerhead efficiency standards, and grant the Secretary of Energy the authority to buy down or subsidize interest rates on bank loans to finance renewable energy projects.

That is all in S. 1220. Now, there is some provisions of S. 1220 that I do not support. And I can understand how other Members of this body do not support various provisions of the bill.

For example, I am opposed to the increased regulation of natural gas imports from Canada in title XI. In my opinion, transferring that primary regulatory authority over natural gas imports from the Department of Energy to the Federal Energy Regulatory Commission would only serve to slow the flow of natural gas from Canada, and ultimately increase the price of energy to consumers in my State of California.

Therefore, maybe every Senator, no doubt, would disagree with some provisions within this bill, S. 1220. That is the nature of a comprehensive bill. The Senate, though, should have the capacity to debate and to decide each of these issues on their respective merits, and vote on them up or down. That, theoretically anyhow, is the nature of this Nation's greatest deliberative body, the U.S. Senate.

Why, Mr. President, is this body so afraid to debate and vote on a national energy strategy? Why is it willing to do nothing to address our energy dependence on the Middle East, even in the aftermath of war?

Why are these Senators, who are opposing taking up this bill the very same ones that said it was a blood-for-oil fight in Iraq, but they do not want to take up the debate on this bill that, in fact, could put in place a national energy strategy?

Why does this body refuse to consider a major international competitive issue, even as our Nation's balance of trade continues to fall? Why, above all, does this body insist on stalemating every important domestic policy initiative to the appeasement of special-interest lobbies?

Mr. President, I am not sure I know all those answers. I do know this, though, and that is, it must end. No more politics as usual. It is time for the U.S. Senate to stand for something, something other than the status quo.

There is no easy way out of our Nation's dependence on foreign oil. The Senate cannot pass a national energy policy unless it is willing to debate it, amend it, and vote for it up or down.

I have heard a lot of speeches this morning and in previous days pointing the finger this way, pointing the finger that way. There is no domestic policy; there is no domestic agenda.

I suggest, Mr. President, that it should all start right here, right here in this House, because we have no domestic agenda. Whether, in fact, it is going to be an agreement on unemployment benefits for the unemployed, whether it is a matter of health policy for this Nation, whether it is education, whether it is energy, whether it is economic growth, and those benefits, none of it is moving.

The last time I counted in this House, the majority party was the Democratic Party, and it has the ability to move anything.

On the other hand, I do not see——

Mr. FORD. Mr. President, will the Senator yield for a question on that?

Mr. SEYMOUR. As soon as I finish my statement, I will be happy to yield.

Mr. FORD. Mr. President, I thought it took 60 votes to move anything.

Mr. SEYMOUR. Mr. President, it seems to me what we have to do is to throw down the partisan war clubs, to work together in the interest of all Americans. I suggest a good place to start would be the unemployment insurance benefits bill. And then let us bring along these other agenda that we are all so eager to address.

Mr. President, we all agree this Nation needs a comprehensive energy strategy, and I challenge the Senate to begin to act now.

SOVIET AID PROVISION OF THE FISCAL YEAR 1992 DEFENSE AUTHORIZATION BILL

Mr. SEYMOUR. Mr. President, I had one other brief item I wanted to discuss, and that was the defense authorization bill as it has been reported out of the conference committee.

We know that the Senate and House Armed Services Committee conferees have tentatively agreed on an amendment to the defense authorization bill for fiscal year 1992 that would give the President authority to transfer $1 billion out of our defense budget, the military budget, for various programs of economic assistance and job retraining in the Soviet Union.

Mr. President, I find this amendment totally ill-conceived, premature, and inappropriate in light of the conditions of both the Soviet and American economies.

The Soviet leaders of today have yet to end their open dispute on the need to scrap their command system of production and move clearly toward a market economy. Only 2 days ago, President Mikhail Gorbachev criticized the bold reform plans of Boris Yeltsin, and there is no constituent republic of the Soviet Union that has passed any law guaranteeing the right to private property, codifying foreign investment procedures, or even beginning to establish guidelines for the creation of independent businesses.

So this amendment proposed by the Armed Services conferees, which neither the House nor the Senate passed on its own, would have Congress approving the diversion of $1 billion from the defense budget for programs to include the training of Soviet military officers in civilian skills, the conversion of military facilities into commercial ones, and the cleanup of environmental pollution generated by weapons production.

Mr. President, in California I know we have over 90,000 people who have lost their jobs as a result of cuts from the Department of Defense and the aerospace industry. How about retraining them? Do you not think we ought to address the needs of our own citizens first? How about the military bases that we all took hits on in all our States, and closed them, and now we have toxics to clean up from the weapons development that took place on those military bases? Why, at a time when we are faced with that, are we cutting a check for $1 billion to the Soviet Union so that they can do those things?

I find it totally unbelievable. I cannot believe that Representative ASPIN even suggested that we would spend $1 billion in such a fashion, when we are faced with all these problems at home. To take our taxpayers' dollars and dump them down a deep and a dark hole in the Soviet Union that has not made its mind up yet which way it is going, I think, is next to criminal.

Mr. President, when that bill comes before us, I would implore my colleagues that we need to reconsider our priorities. Just what is important to us: $1 billion to retrain Soviet military leaders and to convert their military establishment from military facilities into commercial facilities; or is it our greater need right here at home—in my State, the retraining and repositioning in employment of over 90,000 aerospace workers who have lost their jobs in the last 2 years.

Finally, let me say on that particular authorization bill and that $1 billion, we come up and we say: Here is $1 billion that the President can spend in the Soviet Union for economic aid. At the same time, in that bill, we do not have the courage of our convictions to say: Go ahead; build another B–2 bomber. What we say on that one is: Well, we will put the money there, but he will talk about it and we will decide the issue next year.

I suggest, Mr. President, clearly our priorities are out of order. I hope that when that bill comes before this body we will take a second look.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I ask unanimous consent, if necessary, that I may be able to proceed for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. DURENBERGER. Mr. President, I rise this early afternoon to congratulate our new colleague, Senator WOFFORD, on his election in Pennsylvania yesterday. There are few of us who came to this body by special election. It was somewhat more dramatic than mine. Mine was a special election in 1978. I was one of two Republicans that year elected in a Democratic State, the first Democratic State in America, as a matter of fact.

At that time, people were sending messages to Washington for Members of the Senate. It appears—something that I will talk about today—people of Pennsylvania are sending a message to us as well.

I thank my friend, Dick Thornburgh, for being willing to run for the U.S. Senate. We all know it is not what it used to be around this place, and that certainly was reflected in that election. Dick Thornburgh did not have to run for the U.S. Senate. He did not have to offer himself to the people of Pennsylvania for another 2 to 6 years, and he did, and I congratulate him and his family for doing it.

Reading the instant analysis of what it all means and listening to my colleagues here on the floor this morning, it appears that national health reform has arrived on America's political agenda, and to that I say "hallelujah."

Some of us have been crying in this wilderness for long before we came to the U.S. Senate. I think I began in the mid-1970's and have been doing it ever since I got here in 1978. It is an issue that has been a prominent issue for every American family, every business, every unit of government, and every budget of America for that long. And it sounds, from what I can hear this morning, like we are now pledged to do something about it.

It is also appropriate that the people of Pennsylvania have a role to play in this. Because it was the Pennsylvanian John Heinz, whose seat HARRIS WOFFORD takes, who was one of the first national politicians to recognize the pain and the uncertainty caused by the increase in costs and decline in quality of our health system. If we can all now tackle this issue with the same intensity and the same compassion and the same intellectual integrity that John Heinz brought to his work here, then the people of Pennsylvania and the people of America will be well served.

The message from the voters of Pennsylvania is an amplified version of what we heard around the country in Senate races for the last several cycles. In 1988, we heard about long-term care. In 1990, we first heard about universal access. Our colleague, BILL COHEN, heard it up in Maine. Our colleague, MITCH MCCONNELL, heard it in Kentucky. Most of the people who were out and about having their seats contested in 1990 heard about the universal access issue.

Most Americans today are watching their personal bottom line shrinking because their health costs are climbing. And they know that health care, or access to it, is not like eating out or even like buying a new car. Health care is a necessity. So when the price goes up, something else is cut back, like savings, like a college fund for their kids. And projecting just a few years down the road, Americans cannot see how they are going to make ends meet.

I notice on a recent ABC News/Washington Post poll that the third thing, after crimes and drugs in America, most fear having to live with is the cost of educating their kids; not health care, the cost of educating their children. That is ahead of four or five of the issues out there. So if the same Americans who voted in Pennsylvania yesterday and vote in my State and vote around this country are worried about health care, think of what their concerns are about college education and think how combining all of these concerns make them fearful that they are not going to be able to make ends meet.

The bad news—that is the good news. The bad news is there are 37 million Americans who envy them, who would like to have that kind of a worry, because these people do not have any insurance at all, any sense of security. These are the people that live the fearful existence of gambling financial survival on not getting sick. In the meantime, they do not get preventive care and early detection services that could help them avoid that very catastrophe.

So the message Mr. President, is "the system is sick." Not everyone has heard that message. Hopefully, today they have.

I think it would be just as wrong to overinterpret yesterday's results as it would be to ignore them. The message was fix the system—not fix the system with national health insurance or a Canadian-model system or any other specific proposals.

It is appropriate for the American people to be skeptical of anybody who says, "I care deeply about your problem," but then does not propose anything to fix it. Senator WOFFORD put a proposal on the table in Pennsylvania, and that proves that he cares.

But it would be wrong to call this election a referendum on a specific solution to the health crisis. Yesterday was a rejection of the status quo, which I have already said I applaud.

But the other part of the Pennsylvania message was also clear. "We don't trust you folks in Washington, DC." And, to me, that is hardly a mandate for transforming health care into a huge new Federal program, especially when the reform options are presented without price tags, as the Wofford bill was.

Everybody loves a solution that appears to be a free good. But, as we learned with the catastrophic bill right here in two successive sessions, the American people like benefits, but they also eventually check the sticker price.

I have a cartoon here that I think I have used before from Jerry Fearing, who is a very talented cartoonist for the St. Paul Pioneer Press, which communicated that point very well.

Up here is the doctor checking out the uninsured in America and everybody else in the family saying. "Help them. Do something." And here is the doctor looking over here to the folks in the family asking them to help the uninsured, and everybody is bugging out of the room.

Do not forget, Mr. President, the same ABC/Washington Post poll that found that 77 percent of the American people want us to spend more on domestic programs found that 62 percent want us to cut their taxes and 100 percent want us to stop deficit spending.

Yes, yesterday confirmed the diagnosis we have expected for years. The health system is sick. But what it did not do is prescribe the cure. And that is what we have to get busy doing right now.

Let me go to the foot of the bed and take a look at the patient's chart, which is a quick summary of the problems that we have and that we will face.

We have somewhere between 31 million and 37 million Americans without health insurance. We have unmanageable medical costs which spiral for individuals, government, businesses, becoming a national budget buster. We have unequal access to medical services in rural areas and inner cities. We have a very high level of dissatisfaction across the board. What is the diagnosis? To use the big words of the economists, a dysfunctional health marketplace: inflation, complexity and misplaced values, all creating very unequal access for Americans.

And what is the prognoses for the patient? Continued rapid deterioration unless bold action is taken.

We could walk through this, and I hope we do in the next 12 months, because we have another big election coming up in 12 months. We should walk through this during this campaign in our town halls, in our union halls, wherever we go, and talk about what is causing this problem before we start talking about having magic, comprehensive solutions.

What are the causes of this problem? Insurance, which has insulated every American from taking responsibility for their actions for 30 years, is now punishing us when we are unhealthy by not insuring us. That is one big cause.

What you get by way of health insurance depends on where you work. The same product is going to cost somebody in a small business twice as much as in a big business. What sense does that make?

What care you get depends on what doctor you go to, and you do not know whether you are getting good quality care or not. But you know that if you go see a doctor in Miami, it is going to cost you three times as much in Minneapolis for the same procedure.

My colleague from Arkansas is on the floor. He is champion about doing something about the drug prices. Is there any American who can predict the cost of a new drug or why it has to cost so much?

Is there any American who can tell us why each new medical technology that comes on the marketplace has to cost more than the one before it? Prices never go down. And old technology is never rejected. Why?

Does Medicare make any sense to elderly Americans? You have one policy for hospital care, a second policy for the doctor, and then a Medigap policy sold to you by some retired movie actor. What sense does it make?

Does Medicaid make any sense—the national system for the poor—covers only 42 percent of the people below 10 percent of poverty. Does that make any sense?

We could go on and on debating the causes. I just want to share with my colleagues, until we have defined the causes we are not going to come up with the solution. I think that is the wonderful thing about an election. It allows us to debate the causes, the nature of the problem and then it makes us listen to the solutions that come out of Pennsylvania and Minnesota and Tennessee and Arkansas, Wyoming and places like that.

Let me take a couple of minutes to talk about some of the treatment options for this patient.

The first one, I heard some of its proponents on the floor this morning—the first course of treatment has been to ignore the problem. We cannot do that anymore. The first one is ignore the problem, study it, talk about it, consider it, study it some more.

Health care is on the way to being the acid rain of the 1990's. Hopefully that course has now been rejected.

Here are two other approaches. The first is Canada. This describes what you get in Canada. The basic approach is to abandon the free market in favor of a Government program. Here are the side effects from doing that.

At a time when everybody is looking to America to find out how it makes a market work, we want to go to Canada to figure out how to operate a system without a market. It shuts down most efficient access to the provider, depends on the least efficient. You cannot tell a good one from a bad one.

Government will have to control cost by either rationing services as they currently do in Canada, reducing innovation—you do not know when you are going to get sick in Canada because they have no diagnostic equipment up there to determine whether you are sick or not—by compromising quality. Then there is the huge startup and disruption cost.

I do not think anybody in Pennsylvania believes that a Federal Government which is raising the ire of the American people for its inability to solve problems while we spend $1 billion a day more than we take in, is going to succeed at national health care—no way.

I believe that if we try a health system transplant from Canada to the United States the patient is going to reject the foreign tissue. We may share North America with Canada but that does not mean we do not have striking cultural differences which make this transfer inadvisable.

The next idea I participated in. I did not vote for it, but I participated in it. The next idea by my colleagues from the House and Senate, particularly its wonderful chairman JAY ROCKEFELLER who spoke here this morning as well—we identify that as the Pepper Commission—is called pay or play, and it is a redesign of the current system.

This says that the villain in the system is not health care costs, it is employers who will not insure their people so we have to force them to do that. Employers would be mandated to either pay—that is have a new tax put on them like 8, 9 percent of payroll costs in order to fund a Government insurance system; or to play—that is to insure their workers.

From what I know of Minnesota's small businesses and others, that is an easy choice: Pay. Get rid of the whole insurance headache. What you have over time is Canada's system. It just takes you a little longer to get there.

By the way, this is the system that had its clinical trials in Massachusetts and was repealed.

The status quo is unacceptable. The longer we wait to treat the patient, the sicker it becomes. But neither of the alternatives proposed to date is likely to leave the patient better off in the long run.

So what some of us have proposed is a third course. If you will, it is the middle ground between the "just say no" approach and the congressional majority, which has a "just do it" approach.

Here, Mr. President, are five principles which I suggest would constitute a practical, attainable approach to comprehensive health reform.

Genuine reform must control costs. You cannot guarantee universal access in America unless you do something about the costs, and you cannot control costs by appointing a committee to control costs.

Second, repairing the system is more practical and realistic than replacing it. This is a $1 trillion system. In just 4 years you are not going to replace this system.

Government should only promise what it can pay for. We talk about it, we do not practice it. Pennsylvania, Minnesota, Arkansas, Tennessee, Wyoming, Kentucky—wherever you go, this is what the people believe. Government should only promise what it can pay for. So if you are not going to put up a proposal that you are willing to pay for, forget the proposal.

We can get to universal access by helping the working insured get coverage at the workplace and expanding Government programs for the rest. That is an area in which I agree with my colleagues from the Pepper Commission.

The fifth principle, through insurance reform, Tax Code changes, Medicaid/Medicare restructuring we must reallocate resources, change behavior, and clarify relationships to create a new national medical plan system.

We are accustomed in America to think that big problems have to be solved by big solutions. In this issue particularly, there is the hope that there is a big idea, a miracle cure that will fix the system. And I think we are thinking the wrong way. And we are looking for the wrong thing.

We have a big problem all right, but it comes from the interconnection of many, many smaller problems. You cannot solve it all at once because the resources—financial, political, intellectual—are not there.

As the Senator from Texas, chairman of the Finance Committee, has so wisely stated already, what this system needs is what they do in an emergency rooms across the country. It is called triage. Take the most serious problems first, decide which problems to take when those are done, and decide which ones can wait until the end. And that is what I am proposing in this third-course agenda, a series of steps over the next few years to remake this system from the bottom up by fixing the broken parts one by one in order of the severity of their impact on the system.

Small business insurance reform, in the Bentsen-Durenberger bill, offered in the House by Chairman ROSTENKOWSKI. Health insurance tax reform to pay for it. Malpractice reform, medical liability reform. These are the short term things we can do easily. We ought to do them before the next election.

Mid-term: Medicare/Medicaid restructuring, medical technology reform, do something about long-term care, chronic care, and the medical technology arms race. Out comes quality measurements—know what we are paying for when they put these huge prices on them.

Finally, long term, a national medplan system.

Mr. President, in conclusion, the American people have spoken. The system is not working and they want us to fix it. They want us to fix it in a way that they can live with and they can afford to pay for.

Senator BENTSEN and I have made a first step and I hope that others will join us in that step. We proposed other steps and I hope we can all come together between the parties, between the branches of Government, on an agenda for American health care reform which answers the call of the American people for a system which controls cost, provides better access, greater quality, and makes us a healthier, more secure people.

The time for scapegoating and finger pointing has to come to an end. This is the time for all of us to join hands.

The PRESIDING OFFICER. The acting Republican leader.

GOOD NEWS FOR REPUBLICANS

Mr. SIMPSON. Mr. President, let me commend my friend from Minnesota. We need to listen to Senator DAVE DURENBERGER when he speaks on the issue of health care. He also mentioned the Senator from Arkansas. We also need to listen to the Senator from Arkansas when we debate health care issues. He chairs the Senate Select Committee on Aging. Even though it has no legislative jurisdiction, it certainly is an important forum in discussing health care, pharmaceutical problems, and other matters which are so critical to senior citizens.

I have been listening to the fascinating array of material coming to the floor today. It is fascinating stuff. Essentially, I gather, it has to do with the demise of George Bush and the demise of the Republican Party. There is almost an audible humming and harmonic accompaniment to "Happy Days Are Here Again," I heard it lilting through the Chamber.

This is the kind of stuff we've been hearing: "We are in a deep depression and there is a Republican in the White House. We can all dong on him for all the problems of the Nation because, of course, George Bush must have caused them all."

That is an interesting accumulation of old leaves, rubbish, and compost, all in one giant stack.

I do want to commend Senator HARRIS WOFFORD. He ran an excellent campaign. He should be congratulated. I have come to know him since he joined us, and he is a very civil and able gentleman.

I want to congratulate Dick Thornburgh who became Governor when I came to the U.S. Senate in 1979. He and his wife, Ginny, conducted a very vigorous and excellent campaign. He, too, should be commended. However, it was a great Democrat, a friend of mine who helped me more ways than one can imagine on tough legislation, the former Speaker of the House, who is fond of saying "All politics is local." Those were the words of Tip O'Neill. That is exactly what we learned once again from yesterday's results.

Not once have any of my Democratic colleagues this morning mentioned the State of New Jersey, where Republicans for the first time in 20 years gained control of both Houses of the New Jersey legislature. A Democrat spokesman in New Jersey, Dennis Culnan, was quoted in USA Today this morning saying "There was a major Republican blowout. Obviously, the Republican message—you can't have it all and not pay for it—has carried the day." That will be the message that the Republican Party will carry into 1992.

The Democratic Governor, Jim Florio, had urged voters to blame the State's economic woes on George Bush. It did not quite work that way, at least in New Jersey.

Not one of my Democrat colleagues has mentioned Virginia. There were 10 Republicans in the 40-seat state senate unitl yesterday. In January, there will be 18, almost doubling the total.

Not one of my Democrat colleagues had mentioned Mississippi today. In that State, we will have the first Republican Governor since 1874. I think that is largely a tribute to our Senate friend, Senator THAD COCHRAN. He has set the tone there in Mississippi with a thoughtful and caring image as a Republican. And Senator TRENT LOTT, another bright and able man, is also a fine Republican influence in Mississippi. Good Republican country down there in the South. We will have a lot more of that, I feel.

I also note some local headlines in the Post this morning concerning this region, which is heavily Democratic. "In Loudoun County GOP Takes Board majority." "Republican Allen Trounces Slaughter To Win House Seat." In Fairfax County, "Republicans Gain Control of the Board."

So with the exception of the Wofford-Thornburgh race, there is a lot of good news, I think, for the Republican Party today.

I find it interesting that the Democrat speakers today emphasized the health care issue. In 1989 and 1990, the Democratic chorus was for a national energy bill. Last week we tried to bring up a very good bipartisan energy issue. I want to commend Senator BENNETT JOHNSTON and my senior colleague, MALCOLM WALLOP for that. That was rejected by the body.

Now the chorus is for health care reform. We want to pass a good bipartisan health care bill. What will they do when we get a good bipartisan health care bill?

Senator JOHN CHAFEE has worked doggedly on that issue. He leads a Republican health care task force that has been working diligently on this project.

But I think that the Democrats should be aware of what the Democrat spokesman from New Jersey said, and that is, sooner or later we have to pay our bills. I have seen many health care proposals come into this Chamber, and I have seen nothing move because no one is telling us how to pay for it. Not one of the fine proposals presented by Democrats or Republicans has any possible way to pay the bill. The interesting thing is what you are supposed to do is just say it, and drop it in, and hope no one will ask how to pay for it. Just say it and drop it in.

So at some point in time, we must pass a health care bill that is financially sound. I am going to join with Senator CHAFEE and cosponsor his measure, and I am also going to present my own way to pay for it. It will be controversial. I suppose the unions and the Chamber of Commerce people will march arm in arm upon the Chamber if we do embrace my proposal. It would simply require that, yes, the employer can still deduct the premiums and the employee need not report it as income. However, it will be a basic package, no frills. Just a basic package and let's stick with that. You get the deduction as an employer, no reporting of as income as an employee, and that is that. It will not include all the other extra things that we have come to enjoy in the luxury of extraordinary health care, where you get the kind of care you want at the moment you want it as long as someone else is paying for it.

So that is what I will be suggesting. I hope that others who bring health care issues to the floor will try to tell us how we are supposed to pay for it. I think it should not escape the attention of the American public.

I also point out that with just a very small 6-year hiatus, the Democrat Party has conducted the business of Congress for the past 50 years.

We all know how it works. It is not a Reagan budget or a Bush budget or a Carter budget. Although, the budget is sent from the President—it is often announced as "dead on arrival." It goes down here to the other end of the Capitol where they add 10 or 20 percent to it, just to make sure everybody gets stung when it comes over here. That was particularly true when the Republicans had control of this Chamber. It was set up for us to do the cutting and for them to get the credit as doing something for Americans.

Revenue bills originate in the U.S. House of Representatives and there is not enough of a corporal's guard, the Republicans, over there to do a thing about it. That is why the deficit goes up, and up, and up, and that is why the debt limit is $4,145 billion. That is how it works.

I have been here 13 years. I have watched those bills roll out of the House. I have watched them go up 10, 15, 20 percent on each individual appropriations bill. And then our job when we were in the majority here was to look bad and try to cut it back.

The job now is to try to look good, and that is just let everybody vote for it, ship it out, and hope for a veto. And that is designed to make the President look bad. So it is well to remember that both Houses are run by the tax and spenders. On many economic issues, Republicans in the House of Representatives are unable to put up a forceful front. Here we have 43, and because of the rules of the Senate and appropriate filibuster protection, we are able to at least legislate in some way.

So I want to conclude and comment on the remarks of the majority leader. He stated very succinctly that it was George Bush's fault that the unemployed did not get a legislative extension of their benefits. That is not so. The President has always been very willing to sign a bill that was paid for. Others on the majority leader's side wanted a political issue, not a beneficial result for the unemployed. The issue never even came before us until July. If it had been that burning of an issue, we should have heard about it in February, or March, or April. We did not, until it became a political issue.

So let us sort out the doom and gloom rhetoric about George Bush. The Democrats do not have a candidate yet. Even with a hypothetical perfect—perfect, now mind you—Democratic candidate, George Bush does substantially better, according to most recent polls, on almost every issue. What will happen, heaven forbid, when they nominate someone with human flaws that will be picked through in royal fashion? That will be an interesting test.

So to Senator WOFFORD, I congratulate him. Congratulations to Dick and Ginny Thornburgh. They showed great grace and strength. Senator WOFFORD ran a tremendous campaign.

But I can assure you and all the others waiting around to attend the political funeral of George Bush and the Republican Party, you will be waiting a very long time. As Mark Twain would say, the reports of his demise are greatly exaggerated. So, too, is it with the Republican Party. Yesterday's results, with the exception of the race in Pennsylvania, are throughout the country positive news for the Republican Party. I thank the Chair.

EXTENSION OF MORNING BUSINESS

Mr. FORD. Mr. President,, I ask unanimous consent that morning business be extended for 45 minutes, until 1:45 p.m., with the same rules applying.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I ask unanimous consent that Senator PRYOR be recognized for 5 minutes; Senator D'AMATO be recognized for 5 minutes; Senator LIEBERMAN be recognized for 5 minutes; and that Senator ROTH be recognized for 15 minutes, and the remainder of time will be under the control of the Senator from Kentucky.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Arkansas is recognized for 5 minutes.

Mr. PRYOR. Mr. President, I thank the distinguished Democratic whip for arranging for me to speak this afternoon.

I thank you, Mr. President, for recognizing me.

TAXPAYER BILL OF RIGHTS

Mr. PRYOR. Mr. President, as the debate is now beginning to heat up on how to achieve tax fairness for middle-income Americans, I believe that the debate must now also focus on whether middle-income Americans are treated fairly by the tax collector, the Internal Revenue Service.

The Internal Revenue Service, Mr. President, is composed of over 120,000 employees who process over 100 million tax returns and collect over a trillion dollars each year.

Let us be very honest about it. The Internal Revenue Service is going to make some mistakes, and if some IRS employees are going to overstep their bounds, I think we should be very careful that the rights of the individual taxpayers are protected. Even when the Internal Revenue Service makes honest mistakes on only 1 percent of the tax returns that are filed, that it processes, it would mean that the Internal Revenue Service makes over 1 million mistakes a year.

The Internal Revenue Service is faced with a truly awesome task which it cannot fulfill without some error. We should know. Our tax laws should also reflect it.

Mr. President, the American taxpayer should not be required to pay the price for IRS mistakes and improper actions. Safeguards must be built into the law to protect that taxpayer against a potentially devastating effect of such mistakes now.

My colleagues in the Senate led the way recently in recognizing taxpayers' rights. Almost 5 years ago, in early 1987, I introduced the taxpayer bill of rights, S. 604. After hearings held by the Finance Subcommittee on Private Retirement Plans and Oversight of the Internal Revenue Service, I introduced a modified proposal, S. 1774, which reflected many concerns identified in those several hearings. Ultimately, S. 1774 was used as the basis for the omnibus taxpayer bill of rights enacted in 1988.

Mr. President, in 1988 when the taxpayer bill of rights was finally enacted and signed into law by the President of the United States, this was the first time in the history of the American Republic that the taxpayers' rights were looked after in a piece of legislation and were given the benefit of the doubt in case they had disputes with the Internal Revenue Service.

Many times throughout the almost 2-year process of enacting the taxpayer bill of rights, I referred to this legislation as a "good first step." Upon its passage, I promised then that I would be back. Well, Mr. President, now I am back.

In the coming month, I plan to introduce taxpayer bill of rights 2, which will reflect our growing understanding of taxpayers' needs and use as its foundation the taxpayer bill of rights enacted in 1988.

Today, I offer for consideration of my colleagues a list of proposals that will form the nucleus of the taxpayer bill of rights 2. These proposals will help the IRS achieve higher standards of accuracy, timeliness, and fair play in providing taxpayer service. At the same time, these proposals will not diminish or increase the power of the IRS—it simply makes the IRS more accountable for its actions.

Taxpayer bill of rights 2 will, among other concerns, address:

First, the creation of an independent administrative appeals process outside the Internal Revenue Service for taxpayer disputes related solely to taxpayer rights.

Second, increased authority vested in the ombudsman to prevent hardships to taxpayers.

Third, a requirement that the ombudsman provide Congress with quarterly reports related to its activities.

Fourth, elimination of the differential between interest the taxpayer pays to the Internal Revenue Service and the interest the IRS pays to the taxpayer.

Fifth, the strengthening of section 7430 of the code so a taxpayer may recover out-of-pocket costs incurred in a case in which he or she has substantially prevailed and the IRS' position was not substantially justified.

Sixth, a requirement that the IRS must abate interest for unreasonable IRS delays.

Seventh, procedural safeguards in cases where the IRS determines a tax deficiency based on a computer crosscheck.

Eighth, a requirement that all regulations issued by the Treasury Department be prospective unless expressly provided otherwise by Congress.

In addition, Mr. President, there are a number of other proposals designed to safeguard taxpayers rights which are explained in the summary description I will provide for the record. It is my hope this list of proposals will be studied and discussed by the many interested parties in this administration who administer our tax laws and by our colleagues in the Senate.

I look forward to meeting with all individuals involved, all of the groups that might be a part of developing sound and constructive taxpayer bill of rights 2. I plan to hold hearings in the IRS Oversight Subcommittee to debate the merits of these proposals and any others that might come to the subcommittee's attention.

Mr. President, I ask unanimous consent that a summary description of the proposals for the taxpayer bill of rights 2 be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

TAXPAYER BILL OF RIGHTS 2 (T2)

1. Taxpayer Rights Review. T2 will create an independent administrative appeal, out-

side the IRS, but within the Treasury Department. Once a taxpayer has exhausted administrative remedies, he/she may elect to go to Review for a binding determination on certain issues unrelated to the determination of tax liability.

Review Officers will, for example, have specific authority to review taxpayer disputes in the following matters:

a. Recovery of out of pocket costs.

b. Release of erroneous, premature or incorrectly filed liens.

c. Recovery of civil damages for certain unauthorized collection actions.

d. Abatement of interest for unreasonable IRS delay.

e. Recovery of damages due to failure to release liens.

f. Review of installment agreement disputes.

g. Taxpayer Assistance Orders (with expanded authority to cause the IRS to act).

2. The Ombudsman. The Ombudsman presently reports to the IRS Commissioner. T2 will provide that the Ombudsman be appointed by the President and confirmed by the Senate, but left within the IRS. Included in the Ombudsman's scope of power will be the authority to (1) abate assessments, (2) grant refund requests, and (3) stay collection activity. The Ombudsman will have the power to grant authority to his/her designees (i.e., the Problems Resolution officers). Action taken by the Ombudsman will be reported to the Senate Finance Subcommittee on Private Retirement Plans and Oversight of the Internal Revenue Service and the House Ways and Means Committee on Oversight.

The Problems Resolution Office [PRO] presently reports to the local District Director. T2 will provide that PRO report directly to the Ombudsman. The PRO will be hired, supervised reviewed, and promoted or demoted by the Ombudsman.

The visibility of the PRO must be improved. This may be achieved by requiring the IRS to provide PRO officers names and telephone numbers in IRS tax instructions.

In addition, T2 will require the Ombudsman to provide Congress the following quarterly reports:

a. Initiatives the Ombudsman's office has taken on improving taxpayer services and IRS responsiveness.

b. PRO recommendations flowing from the field.

c. A summary of problems encountered (nature of problems) and their resolution.

d. The inventory of open items (initiatives, recommendations, and problems above) on which no action has been taken along with an aging report.

e. Items on which changes have been made and whether or not those changes resolved the underlying problem.

f. Recommended changes that have not been implemented with an aging report and the reasons for not implementing the changes, and the IRS official who made the final decision on each recommended change.

g. If there is a perceived need for legislation to correct a problem or inequity, the report should contain such recommendations.

In addition, the Ombudsman should furnish to Congress it's objectives on an annual basis. These objections should be furnished well in advance of the beginning of the calendar year.

All reports should contain full and substantive analysis, in addition to statistical information.

3. Elimination of Interest Differential. T2 will eliminate the current interest differential (See IRC section 6621) between interest the taxpayer pays the IRS on underpayments and interest the IRS pays the taxpayer on overpayments.

4. Recovery of Administrative Costs. IRC section 7430 presently provides for the recovery of administrative costs incurred on or after the earlier of the receipt of the final decisions of Appeals or the statutory notice of deficiency. Because, generally, no administrative costs are incurred after this period (except where the taxpayer pays the full amount of tax and files a claim for refund), the statutory provision is ineffective. In addition, the burden is on the taxpayer to show that the position of the IRS was not "substantially justified".

T2 will amend section 7430 to provide that any person who substantially prevails in an administrative proceeding can recover reasonable administrative costs, but only if such costs were incurred after the earlier of: (1) the date of the first notice of proposed deficiency that allows the taxpayer an opportunity for administrative review in the IRS Office of Appeals, or (2) the date of the statutory notice of deficiency. In addition, if the notices above are not applicable (i.e., a nondeficiency proceeding-trust fund taxes, etc.), then costs run from the first notice that notified the taxpayer of the assessment or the proposed assessment. No such costs will be recoverable if the Government can show that it's position was substantially justified.

T2 will also amend section 7430 to provide that reasonable fees incurred for the services of qualified taxpayer representatives shall not be in excess of $150 (currently $75) and the amount shall be indexed to inflation.

5. Expansion of Secretary's Authority to Issue Certificate of Release Liens. IRC section 6326(b) requires the Secretary to issue a Certificate of Release for "erroneous" liens only. This extremely narrow language prevents the IRS from issuing the Release on premature or incorrectly filed liens. T2 will grant the Secretary the authority to issue a certificate of release for premature or incorrectly filed liens.

6. Removal of Limits on Recovery of Civil Damages. IRC section 7433 (Civil damages for certain unauthorized collection actions) caps damage awards against the IRS at $100,000. Section 7433 also limits recovery to "reckless and intentional" actions of the IRS. T2 will remove the $100,000 cap and include recovery for "negligent" action by the IRS.

7. Content of Notices. IRC section 7522 (Content of tax due, deficiency, and other notices) requires the IRS to clarify certain notices by January 1, 1990, by identifying and describing the basis for any tax due, as well as any interest and penalties assessed. A year later many IRS notices have not been improved. T2 will provide that notices with inadequate descriptions will be invalid.

8. Abatement of Interest for Unreasonable IRS Delays. IRC section 6404(e)(1) (Assessment of interest attributable to errors and delays by the IRS) provides "the Secretary may abate" interest on "any deficiency in whole or in part to any error or delay by an officer or employee of the IRS (acting in his official capacity) in performing a ministerial act".

The ministerial act requirement too narrowly limits the possibility of relief to the taxpayer. Also, IRS rejection of a taxpayer request to abate interest cannot be reviewed because section 6404(e)(1) provides no guidance for courts as to the appropriate judicial review standard.

T2 will provide that the Secretary must abate interest for unreasonable IRS errors and delays. The ministerial act limitation will be deleted from the statute, and courts will use "unreasonable" as the appropriate standard of review.

9. Secretary's Power to Suspend Rules. T2 will grant the Secretary broad powers to suspend rules which, because of changed circumstances since the enactment of a provision, would cause a hardship on a group of taxpayers.

10. Taxpayer Assistance Orders (TAOs). T2 will expand TAOs to force action by the IRS (e.g. force the IRS to issue a refund), and T2 will provide a judicial remedy for failure to honor TAOs.

11. Damages for Wrongful Liens. Section 7432 provides for a cause of action against the IRS for damages sustained due to failure to release liens. T2 will provide a similar cause of action for wrongful liens, including liens issued after a petition is filed in U.S. Tax Court.

12. Attorney-Client Privilege. T2 will amend the Federal Rules of Evidence to provide that disclosure of information to outside independent auditors will not destroy the attorney-client privilege.

13. Notice of Deficiency. IRC section 6212(a) authorizes the IRS to determine tax deficiencies. The term "determine" is not defined in the Code, and until recently, courts have declined to inquire whether or not, and how, the IRS made its determination. The courts are now beginning to review the IRS process of making a determination and chip away at the long-standing presumption of correctness afforded deficiency notices.

T2 will provide that, in order for an IRS notice of deficiency to be entitled to the presumption of correctness, the IRS will be required to have physically examined the underlying tax return, where such return has been filed. Additionally, T2 will amend section 6212(a) to provide that a "determination" must be "a thoughtful and considered determination that the United States is entitled to an amount not yet paid." *Portillo v. Commissioner*, 832 F.2d 1128 (5th Circuit 1991). If the IRS fails to make a thoughtful and considered determination, then the notice of deficiency will be invalid.

14. Procedural Safeguard Where IRS Determines a Tax Deficiency Based on Information Return Reporting. T2 will provide that where the taxpayer asserts a non-frivolous dispute with respect to any item of income reported to the IRS on an information return, the IRS, not the taxpayer, will bear the burden of proof in any deficiency or refund proceeding absent a showing that the IRS conducted a reasonable investigation of the facts and physically examined the taxpayer's return.

15. Tax Preparation Fees. T2 will provide that fees incurred with respect to the preparation of "Schedule C" (Unincorporated Trade or Business), or "Schedule F" (Farm Income and Expenses) will be allowed as an ordinary and necessary business expense. Thus, such fees will not be subject to the two-percent floor of applicable to miscellaneous itemized deductions. As a result, unincorporated taxpayers or farmers will not be at a disadvantage compared to incorporated businesses that incur tax preparation fees. The IRS has taken the position that such expenses are subject to the two-percent floor.

16. Designated Summons. IRC section 6503(k) permits the IRS to issue a "designated summons" directing the production of documents or other information in connection with the audit of a corporate taxpayer. There is no requirement that the IRS

notify the taxpayer that a designated summons is about to be issued. Under present law, the IRS may issue a designated summons with just 60 days remaining on the statute of limitations, and if the taxpayer does not comply fully with the summons in a relatively short period of time, then the IRS can suspend the statute of limitations by seeking judicial enforcement of that summons. While there may be situations where the use of a designated summons late in the audit process may be appropriate, nonetheless the IRS should not be allowed to surprise taxpayers who reasonably and in good faith believed that the statute of limitations was soon going to expire.

T2 will require the IRS to first seek the requested documents or other information informally. Additionally, IRS will be required to provide written notice that a designated summons is going to be issued and provide an explanation as to why the response, if any, to the prior informal request was not sufficient. Finally, the taxpayer would have the right to a conference with IRS within 15 business days of such written notice. Section 6503(k) provides the IRS with an extraordinary compliance tool, and taxpayers should fairly be warned when IRS intends to utilize it.

17. Increase Levy Exemption Amount. T2 will raise the levy exemption amounts of $1500 for personal property and of $1100 for equipment and property for a trade, business, or profession to the present indexed amounts.

18. Taxpayer's Right to an Installment Agreement. T2 will provide that an individual taxpayer has an automatic right to an installment agreement if the taxpayer has not been delinquent in the previous 3 years and the liability was under $10,000. This provision will be limited to individual Form 1040 taxes.

19. Prospective Effective Dates for Treasury Regulations. T2 will generally require that all regulations issued by the Treasury Department to implement broad legislative guidelines be effective prospectively from the date of issuance in final, temporary, or proposed form. To keep such a presumption from providing shelter for abusive transactions, and to provide for administration of tax laws in the interim between the effective date of a statute and the effective date of the associated regulations, taxpayers would be deemed to have satisfied the necessary requirements if they made a good-faith effort to utilize a reasonable interpretation of the statute that resulted in substantial compliance. This general rule requiring that regulations be prospective could be superseded by a specific legislative grant authorizing the Treasury Department to prescribe the effective date of regulations with respect to statutory provision.

20. Trust Fund Taxes. Section 6672 imposes personal liability on those persons who are required to collect employment taxes and who willfully fail to pay over these taxes to the IRS. Currently, taxpayers who may be responsible persons are assessed the taxes owed without the right to an administrative review. T2 would require the IRS to issue a preliminary notice which will give the taxpayer the right to an administrative appeals hearing. In addition, T2 would provide taxpayers the right to go to Tax Court prior to assessment (via a declaratory judgment procedure similar to section 7476). Steps will also be taken to prevent the IRS from collecting more than 100 percent of the taxes owed (which can happen since each responsible person is jointly and severally liable).

21. Safeguard for Divorced or Separated Spouses. In the case of divorced or separated spouses, procedures will be instituted to require the absent spouse's signature to acknowledge whether the other spouse, may or may not, represent the absent spouse in an audit situation.

22. Notice of Examination by Written Notice. T2 will require that the initial notice of an examination must be made by written notice, not by telephone.

23. Hardship. In the Code, regulations, and other administrative guidance, there exists a standard of "hardship". In many areas the standard has been modified to require that the basis for seeking relief is "undue" hardship or "significant" hardship. For example, IRC section 7811 provides that the Ombudsman may issue a TAO if a determination has been made that the taxpayer is suffering or about to suffer a "significant" hardship.

Such standards presuppose that a taxpayer must bear some degree of hardship before any relief can be afforded. Relief must be available before the hardship occurs.

T2 will eliminate qualifiers such as "undue", "significant", etc. from the Code, regulations, or in any other administrative pronouncement as they relate to the standard of hardship.

24. Notice of Proposed Deficiency. T2 will require that the IRS issue a notice of proposed deficiency (30-day letter), thereby permitting administrative appeal rights. If there are less than six months left on the statute of limitations, then the taxpayer shall have the option to extend the statute of limitations so that the IRS can issue a notice of proposed deficiency. The notice requirement will not apply in jeopardy assessment situations.

Mr. PRYOR. Mr. President, once again I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from New York is recognized for 5 minutes.

GENERIC DRUG APPROVAL PROCESS

Mr. D'AMATO. Mr. President, for several years I have been deeply concerned about the notorious lack of integrity and efficiency in the generic drug approval process at the Food and Drug Administration.

My concerns date back to August 1988, when I wrote to former FDA Commissioner Frank Young demanding an accounting of FDA's procedures to protect the integrity of the application process.

As recently as September 11, I came to the floor of the Senate to publicly urge FDA Commissioner Kessler to make needed changes in the Agency's Generic Drug Division, including taking steps to prevent bias against companies which have criticized the agency.

I regret to say that the agency does not seem to be taking my suggestion seriously. FDA has threatened to obtain an injunction that would totally shut down Barr Laboratories Inc., based in Pomona, NY. Barr is one of America's largest generic drug manufacturers—and, coincidentally, a company that has cooperated extensively in Chairman DINGELL's investigation into the generic drug scandal at FDA.

I certainly have no objections to the agency taking enforcement actions that are justified. In fact, I strongly urge the agency to aggressively pursue those companies which violate the law. However, in this situation, there is a clear appearance that Barr has been singled out for retribution by the bureaucrats in FDA's Generic Drug Division and elsewhere.

Over the course of Chairman DINGELL's investigation into the generic drug scandal, 12 to 13 companies have been found to have filed false and fraudulent drug applications, falsified batch records, misappropriated trade secret data from other companies' applications, manufactured products in filthy conditions and, in one case, substituted a brand name product for its own for testing purposes. Not one of these companies has been singled out by FDA for any injunction—much less one that would shut down the companies' operations.

At the same time, the FDA's own inspectors have conceded that they have found no fraud, no misrepresentations, no false statements, no deception or any other criminal activity at Barr Labs. Moreover, Barr has agreed to cooperate fully with the FDA to resolve any concerns the agency may have.

In view of these facts, I think the FDA must account for why it is trying to shut this company down—putting several hundred New Jersey workers and over 200 New Yorkers out of work, and denying millions of Americans access to low-cost generic drugs produced by Barr Laboratories. Is it because Barr blew the whistle on abuses in the FDA's generic drug approval process? Is it because they gave testimony critical of FDA before the House Oversight and Investigations Subcommittee? It is because they supplied damaging information under oath?

It certainly looks like retaliation to me. Why else would the FDA threaten to destroy a company with no record of fraud and abuse, while failing to go after any of the dozen or more companies that have committed the egregious acts I have just mentioned.

Mr. President, it would appear to me that the FDA is holding Barr Labs hostage as a warning to any company that dares to blow the whistle. That is wrong, and I think the public has a right to know about it.

Mr. President, today I have sent Commissioner Kessler a letter seeking a response as to why FDA is singling Barr out in this manner. I understand that Chairman DINGELL has sent a rather lengthy letter to Commissioner Kessler along these same lines. In addition, I intend to call Commissioner Kessler this afternoon to urge his personal investigation into this matter.

Mr. President, I truly believe that Commissioner Kessler is committed to making the FDA a better agency. However, until he can ensure that his agency's actions are based on the merits—and not on political retaliation by bureaucrats—he will never achieve his goal.

Mr. President, I ask unanimous consent that my August 1988 letter to FDA Commissioner Young and my letter to Commissioner Kessler be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, August 23, 1988.

Dr. FRANK YOUNG,
Commissioner, Food and Drug Administration, Rockville, MD.

DEAR DR. YOUNG: Information has been provided to me which, if accurate, raises the most serious questions about your agency's conduct in generic drug applications.

Barr Laboratories of Pomona, New York, has applied for license to manufacture and market a generic form of conjugated estrogen to be used as a preventative in connection with female osteoporosis, affecting millions of Americans. Barr has been advised that its submissions meet all applicable published FDA protocols. Barr was twice informed in writing by your agency that its product was, under those tests, bioequivalent to the product already on the market.

However, Barr was then asked to submit data from an additional test ("serum absorption") which I am told had not previously existed for this substance. Having purchased and produced several million dollars' worth of the drug in reliance on FDA's earlier letters, Barr offered to accept a conditional license pending resolution of the new tests (and their clinical necessity). This was refused. Moreover, while Barr was verbally informed by one Dr. Rheinstein on July 1 that its application was denied, the FDA has thus far failed or refused to provide written confirmation of this decision, a failure impeding Barr's pursuant of appropriate remedies.

Whatever the merits of Barr's application, fairness—and the law—dictate that it be given timely written notice of final agency action. Failure to provide such notice would represent a very real abuse of administrative authority.

Inquiries to your agency from my staff have produced an even more disturbing impression. Officials of FDA's Office of Drug Standards, in discussing this case, commented that "Ayerst (current marketer of the non-generic drug) knows what's going on at critical times"; and further, "Ayerst says we should be insistent on the tougher standard".

This suggestion of improper involvement, and perhaps influence, in the application process of a potential competitor is deeply alarming. Together with the unexplained failure to provide a written determination to the applicant, it raises grave questions regarding the FDA's approval process which must be addressed.

I am therefore requesting your immediate written response regarding (1) the status of Barr's application, (2) the reasons for delay in providing written confirmation of FDA's determination, and (3) FDA's procedures to protect the integrity of the application process. Please contact my legislative director and counsel, James Wholey, with any questions you may have.

It is my intention to pursue the facts in this matter until they are satisfactorily resolved.

Sincerely,

ALFONSE M. D'AMATO,
U.S. Senator.

U.S. SENATE,
Washington, DC, November 6, 1991.

Re Barr Laboratories, Inc.

DAVID A. KESSLER, M.D.,
Commissioner, Food and Drug Administration, Rockville, MD.

DEAR COMMISSIONER KESSLER: Since 1989, I have been following with keen interest investigations of the Food and Drug Administration's generic drug approval process as well as FDA's response to those investigations, particularly with respect to evidence of improprieties within the Office of Generic Drugs and disparate treatment of various generic drug companies. I have been especially concerned with FDA's treatment of my constituent, Barr Laboratories since Barr testified before the House Oversight Subcommittee in May 1989 about what it perceived to be misconduct and inequities in FDA's treatment of its generic drug applications.

I am particularly concerned about a situation involving recently conducted FDA inspections of Barr's manufacturing facilities in Pomona, New York and Northvale, New Jersey. It is my understanding that FDA, as a result of its inspections, is contemplating an enforcement action requiring Barr to shut down its entire operation because of alleged violations of Good Manufacturing Practices in a handful of products. I understand that Rep. John Dingell, Chairman of the House Subcommittee on Oversight and Investigations, has also raised questions about the FDA's actions in this matter.

I want to make it clear that I do not desire to influence FDA's decision to take any enforcement actions that are justified. However, I do have two fundamental questions about the underlying reasons why FDA has apparently singled out Barr for such a comprehensive enforcement action.

First, during the course of the Oversight Subcommittee's investigations and pursuant to FDA inspections, several generic drug firms were found to have filed false and fraudulent drug applications, falsified batch records, misappropriated trade secret data from other companies' applications, manufactured products in filthy conditions and, in one case, substituted the innovator's product for its own for bioequivalence testing and then attempted to hide this fact from FDA inspectors. Some of these companies and their officials and employees have been convicted for some of these offenses. Yet, to my knowledge, in none of these cases did FDA request injunctive relief as to any of these egregious acts, much less comprehensive injunctive relief against any of these companies' overall operations. I would like to know, then, why the FDA is seeking to enjoin all of Barr's operations while FDA has failed to seek any form of injunctive relief against companies which have admitted fraud?

Second, with reference to FDA's inspectional observations, I am informed that Barr has sought to cooperate with FDA, has agreed to suspend manufacture of those products about which FDA raised concerns, and is willing to take all reasonable steps to alleviate FDA's concerns. Yet, it is my understanding that FDA has stated it will settle for nothing less than a total shutdown, and has refused even to discuss with Barr the company's response to FDA's inspectional observations prior to taking action. What are FDA's reasons for insisting on a total shutdown of all of Barr operations even though Barr has unilaterally suspended production and distribution of those few products about which FDA raised concern and, further, has taken significant additional actions to assure FDA that the remaining products provided by Barr are of the highest quality?

This is a very serious matter that warrants your immediate attention and I would appreciate your prompt response.

If this matter is subject to a formal agency proceeding, please make sure that this correspondence is made part of the applicable public record.

Sincerely,

ALFONSE M. D'AMATO,
U.S. Senator.

Mr. D'AMATO. Mr. President, let me conclude by simply saying this: This is outrageous. You have a problem in the generic drug industry and the one company that steps forward and sets forth reasons and facts as to what is going on is singled out for persecution. Yet, those companies that have committed the most egregious crimes have no action taken against them. That is wrong.

If Kessler is true to his commitment—and I hope he is—then he had better get down to business and see to it that people are not singled out for retribution because they have the courage to stand up and call to the attention of the American public and to the FDA the egregious conduct that is taking place within that agency.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 minutes.

STAFF FLOOR PRIVILEGES

Mr. LIEBERMAN. I thank the Chair. I ask unanimous consent that Michael Henderson, who is a congressional fellow serving in my office this year, be granted the privileges of the floor for this day.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE KUWAITI OIL FIRES

Mr. LIEBERMAN. Mr. President, I rise to call the attention of my colleagues to a significant event that has happened today, half a world away; an event that has been long awaited by people around the world: the extinguishing of the last oil-well fire in Kuwait.

On August 2, 1990, the world was shocked to learn of Saddam Hussein's ruthless invasion of Kuwait. The brutal occupation of Kuwait by Iraqi forces continued until the American-led coalition liberated that nation in February of this year. It was then that the extent of severe damage to Kuwait's infrastructure and its environment became fully known.

One of the most disturbing consequences of Saddam Hussein's aggression against Kuwait was his environmental terrorism: the intentional spilling of millions of gallons of oil into the Persian Gulf, many times greater a spill than occurred after the *Exxon Valdez*, and the premeditated igniting of hundreds of Kuwaiti oil-well fires as acts of vengeance by a retreating army.

I have visited Kuwait, and I must tell my colleagues that there is nothing quite like the experience of seeing the oil-well fires set by Iraqi troops up close. No medieval artist's depiction of Hell—or Hollywood director's vision of war—ever captured the horrific desolation of the blazing oilfields of Kuwait. I was there in August, and I witnessed a dreadful scene of black, white, and gray, forming a backdrop for the roiling reds and yellows of the fires themselves. The heat from the flames makes the normal air temperature—which was 118 degrees the day I was there—seem like a cooling breeze as it assaults the skin. Any metal on one's body—a camera, a belt buckle—becomes as hot as a pan in a fire. And the sound is other worldly, a harsh, unending roar that fills the air and amplifies the impression of the ghostly scene. The tableau of devastation is reflected off the sheen of the lakes of oil that have accumulated from wellheads that blew, but do not flame.

And near one of those wellheads gathers a company of courageous firefighters, covered head to toe in oil, struggling to cut the flow of oil from a wellhead at which they have just extinguished a flame. The day I was there, the firefighters put out their 300th fire, and it was beginning to look like all the fires might be under control in time for the first anniversary of the war's end, next February. It would be, I said at the time, an amazing feat of heroism, skill, and determination if that were so.

Mr. President, even the most optimistic prophets were not optimistic enough. The fires are all out, less than 9 months since the end of the war.

A formal ceremony was actually held in the Burgan oilfield outside Kuwait City, which is the one I visited in August, at which the Emir of Kuwait extinguished that last fire.

I expect that this multinational effort—it was truly an international firefighting effort, led, however, by some great American teams—will go down as one of the most remarkable feats of human courage and skill in recent history.

I would like to take this time to commend the work of the American teams involved: the Red Adair Co., Boots and Coots, and Wild Well Control, all of Texas. These companies, plus a team from Canada, Safety Boss, Ltd., accomplished in about 9 months what some believed would take 4 or 5 years. The sheer number of blazing wells and the enormous amount of equipment needed to fight them were unparalleled in history. And, as a result of this remarkable accomplishment, people in that region can quite literally breathe easier today.

Mr. President, I am privileged to have been appointed by Senator QUENTIN BURDICK, chairman of the Environment and Public Works Committee, to head the Gulf Pollution Task Force of that committee. We have had four meetings where we heard testimony from a variety of witnesses concerning the environmental effects of these fires and the oilspills.

The Gulf Pollution Task Force, of the Senate Environment and Public Works Committee which I chair, has had four meetings where we heard testimony from a variety of witnesses—government, private industry, academia—concerning the environmental effects of the oil well fires and the oilspills on the air, water, and land of the gulf region. At one of our first meetings, the task force was informed that due to bureaucratic and administrative problems, equipment, and supplies needed for firefighting were being delayed days and even weeks at a time. Red Adair testified that lack of heavy equipment and supplies was slowing the progress of all the firefighting teams. He concluded by saying that unless additional support was made available, the firefighting effort might drag on for years.

I am proud to say that our task force was able to respond to Red Adair's plea, and cut through some of the redtape to get vital equipment to the firefighters much quicker than originally planned. Through the cooperation of the Military Airlift Command, large bulldozers and other heavy machinery were delivered directly to the firefighters, helping them get the job done.

With the capping of the last oil well fire, the source for much of the atmospheric and respiratory-related problems will have been controlled. However, much remains to be done in the region in terms of monitoring long-term health effects, reclaiming damaged coastal ecosystems, and disposing of millions of barrels of contaminated oil contained in open pits near the shore. Kuwait's medical and scientific infrastructure remains fractured, hampering greatly needed environmental and health research. Valuable data that could have assisted doctors and scientists in tracking health effects and monitoring meteorological and oceanographic processes was lost because Iraqi forces had destroyed them during their occupation of and withdrawal from Kuwait. Numerous agencies of the American Government attempted to fill the void, including the EPA, the Public Health Service, NOAA, and NASA, which provided technical assistance to Kuwait, Saudi Arabia, and Bahrain, the countries most affected by the oil fires and oilspill. I think we can all be proud of this contribution that the American Government has made to this environmental response.

Mr. President, the final consequences of Saddam Hussein's enviromental aggression are yet to be known. But the most visible, and perhaps the most damaging, reminder—the oil fires of Kuwait—are no more. For that, we are all thankful.

EXTENSION OF MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that the period for morning business be extended to the hour of 2 p.m. and that the distinguished Senator from Delaware [Mr. ROTH] be assigned the 15 minutes from 1:45 until 2 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I yield whatever time necessary to the distinguished Republican leader that I have under my control.

PENNSYLVANIA SENATE RACE

Mr. DOLE. Mr. President, yesterday, men and women across this country exercised our precious right to vote. And today, politicians and pundits are exercising their right to put their spin on the results.

Some will say that the results of the Pennsylvania Senate race are a defeat for President Bush. Others will point to the Mississippi gubernatorial race, the congressional seat in Virginia, and dramatic turn-arounds in the State legislatures of Virginia and New Jersey as rejections of the Democrat philosophy of tax and spend.

I will leave it to others to read the tea leaves, Mr. President. This morning I just want to extend my congratulations to Senator WOFFORD.

The voters of Pennsylvania had a choice between two candidates who have devoted much of their lives to public service. It is no secret that I was rooting for the other candidate, and I know that Dick Thornburgh will continue to make many contributions to his country in the years to come.

But the people have spoken, and Senator WOFFORD will serve in this body for another 3 years.

And on behalf of all Members on this side of aisle, I extend our congratulations. We look forward to working with Senator WOFFORD as we seek to address the concerns of Pennsylvanians and all Americans.

THE CLARKE NOMINATION

Mr. DOLE. Mr. President, during the past few years, Presidential nominees have painfully discovered that Capitol Hill is a dangerous place, bristling with politics and a committee review process that almost everyone now agrees is out of control.

Just ask Clarence Thomas or Robert Bork. Or remember the treatment our late friend John Tower received up here. This morning, we have the latest example of committee bullying: The Democrat majority of the Senate Banking Committee took their frustrations out on Robert Clarke, the President's nominee for Comptroller of the Currency.

By a vote of 12-9, the Democrat-controlled committee denied Mr. Clarke a second term as Comptroller of the Currency.

By a vote of 12-9, the Democrat-controlled committee apparently believes it can absolve itself of commercial bank failures, and the savings and loan mess.

By a vote of 12-9, the Democrat-controlled committee has tried to declare that Congress had no role in this mess, nor can it do anything about it.

It is always easier to point fingers, so by a vote of 12-9, the Democrat-controlled committee has now decreed that Mr. Clarke is the official scapegoat.

As was pointed out this morning in a Washington Post editorial, Mr. Clarke has admitted that this stewardship has not been faultless. "But," they said in endorsing his nomination, "he was on the right track last year when he began to tighten the standards for lending to protect the banking system. And * * * he was on target in 1988, when he sounded the alarm about the growing risks in real estate lending and the dangers in highly leveraged transactions."

It is very unfortunate, Mr. President, that the right track has now been abruptly cut short by Senators taking the easy road of pointing fingers and dodging accountability.

I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

THE KENTUCKY ELECTIONS

Mr. FORD. Mr. President, we have had a lot of good conversation here this morning, a lot of good thoughts. I go back to my earlier statement when I said to my Republican colleagues that it is time we put aside whatever political problems we might have and begin to work on what I believe is perceived out there that we should be doing.

It was mentioned this morning by my distinguished friend from Wyoming that no one had talked about New Jersey. I talked about New Jersey earlier on. And no one had talked about Virginia; I had talked about Virginia earlier on.

I now am going to say something about Kentucky. Kentucky had a Governor race yesterday. All of the statewide constitutional offices were up for approval, selection of the nominees of both parties, and the Democrats won 65 to 35 percent, against a well-known, and I would have thought a very popular Republican Congressman, who had served in the House for six or seven terms—I am not sure.

We had the President come and attempt to raise $1 million for his campaign. We had the Vice President in twice. We had practically every Secretary of the Cabinet in to campaign. And the people of Kentucky, somehow, just did not listen to those people, because if they had, the outcome would have been somewhat different.

Lo and behold, probably the largest majority given to a Democrat in the history of our State, for a statewide office, was given by the people of the Commonwealth yesterday. And the Democrats talked about some things that we have been attempting to bring about here in this Chamber. They talked about health care. The new Governor of Kentucky has had some interest, before he entered into politics, as it relates to health care. He made an extraordinary contribution to the health care of the people of my State. He talked about new jobs; he talked about being frugal; he talked about working together; he talked about bringing people to the table to find answers and solutions to the problems.

I read an article—I believe it was in the Post the day before yesterday—about the innovative ideas that are occurring all across this country as it relates to trying to find solutions that we here in Washington fail to accomplish. So I am very proud and pleased with my State. I think that the issues that were addressed were significant, that the candidates were responsive. There were no divisions in the Democratic platform. It was a well-coordinated campaign. I think the end result speaks for itself.

As we begin to look back and try to, as the Republican leader said, put whatever spin on yesterday's results we want to, I believe that Kentucky expressed itself as to what the people of this country would like to see.

So I am very proud and pleased with the outcome in my State, and I look forward to working very closely with the elected officials so that we might correct some of the problems. Sure, there are some things that are wrong, but you have to work to correct them. And I believe that it is time that we put the cap on the wet pen, the veto. I think it is time that you stop leaning on 34 Republicans to sustain that veto. It just says: If not my way, it will not be done.

We control this Senate. I have not found 60 Democrats over here yet. And we even have to file cloture on a motion to proceed to a bill. Then we have to file cloture to actually vote on that piece of legislation. And then it is vetoed, and it only takes 34.

That kind of cooperation has to stop, and we have to sit down and start working out the problems. I do not believe there is a Republican here that has not been home in the last 3 or 4 months that has not heard the same thing I hear.

Pennsylvania just happened to be the first State to have the ability to respond. They say, think about New Jersey, think about Mississippi. I think a little bit about Louisiana. The strongest denunciation of a candidate running for office was by the President of the United States of the Republican candidate in Louisiana.

But one thing you must say about Pennsylvania. Outside of the Vice President of the United States, the most visible individual in this administration was in Pennsylvania representing the administration. He was the selected candidate, and he was there representing. And to say that the issues were brought to bear there, I think is accurate because, in the last week of the campaign, the Republican candidate in Pennsylvania started talking about health care. He started talking about unemployment. He talked about health care without any increase in taxes. He was trying to one-upmanship everybody else, but it was too late. So now it is time that we understand what is going on. I hope that we will take heed of that.

I go back to my State and say how proud I am of the campaign, how proud I am of the people that led that ticket, and how pleased I will be to be working with them, as I have this past administration, in the years to come.

Mr. President, we have about 15 minutes that could be used by Senators if they wish to come to the floor, and then, at 1:45 p.m., the Senator from Delaware [Mr. ROTH] will have the last 15 minutes before we move to the legislation at hand.

I see no Senator wishing to seek the floor. So I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PREGNANCY COUNSELING IN TITLE X FUNDED CLINICS

Mr. CHAFEE. Mr. President, I was disappointed to learn last evening around 6 o'clock, just on the eve of the vote in the House on the Labor-HHS appropriations bill, that the administration released a letter from President Bush intended to clarify the 1988 regulations governing federally funded family planning clinics. This action, timed and executed as it was, seems to me to be a test of how serious we are about halting implementation of these regulations. You may recall, Mr. President, that the regulations prohibit those family planning clinics, so-called title X clinics, from providing any information to poor pregnant women about pregnancy termination, even when the women asks for such information.

These regulations have been dubbed the "gag rule" because they prohibit health care professionals from answering legitimate questions a woman has about her legal and her medical options. The letter seems to indicate that a doctor could provide more complete information—note the word "doctor"—but still would have no discretion in responding to the question of where a woman could go for pregnancy termination.

Now, Mr. President, this is not an argument about abortion. The title X program does not and has never paid for abortions. Those of us who are in favor of getting rid of the gag rule are not suggesting that title X funds be used to pay for abortions. That has nothing to do with this particular discussion, namely, the gag rule. The disagreement, Mr. President, is over whether a poor woman is entitled to basic information that any other woman would rightly expect from health care professionals.

Since July, I have been negotiating in good faith with representatives of the administration to develop a compromise on this issue. We have been very close to a solution. This letter sent to the Secretary, however, lays out yet another gag which is unacceptable to those of us who want to ensure that poor people get full information without having to jump through hoops that a wealthier woman would never tolerate.

Simply put, this is an attempt to get rid of the problems of the gag rule without removing the gag.

In its clarifying letter, the administration says that only doctors may provide information to women, even though it is well known that, under the title X program, heavy reliance is placed on other health care professionals, such as nurses and physician's assistants. While there is always a medical director who oversees the program, a doctor is simply not available at all times to serve these patients.

This is by no means unusual in our health care system today, and certainly our Presiding Officer, who has had experience as a Governor, knows full well that we do not have doctors in many rural areas. We do not have doctors in many inner-city situations. They are not available to see low-income patients for any health care services, never mind pregnancy counseling.

Let me give you a good example of this. In northern Maine they have no established clinic because the area is too rural and too poor to sustain a doctor. So instead, they have a nurse practitioner who travels by bus or by van to all the towns in rural Maine to provide family planning and general health care services to low-income women in those towns. She is tied in by phone to a medical center in Portland, ME, for medical assistance. This van or bus is partially funded by title X funds. In many cases, this is the only access these women have to any medical care. There are no doctors in the area.

The administration's proposal, which is limited just to doctors, demonstrates a total lack of understanding of the real world and of our health care challenges. So to say that it is all right for a doctor to tell a woman when she asks, what are my options, for the doctor to give her answers, in many, many instances there is no doctor available.

But beyond the availability of doctors, there is another issue. That is the questioning the capability of nurses and physician assistants to provide health care services. Does the administration mean to tell us that nurses and other health care professionals are not capable of providing basic information to women about their health care options? Why this is an insult to nurses and flies in the face of everything we know about how health information and services are provided.

Mr. President, all along, going back some 3 years now, I have been fighting these regulations because they prohibit a poor woman from receiving information about her options. If a woman asks "What are my options?", she is entitled to an answer.

This new proposal says that a woman should receive "complete medical information about her condition." Now this is ambiguous, at least based on my discussions with the administration. Does this mean she will get an answer to her question? I think under this proposal it is quite likely the answer is "No." She probably would get information about prenatal care, but not about all her legal and her medical options.

This is unfair to a poor woman. It is the kind of restriction on information none of us would accept for ourselves. We are trapping these women simply because they are too poor to pay for private medical care. If they had money they could go to a private health provider and get all the information they want. But because they are poor, the Government is saying, "We, the Government, will control their access to information simply because we, the Government, have this power." This is wrong.

The proposal also says—I am talking about the proposal the administration submitted last evening; in other words changing the regulations—a woman may be referred to a full health service provider that also performs abortions. So one might say: "Well, what is the problem? She is referred to a full health care provider. That health care provider also performs abortions. So everything is fine. What is the complaint?"

I have been around and around on this issue with the administration time and time again. The facts are there are very few places which provide abortions and also provide prenatal care.

Let us take my home State of Rhode Island. In my State there is only one place, Women and Infants Hospital, that provides full service health care and also provides abortions. And you might think, all right, that is fine, the woman goes there. But what are the facts?

This hospital does not provide abortions for a woman in her first trimester that is perfectly healthy. They provide abortions only when there are serious complications involved. So under this proposal, a woman would be sent on to Women and Infants Hospital, for example, and find out there she could not, in her first trimester, in an uncomplicated case, receive an abortion. So they would send her to some other place. In other States, there are no providers who would meet this qualification, namely a full service health care provider that also performs abortions.

To me this is cruel. By sending a woman on to Women and Infants Hospital, in my situation at home, it sends a woman on a wild goose chase. When one of us are referred to a health care provider by a doctor or nurse, we expect to be able to get the service we need at that place. We do not expect to be told by a second stop, "Well, go to a third place."

These are poor women. We have to remember that. Many of them work two or three jobs. Many of them have children. They cannot be expected to traipse all over the State looking for services when the answer at the first stop is readily available. I think also we have to remember we are lucky to get many of these low-income women into the health care system to start with.

Finally, let me just say a word about the title X program. This program is intended to increase access for poor women to quality health care services. We get these women into the system. It has been highly successful. It brings women into the health care system who otherwise would have little or no access to such a system. It plays a critical role in screening for sexually transmitted diseases and preventing unwanted pregnancies. In many cases the title X programs serve as the entry point for poor women in the health care system.

We should be doing all we can to improve the program, not finding ways to make it more difficult for poor women to get basic information. These regulations do make matters more difficult and they should be overturned.

TRIBUTE TO GORDON ELIOT WHITE

Mr. GARN. Mr. President, today in Washington, DC, friends and colleagues of Gordon Eliot White will gather to bid farewell to the Deseret News reporter who has covered Washington for more than three decades. It is with great admiration and respect, and also sadness that we say good-bye to Gordon whose career represents the highest standards and achievements of the journalism profession.

I have known Gordon since I came to the Senate in 1975. More than almost any reporter who has covered the Utah delegation during my time in Washington, Gordon has had his finger on the pulse of the Congress. His reporting has always been thorough, fair, and most importantly, honest. Unlike many members of the media, Gordon does his homework. In fact, he has fostered such good sources at Government agencies, and is so well-informed, I have called him on occasion for information on certain issues.

From the Nation's Capital, Gordon has covered the exciting and tumultuous events of the past 34 years. From the beginning of the cold war, through the Vietnam war, the assassination of a President, the first lunar landing, Watergate, the energy crisis, the release of American hostages, to the crumbling of the Iron Curtain and the sweep of democracy across the globe, Gordon has provided Utahns with a grasp of how these critical events in our Nation's history impacted their own lives.

His expertise on energy and water issues has helped Utahns understand the progress of the complicated but critical Central Utah Project, and his proficiency with military and defense issues has given Utahns an understanding of the State's role in U.S. national security. Gordon's outstanding investigative reporting on victims of nuclear fallout from atomic testing in the western United States in the 1950's earned him national recognition and several prestigious awards in journalism.

Like the other citizens of Utah, I will miss the honest, fair, and prolific reporting of Gordon Eliot White. Like his colleagues, I will miss him as an example of the highest journalistic ethics. And as I prepare to leave Washington, I will miss him as a friend. I wish him every success.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,426th day that Terry Anderson has been held captive in Lebanon.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH pertaining to the introduction of S. 1921 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SANFORD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business, under the previous order, is closed.

INDOOR AIR QUALITY ACT OF 1991

The PRESIDING OFFICER. Under the previous order the Senate will proceed to the consideration of S. 455, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 455) to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors.

The Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. TITLE.—(a) This Act, together with the following table of contents, may be cited as the "Indoor Air Quality Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Findings.
Sec. 3. Purpose.
Sec. 4. Definitions.
Sec. 5. Indoor air quality research.
Sec. 6. Management practices and ventilation standards.
Sec. 7. Indoor air contaminant health advisories.
Sec. 8. National indoor air quality response plan.
Sec. 9. Federal building response plan and demonstration program.
Sec. 10. State indoor air quality programs.
Sec. 11. Office of Indoor Air Quality.
Sec. 12. Council on Indoor Air Quality.
Sec. 13. Indoor air quality information clearinghouse.
Sec. 14. Building assessment demonstration.
Sec. 15. State and Federal authority.
Sec. 16. Authorizations.

FINDINGS

SEC. 2. The Congress finds that—

(1) Americans spend up to 90 per centum of a day indoors and, as a result, have a significant potential for exposure to contaminants in the air indoors;

(2) exposure to indoor air contamination occurs in workplaces, schools, public buildings, residences, and transportation vehicles;

(3) recent scientific studies indicate that pollutants in the indoor air include radon, asbestos, volatile organic chemicals (including, formaldehyde and benzene), combustion byproducts (including, carbon monoxide and nitrogen oxides), metals and gases (including, lead, chlorine, and ozone), respirable particles, biological contaminants, microorganisms, and other contaminants;

(4) a number of contaminants found in both ambient air and indoor air may occur at higher concentrations in indoor air than in outdoor air;

(5) indoor air pollutants pose serious threats to public health (including cancer, respiratory illness, multiple chemical sensitivities, skin and eye irritation, and related effects);

(6) up to 15 per centum of the United States population may have heightened sensitivity to chemicals and related substances found in the air indoors;

(7) radon is among the most harmful indoor air pollutants and is estimated to cause between five thousand and twenty thousand lung cancer deaths each year;

(8) other selected indoor air pollutants are estimated to cause between three thousand five hundred and six thousand five hundred additional cancer cases per year;

(9) indoor air contamination is estimated to cause significant increases in medical costs and declines in work productivity;

(10) as many as 20 per centum of office workers may be exposed to environmental conditions manifested as "sick building syndrome";

(11) sources of indoor air pollution include conventional ambient air pollution sources, building materials, consumer and commercial products, combustion appliances, indoor application of pesticides and other sources;

(12) there is not an adequate effort by Federal agencies to conduct research on the seriousness and extent of indoor air contamination, to identify the health effects of indoor air contamination, and to develop control technologies, education programs, and other methods of reducing human exposure to such contamination;

(13) there is not an adequate effort by Federal agencies to develop response plans to reduce human exposure to indoor air contaminants and there is a need for improved coordination of the activities of these agencies;

(14) there is not an adequate effort by Federal agencies to develop methods, techniques, and protocols for assessment of indoor air contamination in non-residential, non-industrial buildings and to provide guidance on measures to respond to contamination; and

(15) State governments can make significant contributions to the effective reduction of human exposure to indoor air contaminants and the Federal Government should assist States in development of programs to reduce exposures to these contaminants.

PURPOSE

SEC. 3. The purposes of this Act are to—

(1) develop and coordinate through the Environmental Protection Agency and at other departments and agencies of the United States a comprehensive program of research and development concerning the seriousness and extent of indoor air contamination, the human health effects of indoor air contaminants, and the technological and other methods of reducing human exposure to such contaminants;

(2) establish a process whereby the existing authorities of Federal statutes will be directed and focused to assure the full and effective application of these authorities to reduce human exposure to indoor air contaminants where appropriate;

(3) provide support to State governments to demonstrate and develop indoor air quality management strategies, assessments, and response programs; and

(4) to authorize activities to assure the general coordination of indoor air quality-related activity, to provide for reports on indoor air quality to Congress, to provide for assessments of indoor air contamination in specific buildings by the National Institute for Occupational Safety and Health, to assure that data and information on indoor air quality issues is available to interested parties, to provide training, education, information, and technical assistance to the public and private sector, and for other purposes.

DEFINITIONS

SEC. 4. For the purposes of this Act, the term—

(1) "Agency" means the United States Environmental Protection Agency;

(2) "indoor" refers to the enclosed portions of buildings including non-industrial workplaces, public buildings, Federal buildings, schools, commercial buildings, residences, and the occupied portions of vehicles;

(3) "indoor air contaminant" means any solid, liquid, semisolid, dissolved solid, biological organism, aerosol, or gaseous material, including combinations or mixtures of substances in indoor air which may reasonably be anticipated to have an adverse effect on human health;

(4) "Federal agency" or "agency of the United States" means any department, agency or other instrumentality of the Federal Government, including any independent agency or establishment of the Federal Government or government corporation;

(5) "Federal building" means any building which is used primarily as an office building, school, hospital, or residence that is owned, leased, or operated by any Federal agency and is over ten thousand square feet in area and any building occupied by the Library of Congress;

(6) "Administrator" means to the Administrator of the Environmental Protection Agency;

(7) "Administration" means the Occupational Safety and Health Administration;

(8) "Director" means the Director of the National Institute of Occupational Safety and Health;

(9) "local education agency" means any educational agency as defined in section 198 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3381); and

(10) "local air pollution control agency" means any city, county, or other local government authority charged with the responsibility for implementing programs or enforcing ordinances or laws relating to the prevention and control of air pollution including indoor air pollution.

INDOOR AIR QUALITY RESEARCH

SEC. 5. (a) AUTHORITY.—(1) The Administrator shall, in coordination with other appropriate Federal agencies, establish a national research, development, and demonstration program to assure the quality of air indoors and as part of such program shall promote the coordination and acceleration of research, investigations, experiments, demonstrations, surveys, and studies relating to the causes, sources, effects, extent, prevention, detection, and correction of contamination of indoor air.

(2) In carrying out the provisions of this section, the Administrator is authorized, subject to the availability of appropriation to—

(A) collect and make available to the public through publications and other appropriate means, the results of research, development and demonstration activities conducted pursuant to this section;

(B) conduct research, development and demonstration activities and cooperate with other Federal agencies, with State and local government entities, interstate and regional agencies, other public agencies and authorities, nonprofit institutions and organizations and other persons in the preparation and conduct of such research, development and demonstration activities;

(C) make grants to the States or to local government entities, to other public agencies and authorities, to nonprofit institutions and organizations, and to other persons;

(D) enter into contracts or cooperative agreements with public agencies and authorities, nonprofit institutions and organizations, and other persons;

(E) conduct studies, including epidemiological studies, of the effects of indoor air contaminants or potential contaminants on mortality and morbidity and clinical and laboratory studies on the immunologic, biochemical, physiological, and toxicological effects including the carcinogenic, teratogenic, mutagenic, cardiovascular, and neurotoxic effects of indoor air contaminants or potential contaminants;

(F) develop and disseminate informational documents on indoor air contaminants describing the nature and characteristics of such contaminants in various concentrations;

(G) develop effective and practical processes, protocols, methods, and techniques for the prevention, detection, and correction of indoor air contamination and work with the private sector, other governmental entities, and schools and universities to encourage the development of innovative techniques to improve indoor air quality;

(H) construct such facilities and staff and equip them as may be necessary to carry out the provisions of this section;

(I) call conferences concerning the potential or actual contamination of indoor air giving opportunity for interested persons to be heard and present papers at such conferences;

(J) utilize, on a reimbursable basis, facilities and personnel of existing Federal scientific laboratories and research centers; and

(K) acquire secret processes, technical data, inventions, patent applications, patents, licenses, and an interest in lands, plants, equipment and facilities and other property rights, by purchase, license, lease, or donation. If the Administrator expects or intends that research pursuant to this subsection will primarily affect worker safety and health, he shall consult with the Assistant Secretary of Occupational Safety and Health and the Director.

(L) conduct research, development and demonstration activities with nonprofit institutions on the use of indoor foliage as a method to reduce indoor air pollution.

(b) PROGRAM REQUIREMENTS.—The Administrator, in coordination with other appropriate Federal agencies, shall conduct, assist, or facilitate research, investigations, studies, surveys, or demonstrations with respect to, but not limited to, the following—

(1) the effects on human health of contaminants or combinations of contaminants at various levels whether natural or anthropogenic including additive, cumulative, and synergistic effects on populations both with and without heightened sensitivity that are found or are likely to be found in indoor air;

(2) the exposure of persons to contaminants that are found in indoor air (including exposure to such substances from sources other than indoor air contamination including drinking water, diet, or other exposures);

(3) the identification of populations at increased risk of illness from exposure to indoor air contaminants and assessment of the extent and characteristics of such exposure;

(4) the exposure of persons to contaminants in different building classes or types, and in vehicles, and assessment of the association of particular contaminants and particular building classes or types and vehicles;

(5) identification of building classes or types and design features or characteristics which increase the likelihood of exposure to indoor air contaminants;

(6) identification of the sources of indoor air contaminants including association of contaminants with outdoor sources, building or vehicle design, classes or types of products, building management practices, equipment operation practices, building materials, and related factors;

(7) assessment of relationships between contaminant concentration levels in ambient air and the contaminant concentration levels in the indoor air;

(8) development of methods and techniques for characterizing and modeling indoor air movement and flow within buildings or vehicles, including the transport and dispersion of contaminants in the indoor air;

(9) assessment of the fate, including degradation and transformation, of particular contaminants in indoor air;

(10) development of methods and techniques to characterize the association of contaminants, the levels of contaminants, and the potential for contamination of new construction with climate, building location, seasonal change, soil and geologic formations, and related factors;

(11) assessment of indoor air quality in facilities of local education agencies and buildings housing child care facilities and development of measures and techniques for control of indoor air contamination in such buildings;

(12) development of protocols, methods, techniques and instruments for sampling indoor air to determine the presence and level of contaminants including sample collection and the storage of samples before analysis and development of methods to improve the efficiency and reduce the cost of analysis;

(13) development of air quality sampling methods and instruments which are inexpensive and easy to use and may be used by the general public;

(14) development of control technologies, building design criteria, and management practices to prevent the entrance of contaminants into buildings or vehicles (for example, air intake protection, sealing, and related measures) and to reduce the concentrations of contaminants indoors (for example, control of emissions from internal sources of contamination, improved air exchange and ventilation, filtration, and related measures);

(15) development of materials and products which may be used as alternatives to materials or products which are now in use and which contribute to indoor air contamination;

(16) development of equipment and processes for removal of contaminants from the indoor air;

(17) research, to be carried out principally by the Occupational Safety and Health Administration and the National Institute for Occupational Safety and Health, for the purpose of assessing—

(A) the exposure of workers to indoor air contaminants including assessment of resulting health effects; and

(B) the costs of declines in productivity, sick time use, increased use of employer-paid health insurance, and worker compensation claims;

(18) research, to be carried out in conjunction with the Secretary of Housing and Urban Development, and the Secretary of the Department of Energy for the purpose of developing—

(A) methods for assessing the potential for radon contamination of new construction, including (but not limited to) consideration of the moisture content of soil, permeability of soil, and radon content of soil; and

(B) design measures to avoid indoor air pollution, and

(19) research, to be carried out in conjunction with the Secretary of Transportation, for the purposes of—

(A) assessing the potential for indoor air contamination in public and private transportation; and

(B) designing measures to avoid such indoor air contamination.

(20) research, to be carried out in consultation with the Administrator for the National Aeronautics and Space Administration, for the purpose of assessing the use of indoor foliage as a means to reduce indoor air contamination, including demonstration projects to determine the level of pollutants reduced by indoor plants in buildings.

(c) TECHNOLOGY DEMONSTRATION PROGRAM.—(1) The Administrator may enter into cooperative agreements or contracts, or provide financial assistance in the form of grants, to public agencies and authorities, nonprofit institutions and organizations, employee advocate organizations, local educational institutions, or other persons, to demonstrate practices, methods, technologies, or processes which may be effective in controlling sources or potential sources of indoor air contamination, preventing the occurrence of indoor air contamination, and reducing exposures to indoor air contamination.

(2) The Administrator may assist demonstration activities under paragraph (1) of this subsection only if—

(A) such demonstration activity will serve to demonstrate a new or significantly improved practice, method, technology or process or the feasibility and cost effectiveness of an existing, but unproven, practice, method, technology, or process and will not duplicate other Federal, State, local, or commercial efforts to demonstrate such practice, method, technology, or process;

(B) such demonstration activity meets the requirements of this section and serves the purposes of this Act;

(C) the demonstration of such practice, technology, or process will comply with all other laws and regulations for the protection of human health, welfare, and the environment; and

(D) in the case of a contract or cooperative agreement, such practice, method, technology, or process would not be adequately demonstrated by State, local, or private persons or in the case of an application for financial assistance by a grant, such practice, method, technology, or process is not likely to receive adequate financial assistance from other sources.

(3) The demonstration program established by this subsection shall include solicitations for demonstration projects, selection of suitable demonstration projects from among those proposed, supervision of such demonstration projects, evaluation and publication of the results of demonstration projects, and dissemination of information on the effectiveness and feasibility of the practices, methods, technologies and processes which are proven to be effective.

(4) Within one hundred and eighty days after the date of enactment of this Act, and no less often than every twelve months thereafter, the Administrator shall publish a solicitation for proposals to demonstrate, prototype or at full-scale, practices, methods, technologies, and processes which are (or may be) effective in controlling sources or potential sources of indoor air contaminants. The solicitation notice shall prescribe the information to be included in the proposal, including technical and economic information derived from the applicant's own research and development efforts, and other information sufficient to permit the Administrator to assess the potential effectiveness and feasibility of the practice, method, technology, or process proposed to be demonstrated.

(5) Any person and any public or private nonprofit entity may submit an application to the Administrator in response to the solicitations required by paragraph (4) of this section. The application shall contain a proposed demonstration plan setting forth how and when the project is to be carried out and such other information as the Administrator may require.

(6) In selecting practices, methods, technologies or processes to be demonstrated, the Administrator shall fully review the applications submitted and shall evaluate each project according to the following criteria—

(A) the potential for the proposed practice, method, technology, or process to effectively control sources or potential sources of contaminants which present risks to human health;

(B) the consistency of the proposal with the recommendations provided pursuant to paragraph (8) of section 8(d);

(C) the capability of the person or persons proposing the project to successfully complete the demonstration as described in the application;

(D) the likelihood that the demonstrated practice, method, technique, or process could be applied in other locations and circumstances to control sources or potential sources of contaminants, including considerations of cost, effectiveness, and technological feasibility;

(E) the extent of financial support from other persons to accomplish the demonstration as described in the application; and

(F) the capability of the person or persons proposing the project to disseminate the results of the demonstration or otherwise make the benefits of the practice, method, or technology widely available to the public in a timely manner.

(7) The Administrator shall select or refuse to select a project for demonstration under this subsection in an expeditious manner. In the case of a refusal to select a project, the Administrator shall notify the applicant of the reasons for the refusal.

(8) Each demonstration project under this section shall be performed by the applicant, or by a person satisfactory to the applicant, under the supervision of the Administrator. The Administrator shall enter into a written agreement with each applicant granting the Administrator the responsibility and authority for testing procedures, quality control, monitoring, and other measurements necessary to determine and evaluate the results of the demonstration project.

(9) The Administrator shall enter into arrangements, wherever practicable and desirable, to provide for monitoring testing procedures, quality control, and such other measurements necessary to evaluate the results of demonstration projects or facilities intended to control sources or potential sources of contaminants.

(10) Each demonstration project under this section shall be completed within such time as is established in the demonstration plan. The Administrator may extend any deadline established under this subsection by mutual agreement with the applicant concerned.

(11) Total Federal funds for any demonstration project under this section shall not exceed 75 per centum of the total cost of such project. In cases where the Administrator determines that research under this section is of a basic nature which would not otherwise be undertaken, or the applicant is a local educational agency, the Administrator may approve grants under this section with a matching requirement other than that specified in this subsection, including full Federal funding.

(12) The Administrator shall, from time to time, publish general reports describing the findings of demonstration projects conducted pursuant to this section. Such reports shall be provided to the Indoor Air Quality Information Clearinghouse provided for in section 13 of this Act.

(d) ASSESSMENT OF SCHOOLS AND CHILD CARE FACILITIES.—(1) The Administrator shall conduct a national assessment of the seriousness and extent of indoor air contamination in buildings owned by local educational agencies and child care facilities.

(2) The Administrator shall establish an advisory group made up of representatives of school administrators, teachers, child care organizations, parents and service employees and other interested parties, including scientific and technical experts familiar with indoor air pollution exposures, effects, and controls, to provide guidance and direction in the development of the national assessment.

(3) The Administrator shall provide a report to Congress of the results of the national assessment not later than two years after the date of enactment of this Act. The report required by this paragraph shall provide such recommendations for activities or programs to reduce and avoid indoor air contamination in buildings owned by local educational agencies and in child care facilities as the Administrator determines to be appropriate.

(e) **[**REPORT**]** *REPORTS* TO CONGRESS.—The Administrator shall, within twenty-four months of the date of enactment of this Act, prepare and submit to the Congress *(1)* a report reviewing and assessing issues related to chemical sensitivity disorders, including multiple chemical sensitivities. The Advisory Committee established pursuant to subsection 7(c) of this Act shall review and comment on the report prior to submittal to the Congress; *(2) The Administrator, in consultation with the Administrator for the National Aeronautics and Space Administration, shall submit to the Congress a report on the research program authorized under paragraph 20 of subsection (b) within 2 years of enactment of this Act.*

(f) CLARIFICATION OF AUTHORITY.—Title IV of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 7401 note) is repealed.

MANAGEMENT PRACTICES AND VENTILATION STANDARDS

SEC. 6. (a) TECHNOLOGY AND MANAGEMENT PRACTICE ASSESSMENT BULLETINS.—(1) The Administrator shall publish bulletins providing an assessment of technologies and management practices for the control and measurement of contaminants in the air indoors.

(2) Bulletins published pursuant to this subsection shall, at a minimum—

(A) describe the control or measurement technology or practice;

(B) describe the effectiveness of the technology or practice in control or measurement of indoor air contaminants and, to the extent feasible, the resulting reduction in risk to human health;

(C) assess the feasibility of application of the technology or practice in buildings of different types, sizes, ages, and designs;

(D) assess the cost of application of the technology or practice in buildings of different types, sizes, ages, and designs, including capital and operational costs; and

(E) assess any risks to human health that such technology or practice may create.

(3) The Administrator shall establish and utilize a standard format for presentation of the technology and management practice assessment bulletins. The format shall be designed to facilitate assessment of technologies or practices by interested parties, including homeowners and building owners and managers.

(4) The Administrator shall provide that bulletins published pursuant to this subsection shall be published on a schedule consistent with the publication of health advisories pursuant to subsection 7(b) of this Act to the extent practicable.

(5) In development of bulletins pursuant to this subsection, the Administrator shall provide for public review and shall consider public comment prior to publication of bulletins. Where the technology or management practice is expected to have significant implications for worker safety or health, the Administrator shall consult with the Director prior to seeking review and comment.

(6) Bulletins published pursuant to this subsection shall be provided to the Indoor Air Quality Information Clearinghouse provided for in section 13 of this Act and, to the extent practicable, shall be made available to architecture, design, and engineering firms and building owners and managers and to organizations representing such parties.

(b) MODEL BUILDING MANAGEMENT PRACTICES TRAINING.—(1) Within twelve months of the date of enactment of this Act, the Director of the National Institute of Occupational Safety and Health, in consultation with the Administrator of the General Services Administration and the Administrator, shall develop an indoor air training course providing training in—

(A) principles, methods, and techniques related to ventilation system operation and maintenance including applicable ventilation guidelines and standards;

(B) maintenance of records concerning indoor air quality, including maintenance of ventilation systems, complaints of indoor air quality, and actions taken to address indoor air quality problems;

(C) health threats posed by indoor air pollutants, including a knowledge of health advisories published pursuant to this Act and other information concerning contaminant levels;

(D) identification of potential indoor air pollutant sources and options for reducing exposures to contaminants;

(E) special measures which may be necessary to reduce indoor air contaminant exposures in new buildings and in portions of buildings which have been renovated or substantially refurbished within the past six months; and

(F) special measures which may be necessary to reduce exposures to contaminants associated with pesticide applications, installation of products, furnishings, or equipment, and cleaning operations.

(2) Within twenty-four months of the date of enactment of this Act, the Director of the National Institute for Occupational Safety and Health shall provide, or contract for the provision of, training courses pursuant to paragraph (1) of this subsection sufficient, at a minimum, to assure training on a schedule consistent with the requirements of paragraph 9(f)(2).

(3) The Director of the National Institute of Occupational Safety and Health, or firms or organizations operating under contract with such Administrator, are authorized to establish a fee for training pursuant to this subsection. Fees shall be in an amount not to exceed the amount necessary to defray the costs of the training program.

(4) The Director of the National Institute of Occupational Safety and Health, in consultation with the Administrator of the General Services Administration, and the Administrator, shall prepare a report to Congress within forty-eight months of the date of enactment of this subsection assessing the training program pursuant to this subsection and making recommendations concerning the application of training requirements to classes and types of buildings not covered by this subsection.

(c) VENTILATION PROGRAM.—(1) The Administrator, in coordination with other Federal agencies, shall conduct a progam to analyze the adequacy of existing ventilation standards and guidelines to protect the public and workers from indoor air contaminants.

(2) The Administrator shall—

(A) identify and describe ventilation standards adopted by State and local governments and professional organizations, including the American Society of Heating, Refrigerating and Air Conditioning Engineers;

(B) determine the adequacy of the standards for protecting public health and promoting worker productivity;

(C) assess the costs of compliance with such standards;

(D) determine the degree to which such standards are being adopted and enforced;

(E) identify the extent to which buildings are being operated in a manner which achieves the standard; and

(F) assess the potential for such standards to complement controls over specific sources of contaminants in reducing indoor air contamination.

(3) The Administrator shall submit to the Congress, within thirty-six months of the enactment of this Act a report which shall—

(A) describe the ventilation program carried out under this Act; and

(B) make recommendations concerning—

(i) the establishment of ventilation standards which protect public and worker health and take comfort and energy conservation goals into account; and

(ii) ensuring that adequate ventilation standards are being adopted and that buildings are being operated in a manner which achieves the standard.

INDOOR AIR CONTAMINANT HEALTH ADVISORIES

SEC. 7. (a) LIST OF CONTAMINANTS.—(1) Within two hundred and forty days after the date of enactment of this Act, the Administrator shall prepare and publish in the Federal Register a list of the contaminants (hereinafter referred to as listed contaminants) that may occur or are known to occur in indoor air at levels which may reasonably be expected to have an adverse impact on human health. The list may include combinations or mixtures of contaminants and may refer to such combinations or mixtures by a common name.

(2) The Administrator shall from time to time and as necessary to carry out the provisions of this Act, but not less often than biennially, review and revise such list adding other contaminants pursuant to the requirements of this Act.

(3) The list provided for in paragraph (1) of this subsection shall include, at a minimum: benzene, biological contaminants, carbon monoxide, formaldehyde, lead, methylene chloride, nitrogen oxide, particulate matter, asbestos, polycyclic aromatic hydrocarbons (PAHs), and radon.

(4) In development of the list provided for in paragraph (1) of this subsection or in revision of such list pursuant to paragraph (2), the Administrator shall consult with the advisory panel provided for in subsection (c) of this section and provide for public review and shall consider public comment prior to issuance of a final list.

(5) The listing of contaminants under this subsection is not an agency rulemaking. In considering objections raised in any judicial or related action, the Administrator's decision to list a particular contaminant shall be upheld unless the objecting party can demonstrate that the decision was arbitrary or capricious or otherwise not in accordance with the law. The list of contaminants prepared in accordance with this subsection shall not be construed to indicate that those contaminants not listed are safe for human exposure or without adverse health effect.

(6) Upon application of the Governor of a State showing that a contaminant or potential contaminant in the indoor air which is not listed pursuant to paragraph (1) of this subsection may reasonably be anticipated to have an adverse effect on human health as a result of its presence in the indoor air, the Administrator shall, within ninety days, revise the list established by paragraph (1) of this subsection to include such contaminant or publish in the Federal Register the reasons for not making such a revision.

(b) CONTAMINANT HEALTH ADVISORIES.—(1) The Administrator shall, in consultation with the advisory panel, provided for in subsection (c) of this section, and after providing for public review and comment pursuant to paragraph (6), publish advisory materials addressing the adverse human health effects of listed contaminants.

(2) Such advisory materials shall, at a minimum, describe—

(A) the physical, chemical, biological, and radiological properties of the contaminant;

(B) the adverse human health effects of the contaminant in various indoor environments and in various concentrations;

(C) an analysis of the risk posed by the contaminant to human health at the full range of concentration levels, including risk to subpopulations which may be especially sensitive to exposure to the contaminant;

(D) the extent to which the contaminant, or a mixture of contaminants, is associated with a particular substance or material and emissions rates which are expected to result in varying levels of contaminant concentration in indoor air;

(E) any Technology and Management Practice Assessment Bulletin which is applicable to the contaminant and any actions which are identified for the contaminant in the National Indoor Air Quality Response Plan prepared pursuant to this Act; and

(F) any indoor air contaminant standards or related action levels which are in effect under any authority of a Federal statute or regulation, the authority of State statutes or regulations, the authority of any local government, or the authority of another country, including standards or action levels suggested by appropriate international organizations.

(2) Health advisories published pursuant to this section shall in no way limit or restrict the application of requirements or standards established under any other Federal statute.

(3) The Administrator shall establish and utilize a standard format of presentation of indoor air contaminant health advisories. The format shall be designed to facilitate public understanding of the range of risks of exposure to indoor air contaminants and shall include a summary of the research and information concerning the contaminant which is understandable to public health professionals and to those who lack training in toxicology.

(4) The Administrator shall publish health advisories for listed contaminants as expeditiously as possible. At a minimum, the Administrator shall publish not less than six advisories within eighteen months of the date of enactment of this Act and shall publish an additional six advisories within thirty-six months of the date of enactment of this Act.

(5) Health advisories shall be based on the most current available scientific and related findings or information and shall be reviewed, revised, and republished to reflect new scientific and related findings or information on a periodic basis but not less frequently than every five years.

(6) In development and revision of health advisories pursuant to this subsection, the Administrator shall provide for public review and comment, including provision of notice in the Federal Register of the intent to publish a health advisory not less than ninety days prior to publication, and shall consider public comment prior to issuance of an advisory.

(c) ADVISORY PANEL.—The Indoor Air Quality and Total Human Exposure Committee of the Environmental Protection Agency Science Advisory Board shall advise the Administrator with respect to the implementation of this section including, but not limited to, the listing of contaminants, the contaminants for which advisories should be published, the order in which advisories should be published, the content, quality, and format of advisory documents, and the revision of such documents. The Administrator shall provide that a representative of the Agency for Toxic Substances and Disease Registry, the Department of Energy Office of Health and Environmental Research, the National Institute for Occupational Safety and Health, and the National Institute for Environmental Health Sciences shall participate in the work of the Advisory Panel as ex officio members.

NATIONAL INDOOR AIR QUALITY RESPONSE PLAN

SEC. 8. (a) AUTHORITY.—(1) The Administrator shall, in coordination with other appropriate Federal agencies, develop and publish a national indoor air quality response plan.

(2) The response plan shall provide for implementation of a range of response actions identified in subsections (b) and (c) which will result in the reduction of human exposure to indoor air contaminants listed pursuant to section 7(a) of this Act and attainment, to the fullest extent practicable, of indoor air contaminant levels which are protective of human health.

(b) EXISTING AUTHORITY.—The Administrator, in coordination with other appropriate Federal agencies, shall include in the plans provided for in subsection (a) of this section a description of specific response actions to be implemented based on existing statutory authorities provided in—

(1) the Clean Air Act (42 U.S.C. 7401 et seq.);

(2) the Toxic Substances Control Act (15 U.S.C. 201 et seq.);

(3) the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.);

(4) the Safe Drinking Water Act (42 U.S.C. 300 et seq.);

(5) the authorities of the Consumer Product Safety Commission;

(6) the authorities of the Occupational Safety and Health Administration and the National Institute for Occupational Safety and Health; and

(7) other regulatory and related authorities provided under any other Federal statute. In implementation of response actions pursuant to paragraph (6) of this subsection the Assistant Secretary for Occupational Safety and Health shall consult with representatives of State and local governments and their employees with respect to States where the Occupational Safety and Health Administration lacks jurisdiction over State and local employees.

(c) SUPPORTING ACTIONS.—The Administrator, in coordination with other appropriate Federal agencies, shall include in the plans provided for in subsection (a) of this section a description of specific supporting actions including, but not limited to—

(1) programs to disseminate technical information to public health, design, and construction professionals concerning the risks of exposure to indoor air contaminants and methods and programs for reducing exposures to such contaminants;

(2) development of guidance documents addressing individual contaminants, groups of contaminants, sources of contaminants, or types of buildings or structures and providing information on measures to reduce exposure to contaminants including—

(A) the estimated cost of such measures;

(B) the technologic feasibility of such measures; and

(C) the effectiveness and efficiency of such measures.

(3) education programs for the general public concerning the health threats posed by indoor air contaminants and appropriate individual response actions;

(4) technical assistance including design and implementation of training seminars for State and local officials, private and professional firms, and labor organizations dealing with indoor air pollution and addressing topics such as monitoring, analysis, mitigation, building management practices, ventilation, health effects, public information and program design;

(5) development of model building codes, including ventilation rates, for various types of buildings designed to reduce levels of indoor air contaminants;

(6) identification of contaminants, or circumstances of contamination for which immediate action to protect public and worker health is necessary and appropriate and a description of the actions needed;

(7) identification of contaminants, or circumstances of contamination, where regulatory or statutory authority is not adequate to address an identified contaminant or circumstance of contamination and recommendation of legislation to provide needed authority;

(8) identification of contaminants, or circumstances of contamination, where continued reduction of contamination requires development of technology or technological mechanisms; and

(9) identification of remedies to "sick building syndrome", including proper design and maintenance of ventilation systems, building construction and remodeling practices, and safe practices for the application of pesticides, herbicides, and disinfectants, and a standardized protocol for investigating and solving indoor air quality problems in sick buildings.

(d) CONTENTS OF PLAN.—In describing specific actions to be taken under subsections (b) and (c) of this section, the Administrator, in coordination with other appropriate Federal agencies, shall—

(1) identify the health effects, and any contaminant or contaminants thought to cause health effects to be addressed by a particular action and to the fullest extent feasible, the relative contribution to indoor air contamination from all sources of contamination;

(2) identify the statutory basis for the action;

(3) identify the schedule and process for implementation of the action;

(4) identify the Federal agency with jurisdiction for the specific action which will implement the action; and

(5) identify the financial resources needed to implement the specific action and the source of these resources.

(e) SCHEDULE.—Response plans provided for in subsection (a) shall be submitted to Congress within twenty-four months of enactment of this Act and biennially thereafter.

(f) REVIEW.—(1) The Administrator shall provide for public review and comment on the response plan provided for in this section, including provision of notice in the Federal Register for public review and comment not less than three months prior to submission to the Congress. The Administrator shall include in the response plan a summary of public comments.

(2) The Administrator shall provide for the review and comment on the response plan by the Council on Indoor Air Quality provided for under section 12 of this Act.

(g) ASSESSMENT OF MONITORING AND MITIGATION SERVICES.—The Administrator shall include in the first plan published pursuant to this section an assessment of indoor air monitoring and mitigation services provided by private firms and other organizations, including the range of such services, the reliability and accuracy of such services, and the relative costs of such services. The assessment required by this subsection shall include a review and analysis of options for oversight of indoor air monitoring and mitigation firms and organizations, including registration, licensing, and certification of such firms and organizations and options for imposing a user fee on such firms and organizations.

FEDERAL BUILDING RESPONSE PLAN AND DEMONSTRATION PROGRAM

SEC. 9. (a) AUTHORITY.—The Administrator and the Administrator of the General Services Administration shall develop and implement a program to respond to and reduce in-

door air contamination in Federal buildings and to demonstrate methods of reducing indoor air contamination in new Federal buildings.

(b) Federal Building Response Plan.—(1) The Administrator of the General Services Administration, in consultation with the Administrator, the Assistant Secretary for Occupational Safety and Health Administration, the Director, and affected Federal departments or agencies shall prepare response plans addressing indoor air quality in Federal buildings. The plans shall, to the fullest extent practicable, be developed in conjunction with response plans pursuant to section 8 of this Act.

(2) The response plan shall provide for implementation of a range of response actions which will result in the reduction of human exposure to indoor air contaminants listed pursuant to section 7(a) of this Act, and attainment, to the fullest extent practicable, of indoor air contaminant concentration levels which are protective of public and worker health.

(3) Federal building response plans provided for in paragraph (1) of this subsection shall include—

(A) a list of all Federal buildings;

(B) a description and schedule of general response actions including general building management practices, product purchase guidelines, air quality problem identification practices and methods, personnel training programs, and other actions to be implemented to reduce exposures to indoor air contaminants in those buildings listed in paragraph (A);

(C) a list of individual Federal buildings listed in paragraph (A) for which there is sufficient evidence of indoor air contamination or related employee health effects to warrant assessment of the building pursuant to section 14 of this Act and a schedule for development and submittal of building assessment proposals pursuant to subsection 14(d) of this Act;

(D) a description and schedule of specific response actions to be implemented in each specific building identified in paragraph (C) and assessed pursuant to section 14 of this Act;

(E) an identification of the Federal agency responsible for funding and implementation of each response action identified in paragraphs (B) and (D); and

(F) an identification of the estimated costs of each response action identified in paragraphs (B) and (D) and the source of these resources.

(4) The response plan provided for in this subsection shall address each Federal building identified in paragraph 3(A), except that specific buildings may be exempted from coverage under this subsection. Such buildings may be exempted on the grounds of—

(A) national security;

(B) anticipated demolition or termination of Federal ownership within three years; and

(C) specialized use of a building which precludes necessary actions to reduce indoor air contamination.

(5) The plan provided for in subsection (b) shall be submitted to Congress within twenty-four months of enactment of this Act and biennially thereafter.

(6) The Administrator of the General Services Administration shall provide for public review and comment on the response plan provided for in this section, including provision of notice in the Federal Register not less than three months prior to submission to the Congress.

(7) The response plan shall include a summary of public comments. The Council on Indoor Air Quality, provided for under section 12 of this Act, shall review and comment on the plan.

(c) Indoor Air Quality Reserve.—(1) The Administrator of the General Services Administration shall reserve 0.5 per centum of any funds used for construction of new Federal buildings for design and construction of measures to reduce indoor air contaminant concentrations within such buildings.

(2) Measures which may be funded with the reserve provided for in this subsection may include, but are not limited to—

(A) development and implementation of general design principles intended to avoid or prevent contamination of indoor air;

(B) design and construction of improved ventilation techniques or equipment;

(C) development and implementation of product purchasing guidelines;

(D) design and construction of contaminant detection and response systems;

(E) development of building management guidelines and practices; and

(F) training in building and systems operations for building management and maintenance personnel.

(3) Upon completion of construction of each Federal building covered by this section, the Administrator of the General Services Administration shall file with the Administrator, with the Clearinghouse established under section 13 of this Act, and with the Council established under section 12 of this Act, a report describing the uses made of the reserve provided for in this subsection. Such report shall be in sufficient detail to provide design and construction professionals with models and general plans of various indoor air contaminant reduction measures adequate to assess the appropriateness of such measures for application in other buildings.

(4) The Administrator of the General Services Administration, with the concurrence of the Administrator, may exempt a planned Federal building from the requirements of this subsection if he finds that such exemption is required on the grounds of national security or that the intended use of the building is not compatible with the authority of this section.

(d) New EPA Building.—Any new building constructed for use by the Environmental Protection Agency as headquarters shall be designed, constructed, maintained, and operated as a model to demonstrate principles and practices for protection of indoor air quality.

(e) Building Comments.—(1) The Administrator of the General Services Administration, in consultation with the Administrator, the Assistant Secretary for Occupational Safety and Health Administration, and the Director, shall provide, by regulation, a method and format for filing and responding to comments and complaints concerning indoor air quality in Federal buildings by workers in such buildings and by the public. The procedure for filing and responding to worker complaints shall supplement and not diminish or supplant existing practices or procedures established under the Occupational Safety and Health Act and executive orders pertaining to health and safety for Federal employees.

(2) A listing of each such filing and an analysis of such filings shall be included in each response plan prepared pursuant to this section. Such listing shall preserve the confidentiality of individuals making filings under this section. Such listing shall preserve the confidentiality of the individuals making filings under this section.

(3) Regulations implementing this subsection shall be promulgated at the earliest possible date, but not later than twenty-four months from the date of enactment of this Act.

(f) Building Ventilation and Management Training.—(1) Within six months of the date of enactment of this Act the Administrator of the General Services Administration shall designate, or require that a lessee designate, an Indoor Air Quality Coordinator for each Federal building which is owned or leased by the General Services Administration. An Indoor Air Quality Coordinator shall not serve more than one building.

(2) Within forty-eight months of the date of enactment of this Act, each Indoor Air Quality Coordinator shall complete the indoor air training course operated pursuant to section 6(b) of this Act. After thirty-six months from the date of enactment of this Act, each newly designated Indoor Air Quality Coordinator shall complete the indoor air training course within twelve months of designation.

(3) In any case where the Administrator of the General Services Administration finds that a lessee has failed to designate and train an Indoor Air Quality Coordinator pursuant to the requirements of this Act, the Administrator of the General Services Administration shall not reestablish a lease for such building.

STATE AND LOCAL INDOOR AIR QUALITY PROGRAMS

Sec. 10. (a) Management and Assessment Strategy Demonstration.—(1) The Governor of a State may apply to the Administrator for a grant to support demonstration of the development and implementation of a management strategy and assessment with respect to indoor air quality within such State.

(2) State indoor air quality management strategies shall—

(A) identify a lead agency and provide an institutional framework for protection of indoor air quality;

(B) identify and describe existing programs, controls or related activities concerning indoor air quality within State agencies including regulations, educational programs, assessment programs, or other activities;

(C) identify and describe existing programs, controls, or related activities concerning indoor air quality of local and other sub-State agencies and assure coordination among local, State, and Federal agencies involved in indoor air quality activities in the State; and

(D) assure coordination of indoor air quality programs with ambient air quality programs and related activities.

(3) State indoor air quality assessment programs shall—

(A) identify indoor air contaminants of concern and, to the extent practicable, assess the seriousness and the extent of indoor air contamination by contaminants listed in section 7(a) of this Act;

(B) identify the classes or types of buildings or other indoor environments in which indoor air contaminants pose the most serious threat to human health;

(C) if applicable, identify geographic areas in the State where there is a reasonable likelihood of indoor air contamination as a result of the presence of contaminants in the ambient air or the existence of sources of a contaminant;

(D) identify methods and procedures for indoor air contaminant assessment and monitoring;

(E) provide for periodic assessments of indoor air quality and identification of indoor air quality changes and trends; and

(F) establish methods to provide information concerning indoor air contamination to the public and to educate the public and interested groups, including building owners and design and engineering professionals, about indoor air contamination.

(4) As part of a management strategy and assessment pursuant to this subsection, the applicant may develop contaminant action levels, guidance, or standards and may draw on health advisories developed pursuant to section 7 of this Act.

(5) States which are selected to demonstrate the development of management and assessment strategies shall provide a management strategy and assessment pursuant to subsections (2) and (3) to the Administrator within thirty-six months of selection and shall certify to the Administrator that the strategy and assessment meet the requirements of this Act.

(6) States shall provide for public review and comment on the management strategy and assessment prior to submission of such strategy and assessment to the Administrator.

(b) RESPONSE PROGRAMS.—(1) A Governor of a State or the executive officer of a local air pollution control agency may apply to the Administrator for grant assistance to develop a response program designed to reduce human exposure to an indoor air contaminant or contaminants in the State, or in a specific class or type of building in that State, or in a specific geographic area of that State.

(2) A response program shall—

(A) address a contaminant or contaminants listed pursuant to section 7(a) of this Act;

(B) identify existing data and information concerning the contaminant or contaminants to be addressed, the class or type of building to be addressed, and the specific geographic area to be addressed;

(C) describe and schedule the specific actions to be taken to reduce human exposure to the identified contaminant or contaminants including the adoption and enforcement of any ventilation standards;

(D) identify the State or local agency or public organization which will implement the response actions;

(E) identify the Federal, State, and local financial resources to be used to implement the response program; and

(F) provide for the assessment of the effectiveness of the response program.

(3) As part of a response program pursuant to this subsection, an applicant may develop contaminant action levels, guidance, or standards based on health advisories developed pursuant to section 7 of this Act.

(4) As part of a response program pursuant to this subsection, an applicant may develop a standard establishing a ventilation rate or rates for a class or classes of buildings including development assessment and compliance programs needed to implement the standard.

(5) As part of the response program pursuant to this subsection, an applicant may develop a response plan addressing indoor air quality in State and local government buildings. Such plans shall, to the fullest extent practicable, be consistent with response plans developed pursuant to section 9 of this Act.

(c) GRANT MANAGEMENT.—(1) Grants under subsection (a)(1) of this subsection shall not be less than $75,000 for each fiscal year.

(2) In selecting States for demonstration and implementation of management strategies and assessments under subsection (a)(1) the Administrator shall consider—

(A) the previous experience of the State in addressing indoor air quality issues;

(B) the seriousness of the indoor air quality issues identified by the State; and

(C) the potential for demonstration of innovative management or assessment measures which may be of use to other States.

(3) In selecting States for demonstration of management strategies and assessments under subsection (a)(1), the Administrator shall focus resources to assure that sufficient funds are available to selected States to provide for the development of comprehensive and thorough management strategies and assessments in each selected State and to adequately demonstrate implementation of such strategies and assessments.

(4) Grants under subsection (b)(1) of this section shall not exceed $250,000 per fiscal year and shall be available to the State for a period of not to exceed three years.

(5) In selecting response programs developed under subsection (b) for grant assistance, the Administrator shall consider—

(A) the potential for the response program to bring about reductions in indoor air contaminant levels;

(B) the contaminants to be addressed, giving priority to contaminants for which health advisories have been developed pursuant to section 7 of this Act;

(C) the type of building to be addressed, giving priority to building types in which substantial human exposures to indoor air contaminants occur;

(D) the potential for development of innovative response measures or methods which may be of use to other States or local air pollution control agencies; and

(E) the State indoor air quality management strategy and assessment, giving priority to States with complete indoor air management strategies and assessments.

(6) The Federal share of grants under subsections (a) and (b) of this section shall not exceed 75 per centum of the costs incurred in demonstration and implementation of such activities and shall be made on the condition that the non-Federal share is provided from non-Federal funds.

(7) Funds granted pursuant to subsections (a) and (b) of this section in a fiscal year shall remain available for obligation for the next fiscal year in which obligated and for the next following fiscal year.

(8) No grant shall be made under this section in any fiscal year to a State or local air pollution control agency which in the preceding year received a grant under this section unless the Administrator determines that such agency satisfactorily implemented such grant activities in such preceding fiscal year.

(9) States and air pollution control agencies shall provide such information in applications for grant assistance and pertaining to grant funded activities as the Administrator requires.

OFFICE OF INDOOR AIR QUALITY

SEC. 11. (a) ESTABLISHMENT.—The Administrator shall establish an Office of Indoor Air Quality within the Office of Air and Radiation at the Environmental Protection Agency.

(b) RESPONSIBILITIES.—The Office of Indoor Air Quality shall—

(1) list indoor air contaminants and develop health advisories pursuant to section 7 of this Act;

(2) develop national indoor air quality response plans as provided for in section 8 of this Act;

(3) manage Federal grant assistance provided to air pollution control agencies under section 10 of this Act;

(4) assure the coordination of Federal statutes and programs administered by the Agency relating to indoor air quality and reduce duplication or inconsistencies among these programs;

(5) work with other Federal agencies, including the Occupational Safety and Health Administration and the National Institute for Occupational Safety and Health, to assure the effective coordination of programs related to indoor air quality; and

(6) work with public interest groups, labor organizations, and the private sector in development of information related to indoor air quality including the health threats of human exposure to indoor air contaminants, the development of technologies and methods to control such contaminants, and the development of programs to reduce contaminant concentrations.

COUNCIL ON INDOOR AIR QUALITY

SEC. 12. (a) AUTHORITY.—There is established a Council on Indoor Air Quality.

(b) RESPONSIBILITIES.—The Council on Indoor Air Quality shall—

(1) provide for the full and effective coordination of Federal agency activities relating to indoor air quality;

(2) provide a forum for resolution of conflicts or inconsistencies in policies or programs related to indoor air quality;

(3) review and comment on the national indoor air response program developed pursuant to section 8 of this Act and the Federal Building Response Plan developed pursuant to section 9(b); and

(4) prepare a report to Congress pursuant to subsection (d) of this subsection.

(c) ORGANIZATION.—(1) The Council on Indoor Air Quality shall include senior representatives of Federal agencies involved in indoor air quality programs including—

(A) the Environmental Protection Agency;

(B) the Occupational Safety and Health Administration;

(C) the National Institute of Occupational Safety and Health;

(D) the Department of Health and Human Services;

(E) the Department of Housing and Urban Development;

(F) the Department of Energy;

(G) the Department of Transportation;

(H) the Consumer Product Safety Commission; and

(I) the General Services Administration.

(2) The Environmental Protection Agency shall chair the Council in the two years following enactment of this Act. In each subsequent year, members of the Council shall select the chair for that year.

(3) The Council shall be served by a staff to include an Executive Director and not less than three full-time equivalent employees.

(d) REPORT TO CONGRESS.—(1) The Council shall submit to the Congress, within eighteen months of enactment of this Act, and biennially thereafter, a report which shall—

(A) describe and assess the seriousness, extent, and characteristics of indoor air contamination throughout the country;

(B) summarize the major research issues concerning the protection of indoor air quality, describe the research accomplishments of Federal agencies over the previous two years, and provide an agenda of indoor air quality research for individual Federal agencies over a three-year period;

(C) summarize actions taken pursuant to this Act over the previous year, including publication of health advisories, implementation of national and Federal building response plans, and assistance to States;

(D) provide a general description of the activities to be conducted by Federal agencies to address indoor air quality problems over the following three-year period; and

(E) make recommendations for any actions needed to assure the quality of indoor air, including recommendations relating to institutional structures, funding, and legislation.

(2) The Council shall provide for public review and comment on the report required by this subsection.

INDOOR AIR QUALITY INFORMATION CLEARINGHOUSE

SEC. 13. (1) The Administrator is authorized and directed to establish a national indoor air quality clearinghouse to be used to disseminate indoor air quality information to other Federal agencies, State, and local governments, and private organizations and individuals.

(2) The clearinghouse shall be a repository for reliable indoor air quality related information to be collected from and made available to government agencies and private organizations and individuals. At a minimum, the clearinghouse established by this section shall make available reports, programs, and materials developed pursuant to the requirements of this Act.

(3) The clearinghouse shall operate a toll-free "hotline" on indoor air quality which shall be available to provide to the public general information about indoor air quality and general guidance concerning response to indoor air quality contamination problems.

(4) The Administrator may provide for the design, development, and implementation of the clearinghouse through a contractual agreement with a nonprofit organization.

BUILDING ASSESSMENT DEMONSTRATION

SEC. 14. (a) AUTHORITY.—(1) The Director of the National Institute for Occupational Safety and Health shall, in consultation with the Administrator, implement a Building Assessment Demonstration Program to support development of methods, techniques, and protocols for assessment of indoor air contamination in nonresidential, nonindustrial buildings and to provide assistance and guidance to building owners and occupants on measures to reduce indoor air contamination.

(2) In implementation of this section, the Director shall have the authority to conduct on-site assessments of individual buildings, including Federal, State, and municipal buildings.

(3) Nothing in this section shall in any way limit or constrain existing authorities pursuant to the Occupational Safety and Health Act of 1970 (29 U.S.C. 651).

(b) ASSESSMENT ELEMENTS.—Assessments of individual buildings conducted pursuant to this section shall, at a minimum, provide—

(A) an identification of suspected contaminants in the air in the building and the level of such contaminants;

(B) an assessment of the probable sources of contaminants in the air in the building;

(C) a review of the nature and extent of health concerns and symptoms identified by building occupants;

(D) an assessment of the probable association of indoor air contaminants with the health and related concerns of building occupants including assessment of occupational and environmental factors which may relate to the health concerns;

(E) identification of appropriate measures to control contaminants in the air in the building, to reduce the concentration levels of contaminants, and to reduce exposure to contaminants; and

(F) evaluation of the effectiveness of response measures in control and reduction of contaminants and contaminant levels, the change in occupant health concerns and symptoms, the approximate costs of such measures, and any additional response measures which may reduce occupant's health concerns.

(c) ASSESSMENT REPORTS.—(1) The Director shall prepare—

(A) a preliminary report of each building assessment which shall document findings concerning assessment elements (A) through (E) of subsection (b); and

(B) a final report which shall provide an overall summary of the building assessment including information on the effectiveness and cost of response measures, and the potential for application of response measures to other buildings.

(2) Preliminary assessment reports shall be prepared not later than one hundred and eighty days after the selection of a building for assessment. Final assessment reports shall be prepared not later than one hundred and eighty days after completion of the preliminary report.

(3) Preliminary and final reports shall be made available to building owners, occupants, and the authorized representatives of occupants.

(d) BUILDING ASSESSMENT PROPOSAL.—(1) The Director shall consider individual buildings for assessment under this section in response to a proposal identifying the building and the building owner and providing preliminary, background information about the nature of the indoor air contamination, previous responses to air contamination problems, and the characteristics, occupancy, and uses of the building.

(2) Building assessment proposals may be submitted by a building owner or occupants or the authorized representatives of building occupants, including the authorized representatives of employees working in a building.

(e) BUILDING ASSESSMENT SELECTION.—(1) In selection of buildings to be assessed under this section, the Director shall consider—

(A) the seriousness and extent of apparent indoor air contamination and human health effects of such contamination;

(B) the proposal for a building assessment submitted pursuant to subsection (d) of this section;

(C) the views and comments of the building owners;

(D) the potential for the building assessment to expand knowledge of building assessment methods including identification of contaminants, assessment of sources, and development of response measures; and

(E) the listing of a building pursuant to paragraph (C) of section 9(b)(3).

(2) The Director shall provide a preliminary response and review of building assessment proposals to applicants and the applicable building owner within sixty days of receipt of a proposal and, to the extent practicable, shall provide a final decision concerning selection of a proposal within one hundred and twenty days of submittal.

(f) BUILDING ASSESSMENT SUPPORT.—(1) The Director may enter into agreements with private individuals, firms, State and local governments, or academic institutions for services and related assistance in conduct of assessments under the authority of this section.

(2) The Director may enter into agreements with other Federal agencies for the assignment of Federal employees to a specific building assessment project for periods of up to one hundred and eighty days.

(g) SUMMARY REPORT.—(1) The Director shall provide, on an annual basis, a report on the implementation of this section to the Administrator of the Environmental Protection Agency and to the Council on Indoor Air Quality established pursuant to section 12 of this Act.

(2) The Director shall, from time to time and in consultation with the Administrator, publish general reports containing materials, information, and general conclusions concerning assessments conducted pursuant to this section. Such reports may address concerns related to remediation of indoor air contamination problems, assessment of health related concerns, and prevention of such problems through improved design, materials and product specifications, and management practices.

(3) Reports prepared pursuant to this subsection and subsection (c) of this section shall be provided to the Indoor Air Quality Information Clearinghouse provided for in section 13 of this Act and, to the extent practicable, such reports shall be made available to architectural, design and engineering firms and to organizations representing such firms.

STATE AND FEDERAL AUTHORITY

SEC. 15. (a) GENERAL AUTHORITY.—Nothing in this Act shall be construed, interpreted, or applied to preempt, displace, or supplant any other State or Federal law, whether statutory or common or any local ordinance.

(b) OCCUPATIONAL SAFETY AND HEALTH.—In exercising any authority under this Act, the Administrator shall not, for purposes of section 4(b)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 653(b)(1)), be deemed to be exercising statutory authority to prescribe or enforce standards or regulations affecting occupational safety and health.

AUTHORIZATIONS

SEC. 16. (a)(1) For the purpose of carrying out sections 5, 6, and 7 of this Act there is authorized to be appropriated $20,000,000 for each of the fiscal years ending September 30, 1992, 1993, 1994, 1995, and 1996. Of such sums appropriated, one quarter shall be reserved for implementation of section 7 of this Act and one quarter shall be reserved for implementation of section 5(c) of this Act and $1,000,000 shall be reserved for implementation of section 6(b) of this Act.

(2) For the purpose of carrying out sections 8, 9, 11 and 13 there is authorized to be appropriated $10,000,000 for each of the fiscal years ending September 30, 1992, 1993, 1994, 1995, and 1996. Of such sums appropriated, one-fifth shall be reserved for implementation of section 13 and one-fifth shall be reserved for implementation of section 9.

(3) For the purpose of carrying out section 10 of this Act, there is authorized to be appropriated $12,000,000 for each of the fiscal years ending September 30, 1992, 1993, 1994, 1995, and 1996. Of such sums appropriated, one-third shall be reserved for the purpose of carrying out section 10(b) of this Act.

(4) For the purpose of carrying out section 12 of this Act there is authorized to be appropriated $1,500,000 for each fiscal year ending September 30, 1992, 1993, 1994, 1995, and 1996.

(5) For the purpose of carrying out section 14 of this Act there is authorized to be appropriated $5,000,000 per year for each fiscal year ending September 30, 1992, 1993, 1994, 1995, and 1996.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the committee amendments that accompany the bill be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The committee amendments were agreed to en bloc.

Mr. LAUTENBERG. Mr. President, I rise today in support of the Indoor Air Quality Act of 1991. This legislation would require EPA to comprehensively address the threat to human health posed by indoor air contamination.

During the last Congress, the administration made action on the Clean Air Act one of its highest priorities. But concern about our air must not stop at our front doorsteps.

According to EPA's Report to Congress on Indoor Air Quality:

Indoor air pollution represents a major portion of the public's exposure to air pollution and may present serious health risks;

The total costs of indoor air pollution, including medical costs and lost productivity, are in the tens of billions of dollars a year;

We need to expand efforts to mitigate exposure to indoor air pollutants; and

We need to invest in an expanded research program.

Indoor air pollutants such as radon, asbestos, volatile organic compounds, environmental tobacco smoke, carbon monoxide, biological contaminants, and pesticides, pose a serious threat to the health of our citizens. As early as 1987, EPA identified indoor radon and other indoor air pollutants as areas of relatively high risk but low EPA efforts.

In a more recent EPA study of indoor air quality in 10 large buildings focusing on a class of pollutants known as volatile organic compounds [VOC's], EPA concluded that VOC's are ubiquitous indoors, almost every compound is found at higher levels indoors than out, and in some new buildings, some VOC's were measured at levels 100 times higher than outdoor levels. Similarly, the World Health Organization has determined that up to 30 percent of new or remodeled commercial buildings may have high rates of health or comfort complaints related to indoor air pollutants.

This is of particular concern because people spend approximately 90 percent of their time indoors, making the risk to health from indoor air pollutants potentially greater than air pollution outdoors. And the people most exposed to indoor air pollution, the young, the elderly and the chronically ill, are often the most susceptible to its adverse effects.

The effects of indoor air pollutants are serious. Radon is estimated to cause up to 14,000 cancer deaths a year. Other indoor air pollutants may be responsible for another 11,000 deaths annually. The Surgeon General has determined that environmental tobacco smoke is a cause of disease, including lung cancer, in nonsmokers. Other long-term effects to exposure of harmful levels of indoor air pollutants include respiratory illnesses, central nervous system disorders, and reproductive problems.

Acute reactions to certain pollutants include headaches, throat, skin, and eye irritation, fatigue, shortness of breath, and in some cases nausea.

The Consumer Federation of America estimates that the health costs from indoor air pollution approaches $100 billion a year.

In addition, an estimated 15 percent of the U.S. population have an increased allergic sensitivity to common chemicals. Many of these people have a predisposition to become allergic to certain chemicals after a sensitizing exposure.

Hypersensitivity can occur upon reexposure. Among the more common symptoms are those involving the nervous and respiratory systems.

EPA has been slow to react to the threat posed by indoor air pollutants. That is why the majority leader and I introduced the legislation, which was enacted as title IV of the Superfund Amendments and Reauthorization Act of 1986, requiring EPA to establish a radon and indoor air pollution research program.

The Indoor Air Quality Act of 1991 builds on our prior legislation. It would require EPA to:

Expand and strengthen indoor air research, and establish a technology demonstration program;

Conduct an assessment of indoor air quality in schools;

Develop health advisories on indoor air contaminants which may occur in indoor air at levels which may reasonably be expected to have an adverse impact on human health;

Prepare a response plan using existing regulatory authorities and other specified nonregulatory authorities to reduce exposure to indoor air contaminants; and

Make grants to States to develop and implement indoor air pollution strategies.

The bill also expands the authority of the National Institute of Occupational Safety and Health to conduct assessments of buildings, that are declared sick.

As chairman of the Senate Subcommittee on Superfund, Ocean and Water Protection, I held hearings on this bill in May 1989 and the subcommittee approved the bill later that year with a number of changes. These changes include requiring EPA to:

Prepare a report on multiple chemical sensitivities, and expand its research program to address the effects of indoor air pollutants on those who suffer from multiple chemical sensitivities;

Conduct an assessment of indoor air problems in buildings housing child care facilities;

Conduct research with the Department of Transportation on indoor air pollution in public and private transportation;

Establish a program to address the role of ventilation in protecting the public from indoor air contaminants; and

Provide an assessment of indoor air monitoring and mitigation services provided by private firms.

This legislation passed the Senate last year. Unfortunately, the Congress ended before the House had a chance to act upon it.

Senators MITCHELL, CHAFEE, and I reintroduced the Indoor Air Quality Act, which is virtually the same as the bill passed by the Senate last year, early in the 102d Congress. The Environment Committee approved S. 455 on August 1.

Mr. President, Americans want clean air. And that concern does not end when they step into their home, place of employment, school, or their house of worship. The Indoor Air Quality Act establishes a comprehensive, balanced program to address the public health threat posed by indoor air contamination.

I urge my colleagues to support this bill.

Mr. CHAFEE. Mr. President, first of all, I want to say I concur in everything that our distinguished colleague from New Jersey had to say about this legislation. I particularly stress to all that are listening here that this legislation practically is identical to legislation which last year was approved unanimously by the Senate.

I note that the distinguished Senator from California is on the floor and has an amendment. I would be glad to proceed with his amendment and take up my floor statement later.

I understand there are some delays or problems here. So I will proceed with my statement, Mr. President, and then we will take up the amendment of the distinguished Senator from California.

Mr. President, I am pleased that today we are considering the Indoor Air Quality Act of 1991, S. 455. This bill will provide substantial research and development initiatives to uncover harmful air pollutants in our indoor environment, and it will focus the efforts of the Federal Government on this particular problem.

By focusing our efforts and providing clean air, we are making great strides in what we all say we are for around this place, and that is preventive medicine. There is not a Senator who will get up on the floor and say that he or she is not for keeping our public healthy.

Our Nation now spends, overall, on health care about $660 billion a year. That is not solely the Government. That is all expenditures—government, industry, and individuals. Through insurance or through direct expenditures, we spend $660 billion a year. That is about $2 billion a day.

Many of the illnesses we experience are preventable. In terms of public health, this bill will provide us a much needed ounce of prevention and help us to avoid the costly pound of cure. EPA, for example, estimates that between $4.4 and $5.4 billion a year is lost in productivity due to indoor air illnesses.

Over the last decade, we have made considerable progress in abating some of the more harmful pollutants in our outdoor air environment. It is really remarkable what has taken place. Let me give you some statistics: The amount of emissions from an automobile produced in 1990, as compared to an automobile produced in 1970, a 20-year period, the amount of emissions of hydrocarbons, which cause smog, were decreased by 90 percent. In that same period, from 1970 to 1990, the carbon monoxide emissions were cut by 90 percent. These are all killers. There is a 90-percent reduction.

You might say, is the air 90 percent cleaner than it was 20 years ago? The answer, unfortunately, is "No." Why? Because even though we made these dramatic reductions in emissions from an automobile produced in 1990 from one produced in 1970, nonetheless, each automobile that is left on the road travels more miles than 2 years ago, and there are more automobiles on the road. So between those two—between more miles per automobile driven and the fact that we have more automobiles—regrettably, the emissions in the air have not been cut by 90 percent.

But just think what it would be like if we had not made those reductions. Let us look at the lead in the air. Because of going to unleaded gasoline, we have reduced, in that 20-year period, the amount of lead in the air by 97 percent. People like to mock the effort sometimes that we make in the environment here, but our public is clearly healthier because of what we have done.

Once unsightly rivers are now returning to a condition where they are fishable and swimmable, because of these added efforts. Yet, for all the progress that we have made on the outdoor air environment, we have not turned our attention to where Americans spend 90 percent of their time. Much is known about the effects of indoor contaminants, such as radon, asbestos, and tobacco smoke. But there are several other contaminants we know little about, such as formaldehyde. Why do we worry about formaldehyde? It comes from much of our covered furniture. Others are: volatile organic chemicals, combustion byproducts, and respirable particles. There is a great likelihood that these pose a serious threat to public health.

The threat from these chemicals that are in the air—some we know about, as I mentioned, radon, asbestos, tobacco smoke, and some we do not know much about. The threat of these to our livelihood is not only that we spend 90 percent of our time indoors, but we have seen the growth of these airtight buildings. Because of the soaring energy costs over the past 20 years, we have made a great thrust on conservation. So we build these buildings airtight. We all know, in my building, you cannot open the window. I think that is true of most of the buildings around here. These are well-insulated, energy-efficient buildings. But what they did is seal in potentially hazardous substances, while reducing the amount of fresh air.

Little attention has been given to the quality and the potential health effects of the air inside our homes and offices. But there is mounting evidence that the air we breathe indoors may be at least as polluted with cigarette smoke, radioactive radon gas, or formaldehyde as the smog outside. We spend all our time worrying about outdoor air, and that is right, but we ought to worry about indoor air, too.

The EPA now concludes that the risk to human health from indoor air contaminants may be at least as great as those from the outdoor environment. In a recent report, this is what EPA had to say:

> Sufficient evidence exists to conclude that indoor air pollution represents a major portion of the public's exposure to air pollution and may pose serious acute and chronic health risks. This evidence warrants an expanded effort to characterize and mitigate this exposure.

In other words, we ought to do something about it. This statement represents a major step forward in agency's thinking about what ought to be done about indoor pollution.

One of the most ubiquitous forms of indoor air pollution, I think we all recognize, is tobacco smoke. We have 54 million smokers in the United States. Cigarette fumes will undoubtedly rank as one of the most significant sources of indoor air pollution. Passive smoking—that means somebody who does not smoke, but is in the company of a smoker—may be associated with a wide range of health problems, including increased risk for respiratory illnesses, lung cancer, and heart diseases. The Surgeon General says that up to 5,000 nonsmokers may die each year from lung cancer—5,000—caused by inhaling other people's smoke. The data indicates that the ones who are most at risk are children.

At a hearing on the health effects of indoor air pollution before the Committee on Environment and Public Works, it became painfully clear that there is not an adequate effort by Federal agencies and States to conduct research on indoor air contaminants. This bill that we have before us today will direct the various agencies responsible for indoor air quality to coordinate their response plans to address these contaminants.

I just want to briefly describe several elements of the bill. And this will be brief.

First, the bill establishes a research program for indoor air. There is an appropriate role for the Federal Government to be in. You cannot expect the States, each of the States to do this. So there is $20 million for each of 5 years to get information on the risk posed by indoor air pollution, and then we get that out to the States.

Second, the legislation will require EPA to publish what they call health advisories. These advisories must be written in plain English so the people can understand how an average citizen can reduce his or her exposure and potentially adverse health effects from indoor air contaminants.

Third, this measure, this bill we are considering, provides for limited grant assistance to the States, $12 million a year for 5 years, that is spread amongst all 50 States, for development of management strategies and response programs.

Fourth, the bill will authorize, as my distinguished colleague said, the National Institute of Occupational Safety and Health, so-called NIOSH, to conduct assessment of sick buildings. A sick building is one that there is uncommon occurrence amongst the population within that building of respiratory problems. Estimates of lost worker productivity due to symptoms attributable to sick buildings is in the billions of dollars.

There is an amendment that was added at my request in the committee for EPA to conduct an assessment of the seriousness of the indoor air contamination in schools. Schoolchildren are more susceptible to radon, for example, or other harmful chemicals.

The total cost of this bill is $48.5 million for each of 5 years. EPA estimates the annual national cost of health care, of medical care resulting from indoor air pollution, is over $1 billion a year.

I would like to say something that this bill does not do. People are going to come around here on the floor today worrying is this legislation putting the Federal Government in everybody's living room? Are we going to be telling everybody what they can or cannot do with their homes?

No. This bill does not provide authority to regulate indoor air contaminants. If somebody wants to have a house full of radon, that is his privilege. What this bill does is take an informational approach. The health advisories, for example, will indicate the health risk of these contaminants at various levels. If a person wants that in his home, fine; that is his business.

The best defense we have against an unhealthy indoor environment is for the public to know and be informed. Homeowners need to be aware of the risks associated with using certain pesticides, for example. If this information can be communicated effectively from the Government for the people to understand, then the marketplace will send a strong signal, for example, to pesticide manufacturers. Consumers will then demand safe pesticides for home use.

The same is true for cleaning solvents. Many of these cleaning solvents might well be quite poisonous to the air environment. Furniture strippers and a host of other chemicals we bring in our home may be dangerous.

Americans need to know how to ensure that the quality of the air inside their homes and their offices is going to be healthy. We must begin to address the health threat posed by contaminants of the air indoors.

So I hope my colleagues will join me in supporting this legislation. It was passed unanimously last year. I hope we can dispose of this quickly today.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I rise in support of the Indoor Air Quality Act of 1991. This legislation, which I introduced in February of this year, is an important step toward reducing the threats to human health posed by exposure to contaminants in the air indoors.

I am very pleased that Senator CHAFEE, the ranking Republican member of the Environment and Public Works Committee, and Senator LAUTENBERG, the chairman of the subcommittee with jurisdiction over this legislation, both having long and very strong records in protection of the health of Americans and the quality of the American environment, have joined me in supporting this bill.

Most Americans spend up to 90 percent of the day indoors. There is growing evidence that exposure to contaminants in the air indoors is a deadly serious problem.

In April 1987, I chaired hearings before the Subcommittee on Environmental Protection that addressed the health effects of indoor air contaminants. Additional hearings were held in 1989.

Witnesses at these hearings and related hearings in the House of Representatives over the past several years confirmed basic information about indoor air pollution.

We know that exposure to air pollutants occurs indoors—in residences, workplaces, schools, public buildings, and transportation vehicles—as well as outdoors.

We know that indoor air pollutants include radon; asbestos; volatile organic compounds, for example, formaldehyde, benzene; combustion byproducts, for example, carbon monoxide, carbon dioxide; metals and gases, for example, lead, chlorine, ozone; and respirable particles.

We know that radon is the most harmful indoor air pollutant. The Environmental Protection Agency [EPA] estimates that radon causes an estimated 14,000 lung cancer deaths each year. The EPA estimates that a selected group of other indoor air pollutants causes thousands of additional cancers each year.

We know that sources of these pollutants include commercial products, building materials, combustion appliances, indoor application of pesticides, and outdoor sources as well.

The medical community reports other health effects of indoor air contaminants, including skin and eye irritation, respiratory function impairment, allergic and infectious diseases, neurotoxicity, immune effects, liver and kidney effects, and developmental effects.

We have clear evidence that the health effects of indoor air pollutants result in substantial costs to society in the form of reduced productivity, sick time, health care costs, and disability costs estimated to be in the tens of billions of dollars annually.

Much of our information about the indoor air pollution problem is relatively recent. The foundation for our understanding of indoor air pollution problems is a series of Environmental Protection Agency [EPA] research projects that offer compelling documentation of the serious health threats posed by indoor air contaminants.

In September 1989, in response to section 403(e) of the Superfund Amendments and Reauthorization Act of 1986, EPA published a major assessment of indoor air quality.

The report indicates the seriousness of indoor air pollution, stating—

> * * * indoor air pollution represents a major portion of the public's exposure to air pollution and may pose serious acute and chronic health risks. This evidence warrants an expanded effort to characterize and mitigate this exposure.

The report further states—

> * * * the information available suggests that exposure to indoor air pollutants poses a significant health threat to the domestic population.

The report also documents the wide range of indoor air contaminant health effects and states—

> Health effects from indoor air pollution cover the range of acute and chronic effects and include eye, nose, and throat irritation, respiratory effects, neurotoxicity, kidney and liver effects, heart functions, allergic and infectious disease, developmental effects, mutagenicity, and carcinogenicity.

The EPA report provides data on the lethal effects of several specific, carcinogenic contaminants. Human exposure to radon gas is cited as causing between 5,000 and 20,000 lung cancer deaths each year. The EPA later revised this estimate to be approximately 14,000 deaths per year.

The report cites studies estimating that between 1,000 and 5,000 lung cancer deaths each year are due to indoor exposure to 6 specific volatile organic chemicals.

The report reviews the issues associated with sick building syndrome and multiple chemical sensitivities. The report concludes—

> Building sickness, such as sick building syndrome, building related illness, and multiple chemical sensitivity are issues of potentially great significance but are poorly understood.

Illnesses caused by indoor air contaminants take a toll in death, suffering, and discomfort. These illnesses, however, also have a cost to society in the form of increased medical expenses, increased sick leave, and declines in worker productivity.

The EPA report includes new assessments of the costs of indoor air contamination. The annual national costs of medical care resulting from indoor air pollution are estimated at over $1 billion.

The report, however, qualifies this statement, noting—

> These estimates do not include the costs of many potential illnesses and indoor air pollutants * * * due to limited quantification of health impacts for these pollutants * * *.

The report also cites the costs associated with employee sick days and reduced productivity due to indoor air illness. Using the same conservative assumptions used to calculate direct medical costs, the report estimates costs of reduced productivity at between $4.4 and $5.4 billion annually.

Citing more comprehensive studies of productivity declines, the report states—

> If these results were applied to the nation's white collar labor force, the economic cost to the nation would be on the order of $60 billion annually. While this cannot be regarded as a reliable estimate, it suggests quite strongly that productivity losses may be on the order of tens of billions of dollars per year.

In summarizing the overall costs of indoor air pollution, the EPA report concludes—

> Many costs of indoor air pollution have not been calculated. Nevertheless, because of the large number of people and buildings potentially affected, as well as the wide range of effects for which there is a cost component, it is reasonable to conclude that the aggregate costs of indoor air pollution amount to tens of billion of dollars per year.

The report proposes a detailed research agenda for the next 5 years, including exposure assessment and research on health effects, control techniques, and building systems. The estimated cost of this research over the 5-year period is $99.15 million.

Other studies corroborate these findings. In December 1989, EPA published the results of studies of environmental priority setting in three regions of the country where indoor air pollution was recognized as a serious problem. The Agency concluded—

> * * * risk associated with most environmental problems does not differ much across the (geographic) areas studied. For example, indoor air pollution consistently causes greater health risks than hazardous waste sites whether one is concerned with New England, the Middle Atlantic region, or the Pacific Northwest. Such consistent findings should play an important role in setting national environmental priorities.

In March 1989, a coalition of major public interest groups and insurance agencies issued a national consumer agenda highlighting seven key national issues, including indoor air quality. The report reviews the health threats posed by indoor air pollution and endorses key provisions of the bill we are considering today.

In September 1988, EPA issued a major report on indoor air quality in public buildings. The summary of the report states—

> VOCs (volatile organic chemicals) are ubiquitous indoors. * * * About 500 different chemicals were identified in just four buildings. * * * Almost every pollutant was at higher levels indoors than out. * * * New buildings had levels of some chemicals that were 100 times higher than outdoor levels.

In 1987, EPA published a comprehensive, four-volume, multi-year study of total exposure to air pollutants which concluded that exposure to indoor air pollutants is significant relative to exposure to air pollutants in the ambient air.

The report states—

> The major finding of this study is the observation that personal and indoor exposures to these toxic and carcinogenic chemicals are nearly always greater—often much greater—than outdoor concentrations. We are led to the conclusion that indoor air in the home and at work far outweighs outdoor air as a route of exposure to these chemicals.

Despite all the evidence of the health effects and economic costs of indoor air pollution, the Federal Government still lacks a coordinated and comprehensive response to this problem.

Congress has made progress in addressing indoor air quality problems in the past several years.

The 99th Congress enacted bills to establish a program of research on radon and indoor air pollutants at the EPA and to establish a national program to control asbestos in schools.

The 100th Congress enacted legislation addressing indoor radon and considered legislation to control asbestos in buildings and to address indoor air generally.

In the 101st Congress, the Senate passed indoor air quality legislation which is virtually identical to the bill we are considering today.

The Indoor Air Quality Act, S. 455, which I introduced with Senators CHAFEE, LAUTENBERG, and others, establishes a national program to reduce the threat to health posed by exposure to contaminants in the air indoors.

In drafting this legislation, we had five basic principles in mind.

First, we placed a strong emphasis on expanding and strengthening indoor air research.

Second, we sought to improve understanding of specific indoor air pollutants through development of health advisories on indoor air contaminants.

Third, we wanted to foster more effective use of existing authority for controlling indoor air contaminants rather than creating new regulatory authority. The bill provides that existing authorities are to be focused and directed in a national response plan.

Fourth, we sought to demonstrate the role States can play in addressing indoor air pollution.

Finally, we sought to create an institutional base for indoor air programs at the Environmental Protection Agency and assure coordination of related efforts throughout the Federal Government.

The bill achieves those objectives. It is a strong bill.

I will provide some additional explanation of the major elements of this legislation.

The bill expands research of indoor air pollution by providing the EPA and other agencies with authority to conduct general research on indoor air contamination and research on specific problem areas.

New authority is provided to demonstrate various technologies which may contribute to the reduction of indoor air contamination. The bill also calls for the issuance of technical and management practice bulletins providing assessments of technologies for controlling and measuring indoor air contaminants.

An important provision of the bill provides for a report to Congress on the subject of chemical sensitivity disorders, including multiple chemical sensitivities. The study is to address the underlying causes of chemical sensitivity disorders, identify the prevalence of these disorders, and make recommendations for actions to prevent and respond to such illnesses.

The bill also provides for the Director of the National Institute for Occupational Health and Safety, in consultation with the Administrator, to develop an indoor air quality training course for managers of Federal and other buildings. Training courses are to address building management methods for reducing indoor air contamination.

The Administrator is to conduct a program to analyze the adequacy of existing ventilation standards and guidelines to protect public health and report on it to the Congress within 36 months.

The bill provides that the EPA will develop a list of indoor air contaminants and health advisory documents for the contaminants.

Health advisory documents are to include descriptions of the characteristics of each contaminant and the health threats posed at various concentrations. The EPA is to issue six advisories within 18 months of the date of enactment and an additional six advisories within the next 18 months.

Although the listing of contaminants is not an Agency rulemaking, public notice and comment is to be provided with consideration of public comments before the issuance of a final list of contaminants.

A key section of the bill directs the EPA to develop a national response plan identifying actions to be taken to reduce contaminants in indoor air. The plan is to identify and schedule needed actions by EPA and other Federal agencies under the authority in existing statutes. The plan also will outline Federal agency activities related to indoor air information, education, and technical assistance.

The response plan is to be submitted to Congress within 24 months of enactment of this act and biennially thereafter.

The section of the bill providing for the national response plan does not confer new or additional regulatory authority over indoor air contaminants to the EPA, Occupational Safety and Health Administration, or other Federal agencies. It provides for a coordinated research and assessment effort which may be used by Federal or State agencies during consideration of appropriate responses to indoor air pollution, including new regulations.

The Federal Government must play a leadership role in developing effective responses to indoor air pollution problems. The bill provides for a Federal building response plan to address air quality in Federal buildings.

The plan is to identify general management practices for improving indoor air. Buildings with identified indoor air quality problems are to be considered for assessment under the sick building section of the act. The plan is to be submitted to Congress 24 months after enactment of the act and biennially thereafter.

The growing evidence of indoor air quality problems in prisons illustrates the need for attention to air quality in Federal buildings. Prisoners are incarcerated for long periods of time and there are reports of poor air quality and a significant rise of tuberculosis in detention facilities.

Another key objective of the bill is to demonstrate very basic indoor air quality management strategies and assessments at the State level.

States have proven to be essential partners in implementing many of our environmental programs and I hope that this provision of the bill will foster an improved understanding of the role of State governments in responding to indoor air quality problems.

The bill provides grants to States for demonstrating indoor air quality management and assessment strategies. Each State is to identify a lead agency for protecting indoor air quality, describe existing programs at the State and substate levels, and assure coordination with programs addressing ambient air quality. State assessment programs are to identify contaminants of concern by geographic areas experiencing problems and provide for periodic assessments of indoor air conditions and trends.

States or other air pollution control agencies also may develop response programs to address a particular indoor air contaminant, class of buildings, or buildings in a specific geographic area.

Several provisions of the bill expand the institutional base for attention to indoor air pollution.

An Office of Indoor Air Quality is established within the EPA to manage indoor air activities and to work with other Federal agencies.

The bill also addresses the problem of coordination of indoor air quality activities among Federal agencies. The nature of indoor air pollution problems requires that a wide range of Federal agencies participate in assessment and control efforts. The bill establishes a Council on Indoor Air Quality to oversee the indoor air activities of various Federal agencies. Agencies represented on the Council include EPA, the Occupational Safety and Health Administration, the National Institute of Occupational Safety and Health, the Department of Housing and Urban Development, the Department of Transportation, the Department of Energy, the Consumer Product Safety Commission, and the General Services Administration.

The bill also addresses the problem of sick buildings. The Director of the National Institute of Occupational Safety and Health [NIOSH] is to carry out a program to demonstrate methods of assessment and mitigation of indoor air contamination in sick buildings.

This expanded effort will help develop the most effective measures to identify the causes of sick building syndrome and the most effective measures to mitigate these problems. This provision establishes a process for the assessments and is based on an existing NIOSH effort.

I want to stress that nothing in the bill is intended to preempt any State or Federal law or local ordinance or to preclude pollution control action under another Federal law.

The bill authorizes total funding of $48.5 million for each fiscal year from 1992 to 1996 including: $20 million for research and health advisories; $10 million for EPA operations; $12 million for State management and response grants; $1.5 million for the National Indoor Air Quality Council; and $5 million for the Building Assessment Program.

Mr. President, each year the evidence of the health threats and economic costs of indoor air pollution grows and grows. Much of the research documenting this problem has been developed by the EPA. Unfortunately, the EPA has not stepped forward to address this important problem in a comprehensive and coordinated way. Our legislation is intended to recognize the importance of indoor air pollution and get the Federal Government and the States actively involved in solving the problem.

I urge all my colleagues to join me in supporting this important legislation. With your support, we can assure that Americans have clean, safe air to breathe indoors as well as outdoors.

The PRESIDING OFFICER. The Senator from California.

Mr. SEYMOUR. Mr. President, will the distinguished majority leader yield for a question?

Mr. MITCHELL. Yes, certainly.

Mr. SEYMOUR. Mr. President, as majority leader, as the author of the legislation, was it the Senator's intention that future standards be applied to the buildings here on the Capitol grounds, specifically this building we are in, the Hart Building, the Dirksen Building, and the Russell Building?

Mr. MITCHELL. It is my hope we can adopt language now that will include all of those buildings, the White House and the Vice President's residence as well.

AMENDMENT NO. 1307

(Purpose: To include Capitol Buildings as Federal buildings)

Mr. SEYMOUR. Mr. President, I call up amendment No. 1307.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mr. SEYMOUR] proposes an amendment numbered 1307.

On page 7 of the bill, strike lines 12 through 13 and insert the following: "square feet in area, any building occupied by the Library of Congress, and any building that is included in the definition of Capitol Buildings under section 193m(1) of title 40, United States Code;".

Mr. SEYMOUR. Mr. President, the reason I did not ask the reading to be dispensed with is I wanted to illustrate the brevity of the amendment.

It is my understanding that both the Republican side as well as the distinguished majority leader for the Democratic side have agreed to accept this amendment. I am very pleased by that because this is a very simple and direct amendment to the bill.

In reading the bill, it is very clear that what buildings the bill applies to is all buildings, residential office buildings, schools, hospitals, private buildings, buildings leased or operated by Federal agencies, and even the Library of Congress. However, the gaping hole in the bill is that it does not apply to Congress itself. It does not apply to this building. It does not apply to our office buildings, either the Hart Building, or the Dirksen Building, or the Russell Building, buildings in which close to 20,000 employees—12,000 in the House and 7,700 in the Senate—work.

I spent a short time in the Hart Building. That building is totally enclosed. You cannot open a window there. So it seems to me altogether reasonable that this amendment, which would require Congress to live under the same regulation or law that may come as a result of this bill, is only equitable and fair. And so I am pleased that both the distinguished majority leader and our side of the aisle have agreed to accept this amendment.

Mr. MITCHELL. Mr. President, I wonder if the Senator would agree to a modification that would include the White House and the Vice Presidential residence, as he obviously wants this to be all-inclusive.

Mr. SEYMOUR. I say to the majority leader, if he would like to add that as a second-degree amendment, I think that is fine.

Mr. MITCHELL. I will do that.

AMENDMENT NO. 1308 TO AMENDMENT NO. 1307

Mr. MITCHELL. Mr. President, I send a second-degree amendment to the desk and ask it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] proposes an amendment numbered 1308 to amendment No. 1307.

In the amendment on page 1, line 3, between the "," and "and" insert the following: "the White House and the Vice-Presidential residence,".

Mr. MITCHELL. Mr. President, I ask that the amendment be adopted.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 1308) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SEYMOUR. Mr. President, I ask that my amendment 1307 be adopted.

The PRESIDING OFFICER. Is there objection to agreeing to the amendment, as amended?

If not, the question is on agreeing to the amendment, as amended.

The amendment (No. 1307), as amended was agreed to.

Mr. SEYMOUR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I rise in full support of this legislation. I commend Senators MITCHELL, CHAFEE, and LAUTENBERG for their strong efforts on this important issue.

Indoor air pollution poses a serious health hazard to millions of Americans. The Environmental Protection Agency has estimated that indoor air pollution may cost tens of billions of dollars each year in medical expenses and lost productivity. This legislation will establish for the first time a comprehensive and coordinated strategy for addressing this growing health concern.

I particularly appreciate the willingness of the Senator from Maine to accommodate several modifications I proposed to this legislation. The Subcommittee on Labor, which I chair, has primary jurisdiction over workplace health and safety matters. In recent years we have seen growing concern over indoor air pollution as an occupational health hazard. We all have read the news accounts of workers at the EPA, the Library of Congress, the USA Today Building, and elsewhere, who have suffered from respiratory problems, allergic reactions, and other symptoms of sick building syndrome.

The National Institute for Occupational Safety and Health has been inundated with requests from both public and private sector employers and employees to evaluate indoor air pollution problems. Clearly, we are talking about a significant and growing occupational health concern.

Workers may well be the population most affected by indoor air pollution and the population with the most to gain from the research and intervention authorized by this legislation. It is therefore crucial that the Senate fully recognize and address the issue of indoor air pollution in the workplace.

At the same time, it is important that the indoor air pollution program fully involve the agencies traditionally responsible for workplace safety and health. The changes made by Senator MITCHELL at my request are intended to recognize the important role that the Occupational Safety and Health Administration and the National Institute for Occupational Safety and Health play in addressing indoor air pollution problems and in protecting worker health.

NIOSH in particular has done extensive work on indoor air pollution problems. NIOSH has conducted hundreds of building assessments and has identified ways in which building managers can reduce the level of indoor air pollution through better ventilation and other practices.

For its part, OSHA is finally beginning to address this issue. On September 20, 1991, OSHA published a request for information in the Federal Register as a prelude to a formal rulemaking proceeding on indoor air quality in the workplace. The comment period ends next January. I should also note that the comprehensive OSHA reform legislation we introduced this past August would require OSHA to issue a final rule on indoor air quality by December 31, 1991.

Senator MITCHELL and I agreed that we need a coordinated, integrated strategy for studying and solving the many problems posed by indoor air pollution. Thus, the legislation requires EPA to involve OSHA and NIOSH in the planning and execution of the research and response activities authorized by the bill as these activities affect workers.

In addition, it is important to identify the contaminants that cause particular instances of indoor air pollution. But NIOSH's experience has shown that it is possible to reduce indoor air pollution even without identifying or isolating the exact cause of the problem. I proposed language to incorporate this building systems approach to solving indoor air pollution problems. I suggested that the national indoor air quality plan should include remedies to sick building syndrome, such as improved ventilation design and maintenance, better building construction and remodeling practices, and safer work practices for the application of pesticides and other possible irritants. Those suggestions have been included in this legislation.

Again, I thank the majority leader for his cooperation and willingness to address these subtle, yet important issues, and I commend him as well as Senators CHAFEE and LAUTENBERG for taking the lead on this pervasive and growing health concern. I urge my colleagues to support this legislation.

INDOOR AIR QUALITY ACT OF 1991

Mr. SIMPSON. Mr. President, last year we passed a historic rewrite of the Clean Air Act. This bill will help address air pollution problems all across the country. However, this landmark legislation does not deal with air pollution indoors.

Over the years, we have learned that in some cases indoor air pollution can be more severe than the smog in some of our most polluted cities. Fumes from gas appliances, vapors from paints and paint thinners, formaldehyde emissions from adhesives and cabinets, and tobacco smoke can all contribute to the contamination of the indoor air we breathe.

This bill emphasizes research into indoor air contamination and it establishes a program to demonstrate various technologies which may contribute to the reduction of indoor contaminants.

EPA will conduct a program to analyze the adequacy of existing ventilation standards and guidelines to protect public health and will report back to Congress about this situation. EPA will be directed to issue health advisory documents which will include descriptions of the characteristics of each contaminant in the health threat posed at various contaminations.

All of this information will help us to reduce indoor air pollution in public and Federal buildings in order that the workplace will be a safer environment.

States will be allowed to apply for grant assistance and established in their own indoor quality programs and nonprofit institutions will be allowed to participate as well.

I look forward to the passage of this bill and the improvement of our national indoor air quality.

Mr. HELMS. Mr. President, I have concerns about this so-called indoor air quality bill. The proponents contend that this is merely a research bill, but there is a lot more to it than that. It is a $250 million proposal that will create a whole new bureaucracy of environmental police.

The bill requires the EPA to issue health advisories for contaminants that the EPA deems to be harmful. These health advisories will be publicized and distributed all over the country. We have seen how the EPA hypes the harmfulness of products before it has conclusive evidence.

Mr. President, my concern is that the EPA sometimes rushes to judgment based on flimsy scientific evidence. Products are banned, jobs are lost, and businesses are hurt, and then we find out that the product was not really as bad as the EPA first asserted.

This happened with dioxin. In 1982, Dr. Vernon Houk urged the evacuation of Times Beach, MO, because of dioxin. Now Dr. Vernon is having second thoughts about the harmfulness of dioxin. And a Los Angeles Times editorial states that the United Nations found our dioxin standards to be "1,600 times tougher than necessary."

Mr. President, there are many other examples of the EPA misleading the public as to the harmfulness of various products—asbestos and lead are just a few. I ask unanimous consent that a series of articles exposing the EPA's exaggerated risk assessment policy be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, in 1989, the EPA's own risk assessment experts admitted in a report that the cancer risk of toxic air pollutants is based on models that deliberately overstate risk by 10 to 100 times.

This is why I am concerned about requiring the EPA to issue all these health advisories—many of them will be based on overstated and flimsy scientific evidence.

Mr. President, the administration strongly opposes this bill. The administration states that the bill "would create conflicting responsibilities among Federal agencies, and impose duplicative and unnecessary requirements that would undermine Federal priorities."

EXHIBIT 1

[From Inside EPA, Sept. 13, 1991]

Industry Charges International Push To Cut Lead Exposure Overstates Risks

An EPA-led international effort to reduce lead exposures is moving towards restrictions on low-level lead exposures despite scientific evidence which indicates negligible health risks of such small doses, lead industry sources charge. The effort has also come under fire from environmentalists who charge that the international body is being too cautious in its moves to limit lead exposures.

EPA has taken the lead in drafting a lead risk-reduction strategy for the international Organization for Economic Cooperation & Development, in part, agency sources say, in response to complete bans on toxic substances such as lead suggested by Sweden last year (Inside EPA, April 20, 1990, p2). A draft report prepared by EPA—and expected to be adopted by OECD at a meeting this fall—suggests a variety of international risk reduction strategies for lead, from bans on uses for which there are readily available substitutes to taxes on products for which there are no known substitutes. The draft also suggests encouraging recycling of products containing lead and discouraging new uses of lead where possible.

But an international industry group argues in comments recently filed that the draft is mistaken in its conclusion that "effects associated with low level exposure to lead are (a) harmful and (b) casually related to lead." The industry comments, filed by the International lead Zinc Research Organization, point out that the draft report acknowledges that "there remains uncertainty in the global scientific community about the causal relationship between low level lead exposure and lead in children." Yet the report also argues that "there is no apparent threshold for developmental effects in children" and provides rough estimates of health benefits expected from various exposure reduction scenarios. But given that lead is a natural element which "is found in the bodies of even the most remote populations at levels close to the mean levels in the U.S. today," the industry comments argue that "it would seem clear that the OECD document has overstated the health impact of low level lead exposure."

An industry source adds that the primary causes of recognized health problems are high blood lead (PbB) levels resulting from discontinued, highly-dispersive uses of lead, such as leaded gasoline or lead paint. This source argues that the international organizations should be spending their resources on abating lead from past uses and locating and treating children with high PbB levels, instead of developing plans for attacking low exposures of questionable concern.

But an environmentalist says "the science is as definitive as science can be," and there can be no reasonable argument that lead is not hazardous even at the lowest levels. This source argues that the only scientific controversy over lead health effects is caused by industry's claims that lead is safe. The flaw in the OECD document, this source says, is that "it is not nearly strong enough." Focussing only on past uses of lead would be a mistake because current uses may prove equally problematic later, this source argues.

An EPA source says the agency "sympathizes more with the environmentalists" on the debate, but that the agency will probably never go as far as the environmentalists would like. Industry "mounted quite an aggressive campaign to discredit the "report," this sources says, but EPA is not recommending that countries "go ripping solder out of radios." This source says the report represents a moderate position that unnecessary uses of lead, such as inks and lead solders, should be phased out, while alternatives should be encouraged for uses that have high benefits. This source expects that the report will be largely supported by the full OECD meeting scheduled for November.

[From the Los Angeles Times, Aug. 20, 1991]

Seeking the Truth in Toxics

Whatever else the chemical compound dioxin may do, it is going to haunt efforts by regulators to protect industrial societies from their byproducts for a long time.

Fused in a meeting of heat and chlorine, dioxin has for years been at the head of the list of dangerously toxic chemicals that are loose in the U.S. environment.

It got there because in the 1960s and 1970s guinea pigs died from exposure to it in a matter of weeks. It also got to the top of the danger list because techniques for determining its toxicity to humans were less sophisticated then.

Some scientists now are backing away from previous assessments. The U.N.'s World Health Organization is saying that American standards are 1,600 times tougher than necessary. The Environmental Protection Agency plans to spend a year reviewing the evidence on dioxin.

Some environmentalists are fighting back, claiming that all of the second-guessing is designed to save manufacturers the cost of cleaning up after spills and around their plants.

William K. Reilly, who heads EPA, recognizes that he is hitting a hornet's nest with a stick and that he will be damned if he does look back and damned if he doesn't.

In a gem of understatement, Reilly says, "There is not much precedence . . . for pulling back from a judgment of toxicity," but that new data suggests a lower risk.

Juries have awarded millions of dollars in damages to people who made the case that dioxin ruined their health. Dioxin is blamed for causing cancer among Vietnam veterans, and birth defects in their children. It was a key ingredient of the defoliant Agent Orange, which was sprayed on forests in Southeast Asia.

One scientist who is having second thoughts is Dr. Vernon N. Houk of the federal Centers for Disease Control. He urged all 2,240 residents of Times Beach, Mo., evacuated in 1982, because its roads were contaminated with dioxin.

He says he had no choice then because his lab was producing chilling reports on dioxin. Now the data says differently. It makes no case for a wholesale review of toxics, but on the matter of dioxin Reilly has no choice, either.

[From the Washington Times, Apr. 10, 1991]

Bombs Away on Polystyrene?

(By Warren Brookes)

Bombing is something the Bush administration does well. While the Pentagon was blowing the Iraqi economy back into the Stone Age, the Environmental Protection Agency has been unloading regulatory munitions on the U.S. economy from apples to autos, from construction to chemicals, from Detroit to Phoenix.

This week the EPA will "dump bomb" the polystyrene industry. EPA Public Affairs Director Lewis Crampton confirmed the agency has put polystyrene in the "C" category as a "possible carcinogen," based not on human epidemiology but rodent tests. Even though there is no evidence of any human danger, and no published research, everything from meat trays in supermarkets to coffee cups at the deli will be stigmatized as "carcinogenic."

The campaign against polystyrene foam culminating in the decision by McDonald's last fall to replace foam hamburger containers with some kind of coated paper.

That decision ran so counter to solid scientific analyses done for McDonald's and others that show actual environmental impacts favor foam over coated paper, there is a persistent rumor McDonald's was warned by the Environmental Defense Fund (EDF) that the EPA was soon to make a carcinogenic finding on the product.

Just as the Natural Resources Defense Council worked closely with EPA in destroying the apple industry with Alar, EPA has apparently cooperated with the EDF to slay the polystyrene monster.

What is gratuitously obscene about this is that it comes on the heels of growing scientific skepticism about the validity of EPA risk models, caused in part by the dioxin case. For years dioxin, the principal ingredient in Agent Orange, has been regarded by EPA as the most dangerous carcinogen extant, many hundreds of times as potent as the next chemical risk.

Based on that "modeled" assumption, Congress and the Bush administration recently awarded what could be as much as $200 million to $1 billion in payments to Vietnam veterans who contract soft-tissue sarcoma. That decision is spurring the legal profession to seek out veterans' cases against the manufacturers. The number of such cases is expected to reach 250,000.

But the modeled assumptions of dioxin risk in these cases are predicated entirely on feeding rodents massive doses (up to 30,000 times human exposure) of dioxin-saturated foods. From these high-dose results, the EPA uses a straight-line "no threshold" (linear multi-stage) basis for extrapolating human danger. In other words, no matter how small the dose, it's dangerous.

But that "no threshold" assumption—which underlies all EPA chemical risk assessments—has been blown away, as one epidemiology study after another has failed to confirm dioxin's alleged toxicity. As Science Magazine reported on Feb. 8, "Even among highly exposed groups, like the people who lived near the chemical plant that exploded in Seveso, Italy, in 1976, the only undisputed effect until recently has been the skin disease chloracne."

Ironically, last January, the first study ever to show even a weak link between dioxin and human cancer published in the New England Journal of Medicine, in fact destroyed EPA's risk model.

That study carried out by the National Institute for Occupational Safety and Health (NIOSH) under the leadership of Marilyn Fingerhut was the most comprehensive look at human dioxin exposure ever done, involving 5,172 workers and at 12 plants in the United States that produced the dioxin-containing pesticides and defoliants.

The average exposure of these workers was 80 times to 500 times U.S. average background levels, and up to 200 times the exposure levels of even the most exposed Vietnam era veterans, the Ranch Hands Air Force personnel who did the Agent Orange spraying.

If the EPA model were correct, these workers should have shown at least 5 to 10 times the expected level of cancers for non-exposed persons. Instead, the researchers found, "Mortality from several cancers previously associated with [dioxin/Agent Orange], stomach, liver, and nasal cancers, Hodgkin's disease, and non-Hodgkin's lymphoma, was not significantly elevated in this cohort. Mortality from soft-tissue sarcoma was increased, but not significantly."

As Science reported on Feb. 8, scientists meeting at Cold Spring Harbor Laboratory in January agreed that "before dioxin can cause any of its myriad [alleged] toxic effects, be they cancer or birth defects, it must first bind to and activate a receptor. That implies there is a 'safe' dose or practical 'threshold' below which no toxic effects occur."

"And that in turn means that the model EPA uses is wrong. 'It topples the linear multistage model,' exclaims Michael Gallo of the Robert Wood Johnson Medical School in New Jersey."

The whole foolish notion there is no safe level of anything proven to be "toxic" in animals (at thousands of times human exposure or more) has repeatedly been blown away as excessive. While EPA regulates dioxin exposure at 0.006 picograms per kilogram of body weight per day, Canada and Europe have been correctly regulating at 1 to 10 picograms, or 170 to 1,700 times higher.

Given this, one would have thought the agency would be cautious about destroying yet another industry on the basis of an animal test and at least 50 unproven, and unscientific assumptions. After all, they've had to back down on asbestos, dioxin, EDBs and, most recently, fluoride.

But that ignores the fact that today's EPA is under the direction of an ideologue with strong ties to a movement whose deepest conviction is that economic growth is bad for the environment and technology is the enemy of the planet. Bombs away.

[From the Washington Times, Nov. 28, 1990]

RADON RISK IN OUR WATER?

(By Warren Brookes)

Even as the scientific community is seriously questioning the Environmental Protection Agency's exaggeration of the risk of residential radon, the EPA was (and may still be) planning an even more preposterous $17 billion to $34 billion boondoggle against state and local water services and their taxpayer/customers.

Until it was temporarily embarrassed by a scathing report from its Scientific Advisory Board (SAB), which surfaced publicly on Nov. 2, the agency was planning to rule that drinking water should not exceed 300 picocuries/liter (pCi/L).

While that may seem high when compared with the present EPA "danger level" for homes (4 pCi/L), the risk factors for water are altogether different because so little water is ingested.

The equivalent risk ratio is 10,000 to 1 air to water, so 300 pCi/L in water is the equivalent to only 0.3 pCi/L in air. The average background level of radon in U.S. homes is about 1.2 pCi/L or 40 times the proposed regulation for water.

To put it another way, the 4 pCi/L "action" standard used by EPA for homes is 133 times as high as the proposed water rule. Yet, as the Oct. 22 editorial in Science magazine pointed out, even that residential standard is now under attack by radiation/cancer researchers who have yet to find any evidence of raised lung cancer death rates even in areas where average residential levels are well over 8 pCi/L. Canada's "action" level is 20 pCi/L because it saw no evidence of public health risk even at that level.

Even if we were to regulate water equivalent to U.S. residential background levels, EPA would have to set a water regulation of 12,000 pCi/L. (See Table.) But the number of wells over 12,000 pCi/L is so tiny such a regulation would be meaningless.

In California, for example, the state Department of Health Services surveyed 252 major ground-water wells operated by some 41 separate water agencies around the state and found only six (2 percent) with levels above 1,500 pCi/L, and none above 4,000.

By contrast, under a 300–500 pCi/L standard, nearly 70 percent of its wells would have to be "remediated." The Association of California Water Agencies estimates that as many as 14,000 ground-water wells would be affected. Although radon levels could easily be reduced by charcoal filtration EPA opposes that method because the filters then would constitute a radioactive waste to be disposed.

The EPA-recommended remediation is construction of aeration towers around every ground-water well feeding more than 10 homes, at an estimated cost of $100,000 to $200,000 per tower, or a cost range for the state of California alone of $1.4 billion to $2.8 billion.

And that is for a state that already has the lowest tested indoor radon levels for the nation. For the nation as a whole, this suggests a cost of $17 billion to $34 billion.

The good news is the SAB report ripped apart the EPA's support for this madness, saying "the overall quality" of this science "was not good." It found that the support documents contained "irrelevant information and incorrect definitions of fundamental technical terms," and "were inconsistent in their approach to risk assessment. . . ." The bad news is that the EPA desperately needs to protect the radon risk estimate because theoretically it is by far the most "dangerous" substance it regulates.

The agency's own newsletter "Inside EPA" reported this major embarrassment saying. "the subcommittee's [SAB's] report in the words of one subcommittee member will be 'damning,' saying EPA 'did a lousy job.'" The job was so bad the entire project had to be transferred out of the EPA's water division to its Air and Radionuclides Division, and the EPA's Jan. 21 deadline for complying with a court order had to be postponed.

Once again the EPA has embarrassed itself on a major regulatory issue with bad science. No wonder EPA Administrator William Reilly is reportedly growing nervous that the radon program may become just as big a fiasco as the asbestos removal program.

And just as costly. For example, an analysis by the New England Radon Committee (NERC) estimates that in its six-state region even a 500 pCi/L standard would require mitigation of 678,000 wells, at a total cost for the region of $1.4 billion. That translates into $24 billion for the nation as a whole.

In a March 1989 report to the EPA, the NERC said a standard even as low as 500 pCi/L would make no sense from a health benefit standard "since living area radon concentrations are approximately 1.2 to 1.4 pCi/L and the 500 pCi/L would only add 0.05 pCi/L to this." It said "the financial burdens on affected state programs would be disproportionate to demonstrate health benefits" and "would result in rate increases to consumers which cannot be justified by commensurate health benefits."

A 1988 letter to the EPA by David Brown, chief of toxic hazards for the Connecticut Department of Health Services, calculated "the radon content of a water supply that would have to be exceeded in order for a health effect to be demonstrable" and arrived at a figure of 5,000 pCi/L. That's more than 10 times the level being proposed by the EPA.

The EPA overkill on radon clearly is an act of desperation by an agency now confronted with a very real "hazard" to its own health safety regulation: If as Science now suggests, residential radon is increasingly shown to be a modest risk, the EPA's entire health regulation program is endangered.

That is why the EPA is trying to force the U.S. public to ratify its ridiculous risk models at a cost of tens of billions. It's a growing scandal.

EPA IN YOUR BEDROOM?

(By Warren Brookes)

Liberal Democrats are always complaining that conservatives want to invade our bedrooms when it comes to our reproductive behavior. Now it turns out liberals want the Environmental Protection Agency to invade and inspect our houses for something called "indoor pollution."

No kidding. On April 24, the Senate Environment and Public Works Committee marked up and sent forward S. 657, the Indoor Air Quality Act. Its initial $49 million price tag is a tiny down payment on what could be hundreds of billions of dollars in costs to homeowners. The inventor of this nano-nannyism is Senate Majority Leader George Mitchell who wants to establish an Office of Indoor Air Quality and a Council on Indoor Air Quality.

What will these new bureaucratic meddlers be doing? They will be conducting " a coordinated research program on indoor air contamination, to institute a process for directing and focusing authorities of existing federal statutes to reduce indoor contamination and to demonstrate and develop state and local responses to indoor air contamination problems."

In other words, the same environmental police force the EPA will be assembling from the Clear Air Bill will begin to cast its turf-building eyes toward every household in America.

It's only a matter of time before homeowners who want to sell their houses will have to get an EPA-approved "air-quality test" of their home, and spend thousands to "mitigate" any "problems" before they can sell.

That's already happening on radon. Recently an employee of a very large computer company told us of a horror show in which a relocator service forced him to spend nearly $2,000 trying unsuccessfully to get a 4.3 pCi/1 basement reading down below 4. Yet the living space level was very likely to have been 1 or less, and presented absolutely no health danger. Even though EPA can't "regulate" radon, it is now working with real-estate groups, and Congress to make such costly foolishness mandatory.

Mr. Mitchell's 66-page Indoor Air Quality bill calls on the EPA to issue "Indoor Air Contaminant Health Advisories" and develop "National Indoor Air Quality Response Plans" and to work with States to develop similar plans.

The premise for all of this is that "contaminants in the air indoors pose a serious threat to human health," and "federal and state governments have not responded adequately to this problem."

In its 1989 "Unfinished Business" document, the EPA ranked "Indoor Air Pollutants Other Than Radon" fourth in their "Consensus ranking of environmental problems," right behind "pesticide residues on foods." (See table.)

EPA says its "quantitative assessment estimates 3,500–6,500 cancers annually," from indoor air pollution of which the majority (3,700) comes from secondary tobacco smoke. The rest supposedly come from a whole range of household pollutants from friable asbestos to hair spray and furniture polish.

Since EPA used essentially the same risk-assessment procedures to generate these indoor cancer estimates as to predict 6,000 annual cancer cases due to pesticide residues, Americans can relax about their health if not about the bureaucratic threat from the EPA to make mincemeat of their real-estate values.

Food and Drug Administration's top toxicologist Dr. Robert Scheuplein told the American Association for the Advancement of Science last winter that contrary to the EPA's alarmism, pesticide residues and chemical additives account for less than .01 percent of all cancer deaths. When we asked him if this meant "less than 50" he said, "Oh, much less than 50." When we pressed him for a number he said: "I won't give you one because I don't honestly believe anyone has ever died from consuming pesticide residues on food."

Most serious risk assessors feel the same way about indoor air pollution other than cigarette smoke. Even there, the incidental tobacco smoke estimates are wildly exaggerated on the presumption that you can extrapolate cancer estimates in a straight line from the actual high-dose experience of smokers to the very low exposure of nonsmokers.

One of the nation's top risk assessors, Michael Gough, director of the Center for Risk Management at Resources For Future, estimates that the regulatable risk of indoor air pollution is 1,240 cancer deaths, using EPA's risk-assessment formulae, or 124, using the methods similar to those used by the FDA, which he considers more realistic. While most risk assessors like Mr. Gough are glad to have a growing focus on the very real danger of tobacco used, they are skeptical about a "national program" to deal with a problem as simple as opening your window more often.

Indeed, the national push for energy conservation also federally driven has produced the more recent problems of "sick buildings" and has increased indoor air contamination in some new construction. As the EPA states it: "The Department of Energy has estimated that air-exchange rates in new construction are, on average, 50 percent lower than the national average."

EPA should know. To this date it has what one leading indoor air consultant in the Washington area told us the "sickest buildings" in the city. Instead of passing this zaniness, Congress should tell EPA to air out its own house, first.

[From the Washington Times, Apr. 25, 1990]

50,000 PREMATURE DEATHS?

(By Warren Brookes)

Advocacy groups routinely exaggerate their cause—and occasionally drift into what amounts to lying. In this respect, the environmental movement runs even more true to form, turning lying into an art form. So much so, we may well be in greater danger from the greenies' "statoxics" (poisonous statistics) than the alleged risks we are being urged to mitigate.

What is troubling is when the government's top environment officer engages in this process. On April 1, two days before the Senate approved the Clean Air Act, Environmental Protection Agency Administrator William Reilly claimed air pollution was causing "50,000 premature deaths a year." This statement stunned the Washington risk assessment community, including many within the EPA itself, where there is absolutely no scientific analysis to support it. Mr. Reilly's spokesman, Lewis Crampton, said his boss was using "a study by the American Lung Association." But that study has no epidemiological foundation and never was peer reviewed or professionally published.

In 1989, the EPA's own risk assessment team of 50 scientists and statisticians developed a report called "Unfinished Business" which concluded that the entire cancer risk associated with "hazardous toxic air pollutants" was from 1,027 to 2,054, and even those numbers are based on risk models that deliberately overstate risk by at least 10 to as much as 100 times.

This means the likely real risk of air pollution is between 100 and 200 additional cancer deaths a year, nationwide, and a major share of those cannot even be remediated by EPA regulation. What's more, EPA knows this. The March 1988 EPA "Regulatory Impact Analysis" on sulphur dioxides (SO_2) the precursors of acid rain, reviewed all studies on SO_2 and found "none of the available laboratory data support the notion that steady long-term exposure to acid sulphates at levels [characteristic of the United States] produce any measurable health effects." In its cost-benefit analysis, it assigned no dollar value to SO_2 controls' ability to reduce mortality risk even at strict interpretation of present SO_2, air-quality standards. Similar EPA analyses exist on surface ozone.

This may come as a shock to a general public that has been frightened to death by exaggerated reports of the dangers of environmental pollution. The other day at a Washington luncheon, a well-educated career women and mother was holding forth on the health dangers of pesticides and dirty air. We asked her, "What percentage of cancers to you think are caused by the environment?" She paused for a moment, and then said, "Well I guess I would say 60 or 70 percent, but that's probably too low." "Would you believe less than 2 percent?" we asked. "Of course not," she said, "that's ridiculous." Not so. In 1981, the world's two leading epidemiologists, Oxford's Sir Richard Doll and Richard Peto, concluded after exhaustive analysis comparing animal test data with actual health statistical trends that indeed pollution was the cause of only 2 percent of all cancers—while 75 percent were caused by human lifestyle, diet, smoking, sexual and productive behavior.

That study was directed by Michael Gough, one of the nation's top risk assessors who was then at the Congressional Office of Technology Assessment. Mr. Gough, now director of the Center for Risk Management at Resources for the Future, points out that despite heavy criticism, "the Doll/Peto estimates have come to be regarded as conventional wisdom."

In fact, EPA has largely accepted the Doll/Peto parameters. In its 1989 "Unfinished Business" analysis, EPA shows a range of 6,214 to 11,054 for all "pollution"-caused cancers, or between 1.2 and 2.5 percent of all cancer risks.

Furthermore, those total risk numbers do not reflect the actual potential benefits of EPA regulation, since so many of them cannot be reached by even the most stringent controls.

In a paper for Risk Analysis last January, Mr. Gough looked at the question "How Much Cancer Can EPA Regulate Away?" and discovered it wasn't very much: "The total number of cancer cases that might be prevented by EPA regulatory efforts . . . range from between 1,200 and 1,600 to between 6,200 and 6,600, depending on how risk from animal date are estimated. Those estimates represent between 0.25 percent and 1.3 percent of the annual cancer mortality of 485,000 deaths." On air pollution, Mr. Gough's numbers range from 231 to 1,028. (See table.)

The range represents Mr. Gough's application of the much more realistic risk assessment method used by the Food and Drug Administration and the Centers for Disease Control compared with the deliberately extreme exaggeration of the EPA methods.

This is not the judgment of an indsutry shill, but an environmental expert of absolutely impeccable credentials who is frankly surprised by the way in which officials like Mr. Reilly use their office to spread unsubstantiated data.

What is more troubling to risk assessors is that such exaggeration is leading the nation into pouring more and more resoures into smaller and smaller benefits. Even as we are turning down $300,000 bone marrow transplants and $500,000 dialysis machines (which actually save real people) we are about to spend another $46 billion on a theoretical risk of less than 200 to 1,000 lives.

Mr. DURENBERGER. Mr. President, I want to commend the Senators from Rhode Island and New Jersey for bringing this indoor air pollution legislation to the full Senate. Indoor air pollution is a problem of national significance

At a subcommittee markup in the fall of 1989, a number of amendments were adopted that made significant changes in the bill. There is one item which I want to bring to the attention of our colleagues here this afternoon because that particular amendment added a new focus to this legislation.

The introduced bill took what I will call a pollutant-by-pollutant approach to controlling indoor air pollution.

Each pollutant of significance was to be identified, a health-based standard was to be established and a plan to achieve the standard was to be developed. After years of working on the Safe Drinking Water Act, air toxics legislation and water quality standards—all of which were designed around that same basic model—it seemed to me that we should learn that the pollutant-by-pollutant, health-based standard regulatory framework does not often produce satisfactory results.

It is too resource intensive for an agency that has too few resources to carry out all of its functions. It can't keep up with the revolution in products and chemistry that goes on out in the marketplace. It doesn't take advantage of the interactive effects that can be realized by the application of known control technologies.

Examples abound: We have been years working on Safe Drinking Water Act standards; there are even today only a handful in place; shifting the program to a system that relied on treatment technologies like filtration, carbon treatment and disinfection for all systems would do more to protect public health than another century of pollutant-by-pollutant standard-setting down at EPA.

In the air toxics legislation that was included in the Clean Air Act that the Congress passed last year, we shifted from health-based standards to best available technology for a broad range of pollutants. The technologies are selected for source categories and not for individual pollutants. That was a consensus solution to years of frustration in the air toxics program.

We need to apply those lessons here. Buildings are systems. They are managed as systems. They have air quality characteristics which are already actively managed in many cases. We need to take advantage of that management to improve health.

An example is the impact of energy conservation efforts on indoor air quality. Tightening buildings to save Btu's often results in poor air quality and the concentration of harmful pollutants. A regulatory program based pollutant-by-pollutant standards as a response to that problem, misses the point. The problem is in the design and operation of the whole system. And that's where the correction needs to be focused.

The range of products and appliances used in the home and office will continue to evolve and evolve more rapidly with each passing decade. Some of these innovations will have negative impacts on air quality in buildings. The problems may come to be realized and corrected on a case-by-case basis under the pollutant-by-pollutant approach.

But we need to keep in mind that while the pollutant-by-pollutant regulatory process grinds on, we can have an impact on all pollutants across-the-board by encouraging better building design, construction, operation, and maintenance.

The amendments adopted by the Environment and Public Works Committee at my urging add a significant buildings-as-systems element to this bill. They push for better ventilation standards and for more training of building owners and operators.

I appreciate very much the modifications that were made by the committee and urge our colleagues in the Senate to support this legislation, today.

INDOOR AIR IN PRISONS

Mr. BURDICK. Mr. President I would like to ask the majority leader if he would engage in a colloquy with me on the issue of indoor air in prisons.

Mr. MITCHELL. I would be happy to discuss this issue with the distinguished chairman of the Environment and Public Works Committee.

Mr. BURDICK. Mr. President I first want to commend the majority leader for introducing this legislation and for bringing it to the floor for action. S. 455 is far reaching in scope and will improve the air Americans breathe. One group of Americans which is not directly included in the language of this legislation, is the people incarcerated throughout the United States. There are over 1 million people in prisons and jails in the United States, a number which has doubled over the last 10 years. In order to educate myself on the issue of indoor air in prisons, I asked prisoners to write to me about the environmental conditions they experience in prison. Citizens United for Rehabilitation of Errants [CURE] published this request in their fall 1991 bulletin. The response was staggering. The air inside prisons is stagnant and oppressive. Dr. Armond Start, an associate professor in the Department of Family Medicine and Practice at the University of Wisconsin Medical School in Madison, WI, cites a significant rise in cases of tuberculosis in detention facilities. Tuberculosis is contracted by breathing bacteria in the air. About 98 percent of the prisoners incarcerated will be released at some point in the future. Mr. President this problem concerns me.

Mr. MITCHELL. To respond to the comments by the distinguished chairman, he and I have discussed the issue of indoor air in prisons. I am sympathetic to the issue and look forward to addressing it during conference.

Mr. BURDICK. I appreciate the cooperation of the majority leader. One other recent development which makes this issue even more of a responsibility of my colleagues and mine is the recent Supreme Court case of Donald L. Helling, et al. versus William McKinney. The Court voted the case to be set aside. William McKinney is a prisoner in Nevada, a non-smoker who is forced to share a cell with a prisoner who smokes five packs of cigarettes a day. Mr. McKinney claims that forced inhalation of smoke is damaging his health. One of the Supreme Court documents say, "* * * the trend in society is toward the protection of the rights of nonsmokers in public places, such protections have not been extended to prisons. * * *" The time is now to extend to all Americans the right to breathable indoor air.

Mr. MITCHELL. Again, to respond to the senior Senator from North Dakota, I look forward to working with him to address the grave problem of poor air quality inside prisons.

LABELING AND RECORDKEEPING PROVISION

Mr. HELMS. Mr. President, I would like to ask the sponsors of the bill about the likelihood of this bill changing to include a number of unwise proposals under discussion in the House of Representatives.

Several of the provisions in the House's indoor air quality bill would be inappropriate additions to this Senate bill. The labeling and recordkeeping provision are two examples.

Is it the intention of the sponsors to hold firmly to the approach and content of the Senate bill in any discussions with the House of Representatives?

Mr. MITCHELL. Indoor air legislation is still under consideration in several House committees and we do not yet know in what form it will be passed. I will, of course, listen fairly to any views of our colleagues in the House on provisions which they may advance. However, I want to note that I, along with Senator CHAFEE, have been working on this issue for 5 years. The approach and content of this legislation has remained consistent. I am confident that the approach of the bill before us is appropriate and I will make that case to our colleagues in the House.

Mr. CHAFEE. I share Senator MITCHELL's view that our work on indoor air quality over the past several years has produced a sound and balanced bill.

I also share the concern of the Senator from North Carolina that some of the related proposals made in the House of Representatives are extreme and unnecessary. We considered and rejected some of these proposals in developing the bill we are considering today.

I have an obligation to listen fully and fairly to proposals made by our colleagues in the House. However, the present bill is the product of a great deal of careful work and attention and I will make every effort to assure that any final bill reflects this effort.

Mr. HELMS. I thank the sponsors of the bill.

Mr. LAUTENBERG. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not on the bill.

Mr. LAUTENBERG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I ask unanimous consent that I may be permitted to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNEMPLOYMENT COMPENSATION

Mr. SPECTER. I thank the Chair. Mr. President, the U.S. Senate election yesterday in my home State of Pennsylvania is worth noting for several reasons. First, I compliment our colleague, Senator HARRIS WOFFORD, for his excellent campaign and election. Next, I regret the temporary interruption in the public career of Dick Thornburgh, who has served with distinction as Governor of Pennsylvania and as Attorney General of the United States. I predict he will soon be back in public service.

That election is important in a substantive sense because it should put Washington on notice that the people of Pennsylvania, and I think the people of America, are "madder than hell and aren't going to put up with it anymore." That is the famous shout from the movie "Network" from a few years back, and it is worth repeating. The people of our country are "madder than hell and aren't going to put up with it anymore."

The Pennsylvania election started out as a wake-up call to Washington, a shot across the bow if you will which ended up as a shot into the hall of our ship of state. It is a strong message, I think, which is aimed at both ends of Pennsylvania Avenue, Capitol Hill, the White House, and aimed at both parties, Democrat and Republican.

In Washington, we focus on the potential political claim for officeholders when we should focus on the real pain of the people of our country. There are many issues which require our attention and our action, and I suggest that there is one of overwhelming importance where Washington has been indolent, ineffective, and inactive for too long, and I refer to the issue of unemployment compensation.

In July, I noted in the press a proposal by the distinguished Senator from Texas [Mr. BENTSEN] to offer legislation on unemployment compensation. From my travels through Pennsylvania and other parts of the country, I knew that such legislation was urgently needed, and I contacted Senator BENTSEN even before the legislation was in writing and offered to be a cosponsor with him.

The issue came before the Senate in the closing days of our session before the August recess. The Democrats had a plan and the Republicans had a plan. It may well be, Mr. President, that the Republican plan might not have come forward had it not been for the Democrat plan. Nonetheless, on August 1, Senator DOLE offered a more restrictive proposal which would be paid for by an auction on radio bands.

It seemed to me that we should have passed both bills in an effort to enact one into law. Instead, the proposal by Senator DOLE was rejected as being insufficient in duration and the proposal advocated by the Democrats was passed, even though this body and the Congress were on notice that it would not be approved by the President. That bill required a declaration of an emergency. It was unnecessary, therefore, for the President to veto that unemployment compensation bill. Instead, the President simply did not declare an emergency.

The Senate then revisited the unemployment compensation issue in September. Again the two parties, vying really for political advantage, offered differing versions. On September 27, on the floor of the Senate, there was a brief debate engaged in by a number of people on both sides of the aisle. On that occasion, Mr. President, I made the point that we ought to enact a bill which could be agreed upon even if it was not a perfect bill and even if it was not a bill which would extend for as long as some of us might like.

Partisan political advantage again was the determining factor in passage of one version of the bill over the other. In making this statement, Mr. President, I think there is a pox on all of our houses—on both parties and on both sides of Pennsylvania Avenue.

During the course of that colloquy on September 27, one of the sponsors of the Democratic proposal said that there was a reach-back provision in the bill which would go back to March 1 if, as, and when it was finally enacted. I replied with what was an obvious answer: Had the more limited bill for unemployment compensation been accepted on August 1 that would have been much more important than talking about reach back on September 27 on a bill which could not be adopted, at least until October. Whatever funds would be available in October would hardly take care of putting bread and butter on the table in August or to pay the rent in August.

One of the other sponsors of the Democratic proposal said his bill was much better than the alternative Republican proposal because under his bill there were 13 weeks of benefits for Pennsylvania instead of only 6 weeks. Again, Mr. President, the answer was obvious, and it was: Why not take 6 weeks on August 1, which would carry through a good bit of September, then come back, as the Congress did, after Labor Day, and enact legislation for another 8 weeks?

The problem in our country is really overwhelming. The unemployment rate has gone up again. The latest figures in October 1991 show 6.8-percent unemployment in this country for a total of 8.5-million unemployed. Of that number, some 388,000 are unemployed Pennsylvanians. I suspect, Mr. President, that the real number of unemployed is much, much larger than that.

I regret that the second bill which was passed, Senate bill 1722, was vetoed by the President after having been passed in this body by a vote of 69 to 30. I voted to override the Presidential veto which fell two votes short on October 15 by a vote of 65 to 35.

Earlier today, I heard a prediction by one of the legislative leaders in Congress that there would be an unemployment compensation bill by Thanksgiving.

I think that is highly problematical, Mr. President, unless both political parties and the executive and legislative branches get together and get it done. When you talk about a bill on Thanksgiving, I think that is insufficient when we are, on November 6, facing a very, very severe problem with millions of Americans unemployed and in urgent need of funds to keep food on the table and shelter over their heads.

The election in my State, Mr. President, disclosed an enormous amount of anger by the people of Pennsylvania. I think that is reflected across the country.

There are many issues which we ought to be addressing, but one of the most pressing is unemployment compensation.

I urge my colleagues in this body and I urge my colleagues in the House to move promptly to place a bill on the President's desk. I urge the President to sign it, to at least show some action on this very, very important problem confronting our Nation.

I thank the Chair. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDOOR AIR QUALITY ACT OF 1991

The Senate continued with the consideration of the bill.

Mr. SPECTER. Mr. President, I make that request so that the bill can be advanced to third reading. It is my understanding that that is acceptable to both sides of the aisle.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. SPECTER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LAUTENBERG). Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, I am pleased to rise in very strong support of S. 455, the Indoor Air Quality Act. I particularly want to commend the majority leader for his efforts in bringing this legislation to the floor, and the Senator from New Jersey, the chairman of the subcommittee, for his leadership efforts in bringing this important bill to the floor.

Most Americans think of air pollution as something that is only outdoors—belching tailpipes, industrial smokestacks or acid rain. But the truth is that most Americans spend the bulk of their time indoors—in the home, or in the office, or in the factory—and the air we breathe inside may actually be dirtier and unhealthier than the air we breathe outside.

Materials used in offices, homes, and other buildings emit pollutants such as benzene from inks, paints, and plastics, and formaldehyde which is released from foam insulation and particleboard products. Modern, energy-efficient buildings are actually more airtight, meaning that the pollutants that are there tend to stay there.

Mr. President, in 1989, the Environmental Protection Agency, as you well know, submitted a four-volume report to Congress describing the indoor air quality problem. The EPA report provides a detailed review of the health effects of indoor air contaminants. It placed the direct medical costs associated with a select group of contaminants at over $1 billion a year. When the costs of increased sick leave and reduced productivity are considered, costs to society of indoor air pollution are actually even higher. The EPA, in fact, reports by a conservative estimate of lost productivity that the losses annually are between $4.4 and $5.4 billion as a result of indoor air pollution.

Mr. President, this bill takes some very important steps to deal with the problems of indoor air pollution which the majority leader and the Senator from New Jersey have outlined in their statements. I must say that I am particularly pleased that the bill includes an amendment, which I offered in committee, which requires the Administrator of EPA to work with NASA to assess the level of pollutants that are reduced by indoor plants—including conducting demonstration projects—and to submit a report to Congress within 2 years. The bill also authorizes the Administrator of EPA to conduct the research, development, and demonstration activities with nonprofit institutions on the use of indoor foliage as a method to reduce indoor air pollution.

I know this might strike some as surprising, but the fact is that recent scientific research by NASA has revealed that plants are actually a very promising natural solution to the modern day problem of indoor air pollution. Indoor plants have actually been found to act as air purifiers which may give new meaning to the old story contained in the movie "The Little Shop of Horrors." Studies show that philodendron, spider plants, and golden pothos are good at eating formaldehyde; and flowering plants, some of them at least, apparently love benzene. The more we know, the better plants look as inexpensive and attractive solutions to the problem of indoor air pollution. And this bill will bolster our limited knowledge of how indoor plants can help clean indoor air.

Turning to Mother Nature to help solve a man-made problem like indoor air pollution makes environmental, fiscal, and common sense. The bill will help us explore and promote a green thumb approach to a vexing pollution problem.

I thank the majority leader and the Senator from New Jersey for including the provisions on indoor plants in their excellent legislation. I urge support of the legislation.

I thank the Chair. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I want to alert our colleagues that a vote is expected to take place within 5 minutes, at 3:35 on S. 455, the Indoor Air Quality Act.

While we have a couple of minutes, I want to say how important I think this bill is. And I want to thank the majority leader, Senator MITCHELL, for his constant attention to environmental problems and to note that, even with his exceptionally busy schedule, he made certain that we had an opportunity to move this bill for the second time. It passed the Senate in the last session. It, unfortunately, did not get enacted because the House did not act. We certainly look forward to the House action in this Congress so that we can move on this very important piece of legislation.

Everyone has noted how significant indoor air pollution is. At first it was treated with a bit of derision, some wry jokes, and dismissed. The fact is that we have learned that pollutants like radon and other contaminants have significant health threats within our buildings, offices, and homes. The bill will address these structures as well as the Capitol, the White House, and the Vice President's house.

I want to compliment the majority leader for his very diligent pursuit of a better environment and look forward to having passage of this bill very shortly.

I also want to commend the distinguished ranking member of the Environment Committee, Senator CHAFEE, for his arduous efforts on behalf of a better environment. He is routinely there on environmental issues, and his support is very significant.

I want to respond to the comments by the Senator from Connecticut, the occupant of the chair now, for his introduction of the amendment that deals with plant life within buildings that might, in fact, help respond to the problems of indoor air pollution. It seems that we are rediscovering our heritage in so many ways and going back to the materials that were used 2,000 years ago in China and other parts of the world to treat disease. Suddenly it looks like it is better treatment than some of the things that man believes we have invented as treatments for diseases.

So I want to compliment the Senator from Connecticut, Senator LIEBERMAN, with whom I work on the Environment Committee, for his aggressive efforts in a fairly short time in this body to make certain that we respect nature, that we try to restore the environment to its preindustrial days, when Long Island Sound flowed unpolluted; and that all of the marine life that existed there continues to exist. So I note with pleasure that his amendment is part of this bill.

I believe, Mr. President, that at this point we are ready to go ahead with the rollcall vote on the bill, and I ask that the clerk commence to call the roll.

The PRESIDING OFFICER. Is there further debate?

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. I thank the distinguished presiding officer and my colleague from New Jersey.

I will be brief. I want to note to the Senate that here we go again, I say to my colleagues. Unemployment is a big problem in the country. Persons are concerned about their jobs in the country. They would like to see an economic growth package in this country. They would like to have a chance to earn a living in this country.

What is the Senate of the United States doing? We are going to have a bill where we are going to establish, now, another bureaucracy, the Office of Indoor Air Quality. We are going to have the Federal Government solve the problem, the Federal Government that is borrowing a $1 billion a day, that has been polluting the economy with an army of bureaucrats and regulators, who go out and try to intervene with every opportunity that people have in the country to produce something, flying in the face of reality, Mr. President.

The rest of the world is saying they would like to have an opportunity for a free economy, and an opportunity for private ownership, and growth and jobs like we have enjoyed in the United States. But our answer is that there are a few things that we are not controlling. So, by golly, we will do it.

We will not leave anything to the States. There is nothing we are going to leave to the States. We are going to control this down to the last drop of water you drink, the last air you breathe. And it is going to cost some money, $242 million over the next 5 years.

I know my colleagues will say, well, it will save a lot of money, and better health, better air, all those things. We will wait and see. But I will just point out, if it has not been said heretofore, the administration opposes this bill. The bill would disrupt a longstanding, and effective, Federal indoor air quality program that is now in effect.

It will create conflicting responsibilities among Federal agencies and impose duplicating, unnecessary, requirements that would undermine Federal priorities. The Federal Government is already involved in a comprehensive indoor air program. The program activities include research on causes and effects of indoor air pollution, assessment of mitigation technologies, information dissemination, and, when appropriate, issuance of regulations and guidelines. That is already in the law.

But that is not enough to satisfy this Senate and this Congress that wants to regulate it down to the last intake and exhalation of breath in this country.

The Federal program is coordinated by the interagency Committee on Indoor Air Quality. The Environmental Protection Agency recently issued a plan for an expanded Federal program under existing authority, and substantially increased funding was included in the President's fiscal year 1992 budget to carry out the plan's recommendations. But that does not satisfy this group.

So, Mr. President, I ask unanimous consent to have printed in the RECORD a document entitled "Administration Position."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADMINISTRATION POSITION

The Administration strongly opposes enactment of S. 455, as reported out of the Senate Environment and Public Works Committee. The bill would disrupt a long-standing and effective Federal indoor air quality program. It would create conflicting responsibilities among Federal agencies, and impose duplicative and unnecessary requirements that would undermine Federal priorities.

The Federal government already has a comprehensive indoor air program. Program activities include: research on the causes and effects of indoor air pollution; assessment of mitigation technologies; information dissemination; and, when appropriate, issuance of regulations and guidelines. The Federal program is coordinated by the interagency Committee on Indoor Air Quality. The Environmental Protection Agency (EPA) recently issued a plan for an expanded Federal program under existing authority. Substantially increased funding was included in the President's FY 1992 Budget to carry out the plan's recommendation.

The current Federal program is focused on activities that provide the greatest potential for risk reduction. The numerous mandatory actions and deadlines contained in S. 455 would redirect this effort towards repackaging existing information and issuing reports. The Administration is especially concerned that S. 455's chemical-by-chemical approach would replace the Federal program's integrated, comprehensive, risk-based approach. Besides addressing the most significant chemicals, the current program emphasizes practices and technologies that can effectively address all the factors affecting indoor air quality.

S. 455 would disrupt the Federal program by creating conflicting responsibilities and duplicating current activities. The bill would inappropriately give EPA responsibility for developing plans for potential regulatory actions under statutes administered by other agencies. With respect to response plans, the health standard provisions in the bill, differ from the statutory standard administered by the Occupational Safety and Health Administration (OSHA) and the Consumer Product Safety Commission. The bill's Federal building program would replace an effective General Services Administration/OSHA program that addresses the Federal indoor environment at a fraction of the cost and effort required by S. 455. It would also unnecessarily duplicate the Department of Energy's indoor air quality and ventilation research and development program.

SCORING FOR THE PURPOSE OF PAYGO AND DISCRETIONARY CAPS

OMB's preliminary scoring estimates of this bill are presented in the table below. Final scoring of this legislation may deviate from these estimates. If S. 455 were enacted, final OMB scoring estimates would be published within five days of enactment, as required by OBRA. The cumulative effects of all enacted legislation on direct spending will be issued in monthly reports transmitted to the Congress.

Estimates for pay-as-you-go

Title VI (fees):	*Thousands*
1992	$200–400
1993	200–400
1994	200–400
1995	200–400
1992–95	800–1,600

Mr. SYMMS. Mr. President, I hope that some Senators will recognize this is not the kind of legislation that the American people need today. This is not the kind of leadership the American people are asking for from their elected representatives in Washington, and that, if this is the best we can do, maybe there will be a change of venue of some of our status in the future years after the 1992 elections, because I believe what we need to be doing is concentrating on propositions that will gain opportunities for people to have a better job, a better workplace, and more productivity in the economy; not to continually give EPA and other agencies more power and more money to hire more people to go around to put their nose in other people's businesses.

I yield the floor.

The PRESIDING OFFICER. Is there further debate?

Mr. CHAFEE. Mr. President, I just say that the distinguished Senator from Idaho is a very able member of our committee. He gives a lot of thought to these matters. I will not argue with what he said.

I point out that the EPA has had this authority for many years, and they have not done anything. We look on indoor air as a major cause of respiratory illnesses. This is not putting the U.S. Government or the EPA into everybody's living room. It is a research bill, and I think it will do a lot of good at a modest cost.

The PRESIDING OFFICER. Is there further debate?

The question occurs on the bill. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Ohio [Mr. GLENN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH] is absent due to a death in the family.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 88, nays 7, as follows:

[Rollcall Vote No. 245 Leg.]

YEAS—88

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Breaux
Brown
Bryan
Bumpers
Burdick
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon

Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Thurmond
Warner
Wellstone
Wirth
Wofford

NAYS—7

Burns
Craig
Helms
Lott
Nickles
Symms
Wallop

NOT VOTING—5

Bradley
Cranston
Glenn
Hatch
Kerrey

So the bill (S. 455), as amended, was passed; as follows:

S. 455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. TITLE.—(a) This Act, together with the following table of contents, may be cited as the "Indoor Air Quality Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Findings.
Sec. 3. Purpose.
Sec. 4. Definitions.
Sec. 5. Indoor air quality research.
Sec. 6. Management practices and ventilation standards.
Sec. 7. Indoor air contaminant health advisories.
Sec. 8. National indoor air quality response plan.
Sec. 9. Federal building response plan and demonstration program.
Sec. 10. State and local indoor air quality programs.
Sec. 11. Office of Indoor Air Quality.
Sec. 12. Council on Indoor Air Quality.
Sec. 13. Indoor air quality information clearinghouse.
Sec. 14. Building assessment demonstration.
Sec. 15. State and Federal authority.
Sec. 16. Authorizations.

FINDINGS

SEC. 2. The Congress finds that—

(1) Americans spend up to 90 per centum of a day indoors and, as a result, have a significant potential for exposure to contaminants in the air indoors;

(2) exposure to indoor air contamination occurs in workplaces, schools, public buildings, residences, and transportation vehicles;

(3) recent scientific studies indicate that pollutants in the indoor air include radon, asbestos, volatile organic chemicals (including, formaldehyde and benzene), combustion byproducts (including, carbon monoxide and nitrogen oxides), metals and gases (including, lead, chlorine, and ozone), respirable particles, biological contaminants, microorganisms, and other contaminants;

(4) a number of contaminants found in both ambient air and indoor air may occur at higher concentrations in indoor air than in outdoor air;

(5) indoor air pollutants pose serious threats to public health (including cancer, respiratory illness, multiple chemical sensitivities, skin and eye irritation, and related effects);

(6) up to 15 per centum of the United States population may have heightened sensitivity to chemicals and related substances found in the air indoors;

(7) radon is among the most harmful indoor air pollutants and is estimated to cause between five thousand and twenty thousand lung cancer deaths each year;

(8) other selected indoor air pollutants are estimated to cause between three thousand five hundred and six thousand five hundred additional cancer cases per year;

(9) indoor air contamination is estimated to cause significant increases in medical costs and declines in work productivity;

(10) as many as 20 per centum of office workers may be exposed to environmental conditions manifested as "sick building syndrome";

(11) sources of indoor air pollution include conventional ambient air pollution sources, building materials, consumer and commercial products, combustion appliances, indoor application of pesticides and other sources;

(12) there is not an adequate effort by Federal agencies to conduct research on the seriousness and extent of indoor air contamination, to identify the health effects of indoor air contamination, and to develop control technologies, education programs, and other methods of reducing human exposure to such contamination;

(13) there is not an adequate effort by Federal agencies to develop response plans to reduce human exposure to indoor air contaminants and there is a need for improved coordination of the activities of these agencies;

(14) there is not an adequate effort by Federal agencies to develop methods, techniques, and protocols for assessment of indoor air contamination in non-residential, non-industrial buildings and to provide guidance on measures to respond to contamination; and

(15) State governments can make significant contributions to the effective reduction of human exposure to indoor air contaminants and the Federal Government should assist States in development of programs to reduce exposures to these contaminants.

PURPOSE

SEC. 3. The purposes of this Act are to—

(1) develop and coordinate through the Environmental Protection Agency and at other departments and agencies of the United States a comprehensive program of research and development concerning the seriousness and extent of indoor air contamination, the human health effects of indoor air contaminants, and the technological and other methods of reducing human exposure to such contaminants;

(2) establish a process whereby the existing authorities of Federal statutes will be directed and focused to assure the full and effective application of these authorities to reduce human exposure to indoor air contaminants where appropriate;

(3) provide support to State governments to demonstrate and develop indoor air quality management strategies, assessments, and response programs; and

(4) to authorize activities to assure the general coordination of indoor air quality-related activity, to provide for reports on indoor air quality to Congress, to provide for assessments of indoor air contamination in specific buildings by the National Institute for Occupational Safety and Health, to assure that data and information on indoor air quality issues is available to interested parties, to provide training, education, information, and technical assistance to the public and private sector, and for other purposes.

DEFINITIONS

SEC. 4. For the purposes of this Act, the term—

(1) "Agency" means the United States Environmental Protection Agency;

(2) "indoor" refers to the enclosed portions of buildings including non-industrial workplaces, public buildings, Federal buildings, schools, commercial buildings, residences, and the occupied portions of vehicles;

(3) "indoor air contaminant" means any solid, liquid, semisolid, dissolved solid, biological organism, aerosol, or gaseous material, including combinations or mixtures of substances in indoor air which may reasonably be anticipated to have an adverse effect on human health;

(4) "Federal agency" or "agency of the United States" means any department, agency or other instrumentality of the Federal Government, including any independent agency or establishment of the Federal Government or government corporation;

(5) "Federal building" means any building which is used primarily as an office building, school, hospital, or residence that is owned, leased, or operated by any Federal agency and is over ten thousand square feet in area, any building occupied by the Library of Congress, the White House and the Vice Presidential residence, and any building that is included in the definition of Capitol Buildings under section 193m(1) of title 40, United States Code;

(6) "Administrator" means to the Administrator of the Environmental Protection Agency;

(7) "Administration" means the Occupational Safety and Health Administration;

(8) "Director" means the Director of the National Institute of Occupational Safety and Health;

(9) "local education agency" means any educational agency as defined in section 198 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3381); and

(10) "local air pollution control agency" means any city, county, or other local government authority charged with the responsibility for implementing programs or enforcing ordinances or laws relating to the prevention and control of air pollution including indoor air pollution.

INDOOR AIR QUALITY RESEARCH

SEC. 5. (a) AUTHORITY.—(1) The Administrator shall, in coordination with other appropriate Federal agencies, establish a national research, development, and demonstration program to assure the quality of air indoors and as part of such program shall promote the coordination and acceleration of research, investigations, experiments, demonstrations, surveys, and studies relating to the causes, sources, effects, extent, prevention, detection, and correction of contamination of indoor air.

(2) In carrying out the provisions of this section, the Administrator is authorized, subject to the availability of appropriation to—

(A) collect and make available to the public through publications and other appropriate means, the results of research, development and demonstration activities conducted pursuant to this section;

(B) conduct research, development and demonstration activities and cooperate with other Federal agencies, with State and local government entities, interstate and regional agencies, other public agencies and authorities, nonprofit institutions and organizations and other persons in the preparation and conduct of such research, development and demonstration activities;

(C) make grants to the States or to local government entities, to other public agencies and authorities, to nonprofit institutions and organizations, and to other persons;

(D) enter into contracts or cooperative agreements with public agencies and authorities, nonprofit institutions and organizations, and other persons;

(E) conduct studies, including epidemiological studies, of the effects of indoor air contaminants or potential contaminants on mortality and morbidity and clinical and laboratory studies on the immunologic, biochemical, physiological, and toxicological effects including the carcinogenic, teratogenic, mutagenic, cardiovascular, and neurotoxic effects of indoor air contaminants or potential contaminants;

(F) develop and disseminate informational documents on indoor air contaminants describing the nature and characteristics of such contaminants in various concentrations;

(G) develop effective and practical processes, protocols, methods, and techniques for the prevention, detection, and correction of indoor air contamination and work with the private sector, other governmental entities, and schools and universities to encourage the development of innovative techniques to improve indoor air quality;

(H) construct such facilities and staff and equip them as may be necessary to carry out the provisions of this section;

(I) call conferences concerning the potential or actual contamination of indoor air giving opportunity for interested persons to be heard and present papers at such conferences;

(J) utilize, on a reimbursable basis, facilities and personnel of existing Federal scientific laboratories and research centers; and

(K) acquire secret processes, technical data, inventions, patent applications, patents, licenses, and an interest in lands, plants, equipment and facilities and other property rights, by purchase, license, lease, or donation. If the Administrator expects or intends that research pursuant to this subsection will primarily affect worker safety and health, he shall consult with the Assistant Secretary of Occupational Safety and Health and the Director.

(L) conduct research, development and demonstration activities with nonprofit institutions on the use of indoor foliage as a method to reduce indoor air pollution.

(b) PROGRAM REQUIREMENTS.—The Administrator, in coordination with other appropriate Federal agencies, shall conduct, assist, or facilitate research, investigations, studies, surveys, or demonstrations with respect to, but not limited to, the following—

(1) the effects on human health of contaminants or combinations of contaminants at various levels whether natural or anthropogenic including additive, cumulative, and synergistic effects on populations both with and without heightened sensitivity that are found or are likely to be found in indoor air;

(2) the exposure of persons to contaminants that are found in indoor air (including exposure to such substances from sources other than indoor air contamination including drinking water, diet, or other exposures);

(3) the identification of populations at increased risk of illness from exposure to indoor air contaminants and assessment of the extent and characteristics of such exposure;

(4) the exposure of persons to contaminants in different building classes or types, and in vehicles, and assessment of the association of particular contaminants and particular building classes or types and vehicles;

(5) identification of building classes or types and design features or characteristics which increase the likelihood of exposure to indoor air contaminants;

(6) identification of the sources of indoor air contaminants including association of contaminants with outdoor sources, building or vehicle design, classes or types of products, building management practices, equipment operation practices, building materials, and related factors;

(7) assessment of relationships between contaminant concentration levels in ambient air and the contaminant concentration levels in the indoor air;

(8) development of methods and techniques for characterizing and modeling indoor air movement and flow within buildings or vehicles, including the transport and dispersion of contaminants in the indoor air;

(9) assessment of the fate, including degradation and transformation, of particular contaminants in indoor air;

(10) development of methods and techniques to characterize the association of contaminants, the levels of contaminants, and the potential for contamination of new construction with climate, building location, seasonal change, soil and geologic formations, and related factors;

(11) assessment of indoor air quality in facilities of local education agencies and buildings housing child care facilities and development of measures and techniques for control of indoor air contamination in such buildings;

(12) development of protocols, methods, techniques and instruments for sampling indoor air to determine the presence and level of contaminants including sample collection and the storage of samples before analysis and development of methods to improve the efficiency and reduce the cost of analysis;

(13) development of air quality sampling methods and instruments which are inexpensive and easy to use and may be used by the general public;

(14) development of control technologies, building design criteria, and management practices to prevent the entrance of contaminants into buildings or vehicles (for example, air intake protection, sealing, and related measures) and to reduce the concentrations of contaminants indoors (for example, control of emissions from internal sources of contamination, improved air exchange and ventilation, filtration, and related measures);

(15) development of materials and products which may be used as alternatives to materials or products which are now in use and which contribute to indoor air contamination;

(16) development of equipment and processes for removal of contaminants from the indoor air;

(17) research, to be carried out principally by the Occupational Safety and Health Administration and the National Institute for Occupational Safety and Health, for the purpose of assessing—

(A) the exposure of workers to indoor air contaminants including assessment of resulting health effects; and

(B) the costs of declines in productivity, sick time use, increased use of employer-paid health insurance, and worker compensation claims;

(18) research, to be carried out in conjunction with the Secretary of Housing and Urban Development, and the Secretary of the Department of Energy for the purpose of developing—

(A) methods for assessing the potential for radon contamination of new construction, including (but not limited to) consideration of the moisture content of soil, permeability of soil, and radon content of soil; and

(B) design measures to avoid indoor air pollution, and

(19) research, to be carried out in conjunction with the Secretary of Transportation, for the purposes of—

(A) assessing the potential for indoor air contamination in public and private transportation; and

(B) designing measures to avoid such indoor air contamination.

(20) research, to be carried out in consultation with the Administrator for the National Aeronautics and Space Administration, for the purpose of assessing the use of indoor foliage as a means to reduce indoor air contamination, including demonstration projects to determine the level of pollutants reduced by indoor plants in buildings.

(c) TECHNOLOGY DEMONSTRATION PROGRAM.—(1) The Administrator may enter into cooperative agreements or contracts, or provide financial assistance in the form of grants, to public agencies and authorities, nonprofit institutions and organizations, employee advocate organizations, local educational institutions, or other persons, to demonstrate practices, methods, technologies, or processes which may be effective in controlling sources or potential sources of indoor air contamination, preventing the occurrence of indoor air contamination, and reducing exposures to indoor air contamination.

(2) The Administrator may assist demonstration activities under paragraph (1) of this subsection only if—

(A) such demonstration activity will serve to demonstrate a new or significantly improved practice, method, technology or process or the feasibility and cost effectiveness of an existing, but unproven, practice, method, technology, or process and will not duplicate other Federal, State, local, or commercial efforts to demonstrate such practice, method, technology, or process;

(B) such demonstration activity meets the requirements of this section and serves the purposes of this Act;

(C) the demonstration of such practice, technology, or process will comply with all other laws and regulations for the protection of human health, welfare, and the environment; and

(D) in the case of a contract or cooperative agreement, such practice, method, technology, or process would not be adequately demonstrated by State, local, or private persons or in the case of an application for financial assistance by a grant, such practice, method, technology, or process is not likely to receive adequate financial assistance from other sources.

(3) The demonstration program established by this subsection shall include solicitations for demonstration projects, selection of suitable demonstration projects from among those proposed, supervision of such demonstration projects, evaluation and publication of the results of demonstration projects, and dissemination of information on the effectiveness and feasibility of the practices, methods, technologies and processes which are proven to be effective.

(4) Within one hundred and eighty days after the date of enactment of this Act, and no less often than every twelve months thereafter, the Administrator shall publish a solicitation for proposals to demonstrate, prototype or at full-scale, practices, methods, technologies, and processes which are (or may be) effective in controlling sources or potential sources of indoor air contaminants. The solicitation notice shall prescribe the information to be included in the proposal, including technical and economic information derived from the applicant's own research and development efforts, and other information sufficient to permit the Administrator to assess the potential effectiveness and feasibility of the practice, method, technology, or process proposed to be demonstrated.

(5) Any person and any public or private nonprofit entity may submit an application to the Administrator in response to the solicitations required by paragraph (4) of this section. The application shall contain a proposed demonstration plan setting forth how and when the project is to be carried out and such other information as the Administrator may require.

(6) In selecting practices, methods, technologies or processes to be demonstrated, the Administrator shall fully review the applications submitted and shall evaluate each project according to the following criteria—

(A) the potential for the proposed practice, method, technology, or process to effectively control sources or potential sources of contaminants which present risks to human health;

(B) the consistency of the proposal with the recommendations provided pursuant to paragraph (8) of section 8(d);

(C) the capability of the person or persons proposing the project to successfully complete the demonstration as described in the application;

(D) the likelihood that the demonstrated practice, method, technique, or process could be applied in other locations and circumstances to control sources or potential sources of contaminants, including considerations of cost, effectiveness, and technological feasibility;

(E) the extent of financial support from other persons to accomplish the demonstration as described in the application; and

(F) the capability of the person or persons proposing the project to disseminate the results of the demonstration or otherwise make the benefits of the practice, method, or technology widely available to the public in a timely manner.

(7) The Administrator shall select or refuse to select a project for demonstration under this subsection in an expeditious manner. In the case of a refusal to select a project, the Administrator shall notify the applicant of the reasons for the refusal.

(8) Each demonstration project under this section shall be performed by the applicant, or by a person satisfactory to the applicant, under the supervision of the Administrator. The Administrator shall enter into a written agreement with each applicant granting the Administrator the responsibility and authority for testing procedures, quality control, monitoring, and other measurements necessary to determine and evaluate the results of the demonstration project.

(9) The Administrator shall enter into arrangements, wherever practicable and desirable, to provide for monitoring testing procedures, quality control, and such other measurements necessary to evaluate the results of demonstration projects or facilities intended to control sources or potential sources of contaminants.

(10) Each demonstration project under this section shall be completed within such time as is established in the demonstration plan. The Administrator may extend any deadline established under this subsection by mutual agreement with the applicant concerned.

(11) Total Federal funds for any demonstration project under this section shall not exceed 75 per centum of the total cost of such project. In cases where the Administrator determines that research under this section is of a basic nature which would not otherwise be undertaken, or the applicant is a local educational agency, the Administrator may approve grants under this section with a matching requirement other than that specified in this subsection, including full Federal funding.

(12) The Administrator shall, from time to time, publish general reports describing the findings of demonstration projects conducted pursuant to this section. Such reports shall be provided to the Indoor Air Quality Information Clearinghouse provided for in section 13 of this Act.

(d) ASSESSMENT OF SCHOOLS AND CHILD CARE FACILITIES.—(1) The Administrator shall conduct a national assessment of the seriousness and extent of indoor air contamination in buildings owned by local educational agencies and child care facilities.

(2) The Administrator shall establish an advisory group made up of representatives of school administrators, teachers, child care organizations, parents and service employees and other interested parties, including scientific and technical experts familiar with indoor air pollution exposures, effects, and controls, to provide guidance and direction in the development of the national assessment.

(3) The Administrator shall provide a report to Congress of the results of the national assessment not later than two years after the date of enactment of this Act. The report required by this paragraph shall provide such recommendations for activities or programs to reduce and avoid indoor air contamination in buildings owned by local educational agencies and in child care facilities as the Administrator determines to be appropriate.

(e) REPORTS TO CONGRESS.—The Administrator shall, within twenty-four months of the date of enactment of this Act, prepare and submit to the Congress (1) a report reviewing and assessing issues related to chemical sensitivity disorders, including multiple chemical sensitivities. The Advisory Committee established pursuant to subsection 7(c) of this Act shall review and comment on the report prior to submittal to the Congress; (2) The Administrator, in consultation with the Administrator for the National Aeronautics and Space Administration, shall submit to the Congress a report on the research program authorized under paragraph 20 of subsection (b) within 2 years of enactment of this Act.

(f) CLARIFICATION OF AUTHORITY.—Title IV of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 7401 note) is repealed.

MANAGEMENT PRACTICES AND VENTILATION STANDARDS

SEC. 6. (a) TECHNOLOGY AND MANAGEMENT PRACTICE ASSESSMENT BULLETINS.—(1) The Administrator shall publish bulletins providing an assessment of technologies and management practices for the control and measurement of contaminants in the air indoors.

(2) Bulletins published pursuant to this subsection shall, at a minimum—

(A) describe the control or measurement technology or practice;

(B) describe the effectiveness of the technology or practice in control or measurement of indoor air contaminants and, to the extent feasible, the resulting reduction in risk to human health;

(C) assess the feasibility of application of the technology or practice in buildings of different types, sizes, ages, and designs;

(D) assess the cost of application of the technology or practice in buildings of different types, sizes, ages, and designs, including capital and operational costs; and

(E) assess any risks to human health that such technology or practice may create.

(3) The Administrator shall establish and utilize a standard format for presentation of the technology and management practice assessment bulletins. The format shall be designed to facilitate assessment of technologies or practices by interested parties, including homeowners and building owners and managers.

(4) The Administrator shall provide that bulletins published pursuant to this subsection shall be published on a schedule consistent with the publication of health advisories pursuant to subsection 7(b) of this Act to the extent practicable.

(5) In development of bulletins pursuant to this subsection, the Administrator shall provide for public review and shall consider public comment prior to publication of bulletins. Where the technology or management practice is expected to have significant implications for worker safety or health, the Administrator shall consult with the Director prior to seeking review and comment.

(6) Bulletins published pursuant to this subsection shall be provided to the Indoor Air Quality Information Clearinghouse provided for in section 13 of this Act and, to the extent practicable, shall be made available to architecture, design, and engineering firms and building owners and managers and to organizations representing such parties.

(b) MODEL BUILDING MANAGEMENT PRACTICES TRAINING.—(1) Within twelve months of the date of enactment of this Act, the Director of the National Institute of Occupational Safety and Health, in consultation with the Administrator of the General Services Administration and the Administrator, shall develop an indoor air training course providing training in—

(A) principles, methods, and techniques related to ventilation system operation and maintenance including applicable ventilation guidelines and standards;

(B) maintenance of records concerning indoor air quality, including maintenance of ventilation systems, complaints of indoor air quality, and actions taken to address indoor air quality problems;

(C) health threats posed by indoor air pollutants, including a knowledge of health advisories published pursuant to this Act and other information concerning contaminant levels;

(D) identification of potential indoor air pollutant sources and options for reducing exposures to contaminants;

(E) special measures which may be necessary to reduce indoor air contaminant exposures in new buildings and in portions of buildings which have been renovated or substantially refurbished within the past six months; and

(F) special measures which may be necessary to reduce exposures to contaminants associated with pesticide applications, installation of products, furnishings, or equipment, and cleaning operations.

(2) Within twenty-four months of the date of enactment of this Act, the Director of the National Institute for Occupational Safety and Health shall provide, or contract for the provision of, training courses pursuant to paragraph (1) of this subsection sufficient, at a minimum, to assure training on a schedule consistent with the requirements of paragraph 9(f)(2).

(3) The Director of the National Institute of Occupational Safety and Health, or firms or organizations operating under contract with such Administrator, are authorized to establish a fee for training pursuant to this subsection. Fees shall be in an amount not to exceed the amount necessary to defray the costs of the training program.

(4) The Director of the National Institute of Occupational Safety and Health, in consultation with the Administrator of the General Services Administration, and the Administrator, shall prepare a report to Congress within forty-eight months of the date of enactment of this subsection assessing the training program pursuant to this subsection and making recommendations concerning the application of training requirements to classes and types of buildings not covered by this subsection.

(c) VENTILATION PROGRAM.—(1) The Administrator, in coordination with other Federal agencies, shall conduct a progam to analyze the adequacy of existing ventilation standards and guidelines to protect the public and workers from indoor air contaminants.

(2) The Administrator shall—

(A) identify and describe ventilation standards adopted by State and local governments and professional organizations, including the American Society of Heating, Refrigerating and Air Conditioning Engineers;

(B) determine the adequacy of the standards for protecting public health and promoting worker productivity;

(C) assess the costs of compliance with such standards;

(D) determine the degree to which such standards are being adopted and enforced;

(E) identify the extent to which buildings are being operated in a manner which achieves the standard; and

(F) assess the potential for such standards to complement controls over specific sources of contaminants in reducing indoor air contamination.

(3) The Administrator shall submit to the Congress, within thirty-six months of the enactment of this Act a report which shall—

(A) describe the ventilation program carried out under this Act; and

(B) make recommendations concerning—

(i) the establishment of ventilation standards which protect public and worker health and take comfort and energy conservation goals into account; and

(ii) ensuring that adequate ventilation standards are being adopted and that buildings are being operated in a manner which achieves the standard.

INDOOR AIR CONTAMINANT HEALTH ADVISORIES

SEC. 7. (a) LIST OF CONTAMINANTS.—(1) Within two hundred and forty days after the date of enactment of this Act, the Administrator shall prepare and publish in the Federal Register a list of the contaminants (hereinafter referred to as listed contaminants) that may occur or are known to occur in indoor air at levels which may reasonably be expected to have an adverse impact on human health. The list may include combinations or mixtures of contaminants and may refer to such combinations or mixtures by a common name.

(2) The Administrator shall from time to time and as necessary to carry out the provisions of this Act, but not less often than biennially, review and revise such list adding other contaminants pursuant to the requirements of this Act.

(3) The list provided for in paragraph (1) of this subsection shall include, at a minimum: benzene, biological contaminants, carbon monoxide, formaldehyde, lead, methylene chloride, nitrogen oxide, particulate matter, asbestos, polycyclic aromatic hydrocarbons (PAHs), and radon.

(4) In development of the list provided for in paragraph (1) of this subsection or in revision of such list pursuant to paragraph (2), the Administrator shall consult with the advisory panel provided for in subsection (c) of this section and provide for public review and shall consider public comment prior to issuance of a final list.

(5) The listing of contaminants under this subsection is not an agency rulemaking. In considering objections raised in any judicial or related action, the Administrator's decision to list a particular contaminant shall be upheld unless the objecting party can demonstrate that the decision was arbitrary or capricious or otherwise not in accordance with the law. The list of contaminants prepared in accordance with this subsection shall not be construed to indicate that those contaminants not listed are safe for human exposure or without adverse health effect.

(6) Upon application of the Governor of a State showing that a contaminant or potential contaminant in the indoor air which is not listed pursuant to paragraph (1) of this subsection may reasonably be anticipated to have an adverse effect on human health as a result of its presence in the indoor air, the Administrator shall, within ninety days, revise the list established by paragraph (1) of this subsection to include such contaminant or publish in the Federal Register the reasons for not making such a revision.

(b) CONTAMINANT HEALTH ADVISORIES.—(1) The Administrator shall, in consultation with the advisory panel, provided for in subsection (c) of this section, and after providing for public review and comment pursuant to paragraph (6), publish advisory materials addressing the adverse human health effects of listed contaminants.

(2) Such advisory materials shall, at a minimum, describe—

(A) the physical, chemical, biological, and radiological properties of the contaminant;

(B) the adverse human health effects of the contaminant in various indoor environments and in various concentrations;

(C) an analysis of the risk posed by the contaminant to human health at the full range of concentration levels, including risk to subpopulations which may be especially sensitive to exposure to the contaminant;

(D) the extent to which the contaminant, or a mixture of contaminants, is associated with a particular substance or material and emissions rates which are expected to result in varying levels of contaminant concentration in indoor air;

(E) any Technology and Management Practice Assessment Bulletin which is applicable to the contaminant and any actions which are identified for the contaminant in the National Indoor Air Quality Response Plan prepared pursuant to this Act; and

(F) any indoor air contaminant standards or related action levels which are in effect under any authority of a Federal statute or regulation, the authority of State statutes or regulations, the authority of any local government, or the authority of another country, including standards or action levels suggested by appropriate international organizations.

(2) Health advisories published pursuant to this section shall in no way limit or restrict the application of requirements or standards established under any other Federal statute.

(3) The Administrator shall establish and utilize a standard format of presentation of indoor air contaminant health advisories. The format shall be designed to facilitate public understanding of the range of risks of exposure to indoor air contaminants and shall include a summary of the research and information concerning the contaminant which is understandable to public health professionals and to those who lack training in toxicology.

(4) The Administrator shall publish health advisories for listed contaminants as expeditiously as possible. At a minimum, the Administrator shall publish not less than six advisories within eighteen months of the date of enactment of this Act and shall publish an additional six advisories within thirty-six months of the date of enactment of this Act.

(5) Health advisories shall be based on the most current available scientific and related findings or information and shall be reviewed, revised, and republished to reflect new scientific and related findings or information on a periodic basis but not less frequently than every five years.

(6) In development and revision of health advisories pursuant to this subsection, the Administrator shall provide for public review and comment, including provision of notice in the Federal Register of the intent to publish a health advisory not less than ninety days prior to publication, and shall consider public comment prior to issuance of an advisory.

(c) ADVISORY PANEL.—The Indoor Air Quality and Total Human Exposure Committee of the Environmental Protection Agency Science Advisory Board shall advise the Administrator with respect to the implementation of this section including, but not limited to, the listing of contaminants, the contaminants for which advisories should be published, the order in which advisories should be published, the content, quality, and format of advisory documents, and the revision of such documents. The Administrator shall provide that a representative of the Agency for Toxic Substances and Disease Registry, the Department of Energy Office of Health and Environmental Research, the National Institute for Occupational Safety and Health, and the National Institute for Environmental Health Sciences shall participate in the work of the Advisory Panel as ex officio members.

NATIONAL INDOOR AIR QUALITY RESPONSE PLAN

SEC. 8. (a) AUTHORITY.—(1) The Administrator shall, in coordination with other appropriate Federal agencies, develop and publish a national indoor air quality response plan.

(2) The response plan shall provide for implementation of a range of response actions identified in subsections (b) and (c) which will result in the reduction of human exposure to indoor air contaminants listed pursuant to section 7(a) of this Act and attainment, to the fullest extent practicable, of indoor air contaminant levels which are protective of human health.

(b) EXISTING AUTHORITY.—The Administrator, in coordination with other appropriate Federal agencies, shall include in the plans provided for in subsection (a) of this section a description of specific response actions to be implemented based on existing statutory authorities provided in—

(1) the Clean Air Act (42 U.S.C. 7401 et seq.);

(2) the Toxic Substances Control Act (15 U.S.C. 201 et seq.);

(3) the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.);

(4) the Safe Drinking Water Act (42 U.S.C. 300 et seq.);

(5) the authorities of the Consumer Product Safety Commission;

(6) the authorities of the Occupational Safety and Health Administration and the National Institute for Occupational Safety and Health; and

(7) other regulatory and related authorities provided under any other Federal statute. In implementation of response actions pursuant to paragraph (6) of this subsection the Assistant Secretary for Occupational Safety and Health shall consult with representatives of State and local governments and their employees with respect to States where the Occupational Safety and Health Administration lacks jurisdiction over State and local employees.

(c) SUPPORTING ACTIONS.—The Administrator, in coordination with other appropriate Federal agencies, shall include in the plans provided for in subsection (a) of this section a description of specific supporting actions including, but not limited to—

(1) programs to disseminate technical information to public health, design, and construction professionals concerning the risks of exposure to indoor air contaminants and methods and programs for reducing exposures to such contaminants;

(2) development of guidance documents addressing individual contaminants, groups of contaminants, sources of contaminants, or types of buildings or structures and providing information on measures to reduce exposure to contaminants including—

(A) the estimated cost of such measures;

(B) the technologic feasibility of such measures; and

(C) the effectiveness and efficiency of such measures.

(3) education programs for the general public concerning the health threats posed by indoor air contaminants and appropriate individual response actions;

(4) technical assistance including design and implementation of training seminars for State and local officials, private and professional firms, and labor organizations dealing with indoor air pollution and addressing topics such as monitoring, analysis, mitigation, building management practices, ventilation, health effects, public information and program design;

(5) development of model building codes, including ventilation rates, for various types of buildings designed to reduce levels of indoor air contaminants;

(6) identification of contaminants, or circumstances of contamination for which immediate action to protect public and worker health is necessary and appropriate and a description of the actions needed;

(7) identification of contaminants, or circumstances of contamination, where regulatory or statutory authority is not adequate to address an identified contaminant or circumstance of contamination and recommendation of legislation to provide needed authority;

(8) identification of contaminants, or circumstances of contamination, where continued reduction of contamination requires development of technology or technological mechanisms; and

(9) identification of remedies to "sick building syndrome", including proper design and maintenance of ventilation systems, building construction and remodeling practices, and safe practices for the application of pesticides, herbicides, and disinfectants, and a standardized protocol for investigating and solving indoor air quality problems in sick buildings.

(d) CONTENTS OF PLAN.—In describing specific actions to be taken under subsections (b) and (c) of this section, the Administrator, in coordination with other appropriate Federal agencies, shall—

(1) identify the health effects, and any contaminant or contaminants thought to cause health effects to be addressed by a particular action and to the fullest extent feasible, the relative contribution to indoor air contamination from all sources of contamination;

(2) identify the statutory basis for the action;

(3) identify the schedule and process for implementation of the action;

(4) identify the Federal agency with jurisdiction for the specific action which will implement the action; and

(5) identify the financial resources needed to implement the specific action and the source of these resources.

(e) SCHEDULE.—Response plans provided for in subsection (a) shall be submitted to Congress within twenty-four months of enactment of this Act and biennially thereafter.

(f) REVIEW.—(1) The Administrator shall provide for public review and comment on the response plan provided for in this section, including provision of notice in the Federal Register for public review and comment not less than three months prior to submission to the Congress. The Administrator shall include in the response plan a summary of public comments.

(2) The Administrator shall provide for the review and comment on the response plan by the Council on Indoor Air Quality provided for under section 12 of this Act.

(g) ASSESSMENT OF MONITORING AND MITIGATION SERVICES.—The Administrator shall include in the first plan published pursuant to this section an assessment of indoor air monitoring and mitigation services provided by private firms and other organizations, including the range of such services, the reliability and accuracy of such services, and the relative costs of such services. The assessment required by this subsection shall include a review and analysis of options for oversight of indoor air monitoring and mitigation firms and organizations, including registration, licensing, and certification of such firms and organizations and options for imposing a user fee on such firms and organizations.

FEDERAL BUILDING RESPONSE PLAN AND DEMONSTRATION PROGRAM

SEC. 9. (a) AUTHORITY.—The Administrator and the Administrator of the General Services Administration shall develop and implement a program to respond to and reduce indoor air contamination in Federal buildings and to demonstrate methods of reducing indoor air contamination in new Federal buildings.

(b) FEDERAL BUILDING RESPONSE PLAN.—(1) The Administrator of the General Services Administration, in consultation with the Administrator, the Assistant Secretary for Occupational Safety and Health Administration, the Director, and affected Federal departments or agencies shall prepare response plans addressing indoor air quality in Federal buildings. The plans shall, to the fullest extent practicable, be developed in conjunction with response plans pursuant to section 8 of this Act.

(2) The response plan shall provide for implementation of a range of response actions which will result in the reduction of human exposure to indoor air contaminants listed pursuant to section 7(a) of this Act, and attainment, to the fullest extent practicable, of indoor air contaminant concentration levels which are protective of public and worker health.

(3) Federal building response plans provided for in paragraph (1) of this subsection shall include—

(A) a list of all Federal buildings;

(B) a description and schedule of general response actions including general building management practices, product purchase guidelines, air quality problem identification practices and methods, personnel training programs, and other actions to be implemented to reduce exposures to indoor air contaminants in those buildings listed in paragraph (A);

(C) a list of individual Federal buildings listed in paragraph (A) for which there is sufficient evidence of indoor air contamination or related employee health effects to warrant assessment of the building pursuant to section 14 of this Act and a schedule for development and submittal of building assessment proposals pursuant to subsection 14(d) of this Act;

(D) a description and schedule of specific response actions to be implemented in each specific building identified in paragraph (C) and assessed pursuant to section 14 of this Act;

(E) an identification of the Federal agency responsible for funding and implementation of each response action identified in paragraphs (B) and (D); and

(F) an identification of the estimated costs of each response action identified in paragraphs (B) and (D) and the source of these resources.

(4) The response plan provided for in this subsection shall address each Federal building identified in paragraph 3(A), except that specific buildings may be exempted from coverage under this subsection. Such buildings may be exempted on the grounds of—

(A) national security;

(B) anticipated demolition or termination of Federal ownership within three years; and

(C) specialized use of a building which precludes necessary actions to reduce indoor air contamination.

(5) The plan provided for in subsection (b) shall be submitted to Congress within twenty-four months of enactment of this Act and biennially thereafter.

(6) The Administrator of the General Services Administration shall provide for public review and comment on the response plan provided for in this section, including provision of notice in the Federal Register not less than three months prior to submission to the Congress.

(7) The response plan shall include a summary of public comments. The Council on Indoor Air Quality, provided for under section 12 of this Act, shall review and comment on the plan.

(c) INDOOR AIR QUALITY RESERVE.—(1) The Administrator of the General Services Administration shall reserve 0.5 per centum of any funds used for construction of new Federal buildings for design and construction of measures to reduce indoor air contaminant concentrations within such buildings.

(2) Measures which may be funded with the reserve provided for in this subsection may include, but are not limited to—

(A) development and implementation of general design principles intended to avoid or prevent contamination of indoor air;

(B) design and construction of improved ventilation techniques or equipment;

(C) development and implementation of product purchasing guidelines;

(D) design and construction of contaminant detection and response systems;

(E) development of building management guidelines and practices; and

(F) training in building and systems operations for building management and maintenance personnel.

(3) Upon completion of construction of each Federal building covered by this section, the Administrator of the General Services Administration shall file with the Administrator, with the Clearinghouse established under section 13 of this Act, and with the Council established under section 12 of this Act, a report describing the uses made of the reserve provided for in this subsection. Such report shall be in sufficient detail to provide design and construction professionals with models and general plans of various indoor air contaminant reduction measures adequate to assess the appropriateness of such measures for application in other buildings.

(4) The Administrator of the General Services Administration, with the concurrence of the Administrator, may exempt a planned Federal building from the requirements of this subsection if he finds that such exemption is required on the grounds of national security or that the intended use of the building is not compatible with the authority of this section.

(d) NEW EPA BUILDING.—Any new building constructed for use by the Environmental Protection Agency as headquarters shall be designed, constructed, maintained, and operated as a model to demonstrate principles and practices for protection of indoor air quality.

(e) BUILDING COMMENTS.—(1) The Administrator of the General Services Administration, in consultation with the Administrator, the Assistant Secretary for Occupational Safety and Health Administration, and the Director, shall provide, by regulation, a method and format for filing and responding to comments and complaints concerning indoor air quality in Federal buildings by workers in such buildings and by the public. The procedure for filing and responding to worker complaints shall supplement and not diminish or supplant existing practices or procedures established under the Occupational Safety and Health Act and executive orders pertaining to health and safety for Federal employees.

(2) A listing of each such filing and an analysis of such filings shall be included in each response plan prepared pursuant to this section. Such listing shall preserve the confidentiality of individuals making filings under this section. Such listing shall preserve the confidentiality of the individuals making filings under this section.

(3) Regulations implementing this subsection shall be promulgated at the earliest possible date, but not later than twenty-four months from the date of enactment of this Act.

(f) BUILDING VENTILATION AND MANAGEMENT TRAINING.—(1) Within six months of the date of enactment of this Act the Administrator of the General Services Administration shall designate, or require that a lessee designate, an Indoor Air Quality Coordinator for each Federal building which is owned or leased by the General Services Administration. An Indoor Air Quality Coordinator shall not serve more than one building.

(2) Within forty-eight months of the date of enactment of this Act, each Indoor Air Quality Coordinator shall complete the indoor air training course operated pursuant to section 6(b) of this Act. After thirty-six months from the date of enactment of this Act, each newly designated Indoor Air Quality Coordinator shall complete the indoor air training course within twelve months of designation.

(3) In any case where the Administrator of the General Services Administration finds that a lessee has failed to designate and train an Indoor Air Quality Coordinator pursuant to the requirements of this Act, the Administrator of the General Services Administration shall not reestablish a lease for such building.

STATE AND LOCAL INDOOR AIR QUALITY PROGRAMS

SEC. 10. (a) MANAGEMENT AND ASSESSMENT STRATEGY DEMONSTRATION.—(1) The Governor of a State may apply to the Administrator for a grant to support demonstration of the development and implementation of a management strategy and assessment with respect to indoor air quality within such State.

(2) State indoor air quality management strategies shall—

(A) identify a lead agency and provide an institutional framework for protection of indoor air quality;

(B) identify and describe existing programs, controls or related activities concerning indoor air quality within State agencies including regulations, educational programs, assessment programs, or other activities;

(C) identify and describe existing programs, controls, or related activities concerning indoor air quality of local and other sub-State agencies and assure coordination among local, State, and Federal agencies involved in indoor air quality activities in the State; and

(D) assure coordination of indoor air quality programs with ambient air quality programs and related activities.

(3) State indoor air quality assessment programs shall—

(A) identify indoor air contaminants of concern and, to the extent practicable, assess the seriousness and the extent of indoor air contamination by contaminants listed in section 7(a) of this Act;

(B) identify the classes or types of buildings or other indoor environments in which indoor air contaminants pose the most serious threat to human health;

(C) if applicable, identify geographic areas in the State where there is a reasonable likelihood of indoor air contamination as a result of the presence of contaminants in the ambient air or the existence of sources of a contaminant;

(D) identify methods and procedures for indoor air contaminant assessment and monitoring;

(E) provide for periodic assessments of indoor air quality and identification of indoor air quality changes and trends; and

(F) establish methods to provide information concerning indoor air contamination to the public and to educate the public and interested groups, including building owners and design and engineering professionals, about indoor air contamination.

(4) As part of a management strategy and assessment pursuant to this subsection, the applicant may develop contaminant action levels, guidance, or standards and may draw on health advisories developed pursuant to section 7 of this Act.

(5) States which are selected to demonstrate the development of management and assessment strategies shall provide a management strategy and assessment pursuant to subsections (2) and (3) to the Administrator within thirty-six months of selection and shall certify to the Administrator that the strategy and assessment meet the requirements of this Act.

(6) States shall provide for public review and comment on the management strategy and assessment prior to submission of such strategy and assessment to the Administrator.

(b) RESPONSE PROGRAMS.—(1) A Governor of a State or the executive officer of a local air pollution control agency may apply to the Administrator for grant assistance to develop a response program designed to reduce human exposure to an indoor air contaminant or contaminants in the State, or in a specific class or type of building in that State, or in a specific geographic area of that State.

(2) A response program shall—

(A) address a contaminant or contaminants listed pursuant to section 7(a) of this Act;

(B) identify existing data and information concerning the contaminant or contaminants to be addressed, the class or type of building to be addressed, and the specific geographic area to be addressed;

(C) describe and schedule the specific actions to be taken to reduce human exposure to the identified contaminant or contaminants including the adoption and enforcement of any ventilation standards;

(D) identify the State or local agency or public organization which will implement the response actions;

(E) identify the Federal, State, and local financial resources to be used to implement the response program; and

(F) provide for the assessment of the effectiveness of the response program.

(3) As part of a response program pursuant to this subsection, an applicant may develop contaminant action levels, guidance, or standards based on health advisories developed pursuant to section 7 of this Act.

(4) As part of a response program pursuant to this subsection, an applicant may develop a standard establishing a ventilation rate or rates for a class or classes of buildings including development assessment and compliance programs needed to implement the standard.

(5) As part of the response program pursuant to this subsection, an applicant may develop a response plan addressing indoor air quality in State and local government buildings. Such plans shall, to the fullest extent practicable, be consistent with response plans developed pursuant to section 9 of this Act.

(c) GRANT MANAGEMENT.—(1) Grants under subsection (a)(1) of this subsection shall not be less than $75,000 for each fiscal year.

(2) In selecting States for demonstration and implementation of management strategies and assessments under subsection (a)(1) the Administrator shall consider—

(A) the previous experience of the State in addressing indoor air quality issues;

(B) the seriousness of the indoor air quality issues identified by the State; and

(C) the potential for demonstration of innovative management or assessment measures which may be of use to other States.

(3) In selecting States for demonstration of management strategies and assessments under subsection (a)(1), the Administrator shall focus resources to assure that sufficient funds are available to selected States to provide for the development of comprehensive and thorough management strat-

egies and assessments in each selected State and to adequately demonstrate implementation of such strategies and assessments.

(4) Grants under subsection (b)(1) of this section shall not exceed $250,000 per fiscal year and shall be available to the State for a period of not to exceed three years.

(5) In selecting response programs developed under subsection (b) for grant assistance, the Administrator shall consider—

(A) the potential for the response program to bring about reductions in indoor air contaminant levels;

(B) the contaminants to be addressed, giving priority to contaminants for which health advisories have been developed pursuant to section 7 of this Act;

(C) the type of building to be addressed, giving priority to building types in which substantial human exposures to indoor air contaminants occur;

(D) the potential for development of innovative response measures or methods which may be of use to other States or local air pollution control agencies; and

(E) the State indoor air quality management strategy and assessment, giving priority to States with complete indoor air management strategies and assessments.

(6) The Federal share of grants under subsections (a) and (b) of this section shall not exceed 75 per centum of the costs incurred in demonstration and implementation of such activities and shall be made on the condition that the non-Federal share is provided from non-Federal funds.

(7) Funds granted pursuant to subsections (a) and (b) of this section in a fiscal year shall remain available for obligation for the next fiscal year in which obligated and for the next following fiscal year.

(8) No grant shall be made under this section in any fiscal year to a State or local air pollution control agency which in the preceding year received a grant under this section unless the Administrator determines that such agency satisfactorily implemented such grant activities in such preceding fiscal year.

(9) States and air pollution control agencies shall provide such information in applications for grant assistance and pertaining to grant funded activities as the Administrator requires.

OFFICE OF INDOOR AIR QUALITY

SEC. 11. (a) ESTABLISHMENT.—The Administrator shall establish an Office of Indoor Air Quality within the Office of Air and Radiation at the Environmental Protection Agency.

(b) RESPONSIBILITIES.—The Office of Indoor Air Quality shall—

(1) list indoor air contaminants and develop health advisories pursuant to section 7 of this Act;

(2) develop national indoor air quality response plans as provided for in section 8 of this Act;

(3) manage Federal grant assistance provided to air pollution control agencies under section 10 of this Act;

(4) assure the coordination of Federal statutes and programs administered by the Agency relating to indoor air quality and reduce duplication or inconsistencies among these programs;

(5) work with other Federal agencies, including the Occupational Safety and Health Administration and the National Institute for Occupational Safety and Health, to assure the effective coordination of programs related to indoor air quality; and

(6) work with public interest groups, labor organizations, and the private sector in development of information related to indoor air quality including the health threats of human exposure to indoor air contaminants, the development of technologies and methods to control such contaminants, and the development of programs to reduce contaminant concentrations.

COUNCIL ON INDOOR AIR QUALITY

SEC. 12. (a) AUTHORITY.—There is established a Council on Indoor Air Quality.

(b) RESPONSIBILITIES.—The Council on Indoor Air Quality shall—

(1) provide for the full and effective coordination of Federal agency activities relating to indoor air quality;

(2) provide a forum for resolution of conflicts or inconsistencies in policies or programs related to indoor air quality;

(3) review and comment on the national indoor air response program developed pursuant to section 8 of this Act and the Federal Building Response Plan developed pursuant to section 9(b); and

(4) prepare a report to Congress pursuant to subsection (d) of this subsection.

(c) ORGANIZATION.—(1) The Council on Indoor Air Quality shall include senior representatives of Federal agencies involved in indoor air quality programs including—

(A) the Environmental Protection Agency;

(B) the Occupational Safety and Health Administration;

(C) the National Institute of Occupational Safety and Health;

(D) the Department of Health and Human Services;

(E) the Department of Housing and Urban Development;

(F) the Department of Energy;

(G) the Department of Transportation;

(H) the Consumer Product Safety Commission; and

(I) the General Services Administration.

(2) The Environmental Protection Agency shall chair the Council in the two years following enactment of this Act. In each subsequent year, members of the Council shall select the chair for that year.

(3) The Council shall be served by a staff to include an Executive Director and not less than three full-time equivalent employees.

(d) REPORT TO CONGRESS.—(1) The Council shall submit to the Congress, within eighteen months of enactment of this Act, and biennially thereafter, a report which shall—

(A) describe and assess the seriousness, extent, and characteristics of indoor air contamination throughout the country;

(B) summarize the major research issues concerning the protection of indoor air quality, describe the research accomplishments of Federal agencies over the previous two years, and provide an agenda of indoor air quality research for individual Federal agencies over a three-year period;

(C) summarize actions taken pursuant to this Act over the previous year, including publication of health advisories, implementation of national and Federal building response plans, and assistance to States;

(D) provide a general description of the activities to be conducted by Federal agencies to address indoor air quality problems over the following three-year period; and

(E) make recommendations for any actions needed to assure the quality of indoor air, including recommendations relating to institutional structures, funding, and legislation.

(2) The Council shall provide for public review and comment on the report required by this subsection.

INDOOR AIR QUALITY INFORMATION CLEARINGHOUSE

SEC. 13. (1) The Administrator is authorized and directed to establish a national indoor air quality clearinghouse to be used to disseminate indoor air quality information to other Federal agencies, State, and local governments, and private organizations and individuals.

(2) The clearinghouse shall be a repository for reliable indoor air quality related information to be collected from and made available to government agencies and private organizations and individuals. At a minimum, the clearinghouse established by this section shall make available reports, programs, and materials developed pursuant to the requirements of this Act.

(3) The clearinghouse shall operate a toll-free "hotline" on indoor air quality which shall be available to provide to the public general information about indoor air quality and general guidance concerning response to indoor air quality contamination problems.

(4) The Administrator may provide for the design, development, and implementation of the clearinghouse through a contractual agreement with a nonprofit organization.

BUILDING ASSESSMENT DEMONSTRATION

SEC. 14. (a) AUTHORITY.—(1) The Director of the National Institute for Occupational Safety and Health shall, in consultation with the Administrator, implement a Building Assessment Demonstration Program to support development of methods, techniques, and protocols for assessment of indoor air contamination in nonresidential, nonindustrial buildings and to provide assistance and guidance to building owners and occupants on measures to reduce indoor air contamination.

(2) In implementation of this section, the Director shall have the authority to conduct on-site assessments of individual buildings, including Federal, State, and municipal buildings.

(3) Nothing in this section shall in any way limit or constrain existing authorities pursuant to the Occupational Safety and Health Act of 1970 (29 U.S.C. 651).

(b) ASSESSMENT ELEMENTS.—Assessments of individual buildings conducted pursuant to this section shall, at a minimum, provide—

(A) an identification of suspected contaminants in the air in the building and the level of such contaminants;

(B) an assessment of the probable sources of contaminants in the air in the building;

(C) a review of the nature and extent of health concerns and symptoms identified by building occupants;

(D) an assessment of the probable association of indoor air contaminants with the health and related concerns of building occupants including assessment of occupational and environmental factors which may relate to the health concerns;

(E) identification of appropriate measures to control contaminants in the air in the building, to reduce the concentration levels of contaminants, and to reduce exposure to contaminants; and

(F) evaluation of the effectiveness of response measures in control and reduction of contaminants and contaminant levels, the change in occupant health concerns and symptoms, the approximate costs of such measures, and any additional response measures which may reduce occupant's health concerns.

(c) ASSESSMENT REPORTS.—(1) The Director shall prepare—

(A) a preliminary report of each building assessment which shall document findings concerning assessment elements (A) through (E) of subsection (b); and

(B) a final report which shall provide an overall summary of the building assessment including information on the effectiveness and cost of response measures, and the potential for application of response measures to other buildings.

(2) Preliminary assessment reports shall be prepared not later than one hundred and eighty days after the selection of a building for assessment. Final assessment reports shall be prepared not later than one hundred and eighty days after completion of the preliminary report.

(3) Preliminary and final reports shall be made available to building owners, occupants, and the authorized representatives of occupants.

(d) Building Assessment Proposal.—(1) The Director shall consider individual buildings for assessment under this section in response to a proposal identifying the building and the building owner and providing preliminary, background information about the nature of the indoor air contamination, previous responses to air contamination problems, and the characteristics, occupancy, and uses of the building.

(2) Building assessment proposals may be submitted by a building owner or occupants or the authorized representatives of building occupants, including the authorized representatives of employees working in a building.

(e) Building Assessment Selection.—(1) In selection of buildings to be assessed under this section, the Director shall consider—

(A) the seriousness and extent of apparent indoor air contamination and human health effects of such contamination;

(B) the proposal for a building assessment submitted pursuant to subsection (d) of this section;

(C) the views and comments of the building owners;

(D) the potential for the building assessment to expand knowledge of building assessment methods including identification of contaminants, assessment of sources, and development of response measures; and

(E) the listing of a building pursuant to paragraph (C) of section 9(b)(3).

(2) The Director shall provide a preliminary response and review of building assessment proposals to applicants and the applicable building owner within sixty days of receipt of a proposal and, to the extent practicable, shall provide a final decision concerning selection of a proposal within one hundred and twenty days of submittal.

(f) Building Assessment Support.—(1) The Director may enter into agreements with private individuals, firms, State and local governments, or academic institutions for services and related assistance in conduct of assessments under the authority of this section.

(2) The Director may enter into agreements with other Federal agencies for the assignment of Federal employees to a specific building assessment project for periods of up to one hundred and eighty days.

(g) Summary Report.—(1) The Director shall provide, on an annual basis, a report on the implementation of this section to the Administrator of the Environmental Protection Agency and to the Council on Indoor Air Quality established pursuant to section 12 of this Act.

(2) The Director shall, from time to time and in consultation with the Administrator, publish general reports containing materials, information, and general conclusions concerning assessments conducted pursuant to this section. Such reports may address concerns related to remediation of indoor air contamination problems, assessment of health related concerns, and prevention of such problems through improved design, materials and product specifications, and management practices.

(3) Reports prepared pursuant to this subsection and subsection (c) of this section shall be provided to the Indoor Air Quality Information Clearinghouse provided for in section 13 of this Act and, to the extent practicable, such reports shall be made available to architectural, design and engineering firms and to organizations representing such firms.

STATE AND FEDERAL AUTHORITY

Sec. 15. (a) General Authority.—Nothing in this Act shall be construed, interpreted, or applied to preempt, displace, or supplant any other State or Federal law, whether statutory or common or any local ordinance.

(b) Occupational Safety and Health.—In exercising any authority under this Act, the Administrator shall not, for purposes of section 4(b)(1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 653(b)(1)), be deemed to be exercising statutory authority to prescribe or enforce standards or regulations affecting occupational safety and health.

AUTHORIZATIONS

Sec. 16. (a)(1) For the purpose of carrying out sections 5, 6, and 7 of this Act there is authorized to be appropriated $20,000,000 for each of the fiscal years ending September 30, 1992, 1993, 1994, 1995, and 1996. Of such sums appropriated, one quarter shall be reserved for implementation of section 7 of this Act and one quarter shall be reserved for implementation of section 5(c) of this Act and $1,000,000 shall be reserved for implementation of section 6(b) of this Act.

(2) For the purpose of carrying out sections 8, 9, 11 and 13 there is authorized to be appropriated $10,000,000 for each of the fiscal years ending September 30, 1992, 1993, 1994, 1995, and 1996. Of such sums appropriated, one-fifth shall be reserved for implementation of section 13 and one-fifth shall be reserved for implementation of section 9.

(3) For the purpose of carrying out section 10 of this Act, there is authorized to be appropriated $12,000,000 for each of the fiscal years ending September 30, 1992, 1993, 1994, 1995, and 1996. Of such sums appropriated, one-third shall be reserved for the purpose of carrying out section 10(b) of this Act.

(4) For the purpose of carrying out section 12 of this Act there is authorized to be appropriated $1,500,000 for each fiscal year ending September 30, 1992, 1993, 1994, 1995, and 1996.

(5) For the purpose of carrying out section 14 of this Act there is authorized to be appropriated $5,000,000 per year for each fiscal year ending September 30, 1992, 1993, 1994, 1995, and 1996.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, and Members of the Senate, the House is completing action on the Labor-HHS appropriations conference report and we are awaiting receipt of that report for action in this body later today. It is our hope—and based upon staff consultations on both sides of the aisle, I believe a reasonable hope—that we can complete action in a relatively short period of time this evening with the possibility of only one vote.

So my hope is both that the House will act promptly, get the papers over here, and that we will be able to act promptly this evening so that there will not be a late session, and we can recess at a reasonable and early hour. I emphasize that is contingent of course upon the House action and upon our being able to move promptly in the Senate. But so far, our discussions with staff on both sides are that there will not be a long time period on the bill.

Mr. NICKLES. Will the majority leader yield?

Do you anticipate a rollcall vote on HHS?

Mr. MITCHELL. Yes. But I am advised, if I might complete my answer, the information I have at this time is that there will only be one vote. I cannot say that for sure. And I hope that occurs at a relatively early time today.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, accordingly, since we are awaiting receipt of the papers from the House, I now ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair.

(The remarks of Mr. Exon pertaining to the introduction of S. 1926 are located in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Wellstone). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

Mr. KASTEN. I thank the Chair.

(The remarks of Mr. Kasten pertaining to the introduction of S. 1920 are located in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR WOFFORD'S VICTORY AND UNEMPLOYMENT

Mr. SASSER. Mr. President, yesterday we heard the voice of middle America urging us to take a look homeward and to take care of our own people. HARRIS WOFFORD was elected as the next Senator from our Nation's fifth most populous State.

A member of the President's Cabinet was not elected Senator from Pennsylvania.

The significance of this is a message of deep discontent, I think, from the very heart of this country. It is an expression of anxiety about the future. It is a message of frustration with the monotonous "can't do" whine of the present.

It began in January of 1989, with the lame statement: "This country has more will than wallet." Contrast that, Mr. President, with the statement made by John Fitzgerald Kennedy in 1960: "Ask not what your country can do for you; ask what you can do for your country." Or contrast that with the inaugural statement of Franklin Delano Roosevelt: "We have nothing to fear but fear itself." In January of 1989, we heard the statement, "We have more will than wallet."

Mr. President, I think that hundreds of thousands of Pennsylvanians and our colleague, HARRIS WOFFORD, finally got the President's attention yesterday. A hastily arranged press conference at 6:40 in the morning, before jetting off to Rome, is hardly a substitute for a domestic policy, and canceling a trip to Asia is something less than a plan for economic recovery.

Political scientists and sociologists are going to analyze the results in the State of Pennsylvania for a long time to come. But I think, for those of us who know something about what moves the electorate, one conclusion is immediately clear: Yesterday's vote in Pennsylvania was a referendum on the domestic policy vacuum of this administration. HARRIS WOFFORD drew attention to that policy vacuum very eloquently for a period of weeks leading up to election day yesterday.

I think the election in Pennsylvania was a referendum on the do-nothing approach that has produced the worst economic growth record of any administration since that of Herbert Hoover, and the first decline in the standard of living of the American people since the Great Depression.

Mr. President, I have shown these charts to my colleagues on at least one occasion before. But I think today, the day after the election results in the fifth most populous State in the Union, it may be well to look at them again and see what economic record the present administration in office has compiled or, more accurately, failed to compile.

If we look at the Presidents since World War II, we see that every President since World War II has increased the real per capita GNP growth of this country. What that means is that you divide the total growth in wealth, or gross national product, of this country by the number of citizens. And we see that every President since World War II, save one, has increased the GNP on a per capita basis in the United States of America, led, of course, by John Kennedy. He increased GNP on a per capita basis in real terms by 3.5 percent; Lyndon Johnson, by 3.3 percent. Even Jerry Ford, who went through the recession of 1975, increased GNP by at least four-tenths of 1 percent.

Only one President, only one administration, has given the American people negative GNP growth on a per capita basis. What does that mean? That means that their standard of living has actually fallen under the administration presently in office, the worst economic growth record of any administration since that of Herbert Hoover, since the American people lived through the Great Depression.

Mr. SARBANES. Mr. President, will the Senator yield on that point.

Mr. SASSER. I will be pleased to yield to my friend from Maryland.

Mr. SARBANES. Mr. President, just 2 weeks ago, the Labor Department came out with a study of wage and salary workers, which is the middle class in this country. This study points out that between the third quarter of 1990 and the third quarter of 1991, that incomes went up by 1.8 percent, and prices went up by 3.9 percent. So for working class Americans, middle-income Americans, prices went up significantly more than their incomes. At the end of the third quarter of 1991, They were worse off than they were a year earlier.

That is what is happening as a consequence of negative growth under President George Bush. No other President in the whole postwar period has an average annual real per capita GNP growth as a negative figure. This is true for all of the Presidents since World War II; is that correct?

Mr. SASSER. That is correct; including Presidents Kennedy, Johnson, Reagan, Truman, Carter, Nixon, Ford, Eisenhower, and President Bush.

Mr. SARBANES. So only one of the past nine presidents, this President, George Bush, has an average annual real per capita GNP growth as a negative figure.

Of course, we have a recession which the administration is telling us is short and shallow. That is the siren song they have been singing since this recession began in the summer of 1990.

This recession, if it continues for another 2 months, will be the longest recession in the post-World War II period. It will be the longest recession since the Great Depression. Yet the administration, throughout the recession, has been singing this siren song that it is a short and shallow recession. It is nothing of the sort, I say to the Senator from Tennessee.

Mr. SASSER. Let me say to my friend from Maryland that this recession began in July 1990. It is now almost 1992, and this recession is still with us. And the people of Pennsylvania sent a very powerful message yesterday, through a very able and eloquent messenger, HARRIS WOFFORD. What they said is: We want something done about health care; we want something done about unemployment in this country.

There are 2 million more people without jobs today than when this administration took office. As my friend from Maryland, the distinguished chairman of the Joint Economic Committee knows, when you add together those Americans who have lost their jobs, through no fault of their own, you add those Americans who have gone from full-time jobs to part-time jobs, and add those Americans who simply become so discouraged and disillusioned they quit looking for work, that accounts for 13 percent of the work force in this country.

And today, 1 out of every 10 of our fellow countrymen is on food stamps in the United States of America. That is what has happened to this economy.

Mr. RIEGLE. Will the Senator yield at that point?

Mr. SASSER. I will be pleased to yield to the Senator from Michigan.

Mr. RIEGLE. I just want to say, one of the manifestations of this terrible economic situation we are seeing in my home State of Michigan is we now have 170,000 workers who are unemployed and have been unemployed for longer than 6 months.

What that means is that they completely exhausted their unemployment compensation benefits.

Many are losing their homes, losing their cars. They are having to break up their families. They truly are in desperate circumstances. Twice here we have passed an extension of unemployment benefits that would provide additional benefits to that group, called extended unemployment benefits. Twice now the President has said no to those benefits. So those benefits are not being made available even though there is $8 billion sitting in the Federal fund right now to provide those kinds of benefits.

But I will just make one other point, and that is the people who are in that situation have worked, in most cases, their entire adult lives. Some of them are in their thirties, some in their forties, some in their fifties. These are family people. They want to work. They are accustomed to work. They need income to support their families, feed their children. They are desperate for work, and there is no work to be found, nor are there any extended unemployment compensation benefits.

For the administration to turn that program down now twice when we have all of this help and attention being given to other countries around the world, problem situations in other lands for which money is being sent overseas and to turn their back on the people in this country, solid, working people with work histories, it is just not right.

It is important to understand that we have passed that legislation twice, and twice the President has said, no, we are not going to allow those benefits to go to those working people who have been out of work now for 6 full months. It is just not right.

Mr. SARBANES. Will the Senator yield on that point?

Mr. SASSER. I yield to the Senator from Maryland.

Mr. SARBANES. I agree absolutely with the Senator from Michigan. It is important to understand that people have received extended unemployment insurance benefits in every previous recession, under both Democratic and Republican Presidents. This chart shows the number of persons receiving extended unemployment insurance benefits during past recessions. We provided these benefits under Gerald Ford, Jimmy Carter, and Ronald Reagan. You see the increase in the number of people drawing extended benefits?

I see the Senator from Connecticut. I do not know whether he can see it from there. This is under George Bush. Hardly anyone. In fact, today no State is paying extended benefits.

Mr. DODD. Will the Senator yield on that point?

Mr. SARBANES. Certainly.

Mr. DODD. The graphs are difficult. I am having a hard time. You can certainly see the Ford years and the Carter years and the Reagan years. At the very end there, do I understand it correctly, those are the amounts of unemployment benefits that are being extended to people who have exhausted those benefits?

Mr. SARBANES. That is the number of persons receiving extended unemployment benefits. That is the monthly average. In this recession, under George Bush almost no one is receiving these benefits, as contrasted with under Ronald Reagan, Jimmy Carter, and Gerald Ford.

Mr. DODD. Will the Senator yield further? Could the Senator just briefly describe for us by comparison the depths of this economic recession with the recession that was faced in those Ford, Carter, and Reagan recessions to give some sense of comparison? Is this as bad, worse, about the same as the recessions that occurred in those earlier periods when you had similar levels of unemployment and those benefits were being paid?

Mr. SARBANES. These two recessions under Ford and under Reagan are now 2 months longer than this one.

Mr. DODD. They were worse?

Mr. SARBANES. Well, they were longer. But if this one goes another 2 months it will exceed in length those recessions. It has already exceeded in length all of the other post-World War II recessions, and, if it runs for 2 more months, it will exceed in length any recession since the Great Depression.

Mr. DODD. Mr. President, if the Senator will yield just a point further—and, again, my colleagues here are so much better versed and more knowledgeable than I about some of these national numbers. But let me bring it home to you, if I can, in my home State.

I just received a briefing 48 hours ago from one of the major businesses in my State, one of the largest employers in my State that does an economic index for the State of Connecticut periodically, twice a year. They now are saying in my State that this is the worst unemployment situation since 1944–45. In the last 18 months—my State of Connecticut has a population of about 3.5 million people, so by comparison to my colleague from Michigan, you get some sense of the size and disparity of populations. There are now in the last 18 months in my State 96,000 people who have lost their jobs out of a total population of elderly retired as well as children of 3.5 million people—96,000 people. That is the worst unemployment in almost 50 years, and, arguably, you can actually go back to the Great Depression.

We also have had business failures. In the first half of 1991, as compared to the first half of 1990, the business failures are up 220 percent. That is the highest rate in the country. And yet it is quite obvious that this is not just a regional or localized problem in one State but is spreading across the country. So those numbers that the Senator from Maryland talks about, without extending benefits in my State, it dwarfs the problems that existed under the Carter, Ford, or Reagan recessions. It already is comparable to the economic difficulties this country ran into 50 and 60 years ago, and still no unemployment benefits for these people.

Mr. SASSER. Let me just say to my friend from Connecticut, he may have seen the statement that the President made down in Houston, TX, just a few days ago. He was asked about the economic problems in the country, and he said: "I don't want to talk people into a further lack of confidence, because it's a good time to buy a house, it's a good time to buy a car."

That is what the President said in response to the problems that this economy finds itself in, in response to the tens of thousands who are unemployed in my friend's State of Connecticut, which historically is one of the most prosperous States in this Union. He replied, "It's a good time to buy a house and buy a car." I might ask my friend from Connecticut, do the people of Connecticut who have lost their jobs have the funds to buy an automobile or a house?

Mr. DODD. I say in response to my colleague from Tennessee, not only can they not afford them, they are losing them. They are losing them in record numbers, in record numbers. The foreclosures are the highest levels we have faced in years in the State of Connecticut.

But let me just say as well, the President was not entirely wrong in that statement. This is a terrific time, a terrific time to buy a home in Connecticut, if you come from the top 1 percent of income earners in my State or elsewhere in the country. There were people who made fortunes in the Great Depression. We all know that there are people who lived off the suffering of other people. People who are desperate now, need income, need some revenue coming into their households are willing to sell homes for below the value of those homes or below the mortgages they hold on them. So he is correct for his constituency, for the people that they did all the favors for in the 1980's——

Mr. RIEGLE. Who got the big tax cuts.

Mr. DODD. A 15-percent Federal tax cut in 10 years. They watched their incomes go up 110 percent in that period of time. These are red letter days for those guys. These are the best years of their lives. There are fire sales going on out there, yard sales going on, depression sales going on. So the President is not entirely wrong. He is absolutely right. This is a great time, if you happen to be from the wealthiest, smallest percentile of people in this country who can afford to take advantage of other people's suffering. But for the overwhelming majority of people in my State, this is the worst time in their lives.

Mr. SASSER. As my friend from Connecticut knows and articulated so ably on this floor the other day, the wealthiest 1 percent of Americans increased their income dramatically over the past decade, as much as 100 percent, while the middle three-fifths of families needed to bring home a second paycheck, put another member of the family into the economy just to stay even.

Let me demonstrate to my colleagues what I am talking about here. This is a chart which shows the widening inequality in income distribution since the 1980's, over the past decade. If we look at this chart, what we find is that the top 5 percent in this country have seen their share of income go up by 14 percent. And while that was going up by 14 percent, their tax liability, what they paid in taxes, was falling by 8 percent——

Then we look down here and see what has happened to the great American middle class, and we find that their share of income has declined since 1980. We find that for middle-income Americans, their share of income has dropped by 5 percent.

This is an example of the trickle-down economics that we have seen in operation over the past few years, and particularly in the past 2 or 3 years. That, in my judgment, is one reason that we find ourselves in this prolonged economic recession that is causing such havoc in States such as Connecticut, in Michigan, in Maryland, indeed all across the country.

Mr. RIEGLE. Will the Senator yield at that point? This backward slide that the Senator has here shows where the incomes have been eroding for people in the middle class and for lower income people, while people in the high-income areas have been gaining. I want to show you what this is bringing about in a State like mine, and this reference that was made when the President said the other day: people, go out and buy a house. It would be great if people could afford to go out and buy a house. That is not the situation.

I want to show you the front pages of the two largest newspapers in my State and these newspaper headlines are from yesterday. This is from Tuesday in Michigan. This is the Detroit Free Press. This is the headline story in the bold type here. It says "Right To Survive Is at Stake." The subheadline says, "As Mercury Falls the Shelters for Homeless Fill Up." I want to read a couple of paragraphs from this. It says "As temperatures across Michigan dropped into the frigid teens Monday night, increasing numbers of the needy turned up at shelters." Dropping down, "Shelters in Detroit and Oakland and Macomb Counties said they were filled and turning people away."

There is a picture here of a woman, standing out on a street corner with a sign, and it says "Please help, work for food, God bless you." Then underneath it there is another woman, poorly dressed, begging for money at the window of a car that is stopped at a stop sign. This is what it says. In the larger picture at the top it says "Irene Bost waits to get help Monday on West Grand Boulevard in Detroit's New Center area. Bost needs $80 for rent by Wednesday."

Then to the left, in a smaller picture down here, "Audrey Small needs $40 for rent." It says, "About 5,000 Detroiters could be homeless by Wednesday when a moratorium on evictions expired."

Related to this is the fact that in the State of Michigan because of how poorly the economy is functioning, the State government has moved to take people off general assistance welfare.

So we have several thousands of people who are being evicted from the welfare hotels. That is a flattering-sounding term. These are fleabag operations. But these people are being turned out into the streets. They have no place to go because winter is here in the Midwest. "There are no jobs or money to be had," people say.

Listen to this: "police say a man in his seventies, suffering from hypothermia and believed to be homeless, was found dead in a bus shelter next to Detroit Receiving Hospital on Sunday night." Here is a man who froze to death literally on the streets of Detroit because he had no place to go. That is not an unusual case.

The fact is that these women, probably in their forties or fifties or sixties are reduced to a point where they are out begging for money on street corners. That is what is going on in this country.

Here is the other major newspaper in my State, the Detroit News, also from yesterday: "City Takes Actions for the Homeless." What the actions are is they have opened up some city buildings just to provide warming shelters so people can get in out of the cold so hopefully they do not freeze to death.

This is what it said here. It says:

> With the onset of cold weather it is clear we face a homeless problem unprecedented in recent memory.

With the wholesale slashing of human services programs by Gov. (John) Engler in Lansing and by Presidents Reagan and Bush in Washington, many of the most vulnerable members of society are being thrown in the streets with literally nowhere to turn.

> The Pontiac Rescue Mission provided shelter for 43 men * * * and the Detroit Rescue Mission was at capacity with 120 persons, many of whom were given just a mat to sleep on.

What is going on in America that we are devaluing our people and we are devaluing the human condition and turning away from these problems? We see all of this attention focused on foreign countries and a lot of help to foreign countries. There are problems out there that need attention. These problems need attention. Why do these people not count? How do they get on the list? How do they get on the radar screen? They are not in this group that got the big fat tax cuts. These are people who are trying to stay alive, literally trying to keep from freezing to death—starving to death—in the major cities of our country. That is what is going on in America. That is what Reaganomics is all about in 1991.

Mr. DODD. Will the Senator yield?

Mr. RIEGLE. Yes.

Mr. DODD. He has brought up a very important point here regarding the decision of people making basic decisions between food and shelter. Last Saturday I went down to the first day opening up what is called the Community Renewal Team in Hartford, CT, when the first day people could line up and sign up for the low-income energy assistance program which I know my colleagues are familiar with. Over the years we have tried to fund that program to provide for fuel assistance; utility costs as well as home heating oil for people who qualify for that assistance.

This is only one city. I cannot speak for my whole State or the whole country. But in the city of Hartford, CT, last year there were roughly 15,000 people who qualified for that low-income energy assistance program. By the way, these are not people on AFDC. They get certain help. These are people who are underemployed, who still are getting some kind of work but their incomes are such that they cannot meet the kind of energy bills that they have to face. That is a different program we are talking about. There are 16,000, 15,000 people in that category.

Mr. SARBANES. These are working people. A lot of them are working people. That is important to understand.

Mr. DODD. It is estimated in the city of Hartford, CT, for the winter of 1991–92, as a result just of the first 4 days in terms of people lining up and coming in, the number goes from 15,000 to 20,000 an increase of 5,000 people, families, working families, as the Senator from Maryland points out, who are qualified for this assistance.

Let me add one further point. Last year through a lot of hard work, people like the distinguished Senator from Tennessee on the Appropriations Committee, we came up with a program that provided roughly $1,000 for the winter for working families who qualified for this low-income energy assistance program; roughly $1,000. It did not meet the needs of families.

This year, the maximum amount a family will get is $280. There are people already filling their tanks, have capped out the maximum amount of assistance they can get, and we are not even into the second week in November let alone the depths of the winter in this country. So we are already going to find families who qualify for the program, working families, never getting remotely close to the kind of financial assistance.

I went with one family to the Santuccio family in the south end of Hartford; Anthony Santuccio was a tailor for over 30 years, a veteran of World War II. He and his wife are the nicest people you ever want to meet. They have a daughter who is out of the home today. It is a very nice, tiny, clean apartment in the south end which they take great pride in—to see these families, this couple, elderly, who have worked all their lives, who still have some income coming in, sitting there getting $280 the other day for all their fuel assistance for this year.

These are not people on the welfare rolls. These are not people who are lazy, and do not want to work. This is a couple that worked all their lives. That is the maximum amount they get. They are going to be in trouble, quite frankly.

So the Senator from Michigan is absolutely correct. When you start running up the priorities in this country, 1 out of every 10 families is on food stamps.

We have 20,000 people in the city of Hartford, working families, that will need fuel assistance this winter. The Senator is absolutely correct. People in Pennsylvania said so the other day as well. That is what they said yesterday. Get your priorities straight in Washington, the Congress, in the White House.

So I commend my colleagues for raising this point.

Mr. SARBANES. This administration will not recognize that there is a problem. I am holding here a Reuters business report, dated July 22, 1991, I say to my dear friend, the distinguished Senator from Michigan [Mr. RIEGLE]. It says:

> An angry exchange between White House budget director Richard Darman and Senator Donald Riegle at a Budget Committee hearing last week highlighted the controversy over the payment of these unemployment insurance benefits.

Then it quotes Darman saying:

> Darman said an unemployment bill was unnecessary because the recession reached bottom in May, and by the time the beneficiaries actually got the money, it would not be needed.

That is July 22. It is just over 3 months ago that Darman said that to the distinguished Senator from Michigan at a Budget Committee hearing. Again:

> An unemployment bill was unnecessary because the recession reached bottom in May, and by the time the beneficiaries actually got the money, it would not be needed.

The recession has not reached bottom. The unemployment rate went back up last Friday to 6.8 percent. You have millions of people out there who have exhausted their benefits, about to lose their home, or car, if they have not already done so. We sent an unemployment benefits bill to the President in the middle of August. At that point, benefits could have started flowing to desperate Americans who need this assistance, but the President refused to do so.

We sent him another bill in October, again to get the benefits flowing, and the President vetoed it. The President is still thinking the way he thought when he made the State of the Union address back in January of this year. The President said:

> I know that tonight, in some regions of our country, people are in genuine economic distress, and I hear them."
>
> Earlier this month, Kathy Blackwell of Massachusetts wrote me about what can happen when the economy slows down saying, my heart is aching, and I think you should know your people out here are hurting badly.
>
> I understand, and I am not unrealistic about the future, but there are reasons to be optimistic about the economy.

That is the answer the President gave in January to this heartfelt expression of hurt, of pain, that was out there in the country.

Two weeks later, in February, in the Economic Report of the President they said: "The current recession is expected to be mild and brief, by historical standards."

In mid-summer, Chairman Boskin of the Council of Economic Advisers, the President's chief economic adviser, said: "The economic recovery appears to be underway."

Darman, at about the same time, said to the distinguished chairman for Michigan that "no unemployment bill was necessary." What world are they living in?

The President left this morning to go to Rome, Italy. It is an important meeting; it is a NATO meeting, and we are the leader of the NATO alliance, and the President needs to be there. So I am not saying he should not make this trip. The President apparently has canceled a 2-week trip he was going to make to Asia and the Pacific countries at the end of the month. Of course, last week he was in Madrid, again, for a very important meeting.

I do not want to be in the posture of suggesting that these meetings are not important. These are important meetings. But in addition to attending these meetings the President ought to be paying attention to these domestic issues. The President ought to be visiting not only Rome, Italy, but Rome, GA; Rome, IL; Rome, IN; Rome, IA; Rome, MS, where the unemployment rate is 11.3 percent.

I am not saying that the President should not exercise an international dimension as the President of the United States, but where is the domestic expression? Where is the concern for our own people? Where is the realization that, unless we are strong at home, we are not going to be able to project strength abroad?

Who are you kidding? America's strength abroad rests essentially, and in the last analysis, on America's strength here at home, on our economic strength, and on our social strength, and on the strength of our people. The President needs to be paying attention to that situation as well; and to take off these rosy glasses with which they have been looking at the economy, and this Pollyanna talk that the recovery is right around the corner, the light is at end of the tunnel. Meanwhile, the unemployment rate goes up, and the number of long-term unemployed goes up.

The current indicators are a matter of real concern. Housing starts are down. Durable goods orders are down.

Here is what happened to housing starts. Look at this. They started back up again. This is 1990. Now they are dropping again.

Look what happened to consumer confidence. If you want to see something to cause concern, consumer confidence dropped 12½ points last month, down to 60, almost right back where it was shortly after this recession began. We need the President to pay attention.

Mr. DODD. If the Senator will yield, I want to associate myself with his remarks about the President going to Rome, and to The Hague and, too, the Secretary of State and the President being in Madrid. I think you are absolutely correct. I think it would be the height of irresponsibility for them not to be involved in those particular efforts.

In some ways, I am even disappointed that he has canceled this trip to the Pacific rim, because he might have brought a message to some of our so-called allies over there who dump goods in this country right and left all the time. Frankly, we are tired of that as well.

Mr. SARBANES. If he had an economic strategy to the trip to the Far East, which apparently he did not, it might have served the purpose of addressing this economic problem here at home, because we are running those huge trade deficits with those Pacific rim countries.

Mr. DODD. That was exactly the point I was about to make, that I would have been, frankly, supportive of that kind of a trip. But it is not the trips, and has nothing do with trips, going to Europe, or to the Far East, or going wherever else they think they need to go.

What I find so frustrating is when I pick up my local paper—the same day, by the way, we introduced or announced this low-income energy assistance program, a marginal program will be made viable, and one of the headlines in my local paper was that the administration is designing an economic aid program for the Soviet Union. That was also the headline that day.

That is what really is antagonizing. Because here we are saying there is no problem here, that we recognize that the people in the Soviet Union, or what is left of it, are going to have a difficult winter. The people are going to be hurting and suffering over there, and we have the President with all of his bright folks sitting around, the State Department, or the Defense Department, and they are sitting around planning and designing and structuring an economic relief package for the people in the Soviet Union, as they did in Cambodia, Bangladesh, and elsewhere.

Yet, all we are saying here today, I think, and what our constituencies are saying, is how about designing one for us? How about designing one for the United States of America? Then I think you would find far less criticism about these trips and about these other assistance programs the President is designing.

Mr. RIEGLE. If the Senator will yield, again, take this front-page story in yesterday's Detroit Free Press where the lead headline is, "Right To Survive Is at Stake," and you have women in this country standing out on street corners in sub-zero temperatures begging for money just so they have a way to keep a roof over their head. I know there are problems in the Soviet Union. These are problems here. What is the plan for dealing with this problem? Why do these people not count? Why do they not count?

They do count. We need a plan for America, and all of this talk about the foreign travel, and the foreign focus, and so forth, some of it is necessary, there is no question about that, but we did not elect the President to be President for the world. We elected him to be President for this country. And the 250 million people who live in this country need him to pay attention to their problems and to their future, whether it is these people, or it is the other workers that we are talking about that need extended unemployment benefits, or whether it is young people in this country that need health care.

There was a story the other day—I have shown this before and I want to show it again. This is a situation in the health care area. This was an issue that came up in that campaign in Pennsylvania, and the people in Pennsylvania delivered a very clear message on it.

Here is a picture of a woman in the Detroit area named Cynthia Fyfe. She works. She makes a very modest income. She lives in a house trailer. She has a little bit of health insurance for herself. She accumulated $3,000 of medical bills she does not have the money to pay.

The significant thing about it is if you look at this picture in the foreground you will see her son, Anthony, who is 6 years old who has not a penny of health insurance coverage.

I have 300,000 children in my State today—he is one of them—with no health insurance coverage whatsoever.

This administration has been in power now 11 years—Reagan-Bush, Bush-Quayle have been there now 11 years. They have had plenty of time to develop some kind of a health care plan that can help people across this country and, at a minimum, begin to insure the young people of this country—this little fellow and others who have no health insurance.

They have no plan for America and the reason they do not is that they are living up in an elite world of privilege. They are living up on a very high level, and the people who are down here, the regular people in our society who are down in a different level, struggling to get by each day, this administration has no connection to those people, has no understanding of that problem and is not responding to their problem. That is the issue, the disconnection from the realities in this country facing our people.

Mr. SARBANES. I want the Senator to listen to the words of an unemployed person who was laid off, exhausted the benefits, and now faces these problems about which we are talking.

> DEAR SENATOR SARBANES: I am writing this letter to you after watching the hearing on television on the problems of the unemployed people in AMERICA.

And America is spelled in capital letters in this letter.

She then goes on to say:

> The reason I put AMERICA in capital letters is because we would be better off if we were from a foreign country so that President Bush would see it in his heart to help us out. He does nothing for the Americans that are suffering. I only hope you will be able to get through to President Bush and make him realize that we are in an emergency situation in our country.

Earlier this year, the President came to the Congress and under the budget agreement—and the chairman of the Budget Committee is here, and if I misstate it, I hope he will correct me—which permits by a declaration of an emergency in which the President and the Congress agree to go outside the parameters of the budget agreement.

The President said:

> We face an emergency overseas. We need to send some help out. We need to make some resources available and, therefore, I am taking this outside of the restrictions of the budget in order to make these moneys available. This is to provide assistance.

The Congress including this Senator and others, concurred in that judgment. We thought that there was an emergency, and we were going to try to be of assistance.

Now later this year we sent the President a bill saying that there was an emergency here at home with respect to the unemployed and the benefits ought to be extended for the unemployed, particularly when the trust fund to provide extended benefits for the unemployed had built up a huge surplus and, in fact, was building up an additional surplus with each passing month. This fund—which is now up over $8 billion—is building up an additional surplus at about the rate of $1.2 billion a year.

So right in the middle of a recession, when people need these extended benefits, the trust fund is growing. When the whole theory is—you use the surplus in a recession in order to pay extended benefits to those who have been so unfortunate as to lose their jobs. We asked the President to perceive an emergency so these payments could be made, and that is the bill we sent him in August—that is almost 3 months ago. The President refused to perceive an emergency in order to help Americans.

Earlier in the year, the President had perceived an emergency in order to help send money outside of the country to help others, but he would not find an emergency here at home.

We then sent him another bill in October in which we declared there was an emergency so that if he signed it, it would apply. The President vetoed that bill. We tried to override that veto here in the Senate. I am going through this because it is very important for the American people to understand the power of the veto.

What the President's veto means, because we had a vote here 65 in favor of that bill, only 35 against in the Senate. All 57 of the Democratic Members of the Senate voted to override the veto and to their credit 8 of our colleagues on the Republican side voted to override the veto—65 out of 100 Members. It is not enough under our Constitution to override a veto because you need a two-thirds majority and therefore we needed 67 votes, and because the President held on to 35 members of his own party, the veto message was sustained and the unemployment benefits did not flow.

So again, the unemployed were left without any assistance, and this President who said back in January at his State of the Union Address, when this lady wrote to him about what happens when the economy slows down, and said my heart is aching and I think you should know your people out here are hurting badly and the President says "I understand."

How can he understand? How can he understand when twice in the last 90 days he has had an opportunity to take action to make these extended benefits, which would help people out, it would help to tide them through this situation, and he refused to do so? That is the problem. People are feeling this hurt and this harm all across the country.

I have another letter. This lady writes and says, "What constitutes an emergency? Whenever the unemployment rate has been this devastating, in the past, the Federal Government has automatically stepped in." She is absolutely right about that. In the past, the Federal Government did automatically step in.

Look at this increase in extended benefits. Here it is under George Bush you can hardly see it. This lady is absolutely right.

(Mr. WIRTH assumed the chair.)

Mr. SASSER. Mr. President, if the Senator will just yield on that particular point, I think yesterday the people of Pennsylvania sent a message that they are no longer going to tolerate the absentee-landlord attitude that this administration has been taking for the past 3 years. The election yesterday in Pennsylvania, I think, is one of great significance, not just because HARRIS WOFFORD who was 44 points down won by 11 points—the most phenomenal political victory that I have seen in my years in public office. Can you imagine this—44 points behind, running against a two-term Governor, a Cabinet member, Attorney General of the United States, President Bush personally comes into that State and campaigns for him?

He was little known—the public opinion polls were showing at the beginning of this campaign, HARRIS WOFFORD was known by probably no more than 25 percent of the people of Pennsylvania, and yet in the space of just a few short weeks, he goes from being 44 points behind to winning by 12 points—phenomenal.

What does this tell us? It tells us that something is moving in this country. This is not just a problem for poor people. It is not just a problem for the chronically unemployed.

This is an economic problem now that reaches right into the heart of the middle class. And middle-class people in this country are frightened, and they are worried, and they are in need. The polls are now showing that a majority of Americans now say that the fear of losing their job is their No. 1 concern. They do not need to see our graphs here and our charts.

The great American middle class does not need to be told that their real income is shrinking. They do not need to be told that they have a problem affording health insurance. And many of those who are working know that they have no health insurance.

Thirty-five million Americans in this country today have no health insurance. What is to happen to them if they become ill?

That was the message that they were sending yesterday out of Pennsylvania: "We have had enough." And when HARRIS WOFFORD says, "If you have a right to a lawyer, I think you also have a right to a doctor," that hit a very responsive chord with the people of Pennsylvania and the people all across this country.

Twenty-seven million of our countrymen tonight live in substandard housing. Here in the land of the free and the home of the brave, 27 million of our citizens live in the kind of housing that you see in a Third World country. Thirty-three million Americans are in poverty and they are falling out of the great American middle class. Every study that you see shows the middle-class people falling out of the middle class into the lower economic groups, and that portion is swelling.

The shameful thing—and I know the Senator from Connecticut has worked long and hard on this—but the shameful thing is that of the 33 million Americans who live in poverty, a disproportionate number of those Americans are the tenderest and most vulnerable among us, our children.

Two million more Americans are out of work today than they were in January of 1989; 5 million more Americans are on food stamps today than they were in January 1989. As I said earlier, 1 in 10 Americans. And the confidence of American consumers is just half of what it was in January of 1989.

Now, the message that came out of Pennsylvania yesterday was not that they elected the first Democratic Senator in almost 30 years, it was not that there was a phenomenal political victory there yesterday—although there was that—the message was "we want somebody to stay at home and attend to our needs."

It is time for use to start investing in America. They are saying "We want an economic recovery program for the United States of America."

It is important to have an economic recovery program for the Soviet Union. It is important to have an economic recovery program for Cambodia. But it is more important to have an economic recovery program for our own people right here in the United States of America.

They were telling us, also, yesterday in Pennsylvania, "We understand. We have awakened. We now understand what supply-side economics and taxation policy was all about. And we know we lost under it. And we want some tax equity for a change." We want to get a tax cut for middle-income Americans who saw their taxes remain static, or go up, while the wealthiest were getting tax cuts over the past decade.

Mr. DODD. Will the Senator yield on that point?

Mr. SASSER. I am pleased to yield.

Mr. DODD. I just want to commend our colleague from Texas, Senator BENTSEN, who today formally introduced a middle-income tax cut proposal. I am going to cosponsor that legislation. I do not necessarily agree with every aspect of it. I introduced back in June a middle-income tax cut proposal. I wish that PAT MOYNIHAN, our colleague from New York, I wish that his proposal had been adopted last spring or last winter, a payroll tax deduction that could have saved a lot of people a lot of money in the middle-income categories. But I think the Senator from Tennessee is touching on an extremely important point.

We are not just standing here suggesting what is wrong. But there are some suggestions out there that, had they been listened to earlier, we might have avoided a lot of these difficulties. The individual retirement account program which made a big difference for middle-income families in saving money that could have been used for health care and education and first-time homebuyers. Those proposals were defeated.

In 1986, as a part of that tax reform package that we passed in this body, we could have included a continuation of IRA's. We watched over the 1980's all of these tax proposals coming along, but the people who really ended up paying for the huge tax breaks for the smallest percentage, the most affluent part of our population, were, of course, middle-income people.

So I commend Senator BENTSEN. I did not have the opportunity to be on the floor of the Senate earlier today when he introduced his proposal. And I understand the other body is about to make a suggestion in this area as well.

I hope that the President—now that he has canceled his trip to the Far East—that he will not just do that, but he will take a step further and join in these efforts to provide the relief that people in these middle-income categories are so desperately in need of.

So I want to commend my colleagues for raising these points that we have raised this afternoon and to suggest all is not lost. There are some things that can be done. It is not too late if we readdress those priorities.

I could not agree with my colleague from Tennessee more. The political pundits, I find myself watching them and wondering who they are listening to. Was this more important to challengers or incumbents? Was this a bad message for the President or a good message?

You are so correct, I say to my colleague. That is the political chatter in town. The people who voted in Pennsylvania yesterday could care less whether or not you are an incumbent or challenger, whether you are a Democrat or Republican. They want to know whether or not you hear them; do you understand what is happening in their towns and in their cities; do we understand at all what happens when their job is in jeopardy. They could care less what party you come from, whether you are sitting there or you want to get there. All they want to know is: "Do you hear me, and what are you doing about it?"

That is all that message was about. It should not be confused or complicated by columnists or editorial writers who want to spend all their lives worrying about the politics of these situations. It was simple and clear: health care, families, taxes, jobs, America, get the country moving. That is the message.

Mr. SARBANES. The majority leader, just last week, made a major address in which he laid out a Democratic economic program that covered the very items that the Senator is mentioning: tax relief for middle-income Americans; reform of the unemployment insurance benefits system, which we have been talking about; health care, which, as my able colleague from Tennessee has said, is a pressing matter; the passage of a transportation bill so we can rebuild our infrastructure; investment in education, and in research, and development, and in training; and addressing this credit crunch which has partially frozen economic activity in this country. I know it has had a major impact in New England and in the State of Connecticut, the Senator's own State.

The majority leader laid out this program in some detail. So that when they say to you, what would you do? The majority leader has answered that question.

But how can we do it when we have a national administration which is prepared to use the veto to thwart and frustrate these efforts to move forward? They used the veto on the bill to extend unemployment insurance benefits, and the health care issue, the administration has come forward with no proposal

Mr. RIEGLE. Will the Senator yield?

Mr. SARBANES. They propose a study.

Mr. RIEGLE. Yes, they go for a study. They have been at if for 11 years. They have been studying it for 11 years. Reagan-Bush, Bush-QUAYLE.

We have a plan in this area. I just want to let everyone see it here. It is S. 1227. It is a major national health insurance program, cosponsored by four Democrats: Senator MITCHELL, who is the majority leader, myself, Senator KENNEDY, and Senator ROCKEFELLER. This bill will do two things.

It will extend, in stages, health insurance coverage, to every person in this country. And it will also go in and undertake a major cost reform in our health care system to bring these costs down. People who now have insurance are finding that the costs are going through the roof—their deductibles and their copayments are going through the roof—we address those issues. And we have a plan here for doing it.

And it is time this plan be taken up, not sometime after 1992, not 1993 or some other year. We ought to have the debate on a national health insurance program starting now. We have plenty of time to do it before the next election. It ought to be settled before the next election.

Mr. DODD. Mr. President, will my colleague yield on that point?

Mr. RIEGLE. I am happy to yield.

Mr. DODD. I commend my colleague for his efforts in this regard.

There is a matter that is going to come up tomorrow. If our colleagues here or others want to know what they can do in the short term, tomorrow the other body is going to vote on the family and medical leave bill. It passed this body by a vote of 65 to 31 or 32. Normally, you would say, well, you are home free.

Of course, the President said he is going to veto the bill. We have an overwhelming majority in the House tomorrow to pass the bill, but we are some two votes short of a supermajority of two-thirds, because the President said he is going to veto the bill.

This bill, by the way, does not cost the taxpayer a penny. All it does is say that if you employee 50 people or more, that if your child gets sick, or your spouse gets sick, or your parents who are living with you get sick, or you get sick and you cannot work, you get 12 weeks of unpaid—unpaid—leave in order to take care of your family problem.

Mr. SASSER. The Senator means the employer does not have to pay the employee if the employee takes the leave?

Mr. DODD. That is correct. Unpaid leave for 12 weeks. Every other country in the world has a program like this.

Mr. SARBANES. Exactly. The European countries have a leave program; but they pay their employees; do they not?

Mr. DODD. In some countries, they do. Japan covers people. Our major competitors do this. We now know from some employers who do this that it increases productivity, reduces absenteeism, and increases retention; that it is a major asset to them economically.

Tomorrow, the other body is going to vote on this. Here is a perfect opportunity for the President to say that is something that would help working families, who, God forbid, are thrown into the dreadful situation where they have to choose between their family and their job.

We have seen what happens with other people, such as major corporate heads, when their child gets sick, or our own colleagues here. They do not lose their jobs in the Senate, God forbid. When our colleagues have a child or spouse who gets sick, they do not come here and vote. They miss committee meetings. They do not go back to their constituency. They go spend time with their families. And we applaud them.

And, God forbid, if you are not a Member of Congress or a Cabinet member or someone down at the White House, then if your child gets sick or your spouse gets sick, you have to make that choice. And in many cases, you lose your job. Here is something where in 24 hours we can send a message and say: We understand, and we heard what the people in Pennsylvania were saying.

So I hope, out of these changed agendas, here is a message that can be sent in the next 24 hours.

Mr. SASSER. Mr. President, the distinguished Senator a moment ago was alluding to the economic recovery program that had been laid out in great detail by the distinguished majority leader, Senator MITCHELL of Maine. As the Senator from Maryland said, it includes a tax cut for middle-income families.

But No. 2 on the list is an incentive to help first-time home buyers.

Since the 1930's, since the days of the New Deal and Franklin Roosevelt, we have known that the fastest and most direct way to help average Americans is to help them become homeowners. But we now see that for the first time since World War II, home ownership rates declined in the 1980's.

In 1980, 65.6 percent of American households owned their own homes. That had declined by 1990 to 64 percent. That is the first time since the 1930's we had seen home ownership on a decline as a percent of our population.

To put it in human terms, if home ownership had simply remained flat at the 1980's level, 1.5 million additional households would be homeowners today.

Let me give an example of what I am talking about. This chart gives us the home ownership rates in the United States from 1973 through 1990. You see, beginning in 1973 on up to 1980, we continue to have the traditional climb in home ownership that has become elementary and accepted in this country since the 1930's. It climbs up here to almost 66 percent.

What happens in 1980? For the first time since the 1930's home ownership begins a decline. It continues declining until 1987. It is simply a flat line going straight on out.

If we had just held our own from 1984—I am not talking about increasing the percent of families owning homes—if we had just remained static, this red area represents the 1.5 million American families that would today have a slice of the American dream: Owning their own home.

Instead, they are renting living quarters all across this country.

Mr. RIEGLE. Mr. President, may I ask the Senator just a question at that point?

Mr. SASSER. I would be pleased to yield to my friend.

Mr. RIEGLE. Would it be fair to say that this falloff in home ownership and all of these lost opportunities is one of the effects of Reaganomics?

Mr. SASSER. It is fair to say that this is the effect of some kind of change in economic policy. Because if you look at the economic history of the country from the mid-1930's forward, you see an increase in the percentage of the American people who own their own homes, until we get to 1980.

Mr. RIEGLE. Yes.

Mr. SASSER. Then you get this decline.

Mr. SARBANES. Mr. President, if the Senator will yield, I think this development is related to the other chart the Senator had about income distribution in this country.

Mr. RIEGLE. Right. Right.

Mr. SARBANES. The chart shows that the people at the top are the ones who are getting the larger share of the income, and the other 80 percent are getting a smaller share of the income.

What has happened in this country is that if you are in the middle of the income range, because of the shrinkage, you can no longer afford to buy a average priced home.

Mr. RIEGLE. That is right.

Mr. SARBANES. In other words, Mr. President, you have been squeezed out of the housing market. That is what is going on in this country, because the economic benefits have been so heavily weighted to the very top—of course, all of whom own their homes; they probably own more than their own home.

Mr. RIEGLE. Two or three or four homes.

Mr. SARBANES. Two or three or four homes, or if they do not, it is their own choice. Home ownership has come by enabling people in the middle range of income to acquire their homes. That is something that the Senator has pointed out has been going on ever since the 1930's, this increase in home ownership, and it has ended in these last 10 years. It has ended in part because of this widening inequality in income distribution.

Mr. SASSER. Mr. President, the Senator, in his role as chairman of the Joint Economic Committee, is aware of the conventional wisdom that is developing across the country in the minds of many young people, that they are not going to have as high a standard of living as their father and mother had. This is the first time that we have had a generation that has had a pessimistic outlook on their future since this country was founded. And what are the reasons for it?

I will tell you, one of the reasons is right here. This young generation cannot buy a house.

In 1980, 12 years ago, the home ownership rate for families that were headed by someone between the ages of 25 and 29 was almost 44 percent. Of the young families headed by someone between 25 and 29, 44 percent of those young people owned their own homes.

If you come back and look at that same age group in 1990, you find that it has declined by almost 18 percent; almost 18 percent.

Now, you find that young people between the ages of 25 and 29 have a much more difficult time buying a house. Many of these young people cannot buy that first starter home, which is the step, stairstep up to them increasing their standard of living and enhancing their quality of life. And this is the case even though now you have two wage earners in the family, when in the fifties and sixties and seventies, there might have been just one.

So no wonder there is such pessimism on the part of young people as to what their lot in life is going to be when they see that they cannot buy a house, as their father and mother did some years before.

As a matter of fact, you find that 91 percent of all the renter households of this country cannot afford the medium-priced home in their area. Seventy-six percent of all the renter households cannot afford to buy any house that is priced over $20,000. What kind of house can they buy?

Mr. RIEGLE. House trailer, maybe.

Mr. SASSER. House trailer. And in the face of this—in the face of this—the President, in Houston, just a few days ago said this is a good time to buy a house.

Mr. RIEGLE. Will the Senator yield at that point?

Mr. SASSER. I will be pleased to yield.

Mr. RIEGLE. I want to relate something you showed on an earlier chart to this situation. If you go back to this very poor growth rate, during the Bush period particularly, you can see what the cumulative effects of Reaganomics have been coming to through the eighties and now into the nineties. We see this negative growth. We see the need for the extended unemployment compensation benefits. We see this home ownership figure dropping in the country. So all of these people who, if we just stayed where we were back in 1980, would have gotten to own homes and now have not been able to.

Mr. SASSER. That would have been 1.5 million, not people, but 1.5 million more families.

Mr. RIEGLE. Exactly.

Mr. SASSER. Living in homes that they own.

Mr. RIEGLE. Imagine that that had happened and we had that investment, those homes being built, all of the carpenters and the others who would help build those homes and people who would provide furnishings, and so forth, that would go into those homes. Or suppose we had had a strategy that kept this trend line moving up over this period of time. When we wonder why the economy is so sick, as it clearly is with the lower and sliding incomes and the high unemployment, it is because of the loss that we have seen from the trend lines we were on before the 1980's and the lost opportunity that we would have had to extend that. To me, this is a very graphic representation of Reaganomics.

In other words, you see how Reaganomics has stolen the economic future from a vast number of people, some who would have been homeowners, some who would have had jobs who do not have jobs. Somewhere families would not have had to have two wage earners to earn enough money to sustain the family, and so forth. That money went somewhere. A lot of it went to tax cuts for the very high-income people, and they spent it, I think a lot of it, on just high living standards. They did not spend it on building a strong America, or these numbers would not look like this.

Mr. SASSER. If the Senator will recall, and I am sure the Senator from Michigan will recall, when the tax cuts went into effect in the early eighties, there was a rush on Mercedes Benz automobiles, Jaguars. Even Rolls Royce had one of their biggest years in the United States of America. I say to the Senator from Michigan, which is a car-building capital of this country—used to be the car-building capital of the world; I am afraid it is not any more. I am sure the Senator from Michigan will remember that rush on expensive European exotic automobiles that occurred right after that tax cut.

But the reason you are not seeing the home ownership, the reason you are not seeing the homes being built and the carpenters and the painters and the bricklayers and the carpet layers and others being employed is because the great American middle class—this is what has happened to the 60 percent that represents the great American middle class here. Since 1980, their share of income has fallen; it has gone down. And so there is no money out there. There is no money for the great American middle class to buy a home.

Mr. RIEGLE. But it looks to me like the money that they did not get, this crowd did get.

Mr. SASSER. Precisely. The money that the middle class did not get, these at the very top got it, and that is why you see the income over the decade of the 1980's of the top 1 percent in this country going up by 100 percent while their taxes were reduced by 8 percent. That is really what happened to us in the 1980's, and it is still happening to us. That is why there is no purchasing power in the hands of the middle class, and that is one reason we find ourselves in this prolonged recession.

Mr. SASSER. Just let me say to my colleagues, let me resound the note that began this debate, and that is we heard yesterday from the great middle class in the State of Pennsylvania, and I think they spoke for middle-income Americans all across this country. Mark Twain said:

> You can fool some of the people all of the time, and you can fool all of the people some of the time, but you cannot fool all of the people all the time.

I think yesterday the people of Pennsylvania sent the message that they are not fooled any longer. They know what has happened to them, and they want some changes, and fortunately for them, they sent to this body a very articulate, eloquent, dedicated, and energetic messenger, and I look forward to working with him to carry out the message they sent to us.

Mr. President, I yield the floor.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BINGAMAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, what is the order of business at this time?

The PRESIDING OFFICER. The Senate is in morning business.

THE 1992 APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, HHS, EDUCATION, AND RELATED AGENCIES, H.R. 2707

Mr. DIXON. Mr. President, my understanding is that it is the hope of the leadership that the House will shortly conclude its consideration of the conference report on the appropriations for the Departments of Labor, HHS, Education, and related agencies bill, in which event it is my understanding, Mr. President, that it may be before us tonight for a vote. I simply want to say that I will vote to adopt the conference committee report on H.R. 2707.

As you may remember, I voted against H.R. 2707 when it was before the Senate on September 12. I voted against the bill for two reasons:

First, it exceeded the budget request by $4 billion; and

Second, floor amendments added to the bill further increased the budget.

My vote, however, at that time was wholly unrelated to the gag rule provision on the bill. This provision would delay for 1 year implementation of the administration's 1988 regulation which prohibits title X-funded clinics from answering questions and providing legal counseling about all options available to a woman regarding her pregnancy.

Although I continue to be troubled by the funding levels in H.R. 2707, I also continue to strongly favor repeal of the administration's gag rule. I am especially concerned today because it now appears that H.R. 2707 is the only moving vehicle on which to attach the gag rule repeal in order to immediately halt its implementation.

As you know, Mr. President, the Senate overwhelmingly approved S. 323—the Title X Pregnancy Counseling Act of 1991 to overturn the gag rule—a measure which I wholeheartedly supported. During consideration of S. 323, I voted against an amendment which would have codified the administration's gag rule. Additionally, during the 101st Congress, I voted for a provision in the family planning amendments legislation which would have lifted the gag rule.

Given the circumstance that S. 323 has received no action in the House—even though the House has gone on record as opposing the gag rule—and notwithstanding the spending levels in the conference report, I will vote for the report on H.R. 2707 because I strongly believe that a woman should be able to receive information and counseling regarding all legal and medical options relating to her pregnancy.

I call to the attention of my colleagues the fact that this is not a vote on the issue of abortion. H.R. 2707 makes no changes in existing law regarding abortion. By delaying implementation of the gag rule, information and counseling about legal and medical options may again be available to all women upon their request.

Mr. President, another provision of H.R. 2707 that is fundamentally important to me relates to the September 12, 1991, Medicaid interim final regulations on the question of which State revenues may qualify for use to match Federal Medicaid payments. I am pleased to see that the conferees and I agree that the Department of Health and Human Services should withdraw the rule immediately and work with Congress to develop more appropriate policies.

My colleagues may remember my floor statement of October 17, of this year in which I appealed to HHS to withdraw this arbitrary interpretation that will have a serious adverse effect on my own State of Illinois, and more than 30 other States. If implemented, the Medicaid rule would cost my State $320 million for the last 6 months of its fiscal year—from January 1 to June 30, 1992. Illinois could no longer deliver health care to its most needy citizens—poor families, including children, the elderly, and disabled.

Mr. President, I regret that H.R. 2707 is over budget. Make no mistake about it, standing alone without the vital gag rule repeal and Medicaid provision, I would vote against this conference report.

However, because the gag rule repeal provision is so vital to the women in my State, and to many others, and because the Medicaid provision is simply fundamental to the health care of the poor, as well as the overall State budget, I must vote for this report. These two issues are most compelling to my Illinois constituents.

Mr. President, I urge my colleagues to join with me and vote for the conference report on H.R. 2707.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFENSE AUTHORIZATION CONFERENCE REPORT

Mr. ROTH. Mr. President, I am concerned by the Soviet aid provisions in this year's defense authorization conference report. The conference committee undertook a major policy action, independent of legislative decisions made by either body. The conferees decided to authorize the expenditure of more than $1 billion of American taxpayers' hard-earned money to help the Soviet Union's economy. Given the current economic situation here at home, I do not believe that Americans want to do this right now, and neither do I.

So let us set the record straight. A group of conferees—not President Bush—have decided that it is more important to send $1 billion overseas to the Soviet Union, rather than to use it to help those in need here at home. These Members of Congress seem to have found more than $1 billion for an unemployment benefits bill for the Soviets.

At the same time, these same individuals cannot seem to find the money to pay for an unemployment benefits bill for Americans put out of work by the increase in the deficit and taxes that accompanied last year's budget agreement. What is more ludicrous about this concept is that the budget agreement apparently allows this over $1 billion peace dividend to be used to help those overseas, but not one penny can be used to help Americans.

Mr. President, I am not naive as to the true state of the world. Developments in the Soviet Union have not left us with a perfect world. I recognize that it is in our interest for the Soviet Union to make the transition to democracy, and that a continued deterioration in the Soviet economic situation could lead to great political instability in an area that contains over 10,000 nuclear weapons. But, Mr. President, I have studied what it would take to get their economy back on its feet, and I am certain that $1 billion is not going to do it. They need tens of billions of dollars, and there is only one source for such funding—the Soviet defense budget. Make no mistake about it, Mr. President, every $1 billion that we send to them removes the pressure on them to cut $1 billion out of their defense budget. It does not make sense to take money out of the United States defense budget so that the Soviets can maintain their defense budget. And this is not good for them or us, for it enables them to continue to waste scarce resources on their own defense establishment, while taking needed resources out of the American economy.

Mr. President, why give over $1 billion in aid to the Soviets when the only really significant levels of money can come from cuts in Soviet defense spending? Why should we take $1 billion out of our defense and allow the Soviets to spend $1 billion on their defense? Why should we take $1 billion out of the pockets of the American taxpayer, when we cannot seem to find the money needed for paying unemployment benefits of American workers? I suggest that we send the Defense authorization bill back to conference as soon as it is filed. The conferees need to fix this blunder.

I yield back the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination which was referred to the Committee on the Judiciary.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:20 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 1563) to authorize appropriations to carry out the National Sea Grant College Program Act, and for other purposes; with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1885. An act to amend the Securities Exchange Act of 1934 to protect investors in limited partnerships in rollup transactions, and for other purposes;

H.R. 2927. An act to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes;

H.R. 3387. An act to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House; and

H.R. 3624. An act to amend the Tariff Act of 1930 to provide appropriate procedures for the appointment of the Chairman of the United States International Trade Commission.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1885. An act to amend the Securities Exchange Act of 1934 to protect investors in limited partnerships in rollup transactions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 2927. An act to provide for the establishment of the St. Croix, Virgin Islands Historical Park and Ecological Preserve, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 3387. An act to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House; to the Committee on Energy and Natural Resources.

H.R. 3624. An act to amend the Tariff Act of 1930 to provide appropriate procedures for the appointment of the Chairman of the United States International Trade Commission; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, with amendments:

S. 959. A bill to establish a commission to commemorate the 250th anniversary of the birth of Thomas Jefferson.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

David F. Bradford, of New Jersey, to be a member of the Council of Economic Advisors

Paul Wonnacott, of Maryland, to be a member of the Council of Economic Advisors; and

Susan Meredith Phillips, of Iowa, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of fourteen years from February 1, 1984.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. NUNN, from the Committee on Armed Services:

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of September 11, September 19, September 22, September 23, September 25, September 31, and October 24, 1991 at the end of the Senate proceedings.)

*Col. Richard C. Cosgrave, ANG, to be brigadier general (reference No. 425).

*Maj. Gen. Carmen J. Cavezza, USA, to be lieutenant general (reference No. 590).

*Maj. Gen. Charles E. Dominy, USA, to be lieutenant general (reference No. 591).

*Maj. Gen. Neal T. Jaco, USA, to be lieutenant general (reference No. 592).

*Lt. Gen. William H. Harrison, USA, to be placed on the retired list in the grade of lieutenant general (reference No. 593).

*Lt. Gen. Calvin A. H. Waller, USA, to be placed on the retired list in the grade of lieutenant general (reference No. 594).

*Brig. Gen. Robert E. Murray, USA, to be Assistant Judge Advocate General and to be major general (reference No. 595).

*In the Army there are 32 appointments to the grade of major general (list begins with David A. Bramlett) (reference No. 596).

*Col. Nancy R. Adams, USA, to be brigadier general (reference No. 597).

*Col. Michael J. Nardotti, Jr., USA, to be brigadier general (reference No. 598).

**Lt. Col. Sidney M. Gutierrez, USAF (astronaut), to be colonel (reference No. 605).

**In the Air Force and Air Force Reserve there are 24 appointments to the grade of colonel and below (list begins with Donald L. Mapes) (reference No. 606).

**In the Air Force there are 3 promotions to the grade of colonel and below (list begins with Bradford L. Riza) (reference No. 607).

**In the Air Force Reserve there are 25 promotions to the grade of lieutenant colonel (list begins with James W. Bailey) (reference No. 608).

**In the Air Force Reserve there are 21 promotions to the grade of lieutenant colonel (list begins with John L. Baker) (reference No. 609).

**In the Air Force there are 12 promotions to the grade of lieutenant colonel and below (list begins with Louis M. Ayers) (reference No. 610).

**In the Army there are 12 promotions to the grade of colonel and below (list begins with William C. Ohl, II) (reference No. 611).

**In the Army Reserve there are 44 promotions to the grade of colonel and below (list begins with Charles W. Andres) (reference No. 612).

**In the Army Reserve there are 13 appointments to the grade of colonel and below (list begins with Robert D. Jordan) (reference No. 613).

**In the Navy there are 2 promotions to the grade of commander (list begins with David M. Harlan) (reference No. 614).

**In the Navy and Naval Reserve there are 31 appointments to the grade of commander and below (list begins with Matthew A. Lisowski) (reference No. 615).

**In the Air Force there are 245 appointments to the grade of second lieutenant (list begins with Andrew J. Adams) (reference No. 616).

**In the Air Force there are 3,656 promotions to the grade of major (list begins with Gary J. Abbate) (reference No. 617).

**In the Army there are 102 promotions to the grade of colonel (list begins with Paul D. Amos) (reference No. 618).

**In the Army Reserve there are 305 promotions to the grade of colonel (list begins with Rachel A. Addison) (reference No. 619).

**In the Army Reserve there are 858 promotions to the grade of lieutenant colonel (list begins with Flora T. Abueva) (reference No. 620).

**In the Army there are 547 appointments to the grade of colonel and below (list begins with Curtis T. Anderson, II) (reference No. 621).

**In the Marine Corps there are 231 appointments to the grade of major and below (list begins with Scott W. Evans) (reference No. 622).

**In the Navy there are 840 appointments to the grade of commander and below (list begins with Randall Scott Butler) (reference No. 623).

**In the Marine Corps there are 23 appointments to the grade of second lieutenant (list begins with William B. Bohn) (reference No. 649).

**In the Air Force Reserve there are 902 promotions to the grade of lieutenant colonel (list begins with David J. Agema) (reference No. 650).

**In the Army Reserve there are 32 appointments to the grade of major general and below (list begins with Richard B. Burleson) (reference No. 658).

**In the Army Reserve there are 49 promotions to the grade of colonel and below (list begins with Mark D. Ahner) (reference No. 660).

*Lt. Gen. Charles B. Eichelberger, USA, to be placed on the retired list in the grade of lieutenant general (reference No. 676).

*Lt. Gen. Ellis D. Parker, USA, to be placed on the retired list in the grade of lieutenant general (reference No. 677).

*In the Army there are 2 appointments to the grade of brigadier general (list begins with James J. James) (reference No. 678).

*Gen. William G.T. Tuttle, Jr., USA, to be placed on the retired list in the grade of general (reference No. 694).

*Lt. Gen. Jimmy D. Ross, USA, to be general (reference No. 695).

*Lt. Gen. Marvin D. Brailsford, USA, to be placed on the retired list in the grade of lieutenant general (reference No. 696).

*Lt. Gen. William G. Pagonis, USA, for reappointment to the grade of lieutenant general (reference No. 697).

*Lt. Gen. Leon E. Salomon, USA, for reappointment to the grade of lieutenant general (reference No. 698).

*Maj. Gen. Ira C. Owens, USA, to be lieutenant general (reference No. 699).

*Maj. Gen. Samuel N. Wakefield, USA, to be lieutenant general (reference No. 700).

*Vice Adm. Jeremy M. Boorda, USN, to be admiral (reference No. 718).

*Rear Adm. (lower half) Ronald J. Zlatoper, USN, to be Chief of Naval Personnel and to be vice admiral (reference No. 719).

**In the Marine Corps there are 2 appointments to the grade of lieutenant colonel (list begins with Laurence Farnen, Jr.) (reference No. 720).

**In the Navy and Naval Reserve there are 21 appointments to the grade of commander and below (list begins with Hugh L. Middleton) (reference No. 721).

**In the Air Force Reserve there are 26 promotions to the grade of lieutenant colonel (list begins with Stephen J. Bittner) (reference No. 731).

**In the Navy there is 1 promotion to the grade of captain (Astronaut Michael Allen Baker) (reference No. 732).

**In the Army there are 1,119 promotions to the grade of lieutenant colonel (list begins with Johnny R. Abbott) (reference No. 733).

Total: 9,201.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KASTEN (for himself, Mr. Wallop, Mr. Mack, Mr. Lott, Mr. Nickles, Mr. Symms, Mr. Smith, Mr. Burns, and Mr. Coats):

S. 1920. A bill to amend the Internal Revenue Code of 1986 to allow a nonrefundable tax credit for children, to provide tax incentives for economic growth, and for other purposes; to the Committee on Finance.

By Mr. BENTSEN (for himself, Mr. Roth, Ms. Mikulski, Mr. Breaux, Mr. Boren, Mr. Lieberman, Mr. Pryor, Mr. DeConcini, Mr. Daschle, Mr. Dodd, Mr. Inouye, Mr. Baucus, Mr. Symms, Mr. Johnston, Mr. Akaka, Mr. Burdick, Mr. Ford, and Mr. Adams):

S. 1921. A bill to amend the Internal Revenue Code of 1986 to allow a $300 tax credit for children, to expand the use of individual retirement accounts, and for other purposes; to the Committee on Finance.

By Mr. HOLLINGS:

S. 1922. A bill to establish the position of Assistant Secretary of Commerce and Chief Economist; to the Committee on Commerce, Science, and Transportation.

By Mr. MACK:

S. 1923. A bill to extend the existing suspension of duty on chemical light activator blend; to the Committee on Finance.

By Mr. LOTT:

S. 1924. A bill to amend the Internal Revenue Code of 1986 to provide for individuals a capital gains preference based on the period the asset is held and to allow individuals to exclude certain amounts of interest from gross income; to the Committee on Finance.

By Mr. HOLLINGS:

S. 1925. A bill to remove a restriction from a parcel of land owned by the City of North Charleston, South Carolina, in order to permit a land exchange, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. EXON:

S. 1926. A bill to amend the Internal Revenue Code of 1986 to extend the exclusion from gross income of proceeds from United States savings bonds which are used to pay higher education expenses; to the Committee on Finance.

By Mr. FOWLER (for himself, Mr. Hollings, Mr. Lautenberg, Mr. Leahy, Mr. Sasser, Mr. Dodd, Mr. Adams, Mr. Akaka, Mr. Nunn, Mr. Bradley, Mr. Bumpers, Mr. Levin, Mr. Sanford, Mr. Simon, Mr. Robb, Mr. Heflin, Mr. Garn, Mr. Seymour, Mr. Simpson, Mr. Warner, Mr. Durenberger, Mr. Cranston, Mr. Specter, Mr. Symms, Mr. Chafee, Mr. Roth, Mr. Brown and Mr. Dixon):

S.J. Res. 225. Joint resolution to designate February 3, 1992, through February 9, 1992, as "National Police Officer and Firefighter Recognition Week"; to the Committee on the Judiciary.

By Mr. DODD (for himself and Mr. Reid):

S.J. Res. 226. Joint resolution designating the week of January 4, 1992, through January 10, 1992, as "Braille Literacy Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KASTEN (for himself, Mr. Wallop, Mr. Mack, Mr. Lott, Mr. Nickles, Mr. Symms, Mr. Smith, Mr. Burns, and Mr. Coats):

S. 1920. A bill to amend the Internal Revenue Code of 1986 to allow a nonrefundable tax credit for children, to provide tax incentives for economic growth, and for other purposes; to the Committee on Finance.

ECONOMIC GROWTH AND FAMILY TAX FREEDOM ACT OF 1991

Mr. KASTEN. Mr. President, there is now a consensus in Washington that tax cuts are necessary in order to both promote economic growth and provide tax relief to working families. Regrettably, none of the current tax cut proposals would achieve both of these objectives.

Senator Lloyd Bentsen's plan to restore individual retirement account tax deductions and create child care tax credits won't do much to reignite incentives for growth. And Senator Phil Gramm and Representative Newt Gingrich's proposal provides incentives for economic growth, but fails to relieve the overtaxation of families.

Getting the economy moving again ought to be our top priority. Last year's increase in Federal income tax rates and spending contributed to the current recession which has cost 1.5 million jobs relative to the prior peak employment level.

If this slow growth continues, our economy faces a serious growth deficit. America's post-World War II trend is 3 percent GNP growth per year—when we fall below that, it means lost jobs, lost output and lost family income. For example, if the economy grows at the Office of Management and Budget's [OMB] projected 2.5 percent per year, it will mean 9 million fewer jobs by 1996, relative to normal growth.

For a long time, it has been the goal of both Democrats and Republicans to maintain economic growth and full employment. Statesmen as diverse as Calvin Coolidge, John F. Kennedy, and Ronald Reagan have achieved this through across-the-board tax cuts.

I think it's time for us to do this again. To continue to play by the rules of the 1990 budget summit agreement and Congress' flawed economic models simply weakens our efforts to promote economic recovery and family tax relief.

The budget deal has been an economic disaster. Thanks to the damaging impact of tax increases on economic growth, estimated tax revenues are lower—not higher—by some $130 billion over the next 5 years. Budget deficits are bigger—not smaller—doubling from an estimated 5 year cumulative deficit of $527 billion to over $1 trillion.

We must abandon the budget deal. Budget deficits are bad—but deficits in growth, employment, and family income are worse. The budget deal simply locks in higher spending and higher taxes and locks out initiatives to spur the economy. It is time for a new strategy.

There are thousands of unemployed workers in Wisconsin and millions across this country who simply cannot wait another 6 months before Congress passes a growth package. They need growth incentives now—and more importantly, growth incentives that will work.

We should marry the best components of the Bentsen and Gramm-Gingrich plans—and take them a step further. The key to long-term growth is not simply putting more money in people's pockets, even though that is important. The key is to reignite the incentives to work, save, invest, and take risks.

Today, Representative VIN WEBER of Minnesota and I are introducing the Economic Growth and Family Tax Freedom Act of 1991 which builds on the successful approach of Coolidge, JFK, and Reagan in the following way:

First, it creates a new tax credit for dependent children. Expanding on the Bentsen plan, we provide a $300 nonrefundable tax credit for each child aged 6 to 8—and a $1,000 credit for each child under 6 years of age. The credit can be used to reduce both income and payroll taxes. It is preferable to the Bentsen credit which can only be used to reduce the income tax burden. The new tax credit would replace the current dependent care tax credits, which are available only to parents using paid daycare.

For too long, the Federal Tax Code has been biased against working families with children. Forty years ago, the typical American family of four had three-quarters of its income shielded from Federal income tax. Today, the same family has only one-quarter of its income shielded. Working families with young children are the most financially squeezed, and therefore, deserve more relief.

The strength of America's economy depends on the strength of America's families. Our Nation's productive capacity depends not only on the quantity of our physical capital but the quality of our human capital. The most important habits formed by young people have taken root not in school or on the street, but at home with mom and dad. That is why it is essential that we make families stronger by increasing their earning power. If we let families keep their resources to save and invest in their children through these new tax credits, we will set a solid foundation for long-term economic growth.

Second, our legislation cuts the capital gains tax to 15 percent for all taxpayers, and indexes it for inflation. This approach would not only spark new investment in small businesses, real estate, and other capital assets, but also eliminate the unfair taxation of phantom gains due to inflation. In addition, we call for the elimination of the capital gains tax on the sale of principal residences.

Third, it provides businesses with a new system of tax depreciation which effectively accelerates writeoffs for plant and equipment expenditures. A neutral cost recovery system would provide an equivalent economic stimulus of an immediate $90 billion tax cut for businesses that invest and modernize.

Fourth, it provides passive loss relief for real estate investors. This would correct the mistake made in the 1986 Tax Reform Act that denies real estate entrepreneurs the ability to deduct their losses from their income. The passive loss restrictions and the elimination of the capital gains differential are two primary reasons real estate values declined and contributed to the S&L mess.

Combined with the expanded IRA provisions that would allow penalty-free withdrawals of up to 25 percent from IRA's for first-time home purchases, college tuition, and emergency medical expenses in the Gramm-Gingrich bill, and stronger tax incentives for President Bush's proposed Federal enterprise zone legislation, this package of tax cuts provides dramatic incentives for economic growth, and significant tax relief for America's families.

According to former Treasury Department economist Gary Robbins, the Kasten-Weber tax incentive plan will create 1.4 million new jobs over the next 5 years.

These tax cuts would be financed by the revenues generated by the economic growth stimulus and the budgetary savings from a lower U.S. defense profile.

According to the Congressional Budget Office's economic rules of thumb, if this plan raises the level of growth 1 percentage point higher than forecast, the cumulative deficit reduction would be $250 billion by 1996—more than enough to finance the entire static revenue cost of the tax cuts.

We should also consider various options to limit the annual growth rate of Government spending to 4 percent, which would produce an additional $243 billion in deficit reduction over 5 years.

The argument that tax cuts will raise inflation and long-term interest rates is simply wrong. This is the same argument used by critics of the 1981 Reagan-Bush tax cuts. What actually happened? In the 1980's both interest rates and inflation rates plunged as the economy expanded. In fact, tax incentives that promote private savings and investment may actually reduce long-term market and inflation-adjusted interest rates.

The only way to reduce the Federal budget deficit is to put a lid on Federal spending growth and expand the size of the economy. I highly recommend to the Senate an analysis of the budgetary impact of my legislation by Lawrence A. Hunter, chief economist of the U.S. Chamber of Commerce entitled "Restoring Lost Economic Growth Potential, and Paying For It." I ask unanimous consent that Mr. Hunter's report be printed in the RECORD following my remarks:

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KASTEN. Mr. President, the Kasten-Weber tax incentive plan is the only plan that has significant grassroots support from small business, taxpayer, seniors, and profamily organizations. Our legislation has been endorsed by the following organizations: American Conservative Union, Americans for Tax Reform, American Legislative Exchange Council, American Small Business Association, Citizens Against a National Sales tax/VAT, Citizens Against Government Waste, Citizens for a Sound Economy, Concerned Women of America, Consumer Alert Advocate, Eagle Forum, Family Research Council, National Association of Homebuilders, National Small Business United, Seniors Coalition, Traditional Values Coalition, U.S. Business and Industrial Council, and U.S. Chamber of Commerce.

Mr. President, we have to extend progrowth tax relief to all income classes and all taxpayers. A temporary, watered down tax cutting package would be worse than doing nothing, because it would not spark the economy—and its subsequent failure would be used to discredit the genuine growth solutions that would actually work.

Wisconsin's families are concerned about high taxes, concerned about jobs, concerned about the value of their homes, and concerned about putting their kids through college. I share these concerns—and I have a plan to do something about them.

This economic crisis is a true watershed moment.

We can remain green-eyeshade budget accountants, or we can give the sluggish American economy what it really needs—a strong economic growth and family tax relief package that will unleash entrepreneurial capitalism, higher living standards, and newer and better jobs for millions of Americans.

I ask unanimous consent that the entire text of the Economic Growth and Family Tax Freedom Act of 1991 be printed in the RECORD along with the accompanying materials:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1920

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Economic Growth and Family Tax Freedom Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.
TITLE I—NONREFUNDABLE TAX CREDIT FOR CHILDREN
Sec. 101. Nonrefundable tax credit for children.
TITLE II—REDUCING THE COST OF CAPITAL BY REDUCING CAPITAL GAINS TAX RATES, INDEXING THE BASIS OF CERTAIN ASSETS, AND EXCLUDING GAIN FROM SALES OF PRINCIPAL RESIDENCES
Sec. 201. Reduction in individual capital gains rate.
Sec. 202. Reduction in corporate capital gains rate.
Sec. 203. Reduction of minimum tax rate on capital gains.
Sec. 204. Indexing of certain assets for purposes of determining gain or loss.
Sec. 205. Indexing of limitation on capital losses of individuals.
Sec. 206. Exclusion of gain from sale of principal residence.
Sec. 207. Effective dates.
TITLE III—ADJUSTING DEPRECIATION RATES TO REFLECT INFLATION
Sec. 301. Depreciation adjustment for certain property placed in service in taxable years beginning after December 31, 1991.
Sec. 302. Phase-in of expensing for property placed in service in taxable years beginning after December 31, 1996.
TITLE IV—SAVINGS INCENTIVES
Sec. 401. Establishment of individual retirement plus accounts.
Sec. 402. Penalty-free IRA plus withdrawal for home purchase, higher education, and health costs.
TITLE V—TREATMENT OF PASSIVE LOSSES
Sec. 501. Treatment of certain real estate activities under limitations on losses from passive activities.
TITLE VI—ENTERPRISE ZONES
Sec. 600. Purpose.
Subtitle A—Designation of Enterprise Zones
Sec. 601. Designation of zones.
Sec. 602. Reporting requirements.
Sec. 603. Interaction with other Federal programs.
Subtitle B—Federal Income Tax Incentives
Sec. 611. Definitions and regulations; employee credit; capital gain exclusion; stock expensing.
Sec. 612. Alternative minimum tax.
Sec. 613. Adjusted gross income defined.
Sec. 614. Effective date.
Subtitle C—Regulatory Flexibility
Sec. 621. Definition of small entities in enterprise zone for purposes of analysis of regulatory functions.
Sec. 622. Waiver or modification of agency rules in enterprise zones.
Sec. 623. Federal agency support of enterprise zones.
Subtitle D—Establishment of Foreign-Trade Zones in Enterprise Zones
Sec. 631. Foreign-trade zone preferences.
Subtitle E—Repeal of Title VII of the Housing and Community Development Act of 1987
Sec. 641. Repeal.

TITLE I—NONREFUNDABLE TAX CREDIT FOR CHILDREN

SEC. 101. NONREFUNDABLE TAX CREDIT FOR CHILDREN.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by inserting after section 29 the following new section:

"SEC. 30. CREDIT FOR CHILDREN.

"(a) GENERAL RULE.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this chapter and chapter 21 for the taxable year an amount equal to the sum of—

"(1) $1,000 multiplied by the number of qualifying children of the taxpayer who have not attained the age of 6 as of the close of the calendar year in which the taxable year of the taxpayer begins, and

"(2) $300 multiplied by the number of qualifying children of the taxable year who have attained the age of 6 but have not attained the age of 19 as of the close of such calendar year.

"(b) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed by subsection (a) for a taxable year shall not exceed the excess (if any) of—

"(1) the sum of the regular tax (reduced by the sum of the credits allowable under subpart A and section 32) and the tax imposed by chapter 21, over

"(2) the tentative minimum tax,

for the taxable year.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' has the meaning given to such term by section 32(c)(1) (determined without regard to subparagraph (B) thereof).

"(2) QUALIFYING CHILD.—The term 'qualifying child' has the meaning given to such term by section 32(c)(3) (determined without regard to subparagraphs (C) and (E) thereof).

"(3) CERTAIN OTHER RULES APPLY.—Subsections (d) and (e) of section 32 shall apply."

(b) DEPENDENT CARE CREDIT NOT AVAILABLE FOR CHILDREN UNDER AGE 6.—Subparagraph (A) of section 21(b)(1) (defining qualifying individual) is amended by inserting "(other than an individual described in section 30(a)(1))" after "taxpayer".

(c) CONFORMING AMENDMENT.—The table of sections for such subpart B is amended by inserting after the item relating to section 25 the following new item:

"Sec. 30. Credit for children."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

TITLE II—REDUCING THE COST OF CAPITAL BY REDUCING CAPITAL GAINS TAX RATES, INDEXING THE BASIS OF CERTAIN ASSETS, AND EXCLUDING GAIN FROM SALES OF PRINCIPAL RESIDENCES

SEC. 201. REDUCTION IN INDIVIDUAL CAPITAL GAINS RATE.

(a) GENERAL RULE.—Subsection (h) of section 1 (relating to maximum capital gains rate) is amended to read as follows:

"(h) MAXIMUM CAPITAL GAINS RATE.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

"(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the taxable income reduced by the net capital gain, plus

"(B) a tax equal to the sum of—

"(i) 7.5 percent of so much of the net capital gain as does not exceed—

"(I) the maximum amount of taxable income to which the 15-percent rate applies under the table applicable to the taxpayer, reduced by

"(II) the taxable income to which subparagraph (A) applies, plus

"(ii) 15 percent of the net capital gain in excess of the net capital gain to which clause (i) applies."

(b) PHASEOUT OF PERSONAL EXEMPTIONS AND LIMITATION ON DEDUCTION OF ITEMIZED DEDUCTIONS NOT TO RESULT FROM NET CAPITAL GAIN.—

(1)(A) Subparagraphs (A) and (B) of section 151(d)(3) (relating to phaseout of exemption amount) are each amended by inserting "modified" before "adjusted gross income".

(B) Paragraph (3) of section 151(d) of such Code is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'modified adjusted gross income' means adjusted gross income reduced by net capital gain."

(2) Subsection (a) of section 68 (relating to overall limitation on itemized deductions) is amended by inserting "(reduced by net capital gain (determined in accordance with the last sentence of section 151(d)(3)(D)))" after "adjusted gross income".

(c) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of section 170(e) is amended by striking "the amount of gain" in the material following subparagraph (B)(ii) and inserting "13/28 (19/34 in the case of a corporation) of the amount of gain".

(2)(A) The second sentence of section 7518(g)(6)(A) is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

SEC. 202. REDUCTION IN CORPORATE CAPITAL GAINS RATE.

(a) GENERAL RULE.—Section 1201 (relating to alternative tax for corporations) is amended by redesignating subsection (b) as subsection (c), and by striking subsection (a) and inserting the following:

"(a) GENERAL RULE.—If for any taxable year a corporation has a net capital gain, then, in lieu of the tax imposed by sections 11, 511, or 831(a) (whichever applies), there is hereby imposed a tax (if such tax is less than the tax imposed by such section) which shall consist of the sum of—

"(1) a tax computed on the taxable income reduced by the net capital gain, at the same rates and in the same manner as if this subsection had not been enacted, plus

"(2) a tax of 15 percent of the net capital gain.

"(b) TRANSITIONAL RULE.—In the case of a taxable year which includes December 31, 1991, the amount of the net capital gain for purposes of subsection (a) shall not exceed the net capital gain determined by only taking into account gains and losses properly taken into account for the portion of the taxable year on or after such date."

(b) TECHNICAL AMENDMENTS.—

(1) Clause (iii) of section 852(b)(3)(D) is amended by striking "66 percent" and inserting "85 percent".

(2) Paragraphs (1) and (2) of section 1445(e) are each amended by striking "34 percent" and inserting "15 percent".

SEC. 203. REDUCTION OF MINIMUM TAX RATE ON CAPITAL GAINS.

Subparagraph (A) of section 55(b)(1) (relating to tentative minimum tax) is amended to read as follows:

"(A) the sum of—

"(i) 15 percent of the lesser of—

"(I) the net capital gain (determined with the adjustments provided in this part and (to the extent applicable) the limitations of sections 1(h)(2) and 1201(b)), or

"(II) so much of the alternative minimum taxable income for the taxable year as exceeds the exemption amount, plus

"(ii) 20 percent (24 percent in the case of a taxpayer other than a corporation) of the amount (if any) by which the excess referred to in clause (i)(II) exceeds the net capital gain (as so determined), reduced by".

SEC. 204. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) stock in a corporation, and

"(B) tangible property (or any interest therein), which is a capital asset of property used in the trade or business (as defined in section 1231(b)).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) OPTIONS.—Any option or other right to acquire an interest in property.

"(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

"(i) an S corporation (within the meaning of section 1361),

"(ii) a personal holding company (as defined in section 542), and

"(iii) a foreign corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (iii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

"(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1991). The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-tenth of 1 percent.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(4) SECRETARY TO PUBLISH TABLES.—The Secretary shall publish tables specifying the applicable inflation ratios for each calendar quarter.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) a substantial improvement to property,

"(B) in the case of stock of a corporation, a substantial contribution to capital, and

"(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

"(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (A)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

"(e) CERTAIN CONDUIT ENTITIES.—

"(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for the subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term 'qualified investment entity' means—

"(i) a regulated investment company (within the meaning of section 851),

"(ii) a real estate investment trust (within the meaning of section 856), and

"(iii) a common trust fund (within the meaning of section 584).

"(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

"(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(h) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common fund (as defined in section 584(a)).

"(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—This table of sections for part II of subchapter O of such chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain or loss."

(c) ADJUSTMENT TO APPLY FOR PURPOSES OF DETERMINING EARNINGS AND PROFITS.—Subsection (f) of section 312 (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

"(3) EFFECT ON EARNINGS AND PROFITS OF INDEXED BASIS.—

For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets after December 31, 1991, see section 1022(a)(1)."

SEC. 205. INDEXING OF LIMITATION ON CAPITAL LOSSES OF INDIVIDUALS.

Section 1211 (relating to limitation on capital losses) is amended by adding at the end thereof the following new subsection:

"(c) INDEXATION OF LIMITATION ON NONCORPORATE TAXPAYERS.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1991, the $3,000 and $1,500 amounts under subsection (b)(1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the applicable inflation adjustment for the calendar year in which the taxable year begins.

"(2) APPLICABLE INFLATION ADJUSTMENT.—For purposes of paragraph (1), the applicable inflation adjustment for any calendar year is the percentage (if any) by which—

"(A) the gross national product deflator for the last calendar quarter of the preceding calendar year, exceeds

"(B) the gross national product deflator for the last calendar quarter of 1990.

For purposes of this paragraph, the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3)."

SEC. 206. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Section 121 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended to read as follows:

"SEC. 121. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

"(a) GENERAL RULE.—Gross income does not include gain from the sale or exchange of property if such property has been owned and used by the taxpayer as the taxpayer's principal residence.

"(b) SPECIAL RULES.—

"(1) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—For purposes of this section, if the taxpayer holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), then the use requirements of subsection (a) shall be applied to the house or apartment which the taxpayer was entitled to occupy as such stockholder.

"(2) INVOLUNTARY CONVERSIONS.—For purposes of this section, the destruction, theft, seizure, requisition, or condemnation of property shall be treated as the sale of such property.

"(3) PROPERTY USED IN PART AS PRINCIPAL RESIDENCE.—In the case of property only a portion of which has been owned and used by the taxpayer as the taxpayer's principal residence, this section shall apply with respect to so much of the gain from sale or exchange of such property as is determined, under regulations prescribed by the Secretary, to be attributable to the portion of the property so owned and used by the taxpayer."

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (3) of section 1033(h) is amended to read as follows:

"(3) For exclusion from gross income of gain from involuntary conversion of principal residence, see section 121."

(2) Subsection (l) of section 1034 is amended to read as follows:

"(l) TERMINATION.—This section shall not apply to any sale or exchange occurring after December 31, 1991, in taxable years ending after such date."

(3) Section 1038 is amended by striking subsection (e) and redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(4) Paragraph (7) of section 1250(d) is amended to read as follows:

"(7) DISPOSITION OF PRINCIPAL RESIDENCE.—Subsection (a) shall not apply to a disposition of property to the extent used by the taxpayer as the taxpayer's principal residence (within the meaning of section 121)."

(5) Subsection (c) of section 6012 is amended by striking "one-time exclusion of gain from sale of principal residence by individual who has attained age 55" and inserting "exclusion of gain from sale of principal residence".

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 121 and inserting the following new item:

"Sec. 121. Exclusion of gain from sale of principal residence."

SEC. 207. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title shall apply to sales or exchanges occurring after December 31, 1991, in taxable years ending after such date.

(b) INDEXING OF LOSS LIMITATION.—The amendments made by section 205 shall apply to taxable years beginning after December 31, 1991.

TITLE III—ADJUSTING DEPRECIATION RATES TO REFLECT INFLATION

SEC. 301. DEPRECIATION ADJUSTMENT FOR CERTAIN PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1991.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end thereof the following new subsection:

"(j) DEDUCTION ADJUSTMENT TO ALLOW EQUIVALENT OF EXPENSING FOR CERTAIN PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1991.—

"(1) IN GENERAL.—In the case of tangible property (other than residential rental property and nonresidential real property) placed in service in a taxable year beginning after December 31, 1991, the deduction allowable under this section with respect to such property for any taxable year (after the taxable year during which the property is placed in service) shall be—

"(A) the amount so allowable for such taxable year without regard to this subsection, multiplied by

"(B) the applicable neutral cost recovery adjustment.

"(2) APPLICABLE NEUTRAL COST RECOVERY ADJUSTMENT.—For purposes of paragraph (1), the applicable neutral cost recovery adjustment for any calendar year is the number determined by—

"(A) dividing—

"(i) the gross national product deflator for the calendar quarter of the preceding calendar year which corresponds to the calendar quarter during which the property was placed in service by the taxpayer, by

"(ii) the gross national product deflator for the calendar quarter during which the property was placed in service by the taxpayer, and

"(B) then multiplying the number determined under subparagraph (A) by the number equal to 1.035 to the nth power where 'n' is the number of calendar years after the calendar year in which the property was placed in service by the taxpayer and before the 1st calendar year beginning with or within the taxable year for which the deduction under this subsection is being determined.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—For purposes of paragraph (2), the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3)."

(b) CORRESPONDING MODIFICATION TO DEPRECIATION SCHEDULES.—Paragraphs (1)(A) and (2) of section 168(b) (relating to applicable depreciation method) are each amended by striking "200 percent" and inserting "125 percent".

(c) AMENDMENTS TO ALTERNATIVE MINIMUM TAXABLE INCOME.—

(1) NO INCREASE DUE TO INDEXING.—Subsections (a)(1)(A)(i) and (g)(4)(A) of section 56 (relating to adjustments in computing alternative minimum taxable income) are each amended by inserting "(as adjusted by section 168(j))" after "section 168(g)" each place it appears.

(2) PHASE-OUT OF ALTERNATIVE MINIMUM TAX DEPRECIATION DEDUCTION.—Section 56 is amended by adding at the end thereof the following new subsection:

"(i) PHASE-IN OF FULL DEPRECIATION DEDUCTION.—

"(1) IN GENERAL.—The depreciation deduction with respect to any property determined under subsections (a)(1) and (g)(4) for each taxable year shall be increased by the applicable percentage of the depreciation differential for such taxable year.

"(2) APPLICABLE PERCENTAGE.—The applicable percentage for any taxable year shall be determined in accordance with the following table:

"In the case of a taxable year which begins:		The applicable percentage is:
After January 1 of:	And on or before January 1 of:	
1992	1993	20
1993	1994	30
1994	1995	40
1995	1996	50
1996	1997	60
1997	1998	70
1998	1999	80
1999	2000	90
2000	....	100.

"(3) DEPRECIATION DEDUCTION DIFFERENTIAL.—With respect to any property, the depreciation deduction differential for any taxable year is equal to the excess of—

"(A) the depreciation deduction applicable for purposes of computing the regular tax for such taxable year, over

"(B) the depreciation deduction determined under subsections (a)(1) and (g)(4) for such taxable year."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 302. PHASE-IN OF EXPENSING FOR PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1996.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end thereof the following new subsection:

"(k) PHASE-IN OF EXPENSING.—

"(1) IN GENERAL.—In the case of tangible property placed in service in a taxable year beginning after December 31, 1996—

"(A) the phase-in deductions with respect to such property shall be allowable under this section for the taxable year in which such property is placed in service, and

"(B) the applicable recovery period with respect to such property shall be reduced by the phase-in number of years.

"(2) PHASE-IN DEDUCTIONS AND YEARS.—For purposes of this subsection—

"(A) IN GENERAL.—The phase-in deductions with respect to any property are the aggregate deductions allowable under this section (determined without regard to this subsection and subsection (j)) for the first phase-in number of years in the applicable recovery period.

"(B) PHASE-IN NUMBER OF YEARS.—The phase-in number of years with respect to any property is the number of calendar years after 1996 and before the calendar year in which the property is placed in service.

"(3) ELECTION.—This subsection shall not apply to any property if the taxpayer elects not to apply this subsection to such property. Such an election, once made, shall be irrevocable."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE IV—SAVINGS INCENTIVES

SEC. 401. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins."

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 402. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) General Rule.—Subparagraph (A) of section 408A(d)(3) (as added by section 401) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

(b) Qualified Special Purpose Distribution Defined.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) Qualified Special Purpose Distribution From IRA Plus Accounts.—For purposes of this section—

"(1) In general.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 percent account limit.—

"(A) In general.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) Limitation not to apply for purposes of section 72(t).—Section 72(t) shall not apply to any distribution which would be a qualified distribution but for the limitations of subparagraph (A).

"(3) Distributions from IRA plus accounts used to purchase a home by first-time homebuyer.—For purposes of paragraph (1)—

"(A) In general.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) Basis reduction.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) Recognition of gain as ordinary income.—

"(i) In general.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) Exception.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) Coordination with other provisions.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) Special rule where delay in acquisition.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) Definitions.—For purposes of this paragraph—

"(i) Qualified acquisition costs.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) First-time homebuyer.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) Principal residence.—The term 'principal residence' has the same meaning as when used in section 121.

"(iv) Date of acquisition.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) Applicable medical distributions from IRA plus accounts.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) Distributions from individual retirement plus accounts for educational expenses.—

"(A) In general.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) Qualified higher education expenses.—For purposes of subparagraph (A)—

"(i) In general.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) Coordination with savings bond provisions.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE V—TREATMENT OF PASSIVE LOSSES

SEC. 501. TREATMENT OF CERTAIN REAL ESTATE ACTIVITIES UNDER LIMITATIONS ON LOSSES FROM PASSIVE ACTIVITIES.

(a) In General.—Subsection (c) of section 469 (relating to passive activity losses and credits limited) is amended by adding at the end the following new paragraphs:

"(7) Taxpayers engaged in the real property business.—In the case of a taxpayer engaged in the real property business, the determination of what constitutes an activity and whether an activity is a passive activity shall be made by treating the taxpayer's rental real property operations, undertakings, and activities in the same manner as nonrental trade or business operations, undertakings, and activities.

"(8) Individuals engaged in the real property business.—For purposes of paragraph (7), an individual is engaged in the real property business if—

"(A) such individual spends at least 50 percent of such individual's working time in real property operations; and

"(B) such individual spends more than 500 hours during the taxable year in real property operations.

"(9) Real property operations.—For purposes of paragraph (8), the term 'real property operations' means any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, brokerage, appraisal, and finance operations.

"(10) Working time.—For purposes of paragraph (8), the term 'working time' means any time spent as an employee, sole proprietor, S corporation shareholder, partner in a partnership, or beneficiary of a trust or estate.

"(11) Closely held C corporations engaged in the real property business.—For purposes of paragraph (7), a closely held C corporation is engaged in the real property business if—

"(A) 1 or more shareholders owning stock representing more than 50 percent (by value) of the outstanding stock of such corporation materially participate in the aggregate real property activities of such corporation; or

"(B) such corporation meets the requirements of section 465(c)(7)(C) (without regard to clause (iv)) with respect to the aggregate real property activities of such corporation."

(b) Passive Activity Includes Certain Rental Activities.—

(1) In general.—Paragraph (2) of section 469(c) is amended to read as follows:

"(2) PASSIVE ACTIVITY INCLUDES CERTAIN RENTAL ACTIVITIES.—Except for rental activities treated in the same manner as nonrental trade or business activities pursuant to paragraph (7), each rental activity is a passive activity without regard to whether or not the taxpayer materially participates in the rental activity."

(2) CONFORMING AMENDMENT.—Paragraph (4) of such section 469(c) is amended to read as follows:

"(4) MATERIAL PARTICIPATION NOT REQUIRED FOR PARAGRAPH (3).—Paragraph (3) shall be applied without regard to whether or not the taxpayer materially participates in the activity."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE VI—ENTERPRISE ZONES

SEC. 600. PURPOSE.

It is the purpose of this title to provide for the establishment of enterprise zones in order to stimulate entrepreneurship, particularly by zone residents, the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and to promote revitalization of economically distressed areas primarily by providing or encouraging—

(1) tax relief at the Federal, State, and local levels;

(2) regulatory relief at the Federal, State, and local levels; and

(3) improved local services and an increase in the economic stake of enterprise zone residents in their own community and its development, particularly through the increased involvement of private, local, and neighborhood organizations.

Subtitle A—Designation of Enterprise Zones

SEC. 601. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7880. Designation.

"SEC. 7880. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITION.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior,

designates as an enterprise zone.

"(2) AUTHORITY TO DESIGNATE.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e)

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) June 30, 1992.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section and

"(II) not more than 15 nominated areas as enterprise zones during the first 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the second 12-month period, not more than 45 by the end of the third 12-month period, and not more than 50 by the end of the fourth 12-month period.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available);

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)); or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the local government and the State in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) TIME PERIOD FOR WHICH DESIGNATION IS IN EFFECT—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the State or a local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) AREA AND ELIGIBILITY REQUIREMENTS—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government;

"(B) the boundary of the area is continuous; and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

"(II) 1,000 in any other case; or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State or local governments in which the nominated area is located certifies, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress;

"(B) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period;

"(C) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 1.5 times the national poverty rate for the period to which such data relate; and

"(D) the area meets at least one of the following criteria:

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) Required State and Local Commitments.—

"(1) In general.—No nominated area shall be designated as an enterprise zone unless the State and the local government or governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) Course of action.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention, and drug enforcement prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship; and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) Later modification of a course of action.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) Priority of Designation.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, as are consistent with the intent of the enterprise zone program and have the greatest likelihood of success.

"(f) Geographic Distribution.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) Definitions.—For the purposes of this title—

"(1) Governments.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) State.—The term 'State' shall also include the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other possession of the United States.

"(3) Local government.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia."

"(h) Cross References for—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394."

(b) Clerical Amendment.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"Subchapter D. Designation of enterprise zones."

SEC. 602. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this title.

SEC. 603. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) Coordination With Relocation Assistance.—The designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 (as added by this title) shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such title.

(b) Coordination With Environmental Policy.—Designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

Subtitle B—Federal Income Tax Incentives

SEC. 611. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) General Rule.—Chapter 1 (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"Subchapter U—Enterprise Zones

"Sec. 1391. Definitions and regulatory authority.
"Sec. 1392. Credit for enterprise zone employees.
"Sec. 1393. Enterprise zone capital gain.
"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) Enterprise Zone.—

"(1) In general.—For purposes of this subchapter, the term 'enterprise zone' means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) Termination of enterprise zone.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

"(b) Enterprise Zone Business.—

"(1) In general.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprise zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) less than 10 percent of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) Related activities taken into account.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) Special rules.—

"(A) Rental real property.—For purposes of paragraph (1), real property located within an enterprise zone and held for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and as not subject to paragraph (1)(B).

"(B) Termination of enterprise zone business.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b);

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses; or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) ENTERPRISE ZONE PROPERTY.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone property' means any property used in the active conduct of an enterprise zone business.

"(2) TERMINATION OF ENTERPRISE ZONE.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) RELATED PERSONS.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of title VI of the Economic Growth and Family Tax Freedom Act of 1991, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) GENERAL RULE.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE EMPLOYEE.—The term 'enterprise zone employee' means an individual—

"(A) performing services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal government, any State government or subdivision thereof, or any local government.

"(2) WAGES.—The term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) QUALIFIED WAGES.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) LIMITATIONS.—

"(1) PHASE-OUT OF CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (c)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) CREDIT TREATED AS SUBPART C CREDIT.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of this chapter.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) DEFINITION.—For purposes of this section—

"(1) IN GENERAL.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to periods of use in an enterprise zone business.

"(2) LIMITATIONS.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collectibles (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) BASIS.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) GENERAL RULE.—At the election of any individual, the aggregate amount paid by such taxpayer during the taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) LIMITATIONS.—

"(1) CEILING.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $100,000 for any taxable year, nor $500,000 during the taxpayer's lifetime.

"(A) EXCESS AMOUNTS.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) RELATED PERSON.—

"(A) IN GENERAL.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in subsection (b)(1).

"(B) EXCESS AMOUNTS.—The limitations described in subsection (b)(1) shall be allocated among the taxpayer and related persons in accordance with their respective purchases of enterprise zone stock.

"(3) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (b)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(c) DISPOSITIONS OF STOCK.—

"(1) GAIN TREATED AS ORDINARY INCOME.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 5 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined under subparagraph (B).

"(B) ADDITIONAL AMOUNT.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disposed of.

"(d) DISQUALIFICATION.—

"(1) ISSUER OR STOCK CEASES TO QUALIFY.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle other than paragraph (2) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) SPECIAL RULES.—

"(A) LIQUIDATION.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) TERMINATION OF ENTERPRISE ZONE.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) PARTIAL DISQUALIFICATION.—Where some, but not all, of the property acquired by the issuer with the proceeds of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated among enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) ADDITIONAL AMOUNT.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disqualified.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE STOCK.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months followed issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any subchapter C corporation which—

"(i) does not have more than one class of stock,

"(ii) is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) does not own or lease more than $50,000,000 of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of such corporation is owned by individuals, partnerships, estates or trusts.

"(B) LIMITATION ON TOTAL ISSUANCES.—A qualified issuer may issue no more than an aggregate of $50,000,000 of enterprise zone stock.

"(C) AGGREGATION.—For purposes of applying the limitations under paragraph (2), the issuer and all related persons shall be treated as one person.

"(3) AMOUNT PAID.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidences of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) ISSUANCES IN EXCHANGE FOR PROPERTY.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchapter C of this chapter to the contrary—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) LIMITATIONS ON ASSESSMENT AND COLLECTION.—If a taxpayer elects the deduction under subsection (a) for any taxable year, then—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCE.—

"For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56."

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (23); by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a)."

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"SUBCHAPTER U. Enterprise zones."

SEC. 612. CORPORATE ALTERNATIVE MINIMUM TAX.

Section 56(g)(4)(B) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISE ZONE CAPITAL GAIN.—Clause (i) shall not apply in the case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income."

SEC. 613. ADJUSTED GROSS INCOME DEFINED.

Section 62(a) (relating to the definition of adjusted gross income) is amended by inserting after paragraph (13) the following new paragraph:

"(14) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394."

SEC. 614. EFFECTIVE DATE.

The amendments made by this subtitle shall apply to taxable years ending after December 31, 1991.

Subtitle C—Regulatory Flexibility

SEC. 621. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 1392(b)(1) of such Code)."

SEC. 622. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§ 611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirements of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title."

(b) The analysis for chapter 6 of title 5, United States Code, is amended by redesignating the items relating to sections 611 and 612 as items relating to sections 612 and 613, respectively, and by inserting after the item relating to section 610 the following new item:

"611. Waiver or modification of agency rules in enterprise zones."

(c) Section 601(2) of such title 5 is amended by inserting "(except for purposes of section 611" immediately before "means".

(d) Section 613 of such title 5, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter"; and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. 623. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local coordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue Code of 1986.

Subtitle D—Establishment of Foreign-Trade Zones in Enterprise Zones

SEC. 631. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

Subtitle E—Repeal of Title VII of the Housing and Community Development Act of 1987

SEC. 641. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

A PROPOSAL FOR ECONOMIC GROWTH AND FAMILY TAX FREEDOM

(By U.S. Senator Bob Kasten and U.S. Representative Vin Weber)

PRO-FAMILY TAX RELIEF

$300 non-refundable tax credit for children age 6–18.

$1000 non-refundable tax credit for children under age 6.

PRO-GROWTH TAX INCENTIVES

Capital gains:

15% top rate, 7.5% for lower bracket individuals.

15% for corporations.

Indexed for inflation.

One year holding period.

0% tax on sale of principal residence.

Neutral cost recovery system:

Time value of money plus inflation.

Present value equivalent to expensing.

IRA-plus:

Non-deductible IRA contributions tax free at withdrawal.

Penalty-free IRA withdrawal for home purchase, education, and medical expenses.

Passive loss:

Passive loss relief to material participants in real estate.

Enterprise zones.

KASTEN-WEBER TAX INCENTIVE PLAN

Policy	5 Yr cost (billions)	
	Static	Dynamic[1]
Pro-family incentives	−$100.0	−$100.0
Pro-growth incentives:		
Capital gains	−53.1	+63.7
Neutral cost recovery	−58.0	+37.5
IRA-plus	+13.8	+13.8
Passive loss	−3.2	−3.2
Enterprise zones	−1.8	
Total	−202.3	+11.8

[1] Estimate by Gary Robbins of National Center for Policy Analysis.

SPECIFIC PROVISIONS OF KASTEN PROPOSAL

PRO-FAMILY TAX RELIEF

A $300 tax credit is provided for children age 6–18, and a $1,000 tax credit is provided for those under age 6. This two-tiered approach provides tax relief for families with small children. Inflation has eroded the value of the dependent exemption over the last 40 years, and a credit is the most direct way to provide relief to families. The credit is nonrefundable, but it can be used against both income tax and payroll tax liability. Those who utilize the $1,000 credit are not eligible for the Dependent Care Tax Credit.

CAPITAL GAINS

The legislation reduces the capital gains tax to 15 percent (7.5 percent for those in the lower tax bracket) for both individuals and corporations. Indexing is provided to protect investors from taxation on inflation gains. In addition, a 0 percent capital gains tax is provided upon sale of a principal residence. This proposal will help small business owners, farmers, and homeowners by reducing the cost of capital. It will also greatly benefit the poor and unemployed by creating up to 2.5 million additional jobs for the economy. A dynamic analysis by Gary Robbins of the National Center for Policy Analysis, shows an increase of $63.5 billion in revenue due to growth in the GNP and increased sales caused by a cut in the capital gains tax.

NEUTRAL COST RECOVERY SYSTEM

Under current law the investor is allowed to deduct a scheduled percentage from business profits to arrive at taxable profits. However, the amounts written off after the first year represent only a partial tax offset for depreciation due to inflation and the time value of money.

Neutral cost recovery provides the present value equivalent of expensing. It would adjust current depreciation schedules so that depreciation after the first year is equivalent to its first year value.

This system will provide an immediate incentive effect that is better than, but similar to giving a $90 billion tax cut on new investment. There are two reasons that this system is better. First, neutral cost recovery is only available to new investment. Second, NCR has a short-term revenue impact, which will be more than offset by the additional economic growth.

ALTERNATIVE MINIMUM TAX REFORM AND DEPRECIATION

The legislation provides that the "neutral cost recovery adjustment" will not be added back into the Alternative Minimum Taxable Income base. The underlying rationale for the neutral cost recovery adjustment to regular tax depreciation is even more compelling for the AMT. Under the AMT the taxpayer never recovers the full cost of capital invested. Furthermore, the rate at which the investment is recovered is slower than under the regular tax and the time period over which the investment is recovered is substantially longer than under the regular tax system. In addition, the legislation recognizes the inherent inequities of recapturing the benefit of regular tax accelerated depreciation. It would completely phase out the depreciation adjustment under the AMT by the year 2000, thus, ensuring that all equipment and machinery gets full capital cost recovery.

IRA-PLUS

The legislation provides for the IRA-plus which permits individuals to make nondeductible contributions to IRA's, where interest would accumulate, compound and be distributed tax free at retirement. This proposal allows for the use of up to 25 percent of the account for education, first time home purchases, and medical emergencies.

PASSIVE LOSS REVISION

The collapse in real estate values has been a leading cause of the S&L crisis. Continuing the unfair policy on passive losses will further depress real estate values and drive up the costs of the S&L bailout.

The legislation changes the law governing passive loss restrictions to provide the same treatment under passive loss rules for those engaged in the real estate business as those involved in other types of businesses. Since the 1986 Tax Reform Act, any loss from rental property, except in very limited circumstances, cannot be used to offset other income. This puts those involved in the real estate sector of the economy at a tremendous disadvantage. Specifically, the legislation provides that once an individual meets a threshold test that establishes he or she to be "engaged in the real property business," then he or she would be allowed to prove that they materially participate in their rental activity under the same test all other taxpayers now use to prove material participation in their businesses.

ENTERPRISE ZONES

Enterprise zones offer special tax incentives to companies that are willing to locate and create jobs in economically depressed areas. Up to 50 zones would be selected over a 4-year period, and one-third of the zones would be in rural areas. The Federal tax incentives provided for zones would include an employee credit, elimination of the capital gains tax on zone investments and property, and stock expensing.

EXHIBIT 1

RESTORING LOST ECONOMIC GROWTH POTENTIAL, AND PAYING FOR IT

(By Lawrence A. Hunter, acting chief economist)

Between 1954 and 1988, the economy has grown at an average of 3 percent per year. Although the actual level of GNP growth diverged dramatically from this 3 percent trend from year to year, losses incurred during downturns have always been recouped, keeping the long-run growth path on track. For instance, the losses incurred during the 1981–82 recession were fully recouped by the burst of economic growth that occurred in the mid-80's. But beginning in the summer of 1988, the economy's growth path began diverging from its historical trend. If the Blue Chip consensus of private forecasters is correct, economic losses from trend growth will continue to mount, resulting in a permanent "growth gap" and a dramatic reduction in the American standard of living.

Not coincidentally, the development of this growth gap coincides with a dramatic paradigm shift away from growth-enhancing policies toward policies of economic austerity, higher taxes, runaway spending and reregulation. Political economists are seldom provided with a more unambiguous test of two opposing policy regimes. With the implementation of the Reagan economic recovery program beginning in 1983, the country took off on a five-year resurgence of economic activity unprecedented in the post-war era. By contrast, current policies have resulted in the second slowest 4-year growth period since the Great Depression.

In both economic and human terms, the cost of such anti-growth policies is dramatic: According to the Administration's own forecast, by the end of 1992 GNP will be 6%, or $808 billion, lower than it otherwise would have been if the economy had followed its long-term trend, resulting in about $3,000 less in after-tax income for a family of four in 1992. By the end of 1996, again under the Bush Administration's forecast, the total average loss in disposable income will be $19,924 per family of four. Under the more realistic Blue Chip scenario, by the end of 1996, the cumulative loss in real GNP will equal $2.193 trillion. In addition, there will be 9 million fewer jobs. Unless dramatic policy changes are made, these economic losses will not be made up, and the growth gap could continue to widen.

The objective of any economic growth package must be to lift the heavy hand of taxation that stifles capital formation and frightens entrepreneurial spirits. It must also be broad based, offering tax relief for families, workers, savers, investors and entrepreneurs. One package which meets these criteria is the "Economic Growth and Family Tax Freedom" plan being proposed by Senator Bob Kasten and Representative Vin Weber. It's components include: family tax relief providing a $300 nonrefundable tax credit for children between the ages of 6 and 18, and a $1,000 credit for children under the age of 6; a reduction in the capital gains tax to a top rate of 15% for individuals and corporations, and to 7.5% for lower bracket individuals; a Neutral Cost Recovery System; an IRA-Plus plan; repeal of the passive loss limitation for all active participants; and, creation of enterprise zones.

The positive economic impact of such a package would be substantial. According to former Treasury economist Gary Robbins, such a combination of tax incentives would increase GNP by an average of 1 percent per year over the next 5 years, while creating 1.4 million new jobs. The addition of $1.1 trillion to cumulative GNP generated by this plan would help return the economy to its long-run growth path. While that is not enough to eliminate the 5-year growth gap of $2.2 trillion and return GNP to its historical trend, it gets us halfway to that goal.

An additional boost to both job creation and middle class tax relief would result from a reduction in Social Security taxes. A 2 percentage point cut in the payroll tax (1 percent each for both workers and employers) has been proposed by Senator Malcolm Wallop and Representatives Tom DeLay and Robin Tallon in the Economic Growth and Jobs Creation Act (S. 381 and H.R. 960).

But how do we 'pay for' any economic growth package? Higher offsetting taxes are out of the question: The one lesson everyone should have learned from last year's disastrous budget agreement is that it is impossible to tax our way out of the deficit. Genuine deficit reduction can only be achieved through sustained economic growth and spending restraint. On the spending side, Senator Lloyd Bentsen has suggested reducing defense outlays by approximately $55 billion over the next five years. Senator Jim Sasser has suggested a 6 percent peace dividend that amounts to about $70 billion. In addition to such defense budget savings, an effective economic growth package would generate a permanent economic growth dividend.

It should be possible to even improve on the 1 percent per year growth generated by Kasten/Weber: The forty-year growth trend is 3.0 percent a year and the recent trend, prior to the onset of the slowdown three years ago, is about 3.3 percent. The average rate of growth during the first year of recovery from a recession is about 5.5 percent. With these historical averages, an average annual growth rate of 4 percent a year over the next five years should be a reasonable expectation. But to be conservative in our estimates, let's assume that we achieve no more than an increase in the annual rate of economic growth from the 2.5 percent average forecasted by the Blue Chip Consensus to 3.5 percent. Such an objective is not unreasonable.

If we set as our objective a one percent increase in the rate of economic growth, the Congressional Budget Office estimates that the increased economic growth alone would reduce the deficit by a whopping $258 billion over the five year period. In other words, by CBO's own estimates, it should be possible to reduce taxes on average by $52 billion a year over 5 years, spurring new growth and producing more new jobs without increasing the deficit. If we add a $70 billion peace dividend, that means it should be possible to reduce taxes by $328 billion over 5 years, or almost $66 billion a year with no adverse effect on the long-term deficit.

A tax package along the lines outlined above falls well within these limits: The total cost of the Kasten/Weber package would be $200 billion or $40 billion a year—well within the bounds of a modest peace/growth dividend. The remaining $123 billion could fund a scaled-down, 1 percent cut in the Social Security tax. An increase in the average annual growth rate of 1.5 percentage points to 4.5 percent growth—still very conservative by mid-eighties standards—could finance even larger tax cuts, without an increase in the deficit. The full Wallop/DeLay/Tallon FICA rollback, which would cost $263 billion (on a static basis), could be paid for with an additional economic growth dividend beyond our conservative 1 percent increase in GNP estimate.

But a return to pro-growth tax policies alone cannot cure economic problems caused by a combination of destructive tax, spending and regulatory policies. To fully eliminate the growth gap and return to trend economic growth will require courageous policies which, in addition to reducing tax burdens, also roll back excessive regulations and control runaway federal spending.

Mr. WALLOP. Mr. President, several months ago, we celebrated the 10th anniversary of the passage of the Kemp-

Roth tax cuts. This effort to reduce the tax burden on middle America stimulated one of the longest economic booms in our Nation's history. We shook off the malaise of the late 1970's, and proceeded to march forward confidently and boldly. The country had real leadership which had a clear idea of what was necessary to put us back on the right course. As a result, we had 90 months of uninterrupted growth, and created nearly 20 million new jobs.

The Kemp-Roth-Reagan tax cuts had meaning much beyond reviving a moribund economy. Our success in demonstrating the potential of free markets, individual achievement, and limited government was a symbolic "shot heard 'round the world." We unleashed a spirit of liberation which has been felt from Warsaw to Lusaka.

In a bizarre twist of logic, the critics of our economic success declare that the current economic stagnation is a result of this original Reagan economic growth package. To gauge how accurate our critics are, contemplate this comment by one of their economic gurus back in 1982. Lester Thurow declared that "the engines of economic growth have shut down here across the globe. And they are likely to stay that way for many years to come." He made his comments just as the United States was beginning one of the longest periods of peacetime growth in our history.

Just as they were completely wrong back then, our critics still cannot get it right. The real culprits behind the slowdown in our economy are that continuing problem of the modern liberal welfare state, high taxes, and expansion of an intrusive government. Ironically, these are the very policies endorsed by our critics.

Let me review for a moment what happened over the past decade, and why we need an economic growth package now. In 1981, Congress enacted the Economic Recovery Tax Act in response to the economic malaise generated by the policies of the Carter administration. ERTA reduced the tax burden on working Americans—which had reached historic highs as a percent of our gross national product. This fiscal stimulus of tax cuts coincided with a sensible monetary policy on the part of the Federal Reserve Board. Our economy blossomed under the Reagan revolution.

By the mid-1980's, the counter-revolution was underway. Through the budget reconciliation process, Congress enacted some of the largest tax increases in our history. Every effort to restrain Federal spending was rebuffed—with the exception of defense spending which was held to no growth since 1985. The so-called Tax Reform Act of 1986 replicated the horrors of Frankenstein by replacing good ideas with perverted ideas. True tax reform was sacrificed to the goals of punishing success and erecting new complexities in the Tax Code to discourage risk taking.

Despite the fact that the Reagan policies increased the gross national product by 100 percent during his Presidency and that tax revenues were still $140 billion higher than they would have been if taxes had remained at historic average levels, the contras continued their efforts to promote high taxes, big government, and economic stagnation. And, they have succeeded.

Last year's budget summit was a triumph for those who believe in Government intervention, who want to increase the tax burden on middle and higher income families, who dislike entrepreneurs and free markets. It was a disaster for freedom. And, it has extended the economic downturn.

Today, I join with colleagues in the Senate to introduce a package of tax reforms which will provide tax relief to working families and provide tax incentives for economic growth. This proposal combines elements of previous growth packages. From the Wallop-DeLay bill, we have absorbed reforms of the capital gains tax and the cost recovery system. From other proposals, we have absorbed tax credits for working families with children.

It is a good package, one that will stimulate investment, promote the development of small businesses, and reduce the tax burden for working families. It is, simply, a progrowth, profamily, pro-America economic policy.

Yet, we remain stymied by the liberal "increase taxes" philosophy that dominates the Congress. Today we have heard much talk about a wake up call from America from yesterday's elections. Those of us who have been awake for the past 10 years are ready to move forward with new economic growth programs. I hope the Rip Van Winkles in the Congress finally come out of their slumber and join us.

I ask unanimous consent that a statement by Larry Kudlow, formerly of the Council of Economic Advisers, on what is needed to stimulate the economy be printed in the RECORD at the conclusion of my remarks. His comments focus on many of the provisions in the Kasten-Mack-Wallop package.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY LAWRENCE A. KUDLOW

I am pleased to testify before the Republican Conference Task Force on Economic Growth and Job Creation.

After surveying the financial markets and the economy, it is my view that we are clearly entering into recovery, but there are a number of disturbing signs which suggest a relatively weak rate of recovery by historical standards. In addition, there are very few signs of significant new business formation and job creation, or of any animal spirits or entrepreneurial juices, all of which provided the backbone of the outstanding economic recovery performance of the 1980's.

Because of a spate of Federal, state and local tax and regulatory increases in recent years, the potential of the economy to grow in the 1990s has been significantly limited. Consequently, without a reduction of economic policy, the actual level of real output in the next five years seems likely to remain below the post World War II path associated with long-term 3% real economic growth.

The numbers here are startling. Both the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO) are forecasting subpar recovery rates. Compared to the long run 3% post war growth trendline, OMB's implied estimate is an output loss of $273 billion from the trendline in 1996 and a cumulative $1.6 trillion loss over the 1991–96 period, assuming their 2.6% real GNP growth forecast.

For CBO the numbers are even worse: a $366 billion loss in 1996 and a cumulative $1.8 trillion loss over the five year period using a 2.3% average growth path. No responsible economic policymaker should accept this subpar record. By my calculations, the loss of jobs implied by CBO's and OMB's growth projections relative to the long-term trend baseline comes to a whopping 6 million. It is precisely this point which must be immediately addressed in order to prevent a protracted period of U.S. economic stagnation.

RECOVERY THUS FAR

For nearly 12 months broad stock market indicators have been gradually signaling economic recovery. In real inflation-adjusted terms, the Dow Jones has increased by 15%, the S&P 500 by 19% and the Nasdaq by 37%. These forward-looking stock market movements are principally reflecting the sharp decline of inflation and interest rates, which provide the equivalent economic impact of a significant tax cut.

Inflation has declined from 7% in 1990 Q4 to just 3% in the third quarter of 1991, and as a result short and long-term interest rates are approaching 20-year lows. These inflation and interest rate developments have been capitalized into higher asset values, thus providing businesses and families with a more solid resource base from which to make more aggressive spending and investment decisions. The rise of financial assets prices and the decline of inflation and interest rates are powerful recovery stimulants which have to a greater extent been ignored by excessively pessimistic media reports and punditry analysts. Since 1990 Q4, real household net worth has increased by an estimated $600 billion to slightly above its prerecession high. Never has the U.S. experienced major interest rate declines and stock market advances during recession which did not correctly signal future recovery.

Following on the tax-cutting effects of lower inflation, lower interest rates and higher financial asset values, recent statistical trends on the economy are showing a recovery pattern for consumer spending, business activity and housing. If we looked at the same variables during the last half of 1990, the trends were clearly downward. So there has been a statistical inflection point, and there is a recovery out there, although the magnitude of this recovery pattern is somewhat indecisive and lackluster in comparison with the recovery of the early 1980's. Here are some of the highlights:

DATA SCOREBOARD

Economic indicator	Percent change at annual rate from trough	Trough month
Industrial production	6.0	March.

DATA SCOREBOARD—Continued

Economic indicator	Percent change at annual rate from trough	Trough month
Purchasing managers' survey	[1] 17.3	37.7 percent in January. 55 percent in September.
Durable goods orders	31.6	March.
Durable goods shipments	22.5	Do.
Real PCE	3.9	January.
Housing starts	34.7	Do.
Building permits	34.9	Do.
Existing home sales	21.6	Do.
New home sales	57.7	Do.
Leading indicators index	8.4	Do.
Median existing home prices:		
Nominal	12.8	February.
Real	10.3	Do.

[1] Basis points.

HOLES IN THE STORY

The principle factor behind the relatively sluggish recovery performance so far is the failure to reignite new business formation, which is the backbone of the entrepreneurial economy and one of the best indicators of risk-taking animal spirits. Dun & Bradstreet new business incorporations peaked in the 1986–1988 period at around 66,000 per month, or 788,000 per year, moving up from around 41,000 per month or 488,000 per year in the early 1980s. Through June of 1991 this measure remains 12% below its prior peak and shows no rebound so far. Related to this, nonfarm proprietors' income—which measures the strength of self-employed business people—is also showing virtually no sign of recovery. In real terms this measure is growing at only 1.6% over the last four quarters, following a 1987 peak of 11% and a 1983 peak of 17%.

The continuing weakness of new business formation and proprietors' income holds the key to the weak payroll employment figures reported so far this year. Since its trough in April, nonfarm payrolls have increased by only 0.55 at an annual rate, and this anemic rise can be directly traced to the lack of new business creation. When the 1982 1990 expansion generated over 18 million new jobs, more than 90% of these new jobs were created by small businesses and new businesses. people forget that the largest American companies have been downsizing and restructuring for years; it was not this established corporate sector which created the job surge of the last decade.

Not only has overall employment growth stagnated, but minority employment appears to have come to a halt. Black unemployment, for example, which dropped from 21% in 1983 to 10.6% in May 1990, stands currently at 12.1% through September 1991. For Hispanics, the unemployment rate dropped from 15.7% in 1982 all the way to 6.8% in 1989, but during this recession has increased to 11.1%. From 1982 through 1987 Hispanic new business creation rose by 80.5%, and new businesses owned by blacks increased by 37.6%. While more recent data are not yet available, the disappointing unemployment rates in these minority areas suggest that minority entrepreneurship has sagged.

SUMMING UP THE ECONOMY

Taking all this into account, my outlook for the next six quarters suggests a 3% recovery rate for real GNP.

While this is certainly an improvement over the 0.6% average annual rate of GNP growth over the past ten quarters, stretching from 1988 Q4 to 1991 Q2, it nonetheless compares quite unfavorably with historical performance over the past eight post-war cycles, where real GNP growth averaged 5.7% during the first six recovery quarters. In other words, even a relatively optimistic view suggests that the US economy will post only about one-half the rate of a normal recovery cycle.

WHAT'S WRONG HERE? IT'S NOT THE FED

While administration spokesmen continually bash the Federal Reserve for easier money, the fact remains that monetary policy has been near perfect in recent years. By modernizing Fed policy in the direction of a domestic commodity price rule, including gold, to restore a predictable standard of value, Greenspan & Co. have managed to bring interest rates down to nearly 20-year lows without reigniting inflation or inflation expectations.

Since the spring of 1989 the federal funds rate has fallen by nearly 50%, from just under 10% to just over 5%. Longer-term rates such as the Treasury ten-year note has dropped from roughly 9½% to around 7½%. Fixed rate mortgage yields have fallen below 9%, while adjustable rate mortgages have recently dipped under 7%. This has all been made possible by a substantial decline of reported inflation, with the year-to-year change in the Consumer Price Index falling from 6.4% to 3.4%, and the Producer Price Index from 7% to 0.7%. Gold prices this year have been ranging steadily between $350 and $375, while the widely followed CRB futures index has ranged between 210 and 220. Meanwhile the exchange rate of the dollar has also been steadily fluctuating in a relatively narrow range.

Going forward, it is essential that the Fed continue to target inflation sensitive market prices in order to maintain long-term credibility and confidence in the Fed's goal to achieve price stability. In particular, I believe the movement of long-term interest rates—which are subject to the financial markets' expectations of longer run inflation—are even more important than short term rates with respect to future economic growth. Long-term rates are crucial to business and individual investment decisions, debt burdens and balance sheets, and of course the important housing sector. Stable or lower long-term rates can be achieved only through stable long-run price expectations.

The best part of macroeconomic policy in recent years has been the steady conduct of monetary policy. By bringing down price expectations and interest rates, the *Federal Reserve has in effect generated a powerful tax cut effect to promote economic growth.* This is the single largest factor in my anticipation of at least mild economic recovery. However, should the Fed be forced into an easy money position, then long-term interest rates and inflation would soon rise, creating a tax increase effect which would abort the recovery and send us back into double dip recession. Hopefully the Fed will continue its adherence to market price-level targeting, which is the only way to effectively balance money supply and money demand.

As an important sidebar, a properly crafted tax-cut program will make the Fed's counter-inflation job easier. Supply-side tax cuts will increase the output of goods and services, thereby rendering the same growth of money supply less inflationary, since it will be chasing more goods.

WHAT'S WRONG HERE? FISCAL POLICY

A series of mistaken fiscal decisions in recent years has created an atmosphere which is anti-entrepreneurial, anti-risk taking and anti-growth. A whole series of misbegotten steps helped set the recessionary stage. In 1989 a Savings and Loan bill made the problem worse, devalued the franchises and sent a chilling re-regulatory signal. Then came the breakdown of the capital gains tax relief plan. Then in 1990 came a highly burdensome and expensive Clean Air Act, along with a spate of burdensome environmental regulations or regulatory threats including the spotted owl, toxic waste, nuclear waste, disabilities, and CAFE fuel standards.

Environmental regulation has increased at a significant pace, now comprising 38% the entire regulatory budget. The EPA budget has increased by 31% in the last three years and staffing has expanded by 23%, according to a recent study sponsored by Washington University. After sharp cutbacks during the Reagan administration, Federal Register pages have increased from 55,000 towards 70,000. All this has created tall barriers and substantially higher costs for all forms of commerce and investment.

Then came the disastrous November 1990 budget deal, ending a six-month period where senior officials in the White House and the Congress continuously discussed in public various tax raising schemes, all of which had a debilitating effect on consumer and business confidence, calling a halt to the vital animal spirits and entrepreneurial juices which are so essential to the workings of a vibrant free-enterprise economy. Taking its cue from the Federal debate, more than half the states and numerous cities around the country substantially increased taxes on income, sales and property.

If the economy is to revive and reach its full potential in the 1990s, recent fiscal policy decisions must be completely reversed. I believe this is possible, and I remain an optimist with respect to the current opportunity to take strong steps toward an across-the-board tax cut program which would encompass all income classes and business categories, and which would be financed by added revenue generation from accelerating economic growth as well as budgetary cost savings from a suitably lower U.S. defense budget profile. Some proposals from a working group in which I am participating:

Capital gains rate reduction, indexation and tax-free rollover provision.

To assist middle income taxpayers, a sizable increase in the earned income tax credit (EITC).

Increased personal exemptions and child care tax credits.

For businesses, an investment tax credit (ITC) which will effectively accelerate capital cost recovery and lower the corporate tax rate.

For commercial real estate, restoration of the active investor loss provision, which would permit full-time real estate professionals to deduct expenses against losses.

Expanded Bentsen-Roth IRAs.

Repeal of the luxury tax.

Enterprise zones.

OPTIMISM AND LEADERSHIP

I do not pretend to have all the wisdom on a comprehensive tax cutting package. Undoubtedly there are other permutations and combinations or new ideas which will make good economic and political sense. But I believe that these proposals as well as others would constitute a solid pro-growth incentivizing reform package which importantly would provide across-the-board tax relief to all segments of the population.

This is a key point. For as much as I favor capital gains tax relief, which would help new business creation, would provide enhanced capital access for the have nots, especially those in poverty-stricken urban areas, and would raise real estate asset values and thus reduce the cost of the S&L and bank bailout programs, and would lower capital costs in line with our foreign competitors, I do not believe that capital gains reform by itself constitutes a serious tax policy.

A key ingredient yes. But by itself, as a single issue standing alone, it is not a tax reform program which would clearly stimulate economic recovery throughout the nation in a way that all citizens and taxpayers can clearly and readily understand. It strikes me that many of us have forgotten that the original Kemp-Roth concept more than 10 years ago clearly provided tax rate relief to all Americans. Because of the evenhandedness of the original Kemp-Roth proposal, the more people that found out about it favored it, and this is why its early legislative defeats continued to generate wider and broader support, eventually ending in victory.

Additionally, I do not believe that an attitude of excessive economic pessimism is necessarily the cleverest way of achieving much needed tax relief to spur economic growth. Nor do I believe that permanent tax reduction should be tied to some near term numerical point estimate of the economy. We ought not to be proposing Keynesian quick fixes. Instead, we should seek tax relief because it is good tax policy which would grow the economy and create capital and jobs over the longer term. Indeed, a pro-growth tax package such as this could well push real GNP growth to 4%–5% in 1992 and 1993. The Dow could reach 4000.

Finally, I believe that optimism is an essential tool. Optimism is the very essence of leadership. We have a vision of enhanced individual creativity and inventiveness and opportunity and prosperity for all income levels, business segments and geographic locations. I firmly believe that the public at large has an innate sense of optimism that problems can be solved; but the electorate is waiting to line up and follow the right leadership and the right vision. So far, neither Republicans nor Democrats at the national level have fully opened their arms to embrace a growing anti-corruption, anti-tax and anti-government revolt which is clearly brewing at the local level. In this sense we have a unique opportunity to flesh out an optimistic vision of tax cutting and governmental reform.

By Mr. BENTSEN (for himself, Mr. ROTH, Ms. MIKULSKI, Mr. BREAUX, Mr. BOREN, Mr. LIEBERMAN, Mr. PRYOR, Mr. DECONCINI, Mr. DASCHLE, Mr. DODD, Mr. INOUYE, Mr. BAUCUS, Mr. SYMMS, Mr. JOHNSTON, Mr. AKAKA, Mr. BURDICK, Mr. FORD and Mr. ADAMS):

S. 1921. A bill to amend the Internal Revenue Code of 1986 to allow a $300 tax credit for children, to expand the use of individual retirement accounts, and for other purposes; to the Committee on Finance.

TAX FAIRNESS AND SAVINGS INCENTIVE ACT OF 1991

Mr. BENTSEN. Mr. President, over the past decade, the average American family with children saw their taxes go up while their incomes fell 5 percent, or nearly $1,600 after inflation. In most cases two paychecks were not enough. With available jobs less rewarding, financially and otherwise, American families had to borrow heavily and cut savings to historic lows.

Our savings rate is not the only thing that has been dropping. Consumer confidence plummeted last month to levels almost as low as in the depths of the recession. The attitude of middle-income Americans, skeptical after economic policies of the 1980's ran roughshod over them, can perhaps be summed up by paraphrasing the country/western song: "They got the gold mine but we got the shaft." It's no wonder that consumer confidence is lagging and it's not news that this economy won't turn around until it is restored.

We are today introducing legislation to give a tax cut to middle-income families with children who saw their taxes go up over the past decade while their incomes were falling. Our legislation would give these families a tax credit of $300 for every child under age 19. This would reduce the income taxes a family of four making $35,000 pays by 25 percent. That would not only help build consumer confidence, it would boost our economy in other ways, too.

The bill will also expand the individual retirement account [IRA] to encourage all Americans to save more. The IRA proposal contained in this bill is virtually identical to the Bentsen-Roth IRA, which has 78 Senate cosponsors. The IRA component of this bill will improve on the traditional IRA in a number of ways. It will provide all Americans with the option to choose between tax deductible contributions to traditional IRAs or contributions to a new type of IRA. Contributions to the new type of IRA would not be deductible, but earnings would not be taxed when they are withdrawn.

The proposal would also allow penalty-free withdrawals from IRA's (and from so-called 401(k) and 403(b)) salary reduction plans) for first-time home purchases. This provision will also give a kick to lagging home sales and our economy by immediately freeing up for first home purchases some of the $400 billion now locked into IRA accounts. We count on housing to start a recovery yet housing sales are falling, despite the lowest mortgage rates in 14 years. Taxpayers would also be allowed to make penalty free withdrawals for college education expenses and financially devastating medical expenses.

Our tax cut would not increase the Federal deficit. It would be paid for by a modest 5 percent cut in defense spending over 5 years. With press reports that the Joint Chiefs of Staff are considering spending cuts of as much as 8 percent, it is clear our proposal would claim only a share of the peace dividend for middle income Americans. The collapse of the Soviet Union means we can make more significant savings in defense spending than contemplated in last year's budget agreement. Middle-income Americans, who bore the burden of paying for the buildup in defense spending, deserve a portion of the peace dividend. Even after this cut, defense spending would be $1.387 trillion over the next 5 years. That is 94 percent of what we spent over the past 5 years.

The $300 tax credit will provide a significant amount of tax relief to middle-income taxpayers, who bear most of the burden imposed by our Federal tax laws. In addition, it will give our economy a boost at a time it is sluggish. While the tax cuts would go into effect next January 1, the defense cuts that pay for it wouldn't begin until fiscal 1993 and they would be phased in gradually over a -year period. This adds up to a fiscal stimulus of as much as $15 billion in the current fiscal year.

The IRA, on the other hand, is aimed at addressing three pressing national problems: the extremely low U.S. national savings rate, the inadequate rate of savings for future higher education expenses, and the inability of many young Americans to save enough for the down payment on their first home. Most economists, after arguing the point for a number of years, now acknowledge that IRAs produce new savings—though they are still arguing over how much. And it should be noted that the savings IRA's generate don't just sit there, they become the capital our economy needs to sustain growth.

While the immediate concern is to overcome consumer pessimism and increase families' disposable income, we must also deal with the extremely low rate of U.S. private national savings in order to sustain economic growth. This legislation squarely addresses both of these concerns. One piece of legislation cannot totally compensate for the economic hardship experienced by middle-income Americans over the last decade, but this legislation will take us several steps in the right direction and represents a starting point by which we can begin the legislative process.

It is our intention not only to introduce this legislation but to push for action on it by the Finance Committee. Today we take the first step toward the goal of enacting the Bentsen-Roth-Mikulski middle-income tax cut bill. I urge my colleagues to join with us in working toward this goal.

Mr. BAUCUS addressed the Chair.

Mr. FORD addressed the Chair.

Mr. BENTSEN. We already have some 18 cosponsors of it, and we have just announced it. I welcome additional cosponsors to this legislation. I ask unanimous consent to add the text of my legislation in the RECORD.

Mr. BAUCUS. Mr. President, will the Senator yield? I would like to add my name as a cosponsor.

Mr. BENTSEN. I am delighted to have the distinguished Senator from Montana.

Mr BAUCUS. It is a very important bill.

Mr. BENTSEN. I ask unanimous consent to put the text of our legislation in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kentucky still controls 2 minutes.

Mr. FORD. Mr. President, I am already a cosponsor of the legislation of the distinguished Senator, and I look forward to its passage.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1921

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Tax Fairness and Savings Incentive Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—TAX CREDIT FOR CHILDREN

SEC. 101. TAX CREDIT FOR CHILDREN.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to personal credits) is amended by inserting after section 25 the following new section:

"SEC. 25A. CREDIT FOR CHILDREN.

"(a) GENERAL RULE.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to $300 multiplied by the number of qualifying children of the taxpayer for the taxable year.

"(b) COST-OF-LIVING ADJUSTMENTS.—

"(1) IN GENERAL.—If the cost-of-living amount for any calendar year is equal to or greater than $50, then the dollar amount under subsection (a) (as previously adjusted under this subsection) for any taxable year beginning in any subsequent calendar year shall be increased by $50.

"(2) COST-OF-LIVING AMOUNT.—The cost-of-living amount for any calendar year is the excess (if any) of—

"(A) $300, increased by the cost-of-living adjustment for such calendar year, over

"(B) the dollar amount in effect under subsection (a) for taxable years beginning in such calendar.

"(3) COST-OF-LIVING ADJUSTMENT.—For purposes of this subsection, the cost-of-living adjustment for any calendar year shall be determined in the same manner as under section 219(g)(3).

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' has the meaning given to such term by section 32(c)(1) (determined without regard to subparagraph (B)).

"(2) QUALIFYING CHILD.—

"(A) IN GENERAL.—The term 'qualifying child' has the meaning given to such term by section 32(c)(3), determined without regard to—

"(i) subparagraph (C)(ii) thereof, and

"(ii) in the case of qualified military personnel, subparagraph (E) thereof.

"(B) QUALIFIED MILITARY PERSONNEL.—For purposes of subparagraph (A), the term 'qualified military personnel' means military personnel residing outside the United States as a result of governmental orders directing such personnel to a permanent change of station in a foreign nation outside the territorial authority of the United States.

"(3) CERTAIN OTHER RULES APPLY.—Subsections (d) and (e) of section 32 shall apply."

(b) CONFORMING AMENDMENT.—The table of sections for such subpart A is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Credit for children."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE II—SAVINGS AND INVESTMENT INCENTIVES

Subtitle A—Retirement Savings Incentives

PART I—RESTORATION OF IRA DEDUCTION

SEC. 201. RESTORATION OF IRA DEDUCTION.

(a) IN GENERAL.—Section 219 (relating to deduction for retirement savings) is amended by striking subsection (g) and by redesignating subsection (h) as subsection (g).

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Subsection (f) of section 219 is amended by striking paragraph (7).

(2) Paragraph (5) of section 408(d) is amended by striking the last sentence.

(3) Section 408(o) is amended by adding at the end thereof the following new paragraph:

"(5) TERMINATION.—This subsection shall not apply to any designated nondeductible contribution for any taxable year beginning after December 31, 1991."

(4) Subsection (b) of section 4973 is amended by striking the last sentence.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 202. INFLATION ADJUSTMENT FOR DEDUCTIBLE AMOUNT.

(a) IN GENERAL.—Section 219, as amended by section 201, is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) COST-OF-LIVING ADJUSTMENTS.—

"(1) IN GENERAL.—If the cost-of-living amount for any calendar year is equal to or greater than $500, then each applicable dollar amount (as previously adjusted under this subsection) for any taxable year beginning in any subsequent calendar year shall be increased by $500.

"(2) COST-OF-LIVING AMOUNT.—The cost-of-living amount for any calendar year is the excess (if any) of—

"(A) $2,000, increased by the cost-of-living adjustment for such calendar year, over

"(B) the applicable dollar amount in effect under subsection (b)(1)(A) for taxable years beginning in such calendar year.

"(3) COST-OF-LIVING ADJUSTMENT.—For purposes of this subsection—

"(A) IN GENERAL.—The cost-of-living adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for such calendar year, exceeds

"(ii) the CPI for 1991.

"(B) CPI FOR ANY CALENDAR YEAR.—The CPI for any calendar year shall be determined in the same manner as under section 1(f)(4).

"(4) APPLICABLE DOLLAR AMOUNT.—For purposes of this subsection, the term 'applicable dollar amount' means the dollar amount in effect under any of the following provisions:

"(A) Subsection (b)(1)(A).

"(B) Subsection (c)(2)(A)(i).

"(C) The last sentence of subsection (c)(2)."

(b) CONFORMING AMENDMENTS.—

(1) Section 408(a)(1) is amended by striking "in excess of $2,000 on behalf of any individual" and inserting "on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)".

(2) Section 408(b)(2)(B) is amended by striking "$2,000" and inserting "the dollar amount in effect under section 219(b)(1)(A)".

(3) Section 408(j) is amended by striking "$2,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 203. COORDINATION OF IRA DEDUCTION LIMIT WITH ELECTIVE DEFERRAL LIMIT.

(a) IN GENERAL.—Section 219(b) (relating to maximum amount of deduction) is amended by adding at the end thereof the following new paragraph:

"(4) COORDINATION WITH ELECTIVE DEFERRAL LIMIT.—The amount determined under paragraph (1) or subsection (c)(2) with respect to any individual for any taxable year shall not exceed the excess (if any) of—

"(A) the maximum amount of elective deferrals of the individual which are excludable from gross income for the taxable year under section 402(g)(1), over

"(B) the amount so excluded."

(b) CONFORMING AMENDMENT.—Section 219(c) is amended by adding at the end thereof the following new paragraph:

"(3) CROSS REFERENCE.—

"For reduction in paragraph (2) amount, see subsection (b)(4)."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

PART II—NONDEDUCTIBLE TAX-FREE IRAs

SEC. 211. ESTABLISHMENT OF NONDEDUCTIBLE TAX-FREE INDIVIDUAL RETIREMENT ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"SEC. 408A. SPECIAL INDIVIDUAL RETIREMENT ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, a special individual retirement account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) SPECIAL INDIVIDUAL RETIREMENT ACCOUNT.—For purposes of this title, the term 'special individual retirement account' means an individual retirement plan which is designated at the time of establishment of the plan as a special individual retirement account.

"(c) TREATMENT OF CONTRIBUTIONS.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to a special individual retirement account.

"(2) CONTRIBUTION LIMIT.—The aggregate amount of contributions for any taxable year to all special individual retirement accounts maintained for the benefit of an individual shall not exceed the excess (if any) of—

"(A) the maximum amount allowable as a deduction under section 219 with respect to such individual for such taxable year, over

"(B) the amount so allowed.

"(3) SPECIAL RULES FOR QUALIFIED TRANSFERS.—

"(A) IN GENERAL.—No rollover contribution may be made to a special individual retirement account unless it is a qualified transfer.

"(B) LIMIT NOT TO APPLY.—The limitation under paragraph (2) shall not apply to a qualified transfer to a special individual retirement account.

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as provided in this subsection, any amount paid or distributed out of a special individual retirement account shall not be included in the gross income of the distributee.

"(2) EXCEPTION FOR EARNINGS ON CONTRIBUTIONS HELD LESS THAN 5 YEARS.—

"(A) IN GENERAL.—Any amount distributed out of a special individual retirement account which consists of earnings allocable to contributions made to the account during the 5-year period ending on the day before such distribution shall be included in the gross income of the distributee for the taxable year in which the distribution occurs.

"(B) ORDERING RULE.—

"(i) FIRST-IN, FIRST-OUT RULE.—Distributions from a special individual retirement account shall be treated as having been made—

"(I) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

"(II) then from other contributions (and earnings allocable thereto) in the order in which made.

"(ii) ALLOCATIONS BETWEEN CONTRIBUTIONS AND EARNINGS.—Any portion of a distribution allocated to a contribution (and earnings allocable thereto) shall be treated as allocated first to the earnings and then to the contribution.

"(iii) ALLOCATION OF EARNINGS.—Earnings shall be allocated to a contribution in such manner as the Secretary may by regulations prescribe.

"(iv) CONTRIBUTIONS IN SAME YEAR.—Under regulations, all contributions made during the same taxable year may be treated as 1 contribution for purposes of this subparagraph.

"(C) CROSS REFERENCE.—

"For additional tax for early withdrawal, see section 72(t).

"(3) QUALIFIED TRANSFER.—

"(A) IN GENERAL.—Paragraph (2) shall not apply to any distribution which is transferred in a qualified transfer to another special individual retirement account.

"(B) CONTRIBUTION PERIOD.—For purposes of paragraph (2), the special individual retirement account to which any contributions are transferred shall be treated as having held such contributions during any period such contributions were held (or are treated as held under this subparagraph) by the special individual retirement account from which transferred.

"(4) SPECIAL RULES RELATING TO CERTAIN TRANSFERS.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, in the case of a qualified transfer to a special individual retirement account from an individual retirement plan which is not a special individual retirement account—

"(i) there shall be included in gross income any amount which, but for the qualified transfer, would be includible in gross income, but

"(ii) section 72(t) shall not apply to such amount.

"(B) TIME FOR INCLUSION.—In the case of any qualified transfer which occurs before January 1, 1994, any amount includible in gross income under subparagraph (A) with respect to such contribution shall be includible ratably over the 4-taxable year period beginning in the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) QUALIFIED TRANSFER.—For purposes of this section, the term 'qualified transfer' means a transfer to a special individual retirement account from another such account or from an individual retirement plan but only if such transfer meets the requirements of section 408(d)(3)."

(b) EARLY WITHDRAWAL PENALTY.—Section 72(t), as amended by section 221(c), is amended by adding at the end thereof the following new paragraph:

"(8) RULES RELATING TO SPECIAL INDIVIDUAL RETIREMENT ACCOUNTS.—In the case of a special individual retirement account under section 408A—

"(A) this subsection shall only apply to distributions out of such account which consist of earnings allocable to contributions made to the account during the 5-year period ending on the day before such distribution, and

"(B) paragraph (2)(A)(i) shall not apply to any distribution described in subparagraph (A)."

(c) EXCESS CONTRIBUTIONS.—Section 4973(b) is amended by adding at the end thereof the following new sentence: "For purposes of paragraphs (1)(B) and (2)(C), the amount allowable as a deduction under section 219 shall be computed without regard to section 408A."

(d) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Special individual retirement accounts."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle B—Penalty-Free Distributions

SEC. 221. DISTRIBUTIONS FROM CERTAIN PLANS MAY BE USED WITHOUT PENALTY TO PURCHASE FIRST HOMES OR TO PAY HIGHER EDUCATION OR FINANCIALLY DEVASTATING MEDICAL EXPENSES.

(a) IN GENERAL.—Paragraph (2) of section 72(t) (relating to exceptions to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end thereof the following new subparagraph:

"(D) DISTRIBUTIONS FROM CERTAIN PLANS FOR FIRST HOME PURCHASES OR EDUCATIONAL EXPENSES.—Distributions to an individual from an individual retirement plan, or from amounts attributable to employer contributions made pursuant to elective deferrals described in subparagraph (A) or (C) of section 402(g)(3) or section 501(c)(18)(D)(iii)—

"(i) which are qualified first-time homebuyer distributions (as defined in paragraph (6)); or

"(ii) to the extent such distributions do not exceed the qualified higher education expenses (as defined in paragraph (7)) of the taxpayer for the taxable year."

(b) FINANCIALLY DEVASTATING MEDICAL EXPENSES.—

(1) IN GENERAL.—Section 72(t)(3)(A) is amended by striking "(B),".

(2) APPLICATION OF MEDICAL RULES TO CERTAIN RELATIVES.—Section 72(t)(2)(B) is amended by adding at the end thereof the following new sentence: "For purposes of this subparagraph, a child, grandchild, or lineal ascendant of the taxpayer shall be treated as a dependent of the taxpayer in applying section 213."

(c) DEFINITIONS.—Section 72(t) is amended by adding at the end thereof the following new paragraphs:

"(6) QUALIFIED FIRST-TIME HOMEBUYER DISTRIBUTIONS.—For purposes of paragraph (2)(D)(i)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by an individual to the extent such payment or distribution is used by the individual before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence of a first-time homebuyer who is such individual or the spouse, child, or grandchild of such individual.

"(B) QUALIFIED ACQUISITION COSTS.—For purposes of this paragraph, the term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(C) FIRST-TIME HOMEBUYER; OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 2-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(ii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plan to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, the requirements of subparagraph (A) cannot be met,

the amount so paid or distributed may be paid into an individual retirement plan as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(7) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of paragraph (2)(D)(ii)—

"(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(i) the taxpayer,

"(ii) the taxpayer's spouse, or

"(iii) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(B) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(d) CONFORMING AMENDMENTS.—

(1) Section 401(k)(2)(B)(i) is amended by striking "or" at the end of subclause (III), by

striking "and" at the end of subclause (IV) and inserting "or", and by inserting after subclause (IV) the following new subclause:

"(V) the date on which qualified first-time homebuyer distributions (as defined in section 72(t)(6)) or distributions for qualified higher education expenses (as defined in section 72(t)(7)) are made, and".

(2) Section 403(b)(11) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by inserting after subparagraph (B) the following new subparagraph:

"(C) for qualified first-time homebuyer distributions (as defined in section 72(t)(6)) or for the payment of qualified higher education expenses (as defined in section 72(t)(7))."

(e) Effective Date.—The amendments made by this section shall apply to payments and distributions after the date of the enactment of this Act.

SEC. 222. CONTRIBUTIONS MUST BE HELD AT LEAST 5 YEARS IN CERTAIN CASES.

(a) In General.—Section 72(t), as amended by section 211(b), is amended by adding at the end thereof the following new paragraph:

"(9) Certain contributions must be held 5 years.—

"(A) In general.—Paragraph (2)(A)(i) shall not apply to any amount distributed out of an individual retirement plan (other than a special individual retirement account) which is allocable to contributions made to the plan during the 5-year period ending on the date of such distribution (and earnings on such contributions).

"(B) Ordering rule.—For purposes of this paragraph, distributions shall be treated as having been made—

"(i) first from the earliest contribution (and earnings allocable thereto) remaining in the account at the time of the distribution, and

"(ii) then from other contributions (and earnings allocable thereto) in the order in which made.

Earnings shall be allocated to contributions in such manner as the Secretary may prescribe.

"(C) Special accounts.—For rules applicable to special individual retirement accounts under section 408A, see paragraph (8)."

(b) Effective Date.—The amendment made by this section shall apply to contributions (and earnings allocable thereto) which are made after December 31, 1991.

TITLE III—REDUCTION IN DEFENSE SPENDING

SEC. 301. DEFICIT NEUTRALITY.

(a) Limitation on Amounts of Proposed Outlays and Budget Authority for Budget Function 050 in the President's Budget.—A budget submitted by the President under section 1105(a) of title 31, United States Code, for fiscal year 1993, 1994, 1995, 1996, or 1997 shall not propose outlays or budget authority for budget function 050 such that the aggregate amount of outlays or budget authority for that budget function for that year, added to the amounts of outlays or budget authority proposed for that budget function for all years during that period, would exceed—

(1) $1,391,180,000,000 in outlays; or

(2) $1,414,550,000,000 in budget authority.

(b) Point of Order.—Section 301 of the Congressional Budget Act of 1974 (12 U.S.C. 632) is amended by adding at the end thereof the following new subsection: "(j) Defense Spending Limits.—It shall not be in order in either the Senate or the House of Representatives to consider a concurrent resolution on the budget for fiscal year 1993, 1994, 1995, 1996, or 1997 that includes outlays or budget authority for budget function 050 such that the aggregate amount of outlays or budget authority for that budget function for that year, added to the amounts of outlays or budget authority proposed for that budget function for all years during that period, would exceed—

"(1) $1,391,180,000,000 in outlays; or

"(2) $1,414,550,000,000 in budget authority.".

(c) Reduction of Maximum Deficit Amounts.—

(1) In General.—Notwithstanding any other law, the maximum deficit amounts under section 601(a)(1) of the Congressional Budget Act of 1974 (2 U.S.C. 665(a)(1)) shall be adjusted in accordance with paragraph (2) for the purposes of the President's budget submitted pursuant to section 1105(a) of title 31, United States Code, and for the purposes of any concurrent resolution on the budget.

(2) Adjustments.—

(A) 1993.—For fiscal year 1993, the maximum deficit amount shall be—

(i) increased by an amount equal to any deficit increase resulting from the amendments to the Internal Revenue Code of 1986 made by this Act; and

(ii) reduced by an amount equal to—

(I) the outlay total for function 050 proposed in the budget or concurrent resolution in question, minus

(II) the outlay total for function 050 for that fiscal year proposed in the budget submitted by the President for fiscal year 1992.

(B) 1994 and 1995.—For each of fiscal years 1994 and 1995, the maximum deficit amount shall be—

(i) increased by an amount equal to any deficit increase in each such fiscal year, respectively, resulting from the amendments to the Internal Revenue Code of 1986 made by this Act; and

(ii) reduced by an amount equal to—

(I) the outlay total for function 050 proposed in the budget or concurrent resolution in question in question, minus

(II) the outlay total for function 050 for each such fiscal year, respectively, proposed in the budget submitted by the President for fiscal year 1992.

(e) No Sequestration.—Notwithstanding any other law, there shall be no sequestration under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.) as a result of any reduction in tax revenues caused by application of the provisions of and amendments made by this Act.

Mr. ROTH. Mr. President, I am pleased to join my colleague, Senator Bentsen, today in introducing a proposal to cut American's taxes by $72.5 billion over the next 5 years. The fact that 18 Senators have joined with us in a bipartisan effort to reduce taxes is encouraging to me—as it should be to all Americans concerned about strengthening our economy. I believe this show of support demonstrates that a consensus is developing here in Washington concerning the best way—the proven way—to get the American economy running again. That, of course, is to give consumers more of their hard-earned money.

Americans have good reason to be optimistic that a meaningful tax cut will be passed in the near future because of this effort today. This bill, I believe, is the starting point. It will encourage Congress to build the momentum necessary to enact a tax package that provides real reductions for the taxpayers—reductions they want, reductions they need. I believe this bill can provide a foundation for debate and consensus that will enable Congress and the White House to provide and pass a broad-based tax cut—a tax cut that can and will be completely financed by reductions in Government spending. This bill will give Americans something to call their representatives about. And frankly, I think they should. I think all Americans should encourage Congress and the White House to stay in Washington until they can enact real measures that will result in real growth. The time for rhetoric has passed. The time for action has arrived.

The proposal offered by Chairman Bentsen, and embraced by me, will not only give taxpayers the confidence they need, but it will require Congress—once and for all to put its financial house in order.

There is no doubt about it, consumers today are nervous. They are nervous for justifiable reasons. With a feeling of helplessness they have watched Congress continue, year after year, to make all the wrong decisions, creating program after program, raising taxes after taxes, throwing good money after bad, and catering to special interests. They have watched all of this while in their own private battles, they have struggled to keep their homes, their jobs, and their families together. Government should not exacerbate their problems. Government should solve their problems. Good government would. But this Government has not.

Last year, in answer to $200 billion deficits, and a sluggish economy, the Congress passed a $165 billion tax increase over 5 years, the largest tax increase in U.S. history. I was adamant in my opposition. It was a ruse. I knew it. The American people knew. And worst of all, Congress knew it. It was supposed to cut the deficit, its proponents said, but today—today, after the largest tax increase in history, we face the largest deficits ever—$350 billion for the current fiscal year. What more evidence does this body need before it will finally admit that deficits are not solved with tax increases. This tax increase wreaked havoc on the economy. It deepened the recession, and what is worse, it was not the only tax increase Americans had to worry about. Tax increases plagued State and local governments from coast to coast. And what was the result?

Unemployment has reached 6.8 percent. Federal Reserve Chairman Greenspan says the Nation's recovery has "turned demonstrably sluggish." There is hardly a Member in this body who could not tell you of a major employer in their State—one that we probably all know as a household name—that is not reporting significant layoffs. Retailers are running for cover in the face of another poor Christmas season, and our financial institutions remain on weak footing, hoping for good news.

Well, Mr. President, this is it. And I believe that every Member in this body should embrace this initiative as I have embraced it—to get the process started. It is time to get the ball rolling, again. It is time to begin the process that will give the American people confidence. Every successful dieter knows that the moment comes when they have to close the refrigerator and take control of their appetite—not for a cosmetic short-term gain, but for the rest of their life. Well, it is the same with this Congress. We must make the decision to change spending habits. We must have one central objective—that is to make America first among equals in the emerging global economy. And the first step is to give Americans the confidence that their Government is responsibly moving in the right direction. And that direction begins by reducing taxes.

More than any single factor, the Roth-Kemp tax cuts in 1981 sparked the longest economic expansion in America's history. They led to record-setting revenues in the Treasury. They led to jobs, record-setting housing starts, education, charitable giving, and a sense of security that our Nation had lost years earlier. Had Congress controlled its appetite to spend at that time, our Nation would not be in the red, as it is. Instead, Congress financed more spending than at any other time in history. That is what got us to the point we are in now. Even after Roth-Kemp, six straight tax increases could not keep up with Congress' appetite. Rather, those tax increases fueled it. For every $1 Congress raised in taxes, it increased its spending $1.59.

That time has come to take a lesson from our past. That is what this bill proposes.

I must say that I do not agree with everything in this package that is being introduced today. Personally, I would have preferred the tax plan that I introduced on October 24, S. 1865, which would have cut taxes by over $150 billion through serious, but realistic cuts in defense and domestic spending. I felt that that package was better prepared to provide jobs, opportunity and growth for the economy. I believed, and I still do, that a tax cut of at least $150 billion over 5 years is necessary in order to turn this economy around. I also feel that all Americans—who so willingly financed a strong defense for so many years—should be the first to get their money back when it is no longer needed, due to changing world conditions. Consequently, I would have preferred that our bipartisan tax cut include strong economic incentives, like those I proposed in my 20/10 Roth Defense Rebate last year. Similar provisions exist in the bill I introduced last month.

But, Mr. President, I understand—and I appreciate—the democratic process. Many ideas come to this floor, and through negotiation we give and take—tightening here, loosening there. In the interest of taking action of promoting—action that is needed today—I am joining with the chairman of the Finance Committee. It is true that not all Americans will be completely satisfied with this legislation—a combination of the $300 child credit and the Bentsen-Roth IRA. Consequently, I also plan to continue pushing the four points of my plan, S. 1865, that differ from what we propose today. In short, these differences include, a tax-rate reduction for practically all Americans of 10 to 20 percent, an incremental investment tax credit, a provision to extend unemployment benefits, and a measure to phase out the earnings limitation test for senior Americans. Additionally, the bill I proposed 2 weeks ago includes the very important Bentsen-Roth Super IRA.

Still, this is a good proposal, to offer a $300 child credit and the Bentsen-Roth IRA. It is a solid foundation on which we can build a workable bipartisan consensus. It offers us a starting point for real, and I hope lasting, gains. The Finance Committee will have the opportunity to make changes it feels are essential. Likewise, the Armed Services Committee will have the chance to deliberate on what structural changes should be made in the Defense Department. If it can overcome parochial interests that have prevented it from killing unneeded weapons programs in the past, it will be able to adjust spending for the recent and dramatic changes that have occurred in the world, and particularly in the Soviet Union.

Much of the press reports regarding this idea of using the savings from the end of the cold war to finance a tax cut have been negative. They have argued that the money should be used in some other way. The big spenders—of course—and I guess the American people just have to accept the fact that there will always be big spenders in Congress—they continue to argue that defense savings should go to take care of their special interest groups. Many conservatives have argued that the budget agreement from last year must be adhered to and that if there is any savings it will be small and should be used to reduce the deficit. But these ideas are old. They are wrong.

The idea of adhering to the budget agreement and using any savings to reduce our bloated deficit is equally ridiculous. Only last week I released a Joint Economic Committee report that shows that for every dollar that Congress increases taxes on Americans, it increases spending by $1.59. Thus, given a new sum of tens of billions of dollars, history shows that—unless we act quickly—Congress will use the opportunity to spend more, creating even greater and more expensive programs that lock us into our intransigent deficit. And for those who do not believe we should open up the budget agreement, I think you ought to be realistic. This world is ever-changing, and the likelihood that we could keep the budget agreement closed for 5 years was an impossibility right from the start. In fact, I dare say that if it is not opened now to provide incentives for economic growth, it will be very soon to raise taxes once again. We must do the former, not the latter.

Mr. President, the time is now. Congress has an opportunity to act, and act responsibly. And this time, let us do it right away. No high profile, behind closed doors budget summit in airplane hangars outside of Washington to distract the public. No. In my view this bill should go through the normal course of legislation—the way the Constitution provides—with an ongoing, honest public airing of the debate. Only in this way can decisions be made in the open and by the proper committees of jurisdiction. Only in this way can Congress improve the perception of how it works as an institution. I look forward to the following days, and perhaps weeks, of debate, and I am happy to join the chairman of the Finance Committee to initiate this critical process.

Mr. DECONCINI. Mr. President, there can no longer be any doubt that this economy is stalled. A double dip recession is no longer just a possibility; it is a reality. Those getting hardest hit by the recession are the group who always gets hardest hit—middle-income Americans.

There are a number of things we can, and should, do to alleviate the negative effects of the recession. One bill which Congress keeps having to do and redo is to extend unemployment benefits. The President continues to show his lack of concern for the millions of unemployed by vetoing this legislation. We will continue passing it until he gives in and signs the bill.

Another important item is to provide some tax relief for middle-income Americans. That is why I have cosponsored Senator BENTSEN's middle-income tax cut bill. It is the right proposal at the right time.

There are three components to Senator BENTSEN's proposal. First, he proposes a $300 tax credit for each child under 18. Estimates are that this proposal will reduce taxes by 25 percent for a family of four with a $35,000 income. This is a significant and effective way to provide support for middle-income Americans.

Second, this bill would restore the $2,000 fully deductible IRA. I opposed the 1986 Tax Reform Act for many reasons, among which was the ridiculous limiting of this most valuable savings tool. Restoring individual retirement accounts will not only encourage all Americans to save—which boosts the economy—but will also assure the Nation that our future retirees will have adequately planned for their later years. In addition to restoring the IRA, this bill will allow early penalty-free withdrawals for first home purchases, college education expenses, and serious medical expenses.

Finally, the third part of this bill finds a responsible tool to pay for these tax provisions. By cutting the defense budget by a mere 5 percent over the next 5 years, we can pay for these tax programs and the defense budget will still be funded at a level $1.387 trillion over that 5 year period. The changed world order certainly gives us assurance that we can afford a 5 percent reduction in our defense spending.

I hope that we will move swiftly on this legislation and pass it before we adjourn for the year. The American people deserve a break, the economy needs a boost, and this bill will provide that opportunity.

Mr. DASCHLE. Mr. President, I'm proud to join my respected colleague, Senator LLOYD BENTSEN, in offering legislation to provide tax relief for middle-income America.

It is time for this bill, Mr. President. It is time for this bill, and it is time for the debate it will create. In fact, it is long past time.

For 15 years, the American people have watched their effective tax rates go up. And they have watched the effective tax rates of the super-rich go down.

For 15 years, the American people have watched the power and pay of the very rich skyrocket, while theirs has been in decline.

Since 1977, the effective tax rate for the wealthiest 1 percent of families in America has actually decreased, not by a little, but by a whopping 17.6 percent. At the same time, virtually all of the 80 percent of our families with middle or lower incomes have seen their effective tax rates increase.

I do not claim that the legislation we introduce today is perfect. Nor does Senator BENTSEN. What he seeks to do is to break the logjam, to end the paralysis created by the search for consensus perfection.

Senator BENTSEN's action today elevates the debate on tax fairness for middle-class Americans from the theoretical to the real. It bangs the gavel on the start of a debate Americans want to hear, a debate that matters to them and to their country.

There is no nit-picking in this debate. It is about the income and the well-being of every citizen of this nation.

So, let the debate begin.

I believe working American families need the $300 children's tax credit the Bentsen bill would provide. The administration does not.

I believe enhancing the value of this credit for lower middle-income families by making it refundable is a good idea, if it can be financed Senator BENTSEN has told me he is open to looking at this idea. The administration is not.

I believe restoring the up-front deduction to encourage the average American to save in an Individual Retirement Account is important to our future. The administration does not.

I am convinced that tax relief for middle-income Americans is an antidote to the recession the President says does not exist. I think he is fooling himself when he says the only thing wrong with the economy is that Americans just think they are hurting, when they really are not.

The fact is that Americans don't think they are hurting. They know they are.

The Bentsen bill provides a start toward fairness. It puts a few more dollars in the pockets of the ordinary folks whose hard work makes this country run. Those are the dollars we need to pull us out of recession. They are "trickle-up" dollars; dollars we can give to average families simply by making the tax system fairer, the way it should have been to start with; and dollars they can then spend to get our economy going again.

That's what this bill is all about—fairness and economic progress. if we can make it better, let's do it. But I say to all of you here this afternoon—and I say with particular emphasis to the President of the United States—do not stand on the sidelines. Don't pretend nothing is wrong or that America cannot afford to help the middle class.

We cannot afford not to help. We have no choice but to act.

This is not a game for some other time, as the President would have us believe. The economy is faltering now. Middle-income families are being shortchanged now. The time to act is now.

Mr. ADAMS. Mr. President, I rise today to join the distinguished chairman of the Senate Finance Committee, Senator BENTSEN, in introducing a tax relief plan for American families.

The time has come to recognize that the last 11 years have not been kind to American families. While the Reagan-Bush tax cuts were lining the pockets of the wealthy, middle-income families—the heart and soul of our Nation—have been struggling to keep up. Low-income families have fallen further behind.

For the last 11 years, we have been led by supply side trickle-down economic theory of the Reagan-Bush administrations. I think it's time to put money back into the hands of people who know the value of a dollar, the working men and women across our country.

Three out of four families—all but the poorest fifth and richest fifth—now pay more in taxes than under presupply side tax rates. Seventy-five percent of American families were hoodwinked by the Reagan-Bush administrations into believing they would fare better under their tax policies. Any way you slice it, the middle class has suffered.

This legislation is an excellent place in which to begin the debate on giving working families the relief they need. Its simplicity is its strength. This bill will establish a $300 tax credit per child in the family. No bells, no whistles, just straight tax relief. For a family of four earning $35,000 a year, this bill will reduce income taxes by 25 percent. This means more money to meet day-to-day needs, buy a new car, or just put away for a rainy day.

This legislation will also bring back the tax incentives for Individual Retirement Accounts [IRA]. At a time when our national savings rate is at historical lows, we must respond with initiatives to promote savings. The IRA proposal included in this bill also allows for penalty-free withdrawal for first time home buyers, paying for a child's education, and medical emergency. This is exactly the type of flexibility American families need during a severe and prolonged recession. No one can predict what the future needs of their families will be. But knowing they have alternatives to meet emergencies is surely a comforting thought.

Some will try to paint this bill a Federal bank buster. Let's put that argument to rest right here. This bill will not add to the deficit. It will not break the Federal bank. It is paid for by a 5 percent reduction in defense spending over the next 5 years.

Given the dramatic restructuring of the world order, it is entirely appropriate, and I believe essential, to rethink our national priorities. Even after a 5-percent reduction in defense spending, overall spending for national defense will still be $1.4 trillion over the next 5 years or 94 percent of defense spending over the last 5 years. Do we need to maintain this high level of defense spending? I think not.

I am confident that working men and women across the country would prefer a larger tax refund next year than building another stealth bomber to fight a phantom enemy.

This bill is a good place in which to begin the debate. I don't think it is perfect. I am concerned about the overall distributional effects. Does it do enough for those most at risk in our society? Does it guarantee the poor won't slip further into poverty? Does it go too far for the beneficiaries of Reagan-Bush tax policies? I have shared these concerns with the Senator BENTSEN and he has assured me that these issues will be openly discussed. I thank him for his willingness to look at my concerns, and look forward to working with him to address these issues.

I commend the chairman for crafting a tax relief bill based on a true understanding of how the middle class has fared over the last 10 years. I am proud to join him as an original cosponsor.

Mr. President, this is the opening bell to a important fight that will carry over into next year. It will not be easy going, but I believe with this legislation, we have begun down the path to true tax relief based upon compassion for all American families.

By Mr. EXON:

S. 1926. A bill to amend the Internal Revenue Code of 1986 to extend the exclusion from gross income of proceeds from U.S. savings bonds which are used to pay higher education expenses; to the Committee on Finance.

EXCLUSION OF INCOME FROM SAVINGS BONDS USED TO PAY HIGHER EDUCATION EXPENSES

Mr. EXON. Mr. President, today I am introducing legislation to take another step forward in providing affordable, quality education for America's young men and women. This bill will provide an expansion of the tax exemption on interest earned on savings bonds if the bonds are used for higher education expenses.

In 1988, Congress passed landmark legislation exempting from taxation the interest earned on U.S. savings bonds purchased by parents and spouses who used them to provide for the higher education expenses of their children. During the last two Congresses I have introduced legislation to expand the number of family members who could invest in this way and be eligible for the tax exemption. However, because of uncertain cost estimates and the difficulty of passing even the modest bill we passed in 1988, it was not possible to proceed. Now that the cost of expanding this existing benefit has been determined to be minimal, I am prepared to move ahead. As it is now, grandma and grandpa cannot purchase savings bonds on behalf of their grandchildren for their higher education. Neither can Aunt Pearl or Uncle Henry. Parents and spouses are the only ones who can currently benefit from this tax exemption. I would like to see the exemption expanded to encourage anyone interested to help out with educational expenses.

I have received inquiries since the original bill was passed expressing strong interest in the program, only to be disappointed to find out that as a friend or relative, they were ineligible for the exemption. Middle-income students are finding fewer and fewer ways to finance their higher education. If we can encourage family members or friends of families to help out, then maybe we can take some of the burden off of the Government to help lower- and middle-income students. Helping students with their education may also expand their choices of where to attend college. With assistance from friends or family, students can have a wider range of choices on what schools they would like to attend.

How much and how many people we help with grants is continually being debated. We either help more students with fewer dollars or fewer students with more dollars. And who do we help with these grants? Only those from very poor families? What about the middle-income student? The cost of education has nearly doubled in the last 10 years and yet we are helping fewer students all the time, lower income and middle income alike. I hope we are not returning to the days when only the wealthy could afford education. That may have been enough when the world around us was not so complex. It's not enough now.

We cannot expect America to compete in a technological world without an educated society. A higher education means more and more every day. Increasingly those competing for well-paying jobs are expected to have graduate degrees. What are we saying to students when we won't even help them receive their undergraduate degrees?

The alternative to receiving help in the form of grants or bonds from friends and relatives are loans. Many faced with the thought of going to school for 4 years, ending up tens of thousands of dollars in debt get so discouraged they don't even bother furthering their education.

With this legislation we are also encouraging families to increase their personal savings, encouraging them to plan for the future. U.S. savings bonds are a familiar and proven investment. I believe that the traditional method of saving by taking payroll deductions for bonds is an affordable way to encourage savings. As a Nation we need to begin saving more. This bill expands those who may be saving and saving for an important reason—someone's education. Rewarding individuals who do so by allowing them to designate what that savings can be used for gives those people a sense of pride and accomplishment. The net cost of the proposal to the Treasury is actually offset by lower borrowing costs. According to the Treasury Department, the Government saves $70 million for every $1 billion sold in savings bonds.

Another advantage of educational loans is that they are portable. The student can decide where he or she wants to go to school without restrictions. Savings plans that may be offered by a State may have restrictions that the savings can only be used for education within that State. Students should be allowed to go to any school which they feel will best fit their needs as a student. Local or State schools do not always fill those needs.

Mr. President, I don't expect my bill to solve all the problems of funding for higher education. The costs for higher education are soaring and every little bit helps. I believe it is time we start taking one step at a time to make sure that our children have the education they need to continue leading America into the 21st century. We must do everything that we can to encourage anyone interested to invest in America's future.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1926

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCOME FROM UNITED STATES SAVINGS BONDS TO PAY HIGHER EDUCATION EXPENSES.

(a) IN GENERAL.—Section 135(c)(2)(A) of the Internal Revenue Code of 1986 (defining qualified higher education expenses) is amended to read as follows:

"(A) IN GENERAL.—The term 'qualified higher education expenses' means tuition and fees required for enrollment or attendance at an eligible education institution."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to redemptions made in taxable years beginning after December 31, 1991.

By Mr. FOWLER (for himself, Mr. HOLLINGS, Mr. LAUTENBERG, Mr. LEAHY, Mr. SASSER, Mr. DODD, Mr. ADAMS, Mr. AKAKA, Mr. NUNN, Mr. BRADLEY, Mr. BUMPERS, Mr. LEVIN, Mr. SANFORD, Mr. SIMON, Mr. ROBB, Mr. HEFLIN, Mr. GARN, Mr. SEYMOUR, Mr. SIMPSON, Mr. WARNER, Mr. DURENBERGER, Mr. CRANSTON, Mr. SPECTER, Mr. SYMMS, Mr. CHAFEE, Mr. ROTH, Mr. BROWN, and Mr. DIXON):

S.J. Res. 225. Joint resolution to designate February 3, 1992, through February 9, 1992, as "National Police Officer and Firefighter Recognition Week"; to the Committee on the Judiciary.

NATIONAL POLICE OFFICER AND FIREFIGHTER RECOGNITION WEEK

• Mr. FOWLER. Mr. President, I rise today to introduce a joint resolution to designate February 3, 1992, through February 9, 1992, as "National Police Officer and Fire Fighter Awareness Week."

Supported by every national police and fire prevention organization in America, this measure is designed to provide an appropriate forum for recognizing the contributions made by police officers and firefighters every day in their quest to protect the public.

As foot soldiers in the daily fight against crime and drugs, and the constant battles against fire and disasters, America's domestic public safety personnel deserve a demonstration of national gratitude equal to that which has been bestowed upon the men and women of our Armed Forces.

Mr. President, imagine if you will, driving at speeds averaging 100 miles per hour through urban streets or down a crowded freeway in hot pursuit of a bank robber, only to stop and exchange several rounds of gunfire.

Try and imagine yourself walking gingerly to safety across a cracking wood floor on the 10th floor of a burning building with a baby in your arms.

Imagine the feeling of anxiety as you burst into a dark house during a drug raid, not knowing what is waiting inside; or feeling the heat of fire all around you as you desperately try to find a person whose screams are blaring at you through the dense smoke.

Mr. President, these scenes may sound like something out of a television show, but they are common examples of the type of unselfish acts that our brave law enforcement officers and firefighters perform daily throughout this country.

These brave public servants work diligently to provide this Nation with the highest level of domestic security in the world, risking life and limb to protect the citizens of America.

The time is now to show our highest appreciation to our police officers and firefighters, and what better way to do so than by having a national celebration honoring these pillars of our community?

I am joined today by 26 proud cosponsors in hoping that each and every Senator will not only become a cosponsor of this measure, but that they will also work with local police and firefighting officials in their own States to organize appropriate celebrations to recognize the hard work of these valuable public servants.•

By Mr. DODD (for himself and Mr. REID):

S.J. Res. 226. Joint resolution designating the week of January 4, 1992, through January 10, 1992, as "Braille Literacy Week"; to the Committee on the Judiciary.

BRAILLE LITERACY WEEK

• Mr. DODD. Mr. President, on behalf of myself and Senator REID, I am pleased to introduce today a resolution designating the week of January 4, 1992, as "National Braille Literacy Week." This designation, which coincides with the birth of Louis Braille, would serve to heighten public awareness of the importance of braille literacy.

Braille is a system of dots that enables the blind to read and write independently. Braille also aids the visually impaired, for whom it is not always effective or efficient to struggle reading print because of low reading speeds and high levels of fatigue. Standardized in 1932, braille has enabled blind and visually impaired individuals to compete in employment, succeed in education, and live independent lives.

In recent years, braille literacy has been on the decline. It is estimated that 10 percent of the blind population cannot read or write in braille. The number of braille readers served by the American Printing House for the blind dropped from 9,008 in 1965 to 5,630 in 1970 while the total number of individuals served rose from 18,627 to 48,071 readers. Libraries with braille collections are discontinuing braille services, and the teaching of braille has been neglected. Many assume that cassette tapes, computers, reading machines, and magnification devices make braille obsolete. Teaching professionals often lack knowledge of braille as well.

Our Nation must reverse this downward trend. Reading machines such as Optacon, computer access programs, and cassette tapes are useful, but they cannot replace braille as a uniform medium for communication. There is a great need for production of a wide variety of commonly available print documents in braille. Adults who are blind or visually impaired need instruction in braille. Blind children who can benefit from braille instruction also need access to highly qualified teachers. In fact, many States have recognized that teachers of the blind are subject to few requirements regarding proficiency in or teaching of braille, and, as a result, are enacting legislation to ensure that blind and visually impaired school age students are taught braille if that is an appropriate medium for them.

National Braille Literacy Week will publicize the importance of braille to blind and visually impaired people, which will undoubtedly bring about greater recognition of braille as a legitimate and effective medium. It is my hope that this recognition will increase braille literacy and encourage the expansion of print documents in braille. An increase in braille literacy will enable many blind and visually impaired individuals to experience the gratification and freedom of reading and writing independently.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 226

Whereas Braille, the system of raised dots used by the blind to read and write, is an elegant and effective medium of literacy;

Whereas blind and visually impaired children and adults must be afforded the opportunity to achieve literacy so that they can compete in employment, succeed in education, and live independent, fruitful lives;

Whereas recording devices, the optacon, and other reading machines and computer access programs have enabled blind individuals to gain access to a wide variety of printed material but such devices cannot be a replacement for a medium that allows an individual to read and write independently;

Whereas the teaching of braille has been neglected over the past several decades;

Whereas in many States, legislation is being considered or has already been enacted to ensure that blind and visually impaired school age students are taught Braille if it is the appropriate medium to provide literacy for those students: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The week of January 4, 1992, through January 10, 1992, is designated as "Braille Literacy Week".

SEC. 2. PROCLAMATION BY THE PRESIDENT.

The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe Braille Literacy Week with appropriate ceremonies and activities.

SEC. 3. PROCLAMATIONS BY STATE AND OTHER OFFICIALS.

Each State governor, the chief executive of the District of Columbia, each chief executive of each territory or possession of the United States, and each chief executive of each political subdivision of each State, territory or possession is urged to issue a proclamation or other appropriate official statement calling upon the citizens of the State, the District of Columbia, the territory, the possession, or the political subdivision to observe Braille Literacy Week with appropriate ceremonies and activities.

SEC. 4. CEREMONIES AND ACTIVITIES.

The ceremonies and activities referred to in sections 2 and 3 should include educational activities—

(1) to celebrate the contributions of the inventor of Braille, Louis Braille, who was born on January 4, 1809;

(2) to heighten public awareness of the importance of Braille literacy among children and adults who are blind; and

(3) to heighten public awareness of the great need for the production of a wide variety of commonly available print documents in Braille.•

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. BAUCUS, his name was added as a cosponsor of S. 15, a bill to combat violence and crimes against women on the streets and in homes.

S. 455

At the request of Mr. MITCHELL, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 455, a bill to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors.

S. 474

At the request of Mr. DECONCINI, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 474, a bill to prohibit sports gambling under State law.

S. 765

At the request of Mr. BREAUX, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 765, a bill to amend the Internal

Revenue Code of 1986 to exclude the imposition of employer social security taxes on cash tips.

S. 1087

At the request of Mr. HARKIN, the names of the Senator from Alabama [Mr. SHELBY] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1087, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the Pledge of Allegiance to the Flag.

S. 1175

At the request of Mr. KERRY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1175, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 25, 1962, and for other purposes.

S. 1257

At the request of Mr. BOREN, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1354

At the request of Mr. HARKIN, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1354, a bill to amend title II of the Social Security Act to increase the amount of remuneration an election official or worker may receive and be excluded from an agreement between a State and the Secretary providing for the extension of benefits under such title to State employees.

S. 1357

At the request of Mr. BREAUX, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1357, a bill to amend the Internal Revenue Code of 1986 to permanently extend the treatment of certain qualified small issue bonds.

S. 1723

At the request of Mr. REID, the names of the Senator from New Mexico [Mr. BINGAMAN] and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 1723, a bill to amend the Older Americans Act of 1965 to establish music therapy services for older individuals, to establish music therapy demonstration projects, and for other purposes.

S. 1741

At the request of Mr. ROBB, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1741, a bill to provide for approval of a license for telephone communications between the United States and Vietnam.

S. 1793

At the request of Mr. D'AMATO, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of S. 1793, a bill to restrict United States assistance for Serbia or any part of Yugoslavia controlled by Serbia until certain conditions are met, and for other purposes.

S. 1810

At the request of Mr. DURENBERGER, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1810, a bill to amend title XVIII of the Social Security Act to provide for corrections with respect to the implementation of reform of payments to physicians under the medicare program, and for other purposes.

S. 1827

At the request of Mr. BOND, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Nevada [Mr. BRYAN], the Senator from New York [Mr. D'AMATO], the Senator from California [Mr. CRANSTON], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Florida [Mr. MACK], the Senator from Delaware [Mr. ROTH], the Senator from Florida [Mr. GRAHAM], the Senator from Texas [Mr. GRAMM], the Senator from New Mexico [Mr. DOMENICI], the Senator from North Carolina [Mr. SANFORD], the Senator from Colorado [Mr. WIRTH], the Senator from West Virginia [Mr. BYRD], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Colorado [Mr. BROWN], the Senator from Montana [Mr. BURNS], the Senator from Oklahoma [Mr. BOREN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Louisiana [Mr. BREAUX], the Senator from Indiana [Mr. COATS], the Senator from Maine [Mr. COHEN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Idaho [Mr. CRAIG], the Senator from North Dakota [Mr. CONRAD], the Senator from South Dakota [Mr. DASCHLE], the Senator from Washington [Mr. GORTON], the Senator from North Carolina [Mr. HELMS], the Senator from Vermont [Mr. JEFFORDS], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Ohio [Mr. METZENBAUM], the Senator from New York [Mr. MOYNIHAN], the Senator from Mississippi [Mr. LOTT], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Arizona [Mr. MCCAIN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from South Dakota [Mr. PRESSLER], the Senator from Wyoming [Mr. SIMPSON], the Senator from New Hampshire [Mr. SMITH], the Senator from Alaska [Mr. STEVENS], the Senator from Idaho [Mr. SYMMS], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 1827, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House.

S. 1836

At the request of Mr. DURENBERGER, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 1836, a bill to provide economic incentives through Medicaid bonus funds to promote State alternative dispute resolution systems, to assist States in the creation and evaluation of alternative dispute resolution systems, to encourage State-based quality improvement programs, and to provide comprehensive reform of State tort law to curb excesses in the current liability system, and for other purposes.

S. 1886

At the request of Mr. MCCONNELL, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Georgia [Mr. FOWLER], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of S. 1886, a bill to delay until September 30, 1992, the issuance of any regulations by the Secretary of Health and Human Services changing the treatment of voluntary contributions and provider-specific taxes by States as a source of a State's expenditures for which Federal financial participation is available under the medicaid program and to maintain the treatment of intergovernmental transfers as such a source.

SENATE JOINT RESOLUTION 194

At the request of Mr. GRAMM, the names of the Senator from Wyoming [Mr. WALLOP], the Senator from Utah [Mr. GARN], the Senator from Wyoming [Mr. SIMPSON], the Senator from New York [Mr. D'AMATO], the Senator from Kansas [Mr. DOLE], the Senator from New Hampshire [Mr. RUDMAN], the Senator from California [Mr. SEYMOUR], the Senator from Colorado [Mr. BROWN], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 194, a joint resolution to designate 1992 as the "Year of the Gulf of Mexico."

SENATE JOINT RESOLUTION 198

At the request of Mr. AKAKA, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Joint Resolution 198, a joint resolution to recognize contributions Federal civilian employees provided during the attack on Pearl Harbor and during World War II.

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. BOREN, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Concurrent Resolution 57, a concurrent resolution to establish a Joint Committee on the Organization of Congress.

At the request of Mr. DOMENICI, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Concurrent Resolution 57, supra.

SENATE RESOLUTION 213

At the request of Mr. GORE, the names of the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Minnesota [Mr. WELLSTONE], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of Senate Resolution 213, a resolution expressing the sense of the Senate regarding United States policy toward Yugoslavia.

AMENDMENTS SUBMITTED

INDOOR AIR QUALITY ACT

SEYMOUR AMENDMENT NO. 1307

Mr. SEYMOUR proposed an amendment to the bill (S. 455) to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors, as follows:

On page 7 of the bill, strike lines 12 through 13 and insert the following: "square feet in area, any building occupied by the Library of Congress, and any building that is included in the definition of Capitol Buildings under section 193m(1) of title 40, United States Code;".

MITCHELL AMENDMENT NO. 1308

Mr. MITCHELL proposed an amendment to amendment No. 1307 proposed by Mr. SEYMOUR to the bill S. 455, supra, as follows:

In the amendment on page 1, line 3, between the "," and "and" insert the following: "the White House and the Vice-Presidential residence,".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Wednesday, November 13, 1991, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony from James Randolph, nominee for Assistant Secretary for Fossil Energy and Gregg Ward, nominee for Assistant Secretary for Congressional and Intergovernmental Affairs, Department of Energy.

For further information, please contact Rebecca Murphy at (202) 224-7562.

AUTHORITY FOR COMMITTEES TO MEET

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, November 6, 1991, to hold a hearing on Asian organized crime: Part II.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Wednesday, November 6, 1991, at 10 a.m. to vote on the nominations of Robert Clarke to be Comptroller of the Currency and David Bradford and Paul Wonnacott to be members of the Council of Economic Advisers.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 6, at 2:15 p.m. to hold a hearing on the current political situation in Zaire.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on POW/MIA Affairs is authorized to meet today, November 6, 1991, at 10 a.m. in 216 of the Senate Hart Office Building to continue to examine the Government's process of investigation of POW/MIAs which is currently in place, and to determine whether or not live Americans are being held against their will in Southeast Asia.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

UKRAINE SEEKS NUCLEAR-FREE STATUS

• Mr. DECONCINI. Mr. President, with the dramatic changes in Europe over the last few years, we are in the midst of truly historic times. One of the most interesting developments we are witnessing is the rebirth of Ukraine, the second-largest of the former Soviet republics. This 52-million-person resource-rich republic would constitute the fourth largest country in Europe. The emergence of Ukraine has been viewed with curiosity and even some concern. Much of this concern, I believe, is based on the lack of knowledge about Ukraine and its people, and of the intentions of its government. For too long Ukraine was isolated and its people suppressed by the Soviet Central Government. The people of Ukraine have suffered from decades of communism, collectivization and centralization. Relatively little was, and for that matter, still is known about this nation and about the aspiration of its people.

Now, with the unraveling of the Soviet Union, Ukraine is coming into its own. On August 22, the Ukrainian parliament declared independence, which will be confirmed by a December 1 referendum. Even prior to the independence declaration, the Ukrainian parliament, under pressure from the democratic opposition, was taking steps toward achieving democratic, peaceful self-determination. Ukraine has found itself taking on the attributes of independence and has begun to make the difficult choices necessary to achieve genuine statehood. Despite perceptions among some in the West, Ukraine is clearly serious about independence. And that has raised certain concerns.

Mr. President, confusion has arisen with respect to Ukraine's intentions in the nuclear and military sphere. Ukraine supports centralized defense control over nuclear weapons on its territory. Ukraine opposes the division of nuclear forces between republics and the transfer to nuclear weapons from one territory to another. At the same time, Ukraine, according to an October 24 statement of the Ukrainian parliament, insists on its right to monitor the elimination of nuclear weapons deployed on its territory. Ukraine, according to the statement, will pursue a policy aimed at complete annihilation of nuclear weapons and their basing components deployed on the territory of Ukraine. It intends to accomplish this within a minimum timeframe.

It is important to recognize that Ukraine's goal is the complete destruction of nuclear weapons on its territory. Ukraine does not believe that it is in its own or anyone else's interests to transfer the nuclear weapons off its territory. The Ukrainian parliament's statement notes that Ukraine, as one of the successors to the former U.S.S.R. will observe provisions of the 1991 START Treaty on strategic offensive nuclear weapons and is prepared to begin talks with Russia, Kazakhstan, and Byelorussia with the participation of relevant structures of the former U.S.S.R. regarding destruction of strategic nuclear weapons covered by the treaty. Ukraine, according to the statement, will take measures to destroy all other nuclear weapons deployed on its territory. Indeed, Mr. President, our own State Department has applauded the Ukrainian parliament's actions in reducing nuclear weapons and resolving to make Ukraine nuclear-free and neutral.

Ukraine's plan to create a 400,000-member republican army has also raised eyebrows. While this is a considerable number, in fact, such an army would represent a sizable decrease over the Soviet force of 1.2 million presently stationed on Ukrainian territory. On the other hand, I appreciate United States and Western concerns. Frankly, I question the decision on the need for a 400,000 person military—one still larger than that of most of the countries of Europe. I would note that France, with roughly the same population, has a standing army of 460,000. Ukraine has expressed its willingness to negotiate within the CSCE and other multilateral fora, and I would encourage the Ukrainian government to engage in a dialog with the CSCE participating states on this and other security matters. I would expect that in light of the changing security situation precipitated by the demise of the Soviet Union and Ukraine's evolving relations with neighboring states, as well as the costs involved, Ukraine may reassess its security needs.

Mr. President, Ukraine is on the way to achieving real statehood, a goal which I enthusiastically support. The tasks the Ukrainian government faces in its drive for independence are difficult. To build on the ruins of an empire which denied human rights, human initiative, and human dignity is a formidable challenge. It is incumbent upon us to support the legitimate efforts of the people of Ukraine to control their own destiny and to assist their efforts in building a peaceful, democratic, economically healthy state based on the rule of law.•

S. 1117, A BILL TO ESTABLISH THE BUREAU OF LAND MANAGEMENT FOUNDATION

• Mr. BINGAMAN. Mr. President, I am pleased the Senate passed S. 1117 last night, on November 5, which will establish the Bureau of Land Management Foundation. It will provide the means for private individuals and corporations to make donations for the benefit of the Bureau of Land Management, to encourage and augment activities to support programs administered by this agency. Currently, other land management agencies—the Forest Service, the National Park Service, and the Fish and Wildlife Service—all have the private nongovernmental, nonprofit corporations this legislation provides for the Bureau of Land Management. The Bureau of Land Management is the only major agency without such a support organization, and deserves no less than these other agencies.

The Bureau of Land Management is very important to us in New Mexico. It manages some of the most critical natural and cultural resources in the State. It is vital that this agency have all the tools available to carry out its resource management. This bill provides a very important tool for the BLM throughout the country. The Foundation will encourage, accept, and administer donations of money and real property by corporations and individuals who are interested in furthering the resource management purposes of the Bureau of Land Management. It will undertake educational and technical assistance activities to further those purposes. It will serve to promote cooperation among the BLM, the private sector, and other governmental and educational agencies. The agency and the land it manages for the Nation will benefit by this action.•

By Mr. SIMPSON (for himself and Mr. WALLOP):

S. 1889. A bill to designate the U.S. Courthouse located at 111 South Wolcott in Casper, WY, as the "Ewing T. Kerr United States Courthouse"; to the Committee on Environment and Public Works.

EWING T. KERR UNITED STATES COURTHOUSE

• Mr. SIMPSON. Mr. President, I am so very pleased to join my colleague, MALCOLM WALLOP, as we pay tribute to a very marvelous, fine man and someone I have called friend for a lifetime—Judge Ewing T. Kerr. For today we will introduce a bill which will designate the Federal courthouse in Casper, WY, as the "Ewing T. Kerr United States Courthouse."

Although Judge Kerr was born in Bowie, TX, in 1900, it did not take him long to see the light and move north to Wyoming. He landed in Cheyenne 1 year after the streets of the frontier town had been paved. First came the roads—then came Judge Kerr. Things were looking up for both. In 1927 Ewing Kerr was admitted to practice law in Wyoming so he placed his shingle on the door and began to build a lifetime reputation as a brilliant, steady, thoughtful, and dedicated member of the legal profession. The following year, in 1928 he began to rise through the ranks of his profession and he served as the assistant U.S. attorney from 1928 to 1933. His career was now soaring and in 1938 Gov. Nels H. Smith appointed him as Wyoming's Attorney General.

He served with clear distinction as attorney general until he heard a different kind of call—the call to serve his country in the Army, which he did for 3 years. After his military service he again practiced law and soon was appointed as a Federal district judge, obtaining senior status in this position in 1975, and it is in this capacity that he still serves his community, his State, and his country.

I have quickly stated only the briefest facts of quite a remarkable legal career but I have not even begun to scratch the surface of what makes this man so remarkable and so fully deserving of this special tribute and this unique honor. For Judge Kerr is a learned man, a dedicated legal scholar, and a distinguished judge—yes, he is all of this but he is also so very much more.

Though his legal career has been a remarkable one—I would be so remiss if I did not mention the lives he has touched through the years as he put his thoughts, beliefs, and his concern for his fellow man into action through his participation in a wide variety of different civic and charitable organizations. Almost from the day he arrived in Cheyenne in 1927 he began a commitment to public service that he has honored to this very day.

He has worked over long years to help the chamber of commerce, the Red Cross, the Salvation Army, various fraternal groups, his beloved Rotary Club, and his church. And he has done it all in a genuine spirit of kindness, compassion and consideration for others which is truly remarkable. When his predecessor retired he gave Judge Kerr some very valuable advice. "Stay active in community affairs," advised the jurist, "for it will make you a better judge." That predecessor was already very aware of Judge Kerr's active involvement in his community—and I have a hunch he was just advising Judge Kerr to "keep it up". And he surely did, as he has, and he always will.

In his early days he also loved to involve himself in the workings of local and national politics as much as possible. He learned at a tender age that democracy is not a spectator sport and he became involved early and often as a young attorney in Wyoming. If a cause or an organization was ever in need of his special talents, some counsel or advice, or just some time and his valuable assistance—he was always ready and available to serve.

And now—even though the Judge has attained senior status—he has in no way retired. He maintains his outside interests, serves his community, still gives a speech now and then—to the delight of his audiences—and takes an active role in raising his two dear granddaughters. A visit to the Kerr household means confronting old law books, books of history, art and literature, and an assortment of bikes, skateboards, roller skates, and an incredible array of the trappings of childhood.

Nothing personally pleases me more than taking this moment to "give credit where credit is due" and so I am very proud to be a part of this effort. No one is more deserving of this tribute than the Judge—a man who has been so important and such a vital part of his community, his State, and his country. His long and distinguished years of service to the legal and judicial community, combined with his innate civility and kindness, his compassion, his willingness to serve, his intellect and his devotion to duty and the pursuit of the truth all make him so very worthy of the honor of naming the Federal courthouse in Casper, WY, the "Ewing T. Kerr United States Courthouse." We do this to honor a man who has made so many important contributions to our lives that we will remember his name for years to come as it graces this Federal building. This is just our very small way of saying, "Thank you, Judge Kerr. You made a difference in every way in all our lives—especially in mine—and you will never be forgotten. We love you."

He swore me into the Federal District Court in the District of Wyoming in August of 1958 and I shall never forget his remarks to "our class." They were timeless, moving, and memorable and I ask unanimous consent to insert them into the RECORD at this time along with the text of the bill.

God bless you, kind sir.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1899

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) Ewing T. Kerr has dedicated 64 years of his life to the practice of law in the State of Wyoming;

(2) over a period of 36 years, as a Federal district judge, Ewing T. Kerr has embodied the spirit of public service and has been dedicated to upholding the law of the land; and

(3) Ewing T. Kerr deserves recognition, honor, and gratitude.

SEC. 2. DESIGNATION.

The United States Courthouse located at 111 South Wolcott in Casper, Wyoming, is designated as the "Ewing T. Kerr United States Courthouse".

SEC. 3. LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the United States Courthouse referred to in section 1 is deemed to be a reference to the Ewing T. Kerry United States Courthouse.

[In the District Court of the United States, District of Wyoming]

ADMISSIONS TO THE BAR

Before The Honorable Ewing T. Kerr, Judge of the Court.

PROCEEDINGS

August 5, 1958, Tuesday, 11:15 AM.

The COURT: Are there any preliminary matters such as admissions?

DEAN HAMILTON: If it please the Court, there is in Court this morning Ten (10) persons who have been admitted to practice in Wyoming. I should like to present them to the Court.

The COURT: Yes, you will come in and stand before the Clerk.

DEAN HAMILTON: If it please the Court, the people who are before you, Samuel Anderson, James Applegate, John Brorby, John Francis Lynch, Morris Massey, Peter Mulvaney, Alan Simpson, Daniel Svilar, Arnold Taschirgi and Lesa Willie.

These people have been admitted to the practice before the highest Court in Wyoming. I am very pleased and honored to move that they be admitted to practice before the Court.

The COURT: You vouch for them?

DEAN HAMILTON: I vouch for their moral character.

The COURT: The Clerk will give the oath.

The CLERK: You, and each of you, do solemnly swear before the ever living God, that you will support and defend the Constitution of the United States and the laws made in pursuance thereof, and that you will faithfully observe and obey the rules of the United States District Court for the District of Wyoming, and demean yourself uprightly and according to law. So Help You God.

In Unison: (I do).

The COURT: I wasn't given sufficient notice this morning to prepare an address, in that regard I think you are very fortunate. I do want to say "congratulations" upon your admission to the Federal Court. That you are commencing the practice of law at a very fortunate time. By that I mean that the State has recently adopted almost verbatim the rules of civil procedure which we have had in this Court since 1938. The object of those rules is to accomplish substantial justice.

You are more fortunate than Dean Hamilton and I who commenced practice of law more than Thirty (30) years ago when we wrestled more with technicalities than we did with substantial justice, and many times justice was denied, and I have experienced that we don't waste any time on technicalities anymore for if a plaintiff has a good claim, be should recover though he may have the poorest lawyer in the State of Wyoming, and the defendant may have the ablest lawyer. This is the way the Courts look at the administration of justice today.

I was impressed last June with your commencement speaker. The gist of his address as I construed and interpreted it while your college education is simply mental discipline, and your learning actually commences after your graduation. And, with that I agree. I practiced law for more than Thirty (30) years before being elevated to the Bench, and I find that we still have to struggle with legal principles. Less than an hour ago I concluded a case here in which I gave counsel Ten (10) days to determine whether or not this Court had jurisdiction in the first instance to try the case. Not all problems of law are settled. The law being an abstract science, reasonable minds disagree as to its proper interpretation, and it might interest you to know that during the last Session of the Supreme Court of the United States that Eighty-Three Percent (83%) of the decisions rendered were with a divided Court, so the Supreme Court doesn't always agree among themselves as to what the law is or should be.

I clipped from Case and Comment today a quotation from Mr. Justice Cordoza, which he issued more than Twenty (20) years ago. I will read it to you.

"Law is no longer thought of as something confined in a narrow compartment of its own to be opened only by the specialist. We are looking at it more and more as a means to an end; and thus looking at it, the conviction is gaining ground that there can be no adaption of means to ends without knowledge of many things that lawyers have at times neglected, without scrutiny of many forces, social, economic, ethical, as well as legalistic. The task remains to discover and formulate a principle of growth that will give sanity and justice to the law of the present and the future."

Now, this statement was issued before the adoption of the rules of civil procedure, and we have made great strides in this country in the last Twenty (20) years in expediting litigation and eliminating the unnecessary, and getting to the very heart of a lawsuit. I might mention since you are not too experienced in the Federal practice that I take anywhere from Ten (10) to Fifteen (15) minutes to select a jury. I have experienced times when you would take two (2) days to select a jury. In other words you'd have a jury worn out before you started your case. People are too intelligent and too busy to waste time that way, and to take Thirty (30) minutes to select a jury in this Court is very unusual, and I am a great believer in the jury system. I find we get just as good jurors in selecting one in Ten (10) minutes as we do in taking a day or two. The public doesn't approve the procrastination that lawyers have been accused of in the past. That doesn't apply to you young people because I know you are going to proceed differently, and you can't ignore public opinion. I hope to see you over here often, and whether you succeed in the practice of law, will depend entirely on your ability to work and prepare your cases. The legal profession is not overcrowded. It has never been overcrowded, and there is plenty of opportunity for any young man or young woman with a mind to conceive and an ambition to work to get ahead, so whether you succeed or not will be determined by the amount of work that you are to do, and Courts quickly recognize lawyers who come into Court un-prepared. That is the easiest decision a Court has to make in any case, and before retiring you are to report to the Clerk's office and sign the roll of attorneys and pay the necessary fee which has not been increased in Fifty (50) years in this Court.

I am very glad to have you here this morning. I'll be very glad to have you come in the Chambers and meet me.

Court will stand in recess until Two (2) P.M.

CENTENNIAL RECOLLECTIONS

(By Hon. Ewing T. Kerr)

During this year, 1990, we have celebrated the centennial of Wyoming's statehood. In addition, I marked my 90th birthday. These events have given me cause to think back on Wyoming's history as well as my own. In this Article I share some of those recollections.

THE TERRITORIAL COURT

Prior to 1890, the Territory of Wyoming had three federal judges who were appointed by the President and confirmed by the Senate and served for six-year terms. These judges convened once a year, acting as a Territorial Supreme Court, and heard appeals taken from their own decisions. Judge A.C. Campbell, an early Wyoming attorney whom I knew well and who was a prolific writer and a member of the Wyoming constitutional convention, used to say facetiously that the judges convened once a year to affirm each other's decisions. However, a review of Volume I of the Territorial Decisions shows that the judges actually reversed many of their own decisions.

THE TRANSITION INTO STATEHOOD

When Wyoming became a state on July 10, 1890, selection of a state supreme court was not an easy task. Under Section 20 of the Act of Admission of the State of Wyoming, the Territorial Supreme Court justices were to serve as justices of the new Wyoming Supreme Court until that court could be organized. The justices during this interim period were Chief Justice Willis Van Devanter (who had become territorial chief justice at the young age of thirty), Micah Saufley and Asbury Conaway. They served until the supreme court was organized on October 11, 1890.[1] The first three judges of the Wyoming Supreme Court, elected on September 11, 1890, were Chief Justice Van Devanter, Justice Groesbeck and Justice Conaway. The new justices drew straws, and Justice Van

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Footnotes at end of article.

Devanter drew the short term and chief justice position. However, a few days later he resigned from the court,[2] and Homer Merrell was appointed to fill the vacancy until the general election to be held November 8, 1892. At that time, Gibson Clark was elected to fill the vacancy on the court. Justice Groesbeck succeeded Justice Van Devanter as chief justice of the new supreme court.

Former Justice Van Devanter continued to practice law in Cheyenne and set up a partnership with his brother-in-law, John W. Lacey. Van Devanter and Lacey was Wyoming's most prominent and successful law firm. John Lacey had served on the Territorial Supreme Court from 1879 to 1886, and was its chief justice from 1884 to 1886, when he resigned to return to private practice. Judge Lacey was not only the outstanding judge in Wyoming during that era, he was considered the ablest lawyer in the Rocky Mountain Region. He served as general counsel for Harry Sinclair in the Tea Pot Dome scandal, and he was the attorney for the Union Pacific Railroad and several other large corporations. He had the biggest law practice of any lawyer in Cheyenne. Judge Kennedy[3] told me that it took a lot of courage to decide a case against John Lacey, but eventually he had to do it. That was the kind of reputation as a lawyer he had. Judge Lacey's home of forty years is now as the Whipple House in Cheyenne. In 1903, Justice Van Devanter was appointed to the United States Court of Appeals for the Eighth Judicial Circuit; and on December 12, 1910, he was nominated by President Taft to the United States Supreme Court. Justice Van Devanter is the only citizen of Wyoming in its first 100 years to have been appointed a Justice of the United States Supreme Court. He served on the Court from 1911 to 1937 and wrote the opinion for the landmark water case, Wyoming v. Colorado.[4]

A former law partner of Justice Van Devanter, Charles Potter, advanced to the Wyoming Supreme Court in 1895. Justice Potter served on the court for over thirty-three years, including more than twenty years as chief justice. As a young lawyer, I had the privilege of appearing before Justice Potter during his last year on the bench. Justice Potter was a very strict chief justice and kept lawyers strictly on the subject matter appealed. The Potter Law Club at the University of Wyoming College of Law is named in his honor.

Another prominent, long-term member of the Wyoming Supreme Court was Justice Fred Blume. Justice Blume was appointed in 1921 to replace Justice Blydenburg. Justice Blume served more than thirty years on the Wyoming Supreme Court. He was a recognized Roman law scholar and authored an English translation of the Justinian Code. He was frequently invited to law schools, including the University of Chicago, to lecture on Roman law. In his early opinions, he used nearly as much Latin as English. The Blume Room at the University of Wyoming Law Library is named in his honor.

Ralph Kimball, a Lander lawyer and district judge, was appointed to the Wyoming Supreme Court in 1921. He is the third member of the high court to serve more than thirty years on the bench. He was buried on his 81st birthday. In memorial proceedings before the Wyoming Supreme Court in 1959 honoring Justice Kimball, all of those contributing spoke of his kindness, courtesy and patience along with his ability as an able and insightful jurist.[5]

READING LAW

In addition to being highly respected jurists, Justices Lacey, Blume and Kimball had one thing in common—they all had "read law," instead of attending and graduating from a law school. Justice Blume held a Ph.D. in government and economics, but Justice Lacey never attended college. Justice Lacey studied and worked in Justice Van Devanter's father's law office while he was employed as a high school principal in Indiana. Many lawyers of their day acquired their legal training by "reading law." It was an accepted practice then, as reflected by the unanimous approval of Justice Blume's nomination to the supreme court in 1921. However, attitudes changed somewhat later. For example, in 1955, there was some opposition from the Wyoming Bar to my own nomination to the federal bench because I, too, "read law" instead of attending law school. But I'd say at least one-third of the lawyers during the time I practiced law had "read law."

FEDERAL JUDGES

President Benjamin Harrison appointed John A. Riner as the first United States District Judge for the District of Wyoming in 1890. Judge Riner began his tenure at the age of forty, and retired in 1921, after serving thirty-one years. He set the precedent for longevity in service on Wyoming's federal bench.

In the early days, federal court was held on the second floor of a building located on 16th Street in Cheyenne between Capitol and Warren Avenues. The first federal courthouse in Cheyenne was not built until 1904. It was in this courthouse that Judge T. Blake Kennedy[6] heard the famous Tea Pot Dome case in 1925. This first federal courthouse, situated across the street from the Boyd Building, now houses a bank.

My predecessor on the federal bench, Judge Kennedy, came to Cheyenne to live in 1901 and established himself as a prominent local attorney in 1903 by representing the infamous Tom Horn in his trial for murder. Mr. Kennedy was nominated to the federal bench by President Warren G. Harding in 1921, and served as a federal district judge until 1955. He was an outstanding judge and well respected by the legal profession. Because the case load was light during his term, he frequently sat on Eighth Circuit panels.[7] After the Tenth Circuit was formed in 1925, with its seat in Denver, he served even more frequently on appellate panels. Succeeding Judge Kennedy was not an easy task for me, but I have tried to carry out his policies during my own tenure of thirty-four years on the bench.

WOMEN ON JURIES

Wyoming, of course, was the first state to allow women the right to vote, getting them equal voting rights while we were still a territory. It was not until 1920 that the nineteenth amendment was ratified, conferring the right to vote on all women in the United States. Wyoming can also claim the first women jurors in the world—they served on a petit jury in Laramie in 1868. It was the personal view of the Laramie District Court judge, Judge John Howe, who seated these women that, because women had the right to vote in the Territory, they should be entitled to sit on a jury. The women wore heavy veils and refused to be photographed, but the news spread throughout the world. Even the King of Prussia cabled congratulations to President Grant.[8] The newspapers caricatured the women. One caption was "Baby, baby, don't get in a fury; your mama's sittin' on the jury."[9] Both defense and prosecuting attorneys objected to the women, and after being overruled the defense attorney indicated his intent to appeal to the Wyoming Supreme Court. Judge Howe responded, "With Kingman and me on the Court, how far do you think you will get?" To this the defense attorney replied, "Your Honor, it may not do any good to appeal, and my experience teaches me that Judges never retire, but fortunately they sometimes sicken and die." After the trial, Judge Howe praised the women for exerting a refining influence on the courtroom as a whole.

But Wyoming has not always lived up to her name, the Equality State. Judge Howe's view was not popular, and the custom of women juries retired when Judge Howe did, two years later. Women were officially denied the privilege of serving as jurors in federal and state courts in Wyoming from 1868 until 1948. During that era, federal court procedure, including qualification of jurors, was governed by state law. Wyoming law provided that males over the age of twenty-one were eligible to serve on juries. Thus, no women served on a state or federal jury in Wyoming until the law was changed in 1948.

Many states permitted women to serve as jurors before Wyoming officially did. I am familiar with the subject because several women's organizations came to me and asked me to draft legislation permitting women to serve as jurors in Wyoming. They came to me because I was Chairman of the Republican Party in Wyoming, and a majority of both houses of the state legislature were Republicans. Nevertheless, it was not an easy task to pass such a law because many lawyers in the legislature were opposed to it. Governor Crane, however, supported the bill, which simply changed the word "male" in the statute to "citizen." Eventually, the bill passed by a slight margin and was signed into law.

AUTOBIOGRAPHY

I was born in 1900 in Bowie, Texas, and moved with my family to Indian Territory (later Oklahoma) when I was one. I received a B.A. degree in economics and government from the University of Oklahoma and then a B.S. degree in education from Oklahoma Central State University. When I was principal of the junior high school in Hominy, Oklahoma, from 1923 to 1925, I boarded with the family of Kenneth Lott. Mr. Lott had graduated from and taught law at the University of Kansas School of Law. I became interested in law myself and was encouraged by Mr. Lott. Mr. Lott had saved all of his text books from law school, and some of the examinations he had given as an instructor. I began studying these and working in his office. I "read law" under Mr. Lott for two years.

In 1925 I moved to Cheyenne at the suggestion of my sister who was a teacher there. I continued to "read law" for about a year while serving as principal of Corlett Elementary School.[10] In 1927 I took the bar examination before Clyde Watts, later District Judge Watts. The exam was administered in the Boyd Building and lasted half a day. It consisted of essay questions on subjects of state law such as criminal and contracts law; there were no multiple choice questions as there are today. (In fact, I've never understood the purpose of the multi-state bar exam or what those questions have to do with the law business.)

I have always enjoyed politics, especially campaigning for and writing and giving speeches on behalf of various candidates. I served longer as Wyoming State Republican Party Chairman (eight years) than anyone else in the history of Wyoming. In 1938, I campaigned for Nels Smith, one of only two

Republican governors elected in the country that year. I campaigned all over the State on the issue of abolishing the sales tax. Although we couldn't do without the tax now, abolishing it had great appeal then. It was a very effective campaign.

One of my early speaking engagements actually led to my first federal position. At the last minute, I was asked to introduce Senator Francis E. Warren, who was scheduled to speak at a gathering in Pine Bluffs, a small community east of Cheyenne. Some time later, when a vacancy arose in the United States Attorney's Office for an Assistant United States Attorney, Senator Warren called A.D. Walton, the United States Attorney, to discuss the appointment and to suggest that Walton consider that "young fellow who introduced me out in Pine Bluffs." After Walton determined that it was I who introduced Senator Warren, he called me. He told me that the Senator didn't know whether I was a lawyer and didn't know my last name, but that if I wanted the Assistant United States Attorney position, I could have the job. I held that position from 1929 until 1933.

I handled many Prohibition cases while I was Assistant United States Attorney, including the famous "Casper Conspiracy" case. The Mayor, Chief of Police, Sheriff and thirty-four other Casper citizens were indicted and tried for conspiring to give a monopoly to two large illegal distilleries in Casper. For this they were paid more than $360,000. This ring was so well organized they even set up a bootlegger's warning system, which involved a system of signal lights set up on the courthouse roof. The Sheriff would turn on the red light if the federal prohibition officer was in Casper, to warn the bootleggers to hold all deliveries. Ed Reed, who kept the books for the ring, was my witness at the trial. I also prosecuted many other bootlegging cases and cases involving the operation of stills, as well as cases involving simple possession of alcohol.

I remember Judge Kennedy was opposed to Prohibition, but you couldn't tell it when you were trying a case before him. If defendants pled guilty to possession of alcohol he would fine them two or three hundred dollars, but if they stood trial and took the time of the court they would go to jail for thirty to sixty days. Defendants all knew this, so Judge Kennedy got a lot of guilty pleas. Some of Wyoming's most colorful lawyers were those defending the leading defendants in these Prohibition cases. The "bigshots," of course, employed the best lawyers, and the "Casper Conspiracy" defendants had retained them all. I was the sole prosecutor for the government. Judge Kennedy kept the jury out for two weeks. The first ballot was 11-1 for conviction, but ultimately all defendants were acquitted. Even so, they were disgraced and their reputations in Wyoming ruined.

There is a tendency to compare Prohibition cases to drug enforcement trials. However, in my opinion there is simply no comparison between Prohibition years and the drug problems we face today. Will Rogers said that Prohibition was better than no liquor at all. People drank then just like they drink now. But this drug problem is the greatest problem in my lifetime, and they don't have the answer to it yet. The price of drugs simply goes up as the organization and efforts to curtail it increase.

I also served four years as Wyoming Attorney General, from 1939 to 1943. I was the youngest Attorney General ever appointed in the State at that time. Then there were only three members of the attorney general staff, compared to more than forty today. I have vivid memories of two cases I argued as Wyoming Attorney General before the United States Supreme Court—*Nebraska v. Wyoming*[11] and *Wyoming v. Colorado*,[12] and both water law cases. *Nebraska v. Wyoming* was one of the most complex and voluminous cases ever heard by the Supreme Court. The case went to a master first, and then his decision was reviewed by the Supreme Court. It resolved the two states' conflicting claims to the North Platte River. The case produced 43,000 pages of testimony and was in the Court for six to seven years. Nebraska's evidence alone weighed in at over one ton. One of the reporters in the case (Whittington) died before it was decided.

Then there was *Wyoming v. Colorado*, which arose over competing claims to the Laramie River. Colorado was entitled to 12,500 second feet of water, but was taking 30,000. I remember Justice Douglas asked me what a "second foot" was. "Second foot" or "c.f.s." refers to the rate of flow, measured in cubic feet, of water passing a given point in a stream in a second. I explained this to Justice Douglas, and he said that he thought that was what the term meant. Justice Douglas came from a part of the country—Washington State—where it is much less crucial to be able to measure and apportion the available water. I always found water law to be (speaking figuratively) a rather dry subject. So many engineers and surveyors. But I enjoyed my experiences before the Supreme Court; they were very kind and gentle.

1943 I entered the United States Army and was assigned to the Allied Military government in North Africa. I was later transferred to Italy. Hitler and Mussolini had closed all of the civilian courts during World War II. General Mark Clark desired that the civilian courts be re-established as soon as the Germans were driven north. I had the pleasure of supervising the process of re-establishing the Italian courts in southern Italy. This was a fascinating and educational experience. No juries were permitted in the new court system. Three judges tried all cases, except minor ones, and they rendered their decision following the presentation of the evidence. These trials took less than a day. A comparable case in the United States now would be in trial a week to ten days.

In 1955 I was nominated by President Dwight D. Eisenhower to replace the retiring Judge Kennedy on the federal district court in Wyoming. Senator Frank Barrett, father of Judge Jim Barrett of the Tenth Circuit Court of Appeals, moved my nomination in the Senate. For reasons still unknown, my commission was sent to Omaha rather than Cheyenne, and then had to be sent back to Washington, D.C. and re-delivered, which delayed my receiving it by a week. As a result, I was sworn in on November 7th instead of November 1st, the date that would have marked Judge Kennedy's completion of thirty-three full years on the federal bench. In the course of my thirty-four years as judge, I have held court in every state of the Tenth Circuit, as well as in Louisiana, California, New York, Florida and Puerto Rico. In my early days on the court, I sat in Denver almost as often as in Cheyenne, because Colorado had only one federal district judge.

Of all of the cases I have heard while serving on the federal bench, the *Black Fourteen*[13] case received by far the most publicity. In fact, a Catholic priest with whom I was acquainted sent me an article about the case, which he had clipped from the *London Times*. The case stemmed from the request of fourteen Wyoming football players to wear black arm bands when playing the Brigham Young University team, to protest the Mormon Church's policies concerning blacks. The players based their suit on *Tinker v. Des Moines School District*[14] in which the Supreme Court upheld three public school students' right under the first amendment to wear black arm bands in a passive, nondisruptive protest to the federal government's Vietnam policy. The *Black Fourteen* case was unique, however, because it involved both first amendment free speech and entanglement concerns, although the players contended their suit was based upon racial discrimination, rather than the religious beliefs of the Mormon Church.

I remember holding an evidentiary hearing that all of the players attended. I suggested they sit in the jury box so they could be close to the proceedings. Fourteen chairs and they filled them all. Early in the case, the State of Wyoming was represented by Attorney General Jim Barrett, later Judge Barrett. Later on in the case, he was replaced by Attorney General Clarence Brimmer, later Judge Brimmer of the Federal District Court for the District of Wyoming. Judge Barrett says that every time he looked over to the jury box he could see what was going to happen to Wyoming's football team. In 1968 the team had played in the Sugar Bowl and everyone expected the team to be even better in 1969. He knew these fourteen players were the nucleus of the team, and all he could think about was that if the team lost these players, it was going to "go to pot." And, as it turned out, Wyoming won only four games that year.

The State's position in the case was that it could not be a party to permitting its representatives (its team) or the use of its facilities to protest anyone's religious beliefs. And that is how the case was tried. I agreed that because the University is a state school, such a protest against any religious belief was improper, and I granted summary judgment to the State on that basis. The Tenth Circuit upheld the summary judgment on behalf of the State, but returned the case because of some dispute of fact with respect to another aspect of the litigation. Judge Brimmer argued the case on remand, and in the end the State won. It was an interesting case, and rare to see free speech claims pitted against entanglement concerns.

The case reminded me of how much times have changed since my own years at the University of Oklahoma. The Universities of Oklahoma and Kansas in the early twenties had a written agreement that Kansas would not use its only black player when the team was playing in Norman, Oklahoma. The Mason-Dixon line divided Kansas and Oklahoma then, and there were no black athletes in any school south of the line until 1954. This is just one example of the many ways in which I've seen the world and the law develop in the course of my lifetime.

Indeed, during my tenure on the federal bench, there have been radical change in both court procedures and in the types of litigation brought in the United States District Court. For example, until the 1940's there was no paid federal court reporter. If a lawyer wanted his case reported, he hired and paid a reporter himself. Herbert Hulse, who currently lives in Cheyenne, was the first paid court reporter in the District of Wyoming. He was first assigned to Judge Kennedy, and then to state judges, Sam Thompson and Al Pearson. The earliest reporters recorded the proceeding in long-hand; later they used Gregg shorthand. When I was in the United States Attorney's office during Prohibition years, there were many trials but few reported trials. Consequently, there were scarcely any appeals. Today we have a reporter even for motion hearings. At least partially as a result of this, it is much easier for counsel to bring an appeal.

The principal changes in the types of litigation brought in federal court have involved criminal cases. Prisoners, particularly, are constantly filing petitions for writs of habeas corpus or filing suits under the civil rights statutes. It was during Judge Lewis' tenure as chief judge of the Tenth Circuit that the court began allowing convicts to bring these appeals in forma pauperis, in spite of the federal statute that requires, as a prerequisite, a certificate of probable cause issued by the trial court. We used to dismiss these petitions and then deny the certificates. But Judge Lewis' view was that the circuit court would have to reach the merits in reviewing the denial of the certificate of probable cause, so to avoid that extra step, he made the administrative decision to allow these appeals. Now the appellate court decides the merits of these cases. Thousands of pages have been written—most of them a waste of the court's time. However, occasionally the courts decide that relief is warranted; for example, the Osborn[15] case heard by Judge Brimmer, which involve an ineffective assistance of counsel claim. But that is a rare case. I have never released a prisoner on a writ of habeas corpus or granted a prisoner's civil rights action. Nevertheless, much of the court's time is devoted to these cases. We also get many petitions complaining about conditions inside the prisons. I must admit, the prisons do not operate like the Brown Palace Hotel, but we have to be realistic. These are jails, not hotels.

We hear many other frivolous suits now, too. Recently, for example, I heard a motion to dismiss by the State of Wyoming and the police department of a Wyoming town in a suit brought by a person who was arrested for failure to have a driver's license. He claimed that he had a right as a taxpayer to use state highways, and he was suing the State for $100,000 in damages. This is typical of many suits being brought in federal courts in Wyoming and throughout the nation today.

I have also seen tremendous changes in court procedures. For instance, the rules for the federal district courts used to be about ten pages long. I wrote my own rules for my court, in fact. How, there are volumes of rules. In my opinion, the system is more complicated than it should be. Jury selection has also changed dramatically. Until 1964 we had a system that I thought worked extremely well. I appointed a reputable person in each community to submit names of people he or she knew and considered to be good juror candidates. From this pool of names venires were selected, and then the parties in each case had an opportunity, just as they do now, to review the venire and select a jury. These so-called "Blue-Ribbon" juries were intelligent, responsible and fair. But we had to abandon the system when Congress enacted standard jury selection procedures for federal courts.

A LOVE FOR WYOMING

As for Wyoming lawyers, it's been my experience that they conduct themselves in a different manner than do lawyers in most other states where I've held court. They are orderly, courteous, well prepared and efficient. I've never had a Wyoming lawyer get "out of hand" in my court.

Wyoming is a great state. I felt that way when I arrived, and I feel even more strongly about it now, sixty-five years later. Wyoming has certainly been kind to me.

FOOTNOTES

[1] Thomson, *History of Territorial Federal Judges for the Territory of Wyoming: 1869–1880*, 17 LAND & WATER L. REV. 567, 614 (1982).

[2] Presumably he resigned to earn more money in private law practice. Judicial salaries were small—$3,000 at the time—and Justice Van Devanter had a family to support. *Id.*

[3] Thomas Blake Kennedy served thirty-four years as the lone federal judge in Wyoming and was the predecessor of Ewing Kerr. He moved to Wyoming from Michigan and earned fame as an attorney of his defense of Tom Horn. R. Thomson, *History of Territorial Federal Judges for the Territory of Wyoming 1868–1890 and United States District Judges for the District of Wyoming 1890–1980*, 81–109 (unpublished manuscript).

[4] Wyoming v. Colorado, 259 U.S. 419 (1922).

[5] In Memoriam—Honorable Ralph Kimball—1878–1989. Proceedings before the Wyoming Supreme Court, December 15, 1959.

[6] *See supra* note 3.

[7] At that time Wyoming was in the Eighth Circuit, and the circuit seat was in Omaha.

[8] Thomson, *supra* note 1, at 582.

[9] Brown, Transition from Territorial to State Court (unpublished manuscript).

[10] The Corlett School was named for a senior partner of Judge Lacey and Justice Van Devanter. It still exists in Cheyenne, in a different building, but at the same location.

[11] 325 U.S. 589 (1945).

[12] 309 U.S. 627 (1940).

[13] Williams v. Eaton, 310 F. Supp. 1342 (D.C. Wyo. 1979).

[14] 393 U.S. 503 (1969).

[15] Osborn v. Schillinger, 639 F. Supp. 610 (D.C. Wyo. 1986).

Mr. WALLOP. Mr. President, I am pleased to join with my colleague from Wyoming, Senator SIMPSON, in sponsoring legislation to name the U.S. courthouse in Casper, WY, after the Honorable Ewing T. Kerr, senior Federal district judge, for the District of Wyoming. Judge Kerr's service to America's judicial branch has been outstanding, and his civic and charitable contributions to the State of Wyoming have been enormous. He is richly deserving of this honor.

I am not a lawyer myself but let me relate some examples of the high regard with which those who are in the judicial system hold this remarkable gentleman. Judge Brimmer, Chief Judge of the U.S. District Court, District of Wyoming, says that naming the courthouse in Casper in honor of Judge Kerr in recognition of the great contribution that he has made to the justice system in Wyoming "would meet with the approbation of the entire citizenry of this State."

Judge James Barrett of the U.S. Circuit Court says "I know of no person more deserving of plaudits and commendations than Judge Kerr."

U.S District Court Judge for Wyoming, Judge Alan B. Johnson describes Judge Kerr's character thusly:

> Judge Kerr is the image of the ideal qualities to be possessed by a Federal trial judge. Rather than serving in an isolated, ivory-tower manner, his judicial service has been vibrant and deeply involved in the issues that have shaped Wyoming's history. He has taken a personal interest in the young lawyer, and all who have come before him have benefited from his wisdom and common sense so freely shared. If the citizens of this State hold the courts and members of the bar in higher regard than that in existing in other places, it is certain that has occurred because of Judge Kerr.

Finally, Judge Wade Brorby of the U.S. Circuit Court says the following:

> Judge Kerr has made a remarkable contribution to the administration of justice. He has been an exemplary judge with long and distinguished service, and he is truly a compassionate, thoughtful and dedicated person. There exist but few persons who are deserving of such an honor. Judge Kerr certainly belongs to this select group.

I can think of no higher honor than to have one's peers offer such praise, Mr. President, and similar sentiments are echoed by lawyers and citizens from every walk of life all throughout my home State.

When Judge Kerr was appointed to the Federal bench by President Eisenhower in 1955 he was only the third Federal judge to be appointed since Wyoming's admission into the Union and he helped guide the States through some tumultuous times over the next several decades. He remained the only sitting Federal judge in Wyoming until he took senior status in 1975 and continues to hear cases today. In all those years he has been an eminently fair and impartial judge, an extremely efficient administrator of the justice system, and a very patient and kind man.

But his contributions are not just limited to the judicial realm. He served our State first as assistant U.S. attorney and then as Wyoming's attorney general before being appointed to the court. Moreover, the Republican State Committee benefited from his leadership at the helm of that organization from 1945 until 1954. Judge Kerr was also generous with his time when it came to his community as he was active in various civic and charitable organizations.

His has been a very steady and nurturing presence for the State of Wyoming over many years, and I can think of no one more deserving of this honor. As I stated at the beginning, I am not a lawyer, though I did serve on the Senate Judiciary Committee. With this mixed background, I can appreciate the achievements and regard which Judge Kerr has accomplished through his service on the Federal court. But, my admiration is based just as much on Judge Kerr as a builder of our great State of Wyoming. I would ask that an article written by Judge Kerr celebrating Wyoming's centennial be included in the RECORD at this point.

I strongly recommend that my Senate colleagues expeditiously approve this measure.●

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Timothy J. Galvin:									
United States	Dollar				3,478.60				3,478.60
Soviet Union	Dollar		685.00						685.00
Total			685.00		3,478.60				4,163.60

PATRICK J. LEAHY,
Chairman, Committee on Agriculture, Nutrition and Forestry, May 9, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Thomas Herbert:									
United States	Dollar				393.85				393.85
Canada	Dollar	460	400.00					460	400.00
Robert Young:									
United States	Dollar				400.00				400.00
Canada	Dollar	575	500.00					575	500.00
Ellen Lovell:									
Italy	Dollar		75.00						75.00
Turkey	Lira	1,158,591	296.00					1,158,591	296.00
Israel	Dollar		446.00						446.00
Egypt	Pound	554.90	165.00					554.90	165.00
Greece	Dollar		127.00						127.00
Sheila Murphy:									
United States	Dollar				4,411.60				4,411.60
Soviet Union	Dollar		692.00						692.00
Thailand	Baht	6,403	252.00	950	37.17	692.74	26.03	1,642.74	315.20
	Dollar						22.62		22.62
Vietnam	Dollar		266.97						266.97
Cambodia	Dollar		75.00						75.00
United States	Dollar				4,098.14				4,09814
William H. Shore:									
Thailand	Baht	6,403	252.00	950	37.17	692.74	26.03	1,642.74	315.20
Thailand	Dollar						22.62		22.62
Vietnam	Dollar		282.00						282.00
Cambodia	Dollar		75.00						75.00
Hon. J. Robert Kerrey:									
United States	Dollar				4,270,30				4,270.30
Soviet Union	Dollar		1,015.00						1,015.00
Thailand	Baht	6,403	252.00	950	37.17	692.74	26.03	1,642.74	315.20
Thailand	Dollar						22.62		22.62
Vietnam	Dollar		282.00						282.00
Cambodia	Dollar		75.00						75.00
Total			5,527.97		13,685.40		145.95		19.359.32

PATRICK J. LEAHY,
Chairman, Committee on Agriculture, Nutrition, and Forestry, Aug. 2, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE NUTRITION AND FORESTRY, FOR TRAVEL AUG. 18–25, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Patrick Leahy:									
Germany	Deutsche mark	327.42	214.00					327.42	214.00
Soviet Union	Dollar		806.00						806.00
James Cubie:									
Germany	Deutsche mark	327.42	214.00					327.42	214.00
Soviet Union	Dollar		806.00						806.00
Charles H. Riemenschneider:									
Germany	Deutsche mark	327.42	214.00					327.42	214.00
Soviet Union	Dollar		806.00						806.00
Christine Sarcone:									
Germany	Deutsche mark	327.42	214.00					327.42	214.00
Soviet Union	Dollar		806.00						806.00
Delegation Expenses									
Germany							1,036.26		1,036.26
Soviet Union							2,509.81		2,509.81
Total			4,080.00					3,546.57	7,626.07

Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977. In addition to those named above, the following individuals accompanied this Delegation: Senator Alan Cranston, Mick Anderson, and Senator Charles Robb (Germany only) authorized by the Foreign Relations Committee; Senator Bob Graham and Al Cumming authorized by the Committee on Banking, Housing, and Urban Affairs.

PATRICK J. LEAHY,
Chairman, Committee on Agriculture, Nutrition and Forestry, May 9, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Tim Rieser:									
Thailand	Baht	6,403	252.00					6,403	252.00
Vietnam	Dollar		282.00						282.00
Cambodia	Dollar		75.00						75.00
Eric Newsom:									
Italy	Dollar		75.00						75.00
Turkey	Lira	1,158,591	296.00					1,158,591	296.00
Israel	Dollar		446.00						446.00
Egypt	Pound	554.90	165.00					554.90	165.00
Greece	Dollar		127.00						127.00
Robert M. Walker:									
Hong Kong	Dollar		400.00						400.00
China	Dollar		700.00						700.00
United States	Dollar				3,010.00				3,010.00
Hon. Patrick J. Leahy:									
Italy	Dollar		75.00						75.00
Turkey	Lira	1,158.591	296.00					1,158,591	296.00
Israel	Dollar		446.00						446.00
Egypt	Pound	554.90	165.00					554.90	165.00
Greece	Dollar		127.00						127.00
Total			3,927.00		3,010.00				6,937.00

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Aug. 26, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. John McCain:									
Republic of Korea	Won	291,100	406.00					291,000	406.00
Thailand	Baht	13,236	551.50					13,236	551.50
Marshall A. Salter:									
Republic of Korea	Won	291,000	406.00					291,000	406.00
Thailand	Baht	13,236	551.50					13,236	551.50
Anthony H. Cordesman:									
Republic of Korea	Won	436,650	609.00					436,650	609.00
Thailand	Baht	13,236	551.50					13,236	551.50
Hon. John Warner:									
Israel	Dollar		238.00						238.00
Patrick A. Tucker:									
Israel	Dollar		80.50						80.50
Hon. Sam Nunn:									
Israel	Dollar		238.00						238.00
Arnold L. Punaro:									
Israel	Dollar		238.00						238.00
Judith A. Freedman:									
Belgium	Franc	8,407	248.00					8,407	248.00
Germany	Deutsche Mark	509.33	310.00					509.33	310.00
Russia	Dollar		574.00						574.00
Italy	Lire	982,872	792.00					982,872	792.00
Durwood W. Ringo, Jr.:									
Belgium	Franc	8,407	248.00					8,407	248.00
Germany	Deutsche Mark	509.33	310.00					509.33	310.00
Russia	Dollar		574.00						574.00
Italy	Lire	982,872	792.00					982,872	792.00
Brian D. Dailey:									
Belgium	Franc	8,407	248.00					8,407	248.00
Germany	Deutsche Mark	509.33	310.00					509.33	310.00
Russia	Dollar		574.00						574.00
Austria	Schilling	5,217	457.00					5,217	457.00
France	Franc	3,207.12	552.00					3,207.12	552.00
Ann E. Sauer:									
Belgium	Franc	8,407	248.00					8,407	248.00
Germany	Deutsche Mark	509.33	310.00					509.33	310.00
Russia	Dollar		574.00						574.00
Austria	Schilling	5,217	457.00					5,217	457.00
France	Franc	3,207.12	552.00					3,207.12	552.00
Total			12,000.00						12,000.00

SAM NUNN,
Chairman, Committee on Armed Services, Mar. 6, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, ADDENDUM TO FIRST QUARTER REPORT FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. J. James Exon:									
Poland	Zloty	2,565,000	270.00					2,565,000	270.00
Russia	Dollar		702.00						702.00
Czechoslovakia	Dollar		390.00						390.00
Hungary	Dollar		348.00						348.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, ADDENDUM TO FIRST QUARTER REPORT FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			1,710.00						1,710.00

SAM NUNN,
Committee on Armed Services, Aug. 27, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Richard D. DeBobes:									
Panama	Dollar		231.50						231.50
Hon. John McCain:									
Thailand	Baht	4,500	187.50					4,500	187.50
Vietnam	Dollar		682.00						682.00
Marshall A. Salter:									
Thailand	Baht	4,500	187.50					4,500	187.50
Vietnam	Dollar		682.00						682.00
John J. Hamre:									
Germany	Deutsche Mark	121.70	72.18					121.70	72.18
Hon. Carl Levin:									
Germany	Deutsche Mark	106.72	63.30					106.72	63.30
Hon. Sam Nunn:									
Russia	Dollar		359.00		5,746.20				6,105.20
Germany	Dollar		205.00						205.00
Richard E. Combs, Jr.:									
Russia	Dollar		359.00		5,746.20				6,105.20
Germany	Dollar		229.00						229.00
Robert G. Bell:									
Russia	Dollar		500.00		5,746.20				6,246.20
Germany	Dollar		200.00						200.00
Hon. John McCain:									
Mexico	Peso	945,000	313.22					945,000	313.22
Marshall A. Salter:									
Mexico	Peso	740,000	245.27					740,000	245.27
Durwood W. Ringo, Jr.:									
France	Franc	6,624	1,104.00					6,624	1,104.00
Thomas G. Moore:									
France	Franc	11,040	1,840.00					11,040	1,840.00
Brian D. Dailey:									
France	Franc	11,040	1,840.00					11,040	1,840.00
Senator Bob Smith:									
Republic of Korea	Won	224,401	311.66					224,401	311.66
Dino L. Carluccio:									
Republic of Korea	Won	149,600	207.77					149,600	207.77
Lisa B. Stocklan:									
Republic of Korea	Won	263,600	366.00					263,600	366.00
John E. Mansfield:									
Canada	Dollar		130.00		439.64				569.64
Total			10,315.90		17,678.24				27,994.14

SAM NUNN,
Chairman, Committee on Armed Services, July 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS, FOR TRAVEL FROM JAN. 1, TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Phil Gramm:									
Korea	Won	727,750	1,015.00					727,750	1,015.00
United States	Dollar				3,225.00				3,225.00
Ruth Cymber:									
Korea	Won	727,750	1,015.00					727,750	1,015.00
United States	Dollar				3,225.00				3,225.00
Jeb Hensarling:									
Korea	Won	727,750	1,015.00					727,750	1,015.00
United States	Dollar				3,358.00				3,358.00
Total			3,045.00		9,808.00				12,853.00

DON RIEGLE,
Chairman, Committee on Banking, Housing, and Urban Affairs,
May 20, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS, FOR TRAVEL FROM APR. 1, TO JUN. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Martin Gruenberg:									
United Kingdom	Pound	379	672.00					379	672.00
United States	Dollar				717.00				717.00
John G. Walsh:									
United Kingdom	Pound	618	1,096.00					618	1,096.00
United States	Dollar				717.00				717.00
W. Lamar Smith:									
United Kingdom	Pound	309	548.00					309	548.00
United States	Dollar				682.00				682.00
Carolyn Jordan:									
Ivory Coast	Franc	135,010	460.00					135,010	460.00
United States	Dollar				2,795.00				2,795.00
Total			2,776.00		4,911.00				7,687.00

DON RIEGLE,
Chairman, Committee on Banking, Housing, and Urban Affairs,
June 28, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS, FOR TRAVEL FROM OCT. 1, TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Patrick A. Mulloy:									
Belgium	Franc	44,103	1,446.00						1,446.00
United States	Dollar				736.00				736.00
Martin Gruenberg:									
Belgium	Franc	52,453	1,687.00						1,687.00
United States	Dollar				736.00				736.00
Total			3,133.00		1,472.00				4,605.00

DON RIEGLE,
Chairman, Committee on Banking, Housing, and Urban Affairs,
May 20, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, FOR TRAVEL FROM APR. 1, TO JUN. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Earl W. Comstock:									
Great Britain	Pound	83.64	151.39					83.64	151.39
Iceland	Dollar		2,776.85						2,776.85
United States	Dollar				2,182.00				2,182.00
Kathleen A. McGinty:									
Spain	Peseta	151.178	1,405.00					151.178	1,405.00
United States	Dollar				707.00				707.00
Christopher A. McLean:									
Poland	Zloty	2,565,000	270.00					2,565,000	270.00
Russia	Dollar		474.00						474.00
Czechoslovakia	Dollar		390.00						390.00
Hungary	Dollar		348.00						348.00
Latvia	Dollar		228.00						228.00
Total			6,043.24		2,889.00				8,932.24

ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science, and Transportation,
Aug. 6, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Penelope D. Dalton:									
Spain	Peseta	109,627	1,175.00					109,627	1,175.00
United States	Dollar				655.00				655.00
Harold J. Creel, Jr.:									
Switzerland	Franc	724.90	579.00					724.90	579.00
United States	Dollar				650.00				650.00
J. Michael Nussman:									
Great Britain	Pound	369.39	723.00					369.39	723.00
United States	Dollar				305.00				305.00
J. Patrick Adcock:									
Chile	Peso	342,870	1,039.00					342,870	1,039.00
United States	Dollar				1,842.00				1,842.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1990—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Kevin M. Dempsey:									
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
United States	Dollar				648.50				648.50
Kathleen A. McGinty:									
Switzerland	Franc	1,216.50	965.00					1,216.50	965.00
United States	Dollar				639.00				639.00
Carol J. Carmody:									
England	Pound	484.88	930.00					484.88	930.00
United States	Dollar				606.00				606.00
Ivan A. Schlager:									
Belgium	Franc	51,453	1,687.00					51,453	1,687.00
United States	Dollar				638.50				638.50
Total			8,785.00		5,984.00				14,769.00

ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science, and Transportation,
May 8, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Janet L. Coit:									
Canada	Dollar		600.00						600.00
United States	Dollar				1,042.48				1,042.48
Robert P. Davison:									
Canada	Dollar		600.00						600.00
United States	Dollar				1,042.48				1,042.48
Total			1,200.00		2,084.96				3,284.96

QUENTIN N. BURDICK,
Chairman, Committee on Environment and Public Works, Apr. 3, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Joseph R. Biden, Jr.:									
United Kingdom	Pound	100.95	176.00					100.95	176.00
Ireland	Pound	189.63	297.00					189.63	297.00
United States	Dollar				4,866.00				4,866.00
Hon. Hank Brown:									
Italy	Lire	1,550.60	1,198.30	246,500	190.50			248,056	1,388.80
Switzerland	Franc	445.60	304.58					445.60	304.58
United States	Dollar				740.00				740.00
Hon. John F. Kerry:									
Italy	Lire	1,031.40	987.00					1,031.40	987.00
Israel	Dollar		254.00						254.00
Thailand	Baht	6,431	252.00					6,431	252.00
Vietnam	Dollar		228.00						228.00
United States	Dollar				6,535.00				6,535.00
Hon. Daniel P. Moynihan:									
Canada	Dollar	407.10	354.00					407.10	354.00
United States	Dollar				677.40				677.40
Hon. Claiborne Pell:									
Austria	Shilling	5,896.60	487.33					5,896.60	487.33
Czechoslovakia	Dollar		170.00						170.00
United States	Dollar				3,007.55				3,007.55
Spain	Peseta	19,262	68.06					19,262	68.06
Albania	Dollar		375.00						375.00
Yugoslavia	Dinar	8,085	525.00					8,085	525.00
Netherlands	Guilder	34,428	181.87					34,428	181.87
Hon. Larry Pressler:									
Japan	Yen	240,955	1,741.00					240,955	1,741.00
Korea	Won	276,230	381.00					276,230	381.00
Indonesia	Rupiah	1,430,870	741.00					1,430,870	741.00
United States	Dollar				5,927.00				5,927.00
Hon. Terry Sanford:									
Guatemala	Quetzal	591.18	118.00					591.18	118.00
Honduras	Lempira	1,060	200.00					1,060	200.00
Costa Rica	Colon	37,980.8	333.00					37,980.8	333.00
Nicaragua	Dollar		166.00						166.00
Hon. Paul Simon:									
Taiwan	Dollar	20,363	744.00					20,363	744.00
Hong Kong	Dollar	4,583	588.00			2,334.32	300.86	6,917.32	888.86
United States	Dollar				2,296.00				2,296.00
Nancy Chen:									
Taiwan	Dollar	20,363.0	744.00					20,363.0	744.00
Hong Kong	Dollar	4,583	588.00			2,334.32	300.86	6,917.32	888.86
United States	Dollar				1,939.00				1,939.00
Geryld B. Christianson:									
United Kingdom	Pound	277.41	477.42	25.90	44.58			303.31	522.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
United States	Dollar				1,996.00				1,996.00
Spain	Peseta	29,262	283.00					29,262	283.00
Albania	Dollar		375.00						375.00
Yugoslavia	Dinar	8,085	525.00					8,085	525.00
Netherlands	Guilder	422,14	223.00					422.14	223.00
United States	Dollar				1,594.00				1,594.00
Peter W. Galbraith:									
Jordan	Dinar	104.94	70.00					104.94	70.00
Syria	Dollar		1,010.00						1,010.00
Israel	Dollar		595.00						595.00
United States	Dollar				3,870.20				3,870.20
Thomas G. Hughes:									
Spain	Peseta	29,262	283.00					29,262	283.00
Albania	Dollar		375.00						375.00
Yugoslavia	Dinar	6,964	452.00					6,964	452.00
United States	Dollar				1,594.00				1,594.00
Rachel H. Ingalls:									
Guatemala	Quetzal	591.18	118.00					591.18	118.00
Honduras	Lempira	1,060	200.00					1,060	200.00
Costa Rica	Colon	37,980.8	300.00					37,980.8	300.00
Nicaragua	Dollar		166.00						166.00
Richard J. Kessler:									
Thailand	Baht	12,867	503.00					12,867	503.00
Vietnam	Dollar		142.00						142.00
Cambodia	Dollar		86.00						86.00
Laos	Dollar		75.00						75.00
United States	Dollar				2,761.00				2,761.00
Robert S. Lockwood:									
Poland	Zloty	2,565,000	270.00					2,565,000	270.00
Soviet Union	Dollar		800.00						800.00
Czechoslovakia	Shilling	1,295	107.60					1,295	107.60
Hungary	Dollar		348.00						348.00
James P. Lucier:									
Israel	Dollar		1,152.00						1,152.00
United States	Dollar				3,243.00				3,243.00
Brian McKeon:									
United Kingdom	Pound	497.13	864.00					497.13	864.00
Ireland	Pound	189.63	297.00					189.63	297.00
United States	Dollar				2,329.00				2,329.00
George A. Pickart:									
Jordan	Dollar		88.00						88.00
Jordan	Dinar	70	104.95					70	104.95
Egypt	Pound	1,743.65	523.75					1,743.65	523.75
Syria	Dollar		808.00						808.00
Israel	Dollar		312.00						312.00
United States	Dollar				4,183,20				4,183.20
Bruce Rickerson:									
Soviet Union	Dollar		1,006.34						1,006.34
	Dollar		420.00						420,00
Portugal	Escudo	27,400	185.70					27,400	185.70
United States	Dollar				3,621.00				3,621.00
John Ritch:									
Spain	Peseta	210,522	2,036.00					210,522	2,036.00
James P. Rubin:									
Japan	Yen	116,117	844.00					116,117	844.00
United States	Dollar				3,095.00				3,095.00
Kevin V. Schieffer:									
Japan	Yen	240,955	1,741.00					240,955	1,741.00
Korea	Won	276,230	381.00					276,230	381.00
Indonesia	Rupiah	1,430,870	741.00					1,430,870	741.00
United States	Dollar				5,927.00				5,927.00
Andrew Samet:									
Canada	Dollar	407.10	354.00					407.10	354.00
United States	Dollar				486.00				486.00
Jonathan Stein:									
France	Dollar		1,356.00		95.00				1,451.00
United Kingdom	Dollar		827.00						827.00
Germany	Dollar		1,581.00						1,581.00
Soviet Union	Dollar		861.00						861.00
Sweden	Dollar		222.00						222.00
United States	Dollar				3,397.00				3,397.00
Barry Sklar:									
Guatemala	Quetzal	591.18	118.00					591.18	118.00
Honduras	Lempira	636	120.00					636	120.00
Costa Rica	Colon	32,850	288.00					32,850	288.00
Nicaragua	Dollar		166.00						166.00
Canada	Dollar	1,545.41	1,345.00					1,545.41	1,345.00
United States	Dollar				1,801.56				1,801.56
David S. Sullivan:									
Israel	Dollar		1,152.00						1,152.00
United States	Dollar				3,797.00				3,797.00
Frances Zwenig:									
Thailand	Baht	12,867	503.99					12,867	503.99
Vietnam	Dollar		142.00						142.00
Cambodia	Dollar		86.00						86.00
Laos	Dollar		75.00						75.00
United States	Dollar				2,761.00				2,761.00
Total			40,687.89		72,773.99		601.72		114,063.60

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1745(b), COMMITTEE ON FOREIGN RELATIONS, AMENDMENT TO FIRST QUARTER 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Larry Pressler:									
Mexico	Dollar		408.00						408.00
United States	Dollar				1,161.00				1,161.00
Total			408.00		1,161.00				1,569.00

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, AMENDMENT TO FIRST QUARTER 1989

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Paul S. Sarbanes:									
Netherlands	Dollar		504.00						504.00
United States	Dollar				1,963.00				1,963.00
Total			504.00		1,963.00				2,467.00

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, AMENDMENT TO SECOND QUARTER 1989

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Daniel P. Moynihan:									
France	Franc	4,221.44	776.00					4,221.44	776.00
Hungary	Forint	13,211.50	209.83					13,211.50	209.83
United States	Dollar				1,465.00				1,465.00
Total			985.83		1,465.00				2,450.83

CLAIBORNE PELL,
Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, AMENDMENTS TO THIRD QUARTER 1989

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Christopher Van Hollen:									
Poland	Zloty	719,000	375.00					719,000	375.00
France	Franc	1,038.27	477.00					1,038.27	477.00
United States	Dollar				1,512.00				1,512.00
Hon. Richard G. Lugar:									
Argentina	Austral	119,700	190.00					119,700	190.00
Brazil	Cruzado	986.66	259.00					986.66	259.00
Chile	Peso	66,660	220.00					66,660	220.00
Costa Rica	Colon	9,262.50	114.00					9,262.50	114.00
Paraguay	Guarani	93,975	75.00					93,975	75.00
Peru	Inti	510,000	150.00					510,000	150.00
Uruguay	Peso	48,450	75.00					48,450	75.00
Andrew Semmel:									
Argentina	Austral	119,700	190.00					119,700	190.00
Brazil	Cruzado	986.66	259.00					986.66	259.00
Chile	Peso	66,660	220.00					66,660	220.00
Costa Rica	Colon	9,262.50	114.00					9,262.50	114.00
Paraguay	Guarani	93,975	75.00					93,975	75.00
Peru	Inti	510,000	150.00					510,000	150.00
Uruguay	Peso	48,450	75.00					48,450	75.00
Total			3,018.00		1,512.00				4,530.00

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, AMENDMENT TO FIRST QUARTER 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Claiborne Pell:									
Nicaragua	Dollar		334.40						334.40
Total			334.40						334.40

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, AMENDMENTS TO THIRD QUARTER 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Alan Cranston:									
Israel	Dollar		364.00						364.00
United States	Dollar				566.80				566.80
Martin Andersen:									
Israel	Dollar		364.00						364.00
United States	Dollar				566.80				566.80
Hon. Alan Cranston:									
Germany	Deutsche Mark	327.42	214.00					327.42	214.00
Soviet Union	Dollar		806.00						806.00
Martin Andersen:									
Germany	Deutsche Mark	327.42	214.00					327.42	214.00
Soviet Union	Dollar		806.00						806.00
Hon. Alan Cranston:									
Pakistan	Rupee	4,183.68	192.00					4,183.68	192.00
India	Rupee	5,093	240.00					5,093	240.00
Martin Andersen:									
Pakistan	Rupee	4,183.68	192.00					4,183.68	192.00
India	Rupee	5,093	240.00					5,093	240.00
Hon. Richard G. Lugar:									
Philippines	Peso	9,934.86	406.50					9,934.86	406.50
Indonesia	Rupiah	653,644	352.00					653,644	352.00
Singapore	Dollar	699.18	388.00					699.18	388.00
Vietnam	Dollar		288.00						288.00
Hong Kong	Dollar	1,632	210.00					1,632	210.00
Taiwan	Dollar	16,235	596.00					16,235	596.00
South Korea	Won	279,240	390.00					279,240	390.00
Andrew Semmel:									
Philippines	Peso	9,934.86	406.50					9,934.86	406.50
Indonesia	Rupiah	653,644	352.00					653,644	352.00
Singapore	Dollar	699.18	388.00					699.18	388.00
Vietnam	Dollar		288.00						288.00
Hong Kong	Dollar	1,632	210.00					1,632	210.00
Taiwan	Dollar	16,235	596.00					16,235	596.00
South Korea	Won	279,240	390.00					279,240	390.00
Total			8,893.00		1,133.60				10,026.60

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS, AMENDMENT TO FOURTH QUARTER 1990

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Paul S. Sarbanes:									
Czechoslovakia	Dollar				228.00				228.00
Total					228.00				228.00

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Aug. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY, FOR TRAVEL FROM APR. 1, 1991 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Trina Vargo:									
United States	Dollar				2,882.00				2,882.00
Jerry Tinker:									
United States	Dollar				4,560.00				4,560.00
Egypt	Pound	554.90	165.00					554.00	165.00
Kuwait	Dinar	92.42	318.00					92.42	318.00
United Arab Emirates	Derrham	1,862.25	507.00					1,862.25	507.00
Syria	Dollar		202.00						202.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY, FOR TRAVEL FROM APR. 1, 1991 TO JUNE 30, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Turkey	Dollar		87.00						87.00
Germany	Dollar		171.00						171.00
Michael Myers:									
United States	Dollar				4,560.00				4,560.00
Egypt	Pound	554.90	165.00					554.90	165.00
Kuwait	Dinar	92.42	318.00					92.42	318.00
United Arab Emirates	Derrham	1,862.25	507.00					1,862.25	507.00
Syria	Dollar		202.00						202.00
Turkey	Dollar		87.00						87.00
Germany	Dollar		171.00						171.00
Nancy Soderberg:									
United States	Dollar				4,560.00				4,560.00
Egypt	Pound	554.90	165.00					554.00	165.00
Kuwait	Dinar	92.42	318.00					92.42	318.00
United Arab Emirates	Derrham	1,862.25	507.00					1,862.25	507.00
Syria	Dollar		202.00						202.00
Turkey	Dollar		87.00						87.00
Germany	Dollar		171.00						171.00
Total			4,350.00		16,562.00				20,912.00

JOSEPH R. BIDEN, Jr.,
Chairman, Committee on the Judiciary, Aug. 5, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY, FOR TRAVEL FROM JAN. 1, TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Michael Frazier:									
Portugal	Dollar		179.00						179.00
Angola	Dollar		470.00						470.00
South Africa	Rand	3,857.49	1,413.24					3,857.49	1,413.24
United States	Dollar				6,100.00				6,100.00
Jerry Tinker:									
United States	Dollar				6,136.00				6,136.00
United Kingdom	Dollar		232.00						232.00
Malawi	Kwacha	976.84	359.00					976.84	359.00
South Africa	Rand	2,541.63	937.63					2,541.63	937.63
Mozambique	Dollar		308.00						308.00
Switzerland	Franc	666.45	470.00					666.45	470.00
Haiti	Gourde	2,536.80	336.00					2,536.80	336.00
United States	Dollar				687.40				687.40
Nancy Soderberg:									
United States	Dollar				6,100.00				6,100.00
Portugal	Dollar		179.00						179.00
Angola	Dollar		587.00						587.00
South Africa	Rand	3857.55	1,483.65					3857.55	1,483.65
Mary Hawkins:									
Hungary	Dollar		124.00				50.00		174.00
Yugoslavia	Dinar	5453.70	371.00			2,205.00	150.00	7658.70	521.00
Albania	Dollar		75.00						75.00
Richard W. Day:									
United States	Dollar				6,136.00				6,136.00
United Kingdom	Dollar		232.00						232.00
Malawi	Kwacha	976.84	359.00					976.84	359.00
South Africa	Rand	2,541.63	937.63					2,541.63	937.63
Mozambique	Dollar		308.00						308.00
Total			9,361.15		25,159.40		200.00		34,720.55

JOSEPH R. BIDEN, Jr.,
Chairman, Committee on the Judiciary, June 3, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Christopher Straub			821.00		1,550.00				2,371.00
Marvin Ott			1,330.00		3,481.20				4,811.20
Timothy Carlsgaard			1,330.00		3,481.20				4,811.20
John Despres			2,563.44		2,932.90				5,496.34
Total			6,044.44		11,445.30				17,489.74

DAVID L. BOREN,
Chairman, Select Committee on Intelligence, July 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Christopher Straub			598.50						598.50
James Currie			542.50						542.50
Regina Genton			613.50						613.50
Hon. Bill Bradley			2,220.70						2,220.70
John Despres			1,574.00						1,574.00
Total			5,549.20						5,549.20

DAVID L. BOREN,
Chairman, Select Committee on Intelligence, Apr. 1, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EXPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Alfonse D'Amato:									
Latvia	Dollar		338.00						338.00
Soviet Union	Dollar		263.00						263.00
United States	Dollar				2,690.00				2,690.00
Samuel G. Wise:									
Austria	Schilling	4,650.10	435.00					4,650.10	435.00
Malta	Pound	128.26	432.00					128.26	432.00
United States	Dollar				2,305.00				2,305.00
Heather F. Hurlburt:	Schilling	75,622.31	7,072.00					75.622.31	7,072.00
Austria	Schilling			16,820	1,620.00			16,820	1,620.00
Soviet Union	Dollar		850.00						850.00
United States	Dollar				1,449.20				1,449.20
Erika Schlager:									
Hungary	Forint	3,111	44.00					3,111	44.00
Malta	Pound	229.09	756.00					229.09	756.00
United States	Dollars				3,151.00				3,151.00
Total			10,190.00		11,215.20				21,405.20

DENNIS DeCONCINI,
Chairman, Commission on Security and Cooperation in Europe, Apr. 30, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL MAR. 22–28, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Dennis DeConcini:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	7,658.70	521.00					7,658.70	521.00
Albania	Dollar		75.00						75.00
Samuel G. Wise:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	7,658.70	521.00					7,658.70	521.00
Albania	Dollar		75.00						75.00
Jane S. Fisher:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	7,658.70	521.00					7,658.70	521.00
Albania	Dollar		75.00						75.00
Mary Hawkins:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	7,658.70	521.00					7,658.70	521.00
Albania	Dollar		75.00						75.00
June Tracy:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	7,658.70	521.00					7,658.70	521.00
Albania	Dollar		75.00						75.00
David Evans:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	7,658.70	521.00					7,658.70	521.00
Albania	Dollar		375.00						375.00
United Kingdom	Dollar		225.00						225.00
United States	Dollar				2,292.00				2,292.00
Elez Biberaj:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	7,658.70	521.00					7,658.70	521.00
Albania	Dollar		375.00						375.00
Switzerland	Dollar		225.00						225.00
United States	Dollar				687.00				687.00
Robert Hand:									
Hungary	Dollar		174.00						174.00
Yugoslavia	Dinar	5,158.70	350.93					5,158.70	350.93
Albania	Dollar		375.00						375.00
Switzerland	Dollar		225.00						225.00
United States	Dollar				687.00				687.00
Victoria Showalter:									
Hungary	Dollar		348.00						348.00
Romania	Dollar		528.00		501.00				528.00
United States	Dollar				1,501.00				1,501.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL MAR. 22–28, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Ronald McNamara:									
Hungary	Dollar		348.00						348.00
Czechoslovakia and Slovak Federal Republic	Dollar		390.00						390.00
Poland	Zloty	25,850.00	272.10					25,850.00	272.10
United States	Dollar				820.15				820.15
Delegation expenses:[1]									
Hungary	Dollar				1,491.76		1,608.09		3,099.85
Yugoslavia	Dollar				3,276.00		5,957.00		9,233.00
Albania	Dollar				940.00		543.90		1,483.90
Total			9,451.03		11,694.91		8,108.99		29,254.93

[1] Delegation expenses include direct payments and reimbursements to the Department of State under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384.

DENNIS DeCONCINI,
Chairman, Commission on Security and Cooperation in Europe,
Apr. 30, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE REPUBLICAN LEADER, FROM APR. 1, TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. William V. Roth, Jr.:									
Romania	Dollar		202.00		15.12				217.12
Czechoslovakia	Dollar		94.00						94.00
Spain	Peseta	210,522	2,036.00					210,522	2,036.00
United States	Dollar				1,397.00				1,397.00
R. Ian Butterfield:									
Romania	Dollar		202.00						202.00
Czechoslovakia	Dollar		94.00						94.00
Spain	Peseta	210,522	2,036.00					210,522	2,036.00
United States	Dollar				314.00				314.00
Janis Budge:									
France	Franc	11,040	1,840.00					11,040	1,840.00
Patricia McDonald:									
France	Franc	11,040	1,840.00					11,040	1,840.00
Total	Total		8,344.00		1,726.12				10,070.12

ROBERT J. DOLE,
Republican Leader, Aug. 14, 1991.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL, AUTHORIZED BY THE REPUBLICAN LEADER, FROM JAN. 1 TO MAR. 31, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Mark O. Hatfield:									
Japan	Yen	84,649	659.00					84,649	659.00
United States	Dollar				352.64				352.64
Hon. Alfonse M. D'Amato:									
Bahrain	Dollar		130.53						130.53
Saudi Arabia	Dollar		235.31						235.31
United States	Dollar				5,262.00				5,262.00
Michael Kinsella:									
Bahrain	Dollar		130.53						130.53
Saudi Arabia	Dollar		235.31						235.31
United States	Dollar				5,436.00				5,436.00
Total			1,390.68		11,050.64				12,441.32

ROBERT J. DOLE,
Republican Leader, Aug. 14, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER, APR. 25–29, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. J. James Exon:									
Turkey	Dollar		41.00						41.00
Saudi Arabia	Riyal	446.25	119.00					446.25	119.00
Hon. Carl Levin:									
Turkey	Dollar		41.00						41.00
Saudi Arabia	Riyal	412.50	110.00					412.50	110.00
Hon. Charles S. Robb:									
Turkey	Dollar		41.00						41.00
Saudi Arabia	Riyal	412.50	110.00					412.50	110.00
Richard D. DeBobes:									
Turkey	Dollar		75.00						75.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER, APR. 25–29, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Saudi Arabia	Riyal	547.50	146.00					547.50	146.00
Peter Galbraith:									
Turkey	Dollar		41.00						41.00
Saudi Arabia	Riyal	414.98	110.66					414.98	110.66
Andy Johnson:									
Turkey	Dollar		24.00						24.00
Saudi Arabia	Riyal	439.99	117.33					439.99	117.33
Jan Paulk:									
Turkey	Dollar		24.00						24.00
Saudi Arabia	Riyal	412.50	110.00					412.50	110.00
Sarah Sewall:									
Turkey	Dollar		24.00						24.00
Saudi Arabia	Riyal	421.01	112.27					421.01	112.27
Delegation expenses:[1]									
Turkey							854.45		854.45
Saudi Arabia							2,601.21		2,601.21
Kuwait							854.45		845.45
Total			1,246.26				4,310.11		5,556.37

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

GEORGE J. MITCHELL,
Majority Leader, July 24, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM APR. 1, TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Hon. Wyche Fowler, Jr.:									
Spain	Peseta	205,747	1,989.82					205,747	1,989.82
Total			1,989.82						1,989.82

GEORGE J. MITCHELL,
Majority Leader, July 31, 1991.

THE MAGELLAN MISSION

• Mr. FOWLER. Mr. President, even as we speak, the Magellan spacecraft is busily orbiting the planet Venus, collecting radar images to build global maps of this mysterious, cloud-shrouded world. Magellan has been orbiting Venus for 14 months and has already mapped 90 percent of the planet. One of the things I find remarkable about the Magellan mission is the fact that we now have better global maps of Venus than of Earth.

But that's not all that is remarkable about this mission to Venus. Magellan's history is a tale of canceled missions in times of tight budgets, stop and start funding profiles, innovative use of technology and problem-solving approaches, and NASA-industry partnerships at their very best. What is truly remarkable is the fact that the Magellan mission, coming from this seemingly desperate profile of funding and programmatic crises, is doing its job beautifully.

The Magellan mission was originally called VOIR—the Venus orbiting imaging radar mission. It was a clever name, for not only do the letters of the acronym stand for the work the mission was destined to perform, but "voir" also means "to see" in French. In spite of its name, however, VOIR was not to see the light of day. In 1981, VOIR was canceled due to its high cost and risk. It was then de- scoped to the VRM, or Venus radar mapping mission.

The VOIR mission was originally designed to be a large, multi-instrument space platform, with a complex arrangement of atmospheric instruments as well as a radar mapper. As Magellan, the mission was descoped to a single instrument spacecraft with a highly focused mission. Its primary mission has already been superbly executed.

The orbit for Magellan was another serious problem occasioned by descoping the VOIR mission. VOIR required a low circular orbit—which meant either carrying a large orbit insertion rocket to Venus, using an expensive launch vehicle, or aerobraking into a circular orbit, which represented a daunting operational risk.

Confronted by this obstacle, the Magellan team came up with an ingenious innovation—they designed radar and data acquisition operations to work in an elliptical rather than a circular orbit.

There were other challenges, the first of which was a problem with the antenna. Normally, radar imagers use large rectangular and very expensive antennas. In order to save money, the Magellan team figured out how to use an ordinary communications antenna both as the radar antenna and as the communications antenna to relay the radar data back to Earth. They were able to acquire a spare one from the *Voyager project*.

The Magellan team was able to innovate largely as the result of the experience base established in the Seasat and the shuttle imaging missions. In turn, the Magellan radar advances will benefit follow-on shuttle radar imaging missions such as SIR–C and EOS SAR, helping to make these radars the most advanced in the world. This is a perfect example of how experience and innovation gained in one set of missions can help reduce the cost of future missions.

Money was always a problem for Magellan. The Magellan team acquired equipment from other earlier approved programs to make up their spacecraft. For instance, they acquired Galileo onboard computers, spare Ulysses transmitters, Voyager-derived gyros, and other hardware.

What it boils down to is this: The Magellan mission demonstrates NASA's resilience and ability to achieve success in the face of dramatic obstacles—funding, technical, and programmatic obstacles. The Magellan team was successful both in design innovation to meet mission objectives and in finding ways to develop low-cost spacecraft. A poet might even call the Magellan mission the phoenix of its time, for it has indeed risen in splendor from its ashes. And ashes they often were.

Magellan has also experienced its share of problems in flight. Shortly after orbital insertion, the operations team was faced with the harrowing loss of spacecraft control and communications. It is a testimony to the resiliency of the spacecraft and the ingenuity of the operations team that all spacecraft problems have been overcome without major loss of mission data. In fact, much to the Magellan scientists' delight, the imaging data are pouring in faster, sharper, and clearer than ever imagined.

Magellan's team is also an example of NASA-industry cooperation and teaming at its best. The team is comprised of: employees form the Jet Propulsion Laboratory, who have project and mission operations responsibility in Pasadena, CA; Hughes Aircraft personnel who operate the radar with JPL in Pasadena; and Martin Marietta personnel who operate the spacecraft remotely in Denver. Hughes built the radar and Martin Marietta built the spacecraft. The Magellan team is a cohesive and dedicated team, and deserves high praise for overall excellence in carrying out its mission.

To date, Magellan has returned more data than all other planetary missions combined. Unlike most planetary missions which have short, intense encounter periods interspersed with long quiet cruise periods, Magellan has been in intensive, 24-hour-a-day, 7-days-a-week, reconnaissance mode since September 1990. The mission team has taken great pains to insure quick distribution of data to the general science community and proper archival of these data at the National Space Science and Data Center at Goddard Spaceflight Center in Maryland. Here, Magellan is also breaking new ground and will serve as the data production model for future planetary reconnaissance missions.

For all these reasons, the story of the Magellan mission to Venus is a story of dramatic challenges which have been met with equally dramatic successes.

I urge my colleagues to remember this outstanding example of success, especially next year when we go through the complex budget process again. And, if you are ever up early, you can see Venus in the eastern sky a few hours before sunrise. If you spot the planet—that bright morning star, remember that the Magellan spacecraft is up there, busily orbiting Venus, gathering data.•

THE COMING LIBERATION OF CUBA

• Mr. SEYMOUR. Mr. President, the British historian Paul Johnson wrote that in the 20th century, "The power of the state to do evil expanded with awesome speed. Its power to do good grew slowly and ambiguously." He went on to observe that the legacy of communism unfolded in a pattern of blood, force, and poverty that constantly pummeled otherwise civilized people in this so-called enlightened age. With a sad sense of irony, Mr. Johnson made these conclusions in a book called Modern Times.

And so we face Castro's Cuba as one of the largest prisons of humanity in modern times. Less than 10 years after Castro emerged from the hills and marched his way to power, over 1 million of his fellow citizens had escaped to the free world. In 1980 alone, the Castro government had created 150,000 political refugees, and in the same year, the creaky boats and crude rafts left the Port of Mariel with some of the most tragic victims of Castro's rule. Quiet, terrified, and devoid of hope, they flooded into Key West as the unwilling messengers of Cuban tyranny.

In the meantime, Mr. President, Castro has built an ironclad, but hollow, empire with over one-fifth of the population living in exile, an annual income of only $812 a person, and the largest military power in Latin America. Artistic, religious, and journalistic freedoms simply do not exist.

In the midst of this repression, the poet Armando Valladares suffered in jail for more than 20 years. With courage and perseverence, he witnessed the pain, torture, and death that Castro had engraved on Cuban society. He struggled, as the title of his book tells us, "against all hope." But even in the darkest cellblock, Mr. President, Valladares would catch a precious glimpse of God. At one point, he writes of a visit to the Bonaito jail by a group of ruthless soldiers:

> The soldiers entered the hallway leading to the blackout cells and began to open the doors. As the prisoners came out, they were pushed and kicked down to the end of the hall. The prisoners, beaten, were stumbling and tripping through the hail of blows from sticks and truncheons, bayonets and chains. But suddenly, as though to protect them, there appeared a skeletal figure with white hair and flaming, blazing eyes, who opened his arms into a cross, raised his head to the invisible sky, and said, "Forgive them, Lord, for they know not what they do." Lieutenant Perez fired his submachine gun. The burst of fire climbed the Brother of Faith's chest, up to his neck. His head was almost severed, as though from the blow of an ax. He died instantly.

But his faith, Mr. President, most certainly endured. And so Mr. Valladares has illuminated a truth that none of us can afford to forget. As much as the Cuban Government fills the gulag and tramples on the rights of its citizens, communism only makes the spirituality of its captives more vibrant, and the crowded jails represent not a victory for the political order, but the very weakness of its authority.

It is the voice of Valladares, and the one of his brothers in faith, that must echo in our consciences as we try to make sense of these modern times. If we constantly remind the Cubans with our message that the world is watching and that the world cares, they might release more men and women like Armando Valladares, squinting into the light of the Lord. I appeal, then, to all of my colleagues today to never give up on these Cuban prisoners who refuse to give up on themselves and their God. They can still make the hope of Valldares come alive once again: that agony suffered by the just may yet bring victory.•

A GRACEFUL TRANSITION IN AFRICA

• Mr. DECONCINI. Mr. President, I want to take this opportunity to congratulate Mr. Frederick Chiluba and his movement for Multiparty Democracy Party for their impressive victory in Zambia's first free and fair election since the country established independence in 1964. His party's victory in the elections, and Saturday's peaceful transfer of power, reflects the preference of a growing majority of the African people to claim their inherent rights of democracy and freedom of expression. Other African countries, especially those ruled by big men such as Kenya's Moi and Zaire's Mobutu, would greatly benefit by following Zambia's former President Kenneth Kaunda, by listening to their people, and by closely examining the realities of Africa today. The people of Africa yearn for freedom, Mr. President. It is time for these big men to peacefully step aside and accede to the will of the people.

Former President Kaunda should be commended for his courageous recognition of the wave of democracy sweeping across Africa and for his bold decision to allow elections and a peaceful transition from an authoritarian to democratic form of government. Unlike other African rulers, Mr. Kaunda accurately analyzed the political situation in Zambia and realized that his dictatorship would inevitably collapse—it was only a matter of time. Instead of allowing his country to deteriorate into chaos such as occurred in Liberia or fleeing his country as did Mengistu Haile Mariam in Ethiopia, Kaunda wisely acquiesced to the opposition and opened the door to democracy. Former President Jimmy Carter, who led the election monitoring team, is absolutely right when he describes Kaunda as a man of "the highest statesmanship." Despite 27 years of autocratic rule, Kaunda will go down in history as the man who twice liberated Zambia. He first freed Zambia from colonial rule in 1964. He then emancipated his people from an authoritarian government by gracefully relinquishing power last week. Had Dr. Kaunda followed the example of other African leaders, especially those in Zaire and Kenya, the transition could have been much more violent. I applaud his decision to remain in the country. I can envision him playing an important role in the future development of African democracy.

While this Senator is pleased to see democracy prevail in Zambia, we must not lose sight of the many problems the country still faces. The corrupt legacy of Kaunda has left this mineral rich nation in abject poverty. President Chiluba has already taken some encouraging steps by publicly supporting democracy and the kinds of free-market principles which have historically stimulated economic growth. Now all he has to do is implement those promises successfully.

Mr. President, we have learned in the past decade that repressive governments can not hide forever. It is in the inherent nature of people to demand freedom. This phenomenon first hit Latin America, then Eastern Europe, then the Soviet Union, and now Africa. Kenya's President Daniel arap Moi, and President Mobutu Sese Seko of Zaire should take a good, hard look at what transpired in Zambia this week. Kaunda proved that the benefits of a smooth and graceful transfer of power far outweigh the devastating impacts of a civil war designed to support an illegitimate government. If Presidents Moi and Mobutu wish to go down in history as heroes and not villains, I would strongly encourage them to follow the bold example demonstrated in Zambia.

I ask unanimous consent that an editorial from the November 5, 1991, New York Times, entitled "Zambia Retires Its Liberator," be printed at this point in the RECORD.

The editorial follows:

[From the New York Times, Nov. 5, 1991]

ZAMBIA RETIRES ITS LIBERATOR

For Africa no less than Zambia, the electoral defeat of President Kenneth Kaunda is a significant and hopeful surprise. Ever since Zambia achieved independence from Britain in 1964, it has been led by a single ruler and party. Mr. Kaunda is the first senior leader in post-colonial Africa to be defeated in a truly free and contested election. That's a dubious distinction for him but a triumph for the people of Zambia.

The landslide victor in last Thursday's vote, Frederick Chiluba, is an experienced trade unionist who assailed the policies that have brought Zambia close to bankruptcy. Though Zambia has the highest per capita foreign debt in Africa, its regime has been squandering $500,000 a day on subsidies to assure cheap food and placate urban voters. This blatant politicking misfired at the polls.

Mr. Kaunda's rise and fall followed a sadly familiar pattern. A hero of independence, he was admired as a principled foe of white racism; at some risk, he aided the rebellion against the Ian Smith regime in Rhodesia, now Zimbabwe. Foreign aid flowed, as did investments in its copper mines; schoolchildren were given free notebooks and taught that their President was infallible.

But as copper prices sank, spending spun out of control on prestige projects like airports. When Zambians challenged one-party rule, Mr. Kaunda responded by jailing opponents, among them Mr. Chiluba. Finally, yielding to swelling discontent and a collapse of foreign credit, the President agreed to multiparty elections. Yet in doing so, he warned that civil war might result if he were rejected.

Fortunately, the vote was monitored by international teams, one of them led by Jimmy Carter. By promptly stepping down, Mr. Kaunda has acted with honor and intelligence. A democratic transition in Zambia can send a message to all Africans who seek political change without bloodshed, economic reform without repression.●

THE VIOLENCE AGAINST WOMEN ACT OF 1991

● Mr. BAUCUS. Mr. President, I rise today to state my strong support for S. 15, the Violence Against Women Act of 1991. I am pleased to add my name as a cosponsor and to join with Senator BIDEN, the chairman of the Judiciary Committee, and many other Senators in working to make this legislation a reality.

Over the weekend when I was home in Montana I met with a group of women leaders in Bozeman who encouraged me to push for passage of this important bill. One of the women, Kate McInnerney, was particularly interested and no wonder—she works at the Battered Women's Network in Bozeman. The arguments I heard at our meeting were indisputable and the statistics are shocking:

One in five women will be raped in her lifetime.

Three out of four women will be the victim of a violent crime.

Last year there were more women battered by their husbands than there were women who got married.

The rate of assaults against young women has skyrocketed over the past 15 years. Yet we know that less than half of all rapes, and even fewer domestic assaults, are ever reported. Women are held captive by the fear generated by these violent crimes—crimes that happen not only in the streets but in women's own homes.

This situation is unacceptable. We must do something to reverse these awful trends.

This bill makes violent crime against women a national priority. It creates new offenses and raises penalties, and provides legal protections and assistance to crime victims. It designates sex crimes as a violation of civil rights, allowing women to seek remedies under the Federal civil rights laws.

I am very pleased to note that S. 15 was approved by the Judiciary Committee and is awaiting consideration in the full Senate. I urge my colleagues to support this legislation and it is my hope that we may approve it very soon.●

PUSHCART PLAYERS TRAVEL TO RUSSIA

● Mr. LAUTENBERG. Mr. President, I rise today to recognize the Pushcart Players, which recently took its show on the road all the way to the Ukraine. This acting troupe is from Verona, NJ. In taking their talents overseas, they have proved again how art can transcend cultural barriers. Through their play, "Three Cheers for America," they have created new friendships and promoted a cultural exchange.

The musical follows a family from their arrival at Ellis Island. Many Americans today can trace their lineage to Ellis Island and "Three Cheers for America" is a colorful tribute to the brave immigrants who left their homelands seeking freedom and a better life. It is also the story of the fight for freedom and social justice in their new country.

The musical touches on the immigrant experience beginning at the turn of the century, and takes the audience up to the days of the civil rights movement. The nonprofit acting troupe aims to bring history alive to family audiences through song and dance. The troupe left in September to perform before audiences in the Ukrainian capital of Kiev. Understanding is based upon knowledge and the musical gave Ukrainian audiences a view into our special and unique history.

The formulation of the trip began when Ruth Fost, the cofounder of the Pushcart Players, hosted a Russian couple, Tanya and Gregori Liptsyn through Operation Exodus II. The Lipstyns went to a performance of "Three Cheers for America" and felt that Russian citizens would have an interest in the production. They put the Pushcart Players in contact with their nephew who ran a theater in Kiev and from there, the actors and production staff were able to arrange a visit.

Mr. President, I extend my very best wishes to the individuals involved in "Three Cheers for America," and commend them for their contribution to a greater understanding between our two cultures.●

PRESIDING ELDER VICTOR CARSON AND MRS. ROSE CARSON

● Mr. LAUTENBERG. Mr. President, I rise today to recognize two of my constituents, Rev. Dr. Victor Carson and his wife, Rose. They will be honored later this month by the AME Zion Churchs for their spiritual and civic contributions to their community.

As a presiding elder, Reverend Carson looks over 22 churches in the State of New Jersey and was ordained in 1936. He is a member of the African Methodist Episcopal Zion Church. He has been active in the Camden District of the New Jersey Conference since 1946. Reverend Carson's dedication and to his community is an inspiration.

Mrs. Rose Carson also supports the community by working for the church. She is the chairperson of the Life Members Committee of the Women's Home and Overseas Missionary Society. The Carsons have 7 children, 16 grandchildren, and 13 great-grandchildren.

I wish the Carsons a joyful celebration and the best for the future.●

THE NOMINATION OF ROBERT GATES TO BE DIRECTOR OF CENTRAL INTELLIGENCE

● Mr. KERREY. Mr. President, I have decided to oppose the nomination of Robert Gates to be Director of Central Intelligence.

I have reached this decision after watching portions of the hearings, after reviewing editorials and articles both in support of and in opposition to the nomination, and after talking with certain members of the Intelligence Committee, some who will vote to confirm and some who will not.

I am aware of the questions concerning Mr. Gates' knowledge, or nonknowledge, of the Iran-Contra diversions. I am, in fact, willing to accept the fact that he might not have had specific detailed knowledge of the operation. But, I am not willing to accept the proposition that he could not have had suspicions. And, I am unwilling to concede that he should not have known. He was there. He has, we understand, a superb analytical mind. He knows, we are told, the inner workings of the Agency. If that is true, then if he didn't know, he should have.

I am also troubled by the charges of politicization of intelligence. We all know that individuals bring their own views, their own backgrounds, even their own prejudices to analysis. We know that in the period in question, there were, in fact, differing views on what was happening not only in the Soviet Union but also in other parts of the world. Yet, it is the responsibility of the intelligence community to give us their best and most objective analysis. The danger when they give us a political judgment and not a factual understanding is that we will, indeed, make the wrong policy choices.

I would have reservations about the nomination on the basis of these two issues alone, but they are not my primary reason for deciding to oppose the nomination.

August 1991 rendered 45 years of U.S. foreign policy to background status. It signaled a watershed for our Nation and for the world. The resulting new world disorder, as one of our colleagues terms it, is going to require new insights, new understandings and new approaches. I do not believe Robert Gates is the person to lead the Central Intelligence Agency into this new period of history.

To lead a CIA of the future, surely we can do better than a product of the past. Surely, we can do better than turn to a man with baggage from a recent foreign policy debacle. Surely, we can do better than a man whose dedication to objective analysis is in question. Surely, we send the wrong signal not only to the American people—who already wonder about their Government—but also to the world—where we must continue to lead—if we insist on continuing to wrap ourselves in the past.

It is a sign of this administration's dearth of foresight and lack of vision of the new world order, or disorder, that it wants—and wants the U.S. Senate to agree to—a nomination which could have been better, should have been better for the last decade of this century.

I understand that Robert Gates has an extensive background in the intelligence community. I understand that he has a brilliant mind. I understand that he has served this administration and previous ones well.

But, those are not necessarily the qualifications which will make for good intelligence in the years ahead. We need now as the Director of Central Intelligence, not the person who has been a man for all seasons for the policies of the 1980's, but a man for all times for the 1990's and beyond.●

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, earlier today I expressed my intention to proceed to the Labor-Health and Human Services appropriation conference report and I stated at that time that I have been advised that the House would complete action on that measure in time for it to be considered by the Senate sometime between the hours of 5 p.m. and 6 p.m. I am now advised by staff that the House has not yet completed action on the measure and is not likely to complete action on the measure until sometime later this evening, the precise time being uncertain.

That being the case, Mr. President, I believe it the best course for the Senator to now recess until tomorrow morning and take the bill up in the morning, at which time we anticipate that House action will have been completed sometime during this evening and we will have a chance to see what action the House has taken with respect to the measure.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 10 a.m. on Thursday morning the Senate proceed to the conference report to H.R. 2707, Labor-HHS appropriations bill, that there be 30 minutes for debate on the conference report, with the time divided as follows: 10 minutes each under the control of Senators HARKIN, SPECTER, and DOMENICI.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, therefore Senators should be advised there will be no further rollcall votes this evening, but it is anticipated that there will be a rollcall vote on the conference report to the Labor-HHS appropriations bill at approximately 10:30 a.m. tomorrow if the 30 minutes just agreed to are used. We will go to the bill at 10 o'clock in the morning and we expect the vote on the conference report at or about 10:30 a.m.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I therefore now ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m. on Thursday, November 7; that following the prayer, the Journal of the proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that upon disposition of H.R. 2707 there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 6:15 p.m., recessed until Thursday, November 7, 1991, at 10 a.m.

NOMINATIONS

Executive nomination received by the Senate November 6, 1991:

THE JUDICIARY

MORRIS S. ARNOLD, OF ARKANSAS, TO BE U.S. CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT VICE DONALD P. LAY, RETIRED.

HOUSE OF REPRESENTATIVES—*Wednesday, November 6, 1991*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. GEPHARDT].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker.

WASHINGTON, DC,
November 4, 1991.

I hereby designate the Honorable RICHARD A. GEPHARDT to act as Speaker pro tempore on Wednesday, November 6, 1991.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. George W. Evans, Jr., pastor, Atonement Lutheran Church, Wyomissing, PA, offered the following prayer:

Lord of life, God whose choice is to dwell in the midst of people, mark well Your children in this House. Give them strength of vision to see through the chaos of interests that surrounds them and to discover Your clear will for them and Your people whom they serve. Be their strength and stay and thus provide the ground upon which they may marry words to actions. By Your grace, and by engaging the lives of these very women and men, cause the commerce and industry, and the fruits of homes, schools, farms, factories, and mines to result in a nation where the least of Your children may find a place to live and work. O God, bless the women and men of this House this day as they work for Your children across this land. In Your Name, Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BONIOR. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BONIOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 278, nays 107, not voting 48, as follows:

[Roll No. 376]

YEAS—278

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Bacchus
Barnard
Bateman
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Chapman
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Donnelly
Dooley
Dorgan (ND)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
English
Erdreich
Espy
Evans
Ewing
Fascell
Feighan
Fish
Flake
Frank (MA)
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gradison
Green
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Livingston
Lloyd
Long
Luken
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (UT)
Packard
Pallone
Panetta
Pastor
Patterson
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Reed
Richardson
Rinaldo
Ritter
Roe
Roemer
Rose
Rostenkowski
Roth
Rowland
Roybal
Russo
Sabo
Sanders
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schulze
Schumer
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—107

Allard
Armey
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bunning
Burton
Camp
Campbell (CA)
Chandler
Clay
Coble
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Duncan
Fawell
Fields
Franks (CT)
Gallegly
Gekas
Gilchrest
Goodling
Goss
Grandy
Hancock
Hastert
Henry
Herger
Hobson
Holloway
Hunter
Inhofe
Ireland
Jacobs
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Lightfoot
Machtley
Marlenee
Martin
McCandless
McCollum
McDade
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Murphy
Nussle
Oxley
Paxon
Ramstad
Regula
Rhodes
Ridge
Riggs
Roberts
Rohrabacher
Ros-Lehtinen
Roukema
Santorum
Saxton
Schaefer
Schroeder
Sensenbrenner
Shays
Sikorski
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vucanovich
Walker
Walsh
Weber
Wolf
Young (AK)
Zeliff
Zimmer

NOT VOTING—48

Alexander
Bryant
Carr
Davis
Dickinson
Dixon
Edwards (OK)
Engel
Fazio
Foglietta
Ford (MI)
Ford (TN)
Frost
Gallo
Gingrich
Guarini
Hall (OH)
Hefley
Hopkins
Hyde
James
Johnson (CT)
Jones (NC)
Kasich
Klug
LaFalce
Lipinski
Lowery (CA)
Lowey (NY)
Manton
Martinez
McCrery
Mfume
Morella
Owens (NY)
Parker
Payne (NJ)
Ray
Rogers
Sangmeister
Serrano
Slaughter (VA)
Torricelli
Towns
Vander Jagt
Weiss
Weldon
Wilson

□ 1024

So the Journal was approved.

The result of the vote was announced as above recorded.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Montana [Mr. WILLIAMS] will kindly come forward and lead the House in the Pledge of Allegiance.

Mr. WILLIAMS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. HALLEN, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1117. An act to establish the Bureau of Land Management Foundation;

S. 1671. An act to withdraw certain public lands and to otherwise provide for the operation of the Waste Isolation Pilot Plant in Eddy County, New Mexico, and for other purposes; and

S. 1745. An act to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes.

"COME HOME" IS MESSAGE TO PRESIDENT BUSH

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, I have a message for the President.

Arrivederci!

Yesterday's elections sent a clear message from voters. It's time to take care of our own. It's time to create a health care system that works. It's time for a tax break for middle-class Americans. Not the wealthy.

But the President is jetting off for yet another trip. This time it's Rome.

Mr. Speaker, doesn't the President get it?

I think the President should consider an impromptu drop-in on another exotic place. The United States. He's got to think about our economy, our jobs, our taxes, our growth.

Come home, Mr. President; come home.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Members are reminded to direct their remarks to the Chair.

MAKE CONGRESS FOLLOW THE LAWS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, if the Republicans were in charge of the House today, we would insist on making the House follow the same laws we impose on every other business. It is wrong for Congress to pass laws that it does not itself follow. Whatever reason we have relied on in the past to justify this hypocrisy are not good enough. Separation of powers problems can be surmounted, budget problems can be met, and the inconveniences will be a good lesson to us as lawmakers.

The American people are tired of this double dealing. Every law that Bob's grocery store has to follow, we ought to follow. If Republicans were in charge we would repeal every existing provision that exempts Congress from coverage of laws and we would start with the civil rights bill due on the floor this week.

No public policy change would have more impact on the country than to require Congress to follow each law it passes. Why? Because Congress wouldn't pass laws that were to great a burden on its own operation. Just watch how fast many of my colleagues on the other side of the aisle drop their interest in new bureaucratic oversights and paperwork requirements once they realize that every new regulation will apply to themselves. Talk about deregulation, it will make your head spin.

Let's put the whole country under the same laws.

MAKE NATIONAL HEALTH CARE TOP PRIORITY

(Mr. RUSSO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUSSO. Mr. Speaker, as I have been saying for a long time, Americans want comprehensive health care reform. Nowhere has this been made more apparent than in yesterday's Pennsylvania Senate race.

The Democratic candidate decisively defeated former Attorney General Richard Thornburgh because he had a strong message. He emphasized his commitment to guarantee health care to all Americans. National health insurance is what Americans want and they aren't going to settle for anything less.

Americans want us to contain skyrocketing health care costs and they want universal coverage with comprehensive benefits. Only one bill has been introduced that can guarantee high-quality health care to all Americans for less money: H.R. 1300, the Universal Health Care Act of 1991. The Russo bill is the only bill that will save money for 95 percent of Americans while providing comprehensive benefits, including long-term care.

I'm tired of the inside-the-beltway mentality that says national health insurance isn't politically feasible. The American public has made it clear. National health insurance is politically feasible. The Russo universal health care bill is the only politically feasible plan around because it is the only plan that benefits all Americans by containing costs and increasing coverage.

The polls have told us, experts have told us, and now a major election has turned on this issue. Americans want comprehensive health reform now. It is time for the President and the Congress to wake up and listen to the American people and make the enactment of national health care their top priority.

□ 1030

EXTENDED UNEMPLOYMENT BENEFITS

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, Americans who need extended unemployment benefits are tired of waiting for the House Democrat leadership to stop playing games with this issue. It seems they would rather have an issue with which to bash the President than pass a bill the President can sign and get these benefits to the people who need them.

We need to pass legislation that extends unemployment benefits without raising taxes on the very businesses that will get us out of the recession. I call on the Democrat leadership to work with the President to give us a responsible extended benefits bill as well as an economic growth package. Let us solve our country's economic problems, rather than extend them into 1992. The American people are tired. They want lower health care costs, no more taxes, and no more rhetoric from this House.

They want the economy turned around. They are challenging us to move ahead. I speak from the conservative side of the aisle and challenge the Democrat leadership, conservatives, moderates, and liberals, let us work together and turn this economy around. The American people expect no less and give us this challenge to this House and to this Congress.

THE ADMINISTRATION CHANGES ITS MIND ON THE RECESSION

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, finally, finally the administration is telling us, yes, the recession is here, a fact that my constituents have known for a long time. There is a record 23.6 million Americans receiving food stamps. People who have lost their jobs are suffering in this tough economy and have turned to this vital program for help.

Mr. Speaker, the average food stamp benefit is 70 cents per person per meal. Over 50 percent of the recipients are children. Remarkably, at this same time the administration is proposing regulations that threaten to cut the benefits in many ways.

As chairman of the subcommittee which oversees the Food Stamp Program, I am outraged that this administration is pulling the rug out from under the most vulnerable in our society. The President is telling us that he cares about people who are out of work and who have been hurt by this rocky economy. Unfortunately, the actions of this administration speak louder than words, and these actions are hostile to those most in need.

DO UNTO OTHERS?

(Mr. SCHAEFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, what do the following laws have in common: the Social Security Act of 1933, the National Labor Relations Act of 1935, the Minimum Wage Act of 1938, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Freedom of Information Act of 1966, the Age Discrimination Act of 1967, the Occupational Safety and Health Act of 1970, the Equal Employment Opportunity Act of 1972, title IX of the Higher Education Act Amendments of 1972, the Rehabilitation Act of 1973, the Privacy Act of 1974, the Age Discrimination Act Amendments of 1975, the Ethics in Government Act of 1978, and the Civil Rights Restoration Act of 1988? What do these laws have in common? They all represent sound principles? Yes, and they are all laws from which the Democrat-controlled Congress has exempted itself.

Why, Mr. Speaker, does the Democrat-controlled Congress not apply these principles to itself? Shouldn't laws and standards which we believe best serve our country also best serve this institution? That is a question which the majority should have to answer.

Mr. Speaker, I'd like to commend our Republican colleague from the other body, Senator CHUCK GRASSLEY of Iowa, for his effort to force Congress "to live by the same laws that apply to everyone else," as highlighted in the Wall Street Journal's October 16 editorial. Let's support this effort.

MESSAGE FROM PENNSYLVANIA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, it does not take a brain surgeon to figure out what happened yesterday in Pennsylvania. The message is clear. Stop closing bases in America and close a few military bases overseas. Stop worrying about NATO and start worrying about Blue Cross. Stop worrying about fast track and start worrying about illegal trade and the American worker.

Mr. Speaker, the people of our country are fed up. They are fed up with $170 billion a year going to protect Japan and Germany, another $25 billion in foreign aid, and they are getting food stamps.

The message is clear: Take care of No. 1, take care of America.

THE HOUSE OF PUBLIC MISTRUST

(Mr. ALLARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, if Republicans were in control of the House, we'd move immediately to regain the public trust lost through 38 successive years of Democrat majorities.

In a recent Gallup Poll, Congress ranked behind the following organizations in public trust: The military, organized religion, the Presidency, Supreme Court, public schools, newspapers, banks, television, organized labor, and big business.

Under fundamental American principles, our Government derives its authority through the consent of the governed. Consent is unlikely to flow for long to one that is not trusted.

By the looks of things, Mr. Speaker, the trust Americans have in their Democrat-controlled Congress has all but disappeared.

THE STATE OF THE UNION MESSAGE

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, yesterday in Pennsylvania the people said again to this Government that they want us to turn homeward. Many of us have believed that for a long time. We can bet that President Bush finally heard it last night and this morning.

I am just willing to make my colleagues a bet this morning. Within 70 days, the President will stand right there and deliver his State of the Union message, and for the first time in his 4 years, he will focus domestically.

He will talk about the economy; bet on it. He will talk about employment; bet on it. He will declare himself to be the economy President.

Yes, sir, George Bush is going to come home now. In his upcoming State of the Union speech the President in the last year of his term will say, "Trust me. I mean it. I am worried about the domestic economy. I am the economy President."

TAX REFORM

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Mr. Speaker, by abandoning the solid, progrowth economic policies of the Reagan administration and enacting higher taxes, budget busting spending bills, and burdensome regulations, the Democrat majority in Congress has caused this recession from which the American people are currently suffering. Moreover, this recession will not end until Congress changes policy.

The time to act is now. Congress must pass a broad-based tax cut and limit future increases in Federal spending before we adjourn this year. Let me outline the shape of such an economic growth package.

First, we must lower taxes on labor. Congress should repeal the increase in Social Security taxes that became effective in January 1990 and the ridiculous and counterproductive earning test on Social Security benefits.

Second, we must help middle class families by increasing the dependent child exemption to $3,500.

Third, we must lower taxes on savings and investment. We should again allow all Americans to have individual retirement accounts [IRA's] and permit penalty-free withdrawals for first-time home purchases, college tuition, and catastrophic medical expenses. We should index the basis and lower the maximum rate on all capital gains for both individuals and corporations to 15 percent. We should repeal the passive loss rule.

Fourth, we must stop penalizing American businesses with punitive taxes. We should adopt a neutral cost recovery system either by enacting full expensing or indexing depreciation schedules. We must repeal counterproductive foreign tax provisions on American multinational firms that only help their Japanese and European rivals.

Fifth, we must enact an enterprise zone program to revive the inner cities.

Sixth, we must repeal all of the 1990 tax increases, including the stupid luxury excise tax.

Finally, we must enact a 4-year hard spending freeze to allow the additional revenue from economic growth to gradually bring the budget into balance.

□ 1040

HEALTH CARE FOR EVERY AMERICAN

(Mr. AUCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AUCOIN. Mr Speaker, yesterday the people of Pennsylvania sent a message to their national leaders: if every criminal defendant has the right to a lawyer, every American family has the right to a doctor at a price it can afford.

Some of us have stood for this for a number of years, but powerful interests have long kept national health care off the national agenda. Those days are now over, because working families are fed up with worrying whether they can afford adequate medical care; because people are tired of being afraid that employers will have to cancel health care benefits because of exploding medical costs; because older Americans now are paying a higher percentage of their incomes for health care than they did 25 years ago; and because those who are out of work, including many people in Oregon timber country, face the terror of a serious illness without any health care coverage at all.

Mr. Speaker, when I first came to the Congress I advocated a national health care program that provides universal access to health care. I am now convinced, based on events in Pennsylvania and the stirring across this country that we now can finally give all American families quality health care as their birthright. It is a fight I joined in the 1970's, and it is a fight that I intend to help Americans win today.

WELCOMING SLOBODAN RAKITIC

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLFY. Mr. Speaker, I rise today to welcome Mr. Slobodan Rakitic to our Nations Capital. Mr. Rakitic is the senior vice president of the Serbian Renewal Movement, the largest opposition, anti-Communist Party in the Republic of Serbia and Yugoslavia.

Mr. Rakitic is recognized as the leading advocate of tolerance and negotiation in the current conflict in Yugoslavia. In his capacity as a member of both the Federal and Serbian Parliaments, he has taken the lead in the parliamentary fight to abolish Communist rule throughout all of the republics of Yugoslavia.

In Serbia, Mr. Rakitic works most closely with other opposition leaders such as Prof. Dragolub Micunovic, leader of the Democratic Party, leaders of the SDA, and leaders of the Hungarian Minority Group.

I will be holding a reception for Mr. Rakitic in room 1416 Longworth from 11 o'clock to 12:30 this morning, and invite any Members or their staffs to drop by and talk with him about the thriving political opposition in Serbia, and also the overall situation in Yugoslavia.

WOMEN NEED TO HEAR THE TRUTH ABOUT FAMILY PLANNING

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, the President's new policy statement on family planning is actually nothing new at all. The President's statement says that a woman can get no information about her pregnancy options from a family planning program, but can only get a referral to a general practice health facility. Mr. Speaker, that is no change in the gag rule at all. Women are entitled to the truth, the whole truth, and nothing but the truth when they go to a family planning clinic, but under the President's statement that was issued late last night they will not get it. The President still does not believe that the first amendment ought to apply at federally funded family planning clinics.

I urge all our colleagues to support Chairman NATCHER's excellent labor-HHS bill today and ensure that women in this country have an absolute right to the truth.

WE MUST ENCOURAGE SMALL BUSINESS JOB CREATION

(Mr. IRELAND asked and was given permission to address the House for one minute and to revise and extend his remarks)

Mr. IRELAND. Mr. Speaker, over the next 25 years, the United States needs to create 43 million jobs. Some 75 percent of those jobs will come from small businesses.

For the sake of all Americans, we ought to be doing whatever we can to encourage small businesses as they lead the way in creating the new jobs we so desperately need.

Instead, we will consider later this week a bill to mandate employee leave policies—even though 89 percent of Americans surveyed say that Government should not get involved in deciding what benefits employees receive. This bill would trade jobs that employees certainly do need for benefits that they may not even want.

We also may be asked to vote on yet another unemployment compensation bill—paid for through increased payroll taxes. If the bill contains such tax increases, it will be trading decent, full-time jobs for a few more weeks of Government handouts.

My colleagues as we consider these bills, stop, think and remember it is easy to say that you're for small businesses and the jobs they create. But it's how you vote that really counts.

WASHINGTON STATE VOTERS DEFEAT TERM LIMITATION INITIATIVE

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, yesterday the voters of Washington State made a deliberate and very wise choice to defeat an initiative that would have unilaterally diminished Washington State's congressional delegation. Supporters of initiative 553 in Washington State were arguing for a three-term limitation on Members of Congress from just this one State, and they tried to capitalize upon the frustration that has spread across the Nation this year.

I am pleased to state this morning, however, that a majority of the voters in our State were able to see through this proposal, and despite the frustration that we know is there, they chose to defeat the measure.

I want to especially note the role that Speaker TOM FOLEY played. He campaigned across our entire State. Speaker FOLEY defended the Constitution, which this initiative clearly violated. He defended the citizens' right to decide. He defended the Congress, and he defended Washington State's right to have an experienced congressional delegation. This was a personal victory for the Speaker and a political victory for the people of Washington State.

YOU CANNOT FOOL AMERICAN WOMEN

(Ms. MOLINARI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MOLINARI. Did you hear that, Mr. Speaker? That is the sound that was heard several weeks ago in the other body. It is the bell that warns: "Time is up. You cannot fool American women anymore." That bell is about to go off in the House today.

When my colleagues vote against the Labor-HHS and education conference report, they will tell us it is because it is an abortion vote. But you cannot fool American women anymore. They will tell us they voted no because it spends too much on breast cancer and toward Medicare, that it is over budget. But you cannot fool American women anymore.

To vote no today will be a vote to close family planning clinics, to restrain free speech between a woman and her doctor, and to deny women their legal right to know.

So when Members vote on this report today, Mr. Speaker, be honest in your response because you cannot fool American women anymore. Time is up.

PRESIDENT BUSH WILL TURN OUT THE LIGHTS ON THOUSANDS ACROSS THIS COUNTRY

(Mr. SARPALIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SARPALIUS. Mr. Speaker, I think we finally figured out what the President meant when he talked about his thousand points of light. He must be talking about turning out the lights on over 1,000 hospitals across this country. In 1956 this body approved the Medicare Program which was designed to help senior citizens who lost their insurance policies, indigents, poor people, and children who did not have adequate health care. It was a unique program. It was a matching grant where the Federal Government put up money and the States and local hospitals put up money, and together they provided health care for those people.

Now the President, through the HCFA recommendations, is recommending to pull out the rug from the Federal Government's matching funds. It would cost my State $1.1 billion. Mississippi would have to close every nursing home in their State.

Here we have a President on the one hand who will erase a $6.7 billion loan to Egypt and will push for a capital gains reduction, a tax break for the rich; and on the other hand, pushes people out of nursing homes and hospitals across this country. Mr. Speaker, it is time for the President to come home and read his polls, and he will see that the No. 1 issue in this country is health care. And it is apparent that this President is standing in the dark.

□ 1050

VOTE FOR LABOR-HHS CONFERENCE REPORT

(Ms. SNOWE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SNOWE. Mr. Speaker, the women of America have an extraordinarily high stake in this legislation in the Labor-HHS conference report. Approval of this conference report will have a direct, positive impact on our lives.

First, this bill provides money to begin boosting research into a heretofore arcane and obscure medical subject: The women of this country. There is funding for research on breast, cervical, and ovarian cancer; sexually transmitted diseases; mammography and pap smear screening programs; and a long-term study on women's health.

For the women who have been important in Members' lives, this bill is the most meaningful get well soon card you could ever hope to send.

Second, the Labor-HHS bill reverses the title X family planning regulations which shamelessly condemn poor women to inferior and inadequate medical information, the deservedly infamous gag rule.

By overturning the gag rule, Congress will finally take Uncle Sam's finger off the mute button controlling doctor-patient relations. To have the government dictating the medical advice women can receive is discriminatory, harmful and insulting to women in this country. If you support the gag rule, you are telling American women that you just do not trust them.

So, Mr. Speaker, I urge my colleagues to demonstrate their support of and faith in American women by voting to approve this conference report.

WAKE-UP CALL FOR AMERICA

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, for months now the American people have been calling out to its leaders in Washington, and for months the administration has turned a deaf ear.

Well, make no mistake about it: Yesterday, the people of Pennsylvania delivered a powerful message to 1600 Pennsylvania Avenue. By defeating President Bush's Attorney General and the head of his domestic policy council, the people have sent a message that they are tired of indifference in the face of growing economic bad times.

They are saying it is time for the President of the United States to do something for Americans for a change. It is time to recognize that we have emergencies here at home, too. It's time for the President to get out of the rut of tax breaks for the rich and start working for tax relief for struggling middle-class families. It is time for national health insurance, affordable health care for all Americans. My God, it's time to extend unemployment benefits for the 8.6 million Americans out of work.

That is the message of Pennsylvania. The President should listen. The Congress should listen, too.

Mr. Speaker, the people are looking for leadership and resolve to address this recession. Working- and middle-class families are on the line. They have just sent a wake-up call.

REDUCING TIME WITH BABY

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, strange as it may seem, the Family and Medical Leave Act—H.R. 2—is apt to reduce—rather than increase—the amount of time mothers devote to childrearing.

A recent Census Bureau report found that short-term, job-protected leave policies tend to encourage paid employment at the expense of mothering. According to the report, 71 percent of all women eligible for short-term maternity leave benefits return to the labor force less than 6 months after childbirth, while only 43 percent of those without short-term benefits do so.

That short-term, job-protected leave encourages a speedier return to paid work is not disputed by leading proponents of the Family and Medical Leave Act. In fact, some have expressed concern that if a longer term leave policy were offered, some women would subordinate careerism to mothering.

Given that the Family and Medical Leave Act is designed to build mother-job attachment more than mother-child attachment, policymakers interested in promoting the interests of families and children should not support H.R. 2.

TRIBUTE TO VOLUNTEER FIREFIGHTERS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, the smoke is still hanging over 200,000 acres of burning forest land in West Virginia, but it is time to say thank you to the tired, exhausted firefighters, National Guard and volunteers, men and women, who spent countless days, now weeks, fighting these blazes.

I had the privilege of spending only 14 hours with the Malden and Chesapeake Volunteer Fire Departments this weekend, but they have spent days, now weeks, on steep hillsides that deer cannot run up, using water when they are lucky enough to get close, but more often chain saws, leaf blowers, and that final fire weapon, the rake, and during cold, heat, and smoke, listening for that popping that means there is a tree falling overhead.

Firefighters have always been there, but now, more than ever, we recognize their importance. They are getting little help from the Federal Government. Revenue sharing has been cut off years ago, and so they all play bingo, and hold bake sales, and they stop cars in the streets with upraised fire helmets.

There is a reason that the loss of life and property has been miraculously low in the last couple of weeks, and that is because of the volunteer firefighters, Mr. Speaker.

Congress must remember what they have done, and when this is over, remember what they need.

THE OCTOBER SURPRISE

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, tomorrow the committee investigating the so-called October surprise goes before the Committee on Rules, this notwithstanding the fact that this week's New Republic and Newsweek magazines have totally destroyed any pretense of credibility in this bogus story. Those articles appear in my special order in the CONGRESSIONAL RECORD of Monday, November 4.

Mr. Speaker, I call on you and your leadership to face reality. Renounce this foolish pursuit and apologize to President Reagan and President Bush for dragging this mythical fabrication as far as you have.

If you really want to launch a worthy investigation, ask your current and former Democratic Members to appear before an investigative committee to defend their questionable dealings with the Sandinista Communists of Nicaragua in the mid-1980's.

Now, that is a story.

WOMEN NOT GETTING FAIR DEAL WITH HEALTH CARE

(Mr. REED asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. REED. Mr. Speaker, I rise today to address the critical subject of women's health care. There is growing evidence that women are not getting a fair deal with respect to health care.

But today the House of Representatives has an opportunity to help correct this great injustice. The Labor-HHS-Education appropriations conference report significantly increases funding for research on women's health. This legislation calls on the National Cancer Institute to make breast cancer, ovarian cancer, and cervical cancer top priorities, and provides the funding for that research.

This conference report includes $10 million for the National Institutes of Health for research on women's health and also funds the women's health initiative.

The Centers for Disease Control will receive funding for comprehensive early cancer detection programs for low-income women in eight States, and the conference report also blocks the administration from imposing the so-called gag rule. This administration policy would deny women the right to full and fair health information.

Mr. Speaker, women with diabetes, women with cancer, women with multiple sclerosis, these women need to know the effect a pregnancy has on their condition and all the options available to them. Any attempt to deny them this information is both mean spirited and extremely dangerous.

When we vote today for the Labor-HHS-Education appropriations bill offered by the gentleman from Kentucky [Mr. NATCHER], the Congress sends an important signal to women: we care about health care, we will fund research, we will fund the early detection, and we will block any attempt to deny women all the health care information they need.

WELCOME TO GEORGE ALLEN AND TRIBUTE TO THE HONORABLE FRENCH SLAUGHTER

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I want to congratulate George Allen, who will be the new Republican Congressman who was elected in the Seventh Congressional District by an overwhelming vote.

George was the son of the former Redskin coach, George Allen, and distinguished himself in the general assembly, and I think he will be a credit to this body.

I also want to pay a special tribute to Congressman FRENCH SLAUGHTER, who will be leaving us. FRENCH was a very decent, honest, ethical man who, I think, has been one of the hardest workers and a good man whom we will deeply miss.

So I know all the other Members at an appropriate time will want to pay tribute to FRENCH and say, "FRENCH, we are going to miss you."

□ 1100

SUPPORT FAMILY AND MEDICAL LEAVE

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, I want to remind my colleagues that we have a mandate and a mission to stand up for the American people. As this Nation wallows in the pain of an economic recession, we have an obligation to put the needs of the American people above anything else!

We need to consider the needs of working Americans as we debate the Family and Medical Leave Act. Passing this legislation would send a message of hope to all working Americans. The family and medical leave bill would lift a tremendous burden off the shoulders of working people.

REMEMBER POW/MIA'S: WEAR RIBBONS

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, there is a family in my southwest Florida district that waits anxiously for news as to the whereabouts of a loved one—Capt. Donald Carr, who has been missing in action in Southeast Asia since 1971. Captain Carr's family is one of more than 2,200 families nationwide who have yet to know for sure what has happened to their relatives, known to the world as our POW's/MIA's. In recent days there has been a flurry of activity—much of it hopeful—that has spurred the Pentagon to return this matter to the top of its priority list. Every lead is being followed—and every day the families become more hopeful that news and truth will be forthcoming.

Mr. Speaker, a local organization in my district has painstakingly assembled black and white ribbons joined with a flag lapel pin, designed to remind us all that there are still loved ones missing. I have sent one ribbon to each of my colleagues.

And I urge everyone to join me in wearing them, sending a message throughout the Nation that we have not—and we will not—forget.

A REPUBLICAN GAG RULE

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, after we finish the 1-minute speeches, we are going to discuss another gag rule. Our colleagues on the other side of the aisle would like to gag our legal staff to only be able to say those things that they censor.

Now, what is worse about this gag attempt on the legal staff of the U.S. Congress is that they are going to divide the time. It is my understanding from the side that is always demanding that we give them half the time, which we do, they are going to give us 20 minutes on our side and they are going to take 40 minutes. It is an interesting lesson for us. Every time the Democrats bring a bill to this floor, we give half the time to the other side. We lean over backward to make sure there is a fair debate here.

Mr. Speaker, we will be watching to see how the Republicans handle their time when they control it.

THE LESSON OF THE ELECTIONS

(Mr. HOLLOWAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOLLOWAY. Mr. Speaker, we have listened to talk about the race in Pennsylvania yesterday. I am here to talk about a race in New Jersey. The people of New Jersey spoke and said, "We don't want any more taxes."

If the figures I have are correct, and I do not say they are final, but we saw a change that 58 Members of the House are going to be Republicans and 22 Members of the House are going to be Democrats; 23 Members of the Senate are going to be Republicans and 17 Members of the Senate are going to be Democrats.

I am here to tell you that business and people in this country are saying, "You can't be everything to everybody in government."

It is time that we give people a dollar's worth of good for a dollar's worth of taxes. It is time that America wakes up and realizes where our deficit spending is coming from, to realize that the legislative body here every year appropriates 15 percent more to run this House.

We all want affordable health care, but I will tell you, let us find out where we are going to pay for it and what we are going to cut in our present budget before we try to pass a bill.

PASS THE LABOR-HHS BILL

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, I want to send my congratulations to the voters of Pennsylvania. They got a great Senator and they also did something terrific. They got the President to cancel yet another foreign trip, and he is going to stay home because he wants to watch Congress. Of course, he is going to Rome first. I wish he would watch us today, because today we are going to pass a great bill, the Health and Human Services Act. We are going to finally fund health programs for women at a higher rate to attack the problem of breast cancer and ovarian cancer and cervical cancer.

The President opposes this. He also wants to continue a gag rule which would in America in 1991 stop a physician from telling his or her patients the truth about that patient's legal options.

Mr. Speaker, this gag rule is not about abortion. It is about freedom of speech and freedom of speech in America is something we have come to rely on. It is what makes us so great, and I look forward to working with the chairman and passing the Health and Human Services Act.

A FAIR DIVISION OF TIME ON A PRIVILEGED RESOLUTION

(Mr. COX of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX of California. Mr. Speaker, at the conclusion of our 1-minute addresses this morning, the House will take up a very serious question and that is the question of whether the taxpayer's resources and the officials funds and resources of this House of Representatives should be used to weigh in and interfere with State elections on term limits.

As an individual Member of the House, I have brought a resolution on a question of privilege, of the whole House, not a personal privilege, but privileges of the whole House, to be consulted on a matter such as this.

Frankly, it is not an easy thing for an individual Member to challenge the leadership in this fashion, but I thought it important to do so.

The rules of the House, which I want punctiliously to follow, give a Member bringing a resolution of this type 1 hour. They give me that entire time.

Now, even though that is what the rule does, I have agreed with the distinguished majority leader, and he is in concurrence with me on this subject, that the time will be divided 15 minutes to myself, then 20 minutes of time that the majority leader will distribute as he sees fit, and 20 minutes to my side, and I will conclude in 5 minutes; but I want to emphasize that under the rules, this Member is entitled to all of the time.

Frankly, if we follow those rules, there would not be any time whatsoever allocated to the other side. The minority in this House has a very difficult time bringing our matters of interest to the floor. This question of privilege, frankly, is about a decision taken without consultation whatsoever with the minority, without approval of our leadership, and without any debate or vote on the floor of this House.

Mr. Speaker, I think it is urgent that we precipitate that debate this morning, and that is the purpose of my action.

THE PRESIDENT SHOULD LEARN THE LESSON OF HEALTH CARE

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, there is a valuable lesson that the President could learn during his trip to Europe today to visit our NATO allies. It is not about the Soviet-Warsaw Pact threat. It is not about new rationales and why the U.S. taxpayers should spend $160 billion a year to defend our wealthy allies in Europe against a nonexistent threat.

No, if our NATO allies can afford to provide health care to each and every citizen, that is the lesson the President should bring back today, how to provide that needed health care here to every citizen of the United States of America, not how to perpetuate the cold war in Europe.

JOB CREATION AND ECONOMIC GROWTH NEEDED NOW

(Mr. RAMSTAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAMSTAD. Mr. Speaker, in yesterday's election, the American people sent a clear message to the Democrats who control this House.

Jobs are in, higher taxes are out.

In New Jersey, the people spoke loud and clear by throwing out the Democrats who raised their taxes, and throwing in the Republican candidates who campaigned on a platform to cut taxes and ignite economic growth.

Using a progrowth, antitax message, Republicans took over the New Jersey Legislature for the first time in 20 years.

And in Mississippi, voters changed history by electing a progrowth, antitax Republican Governor—the first since Reconstruction.

The message from these elections is clear: the American people want jobs and growth, not higher taxes. And the people will change history to get the progrowth program they want.

Now, it is time for the Democrats in this House to give up on their higher tax agenda, and pass a progrowth, projobs, protaxpayer, and profamily economic growth package.

Mr. Speaker, the American people are hurting at home. And if the Democrats who control Congress do not take action to take care of the American people, then American people are going to take action to take care of the Democrats who control Congress.

These are historic times, Mr. Speaker. I hope the Democratic leadership is listening.

PRESIDENT SHOULD STAY HOME AND GET UNEMPLOYMENT BILL PASSED

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, this morning right before he left Washington for another trip overseas, the President said that he canceled a future overseas visit, this time to Asia, because "I hate going away with Congress still in session. Heaven knows what will happen."

□ 1110

Mr. Speaker, we do know what happens when the President goes on these foreign visits because the United States winds up giving more away. When the President visited several NATO countries that summer, he ended up promising Greece two Navy ships and millions of dollars in surplus Navy equipment. After he visited Turkey, the administration has been telling us they want to provide that country with 80 F-16's worth $2.8 billion.

Mr. Speaker, so far my committee has objected because of the foreign aid implications, but the administration keeps putting the pressure on.

So, Mr. Speaker, I say, "Mr. President, I hope when you get home, you'll help us fashion an unemployment insurance bill, but when you're out there in Rome with our allies, I hope you don't go promising any more F-16's, or anything like that. We simply can't afford the foreign aid implications."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNULTY). The Members are reminded to direct their remarks to the Chair.

DOCTOR-PATIENT RELATIONSHIP IS NOT VIOLATED BY NEW TITLE X REGULATION

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, the President in his title X memo yesterday shattered the myth that the doctor-patient relationship is violated by the new title X regulation. The President writes in part, and I quote:

> We must insure that the confidentiality of the doctor-patient relationship will be preserved and that the operation of the title X family planning program is compatible with free speech and the highest standards of medical care. In order to clarify the purpose and intent of these regulations, I am directing that in implementing these regulations to insure that the following principles be adhered to: one, nothing in these regulations is to prevent a woman from receiving complete medical information about her condition from a physician; two, the title X projects are to provide necessary referrals for appropriate health care facilities when medically indicated.

The claim that doctors could not refer a pregnant woman for medical care with AIDS, cancer, or diabetes, as suggested in a recent Dear Colleague, is simply false. In fact, a doctor is required to refer a woman to a specialist even if such referral ultimately results in the loss of the baby's life.

Mr. Speaker, I urge Members to vote no on the conference report and preserve the President's prenatal care rule.

SUPPORT THE LABOR-HHS CONFERENCE REPORT

(Mr. DURBIN asked and was given permission to address the House for 1 minute.)

Mr. DURBIN. Mr. Speaker, later on today we will consider the Labor-HHS conference report. I rise in strong support of this legislation.

Mr. Speaker, in addition to making a record of the fact that this House of Representatives opposes the Reagan-Bush gag rule, this conference report makes a significant stride forward in medical research for Americans. There is an increase of over $400 million to the National Institutes of Health to find cures for the diseases which plague American families. Many of my colleagues, particularly the Congresswomen who serve with me, have stood up and said that they support the bill because of the strides we made in this legislation for women's health care, and I think that is critically important.

But I would like to correct the record. I say, "If you ask most Americans what is the No. 1 cancer cause of death among women in America, what would they say? Ovarian and cervical cancer? No. Breast cancer? No. The No. 1 cancer cause of death among American women is lung cancer caused primarily by smoking."

Mr. Speaker, I want to salute this conference committee for adding money in this bill for the Office of Smoking and Health to educate, not only women and men, but children, across America not to take up smoking. That is a step forward, not only for women, but for all Americans.

WHY AMERICA DISRESPECTS US

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, in the 15-years that I have been here, which is a short amount of time comprised to the 50 years served by JAMIE WHITTEN of Mississippi who started his 51st year today, I have only seen one October surprise. And that was the cockamamie, so-called budget compromise that was, surprise, the mother of all tax hikes. But what about that other October surprise? You know, that October 11 years ago, just before Ronald Reagan was first elected in a landslide.

Listen to what the New Republic says about it. "What October surprise?" And below that is this:

> But the truth is the conspiracy currently postulated is a total fabrication. None of the evidence cited to support the October surprise stands up to scrutiny. The key sources on whose word the story rests are documented frauds and impostors.

How about the cover of Newsweek? "The charge, treason; the evidence, myth." Eleven reporters worked on this Newsweek story from New York, London, Paris, Jerusalem, Moscow, Bonn, Chicago, Houston, and Los Angeles.

The two authors of the New Republic story, Steven Emerson and Jesse Furman, said they will finish their investigation for $3,000, but the Congress is going to put up half a million. If Congress really has to go through with this charade, it should give Steve and Jesse the $3,000 and save the taxpayers some money.

Mr. Speaker, this is why America disrespects this legislative body. If we just did our jobs around here the American people would certainly forgive the odd salad with Raquefort dressing. But when Congress consents to spending half a million dollars investigating a fairy tale, every little abuse of Congressional parks becomes magnified. The October surprise witch hunt is unworthy of this Chamber and all those pursing it for political reasons should feel small.

THANK GOD THE DEMOCRATS HAVE BEEN HERE FOR 40 YEARS

(Mr. HEFNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFNER. Mr. Speaker, someone from the Republican side mentioned earlier that people were irritated that people were going to get another couple of weeks of handouts from the Government. These are unemployed folks that are out of a job and cannot find jobs. They are going to get another handout.

Mr. Speaker, they paid into this fund, and the administration has barred the money. There is no trust fund.

Mr. Speaker, I say, "Your record ain't good, boys, on working folks. When we talked about 60-day notice for plant closing, you said, 'Oh, that's a terrible thing. You have to let people know they're going to be out of work in 2 months.' When we talked about minimum wage, you said, 'Oh, that's going to be terrible. It's going to ride the price of everything up, going to drive fast food people out of business.' It didn't work. It seems to me your record ain't too good."

One other thing somebody mentioned over here time and time again: If the Republicans had been here all these years, we would have had so and so. Well, let me tell my colleagues, "if the Republicans had been here all those years, I'll tell you some of the things you wouldn't have had. You'd have had less of Medicare, you'd have had less Social Security, and you'd have had a lesser safe place to work had the Republicans been here."

So, Mr. Speaker, I just thank God that the Democrats have been here for 40 years.

GOVERNMENT MUST TELL WOMEN THE TRUTH ABOUT THEIR MEDICAL OPTIONS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, late last night the Members received a copy of a memorandum from President Bush to Secretary Sullivan pretending to change the gag rule.

This memo does nothing. It is rather a last-minute attempt to confuse the issue.

Please don't be fooled. The gag rule prevents a title X clinic from telling a pregnant woman coming to them for help, who has cancer or diabetes, that her pregnancy might kill her. Yes, that's right. Even in that extreme case the clinic, under the gag rule, could not tell the women about her right to have an abortion that would save her life.

Mr. Speaker, the memo purports to address this. But it is fascinating that the President does not direct the Secretary to revise the gag rule regulations. He attempts to tell how clearly opposite language should be interpreted.

Mr. Speaker, the memo is obviously extralegal and could have no effect whatsoever. But most importantly, Mr. Speaker, the underlying problem with the gag rule remains. A woman who asks about her medical options cannot be told them. Eighty percent of the American women believe this is wrong. The AMA and the ABA believe this is wrong.

Citizens in our country are entitled to be told the truth by their Government. Support the conference report today and insure that they will be.

OVERTURN THE GAG RULE

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, today the House will consider legislation to block implementation of the gag rule. This rule prohibits health care professionals from providing appropriate medical information concerning their patients' legal option to choose abortion—even when a woman's life may be endangered by a full-term pregnancy.

The gag rule is bad policy and bad medicine. It violates every principle of ethical medicine, increases the potential for malpractice suits, and places political ideology over sound medical judgment.

Physicians are sworn to uphold the Hippocratic Oath, not a political loyalty oath, and it is their responsibility to offer patients informed consent of all their medical alternatives.

I understand this administration wants to restrict abortions. But gagging doctors and withholding family planning funds is not the way to do it.

The Supreme Court has said that it is legal to prevent some women from obtaining reliable medical information. But it is neither right, fair, nor wise to do so. I urge my colleagues to vote for the Labor-HHS conference report today.

RESOLUTION ON TERM LIMITS

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, in a few minutes the gentleman from California [Mr. COX] will present a privileged motion to rescind action taken on behalf of the House, but on which there was never any debate or a vote. Twenty-five thousand dollars has been made available for a brief to be filed in the Florida Supreme Court against the term limitation proposal there, but we have never had a vote on that issue here in the House, and I suspect we are never likely to get one. Mr. COX has 1 hour of time under the rules of the House, but he was just criticized by the gentleman from Connecticut for giving opponents of his resolution 20 minutes of that 1 hour.

□ 1120

Mr. Speaker, I think it takes gall to constantly vote for closed rules precluding debate, precluding the offering of amendments, and precluding the making of points of order, and then criticize the gentleman from California [Mr. COX] for not being fair. I think it takes gall to support a secret decision made without debate, made without any vote anywhere, and then criticize the gentleman from California [Mr. COX] for being unfair. I think it takes gall to prevent a vote on the issue of term limitations, let alone filing the brief and then criticizing the gentleman from California [Mr. COX] for not being fair.

Whether the majority is given 15 minutes, 20 minutes, 30 minutes, or 5 hours, it is not going to be able to explain to the American people why it is fair to authorize the filing of a brief on behalf of the House when the House never acted on the issue and has not been given an opportunity to do so.

Mr. Speaker, I urge my colleagues to support the resolution of the gentleman from California [Mr. COX].

GUN VIOLENCE TARGETED BY DISTRICT OF COLUMBIA VOTERS

(Ms. NORTON asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, yesterday the people of the District of Columbia moved in the tradition of self-help and in the exercise of self-government against epidemic gun violence in the streets of the Nation's Capital. The Congress, through years of inaction, has in effect invited local jurisdictions to take care of the rampage of gun crimes themselves. To Americans who did not get it, this body hung out a mile-high, look-elsewhere sign last month when it defeated the assault gun provision of the crime bill the day after the tragic Killeen, TX massacre.

If the D.C. assault gun referendum had passed anywhere else in the United States, including any of the territories with nonvoting delegates, the Congress would have been compelled to defer to democracy. The people of the District of Columbia say to the Congress and to the country, "Do not let the place where our democratic government does its work be the place that disrespects and overturns the will of the people who live in this place."

VOTERS' RESPONSE TERMED "ANTIINCUMBENT, ANTITAX, AND ANTIBIG GOVERNMENT

(Mr. WELDON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, I just drove down this morning from Pennsylvania after having worked the entire day listening to the voters of my commonwealth and my district. I understand that many of my colleagues this morning, Mr. Speaker, have said that President Bush should listen to the lessons learned from Pennsylvania.

Perhaps my colleagues still have not gotten the message. Perhaps they should look at what happened in Mississippi and in Virginia, and perhaps they should look at the State of New Jersey where for the first time in 20 years the Republicans have established veto-proof majorities in both the House and the Senate.

Mr. Speaker, the message yesterday from my voters and across this country was not anti-Republican nor anti-Democratic. The message was antiincumbent, antitax, and antibig government.

Mr. Speaker, this institution is next. Congress had better take heed.

CAMPAIGN FINANCE REFORM IS A BETTER SOLUTION THAN TERM LIMITS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, among the many elections that were held yesterday was a referendum on the question of term limits. It was conducted in the State of Washington, and I am happy to say that the voters of the State of Washington rejected what I would characterize as a quick-fix solution to the problems of big government and political incumbency.

It seems to me, Mr. Speaker, that this fervor for term limits is really a symptom of an underlying uneasiness and underlying disaffection on the part of the American people and the voters toward the political system, not so much toward Congress itself but toward the system.

A better solution than term limits, which would get rid of a lot of Members, including the gentleman from Kentucky [Mr. NATCHER] who is on the floor with me today, is making sure that we have good, solid campaign finance reform. Later this month, Mr. Speaker, we will take up that issue. I certainly hope that the House passes this bill. That would be, to me, the best solution to our problems on Capitol Hill.

REPUBLICAN CANDIDATES WIN BIG IN NEW JERSEY

(Mr. RINALDO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RINALDO. Mr. Speaker, yesterday voters in my home State of New Jersey spoke out loud and clear against the Democratic majority's $2.8 billion tax hike by turning out Democrat incumbents in droves. Not only did the Republicans recapture the State senate and the State assembly, but they did so by overwhelming margins that will assure them of veto-proof control of both houses—58 to 22 in the assembly and 27 to 13 in the senate.

In town after town, in county after county, Republican candidates were victorious.

This was probably the greatest single victory for any one party in the history of the State. In Middlesex County, for example, Republicans gained control of the county board of freeholders for the first time in 62 years, even before I was born. Republicans gained control of 17 out of 21 counties. The message was simple.

Mr. Speaker, these returns should leave no doubt in anyone's mind that the days of higher and higher taxes are over, and that you cannot ram tax increases down the throats of the people. The people are sick and tired of tax hikes, of more spending, and of the conventional wisdom. They are tired of the solutions of the past. They want a new vision for the future, and they are turning to the Republican Party for it.

Mr. Speaker, they demonstrated that in New Jersey yesterday.

PRESIDENT URGED TO STAND FIRM ON TRADE ISSUES

(Mr. JENKINS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. JENKINS. Mr. Speaker, it is interesting to see the spin that different Members put on the elections yesterday. It is very difficult to tell really what the true story is, but obviously in Pennsylvania the two big issues had to be health care and jobs, unemployment.

The rumors are that the President is going to Europe and will have an opportunity to go by and talk about trade, the trade agreement. If in fact this administration caves in on these trade talks and does away with the textile industry over the next 10 years, then that is the wrong signal to send to the rest of the country. I think the people of Pennsylvania have recognized that unemployment is real in this country and we do not need to be over in the Uruguay round telling the rest of the world that we will give up the rest of our industries, that "You don't have to worry, we will cave in at the last minute."

Mr. Speaker, I would hope that the President does not do that.

A NEW DIRECTION FOR THE GARDEN STATE

(Mr. GALLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GALLO. Mr. Speaker, yesterday was a momentous day in the Garden State. Yesterday the voters of New Jersey, men and women of all races, colors and creeds, and, Mr. Speaker, I do want to emphasize this, Republicans and Democrats alike, joined together to say no to arrogance, no to heavy-handed governance, and no to taxes.

In the end, when the dust had settled, the Republican Party took control of supermajorities in both Houses.

Mr. Speaker, I know that some Members were thrilled with the defeat of the term limit initiative. For my self, I am thrilled with the defeat of taxes in New Jersey.

Mr. Speaker, for 13 hours yesterday, record numbers of New Jersey voters poured into their polling places and cast their votes. And, in the end the message was crystal clear.

VOTERS SEND A NEW MESSAGE TO LEADERS IN GOVERNMENT

(Mr. FAZIO asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, some Members are attempting to portray the results of yesterday's election as an anti-incumbent vote. It seems to me that it is much more of an antibusiness-as-usual vote. People across the country have said that this institution and the Presidency at the other end of Pennsylvania Avenue have to produce real results on the real problems of the American people, and do it now.

When people turned down term limits, they were not saying they were not angry and frustrated; they were saying that this system which our Founding Fathers put together can work if it is led properly.

I am convinced that this election will send a message to many on both sides that if we address the fundamental issues, health care, tax relief for the average American, and the other economic issues that have been so neglected for 12 years, the American people will continue to reject term limits, that easy solution to the problem of holding politicians accountable.

□ 1130

VOTE AGAINST HEALTH AND HUMAN SERVICES CONFERENCE REPORT

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, I was sitting here listening to the revival of government by bumper strip when I heard phrases like "the gag rule."

I would just like to point out later on today when we vote on the Health and Human Services conference report, that they have loaded that otherwise good bill with proabortion legislation which is designed to give Planned Parenthood more money for abortions.

They want to make family planning clinics steer young women to the Planned Parenthood abortion clinics. They already make $30 million a year for abortions. They want to take a program that is designed to make people fertile if they want children and to provide contraception if they do not want children, and turn it into a way station for abortion, the killing of unborn children.

Abortion has never been a part of family planning, but that is what they want.

They talk about a gag rule. The President has issued a directive yesterday that makes clear that the doctor-patient relationship is unimpaired. A doctor can give a pregnant women complete and comprehensive medical advice, even if it involves an abortion. It is a receptionist, it is the nurse, it is the counselor, who are untrained volunteers, steering young, pregnant, frightened women to abortion clinics run by Planned Parenthood that we do not want giving medical advice.

That is the sad but necessary reason why I urge Members to vote against the conference report, so the President can veto it, and we can reconsider it and sent it back, unimpaired by the albatross of abortion language.

PENNSYLVANIA SENATORIAL ELECTION A STAIN ON THE PRESIDENT'S MANTLE

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, you can spin the bottle 1,000 ways, but you cannot wash away the results that were spoken by the voters of Pennsylvania last night when they rejected one of the closest people to President Bush. Mr. Thornburgh was the Attorney General of the United States. He has been a politician, elected and appointed, for many years. He served two terms as Governor of Pennsylvania.

He was defeated last night soundly and roundly by Mr. WOFFORD, who was appointed just a few months ago to the Senate. And try as they will, no Republican is going to be able to wash that stain off the President's mantle.

The bottom line is that the people of Pennsylvania understood what the people of America understand: this administration has failed, and is failing, and it looks like it will fail in the future to come to grips with the real problems that Pennsylvania and Americans face; unemployment, a lousy economy, losing jobs overseas, and a tax structure which favors the wealthy.

This is being perpetuated by this administration. This Congress is going to change it, and, in the process, we are going to do for the average American a health care package that the President of the United States has not even talked about yet.

AMERICA TIRED OF BELTWAY CROWD NOT RESPONDING TO PEOPLE OF AMERICA

(Mr. SANTORUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANTORUM. Mr. Speaker, it is nice to hear people from Florida and Illinois, Michigan and California telling everybody here in America what the people of Pennsylvania say. Well, I happen to represent some people from Pennsylvania, and let me tell these gentlemen who are standing up here with such knowledge that the people of Pennsylvania are saying one thing: They are tired of what is going on down here.

Senator WOFFORD ran a campaign saying that he was the outsider and he too was tired of what was going on down here. That is the message.

Mr. Speaker, that is the message you should hear loud and strong, that they are tired of taxpayer dollars being used to pay for legal briefs down in Florida to fight term limits. They are tired of things going on where this inside-the-beltway crowd is not responding to the people of America. That is the message.

MESSAGE FROM NEW JERSEY ON TAXES

(Mr. ZIMMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZIMMER. Mr. Speaker, on the other side of the Delaware River in New Jersey yesterday the voters spoke out loud and clear. They spoke against the brand of government that the Democratic Party has forced on New Jersey for the last 2 years. They said no to New Jersey's enormous tax hike, which has stifled the economy, cost jobs, and chased business out of our State.

New Jersey said yesterday that high taxes are not the way to battle a recession, and they are not fair to hard working people. New Jersey residents knew that taxes did not have to be raised, but that State spending had to be reduced. They said cut the waste, stop the spending. But the Democrats and the Democratic Governor ignored them, until yesterday.

The taxes were rammed through the legislature over the protest of thousands of New Jersey residents who took to the streets. While the people responded to higher taxes, bloated budgets, and arrogant Democrats, they took control of both houses of the New Jersey Legislature away from the Democrats and gave control to the Republicans by historic margins.

The Governor of New Jersey should heed this warning, as should Members on the other side of the aisle where the Governor once sat. America does not need more taxes and more spending. And if you do not listen to the people of New Jersey today, your constituents will tell you more clearly next year.

WE ARE THROUGH WITH THE EIGHTIES, AND THANK GOODNESS FOR IT

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, well, the eighties have come to an end, finally. You know, when we started in 1980 we had an annual deficit of $60 billion. By the mideighties the deficit had gotten up to about $225 billion. Of course, under a continuing Republican administration, it is now up to over $300 billion.

Of course, in the beginning of the eighties we were the largest creditor nation in the world. Today we are the largest debtor nation in the world.

I was just looking at statistics in my home State. The average person in my home State is making less today than they were in 1978.

The national debt at the beginning of the eighties was $1 trillion; today it is $3 trillion.

So we are through with the eighties, and thank goodness for it.

BOTH PARTIES CAN LEARN FROM 1991 ELECTIONS

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, let me say that both parties have something to feel good about yesterday. The Democrats can legitimately focus on Pennsylvania where they won an important Senate race. Republicans can look at New York, New Jersey, Virginia, Mississippi, Savannah, GA, and a wide range of places where we won.

But I think there is one consistent theme to the victories everywhere. I think it is a theme that every incumbent in this Congress ought to pay attention to, and it is a theme the President ought to pay attention to. The American people are sick and tired of paying their taxes to a political establishment which accomplishes very little for the American people.

We had the fiasco in this House on Monday of a banking bill we worked on for 3 days that went down in flames. We have the Sergeant at Arms scandal. We have a restaurant scandal. We have all sorts of problems in the House.

All I would say to my friends, whether they are Democrats or Republicans, is the bipartisan message of election day yesterday is that the people who are currently in office had better take change very seriously. They had better fight for change. They had better represent the taxpayers, and they had better be concerned about changing government. Because if the taxpayers conclude that you are not on the side of changing government, they are going to change you.

BUSINESS IS NOT THE VILLAIN IN AMERICA

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, I was not going to give a 1-minute today, but in response to the gentleman from Florida [Mr. IRELAND], who came in and talked about the fact that we are going to need to produce 43 million jobs in the near future, and we are going to be dependent upon small business for this, I felt compelled to do so.

In a few minutes we are going to be considering a resolution by the gentleman from California [Mr. COX] addressing limitation of terms.

I have long felt that we sit here in the House of Representatives and make it more and more difficult for businesses to employ the people of America, as if businesses were somehow the villains.

□ 1140

It was not long ago that George McGovern, who had been serving in the U.S. Senate for many years, ran for President twice, went out into the private sector, into Connecticut. And he bought a hotel to participate in that great American dream. Then the regulators started coming down on him, the EPA, OSHA, the IRS, the Health Department, I suspect everyone else.

Finally he had to throw this dream into bankruptcy. This is the statement that he made:

> I wish I'd done this before I'd run for President. It would have given me the insight into the anxiety any independent businessman or farmer must have. Now I've had to meet a payroll every week. I've got to pay the bank every month. I've got to pay the State of Connecticut taxes. It gives you a whole new perspective on what other people worry about.

If we in this body knew that someday we would have to go out and make a living under the laws that we pass, we would behave differently.

U.S. OIL IMPORT VULNERABILITY: THE TECHNICAL REPLACEMENT CAPABILITY

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio, Mr. Speaker, as a member of the Technology Assessment Board I am pleased to bring to my colleagues' attention a report which was released last week by the Office of Technology Assessment entitled "U.S. Oil Import Vulnerability: The Technical Replacement Capacity." While our demand for oil has increased, domestic oil production has continued to decline. We cannot afford to continue down this treacherous path. OTA's report on oil import vulnerability points out that oil as a source of energy remains deeply rooted in our country's economy, and policy options that maintain domestic production and encourage oil and gas development must be part of any oil replacement strategy. If we are to sever our dependence on imported oil, we must make the long-term commitment now to developing a long-term energy security plan. I commend this report to my fellow colleagues and I am confident that it will be very beneficial in guiding the Congress as the House gets down to work on developing legislation to implement a national energy strategy that encourages sound economic growth while at the same time meeting national security and environmental objectives.

THE REPUBLICAN CONGRESS

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIGGS. Mr. Speaker, in a column that appeared in the Washington Post last week, David Broder wrote that if Republicans were given the chance, they would govern effectively.

In an article that will appear in the Heritage Foundation's Policy Review, Republican Leader BOB MICHEL tells us how Republicans will govern when given the chance.

A Republican Congress will embark on a truly historic reform of the House. It will restore many cherished values of American democracy that have been lost over 37 years of Democrat control.

Chief among those values is the right to free and open debate. Too many times in this House, debate on crucial issues is curtailed, frustrating many who have no voice in the process.

Another of these values is thrift. By tightening our own belt, by cutting the staff and doing away with useless and wasteful subcommittees, we will restore the people's faith in the Congress.

A final value is one of accountability. A Republican Congress will adopt full and comprehensive campaign reform, so that Members will be accountable to their constituents, not to powerful special interest groups.

Mr. Speaker, as David Broder put it, Republicans have the ability to govern well. Now, they just need the opportunity.

SUPPORT FEDERAL COMMITMENT TO WOMEN'S HEALTH RESEARCH

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Mr. Speaker, just a few short weeks ago every Member of this body received letters from women in their district urging support for a Federal commitment in the fight against breast cancer. These letters, totaling 175,000, represent the number of women diagnosed with breast cancer this year alone. These women wrote of their struggle against a disease not well understood by our medical community.

Still many more family members wrote on behalf of loved ones who lost their lives to breast cancer.

A woman from my district asked me why there has not been a priority in research when breast cancer rates continue to rise unabated and mortality rates have remained largely unchanged.

I want to recommend to my colleagues a yes vote on the Labor, HHS conference report today. I want to commend the gentleman from Kentucky, Chairman NATCHER, and his colleagues for their support to increase the awareness, increase the funding for breast cancer research.

My colleagues, this bill increases the funding 46 percent to a total of $133 million. It is very important. This is our chance. This bill does provide the startup funds to build a knowledge base to identify proper diagnostic, prevention, and treatment strategies for women.

Support the women in your district and their loved ones by voting yes on the Labor, HHS conference report.

RESULTS OF THE VOTE

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I want to join with the gentleman from Pennsylvania [Mr. SANTORUM], in what he said a few minutes ago. It is rather strange to hear a lot of Members who are non-Pennsylvanians telling us what Pennsylvanians thought yesterday.

What Pennsylvanians wanted to say yesterday was they want a change, and they picked an outsider over someone they viewed as an insider.

They want some real change because they want change in bodies like this one where the Democrats have run things constantly for almost 40 years.

For example, the people of Pennsylvania think it is rather laughable that the Democrats in the House of Representatives were out here considering bank reform at the same time they could not even run their own little bank in the House of Representatives. The American people, who think it is a little bit strange and pretty tragic that the Democrats have been talking a lot about unemployment but cannot seem to pass a bill that actually becomes law to help the unemployed, they find that rather tragic.

Pennsylvanians also think it would be rather strange to hear the things on the House floor today where Democrats got up and talked about gag rules when time after time on the House floor that is all they will debate under. We have gag rule after gag rule on the House floor when we seek to debate the whole issue.

The American people think there is a real need for change. One of the places they would really like to change is the House of Representatives. End 40 years of Democratic control.

THE FIDDLING MAJORITY

(Mr. DOOLITTLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Speaker, while Rome burns the Democrat leadership fiddles, oblivious to America's plight. Americans are out of work. Taxes are forcing people out of their homes. We are taxed today at the highest percent of gross national product in our history.

Americans are suffering, and there is no prospect for relief.

Malcolm Forbes has written that this recession that we are in is the most unnecessary recession since World War II, dramatically worsened by Democratic tax increases.

Mr. Speaker, in a few minutes, the House is going to address the issue of the $25,000 of the people's money spent on a brief opposing term limits in the State of Florida. That expenditure represents our fiddling while Rome burns.

If the Democratic leadership wants to lessen Americans' support for term limits, they should take a page out of history. Americans support our institutions when the economy is growing. They want the economy to grow again. We in the Congress should control our spending and cut the taxes now and put people back to work. That is our job, and we should set about doing it.

CONGRESS CANNOT MAKE LAWS WITHOUT THE PRESIDENT

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I had not intended to give a 1 minute, but I have sat here and listened to what is happening here in Washington. I do not know who has the Presidency of this country. I hear these Members come forward and say, look what is happening in Washington, look at these tax bills.

This President has not had one veto overridden, not one. This Congress cannot make law without the President. This Congress has not passed one tax bill in the last 12 years over Presidential veto, not one.

I hope the people of America know who is the President of the United States. He happens to be a Republican. His name is George Herbert Walker Bush.

He has vetoed two—one just did not implement—unemployment bills to help the unemployed of America. We are trying to work out something that maybe the President will sign.

He has canceled some trips overseas. He apparently has gotten the message that maybe things are not going as well as he said.

He said prosperity was right around the corner, when he would not declare an emergency on the first unemployment bill that we passed in August—the Democrats passed in August with a lot of help from this side of the aisle.

□ 1150

Why? Because you saw there was a problem.

But ladies and gentlemen, America knows who the President is and they are glad to see him coming home, because they know, the voters of Pennsylvania know, the voters of America know, our people know that we need to pay attention to America and the problems of Americans.

Yes, we are home.

WHERE TAX BILLS COME FROM

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, the gentleman from Maryland is absolutely correct. The Congress ordinarily does pass a bill and it is ordinarily enacted into law on the signature of the President.

It very well may be true that we have not passed a tax bill in the past 12 years by enacting a veto override with respect to the President's action on a bill. But the fact is clearly understood by any seventh grader in America today that all tax bills must originate in the House of Representatives. The President cannot originate a tax bill. He can recommend a tax bill to this Congress, and he can and does recommend, on time, a budget to this Congress. But all actions to extract money from the American working man and woman or to spend their money originate in this body. In some cases it is necessary to enact them over a presidential veto.

The fundamental problem we have in terms of the inability of this government to function in compliance with the hopes of the American people is that the government is divided. The American people have elected a Republican President and then with trichinosis of the brain have elected a Democratic Congress. When they correct their affliction, we will have a unified Republican government, and they will then get the tax relief and the economic growth they so richly deserve.

PRIVILEGES OF THE HOUSE—USE OF HOUSE RESOURCES BY HOUSE COUNSEL TO PREPARE LEGAL BRIEF ON CONSTITUTIONALITY OF TERM LIMITS

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to the order of the House of Monday, November 4, 1991, the unfinished business is the further consideration of the resolution (H. Res. 268) presenting a question of the privileges of the House.

The Clerk read the title of the resolution.

The text of House Resolution 268 is as follows:

H. RES. 268

Whereas Rule IX of the Rules of the House of Representatives provides that questions of privilege shall arise whenever the rights of the House collectively or the integrity of its proceedings are affected;

Whereas, under the precedents, customs, and traditions of the House pursuant to Rule IX, a question of privilege has arisen in cases involving the actions of officers and employees of the House, including the use of the House of Representatives legal counsel to represent individual Members or the House collectively, where such representation could reflect upon the House as a whole;

Whereas the rights of the House collectively are affected directly by the House of Representatives legal counsel preparing a formal legal brief arguing the unconstitutionality of Congressional term limits;

Whereas the rights and the reputation of all Members of the House of Representatives are directly affected by the House of Representatives legal counsel preparing such a legal brief which could be understood to imply the support of the House of Representatives and its membership (or at least a majority thereof) for the positions taken therein;

Whereas no vote of the Members of the House has occurred on any resolution or bill authorizing the House of Representatives counsel to prepare a legal brief for or against the constitutionality of term limits;

Whereas the decision by the House of Representatives counsel to use the funds and resources of the House to prepare arguments against the constitutionality of term limits—without any formal or informal vote of the Members—subjects the House collectively, and each of its Members, to legitimate question concerning the integrity of House proceedings;

Whereas the use of official House resources to prepare a legal brief for an individual Member in a case where he is not a party, but where instead he has personal political interest, could subject Members in their representative capacity to ridicule and contempt; and

Whereas the constitutionality of state-imposed term limits for Members of Congress is an open question, undecided by our legal system, and on which reasonable persons can differ: Now, therefore, be it

Resolved, That the Clerk of the House shall take all necessary steps to notify interested parties, including the Florida Supreme Court, that the House of Representatives regrets that official resources were used to prepare a brief against the constitutionality of State-imposed term limitations for Members of Congress, and that the House has no official or unofficial position thereon.

The SPEAKER pro tempore. The gentleman from California [Mr. COX] is recognized for 1 hour.

Mr. COX of California. Mr. Speaker, at the outset let me say under an arrangement with the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT] it is my intention to speak for such time as I may consume, which will be approximately 15 minutes at the outset, and then I will yield, for purposes of debate only, 20 minutes to the majority leader, and I ask unanimous consent that he be permitted to divide that time in such manner as he sees fit. Thereafter, I will allocate a like 20 minutes to proponents of the resolution, and then use the balance of the time to close debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COX of California. Mr. Speaker, the results in the Washington State term-limit election yesterday illustrate the overwhelming advantage of incumbency. Congratulations are in order, I believe, to the Speaker of the House for the singular role that he played. By all accounts, he singlehandedly turned around the results in Washington State where the term-limit initiative was ahead prior to his campaign. His vigorous campaigning in the last few days undoubtedly did the trick, although we may not be sure until further information is available to us whether it was the Speaker's arguments that that term-limit initiative is unconstitutional, using arguments contained in the brief provided by the House counsel, that carried the day. We may not be sure that it was the fact that the Washington State initiative was retroactive, unlike the Colorado term limitation on Members of Congress, which was not retroactive. It may be that the NRA put thousands of dollars behind the Speaker's effort to defeat limits in Washington. It may be that the TV ads telling people in Washington State that they should be scared of Californians, 52 strong in the next Congress, whose terms would be unlimited who would then dominate California.

It may be that former California Gov. Jerry Brown going to Washington State was enough to turn voters against this initiative, because former California Gov. Jerry Brown went to Washington State and campaigned in favor of term limits. It may be that voters of Washington State recognized that under this particular term-limit initiative, their home-grown Members of Congress would be ineligible to run for office, but that Jerry Brown, if he would only move to Washington, might himself be eligible, and if that was the reason I share their concern.

But the fact is that whatever the reason, all of us should agree that it should be up to the people of Washington to make this decision. It should have been a decision free of special interests, including the interests of professional incumbents using the voters' own tax dollars to fight the voters. The resolution that I proposed today is a simple one. It requires this body to vote yea or nay on a decision to keep the House out; to keep the House of Representatives, both officially and apparently, out of State term-limit election contests.

The facts are essentially these: The House counsel, counsel for the full House of Representatives, employed by the Clerk of the House, was requested on behalf of a number of Members of Congress to file a legal brief arguing that the Florida proposed term limitations for Members of Congress were unconstitutional. Without debate in the House, without a vote of the House giving direction one way or another to the leadership, a decision was taken to permit the filing on this brief on behalf of the Members. In fact, on the cover of the brief, which I have here, it states that this is a brief of an amicus curiae, stating the name of the Member, prepared, as it states on the cover, by Steven R. Ross, general counsel to the Clerk, Charles Tiefer, deputy general counsel to the Clerk, U.S. House of Representatives, the Capitol, Washington, DC.

It is alleged by some in Florida and elsewhere that this brief cost $25,000. That is not my contention, nor do I think that that is a relevant issue in today's debate. There is a legitimate question what is the retail value of this brief, if one obtained it not with taxpayer resources in-house, but went out to a law firm outside. Maybe it is $25,000, maybe it is $10,000. Who knows, given what lawyers charge today. But I will say that the expertise within the House on legal subjects such as this is such as would require an outside lawyer doing the same work a substantial amount of time. There is no question that significant taxpayer resources were committed to this venture.

There is also no question that the filing of the brief has been widely reported, widely reported outside these Chambers, and it has resulted in criticism of the House. That is the purpose in my bringing this resolution today.

I intended by this resolution not to criticize any Member, not to even suggest any impropriety on the part of any Member, but rather to look forward to suggest what we do next. What I would suggest we do next is to take a position very firmly that we will not forthwith use the official resources of the House in behalf of legal arguments against the constitutionality of term limits when that is such a contentious issue on which this House has not voted.

This is not, therefore, a referendum on the wisdom of term limits. It is not a referendum on the constitutionality of term limits. It is certainly not a referendum on the conduct of any Member of this House.

It is a resolution of a question of judgment, a question of discretion in the use of the official resources of the House to mount legal challenges in State elections. I should add that some of my colleagues, upon reading in the newspaper that the House counsel had taken this action, wrote him a letter and asked that having written a brief opposing the constitutionality of term limits that he then do so in support of the constitutionality of term limits.

□ 1200

Personally, I believe that that is a silly gesture. I question the weight that any court would give to legal briefs on both sides of an issue filed by the same source.

There are ethical constraints on lawyers that require lawyers in making arguments before courts to cite all relevant precedent. In reading this brief, I note that some of the precedents and authorities that I would cite arguing the constitutionality of term limits are omitted. There is no mention even of the ninth or the tenth amendments, which are the center of one of the fundamental arguments in support of the constitutionality of term limits.

I think it would tie the hands unnecessarily of a lawyer arguing the constitutionality of term limits to have to omit not only those provisions of the Bill of Rights but also a number of Supreme Court cases relative to the arguments which were omitted from the initial brief. So I think that that is an unwise step.

The purpose of this resolution today is to make sure we do not compound the error already committed by using taxpayer funds to get further enmeshed in what should be an issue for the decision of the voters, in this case in the State of Florida.

I should add further that my colleagues who initially made this request were satisfied with the answer of the counsel for the House that he would be willing to provide such a brief, but have proposed to withdraw that request, no longer interested in obtaining a brief on the other side of the issue.

When the actions of the officers or employees of the House reflect upon the House as a whole, the regulations of this House permit a Member to protect the reputations and rights of all Members so affected. As a result of the House counsel's preparation and filing of this brief, the entire Nation has read in newspapers, heard on radio, and seen on television either that the House Democratic leadership has taken sides in the term-limits debate or that an individual Member has done so using free legal services, another perquisite for Members of the House.

In either case, this has reflected poorly on our House of Representatives. All have seen these news reports. We can argue over whether they are fair. We can argue over whether this or that story is accurate in particular detail or complete, but most of us have been in politics long enough to know that the press reports were entirely predictable.

Once again, those in a position to control this Congress have brought criticism to the institution.

It is argued that this action, filing a legal brief, is different than actually opposing term limits on the merits. I agree. Technically that is correct. But at our peril, we ignore the obvious appearance to the American people that this is one more example of the entrenched incumbents who control Congress using the taxpayer funds at their discretion to guarantee their lifetime reelection.

The proposition that I am asking the House to approve today is that involving ourselves in State term-limit elections is unwise, not that it is illegal, not that it is violative of the rules of the House, not that the House counsel has not represented individual Members in other cases before, but, rather, that this is unwise, because it creates the appearance that this body, or least those who control it, intend to frustrate the will of the people and the democratic process.

The people of America are very interested in the subject of term limits, and yet here in this House we have never had a vote. We have never scheduled a debate on any of the term-limit bills that now languish in our Committee on the Judiciary.

Surely, each of us is wise enough to recognize that if the Democrats who run this Congress are unwilling to move term-limit legislation to the floor, then it is especially unbecoming for them to declare that it is unconstitutional and illegal for the States or the voters or anyone else to do so.

Frankly, I do not think the American people will listen any longer to a Congress with a chorus of, "You cannot get there from here."

So the purpose of my resolution is to direct the Democratic leadership to get Congress the devil out of State term-limit elections.

Why is this prudent? And it is the core of my argument that this is a question of judgment and prudence. It is prudent because, first, we have never had a vote to authorize the House to use official resources to lobby against term limits.

Second, contrary to the position taken in the House counsel's brief, the constitutional question here is anything but an open-and-shut question of constitutional law. The fact is that reasonable persons may differ on the question of the constitutionality of State-imposed term limitations on Members of Congress. The Constitution is silent on this question.

Neither has the Supreme Court nor any lower Federal court ruled dispositively on this question. This is a case, fairly appraised, of first impression for our Federal courts, and yet the House counsel has argued that article I, section 2 prescribes three, and only three, qualifications for office which cannot be varied by this Congress, by the States, or by the voters.

Let me quote from the brief. The brief says definitively, "The term-limit initiative," referring to the Florida initiative, "violates article I, section 2, clause 2, and section 3, clause 3, of the U.S. Constitution, which prescribe the sole qualifications for eligibility for election to the House and Senate: Age, citizenship, and residency." And the brief relies heavily on the Supreme Court decision of Powell versus McCormack for that proposition.

The fact is that the Supreme Court has never said these are the sole qualifications for office; not even in Powell versus McCormack did the Supreme Court say that.

Let me read footnote 41 from page 520 of the Supreme Court's decision. I quote from it:

> In addition to the three qualifications set forth in article I, section 2, and article I, section 3, clause 7, there is authorized the disqualification of any person convicted in an impeachment proceeding from any office of honor, trust, or profit under the United States. Article I, section 6, clause 2, provides that no person holding any office under the United States shall be a member of either House during his continuance in office, and section 3 of the 14th amendment disqualifies any person who, having previously taken an oath to support the Constitution of the United States, shall have engaged in insurrection or rebellion against the same or given aid or comfort to the enemies thereof. It has been argued—

And I am still quoting from the Court's opinion.

> that each of these provisions, as well as the guarantee clause of article IV and the oath requirement of article VI, clause 3, is no less a qualification within the meaning of article I, section 5, than those set forth in article I, section 2. We need not reach this question, said the Court in Powell v. McCormack, since both sides agree that Powell was not ineligible under any of those provisions.

So the Court in Powell against McCormack did not decide whether there are only three qualifications that may be imposed by the Federal Constitution, by the Congress, or by the States or by the voters. They simply did not say that.

It is interesting to me that Powell versus McCormack is a case that limits the power of this Congress, and Powell versus McCormack was not so much an interpretation of article I, section 2, as it was an interpretation of article I, section 5, providing that each House shall be the judge of the elections, returns, and qualifications of its own Members.

There were some in the House who wanted to exclude Adam Clayton Powell who said this provision, making them the judge of the qualifications of their Members, gave them discretion to leave out someone because of the cut of his jaw, and the Supreme Court said:

> No, your power to judge the qualifications of Members is limited to these three things, 25 years old, citizen for 7 years, inhabitant of the State from which he was elected when he was elected.

Article I, section 4, clause 1, a different part of the Constitution, says that States may prescribe the time, the manner and place; the States have been given the power to prescribe the time, manner, and place of holding elections for Senators and Representatives. This provision is not relied upon in the brief filed by the House counsel.

The ninth amendment, which provides that the enumeration in the Constitution of certains rights shall not be construed to deny or disparage others retained by the people, is missing from this brief.

The 10th amendment states that the powers not delegated by the United States—not delegated to the United States by the Constitution nor prohibited by it to the States and so forth. The 10th amendment has been held by the Supreme Court to have been a reservation of power by the States to control elections. This is missing from the brief.

The brief dismisses out of hand the 1974 case of the Supreme Court in Storer versus Brown, which said a 1-year cooling-off period before an independent candidate for Congress can have access to the ballot was constitutional. If the House counsel's brief were accurate, then the Supreme Court would have decided that the California State decision to exclude independent candidates who had belonged to a majority party within a year was an added qualification and violated article I, section 2.

□ 1210

But the Court did not say this. Instead, let me quote from the Courts' opinion. The Court said:

> Art. I, §4, cl. 1, authorizes the States to prescribe "[t]he Times, Places and Manner of holding Elections for Senators and Representatives." Moreover, as a practical matter, there must be a substantial regulation of elections if they are to be fair and honest and if some sort of order, rather than chaos, is to accompany the democratic processes. In any event, the States have evolved comprehensive, and in many respects complex, election codes regulating in most substantial ways, with respect to both federal and State elections the time, place, and manner of holding primary and general elections, the registration and qualifications of voters, and the selection and qualification of candidates.

The brief did not mention the 1982 Supreme Court decision in Clements against Fashing. It held that individuals can be prevented from running for office if they are incumbents and certain other elected offices.

The Congress in the view of some has become an ossaified structure that accomplishes little of value, wastes much, and impedes progress made by others in society.

The term limit movement is a response to that.

Harry Truman proposed term limits for Members of Congress when he was President in 1950. This Congress would do well to take heed to that movement abroad in the land.

My colleagues need not agree with me that term limits proposed by States are constitutional. That is not what this resolution is about. I make the argument simply and make it very clear that reasonable people can differ, that as a lawyer for the President working in the White House, I had the opportunity to look at these arguments and reach a different conclusion, and I do not think that the House, certainly without debate and without a vote, should put its earmark on this.

Mr. WISE. Mr. Speaker, would the gentleman yield for a question about whether he has ever used the House Counsel Office?

Mr. COX of California. I will yield time to the majority leader, as I have described, and will the gentleman please get his time from the majority leader.

Mr. WISE. So the gentleman will not yield for that question?

Mr. COX of California. That is correct.

Mr. Speaker, today I would like us simply to vote on one proposition, and that is let us keep the Congress the devil out of this.

Let us recognize that when voters seek to have some influence on the way that this place operates, they are entitled to do so. We may disagree with them and as individuals we can go abroad and discuss it and so on, but we have got enough problems here ourselves. We have got enough problems in the Congress to take care of without getting involved in State term limit elections. With all the problems that we have got with our deficit, with all of the BCCI scandal, the check cashing and the restaurant bills and the problems we have here in the Congress not bringing a balanced budget amendment to a vote and passage, it seems to me we should keep our noses out and keep the taxpayers' money out of these term-limit elections around the states.

That is why my resolution today provides as follows:

Resolved, That the Clerk of the House shall take all necessary steps to notify interested parties, including the Florida Supreme Court, that the House of Representatives regrets that official resources were used to prepare a brief against the constitutionality of State-imposed term limitations for Members of Congress and that the House has no official or unofficial position thereon.

That is the wise course for us to take.

To repeat, I am not asking for a vote for or against term limits. I am not asking for a vote for or against the constitutionality of term limits. I am not asking for a vote for or against the propriety of any action taken by any Member in this case. I am not asking for a vote on whether the House counsel can under our rules represent individual Members.

I am asking for a vote that henceforth we will decide that the House counsel ought not to do this in the interests of this institution, the rights of the voters, and democracy.

Mr. Speaker, I yield 20 minutes to the gentleman from Missouri [Mr. GEPHARDT], the distinguished majority leader, for purposes of debate only.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Missouri [Mr. GEPHARDT] is recognized for 20 minutes.

Mr. GEPHARDT. Mr. Speaker, I yield 7½ minutes to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I am somewhat saddened by what I just heard for the last almost 20 minutes from the gentleman from California who is the sponsor of this privileged motion. The maker of this motion has just gone through a long process of explaining what he wants and intended to do, but then when he read the resolved clause, obviously none of what he said he wanted to do is in there.

He is not seeking to limit the use of the House counsel at all. Basically what he has done is to attempt to argue term limitations here, even though he said he is not.

The reality of this situation is really quite simple. Is the Office of House Counsel authorized and appropriately entitled to provide to Members of this House legal counsel on various issues which affect the House constitutionally or Members individually?

Let me give the chronology and some of the facts that the gentleman from California, the maker of this motion, did not do and neglected to give in full discourse for the purpose of allowing all Members to understand what has happened here.

About a year ago an issue developed in Wisconsin concerning the constitutionality of State-imposed recall provisions applying to Members of the U.S. House. At the request of Congressman GUNDERSON, the Office of General Counsel researched and prepared a legal memorandum on the subject. Congressman GUNDERSON is a Republican from Wisconsin. The research entailed the review of the law governing the power of the States to regulate membership in the House. This is an issue that has been of continuing interest to the House and this office for any number of years, the Office of House Counsel, since it relates to the basic constitutional status of the House and its Members.

The gentleman from California was here at the time. The gentleman from Wisconsin put out a press release which was widely seen by people in the radio and television on both sides of the aisle. No one objected, not the gentleman from California who says this is the wrong thing to do.

This past August, a suit was filed in the State of Washington, that which was in fact defeated yesterday at the polls, term limitation which is the subject of this suit. A brief was prepared and circulated to the staff counsels of the members of the Speaker's Bipartisanship Legal Advisory Group, which is comprised of the leaders and whips of the Democrat and Republican parties. The proposal was to have the brief filed as an amicus curiae on behalf of that group, and it would have stated on its cover that it was filed by the Speaker and Bipartisan Leadership Group and that it was filed to protect the institutional interests of the House of Representatives. Because of the August recess, it was impossible to schedule a meeting of that group and by the time the House reconvened, the Washington legal action had been dismissed.

This fall the State of Florida initiated a process pursuant to its laws by which the Florida Supreme Court would be called upon to issue an opinion on several aspects of a term limitation initiative which is currently being circulated for signature. Under Florida law, where proponents of an issue obtained 10 percent of the signatures necessary, they are required to submit the proposal for review, first by the AG and then by the State supreme court.

The report of the attorney general filed with the State supreme court specifically raised the issue, citing both Federal and State court precedents, that it appeared unconstitutional for a State to impose a term qualification on Representatives for Federal Congress.

Under Florida law, the State supreme court will review this court and will accept the views of any interested person.

The Bipartisan Leadership Group met and was asked whether they wanted to file a brief. It would have stated on its cover again that it was filed by the Speaker and Bipartisan Leadership Group and would have stated that it was filed to protect the institutional interests of the House of Representatives. At the meeting the view was expressed by some Members of the group that they did not believe this was an issue, or at least not the juncture that the Bipartisan Leadership Group should take an official position.

At that meeting the Speaker deferred to this belief, but specifically indicated that he would consider whether he would go forward and file the brief in his name. No objection was voiced to that statement.

Following the meeting, the Speaker determined not to file a brief in his own name, but authorized a brief being prepared for Members of the Florida delegation who had expressed an interest.

I am the Member who expressed the first interest in such a brief. I confirmed my desire that a brief be filed setting forth my position. The brief stated on its cover that it was the brief of the amicus curiae U.S. Representative, and for those who do not know, amicus curiae means "friend of the court."

U.S. Representative LAWRENCE J. SMITH. It does not state anything about anyone else.

The gentleman's assertion that somehow the House has been called into question about its role in this is dead wrong. There is nothing in this brief which indicates anything but that I myself filed this brief with the aid of the House counsel.

No one is named in this brief, no one's name, no one group or anything else but the name of LAWRENCE J. SMITH as the amicus curiae.

Even outside this Chamber, at no time did anyone ever suggest that this brief implied any other Member's views or that it was anything other than what was said; namely, an individual brief for me. This brief is in the same form as the other briefs and memoranda provided by the Office of General Counsel for numerous individual Members over the years, such as Republican Representative Stu McKinney, Silvio Conte, DON SUNDQUIST, and STEVEN GUNDERSON and Bobbi Fiedler, and Democratic John Sieberling and WILLIAM J. HUGHES.

And just so that all this should be put in proper perspective and without any inappropriateness being attached, because the gentleman from California [Mr. COX] was perfectly entitled under the Speaker's qualifications for the use of the House counsel, the gentleman from California [Mr. COX] himself last year availed himself of the privilege of using the House counsel for legal determination on a jury summons which he received from his own county.

□ 1220

They gave him a legal opinion. He wrote a letter under his own name. That letter was rejected by the election supervisor. He then asked the

House counsel to prepare a further letter written by the House counsel on House stationery. It was prepared; it was sent. I do not know the outcome, but he availed himself of the privilege of the House counsel.

Mr. Speaker, I do not hear the gentleman from California [Mr. COX] now asking himself or volunteering to repay any money that it might have cost for the House counsel to be employed for that purpose, nor do I hear him complain or criticize any of the other uses that the House counsel was put into until this particular use.

And it might, just to put this in proper perspective, be understood that at the same time this was happening, our colleague, the gentleman from Alabama [Mr. HARRIS], was getting a jury due notice, and he went to serve until he was stricken by virtue of voir dire.

The bottom line, Mr. Speaker, is this is not an issue of the House counsel at all. This is an issue of policy.

PARLIAMENTARY INQUIRY

Mr. COX of California. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman will state his parliamentary inquiry.

Mr. COX of California. Mr. Speaker, is it the ruling of the Chair that the extra 30 seconds allocated to the gentleman from Florida [Mr. SMITH] will be subtracted from the time of the majority leader, the gentleman from Missouri [Mr. GEPHARDT]?

The SPEAKER pro tempore. The gentleman from California is correct.

Mr. SMITH of Florida. The gentleman said that he has an interest in making sure that the House counsel is not used for this purpose any longer, but if my colleagues will read the resolved clause of this motion, they will find out that that is not it at all. He wants to embarrass this House once again. It says in the resolved clause:

> That the Clerk of the House shall take all necessary steps to notify interested parties, including the Florida Supreme Court, that the House of Representatives regrets that official resources were used to prepare a brief against the constitutionality of State-imposed term limitations for Members of Congress.

Mr. Speaker, it is not as he says it is. He wants to embarrass this House. The Speaker and others have already determined that this was a perfectly valid use of the House counsel.

Mr. Speaker, this motion should be absolutely defeated. It is used for political purposes, and not to determine what is right or wrong with reference to the use of the House counsel.

Mr. COX of California. Mr. Speaker, I yield such time as he may consume to my colleague, the distinguished minority whip, the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I rise to make two points here.

One is I think, if I understood the comments of my colleague, the gentleman from Florida [Mr. SMITH], he thinks he has been misinformed, and I just wanted to straighten the record out. To the best of my knowledge, the committee which meets on the House counsel, which is bipartisan, did not at any point make an affirmative decision about sending any kind of documents to Florida. I can say unequivocally I was not informed that House counsel was drafting that document, and I am not in any sense alleging that the gentleman from Florida did anything wrong or knew that this was the case. But I just want to make the record clear that that bipartisan committee did not approve of the House counsel being involved, and we did not approve of this particular document, and there is a real difference between what happened in Wisconsin, where on a bipartisan basis, which involved both the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Wisconsin [Mr. GUNDERSON], agreed——

Mr. OBEY. That is not true.

Mr. GINGRICH. Mr. Speaker, the gentleman's name certainly came up in the discussions.

Mr. OBEY. Mr. Speaker, will the gentleman yield since he mentioned my name?

Mr. GINGRICH. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, the first time I discovered that any appeal was made in Wisconsin was when the gentleman called me to tell me about it, and I specifically told him I had doubts about that action.

Mr. GINGRICH. Let me just continue.

Mr. GUNDERSON. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Speaker, being I am somehow innocently being brought into the debate, let me point out exactly what I did.

Mr. Speaker, I did nothing more than ask for an advisory opinion of the House counsel. No legal brief was produced or filed anywhere at any time by me, and I want that very clearly understood.

Mr. Speaker, I appreciate the gentleman from Georgia [Mr. GINGRICH] yielding to me.

Mr. GINGRICH. But the point I was making, if I may say to both of the gentleman on each side of the aisle, was simply that in their case there was a clear discussion in the meeting, and the meeting agreed on a bipartisan basis that the House would take actions without reflecting on either Member, that this was a decision made by the House for the House's reasons and was protecting the House's institution without regard to the individual Members.

Now, in the case of term limitation, the bipartisan committee did not reach that agreement. The House counsel was not acting on behalf of the bipartisan committee, and, as far as this gentleman was concerned, I did not know that a brief was being prepared for the gentleman from Florida [Mr. SMITH], and I am not saying the gentleman from Florida in any way did anything wrong in getting the brief or had reason to know these facts.

Mr. SMITH of Florida. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Florida.

Mr. SMITH of Florida. Mr. Speaker, all I did in my time allotted was indicate that in fact what the gentleman is saying was absolutely correct, but that the Speaker of the House indicated that he reserved the right to file a brief on his own, not as a member of the bipartisan leadership, and no one objected thereto.

Mr. GINGRICH. Sure.

Mr. SMITH of Florida. That is all that we are talking about here.

Mr. GINGRICH. No, no. Let me say to the gentleman it is not a question of whether anyone objected or not. There were serious questions, and I do not want to get involved in those discussions.

But I will say that what the gentleman from California [Mr. COX] has raised is a legitimate question for the House to address, and the topic he is bringing up is a legitimate question for the House to make a decision about.

Mr. GEPHARDT. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, let us begin with the facts.

Mr. Speaker, the Office of General Counsel exists to provide Members of the House with professional, nonbiased legal advice on constitutional issues which affect this institution. These services are routinely utilized by Republicans and Democrats alike in conjunction with official duties.

Many of our colleagues on the other side of the aisle have requested and received legal briefs and memoranda from the House counsel: the gentleman from Florida [Mr. MCCOLLUM], the gentleman from Tennessee [Mr. SUNDQUIST], the gentleman from Wisconsin [Mr. GUNDERSON], to name a few.

Mr. Speaker, Members of Congress need such legal advice about constitutional issues, and the integrity of this institution requires that advice be available.

Well, just last year, as we have discussed, the gentleman from Wisconsin [Mr. GUNDERSON] asked the counsel's office to prepare a memorandum on the constitutionality of a recall election in Wisconsin. A comparable amount of time was spent on that by our counsel, comparable to what we are discussing here. When the memorandum was prepared, the gentleman from Wisconsin [Mr. GUNDERSON] called it a public service. The gentleman from California

[Mr. COX] was in this institution as a Member of Congress at that time. Where was he then? Where was he then?

Just last week the gentleman from Wisconsin [Mr. KLUG], the gentleman from Georgia [Mr. GINGRICH] and 12 other Republicans asked the House counsel to prepare a brief on the very same issue we are discussing today, the constitutionality of State-imposed term limits, an action, by the way, which the gentleman from California [Mr. COX] no more than 15 minutes ago characterized as a silly gesture. Work on that request has begun. Expenses have been forthcoming for that work.

In addition, as the gentleman from Florida [Mr. SMITH] has indicated, the gentleman from California [Mr. COX] has himself asked the counsel for help on a jury duty question.

Mr. Speaker, since the General Counsel's Office has been in existence we have never, never had a vote on any of these routine requests for a Republican or a Democrat. This institution would be tied up in knots if it required a floor vote every time a Member needed advice on a constitutional issue.

In this case our colleague, the gentleman from Florida [Mr. SMITH], requested a brief be prepared on his behalf concerning the constitutionality of State-imposed term limits. The brief clearly indicates that he represents the views of one Member of the House. Nothing in that document implies that it expresses the views, official or unofficial, of the House of Representatives, and no one who has actually read the document can misunderstand that point. It is clear that the request of the gentleman from Florida was just like all the others I have mentioned, an official request for professional legal services about a constitutional issue affect the House of Representatives.

Mr. Speaker, it was an appropriate request in keeping with the responsibilities of the legal counsel's office, and it was carried out in the same nonbiased, objective fashion as such other requests.

But, Mr. Speaker, let us be honest. This resolution is not about the brief of the gentleman from Florida [Mr. SMITH]. It is not about the legal counsel's office, by the way, which is represented by one of the more decent, competent public servants, Mr. Ross, that we have on the Hill. It is not even about term limits.

☐ 1230

The real purpose of this resolution is to divert our attention from the real economic crisis that is facing this country. Over the last few months, as the recession has dragged on, our colleagues on the Republican side of the aisle have time after time tried to change the subject. They are trying to change the subject again with diversionary tactics, with delays, with phony proposals, with stalling and obstruction. This frivolous and pointless resolution is just another chapter in that same book. But I want to say to my colleagues that this tactic is not going to work. You can stall for an hour, you can stall for a day, but you cannot avoid dealing with the real issues facing this country.

The election results all around the country yesterday sent a strong and a clear message that the American people are sick and tired of procedural gimmicks and delays. They are tired. They want us to get down to business and deal with the issues that affect their lives. They are tired of George Bush's recession.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. They are tired of 11 years of Republican mismanagement. They want a change. The economy is dead in the water, and they are playing around with legal gimmicks, tactics, and obstructions.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. The people of this country are wont to have their say. They want a middle-income tax cut for the economy to get moving, they want health care reform, they want better education, they want better roads and bridges, and we are going to respond. We are going to bury this frivolous resolution of the gentleman from California.

Mr. COX of California. Mr. Speaker, before I yield for purposes of debate to my distinguished colleague, the gentleman from Ohio [Mr. GRADISON], I yield myself such time as I may consume so I may observe first that in the midst of suggesting that this resolution on its face was a diversion, the Member neatly diverted the question into other issues about George Bush and the economy, and so on. It is an admirable tactic, and I will aspire to it myself some day.

Second, I have been, I think, careful in my argument to abstain from any criticism of a Member. I have not mentioned a member's name, and I have stated specifically that it is not my purpose to criticize the conduct of any Member but, rather, to focus on what we should do next. That is the purpose of this resolution.

Mr. BONIOR. Did the gentleman call this a serious—

Mr. COX of California. Mr. Speaker, I will not yield. The gentleman can get his time, as he should, from his own side. I have already yielded.

Mr. Speaker, there is a very significant difference between the legitimate use of the counsel to this body, whether it be using their form letters on jury duty or what have you, and the use or misuse of this legitimate function as a political perk or at least in a way that appears to be a political perk. If we fail to make these judgments, fail to make these distinctions, we do so at our peril.

Mr. Speaker, for purposes of debate only, I yield 5 minutes to my colleague, the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. Mr. Speaker, I rise as an opponent of term limits who is reexamining his position. Like many in this body I have argued that the voters should not be denied the right to reelect an incumbent as long as they wish. But as I reflect on the powers of incumbency and the way the cards are stacked against challengers, I can understand better why term limits are so popular. Incumbents have the advantages of easier fundraising and greater visibility in addition to the well-known political perks of office. And, in addition, we as incumbents, and our friends in the legislatures, do everything possible through redistricting to tilt the playing field in our favor and to minimize the number of competitive districts.

Nothing I've said so far is especially original. What may be original is my growing conviction that the present state of affairs undermines the legitimacy of our legislation actions. If we have been elected and reelected through a noncompetitive process, should it surprise us that voters want to change the process?

If my assessment is correct, the silliest thing we as a body can do is to appear to take sides on this issue. All this does is strengthen the belief that our actions are self-serving and to further undermine the public's sense of the legitimacy of our actions—and by this I mean to include our traditional legislative action as well as the issue at hand of a legal brief.

What to do? Well, first is to balance the scales by approving the Cox resolution. But more fundamentally we have to decide if we really trust the people. If we do, the Congress will eventually submit a constitutional amendment for congressional term limitations to the States with or without recommendation—and then abide by the results. To continue the present situation could well lead to the Congress being one of a diminished number of legislature bodies in the country without term limits, and yet afraid to let the people decide if they want limits for the Congress.

In my view this would only intensify the feeling that the Congress is out of touch. But worse still, it further undermines the sense of legitimacy of our actions without which representative government could be viewed as a mere slogan used by those whose overriding concern is maintaining power, not serving the public.

Mr. GEPHARDT. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I would just renew my question of the gentleman from California [Mr. COX], first, and I would ask whether he has used the House counsel and, second, if indeed he has, whether he submitted himself to the procedure he would urge upon this body for this matter.

Mr. COX of California. Mr. Speaker, does the gentleman yield to me to respond?

Mr. WISE. Yes; I yield to the gentleman from California.

Mr. COX of California. Mr. Speaker, it is my view that this calls for judgment. If we have a political contest going on in a State and we are filing documents urging one side or another effectively, that is a different matter entirely than if there is a routine legal question involving the rights of Members in this body.

Under the precedents of rule IX, which I have had the opportunity to inspect, of course, preparing for this debate, I note that in the history of the House of Representatives, routinely when Members were made a party to litigation, the question of representation was first put to an advisory vote of this House. I think that is an admirable procedure, and I would support it.

Mr. WISE. So the gentleman has not submitted it to that group and he did use the House counsel and he did not adopt the procedure he is now recommending that others adopt?

Mr. COX of California. No, Mr. Speaker, I think the gentleman has misunderstood precisely what I said.

Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise to make a couple of points.

Appearances do matter. The issue of term limitations is a complicated constitutional issue. The legitimate uses of our House legal counsel is also not clearly spelled out in our rules, but what we are discussing here today is not legalities, it's appearances. I think we cannot afford to have the slightest implication that we, the House, oppose the public debate on term limitations.

I am opposed to term limitations, but I believe the debate about them is healthy. We have not been able to get the public seriously involved in the deficit reduction debate. We have failed to get them involved in most important aspects of our policy work here. I believe this debate about term limitations provides us with an opportunity to educate the public on the complexity of national policymaking, the complexity of the national and international issues that we try to deal with here on this floor.

I think this is an opportunity, and I believe the public has a right and a responsibility to think through not only term limitations but, frankly, whether it is any longer in their best interest to have 2-year terms for Members of the House.

□ 1240

I intend and I hope to be a part of winning this debate out there in the public area, but I do not want any limitation of any sort on that debate. But I think right now, because of the reaction we have had to the involvement of House counsel, whether his involvement was correct or not according to the letter of the law, we have to say to ourselves, back off. We are for democracy. We are for public debate. We are for spirited engagement by the public in government. It is time for us to back off and say no, we did not intend for our resources to prejudice the case. And, yes, we will get out there and engage in this important debate.

Mr. Speaker, I look to that debate as part of the revitalization that our democracy desperately needs, if we are to be capable of governing in an era that places before this body extraordinarily complex challenges that require considerable knowledge and lengthy explanations, rather than new bumper sticker politics.

Mr. GEPHARDT. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, the spin doctors are leaping into the breach in the term limit movement that was created by the voters of Washington State yesterday. We have heard here today that it was the incumbents who somehow mesmerized the voters.

How easy it is to explain away an unhappy result by suggesting that the voters are too unintelligent to be able to make up their own mind, that they had been led by evil forces, that they are only wise when they agree with you.

There were allegations made here today that the opponents of the initiative in my State galled the people with a series of great television ads, and the person who said it spoke as though he really knew what was going on in this State. You will be surprised to learn there were no television ads and that the opponents of 553 in my State were outspent three to one. We did have some radio.

Somehow it was suggested here that the Speaker should not have even commented on an issue of such grave public importance. The facts are, we were outspent three to one, that the leadership of this movement against term limitations was the League of Women Voters and Common Cause, and that a majority of the newspapers in the State of Washington opposed the initiative.

What happened was that people were angry. But as the issue was debated, people moved not from pro to con, but from pro to undecided, and thought about it, and them moved to con.

No wonder that is scary to proponents of term limits, because what it suggests is if you would give people time enough to think about this, they understand that you do not gain anything by shooting yourself in the foot.

Mr. Speaker, it is very clear the people are angry. It is also very clear that people, given time to think through for themselves, know that term limits is not the solution to any of the problems that they seek.

Mr. COX of California. Mr. Speaker, might I inquire how much time remains on both sides?

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from California [Mr. COX] has 8½ minutes remaining, and the gentleman from Missouri [Mr. GEPHARDT] has 4½ minutes remaining.

Mr. COX of California. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the subject that we are here discussing today refocused is this is the question about the House counsel preparing a brief that was filed in the Florida Supreme Court case involving an initiative regarding the question of term limits.

I want to state up front that I do not impugn the motives of any Members, and certainly not the gentleman from Florida [Mr. SMITH], who filed the brief. I also want to note that while some will say that this vote is going to be an ethics vote, I do not think that it is. Some will also say that it is going to be a term limits vote or a vote on term limits. I do not think that it is.

I think that the vote we are about to take on this resolution is a vote on whether legal counsel for the House should prepare and submit a brief when requested by a Member in a case where there is great controversy, where the heart of that controversy is a legislative issue before this body, and where the House has not spoken with a vote, and, further, where Members are clearly divided.

I submit to Members that it is precisely the case that is before us today, and it is a case where the House counsel should not prepare a brief when requested, and it is a case where, in this instance, we have the opportunity to vote for a resolution which retracts that idea and says clearly it is not appropriate to file a brief in this situation.

Mr. Speaker, that does not mean that there are not myriads of other situations where briefs are appropriate. In fact, I would submit that the category I just described is very narrow. But term limits and the issue before us today is very specific, very important, very controversial, very hotly debated, and I would submit it is not appropriate for that brief to have been prepared or filed.

Now, I happen to support term limits. I have been a term limit supporter since 1981 when I first came to Congress. I have filed a congressional amendment to limit terms of Members of this body and the Senate every Congress since then. My term limit proposals for 12 years have been supported as widely as any that have been filed during that time.

During the process, I want to make a clear point that bothers me: Not one time has there been a hearing in the committee where I sit on this issue. Not only that, of course, there has been no vote.

There is a certain arrogance about this body in not taking up this issue, an arrogance that the public perceives. That is the reason why term limits is such a great issue.

I do not also happen to think though that the process out here is in the initiative stage going through the States is going to be held constitutional. In fact, in the brief that was submitted on the merits, I would probably agree with the constitutional issue involved in it. I can understand why the voters of the State of Washington may have rejected the ballot initiative yesterday, because it applied only to their State. It was not an issue that could be applied uniformly across the country. It was also retroactive.

The fact of the matter is there is an arrogance about this body not considering term limits. The fact of the matter is the public wholeheartedly supports limiting the terms of Members of Congress, and with great cause. It is because they realize we are career-oriented in this body. It is because they realize that career orientation leads to mistakes. It means that special interests, every interest, for that matter, must be supported time and again, and therefore this body does not set priorities. We do not balance the budget. We do not make other decisions that we should. And it is a problem that will not be corrected until we limit terms.

There is one other way we could correct it, I would submit, and that is since 1954, this body has been controlled only by one party, the Democratic Party. If that majority were to change, and some day my party, the Republican Party, gained the majority, a great deal of changes would occur in here. But in the long haul the only other way to correct this and the best way to correct it, because it would apply equally to my party eventually, is to limit the terms, take some of the career orientation out of this, take some of the special pressure out of it, make sure we do not have Members serving as chairmen for too long, and correct an evil the public well understands.

Again, I do not fault anyone for their requesting this brief or for the brief having been filed by the Member once he got it. But I think there is an egregious problem in the policy process that we need to correct by this resolution today.

Mr. Speaker, I urge Members to vote for this resolution, and I urge that we take up the term limit question expeditiously in this body.

Mr. GEPHARDT. Mr. Speaker, I yield myself the balance of time on our side.

Mr. Speaker, I want to rise in opposition to this motion. I hope that Members have listened carefully to the debate, and understand that what is involved here is a controversial question. It is a question on which there is political controversy and legal controversy. It is a question that should be debated in the country, in the States, and should be debated to a conclusion.

But in this case, what is being asserted is that a wrong was done by being able to ask the legal counsel of the House to prepare an opinion that could be used in a court of law on this issue.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding. I really devoutly did not want to speak on this issue. The gentleman from California [Mr. COX] is one of the ornaments of our party, in my judgment, and a great guy. This is not a frivolous petition at all.

But in my honest opinion, I think Steve Ross has never said no. I would be hypocritical, because I have called upon him for advice on the Virginia income tax laws as they pertain to a Member of Congress.

□ 1250

He has represented me in court on subpoenas having to do with legislative matters. I think what he did perhaps was improper in the sense that he should not have listed himself as attorney for the Clerk, even though he is. He was not acting as attorney for the Clerk. He was acting as attorney for the gentleman from Florida [Mr. SMITH].

It is useful and helpful to have an institutional counsel that we can go to, and get advice from, without always having to run out and hire a lawyer. And I think what he did concerns this institution.

This should not be turned into a pro or con term limit issue. This is another matter. The question is, was it improper to go to the counsel for the Clerk and ask for help on a legal matter that concerned the institution.

I find that proper. As I say, with deep regret, I think the gentleman from California [Mr. COX] is right in the sense that the House has not taken a position, and nothing in the brief should indicate that, and nothing did, except he listed himself as attorney for the Clerk. And that might be interpreted as a position of the Clerk, who is an officer of this House. But I do not think that it ought to be turned into partisanship and George Bush and term limits.

I think Mr. Ross did act properly, at least I find that he did, because I have used him and he has been helpful to me. I would be hypocritical if I did not say so.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman for his statement.

I would further say that he is now responding to a request from Members on the other side for a brief on the other side of the issue. There is a debate among legal scholars about what the Constitution says on this issue, and he will be preparing, and I am sure Members here will be preparing, a brief on the other side so that the Court has the benefit of the best arguments that can be brought in and, as the gentleman from Illinois said, on an issue that goes to the heart of the constitutional questions that surround membership in this House.

Mr. EDWARDS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I was not going to speak, but I do respect the gentleman from California for what he is trying to do. And there were some procedural problems with this. But I agree with the gentleman from Illinois [Mr. HYDE].

I would also raise the point that it is my opinion that there are constitutional rights and prerogatives of the House of Representatives which do not arise from a formal vote being taken on the floor of the House but arise from the Constitution itself, where in this case the qualifications of Members of the House are spelled out.

So, with the greatest reluctance, I have to say that I will be voting against the Cox resolution.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman.

I would simply conclude by saying that there are legal questions and then there are legal questions. This is one that goes to the heart of the constitutionality of our being in office.

If Members cannot go to the legal counsel, which is on duty, someone said this costs $25,000. If he had not been doing this, he would have been doing something else.

We have hired him to do this kind of work. Members ought to be able to go to him and say, "I want to file a brief in a case that goes to the heart of the constitutional status of Members of the House of Representatives."

He is going to do it for the view of the gentleman from Florida [Mr. SMITH], and he will do it for opposite views on the other side.

I urge Members to vote against the resolution.

Mr. COX of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Speaker, I rise in support of the resolution.

We are not here today to debate the pros and cons of term limits. However, the incident giving rise to this resolution is an excellent example of why limiting the terms of Congressmen is a popular idea.

Too many Members have lost the ability to separate their personal goals and desires from the common good or the good of the institution. Using the House legal counsel to argue the unconstitutionality of State-imposed term limits serves the political interests of individual Members of Congress. While it may represent the position of a majority of Members, it does not necessarily serve the interests of this institution or the American people.

Members tend to confuse their own political interests and ambitions with the best interests of the institution of Congress. Similarly, congressional responsibility on occasion takes a back seat to partisan politics.

The growing frequency of these trends have degraded the institution in the eyes of people it was created to serve. The American people do not want Congress to use its power to protect its Members from the American people.

Thomas Jefferson, after reviewing a new draft of the Constitution in 1787, said, "I dislike, and I greatly dislike, the abandonment in every instance of the principle of rotation in office."

Jefferson foresaw the temptation to use political office for the personal gain of the officeholder. Yet, I doubt whether he foresaw the potential magnitude of the problem.

If Members cannot break themselves of using the institution of Congress to promote their careers instead of good government, then the public is correct in seeking to change the institution.

The resolution before the House will not prevent Members of Congress from confusing personal with public interests. But it will present the accurate position of full House to the members of the Florida Supreme Court.

And more important, it will encourage Members to reconsider whether their actions serve their constituents or their own political interests.

I urge my colleagues to support this resolution and to help put Congress back on track.

Mr. COX of California. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from California [Mr. CAMPBELL].

Mr. CAMPBELL of California. Mr. Speaker, this is not going to the counsel to get advice on the tax law of Virginia. It is not going to the counsel to get advice on a personal matter on which there is some need for help to a Member of this body.

It is, rather, doing research on a very controversial political issue pending before the States. It would have been wiser had no member of this staff of this House done so. It would have been wiser on either side. It does not cure the ill, Mr. Speaker, that an employee of this House will now do research on the other side.

The point is that this is a controversial issue, a political issue, and no vote was taken of this membership. Of course, we should have a counsel who gives advice to Members on questions such as "May I leave for jury duty, or is my first obligation here?" This is not that case. I believe all Members know that.

What this case is is a very controversial issue on which legal opinions differ. It should be resolved in an appropriate court of law. It is entirely appropriate for any Member of this House to file a brief. It is not wise for that brief to bear the name of an employee of the Clerk's office, which, for whatever our intention, gives the implication of the imprimatur, the approval of the House. And there is the distinction between all the examples that have been raised.

There may be one point where the rights of the House are so clearly at issue that it would be wrong to delay even for a moment, but to file a brief at once because the prerogatives are jeopardized. That is not this case. Term limits may very well be constitutional.

I put to my colleagues that the only Supreme Court-decided case remotely on point held in favor of the State of California, when the State of California imposed an additional obligation to those specifically in our Constitution. In that Supreme Court opinion, the Court held that the rule, and I quote from the Supreme Court: "is no substitute for hard judgments that must be made. Decision in this context, as in others, is very much a matter of degree, the facts and circumstances behind the law, the interests which the State claims to be protecting, the interests of those who were disadvantaged, and so forth.

What the Court held in that one case, *Storer* v. *Brown*, 415 U.S. 724 (1974), is that a State may impose an additional restriction if it has a compelling interest in doing so and if it does not discriminate. Neither, it seems to me, are the case here.

In conclusion, we should not have filed this brief with the name of an employee of the Clerk. My colleague from California eloquently and in a scholarly manner gave the arguments that this was not wise. That is all this resolution states, and I agree with it.

I conclude with reference to one last point, the 10th amendment:

> The powers not delegated to the United States by the Constitution nor prohibited to it by the States are reserved to the States, respectively, or to the people.

Mr. COX of California. Mr. Speaker, I yield myself such time as I may consume.

I will now conclude the argument by, I hope, bringing us back to first principles. My resolution seeks to do one thing and one thing only, and that is to make it clear that this House is on record officially neutral on the question of constitutionality of State term limits. There is a very important reason we should do so. It is an open question.

It is not an easy question, as our counsel has asserted in this brief. The Supreme Court of the United States has not decided this question. No Federal court has disposed definitively of this question. It is contentious in the extreme.

No Member of Congress was made a party to litigation and requested the help of counsel in responding. Rather, this was volitional. Rather, we had a choice whether to involve ourselves.

In my view, the wise exercise of that choice is to stay the devil out of these term-limit elections with taxpayer dollars. I think it is vitally important that we recognize that this is a question of judgment and, at our peril, we fail to recognize the distinction between routine legal advice on routine matters or actual legal cases to which Members are parties from the House counsel in volitionally involving ourselves in legal actions around the country.

This is not a question of whether any Member acted properly. It is a question of what do do next, and what we should do next is vote "yea" on this resolution, vote to keep taxpayer resources out of the State term-limit elections.

The SPEAKER pro tempore (Mr. MCNULTY). All time has expired.

Mr. GEPHARDT. Mr. Speaker, I move to lay the resolution on the table.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. GEPHARDT] to lay on the table the resolution offered by the gentleman from California [Mr. COX].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. COX of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 265, nays 160, not voting 8, as follows:

[Roll No. 377]

YEAS—265

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell

Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—160

Allard
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Houghton
Hunter
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Myers
Nichols
Nussle
Oxley
Packard
Pallone
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Studds
Stump
Sundquist
Swett
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Davis
Dymally
Hayes (LA)
Hopkins
Martinez
Sangmeister
Slaughter (VA)
Waters

☐ 1318

The Clerk announced the following pair:

On this vote:

Mr. Dymally for, with Mr. Davis against.

Mr. LOWERY of California changed his vote from "yea" to "nay."

Mr. NAGLE and Mr. CAMPBELL of Colorado changed their vote from "nay" to "yea."

So the motion to lay the resolution on the table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON TOMORROW

Mr. HOYER. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12 noon tomorrow.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Maryland?

There was no objection.

☐ 1320

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Tuesday, November 5, 1991, in the order in which that motion was entertained.

Votes will be taken in the following order:

To concur in the Senate amendment to H.R. 3350, by the yeas and nays, and H.R. 3298, as amended, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

U.S. COMMISSION ON CIVIL RIGHTS REAUTHORIZATION ACT OF 1991

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and concurring in the Senate amendment to the bill, H.R. 3350.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and concur in the Senate amendment to H.R. 3350, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 420, nays 7, not voting 6, as follows:

[Roll No. 378]

YEAS—420

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hefley
Hefner
Henry
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)

Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha

Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze

Schumer
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—7

Armey
Crane
DeLay

Hancock
Herger
Sensenbrenner

Stump

NOT VOTING—6

Dymally
Hayes (LA)

Hopkins
Martinez

Sangmeister
Slaughter (VA)

☐ 1339

Mr. HERGER changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules, on which the Chair has postponed further proceedings.

FARM CREDIT BANKS AND ASSOCIATIONS SAFETY AND SOUNDNESS ACT OF 1991

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 3298, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 3298, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 221, nays 203, not voting 9, as follows:

[Roll No. 379]

YEAS—221

Abercrombie
Alexander
Allard
Anderson
Andrews (TX)
Annunzio
Aspin
Barnard
Barrett
Barton
Bateman
Bennett
Bentley
Bilbray
Boehlert
Boehner
Bonior
Boucher
Brewster
Brooks
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Carr
Chandler
Chapman
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit

Conyers
Costello
Coughlin
Cox (IL)
Coyne
Darden
Davis
de la Garza
DeFazio
Dingell
Dixon
Dooley
Dorgan (ND)
Downey
Duncan
Durbin
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Evans
Ewing
Fields
Ford (MI)
Ford (TN)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Glickman
Goodling
Grandy
Gunderson
Hall (OH)
Hall (TX)
Hamilton

Hammerschmidt
Hastert
Hatcher
Hayes (IL)
Hefley
Herger
Hertel
Hoagland
Hobson
Horton
Hubbard
Hutto
James
Johnson (SD)
Johnson (TX)
Jones (GA)
Jones (NC)
Jontz
Kaptur
Kildee
Kleczka
Klug
Kolter
Kopetski
Lagomarsino
Lancaster
LaRocco
Laughlin
Lehman (CA)
Lent
Levin (MI)
Lewis (FL)
Lewis (GA)
Lightfoot
Lloyd
Long
Lowey (NY)
Luken
Marlenee
Matsui

Mazzoli
McCloskey
McCurdy
McDade
McDermott
McEwen
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mink
Mollohan
Morrison
Murphy
Murtha
Nagle
Nichols
Nussle
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Panetta
Pastor
Payne (VA)
Penny
Perkins
Peterson (MN)

Pickett
Pickle
Poshard
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Richardson
Ridge
Riggs
Ritter
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Sabo
Sanders
Sarpalius
Savage
Schiff
Schulze
Schumer
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)

Smith (FL)
Smith (OR)
Smith (TX)
Solarz
Spence
Spratt
Staggers
Stallings
Stearns
Stenholm
Sundquist
Swift
Synar
Tallon
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Traficant
Unsoeld
Upton
Vander Jagt
Vento
Volkmer
Walsh
Washington
Weber
Weldon
Williams
Wyden
Young (AK)

NAYS—203

Ackerman
Andrews (ME)
Andrews (NJ)
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Bacchus
Baker
Ballenger
Beilenson
Bereuter
Berman
Bevill
Bilirakis
Bliley
Borski
Boxer
Broomfield
Browder
Callahan
Campbell (CA)
Carper
Clay
Clement
Coble
Cooper
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Donnelly
Doolittle
Dreier
Dwyer
Early
Eckart
Edwards (CA)
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Frank (MA)
Franks (CT)
Gallegly

Gallo
Gaydos
Gekas
Gilman
Gingrich
Gonzalez
Gordon
Goss
Gradison
Green
Guarini
Hancock
Hansen
Harris
Hefner
Henry
Hochbrueckner
Holloway
Horn
Houghton
Hoyer
Huckaby
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jefferson
Jenkins
Johnson (CT)
Johnston
Kanjorski
Kasich
Kennedy
Kennelly
Kolbe
Kostmayer
Kyl
LaFalce
Lantos
Leach
Lehman (FL)
Levine (CA)
Lewis (CA)
Lipinski
Livingston
Lowery (CA)
Machtley
Manton
Markey
Martin
Mavroules
McCandless
McCollum
McCrery
McGrath
McMillan (NC)
Meyers

Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Moorhead
Moran
Morella
Mrazek
Myers
Natcher
Neal (MA)
Neal (NC)
Nowak
Olver
Packard
Pallone
Parker
Patterson
Paxon
Payne (NJ)
Pease
Pelosi
Peterson (FL)
Petri
Porter
Price
Reed
Regula
Rhodes
Rinaldo
Roe
Rohrabacher
Rostenkowski
Roukema
Rowland
Russo
Santorum
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Smith (IA)
Smith (NJ)
Snowe
Solomon
Stark
Stokes
Studds

Stump
Swett
Tanner
Tauzin
Taylor (MS)
Torricelli
Towns
Traxler
Valentine
Visclosky
Vucanovich
Walker
Waters
Waxman
Weiss
Wheat
Whitten
Wise
Wolf
Wolpe
Wylie
Yates
Yatron
Young (FL)
Zeliff
Zimmer
Dornan (CA)
Dymally
Hayes (LA)
Hopkins
Martinez
Roybal
Sangmeister
Slaughter (VA)
Wilson

NOT VOTING—9

Dornan (CA)
Dymally
Hayes (LA)
Hopkins
Martinez
Roybal
Sangmeister
Slaughter (VA)
Wilson

☐ 1352

Ms. MOLINARI and Messrs. LAFALCE, EDWARDS of California, GAYDOS, YATRON, MINETA, DICKS, LEHMAN of Florida, PALLONE, and SAWYER changed their vote from "yea" to "nay."

Mr. EDWARDS of Oklahoma and Mr. HUBBARD changed their vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 446

Mr. COLEMAN of Texas. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 446.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report and the amendments in disagreement on the bill (H.R. 2707) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

The SPEAKER pro tempore (Mr. MCDERMOTT). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONFERENCE REPORT ON H.R. 2707, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1992

Mr. NATCHER. Mr. Speaker, I call up the conference report on the bill (H.R. 2707) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Friday, November 1, 1991, at page 29733.)

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. NATCHER] will be recognized for 30 minutes, and the gentleman from Michigan [Mr. PURSELL] will be recognized for 30 minutes.

Mr. WEBER. Mr. Speaker, may I inquire, is the gentleman from Michigan [Mr. PURSELL] opposed to the bill?

The SPEAKER pro tempore. Is the gentleman from Michigan [Mr. PURSELL] opposed to the bill?

Mr. PURSELL. No, Mr. Speaker, I am not.

Mr. WEBER. Mr. Speaker, I am opposed to the bill, and I request one-third of the debate time.

The SPEAKER pro tempore. For the purposes of debate, the gentleman from Kentucky [Mr. NATCHER] will be recognized for 20 minutes, the gentleman from Michigan [Mr. PURSELL] will be recognized for 20 minutes, and the gentleman from Minnesota [Mr. WEBER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Speaker, I yield myself 2 minutes.

(Mr. NATCHER asked and was given permission to revise and extend his remarks.)

Mr. NATCHER. Mr. Speaker, I rise today to present the conference report on H.R. 2707, the fiscal year 1992 appropriations bill for the Departments of Labor, Health and Human Services, and Education, and Related Agencies. The full conference agreement was printed in the CONGRESSIONAL RECORD of November 1, 1991, and has been available to Members since Monday morning.

Mr. Speaker, the conference report is $71 million below the discretionary budget authority, 602(b) spending subdivisions and $34 million below the outlay subdivisions.

Before I begin, I want to thank my big chairman, Mr. WHITTEN, for all the help he has given us down through the years on this bill. This year, as always, he has provided valuable counsel and leadership.

The conference agreement contains $203,845 million for the three Cabinet departments and 18 related agencies under the jurisdiction of the Labor-HHS-Education Subcommittee. Of the total $144,829 million is for mandatory programs such as Medicaid, aid to families with dependent children, and supplemental security income; $59,016 million is for the discretionary programs. These totals are within our 602(b) allocation for both budget authority and outlays.

As I have indicated to Members throughout the year, it has been very difficult to construct a bill under our 602(b) allocation, which is $1 billion below the amount needed to maintain current services. During our 13 weeks of hearings with 730 witnesses, we have been confronted with many competing needs and priorities. We have done our best, but certainly not as much as we would have liked.

The tightness of our allocation, combined with a Senate bill that reflected different priorities than the House, made our conference very difficult—the longest and most difficult since I have been chairman of the subcommittee. We met with the Senate over a period of 3 weeks trying to hammer out an agreement on the 219 amendments in dispute. Both sides have had to make compromises they are not pleased with. Nevertheless, the conference agreement supports many programs that are critical to the health and welfare of our Nation's citizens. I will highlight just a few of these programs, and provide a more detailed description for the RECORD:

Total education discretionary spending is $22,873 million, an increase of $1,887 million over 1991.

Chapter 1 is funded at $6,707 million.

The National Institutes of Health receive $9,010 million, of which at least $133 million is expected to be spent on breast cancer research.

Job Corps is funded at $920 million.

Head Start receives $2,202 million.

Low income home energy assistance is funded at $1.5 billion, with an additional $300 million available in a Presidential emergency fund.

Total funding for AIDS is expected to exceed $1.9 billion, of which $280 million is for programs authorized under the Ryan White Act.

Funds are not made available for State legalization impact assistance in fiscal year 1992, but are provided in full on October 15, 1992, 5 months after they would normally become available. This delay is unfortunate, but it is preferable to the President's budget which would have totally eliminated these funds. This was the only option possible given the budget ceilings facing the subcommittee.

I also want Members to know the disposition of several abortion-related issues. The conferees dropped the Senate amendment permitting Federal funds to be used for abortions in the case of rape or incest. The conference agreement therefore maintains current law with respect to the Hyde amendment. This permits Federal funding for abortions only when the life of the mother would be endangered if the fetus were carried to term. The conferees also dropped the Senate floor amendment regarding parental notification. This matter will be left to the authorizing committees. The only change in traditional bill language related to abortion retained by the conferees is the prohibition against implementing the so-called gag rule. This provision will go to the President in exactly the same form as passed the House on June 26.

This provision was not in conference. It was adopted in full committee in the House and was contained in identical form in the Senate bill. I realize that Members may feel very strongly about this issue, but it was not possible to address it in conference.

In summary, I believe the conference agreement is the best compromise between the House and Senate bills we could obtain. It should be supported by this House and I urge its adoption.

Mr. PURSELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to congratulate Chairman NATCHER and our entire staff: Mike Stephens, Bob Knisely, Mark Mioduski, Susan Quantius, Kevin Kraushaar, David Recker, and John Blazey on our side. I congratulate them for an outstanding piece of legislation, one which I personally support.

I also want to thank Chairman NATCHER for his leadership over the last 6 months in bringing this conference report to the floor.

I support this conference report. It is filled with good programs to assist the poor, the elderly, the sick, and the unemployed, and there are programs here that educate our children. These programs are expensive, but they are an investment in our future.

This report is within the 602(b) allocation. In fact, it is under the cap by $71 million in budget authority and $34 million in budget outlay.

There is one serious flaw, however, that I must bring to the attention of my colleagues, and that is the problem of delayed obligations. Simply stated, the Subcommittee on Labor, Health and Human Services, and Education was given more budget authority than it could spend and remain within its budget outlay limitation.

□ 1400

In order to appropriate all the money that the subcommittee was given authority to spend, the conference committee voted to delay $4.2 billion until the last day in fiscal year 1992. This means that the money cannot be obligated until then and effectively shoves this $4.2 billion into the next fiscal year.

However, I want to point out that other subcommittees have also used this budget practice, including the OMB and the administration. It is not sound fiscal policy and will make next year's appropriation process more difficult. I know that Chairman NATCHER and our entire committee, myself included, are seriously concerned about this practice and we are committed to resolving this problem next year.

I would like to point out some of the highlights of the bill. For the National Institutes of Health, this bill appropriates just over $9 billion for the first time, an increase of $734 million. That is an increase of 8.9 percent and it is the jewel of this bill. NIH scientists are searching for breakthroughs in cancer, heart and lung diseases, hypertension, and several other illnesses.

Within the Centers for Disease Control we have funded a new program, Preventive Health, and included $135 million for antismoking efforts. I think this is a educationally sound and good public policy.

We also have a new immunization program which is now almost at $300 million, an increase of 37 percent. This will prevent rising health costs in the future.

I want to congratulate Dr. Bernardine Healey for her leadership as the NIH Director. She has instituted some new leadership in calling attention to an all-male committee on the issues that have to do with women's health. There is $30 million for breast cancer research and $50 million for breast and cervical cancer research, which is a total of $80 million.

On the education front I want to congratulate Secretary Lamar Alexander for his leadership. The conference report provides $100 million for the President's America 2000 activities, and I want to thank the committee for making that a separate line item, but subject to authorization by April 1, 1992.

The report provides $2.3 billion for Head Start, showing strong bipartisan support for this important program. We also give tribute to the gentleman from Pennsylvania [Mr. GOODLING], the ranking Republican on the Committee on Education and Labor, for his effort in leading the fight for Even Start, which will ensure that children in America will start school early and are ready to learn. The report provides $70 million for Even Start.

Mr. Speaker, we also provide $623 million for drug-free schools and communities, so that every school can offer a disciplined environment that is conducive to learning.

We also have $6.9 billion for student financial aid, an increase of approximately $171 million.

Mr. Speaker, this is a good bill. I offer this on our side of the aisle, and encourage all Members to support it when we vote on the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. WEBER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in sad and reluctant opposition to the conference report, because as a member of the subcommittee I take great pride in all the work done by our subcommittee, and do not disagree with a word said by the gentleman from Kentucky [Mr. NATCHER] or the gentleman from Michigan [Mr. PURSELL]. One could not work with two finer leaders than the gentleman from Kentucky and the gentleman from Michigan, the new ranking member of our subcommittee.

But this fine bill, in my view, is fatally flawed in two respects: First of all, the gentleman from Michigan [Mr. PURSELL] has already acknowledged that the bill unfortunately forward funds $4.2 billion into the next fiscal year, making it fiscally irresponsible.

I want to emphasize on our side of the Capitol, we would have solved that problem. The problem occurred in the conference committee with the Members of the other body.

But even more serious, in my judgment, as a flaw is the tearing down of the wall between family planning and abortion.

Mr. Speaker, this is a nurturing bill. This is a bill that nurtures families through its education programs, its social service programs, its job training programs, and its health programs. We should not put this bill and this Government in the business of promoting a destructive procedure such as an abortion by tearing down the wall that exists today between family planning and abortion.

Mr. Speaker, this issue has been misconstrued to the public time and time again. But the President has now made clear what is at stake here through a memorandum to the Secretary of Health and Human Services. He says,

> Nothing in these regulations is to prevent a woman from receiving complete medical information about her condition from a physician. Title X projects are to provide necessary referrals to appropriate health care facilities when medically indicated. If a woman is found to be pregnant and to have a medical problem, she should be referred for complete medical care, even if the ultimate result may be the termination of her pregnancy.

Mr. Speaker, that interpretation has been upheld by an internal memo from the general counsel of the Department of Health and Human Services. What it says, simply put, is that this is not a gag rule. There is no gag rule on the confidential personal relationship between a doctor and his patient in any of these facilities.

The real issue here is are we going to tear down the wall between family planning and abortion and put the Department of Health and Human Services and the Federal Government and the taxpayers in the business of promoting and referring for abortion?

Mr. Speaker, we should not. Members should vote "no" on the conference report.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, make no mistake about it, this vote is an abortion vote, plain and simple. Since the day of the Rust versus Sullivan decision, the matter of abortion referrals by title X funded clinics has been obscured by claims of free speech. This issue has nothing to do with free speech and everything to do with abortion.

As a matter of fact, the regulations permit a doctor to refer a woman to a facility that provides abortions. What they don't permit is referral to "health care providers whose principal business is the provision of abortions." Principal business. We're talking about abortion mills, Mr. Speaker. The regulations don't allow federally funded clinics to refer women to abortion mills. When a woman's health is at stake, a title X program is required to make an appropriate referral, even if the result may be an abortion. And in cases of medical emergency, the project is required to refer a pregnant woman to an appropriate provider of emergency medical services, even if the result may be an abortion.

Abortion is a multimillion dollar business in this country, my colleagues. Apparently that's not enough for abortion providers—they want the Federal Government to send them more potential abortions. We're not talking about free speech, we're not talking about women's health issues—we are talking about the multimillion dollar business of abortion in this country, and the American taxpayers don't want to support it. I urge you to vote against the conference report.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. WHITTEN], the chairman of the full Committee on Appropriations.

Mr. WHITTEN. Mr. Speaker, I take this time to just say what a great subcommittee we have here. At this time, when we are looking around the world for places to spend our money, it is absolutely essential that we take care of our own people, on whom everything else depends. We have got to give our country that attention, because our country is what all of our money is based on. An educated, healthy population, with adequate housing, food, and nutrition from a strong agricultural base, provides the foundation for our national strength and future.

Mr. Speaker, I do not believe there is anyone in the Congress on which we can depend any more than the chairman of this subcommittee, the gentleman from Kentucky [Mr. NATCHER], who has a tremendous record back through the years, as well as all other members of the subcommittee.

Mr. Speaker, let me say again, whatever our problems are, we had better look out for our own country, because all the rest depends on that.

Mr. Speaker, this bill includes funds for all phases of education, both higher and secondary, including universities, colleges and community colleges, vocational education, disadvantaged education, adult education, and historically black colleges, including Mississippi Valley State University at Itta Bena, MS.

At this time when we are in debt I think it would be wise to roll ahead whenever possible the programs that, because of ceilings, we have been unable to put into this bill. We did make it clear that we believe in it, and did the very best that anybody could do.

Mr. Speaker, I am proud to be a member of this subcommittee, though I am unable to attend as often as I would like because of the press of other committee business. I want to compliment every member of the subcommittee, the chairman, Mr. NATCHER of Kentucky, the ranking Republican, Mr. PURSELL of Michigan, Mr. SMITH of Iowa, Mr. OBEY of Wisconsin, Mr. ROYBAL of California, Mr. STOKES of Ohio, Mr. EARLY of Massachusetts, Mr. HOYER of Maryland, Mr. MRAZEK of New York, Mr. PORTER of Illinois, Mr. YOUNG of Florida, Mr. WEBER of Minnesota, and Mr. MCDADE of Pennsylvania, because it is to them we have to look to take care of this country.

This bill looks after our people and our country. We must look after the people's health and education, but in the same breath we must look after the physical health of our own country because it is our country to which we have to look to take care of all the needs that we have.

Mr. Speaker, ours is a great country. We need to take care of all of it in order to maintain a strong, healthy nation. Strength and health that can come only from protection and developing the Nation's resources—our real wealth.

Mr. PURSELL. Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from Illinois [Mr. PORTER], a member of the subcommittee.

Mr. PORTER. Mr. Speaker, it is a pleasure as always to work with the gentleman from Kentucky [Mr. NATCHER] and the members of the committee. I would like the Members of the House to know that the gentleman from Michigan [Mr. PURSELL] is doing a fantastic job in filling the very big shoes of Sil Conte.

The conference report denies funding to implement the gag rule for one year, allowing HHS time to draw more balanced regulations. This provision is the same as it was as it left the House, and since the Senate adopted this same provision on their side, the matter was nonconferenceable.

We had hoped, however, in the course of the conference that compromise language might be worked out. Senator CHAFEE, Raine Archer of HHS, the American College of Obstetricians and Gynecologists, abortion rights groups, and Roger Porter, the domestic policy counselor, all worked for many months to work out fair and equitable compromise language. They did so. That language was submitted and then apparently rejected by John Sununu at the White House.

Mr. Speaker, we have fought over the question of abortion for a long, long time in this Chamber. We have reached a balance, I think a reasonable and fair balance with the Hyde amendment being law providing no funding to encourage abortion, and, with Roe versus Wade being also the law of the land, making it a decision not for the Government, but for the individual.

That balance has never satisfied some, however. They have continued to press for Government control on a number of fronts, title X reauthorization, UNFPA funding, the Mexico City policy, and now the gag rule. They have justified this intrusion on individual rights representing that abortion counseling has been directive, encouraging women to have abortions, not just informing them of their rights. That is a lie directly refuted by a GAO investigation, by a separate investigation by the IG at HHS, and the fact that no title X clinic was ever denied funds nor found to be doing that.

□ 1410

The gag rule denies a poor woman seeking help from a title X clinic the information about her legal, medical option to terminate her pregnancy. It directs specifically what a doctor or other health professional may or may not say regarding abortion, and I submit the gag rule for the RECORD at this point.

§59.8 Prohibition on counseling and referral for abortion services, limitation of program services to family planning.

(a)(1) a Title X project may not provide counseling concerning the use of abortion as a method of family planning or provide referral for abortion as a method of family planning.

(2) Because Title X funds are intended only for family planning, once a client served by a Title X project is diagnosed as pregnant, she must be referred for appropriate prenatal and/or social services by furnishing a list of available providers that promote the welfare of mother and unborn child. She must also be provided with information necessary to protect the health of mother and unborn child until such time as the referral appointment is kept. In cases in which emergency care is required, however, the Title X project shall be required only to refer the client immediately to an appropriate provider of emergency medical services.

(3) A Title X project may not use prenatal, social service or emergency medical or other referrals as an indirect means of encouraging or promoting abortion as a method of family planning, such as by weighing the list of referrals in favor of health care providers which perform abortions, by including on the list of referral providers health care providers whose principal business is the provision of abortions, by excluding available providers who do not provide abortions, or by "steering" clients to providers who offer abortion as a method of family planning.

(4) Nothing in this subpart shall be construed as prohibiting the provision of information to a project client which is medically necessary to assess the risks and benefits of different methods of contraception in the course of selecting a method; *provided*, that the provision of this information does not include counseling with respect to or otherwise promote abortion as a method of family planning.

(b) Examples. (1) A pregnant client of a Title X project requests prenatal care services, which project personnel are qualified to provide. Because the provision of such services is outside the scope of family planning supported by Title X, the client must be referred to appropriate providers of prenatal care.

(2) A Title X project discovers an ectopic pregnancy in the course of conducting a

physical examination of a client. Referral arrangements for emergency medical care are immediately provided. Such action is in compliance with the requirements of paragraph (a)(2) of this section.

(3) A pregnant woman asks the Title X project to provide her with a list of abortion providers in the area. The Title X project tells her that it does not refer for abortion but provides her a list which includes, among other health care providers, a local clinic which principally provides abortions. Inclusion of the clinic on the list is inconsistent with paragraph (a)(3) of this section.

(4) A pregnant woman asks the Title X project to provide her with a list of abortion providers in the area. The project tells her that it does not refer for abortion and provides her a list which consists of hospitals and clinics and other providers which provide prenatal care and also provide abortions. None of the entries on the list are providers that principally provide abortions. Although there are several appropriate providers of prenatal care in the area which do not provide or refer for abortions, none of these providers are included on the list. Provision of the list is inconsistent with paragraph (a)(3) of this section.

(5) A pregnant woman requests information on abortion and asks the Title X project to refer her to an abortion provider. The project counselor tells her that the project does not consider abortion an appropriate method of family planning and therefore does not counsel or refer for abortion. The counselor further tells the client that the project can help her to obtain prenatal care and necessary social services, and provides her with a list of such providers from which the client may choose. Such actions are consistent with paragraph (a) of this section.

(6) Title X project staff provide contraceptive counseling to a client in order to assist her in selecting a contraceptive method. In discussing oral contraceptives, the project counselor provides the client with information contained in the patient package insert accompanying a brand of oral contraceptives, referring to abortion only in the context of a discussion of the relative safety of various contraceptive methods and in no way promoting abortion as a method of family planning. The provision of this information does not constitute abortion counseling or referral.

An example that is part of the gag rule regulation states, "A pregnant woman requests information on abortion and asks the title X project to refer her to an abortion provider. The project counselor tells her that the project does not consider abortion an appropriate method of family planning and therefore does not counsel or refer for abortion."

If this conference report does not pass into law, this regulation will be implemented. The conference report puts this regulation on hold and allows time to reconsider and draw a more balanced rule.

Late last night Members received a copy of a memorandum from Secretary Sullivan. The language of that memorandum does nothing. It is extralegal and has no force or effect. I insert at this point a copy of the memorandum.

THE WHITE HOUSE,
Washington, DC, November 5, 1991.

MEMORANDUM FOR THE SECRETARY OF HEALTH AND HUMAN SERVICES

Throughout the debate about the relationship of the Title X family planning program and abortion counseling, some have raised questions about the regulations dealing with services offered to pregnant women.

We must ensure that the confidentiality of the doctor/patient relationship will be preserved and that the operation of the Title X family planning program is compatible with free speech and the highest standards of medical care.

In order to clarify the purpose and intent of these regulations, I am directing that in implementing these regulations you ensure that the following principles, inherent in the statute, are adhered to:

1. Nothing in these regulations is to prevent a woman from receiving complete medical information about her condition from a physician.

2. Title X projects are to provide necessary referrals to appropriate health care facilities when medically indicated.

3. If a woman is found to be pregnant and to have a medical problem, she should be referred for complete medical care, even if the ultimate result may be the termination of her pregnancy.

4. Referrals may be made by Title X programs to full-service health care providers that perform abortions, but not to providers whose principal activity is providing abortion services.

I am determined to assure the integrity of the Title X program in its mission to provide family planning services to low-income individuals; adherence to this guidance will produce this result.

GEORGE BUSH.

This is America, Mr. Speaker. No matter how we feel about abortion, and I speak as a supporter of the Hyde amendment, we have never been in the mind control business. For Government to fail to tell people, women who come to it for help, about their rights, for Government to fail to tell people the truth and the whole truth is simply not the way we do things in America.

Mr. Speaker, support the conference report and ensure that people in America will continue to be told the truth about their rights.

Mr. Speaker, I include for the RECORD another document on this issue.

POSSIBLE AGREEMENT ON POLICY WITH RESPECT TO PREGNANCY RELATED SERVICES IN TITLE X FUNDED CLINICS—OCTOBER 25, 1991

A. TREATMENT OF TITLE X PROJECTS WHICH PROVIDE PRENATAL CARE, SUCH AS, BUT NOT LIMITED TO, COMMUNITY HEALTH CENTERS, HOSPITALS, OR FAMILY PLANNING CLINICS THAT OFFER SUCH CARE

When a woman comes in for family planning services and is determined in the course of the visit to be pregnant, she should be offered information regarding her pregnancy. The provider of services will furnish a list of community resources for medical care and social services which may include providers of pregnancy termination if they also provide prenatal care. If the woman elects to remain in that project for services, she will be provided with the same pregnancy related services and information that all of the projects' patients receive. The project would be allowed to retain Title X funds as part of its general operating support. The Title X projects under Part A may use Title X funds for all services that are allowable under Part B.

B. TREATMENT OF TITLE X PROJECTS WHICH DO NOT PROVIDE PRENATAL CARE

(1) When a woman comes in for family planning services and is determined in the course of the visit to be pregnant, she should be offered information regarding her pregnancy. If she is found to have a significant medical problem, she should be referred to a provider of comprehensive medical care. The project will furnish a list of community resources for medical care and social services which may include providers of pregnancy termination if they also provide prenatal care. If requested, the project will make every effort to assist the pregnant woman in making an appointment with a prenatal care provider. In addition, the project will provide the woman with written information to be developed by the Secretary of Health and Human Services about appropriate prenatal care that includes a discussion of proper nutrition and exercise, the need to avoid alcohol, drug and tobacco use, and the importance of receiving medical care.

(2) The project shall give factual answers to questions the woman has about her pregnancy and her legal and medical options. Questions about an individual's medical conditions that relate to her pregnancy should be referred to an appropriate practitioner, on or off premises. Upon a woman's request, identification of providers of adoption and pregnancy termination services will be made available, including providers who do not also provide prenatal care. Factual information may also be provided about the mix of services provided by each provider and the payment sources they accept. The project is not to provide directive counseling to the woman regarding her pregnancy. Should this process of answering questions be found to advocate pregnancy termination or adoption the Title X project would be subject to the procedures which apply to misuse of grant funds, including termination of the grant or portion of the grant which funds the project.

(3) Nothing in this statute is intended to preclude a health care professional or trained clinician under the supervision of a medical director, from fulfilling his or her generally-accepted professional duty.

C. RELATIONSHIP TO NON-TITLE X SERVICES

Nothing in this statute is intended to circumscribe the services offered by a recipient of Title X funds with other public or private funds. Nothing in this statute is intended to address 42CFR59.9 (Feb. 2, 1988).

Mr. WEBER. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I rise reluctantly in opposition to the conference report because of the budget gimmicks that are in it.

Mr. Speaker, it is with considerable reluctance that I must oppose adoption of the conference report for the 1992 appropriation for Labor-HHS. I acknowledge that my position is taken with reluctance because I supported this appropriation bill when it was initially adopted in the House and I had high hopes it would return similarly clothed in a fiscally responsible fashion. I am saddened that those hopes have been dashed.

But there is another reason for my reluctance. Most of the debate today will center around that provision in the bill which blocks enforcement of the so-called gag rule. I strongly support this provision in the bill. Yesterday, the President issued a memorandum in which he attempted to clarify the scope of title X separation regulations. But the President's clarification is unacceptable because it fails to resolve the problem of providing a woman who seeks medical care at a federally funded title X clinic complete information about her options concerning unintended pregnancies. To deny a woman information about the options available to her is deceptive. It is bad policy and worse medicine. The gag rule should be overturned.

Because of the intensity of the debate on this issue, there are those who will mistake my vote against the conference report as an endorsement of the gag rule. I acknowledge that, but I cannot let it deter me from voting against an appropriation which so completely undermines the budget summit agreement.

Mr. Speaker, the funding tricks and gimmicks in this bill are offensive. Certainly, I would like to support increased funding for Head Start, for assistance for the homeless, for higher education, and more funds for cancer and AIDS research. All of these are worthy programs.

Unfortunately, the conferees have chosen to offer hollow promises to the beneficiaries of these programs. They have avoided making tough choices about priorities—a choice clearly demanded by the budget agreement. They have completely undermined the spirit, if not the letter of that agreement.

Let me mention just two examples of this gimmickry. The worst, clearly, is the delay in obligational authority of $4.3 billion until September 30, 1992—the last day of the fiscal year. This way, the conferees can claim credit for funding programs in this fiscal year, but not pay for them until the next. But next year's funding cap will be even tighter than this year's. Delaying the obligations just makes a bad situation worse.

The second example I would cite is the added funding for Low Income Home Energy Assistance Program [LIHEAP] in an emergency account. Like firefighting—an issue we have addressed earlier—the needs in this account can be accurately estimated. Putting more in the emergency account, thus avoiding the budget caps, is nothing more than an admission that the committee—and this body—lacks the will to choose between LIHEAP and other programs.

The budget summit agreement of last October was not a measure which I supported. But it is the only discipline we have; it is the only tool available to control spending. The conferees have brought back an overstuffed appropriation bill, one that asks us to overspend to the tune of $4.2 billion, one that asks us to postpone responsibility for overspending into the next fiscal year. Mr. Speaker, that is what we have been doing year after year. That is the practice that must end.

I urge my colleagues to vote no and send this agreement back to conference. Insist that they remove the budget tricks and return with an agreement that respects the covenant we made with the American people last year. If the conferees do that, I will vote for the agreement, and I will vote to override any veto which seeks to deny women the right to full counseling on reproductive rights.

Medical responsibility and fiscal responsibility. These two principles should go hand in hand in this appropriation bill. We ought not to scuttle one to save the other.

Mr. WEBER. Mr. Speaker, I yield 3½ minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, every year, Planned Parenthood counsels, refers, or performs over 200,000 abortions—an absolutely staggering loss of human life.

Every year, Mr. Speaker, tens of thousands of teenage mothers—many of them poor, vulnerable, frightened, and extremely impressionable—walk into Planned Parenthood carrying perfectly healthy babies only to leave the clinic having had their babies shredded and ripped apart by powerful suction machines or chemically killed by injections of poison. And in many of these cases, the teenagers' parents aren't even informed or notified, but, not to worry, Planned Parenthood's so called counselors assume that role.

Sadly, Mr. Speaker, Planned Parenthood, an organization that said in its literature in 1963: "An abortion kills the life of a baby after it has begun * * *. Birth control merely postpones the beginning of life," now operates the largest chain of abortion mills in the land. And, sadly too, Planned Parenthood is directly responsible for the death of millions of infants over the last two decades.

Thus, I guess, it should come as no surprise that Planned Parenthood and like-minded abortionists bitterly oppose the prochild, prowoman, proprenatal care title X reforms that now await implementation by the President.

If this conference report becomes law, needed reforms would be thwarted and the President's prenatal care rule overturned. This isn't a gag rule at all it is a prenatal care rule.

Today's debate, Mr. Speaker, isn't about free speech. It is about taxpayer subsidized abortion advocacy in what was intended by Congress to be family planning clinics, preconception clinics—not abortion marketing centers.

This debate is about reigning in on the facilitation of, and promotion of, abortion. For those Members who regard the life of an unborn child as one might regard a diseased pancreas, the decision is simple. If an unwanted pregnancy—if an unwanted baby—is the moral equivalent to a tumor or cyst, your vote is to overturn the regulations.

But if you accept the fact that unborn children are human and alive—and deserving of respect, compassion, and care—you will vote to sustain the President's prenatal care rule. If you accept the fact that every abortion stops a beating heart, your vote is to preserve the title X regulations.

It seems to me that the question turns on whether you and I want to put the considerable clout of Federal funds behind encouraging prenatal care referrals over abortion referrals.

It seems to me that you can't have it both ways. Prenatal care has absolutely nothing in common with abortion. One nurtures. The other destroys. Yet even these modest pro-life regulations are not airtight. They only require that referrals for prenatal care avoid those "health care providers whose principal business is the provision of abortions." In other words, avoid referrals to abortion mills.

Prenatal care, Mr. Speaker, respects the health and well-being of both mother and baby. Prenatal care, by definition, nurtures life and is life affirming. Prenatal care recognizes and treats two special patients with the blessings of the best nutrition and the best medical care available.

Abortion, by definition, destroys life and results in death.

Recently, the head of the U.S. Public Health Service, Dr. James O. Mason, pointed out that the President's new title X regulations—the prenatal care rule—would have a positive impact on the utilization of prenatal care in the country and would result in reduction in infant mortality.

Dr. Mason said on June 24, 1991,

> Let me underscore the importance of this program as a key component in our Department's effort to reduce the national problem of infant mortality. I believe that an important and often overlooked aspect of this regulation is its requirement that if a client is pregnant she will be assisted in obtaining access to vital prenatal care. From the point that pregnancy is confirmed, the public health role is to provide quality medical care for two patients, the mother, and her unborn child.

And to those who have expressed concerns that the regulations somehow intrude on the privileged doctor-patient relationship, the President has made crystal clear in his memorandum for the Secretary of HHS that doctors may continue to discuss abortion with women within clinics receiving title X funds, when the doctor believes that such discussion is medically warranted. In his November 5 memorandum, President Bush said,

> We must ensure that the confidentiality of the doctor/patient relationship will be preserved and that the operation of the Title X family planning program is compatible with free speech and the highest standards of medical care.
>
> In order to clarify the purpose and intent of these regulations, I am directing that in implementing these regulations you ensure that the following principles, inherent in the statute, are adhered to:
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>
> 2. Title X projects are to provide necessary referrals to appropriate health care facilities when medically indicated.
>
> 3. If a woman is found to be pregnant and to have a medical problem, she should be re-

ferred for complete medical care, even if the ultimate result may be the termination of her pregnancy.

4. Referrals may be made by Title X programs to full-service health care providers that perform abortions, but not to providers whose principle activity is providing abortion services.

I am determined to assure the integrity of the Title X program in its mission to provide family planning services to low-income individuals; adherence to this guidance will produce this result.

And, Mr. Speaker, the bogus claim that doctors could not refer a pregnant woman for medical care with AIDS, cancer, or diabetes is flatly refuted by the regulations themselves: "Each Title X project must * * * provide for * * * necessary referral to other medical facilities when medically indicated." [42 CFR Ch. 1 59.5 10(1)] In fact a doctor is required to refer the woman to a specialist, even if such referral ultimately results in the loss of the baby's life.

Finally, Mr. Speaker, national public opinion polls clearly show that Americans do not want birth control abortions in their national network of family planning clinics.

The Wirthlin Organization recently asked Americans "Do you favor or oppose offering abortions as a method of birth control in taxpayer-funded family planning programs." The results—77 percent oppose offering abortions in family planning clinics. And the reason should be obvious—abortion is not a method of family planning and Americans soundly reject any suggestion to the contrary.

Support the President's prenatal care rule. Vote down this conference report.

Mr. NATCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for yielding time to me.

I commend the chairman of the subcommittee, the ranking member, all members of the committee, and the staff for the amount of time and effort expended on this bill. This bill affects everyone in the United States from conception through death and burials. Everyone is affected by this bill.

It involves health. It involves training. It involves retraining. It involves safety. It involves the Social Security Administration. It involves everyone in some way in the United States.

This bill should not be held hostage to two or three emotional provisions that merely delay funding for 1 year for one of the many programs in this bill. Again, this Congress has added another emotional matter to this bill this year.

It would have taken the same number of votes to report out an authorization bill that settled this matter on the gag rule as it does to hook a 1-year delay in implementing the regulation to this bill, and it is not without harm when it is hooked onto this bill.

We are already into the new fiscal year. All programs in the bill are being held up in their full funding because this emotional issue is on the bill and until it is finally signed each program is capped at last year's level and denied even a cost-of-living adjustment. Also, the bill may not be enacted for 2 or 3 more weeks if it is vetoed.

This separate bill that would permanently overrule the gag rule ought to be reported out and voted on separately. It ought to be acted on in the House and the Senate. There is obvious evidence that it would pass overwhelmingly in both bodies because there were enough votes to add provision for a 1-year delay included in this bill.

The organizations that supported putting the delay on this bill could have spent the same amount of time getting the permanent bill reported and the question would have been settled by now. This issue should not be adversely affecting this bill.

I hope we do not come in here next year and find the same procedure used to delay the important programs in this bill so some can argue over one sentence in the whole bill. We just should not be holding this bill hostage to that issue instead of settling it on a separate bill.

I support the bill this year. But I say, let us not come back here next year and find this same argument on this same issue.

Mr. PURSELL. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. GREEN].

Mr. GREEN of New York. Mr. Speaker, as we consider this conference report, we face one red herring and one real issue. The red herring is the issue of the so-called advanced funding or delayed obligations: Everyone who knows this bill knows that the proper administration of its programs in many instances requires advanced funding. Why, after all, did the administration ask for almost $1.5 billion of advanced funding in this bill for programs like the Centers for Disease Control, the National Institutes of Health, Child Care and others?

The real issue we face is the gag rule.

I should simply like to remind my colleagues that the family planning clinic is often the only access that the poor woman who goes there has to medical personnel. And I say to my colleagues that when a poor woman goes to the doctor who serves as her only access to the health care system, she is entitled to the truth and the whole truth about what her health care options are.

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That is what we are here to fight for. If Members believe that the poor woman who has the family planning clinic as her only access to the health system should have the whole truth, then vote for this conference report.

Mr. WEBER. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Speaker, I have heard a great deal about the title X regulations, and as I read them they are quite different than what had been portrayed. They seem really quite reasonable.

I think it is important to note that this whole program deals with services prior to conception. Once a woman is pregnant and seeks to keep the pregnancy, title X cannot help her. She needs to be referred out. Once she is pregnant, and seeks to end the pregnancy, title X cannot help her. They need to refer her out. Title X deals only with family planning. It does not deal with post-conception services.

Criticism has been made of title X because these regulations preclude referral or encouragement of people to have abortions as a method of family planning. The overwhelming majority of the American people think that abortion for the purpose of birth control is morally wrong. Reflecting that sentiment, the Congress of the United States passed a law, and the administration implemented it with these title X regulations. The will of the people has been faithfully implemented, and we should vote no on this conference report because it overturns these regulations and goes against the will of the American people by seeking to encourage abortions as a method of family planning.

I also would observe, Mr. Speaker, that this bill spends $4.3 billion more than the President requested. Obviously this Congress has a hard time restraining, spending, and we ought to do it right here and live within the funding level requested by the President.

Vote no.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. STOKES], a member of the subcommittee.

Mr. STOKES. Mr. Speaker, I thank my distinguished chairman for yielding time to me. I rise in strong support of this conference report.

Mr. Speaker, I rise in support of the conference report on H.R. 2707, the fiscal year 1992 Labor-HHS-Education appropriations bill. This bill provides $204 billion for those entitlement and discretionary programs which help to keep Americans employed, healthy and educated. I would like to commend the chairman of the subcommittee upon which I serve for the exemplary leadership and adroit skill he exhibited in getting this bill reported out of conference.

I also would like to acknowledge the contributions of the gentleman from Michigan, Congressman CARL PURSELL, the ranking minority member of the subcommittee. CARL, during his first year as ranking minority member, has supported this bill and played an outstanding role in helping to bring this bill to the floor today.

The conferees had to make some difficult funding choices this year. When the House and Senate first went to conference, we had major differences in funding priorities. The Senate had proposed $1 billion more than the House for the health programs, and recommended $1 billion less than the House for our Nation's education programs.

After our first meeting, we reached a tentative agreement on funding levels, and later returned to learn that, in terms of budget authority, we were $800 million over our 602(b) allocation. All in all, we met five times trying to resolve our differences. This, Mr. Speaker, was one of the most arduous conferences ever.

We drafted this bill in the midst of rigid, and seemingly impossible parameters established by the budget agreement. Despite the difficult decisions we faced, the conference report we bring to you today provides a balanced approach to supporting our Nation's education, health and labor programs. In fact, H.R. 2707 provides significant funding increases for compensatory education for the disadvantaged, cancer research, minority health improvement activities, higher education, and many other programs. I am proud to have been able to help secure increased funding for these programs, as well as those programs which improve the quality of life for my constituents as well as persons across the Nation. There are several programmatic increases I would like to mention specifically.

For the Department of Education, H.R. 2707 provides $6.7 billion for compensatory education for the disadvantaged, representing a $900 million increase over last year's figures. This program provides grants to support supplementary educational and related services designed to increase the attainment of educationally disadvantaged children. About 14,000 local school districts participated in the program, which served an estimated 7 million pupils in 1991.

In the area of higher education, the bill provides $100 million for the title III undergraduate program, strengthening historically black colleges and universities. This represents a $12.2 million increase over the President's budget request and the 1991 amount; $300,000 was provided to complete construction of a fine arts center at Bethune Cookman College in Daytona Beach, FL.

For those institutions located in urban areas, the bill provides $8 million for the urban community service funds, title XI-B. These funds will support cooperative projects between urban universities, such as Cleveland State University, and the urban areas in which they are located.

Howard University will receive $212 million. This represents a $22 million increase over the President's budget request. These funds will assist the university, one of our Nation's oldest African-American universities, in starting over $140 million in renovation activities.

Additionally, the bill provides $385.3 million for the TRIO programs. This represents a $51.5 million increase over last year's appropriation. The TRIO programs have proven successful in assisting low-income persons who are potential first-generation college students in pursuing their education.

Significant increases were also provided for those programs authorized under the Department of Health and Human Services. One of the largest increases was provided for cancer research. The National Cancer Institute would receive $2 billion for research activities. This is about $276 million more than the amount provided last year. While the bill does not earmark funds specifically, it does direct the National Cancer Institute to make breast, prostate, ovarian and cervical cancer its top priorities and to treat these diseases with utmost urgency.

For lead poisoning prevention and screening activities, the bill provides $23 million. This is a $17 million increase over last year's level. Currently, it is estimated that 17 percent of our nation's children are exposed to lead concentrations which place them at risk of adverse health effects.

Also contained in this bill are funding increases for several minority health improvement initiatives. With more than 60,000 excess deaths in the African-American community, and with the widening disparities between the health status between minority and white Americans, these increases are both necessary and appropriate.

Over $80 million was provided for the disadvantaged Minority Health Improvement Act—legislation I authored, which was signed into law last year. This initiative supports the education, training, and recruiment of minority students and health personnel in the health professions. The total appropriation includes: First, $20 million for student scholarships; second, $24.1 million for the centers of excellence; third, $15 million for the health professions student loans; fourth, $6 million for public housing health grants; and fifth, $16 million for the Health and Human Service Office of Minority Health. Language also was included encouraging States to establish offices of minority health in coordination with the Federal effort. Additionally, $1 million was provided to develop a national education demonstration program communicating health lifestyle messages to minority populations. Additionally, the National Institutes of Health Office of Minority Health will receive $7.5 million. Moreover, language directing the institutes to increase their efforts to address the health disparities between white and minority Americans was retained.

For the infant mortality initiative, $75 million was provided. This is $50 million more than the amount provided last year. Of this amount, $10 million will go to community health centers. This program is of special interest to my constituents in Cleveland. Cleveland has one of the highest infant mortality rates in the Nation. In fact, in one study prepared in 1988, it ranked fifth, a rate higher than that of some developing countries. As one of the first 15 cities to receive assistance under the healthy start initiative, funds provided for fiscal year 1992 should assist Cleveland and many other areas in saving the lives of infants who are dying prematurely, and oftentimes unnecessarily.

Other Health and Human Services initiatives funded under this bill include $1.8 billion in funding for the low-energy and assistance program, expansion of research and prevention activities in the areas of osteoporosis, diabetes, hypertension, kidney transplantation, aids and its effects on women and minorities, violence prevention, and the evaluation of health care in the correctional setting. Regarding the AFDC payments to the States, $14.6 billion was provided, representing a $1.2 billion increase over last year.

For the Department of Labor, one of the most notable increases was provided for the Job Corps Program. Job Corps would receive $919.5 million. This is $52 million more than the amount provided last year. This increase will allow for the construction of several new job corps centers. My office was contacted by several Members of Congress supporting the construction of new Job Corps centers. Representative DON PEASE expressed his interest in bringing a center to Mansfield, OH; and, Representative MERVYN DYMALLY would like to see one constructed in Compton, CA.

Finally, Mr. Speaker, I would like to briefly address the issue of language contained in this bill which delays implementation of the gag rule for 1 year. As you know, on May 23, 1991, the U.S. Supreme Court, in Rust versus Sullivan, upheld Federal regulations—known as the gag rule—forbidding discussion of or referral for abortion at family planning clinics funded through title X of the Public Health Service Act.

In June of this year, the House voted to delay implementation of the gag rule, 353 to 74. The Senate voted to delay its implementation as well. Therefore, this issue was not a conferenceable item. Congress already has spoken on this issue. We have found that implementation of this rule raises serious questions regarding free speech and the underlying principles of the traditional physician-patient relationship, including the right of unrestricted communication with patients. We had serious concerns regarding the Federal Government prohibiting a health care provider receiving Federal funds from advising a pregnant woman of her legal option of abortion, even in those instances where her life may be in danger. In fact, I know there are many like myself who find this type of prohibition to be absolutely abhorrent, not to mention unconstitutional.

Because this body has previously settled this issue, let us not be swayed by the politically posturing we have seen today against this bill, rather let us get on with the business of funding those unemployment, health, and education programs our people at home need and deserve. The height of a recession is no time to hold these vital programs hostage.

Mr. Speaker, as I said before, you displayed remarkable skill in balancing the many competing interests contained in this bill. And, you did so without balancing the burden of the budget agreement on the backs of the disadvantaged and poor. We had very difficult decisions to make in reaching final agreement. And while we delayed funding some of these programs until the latter part of the fiscal year, we were able to fund the majority of our Nation's labor, health and education programs without sacrificing the needs of low-income, elderly, and disadvantaged Americans.

I am proud to stand with you in bringing this measure to the floor, and I ask my colleages to join me in final passage of H.R. 2707.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. ANDREWS].

Mr. ANDREWS of Texas. Mr. Speaker, I rise in opposition to the gag rule.

Mr. Speaker, I rise in support of the Labor-HHS-Education appropriations conference report.

The Supreme Court's decision in Rust versus Sullivan to uphold the gag rule is, indeed, a disastrous one. This decision, however, is not even primarily about abortion. It is about free speech, medical integrity, and the sanctity of the doctor patient relationship. It is about the trust that people—especially the poor—place in the Government to assist them in their most serious times of need. When women seek counseling on health matters, they should not have to question the honesty of their physician nor fear the motives behind their doctor's words.

In my State of Texas alone, approximately 180 clinics would be affected by this narrow-minded directive. It is wrong for the Federal Government to control the speech of our Nation's doctors just because that government provides funding to family planning clinics. It is a dangerous and ominous precedent we set when we let the Government ignore the first amendment simply because it helps pay the bill.

The burden now falls on Congress to act. I urge all my colleagues to vote in favor of the Labor-HHS-Education appropriations conference report and overturn the gag rule.

Mr. NATCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I am frankly very disturbed by one provision in this bill, so disturbed that I had intended to vote against it but in the end I could not bring myself to do that. When we get to that point in the amendment process I will explain my concerns about one amendment, but in the end I simply felt that I had no choice but to support this bill for some very good reasons.

First of all, we provide major increases to funding for childhood immunization that will save thousands and thousands of kids from life-crippling diseases. We provide major increases in assistance for education to help kids get along on the road in life. We will provide assistance to 40,000 additional kids under Head Start, the most valuable educational program that we fund. We will help 40,000 additional families through child care block grant efforts, and we restore 8 percent of the reduction that was made in the low-income fuel assistance program in the President's budget.

I think it is essential to support this bill for one very good reason, even though I have a major objection to what we have done in the health field. It seems to me that we have had an administration which has wanted to play Churchill abroad while we have been playing Scrooge at home. It seems to me that it is time to recognize that this is the major action that this Congress will take in this session to deal with the problems of our people, to take care of our own.

I make no apology for the efforts that the committee has made to try to provide that by stretching a budget limit here and perhaps bending one there without breaking them. It is essential to do that if we are going to recognize our own domestic priorities here at home. I would urge Members, therefore, to support this bill.

Mr. PURSELL. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, throughout my entire career in Congress I have consistently supported the right-to-life philosophy. Our vote on this conference report today is being portrayed as the biggest pro-life vote of this session. So for me this bill is a conflict between very strongly held personal philosophies. However, I cannot vote against funding unemployment compensation for 4,000 Uni- royal employees about to lose their jobs in my district just to prove I am pro-life. I cannot vote against trade adjustment assistance or now job training assistance for some 3,000 constituents who need it more than ever just to prove that I am pro-life. I cannot vote against student financial aid for some 50,000 college kids in western Wisconsin just to prove that I am pro-life. With the record cold weather back home, I cannot vote against low-income energy assistance for some 22,000 households in my district just to prove that I am pro-life. I cannot vote against the rural health transition for my small-town hospitals just to prove that I am pro-life. I cannot vote against funding for 169 senior citizen meal sites in western Wisconsin just to prove that I am pro-life. I cannot vote against $2 billion in funding for cancer research, the No. 1 cause of death in western Wisconsin, just to prove that I am pro-life. I cannot vote against a $140 million increase in vocational education, and I cannot vote against the funding for educational reform for some 40 schools in my district just to prove that I am pro-life.

Mr. Speaker, I am well aware of the political price that I will pay for this vote in the pro-life constituency, but if the choice is between my district's needs and my political future, I cast my vote today for my district's needs and in support of this conference report.

Mr. WEBER. Mr. Speaker, I yield 1½ minutes to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. Mr. Speaker, I rise today in strong opposition to the conference report. I reject the notion that we should decide the fate of the title X Program on any appropriations bill. Since the Supreme Court handed down Rust versus Sullivan, the Energy and Commerce Committee has considered and forwarded to the full House H.R. 3090, a bill to overturn the 1988 title X regulations. This was over 3 months ago. I fought H.R. 3090 at committee, and I'm looking forward to fighting it on the floor of this House. It's scurrilous that some don't want to fight a fair fight, though. They want to confuse the issue by tying this to a bill which contains such good programs as breast cancer and diabetes research funding. I urge my colleagues to reject this underhanded attempt to obfuscate the issue.

Mr. Speaker, I have always believed that before an abortion could be performed on an unemancipated minor, parental notification should be required. I attempted to add this to H.R. 3090 at committee, but was defeated by the narrowest of margins. I was hoping to bring this to the floor of the House as well, in the hopes that the full House would show more common sense. But this conference report has no such safeguards for the girl. This bill's language is tantamount to saying "the Federal Government knows better what is good for your daughter than you do. You do not count in this very private decision of your 13-year-old daughter. Your daughter does not need the benefit of your love and care. Our federally funded medical technocrats have a much better idea about what is best for your daughter." This notion must be rejected.

Parental involvement works. The American Journal of Public Health details the effect the Minnesota parental notification law had on abortion and birth rates. The study concluded that for teens affected by the law, "the abortion rate falls dramatically after the enactment of the law" and, "birth rates decreased in all age categories following enactment of the law * * * however, the decline was most pronounced in 15- to 17- and 18- to 19-year-old women." Prof. James Rogers who led the study concluded that "it appears that parental notification has encouraged responsible sexual behavior among teenagers in Minnesota."

Furthermore, Mr. Speaker, this is not a free speech issue as some would have you believe. Now I'm directly quoting the court in Rust versus Sullivan:

> The Secretary's regulations do not force the title X grantee to give up abortion-related speech; they merely require that the grantee keep such activities separate and distinct from title X activities."

Furthermore, how can anyone possibly claim that forcing a pro-life physician to counsel for, refer for, make the appointment for, and provide the transportation to an abortion is free speech?

Mr. Speaker, over and over again you've heard, and will continue to hear that the Federal Government shouldn't be involved in this private decision of females. How true. By upholding the 1988 regulations we are ensuring that the Federal Government remains out of the decision entirely. You can't possibly believe the Federal Government will be out of this process when it's paying for the decisionmaking process. Vote to keep the Government out of the abortion business. Vote against the conference report.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, I rise in opposition to the conference report because of the repeal of the title X regulations.

It is time to tell the truth about the title X regulations. The best way of getting to the truth is to read them. Here's what the regulations have to say about providing health options:

> Because title X funds are intended only for family planning, once a client served by a title X project is diagnosed as pregnant, she must be referred for appropriate prenatal and/or social services by furnishing a list of available providers that promote the welfare of mother and unborn child. She must also be provided with information necessary to protect the health of mother and unborn child until such time as the referral appointment is kept. In cases in which emergency care is required, however, the title X project shall be required only to refer the client immediately to an appropriate provider of emergency medical services.

Mr. Speaker, to the contrary much rhetoric surrounding this issue, the regulations clearly require that a client's health care needs be met. It also makes clear that doctors are to provide emergency health advice and referral to pregnant women even if it results in abortion.

The regulations which will be in effect under the provisions of the bill would require counselors to counsel for abortions even if it is against their conscience. Abortion is not family planning.

I invite my colleagues to actually read these regulations before the vote which will determine their fate. A reading of them is their own best defense.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I rise in strong support of the conference report, and my major reason for doing so is my deep objection to the gag rule which this addresses.

Mr. NATCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. EARLY].

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Mr. EARLY. Mr. Speaker, I rise in strong support of the conference report on H.R. 2707, the fiscal 1992 appropriations bill for the Departments of Labor, Health and Human Services, and Education.

I want to complement the distinguished gentleman from Kentucky, the chairman of our subcommittee, who did such a fine job under very difficult circumstances.

I also want to acknowledge the fine work of the gentleman from Michigan. This was his first full year as ranking minority member. It has not been an easy year for our subcommittee, and without his leadership and hard work we would not have a bill that addresses some of the many critical problems that face our Nation.

The conference agreement provides $1.5 billion for the Low-Income Energy Assistance Program—$575 million more than the budget request, but $600 million less than we provided in fiscal year 1985.

It provides $825 million for the child care block grant. The increase will provide an additional 40,000 slots for working families.

In the area of health: The agreement provides an $80 million increase for childhood immunization programs. It includes $650 million for the maternal and child health block grant, $96 million more than requested. The $733 million increase for the NIH will support increased research on cancer, Alzheimer's, vaccine development, heart, and other diseases.

It includes a substantial increase for women's health research, including funds for the women's health study; for research on endometriosis, uterine fibroids, and the effects and cancer risks of DES; and funds to establish an Intramural and Clinical Laboratory Gynecology Research Program at the NIH Campus and Clinical Center.

It provides a $275 million increase for the NCI to fund urgently needed research in areas such as breast, ovarian, cervical, and prostate cancer.

Yet, we will be funding at less than a 30 percent success rate for investigator initiated research grants, and many approved and promising clinical trials will still go unfunded.

It provides increased resources for community health centers, the only access to health care that many Americans have, and for health prevention programs.

There is $3.1 billion provided for the Alcohol, Drug Abuse and Mental Health Administration, including increases for the State Block Grant Program and for prevention.

In the area of education: The conference agreement provides a total of $6.7 billion for compensatory education programs, including $6.1 billion, or $577 million more than fiscal year 1991, for chapter I grants to local school systems; there is a $239 million increase for special education programs; $2.1 billion is provided for rehabilitation services; almost $6.9 billion is provided for campus-based student aid programs, and $2.7 billion for new guaranteed student loans.

Mr. Speaker, is there enough money in this bill for the health, education, and labor programs so important to the American people? No. Would the conferees liked to have provided greater resources for the broad spectrum of needs addressed by this bill? Yes, if we could have. But, it is an equitable bill, and the subcommittee has produced the best bill possible given the fiscal limitations it faced.

Mr. Speaker, as the distinguished gentleman of Kentucky has so often said: This is the people's bill. It provides funds for the health of our citizens, the education of our children, the training and retraining of our work force, and assistance and support for those in need.

Mr. Speaker, the American people deserve the support of this House, and I urge the adoption of the conference agreement.

Mr. PURSELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding time to me. I rise in support of this portion of the bill which has tremendous elements to benefit the National Institutes of Health.

Mr. Speaker, I rise today in support of the conference report on Labor, Health, Human Services, Education, and related agencies appropriations bill, which contains vital funding for the National Institutes of Health [NIH] to continue its program of biomedical research conducted by bench scientists throughout our Nation. The bill contains $9 billion in 1992 funding for the NIH. I urge my colleagues to invest in America and reduce the investment deficit.

I want to commend Chairman BILL NATCHER and ranking member CARL PURSELL for their excellent work in bringing this conference report to the floor. Mr. PURSELL has just completed his first year in shepherding this appropriation and he has in all respects been a "good shepherd" and has stepped into to fill the void left by former Member Silvio Conte's untimely death. We all appreciate his effort to take on this role. Last year, I remember the comments of Chairman NATCHER, when he brought this bill to the floor and defended it from attempts to cut the funding, by stating don't cut this bill because it represents all that is really America and valued by the people: Nutrition programs for children and expectant mothers, Head Start for preschool children, job training programs and school loans so that our youth have a future, funding for school facilities and health care, including the program that I have learned so much about over the last year, the National Institutes of Health. For all these reasons, Chairman NATCHER asked his colleagues to support the bill and once again I will do the same, but with a special focus on the NIH as the reason to support the bill.

Since last year, I have cochaired the Biomedical Research Caucus along with Represtatives BILL RICHARDSON, SONNY CALLAHAN, and ROY ROWLAND. We have conducted seven briefings on biomedical research including: Why is there no AIDS vaccine?, The cloning of the cystic fibrosis gene, research on women's health, heart disease and new treatments for cancer using gene therapy. We were honored to have Chairman NATCHER in attendance and Dr. Bernadine Healy, the first woman Director of the NIH, along with too many distinguished researchers to mention by name. I have never before met so many winners of the Nobel Prize and the most outstanding minds, that I truly stand in awe of our accomplishments in biomedical research. The United States is No. 1 in this area and in fact this was the topic of our first caucus briefing, to explore the reasons why and to maintain our economic and competitive edge. As I listened and learned, a whole new world unfolded before me that holds the potential of discovering the keys to aging and within the decoding of the behavior of cells, the cure for cancer. I truly mean a new world opened up to me and its potential: The molecular world. The scientists I met are the new "Discoverers-Christopher Columbus" in this molecular sea of our cells. I was told that what we know now about genes and their role in disease and the ability to alter them was not known 10 to 15 years ago and that in 5 years time our knowledge will take another vast leap forward. None of this would be possible without the funding scientists receive from the NIH.

I was greatly impressed that the four Nobel Prize winners that I met Drs. Varmus, Bishop, Nathans, and Brown all stated that they were introduced to biomedical research by the research efforts of the NIH. They are funded by the NIH to carry out their research. Unlike the social programs in the bill, the NIH actually creates industry and jobs. We taxpayers not only get treatment for disease but a favorable return on our financial investment. One caucus briefing was on the emerging biotechnology industry, an offshoot of NIH funded research on DNA replication. The positive results from NIH funding are such that I think we should double our investment in the area. I am gathering data now on the financial returns, and I'll put it in the RECORD when I get them.

There is only one possible cloud on the NIH funding for 1992, if it is not planned appropriately. Over $432 million of NIH funding for 1992 is not to be obligated until September 30, 1992. This will enable CBO to score the funds for 1993 and keep the bill within the budget agreement limits for outlays. Obviously, this may create a pinch in 1993, if the limits are not adjusted, but I'm not addressing this now. I am concerned that research grants not be unduly delayed by NIH in 1992. There was a rumor that the $442 million in delayed obligation would be placed totally on the extramural grant program by NIH, thereby delaying grant awards for many months. I urge Dr. Healy and the NIH administration to spread out the impact of delayed obligations so that one program is not severely impacted, particularly one that has brought us so much glory. I am certain that this result may be accomplished with adequate planning by NIH

I commend again the work of the subcommittee and urge my colleagues to vote in favor of the bill. Your vote today in favor of the bill is a vote in favor of America: Invest in America, invest in biomedical research and reduce the investment deficit.

Mr. PURSELL. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, this is a very serious vote for all of us. It is an especially serious vote for the 95 Republicans who voted for this bill when it passed the House the first time.

I would say to my colleagues who want to vote against this bill because they believe their pro-life principles require it, I would say that the Secretary's memorandum demonstrates that we must all vote for this bill to delay the implementation of the gag rule for 1 year. This is why: That memorandum is more destructive than anything that has preceded it. Listen to what it says, listen carefully: "If a woman is found to be pregnant and to have a medical problem, she should be referred to complete medical care."

Mr. Speaker, if a woman is pregnant, should she not be referred to complete medical care? Does she have to have another medical problem as well? Do we have any instances or can we cite a single situation in which a male in America who needs medical attention is not allowed to be referred for medical attention until he has another illness?

Listen to what this says, and this is the Secretary's own language: "If a woman is found to be pregnant and to have a medical problem;" I urge my colleagues to support the bill and defer the implementation of the gag amendment.

I echo the comments and pleas of the other Members who have pointed to all of the important programs this legislation funds and to their great impact on people's lives and opportunities. I would remind the Members that the budget gimmickry affects only 2 percent of a $205 billion budget. Do we ever do anything better than 98 percent? Members that voted for this bill on its first time through this body voted for such gimmickry and are only faced at this time with a bit more mischief for next year's budget than originally.

I urge support of the Labor and Health and Human Services conference agreement.

Mr. WEBER. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, I regretfully rise today in opposition to this conference report. As many of my colleagues know, I am the first Congresswoman to be diagnosed with breast cancer while in office. I understand what has been said by advocates of breast cancer research and have fought hard for programs that will work toward finding a cure for this deadly disease. This conference report calls for funding for several worthwhile and essential programs. Among these funds are a recommendation for $50 million for breast and cervical cancer control programs, $135 million for the preventive health services block grant, and funding for the National Cancer Institute. Language in the conference report urges the Institute to increase attention to breast, ovarian, cervical, and prostate cancer.

Mr. Speaker, there is absolutely no reason to believe that funding for cancer, diabetes, education, impact aid, or any other program will be affected by a promised Presidential veto of the legislation in its current form. These programs enjoy overwhelming support and will certainly be protected in the final version of the Labor-HHS-Education bill.

I find it disturbing that despite the fact that for months, the Senate and the House have had other vehicles available to challenge the title X regulations, the Labor-HHS-Education conference report has been chosen instead and has caused these vital programs to be entangled in a heated and unnecessary debate. This has been done in hopes that those who support the many important programs contained in the conference report will vote in favor of the bill in spite of our views against the abortion provisions therein.

It is important to note that if the conference report is adopted in its current form, title X grantees will be required to refer for abortion as a method of family planning in order to receive Federal funds. Federally funded clinic personnel—most of whom are not doctors—will receive congressional sanction to schedule the time for an abortion, arrange transportation to the abortion clinic, seek private funding for the abortion, and followup to make sure the abortion was obtained. I believe that this active involvement in obtaining an abortion by federally funded clinic personnel is entirely inappropriate.

Voting against this conference report to retain current title X regulations will not reduce funds for family planning programs by one penny. The money taken from organizations which will not comply with the regulations will be redirected to family planning organizations which do not promote abortion as a method of birth control within the context of the title X program.

Once the President's veto of this legislation is sustained, I am confident that the proabortion provision currently in this legislation will be stripped out of the bill. A cleaned up bill will enjoy our strong support and will certainly be signed into law by the President.

Mr. Speaker, I urge my colleagues to vote no on this conference report so that we can speedily sustain a Presidential veto and bring this bill back to the floor in order to provide the funding for these programs that is so desperately needed.

Mr. NATCHER. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Speaker, I rise in support of the legislation before us, because I believe it is a bill that definitely meets the needs of the people of this Nation.

It does, in fact, increase funds for health and education, for medical research, for Alzheimer's disease, for cancer, and for AIDS. It also increases funds for community health programs throughout the Nation that meet the health needs of communities all over the United States.

While I believe that this is an excellent bill, I must at this time reiterate my disappointment that no funding was made available for the State legalization impact aid grants, known as SLIAG's, and this is for the year 1992. Funding, instead, was deferred to 1993. Not only are SLIAG health care services in great demand, but the educational program made available to aliens through SLIAG are a prerequisite to obtaining citizenship.

I am deeply concerned Congress has not upheld its promise to assist these immigrants in their quest for citizenship.

I still urge support of the legislation.

Mr. Speaker, I rise in support of H.R. 2707, the Labor, Health and Human Services, Education and Related Agencies appropriations bill for fiscal year 1992.

I am pleased that this appropriations bill provides many significant increases within the Department of Labor, especially additional funds for the Job Corps Program. The expansion of existing centers and implementation of new programs will allow additional young persons to receive training and a new opportunity. Also within the Department of Labor, the migrant and seasonal farmworkers programs received an increase of more than $7 million to augment existing services for these workers. The number of farmworkers who are potentially eligible for, and who need these services, has grown significantly in recent years. This funding increase is a step forward in meeting this additional demand. I also commend the conferees for providing an increase for the Community Service Employment Program for Older Americans.

Within the Health Resources and Services Administration, the conferees expressed their interest in prioritizing services to minority communities in several key areas. The community health centers along with migrant community health centers received a substantial increase to be used, in part, for the healthy start initiative.

The Hispanic and Native American Centers of Excellence both received increases in appropriations and report language specifying that additional centers be established to better serve these communities. These minority centers of excellence seek to improve recruitment and retention of minority students in the medical and health professions. The centers will focus on removing cultural, education, and other barriers that historically have discouraged Hispanic and minority students from pursuing the health professions and have impeded Hispanic communities from receiving quality health care.

Moneys were also provided within the centers for disease control for a tuberculosis demonstration project that will target underserved minority and inner-city communities in an effort to immunize all children for TB.

I am pleased that the Labor, Health and Human Services, Education appropriations bill continues to strengthen the Ryan White AIDS care programs by adding $55.7 million to the three titles. The increased funding in title I will allow additional urban centers to receive emergency assistance to combat this deadly epidemic. The conferees also provided increased funding for the reimbursement to dental schools for services provided to HIV/AIDS infected patients. These funds also provide an increase for the special projects of national significance to support the priority areas designated by HRSA, especially mental health, rural and native American priorities.

I remain dedicated to a Federal commitment that ensures continued research and services in the area of Alzheimer's disease and I am pleased that the Alzheimer's care grants now received funding for needed demonstration projects, training, and research. Grants such as this demonstrate our understanding of the growing problem and our commitment to finding its solution.

Included in this appropriations bill is a significant increase for the National Institute on Aging. These moneys will be dedicated not only for Alzheimer's research, but also to other high priority areas such as osteoporosis, incontinence, minority aging initiatives, the Claude D. Pepper centers, and frailty research.

As a member of the conference, I take particular pride in the increases for research on illness that affect women. Within the National Institutes on Health, the National Cancer Institute was substantially increased, and the agency was directed to spend this increase on breast, ovarian and prostate cancer. The NCI will be working in conjunction with other institutes to expand research initiatives in the field of women's health.

I commend the conferees for sustaining adequate funding for a variety of aging programs under the Older Americans Act such as nutrition, elder abuse, transportation services, social services, and ombudsmen activities. I am pleased to report an increase of $3 million for the elder abuse and ombudsmen programs, and will continue to advocate for the authorized funding level for the other facets of the Older Americans Act.

The Labor, Health and Human Services, Education, and related services appropriations conference committee has demonstrated its commitment to the education of our nation by providing significant increases in many education programs. The appropriations for chapter I and impact aid increased substantially, allowing for further assistance to disadvantaged children and school districts. Bilingual education also received an increase of over $27 million, $12 million of which will be used to fund competitive grants for communities with large numbers of new immigrants. Domestic activities within international education programs and urban community service grants as well as the Star School Program are three other areas which received the renewed focus of the conferees and increases in funding.

Lastly, I feel that I must reiterate my disappointment that no funding was made available for the State legalization impact aid grants [SLIAG] for fiscal year 1992 and funding was deferred to fiscal year 1993. Not only are SLIAG health care services in great demand, but the educational programs made available to legalized aliens through SLIAG are a prerequisite to obtaining citizenship. I am deeply concerned that Congress has not upheld its promise to assist these immigrants in their quest for citizenship. Mr. Speaker, both Congressman NATCHER and Senator HARKIN are honorable men; men who keep their word, and follow through on their obligations. Both chairman have given their word that SLIAG will receive funding in fiscal year 1993. I continue to have faith that next year, when we bring this appropriations bill to conference again, the conferees will remember their pledge to provide funds for the SLAIG program in fiscal year 1993. However, I must state that if SLIAG funding is not intact for fiscal year 1993, I as well as my fellow members of the California delegation, will have great difficulty voting for the passage of next year's appropriations bill.

For the legislation before us, I urge my colleagues to support this conference agreement.

Mr. PURSELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Indiana [Mr. MYERS], who has followed this committee for the last couple of years.

□ 1440

Mr. MYERS of Indiana. Mr. Speaker, I share the concern many people have expressed today with the provisions of the so-called gag rule.

I rise today to compliment and to thank the chairman, the ranking member and other members of this subcommittee, for what they have done, particularly for cancer.

Fifty years ago the primary treatment for cancer was surgery, but because we have made an investment in research in the past 50 years, we have come a long way. Many people are alive today because of that research. My wife happens to be one of those people, so I speak with some experience.

Mr. Speaker, this committee has come a long way. It has done a good job on this particular bill. Cancer is rapidly becoming the No. 1 killer in this country from disease-caused deaths. So this committee this time is going to keep some people alive. It is going to continue the research. I am told by the NCI, Dr. Sam Broder, that we are going to continue research into better treatment to keep people alive who might not otherwise have survived, but particularly research for examining therapy, which holds a lot of promise that maybe we can find out the causes of cancer so that we can prevent cancer. Now we are just trying to treat it, but maybe we can prevent it sometime in the future.

So, Mr. Speaker, this bill does contain a lot of good. I am sorry that the so-called gag rule was still provided. I wish we had not done that, but we cannot wait for research and the other good things this bill contains.

Mr. WEBER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I rise in opposition to the conference report.

As the senior Republican on the Subcommittee on Health and the Environment, I have been intimately involved in the efforts to preserve the controversial family planning regulations from congressional attempts to introduce abortion counseling and referral into that Federal program. In that capacity, I have followed this debate in the media and have been disappointed by the widespread misrepresentations that have found their way into print and onto the airwaves. I would like to correct some of the most oft stated and repeated myths about the title X family planning program.

EFFECT ON LOW-INCOME WOMEN

Opponents of the title X regulations argue that they deny constitutional protection to low-income women. This is simply untrue. Low-income women can obtain abortion counseling and referrals from any physician or hospital that accepts Medicaid patients. The Hyde amendment, of course, prohibits the Medicaid program from funding abortions, but contains no restrictions with respect to counseling and referrals. In addition, pregnant women whose incomes are too high to qualify for Medicaid benefits can obtain these services through their private insurance plans.

The only group of women who may feel shut out by the title X regulations are minors from middle and upper income families whose parents have private health insurance, but who want to obtain an abortion without their parents' knowledge. Unlike pregnant minors who actually come from impoverished backgrounds, these women are not eligible for Medicaid. Unless they seek counseling covered through their family's health insurance, they may have nowhere to turn but to the local title X clinic, which must treat even a minor from a millionaire's family as poor for the purposes of program eligibility.

FREE SPEECH AND THE DOCTOR-PATIENT RELATIONSHIP

Opponents of the title X regulations have also made the point that the regulations torpedoes the right of free speech within the doctor-patient relationship. Again, I must take issue with this assertion. If the title X program were a comprehensive health program for women, rather than a program limited to the provision of prepregnancy family planning services, this point might be a legitimate one. But, the title X program is not, and never has been, a substitute for Medicaid or comprehensive health care provided through the private sector. In fact, according to Assistant Secretary for Health James Mason, M.D., fewer than 20 percent of all title X patients are actually counseled or examined by a licensed physician.

Chief Justice Rehnquist addressed the question of the doctor-patient relationship in the Rust versus Sullivan decision, which upheld the constitutionality of those regulations, and concluded:

> Nothing in the title X regulations requires a doctor to represent as his own any opinion that he does not in fact hold. Nor is the doctor-patient relationship established by the title X program sufficiently all-encompassing so as to justify an expectation on the part of the patient of comprehensive medical care.

Simply put, the title X program is so narrow in scope—the provision of prepregnancy family planning services—that it precludes any credible discussion of the "doctor-patient" relationship.

PROTECTING THE LIFE OF THE MOTHER

Remarkably, the opponents of the regulations raise an issue which both the title X regulations and the Supreme Court have laid to rest—the question whether the prohibition on abortion counseling and referrals ties the hands of a physician who wants to refer a pregnant woman for a medically necessary abortion.

Section 1008 of the title X statute prohibits the use of title X funds in any program "where abortion is a method of family planning." As Chief Justice Rehnquist held in Rust:

> Abortion counseling as a 'method of family planning' is prohibited, and it does not seem that a medically necessitated abortion in such circumstances would be the equivalent of its use as a 'method of family planning.' Neither Section 1008 nor the specific regulations would apply. Moreover, the regulations themselves contemplate that a Title X project would be permitted to engage in otherwise prohibited abortion-related activity in such circumstances.

Specifically, section 59.8(a)(2) of the regulations includes an exemption for emergency care and requires title X projects to "refer the client immediately to an appropriate provider of emergency medical services." I support this requirement; indeed, to the best of my knowledge, no one opposes it.

Why, then, do the organizations opposed to these regulations argue that the regulations pose a threat to women who face life—threatening complications from a pregnancy?

MEDICAL MALPRACTICE

Finally, those opposed to the regulations argue that the title X regulations will force physicians to commit medical malpractice. Again, I find this assertion to be without merit.

As already stated, the title X regulations require physicians to refer the woman for emergency care where the pregnancy threatens the woman's health. By definition, then, the prohibition on abortion counseling and referral applies only where the woman would choose abortion for reasons other than the protection of her health. This being the case, under what circumstances would issues relating to medical malpractice arise?

CONCLUSION

The fundamental question arising out of the Rust decision is whether the American taxpayer should subsidize the promotion of abortion as a method of family planning. Like the vast majority of Americans, I do not believe that abortion should be used as a backup method of birth control. To me, abortion is morally acceptable only where the life of the mother is at risk.

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for yielding time to me, and I commend him for a wonderful job done in very difficult circumstances. I rise in support of the conference report.

Mr. Speaker, I rise today to announce my support for H.R. 2707. This bill provides much-needed support for Americans everywhere. The bill appropriates over $205 billion for programs such as the National Institutes of Health, OSHA, special education, low-income energy assistance, SLIAG, bilingual and immigrant education, and the Centers for Disease Control.

The Labor-HHS report will provide over $297 million for the Childhood Immunization Program. This is more than $80 million above last year's allotment. This funding should help us reach children all over the country who have not been immunized for measles, mumps, whooping cough, and rubella.

This bill, Mr. Speaker, is perhaps the most significant and supportive bill that will come across the President's desk this year.

And he may not sign it. He is caught up in the political hype over the gag rule. The gag rule, is a slanted, awful attempt to silence federally funded family planning clinics. Family planning clinics will not be allowed to provide honest, sound medical advice to their clients as they have since the title X program began in 1970. Under the gag, medical doctors will be forced to abandon the standard ethical medical policy of telling patients about all medical options; and instead doctors must tell a pregnant woman that she may have her child and keep it or give it up for adoption. Let's face it: Clinics will no longer take Federal funds and in many areas safe abortions will be impossible to find. We owe it to the poor women of this country to pass this bill, thus providing necessary services to the needy, and overturn the gag of the Reagan administration.

Mr. NATCHER. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND. Mr. Speaker, the gag rule is not an issue about whether or not an individual can have an abortion. It is an issue about whether or not people who work in family planning clinics are gagged. It is an issue about whether or not we interpose ourselves between physicians and those people who work in family clinics and the patient.

I can tell you that there are many patients who come to family planning clinics who have diseases that later in pregnancy may be life-threatening to them, and it is very important for the physician to be able to give all the information that he has to that patient so that patient can make an informed decision about what they will do.

In addition to that, Mr. Speaker, it also poses a malpractice liability threat to the physician and those people who work in family planning clinics not to be able to provide all the information that is available to them to that patient.

There have already been cases of wrongful births because physicians have not advised individuals about all of the options they have available when they are pregnant.

Mr. Speaker, I urge adoption of this conference report.

Mr. PURSELL. Mr. Speaker, I yield 1 minute to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I rise today to urge my colleagues to support the conference report on the appropriations bill for the Departments of Labor, Health and Human Services, and Education, which, among other things, would bar the enforcement of the title X gag rule.

It appears that the issue of the gag rule is finally understood: No Federal funding can flow to any health agency which even mentions abortion as one of a woman's legal options concerning her pregnancy except to save the life of the mother. No matter how sick she is, no matter if she is carrying a seriously malformed fetus, no matter what her desperate condition might be. In other words, a woman with diabetes, AIDS, or cancer could not be told of all of her options, regardless of what it could mean to the health of the mother if she were to carry her pregnancy to term.

The memorandum sent to Secretary Sullivan by President Bush does nothing to change that. If anything, this memo indicates that there is a realization in the White House that the gag rule is bad public policy.

This is not an abortion issue. In fact, the overwhelming majority of women who walk into a title X clinic are not seeking an abortion or abortion-related services or counseling. Mr. Speaker, this is a family planning issue.

This issue is worded very carefully in the law right now. It says that no money can flow to organizations that promote abortion as a means of family planning. Well, no organization does that, and no one here supports that.

The gag rule limits the information that a woman in a title X clinic can receive about all of her legal options concerning her pregnancy. If the gag rule goes into effect, the only response that can be given to someone in a title X clinic who asks about the option of abortion is: "Abortion is not an appropriate method of family planning."

Mr. Speaker, this issue is not about abortion. It is about denying a woman information about all of the legal options concerning her pregnancy. The President's memorandum does nothing to change that. I urge my colleagues to join with me to prohibit the implementation of the gag rule.

Mr. Speaker, it is the right thing to do, and the time to do it is now.

Mr. WEBER. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker and my colleague, do not be misled. All the good things in this bill, and there are good things in this bill, will be retained after the offensive abortion baggage is excised and the President vetoes it and we sustain his veto. It will go back to him with all the cancer research and all the good things in it, as it has on five previous occasions when similar vetoes were had.

I salute the chairman. There is nobody I admire as much as the gentleman from Kentucky [Mr. NATCHER]. It is painful for me to have to say vote "no" on this issue, but the defense of innocent preborn human life to me is a transcendent issue. It is not a political issue.

This country is divided, very divided on this issue, but abortion is not a legitimate method of family planning, because it involves the intentional destruction of an unborn human life. Family planning is meant to prevent or promote pregnancy, not to promote extermination of a pregnancy.

This issue is about abortion, not about a gag rule. If you read the President's memorandum which was sent to you, you will find that the doctor is not gagged, and I really regret the distinguished gentlewoman from Connecticut who only read a part of this document. It is axiomatic in interpreting a document that you read the whole document. You do not excise or excerpt a part of it. Nothing in these regulations is to prevent a woman from receiving complete medical information about her condition from a physician.

See, the hooker here is the President says a physician. The doctor-patient relationship shall be unimpaired.

Oh, but Planned Parenthood wants the receptionist, wants a nurse's aid, wants a counselor to steer these women to abortion mills, to abortion clinics. That is what this is all about.

Now, counselors, whom they refer to as medical personnel, I think we ought to know a little something about counselors.

Now, a preliminary report on the counseling function in affiliates of Planned Parenthood Federation of America, and this is a Planned Parenthood document, so let us see what they say about these counselors who are going to steer pregnant women to abortion mills. They say:

> Data from nearly 500 individual counselor profiles gives a clear picture of a counseling staff which is largely young and inexperienced, much of it working unpaid and probably using PPFA employment for training, experience and preparation for other jobs in the future. Counselors' formal training is relatively modest.

So they want medical advice steering abortions from these counselors.

The President has said and Secretary Sullivan has agreed that the doctor-patient relationship is ungagged. A doctor can give comprehensive medical advice to anybody who is pregnant who comes in to a family planning clinic. That is not enough for Planned Parenthood. They would want the nurses' aids, the counselors, to do the steering, to make the abortion appointment, to provide the transportation to the abortion clinic, and they want people who are not medical doctors to give a woman medical advice.

Abortion is not a proper part of family planning. This is a family planning program. This is what we are paying for.

Now, the Porter amendment in this legislation, and that is why I want you to vote "no," will reverse the regulations and turn the program into a funnel for abortion with so-called counselors mandated to do the steering.

The doctor-patient issue, the gag has been ungagged, if it ever was there, and it is off the table.

Now, do not tell me there is not notice of abortion clinics. Go to the yellow pages in your offices. They leap up at you. They are prolific. The yellow pages from Maryland, from Virginia, from the District of Columbia, bristle with abortion clinics, so they are there, but do not claim to be pro-life and vote "yes," because you will be supporting a program that makes the abortion referral, sets up the appointment, provides the transportation and the followup. That is pro-death. That is not pro-life.

I tell you, by voting "no," you are not destroying this bill. You are saving it. It should not have been weighted down with this baggage, this abortion baggage. It does not belong in this bill, and the President will veto it and it will come back to him without this baggage.

Look, abortion is so degrading. It degrades the unborn. It deprives him or her of its humanity, of its dignity. It deprives the mother of her dignity. It deprives the doctor, the abortionist, of any dignity and it degrades the society that tolerates abortion.

So I suggest, Mr. Speaker, a "no" vote is the pro-life vote and you can have both, the good programs and save unborn children.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

□ 1450

Mr. WEBER. Mr. Speaker, I yield the remainder of our time to the distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL].

The SPEAKER pro tempore (Mr. MCDERMOTT). The gentleman from Illinois [Mr. MICHEL] is recognized for 3½ minutes.

Mr. MICHEL. Mr. Speaker and my colleagues, the controversial part of the Labor/HHS bill this year has not been money but title X, or so we are led to believe. I am reminded of the day when I was sitting in the chair of the gentleman from Michigan [Mr. PURSELL] and arguing and arguing and arguing over money, money, money. And the next day billions of dollars—the next day, in the press, having the deliberations covered, not one line about money, only about maybe the abortion issue.

Now, again you never read much in the press today on this bill about delayed obligations. It is one of those esoteric budget terms we love so much and which have no meaning, quite frankly, beyond the beltway. What it means is appropriating funds in one year but delaying the actual expenditures until the next year, and, quite frankly, it is an out and out gimmick, let us face it. This conference report is full of delayed obligations, over $4 billion, to be exact.

Take the low-income energy assistance program as an example of this gamesmanship. The conferees would like you to believe that they are making $1.8 billion available for this program in fiscal 1992, an increase of $200 million over last year. Sounds nice, does it not? Oh, it is beautiful.

In reality, $400 million of that total is not available for expenditure this year because it has been shifted into next year.

Another $300 million is contingent upon the President declaring an emergency, thus exempting the expenditure from the budget cap.

But we all know the President is not going to do that. The result, therefore, is not an increase of $200 million but actually a reduction of $500 million in the amount of assistance people will receive this year. Only in the Congress can you add $200 million to $1.6 billion and come up with less than you started with.

What we have here is a legislative shell game, now you see it, now you don't, presto, gusto, sleight of hand. We ought not to be surprised. The chief negotiator from the other body was obviously wearing two hats. His Presidential campaign manager, from all reports, was in the conference calling the shots. Is that the majority version of truth-in-governing? If it is, all I can say is Katy bar the door and hold on to your pocketbooks, your wallets and your silverware.

I am proud to say that our House Republican conferees stood up against these shenanigans at the appropriate time. I only wish we had more support in that conference.

If we are ever to gain control over our budgetary excesses and restore respect to this Congress, this conference report today ought to be voted down initially and then go on to doing the business in a right and appropriate and proper way.

Mr. PURSELL. Mr. Speaker, will the gentlemen yield?

Mr. MICHEL. I yield to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. I thank the gentleman for yielding.

Mr. Speaker, I want to be as honest about this and remind the Members that this practice was initiated by OMB. And I have discussed that with OMB. So the fault does not lie entirely with Members on either side of the aisle but it really started, Mr. Leader, with OMB. I agree 100 percent that this gimmick ought to be corrected because it is seriously going to jeopardize our outlay numbers next year.

Mr. MICHEL. I thank the gentleman. The gentleman full well knows, having served with my colleagues on both sides of the aisle for some 24 years on that committee—no disrespect to any one of our Members here—just that we have always had our differences and arguments, particularly on this bill where there are so many billions and billions of dollars involved, that we have had the right to say what we really felt was appropriate on that occasion. That is what this Member felt he ought to say today.

Mr. NATCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, I rise in strong support of the conference report and commend the chairman for his outstanding work and the work of his subcommittee.

This bill contains funding for our Nation's most critical domestic programs—labor, health, and education. The programs in this bill touch the lives of every American.

As a member of the Education and Labor Committee, I would like to express my particular appreciation to Chairman NATCHER for the enormous effort he has made again this year to increase funding for our Nation's education programs. The conference report is once again a tribute to his foresight and determination to see that America's schools become the best in the world.

This bill will also have a profound effect on the 5 million American women who rely on federally funded title X clinics for family planning services. The bill overturns the administration's gag rule regulations which prevent women from getting information about all of their medical options when facing an unintended pregnancy.

The facts are plain and simple. The gag rule puts the quality of health care in jeopardy and infringes on our fundamental rights to free speech and to choose safe, legal abortion.

Make no mistake about it: Over 20 medical organizations, including the American Medical Association, agree that the gag rule prohibits doctors from exercising their first amendment rights to give patients full information about their health care. Even if a woman asks about abortion, even if she has a medical condition such as diabetes, AIDS or heart disease that would be aggravated by a pregnancy, she could not be told that abortion is a legal option. It would not even be legal to tell her where to go to get abortion information. Don't let the extremists fool you. This regulation goes against the very grain of medical ethics and effectively requires doctors to violate the principles of their Hippocratic oath.

Moreover, title X clinics are the sole source of health care for many low-income women. Women rely on these clinics, not only for family planning but for cancer and sexually transmitted disease screening, prenatal, and general medical care. Many of these clinics have indicated that they will reduce services or shut down completely rather than censor information given to their clients. Such a result will be devastating and can only lead to more Americans having reduced access to health care.

All across the Nation, American citizens are making clear that they are tired of worrying if they can afford to go to the doctor. Americans have had enough of the fear of catastrophic medical costs. The triumph of title X clinics is that they provide preventive care that reduces unintended pregnancies, that catches cancer early, and that ensures healthy babies. In fact, studies have shown that every dollar spent on family planning saves over $4 in medical costs down the road. Certainly this Congress should not be in the business of eliminating this essential health care service.

This bill is also important to American women and their families because it contains important funding for women's health research. The conference report calls on the National Cancer Institute to make breast, ovarian, and cervical cancer a research priority. These diseases, which affect thousands of American women and their families, have received totally insufficient attention in the past, and this bill is designed to rectify that.

You have all heard the statistics, but have you listened to a constituent who is or knows a cancer survivor? One of my constituents is the daughter of a breast cancer survivor. Her moving words say what the statistics cannot.

She writes,

> My mother taught me years ago right from wrong; how to protect our resources; war hurts both sides; you've got to help the little guy. I've watched her learn to cross country ski, perform clowning for children, climb among the Navajo ruins, all in the last 5 years. If it hadn't been for the early detection of breast cancer, my mom wouldn't have done any of those things. Thanks to early detection, she's been around to inspire my whole family. She urged me to write to ask for more research dollars for low-cost early detection screening. Mom says, "It's horrible, they've made practically no advances in the research in the last 20 years." Let me tell you my mom's rarely wrong. Are moms ever wrong? Please devote energy, time and your influence for this cause.

Today is the day for us to use our influence for this life-saving cause. For my consituent's mother, and for all of our mothers, daughters, sisters, aunts, spouses, and friends, vote for this bill. It is a vote to help American families remain whole and to avoid incredible pain and tragedy.

Another key provision of this conference report will provide $478 million in vital funding for our Nation's community health centers and transfer an additional $49 million from other programs to supplement our support for their important work. These centers provide much-needed health services to communities where these services would not otherwise be available, and they respond to particularly vulnerable populations in our society. It is absolutely critical that the Congress continue to provide them with the support they need.

I also want to congratulate the chairman and all of the conferees for their leadership in including provisions to nearly triple funding for community lead screening and lead poisoning prevention activities. As many of my colleagues know, the Centers for Disease Control earlier this year concluded that even trace amounts of lead in the bloodstream can cause serious and irreversible brain damage in children. Accordingly, the CDC has substantially lowered the standard for allowable blood levels of lead in children.

In many communities where the risk of lead poisoning is considered high, including Westchester County, the new CDC guidelines will necessitate screening large numbers of children, a job beyond the means of many local health departments. The conferees have agreed to fund Federal grants for lead screening in fiscal year 1992 at $23 million, up from last year's level of $7.79 million. This funding is sorely needed. During the last fiscal year, for example, Westchester County submitted a successful application for lead screening assistance only to find that all the funds in the program had been exhausted before their application was reached in the priority rankings.

By nearly tripling the funding for lead screening grants, the conferees have made an important contribution in the fight against the No. 1 environmental health threat facing American children. The additional funding will help ensure that adequate resources are available to support worthy lead screening and lead poisoning prevention programs such as the one being administered by Westchester County.

Finally, I would also like to commend Chairman NATCHER for his enormous foresight in supporting the Community Food and Nutrition Program [CFNP] which will receive $7 million under the conference report. CFNP is a small but extremely effective program that is the only source of Federal funding for local and statewide antihunger efforts. The increase in funding provided in the conference report will help ensure that children around the Nation have access to desperately needed anti-hunger programs. This increase is vital in a year in which the community childhood hunger identification project [CCHIP] conservatively estimates that 5.5 million low-income children are hungry and as many as 11.5 million children are either hungry or at risk of being hungry.

Chairman NATCHER and the other conferees clearly understand the link between nutrition and a child's educational performance. In addition to the obvious health concerns, hungry children are more likely than their peers to suffer from fatigue, irritability, and concentration problems while at school. These interrelated problems of nutrition and learning require a comprehensive approach. Under the conference report, this will be possible, and the CFNP Program will help many more children reach their educational potentials.

Mr. Speaker, this bill contains innumerable improvements in many programs which are essential to the people of our Nation. It is once again a testament to the hard work and commitment of Chairman NATCHER and the entire Labor-HHS-Education Subcommittee. I would urge all of my colleagues to support this worthy conference report.

Mr. NATCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding, and I rise in strong support of the conference report and with gratitude for the committee on its strong support in the name of the people of the District of Columbia.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I thank the gentleman for yielding time to me, and I rise in strong support of the gentleman's bill, the people's bill, and I ask for an "aye" vote.

Mr. FAZIO. Mr. Speaker, I rise in strong support of final passage of H.R. 2707, the Labor, Health and Human Services, Education, and related agencies conference report for fiscal year 1992.

First, I must applaud the subcommittee chairman, Congressman BILL NATCHER, as well as his subcommittee staff, for the commendable job that they have done drafting this legislation. We all know how difficult it is to put this particular bill together. Yet, Chairman NATCHER has managed to fund many vital programs, in spite of this year's tremendous budget constraints.

H.R. 2707 is a pro-family bill with a heavy focus on funding basic benefits and services for American women and children. H.R. 2707 contains a $250 million increase for Head Start, which provides mental and physical development services for low-income children and their families. This increase will enable Head Start to serve an additional 39,000 children this year, still only 27 percent of those eligible. H.R. 2707 also includes the foster care and adoption assistance program, infant mortality initiatives, the Maternal and Child Health Block Grant Program and family support payments to States, including Aid to Families with Dependent Children [AFDC].

Additionally, a vote for H.R. 2707 is a key women's health vote because H.R. 2707 contains a $250 million women's health package. There is increased funding for the National Cancer Institute [NCI], with a heavy emphasis on breast, ovarian and cervical cancer, as well as funding for the National Institutes of Health's Office of Research on Women's Health, including the establishment of a comprehensive gynecological and obstetrical research program at the National Institute of Child Health and Human Development. There is also new funding for the Centers for Disease Control's expansion of several important women's health programs, such as comprehensive mammography and pap smear screening programs for low-income women in eight States and a nationwide screening program for chlamydia in women and their partners.

H.R. 2707 funds the Department of Education to the tune of $27.8 billion. This includes a $577 million increase for chapter 1 grants to school districts for supplemental compensatory education and related services to disadvantaged children. It also funds Even Start's model programs combining early childhood education with adult education for parents and chapter 1, which is for children of migrant workers and neglected and delinquent children.

However, there are those who oppose H.R. 2707. They argue that, because payments for some programs are delayed until fiscal year 1993, the entire bill should be scrapped because it circumvents the budget agreement. But even the Office of Management and Budget [OMB] confirms that this bill is within spending guidelines and does not break the budget agreement. There are some who are willing to reject the whole bill—and all of its vital programs—under the smokescreen of the budget agreement.

What H.R. 2707's opponents are really opposed to is the provision in the original House and Senate bills which overturns the administration's so-called gag rule. These gag rule regulations leverage Federal funding against family planning clinics in order to deny them the freedom to counsel honestly and objectively. This medical censorship by the Federal Government robs women dependent on Federal funding of their right to know and to choose. It prevents doctors from total disclosure of information that a patient has a right to know. Opponents of H.R. 2707 want to deny poor American women their right to firm, informative, nondirective counseling by people trained to advise women about their reproductive rights and alternatives. So, all this rhetoric about budget gimmicks is really a last-minute effort to divert us from the real issue: they are opposed to an override of the administration's oppressive gag rule policy.

I urge my colleagues on both sides of the aisle to consider that a vote against H.R. 2707 is a vote against the women and children of this country. I strongly urge my colleagues to avoid hiding behind the smokescreen of the budget agreement and stand up for what is right. I urge my colleagues to vote for H.R. 2707.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. I thank the gentleman for yielding.

Mr. Speaker, I voted against this bill when it left the House because of the excessiveness of its expenditures. It comes before us again, now, with many additional millions of dollars added; and it is in its present form more than $4 billion more than the President has budgeted.

Mr. Speaker, a tangential issue has been raised, the matter of the repeal of regulations on abortion advice. These regulations being repealed is not the reason for my negative vote. After all, even if repealed, these regulations are not the controlling matter on Federal spending on the issues already fixed by law. In other words, even if the regulations are repealed, the existing law on the use of Federal funds is not being repealed and new regulations can be drawn that would suit both sides of this abortion argument—that is what should be done.

Mr. NATCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. I thank the gentleman for yielding and rise to support the legislation and the chairman and to commend him for the good job that the House is going to do today.

Mr. NATCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. I thank the distinguished chairman for yielding time to me, and I rise in strong support of the conference report.

Mr. Speaker, I rise in support of the conference report on H.R. 2707, the fiscal year

1992 Labor-Health and Human Services-Education bill. I commend Chairman NATCHER, ranking member CARL PURSELL, the members of the subcommittee, and the staff for their hard work on this conference report.

I applaud the subcommittee members for maintaining the language in the conference report barring enforcement of the gag rule which prohibits abortion counseling in federally funded clinics. I also strongly support the increased funding for women's health research. Today's vote is not just about reproductive rights but about women's right to full, accurate information on available health care options and an increased commitment to research on women's health concerns.

The gag rule regulations put our first amendment right of free speech at stake. Not only would the gag rule violate the physician-patient relationship by dictating what can and cannot be said, but poor women would be denied the same rights granted to wealthier women solely because they are unable to pay for a private physician or clinic. We must not create a two-tier health care system by allowing these regulations to be implemented.

The women in our country deserve the health care research funding included in this conference agreement. Women's health care issues have long been disregarded and overlooked. I am optimistic that we may now get serious about breast, ovarian, and cervical cancer research and education.

I am also grateful to Chairman NATCHER and the subcommittee for their thoughtful response in the conference report to the many challenges of the AIDS and drug abuse epidemics. This conference agreement provides increases for the National Institutes of Health, which will allow significant advances in AIDS research. Funding for the Alcohol, Drug Abuse and Mental Health Administration will allow for a continuation of the highly successful AIDS prevention research projects and AIDS outreach prevention programs for injection drug users. The increased funding for drug abuse treatment will hopefully allow local governments to reduce waiting lists and expand drug treatment capacity.

The conference report also goes a long way in fulfilling the promise of the Ryan White Care Act approved by Congress last year. Over the past year, the number of AIDS cases in high impact cities has increased by 32 percent. This conference report responds with emergency assistance to better enable these local governments to cope with this growing crisis.

While there is still more to be done to respond to the AIDS and drug abuse epidemics, especially with prevention outreach efforts, this is a good bill which has set responsible priorities within limited resources imposed by our Federal budget crisis.

Again, I commend Chairman NATCHER for his leadership and I urge my colleagues to support the conference report.

Mr. NATCHER. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. PANETTA], the chairman of the Committee on the Budget.

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding.

First, Mr. Speaker, I rise to commend the chairman and his ranking member for a difficult task. These are not easy issues that both of them have had to deal with. But I also rise to express the concern about the level of advanced funding, which is a concern that I share as well. But I think that Members need to ask three questions about the question of advanced funding.

The first is: Does it violate the budget agreement? The fact is this committee has brought to the floor a bill that both with regard to budget authority and outlays is well within the 1992 ceilings, and therefore it does not represent a violation of the Budget Act. Nor does it in any way create a risk for sequester.

Second, the question that has to be asked is: Is there a precedent for advanced funding? There sure is.

As the gentleman pointed out, the OMB has led the charge on advanced funding. The President himself asked for $1.4 billion in this bill with regard to advanced funding.

Mr. Speaker, 5 of the 10 bills we have sent to the President included advanced funding. As a matter of fact, the defense bill which passed the House, the defense appropriation bill, contained $3.3 billion in advanced funding. Mr. Speaker, I did not hear the arguments when that bill came to the floor.

Is this a good practice? In some limited areas, it is a good practice because it provides for continuous funding without disrupting the school year. So there are some points where it makes some sense.

Generally, however, I do share the concern, but here it does not violate the budget agreement. It follows precedents. Very frankly, this bill funds the right priorities for this country.

Mr. PURSELL. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I want to get right to the heart of the matter by urging each Member to reverse the ill-advised and counter-productive gag rule imposed on federally funded health clinics by voting for the conference report. Requiring doctors and clinic personnel to withhold vital family planning services and medical information is unethical and blatantly wrong.

Every woman has the right to receive complete and accurate information on all aspects of reproductive health. How women respond to that information is their personal decision, no one else's. Government has no right to participate in the intensely private discussions between women and their doctors.

This conference report provides a responsible family-planning measure which guarantees that the education and essential health care services of women are met from the start, thus preventing painful decisions regarding unintended pregnancies.

Nationwide enforcement of HHS title X regulations could destroy federally funded family planning clinics. Their loss will only lead to a greater occurrence of unintended pregnancies, not to mention a decrease in affordable, accessible health care for women.

Clearly, these are not the times to be curbing access to medical care. To support such action is to ignore entirely the American peoples' most pressing concern.

In the final analysis, we should all remember, government should serve our needs, not dictate our choices.

Mr. NATCHER. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

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Mrs. BOXER. Mr. Speaker, let us focus on what this bill is about. It is about America's health, and it is about America's freedom. It is about real problems of real people, real families; Alzheimer's, cancer, AIDS. A woman's health initiative is included in this bill for the first time.

Mr. Speaker, the American people need this bill, and, if my colleagues do not vote for it, they are voting against something the American people need and want.

Now the gentleman from Minnesota [Mr. WEBER] says that there is no problem, there is no gag rule in place. Maybe in his dreams. Because in reality there is a gag rule, and this bill overturns it.

The Justice Department said before the Senate Judiciary Committee, and I am quoting now:

"When the Government gives Federal dollars, the Government can control what is said."

This is Big Brother at its worst. If we can tell a physician what to say, tomorrow will we tell a teacher what to say? And then will we tell a policeman what to say? And pretty soon we are all gagged.

Mr. Speaker, this is an important vote for freedom and for health care.

Mr. PURSELL. Mr. Speaker, I yield 1 minute to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Speaker, I rise in strong support of the conference bill.

There are those who might suggest that it may be immoral to pass this bill. But while we wait, someone is going to contract measles, someone is going to die of cancer, someone is not going to get the Head Start moneys that they need. Another person is not going to have the drug and alcohol abuse programs that they need.

Mr. Speaker, this country is on the brink of moral decay, and we must come to its rescue. We must help them.

For those who say that abortion is the only issue, they miss, I think, a very important aspect of this bill. It is going to help many people, and this is not about abortion. This is about keeping Government out of a decision between an individual and a physician.

Mr. Speaker, I would urge my colleague to remember that the person who holds the scale of justice is a woman. She understands justice as well as we men in this Chamber. There are only 29 women in this Chamber. Let us let the women, as well as the men, determine their fate.

I would urge my colleagues to support this bill.

Mr. Speaker, I rise today in strong support of the conference report to accompany H.R. 2707.

This provides funding for many important programs from our schools to women's health care initiatives. However, one of the most important aspects this bill is the provision it does not fund; the so called gag rule.

We know the gag rule prohibits doctors from discussing abortion as an option for an unintended or dangerous pregnancy in title X clinics. But, most important, the gag rule prohibits doctors from telling their patients the complete truth about their health care options. Even in the case when a woman's health is in serious danger because of her pregnancy, a doctor cannot inform her of abortion as a medical option, even if it is to save her own life.

This is not an abortion issue. It is an issue which violates the sanctity of the doctor—patient relationship which has been in place for thousands of years. For the 5 million women served each year in federally funded family planning clinics, this issue undermines their right to effective medical care. And for the many health care workers in these clinics, the gag rule limits them in good medical practice. This censorship of our trained and expert medical professionals dictates our choices in health care. This censorship is wrong.

Mr. Speaker, this bill will not be the end of the debate over the gag rule. However, it does stop the censorship of doctors for a year, a year in which Congress can discuss abortion counselling policies and determine what is best for patients and doctors on this important issue.

Mr. Speaker, I encourage my colleagues to support the conference report and take this first step forward in allowing doctors to tell their patients the truth.

In particular, I commend the House conferees to agreeing to additional funding for Energy Assistance Programs, especially the Low-Income Home Energy Assistance Program [LIHEAP].

By adding $200 million in funding to LIHEAP, bringing its funding level to $1.8 billion, we are allowing many people to survive the cold of the winter than before. Many more people, the elderly, the disabled, low-income families, will be able to heat their homes this winter.

While I am concerned that $400 million of this funds will not be made available until next September, I am pleased that the House conferees sought to agree that at least $1.8 billion is needed for this crucial program.

Mr. NATCHER. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I rise today in strong support of the conference report on H.R. 2707, a bill to provide appropriations for the Departments of Labor, Health and Human Services, and Education for fiscal year 1992. I wish to commend Chairman NATCHER, Chairman WHITTEN, and the conferees for producing what is overall a very fine conference report. This bill, in terms of the health provisions, represents a long-awaited victory for the women of this Nation. This conference report represents a good beginning in Congress' recognition and reversal of the long-standing neglect of women's health concerns at the National Institutes of Health.

Mr. Speaker, every hour in this Nation, five American women die of breast cancer—yet, as a Nation, we will invest only $90 million to combat this killer, and only $20 million on basic research to find a cure. This year alone, breast cancer will claim the lives of 45,000 American women and over 400 from my hometown, Cleveland, OH. But aside from the human toll, this killer will cost our Nation over $8 billion in direct and indirect costs this year. We are short-sighted if we do not invest now in finding a cure.

Mr. Speaker, on numerous occasions this year I have appealed to the distinguished subcommittee chairman, Mr. NATCHER, and his counterpart in the other body, Senator HARKIN of Iowa, to provide a $50 million increase for fiscal year 1992 to the National Cancer Institute for research on breast cancer. Both gentleman assured me that they would make every effort to accommodate this request, and I am pleased with this final result.

Mr. Speaker, I have also taken my appeal to the women of this Nation and they have spoken. Within the last month, the newly formed breast cancer coalition, which includes many groups, both old and new, brought 500,000 letters to Capitol Hill in support of my request. Both Dr. Broder and Chairman NATCHER have assured me that with the additional funds provided in this conference report, the NCI will spend no less than an additional $42 million, or a 46-percent increase for breast cancer research in fiscal year 1992. The bill will also ensure a 67-percent increase in NCI efforts on ovarian cancer, a 37-percent increase for cervical cancer research, and an essential 100-percent increase on prostate cancer that will affect 122,000 men in this country this year.

Mr. Speaker, I thank the distinguished subcommittee chairmen for their diligent efforts to keep their word. I would also like to thank Senator BROCK ADAMS, who introduced the companion to my bill in the other body, for his extensive efforts to secure these funds. I know that the gentleman from Maryland [Mr. HOYER] also deserves our thanks for his effort to ensure strong report language regarding the NCI priority for breast, cervical, and ovarian cancer.

I thank my Select Committee on Aging Chairman, ED ROYBAL, a conferee on this bill for his long-standing support of my work on breast cancer issues, and also for including significant increases in the bill for elder abuse and for the National Institute on Aging. In addition, I appreciate the committee's full funding of $50 million for the CDC breast and cervical cancer screening initiative authorized last year, $10 million of the new NIH office of women's research, and $25 million in seed money for NIH Director Healy's new comprehensive women's health study.

Mr. Speaker, I consider this conference report a great beginning and a major victory in a long enduring battle against the scourge of breast cancer in our Nation. I appreciate the support of all of my colleagues on the congressional caucus for women's issues. I dedicate this victory to the Eleanor Preds and the Rose Kushners of this Nation who have paved the way for others, but are not here to share in this day. I urge all of my colleagues to support this conference report—you will truly make a positive difference in the lives of millions of Americans.

Mr. PURSELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. HOLLOWAY].

Mr. HOLLOWAY. Mr. Speaker, I rise in strong opposition to this conference report.

Mr. Speaker, I strongly urge my colleagues to vote "no" on this conference report. This vote is crucial for two main reasons: It deals with the fact that abortion is very different from family planning. The two should not be confused. Second, this bill undermines the Hyde amendment by allowing federally paid employees to encourage women to have abortions.

It is time to make it clear that abortion is not an acceptable method of birth control. We must allow Federal family planning programs to be involved only in family planning.

Mr. PURSELL. Mr. Speaker, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I rise in strong support of the conference report for the Labor-Health and Human Services-Education appropriations bill. It provides important funding increases for health and education, and it denies the use of funding in the bill to implement the gag rule.

The final bill includes critical funding for women's health research, including a substantial increase for the new Office of Research on Women's Health. It provides first-year funding for the women's health initiative, the historic long-term study on women's health. It also provides increased funding for basic research on breast, ovarian, and cervical cancer. After many years of neglect, this bill finally recognizes and begins to address the gap in research on women's health.

The conference report retains the Porter language denying the use of the bill's funding to implement the gag rule. Congress must take every action possible to overturn the Supreme Court decision in Rust versus Sullivan. This decision has devastating ramifications for poor women in this country; it will create a class system for women's health by denying poor women full information about their legal reproductive options, while women who can afford private physician care will have complete information and access to these health services.

Thus, this decision will further exacerbate the already insufficient health care available to poor women. They represent the most at-risk population, and yet the gag rule will further erode their ability to obtain health services, even when they are the victims of rape, incest, or life-threatening illnesses.

It will also set a dangerous precedent by denying first amendment rights to health professionals and breaking their obligation to their patients to provide complete information. In fact, this decision is expected to result in the departure of many family planning providers from the title X program, thereby further eroding the health of poor women and increasing the number of unintended pregnancies and abortions.

Family planning providers will have to choose between providing complete information to their clients and losing Federal funding, or providing only Government-approved information in order to receive Federal support. This is not a choice that should have to be made in a free society, a society that prides itself on the right to free speech.

This issue is one that should have the support of every Member of the House, regardless of their view on abortion. It establishes a dangerous system of censorship that could be repeated for any number of Federal programs and it discriminates against poor women. In a health system that already provides inadequate care to low-income people, this decision only widens the gap between the haves and the have nots.

I urge my colleagues to support the conference report. I thank Chairman NATCHER and the members of the subcommittee for their hard work in bringing out a bill that manages to fund critical health and education priorities, despite budgetary constraints.

Mr. NATCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, today we will vote on a $204 billion bill—that will finance three Government departments for the next fiscal year. Under ordinary circumstances, I might come to the well and argue in favor of the fiscal merits of this bill. After all, with this bill we are financing such programs as child support enforcement, foster care, and child care.

But, we all know that these are not ordinary circumstances. We all know that the fiscal realities of this bill are overshadowed. We all know that for most of our colleagues this vote will come down to a vote for or against the gag rule.

The gag rule is a 3-year-old rule prohibiting physicians in federally funded clinics from telling women what is law in these United States of America; that abortion is a legal option. Some 3.7 million women in this country are served by federally funded clinics. And because of their economic status or where they live, most of these women have no other medical option. On top of this, an estimated 600,000 of these women have a history of health problems that could make pregnancy dangerous for them.

Yet under the gag rule, a doctor is barred from telling a woman all her legal medical options, even if her life is in danger. Even if her life is in danger. Can you imagine how difficult this is for a doctor, whose professional responsibility it is to best advise his or her patient.

If we fail to pass this bill, we will be sending a loud and clear message to the women—particularly poor women—across this country. The message will be: We in Congress, the men and women you have voted to best represent you, do not care about your first amendment rights, do not care about your doctor-patient relationships, and frankly, do not care very much about your health or your life. Please, let's not send this message. It is wrong; it is unfair; it is dangerous.

Let us pass this bill with an overwhelming majority. We must send an urgent message to the White House that if the President vetoes this bill, he and his advisers will be playing with more than just politics; they will be intervening in the lives of women across this country and denying them information to which they are legally entitled.

Mr. NATCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I rise in very strong support of this conference report.

Let me say that there are 353 of us on the floor of this House who voted for this bill. Let me suggest to my colleagues that since we did that nothing has changed in this bill. There is no reason for any one of the 353 people who voted to make sure that children in this country were properly immunized, who voted to make sure that NIH did its appropriate research, that voted to have Head Start and chapter I help lift up and give opportunity to young people in America; there is not one reason to change that vote.

Why?

Two issues have been discussed significantly on this floor, one of which is the so-called gag rule. Eight out of ten Americans on every poll are against the gag rule. Eight out of ten Americans polled say that physicians and medical personnel ought to be able to tell people their legal medical options, and not to do so is not proper. Eight out of ten Americans.

The other issue that has been raised on this floor has been the issue of forward funding. As the gentleman from Michigan [Mr. PURSELL] pointed out, OMB and the President suggested $1.4 billion in forward funding. When 353 Members of this House, on June 26, voted for health, voted for education, voted for workers safety, there was $2.9 billion in forward funding, almost $3 billion. Yes, there is a little more this time because we reached out for additional cancer funds for women's health issues. We reached out for SLIAG to make sure that immigration was taken care of.

Mr. Speaker, 353 Members were correct on June 26, and they will be correct today when they vote yes on the people's bill.

Mr. PURSELL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I rise in opposition to H.R. 2707. Family planning is not abortion. It is killing human life.

Mr. PURSELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. YOUNG].

Mr. YOUNG of Florida. Mr. Speaker, I rise for the purpose of bringing the Members up to date on where the NATIONAL MARROW DONOR PROGRAM is today.

Mr. Speaker, included in the 1992 Health and Human Services appropriations conference report under consideration today is $16.3 million in funding to continue the outstanding lifesaving work of the National Marrow Donor Program.

My colleagues should take great pride in the role the Congress has played in establishing and supporting this national and international registry of volunteers who are giving the living gift of life and hope to thousands of men, women, and children who would die from leukemia or one of more than 60 blood disorders now treatable with a marrow transplant.

With funds included in past appropriations bills for the National Institutes of Health and the Navy to fund the operations of the national program and a nationwide donor recruitment campaign, we have more than doubled the size of the registry in the past 12 months and soon will exceed 500,000 volunteers. With the donor rolls increasing at the rate of 20,000 per month, we are experiencing greater success in finding matched donors for patients in need of a transplant. The number of transplants utilizing unrelated donors identified through the registry this year will be double the number completed in 1990. To date, almost 1,000 patients have been a second chance at life with a marrow transplant.

My colleagues also should take great pride in knowing that the National Marrow Donor Program established by this Congress spans the globe and saves lives here and abroad. On 64 occasions, marrow has been harvested from a volunteer in another nation and been transported to the United States for transplant. On another 48 occasions, Americans have donated marrow for patients needing a transplant in Canada and abroad.

The National Marrow Donor Program works, it saves lives, and it gives otherwise terminally ill patients and their families hope where just a few short years ago there would have been none. The success of this program is measured in the faces of those patients who are alive today because of the generosity of another person willing to donate marrow to a complete stranger.

Just about every day somewhere in our Nation a patient suffering from leukemia or any one of a number of blood cancers is receiving the gift of life in the form of a marrow transplant. It is with great pride that I can report to you that this Saturday, at All Children's Hospital in St. Petersburg, FL, my constituent and friend Grant Hartley will be receiving his gift of life. For Grant, a courageous and very sincere 28-year-old, who I have introduced to many of you, Saturday will be the first day of his new leukemia free life.

When I first met Grant 2 years ago, he had already been searching the registry for more than a year for a matched donor. At the time, there were fewer than 90,000 volunteers in the national registry and the chances of finding a donor were slim. This was especially so for Grant because he is a black American and 3 years ago when he began his search, there were fewer than 1,000 black American volunteers.

Because genetics play such a vital role in matching the marrow of donors and patients, it is more than likely that the donor for a black American patient will be a black American. The same is true for all ethnic groups such as Hispanics, Asians, and native Americans. As Grant's case indicates, we are having greater and greater success today identifying matched donors for minority patients.

This is in large part due to my colleagues on the Appropriations Committee and in this Congress who have supported my requests over the past 2 years for expanded Federal funding for donor recruitment and testing programs, especially targeted to minority communities. With funds appropriated in two supplemental appropriations bills last year, we kicked off a concerted national minority donor recruitment campaign last fall in Pinellas County, FL, which I represent, and throughout our Nation and since that time minority representation in the registry has increased more than three-fold.

There is no secret that the success of the National Marrow Donor Program is people because the more people we educate about the program and recruit as volunteers the better the chance that we have at finding matched donors for every patient in need of a transplant. You need only to meet someone who has had the opportunity donate marrow to know that mere words cannot describe the excitment of being able to save the life of a complete stranger.

David Smith, another constituent and friend of mine from St. Petersburg, FL, is one of the most eloquent spokesmen I have met who can describe the thrill of donating marrow. He has donated not once but twice and is one of the few people anywhere in the world who can say that through his willingness to volunteer he has offered life to two people.

Mr. Speaker, this is a program of heroes devoted to the greatest cause of all—saving lives. Every member of this Congress is a hero for the role they have played in supporting the establishment and growth of the National Marrow Donor Program. Grant Hartley and David Smith are heroes for their roles in encouraging others to become involved in this program.

The short amount of time I have today does not enable me to name all the heroes who have built this program and made it such an international success. At a later time, Mr. Speaker, I would like to dedicate a special order of this House to identify all the doctors, medical scientists, and nurses who pioneered the technology of marrow transplantation and perform life-saving transplants every day. I also would like to salute the individuals at the transplant and donor centers around the country and the world who coordinate every step along the way required to bring about a marrow transplant.

Mr. Speaker, they are all heroes in a program which got its start right here in this chamber and will continue to expand, with funds included in this bill, to save lives and give hope to families throughout the world.

Mr. Speaker, I yield 2 minutes to the gentlewoman from New York [Ms. MOLINARI] to close debate on this side.

Ms. MOLINARI. Mr. Speaker, I approach the podium, and I must confess that I speak on this conference report unable to separate out my being as a legislator and as a female. I must confess that I am astounded and overwhelmed by what I have heard advised here today.

Mr. Speaker, I say to my colleagues, "If you don't like a law, don't fund it, don't fund a discussion about it," and I must confess that I find it remarkable that in this great well of democracy some have suggested we have no legal obligation to a law, we have no moral obligation to inform women of their rights in this country.

However, Mr. Speaker, as my colleagues know, American women cannot be fooled anymore. They know that whether this gag rule is enforced or not, abortions will continue, but family planning clinics will close. American women cannot be fooled anymore. They know this is not about budget busting, and they know that the President did not change the regulations.

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American women cannot be fooled any more, but today we can be hurt and today we will find out just how much freedom we have in America. And we are afraid, I believe, of the answer.

Mr. Speaker, I must confess, so am I.

Mr. NATCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise in strong support of the conference report, and I commend the chairman of the subcommittee on his excellent work.

Mr. NATCHER. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Speaker, Bush's memo yesterday on the gag rule is one of the most cynical documents I have ever seen. It applies only to doctors, a very small percentage of the family health care professionals who counsel low-income women under title X. Professional nurses are still gagged, and so are others who work in the clinics.

The memo and the rule only allows abortion referrals when a doctor knows a woman's health is threatened by pregnancy. Even if that is relevant, it is impossible to make that determination.

Finally, to top it all off, a poor woman can only be referred to a health care provider whose primary care activity is not abortion. That sounds fine, except that most States do not have a full service health care provider that does abortions.

The White House memo is designed to get the administration off the hook on the gag rule and to give protection to the gag rule, antichoice supporters in the House. I say that it will not work. If we vote for the conference report, we will put an end to that fraud.

Mr. Speaker, I urge the Members to vote for the conference report and support all the programs that the American people so richly deserve.

Mr. NATCHER. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, let me commend Chairman NATCHER as well. Without this bill, our country will again widen the gap between the health care haves and the have-nots. Here is what is going to happen in the next few months:

If you are a rich woman and you want to know about family planning, you go to your private doctor. Your private doctor tells you about all your pregnancy options. If you are poor, if you are a poor working woman, you go to a federally funded family planning program. But the woman who does that would get no information about her pregnancy options.

The gentleman from Minnesota said that the President has changed the gag rule. The fact is that nothing has changed. A poor working woman still could not get any information about her pregnancy options. Medical censorship would still be in place.

Mr. Speaker, I urge my colleagues to support the conference report.

Mr. NATCHER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Speaker, I rise in support of the legislation.

Mr. Speaker, I rise in support of the conference agreement on H.R. 2707. This bill includes funding for our Nation's most important domestic programs. In addition, it bans the use of funds to implement the administration's regulations that prohibit federally funded family planning clinics from providing information about all legal medical options.

This is not a decision I have reached lightly or without considerable thought and reflection.

Indeed, as my congressional record indicates, I have always felt it important to be an advocate for those who have no voice. This is still my firm position. But I stand here today as a Member of Congress who feels it's imperative that health care be given the attention and resources necessary to assure that all women, whether they be rich or poor, have access to the quality health services necessary to lead a full and active life.

Should the administration's regulations on restrictive counseling procedures go forth, some organizations which currently receive title X funds may have to decide whether to forgo Federal funding. Should clinics be forced to make this decision, progress in meeting the health care needs of women, which is already tenuous at best, will be set back considerably. I cannot support that.

Title X clinics have made important contributions to women's health care since the program's inception in 1970. This funding facilitates voluntary family planning and educational services to almost 5 million low-income women each year through a network of nearly 5,000 family planning clinics. In Tennessee alone, title X services are provided at approximately 141 clinic sites throughout the State.

Title X is the only major program for low-income women providing comprehensive reproductive health care services. While the range of services can vary among individual clinics, key services include screening for cervical and breast cancer. With the rates for these cancers reaching alarmingly high levels, I feel its imperative that all women, regardless of their ability to pay, have access to the best care possible.

And to title X critics, I must point out that since the enactment of the program, use of title X funds for abortion as a method of family planning has always been prohibited by statute and regulation. Title X guidelines have required clinics to provide nondirective counseling—that is, counseling which does not favor one option over another—to women who request information on options for the management of their unintended pregnancy. Should the administration's gag rule be funded through this bill, poor women, who by virtue of their economic circumstances must rely on federally funded planning clinics rather than consultations with private physicians, will bear the brunt of cutbacks in essential title X-funded health care services.

I urge my colleagues to join with me in reaffirming congressional support for women's health care. Support the conference report.

Mr. NATCHER. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. McDERMOTT). The gentleman from Kentucky [Mr. NATCHER] is recognized for 2 minutes.

Mr. NATCHER. Mr. Speaker, we have 13 appropriation bills each year that go through our committee. Each year we say to the people of the United States of America that this is the bill that has something in it for every man, woman, and child in the country.

We believe, Mr. Speaker, that if we educate our children and take care of the health of our people, we will continue living in the strongest country in the world. In this bill we have $6,707,000,000 in chapter 1, elementary and secondary education. There is $9 billion in this bill for biomedical research grants, 6,000 new grants and 22,000 total grants.

In this bill, Mr. Speaker, we have $1,989,000,000 for the National Cancer Institute. We have $920 million for the Job Corps, $650 million for maternal and child health grants, $1,900,000,000 for the AIDS research, education, and care program, and $2,202,000,000 for Head Start.

Mr. Speaker, $133 million is set aside for breast cancer research, and there is $50 million in addition for screening. We have $298 million for childhood immunization, and we have $825 million for child care.

Mr. Speaker, in this bill for the feeding program for the elderly, we are funding Meals on Wheels for our older people. They go in at noon, and they are hungry; they need help. We see some of them walk through the door with their heads up, some with their heads down. These are the people we love, Mr. Speaker, the people we love and respect, and we take care of them. Meals on Wheels is included in this bill.

This is the bill that means so much to the people of the United States of America. I ask every Member of this House to vote for this conference report and say to the people of the United States that we know what is going on with this bill. I ask the Members to take a good look at all of it. The Members can ask my friend, the gentleman from Michigan [Mr. PURSELL], the ranking minority member, one of the very able Members of this House. We know what is going on.

Mr. Speaker, let us stay with the conference report. I ask respectfully that every Member of this House vote for this conference report.

Mr. GRADISON. Mr. Speaker, I rise in opposition to the conference report on H.R. 2707, the fiscal year 1992 appropriations act for the Departments of Labor, Health and Human Services, and Education. Much of the discussion on this conference report has centered on the issue of the future of the title X program. I have serious concerns about that program and the continuing inability of the Congress and the President to reach an agreement on this question. In addition, I object strenuously to the budgetary treatment of many of the programs in this conference report.

There are serious budgetary problems, totaling over $4.2 billion, with this conference report. For example, over $3.6 billion of obligational authority is delayed under this bill until the last day of the 1992 fiscal year, thereby pushing the resulting outlays into fiscal 1993. This gimmick permits the conferees to claim credit for funding these various programs in fiscal year 1992 without actually paying for them until fiscal year 1993. However, this is clearly counterproductive since the fiscal year 1993 discretionary spending caps are already tighter than those for fiscal year 1992.

The summer youth employment program is a perfect example. Normally, funds for the summer 1993 program would be included in the fiscal year 1992 appropriations. This year, the conferees have advance funded the $188 million for the program.

Another gimmick is to provide $406 million in additional funding for the Low Income Home Energy Assistance Program [LIHEAP] by classifying that funding as an emergency under the budget agreement. Without question, this emergency designation will not hold up to Presidential scrutiny. The promise to increase LIHEAP funding this matter, therefore, is an empty one and will do nothing to provide additional funds for the program.

There has been some discussion on this floor today about whether the conference report directly violates the budget agreement and who—OMB or the Congress—is more responsible for the use of delayed obligations as a budgetary gimmick to evade problems with the spending caps. In my view, as the ranking Republican on the House Budget Committee, this discussion begs the question. The issue is whether this House should sanction the use of budgetary gimmicks at all. I believe we should not. To do otherwise violates the spirit of the budget agreement and, in my view, the spirit of that agreement is just as important as a technical violation. Condoning budgetary legerdemain gradually erodes the foundation of the budget agreement and, at some point, all fiscal discipline is likely to be lost. The gamesmanship over fiscal policy must end or it will end the budget process.

The other and, in the public's mind, more significant issue in this conference report is the Porter amendment which would preclude the administration from implementing regulations issued in 1988 to govern the title X program.

I have long been a strong supporter of the title X program. This preventive family planning program is a critical Federal initiative to bring needed services to the poor and to women of low and moderate income. I have also opposed the appropriation of Federal funds for abortion except where the life of the mother is at risk.

I appreciate the concern of the administration that the title X program should adhere to its statutory mandate as a preventive family planning program which separates itself from the provision of abortion services. However, I remain concerned about the provisions in the Federal regulations issued in 1988 to govern the program which appear to restrict, in many cases, the ability of a woman who requests information from a title X clinician about the option of abortion from receiving that information. My chief concern is that a woman who requests information about abortion ought to be provided with an opportunity to have her questions answered. I am not interested in, and will not support, any effort to provide backdoor Federal funding for abortion. I am concerned about maintaining the integrity of the federal family planning program.

The title X program has lacked an authorization for several years. This concerns me greatly. It is unwise for any Federal program to lack a clear expression of congressional intent. I, along with several other Members of this House, have offered suggestions to the administration on a compromise on the title X issue that might be acceptable to all parties.

The President, in a November 5, 1991, memorandum to the Secretary of Health and Human Services, outlined the basic principles that, in his view and based on his interpretation of current law, should govern the program. I believe that memorandum may provide the basis upon which we may be able to craft a compromise on the title X program that has eluded us for so long. In my view, the President should go farther and clearly delineate publicly what he is prepared to except. To reach a compromise, however, both sides on this issue will have to give a little, but the onus is on the President to show us where he wants the program to go. We are not there yet, but, I believe, we are getting closer.

Mr. Speaker, defeat of this conference report will give us an opportunity to remove the offending budgetary gimmicks in this bill and continue to work toward a compromise on title X. Failure to do both of these will guarantee a Presidential veto. It would be irresponsible of the House to not return to conference to work out these problems. I urge my colleagues to defeat H.R. 2707.

Mr. FRANKS of Connecticut. Mr. Speaker, I rise in support of H.R. 2707 because of the many health and social service programs funded by this bill. These programs are essential to our lives.

Among the necessary programs, H.R. 2707 provides funding for the low-income housing energy assistance program [LIHEAP]; Head Start; AIDS research, prevention, and treatment; substance abuse and maternal and child health. These programs aid low-income Americans with energy costs. They educate and care for our children and teenagers. They are helping to eliminate the devastating infant mortality rate in this country, and they are fighting against AIDS, a disease that is tearing this Nation apart. The American people need and deserve these programs.

Additionally, this bill includes language that would block enforcement of the gag rule in 1992 on abortion counseling for federally funded family planning clinics. Family planning clinics provide health services and counseling to women who have nowhere else to go. In many cases these clinics are the only places poor women can go to receive all their health care. The gag rule will impede the ability of health professionals in title X funded clinics to give the care and information women need. I believe we need to encourage and support family planning clinics, not obstruct and deter what is known to be a successful component of family planning and health care programs.

Mr. Speaker, while I will support this bill in the end, I would also like to voice my objections to the delayed-funding mechanism used in this bill. While I was not here last year to participate in the budget negotiation process, a budget agreement was reached and passed by this House. The agreement called for tough choices to be made in all spending areas. However, this year rather than making tough budget choices required under last year's agreement, Members of Congress continue to fund programs at levels which the budget cannot support. This conference report will increasingly limit next year's funding options for labor, HHS, and education appropriation programs. Eventually the piper must be paid.

In closing, while I support many of the programs funded by this bill, I hope that next year the Appropriation's Committee will make the tough choices rather than putting them off yet another year.

Mr. McCANDLESS. Mr. Speaker, the conference report on this bill numbers 124 pages, and there are people in this Chamber who think the only important thing is one paragraph.

If we are going to overturn the gag rule, let's do it. Bring up a straight reversal, no strings attached, no money involved. But let's not go through this every year, as this bill would have us do, and have our colleagues forced to vote for more spending simply because they're concerned with one paragraph.

When it gets right down to it, I'd support an effort to overturn the title X regulations. To fulfill their medical responsibilities, I believe a health care worker must present all options to a patient, including the factual option of abortion. It is then up to the patient to make a choice.

But I am not going to be bullied into voting for another budget-buster just because of one paragraph. This bill is $21.7 billion over last year's levels totaling over $200 billion in spending next year. Thanks to budget gimmicks like delaying costs until the last day in the fiscal year, we meet our budget summit ceilings, but we must remember this is the summit that is bringing us record deficits. This is not a game to see how close to the budget ceilings we can get.

For the last 4 years, Labor-HHS bills have grown at an annual rate of 10 percent and above, with this year coming in at 12 percent growth. Over the next few years, it is projected spending will grow at a similar rate. When is this going to stop?

I'm not going to let that one paragraph blind me to the real issue. This conference report is not an abortion bill; it's another big government spending bill with the same old deficit trickery which just happens to have one paragraph on abortion. I urge my colleagues to join me in voting no on this conference report.

Mr. GOODLING. Mr. Speaker, I rise in strong support of the conference report on H.R. 2707, the fiscal year 1992 appropriations bill for the Departments of Labor, Health and Human Services, and Education. As ranking Republican of the Committee on Education and Labor, I want to commend Chairman NATCHER, the ranking member Mr. PURSELL, and the members of the Labor-HHS-Education Subcommittee, for having so successfully defended the priorities of the House in the vital policy and programmatic areas encompassed by this bill. Moreover, I believe they should be further congratulated for having once again achieved this success in the face of perhaps the most difficult conference they have had to deal with in years.

The Appropriations Committee and this body once again expressed their steadfast commitment to the funding of elementary and secondary education programs. I was very pleased to learn that the conference report provides for a very generous 10.4-percent increase over the past fiscal year's level of funding for the ESEA chapter 1 account on an overall basis. This remarkable level of overall support for the backbone of the Federal effort to help our disadvantaged children in school is also reflected in the funding increases the conference report provides for many of chapter 1's various programmatic components. Thus, I want to express my particular appreciation for the increases over last year's funding provided to the basic grants to LEA's—10.5 percent—to the Even Start Program—40.6 percent—and to the State Migrant Child Program—4.7 percent.

This past spring the Committee on Education and Labor worked on a major new literacy bill, the National Literacy Act, which the President subsequently signed—Public Law 102–73. Among the new programs this legislation created was one I hoped this appropriation measure would be able to launch right away: the establishment of State Literary Resource Centers, which were one of the components of the President's education initiatives. The conference report reveals that this will be the case; I was very pleased to find that it provides $5.0 million to get these centers established.

Our conferees should also be thanked for their steadfast efforts to support the funding of our postsecondary student assistance programs. Among these, the College Work Study Program has never experienced any difficulties and is unanimously supported by my committee. I was glad to find that the conference report increases its funding by $20.3 million over last year's level.

Turning now to the conference report's funding proposals for the Department of Labor's agencies, programs, and activities, I would like to express my appreciation to our conferees for restoring all of the other body's proposed cuts in the funding of two key Bureau of Labor Statistics programs: the Federal Economic Indicators program, a long-term effort to improve the quality of Federal economic data, and the program of surveys needed to make the locality-based comparability pay adjustments for Federal workers required under the Federal Employees Pay Comparability Act of 1990.

Finally, I was pleased to find that the conference report funds the Occupational Safety and Health Administration's [OSHA] Federal and State enforcement activities at a level that is $500,000 over the President's request. My concern here, and I'm sure Chairman NATCHER and Representative PURSELL share it with me, is that when the Secretary of Labor applies the $32 million undistributed reduction to the Department's salaries and expenses accounts required by the conference report's general provisions, I would hate to see OSHA's share of the undistributed reduction impare the agency's enforcement function. I would appreciate the Appropriations Committee monitoring the application of the reduction so that the agency's enforcement function is not weakened.

Mr. LOWERY of California. Mr. Speaker, I rise today to announce my opposition to H.R. 2707, the Labor, HHS, Education Appropriation Act for fiscal year 1992. I do so with great disappointment because while there are many worthwhile provisions contained in this important bill, there is one provision to which I have objected in the past, and will do so again today by voting no. I would also like to commend Chairman BILL NATCHER and the ranking minority member, Congressman CARL PURSELL for their continuing dedication to bringing this bill to the floor.

I speak in reference to what has become widely known and touted by various interest groups as the infamous gag rule. Mr. Speaker, despite the hoopla which has been generated by these groups, I stand firm in my belief that we need to retain the current title X regulations. Since I'm on this topic, I will take the opportunity to remind my colleagues the purpose and intent of the 92d Congress when they enacted the title X program.

First, it was designed to provide family planning services to couples who needed assistance with conception or who needed help in preventing conception. Because the program was established to assist in preconception planning, I repeat, preconception planning, it was not their intent to provide service of any kind once a pregnancy was involved. Although post-conception services are not provided through title X, many pregnant women do qualify for a host of other Federal programs that do provide pregnancy services.

Second, these preconceptions services were intended to prevent abortion from every becoming necessary. In 1988, the Department of Health and Human Services enacted regulations to clarify what activities do and do not constitute family planning as defined by the title X program. With regard to abortion, the regulation is neither vague nor ambiguous. To the contrary, it is clear, concise, and unequivocal. It states, and I quote:

> Family planning does not include pregnancy care (including obstetric or prenatal care). As required by section 1008 of the Act, abortion may not be included as a method of family planning in the Title X project.

In short, the title X program's restriction to preconception family planning means that once a woman is diagnosed as pregnant, she no longer qualifies for services through title X.

I could go on for days and weeks on this contentious and divisive issue because I know that there are colleagues of mine who differ with me on this issue, both Republican and Democrat. However, I would also like to stress other programs that are funded by this bill which I have always supported in the past, and still do support in principle and substance, but will have to vote against today because of the inclusion of the provision which would overturn the title X regulations.

As we all know, this conference report significantly increases funding in areas relating to medical research. I think that it is safe to say that one of the most important aspects of this relates to women's health. I am glad that the House and Senate conferees agree with me that the national Cancer Institute should make breast, cervical, and ovarian cancer one of its top priorities. It is especially heartening to know that the requested $50 million for the breast and Cervical Cancer Mortality Program was kept as part of the final bill. With approximately 1 out of every 10 American women developing breast cancer during her lifetime, this funding is vital in helping them maintain their health. Underserved women all across the country, including those in my district will be able to obtain quality mammograms and pap smears.

Another health related concern of mine is that of Alzheimer's disease. Approximately 4 million Americans are inflicted with this dreadful disease. Back in March of this year, I introduced a resolution that designates the month of November in 1991 and 1992 as "National Alzheimer's Disease Month." It shares the wide bipartisan support of 225 of my distinguished colleagues. I have discussed in detail the importance of funding Alzheimer's research on and off the floor to them repeatedly. With this disease affecting one out of very three American families, it remains one of our Nation's most expensive health problems—costing the United States $90 million per year. I've seen up close what the dreadful effects of this disease can do to the patients and their families. The endless burdens of having to take care of an Alzheimer's patient merit the Federal Government's support.

With respect to the education front, I would like to pay particular attention to the Head Start and Impact Aid Programs. I am proud to say that I have supported these programs from the first days I served as a public servant when I was the deputy mayor of San Diego.

The Head Start Program is one I am always proud to support. It is one I support not only because of its success since its inception in 1965 * * *; I support it because every single one of its goals and intentions are worthy of all of my colleagues support. This program has been able to assist preschool aged children from low-income families effectively function in their school environment and take an active role in their community. This program has shown our youth the importance of an education and implanted in them the basic values that help make our society a better place to be. I have always been a strong supporter of the concept that a solid education should remade available to all of our Nation's children, and to that end, I will do everything I can as a member of the Appropriations Committee to make sure that this program continues to receive adequate funding.

Another provision which I have always ardently supported is that of the Impact Aid Program. As the representative of a city which is the homeport to one-fourth of the United States naval fleet and contains over 15 military installations, I can appreciate the significance of this program. Approximately 25,000 federally connected students reside within the boundaries of my district. It gives me great pride to be able to stand here today and note that San Diego has consistently provided a high-quality, well-balanced educational curriculum to the children of our military families. With the rising cost of educating students at-risk of dropping out or, those students from military families who transfer frequently from school to school, federally impacted schools bear a special burden of providing instruction without the benefit of an adequate budget to cover these costs. I commend the chairman, Mr. NATCHER, and members of the conference committee for their continued support for this program.

In closing, I would like to stress that while I am forced to vote "no" on this conference report, I support a convincing majority of the programs that will benefit from its passage. However, it distresses me greatly that a majority of the conferees elected to retain the title X language knowing that it would face a guaranteed veto by the President. I support the President on this issue and stand firm in my own personal opposition to its inclusion. It is my sincere hope that after the President vetoes this bill, that the appropriations subcommittee will expediently drop the Porter amendment and immediately repass this important piece of legislation.

Mr. RICHARDSON. Mr. Speaker, I rise today to express my strong support for the Labor-HHS-Education appropriations conference report which includes language prohibiting the enforcement of the administration's gag rule regulations.

The 21st century is almost upon us and I find it difficult to believe, let alone understand, that a regulation prohibiting access to information on women's health would be tolerated or accepted. If such a gag rule were placed on information on health services for men, I don't think it would be tolerated.

The gag-rule compromises the patient/doctor relationship. A physician has the obligation to inform a patient of all medical options and every patient has the right to know those options. The administration's regulations prohibit the exchange of this vital information, preventing a physician from performing his/her duties and limiting the information a patient needs to make an informed decision about her reproductive health. Additionally, it adversely and disproportionately effects low-income women not women who can afford to go to a private physician.

Mr. Speaker, I am pleased to support the Labor-HHS-Education appropriations conference report and I urge my colleagues to do the same.

Mr. STUDDS. Mr. Speaker, I rise in strong support of this conference report, which prohibits implementation of the administration's gag rule in family planning clinics.

The gag rule is unwise, it is unethical, and it should be illegal. When the Congress created the title X family planning program 20 years ago, we did not intend to muzzle health care providers. Rather, we intended to ensure that all women, regardless of their economic circumstances, have access to complete information about their health care options.

Supporters of this dangerous regulation would have us believe that this is a debate about abortion. But it is not. Ask our colleagues who are not pro-choice but who oppose the gag rule.

We are not talking about the Federal Government funding abortions. That is prohibited by law and nothing in this bill would change that. All we are ensuring is that low-income women and teenagers will be entitled to complete information about their medical condition, to the same description of medical options available to them as to those who can afford private care.

Mr. Speaker, with this vote today, 406 men will be setting Federal policy in an area that we personally know nothing about—on a subject that affects a woman's life in the most profound way. Not one of us has ever been or ever will be faced with an unplanned pregnancy. Not one of us will ever experience the anxiety of the pregnant 16-year old from the Bronx, or Hyannis, or New Bedford. Not one of us will be forced to receive medical advice that we cannot trust because it is incomplete.

We can only imagine ourselves in the shoes of the barely literate woman who is suffering from severe diabetes and uncontrolled high blood pressure, who visits the family planning clinic and learns that she is pregnant. The administration says that she could not be told that her pregnancy might be a threat to her life, and that she might want to seek abortion counseling.

Yet, many of our colleagues today will vote to place restrictions on her physician's ability to advise her and on her ability to receive quality medical care.

Mr. Speaker, a Republican consultant reported in today's Washington Post that a compromise acceptable to both sides had been torpedoed by the President's Chief of Staff, John Sununu. Once again, politics has triumphed over principle at the White House. President Bush may have scored a few more points with the anti-choice forces, but with 70 percent of Americans opposing the gag rule, he is flouting the public will.

I urge my colleagues to side with the American Medical Association, the American Academy of Obstetricians and Gynecologists, the American Nurses Association, and the American Public Health Association. I urge my colleagues to side with American women, and not with John Sununu.

Mr. HOAGLAND. Mr. Speaker, I would like to express my support for H.R. 2707, the Labor, Health, and Human Services, and Education appropriations conference report before us which restores the cuts the administration proposed for the Impact Aid Program. Impact aid provides Federal dollars in lieu of lost tax revenues to local schools districts that are impacted by Federal installations and must educate federally connected students. Most importantly, this conference report ensures funding for federally connected "B" students which President Bush proposed to eliminate. These are students whose parents usually work on Federal property but do not live on Federal property.

I testified and prepared a letter to the Labor, Health and Human Services, and Education Appropriations Subcommittee, which 83 Members of the House joined in signing, expressing our opposition to the administration's impact aid cuts. We are very grateful to the Appropriations Committee and especially Chairman NATCHER for their hard work and recognizing that these cuts would cause serious harm to our Nation's school districts and the families of those schools.

In my congressional district—the home of Offutt Air Force Base and the headquarters of the Strategic Air Command—impact aid is a critical source of funding to educate 10,000 federally impacted students. For example, the Bellevue school district last year received about $10.9 million of its total $45 million budget from the impact aid program. In 1992, Bellevue will receive approximately the same amount of funding even though the cost of educating its students will rise by 7 percent. And meanwhile the numbers of federally impacted student continue to grow. The Bellevue school district's enrollment has grown from 8,326 to about 8,800 student in the past 3 years. There is a tremendous Federal responsibility to these communities.

Ultimately, the issue is one of equity. All parents expect their schools to provide these students a quality education. Impact aid does not provide extra funding to these schools. It provides basic funding, for books, teachers' salaries, educational materials and equipment. Congress did not establish this program as a special benefits; it is the fulfillment of a Federal responsibility because schools lose property and sales taxes because of the presence of Federal property.

I will vote "yes" today to maintain the impact aid program. This is a clear Federal obligation which means a great deal to the students in my congressional district and schools across the country.

Mr. MORAN. Mr. Speaker, today I rise in support of H.R. 2707 and urge all of my colleagues to vote with me in favor of this important legislation.

The Labor, Health, and Human Services appropriations bill contains many important provisions. Aid to Families with Dependent Children, Head Start, infant mortality initiatives, research of breast and cervical cancer, and many other important initiatives have all been extended in this legislation. While all of these provisions are important to the health and well-being of our citizens, none are as important to the integrity of health professionals as the provision overturning the gag rule.

By restricting physicians from discussing specific medical options with their patient, the administration is placing a muzzle on the rights of women and health care providers. The administration is telling doctors and counselors at federally funded clinics not to discuss abortion, even it the woman is the victim of rape or incest as well as in cases of gross fetal abnormality. The administration is subverting the rights of women to receive adequate medical information and forcing physicians to limit their medical advice.

This gag rule sets an alarming precedent that extends beyond the scope of health care workers and effects all recipients of Federal funds. In fact, Chief Justice Rehnquist, in writing the majority opinion regarding the gag rule, argued that the Federal Government has the right to censure individual speech for partisan political motives.

If this ruling stands, many physicians and counselors across the Nation will pull out of this program rather than compromise their ethics. Counselors and physicians who refuse to acept this ruling and stand up for the rights of their patients will have their funding cut and will be forced to close down. Thousands of low income women across this country will be denied access to family planning care and will be denied the same safe and legal medical options as those women who are able to go to a private physician.

The irony of this situation, Mr. Speaker, is that the Congress created the title X family planning program in 1972, to ensure that all women have equal access to pre-natal health care. This ruling subverts this mandate and graphically demonstrates that the administration is determined to destory this important program for partisan political gain. The net effect of this gag rule will be that less women will receive crucial information regarding health care and less women will practice sound family planning. I ask my colleagues, is this the direction we want to take for health care, for women's rights, for free speech?

I urge my colleagues to vote yes on the conference report and overturn this gag rule.

Mr. LEVIN of Michigan. Mr. Speaker, I will be brief. I would like to praise the conferees for retaining language that would preclude the administration from implementing the so-called gag rule. I would like to add my voice to those of my many colleagues who are supporting this provision.

The gag rule is censorship, it is nothing else. I would also like to commend our two physician colleagues for their forward stand on this issue. They are absolutely right. By warping the doctor-patient relationship, this rule would force health professionals to violate their ethical oaths and legal obligations. As I have stated before, if we are going to restrict physicians and nurses in federally funded clinics from discussing all pregnancy-related options with their patients, what is the next step? Would it be constitutional to prohibit discussing the ill effects of drug abuse based on the argument that it might actually encourage drug use? Or prohibit physicians from warning patients about the dangers of AIDS because arguably it might encourage intercourse? Or prevent them from discussing specific options for treatment that might involve expensive procedures, because this might increase Federal health expenditures?

At a time when there is great concern about the health care women in this country are receiving, the gag rule would be a step backwards. We must strive to continue marching forward toward improving health care to all of our citizens. The election yesterday in Pennsylvania explicitly demonstrated the will of the people in this matter.

I urge all of my colleagues to vote for accepting this conference report and send the message to the President that his interest in health care is crucial, but that his interest must not be toward dismantling our system, but working to improve it.

Mr. PENNY. Mr. Speaker, today's vote on the Labor/HHS/Education appropriations conference report puts me literally between a rock and a hard place. On the one hand, the bill represents the programs I most believe in—the people programs—the heart and soul of good government. It increases spending for Head Start, chapter 1, childhood immunization, healthy start and disease research. These are all correct and good priorities.

On the other hand, the bill perpetrates a spending sleight of hand that fools no one. The conference agreement delays the obligation of $4.3 billion in spending until September 30, 1992, the last day of fiscal 1992, conveniently sliding most of the outlays into fiscal 1993. Technically, the bill meets the 602(b) budget targets for discretionary budget authority. However, it violates the spirit if not the letter of the 1991 budget agreement, and seems to assume that the spending limits will magically disappear next year allowing us to go back to business as usual.

Is this any way to run a government? I don't think so. As I have said many times, we have to be honest about how we pay for these programs and not mortgage our children's future in the process.

Despite my strong distaste for the methods used in this bill, I will support it. I also pledge to work for more honesty in financing these programs in fiscal 1993 by making cuts in other areas. I urge my colleagues to do likewise.

Mr. HOUGHTON. Mr. Speaker, I rise in support of the conference report on the Labor/HHS appropriations bill, H.R. 2707. I do so because of its focus on a program highly important for the needy in the Northeast. The program is Low-Income Energy Assistance [LIHEAP].

When the House first considered this bill in June, I questioned whether it did do enough for the program. The fact is that it cut LIHEAP to a level 38 percent below last year—tough medicine for the elderly, the poor and the disabled throughout the northeast, particularly those in my district—the 34th District of New York State.

A few details: Last winter, LIHEAP provided aid to 30,032 families in the 34th District—one-fifth of all families. Fifty percent of the funds in Allegany County were spent on emergency cases. If there had been no LIHEAP funds these people would have lost their heat. Half of the recipients in Allegany County are elderly and 60 percent must live on less than $6,000 per year.

In June, Chairman NATCHER assured me that he would work in conference to increase spending on LIHEAP. He kept his word. The total funding for LIHEAP in this bill is $1.486 billion. That is 5 percent above last year. It also does not violate the budget agreement.

Mrs. SCHROEDER. Mr. Speaker, this afternoon, we will vote on the Labor, HHS and Education conference report. I urge my colleagues to vote "yes" on the conference report. This is not an abortion vote. This vote is about access.

First, the administration's gag rule denies women access to basic medical information. The gag rule would prohibit federally funded family planning clinics from counseling on abortion. Even women who request information regarding abortion will be denied that access—even where the life of the mother is in danger. As a result, the prohibition forces doctors and nurse practitioners to violate medical ethics and puts them in jeopardy of malpractice.

Second, enforcement of the gag rule could severely limit access to family planning services. Currently, one out of every five women receiving family planning services relies on a federally funded clinic. For 83 percent of these women federally funded clinics are their only source of family planning services. In addition to contraceptive services, these clinics offer diabetes, anemia, and breast and cervical cancer screening, as well as screening for sexually transmitted diseases, including HIV. Enforcement of the administration prohibition on abortion counseling will compel these clinics to reject Federal funds in order not to violate ethical standards. In many cases these clinics will be forced to close. Thousands of women will be denied basic health care services.

Where will these women seek services? In many cases they will go to a hospital, or a prenatal care clinic. However, in hundreds of counties with a federally funded family planning clinic, there are no hospitals or prenatal clinics. In addition, only half of all OB/GYN and family practitioners provide contraceptive services to Medicaid patients. In short, in many cases these women have no place else to go.

Access to medical care, a basic human right, is what this vote is all about. Vote "yes" on the Labor, HHS, and Education conference report.

Mrs. ROUKEMA. Mr. Speaker, I rise today in strong support of the conference report on H.R. 2707, the fiscal year 1992 Labor, Health, and Human Services and Education appropriations bill. I do so as a Republican, as a woman, and as a mother of three, and I do so in the name of simple decency. I want especially to address my remarks to those of my colleagues who want to keep Government out of our lives.

Mr. Speaker, as you are aware this report contains language that would prohibit regulations which deny Federal support to family planning programs that use other resources to provide abortion services, information or referrals. In other words, we act today to lift the gag rule.

This issue is the most intimate and most profound moral decision that a woman has to face. Do we want to put Government into the position of making these decisions?

I say to my colleagues that without the language in the conference report we are saying that we support a two-class system. A two-class system in this society that is: those who have the money to make the choice can make their own moral choice for themselves; but those who do not have the money to give them access to private health care will have to continue to be victimized. In my own district, family planning services which rely on Federal funding, would lose 12 percent of their budget, forcing them to close clinics, thus reducing the number of women they can care for.

I also warn my colleagues that without this language, physician-patient relationships are in jeopardy. The need for open dialog between patient and physician is crucial. Constraints on what a physician can say to a patient can only result in serious medical implications for the patient.

Mr. Speaker, in the name of simple decency I say to my Republican colleagues that we must keep Government out of this moral decision and I urge them to vote "yes" on this conference report.

As I have indicated, H.R. 2707 addresses one of the most pressing issues facing the Nation today, by ensuring the rights of physicians and patients in title X. Yet that is but part of the legislation, and but one reason to support this conference report.

It has been said that the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life—the sick, the needy and the handicapped. In funding the Departments of Labor, Health and Human Services, and Education, we would do well to remember those words.

The programs supported through these departments represent vital lifelines to American citizens of all ages, and I am pleased to see the committee efforts to increase the funding of programs of such importance.

To ensure that the causes of research and science move forward, the committee recognizes the invaluable work done at the Centers for Disease Control, the National Institutes of Health, the Alcohol, Drug Abuse and Mental Health Administration, and the Family Support Administration, and has brought funding to these agencies to historic levels. Through these agencies, we commit ourselves in working to end horrors as divergent as Alzheimer's disease, breast, ovarian, and cervical cancer, and infant mortality. At the same time, we act to bring immunization, drug and alcohol treatment and research, and vitally needed health professionals to those who are in need.

Perhaps foremost in fiscal year 1992, Head Start will see its highest funding level ever—$2.2 billion. This program is one of the few in Congress that we can call an unqualified success, and I am encouraged that H.R. 2707 recognizes the crucial role Head Start plays in the lives of so many disadvantaged children. With that said, we must continue our support of Head Start in years to come, to work toward 100-percent eligible participation. While that may seem a distant goal, the committee's action this year, and our own commitment, will serve to bring it increasingly closer.

I am likewise pleased to see funding for several crucial initiatives in my own State of New Jersey. Certainly, one of the most important health concerns to face the Nation, especially in our region, is the growing prevalence of Lyme Borreliosis, the most common tick-borne disease. The committee recognition of this, and support of the work of the National Institute of Allergy and Infectious Disease in combatting this disease, are encouragement to those afflicted with Lyme disease, and a source of hope that we will find treatment and cure of this epidemic.

Similarly, while we have acted in this bill to target an unprecedented $2 billion to AIDS research, care, and intervention, I would call the special attention of my colleagues to vital work being done under title II of the Ryan White CARE Act, and the Special Projects of National Significance [SPINS]. In fiscal year 1992, under SPINS, $5 million are targeted to AIDS-related indigent dentistry, often the frontline of detection for patients with AIDS. I know every member of my delegation is proud of the work being done by the University of Medicine and Dentistry of New Jersey, and St. Joseph's Hospital, in treating these patients.

Owing to the committee's action in funding more than $2 billion to the National Cancer Institute, I am pleased to see that UMDNJ will also be able to continue its benchmark work in cancer treatment and prevention.

These are but a few of the programs we will act to fund today, representative of a larger whole which will truly touch every American in some way. I extend my thanks and congratulations to the members of the Appropriations Committee for their excellent work in crafting so vital a piece of legislation, and again urge my colleagues to support H.R. 2707, the Departments of Labor, Health and Human Services, and Education, and Related Agencies appropriation bill for fiscal year 1992.

Mr. GOSS. Mr. Speaker, today we are considering legislation appropriating almost 205 billion taxpayer dollars to finance three of our largest Government departments. The programs we are discussing today will provide health care to the poor and elderly, educational opportunities to the underserved, badly needed research funds for Alzheimer's disease and cancer, and training and employment services to a country increasingly in need of economic relief. No one denies the necessity of these programs—but, Mr. Speaker, do these concerns outweigh our responsibility to fiscal accountability and to support important Federal regulations about the appropriate use of taxpayer dollars?

Today I cast my vote with many reservations. This bill I am voting against maintains the status quo of a badly torn Medicare and Medicaid health care safety net and an unsatisfactory Social Security bureaucracy. I suppose we should be grateful that these overburdened programs did not suffer further arbitrary cuts.

This bill provides $175 million for cancer and Alzheimer's research but holds these funds until the last day of the 1992 fiscal year, ensuring that they will not be scored against this year's spending limits, and instead hiding these obligations in the fiscal 1993 closet. Who knows what havoc this will wreak on next year's budget? These are empty promises. No one will even see this money until next year and we will have to reconcile these obligations with next year's budget restrictions.

Another major issue must also be considered along with the complexities of this bill. For it seems as if we are not talking about health care, we are not discussing senior citizens or the future of education. Instead, it seems as if this vote will turn on the issue of abortion. It is unfortunate that programs as important as those contained in this bill are clouded by the politics of abortion. However, this seems to be the case, and we cannot ignore it.

Therefore, I must remind my colleagues that this country does not recognize abortion as a method of family planning. The administration does not recognize it, the Supreme Court does not recognize it, the American people do not recognize it. Federal funds should not be used for abortion counseling and I unequivocally oppose any loopholes which allow this to occur. For these reasons, Mr. Speaker, I must stand firm and ask the conferees to reconsider their report and come back with responsible and enactable legislation, as I am sure they now will.

Mr. MOODY. Mr. Speaker, I rise in support of the Labor-HHS conference report. I support this agreement for several reasons, including the provision that overturns the administration's gag rule that outlaws the discussion of all legal medical options in clinics supported by title X funds. I urge my colleagues to support this important conference report.

The conference report is crucial to women in this country. Recent studies have shown that women's health needs have long been ignored and this legislation will help rectify this injustice. The conference agreement significantly increases funding for the National Institutes of Health's Office for Research on Women's Health. It also urges the National Cancer Institute to make breast, ovarian, and cervical cancer its top priorities by increasing funds for research in these areas. Far too many women suffer and die each year from cancer. By increasing the research funding we will be better able to fight this terrible disease and save many more women's lives.

The conference agreement also increases funding to title X which provides family planning assistance to poor women and most importantly the agreement overturns the administration's policy with this program that discriminates against these women. The administration's policy, which was upheld this summer by the Supreme Court's decision in Rust versus Sullivan, injects government into the doctor-patient relationship by directly restricting the professional advice that a doctor can give a woman about her pregnancy.

The administration's title X regulations absolutely forbid doctors in family planning clinics that receive any Federal funds from counseling patients about abortion, even when the patient requests such information or when abortion might be medically indicated. This policy forces doctors to violate their Hippocratic oath, which requires that they always give their best professional opinion. It gags health care professional care and advice and has thus become known as the gag rule.

The Bush administration's gag rule is poor health policy. It sets up a two-tiered system of medicine based solely on income and it denies health care professionals the right of free speech.

I find the broader implications of the gag rule to be truly frightening. Under the logic of this policy any professional receiving Federal funds could be forced to limit or alter their professional advice to meet political dictates. I believe it is unethical to mandate what a professional can tell patients strictly because Federal funds are involved.

Today Congress can act to reestablish the right to free speech for every American, regardless of whether or not they receive Federal funds. We can also reestablish the right to know all your legal medical options regardless of your income level.

It is also important to note that this bill has funding for many important programs including Head Start, employment and training, Social Security, low-income home energy assistance, guaranteed student loans, and a variety of other education and health programs. The funding in this bill is critical to so many Americans at a time when they are feeling the strains of recession.

Please vote for the Labor-HHS conference report for all Americans and support the women of this country by increasing the funding for their health care needs and to protect their right to know all their legal medical options.

Mr. RANGEL. Mr. Speaker, I rise in support of the conference report on H.R. 2707, the Labor, Health and Human Services, and Education appropriations bill for fiscal year 1991. As chairman of the Select Committee on Narcotics Abuse and Control, I want to commend Chairman NATCHER and the House conferees for doing the best job possible under difficult budget constraints to fund our Nation's antidrug programs.

The conference agreement provides $2.989 billion for substance abuse programs. This amount is $99.6 million more than appropriated for 1991 and $10.5 million over the administration's requests, although the priorities established by Congress in the bill differ somewhat from the President's proposals. For example, the administration's budget requested no increase for the Alcohol, Drug Abuse, and Mental Health Services [ADMS] block grant, the primary vehicle for Federal support of State substance abuse and mental health efforts. Instead, the administration proposed a new capacity expansion program to be financed in part by $68 million in new funding for HHS. The conference agreement increases the existing ADMS block grant by $91.3 million and provides no funds for the as yet unauthorized capacity expansion program. The bill also provides nearly $10 million more than requested for grants to States under the Drug-Free Schools and Communities Program. It increases the amount for emergency grants to schools severely affected by drugs by nearly $6 million over 1991 funding, although the 1992 level is about $9 million less than requested.

I am particularly pleased that the conference agreement provides nearly $10 million for the Community Youth Activities Program [CYAP]. The administration had proposed to eliminate this program in 1992. This would have prematurely terminated funding for a number of projects including a 3-year grant to New York State for model community mobilization-drug education programs for high-risk, inner-city minority youth in Buffalo and Albany. At a hearing in Buffalo earlier this year, the select committee was impressed by the testimony we heard from Western New York United on the encouraging results they have achieved to date with their CYAP funds. The bill before us today protects the 2-year investment we have made in this and other similarly situated programs. By allowing these programs to be completed, we will be able to obtain a complete evaluation of these promising prevention efforts to guide us in future funding decisions.

While I strongly support H.R. 2707 as the best result possible given current budgetary limitations, I am in no way satisfied that this bill is adequate to meet the substance abuse problems we face. A well-known, senior White House official recently told me that he conservatively estimates the cost of substance abuse on our society to be nearly one-quarter of a trillion dollars annually in lost productivity, lost revenue, and added governmental spending for health, welfare, criminal justice, and other drug-related program costs. Reducing the demand for drugs offers the best chance to reduce this enormous drain on our national resources, yet this bill provides not quite $3 billion for these efforts. This amount is just a drop in the bucket to fight a raging inferno.

Unquestionably, we need to do more, and the American people want us to do more. Some have speculated that public concerns about drugs have been replaced by rising doubts about the economy. But a recent Washington Post/ABC News poll shows that drugs and crime top the list of America's biggest worries.

Finally, this bill provides for delayed obligation of $4.3 billion. While I understand the budgetary restrictions that necessitated this decision, I am concerned that this delayed funding could force drastic cuts in programs next year under the current budget agreement. Having to resort to a device like this to meet important health and social needs of our citizens for this year makes all the more clear to me the need to redefine our budget priorities.

The world today is far different from the world that existed a year ago when the current budget agreement was reached. We have invested billions of dollars to address problems overseas. It is time we renewed our commitment to address the pressing problems we face at home, including drug abuse and the social and economic ills that contribute substantially to drug abuse. It is time to invest in the American people, upon whom the strength of our Nation ultimately depends, by providing decent jobs, affordable health care, and good schools. It is time to provide opportunity and hope for all citizens.

Ms. SLAUGHTER of New York. Mr. Speaker, our vote today marks an important milestone in the national effort to educate America's homeless children.

We have heard so much in the past few months about providing our children a choice in education. But we have heard almost nothing about the hundreds of thousands of homeless children who have no choice at all regarding their education.

This year, it is estimated, 500,000 to 1.5 million children will experience the horrors of homelessness. Among those of school age, more than 1 in 4 will miss school on a regular basis. In some cities, the ratio is estimated to be 1 in 2 who miss school.

Even the most conservative estimates from the Department of Education indicate that at least 67,000 homeless children do not attend school regularly.

The children who make up these statistics are our future work force. Without schooling, they will join the ranks of the unemployed and the underemployed.

Today, Mr. Speaker, the House has the opportunity to approve funding that will begin addressing the difficult problems which homeless children face getting an education.

Last year I introduced a measure to educate homeless children as part of the Stewart B. McKinney Homeless Assistance Amendments Act, and Congress authorized $50 million to implement the program. However, because the new law was passed after the appropriations process was completed, Congress actually allocated only $7.3 million for the program.

The bill we are considering today contains an appropriation of $25 million. Though this amount is still short of the full authorization of $50 million, I believe it represents a substantial improvement over last year and offers school systems around the country a better opportunity to deal with this growing problem.

Besides meeting basic transportation needs, these additional funds will help States provide health screening, counseling, and extra tutoring before and after school for homeless children and set up programs to identify and nurture the gifted and talented. In many school districts more Federal funding will provide transportation at family shelters so that children can attend their old neighborhood schools rather than be forced to change schools every time they move to a new shelter.

For those who insist such Federal expenditures are too much in light of our current budget deficit, consider this: the $25 million we seek to educate homeless children is less than one-sixth of the amount which the Federal Government spends each year on military bands. Yet at stake is nothing less than our economic future.

Each class of dropouts costs this Nation $240 billion in lost wages and future social services. With a declining worker base paying into Social Security, our country will not be able to meet the needs of its senior population in the future if we deny these children a chance to become productive participants in our society. Unless we invest in these children now, we face spending billions in the decades ahead coping with a new generation of homeless adults who are untrained and uneducated.

Mr. WEBER. Mr. Speaker, it saddens me to have to rise today in opposition to the conference report on H.R. 2707. Mr. NATCHER, our distinguished subcommittee chairman, CARL PURSELL, our ranking Republican Members, and my fellow subcommittee members on both sides of the aisle have invested a great deal of time and energy in what our chairman terms the "people's bill." I wish to thank them for the many courtesies they have shown me during the long months over which we have developed this measure.

In many ways, this measure as it emerged from the conference committee is still the people's bill. As my constituents in Minnesota struggle through the worst winter storm our State has ever experienced, I am reminded that this bill restores funding for the Low Income Home Energy Assistance Program.

As I work with my communities to address the critical and growing shortages of health professionals and closures of hospitals in rural Minnesota, I am reminded that this bill increases funding for the National Health Service Corps scholarship and loan programs, for family physician and allied health education, and for the Rural Health Outreach Grant Program. Further, it preserves funding for the Rural Hospital Transition Grant Program and other health professions education programs.

In many ways, this legislation puts our Nation's children first. We have provided substantial new funding for infant mortality and disability prevention initiatives, immunization programs, and Head Start and chapter I.

I care about those facing a choice this winter between heating their homes or putting food on the table. I care about rural residents forced to travel miles to urban areas for their health care. I care about our children being born sick for want of prenatal care and contracting potentially life-threatening disease for lack of immunization. I care about our children whose only chance to succeed in school may be the help they receive from Head Start and chapter I.

But I also care about the lives of the unborn, and that's why I must vote against this bill today. This bill includes a provision that would allow organizations to use Federal family planning money to promote abortions and steer clients to their abortion clinics. It would make abortion an acceptable option under the title X family planning program, and I cannot support that.

It saddens me that some are trying to use this bill as a way to fund counseling and referral for abortions. There is other legislation they could have used to bring this issue to a vote. Instead, they chose to hold the people's bill hostage in an attempt to require taxpayers to support abortion counseling and promotion.

Unfortunately, this issue has been misunderstood by many. They have been wrongly informed that this is an issue of free speech and will somehow intrude into the doctor-patient relationship.

The truth is that the title X program was set up in 1970 to provide preconception family planning. It was explicit in stating that abortion was not an acceptable method of family planning. Unfortunately, the program strayed from its original purpose. It became a way to refer a high number of women for abortions by Planned Parenthood and other recipients of title X funds. Over 85 percent of the pregnant women that walk into some of these title X clinics end up getting an abortion.

For this reason the Reagan administration promulgated regulations that would stop the counseling and referring of women for abortion at federally funded clinics.

Much has been said about what these regulations prohibit. Let me make clear what they do not prohibit. They do not prohibit a physician, in fact they require him or her, to refer a women to proper and immediate care if her life is endangered, even if that care may result in an abortion. That is specifically provided for in the language of the regulations, and the President's letter of yesterday reiterates that point.

Second, it does not prohibit a provider from using the word "abortion." The regulation simply states that title X programs are not engaged in the abortion referral, counseling or providing business, but they may provide a list of other clinics which offer a wide range of services including abortion, as long as that is not the clinics' primary function.

I will today sadly vote against this legislation. It is too bad that with all the good this bill would do, it is being held up by those who are trying to use tax dollars in the promotion of abortion. I look forward to supporting this bill, after the House sustains the President's veto and strips this objectionable provision from the bill.

Ms. SNOWE. Mr. Speaker, I want to express my concern over the provisions in this conference report that address the Low Income Home Energy Assistance Program. The House approved a total of $1.6 billion in funding for fiscal year 1992, while the conference adopted a total of $1.8 billion.

But the increased appropriation masks the true situation. In actuality, only about $1.1 billion will be available for poor families to heat their homes this winter, a figure which represents a cut of more than $500 million from funds appropriated in fiscal year 1991. More than $405 million will not become available for the LIHEAP Program until September 30, 1992—1 day before fiscal year 1993 begins—and $300 million can be released only if the President declares an emergency.

Mr. Speaker, we cannot continue to cut such a critical program year after year. In fiscal year 1985, spending for LIHEAP was $2.1 billion. By fiscal year 1991, the total had been reduced to $1.6 billion. Now, in the winter of 1992, this already strapped program will be slashed again to $1.1 billion. Even if the President declares an emergency, only $1.4 billion will be available for the cold months of fiscal year 1992.

The majority of LIHEAP recipients are families with incomes under $6,000 a year. These households pay 65 percent of their entire income on rent and utilities only. Before this year's wrangling, the LIHEAP appropriations were already woefully inadequate. Fewer than 25 percent of eligible households receive assistance from LIHEAP, and of these few recipients, the program on average pays less than 25 percent of their energy bills.

My State of Maine will suffer this winter, Mr. Speaker. Average heating costs have risen from $600 per year in 1989 to a projected $880 in 1991. The average LIHEAP assistance payment in my State would only cover this price increase. As the LIHEAP funding dwindles, the number of Mainers receiving assistance plummets. It is estimated that in fiscal year 1992, more than 17,000 fewer Maine households will be able to participate in LIHEAP than in 1989, and this in a severely recessionary environment.

Mr. Speaker, I hope that we can recognize the impact of our LIHEAP appropriations errors on real people in this country. Next year I will continue to fight vigorously for reasonable funding for one of the Government's most critical programs. I only hope that future funding will reflect more concern about the crucial needs for the Low Income Home Energy Assistance Program.

Mr. LEVINE of California. Mr. Speaker, I rise in support of this conference report and in opposition to efforts to reinstate the gag rule.

Abortion is not the issue at stake here, although there is no question that the administration efforts to gag doctors at federally funded health clinics are clearly designed to further erode a woman's right to choose.

Instead, the real issue is freedom of speech and whether or not women will be allowed to receive medical advice from their doctors without Government intrusion.

If Congress were to allow this gag rule to stand, it would open the floodgates to all kinds of meddling and social engineering by Government into areas which the Government should not be involved.

If this gag rule were to stand would we next allow the Government to limit what lawyers could tell their clients? Would we tell teachers what they could teach their students?

The gag rule would force health clinics to choose between Federal funds and their clients' right to full and complete medical advice.

No doctor, no health clinic director, no patient, should be faced with such choices—particularly in a free society.

As I reflect on this issue I cannot help but be struck by the outrageousness of the administration's action. How could we have reached the point where, in the United States of America, the Government seeks to control the flow of medical information to its citizens?

At a time when the Soviet Union is moving headlong toward freedom of speech are we to move in the opposite direction?

Are the radical abortion opponents in the administration so afraid of what women will do it they receive full information about their options, that they would intrude into the doctor-patient relationship and endanger a woman's health?

Do they really believe that if they gag doctors, women will choose not to have abortions?

All of this reminds me of an Orwellian horror story. Control the flow of information and you control both minds and actions.

Congress must stand up to the administration and the antichoice zealots and ensure that every woman has the right to receive full and complete medical advice.

Supporters of the gag rule clearly understand that their position does not have the support of the American public. They claim that there never was any gag rule.

That is wrong and they know it. There was a gag rule and the administration sought to impose it on every doctor who works at a health clinic which receives Federal funds.

I ask my colleagues to join with me in supporting this conference report and a woman's right to choose, and, if the President chooses to veto this legislation, to override his veto.

Mr. HAYES of Illinois. Mr. Speaker. I rise in support of the conference report to accompany H.R. 2707, which makes appropriations for the Department of Labor, Health, and Human Services, and Education, and related agencies. I ask unanimous consent to revise and extend my remarks.

Mr. Speaker, numerous accounts reveal that the Job Corps Program, administered by the Department of Labor, has been successful in catapulting the lives and careers of youth in our inner cities. It is clearly a program that works.

There are approximately 100,000 disadvantaged youth in the city of Chicago who have not succeeded in the traditional public school setting, or are unemployed and lack requisite education and skills to obtain meaningful employment. Additionally, there is a sizable gap between the supply and employer demand for skilled workers in Chicago. In 1989 the unemployment rate for black teenagers was 40 percent in the city of Chicago. So, it is an understatement when we conclude that young people in Chicago, as in many other urban and rural centers, face immense disadvantages that exclude them from opportunities to be successful and productive citizens.

I am pleased that this conference report contains funds for six previously approved Job Corps centers. I believe that these new centers, which will be selected on a competitive basis, will create geographies of opportunity for the youth of this Nation. I am certain that every urban center, Chicago included, can appreciate the great need for these additional centers.

Finally, I would like to commend Chairman NATCHER and all the members of the House Appropriations Subcommittee on Labor-Health and Human Services and Education for their hard work and dedication on this legislation.

Thank you, Mr. Speaker.

Mr. SCHEUER. Mr. Speaker, the program before us has become a lightning rod for the debate on the question of whether a woman has a right to an abortion. But the simple truth is—the Supreme Court has decided that a woman does have that right—and the title X program has not, and will not under this bill, pay for abortion services. The family planning program has proven its value and rightfully deserves reauthorization.

The focus of our debate today is the discriminatory policies the administration has selected to restrict a women's access to her constitutional right to an abortion and the denial of physicians' and counselors' rights to free speech.

The administration's regulatory gag rule requires that physicians treat patients differently depending on their financial status.

Women with money can receive full and truthful counseling about their options, including abortion; those who are forced to rely on the Government for their health care and family planning services are denied comprehensive pregnancy counseling.

Over 20 national medical and nursing associations oppose the gag rule including such eminently conservative groups as: the American Medical Association, the American Nurses Association, and the American Academy of Pediatrics.

These groups are opposed to the gag rule because it represents unprecedented and unacceptable Government interference with sound medical practice.

The regulations require health professionals to violate their code of ethics and to expose themselves to malpractice lawsuits.

There is no precedent whatsoever for such a radical department from medical practice or medical ethics over the decades which not only encourages but requires a doctor to withhold information critical to a woman in making informed judgments about her health options.

The Government is limiting what doctors can say confidentially to patients, an abridgement of both patients' and doctors' rights, and the doctor's hippocratic oath.

It is a perversion of medical practice.

The implications are frightening.

The Government can now tell doctors, "We don't like this treatment—so you can't discuss it with your patients. And if you do discuss it you forgo your rights to any Federal benefits.

Under this logic, tobacco companies could now put pressure on Federal authorities to prohibit doctors from informing patients of the links between tobacco smoking and lung cancer because, as the companies have continually maintained, no absolute cause and effect relationship has been established.

If you forget for one moment that the issue before us is abortion, it is inconceivable that Americans would tolerate a similar policy affecting a doctors absolute right to advise patients freely, or their ability to consult the full range of health care options available to them.

If passed, H.R. 2707 has the power to restore fairness to family planning services and give women the information necessary to make their own health care decisions.

Ms. NORTON. Mr. Speaker, the Congress today has the chance to ungag the doctors and unlock funds for neglected women's health. Poor women are the chief victims of the gag rule which, by shutting doctors up, shuts women off from vital information concerning abortions if they are dependent on federally funded clinics. And all women have been victims of insufficient national attention to health problems that have now assumed epidemic proportions—from breast cancer to osteoporosis.

Polls show that 71 percent of Americans believe that the gag rule is unfair to poor women. Ninety-one percent of Americans agree that it is important that poor women have access to clinics where they can seek advice on family planning and birth control. Seventy-six percent believe that "it makes sense for family planning clinics which receive Federal moneys to give poor women advice about abortion." This is more than the two-thirds needed to make this bill veto proof. These majorities should rally the courage of this body.

May I make a special plea for indigent women in the District of Columbia. Theirs is a double jeopardy. Thanks to a Presidential veto exercised now for three straight years, we cannot use our own tax raised funds to finance abortions, in derogation of every principle of democracy and home rule. On top of this burden, the gag rule adds the outrage of perhaps deadly silence from the trusted authority figure. The physician may not advise poor women of where to go for funds or advice in lieu of seeking help in the district. This is not a rule. It is a cruel edict unworthy of any American court or the Congress.

The gag rule gives us a two tiered system of reproductive rights. This bill declares all women to have equal reproductive rights. And this bill will finally remove the label "low priority" from the health problems that affect women of every race and background.

Mr. AuCOIN. Mr. Speaker, I am particularly pleased that the conferees for the Labor, Health and Human Services and Education appropriations bill have provided at least $1.5 million for new outreach initiatives to migrant farmworkers and their families. This provision is in response to a migrant farmworker mobile clinic grant program included in the Senate committee report accompanying the bill. I am particularly proud of the program because it is based upon a successful mobile health clinic program in my district operated jointly by the Virginia Garcia Memorial Migrant Health Center and Northwest Medical Teams, a nonprofit volunteer physicians organization.

In my district, the mobile medical and dental clinic provides primary care and dental services to over 13,000 migrant and seasonal farmworkers and their families each year. It is a proven, cost effective way of overcoming health care barriers experienced by migrant and seasonal farmworkers, including isolation and the lack of transportation. The use of mobile clinics can take health care services directly to farm labor camps and other nearby locations.

Because I have seen firsthand the benefits of mobile medical outreach, I am a strong proponent of the Mobile Clinic Outreach Grant Program. I look forward to working with HRSA to develop a grant program that will help overcome the access barriers experienced by migrant farmworkers.

Mr. OBERSTAR. Mr. Speaker, the conference report that the House considers today is the single most important piece of legislation affecting the well-being of all Americans. There is funding in this $205 billion bill for health maintenance and health research; there is funding for quality of life programs such as LIHEAP energy assistance, child care, job training, and safety, and there is funding through Head Start and chapter 1 to educate America's young people to help create a better future.

This legislation is the yardstick by which we measure our degree of care for our fellow citizens. There are a number of programs in this bill that I have vigorously supported throughout my service in the Congress. I fought for funding for library services when the Reagan administration proposed the elimination of this program. I led the fight against reductions in the LIHEAP energy assistance program, as I have done since the inception of LIHEAP, and I have continuously supported increased funding for cancer research, especially breast cancer research. All of these programs receive important levels of funding in this bill.

Most of my colleagues know my personal and intense reason for supporting increased funding for breast cancer research: The loss of my wife, Jo, to the relentless advance of this disease. I remain deeply distressed and offended by Secretary Louis Sullivan concerning breast cancer research. Earlier this year, Secretary Sullivan wrote: "The $50 million earmark for breast cancer research and the development of a test for early detection of ovarian cancer is unnecessary." I will not be deterred from my mission to assure increased funds for breast cancer research, to provide women and scientists with the resources they need to fight this disease which has reached epidemic proportions, a disease which robs children of motherly love, guidance, and support.

There is, however, one offending provision concerning the prohibition of funds to be used to enforce the title X regulations, promulgated by the Department of Health and Human Services in 1988, the constitutionality of which was sustained by the Supreme Court this past May. The title X program was created to provide family planning services, not abortion services. President Bush has stated that he will veto the bill because of this provision. If he does so, I am confident that the Congress will sustain the veto and that the Subcommittee on Labor, HHS, Education will bring back to the floor this bill with the necessary corrective language. I will support the veto if the President expressly states that he finds only the Porter language concerning the title X regulations objectionable and that the President does not ask Congress for reductions in funding contained in this conference report. I will not support a veto if the President is critical of funding levels for programs under the jurisdiction of this appropriations bill. The White House congressional liaison staff have said that the President needs encouragement to veto this bill because of the offending title X provisions, and today I am offering that encouragement, but only on the title X issue and no other.

Ms. DELAURO. Mr. Speaker, I rise to express my strong support for this legislation—legislation vital to every American woman.

Significant attention has been given today to the provision in the conference report that would bar enforcement of the administration's "gag rule." As it should. The "gag rule" is a draconian attempt to withhold important medical information from women. It goes against everything we hold important in a free society.

But there is another, equally important, reason for supporting this conference report—it will dramatically improve the health of women. Included in this legislation are vital increases in funding for research into diseases that affect only women. Deadly diseases that kill over 50,000 women each year. This legislation proposes significant increases in research that will improve methods of early detection in cases of breast and ovarian cancer.

With these diseases, only early detection saves lives. I am here today because my cancer was detected early. I was lucky. But the sad reality is, too many women are diagnosed after it is much too late. And as a result, too many women are dying. It is a travesty that need not happen.

By increasing funding for the NIH and the CDC in the areas of women's health, we are signaling the Nation's health research establishment and women across the country that we are taking their situation seriously. By increasing funding we are reversing years of unwritten health care policy in this country that has treated women as an afterthought.

Mr. Speaker, I commend the committee for its work on this bill. Passage today is a matter of life and death for every American woman who is vulnerable to these diseases. I urge my colleagues to consider the needs of women who are endangered by these diseases as they cast their votes. And I urge the President not to play politics with such an important matter if this bill reaches his desk.

Mr. SERRANO. Mr. Speaker, I rise to support H.R. 2707, this motion contains several important programs that are crucial to my constituents.

Earlier this year I testified before Chairman Natcher, requesting that his committee appropriate funds for the only Federal program that would provide funding to States to reduce the number of dropouts. Since the School Dropout Prevention Basic Skills Improvement Act was passed and signed into law last year the dropout rate has worsened. According to the U.S. Department of Education, the number of high school graduates is expected to decline by 4 percent for this year.

However, I congratulate Chairman Natcher for appropriating funds for the current dropout demonstration assistance act, which has focused on demonstration programs that are, unfortunately, limited in the number of schools and students they actually serve. I hope that maybe next year P.L. 101–600 will receive an appropriation to aid States to alleviate the high dropout rates. Funding is urgently needed for this program that will encourage students to complete their high school education, and I will continue to urge the gentleman from Kentucky to do so.

Mr. Speaker, I would also like to compliment Chairman Natcher for increasing funds for the Job Corps. I supported the Job Corps 50–50 plan which would increase the quality of services offered by existing Job Corps centers and will add an additional 10 centers each year for the next five years.

My constituents are fortunate to have a great South Bronx Job Corps Center in their neighborhood. The South Bronx Job Corps Center is recognized by the U.S. Office of Job Corps as one of the ten best performing centers in the country. Last year it was awarded the prestigious director's award.

Mr. Speaker, I would like to note for the record that the unemployment rate for New York City is 8.9 percent, and for youth in the South Bronx it is estimated at almost 50 percent. Job Corps is a symbol of hope for the unemployed youth in the South Bronx. It is a second chance for the school dropout. Job Corps also is a service to employers who are facing shortages of qualified youth even in time of rising unemployment. Job Corps is a sound investment. It gives young people a second chance.

I am disappointed that there was not a significant increase in funding for the bilingual education act. Most recently the Department of Education's own longitudinal study indicated that children who receive bilingual education programs achieve higher than children who have no access to these programs.

Mr. Speaker, we need to reward successful academic programs that promote equity and access with funding. If these programs are fully funded at the elementary level, I am convinced that we will have less of a need for remedial programs in the higher grades.

Also of importance to my constituents, is an increase in programs: To curb and reduce infant mortality, fully fund the maternal and child health block grant, for the elderly, substance abuse and, the CDC breast and cervical cancer screening initiative. These increases are vital for communities such as the Bronx where the infant mortality rates and pediatric AIDS cases are the highest in the Nation.

I believe that with better funding for health, education and job training programs we can better prepare for our future. I urge my colleagues to support this pro-family bill.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. VOLKMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 272, nays 156, not voting 5, as follows:

[Roll No. 380]

YEAS—272

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Anthony
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Boehlert
Bonior
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coughlin
Cox (IL)
Coyne
Cramer
Darden
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grandy
Green
Guarini
Gunderson
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kopetski
Kostmayer
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Machtley
Markey
Martin
Matsui
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Molinari
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Oakar
Oberstar
Obey
Olin
Olver
Owens (NY)
Owens (UT)
Pallone
Panetta
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Pickett
Pickle
Porter
Price
Pursell
Ramstad
Rangel
Ravenel
Reed
Regula
Richardson
Ridge
Roemer
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (TX)
Snowe
Solarz
Spratt
Stark
Stokes
Studds
Swett
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Zeliff
Zimmer

NAYS—156

Allard
Annunzio
Applegate
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bennett
Bilirakis
Bliley
Boehner
Borski
Broomfield
Bunning
Burton
Callahan
Camp
Coble
Combest
Costello
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
de la Garza
DeLay
Donnelly
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fields
Gallegly
Gaydos
Gillmor
Gingrich
Goss
Gradison
Hall (OH)
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Holloway
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (TX)
Kanjorski
Kasich
Kolbe
Kolter
Kyl
LaFalce
Lagomarsino
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lowery (CA)
Luken
Manton
Marlenee
Mavroules
Mazzoli
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Moakley
Mollohan
Montgomery
Moorhead
Murphy
Nichols
Nowak
Nussle
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Poshard
Quillen
Rahall
Ray
Rhodes
Riggs
Rinaldo
Ritter
Roberts
Roe
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Sarpalius
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shuster
Smith (NJ)
Smith (OR)
Solomon
Spence
Staggers
Stallings
Stearns
Stenholm
Stump
Sundquist
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weber
Wolf
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—5

Hayes (LA)
Hopkins
Martinez
Sangmeister
Slaughter (VA)

□ 1537

Mr. RITTER changed his vote from "yea" to "nay."

Mr. DURBIN and Mr. HUGHES changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. Pursuant to the rule, the amendments in disagreement are considered as having been read.

The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 3: Page 2, line 15, strike out "$4,027,907,000" and insert "$4,059,821,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert: $3,861,338,000".

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. NATCHER] is recognized for 30 minutes, and the gentleman from Michigan [Mr. PURSELL] is recognized for 30 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. PEASE].

□ 1540

Mr. PEASE. Mr. Speaker, I rise to engage in a colloquy with the chairman of the subcommittee.

I would like to congratulate the gentleman for another fine conference report. As he knows, I am one of the biggest fans of him as chairman of this subcommittee.

Mr. Speaker, I am interested in the funding provided in the bill for new Job Corps centers. The House bill originally did not include any money for new centers, is that correct?

Mr. NATCHER. Mr. Speaker, if the gentleman will yield, that is correct.

Mr. PEASE. The Senate bill included funding for five new centers and certain locations were mentioned in the committee report. Is that correct?

Mr. NATCHER. That is correct.

Mr. PEASE. It is my understanding that the bill reported by the conference committee includes money for new centers, and that no specific center was earmarked in the bill. Is that correct?

Mr. NATCHER. That is correct .

Mr. PEASE. The city of Mansfield, OH, in my district, has put together a proposal for a Job Corps center. They feel their proposal is unique because it targets youth from smaller communities who historically do not fare well in centers located in urban areas. They have met with representatives at the Department of Labor and have received very positive feedback. It is my understanding that under this bill the city of Mansfield's proposal would be given equal consideration for one of the new Job Corps centers to be funded by this bill. Is that correct?

Mr. NATCHER. That is correct. The city of Mansfield's proposal would be considered on an even basis with any other proposal for a Job Corps center.

Mr. PEASE. Mr. Speaker, I thank the gentleman for this clarification.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I want to take a moment to thank my colleague from Kentucky, Congressman WILLIAM NATCHER, for his support for an increase in the appropriation for Job Corps. The $4.3 million in the capital account of the Job Corps appropriations bill will enable priority site acquisition and planning for new Job Corps centers.

Mr. NATCHER. Mr. Speaker, if the gentleman will yield, I support Job Corps because it helps so many poor young people obtain an education, learn a skill and get a job. Job Corps has shown that it helps young people and I am for any program that is effective.

Mr. DYMALLY. Mr. Speaker, as the chairman is aware, I have worked hard to attempt to bring a Job Corps center to Compton because we have so many young people who need help. Our unemployment rate is 17.6 percent, twice that of Los Angeles. Among young black males in Compton, unemployment is at 42 percent. Many of my constituents are young, poor, and low-income. The Compton Job Corps Center would offer a tremendous opportunity to young people who have little hope for the future.

Mr. NATCHER. You have made an excellent case for the needs of the youth of Compton. I hope you are successful in the competition for new centers.

Mr. DYMALLY. I wish to thank the chairman, the gentleman from Kentucky [Mr. NATCHER], my friends, Representatives STOKES, ROYBAL, and DIXON and Members in the other House who were so helpful in increasing funds for the Job Corps.

Mr. Speaker, I include for the RECORD a resolution of the city council of the city of Compton supporting a new Job Corps center, and various letters in support thereof as follows:

RESOLUTION NO. 16.723

Whereas, there has been an increase in youth who are African-American, Hispanic, poor, homeless and disadvantaged and are more difficult to integrate into our society and economy; and

Whereas, youth (ages 16–22) unemployment in the City of Compton presently stands at 42% or three times the national rate; and

Whereas, one-fourth of all children born in the United States will be on some sort of welfare at some time in their lives, according to statistical trends; and

Whereas, the U.S. Department of Labor, Office of Job Corps has established a detailed step-by-step process of planning, developing building and contracting for the operation of new Job Corps Centers in the United States; and

Whereas, Job Corps has demonstrated that it has been successful in educating, training and job placing disadvantaged at-risk youth between the ages of 16 and 22; and

Whereas, local statistics substantiates the need for a new Job Corps Center in the City of Compton.

Now, therefore, the city council of the city of Compton does hereby resolve as follows:

Section 1. That the City Council of the City of Compton supports the construction and operation of a new Job Corps Center in the City of Compton.

Section 2. That the City Manager on behalf of the City Council be authorized to proceed with all efforts to assure the establishment of this facility and to assure a proportionate number of jobs will be reserved for the City's residents throughout each phase of this project.

Section 3. That a certified copy of this resolution shall be filed in each office of our elected, federal representatives and offices of the City Manager, City Clerk and Grants Management.

Section 4. That the Mayor shall sign and the City Clerk shall attest to the adoption of this resolution.

Adopted this 5th day of November, 1991.

COMPTON UNIFIED SCHOOL DISTRICT,
Compton, CA, October 14, 1991.

Hon. TOM HARKIN,
Chairman, Subcommittee on Labor, Health and Human Services and Education, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR HARKIN: I am writing you to urge your support of the City of Compton as it relates to the upcoming consideration of cities to possibly receive appropriations for a Job Corps Center. It is my understanding that the Senate Bill includes $10 million for the construction of five new centers, and that the Senate report language acknowledges Compton, along with four other cities, that have demonstrated great need and strong community support for a Job Corps Center to ensure opportunities for our disadvantaged youth.

The City of Compton is in an employment crisis! In a recent study made pursuant to the adoption of a new general plan for Compton, it was revealed that the overall unemployment rate of Compton (17.6 %) is twice that of the City of Los Angeles. Of the 17 surrounding Southern California cities researched in that study, Compton's unemployment rate ranked highest. The Los Angeles County average is 8.6%. Thus making the City of Compton the unemployment capital of Los Angeles County.

We have other egregious problems inasmuch as our students' test scores perennially rank lowest in the State of California. Compton youth desperately need job training and job opportunities of the vocational nature consistent with the Job Corps program.

As to Black males between the ages of 16–24, it is estimated that the unemployment rate is 42%. This is particularly noteworthy in light of the fact that the population of our community (90,454) is 52% African-American and 44% Hispanic.

Within the State of California, nowhere is the need for a Job Corps Center as great as Compton, where minorities make up 99% of the population. Approximately 75% of the population in Compton falls into the low to moderate income category. Unemployment is rampant to the extent that Compton's Western neighborhoods currently have a 72.7% unemployment rate.

The Compton Job Corps Center, if established, will also serve the Los Angeles County area, where an estimated 47,000 youth were referred to the county probation office last year. The single Job Corps Center in Los Angeles serves an average of 735 youth aged 16–22 at any one time. While this Job Corps Center performs a valuable service to the Los Angeles community, its 3 to 4 month waiting list demonstrates the need for another Job Corps Center to serve the Los Angeles County.

I appeal to you to reconsider the Job Corps program a priority item, and in receding to the Senate version of the bill and the report language allowing for the establishment of five new centers, which would include the Compton Center.

Thanks in advance for your consideration of this request.

Sincerely,

DR. J.L. HANDY,
Superintendent.

CITY OF COMPTON,
Compton, CA, November 5, 1991.

Hon. MERVYN DYMALLY,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DYMALLY: I am writing to thank you for all of your work toward the establishment of a Job Corps Center in the city of Compton. I now understand that $4.3 million dollars is available for the construction of new centers. The city of Compton has a great need, as well as strong community support, for a Job Corps Center to ensure opportunities for our disadvantaged youth.

As you are aware, Compton is in an employment crisis. In a recent study made pursuant to the adoption of a new General Plan for the city, it was revealed that Compton's overall unemployment rate (17.6%) is twice that of the city of Los Angeles. Of the 17 surrounding Southern California cities researched in that study, Compton's unemployment rate ranked highest. The Los Angeles County average is 8.6%; thus making the city of Compton the unemployment capital of Los Angeles County.

There are approximately 20,124 disadvantaged youth between the ages of 16–22 that reside in Compton. This represents approximately 22.3% of our total population. The unemployment rate for this target group is approximately 23%.

As for Black males between the ages of 16-22, it is estimated that the unemployment rate is 40%. This is particularly noteworthy in light of the fact that the population of our community (90,454) is 55% African-American and 44% Hispanic. We have other egregious problems inasmuch as our student's test scores perennially rank lowest in the State of California. Compton youth desperately need job training and job opportunities of the vocational nature consistent with the Job Corps Program.

Finally, our community is being devastated by the highly disproportionate number of single family homes (22,593) and a drop-out rate estimated as high as 70%. Our medium family income is only 23,949 and our city has been designated as a special impact area by the Department of Commerce. If there is any community that qualifies for a Job Corps Center, we most certainly are it!

I am pleased to inform you that we have an excellent site available, and look forward with much enthusiasm to hearing a positive response from you and your colleagues. On behalf of the city of Compton, I thank you for your effort.

Sincerely,

WALTER R. TUCKER III,
Mayor, City of Compton.

COUNTY OF LOS ANGELES,
DEPARTMENT OF PUBLIC SOCIAL SERVICES,
El Monte, CA, October 15, 1991.

Hon. ALAN CRANSTON,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR CRANSTON: I am writing to support the efforts of the residents of Compton, and their elected representatives, to secure passage of currently pending Federal legislation that will expand the Job Corps program and provide for a new Job Corps site in the City of Compton. The respected and successful education, training and rehabilitation programs administered by the Corps are well-suited to address the critical economic needs of the youth and young adults of Compton.

I welcome additional human services efforts that are intended to help meet the needs of persons served by the L.A. County Department of Public Social Services. Development of marketable skills and enhancement of job readiness are key Job Corps components that will be of considerable benefit in accelerating the movement of public assistance recipients into the job market.

Very truly yours,

EDDY S. TANAKA,
Director.

CITY OF COMPTON,
POLICE DEPARTMENT,
Compton, CA, August 8, 1991.

Hon. MERVYN M. DYMALLY,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DYMALLY: I am writing this letter to express my sincere appreciation for the recent action taken by you in securing a job corps training center for the City of Compton.

The fact that only five new job corps training centers were authorized by Congress for the entire nation clearly demonstrates your persuasive abilities and tenacity in obtaining this most worthwhile project for our community.

I would also like to extend thanks to your Chief Legislative Director, Mr. Marwan Burgan, who has been in constant contact with members of my staff on this and other important matters.

Again, thank you for your efforts on behalf of the citizens of Compton.

Sincerely,

TERRY R. EBERT,
Chief of Police.

AFRICAN-AMERICAN CAUCUS,
CALIFORNIA DEMOCRATIC COUNCIL,
Carson, CA, November 4, 1991.

DEAR CONGRESSMAN DYMALLY: Knowing of your years of dedication as a champion for your district, I am positive it is not necessary to quote statistics relevant to the numbers of poor and minority untrained and unemployed youth that compose Compton and its surrounding communities. What is important is that we as an afflicted community support you as you act as an emissary of our impassioned concerns to your colleagues. It is important that your fellow members of Congress understand the depth of the desperation and despair existing within our communities.

Recently, I heard Los Angeles referred to as becoming a vanquished wasteland. If this is so, it is because of the inequitable burden of the disenfranchised massed within our urban boundaries. The circumstances that exist within these demographies were not of our doing. It is the results of great influxes of poor immigrants. Years of inadequate education and an inundation of alcohol, drugs and weapons dumped in our communities while exploiting our children for profit. It is the systematic undermining of our family structure. The decades of government band-aid approaches, denials and apathy to the social ills of minority, poor, urban communities.

As you carry this message, please convey the fact that the lack of incentive; the lack of employment; the lack of self actualization in mainstream America has victimized our communities, and that the victims historically have been blamed for the crime when in fact the real traversties live far from our communities under the guise of respectability.

Our communities have been exploited for so long that its problems are wearing on the fibers of the nation. The vast expansion of the under class in recent years is the result of this neglect and exploitation. It is the core of decomposition of our urban cities.

Now is the time, if ever, for concentrated reconstructive efforts. Comprehensive training and employment must be a priority. With economic mobility comes self worth and self respect. The establishment of a Job Corps Center in Compton, California is not just needed, it is crucial to the future development of Compton and its neighbors.

Sincerely,

VICTORIA MCKINNEY,
State Chairperson.

YWCA EXECUTIVE OFFICES,
Los Angeles, CA, October 15, 1991.

Hon. MERVYN M. DYMALLY,
Longworth House Office Building,
Washington, DC.

DEAR CONGRESSMAN DYMALLY: The YWCA of Los Angeles, the contract operator for the Los Angeles Job Corps since 1965, strongly urges you to ensure that a new Job Corps Center is located in Compton, California. From the perspective of a Job Corps operator, we know the demands of the program, as well its successes. It is from this perspective we can see no more appropriate, or needed location for such a program anywhere in the State of California, or in the country for that matter.

Ethnic minority groups make up almost 100% of the population of the city of Compton. The unemployment rate is significantly higher than any of the surrounding municipalities, and approximately 75% of the residents fall in the low/moderate income category. Through its Compton Center, the YWCA of Los Angeles has provided support services to this community for over 10 years. This has included a solo program offering services to the displaced homemaker, Minority Women's Employment Seminars and other job readiness programs. However, this is just not enough.

Your support of a Job Corps Center in the City of Compton will expand the base of services provided in the municipality. Such a Center will not only enhance the potential of many community youth, but will also broaden the economic base of the City through additional trade opportunities, as well as an increase in available jobs.

Should you desire more information about the community and its employment service needs, and the needs of the youth, please do not hesitate to call either of us (Mrs. Harris (213) 636-1429 or Dr. Wiltz at (213) 482-3470).

Sincerely,

ELAINE HARRIS,
Director, Compton Center.
LAURA S. WILTZ, Ph.D.,
Chief Executive Officer.

COMPTON UNIFIED SCHOOL DISTRICT,
Compton, CA, October 18, 1991.

Hon. TOM HARKIN,
Chairman, Subcommittee on Labor, Health and Human Services and Education, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR HARKIN: I am writing to support the efforts of the residents of Compton, and their elected representatives, to secure passage of currently pending Federal legislation that will expand the Job Corps program and provide for a new Job Corps site in the City of Compton. The respected and successful education training and rehabilitation programs administered by the Corps are well-suited to address the critical economic needs of the youth and young adults of Compton.

I welcome additional human services efforts that are intended to help meet the needs of persons served by the Compton Unified School District. Development of marketable skills and enhancement of job readiness are key Job Corps components that will be of considerable benefit in accelerating the movement of public assistance recipients into the job market.

Sincerely,

RILEY JOHNSON, Jr.,
Assistant Superintendent.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Speaker, today I rise to bring to the attention of this body a funding reduction in the Labor-HHS bill which will seriously impair our ability to save taxpayers' dollars. Mr. Speaker, as you know, last November the Chief Financial Officers Act was passed by this body and the other body without dissent, and later signed by the President.

The CFO Act was passed in response to the gross abuse of taxpayers' dollars resulting from the HUD scandal, and because of numerous other examples of executive branch mismanagement. The legislation was designed to establish a front-line defense against fraud, waste, and abuse, and will help to restore the American public's confidence in the Federal Government.

When the appropriations bills for agencies with CFO's went to conference, I wrote letters urging the conferees to support the important goals of the CFO Act by either providing the requested funding or by restoring funding cut by the House and the other body. Despite my best efforts, however, certain agencies were hit hard during the conference process, including the Department of Health and Human Services. The Department requested funds for the inspector general so that it could implement the CFO Act. The House reduced that request by $9.5 million, and the other body reduced the request by another $5.65 million. The inspector general is at risk of losing an additional $2 million if he is asked to share in the Department's across-the-board reductions.

The Department's budget of $550 billion requested for fiscal year 1992 represents 36 percent of the total Federal budget. The inspector general's audits, investigations, and evaluations cover Social Security, Medicare, Medicaid, and some 260 other programs to assure the Congress and the administration that we do not have another HUD scandal.

Additionally, the Department's inspector general, Richard P. Kusserow, has been a leader within the inspector general community in implementing the CFO's Act. The Congress simply cannot afford to show a lack of support to an outstanding inspector general at a time when the country desperately needs funds for domestic needs.

Unfortunately, the conferees did not see fit to restore the amounts requested. The Department's office of inspector general pays for itself many times over. Last year the inspector general's work resulted in $5.8 billion in savings, settlements, recoveries and restitutions—a payback of $62 for every dollar funded for inspector general operations.

Since the requested funding was not approved in conference, the Department's inspector general will need to reduce its staff by an estimated 120 positions. The Department hopes to make these reductions through the normal attrition process, but because of the economy, its turnover rate is lower than usual. Therefore, other options are being considered, including furloughing its staff for up to 10 days per person. Eliminating these dedicated, hard-working, experienced, and invaluable employees' positions will place the inspector general in jeopardy of being unable to fulfill the requirements the Congress has placed upon the agency.

And, Mr. Speaker, I could not come to speak on this legislation without addressing the gag rule on title X public clinics. Although many people are trying to paint this as a fight on abortion, in fact, the gag rule, if implemented, would represent a much more frightening blow to the Bill of Rights. Because just as ominous as the erosion of personal choice is the erosion of elementary democratic tenets of free speech. Requiring the withholding of pertinent medical information by a health care professional is absolutely unthinkable. Anyone who has read this morning's memo from President Bush to Secretary Sullivan knows perfectly well that the creative rewording of the President's position is actually nothing new—George Bush is telling my constituents, those unable to afford private physicians, that they are second-class citizens. That they are going to receive inferior and severely limited medical information; that their doctor-patient relationships will be dictated by the Bush administration holding the Federal purse strings. I encourage each of my colleagues, regardless of their views on abortion rights, to join me in protecting the constitutionally guaranteed rights and privileges of all Americans.

Mr. NATCHER. Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 3, line 4, strike out "$52,464,000" and insert: "$80,464,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Natcher moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: "$187,700,000 is appropriated for part B of title II of the Job Training Partnership Act, as amended, in addition to amounts otherwise provided herein for part B of title II, to be available for obligation for the period October 1, 1992 through June 30, 1993; and, in addition, $73,000,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. NATCHER] is recognized for 30 minutes.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Speaker, I intend to rise in several instances this afternoon to highlight those amendments in disagreement which deal with programs that involve forward funding. If the managers of this bill would be so kind as to share with me some additional information on this particular item, I would be greatly appreciative.

I see by the amendment in disagreement that we are talking about $187,700,000 appropriated for part B of title II of the Job Training Partnership Act. Of that there would be $73 million that would be forward funded. Is that a correct interpretation?

Mr. NATCHER. Mr. Speaker, will the gentleman yield?

Mr. PENNY. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Speaker, $187,700,000 would be delayed obligations.

Mr. PENNY. Mr. Speaker, there are several provisions such as this in this bill, not all of them are in disagreement, but in total there is 4.3 billion dollars' worth of funds which will not be obligated until September 30. Most of those outlays will then occur in the next fiscal year, crowding our budget in fiscal year 1993. I strongly object to this process. The only opportunity we will have today to express our disagreement with that type of funding is to single out these various amendments for a separate vote, and I would intend to do so on this item.

□ 1550

Mr. NATCHER. Mr. Speaker, I would like to call the gentleman's attention to the fact that when the President sent us his budget request for the fiscal year 1992, it had $1.4 billion of the delayed obligations for this bill. The House has approved delayed obligations in seven other appropriation bills this year. That includes $3.3 billion in the House-passed version of the Defense appropriation bill. I believe in VA-HUD, Mr. Speaker, in the President's budget that he sent to the Congress there was $380 million in delayed obligations.

Mr. Speaker, all down through the budget as presented we had delayed obligations. I say to the gentleman from Minnesota [Mr. PENNY], Mr. Speaker, that this is a procedure that we on our Committee on Appropriations have never had to contend with before.

We had all of these requests in the budget as presented, and I would hope that the gentleman from Minnesota [Mr. PENNY] would not insist upon a rollcall vote on these matters, knowing, as he does, where it started, and how it got up to the Hill.

Mr. PENNY. Mr. Speaker, would the gentleman again relate for the membership the dollar amount involved in forward funding as requested by the White House?

Mr. NATCHER. The forward funding as requested by the White House for this bill was $1.442 billion, and I say to the gentleman from Minnesota [Mr. PENNY], and I say this to the gentleman because he is our friend, and I do not know of a provision in this bill pertaining to the health and the education of our children that the gentleman is not in favor of. I do not know of one that is in this bill, knowing the gentleman like I do.

You see, the position that we were put in in the very beginning with the budget as presented and, I say to the gentleman from Minnesota [Mr. PENNY], I would respectfully request that he not insist upon a rollcall vote on these matters. The gentleman knows the situation we were put in in the very beginning starting with the budget.

If there was a matter where we on the subcommittee and on the Committee on Appropriations had brought in a bill and we had all of the delayed obligations in there starting with our committee, it would be a different matter. This starts, and it has started, from OMB, the Office of Management and Budget, and not only the Appropriations Committee.

Mr. AUCOIN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I am happy to yield to the gentleman from Oregon.

Mr. AUCOIN. Mr. Speaker, I appreciate the chairman yielding to me.

Mr. Speaker, I say to the chairman that it seems to me that when this House passed the Defense appropriations bill, there was something like $3.3 billion in forward funding in that bill, and the membership saw the uses and the need in those instances. No complaint was made in that instance.

Am I correct, I ask of the gentleman from Kentucky [Mr. NATCHER], the chairman, was it $3.3 billion in the Defense appropriations bill?

Mr. NATCHER. The gentleman is correct. That is the amount.

Mr. AUCOIN. Mr. Chairman, if the gentleman will yield further, how about the space station? Was that not on a forward-funded basis?

Mr. NATCHER. There was $754 million in delayed obligations in the VA-HUD bill.

Mr. AUCOIN. If the chairman will continue to yield to me, I would join him in urging my colleague, and I have a great deal of respect for him, I would urge him to not seek a separate vote on this question.

In the case of Defense, at $3.3 billion, in the case of the space station, in those cases, a vote of this kind was not requested here, because those were found necessary. We are dealing here with programs that are absolutely vital to human beings in this country, people who feel like they have been left out and forgotten. I am talking about the American people.

I would just urge him not to get a separate vote on this question.

I think, as the gentleman from California [Mr. PANETTA] said earlier today, the chairman of the Committee on the Budget, this is a perfectly appropriate procedure, and he is the chairman of the Committee on the Budget. I do not know of any chairman on the Committee on Appropriations subcommittees, any committee chairman who is a straighter arrow when it comes to the straight use of procedure on appropriations than the gentleman from Kentucky [Mr. NATCHER], my colleague, the chairman of this subcommittee.

So I join him in urging the gentleman not to ask for a vote on this subject.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. PENNY], one of the able Members of this House.

Mr. PENNY. Mr. Speaker, I thank the chairman for yielding me this time.

Mr. Speaker, I do want to indicate that I agree with the chairman and the gentleman from Oregon in their remarks about other legislation, appropriations legislation, that has used this same tactic to fund various programs and purposes.

In particular, I opposed the space station funding for the very same reason that I am alarmed by some of the items in this bill, because next year that increased funding for that space station is going to further crowd research, is going to further crowd VA health care and other valuable programs.

It is that kind of obligation in one fiscal year that creates headaches and problems for us in the out years. I am fearful that we may be doing the same thing with this legislation, and it is for that reason that I wanted to draw attention to the fact that in this bill there is $4.3 billion worth of spending that will occur on September 30 and carry forward into the next fiscal year. That is not the way we ought to be setting our priorities here in this Congress.

If I wanted to press the point, I could not only call for a vote on amendment No. 7 affecting the Job Training Partnership Act, I could call for a vote on the amendment in disagreement No. 9, because there is forward funding involved there as well; I could call for a vote on amendment No. 38, which involves forward funding for the Centers for Disease Control; amendment No. 41, National Institutes of Health, here again, forward funding; amendment No. 47, affecting the National Institute for Allergies and Infectious Diseases; amendment No. 49 involving forward funding for the National Institute of Children's Health; amendment No. 52 involving funding for the National Institute on Aging; and amendment no. 55, including forward funding for various other programs and purposes; amendment No. 68, forward funding on alcohol and drug abuse; amendment no. 90, an amendment calling for funding of refugee assistance programs; amendment No. 93 for farm worker programs; amendment No. 94 for child-care programs; amendment No. 96 for human development services; amendment No. 112 for Department of Education programs; amendment No. 124, similarly in the Department of Education; amendment No. 158, student financial aid; amendment No. 164 involving certain higher education block grants. The list goes on.

The argument today is not so much over the independent merits of these various proposals. The argument is that altogether they amount to $4.3 billion worth of spending above and beyond the limits we set for ourselves for the coming fiscal year.

We did not evidently find room anywhere else in this appropriation bill to make the necessary cuts to provide for these priority items.

My frustration is that this bill, as so many other bills, involved choices, and we have shown an unwillingness to make those choices. Consequently, you are asking the membership today to vote for spending for health, human services and other programs way above the amount that we thought we had agreed to not only last fall with the budget agreement but earlier this year with our own budget resolution.

Again, I think it is important to stress the process that has been utilized in order to allow for these higher funding levels. It is important that we stress today the problems we are going to create for ourselves next year as we begin to experience the squeeze that these higher spending levels cause for the very programs in this bill that we all claim to support.

In deference to the chairman of the committee, for whom I have the greatest respect, I will not proceed to call a vote on each and every one of these items, but I do hope that as we proceed with next year's budget, we are careful to stay within the limits we set for ourselves.

□ 1600

It is the very least that we ought to do to honor our own limits. I would venture to say that the public at large is not terribly impressed without known spending lids, because even within the spending agreements that have been reached here on Capitol Hill, we have allowed the deficit to grow.

Again, I will not call for a separate vote on this item or the other items. I appreciate the opportunity the chairman has given me to draw attention to this practice of forward funding and I intend to object to this practice as it is utilized in other measures as they come before this House.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. PENNY. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I would just like to say to the gentleman that I appreciate and admire him for bringing this to the attention of the body. The gentleman has proposed amendments over the last few years to cut 2 percent, 3 percent, 4 percent, 1 percent, out of various spending bills, and I think I supported him on all of those. I believe the gentleman's supported me on a number of the pork barrel amendments that I sponsored in the past 6 to 8 months.

I would just like to ask the gentleman this question. I mean, we are forward funding $4.3 billion over the current limits that have been set, and we are obligating money on the last day of the fiscal year and we are going to have to rob Peter to pay Paul.

I mean, next year when we start setting spending limits, this money will not be there. That means there is going to be a compressed amount of money with which we pay the bills of this country.

I would just like to ask the gentleman this question. Why not call for a vote on these amendments? I have great respect for the gentleman from Kentucky [Mr. NATCHER]. He is one of the finest men in this House, but we have to set a record for the people of this country to follow as far as the spending practices of the Congress of the United States, whether it is on pork barrel spending or whether it is on forward spending.

I mean, this is a way to circumvent the budget agreement. I would just like to encourage the gentleman to call for votes on these things. I think it is extremely important that we set a record. The people of this country are facing a $400 billion deficit this year. The national debt has gone from $1 to $4 trillion in just 4 years. Interest on the national debt is up to 18 cents on a dollar. We have got to do something. Spending is out of control and here is one way to draw attention to $4.3 billion in spending that was not authorized.

So Mr. Speaker, I just would encourage the gentleman to reconsider doing that, and if the gentleman does not, I think I might.

Mr. PURSELL. Mr. Speaker, I yield back the balance of my time.

Mr. NATCHER. Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BURTON of Indiana. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 250, nays 175, not voting 8, as follows:

[Roll No. 381]

YEAS—250

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Bennett
Berman
Bevill
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carr
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Gallo
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Goodling
Gordon
Gradison
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
LaFalce
Lantos
LaRocco
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Machtley
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pastor
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Price
Rahall
Rangel
Reed
Regula
Richardson
Rinaldo
Roe
Roemer
Rogers
Rose
Roybal
Russo
Sabo
Sanders
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Sikorski
Skeen
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—175

Allard
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bentley
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Carper
Chandler
Coble
Coleman (MO)
Combest
Condit
Cooper
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Edwards (OK)
English
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Glickman
Goss
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hoagland
Hobson
Holloway
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kostmayer
Kyl
Lagomarsino
Lancaster
Laughlin
Leach
Lent
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Luken
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Nichols
Nussle
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (VA)
Penny
Petri
Pickle
Porter
Pursell
Quillen
Ramstad
Ravenel
Ray
Rhodes
Ridge
Riggs
Ritter
Roberts
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland
Santorum
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skaggs
Skelton
Slattery
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—8

Frost
Hayes (LA)
Hopkins
Martinez
Murphy
Rostenkowski
Sangmeister
Slaughter (VA)

☐ 1623

Mr. DICKINSON, Mrs. ROUKEMA, Messrs. DORGAN of North Dakota, COLEMAN of Missouri, PANETTA, BILBRAY, and KASICH, Mrs. PATTERSON, and Messrs HUCKABY, SKAGGS, and HOAGLAND changed their vote from "yea" to "nay."

Mr. EMERSON changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. PEASE). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 9: Page 3, line 22, after "1993" insert ": *Provided further*, That for the period July 1, 1992, through June 30, 1993, no State shall receive more than 130 percent of its allotment percentage under section 201 of the Job Training Partnership Act for the program year July 1, 1991, through June 30, 1992: for additional amounts as follows:

"(a) In addition to amounts appropriated in this Act, there are appropriated to the Centers for Disease Control for "Disease control, research, and training", $10,000,000, which shall not become available for obligation until September 30, 1992.

"(b) In addition to amounts appropriated in this Act, there are appropriated to the Administration for Children and Families for "Low Income Home Energy Assistance", $200,000,000: *Provided*, That, notwithstanding any other provision of this Act, $405,607,000 shall become available for making payments on September 30, 1992.

"(c) In addition to amounts appropriated in this Act, there are appropriated to the Department of Education for "Compensatory Education for the Disadvantaged", $152,000,000, which shall become available on September 30, 1992, and shall remain available through September 30, 1993, of which $138,000,000 shall be available for basic grants under section 1005 and $14,000,000 shall be available for concentration grants under section 1006 of Chapter 1 of the Elementary and Secondary Education Act of 1965, as amended.

"(d) In addition to amounts appropriated in this Act, there are appropriated to the Department of Education for "Impact Aid", for construction and renovation of school facilities under section 10 of Public Law 81–815, $2,000,000, to remain available until expended, which shall become available for obligation on September 30, 1992.

"(e) In addition to amounts appropriated in this Act, there are appropriated to the Department of Education for "Vocational and Adult Education", $60,000,000, which shall become available on September 30, 1992 and shall remain available through September 30, 1993.

"(f) In addition to amounts appropriated in this Act, there are appropriated to the Department of Education for "Student Financial Assistance", $62,000,000 which shall be available for Supplemental Educational Opportunity Grants, and which shall become available on September 30, 1992 and shall remain available through September 30, 1993.

"(g) In addition to amounts appropriated in this Act, there are appropriated to the Department of Education for "Higher Education", $24,000,000, which shall become available on September 30, 1992 and shall remain available through September 30, 1993, of which $3,000,000 shall be available for carrying out section 602(a) of the Higher Education Act of 1965 and $1,000,000 shall be available for carrying out section 604 of the Act, and $20,000,000 shall be available for carrying out title IV, part A, subpart 4 of the Act: *Provided*, That, notwithstanding any other provision of this Act, of the amounts made available in title II for the Health Resources and Services Administration, "Health Resources and Services", $86,000,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for Centers for Disease Control, "Disease Control, Research, and Training", $94,000,000 shall not become available for obligation until September 30, 1992 but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Cancer Institute", an additional $63,446,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of health, "National Heart, Lung and Blood Institute", $54,555,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute of Dental Research", $7,903,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute of Diabetes and Digestive and Kidney Diseases", $28,457,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute of Neurological Disorders and Stroke", $27,357,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute of Allergy and Infectious Diseases", $45,627,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute of General Medical Sciences", $48,104,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute of Child Health and Human Development", $27,368,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Eye Institute", $12,504,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available until title II for the National Institutes of Health, "National Institute of Environmental Health Sciences", $8,846,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute on Aging", $16,308,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute of Arthritis and Musculoskeletal and Skin Diseases", $7,593,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Institute on Deafness and Other Communication Disorders", $7,486,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Center for Research Resources", $15,000,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Center for Nursing Research", $2,646,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Center for Human Genome Research", $10,000,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "John E. Fogarty International Center", $800,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "National Library of Medicine", $3,500,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992: *Provided further*, That of the amounts made available in title II for the National Institutes of Health, "Office of the Director", $12,500,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992.

"SEC. 100. (a) Notwithstanding any other provision of law, on or before December 1, 1991, the Secretary of Labor, acting under the Occupational Safety and Health Act of 1970, shall promulgate a final occupational health standard concerning occupational exposure to bloodborne pathogens. The final standard shall be based on the proposed standard as published in the Federal Register on May 30, 1989 (54 FR 23042), concerning occupational exposures to the hepatitis B virus, the human immunodeficiency virus and other bloodborne pathogens.

"(b) In the event that the final standard referred to in subsection (a) is not promulgated by the date required under such subsection, the proposed standard on occupational exposure to bloodborne pathogens as published in the Federal Register on May 30, 1989 (54 FR 23042) shall become effective as if such proposed standard had been promulgated as final standard by the Secretary of Labor, and remain in effect until the date on which such Secretary promulgates the final standard referred to in subsection (a)

"SEC. 100A. (a) The Senate finds that since the 1990 Budget Summit Agreement, extraordinary events in the world, particularly in Central Europe and the former Soviet Union may provide our country with an opportunity to re-examine the broad spending priorities embodied in the 1990 Budget Summit Agreement.

"(b) It is the sense of the Senate that the President of the United States and the Democratic and Republican leadership of the Congress should consider establishing new priorities. If it is so determined, based on current and changing world events, the defense spending path negotiated in the 1990 summit could be reduced in the future, then any such reduction should be made available for reducing Federal budget deficits, reducing Federal tax burdens, increasing domestic spending, or any combination thereof".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert:

On page 16 of the House engrossed bill, insert after line 19 the following:

SEC. 100. (a) Notwithstanding any other provision of law, on or before December 1, 1991, the Secretary of Labor, acting under the Occupational Safety and Health Act of 1970, shall promulgate a final occupational health standard concerning occupational exposure to bloodborne pathogens. The final standard shall be based on the proposed standard as published in the Federal Register on May 30, 1989 (54 FR 23042), concerning occupational exposures to the hepatitis B virus, the human immunodeficiency virus and other bloodborne pathogens.

(b) In the event that the final standard referred to in subsection (a) is not promulgated by the date required under such subsection, the proposed standard on occupational exposure to bloodborne pathogens as published in the Federal Register on May 30, 1989 (54 FR 23042) shall become effective as if such proposed standard had been promulgated as a final standard by the Secretary of Labor, and remain in effect until the date on which such Secretary promulgates the final standard referred to in subsection (a).

(c) Nothing in this Act shall be construed to require the Secretary of Labor (acting through the Occupational Safety and Health Administration) to revise the employment accident reporting regulations published at 29 C.F.R. 1904.8.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 13: Page 5, line 19, strike out "$3,151,825,000" and insert "$3,178,485,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$3,148,655,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 26: Page 18, line 5, after "VIII," insert "X".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 26 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert "X, XII".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 29: Page 18, line 16, strike out "$86,000,000" and insert '$50,000,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$125,000,000, of which $25,000,000 shall be for the Healthy Start program".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. Without objection, the motion is agreed to.

Mr. BURTON of Indiana. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The gentleman from Indiana will be recognized.

Does the gentleman from Kentucky [Mr. NATCHER] seek time on the motion?

Mr. NATCHER. Mr. Speaker, I reserve my time at this time.

The SPEAKER pro tempore. Does the gentleman from Michigan seek time?

Mr. PURSELL. Yes. Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. PURSELL] is recognized for 30 minutes.

Mr. EARLY. Mr. Speaker, will the gentleman yield?

Mr. PURSELL. I yield to the gentleman from Massachusetts.

Mr. EARLY. Mr. Speaker, I thank the gentleman from Michigan [Mr. PURSELL] for yielding, and, through him, I would like to speak to the gentleman from Indiana [Mr. BURTON] just briefly.

I say to the gentleman, "Please listen just a little bit. When we went to conference on this bill, there were several projects specifically earmarked. Now they were earmarked by the most senior Members in the other body. On each and every one of these there was the gentleman from Kentucky and the gentleman from Michigan insisting there be no earmarks. They were not easy fights. They were fights that went on for several hours. In every one of them, in every one of them, the earmark was removed. Every single item in this bill is open to open competition.

Now, when we speak for forward funding, I say to my friend, the gentleman from Indiana [Mr. BURTON], and I really would like him to listen on this, that the two people most opposed in the subcommittee were the gentleman from Kentucky [Mr. NATCHER] and the gentleman from Michigan [Mr. PURSELL]. They were vehemently opposed to it in all instances.

Now they also noted the fact that it was initiated by the administration. They did not like that, but it was initiated by OMB. The chairman swallowed hard, and he accepted that, and then we proceeded on.

As far as it was brought up in the conference, the defense bill had forward funding, and, when one thinks about the Defense bill, if they think of the billions and billions of dollars that are in the pipeline, that have been in the pipeline for several years, that is really just forward funding.

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But the chairman insisted that he was vehemently opposed, and the gentleman from Michigan [Mr. PURSELL] could not have been more opposed to it, but it had been initiated by the President. It had been done to a certain degree, it had been done in the HUD bill, it had been done in the defense bill, and it had been signed by the President. So despite that, the chairman and the gentleman from Michigan [Mr. PURSELL] did not prevail because we could not make it work, because we could not get to it.

My final point, I say to the gentleman from Indiana [Mr. BURTON], is that in the last rollcall you made your point. I really think if you think about it a little bit, you will have achieved what you wanted to do. You let anyone that wanted to get on record in opposition to forward funding be in opposition. Now, I think there is a courtesy here other than a rhetorical courtesy. I think there is a courtesy that when you speak here, you realize this is the only Member of this House who has been here over 30 years and who has made 13,071 consecutive votes, has never missed a vote, and the gentleman from Kentucky is probably the most respected person in this body. So you could just recognize that you made your point, having given a courtesy to the gentleman on your side and to the gentleman from Kentucky who vehemently opposed forward funding.

Mr. Speaker, I really think it would be in the best interest of everyone in this House and in the best interest of Government if the gentleman would do that.

PARLIAMENTARY INQUIRY

Mr. BURTON of Indiana. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. PEASE). The gentleman will state his parliamentary inquiry.

Mr. BURTON of Indiana. Mr. Speaker, as I understand it, on these motions on amendments in disagreement, those who are opposed get some portion of the time. I was not allocated any time, nor was the question put by the Chair on whether or not the gentleman from Tennessee or the gentleman from Michigan was opposed. If they are opposed, they get the time, and I will ask them for time, but if they are not opposed, according to the rules, I believe I get part of the time.

The SPEAKER pro tempore. The Chair would state that ordinarily the gentleman from Kentucky and the gentleman from Michigan would be recognized on each amendment. However, at the time the motion is offered, if another Member challenges the minority Member and the minority Member is not opposed, then that Member making the challenge would be entitled to one-third of the time.

Mr. BURTON of Indiana. As a further parliamentary inquiry, Mr. Speaker, usually the Chair puts the question to those involved, the chairman and the ranking member: "Are you opposed to the motion?" And if they are not opposed, then those who are opposed are granted part of the time.

The SPEAKER pro tempore. The Chair normally does not put that question to the two managers unless there is a challenge.

Mr. BURTON of Indiana. With all due respect to my colleague from Tennessee and my colleague from Michigan, Mr. Speaker, I make that request.

The SPEAKER pro tempore. On this amendment, the gentleman's request is not timely. The gentleman from Michigan [Mr. PURSELL] controls the time. The gentleman from Indiana would have to ask for time from the gentleman from Michigan.

Mr. NATCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say to my dear friend, the gentleman from Indiana [Mr. BURTON], that if he wants 10 minutes, I am going to yield him 10 minutes.

Mr. BURTON, let me say this to you: We have 13 appropriation bills that were sent up here by the President through OMB. Let me say, Mr. BURTON, that I like the President. In 7 of the 13 appropriation bills we have delayed obligations of $8,700 million, of which $2 million was requested by President Bush. He sent it up here.

I say to the gentleman, frankly, that I agree with him. As my good friend, the gentleman from Massachusetts [Mr. EARLY], pointed out, in the conference we had some problems with it. It was sent up here by the President.

Mr. BURTON, I am going to yield you this time, but let me ask you something. Just as a matter of common decency, Mr. BURTON, you are a good Member of the House, and I say, don't put these Members through the eye of a needle. They sent this up here from downtown. We did not start it up here. We did not start it, Mr. BURTON. That is one thing you cannot blame on the Congress of the United States. You cannot blame us.

Every time you pick up a newspaper in the last few days they blame the Congress for something. I say, don't blame us for this. I say, Mr. BURTON, I like you, you are a good Member of the House, but don't do that to us, Mr. BURTON.

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. NATCHER] has yielded 10 minutes to the gentleman from Indiana [Mr. BURTON], and the gentleman from Indiana is recognized.

Mr. BURTON of Indiana. First of all, Mr. Speaker, I have great respect for my colleague, Mr. NATCHER, of Tennessee, and my colleague, the gentleman from Michigan [Mr. PURSELL].

Mr. NATCHER. Mr. Speaker, Tennessee is right next door to me, and we love them all. We love everybody in Tennessee and Kentucky, but I am from Kentucky.

Mr. BURTON of Indiana. I am sorry, sir. I apologize, Mr. NATCHER. My wife is from Corbin, KY, and she would shoot me if I did not mention her great State.

Mr. Speaker, let me say, after all these niceties, that if the President of the United States circumvents the budget agreement or the Congress, it is wrong. That is wrong. We made a budget agreement, and we said we were going to live within those budgetary constraints. Today, on the last day of the fiscal year, we are now going to circumvent that to the tune of $4.3 billion.

Let me just say this: I do not care if it is in this bill or the Defense bill, if there is forward funding, I am going to oppose it. We have a $400 billion deficit staring us in the face this year. We have quadrupled the deficit; we have gone from $1 trillion to $4 trillion with the national debt in the last decade.

For the past 6 months I have been fighting pork-barrel spending on this floor. I have fought and had amendments down here for $65,000, $1 million, $5 million, $10 million, and $700 million. But in this particular piece of legislation there is $4.3 billion in forward funding, and we are saying, "Well, the White House asked for a lot of it, and we asked for a lot of it, and because of that we should turn our backs on it and not pay any attention."

The budget agreement is being circumvented. We are going beyond what we agreed to spend, and because of that, we are obligating next year $4.3 billion and we are going to have to take that out of spending next year. In other words, the pie next year is going to be smaller. So what do we do? We are forward funding into it next year. What we are doing is misleading ourselves and the American people. We are spending way beyond our means.

This is even worse than pork-barrel spending. We tell the American people we made an agreement, a budget agreement, that we are going to live with it, and then we forward fund to circumvent it. Give me a break. I have said this so many times, and I do not know how many people have even listened to it. I do not know how many times I have said this, but I know people are tired of hearing it. But I am going to say it again and again and again.

Listen to this: We raised taxes last year by $181 billion, the largest tax increase in history, to get control of spending, and here we are 1 year later with the largest deficit in history, $400 billion in 1 year. We have an economy that is stagnating, we have people out of work, and we just keep on spending. The national debt has gone from $1 trillion—and it took us 200 years to get there—to $4 trillion in 10 years, and we keep on spending. So here we are after we make a budget agreement circumventing that budget agreement to the tune of $4.3 billion.

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Mr. Speaker, I would just say I think I am not making a point that is important to me, I am making a point that is important to 250 million people in this country and their kids. Now, think about that. Who is going to pay these bills? Four trillion dollars in debt. Eighteen cents out of every dollar is going to just pay the interest. And it is going to get worse and worse, and we are circumventing the budget.

Come on, guys. We have got to get control of spending. You say, "Well, Dan, you have made your point. You have called a vote. You lost. So let's all go home and forget about it."

I am not going to forget about it. You bring these things down here and I am going to call votes. I am just telling you right now: you circumvent the budget agreement and do forward funding on any of them, and we are going to stay here. You may hate my guts, but we are going to do it.

Mr. PURSELL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. NATCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, let me say simply that in my conscience and I think in my voting record on budget issues, I agree with the substance of the remarks of the gentleman from Indiana [Mr. BURTON].

Mr. Speaker, as the distinguished gentleman from Kentucky [Mr. NATCHER] has pointed out, we have these problems not just in the Congress, but with the executive branch, which engages in the same process as well. I recognize that the gentleman from Kentucky [Mr. NATCHER], perhaps more than anyone I can think of on the Committee on Appropriations from his side of the aisle, has fought and resisted this practice of forward funding. I think that should be in the RECORD. I also think we ought to reemphasize the fact that the gentleman from Michigan [Mr. PURSELL] has consistently fought that practice.

But I agree with what the gentleman from Indiana [Mr. BURTON] is saying. This is one of the reasons people back home question whether this institution as an institution is working. But I have to say to my friend, the gentleman from Indiana [Mr. BURTON], I disagree with his tactics and the means for employing it and making the point.

I am wondering if we could not have a unanimous consent request, an opportunity to group these 16 or 17 forward-funded items that are in dispute, and give an opportunity to vote them all up or down en bloc. We could set aside some time for debate so everyone knows and the record clearly shows what the issue is.

Mr. Speaker, I think that is fair to the American people, it is responsible, and our records will show one way or the other where we stand on these things.

But as a matter of procedure to have this House contending on these issues one by one in a process that may take us to midnight, and stands in interruption of the other work before this body, I have to say that, quite frankly, I think it is counterproductive. I think it creates anger and the temptation for misspoken words between Members, and is also counterproductive to the gentleman from Indiana [Mr. BURTON] in what he seeks to get from the House.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. HENRY. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I think the gentleman has made a constructive suggestion. I have to say I agree with some of the concerns expressed by the gentleman from Indiana [Mr. BURTON]. But I would ask if the gentleman is intending to make such a motion, if he would be kind enough to exempt amendment 41 from that, because amendment 41 has another issue involved as well which I think needs airing before the House today.

Mr. HENRY. Mr. Speaker, reclaiming my time, I think we could very quickly resolve which ones ought to have separate votes or not. That would be fine with me. I am not sure I can name the amendments by number. I would leave that to the gentleman from Kentucky [Mr. NATCHER] or the gentleman from Michigan [Mr. PURSELL] to work out with the Members.

Mr. Speaker, let me simply say as a matter of record, I think all of us could do this. I will vote with the gentleman from Indiana [Mr. BURTON] on each of these questions if they are offered individually. The question is not where I stand; the question is whether or not we can have a procedure which facilitates consideration of the issue, while at the same time lays the record bare before the American public. I think a unanimous-consent request, if it could be offered by the chairman, if it would be accepted by the gentleman from Indiana [Mr. BURTON], would certainly be something I would be willing to support.

Mr. NATCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I would like to thank the gentleman from Michigan [Mr. HENRY] for his statement. I want the gentleman to know I appreciate it.

With the exception of the amendment that the gentleman from Wisconsin [Mr. OBEY] has talked about, there would be 15 under a unanimous-consent request and, Mr. Speaker, we have no objection to it.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. HENRY. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I just want to point out that in the event the "no" vote carries, then the gentleman from Kentucky would need 16 separate amendments to amend the amendments in disagreement. So you will have to include a unanimous-consent request for permission to make the amendments substitute amendments, or we will be in real trouble with this bill.

Mr. NATCHER. Mr. Speaker, will the gentleman yield?

Mr. HENRY. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Speaker, I will have to change the statement that I just made on this side. We have several Members who would object to the unanimous-consent request.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. EARLY].

Mr. EARLY. Mr. Speaker, I would ask the gentleman from Kentucky [Mr. NATCHER], probably the most respected Member of this Chamber, to ask the membership to stay on the floor for the next vote. After we vote on the next vote, if a quorum will stay in this House, we will dispose of every amendment quickly. I would urge all Members to participate and cooperate in what we are trying to do.

We are not trying to fool anybody, we are just asking the Members to remain in the House. If the membership wants to have a vote, then there will be a vote. As a courtesy to the gentleman from Michigan [Mr. PURSELL] and the gentleman from Kentucky [Mr. NATCHER], which falls on deaf ears in many places, where people talk about what they want to earmark, when somebody does something about it and it is not a political approach, it means nothing. Mr. NATCHER stood in that conference and rejected every single earmark, but that does not mean anything with some Members. Also the gentleman from Michigan [Mr. PURSELL] did it.

Mr. Speaker, I would urge the gentleman from Kentucky [Mr. NATCHER] to ask the Members after the next vote to stay on the floor.

Mr. NATCHER. Mr. Speaker, the gentleman is correct. That is the hope of the subcommittee chairman and the subcommittee.

Mr. PURSELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. NATCHER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BURTON of Indiana. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 168, not voting 12, as follows:

[Roll No. 382]

YEAS—253

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Downey
Durbin

Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
LaFalce
Lantos
LaRocco
Lehman (CA)
Lehman (FL)

Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Machtley
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pastor
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Price
Quillen
Rahall
Rangel
Reed
Regula
Richardson

Rinaldo
Roe
Roemer
Rogers
Rose
Roybal
Russo
Sabo
Sanders
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Sikorski
Skaggs
Skeen
Slaughter (NY)
Smith (IA)
Smith (NJ)
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—168

Allard
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Carper
Chandler
Clinger
Coble
Coleman (MO)

Combest
Condit
Cooper
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Edwards (OK)
English
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Geren
Gilchrest
Gingrich
Glickman

Goss
Gradison
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hoagland
Hobson
Holloway
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug

Kolbe
Kostmayer
Kyl
Lagomarsino
Lancaster
Laughlin
Leach
Lewis (FL)
Lightfoot
Lowery (CA)
Luken
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Nichols
Nussle
Oxley
Packard

Pallone
Panetta
Parker
Patterson
Paxon
Payne (VA)
Penny
Petri
Pickle
Porter
Pursell
Ramstad
Ravenel
Ray
Rhodes
Ridge
Riggs
Ritter
Roberts
Rohrabacher
Ros-Lehtinen
Roth
Rowland
Santorum
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw

Shays
Shuster
Sisisky
Skelton
Slattery
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Walker
Weber
Wolf
Wylie
Young (FL)
Zeliff
Zimmer

NOT VOTING—12

Fish
Frost
Hayes (LA)
Hopkins

Martinez
Myers
Oberstar
Rostenkowski

Roukema
Sangmeister
Slaughter (VA)
Smith (FL)

□ 1709

Mr. SWIFT changed his vote from "nay" to "yea."

Mr. BEILENSON changed his vote from "yea" to "nay."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. McDERMOTT). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 35: Page 19, line 17, strike out all after "program" down to and including "$260,000,000" in line 20.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended as follows: In lieu of the sum named in said amendment, insert "$290,000,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

□ 1710

The SPEAKER pro tempore (Mr. McDERMOTT). The Clerk will designate the next amendment in disagreement.

Mr. PURSELL. Mr. Speaker, I plan to make a unanimous consent request for the benefit of our caucus and on both sides so that we can go home early.

Mr. Speaker, I ask unanimous consent that Senate amendments numbered 38, 49, 52, 68, 90, 93, 96, 112, 124, 135, 151, 158, 164, 188, and 219 be considered en bloc, and printed in the RECORD, and that the motions to dispose of said amendments as printed in the Joint Statement of Managers be considered as read and that the motions not be subject to a division of the question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. BURTON of Indiana. Mr. Speaker, reserving the right to object, Mr. Speaker, I certainly do not want to keep all of my colleagues here all night, but I would like to make a point that I think is very, very important.

You know, we had some elections yesterday all across this country, and it was pretty evident that the people of this country do not like incumbents or people who are in very much, and the reason that they do not like us is because they do not trust us.

One of the reasons they do not trust us is because we do things like this.

Mr. Speaker, I would like to have everybody's attention for a minute if I can get it.

We made an agreement, and we are circumventing that agreement with this group of amendments. There is $4.3 billion in forward funding, and that means that we are going to spend $4.3 billion more, and we are going to set it into the next year, $4.3 billion, and the people of this country are concerned about their jobs, they are concerned about their incomes, they are concerned about health care and all of these things, and we are spending ourselves into such a hole that we are never going to get out.

The interest, the interest is 18 cents on $1 of taxes collected. I hope the Members are listening to this. We are not doing anything about it. We are exacerbating the situation.

We all look at each other and say, "Yes, we know it. He is right. That is right." But we do not do anything about it. And I am telling the Members that we are hurting the country very much and we are hurting ourselves and this institution, and the President, I submit, is hurting himself as well by this forward funding. We are all in this together even though we have strong ideological differences.

We have got to come to grips with spending. We have got to come to grips with it, or the future generations of this country are going to really, really suffer. This is just not rhetoric. It is a fact, and you know it, and I know it.

I would just like to say to my colleagues that I hope, I hope that if I acquiesce this time, the next time we will do something about this.

I am not going to object to this tonight, but I would like to say the next time we come up with any bill that involves forward funding, I am going to call for votes on every single one of the motions in dispute.

Mr. PURSELL. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. Further reserving the right to object, I am happy to yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Speaker, my motion puts the amendments en bloc so that we have a record vote on the approximately $4 billion the gentleman speaks of, so he is going to get his vote.

Mr. BURTON of Indiana. Well, I appreciate that, but I want you to know that the next time we have this kind of forward funding I am going to object to every single motion so that everybody can plan on it, and we are going to have votes on every single one of them that I can get a vote on.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. NATCHER. Mr. Speaker, reserving the right to object, and under my reservation, I yield to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I think it is important to make three points. No. 1, this bill, despite our concerns about it being advanced funding, does not violate the budget agreement or the Budget Act or the budget resolution. It is well within the Budget Act and the outlays for the fiscal year 1992.

As to the advanced-funding issue, the fact is that the President himself asked for advanced funding of $1.5 billion in this bill, and when we passed the defense bill, it included $3.3 billion in advanced funding. I did not hear the gentleman complain at that time when we pass the legislation.

So the point is that there are precedents for the advanced funding. It does not involve a violation of the budget agreement, and the priorities that are in this bill are the right priorities for this country.

Mr. NATCHER. Mr. Speaker, further reserving the right to object, as I pointed out a few minutes ago, in 7 of the 13 appropriation bills that were sent to the Congress from the President and OMB, we have a total of $8.7 billion in delayed obligations and, Mr. Speaker, to be quite frank and honest with you, I do not agree with that procedure.

We had a little over $1 billion in our bill.

As my good friend, the gentleman from Michigan [Mr. PURSELL], has said, during the conference on this bill, we had all kinds of problems with this matter, but, Mr. Speaker, I am not going to object to the unanimous-consent request for many reasons, one of which is that I believe down deep in my heart that every Member in this House on both sides of the aisle are for this bill, because this is the bill that appropriates the money for all of health and all of education, and I will take my chances with the Members in the House.

Let us have a vote.

Mr. Speaker, I withdraw my reservation of objection.

Mr. BURTON of Indiana. Mr. Speaker, reserving the right to object, I will not prolong this, but the gentleman from California [Mr. PANETTA] made some very strong remarks.

I would just like to say that regardless of what has been said, the deficit is going to be close to $400 billion this year. We are forward funding in this bill. I do not care whether it is the White House or the Congress that is doing it, if it was Defense, and if I had known about it, you had better believe I would have been down here objecting to that as well.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. Further reserving the right to object, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, the only reason why the gentleman from California can make those remarks about the Budget Act is because of the gimmicks that are being used in this bill in order to avoid the Budget Act.

So the gentleman from Indiana is right on target with regard to what is happening here. This is a specific attempt to evade the provisions of the Budget Act.

Mr. BURTON of Indiana. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The texts of the various Senate amendments referred to in the unanimous-consent request are as follows:

Senate amendment No. 38: Page 20, line 22, strike out all after "facilities" down to and including "1992" in line 25.

Senate amendment No. 49: Page 24, line 18, strike out all after "development," down to and including "1992" in line 21 and insert "$523,826,000: *Provided, however*, That funds made available under this heading to conduct the SHARP survey of adult sexual behavior and the American Teenage Survey of adolescent sexual behavior shall instead be expended, at the same outlay rate, to carry out title XX of the Public Health Service Act".

Senate amendment No. 52: Page 25, strike out all after line 14 down to and including "1992" in line 17 and insert "$397,176,000: *Provided*, That of the funds made available under this heading, $22,000,000 shall not become available for obligation until September 30, 1992, but shall remain available until October 30, 1992".

Senate amendment No. 68: Page 28, line 18, strike out "$2,917,742,000" and insert "$3,175,832,000: *Provided*, That notwithstanding any other provision of this Act, funds appropriated for salaries and expenses of the Department of Labor are hereby reduced by $4,939,000; salaries and expenses of the Department of Education are hereby reduced by $1,646,000; and salaries and expenses of the Department of Health and Human Services are hereby reduced by $20,415,000".

Senate amendment No. 90: Page 37, strike out all including line 1 down to and including "1992" in line 4 and insert "$410,630,000: *Provided*, That of the funds made available under this heading for State cash and medical assistance, $116,616,000 shall not become available for obligation until September 30, 1992".

Senate amendment No. 93: Page 37, line 22, after "program" insert ": *Provided*, That the funds made available under this heading for carrying out section 681(a)(2)(A) of the Community Services Block Grant Act shall not become available for obligation until September 25, 1992".

Senate amendment No. 96: Page 39, line 15, strike out all after "Act," down to and including "management" in line 17 and insert "$3,563,063,000: *Provided*, That of the amounts appropriated, $21,470,000 shall be available for carrying out the Family Violence Prevention and Services Act of 1988: *Provided further*, That of the funds made available under the heading for carrying out the Older Americans Act of 1965, $25,000,000 shall not become available for obligation until February 1, 1992".

Senate amendment No. 112: Page 46, line 22, strike out "$7,042,750,000" and insert "$6,256,202,000".

Senate amendment No. 124: Page 47, line 26, after "2" insert ", $1,952,000, to remain available until expended, shall be for payments for decreases in Federal activities under section 3(e)".

Senate amendment No. 135: Page 50, line 11, after "gram" insert ", not less than $55,000,000 of these funds shall be transferred to the Community Health Centers program, and not less than $20,000,000 shall be transferred to the Comprehensive Child Development Centers".

Senate amendment No. 151: Page 52, line 10, strike out "of which".

Senate amendment No. 158: Page 53, line 6, strike out "$6,853,000,000" and insert "$6,900,356,000".

Senate amendment No. 164: Page 55, line 8, strike out "$821,438,000" and insert "$810,557,000".

Senate amendment No. 188: Page 58, line 12, after "education;" insert "$18,404,000 shall be for star schools (of which $1,000,000 shall become available for obligation on September 30, 1992) and, of which $4,000,000 shall be to establish a demonstration of a statewide, two-way interactive fiber optic telecommunications network, carrying voice, video, and data transmissions, and housing a point of presence in every county;".

Senate amendment No. 219: Page 74, after line 10, insert:

SEC. 513. Notwithstanding any other provision of this Act, funds appropriated for salaries and expenses are hereby reduced by 1 per centum.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I move that the House recede from its disagreement to the amendments of the Senate numbered 38, 49, 52, 68, 90, 93, 96, 112, 124, 135, 151, 158, 164, 188, and 219 and concur therein with the amendments as printed in the joint statement of the managers.

The SPEAKER pro tempore. The Clerk will report the motion.

Mr. NATCHER moves that the House recede from its disagreement to the amendments of the Senate numbered 38, 49, 52, 68, 90, 93, 96, 112, 124, 135, 151, 158, 164, 188, and 219 and concur therein with amendments.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 234, noes 188, not voting 11, as follows:

[Roll No. 383]

AYES—234

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Boxer
Brewster
Brooks
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Cox (IL)
Coyne
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goodling
Gordon
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Jacobs
Jefferson
Jenkins
Johnson (SD)
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennelly
Kildee
Kleczka
Kolter
Kopetski
LaFalce
Lantos
LaRocco
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Livingston
Lowey (NY)
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Obey
Olver
Ortiz
Owens (NY)
Owens (UT)
Pastor
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Poshard
Price
Quillen
Rahall
Rangel
Richardson
Rinaldo
Roe
Rogers
Rose
Roybal
Sabo
Sanders
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Sikorski
Skaggs
Skeen
Slaughter (NY)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Tallon
Tanner
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOES—188

Allard
Archer
Armey
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Browder
Bunning
Burton
Callahan
Camp
Campbell (CA)
Carper
Chandler
Clinger
Coble
Coleman (MO)
Combest
Condit
Cooper
Costello
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Edwards (OK)
English
Erdreich
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Geren
Gillmor
Gingrich
Glickman
Goss
Gradison
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hoagland
Hobson
Holloway
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Johnston
Kasich
Kennedy
Klug
Kolbe
Kostmayer
Kyl
Lagomarsino
Lancaster
Laughlin
Leach
Lewis (FL)
Lightfoot
Lipinski
Lloyd
Long
Lowery (CA)
Luken
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Montgomery
Moody
Moorhead
Neal (NC)
Nichols
Nussle
Olin
Orton
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (VA)
Penny
Petri
Pickle
Porter
Pursell
Ramstad
Ravenel
Ray
Reed
Regula
Rhodes
Ridge
Riggs
Ritter
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland
Russo
Santorum
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skelton
Slattery
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Swett
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Walker
Weber
Weldon
Wolf
Wylie
Zeliff
Zimmer

NOT VOTING—11

Boucher
Fish
Frost
Hayes (LA)
Hopkins
Martinez
Oberstar
Rostenkowski
Sangmeister
Slaughter (VA)
Smith (FL)

□ 1739

Mrs. LLOYD changed her vote from "aye" to "no."

Mrs. BYRON, Ms. SNOWE, and Messrs. JOHNSON of South Dakota, BORSKI, and VOLKMER changed their vote from "no" to "aye."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MAZZOLI). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 41: Page 22, strike out all after line 16 down to and including "1992" in line 19 and insert "$2,010,230,000, of which $184,647,000 shall not be available for obligation until September 30, 1992, but shall be available until September 30, 1993".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert "$1,989,278,000: *Provided*, That of the funds made available under this heading, $223,446,000 shall not become available for obligation until September 30, 1992: *Provided further*, That the Director of the National Institutes of Health, within thirty days of enactment of this Act, may transfer such portion of $160,000,000 which becomes available on September 30, 1992 as she deems appropriate to other Institutes for research directly related to the prevention, treatment or cure of cancer".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

□ 1740

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MAZZOLI). The gentleman will state his parliamentary inquiry.

Mr. OBEY. Mr. Speaker, it is my understanding that, if the chairman of the subcommittee, the gentleman from Kentucky [Mr. NATCHER], and the ranking member, the gentleman from Michigan [Mr. PURSELL], are both in support of this motion, as a Member who is opposed to it, I would be entitled to a portion of the time.

The SPEAKER pro tempore. The gentleman from Wisconsin is correct.

Does the gentleman seek recognition?

Mr. OBEY. Yes, I do, Mr. Speaker.

The SPEAKER pro tempore. Is the gentleman from Michigan opposed to the motion?

Mr. PURSELL. Mr. Speaker, I will oppose it, but I will give the gentleman from Wisconsin time.

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. NATCHER] is recognized for 30 minutes.

Mr. NATCHER. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I am rising in opposition to this motion, and I hope people understand there is absolutely nothing political or partisan in this debate. We have had a lot of those arguments today, but this debate is different. it is very much on substance.

Mr. Speaker, I think the committee has made a big mistake in the way it is funding NIH research, and I want to explain what I mean. it is going to take a little time.

The conference report accepted the amendment from the Senate which earmarked $160 million of the funding provided to NIH on a delayed basis, but it targets that only to cancer. I want to explain that I think that this is a very bad idea, not only for persons who are afflicted with diseases other than cancer, but also I think it is a bad idea for anyone concerned about our ability to make progress on cancer research.

Mr. Speaker, I want to start by saying to those in this Congress who are concerned about and who are supportive of what the committee did with respect to encouraging support for breast cancer and other cancers like that, that this issue has nothing whatsoever to do with that argument. This is a very different issue. Basically, what we are dealing with is this:

Back in the early 1970's, very bluntly, we had a competition. We had a bidding war between then-President Richard Nixon and Senator KENNEDY to demonstrate who was most against cancer politically. So, we had very large amounts of additional money that went into the Cancer Institute. There was a 400-percent increase in the Cancer Institute over the 1970's. The problem with that is this:

Yes, we needed more money in cancer research, but, as we focused only on that institute, we starved a good many of the other institutes at NIH, and very specifically we starved the General Medical Science Institute at NIH. If my colleagues understand medical research, they will understand that research is serendipitous and in fact many of the most important discoveries that enable us to fight cancer today originated at an institute other than the Cancer Institute. A number of them originated at general medical sciences, which devotes almost all its budget to basic medical research, which is the basic building block upon which all other institutes eventually build.

So, Mr. Speaker, we had almost a disease-of-the-month-club approach to funding NIH in those days. We had lobby groups come in here pushing for cancer research, for Alzheimer's disease, for Huntington's disease, for Lou Gehrig's disease. You name it. This committee decided that that was bad for medical research. It was going to hinder our ability to make progress on all diseases.

So, for the last 10 years, with a couple of rare exceptions, we have followed the principle that we would allocate dollars to NIH on the basis of where science led us, not on the basis of where politics led us.

So, what we did is we followed an approach which enabled each institute to fund roughly the same percentage of the best science that researchers wanted to do, fund it out of their institutes.

This year, because of the action of the other body, and because of our failure to stop that in conference, we now, I think, have slipped back into the old habits, and we have this $160 million which is targeted only at cancer.

I was willing to accept that if it was broadened enough so that some of that money could be used by the director of NIH for other life-threatening diseases, but I did not win the argument. In fact, I was the only vote for my position, and I do not expect to win anything here tonight. But I think my colleagues have a right to know why I think this is bad business because we are going to be debating this issue again.

Mr. Speaker, there are a number of reasons why I think it is bad business. First of all, it will very much squeeze our ability to fund other institutes. We already have the genome research project, which is going to take $105 million this year, which is going to squeeze down our ability to fund other institutes, and next year what will happen is what every lobby group concerned about heart disease, concerned about Parkinson's disease, concerned about Lou Gehrig's disease, and all the rest, they will come in here and say, "Hey, we want you to do for us what you did for cancer last year," and we are going to have immense pressure to politicize the entire research operation at NIH, and that is bad business because we ought to be allocating those dollars on the basis of where the best scientific opportunity is, not on the basis of where the biggest squeeze comes from, the lobbies around town.

The other problem we have with this approach is that we will twist what researchers try to do. There will be a tremendous pressure on researchers who want to get dollars for their research grants to find some way to claim that they have a cancer angle in their research, and that means we are going to have all kinds of researchers in the country going through pretzel twists in order to justify what they are doing. I think that is bad business, and it just seems to me that we ought not do this.

Now, if the Cancer Institute had been hurt over the last 5 years more than other institutes, I would say maybe we ought to make an exception. But the fact is that from 1988 through this year the Cancer Institute's budget went up by 35 percent. Meanwhile heart-lung-blood went up 24 percent. Almost twice as many people die of those diseases as die of cancer, and the research funding for the Institute of Neurological Disorders and Stroke went up by a minuscule 9 percent. So, I do not think that we are helping the institute that has been hurt the most.

Secondly, what we are doing is creating a very anomalous situation. Right now what NIH does is they take all of the research grants that come in, and then they toss out the research which is least justifiable, and then they try to fund as much as they can of the remaining approved scientific research that has come in through the grant process. If this amendment is approved tonight, and all the money were to go for competitive grants, we would be funding 48 percent of that research at NCI, but we will be funding only half that research at heart-lung-blood. We will only be funding 22 percent at the Institutes for Deafness and Communicative Disorders, assuming the same percentile as last year's. We will have created a very warped research pattern.

□ 1750

We will have created a very warped research pattern, and I think we will have done a disservice to all science in the process. I know that some people outside this room will walk away and say, "My God, look at OBEY. He is against cancer research."

That is absolute nonsense. I have fought for cancer research for almost the entire 20 years I have been a member of this committee, given my own life history, I suspect that is the disease that is going to get me, because when I was younger, I used to work with asbestos and I smoked at the same time, and I know what the odds are of avoiding cancer once you have done both of those things simultaneously.

So I do not do this because I have any objection to progress in cancer research. Obviously I do not. But I think the best way to achieve progress in cancer research, in heart disease, in neurology problems, in all of these things, is to give the most flexibility possible to NIH to allocate those dollars, and when we start saying that this pot of money is only going to be able to be available without exception to this disease or that disease, we invite research based on the desire of lobby groups, not research based on the best judgments of the best scientists in the country in terms of where our best research opportunities lie.

So that is why I am opposing this amendment. I very much regret doing this. I love this subcommittee and I respect its work, but my conscience will not let me support the committee in this instance, and I think I need to keep my conscience more than the committee needs to keep my vote. That is why I oppose this amendment as I am opposing it here this evening.

Mr. PURSELL. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Speaker, I would like to congratulate the gentleman from Wisconsin [Mr. OBEY]. He has been extremely challenging in the committee to keep our discipline and our position fair and properly balanced within the various NIH institutes.

This spring we are going to see that Dr. Healy proposes to us in Congress strategic plans for each of the institutes. I think that although we will have an opportunity to review and to go back and rethink it, as the gentleman from Wisconsin [Mr. OBEY] pointed out tonight, that we should not be looking at powerful lobbies for individual institutes but rather we should look at the professional decisions that are made for good public policy and good results.

So I concur in the gentleman's concern and the concern in the Senate after that point was made in conference. He has made an excellent point, one that we ought to think about very seriously, and we will have a chance to address that issue come spring in our hearings.

Mr. Speaker, again I want to thank the gentleman from Wisconsin [Mr. OBEY].

Mr. NATCHER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the distinguished gentleman from Kentucky, the chairman of the committee, for yielding time, and I am sorry that I must take the floor to oppose the gentleman from Wisconsin [Mr. OBEY], whom I consider a friend.

Mr. OBEY. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. Yes, I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I tried to make the point that the earmarking I am concerned about has nothing whatsoever to do with the other provision in this amendment that I know the gentlewoman is supporting. They are very different issues.

Mrs. SCHROEDER. Mr. Speaker, let me say to the gentleman from Wisconsin that I feel like we were the skunk at the garden party, because the Congresswomen have been after the gentleman from Kentucky and many others to put more specific things in the bill. The gentleman from Kentucky made the same eloquent arguments that the gentleman from Wisconsin made, that he did not want to interfere and he did not want to micromanage, but the thing we were saying over and over again was that we found defined as good science and good research never had any women in it, that the norm turned out to be a 190-pound male, and that women were left out of everything.

What we wanted to do was this: We wanted specific earmarks, and we did not get specific earmarks. This was a compromise the gentleman from Kentucky tried to work out to accommodate some of the leverage we were trying to get as we moved to close the gap between where we are and where we want to be in the next 10 years. I think that that is what he was trying to do.

So I felt guilty as I listened to the gentleman from Wisconsin talking. So that is the problem we have. The White House accused us of micromanaging, and everybody else did, too, but let me just tell the gentleman that we tried to do this with the legislation in the mid-1950's. The Congresswomen went to NIH and tried to increase some of the focuses on different diseases and different things. They promised it was going to happen, and then it did not happen. That is why we have gotten much more issue-specific, because it does not turn out to be good science but male science.

Mr. OBEY. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I am delighted to yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I know that the gentlewoman is interested, for instance, in the ability of the Heart-Lung Institute to do research on coronary diseases, which is relevant to women's problems. The problem is that the earmarking that is done for NCI on this will get in the way of the Heart-Lung-Blood Institute's ability to do that, and I do not think she wants to do that.

Mrs. SCHROEDER. Mr. Speaker, I think one of the things that is very important to point out to the gentleman is that the very critical research the gentleman from Kentucky and the committee did fund is cutting through all those institutes. It is the big megastudy that will go on for 10 years. It will be the Blood-Lung Institute. It will be everything filling in the gaps and putting women into the research that they have been left out of for the last 10 years. It is going to be one of the biggest things around.

They initially funded it for $25 million, but that makes it a little unique from what NIH normally does. We are just saying that we want to play catch-up ball. So in a way the figures are not quite what the gentleman thinks they are if he looks at the other pieces the gentleman from Kentucky has put in for women.

Mr. Speaker, I thank the gentleman for his contribution.

Mr. NATCHER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I had not intended to comment on the remarks of my friend, the gentleman from Wisconsin [Mr. OBEY], but let me tell the Members what I think the real problem is. The problem is that we are giving $34 billion in research for the Defense Department on new creative ways to have destruction, and we have $8.5 billion for trying to find cures for diseases.

I think the American people are saying, "Listen, it's about time we find cures for diseases in this country," which would, by the way, reduce the cost of health care dramatically.

So I am for taking money out of the military so we do not have this conflict within the discussion here and give us $4 billion. They will still have $30 billion in the military. Then we could add that to the NIH budget, and believe me, it would go a long way toward finding cures for diseases.

Mr. Speaker, I wanted to engage in a colloquy with the chairman of the subcommittee. I have been testifying before the gentleman's committee, and we asked for $50 million for new funds for breast cancer research. We did that because it is so underfunded now. As I understand it, the total funds provided in the bill for the National Cancer Institute exceed the level at which the NCI Director assured us it provided at least $42 million over the 1991 level for breast cancer research; is that the gentleman's understanding?

Mr. NATCHER. Mr. Speaker, if the gentlewoman will yield, the gentlewoman is correct. This is the amount estimated by the National Cancer Institute. At the time I want to thank the gentlewoman from Ohio for her assistance and support not only in the program pertaining to breast cancer, cervical cancer, and screening, but everything in this bill. Ever since the gentlewoman has been a Member of the Congress, she has walked right down that road with us in all matters pertaining to health and the education of our people, and we appreciate it.

Ms. OAKAR. Mr. Speaker, I thank the gentleman. He is very kind, and I certainly owe the gentleman tremendous respect.

Mr. Speaker, the bill, as I understand it, also provides a 67-percent increase, which is $8 million, so that with the efforts of the gentlewoman from Hawaii [Mrs. MINK] and others, we have funds for ovarian cancer, a 37-percent increase, or $8.6 million in funds for cervical cancer, a 100-percent increase for prostate cancer, because that is a disease that afflicts a lot of men; is that correct, I ask the chairman of the subcommittee?

Mr. NATCHER. Mr. Speaker, the gentlewoman is correct. These are the estimates of the National Cancer Institute.

□ 1800

The bill also funds the comprehensive women's study at $25 million, and fully funds the CDC Medicaid breast and cervical cancer screening initiative at $50 million.

Mr. Speaker, I am convinced that this is a victory for the families of this Nation, and that the gentleman from Kentucky [Mr. NATCHER] is a man of his word. And lest anybody wonder why women want diseases targeted and line itemed, and I know that goes against the grain of some Members, I want to say that I think if you just take breast cancer, and you could name just about any of the diseases, but breast cancer is an epidemic. We do not have a Breast Cancer Institute; we have an AIDS Institute that is funded at about $1.7 billion.

I support that. But since 1980, 100,000 Americans have died of AIDS. Since 1980, 400,000 women have died of breast cancer. Now, if that is not an epidemic, I do not know what is. So here we try to get a few more dollars in that are targeted for these diseases, and we are told by some that we ought to let NIH decide.

Baloney. Even though I respect tremendously Dr. Bernardine Healy, who has been turning things around since she took over about a year ago, the first woman in its history, I have to tell you that there is a dramatic need in this country to focus in on what we are doing to cure diseases.

In 1987, only 13.7 percent of the funds were spent on research related to women's health. So if you do not think that there is a need to go ahead and target some of these diseases, in a small way, by way of comparison, then I do not know what else we should do.

But I do want to thank the gentleman from Maryland [Mr. HOYER], the gentleman from Ohio [Mr. STOKES], my chairman, the gentleman from California [Mr. ROYBAL], Senator BROCK ADAMS, and Senator HARKIN.

Mr. NATCHER. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. EARLY].

Mr. EARLY. Mr. Speaker, I thank the chairman for yielding time.

Mr. Speaker, I stand in strong support of the motion offered by the gentleman from Kentucky [Mr. NATCHER]. I disagree with the comments of the gentleman from Wisconsin [Mr. OBEY] and the comments of the gentleman from Michigan [Mr. PURSELL].

Since 1981, in constant dollars the National Institutes of Health as a whole has grown 27 percent, while at the same time the National Cancer Institute has decreased 6.2 percent. Since 1980, in constant dollars, the Cancer Center's budget had decreased 14 percent, clinical cooperative groups have decreased 32.4 percent, cancer prevention and control has decreased 32.9 percent, and cancer contracts for research and development have decreased 47.9 percent. The $160,000,000 increase in this appropriations bill will only bring the National Cancer Institute back to the 1980 level of funding in constant dollars.

Currently, one person dies every 62 seconds in this country of cancer. However, as a result of the National Cancer Act which was passed 20 years ago, the cancer survival rate has increased from 39 percent to 52 percent resulting in over 7 million cancer survivors today during those two decades. Also as a result of the Cancer Act, death rates for persons under age 65 from colon/rectal cancer have decreased by 15 percent; bladder cancer by 25 percent; and cervical cancer by 40 percent. Though death rates from childhood cancers have decreased 36 percent, cancer still remains the leading cause of death by disease in children under 15.

Mr. PURCELL. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I would like to address some of the comments that the gentlewoman from Ohio [Ms. OAKAR] has made. I commend the gentlewoman for her work with breast cancer and in the medical field, but I do take exception with the people that want to keep cutting defense, cutting defense, cutting defense.

Mr. Speaker, we are cutting defense by 25 percent. I would like to remind Members that the men and women that came back from Desert Storm came back alive. There is even a more critical disease called a bullet that we want to keep from happening in the future.

Mr. Speaker, if our oil supplies had been shut off, thousands of people that we want to see safe would be freezing this winter. The defense is being cut so much. The other side of the aisle is lambasting the President on unemployment. Hundreds of thousands of jobs have been cut and lost because of some of the cuts in defense. That in itself has people unemployed, no health insurance coming forward. They are not paying taxes, they are drawing unemployment.

Mr. Speaker, we have all this concern about people. Quit firing people and quit cutting the defense of this country.

Mr. Speaker, I would say to the gentlewoman from Ohio [Ms. OAKAR] that it is also important to know that a lot of those defense dollars went toward space research, toward some of the medical facilities and the very things the gentlewoman is talking about.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I am happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, let me just say that I was talking specifically about research dollars, which, by the way, has completely turned around. In 1980, we spent about 80 percent of our research dollars, and remember, 90 percent of all research dollars are Government-sponsored. But we spent 80 percent of that on health and education, how to find cures for disease. Twenty percent went for the Pentagon.

Today it is just the reverse. We spent $34 billion on the Pentagon, and $8.5 billion on research.

Mr. Speaker, let me just say that all Americans, including myself, were astounded at the great ability of the Patriot missile. But that missile is 1970's technology. We are way ahead of the eight ball in terms of finding creative ways to find more creative weapons.

Mr. Speaker, I would like to add one last thing. I was a sponsor, along with the gentleman from Massachusetts [Mr. MAVROULES] and others on the economic conversion bill; $200 million is not enough to convert defense jobs to civilian jobs.

Mr. Speaker, I think that is what we ought to be doing, have more conversion so that we do not have any jobs relative to decreasing the defense budget.

Mr. CUNNINGHAM. Mr. Speaker, reclaiming my time, I agree with the gentlewoman. We should do some of those conversions. But we cannot do it overnight. We are cutting defense by 25 percent. We must have time to carry over those conversions.

Mr. Speaker, we have a bill coming up to take out $1 billion and give it to the Soviet Union in aid. To me that is ridiculous. In the first place, I would not give any money.

As for the men and women in our armed services, I flew in a squadron that did not have the necessary parts, did not have the technology. The Patriot missile, that shows, yes, if we have missiles coming into this country one day, I want beyond 1970 technology defending your children and mine.

Mr. NATCHER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Speaker, I would like to take my few minutes here to extend my deepest appreciation to the chairman of the Subcommittee on Labor-Health and Human Services-Education of the Committee on Appropriations, the gentleman from Kentucky [Mr. NATCHER].

Mr. Speaker, certainly from the moment that I came to Congress this year, bringing an idea with respect to additional research funds for early detection of ovarian cancer, he gave me all the support that I could have possibly expected from this committee. The gentleman encouraged me to bring the matter before the subcommittee and testify and bring witnesses and demonstrate the tremendous need in this area.

Mr. Speaker, I have an absolute admiration for the gentlewoman from Ohio [Ms. OAKAR], who has single-handedly raised the level of perception of this country and understanding of this Congress on the tremendous neglect that women's health issues have had over the decades. She has made possible the additional moneys that we are now putting into such vital areas as breast cancer.

Mr. Speaker, in the area of ovarian cancer, the problem is much more difficult. It is not a case of looking through research to find a cure. What we have to do here is to find an early detection test.

The women who have been found afflicted with ovarian cancer generally are found in the terminal stages. They have no chance of recovery. They are dying young, in the late thirties and early forties, some few perhaps in the sixties.

Mr. Speaker, this is an affliction which brings tremendous tragedy to families all across the country. There are 28,000 new cases every year, of which 12,000 from past cases die. It is a silent killer because no one has been able to make a test that could determine whether a woman actually is afflicted with this disease.

So I am hoping through the generosity of this committee, with the additional $8.5 million that has been earmarked of this money to the Cancer Institute, that there will be aggressive efforts made to help this country find a test so that these thousands of women can go in to their doctors and to their clinics and be assured that, once found in the early stages, they have a chance to survive.

Mr. Speaker, there are countless victims in my own community who raised this issue to me, and I could not believe the statistics that I found at the Cancer Institute at NIH, that there was no basic research being done. This is a distinct place for the Government to have a role.

Mr. Speaker, I am so pleased that this committee has seen fit to increase the money.

Mr. Speaker, I say to our chairman, the gentleman from Kentucky [Mr. NATCHER], I assure you, as happy as I am here today in acknowledging the work of this subcommittee, I will be back next year asking for additional funds, because I know that the funds that we are appropriating this year will bring us that much closer to accomplishing the necessary task and saving the lives of these thousands of women. I thank you very much.

☐ 1810

Mr. NATCHER. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Mr. Speaker, I would like to ask the distinguished chairman of the Subcommittee on Labor, Health and Human Services, Education of the Committee on Appropriations, who is my chairman on that subcommittee and who has done an extraordinary job on behalf of education and health in putting together this remarkable bill, I would like to ask the gentleman a question regarding congressional intent with respect to the use of funds appropriated in this legislation to the Department of Labor for use with respect to the targeted job tax credit [TJTC].

Mr. Chairman, TJTC is a program jointly administered by the Department of Labor and the Internal Revenue Service. The Department of Labor's role is to coordinate the processing by the State jobs services of TJTC claims filed by employers, while IRS' role relates to ensuring that the technical TJTC requirements in the Tax Code are followed. This legislation appropriates approximately $20 million to DOL for distribution to the State job services for processing TJTC claims.

Unfortunately at this time the enactment of an extension of TJTC in the Tax Code beyond its December 31, 1991 expiration date in this session of Congress is in doubt, leaving the possibility that TJTC will have to wait until early in the next session for further extension. As a firm believer in TJTC, I deeply regret we may be unable to extend the credit in a timely fashion this year.

Mr. Chairman, it is expected that employers will continue to file numerous TJTC claims with the State jobs services through December 31, 1991, the date when the current credit expires. These claims, even absent an extension of TJTC in this session, are valid and must be processed. I am concerned, however, that absent an extension, the State jobs services will terminate TJTC operations after December 31, and might be tempted to use their TJTC appropriations for other purposes, causing a potentially costly and inefficient pile-up of unprocessed claims to exist when TJTC is extended next year.

I wish to ask the chairman whether it is his understanding that the TJTC funds which are appropriated in this bill are to be used exclusively for the purpose of processing those TJTC claims and that because funds are being appropriated for that purpose, the State job services should remain in operation as long as it is necessary to process TJTC claims filed through December 31, 1991.

Mr. NATCHER. Mr. Speaker, will the gentleman yield?

Mr. MRAZEK. I yield to the gentleman from Kentucky.

Mr. NATCHER. Mr. Speaker, I would like to say to my distinguished colleague that he is correct in his understanding, and I call upon the Secretary of Labor to instruct the State job services to stay open after December 31, 1991, to process targeting jobs tax credit claims using the funds which we are appropriating for that purpose.

I want to thank the distinguished gentleman for the colloquy that we have just had. I want him to know that he is one of the good members of our committee and one of the good Members of the House.

Mr. Speaker, I yield 1 minute to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Speaker, I commend his committee for providing $10.3 million in the bill for the NIH Office for Women's Health Research. This Office will be charged with overseeing clinical trials and monitoring the status of women researchers. I commend my friend and esteemed colleague, Congresswoman MARY ROSE OAKAR, for her leadership on this important issue. She has worked long and hard to see that women's health research is funded, and her efforts have come to fruition in this bill. She has done all the women of America a great service.

Twenty-five million dollars will facilitate the women's health initiative, a long-term study on women's health proposed by the Director of the NIH. In addition, funding is included for the establishment of a comprehensive gynecological and obstetrical research program at the National Institute of Child Health and Human Development.

This is very critical research which is desperately needed. Women in our Nation feel disenfranchised by our medical system. And no wonder, considering the past policy of our standard in medical research. The result of this shortsighted policy has been serious, substandard health treatment and diagnosis for women.

Diagnosis and treatment for women lags far behind those for men, and the result has been human tragedy. Breast cancer alone is an epidemic in this country, and we need to get serious now if we are to prevent the needless suffering and death of more women from this disease. The day has come for women's health care to be given equal weight.

The establishment of an office at NIH for women's health research is a milestone in the quest to find cures and treatments for diseases such as breast, cervical, and ovarian cancer. By passing this legislation, we send a strong signal that women's health care is important to all of us.

Mr. NATCHER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCDERMOTT). The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 42: Page 22, line 19, after "1992" insert ": *Provided further*, That within the funds provided under this heading the Institute shall establish a Matsunaga-Conte Prostate Cancer Research Center".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 64: Page 28, line 5, after "only" insert ": *Provided*, That $10,000,000 of this amount shall be available for extramural facilities construction grants if awarded competitively".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That $7,500,000 of this amount shall be available for extramural facilities construction grants if awarded competitively".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 65: Page 28, line 5, after "only" insert ": *Provided further*, That the Director may direct up to 1 percent of the total amount made available in this Act to all National Institutes of Health appropriations to high-priority activities the Director may so designate: *Provided further*, That no such appropriation shall be increased or decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 65 and concur therein with an amendment as follows: In lieu of the term "high-priority" named in said amendment, insert "emergency".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 66: Page 28, line 8, after "Health," insert "including the acquisition of real property".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 66 and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 71: Page 28, line 25, after "XVII," insert "XX,".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 71 and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 73: Page 29, line 21, strike out "$95,756,000" and insert "$69,283,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 73 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$101,870,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 79: Page 32, line 5, after "achieved" insert ": *Provided further*, That the Secretary shall make a determination prior to October 31, 1991, and thereafter prior to the first day of each quarter of the fiscal year, about the extent to which such contingency funds may be necessary to be expended and that the distribution of such funds shall be made on the same basis as funds otherwise provided in this account".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 79 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That the use of the term "unanticipated costs" in the foregoing proviso refers only to costs associated with unanticipated workloads: *Provided further*, That the Secretary shall make a recommendation upon enactment of this Act and thereafter prior to the first day of each following quarter of the fiscal year, about the extent to which contingency funds may be necessary to be expended".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. NATCHER] is recognized for 30 minutes.

Mr. NATCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. EARLY].

Mr. EARLY. Mr. Speaker, the language in our committee report which pertains to the Worcester City Hospital is of critical importance to the city of Worcester. As the committee is aware, litigation is pending to recover damages which were caused when HCFA's fiscal intermediary, Blue Cross/Blue Shield, made duplicate payments to City Hospital for more than 20 months during fiscal years 1988, 1989, and 1990. It is my understanding that the clear intent of our report language is to instruct HCFA that no funds from this appropriations bill are to be used to collect this overpayment from the city of Worcester until the litigation is complete and the responsible parties have been identified and held accountable through court action. Is that correct?

Mr. NATCHER. Mr. Speaker, if the gentleman will yield, his interpretation of the committee report's language is absolutely correct.

Our committee recognizes the severe financial crisis which would be caused if HCFA presses the city of Worcester to repay the duplicate payments at the present time. The language inserted directs HCFA and its fiscal intermediary to suspend all activity regarding the collection of overpayments until the pending litigation is resolved. We believe strongly that it is appropriate to defer payment until the matter is resolved by the judicial system, and the intent of the committee is set forth in the report language.

Mr. EARLY. Thank you for elaborating on the committee's clear mandate to HCFA and its fiscal intermediary. May I raise one other issue regarding HCFA's actions in this matter. Unfortunately, the consequences of HCFA's aggressive actions to date have been drastic. The agency's demands for repayment, widely publicized in the press, have struck devastating blows to the stability of City Hospital as an acute-care facility. Cash flow to support operating expenses has been greatly destabilized by HCFA's withholding of current Medicare payments to which the hospital is fully entitled. In some cases, HCFA has used the payments as offset to the alleged debt. More recently, the regional office of HCFA has ordered a total freeze on all Medicare funds to City Hospital. Due to the hospital's inability to obtain full Medicare payments currently due, Worcester City Hospital ceased operating as an acute-care facility in September 1991.

Our committee report language addresses payment activity during the duplicate payment period only, the period from December 1987 through September 1989. Am I correct in asserting that all Medicare-related payments to which the hospital is entitled, since September 1989, should be flowing freely and on a timely schedule—with no freezes and no arbitrary withholding of payments on HCFA's part? City Hospital must have a cash-flow base on which they may depend, even as the hospital is undergoing a conversion to a subacute facility. Is it the committee's intent that all current Medicare payments to which the hospital is entitled, and to which it would have been entitled in the absence of the duplicate payment dispute, should be released immediately?

Mr. NATCHER. If the gentleman will continue to yield, that is precisely the committee's intent. The on-hold status which HCFA is to institute by direction of the committee pertains only to the duplicate payment issue. All other Medicare funds to which Worcester City Hospital is entitled should be released without delay. Our committee is deeply concerned about the damage which has already been sustained by City Hospital as an acute-care facility, and we recognize that a stable cash flow is essential to the continual delivery of services at this facility.

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Mr. PURSELL. Mr. Speaker, will the gentleman yield?

Mr. EARLY. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Speaker, we concur with Chairman NATCHER in confirming that this is the committee's intent, that HCFA should suspend all activity related to the recovery of all overpayments made in Worcester City Hospital until the pending litigation is resolved.

We also believe that all Medicare payments to which the city hospital is entitled should be released immediately.

Mr. EARLY. I want to thank both the ranking member and the chairman very much.

Mr. NATCHER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 87: Page 36, line 7, strike out "$1,000,000,000" and insert "$1,300,000,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$1,500,000,000, of which $80,000,000 is hereby designated by Congress to be an emergency requirement pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, and".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 94: Page 38, line 2, strike out "$25,000,000" and insert "$13,000,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 94 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "no funds are provided for fiscal year 1992".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 95: Page 38, line 12, strike out all after "100-485," down to and including "Act" in line 15 and insert "$89,828,000, together with amounts to be transferred from the account 'Family Support Payments to States' equal to the reduction in payments from that account because of the costs incurred by the Secretary of Health and Human Services in reviewing sample cases for quality control purposes as required by section 408(b)(1)(B) of the Social Security Act, and because of the offsets applied for fees owed by the States for their use of the Federal Parent Locator Service authorized under section 453 of the Act".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 95 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert "$92,500,000, together with such sums as may be collected, which shall be credited to this account as offsetting collections, from fees authorized under section 453 of the Social Security Act".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 99: Page 39, line 17, after "management" insert ": *Provided further*, That of the amounts provided under this heading $3,400,000, to remain available until expended, shall be for the White House Conference on Aging".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 99 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That of the amounts provided under this heading $2,000,000 shall be for the White House Conference of Aging, which shall only become available for obligation upon enactment into law of authorizing legislation and shall remain available until expended".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 108: Page 46, after line 13, insert:

SEC. 215. During the twelve-month period beginning October 1, 1991, none of the funds made available under this Act may be used to impose any reductions in payment, or to seek repayment from or to withhold any payment to any State under part B or part E of title IV of the Social Security Act, by reason of a determination made in connection with any review of State compliance with the foster care protections of section 427 of such Act for any Federal fiscal year preceding fiscal year 1992.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 108 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 109: Page 46, after line 13, insert:

SEC. 216. Section 499A(c)(1)(C) of the Public Health Service Act (42 U.S.C. 289i(c)(1)(C)) is amended—

(1) by striking out "9" in the matter preceding clause (i) and inserting in lieu thereof "11"; and

(2) by striking out "3" in clause (iii) and inserting in lieu thereof "5".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 109 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 122: Page 47, line 22, strike out "$764,756,000" and insert "$769,708,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 122 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$771,708,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 126: Page 48, line 25, after "1991" insert ", except that any percentage increase or decrease in the cost of an equivalent level of education described in section 3(d)(2)(B)(i) shall be multiplied by two in making such determinations under section 3(d)(2)(B)".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 126 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That none of the previous provisos related to revisions in the use of prior year data in determining payment amounts provided for under this account or related to preliminary payments shall be effective for fiscal year 1992 and preliminary payments shall be authorized on the same basis as provided for prior to the enactment of P.L. 102-103".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 130: Page 49, line 10, strike out "$1,238,709,000" and insert "$1,249,117,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 130 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$1,236,963,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 132: Page 49, line 14, after "I," insert "$3,800,000 shall be for civic education programs under section 4609, $1,162,000 shall be for programs for Native Hawaiians under section 5134, $30,304,000 shall be for emergency grants under section 5136,".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 132 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert "$3,800,000 shall be for civic education programs under section 4609, $30,304,000 shall be for emergency grants under section 5136,".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 133: Page 49, line 24, after "Act," insert "section 330 of the Public Health Service Act (Community Health Centers), and section 670T of the Comprehensive Child Development Act,"

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from the disagreement to the amendment of the Senate numbered 133 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert "sections 329 and 330 of the Public Health Service Act (Migrant and Community Health Centers), and section 670T of the Comprehensive Child Development Act.".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman for Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 140: Page 51, line 7, strike out "$1,998,501,000" and insert "$2,071,158,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate Numbered 140 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$2,077,158,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 141: Page 51, line 7, strike out "$18,368,000" and insert "$25,103,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 141 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$31,103,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 142: Page 51, line 9, after "(c)" insert ", including $6,000,000, to remain available until expended, for a continuation of a grant, begun in fiscal year 1986 under this section, to a hearing research center to support basic and applied research activities".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 142 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ", including $6,000,000, to remain available until expended, for a grant to a hearing research center to support applied and basic research activities, which shall be awarded competitively, and $6,000,000 for grants to establish regional comprehensive head injury prevention and rehabilitation centers, which shall be awarded competitively".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 143: Page 51, line 9, after "(c)" insert ": *Provided*, That, until October 1, 1992, the funds appropriated to carry out section 711 of the Rehabilitation Act of 1973 (29 U.S.C. 796e) shall be used to support persons currently receiving grants under the section".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 143 and concur therein with an amendment, as follows: In lieu of the word "persons" named in said amendment, insert "entities".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 150: Page 52, line 10, after "education" insert ", $2,500,000 shall become available on October 1, 1991, for tribally controlled postsecondary vocational institutions under title III, part H,".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 150 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 156: Page 53, line 2, after "384" insert ", and $10,000,000 shall be for State Literacy Resource Centers under the National Literacy Act of 1991".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 156 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert "$5,000,000 shall be for State Literacy Resource Centers under the National Literacy Act of 1991, and $5,000,000 shall be for prison literacy activities as authorized under section 601 of the National Literacy Act of 1991, as amended by Public Law 102-103.".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 161: Page 54, strike out lines 14 to 25 and insert:

For the costs of guaranteed loans, including administrative costs other than Federal administrative costs, as authorized by title IV, part B, of the Higher Education Act, as amended, such sums as may be necessary to carry out the purposes of the program: *Provided*, That such costs, including costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended. In addition, for administrative expenses to carry out the guaranteed loan program, $40,000,000.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 161 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert:

(INCLUDING TRANSFER OF FUNDS)

For the costs of guaranteed loans, including administrative costs other than Federal administrative costs, as authorized by title IV, part B, of the Higher Education Act, as amended, such sums as may be necessary to carry out the purposes of the program: *Provided*, That such costs, including costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended. In addition, for administrative expenses to carry out the guaranteed loan program, $45,000,000. In addition to amounts appropriated in this Act for liquidation of contract authority in the "Guaranteed Student Loans (Liquidation)" account, there is also provided for payment of obligations incurred under contract authority entered into pursuant to title IV, part B, of the Higher Education Act, as amended, $1,114,748,000 which shall be transferred to the Guaranteed Student Loans (Liquidation)" account, there is also provided for payment of obligations incurred under contract authority entered into pursuant to title IV, part B, of the Higher Education Act, as amended, $1,114,748,000 which shall be transferred to the Guaranteed Student Loans (Liquidation) account.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 167: Page 55, line 23, after "improvements" insert ": *Provided further*, That funds appropriated for Special Programs for Students from Disadvantaged Backgrounds may be allocated notwithstanding section 417D(d)(6)(B) (20 U.S.C. 1070d) to the Ronald E. McNair Post-Baccalaureate Achievement Program".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 167 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 172: Page 56, after line 26, insert:

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For the costs of direct loans, as authorized by title VII, part F, of the Higher Education Act, as amended, $7,539,000: *Provided*, That such costs, including costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974 and that these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $30,000,000: *Provided further*, That obligated balances of these appropriations will remain available until expended, notwithstanding the provisions of 31 U.S.C. 1552(a), as amended by Public Law 101-510. In addition, for administrative expenses to carry out the direct loan program, $566,000.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 172 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 176: Page 57, line 20, strike out "$228,999,000" and insert "$255,893,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 176 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$258,684,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 179: Page 58, line 1, strike out "$28,000,000" and insert "$20,000,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 179 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$29,900,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 181: Page 58, line 4, strike out all after "Education" down to and including "programs;" in line 5.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 181 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert ", including $6,000,000 for a high technology demonstration grant, including equipment, which shall be awarded competitively;".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 197: Page 61, after line 25, insert:

SEC. 306. Subsection (e) of section 1321 of the Higher Education Act of 1965 (20 U.S.C. 1221-1(e)) is amended by inserting at the end thereof the following new paragraph:

"(7) GIFTS AND DONATIONS.—The Commission may accept, use, and dispose of money, gifts or donations of services or property.".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 197 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 200: Page 62, line 8, strike out "$32,693,000" and insert "$34,683,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 200 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$32,688,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 205: Page 63, line 22, strike out "$2,000,000" and insert "$3,000,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 205 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$1,750,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 206: Page 63, after line 22, insert:

NATIONAL COMMISSION ON CHILDREN

SALARIES AND EXPENSES

For necessary expenses of the National Commission on Children, as established by section 9136 of the Omnibus Reconciliation Act of 1987, Public Law 100-203, $950,000 to remain available through December 31, 1992.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 206 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 213: Page 66, line 25, after "1992" insert "credited in 12 approximately equal amounts on the first day of each month in the fiscal year".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 213 and concur therein.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 214: Page 67, line 20, strike out "$74,037,000" and insert "$73,287,000".

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 214 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert: "$72,287,000".

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 218: Page 73, strike out all after line 23 over to and including line 10 on page 74.

MOTION OFFERED BY MR. NATCHER

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. NATCHER moves that the House recede from its disagreement to the amendment of the Senate numbered 218 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

SEC. 513. (a) Notwithstanding any other provision of this Act, funds appropriated for salaries and expenses of the Department of Labor are hereby reduced by $31,991,000; salaries and expenses of the Department of Education are hereby reduced by $10,660,000; and salaries and expenses of the Department of Health and Human Services are hereby reduced by $142,349,000, including $8,000,000 of funds appropriated in this Act for travel costs of the Public Health Service: *Provided*, That the reduction for travel costs shall be from the amounts set forth therefor in the budget estimates submitted for the appropriations.

Mr. PURSELL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky [Mr. NATCHER].

The motion was agreed to.

□ 1830

A motion to reconsider the votes by which action was taken on the several motions and on the conference report was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 2950, INTERMODAL SURFACE TRANSPORTATION INFRASTRUCTURE ACT OF 1991

Mr. ROE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2950) to develop a national intermodal surface transportation system, to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is their objection to the request of the gentleman from New Jersey?

There was no objection.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. HAMMERSCHMIDT

Mr. HAMMERSCHMIDT. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

> Mr. HAMMERSCHMIDT moves that the managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2950, be instructed to insist on those provisions contained in title I of H.R. 2950 (as passed by the House) providing for a strong national highway system program.

The SPEAKER pro tempore. The gentleman from Arkansas [Mr. HAMMERSCHMIDT] will be recognized for 30 minutes, and the gentleman from New Jersey [Mr. ROE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the motion I am offering today would instruct the conferees on H.R. 2950 to insist upon House provisions that establish and fund a strong National Highway Program.

The proposed National Highway System is a system of those highways that have the greatest national significance. The system would include the existing Interstate System plus approximately 110,000 additional miles of roads that carry the most traffic in interstate commerce and serve other national goals, such as access to ports and airports and national defense needs.

This system is really the centerpiece of the restructured highway program that is being proposed for the post-interstate era. The focus of the National Highway Program will be both to maintain the enormous investment we have put into the Interstate System, as well as to improve and maintain other principal arterial routes. These other routes, which were left off the original Interstate System, are not adequate, in most cases, to serve traffic needs that have developed due to economic growth in the last 35 years. Many of these routes are two-lane roads that carry heavy volumes of truck traffic and are consequently unsafe. Nationally, the need for improvement on these roads is great.

The House bill provides for a level of funding and a structure for decisionmaking that will enable us to begin to meet the needs of the National Highway System. The Senate bill, on the other hand, provides a level of dedicated funding for the National Highway System that is inadequate to address the demonstrated needs of that system. Indeed, the establishment of a National Highway System in the Senate bill was not originally a part of the basic structure of the bill; it was really an afterthought, and the levels of funding reflect that fact.

In the administration's view, the levels of funding in the House bill are not sufficient to address the needs of the proposed National Highway System. I would note in this regard that in crafting the House bill we struck a balance by providing significantly increased funding for mass transit, by providing much "greater flexibility" for States to use highway funds for mass transit, and by providing metropolitan areas with more direct funding. At the same time, this balance included what we felt was a minimally adequate level of funding for the National Highway System.

It is vitally important for the national transportation system that the conference report on H.R. 2950 maintain the House provisions of the National Highway System. I urge my colleagues to support this motion to instruct the House conferees to insist on the House position providing for a strong National Highway System.

Mr. Speaker, I reserve the balance of my time.

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the motion offered by the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking member of our Committee on Public Works and Transportation.

I think in his statement he has expressed the view and the intent of the committee, and we on this side would strongly support this motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to clarify some information regarding the motion to recommit that was before the House on this bill and the representation at that time under the motion to recommit that we would not have any projects left in the bill that did not have matching State money, 80/20. In that, one of the sections struck was section 149.

However, one of the specific complaints I had had in the course of the deliberations was section 150 of the bill. Section 150 states:

> Any Federal expenditure under this section and section 149 for such project shall be treated as a part of the non-Federal share of the cost of such flood control project.

That does not refer to the bridges that were in the Molly Ann's project, but it does refer to flood control projects which go along with those bridges. The responsibility rests with the Army Corps of Engineers to do the project.

The Federal share of that project is $16.2 million which will come out of the general funds of the Treasury. However, because of the language that was included in the bill, the $5.4 million that is the State's matching amount will not have to be paid, and the Federal Government must pay for the non-Federal share of the project, and so by not pulling out that section, we have, in fact, in that part of the bill, created another situation where the State is going to be relieved from having to pay its share of the project.

Now, it is my understanding that the motion to recommit was supposed to correct all of these problems, and it did not, in fact, correct the problem with regard to section 150.

My question is as you go to conference whether or not there is an intention to correct this particular problem with matching share as well.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I would say to the gentleman, from listening to the earlier colloquy between the gentleman and the gentleman from Indiana [Mr. BURTON], the gentleman's concern was that they believed the language of section 150 would operate to relieve the State of New Jersey from the 20-percent local match that would otherwise be required by section 149.

The motion to recommit was intended to correct any ambiguity that might exist with respect to the Federal share on any of the special projects including that Molly Ann's Brook project that the gentleman mentioned in his colloquy.

Just to repeat for the RECORD, the instruction in the motion to recommit reads as follows:

> Notwithstanding any other provision of this Act, the Federal share payable on account of any project authorized to be carried out under section 128(h), 134(c), 140, 149, 157, or 505 (other than a project for a Federal lands highway or a federally owned bridge) shall be 80 percent.

> This instruction makes it clear that "notwithstanding any other provision of this Act" the Federal share on any project in section 149 of the bill shall be 80 percent. Since it is section 149 that authorizes $9.5 million for the Molly Ann's Brook project, the motion to recommit guarantees that a 20 percent local match will be required on the project, notwithstanding any ambiguity that might be created by the language in section 150 of the bill.

Mr. Speaker, I understand the gentleman's concern, and now it goes a little beyond that, and all I can say is that we are aware of his concern and we will try to recognize it as we go to conference.

Mr. WALKER. Mr. Speaker, do I understand the gentleman correctly that the intention of the committee was that problems such as 150 were also going to be dealt with, and that we were going to assure that every section of the bill assured local share?

Mr. HAMMERSCHMIDT. If the gentleman will yield further, in my view, by guaranteeing that the State of New Jersey will have to match the $9.5 million in Federal funds for the Molly Ann's Brook project with a 20-percent local share, the motion to recommit addresses the concerns raised by the gentleman.

Mr. WALKER. The problem is that the gentleman is right on the $9.5 million which is the bridge portion of the act. That is section 149. The gentleman did address that. But the problem is that I raised the questions with regard to section 150.

☐ 1840

That was not addressed, and section 150 still remains in the language of the bill, and under section 150 you would still be able to have the state relieved of its matching share.

It was my understanding with all the debate we had that night that we were intending that all of these projects that had matching problems be dealt with, and all I am asking here is whether or not that is going to be complied with or whether or not we have carved out a special exemption here which in my mind ought to be done.

Mr. HAMMERSCHMIDT. Well, I cannot, of course, speak for the conferees. All I can say to the gentleman is that we know his concern and we will certainly take it into account as we go to conference.

Mr. WALKER. Well, Mr. Speaker, with that assurance I will not pursue it further, but I do want to make the point that I think the House accepted the motion to recommit on good faith that we were dealing with the entire range of projects that were in the bill that had matching share problems. I think it is incumbent upon the committee then to deal with these in a way which assures there are no matching share problems in the bill when it comes back.

Mr. SHUSTER. Mr. Speaker, will my good friend the gentleman from Arkansas, yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, as the author of that motion, it was indeed my intention that we would require a match of 80-20 on all the projects for which there was money in the bill.

The problem is that this is a different section and a different matter that relates to water resources. Frankly, we did not focus on that. We thought by saying all the money would indeed cover that; however, this is a different section and it in fact is not in the bill. It is part of the water resources bill.

So I join with my friend, the gentleman from Arkansas, in saying that we know the gentleman's concern and will attempt to address it.

Mr. WALKER. Well, Mr. Speaker, that is even more of a problem then, because what we are doing is we are including language that is making a mandate on another bill somewhere that is evidently out of scope with this bill. One has to wonder then how it got in this bill and just what exactly it was doing there and why we are trying to relieve the State of its matching share in an area where there is not even any money in the bill.

Mr. SHUSTER. Mr. Speaker, if the gentleman will yield further, whatever the gentleman's concern might be, the facts are what we were trying to address was the 80-20 split in the highway bill and that is what this gentleman intended to address.

Now it has been brought to our attention that indeed there is another section here beyond that which we did attempt to address.

All we can say is that we are aware of the gentleman's concern and we will certainly consider it as we go to conference.

Mr. ROE. Mr. Speaker, I yield back the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McDERMOTT). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 394, noes 3, not voting 36, as follows:

[Roll No. 384]

AYES—394

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fawell
Fazio
Feighan
Fields
Flake
Foglietta
Ford (MI)
Ford (TN)
Franks (CT)
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Grandy
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari

Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Obey
Olver
Ortiz
Orton
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Santorum
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Shaw
Shays
Shuster
Sikorski
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOES—3

Gradison
Green
Penny

NOT VOTING—36

Anthony
Barnard
Bilbray
Browder
Clay
Davis
Dorgan (ND)
Dwyer
Fascell
Fish
Frank (MA)
Frost
Gephardt
Guarini
Hayes (LA)
Hopkins
Horton
Ireland
Lehman (FL)
Lent
Martinez
Mavroules
Murphy
Oberstar
Olin
Owens (UT)
Payne (NJ)
Rostenkowski
Sangmeister
Sarpalius
Sharp
Skaggs
Slaughter (VA)
Smith (FL)
Studds
Yates

☐ 1903

Mr. TAYLOR of North Carolina and Mr. SCHIFF changed their vote from "aye" to "no."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees on H.R. 2950, the Intermodal Surface Transportation Infrastructure Act of 1991 and, without objection, reserves the right to appoint additional conferees:

From the Committee on Public Works and Transportation for consideration of the entire House bill—except title VII—the entire Senate amendment, and modifications committed to conference: Messrs. ROE, ANDERSON, MINETA, OBERSTAR, NOWAK, RAHALL, APPLEGATE, DE LUGO, SAVAGE, BORSKI, KOLTER, HAMMERSCHMIDT, SHUSTER, CLINGER, PETRI, PACKARD, BOEHLERT, and Mrs. BENTLEY.

From the Committee on Ways and Means, for consideration of title VII of the House bill, and sections 140E, 141 through 144, 271(b)(12), and 305 of the Senate amendment, and modifications committed to conference: Messrs. ROSTENKOWSKI, GIBBONS, PICKLE, RANGEL, STARK, ARCHER, VANDER JAGT, and CRANE.

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 5, 121(a), 123, 124, 134 (a) and (b), 143, 184, 209, 322(m), 335, title V—insofar as it addresses railroads—sections 601(b), 608 through 610, 617, and 620 of the House bill, and sections 103(b) (1), (2), and (9), 106(a), 107, 113, 114, 115 (a)(2) and (d), 116, 117, 122(b), 127, 128, 131, 140G, 140T, 140U, 239, 261, 262, 319, and 336 of the Senate amendment, and modifications committed to conference: Messrs. DINGELL, SWIFT, SIKORSKI, LENT, and RITTER. Provided that Mr. DANNEMEYER is appointed in place of Mr. RITTER for consideration of sections 123 and 124 of the House bill, and sections 103(b)(2), 106(a)—insofar as it addresses 23 U.S.C. 133(a)(10)—107, 113, 114, and 319 of the Senate amendment.

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 140I, 140N, part A of title II—except sections 204. 218, and 226—264, and 271 of the Senate amendment, and modifications committed to conference: Messrs. DINGELL, SWIFT, SHARP, ECKART, TAUZIN, SLATTERY, BOUCHER, MANTON, BRUCE, HARRIS, SYNAR, LENT, MOORHEAD, RINALDO, DANNEMEYER, RITTER, FIELDS, and OXLEY.

As additional conferees from the Committee on Interior and Insular Affairs, for consideration of sections 125, 143, 144 of the Senate amendment, and modifications committed to conference: Messrs. MILLER of California, VENTO, KOSTMAYER, LAGOMARSINO, and MARLENEE.

As additional conferees from the Committee on the Judiciary, for consideration of section 409 of the House bill, and section 238 and title IV of the Senate amendment, and modifications committed to conference; Messrs. BROOKS, EDWARDS of California, FRANK of Massachusetts, FISH, and MOORHEAD.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of sections 5, 108, 317(b), 320, and 321 (a) and (e) of the House bill, and section 106(a) of the Senate amendment, and modifications committed to conference: Messrs. JONES of North Carolina, STUDDS, HERTEL, DAVIS, and YOUNG of Alaska.

As additional conferees from the Committee on Science, Space, and Technology, for consideration of sections 141 (a) and (e), 202, 317, 405, 502, 601, 604 through 609, 616 through 618, 651 through 659, and 671 through 673 of the House bill, and sections 103(b) (9) and (10), 106(a), 107, 115, 116, 127(g), 136(b), 203(e), 204, 232(a) 329, and 341 of the Senate amendment, and modifications committed to conference: Messrs. BROWN, VALENTINE, GLICKMAN, WALKER, and LEWIS of Florida.

There was no objection.

PERSONAL EXPLANATION

Mr. DORGAN of North Dakota. Mr. Speaker, because of family obligations I was unable to be present to vote on the motion to instruct conferees on consideration of H.R. 2950, the Transportation bill. I wish to record that, had I been present, I would have voted against the motion to instruct on rollcall No. 384.

NATIONAL WOMEN VETERANS RECOGNITION WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 145) designating the week beginning November 10, 1991, as "National Women Veterans Recognition Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to acknowledge the work of our colleague, the gentleman from Florida [Mr. BILIRAKIS), who is the chief sponsor of this resolution.

Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in support of Senate Joint Resolution 145, which designates the week beginning November 10, 1991, as "National Women Veterans Recognition Week." I would also like to thank my colleague the gentleman from Florida [Mr. BILIRAKIS] who was the chief sponsor of the House bill honoring our women veterans.

As you may know, the Department of Veterans Affairs currently estimates that there are more than 1.2 million women veterans in this country, representing 4.2 percent of the total veteran population.

Women have played a vital role in our Nation's armed services. Official military participation for women began in 1901 with the formation of the Army Nurse Corps and was followed in 1903 with the formation of the Navy Nurse Corps. During World War I, 13,000 women were enlisted by the Navy as telephone operators, clerical workers, typists, and stenographers. During

World War II, the number of enlisted women in all four services was approximately 350,000. Additionally, women continued to play an active role in Korea and Vietnam.

Mr. Speaker, it is time for Congress to recognize the valuable contributions that women veterans have made throughout our Nation's history. Most recently, the contributions that our women veterans made during Desert Storm were vital. They served in a wide variety of jobs, such as: pilots, truck drivers, cargo handlers, intelligence specialists, flight controllers, communications experts, and ground crew chiefs. It is time for our Nation to learn more about the important role women have played in our Armed Forces, and to express our gratitude to them for their dedicated service.

Accordingly, I urge my colleagues to join with me in supporting this important resolution.

□ 1910

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. LUKEN). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 145

Whereas there are more than 1,200,000 women veterans in the United States representing 4.2 percent of the total veteran population;

Whereas the number of women serving in the United States Armed Forces and the number of women veterans continue to increase;

Whereas women veterans have contributed greatly to the security of the United States through honorable military service, often involving great hardship and danger;

Whereas women are performing a wider range of tasks in the United States Armed Forces, as demonstrated by the participation of women in the military actions taken in Panama and the Persian Gulf region;

Whereas the special needs of women veterans, especially in the area of health care, have often been overlooked or inadequately addressed by the Federal Government;

Whereas the lack of attention to the special needs of women veterans has discouraged or prevented many women veterans from taking full advantage of the benefits and services to which they are entitled; and

Whereas designating a week to recognize women veterans will help both to promote important gains by women veterans and to focus attention on the special needs of women veterans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning November 10, 1991, is designated as "National Women Veterans Recognition Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 1745, CIVIL RIGHTS ACT OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–291) on the resolution (H. Res. 270) providing for the consideration of the Senate bill (S. 1745) to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes, which was referred to the House Calendar and ordered to be printed.

NATIONAL RED RIBBON MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 188) designating November 1991 as "National Red Ribbon Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to acknowledge the work of the gentleman from Pennsylvania [Mr. COUGHLIN], the chief sponsor of this resolution.

Mr. Speaker, I yield to my friend, the gentleman from New York [Mr. GILMAN], for an explanation of the resolution.

Mr. GILMAN. Mr. Speaker, I rise in support of Senate Joint Resolution 188, designating November, 1991 as "National Red Ribbon Month," and I want to commend the gentleman from Pennsylvania [Mr. COUGHLIN] the ranking minority member or our Select Committee on Narcotics for his leadership in bringing this measure to the floor of the House for consideration.

Senate Joint Resolution 188 is the companion measure to House Joint Resolution 312, a measure which Mr. COUGHLIN sponsored and which I am proud to have cosponsored. Mothers Against Drunk Driving have played an important role in supporting "National Red Ribbon Month," and I would like to commend their invaluable participation in this effort. Red ribbons have long symbolized the MADD campaign and their tireless contributions to stopping drunk driving in our Nation. It is estimated that about two in every five Americans will be involved in an alcohol-related crash, approximately 10 percent of car crashes involved alcohol, and an astounding 25 percent of drivers involved in fatal traffic crashes were drunk.

These disparaging statistics are only the tip of the iceberg. Figures are even more discouraging in those studies that concentrate on our young people.

Mr. Speaker, more than 40 percent of all teenage deaths result from motor vehicle crashes, about half of these involve drunk driving. In 1987, nearly 27 percent of the fatally injured 15–19-year-old teenaged drivers were intoxicated.

Just as we cannot afford to turn our back on Americans who are experimenting and regularly using illicit narcotics, we cannot ignore the abuse of alcohol. Drunk driving, drunk driving accidents, and drunk driving fatalities have reached unprecedented proportions. We must send out a clear, strong message to all our Nation, especially our young. We must send them a clear message that drunk driving is not only wrong, not only foolish, but fatal.

I am pleased this legislation is on the floor of the House today, and I ask all my colleagues to join me in support of Senate Joint Resolution 188.

Mr. COUGHLIN. Mr. Speaker, before Congress adjourned for the August break, I introduced House Joint Resolution 312, a resolution designating the month of November 1991 as Red Ribbon Month. The Senate has already passed an identical resolution, Senate Joint Resolution 188, which we are considering today.

During November, as our Nation enters the traditional holiday period, Mothers Against Drunk Driving [MADD] will launch a major public awareness campaign aimed at ridding our Nation's highways of the scourge of drunk driving. I am proud to join MADD in this effort.

MADD is currently observing its 10-year anniversary as a grass roots advocacy organization. MADD's first 10 years have been marked by hard work and success. Part of MADD's success is a new awareness on the part of the general public of the tragic consequences of drinking and driving. MADD pioneered the phrase "Tie One On For Safety," a clever use of words urging all of us to tie a red ribbon on our vehicles as a reminder not to drink and drive.

This November, MADD will distribute more than 90 million red ribbons nationwide. These red ribbons will serve as a reminder to all of us that each year on our highways fully half of the deaths resulting from auto crashes are caused by drunk driving. Each year more than 345,000 injuries result from drunk driving. This is a problem we can do something about. In fact, over the last 10 years thousands of lives have been saved as our Nation has become increasingly aware of the dangers of drinking and driving. Congress has played a role in this effort by encouraging the States to maintain a minimum drinking age of 21 years old.

Additional legislation has been passed providing incentive grants to States to combat drunk driving and provisions to better serve the victims of this violent crime.

Mr. Speaker, I am proud of my association with the cause of fighting drunk driving on our Nation's highways and am pleased to offer this resolution for the consideration of my colleagues.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 188

Whereas the most frequently committed crime in America is drunk driving;

Whereas each year on our Nation's highways more than forty-five thousand people lose their lives due to auto crashes, approximately half of these involving alcohol;

Whereas more than three hundred and forty-five thousand people are injured in alcohol-related crashes each year;

Whereas Mothers Against Drunk Driving (MADD) is an organization of nearly three million members and supporters across the Nation which has had a major impact on reducing death on our highways;

Whereas in November 1991 MADD will launch a major holiday public awareness campaign by asking America to "Tie One On For Safety" this holiday season; and

Whereas beginning in November MADD and other concerned groups will distribute more than ninety million red ribbons nationwide to create awareness about the dangers of drinking and driving: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 1991 is designated as "National Red Ribbon Month," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate activities devoted to reducing death and injury on our Nation's highways due to drinking and driving.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL FAMILY CAREGIVERS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 125) to designate the week beginning November 24, 1991, and the week beginning November 22, 1992, each as "National Family Caregivers Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to yield to my friend, the gentlewoman from Maine [Ms. SNOWE], the chief sponsor of this resolution.

Ms. SNOWE. Mr. Speaker, I would like to thank Mr. SAWYER, chairman of the Census and Population Subcommittee and the ranking minority member, Mr. RIDGE, for bringing to the floor House Joint Resolution 125 to designate the week of Thanksgiving as "National Family Caregivers Week" for 1991 and 1992.

For the past 6 years, I have sponsored legislation to designate the week of Thanksgiving as "National Family Caregivers Week." I believe that this is a time to give special recognition and commendation to the many individuals who face demanding and often stressful situations in caring for older family members.

Caregivers are in great need of our support. While such commitment to a family member offers many rewards, many caregivers often find themselves under a great deal of pressure in their attempt to juggle the competing demands of their immediate families, their careers and their own personal needs.

As you are probably aware, most of the disabled elderly are cared for at home. Caregivers often go to extraordinary lengths to keep a loved one from institutionalization. Family caregivers continue to provide care to parents, spouses, sisters, and brothers even at great expense to themselves. They give their money, their time, and their love in order to allow their family member to have a more comfortable and independent life.

Independence, dignity, and respect. Who among us does not strive to enjoy each of these characteristics? In fact, we work a lifetime to achieve these traits and, in reality, we may be stripped of them within a matter of minutes or days because of a chronic or disabling illness. Certainly we need to work harder to enhance the home care programs, respite and support groups available to the disabled elderly and their family caregivers to allow all family members to maintain their independence, dignity, and respect.

As individuals, we need to understand the daily concerns of caregivers and, as a society, we need to devise better options to alleviate the pressures family caregivers face. As the population ages, the pressing need for caregiving will increase. Through improved public/private partnerships, elder care, tax credits, and expanded family medical leave policies, I believe that we may begin to address the seriousness of caregivers' concerns.

Mr. Speaker, to most of us, Thanksgiving connotes family. Thanksgiving gives us a vacation from work and all of our everyday problems so that we may spend a little time with loved ones. However, caregivers rarely get a vacation from caregiving. On Thanksgiving, family caregivers will continue to help dress, and bathe, and prepare meals for their loved ones.

Mr. Speaker, I am glad that we can once again celebrate our Nation's caregivers during "National Family Caregivers Week." But this year, Mr. Speaker, I hope that I will have the Congress' support for family caregivers not only during the week of Thanksgiving, but also in the many weeks of continual caregiving that are certain to follow throughout the year.

Mr. RIDGE. Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in strong support of House Joint Resolution 125 designating the week beginning November 24, 1991, and the week beginning November 22, 1992, each as "National Family Caregivers Week" and I commend the gentlewoman from Maine [Ms. SNOWE] for introducing this resolution.

Mr. Speaker, more than 5 million of our elderly have disabilities that render them in need of basic daily care. Statistics show that between 80 and 90 percent of the families provide for the daily care of our elderly and in doing so incur many additional expenses. These family members not only give of their time and energy, but often make great financial and personal sacrifices. This involvement of caregiving strengthens the family bonds and fulfills a functional need in our society as well as provides the younger generation an opportunity to know, respect, and serve their elders.

We all know the value of a loving, caring family. These caregivers go beyond the normal responsibilities to family and freely offer help and service to their loved ones in need.

Mr. Speaker, House Joint Resolution 125 calls for a greater public awareness of family caregivers and encourages support of these dedicated people. I am pleased to be a cosponsor of this resolution and urge my colleagues to support this legislation.

□ 1920

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. LUKEN). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 125

Whereas the number of Americans who are age 65 or older is growing dramatically, with an unprecedented increase in the number of frail elderly age 85 or older;

Whereas approximately 5,200,000 older persons have disabilities that leave them in need of help with their daily tasks, including food preparation, dressing, and bathing;

Whereas families provide help to older persons with such tasks, in addition to providing between 80 and 90 percent of the medical care, household maintenance, transportation, and shopping needed by older persons;

Whereas 80 percent of disabled elderly persons receive care from their family members, most of whom are their wives, daughters, and daughters-in-law, who often must sacrifice employment opportunities to provide such care;

Whereas family caregivers are often physically and emotionally exhausted from the amount of time and stress involved in caregiving activities, and therefore need information about available community resources for respite care and other support services;

Whereas the contributions of family caregivers help maintain strong family ties and assure support among generations; and

Whereas there is a need for greater public awareness of and support for the care that family caregivers are providing older persons: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning November 24, 1991, and the week beginning November 22, 1992, are each designated "National Family Caregivers Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such weeks with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ALZHEIMER'S DISEASE MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 36) to designate the months of November 1991 and November 1992 as "National Alzheimer's Disease Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, clearly I would encourage my colleagues to support this legislation, and I simply take this reservation to acknowledge the work of the chief sponsor, the gentleman from California [Mr. LOWERY].

Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. LOWERY].

Mr. LOWERY of California. Mr. Speaker, I rise in strong support of Senate Joint Resolution 36, which will designate November 1991 and November 1992 as "National Alzheimer's Disease Month." This resolution is a valuable tool in calling our Nation's attention to the terrible toll of Alzheimer's disease.

For the past 8 years I have had the honor of being the sponsor of this resolution in the House. I am pleased to report that during this time we have made some progress in the fight against this insidious illness. But, sadly, I must also remind my colleagues that Alzheimer's continues to ravage the lives of millions of Americans and their families.

Over 4 million Americans are affected by Alzheimer's and it has become the fourth leading cause of death in the United States. Alzheimer's is the most common form of dementing illness. It strikes without warning and slowly and irreversibly destroys brain cells causing loss of memory, loss of muscle control, impaired judgment, violent mood swings, and aimless wandering. These changes are more than simple medical symptoms; when they occur we see someone who was our mother, father, or grandparent become a seemingly vacant shell. A lifelong loved one becomes almost a stranger, someone who doesn't recognize his or her own children, or remember where they were or what they did only 5 minutes before.

In addition to the medical impact on the victim, the decline caused by Alzheimer's takes a massive emotional toll on a family member who has acted as care giver. The Alzheimer's Disease Association estimates the disease costs the United States more than $90 billion a year in direct and indirect costs and lost productivity. Millions of families spend vast amounts of time and money trying to find proper care for their loved ones. When one combines our general health care woes with Alzheimer's unique challenges, the outlook for America's aging population is truly frightening.

Still, the news is not all bad. Families and patients now have care alternatives and support groups they can turn to for help. In my home area of San Diego, I salute the Alzheimer's Association and the Alzheimer's Family Center for their work in helping families manage the tremendous burden of this disease.

We are also making progress on the medical front. Last Friday, November 1, researchers at the University of California, San Diego, found there may be a potential treatment for memory loss caused by Alzheimer's. These doctors believe that the human protein, nerve growth factor, prevents the degeneration of key nerve cells involved in memory. This is the type of research that will enable us to eventually control or even defeat Alzheimer's. But we are not there yet; we still have a long way to go.

Congress has provided important financial support for Alzheimer's research; over $100 million in fiscal year 1991, and this support must continue.

Mr. Speaker, I would like to thank my colleague, BUTLER DERRICK, who has been the original cosponsor of this resolution for the past 8 years, as well as the 226 Members who cosponsored House Joint Resolution 198 this year. In addition, Chairman SAWYER, Congressman RIDGE, and the members of the Post Office and Civil Service Committee deserve thanks for their prompt consideration of the resolution.

Senate Joint Resolution 36 will heighten national awareness of Alzheimer's disease. It will also serve as an expression of gratitude and support for the organizations that have advanced research and provided care for the victims of Alzheimer's. Let's work together to develop treatments and perhaps even a cure for Alzheimer's.

I urge passage of Senate Joint Resolution 36 to designate National Alzheimer's Disease Month.

Mr. RIDGE. Mr. Speaker, I thank the gentleman for his words and his effort on this resolution. I thank him for all his good work.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 36

Whereas over 4 million United States citizens are affected by Alzheimer's disease, a surprisingly common degenerative disease which attacks the brain, impairs memory and thinking, alters behavior, and renders its victims incapable of self care;

Whereas it is estimated that by the middle of the 21st century, Alzheimer's disease will strike 14 million United States citizens, affecting one in every three families;

Whereas Alzheimer's disease is not a normal consequence of aging, but a disorder of the brain for which no cause has been determined and no treatment or cure has been found;

Whereas Alzheimer's disease is the quintessential long-term care problem, requiring constant full-time care for its victims, who can suffer from the disease for 3 to 20 years, at a total annual cost to the Nation of at least $90 billion;

Whereas families of Alzheimer's patients bear the overwhelming physical, emotional, and financial burden of care, and neither public programs, including medicare, nor private insurance provide protection for most of these families;

Whereas 80 percent of all Alzheimer's patients receive care in their own homes;

Whereas nearly half of all residents of nursing homes suffer from Alzheimer's disease or some other form of dementia; and

Whereas increased national awareness of Alzheimer's disease and recognition of national organizations such as the Alzheimer's Association may stimulate increased commitment to long-term care services to support Alzheimer's patients and their families and a greater investment in research to discover methods to prevent the disease, delay its onset, and eventually to find a cure for the disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the months of November 1991, and November 1992, are designated as "National Alzheimer's Disease Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such months with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolutions just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CIVIL RIGHTS ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. PARKER] is recognized for 5 minutes.

Mr. PARKER. Mr. Speaker, I rise today in support of the Civil Rights Act of 1991, now offered as a compromise to the bill passed earlier this year by the House. There are few issues, regardless of the point of view, that evoke a more emotional response than civil rights. In my district, the very term elicits a veritable cornucopia of memories. There are members of this body that were active participants in the civil rights movement. They have every right to take an emotional stand on this issue. Others of you have no concept of what the term really means. Twice, I voted against earlier versions of this bill. Unlike some members of this body, for the past 2 years I refused to play political games with my constituents' emotions. I resent some of the tactics which have been used. We have an obligation to produce meaningful legislation that represents the best interests of our constituents, not to use labels to pit them against one another. There should be great shame in this body today the shame of making civil rights a toy in the game of political one-upmanship.

The President shares equally in our shame. It is reprehensible that compromise legislation such as we now will consider could not have been passed earlier in the year. It was not because the compromise language was not offered. Mr. GEREN, Mr. STENHOLM, and I engaged in negotiations with the Leadership Conference on Civil Rights and other groups interested in this legislation to develop language that is really no different than what we are now to vote on. We took our ideas to the White House. But our efforts were unsuccessful. Perhaps it was because we are not Republicans or maybe it is because we are not Senators. The President said that we still had a quota bill. In the political arena, a referendum on quotas was more important than a Civil Rights Act. And now, as if by magic—by pronouncement—our language has been declared quota-free. Personally, I never believed that any of the bills that have been offered would require quotas. Quota bill Civil Rights Act—these are just labels, names that allow supporters and opponents alike to ignore the real issue—to avoid even trying to understand the legal ramifications of our actions.

There have been some courageous moments. When considering a similar bill last year, a compromise was offered by the gentleman from New York [Mr. LAFALCE]. It was roundly denounced by many members of my party. No one can say that the LaFalce substitute was not a more encompassing, more far-reaching alternative than the measure before this body today. I watched—over a period of a few short hours of debate—as that bill moved from the LaFalce substitute to the LaFalce-Michel substitute to the Michel-LaFalce substitute to finally the Michel substitute. I watched JOHN LAFALCE castigated on this floor. Constituents in my district thought he was a Republican instead of the Democratic chairman of the Small Business Committee. This House owes an apology to JOHN LAFALCE—and I regret that his bill is now no more than yet another opportunity lost by this body.

The House, the Senate civil rights groups, and the administration have wasted over 2 years posturing to gain political advantage out of this bill. To some degree, they have each gained an advantage. Each group can say to their constituency that they have stood up for what they believed. But what have they really accomplished? Have they succeeded in making our environment more race neutral, where everyone has an equal opportunity? Have they made the racial environment more harmonious? Have they helped create an environment where a person is not judged by the color of their skin but by the content of their character? Sadly, the answer is no.

By this posturing, every special interest group involved in this process has made civil rights more contentious, more fracturing, and more ideologic. I am glad that this day has finally arrived. I would like to think we have learned a lesson, but that perhaps, is only wishful thinking.

☐ 1930

VACATION OF SPECIAL ORDER AND REQUEST FOR SPECIAL ORDER

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to vacate my special order for 60 minutes today and speak for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California.

There was no objection.

ECONOMIC INEQUITY IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, the voters of America—and particularly those of Pennsylvania—sent an urgent wake up call to their elected leaders yesterday:

Pay attention to the growing economic desperation here at home;

Deliver essential services—particularly health care—desperately needed by millions of our own citizens;

Stop wasting our time with political gimmicks, empty rhetoric, and excuses.

Did we get the message?

This morning, the President flew off on yet another high profile, overseas trip, this time to defend spending nearly half our defense dollars defending Western Europe. I hope Mr. Bush remembers to insist that our Allies pay their fair share of their own defense costs.

In one sense, I understand why George Bush continues to fly off to some foreign country every chance he gets. When you examine the condition of this country, of the millions of Americans and families who constitute the mass of middle America, you very quickly understand the terrible condition of our economy, and the failure of Republican economic policy.

The administration's response to the unending flow of bad economic views has been to deny the crisis, deny the pain, and most unacceptably, to deny compassion to the victims of this unending recession.

Over the course of the past dozen years, the economic theories of the Bush and Reagan administrations have launched this Nation onto the unchartered seas of economic experimentation. Call it "Reaganomics"; call it "supply side"; call it "trickle down"; call it, as did George Bush in 1980, "voodoo economics."

After nearly three terms of Republican control of the White House, it is clear that the benefits of this irresponsible policy have been vastly exaggerated. And even more importantly, the blind adherence of the administration to these theories has insulated President Bush and his advisory from the daily suffering of the American people, and the dangerous signs of deterioration in the economy.

The administration's economic gameplan was founded on a faustian bargain: sacrifice the traditional American commitment to equity in return for economic growth.

At best, it was wishful thinking. At worst, it was an irresponsible strategy, an effort to wrap right wing economic fundamentalism in populist clothing. And it has failed.

Now, it has not failed for everyone, of course. And perhaps that was the goal all along.

Between 1977 and 1988, those in the top 10 percent of incomes realized a 34 percent increase in their income, and a 7 percent reduction in their taxes.

But in the meantime, the real income of middle-income taxpayers rose by just 4 percent, and their tax burden—far from dropping—actually increased.

Despite the glitter of the 1980s, millions of Americans slid backwards into poverty and economic marginalism. For every Donald Trump, there are millions who are unable to buy a home, unable to send their children to college, unable to afford medical bills and unable to increase their savings.

And yet, the Bush administration has no comprehensive plan for addressing our disastrous economic state. But what is even more distressing is the failure of the President and his advisory to acknowledge, or understand, that a true crisis exists.

I am reminded of the unwarranted "new era" optimism that filled President Hoover on the eve of the Great Depression. Amid stock crashes, mounting unemployment and business collapses, Hoover and his Cabinet maintained a rosy outlook for the economy.

"I see nothing in the present situation that is either menacing or warrants pessimism," said Hoover's Secretary of the Treasury, Andrew Mellon, in 1930.

"There is nothing in the situation to be disturbed about," echoed his Commerce Secretary, Robert Lamont.

Hoover himself predicted the crisis would end by the spring of 1930.

These examples don't mean we are headed for a catastrophe of the magnitude of the Great Depression. But I do notice a similarity between President Bush's buoyant enthusiasm about the state of the economy and what Arthur Schlesinger, Jr., described as Hoover's tendency toward "Bending the facts to sustain his optimism, and then believing his own conclusions."

Like Hoover, President Bush has summoned the energies of volunteerism and community service to respond to the national economic crisis, instead of utilizing the great energies of the Government and the Nation as a whole.

Like Hoover, who rejected the recommendations of the Emergency Committee for Employment, President Bush has dismissed the need for expanded assistance to millions of long-term jobless Americans.

Like Hoover, President Bush calls on the hard-pressed State and local governments and small businesses to shoulder the burden of recovery and services.

President Bush is drawing his economic program from the historic Republican tradition. His tax plan is pure Reaganomics; his antirecession strategy is pure Hoover.

History has proved both to have been utter failures for middle class America.

President Bush misreads the past and he misunderstands the present. And I think growing numbers of Americans share that view.

The economic growth promised by the Republicans has been vastly exaggerated. In the 5 years before we embarked on the "supply side" folly, economic growth was measured at 2.9 percent. During the period 1981–86, that rate fell to 2.7 percent. And for the entire decade of the 1980's, economic growth averaged only 2.8 percent.

Republican economics has similarly failed in another key goal: Increasing savings and business investment to stimulate business growth.

In fact, personal savings actually fell by 23 percent and national savings dropped by over 18 percent during the decade. Meanwhile, business investment as a percent of GNP fell from 3.6 percent to 2.8 percent.

A major factor in the slow rate of investment continues to be the historically high real interest rates—the highest in half a century, and substantially higher than those denounced by the Republicans during the 1980 Presidential campaign.

In the area of debt, too, the Republican failure dwarfs the situation in 1980, when the Reagan-Bush ticket was elected to stop deficit spending.

The debt then stood at about $70 billion for the year. As a result of the Reagan tax and spending policies, which gave tax rebates to the rich and blank checks to the Pentagon, deficits in excess of $200 billion became standard fare during the last decade. Our national debt, which took every President from Washington to Carter to reach $1 billion, tripled in just 8 years of Republican rule, rising from 2.8 percent of GNP to more than 5 percent.

And, or course, we simultaneously became the biggest debtor Nation in the world.

Now, of course, Republicans have continually argued that we could correct all this debt if we just passed a balanced budget amendment to the Constitution. Let's go no further before observing that Ronald Reagan and George Bush, who both want a balanced budget amendment, never have come close to sending a balanced budget to the Congress, which they could do anytime they like.

Focusing on emotionally charged issues like a balanced budget amendment—or flag burning, or the ACLU, or Willie Horton—has been a Republican smokescreen to obscure the real issues confronting our Nation. It hardly seems surprising that the Republican candidate for Governor of Louisiana, David Duke, is building on these divisive and alarmist themes in his speeches.

Without question, the most significant impact of the Republican economic program has not been the growth and prosperity we were promised, but growing inequity and economic marginalism.

It's funny: I don't hear George Bush asking middle America whether they are better off today than they were 10 years ago.

And we know why.

The fiscal policies of these two Republican administrations have constituted an assault on the stability and security of the overwhelming majority of Americans.

In the key years 1978–87, when we would have expected to see the 1981 tax law stimulate the economy, we began instead an era of growing income disparity.

According to the Commerce Department, 60 percent of all households lost ground economically during the decade of the 1980's. About 86 percent of the increase in family income went to the top 20 percent of families, and most of it went to the top 5 percent.

Increasingly, the growing army of poor Americans is made up not of the jobless, but of millions of men and women who go to work every day. The number of Americans who were employed at full-time, year-round jobs, but who still remained impoverished, rose by 43 percent over the same period. And for 2 million more who could not find full-time jobs, the poverty rate rose by 23 percent.

It is particularly distressing that this deterioration in family income has occurred despite a dramatic demographic change in the American family. As women moved in unprecedented numbers into the work force during the 1970's and 1980's, millions of families became two-earner households just to maintain their current standard of living.

And yet, because of declining wages, fewer benefits, additional costs and unfair tax policy, these two-earner families are, in many cases, fortunate just to maintain the standard of living enjoyed by a single earner a decade or two earlier. Last year alone, the typical family's real income dropped by 1.7 percent, and 2 million more Americans—including 800,000 children—became poor.

In 1990, after 11 years of Republican economic efforts, nearly 34 million Americans were living in poverty, not only unable to contribute to economic growth, but dependent on a host of public support programs—from housing to health care to food assistance—that force the deficit higher and higher just to keep people alive with the barest of necessities.

The Republican trickle-down tax strategy was a fraud from beginning to end. It has not made America competitive or productive; it has made America poorer, unequal, and angry. And unleashing the old assaults on Jimmy Carter isn't going to do the trick any longer.

According to Robert McIntyre of the Citizens for Tax Justice, next year the richest 1 percent of all Americans will make $678 billion before taxes. That is more than the bottom 40 percent of all

Americans will earn in the same time period.

That richest 1 percent has seen its real income more than double since 1977, thanks to Republican tax and income policy. The richest 2 percent enjoyed an increase of 84 percent.

But for the rest of us, real income has either stagnated or fallen. And in the case of the poorest Americans, income has fallen most dramatically.

According to the supply-side mantra, we were all going to get something for this tax windfall we gave to the wealthy in 1981. What a surprise to learn it hasn't worked out that way.

In fact, the tax cut Ronald Reagan gave to the richest 1 percent will cost the other 99 percent of Americans $164 billion in 1992 alone.

In addition to the $84 billion in lower taxes that richest 1 percent will enjoy, we will all pay another $81 billion in interest payments necessitated by the additional debt generated by the tax cut for the rich.

The $164 billion in revenue losses attributable to tax relief for the richest 1 percent is almost exactly the same as the additional debt we will accumulate in 1992 compared to 1977–78.

The response of Republican true believers, whenever these indictments are laid at their feet, is that the problems of the economy are due not to flawed fiscal policy, but to excessive spending by those Democrats in the Congress.

I have already noted that the Congress regularly has appropriated less spending than proposed by Presidents Reagan and Bush. But let me be even clearer about the CONGRESSIONAL RECORD on spending.

During the decade of Republican rule, George Bush would have the average voter believe that we maintained high taxes on the middle class to pay for domestic spending, which Congress refused to cut. The facts show quite the contrary.

During the 1980's, as tax revenues plunged and military spending became stratospheric, spending on the rest of Government dropped rather dramatically: A drop in 1990 alone of some $10 billion.

Education and training programs were slashed by 40 percent. And Americans wonder why our schools are failing and our young people are unskilled in the world competition for jobs.

Environment and infrastructure spending have been cut by 39 percent. And we wonder why we face congestion and hazards on our highways and airports, and toxic contamination in our neighborhoods and water supplies.

As a result of these cuts and many, many others in virtually every facet of domestic endeavor, the average middle-income taxpayer—that family that has watched its tax bill increase and its annual earnings decrease—is receiving a fourth less in Government services today for every dollar in taxes than a decade ago.

No wonder middle America is angry. No wonder middle America is anxious about the state of the economy and doubts that our political leadership really cares about the precariousness of their economic security.

For a decade, the American public has been fed a steady diet of glib and misleading generalities, of rosy predictions that have brought our economy to our current, sorry state, or fingerpointing, racebaiting and smear politics.

But I believe, Mr. Speaker, that a sea change has come over the American public in the last few weeks.

You hear it in your congressional districts: Concern about economic security, about college affordability, about growing unemployment and reluctant consumers.

You see it in the Congress: Bafflement as the administration attempts to dismiss the latest unemployment numbers and vetoes bill after bill to aid the long term unemployed.

You read it in the press and see it in the media: Newsweek's cover story on "The Bite on the Middle-Class" last week.

The American people are worried. They don't believe the optimistic hype. They don't want to be told that important issues like national health care are too complex to address, as Mr. Bush's candidate in Pennsylvania did.

The American people want action, courage and compassion, not vetoes and Hoover-like predictions of false prosperity.

We in the Democratic Party are undertaking an effort to repair the damage done to progressivity and fairness in the Tax Code by the Reagan administration. But only leadership at the Presidential level is going to create a national economic gameplan.

Not every problem can be solved by climbing into a golf cart, racing off in a speedboat, or heading for Europe.

It seems only fair to ask a President who has time to travel to Spain, Italy, Holland, Japan, Korea, Singapore, and Australia to devote a similar amount of time to repairing the damage caused by the voodoo economics he decried, and then imposed, on the American people.

Barbara Tuchmann, the Pulitzer prize winning historian, wrote several years ago on the role of folly in history. Folly, she wrote, was not the making of an error, but rather the refusal of leaders to alter a flawed and fatal course despite being forewarned that proceeding meant disaster.

The economic policies of the Bush administration are classic historic folly. They have not corrected the problems they were designed to fix: Indeed, they have led to deeper deficits, poorer savings, slower growth, higher unemployment, a deeper recession, and a greater polarization of our population.

The time has come for dramatic changes in the economic program of our political leadership. And if that leadership fails to change, then it is the leadership itself which must be replaced.

□ 1940

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. BURTON of Indiana. Mr. Speaker, I ask unanimous consent that my special order for 60 minutes on today be vacated, and that I be granted, instead a 5-minute special order at this time.

The SPEAKER pro tempore (Mr. LUKEN). Is there objection to the request of the gentleman from Indiana?

There was no objection.

SETTING THE RECORD STRAIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, before my good friend, the gentleman from California, leaves, there ought to be an opportunity for somebody on this side of the aisle to set the record a little straight.

I mean, it is kind of crooked, after listening to what the gentleman had to say.

First of all, in the early 1980's, we had just come out of the Carter years, and we had suffered 21½-percent interest rates, 14-percent inflation, and we had employment that was double-digit.

Ronald Reagan, during the 1980's, cut the top tax rate from 70 percent to 28 percent, and as a result, during the latter part of the 1980's, we created 21 million new jobs. Those 21 million new taxpayers were responsible in large part for more than doubling the amount of tax revenues coming in. During the early 1980's, we were bringing in about $500 billion a year in tax revenues. It is up to, now, $1.1 trillion.

The problems we face are not due to a lack of revenues. We have more than doubled the revenues. The problems we face lie at the feet of the Democrat-controlled Congress who are spending way beyond our means. Now, granted, the President is not entirely blameless.

Let me just tell you why I think the President is not entirely blameless. Let me finish, and when I will yield. The reason I think that the President is not entirely blameless is that because during his campaign for President, he said, "Read my lips, no new taxes." And then he yielded to the majority party in this House and the other House, the Democrats. He said, "OK, I will sign a compromise budget summit that will allow for $181 billion in new taxes." I think that that hurt the President.

But the main responsibility for the deficit, the main responsibility for the deficit is the Democrat Party, which has had control of this Chamber for my entire lifetime except for 4 years. The last time the Republicans had control of this Chamber I was 16 years old back in 1954. And so all of the spending that goes on and the deficits that we are dealing with should be laid directly at the feet of the majority party in this House, because all spending and all taxes originate here, not at the White House, but here, and so I just say to my colleagues that they should not be casting these kinds of aspersions at the White House when they know full well that the spending problems that we are having today originate right here.

Today we moved $4.3 billion in forward spending in one of our spending bills to circumvent the budget agreement. You violated the budget agreement today, or circumvented the budget agreement, by spending $4.3 billion, or authorizing $4.3 billion in spending beyond this fiscal year, which is not technically a violation of the budget agreement, but the fact of the matter is it does exacerbate the budget-deficit problem.

The budget deficit this year is going to be $400 billion, the largest in U.S. history. The national debt is $4 trillion, 400 percent of what it was 10 years ago.

I submit to my colleagues, whom I love dearly as people, as individuals, that you are responsible, and not the White House, because you know the Congress is responsible for spending of tax funds.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, let me say first two things. I am going to tell the gentleman, as soon as his time runs out, that I am going to ask that my time be contributed so we can have a discussion.

In the 10 years that we have had a Republican President, he had an opportunity to veto every one of those budgets, as he has just vetoed two unemployment bills. That did not happen.

The fight at the budget conference was not over taxes. The fight was that the Democrats wanted to put a surtax on people with a million dollars' worth of income. George Bush drew his line in the sand right there: "I am not taxing millionaires." And when it came to taxing average people, they have always been in favor of that.

Mr. BURTON of Indiana. Reclaiming my time, sure, you wanted to tax the very rich. You taxed the boat industry, and so the rich do not buy boats anymore.

Who is out of work? The blue-collar workers that produced the boats, and they are up here lobbying that you remove that tax so they can get their jobs back.

The fact of the matter is when you tax anybody, whether they are upper income or lower income, it hurts the economy.

The $181 billion in tax increases is one of the main reasons we have the recessionary problems we have today, and we are responsible, or you are responsible, the Democrat Party in this House, for forcing that compromise.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, I think the gentleman points out, and he is as disturbed as I am about the legacy of what we have left, and that is that we have gone from at the beginning of the Reagan years from a $60 billion deficit to something that next year could be as high or over $400 billion in deficit.

Mr. BURTON of Indiana. Right.

Mr. MILLER of California. The point I think made by the gentleman from Connecticut is that neither President Reagan nor President Bush ever sent a balanced budget nor did they ever veto a budget. They, in fact, embraced this policy of simply borrowing and spending.

Mr. BURTON of Indiana. Let me just reclaim my time, and it will only take just a minute.

The reason the President is unable in many cases to veto those spending bills is because you fellows put about one-third garbage and pork in there, and the other two-thirds, and you say that if you want it you have got to take the garbage, and the fact of the matter is the President is put in a very untenable situation, and you know it.

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent that my 60-minute special order on today be vacated, and that I be granted a 5-minute special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

THE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. GEJDENSON] is recognized for 5 minutes.

Mr. GEJDENSON. Mr. Speaker, let me say just a few words, and then I will yield to my colleagues here.

Mr. Speaker, we have spent the last decade with a golden American Express card for the Government, and the people of this country, and now the administration's economic policy seems to be to blame the American people that they are not spending enough, "Please go out and spend more."

They feel they have got too much debt in this kind of uncertain economy. We are not better off today than we were 4 years ago or 10 years ago.

When you take a look at tax policy, President Carter signed one tax increase on gasoline as part of an overall energy policy. That was it in the Carter years.

Since Reagan gave the big tax cuts away to the billionaires of this country in 1981, he has done nothing, and Bush has done nothing but sign tax increases on middle-class people.

Mr. Speaker, I yield to the gentleman from New York [Mr. DOWNEY] first, and then I will be happy to yield to others.

Mr. DOWNEY. Mr. Speaker, I would just like to make two political points that I expect have been made before.

Let us assume for the moment that there is a lot of blame to go around, because I think there is. There are a couple of inescapable political realities.

Not only has President Reagan served 8 years, of that 8 years, 6 of them with a Republican majority in the Senate, but President Bush has served 2 years as President, and we have been unable, as the gentleman pointed out, to veto, or to override any of his vetoes, so I think it is a little bit disingenuous to suggest somehow that Democrats are to blame for everything when in fact we have not controlled the agenda.

Indeed, I remember very vividly Donald Regan, the Secretary of the Treasury in the summer of 1981, saying, "Our program is in place." We had enacted the tax cut that the President wanted, and his budget policies.

So before we cast the Democrats or the Republicans, let us just recognize what has happened.

There are things that are not attributable to either Democrats or Republicans that have been happening in the national economy that are also inescapable, and that is that the people who have fewer skills are greater in number, and the jobs that require low skills are fewer in number. Many of those manufacturing jobs have gone overseas. That has nothing to do with whether we had a Democrat or a Republican as President. That is an economic phenomenon.

As a result of that, you see black male wages or individual wages of manufacturing workers declining over that period of time.

Now, we can, or Democrats might make the point, "Well, that is Ronald Reagan's fault," and you can say it is our budget policy, but I happen to think that those are international economic events that both parties contribute to in some small degree, but they are forces pretty much beyond our control.

□ 1950

The question comes, to what extent can Government policy fill in the gaps for those people who now want to work full time and are prepared to work full time, but even if they do, they are not going to make living wages?

Here it seems to me the Government has a responsibility to try to help those people who if they want to work full time should not be poor. We have to figure out in our own minds what series of policies we can enact here that will help ordinary Americans live a life in some degree with some respect.

Here I think we have some major disagreements. If you take a look not at what happened to the bottom, but what happened to the top, you will also see a couple interesting macroeconomic and political questions at work. The first thing is that those people who had skills, people who are college educated, with post-college educations, were in demand and their salaries increased.

At the same time that their real earnings increased, it not only occurred to the top 1 percent of the population that did very, very well, but it also occurred to the top 5 percent who did well, but not as well as the people at the very top.

During that 10-year period of time because of macroeconomic consequences, their real incomes increased and their taxes were cut. That is basically what the 1981 Reagan proposals did.

Now, the consequences of those cuts are that we have less revenue than we have today.

Let me make the gentleman's point. He is going to say that those tax cuts also helped to stimulate the economy, and to a certain extent they did, and I will be happy to concede that.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will yield, 21 million new jobs.

Mr. DOWNEY. Well, I do not think that the 21 million new jobs were directly attributable to that, but let me just give you a couple of million jobs.

The reality is that those people have seen their real incomes increase. I am only sorry that I was not one of them, and I do not begrudge their real incomes going up, do not get me wrong, but their taxes went down significantly.

What the Democratic Party I think stands for, and I stand for and would like to see happen, is that in the years to come we take away some of the tax benefits that these people have had and redistribute them to those people who have seen their incomes go down and their taxes go up.

Mr. GEJDENSON. Reclaiming my time, Mr. Speaker, I just say that there are places where we can do this. We are spending $140 billion subsidizing Western European defenses.

We just had the unemployment bill vetoed twice. We do not have health care in this country for a large number of our citizens.

In Germany, if you are 55 and you get unemployed, you get 130 weeks of benefits. Do you know how they can afford that? We are paying for their defense. Their kids can go to college and have the Government help them get a college education so they end up with a better educated work force.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will yield, is the gentleman advocating 130 weeks of unemployment in this country?

Mr. GEJDENSON. I am not.

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. DURBIN. Mr. Speaker, I ask unanimous consent to vacate my request for a special order of 60 minutes and instead at this time ask for a 5-minute special order.

The SPEAKER pro tempore (Mr. LUKEN). Is there objection to the request of the gentleman from Illinois?

There was no objection.

THORNBUSH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DURBIN] is recognized for 5 minutes.

Mr. DURBIN. Mr. Speaker, let me say at the outset that I want to thank all the staff who is staying on for these special orders, from the pages to the Presiding Officer. I appreciate their endurance and patience.

Mr. Speaker, my colleagues have reflected on the events of the last 10 years and certainly it is a good exercise to do that. The past is indeed prologue.

I would like to reflect on the events of the last 24 hours in America. In particular, I would like to call to mind an editorial or commentary this evening by Daniel Schorr of National Public Radio in which he referred to last night's election in Pennsylvania as Thornbush. I do not know if this will become a common term in the American political lexicon, but it does raise a question as to what the voters in Pennsylvania and across the United States were trying to say yesterday.

We spent dozens of 1-minute speeches today trying to figure out what that meant. I think there are several elements that we can all agree on that were part of all the decisions made by the voters across the United States yesterday. One of them was reflected in a magazine several weeks ago, Newsweek magazine, which had a cover story entitled "The Bite on the Middle Class."

I happen to believe that some of the votes, if not all the votes cast yesterday were part of the economic unrest we see in America today. This particular Newsweek article went into detail to tell us about the lives of several American families who are struggling on what appears to be a comfortable income just to survive, families across the United States who are making $40,000, $50,000, $60,000 and yet finding it exceedingly difficult to provide for their own families and to provide futures for their children.

The question is, quite honestly, why is the middle class struggling, according to Newsweek magazine. Reaganomics is part of the story, that is their conclusion. They relate it back to the loss in earning power of American families over the last 10 years.

Last night on television I was watching as they interviewed some voters in Pennsylvania and asked them what they were thinking about as they went off to cast their votes in that historic senatorial election. One lady who appeared to be retired said something very interesting. She said, if I can remember correctly, "America can't be great if we just have the rich and the poor."

I think that is what this discussion tonight should be all about. Is this country becoming a country of wealth and opportunity or in fact is it being broken down into separate classes that are growing in size. I am afraid the statistical evidence is very clear that it is the latter.

As has been said by Robert Wright in an article which he wrote for the New Republic, in recent years working Americans have been traveling on two escalators, one going up, the other going down. We know the escalator that is going up. It is for the wealthy in America. They have done very well. The escalator going down is for working families. Their purchasing power has been eroded.

Now, we see a lot of reasons and explanations for this. There has been some discussion of tax cuts in the Reagan era, what they meant for the economy. My colleague, the gentleman from Indiana, believes that they can be credited with giving a boost to the economy and creating 20 million or more jobs. Some would argue with that conclusion, but let us ask what price we have paid for that economic boost.

Let me tell the gentleman, for example, that according to a study which was recently released by Citizens for Tax Justice, the cumulative impact of the tax cuts enjoyed by the richest 1 percent of American families, and let me tell you who these people are, these are American families making an average income of $676,000 per year. That is $676,000 grand per year. We are talking about these folks. If you added up the tax cuts during the Reagan era given to these folks, it comes to $1.1 trillion that has been added to the national debt. Literally one-quarter of our national debt has been added because we gave tax cuts to people making $676,000 per year.

Now, if the gentleman would concede or argue that this has created jobs and opportunities for some, I believe he also has to concede that it has created at least one-fourth of our present national debt to be carried on by future generations.

Mr. BURTON of Indiana. Mr. Speaker, would the gentleman yield for just about 30 seconds?

Mr. DURBIN. I am happy to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, the fact of the matter is that the Reagan tax cuts stimulate additional investment, capital investment. That capital investment led to an economic expansion which created 21 million new jobs and hence 21 million new taxpayers. We more than doubled the tax revenues coming in from the time we made those tax cuts, so the problem is not that we do not have enough tax revenues. It is we are spending too much, and that is causing a lot of the inflationary problem that the gentleman is talking about.

Mr. DURBIN. Mr. Speaker, let me reclaim my time. I yielded to the gentleman because he was kind enough to yield earlier, but I happen to believe that we paid a price for those 21 million new jobs. We created a debt which we are now carrying, as the gentleman has said in many of his eloquent floor statements, 18 cents out of every dollar being paid for interest on that debt, so if the Reagan legacy was 21 million new jobs and a boost to the economy, the Reagan legacy was also quadrupling a national debt which we are now carrying on our shoulders.

The gentleman was on the floor today arguing against medical research at NIH because we could no longer afford it.

Mr. Speaker, that is where the priorities come down to.

I thank the Chair for this time period. I believe we should continue this discussion. I appreciate my colleague, the gentleman from Indiana, participating in it.

THE HIV CRISIS, THE B-2 BOMBER, TERM LIMITS, AND THE NEA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, as is my wont when I do these things, I will call attention to the audience out there. It is about a million and a half now, Mr. Speaker, who watched that brilliant exposition by all my good Democratic friends on the state of the economy. A million and a half people watched, and yet our cameras will troll around here under an order by a Speaker, three Speakers ago, and show an empty Chamber as though nobody is listening, Mr. Speaker; but the Speaker is here. This unbelievable excellent staff is here and we have got 1½ million people watching out there. That is 11 L.A. coliseums filled with people, and if I could refer to the gallery I will talk about, oh, 8 or 10 handsome people up in the gallery, but I cannot refer to them, Mr. Speaker.

So let us wake up on this word comity, meaning gentlemanliness, and good-naturedness to one another and do away with this decade-old rule of panning the empty Chamber.

□ 2000

The House is in session, the gavel has not come down. There is no difference here than during the 1-minute speeches at the beginning of the day when there are no more than 10 or 12 people in the House except those waiting to get a chance to let a little steam off, whether it is their left viewpoint, their right viewpoint, or that terrible mishmash of moderate, stand-for-nothing viewpoint in the middle.

As is also my wont, I am going to cover three subjects in my special order tonight. I am going to ask Mr. BURTON, so he does not have to wait until I am through, to join me with some of his thoughts about the horror of the humano immuno-deficiency crisis, the HI virus sweeping through Africa.

Then I am going to talk about the B-2 bomber. Then I am going to talk about term limits, which everybody has been discussing from sea to shining sea.

But before I do that, a horrible flash from the NEA. In spite of all of the intense debate in this Chamber and the other Chamber, the National Endowment for the Arts, Mr. John Frohmayer, whom I have told you, Mr. Speaker, to please convey my feelings to the President of the United States that he must fire this liar, John Frohmayer. He has lied again to us and thumbed his nose at us with arrogant contempt and not interrupted the process where some of these phony so-called artistes have awarded grants, $8,000 of our tax money across this country to four more of these weirdos who have already shown that all they are interested in is shock on the stage, working stark naked with chocolate smeared all over them. I cannot even begin to describe what they do on the stage, these four sodomite performers, because it would violate the decorum, the dignity and, yes, the comity of this Chamber.

Well, they have been awarded, in spite of this degrading debate last week where we traded corn, that is, grain fees not being raised on our cattle farmers across this country, so that we would cave on this side with our strong language about funding obscene, degrading and, yes, blasphemous art through the National Endowment for the Arts.

The title itself has become a joke now.

So I just want to point out something in this House and then go to my friend, the gentleman from Indiana [Mr. BURTON], whose brilliant exposition today to a full House of attentive people because of the elections in Virginia and New Jersey yesterday, the antitax angry voters speaking yesterday. And everyone listened to Mr. BURTON as he explained that this House continues to go lower and lower and lower in the esteem of the American people. The focus of Mr. BURTON's righteous concern was forward funding, billions, $4.3 billion, into the future. The President was creating problems for himself.

But here is what I want to point out about this NEA art. In this great Chamber—and again, if this were under control of the cameras, I would say to the cameras in the corner of the House to please pan the beautiful 3-foot medallions of 23 lawgivers around the House. I call our west wall here the wall of saints; St. Edward I, the Confessor; St. Alfonso X of Spain; St. Gregory, the ninth Pope of Rome; the great St. Louis of France, who began the run of all the Louis names; a Roman emperor whose name lent itself to justice, Justinian.

Over here on this wall, Pope Innocent III, another saint. But coming around the walls, two great believers in term limitation, after Napoleon and Portier, we have here George Mason, born in 1725; Thomas Jefferson, only 33 when he wrote the Declaration of Independence, born in 1743. These two great men believed in term limits.

So I will come back to them. But between them are two portraits, the Father of our Country, George Washington, who believed in term limits, and limited himself to two terms. He could have gone on till the day he died. He died 2 years after he retired anyway. So he knew it was time to go to Heaven.

Over here, an honorary American, along with Raoul Wallenberg and Winston Churchill, is the great Marquis de Lafayette, who at 23 years of age was a lieutenant colonel on George Washington's staff.

So all of this symbolism and all of the names, right under Moses' face, looking down on the great Rabbi Maimonidies, from the 1100's, in Spain; under their names under there, and their faces, there are no words on the two big portraits, but the only words other than "sic semper tyrannus" on the great seal of the State of Virginia, so always with tyrants, then Eureka on the California seal, "agnus dei," the Latin for the Lamb of God, the beautiful seal of the Virgin Islands right over the Speaker's head.

One of these days, if Speakers do not involve themselves, Mr. Speaker, in these moral arguments of our day, that crest is going to come right down on the crown of your head, and "agnus dei" is going to be imprinted across some Speaker's forehead.

Then these great words here that all the atheists in America would like to chip off the wall, "In God We Trust." But that is it. Names, slogans, and mottos on the crests of our States, and "In God We Trust," except for this gold segment. If you want to pan the cameras up and pick up the words of Daniel Webster right over the Speaker's head at the top of the Chamber, if the camera is on that, one we know that it is not, because of the creepy rules of the House, I will read it for you. Here are the words of Daniel Webster, among all of the great sayings of this man who compromised on slavery and cost himself the Presidency, a great, great American; born in New Hampshire, served in Massachusetts. Well, here is what he said and what it says on the wall:

> * * * Let us develope the resourses of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered.—Daniel Webster.

Those are beautiful words to guide the men and women in this great legislative Chamber.

Here is another quote that I stumbled across the other day. Think of the NEA, art funding for perverts and sodomites, putting on filthy stage shows across this country. The latest grants have no strings attached. They are going to write crummy, rotten, blasphemous material and are going to have these $8,000 grants to buy their groceries while they defile and further pollute the American public marketplace.

Here is what Daniel Webster said about religious books, including the Bible. Same as the words I just read that are etched in gold up there on that big marble plaque; Daniel Webster said:

> If religious books are not widely circulated among the masses in this country, I do not know what is going to become of us as a nation. If truth be not diffused, error will be; if God and His Word are not known and received, the devil and his works will gain the ascendency; if the evangelical volume does not reach every hamlet, the pages of a corrupt and licentious literature will; if the power of the Gospel is not felt throughout the length and breadth of the land, anarchy and misrule, degradation and misery, corruption and darkness will reign without mitigation or end.

What would Daniel Webster or George Washington or Abraham Lincoln or Thomas Jefferson or George Mason of Virginia, what would they think of our Nation and these graphs?

Now, to these words I turn to my great colleague from Indiana and ask him to inform this House about what the wife of the President of Uganda has to say about the AIDS plague, the pandemic plague sweeping across the world.

Mr. Speaker, I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. I thank my colleague for yielding to me. I really appreciated his eloquent remarks because they lead right into the theme of what I want to say for about the next 5 or 6 minutes. I want to start off by saying that we have been spending a lot of money for education in this country to try to stem the tide of AIDS, to try to make young people reevaluate what they are doing, change their sexual attitudes.

They just did a poll at Ball State University, right on the edge of my district, and they found that 80 percent of the young people there said they were sexually active, 80 percent. I imagine that is pretty consistent with most of the colleges and universities across this Nation.

Now, that should be of great concern to us because the segment of our population that is going to be most adversely affected by the AIDS virus in the years to come are the teenagers and the college-age young people. Here in Washington, DC, the head of the health system, one of our leading health care experts in Washington, DC, recently said there has been over a 300-percent increase in the number of teenagers in Washington, DC, who have contracted AIDS, not from drugs but through sexual contact, in the last 3 to 4 years. A 300-percent increase. It has gone from four tenths of 1 percent to 1.3 percent. Now, that is indicative of a real dramatic increase that is going to hit all segments of our teenage and college-age population.

Now, what does that have to do with Africa?

Well, Africa, particularly Uganda, is today about 5 or 6 years ahead of us; we are today where they were 5 or 6 years ago. Let me tell you what the President's wife, of Uganda, said to our committee today, Mrs. Museveni. She said that 10 percent of the population of Uganda, at least 10 percent, has AIDS virus.

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Mr. DORNAN of California. Mr. Speaker, I ask the gentleman from Indiana [Mr. BURTON] to spell the President's wife's name. I want to memorize the name.

Mr. BURTON of Indiana. Let me give that to the gentleman; just 1 second. M-u-s-e-v-e-n-i.

Mr. DORNAN of California. Museveni.

Mr. BURTON of Indiana. Eighty percent of those who have the AIDS virus there, it was contracted heterosexually. Eighty-three percent of all the AIDS cases in Uganda have been among individuals between the ages of 15 and 40 years of age. Curative services are being strained by increasing AIDS cases. Forty percent of the hospital beds and 80 percent of the beds in the tuberculosis wards are occupied by HIV AIDS patients.

Now here is what she says about education, and this is what we have been relying on in this country, and bear in mind we are today where they were about 5 or 6 years ago.

She said, "However, after 5 years of intensive information, education, and communication activities, it is evident that, although the majority of Ugandans have been sensitized by AIDS, there has not been a significant behavioral change to reduce the transmission."

So, all the money they spend on AIDS education over there has gone for naught as far as changing the patterns of behavior of the people of that society.

She went on to say, "Information providing AIDS education strategies were necessary, but have not been sufficient to stem the spread of HIV. The Ministry of Health cannot cope with the socioeconomic problems posed by AIDS."

I think the point I want to get across is that we have to have a comprehensive program to deal with AIDS in this country. Otherwise this country is going to experience the same things they are experiencing in Africa and, in particular, Uganda. They are going to have 10 million people dead or dying of AIDS by the turn of the century, minimum, in Africa, and many people believe that in a very short period of time we are going to see 40 or 50 million people dead or dying, and so we need to address this, not just through education, but through scientific research, through education, through contact tracing, through testing, through psychological help, through making sure that civil rights of HIV-infected people are protected. We just need a comprehensive program to deal with it and penalties for those who know they have AIDS and continue to spread it, and I just want to end by reading the final couple of paragraphs that she had in her speech because it bears upon what the gentleman from California [Mr. DORNAN] said a few moments ago about us turning our backs on what Daniel Webster said about us turning our back on our religious beliefs, and on believing in a supreme being and the moral, moral attitudes that he imparted to us through the Holy Bible. We are ignoring those. Let me read to my colleagues what she says, and she is a Christian lady:

> My own personal view is that the AIDS epidemic raises very basic moral and ethical issues. In fact AIDS is a loud and urgent symbol of a malady which has pervaded the whole human condition.

She is not just talking about Uganda. She is talking about the whole world.

> It is a physical manifestation of a deep-seated disorder in the spirit of man. This flower of death has its roots in centuries of human misuse of God-given life forces and resources. There are other symptoms, if you care to look around: Environmental degradation, senseless violence in our communities, rampant corruption in high offices and so forth. The question must be asked whether

> this epidemic is not nature's way of making us halt in our tracks and change directions. Ours—

Listen to this part. This is extremely important.

> Ours is a spiritually illiterate generation. This is not a Ugandan problem. It is a human problem. Therefore, as we struggle together to find a cure for AIDS and to cope with the chaos that it will leave behind when it is gone, let us together look beyond AIDS. Let us use science and technology to find solutions to our problems on the material level, but let us look to our Creator, to God, for answers to the basic questions that confront our present generation. How well we survive may depend on how well we listen and change.

And I would just like to say that we do not talk on the floor of the House about the Holy Bible and what the Old Testament and Moses talked about, whose picture is up there on our wall, and what Jesus Christ talked about in the New Testament, but the fact of the matter is, if we adhere to the moral principles taught in that book, the AIDS virus and the tide of it would be stemmed because we would not have a multiplicity of sexual partners. We would have monogamistic relationships. We would not be saying to our young people in this country that condoms are the answer because they would not need condoms because they would not be having a promiscuous affair with person, after person, after person.

So, we have gotten away from that, and we accepted all kinds of immoral behavior, to which the gentleman from California [Mr. DORNAN] alluded to moments ago, and that is one of the major problems with the AIDS epidemic. We should not be telling young people that safe sex involves condoms. We should say that safe sex involves sound moral principles and one sexual partner, your wife, for life. That should be it. One should not be having multiple sexual partners because it only spreads the disease and the terror that comes with it.

So, I would just like to say to my colleagues who may or may not be paying attention tonight that I think we have a commitment to a new moral outlook in this country, a new moral attitude.

Mr. DORNAN of California. I would like to say on Africa, if I could, for a second because the President's First Lady in Uganda has really, in calling it the flower of death, the venus fly trap of death—sexual promiscuity, as pitched by our motion picture industry, by television, by every possible aspect of advertising in this country.

Rooney, Mr. Rooney, did a tremendous piece on 60 Minutes this week talking about sexual harassment and showing articles from the great paper of record, all the news that fits, the New York Times, and, as he turned page after page, reading on the same pages of articles about sexual harassment, he would pan down to what used to be the fare of Playboy magazine, the most erotic and exotic underwear ads, and bathing suits—no, we are not even talking about bathing suits—all underwear ads, in the New York Times, page after page. I have not seen this in the L.A. Times, the other big paper on the west coast or the Washington Post to this extent. It was incredible, and at the end of it he said, "Give us a break," talking to the ladies—the whole America. "Give us a break. We can't keep exciting all the sexual interests and urges of young people at any age and then expect not to have this degradation of the public marketplace," and then the lead is thrown back to Leslie Stahl, the newly added lady reporter on 60 Minutes from her anchor position on Face the Nation. She completely missed the point and says, "Oh, Mr. Rooney, you're going to get us in a lot of trouble with that, and you can answer all that mail."

As the gentleman knows, the point he was making with humor was a deadly serious point. Our society is saturated in the pathetic glorification of easy and promiscuous sex, and now the lady, First Lady of Uganda, says that nature, to most of us, at least on the election stump in this Chamber and in the U.S. Senate, when we talk about nature, we are talking about God, and some of us are not ashamed to come right out and say "God."

Mr. BURTON of Indiana. Yes.

Mr. DORNAN of California. But if it is said that this is some sort of a natural warning because of the lack of sanitation involved with promiscuous sex, they are considered to be cruel and making victims out of the people who have AIDS or are dying of AIDS.

Mr. BURTON of Indiana. I think that whether it is the Koran or our Holy Bible there are certain moral guidelines that are set down for humanity, and, if we adhere to those guidelines, we avoid an awful lot of problems. When we start deviating dramatically from those guidelines set down in the Scriptures, I think what we do is travel at our own peril because we are getting into uncharted waters because we, as a world, not just as an American or a Ugandan, but we as a world are in very deep water right now with this AIDS virus because there is no cure because we have a long latency period. It is up to 10 years before there is any manifestation of the disease, and all during that time they can spread it, and nobody knows whether they have it or not.

So, we are in very deep waters. Until we get back to these charted moral waters, we are going to continue to travel at our own peril, and I think it is a very sad thing, and we keep seeing on television and hearing from NIH and from CDC: Safe sex. We see commercials on TV. But we do not talk about the very important thing, and that is the moral fiber of the country which has come apart.

Mr. DORNAN of California. I would like to add something to what the gentleman from Indiana [Mr. BURTON] said about Africa.

From the Soviet Union there was a front-page story in USA last week. It just jumped out at me because of the date. In 1986, the fall of 1986, there was one known AIDS case in all of the 15 so-called republics of the then forcefully unified Soviet Union—one case. Now they knew there were others, but they thought there were still only a handful. On September 26, 1986, the gentleman from Indiana [Mr. BURTON] and I went to a meeting that all the Members were asked to come to in a "Dear Colleague," 435 Members. I think every seat was filled then. There was no deaths, or vacancies or special elections, and out of 435, 6 of us showed up, the gentleman from Indiana [Mr. BURTON], me, the gentleman from California [Mr. DANNEMEYER], one Member who has left, Bobbi Fiedler who also left in a Senate race, and Dr. James Mason who was then head of the Centers—all six of them down in Atlanta's Centers for Disease Control. He is now the No. 2 doctor in the biggest bureaucracy in the world, the Department of Health and Human Services.

☐ 2020

He is that middle letter "H." He is the director, the Secretary of Health, Dr. James Mason. He told us what was in store for this country. Rock Hudson, his case had not come forward yet. We had not seen a series of movie stars or stage performers or ballet or fashion designers or haute couture leaders in fashion die off yet, but he warned us what was coming, and that month, September of 1986, one dead in the Soviet Union.

Here is the headline that jumped at me: "AIDS is going to cut a swath of death across the Soviet Union that may take out tens of millions of people." They have 700 or 800 registered cases, but they know that represents thousands, and the gentleman went to the floor that next day, I went to the floor, and Mr. DANNEMEYER did. If we took BOB DORNAN and DAN BURTON and BILL DANNEMEYER and the chairman of our Health Subcommittee, Mr. WAXMAN, if you took the four of us out of this House there would not be five speeches on AIDS in all of the last 5 years. It is amazing. The people in this Chamber and the other Chamber do not want to go near this issue, and it is not just the death factor. That would be understandable, people just overwhelmed, so terrified by the scythe of death that this is cutting across Africa and soon the Soviet Union and Europe and the United States and South America, Central America.

What they are afraid of is going against the popular feeling that sex is somehow the birthright of all young kids, the end to a much-maligned but very happy fifties, when we did not have the freedom that these kids have today to couple like strange dogs in an alley.

Now, when we see the results of all this lack of sanitation, for want of secularizing the argument, and this is why they believe it is just going to cut through the Soviet Union. The Soviet Union's hospitals are a filthy disgrace. I have been in them, from Armenia to Leningrad. I have heard our embassy staff say that if anybody gets any type of approaching serious illness, right in an airplane off to Helsinki, Finland; even from Moscow or anywhere, back to Poland, anywhere but going into a Soviet hospital. More people come out of Soviet hospitals sick, sometimes to death, with staph infections than go into the hospitals, because of lack of sanitation. If we take poor health facilities, open sores, the worst sanitation, as bad as most Third World nations, in the Soviet Union, a population of 290 million people, 130-some languages, a communication system that cannot be relied on, that is spinning out of control, we are going to see those former so-called Republics in the Soviet Union as damaged by this disease of lack of sanitation, this sexually transmitted venereal disease, and what is not sexually transmitted by sexual promiscuity is transmitted by drug abuse, when you have the true victims. I know the homosexual activist movement hates to have us refer to Ryan White or anybody who is a hemophiliac or anybody who got it through a blood exchange, or a doctor injured in the hospital, stuck with a needle, but there are about 8 percent that are pure, innocent vicims whose conduct did not bring them into jeopardy with this amazing killing machine that she calls the flower of death.

But just watch what unfolds in the next 5 years, what the gentleman and I and Mr. DANNEMEYER have been talking about on this House floor, and it has gone from one to thousands in the Soviet Union.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman would let me conclude with just two quick remarks, we are going to have with the new counting method at the CDC probably close to 300,000 people dead or dying by the end of this year. When you project that out, it means by the mid-1990's, it means we are going to be pretty close to a million. They are still saying we only have a million and a half infected after 5 years. They said that 5 years ago.

Mr. Speaker, I just want to make two quick points. The first point is, the next segment of our society that is going to be hit and probably hit harder than any other segment—and I include the homosexual community—the hardest hit section of our society is going to be the teenagers and the college students who are the future of America tomorrow. That is what is happening in Uganda. It is wiping out an awful lot of people who are going to be the productive people in years to come and the leaders of tomorrow.

If that happens in America, it is going to have tremendous economic problems for us. We have 1.3 million hospital beds in this country. We are going to fill them up with AIDS patients. It will cause a tremendous drain and problem for the health care industry. We already have enough problems.

Finally, the last thing is, we are not like Africa. We are not like the Soviet Union. We have resources. We have the technology necessary, the people necessary, the health care facilities necessary right now to come to grips with it and to come up with a comprehensive program to deal with it, and we are not doing it. So we are destined, if we do not come up with the comprehensive program that I am talking about, timely getting this on the floor to deal with it, we are destined to go down the same path as Uganda and the Soviet Union and these other countries are going to suffer.

I would just like to plead with my colleagues one more time tonight, we have to come up with a program that consists of testing, contact tracing, education, psychological help, penalties for those that have the AIDS virus and know they have it and continue to spread it with other people, and protection for those who have the virus. If we came up with a comprehensive program that did that, we could stem the tide of the AIDS virus. But of course, coupled with that there will have to be a moral change as well.

Mr. DORNAN of California. Mr. Speaker, what is the district number of the gentleman from Indiana, DANIEL BURTON?

Mr. BURTON of Indiana. The Sixth District.

Mr. DORNAN of California. DANIEL BURTON, of the great Sixth, we have been saying it for 5 years, that the sheer weight of the horror of the death toll is going to get us each one of those things the gentleman has named eventually, but eventually may mean 5 more years or 4 years or 3 years. One by one, we will win each of those victories.

I said 5 years ago or so this House would probably not start to think about it until the case numbers had reached 200,000, I think I saw on your figures today. You called Health and Human Services, and we are pushing through 200,000 right now.

Mr. BURTON of Indiana. With the new figures they are using, the way they are compiling these figures, we are going to be close to 300,000.

Mr. DORNAN of California. It was always 20 percent low because of the unreported cases in 1982, 1983, 1984, 1985, and 1986. That means that homosexuals, because they count for 73 percent of all of those cases, the homosexuals of this country have already passed 100,000 deaths. That is double those on the Vietnam wall, the 47,369 combat deaths on the Vietnam wall; the 33,629 dead in Korea. They have tripled the deaths in the 3-year war in Korea.

So we have been saying it. We are going to win all those eventually. If we win them sooner rather than later, point by point, we will save tens of thousands, hundreds of thousands of lives.

If this House keeps digging in its heels and caving in on this issue, as you said ad nauseum, trying to save lives, treating it like a public relations problem instead of a public health problem, then millions more will die before we wake up.

Mr. BURTON of Indiana. I thank the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I thank the gentleman. That ends the first third of my special order on AIDS.

We now go to national security, the defense budget, which at this point is falling apart, the conference report. I am prepared to vote against it, not only because people are fighting to put the abortion language back in there to allow people in military hospitals, even though they pay for it themselves, to use our defense facilities and all of the dollars that come with the maintenance of facilities to have abortions.

I turned on "Good Morning, America" this morning and Fort Stewart, GA, the home of the great 24th Infantry Division, the spear of our invasion into occupied Kuwait and that great Hail Mary end run around our left flank into Iraq, the spear of that was Barry McCaffery's, the division commander of the great 24th. Guess what, their hospital was geared up for about 350 to 400 births during this winter season. They are expecting more than double that. Eight hundred or more births will be in the base hospital there at Fort Stewart, so a lot of people came back from this near total victory, and we still have Saddam Hussein on the loose, the mass killer and prospective nuclear bomber; until we get him, we cannot close the chapter on that. But well done, 24th Division, in bringing a lot of beautiful little Army brats into this world. I use the term "brats" lovingly, as the military does.

Now to the B-2 bomber as one aspect of the defense budget that deserves to be voted down in this Chamber. It will not be because too many people are demagoging this defense issue, but it will certainly be vetoed by the President in its current form.

I want to put into the RECORD two articles, Mr. Speaker, one an interview with our great Chief of Staff of the Air

Force, Gen. Merrill A. McPeak, and another with the retired Gen. Larry Skantze. When General Skantze was wearing four stars on his shoulder, he was the commander of the Air Force Systems Command out at Andrews Air Force Base.

□ 2030

We have had some good people in there, like Lou Allen, who is now the commander of the Jet Propulsion Laboratory. I should not say the commander, the civilian head, in retirement of JPL in Pasadena.

But Gen. Dr. Lou Allen would concede that Larry Skantze built upon his leadership and was one of the finest four stars that we have ever had at Systems Command.

Mr. Speaker, I want to put in this article by Larry Skantze, and the give-and-take interview by Glenn Goodman and Jim Hyde at Air Force Journal with Gen. Merrill McPeak.

Mr. Speaker, then, just to enhance your interest, some of the people who follow this Chamber by electronic means; for example, television, since the printed RECORD will not be out until tomorrow and everybody in these 435 districts across this country, all the way to retired Marine general, Congressman BEN BLAZ's district across the dateline in Guam, they can all write and get the CONGRESSIONAL RECORD tomorrow to get these two articles. But I want to at least tantalize you a bit with some of the things that General Skantze said about the B–2 bomber.

Now, here are at least 10 points that I have extracted from this trenchant analysis of lack of vision in the Congress on the B–2 bomber that I hope we call the Shadow.

I am 58 years of age, so I was raised with a radio show called "The Shadow." It would begin with this deep voice saying what evil lurks in the hearts of men? "The Shadow" knows.

Well, there is going to be a Saddam Hussein evil pop up on this planet in 5 years, 10 years, 15 years, and I think this Congress is going to be a sorry body if we get term limits, which I am going to close my special order with. Maybe there will not be anybody here to have to answer up to future generations why we only have 15 B–2's, instead of a minimum of 40 or the 75 that has already been cut down from the initial plan for 132 B–2 Shadows.

Imagine that we have already spent almost $35 billion on this amazing stealth weapon system for the defense of the free world. It would have performed magnificently in Desert Storm had it been already on the line as a combat ready SAC aircraft, or the new Air Tac Combat Command aircraft.

I repeat, we are going to rue the day if we only build 15 of them. The Air Force may not be able to operate a small half a squadron, as 15 of them.

But here are some of the points that now-retired general to a superior position as citizen, with his full first amendment rights, here is what Larry Skantze says. Since the Air Force cannot occupy land or sea, is one of the points he makes, it has been looked upon in the past as only a supporting force.

Some supporting force in the gulf, Desert Storm.

However, World War II demonstrated that power projection in the form of long-range strategic bombardment was another vital Air Force mission.

Point 2 he makes: When a nuclear threat from the U.S.S.R. became credible, the Air Force refocused its mission on strategic deterrence to air power. Implicit in this force structure was deterrence at all levels, conventional as well as nuclear. Thus conventional capability became a historical role. He fleshes that out beautifully in his article.

Point 3: The Air force also wants a force that can be tailored to meet changing threats, not only in the short term, but in the next 20- to 30-year context. While Air Force ballistic missiles are fairly restricted to the nuclear role, strategic bombers have historically been adaptable to multimission roles.

In point 4 he talks about the B–52 Stratofortress, a prime example of a strategic bomber designed to carry nuclear bombs in the fifties, conventional bombs in the sixties and in the seventies, in the seventies in Vietnam, back to nuclear cruise missiles in the eighties, and conventional bombs again in the nineties.

I visited with some of the crews at Fairfield, England, that were about to leave one evening on a 14-hour 45-minute trip, flying right through the entire night, from daytime through the night back to daytime if they did not recover at Diego Garcia about 2,000 clicks south of Baghdad. But many of them came back home with many refuelings. That was a heck of a mission they were flying as conventional bombers projecting force to bring that madman to bay.

Likewise, the B–2 Shadow, which was originally designed to carry nuclear weapons, will now be designed to also carry conventional weapons or various types of weapons, whatever the mission would dictate in the future.

Point 5: As the Air Force attempts to satisfy the security requirements of the United States in a declining defense budget, a flexible force such as strategic bombers becomes more valuable than ever and more cost effective.

Point 6: General Skantze goes on to talk about how, as the defense budget declines, the number of available weapons systems also obviously decreases.

So the use of high technology emerges as a key for increasing the combat capability of those fewer weapons systems.

High technology, to quote him directly, such as stealth, must be exploited to gain combat leverage.

Point 7: Although the future Air Force will be considerably smaller in numbers, it must retain equal capability, if not greater capability. Limiting the B–2 to a force of only 15 aircraft does not make any sense economically, and it certainly does not make any sense militarily, he maintains, when designing an overall smaller force that has the power and flexibility to support national security requirements well into the next century.

Point 8: The question is not how many B–2 Shadows or F–6 Falcons, F–15–E Strike Falcons, F–22 Lightning II's need to be built, but what type of an Air Force needs to be crafted.

The big picture here, Mr. Speaker.

Here is a direct quote of his, point 9: The American people are investing in the future security over the long term. The makeup of our future Air Force structure must be reviewed in that context, here in this House and in the Senate.

And the tenth of many points, there are some that I did not extract in my own exegesis of his excellent article, he says in the context of a smaller, more capable force that can fulfill defense requirements beyond the year 2000, full-scale production—he is talking about not the 132, but the 75 that the President and our great Defense Secretary, Mr. Cheney, decided on, 75—and now we are down to 15, because people do not understand what is happening in the Soviet Union.

Mr. Speaker, I submit these two important articles for the RECORD.

[From Defense News, Nov. 4, 1991]

AF STRUCTURE, NOT B–2, IS ISSUE

(By Retired Gen. Larry Skantze)

The fundamental difficulty with the B–2 debate is that the terms of reference are myopic. The current major issues seem to be unit cost, system test, demise of the Soviet threat and competing domestic needs. Visionary arguments carry precious little insight.

The B–2 budget battle is not unlike those that surrounded the development and production of the Airborne Warning and Control System, the Joint Surveillance Target Attack Radar System, the EF–11A, the Low-Altitude Navigation and Targeting Infrared system for Night (LANTIRN) and the infrared Maverick. The principal arguments then were the same: too expensive, doesn't have a mission, won't work. Fortunately Desert Storm proved their effectiveness.

A nation, particularly a democracy, should be capable of seeing its Air Force in a long-term perspective. What is its basic mission? How does it execute that mission? What are the forces required to successfully do that? The Air Force has been looked upon as a supporting force since it occupies neither land nor sea. However, with the advent of World War II, air power projection in the form of long-range strategic bombardment came into its own, in Europe as well as the Far East.

The vision of air power, as perceived in the 1930s, came to pass. And while much of the U.S. recollection is of the 8th Air Force campaign against Germany, the B-29 campaign against Japan was more devastating, though it was overshadowed by the dropping of two atomic bombs on Japan in 1945.

With the nuclear threat from the Soviet Union, Air Force doctrine had to refocus and deterrence became the primary role of U.S. aerospace power. Combat forces and strategic employment were tailored to emphasize the credibility of U.S. deterrent forces. The steady buildup of strategic bombers and land- and sea-based ballistic missiles in the 1950s and 1960s were evidence of the U.S. commitment.

Implicit in U.S. force posture was deterrence at all levels of warfare, conventional as well as nuclear. While the ballistic missiles did not have the capability, conventional strategic bombardment had always been a characteristic of the bomber force. The B-52 has convincingly demonstrated its conventional capability. The B-1B, though not demonstrated, has the capability. The B-2 had been designed for major conventional munitions capability from the outset.

Tailoring aerospace power to meet changing needs and threats requires long-range vision as well as hindsight. Those who serve or have served as long time members of the U.S. Air Force tend to see it in at least a 20- to 30-year context. The difficulty comes when one tries to translate that vision to congressional and civilian leaders, who normally have short-term perspectives of military forces. However, the Air Force, for its part, has not been effective in lifting the dialogue to long-term considerations.

In its real perspective the debate is about what capabilities are needed in the future Air Force to satisfy the security needs of the nation. The Air Force already is being drastically reduced, and within this construct the B-2 is just one of several force structure options. The major issue is the creation of an effective Air Force within a smaller budget while sustaining a force that can deal with a variety of threats into the future.

Critical to the debate over how to fashion that force is the awareness of the steadily increasing usage of all of our aircraft in age and operational employment. The B-52s have been in use 25 to 35 years. On that basis the B-1Bs could fly until 2020 and the B-2s until 2030 or later. Most people don't realize that some U.S. F-15s are about 20 years old. The F-111s that did so well in Desert Storm are more than 20 years old. The transport force, C-5s, C-141s and C-130s are older than the fighters.

The message is that we have built a longer-lived force, and now the challenge is to shape the capabilities of that force to make it an enduring, survivable force. High technology is the key.

Many of the high-technology systems that were combat proven in Desert Storm went through difficult budget battles and in some instances, barely survived. Responsible military planners must structure a force with a healthy regard for uncertainty in the years ahead. Clairvoyance is not a staple of defense planning. Last spring, before Desert Storm, prominent defense spokesmen were advocating sharp cuts in realistic training exercises because of the long period they assumed it would take the Soviets to reconstitute a conventional threat to Europe. Several talked of rapidly cutting the defense budget by 50 percent. It is clearly time to elevate the debate on the future of the U.S. Air Force.

It is imperative that we increase the combat capability and leverage of individual weapon systems and units as the Air Force shrinks in size. The lessons of Desert Storm must be reaffirmed and articulated. U.S. forces showed a dramatic capability to fight at night with forward-looking infrared sensors FLIRs and LANTIRN pods.

A secondary result was to allow commanders to exploit the high sortie rates inherent in F-15s and F-16s by utilizing fewer aircraft day and night. U.S. forces showed the enormous impact of precision-guided munitions, particularly laser-guided and infrared munitions.

And finally, there is the lesson of stealth, as embodied in the F-117 strike aircraft. While it has not created immunity, it has challenged potential adversaries with devising other detection methods that rely on drastically less effective means.

Restructuring the U.S. Air Force requires long-range cohesive planning. High technology such as stealth must be exploited to gain combat leverage.

While the final numbers associated with a force mix of F-15s, F-16s and F-22s has yet to fully evolve, the capabilities the F-22 brings to the U.S. Air Force fighter force over the next two decades will be unmatched by any potential adversary. Similarly, the contribution of the B-2 to a much smaller bomber force is enormous.

The B-2 has long range, greater payload and can respond to a wide range of future challenges. With the reality of Desert Storm, a retaliatory threat verbally posed by the president would have icy credibility. The threat to take out a sizable portion of the aggressor's economic infrastructure, including energy, communication and transportation using the B-2 force, could hardly be ignored.

While the future bomber force will be considerably reduced, limiting the B-2 force to 15 aircraft makes no sense economically or militarily.

Defense leaders need to describe the characteristics, the power and the flexibility of the smaller U.S. force that can support national security requirements over the next two decades and beyond.

The debate is not over how many B-2s or F-16s we buy this year, but what sort of Air Force is to be created. That projection will provide both the vision of what will constitute a smaller combat-capable Air Force, and the investment over a 20- to 30-year period that is being asked of the American people.

By visualizing a new era in national security and defense, the U.S. Air Force contribution will allow us to put aside the narrow annual budget debate and raise the interchange. The American people are investing in their future security over the long term. We need to review the makeup of the total U.S. Air Force force structure being proposed, the total investment. And final, as the architects of this force, the U.S. Air Force leadership must lead this dialogue.

[From the Armed Forces Journal, September 1991]

An Exclusive AFJI Interview With Gen. Merrill A. McPeak, Chief of Staff, U.S. Air Force

(General McPeak became Air Force Chief of Staff last October after two years as Commander-in-Chief, Pacific Air Forces, where he received his fourth star in August 1988. He commanded 12th Air Force and US Southern Command Air Forces from 1987-88. McPeak entered the Air Force from ROTC in 1957 and flew F-104 and F-100 fighters in the early 1960s. From 1966-68, he flew on USAF's "Thunderbirds" aerial demonstration team in nearly 200 air shows around the world. McPeak logged 269 combat missions in Vietnam in 1968-69 as an F-100 pilot and forward air controller. He commanded an F-111 wing in the UK from 1980-81 and held a variety of senior staff positions from 1981-87. McPeak is current and qualified in the F-15 fighter.)

(By Glenn W. Goodman, Jr., and James C. Hyde)

AFJI: Are there any lessons of the Gulf War that may have been overlooked?

McPeak: The biggest lessons concern the performance of human beings. What won the war was competence. We had people there who knew what they were doing. So the real question is, How do you get people like that? It's really no secret. First, you have to recruit and retain good people and, second, you have to train them.

We should also remember that defeat is a much better teacher than victory. So the important lessons are the ones the Iraqis learned, like the importance of air superiority. If I were the commander of the Iraqi Air Force and you asked me what lesson I learned, I would say: "Never enter a fight with the second-best air force."

AFJI: The Air Force today appea4rs to be sky-high in terms of people, equipment, training, readiness, and sustainability. How do you maintain that quality as resources decline?

McPeak: It is not an inconsiderable problem. Our resources are going to shrink by about 25% in just about every dimension: people in uniform, the number of bases we operate, the number of aircraft we fly, the amount of dollars we have to spend, etc. So I'm spending a lot of time figuring out how to organize the Air Force, and how to consolidate where that makes sense economically.

We're also trying to decentralize, which I believe will streamline our operations, make them more efficient, and return power to where the actual work is done.

AFJI: How far down will your powerdown concept reach? To the airmen?

McPeak: Yes. In my judgment, the key organizational unit in the Air Force is a team of 10 to 12 people. You empower that team to solve the question, How can we do a task most efficiently? That means you go right down to the flight line crew chief, who's in charge of about six aircraft, and right down to the flight commander, who has six or eight pilots in his flight. The power needs to flow all the way down to that small team level, well below the squadron level, if we're going to improve productivity with fewer resources.

I'm trying to ensure that as we restructure our organization, we remove all the impediments that keep power from flowing down. For instance, we've eliminated the air division, the echelon above the air wing. But the key question is, What happened to the power that used to be held by the air division commander? Did it go up or down? Well, we've reorganized the numbered air force, the echelon right above it, so that it's a very lean, highly tactical operational echelon that doesn't have the staff to pull power up that used to belong to the air division commander. It has to go down to the wing commanders, whom we see now as brigadier generals. So we will pull power down in the way we distribute rank in the Air Force.

AFJI: What kind of changes do you envision for the Major Air Commands?

McPeak: We've already merged Systems Command and Logistics Command, and we've deactivated Air Force Communications Command as a major air command. We're standing up a new command called Air

Force Intelligence Command and deactivating the old Electronic Security Command. It may well be that we will see a gradual consolidation of Strategic Air Command and Tactical Air Command. It's really too early to say exactly how that's going to pan out, but it's apparent that the dichotomy between strategic and tactical air power has become artificial. We had B-52s doing tactical bombing missions during Desert Storm and F-117s and F-16s doing strategic missions.

AFJI: What's the status of your composite wing initiative?

McPeak: There are already many, many composite operation all over the Air Force. We've created a composite wing at Seymour Johnson AFB, NC, for example, where we merged two existing wings on the base, an F-15E fighter wing and a KC-10 refueling tanker wing. And we will soon have a composite wing at Kadena AFB in Okinawa that will have fighters, tankers, and AWACS in it. Those aircraft have been there together for a long time but just haven't been organized in a composite wing.

When we talk about building composite wings from the ground up, people say, "You can't do that, it costs too much." But the answer is, we can create composite wings overnight that don't cost us anything. As a matter of fact, they're saving us a lot, because where we used to have two wing commanders, two wing vice commanders, two wing commanders' secretaries, two staff cars, and so on, now we've got one. We're saving a lot of money at Seymour Johnson, at Kadena, and elsewhere, where we're simply consolidating the composite operation that's already there into one organization.

Now in some places we will be spending some money to stand up designed composite wings. Mountain Home AFB, ID, is an example. We're going to build there what we call an "intervention wing." It will have F-15Cs, F-15Es, F-16s, tankers, and AWACS. It could be deployed as a package to a trouble spot anywhere in the world. It will cost us something to bed that operation down but probably less than the $50-million it would cost to close Mountain Home, which is what would happen because we're moving all of our F-111s to Cannon AFB, NM.

We'll also put a composite wing at Pope AFB, NC, right next to Ft. Bragg, where we can work with the Army's 82nd Airborne Division. The 82nd is going to be the organization tapped for all of the contingencies we see in the future, so having a wing that works with that division all the time as an air-land team makes a lot of sense.

So I think the composite wing will save us a lot of money over time as well as provide a quantum increase in our combat capabilities.

AFJI: Will most of the new composite wings be overseas?

McPeak: That looks like the logical place to put most of them, because there the idea is that you fight in place on those overseas bases. And if you're going to fight there, you really need a composite of aerospace capabilities.

Not every wing needs to be composite. Many of them back in the continental US can better be organized as monolithic wings. The 388th wing at Hill AFB, UT, would be a good example, where its F-16 squadrons could fly forward and join an existing composite wing to beef up in fighter capability.

AFJI: Could you tell our readers about your pilot surplus problem?

McPeak: The reason we have a pilot surplus right now is that our force structure is coming down so rapidly that we don't have the squadrons. We're going from 36 wings to 26 roughly, and that's just the tactical force. We're also drawing down on the strategic force and the airlift force and so forth, so the net result is that the pilots that we've produced for a 36-wing force structure are there and they're obligated. The ones that are graduating from pilot training today have an eight-year service obligation, but there aren't 36 wings anymore.

What we're trying to do is cut back on pilot production as quickly as possible. We're also taking over half the pilots we do produce and not sending them to squadrons right now. They will serve three or four years in a behind-the-line support specialty, and then hopefully we'll feed them back in downstream after we've got some slack in the system. I'm taking some draconian measures up front to try to handle this problem of the younger pilots that we have a surplus of, not as a result of anything we did wrong, but simply because the force structure was cut out from under us.

Once you get past this service obligation point, we are losing pilots in very large numbers, so that we don't have the middle experience we need in the 10 to 15 year group. Those guys are going to the airlines because the airlines continue to hire in very, very large numbers. So there we have to work a different, pilot retention problem. We have to go to Congress and say we need bonuses, we need to compensate these people better, to keep them in the Air Force. So I'm in the embarrassing position of having to argue that I need more money for pilots and that I've got too many pilots.

AFJI: The Senate Armed Services Committee's Authorization report not only embraced the arguments for the B-2 bomber that the Air Force has made but went further. It said the B-2's global force projection capability could make possible major force structure tradeoffs across Service and mission lines, such as substituting B-2s for large packages of nonstealthy fighters or even for Navy carrier battle groups. What's your reaction to that?

McPeak: There is absolutely no question that the B-2 provides a significant increase in our capability to project power quickly to any spot on the globe. I wouldn't argue that it means we don't need to have fighter aircraft anymore or aircraft carriers or any other force segment. But I do think what it says is that the high cost of the B-2 needs to be put in that context. It's a revolutionary capability. It will make all other air forces obsolete overnight, in a sense.

So although there's a lot of money being spent on the B-2 program, the point we need to focus on is that it puts us in a league by ourselves for a long time. It's a long-term investment, and I hope that's what these [force structure trade-off] studies the Senate Armed Services Committee has asked for will show.

AFJI: Congress appears likely this year to repeal the law prohibiting women from flying combat aircraft. How do you feel about that?

McPeak: My feeling is one of ambivalence. On the one hand, I believe the Services ought to reflect the best aspects of our society: where if you've got the capabilities, nobody should stop you from doing something because of your race, religion, sex, age, or anything else. We have a lot of highly capable women in the Air Force, and I would like them to have unlimited opportunity.

But, personally, I have a lot of problem with it. For me, combat is a grim activity. I'm not talking about the risk, because women are already at risk in their noncombat jobs. Some of them were killed in Desert Storm. But combat, for me, is not about dying. It's about killing. There's no qualification needed for dying. It's killing that has to be learned. And I'm reluctant to ask women to go kill people when I'm available to do it myself. It's hard enough to ask men to go do it, as I recently found, without going along with them.

If the law is repealed, though, then the American people have spoken, and I will not recommend to the Secretary of the Air Force that he impose an artificial policy barrier that bars women from combat duty. We're probably going to open up all jobs to women, and I will not be real comfortable with that. But that's probably the way it's going to come out.

Mr. Speaker, I will read just the last paragraph of General Skantze's record. "By visualizing a new era in national security and defense, the U.S. Air Force contribution will allow us to put aside the narrow annual budget debate and raise the interchange," intelligent dialog around here, is what he is speaking about.

The American people are investing in their future security over the long term. We need to review the makeup of the total U.S. Air Force force structure being proposed, the total investment. And finally, as the architects of this force, the U.S. Air Force leadership must lead this dialogue.

Well, I appeal to General McPeak and his retired leaders and current active-duty leaders, because I know they have more four stars recalled from around the world over there the last week trying to figure out how to create this total-force structure, with a little vision. I hope they will frequent the halls of this place next week and help us defeat the defense conference report, which is flawed from top to bottom, particularly those cuts in strategic defense on the strategic defense initiative. It is finally starting to make sense around here to some very, to be kind, very thick heads, at least that come up thick on the sensitive radar that we should spend some defense dollars on something other than offense.

How about spending some defense dollars on defending the American homeland, as it says in the Preamble to the Constitution passed September 17, 1787? Provide for the common defense. And that comes before promoting the general welfare, which is what all my majority Democrat colleagues were discussing just before this.

So that ends the B-2 part of my special order tonight. Section 4, NEA, AIDS, B-2, section 4, let us call it the case for term limits.

THE CASE FOR TERM LIMITS

Mr. Speaker, I will try not to take my remaining 20 minutes, because I want people to stay following the proceedings of the House to hear my good colleague from Maryland, Mrs. Bentley, who I hope is a Senator there across the river some day. She will be following me with always one of her fascinating special orders on trade problems around the world and the state of the U.S. economy.

Now, I can honestly say, forewarning myself like a good lawyer, that before—and I am not a lawyer—that before the fall comes pride. I am going to say something. I have never lost a debate in 14 years on term limitations. And I have got some terrific friends in this Chamber on both sides of the aisle, including my hero in this House, the defender of life, the great HENRY HYDE of Illinois.

□ 2040

I will let him take a point or two when we are in friendly conversation on these great benches and back in the Cloak Room, but in front of an audience around America, without resorting to any demagogic, sweeping statements that get the crowd cheering like, "We will get more women in this House, we will get more Hispanics in this House, we will get more new ideas," I honestly have never even come close to losing a debate on term limits. Let me explain, just briefly.

Thomas Jefferson, remember I pointed to that great medallion up there, one of the 23 great lawmakers from all of history. In spite of his despotism, even Napoleon is up there because Napoleonic law is still the law in the State of Louisiana. Remember the Academy Award nomination performance of Marlon Brando in "A Street Car Named Desire," according to the Napoleonic code, what belongs to the husband also belongs to the wife and vice versa. That is Napoleonic law, and it still prevails in most of Europe today. So Napoleon is up there, despot. Most of these people, pretty decent folks up there, but it ends with George Mason, who because he was born in 1825, that means in the year of our Declaration of Independence by 33-year-old Thomas Jefferson, he was 51. By the time 12 years later we got the Constitution cranked out and gave birth to this Chamber, the Senate, the Supreme Court, and the U.S. Presidency, he was 12 years older. So he was 63.

By the time George Washington put in his great years, George Mason was 71 years old. So like Ben Franklin, this great Founding Father of our country was just too advanced in years to ever have the great opportunity to serve, as did the Father of Our Country, George Washington.

George Mason writes reams about why we must limit the Presidency. George Washington himself, we see his beautiful portrait over there. He bought it. And here is what George Washington said:

> A rotation in elected officers may be most congenial with the ideas the people have of liberty and safety.

Beautiful words from a man who is first in war, first in peace, and first in the hearts of his countrymen.

This city is named after him, the State of Washington and cities and boulevards and little hamlets all across this great country, a giant of a man. As Jefferson said, the greatest moral character of all the people in our country.

Now let us turn to the man that President John F. Kennedy said, when he had filled the White House east ballroom with Nobel laureates and prize winners of every field from art to literature to music, he said:

> We haven't had this much intellectual talent in the White House since possibly when Thomas Jefferson dined alone.

Here is what Thomas Jefferson, our great lawmaker, would the cameras please pan up to Mr. Jefferson's handsome face. That is the same portrait on our nickel.

Oh, that is right. We have these unfortunate rude rules that will only pan the empty Chamber while a million and a half people watch.

Here is what Mr. Jefferson says, 1787, the birth year, in a letter to the father of the Constitution, Washington, Adams, Jefferson, Madison, our fourth President. He writes to Mr. Madison, to James Madison, the author of the Constitution, about 5 feet, 4 inches, but a brain unparalleled in our country.

Mr. Jefferson says:

> James, I dislike and greatly dislike in the new Constitution the abandonment in every instance of the principle of rotation in office.

We know what the word "rotation" means. It is a simple word, common usage today.

Benjamin Franklin, like George Mason up here, the real senior father of our country:

> In free governments, the rulers are the servants and the people their superiors. For the former to return among the latter does not degrade the politicians but promotes them.

Now, am I a Johnny-come-lately to an issue that polls about 74 percent with the American people on term limitations? No. I put in a bill in my freshman year, my first go-around here in 1977. I put it in in 1979. Here is an even more simplified version, House Resolution 650. I waited for an even number one week, April 29, 1980.

I insert for the RECORD a copy of the resolution at this point.

H. RES. 650

Resolved, That the Rules of the House of Representatives are amended by adding at the end thereof the following new rule:

"RULE XLIX.

"LIMITATION ON NUMBER OF TERMS OF MEMBERS.

"1. No person may serve any term or portion thereof as a Member if such person has served as a Member for each of the six terms immediately preceding such term.

"2. For purposes of this rule, service as a Member in any term which commences before 1981 may not be included in determining the number of terms served.

"3. This rule may only be amended or repealed by a recorded vote.".

Listen to how with a few words we could change the whole complexion of this Chamber: "Limitation on number of terms of Members."

It is only three points:

> 1. No person may serve any term or portion thereof as a Member if such person has served as a Member for each of the 6 terms immediately preceding such term.

In other words, in those few words, a person can serve 12 years and can come back. I believe, Mr. Speaker, that the reason that you, the great TOM FOLEY, prevailed in your own home State of Washington is because the authors of that resolution up there that failed yesterday, it was not grandfathered, meaning it was retroactive. It was telling people, we are going to tear your careers up. You do not have time to plan for it.

But if they had it start with the next election, even if it had been 6 years, 8 years, 10 years, it would have probably gone through. But certainly at 12.

My second point in my Dornan-submitted resolution, 11 years ago;

> 2. For purposes of this rule, service as a Member in any term which commences before 1981—

We would now change that to 1992 or 1993—

> may not be included in determining the number of terms served.

So the gentleman from Washington [Mr. FOLEY] who has been here for almost three decades, could stay another 12 years. Forty-two years he could have here, if we grandfathered this.

And No. 3, "This rule may only be amended or repealed by a recorded vote." In other words, the lights go up there, all of our votes are recorded. Once we would get this passed, we could not change it.

This Congress that convened in January of this year, I put in this legislation again. This time it becomes House Resolution 46, January 28, 1991, the exact same words as my amendments of 11 and 13, 15 years before.

I include for the RECORD a copy of House Resolution 46.

H. RES. 46

Resolved, That the Rules of the House of Representatives are amended by adding at the end thereof the following new rule:

"RULE

"LIMITATION ON NUMBER OF TERMS OF MEMBERS.

"1. No person may serve any term or portion thereof as a Member if such person has served as a Member for each of the six terms immediately preceding such term.

"2. For purposes of this rule, service as a Member in any term which commences before 1991 may not be included in determining the number of terms served.

"3. This rule may only be amended or repealed by a recorded vote.".

Then I put in a House joint resolution proposing an amendment to the Constitution limiting the number of consecutive terms Members of the U.S. Senate and the House of Representatives may serve. I included the Senate 14 years ago, but I did it again earlier this year. It says, "Mr. DORNAN of California introduced the following joint resolution," that the President would sign and it would become an amendment to the Constitution.

"Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)," that is why we will not see this unless the people do it State by State, "That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States."

We could get that done, but we could never get the two-thirds in each House. And then "within 7 years after the date of its submission for ratification," if we got all those States, it is basically the same thing that I have in the House Resolution. Six terms, a nonconsecutive but you can come back again.

No person may serve any term or portion thereof as a Member of the United States Senate if such person has served as a Member of the Senate for each of the two terms, or a portion of any such term, immediately preceding such term.

And then:

For the purposes of this article, service as a Member in the United States Senate or House of Representatives in any term which commenced before the ratification of this article may not be included in determining the number of terms served.

Mr. Speaker, I include for the RECORD a copy of House Joint Resolution 93.

H.J. RES. 93

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

"ARTICLE—

"SECTION 1. No person may serve any term or portion thereof as a Member of the United States House of Representatives if such person has served as a member of the House for each of the six terms, or a portion of any such term, immediately preceding such term.

"SECTION 2. No person may serve any term or portion thereof as a Member of the United States Senate if such person has served as a member of the Senate for each of the two terms, or a portion of any such term, immediately preceding such term.

"SECTION 3. For purposes of this article, service as a Member in the United States Senate or House of Representatives in any term which commenced before the ratification of this article may not be included in determining the number of terms served.".

So if this were to be passed tomorrow, you would get all next year and 12 more years. Why did I arrive at 12 years instead of 10 or the group from Florida that has gained national prominence, 8 is enough?

I will tell my colleagues why. It is very simple. The President has two terms, 4 years each. Mexico has a one-term 6-year President. This is all stuff that has been in my head since 1977. The Confederacy, Jefferson Davis, one term 6 years. Do my colleagues think Nixon wished he had had one term of 6 years? No little piece of tape on that door at the Watergate Complex to break into Larry O'Brien's office and steal a playbook from a team that was losing every down and going down in flames with the score about 60 to 0 against them at half time? What a tragedy that was. And Mr. Nixon would have gone out, President Nixon, with flags flying.

Do my colleagues think President Reagan and his great lady Nancy Reagan did not wish there had been one term of 6 years that he could have gone out of office 6 years, having had the Senate in the Republican column all those 6 years, flags flying, no Contra scandal, no Iran-Contragate deals, just 6 good years.

I leave that to other people. We have already limited the Presidency to two terms.

Take the Senate, which is supposed to be a body of our senior men and women, only two women at this point, it could be more under term limitations. In the Senate we have two terms of 6 years each. So rather than play around with that and limit the House, I said, let us reverse that. Here we would have 6 years of two terms. Six terms of 2 years, 12 years in the House, 12 years in the Senate. Here is what is unique to some of these proposals and which I think is necessary to ever get this passed. You can come back.

□ 2050

You see, that is what was wrong, I think, with the California limit last year that they passed in November of 1990. How can you tell a man or a woman who has served in this Chamber, particularly if they came here young at the minimum age, 25, as did our great colleague, JOHNNY BREAUX, who has gone on to glory in the Senate, from Louisiana. He won at 25 years of age. I remember seeing that front-page newspaper headline in Los Angeles. I was then 39 years old, and I thought I saw my life flashing before me.

Not only did all of the Kennedys get a jump-start on me for a whole decade because of a multimillionaire father, but JOHN BREAUX, 25 years of age, who would have left at 37. He would have been a fellow who never would have been allowed to come back, run again, 2, 4, 10 years later, or to serve later as a senior like George Mason, or Ben Franklin, contributing with the wisdom of many decades, fourscore and 10, or the Biblical threescore and 10.

No, you must be allowed to come back. You cannot be branded as a felon because you served in the Congress 2, 4, 6, or up to 12 years.

Now let us take a great American, and I deliberately have picked a liberal from a different State, Texas, and the other side of the aisle. He has that beautiful walnut room named after him out those doors, the Rayburn Room, and he has our biggest office building on this Hill named after him. He is a stalwart in American history and served as Speaker longer than any other Member in the 204 years that this great deliberative body has been in existence, Sam Rayburn.

Sam was born in 1882. That is about the same vintage as MacArthur, and Churchill, and Roosevelt, that great generation. It was 10 years before my father. He came here in 1913. He was a young man, 31 years of age, and he served many years up until 1940. He served 27 years and he was here and became the Speaker in 1940. Over the next 21 years, because he was elected Speaker due to the death of Speaker Bankhead, he was elected Speaker on September 16 of 1940, and he died on November 16 of 1961. So in that 21 years and 2 months to the day he was Speaker all that time, except for when Harry Truman was President during what was called the do-nothing Congress, the Republican Congress that got elected out of World War II in 1946. So he was not Speaker in 1947 and 1948. And then President Eisenhower, when he was elected President in 1952, his first 2 years, 1953 and 1954 we had a Republican Speaker sitting up there where you are, Mr. Speaker, Joe Martin, a great Republican. So if we subtract 4 years from the 21 years and 2 months, then Sam Rayburn was Speaker for 17 years.

Tip O'Neill, our great Speaker from Massachusetts, two Speakers ago, he took a historical record in his own right. He was Speaker for 10 years without a Republican interruption.

Let us now look at Sam Rayburn's career. From 1913 to 1961 when he died with his boots on, and he never drew a nickel of pension, served all his life, was a bachelor, gave up family, gave up everything to serve his country. I understand that. That is why the antitermination argument can be compelling on the other side when we talk about Thomas Jefferson or George Mason or James Madison or someone like Sam Rayburn. Under my bill, he comes here in 1913 at 31 years of age, serves to age 43. That is my age when I got elected.

Then we see if he becomes a lobbyist and if he goes for the easy money, and if he has Potomac fever, or whether he goes home and teaches at Texas A&M or the University of Texas. Or does he find the girl of his dreams and get married at age 43, not uncommon in those days, and for Irish people that is youth for the man to get married.

Then he comes back 2 years later, and here is his way to come back. He picks some bozo in his own party in an adjoining district, and every State has them, and he knocks off this embarrassment to his own party, and he comes back 2 years later if that is his wish. Then he serves another 12 years.

And then, the next 2 years after that, after again going back and teaching law in Texas, or teaching anything, teaching political science in one of the great universities of Texas, or traveling around the world, taking a little sabbatical, or he reads all of those books sitting there building up in his bedroom. My bedroom is being swallowed by books that I cannot get to read. I fall asleep reading every night with the pace of events around here. That is if you are an activist, which I like to think most of us try to be.

Then he comes back for his third goround. This time he finds a bozo in the other party, and each party has them, and he knocks off that person in a general election.

Do you know what I think? I do not think most people who serve 12, and then 2 out, and 12, and then 2 out, and then 12, and that is 40 years, and guess how long that person has been in office? Thirty-six years out of 40. Big denial of great talent. And get this: The day he comes back in his second goround, there is no restriction on the internal leadership elections in this chamber. Democrats can caucus in the Cannon Caucus Room, or in the Rayburn Building named after Sam Rayburn, and they could elect him the Speaker of the House before he is even sworn in for his second burst of 12 years. And if he came back for a third burst of 12 years, he could be elected Speaker again. As a matter of fact, he could be Speaker in his freshman year for all 36 years and break every record. There is nothing that says you cannot be elected to the House leadership in either party in your freshman year. So it does not restrict the talent of leaders.

But here is why I do not think anybody would ever do that. I have seen brilliant people in both parties in this Chamber after they have been here a while pass up a natural run for the U.S. Senate or for the Governor's seat to be the first political leader in their State. I have seen them pass it up. Do you know what the deadly point around here is? I have never reached it in one burst, because at 6 years I was gerrymandered out of my seat, against my will, and then 2 years later I moved to a totally different county, and knocked off a person that I considered to be a liberal, who had been conning people that he was a conservative when he was in the middle of Reagan country, Orange County. Then I came back, and now I am in the seventh year of my second burst, and 7 and 6 makes 13 years out of 15 that I have been in this Chamber. I have already announced my retirement. If you want me to do it again, Mr. Speaker, I have announced that I will retire at the end of 12 years, before the 1996 election. I will only serve 12 years in this current 38th District, which will probably change its number and boundary lines by the 29th of this very month.

Is that going to limit my life? Does it mean that I cannot go back into the world, as Ben Franklin said, and get a promotion, to be the people who hire the people around these two Chambers? Of course not. Are there other things I can do? I have already proven that I can come back again.

There is a lack of confidence around here with a lot of men and women who think that they cannot come back again. If they did not make it in reaching up, as did a great Attorney General and two-term Governor of Pennsylvania who reached for the Senate seat and was pulled down by circumstances beyond his control, is Richard Thornburgh through? Of course not. He can return for that Senate seat again. It is a short term and will be up again in November of next year. Or President Bush could put him in another different Cabinet position, the way he moved his good friend and excellent Cabinet officer, Jim Baker, around from Treasurer to Secretary of State. Richard Thornburgh is not through serving the United States of America. We have not heard one cruel or harsh word about this great public servant from anybody in this Chamber from either side of the aisle or in either House. We know that he is not through. Sometimes you are pulled down by his historical circumstances or other circumstances.

But back to the theme of good men and women in both parties passing up opportunity. The deadly point is at 10 years. You get about 10 years here. First of all, it was a horrible awakening when I saw that I was never going to be in the majority in this House. You do not know what it is like, Mr. Speaker, to never, ever have anybody from your side, except Mr. MICHEL for a few brief moments when we swear in a new Speaker, and he gets to sit at that chair, like Walter Mitty, and play with the gavel, and say a few nice words to you, and then you say a few nice words back to him, and that is about it from my side, from my party. Not since I was 21 years of age, in my very first election, because it was in 1954. I was in pilot training. I was at Bryant Air Force Base in Texas, and I voted for a Congressman who lost. The Republican Speaker, Joe Martin, and his party were defeated. Sam Rayburn took the gavel, and was back up and stayed there from that year, 1955 when he was sworn in, and another Speaker, Jim Wright, was sworn in Speaker that very month of January, and I got my wings 3 months later, February 7, and this House has been controlled by the Democratic party ever since, since 1955, to 1965, to 1975, to 1985, 36 years.

What have I done in those 36 years? I got married a few months later. I have five grandchildren. My baby daughter, Kathleen, an actress in Hollywood, just turned 30. I have eight grandchildren, and the two youngest, not married yet. So I have a long way to go. That is a lifetime, Mr. Speaker.

I say that term limits will bring in, Mr. Speaker, and I will close on this, more young people, more ideas. And anybody who cannot burn out all of their ideas in 12 years, if they cannot do it in 12 years, then there is something wrong, they are holding back. Then they can go back and recharge their batteries, and come back with more ideas.

There will be more women, more Hispanics, particularly on my side of the aisle, which is too white and too male, too much the same age. We need diversity in this Chamber and in the other Chamber in the United States of America.

I had a real bozo from the time that I was 24 to 43 burn up my seat, and he never got off any committee except for Science and Technology. He was the wealthiest man in my State, and he had five cities named after him, Belaire, Belmont, several others, a multimillionaire who held my seat during all of my youth and never did a bloody thing the whole time that he was here.

I say it is time for term limits, and I am glad to end my special order. And do not anybody turn off that television set, Mr. Speaker, until HELEN BENTLEY has finished with what she has to say to this great body.

□ 2100

TIME FOR ACTION NOT RECRIMINATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, 2 weeks ago I watched with dismay the all night oration by my colleagues on both sides of the aisle about unemployment.

My reaction to these remarks is a pox on both your Houses—on both Republicans and Democrats. No one is blameless in this situation. Instead of pointing fingers at one another we should put the effort necessary to solve the problems.

No one argues that unemployment for Americans is shameful. It not only wrecks families, it is a blight on the glory of America. We should do better than turn people out of jobs or on the streets without a hope or a promise to have a decent wage. We are in this economic dilemma as a result of shortsightedness and a failure to recognize the interrelationship of our actions and policies to the economy.

Members of both Houses and our Government officials have been making policies contributing to this economic problem and robbing our citizens of their future. Let me explain why and how.

We have proceeded to debate policies affecting the American economy without agreeing on the terms of the debate. All of us have ignored Economics 101 where we learned that perfect competition meant perfect knowledge.

Instead we made a grand mental leap that free trade meant perfect competition and perfect knowledge on the part of all the participants—and from there we proceeded to debate policies grounded on inaccurate premises. We have conducted a debate and formulated policies on an ideal that does not exist. It is time for government policymakers to come into the real world.

In 1986 I did not support the Tax Reform Act of 1986 for several reasons. It was harmful both to the taxpayers and to business. That tax act eliminated the IRA's and deductions were eliminated or reduced on real estate investments. By eliminating real estate shelters low income and senior housing was set back. Chairman Bill Seidman at the FDIC warned us at the time that changing many of the tax items retroactively would seriously affect the S&L crisis. It certainly did, wiping out shelters retroactively lowered the value of properties and accelerated losses and, as we know, the S&L crisis really took off after 1986. And now the banks are fearful of making loans.

By wiping out interest deductions and amortization, car sales fell.

I repeat, I did not support the 1986 tax bill.

The Federal Tax code enabled the money men to ruin companies through leveraged buyouts. Now when we are warned in stories that the country is poised for another bout of leveraged buyouts, I suggest we examine just what this earlier raid on the U.S. Treasury has meant to America—and that we not repeat it.

A recent Baltimore Sun story about the Simplicity Co., tells the tale. Simplicity is a company that almost every family in America would know—or they would have known in earlier times before the money men got hold of the company.

The article by Donald L. Bartlett and James B. Steele points out that in 1979 the "money men descended on Simplicity Pattern Co.

"By the time they were finished a decade later, a company that once had $100 million in the bank was more than $100 million in the hole."

The story explained:

> For more than half a century, Simplicity was as much a part of the American home as the radio and the sewing machine. It helped dress generations of girls and boys, women and men, through the sale of billions of patterns for the home-sewing market.

This Simplicity Co. story sounds like the story of American business and also helps explain what has happened to our tax base. So listen closely.

When the money men got through with Simplicity the company was near bankruptcy. This is what the financial wizards did to the company.

> Bought and sold the company four times and made tens of millions of dollars running up the price of Simplicity stock in threatened and actual takeovers.
>
> Drained $100 million that Simplicity had in its bank account and investment portfolio.
>
> Raided the company's pension funds on two occasions, taking out $10.7 million.
>
> Issued bonds and borrowed from banks, sending the company's debt soaring from near nothing to $100 million.
>
> Sold off properties to raise badly needed cash after they had depleted the company's $100 million cushion.
>
> Created so much debt that Simplicity could no longer generate enough cash to make the interest payments.
>
> Defaulted on the interest payments on bonds and bank loans.

Just how could these modern day robbers get away with mistreating a company like the Simplicity Co.? According to the newspaper article the answer is simple:

> They got help from the U.S. Government rule book. Thanks to several provisions of the Federal Tax Code, including the net operating loss deduction and deduction for interest expense, they were able to build their empires on debt and write off the interest.
>
> So the raids that cost hundreds of Americans their jobs and made millions for the raiders were, in effect, subsidized by the taxpayer.

I will leave the full article for the RECORD—but the tragedy of this story Mr. Speaker—is that it has been repeated over and over and over again in the United States in the 1980's. Leveraged buyouts have been like a flu virus running through our business community.

Another example of the plundering of business is a story which is not in the papers, but is currently going on in my area. A tank manufacturing company recently was purchased by an outsider who proceeded to strip the company by selling off its equipment. Now the company has orders for underground storage tanks and there is no way to fill orders. All of this was done in absolute disregard of the people employed at the company or in the future of the company * * * just for the quick buck.

There have been other abuses section 8 set asides for small business and industrial purchasing.

This abuse must be stopped and only the Government can stop it.

We must make the necessary changes in the Tax Code to favor business and not make it a convenient tax dodge for greedy, unethical money men. The American taxpayer cannot afford to and should not subsidize the lifestyle of the high rollers in this society.

Another victim of the 1986 Tax Act was American home ownership. With the phase out of deductions on consumer loans we made it advantageous to pay off debts with home equity loans. This one act resulted in a 15.7-percent drop in the equity that American homeowners held in their homes. Home equity loans are being sold as a reverse mortgage to senior citizens which means there will be little equity actually left in the homes.

Last week's Newsweek had a story "Living on the Edge" explained that "millions of families are losing the struggle to improve their living standards, as the affluent consume a larger share of the Nation's wealth."

We must act quickly without delay and work together to change the course of America.

Our major cities are in trouble. Philadelphia, the city where our Declaration of Independence and Constitution were written cannot pay its bills. Private citizens and companies are now lining up to loan money to the city. Bridgeport, CT, made news earlier this year by declaring bankruptcy.

In Maryland Gov. William Schaefer announced drastic cuts of $450 million and now has announced another $150 million and he may have to come back with another $800 million in cuts in 1992. Maryland has the same troubles as other States and Government units. Almost half the counties in the United States are in deficit and 21 of the 50 States have budget deficits. Newspapers report daily on the difficulties and struggles of the States and local communities to meet the demand for services—which are being cut all over the country.

To solve these serious economic problems we need to interrupt the drift rapid roll toward a service economy and move toward revitalization of the industrial base of this country.

We must produce things. Manufacturing plants are important, because plants are also people. Manufacturing greatly adds to the country's capacity to be self-sustaining and independent. I do not want to read again as we did in Desert Storm that the United States was dependent upon foreign parts to make our technology work.

We must begin to solve these problems. I have been urging a Marshall plan for America since my election to Congress. I introduced a Marshall plan for America resolution which would have created a commission composed of industrial, technical, economic and educational experts from the private sector to address our chronic economic problems by establishing clear national priorities and long-range goals.

In that original speech about a Marshall plan for America I stated that:

> In certain areas of government activity such as taxing, regulatory control, purchasing, and trade, new and clear-cut policies and priorities must be established because many

> of these activities and policies have been counter-productive and have contributed to the decline of America's industrial might.

I further stated that:

> U.S. tax laws, instead of stimulating domestic investment in new plants, equipment and technology, have encouraged American corporations to move offshore.

To survive our companies were told they must compete globally and the tax laws helped that along.

The Marshall plan speech stated:

> Prior to 1972, the IRS only allowed deductions for companies that practiced "Buy America," but then the tax law was changed to allow for writing off the purchase of foreign business equipment. More American products disappeared from the shelves, more American companies went under, and more American workers lost their jobs.

And now we can see the price of those early policies coming home in the form of a poor economy and rising unemployment. We need some remedies and soon for these problems.

Before making suggestions for revitalizing American industry today, I would like to share some remarks made by the chairman of a world class company. Mr. Akio Morita, chairman of Sony Corp., a Japanese company, stated in a New York speech:

> The world economy is increasingly resting on what seems to me a very unsound, unhealthy foundation.
>
> There is a supposition that nation's economies as they mature move through a series of phases. In the first phase, the economy is agriculture-based, then as a nation learns to feed itself efficiently and begins to develop an industrial base, labor moves from agriculture into manufacturing.
>
> Then at some point, some economic theorists feel, a manufacturing economy will enter a third and somehow more highly refined phase in which the economy becomes a service based economy.
>
> It is clear, at any rate, that this shift from manufacturing to services is well advanced in the United States, a country which since 1950 has lost half of its manufacturing jobs and where almost three quarters of all jobs are service oriented.
>
> We see a similar trend in the United Kingdom.
>
> What I would like to suggest to you today is that this trend, far from being the natural progression of a maturing economy and something to be encouraged is destructive, for in the long run an economy which has lost its manufacturing base has lost its vital center.
>
> A service-based economy has no engine to drive it. Thus, any complacency about the world's most powerful economy moving from manufacturing to services is entirely misplaced.
>
> It would seem obvious that the service elements of any economy are entirely dependent upon a manufacturing industry which can develop the new technology that defines our civilization.

I agree with Mr. Morita.

There are some things we can do to help the individual more quickly and others are long range under the Marshall Plan.

I believe we should raise the outside earning limits of social security recipients. If they can contribute to their income—then we should not penalize them. Often social security recipients are hard hit by medical bills or other expenses—so any added income would be a welcome relief to them.

We should give a tax break for individual retirement accounts and raise the limits from $2,000 to $3,000. Americans have been criticized for not saving and the IRA's are a way to increase our savings rate to provide a capital base.

Remember the story about the Simplicity Co.? Unfortunately, we need to rework the 1986 tax bill to stop this financial nonsense that is a raid on the U.S. Treasury and on the pocketbooks of the American taxpayer.

Elements we must consider in a Marshall plan are creating a permanent R&D tax credit for business to create long-term horizons for American companies. The permanent tax credit will take away some of the risk. Let's make sure it not only applies to pure research but to applied research.

There should be tax benefits also for long-term investment in manufacturing ventures and in stock investments. I stress long-term investment because we must stop the speculative binge this country has been on for the last 10 years. Investors must be convinced that it pays to leave money alone for a respectable amount of time to allow it to work creatively.

And any new investment tax law—after the retroactivity of the destructive 1986 tax bill—would have to bind future legislators to grandfather any long-term contracts or the investors would have little confidence in tying their money up.

□ 2120

By developing some links in the chain of information, we can maximize the efforts for small- and medium-sized business in their efforts to export. If we are going to be engaged in global business then let's get our businesses in it.

Let's give fellowships to scientists to go into industry, give them some financial analysis training and let them see how things are done and vice versa. We need to understand what we are creating and whether or not the customer wants it. We must decide whether or not American business should export by chance or by a conscious decision to be engaged in the world market.

To do that we need an information link for applied research for American companies. Right now we are having difficulty matching up sources and products and research. Why not supply this information link in a center and agency for new technology utilization at the Department of Commerce under the vision of business?

By gathering information and sharing it more efficiently we are ultimately cutting the cost of capital which in turn will help American business be more competitive. Why not make it easier for small business to form consortia to export.

We need to put some more effort into the Export-Import Act of 1982 and encourage our banks to utilize the act. For the first time an export trading company of a group of companies can join with a bank with the specific objective of selling goods and services abroad.

The act allows bank holding companies to take a direct equity interest in export trading companies. The ammunition is there, we are just missing the inspiration to act.

According to the National Research Council, "two of the leading U.S. exporters are actually Japanese trading companies, Mitsui and Mitsubishi, which are licensed to sell U.S. goods as part of their worldwide activities."

Hopefully, with this act, American trading companies will be competitive on a broader scale than before.

We also need to examine the information provided by the Department of Commerce for business, specifically, the Input and Output Table has to be published more frequently than every 9 years. The 1982 figures must have must come out. How can business tell how much goes into a product without those figures?

Using semiconductors as an example a CRS analyst recently explained that the data clearly shows that production of so-called "high tech" products depend on basic industries for many of their inputs directly or indirectly. To have a semiconductor industry, it will be a source of demand—directly or indirectly—for the outputs of over 300 sectors of the economy. The analysis shows that the 15 manufacturing sectors involved produce $171 million in outputs for the semiconductor sector to help $1 billion of its market.

He said, "you cannot have semiconductors without steel."

American business is selling in a world economy but they are crippled in the process by the Government. William Dietrich, president of Dietrich Industries and author of "In The Shadow Of The Rising Sun" has pointed out that Japan has a State-market balance and works with business, but in the United States the Government often works against business. I agree with him. Incidentally, Bill Dietrich is in the steel business and has a plant at Sparrows Point in my district.

I have pointed out a few pitfalls which have been disastrous for our economy which includes our tax act, timely information from the Government and lack of information and help from the Government.

Mr. Speaker, I need to add and elaborate on the fact, and I will do it on another night, about how we expect our businesses to compete in the global market against governments, which is actually what it is. They are not competing business for business, because most of the foreign businesses have their government right in the pocket with them or in heavy subsidizations of those foreign companies.

We need on this side, we need to work together, government, academia and citizens to straighten out America's affairs.

We need to revitalize our industrial base. To that end I suggest we enlarge the participation of a Marshall Plan Commission to having a White House conference composed of a triad of business, government and academia.

Under the auspices of the Secretary of Commerce for a 6-year period, the conference will identify the problem areas of business and industry and the work force, and make recommendations to the President for accomplishing the stated goals of the conference.

Membership in the conference would consist of three people from each State, two appointed by the Governor, and one by the President. Staff for the conference would come from experts in the Government who would be charged with translating recommendations of the conference into appropriate legislation.

Conference participants would be expected to hold meetings and generate papers and ideas from business and industry and summarize their findings each year in a report to the President. Hopefully, this will stimulate our thinking and will allow the American people a real process in repairing our systems.

Mr. Speaker, it is time we use the creative ability of the American people—of our business community and industry leaders in solving our problems. It is not enough to say Mr. White has a good idea—or did you hear his suggestion—and then let it drop.

It is time to develop information links for business—to encourage our research—to manufacture here and get the end product into the marketplace—to export as a conscious decision so we can have our rightful share of the world market. We must think outward to an international market, and be able to participate in a fair market without losing our country in the process.

This morning someone at Congressional Research Service told me "it is time to get the plaque off the way we think of our industrial dynamism." Coming from a merchant marine background I would say it is time to scrape the barnacles off our thinking before we are truly a Third World country. It is time for action not recriminations. Thank you.

PUT HELPFULNESS AND REALISM BACK INTO FARMERS HOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, this past weekend, I was joined by my colleagues—RAY THORNTON and GLENN ENGLISH—in conducting a farm credit forum in my State.

I want to start by thanking them for their participation.

I came away from that event convinced that two things must be done to improve the delivery of credit by the Farmers Home Administration.

The clear message coming from the witnesses we heard was that FmHA should be more realistic and more helpful.

More realistic in terms of setting loan caps high enough so they more nearly reflect today's high cost farming operations.

Currently, the loan limit is set at $400,000 which is not realistic in light of the costs a farmer must incur to buy equipment and pay other expenses related to making a crop.

My friend Rusty Berry of DeWitt is a lawyer who grew up in southern Arkansas County—rice country.

I would like to quote his testimony. He told us that the current loans limits are far from adequate since "today's farmer faces operating costs that dwarf those that faced farmers in the 1960's and 1970's."

Rusty is right.

Since farmers who deal with FmHA cannot get credit elsewhere, they have no choice but to take loans they know are not adequate to carry them through to the payoff at harvest time.

Their money is exhausted before the crops are gathered and that leaves those they buy from waiting for their money—hoping, along with the farmer, that all goes well.

Wayne Rupe of Lonoke represents the Arkansas Agricultural Aviation Association. He told us that by mid-summer, most farmers have spent their loan money. But, of course, they can't stop at that point.

So, the aerial applicators, fuel suppliers, implement dealers, companies which sell fertilizer and insecticide and others have to carry farmers on their books until harvest.

It makes for a very fragile economy, an economy which is damaged from top to bottom in the event of a poor crop.

My State of Arkansas has certainly suffered the swift and devastating blows caused by downturns in the agricultural sector.

It is felt at the feed store and the food store, with businessmen on Main Street suffering right along with the farmer.

Another friend, Harvey Joe Sanner, is a farmer in my district and past national president of the American Agriculture Movement.

Harvey Joe told us that Congress should force FMHA to do what it was intended to do. Make loans.

And to make those loans in as timely and hassle free a manner as possible.

That's where the helpfulness comes in.

I return to the testimony of Rusty Berry. Rusty told us that the worst problem farmers encounter in his area is what he termed the "incompetency and refusal to act in a timely manner by FmHA staff at all levels."

He said that "hindrance is the rule and helpfulness is the exception when dealing with FmHA."

That should not be.

The American people do not work for Government, Government works for the people and that rule should extend to all agencies of Government—including FmHA.

Yes, paperwork must be done. And, yes, information must be provided by farmers to the agency. But, this process should not be so burdensome that planting time arrives with farmers still bound in redtape, not knowing if they can make a crop or not.

That is not what Congress intended. That is not what Congress should tolerate.

FmHA should also develop a system whereby loans from previous crops can be refinanced over a longer period, a period which would more realistically reflect the life of a farmer's assets.

And, other lenders should do so as well.

Raising the loan limits, cutting redtape and making other adjustments in the loan procedure are not impossible goals. They are reachable and Congress should insist that USDA reach them.

During the last dozen years or so, agencies of the executive branch seem to have forgotten that they exist to serve, not hinder.

I have promised my farmers that I would address the problem and I will.

But, it will take some cooperation from the executive branch.

I fear that this problem is yet another symptom of administration neglect of the domestic agenda.

The administration seems perfectly capable of speeding help to foreign lands, but drags it feet when dealing with programs set up to help our own people here at home.

Something is very wrong with those priorities.

The disastrous agricultural policies of the 1980's broke many farmers and the ripple effect in Arkansas was severe.

It is now time to set a new direction for farm policy. And, we can begin by insuring that more realism and helpfulness is injected into the loan process at Farmers Home.

The ultimate solution to all these problems is, of course, a better price for the commodities farmers sell.

But current administration policy will only ensure that more and more family farmers will go broke and have to leave their land.

The issue will be revisited next year—but, frankly, without the cooperation of the administration all of the best intentions will go for naught.

And there are actions which could be taken to help sweeten the bottom line for our farmers.

Markets in Cuba could be opened.

The door to the Japanese rice market could be kicked down, since it apparently will not be opened willingly.

The administration cannot continue to allow other countries to protect their farmers while throwing American farmers to the wolves.

This country should also make our farmers our fuel suppliers. Instead of sending money to foreign oil producers by the shiploads, America must move toward the day when it derives its energy from the grain fields of the Midsouth rather than the oil fields of the Mideast.

I have already started to seek solutions to the problems outlined at the recent farm credit forum.

There is much more work to be done, however. I would invite President Bush to join Congress in seeking solutions to this most pressing domestic problem.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. DORNAN of California) to revise and extend his remarks and include extraneous material:)

Mr. RIGGS, for 60 minutes, today.

(The following Members (at the request of Mr. TAYLOR of Mississippi) to revise and extend their remarks and include extraneous material:)

Mr. PARKER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. TAUZIN, for 60 minutes, today.

Mr. GEJDENSON, for 60 minutes, today.

Mrs. COLLINS of Illinois, for 60 minutes each day, on November 11, 12, 13, 14, 15, 18, 19, 20, 22, 23, 24, and 25.

(The following Member (at the request of Mr. GEJDENSON) to revise and extend his remarks and include extraneous material:)

Mr. ALEXANDER, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DORNAN of California) and to include extraneous matter:)

Mr. MCDADE.

Mr. BROOMFIELD.

Mr. MCCOLLUM.

Mr. BILIRAKIS.

Mr. GOODLING.

Mr. MACHTLEY in two instances.

Mr. BEREUTER.

Mr. DICKINSON.

Mr. CRANE.

Ms. MOLINARI.

Ms. ROS-LEHTINEN in 10 instances.

Mr. MICHEL.

Mr. GRADISON.

Mr. LEWIS of Florida.

(The following Members (at the request of Mr. TAYLOR of Mississippi) and to include extraneous matter:)

Mr. MINETA.

Mr. LEHMAN of Florida.

Mr. HAMILTON.

Mr. HERTEL.

Mr. STOKES.

Mr. OLVER.

Mr. BEVILL.

Mr. MARKEY.

Mr. CARDIN.

Mr. FUSTER.

Mr. TOWNS in two instances.

Mr. WEISS.

Mr. HALL of Ohio.

Mr. DINGELL.

Mrs. SCHROEDER.

Mr. STALLINGS.

Mr. DORGAN of North Dakota.

Mr. DURBIN.

Mr. HUBBARD.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1117. An act to establish the Bureau of Land Management Foundation; to the Committee on Interior and Insular Affairs.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.J. Res. 140. Joint resolution designating November 19, 1991, as "National Philanthropy Day";

H.J. Res. 177. Joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day"; and

H.J. Res. 280. Joint resolution to designate the week beginning November 10, 1991, as "Hire a Veteran Week."

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1848. An act to restore the authority of the Secretary of Education to make certain preliminary payments to local educational agencies, and for other purposes.

ADJOURNMENT

Mrs. BENTLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 29 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, November 7, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2317. A letter from the Vice President, Congressional Affairs, Oversight Board of the Resolution Trust Corporation, transmitting a duplicate of the original report with missing papers provided of the audited financial statements of the Resolution Trust Corporation as of December 31, 1990, pursuant to Public Law 101-73, section 511(a) (103 Stat. 404); to the Committee on Banking, Finance and Urban Affairs.

2318. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of major defense equipment sold commercially to Mexico (Transmittal No. DTC-1-92), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

2319. A letter from the Secretary of Health and Human Services, transmitting the Department's study of payment for portable x-ray services, pursuant to Public Law 101-239, section 6134 (103 Stat. 2222); jointly to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 645. A bill to amend the Atomic Energy Act of 1954 to authorize the States to regulate the disposal of low-level radioactive waste for which the Nuclear Regulatory Commission does not require disposal in a licensed facility; with amendments (Rept. 102-289, Pt. 1). Ordered to be printed.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 2556. A bill entitled the "Los Padres Condor Range and River Protection Act"; with amendments (Rept. 102-290, Pt. 1). Ordered to be printed.

Mr. WHEAT: Committee on Rules. House Resolution 270. Resolution providing for the consideration of the bill S. 1745, a bill to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes (Rept. 102-291). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 939. A bill to provide eligibility to members of the Selected Reserves for the veterans home loan program; with amendments; referred to the Committee on Ways and Means for a period ending not later than February 28, 1992, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(v), rule X (Rept. 102-292, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL (for himself, Mr. MARKEY, Mr. LENT, and Mr. RINALDO):

H.R. 3715. A bill to require the Federal Communications Commission to prescribe regulations governing the use, by television and radio broadcasters, of bulk time sale agreements, and for other purposes; to the Committee on Energy and Commerce.

By Mr. STAGGERS:

H.R. 3716. A bill to prohibit certain use of the terms "Visiting Nurse Association," "Visiting Nurse Service," "VNA," and "VNS"; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. BILIRAKIS:

H.R. 3717. A bill to correct the tariff treatment accorded zinc printing type; to the Committee on Ways and Means.

By Mr. CARDIN (for himself, Mr. DELLUMS, Mr. DE LUGO, Mr. DOWNEY, Mr. GALLO, Mr. GOSS, Mr. JACOBS, Mr. JEFFERSON, Mr. LANTOS, Mrs. MORELLA, Mr. SCHEUER, and Mr. WILSON):

H.R. 3718. A bill to provide remedies for consumers who purchase unfit dogs from pet dealers; to the Committee on Energy and Commerce.

By Mr. COUGHLIN:

H.R. 3719. A bill to suspend until January 1, 1995, the duty on composite vials of timolol maleate/pilocarpine hydrochloride solutions and diluent; to the Committee on Ways and Means.

By Mr. EMERSON (for himself and Mr. ESPY):

H.R. 3720. A bill to direct the Administrator of General Services to transfer certain personal property of the Mississippi Delta Development Commission to the Lower Mississippi Delta Development Center; to the Committee on Government Operations.

By Mr. HOAGLAND:

H.R. 3721. A bill to amend the Omnibus Budget Reconciliation Act of 1990 to exempt certain research and educational licensees from annual charges; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

H.R. 3722. A bill to repeal provisions of the Treasury, Postal Service and General Government Appropriations Act, 1992, relating to requirements for Federal agency leases in the Omaha, NE-Council Bluffs, IA, geographical area; jointly, to the Committees on Public Works and Transportation and Appropriations.

By Mr. JACOBS:

H.R. 3723. A bill to amend title II of the Social Security Act to provide that, in determining whether an individual applying for or receiving benefits based on disability is engaging in substantial gainful activity, a portion of the cost of acquiring a van which is specially equipped for the individual's disability and which the individual needs for transportation to work shall be excluded from amounts treated as such individual's earnings, and to make conforming changes in title XVI; to the Committee on Ways and Means.

By Mr. MILLER of California (for himself, Mr. WAXMAN, Mr. RICHARDSON, Mr. SIKORSKI, Mr. FALEOMAVAEGA, and Mr. KOSTMAYER):

H.R. 3724. A bill to amend the Indian Health Care Improvement Act to authorize appropriations for Indian health programs, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. MOODY:

H.R. 3725. A bill to require Senators and Members of the House of Representatives to pay for medical services provided by the Office of the Attending Physician, and for other purposes; to the Committee on House Administration.

By Mr. PANETTA:

H.R. 3726. A bill to prevent foreign persons from owning national landmarks and areas included in the National Park System; to the Committee on Interior and Insular Affairs.

By Mr. PETERSON of Minnesota:

H.R. 3727. A bill to amend the Agricultural Act of 1949 to increase the loan levels and target prices for wheat and feed grains, and for other purposes; to the Committee on Agriculture.

By Mr. HAYES of Louisiana (for himself, Mr. BRYANT, Mr. CHANDLER, and Mr. McCOLLUM):

H.J. Res. 369. Joint resolution to encourage a national policy enhancing commercial financial liquidity for the promotion of a speedy and robust economic recovery; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. BOXER (for herself, Mr. WEISS, Mr. MILLER of Washington, Mr. STUDDS, Mr. EVANS, Mr. GREEN of New York, Mr. FRANK of Massachusetts, Mr. DELLUMS, Mr. BERMAN, Mr. ANDREWS of Maine, Mr. LEHMAN of Florida, Ms. PELOSI, Mr. WAXMAN, Mr. AuCOIN, Mr. ATKINS, Ms. NORTON, Mr. BEILENSON, Mrs. SCHROEDER, Mr. McDERMOTT, Mr. EDWARDS of California, Mr. FAZIO, Mr. MINETA, Mr. CONYERS, and Mrs. MORELLA):

H. Res. 271. Resolution expressing the sense of the House of Representatives that the President should rescind Department of Defense Directive 1332.14, section H.1, which bans gay, lesbian, and bisexual Americans from military services; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 193: Ms. NORTON.

H.R. 300: Mr. OLVER.

H.R. 325: Ms. PELOSI.

H.R. 431: Mr. TRAXLER, Mr. HAYES of Illinois, Mr. TORRES, and Mr. LEWIS of Florida.

H.R. 461: Mr. STUMP, Mr. MINETA, Mr. McCANDLESS, Mr. KOLTER, and Mr. MAZZOLI.

H.R. 643: Mr. SHAYS.

H.R. 791: Mr. SCHEUER.

H.R. 843: Mr. RANGEL and Mr. MURTHA.

H.R. 939: Mr. ABERCROMBIE and Mr. GINGRICH.

H.R. 1186: Mr. GOSS, Mr. LAGOMARSINO, Mr. SANTORUM, Mr. DORNAN of California, Mr. YOUNG of Alaska, Mr. SWETT, Mr. DICKS, Mr. SCHAEFER, Mr. TRAFICANT, Mr. MFUME, and Mr. ROBERTS.

H.R. 1393: Mr. COX of Illinois, Mr. FEIGHAN, and Mr. MACHTLEY.

H.R. 1472: Mr. LEWIS of California, Mr. DYMALLY, Mr. KOSTMAYER, Mr. OLVER, and Mr. PACKARD.

H.R. 1574: Mr. GALLEGLY, Mr. FROST, Mr. MOORHEAD, and Mr. INHOFE.

H.R. 1575: Mr. LOWERY of California, Mr. LIVINGSTON, Mr. GALLEGLY, and Mr. MOORHEAD.

H.R. 1598: Mr. CONDIT and Mr. WILLIAMS.

H.R. 1655: Mr. HAYES of Illinois.

H.R. 1777: Mr. TALLON.

H.R. 1889: Mr. CAMP.

H.R. 2215: Mr. FEIGHAN.

H.R. 2343: Mr. MINETA and Ms. PELOSI.

H.R. 2385: Mr. MURPHY, Mr. HENRY, and Mr. WOLF.

H.R. 2419: Ms. MOLINARI.

H.R. 2535: Mr. GONZALEZ, Mr. KENNEDY, and Mr. RAHALL.

H.R. 2580: Mr. ATKINS, Mr. BACCHUS, Mrs. SCHROEDER, and Mr. YATES.

H.R. 2598: Mrs. MEYERS of Kansas, Mr. DOOLEY, and Mr. OLIN.

H.R. 2612: Mr. McCLOSKEY.

H.R. 2634: Mr. KOSTMAYER.

H.R. 2731: Mr. BENNETT and Mr. PICKLE.

H.R. 2763: Mr. CAMPBELL of Colorado.

H.R. 2766: Mr. LOWERY of California, Mr. BURTON of Indiana, and Mr. LEWIS of Florida.

H.R. 2800: Mr. DeFAZIO.

H.R. 2806: Mr. HUBBARD and Mr. CHANDLER.

H.R. 2832: Mrs. BYRON, Mr. FIELDS, Mr. HERGER, Mr. HUTTO, Mrs. MORELLA, and Mrs. BENTLEY.

H.R. 2838: Mr. TORRES, Mr. PERKINS, and Mr. ROE.

H.R. 2876: Mr. COX of California, Mr. ROHRABACHER, Mr. GOSS, and Mr. McCANDLESS.

H.R. 3015: Mr. EVANS and Mr. INHOFE.

H.R. 3070: Mr. HERGER, Mr. HOYER, Mr. BATEMAN, Mr. ROTH, Mr. MOORHEAD, Mr. SCHUMER, and Mr. BARRETT.

H.R. 3128: Mr. BLILEY, Mr. GRANDY, and Mr. CLINGER.

H.R. 3130: Mr. ARMEY, Mr. STEARNS, Mr. HERGER, and Mr. GEKAS.

H.R. 3142: Mrs. BOXER, Mr. MACHTLEY, and Mr. ROTH.

H.R. 3164: Mr. HALL of Texas, Mr. LEWIS of Florida, Mr. DONNELLY, Mr. TAYLOR of North Carolina, and Mr. WISE.

H.R. 3236: Ms. NORTON.

H.R. 3283: Mr. GEPHARDT and Mr. HOYER.

H.R. 3285: Mrs. BOXER, Mr. FROST, Mr. LAFALCE, Mr. LEHMAN of California, and Mr. ROBERTS.

H.R. 3314: Mr. SANTORUM, Mr. DeLAY, and Mr. DOOLITTLE.

H.R. 3344: Mr. ROE.

H.R. 3360: Mr. KOLTER, Mr. GALLEGLY, Mr. McNULTY, Mrs. MORELLA, Mr. TOWNS, Mr. GILMAN, Mr. GUARINI, Mr. RIDGE, Mr. SMITH of Florida, Mrs. COLLINS of Illinois, Mr. HOCHBRUECKNER, Mr. DWYER of New Jersey, Mr. RAHALL, Mr. POSHARD, Ms. NORTON, Mr. SARPALIUS, Mr. ABERCROMBIE, Mr. PERKINS, and Ms. Horn.

H.R. 3376: Mr. SWETT.

H.R. 3395: Mr. CRANE, Mr. MARTINEZ, and Mr. SANTORUM.

H.R. 3407: Mr. ROE, Mrs. BOXER, and Mr. ECKART.

H.R. 3417: Mr. HORTON and Mr. COUGHLIN.

H.R. 3463: Mr. DANNEMEYER and Mr. INHOFE.

H.R. 3473: Mr. YATES, Mr. HOCHBRUECKNER, Mr. VENTO, Mr. OWENS of New York, Mr. FLAKE, and Mr. POSHARD.

H.R. 3488: Mr. DOOLITTLE.

H.R. 3515: Mr. SHAYS, Mr. LEACH, and Mr. MRAZEK.

H.R. 3526: Mr. FISH, Mr. SMITH of Florida, Mr. MORAN, Mr. WHEAT, and Mr. GUARINI.

H.R. 3550: Mr. ORTIZ, Mr. EVANS, and Mr. WILSON.

H.R. 3553: Mr. NAGLE, Mr. STAGGERS, Mr. ECKART, and Mr. NEAL of Massachusetts.

H.R. 3570: Mr. HORTON, Mrs. MORELLA, Mr. ROE, Mr. LIPINSKI, Mr. RIGGS, Mr. JONTZ, Mr. KOLTER, Mr. GORDON, Mr. DWYER of New Jersey, Mr. JEFFERSON, and Mr. EVANS.

H.R. 3571: Mr. ENGLISH and Mr. FAWELL.

H.R. 3595: Ms. PELOSI, Mr. TRAFICANT, Mr. JENKINS, Mr. EDWARDS of California, Mr. LEWIS of Georgia, and Mr. LaFALCE.

H.R. 3619: Mr. TRAFICANT, Mr. SMITH of Texas, Mr. CAMPBELL of California, Mr. KOSTMAYER, Mr. PETERSON of Florida, Mr. JAMES, Mr. DOOLITTLE, Mr. LEWIS of Florida, Mr. BILIRAKIS, Mr. MOORHEAD, Mr. SOLOMON, Mr. MICHEL, Mr. McDADE, Mr. WEBER, and Mr. EDWARDS of Oklahoma.

H.J. Res. 201: Mr. SAWYER, Mr. REED, Mr. SCHUMER, and Mr. BACCHUS.

H.J. Res. 242: Mrs. BOXER.

H.J. Res. 312: Mr. PETERSON of Florida.

H.J. Res. 326: Mr. BENNETT, Mr. WOLPE, Mrs. LLOYD, Mr. BACCHUS, Mr. WISE, Mr. HYDE, Mr. LaROCCO, Mr. CARPER, Mr. RHODES, Mr. SAVAGE, Mr. IRELAND, Mr. YATES, and Mr. KILDEE.

H.J. Res. 353: Mrs. BENTLEY, Mr. BEVILL, Mr. BILIRAKIS, Mr. BURTON of Indiana, Mr. CALLAHAN, Mr. CLEMENT, Mr. CONYERS, Mr. DANNEMEYER, Mr. DICKINSON, Mr. ERDREICH, Mr. FROST, Mr. GINGRICH, Mr. HARRIS, Mr. HATCHER, Mr. HOYER, Mr. HUGHES, Mr. JONTZ, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LEHMAN of Florida, Mr. LEWIS of California, Mr. LEWIS of Florida, Mrs. LLOYD, Mr. McCOLLUM, Mr. McMILLEN of Maryland, Mr. MONTGOMERY, Mrs. MORELLA, Mr. NEAL of

North Carolina, Ms. NORTON, Mr. OWENS of Utah, Mr. PARKER, Mr. POSHARD, Mr. RAVENEL, Mr. RITTER, Mr. ROE, Mr. SAVAGE, Mr. SLATTERY, Mr. SMITH of Florida, Mr. SOLOMON, Mr. TALLON, Mr. TAYLOR of Mississippi, Mr. TAYLOR of North Carolina, Mr. TORRICELI, and Mr. WEBER.

H.J. Res. 358: Mr. YOUNG of Alaska, Mr. HAMILTON, Ms. NORTON, Mr. MARTINEZ, Mr. ABERCROMBIE, Mr. PETERSON of Minnesota, Mr. DE LUGO, Mrs. VUCANOVICH, Mr. BUSTAMANTE, Mr. NEAL of Massachusetts, Mr. KENNEDY, Mr. HUGHES, and Mr. SPRATT.

H. Con. Res. 168: Mrs. BOXER.

H. Con. Res. 212: Mr. HORTON, Mr. FAWELL, Mr. KILDEE, Mr. LAFALCE, Mr. BONIOR, Mr. MCHUGH, Mr. KOLTER, Mr. ROE, Mr. MACHTLEY, Mr. DINGELL, Mr. DWYER of New Jersey, Mrs. MORELLA, and Mr. WEBER.

H. Con. Res. 216: Mr. FRANK of Massachusetts, Mr. FOGLIETTA, Mr. LEHMAN of Florida, Mr. BILBRAY, Mrs. LLOYD, Mr. ABERCROMBIE, Mr. LEVINE of California, Mr. SCHEUER, Mr. STARK, Mr. JOHNSTON of Florida, Mr. BONIOR, Mr. HOCHBRUECKNER, Mr. WALSH, Mr. LIPINSKI, Mr. MOODY, Mr. HORTON, Mr. SMITH of Florida, Mr. LAGOMARSINO, Mr. MCNULTY, Mr. DWYER of New Jersey, Mr. FAWELL, Mr. JEFFERSON, and Mr. TRAFICANT.

H. Con. Res. 221: Mr. MCNULTY, Mr. GILMAN, Mr. FROST, Mr. LANCASTER, Mr. PRICE, Mr. JEFFERSON, Mr. MORAN, Mr. TRAFICANT, and Mr. BATEMAN.

H. Res. 152: Mr. COUGHLIN.

H. Res. 161: Mr. PAYNE of Virginia, Mrs. LLOYD, Mr. PETERSON of Minnesota, Mr. WALSH, Mr. JEFFERSON, Mr. SCHUMER, Mr. ORTON, Ms. NORTON, and Mr. VENTO.

H. Res. 233: Mr. LANCASTER, Mr. OWENS of Utah, Mr. RIGGS, and Mr. BENNETT.

H. Res. 244: Mr. LOWERY of California and Mr. UPTON.

H. Res. 257: Mr. GUNDERSON, Mr. LIGHTFOOT, Mr. HARRIS, Mr. MCCLOSKEY, Ms. KAPTUR, Mr. BROWDER, Mr. TRAFICANT, and Mr. SARPALIUS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 446: Mr. COLEMAN of Texas.

EXTENSIONS OF REMARKS

A SPECIAL SALUTE TO FRANKLIN POLK

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. STOKES. Mr. Speaker, the legal profession recently mourned the loss of an outstanding and dedicated counselor. I rise today to pay tribute to Attorney Franklin Polk who passed away on October 30, 1991, at the age of 80. For the past 51 years until his retirement earlier this year, Attorney Polk provided legal services to clients throughout our community. I join his family, friends, and associates in paying tribute to this great individual.

During his lifetime, Franklin Polk amassed an impressive list of achievements. He was elected and served 8 years as a member of the Cleveland School Board. He was the founder and past president of the Cleveland Academy of Trial Attorneys. Attorney Polk was the youngest president of the Cuyahoga County Bar Association, and he served 20, 2-year terms in the Ohio Bar House of Delegates, the longest tenure in its history.

Mr. Speaker, I will always fondly remember Attorney Polk for his great love of public servants. For 40 years, he chaired the Cuyahoga County Bar Association's Annual Public Servants Awards Luncheon. The event recognizes the exceptional work and contributions of county court system employees.

Every year since I have been in Congress, Attorney Polk has brought to my attention those individuals selected to receive the Public Service Awards and requested that a special tribute be placed in the CONGRESSIONAL RECORD recognizing their achievements. I was pleased to assist him in this regard. It was a reflection of the respect and appreciation he felt they deserved.

Mr. Speaker, I am saddened that I am now given the task of placing in the CONGRESSIONAL RECORD the obituary notice of Attorney Polk. He was a good friend, a dedicated and capable attorney, and extraordinary individual. I extend my condolences to his wife, Julia, his family, and many friends. He will be greatly missed.

[From the Plain Dealer (Cleveland, OH), Nov. 1, 1991]

FRANKLIN POLK, LAWYER, FETED OFTEN FOR WORK

Franklin A. Polk moved easily between providing legal services to clients visiting his office in the blue-collar ethnic neighborhood at 5725 Broadway and to his colleagues in blue-chip corporations downtown.

He maintained the loyalty of the working class families who were his clients through successive generations. He served on the Cleveland Board of Education and was a candidate for mayor in 1949.

Mr. Polk, 80, of Independence, who had a heart ailment, retired earlier this year from the office where he had worked for 51 years. He died Wednesday at Cleveland Clinic Hospital.

He graduated from South High School in 1928 with honors and five scholarships in debate, journalism and dramatics. He had been editor-in-chief of the South High Beacon when it was chosen America's best high school newspaper. He later edited corporate house organs, the Buckeye Road and Luna Park News and the Neighborhood News.

He was class president with cum laude honors when he graduated from John Carroll University. Mr. Polk served as president of the school's National Alumni Association in 1955 and received the JCU Alumni Medal 20 years later. In 1989 the John Carroll graduate lawyers gave him a plaque for exceptional contributions to law.

He was president of the Cleveland Law School Alumni Association in 1947.

Catholic Bishop Joseph Schrembs appointed Mr. Polk to be director of the Cleveland chapter of the National Conference of Christians and Jews in 1936. Fifty years later, the conference gave him its first life membership. The Knights of Columbus named him "Catholic Man of the Year" in 1947 and "Citizen of the Year" in 1977.

Before he became a lawyer, Mr. Polk was a sports reporter for Scripps Howard newspapers.

Mr. Polk was admitted to the bar in 1940. Three years later, he was elected to the Cleveland school board and served for eight years.

He issued a standing offer for young lawyers to get experience in his office rent free. They formed an alumni association with 116 members.

Mr. Polk was a past president and legal counsel of the Broadway 55 Merchants Association. He was a member of the Catholic Workman Society and its treasurer.

He was a former president of the Ripon Club and the oldest member of the executive committee of the county Republican organization.

Mr. Polk was the youngest president of the Cuyahoga County Bar Association. He was its first delegate to the American Bar Association House of Delegates and served for 12 years.

He successfully lobbied other delegates to defeat proposals that could have barred lawyers from conducting oral examinations of jurors in federal trials. The proposals also would have put new limits on peremptory challenges to jurors. The National Association of Criminal Defense Lawyers rewarded him with its highest honor.

Mr. Polk also chaired the Cuyahoga Bar's annual Public Servants Award luncheon for 40 years.

He served 20, two-year terms in the Ohio Bar House of Delegates, the longest tenure in its history. He was given a medal for his service.

The American Judicature Society also gave him its highest award.

Mr. Polk was a founder and past president of the Cleveland Academy of Trial Attorneys.

Mr. Polk and his wife of 52 years, Julia, lived in Independence. He also is survived by a son, Franklin G. of McLean, Va.; a daughter, Loretta Gainor of Potomac, Md.; and three grandchildren.

THE MOOD OF THE VOTERS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, November 6, 1991, into the CONGRESSIONAL RECORD:

THE MOOD OF THE VOTERS

I am not sure I have ever seen Hoosiers or the American people more frustrated than they are today about issues high on the national agenda. They have grown increasingly pessimistic about the economy and the outlook for jobs, and they are deeply concerned about issues such as health care costs, crime, and the budget deficit. They do not think very highly of the U.S. Congress or, for that matter, the entire government in Washington.

Certainly not everything I hear from them is bad. Americans are very pleased about the end of the cold war, the likelihood of significant cuts in arms spending, and the Middle East peace talks. Yet their mood overall is dominated by concerns about what is happening at home. There simply is no threat on the international horizon that concerns people nearly so much as their sense that this country is slowly but steadily sliding backward and leaving our children with a bleaker future than our parents left to us.

THE ECONOMY

Much of the concern is the weak economy. Many people who once thought their jobs and lives were secure now are threatened with loss of their jobs and threats to their standard of living.

People are concerned about their position on the economic ladder and about the decline in the standard of living last year. They are upset about U.S. companies moving plants and jobs outside the country. They are worried about layoffs and salary cuts and freezes, forced retirement, cuts in pensions, and their inability to pay for college expenses, mortgages, and health care. So many of them have the feeling that their lives are going downhill and it is all outside their control.

There is a growing tide of apprehension about the economy. Many voters just do not think that the politicians know what to do about the economic stagnation. They are deeply skeptical of the constant rhetoric from Washington that the recovery is definitely under way. Many people are beginning to understand that the economy has deep-seated problems, that we will not come bounding back from this recession as we have in the past, and that we are dealing with the legacy of the extravagant spending and indulgence of the previous years.

DOMESTIC ISSUES

Americans have deep distrust of government and complain bitterly about the sav-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ings-and-loan disaster, huge budget deficits, and the revelations about BCCI. They find the highways, water systems, and mass transit systems in the country inadequate. Uniformly they complain about high taxes and government waste. Hoosiers in my public meetings will invariably say that 10 to 25 cents of every Federal dollar is wasted. There isn't any doubt that people want to keep their taxes down.

People are deeply frustrated about the high cost of health care, the reductions of health insurance coverage by employers, and the high cost of prescription drugs. They just do not feel they can incur any more health care expenses, and do not think that government programs like Medicare or Medicaid work very well.

They are concerned about the failure of our schools and the low test scores of American students. Many expressed to me concern about the study showing that more than half of our young people today leave school without the knowledge or foundation required to find and hold a good job.

They continue to be fearful of crime and see the quality of their lives eroding because of the presence of crime in their communities. They bolt their doors, install security systems, and buy guns to protect themselves. They blame the courts for pampering criminals and demand tougher punishment.

THE GOVERNMENT

All of my colleagues in Congress are talking about the change in the public mood which has turned markedly negative. Voters see a nation going downhill with the President and Congress who are either unwilling or unable to halt the slide. There is a palpable anger toward Congress. People have a list of grievances against Members, including pay raises, bounced checks, unpaid food bills, and the mishandled Thomas hearings. My impression is that voters think quite a few people in government are crooked.

No politician can miss the dismay that voters feel about politics and government these days. Americans profoundly believe that they simply are not being heard in Washington. They have little confidence in the political system as a means of influencing government.

I do not find voters wanting more conservatives or more liberals. They simply want more responsive politicians. They want politicians who are on their side. One constituent said to me in a public meeting not long ago that Congress is simply irrelevant, that it must do a better job of dealing with the issues that really are bothering people like health care, taxes, and jobs.

I have long been accustomed to suspicion, doubt, frustration, and even cynicism about the federal government, but I have never seen a popular opinion or revolt against government institutions as strong as it is today.

THE FUTURE

Perhaps most disturbing of all is a pervasive pessimism about the future of the country. A lot of Hoosiers and Americans are deeply troubled about the outlook for the nation in general and the economy in particular. The polls show that 60 percent of Americans believe that the country has gotten pretty seriously off track, and my own experience with Hoosier voters confirms that. Many are particularly concerned about the long-term outlook for our nation, and wonder how competitive our nation will be in the face of years of inadequate investment in education, infrastructure, and research, an enormous national debt, and increasingly tough foreign competition.

What has particularly impressed me is that people are offering much more pessimistic assessments today than they were even a few months ago. Much of the debate in 1992, I think, will be built around the anxieties of financially pinched middle-class voters and the perception that we have neglected the festering problems at home.

My impression is that this is an age of public distrust. People are frustrated with the government that they believe has not supported and perhaps has even abandoned them. They look around and just see crying needs at home—the loss of jobs to foreign countries, the cost and quality of health care. Politicians need to take these feelings seriously, and show that we are able to tackle the issues that matter most to Americans.

DADE TEENAGER, CLARISA LINARES, SAVES LIFE WITH CPR

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I want to commend Ms. Clarisa Linares, of Miami, for her heroic effort in saving the life of Mr. Sergio Rodriguez with her applied knowledge of cardio-pulmonary resuscitation [CPR]. The Miami Herald recognized the quick thinking heroics of Ms. Linares in an article written by Ricardo J. Bascuas. That article follows:

Sergio Rodriguez has been accompanying his wife to Miami International Mall for years. Thanks to 16-year-old Clarisa Linares, be may again.

On Monday, Rodriguez, 62, suffered cardiac arrest while waiting outside the Sears store in the mall, 1455 NW 107th Ave.

"I was working and this lady came in and she told me there was this man that was sick outside. I went to go see what it was and I saw this man lying down on the floor," said Clarisa, a part-time clerk at the Barefoot Mailman store near Sears.

"I was crying. I was nervous. The lady who told me left me alone with him. I started CPR, I started the compressions. I just did it. I didn't have time to think about it."

As Clarisa tried to revive Rodriguez, Betty Tausch, who was shopping with her daughter, cleared his esophagus so he could breathe.

"It looked like he had a cardiac arrest and he had swallowed his tongue. She worked on his chest and I held his tongue," said Tausch, a South Miami resident.

Clarisa learned CPR last year in her life management class at G. Holmes Braddock High School. She got a C in the course that is required for sophomores, but she did better Monday.

"In my opinion, there is a very, very good likelihood he would not have made it" without out CPR, said Metro-Dade Fire Rescue Lt. Bill Condermann, one of the paramedics called to the scene.

By the time Zaida Rodriguez came out of Sears, her husband was en route to the hospital. She spent almost an hour searching for him before a mall security guard told her what happened.

"It couldn't have happened in a better place. If it had happened in the car while he was driving, we probably would have had an accident. If it had happened while he was home alone, he could have died," she said.

Friday, Clarisa received the Extra Mile Award from managers at Miami International Mall. As of Friday afternoon, Sergio Rodriguez was still in intensive care at Kendall Regional Hospital, 11750 Bird Rd. He's breathing on his own, but he is in a coma, his wife said.

Mr. Speaker, I am proud of Ms. Linares and her selfless actions on behalf of Mr. Rodriguez. Her heroics further show just how critical CPR and other lifesaving skills can be. Mr. Rodriguez is doing well and is currently in rehabilitation at Baptist Hospital, though he is often able to return home for day visits. I wish Mr. Rodriguez and his family well as he continues to recover.

TRIBUTE TO CLARK J. SIMMONS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. TOWNS. Mr. Speaker, I want to recognize the accomplishments of Mr. Clark J. Simmons. Mr. Simmons joined the U.S. Navy in 1938 and was assigned to the USS *Utah* in San Diego, CA, and subsequently went to serve at Pearl Harbor. After the attack on the Harbor, Mr. Simmons was hospitalized, and upon his recovery he was assigned to the USS *Lamson* in the South Pacific area. His other tours of duty included Australia, Norfolk, VA, and Boston, MA. He was honorably discharged as a chief petty officer from the Navy in 1945.

Mr. Simmons pursued his educational training at the University of Wisconsin. His civilian work included duties at the Justice Department from which he retired in addition to his duties at the Kings County Brooklyn District Attorney's office. In his retirement Mr. Simmons enjoys life with his 15 grandchildren.

RESCISSION OF DEPARTMENT OF DEFENSE DIRECTIVE 1332.4—BANNING GAYS AND LESBIANS FROM THE U.S. MILITARY

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. WEISS. Mr. Speaker, I am proud to join the distinguished Congresswoman from California, BARBARA BOXER, and 21 additional colleagues in introducing legislation to rescind the Pentagon's egregious ban on gays and lesbians in the U.S. military. For gay men and lesbians who have given so much to our fighting forces, today is D-day in a new war for recognition, decency and fairness.

When President Truman ended racial segregation in the military in 1948, it was finally acknowledged that the ability to serve one's country had nothing to do with the color of one's skin. That decision did more than open up the armed services to African-Americans. It also honored the memory of tens of thousands of black soldiers who gave their lives for their country during the Revolutionary and Civil Wars, World War I and World War II.

Since 1982, over 10,000 men and women have been discharged from military duty on the basis of admitted or suspected homosexuality. The Pentagon claims that the presence of gay members in our Armed Forces makes it difficult "to maintain good discipline, good order and morale."

These claims come despite at least three studies by the Department of Defense itself over the last 35 years which dispute that assertion. The first such study, the 1956 "Crittenden report," held that "from all information available to the committee, it would appear that the concept that homosexuals necessarily pose a security risk is unsupported by adequate factual data."

The most recent Pentagon study, prepared by the Defense Personnel Security Research and Education Center, concluded in 1989 that "in the 30 years since the Crittenden report was submitted, no new data have been presented that would refute its conclusion that homosexuals are not greater security risks than heterosexuals."

The discrepancy between the Defense Department's rationale for a ban on gays and the military performance of those individuals is perhaps most vividly exemplified in a 1990 administrative message from Vice Adm. Joseph S. Donnell, of the Navy's Surface Atlantic Fleet, to the officers in charge of over 200 ships.

Donnell feared that because lesbian sailors were "among the command's top performers," the Pentagon's ban on gays might be less rigorously enforced in the Navy. Never mind that lesbians have proven themselves excellent service personnel. Root them out all the same, advised Vice Admiral Donnell. This absurd adherence to policy over performance demeans our military, and invites comparisons to Joseph Heller's Catch–22.

Furthermore, between 1974 and 1984, the Defense Department spent over $180 million to train, investigate and ultimately discharge 14,311 gay and lesbian members of the armed services. In the current fiscal climate, American taxpayers ought to be outraged to see their money being wasted on this unconscionable witch hunt.

I find it supremely ironic that after being asked to fight for democratic values and freedom abroad, gay and lesbian members of the U.S. Armed Forces must now fight their own battle against the very institution for which they were ready to give—and have given—the ultimate sacrifice.

The bill we are introducing today is simple. It acknowledges what the Pentagon already knows: that gay men and lesbians do not pose a security threat to the United States; that these men and women have served our Nation, in peace and at war, with the same dedication and professionalism as heterosexual service personnel.

The Congress, the Pentagon and President Bush have an opportunity to redress a great wrong. Defense Secretary Cheney himself has referred to the ban on gays in the military as "a bit of an old chestnut." Now, we have two choices before us: we can act with courage, as did President Truman 43 years ago when he integrated the armed services; or we can act from fear and cowardice, continuing an injustice to a part of our population that has served our Nation with distinction and honor. The decision, I believe, is obvious.

I am submitting for the RECORD, three editorials from the New York Times, the Washington Post, and USA Today which eloquently address this issue. I commend the articles to my colleagues' attention and urge their support of this portentous resolution:

[From the New York Times]

GAY SOLDIERS, GOOD SOLDIERS

Do homosexual personnel, male and female, threaten the effectiveness of the armed forces? Or is it shortsighted prejudice for the military services to ban homosexuals and to discharge those discovered in its ranks?

That long-festering issue has emerged with new force in recent weeks, requiring Defense Secretary Cheney to explain anew to Congress and the public just why homosexuals are deemed "incompatible with military service."

Mr. Cheney showed little appetite for the task, with good reason. The ban deprives the armed forces of talent and the discharges damage thousands of careers and lives. All for a policy with not a shred of hard evidence to support it.

Much of the opposition to homosexuals reflects a deep-seated fear that gay personnel would make sexual advances on their heterosexual comrades, provoking fights or starting affairs that would destroy discipline. But that wrongly brands all homosexuals as sexual aggressors. The same specter of unrestrained sexuality was raised when women were first admitted to military service. Yet women have been successfully accommodated, and they performed valiantly in the Persian Gulf war.

The Defense Department is actually two-faced on the subject of homosexuality. Homosexuals are allowed to serve in civilian jobs, even at the highest and most sensitive levels, under civil service rules that outlaw sexual orientation as a criterion for employment. That is why Secretary Cheney has no trouble retaining a trusted aide who was identified as homosexual by a gay magazine.

But the department bans homosexuals from military service and has discharged more than 13,000 people as homosexuals since 1982. Many, sad to say, have been outstanding. Some have won bronze or silver stars. One was a naval cadet near the top of his class at Annapolis. Underscoring the absurdity of the policy, the commander of the surface fleet in the Atlantic last year urged, in a message to his subordinates, that investigations of lesbians not be "pursued halfheartedly" just because lesbians are generally "hard-working, career-oriented, willing to put in long hours on the job and among the command's top performers."

The official justification for the ban is a single sweeping paragraph in the Defense Department's administrative discharge directive. It asserts, with dubious accuracy, that the presence of homosexuals "seriously impairs the accomplishment of the military mission" in seven areas, including morale and recruitment.

The Pentagon may be retreating from one claim—that homosexuals are a security risk, peculiarly subject to blackmail. Unpublished studies for the military in 1957 and 1988 concluded that homosexuals were a negligible security risk, and Secretary Cheney dismissed the allegation as "a bit of an old chestnut."

Other assertions that the presence of homosexuals makes it difficult to maintain morale and insure the integrity of the command system sound like worst-case projections based on outdated stereotypes. Polls show that most Americans think homosexuals should be allowed in the military.

The most emotional reason for excluding homosexuals is that service members, in contrast to civilians in the Defense Department, "frequently must live and work under close conditions affording minimal privacy." Perhaps some heterosexual servicemen fear they would be propositioned in the showers. But that possibility could be managed with regulations proscribing sexual harassment. And what consenting adults do on their own time is their business, not the military's.

The military and its civilian overseers need to reexamine the case; there's no evident justification for discrimination on the basis of sexual orientation.

[From the Washington Post, Aug. 3, 1991]

REVISITING THE BAN ON GAYS

It was once unthinkable that blacks and whites could ever serve together in the armed forces. The mere idea suggested a threat to discipline, good order and morale. So out of deference to the temper of the times, racial segregation was rigidly enforced throughout most of the military. That is, until President Truman issued his bold executive order in 1948 establishing a policy of equality of treatment and opportunity for everyone in the armed forces. The collapse of the armed services feared by the segregationists never occurred. Nor did a recalcitrant public rise up in arms. Instead the military eventually rose—as the president had hoped it would—to the highest standards of American democracy and began to move toward an integrated service. The same result is occurring today with respect to women in the armed forces. And now similar demands are being pressed on the Defense Department by gay groups and their supporters. They deserve a well-thought-out answer.

Recently, when Secretary of Defense Richard B. Cheney first responded to questions about the military ban on homosexuals, he dismissed the often-used security risk rationale as "a bit of an old chestnut." He was on safe grounds there. That discovery was made by the federal civilian work force years ago. Now, with the possible exception of the national security agencies, where litigation is pending, sexual preference or orientation alone can't be used against employees or would-be hires, even for security clearances. Secretary Cheney can also draw support for his position from an unreleased study now under top-level review in the Defense Department which concludes that there is no connection between homosexuality and security risks. Heterosexuals, it find, are as likely to be security risks as anyone else. Yet the paradox remains at the Defense Department: if you are a civilian, you may handle classified materials and be gay; if you wear a uniform, you can't. Does that make sense?

Still, the secretary told a congressional panel last week that under the policy, which he described as one he has inherited, "a gay lifestyle is incompatible with military service." That, he said, is unlikely to change soon. If so, the policy ought to be based on a better rationale than the one now being offered. Besides the enormous amount of time and money spent enforcing the ban, the lives of thousands of men and women have been and are being brought to ruin. The same agency that studied the issue of homosexuals as security risks could find no reliable scientific data to support the current policy, according to one researcher. There is, however, much social bias and fear around, he said, based on stereotyping and myths. That's what President Truman was up against too. He did the right thing.

[From USA Today, Aug. 8, 1991]

Mind Your Own Business

Whose business is your sexual orientation? No one's but your own.

Some people think information about life's most private moments can be a matter of broader public interest, depending on what you do for a living.

Defense Secretary Cheney said this week your life is your own only if you're a civilian. He has no plans to change the military's outdated policy barring gays.

Some radical gay activists say if you're gay and hold a job that puts you in conflict with their cause, you deserve to be "outed"—that your homosexuality be exposed to the world. Their newest target is a civilian on Cheney's staff.

The military and the outers should mind their own business.

Outers should remember they're using their enemies' deplorable tactics.

The military should reexamine its pernicious assumption that homosexuals are a risk to security and morale.

Thousands of gays remain in the military undetected, without jeopardizing security or preying upon others.

It's time to make "mind your own business" the motto for the military and the rest of society. Polls say the public agrees: 65 percent say homosexuals should be admitted to the military; 80 percent oppose discrimination against gays in any job.

In the Pentagon, bad behavior should be the issue. Anyone breaching security—gay or straight, military or civilian—should be punished.

And nowhere should sexual orientation be considered either punishable or an offense. Your private life should be your own.

PHILIP SPEVAK RETIRES AFTER 33 YEARS OF TEACHING

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, every school district has those teachers who stand out and Mr. Philip Spevak is one of those educators. He is retiring from Coral Park Elementary School in Miami after 33 years of teaching. Mr. Spevak has surpassed his duties as a fourth grade teacher by directing many dramatic productions cast with elementary students. He leaves Coral Park after dedicating 23 years of his teaching career to that school. The Miami Herald recently brought attention to this veteran educator in an article written by Mr. Ricardo J. Bascuas. That article follows:

Years after having been in one of Philip Spevak's grade school productions, his former students still remember the experience.

"It was my first year there. He was real good to me. He helped me a lot," said Erika Soler, now a sophomore at Miami-Dade Community College. She was in fifth grade when she was directed by Spevak in A Christmas Carol.

"I'm shy, but I got up there and I did it anyway. If it wasn't for him I wouldn't have been able to do it," said Soler, 19.

Spevak is retiring after 33 years of teaching in elementary schools—the last 23 at Coral Park, 1225 SW 97th Ave.

In all his time with the school system, Spevak said he never wanted to move into administration. "I was more content being with the individual students and working in direct contact with them," he said.

During his career, the fourth-grade teacher has staged many plays with his students, including some Shakespearean works. He produced Macbeth three years ago.

"It was one of the highlights of the elementary school career to be in a performance he directed," said Louis Manganiello, principal at Coral Park for 15 years until transferring to Greenglade Elementary two years ago.

Teachers who wanted their classes to see the plays signed up in Spevak's classroom. The actors performed in each classroom, answering questions from the audience to help them understand the play.

"This dramatic experience gives them a feeling of confidence. The only way they can get that feeling is doing something dramatic. There's nothing that takes the place of taking part in some sort of vocal or dramatic experience," Spevak said.

Spevak and some of his students are finishing one final artistic project: a mural on a wall of the school designed to encourage younger students to read. Another mural he designed for the cafeteria shows animals students saw on a field trip to the Everglades.

"It's hard work standing out in the hot sun and trying really hard not to make a mistake," said Aileene Benitez, one of the fifth-graders painting the mural.

Spevak picks students to work on the project independent of their regular art class. "I'm not the art teacher but I have a special talent for art. The art teacher has very limited time and is confined to the classroom," he said.

A 1951 graduate of Syracuse University with a bachelor's degree in biology, Spevak helped coordinate the school science fair last year, but with retirement, he plans to spend less time in science and more in art.

Mr. Spevak has been a model teacher for South Florida. I have confidence that many South Florida teachers share his belief that children are indeed our future, and that they deserve our best. I also commend the leadership of the principal of Coral Park Elementary, Ms. Camille King, for making that school a place where creativity can flourish.

HEALTH CARE CRISIS IN PUERTO RICO FORCES SOME U.S. CITIZENS TO BEG

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. FUSTER. Mr. Speaker, I rise today to share with my colleagues a Puerto Rico version of the health care crisis that is so much a part of our national agenda in the United States. But in Puerto Rico, whose 3.6 million U.S. citizens I represent in this body, the health care crisis is far worse than anything my colleagues know of in their districts.

To that end, Mr. Speaker, let me quote today from a lengthy article which appeared in the San Juan Star of November 4, 1991, and which was headlined, "The Ailing Health System: the Sick and Uninsured are Forced to Beg." It is a sad story of personal tragedies, of American citizens who live in Puerto Rico having to say, "Those without health insurance have only one right, and that's the right to die." This is a disgraceful state of affairs, Mr. Speaker, and I urge my colleagues to focus on the growing health care crisis in Puerto Rico as they deal with the problem on the national level.

The San Juan Star article begins on a poignant note by telling the plight of young Jorge Berrios Oyola, who lives in the central mountains town of Cidra and who will be 16 years old in December. The article continues:

> But he won't be getting his driver's license, going to his high school prom, or creating the usual mischief of adolescence.
>
> His world is circumscribed by a Caguas public hospital, where he lies in a coma after a hit-and-run accident four months ago.
>
> Lacking health insurance, and unable to find the necessary treatment on the island, Jorge's family is appealing to the kindness of strangers.
>
> His parents pray private contributions will allow them to move their eldest son to a Miami hospital where he possibly could recover from his deep sleep. The treatment costs more than $100.000 with no guarantees of success.
>
> For the Berrios, such an expense is unthinkable. Unemployed and with three children, they are among the estimated 60 percent of Puerto Rico's population that is medically indigent.
>
> That means they have no private health insurance and, like most people here, depend upon the Commonwealth for their medical care. But the government can't always provide access to costly technological advances that can save lives.

Moreover, Mr. Speaker, the San Juan Star article also notes that while the total budget of the Puerto Rico Government has increased 6.4 percent annually since 1986, Commonwealth Health Department expenses have grown by 10.05 percent. Of course, Puerto Rico is not the only jurisdiction experiencing such a situation. As the article notes, certain States, such as Oregon, are rationing health services to the poor, while others, such as Hawaii, have instituted universal health insurance programs.

In Puerto Rico, Mr. Speaker, about 60 percent of the population qualifies for Medicaid, which amounted to some $608 million being spent in the island last year, all but 13 percent, or $79 million, coming from the Commonwealth Government. Perhaps less than half of island residents have some form of health insurance, but many others, such as the Jorge Berrios Oyola mentioned by the San Juan Star, have little recourse but to beg for help in a medical emergency.

"Before having Jorge treated in Miami," the San Juan Star reported, "the Berrios [family] must deposit $51,000 in a bank. The hospital won't even admit the teenager until the Berrioses certify in writing that the money is available. The hospital stay alone will run $1,800 a day, plus doctors' fees. Because of Jorge's condition, his airfare will cost another $26,000 round trip, family members say."

Mr. Speaker, this kind of story is repeated very often in Puerto Rico today, as constituent correspondence to my office alone will attest. Puerto Rico is on the verge of a major health care crisis, exacerbated by the burgeoning AIDS epidemic in the island, only Washington, D.C. exceeds Puerto Rico in this category. I hope my colleagues in the House and in the other body will hear the plaintive call of desperation and move expeditiously to increase Medicaid funding to Puerto Rico.

TRIBUTE TO JOEY KOCHAN FOR HIS WINNING ESSAY ON KEEPING DRUGS AWAY FROM CHILDREN

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. HALL of Texas. Mr. Speaker, from October 19 through October 26, the Kaufman County Drug Abuse Prevention Committee and the Texas Agricultural Extension Committee sponsored the Third Kaufman County Red Ribbon Campaign to create awareness of the problem of drug use and abuse in Kaufman County and to support and encourage drug-free, healthy lifestyles. The slogan for this year's campaign was, "In Control of Me * * * I'm Drug Free."

A countywide essay contest for 6th through 8th grade students was one of several events designed to raise awareness of the dangers of drug use and promote a healthy, drug-free way of life. Two winning essays were selected from dozens of entries. Joey Kochan, an eighth grade student at Terrell Middle School, was awarded a $50 U.S. savings bonds for his essay on "Keeping Drugs Away From Children."

I had the pleasure of meeting Joey at the red ribbon campaign kickoff event on Saturday, October 19 at Ben Gill Park in Terrell. The day's events included a countywide torch run beginning in Mabank, continuing throughout the county, and ending in Terrell. Young people from every school district in the county joined together to run a total of 61 miles.

Joey, the son of Joe and Kris Kochan of Terrell, shows great insight into the problem of drug abuse by children and ways to keep children from trying drugs. His essay reads in part, "It's kind of like a race between parents and the drug dealers. It is a race that cannot be rerun. The parents have to be responsible enough to tell their children what drugs do to a person's mind and body."

It is clear to me that Joey has the kind of parents who serve as excellent role models for him and that because of his positive parental influence, Joey will not have a problem maintaining his drug-free lifestyle.

The red ribbon campaign was begun in response to the 1985 murder of Federal Agent Enrique Camarena by drug traffickers. The red ribbon has become symbolic of the effort to reduce the demand for drugs.

Rita M. Winton, county extension agent for the Texas Agricultural Extension Service and Silvie Millson, chairperson of the Kaufman County Drug Abuse Prevention Committee, were instrumental in planning and putting on a very successful week of activities. Due in large part to their efforts, the citizens of Kaufman County have an increased awareness of the terrible dangers of drug use and an eagerness to do whatever is necessary to prevent drug use and abuse from happening. This annual event is so successful that Kaufman County earned the Governor's Award for its efforts in 1990.

In addition to Ms. Millson, other members of the Kaufman County Drug Abuse Prevention Committee are Rita Kent, vice chair; Peggy Butts, secretary; Pat Adams, treasurer; Lois Blanton, historian; James Adams; Edna Beltz; Shunnie Blanton; Robbie Caldwell; Albert Davis; Robert Emfinger; Peggy Hellums; Don Legg; Mary Lyons; Jack Millson; Marie Newell; Dick Osgen; Dr. J.W. Parrish; Robert Richman; Travis Stodghill; Inez Williams; Donna Baker; Pam Littleton; Rhitt Jackson, and Neldajo Mathison.

Mr. Speaker, in addition to honoring Joey Kochan for his excellent essay on preventing drug abuse, I wish to honor the hard work and dedication of Ms. Winton and Ms. Millson and the many others whose efforts are helping to make Kaufman County a drug-free community.

JON SANDER BLOCK, A WONDERFUL FAMILY MAN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I learned today with deep regret of the death of Jon Sander Block, the vice president of Southern Wines and Spirits. I knew "Sandy"—that is what he was called—as a man who devoted much time to his family and community. His daughter, Genevieve, is in the same class as my daughter, Amanda Michelle.

I would like to pay tribute to Sandy by reprinting his obituary in today's Miami Herald:

> Jon Sander Block, vice president of Southern Wines and Spirits of Florida, one of the Southeast's largest liquor distributors, died suddenly of a heart attack Tuesday, his family said. He was 41.
>
> Mr. Block, a native of Newport News, Va., joined Southern Wines and Spirits soon after moving to Miami 17 years ago.
>
> He was general sales manager for the state of Florida in the liquor division.
>
> "He was fantastic, one of the finest men I have ever met in my life," said Jay Weiss, his father-in-law and Southern Wines head. "As an individual, father, husband, businessman and community activist, he was an extraordinary young man."
>
> Mr. Block was chairman of the board of governors of the Doral Ryder Open, and a member of its executive committee.
>
> He also was a member of the board of directors of the United Way of Dade County, the Palmer-Trinity Episcopal School, the Greater Miami Chamber of Commerce and the Greater Miami Convention and Visitors Bureau, his family said.
>
> "He was very devoted to me and to his children," said Jennie, his wife of 17 years. "He never missed a school play or a baseball game."
>
> In addition to his wife, Mr. Block is survived by his daughters Mary Beth and Genevieve; son Christopher; mother Fay Block; and brother Edward Block.
>
> Funeral services are scheduled for 11:30 a.m. today at Temple Beth Am, 5950 N. Kendall Dr.
>
> A memorial Mass is planned for 10 a.m. Thursday at St. Augustine Catholic Church, 1400 Miller Rd. Riverside-Gordon Memorial Chapel handled arrangements.
>
> The family suggests donations be made in Mr. Block's name to the Mary Beth Weiss Research Fund at Jackson Memorial Hospital in care of Jay Weiss, 2999 NE 191st St., Suite 601, North Miami Beach, FL, 33180.

My best to his wife, Jenny, and to Sandy's entire family. A special condolence goes out to my good friend, Jay Weiss, Sandy's father-in-law. Sandy's death is a great loss to his many friends and to the people of south Florida.

TIME BROKERAGE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. DINGELL. Mr. Speaker, today, together with my colleague, ED MARKEY, I am introducing legislation to require the Federal Communications Commission [FCC] to adopt rules to deal with a practice known as "time brokerage." Left unchecked, unlimited time brokerage agreements can circumvent the telecommunications policies embodied in the Communications Act, and could result in a complete restructuring of the broadcast industries.

Historically, time brokerage has been a positive force in the media marketplace. Using a time brokerage agreement, a broadcaster made available a relatively small amount of time—generally an hour or two—to a programmer, who then programmed the station and sold the advertising that aired during that time.

This practice increased the diversity of programming; programming which in many cases would not otherwise be available to the public. Traditional time brokerage agreements provided an opportunity for niche programming to be made available, and permitted ethnic groups to share their cultural heritage with the rest of our society.

Recently, however, the FCC staff, acting on delegated authority, has been approving time brokerage agreements that permit broadcast licensees to sell 100 percent of their time, 24 hours a day, 365 days a year. In my view, this constitutes an excessive delegation of a licensee's programming responsibility, and is tantamount to a transfer of control.

Moreover, in many cases the party purchasing the time is another local broadcaster. Thus the traditional time brokerage agreement is being used as a subterfuge, enabling licensees to circumvent the FCC's rules which limit broadcast holdings of licensees. Left unchecked, unrestricted time brokerage agreements could increase concentration substantially, and reduce the diversity that is currently available to the American public.

The legislation Congressman MARKEY and I are introducing will have the effect of limiting the excessive bulk time sale agreements currently being approved by the Commission, without unduly restricting traditional time brokerage agreements. The Television and Radio Broadcast Bulk Time Sale Act of 1991 requires the FCC to commence a rulemaking proceeding, and to promulgate rules which:

Require that bulk time sale agreements be filed at the Commission and be available for public inspection;

Require that any such agreements reserve to the licensee the right to preempt programming provided under the agreement when preemption would serve the public interest;

Authorize a licensee to terminate a bulk time sale agreement whenever the licensee concludes that the agreement is no longer consistent with its obligations as a Commission licensee;

Prohibit licensees from entering into bulk time sale agreements with anyone who is not qualified to be licensed by the Commission to operate that station;

Limit the amount of a station's time that can be sold to any one programmer to 10 percent;

Limit the total amount of time that a station can sell its time to 25 percent of the time the station operates; and

Prohibit a licensee from entering into a bulk time sale agreement with anyone to whom it is seeking to sell the station.

In addition, in recognition of the fact that a bulk time sale agreement may be the only way to keep a station from going dark, the legislation provides a mechanism for the Commission to authorize a licensee to enter into a bulk time sale agreement that exceeds the limits established by the bill. In order to grant such permission, the Commission must:

Establish that absent such authorization the station could not continue to broadcast;

Give the public an opportunity to comment on the effect that such permission could have on the local market;

Provide that the licensee will not be entitled to an expectancy of renewal of its license;

Provide for a periodic review of the Commission's decision to permit the licensee to exceed the limits established by the bill, and a determination of whether the licensee should be permitted to continue to exceed those limits; and

Provide incentives for any licensee receiving such permission to resume full service to the community to which it has been licensed.

Mr. Speaker, the Television and Radio Broadcast Bulk Time Sale Act strikes a reasonable balance. Under this legislation, traditional time brokerage agreements will continue to be used by Commission licensees, and will continue to offer greater diversity to the American public. At the same time, however, the excessive time brokerage agreements currently being approved by the FCC staff will no longer be permitted. Commission licensees hold a trust granted them by the Government, which permits them to use the airwaves to serve the public interest. Leasing out their stations, 24 hours a day, 365 days a year, does not fulfill that trust.

It is my hope that the Telecommunications and Finance Subcommittee, ably chaired by Congressman MARKEY, will hold hearings on this legislation. Unless restrictions are imposed on the excessive time brokerage agreements currently being approved, the broadcast industry could be irreparably damaged, and excessively concentrated.

CAREFLORIDA HONORED AS ONE OF TOP 10 HISPANIC BUSINESSES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize CareFlorida which was recently selected as one of the 10 most important Hispanic businesses in Dade County by the Greater Miami Chamber of Commerce and the Hispanic Heritage Council.

Along with the other businesses, CareFlorida was presented with this award at the Omni International Hotel at a luncheon honoring these distinguished firms. The businesses were selected from a list of the 100 most important Hispanic firms in the United States which was published in Hispanic Business magazine.

Greater Miami Chamber of Commerce President-elect Carlos Arboleya said that these firms were selected for their efforts for the Hispanic community and for their contribution to the economic development of Dade County.

Accepting the award for CareFlorida was the company's director Paul Cejas, who said that he felt very honored to be part of the outstanding financial success of Hispanic businesses in the community.

I would like to take this opportunity to thank CareFlorida for the contributions it has made to the economy of south Florida, providing economic opportunity, economic development, and employment for the people of the Miami area.

TRIBUTE TO MICHAEL KNAPP

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. TOWNS. Mr. Speaker, I would like to highlight the achievements and contributions of Mr. Michael Knapp, vice president and retail banking director for Citibank in New York. Mr. Knapp's responsibilities include the boroughs of Brooklyn and Staten Island.

He earned his MBA from Cornell University and joined the bank in 1977. He was appointed to retail bank director for Brooklyn-Staten Island in 1988. Mr. Knapp has always been an advocate of community involvement. He is a member of various Brooklyn organizations including: Brooklyn Chamber of Commerce; Junior Achievement of New York; chairman, Brooklyn Advisory Board and is a member of numerous other boards. Michael Knapp has been instrumental in promoting support for housing and educational programs which enhance the quality of life for Brooklyn's residents. He is a native New Yorker and resides in Manhattan with his wife Patricia and their two children Matthew and Sarah.

H.R. 3298 HAS MAJOR DIFFICULTIES THAT NEED TO BE ADDRESSED

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. BEREUTER. Mr. Speaker, this Member is opposed to bringing up H.R. 3298, the Farm Credit Banks and Associations Safety and Soundness Act under the suspension process. The Suspension Calendar should be reserved to ensure the speedy consideration of noncontroversial bills. I believe that H.R. 3298 should be considered under a process that ensures that amendments can be offered to correct problems with this legislation.

The distinguished gentleman from Ohio [Mr. GRADISON], the ranking member of the House Budget Committee had sought to offer an amendment to address problems included in H.R. 3298. However, this gentleman did not have the opportunity to bring his amendment before the full House due to the fact that H.R. 3298 was considered on the Suspension Calendar.

This Member would like to associate himself with remarks made by the gentleman from Ohio in his "Dear Colleague" letter dated November 4, 1991. In this letter, the gentleman states:

> Current law governing the FCS contains two major deficiencies. First, there is no requirement that the FCS establish a sinking fund to repay the government. Yet, unless the FCS begins to set aside funds now, it is unlikely to be able to repay the bonds when they become due. Second, current law weakens the accounting standards which apply to the FCS. Specifically, the FCS may not recognize its repayment obligation as a liability on its books. Past experience has shown us that hokey accounting standards do not help weak financial institutions and only serve to put taxpayers at increased risk. So-called "regulatory accounting practices" do not strengthen weak financial institutions, they only hide the fact of their weakness.
>
> H.R. 3298 fails to correct either of these problems. Although the bill requires Banks to set up a sinking fund, repayments are not required if they would cause a Bank to fall below its capital requirements or if they exceed the Bank's profits. By maintaining low capital levels and passing all profits through to its owners, a Bank could thus avoid making any payments to the sinking fund.
>
> The second major deficiency in H.R. 3298 is that it continues to forbid the FCS's regulator from considering the repayment obligation as a liability. Worse, it allows Banks to count some payments into the sinking fund as capital in spite of the fact that the funds must be used to repay the government and thus they are clearly not available to cover future losses of the Bank. It is true that Banks must write this "capital" off over the final five years. However, unless the Banks can find new funds to replace this "capital", they will fall below their minimum capital standards. Thus the bill makes it likely that the government will be faced with the choice of placing Banks in receivership or forgiving some of the debt (i.e., a bailout).

Mr. Speaker, we need a strong and solvent farm credit system; however, H.R. 3298 has major difficulties which must be addressed.

LIXION A. AVILA: FIRST CUBAN-AMERICAN HURRICANE FORECASTER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today one of my constituents, Lixion A. Avila, who is the first Cuban-American to become a senior hurricane specialist at the National Hurricane Center in Miami.

Mr. Avila came to this country only 11 years ago. Like many Cuban-Americans he gave up an important position in his native land to seek freedom in the United States. When he left Cuba he had been one of the top weather forecasters at the Cuban weather service, the Instituto de Meteorologia in Havana. He had worked his way up to that position since he started there in 1969, becoming a meteorologist in 1972, and then a hurricane specialist in 1974.

When he came to the United States he had the opportunity to work again as a weather forecaster. He started working at one of the world's most important weather forecasting centers—the National Hurricane Center in Miami which is under the U.S. Department of Commerce. While attending the University of Miami in 1983, he began working part time at the National Hurricane Center translating weather advisories. In 1987 he began work there as a meteorologist, and in 1988 he was promoted to the position of junior hurricane forecaster. In 1990, he became one of only four senior hurricane specialists at the Center. Along with the Director and the Assistant Director, these four weather experts are the only employees at the Center who are authorized to post hurricane warnings.

While working at the Center, Mr. Avila also earned a masters of science degree in meteorology at the University of Miami. He is presently working on his doctorate at the University of Miami. His doctoral dissertation is on how changes in weather patterns are related to ocean temperature. He believes this study will help save lives by improving weather predictions on hurricanes.

I would like to take this opportunity to salute Lixion Avila and the other hard-working members of the staff of the National Hurricane Center. They include Director Robert C. Sheets, Deputy Director Jerry Jarrell, Dr. Harold Gerrish, Miles Lawrence, Edward Rappapart, Max Mayfield, and Dr. Richard Pasch. These dedicated professionals are responsible for protecting the lives and property of millions of people in the Western Hemisphere during the hurricane season.

REMEDYING AN INJUSTICE AT THE OMAHA VETERANS MEDICAL CENTER

HON. PETER HOAGLAND

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. HOAGLAND. Mr. Speaker, when Congress enacts a bill into law, it does so with the idea that any implementing regulations will follow the intent of Congress and the spirit of the law. Occasionally, this does not happen. There is a striking example of this in my home district of Omaha, NE. I am introducing a bill today to correct what was probably an unintended consequence of a Federal law.

In 1990, Congress passed a law requiring the Nuclear Regulatory Commission [NRC] to recover 100 percent of its operating costs through annual and licensing fees to help reduce the Federal deficit. To implement this law, the NRC has imposed annual licensing fees of $50,000 on all nonpower research reactors. The only reactors exempt from this fee are those owned by nonprofit, educational institutions. This exemption has been interpreted to apply to universities only.

This has resulted in charging a very small research reactor owned by the U.S. Department of Veteran Affairs in my district a sum that constitutes 47 percent of its total operating budget. Taking nearly 50 percent of its operating budget will severely hamper, if not close down completely, its current research efforts to determine causal agents in Alzheimer's disease and the value of various diabetic drugs. This research reactor is part of an established medical center that is largely funded by Federal, medical research grants. The VA reactor's meager grant at the present only provides funds for the salaries of two people and a consultant.

The VA research reactor is under the direction of Prof. E.P. Rack of the University of Nebraska-Lincoln. In the past 30 years it has been used for the training of 25 Ph.D's and 9 masters candidates as well as providing hands on radiochemistry training. The university is listed as a primary address on all publications originating from the research facility. Despite the acknowledged importance of research reactors in education and the facility's close association with the university, the current regulations do not allow for an academic exemption because the reactor is not university owned.

Congress cannot have intended to force the closing of research reactors that are used for educational and training purposes merely because they are not owned outright by an academic institution. This reactor is performing functions similar to those that the NRC exempts.

Additionally, having one Federal agency charge another for its expenses will in no way reduce the Federal deficit. By assessing the VA Medical Center a fee, it is not saving the Federal Government any money, it is merely changing the name of the particular agency paying the costs. The only hope for this facility to remain open at the present is to request additional funding from Congress. This would increase Government spending and defeat the basic purpose of the original legislation. At best, this regulation cripples a vital educational and training institution for no return benefit to the Government. I question whether this is sound fiscal or educational policy.

My bill would exempt federally owned, nonpower research reactors used primarily for educational training and academic research purposes from the NRC fee regulations. This exemption is carefully crafted to protect the narrow interests of academia and so that it will not become a loophole allowing all reactors to claim exemption status. There are only four federally owned nonpower research reactors in this country. Of the four, the VA Medical Center reactor appears to be unique. The unique status and valuable research purposes of this institution was apparently not taken into consideration in the current regulations.

I hope my colleagues can support this bill. I believe it will correct an unintended injustice and preserve one of Omaha's most important educational resources.

SO, WHAT IS IT GOING TO BE, RALPH?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. CRANE. Mr. Speaker, it seems Ralph Nader is as guilty of flip-flopping on issues as the politicians he so loves to criticize. Mr. Nader, who has made a name for himself attacking the safety of many makes and models of cars, has consistently delivered the message that larger cars are safer than smaller ones. Why then would he favor the corporate average fuel economy [CAFE] requirements many environmental groups want to impose on the car industry—forcing them to produce smaller, but more fuel efficient cars? Considering Ralph's repeated warnings about small—therefore unsafe—cars, one would think he would be a vocal opponent to such requirements. Surprisingly, this is not the case. The Naderites have come out in favor of the mileage requirements decrying the once sacred notion that small cars are less safe than larger cars. I encourage my colleagues to read the following article published in the Wall Street Journal illuminating the discrepancies in Mr. Nader's political direction. I know that I, for one, am awfully confused.

[From the Wall Street Journal, Nov. 1, 1991]

NADERITES' WARNING: SMALL CARS KILL

On Monday, two groups associated with Ralph Nader, the Center of Auto Safety and Public Citizen, called a press conference in Washington to blast a car safety test by the Department of Transportation. During the test, the department videotaped a front-on collision between two pairs of cars—a Ford Crown Victoria and a Suzuki, and the Ford and a Subaru. The small car was mangled and tossed to one side.

The videotape has been broadcast by the auto industry to underscore its claims that the tough new mileage requirements Congress is now considering will cost the lives of motorists. The Naderite groups, which favor the mileage requirements, are denouncing the tests. They say that it is not true that small cars are inherently less safe than big cars.

At least, they say it now. Bigger means safer was the former motto of Ralph Nader and his acolytes, the Center for Auto Safety's head, Clarence Ditlow, and Public Citizen's head, Joan Claybrook. Sam Kazman of the Competitive Enterprise Institute in Washington compiled this sampling of quotes:

From "Be Safer in the '90s," an interview with Ralph Nader in the Oct. 24, 1989, issue of Women's Day, p. 32:

"Q: If you were to buy a car today, what would it be?

"Nader: One with an airbag.

"Q: What size?

"Nader: Well, larger cars are safer—there is more bulk to protect the occupant. But they are less fuel efficient . . .

"Q: Which cars are least safe?

"Nader: The tiny ones such as the Corvette, Yugo, Hyundai."

From the 1972 book, "Small on Safety: The Designed-In Dangers of the Volkswagen" by Clarence Ditlow, p. 87:

"All known studies relating car size to crash injury conclude that occupants of smaller cars run a higher risk of serious or fatal injury than occupants of larger cars."

From "Small on Safety," p. 13:

"Small size is supposed to have one compensating advantage: According to a prevailing myth, cars like the Beetle are less likely to become involved in accidents, because they are more maneuverable than large cars. This myth is not supported by the facts."

From "Small on Safety," p. 5:

"Because of the Beetle's small size, there is little space between the occupant and the windshield—a factor in the high proportion of windshield injuries that is still a serious problem even if present lap and shoulder belts are used. . . . In shorter cars, the gas tank is necessarily closer to the occupant than in larger cars. . . . Yet another hazardous result of the Beetle's small size is the lack of effective collapse distance, which is necessary to absorb some of the forces generated by a crash."

From the introduction to "Small on Safety," by Ralph Nader, p. xiv:

"The total weight of the Beetle's four replacement parts is the lowest in this study, a hint of the VW's abysmal crash characteristics. What may be an economy in a minor collision may lead to a staggering loss in a more serious crash."

From the 1980 National Highway Traffic and Safety Administration report, "Small Car Safety in the 1980s," released over then NHTSA-chief Joan Claybrook's signature:

"The growing shift to smaller cars will increase the number of deaths and injuries on U.S. highways, complicating a public health problem that has already reached epidemic proportions."

From "Small Car Safety in the 1980s":

"Small cars are less safe than big cars in collisions between these vehicles. Safety standards have saved more than 64,000 lives since 1968, but these gains are being outweighed by the shift to smaller cars."

From hearings on Auto Fuel Economy before the Senate Commerce Committee on July 14, 1977:

Sen. Robert Griffin (R., Mich.): "I don't have any question in my mind that a big gas-guzzling Cadillac is safer on the highway than a little Volkswagen."

Ms. Claybrook: "There is no question about that."

GREG OWENS: DADE COUNTY'S NEW MINORITY BUSINESS DEVELOPMENT DIRECTOR

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Greg Owens, who recently was featured in the Miami Herald after his appointment as the director of Metropolitan Dade County's newly created Department of Business and Economic Development. The article, "Director Brings Patience, Wisdom to Program," by Derek Reveron, tells how his youth in rural Alabama and background in the banking industry have helped prepare him for his new position.

The article follows:

As a boy, Greg Owens kissed his father goodbye as he left to deliver food to poor blacks. He tagged along with his Dad to NAACP meetings.

He remembers the times they were followed by a white man in a car. He remembers when his father's auto was ransacked by police searching for voter registration cards. Most of all, he remembers his father's dignified forbearance.

As director of Metro-Dade's Department of Business and Economic Development, Owens brings to his job traits gleaned from a father who patiently persevered against 1960s Alabama racism. He is circumspect and courtly—essential qualities for his politically tinged post.

Owens and the department he heads are at the core of a public debate over preferential hiring of black businesses and so-called reverse discrimination against white-owned firms. Recently, a study commissioned by Metro-Dade concluded that racial discrimination prevents black firms from landing their share of county contracts.

The study was undertaken to defend Metro's minority set-aside hiring programs against a lawsuit filed in U.S. District Court by white contractors. The suit, still pending, was filed after a 1988 U.S. Supreme Court ruling required local governments to prove discrimination before setting aside contracts for minorities.

In the wake of the controversy, four months ago, Metro created the department Owens heads. It replaces the original minority business development office founded nine years ago. The office was criticized for not closely monitoring Dade's black business development programs.

Owens, 35, was granted the funds, staffing and authority to oversee the programs and streamline their overlapping functions. He plans to coordinate Dade's activities with those of community business development groups such as Tools for Change and Tacolcy Economic Development Center.

"My mission is to create the best county program for minority business development in the nation," Owens says.

PLAN OF ATTACK

How will he accomplish that? He rubs his chin and looks down upon Miami through the window of his 17th-floor office. "We don't have an answer yet," he says. "it's a big job. The more I learn about it, the more it grows. We're looking at the different components of minority business development.

One of these components is certification of minority firms to do business with the county. Currently, there are three minority business hiring programs that have different certification requirements. Owens is trying to create a single standard.

Such a task entails dealings with politicians black business people, community leaders and a large bureaucracy. Sometimes it drains low his deep well of patience. "Anytime you're trying to build something that didn't exist before, you have drawbacks," he says.

For example? Owens smiles. "It wouldn't be smart for me to answer that question," he says.

Caution is a key to his job. "I've learned that, here, it's probably a good thing to be neutral until you have to make a solid decision; and before making a decision, consult with as many people as possible," he says.

INSPIRES CONFIDENCE

Those who know Owens say that he has the savvy and patience to walk a steady course between the interest groups nipping at his heels without getting bit or stepping on toes.

"Greg is very controlled. He makes others' points of view feel valuable," says assistant Bayside manager Dwayne Wynn. He was director of the Franchise Technical Assistance Center, an organization that helps minorities obtain franchises, when Owens headed First Union's South Florida community reinvestment efforts. "There wasn't anything I asked him to do that he wouldn't do," Wynn says.

Says Brenda Wilson, a First Union corporate loan officer who has known Owens for 11 years. "Greg is a very even-keeled person who thinks before he speaks."

Greg's father, Daniel: "He has always been easygoing. He's never said a word in anger to me in his life."

In some ways, Owens and his father symbolize the passage of the black struggle from civil rights to economic equality, Greg works to develop black businesses. His father once worked to help blacks become full citizens.

RAISED IN ALABAMA

Daniel Owens was president of the Tallappose County NAACP. He was respected by blacks and mistrusted trusted by some whites. He was far from militant. He never led sit-ins or demonstrations. But he held fund-raisers for the NAACP. He helped register voters. And he kept his home open to black and white civil rights workers from all over the nation.

I've always felt like my life was a motivating force for Greg," says Daniel Owens.

Says Greg, "like all kids, I looked at my Dad as a hero. I was proud of him."

Owens was born and raised in rural Alabama, near a blink-and-miss-it town called Alexander City. His father labored in a textile mill. His mother labored at home, raising Owens and his four older siblings. The family wasn't quite poor, wasn't quite middle class.

After graduating from high school, Owens applied to only one college, Alabama A&M, a predominantly black institution in Huntsville. It was the family school. His sisters and cousins went there. Owens wanted to follow after them.

In college, he carried heavy course loads while working parttime, first as a pool attendant, then as an assistant manager at a fastfood restaurant. In 1977, after three years, he graduated with a bachelor's degree in business administration.

His first job after college was in Birmingham, as a management trainee for Central Bank of the South.

During the training period, he was befriended by Emory Herring, a white-haired, Alabama-born Southern gentleman who was a regional president of Central Bank. At first, Owens feared him.

"Everybody used to tell me he was racist and that he hated blacks. But I found out that he hated everybody," says Owens, laughing. "I don't know how we got so close, but we did. Maybe it was because we were both from the country. We never talked about race, but about managing and how to relate to people."

BREAKS INTO MANAGEMENT

Under Herring's wing, Owens advanced smoothly into management. In 1978, at the end of an 18-month training period, he became head of two branches in Florence, Ala.

That's where he stayed throughout his five-year career at Central Bank. Surely, he thought, if he could rise to management within 18 months, then he could be a promotable manager after a few years.

But it didn't happen. Nor could he make lateral moves that would prime him for a promotion. Owens doesn't blame racism. He thought he had "topped out."

"No matter where you go, you get to a point where you top out," he says. "I tried to go up and it wasn't happening, so I left."

He put out feelers to banks throughout the Southeast. In 1983, he landed a slot as a loan officer with Atlantic Bank, in Daytona Beach.

It was a step down. But Owens thought it would be temporary. Instinctively, he had a good feeling about the potential for upward movement. Besides, Owens had lived all his life in Alabama and wanted to get away. His wife, Debra, also an Alabama native, felt the same way.

The move gave Owens' career a boost. After two years in Daytona, he was promoted to branch manager in Pompano Beach. After Atlantic was acquired by First Union National Bank, he became manager of a branch at Lighthouse Point. Next, he was manager of a Miami branch. Then, he was made a vice president, in charge of First Union's community reinvestment program in nine South Florida counties.

After a year in that job, Owens took a hard look at the level of executives above him: "I didn't see folks who looked like me running things. I knew I wasn't going anyplace."

It was a painful realization. Owens had always wanted to be a banker. A big-time banker.

TIME FOR A CHANGE

For more than a month, he thought about leaving banking, and talked it over with intimates, including his father. Daniel Owens remembers his son's words. "He said, 'Daddy, I'm close enough to the door where I can see it, but I can't walk through. I'm getting out while the getting is good.'"

Once again, Owens had "topped out."

He searched for a new and bigger challenge.

He found it.

I am happy to pay tribute to Mr. Owens' by reprinting this article. Mr. Owens' story is typical of many Americans who have overcome the obstacles of racial discrimination to achieve success.

TRIBUTE TO JASON SAPP FOR HIS WINNING ESSAY ON DISCOURAGING YOUTH FROM USING DRUGS

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. HALL of Texas. Mr. Speaker, I rise today to recognize Jason Sapp, a sixth grade student at Mabank Intermediate School who was recently awarded a $50 U.S. savings bond by the Kaufman County Red Ribbon Campaign for his speech advocating parental influence as the most effective way to prevent young people from using drugs.

Jason, the son of Kim and Gary Sapp of Mabank, demonstrates a remarkable understanding of the role parents should play in teaching their children about the dangers of drug use. I had the pleasure of meeting Jason at the Kaufman County Red Ribbon Kickoff Campaign at Ben Gill Park in Terrell on Saturday, October 19 and was impressed with his prize-winning essay and his desire to lead an exemplary, drug-free life.

His essay states in part:

> Parental influence is to me the most effective way to discourage young people from using drugs. Responsibility begins at home with parents being responsible for their children's well-being and children learning to be responsible for their actions. Children should learn about drugs as soon as they are old enough to learn and understand what drugs are.

The kickoff event included a countywide torch run beginning in Mabank, continuing throughout the county, and ending in Terrell. Young people from every school district in the county joined together to run a total of 61 miles.

The Red Ribbon Campaign was begun in response to the 1985 murder of Federal Agent Enrique Camarena by drug traffickers. The red ribbon has become symbolic of the effort to reduce the need for drugs.

The countywide essay contest which Jason won was open to sixth through eighth graders and was part of a week-long campaign to raise awareness of the drug use problem in Kaufman County and to promote drug-free lifestyles. The two winning essays were selected from dozens of entries. The Third Kaufman County Red Ribbon Campaign was sponsored by the Kaufman County Drug Abuse Prevention Committee and the Texas Agricultural Extension Committee.

Rita M. Winton, county extension agent for the Texas Agricultural Extension Service and Silvie Millson, chairperson of the Kaufman County Drug Abuse Prevention Committee, were instrumental in planning and staging a highly successful week of activities. Due in large part to their efforts, Kaufman County residents have an increased awareness to the terrible dangers of drug use and an eagerness to prevent drug use and abuse from happening. This annual event is so successful that Kaufman County earned the Governor's Award for its efforts in 1990.

In addition to Ms. Millson, other members of the Kaufman County Drug Abuse Prevention Committee are Rita Kent, vice chair; Peggy Butts, secretary; Pat Adams, treasurer; Lois Blanton, historian; James Adams; Edna Beltz; Shunnie Blanton; Robbie Caldwell; Albert Davis; Robert Emfinger; Peggy Hellums; Don Legg; Mary Lyons; Jack Millson; Marie Newell; Dick Osgen; Dr. J.W. Parrish; Robert Richman; Travis Stodghill; Inez Williams; Donna Baker; Pam Littleton; Rhitt Jackson; and Neldajo Mathison.

On behalf of the U.S. Congress, I extend my sincere congratulations to Jason Sapp for his excellent essay and to Ms. Winton, Ms. Millson, and the many others whose hard work and dedication are making Kaufman County an even better place to live.

JEROME SIEGMEISTER: FIU FRESHMAN AT 15

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am happy to acknowledge Jerome Siegmeister, who was recently featured in the Miami Herald after being admitted as a 15-year-old freshman at Florida International University. The article, "FIU Freshman, 15, at Head of Class" by Jon O'Neill tells this story:

Jerome Siegmeister is in no hurry to finish college. And he shouldn't be—he's 15 years old.

Jerome enrolled as a freshman at Florida International University this fall, and he'll finish high school while he finishes college. If all goes well, he could be a graduate student by the time he's 18.

"There aren't many kids like him. He's an exception to the norm," said Bill Beesting, assistant dean for undergraduate studies at FIU. "He was not only intelligent enough to do this, but he is mature enough, too. This is not something we do on a regular basis."

Being a 15-year-old on a college campus isn't easy, but after three weeks Jerome seems to be adapting. He's making friends and has even participated in a fraternity rush.

"I enjoy it," he said. "I feel like I belong here and not many people ask me how old I am."

His classes range from English composition to general chemistry, and he was one of 100 students picked to be part of the school's honors program. Eventually, he wants to go to medical school.

Jerome is no stranger to universities. Between seventh and eighth grade, he attended Duke University as part of the school's Talent Identification Program. While attending South Miami Middle School, he took computer classes at Miami-Dade Community College.

Last year, Jerome was a freshman at Braddock High. This year, he wanted to try something else.

"I wanted to do something that would be a real challenge," Jerome said.

Jerome and his dad, William, a teacher at Braddock, approached school counselor Robin Sarantos to see if Jerome could get into college.

"I found out that while it doesn't happen very often," Sarantos said, "it can be done."

Sarantos worked with Beesting to get Jerome a "dual enrollment," which means that while he attends FIU full time, he is also technically a Braddock student. That ensures he will get high school diploma as well as a degree, and it also makes him eligible for a state scholarship program.

Before Jerome was admitted, Beesting interviewed him and put him through the full freshman orientation.

Under the state's dual enrollment policy, FIU can't collect tuition from Jerome. That makes it unlikely many more students like him will be admitted.

"With the budget crunch, we just couldn't afford it," Beesting said.

Jerome lives with his family in Coral Gables. They are tickled by his early admission to college.

"We don't know how to express our pride in him," William Siegmeister said.

I am pleased to pay tribute to Jerome Siegmeister by reprinting this article. He has proven that age is no barrier to becoming a college student. Florida International University and the Dade County School system should be proud to have given him this opportunity.

INTRODUCTION OF THE TELEVISION AND RADIO BROADCAST BULK TIME SALE ACT OF 1991

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. MARKEY. Mr. Speaker, I am pleased to join my good friend from Michigan, the chairman of the Committee on Energy and Commerce, Mr. DINGELL, in introducing the Television and Radio Broadcast Bulk Time Sale Act of 1991.

In the past, time brokerage agreements have benefited both consumers and the broadcast industry. Historically, these agreements have increased the diversity of programming available over the limited amount of broadcast spectrum by enabling many different groups to purchase small blocks of programming time. In addition, small or marginal stations have used time brokerage agreements as an additional revenue source, which has enable them to remain financially viable. These benefits nonwithstanding, I am increasingly concerned by the lack of rules governing these agreements. Without safeguards, time brokerage agreements may be used by larger or more well-financed stations to solidify their dominance in a local broadcast market. These agreements, therefore, could undermine existing Federal Communication Commission [FCC] policies and regulations, particularly those designed to ensure licensee responsibility and to promote diversity. I also am concerned about assertions that time brokerage agreements are being used or could be used to circumvent the FCC's ownership rules and policies, particularly those concerning multiple and foreign ownership.

Accordingly, this bill requires the FCC to regulate both the amount of time that stations can sell in time brokerage agreements and the amount of broadcast time that can be purchased by a single entity. The FCC currently keeps no record of time brokerage agreements; this legislation would require broadcasters to file these agreements with the Commission, which would make such filings available for public inspection. The legislation also would allow a licensee to terminate a time brokerage agreement if it is in the public interest to do so, and provide incentives for a station to return to full service. This legislation preserves the beneficial aspects of time brokerage by providing exemptions when agreements would prevent a station from failing financially or would result in increased program diversity.

Importantly, the Television and Radio Broadcast Bulk Time Sale Act of 1991 is not designed to prohibit time brokerage agreements; rather, it provides a framework for their use and defines the circumstances under which they serve the public interest. This legislation is important to ensure diversity in broadcast programming and to ensure adherence to existing FCC rules and policies. I urge my colleagues to support this legislation.

THE HIDDEN WAR—DOMESTIC VIOLENCE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mrs. SCHROEDER. Mr. Speaker, I recently received a letter from a woman who compared her abuse by her husband with her brother's military experience in Saudi Arabia. She wrote:

> While my brother was in Saudi Arabia fighting a known, sanctioned war, I was at home fighting mine. My war is known as Domestic Violence, and the enemy was my husband. * * * While my brother was overwhelmed by cards and phone calls, my phone was silent and mailbox empty. Why? Because my war is hidden. Mine is a secret.

Many women share the same secret. Each year 3 to 4 million women are beaten by husbands, ex-husbands, or boyfriends. Domestic violence causes more injuries to women than automobile accidents, muggings, and rapes combined. It occurs at least once in two-thirds of all marriages. Domestic violence disrupts the lives of rural, urban, and suburban women of all ages, ethnic, racial, religious, educational, and socioeconomic groups. The magnitude of this violence tells us that domestic violence is not merely the natural resolution of a lovers spat. It is a widespread crime—a crime against women.

This is why I am so pleased that we focused attention on this issue by designating October as National Domestic Violence Awareness Month, and that the Labor-HHS-Education fiscal year 1992 appropriations bill nearly doubles the funding for the Family Violence Prevention and Services Act. This act is now funded at $20 million, up from $10.7 million last year. I applaud the efforts of the conferees to increase support services for battered women who reach out for help.

Yet, there is a large number of battered women who cannot reach out for help—women we never hear about. Many women do not reach out for help or report battering in fear of reprisal from their batterers. Some view their situation as a private matter, a notion enforced by this society. But it is these women whom we must begin to reach. Interventions do exist.

Studies have shown that approximately one in three women who visit emergency departments is there for symptoms relating to ongoing abuse—either they suffer directly from their spouse's abuse or they suffer from symptoms of living under the constant stress of the abusive relationship. An unknown number of women go to private physicians with the same symptoms. Sixty-four percent of hospitalized female psychiatric patients have a history of being physically abused as an adult. Doctors and health care workers are in a prime position to incorporate protocols that make initial contact with battered women, document the abuse, and refer women to agencies that can help them get out of abusive relationships.

Recently, the Joint Commission on the Accreditation of Health Care Services revised its standards for hospital accreditation and added emergency room protocols to detect domestic violence. A recent report from New York suggests that training programs are overwhelmed with requests to teach nurses and doctors how to implement these procedures. This response is laudable. Yet, it is unrealistic to think that overworked emergency room attendants have the time to take and sit with a battered woman to give her the help and sensitivity that she truly requires. In turn, hospital-based programs that are set up to aid victims of domestic violence need and deserve our support.

These programs work. One example is Womankind, a program based in Fairview Southdale Hospital in Edina, MN, which trains the entire hospital staff as well as attending to the needs of patients who are identified as battered women. Although it is a small scale program, it has had immense success. Womankind receives 50 to 55 referrals a month, and patients from the emergency room make up only one-fifth of the total. Many others are referred from various hospital units and from organizations outside the hospital. From 1986 until 1991, Womankind served 3,000 women—women who otherwise would have been patched up and sent home to face further abuse.

It is the success of programs like Womankind that prove that domestic violence can be stopped. Together we can bring this deadly secret out of the shadows and end this hidden war.

A TRIBUTE TO ENRICO ROCCA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Mr. Enrico Rocca, an Italian, who was raised in Libya, practices Judaism, and speaks six languages. But, Mr. Rocca does not leave his ethnic diversity just to his upbringing; he has 17 different nationalities among his company's 21 employees. I commend to my colleagues the following Miami Herald article entitled "Melting Pot, Glass Exporter Makes Diversity a Way of Life" by Derek Reveron:

> Some company chiefs encourage ethnic diversity. Enrico Rocca lives it.
>
> He is an Italian who was raised in Libya and practices Judaism. He speaks six languages. His two adopted children are Norwegian and Costa Rican. His wife is Venezuelan.
>
> He is president of a Miami export firm, New High Glass, that is the United Nations of small business. There are 17 different nationalities among the company's 21 employees. Rocca wanted it that way.
>
> "I am trying to make my little world the type of melting pot the U.S. should be," he says.
>
> To Rocca, creating a culturally diverse workplace is a soul-satisfying hobby. The gentle extrovert has crafted the workplace of the future. As the population of Hispanics, blacks and other minorities rises, so does their numbers in the work force. That can spark friction. But at New High Glass it kindles good will—and profits. Rocca de-

clined to be specific about earnings. But he says the 12-year-old privately owned firm has sales of $10 million and they're rising.

Ethnic diversity is at the core of the company's success, Rocca says. The company exports to 38 nations, some of which are represented among the sales staff—a Puerto Rican, a Colombian, a Venezuelan, a Dominican and a Cuban.

"I prefer to send a Puerto Rican to Puerto Rico, a Colombian to Colombia," Rocca says. "Speaking Spanish isn't enough. You have to know the subtleties."

Says sales manager Bernie Chaimowicz, a Colombian: "You have to know the culture. That's important."

The salesmen use New High's employees as resources for cultural nuances. What are the hot soccer teams in Argentina? Which Spanish words are considered insults only in Chile? "The idea is to communicate with people in their own idiosyncracies," Rocca says.

Rocca is a compendium of cultural idiosyncracies. He speaks Italian, English, Arabic, French, Spanish, and Hebrew. In Libya, he managed a Volkswagen dealership. He came to the United States in 1975 and sold cars in Chicago for two years. Then, through a friend, he landed a job as a manager of a small cosmetics-manufacturing plant in Carolina, Puerto Rico.

In 1979, he started New High with his brother, who runs an electronic manufacturing plant in Hong Kong. Each of them own 25 percent. The remaining half is owned by Zinago Glass Works, an Italian glass manufacturer.

Zinago allows Rocca the freedom to hire who he wants, and what he wants is variety: marketing director Philippe Naim is French; credit manager Alberto Rivas is a Puerto Rican who speaks German; receptionist Ingrid Hackshaw is half Canadian, half Trinidadian; Mary Figuera, from Rochester, N.Y., is the company's only Anglo.

Figuera finds herself in a situation that will become familiar to growing numbers of Anglos. She is a minority in her workplace. But she doesn't feel like one. She speaks fluent Spanish. She lived in Venezuela for 12 years and is involved in a commuter marriage with a Venezuelan judge.]

"We've learned to celebrate our differences rather than pick on each other," Figuera says.

Employees joke good-naturedly about their diversity. Rocca sets the tone. Does he consider himself Libyan? Italian? Jewish? He smiles. I'm a misfit and I like it," he says.

He introduces newly hired computer programmer Beesham Seechan, who is from India, Rocca winks and says: "I hired him because we have too many chiefs and no Indians.

I am pleased to recognize Enrico Rocca for reaching out to the community and taking advantage of the wonderful cultures which exist in Miami.

SOUTHWIND DRUM AND BUGLE CORPS CLASS A WORLD CHAMPIONS

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. DICKINSON. Mr. Speaker, it is my pleasure to congratulate the Montgomery-based SouthWind Drum and Bugle Corps. SouthWind recently ended an undefeated season by winning the Drum Corps International Class A Championship in Dallas, TX. This 65-member group also tied for first in the mixed ensemble division and was the highest ranking class A corps in the open division at these championships.

SouthWind Drum and Bugle Corps is a rapidly growing statewide organization dedicated to the enrichment of instrumental music and precision drill by musicians under 21 years of age. This spirited group of young Alabamians has performed in international competition throughout the United States and Canada for over 10 years, and represented the State of Alabama in nationally televised performances and special music education seminars. In July 1990, the corps performed here on the West Terrace of the Capitol.

Founded in 1980, SouthWind Drum and Bugle Corps became the State of Alabama's Official Drum and Bugle Corps in 1982. The director of SouthWind is Montgomery County deputy sheriff David Bryan, who has done an outstanding job with the members and parents. The vision and leadership of director Dave Bryan inspired confidence in each member, and allowed them to achieve their goal—winning the class A championship. They won it and every other competition during their summer tour.

Alabama's Official Drum and Bugle Corps, has represented the State with distinction, and I salute Mr. Bryan and every member of the corps on their latest achievement. I ask my colleagues to join me in congratulating the world-champion SouthWind Drum and Bugle Corps.

TRIBUTE TO NEW YORK STATE SENATOR CHRISTOPHER MEGA AND ARTHUR T. MARESCA

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. MOLINARI. Mr. Speaker, I would like to pay tribute today to two outstanding public servants, New York State Senator Christopher Mega and Arthur T. Maresca. They are being honored this weekend by the Precious Hearts Association for Exceptional Adults, Inc. of Brooklyn, at their fifth annual dinner dance.

Christopher J. Mega, who is now serving his sixth term in the New York State Senate, is the recipient of the Dr. Burton Blatt Special Achievement Award. Senator Mega has established himself as a specialist in anticrime legislation and in efforts by the State government to improve the effectiveness of its criminal justice system and many corrective facilities. As chairman of the Senate Committee on Crime and Correction, Senator Mega helped pave the way for a major expansion of the State's prison system. He authorized legislation, enacted in 1986, toughening the penalties against those engaged in the sale of controlled substance in and around school properties.

In addition to this, Senator Mega was effectual in gaining Senate passage of the Sex Offender Reform Act, incorporating tougher penalties for rapists, and the Rape Victim Services Act, written to provide greater services to rape victims. In an allied area of concern to women, Senator Mega introduced the new rape shield extension law, which protects women victims in nonsex criminal cases by preventing their past sexual history from being used as evidence when it is clearly irrelevant.

Above and beyond that, Senator Mega has given special attention to the district he represents. For example, in just the past 6 years in office, Senator Mega has been singularly responsible for securing over $10 million for the schools of the various communities in the 23rd Senate District. Senator Mega clearly possesses the fortitude, initiative, and principals embodied in the Dr. Burton Blatt Special Achievement Award.

Arthur T. Maresca, is the worthy recipient of the Precious Hearts Humanitarian Award. Mr. Maresca has been a member of the Kiwanis Club since 1981. His involvement in the Kiwanis Club enticed him to donate his time and energy to raise funds for a vast array of charitable groups and organizations. These include the American Cancer Society, Operation Desert Storm, Victory Memorial Hospital, the American Legion and many others. He has directly or indirectly raised between $1,000 to $50,000 for each of these organizations.

Just recently he raised funds for the Community Mayors of New York and his upcoming project is a fund raiser for building an AIDS room in St. Vincent Hospital in New York.

In addition to this, the former Kiwanis Man of the Year is also the recipient of a very treasured papal blessing. It is quite clear that Arthur T. Maresca is a generous, charitable, and a true humanitarian.

Mr. Speaker, it is an honor to pay tribute to such outstanding and honorable men. These two men have a strong commitment to excellence and their service is an inspiration for all of us.

RIVERSIDE ELEMENTARY ART CLUB

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Riverside Elementary Art Club, held at the school of the same name in Miami, has brought the fun and challenge of artistic expression to many children. It is extracurricular activities such as the Riverside Art Club which help students to see learning as engaging and exciting. The Miami Herald recently brought attention to the activities of the club in an article by Mr. Jon O'Neill. That article follows:

Elizabeth Espinoza will never have to wonder what it feels like to be a mummy. She knows.

The 11-year-old sixth-grader from Riverside Elementary volunteered to let her classmates encase her in plaster as part of a project by the school's art club.

"I think it's going to be fun," Elizabeth said before she was wrapped. "I'm not scared about it at all. I want to do it."

Jeff Marcus, an art teacher, dreamed up the project and did it with 10 kids from the art club at the school, 1190 SW Second St. They got help from Judith Russell, a local artist and art education major at Florida International University.

The students have been studying about artists who make plaster casts of people. So far, they've just seen pictures of the work. Marcus wanted them to have a chance to do it.

"They'll really get a taste of the process and see what it's like to work in 3-D," he said. "It's not something they get to do all the time."

Before the plastering began, Elizabeth's clothes were smeared with Vaseline, so the plaster wouldn't stick to them. The kids worked with the same kind of plaster doctors use to set broken limbs. It was cut into strips, soaked in water and then laid across Elizabeth, who was sitting in a lawn chair atop a table.

She didn't complain at all, although she erupted into giggles several times. The strips were cold she said.

The kids around her worked intently, totally absorbed. Some cut the strips, while others soaked them and laid them across Elizabeth's legs, arms and chest.

"I think this is really funny," said Kassan Myers, 12. "I like art class because you don't do any work, you just do art."

The kids wrapped Elizabeth's body, let her dry, then cut her out of the mold. Her head then got the same treatment. The head cast was attached to the body cast, and the whole thing is now on display at the school.

"It's so cool when they cut her out," said Alfred Cardonne, 11, a fifth-grader. "She's just like a mummy."

Lorenzo Perez, 10, liked working on the legs best. Russell encouraged the kids to pay special attention to the details, like fingers and toes. The entire process was video-taped and will be shown on WRES, the school's TV station. Marcus was pleased how the project turned out.

Mr. Speaker, I commend the creative guidance offered by art teacher, Mr. Jeff Marcus, and the time and expertise offered by Ms. Judith Russell. I also want to recognize the leadership of Principal Jesselyn Brown for making Riverside Elementary School a place where teachers like Mr. Marcus and their students can thrive.

REDUCE FEDERAL SPENDING

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. HUBBARD. Mr. Speaker, I have received an excellent letter from my friend and constituent, Dr. Clem F. Burnett, Jr., of Mayfield, KY. Dr. Burnett has been my personal physician in my hometown of Mayfield for over 25 years.

In his letter, Dr. Burnett expresses his deep concern over the Federal budget deficit and calls upon the Congress to impose effective restrictions on uncontrolled spending. He supports a spending freeze and asks Congress to come up with a plan to reduce the deficit and to advise the citizens of America how and when the debt will be repaid.

At this time, I would like to share Dr. Burnett's letter with my colleagues. The letter follows in its entirety:

MAYFIELD, KY, *October 24, 1991.*

Hon. CARROLL HUBBARD,

Rayburn Office Building, Washington, DC.

DEAR CARROLL: Enough is enough! Congress seems to have an insatiable appetite for spending. It is time to impose some effective restrictions on uncontrolled spending. I trust that you will vigorously support a bill to freeze spending.

I am retired and live off the income from my savings. Interest rates are down, so I have no choice but to adjust my spending to my income. Congress can and MUST do the same thing.

When I borrow money, the bank wants to know my plan to pay it back. Congress has borrowed from me, my children and my grandchildren. Now let us hear plans to pay it back! Let Congress put forth a plan not just to reduce the deficit, but to tell the people when and how the debt will be repaid! Believe me, the people are waiting for an answer!

Carroll, I trust you and believe that you will work on an answer to the issue I have raised. Best wishes to you and your family.

Sincerely,

CLEM F. BURNETT, JR., M.D.

JESSE McCRARY: ACHIEVES ANOTHER "FIRST"

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Jesse McCrary, who recently was featured in the Miami Herald after becoming the first black to be named to the board of directors of Miami's Cedars Medical Center. The article, "Distinguished Attorney Joins Cedars Center Board" by Charles Rabin tells his story:

Jesse McCrary, senior partner in the Miami law firm of McCrary Wimbish and Blizzard, has been named to the board of directors of Cedars Medical Center, adding another honor to a long list of achievements.

A board member of several organizations in the Miami area, McCrary, 53, was asked to join Cedars while representing the hospital in a legal capacity several months ago.

"I intend to be a supportive board member and help enhance both the physicians' and staff of Cedars' long-standing commitment to provide the very best of health care to all its patients," he said.

McCrary says the Miami hospital takes extra precautions, such as a longer orientation process, to promote better awareness among its board members of the hospital's inner workings. He says this shows hospital regulators that board members aren't just "rubber stamps."

"To be able to attract someone of Jesse McCrary's caliber is vital to this institution," said Cedars President and Chief Executive Tom Culbreth. "Any company, much less one that has to swim in regulatory waters like us, is pleased to have him.

"South Florida hospitals are going through some very difficult times, and substantial leadership from the community is necessary."

A community activist and former Florida secretary of state, McCrary was in the spotlight recently as counsel to Community Relations Board member Willie Sims. Sims, a minister, was suspended from his post because of alleged racial slurs aired from his Liberty City pulpit.

"We believe he was treated absolutely unfairly," McCrary said.

"There's a little document called the Constitution of the United States. Sims has freedom of speech. Even though people may disagree, he has the right to say it."

Practicing law was always McCrary's goal, but as a minority, he said he had trouble gaining acceptance in such a high-profile industry during the 1960s.

"Given what the climate was in Florida at the time, there weren't many opportunities for a black in the white-dominated field of law," McCrary said. "Soon the dynamics of the country were changing with the civil rights movement. It wasn't a question of people given an opportunity, it was people demanding them.

In 1965, after graduating from Florida A&M School of Law, McCrary found a job as a law clerk in Fort Lauderdale. It was in the office of Alcee Hastings, who later became a U.S. District Court judge. Hastings also had graduated from Florida A&M two years earlier.

Six years later, McCrary was on his way to nationwide recognition. He formed McCrary, Ferguson and Lee, which was later succeeded by McCrary Berkowitz and Davis, and then his current firm.

It was during his tenure with McCrary Berkowitz and Davis that McCrary was catapulted to prominence. In 1978, when Bruce Smathers resigned as secretary of state to run for the governor's seat, the then-39-year-old McCrary was named Florida's 19th secretary of state. He was the first black cabinet member since Reconstruction.

Other firsts for McCrary included: first black assistant attorney general in Florida, first black to argue before the U.S. Supreme Court on behalf of a Southern state—something he considers his greatest achievement—and the first black to sit on a statutory court of appeals for Florida. Now he is the first black to serve on Cedars' board.

"I think I've opened some doors for others, but somebody opened those doors for me," McCrary said. "It took some tremendous sacrifices by others to allow me to obtain these goals."

I am happy to pay tribute to Mr. McCrary by reprinting this article. Mr. McCrary has overcome many obstacles to become the first black Florida cabinet member, the first black Florida assistant attorney general, and the first black to argue before the U.S. Supreme Court on behalf of a Southern State.

THE INDIAN HEALTH AMENDMENTS OF 1991

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. MILLER of California. Mr. Speaker, today we are introducing the Indian Health Amendments of 1991, which amends the Indian Health Care Improvement Act.

The House Interior and Insular Affairs Committee has worked closely with the Subcommittee on Health and the Environment of the Energy and Commerce Committee and with the Senate Select Committee on Indian Affairs to develop this legislation.

The bill sets several goals to improve the health status of Indians by the year 2000.

These goals were set for the general population in a report by the Department of Health and Human Services. These goals provide the committees of jurisdiction with a method to evaluate the performance of the Indian Health Service and established a yardstick by which we can measure the health of Native Americans.

According to the Indian Health Service, the mortality rates of American Indians and Alaska Natives continues to exceed that of the U.S. "All Races" group. For example, in 1987, the Indian age-adjusted mortality rates for the following causes exceeded those for the U.S. all races population by the shown percentages: tuberculosis, 400 percent; alcoholism, 332 percent; diabetes mellitus, 139 percent; accidents, 139 percent; homicide, 64 percent; pneumonia and influenza, 44 percent; suicide, 28 percent.

Hence, in spite of the efforts of the Indian Health Services, the health status of Indian people is still poor.

Mr. Speaker, these statistics are unacceptable, and the rest of this decade needs to be the time to reverse this situation.

The bill itself refines many of the goals of the original Indian Health Care Improvement Act, including: increasing the number of Indians entering the health professions; eliminating deficiencies in health status and resources; the provision and improvement of health facilities; providing better access for Indian people for health services by utilizing Medicare and Medicaid Programs; providing health services for urban Indians; and making organizational improvements in the Indian Health Service.

The bill provides for several technical and substantive changes in the act. The most significant change is the establishment of several substance abuse programs. New programs for youth; training and community education; urban Indians; and fetal alcohol syndrome attempt to deal with one of the most difficult and pervasive problems in Indian country—the abuse of alcohol and drugs.

Mr. Speaker, I wish to thank Mr. DINGELL and Mr. WAXMAN for their cooperation in the drafting of this bill and a special thanks to Senator INOUYE and the Senate Select Committee for their cooperation in this process. Mr. WAXMAN and I will be chairing a joint hearing on this bill on November 12.

Mr. Speaker, I urge my colleagues to support this important legislation.

A TRIBUTE TO THE AMERICAN VETERAN

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. DINGELL. Mr. Speaker, on the eve of the 50th anniversary of the attack on Pearl Harbor, the world experiences momentous changes. As we witness the collapse of Soviet communism, and the democratization of countries throughout Eastern Europe, we pause to remember the events and the people who brought us to this point in history. In their ceaseless protection of America's values and interests, our Nation's veterans are owed an enormous debt of gratitude for helping to secure a measure of peace and hope, not only for our citizens, but for peoples throughout the world.

American national consciousness and thought were irrevocably altered on that fateful December morning, 50 years ago, when our Nation was caught with its guard down. The surprise attack on Pearl Harbor forced America's entry into World War II, and contributed to our Nation's emergence as a world superpower. The fear of being caught off guard again shaped our defense and nuclear strategy for the decades to follow.

Today, as we celebrate the victory of our ideals and the spread of freedom throughout the world, we remember the invaluable contributions made by our veterans. In answering their Nation's call to duty, all of our veterans have made enormous personal sacrifices to protect our vital interests. They have paid the costs which have won us the privileges we enjoy today. Their victory is our victory, and our victory theirs.

Five decades after Pearl Harbor, the rhetoric of America's entrance into World War II has become reality. America's veterans truly have made the world safe for democracy and freedom. There can be no finer tribute.

BISCAYNE ELEMENTARY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the playing field at Biscayne Elementary School, Miami Beach's fastest growing school, has resorted to portable classrooms to relieve overcrowding by resembling a trailer park. The portables will help the school cope with a bigger student population. Biscayne will lease space from the Lehrman Day School of Temple Emanu-El for a joint class for gifted students. The Miami Herald recently brought attention to the decision made for the portables in an article by Mr. Aaron Rubin. The article follows:

> The playing field at Biscayne Elementary School resembles a trailer park.
>
> That's because Biscayne, Miami Beach's fastest-growing school, has resorted to portable classrooms to relieve overcrowding. A dozen stand outside, neatly arranged in rows; Principal Carlos Fernandez expects six more this year, including two for a Head Start prekindergarten program.
>
> The added portables will help the school, 800 77th St., cope with a student population expected to top more than 1,050 in September and reach 1,200 by next June.
>
> The school is in the middle of one of the Beach's fastest-growing neighborhoods, growth brought on by immigration and young families moving from South Beach to North Beach.
>
> Without portables, the school could only handle about 500 students, Fernandez said.
>
> With portables, most teachers won't have to share classrooms.
>
> "It'll be more comfortable for everybody," Fernandez said.
>
> There's even an advantage to the portables, Assistant Principal Brenda Nolan said: Because they're new, they're often nicer than the older classrooms.
>
> The school is coping with crowding in other ways, too.
>
> Teacher aides assist in classrooms, helping teachers with classes that sometimes exceed 35 students. And this year Biscayne will lease space from the Lehrman Day School of Temple Emanu-El, across the street, for a joint class for gifted students.
>
> Fernandez has pressed to upgrade the school's facilities—the school was repainted, windows were replaced and the electrical system was improved, but new construction remains on hold. Planners must assess the effects on the historic school, established in 1941, Fernandez said.
>
> Emilio Fox, director of Beach-area schools for Dade County Schools, said the school system didn't anticipate the rapid growth. But Biscayne can accommodate its students, he said.
>
> "Yes, the school is crowded, and yes, the school is growing," Fox said. "We feel that we can offer a valid and very acceptable educational program there."

Mr. Speaker, I would like to recognize Mr. Carlos Fernandez, principal of Biscayne Elementary School, and Mr. Emilio Fox, director of beach-area schools for Dale County Schools, for making possible the resembles of the trailer park between Biscayne Elementary School and Lehrman Day School. I hope that this resemble will make a major student population at Biscayne Elementary School.

ADDITIONAL FUNDS FOR THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. OLVER. Mr. Speaker, today, I rise to urge my colleagues to support additional funds for the Low-Income Home Energy Assistance Program [LIHEAP]. While I am pleased that there is more money for this program than the House approved, it is far less money than was appropriated last year.

Even though the budget is tight, we still must protect some important programs. LIHEAP provides one of the most basic of needs—home heat for the winter.

It's very simple. Without this money, thousands of people will be cold. Without this money, children will shiver in their beds at night.

This September, I joined many other Members of Congress in urging more money for heating assistance. While I am very pleased that the conferees were able to provide $1.8 billion, this figure is still $100 million less than last year.

People are suffering as this recession drags on all across this country. We in New England were the first to enter into the recession and experts estimate that we will probably be the last to come out of it. In western Massachusetts and in all of New England it has been a very long and tough year. Thousands have lost their jobs and thousands more have exhausted their unemployment benefits.

With winter coming, it looks even bleaker.

Why can't this program, at the very least, maintain its current level of funding?

To make matters worse, of the $1.8 billion appropriated, LIHEAP will receive this winter just $1.1 billion. There will be a deferment of $400 million until next year and another $300 million will be put aside in an emergency fund, that money will only be spent if the President declares an emergency. We are all too familiar with the President's ability to declare an emergency for the struggling people in this Nation.

This is the same President who proposed slashing LIHEAP by over $600 million this year. How cold would it have to get before the President would be inclined to release this money? I strongly urge my constituents and everyone to write to President Bush demanding that these funds be released immediately, not when children and elderly start getting sick because they are cold.

So what does all of this really mean? Nationally, this program which already serves fewer that 25 percent of eligible households, and on average pays less than 25 percent of those recipients' energy bills, will now be even more helpless. Since 1989, nearly 2 million households across the country have lost assistance.

Even with these increases, Massachusetts will lose $27,384,000 for LIHEAP next year. Over 40,000 fewer homes will have the money necessary to stay warm this winter.

Mr. Speaker, Massachusetts is expecting snow this weekend. Parts of Minnesota and Iowa are sitting under 21 inches of snow already. Winter has already begun for some in this country, and it is a shame that we cannot see our priorities clear to level fund a program that helps the hardest hit. For 1,955,473 American families who have now lost assistance for buying heat, I hope the knowledge that the money was better spent in other places is enough to keep them warm.

SISTER KATHLEEN FEELEY RETIRES FROM 21 YEARS AS PRESIDENT OF COLLEGE OF NOTRE DAME OF MARYLAND

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mrs. BENTLEY. Mr. Speaker, it is with great respect and admiration that I rise today to pay tribute to Sister Kathleen Feeley upon her retirement from 21 years of devoted service as president of the College of Notre Dame of Maryland.

On November 23, 1991, a party for Sister Kathleen will be held in the form of a benefit concert featuring Dinah Shore at the Meyerhoff Symphony Hall. Friends of Sister Kathleen, business, community, education, political, and religious leaders of Baltimore will gather to honor this special lady.

Since 1971, Sister Kathleen has served as president of the College of Notre Dame of Maryland, the oldest Catholic women's college in the United States. Sister Kathleen is widely respected for her years of hard work and dedication to this fine institution. The college has successfully weathered some difficult times thanks to the insight and commitment of Sister Kathleen. She is credited with preserving the heritage of the college when she stood firm and held to her conviction that there is a very important need for a women's college in society today while the popular trend among such schools was to go co-ed to survive. Thanks to her perseverance and devotion, the future of the college continues to look better and brighter every day.

Ironically, Sister Kathleen received her bachelor of arts in 1962 from the College of Notre Dame of Maryland. In 1964, she received her masters of art degree from Villanova University in Pennsylvania. In 1970, she received her Ph.D. from Rutgers University in New Jersey and was a fellow at the institute for the study of change in the 4-year college, Claremont University Center, CA.

Sister Kathleen began her career as an elementary and secondary school teacher of English in 1950. She went on, in 1965, to serve as professor of English at the College of Notre Dame of Maryland until 1971 when she began her service as president of the college. In addition, from 1970 to 1971, she served with the American Council on Education Internship in Academic Administration.

Sister Kathleen has received many honors which literally are too numerous to mention. She currently is on board memberships with the Association of Catholic Colleges and Universities, Baltimore Council on Foreign Affairs, Baltimore Gas and Electric Co., Consultation Center for Clergy and Religious, Marian House, and the Maryland Independent College and University Association. Sister Kathleen also has served on board leadership positions as chair of the Association of Catholic Colleges and Universities, 1988–89 and 1989–90, and as chair of Academic Affairs Committee, St. Vincent College, PA, 1985–89.

Although Sister Kathleen's professional accomplishments truly are commendable, she is also blessed with a wealth of character and spirit. A lady of integrity and inner strength, Sister Kathleen's trust in, and reliance upon, God is clearly evident. Indeed, it is with utmost respect and admiration that I congratulate Sister Kathleen Feeley upon this momentous occasion. May God bless her with continued success and happiness in the years ahead.

EVALYN DYER: "ALWAYS IN THE RIGHT PLACE AT THE RIGHT TIME"

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Evalyn Dyer, who recently was featured in the Miami Herald. The article by Bea Moss tells how Ms. Dyer has become a nationally recognized artist at the age of 62:

> Evalyn Dyer says it seems she's almost always in the right place at the right time.
>
> "I let the universe come to me and I flow with it," she said. "My whole life has been a quirk."
>
> Always an artist, first doing commercial work, she and her husband moved to Miami from Charleston, S.C., in 1969. At first, she did odd jobs as a volunteer at an art center on North Kendall Drive.
>
> "When they needed someone to answer the phone, I did it," said Dyer, who lives in Snapper Creek in West Kendall.
>
> Through her work at the center, she received a call from Barbara Millard, wife of plastic surgeon Ralph Millard.
>
> "She was looking for someone to do sketches. I told her if she couldn't find someone, I'd do it," Dyer said.
>
> Since then, she has worked for Dr. Millard doing sketches and photography of people who need corrective surgery.
>
> "She's an unusual person, well-educated, very smart," Dr. Millard said. "She first did portraits for me of famous plastic surgeons and she did them so well we got her to start learning to do medical art work."
>
> It's a great teaching vehicle, he said.
>
> "After I showed her one time she could very quickly understand the three dimensions of the operation," said Dr. Millard, chief of plastic surgery at the university of Miami Medical School at Jackson Hospital.
>
> Dyer compares her art work with the doctor's expertise: "I'm an artist with paint but he's an artist with soft tissue."
>
> After Dr. Millard's photographer left, she also inherited that job.
>
> "In a week he showed me how to work a Hasselblad and a Nikon and all the other photography equipment," she said.
>
> For 14 years, she did Dr. Millard's art work for his books on plastic surgery. He has written eight.
>
> Dyer, 62, divorced since 1974, always has been interested in the stars and the universe around her. She once owned a metaphysical book store in Perrine while supporting her two children Val and Van.
>
> But painting is Dyer's real love. Retired since Jan. 1, she now paints full time, although she still does some free-lance work for the doctor.
>
> Her watercolors have been accepted for the Mississippi Watercolor Society show in Jackson, Miss., and the Adirondack Show in Old Forge, N.Y.
>
> Recently, one was accepted for the Catherine Lorillard Wolfe Art Club's 95th annual open exhibition at the National Arts Club in New York City starting in October.
>
> "I have a goal. I want to achieve recognition for my work," said Dyer, who paints every day. "I think we're given energies in our life, and a time for them to be used."

I am happy to pay tribute to Ms. Dyer by reprinting this article. Ms. Dyer's work should be an inspiration to us all. She has shown how someone can use their talent and ability to achieve much both in their professional and personal life.

MICROENTERPRISE: A NEW WEAPON IN THE WAR ON POVERTY AND HUNGER

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. HALL of Ohio. Mr. Speaker, I rise today to address my colleagues about new directions and new ideas in American welfare policy—ideas which I believe could hold the key to helping thousands, and perhaps millions, of poor and needy Americans to escape the stranglehold of poverty and dependence that holds them down.

The need for new ideas is obvious; poverty in the United States is climbing. More than 31 million Americans are now classified as living below the Government's official poverty rate. Demands for assistance are on the increase; applications for food stamp assistance increased by 3 million between August of 1990 and August of 1991, while the overall rate climbed above 23.5 million people. Recent reports that proposed changes in Federal food stamp regulations would restrict eligibility and access to the program by needy people only add to our penny-wise and pound-foolish approach to poverty alleviation.

At the same time, there is an increasing awareness that current Federal programs to help the poor, while humane and essential, do very little to allow poor people to escape poverty and become self-sufficient. In effect, current welfare holds people down.

Mr. Speaker, this just doesn't make any sense. It ought to be the goal of Federal poverty programs to help poor people to help themselves.

It is important that we focus on new ways of helping our poor and creating jobs in the more depressed parts of our community. If the past decade has taught us anything, it's that we can't depend solely on big industries or big government to provide jobs or take care of our poor.

As Hunger Committee chairman, I've seen the worst and the best: The worst conditions of poverty, but also the best of what works to help poor people get back on their own two feet. One of the best programs I've seen is something called microenterprise. Microenterprises are very small businesses employing five or fewer people, one of whom is the owner. These programs take people off of welfare, out of unemployment, and into their own small business.

Microenterprise is an exciting innovation in social policy that operates in the opposite way from traditional welfare:

Instead of stifling initiative, it depends upon it.

Instead of fostering dependency, it promotes independence and self-sufficiency.

Instead of excluding the poor from mainstream capitalist society, as many traditional welfare programs do, microenterprise uses the tools of American capitalism to help people to escape poverty.

It creates jobs where none have existed before. It replaces jobs that have left the region for good. It actually reduces welfare costs, increases tax revenues, and most importantly, provides hope to people and to a community that has recently known hopelessness and despair.

The United States spends more than $75 million a year on microenterprise programs in the developing world through the Agency for International Development. Amazingly enough, we spend virtually nothing to promote and encourage microenterprise here at home. That just doesn't make sense. Moreover, the Federal Government spends hundreds of billions of dollars on assistance programs that don't help people lift themselves out of poverty. It's time to start investing in programs that do.

Microenterprise programs are beginning to appear around the country, and my own district of Dayton is no exception. But for these innovative programs to achieve their full potential, the Federal Government must remove some obsolete and unnecessary obstacles. First, job training programs like the Job Training Partnership Act [JTPA] and the JOBS Program should offer training in self-employment and business ownership as a means of achieving self-sufficiency. Training people for jobs that don't exist is a meaningless exercise. Second, we must change current welfare asset ceilings that actually prohibit recipients from accumulating the business assets they need to start a microenterprise.

I've introduced legislation to make these changes in Federal policy. The bill, H.R. 2258, the Freedom From Want Act, is omnibus legislation designed to fight hunger as well as the chronic poverty that is often its cause. The microenterprise portion of the bill has already met with some success; the House accepted an amendment I proposed to JTPA legislation that adds microenterprise to the training offered through the program.

There is no cure-all for poverty. But there is the opportunity to help our poor and unemployed, one person at a time. Waiting for those from the top to take care of those on the bottom has proven to be a poor policy. Our challenge is to start from the other end—to start with those at the bottom, and move them out of poverty and unemployment, one by one, and into their own small business.

Traditional forms of assistance are important and essential: Millions of Americans need food stamps; millions more rely on AFDC, WIC, Head Start, Medicaid, and a vast array of other support programs to live their daily lives. But these programs alone cannot lift poor people out of their conditions of poverty.

It's important to remember that poor are not disadvantaged—everyone has an advantage; it's simply a matter of turning that advantage into an opportunity. Helping people to help themselves isn't just the right way to approach poverty, it's the American way. Using the tools of capitalism through microenterprise to solve the problems of hunger and poverty isn't just a new idea, it's the right idea.

RESIDENTS OF JOHN F. KENNEDY MANOR CELEBRATE THEIR 24TH ANNIVERSARY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize the residents of John F. Kennedy Manor, of Woonsocket, RI. On November 10, 1991 they will be celebrating their 24th anniversary as a senior housing facility.

John F. Kennedy Manor maintains a very active tenants association. Marquente Robin is the current president, and Berthe Dultamec is the vice president. Eva Lamoreux serves as treasurer, and Irene Pelypec is the secretary of the association. This group along with all the residents of the association work hard to bring success to the many events and social functions they host each year. Annually John F. Kennedy Manor hosts a Christmas, Valentine, St. Patrick's, Fourth of July, and Halloween party. They also serve as the site for very popular weekly bingo games.

In all John F. Kennedy Manor houses 260 residents. I would like to give special attention to Ms. Adeline Houle, the only original resident who still resides at John F. Kennedy Manor. The officers and all the residents of John F. Kennedy Manor have worked hard to make it such an enjoyable residence for senior citizens over the past 24 years. The residents of John F. Kennedy Manor have always made my visits a thoroughly enjoyable experience. It is with great pleasure that I join the residents of John F. Kennedy Manor in celebrating their 24th anniversary and I wish them success and happiness in the future.

A TRIBUTE TO CARLOS RICE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to pay tribute to Carlos Rice, who is a 12-year-old national cycling champion in two events, track racing and criterium racing. In a switch from motocross bikes to 10-speeds, Carlos became really incredible on wheels. In a Miami Herald article entitled, "Cyclist Sets Winning Pace," Todd Hartman reports on this extraordinary biker:

> The best thing ever to happen to Kendall's Carlos Rice? His motocross bike was stolen. So, "I asked my dad to buy me a 10-speed," Carlos said.
>
> Two years have passed, and Carlos, 12, is a national cycling champion in two events: track racing and criterium racing. He won the titles in August, becoming the first from Dade to win a junior (18 and under) national championship and the first junior Floridian to win a pair.
>
> "This kid has more talent than any rider I've seen in the last 25 years at his age," said his coach, David Rodriguez. "It's not just a case of him being better than other 12-year-olds, it's a case of him being really unusual."
>
> #### LOOKING AHEAD
>
> Carlos, a seventh-grader at Belen Jesuit Prep School, is adjusting to life at the top of his game. He's already talking about attending college in Colorado, where the country's best cyclists congregate. He has tossed aside basketball, football and tennis. "He wasn't much impressed with those," said his father, Carlos Sr. "What impresses him is cycling."
>
> Already, Carlos is being marked by the area cycling community. Said Dick Houser, the state representative for the U.S. Cycling Federation: "He is outstanding. The best thing I can say—and this is kind of an inhouse phrase—is that he looks comfortable on a bike. Greg Lemond looked comfortable on a bike."
>
> Carlos won the U.S. junior national track title in Houston despite being disqualified in one of the event's three races. He won the 1,000-meter, 2,000-meter and the 500-meter sprints. He was disqualified from the latter for a rules infraction. But the first-place points from the other two races were enough for the overall title.
>
> #### PRACTICE RIDES
>
> Even more remarkable, prior to the track championship Carlos had never ridden on a velodrome, a banked oval track. Rodriguez prepared him for it as best he could, taking him to running tracks in Key Biscayne and Coral Gables to practice riding in circles.

He won the criterium, a 17-lap, 12-mile race in San Antonio. He rode in a seven-rider breakaway, then took off early on the race's final ascent, trying to make up for his lack of climbing ability with a head start. The early push paid off. By the time the stronger climbers caught him, he was at the finish line, winning in a photo finish.

Carlos is at a loss to explain his rocket ride to the top: "I started training with the team and started racing every Sunday. My riding just kept getting better and better."

GOOD FUNDAMENTALS

He met Rodriguez on a visit to a bike shop. Rodriguez invited him to ride with kids on the Heatwave team, and on the first day out, Carlos rode faster than everybody. Now he trains with the team almost every day and competes in local races on Sundays.

"Guys are marked way back when they're juniors," Houser said. "His fundamental cycling techniques are excellent. This bodes well for future accomplishments."

Carlos' dad is having almost as much fun as Carlos Jr. His son's bike has been upgraded to a value of about $1,700. Said Carlos Sr.: "I can't be cheap with him now."

I wish to recognize the accomplishments of this tremendous athlete, Carlos Rice, and wish him much success in his future races.

PEORIA'S AMAZING GRACE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. MICHEL. Mr. Speaker, at a time when many Americans are looking for spiritual guidance, it is inspiring for us to remember the example and service of Rev. Bruce Dunn of Peoria's Presbyterian Church. After a tenure spanning four decades, Reverend Dunn retired last week from the Church, leaving a thankful and devoted congregation as one of his many legacies.

Through his ministry on the Grace Worship Hour, a syndicated television and radio show, Pastor Dunn has inspired many with his proclamation of the Gospel. Known for his firm stand on many issues, Reverend Dunn encouraged members to become involved in their communities and to be a Good Samaritan to others. This is advice that one regardless of religious affiliation, can and should take to heart.

At this point in the RECORD, I wish to insert an article which appeared in the Peoria Journal Star, "Dunn Ends 40 Years as Pastor."

As his 40-year tenure as pastor of Peoria's Grace Presbyterian Church came to a close Sunday, the Rev. Bruce Dunn was remembered as a man who influenced many.

"You've been such a shepherd to us, and we've been such a flock to you," church elder Sam Wagner said Sunday night during a service honoring Dunn.

An estimated 1,800 people attended the service at Grace Presbyterian, 114 W. Forrest Hill Ave.

Dunn led a 2,400-member congregation, and his sermons were broadcast internationally on the "Grace Worship Hour," a syndicated television and radio show.

Church elder Al Sanders read letters from Dunn's fans, including one from a Ukrainian man and one from the Rev. Billy Graham.

"Certainly, God has given you one of the great ministries of this time in our history," Graham wrote.

Mayor Jim Maloof also applauded Dunn.

"His life has got to be a wonderful inspiration for all of us," he said before presenting Dunn with the key to Peoria.

Maloof recalled advice passed from the pastor to the newly elected mayor in 1985. "Don't be a wimp," Dunn told him.

It was advice Dunn followed himself. He has taken stands on issues such as the Persian Gulf War, pornography and legalized gambling.

Dunn, a 72-year-old native Canadian, tried to deflect some of the acclaim.

"I appreciate all the nice things said tonight," he said. But he compared the accolades to praise given at a funeral, "with the desire to be as comforting as possible."

Members of Dunn's flock expressed gratitude for his leadership.

"He was very instrumental in helping me decide to go to law school," John Schellenberg said after the service.

Schellenberg, a Peoria attorney, said he asked Dunn for advice about what to do with his life. Schellenberg couldn't decide if he wanted to join the clergy or become a lawyer.

After speaking to Dunn, he attended law school at Southern Illinois University at Carbondale.

"He didn't push me into giving my life to the Lord," Schellenberg said. "He advised me about what was best for me."

TRIBUTE TO HELEN COUSER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to a citizen of California on her 80th birthday. Helen Couser was born on a farm in Indiana and came to California when she was a young woman to settle in Long Beach. She then moved to Inglewood which was located in my congressional district at the time.

Helen Couser educated herself, married and raised three children all of whom graduated from Inglewood High School, which is my alma mater. Helen worked hard putting all three through college including one through Medical School at USC. This spirit of self help has motivated her entire life.

Mr. Speaker, Helen Couser became a prominent real estate broker in Inglewood and in the 1950's and 1960's she was very active in the Inglewood Chamber of Commerce, advisor to mayors and to the city council. She was especially active at Holy Faith Episcopal Church, where she played the organ for a dozen years or more. Her efforts were an inspiration to the congregation and to the community as a whole.

Helen Couser has received many civic and business awards and today at age 80 still holds a real estate brokers license and remains active in the affairs of the State of California. She now resides in the congressional district of my good friend Congressman WALLY HERGER near the town of Whitmore. At age 80 Helen is still active enough to run a 160-acre ranch and run it well.

Mr. Speaker, Helen Couser's example as a business woman, civic leader, dedicated mother and wife have helped elevate the image and station of such women of accomplishment all over America, and I am proud to pay tribute to her on November 16, her 80th birthday.

I am also proud to have been a part of those early days in Inglewood during which people like Helen Couser contributed so much to build California and she is continuing to do so even today. My wife Lee joins me in saluting Helen and her three children Dr. Dena Smith, Donna Yaw, and E. Del Smith on this significant anniversary.

A TRIBUTE TO STEVEN CHERVIN AND THE BET SHIRA SOLOMON SCHECHTER DAY SCHOOL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the new principal at the Bet Shira Solomon Schechter Day School, Mr. Steven Chervin. In the Miami Herald article entitled "A Lifetime of Preparation," Jon O'Neill reports on how Mr. Chervin's vast experience has helped him find his niche at Bet Shira. I commend to my colleagues the following article:

Steven Chervin's educational experience runs the gamut: from the doctorate program at Stanford University to Winnie the Pooh nursery school in New Hampshire. This summer, he found something in between. Chervin is the new principal at the Bet Shira Solomon Schechter Day School, which has more than 200 students in prekindergarten through sixth grade.

"This is what I was looking for," said Chervin, 41, who was lured to Miami from a job at the Bureau of Jewish Education in Boston. "I wanted to come to a large, young and dynamic Jewish community. That's what I've found here."

But Chervin is not looking for an easy ride. He came to the school, at 7500 SW 120th St., with a clear mission.

"This is a good school, but it's not well known in the community," he said. "We have to change that. We also need to increase our enrollment. And we want to work more closely with our teachers, to give them the chance to grow professionally."

The teachers are happy to hear that. They've enjoyed the start of Chervin's reign, which began July 1.

"He not only shows the children a lot of attention, but he shows us a lot of attention, too," said Norma Presley, who teaches preschool. "He speaks up for us and gives us the kind of support we need. We're glad he's here."

Chervin took the long road to Bet Shira. He started teaching 20 years ago in Boston and also worked at Hebrew schools in California. Chervin has a bachelor's degree in psychology from Columbia University and a master's degree in education from Harvard. He is finishing his dissertation in a doctorate program at Stanford.

"I'm very happy here," he said, "I feel like I've got the chance to combine everything I've heard."

Bet Shira has several things going for it, Chervin said. The best is that it's a small school where the ratio of students to teachers is about seven to one.

"It really gives us a chance to work with them on their individual needs," said Linda Hakerem, a kindergarten teacher. "I think I'd be totally frustrated in a public school classroom."

Chervin wants to avoid having frustrated teachers or students, but he would like to attract more children to the school.

"I think that makes for a healthier environment," he said.

Some students think so, too.

"There are not enough kids here," said Seth Cassell, 11, a sixth-grader. "I have a pretty good time here, but it would be better if there were more kids."

Lisa Bass, 11, agreed with Seth.

"The more people, the more friends you can have," she said. "But I also feel like I'm getting a better education here than a lot of kids do."

I am proud to recognize the many achievements of Mr. Steven Chervin and to wish him much success at Bet Shira.

ECONOMIC INEQUITY IN AMERICA

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. FAZIO. Mr. Speaker, I rise today on behalf of affordable, accessible health care coverage for middle class Americans.

Inadequate health care is no longer just a problem for the traditionally underserved populations—the elderly, the poor, minorities and rural residents. It is a problem that is also reaching crisis proportions among middle class Americans.

Eight out of 10 of the uninsured in California are working adults or their children. The American worker can no longer assume that adequate health care coverage is part of the benefits package. Gone are the days when having a job meant you had insurance.

With medical costs skyrocketing, employers are increasingly hiring more contract workers, part-timers and temporary workers—and not insuring them. Employers are transferring more and more responsibility for the cost of insurance premiums to their employees who are covered. And, costs and premiums continue to climb as providers extend services to the insured and uninsured alike—the cost of caring for the uninsured accounts for 30 percent of annual premium rate hikes.

The bottom line is that those who are working and insured support the entire system, as they struggle to continue to afford premiums which are increasing faster than national income is growing in order to pay for coverage that is continually decreasing.

With costs out of control and coverage decreasing insured workers are also at risk financially. A 1990 study by the Service Employees International Union projected that coverage for a family enrolled in the least expensive California indemnity plan would be $4,000 for the year. If current trends continue, the same plan is projected to cost $10,000 by 1995. A middle-income worker with a serious illness must spend up to $5,439 in premiums, deductibles, and co-payments, or about 33 percent of after-tax yearly income.

In fact, I was recently contacted by one of my constituents, employed in a full-time clerical position, who had to face both an increase in her medical insurance premiums and an increase in her rent at the same time. Unable to afford both, she had to make a hard, economic decision and was forced to forego her medical coverage.

In addition, one in five middle income Americans each year has to eat large medical bills which insurance will not cover. And, to top it off, one-third of middle-income Americans suffer from job lock. An employee often cannot change jobs—even for a better paying position—because of preexisting health conditions that a new employer will not cover.

This Republican recession is continuing to drive more and more people out of work, and that means that more and more middle income Americans are joining the ranks of the uninsured. In the near-term, we need income tax relief and a plan to promote jobs and to get our economy moving forward again. But for the long-term health of our economy and the American family, we need to ensure that affordable health care is accessible to all Americans.

TAX CUT FEVER

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. GRADISON. Mr. Speaker, Americans are skeptical of promises of tax cuts—not that they object to receiving them, only that they believe that someone else gets them or that what the Government puts in one pocket, it pulls out of another.

This skepticism is well founded. It is consistent with history as well as with economic theory. Even a tax cut that is not financed by explicit tax increases elsewhere is paid for eventually, if not much sooner, in the form of higher interest rates—caused by the resulting higher deficits—and lower living standards. And contrary to the supply-side super optimists, tax cuts are not self-financing; they reduce revenues and therefore raise deficits.

Today's lackluster economy has given rise to calls for middle-class tax relief. These calls alone are harmful. As tax cut fever took hold in Washington 2 weeks ago, the credit markets responded by a noticeable drop in bond prices—and an accompanying rise in interest rates. If these calls are translated into reality in the current economic environment, an already weak economy would be more likely to worsen than to improve. There are several reasons.

First, a fully financed tax cut—one offset by other tax increases or spending reductions—cannot, almost by definition, be stimulative. If the net impact is zero, where's the stimulation?

Second, the tax cuts currently being proposed are tiny compared to our already huge deficits and even smaller compared to GNP. They cannot possibly produce the economic stimulus claimed, but they can cause both short- and long-term economic damage.

Third, a—net—tax cut is especially risky at a time when the economy is likely in recovery, albeit a weak one. The negative response of credit markets could cause the Federal Reserve to tighten monetary policy—negating the only stimulus—from the recent easing of monetary policy—that may be forthcoming and quite possibly causing a double dip, a second recession.

And fourth, we've seen what happens when the tax-cut bug is caught, and it's not a pretty sight. The result is political-legislative bidding war that soon gets out of hand to the detriment of most Americans and to the benefit of narrowly focused special interests.

However sincere they may be, tax cut advocates want to have it both ways. They want to jump start the economy by encouraging more consumer spending while, at the same time, increase investment. These are noble goals, but they are mutually exclusive; it is simply not possible to increase consumption and saving simultaneously. It may sound good; it may even garner votes, but it's schizophrenic economic policy that simply cannot work.

Everyone agrees that we need economic growth. Unfortunately, that's where the agreement stops. In my view, the way to more economic growth is through deficit reductions because deficits are the most important obstacle to economic growth now and higher standards of living later. Even under last year's budget summit agreement, without additional policy actions, the United States will be running large deficits for as far as the eye can see. Deficit reduction ought to be fiscal policy priority No. 1.

We simply don't know at this time whether consumers have decided to buy less in order to save more on a permanent basis or whether they are simply holding back their normal consumption until their confidence in the economy improves.

So, beware of politicians bearing tax cuts. It's nothing more than a new version of the old line: "I'm from Washington, and I'm here to help you."

SUPPORT FOR OUR CHILDREN

HON. RICHARD H. STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. STALLINGS. Mr. Speaker, a few weeks ago, in observance of National Children's Day, I invited young people in my congressional office to call my office to talk about what they would do for children if they could be a Congressman for a day. More than 70 children called my office. Since then, school classes have written to me to pass on more ideas.

I was very impressed, Mr. Speaker, with the maturity and insight their comments and suggestions demonstrated. These children talked about the fact that too many kids go to bed hungry at night in our Nation. They expressed concern about homeless families, drugs in schools, child abuse, education and protecting our environment.

I would like to share with my colleagues some of the responses I got from Pam Rybus' classes at Mountain Cove Learning Center in the Boise, ID, School District. These comments were characteristic of what school children around Idaho had to say:

Mel Davis and Jessica Smith said that the most important thing anyone can do for children is to love them, give them the care they deserve and a fair chance to accomplish what they're capable of. Krystal Worthington wrote that she'd get the drugs and violence off our streets. Jamie Carey reminded me that children should be our first priority and that young people recognize when individuals are trying to help them. Jennifer Stearns said she'd help children with school work or with problems.

Desi Ahrens and Kim Meredith said children should not got to bed hungry and should have good homes to live in. A food drive for children might be a good idea, Desi suggested. Tamara Borges said laws to prevent children from sexual abuse should be stricter and Melissa Campbell said if she were Congressman for a day, she'd help spread the abundance some countries or regions have in food and clothing around our Nation and the world. Carrie Cady said she'd try to make children feel special and Tami Petersen said she'd set aside a special day to honor children. I think that's what Congress had in mind when it passed National Children's Day—but clearly we can do better.

Mr. Speaker, we can do more to help the children of Idaho and our Nation. I have been an enthusiastic supporter of programs like childhood immunization, the Women, Infants and Children's Food Program and Head Start because I recognize that these programs offer real help to children. Every dollar invested in this core group of prevention programs returns from $1 to $14. The problems our children face may not be as immediately detectable as some of the other emergencies we face, but they can be just as destructive in the long run. We cannot afford to put off support for our children.

LABOR, HHS, EDUCATION APPROPRIATIONS CONFERENCE REPORT NOT GOOD ENOUGH

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. LEWIS of Florida. Mr. Speaker, on Wednesday June 26, 1991, I voted for H.R. 2707 the Labor, Health and Human Services, and Education Appropriations bill with reservation. I voted to support vital programs including Medicaid, Medicare, drug treatment, and research for cancer and AIDS. However, I had hoped that conferees would see the wisdom in reducing the bill's excessive funding levels during conference negotiations.

Instead, the House took this opportunity to seek $850 million in increased education spending over the Senate bill. The Senate, in turn, asked for an additional $1.4 billion increase in health programs. The result produced a $204.9 billion appropriations bill with $1.1 billion over the House bill, $21.7 billion more than fiscal year 1991 spending, and $4.3 billion more than the President's request. If that were not enough, conferees decided to employ accounting gimmicks to inflate spending levels. This will take $4.3 billion out of next year's allocation for spending.

As I clearly stated in June, if H.R. 2707 returns to the House without substantial reductions in spending, I will be obliged to oppose the bill. Today, I was forced to uphold this obligation and vote against the conference report.

I have always been concerned about H.R. 2707's provision to allow federally funded title X family planning clinics to discuss abortion as an option for an unintended pregnancy. This provision is not consistent with the original intent of the title X program to provide preventive family planning services. Again, I hoped that conferees would see the wisdom in striking this language from the bill. The language remains and so does my opposition to the conference report.

"SMALL-SCALE" SPACE SPENDING FOR NASA

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. DURBIN. Mr. Speaker, I rise today to place credit where credit is due. NASA's unmanned planetary probe, Magellan, has sent back photos of startling clarity and breadth. A 3.7-ton unmanned probe, Magellan costs approximately $600 million, yet, will map nearly 90 percent of the planet's surface and yield a more complete map than is available for our own Earth. The success of Magellan reemphasizes NASA's success with smaller-scale projects rather than the large-scale "mega" science projects, like the proposed space station or the Moon-Mars mission which threatens to escalate in cost out of control.

Magellan's advanced radar is capable of imaging with 10 times the level of detail of previous surveys, detecting and reproducing with nearly photographic quality surface features larger than 400 feet. This mission has uncovered extraordinary scientific wonders, revealing craters the size of Los Angeles, canyons deeper than any previously known in the solar system, and twice as deep as our own Grand Canyon, signs of earlier volcanic activity and other geological formations such as the 1.8-mile high Sif Mons Volcano.

During this time of budgetary constraint, Magellan is a cost-effective use of our scientific research budget. Magellan's 1989 launch ended an 11-year hiatus in which no planetary missions were launched. During this period, potentially valuable projects languished, crowded out of the budget by expensive, "big science" projects. Unfortunately, NASA has not changed in the intervening years. Today, massive projects, like the space station, which the General Accounting Office currently estimates to cost nearly $40 billion to build and $120 billion or more over its lifetime, dwarf and crowd out worthy projects from the research and development budget.

"Small science" projects are more cost-effective in delivering scientific knowledge to the American public, American education, American industry, and American commerce, yet, these projects are being neglected by the administration. United States emphasis on "big science" has placed America at a competitive disadvantage. Over the last 20 years, United States R&D, as a percentage of GNP, grew only modestly from 2.4 to 2.8 percent, while Japan and Germany enjoyed dramatic increases. Civilian R&D, the segment of science research that contributes most to American productivity and jobs, 1.9 percent of United States GNP, lags far behind Japan, 2.9 percent, and the former West Germany 2.7 percent.

The administration's fiscal year 1992 budget request for one "big science" project, $2.5 billion sought for the space station, exceeds the entire budget for the National Science Foundation. The appropriations conference committee adopted National Science Foundation funding at a level below the House bill, a further casualty to the voracious appetite of the proposed space station. Leading scientific societies and professional associations have argued that the most productive discoveries come from small teams working in relatively modest laboratories. Such small research teams have produced Nobel Prize winning research in diverse fiends. In fact, "small science" has won most of the Nobel Prizes awarded in recent years. Of the 10 Nobel Prizes awarded for physics during the 1980's small-scale researchers were honored twice as frequently as the scientists associated with "big science" projects. The ratio is even more pronounced with Nobel Prizes in chemistry, physiology, and medicine, virtually all of which were awarded to small-scale researchers.

The President's budget emphasizes "big science" projects in greater proportion. Under the President's budget, large R&D projects consume an increasing share of domestic discretionary spending in the first half of the 1992's. The share of the three largest science projects, space station, earth observing system and the superconducting super collider, nearly doubles from 8 percent of all civilian R&D to 15 percent by fiscal year 1992. The three largest projects increase and consume 24 percent of all spending within the Federal science budget. The President's proposed spending increases for the space station, EOS and SSC represent fully 90 percent of all of his requested increases for domestic discretionary spending in fiscal year 1994. Though comprising just 7 percent of the domestic budget and 1 percent of the entire budget, NASA and SSC growth represent 21 percent of all available domestic spending growth tolerated by last year's budget agreement.

At this time of budgetary constraint, space science programs like Magellan, are cost-effective uses of our scientific research budget. While costs associated with the proposed space station continue to escalate, the Magellan project represents targeted and effective use of scarce Federal dollars with a scientific yield that can benefit all Americans.

KAREN COHN: SOUTHWEST HIGH'S SUPER TEACHER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Karen Cohn, who recently was featured in the Miami Herald as one of Dade County's super teachers. I am proud to say that Ms. Cohn teaches English at my alma mater, Miami's Southwest High School. The article, "Teacher's Personal Style Is a Class Act" by Jon O'Neill tells her story:

> Karen Cohn believes the best teaching is done one on one.
>
> In the era of crowded classrooms, it isn't always easy to do that. But Cohn, an English teacher at Southwest High School, manages to do it often enough to leave an indelible mark on her kids.
>
> "She talks to you like a person," said Andrea Stainton, 17. "She's a great teacher."
>
> Senior Robert Villar, 17, said Cohn is "always willing to help. She treats us as peers."
>
> Which is exactly what Cohn tries to do. She wants to know everything about every one of her kids.
>
> "When you show students you're interested in them, they'll knock themselves out for you," said Cohn, 41. "I think learning is a personal thing."
>
> Cohn does more than just memorize names and faces. She remembers birthdays and gives out cards. She tries to call the parents of each of her kids at least once during the year.
>
> "She recognizes every person, and she knows how to make them feel important," said Mike Brennan, an assistant principal at Southwest. "During summer school this year, her class ended up with 50 kids in it. When we tried to split it, no one wanted to leave her class. That's the kind of relationships she has with her students."
>
> Like so many dedicated teachers, Cohn never wanted to do anything else. She was born in Massachusetts and reared in Connecticut. When she graduated from high school, the inscription in her yearbook said she wanted to be a successful English teacher.
>
> She graduated from the University of Connecticut with a bachelor's degree in English education and has since gotten a master's at Florida International University. She came to Florida in 1973 and went to work at St. Timothy's Catholic School, where she taught middle school.
>
> Cohn came to Southwest in 1986, and in addition to teaching, she's also the business manager for the school's athletic department. She lives in Kendall with her husband Don, an attorney, and their daughter.
>
> Cohn said her teaching philosophy evolved naturally. It's a compilation of styles that made sense to her when she was a student.
>
> "I figured that if that approach worked on me, it could work for me," she said.
>
> But just because she believes in being personable with her kids doesn't mean she takes it easy on them. She sets high standards in her classes.
>
> "If you get students to believe they can reach those standards, they do," she said.
>
> Students say Cohn grades tough and doesn't brook excuses. Robert said she keeps after him about his assignments. But he knows he needs the reminders.
>
> "I have senior-itis. I forget everything," he said. "She's the hardest teacher I've had here, but it's better that way. I'm learning more."
>
> For Cohn, the thrill is in knowing she's making a difference.
>
> "Teaching is like a big emotional high," she said. "It's like getting a shot of Adrenalin every day when you come in."

I am happy to pay tribute to Ms. Cohn by reprinting this article. Ms. Cohn's success at motivating her students is an inspiration to those who are working for quality education.

NATIONAL WOMEN VETERANS RECOGNITION WEEK

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. BILIRAKIS. Mr. Speaker, this week the House of Representatives will pass a resolution to designate the week beginning November 10 as "National Women Veterans Recognition Week." For the last 7 years I have introduced this measure in order to honor the more than 1.2 million women veterans who have served in our Armed Forces.

In 1984, I authored the first piece of legislation introduced in the Congress which called for national recognition of women veterans. While I was pleased to be the originator of this idea, I was surprised and disappointed that such recognition had not been given before. I am proud to say that every year since, the Congress and the President have approved "National Women Veterans Recognition Week." This acknowledgment has been long overdue.

Although official military participation began with the formation of the Army Nurse Corps in 1901, followed by the Navy Nurse Corps in 1903, women have served in and with the military services since our country was founded.

During World War I, the Army held fast to its prohibition against enlisted women, but the Navy Department took advantage of the clerical skills women offered by signing up 13,000 women in the Navy and the Marine Corps. These women—who worked as telephone operators, clerical workers, typists, and stenographers—were the first to be accorded full military rank and status. When WWI ended, however, they were demobilized, and except for the Nurse Corps, the American armed services were once again all-male institutions.

World War II marked a turning point in the history of women in the military. On May 14, 1942, the Women's Army Auxiliary Corps, or WAAC's, was created, followed 2 months later by the WAVES, which stands for Women Accepted for Voluntary Emergency Service.

A total of 350,000 women served in the four services during World War II and their contribution to the war effort was invaluable. Perhaps the greatest compliment paid to the American women who served came from Albert Speer, Adolph Hitler's weapons production chief. Speer is reported to have said:

> How wise you were to bring your women into your military and into your labor force. Had we done that initially, as you did, it could well have affected the whole course of the war. We would have found out, as you did, that women were equally effective, and for some skills, superior to males.

In 1947–48, Congress recognized the valuable service of women during World War II by granting them active duty status in the regular Army, Navy, Marine Corps, and Air Force. Women continued to play an active role in Korea and Vietnam and in 1975, Congress further recognized the important contributions of women by requiring the service academies to admit women. The first women were graduated in 1980.

Whether women served as nurses, clerical support, mechanics, technicians, pilots, cryptographers or one of the many other positions of service, they have contributed and continue to contribute mightily to our defense in times of both war and peace. And despite the fact that women are officially excluded from combat duty we all know that many women veterans served under very difficult and dangerous circumstances—some even gave their lives for their country.

In fact, in every war before the 20th century in which the United States was involved, small numbers of women disguised themselves as men in order to serve in combat roles. Among the most famous of these were Deborah Sampson, alias Robert Shurtleff in the Revolutionary War; Lucy Brewer, alias George Baker, in the War of 1812, and Loretta Vasquez, alias Harry T. Buford, in the Civil War.

Despite the continuous service of women throughout the history of our nation, we have not always recognized their tremendous contributions, nor have we paid attention to their needs as veterans.

It is my hope that "National Women Veterans Recognition Week" will highlight the special needs of women veterans, particularly in the areas of health care, employment, and readjustment problems. Of greatest importance is to increase women veterans' awareness of the availability of VA benefits and services for which they are eligible. Although much has been accomplished in the past several years, women veterans are less likely than their male counterparts to use veterans benefits such as VA health care and the home loan guarantee program.

In August, the Veterans' Affairs Oversight and Investigations Subcommittee, of which I am the ranking minority member held a hearing on the needs of women veterans. During the course of this hearing, several witnesses testified that they felt that traditional Veterans' Day festivities tend to overshadow the observance of "National Women Veterans Recognition Week." These witnesses felt it would be more appropriate to honor women veterans at some other time during the year.

In light of the testimony I heard during the August hearing, I am considering changing the date for the 1992 resolution. Several of the witnesses suggested June 12. This is the date in 1948 when President Truman signed the law establishing a permanent place for women in the Armed Forces. I hope that women veterans from across the country will contact me to express their preference for the commemoration of "National Women Veterans Recognition Week."

However, no matter when "National Women Veterans Recognition Week" is observed, it is a time for the country to become better acquainted with the service of women veterans and to express our gratitude to them for that service. It is also a time for women veterans themselves to remember their years in uniform and take pride in the many contributions women have made to the security and well-being of our great country.

I wish to thank Chairman SAWYER and the ranking member, TOM RIDGE, for their assistance in bringing this legislation to the floor. In addition, I wish to thank the women's groups, national veterans organizations and my House colleagues who worked diligently toward the enactment of this measure.

HONORING COUNCILMAN AND MRS. JOHN ANDSELL ON THEIR 50TH WEDDING ANNIVERSARY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. DYMALLY. Mr. Speaker, I would like to take this opportunity to pay tribute to Councilman and Mrs. John Andsell of Bellflower, CA, who celebrated their 50th wedding anniversary on November 4, 1991.

While serving in the Canadian Navy, from September 1939 until 1945, John met his wife, Irene and married on November 4, 1941. In 1952, while traveling through the State of California, John's car broke down in the "Friendly City of Bellflower," and they have been residents ever since. "I must say that not leaving Bellflower had nothing to do with the speed by which his car was fixed."

John and Irene developed skills in the upholstery trade and in 1953, opened A & D Upholstery in Bellflower. Although the newlywed couple was knee-deep in draperies and upholstery, they found time to raise two sons: Allan and Garry. Through the excellent examples set by John and Irene, Allan is now self-employed and a very successful businessman, and Garry serves as the pastor of Hosanna Chapel in Bellflower.

John and Irene retired several years ago. John exchanged his upholstery business license for a real estate license and is now selling private and commercial properties for Realty World Western Properties. Of course, Irene, like so many other American women worked hard in their home, in what Congress has recently began to look at as the women's unpaid labor.

John and Irene manage to stay busy. In April of 1982, John Andsell was elected as a member for the city council of the city for Bellflower and is currently serving his third term as a councilmember. Both John and Irene have officially represented the city at many events such as the League of California Cities, the California Contract Cities Association and the National League of Cities.

In this day and age when so many events are short-lived, it is remarkable and inspiring to learn of a couple like John Andsell and Irene who are celebrating 50 years of marriage. I ask my colleagues in the House of Representatives to join me in wishing the Andsell's many more happy years together.

DONATO F. SENA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. RICHARDSON. Mr. Speaker, in these perilous times, we all feel renewed appreciation for the men and women who choose to devote their careers to the enforcement of our laws and the protection of our lives and property. Today I would like to call the attention of my colleagues to the career of Donato Sena, who will be honored this weekend on his retirement as chief of the Las Vegas, New Mexico Police Department.

Chief Sena is a native of Las Vegas who has served on his community's police force for the past 20 years. He has headed the force since 1984. During his years with the Las Vegas Police Department, Chief Sena initiated numerous crime prevention programs including neighborhood watch, safety programs, and home and business security surveys which resulted in a burglary reduction rate of 40 percent.

Chief Sena brought the Crimestoppers and DARE Programs to his area, automated his records division, and added a K–9 unit to his department. He developed and implemented a narcotics regional enforcement unit that worked to solve narcotic crimes in five countries in northeastern New Mexico, yet was not too busy to coordinate a school crossing guard program.

Donato Sena served as chief longer than any other individual in Las Vegas history. His presence on the force will be sorely missed, but I am confident that his example will continue to be an inspiration to young officers for many years to come.

LIGHTHOUSE FOR THE BLIND

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Miami Lighthouse for the Blind sponsored a free program this past summer to help blind children become more self-sufficient. The program is just one of many efforts underway at the Miami Lighthouse to promote physical and emotional well-being in the blind community. The Miami Herald brought attention to this particular program, and the good work of the Miami Lighthouse for the Blind, in an article by Ms. Lori Teresa Yearwood. That article follows:

Adriana Zenck is a 12-year-old who lost sight in her right eye because of a brain tumor earlier this year. The tumor is gone, but fear lingers.

"What if I play a game of ball, and the ball hits me in my other eye and I can't see out of it either?" she asked.

Like other visually impaired children who attend a free summer program at the Miami Lighthouse for the Blind, Adriana has some psychological, as well as physical, hurdles to overcome.

For six hours every weekday, she and 10 other Dade County children go to the private, nonprofit organization at 601 SW Eighth Ave. to learn how to become independent.

Kevin Arrow, a group activities director at the center, offered some advice to the youngster while he and Adriana were gluing shiny plastic jewels on a silver box.

"You can't stay home every day because you're afraid to go out in the street," he said. "You have to enjoy your life."

Summer lessons at the Lighthouse concentrate on the intricacies of daily living: eating with utensils, making telephone calls, walking across the street, catching the bus, threading a needle, reading a book.

But last Thursday was Adriana's second day at the center, and it was full of unknowns.

"What if I go this way," she said, walking toward an open door, "and I do this instead?" she said as she pretended to bump into the table next to the door.

The "what ifs" are cast aside by the Lighthouse's 25 instructors and three counselors.

"You can't give them a break and say "Oh, poor little thing,'" said Hazel Trujillo, Lighthouse communications instructor who lost her sight to diabetes eight years ago. "Because when they grow up, they'll go around saying, 'Oh, look at me. You have to help me.'"

One of the organization's successes is 10-year-old Lucy Arguijo, whose gray eyes see nothing more than fuzzy shapes and blurry colors. She is known as "the little dynamo" because she runs to all her classes in the two-story Lighthouse building.

"I can do all things," she said while making Braille letters on a piece of paper. "I can make gelatin, pudding, all that. I want to learn to be a teacher of Braille when I grow up."

Cooking is just one of Lighthouse's popular classes. Computer training is another, one at which 13-year-old Willie Rosado is becoming a pro.

Last week he typed a letter on the computer to his girlfriend, who is also a student at the Lighthouse: "Hello Judith, how are you? When are you coming back [from vacation]? I hope you come back on Monday."

Lighthouse communications instructor Lidia Esquijarosa taught Willie how to use the computer.

"Just because people can't see doesn't mean they aren't full of emotion and spirit," Esquijarosa said. "The sight may not be there, but the rest is."

Mr. Speaker, I would like to recognize the leadership of executive director Vernon Metcalf, for making the Lighthouse for the Blind a place where the blind of all ages can learn independence. I would also like to commend Lighthouse instructors, Hazel Trujillo, Lidia Esquijarosa, and Nancy Gonzalez, as well as activity director Kevin Arrow for their contributions to the program. I encourage all of those involved in the Lighthouse for the Blind, both staff and volunteers, to continue their important work.

WE LEARNED FROM THE MADRID PEACE TALKS—SYRIA IS THE BIGGEST OBSTACLE TO PEACE

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. SCHEUER. Mr. Speaker, the peace talks in Madrid last week were historic and informative for us all. Historic, I say, because Israel's neighbors finally sat down with her. Informative, because the talks showed that Israel, the Palestinians and the Jordanians want peace, but Syria only wants territory. We all should take note.

Clearly, Syria is the biggest obstacle to peace.

On the first day Presidents Bush and Gorbachev made it clear that any settlement of the conflict must be comprehensive and just. They correctly asserted that any territorial compromise, if it occurs, must be met with real, bilateral peace treaties, cultural exchanges, regional cooperation, and maybe even tourism.

The second day, unfortunately, was filled with vituperation and revisionist history. I continue to be amazed at how the Syrians can look the world straight in the eye and say Syrian Jews are accorded full equality, dignity and rights in Syria. Nothing could be further from the truth.

The weekend was marked by Israeli openness and Palestinian flexibility; only Syria, and its hostage state Lebanon, remained intransigent.

I have been to Syria and I have spoken with Syrian Foreign Minister Farouk Charaa. To my face, he had the gall to deny that Syria had ever shelled Northern Israel from the Golan Heights before 1967. He denied that Syria had made life a nightmare for the children of the Huleh Valley, for the fisherman on the Galilee, for the farmers of the Northern kibbutzim. He made the same preposterous claim that Syrian Jews are treated no differently. We all know this to be false.

The Syrian regime of Hafez Assad lives in a dreamworld, a fantasyland. They deny reality and in so doing endanger the entire Middle East region with continued instability and potential for conflict.

Mr. Speaker, Syria's irrational intransigence and insistence to deny reality—more than anything else—represent the biggest obstacle to peace in the Middle East.

ANOTHER POSTAL SERVICE SHELL GAME

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. BROOMFIELD. Mr. Speaker, the American consumer is about to lose another Postal Service shell game.

Yes, the Postal Board of Governors held the price of a first-class stamp to 29 cents.

But that decision came with a threat by the Postmaster General to raise the price by as much as 5 cents in as little as 2 years.

That's a 17-percent increase over today's rate. It comes on top of a 16 percent increase during the previous 2 year period.

Postal management must have its collective head in the sand. Anyone running a modern business organization in today's climate is looking for ways to cut costs, not raise prices.

This lack of managerial vision makes it all the more important for Congress to pass my resolution creating a bipartisan, blue-ribbon commission to study America's postal system.

I urge my colleagues to support this important resolution.

RETIREMENT OF GOV. GEORGE SINNER

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, George Sinner, the Governor of North Dakota, announced last week that he will be retiring next year following 8 years serving as Governor.

Governor Sinner is one of those rare public officials who is willing to take risks, to speak out, and to stand up for the things he believes in. North Dakota will miss his leadership, and I will miss working with a friend.

The past 8 years have been a very difficult time. North Dakota has been buffeted by economic trouble, Governor Sinner's steady hand and courageous leadership has guided North Dakota to a point where I believe our state's future can and will be a better and brighter future.

The lonely difficult job Governor Sinner was asked to bear during these past 8 years is perhaps best described by a verse I learned years ago:

Bull fight critics row by row,
  crowd the vast arena full.
But there is only one man there who knows,
  and he's the one who fights the bulls.

Bud Sinner knows. And—the critics be damned—he did what had to be done, and North Dakota is better because of it.

MONDAY, NOVEMBER 11, 1991: IN HONOR OF OUR VETERANS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. HERTEL. Mr. Speaker, I rise today to pay special tribute to our Nation's veterans.

On November 11, throughout our Nation there will be parades, celebrations, and speeches honoring the men and women who put their lives on the line to protect the freedoms of the American people. Our great Nation cannot forget the tremendous sacrifices of the brave men and women who served in times of peace and in times of war to protect the liberties we cherish.

Each year on Veterans Day we have the opportunity to express our indebtedness to those who have answered our Nation's call to arms with courageous determination. To our veterans we owe our respect and honor for heroic service. You represented our country with pride and dignity. You stood by us, and now we will stand by you.

To the parents whose sons and daughters lost their lives fighting for our freedom and democracy, I extend my prayers and express the Nation's gratitude for your strength. You have paid the highest price for democracy and we enjoy its privileges only because your sons and daughters fought for it.

To those serving in today's Armed Forces, you are the veterans of tomorrow. Our Nation takes great pride in the men and women who serve today to protect our fundamental rights. As we watch our neighbors across the world fighting for the privileges that we sometimes take for granted, we must stop and thank you for your dedication and service. We are proud of you, and will stand by you.

Mr. Speaker, it is my highest privilege today to salute our Nation's veterans. We owe them our respect and honor them for their heroic service.

CONGRESSIONAL TRIBUTE TO RICHARD AND DONNA FUNGAROLI ON THE OCCASION OF THEIR 25TH WEDDING ANNIVERSARY

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. OLVER. Mr. Speaker, I rise today to recognize the 25th wedding anniversary of Richard and Donna Fungaroli. The Fungaroli's 25 years of commitment to each other deserves our recognition and praise.

Richard and Donna have been sweethearts since they started dating at the age of 12 and have been together since.

The Fungaroli's eloped 25 years ago when Richard was called to duty in the service of his country during the Vietnam war. Mr. Fungaroli served his time in the Armed Forces with the Navy on the U.S.S. *J.W. Thomason.*

Richard and Donna are the parents of two children, Richard Jr., who is a nurse in Palm Bay, FL and Shelly who attends Springfield Technical Community College.

Richard works for Whiting Oil Co. And Donna is a nurse at the University of Massachusetts.

A surprise anniversary party for the Fungaroli's will be held on November 9, 1991, at the Veterans of Foreign Wars Post in Amherst, MA. Many family and friends will be on hand to celebrate this special evening planned for the Fungaroli's.

Mr. Speaker, at this time I would like you and my fellow colleagues to join me in expressing special recognition to the Fungaroli's on the occasion of 25 years of marriage. I would also like to wish the Fungaroli's their family, and friends all the best on this joyous occasion.

THE PUPPY PROTECTION ACT OF 1991

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. CARDIN. Mr. Speaker, today I, along with 11 of my colleagues, am introducing the Puppy Protection Act of 1991. This legislation will establish a Federal lemon law for puppies sold through pet stores or by commercial breeders. The legislation is based on similar laws and regulations in eight States that have proven effective locally, but this is clearly an interstate problem that requires Federal action.

Ninety percent of puppies for sale in most pet stores have been raised under horrendous conditions—puppy mills set up to raise the greatest number of animals at the lowest possible cost. Based on over a decade of investigative reports by the Humane Society of the United States [HSUS], puppy mill dogs are often the victims of filth, inadequate shelter, overcrowding, insufficient food and water, incessant breeding, and lack of veterinary care. Hundreds of dogs have been found crammed together in wire pens and cages, with open wounds, suffering from starvation, forced to eat, sleep, and sit all day in their own excrement. Puppies that live through 7 weeks under these conditions are then often shipped hundreds of miles through puppy brokers to pet stores, while still highly susceptible to disease.

Needless to say, the cute, fluffy puppies in the pet store window raised under these conditions are more likely to make terrible pets. They lack the critical socialization and veterinary care necessary for healthy pets. A California State study found 48 percent of the puppies in pet stores were ill or incubating an illness at the time of purchase. Even for papered dogs, the American Kennel Club states that papers "* * * in no way indicate the quality or State of health of the dog."

Veterinarians' stories of hyper, nervous puppies nipping at children or cowering in corners after their experiences in the mills are endless. The cruelty of the puppy mills was brought home to me by a Baltimore veterinarian, Dr. Kim Hammond, as he spoke of the terrible problems he must deal with in his office each day:

> I have had to destroy pet store puppies due to distemper, see them crippled by hip dysplasia, treat them for epilepsy, watch them tremble and bit in fear, and each day break the news of heartbreaking, needless problems to families.

In the past, the great portion of the Nation's puppy mills were located in rural areas of Kansas and Missouri. In recent years, however, the industry has grown significantly in other Midwestern States, including Nebraska, Iowa, Oklahoma, and Arkansas. In fact, today puppy mills can be found throughout the Nation. As John Hoyt, president of the HSUS has stated:

> The market is being flooded with animals that are ill-conceived, ill-bred, and just plain ill.

Working with the HSUS and veterinarians from around the Nation, I have crafted a lemon law for puppies purchased from pet stores or commercial breeders. My legislation would provide a recourse to consumers who purchase a dog from these sources that:

Within 14 days, a vet certifies has an illness, unsoundness, symptom of a contagious disease, parasites, or behavioral problems causing the dog to be an unfit pet;

Within 14 days, dies, except where the death results from an accident or injury during the period;

Within 1 year, is clearly not the breed of the dog that was represented at the time of purchase; or

Within 2 years, a veterinarian certifies has a serious congenial or hereditary disorder.

Based upon one of these causes of action the consumer may return the pet for an exchange, refund, or keep the animal and receive reimbursement for veterinary costs up to three times the price of the dog.

This legislation will create an economic incentive for pet stores and puppy mills to correct the fearful conditions under which so many puppies are produced and cared for early in their lives. It should ensure that the basic steps are taken to provide the fine pets consumers think they are purchasing.

HONORING WILBER J. WITZEL

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. MINETA. Mr. Speaker, it is said by some cynics that America is starved for leaders, for heroes. I do not believe these doubters, Mr. Speaker, and neither does the Carnegie Hero Fund Commission.

My hometown of San Jose, CA is like any other in the United States. Each has its heroes. Many of these ordinary people who do extraordinary things go unsung by their neighbors because they seek no publicity, no reward for their deeds. Wilber J. Witzel of San Jose is such a man.

On June 11, 1990, Mr. Witzel saved a woman from being struck by a train in San Mateo, CA. The woman was attempting to cross the tracks at a commuter rail station when she lost her footing. She fell onto the tracks just as a train approached at high speed. She tried to get up, only to fall a second time.

Mr. Witzel, a flagman, was standing on the passenger platform opposite the woman. He had seen her fall, immediately jumped from the platform, and ran to her just as the train hit its emergency brakes. The train continued its approach, its horn blowing. Mr. Witzel pulled the woman from the tracks just before the front of the train passed by.

Mr. Speaker, Mr. Witzel is a genuine American hero. For his act, the Carnegie Hero Fund Commission awarded him a Carnegie Medal 1 week ago for risking his life to save another's.

Mr. Speaker, I know I speak for my colleagues here in the House as I, too, congratulate Mr. Witzel for his heroism, and the Carnegie Commission for its work since 1904 to recognize true leadership and courage here in the United States.

EDWARD DEUTSCHER: 26TH EAGLE SCOUT OF TROOP 350

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. LEHMAN of Florida. Mr. Speaker, it is with great pride that I recognize Edward Deutscher who, on December 10, 1991, will become the 26th Eagle Scout of Troop 350 in North Miami Beach.

Achieving the rank of Eagle Scout is truly a tremendous accomplishment and a testament to Edward's fine character. Only a select few of our Nation's youth can hope to ever attain such an honor. A fine student and dedicated scout, Edward has excelled both in and out of the classroom. It is one thing to maintain a high level of intellectual curiosity and quite another to remain actively involved in community life. Edward Deutscher has managed to do both successfully.

Mr. Speaker, I commend Edward for his accomplishment as he has made all of North Miami Beach proud.

TRIBUTE TO DR. JOEL D. MEYERS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. MARKEY. Mr. Speaker, today, I rise in tribute to a world renowned researcher, Dr. Joel D. Meyers, who died on Sunday, October 27, 1991 at the age of 46 after a 2-year battle with colon cancer. Joel Meyers will be greatly missed by all who knew him.

Dr. Meyers is internationally recognized for his pioneering work on infectious diseases and was a leader and a champion in the fight against AIDS. He was an intellectually gifted scientist and teacher and is considered one of the Nation's innovators in the study of infections in bone marrow transplant patients.

I pay tribute to Joel Meyers, M.D. in an effort to recognize and to applaud his scientific excellence and his exceptional dedication to medicine, his commitment to research, his extraordinary devotion to his patients and to the education of the next generation of clinicians and scientists. Dr. Meyers graduated from Dartmouth College in 1966 and Harvard Medical School in 1970 and then went on to complete an internship and residency in internal medicine at the hospital of the University of Pennsylvania. He then served as an epidemic intelligence officer in the immunization division of the Centers for Disease Control [CDC]. From there, Dr. Meyers was recruited to Seattle, WA to join the faculty of the division of infectious diseases at the University of Washington's School of Medicine. He then joined the Hutchinson Cancer Research Center in 1978 and was appointed professor of medicine and head of the infectious diseases and Clinical Virology Program in 1982.

Dr. Meyers, through his research and teaching, was committed to improving the world around him and to enhancing the health of our Nation. I greatly admire his accomplishments and respect his dedication in a world where such selfless people are rare. Dr. Meyers made landmark contributions to the field of infectious diseases including numerous scientific publications that have invaluably increased our knowledge about the causes and treatment of infectious diseases, AIDS and cancer.

On a personal level, Joel was a brilliant, vital and energetic person who had a great love of life. He was a superb mentor to young researchers and was greatly respected and held in the highest esteem by his colleagues. He was a wonderful husband and friend. Dr. Joel Meyers touched many people, not only through his many contributions to medical practice, research and education, but also through his warm sense of humor and love of people. His memory will be cherished by all who knew him and his spirit and works will live on to enrich our lives. Mr. Speaker, thank you for giving me the opportunity to pay tribute to this eminent researcher, outstanding physician and dynamic and remarkable human being.

H.R. 2868 CONFERENCE REPORT

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 6, 1991

Mr. ASPIN. Mr. Speaker, I rise in support of the Heartland Fuels Corp.'s K-fuel grant. As you know, it applied for a Clean Coal Technology IV Program grant to commercially develop K-fuel and received the top new fuel forms rating. Unfortunately, Heartland did not receive the funding it deserved.

The K-fuel process transforms high moisture, low energy coal feedstocks into low moisture, high energy solid fuel. This fuel is clean and allow older, coal-burning factories to meet the tough clean air standards that we passed last Congress.

K-fuel would first be used at the Rock River Power Generating Station in Beloit, WI. If this powerplant does not get K-fuel or a similar reformulated coal, there are two roads which it could follow. It could buy expensive retrofits and scrubbers whose high costs would be passed on to my constituents. Or, they could close up shop, put 75 hard working folks out on the street and force my constituents to get their energy from some other, more expensive source.

K-fuel is an important program. It's important to Beloit. It's important to my constituents. And it's most important to thousands of workers across the Midwest who work at coal-burning factories. This grant needs to be funded. I wish the Department of Energy had listened to its own advisors and funded this grant in the first place, but now we must look for a legislative fix to DOE's mistake.

This whole problem is a result of DOE's mishandling of the whole program. Under DOE management, the Clean Coal Technology Grant Program has become a natural gas program not a clean coal program. In fact, 86 percent of the clean coal grants went to natural gas related not clean coal related projects. It's only fair that K-fuel and other clean coal projects get their fair share of funding.

I also have serious concerns with how the DOE has handled this whole situation. If the DOE had not funded lower ranking projects over higher ones, we would not be discussing this issue here today.

Finally, the language we are considering today is a compromise. It would only provide Heartland with $5 million, less than an eighth of its original grant request. This would give Heartland a chance to make K-fuel a reality and would not undermine the integrity of the Clean Coal Technology Program in anyway.

I urge my colleagues to support the K-Fuel Program.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, November 7, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 12

10:00 a.m.

Judiciary

To hold hearings on proposed legislation to establish a national background check system for day care centers in an effort to better protect children.

SD–226

2:00 p.m.

Judiciary

To hold hearings on the nomination of William P. Barr, of Virginia, to be Attorney General of the United States.

SD–226

NOVEMBER 13

9:00 a.m.

Governmental Affairs

Government Information and Regulation Subcommittee

To hold hearings on adjusting censal estimates of the Bureau of the Census, Department of Commerce.

SD–342

10:00 a.m.

Commerce, Science, and Transportation

To hold hearings to examine competitiveness in the U.S. computer software industry.

SR–253

Judiciary

To continue hearings on the nomination of William P. Barr, of Virginia, to be Attorney General of the United States.

SD–226

10:30 a.m.

Armed Services

To resume hearings on certain issues relating to the Treaty on Conventional Armed Forces in Europe (CFE), with Protocols on Existing types (with Annex), Aircraft Reclassification, Reduction, Helicopter Recategorization, Information Exchange (with Annex), Inspection, the Joint Consultative Group, and Provisional Application; all signed at Paris on November 19, 1990 (Treaty Doc. 102–8).

SR–222

NOVEMBER 14

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold hearings to examine the Federal Government role in promoting children's health through the national school system.

SD–342

NOVEMBER 15

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine global change research, focusing on ozone depletion and its impact on the environment.

SR–253

Select on Indian Affairs

Business meeting, to mark up S. 1869, to provide for the divestiture of certain properties of the San Carlos Indian Irrigation Project in the State of Arizona; to be followed by a hearing on S. 1607, to provide for the settlement of the water rights claims of the Northern Cheyenne Tribe.

SR–485

NOVEMBER 19

10:00 a.m.

Commerce, Science, and Transportation

To hold oversight hearings on title 5 of Public Law 100–418, authorizing the President to conduct a study on the effect of foreign mergers, acquisitions, and takeovers on U.S. national security.

SR–253

NOVEMBER 20

9:00 a.m.

Select on Indian Affairs

Business meeting, to consider the nominations of A. David Lester, of Colorado, Wiley T. Buchanan, of the District of Columbia, Robert H. Ames, of California, and William S. Johnson, of New Mexico, each to be a Member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development, and other pending calendar business; to be followed by an oversight hearing on Federal court review of tribal court rulings in actions arising under the Indian Civil Rights Act.

SR–485

CANCELLATIONS

NOVEMBER 12

10:00 a.m.

Select on Indian Affairs

To hold hearings on S. 538, to restore Federal recognition of, and assistance to, the Miami Nation of Indiana.

SR–485

HOUSE OF REPRESENTATIVES—*Thursday, November 7, 1991*

The House met at 12 noon.

The Right Reverend Laszlo Tokes, bishop of Nagyvarad, the Hungarian Reformed Church of Romania, Nagyvarad, Romania offered the following prayer:

Heavenly Father, we, who have been entrusted to handle the affairs of state and world, give thanks to You that You are Guardian of this Nation and all creation. On this day, too, in our endeavors and deliberations, we heed Your voice. We take guidance from the example of Jesus Christ, Your only Son, who so loved his people, his nation, and the world that he gave his life for them.

You taught us to pray with these words: "Thy Kingdom come." You called us "brethren." As citizens of Your world, we beseech You to bless our labors. Grant that we may serve in the best interest of those who entrusted us. Let our works proclaim Your glory, as a sign that "the Kingdom of Heaven is at hand."

We pray for them, all Your people, the world over. In their prosperity, let them not forsake You or their fellow man. We pray for the suffering and the oppressed, the "little ones" of Christ. Let them not become alienated from You, but let them understand that You are with them always. Make us Your blessed instruments in all these things, as we turn now to our responsibilities for the affairs of state and world. Let us "Rejoice with those who rejoice, weep with those who weep"—1 Romans 12:15. In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Florida [Mr. LEWIS] will please come forward and lead the House in the Pledge of Allegiance.

Mr. LEWIS of Florida led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2707) "An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 3, 7, 9, 13, 26, 29, 35, 38, 41, 49, 52, 64, 65, 68, 73, 79, 87, 90, 93, 94, 95, 96, 99, 112, 122, 124, 126, 130, 132, 133, 135, 140, 141, 142, 143, 151, 156, 158, 161, 164, 176, 179, 181, 188, 200, 205, 214, 218, and 219, to the above-entitled bill.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 455. An Act to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors.

REV. LASZLO TOKES, BISHOP OF THE HUNGARIAN REFORMED CHURCH

(Mr. LANTOS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, Bishop Laszlo Tokes, who honors us with his presence today, is one of the authentic heroes of the democratic revolutions in Central and Eastern Europe. It was he who sparked the uprising against the totalitarian regime of Nicolae Ceausescu, and with enormous personal courage, it was he who led all the democratic forces in Romania to get rid of this bloody dictatorial Communist regime.

It would be a joy to report, Mr. Speaker, that we now have a full and democratic regime in place, but we do not. Many of the oppressive tactics are still present. Religious and ethnic minorities are still suppressed. Bishop Tokes himself is under constant threat of terrorist attacks and assassination. This body cannot rest until everyone living in Romania of all ethnic, religious, and other groups will be able to practice their full human and civil rights.

Mr. Speaker, we are honored to have one of the authentic democratic revolutionary heroes of Central and Eastern Europe with us. His voice carries across the globe. It is a voice of brotherhood, compassion, fellowship, and peace. This House is honored to have him.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to welcome all of our guests in the gallery but reminds them that House rules prevent any of our guests from expressing approval or disapproval by applause or otherwise of anything said on the House floor. We appreciate your cooperation.

THE REPUBLICAN CONGRESS

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, in a column that appeared in the Washington Post last week, David Broder wrote that if Republicans were given the chance, they would govern effectively.

In an article that will appear in the Heritage Foundation's Policy Review, Republican Leader BOB MICHEL tells us how Republicans will govern when given the chance.

A Republican Congress will embark on a truly historic reform of the House. It will restore many cherished values of American democracy that have been lost over 37 years of Democrat control.

Chief among those values is the right to free and open debate. Too many times in this House debate on crucial issues is curtailed, frustrating many who have no voice in the process.

"PLAUSIBLE DENIAL"

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, some years ago, the House of Representatives looked into the assassination of President John F. Kennedy. It did so through the establishment of the House Select Committee on Assassinations.

That committee concluded that evidence indicated there had been a conspiracy to kill President Kennedy; however, the Department of Justice did not pursue an investigation, and the assassination remained a mystery until the publication of a new book, "Plausible Denial," written by Mark Lane.

It clarifies a lot of questions, and I highly recommend that you read "Plausible Denial" by Mark Lane.

The following is what Kirkus Reviews says about Mark Lane in his at-

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tempts to answer the question: Was the CIA involved in the assassination of JFK?

The author of "Rush to Judgment," the first book to attack the Warren Commission Report on the assassination of JFK, takes on the CIA's possible role in the murder, by way of a Florida jury trial.

It was Mark Lane who found a CIA conspiracy behind the Jonestown massacre—he was there—in 1979's "The Strongest Poison" and FBI complicity in the 1977's "Code Name 'Zorro': The Murder of Martin Luther King, Jr." This time out he offers his most damning version yet of CIA wrongdoing. Lane assembles his evidence with a trial lawyer's cool skill and builds to a riveting climax: an eyewitness account of CIA spy E. Howard Hunt paying off a CIA-backed Cuban assassination team in Dallas the night before the murder and clearly setting up Jack Ruby—before the assassination—to kill Oswald, the patsy, who never fired a shot. Lane's evidence is drawn from a trial he conducted in Florida in 1978 while defending a small political magazine, Spotlight, which had lost a $650,000 defamation suit brought against it by Hunt. The magazine claimed that Hunt was in Dallas at the time of the assassination while Hunt claimed he was in Washington, D.C. When the appellate court vacated the decision and called for a second trial, Spotlight's owner called Lane to defend him. Lane saw a case he might lose, but also his first opportunity ever to cross-examine top figures in Lane's assassination scenario. And indeed he deposes CIA Directors Richard Helms and Stansfield Turner, G. Gordon Liddy, Hunt himself—and strikes gold in CIA agent Marita Lorenz, who accompanied two cars full of guns and assassins from Miami to Dallas and, under oath, names all of them, then tells of a followup talk with the proud top assassin who pulled off "the really big one * * * we killed the president. * * *"

Well-reasoned at every point, Lane's convincing report sounds like the last word on the assassination. * * *

HYPOCRISY IN CONGRESS: THE DOUBLE STANDARD MUST END

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, the game is up. The electorate has caught on. And this body had better sit up and take notice.

In the wake of the check bouncing scandal, the restaurant scandal, and the Thomas confirmation fiasco, the American people are taking a long, hard look at the Congress of the United States. They see a double standard in which the Congress has created a myriad of laws by which they must abide yet they find that Congress has conveniently exempted itself from many of those laws.

The list is lengthy, Mr. Speaker: the Privacy Act, the Ethics in Government Act, the Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1988, the Minimum Wage Act, and the Equal Pay Act. And there are more. Acts of Congress which apply to our constituents should apply to the Congress. It might make us more careful about the burdens we place on our constituents if we had to carry them also.

That chorus of jeers out there is meant for Congress, Mr. Speaker. The American people are fed up with the double standard and they want reform now. I would urge the Democratic leadership of this body to heed this sound advice and begin the process to restore credibility to this institution.

ANNIVERSARY OF THE ELECTION OF JEANNETTE RANKIN, FIRST WOMAN ELECTED TO CONGRESS

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute.)

Mr. WILLIAMS. Mr. Speaker, on this day 75 years ago, Americans first elected a woman to the U.S. House of Representatives. On November 7, 1916, Montanans elected Jeannette Rankin to the Congress of the United States before women in America had the right to vote.

□ 1210

During her first term, it was for her and for others of her colleagues to decide whether or not to join in declaring World War I. More than 50 of Jeannette Rankin's colleagues joined her in voting against World War I.

Following that term in Congress, Jeannette voluntarily left the House and did some political work back home and around the country working for women and children and working for her passion, peace.

More than a quarter of a century later Montanans again elected this courageous woman, Jeannette Rankin, to Congress, and it fell to her on December 8, 1941, to cast the lone vote against World War II. Jeannette Rankin said at that time, "As a woman, I can't go to war, and therefore I refuse to vote to send anyone else."

Today, three-quarters of a century after her election, we recognize Jeannette Rankin and her courage.

EFFECTIVE, RESPONSIBLE CAMPAIGN FINANCE REFORM NEEDED NOW

(Mr. BARRETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARRETT. Mr. Speaker, at the beginning of this session, campaign finance reform was a priority issue. It is November and these long overdue reforms have not yet reached the floor.

Reforms are needed to improve the election process and restore public confidence in Congress. The American people are now calling for term limits because they feel it's the only way to get new leaders into office. Actually, the inability of challengers to win elections is largely due to the advantages that incumbents have in campaigning.

We need to create a better balance among those who influence Congress through their hold on the campaign fund purse strings. The majority of a candidate's finances should come from the voting district, not from PAC's and special interest lobbies.

Soft money contributions and bundling of contributions can't be tolerated. Members' consent should be required for union political spending. Most importantly, the public should not be forced to pay higher taxes to finance campaigns.

Now is the time to take proactive steps to restore the Nation's faith in Congress and pass effective, responsible campaign finance reform.

PRESIDENT SHOULD STAY HOME LONG ENOUGH TO WORK WITH CONGRESS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, the President has announced when he returns from NATO he will park the plane for a while, and I am glad to see that Air Force One frequent flier points are going to be used to go to some different destinations.

We are trading in the flights to Tokyo, for instance, perhaps to Toledo. He might want to consider the ticket that was going to be used to Auckland to go to Austin. Brisbane, he might try Boston instead. Sidney, come to Sutton, WV. We have got some problems you ought to see.

The fact is that there are 300,000 jobs less in this economy than there were when George Bush raised his right hand to take the oath of office 3 years ago. The fact is, as George Bush said, there is a lot that needs to be done in this recession. I am glad to say, Mr. President, while you have been gone, welcome home, but while you have been gone the Democrats and Chairman ROSTENKOWSKI are putting out a middle class tax relief bill.

You said you want to keep your eye on Congress. Just watch. Hope you are going to be home long enough to work with us.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair would like to remind Members on both side of the aisle not to address the President of the United States directly. Remarks should be addressed to the Chair.

CAMPAIGN REFORM

(Mr. ALLARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, I understand that the Democrats have come up with a campaign finance proposal that would impose a $600 thousand spending limit on campaigns for the House of Representatives. I agree that campaign spending should be limited, but that limit should be decided by the people of the voting district.

Imposing an arbitrary spending cap on a race in Colorado, or in Wyoming, and then expecting it to work in Los Angeles or New York just is not practical. A spending cap should be determined by how much money the people of the district are willing to contribute. Requiring candidates to raise more funds from individuals in the voting district would not only curtail skyrocketing campaign spending, it would encourage concentrating on grassroots get-out-the-vote efforts.

To give you an example, last year in my race in Colorado—which was an open seat targeted by both national parties—I raised about $375,000 and my opponent raised $460,000. The $600,000 spending limit proposed by the Democrats would not have affected my race, nor would it have affected any of the other five races in Colorado. In other words, it would be meaningless for Congressional candidates in Colorado to have a $600,000 limit.

What we need to remember is that most of us in the House today were elected because we knocked on doors, had breakfast with local organizations, and earned the support of our own neighbors. Now we have the chance to emphasize that style of campaign again.

Mr. Speaker, what we need is comprehensive campaign finance reform—a reform which encourages greater emphasis on raising money in the home district.

TIME FOR PRESIDENT TO EARN DOMESTIC FREQUENT FLIER MILES

(Mr. ESPY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ESPY. Mr. Speaker, one of our biggest airlines has a motto: "We love to fly, and it shows."

Well, I think the same thing can be said with respect to our President. He has the same motto. He flies around the world taking care of everyone else's business but our own. This week he goes to Rome. Now, that is Rome, Italy. But I represent Rome, MS. There are Rome, Mississippis all across the United States, with unemployment rates that exceed 11.3 percent.

The President vetoes unemployment bills here at home. The people need relief. Rome, MS, might not be the capital of Italy, but it could be said that it is the heart of America, where we should be focusing our attention and our priorities.

Mr. Speaker, 2 million Americans have exhausted their unemployment benefits, 1 in 10 are on food stamps, and 8 million of our children are impoverished enough to be on welfare.

It is way past time for our President to start earning some more domestic frequent flier miles.

HIGHWAY BILL

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, if Republicans controlled this institution the country would have a highway bill today which would provide both roads and jobs to our people. But Republicans do not control this body, nor do we control the Senate and because the President cannot sign what Congress has not done, the American people don't have a highway bill.

Instead of a highway bill the Democrats are offering the American people a seminar on pork. While the Nation needs roads and bridges, the Democrats squabble amongst themselves over the House brand of bacon, called special projects. While the Nation needs tax cuts to stimulate the economy, the Democrats argue amongst themselves over how to increase taxes to pay for their pork. While American workers want jobs—jobs the highway bill would provide—the Democrats offer delay.

Mr. Speaker, the highway bill is just another example of how the Democrats control this institution but are unable to make it work. When the Republicans control this body, the American people won't have to wait while we squabble among ourselves over how to make the taxpayer foot the bill for pork, when all the country needs is a highway bill which the American people have already paid for.

PASS CIVIL RIGHTS ACT OF 1991

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the President used racial politics in 1988. The psychological message was simple but powerful. No. 1, crime is rampant; No. 2, streets are dangerous; and, No. 3, if you elect Mike Dukakis, you will have a Willie Horton on every street corner.

White-black, black-white. The politics of race, the politics of fear, the politics of division.

Mr. Speaker, this political strategy may win elections, but it is destroying America. Today Congress should do the right thing, the right way. Congress should pass the Civil Rights Act, ensuring justice and fair play in the workplace for all Americans. This political strategy will turn into a political tragedy for America unless Congress rights that wrong.

AS THE CONGRESS FIDDLES

(Mr. FRANKS of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRANKS of Connecticut. Mr. Speaker, earlier this week the House chose to do nothing to help our banks out of their financial crisis. To do nothing is still a choice, and in this case it may be a monumental decision. The banking industry of this country still suffers, and doing nothing will not make its problems go away.

In March of this year the President sent down a comprehensive reform proposal that would make the necessary changes to an outdated system.

On March 16, a headline in the Economist summed up the reaction of Congress, "Congress fiddles while the financial system burns."

Well, if Democrats were fiddling in March, they are working on a symphony here in November. Mr. Speaker, with Republicans in control, the President's proposals would have been implemented and the banking industry would be recovering right now. Instead, the American people hear the same tuneless instruments of the Democrat Congress that refuses to resolve the problems of an ailing nation.

□ 1220

Mr. Speaker, it is time for a new conductor. We need an orchestra that will work in concert with the President, not just one that plays the same old tune known as partisan rhetoric.

CARLA HILLS SAYS NO

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, it is now 2 months since I personally invited the Bush administration's top United States-Mexico negotiator, Carla Hills, to join me and other Members of Congress on a tour of the Midwest and other United States factories that have closed or down sized here in the United States and then to visit the corresponding plants that have opened in Mexico where workers earn on average $1 or less an hour and cannot even afford to buy the goods they are producing.

On this 60th day, I finally received a response from Carla Hills. The answer is, no.

> No, I won't travel with you. No, I won't go to visit America's unemployed workers. No, I won't go to visit America's workers whose jobs are on the line. No, I won't go to visit Mexico's workers who are exploited every day in the name of profits only.

So I said to myself, what should I do? Well, I am going to up the ante. Now I am going to invite President Bush to travel with us here in America. I am going to send him a letter, to the

White House, and I do not want an answer from one of his aides. I want to know whether he, the President, will be willing to travel with a bipartisan delegation to meet America's workers face to face whose jobs are on the line.

REQUEST FOR INCLUSION OF LETTER IN MEMBER'S STATEMENT

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman will state it.

Mr. WALKER. Would it be an appropriate parliamentary inquiry to ask unanimous consent that the letter the gentlewoman just referred to be placed in the RECORD at this point?

The SPEAKER pro tempore. The Chair would inform the gentleman that that is really not a parliamentary inquiry.

Mr. WALKER. Mr. Speaker, I am asking whether or not it would be appropriate in the procedures of the House at the moment for there to be a unanimous-consent request that the letter to which the gentlewoman just referred be put in the RECORD at this point?

The SPEAKER pro tempore. That is normally the prerogative of the Member possessing the letter. Is the gentleman asking that the letter be put in the RECORD?

Mr. WALKER. Mr. Speaker, I would ask unanimous consent that the letter be included in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ALEXANDER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. WALKER. The gentleman was not standing when he made the objection.

Mr. ALEXANDER. Mr. Speaker, I object.

Mr. WALKER. It is not timely at the present time.

The SPEAKER pro tempore. Objection is heard.

Mr. WALKER. It was not a timely objection, Mr. Speaker.

The SPEAKER pro tempore. The Chair looked at the gentleman sitting and nothing else had transpired. Then the Chair recognized that the gentleman was standing and the Chair put the question again.

MORE BROKEN PROMISES ON THE ECONOMY?

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, every time the majority leadership comes up with a proposal about the economy we get two things—more promises and more taxes. The siren song is: Just a bit more tax revenue and our problems will be solved. Well the ink wasn't even dry on last year's budget—with its largest tax increase in history—before the majority leadership was looking for ways to go back to the well. You don't have to be a certified accountant to see that when you add $163 billion in new taxes to a $200 billion plus budget deficit what you end up with are broken promises and more anxiety among our constituents. The American people are tired of broken promises—tired of a government that absolutely refuses to cut wasteful spending. They said so at the polls Tuesday. Now, look at the papers today—did you know that there is an irrefutable need to build a $71 million visitors center in the Capitol? Americans already believe virtually half of every tax dollar they pay is being wasted. Before we launch into another string of feel good, tax and spend election-year promises, destined to be broken—remember who we work for: The American people want jobs, they want health care and they want security for their families. They don't want higher taxes and they don't want more government waste. Have we got the message?

THE ODYSSEY OF THE CIVIL RIGHTS ACT AMENDMENTS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, the odyssey began last year, 1990, when both the House and the other body adopted the Civil Rights Act Amendments. However, the President vetoed the bill and his veto was sustained.

The odyssey, Mr. Speaker, resumed earlier this year, 1991, when once again this body, the House, passed the Civil Rights Act Amendments of 1991. That spurred action on both sides of the Capitol and at the White House, which has culminated in a bipartisan compromise on Civil Rights Act amendments.

This odyssey, I hope, Mr. Speaker, will end this afternoon when this compromise bipartisan bill is adopted.

This bill will be discussed at length today. Let me just say one or two things, Mr. Speaker. First, this is not a quota bill. This is not a quota bill. This is, however, an important bill to women and minorities. It is a good bill, Mr. Speaker. It is a bill which I hope passes this afternoon resoundingly so that the odyssey which began last year ends today.

VETERANS' DAY

(Mr. LEWIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Florida. Mr. Speaker, I rise today to commemorate the valiant individuals who are our U.S. veterans.

This year, I am proud to recognize a new and distinguished group of veteran, our service men and women who proudly served the United States in the Persian Gulf war. While memories of the gulf war and wars past become less vivid, the lasting memories of unity, sacrifice, courage, and gratitude will come alive on Veterans' Day.

To each veteran, young and old, whose commitment to our country was unwavering and steadfast, please know that the Government's pledge to you is the same. Congress has introduced and passed a number of legislative initiatives to ensure this commitment. I am proud to be a cosponsor of one particular proposal designed to make sure this pledge is met within the VA health care system.

The veteran's bill of rights guarantees that a veteran will not be denied rights, benefits, or privileges based on ethnic background, race, sex, religion, age, or geographic location.

To all of our veterans, my highest regard to you as we celebrate your day of honor on Monday, November 11. We salute you for a job well done.

WESTSIDE SCHOOL CLASS WORKS TO IMPROVE ENVIRONMENT

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, I offer my congratulations today to a classroom teacher, Mrs. Debbie Spencer, and her class at Westside School in Craighead County, AR.

Mrs. Spencer's class has undertaken the project of preservation of the environment, and in my view there are no more important issues on the national public policy agenda than those dealing with protection of the environment.

A nation can spend billions of dollars buying bombers and battleships only to allow its air to be poisoned and its water to be polluted.

Mrs. Spencer's class has undertaken to educate others about the environment and to take direct actions themselves by implementing a recycling program at her school

Mr. Speaker, all of us can do more to help solve the problem of the environment, and Mrs. Spencer and her students at Westside School are certainly doing their part and more in leading the way.

WHY I VOTED NO

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, I want to talk just a moment about yesterday's important bill, the HSS-Education appropriation. Mr. Speaker, I voted no and that was a very difficult vote. There were some very important initiatives, such as women's health issues, and I happen to be opposed to the so-called gag rule. But I voted no because the bill was financially irresponsible.

Mr. Speaker, we simply cannot continue to stand here day after day and speak eloquently about balancing the budget and vote for bills that are 12½ percent over last year.

The other irony was to blame the President for forward spending. Interestingly enough, we do not pay attention to what the President wants if we do not happen to agree, but it is very convenient to use it when he finds it that way. Voting no or vetoing this bill will not destroy these programs. It will be back in a different form.

There will be a bill. We need to set priorities. Mr. Speaker we simply cannot continue to talk about reducing the deficit and vote for bills that are $21.7 billion over the previous year.

□ 1230

TIME FOR PRESIDENT BUSH TO ADDRESS DOMESTIC ISSUES

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, last Friday statistics were released that showed that the recession, something we all know, continues and is growing deeper.

On Tuesday the people of Pennsylvania spoke out in favor of extending unemployment benefits to unemployed workers and to universal access to health care in America.

The President is in Rome, as we know. But his answer to these fears was a veto to the unemployment compensation extension. And even more insulting to the American people was earlier this week, with a straight face, Secretary Sullivan came forward with the President's health plan: a card—no extended benefits, no extended access, no extended insurance, just a card.

Mr. Speaker, I believe that the American people want more than a veto for unemployment compensation benefits, and they need more than a card when they are sick, and they need more than a jet-lagged President.

I can only chalk up this latest health care initiative to jet lag, and I hope the President will come home and address the domestic issues at hand.

CONGRESS SHOULD LIVE BY THE LAWS IT PASSES FOR EVERYONE ELSE

(Mr. GILLMOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILLMOR. Mr. Speaker, there is a strong perception in America today that there is only one kind of law Congress passes that it applies to itself. And those laws are called perks. But the days of Congress bragging about passing much needed legislation while quietly exempting itself from those same laws are over. The American people will not tolerate it. Before there is even further erosion of confidence in this institution, we must apply to ourselves—by the end of this session—the Civil Rights Act, the Equal Opportunity Employment Act, the Age Discrimination Act, among others.

PARLIAMENTARY INQUIRY

Mrs. SCHROEDER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MONTGOMERY). For what purpose does the gentlewoman from Colorado rise?

Mrs. SCHROEDER. For a parliamentary inquiry, Mr. Speaker.

Mr. WALKER. Regular order, Mr. Speaker. Regular order.

The SPEAKER pro tempore. The gentleman from Ohio has the floor. Does the gentleman from Ohio yield for a parliamentary inquiry?

Mr. GILLMOR. I do not yield, Mr. Speaker. I have completed about half of my remarks, and I would like to complete those remarks.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. GILLMOR] has the time and he does not yield to the gentlewoman from Colorado.

The gentleman from Ohio is recognized.

Mr. GILLMOR. Mr. Speaker, if I might continue, the erosion of confidence in this institution will continue unless we apply to ourselves the Civil Rights Act, the Equal Opportunity Employment Act, and many others.

Removing these exemptions is not just a matter of fairness. It is a proposal for good government. We just might get more thoughtful, responsible legislation if Congress were affected by its own actions, whether it is workplace regulation it passes or the checks it bounces.

UNIVERSAL HEALTH CARE ACT OF 1991

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, I come today having shared with the gentleman from Illinois [Mr. RUSSO] on yesterday, his introduction of H.R. 1300, which is the Universal Health Care Act of 1991. I think it is important for Members of this House to understand the importance of this bill.

There are many Americans today who use the emergency rooms of public hospitals as their primary source of health care. So I think that all of the Members of this House ought to join together to assure that such citizens have an opportunity to have available to them appropriate health care.

In addition, there are many senior citizens who have been able to save, to have property that they will lose as they become older and frail and have an inability to be able to take care of their health care needs.

I would urge the support of all Members for these people who have put their life savings aside so that they might be able to know when they come to that point in life where their health care needs to be taken care of that indeed this country will respond to them, as they have historically responded to it through their years of work, through their years of paying taxes and through their years of service toward making America great.

WE NEED ANSWERS TO THE POW/MIA QUESTION

(Mr. CAMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. CAMP. Mr. Speaker, I rise today to help us resolve a painful question that has haunted our Nation for far too long: what happened to American prisoners of war and those who are listed missing in action in Southeast Asia?

I am introducing a resolution that calls on the President not to normalize diplomatic or economic relations with Vietnam until the Select Committee on POW/MIA Affairs in the other body has reported its findings.

This is a reasonable request: Let us give the committee time to finish its job before we normalize relations.

Just 2 days ago, Vietnam's Ambassador to the United Nations said his Government could resolve the question of missing Americans if the United States normalizes relations now.

Asked if that meant his Government was holding back information on missing Americans, the Ambassador declined to comment.

Another doubt was raised by that refusal to respond. Enough doubts already exist. We owe it to the men and women who served our Nation, and their families, to get the answers.

MIDDLE CLASS TAX RELIEF ACT OF 1991

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks).

Ms. DELAURO. Mr. Speaker, the middle class in this country, and in Connecticut, is in serious trouble, and today is the day we stop talking about middle class tax relief and start doing something about it.

This economic slump is a direct result of Republican economic policies.

For too long, taxes on middle class families have risen while their wages have declined. Today Democrats are sending a message to the struggling middle class. We hear you. And we are acting. Middle class Americans are fed up. They believe they've been forgotten. And they're right.

The White House has shown no leadership on job growth, health care, unemployment benefits, or on tax relief for struggling middle class families. Instead, we keep hearing the same tired old rhetoric about capital gains tax cuts for the wealthiest 1 percent of Americans.

Earlier this year, I introduced the Middle Class Tax Relief Act of 1991 which, like the Rostenkowski plan introduced today, would provide tax cuts to all middle-income taxpayers and would be revenue neutral.

Mr. Speaker, Democrats are offering leadership. Today, we're offering a plan to help the middle class. I congratulate Chairman ROSTENKOWSKI for putting his proposal on the table. It's the Democrats who are offering concrete ideas to help the middle class and to spur economic growth.

AWARDING PRESIDENTIAL UNIT CITATION TO CREW OF U.S.S. "NEVADA"

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, today I am introducing a resolution that calls on the President to award the Presidential Unit Citation to the crew of the U.S.S. *Nevada* in recognition of their heroism and gallantry during the attack on Pearl Harbor on December 7, 1941. My colleague, JIM BILBRAY, is joining me in introducing this resolution.

Mr. Speaker, the U.S.S. *Nevada* was the oldest battleship present, but was the only one able to get under way. Over 50 men were killed and over 100 wounded on the ship during the attack.

Although many Congressional Medals of Honor and Navy Crosses were awarded, the entire crew has had no official recognition. In fact, the role of the crew has been either downplayed or overlooked. I believe that it is appropriate for the President to award them the Presidential Unit Citation. The crew performed so courageously and gallantly that I believe they are deserving of this special recognition.

I urge my colleagues to join me in recognizing the crew and to cosponsor this resolution.

BASKETBALL CENTENNIAL DAY

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, 100 years ago, my hometown of Springfield, MA, was in the midst of a time of invention. The Duryea brothers were developing the first gas powered automobile and Dr. James Naismith invented the game of basketball. And while the automobile went on to fame with Henry Ford in Michigan—basketball—the only major sport found in America—has always been identified with Springfield, MA.

So it is with great pride that I introduce this House joint resolution to proclaim December 21, 1991, as Basketball Centennial Day.

Mr. Speaker, a century ago, Dr. Naismith sought to help the athletic-minded students of the School for Christian Workers—now Springfield College—to bridge the gap between fall football and spring baseball. His answer was the creation of a game which involved two teams of players attempting to toss a ball into peach baskets.

Who would have thought that this competition first played in Dr. Naismith's gym class would later evolve into the game that made famous the names of Mikan, Baylor, Cousy, Russell, Byrd, and Jordan. But whatever the level people play, basketball is a game that teaches the ideas of dedication, commitment, and teamwork.

So in conclusion, I urge you to support this tribute to America's game and ask that you cosponsor this resolution before the final buzzer.

CAMPAIGN FINANCE REFORM NEEDED

(Mr. FISH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FISH. Mr. Speaker, on Tuesday, voters in Washington State narrowly defeated a referendum limiting years of service in Congress to 6 years. Next year, similar proposals will be on the ballots in 10 other States. Voters are fed up—fed up with check bouncing, unpaid restaurant bills, and congressional perks—and they are on the verge of taking one step forward and two steps back in an attempt to change things.

Term limits are not the answer—campaign finance reform is. We must level the playing field for qualified challengers by acting to reform franking privileges, encourage compliance with overall spending limits, reduce the influence of PAC's, and decrease broadcast rates to make it easier for challengers to get their message out.

As incumbents, we feel threatened by potential changes to the system which has brought us to, and kept us in, Congress. However, our constituents are demanding reform and it is our responsibility to act. We must restore the faith of the American public in our system of government before their right to choose is permanently restricted.

ESTABLISHMENT OF THE ANNUAL WILLIAM O. LEE, JR. AWARD FOR VOLUNTARISM AND COMMUNITY SERVICE

(Mrs. BYRON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BYRON. Mr. Speaker, today I take great pleasure in announcing that a nonprofit organization in Frederick, MD, Community Living, has established the annual William O. Lee, Jr. Award. This organization, Community Living Inc., is well known in Frederick, MD, for its care of disabled citizens. The annual award will be presented to a citizen of Frederick County who has demonstrated caring, fairness, and giving to the people of Frederick through voluntarism and community service.

I can understand why Community Living chose to establish this annual award in honor of Bill Lee, who exemplifies the best qualities of a public servant and continues to contribute to his community as a volunteer following his retirement from teaching. Bill graduated from Howard University and received his masters from Western Maryland College. He then spent 29 years as an educator, including 13 years as principal of West Frederick Middle School. After his retirement, he became an alderman and was so well known and liked in the community that he received the largest number of votes in Frederick during his reelection in 1989.

Bill is considered by all of us who are lucky enough to know him as one who is always willing to give of himself to help the community and the citizens of Frederick County. For example, in addition to his duties as alderman, Bill volunteers on the boards of many local churches, hospitals, and community organizations, including Frederick Memorial Hospital, the American Red Cross, hospice and community living just to name a few.

The establishment of this award is a tribute to Bill Lee in recognition for his long service of voluntarism and community service work in the Frederick community. I believe future recipients will be truly honored to receive this award in recognition of the work and caring that is so representative of Bill Lee.

SUPPORT THE FAMILY AND MEDICAL LEAVE ACT

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, I am very proud of the message that New Jersey's voters sent to Trenton and Washington on Tuesday. I am equally proud of the method in which the New Jersey Republican Party presented the issues.

The New Jersey Republican Party said the Democratic taxes were unacceptable and that the Republican Party cares about you and your families. Take but one example: The Family and Medical Leave Act. In our platform adopted this September, the New Jersey Republicans committed the now strongly Republican legislature to extending the New Jersey State family leave law to include family and medical leave coverage.

Mr. Speaker, New Jersey Republicans are leading the way for the Nation in saying that today's changing work force needs the protections of family and medical leave. In these tough economic times hard working, tax-paying American families need two paychecks just to get by, pay the mortgage, and educate the kids. When a family medical emergency strikes, the very least the Congress can say is, "Your job is safe." A no vote on family and medical leave is to say to these families, "Go find another job."

The House should pass and the President should sign the Family and Medical Leave Act.

COLLEGE RELIEF FOR MIDDLE-INCOME AMERICANS

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, middle-income Americans need tax relief, but they also need college relief.

College costs are rising by leaps and bounds and middle-income families are seeing their dream of a college education just slip away.

How do these families spell relief? They spell it H.R. 3553, the higher education reauthorization.

This landmark bill is a godsend to Americans who are frantic with worry over college bills. H.R. 3553 massively expands grant and loan aid for middle-income Americans, and under this bill, every American family will be eligible for some form of Federal aid, and aid amounts will be substantially increased.

At the same time our economy will grow as we produce highly skilled workers ready to compete in the world marketplace.

Tuesday's election results are a clear indication that the taxpayers are asking, "What is the Government doing for me?" So do the taxpayers a favor in your district, do the economy a favor, cosponsor H.R. 3553, the bill that puts money in our families' pockets and growth in our economy's future.

SUPPORT THE VETERANS' BILL OF RIGHTS

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Mr. Speaker, as we prepare to return to our districts to honor the service of our Nation's veterans, I rise to support the veterans bill of rights offered by my friend, Mr. STEARNS from Florida.

Mr. Speaker, the veterans of our armed services have been sent around the globe to defend the principles of freedom and democracy for America. We needed their help in moments of crisis, and they responded by serving this Nation with honor and dignity.

I represent a district which has more veterans that need and deserve medical treatment than the system currently serves.

Mr. Speaker, Florida veterans are not receiving adequate treatment. Our veterans deserve equal access, care, and treatment wherever they live.

Mr. Speaker, our veterans fought to protect and preserve the rights of all Americans—it is time for the Congress to protect and preserve the rights of our veterans. Please support the veterans bill of rights.

SETTING THE RECORD STRAIGHT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I had come to this floor planning to speak on the fact that today in Europe the European Community gave their families 14 weeks of paid leave, and I hope that while the President is there he checks in on that, because here we are begging to get him to sign family medical leave which is unpaid.

But as I sat here, I listened to Members one more time come to this floor talking about things that are untrue. If you look at rule LI, this House is under many of the civil rights, sexual harassment, the disability rights, and every other bill. We put ourselves under it even though we would qualify for the small-business exemption.

I am sorry there is not a way to point out when Members come here and say things bashing this institution that are untrue, but I ask them in the future to, please, read rule LI. If they do not think it is strong enough, fine, but do not say we are exempt, because we are not.

Second, those who come here and say that we are not under Social Security, I wish they would, please, read their paycheck. On my paycheck they are taking out Social Security. I understand they are supposed to be taking it out for everyone else. If they are not, I want to know what is going on.

□ 1250

SUPPORT FREE ENTERPRISE—OPPOSE THE RUSSIAN GIVEAWAY

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, I hope we will all share and join in opposing the proposal to distribute a billion dollars of United States defense funds to Russia. This is a faulted proposal for the following reasons:

First, Americans do not want this proposal in the face of economic hurting here at home.

Second, a billion dollars will not save the Russians. The amount needed to bail out the Russians would dwarf the Marshall Plan.

Third, Russia abounds in natural resources, such as oil and strategic materials which our country greatly needs. The Russians should learn about free enterprise firsthand. They should sell us their resources that are needed, which we greatly need, and get hard currency from us which they greatly need.

Mr. Speaker, this is a good place for free enterprise, not more spending, but free enterprise to begin. Please join in opposing this giveaway.

THE LESSON OF THE ELECTIONS

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, there has been a lot of talk in the last few days about the election results and what the meaning of those elections were. Well, I think the elections that took place on Tuesday put this body and put Washington, DC, on notice. In New Jersey we saw the opening shots of a tax revolt that I believe is going to sweep this country. It is America's second great tax revolt, the first having been in 1978. That might have been the second one. The first one might have been back in 1776, come to think of it.

The Republican defeat in Pennsylvania as compared to the Republican victory in New Jersey can be traced to the fact that our candidate in Pennsylvania was tied to the President of the United States, who changed his position on taxes a year ago. One year ago the Democrats in this body forced the President of the United States to renege on his promise to the American people and accept the higher taxes that the Democrats pushed and pushed until the President had to relent and accept the Democratic higher taxes. That tax increase one year ago destroyed our economy.

The next issue in the next election is going to be jobs and taxes, and the Democrats are going to lose on those issues.

WARMED OVER QUOTA BILL WILL MAKE RECESSION WORSE

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, each of us should be actively opposing and fighting against discrimination wherever it exists. That is why I am opposing the compromise civil rights bill, which remains a quota bill.

Mr. Speaker, this Nation is in a recession and the last thing we need to be doing is exposing our small businesses to more lawsuits. By creating a financial bonanza for lawyers and declaring small businesses guilty until proven innocent, the civil rights bill will deepen the recession while forcing businesses to hire by the number.

Mr. Speaker, we need a jobs bill, but the only jobs the civil rights bill creates are for lawyers. Let us say no to discriminatory quotas and vote down the so-called compromise.

WHERE IS THE VISION FOR AMERICA?

(Mr. HEFNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFNER. Mr. Speaker, 2 or 3 days ago my colleague, the gentleman from North Carolina, stood here in this well and said that Members of Congress did not come under the Social Security Act. That was much of a surprise to me, so I immediately rushed back to my office and checked my pay stub to find out if they had been taking out Social Security. He should check his, too, because if they have not been taking out Social Security, somebody is in deep trouble.

And for putting ourselves under the laws that govern small-business people, I have always voted for exemption for small business, and most of these bills that have been passed exempt small business with 25 to 50 employees.

By my last account, I have about 18 employees, and I would not fit into that category anyway, but we are already under these laws that apply to all Americans.

As far as a vision for America that the Republicans keep saying that had they been in charge for all these years, but the last 11 years the Republican vision for America, their budget that they put forward every year at the start of the year, out of the last 12 years, three votes have been taken on the Republican budget, their vision for America. Do you know how many votes they got? One year Jack Kemp voted for the budget. One year 27 people voted for the budget, and 80 is the most votes they have ever had for the Republican vision for America.

It speaks for itself, Mr. Speaker.

PRESIDENTIAL TRAVELS AND DOMESTIC AGENDA

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SENSENBRENNER. Mr. Speaker, I represent Rome, WI, which has about 130 people living there. The residents of Rome, WI, and I believe all Americans want the President of the United States to be the leader of the free world. Americans recognize that in order to maintain that leadership role in the free world, the President of the United States has to periodically meet with the heads of other nations, particularly those that are allied with us. That is why the President is in Rome, Italy, this week.

Hopefully, the negotiations and discussions in Rome, Italy, will bring about a ratcheting down of the American troop strength in Europe, and thus reducing our defense budget and freeing up money to reduce the Federal budget deficit to provide a job creating tax cut as well as to provide money for health care and other social needs.

So before trashing the President going and meeting with our NATO partners, let us look at the good that those kinds of meetings can do. Because NATO is at a crossroads, because of the collapse of the Warsaw Pact, now is the time for George Bush to seize the moment so that we can end up spending less on defense and more on ourselves.

SERIOUS QUESTIONS ABOUT AID TO THE SOVIET UNION

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, it is with deep reflection that I rise today to address my colleagues and express my serious reservations about sending $2 billion from the Department of Defense and the Department of Agriculture to the Soviet Union.

I have drafted a letter that I will urge my colleagues to sign on to the White House to express these concerns in three ways:

First, Mr. Speaker, priorities. When we cannot come up with money for our hard-working people for unemployment benefits extension, that is a serious problem there at home.

Second, timing, Mr. Speaker. The peace dividend for our first dollars to go abroad not to be used in agriculture for our farmers or education of our children is a serious sign and the wrong signal to send to our constituents.

Third, Mr. Speaker, debate. Why can we not debate such a serious proposal and include the American people in this debate?

Mr. Speaker, let me close by saying, we have fought the Soviets in a cold war for 40 years. Let us not commit to feed them for the next 40 years until we discuss ways to foster free markets, democracy, and peace.

□ 1300

LEGISLATING BY SEQUEL

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, in Hollywood, the more sequels, the worse the movie.

By the time "Rocky, Part Fifteen" comes to theaters around the world, it will bear scant resemblance to the Oscar-winning original.

But in Washington, sequels sometimes actually improve the original. The unemployment compensation bill part IV may actually give relief to the unemployed without busting the budget. It has come a long way from the disaster epic that the Democrats originally proposed.

Unfortunately for the unemployed, this sequel was a long time in coming.

Instead of crafting a quality original that the President could sign, the Democrats tried to score political points and then worked to compromise.

I call this legislating by sequel.

If Republicans were in control, legislating by sequel would be a thing of the past. Republicans would get it right the first time.

Mr. Speaker, let us leave the sequels to Hollywood. The unemployed cannot afford these silly political farces anymore.

AMERICA HURTS WHILE THE PRESIDENT "ROMES"

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, yesterday we said on the floor that while Rome burns, Democratic leadership fiddles. That is 180 percent wrong. What is true is that while the President "Romes", parts of America are burning; jobs are going up in smoke, business is folding, and health policies are being cancelled.

The President now says he got the message from Pennsylvania: The middle class is hurting. What is amazing is that it took Pennsylvania for the President to understand that middle-income America indeed is hurting.

SUPPORT EXPRESSED FOR REPEAL OF LUXURY TAX

(Mr. MACHTLEY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MACHTLEY. Mr. Speaker, I rise again today to express my continued concern over the so-called luxury tax on boats which was part of last year's deficit-reduction agreement. It was a bad idea last year, and it remains a bad idea today.

Those of us from States that have been adversely affected, who were once proud marine manufacturers, know that this tax was needless, ill-conceived, and counterproductive. I constantly hear from my colleagues in the Democratic Party, statements about the lack of an agenda on the domestic front and joblessness in America. Yet if they would act on this, they could put some 19,000 employees back to work—1,400 in my own State.

The bill of the gentleman from Florida [Mr. SHAW] would repeal the luxury tax, and it deserves immediate attention. If the chairman of the Committee on Ways and Means would use his influence and power to bring this bill to the floor, I am convinced it would work. Extension of unemployment benefits is a very bad remedy for people that this Congress has put out of work.

UNIFORM BUSINESS TAX WOULD REPLACE ANTIQUATED CORPORATE TAX POLICY

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, over the last few years, I have discussed publicly the need to modernize our tax policy. Our corporate tax system is antiquated, inefficient, and anticompetitive. In fact, the corporate tax is a major reason America is mired in a recession.

I have proposed, for tax policy reasons, a 9-percent uniform business tax to replace the corporate tax. The UBT, as I call it, would address fundamental flaws in our tax policy while providing substantial economic stimulus.

Under the UBT, all capital spending on equipment and machinery would be expensed. Imports would be taxed, all exports would be exempt from tax, and, substantial revenue could be realized to pay for Social Security tax cuts, stimulus to a depressed real estate industry, a cut in taxes on lower- and middle-income Americans, and capital gains.

In short, Mr. Speaker, the revenues from the GATT legal import adjustment under the uniform business tax could be utilized to cut taxes, simplify our Tax Code and put millions of Americans back to work.

CELEBRATE VETERANS DAY BY COSPONSORING THE VETERANS BILL OF RIGHTS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, this weekend America will celebrate its 72d Veterans Day. This is a day we set aside each year to thank those who sacrificed so much to defend our freedoms.

The veteran has carried a burden for all of us. In return, we have an obligation to express appreciation for this priceless gift. The veteran agreed to give up freedoms and opportunities open to those who did not serve. In many cases the veteran sacrificed health and vigor to preserve and perfect our freedoms.

With Veterans Day just 3 days away, I urge my colleagues to cosponsor legislation to ensure that veterans receive the benefits they deserve. I urge all my colleagues to cosponsor the veterans bill of rights, H.R. 3311.

This bill is straightforward: It states that a qualified veteran should not be denied any VA rights, benefits, or privileges on the basis of race, sex, religion, age, or geographic location.

The veterans bill of rights will work toward ending all kinds of discrimination against veterans. These men and women gave so much to our country. We owe them the veterans bill of rights.

BEAR POPULATION IN UNITED STATES THREATENED BY ASIAN DEALERS IN ILLEGAL ANIMAL BODY PARTS

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, New York City has just scored another first—the first gangland style execution of an individual who trafficked in illegal animal body parts. Found dead earlier in the week, Mr. Haeng Gu Lee, a Korean-American, purportedly was a major dealer in animal body parts. I have followed this issue for several years and can assure you that this type of activity is far more common than people realize.

The North American black bear population is being mercilously reduced through the unsavory efforts of poachers and Asian middlemen who have trapped into a very lucrative Asian market for body parts. Once a bear is killed in the forest, its gallbladder and paws are removed. These parts then are sold on the international market; invariably ending up on Japanese, South Korean, and Taiwanese shelves, where they are prized for certain medicinal and culinary properties. An individual bear gallbladder routinely will bring up to $50,000 in Asia, while the going rate for a bowl of bear paw soup in Taiwan now is estimated at about $1,400.

Mr. Speaker, our native black bear population systematically is being wiped out, so that someone halfway around the world can enjoy bear paw soup for lunch. Unless we help the Fish and Wildlife Service and other Government agencies crack down on this outrageous activity, we will be visiting the last of our black bears in zoos.

NEW DISCLOSURES ON BUDGET FIGURES

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute.)

Mr. DORNAN of California. Mr. Speaker, 47 years ago today Franklin Delano Roosevelt, who had already served his country for 12 years, was elected to an unprecedented fourth term. Now, if President Roosevelt were to bring back from Heaven his entire team and ask them to take a look at the budget of the United States today, none of them would qualify to serve their country. They would need a course in advanced mathematics. Here is why:

The budget in 1941, with total outlays, was $13.4 billion. This year's budget is $1,350,891,000,000. That is over a trillion dollars, and 50 years ago yesterday—they were working out the details today—President Roosevelt decided to ask for $1 billion—and imagine, our budget was $13 billion—to send to the Soviet Union for lend-lease to help them hold off the German hordes which were to encircle Leningrad 2 days from now 50 years ago. That was a billion dollars.

Mr. Speaker, what is LES ASPIN, our great chairman of the Committee on Armed Services, asking for out of his authority? Anyway, it should be Foreign Affairs. He is asking for a billion dollars to spread around the Soviet Union when they are in utter chaos and bankruptcy. That $1 billion will not even be noticed. We should teach them how to fish, not to give them fish for 1 day.

OUTRAGE IN YUGOSLAVIA

(Mr. RIGGS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RIGGS. Mr. Speaker, my colleague, the gentleman from California [Mr. DORNAN] is always a hard act to follow.

Mr. Speaker, the last of the hardline, oppressive Communist regimes continues to run unchecked in Eastern Europe, murdering innocent men, women, and children in its wake.

□ 1310

The Republics of Croatia and Slovenia, once free and independent states, forced together against their will by Stalin, continue to seek recognition of independence. Without the full weight of our Nation behind them, the Communist forces of the Yugoslav Army will continue their bloody attacks on villages and towns.

The highly vaunted European Community has proven themselves impotent to deal with one of their first real tests of strength and character. Their negotiating efforts proceed at a snail's pace, while people die.

All hopes for peace have long since disappeared, as all cease-fire agreements have been casually observed, then violently ignored.

Mr. Speaker, the United States of America can no longer bear idle witness to the death and destruction that has left more than 1,000 people dead and an estimated 200,000 homeless in 5 months. For us to sit on the sidelines and do nothing, while this murderous regime visits it death wish on those whose only crime is that they wish to be free, is totally unbecoming of a Nation of our proud heritage.

Mr. Speaker, I urge Members to rally behind this right of self-determination and support House Concurrent Resolution 224 introduced by the gentleman from California [Mr. GALLEGLY] and recognize the independence of the Republics of Croatia and Slovenia, and urge the White House and the President to get behind any peace plans with real teeth in them.

TRIBUTE TO HON. JOHN T. MYERS OF INDIANA

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, tomorrow, November 8, marks an important milestone in the political history of my State of Indiana and this House. November 8, 1966, 25 years ago, our friend and colleague from Indiana, JOHN MYERS, was first elected to Congress.

I know of no Member who is personally liked and respected on both sides of the aisle more than JOHN MYERS. I am proud to have him as the dean of the Indiana Republican delegation in this House, even if our delegation is just the two of us.

There is an adage that you should be able to disagree without being disagreeable. That saying fits JOHN MYERS like a glove. Even our colleagues who may be politically and philosophically opposite of JOHN MYERS, like JOHN MYERS.

I know that even on those rare instances when we part company on an issue, JOHN always lives up to the title, "the gentleman" from Indiana.

I want to congratulate JOHN and Carol on this achievement and wish them many more years of success.

I would also note for the record, Mr. Speaker, that the class elected to Congress on November 8, 1966, included a freshman Republican Congressman from Texas named George Bush.

Congratulations to you, too, Mr. President.

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from California.

Mr. DORNAN of California. Mr. Speaker, might I inquire of the gentleman from Indiana [Mr. BURTON] where in the great State of Indiana the river called Tippecanoe is located?

Mr. BURTON of Indiana. It is up near Lafayette.

Mr. DORNAN of California. Is it in the district of the gentleman from Indiana [Mr. MYERS]?

Mr. BURTON of Indiana. It is.

Mr. DORNAN of California. Mr. Speaker, in 1811 that battle was fought on this very day, November 7. Is the gentleman telling this House Tippecanoe and MYERS, too?

Mr. BURTON of Indiana. That is right.

Mr. DORNAN of California. I love it.

VANDALISM IN CROATIA

(Mr. KASICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KASICH. Mr. Speaker, the terrible war in Yugoslavia drags on while the world watches. The causes of the war are admittedly complex, and no side is without fault, but the results are easy enough to understand: The Communist-dominated Serbian Government has conducted a shameful war against civilians in Croatia. Thousands of lives have been lost. The economic damage has been calculated in the billions. Perhaps most shamefully of all, the Serbian Army has conducted a campaign of deliberate vandalism against Croatia's cultural heritage. They are destroying a part of Europe's cultural treasure as we speak.

It is time to stop wringing our hands. So far, we have not even gotten Serbian dictator Milosevic's attention. Our Government should recognize Croatia and the other republics that want to be free of Milosevic's Communist rule. We should place comprehensive sanctions against Serbia, including an oil embargo. We should also consider freezing the assets of the Yugoslav Federal State and distributing the proceeds to the successor republics—except for Serbia—on a pro rata share. Mr. Speaker, perhaps that will get Mr. Milosevic's attention.

CONGRATULATIONS TO DALLAS' NEW MAYOR, STEVE BARTLETT

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I rise today to inform Members that a former colleague, Steve Bartlett, the former Representative of the Third District of Texas, was elected mayor of Dallas 2 days ago. Steve Bartlett won an impressive victory, getting twice as many votes as the next candidate. He put together an impressive coalition of minorities and grassroots citizens in the city of Dallas. He won without a runoff. He won in an election that had been delayed for over 6 months because of problems with city redistricting.

Steve, we are going to miss you in Washington, but we wish you the best of luck in Dallas and look forward to seeing you when you come up here to represent the citizens of Dallas.

CONGRESS OUGHT NOT BE PRIVILEGED POTENTATES

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, a number of my Republican colleagues have come to the floor over the last several days and indicated that if Republicans controlled the Congress, that we would force Congress to live under the same rules and laws that other Americans live under.

Some of my colleagues from the Democratic side have taken great umbrage at that, with the very idea that somebody would raise the question of Congress not living under the laws that it makes for others.

The Democrats who have controlled the Congress for 40 years believe themselves to be privileged potentates who ought not have to obey the laws of other people. So they have come to the floor defending that.

The gentleman from North Carolina earlier today said, "We live under the Social Security law," and he is right. We do. It took us 50 years to get there. After 50 years Congress finally decided it ought to participate under Social Security.

The gentlewoman from Colorado told us that we have our own Civil Rights Act. It is under rule LI. Of course, that is different from the civil rights law. What we are suggesting is maybe we ought to live under the civil rights law that other Americans have to obey, not just our own.

What about unemployment compensation, and what about the whole business of the Fair Labor Standards Act? You know, the minimum wage?

We are under that law, too, except we exempted all of our employees. We took it to the House Administration Committee where they figured out this way of exempting all our employees, despite the fact we are under the law.

That is the kind of thing that we find all the time in the Congress: Where Congress is covered by the law, it finds a way to wiggle out.

We ought not be privileged potentates. The Congress ought to obey the laws that everybody else does. A Republican Congress would do so.

CIVIL RIGHTS ACT OF 1991

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 270 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 270

Resolved, That upon adoption of this resolution it shall be in order to consider in the House the bill (S. 1745) to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes. Debate on the bill shall continue not to exceed one hour, with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, and with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor. The previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to commit, which may not contain instruction.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], and pending that, I yield myself such time as I may consume.

Mr. Speaker, all time yielded will be for the purpose of debate only.

Mr. Speaker, House Resolution 270 makes it in order to consider in the House the Senate bill 1745, to amend the Civil Rights Act of 1964 and to restore and strengthen civil rights laws that ban discrimination in employment. The rule provides for 1 hour of general debate, 30 minutes to be equally divided between the chairman and ranking minority member of the Committee on the Judiciary, and 30 minutes to be equally divided between the chairman and ranking minority member of the Committee on Education and Labor.

In addition, the resolution provides one motion to commit the Senate bill which may not contain instructions.

Mr. Speaker, this is an extraordinary situation and thus we have an extraordinary rule. As my colleagues are all aware, the substance of this civil rights legislation has been the subject of countless committee meetings, days of floor debate and hours of intense negotiation for almost 2 years.

During this time the sponsors of various bills, committee chairmen and ranking members and many others have gone far beyond the extra mile to arrive at a package that can be agreed to by both Chambers of Congress and by the President. The bill before us today is not a perfect bill, it is a compromise, with all that a compromise entails.

This particular compromise was largely constructed in the other body in conjunction with the administration. Many of the Members on this floor see certain deficiencies in S. 1745 needing amendment. However, the Committee on Rules was given the most firm assurance yesterday that the other Chamber is absolutely committed to the bill as written and that any changes would jeopardize the compromise.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in reluctant opposition to this rule because I support the compromise Civil Rights Act embodied in S. 1745. But I also believe the legislation can be improved without jeopardizing this delicately crafted agreement between the President and the overwhelming majority of our colleagues in the other body.

President Bush is to be commended for holding firm on his pledge to seek a strong civil rights law that bans discrimination in employment without forcing employers to resort to quotas to avoid unreasonable litigation.

□ 1320

I believe S. 1745 can accomplish this objective. Unfortunately, the Committee on Rules rejected our attempts to make in order amendments by the gentleman from Illinois [Mr. HYDE] and the gentleman from California [Mr. RIGGS] that would extend to employees of the House of Representatives the same rights and rules applicable to those in the private sector.

Our friends in the other body took the courageous step of applying this bill and other major antidiscrimination laws to their employees. Although the House has instituted procedures to allow an individual to file a complaint, it does not allow or judicial review, a right provided to employees of the private sector and the executive branch.

In addition, Mr. Speaker, the Committee on Rules also rejected our efforts to make in order a number of clarifying amendments offered by the distinguished gentleman from New York [Mr. SOLOMON], our very distinguished ranking Republican Member. His amendment seeks to clarify that the exemption already applying to Senate employee hiring decisions based on political compatibility and affiliation would likewise apply to the hiring decisions of elected State and local officials.

The language in S. 1745 can be interpreted to mean that State and local elected officials may not consider the political affiliation of prospective employees. Finally, Mr. Speaker, the rule does not permit the traditional right of the minority to offer a motion to recommit with instructions.

I recognize that the gentleman from Massachusetts, Chairman MOAKLEY, is concerned that the circumstances surrounding this legislation are unusual. I hope we can get some assurance that this will not become a pattern of abuse.

Mr. Speaker, the amendments proposed by my colleagues on this side of the aisle would undoubtedly be approved by the other body and sent to the President for his signature. They are an attempt to address a double standard that exists between the Government and the private sector. By not allowing the amendments to be considered, we are continuing an arrogant stance that has undermined public confidence in Congress as an institution.

As the President so eloquently stated, "The American people want Congress to comply with the same laws that are imposed on everyone else."

Mr. Speaker, unfortunately, the rule does not allow us to address this issue. For this reason, I cannot support the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. WHEAT. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to the resolution. I do so because this is a closed rule. It prohibits us from offering an amendment the bill desperately needs, to fulfill its promise of restoring the meaning of our civil rights laws.

This bill is filled with fine and noble words about protecting workers against unlawful discrimination, about expanding the scope of the civil rights laws. It is supposed to overturn five Supreme Court cases, including the notorious decision in Wards Cove Packing Co. versus Atonio. We are all supposed to be proud of what we have done here, to congratulate ourselves.

But I cannot join the party just now. Someone has brought a skunk into the garden. You can find it in section 402(b) of this bill, way back on page 77, where it says:

> Notwithstanding any other provision of this Act, nothing in this Act shall apply to any disparate impact case for which a complaint was filed before March 1, 1975, and for which an initial decision was rendered after October 30, 1983.

Those are not noble words. Those are the words that exempt one case, Wards Cove Packing Co. versus Atonio, from everything in this bill. Those are the words that condemn 2,000 Alaska cannery workers to what one Supreme Court Justice called a plantation economy.

They are the plaintiffs in this case, and many of them are my constituents. For them, and for them alone, this bill means that Wards Cove versus Atonio will forever be the law of the land. For them, this bill is a lie.

Twenty-five of us wanted to offer an amendment to remove this special-interest provision that protects a violator of civil rights and punishes the victims. But this closed rule forecloses that amendment. This rule closes the courthouse door to a group of Asian-Americans and Alaska Natives who have worked hard and sought justice for 17 years and who deserve better from the Congress of the United States.

They also deserve better from the administration. Last night, while Frank Atonio watched, the Rules Committee was forced to adopt a closed rule, because the White House said the bill will be vetoed if this Wards Cove exemption is removed.

I know that the committee had no choice, when faced directly with a veto threat. I especially thank the gentleman from Missouri [Mr. WHEAT], who stood up for the cannery workers against that threat.

Frank Atonio wrote a letter to Senator ADAMS, and I will include that letter and other material in the RECORD. Mr. Atonio said:

> I do not see how a law which was designed to overturn the Supreme Court decision in our case can exclude only our case from coverage.

I do not know what to tell Mr. Atonio. But now I know whom to ask. If the President truly would reverse himself on this bill and veto it, just because we remove the exemption for one company, then the President ought to have the courage to say so in public. He ought to explain why this bill requires the betrayal of these workers.

Perhaps the President will explain these things when he returns to the United States.

So let us now praise the Civil Rights Act of 1991, which the President will sign after doing everything he could for 2 years to stop it. And let us, by all means, acknowledge the hard work, the vision, and the determination of our chairmen and others in both Houses, from both parties, who have made it possible.

But as we congratulate each other, and go home to tell our constituents what we have done for civil rights, let us remember my constituent, Frank Atonio, and the 2,000 cannery workers whose quest for justice will be sacrificed on George Bush's altar of racial politics.

I am going to vote for this bill because it will do great good for millions of people. But it abandons and betrays 2,000 people who had the courage to stand up and fight discrimination when they were faced with it. We should not abandon them. We should protect and support them, and that is why I am voting against this rule.

HOUSE OF REPRESENTATIVES,
Washington, DC, November 4, 1991.

Hon. Joseph Moakley,
Chairman, Committee on Rules, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: In the near future, the House is expected to take up S. 1745, the Senate version of the Civil Rights Act of 1991. Like you, we have worked for the enactment of this historic legislation. But we are appalled at the provision of the Senate bill which exempts a single employer, Wards Cove Packing Co., from its protections.

This exemption is a cynical betrayal of some 2,000 Asian-Americans, Alaska Natives, and other minority workers who have been employed in Wards Cove's Alaska canneries over the past 17 years. They brought the legal challenge to plantation-like conditions which made this bill necessary. We owe it to them to restore the meaning of the 1964 Civil Rights Act, as we seek to do in this bill for every other American worker.

Many supporters of the Civil Rights Act of 1991 are concerned that changes in the language negotiated between Senators and the White House might trigger a veto of the bill. To the best of our knowledge, the exemption of the *Wards Cove* case was an accommodation among Senators, not a condition for White House approval. Therefore, removing this section should not result in a veto.

We hope your Committee will give the House an opportunity to prevent a travesty of justice, by amending the bill to apply its provisions to the one employer in this country which has won an exemption in the Senate.

Sincerely,

Jim McDermott, Robert T. Matsui, Pat Schroeder, Les AuCoin, Patsy T. Mink, Jolene Unsoeld, Howard L. Berman, Chet Atkins, Nancy Pelosi, Pete Stark, Jim Traficant, Norman Y. Mineta, Gerry Studds, Bernard Sanders, Major R. Owens, Esteban Torres, Craig Washington, Neil Abercrombie, Mel Levine, Al Swift, Ronald J. Dellums, George Miller, Jose Serrano, Jim Jontz, Edward R. Roybal, Eni F.H. Faleomavaega.

OCTOBER 28, 1991.

Re, Danforth-Kennedy Civil Rights Act of 1991.

Senator BROCK ADAMS,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ADAMS: I am the Frank Atonio of *Wards Cove Packing Co. v. Atonio.*

I am writing out of a deep concern about a section in the Civil Rights Act of 1991 which excludes our case from coverage.

It says the Act shall not apply "to any disparate impact case for which a complaint was filed before March 1, 1975 and for which an initial decision was rendered after October 30, 1983."

I am told no other case in the country besides ours meets these criteria, so no other case in the country is excluded from coverage.

I am told this provision was added at the insistence of Senators Murkowski and Stevens, the two senators from Alaska where Wards Cove Packing Company has its operations. I am also told Wards Cove Packing Company has done a great deal of lobbying in Washington, D.C. to get this provision.

Like other non-whites at Wards Cove Company, I worked in racially segregated jobs, was housed in racially segregated bunkhouses and was fed in racially segregated messhalls. A number of us brought the case to redress the injury caused by racial discrimination. But we now see the original injury compounded by a new injury—one caused by a special exemption obviously designed to make it hard for us redress the racial discrimination.

The Civil Rights Act of 1991 was drafted in part to overrule the Supreme Court decision in our case. It says:

"The Congress finds that—

* * * * *

"(2) the decision of the Supreme Court in Wards Cove Packing Company v. Atonio, 490 U.S. 624 (1989) has weakened the scope and effectiveness of Federal civil rights protections. . . .

* * * * *

"The purposes of this Act are—

* * * * *

"(2) to codify the concepts of 'business necessity' and 'job relatedness' enunciated by the Supreme Court in Griggs v. Duke Power Co., 401 U.S. 424 (1971), and the other Supreme Court decisions prior to Wards Cove Packing Company v. Atonio, 490 U.S. 642 (1989)."

I do not see how a law which was designed to overturn the Supreme Court decision in our case can exclude only our case from coverage. I would appreciate your asking the sponsors (both Republican and Democrat) how they can justify this special exemption.

We have been fighting our case for seventeen and one half years. It was nearing a conclusion when the Supreme Court decided to use it to overturn well established law. We now see new roadblocks raised, which place a just resolution farther in the future.

Few workers in the country are as economically disadvantaged as non-white migrant, seasonal workers, a group which comprises the class in our case. Yet the special exemption in the bill will now make it harder for us than anyone else to prove discrimination against our former employer.

I would appreciate your doing everything in your power to fight this provision.

Yours truly,

FRANK (PETERS) ATONIO.

NORTHWEST LABOR AND
EMPLOYMENT LAW OFFICE,
Seattle, WA, October 28, 1991.

Re Danforth-Kennedy Civil Rights Act of 1991

Senator BROCK ADAMS,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ADAMS: I am an attorney for the plaintiffs in *Wards Cove Packing Co.* v. *Atonio.*

I am writing about section 22(b) of the pending Civil Rights Act of 1991, which reads:

"Notwithstanding any other provision of this Act, nothing in this Act shall apply to any disparate impact case for which a complaint was filed before March 1, 1975 and for which an initial decision was rendered after October 30, 1983."

The clear aim of this provision is to exclude *Wards Cove* from coverage, despite the fact the bill was designed in part to overrule the Supreme Court decision in *Wards Cove.*

The provision apparently has its genesis in an amendment Senator Murkowski offered to the Civil Rights Act of 1990. He wrote at the time:

"During Senate consideration of S. 2104, the Civil Rights Act of 1990, I intend to offer an amendment that will inject a much needed element of fairness into the bill.

"As presently drafted, Section 15 of S. 2104 would apply retroactively to all cases pending on June 5, 1990, regardless of the age of the case. My amendment will limit the retroactive application of S. 2104 to disparate impact cases for which a complaint was filed after March 1, 1975.

"To the best of my knowledge, *Wards Cove Packing* v. *Atonio* is the only case that falls within this classification.

For your convenience, I am attaching a copy of Senator Murkowski's July 11, 1990 letter to his colleagues.

Similarly, a question and answer sheet Senator Murkowski circulated at the time says:

"Q. Why does the amendment use a March 1, 1975, date?"

"A. The date is keyed to the date the final complaint was filed in the *Wards Cove* case."

For your convenience, I am attaching a copy of the question and answer sheet.

Senator Murkowski later added the words "and for which an initial decision was rendered after October 30, 1983" to the amendment to ensure only *Wards Cove* would be affected. The initial decision on the merits after trial in *Wards Cove* was filed on November 4, 1983.

Clearly, the provision operates as a piece of special legislation for Wards Cove Packing Company, a firm which apparently financed a wide-scale lobbying effort for the provision.

I have three principal concerns about this provision.

First, the provision undermines precisely the ideas of fairness and equality the civil rights bill is at least partially intended to restore. It tells people an act designed to ensure evenhanded treatment can still be bent for the benefit of special interests.

Even if the civil rights bill could accommodate special rules for individual employers, Wards Cove Packing Company would be a poor candidate for such special treatment.

The Alaska salmon canning industry has had a long history of racial discrimination. Wards Cove Packing Company itself has received some of the sharpest criticism from individual Supreme Court justices in any discrimination case in memory.

Justice Stevens, writing in dissent for four justices in the case, wrote:

"Some characteristics of the Alaska salmon industry described in this litigation—in particular, the segregation of housing and dining facilities and the stratification of jobs along racial and ethnic lines—bear an unsettling resemblance to aspects of a plantation economy." *Wards Cove Packing Co.* v. *Atonio*, 490 U.S. 644 n. 4 (1989).

Similarly, Justice Blackmun, wrote:

"The salmon industry as described by this record takes us back to a kind of overt and institutionalized discrimination we have not dealt with in years: a total residential and work environment organized on principles of racial stratification and segregation * * *. This industry has long been characterized by a taste for discrimination of the old-fashioned sort: a preference for hiring nonwhites to fill its lowest-level positions, on the condition that they stay there." Id. at 662.

The Court of Appeals also found Wards Cove Packing Company's practices vulnerable to challenge under Title VII, writing:

"Race labelling is pervasive at the salmon canneries, where 'Filipinos' work with the 'Iron Chink' before retiring to their 'Flip bunkhouse.'" *Atonio* v. *Wards Cove Packing Co.*, 827 F.2d 439, 447 (9th Cir. 1987). And other lawsuits involving racial discrimination in the Alaska salmon industry have resulted in broad findings of liability.[1]

Placing Wards Cove Packing Company beyond the reach of the civil rights bill would be an affront to the minority workers—many from Washington—whom the Alaska salmon industry has long confined to menial and low paying jobs.

Second, Wards Cove is an ongoing case which ought not be decided on the basis of special legislation urged by an individual employer. An appeal in the case is currently pending before the Ninth Circuit.

When the case is finally decided, it should be decided on the same rules which apply to other cases.

The civil rights bill—including the disparate impact section—was designed to at least partially restore civil rights law to the settled condition it held for years before the Supreme Court's October 1988 term. Given the concern for continuity, an amendment which would permit a special exemption for only one case is markedly out of place.

I am told Wards Cove Packing Company based much of its lobbying effort on the fact it has spent large sums in defending the case. But these costs are being largely defrayed by insurers, whose liability for them is a matter of public record.

Third, the provision raises grave constitutional questions. Because it represents an effort by legislators to dictate the outcome of a single case by exempting the case from rules of general application, it violates the separation of powers. Because it singles out the Wards Cove plaintiffs for disfavored treatment without any overriding governmental interest, it is vulnerable to an equal protection challenge. And it implicates some of the concerns which underlie the prohibition against bills of attainder.

I would appreciate any efforts you can make to ensure this provision is deleted from the civil rights bill.

Thank you for your attention to this.

Yours very truly,

ABRAHAM A. ARDITI.

FACTS ABOUT WARDS COVE V. ATONIO

WHAT IS THE CASE ABOUT?

Employment practices at several Alaska salmon canneries operated by Seattle-based Wards Cove Packing Company, Inc.

The canneries operate during each summer's salmon run. Plaintiffs are about 2,000 past and present cannery workers, primarily of Filipino, Samoan, Chinese, Japanese, and Alaska Native descent, who held low-paying seasonal jobs on the cannery line but could not obtain higher-paying non-cannery jobs with the company.

Virtually all cannery workers were minorities, and most non-cannery employees were white. The two types of jobs were filled through separate hiring channels. Recruitment for cannery jobs was through a union hiring hall in Seattle and directly from Native villages near the canneries. Recruitment for non-cannery jobs was primarily by word of mouth, there was extensive hiring of employee relatives, there were few objective qualifications for non-cannery jobs, and openings were not announced to cannery workers. Cannery and non-cannery employees were housed in separate bunkhouses and fed in separate messhalls.

WHAT IS THE HISTORY OF THE CASE?

It was filed in 1974, three years after the decision in *Griggs* v. *Duke Power*, as one of three companion cases challenging racial discrimination by employers in the Alaska salmon canning industry. The other two cases resulted in broad findings of liability.

The *Wards Cove* case has been to court nine times in the 17 years since its filing, and has never been fully decided by the District Court on the *Griggs* standard. When the *Griggs* standard was applied by the Court of Appeals, the plaintiffs prevailed. The chronology:

(1) The U.S. District Court for Western Washington dismissed because the plaintiffs had not properly identified the defendant companies in their complaint.

(2) The 9th Circuit Court of Appeals reversed as to Wards Cove Packing Co., finding that it had been adequately identified.

(3) After a 12-day trial in 1982, the District Court found for the employer, but did not apply the disparate-impact analysis required under *Griggs* to the employer's so-called "subjective" practices. These included the use of subjective hiring criteria, word-of-mouth recruitment, and use of separate hiring channels for largely white and non-white jobs.

(4) A 3-judge Court of Appeals panel affirmed the District Court judgment in 1987, but this opinion was withdrawn because of a conflict between cases within the 9th Circuit on the applicability of *Griggs* analysis to "subjective" practices. The case was presented for review to the full Court of Appeals.

(5) The full Court of Appeals held that *Griggs* applied to all employment practices, and returned the case to its panel.

(6) The Court of Appeals panel held that the plaintiffs had made a prima facie case of disparate impact in hiring, housing, and messing, and remanded to the District Court to allow the employer to show the business necessity of its practices under the *Griggs* standard.

(7) Instead of offering proof of business necessity, the employer appealed the Court of Appeals decision. This resulted in the Supreme Court decision of June 5, 1989, altering the standards for disparate-impact cases, which the Senate-passed Civil Rights Act of 1991 purports to reverse. The Supreme Court remanded to the Court of Appeals for further proceedings.

(8) The Court of Appeals remanded to the District Court for application of the new *Wards Cove* standard.

(9) Applying the new 1989 standard, the District Court found for the employers and dismissed the case in June 1991.

(10) Plaintiffs have appealed on several grounds to the Court of Appeals. If the Civil Rights Act is enacted without the Murkowski amendment, the company will have to show, for the first time, the business necessity of practices which have a discriminatory impact on minorities. If the Act includes the Murkowski amendment, the workers will probably never obtain justice.

HAS WARDS COVE PACKING COMPANY BEEN "FOUND INNOCENT" OF DISCRIMINATION?

Never under the *Griggs* disparate-impact standard that applied when the case was filed. The District Court did not find intentional discrimination, but it did not properly evaluate the statistical evidence or apply the *Griggs* standard to all the practices resulting in a disparate impact on minorities.

The only court to evaluate Wards Cove's subjective practices under the *Griggs* standard was the Court of Appeals in 1987. It reversed the District Court's dismissal of the case. And it found Wards Cove's justifications for segregated housing and messing inadequate under *Griggs* (827 F.2d. 439).

If the company thought it could win the case on the merits, it could have let the Court of Appeals decision stand and offer proof of business necessity in District Court under the *Griggs* standard, instead of appealing to the Supreme Court.

The company has spent $2 million in legal fees and $175,000 in lobbying expenses to avoid having to justify its practices under the standards that applied when it was sued.

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[1] *Domingo* v. *New England Fish Co.*, 727 F. 2d 1429 (9th Cir. 1984), modified, 742 F.2d 520 (1984); *Carpenter* v. *Nefco-Fidalgo Packing Co.*, C74-407R (W.D. Wash. May 20, 1982) (order on liability).

IF WARDS COVE IS COVERED UNDER THE CIVIL RIGHTS ACT OF 1991, WILL ITS 1971 CONDUCT BE MEASURED BY 1991 STANDARDS?

No. The Civil Rights Act of 1991 reinstates *Griggs*, which was decided in 1971. The Senate bill says the purpose of the Act is "to codify the concepts of 'business necessity' and 'job related' enunciated by the Supreme Court in Griggs." Wards Cove's 1971 conduct would be judged by the standards set in 1971, which had prevailed until two years ago.

WHAT DID THE JUDGES WHO HEARD THE APPEALS THINK OF CONDITIONS AT WARDS COVE CANNERIES?

Judge Tang, 9th Circuit Court of Appeals: "Race labeling is pervasive at the salmon canneries, where 'Filipinos' work with the 'Iron Chink' before retiring to their 'Flip bunkhouse.' The district court did not find the conduct laudatory but found that it was not 'persuasive evidence of discriminatory intent.' Perhaps not, but the court must carry the analysis further and consider whether such a practice has any adverse impact upon minority people, i.e., whether it operates as a headwind to minority advancement." (From opinion, 1987)

Justice Stevens: "Some characteristics of the Alaska salmon industry described in this litigation—in particular, the segregation of housing and dining facilities and the stratification of jobs along racial and ethnic lines—bear an unsettling resemblance to aspects of a plantation economy." (From dissent to Supreme Court decision, 1989)

Justice Blackmun: "The harshness of these results is well demonstrated by the facts of this case. The salmon industry as described by this record takes us back to a kind of overt and institutionalized discrimination we have not dealt with in years: a total residential and work environment organized on principles of racial stratification and segregation, which, as Justice Stevens points out, resembles a plantation economy. This industry long has been characterized by a taste for discrimination of the old-fashioned sort: a preference for hiring nonwhites to fill its lowest-level positions, on the condition that they stay there." (From dissent to Supreme Court decision, 1989.)

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER], a very hardworking member of the Committee on the Judiciary.

Mr. SENSENBRENNER. Mr. Speaker, I rise in strong opposition to this closed rule, a rule which prevents the House of Representatives from including itself under the antidiscrimination provisions adopted by the other body for its employees; a rule that makes Congress stand apart from the rest of society in not providing either jury trials or punitive damages for our own employees who happen to be the victims of unlawful discrimination; a rule that does not provide for any kind of judicial review over proven cases of discrimination in the House of Representatives; a rule which exempts Members of the House of Representatives from personal liability should they decide to intentionally discriminate or harass members of their staffs or other employees of the House of Representatives.

During the 1-minute speech time today we heard speaker after speaker say, yes, Congress was setting itself aside and, no, Congress was not setting itself aside. I am here to tell my colleagues that the plain text of the Senate bill that has come on over, which we will be considering under this closed rule, does statutorily exempt Congress from both the jury trials and the punitive damages that we are imposing upon the private sector, as well as exempts Members of the House of Representatives from personal liability that the other body decided to impose upon its own Member and officers and the President of the Senate.

That is not right. It is shameful. And the procedure by which this rule proposes to consider this bill will mean that those of us that wish to do away with congressional exemptions under the civil rights law will be precluded from offering amendments to do so. And that is shameful, too.

□ 1330

Mr. Speaker, it seems to me that if Congress is serious about bringing ourselves and our institution under the same rules that we are proposing to impose upon the private sector of our economy through this bill, this rule must be defeated. Defeat of the rule will not mean the killing of the civil rights bill for this year. It will mean that the civil rights bill can be put into a conference to work out not only the problems which I have discussed in the course of these remarks, but the legitimate concerns brought up by the gentleman from Washington [Mr. McDERMOTT] as well.

It seems to me that going the closed rule route means that we are becoming a unicameral legislature, a unicameral legislature not of this body, but of the other body on the other side of the Capitol Building. The Framers of our Constitution intended for the Legislature of this country to be bicameral so that one House can correct the mistakes of the other. There are mistakes in this bill. They cannot be corrected if this bill is adopted and we send the Senate bill off to the President, unamended.

Vote down the rule.

Mr. WHEAT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I mentioned, I have a number of speakers who wish to address the Wards Cove exemption issue, but I believe it is important that we put to rest the issue of whether or not the Congress has exempted itself from the Civil Rights Act of 1991. I think Members should note that House rule LI specifically grants all House employees full protection against discrimination based on race, color, national origin, religion, sex, handicap, or age. Rule LI further requires that these antidiscrimination rules must be interpreted to the principles of current law, which if in fact we pass the Civil Rights Act of 1991 would include that law for purposes of interpretation of House rule LI that does in fact give House employees the same rights and protections as employees in the private sector, including timely hearings, an appeals process, and the right to financial compensation.

Mr. DREIER of California. Mr. Speaker, I yield 30 seconds to my friend, the gentleman from Wisconsin [Mr. SENSENBRENNER] to respond to the statement from the gentleman from Missouri.

Mr. SENSENBRENNER. Mr. Speaker, nowhere in the Civil Rights Act of 1991 are there any jury trials or punitive damages for the employees in the Congress, and nowhere in the Civil Rights Act of 1991 is there personal liability for the Members of the House who happen to commit unlawful violation. That is not in House rule LI either.

Now, no right is worthwhile without an appropriate remedy. What is happening here is that the remedies are extremely curtailed in order to get Congress off the hook.

Mr. WHEAT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I thank the gentleman for yielding time to me.

I urge a no vote on the rule. I think this bill would have been a wonderful bill, it would have been a great bill. But it is not a good civil rights bill because of the issue the gentleman from Washington [Mr. McDERMOTT] has raised. Let me read the preamble. Providing for the consideration of a bill to amend the Civil Rights Act of 1964 to strengthen and improve the Federal civil rights to provide damages in cases of intentional employment discrimination and clarify provisions regarding disparate impact cases.

As the gentleman from the State of Washington had mentioned, 2,000 people in one company, Wards Cove, happen to be exempted from the civil rights law we are about to pass, 2,000 people who brought the case to bring this issue to the House of Representatives in 1974, 17 years ago.

A civil rights bill is not a civil rights bill if it excludes from its provisions any citizen of this country. One can say the Constitution was upheld back in 1941 when 120,000 Americans of Japanese ancestry were taken from their homes and put in internment camps because a majority of them were not. That is not the way this country operates. That is not the fundamental principles of our Constitution, and this body should be shameful if it allows this rule to pass exempting 2,000 people who brought this case to our attention.

Mr. DREIER of California. Mr. Speaker, I am happy to yield 5 minutes to the gentleman from California [Mr. DOOLITTLE], a very hardworking Member who feels very strongly about this issue.

Mr. DOOLITTLE. Mr. Speaker, although self-styled a civil rights bill, this bill commits grave wrongs against our citizens by violating fundamental notions of justice and equity contained in our Constitution and Declaration of Independence. This bill wrongs employers by denying them certainty in the law, a lack of which gave rise to the disgraceful set of facts surrounding Wards Cove, where an employer was bounced back and forth eight different times before various courts, at least once before the Supreme Court of the United States, hundreds of thousands of dollars of attorneys' fees, reams of negative publicity and never found guilty of any discrimination.

Now, Wards Cove is exempted by this bill, thank goodness. However, all the other potential future employers are going to have to fear what Wards Cove went through, and the natural result will be to adopt quotas in order to avoid that type of costly and embarassing litigation. This bill wrongs employees of all races and both genders who have the right to be considered for employment and promotion on the basis of merit, not race or gender. This bill commits grave wrongs to all Americans by taking away the right in employment discrimination cases to be deemed innocent until proven guilty, certainly one of the fundamental rights of Americans.

Mr. Speaker, this legislation is also a lawyer's bonanza. Under this bill we will have jury trials, and we will have damages up to $300,000 that may be awarded; oh, yes, and court costs and attorneys' fees and expert witness fees. This is a tremendous injustice and burden to any employer.

The Daniel Lamp Co. is a case that many of us are familiar with from 60 Minutes which aired the piece "Numbers Game" CBS News. This company had two white employees, the president and his father, a man who was interned in Auschwitz. The rest of the employees were racial minorities, 18 Hispanics and 8 blacks. The EEOC, however, did their disparate impact analysis under title VII, which this bill for the first time places in statute with our imprimatur, and said "Sorry, you needed 8.45 blacks. You have a problem here and owe $145,000."

Now, Daniel Lamp was also a disparate treatment case, involving intentional discrimination. But I would submit that every employer in America is going to be faced with these similar sets of circumstances and will be compelled to use quotas in order to avoid litigation.

When Martin Luther King argued for civil rights over 20 years ago he envisioned a society in which people would be judged by the content of their character rather than their race, ethnicity, gender, relevant labor markets or meaningless statistics. Today, sadly, we are considering a rule on a bill, and soon will be considering the bill which would force employers to hire based on the numbers, which would reverse the traditional concept of being deemed innocent until proven guilty, which would guarantee a morass of costly litigation and which would invalidate merit as the basis for employment or job advancement.

I believe this bill is a true insult to the concept of civil rights, meaning the rights that all Americans of both genders and all races enjoy, thanks to our Constitution and Declaration of Independence.

Mr. Speaker, I urge the defeat both of the rule and of the bill.

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Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the distinguished gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Speaker, I thank the gentleman for yielding me this time.

Today marks a very sad day in a way, because we are confronted with a situation of having to vote for a rule which in itself will bar this House from considering the ignominious provision which was added in the Senate which debases the very title of this bill, and that is civil rights for the people of this country. The Senate, in some sort of a deal in order to collect votes, accepted an amendment which would bar the very plaintiffs that have been working for 17 years to perfect their rights in the workplace from continuing with their litigation.

Every other plaintiff with a pending case can move forward with the new rules, with the new procedures that this bill is going to establish, except for the plaintiffs in the Wards Cove case, Eskimos, Asian Pacific Americans who work in this fishing cannery, who have the most demeaning jobs, who have no opportunity for getting anything better, segregated living, who stuck together for their rights and for their economic justice, just on the verge of having this perfected, now are being stricken from the bill and told that they are the only plaintiffs, the only Americans in this country that cannot benefit from this bill.

I truly believe that the Constitution calls us to ration and to reason today and to the adoption of common sense and for the belief in equal equality in this country.

We cannot allow this particular provision to prevail, and I call upon my colleagues in the name of justice and equality to vote down this rule so that we may correct this bill.

Mr. Speaker, the cruelty of special interest law is seldom visible; it is usually hidden and obscure.

Today the House is expected to pass the heavily compromised civil rights bill as negotiated between Republicans and the White House.

One of the deals made to secure its passage in the Senate was that the plaintiffs in the Wards Cove case could not proceed under the provisions of this bill. They and only they would be barred.

Today the cruelty of this deal is reflected in the eyes and in the faces of the unbelieving plaintiffs in the Wards Cove case, who as a result of this exclusion will be the only Americans who cannot benefit from the passage of this bill.

Every other plaintiff that has a pending case can now proceed with their case, except for the Wards Cove plaintiffs.

The Wards Cove plaintiffs have waited 18 years for their case to be heard. It is still on appeal in the ninth circuit court.

The majority in support of this bill tell us that this bill corrects the law in the Wards Cove case. They tell us that it assures justice for all.

For all except the Wards Cove plaintiffs. The cruel irony is that the very people who brought this case to the forefront, the very people whose suffering as victims of physical segregation and other degrading workplace discrimination are the only ones who will not be able to benefit from the return to the Griggs standard of justice.

Think of it, every other American will be able to benefit from the new definitions of proof required in workplace discrimination, except these long-suffering, mostly impoverished, Eskimos, Filipinos, Samoans, Chinese and Japanese for whom this was their final hope for justice.

To strike out only these folks from their long awaited chance for justice under the very terms that they fought and struggled for is deliberately cruel, mean and a violation of our basic tenets of justice, equal protection and due process of law.

A Congress sworn to uphold the Constitution cannot violate the simple rights of these Asian-Pacific-Eskimo workers to be treated exactly the same as every other American. I urge you to vote no on the rule on the civil rights bill so that this unfair denial of the basic rights of these workers can be removed from this bill.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HYDE], a hard-working member of the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, I am going to vote for this rule, not happily, because I think we are making a mistake that I hope and pray will be corrected elsewhere and speedily, and that is, as we rush to ratify the settlement, the compromise settlement that has been reached between the parties who negotiated it, we have created a lack of symmetry between remedies for Senate employees and House employees.

A Senate employee, having processed their complaint for discrimination through their fair employment commission over there, gets to appeal the decision to the courts, but not so in the House. I had offered an amendment that would have permitted House employees the same right of court appeal as the Senate employees have, but evidently the agreement is so fragile that nobody wants to open up this bill to any amendments even if they are perfecting amendments, even if they provide a symmetry between House employees and Senate employees.

There is one other problem that I think is extremely serious, and that is we in the House and those Members of the Senate can hire people, and we can consider in the hiring their political affiliation, their political compatibility, and their domicile because of the nature of the work that we do. But we do not provide such protection for local governments, for State governments, nor, indeed, for the White House, and so local governments, State governments, State legislators, county executives, Governors, and the President may well be subject to suits for discrimination if they hire somebody without reference to political party, political compatibility, or domicile.

So by failing to include within the benign umbrella of protection from discrimination suits local and State governments and the Presidency but protecting ourselves and the Senate, the other body, I think that is a defect in this bill that may come back to haunt us, and I would have hoped that an amendment by the gentleman from New York [Mr. SOLOMON] would have corrected this problem, and that would enhance the desirability of the bill, not detract from it.

I am still going to vote for the rule, however.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, we are talking about 2,000 Americans. We are talking about the Constitution of the United States.

Do you think for a second that this is a compromise? This is extortion.

When I came into this House, the Speaker said to me:

> You can have different views. You can express different views. But show respect for this House, show respect for the Constitution, show respect for what brought you here.

The people in my district, three-quarters of them, are of a different race, different ethnic origin than I am. I treasure being here. I treasure the Constitution. I am living proof of what can happen when you dispose of race, when you dispose of ethnicity, when you dispose of a cultural background different from your own and give the person a chance.

What we are appealing for today is for Members on this side of the aisle to literally vote for the Constitution and vote for something more than an extortion in an agreement made.

I will give you that the leadership engaged in good faith with one another in trying to come to this agreement. They have delivered it to the floor; I will grant the Committee on Rules that in bringing it to the floor. But we do not have to vote for it. They have done what they needed to do. They have kept their word. Now we have to keep our word to the people of this country.

Do you think this would be happening if it was 2,000 Irish-Americans in Boston or 2,000 Jews in New York City or if it was Hispanic-Americans in Miami or Houston, if it was Italian-Americans in San Francisco? No; it is because these people are without the power, and it comes as a result of the intervention by somebody who himself has ancestors who came here to be free, who carried their name from people who came across an ocean to come to this country, "Give me your poor, give me your tired, give me you huddled masses." That means something to me, and it should mean something to us in this House.

People of conscience in this House, vote down this rule and give us a chance to do the right thing for this country and for this House of Representatives and for this Congress.

Do not invoke the name of the President as if you were going through the 12 stations of the cross and tell me that these people have to sacrifice themselves on the altar of civil rights for some but not for others.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise today in support of the Rule and the Civil Rights Act (S. 1745) and I would like to commend the distinguished chairman, the gentleman from Texas [Mr. BROOKS], and the distinguished ranking minority member, the gentleman from New York [Mr. FISH] for their efforts in finally bringing a civil rights bill to fruition. I would also like to commend the President and the senior Senator from Missouri, [Mr. DANFORTH] for striking an acceptable compromise on this matter, so that we are able to put aside insignificant discrepancies and finally pass this legislation that is truly worthy of becoming law.

Unfortunately racism, sexism, and religious intolerance are among the prejudices that still exist in our society today. I would gladly lend my name to any law that would effectively erase the unfair, ignorant attitudes of prejudiced people in our Nation; but this body cannot legislate morality.

There is, however, a responsibility, that lies within in our purview for this body to legislate a workable remedy to the recent reverses to the Civil Rights Act that have been handed down by the Supreme Court.

While we cannot legislate morality, we can provide effective judicial recourse to victims of unlawful discrimination.

Mr. Speaker, we all seek to enhance a prejudice-free America, but until such a time as every citizen in this Nation looks upon women, persons of color, or of any religion as an equal, we must continue to advocate the passage of laws that curtail the destructive, destabilizing byproducts of spiteful bigotry.

When this is not a perfect rule and is not a perfect bill, by enacting this legislation, we will be doing the people of our Nation a great justice. Accordingly, I urge my colleague to support the rule and the Brooks-Fish substitute.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, first of all, I have had an awful lot of trouble with the civil rights bill, because it really has treated women as second-class citizens.

It is like we are all supposed to be so delighted that after 200 years we finally got on the bus, but the problem is we are supposed to go to the back of the bus because it is capping damages for women.

☐ 1350

OK. I finally came to terms. At least if it is discrimination against every single woman, you have got to have some kind of compromise, and the White House said no way, no way at all would they change one iota from that.

So you swallow hard and you finally accept the caps; but at least it does not single out any group of people.

Then suddenly here comes Wards Cove. Now, let us talk about this. The whole reason we have this legislation is because you had politicized courts that undid the civil rights that had been adopted and had been accepted by people for years. These courts interpreted these rules in a very different way, and so we are taking this blob back to where it used to be. This is just a restoration.

The people who got caught up, the people who were in this new revisionist civil rights, which mean zero civil rights, are now going to be sacrificed.

I do not think there is anything worse than special interest legislation in a civil rights bill. At least they hit every woman equally; but here you are talking about 2,000 people who have been asked to be treated the way they would have been treated under prior court decisions had they ever been interpreted that way, and now we are going to go back to the prior court decisions, but we are going to say to them, "Too bad. Nice you called it to our attention, but the people who own the company are much more moneyed and more powered than you are, so you get rolled, but other people in the future will get civil rights as they used to be."

I think special interest legislation stinks anywhere, but I think special interest legislation in a civil rights bill is absolutely intolerable. I will vote "no" and I am shocked that the White House is cutting that kind of deal on civil rights and trying to look pure.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I just want to welcome a few of the people on the other side who have never voted for open rules whenever we proposed them to the open rule club. It is kind of nice that all of a sudden they realize that it may be worthwhile debating some of these issues from time to time.

I am here to make one point, though. There are several people who have come to the floor who have indicated that we are dealing with a quota bill in the civil rights bill. I am one who has offered amendments on several occasions on the House floor, going back into the 1980's, trying to end the practice of quotas in this country. I have gone through this bill very carefully. There is absolutely no quota language in this bill.

Now, you can oppose it because the penalty section is too tough for you, you do not like the way small business employers are treated from that standpoint, but you cannot in any way suggest that there are quotas in the bill.

The President of the United States won a major victory in the negotiations here with regard to that issue. The President has assured Americans that they do not have to fear the use of quotas in the workplace. I think that is a good thing.

I realize there are many Democrats who are upset about that. The Democrats wanted to impose a quota system. Many Democrats in this House voted for quotas, but this bill as it comes back, the compromise does not include quotas.

Mr. WHEAT. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Speaker, the gentleman from Washington, [Mr. MCDERMOTT] sought permission from the Rules Committee to offer an amendment to this bill.

I strongly supported that request, and I salute the gentleman's leadership and outstanding dedication to principle.

Unfortunately, his amendment was not made in order.

Mr. MCDERMOTT's amendment would have removed from this bill one of the most outrageous pieces of special interest legislation I have ever seen.

This provision, added by the other body as part of a compromise with the White House, grants an exemption from this bill to a single company in a single case.

One of the Supreme Court decisions to be overturned by this bill was rendered in the case of Wards Cove Packing Co. versus Atonio.

That case was filed by 2,000 Wards Cove employees, mostly of Asian-Pacific and Native Alaskan ancestry.

The discrimination they faced was so severe that, in his dissent in the Wards Cove decision, Justice John Paul Stevens said that the practices used by the company "bear an unsettling resemblance to aspects of a plantation economy."

Minority employees were housed in separate facilities, they ate in different mess halls, they worked in different jobs, and they were paid different wages.

The nicknames that were given to the bunkhouses they lived in and the equipment they used were outrageous.

I will not mention them on this floor. I know from personal experience how painful such words can be.

Mr. Speaker, the employees of Wards Cove who stood up and challenged this environment were seeking justice, for themselves and all Americans.

Through review after review, and appeal after appeal they persevered.

Even when the Supreme Court pulled the rug out from under them by changing the rules, they didn't give up.

They were given heart by this bill, which promised to overturn the Wards Cove decision.

Frank Atonio and the other plaintiffs have faith in this country. They expected to be vindicated in their struggle.

And then, in the 11th hour, just when it appeared that their 17-year search for justice had succeeded, a provision was added to the bill.

That provision sends a message to Frank Atonio and the employees of Wards Cove.

It says, yes, we'll overturn the Supreme Court's Wards Cove decision.

It says, yes, we will make it clear that this type of discrimination should never happen to any American.

No. Hold on. Let's amend that. It says this should never happen to any American—except you.

As currently drafted, this bill says that all other Americans will be protected by overturning the Wards Cove decision—except the people who worked at Wards Cove.

Mr. Speaker, that's just plain wrong. In this bill, which was prompted by the principles of fairness and equity, we see a provision that has nothing to do with either.

The Wards Cove exemption is not about fairness. It is not about equity. It is about who can hire the most effective lobbyist. It is about who can manipulate the process.

It has nothing to do with principle. It is special interest legislation at its absolute worst.

The American people are tired of politics as usual. We all know that. We've seen ample evidence.

This exemption is precisely the type of backroom deal that fills them with a fully justified moral outrage.

Mr. Speaker, I understand about compromise. This place could not function without it.

But I think we must begin to ask ourselves how much we are willing to give away to get a bill.

I have heard the President would veto this bill unless this exemption for Wards Cove is included.

Before we shrink away from that prospect, we must keep one thing firmly in mind:

Compromise is fine. But unless we are careful in the process of achieving it we may someday wake up to realize we have bargained away our souls in the process.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, apropos of the Wards Cove issue that has really irritated so many people here, I want to point out that section 402 of the bill we are about to deal with specifies that the act and the amendments made by the act take effect on the date of enactment. They have no application to pending cases or to cases arising before the effective date of the act. The act is prospective. It has nothing to do with Wards Cove.

Now, the offending amendment that was put in by the Senate is unnecessary. It is surplusage. It does not accomplish or achieve a thing and it really should not be the subject of so much excitation.

The fact is the bill is prospective. It has nothing to do with Wards Cove. Parenthetically, Wards Cove has been in the courts for 24 years and someday it ought to be closed, but this bill is prospective, and therefore Wards Cove is not affected by it.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. EDWARDS], the distinguished chairman of the subcommittee who has worked so hard on this bill.

Mr. EDWARDS of California. Mr. Speaker, I am the chairman of the subcommittee that wrote the original bill, along with the Education and Labor Committee, chaired by the gentleman from Michigan [Mr. FORD]. We were very disturbed when we found that the Senate has included this special exemption for the Wards Cove Packing Co. provision. It is outrageous.

I went to the Rules Committee, with the support of all the Democratic Members of the subcommittee, to ask for a vote today on that particular issue. We did not get it. However, I am going to vote for the rule, and I will tell you why. It is not going to do any good to destroy this bill. There are going to be thousands, maybe millions of employees in the future that we are cutting out of rights if we do.

I assure you also that this bill if it goes back to the Senate will probably never emerge again, because it is a good bill, except for that provision and the provision that the gentlewoman from Colorado spoke about, and we intend to do something about that someday.

We have prepared for the gentleman from Washington [Mr. McDERMOTT] who will be the author of the bill, a free-standing bill. It will be on the floor next week to deal with the Wards Cove issue. We will have it on suspension. I would trust that we would get an overwhelming vote for it.

We have been discussing the matter with certain leaders, and I cannot mention their names, of course, in the other body, who have agreed that they will be of assistance to us in enacting this and the issue will be taken care of.

I deeply regret that it is in the bill. The subcommittee tried to get rid of it. It is an outrageous position, but it is not going to do any good to shoot down this bill and keep thousands and thousands of people in the future from having the benefit of this necessary legislation.

Mr. DREIER of California. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, this bill is not a compromise, it is a cave-in. It is a cave-in to people who want to pass a piece of legislation, even if this is a quota bill and even if it does not help anyone that civil rights bills are supposed to help.

We are considering a bill which masquerades as the Civil Rights Act of 1991. This bill, we are assured is a compromise. I have examined the original bill and I have seen the changes that were made as a result of negotiation. This bill is not a retreat, it is a complete surrender. Any changes which were made to this bill are cosmetic and inconsequential.

I remain opposed to any bill which enshrines the discriminatory practice of race-based quotas. This bill does that. This legislation is substantially the same bill as the one that the President vetoed last year. The effect of both bills is to put pressure on employers to adopt quotas to protect themselves against lawsuits based on an analysis of the percentage of minorities in that company's work force.

Remedies currently exist which protect the rights of both employers and employees. Any person who believes that he or she has been the victim of discrimination currently has the right to seek redress through our court system. In doing so, victims of real discrimination may rely on existing laws. These laws have been fairly interpreted by the Supreme Court. That is the proper constitutional function of the Court. But now, Members of the other body seek to overturn these precedents.

How ironic that while interrogating Justice Thomas, some Members of Congress expressed such respect for judicial precedence, only now to try to achieve through legislation, the kind of social engineering and antibusiness meddling that the Supreme Court has properly refused to sanction.

One of the Supreme Court decisions which this legislation seeks to overturn is Martin versus Wilkes. The effect of this portion of the bill is to deny legal remedies to persons who are discriminated against as a result of quotas. Should an employer who is now being sued decide to give certain hiring benefits to a particular group, members of another minority group subsequently harmed are barred from seeking adjudication for their legitimate claim of discrimination. This case was justly decided by the Supreme Court and this bill would overturn it.

This bill is an antibusiness, anticompetitive piece of legislation from the Democrat Party which places the importance of an election over returning our economy to prosperity and growth. They place passage of this misguided bill over legislation that would truly help those in need.

Unfortunately, many Republicans, who are committed to real progress in civil rights for all Americans, are supporting this bill. They do this because this bill is perceived as helping and protecting America's less fortunate, those in the underclass trapped in our inner cities and rural pockets of poverty. But this bill will do nothing to alleviate the pain of those trapped in misery and deprivation. It is not the goal, nor the consequence of this legislative initiative. If it were the goal, then we would be enacting urban enterprise zone legislation, promoting new businesses in areas with high portions of disadvantaged people, and by allowing parents to choose which schools to send their children. And by ridding the inner city of drugs, crime, and welfare dependence.

If we did these things, then, future generations would no longer suffer barriers to equal employment, because we would raise a generation of Americans free from these scourges which undermine dignity, liberty, and opportunity.

This bill does not do these things.

So, I would ask my friends not to vote for this bill simply because it's called the Civil Rights Act of 1991. Look into this bill's essence and what you will find is the same diseased and discriminatory language which we have correctly opposed over and over again.

I am doubtful that we need new civil rights legislation. But if we do, let us vote for a legislation which does not contain quotas.

Let us commit ourselves never to debase the term civil rights by agreeing to any race-based preferences for any purpose at any time. And in helping America's less fortunate, let us seek new solutions which empower the poor and uplift any American who longs for a better life.

Let us act to expand opportunity and economic mobility instead of succumbing to quotas and meaningless so-called civil rights legislation.

Vote "no" on the so-called civil rights bill.

□ 1400

Mr. WHEAT. Mr. Speaker, I yield 1 minute to the distinguished chairman of the Committee on the Judiciary, the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the rule which will make in order the consideration of S. 1745. The consideration of legislation to restore equity in the workplace has been an agonizing process for two Congresses, now. It has engendered inflammatory rhetoric and flimsy arguments that have had the effect of thwarting the desire of the overwhelming majority of both Houses of Congress to enact a civil rights bill. Now we have a breakthrough and a chance to move this bill to completion of the legislative process. Let us enact this rule and pass this bill and send it to the President for his signature. In doing so, we will end this sorry chapter in our political history on a positive and constructive note. I urge support for the rule.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentelman from California [Mr. RIGGS].

Mr. RIGGS. I thank the gentleman for yielding time to me.

Mr. Speaker, I would like to thank my colleague, the gentleman from California, who explained earlier that I was one of several Republicans who attempted to offer an amendment to end the double standard which exempts the Congress from the potentially burdensome requirements of this bill, the fix was in. The deal had been cut behind closed doors. No amendments, and, God forbid, no open, honest debate on a matter of congressional coverage on this floor.

My amendment, as Mr. SENSENBRENNER's and others, would have provided procedures to fully protect the rights of our employees, including the right of judicial review under the Civil Rights Act of 1991 and the Civil Rights Act of 1964.

There are those who have the gall to say that our own internal processes and procedures, rule LI, as carried out by the Committee on House Administration and the Fair Employment Practices Office, provides the same coverage to our employees as their private sector counterparts. That is nonsense.

Put the two standards alongside one another, and you will come to that conclusion.

Our procedures do not provide the same rights and remedies to our employees and, conversely, do not impose on us the same responsibility as private sector employers.

My amendment would give the Congress the opportunity to resolve employee disputes through our own rules but retain a private right of action for our employees if these rules fail to resolve the grievance.

To those of us who suggest that this process works well, as Mr. DERRICK and Mr. WHEAT did in the Committee on Rules yesterday, I wonder what their response would be to the employees of their former colleague from California who was reproved in three instances of sexual harassment. I wonder what a survey of our own employees would tell us as to whether or not they would like the same rights as their private sector counterparts.

Mr. Speaker, there is simply no good reason why the Congress should be exempt from this bill. If we are going to tell people how to run their businesses, then, by God, we should apply the same provisions to the U.S. Congress.

This issue should have been brought to the floor. I urge my colleagues to vote against a rule which would continue the double standard, the cynical and hypocritical double standard that allows Congress to live above the law.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the author of House rule LI, the distinguished gentleman from California [Mr. PANETTA], chairman of the Committee on the Budget.

Mr. PANETTA. Mr. Speaker, I rise to speak to the distortions here that were presented with regard to the House covering its employees. I am pleased that the Senate decided to cover its employees. But, very frankly, the process that was adopted by the other body, I think, is badly flawed, and I think questionable from a constitutional point of view in terms of the separation of powers.

What I want to remind Members of the House of is that the House of Representatives addressed this problem 3 years ago; not in this bill, not in the bill tomorrow, but 3 years ago.

On October 4, 1988, the House of Representatives adopted a process and adopted a fair employment practices resolution. That was adopted on a bipartisan basis. Working with whom? Lynn Martin, PAT ROBERTS, Steve Bartlett, Gus Hawkins, PAT SCHROEDER, working together to develop a process that covers employees of the House and provides protection from discrimination based on race and color and national origin and religion and sex and sexual harassment as well as the fair labor standards laws.

Now, is the process working? Let me assure you that it is.

In 1989 the office processed 326 inquiries that were developed. In 1990 the office handled 262 inquiries. Two cases have proceeded to the hearing stage, and one case involved monetary damages.

The fact is that the House has provided a process to govern itself, and that process is working, and it recognizes the separation of powers between the executive, judicial, and legislative branches.

It is unfortunate, unfortunate that the Senate did not follow the example of the House long ago. But it would be a tragedy if we were to give up the process that we have put in place here in the House of Representatives.

Mr. Speaker, in the Senate-passed civil rights bill, S. 1745, the U.S. Senate for the first time establishes a process to protect their employees from discrimination.

I would remind Members that the House of Representatives addressed this problem 3 years ago. On October 4, 1988, the House of Representatives voted to create a process, governed by the fair employment practices resolution, which applied basic civil rights protection to employees of the House.

The fair employment practices resolution was the product of my work with PAT ROBERTS, Gus Hawkins, PAT SCHROEDER, DICK DURBIN, DENNIS ECKART, Lynn Martin, and Steve Bartlett during the 100th Congress.

The fair employment practices resolution provides House employees and applicants for employment with protection against discrimination based upon race, color, national origin, religion, sex—including marital or parental status and sexual harassment—handicap, or age. Also, in 1989, as part of the Fair Labor Standards Amendments of 1989, protection under the Fair Labor Standards Act was provided to House employees.

The basic elements of the fair employment practices process are as follows:

OFFICE OF FAIR EMPLOYMENT PRACTICES

An Office of Fair Employment Practices exists to counsel, mediate, investigate, and hear alleged violations.

PROCESS

The process to resolve complaints of violations of the antidiscrimination provisions involves three steps.

COUNSELING AND MEDIATION

An employee has 180 days from the time of an alleged violation to contact the Office of Fair Employment Practices to request counseling. The counseling period lasts for 30 days. At the end of the 30-day period the individual may proceed to mediation, which is also conducted by the Office.

FORMAL COMPLAINT AND A REQUEST FOR A HEARING

Not later than 15 days after the end of the counseling period, the individual may file a formal complaint with the Office. This may be followed by a request for a hearing, which will allow the individual to be represented. A written decision is issued by the hearing officer within 20 days after completion of the hearing.

FINAL REVIEW BY REVIEW PANEL

Either party may seek a final review by the review panel. The review panel is made up of four members of the House Administration Committee: two Democrats and two Republicans—two officers of the House and two employees of the House. The review panel will examine the record of the hearing by the Office, statements from the parties, and, if necessary, may hold its own hearing. After reviewing the record a written decision is submitted to both parties.

REMEDIES

The remedy options provided by the resolution for application by both the Office and the Review Panel are: First, monetary compensation, to be paid from the contingent fund of the House of Representatives, or from clerk-hire if a serious violation is found; second, injunctive relief; third, costs and attorney fees; and fourth, employment, reinstatement to employment, or promotion—with or without back pay.

Currently the Fair Employment Practices Office is based in room 115 of the O'Neill House Office Building, telephone 225-0880. In 1989 the Office processed 326 inquiries and in 1990 the Office handled 262 inquiries. Two cases have proceeded to the hearing stage and in one case monetary damages were awarded to the plaintiff.

I am pleased that the U.S. Senate adopted an antidiscrimination process similar to that developed and implemented by the House of Representatives. Basic fairness demands that the Congress apply to itself those laws relating to employment which apply to the private sector and the executive branch.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. RIGGS], who would like to respond.

Mr. RIGGS. I thank the gentleman for yielding this time to me.

Mr. Speaker, as someone who was not here 3 years ago, I would like to ask my friend and colleague, the gentleman from California [Mr. PANETTA], the distinguished chairman of the Committee on the Budget, if in fact the procedures that we have set out in rule 51 provide for the right of judicial review for our employees?

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from California.

Mr. PANETTA. I thank the gentleman for yielding to me.

Mr. Speaker, the issue was discussed at the time we developed the procedures, and the discussion at that time centered on the importance of the separation of powers because at that point the judicial branch said what the House does with regard to its employees, what the Congress does with regard to its employees, should be handled by that institution. And to have a court then review the actions against our own employees would be a violation of the separation of powers.

Mr. RIGGS. Mr. Speaker, reclaiming my time, I understand the gentleman's argument. I would like the gentleman to know there were a number of his colleagues from that side of the aisle yesterday who went before the Committee on Rules to say that every American—I am assuming by "every American" they certainly included our employees—should have their day in court if the need arises. I wanted to make that point to the gentleman.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. BONIOR], the distinguished majority whip of the House of Representatives.

Mr. BONIOR. Mr. Speaker, I thank the gentleman for yielding. I just want to put to rest and reiterate the remarks of the distinguished gentleman from California [Mr. PANETTA]: Congress is not, I repeat, not exempt from the Civil Rights Act of 1991 or any other civil rights law. We are, in fact, governed by the standards and the objectives of every piece of workplace related legislation passed by Congress and signed by the President in recent years. And this includes the Americans With Disabilities Act of 1990, the Civil Rights Act of 1964, Title VII; the Age Discrimination in Employment Act of 1967, the Rehabilitation Act of 1973, the Equal Opportunity Act of 1972, the Minimum Wage Fair Labor Standards Act of 1972, and equal pay. It would have included the Civil Rights Act of 1990 and the Family Leave Act, had the President not vetoed them. The fact of the matter is, as the gentleman from Missouri [Mr. WHEAT] and the gentleman from California [Mr. PANETTA] have stated, House rule LI specifically grants House employees full protection.

The gentleman from California has just given you the numbers, as to what they have been doing with respect to equal opportunity for employees in this body. The House employees have the same rights and protections as employees in the private sector and they have the full range of remedies, including timely hearings, the appeals process, and the right, the right, I repeat the right, to financial compensation. This legislation explicitly grants—that which we are going to take up—House employees the right to damages in case of intentional discrimination.

☐ 1410

The constitutional provision that seems to be lost by many people is important here. The constitutional provision of separation of power requires, the legislative branch to establish its own separate procedures to enforce these rights. The House enforcement mechanism is in many ways tougher, tougher and more thorough, than the procedures of the executive branch.

Mr. Speaker, I thank my colleague for giving me the time to illuminate my colleagues on this important point.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from San Diego, CA [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, as my colleagues know, as a freshman I came aboard, and during the original civil rights debacle, which I personally feel was written as a tool against the President, I walked to the other Members on the other side of the aisle, my good friends, the gentleman from Georgia [Mr. LEWIS], who was very active in civil rights bills, and the gentleman from California [Mr. DELLUMS], and some of the other speakers on the Black Caucus, and I said, "Why don't we come to grips with something that will help people?"

On the Republican side we rattle our swords, they rattle their swords, a lot of it based toward 1992. I am afraid, if we open up a rule like this, we are going to end up with another civil rights bill that we cannot support. I ask, "Why can't we get together, and sit down in the name of helping the American people to where we can't come across and approve a civil rights bill?"

Mr. Speaker, there are things in this I do not like. I do not like where business is proven guilty instead of proven innocent, and there are some things I am sure my colleagues do not like on the other side, but it is a start. Then let us come back and adjust it, if we can. But for God's sake for once; the American people are mad at this body because we cannot act because of politics; let us take the politics out of it, and let us help some people.

I would love to walk down the aisle today or tomorrow and say, "Let's support a civil rights bill that will help people. It may not be perfect, but on both sides it is something we can agree with and we can do."

Mr. Speaker, the bill before us today, finally it is a different bill. It is not a bonanza for lawyers. The standards for disparate impact are clarified. We cap the damages, which was my main concern in the other one. Some people on the other side may feel it, but at least we can do some good.

So, I urge Members on both sides of the aisle to support the civil rights bill. Let us help Americans even though this bill may be imperfect. It is an area where for once the American people can look at us and say that we took out the politics and helped people.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. GEPHARDT], the distinguished majority leader of the House of Representatives.

Mr. GEPHARDT. Mr. Speaker, Members of the House, I hope Members will vote for this rule. I realize that there are many among us who are bitterly disappointed with the rule and its failure to allow consideration of the Ward's Cove language, to allow consideration of the capping of damages. I hope that Members will see fit to support the rule in any event.

Mr. Speaker, we can and we will bring up the issue of Ward's Cove exemption in separate legislation as soon as humanly possible and try to get it on the President's desk so that that issue can be dealt with. My view is it should not have been exempted. I am sorry that it was.

One other point, and that is the issue of House coverage that has been brought up. I just want Members to understand that we are covered. House Rule II specifically grants House employees full protection against discrimination. House employees have the same rights and protections as employees in the private sector, and this legislation explicitly grants House employees the right to damages in case of intentional discrimination.

So, I urge Members to understand that we are covered in a legally appropriate way, and it is wrong in my view to suggest that somehow we have tried to get out of the coverage of these laws. This House has led on this issue. The other body has not been doing these things, while we have been doing them, and I think we have been doing them well.

Mr. Speaker, it is time to stop attacking this institution saying that somehow we have slipped out of some coverage because we were trying to do something for ourselves that we were not doing for everybody else. That is not the case. This institution is covered, and it is covered appropriately, and we should leave those provisions in place because they have done the job and done it well.

Mr. Speaker, I urge my colleagues to vote for this rule.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I thank the gentleman from California [Mr. DREIER].

Mr. Speaker, I just want to make sure that our colleagues sitting back in their offices watching this debate on the rule understand the logic, if one can call it that, running through the argument made by our colleagues on the other side of the aisle. It is a very good argument, I guess, If one happens to be a supreme cynic. All employees are equal, only some employees are more equal than others. The ones more equal are the ones in the private sector who have legal rights and remedies, who, if they can demonstrate a cause of action, can proceed in a court of law to try and recover damages in the instance of any form of harassment, and there is also a very big distinction between how we treat ourselves and how we treat private sector employers. We are obviously not subjecting ourselves to the same liabilities and the same responsibilities as we impose on private sector employers.

Mr. SENSENBRENNER. Mr. Speaker, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Speaker, there is also one other big difference, and that is that the Senate bill says that Senators are personally liable for acts of discrimination that they themselves commit against their employees. With us the taxpayers pick up the damages.

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Wisconsin.

The SPEAKER pro tempore (Mr. MONTGOMERY). The gentleman from California [Mr. DREIER] has 4 minutes remaining, and the gentleman from Missouri [Mr. WHEAT] is entitled to close the debate.

Mr. DREIER of California. Mr. Speaker, I yield the balance of our time to our revered Republican leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I want to urge Members to support this rule.

Mr. Speaker, I have been involved in a number of other very delicate negotiations with unemployment compensation, the banking bill, as we get toward the end of a session, and there are some real delicate matters to be worked out, and it is a tortuous kind of a trail that we follow around here from time to time.

However, Mr. Speaker, I say to my colleagues that the civil rights bill has been around for a good long time, and there are Members much better qualified than I am on the specifics and the nuances of that particular measure. But I know, in talking with Members from the other body, what trauma they were going through in trying to find that magic key to get that baby adopted over in the other body. Within the last half an hour I have talked to several of those principals who were involved and said, "Please, please don't let this thing fall apart or become unraveled over in your body," and I said, "We're going to try and do our best to pass this rule and get on with it."

Now for my dear friends who have some concerns about, maybe, ourselves, the State legislatures and some of those other matters out there that I think need addressing, we can do that in a separate piece of legislation. I think we have some reasonable assurance from the distinguished chairman of the Committee on the Judiciary, and the Speaker of the House is nodding affirmatively, that we can get action on that at the appropriate time.

But for now I think we have just got to address the issue forthrightly, and I have no alternative but to ask my Members on my side, and both sides for that matter, to support this rule so that we can get on with the deliberations and have the President sign what he says he will sign.

Mr. WHEAT. Mr. Speaker, I yield all time remaining on the side to the distinguished Speaker of the House of Representatives, the gentleman from Washington [Mr. FOLEY].

□ 1420

Mr. FOLEY. Mr. Speaker, it is not often that I take the well. In the tradition of those who have held the office of Speaker, I reserve that to exceptional times and circumstances. I think this is such a time.

The struggle to enact civil rights legislation in 1991 has engaged us for a very long time, and it is finally on the brink of happening in a historic moment when the President and majorities of the Congress may be able to come together to advance the interests of working men and women, to keep all people from suffering employment discrimination arising from their race, religious beliefs, background, or gender.

It is not a perfect bill. I am deeply aware of the fact that many Members that it has serious flaws of omission as well as other flaws that may need correction. I would say to them that the only possibility of making those corrections is if this bill becomes law. Indeed without the passage of a civil rights bill the additional matters can never be expected to be solved alone.

I would hope that all Members would see this opportunity as a historic one and as the basis for further improvements in the protections and assurances that we wish to advance today.

I urge the Members to vote both for this rule and the underlying legislation, and give you my assurance that I will cooperate with the distinguished Republican leader in addressing those cases involving State legislatures and the executive branch that justify correction. I would also say to the Members on this side of the aisle who are concerned with the Wards Cove case in particular that I will cooperate with them in advancing legislation to place that issue squarely before this Chamber and the other body, and I will exercise every effort on my part to see that this matter is corrected.

I plead with all the Members not to lose the opportunity that this bill presents us in so many exceptional ways to tell all our citizens that we stand for them in insisting on respect for their backgrounds and circumstances and on their being treated equally and fairly. Let us not miss this opportunity to demonstrate to the rest of the world that in this country that has, long championed the cause of personal, human, and economic rights, our traditions are with us and we will continue to advance them not only for the benefit of our citizens but so our example can resonate in other areas of the world.

Mr. Speaker, let us pass this rule. Then let us pass this bill.

Mr. MORAN. Mr. Speaker, most of the people in this country don't understand what this civil rights bill is all about. To most people this issue is an abstraction. Our debate today, and over the past 2 years, has unfortunately broken down into an obtuse argument of legal abstractions which few laymen or women understand. While nobody will deny that they support the concept of civil rights, and real progress in this field has always required a passionate response to a clear injustice.

Because of the conservative extremism reflected by a majority of the Supreme Court in a few civil rights cases adjudicated over the last decade, there are serious cases of discrimination which are being addressed, and should be addressed, by this legislation. One of the most egregious of these injustices, however, is not being addressed, even though it was one of the original reasons for this civil rights bill. The Wards Cove Packing Co. is specifically exempted from this legislation because of a high cost lobbying effort and a political deal cut in the Senate.

The Wards Cove salmon packing plant is a throwback to the plantation society of old. Asian-American employees are segregated from white managers in separate work quarters, dining facilities, and sleeping quarters. Bigotry and prejudice pervades the company where sleeping quarters are called flip-bunk houses while machinery used to cut off the heads of fish is called an iron clink. This operation is so overtly discriminatory that Wards Cove Packing Co. versus Atonio disparate impact case has become one of the pillars of today's legislation. It is inexcusable for us to proclaim ourselves as champions of civil rights and to debate the impact of this case while exempting the actual offender from the provisions of this Civil Rights Act.

Mr. Speaker, I remain a strong supporter of civil rights and of the efforts to pass this important legislation today. I am upset, however, to see such an overtly parochial issue such as amendment 22(b) taint the progress this Congress has made in fighting real discrimination.

Ms. SNOWE. Mr. Speaker, I am opposed to the rule covering debate on S. 1745, the Civil Rights Act.

I have been a strong supporter and cosponsor of the Civil Rights Act of 1991. I was an original cosponsor in the 101st and 102d Congress. I supported passage of the civil rights bill earlier this year. But I cannot vote for this rule because it maintains the unacceptable House practice of exempting this body from the laws it passes.

I worked with members of the Republican leadership task force on congressional reform to produce an amendment, offered at the Rules Committee by the gentleman from Illinois [Mr. HYDE], to extend the right of judicial review to all House employees. The Hyde amendment would have allowed House employees who are not satisfied with the final decision of the Fair Employment Practices Office to petition for review by the U.S. Court of Appeals.

It seems to me that if we expect the employers in our districts to treat their employees according to the laws we have written or face the consequences, we should be ready and willing to do the same.

The fact that the Rules Committee refused to let this amendment even be considered by the full House is inexplicable. It is particularly so since this proposed amendment didn't even address House employees coverage under such laws as the Americans with Disabilities Act, the Equal Employment Act, and the Age Discrimination in Employment Act.

I support passage of the Civil Rights Act of 1991 but I must vote against this rule because it is unforgivable that the Republicans are not being allowed to offer an amendment to apply the protections of the Civil Rights Act to our own staffs.

The SPEAKER pro tempore (Mr. MONTGOMERY). All time has expired.

Mr. WHEAT. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 327, nays 93, not voting 12, as follows:

[Roll No. 385]

YEAS—327

Ackerman
Alexander
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Barrett
Barton
Beilenson
Bereuter
Bevill
Bilbray
Bilirakis
Boehlert
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coleman (MO)
Collins (IL)
Collins (MI)
Condit
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Ewing
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Gordon
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hansen
Harris
Hatcher
Hayes (IL)
Hefner
Henry
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (GA)
Lightfoot
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martinez
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McNulty
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Moakley
Mollohan
Montgomery
Moorhead
Morrison
Mrazek
Murphy
Murtha
Myers
Natcher
Neal (MA)
Neal (NC)
Nowak
Nussle
Obey
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Pastor
Patterson
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sarpalius
Sawyer
Saxton
Scheuer
Schiff
Schulze
Schumer
Serrano
Sharp
Shaw
Shays
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Weber
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—93

Abercrombie
Allard
Anderson
Archer
Armey
Baker
Ballenger
Bateman
Bennett
Bentley
Berman
Bliley
Boehner
Bryant
Bunning
Burton
Callahan
Coble
Coleman (TX)
Combest
Conyers
Cox (CA)
Crane
Dannemeyer
DeLay
Dellums
Doolittle
Dornan (CA)
Dreier
Early
Evans
Fields
Foglietta
Gonzalez
Goss
Hall (TX)
Hammerschmidt
Hancock
Hastert
Hefley
Herger
Holloway
Inhofe
Klug
Kyl
Lewis (CA)
Lewis (FL)
Lipinski
Livingston
Marlenee
Martin
Matsui
McCandless
McDermott
McMillen (MD)
Miller (CA)
Mineta
Mink
Molinari
Moody
Moran
Morella
Nagle
Nichols
Oakar
Packard
Paxon
Payne (NJ)
Riggs
Roberts
Rogers
Rohrabacher
Santorum
Savage
Schaefer
Schroeder
Sensenbrenner
Shuster
Sikorski
Snowe
Solomon
Spence
Stearns
Stump
Taylor (NC)
Thomas (CA)
Upton
Valentine
Vander Jagt
Washington
Waxman
Zeliff
Zimmer

NOT VOTING—12

Anthony
Boxer
Gradison
Hayes (LA)
Hopkins
Levine (CA)
McEwen
Oberstar
Olin
Sangmeister
Smith (FL)
Weiss

□ 1443

Messrs. DELLUMS, BATEMAN, GONZALEZ, and WAXMAN changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. BROOKS. Pursuant to the provisions of House Resolution 270, I call up the Senate bill (S. 1745) to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The text of S. 1745 is as follows:

S. 1745

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights Act of 1991".

SEC. 2. FINDINGS.

The Congress finds that—

(1) additional remedies under Federal law are needed to deter unlawful harassment and intentional discrimination in the workplace;

(2) the decision of the Supreme Court in Wards Cove Packing Co. v. Atonio, 490 U.S. 642 (1989) has weakened the scope and effectiveness of Federal civil rights protections; and

(3) legislation is necessary to provide additional protections against unlawful discrimination in employment.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to provide appropriate remedies for intentional discrimination and unlawful harassment in the workplace;

(2) to codify the concepts of "business necessity" and "job related" enunciated by the Supreme Court in Griggs v. Duke Power Co., 401 U.S. 424 (1971), and in the other Supreme Court decisions prior to Wards Cove Packing Co. v. Atonio, 490 U.S. 642 (1989);

(3) to confirm statutory authority and provide statutory guidelines for the adjudication of disparate impact suits under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.); and

(4) to respond to recent decisions of the Supreme Court by expanding the scope of relevant civil rights statutes in order to provide adequate protection to victims of discrimination.

TITLE I—FEDERAL CIVIL RIGHTS REMEDIES

SEC. 101. PROHIBITION AGAINST ALL RACIAL DISCRIMINATION IN THE MAKING AND ENFORCEMENT OF CONTRACTS.

Section 1977 of the Revised Statutes (42 U.S.C. 1981) is amended—

(1) by inserting "(a)" before "All persons within"; and

(2) by adding at the end the following new subsections:

"(b) For purposes of this section, the term 'make and enforce contracts' includes the making, performance, modification, and termination of contracts, and the enjoyment of all benefits, privileges, terms, and conditions of the contractual relationship.

"(c) The rights protected by this section are protected against impairment by nongovernmental discrimination and impairment under color of State law.".

SEC. 102. DAMAGES IN CASES OF INTENTIONAL DISCRIMINATION.

The Revised Statutes are amended by inserting after section 1977 (42 U.S.C. 1981) the following new section:

"SEC. 1977A. DAMAGES IN CASES OF INTENTIONAL DISCRIMINATION IN EMPLOYMENT.

"(a) RIGHT OF RECOVERY.—

"(1) CIVIL RIGHTS.—In an action brought by a complaining party under section 706 or 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5) against a respondent who engaged in unlawful intentional discrimination (not an employment practice that is unlawful because of its disparate impact) prohibited under section 703, 704, or 717 of the Act (42 U.S.C. 2000e-2 or 2000e-3), and provided that the complaining party cannot recover under section 1977 of the Revised Statutes (42 U.S.C. 1981), the complaining party may recover compensatory and punitive damages as allowed in subsection (b), in addition to any relief authorized by section 706(g) of the Civil Rights Act of 1964, from the respondent.

"(2) DISABILITY.—In an action brought by a complaining party under the powers, remedies, and procedures set forth in section 706 or 717 of the Civil Rights Act of 1964 (as provided in section 107(a) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117(a)), and section 505(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 794a(a)(1)), respectively) against a respondent who engaged in unlawful intentional discrimination (not an employment practice that is unlawful because of its disparate impact) under section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791) and the regulations implementing section 501, or who violated the requirements of section 501 of the Act or the regulations implementing section 501 concerning the provision of a reasonable accommodation, or section 102 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12112), or committed a violation of section 102(b)(5) of the Act, against an individual, the complaining party may recover compensatory and punitive damages as allowed in subsection (b), in addition to any relief authorized by section 706(g) of the Civil Rights Act of 1964, from the respondent.

"(3) REASONABLE ACCOMMODATION AND GOOD FAITH EFFORT.—In cases where a discriminatory practice involves the provision of a reasonable accommodation pursuant to section 102(b)(5) of the Americans with Disabilities Act of 1990 or regulations implementing section 501 of the Rehabilitation Act of 1973, damages may not be awarded under this section where the covered entity demonstrates good faith efforts, in consultation with the person with the disability who has informed the covered entity that accommodation is needed, to identify and make a reasonable accommodation that would provide such individual with an equally effective opportunity and would not cause an undue hardship on the operation of the business.

"(b) COMPENSATORY AND PUNITIVE DAMAGES.—

"(1) DETERMINATION OF PUNITIVE DAMAGES.—A complaining party may recover punitive damages under this section against a respondent (other than a government, government agency or political subdivision) if the complaining party demonstrates that the respondent engaged in a discriminatory practice or discriminatory practices with malice or with reckless indifference to the federally protected rights of an aggrieved individual.

"(2) EXCLUSIONS FROM COMPENSATORY DAMAGES.—Compensatory damages awarded under this section shall not include backpay, interest on backpay, or any other type of relief authorized under section 706(g) of the Civil Rights Act of 1964.

"(3) LIMITATIONS.—The sum of the amount of compensatory damages awarded under this section for future pecuniary losses, emotional pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, and other nonpecuniary losses, and the amount of punitive damages awarded under this section, shall not exceed, for each complaining party—

"(A) in the case of a respondent who has more than 14 and fewer than 101 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $50,000;

"(B) in the case of a respondent who has more than 100 and fewer than 201 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $100,000; and

"(C) in the case of a respondent who has more than 200 and fewer than 501 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $200,000; and

"(D) in the case of a respondent who has more than 500 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $300,000.

"(4) CONSTRUCTION.—Nothing in this section shall be construed to limit the scope of, or the relief available under, section 1977 of the Revised Statutes (42 U.S.C. 1981).

"(c) JURY TRIAL.—If a complaining party seeks compensatory or punitive damages under this section—

"(1) any party may demand a trial by jury; and

"(2) the court shall not inform the jury of the limitations described in subsection (b)(3).

"(d) DEFINITIONS.—As used in this section:

"(1) COMPLAINING PARTY.—The term 'complaining party' means—

"(A) in the case of a person seeking to bring an action under subsection (a)(1), the Equal Employment Opportunity Commission, the Attorney General, or a person who may bring an action or proceeding under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.); or

"(B) in the case of a person seeking to bring an action under subsection (a)(2), the Equal Employment Opportunity Commission, the Attorney General, a person who may bring an action or proceeding under section 505(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 794a(a)(1)), or a person who may bring an action or proceeding under title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"(2) DISCRIMINATORY PRACTICE.—The term 'discriminatory practice' means the discrimination described in paragraph (1), or the discrimination or the violation described in paragraph (2), of subsection (a).

SEC. 103. ATTORNEY'S FEES.

The last sentence of section 722 of the Revised Statutes (42 U.S.C. 1988) is amended by inserting ", 1977A" after "1977".

SEC. 104. DEFINITIONS.

Section 701 of the Civil Rights Act of 1964 (42 U.S.C. 2000e) is amended by adding at the end the following new subsections:

"(l) The term 'complaining party' means the Commission, the Attorney General, or a person who may bring an action or proceeding under this title.

"(m) The term 'demonstrates' means meets the burdens of production and persuasion.

"(n) The term 'respondent' means an employer, employment agency, labor organization, joint labor-management committee controlling apprenticeship or other training or retraining program, including an on-the-job training program, or Federal entity subject to section 717.".

SEC. 105. BURDEN OF PROOF IN DISPARATE IMPACT CASES.

(a) Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2) is amended by adding at the end the following new subsection:

"(k)(1)(A) An unlawful employment practice based on disparate impact is established under this title only if—

"(i) a complaining party demonstrates that a respondent uses a particular employment practice that causes a disparate impact on the basis of race, color, religion, sex, or national origin and the respondent fails to demonstrate that the challenged practice is job related for the position in question and consistent with business necessity; or

"(ii) the complaining party makes the demonstration described in subparagraph (C) with respect to an alternative employment practice and the respondent refuses to adopt such alternative employment practice.

"(B)(i) With respect to demonstrating that a particular employment practice causes a disparate impact as described in subparagraph (A)(i), the complaining party shall demonstrate that each particular challenged employment practice causes a disparate impact, except that if the complaining party can demonstrate to the court that the elements of a respondent's decisionmaking process are not capable of separation for analysis, the decisionmaking process may be analyzed as one employment practice.

"(ii) If the respondent demonstrates that a specific employment practice does not cause the disparate impact, the respondent shall not be required to demonstrate that such practice is required by business necessity.

"(C) The demonstration referred to by subparagraph (A)(ii) shall be in accordance with the law as it existed on June 4, 1989, with respect to the concept of 'alternative employment practice'.

"(2) A demonstration that an employment practice is required by business necessity may not be used as a defense against a claim of intentional discrimination under this title.

"(3) Notwithstanding any other provision of this title, a rule barring the employment of an individual who currently and knowingly uses or possesses a controlled substance, as defined in schedules I and II of section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)), other than the use or possession of a drug taken under the supervision of a licensed health care professional, or any other use or possession authorized by the Controlled Substances Act or any other provision of Federal law, shall be considered an unlawful employment practice under this title only if such rule is adopted or applied with an intent to discriminate because of race, color, religion, sex, or national origin.".

(b) No statements other than the interpretive memorandum appearing at Vol. 137 Congressional Record S 15276 (daily ed. Oct. 25, 1991) shall be considered legislative history of, or relied upon in any way as legislative history in construing or applying, any provision of this Act that relates to Wards Cove—Business necessity/cumulation/alternative business practice.

SEC. 106. PROHIBITION AGAINST DISCRIMINATORY USE OF TEST SCORES.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2) (as amended by section 105) is further amended by adding at the end the following new subsection:

"(l) It shall be an unlawful employment practice for a respondent, in connection with the selection or referral of applicants or candidates for employment or promotion, to adjust the scores of, use different cutoff scores for, or otherwise alter the results of, employment related tests on the basis of race, color, religion, sex, or national origin.".

SEC. 107. CLARIFYING PROHIBITION AGAINST IMPERMISSIBLE CONSIDERATION OF RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN IN EMPLOYMENT PRACTICES.

(a) IN GENERAL.—Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2) (as amended by sections 105 and 106) is further amended by adding at the end the following new subsection:

"(m) Except as otherwise provided in this title, an unlawful employment practice is established when the complaining party demonstrates that race, color, religion, sex, or national origin was a motivating factor for any employment practice, even though other factors also motivated the practice.".

(b) ENFORCEMENT PROVISIONS.—Section 706(g) of such Act (42 U.S.C. 2000e-5(g)) is amended—

(1) by designating the first through third sentences as paragraph (1);

(2) by designating the fourth sentence as paragraph (2)(A) and indenting accordingly; and

(3) by adding at the end the following new subparagraph:

"(B) On a claim in which an individual proves a violation under section 703(m) and a respondent demonstrates that the respondent would have taken the same action in the absence of the impermissible motivating factor, the court—

"(i) may grant declaratory relief, injunctive relief (except as provided in clause (ii)), and attorney's fees and costs demonstrated to be directly attributable only to the pursuit of a claim under section 703(m); and

"(ii) shall not award damages or issue an order requiring any admission, reinstatement, hiring, promotion, or payment, described in subparagraph (A).".

SEC. 108. FACILITATING PROMPT AND ORDERLY RESOLUTION OF CHALLENGES TO EMPLOYMENT PRACTICES IMPLEMENTING LITIGATED OR CONSENT JUDGMENTS OR ORDERS.

Section 703 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2) (as amended by sections 105, 106, and 107 of this title) is further amended by adding at the end the following new subsection:

"(n)(1)(A) Notwithstanding any other provision of law, and except as provided in paragraph (2), an employment practice that implements and is within the scope of a litigated or consent judgment or order that resolves a claim of employment discrimination under the Constitution or Federal civil rights laws may not be challenged under the circumstances described in subparagraph (B).

"(B) A practice described in subparagraph (A) may not be challenged in a claim under the Constitution or Federal civil rights laws—

"(i) by a person who, prior to the entry of the judgment or order described in subparagraph (A), had—

"(I) actual notice of the proposed judgment or order sufficient to apprise such person that such judgment or order might adversely affect the interests and legal rights of such person and that an opportunity was available to present objections to such judgment or order by a future date certain; and

"(II) a reasonable opportunity to present objections to such judgment or order; or

"(ii) by a person whose interests were adequately represented by another person who had previously challenged the judgment or order on the same legal grounds and with a similar factual situation, unless there has been an intervening change in law or fact.

"(2) Nothing in this subsection shall be construed to—

"(A) alter the standards for intervention under rule 24 of the Federal Rules of Civil Procedure or apply to the rights of parties who have successfully intervened pursuant to such rule in the proceeding in which the parties intervened;

"(B) apply to the rights of parties to the action in which a litigated or consent judgment or order was entered, or of members of a class represented or sought to be represented in such action, or of members of a group on whose behalf relief was sought in such action by the Federal Government;

"(C) prevent challenges to a litigated or consent judgment or order on the ground that such judgment or order was obtained through collusion or fraud, or is transparently invalid or was entered by a court lacking subject matter jurisdiction; or

"(D) authorize or permit the denial to any person of the due process of law required by the Constitution.

"(3) Any action not precluded under this subsection that challenges an employment consent judgment or order described in paragraph (1) shall be brought in the court, and if possible before the judge, that entered such judgment or order. Nothing in this subsection shall preclude a transfer of such action pursuant to section 1404 of title 28, United States Code.".

SEC. 109. PROTECTION OF EXTRATERRITORIAL EMPLOYMENT.

(a) DEFINITION OF EMPLOYEE.—Section 701(f) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(f)) and section 101(4) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111(4)) are each amended by adding at the end the following: "With respect to employment in a foreign country, such term includes an individual who is a citizen of the United States.".

(b) EXEMPTION.—

(1) CIVIL RIGHTS ACT OF 1964.—Section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-1) is amended—

(A) by inserting "(a)" after "SEC. 702."; and

(B) by adding at the end the following:

"(b) It shall not be unlawful under section 703 or 704 for an employer (or a corporation controlled by an employer), labor organization, employment agency, or joint labor-management committee controlling apprenticeship or other training or retraining (including on-the-job training programs) to take any action otherwise prohibited by such section, with respect to an employee in a workplace in a foreign country if compliance with such section would cause such employer (or such corporation), such organization, such agency, or such committee to violate the law of the foreign country in which such workplace is located.

"(c)(1) If an employer controls a corporation whose place of incorporation is a foreign country, any practice prohibited by section 703 or 704 engaged in by such corporation shall be presumed to be engaged in by such employer.

"(2) Sections 703 and 704 shall not apply with respect to the foreign operations of an employer that is a foreign person not controlled by an American employer.

"(3) For purposes of this subsection, the determination of whether an employer controls a corporation shall be based on—

"(A) the interrelation of operations;

"(B) the common management;

"(C) the centralized control of labor relations; and

"(D) the common ownership or financial control,

of the employer and the corporation.".

(2) AMERICANS WITH DISABILITIES ACT OF 1990.—Section 102 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12112) is amended—

(A) by redesignating subsection (c) as subsection (d); and

(B) by inserting after subsection (b) the following new subsection:

"(c) COVERED ENTITIES IN FOREIGN COUNTRIES.—

"(1) IN GENERAL.—It shall not be unlawful under this section for a covered entity to take any action that constitutes discrimination under this section with respect to an employee in a workplace in a foreign country if compliance with this section would cause such covered entity to violate the law of the foreign country in which such workplace is located.

"(2) CONTROL OF CORPORATION.—

"(A) PRESUMPTION.—If an employer controls a corporation whose place of incorporation is a foreign country, any practice that constitutes discrimination under this section and is engaged in by such corporation shall be presumed to be engaged in by such employer.

"(B) EXCEPTION.—This section shall not apply with respect to the foreign operations of an employer that is a foreign person not controlled by an American employer.

"(C) DETERMINATION.—For purposes of this paragraph, the determination of whether an employer controls a corporation shall be based on—

"(i) the interrelation of operations;

"(ii) the common management;

"(iii) the centralized control of labor relations; and

"(iv) the common ownership or financial control,

of the employer and the corporation.".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall not apply with respect to conduct occurring before the date of the enactment of this Act.

SEC. 110. TECHNICAL ASSISTANCE TRAINING INSTITUTE.

(a) TECHNICAL ASSISTANCE.—Section 705 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-4) is amended by adding at the end the following new subsection:

"(j)(1) The Commission shall establish a Technical Assistance Training Institute, through which the Commission shall provide technical assistance and training regarding the laws and regulations enforced by the Commission.

"(2) An employer or other entity covered under this title shall not be excused from compliance with the requirements of this title because of any failure to receive technical assistance under this subsection.

"(3) There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1992.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 111. EDUCATION AND OUTREACH.

Section 705(h) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-4(h)) is amended—

(1) by inserting "(1)" after "(h)"; and

(2) by adding at the end the following new paragraph:

"(2) In exercising its powers under this title, the Commission shall carry out educational and outreach activities (including dissemination of information in languages other than English) targeted to—

"(A) individuals who historically have been victims of employment discrimination and have not been equitably served by the Commission; and

"(B) individuals on whose behalf the Commission has authority to enforce any other law prohibiting employment discrimination, concerning rights and obligations under this title or such law, as the case may be.".

SEC. 112. EXPANSION OF RIGHT TO CHALLENGE DISCRIMINATORY SENIORITY SYSTEMS.

Section 706(e) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(e)) is amended—

(1) by inserting "(1)" before "A charge under this section"; and

(2) by adding at the end the following new paragraph:

"(2) For purposes of this section, an unlawful employment practice occurs, with respect to a seniority system that has been adopted for an intentionally discriminatory purpose in violation of this title (whether or not that discriminatory purpose is apparent on the face of the seniority provision), when the seniority system is adopted, when an individual becomes subject to the seniority system, or when a person aggrieved is injured by the application of the seniority system or provision of the system.".

SEC. 113. AUTHORIZING AWARD OF EXPERT FEES.

(a) REVISED STATUTES.—Section 722 of the Revised Statutes is amended—

(1) by designating the first and second sentences as subsections (a) and (b), respectively, and indenting accordingly; and

(2) by adding at the end the following new subsection:

"(c) In awarding an attorney's fee under subsection (b) in any action or proceeding to enforce a provision of sections 1977 or 1977A of the Revised Statutes, the court, in its discretion, may include expert fees as part of the attorney's fee.".

(b) CIVIL RIGHTS ACT OF 1964.—Section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(k)) is amended by inserting "(including expert fees)" after "attorney's fee".

SEC. 114. PROVIDING FOR INTEREST AND EXTENDING THE STATUTE OF LIMITATIONS IN ACTIONS AGAINST THE FEDERAL GOVERNMENT.

Section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-16) is amended—

(1) in subsection (c), by striking "thirty days" and inserting "90 days"; and

(2) in subsection (d), by inserting before the period ", and the same interest to compensate for delay in payment shall be available as in cases involving nonpublic parties.".

SEC. 115. NOTICE OF LIMITATIONS PERIOD UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967.

Section 7(e) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 626(e)) is amended—

(1) by striking paragraph (2);

(2) by striking the paragraph designation in paragraph (1);

(3) by striking "Sections 6 and" and inserting "Section"; and

(4) by adding at the end the following:

"If a charge filed with the Commission under this Act is dismissed or the proceedings of the Commission are otherwise terminated by the Commission, the Commission shall notify the person aggrieved. A civil action may be brought under this section by a person defined in section 11(a) against the respondent named in the charge within 90 days after the date of the receipt of such notice.".

SEC. 116. LAWFUL COURT-ORDERED REMEDIES, AFFIRMATIVE ACTION, AND CONCILIATION AGREEMENTS NOT AFFECTED.

Nothing in the amendments made by this title shall be construed to affect court-ordered remedies, affirmative action, or conciliation agreements, that are in accordance with the law.

SEC. 117. COVERAGE OF HOUSE OF REPRESENTATIVES AND THE AGENCIES OF THE LEGISLATIVE BRANCH.

(a) COVERAGE OF THE HOUSE OF REPRESENTATIVES.—

(1) IN GENERAL.—Notwithstanding any provision of title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) or of other law, the purposes of such title shall, subject to paragraph (2), apply in their entirety to the House of Representatives.

(2) EMPLOYMENT IN THE HOUSE.—

(A) APPLICATION.—The rights and protections under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) shall, subject to subparagraph (B), apply with respect to any employee in an employment position in the House of Representatives and any employing authority of the House of Representatives.

(B) ADMINISTRATION.—

(i) IN GENERAL.—In the administration of this paragraph, the remedies and procedures made applicable pursuant to the resolution described in clause (ii) shall apply exclusively.

(ii) RESOLUTION.—The resolution referred to in clause (i) is the Fair Employment Practices Resolution (House Resolution 558 of the One Hundredth Congress, as agreed to October 4, 1988), as incorporated into the Rules of the House of Representatives of the One Hundred Second Congress as Rule LI, or any other provision that continues in effect the provisions of such resolution.

(C) EXERCISE OF RULEMAKING POWER.—The provisions of subparagraph (B) are enacted by the House of Representatives as an exercise of the rulemaking power of the House of Representatives, with full recognition of the right of the House to change its rules, in the same manner, and to the same extent as in the case of any other rule of the House.

(b) INSTRUMENTALITIES OF CONGRESS.—

(1) IN GENERAL.—The rights and protections under this title and title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) shall, subject to paragraph (2), apply with respect to the conduct of each instrumentality of the Congress.

(2) ESTABLISHMENT OF REMEDIES AND PROCEDURES BY INSTRUMENTALITIES.—The chief official of each instrumentality of the Congress shall establish remedies and procedures to be utilized with respect to the rights and protections provided pursuant to paragraph (1). Such remedies and procedures shall apply exclusively, except for the employees who are defined as Senate employees, in section 301(c)(1).

(3) REPORT TO CONGRESS.—The chief official of each instrumentality of the Congress shall, after establishing remedies and procedures for purposes of paragraph (2), submit to the Congress a report describing the remedies and procedures.

(4) DEFINITION OF INSTRUMENTALITIES.—For purposes of this section, instrumentalities of the Congress include the following: the Architect of the Capitol, the Congressional Budget Office, the General Accounting Office, the Government Printing Office, the Office of Technology Assessment, and the United States Botanic Garden.

(5) CONSTRUCTION.—Nothing in this section shall alter the enforcement procedures for individuals protected under section 717 of title VII for the Civil Rights Act of 1964 (42 U.S.C. 2000e-16).

SEC. 118. ALTERNATIVE MEANS OF DISPUTE RESOLUTION.

Where appropriate and to the extent authorized by law, the use of alternative means of dispute resolution, including settlement negotiations, conciliation, facilitation, mediation, factfinding, minitrials, and arbitration, is encouraged to resolve disputes arising under the Acts or provisions of Federal law amended by this title.

TITLE II—GLASS CEILING

SEC. 201. SHORT TITLE.

This title may be cited as the "Glass Ceiling Act of 1991".

SEC. 202. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) despite a dramatically growing presence in the workplace, women and minorities remain underrepresented in management and decisionmaking positions in business;

(2) artificial barriers exist to the advancement of women and minorities in the workplace;

(3) United States corporations are increasingly relying on women and minorities to meet employment requirements and are increasingly aware of the advantages derived from a diverse work force;

(4) the "Glass Ceiling Initiative" undertaken by the Department of Labor, including the release of the report entitled "Report on the Glass Ceiling Initiative", has been instrumental in raising public awareness of—

(A) the underrepresentation of women and minorities at the management and decisionmaking levels in the United States work force;

(B) the underrepresentation of women and minorities in line functions in the United States work force;

(C) the lack of access for qualified women and minorities to credential-building developmental opportunities; and

(D) the desirability of eliminating artificial barriers to the advancement of women and minorities to such levels;

(5) the establishment of a commission to examine issues raised by the Glass Ceiling Initiative would help—

(A) focus greater attention on the importance of eliminating artificial barriers to the advancement of women and minorities to management and decisionmaking positions in business; and

(B) promote work force diversity;

(6) a comprehensive study that includes analysis of the manner in which management and decisionmaking positions are filled, the developmental and skill-enhancing practices used to foster the necessary qualifications for advancement, and the compensation programs and reward structures utilized in the corporate sector would assist in the establishment of practices and policies promoting opportunities for, and eliminating artificial barriers to, the advancement of women and minorities to management and decisionmaking positions; and

(7) a national award recognizing employers whose practices and policies promote opportunities for, and eliminate artificial barriers to, the advancement of women and minorities will foster the advancement of women and minorities into higher level positions by—

(A) helping to encourage United States companies to modify practices and policies to promote opportunities for, and eliminate artificial barriers to, the upward mobility of women and minorities; and

(B) providing specific guidance for other United States employers that wish to learn how to revise practices and policies to improve the access and employment opportunities of women and minorities.

(b) Purpose.—The purpose of this title is to establish—

(1) a Glass Ceiling Commission to study—

(A) the manner in which business fills management and decisionmaking positions;

(B) the developmental and skill-enhancing practices used to foster the necessary qualifications for advancement into such positions; and

(C) the compensation programs and reward structures currently utilized in the workplace; and

(2) an annual award for excellence in promoting a more diverse skilled work force at the management and decisionmaking levels in business.

SEC. 203. ESTABLISHMENT OF GLASS CEILING COMMISSION.

(a) In General.—There is established a Glass Ceiling Commission (referred to in this title as the "Commission"), to conduct a study and prepare recommendations concerning—

(1) eliminating artificial barriers to the advancement of women and minorities; and

(2) increasing the opportunities and developmental experiences of women and minorities to foster advancement of women and minorities to management and decisionmaking positions in business.

(b) Membership.—

(1) Composition.—The Commission shall be composed of 21 members, including—

(A) six individuals appointed by the President;

(B) six individuals appointed jointly by the Speaker of the House of Representatives and the Majority Leader of the Senate;

(C) one individual appointed by the Majority Leader of the House of Representatives;

(D) one individual appointed by the Minority Leader of the House of Representatives;

(E) one individual appointed by the Majority Leader of the Senate;

(F) one individual appointed by the Minority Leader of the Senate;

(G) two Members of the House of Representatives appointed jointly by the Majority Leader and the Minority Leader of the House of Representatives;

(H) two Members of the Senate appointed jointly by the Majority Leader and the Minority Leader of the Senate; and

(I) the Secretary of Labor.

(2) Considerations.—In making appointments under subparagraphs (A) and (B) of paragraph (1), the appointing authority shall consider the background of the individuals, including whether the individuals—

(A) are members of organizations representing women and minorities, and other related interest groups;

(B) hold management or decisionmaking positions in corporations or other business entities recognized as leaders on issues relating to equal employment opportunity; and

(C) possess academic expertise or other recognized ability regarding employment issues.

(3) Balance.—In making the appointments under subparagraphs (A) and (B) of paragraph (1), each appointing authority shall seek to include an appropriate balance of appointees from among the groups of appointees described in subparagraphs (A), (B), and (C) of paragraph (2).

(c) Chairperson.—The Secretary of Labor shall serve as the Chairperson of the Commission.

(d) Term of Office.—Members shall be appointed for the life of the Commission.

(e) Vacancies.—Any vacancy occurring in the membership of the Commission shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(f) Meetings.—

(1) Meetings prior to completion of report.—The Commission shall meet not fewer than five times in connection with and pending the completion of the report described in section 204(b). The Commission shall hold additional meetings if the Chairperson or a majority of the members of the Commission request the additional meetings in writing.

(2) Meetings after completion of report.—The Commission shall meet once each year after the completion of the report described in section 204(b). The Commission shall hold additional meetings if the Chairperson or a majority of the members of the Commission request the additional meetings in writing.

(g) Quorum.—A majority of the Commission shall constitute a quorum for the transaction of business.

(h) Compensation and Expenses.—

(1) Compensation.—Each member of the Commission who is not an employee of the Federal Government shall receive compensation at the daily equivalent of the rate specified for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day the member is engaged in the performance of duties for the Commission, including attendance at meetings and conferences of the Commission, and travel to conduct the duties of the Commission.

(2) Travel expenses.—Each member of the Commission shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(3) Employment status.—A member of the Commission, who is not otherwise an employee of the Federal Government, shall not be deemed to be an employee of the Federal Government except for the purposes of—

(A) the tort claims provisions of chapter 171 of title 28, United States Code; and

(B) subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries.

SEC. 204. RESEARCH ON ADVANCEMENT OF WOMEN AND MINORITIES TO MANAGEMENT AND DECISIONMAKING POSITIONS IN BUSINESS.

(a) Advancement Study.—The Commission shall conduct a study of opportunities for, and artificial barriers to, the advancement of women and minorities to management and decisionmaking positions in business. In conducting the study, the Commission shall—

(1) examine the preparedness of women and minorities to advance to management and decisionmaking positions in business;

(2) examine the opportunities for women and minorities to advance to management and decisionmaking positions in business;

(3) conduct basic research into the practices, policies, and manner in which management and decisionmaking positions in business are filled;

(4) conduct comparative research of businesses and industries in which women and minorities are promoted to management and decisionmaking positions, and businesses and industries in which women and minorities are not promoted to management and decisionmaking positions;

(5) compile a synthesis of available research on programs and practices that have successfully led to the advancement of women and minorities to management and decisionmaking positions in business, including training programs, rotational assignments, developmental programs, reward programs, employee benefit structures, and family leave policies; and

(6) examine any other issues and information relating to the advancement of women and minorities to management and decisionmaking positions in business.

(b) Report.—Not later than 15 months after the date of the enactment of this Act, the Commission shall prepare and submit to the President and the appropriate committees of Congress a written report containing—

(1) the findings and conclusions of the Commission resulting from the study conducted under subsection (a); and

(2) recommendations based on the findings and conclusions described in paragraph (1) relating to the promotion of opportunities for, and elimination of artificial barriers to, the advancement of women and minorities to management and decisionmaking positions in business, including recommendations for—

(A) policies and practices to fill vacancies at the management and decisionmaking levels;

(B) developmental practices and procedures to ensure that women and minorities have access to opportunities to gain the exposure, skills, and expertise necessary to assume management and decisionmaking positions;

(C) compensation programs and reward structures utilized to reward and retain key employees; and

(D) the use of enforcement (including such enforcement techniques as litigation, complaint investigations, compliance reviews, conciliation, administrative regulations, policy guidance, technical assistance, training, and public education) of Federal equal employment opportunity laws by Federal agencies as a means of eliminating artificial barriers to the advancement of women and minorities in employment.

(c) Additional Study.—The Commission may conduct such additional study of the advancement of women and minorities to management and decisionmaking positions in business as a majority of the members of the Commission determines to be necessary.

SEC. 205. ESTABLISHMENT OF THE NATIONAL AWARD FOR DIVERSITY AND EXCELLENCE IN AMERICAN EXECUTIVE MANAGEMENT.

(a) In General.—There is established the National Award for Diversity and Excellence in American Executive Management, which shall be evidenced by a medal bearing the inscription "Frances Perkins-Elizabeth Hanford Dole National Award for Diversity and Excellence in American Executive Management". The medal shall be of such design and materials, and bear such additional inscriptions, as the Commission may prescribe.

(b) Criteria for Qualification.—To qualify to receive an award under this section a business shall—

(1) submit a written application to the Commission, at such time, in such manner, and containing such information as the Commission may require, including at a minimum information that demonstrates that the business has made substantial effort to promote the opportunities and developmental experiences of women and minorities to

foster advancement to management and decisionmaking positions within the business, including the elimination of artificial barriers to the advancement of women and minorities, and deserves special recognition as a consequence; and

(2) meet such additional requirements and specifications as the Commission determines to be appropriate.

(c) Making and Presentation of Award.—

(1) Award.—After receiving recommendations from the Commission, the President or the designated representative of the President shall annually present the award described in subsection (a) to businesses that meet the qualifications described in subsection (b).

(2) Presentation.—The President or the designated representative of the President shall present the award with such ceremonies as the President or the designated representative of the President may determine to be appropriate.

(3) Publicity.—A business that receives an award under this section may publicize the receipt of the award and use the award in its advertising, if the business agrees to help other United States businesses improve with respect to the promotion of opportunities and developmental experiences of women and minorities to foster the advancement of women and minorities to management and decisionmaking positions.

(d) Business.—For the purposes of this section, the term "business" includes—

(1)(A) a corporation, including nonprofit corporations;

(B) a partnership;

(C) a professional association;

(D) a labor organization; and

(E) a business entity similar to an entity described in subparagraphs (A) through (D);

(2) an education referral program, a training program, such as an apprenticeship or management training program or a similar program; and

(3) a joint program formed by a combination of any entities discribed in paragraph 1 or 2.

SEC. 206. POWERS OF THE COMMISSION.

(a) In General.—The Commission is authorized to—

(1) hold such hearings and sit and act at such times;

(2) take such testimony;

(3) have such printing and binding done;

(4) enter into such contracts and other arrangements;

(5) make such expenditures; and

(6) take such other actions;

as the Commission may determine to be necessary to carry out the duties of the Commission.

(b) Oaths.—Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) Obtaining Information From Federal Agencies.—The Commission may secure directly from any Federal agency such information as the Commission may require to carry out its duties.

(d) Voluntary Service.—Notwithstanding section 1342 of title 31, United States Code, the Chairperson of the Commission may accept for the Commission voluntary services provided by a member of the Commission.

(e) Gifts and Donations.—The Commission may accept, use, and dispose of gifts or donations of property in order to carry out the duties of the Commission.

(f) Use of Mail.—The Commission may use the United States mails in the same manner and under the same conditions as Federal agencies.

SEC. 207. CONFIDENTIALITY OF INFORMATION.

(a) Individual Business Information.—

(1) In general.—Except as provided in paragraph (2), and notwithstanding section 552 of title 5, United States Code, in carrying out the duties of the Commission, including the duties described in sections 204 and 205, the Commission shall maintain the confidentiality of all information that concerns—

(A) the employment practices and procedures of individual businesses; or

(B) individual employees of the businesses.

(2) Consent.—The content of any information described in paragraph (1) may be disclosed with the prior written consent of the business or employee, as the case may be, with respect to which the information is maintained.

(b) Aggregate Information.—In carrying out the duties of the Commission, the Commission may disclose—

(1) information about the aggregate employment practices or procedures of a class or group of businesses; and

(2) information about the aggregate characteristics of employees of the businesses, and related aggregate information about the employees.

SEC. 208. STAFF AND CONSULTANTS.

(a) Staff.—

(1) Appointment and compensation.—The Commission may appoint and determine the compensation of such staff as the Commission determines to be necessary to carry out the duties of the Commission.

(2) Limitations.—The rate of compensation for each staff member shall not exceed the daily equivalent of the rate specified for level V of the Executive Schedule under section 5316 of title 5, United States Code for each day the staff member is engaged in the performance of duties for the Commission. The Commission may otherwise appoint and determine the compensation of staff without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, that relate to classification and General Schedule pay rates.

(b) Experts and Consultants.—The Chairperson of the Commission may obtain such temporary and intermittent services of experts and consultants and compensate the experts and consultants in accordance with section 3109(b) of title 5, United States Code, as the Commission determines to be necessary to carry out the duties of the Commission.

(c) Detail of Federal Employees.—On the request of the Chairperson of the Commission, the head of any Federal agency shall detail, without reimbursement, any of the personnel of the agency to the Commission to assist the Commission in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(d) Technical Assistance.—On the request of the Chairperson of the Commission, the head of a Federal agency shall provide such technical assistance to the Commission as the Commission determines to be necessary to carry out its duties.

SEC. 209. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this title. The sums shall remain available until expended, without fiscal year limitation.

SEC. 210. TERMINATION.

(a) Commission.—Notwithstanding section 15 of the Federal Advisory Committee Act (5 U.S.C. App.), the Commission shall terminate 4 years after the date of the enactment of this Act.

(b) Award.—The authority to make awards under section 205 shall terminate 4 years after the date of the enactment of this Act.

TITLE III—GOVERNMENT EMPLOYEE RIGHTS

SEC. 301. GOVERNMENT EMPLOYEE RIGHTS ACT OF 1991.

(a) Short Title.—This title may be cited as the "Government Employee Rights Act of 1991".

(b) Purpose.—The purpose of this title is to provide procedures to protect the right of Senate and other government employees, with respect to their public employment, to be free of discrimination on the basis of race, color, religion, sex, national origin, age, or disability.

(c) Definitions.—For purposes of this title:

(1) Senate employee.—The term "Senate employee" or "employee" means—

(A) any employee whose pay is disbursed by the Secretary of the Senate;

(B) any employee of the Architect of the Capitol who is assigned to the Senate Restaurants or to the Superintendent of the Senate Office Buildings;

(C) any applicant for a position that will last 90 days or more and that is to be occupied by an individual described in subparagraph (A) or (B); or

(D) any individual who was formerly an employee described in subparagraph (A) or (B) and whose claim of a violation arises out of the individual's Senate employment.

(2) Head of employing office.—The term "head of employing office" means the individual who has final authority to appoint, hire, discharge, and set the terms, conditions or privileges of the Senate employment of an employee.

(3) Violation.—The term "violation" means a practice that violates section 302 of this title.

SEC. 302. DISCRIMINATORY PRACTICES PROHIBITED.

All personnel actions affecting employees of the Senate shall be made free from any discrimination based on—

(1) race, color, religion, sex, or national origin, within the meaning of section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–16);

(2) age, within the meaning of section 15 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a); or

(3) handicap or disability, within the meaning of section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791) and sections 102–104 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12112–14).

SEC. 303. ESTABLISHMENT OF OFFICE OF SENATE FAIR EMPLOYMENT PRACTICES.

(a) In General.—There is established, as an office of the Senate, the Office of Senate Fair Employment Practices (referred to in this title as the "Office"), which shall—

(1) administer the processes set forth in sections 305 through 307;

(2) implement programs for the Senate to heighten awareness of employee rights in order to prevent violations from occurring.

(b) Director.—

(1) In general.—The Office shall be headed by a Director (referred to in this title as the "Director") who shall be appointed by the President pro tempore, upon the recommendation of the Majority Leader in consultation with the Minority Leader. The appointment shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. The Director shall be appointed for a term of

service which shall expire at the end of the Congress following the Congress during which the Director is appointed. A Director may be reappointed at the termination of any term of service. The President pro tempore, upon the joint recommendation of the Majority Leader in consultation with the Minority Leader, may remove the Director at any time.

(2) SALARY.—The President pro tempore, upon the recommendation of the Majority Leader in consultation with the Minority Leader, shall establish the rate of pay for the Director. The salary of the Director may not be reduced during the employment of the Director and shall be increased at the same time and in the same manner as fixed statutory salary rates within the Senate are adjusted as a result of annual comparability increases.

(3) ANNUAL BUDGET.—The Director shall submit an annual budget request for the Office to the Committee on Appropriations.

(4) APPOINTMENT OF DIRECTOR.—The first Director shall be appointed and begin service within 90 days after the date of enactment of this Act, and thereafter the Director shall be appointed and begin service within 30 days after the beginning of the session of the Congress immediately following the termination of a Director's term of service or within 60 days after a vacancy occurs in the position.

(c) STAFF OF THE OFFICE.—

(1) APPOINTMENT.—The Director may appoint and fix the compensation of such additional staff, including hearing officers, as are necessary to carry out the purposes of this title.

(2) DETAILEES.—The Director may, with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, use on a reimbursable or nonreimbursable basis the services of any such department or agency, including the services of members or personnel of the General Accounting Office Personnel Appeals Board.

(3) CONSULTANTS.—In carrying out the functions of the Office, the Director may procure the temporary (not to exceed 1 year) or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services under section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)).

(d) EXPENSES OF THE OFFICE.—In fiscal year 1992, the expenses of the Office shall be paid out of the Contingent Fund of the Senate from the appropriation account Miscellaneous Items. Beginning in fiscal year 1993, and for each fiscal year thereafter, there is authorized to be appropriated for the expenses of the Office such sums as shall be necessary to carry out its functions. In all cases, expenses shall be paid out of the Contingent Fund of the Senate upon vouchers approved by the Director, except that a voucher shall not be required for—

(1) the disbursement of salaries of employees who are paid at an annual rate;

(2) the payment of expenses for telecommunications services provided by the Telecommunications Department, Sergeant at Arms, United States Senate;

(3) the payment of expenses for stationery supplies purchased through the Keeper of the Stationery, United States Senate;

(4) the payment of expenses for postage to the Postmaster, United States Senate; and

(5) the payment of metered charges on copying equipment provided by the Sergeant at Arms, United States Senate.

The Secretary of the Senate is authorized to advance such sums as may be necessary to defray the expenses incurred in carrying out this title. Expenses of the Office shall include authorized travel for personnel of the Office.

(e) RULES OF THE OFFICE.—The Director shall adopt rules governing the procedures of the Office, including the procedures of hearing boards, which rules shall be submitted to the President pro tempore for publication in the Congressional Record. The rules may be amended in the same manner. The Director may consult with the Chairman of the Administrative Conference of the United States on the adoption of rules.

(f) REPRESENTATION BY THE SENATE LEGAL COUNSEL.—For the purpose of representation by the Senate Legal Counsel, the Office shall be deemed a committee, within the meaning of title VII of the Ethics in Government Act of 1978 (2 U.S.C. 288, et seq.).

SEC. 304. SENATE PROCEDURE FOR CONSIDERATION OF ALLEGED VIOLATIONS.

The Senate procedure for consideration of alleged violations consists of 4 steps as follows:

(1) Step I, counseling, as set forth in section 305.

(2) Step II, mediation, as set forth in section 306.

(3) Step III, formal complaint and hearing by a hearing board, as set forth in section 307.

(4) Step IV, review of a hearing board decision, as set forth in section 308 or 309.

SEC. 305. STEP I: COUNSELING.

(a) IN GENERAL.—A Senate employee alleging a violation may request counseling by the Office. The Office shall provide the employee with all relevant information with respect to the rights of the employee. A request for counseling shall be made not later than 180 days after the alleged violation forming the basis of the request for counseling occurred. No request for counseling may be made until 10 days after the first Director begins service pursuant to section 303(b)(4).

(b) PERIOD OF COUNSELING.—The period for counseling shall be 30 days unless the employee and the Office agree to reduce the period. The period shall begin on the date the request for counseling is received.

(c) EMPLOYEES OF THE ARCHITECT OF THE CAPITOL AND CAPITOL POLICE.—In the case of an employee of the Architect of the Capitol or an employee who is a member of the Capitol Police, the Director may refer the employee to the Architect of the Capitol or the Capitol Police Board for resolution of the employee's complaint through the internal grievance procedures of the Architect of the Capitol or the Capitol Police Board for a specific period of time, which shall not count against the time available for counseling or mediation under this title.

SEC. 306. STEP II: MEDIATION.

(a) IN GENERAL.—Not later than 15 days after the end of the counseling period, the employee may file a request for mediation with the Office. Mediation may include the Office, the employee, and the employing office in a process involving meetings with the parties separately or jointly for the purpose of resolving the dispute between the employee and the employing office.

(b) MEDIATION PERIOD.—The mediation period shall be 30 days beginning on the date the request for mediation is received and may be extended for an additional 30 days at the discretion of the Office. The Office shall notify the employee and the head of the employing office when the mediation period has ended.

SEC. 307. STEP III: FORMAL COMPLAINT AND HEARING.

(a) FORMAL COMPLAINT AND REQUEST FOR HEARING.—Not later than 30 days after receipt by the employee of notice from the Office of the end of the mediation period, the Senate employee may file a formal complaint with the Office. No complaint may be filed unless the employee has made a timely request for counseling and has completed the procedures set forth in sections 305 and 306.

(b) HEARING BOARD.—A board of 3 independent hearing officers (referred to in this title as "hearing board"), who are not Senators or officers or employees of the Senate, chosen by the Director (one of whom shall be designated by the Director as the presiding hearing officer) shall be assigned to consider each complaint filed under this section. The Director shall appoint hearing officers after considering any candidates who are recommended to the Director by the Federal Mediation and Conciliation Service, the Administrative Conference of the United States, or organizations composed primarily of individuals experienced in adjudicating or arbitrating personnel matters. A hearing board shall act by majority vote.

(c) DISMISSAL OF FRIVOLOUS CLAIMS.—Prior to a hearing under subsection (d), a hearing board may dismiss any claim that it finds to be frivolous.

(d) HEARING.—A hearing shall be conducted—

(1) in closed session on the record by a hearing board;

(2) no later than 30 days after filing of the complaint under subsection (a), except that the Office may, for good cause, extend up to an additional 60 days the time for conducting a hearing; and

(3) except as specifically provided in this title and to the greatest extent practicable, in accordance with the principles and procedures set forth in sections 554 through 557 of title 5, United States Code.

(e) DISCOVERY.—Reasonable prehearing discovery may be permitted at the discretion of the hearing board.

(f) SUBPOENA.—

(1) AUTHORIZATION.—A hearing board may authorize subpoenas, which shall be issued by the presiding hearing officer on behalf of the hearing board, for the attendance of witnesses at proceedings of the hearing board and for the production of correspondence, books, papers, documents, and other records.

(2) OBJECTIONS.—If a witness refuses, on the basis of relevance, privilege, or other objection, to testify in response to a question or to produce records in connection with the proceedings of a hearing board, the hearing board shall rule on the objection. At the request of the witness, the employee, or employing office, or on its own initiative, the hearing board may refer the objection to the Select Committee on Ethics for a ruling.

(3) ENFORCEMENT.—The Select Committee on Ethics may make to the Senate any recommendations by report or resolution, including recommendations for criminal or civil enforcement by or on behalf of the Office, which the Select Committee on Ethics may consider appropriate with respect to—

(A) the failure or refusal of any person to appear in proceedings under this or to produce records in obedience to a subpoena or order of the hearing board; or

(B) the failure or refusal of any person to answer questions during his or her appearance as a witness in a proceeding under this section.

For purposes of section 1365 of title 28, United States Code, the Office shall be deemed to be a committee of the Senate.

(g) DECISION.—The hearing board shall issue a written decision as expeditiously as possible, but in no case more than 45 days after the conclusion of the hearing. The written decision shall be transmitted by the Office to the employee and the employing office. The decision shall state the issues raised by the complaint, describe the evidence in the record, and contain a determination as to whether a violation has occurred.

(h) REMEDIES.—If the hearing board determines that a violation has occurred, it shall order such remedies as would be appropriate if awarded under section 706 (g) and (k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5 (g) and (k)), and may also order the award of such compensatory damages as would be appropriate if awarded under section 1977 and section 1977A (a) and (b)(2) of the Revised Statutes (42 U.S.C. 1981 and 1981A (a) and (b)(2)). In the case of a determination that a violation based on age has occurred, the hearing board shall order such remedies as would be appropriate if awarded under section 15(c) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(c)). Any order requiring the payment of money must be approved by a Senate resolution reported by the Committee on Rules and Administration. The hearing board shall have no authority to award punitive damages.

(i) PRECEDENT AND INTERPRETATIONS.—Hearing boards shall be guided by judicial decisions under statutes referred to in section 302 and subsection (h) of this section, as well as the precedents developed by the Select Committee on Ethics under section 308, and other Senate precedents.

SEC. 308. REVIEW BY THE SELECT COMMITTEE ON ETHICS.

(a) IN GENERAL.—An employee or the head of an employing office may request that the Select Committee on Ethics (referred to in this section as the "Committee"), or such other entity as the Senate may designate, review a decision under section 307, including any decision following a remand under subsection (c), by filing a request for review with the Office not later than 10 days after the receipt of the decision of a hearing board. The Office, at the discretion of the Director, on its own initiative and for good cause, may file a request for review by the Committee of a decision of a hearing board not later than 5 days after the time for the employee or employing office to file a request for review has expired. The Office shall transmit a copy of any request for review to the Committee and notify the interested parties of the filing of the request for review.

(b) REVIEW.—Review under this section shall be based on the record of the hearing board. The Committee shall adopt and publish in the Congressional Record procedures for requests for review under this section.

(c) REMAND.—Within the time for a decision under subsection (d), the Committee may remand a decision no more than one time to the hearing board for the purpose of supplementing the record or for further consideration.

(d) FINAL DECISION.—

(1) HEARING BOARD.—If no timely request for review is filed under subsection (a), the Office shall enter as a final decision, the decision of the hearing board.

(2) SELECT COMMITTEE ON ETHICS.—

(A) If the Committee does not remand under subsection (c), it shall transmit a written final decision to the Office for entry in the records of the Office. The Committee shall transmit the decision not later than 60 calendar days during which the Senate is in session after the filing of a request for review under subsection (a). The Committee may extend for 15 calendar days during which the Senate is in session the period for transmission to the Office of a final decision.

(B) The decision of the hearing board shall be deemed to be a final decision, and entered in the records of the Office as a final decision, unless a majority of the Committee votes to reverse or remand the decision of the hearing board within the time for transmission to the Office of a final decision.

(C) The decision of the hearing board shall be deemed to be a final decision, and entered in the records of the Office as a final decision, if the Committee, in its discretion, decides not to review, pursuant to a request for review under subsection (a), a decision of the hearing board, and notifies the interested parties of such decision.

(3) ENTRY OF A FINAL DECISION.—The entry of a final decision in the records of the Office shall constitute a final decision for purposes of judicial review under section 309.

(e) STATEMENT OF REASONS.—Any decision of the Committee under subsection (c) or subsection (d)(2)(A) shall contain a written statement of the reasons for the Committee's decision.

SEC. 309. JUDICIAL REVIEW.

(a) IN GENERAL.—Any Senate employee aggrieved by a final decision under section 308(d), or any Member of the Senate who would be required to reimburse the appropriate Federal account pursuant to the section entitled "Payments by the President or a Member of the Senate" and a final decision entered pursuant to section 308(d)(2)(B), may petition for review by the United States Court of Appeals for the Federal Circuit.

(b) LAW APPLICABLE.—Chapter 158 of title 28, United States Code, shall apply to a review under this section except that—

(1) with respect to section 2344 of title 28, United States Code, service of the petition shall be on the Senate Legal Counsel rather than on the Attorney General;

(2) the provisions of section 2348 of title 28, United States Code, on the authority of the Attorney General, shall not apply;

(3) the petition for review shall be filed not later than 90 days after the entry in the Office of a final decision under section 308(d);

(4) the Office shall be an "agency" as that term is used in chapter 158 of title 28, United States Code; and

(5) the Office shall be the respondent in any proceeding under this section.

(c) STANDARD OF REVIEW.—To the extent necessary to decision and when presented, the court shall decide all relevant questions of law and interpret constitutional and statutory provisions. The court shall set aside a final decision if it is determined that the decision was—

(1) arbitrary, capricious, an abuse of discretion, or otherwise not consistent with law;

(2) not made consistent with required procedures; or

(3) unsupported by substantial evidence.

In making the foregoing determinations, the court shall review the whole record, or those parts of it cited by a party, and due account shall be taken of the rule of prejudicial error. The record on review shall include the record before the hearing board, the decision of the hearing board, and the decision, if any, of the Select Committee on Ethics.

(d) ATTORNEY'S FEES.—If an employee is the prevailing party in a proceeding under this section, attorney's fees may be allowed by the court in accordance with the standards prescribed under section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(k)).

SEC. 310. RESOLUTION OF COMPLAINT.

If, after a formal complaint is filed under section 307, the employee and the head of the employing office resolve the issues involved, the employee may dismiss the complaint or the parties may enter into a written agreement, subject to the approval of the Director.

SEC. 311. COSTS OF ATTENDING HEARINGS.

Subject to the approval of the Director, an employee with respect to whom a hearing is held under this title may be reimbursed for actual and reasonable costs of attending proceedings under sections 307 and 308, consistent with Senate travel regulations. Senate Resolution 259, agreed to August 5, 1987 (100th Congress, 1st Session), shall apply to witnesses appearing in proceedings before a hearing board.

SEC. 312. PROHIBITION OF INTIMIDATION.

Any intimidation of, or reprisal against, any employee by any Member, officer, or employee of the Senate, or by the Architect of the Capitol, or anyone employed by the Architect of the Capitol, as the case may be, because of the exercise of a right under this title constitutes an unlawful employment practice, which may be remedied in the same manner under this title as is a violation.

SEC. 313. CONFIDENTIALITY.

(a) COUNSELING.—All counseling shall be strictly confidential except that the Office and the employee may agree to notify the head of the employing office of the allegations.

(b) MEDIATION.—All mediation shall be strictly confidential.

(c) HEARINGS.—Except as provided in subsection (d), the hearings, deliberations, and decisions of the hearing board and the Select Committee on Ethics shall be confidential.

(d) FINAL DECISION OF SELECT COMMITTEE ON ETHICS.—The final decision of the Select Committee on Ethics under section 308 shall be made public if the decision is in favor of the complaining Senate employee or if the decision reverses a decision of the hearing board which had been in favor of the employee. The Select Committee on Ethics may decide to release any other decision at its discretion. In the absence of a proceeding under section 308, a decision of the hearing board that is favorable to the employee shall be made public.

(e) RELEASE OF RECORDS FOR JUDICIAL REVIEW.—The records and decisions of hearing boards, and the decisions of the Select Committee on Ethics, may be made public if required for the purpose of judicial review under section 309.

SEC. 314. EXERCISE OF RULEMAKING POWER.

The provisions of this title, except for sections 309, 320, 321, and 322, are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate. Notwithstanding any other provision of law, except as provided in section 309, enforcement and adjudication with respect to the discriminatory practices prohibited by section 302, and arising out of Senate employment, shall be within the exclusive jurisdiction of the United States Senate.

SEC. 315. TECHNICAL AND CONFORMING AMENDMENTS.

Section 509 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12209) is amended—

(1) in subsection (a)—

(A) by striking paragraphs (2) through (5);

(B) by redesignating paragraphs (6) and (7) as paragraphs (2) and (3), respectively; and

(C) in paragraph (3), as redesignated by subparagraph (B) of this paragraph—

(i) by striking "(2) and (6)(A)" and inserting "(2)(A)", as redesignated by subparagraph (B) of this paragraph; and

(ii) by striking "(3), (4), (5), (6)(B), and (6)(C)" and inserting "(2)"; and

(2) in subsection (c)(2), by inserting ", except for the employees who are defined as Senate employees, in section 301(c)(1) of the Civil Rights Act of 1991" after "shall apply exclusively".

SEC. 316. POLITICAL AFFILIATION AND PLACE OF RESIDENCE.

(a) IN GENERAL.—It shall not be a violation with respect to an employee described in subsection (b) to consider the—

(1) party affiliation;

(2) domicile; or

(3) political compatibility with the employing office,

of such an employee with respect to employment decisions.

(b) DEFINITION.—For purposes of this section, the term "employee" means—

(1) an employee on the staff of the Senate leadership;

(2) an employee on the staff of a committee or subcommittee;

(3) an employee on the staff of a Member of the Senate;

(4) an officer or employee of the Senate elected by the Senate or appointed by a Member, other than those described in paragraphs (1) through (3); or

(5) an applicant for a position that is to be occupied by an individual described in paragraphs (1) through (4).

SEC. 317. OTHER REVIEW.

No Senate employee may commence a judicial proceeding to redress discriminatory practices prohibited under section 302 of this title, except as provided in this title.

SEC. 318. OTHER INSTRUMENTALITIES OF THE CONGRESS.

It is the sense of the Senate that legislation should be enacted to provide the same or comparable rights and remedies as are provided under this title to employees of instrumentalities of the Congress not provided with such rights and remedies.

SEC. 319. RULE XLII OF THE STANDING RULES OF THE SENATE.

(a) REAFFIRMATION.—The Senate reaffirms its commitment to Rule XLII of the Standing Rules of the Senate, which provides as follows:

"No Member, officer, or employee of the Senate shall, with respect to employment by the Senate or any office thereof—

"(a) fail or refuse to hire an individual;

"(b) discharge an individual; or

"(c) otherwise discriminate against an individual with respect to promotion, compensation, or terms, conditions, or privileges of employment

on the basis of such individual's race, color, religion, sex, national origin, age, or state of physical handicap.".

(b) AUTHORITY TO DISCIPLINE.—Notwithstanding any provision of this title, including any provision authorizing orders for remedies to Senate employees to redress employment discrimination, the Select Committee on Ethics shall retain full power, in accordance with its authority under Senate Resolution 338, 88th Congress, as amended, with respect to disciplinary action against a Member, officer, or employee of the Senate for a violation of Rule XLII.

SEC. 320. COVERAGE OF PRESIDENTIAL APPOINTEES.

(a) IN GENERAL.—

(1) APPLICATION.—The rights, protections, and remedies provided pursuant to section 302 and 307(h) of this title shall apply with respect to employment of Presidential appointees.

(2) ENFORCEMENT BY ADMINISTRATIVE ACTION.—Any Presidential appointee may file a complaint alleging a violation, not later than 180 days after the occurrence of the alleged violation, with the Equal Employment Opportunity Commission, or such other entity as is designated by the President by Executive Order, which, in accordance with the principles and procedures set forth in sections 554 through 557 of title 5, United States Code, shall determine whether a violation has occurred and shall set forth its determination in a final order. If the Equal Employment Opportunity Commission, or such other entity as is designated by the President pursuant to this section, determines that a violation has occurred, the final order shall also provide for appropriate relief.

(3) JUDICIAL REVIEW.—

(A) IN GENERAL.—Any party aggrieved by a final order under paragraph (2) may petition for review by the United States Court of Appeals for the Federal Circuit.

(B) LAW APPLICABLE.—Chapter 158 of title 28, United States Code, shall apply to a review under this section except that the Equal Employment Opportunity Commission or such other entity as the President may designate under paragraph (2) shall be an "agency" as that term is used in chapter 158 of title 28, United States Code.

(C) STANDARD OF REVIEW.—To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law and interpret constitutional and statutory provisions. The court shall set aside a final order under paragraph (2) if it is determined that the order was—

(i) arbitrary, capricious, an abuse of discretion, or otherwise not consistent with law;

(ii) not made consistent with required procedures; or

(iii) unsupported by substantial evidence.

In making the foregoing determinations, the court shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule of prejudicial error.

(D) ATTORNEY'S FEES.—If the presidential appointee is the prevailing party in a proceeding under this section, attorney's fees may be allowed by the court in accordance with the standards prescribed under section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(k)).

(b) PRESIDENTIAL APPOINTEE.—For purposes of this section, the term "Presidential appointee" means any officer or employee, or an applicant seeking to become an officer or employee, in any unit of the Executive Branch, including the Executive Office of the President, whether appointed by the President or by any other appointing authority in the Executive Branch, who is not already entitled to bring an action under any of the statutes referred to in section 302 but does not include any individual—

(1) whose appointment is made by and with the advice and consent of the Senate;

(2) who is appointed to an advisory committee, as defined in section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.); or

(3) who is a member of the uniformed services.

SEC. 321. COVERAGE OF PREVIOUSLY EXEMPT STATE EMPLOYEES.

(a) APPLICATION.—The rights, protections, and remedies provided pursuant to section 302 and 307(h) of this title shall apply with respect to employment of any individual chosen or appointed, by a person elected to public office in any State or political subdivision of any State by the qualified voters thereof—

(1) to be a member of the elected official's personal staff;

(2) to serve the elected official on the policymaking level; or

(3) to serve the elected official as an immediate advisor with respect to the exercise of the constitutional or legal powers of the office.

(b) ENFORCEMENT BY ADMINISTRATIVE ACTION.—

(1) IN GENERAL.—Any individual referred to in subsection (a) may file a complaint alleging a violation, not later than 180 days after the occurrence of the alleged violation, with the Equal Employment Opportunity Commission, which, in accordance with the principles and procedures set forth in sections 554 through 557 of title 5, United States Code, shall determine whether a violation has occurred and shall set forth its determination in a final order. If the Equal Employment Opportunity Commission determines that a violation has occurred, the final order shall also provide for appropriate relief.

(2) REFERRAL TO STATE AND LOCAL AUTHORITIES.—

(A) APPLICATION.—Section 706(d) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(d)) shall apply with respect to any proceeding under this section.

(B) DEFINITION.—For purposes of the application described in subparagraph (A), the term "any charge filed by a member of the Commission alleging an unlawful employment practice" means a complaint filed under this section.

(c) JUDICIAL REVIEW.—Any party aggrieved by a final order under subsection (b) may obtain a review of such order under chapter 158 of title 28, United States Code. For the purpose of this review, the Equal Employment Opportunity Commission shall be an "agency" as that term is used in chapter 158 of title 28, United States Code.

(d) STANDARD OF REVIEW.—To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law and interpret constitutional and statutory provisions. The court shall set aside a final order under subsection (b) if it is determined that the order was—

(1) arbitrary, capricious, an abuse of discretion, or otherwise not consistent with law;

(2) not made consistent with required procedures; or

(3) unsupported by substantial evidence.

In making the foregoing determinations, the court shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule of prejudicial error.

(e) ATTORNEY'S FEES.—If the individual referred to in subsection (a) is the prevailing party in a proceeding under this subsection, attorney's fees may be allowed by the court in accordance with the standards prescribed under section 706(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-5(k)).

SEC. 322. SEVERABILITY.

Notwithstanding section 401 of this Act, if any provision of section 309 or 320(a)(3) is invalidated, both sections 309 and 320(a)(3) shall have no force and effect.

SEC. 323. PAYMENTS BY THE PRESIDENT OR A MEMBER OF THE SENATE.

The President or a Member of the Senate shall reimburse the appropriate Federal account for any payment made on his or her behalf out of such account for a violation committed under the provisions of this title by the President or Member of the Senate not later than 60 days after the payment is made.

SEC. 324. REPORTS OF SENATE COMMITTEES.

(a) Each report accompanying a bill or joint resolution of a public character reported by any committee of the Senate (except the Committee on Appropriations and the Committee on the Budget) shall contain a listing of the provisions of the bill or joint resolution that apply to Congress and an evaluation of the impact of such provisions on Congress.

(b) The provisions of this section are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

SEC. 325. INTERVENTION AND EXPEDITED REVIEW OF CERTAIN APPEALS.

(a) INTERVENTION.—Because of the constitutional issues that may be raised by section 309 and section 320, any Member of the Senate may intervene as a matter of right in any proceeding under section 309 for the sole purpose of determining the constitutionality of such section.

(b) THRESHOLD MATTER.—In any proceeding under section 309 or section 320, the United States Court of Appeals for the Federal Circuit shall determine any issue presented concerning the constitutionality of such section as a threshold matter.

(c) APPEAL.—

(1) IN GENERAL.—An appeal may by taken directly to the Supreme Court of the United States from any interlocutory or final judgment, decree, or order issued by the United States Court of Appeals for the Federal Circuit ruling upon the constitutionality of section 309 or 320.

(2) JURISDICTION.—The Supreme Court shall, if it has not previously ruled on the question, accept jurisdiction over the appeal referred to in paragraph (1), advance the appeal on the docket and expedite the appeal to the greatest extent possible.

TITLE IV—GENERAL PROVISIONS

SEC. 401. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected.

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise specifically provided, this Act and the amendments made by this Act shall take effect upon enactment.

(b) CERTAIN DISPARATE IMPACT CASES.—Notwithstanding any other provision of this Act, nothing in this Act shall apply to any disparate impact case for which a complaint was filed before March 1, 1975, and for which an initial decision was rendered after October 30, 1983.

TITLE V—CIVIL WAR SITES ADVISORY COMMISSION

SEC. 501. CIVIL WAR SITES ADVISORY COMMISSION.

Section 1205 of Public Law 101-628 is amended in subsection (a) by—

(1) striking "Three" in paragraph (4) and inserting "Four" in lieu thereof; and

(2) striking "Three" in paragraph (5) and inserting "Four" in lieu thereof.

The SPEAKER pro tempore (Mr. MFUME). Pursuant to the rule, the gentleman from Texas [Mr. BROOKS] will be recognized for 15 minutes; the gentleman from Illinois [Mr. HYDE] will be recognized for 15 minutes; the gentleman from Michigan [Mr. FORD] will be recognized for 15 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself and such time as I may consume.

Mr. Speaker, I hope that today we are writing the final chapter in a legislative saga that, unhappily, has lasted more than 2 years. Through both the 101st and 102d Congresses, the legislative branch has worked diligently and in good faith to craft legislation that would restore and reaffirm our Nation's historic—and almost unique—commitment to equal treatment for all our citizens in the workplace. Why did the vast majority of this body join in that effort? Simply because civil rights is a central part of the American experience, representing as it does our most visible reaffirmation of the Bill of Rights.

I believe that the legislation before us, S. 1745, remains true to that commitment. Its enactment will assure that all people will be able to compete for jobs on the basis of merit and merit alone. Such a simple and life-affirming goal—but one that has almost become lost in a tangled story of posturing and election year prepositioning.

History is often instructive, and some facts bear repeating. As the Members well know, on the first day of this Congress, I introduced H.R. 1, the Civil Rights Act of 1991. I was proud to guide H.R. 1 through the legislative process in this body, even as I and all around me heard a remarkable litany of allegations that drew upon the most perverse logic imaginable that H.R. 1 would somehow force employers to resort to quotas in their hiring.

How this would occur was of course never specified, but the political potency of the word "quota"—much like the shout of "fire" in a crowded room—has a dynamic all its own. As legislators—and even the supposedly impartial press—ran to the exits, they barely noticed that not a single spark of combustion was in the room. The political firestorm could have been put out by simply reading the bill.

Nevertheless, over the months the ploy continued to work, to the disgrace of many who were unwittingly cast in supporting roles not of their own choosing. What has changed today between H.R. 1 and S. 1745 that has suddenly and magically transformed a quota bill into a gleaming piece of civil rights legislation that the President can't wait to sign?

At the heart of H.R. 1 was the imperative to overrule a series of Supreme Court decisions that had severely damaged equal employment law. S. 1745 addresses essentially the same cases. H.R. 1 required an employer to show that alleged discriminatory practices were "required by business necessity"—further, that they bear "a significant and manifest relationship to the requirements for effective job performance." One runs the risk of straining English usage to say that S. 1745 changes this test by requiring the respondent to demonstrate that the practice is "job-related for the position in question and consistent with business necessity." I ask my colleagues: Did that change in nuance kill the quota monster?

H.R. 1 permitted the complainant to challenge a group of employment practices, and required the complainant to make diligent effort during discovery to determine the particular practices that resulted in a disparate impact. S. 1745, on the other hand, requires a complainant to challenge a particular employment practice unless the elements of the employer's decisionmaking process cannot be separated. Is this the change that made believers of the President's men?

Mr. Speaker, the argument was made that under H.R. 1 employers would resort to quotas in order to avoid the potential of litigation and threatened damages. H.R. 1 provided a cap for punitive damages of $150,000 or an amount equal to the sum of compensatory damages and equitable monetary relief. S. 1745 replaced this provision with a four-tier compensatory and punitive damages structure based on the number of employees. And yet, we mustn't forget that when a company has less than 15 employees, there are no damages available whatsoever because there is no cause of action under our current antidiscrimination statutes. Moreover, over 80 percent of the businesses in this county fall within the category of the exemption. Where, I ask the Members, was the quota lurking in H.R. 1; and where; I ask, has the quota now gone, given the Senate's even larger damage awards?

There is a strange irony in one of the changes in language that was made between H.R. 1 and S. 1745. As passed by the House, H.R. 1 directly and explicitly prohibited the use of quotas. S. 1745 does not include this language. It has still not been explained to me or the American people why removing an expressed prohibition on quotas makes the bill before us today less of a quota bill. But again, I have not been the master of the perverse logic that has propelled the strategy on the other side.

Mr. Speaker, the plain and simple fact is that in its essence and in all but the most technical of areas, the bill before us today embodies the bill that we passed 5 months ago and that would be law today except for the loud, hectoring veto threat that we heard from the West Wing of the White House. In the broadest of terms, virtually nothing of substance has changed H.R. 1 and S. 1745.

I will not dwell on speculation about what has changed over the past several months, or whether the rise of blatant racist appeals in recent gubernatorial political campaigns have brought us to this point today where we all now desperately wish to appear to be reasonable and compassionate men and women. I do know this, however: The debate and rhetoric over this legislation has unleashed political forces that could be profoundly and permanently damaging to our system of government. It has legitimized and made acceptable arguments that have no place in our political discourse.

I do not know whether, by moving this legislation through enactment and moving on to other issues, we can put the genie back in the bottle. But I do know that it is high time—far past the right time in fact—to close this chapter by enacting a good and just piece of legislation that will restore equity in the workplace. I urge all the Members to vote for S. 1745.

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Mr. EDWARDS of California. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend, the gentleman from California, Mr. DON EDWARDS, chairman of the subcommittee.

Mr. EDWARDS of California. Mr. Speaker, I rise in enthusiastic support of this bill.

Mr. Speaker, S. 1745, the Civil Rights Act of 1991, passed by the Senate on October 30, 1991, achieves the same fundamental purposes as H.R. 1 which passed the House on June 5, 1991. Both bills, for example, restore the allocation of the burden of proof and the concept of business necessity as enunciated in *Griggs* v. *Duke Power*, 401 U.S. 424, 1971, and reject the contrary interpretations of the Wards Cove case. Both bills assure that section 1981 covers discrimination against racial and ethnic minorities on the job, and establish a damage remedy in cases of discrimination on the basis of gender and disability. Both bills limit the circumstances under which litigated judgments and consent decrees in title VII cases can be subject to collateral attack. And there are many other respects in which the two bills are very similar or virtually identical. Accordingly, the great bulk of the legislative history on H.R. 1 that was established in the course of proceedings in the House Judiciary and Education and Labor Committees and the floor debate in the House applies with equal force to S. 1745.

There are some instances, however, in which the language of S. 1745 and H.R. 1 differ, notwithstanding the similarity in purpose of the two bills. Accordingly, I offer this interpretive memorandum where questions may arise because of differences in wording between the two bills. With these clarifications I join in sponsoring S. 1745 and wholeheartedly urge Members of the House of Representatives to support the bill.

SECTION-BY-SECTION ANALYSIS

SECTION 101—PROHIBITION AGAINST ALL RACIAL DISCRIMINATION IN THE MAKING AND ENFORCEMENT OF CONTRACTS

Section 101 fills the gap in the broad statutory protection against intentional racial and ethnic discrimination covered by section 1981, 42 U.S.C. 1981 (Section 1977 of the Revised Statutes) that was created by the Supreme Court decision in *Patterson* v. *McLean Credit Union*, 491 U.S. 164 (1989). Section 101 reinstates the prohibition of discrimination during the performance of the contract and restores protection for racial and ethnic discrimination to the millions of individuals employed by firms with fewer than 15 employees. The list set forth in subsection (b) is illustrative only, and should be given broad construction to allow a remedy for any act of intentional discrimination committed in the making or the performance of a contract. Section 101 also overturns Patterson in contractual relationships other than employment, and nothing in the amended language should be construed to limit it to the employment context.

Section 101 also codifies the holding of *Runyon* v. *McCrary*, 427 U.S. 160 (1976), reaffirmed in Patterson, that section 1981 prohibits private, as well as governmental discrimination.

SECTION 102—DAMAGES

The creation of a damages remedy for intentional discrimination is necessary to conform remedies for intentional gender, disability, and certain forms of religious discrimination to those currently available to victims of intentional race, national origin and other forms of religious discrimination as well as to provide a more effective damages remedy in the public sector. This legislation properly reverses the Supreme Court's decision in *Patterson* v. *McLean Credit Union*, 491 U.S. 164 (1989) to assure that the broad prohibition against race and ethnic discrimination included in 42 U.S.C. 1982, along with the availability of compensatory and punitive damages, is restored and applies to all aspects of the employment relationship. With Section 1981 thus restored, it is simply untenable to continue any longer the disparity in the civil rights laws which permits the recovery of compensatory and punitive damages in cases of intentional race discrimination but to deny these same remedies to victims of other forms of discrimination.

Monetary damages serve the twin purposes of compensation and deterrence. Compensatory damages are necessary to make discrimination victims whole for the terrible injury to their careers, to their mental, physical, and emotional health, to their self-respect and dignity, and for other consequential harms. Compensatory damages also raise the cost of an employer's engaging in intentional discrimination, thereby providing employers with additional incentives to prevent intentional discrimination in the workplace before it happens. Punitive damages serve the important purposes of punishing egregious discrimination, reinforcing the public policy against discrimination and adding to the deterrent value of a damages award. Monetary damages are also necessary to encourage citizens to act as private attorneys general to enforce the law.

Section 102 creates a new provision, section 1977A of the revised statutes, to be codified as section 1981A in Title 42 of the United States Code. Section 1977A authorizes the award of compensatory damages in cases of intentional employment discrimination against persons within the protected categories of Title VII and the Americans with Disabilities Act.

The provisions of Section 1977 (42 U.S.C. 1981) and Section 1977A work together. Some victims of discrimination such as those suffering solely from sex or disability discrimination will have recourse under Section 1977A. Others, such as those suffering from racial or national origin discrimination have recourse under both Sections 1977 and 1977A. While these plaintiffs may proceed under both sections, they, of course, cannot recover double damages for the same harm arising out of the same facts and circumstances.

Other plaintiffs who have recourse under both Sections 1977 and 1977A include those who suffer from double discrimination on the basis of disability or sex combined with race or national origin. These plaintiffs, who may have different independent causes of action under Sections 1977 and 1977A out of the same or different factual situations, may proceed under both sections and recover damages under both sections for the independent causes of action.

For example, a minority woman may have a cause of action for damages for race or national origin discrimination which she may bring under both Sections 1977 and 1977A as well as a separate cause of action for sex discrimination under Section 1977A. She may also have a cause of action for combined race and sex discrimination, see, e.g., *Jefferies* v. *Harris City, Community Action Association*, 615 F.2d 1025 (5th Cir. 1980) which could be brought under both sections. Similarly, plaintiffs establishing both race and disability discrimination can recover damages under both provisions.

By limiting awards under Section 1977A to those situations where the complaining party "cannot recover under Section 1977 of the revised statutes (42 U.S.C. 1981)". Section 1977A simply assures that there will be no double recovery for the same harm, i.e., a party cannot recover for the same cause of action for race discrimination under both statutes. Moreover, if a party has a potential cause of action under Section 1977, but for whatever reason does not bring it, that party "cannot recover under Section 1977" within the meaning of this provision. Such party may therefore recover under Section 1977A since no double recovery could result. No party is under any obligation to proceed under one or the other statute or to waive any cause of action under either statute as a condition of proceeding.

In addition, the following points should be raised in connection with this section:

The new damages provision does not limit either the amount of damages available in section 1981 actions or the circumstances under which a person may bring suit under that section. Particularly, this bill affirms the holding of the Supreme Court in *Saint Francis College* v. *Al-Khazraji*, 481 U.S. 604 (1987), see also *Shaare Tefila Congregation* v. *Cobb*, 481 U.S. 615 (1987), that section 1981 was intended to protect from discrimination "identifiable classes of persons who are subjected to intentional discrimination solely because of their ancestry or ethnic characteristics." Indeed, that discrimination is national origin discrimination which is also prohibited by Title VII.

Damages awarded under section 1977A cannot include remedies already available under Title VII including backpay, the interest thereon, front pay, or any other relief authorized under Title VII;

By explicitly referencing section 717 of Title VII, section (a)(1) of section 1977A assures that the damages remedy will be available in cases against federal defendants. As is clear from the fact that the section addressing the right to jury trials has been drafted without limitation, jury trials are available to the same extent in cases against federal defendants as they are in cases against any other defendant.

Section 1977A authorizes damages actions against state and local governmental defendants. By reference to sections 703, 704 and 706 of Title VII, the statutory language of section 1977A is explicit that compensatory damages are available against state and local governmental defendants although section (b)(1) clarifies that punitive damages are not. In so doing it reinforces the clear statutory intent that compensatory damages are available against federal, state and local governmental defendants to the same extent that they are available against private sector defendants; punitive damages are not.

Any party may demand a trial by jury regarding claims for which compensatory and/or punitive damages are sought. This jury right is without limitation and thus applies to all claims authorized by section 1977A including those against federal, state, or local governmental defendants.

The sponsors recognize the limited role of the judiciary in reviewing jury awards and intend that only this well-established supervisory role be applied to the review of jury awards under section 1977A. This legislation in no way suggests or authorizes any new or additional judicial authority in this area.

Section 1977A specifically authorizes the Equal Employment Opportunity Commission and the Attorney General, in addition to individual complaining parties, to bring actions for both compensatory and punitive damages. This legislation thus intends that the federal governmental agencies charged with enforcing Title VII and the Americans With Disabilities Act have authority to pursue both compensatory and punitive damages remedies to assure that the legislative purposes of compensation and deterrence are fully served for persons protected under section 1977A.

Punitive damages are available under 1977A to the same extent and under the same standards that they are available to plaintiffs under 42 U.S.C. §1981. No higher standard may be imposed.

While the bill extends the remedy of damages to intentional discrimination, this does not mean that there will be an automatic damages remedy if an affirmative action plan if found wanting or if a court-ordered affirmative action requirement is overturned. The EEOC has issued Affirmative Action Guidelines which set forth the standards for permissible affirmative action. 29 C.F.R. Part 1608, 44 Fed. Reg. 4422 (February 20, 1979). These guidelines invoke §713 of title VII, 42 U.S.C. §2000e–12, which provides immunity from liability under Title VII for respondents who prove that their actions were taken in good faith, in reliance on, and in conformity with, written interpretations and opinions of the EEOC. 29 C.F.R. §1608.2. These Guidelines also provide immunity from Title VII liability for actions taken by a respondent in compliance with a court order. 29 C.F.R. §1608.8. Thus, respondents have assurance that they will be free of the risk of damage actions under this bill if their affirmative plans meet these standards, or if they are acting under court order.

The sponsors acknowledge the limitations on damages awards in the legislation which apply to the damages available to each individual complaining party for each cause of action brought under Section 1981A. However, they reject any rationale that these limitations serve any function as a precedent for tort reform or any other limits on recovery.

SECTIONS 2 AND 3—FINDINGS AND PURPOSES

Section 3 states that one of the purposes of the legislation is "to codify the concepts of 'business necessity' and 'job related' enunciated by the Supreme Court in *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971), and in the other Supreme Court decisions prior to *Wards Cove Packing Co.* v. *Atonio*, 490 U.S. 642 (1989)." Some have suggested, contrary to the plain meaning of this Section and of Section 2 ("Congress finds that—* * * the decision of the Supreme Court in *Wards Cove Packing Co.* v. *Atonio*, 490 U.S. 642 (1989) has weakened the scope and effectiveness of Federal civil rights protections"), that the effect of Section 3 is to codify the treatment of business necessity in Wards Cove. The argument is that the Wards Cove standard of business necessity was part of the decision in *Watson* v. *Fort Worth Bank and Trust*, 487 U.S. 977 (1988) and was also articulated in a footnote in *New York City Transit Authority* v. *Beazer*, 440 U.S. 568 (1979). This argument is unfounded and these two decisions do not undermine in any way the fact that in virtually every disparate impact case decided prior to Wards Cove (including 6 out of 6 in the Supreme Court), the Court has applied a job performance or job relatedness standard of business necessity.

Watson was decided a year before Wards Cove and all Justices who voted concurred in the holding that disparate impact analysis may be applied to cases in which subjective criteria are used to make employment decisions. However, as to the evidentiary standards to be applied in disparate impact cases and the meaning of business necessity, the Justices were split and there was no majority opinion of the Court. A plurality asserted that Griggs would be satisfied if the employer's practice was "related to legitimate business purposes" or served "the employer's legitimate business goals," which the plurality acknowledged was a new expression of the business necessity rule.

Three Justices, on the other hand, argued that this was "simply not enough to legitimize a practice that has the effect of excluding a protected class from job opportunities at a significantly disproportionate rate," and that "[o]ur cases since *Griggs* make clear that this effect itself runs afoul of Title VII unless it is 'necessary to safe and efficient *job performance*.'" 101 L.Ed. 2d at 852 (emphasis added).

The plurality's formulation of the business necessity rule in Watson, while quite similar to the language used in Wards Cove, was never a binding decision of the Supreme Court or in any sense the law of the land because it did not command a majority of the Justices on the Court. It was not until a year later, when Justice Kennedy joined the Court and voted with the Watson plurality in Wards Cove, that the formulation of business necessity was actually weakened in what amounted to a significant departure from prior cases starting with *Griggs*.

The Watson decision thus offers no support to those who claim that the lenient standard of business necessity articulated in Wards Cove is included in what Section 3 of this bill refers to as "the other Supreme Court decision prior to Wards Cove." Moreover, the principal Senate sponsors of this bill have both stated that this bill overturns Wards Cove and that that has always been one of the key purposes of this legislation. It is not possible in the view of the sponsors that they intended at the same time to codify a non-binding plurality opinion that contained essentially the same standard of business necessity expressed a year later in Wards Cove.

The point has also been asserted that the Supreme Court's 1979 decision in Beazer contains dicta in a footnote suggesting that the Court was adopting a business necessity rule similar to the one in Wards Cove, requiring the defendant to prove only that the challenged practice served legitimate employment objectives. An examination of that case and the footnote in question clearly shows that this assertion is incorrect. In Beazer the Court was presented with a practice that was plainly related to job performance. The practice at issue was a refusal to hire applicants who were being treated with methadone in order to overcome an addiction to heroin. Many methadone patients reverted to heroin use or other forms of drug or alcohol dependency which rendered them incapable of performing a job well if at all. 440 U.S. at 575–76 and nn.9–10, 577.

Although a majority of the Court doubted whether the plaintiffs had established a prima facie case of disparate impact, it found in fn. 31 that such evidence was rebutted by the Transit Authority's demonstration that its methadone rule was "job related." What was at issue in Beazer was the ability of workers to operate public transit without endangering the lives of the millions of people who ride the buses and subways in New York City every day. Indeed, the Supreme Court emphasized that the District Court had recognized "the special responsibility for public safety born by certain TA employees and the correlation between longevity in a methadone maintenance program and [job] performance capability." 440 U.S. at 578. See also 440 U.S. 571, 575–78 and n.31, n.33 and the references to the District Court's opinion at those pages. Thus nothing in the Beazer decision suggests that the Supreme Court was departing in 1979 from the job relatedness and job performance standard of business necessity that began with Griggs.

SECTION 105—BURDEN OF PROOF IN DISPARATE IMPACT CASES

Under this section, a disparate impact suit is brought in 3 stages. The legislation is not intended to alter the definition of the term "disparate impact" as it has been developed by the courts since 1971. Initially, the plaintiff has the burden of providing a prima facie case. *Albemarle Paper Co.* v. *Moody*, 422 U.S. 405,425 (1975). A prima facie case is established when a plaintiff identifies a specific employment practice and demonstrates that the practice causes a disparate impact, except as described below.

This section codifies the proof burdens and meaning of the terms "job-related" and "business necessity" as used in *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971), and overrules the proof burdens and treatment of business necessity as a defense in *Wards Cove Packing Co.* v. *Atonio*, 490 U.S. 642 (1989). The phrase "job-related for the position in question and consistent with business necessity" was used in Section 102(b)(6) of the Americans with Disabilities Act. As explained in the legislative history and subsequent regulations issued under that Act, this language clearly requires proof by an employer of a close connection between a challenged practice with disparate impact and the ability to actually perform the job in question. See, e.g., Report on the ADA by House Committee on Education and Labor at H. Rept. 101–485

Part 2, 2d Session, pp. 70-72 (1990); Report on the ADA by the House Committee on the Judiciary at H. Rept. 101-485 Part 3, 2d Session, p. 42 (1990). See also, e.g., *Prewitt* v. *United States Postal Service*, 662 F. 2d 292, 310 (5th Cir. 1981) (construing Section 503 of the Rehabilitation Act of 1973 to require proof of close connection between the challenged practice and the requirements for performing the job in question). The House has agreed to accept this language in lieu of the formulation used in H.R. 1 because we are convinced that this language accomplishes the same purpose in the same manner as the language of H.R. 1, and clearly preserves the great body of disparate impact case law embodied in the holdings of the Supreme Court prior to Wards Cove and the decisions of the lower courts.

Indeed, it is clear that the courts applying the Griggs doctrine in the 18 years prior to Wards Cove and consistently and expressly rejected the lenient business necessity standard that was adopted in 1989 in Wards Cove and incorporated into the language of the Administration bill offered on March 1, 1991. That standard has been rejected in this legislation. The evidence is clear that for the 18 years prior to Wards Cove, the test applied almost universally in determining whether an employer had proven business necessity was one of job relatedness or job performance—terms which the Supreme Court and lower courts have used interchangeably in this context. These cases are collected in a July, 1991 study by the law firm of Fried, Frank, Harris, Shriver & Jacobson, entitled "From Griggs to Wards Cove: Job Performance, a Uniformly Applied Standard in Title VII Cases." In short, employers in nearly all cases prior to Wards Cove were permitted to justify practices that had a discriminatory impact only when they showed that such practices were significantly related to the ability to perform the job. Justifications such as customer preference, morale, corporate image, and convenience, while perhaps constituting "legitimate" goals of an employer, fall far short of the specific proof required under Griggs and this legislation to show that a challenged employment practice is closely tied to the requirements of performing the job in question and thus is "job related for the position in question".

With respect to restoring the burden on the employer to justify its practices that result in disparate impact, the language of Section 105 requires the employer to "demonstrate that the challenged practice is job related for the position in question and consistent with business necessity." Because the term "demonstrate" is defined in Section 104 to include the burdens of production and persuasion, this returns the burden of proving this defense to the employer. Moreover, this language in Section 105 plainly requires the employer to prove two things which together insure the restoration of the Griggs standard and the reversal of Wards Cove: 1) that the challenged practice is "job related for the position in question" and 2) that it is "consistent with business necessity."

Section 105 requires a complaining party to demonstrate that a particular employment practice causes a disparate impact. By use of the term "cause", the bill should not be read to require a plaintiff "to eliminate all alternative explanatory hypotheses for a disparate impact." See *Allen* v. *Seidman*, 881 F.2d 375, 380 (7th Cir. 1989). For example, if an employment test creates a disparate impact on the basis of race, a plaintiff would not be required to prove that a disadvantaged background was not an alternative, possible hypothesis for the disparate impact.

Similarly, as the Supreme Court discussed in the McDonnell Douglas case, if a complaining party demonstrates that the application of a written examination results in a disparate impact on blacks, the plaintiff is not required to demonstrate that differences in educational backgrounds or cultural differences did not cause the difference in performance between black and white test takers. This provision does not require a complaining party to prove that antecedent or underlying causes did not contribute to the disparate impact.

With respect to the need for specificity, there is one exception to the requirement that a complaining party identify each practice that causes a disparate impact. In order to invoke that exception, the complaining party must "demonstrate to the court that the elements of a respondent's decision-making process are not capable of separation for analysis", and in that instance "the decision-making process may be analyzed as one employment practice."

For example, if employment decision-makers cannot reconstruct the basis for their employment decisions because uncontrolled discretion is given to a respondent's employment decision-makers, then the decisionmaking process may be treated as one employment practice and need not be identified by the complaining party as discrete practices. See *Sledge* v. *J.P. Stevens & Co.*, 52 EPD para. 39,537 (E.D.N.C. Nov. 30, 1989). Similarly, if a complaining party proves to a judge that it is impossible, for whatever reason, to reconstruct how practices were used in a decisionmaking process, then the decisionmaking process is incapable of separation for analysis and may be treated as one employment practice and challenged and defended as such.

Some members of Congress have suggested that the complaining party in a disparate impact case under this bill has the burden of proving the disparate impact of each specific employment practice even where this is impossible because the defendant kept no records showing the reason for accepting or rejecting specific candidates, or has destroyed or otherwise failed to produce such records as were kept. This suggestion is baseless. No supporter of this bill can reasonably claim that it imposes on any person an impossible burden. If the respondent's record-keeping or lack thereof deprives a plaintiff of the means to prove which particular practice caused a disparate impact, then it is clear that the plaintiff can aggregate the employer's practices and challenge the decisionmaking process as a whole. Even under Wards Cove such aggregation was allowed. See, e.g., *Green* v. *USX Corp.*, 896 F.2d 801, 805 (3d Cir. 1990). The language of Section 105 overrules Wards Cove's disaggregation requirement by liberalizing the rule; it does not make it more restrictive and require showings which cannot possibly be made.

As part of the burden of justifying an employment practice with disparate impact, a respondent must show, in accord with current law, that it has made reasonable efforts to find out whether a different practice with less disparate impact would serve its interests as well. The respondent should ordinarily be liable for any meaningful part of the adverse impact which would have been avoided by a reasonable inquiry, if the inquiry would have been likely to reveal to the respondent the availability of a different practice. The reasonableness of the inquiry will depend on the respondent's size and resources, the number of persons affected by the employment practice, and the degree of the adverse impact to be eliminated. The bill does not change this pre-existing obligation of respondents. See 43 Fed. Reg. 38290, 38297 (August 25, 1978).

The bill also provides statutory confirmation of the right of a plaintiff to prevail even if a respondent's employment practice with disparate impact is found to have been justified, by proving that the complaining party brought to the respondent's attention the availability of an alternative employment practice and established that the alternative practice has less disparate impact but served the respondent's needs as well as the challenged practice, and by proving that the respondent did not adopt the alternative practice. *Albemarle Paper*, 422 U.S. at 425. The plaintiff need not wait until trial to make the suggestion; the suggestion could even be made in advance of the filing of a charge with the EEOC. A respondent which unreasonably delays its adoption of the alternative practice has "refused to adopt" the alternative practice within the meaning of the bill. An employer cannot escape liability under this section by relying on minor problems with the proffered alternative which it could easily correct; a common-sense approach is required. The bill restores the law on such alternative practices to its status immediately prior to Wards Cove.

SECTION 106—PROHIBITION AGAINST DISCRIMINATORY USE OF TEST SCORES

Section 106 amends section 703 of the Civil Rights Act of 1964, 42 U.S.C. 2000e-2, by adding a new subsection (1) to ban the practice of "race-norming" and other practices used to alter or adjust the scores of job-applicants on employment-related tests used by an employer select or promote employees. The language of the section is broad and is designed to prohibit any action taken to adjust test scores, use different cutoff scores for selection or promotion, or otherwise adjust or alter in any way the results of employment-related tests on the basis of race, color, religion, sex, or national origin.

By its terms, the provision applies only to those tests that are "employment-related." Therefore, this section has no effect in disparate impact suits that raise the issue of whether or not a test is, in fact, employment related. The prohibitions of this section only become applicable once a test is determined to be employment related.

Similarly, this section does not alter existing legal requirements with respect to demonstrating that a test operates as fairly with respect to one gender or race as with respect to another. *Albermarle Paper*, 422 U.S. at 435, required test users under appropriate circumstances to investigate the possibility that a test might not work as well for women or minorities, for example, as it does for men or for whites. Employers and employment agencies are accustomed to this requirement. "Test fairness" requirements were contained in the Nixon Administration's 1970 EEOC Guidelines on Employee Selection Procedures, 35 Fed. Reg. 12333 (1970), the Ford Administration's 1976 Federal Executive Agency Guidelines on Employee Selection Procedures, 41 Fed. Reg. 51734 (1976), and section 14(A)(8) of the 1978 Uniform Guidelines on Employee Selection Procedures, 29 C.F.R. 1607.14(a)(8), 43 Fed. Reg. 38301 (1978).

For example, the National Research Council of the National Academy of Sciences performed an extensive study of the Labor Department's General Aptitude Test Battery, finding that whites performed much better on the test than they did on the job, while blacks performed much better on the job than they did on the test. "Fairness in Employment Testing" (National Academy Press, May 1989). A test which does not provide the same opportunity for selection to men and women, or blacks and whites, or Hispanics and Anglos who perform equally well on the job, or which predicts job performances differently because of race or gender, would not be a fair test and would not be 'job-related for the position in question and consistent with business necessity."

This long-standing legal requirement is fundamentally based on common sense. Applicants and workers of all races, ethnic groups, and genders have the right to a level playing field and to selection based on merit. Employment tests with built-in favoritism towards one race, ethnic group, or gender have been ruled improper under Title VII. Section 106 does not change this principle of law. By the same token, it does not affect how an employer or other respondent uses accurately reported test scores or require that test scores be used at all.

SECTION 107—CLARIFYING PROHIBITION AGAINST IMPERMISSIBLE CONSIDERATION OF RACE, COLOR, RELIGION, SEX OR NATIONAL ORIGIN IN EMPLOYMENT PRACTICES

Section 107 overrules one aspect of the Supreme Court's decision in *Price-Waterhouse* v. *Hopkins*, 109 S.Ct. 1775 (1989). The Court in *Price-Waterhouse* ruled that in a "mixed motive" case, even if an employee showed that sex or another prohibited factor played a part in an employer's adverse job decision, the employer could still escape liability by showing that it would have made the same job decision even in the absence of illegal discrimination. Section 107 reverses this holding and provides that it is unlawful for an employer to rely on race, sex, or any other prohibited factor in making a job decision, even if other factors involving no illegal discrimination also justify the employer's decision. Remedies for such a claim of discrimination would include declaratory relief, appropriate injunctive relief, and attorneys' fees and costs.

It is our clear understanding and intent that this section is not intended to provide an additional method to challenge affirmative action. As Section 116 of the legislation makes plain, nothing in this legislation is to be construed to affect court-ordered remedies, affirmative action, or conciliation agreements that are otherwise in accordance with the law. This understanding has been clear from the time this legislation was first proposed in 1990, and any suggestion to the contrary is flatly wrong.

SECTION 108—FACILITATING PROMPT AND ORDERLY RESOLUTION OF CHALLENGES TO EMPLOYMENT PRACTICES IMPLEMENTING LITIGATED OR CONSENT JUDGMENTS OR ORDERS

Section 108 provides for a new §703(n) in Title VII. It seeks to provide an orderly means by which the interests of all persons who could be affected by a litigated or consent judgment or order will be considered and resolved. It is in the best interests of both parties and nonparties that there be a full, fair, early, and—to the extent possible—final resolution of competing interests. The bill would provide protection for the parties to a litigated or consent judgment or order from repetitive challenges by persons having the same interests, and from unduly delayed challenges.

Section 108 protects the parties from challenges to employment practices implemented pursuant to a court order or judgment by individuals who have either (1) received notice and an opportunity to participate in the litigation but have declined to do so, or (2) who are raising a challenge which has already been adequately raised by another person with the same interest, and which was resolved against that person. The class of orders and judgments which are thus immunized includes both those entered by courts in contested litigation and those entered in voluntary settlement of litigated disputes.

Section 108 fully conforms to the requirements of due process. In *Mullane* v. *Central Hanover Bank & Trust Co.*, 339 U.S. 306, 314–15 (1950), the Supreme Court stated:

"An elementary and fundamental requirement of due process in any proceeding which is to be accorded finality is notice reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections. The notice must be of such nature as reasonably to convey the required information and it must afford a reasonable time for those interested to make their appearance. But if with due regard for the practicalities and peculiarities of the case these conditions are reasonably met, the constitutional requirements are satisfied."

Section 108 codifies this due process inquiry: once it is determined that an applicant or employee had had notice of adverse proceedings and a reasonable opportunity to be heard but had failed to act, a subsequent collateral attack on the resulting order or judgment is an unlawful means of challenging that order or judgment. A clear majority of the courts of appeals considering the issue had so held prior to the decision in *Martin* v. *Wilks*, 490 U.S. 755 (1989). See, e.g., *Marino* v. *Ortiz*, 806 F.2d 1144 (2nd Cir., 1986), aff'd by an equally divided court, 484 U.S. 301 (1988); *Society Hill Civic Ass'n* v. *Harris*, 632 F.2d 1045 (3rd Cir., 1980); *Goins* v. *Bethlehem Steel Corp.*, 657 F.2d 62 (4th Cir., 1981), cert. den., 455 U.S. 940 (1982); *Thaggard* v. *City of Jackson*, 687 F.2d 66 (5th Cir., 1982), cert. den. sub nom *Ashley* v. *City of Jackson*, 464 U.S. 900 (1983); *Striff* v. *Mason*, 849 F.2d 240 (6th Cir., 1988); *Dennison* v. *Los Angeles Dept. of Water and Power*, 658 F.2d 694 (9th Cir., 1981). Section 108 codifies the rule of these cases barring subsequent collateral attacks in reverse-discrimination challenges, in all situations in which the conditions of §108 are met.

The notice contemplated by the bill need not be formal. The important factor is whether the person in question has actually obtained or been given the information that there is a possibility the lawsuit, judgment or order could adversely affect his or her interests, and that there was an opportunity to present objections on a future date certain. The opportunity accorded to non-parties to present objections must be reasonable.

The bill does not restrict or alter current law on the intervention of non-parties into a lawsuit. Similarly, the bill does not change the rule that non-parties are not bound by the result of a Title VII enforcement action brought by the EEOC or by the Attorney General, even if the government sought to obtain relief for the non-party in the governmental lawsuit. *General Telephone Co. of the Northwest* v. *EEOC*, 446 U.S. 318, 64 L. Ed. 2d 319 (1980); *Williamson* v. *Bethlehem Steel Corp.*, 468 F.2d. 1201 (2nd Cir., 1972), cert. den., 411 U.S. 931 (1973); *Bratton* v. *Bethlehem Steel Corp., 649 F.2d 658 (9th Cir., 1980).*

The bill also precludes persons who are raising a challenge after the court has already rejected a similar challenge which (1) involved the same legal grounds as the later challenge; (2) involved a factual situation similar to that of the later challenge; and (3) was adequately litigated by the prior challenger. There is no requirement that the prior challenger and the later challenger be in privity with each other, or that they have any relationship to each other going beyond what is contained in the bill. Binding persons not in privity with earlier litigants, but who were adequately represented by the prior litigants, is fully consistent with due process. See, e.g., *Hansberry* v. *Lee*, 311 U.S. 32, 40–43 (1940). The Martin decision itself recognized the fairness of statutory provisions establishing such a process. 490 U.S. at 762 n. 2.

Denying collateral attacks to persons who chose to sit on their hands despite their awareness that the resolution of the lawsuit could adversely affect them and despite actual notice of an opportunity to represent objections is fair. Particularly in light of the present congested nature of judicial dockets across the country, the allowance of belated, multiple, repetitive, and piece-meal challenges to judgments and orders would waste scarce judicial resources.

The bill does not restrict challenges to a litigated or consent judgment or order for certain narrowly defined defects. *See* new §703(n)(2)(c). A third party with standing to raise the issue may collaterally attack a judgment or order improperly obtained through fraud or collusion. Similarly, strangers to a judgment or order may be allowed to challenge the judgment or order by showing that the court was without jurisdiction. In addition, a decree may be challenged without restriction if it is so out of line with prevailing authority that it is transparently invalid. See also *Walker* v. *Birmingham*, 388 U.S. 307, 315 (1967).

Section 108 also explicitly allows any other challenges by a non-party where this is necessary to protect the rights of the non-party to due process of law. *See* new §703(n)(2)(D). This allows for case-by-case examination of particular situations. "Due process is flexible and calls for such procedural protections as the particular situation demands." *Mathews* v. *Eldridge*, 424 U.S. 319, 334 (1976).

SECTION 112.—EXPANSION OF RIGHT TO CHALLENGE DISCRIMINATORY SENIORITY SYSTEMS

Legislation is needed to address the problems created by the Supreme Court's decision in *Lorance* v. *AT&T Technologies, Inc.* 109 S. Ct. 2261 (1989). The plaintiffs in Lorance alleged that a seniority rule governing layoffs had been adopted for the purpose of discriminating against women. The seniority rule was first adopted in 1979. The seniority rule was not applied until the fall of 1982, when the company envoked it to lay off Lorance and the other plaintiffs. The plaintiffs promptly filed Title VII charges with EEOC, asserting that the rule applied to them in 1982 had been motivated by discrimination.

A majority of the court held that the plaintiffs claims were time barred because the statute of limitations begins to run when the seniority rule was adopted, not when it is applied to the complaining party. The unfairness of this rule is apparent. The holding in this case would require employees seeking to protect their interests to challenge immediately any new rule or practice that might conceivably be applied to adversely affect them in the future.

Under section 112, the limitation period begins to run on the later of the date when an alleged discriminatory seniority system is adopted, when an individual becomes subject to a seniority system, or when an individual aggrieved is injured by the application of the seniority system.

Unfortunately, some lower courts have begun to apply the "Lorrance rationale" outside of the context of seniority systems, for example to bar challenges to allegedly discriminatory promotion policies unless the challenge is made at the time the policies are adopted, rather than when they were applied to deny a promotion to the claimant *Davis* v. *Boeing Helicopter Co.* (E. D. Pa, October 24, 1989). It has also been applied to bar a challenge under the Age Discrimination In Employment Act to a suit challenging application of an early retirement plan. *EEOC* v. *City Colleges of Chicago*, No. 90-3162 (7th Cir. September 16, 1991). This legislation should be interpreted as disapproving the extension of this decision rule to contexts outside of seniority systems.

This legislation should not be interpreted to affect the sound rulings of the Supreme Court regarding "continuing violations" theory under Title VII. See *Delaware State College* v. *Ricks*, 449 U.S. 250 (1980).

SECTION 113—AUTHORIZING AWARD OF EXPERT FEES

Section 113 makes the clarification for cases brought under Title VII of the 1964 Civil Rights Act, Section 1977 of the Revised Statutes, or 1977A of the Revised Statutes that is required by *West Virginia Hospitals* v. *Casey*, No. 89-994 (U.S. Sup. Ct. Mar. 19, 1991) that expert fees are available to prevailing plaintiffs. This provision ensures the recovery of testimonial and non-testimonial expert fees incurred in preparing and successfully prosecuting suits brought under these statutes. It recognizes that the hiring and use of experts is essential to the preparation and prosecution of suits brought under these statutes, and provides for the recovery by prevailing plaintiffs of such expenses in the same manner as they recover attorneys' fees. Section 113 thus renders irrelevant in such cases the decision in *Crawford Fitting Co.* v. *J.T. Gibbons, Inc.*, 482 U.S. 437 (1987).

SECTION 116—LAWFUL COURT-ORDERED REMEDIES, AFFIRMATIVE ACTION AND CONCILIATION AGREEMENTS NOT AFFECTED

Section 116 provides that nothing in this legislation is to be construed to affect court-ordered remedies, affirmative action, or conciliation agreements that are otherwise in accordance with the law a previously established by Congress in Title VII and by the decisions of the United States Supreme Court. The intent of this provision is clear: the legislation is not intended to change in any way what constitutes lawful affirmative action or what constitutes impermissible reverse discrimination from what the law was prior to the legislation. A provision evidencing this intent has been included in every proposed version of the legislation since it was introduced in 1990, and every version has been explained by its sponsors in the same way: the intent is to leave things the way they were before passage of the legislation with respect to the legality of affirmative action.

SECTION 118—ALTERNATIVE MEANS OF DISPUTE RESOLUTION

Section 118 encourages the use of alternative dispute resolution mechanisms, such as conciliation and mediation, to resolve disputes arising under Title VII when appropriate and to the extent authorized by law. This proviso is intended to supplement, not supplant, remedies provided by Title VII, and is not to be used to preclude rights and remedies that would otherwise be available. This section is intended to be consistent with decisions such as *Alexander* v. *Gardner-Denver Co.*, 415 U.S. 36 (1974), which protect employees from being required to agree in advance to arbitrate disputes under Title VII and to refrain from exercising their right to seek relief under Title VII itself. This section contemplates the use of voluntary arbitration to resolve specific disputes after they have arisen, not coercive attempts to force employees in advance to forego statutory rights. No approval whatsoever is intended of the Supreme Court's recent decision in *Gilbert* v. *Interstate Johnson Lane Corp.*, 111 S.Ct. 1647 (1991), or any application or extension of it to Title VII. This section is virtually identical to section 216 in H.R. 1 as previously passed by the House in this Congress and as explained in H.R. Rep. No. 102-40, 102 Cong., 1st Sess. 97 (1991).

SECTION 401—SEVERABILITY

Section 401 expresses the sponsors' intention that, in the event that any section, subsection, or provision of the Act, any amendment made by the Act, or any application of a section, subsection, or provision of the Act to any person or in any circumstances is held invalid, the remainder of the Act, of the amendments made by the Act, or the application of such provision to other persons and in other circumstances shall not be affected.

SECTION 402—EFFECTIVE DATE

The bill states that it takes effect on the date of enactment. The intent of the sponsors is that this language be given its normal effect, and that the provisions of the bill be applied to pending cases except where the bill expressly provides otherwise.

Two provisions of the bill make express exceptions to the rule that the bill takes effect with respect to pending cases on the date of enactment. Section 109 of the bill contains the provision reversing the *Aramco* decision denying the extraterritorial application of Title VII and providing for extraterritorial application of the Americans with Disabilities Act. Section 109(c) states: "The amendments made by this section shall not apply with respect to conduct occurring before the date of the enactment of this Act." Section 402(b) states: "Notwithstanding any other provisions of this Act, nothing in this Act shall apply to any disparate impact case for which a complaint was filed before March 1, 1975 and for which an initial decision was rendered after October 30, 1983." The latter provision was intended to craft a special rule of law protecting the defendant in *Ward Cove Packing Co., Inc.* v. *Atonio*, 490 U.S. 642 (1989), from the application of the parts of the bill overruling the *Ward Cove* decision. These amendments express a clear purpose to deny retroactive application in the circumstances set forth. Our decision not to use similar language in §402(a) clearly shows our different purpose in all other circumstances.

The application of this bill to pending cases is eminently fair. Much of the conduct of employers and other respondents at issue in pending cases was committed before the Supreme Court radically altered the legal landscape, at a time when the defendants were on notice that the law applied to their conduct and they could be held accountable for their misdeeds. Our restoration of the law to these pending cases will often mean that the parties will be governed by the law they all understood to exist at the time the actions in question were taken. To fail to apply the law retroactively in these situations would give the respondents an undeserved windfall from the intervening Supreme Court errors. The application of this bill to pending cases thus does not involve any of the problems of unfairness or potential unconstitutionality which would have attended the retroactive imposition of novel requirements, or those which would have been impossible to predict. See *Miller* v. *United States*, 294 U.S. 435, 438-40 (1934) (refusing to allow a regulation retroactively to enlarge a soldier's rights under a war risk insurance policy which had long since lapsed); *Union Pacific Ry. Co.* v. *Laramie Stock Yards Co.*, 231 U.S. 190, 199-213 (1913) (refusing to allow legislation allowing adverse possession of a property granted for a railroad right-of-way to operate retrospectively during a prior period when the railroad would have had no occasion to take any action protective of its rights).

Practical concerns, as well as those of elementary fairness, have led us to the conclusion that the application of the bill to pending cases is essential. Litigation under Title VII and §1981 can take decades to resolve. E.g., *Pettway* v. *American Cast Iron Pipe Co.*, 576 F.2d 1157, 1165, 1168 (5th Cir., 1978), a case which began with EEOC charges filed in 1965 ("The length of litigation in complex Title VII class actions often rivals that of even the most notorious antitrust cases. In the instant case, we encounter another judicial paleolithic museum piece."); *Peques* v. *Mississippi State Employment Service*, 899 F.2d 1449, 1451, 1453 (5th Cir., 1990) (case involved wrongful conduct as far back as 1969). To have limited this legislation to conduct occurring after the date of enactment would have led to an intolerable result: For the next two decades, the courts would be handing down two sets of contradictory decisions: one set of decisions would explicate the law as Congress has enacted it, and the other would further develop fine points of the law under Wards Cove, Patterson, Lorance, Price Waterhouse, etc., long after Congress has repudiated those decisions. Confusion between the two lines of case would be inevitable, and the protections enacted by this bill would become clouded even as to future conduct.

In addition, the nation cannot afford such an appalling waste of judicial resources, and the correspondingly tremendous increase in the legal expenses of resolving these cases. At a time when the courts are hard-pressed to handle the heavy volume of criminal and civil matters pressing for resolution, it would be senseless to condemn them to pointless exercises such as the further development of already-overruled decisions. At a time when the Administration, the Congress, and the legal profession are trying to discover means of reducing legal expenses, it would be senseless to insist upon such an endless and meaningless spinning of wheels. When Congress has determined that its legislation has been wrongly construed, the error must be brought to an end, not given artificial respiration for the foreseeable future.

There is nothing unusual in the application of legislation to pending cases. Indeed, the Supreme Court has even adopted rules for determining when legislation shall be given retroactive effect in the absence of the kind of clear indication of Congressional intent exemplified by this bill. The text of legislation can also provide a clear indication that it is not to be applied retroactively, even to pending cases. An example is the use of a postponed effective date. *Kaiser Aluminum* v. *Bonjorno*, 494 U.S. , 108 L.Ed.2d 842, 110 S.Ct. 1570 (1990) (amendment to 28 U.S.C. §1961 providing a different rate of postjudgment interest). The Pregnancy Discrimination Act of 1978 contained a postponed effective date as to existing fringe benefit and insurance programs. Pub. L. 95-555, 92 Stat. 2076. The general rule on the retroactivity of legislation affecting the rights of private persons in relation to each other, but silent on the question of retroactivity, was set forth in *Bradley* v. *School Board of City of Richmond*, 416 U.S. 696 (1974). That case involved the retroactivity of a fee-shifting statute in a school desegregation case. *Bradley* held that the following tests should govern the determination of retroactivity in particular statutes, 416 U.S. at 717:

(a) The first test is "the nature and identity of the parties." This test concerns the relative power and resources of the parties. The Court emphasized (1) the far greater power and resources of the school board, compared to those of the student, and (2) the fact that the dispute between them was not a simple private lawsuit in which the public interest was not engaged; plaintiffs were enforcing the public interest as well as their own rights. The Court cited *United States* v. *Schooner Peggy*, 1 Cranch 103, 110 (1801), holding that in cases involving "* * * great national concerns * * * the court must decide according to existing laws, and if it be necessary to set aside a judgment, rightful when rendered, but which cannot be affirmed but in violation of law, the judgment must be set aside."

As the text of the bill, including its findings and purposes, makes clear, this legislation would fully meet this part of the Bradley test even without its provisions on its effective date, its exceptions to the general rule of retroactivity, and its legislative history.

(b) The second test is "the nature of their rights". This test concerns the possibility of injustice. The example involved the Court's refusal to apply an intervening change to a pending action where it had concluded that to do so would infringe upon or deprive a person of a right that had matured or become unconditional. A leading example of a right which had "matured" is *Greene* v. *United States*, 376 U.S. 149, 11 L.Ed.2d 576, 84 S.Ct. 615 (1964). There, Greene had obtained a final adjudication that his security clearance had been unlawfully taken away, and he had filed a back pay claim under a 1955 regulation. A 1960 regulation adopted after his claim was filed would have changed the substantive standards and made it difficult for him to recover. The Court held that Green's rights had matured and become vested, and refused to apply the 1960 regulation retroactively. *Thorpe* v. *Housing Authority of City of Durham*, 393 U.S. 268, 282, 21 L.Ed.2d 474, 484, 89 S.Ct. 518 (1969), described Greene as a case in which retroactive application of the new rule would have worked "manifest injustice". And see *Int'l Union of Electrical Workers* v. *Robbins & Myers*, 429 U.S. 229 (1976), which held that the Congressional extension of the charge-filing period from 90 days to 180 days, in §14 of the Equal Employment Opportunity Act of 1972, 86 Stat. 103, applied to resurrect the plaintiff's claim even though it was already untimely when it was filed with the EEOC, because it was still pending with the EEOC on the date of enactment.

(c) The third test is "the nature of the impact of the change in law upon those rights". This concern "stems from the possibility that new and unanticipated obligations may be imposed upon a party without notice or an opportunity to be heard." The Court held that this test was met because the Board had theoretically been subject to a fee award under common-law principles, so the enactment of §718 worked no change in its obligations. Here, the relative clarity of Title VII and §1981 before the Supreme Court's erroneous constructions, and the widely publicized pendency of this legislation, fairly served to put employers on notice of their fair obligations.

While there is a line of cases disfavoring the retroactive application of legislation in the absence of the kind of clear indication to be found in the text and legislative history of this bill, these cases tend not to involve the rights of private parties vis-a-vis each other, but the rights of individuals against the government. Where power is so unequal, it is often salutary that the more powerful governmental party be held to bear the consequences of ambiguity, much as the party drafting a complex contract such as a contract of insurance will be held to suffer the consequences of ambiguity as against private parties with little power to change the terms of the contract. E.g., *Brown* v. *Georgetown University Hospital*, 488 U.S. 204 (1988), holding that the Administrative Procedure Act and the Medicare Act did not give the Secretary of Health and Human Services the authority to promulgate retroactive limitations on reimbursable costs; *Greene* v. *United States*, 376 U.S. 149, 160 (1964), holding that the government could not by a retroactive regulation defeat a matured right to equitable restitution of pay lost by an improperly denied security clearance; *Claridge Apts. Co.* v. *Comm'r of Internal Revenue*, 323 U.S. 141, 162–64 (1944), holding that the government could not retroactively apply a new tax rule to closed and settled proceedings where this would treat such taxpayers harshly, but could only apply the rule to pending proceedings; *United States* v. *Magnolia Petroleum Co.*, 276 U.S. 160 (1928), holding that the government could not rely on a subsequent statute to defeat a matured claim for interest on a tax refund.

The provisions of this bill, by contrast, protect the interests of the weak against the powerful where the weak had no ability to influence the course of events but the powerful were at all times on notice that their conduct may be reached by the then-existing law or by the provisions of corrective legislation which would be applied to pending cases.

Finally, one of the factors impelling us towards application of the bill to pending cases is that the bulk of the changes made by the legislation affect procedural rather than substantive rights. The allocation of the burden of proof, the articulation of that standard of proof, the provision governing the cumulation of employment practices, the provision of relief in mixed-motive cases, the adjustment of the limitations period in seniority cases, the provision of a longer suit-filing period against the Federal government, the provision of interest as a remedy in cases against the Federal government, the restoration of liability and remedies under §1977 of the Revised Statutes and the provision of enhanced remedies under new §1977A of the Revised Statutes for conduct which is already a violation of Title VII for covered employers, the reimbursement of expert fees, and similar provisions, are primarily procedural corrections of the law.

Accordingly, the great weight of the caselaw supports the application of this bill to pending cases. The Bowen and Bonjorno cases, cited by a Senate sponsor of the bill as supporting a contrary view, are simply not applicable to the circumstances here for the reasons we have specified above.

THE RELATIONSHIP BETWEEN THE CIVIL RIGHTS BILL OF 1991 AND THE AMERICANS WITH DISABILITIES ACT OF 1990

Section 107 of S. 1745 provides that an unlawful employment practice is established when a plaintiff demonstrates that a protected class status was a motivating factor for an employment practice. This policy is comparable to the standard already adopted under the ADA. (See e.g., Sen. Rpt. No. 101–116 at page 45; H. Rpt. No. 101–485, Part 2, at 85–86.)

Other sections of the Civil Rights Act of 1991, which amend section 706 of title VII, are explicitly incorporated into the ADA through section 107(a) of the ADA.

Section 102 of S. 1745 states explicitly that damages are available under the ADA for all cases of unlawful intentional discrimination; that is, not an employment practice that is unlawful because of its disparate impact, or for violations of the reasonable accommodation provision in section 102(b)(5) of the ADA.

Causes of action for disparate impact are limited to section 102(b)(3)(A) and part of section 102(b)(6) of the ADA (except for practices intended to screen out individuals with disabilities).

Section 1977A(a)(3) provides that damages are not available if the covered entity demonstrates good faith efforts, in consultation with the person with the disability who has informed the covered entity that accommodation is needed, to identify and make a reasonable accommodation that would provide such individual with an equally effective opportunity and would not cause an undue hardship on the operation of the business.

It is my intent that a demonstration of good faith efforts must include objective evidence that the process of determining the appropriate reasonable accommodation has been conscientiously complied with by the covered entity. This process is described in the Senate Report accompanying the ADA (S. Rpt. 101–116) at pages 34–35 and the analysis accompanying the final regulations implementing title I of the ADA promulgated by the EEOC (56 Fed. Reg. 35748–49 (July 26, 1991)).

The legal mandate that the reasonable accommodation provides the individual with a disability an "equally effective opportunity" means an opportunity to attain the same level of performance, or to enjoy the same level of benefits and privileges of employment as are available to the average similarly situated employee without a disability. (See analysis by the EEOC accompanying the regulation implementing title I of the ADA (56 Fed. Reg. 35748 (July 26, 1991)).

Mr. BROOKS. Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York [Mr. FISH], the ranking minority member on the Judiciary Committee.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, let me just enter into a colloquy, if I may, with the distinguished chairman and ranking member to establish some legislative history.

When the gentleman from Texas appeared in the Rules Committee yesterday I raised an issue of concern. In my home State of New York and across the Nation about this bill as passed by the Senate, which provides as part of the Senate rules that in hiring Senate employees it shall not be a violation to consider party affiliation, domicile, or political compatibility with the employing office. Similar protection for House Members seems to be provided in this bill.

The problem is that there is no similar language to protect other elected officials who may legitimately be expected to take into consideration factors of, and listen up, party affiliation, domicile or political compatibility with the employing office.

Yesterday in the Rules Committee I did not offer an amendment to make this correction because we had to move this bill at the request of the chairman and ranking member. I did not offer it at that time, but I do seek assurance from the chairman of the Judiciary Committee that there is nothing in this bill which is intended to restrict the ability of elected officials to hire their staff or make other employment decisions taking into consideration party affiliation, domicile or political compatibility with the employing office. In other words, those officials will be treated exactly like we and the Senators next door.

Does the gentleman from Texas concur with that statement?

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, in response to my distinguished friend from New York, to the extent that U.S. Senators may consider party affiliation, domicile, or political compatibility in making employment decisions, it is the intent and effect of the bill that State and local elected officials, who are not specifically mentioned in section 316, may do likewise.

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Mr. SOLOMON. Mr. Speaker, does the gentleman from New York [Mr. FISH] concur with that statement?

Mr. FISH. Mr. Speaker, I concur with the chairman's statement.

Mr. SOLOMON. I deeply thank the gentleman for his consideration.

Mr. FISH. Mr. Speaker, I am delighted that the effort to achieve broad consensus on major civil rights legislation has reached fruition. During the last 2 years, I have participated actively in reformulating key provisions of this legislation in response to problems identified by the administration, the members of the business community, and others. The Brooks-Fish substitute, which the House passed in June, incorporated a number of innovations that substantially improved H.R. 1.

The Senate-passed version of the Danforth bill, S. 1745, finally resolves outstanding administration concerns and brings together Members of Congress of different political persuasions. Republicans and Democrats have worked together to reach accommodations that both advance important civil rights objectives and meet employer needs.

S. 1745, like earlier versions of this legislation, addresses the problematic consequences of five 1989 Supreme Court decisions that are deleterious to civil rights. When the Supreme Court renders restrictive interpretations of civil rights laws designed to protect women and members of minority groups, it is incumbent on us—as the authors of such legislation—to clarify the meaning of the congressional design in ways that preserve and strengthen essential safeguards. This bill effectively overturns Supreme Court rulings because we cannot ignore the judicial erosion of important protections for women and members of minority groups.

In Patterson versus McLean Credit Union the Supreme Court concluded that 1866 legislation barring racial discrimination in the making and enforcement of contracts—today referred to as section 1981—"covers only conduct at the initial formation of the contract and conduct which impairs the right to enforce contract obligations through legal process." The bill before us gives expression to broad agreement that it is debilitating when civil rights legislation, enacted in the immediate aftermath of the Civil War, is interpreted not to bar discriminatory harassment on the job.

In Lorance versus AT&T, the Supreme Court held that the period of the statute of limitations begins to run at the time certain seniority systems are adopted, even though their application to particular individuals may occur years later. By enacting this legislation, we give expression to the conviction that it is unfair to bar employees who cannot anticipate adverse impacts in advance from challenging seniority systems adopted with unlawful discriminatory motives.

The decision in Martin versus Wilks must not stand because it is disruptive to reopen consent decrees in civil rights cases when groups choose not to intervene in a timely fashion. On the contrary, we must discourage relitigating issues that already have been resolved if the circumstances are fair to those who seek to initiate new challenges. Legislative action is needed to protect the finality of judgments and orders.

The Price Waterhouse problem must be rectified because it is unjust for our courts to ignore reliance on discriminatory employment criteria simply because an employer can show that "its legitimate reason, standing alone, would have induced it to make the same decision." This legislation gives expression to our recognition that discriminatory practices must be discouraged regardless of whether they turn out to be outcome determinative.

The administration and supporters of civil rights legislation had disagreed in the past on the scope of problems resulting from Wards Cove versus Atonio, but shared the view that the burden of proof issue required congressional attention. This legislation expresses the consensus that it is unreasonable to require individuals denied employment opportunities to disprove a business justification—a matter within the employer's special knowledge.

Prior efforts to achieve broad support for a civil rights bill failed in part because of disagreements over formulations of business necessity. Employment practices causing disparate impact may not be unlawful; business necessity serves as a potential defense. The administration believed that employers would rely on quotas if they faced an unreasonable business necessity standard for justifying employment practices that adversely impact on particular groups.

We tried on different occasions to arrive at a business necessity definition that would meet administration concerns without defeating legitimate discrimination claims. Eventually, brevity proved to be the key to compromise on this technical, contentious issue. An employment practice that causes disparate impact must be "job related for the position in question and consistent with business necessity"—to cite the language of S. 1745. One of the purposes of the legislation is "to codify the concepts of 'business necessity' and 'job related'" in Griggs and other pre-Wards Cove Supreme Court decisions.

The second major area of disagreement related to the cap on damages for intentional discrimination. The Brooks-Fish substitute capped only punitive damages at $150,000 or the sum of compensatory damages and back pay, whichever is greater. The cap in S. 1745 limits the sum of compensatory and punitive damages—and increases as the number of employees increases from $50,000 for 15 to 100 employees to $300,000 for more than 500 employees.

We all recognize that it is too late in our national struggle for equal opportunity to contend that damages may be justified for the victims of racial discrimination but not for those who suffer from intentional discrimination based on other invidious criteria—such as discrimination based on sex. Monetary relief can discourage various pernicious forms of intentional employment discrimination and provide a necessary remedy for those who continue to be victimized. The bill before us incorporates a cap on damages that seeks to accommodate employer concerns at the same time that we protect the civil rights of our work force.

Men and women of goodwill have reconciled their differences and fashioned effective legislation. The result is a civil rights bill that unites rather than divides us. We can be proud that the bill before us safeguards the civil rights of our work force.

I have derived tremendous personal satisfaction, during my service in the

Congress, from a number of opportunities to advance important civil rights initiatives. Today I am delighted that we are so united in again responding appropriately to the reality of discrimination.

Mr. FORD of Michigan. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in support of S. 1745, the Civil Rights Act of 1991.

Before going on, I would like to state to the body that this has been my first year in handling this legislation as the chairman of the Committee on Education and Labor, and it has been a great privilege for me to work with one of the real experienced and skillful legislators around here, the gentleman from Texas [Mr. BROOKS], the committee chairman, and the chairman of his subcommittee, the gentleman from California [Mr. EDWARDS]. Both of them have been here a lot longer than I, although I guess I would be caught by term limits if they came into being. But I have benefited from working with them and considered this year to have been worth it to me for what I have learned working with the two of them.

The gentleman from Texas [Mr. BROOKS], in particular, is a dear friend whom I have come to admire even more as a professional and as a lawyer in handling this legislation.

Mr. Speaker, I rise in support of S. 1745, the Civil Rights Act of 1991. The twin cornerstones of S. 1745—overturning Wards Cove versus Antonio, Price Waterhouse versus Hopkins, Martin versus Wilks, Lorance versus ATT, Patterson versus McClean Credit Union, EEOC versus Aramco, and Crawford Fittings versus J.T. Gibbons and providing all victims of intentional discrimination a right to trial by jury and an award of compensatory and punitive damages—fulfill all of the fundamental goals of H.R. 1.

S. 1745 reflects the obvious decision of opponents of earlier versions to switch rather than continue to fight the overturn of Supreme Court decisions which weakened Federal safeguards against job discrimination.

S. 1745 also represents an end to the subterfuge and innuendo, largely promoted by the Bush administration, which have hindered our efforts to restore a balance of fairness and equity to the workplace.

I note that S. 1745 also embodies two significant provisions added to H.R. 1 at the Education and Labor Committee markup—an independent Glass Ceiling Commission to study the underrepresentation of women and minorities in the management of American business and a directive to the EEOC to establish more effective programs of educational outreach to populations historically underserved in terms of enforcement of their title VII rights.

Mr. Speaker, when the Nation first embarked on its journey 35 years ago to overcome two centuries of intentional and systemic discrimination, business and labor; local, State and Federal Governments; the executive branch, Congress and the courts all worked together. And the result has been that of almost any sector of American life, the progress toward equality has been greatest in the workplace.

All that was threatened when the Supreme Court in a series of decisions in 1989 broke rank with Congress and a consensus of the American people on our march toward the goal of equal justice and equal employment opportunity.

S. 1745 makes right what the Supreme Court made wrong and sends a powerful message that the American people reject the Supreme Court's narrow and crabbed interpretation of civil rights laws generally and equal employment opportunity statutes specifically.

Mr. Speaker, there are two issues deserving of additional comment.

As we all know, that Danforth compromise being considered today is the product of a 2 year legislative process and protracted negotiations between Senator DANFORTH and the administration. Like so many compromises, Senator DANFORTH and the administration agreed not only to actual statutory language but also to the content of an exclusive interpretative memorandum to guide the implementation of the employers' business necessity defense and an exception to the requirement that plaintiffs identify particular practices being challenged. Senator DANFORTH, Senator KENNEDY, Senator HATCH, and Senate minority leader DOLE, introduced that exclusive interpretive memorandum during the debate in the other body and, no doubt in an excess of caution, those Senators took the additional, extraordinary step to codify the memorandum, thereby transforming its status from simple guidance to statutory language binding on all. Thus, section 105(b) of the Danforth compromise provides:

> No statements other than the interpretative memorandum appearing at Vol. 137, CONGRESSIONAL RECORD S. 15276 (daily ed., Oct. 25, 1991) shall be considered legislative history of, or relied upon in anyway as legislative history in contouring or applying any provision of this Act that relates to Wards Cove, Business necessity/cumulation/alternative business practices.

Notwithstanding that extraordinary amendment, there were a spate of other floor statements concerning the meaning of "business necessity" and the "particularity" requirement in a valiant but vain effort to win interpretative advantage through "spin" control rather than through the normal legislative give-and-take and negotiation which resulted in the Danforth compromise.

Fortunately for employers, employees, lawyers and the courts, the true meaning and contours of an employers' business necessity defense and plaintiffs' particularity requirement are not difficult to discern. Neither concept materialized on the legislative doorstep for the first time at the 11th hour. Rather, both concepts are direct descendents of antecedent legislative proposals introduced, debated and voted on in either the House or the other body during the past 2 years. Those earlier proposals and accompanying explanatory materials are a rich paper trail attesting to the origin and meaning of the employers' business necessity defense and the exception to plaintiffs' particularity requirement.

PARTICULARITY

The Danforth compromise requires plaintiffs to demonstrate that:

> Each particular challenged employment practice causes a disparate impact; except that if the complaining party can demonstrate to the court that the elements of a respondent's decision making process is not capable of separation for analysis, the decision-making process may be analyzed as one unemployment practice.

The meaning and scope of the exception to the particularity requirement set forth above is of concern to many because such exception negates that aspect of Wards Cove which held that plaintiffs must always identify the specific employment practices that have produced the challenged disparate impact. The Danforth compromise explicitly permits challenges to multiple job requirements to the extent plaintiffs "can demonstrate to the court that the respondents' decisionmaking process is not capable of separation for analysis."

The contours of that exception are not difficult to fathom. That language was first proposed by the administration on October 21, 1990. In a written message accompanying the veto of the Civil Rights Act of 1990, the administration proposed to relieve plaintiffs from identifying the specific practices being challenged when:

> The elements of a decision-making process are not capable of separation for analysis, they may be analyzed as one employment practice. Civil Rights Act of 1990, Message From the President of the United States Transmitting Alternative Language to S. 2104 As Passed By The Congress October 21, 1990, 101st Cong., 2d Sess. H. Doc. 101–251, p. 5 ("1990 Message").

The section-by-section analysis accompanying the President's veto message set forth the following explanation of the proposed language:

> In identifying the particular employment practice alleged to cause disparate impact, the plaintiff is not required to do the impossible in breaking down an employer's practices to the greatest conceivable degree. Courts will be permitted to hold, for example, that vesting complete hiring discretion in an individual guided only by unknown subjective standards constitutes a single particular employment practice susceptible to challenge.
>
> It is therefore the specific intention of the proponents of this Act to reaffirm the sort of

analysis employed on this issue in *Sledge* v. *J.P. Stevens & Co.* 52 EPD para. 39,537 (E.D.N.C. Nov. 30, 1989). The court alluded to the difficulty of "delving into the workings of an employment decisionmaker's mind" and noted that the defendant's personnel officers reported having no idea of the basis on which they made their employment decisions. The court held that: "the identification by the plaintiffs of the uncontrolled, subjective discretion of defendant's employing officials as the source of the discrimination shown by plaintiff's statistics sufficed to satisfy the causation requirements of Wards Cove." This Act contemplates that the use of such uncontrolled and unexplained discretion is properly treated as one employment practice and need not be divided by the plaintiff into discrete sub-parts.

If the elements of a decision-making process are demonstrated to be not capable of separation for analysis, therefore, they may be analyzed as one employment practice, just as where the criteria are distinct and separate each must be identified with particularity. See letter of Charles Fried to Senator Edward M. Kennedy, March 21, 1990 at 4 n.2.

Id. at 21.

Former Solicitor General Charles Fried's letter, cited in the administration's section-by-section analysis, reaffirmed his February 23, 1989 testimony before the Labor Committee of the other body describing circumstances in which the elements of a decisionmaking process are not capable of separation for analysis:

The CHAIRMAN. Well, you in your own brief, the United States, it's been referred to in Wards Cove, which you signed as solicitor general, explicitly acknowledged the appropriateness of permitting challenges to groups of employment practices in these circumstances.

You point out: "Of course, the decision rule for selection may be complex. It may, for example, involve considerations of multiple factors, and certainly if the factors combine to produce a single ultimate result, it is not possible to challenge each one. That decision may be challenged as a whole."

Mr. FRIED. Senator, that—and here I must say that what one does when you write a brief for the Government you don't just put in everything that makes your case more comfortable. You don't exaggerate it, and you acknowledge difficulties. And that is a difficulty. Where you have an employment requirement which really is made up of several different pieces and you understand that you can't pull it apart.

Hearings before the Senate Labor and Human Resource Committee on S. 2104, The Civil Rights Act of 1990, 101st Cong., 1st Ses. S. Hrg. 101-649, February 23, 1989, at 83.

In addition, the bipartisan interpretative memorandum of Senator DANFORTH, Senator KENNEDY, Senator HATCH, and Minority Leader DOLE, which the administration embraced, further exempts plaintiffs from the particularity requirement when:

A decision-making process includes particular, functionally-integrated practices which are components of the same criterion, standard, method of administration, or test, such as the height and weight requirements designed to measure strength in *Dothard* v. *Rawlinson*, 4334-S-321 (1977), the particular functionally-integrated practices may be analyzed as one employment practice.

Thus, statements that "the bill leaves unchanged the longstanding requirement that a plaintiff identify the particular practice which he or she is challenging in a disparate impact case" (vol. 137 CONGRESSIONAL RECORD S15473), that "it always requires the complaining party to demonstrate that the respondent uses a particular employment practice * * *" (vol. 137 CONGRESSIONAL RECORD S15474) and that "language permitting challenge to multiple practices * * * has been eliminated" (vol. 137 CONGRESSIONAL RECORD S15474) are flatly wrong and clearly reconcilable with the administration's prior explanations when it first proposed the "particularity" language which we agreed to accept as part of the final compromise. Those views also are facially inconsistent with the bipartisan interpretative memorandum which now is part of the statute.

BUSINESS NECESSITY

In Wards Cove, the Supreme Court defined "business necessity" to require discriminatory employment practices to "serve in a significant way the legitimate employment goals of the employer." In testimony before the House Education and Labor Committee, then-Deputy Attorney General Don Ayer acknowledged that in the Wards Cove case "the United States filed a brief essentially on most elements supporting the conclusion that the Court reached." Hearings before the House Committee on Education and Labor and the House Judiciary Subcommittee on Civil and Constitutional Rights, on H.R. 4000, the Civil Rights Act of 1990, 101st Cong., 2d sess. vols. 1-3 at 381. Others who endorsed Wards Cove candidly admitted their belief that the Supreme Court's landmark, unanimous 1971 decision in Griggs versus Duke Power Co. was wrongly decided. Id., at 657-58.

During the past 2 years, few of us who supported comprehensive civil rights legislation doubted the administration's resolve to codify Wards Cove. And today, many of the administration's supporters contend that the decision in Wards Cove remains a viable precedent to be followed by employers, employees, lawyers, and the court. Specifically, they assert that "the bill * * * represents an affirmatory of existing law, including Wards Cove * * * (vol. 137 CONGRESSIONAL RECORD S15474), that the "Wards Cove formulation of business necessity is not overruled by this bill" (vol. 137 CONGRESSIONAL RECORD S15317), and that "the burden of proof issue is the only part of Wards Cove overruled by this bill" (vol. 137 CONGRESSIONAL RECORD S15315). Regrettably, those who make that argument have inexplicably chosen to ignore the plain meaning and command of the statute, the demise of numerous legislative proposals to codify Wards Cove, and the unambiguous interpretation of an identical formulation of the employers' business necessity defense embodied in the Americans With Disabilities Act.

The Danforth compromise requires employers to demonstrate that an employment practice which causes a disparate impact "is related to the job in question and consistent with business necessity." The statute also provides that the employers' "business necessity" defense shall be interpreted to "reflect the concepts * * * enunciated by the Supreme Court in *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971) and in other Supreme Court decisions prior to *Wards Cove Packing Co.* v. *Atonio*, 490 U.S. 642 (1989)."

Elementary rules of grammar dictate that the phrase "prior to Wards Cove" embodied in the statute does not have the same meaning as the phrase "up to and including Wards Cove." Thus, the meaning of "business necessity" only embraces the Supreme Court decision "prior to Wards Cove."

Indeed, any notion that the Danforth compromise in any way codifies the Wards Cove business necessity standard also is contradicted by the legislative history of the administration's numerous but futile attempts to accomplish that very goal. During the past 2 years the administration repeatedly submitted to Congress legislation endorsing and codifying the Wards Cove definition of business necessity. One such legislative proposal was overwhelmingly defeated by the House of Representatives and other such proposals had so little support that they were not voted on by the full House or the other body.

Language to codify the Wards Cove definition of business necessity was introduced during the 101st Congress in House amendment 702, the Michel substitute. Its definition of business necessity—that "the respondent's legitimate employment goals are significantly served by, even if they do not require, the challenged practice"—virtually mimicked the Wards Cove formulation that a challenged practice "serve in a significant way the legitimate employment goals of the employer." That proposal was resoundingly defeated by a rollcall vote of 188 to 238.

An alternative legislative proposal to codify Wards Cove was submitted to the 101st Congress on October 21, 1990. In a written message accompanying the veto of the Civil Rights Act of 1990, the administration proposed "to codify the meaning of business necessity as used in *Griggs* v. *Duke*, 401 U.S. 424 (1971), and other opinions of the Supreme Court (1990 message, p. 20)." It is true that the phrase "to codify the meaning of business necessity used in Griggs * * * and other opinions of the Supreme Court" would have codified Wards Cove. However, that phrase also is markedly different from the phrase "* * * prior to Wards Cove * * *" which I embodied in the Danforth substitute.

The proposed legislation accompanying the veto of the 1990 act was never considered in either the House of Representatives or the other body.

The administration introduced H.R. 1375 during the 102d Congress in yet another attempt to codify Wards Cove. The bill once again defined business necessity to mean "the respondent's legitimate employment goals are significantly served by, even if they do not require, the challenged practice." Section 4 of the administration's section-by-section analysis accompanying H.R. 1375 expressly acknowledged an intent to codify Wards Cove: "the burden-of-proof issue that Wards Cove resolved in favor of defendants is resolved by this Act in favor of plaintiffs * * * on all other issues, this Act leaves existing law undisturbed". H.R. 1375 also was resoundingly defeated in the House by a rollcall vote of 162 to 266.

Fortunately, neither Congress nor the Courts must speculate about whether the "business necessity" defense embodied in the Danforth compromise repudiates the Wards Cove formulation. Senator DANFORTH has acknowledged that the phrase "related to the employment in question and consistent with business necessity" was taken verbatim out of the Americans With Disabilities Act which Congress enacted during the 101st Congress.

"Related to the employment in question and consistent with business necessity" is a "term of art" in employment discrimination law which numerous Federal courts and enforcement agencies have interpreted. Congress is familiar with those interpretations and I, together with others, agreed to support Senator DANFORTH'S compromise in large measure because of those interpretations of the phrase "related to the employment in question and consistent with business necessity." Upon examination, it is clear that such a formulation is more exacting than the administration supported but congressional rejected Wards Cove formulation.

The report of the House Education and Labor Committee on the Americans With Disabilities Act states:

> * * * The legislation specifies that discrimination includes using qualification standards, employment tests or other selection criteria that screen out or tend to screen out an individual with a disability or a class of individuals with disabilities unless the standard, test or other selection criteria, as used by the covered entity, is shown to be job-related for the position in question and is consistent with business necessity.
>
> As in Section 504, the ADA adopts an framework for employment selection procedures which is designed to assure that persons with disabilities are not excluded from job opportunities unless they are actually unable to do the job. The requirement that job criteria actually measure the ability required by the job is a critical protection against discrimination based on disability. Report of the Committee on Education and Labor of the U.S. House of Representatives, Americans With Disabilities Act of 1990, 101st Cong., 2d Sess., May 15, 1990, Rept. 101-485, Pt. 2, at 70-71.

The report also states:

> Hence, the requirement that job selection procedures be "job related and consistent with business necessity" underscores the need to examine all selection criteria to assure that they not only provide an accurate measure of an applicant's actual ability to perform the essential functions of the job. Id. at 172.

Indeed, the final regulations on the Americans With Disabilities Act promulgated by the Equal Employment Opportunity Commission in July 1991, reaffirms those interpretations:

> The purpose of this provision is to ensure that individuals with disabilities are not excluded from job opportunities unless they are actually unable to do the job. It is to ensure that there is a fit between job criteria and an applicant's (or employee's) actual ability to do the job. Accordingly, job criteria that even unintentionally screen out, or tend to screen out, an individual with a disability or a class of individuals with disabilities because of their disability may not be used unless the employer demonstrates that that criteria, as used by the employer, are job-related to the position to which they are being applied and are consistent with business necessity.

Those interpretations of the employers' business necessity defense in the Americans with disabilities are consistent with the formulation of employers' business necessity defense embodied in the Danforth compromise.

In sum, no reasonable interpretation of either the words of S. 1745, the legislative history of the repeated defeat of the administration's attempts to codify Wards Cove, or the legislative history of the recently enacted Americans With Disability from which S. 1745's business necessity defense is taken supports the contention that the decision in Wards Cove is "alive and well." Griggs has withstood the test of time. Wards Cove has not and it should be allowed to rest in peace.

Mr. Speaker, I reserve the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the compromise on S. 1745, the Civil Rights Act of 1991. Although the compromise is not a perfect one, and it would likely not be a compromise if it were, the agreement allows us to get beyond the political and legal disagreements that have dogged the Civil Rights Act since it was introduced 2 years ago and allows us to provide real and enlarged protections against employment discrimination to this Nation's workers.

When we considered this bill in the last Congress, I said that there was already enough agreement on what our civil rights laws should stand for that we could give proponents of what was then H.R. 4000, and is now H.R. 1, half of the loaf they were seeking. I am pleased that this compromise gives all employees that half of the loaf and more, while at the same time it diminishes the pressure on employers to make their work force match some statistical norm and it ameliorates the possibility of a litigation lottery.

The quota call that has defined this bill since its inception seemed pejorative to many, but it developed from some legitimate concerns that the definition of business necessity and the various burden of proof provisions would induce employers to unfairly consider race, color, religion, sex, or national origin in workplace decisions in order to avoid costly lawsuits. The compromise addresses this concern by eliminating a very burdensome and novel definition of business necessity and relying on the development of that term in the case law which includes concepts from Griggs, Watson, and Beazer, to name a few that employers are used to working with. The compromise also addresses the concern with the formulation in the original bill which allowed plaintiffs to lump employment practices together in alleging that an employer's hiring or promotion practices had a disparate impact by requiring discrimination claimants to identify the specific practice causing the disparity.

With respect to the litigation lottery that many feared would be the result of H.R. 1, the compromise takes several steps in the right direction. Many of the attorneys' fees provisions in the original bill that only benefited the lawyers, made conciliation and settlement of employment discrimination claims more difficult, and worked to the disadvantage of the true parties at interest, the victims of discrimination, have been removed. The possibility of unlimited damages no longer serves as a carrot for filing a lawsuit under this compromise, although, I admit that I have remaining concerns about the new remedial scheme it sets up, which goes far beyond the traditional labor law remedies of backpay and injunctive relief. I hope that my fears as to the possible repercussions of a damage remedy do not come to pass and that this does not start a domino effect with respect to every employment law on the books.

We also take the important first step in this compromise towards bringing the Congress under the umbrella of the coverage of the workplace discrimination laws protecting employees in every other sector of our economy. Although the compromise does not go as far as many would like, myself included, it does send a very telling message to those who are both burdened and benefited by our lawmaking that we will no longer be legislating in the abstract. We too will have to follow the laws, with all the good they work and all the baggage they carry, that we expect every other business in this Nation to abide by.

Mr. Speaker, I have only touched upon several of the larger issues that we have been dealing with in the civil rights debate over the last several years. I believe that in this case, the legislative process has been an effective one. That process allowed concerns about the impact and effect of the proposed bill to be raised, and it created processes and avenues whereby those concerns were addressed. The result is that we have civil rights legislation before us that dramatically extends the protections and the remedies available to victims of workplace discrimination and that is truly a civil rights bill for all Americans. I rise in strong support of the compromise and ask my colleagues to do so as well.

□ 1510

Mr. BROOKS. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Oregon [Mr. AuCOIN].

Mr. AuCOIN. Mr. Speaker, this is a good bill, except for what the White House insists that it tell women. It tells women, like my young daughter, that discrimination based on sex is not as wrong as discrimination based on race.

It continues to give women a message that they are second-class citizens. That is not equality. That is not freedom, and to that extent it means that those of us in the Congress who care about women's rights, for us our work is not yet done.

The SPEAKER pro tempore (Mr. MFUME). The Chair recognizes the distinguished gentleman from Illinois [Mr. HYDE], the chairman of the Subcommittee on Civil and Constitutional Rights.

Mr. HYDE. Mr. Speaker, I gratefully accept the promotion.

I yield 3 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER], and I hope the Speaker does not correct the RECORD.

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to this compromise, which I do not think really addresses the issues that were presented in this bill.

Because the bill continues to treat employment discrimination cases as a tort lawsuit mode, we are going to have this economy become much, much less competitive as more and more money is spent on legal fees bringing cases to the jury. This is truly a lawyer's bonanza, and it is contrary to the program of civil litigation reform that the administration has been promoting correctly throughout the country to try to reduce the number of lawsuits, to try to reduce the amount of our economy that goes to lawyers's fees and to expert witness fees, and the like.

By throwing out the conciliation and mediation provisions in current law where the EEOC plays a lead role, we are turning every case of employment discrimination into a court suit.

Now, it is true that many of the frivolous cases will be thrown out by the jury, but it literally costs tens and even hundreds of thousands of dollars in lawyers' fees, expert witness fees, deposition fees, pretrial motions, trail briefs, motion expenses and the like, to get the case to the jury for its decision.

I am further concerned about the unconstitutionality of the sliding scale of damages that are contained in this bill. This is a violation clearly of the equal protection clause of the 14th amendment to the U.S. Constitution.

Why should someone who is in a medium-sized business who has been a victim of the same type of discrimination, who has suffered the same damages, be limited in the amount that they can recover vis-a-vis someone who has been victimized in a larger business?

I cannot in good conscience consistent with the oath that I took at the beginning of this Congress to uphold the Constitution of the United States vote for this kind of a sliding scale. The scale should be uniform, unlimited damages, zero damages, or some figure in between, but it should not have different strokes for different folks.

I would like to conclude my remarks, Mr. Speaker, by quoting with approval the concluding paragraph of an op-ed piece in the Wall Street Journal of Wednesday, October 30, 1991, by L. Gordon Crovitz, where he describes this bill:

> It won't take long for resourceful lawyers to pump this lawsuit cow for all the cash it's worth. Expect years of divisive cases pushing this bill's peculiar definition of discrimination. After all this, at least no one will be able to argue that litigation leads to harmony.

Mr. Speaker, this bill ends the recession in the legal profession. It does not help American business stay competitive, nor does it provide real relief for people who have been victimized by unlawful discrimination.

Mr. Speaker, I include the Wall Street article above referred to as follows:

[From the Wall Street Journal, Oct. 30, 1991]

BUSH'S QUOTA BILL: (DUBIOUS) POLITICS TRUMPS LEGAL PRINCIPLE

(By L. Gordon Crovitz)

Liberals always thought the key to racial and sexual equality is lawyers litigating for punitive damages, but President Bush at least used to complain about a "lawyers' bonanza." Maybe Mr. Bush thinks that enriching lawyers with a quota bill will reverse the recession for one industry, even if it's at the legal-fees-by-the-hour expense of all other businesses.

Not quite all other businesses. Senators understand the terrifying implications of the law they wrote well enough to deny their employees the right to sue them. Mr. Bush, despite his brave words about making congressmen abide by the law, gave them a pass here.

Senators yesterday devised ways to avoid the jury trials they plan for others. The George Mitchell-Charles Grassley compromise would let Senate workers appeal from internal procedures to a federal appeals court, but unlike private-sector workers they couldn't get jury trials or punitive damages.

Senators tried to justify their exemptions by invoking separation of powers, but the Constitution lists all the immunities: Congressmen can't be arrested while at or going to or from Capitol Hill (except arrests for treason, felony and breach of the peace), and they can't be sued for what they say on the floor of the Senate or House. There is no immunity for discrimination or sexual harassment. The first private-sector employer sued under this bill should bring an equal-protection clause defense arguing that it's been singled out as a defendant for not being Congress.

One reason Congress is so edgy about being sued is that this bill has little to do with what most Americans consider discrimination—intentional discrimination. The entire debate instead is about the lawyers' invention of disparate-impact analysis, which starts with the assumption that there is "discrimination" unless every job filled by every employer perfectly reflects—no less and no more—the available labor pool of women, blacks, Greek-Americans, Jews, Aleuts.

The Supreme Court tried in cases such as Wards Cove v. Atonio to avoid this hyperlitigious world by crafting clear defenses for employers. The justices ruled that plaintiffs must identify seemingly objective job requirements such as tests or educational requirements that excluded them. Plaintiffs would then have to prove that these factors had no significant relation to any "business necessity" of the employer. The civil-rights bill blessed by Mr. Bush reverses the burden of proof, adding insult to lawsuit by refusing to define business necessity.

This non-definition definition hints at the mischief of this bill, which ensures years of costly lawsuits as judges try to fathom what Congress meant by a bill that intentionally doesn't say what it means. The following section, entitled "Exclusive Legislative History" (even though Ted Kennedy immediately went to the floor of the Senate to give his own interpretation), is supposed to guide judges as they in effect write the law: "The terms 'business necessity' and 'job related' are intended to reflect the concepts enunciated by the Supreme Court in Griggs v. Duke Power Co. and in other Supreme Court decisions prior to Wards Cove v. Atonio." Under this non-standard the justices could simply re-adopt the constitutional protections they gave defendants. After all, they thought much of Wards Cove was simply a continuation of their Griggs analysis of disparate-impact cases. It was in a case decided before Wards Cove that the court insisted that "the ultimate burden of proof" must remain "with the plaintiff at all times."

No law can amend the Constitution to deprive parties of due process, so the provision depriving third parties of the right to challenge consent decrees likely remains unconstitutional. The bill also gives the justices a new reason to declare punitive damages unconstitutional: Damages for sexual harassment would increase with the irrelevancy of the size of the workforce, not with the heinousness of the offense. Harassment remains undefined.

Why did Mr. Bush cave? He must know that labor lawyers today are advising clients to avoid litigation by hiring by the numbers. The likeliest explanation is politics. There's probably no better motive for inserting politics into law than for a Republican president to twist the law in ways he thinks will appeal to blacks, but does Mr. Bush think it's good politics to sacrifice legal principle for supposed racial ends? Judging by recent flip-flops by the White House, the answer is yes. The quota bill is the latest tea leaf that for this administration, racial politics trumps law:

Mr. Bush this month instructed Solicitor General Kenneth Starr to withdraw a key argument in a brief he'd submitted to the Supreme Court. The question in U.S. v. Mabus is how much spending Mississippi must do to attract applicants to historically black public universities. Mr. Starr said the state needs to do more, but that separate but equal is a dead doctrine. "The idea is to end duplication, not to ensure it by ensuring that separate schools are in fact equal," he wrote.

Mr. Starr, who helped craft Dan Quayle's civil-justice reform proposals, warned about the litigation nightmare if the justices insist on precisely equal spending. He said this would invite "enormous and endlessly litigious undertaking to ensure that there are no longer any spending disparities."

This brief was filed in July, but in September a group of black college administrators lobbied Mr. Bush to disavow this legal argument. He sent the word to Mr. Starr, who on Oct. 10 filed a rare, perhaps unprecedented, withdrawal with the Supreme Court. "The time has now come to eliminate those disparities" in spending, Mr. Starr wrote. "Suggestions to the contrary in our opening brief," a footnote explained, "no longer reflect the position of the U.S." Team-player Starr, who often speaks of the importance of the unitary executive branch, quietly went along with this order from the boss.

Months before Lamar Alexander took over at the Education Department, the agency's top civil-rights official, Michael Williams, declared race-specific scholarships unconstitutional. One of Secretary Alexander's first acts was to put on deep freeze this legal opinion by a politically incorrect black lawyer.

Mr. William's legal analysis was a routine application of the 1978 Bakke decision and other cases prohibiting race-linked policies except to remedy specific past discrimination. Yet Mr. Alexander announced that race-based scholarships could continue while Mr. William's opinion was under review. No word on when, or if, a final decision will be reached.

Liberals in Congress bear the chief responsibility for the litigation madhouse this bill creates, but David Duke is likelier to make Mr. Bush bear the political costs. Clarence Thomas proved that all blacks do not bow before the interest groups that insisted on this bill. It's doubtful that anyone thinks better of Mr. Bush for breaking his no-new-quota pledge.

It won't take long for resourceful lawyers to pump this lawsuit cow for all the cash it's worth. Expect years of divisive cases pushing this bill's peculiar definition of discrimination. After all this, at least no one will be able to argue that litigation leads to harmony.

Mr. FORD of Michigan. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Speaker, I wish to thank all the chairmen and Members of this body who have held a steady course to bring us to this day when I could rise in order to support the civil rights compromise.

This legislation moves the Nation closer to equity in the workplace, closer to equity in employment, and closer to equal opportunity.

Finally, the President has agreed that we not only need to reverse recent Supreme Court decisions that weaken our employment discrimination laws, but for the first time we also need to establish laws that allow hard-working Americans to fight for lost wages and damages when they are victims of job discrimination on the basis of sex, religion, or disability.

This bill also sends a strong message to the U.S. Supreme Court that enough is enough. By emphatically overturning five key 1989 Supreme Court decisions that turned back the clock on civil rights, we in the Congress are showing that we are ready to move forward again. We are not there yet, but we are moving forward.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker and my colleagues, the compromise is just that. It is a compromise which will find no one totally happy, and yet I believe the compromise in front of us today is an important middle ground that allows us as a Nation and as a society to move onward in the area of employment discrimination, and I rise in support of the legislation in front of us.

Those of you who recall my involvement in this issue in the past know that I have been motivated most of all by the remedy section and the reality that this bill would move what was to be a resolution of employment discrimination from reconciliation to court litigation. That opportunity still stands because, frankly, I was in the minority of those who believed that we could find remedies outside of jury trials as the best solution; but I do believe there are four points in this bill that need to be mentioned in this regard to give us a sense of history of the compromise that is in front of us and where I think we want to go as a nation in this regard.

First of all, the whole issue of quotas and disparate impact has, I think, been properly resolved by neither side being able to totally declare victory and to allow court interpretation of court rulings to stay within the court and not to be done in a legislative body.

Second, I think that we have made great progress when we have in the area of identifying those specific employment practices which would be the reason for which we would hold a business as guilty of an employment discrimination and a disparate impact, a requirement under this bill that that specific employment practice must indeed be identified unless proof can be made that that is just impossible to do.

The third area that I would suggest brings about a compromise is that where the bill before us includes damages; I have to tell you that this is truly a compromise between what was the President's original proposal and the original bill before the House.

The fact is that we have set up four different and specific categories of damages. We have capped those damages in all four areas and we have limited those damages to only intentional discrimination, and in so doing we combine both the punitive and the compensatory, and you recall that was not the case before.

□ 1520

You will recall that was not the case before. But I think the most important provision in this bill, from my perspective, is the fact that section 9 of the original bill, which said that no consent order or judgment settling a claim under this title, or no dismissal of a claim, would be effective unless the parties or their counsel attest to the court that a waiver of all or substantially all of attorney's fees was not compelled as a condition of settlement.

That section is not in the bill before us. So a major incentive for plaintiff attorneys to create discrimination litigation has been eliminated.

I think this bill is a compromise.

Mr. Speaker, I encourage all to support it.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. WASHINGTON], a member of the Committee on the Judiciary.

Mr. WASHINGTON. I thank the gentleman for yielding this time to me.

Mr. Speaker, I requested permission to revise and extend so that I may put into the RECORD at this point before the day is over the record vote on the LaFalce amendment and on the bill in 1990 and on the bill in 1991, when it was a quota bill.

Where did the quotas go? They swam upstream like red herrings often do. Quotas were never in H.R. 4000. It was red herring. Quotas were never in H.R. 1 this year; it was a red herring. Quotas were not in the bill that the President vetoed; that was a red herring.

Quotas were never the subject of honest intellectual discussion when Mr. Sununu and Mr. Gray found it necessary to bully the business roundtable into breaking off negotiations; that was a red herring.

Quotas did not create a lawyers' bonanza; that was a red herring.

How then do we cook a red herring? We can use salt and pepper and cajan sauce, but unless we are going to eat it sushi style, we have to use some heat. And the heat has been applied in the form of David Duke. That was the heat. That is why it is no longer a quota bill, because David Duke turned up the heat. David Duke took the heat off the quota argument.

Quotas made David Duke, and now the chicken has come home to roost.

Dr. Frankenstein, meet your monster, David Duke; maybe you will find that herring tastes like crow.

Mr. HYDE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Connecticut [Mr. FRANKS].

Mr. GOODLING. Mr. Speaker, I would like to yield 2 additional minutes to the gentleman from Connecticut [Mr. FRANKS].

The SPEAKER pro tempore (Mr. MFUME). The gentleman from Connecticut [Mr. FRANKS] will be recognized for 3 minutes.

Mr. FRANKS of Connecticut. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise today in strong support of S. 1745, the compromise civil rights bill. I am pleased that after months of partisan bickering, gamesmanship, and missed opportunities, an agreement has been reached.

There has been too much talk within the beltway about who are the winners and losers politically in these compromises. We have all differed on what would be the best method to achieve true civil rights for every American.

Most of us are sincere in our commitment to ensuring that all Americans can live and work in a country where race, religion, sex, and political persuasion are not stumbling blocks to pursuing one's dreams.

Mr. Speaker, this compromise makes every American a winner. The only losers are those who continue to peddle hate and division.

When we first considered H.R. 1, I was one of the 158 Members who opposed the bill.

Mr. Speaker, I realized that the bill was not a fair civil rights bill. It was clear to me that, had H.R. 1 become law, it would have established a system that would have compelled businesses to hire by the numbers, to create quotas, to avoid an avalanche of lawsuits and, in some instances, certain bankruptcy.

In order to avoid litigation, businesses would protect themselves by insuring that the composition of their employees properly reflected the local labor pool regardless of the employees' abilities. H.R. 1 would have forced businesses to hire by the numbers. That is not what this country is all about. That is why I am a true supporter of S. 1745, because it is a true civil rights bill of which we can all be proud.

I encourage my colleagues to support this bill.

Mr. FORD of Michigan. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Mr. STOKES. Mr. Speaker, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Ohio, the dean of my delegation.

Mr. STOKES. Mr. Speaker, I thank the gentlewoman for yielding, and I rise in strong support of the bill.

Mr. Speaker, I rise in support of the Civil Rights Act of 1991. I commend the leadership of both Houses of Congress, for their determination to pass this important piece of legislation. The 1991 Civil Rights Act is crucial to our efforts to end discrimination in the workplace. This legislation attempts to strengthen the principles contained in the Civil Rights Act of 1964—that no person, male or female, should be denied a job, career advancement, fair salary, or be harassed at work, because of race, sex, national origin, or religion.

In 1989 the Supreme Court rendered decisions on five civil rights cases which essentially granted employers the right to discriminate without fear of reprisals. The decisions passed down in these cases made it more difficult for victims of discrimination to prove their claims and easier for employers to escape liability. These decisions have made it necessary for strong legislative action to strengthen and restore remedies available for the victims of discrimination.

Just as this administration has attempted to use the highest court in the land, to turn back the hands of time on civil rights and equality, we must now turn back the hands of time on discrimination. We must reestablish the standards established in Griggs versus Duke Power Co., and in other Supreme Court decisions prior to Wards Cove Packing versus Atonio. On June 5, 1991, this body voted 273 to 158 to approve a revised version of H.R. 1, which would have overturned these Supreme Court decisions, but the president vetoed the bill and the Senate failed to override the President's veto by only one vote.

Last year and for much of 1991 the President launched a public relations smoke screen over H.R. 1 by labeling it a so-called quota bill. Now the President is ready to embrace what is essentially the same bill with limited compromise measures. The fact is, this civil rights bill has never been a quota bill. It was not a quota bill last year, it is not a quota bill this year, and will not be a quota bill when passed by this body or when it becomes law. Sadly, the President's problem with H.R. 1 was never quotas, the problem was politics. Those politics were the same divisive, racial politics that in 1988 gave us Willie Horton, that in 1991 replaced Thurgood Marshall with a black conservative and have now spawned the climate that gives us David Duke. So, I am pleased to see this President and his administration now abandon their racial politics and accept a measure that should have become law last year.

Mr. Speaker, I would like to comment on several unique aspects of the bill. I cite the provisions in the bill which authorize the establishment of a Glass Ceiling Commission to study the underrepresentation of women and minorities in executive, management, and senior decisionmaking positions. The Government and the private sector have been particularly remiss in creating and allowing artificial discrimination barriers to advancement at the same time that they have lifted entry-level opportunities. Some private sector fields, such as transportation, employ virtually no senior-level managers. Some Government agencies have the same practices. I have worked alongside many of my distinguished colleagues in the House to help create an equitable total work force environment in many of our Federal agencies such as the CIA, FBI, NSA, NASA, and others. This commission, hopefully, will help us address this pervasive problem.

I also applaud the extension of civil rights protections to congressional staff. I particularly commend by friend and colleague, the senior Democratic Senator from Ohio, JOHN GLENN, for being the true founder of this effort to bring civil rights protections to our employees. JOHN GLENN began this effort 14 years ago, in 1977, and it is his original legislation that is the model for the protections that appear in this bill.

Mr. Speaker, let me conclude by saying that enactment of the Civil Rights Act of 1991 is critical to our efforts to end discrimination in the workplace, and to restore and strengthen the remedies available for the victims of discrimination. This bill makes it clear that employment decisions motivated by prejudice are illegal; it forces employers to justify employment practices that operate to exclude minorities and women disproportionately; and it prohibits racial harassment and other forms of discrimination during any phase of an employment contract.

I believe that the Civil Rights Act of 1991, adequately addresses the problem of employment discrimination. I encourage my colleagues to join me today in supporting this measure.

Mr. CLAY. Mr. Speaker, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, I thank the gentlewoman for yielding, and I rise in support of the bill.

Mr. Speaker, I rise in support of S. 1745 to amend the Civil Rights Act of 1964, to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, and to clarify provisions regarding disparate impact actions.

This legislation marks the end of a 2-year struggle to reaffirm this Nation's commitment to the principle of equal opportunity. This struggle was made necessary by a Supreme Court that has demonstrated a callous disregard for the realities faced by millions of Americans. It has been prolonged by a President who, until recently, has sought to use the issue of civil rights as a weapon to divide the Nation for short-term political gain at the expense of long-term national interest. It has finally been ended as a result of the concerted, bipartisan efforts of Members of the other body. That achievement is a victory for statesmanship over politics, for justice over inequity, for the future over the past. I commend Senator DANFORTH, Senator KENNEDY, Senator MITCHELL, Senator DOLE, the administration, and all who took part in this accomplishment.

Unfortunately, as significant as this accomplishment is, it does not fully or sufficiently address one of the crucial injustices addressed by H.R. 1. The most troubling aspect of S. 1745 is its failure to provide full equity for women, religious, and ethnic minorities who are victimized by intentional discrimination. In my view, the cap that has been placed by S. 1745 on the ability of women and others to obtain damages under title VII is unnecessary, unfair, and unjust. If we believe in justice for all, it remains for the Congress to perfect the remedies we would afford these individuals. If the obstinacy of the White House precludes us from addressing this issue today, it is my sincerest hope that this inequity be addressed as soon as possible.

In other respects, however, S. 1745 accomplishes the same ends sought by H.R. 1. This legislation amends section 1981 to provide that "the term 'make and enforce contracts' includes the making, performance, modification, and termination of contracts, and the enjoyment of all benefits, privileges, terms, and conditions of the contractual relationship". It thereby fully and completely overturns Patterson versus McLean.

This legislation provides that,

> * * * an unlawful employment practice occurs, with respect to a seniority system that has been adopted for an intentionally discriminatory purpose in violation of this title * * * when an individual becomes subject to the seniority system, or when a person aggrieved is injured by the application of the seniority system or provision of that system.

Lorance versus AT&T Technologies and its progeny are thereby overturned.

This legislation provides that "an unlawful employment practice is established when the complaining party demonstrates that race, color, religion, sex, or national origin was a motivating factor for any employment practice, even though other factors also motivated the practice". Price Waterhouse versus Hopkins is thereby overturned.

This legislation expressly overturns Martin versus Wilks by providing that consent decrees may not be challenged

> * * * by a person, who prior to the entry of the judgment or order * * * had—actual notice of the proposed judgment or order sufficient to apprise such person that such judgment or order might adversely affect the interests and legal rights of such person and that an opportunity was available to present objections to such judgment or order by a future date certain; and a reasonable opportunity to present objections to such judgment or order; or by a person whose interests were adequately represented by another person who had previously challenged the judgment or order on the same legal grounds and with a similar factual situation * * *.

Wards Cove Packing Co. versus Atonio is not only expressly overturned, but clear statutory language has been included addressing the grievous aspects of that decision. Specifically, S. 1745 provides that "if a party can demonstrate to the court that the elements of a respondent's decisionmaking process are not capable of separation for analysis, the decisionmaking process may be analyzed as one employment practice." This overturns the wholly unreasonable position taken by the Supreme Court that the complaining party demonstrate that each individual employment practice causing a disparate impact regardless of whether the respondent's decisionmaking process was capable of separation.

S. 1745 provides that a disparate impact is established if a complaining party demonstrates an employer uses an employment practice causing disparate impact on the basis of race, color, religion, sex, or national origin "and the respondent fails to demonstrate that the challenged practice is job related for the position in question and consistent with business necessity." Although conflicting statements have been made regarding the status of the Wards Cove formulation of business necessity, the statutory language clearly and expressly provides that a challenged practice must be "job related for the position in question". In addition, an employer engaging in an employment practice shown to discriminate on the basis of race, color, religion, sex, or national origin has the clear burden of justifying the need for such a practice.

Finally, by providing for expert witness fees and extending the coverage of the Civil Rights Act of 1964 and the Americans With Disabilities Act of 1990 to overseas Americans, this legislation overturns West Virginia University Hospital versus Casey and Equal Employment Opportunity Commission versus Arabian American Oil Company.

Enacting S. 1745 is the only means of restoring the fair balance between employers and employees that existed for 25 years prior the Supreme Court's 1989 term. The struggle to come even this far in the battle for civil rights proves once again the need to ensure the vitality of our civil rights laws.

We have been reminded that though our country has been committed to the ideal that all citizens should have an equal opportunity to succeed to the extent of their God-given abilities, we have yet to live up to that ideal. Discrimination remains alive and well. The continuing need to vigilantly protect against discrimination will end only when cultural habits, hearts, and minds change and people no longer deny other people opportunity simply because they are black, brown, or of a different gender, religious group, or ethnic heritage.

Today's moral and political climate has made it quite clear that the Congress must stand guardian of civil rights. Our courts once led the fight for civil rights. Recent decisions such as Wards Cove and Patterson versus McLean, however, are reminiscent of Dred Scott and Plessy versus Ferguson. As Justice Blackmun eloquently stated in his dissent in Wards Cove, "One wonders whether the majority [of the Court] still believes that race discrimination—or more accurately, race discrimination against nonwhites—is a problem in our society, or even remembers that it ever was." We cannot afford to play the race card for partisan gain. This country already has shed more blood over the issue of race than for any other cause. The wounds of slavery are with us to this day. No short-term political victory is worth the inevitable price such tactics will exact. We must continue the fight to make justice and equality a reality. Passage of this bill is politically right and morally imperative.

Ms. OAKAR. Mr. Speaker, I am going to support S. 1745, but I want my colleagues and the American people to know that the original H.R. 1 bill, as proposed by the gentleman from Texas [Mr. BROOKS] and the gentleman from Michigan [Mr. FORD] and others, which came out of the committees before it went to the Committee on Rules, was a much fairer bill. This bill, in a way, should not be called civil rights for women. They ought to strike "women" although it does protect women to a degree; but it does not go all the way.

Let me give you an example: H.R. 1 had the Pay Equity Technical Assistance Act in it. This bill does not; they took that out.

H.R. 1 allowed for the extension of the statute of limitations that especially affects women who are sexually harassed from 180 days to 18 months; it gives them time to evaluate the situation, et cetera. S. 1745 went backward to the 180 days.

But the thing that gets me the most angry is the fact that, with respect to punitive damages, this bill has caps for women, only, and handicapped and religious minorities.

In other words, if you are a Catholic, you are a religious minority, so your punitive damages could be capped. But for women, it is another case. Now, if that is what made the bill better, then I think women should be outraged. But I think we made some gains.

So, in fairness to the individuals on this side of the aisle, Chairman FORD and Chairman BROOKS and others, who worked so hard to get an agreement, I am going to support it. But I want everybody to know that the Senate bill is a much worse bill.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I thank the gentleman for yielding time to me.

Mr. Speaker, it is about time. If Congress had been willing to stifle the rhetoric, we could have passed this bill months ago and millions of Americans would now be enjoying its protections.

But, as with so many issues, Congress had to play political football games while our constituents waited for us to act. I am proud that the political games have failed. I am proud that this bill is on the floor today—a bipartisan bill that Members of this body can and should support.

Mr. Speaker, it still needs work. Business is guilty until proven innocent; that goes against our system. It is wrong, the inequities for females is wrong. We can address these issues and other issues in the upcoming months.

I am disappointed that we in the people's House have to wait for the Senate to act. I am disappointed that we in the House did not show the leadership to move on a bipartisan civil rights bill that the President could sign months ago.

Mr. Speaker, the freshman class, both Republicans and Democrats, have been critical of the leadership, but today, gentlemen, I think I can speak with all my freshman allies that we laud you and God bless you, our leadership on both sides of the aisle for your leadership on this particular issue.

Mr. Speaker, Congress today will approve a civil rights bill that will protect the rights of all Americans in the workplace without resorting to quotas. By passing this bill, Congress will ensure that Americans of all backgrounds are treated fairly and equitably.

Mr. Speaker, two of the people that I most respect on this House floor, GARY FRANKS and JOHN LEWIS, I look forward to walking down the aisle in support of the civil rights bill of today.

For the skeptics out there, this bill is a vast improvement over H.R. 1. The bill before us today is a fundamentally different bill. It is no longer a bonanza for lawyers.

Attorneys fees and expert witness fees will be dealt with responsibly. Standards for disparate impact are clarified. Race norming is abolished. Mixed-motive cases will be dealt with in an equitable manner, and a sound compromise has been reached on the issue of consent decrees.

□ 1530

Mr. Speaker, I believe this is landmark legislation. This bill is in the great tradition of expanding the statutes of this country.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. ORTIZ] for the purpose of a colloquy.

Mr. ORTIZ. Mr. Speaker, does section 102 of S. 1745, as amended, repeal the Supreme Court's holding in Saint Francis College versus Al-Khazraji, and, do you agree that it is sufficient to allege discrimination based solely upon national origin to state a valid cause of action under section 1981?

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. ORTIZ. I yield to the gentleman from Texas.

Mr. BROOKS. As the Judiciary Committee reported on page 27 of the House Report No. 102-40, part 2, no repeal of the case you mention is intended by this legislation, and alleging discrimination based solely upon "national origin" is sufficient to state a valid cause of action under section 1981.

Mr. ORTIZ. I thank the distinguished chairman of the Judiciary Committee.

Mr. HYDE. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Mr. Speaker, I rise in support of the Civil Rights Act of 1991.

Mr. Speaker, I would like to throw myself into this debate full force because I am so in favor of this compromise, but blessedly I will refrain from doing that. Suffice to say that this is a good bill, it is a fair bill, we know the facts, we have argued it ad nauseam, and I hope we all support it.

Mr. FORD of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise today to reluctantly speak in support of the compromise version of H.R. 1, the Civil Rights Act of 1991. I am apprehensive in supporting this bill because when it comes to issues of equality for women and minorities we are always forced to compromise. During last year's civil rights negotiations, this bill was revised, compromised and rewritten and still, the President vetoed it. However, now I am told that the President has decided that this bill is no longer a quota bill and will sign it. It seems that the tide has changed in this country, and it is now fashionable to support civil rights.

I have concerns about this bill because it forces me to prioritize discrimination, and I should not be presented with such a choice. If an employer discriminates against a woman or a member of a racial minority, that employer should be penalized with damages that are not capped. Nevertheless, I am inclined to vote for this bill, even in light of its weaknesses, because it provides some redress for women and minorities.

Between now and the year 2000, 91 percent of the new work force will be minorities and women—the very people who have been victims of discrimination in the past and, all too often, still are denied the opportunity to make their fullest contribution to American life. In the competitive new world order of the 1990's, when America's destiny depends on bringing out the best in all our people, it is more important than ever to continue America's progress toward wiping out discrimination.

I must give thanks to the David Duke phenomenon which has finally awakened the President into agreeing to this civil rights bill. Now that he has agreed, we must seize a higher moral ground because our survival as a free democratic nation is at stake.

I urge my colleagues to vote yes and restore and strengthen basic civil rights in this country. We cannot allow the clock to be turned back. All Americans deserve the right to equal employment opportunity.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. KLUG].

Mr. KLUG. Mr. Speaker, I yield to the gentleman from New York [Mr. MCGRATH].

Mr. MCGRATH. Mr. Speaker, I rise in support of the Civil Rights Act of 1991. I strongly believe in equality of opportunity for all Americans, regardless of race, religion, sex, or national origin and am pleased to support the compromise bill. As civil rights legislation made its way through Congress last year and again early this year, I advocated the drafting of legislation which strengthened employment discrimination law while preventing the institution of quotas, and I am pleased that an initiative achieving this balance has come before us for a vote.

When the House voted on civil rights legislation in the 101st Congress and again earlier this year, had qualms regarding the possible institution of quotas which were not allayed by the legislation finally passed by the House. Therefore, I worked for constructive changes in this legislation and, earlier this year, I became an original cosponsor of the Michel alternative to this legislation which was endorsed by the administration. I am heartened to see that the compromise has taken into account the well-founded quota concerns I share with many of you and incorporated some of the Michel alternative's provisions. Like the alternative for which I previously voted, the compromise significantly strengthens employment discrimination law while preventing the placement of employers in a position where they would be compelled to resort to quotas or other unfair preferences. I oppose quota systems in the civil rights arena because they subvert the intent of affording all people equality of opportunity so that those with comparable capabilities or qualifications will be on an equal footing. The compromise satisfactorily addresses my quota concerns as it does those of the President's and many of my colleagues on the floor today.

Throughout my career I have been proud to support a variety of laws aimed at combating hate crimes, employment discrimination, and other forms of prejudice. The compromise civil rights bill now before us works fairly and equitably toward such a positive impact. Passage and enactment of this measure will enable us to make further decided inroads towards the elimination of prejudice and discrimination. While this bill unfortunately will not change the minds of those who harbor prejudice against ethnic groups or any other segment of our society, it will protect the public from discriminatory acts stemming from such beliefs.

I urge my colleagues to join me in voting to support the Civil Rights Act of 1991. Such a vote will let us register our opposition to bigotry and other brands of discrimination and our determination that all Americans will have an equal opportunity to succeed by taking constructive action to ensure that Americans will be judged by their capabilities and qualifications.

Mr. KLUG. Mr. Speaker, I rise in support of the bill before the House and I congratulate all those individuals, especially the President, who have come together to make this agreement possible.

In 1983, when I was a reporter in this city, I was sued for libel over a series of stories I did on sexual harassment in the Federal Government. Incredibly, the head of the EEOC office which was supposed to protect the victims of sexual harassment had himself a long history of sexually harassing his own employees.

He sued me because of the stories I reported. And a jury of course found in my favor because I had reported the truth.

My memory of those stories, however, is not of the lawsuit and the trial, but instead of the 14 women whose lives had been shattered by the experience. Women who were secretaries and women who were lawyers all reacted violently to the abuse. Some became physically sick. Others were left with deep emotional scars.

The sexual harasser could have his day in court because a reporter had described his offenses to the public, but his victims had absolutely no way to punish and seek justice against him. I am glad today to see that victims of sexual harassment can finally get long overdue relief in our Nation's courts.

I am also relieved that both sides of this controversy can finally drop the politics of division. Nobody has gained by it—either to try to torpedo this bill or to try to make the case for it.

I think that everyone who has participated in this process—Members of Congress, the President and members of his administration, and the lobbying community—should ask themselves if they haven't done more to exacerbate those divisions, and stoke that anger, than they have to strengthen the links of community and mutual respect that hold our country together. If we make the American workplace a battleground upon which to settle competing claims to preferential treatment, or a field upon which to play the politics of envy, we do no service to America or her people.

Unfortunately, Mr. Speaker, it may take longer to heal the wounds which this long and twisted debate has opened than it took to expose them. I hope that with our votes today we will at least begin that process.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Kentucky [Mr. MAZZOLI], a member of the Committee on the Judiciary.

Mr. MAZZOLI. Mr. Speaker, I thank the gentleman from Texas [Mr. BROOKS] for yielding the time, and I salute him, and the gentleman from Michigan [Mr. FORD] and the gentleman from Illinois [Mr. HYDE] and the gentleman from Pennsylvania [Mr. GOODLING] for coming to the floor with this bill.

Mr. Speaker, I rise in support of the bill. This is not a perfect bill, and we have heard its flaws and its shortcomings. On the other hand, I think it is certainly a tremendous improvement over anything we have to date and it ought to pass.

This has been odyssey. The odyssey began a year ago when this Chamber passed, as did the other Chamber pass, a civil rights bill. It was vetoed by the President. We could not override the veto. The odyssey resumed this year when this Chamber passed another bill which led to negotiations which have produced this bipartisan compromise.

Mr. Speaker, that odyssey, which began over a year ago, ends today with the passage of this bill. I think America is better off for it, the workplace is less unfair because of it, and I think this has been a positive step forward.

I rise in support of the bill and urge this House to support this bill strongly.

Mr. HYDE. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from New York [Mr. WALSH].

Mr. WALSH. Mr. Speaker, I am very proud to state that I had a small part in helping the Republican side develop this compromise. I rise in very strong support of this bill which guarantees that the rights of all individuals on the job in this country will be protected, not only women, not only African-Americans, not only those with disabilities, but all Americans.

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Mr. Speaker, this is good work that has been done, and I urge all my colleagues to support it.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I, too, rise in commendation of the chairmen, the gentleman from Michigan [Mr. FORD], the gentleman from Texas [Mr. BROOKS], and the ranking members for their leadership in bringing this legislation to the floor. I rise in strong support of it. Unfortunately, it is long overdue.

I am pleased that the President has finally seen the light and the wisdom of coming around and supporting this bill. I do have two concerns about it, and I think it is a prime example of saying we have to look at how far we have come on this bill and also we have to look to see how far we have to go. We have to go some distance yet in removing the caps on damages that women may sue for in sexual harassment and discrimination cases, and we must resolve the differences over the Wards Cove case.

I want to commend the Speaker for his commitment to move with legislation to resolve these inequities and in doing so enable me to be able to support this bill. Again I commend the chairman and the ranking members for bringing the legislation to the floor. I am very proud to support it in light of the support the Speaker has pledged to address the inequities contained herein.

Mr. Speaker, over the last few years the Supreme Court has passed down rulings making it more difficult for individuals to prove discrimination cases. It is because of these rulings that Congress has been working to pass a new civil rights bill that would reaffirm an individual's rights to make discrimination claims. One of the cases that was the impetus for a new civil rights bill was Wards Cove Packing Co. versus Antonio.

Charges were brought against Wards Cove Packing Co. because of their alleged discrimination against Asian-Americans including Filipinos and Native Alaskans. By exempting Wards Cove Packing Co. from this civil rights legislation, Congress is denying the plaintiffs in this case their right to pursue their claims of discrimination. Through this exemption, Congress is telling the workers of Wards Cove Packing Co. that they are not deserving of the same rights as the rest of America and that Congress puts the interest of Wards Cove's owners before the interests of Wards Cove workers.

Mr. Speaker, this is wrong. Congress has acted to end racial, religious, ethnic, and gender discrimination by advancing this bill, but then it includes this horribly unjust Wards Cove exemption.

Mr. Speaker, this is unfair to all Asian-Americans and Native Alaskans and I am pledging today to work in Congress to ensure that this exemption does not stand.

Mr. Speaker, I rise today to express my concern about the limits placed on damages that women can receive for sexual harassment and discrimination cases. I am discouraged that we can allow sexual harassment cases to be judged on the basis of the size of the business a woman works for and not for the seriousness of the crime. Women must be allowed to receive what they deserve in damages and not have an arbitrary limit placed on the damages. This provision was obviously the sacrificial lamb for this compromise and women were sacrificed.

Sexual harassment, or discrimination in any form, is a very serious offense and must not be tolerated. Women must not be discouraged from coming forward and condemning such behavior. Yet the effect of the caps on damages is that women are discouraged from speaking out because their problems are not worth the same amount as others are worth under the law simply because of business size. Women's rights have been compromised in this bill and we must not let American women think we will allow it.

Mr. Speaker, this arbitrary limit gives me serious questions about the principle that individual rights apply equally to everyone. I urge my colleagues to continue to work to repeal these limits or caps and allow women their due.

Mr. GOODLING. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, I take this time to merely say "thank you" to the staffs on both sides of the aisle. While the Members did a lot of work, the staffs spent hours and hours and hours beyond what we spent, and they should be congratulated for their efforts.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. HUGHES], a distinguished member of the Committee on the Judiciary.

Mr. HUGHES. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in strong support of S. 1745, the Civil Rights Act of 1991.

This is not a perfect bill, but certainly its flaws are significantly outweighed by its merits. I urge my colleagues to support the bill.

Mr. Speaker, I rise in support of S. 1745, the Civil Rights Act that is before us today.

This bill is not a perfect bill by any means, but its flaws are significantly outweighed by its virtues. Moreover, I doubt seriously that further improvements will be made in the current political environment.

Under the compromise before us today, arbitrary limits that may or may not fall short of the actual costs of discrimination to victims have been imposed. While I supported limiting punitive damages, I do not understand why the President sought to limit the compensation available to women, the disabled, and religious minorities for the actual cost to them of discrimination. These limits are especially hard to understand when one realizes that there are no limits on damages for victims of racial discrimination.

Nevertheless, this bill contains several provisions that were taken from H.R. 1 that commit this Nation to hiring and advancement by merit. It bans adjusting employment test scores for race, color, sex, religion, or national origin, restoring fairness and removing the stigma that sometimes stemmed from race norming.

In cases involving disparate impact violations, here too the bill emphasizes merit, just as H.R. 1 did. In both cases, the only place for the use of statistics is in evaluating hiring or promotion criteria that are not related to doing the job. Any employers who hire by merit and keep simple records to prove it have no need to fear law suits, regardless of the composition of their work force.

If American employers respond to this provision by hiring mediocre employees according to group quotas, we are in serious trouble. The quota arguments were and are, based on the assumptions that judges will not throw out frivolous suits and that employers will not be able to convince juries composed of American citizens that they hired the best person for the job.

These arguments are not arguments against the bill, they are arguments against our judicial system. I have faith in the fairness of the American public, and I urge my colleagues to support this bill.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. BENNETT], a distinguished veteran of World War II and the second ranking Member of the House of Representatives.

Mr. BENNETT. Mr. Speaker, I wish to extend my congratulations to the committees that have handled this bill, and I rise in support of the bill.

The greatest thing that has happened since I have been in Congress for 40 years has been the improvement of the situation in civil rights, and I am glad to have had a part to play in it.

Having said that, I would say that although I am strongly for this and I hope it passes because I do not want anything to disturb what is good in it, I want to say that I think it is a shame that we have not addressed this civil rights issue as to Congress itself. In my opinion, there is no legal reason why Members of Congress cannot be covered like everybody else. I think that is a smokescreen. I realize that the people who raise it probably believe it, but I do not think there is any constitutional reason why Members of Congress cannot be involved in this civil rights legislation as well as everybody else.

So I hope that in the not too distant future Congress can eliminate the exemption we have created for ourselves, not only in this bill but in other bills where we have exemptions for Congress.

Mr. HYDE. Mr. Speaker, I yield myself the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield 1½ additional minutes of our time to the gentleman from Illinois [Mr. HYDE].

The SPEAKER pro tempore (Mr. MFUME). The gentleman from Illinois [Mr. HYDE] is recognized for 7 minutes.

Mr. HYDE. Mr. Speaker, may I also compliment the staffs of both the Committee on the Judiciary and the Committee on Education and Labor, the minority and majority staffs. I think they have made a knowledgeable effort and have been of immense help, particularly Alan Coffey and Kathryn Hazeem of our minority staff. They have been indispensable.

This is a compromise, and like all compromises, it is not perfect. It is far from perfect, but it is acceptable and infinitely preferable to H.R. 1, the original civil rights bill that we passed last June.

This compromise is driven by historical context. There are two elements that we have built on. One is Griggs versus Duke Power, the 1971 case that initiated the then novel concept of disparate impact a theory that said one could discriminate against a prospective employee unintentionally. That notion was created by the Supreme Court. It was judicial legislation that we have lived with for 20 years, and it is now a given.

In addition, the defense of business necessity was created by the Griggs case. It permitted an employer to defend his judgment in hiring "A" and not "B" because it was necessary under so-called business necessity. The court defined "business necessity" as a manifest relationship to the employment in question.

Secondly, the other given that we have lived with for many years is a 1972 case, Runyon versus McCrary, interpreting 42 U.S.C. section 1981. A Reconstruction era statute, section 1981 provided jury trials and unlimited damages for racial discrimination. The Runyon case opened up that post-Civil War statute to all sorts of cases involving racial discrimination, including employment contracts.

We have lived with these court decisions for 20 years, and, we build on them in our attempt to reach modern civil rights legislation.

Now we leave Wards Cove versus Antonio, which was decided in 1989, and said that the burden of proof in disparate impact cases rests with the plaintiff. So, he who alleges must prove his case. That is traditional in our jurisprudence. The Court went on to say the plaintiff must prove with particularity which hiring practice of the employer discriminated against him. That is what Ward's Cove did, and that is what would have been reversed by H.R. 1, as we passed it last June.

In the compromise we consider today, we reverse Wards Cove to the extent that the burden of proof or the burden of proceeding, whatever we choose to call it, has passed to the employer. He must justify whatever hiring practice he has used to distinguish one employee from another. But, in addition, we have required in this compromise that the plaintiff must identify the specific hiring practice that he alleges discriminated against him.

So now we have gained from the compromise what was not in H.R. 1, and that is what makes this a nonquota bill and made H.R. 1 a quota bill. These are the two things we have gained: the requirement that the plaintiff identify the particular hiring practice that caused the alleged discrimination. Therefore, the employer can defend himself, not by having to prove a negative about every hiring practice he may have had, but to defend the one which allegedly caused the discrimination. And second, we have taken the definition of "business necessity" which H.R. 1 garbled and mangled and obfuscated until it was meaningless, and we have returned it to the language of Griggs, "a manifest relationship to the employment in question." So now the employer has a fighting chance of defending himself against charges that he has discriminated.

□ 1550

Now, this compromise, as I say, corrects that, through the requirement that the plaintiff identify the specific or particular hiring practice. Now, the utility of the defense of business necessity makes this a very worthwhile compromise.

However, I am troubled that we are imposing a tort system, with jury trials, on labor relations. Heretofore, labor disputes between employer and employee have been administratively resolved, mediation, conciliation, the EEOC, attorney's fees, back pay, and injunctive relief. Now we are pushing that aside for intentional discrimination, and we are imposing a tort system.

This is where the lawyers' bonanza comes in. Anyone who knows anything about litigation understands the problems that medical malpractice litigation has brought to the medical profession. The profession has been brought, if not to its knees, certainly to a crouched position. Product liability cases, similarly, have wreaked havoc on the insurance industry and business. But the lawyers go on forever. God bless lawyers. They are the survivors.

Now, that is a shame, but we are stuck with it, and this is a compromise. So, as Jane Ace used to say in radio years ago, you take the bitter with the better.

Now, comes Price Waterhouse, the mixed motives case. That is where someone does not get a promotion for a number of reasons, but among them is a bad reason, a discriminatory reason, maybe a racial reason. Under H.R. 1, if a discriminatory motive was even a part of the reason on the decision, you got socked for big damages.

Now, unless you can prove the discriminatory motive was the actual reason for the decision and that the decision would otherwise have not been made in that fashion, there is no liability. Further, now, the most you can get is attorney's fees. That is a plus.

Mr. Speaker, race norming is out. That is a plus. That is a real plus. The provisions of this bill are prospective in nature, not retroactive. That is a real plus. The consent decree problems have been resolved fairly. That is a real plus.

So on balance it is a compromise. I am happy to accept it. I would like to add some legislative history at the end of my remarks.

SECTION 1. SHORT TITLE

The legislation may be cited as the "Civil Rights Act of 1991."

SECTION 2. FINDINGS

The Congress finds that this legislation is necessary to provide additional protections and remedies against unlawful discrimination in the workplace. The Congress also finds that by placing the burden on plaintiffs to prove lack of business necessity for employment practices that have a disparate impact, rather than by placing the burden on defendants to prove the business necessity of such employment practices, the Supreme Court's decision in *Wards Cove Packing Co.* v. *Atonio*, 490 U.S. 642 (1989) has weakened the scope and effectiveness of Federal civil rights laws.

SECTION 3. PURPOSES

The purposes of this Act are to provide appropriate remedies for intentional discrimination and unlawful harassment in the workplace, to codify the concepts of "business necessity" and "job related" enunciated by the Supreme Court in *Griggs* v. *Duke Power Co.* and in the other Supreme Court decisions prior to *Wards Cove Packing Co.* v. *Atonio*, to confirm statutory authority and provide statutory guidelines for the adjudication of disparate impact suits under title VII of the Civil Rights Act of 1964, and to respond to recent decisions of the Supreme Court by expanding the scope of relevant civil rights statutes in order to provide adequate protection to victims of discrimination.

TITLE I—FEDERAL CIVIL RIGHTS REMEDIES

SECTION 101. PROHIBITION AGAINST RACIAL DISCRIMINATION IN THE MAKING AND PERFORMANCE OF CONTRACTS

Under 42 U.S.C. 1981, persons of all races have the same right "to make and enforce contracts." In *Patterson* v. *McLean Credit Union*, 109 S. Ct. 2363 (1989), the Supreme Court held: "The most obvious feature of the provision is the restriction of its scope to forbidding discrimination in the 'mak[ing] and enforce[ment]' of contracts alone. Where an alleged act of discrimination does not involve the impairment of one of these specific rights, [sec.] 1981 provides no relief."

As written, therefore, section 1981 provides insufficient protection against racial discrimination in the context of contracts. In particular, it provides no relief for discrimination in the performance of contracts (as contrasted with the making and enforcement of contracts). Section 1981, as amended by this Act, will provide a remedy for individuals who are subjected to discriminatory performance of their employment contracts (through racial harassment, for example) or are dismissed or denied promotions because of race. In addition, the discriminatory infringement of contractual rights that do not involve employment will be made actionable under section 1981. This will, for example, create a remedy for a black child who is admitted to a private school as required pursuant to section 1981, but it then subjected to discriminatory treatment in the performance of the contract once he or she is attending the school.

In addition to overruling the *Patterson* decision, this section of the Act codifies the holding of *Runyon* v. *McCrary*, 427 U.S. 160 (1976), under which section 1981 prohibits private, as well as governmental, discrimination.

SECTION 102. DAMAGES IN CASES OF INTENTIONAL DISCRIMINATION

Section 102 makes available compensatory and punitive damages in cases involving intentional discrimination brought under Title VII of the Civil Rights Act of 1964 and the Americans with Disabilities Act. It sets an important precedent in tort reform by setting caps on those damages, including pecuniary losses that have not yet occurred as of the time the charge is filed, as well as all emotional pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, and other nonpecuniary losses, whenever they occur. Punitive damages are also capped, and are to be awarded only in extraordinarily agregious cases. The damages contemplated in this section are to be available in cases challenging unlawful affirmative action plans, quotas, and other preferences.

SECTION 103. ATTORNEY'S FEES

Section 103 amends 42 U.S.C. 1988 to authorize the award of attorney fees to prevailing parties in cases brought under the new statute (created by Section 102) authorizing damages awards.

SECTION 104. DEFINITIONS

Section 104 adds definitions to those already in Title VII.

SECTION 105. BURDEN OF PROOF IN DISPARATE IMPACT CASES

In *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971), the Supreme Court ruled that Title VII of the Civil Rights Acts of 1964 prohibits hiring and promotion practices that unintentionally but disproportionately exclude persons of a particular race, color, religion, sex, or national origin unless these practices are justified by "business necessity." Law suits challenging such practices are called "disparate impact" cases, in contrast to "disparate treatment" cases brought to challenge intentional discrimination.

In a series of cases decided in subsequent years, the Supreme Court refined and clarified the doctrine of disparate impact. In 1988, the Court greatly expanded the scope of the doctrine's coverage by applying it to subjective hiring and promotion practices (the Court had previously applied it only in cases involving objective criteria such as diploma requirements and height-and-weight requirements). Justice O'Connor took this occasion to explain with great care both the reasons for the expansion and the need to be clear about the evidentiary standards that would operate to prevent the expansion of disparate impact doctrine from leading the quotas. In the course of her discussion, she pointed out:

"(T)he inevitable focus on statistics in disparate impact cases could put undue pressure on employers to adopt inappropriate prophylactic measures. . . . (E)xtending disparate impact analysis to subjective employment practices has the potential to create a Hobson's choice for employers and thus to lead in practice to perverse results. If quotas and preferential treatment become the only cost-effective means of avoiding expensive litigation and potentially catastrophic liability, such measures will be widely adopted. The prudent employer will be careful to ensure that its programs are discussed in euphemistic terms, but will be equally careful to ensure that the quotas are met." *Watson* v. *Fort Worth Bank & Trust Co.*, 108 S. Ct. 2777, 2787–2788 (1988) (plurality opinion).

The following year, in *Wards Cove Packing Co.* v. *Atonio*, 109 S. Ct. 2115, 2126 (1989), the Court considered whether the plaintiff or the defendant had the burden of proof on the issue of business necessity. This question had not been unambiguously resolved by the Supreme Court. The courts of appeals were divided on the issue. Compare, e.g., *Burwell* v. *Eastern Air Lines*, 633 F. 2d 361, 369–372 (4th Cir.) (en banc), cert. denied, 450 U.S. 965 (1980), with *Coker* v. *Boeing Co.*, 662 F. 2d 975, 991 (3d Cir. 1981) (en banc). Resolving an ambiguity in the prior law, the Court placed the burden on the plaintiff. See also *Board of Trustees* v. *Sweeney*, 439 U.S. 24 (1978) (per curiam) (resolving similar ambiguity in disparate treatment cases by placing the burden of proof on plaintiffs).

Under this Act, a complaining party makes out a prima facie case of disparate impact when he or she identifies a particular selection practice and demonstrates that the practice has caused a disparate impact on the basis of race, color, religion, sex, or national origin. The burden of proof then shifts to the respondent to demonstrate that the practice is justified by business necessity. It is then open to the complaining party to rebut that defense by demonstrating the availability of an alternative selection practice, comparable to cost and equally effective in measuring job performance or achieving the respondent's legitimate employment goals, that will reduce the disparate impact, and that the respondent refuses to adopt such alternative.

The burden-of-proof issue that *Wards Cove* resolved in favor of defendants is resolved by this Act in favor of plaintiffs. *Wards Cove* is thereby overruled. As the narrow title of the Section and its plain language show, however, on all other issues this Act leaves existing law undisturbed.

The requirement of particularity

The bill leaves unchanged the longstanding requirement that a plaintiff identify the particular practice which he or she is challenging in a disparate impact case.

The history of prior legislation introduced on this subject accords with this interpretation. This important issue, often referred to as the "cumulation" issue, has also been referred to be a number of other names: "group of practices"; "multiple practices"; "particularity"; "aggregation"; and "causation."

Both S. 2104 and H.R. 4000 (from the 101st Congress), the original bills addressing this issue, would have permitted a plaintiff to sue simply by demonstrating that "a group of employment practices [defined in both bills as "a combination of employment practices that produce one or more employment decisions"] results in disparate impact." For good measure, these bills also specified that "if a complaining party demonstrates that a group of employment practices results in disparate impact, such party shall not be required to demonstrate which specific practice or practices within the group results in such disparate impact."

This language was modified in several subsequent versions to attempt to address the objection that it would permit suit on simple proof that an employer's bottom line numbers were wrong, and hence lead employers concerned about litigation to engage in quota hiring. In all subsequent versions that passed, however, three central features were retained.

First, all the bills that passed specifically allowed plaintiffs to bring disparate impact suits in some circumstances without isolating a simple employment practice that led to the disparate impact. See H.R. 4000, as passed by less than two-thirds of the House of Representatives in 1990, which permitted suit under some circumstances on the basis of a "group of practices"; S. 2014 as vetoed by President Bush in 1990 (same); H.R. 1 as passed by less than two-thirds of the House of Representatives (same).

Second, all these bills contained a provision generally requiring the plaintiff to identify which specific practices or practices resulted in the disparate impact, but with a gigantic exception relieving the plaintiff of that obligation if he or she could not meet it, after diligent effort, from records or other information of the respondent reasonably available through discovery or otherwise. See H.R. 4000, as passed by less than two-thirds of the House of Representatives in 1990 ("(i) except as provided in clause (iii), if a complaining party demonstrates that a group of employment practices results in a disparate impact, such party shall not be required to demonstrate which specific practice or practices within the group results in such disparate impact; . . . (iii) if the court finds that the complaining party can identify, from records or other information of the respondent reasonably available (through discovery or otherwise), which specific practice or practices contributed to the disparate impact—(I) the complaining party shall be required to demonstrate which specific practice or practices contributed to the disparate impact; and (II) the respondent shall be required to demonstrate business necessity only as to the specific practice or practices demonstrated by the complaining party to have contributed to the disparate impact;"); S. 2104 as vetoed by President Bush in 1990 ("(i) except as provided in clause (iii), if a complaining party demonstrates that a group of employment practices results in a disparate impact, such party shall not be required to demonstrate which specific practice or practices within the group results in such disparate impact; . . . (iii) the complaining party shall be required to demonstrate which specific practice or practices are responsible for the disparate impact in all cases unless the court finds after discovery (I) that the respondent has destroyed, concealed or refused to produce existing records that are necessary to make this showing, or (II) that the respondent failed to keep such records; and except where the court makes such a finding, the respondent shall be required to demonstrate business necessity only as to those specific practices demonstrated by the complaining party to have been responsible in whole or in significant part for the disparate impact;") H.R. 1 as passed by less than two-thirds of the House of Representatives ("(B) If a complaining party demonstrates that a disparate impact results from a group of employment practices, such party shall be required after discovery to demonstrate which specific practice of practices within the group results in disparate impact unless the court finds that the complaining party after diligent effort cannot identify, from records or other information of the respondent reasonably available (through discovery or otherwise), which specific practice or practices contributed to the disparate impact.").

Finally, all of these bills used some word other than "cause" in describing the relationship between the challenged practice(s) and the disparate impact. See H.R. 4000 as passed by less than two-thirds of the House of Representatives in 1990 (a complaining party may prevail by "demonstrat[ing] that a group of employment practices *results in* a disparate impact" although if he or she "can identify, from records or information reasonably available (through discovery or otherwise) which specific practice of practices *contributed* to the disparate impact" he or she must do so); S. 2104 as vetoed by President Bush in 1990 (a complaining party may prevail by "demonstrat[ing] that a group of employment practices *results in* a disparate impact", except that the complaining party "shall be required to demonstrate which specific practice or practices *are responsible* for the disparate impact" unless he or she cannot do so from the respondent's records); H.R. 1 as passed by less than two-thirds of the House in 1991 (same as H.R. 4000).

The Attorney General memorandum that accompanied President Bush's veto message of S. 2104 in 1990 specifically referenced these three features of the bill as the first argument in explaining why it had to be vetoed because it would lead to quotas. Nevertheless, the House of Representatives retained all three features in this year's H.R. 1, which contributed to continued stalemate as the Administration continued to threaten veto on the ground that the legislation would lead to quotas and the House was unable to muster a two-thirds majority in favor of the bill.

S. 1745 as introduced this year by Senator Danforth began to move away from this approach, although they were not addressed in a satisfactory manner in that bill. It required a complaining party to demonstrate that "a particular employment practice or particular employment practices (or decisionmaking process . . .) *cause[d]* a disparate impact." It also required a complaining party to demonstrate "that *each particular* employment practice causes, *in whole or in significant part*, the disparate impact" unless "the complaining party [could] demonstrate . . . that the elements of a respondent's decisionmaking process are not capable of separation for analysis" in which case "the decisionmaking process may be analyzed as one employment practice."

As finally agreed to, S. 1745 retains none of the three problematic features. It *always* requires the complaining party to demonstrate "that the respondent use *a particular* employment practice that *causes* disparate impact." Language permitting challenge to multiple practices, or to a practice that only causes "a significant part" of the disparate impact has been eliminated. Likewise, there is no language exonerating the complaining party of the obligation to demonstrate that a particular employment practice caused the disparity if he or she cannot do so from records or other information reasonably available from the respondent.

This codification of the *Wards Cove* "particularity" requirement is consistent with every Supreme Court decision on disparate impact. In *no* Supreme Court disparate impact case has a plaintiff ever been permitted to go forward without identifying a particular practice that caused a disparate impact. *All* the Supreme Court cases focused on the impact of particular hiring practices, and plaintiffs have always targeted these specific practices. *See* Griggs v. Duke Power Co., 401 U.S. 424 (1971) (high school diploma and written test); Albermarle Paper Co. v. Moody, 422 U.S. 405 (1975) (employment tests and seniority systems); Dothard v. Rawlinson, 433 U.S. 321 (1977) (height and weight requirements); New York City Transit Authority v. Beazer, 440 U.S. 568 (1979) (exclusion of methadone users); Connecticut v. Teal, 457 U.S. 440 (1982) (scored written test); Watson v. Fort Worth Bank & Trust Co., 108 S. Ct. 2777 (1988) (subjective supervisory judgments).

Justice O'Connor's plurality opinion in the Watson case, for example, is a full and accurate restatement of the law regarding particularity. Justice O'Connor stated (108 S. Ct. at 2788):

"The plaintiff must begin by identifying the specific employment practice that is challenged. Although this has been relatively easy to do in challenges to standardized tests, it may sometimes be more difficult when subjective selection criteria are at issue. Especially in cases where an employer combines subjective criteria with the use of more rigid standardized rules or tests, the plaintiff is in our view responsible for isolating and identifying the specific employment practices that are allegedly responsible for any observed statistical disparities."

Justice O'Connor then went on to explain that "[o]nce the employment practice at issue has been identified, causation must be proved; that is, the plaintiff must offer statistical evidence of a kind and degree sufficient to show that the practice in question has caused the exclusion of applicants for jobs or promotions because of their membership in a protected group." *Id.* at 2788–89.

Significantly, Justice Blackmun, who was joined by Justice Brennan and Marshall in a concurring opinion in Watson, did not dissent from Justice O'Connor's formulation of the particularity requirement. Although Justice O'Connor's opinion on the particularity issue was quite detailed and explicit, Justice Blackmun's opinion hardly addressed that issue at all. He merely noted in a footnote at the end of his opinion (108 S. Ct. at 2797, n. 10) that "the requirement that a plaintiff in a disparate-impact case specify the employment practice responsible for the statistical disparty" cannot "be turned around to shield from liability an employer whose selection process is so poorly defined that no specific criterion can be identified with any certainty, let alone be connected to the disparate effect." Thus, Justices Blackmun, Brennan and Marshall expressly recognized "the requirement that a plaintiff in a disparate-impact case specify the employment practice responsible for the statistical disparity." These Justices would only have dispensed with that requirement if the employer's selection process was "so poorly defined" that identification of a specific selection criterion with any certainty was impossible.

The particularity requirement is only fair. For a plaintiff to be allowed simply to point to a racial imbalance, and then require the employer to justify every element of his selection practice, would be grossly unfair, and would turn Title VII into a powerful engine for racial quotas.[1]

That particularity requirement is not unduly burdensome. Where a decisionmaking process includes particular, functionally-integrated elements which are components of the same test, those elements may be analyzed as one employment practice. For instance, a 100-question intelligence test may be challenged and defended as a whole; it is not necessary for the plaintiff to show which particular questions have a disparate impact. This is the principle for which the *Dothard* case is cited in the agreed-upon legislative history. There, the combination of height and weight was used as a single test to measure strength.

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[1] It should also be noted that in 1982 the Supreme Court held in *Connecticut* v. *Teal* that an employer cannot justify a particular practice that has a disparate impact simply by pointing to a racially balanced bottom line. So it would make no sense at all if a plaintiff could point to a racially unbalanced bottom line without identifying a particular practice.

Finally, the phrase "not capable of separation for analysis" means precisely that. It does not apply when the process of separation is merely difficult or may entail some expense—for example, where a multiple regression analysis might be necessary in order to separate the elements. It also does not apply in situations where records were not kept or have been destroyed. In such circumstances, the elements obviously are separable.

Senator Kennedy's *post hoc* suggestion at p. 15,233 of volume 137 of the October 25, 1991 daily edition of the Congressional Record that situations of this type are meant to be covered by this language is accordingly inconsistent with the language he purports to be construing. The example offered by Senator Kennedy also clearly is not included in the "exclusive legislative history" on the *Wards Cove* issues first incorporated into an interpretive memorandum agreed to that day by Senators Danforth, Kennedy and Dole before Senator Kennedy made his floor speech, and now made the exclusive legislative history by statutory provision. See sec. 105(b) of this bill. Rather, Senator Kennedy's suggestion on this point should be understood as a single Senator's attempt, through a strained reading of different statutory language, to persuade the courts to reinsert a provision included in earlier versions of this legislation (to wit, H.R. 4000 as passed by the House with less than a two-thirds vote; S. 2104 was vetoed by President Bush; and H.R. 1 as passed by the House with less than a two-thirds vote), but eliminated from this version as not susceptible of inclusion in legislation acceptable either to the President or to two-thirds of both Houses of Congress.

In sum, the particularity provision of the compromise bill does exactly what the President has insisted all along that it do. It leaves the *Wards Cove* case law (which is the same as *Griggs* and all other Supreme Court cases) in place, and requires that plaintiffs identify the particular practice they are challenging.

The defendant's evidentiary standard: Job relatedness and business necessity

The bill embodies longstanding concepts of job-relatedness and business necessity and rejects proposed innovations. In short, it represents an affirmation of existing law, including *Wards Cove.*

For almost two years and through numerous legislative attempts and proposals, Congress sought to define business necessity; this bill rejects and displaces the following legislative proposals:

S. 2104 as introduced (Kennedy)

"(o) The term 'required by business necessity' means essential to effective job performance." Rejected.

S. 2104 as passed by the Senate on 7/18/90

"(o)(1) The term 'required by business necessity' means—

"(A) in the case of employment practices involving selection (such as hiring, assignment, transfer, promoting, training, apprenticeship, referral, retention, or membership in a labor organization), the practice or group of practices must bear a significant relationship to successful performance of the job; or

"(B) in the case of employment practices that do not involve selection, the practice or group of practices must bear a significant relationship to a significant business objective of the employer.

"(2) In deciding whether the standards in paragraph (1) for business necessity have been met, unsubstantiated opinion and hearsay are not sufficient; demonstrable evidence is required. The defendant may offer as evidence statistical reports, validation studies, expert testimony, prior successful experience and other evidence as permitted by the Federal Rules of Evidence, and the court shall give such weight, if any, to such evidence as is appropriate.

"(3) This subsection is meant to codify the meaning of 'business necessity' as used in *Griggs* v. *Duke Power Co.* (401 U.S. 424 (1971)) and to overrule the treatment of business necessity as a defense in *Wards Cove Packing Co., Inc.* v. *Atonio* (109 S. Ct. 2115 (1989))." Rejected.

House Amendment to S. 2104 (passed by House 8/3/90)

"(o)(1) The term 'required by business necessity' means—

"(A) in the case of employment practices involving selection (such as hiring, assignment, transfer, promotion, training, apprenticeship, referral, retention, or membership in a labor organization), the practice or group of practices must bear a significant relationship to successful performance of the job; or

"(B) in the case of employment practices that do not involve selection, the practice or group of practices must bear a significant relationship to a significant business objective of the employer.

"(2) In deciding whether the standards in paragraph (1) for business necessity have been met, unsubstantiated opinion and hearsay are not sufficient; demonstrable evidence is required. The defendant may offer as evidence statistical reports, validation studies, expert testimony, prior successful experience and other evidence as permitted by the Federal Rules of Evidence, and the court shall give such weight, if any, to such evidence as is appropriate.

"(3) This subsection is meant to codify the meaning of 'business necessity' as used in *Griggs* v. *Duke Power Co.* (401 U.S. 424 (1971)) and to overrule the treatment of business necessity as a defense in *Wards Cove Packing Co., Inc.* v. *Antonio* (109 S.Ct. 2115(1989))." Rejected.

Conference Report on S. 2104 (vetoed by the President)

"(o)(1) The term 'required by business necessity' means—

"(A) in the case of employment practices involving selection such as tests, recruitment, evaluations, or requirements of education, experience, knowledge, skill, ability or physical characteristics, or practices primarily related to a measure of job performance, the practice or group of practices must bear a significant relationship to successful performance of the job; or

"(B) in the case of other employment decisions, not involving employment selection practices as covered by subparagraph (A) (such as, but not limited to, a plant closing or bankruptcy), or that involve rules relating to methadone, alcohol or tobacco use, the practice or group of practices must bear a significant relationship to a manifest business objective of the employer.

"(2) In deciding whether the standards described in paragraph (1) for business necessity have been met, unsubstantiated opinion and hearsay are not sufficient; demonstrable evidence is required. The court may receive such evidence as statistical reports, validation studies, expert testimony, performance evaluations, written records or notes related to the practice or decision, testimony of individuals with knowledge of the practice or decision involved, other evidence relevant to the employment decision, prior successful experience and other evidence as permitted by the Federal Rules of Evidence, and the court shall give such weight, if any, to such evidence as is appropriate.

"(3) this subsection is meant to codify the meaning of 'business necessity' as used in *Griggs* v. *Duke Power Co.* (401 U.S. 424 (1971)) and to overrule the treatment of business necessity as a defense in *Wards Cove Packing Co.* v. *Atonio* (109 S.Ct. 2115 (1989))." Rejected.

H.R. 1 as introduced (Brooks)

"(o)(1) The term 'required by business necessity' means—

"(A) in the case of employment practices involving selection (such as hiring, assignment, transfer, promotion, training, apprenticeship, referral, retention, or membership in a labor organization), the practice or group of practices must bear a significant relationship to successful performance of the job; or

"(B) in the case of employment practices that do not involve selection, the practice or group of practices must bear a significant relationship to a significant business objective of the employer.

"(2) In deciding whether the standards in paragraph (1) for business necessity have been met, unsubstantiated opinion and hearsay are not sufficient; demonstrable evidence is required. The defendant may offer as evidence statistical reports, validation studies, expert testimony, prior successful experience and other evidence as permitted by the Federal Rules of Evidence, and the court shall give such weight, if any, to such evidence as is appropriate.

"(3) This subsection is meant to codify the meaning of 'business necessity' as used in *Griggs* v. *Duke Power Co.* (401 U.S. 424 (1971)) and to overrule the treatment of business necessity as a defense in *Wards Cove Packing Co., Inc.* v. *Atonio* (109 S.Ct. 2115(1989))." Rejected.

H.R. 1 as amended and passed by the House (Brooks-Fish)

"(o)(1) The term 'required by business necessity' means the practice or group of practices must bear a significant and manifest relationship to the requirements for effective job performance.

"(2) Paragraph (1) is meant to codify the meaning of, and the type and sufficiency of evidence required to prove, 'business necessity' as used in *Griggs* v. *Duke Power Co.*, (401 U.S. 424 (1971)), and to overrule the treatment of business necessity as a defense in *Wards Cove Packing Co., Inc.* v. *Atonio* (490 U.S. 642 (1989))."

"(p) The term 'requirements for effective job performance' may include, in addition to effective performance of the actual work activities, factors which bear on such performance, such as attendance, punctuality, and not engaging in misconduct or insubordination." Rejected.

S. 1208 (Danforth)

"(o) The term 'required by business necessity' means—

"(1) in the case of employment practices involving selection, that the practices or group of practices bears a manifest relationship to requirements for effective job performance; and

"(2) in the case of other employment decisions not involving employment selection practices as described in paragraph (1), the practice or group of practices bears a manifest relationship to a legitimate business objective of the employer.

"(p) The term 'requirements for effective job performance' includes—

"(1) the ability to perform competently the actual work activities lawfully required by the employer for an employment position; and

"(2) any other lawful requirement that is important to the performance of the job, including factors such as punctuality, attendance, a willingness to avoid engaging in misconduct or insubordination, not having a work history demonstrating unreasonable job turnover, and not engaging in conduct or activity that improperly interferes with the performance of work by others." Rejected.

S. 1408 (Danforth)

"(n) The term 'required by business necessity' means—

"(1) in the case of employment practices that are used as job qualifications or used to measure the ability to perform the job, the challenged practice must bear a manifest relationship to the employment in question.

"(2) in the case of employment practices not described in (1) above, the challenged practice must bear a manifest relationship to a legitimate business objective of the employer.

"(o) The term 'employment in question' means—

"(1) the performance of actual work activities required by the employer for a job or class of jobs; or

"(2) any requirement related to behavior that is important to the job, but may not comprise actual work activities." Rejected.

S. 1745 as introduced (Danforth)

"(n) The term 'the employment in question' means—

"(1) the performance of actual work activities required by the employer for a job or class of jobs; or

"(2) any behavior that is important to the job, but may not comprise actual work activities.

"(o) The term 'required by business necessity' means—

"(1) in the case of employment practices that are used as qualification standards, employment tests, or other selection criteria, the challenged practice must bear a manifest relationship to the employment in question; and

"(2) in the case of employment practices not described in paragraph (1), the challenged practice must bear a manifest relationship to a legitimate business objective of the employer." Rejected.

All of these prior versions were rejected.

In the place of these definitions of business necessity, the compromise bill says that the challenged practice must be *"job-related for the position in question and consistent with business necessity."* Since neither term is defined in the bill, the "Purposes" section is controlling.

In its original "Purposes" clause, S. 1745 said in pertinent part that the "purposes of this Act are * * * to overrule the proof burdens and meaning of business necessity in *Wards Cove Packing Co.* v. *Atonio* and to codify the proof burdens and the meaning of business necessity used in *Griggs* v. *Duke Power Co.* * * *." By contrast, the compromise bill's "Purposes" clause says that "[t]he purposes of this Act are— * * * to codify the concepts of 'business necessity' and 'job-related' enunciated by the Supreme Court in *Griggs* v. *Duke Power Co.*, and in the other Supreme Court decisions prior to *Wards Cove Packing Co.* v. *Atonio*." Thus, the bill is no longer designed to overrule the meaning of business necessity in *Wards Cove.* (Attorney General Thornburgh's October 22, 1990 Memorandum to the President had objected, at 5-6, to a provision of S. 1204 that would have overruled Wards Cove's "treatment of business necessity as a defense.") Instead, the bill seeks to codify the meaning of "business necessity" in *Griggs* and other pre-*Wards Cove* cases—a meaning which is fully consistent with the use of the concept in *Wards Cove.*

The relevant Supreme Court decisional law which is to be codified can be summarized as follows. *Griggs* said: ". . . any given requirement must have a manifest relationship to the employment in question." 401 U.S. at 432. There is no two-tier definition, no subdefinition of the term "employment in question." The Court also said in *Griggs:* "Congress has not commanded that the less qualified be preferred over the better qualified simply because of minority origins." *Id.* at 436.

As explained in the Attorney General's letter of June 21, 1991 to Senator Danforth, and again in the Attorney General's October 22, 1990 Memorandum to the President, this is the consistent standard applied by the Supreme Court. As the Attorney general stated to Senator Danforth, "an unbroken line of Supreme Court cases confirms" that the operative standard was "'manifest relationship to the employment in question.'" The Court has used this phrase in *Albemarle Paper Co. v. Moody*, 422 U.S. at 425 (1975); *Dothard v. Rawlinson*, 433 U.S. at 329 (1977); New York Transit Authority v. Beazer, 440 U.S. at 587 n.31 (1979); *Connecticut v. Teal*, 457 U.S. at 446 (1982) (a Justice Brennan opinion); and *Watson v. Ft. Worth Bank and Trust*, 108 S.Ct. at 1790 (O'Connor plurality opinion for four Justices). Even Justice Stevens' dissent in *Wards Cove*, joined by Justices Brennan, Marshall, and Blackmun, cites the "manifest relationship" language at least three times as the applicable disparate impact standard. 109 S.Ct. at 2129, 2130 n.14.

Particularly significant among prior cases is the Supreme Court's 1979 decision in *New York City Transit Authority v. Beazer* 440 U.S. 568 (1979). This decision was well known to all sides in the negotiations and debates over the present bill. The *Beazer* case involved a challenge to the New York Transit Authority's blanket no-drug rule, as it applied to methadone users seeking non-safety sensitive jobs. A lower court had found a Title VII disparate impact violation. The Supreme Court, however, reversed: "At best, the [plaintiffs'] statistical showing is weak; even if it is capable of establishing a prima facie case of discrimination, it is assuredly rebutted by [the employer's] demonstration that its narcotics rule (and the rule's application to methadone users) is 'job related . . . .'" The Court noted that the parties agreed

"* * * that [the employer's] legitimate employment goals of safety and efficiency require the exclusion of all users of illegal narcotics . . . . Finally, the District court noted that those goals are significantly served by—even if they do not require—[the employer's] rule as it applies to all methadone users, including those who are seeking employment in on-safety-sensitive positions. The record thus demonstrates that [the employer's] rule bears a 'manifest relationship to the employment in question.' "*Grigg v. Duke Power Co.*, 401 U.S. 424, 432. *id.* at 587, n. 31.

The Supreme Court's formulation in *Ward Cove* of the appropriate evidentiary standard defendants must meet is not only based upon that in *Beazer*, but is nearly identical with it. By removing the language in the purposes clause stating the bill overruled *Ward Cove* with respect "to the meaning of business necessity," by substituting the language in the compromise purposes section referring to Supreme Court decisions prior to *Ward Cove*, and by removing the definitions of business necessity or job-related and any definition of "employment in question," the present bill has codified the "business necessity" test employed in *Beazer* and reiterated in *Ward Cove.*

The language in the bill is thus plainly not intended to make that test more onerous for employers to satisfy than it had been under current law.

Furthermore, "job related for the position in question" is to be read broadly, to include any legitimate business purpose, even those that may not be strictly required for the actual day-to-day activities of an entry level job. Rather, this is a flexible concept that encompasses more than actual performance of actual work activities or behavior important to the job. See *Washington* v. *Davis*, 426 U.S. 229, 249-251 (1976). Thus, those purposes may include requirements for promotability to other jobs. There has never been any suggestion in the language or holdings of pre-Wards Cove cases that such purposes are not legitimately considered. Even Justice Stevens' *dissent* in Wards Cove stated the definition of business necessity quite broadly—it is required only that the challenged practice "serves a valid business purpose." 490 U.S. at 665.

Alternative practices with less adverse effect

The bill provides that a complaining party may establish that an employment practice has an unlawful disparate impact if he demonstrates the existence of an "alternative employment practice and the respondent refuses to adopt such alternative employment practice," where that demonstration is "in accordance with the law as it existed on June 4, 1989," i.e., the day before *Ward Cove* was decided.

The standards outlined in *Albemarle Paper Co.*, and *Watson* should apply.

The Supreme Court indicated in *Albemarle* that plaintiffs can prevail if they "persuade the factfinder that other tests or selection devices, without a similarly undesirable racial effect, would also serve the employer's legitimate [hiring] interest[s]; by so demonstrating, [plaintiffs] would prove the defendants were using their tests merely as a 'pretext' for discrimination." Any alternative practices which plaintiffs propose must be equally effective in achieving the employer's legitimate business goals. As was pointed out in *Watson:* "Factors such as the cost or other burdens of proposed alternative selection devices are relevant in determining whether they would be equally as effective as the challenged practice in serving the employer's legitimate goals." 108 S. Ct., at 2790. In making these judgments, the judiciary should bear carefully in mind the fact that "[c]ourts are generally less competent than employers to restructure business practices, and unless mandated to do so by Congress they should not attempt it." *Furnco Construction Corp.* v. *Waters*, 438 U.S. 567, 578 (1978).

Therefore, unless the proposed practice is comparable in cost and equally effective in measuring job performance or achieving the respondent's legitimate employment goals, the plaintiff should not prevail.

SECTION 106. DISCRIMINATORY USE OF TEST SCORES

Section 106 means exactly what it says: race-norming or any other discriminatory adjustment of scores or cutoff points of any employment related test is illegal. This means, for instance, that discriminatory use of the Generalized Aptitude Test Battery (GATB) by the Department of Labor's and state employment agencies' is illegal. It also means that race-norming may not be ordered by a court as part of the remedy in *any* case, nor may it be approved by a court as a part of a consent decree, when done because of the disparate impact of those test scores. See *Bridgeport Guardians, Inc.* v. *City of Bridgeport*, 933 F.2d 1140 (2d Cir. 1991).

It is important to note, too, that this section should in no way be interpreted to discourage employers from using tests. Frequently tests are good predictors and helpful tools for employers to use. Indeed, Title VII contains a provision specifically designed to protect the use of tests. See 42 U.S.C. 2000e-2(h). Rather, the section intends only to ban the discriminatory adjustment of test scores or cutoffs.

SECTION 107. CLARIFYING PROHIBITION AGAINST IMPERMISSIBLE CONSIDERATION OF RACE, COLOR, RELIGION, SEX, OR NATIONAL ORIGIN IN EMPLOYMENT PRACTICES.

Section 107 of the bill addresses the holding in *Price Waterhouse* v. *Hopkins*, 109 S. Ct. 1775 (1989), in which the Court ruled in favor of a woman who alleged that she had been denied partnership by her accounting firm on account of her sex. The Court there faced a case in which the plaintiff alleged that her gender had supplied part of the motivation for her rejection for partnership. The Court held that once she had established by direct evidence that sex played a substantial part in the decision, the employer could still defeat liability by showing that it would have reached the same decision had sex not been considered.

Section 107 allows the employer to be held liable if discrimination was a motivating factor in causing the harm suffered by the complainant. Thus, such discrimination need not have been the sole cause of the final decision.

The provision also makes clear that if an employer establishes that it would have taken the same employment action absent consideration of race, sex, color, religion, or national origin, the complainant is not entitled to reinstatement, backpay, or damages.

It should also be stressed that this provision is equally applicable to cases involving challenges to unlawful affirmative action plans, quotas, and other preferences.

SECTION 108. FACILITATING PROMPT AND ORDERLY RESOLUTION OF CHALLENGES TO EMPLOYMENT PRACTICES IMPLEMENTING LITIGATED OR CONSENT DECREE JUDGMENTS OR ORDERS.

In *Hansberry* v. *Lee*, 311 U.S. 32, 40-41 (1940) (citations omitted), the Supreme Court held:

"It is a principle of general application in Anglo-American jurisprudence that one is not bound by a judgment in personam in which he is not designated as a party or to which he has not been made a party by service of process. . . . A judgment rendered in such circumstances is not entitled to the full faith and credit which the Constitution and statutes of the United States . . . prescribe, . . . and judicial action enforcing it against the person or property of the absent party is not that due process which the Fifth and Fourteenth Amendments require."

In *Hansberry*, Carl Hansberry and his family, who were black, were seeking to challenge a racial covenant prohibiting the sale of land to blacks. One of the owners who wanted the covenant enforced argued that the Hansberrys could not litigate the validity of the covenant because that question had previously been adjudicated, and the covenant sustained, in an earlier lawsuit, although the Hansberrys were not parties in that lawsuit. The Illinois court had ruled that the Hansberrys' challenge was barred, but the Supreme Court found that this ruling violated due process and allowed the challenge.

In *Martin* v. *Wilks*, 109 S. Ct. 2180 (1989), the Court confronted a similar argument. That case involved a claim by Robert Wilkes and other white fire fighters that the City of Birmingham had discriminated against them by refusing to promote them because of their race. The City argued that their challenge was barred because the City's promotion process had been sanctioned in a consent decree entered in an earlier case between the City and a class of black plaintiffs, of which Wilks and the white fire fighters were aware, but in which they were not parties. The Court rejected this argument. Instead, it concluded that the Federal Rules of Civil Procedure required that persons seeking to bind outside to the results of litigation have a duty to join them as parties, see Fed. R. Civ. P. 19, unless the court certified a class of defendants adequately represented by a named defendant, see Fed. R. Civ. P. 23. The Court specifically rejected the defendants' argument that a different rule should obtain in civil rights litigation.

Under specified conditions, Section 108 of the bill would preclude certain challenges to employment practices specifically required by court orders or judgments entered in Title VII cases. This Section would bar such challenges by any person who was an employee, former employee, or applicant for employment during the notice period and who, prior to the entry of the judgment or order, received notice of the judgment in sufficient detail to apprise that person that the judgment or order would likely affect that person's interests and legal rights; of the relief in the proposed judgment; that a reasonable opportunity was available to that person to challenge the judgment or order by from challenging the proposed judgment after that date. The intent of this section is to protect valid decrees from subsequent attack by individuals who were fully apprised of their interest in litigation and given an opportunity to participate, but who declined that opportunity.

In particular, the phrase "actual notice . . . appris[ing] such person that such judgment or order might adversely affect the interests and legal rights of such person," means of course that the notice itself must make clear that potential adverse effect. And this, in turn, means also that the discriminatory practice at issue must be clearly a part of the judgment or order. Otherwise, it cannot credibly be asserted that the potential plaintiff was given adequate notice. Thus, where it is only by later judicial gloss or by the earlier parties' implementation of the judgment or order that the allegedly discriminatory practice becomes clear, Section 11 would not bar a subsequent challenge. Moreover, the adverse effect on the person barred must be a likely or probable one, not a mere possibility. Otherwise, people would be encouraged to rush into court to defend against any remote risk to their rights, thus unnecessarily complicating litigation. Finally, the notice must include notice of the fact that the person must assert his or her rights or lose them. Otherwise, it will be insufficient to apprise the individual "that such judgment or order might adversely affect" his or her interests.

"Adequate representation" requires that the person enjoy a privity of interest with the later party. This is because in Section 11 both "(n)(1)(B)(i)" and "(n)(1)(B)(ii)" must be instrued with "(n)(2)(D)" so that people's due process rights are not jeopardized. And the Supreme Court has stated clearly: "It is a violation of due process for a judgment to be binding on a litigant who was not a party for a privy and therefore never had an opportunity to be heard." *Parklane Hosiery Co.* v. *Shore*, 439 U.S. 322, 327, n.7 (1979).

SECTION 109. PROTECTION OF EXTRATERRITORIAL EMPLOYMENT

Section 109 extends the protections of Title VII and the ADA extraterritorially. It adopts the same language as the ADEA to achieve this end.

In addition, the section makes clear that employers are not required to take actions otherwise prohibited by law in a foreign place of business.

SECTION 111. EDUCATION AND OUTREACH

Section 111 provides for certain educational and outreach activities by the EEOC. These activities are to be carried out in a completely nonpreferential manner.

SECTION 112. EXPANSION OF RIGHT TO CHALLENGE DISCRIMINATORY SENIORITY SYSTEMS

Section 112 overrules the holding in *Lorance* v. *AT&T Technologies, Inc.*, 109 S. Ct. 2261 (1989), in which female employees challenged a seniority system pursuant to Title VII, claiming that it was adopted with an intent to discriminate against women. Although the system was facially nondiscriminatory and treated all similarly situated employees alike, it produced demotions for the plaintiffs, who claimed that the employer had adopted the seniority system with the intention of altering their contractual rights. The Supreme Court held that the claim was barred by Title VII's requirement that a charge must be filed within 180 days (or 300 days if the matter can be referred to a state agency) after the alleged discrimination occurred.

The Court held that the time for plaintiffs to file their complaint began to run when the employer adopted the allegedly discriminatory seniority system, since it was the adoption of the system with a discriminatory purpose that allegedly violated their rights. According to the Court, that was the point at which plaintiffs suffered the diminution in employment status about which they complained.

The rule adopted by the Court is contrary to the position that had been taken by the Department of Justice and the EEOC. It shields existing seniority systems from legitimate discrimination claims. The discriminatory reasons for adoption of a seniority system may become apparent only when the system is finally applied to affect the employment status of the employees that it covers. At that time, the controversy between an employer and an employee can be focused more sharply.

In addition, a rule that limits challenges to the period immediately following adoption of a seniority system will promote unnecessary, as well as unfocused, litigation.

Employees will be forced either to challenge the system before they have suffered harm or to remain forever silent. Given such a choice, employees who are unlikely ever to suffer harm from the seniority system may nonetheless feel that they must file a charge as a precautionary measure—an especially difficult choice since they may be understandably reluctant to initiate a lawsuit against an employer if they do not have to.

Finally, the *Lorance* rule will prevent employees who are hired more than 180 (or 300) days after adoption of a seniority system from ever challenging the adverse consequences of that system, regardless of how severe they may be. Such a rule fails to protect sufficiently the important interest in eliminating employment discrimination that is embodied in Title VII.

Likewise, a rule that an employee may sue only within 180 (or 300) days after becoming subject to a seniority system would be unfair to both employers and employees. The rule fails to protect seniority systems from delayed challenge, since so long as employees are being hired someone will be able to sue. And, while this rule would give every employee a theoretical opportunity to challenge a discriminatory seniority system, it would do so, in most instances, before the challenge was sufficiently focused and before it was clear that a challenge was necessary Finally, most employees would be reluctant to begin their jobs by suing their employers.

Section 112 is not intended to disturb the settled law that disparate impact challenges may not be brought against seniority systems. See *TWA* v. *Hardison*, 432 U.S. 63, 82 (1977); *American Tobacco Co.* v. *Patterson*, 456 U.S. 63, 65, 69 (1982; *Pullman-Standard* v. *Swint*, 456 U.S. 273, 289 (1982).

SECTION 113. AUTHORIZING AWARD OF EXPERT FEES

Section 113 authorizes the recovery of a reasonable expert witness fee by prevailing parties. See *West Virginia University Hospitals, Inc.* v. *Casey*, No. 89-994 (U.S. Sup. Ct. Mar. 19, 1991); cf. *Crawford Fitting Co.* v. *J.T. Gibbons, Inc.* 482 U.S. 437 (1987). The provision is intended to allow recovery for work done in preparation of trial as well as after trial has begun.

In exercising its discretion, the court should ensure that fees are kept within reasonable bounds. Fees should never exceed the amount actually paid to the expert, or the going rate for such work, whichever is lower.

SECTION 114. PROVIDING FOR INTEREST AND EXTENDING THE STATUTE OF LIMITATIONS, IN ACTIONS AGAINST THE FEDERAL GOVERNMENT

Section 114 extends the period for filing a complaint against the Federal government pursuant to Title VII from 30 days to 90 days. It also authorizes the payment of interest to compensate for delay in the payment of a judgment according to the same rules that govern such payments in actions against private parties.

SECTION 115. NOTICE OF LIMITATIONS PERIOD UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967

This section generally conforms procedures for filing charges under the ADEA with those used for other portions of Title VII. In particular, it provides that the EEOC shall notify individuals who have filed charges of the dismissal or completion of the Commission's proceedings with respect to those charges, and allows those individuals to file suit from 60 days after filing the charge until the expiration of 90 days after completion of those proceedings. This avoids the problems created by current law, which imposes a statute of limitations on the filing of suit regardless of whether the EEOC has completed its action on an individual's charge.

SECTION 119. LAWFUL COURT-ORDERED REMEDIES, AFFIRMATIVE ACTION, AND CONCILIATION AGREEMENTS NOT AFFECTED

Section 116 specifies that nothing in the amendments made by this Act shall be construed to affect court-ordered remedies, affirmative action, or conciliation agreements, that are in accordance with the law. Thus, this legislation makes no change in this area to Title VII of the Civil Rights Act of 1964, which states:

"It shall be an unlawful employment practice for an employer—

"(1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individual's race, color, religion, sex, or national origin; or

"(2) to limit, segregate, or classify his employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual's race, color, religion, sex, or national origin."

42 U.S.C. 2000e-2(a)

This legislation does not purport to resolve the question of the legality under Title VII of affirmative action programs that grant preferential treatment to some on the basis of race, color, religion, sex or national origin, and thus "tend to deprive" other "individual[s] of employment opportunities . . . on the basis of race, color, religion, sex or national origin". In particular, this legislation should in no way be seen as expressing approval or disapproval of *United Steelworkers* v. *Weber*, 443 U.S. 193 (1979), or *Johnson* v. *Transportation Agency*, 480 U.S. 616 (1987), or any other judicial decision affecting court-ordered remedies, affirmative action, or conciliation agreements.

SECTION 118. ALTERNATIVE MEANS OF DISPUTE RESOLUTION

This provision encourages the use of alternative means of dispute resolution, including binding arbitration, where the parties knowingly and voluntarily elect to use these methods.

In light of the litigation crisis facing this country and the increasing sophistication and reliability of alternatives to litigation, there is no reason to disfavor the use of such forums. See *Gilmer* v. *Interstate/Johnson Lane Corp.*, 111 S. Ct. 1647 (1991).

TITLE IV GENERAL PROVISIONS

SECTION 401. SEVERABILITY

Section 401 states that if a provision of this Act is found invalid, that finding will not affect the remainder of the Act.

SECTION 402. EFFECTIVE DATE

Section 402 of the Act specifies that the Act and the amendments made by the Act take effect on the date of enactment. Accordingly they will not apply to cases arising before the effective date of the Act. See *Bowen* v. *Georgetown University Hospital*, 488 U.S. 204 (1988); *cf. Kaiser Aluminum & Chemical Corp.* v. *Bonjorno*, 110 S. Ct. 1570 (1990) (declining to resolve conflict between *Georgetown University Hospital* and *Bradley* v. *Richmond School Board*, 416 U.S. 696 (1974)). Subsection (b) specifically points out that nothing in the Act will apply retroactively to the well known case involving the Wards Cove Packing Company, an Alaska company that spent 24 years defending against a disparate impact challenge.

Absolutely no inference is intended or should be drawn from the language of subsection (b) that the provisions of the Act or the amendments it makes may otherwise apply retroactively to conduct occurring before the date of enactment of this Act. Such retroactive application of the Act and its amendments is not intended; on the contrary, the intention of subsection (b) is simply to honor a commitment to eliminate every shadow of a doubt as to any possibility of retroactive application to the case involving the Wards Cove Company.

Not only would retroactive application of the Act and its amendments to conduct occurring before the date of enactment be contrary to the language of section 402, but it would be extremely unfair. For example, defendants in pending litigation should not be made subject to awards of money damages of a kind and an amount that they could not possibly have anticipated prior to the time suit was brought against them.

This interpretation of section 402 of the Act is confirmed by the Interpretive Memorandum (137 Cong. Rec. S 15472) (October 30, 1991), submitted by Senator Dole and others; the Interpretive Memorandum (137 Cong. Rec. S 15483) (October 30, 1991), submitted by Senator Danforth and others; and the Legislative History, Technical Corrections (137 Cong. Rec. S 15953) (November 5, 1991), submitted by Senator Dole. Thus, it is *not* "up to the courts to determine the extent to which the bill will apply to cases and claims that are pending on the date of enactment.", (137 Cong. Rec. S 15485) (Oct. 30, 1991), (see also, 137 Cong. Rec. S 15963-4) (November 5, 1991). The language of section 402 is designed to make certain that the courts *not* apply the provisions of the Act or its amendments to conduct occurring before the date of enactment.

Mr. WASHINGTON. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to my good friend from Houston.

Mr. WASHINGTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, would the gentleman from Illinois [Mr. HYDE] answer one question: Can the gentleman tell me how if I were a private employer I would not be better off with this bill that the President is going to sign if I hired by the numbers?

Mr. HYDE. Mr. Speaker, reclaiming my time, H.R. 1 was a quota bill because of its definition of business necessity. I do not think hiring by the numbers is a good idea, because it deprives meritorious people from work because they have the wrong color skin. I think that is wrong. I am pleased that the language of the compromise now agrees with me.

Mr. WASHINGTON. The gentleman finally learned that lesson.

Mr. HYDE. Mr. Speaker, I always learn from listening to the gentleman from Texas [Mr. WASHINGTON].

Mr. FORD of Michigan. Mr. Speaker, I yield myself 10 seconds.

Mr. Speaker, I listened carefully to the legislative history that the gentleman from Illinois [Mr. HYDE] tried to create for this bill, and, as one of the authors of the bill, I can categorically deny he was right on any one of his interpretations.

Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Speaker, "I have a dream." Those words were echoed just a few blocks from this Chamber by Martin Luther King. His dream of America at that time was that maybe some day in this country all people would be treated equal, regardless of the color of your skin, whether you be male or female, regardless of your religious belief or your national origin.

This bill moves us one step closer to that dream. It is amazing how this country is changed. When we first began we had slavery and women did not even have the right to vote. But we have slowly, slowly moved toward that American dream of equality and justice for all people in this country.

Mr. Speaker, it is a shame that we had a President that did not have sight of that dream. He did not see the light, but he began to feel the heat, the heat of the American people who strongly believed in that American dream.

Mr. Speaker, I strongly urge Members to vote for this proposal, and I congratulate the chairman for his work and his effort.

The SPEAKER pro tempore (Mr. MFUME). The Chair would advise Members that the gentleman from Texas [Mr. BROOKS] has 2 minutes remaining and has the right to close debate, the gentleman from Michigan [Mr. FORD] has 4½ minutes remaining, and the gentleman from Pennsylvania [Mr. GOODLING] has 2 minutes remaining.

Mr. BROOKS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New York [Mr. FISH], the ranking minority member of the Committee on the Judiciary.

Mr. FISH. Mr. Speaker, I thank the chairman for yielding.

Mr. Speaker, previously under a unanimous consent request the gentleman from California [Mr. EDWARDS] inserted a legislative history into this debate. I would like to associate myself with two particular elements of that legislative history. The Senate made an attempt to prevent duplicative recovery, but the result in the drafting may be interpreted to force an election of remedies which I think is severely restrictive and unnecessary, and I join the gentleman from California [Mr. EDWARDS] in his comments on that.

Also with respect to the effective date in section 402, I think that it should be made clear that the bill applies to pending cases.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I thank the gentleman for yielding time.

Mr. Speaker, I rise today to urge support for this civil rights bill. I rejoice that finally we have a bill that the President has said he will sign. Finally. It is strange to me, that we had a civil rights bill 2 years ago, and it was blocked by the President. So now when I say "Thank you Mr. President for agreeing to the civil rights bill," I must also ask "Why did you make us wait, Mr. President?"

In 1964 we all rejoiced at the passage of the Civil Rights Act. Not because it would end all discrimination, but because it was an important beginning.

And now, this bill is yet another beginning. It is not perfect, it is not a panacea, but it is a step in the right direction—and it is an important step down a very, very long road.

Mr. Speaker, it is a major step toward ending discrimination in the workplace.

Let us move forward today. Let us say no to discrimination. Let us say yes to justice and fairness. Let us say yes to this bill.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will advise Members that all remarks should be directed to the Chair.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I rise in heartfelt opposition to this bill. I do so I believe without compromising the true civil rights of real individuals and in sincere admiration for the true heroes of the American civil rights movement.

My opposition will be misrepresented by many, and misunderstood by others, and I understand that. I also understand that this bill is a compromise. It is a compromise of the integrity of the civil rights movements in this country and of the honor of America's true civil rights leaders.

Mr. Speaker, conscience and conviction compel me to protest and to vote so against this legislation.

Mr. Speaker, the saddest thing about this bill is that it validates the most evil contentions of the rednecks and the crackers of the sixties, and for that we all bear a modicum of shame.

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Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I rise in support of the civil rights legislation.

I rise in strong support of the bipartisan civil rights legislation we have before us today.

One of the fundamental principles underlying this Nation is that "all men are created equal." This civil rights legislation will reestablish the balance between the legitimate interests of minorities seeking equal opportunity and the interests of individual members of the majority who have not committed acts of discrimination.

This is not a perfect bill. There is a serious question of equity surrounding this legislation. It is designed to eliminate inequality in our society, yet it treats various types of discrimination differently.

In spite of these concerns, I strongly support this bill. It overturns the five key 1989 Supreme Court decisions that skewed the policy balance too heavily against the legitimate interests of those who have been denied equal employment opportunities in America. For the first time, individuals discriminated against on the basis of their sex, religion, or disability will be eligible to collect compensatory and punitive damages.

This legislation also prohibits adjusting employment test scores on the basis of race, color, sex, religion, or national origin. There is no reason to allow so-called race norming of tests scores.

Over the past quarter century, significant progress has been made on the civil rights front. The breaking down of past walls of injustice is one of this Nation's proudest accomplishments.

Mr. Speaker, the passage of this momentous legislation has already been delayed far too long. Finally, the time has arrived to end our 2-year battle to pass effective civil rights legislation. We must enact this legislation today.

Congress has a study to lead the United States toward a day when discrimination is permanently eliminated, and all Americans are treated as equals.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah [Mr. ORTON].

Mr. ORTON. Mr. Speaker, I rise in support of the Civil Rights legislation.

Mr. Speaker, I rise in support of S. 1745, the Civil Rights Act of 1991, and congratulate Senator DANFORTH and all other Members of the House and Senate who helped to craft this compromise. I am pleased to vote yes on this bill and look forward to its swift enactment into law.

In June, the House passed H.R. 1 the civil rights bill by an overwhelming majority. On that vote, I reluctantly opposed H.R. 1 because I believed that the legislation was fatally flawed and that we could do better. I had two major concerns with H.R. 1. First, the shift of the burden of proof in disparate impact cases alleging unintentional discrimination resulting from employment practices, and, second, the issue of damages for plaintiffs in cases where intentional discrimination is proven. This new compromise legislation resolves my major concern in cases of disparate impact. In Griggs the Supreme Court held that a business practice which results in disparate impact and is not required by business necessity is unlawful. In attempting to define "business necessity" and codify Griggs language, H.R. 1 would have created an untenable shift of the burden of proof upon an employer to prove a negative. The compromise strikes an appropriate balance in addressing the problem of identifying specific employment practices in showing a disparate impact. It requires plaintiffs to challenge a particular employment practice. It also stipulates, however, that a decisionmaking process may be analyzed as one employment practice if the complaining party demonstrates that the "elements of the [employer's] decisionmaking processes are not capable of separation for analysis." Under this test, the burden of proof rests correctly with the plaintiff to raise a prima facie case of disparate impact in this manner, and when the plaintiff is able to make such a showing, the burden then shifts to the defendant to prove an affirmative defense, namely, business necessity. The employer must show that an employment practice with a disparate impact is "job related for the position in question and consistent with business necessity." Unfortunately, S. 1745 omits any specific definition of "job related" or "business necessity." In lieu of any exact definition of business necessity in this legislation, the courts interpreting this Act must be guided by the language of Griggs versus Duke Power Co. (1971). The opinion of the Supreme Court in Griggs provides sufficient guidance for the definition of business necessity and should be followed in order to give proper strength to this bill.

My second major reservation with H.R. 1 involved the issue of damages for intentional discrimination. I have serious concerns about the constitutionality—under the equal protection clause—of the provisions of this act which would place a limitation on the amount of damages available for sex discrimination while no such limitation exists on damages resulting from racial discrimination. However, if Congress in its wisdom chooses to place a cap upon damages, I believe that this flexible cap for compensatory damages is an improvement on H.R. 1. I am satisfied to leave it to the Federal courts to decide if the limitation on damages between racial and sex discrimination claims will pass a test of constitutionality.

Mr. Speaker, on the balance I believe this compromise represents a substantial improvement over the bill the House considered in June, and I am pleased to lend it my support by voting aye.

Mr. BROOKS. Mr. Speaker, I reserve the balance of my time.

Mr. FORD of Michigan. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I rise in support of S. 1745. As a supporter of the last Congress' civil rights bill, I am very happy that a compromise has been reached in this Congress.

Every American, regardless of race, creed, or sex, should be guaranteed full civil rights. This legislation is a continuing step in making that dream a reality.

I want to commend all of the civil rights leaders, distinguished Senators, the distinguished House Members, and our President who have worked with good will to make this historical compromise possible.

Mr. GOODLING. Mr. Speaker, I reserve the balance of my time.

Mr. FORD of Michigan. Mr. Speaker, I reserve the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. GEREN].

Mr. GEREN of Texas. Mr. Speaker, I rise in support of the Civil Rights Act of 1991. I want to commend the gentleman from Texas [Mr. BROOKS] for his leadership and his distinguished service in bringing this to the floor.

Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I rise in support of S. 1745, the Civil Rights Act of 1991.

Mr. FORD of Michigan. Mr. Speaker, I yield back the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield the balance of my time to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I thank the gentleman for yielding to me. I just want to say, in respect to those that have said we have had to wait so long because the President did not see the light, this is a radically different bill than H.R. 1. It is different in the definition of business necessity. It is different in requiring the plaintiff to identify the hiring practice that is so offensive. It is different in the treatment of mixed motive cases.

It is different in the treatment of consent decree cases, and it is different in limiting the damages that are available in jury trials.

Therefore, it is a compromise, and everybody should be complimented and not berated for agreeing to it.

Mr. BROOKS. Mr. Speaker, I yield 30 seconds to the gentleman from Texas [Mr. WASHINGTON].

Mr. WASHINGTON. Mr. Speaker, is it not true that the only difference is that the gentleman is not in a position to call it a quota bill any more?

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. WASHINGTON. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I am certainly not in a position to call it a quota bill because it is not a quota bill anymore.

Mr. WASHINGTON. Reclaiming my time, it never was a quota bill.

Mr. SERRANO. Mr. Speaker, my colleagues, this amendment is a straightforward, noncontroversial amendment which seeks to address and correct employment discrimination experienced by Hispanics and other underserved groups in the U.S. labor force.

There is undeniable evidence that Hispanics are not benefiting equitably from Federal civil rights enforcement efforts. At least four independent studies have found that, even after controlling for factors known to affect employment and educational attainment, Hispanics face serious differential treatment and continue to experience high levels of employment discrimination in the labor market.

Despite this empirical evidence of continuing pervasive employment discrimination, few Hispanics have access to the Government systems in place to remedy such discrimination. Even the Equal Employment Opportunities Commission [EEOC], the Federal agency charged with policing discrimination, has not devoted an adequate amount of resources to educate and litigate on behalf of Hispanics.

In the 1983 EEOC report, "Analysis of the EEOC Services to Hispanics in the United States," an EEOC appointed task force found that the EEOC was not providing equivalent service to all protected group members, particularly Hispanics.

In the external study of the 1983 Hispanic charge study, 120 representatives of the Hispanic community testified at six hearings that Hispanics were either unaware of the EEOC's enforcement authority or had a negative perception of the agency. The Hispanic witnesses expressed a general lack of trust for the EEOC and its service to Hispanics.

In an internal study which the EEOC conducted as part of its survey on services to the Hispanic community, the EEOC found that: They had a record of hiring very few Hispanics, particularly in policy positions; did not actively investigate Hispanic charges or litigate Hispanic claims; and had made little effort to improve its presence or reputation in the Hispanic Community.

Mr. Speaker, recent evidence indicates that little or no improvement has been me by the EEOC since the 1983 Hispanic Charge Study. The EEOC's combined annual report for fiscal years, 1986, 1987, and 1988 fail to provide any evidence of improved services to Hispanics. For example, for fiscal year 1988, of the total 368 cases reported, only 7, or 1.9 percent, were of national origin, that is of Hispanic claims.

In my opinion, Mr. Speaker, it is necessary to amend the current law and direct the EEOC to fulfill its existing statutory mandate to act on its own, to uncover and stop widespread discrimination. It is also necessary for the EEOC to allocate adequate resources to service the Hispanic community, and establish better communications between the EEOC and community-based Hispanic organizations.

My amendment would allow the commission to make grants to State or local governmental entities, or public or private nonprofit organizations, to carry out aggressive educational, informational, and outreach programs, to inform the historically underserved groups. The term underserved should include other rapidly growing minority groups and newly covered protected groups.

The program should include:

The preparation and dissemination of material in languages other than English;

The implementation of previously initiated expanded presence activities such as media campaigns, increased hiring of bilingual staff; and

The creation of demonstration grant programs for community based outreach and public information activities.

This amendment has the support/endorsement of National Council of La Raza, the NAACP, MALDEF, and the Lawyers Committee for Civil Rights Under the Law, the ACLU, PRLDEF, the National Puerto Rican Coalition, Disability Rights Education and Defense Fund, and the National Urban League.

Mr. KLECZKA. Mr. Speaker, it is disturbing that even today some citizens are disqualified for employment or promotion because of their race, religion, sex, or disability. In a democratic society such as ours, workplace discrimination simply cannot be tolerated or overlooked—especially with the growing number of women and elderly and disabled citizens, entering the work force today. Unfortunately, five recent decisions by the Supreme Court permit discriminatory workplace practices to continue unchecked. The Senate-passed civil rights bill [S. 1745], before us today, would reverse these bad decisions and, for the first time, allow individuals to seek punitive damages under title VII of the 1964 Civil Rights Act. These much-needed reforms deserve our support.

The Senate-passed bill resembles H.R. 1, the House civil rights measure, which was approved with my support in June, by a 273 to 158 vote. Indeed, except for its handling of disparate impact cases and title VII punitive damages, S. 1745 is essentially the same as H.R. 1. I am pleased the President is willing to sign the Senate measure. A workplace civil rights bill is long overdue.

The establishment of a Glass Ceiling Commission, an important feature of H.R. 1, is included in S. 1745. The Commission would study the barriers to the advancement of women and minorities in employment, and make recommendations to eliminate them. Another feature common to both bills is the overturning of five 1989 Supreme Court decisions that made it more difficult for workers to initiate and win antidiscrimination lawsuits—Wards Cove versus Atonio, Price Waterhouse versus Hopkins, Martin versus Wilkes, Lorance versus AT&T Technologies, and Patterson versus McLean Credit Union.

However, the S. 1745 disparate impact provision, intended to restore the interpretation of business necessity used before Wards Cove, is less specific than the one in H.R. 1. Prior to Wards Cove, the 1971 Griggs versus Duke Power Co. opinion barred an employer from using job practices that disproportionately exclude qualified women and minorities. Only a practice that was significantly related to successful job performance was considered a business necessity, exempt from title VII. Wards Cove broadened this narrow exception by requiring an employer to show only that a practice served an employment goal—a vague standard that does not force an employer to prove a practice is related to the specific job in question. S. 1745 generally restores the Griggs standard that a hiring or promotion practice must be related to a particular job's requirements—but does not provide a specific definition of business necessity or job related. By contrast, H.R. 1 requires a challenged practice to bear a significant and manifest relationship to the requirements of effective job performance to qualify for the business necessity exemption. Although I prefer the House approach to resolving the problems raised by the Wards Cove decision, the Senate provision on this matter goes very far in restoring the Griggs standard, and has my support.

It is with some reluctance, however, that I support the title VII punitive damages portion of this bill. Allowing workers to seek monetary awards under title VII of the 1964 Civil Rights Act for punitive damages—as racial minorities may with section 1981 of the 1866 Civil Rights Act—makes sense. But limiting the award based on business size, as S. 1745 proposes, is unfair and counterproductive. On principle, all persons harmed by intentional discrimination in the workplace, not just racial minorities, should have access to unlimited punitive damages.

The bill does, however, for the first time guarantee that Americans facing job bias because of religious beliefs, disability, or sex may seek punitive damages. This feature of the legislation is a definite improvement over the status quo, and has my strong support. While such monetary awards are no compensation for workplace discrimination, they can help victims obtain counseling and other services to overcome the pain and suffering of intentional discrimination. Efforts in the future to uncap title VII punitive damages will have my backing.

S. 1745 ensures that five clearly debilitating Supreme Court rulings will no longer prevent workplace discrimination victims from bringing their cases to court. Just as promising, title VII of the 1964 Civil Rights Act is broadened by this bill to allow punitive damages awards, bringing this important antidiscrimination law more into line with its counterpart, section 1981 of the 1866 Civil Rights Act. Together, these reforms will bring the American workplace many steps closer to being one in which all workers are judged on their merits.

For the benefit of all Americans, I urge my colleagues to vote for passage of this bill.

Mr. RICHARDSON. Mr. Speaker, today marks the near completion of a long struggle to pass a civil rights bill. After 2 years of hard work and negotiation, today is a day of triumph for civil rights in America.

As a representative of New Mexico, with large Hispanic and native American populations, I am well aware of the repercussions of discrimination. This bill affirms the right of minorities to challenge discriminatory practices in the workplace which continues to be a primary site of confrontation. By overturning five recent Supreme Court civil rights decisions, in which the rights of employers seem to outweigh those of the victims of discrimination, this bill asserts Congress' commitment to abolishing discrimination in this country.

While data from the 1990 census reveals tremendous demographic shifts, we are reminded to be ever vigilant to the needs of our country's increasingly minority population. Indeed, the United States is like no other country in the world. With such a variety of ethnicities, it is not surprising that race continues to be one of the most volatile issues in our country. Recent violent conflicts between different minorities here in Washington and in other areas of the country highlight the frustration resulting from discrimination in employment, housing, and social services, as well as the potential for resentment and hostility between racial and ethnic groups. Although this country has made tremendous headway in the area of civil rights, much work remains. I firmly believe that Congress must expand protection for minorities and women in this country.

While the civil rights bill is a victory in some senses, this legislation does have shortcomings. I refer specifically to the caps on damages for sex based discrimination suits. I find it ironic that a civil rights bill itself contains discrimination toward a particular group, in this case, women. Although this compromise retains this glaring inequity, I am hopeful that the caps on damages will be eliminated in the upcoming year.

Overall, I believe that this civil rights bill, which asserts the rights of victims of discrimination, while reflecting a sensitivity to the rights of employers, leads our country in a positive direction in the area of civil rights. I am proud to lend my support to this important legislation and I urge my colleagues to do the same.

Mr. PACKARD. Mr. Speaker, I rise in support of the civil rights bill. However, I announce my support with reluctance. I do so because I believe that while this bill has many important and comprehensive provisions, once again, it is demonstrative of congressional willingness to exempt itself from the laws it makes for the Nation.

Today I joined my colleague from California, BILL DANNEMEYER, in sponsoring legislation which would remove the exemptions from any law Congress has passed and exempted itself. If this is truly Government of the people by the people, it is only logical that certain people are not exempt from this Nation's laws. Congress simply should not exempt itself from the laws we impose on our constituency.

This Nation is made up of individuals, with diverse backgrounds, religions, and beliefs. It is precisely this rich diversity among individuals that makes us great. Yet despite all of our differences, we are all equal under the law. Justice, in this country, is blind to the idiosyncracies of birth, race, and gender. Every individual in this country is subject to and protected by our laws.

However, it appears the Congress is an exception. Equal justice before the law is a guiding principle of this Nation; one that has separated us from all of the other countries on this Earth; one that has made us great. And this institution—which is composed of women and men elected to do the will of the people—is placing itself above the law. By exempting itself from the provisions of this civil rights legislation, Congress mocks the very principles upon which this country was built.

Mr. Speaker, I again respectfully state my support for this legislation. It sends a signal of reaffirmation to the American people: This is the home of the free and the Brave, where an individual is free to accomplish, even surpass, his or her expectations and goals regardless of gender, skin color, or social status. However, when Congress exempts itself from the laws it makes for others it sends another signal—one that this institution is utterly unaccountable, hypocritical, and not of the people.

Mr. GRADISON. Mr. Speaker, in 1989, the Supreme Court of the United States issued decisions in five cases that all hinged on interpretations of title VII and section 1981 of the Federal Code. These decisions were all controversial because they upset the consensus on civil rights that had existed since 1964 with the passage of the landmark Civil Rights Act of that year.

For the last 2 years, Congress has struggled to restore prior law and clarify congressional intent to ensure the civil rights protection for all Americans. The debate has been acrimonious and divisive. I have opposed previous legislation because, in my judgment, the legislation did much more than merely restore prior law. I was concerned principally that previous proposals indirectly encouraged the use of quotas in employment.

On October 24, a long-awaited and much hoped for compromise was reached on this legislation. Like all good compromises, it allows both sides to claim victory. The important point here is that the legislation resolves my concerns about the quota problem and restores proper law. Like a majority of my colleagues, I am pleased that we are finally above to resolve this issue in such a manner that it protects everyone's civil rights. S. 1745 is a bill that I can support and I regret that I am unable to be in the Chamber this afternoon to cast my vote in favor of S. 1745.

Ms. MOLINARI. Mr. Speaker, after 2 years of divisiveness, Congress and the administration have finally agreed to a bill that can be enacted into law.

I strongly support equal opportunity, regardless of race, ethnic background, or gender. Discrimination, intentional or unintentional, is flatly wrong and should never be tolerated. While I did not support H.R. 1, I firmly believe that this bill before us today has mitigated some of the concerns I had with the original bill.

I am extremely pleased that this compromise includes language stating that a plaintiff must identify a specific practice yielding discrimination in hiring rather than just the existence of a statistical imbalance. I still believe that this bill will create unnecessary lawsuits, and will put small business in tenuous hiring positions. My fear is this may keep small businesses small, and discourage growth. For these reasons I will be following this legislation when it is law, closely.

However, I also realize that there comes a point where the strides gained for small business are overwhelmed by a society that is perceived to be uncaring and unfair. We have reached a political point, that if Congress fails to pass this bill, the morale and confidence in Government will continue to erode and distrust between people will increase.

There is a positive aspect to this compromise, that women can now be awarded punitive and compensatory damages for discrimination. This is a long overdue acknowledgment of the inequities which exist in the work force.

I am also pleased by the fact that included in this compromise is legislation I introduced with Senator DOLE, the Glass Ceiling Act of 1991. By a vote of 96 to 0, the Senate adopted this legislation as an amendment to the compromise. This legislation establishes a Glass Ceiling Commission which is provided with the resources and powers to examine the practices and policies in corporate America which prevents qualified women and minorities from advancement in the business world.

Today we hear a lot about the glass ceiling. Too many people approach the subject as if such barriers to advancement are a natural phenomenon. They are not. Glass ceilings are carefully constructed barriers designed in part, I think, to protect those who have gone beyond them, and in part to keep us from where we know we can go. Women and minorities did not build the ceiling. But we have, for far too long, admired the sunny view of the sky through the glass. Most importantly this legislation establishes the Francis Perkins-Elizabeth Hanford Dole Award to be given to a business that has made substantial efforts to promote opportunities to foster advancement for women and minorities.

What better incentive to businesses across America, than to recognize and reward their original initiatives to recruit, retain, and groom women and minorities for upward mobility.

Mr. Speaker, I will support this compromise because I believe that this is the fairest way to resolve this issue without undue pressure for quota hiring, the erosion of standards in the workplace, and without impeding innocent people to seek their equal protection guaranteed under the Constitution.

Mr. MOODY. Mr. Speaker, I rise in support of the civil rights bill and I urge my colleagues to vote for this much-needed legislation. In 1989 we saw an erosion of longstanding civil rights laws that this civil rights bill will restore and strengthen.

This bill is very similar to the House civil rights bill that we passed earlier this summer. Like the bill that we passed this summer, this bill will overturn five key 1989 Supreme Court decisions and expand the use of compensatory and punitive damages in certain title VII cases. I am pleased to see that the President is now supporting this legislation and has decided to stop frightening the American people by saying the bill will require businesses to rely on quotas. Like the original House bill, this bill will not result in quotas.

Although generally I'm pleased with this bill, I am disappointed in a couple of the provisions that have been severely compromised. These include the provision that exempts the Wards Cove Packing Co., and the provision that places a cap on damages for victims of intentional discrimination on the basis of sex, religion, or disability. These provisions in the bill are not fair and I will be working with other Members to rectify this injustice, but in the meantime we need to pass this legislation and return justice to the many people who have been denied their rights.

It is time to go forward with our civil rights laws, not backward. Between now and the year 2000, 91 percent of the net growth in America's work force will be minorities and women—people who are often discriminated against and denied opportunities. We must assure this segment of our society that they have rights and that they are legally protected.

Since 1964, when Congress enacted the Civil Rights Act, we have improved and strengthened that law. But in 1989 we saw civil rights protections that had been established for many years diminished and denied by several Supreme Court rulings. This bill will restore the intent of our civil rights laws and the Supreme Court's earlier rulings on these rights.

Since the civil rights bill was introduced in 1990, it has gone through many changes during the course of committee markups and leadership negotiations to address the concerns of the business community. It is not an antibusiness bill. It is a bill to ensure constitutional rights.

We need legislation that will protect everyone in our society. No one should be denied opportunities on the basis of race or sex. This civil rights bill is designed to repair the damage of the Supreme Court rulings, ensure that basic civil rights are not denied, and to strengthen the laws to enforce these rights. If we care about the disadvantaged of this country we should act now and pass this legislation.

Ms. SNOWE. Mr. Speaker, the civil rights legislation before us today represents a compromise that is a result of long months of negotiations. While it may not be perfect, it is an important step forward, and I am very pleased to support this bill.

As the law currently stands, women have no Federal protections against discrimination. Perhaps this wouldn't be so important if men and women were treated equally in the workplace. However, with the rampant occurrence of violence against women, sexual harassment, pay inequity, and glass ceiling obstacles, women need civil rights protection more than ever.

With the great influx into the labor force, women have become more experienced and knowledgeable in their jobs. One would expect to see women rise to upper management positions. However, clearly and sadly, this is not the case.

The glass ceiling remains overhead, blocking entry to the highest paid and most powerful positions in companies. Only 3 percent of individuals in upper management positions are women. Additionally, an estimated 30 to 40 percent of working women experience sexual harassment on the job.

I share these statistics with you to emphasize the very real discrimination that exists in the work force. And without damages as a deterrent, discrimination will continue unbridled. This civil rights bill will give women their weapon of self-defense.

Most importantly, the Civil Rights Act reverses nine Supreme Court decisions that set our country back 20 years in civil rights progress by making it more difficult to prove cases of discrimination. By overturning these rulings, the Civil Rights Act will restore the fair and equitable standards of title VII that have worked so well for so many years. And, for the first time, women will be granted the right to sue for damages in cases in intentional discrimination.

Mr. Speaker, Mr. DANFORTH in the other body has taken pains to accommodate the business community and the White House with this compromise. As a Republican representing the State of Maine, I am particularly sensitive to the concerns of small business. And, I sincerely believe that this bill comes the closest to the fine line between deterring discrimination on the one hand, and blocking quotas and not hurting businesses on the other. It is an honest attempt to reinstate protection from discrimination in the workplace, using the same standard that existed between 1971 and 1989.

I am, however, very disappointed that the bill does not extend coverage of employee protection laws to the House of Representatives. A Congress that professes great pride in passing laws to protect workers cannot, with consistency and fairness, fail to apply those same laws to its own operation. As a member of the leadership task force on congressional reform, I will continue to work to eliminate the House's exemption from several employee protection laws.

My colleagues, the administration supports this legislation, the Senate overwhelmingly passed it, and we are on the brink of a new and effective civil rights bill. Let us all accept this compromise and shout loud and clear that discrimination on any basis will not be tolerated.

Mrs. LLOYD. Mr. Speaker, I rise in support of the civil rights compromise. After 2 years of divisive debate on the issue, this is a day many Americans have long been waiting for.

When President Bush objected to the legislation adopted by the House earlier this year, he did so because he wanted a nonquota bill. After a long and hard fought road, the administration is satisfied that we now have such a bill. What the bill will do is enhance workplace remedies under current law and let us move forward together in progress on civil rights in the Nation.

It does so by countering five key Supreme Court rulings and make it easier for victims of bias to bring lawsuits to enforce antibias protections already on the books. The bill would also allow, for the first time, money damages for victims of harassment and other intentional discrimination based on sex, religion, or disability. It sends a strong message that job discrimination and sexual harassment should be taken seriously.

The compromise could not have come too soon. With the increasing awareness about sexual harassment in the workplace, and racial and religious bigotry, this bill will set a new standard against discrimination and for equal opportunity. It will send a strong signal that discrimination in all forms will not be tolerated and that all Americans in the work force deserve fair and equal treatment.

As a nation this is a standard we must aspire too. We speak often of competitiveness in the global market during these tough economic times, but the United States will never be truly competitive until we redouble our efforts to fashion a work force able to meet the challenges that face them and contribute to the strength of the Nation. By reaffirming our commitment to fair workplace practices, this bill will help assure a productive work force and competitive America into the 21st century.

The strength of our work force lies in its ever-increasing diversity. Women and minorities are being represented in the workplace in greater numbers than ever before. With this bill all Americans should have the opportunity to tap into their full potential.

I urge my colleagues to join with me in supporting passage of the civil rights compromise.

Mr. LAFALCE. Mr. Speaker, I am extremely pleased that a compromise has been agreed to which will enable us to pass the Civil Rights Act of 1991, and obtained the signature of President Bush.

I have always been committed to the passage of a strong civil rights bill, one which would unequivocally reiterate and clarify the longstanding intent of the Congress with respect to this extremely vital area of national employment law.

Such a clarification of congressional intent has been urgently needed since 1989, when a series of Supreme Court cases upset many longstanding civil rights doctrines by taking a rather narrow and literal view of congressional intent. The compromise bill will set the record straight.

It has always been my concern that any bill which we enacted also take into account the legitimate concerns and rights of the millions of men and women who operate businesses across this Nation, especially small businesses who were troubled by the unlimited punitive and compensatory damage provisions contained in the original bill. Many employers also feared that the disparate impact provisions, as originally drafted, would force them to hire workers solely on the basis of race, gender, national origin, or religion, to escape the bill's sanctions.

Finally, I have never wanted the civil rights bill to be a futile political exercise. In view of the fact that the Supreme Court decisions will remain the law of the land until a bill is actually enacted and signed into law, I have always thought it imperative that we pass a bill the President could sign.

It was with these three fundamental considerations in mind that I offered a compromise bill last year which, while overturning the Supreme Court cases, would have alleviated the concerns of both the business community and the administration. I am very pleased to note that the compromise which is before us today is very similar to the bill I offered for consideration in the last session.

On the issue of disparate impact the bill before us overturns Wards Cove versus Atonio by returning the burden of proof to employers to justify by business necessity any employment practices which have been clearly shown to have a disparate adverse impact on women or minorities. My compromise bill would have done the same.

My bill would have defined "business necessity" by using the exact language of the leading case in the area, Griggs versus Duke Power (1971). The bill before us, in essence, does the same by explicitly stating that its purpose is to "codify the concepts of 'business necessity' and 'job related' enunciated by the Supreme Court in *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971), and in the other Supreme Court decisions prior to *Wards Cove."*

On the issue of damages for intentional discrimination the bill before us places an overall cap on punitive and compensatory damages of $50,000 for employers of 15 to 100, $100,000 for those of 101 to 200, $200,000 for those of 201 to 500, and $300,000 for those of more than 500. My bill, in keeping with traditional labor-management law, would have precluded legal remedies including compensatory and punitive damages, and would have allowed for up to $100,000 in equitable damages in cases of sexual and other harassment, retaliation, or other unlawful employment practices for which the remedy of back pay was not available. It would also have allowed for the additional equitable remedies of injunctive relief, reinstatement, and back pay.

In cases of intentional discrimination in which the discrimination was only one factor motivating the employment decision, my bill would have overturned Price Waterhouse versus Hopkins by allowing an employee or applicant for employment to establish an unlawful employment practice whenever the discrimination was a major contributing factor to the employment decision. The bill before us today likewise allows a finding of unlawful discrimination if discrimination was one of the motivating factors in the employment decision.

The compromise before us, as did my bill, overrules Patterson versus McLean Credit Union to clarify that the term "make and enforce contracts" in 42 U.S.C. 1981 applies not only to hiring practices but also to post hiring employment practices.

The bill before us, again like my bill, would overrule Lorance versus ATT to allow those harmed by discriminatory seniority systems to file suit when the harm occurs even if such harm occurs years after the seniority system is adopted.

My bill would have overturned Martin versus Wilks to prohibit the challenging of a consent decree by any employee or applicant for employment with the employer who had actual notice and an opportunity to challenge the consent decree at the time it was entered. The bill before us goes a bit further and actually prohibits a challenge by any party who had actual notice at the time of the decree or whose interests were adequately represented by a party to the decree.

My bill, like the compromise before us, would have overturned West Virginia University Hospitals versus Casey, a case decided only this year, by allowing the payment of fees for expert witnesses.

Finally, both the compromise before us and my bill would take effect upon enactment, rather than retroactively, as previous versions of the bill had proposed.

Mr. Speaker, in view of the above, it goes without saying that I am in wholehearted support of the compromise before us today. The Civil Rights Act of 1991 now contains a very balanced and progressive approach. It is a worthy fruit of the hard work all of us have put into resolving this issue. It returns our civil rights law to the traditional path. It takes care not to put unnecessary burdens on small employers. And it once again puts the Congress clearly and overwhelmingly on record as the defender of the civil rights of all Americans.

Mr. HOLLOWAY. Mr. Speaker, I rise today to speak in opposition to this so-called civil rights legislation. In light of legislation such as this, Mr. Speaker, why would an American small business even try to go into business? One of the problems of this bill is that it requires employers to demonstrate that they have not engaged in discrimination. Things should be the other way around. An employee who believes he has been wronged, that he has been hurt, that he has been discriminated against, should be required to show how he has been injured. I thought in this country we were considered innocent until proven guilty.

Mr. Speaker, it is conceivable that an angry employee who may or may not have a real gripe, could put a small business out of business through court costs alone. We are supposed to believe that we can support this bill because damages have been capped. But they are capped so high that even if only half is reclaimed, it could bankrupt a business.

This bill would encourage litigation and our courts cannot stand much more. It still puts pressure on employers to hire by numbers. Mr. Speaker, hiring should be based on skills, ability, and need, not color, not sex, not numbers.

Mr. MILLER of California. Mr. Speaker, I rise in oppositon to the Wards Cove exemption, section 22(b) in the Civil Rights Act of 1991. Despite the fact that this bill was designed in part to overrule the Supreme Court decision in Wards Cove, the effect of this section would be to exempt only one company in the entire country from this act—the Wards Cove Packing Co.

This result is unconscionable.

Asian-American and Alaskan Natives have been fighting this case in court for over 17 years. Suddenly, they find themselves forced to meet higher standards than any other victims of race discrimination in the country.

Perhaps if these men and women could afford to hire expensive Washington lobbyists, the Civil Rights Act of 1991 would include them in its coverage.

The Alaska salmon canning industry has had a long history of racial discrimination. Wards Cove Packing Co. itself has received some of the sharpest criticism from individual Supreme Court Justices in any recent discrimination case.

Justice Stevens, writing in dissent for four justices in Wards Cove, wrote:

> Some characteristics of the Alaska salmon industry described in this litigation—in particular, the segregation of housing and dining facilities and the stratification of jobs along racial and ethnic lines—bear an unsettling resemblance to aspects of a plantation economy.

Justice Blackmun wrote:

> The salmon industry as described by this record takes us back to a kind of overt and institutionalized discrimination we have not dealt with in years: a total residential and work environment organized on principles of racial stratification and segregation discrimination of the old-fashioned sort: a preference for hiring non-whites to fill its lowest-level positions, on the condition that they stay there.

Placing Wards Cove Packing Co. beyond the reach of this civil rights bill is an affront to the minority workers whom the Alaska salmon industry has long confined to menial and low-paying jobs.

It is an affront to the American people and to our notion of justice and equality for Americans.

Mr. FAZIO. Mr. Speaker, I rise in strong support of S. 1745, the Senate-passed Civil Rights Act.

We have been trying to get this civil rights legislation enacted into law for over a year now, and we finally have an administration-endorsed, bipartisan bill that overcomes the roadblocks to civil rights protections that were created by the 1989 Supreme Court decisions.

For the past 2 years, the President and his administration have been practicing the politics of racial divisiveness—pitting varying interest of our culture against each other, instead of looking for the common ground that we all share. The quota argument has been the most egregious example of this political strategy. It has always been a smokescreen; the President and his administration called the bill a quota bill, when it never was. They sabotaged the negotiations between business and civil rights groups. They dismissed the specific antiquota statutory language in the original bill and called it "cosmetic."

But a critical factor has stayed constant throughout the crafting and compromise necessary to finally bring this bill to the floor. Democrats have been fighting both discrimination and reverse discrimination all along. We have been standing with workers and the rights of businesses to hire without discrimination and without quotas, and this bill both says and does just that. The President has finally abandoned his exploitative, divisive tactics and has instead now come to grips with the reality of the civil rights bill.

This legislation reaffirms over commitment to ensuring equal opportunity in the work place and continues our tradition of guaranteeing equality for all. It empowers women and minorities to take on the powerful and provides both victims of discrimination and reverse discrimination with a means to combat it. It makes hiring quotas illegal and drives reverse discrimination out of the work place. This bill restores our legal protections against intentional discrimination in the work place and extends to women, the disabled and religious minorities the same rights that already apply to people of color.

Our Nation's longstanding commitment to equality demands that any discrimination based on race, gender, religion or national origin not be tolerated. Only the strong protections offered in this bill will give victims of employment discrimination an avenue of redress and access to equal justice.

Let's reaffirm our national commitment to civil rights. I urge my colleagues to support this bipartisan effort toward equality for all Americans.

Mr. ESPY. Mr. Speaker, we've traveled a long, bumpy road to get to this legislation today.

And the truth is that after all of the bumps, all of the twists, and all of the turns, we are basically back where we started.

This civil rights legislation is similar to the bill passed by the House in June. It overturns five key decisions by the Supreme Court It restores the Griggs standard of business necessity. It ensures that any hiring practice which has a disparate impact on women, on minorities, on disabled Americans, must be related to their ability to do the job. It makes it clear that intentional discrimination is never permissible under the law.

It is not now, and never has been, a quota bill I am glad that the President has dropped this divisive rhetoric from the debate, and accepted this compromise.

It is also not a prefect bill. This legislation still caps the damages available when intentional discrimination is based on sex, or religion, or disability, which says that is not as important as discrimination based on race.

But this legislation will send a message to all Americans that discrimination is wrong. And it will once again put the force of the law on the side of those who are victims of discrimination—regardless of race, creed, sex, or color.

This legislation is good for our Nation, it's good for all Americans—and I urge my colleagues to give it their total support.

Mr. HOAGLAND. Mr. Speaker, the Civil Rights Restoration Act represents the American belief in the equality of rights and opportunity that are so basic to our form of government. This bill should have become law last year, but it was vetoed by President Bush. Even though the votes in both the House and Senate were there to pass it, there were not enough votes to override his veto.

The Civil Rights Act has worked well. It has given hope, opportunity, and redress for millions. But Congress has the responsibility to update the law and to prevent its erosion by the courts. That is why we are acting on this bill today.

The Civil Rights Act is really a human rights act. It reinforces the basic principles of our Constitution which every American holds dear: the right to fair and equal opportunity in all aspects of American life.

This bill should be especially welcomed by women because it will give women new tools to fight discrimination in the workplace, like sexual harassment.

One of the most disheartening aspects of the civil rights bill over the last year has been the rhetoric and inflammatory tactics that have been used against it. The civil rights bill is a human rights bill. It is not a bill for blacks, whites, or any other color. It is a bill for all of us. It should be a bill that brings us all together, that returns us to the basic values of fairness and equal opportunity that every American cherishes.

In 1965, our Nation was in turmoil. There were demonstrations—even deaths—over segregationist practices in places like schools, buses, factories, restaurants, and swimming pools. The civil rights law was stimulated by and responded to acts of blatant discrimination like refusal to rent on the basis of race or the refusal to promote on the basis of sex. Today, the discrimination is often not so obvious. Discrimination is often shrouded by comments like "He's not a team player." "He cannot get along with people." "She's not the 'right type'."

In the Persian Gulf war was a stark reminder of how basic the principle of equality is to our laws. There was no discrimination on the battlefield. As General Schwarzkopf told the Congress, the blood that was spilled on the battlefield was all the same color. All were called and all served, without regard to race, gender, religion, or ethnic background. Now that the war is over, we must be sure that those who were called and who served, will have equal opportunity in the workplace at home. It is time to reaffirm basic equality of rights at home.

Former President Jimmy Carter put it well:

> We measure the real meaning of America in our intangible values—values which do not change: our care for each other, our commitment to freedom, our search for justice, our devotion to human rights and to world peace, and the patriotism and basic goodness of our people.

The bill before us today represents years of work, debate, and compromise on all sides. It is a test of the basic goodness of our people. I urge the House to pass it.

Mrs. COLLINS of Illinois. Mr. Speaker, faced with little choice in the matter, I rise in support of the Senate compromise on the civil rights bill. While it is not the vehicle that I would prefer, it is undoubtedly the best that we will be able to enact.

We have tried over the years, through various statutes and court decisions, to eliminate race- and gender-based discrimination in this country. And some progress was being made until the Supreme Court reversed several key decisions that had stood to assist employees in redressing job discrimination.

However, after the Court ruled in the Patterson, Wards Cove, Lorance and Price Waterhouse cases, job equality became illusory, employment protections became a myth, and judicial remedies were even further obstructed by insurmountable barriers. The Court disregarded both the letter and the spirit of Congress' efforts and years of judicial precedence.

What we attempted to do in the last Congress, and are again attempting this year, is to level the playing field once again for employees who have been the victims of discrimination. If the civil rights compromise before us is adopted, we will once again have laws on the books that are there to ensure that blacks, other minorities, and women have an equal shot at fair employment practices. It will once again be illegal to make an employment decision, harass, fire, demote, or refuse to hire anyone based on specious grounds such as race or gender.

While this measure is a definite improvement over the current state of affairs, I am concerned that there are glaring omissions in it and I wish we had been allowed at least a modified rule to address these concerns. To begin with, the compromise definition of what is a business necessity is far too weak. The language in H.R. 1 addressing the right of employers to make employee decisions based on business necessity says that employment practices must bear a "significant and manifest relationship to the requirements for effective job performance." This is much stronger and gives employers far less "wiggle" room within which to discriminate against employees than the standard set in the compromise which states that employment practices must simply be "job related and consistent with business necessity." Further, it is the "purposes" section of the compromise that speaks to the codification of "business necessity" and "job related" as outlined in the Griggs decision. However, it is significant that this is not stated in the statutory language of the compromise and that it does not expressly overturn the Wards Cove decision as I would have preferred. Therefore, it appears that employers will still be able to defend themselves in a discrimination suit by showing that an apparently neutral employment practice, that in fact does discriminate, has some business reason. Without the language mandating that employers show that an employment practice bears a significant relationship to effective job performance, employees will be at a critical disadvantage in these so-called disparate impact cases. The stronger definition is necessary so that an employer cannot arbitrarily justify actions as a business necessity when the primary motivation is a discriminatory one.

In addition, I would much prefer to see a measure that does not contain caps on compensatory and punitive damages as is in this compromise. It is obvious by the number of job discrimination suits currently pending that employers are more than willing to violate the law and employee's rights. We have to send a clear signal that Congress is serious about halting job discrimination and one way to do that is to impose penalties that will make employers think twice about the financial consequences of violating the law. If employers will not do the right thing for its own sake, maybe they'll do it for the sake of their pocketbooks.

It is long past due that this Congress and the administration enact a new civil rights bill. We talk a lot in America about this being a beautiful mosaic of cultural diversity, and the land of equal opportunity. Yet, we foster prejudice when we sit back, do nothing and allow employers to deny a job, promotion, raise or benefit to an employee based solely on race or sex. I urge my colleagues to support this compromise, though imperfect, and let us take another step toward helping this Nation live up to its stated ideals.

Mrs. BOXER. Mr. Speaker, I support this much needed and long overdue civil rights bill which got caught up in ugly politics. It will go a long way to eradicating discrimination in the workplace and to ensuring that all Americans are able to live up to their potential.

But, there is also much that this civil rights bill does not do, and we must continue to push, cajole, and educate until there is justice and fairness for everyone.

The civil rights bill before us compromises women's rights by placing a cap on compensatory and punitive damages in sex discrimination cases. By this action, over half of America's work force—working women—are prevented from obtaining equal treatment under the law. It also subjects religious minorities and disabled individuals to this cap.

Additionally, the civil rights bill exempts the Wards Cove Packing Co. from its provisions. Its employees will be the only workers in America who will not benefit from the civil rights bill. We must correct this injustice, especially since it was a lawsuit brought by the employees of this company which became the basis for the Civil Rights Act.

Now is the time to pass the Civil Rights Act. Afterwards, we must continue our commitment by passing separate legislation to correct these specific issues. Only then will we have truly acted to uphold the rights of all American workers.

Mr. DIXON. Mr. Speaker, we fought the battles of injustice and discrimination some 25 years ago, with the passage of the first major Civil Rights Act in 1964. We now find ourselves fighting that battle again, reversing Supreme Court decisions that essentially say its alright to discriminate against racial and sexual minorities. But it is not alright for employers to discriminate against a person because of their race, color, origin, sex, nationality, or any of the things that make us unique.

Today, we have the power to overturn these decisions by voting for the compromise. Our vote not only returns the civil rights protections that existed prior to the 1989 Supreme Court decisions, but would provide adequate remedies and more effective deterrence in job bias cases.

Mr. Speaker, after months of racial politicing and threats of more vetoes by the administration, we now have a compromised version of the previously House-passed Civil Rights Act of 1991, (S. 1745). Although a weaker bill, this legislation will give the House another opportunity to restore necessary employment protections that were substantially eroded by five 1989 Supreme Court decisions which placed severe restrictions on Federal Antidiscrimination laws.

The measure before us is a compromise and therefore not a perfect bill. It does not address every aspect of ending employment discrimination, nor does it contain every provision that was included in the much stronger civil rights bill that passed the House last June. It does, however, begin the process of reversing the Court's decision affecting employment discrimination.

I strongly opposed the Supreme Court's attempts to sharply curtail the scope and effectiveness of Federal civil rights laws that provide very important protections against employment discrimination. Unless these decisions are overturned, we will let stand an undermining of the basic standards of fairness and equal justice for racial and ethnic minorities and women.

On the issue of business necessity, the compromise bill overturns the Wards Cove versus Atonio Case by restoring the burden of proof to the employer to prove that an employment practice that has a disparate impact on women or minorities is required by business necessity. It also contains a modified version of the House bill's provisions overturning the standard of business necessity in Wards Cove, by providing that an employer must show that an employment practice with disparate impact is job-related for the position in question and consistent with business necessity.

The compromise sets limits on the compensatory and punitive damages women and minorities could win ranging from $50,000 for companies with 100 or fewer workers to $300,000 for employers with 500 or more workers. The bill also permits jury trials for victims of bias.

Although I support this measure in its current form, I am opposed to the imposition of caps on compensatory and punitive damages in gender discrimination cases. It would not allow women and religious minorities to obtain the same compensatory remedies for employment discrimination as is available under current law to racial minorities. I prefer no caps, even though I know that a cap will provide a broader vote in the House. I remain hopeful that legislation will be introduced at some point to lift the caps.

The compromise also bars racial harassment and other forms of bias that occur after a person is hired, as well as spells out the rules under which third parties could challenge a consent decree in an antidiscrimination suit. In these instances, third parties would have to have been notified beforehand that the agreement might hurt their interest and have had the opportunity to object.

Further, the compromise would make clear that an employer may not make an employment decision based in any way on race, color, religion, sex, or national origin, regardless of whether other factors also motivated the decision. The bill also allows workers challenging a seniority system as discriminatory to wait until the adverse impact of the system is felt to bring a lawsuit.

Finally, the compromise bars the adjustment or norming of test scores by racial or other classifications.

Protecting the civil rights of those most vulnerable in our society is not an easy task but it is the right thing to do. In fact, the highest court in the land has committed serious damage to civil rights laws that were designed to protect equal employment opportunity at the job-site for all Americans. But the work of the Congress is clear whenever fair employment opportunities are stifled by employers or the courts.

As an original cosponsor of the Civil Rights Act of 1990 and 1991, I am hopeful that Members will do the right thing and support this compromise. It is not a perfect compromise, but even with its shortcomings, it's better than no bill at all.

Mr. SANTORUM. Mr. Speaker, I rise in strong opposition to this rule, House Resolution 270, providing for consideration of the civil rights legislation (S. 1745). In recent weeks, it has become abundantly clear that we here in the Congress operate under a double standard. The Congress has a very sour history of exempting itself from the same rules and regulations that we impose on the rest of society. To date, the Congress has exempted itself from the Social Security Act of 1933, the National Labor Relations Act, the Minimum Wage Act of 1938, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Freedom of Information Act of 1966, the Age Discrimination Act of 1967, the Occupational Safety and Health Act of 1970, the Equal Employment Opportunity Act of 1972, title 9 of the Higher Education Act Amendments of 1972, the Rehabilitation Act of 1973, the Privacy Act of 1974, the Age Discrimination Act Amendments of 1975, the Ethics in Government Act of 1978, the Civil Rights Restoration Act of 1988, and the Americans with Disabilities Act of 1990. Today, we will be adding the 1991 Civil Rights Act to this list.

The civil rights legislation, which will be considered should this rule pass, contains two very glaring omissions that must be corrected by this body. First, the bill provides no symmetry between the House and Senate with regard to the processing of discrimination complaints. Whereas the bill will permit Senate employees to appeal complaint decisions to the courts, the bill requires House employees to handle these appeals internally within the House. Second, the bill does not expand the same protection to State and local governments that we enjoy here in the Congress. Due to the nature of our work, we are permitted to consider party affiliation and political compatibility in reviewing prospective employees. We do not, however, provide this same protection for State and local legislators. Again, the Congressional shield goes up.

I find it particularly ironic that we are considering this rule on the same day as the introduction of legislation by Mr. DANNEMEYER eliminating the Congressional immunity we have given ourselves with respect to the previously mentioned laws. As an original cosponsor of Mr. DANNEMEYER's Congressional Accountability Act, I cannot support this "add it to the list" rule. Mr. Speaker, you are asking this body to pass this rule and subsequently vote on a bill that you admit "has serious flaws of omission as well as other flaws that may need correction." Our constituents deserve better and the constituents of Pennsylvania's 18th Congressional District, which I represent, demand that we stop our "fix it later" attitude.

Mr. Speaker, I understand the importance of passing civil rights legislation, and I intend to support passage of a bill. We now have the opportunity, however, to make the necessary technical changes to S. 1725. In our haste to enact this legislation, we are only furthering the Congressional double standard.

Mr. COLEMAN of Texas. Mr. Speaker, although I strongly support this bill and will support it upon final passage, I am going to rise in opposition to this resolution to express my outrage at the special exemption we are being forced to provide for the Wards Cove Packing Co. The suit brought against this company was one of the original reasons for this legislation and in my opinion it is a perversion of justice for the Congress to single out these plaintiffs and tell them that these measures will apply to every case except theirs. We should not allow the Bush administration to force us into collusion with those who would violate the civil rights of 2,000 minority cannery workers. Those workers deserve our support.

Mr. SERRANO. Mr. Speaker, for 2 years this House struggled to produce a strong civil rights bill, a bill with one goal, to promote equal opportunity for all Americans regardless of race, gender, religion, or ethnicity. This is the day. Why then are we voting lamentably and with reservations for this bill?

First, that there should be a need for such legislation in this country in the 1990's is a disgrace. Second, that this legislation required further crafting and deliberate weakening, lest it meet the disapproval of a President with delusions of quotas, is a shame and an embarrassment. Little wonder that we vote our approval with a note of sadness. The bill does, of course, include a number of worthwhile measures.

An amendment I sponsored has been incorporated into this legislation. It would address Hispanic and other underserved minority groups whose cases of employment discrimination have not been actively investigated by the Equal Employment Opportunity Commission. This provision seeks to provide minorities and women with the very opportunity that the EEOC was created to protect—not preferential treatment.

Mr. Speaker, I am especially pleased that the other body deemed to include this amendment language directing the EEOC to fulfill its existing statutory mandate to uncover and put an end to widespread discrimination. It is imperative that the EEOC allocate adequate resources to service the Hispanic community, and to establish better communications between the EEOC and community-based Hispanic organizations.

It is incredible that with all the desperate problems Americans face today—unemployment, lack of health care, homelessness, lead poisoning, and drug-related crimes—that we are still confronting the ugly issues of discrimination. It is time for Americans from diverse backgrounds to put this behind us forever.

Mr. DOOLITTLE. Mr. Speaker, I strongly oppose S. 1745 which, despite its public relations claims to the contrary, is not a good compromise—it is simply an injurious concession.

And, no matter what proponents may say to the contrary, this legislation remains a quota bill.

Earlier this year, I opposed H.R. 1 because it contained several unacceptably flawed provisions. As I review the so-called compromise, I am at a loss to discern how those objectionable conditions have been removed.

Both the House and Senate bills place an impossibly complex burden of proof on employers to disprove any discrimination charge. This burden of proof reversal is my greatest objection to the bill.

To quote the president of the U.S. Chamber of Commerce,

> the (compromise) makes it easier for employers to be sued and more difficult to defend against a suit.

An equally chilling criticism was set forth in the Wall Street Journal by L. Gordon Crovitz:

> The (compromise) reverses the burden of proof, adding insult to lawsuit by refusing to define business necessity ("Bush's Quota Bill: Dubious Politics Trumps Legal Principle." October 30, 1991).

That failure to define business necessity constitutes another serious flaw, virtually guaranteeing ongoing years of costly litigation. The courts will be forced to determine the impossible: What did Congress mean when it deliberately withheld such an important definition?

My colleagues are all aware that this legislation was introduced to overturn a series of civil rights decisions made by the Supreme Court in 1989, most notably the Wards Cove decision.

Although Wards Cove was specifically exempted by the compromise, employers today should be warned by the Wards Cove example: For some 20 years, the company has been harassed by lawsuits alleging employment discrimination. During that same time, no court—including the Supreme Court—has ever found the company guilty of any discrimination.

Indeed, the company had 240 percent as many minority employees in its skilled labor positions than their representation in the relevant labor market. However, because there was a disparity between the number of minorities in supervisory positions versus the number in unskilled positions, the company has spent millions of dollars defending itself.

To quote again from the Wall Street Journal article, the disparate-impact approach "starts with the assumption that there is 'discrimination' unless every job filled by every employer perfectly reflects—no less and no more—the available labor pool."

With this compromise, we will be providing for the codification of disparate impact for the first time.

The compromise purports to require that, generally, those bringing suit must specifically cite the practice resulting in disparate impact. However, the bill allows employees who cannot isolate a particular practice to challenge an employer on a broader basis. Since the only way to measure disparate impact is through employment statistics, it follows that the only really safe employment practice would be to achieve exact statistical balance, arrived at through the use of quotas.

Employers cannot win for losing: If they employ insufficient numbers of women or minorities, they must be prepared to provide costly and time-consuming justifications for their hiring practices.

And, since employers would be deemed guilty until proven innocent, it would be difficult—if not impossible—to prove themselves innocent unless their companies had in place a system of racial and gender-based quotas.

It shouldn't take employers long to figure out that the easiest and safest approach is to hire by the numbers. More qualified employees of the wrong gender or race will have to step aside in favor of those mandated by quotas.

The burden-shifting provisions in this bill alone would make me oppose it. The bill's failure to define business necessity confirms that opposition.

The original bill was nicknamed "The Lawyer's Bonanza Act" for good reason. This compromise is not much better.

Employers who are found guilty can expect to pay for pain and suffering and punitive as well as pecuniary damages of up to $300,000, depending upon the number of workers employed. Those employers would also confront tens of thousands of dollars in legal fees.

This bill is no way to battle discrimination. The way to end discrimination is to tear down barriers, not erect new ones.

When Martin Luther King argued for civil rights over 20 years ago, he envisioned a society in which people would be judged by the content of their character rather than race, ethnicity, gender, relevant labor pools, or meaningless statistics.

Now, regretfully, we are considering a bill which would force employers to hire based on the numbers, reverse the traditional concept of "innocent until proven guilty," guarantee a morass of costly litigation, and invalidate merit as the basis for employment or advancement.

I believe this compromise is an insult to the true concept of civil rights, and I strongly oppose it.

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I believe this compromise is an insult to the true concept of civil rights, and I strongly oppose it.

Mr. SCHEUER. Mr. Speaker, I rise in strong support of S. 1745. This bill will restore valuable rights to the victims of employment discrimination.

I am delighted to see that President Bush has finally seen the light on this issue. Last Congress, we passed a fair and effective civil rights bill which the President vetoed. This year we introduced a new civil rights bill which attempted to address the President's concerns, but he still wasn't satisfied. We wanted to work with him to fashion a bill we all could live with, but he insisted on raising the false specter of quotas. His Chief of Staff, John Sununu, even went so far as to sabotage negotiations on this issue between business leaders and the civil rights community. The American people wanted an effective and fair civil rights bill, but the Bush administration went out of their way to prevent them from getting one.

This past June the House passed H.R. 1, which the President once again labeled a quota bill. Well, something miraculous happened between then and now. The President decided it was time to start negotiating on a bill and stop getting in the way.

He put the quota bogeyman to rest and now we have a good bill, one very similar to the version of H.R. 1 we passed in the spring. This bill will protect the rights of American workers without unduly burdening American businesses.

Mr. Speaker, I want to congratulate the chairman, Mr. BROOKS, and the ranking minority member, Mr. FISH, for their fine work in this area, and I especially want to thank and congratulate those Republicans in the other body who convinced Mr. Bush to come to the bargaining table and get serious about this issue.

Mr. ATKINS. Mr. Speaker, I rise today to voice my objection to the fact that the compromise Civil Rights Act places a cap on damages available for victims of discrimination on the basis of sex, religion, or disability. This provision not only treats women as second-class citizens, it may very well prove to be unconstitutional. Furthermore, such a cap is particularly provocative in light of the awareness that has been generated in Congress and across the Nation on sexual harassment as a result of the Clarence Thomas hearings.

Mr. Speaker, we have made some progress on sexual discrimination in the civil rights bill which is before us. The President's original civil rights proposal offered damages only for sexual harassment, and not for other cases of sexual discrimination. Because this bill improves upon existing law, I do not plan to vote against it. However, I have heard from many of my constituents who argue that these caps are a slap in the face to the women, disabled, and religious minorities of this country. Mr. Speaker, I agree with those constituents.

Earlier this year, the House considered an amendment which would have lifted caps on punitive damages for sexual discrimination. At that time, my colleague, Representative PATRI-

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[1] "Bush's quota bill: Dubious Politics Trumps Legal Principle." Oct. 30, 1991.

[2] Ibid.

CIA SCHROEDER, stated that capping damages for sexual discrimination sets "a dangerous precedent by creating a two-tier damages system." Victims of intentional racial discrimination are already capable of claiming unlimited compensatory and punitive damages under a post-Civil War law, but victims of discrimination based on sex, disability, and religion are limited. Representative SCHROEDER said that by capping damages, we are "condemning ourselves to two kinds of discrimination in this country: the kind we will not tolerate—racial—and the kind we will—sex, religious, and disability discrimination." And capping damages for women, people with disabilities, and religious minorities may result in a later attempt to cap damages for racial minorities as well.

Proponents of these limits argue that without a cap, lawyers would be free to gain even more money than they already make and that businesses will be burdened with the expense of unnecessary legal fees. Mr. Speaker, given the existing precedence on racial discrimination cases, nothing can be further from the truth. Civil rights law frequently require lawyers to work on a contingency-fee basis, which is hardly a lucrative practice and is increasingly unpopular. Furthermore, the number of racial discrimination cases has dropped in the past 2 years and less than 1 percent of these cases over the last 10 years resulted in judgments over $100,000. These three cases were large because of egregious and malicious intentional discrimination.

Mr. Speaker, the discrimination women experience on the job is very real. It has economic repercussions; it creates serious morale problems in the workplace; and it is against the law. Even the Bush administration's Labor Department has spoken of the glass ceiling that many American women experience in job promotion. Women are a growing part of America's work force, and report after report demonstrate statistically that there is a gap between the pay women get on the job and the pay that their male counterparts receive. Also, the Equal Employment Opportunity Commission [EEOC] has 100,000 sexual harassment charges on file from last year, a 30-percent increase over the past 5 years.

By capping damages for sexual and religious discrimination, we are limiting access to equal justice for all, and we are condemning women, the disabled, and religious minorities to second-class status. Mr. Speaker, although I realize that the caps provision is a result of a compromise so that the President will not once again veto the civil rights bill, I protest in the strongest possible terms that it has been left to stand in the Civil Rights Act. The battle should not and will not end here.

Mr. FALEOMAVAEGA. Mr. Speaker, Senate passage of the civil rights bill was definitely a victory for civil rights groups, however, the compromise bill contains a serious flaw.

The bill will overturn five 1989 Supreme Court decisions that made it harder for workers to sue employers in job discrimination cases. And it will permit women to sue for limited damages for intentional discrimination.

However, the other body managed to slip in a one sentence amendment that would exempt the parties involved in Wards Cove Packing Co. versus Atonio, the very Supreme Court decision the new act is intended to overturn.

The amendment which exempts the Ward Cove Co. of Alaska, affects 2,000 Alaskan cannery workers, who were primarily Filipino-Americans, Japanese-Americans, Samoan-Americans, and Alaskan Native Americans. This bill makes them the only workers in this Nation cut out of protection.

Fair is fair and this kind of lawmaking stinks.

Asian/Pacific-Americans and Alaskan Natives have been fighting this case in court for over 17 years and cannot afford to hire a lobbyist to fight their case. Wards Cove, on the other hand paid a Washington law firm $175,000 to fight for this miscarriage of justice.

Wards Cove would be exempt despite the fact that the company not only had a strictly segregated work force, but segregated sleeping quarters and dining facilities as well.

The Rules Committee last night ruled against an amendment drafted by the distinguished gentleman from Washington, JIM MCDERMOTT, to strike the provision exempting Wards Cove from the Civil Rights Act.

According to the distinguished gentleman from Massachusetts, JIM MOAKLEY, the White House has threatened to veto any amendments to the bill. This is another flagrant case where expediency has taken precedent over justice.

I am grateful to the distinguished gentleman from Washington for his sensitivity on this matter and ask my colleagues, in the name of justice, to defeat the rule and allow the amendment to stand.

I submit the following articles for my colleagues to further understand what is at stake here:

[From the Washington Post, Oct. 31, 1991]

Job Discrimination Bill Would Not Apply to Case Against Seattle-Based Cannery

(By Ruth Marcus)

There is one undoubted loser in the two-year battle to undo the Supreme Court's 1989 decision in Wards Cove Packing Co. v. Atonio: the former cannery workers who challenged Wards Cove's practices.

The Seattle-based company mounted a successful lobbying campaign to make certain that the new job discrimination law would not apply to the 17-year-old lawsuit still pending against it, in which Alaska Natives and Filipinos complain the company steered them into lower-paying jobs.

The special exception in the Senate-passed civil rights bill for Wards Cove would significantly diminish chances of success for the lawsuit, which was sent back to lower courts after the company won at the Supreme Court.

Wards Cove paid a Washington law firm nearly $175,000 in lobbying fees during the past two years, according to disclosure forms.

Alaska Sens. Frank H. Murkowski (R) and Ted Stevens (R) went to bat for the company, a substantial employer in the state, threatening to vote against the bill if it did not protect Wards Cove.

The end result was this odd provision, buried in Section 22(b) of the bill: "Notwithstanding any other provision of this Act, nothing in this Act shall apply to any disparate impact case for which a complaint was filed before March 1, 1975, and for which an initial decision was rendered after Oct. 30, 1983."

That provision, as Murkowski explained in an Oct. 15 "Dear Colleague" letter, applies only to the Wards Cove case.

That means the plaintiffs in the case would be forced to litigate it under the restrictive interpretation of the federal employment discrimination law that the Supreme Court adopted two years ago and that the Senate has now rejected.

The Alaska senators, and the company's lawyer, say that is "a matter of simple justice," as Murkowski put it on the Senate floor last year. The company, they argue, has spent $2 million defending itself against the lawsuit, and has been found not liable under the law as it existed before the Wards Cove decision as well as after it.

"It's not as if the plaintiffs have not had their day in court. They've had eight different days in court," said the company's lawyer, George J. Mannina Jr., referring to eight court rulings on the case.

"Wards Cove is an old case. It was decided after a long battle. It was many years old," Stevens said in an interview yesterday. "To have a retrial of it under the circumstances is just wrong."

But Sen. Brock Adams (D-Wash.) assailed the provision in a speech on the Senate floor yesterday as an "inside deal" that "represents special interest legislating at its worst." He said it would protect the company at the expense of its former workers rather than forcing it to "play by the same rules as every other" employer charged with discrimination.

"Unlike Wards Cove Packing Company, Frank Atonio [the lead plaintiff in the case] didn't have the money to hire a Washington, D.C., lobbyist to look out for his interests," Adams said.

In a letter to Adams, Atonio said that as a worker at Wards Cove salmon canning plant he was housed in racially segregated bunkhouses and fed in racially segregated mess halls. "I do not see how a law which was designed to overturn the Supreme Court decision in our case can exclude only our case from coverage," he said. "I would appreciate your asking the sponsors (both Republican and Democrat) how they can justify this special exemption."

Sen. Edward M. Kennedy (D-Mass.), the principal Democratic architect of the bill, fought the provision last year. But this year he accepted the provision in an effort to stave off an even broader exception.

'The administration tried to prevent all victims of discrimination with cases currently pending in the courts from obtaining the benefit of the bill," said Kennedy's spokesman, Paul Donovan. "Sen. Kennedy was able to convince them to drop this broad provision. Unfortunately, he was not able to convince them to drop it for the Wards Cove case itself."

The chief Republican sponsor, Sen. John C. Danforth (Mo.), believes the bill does not apply to other pending cases in addition to Wards Cove, said his spokesman, Steve Hilton.

Hilton said Danforth agreed to the Wards Cove exception because he viewed the case as a weak one that should not be used to test to contours of the new law.

[From the Seattle Times, Nov. 4, 1991]

Civil Rights for Some—Stealthy Amendment Sells Out Cannery Workers

Senate passage of the civil-rights bill last week was a victory for civil-rights groups. But the compromise bill is not without a disturbing flaw.

The bill will overturn five 1989 Supreme Court decisions that made it harder for workers to sue employers in job-discrimination cases. And it will permit women to sue for limited damages for intentional discrimination.

However, Senate Republicans managed to slip in a one-sentence amendment that would exempt the parties involved in Wards Cove Packing Co. v. Atonio, the very Supreme Court decision the new act is intended to overturn.

Sen. Frank Murkowski, R-Alaska, drafted the amendment to make the plaintiffs in the Wards Cove case—Filipino cannery workers in the company's Alaska plant—the only workers in the nation cut out of protection.

Fair is fair. This kind of lawmaking stinks.

Washington Sen. Brock Adams said on the Senate floor that Murkowski's one-sentence amendment "turns the Civil Rights Act of 1991 into the Wards Cove Relief Act." Democratic negotiators swallowed the deal anyway, sacrificing the interests of the cannery workers to get the package through.

Now it turns out that Murkowski's stealthy exemption was inadvertently left out of the bill on final passage out of the Senate. When the error was noticed last Thursday, Adams blocked efforts to bring the bill back for a quick revision.

In all likelihood, the Wards Cove exemption will be tacked back onto the Senate bill this week. When the bill moves to conference committee, House members should reject this egregious act of special-interest lawmaking. Wards Cove should play by the new rules like everybody else.

NORTHWEST LABOR AND EMPLOYMENT
LAW OFFICE,
Seattle, WA, October 28, 1991.

Senator BROCK ADAMS,
Hart Senate Office Building,
Washington, DC.

Re Danforth-Kennedy Civil Rights Act of 1991.

DEAR SENATOR ADAMS: I am an attorney for the plaintiffs in Wards Cove Packing Co. v. Atonio.

I am writing about §22(b) of the pending Civil Rights Act of 1991, which reads,

"Notwithstanding any other provision of this Act, nothing in this Act shall apply to any disparate impact case for which a complaint was filed before March 1, 1975 and for which an initial decision was rendered after October 30, 1983.[1]

The clear aim of this provision is to exclude Wards Cove from coverage, despite the fact the bill was designed in part to overrule the Supreme Court decision in Wards Cove.

The provision apparently has its genesis in an amendment Senator Murkowski offered to the Civil Rights Act of 1990. He wrote at the time,

"During Senate consideration of S. 2104, the Civil Rights Act of 1990, I intend to offer an amendment that will inject a much needed element of fairness into the bill.

"As presently drafted, Section 15 of S. 2104 would apply retroactively to all cases pending on June 5, 1990, regardless of the age of the case. My amendment will limit the retroactive application of S. 2104 to disparate impact cases for which a complaint was filed after March 1, 1975.

"*To the best of my knowledge, Wards Cove Packing v. Atonio is the only case that falls within this classification.*" (Emphasis added.)

For your convenience, I am attaching a copy of Senator Murkowski's July 11, 1990 letter to his colleagues.

Similarly, a question and answer sheet Senator Murkowski circulated at the time says:

Q. Why does the amendment use a March 1, 1975 date?

A. *The date is keyed to the date the final complaint was filed in the Wards Cove case.* (Emphasis added.)

For your convenience, I am attaching a copy of the question and answer sheet.

Senator Murkowski later added the words "and for which an initial decision was rendered after October 30, 1983" to the amendment to ensure only Wards Cove would be affected. The initial decision on the merits after trial in Wards Cove was filed on November 4, 1983.

Clearly, the provision operates as a piece of special legislation for Wards Cove Packing Company, a firm which apparently financed a wide-scale lobbying effort for the provision.

I have three principal concerns about this provision.

First, the provision undermines precisely the ideas of fairness and equality the civil rights bill is at least partially intended to restore. It tells people an act designed to ensure evenhanded treatment can still be bent for the benefit of special interests.

Even if the civil rights bill could accommodate special rules for individual employers, Wards Cove Packing Company would be a poor candidate for such special treatment.

The Alaska salmon canning industry has had a long history of racial discrimination. Wards Cove Packing Company itself has received some of the sharpest criticism from individual Supreme Court justices in any discrimination case in memory.

Justice Stevens, writing in dissent for four justices in the case, wrote:

"Some characteristics of the Alaska salmon industry described in this litigation—in particular, the segregation of housing and dining facilities and the stratification of jobs along racial and ethnic lines—*bear an unsettling resemblance to aspects of a plantation economy. Wards Cove Packing Co.* v. *Atonio,* 490 U.S. 644 n. 4 (1989). (Emphasis added.)

Similarly, Justice Blackmun, wrote:

"The salmon industry as described by this record *takes us back to a kind of overt and institutionalized discrimination we have not dealt with in years; a total residential and work environment organized on principles of racial stratification and segregation.* . . . This industry has long been characterized by a taste for discrimination of the old-fashioned sort: a preference for hiring nonwhites to fill its lowest-level positions, on the condition that they stay there." *Id.* at 662. (Emphasis added.)

The Court of Appeals also found Wards Cove Packing Company's practices vulnerable to challenge under Title VII, writing,

"Race labelling is pervasive at the salmon canneries, where 'Filipinos' work with the 'Iron Chink' before retiring to their 'Flip bunkhouses.'"

Atonio v. *Wards Cove Packing Co.*, 827 F.2d 439, 447 (9th Cir. 1987. And other lawsuits involving racial discrimination in the Alaska salmon industry have resulted in broad findings of liability.[1]

Placing Wards Cove Packing Company beyond the reach of the civil rights bill would be an affront to the minority workers—many from Washington—whom the Alaska salmon industry has long confined to menial and low paying jobs.

Second, *Wards Cove* is an ongoing case which ought not be decided on the basis of special legislation urged by an individual employer. An appeal in the case is currently pending before the Ninth Circuit.

When the case is finally decided, it should be decided on the same rules which apply to other cases.

The civil rights bill—including the disparate impact section—was designed to at least partially restore civil rights law to the settled condition it held for years before the Supreme Court's October 1988 term. Given the concern for continuity, an amendment which would permit a special exemption for only one case is markedly out of place.

I am told Wards Cove Packing Company based much of its lobbying effort on the fact it has spent large sums in defending the case. But these costs are being largely defrayed by insurers, whose liability for them is a matter of public record.

Third, the provision raises grave constitutional questions. Because it represents an effort by legislators to dictate the outcome of a single case by exempting the case from rules of general application, it violates the separation of powers. Because it singles out the *Wards Cove* plaintiffs for disfavored treatment without any overriding governmental interest, it is vulnerable to an equal protection challenge. And it implicates some of the concerns which underlie the prohibition against bills of attainder.

I would appreciate any efforts you can make to ensure this provision is deleted from the civil rights bill.

Thank you for your attention to this.

Yours very truly,

ABRAHAM A. ARDITI.

OCTOBER 28, 1991.

Senator BROCK ADAMS,
Hart Senate Office Building,
Washington, DC.

Re: Danforth-Kennedy Civil Rights Act of 1991.

DEAR SENATOR ADAMS: I am the Frank Atonio of Wards Cove Packing Co. v. Atonio.

I am writing out of a deep concern about a section in the Civil Rights Act of 1991 which excludes our case from coverage.

It says the Act shall not apply "to any disparate impact case for which a complaint was filed before March 1, 1975 and for which an initial decision was rendered after October 30, 1983."

I am told no other case in the country besides ours meets these criteria, so no other case in the country is excluded from coverage.

I am told this provision was added at the insistence of Senators Murkowski and Stevens, the two Senators from Alaska where Wards Cove Packing Company has its operations. I am also told Wards Cove Packing Company has done a great deal of lobbying in Washington, D.C. to get this provision.

Like other non-whites at Wards Cove Packing Company, I worked in racially segregated jobs, was housed in racially segregated bunkhouses and was fed in racially segregated messhalls. A number of us brought the case to redress the injury caused by racial discrimination. But we now see the original injury compounded by a new injury—one caused by a special exemption obviously designed to make it hard for us to redress the racial discrimination.

The Civil Rights Act of 1991 was drafted in part to overrule the Supreme Court decision in our case. It says,

"The Congress finds that—

"(2) the decision of the Supreme Court in Wards Cove Packing Company v. Atonio, 490 U.S. 624 (1989) has weakened the scope and effectiveness of Federal civil rights protections.

"The purposes of this Act are—

"(2) to codify the concepts of 'business necessity' and 'job relatedness' enunciated by the Supreme Court in Griggs v. Duke Power

---

[1] *Domingo* v. *New England Fish Co.*, 727 F.2d 1429 (9th Cir. 1984), *modified*, 742 F.2d 520 (1984); *Carpenter* v. *Nefco-Fidalgo Packing Co.*, C74-407R (W.D. Wash. May 20, 1982) (order on liability).

Co., 401 U.S. 424 (1971), and the other Supreme Court decisions prior to Wards Cove Packing Company v. Atonio, 490 U.S. 642 (1989)."

I do not see how a law which was designed to overturn the Supreme Court decision in our case can exclude only our case from coverage. I would appreciate your asking the sponsors (both Republican and Democrat) how they can justify this special exemption.

We have been fighting our case for seventeen and one half years. It was nearing a conclusion when the Supreme Court decided to use it to overturn well established law. We now see new roadblocks raised, which place a just resolution farther in the future.

Few workers in the country are as economically disadvantaged as non-white migrant, seasonal workers, a group which comprises the class in our case. Yet the special exemption in the bill will now make it harder for us than anyone else to prove discrimination against our former employer.

I would appreciate your doing everything in your power to fight this provision.

Yours truly,

FRANK (PETERS) ATONIO.

ORGANIZATION OF CHINESE AMERICANS, INC.,
Washington, DC, November 5, 1991.

DEAR SENATOR: The Organization of Chinese Americans (OCA), a national civil rights group, strongly urges you to oppose Senator Murkowski's proposed amendment to insert Section 22B into S. 1745, the Civil Rights Act of 1991. Section 22B would unfairly single out and exempt the Wards Cove Packing Company from the entire jurisdiction of the Civil Rights Act of 1991.

To the Chinese American and the Asian Pacific Islander community, overturning the 1989 Supreme Court decision on the Wards Cove Packing Company vs. Atonio case is of the utmost concern. The Ward Cove Packing Company vs. Atonio case directly impacts the Asian Pacific Islander community as the plaintiffs in the case are over 2,000 former and present cannery workers, primarily of Chinese, Filipino, Samoan, and Alaskan Native descent, who have been seeking job discrimination restitution for the past 12 years.

OCA opposes the proposed amendment to S. 1745, to insert Section 22B which results in the contradiction of enacting a civil rights bill which aims to protect the employment rights of all Americans. It is highly ironic that the very Supreme Court case, Wards Cove Packing Company vs. Atonio, that in part gave rise to the Civil Rights Act of 1991, is now being excluded from protection of the legislation. Passage of Section 22B would be an affront to Asian Pacific Islanders and minority workers in denying them equality and fairness accorded to all Americans.

OCA strongly urges you to oppose the insertion of Section 22B into the Civil Rights Act of 1991. Thank you very much for your consideration.

Sincerely,

DAPHNE KWOK,
Executive Director.

Mr. BROOKS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MFUME). Pursuant to the rule, the previous question is ordered.

The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the Senate bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HYDE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 381, nays 38, not voting 13, as follows:

[Roll No. 386]

YEAS—381

Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Ballenger
Barnard
Barrett
Barton
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Boehlert
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Burton
Bustamante
Byron
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Gordon
Goss
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hefner
Henry
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Nussle
Oakar
Obey
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Sabo
Sanders
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Serrano
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weber
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zimmer

NAYS—38

Abercrombie
Allard
Archer
Armey
Baker
Bateman
Bliley
Boehner
Callahan
Combest
Crane
DeLay
Dickinson
Doolittle
Fields
Gonzalez
Hammerschmidt
Hancock
Hefley
Herger
Holloway
Inhofe
Lipinski
Livingston
Marlenee
McEwen
Mink
Nichols
Oxley
Roberts
Rohrabacher
Russo
Sensenbrenner
Shuster
Stearns
Stump
Vander Jagt
Zeliff

NOT VOTING—13

Anthony
Boxer
Bunning
Dannemeyer
Gradison
Hayes (LA)
Hopkins
Levine (CA)
Oberstar
Olin
Sangmeister
Smith (FL)
Weiss

□ 1625

Mr. BURTON of Indiana and Mr. SCHAEFER changed their vote from "nay" to "yea."

So the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1745, the Senate bill just passed.

The SPEAKER pro tempore (Mr. MFUME). Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mr. FOGLIETTA. Mr. Speaker, I wanted to state for the RECORD the reason for which I voted against the rule for the consideration of the compromise civil rights bill. I fully support the need for a comprehensive civil rights bill. I wish the bill that we adopted as a compromise went further to protect the rights of all persons. I was troubled that this bill treated women as second-class citizens and that women did not have the opportunity to address these issues on the floor. Thus, I opposed the rule.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, during rollcall vote numbered 386, I was unavoidably absent from the House floor. Had I been present I would have voted "no" on rollcall No. 386, the quota bill.

PERSONAL EXPLANATION

Mr. ANTHONY. Mr. Speaker, I returned to my district to attend the funeral of a close family friend. Because of my sudden departure, I was unable to vote on S. 1745, the Civil Rights Act. If I had been present, I would have voted for final passage of this bill.

Since the early 1960's, there has been a long precise legislative history of civil rights. S. 1745 holds true to those ideals, and I feel confident this bill will restore and strengthen civil rights laws, but not with the risk of increased employment litigation and quota systems.

LEGISLATIVE PROGRAM

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I ask for this time for the purposes of ascertaining the schedule for the upcoming week from the distinguished majority whip.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, there will be no more votes this week.

The program for the House of Representatives for the week of November 11, is as follows:

Monday is a holiday, Veterans' Day. The House is not in session.

Tuesday, November 12, the House will meet at noon. We have 10 suspensions. Recorded votes on suspensions will be postponed until after the debate on all suspensions. They are as follows:

H.R. 3049, judicial naturalization amendments of 1991;

H.R. 2626, to eliminate from the District of Columbia Code obsolete reports to Congress;

H.R. 3709, to waive the period of congressional review for certain District of Columbia acts;

H.R. 2270, Senior Executive Service Improvements Act;

H.R. 2109. Revere Beach Study Act of 1991;

H.R. 2859, city of Lynn historical and cultural resources study of 1991;

H.R. 2444, to revise and boundaries of the George Washington Birthplace National Monument;

H.R. 2556, Los Padres Condor Range and River Protection Act;

H.R. 3508, health professions education amendments; and

House Concurrent Resolution 161, sense of Congress that people should observe 100th anniversary of moviemaking.

□ 1630

H.R. 932, Aroostook Bank of MICMACS Indian Settlement Act is an open rule and will be considered after the suspensions.

Votes are anticipated by 1:30 on Tuesday next.

Then on Wednesday, the 13th of November, and Thursday, the 14th of November, the House will meet at 10 a.m. The House will recess immediately and reconvene at 11 a.m. on Thursday to receive His Excellency Carlos Saul Menem, President of the Republic of Argentina, in a joint meeting. Following the joint meeting, the House will reconvene for legislative business.

On those 2 days we will do the following bills;

The unemployment compensation amendments.

H.R. 2094, the FDIC Improvement Act, that is the Banking Act, as amended, if amendment in the Rules Committee.

H.R. 2100, defense authorization for fiscal year 1992 conference report. That is 1 hour of debate.

H.R. 2, Family and Medical Leave Act of 1991, which we do anticipate doing next weeks, subject to a rule as well.

H.R. 2837, Milk Inventory Management Act of 1991. That is the dairy bill, subject to a rule.

H.R. 2929, California Desert Protection Act of 1991, again subject to a rule.

H.R. 3595, Medicaid moratorium amendments of 1991, subject to a rule.

H.R. 2130, National Oceanic and Atmospheric Administration Authorization Act of 1991, subject to a rule.

On Friday, the 15th of November, the House meets at 10 a.m., no legislative business.

Mr. WALKER. It is my understanding, Mr. Speaker, that on Tuesday we would swear in new members. Traditionally when we have done that we have had a Journal vote prior to the swearing in of new Members. Is that something which Members can anticipate on Tuesday?

Mr. BONIOR. I have just been informed, it has not been confirmed that he will be here on Tuesday.

Mr. WALKER. We have two Members who would be sworn in, so it does not appear that would take place on Tuesday, is that what the gentleman is saying?

Mr. BONIOR. I do not know the answer to the gentleman's question, but I would assume that we would want as many Members here as possible.

The tentative schedule is to do the suspensions and then have votes after the suspensions. Maybe we can have discussions on how best to facilitate Members greeting the new Members who arrive here.

I understand the gentleman's concern and I think it is legitimate.

Mr. WALKER. I just think we need to tell Members up front if there is likely to be that vote earlier that was expected because of the Suspension bills.

Mr. BONIOR. The whip call is one option, I have been advised by staff. That is one option for getting people here, but we can further discuss that. I think it is a legitimate concern the gentleman raises.

Mr. WALKER. Well, Mr. Speaker, I thank the gentleman.

We would proceed with votes immediately after the suspensions, rather than waiting until after the Micmacs Indian bill has been disposed with?

Mr. BONIOR. I would think so, yes.

Mr. WALKER. A couple of the bills here that are listed for Wednesday and Thursday of next week I know to be moving targets at the moment. Do we have some of that firmed up?

I know for example I am involved in negotiations on the National Oceanic and Atmospheric Administration. That still appears to be a moving target. Are there others there that are somewhat of a problem in that regard?

Mr. BONIOR. How would the gentleman define moving targets?

Mr. WALKER. Well, we do not have specific language and we are awaiting certain arrangements to be made before we know whether or not we can move the bills to the floor.

Mr. BONIOR. I would say there are others that are in that category.

Mr. WALKER. And the gentleman does not wish to specify, I gather?

Mr. BONIOR. Well, I think everybody has a sense of what we are talking about.

I think the California Desert Protection Act is ready to go.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent to vacate the special order that I requested for Tuesday, November 19, 1991, and that the gentleman from Indiana [Mr. ROEMER] be recognized for a special order in my place.

The SPEAKER pro tempore (Mr. MFUME). Is there objection to the request of the gentleman from New York?

There was no objection.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT, FISCAL YEAR 1992

Mr. BROWN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1988) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control, and data communications, construction of facilities, research and program management, and inspector general, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the House amendment to the Senate amendment, as follows:

House amendment to the Senate amendment: In lieu of the matter proposed to be inserted by the Senate, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, Fiscal Year 1992".

SEC. 2. FINDINGS.

Congress finds that—

(1) the report of the Advisory Committee on the Future of the United States Space Program has provided a framework within which a consensus on the goals of the space program can be developed;

(2) a balanced civil space science program should be funded at a level of at least 20 percent of the aggregate amount in the budget of the National Aeronautics and Space Administration for "Research and development" and "Space flight, control, and data communications";

(3) development of an adequate data base for life sciences in space will be greatly enhanced through closer scientific cooperation with the Soviet Union, including active use of manned Soviet space stations;

(4) the space program can make substantial contributions to health-related research and should be an integral part of the Nation's health research and development program;

(5) Landsat data and the continuation of the Landsat system beyond Landsat 6 are essential to the Mission to Planet Earth and other long-term environmental research programs;

(6) increased use of defense-related remote sensing data and data technology by civilian agencies and the scientific community can benefit national environmental study and monitoring programs;

(7) the generation of trained scientists and engineers through educational initiatives and academic research programs outside of the National Aeronautics and Space Administration is essential to the future of the United States civil space program;

(8) the strengthening and expansion of the Nation's space transportation infrastructure, including the enhancement of launch sites and launch site support facilities, are essential to support the full range of the Nation's space-related activities;

(9) the aeronautical program contributes to the Nation's technological competitive advantage, and it has been a key factor in maintaining preeminence in aviation over many decades; and

(10) the National Aero Space Plane program can have benefits to the military and civilian aviation programs from the new and innovative technologies developed in propulsion systems, aerodynamics, and control systems that could be enormous, especially for high-speed aeronautical and space flight.

SEC. 3. POLICY.

It is the policy of the United States that—

(1) the Administrator of the National Aeronautics and Space Administration (hereinafter referred to as the "Administrator"), in planning for national programs in environmental study and human space flight and exploration, should ensure the resiliency of the space infrastructure;

(2) a stable and balanced program of civil space science should be planned to minimize future year funding requirements in order to accommodate a steady stream of new initiatives;

(3) any new launch system undertaken or jointly undertaken by the National Aeronautics and Space Administration should be based on defined mission and program requirements or national policies established by Congress;

(4) in fulfilling the mission of the National Aeronautics and Space Administration to improve the usefulness, performance, speed, safety, and efficiency of space vehicles, the Administrator should establish a program of research and development to enhance the competitiveness and cost effectiveness of commercial expendable launch vehicles; and

(5) the National Aeronautics and Space Administration should promote and support efforts to advance scientific understanding by conducting or otherwise providing for research on environmental problems, including global change, ozone depletion, acid precipitation, deforestation, and smog.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS FOR NASA.

(a) RESEARCH AND DEVELOPMENT.—There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Research and development", for the following programs:

(1) United States International Space Station Freedom, $2,028,900,000 for fiscal year 1992, of which $18,000,000 is authorized for the design and development of an Assured Crew Return Vehicle.

(2) Space transportation capability development, $679,800,000, of which $40,000,000 is authorized for the propulsion technology development, and $10,000,000 is authorized for launch vehicle design studies, including single-stage-to-orbit vehicles.

(3) Physics and astronomy, $1,104,600,000, of which $3,000,000 is authorized for carrying out scientific programs which have otherwise been eliminated from the Space Station.

(4) Life sciences, $163,900,000.

(5) Planetary exploration, $299,300,000.

(6) Earth science and applications, $756,600,000, of which—

(A) $5,000,000 is authorized for the purchase of Landsat data at cost for global change research;

(B) $5,000,000 is authorized for the purchase of long-lead parts for a follow-on to Landsat 6;

(C) $1,000,000 is authorized for remote sensing data conversion;

(D) $3,000,000 is authorized for a pilot study and prototype demonstration to convert remotely-sensed aircraft and satellite data into machine readable form for global change research; and

(E) $2,000,000 is authorized for converting Landsat data collected prior to the date of enactment of this Act into a more durable archive medium.

(7) Materials Processing in space, $120,800,000.

(8) Communications, $39,400,000.

(9) Information systems, $42,000,000.

(10) Technology utilization, $32,000,000.

(11) Commercial use of space, $107,000,000.

(12) Aeronautical research and technology, $591,200,000.

(13) Transatmospheric research and technology, $72,000,000.

(14) Space research and technology, $324,800,000, of which $10,000,000 is authorized for a solar dynamics power research and technology development program, including a ground test of the technology, and $10,000,000 for a program of component technology development, validation, and demonstration directed at commercial launch competitiveness.

(15) Exploration activities, $34,500,000.

(16) Safety, reliability, and quality assurance, $33,600,000.

(17) Tracking and data advanced systems, $22,000,000.,

(18) Academic programs, $64,600,000.

(b) SPACE FLIGHT, CONTROL, AND DATA COMMUNICATIONS.—There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Space flight, control, and data communication", for the following programs:

(1) Space shuttle production and operational capability, $1,328,900,000, of which $375,000,000 is authorized for the Advanced Solid Rocket Motor program.

(2) Space shuttle operations, $2,970,600,000.

(3) Launch services, $291,900,000, amounts of which may be expended for the mobile Satellite launch if—

(A) the Administrator, in consultation with the Chairman of the Federal Communications Commission, determines that uncertainties with respect to the status of the American Mobile Satellite Corporation as the sole Federal Communications Commission license holder for mobile satellite services have been resolved; and

(B) at least 30 days prior to the obligation of any funds for the Mobile Satellite launch, the Administrator submits to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a report detailing plans for reimbursement to the National Aeronautics and Space Administration for its portion of launch costs of the Mobile Satellite.

(4) Space and ground network, communications, and data systems, $920,900,000.

(c) CONSTRUCTION OF FACILITIES.—There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Construction of facilities", including land acquisition, as follows:

(1) Construction of Space Station Processing Facility, Kennedy Space Center, $35,000,000.

(2) Modification for Earthquake Protection, Downey/Palmdale, California, Johnson Space Center, $4,400,000.

(3) Modifications for Safe Haven, Vehicle Assembly Building, High-Bay 2, Kennedy Space Center, $7,500,000.

(4) Rehabilitation of Crawlerway, Kennedy Space Center, $3,000,000.

(5) Restoration of Shuttle Landing Facility Shoulders, Kennedy Space Center, $4,000,000.

(6) Restoration of the High Pressure Gas Facility, Stennis Space Center, $6,500,000.

(7) Construction of Addition for Flight Training and Operations, Johnson Space Center, $13,000,000.

(8) Construction of Advanced Solid Rocket Motor Program Facilities (various locations), $100,000,000.

(9) Modernization of Industrial Area Chilled Water System, Kennedy Space Center, $4,000,000.

(10) Rehabilitation and Expansion of Communications Duct Banks, Kennedy Space Center, $1,400,000.

(11) Replacement of 15 KV Load Break Switches, Kennedy Space Center, $1,300,000.

(12) Repair of Site Water System, White Sands Test Facility, $1,300,000.

(13) Replacement of Central Plant Chillers and Boiler, Johnson Space Center, $5,700,000.

(14) Modification to X-Ray Calibration Facility (XRCF), Marshall Space Flight Center, $5,200,000.

(15) Restoration and Modernization of High Voltage Distribution System, Goddard Space Flight Center, 7,000,000.

(16) Construction of Earth Observing System Data Information System Facility, Goddard Space Flight Center, $17,000,000.

(17) Modernization of Main Electrical Substation, Jet Propulsion Laboratory, $5,500,000.

(18) Restoration of Utilities, Wallops Flight Facility, $3,500,000

(19) Repair and Modernization of the 12-foot Pressure Wind Tunnel, Ames Research Center, $25,000,000.

(20) Upgrade of Outdoor Aerodynamic Research Facility, Ames Research Center, $3,300,000.

(21) Modernization of 16-foot Transonic Tunnel, Langley Research Center, $3,400,000

(22) Modifications to the High Pressure Air System, Langley Research Center, $11,700,000.

(23) Rehabilitation of Central Air System, Lewis Research Center, $5,600,000.

(24) Rehabilitation of Icing Research Tunnel, Lewis Research Center, $2,600,000.

(25) Construction of Data Interface Facility, White Sands Test Facility, $4,000,000.

(26) Rehabilitation of Tracking and Data Relay Satellite System (TDRSS) Ground Terminal, White Sands Test Facility, $5,700,000.

(27) Repair of facilities at various locations, not in excess of $1,000,000 per project, $31,700,000.

(28) Rehabilitation and modification of facilities at various locations, not in excess of $1,000,000 per project, $34,800,000.

(29) Minor construction of new facilities and additions to existing facilities at various locations, not in excess of $750,000 per project, $12,900,000.

(30) Environmental compliance and restoration, $36,000,000.

(31) Facility planning and design, not otherwise provided for, $34,000,000.

Notwithstanding the amounts authorized in paragraphs (1) through (31), the total amount authorized by this subsection shall not exceed $430,300,000.

(d) RESEARCH AND PROGRAM MANAGEMENT.—There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Research and program management", $2,422,300,000.

(e) INSPECTOR GENERAL.—There is authorized to be appropriated to the National Aeronautics and Space Administration to become available October 1, 1991, for "Inspector General", $14,600,000.

(f) USE OF FUNDS FOR CERTAIN CAPITAL ITEMS AND GRANTS.—(1) Notwithstanding the provisions of subsection (i), appropriations authorized in this Act for "Research and development" and "Space flight, control, and data communications" may be used—

(A) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the National Aeronautics and Space Administration for the performance of research and development contracts; and

(B) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities.

(2) Title to facilities described in paragraph (1)(B) shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in the grantee institution or organization. Each grant under paragraph (1)(B) shall be made under such conditions as the Administrator shall determine to be required to ensure that the United States will receive therefrom benefit adequate to justify the making of that grant.

(3) None of the funds appropriated for "Research and development" and "Space flight, control, and data communications" pursuant to this Act may be used in accordance with this subsection for the construction of any facility, the estimated cost of which, including collateral equipment, exceeds $750,000, unless the Administrator has notified the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives of the nature, location, and estimated cost of such facility.

(g) AVAILABILITY OF APPROPRIATED AMOUNTS.—Appropriations authorized under this section for "Research and development", for "Space flight, control, and data communications", or for "Construction of facilities" may remain available until expended. Appropriations authorized under this section for "Research and program management" for maintenance and operation of facilities and for other services shall remain available through the next fiscal year following the fiscal year for which such amount is appropriated.

(h) USE OF FUNDS FOR SCIENTIFIC CONSULTATIONS AND EXTRAORDINARY EXPENSES.—Appropriations made pursuant to subsection (d) may be used, but not to exceed $35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator, and the Administrator's determination shall be final and conclusive upon the accounting officers of the Government.

(i) USE OF FUNDS FOR FACILITIES.—(1) Except as provided in subsection (f), funds appropriated pursuant to subsections (a), (b), and (d) may be used for the construction of new facilities and additions to, repair of, rehabilitation of, or modification of existing facilities, but only if the cost of each such project, including collateral equipment, does not exceed $200,000.

(2) Except as provided in subsection (f), funds appropriated pursuant to subsections (a) and (b) may be used for unforeseen programmatic facility project needs, but only if the cost of each such project, including collateral equipment, does not exceed $750,000.

(3) Funds appropriated pursuant to subsection (d) may be used for repair, rehabilitation, or modification of facilities controlled by the General Services Administration, but only if the cost of each project, including collateral equipment, does not exceed $500,000.

(j) CRAF/CASSINI MISSION.—Section 103(a)(1)(S) of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1991 (Public Law 101-611; 104 Stat. 3192), is amended—

(1) by striking "$1,600,000,000" and inserting in lieu thereof "$1,900,000,000";

(2) in clause (i), by striking the semicolon at the end and inserting in lieu thereof ", of which not more than $263,000,000 shall be available for fiscal year 1992; and

(3) in clause (iii), by striking "$640,000,000" and inserting in lieu thereof "$940,000,000".

(k) TOTAL AUTHORIZATIONS FOR FISCAL YEARS 1993 AND 1994.—There is authorized to be appropriated to the National Aeronautics and Space Administration for "Research and development", "Space flight, control, and data communications", "Construction of facilities", "Research and program management", and "Inspector General" a total amount of $15,601,000,000 for fiscal year 1993, and $16,959,000,000, for fiscal year 1994, to remain available until expended.

(l) REPROGRAMMING FOR TRANSATMOSPHERIC RESEARCH AND TECHNOLOGY.—The Administrator may reprogram up to $67,000,000 of the amount authorized for "Research and development" for fiscal year 1992 to use for the purposes described in subsection (a)(3). No such funds may be obligated until a period of 30 days has passed after the Administrator has notified the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Sciences, Space, and Technology of the House of Representatives of such transfer.

SEC. 5. CONSTRUCTION OF FACILITIES REPROGRAMMING.

Appropriations authorized under section 4(c)(1) through (31)—

(1) in the discretion of the Administrator or the Administrator's designee, may be varied upward by 10 percent; or

(2) following a report by the Administrator or the Administrator's designee to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on the circumstances of such action, may be varied upward by 25 percent, to meet unusual cost variations.

The total amount authorized to be appropriated under section 4(c)(1) through (31) shall not be increased as a result of actions authorized under paragraphs (1) and (2).

SEC. 6. SPECIAL REPROGRAMMING AUTHORITY FOR CONSTRUCTION OF FACILITIES.

Where the Administrator determines that new developments or scientific or engineering changes in the national program of aeronautical and space activities have occurred; and that such changes require the use of additional funds for the purposes of construction, expansion, or modification of facilities at any location; and that deferral of such action until the enactment of the next authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities; the Administrator may transfer not to exceed one-half of 1 percent of the funds appropriated pursuant to section 4(a) and (b) to the "Construction of facilities" appropriation for such purposes the Administrator may also use up to $10,000,000 of the amounts authorized under section 4(c) for such purposes. The funds so made available pursuant to this section may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No such funds may be obligated until a period of 30 days has passed after the Administrator or the Administrator's designee has transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives a written report describing the nature of the construction, its cost, and the reasons therefor.

SEC. 7. CONSIDERATION BY COMMITTEES.

Notwithstanding any other provision of this Act—

(1) no amount appropriated pursuant to this Act may be used for any program deleted by Congress from requests as originally made to either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Science, Space, and Technology of the House of Representatives;

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by section 4(a), (b), and (d); and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to either such committee,

unless a period of 30 days has passed after the receipt, by each such committee, of notice given by the Administrator or the Administrator's designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action. The National Aeronautics and Space Administration shall keep the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives fully and currently informed with respect to all activities and responsibilities within the jurisdiction of those committees. Any Federal department, agency, or independent establishment shall furnish any information requested by either committee relating to any such activity or responsibility.

SEC. 8. FACILITY MAINTENANCE OFFICE.

The Administrator shall create a Facility Maintenance Office within the Office of Management Systems and Facilities which shall plan and direct facilities maintenance management for all National Aeronautics and Space Administration sites.

SEC. 9. GEOGRAPHICAL DISTRIBUTION.

It is the sense of Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

SEC. 10. PEACEFUL USES OF SPACE STATION.

No civil space station authorized under section 4(a)(1) of this Act may be used to carry or place in orbit any nuclear weapon or any other weapon of mass destruction, to install any such weapon on any celestial body, or to station any such weapon in space in any other manner. This civil space station may be used only for peaceful purposes.

SEC. 11. TRANSMISSION OF BUDGET ESTIMATES.

The Administrator shall, at the time of submission of the President's annual budget, transmit to Congress—

(1) a 5-year budget detailing the estimated development costs for each individual program under the jurisdiction of the National Aeronautics and Space Administration for which development costs are expected to exceed $200,000,000; and

(2) an estimate of the life-cycle costs associated with each such program.

SEC. 12. NATIONAL SCHOLARS PROGRAM FEASIBILITY STUDY.

(A) STUDY.—The Administrator shall conduct a study to evaluate the feasibility of initiating a National Scholars Program, as described under subsection (b), under which a select group of students would receive Federal support for education in mathematics, science, and related disciplines. The purpose of the National Scholars Program would be to help increase the number of Ph.D. recipients in mathematics, science, and related disciplines among the Nation's economically disadvantaged.

(b) DESCRIPTION OF NATIONAL SCHOLARS PROGRAM.—Under the National Scholars Program referred to in subsection (a), the Administrator would—

(1) select economically disadvantaged high school students for participation in science programs supported by the National Aeronautics and Space Administration or other institutions where they would receive specialized instruction in mathematics and science and would learn about practical applications of mathematics and science in the programs and activities of the National Aeronautics and Space Administration; and

(2) select economically disadvantaged undergraduate and graduate students as recipients of Federal financial support for predoctoral and doctoral studies in mathematics, science, and related disciplines.

(c) CONTENTS OF STUDY.—The study required by subsection (a) shall address, among other matters—

(1) whether the National Aeronautics and Space Administration could adequately implement the National Scholars Program;

(2) different options for structuring the National Scholars Program, including its establishment as a pilot program;

(3) the cost of the Program, with annual cost estimates for the first 10 years of the Program;

(4) alternative funding sources for the Program;

(5) the criteria for selecting students for participation in the Program;

(6) the appropriate number of students for annual participation in the Program;

(7) the organizational location within the National Aeronautics and Space Administration at which the Program and its activities would be administered;

(8) the management of the Program;

(9) the possible ways in which the Program or its concepts can be extended to other Federal agencies, State agencies, educational institutions, and private organizations;

(10) the existence of any current public or private sector programs which are similar to the Program, the benefits and disadvantages of those similar programs, and whether a new program would unnecessarily duplicate current efforts; and

(11) the extent to which existing Federal, State, and other science education programs and activities could be used to complement or supplement the Program.

(d) REPORT.—Within 6 months after the date of enactment of this Act, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House or Representatives a report on the results of the study required by subsection (a).

SEC. 13. COMMERCIAL SPACE LAUNCH ACT AUTHORIZATION.

Section 24 of the Commercial Space Launch Act (49 App. U.S.C. 2623) is amended to read as follows:

"AUTHORIZED APPROPRIATIONS

"SEC. 24. There is authorized to be appropriated to the Secretary for fiscal year 1992—

"(1) $5,104,000 to carry out this Act; and

"(2) $20,000,000 for a program to ensure the resiliency of the Nation's space launch infrastructure, only if a statute is enacted into law to establish that program within the Department of Transportation.".

SEC. 14. NATIONAL SPACE COUNCIL AUTHORIZATION.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the activities of the National Space Council established by section 501 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989 (42 U.S.C. 2471), $1,491,000 for fiscal year 1992, of which not more than $1,000 shall be available for official reception and representation expenses. The National Space Council shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

(b) LANDSAT DATA CONTINUITY.—It is the sense of Congress that the National Space Council, in coordination with the Committee on Earth and Environmental Sciences, should establish policy recommendations for carrying out the President's commitment to maintaining the continuity of Landsat data, including plans and programs for a successor to Landsat 6, organizational options and recommendations for acquiring Landsat data for global change research, national security, environmental management, and other governmental purposes, and options and recommendations for encouraging the use of Landsat data by commercial firms and development of the commercial market for such data. Such policy recommendations shall be transmitted in writing to Congress at the time of submission of the President's fiscal year 1993 budget.

SEC. 15. OFFICE OF SPACE COMMERCE AUTHORIZATION.

There are authorized to be appropriated to the Secretary of Commerce for the Office of Space Commerce $491,000 for fiscal year 1992.

SEC. 16. AMENDMENT OF PUBLIC LAW 100-147.

Section 107(a) of the National Aeronautics and Space Administration Authorization Act of 1988 (Public Law 100-147; 101 Stat. 864) is amended—

(1) by inserting ", in both then year and constant dollars," immediately after "estimated cost";

(2) by inserting "assembly (including related costs);" immediately after "construction of facilities;"; and

(3) by adding at the end the following new sentence: "Each such plan shall also include the estimated cost, in both then year and constant dollars, of operations for at least the first full year of steady operations of the space station.".

SEC. 17. MULTIYEAR CONTRACTING.

Along with submission to Congress of the National Aeronautics and Space Administration fiscal year 1993 budget request, the Administrator shall—

(1) present a study which assesses the usefulness of granting similar authority as under section 2306(h) of title 10, United States Code, to the National Aeronautics and Space Administration; and

(2) recommend no less than five candidate programs to be considered by Congress for multiyear contracting.

SEC. 18. USE OF DOMESTIC PRODUCTS.

(a) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—(1) A person shall not intentionally affix a label bearing the inscription "Made in America", or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) A person who violates paragraph (1) shall not be eligible for any contract for a

procurement carried out with amounts authorized under this Act, including any subcontract under such a contract.

(b) COMPLIANCE WITH BUY AMERICAN ACT.—(1) Except as provided in paragraph (2), the head of each agency which conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c, popularly known as the "Buy American Act").

(2) This subsection shall apply only to procurements made for which—

(A) amounts are authorized by this Act to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(3) The Administrator, before January 1, 1994, shall report to the Congress on procurements covered under this subsection of products that are not domestic products.

(c) DEFINITIONS.—For the purposes of this section, the term "domestic product" means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

SEC. 19. QUALITY ASSURANCE PERSONNEL.

(a) EXCLUSION OF NASA PERSONNEL.—A person providing articles to the National Aeronautics and Space Administration under a contract entered into after the date of enactment of this Act may not exclude National Aeronautics and Space Administration quality assurance personnel from work sites except as provided in a contract provision described in subsection (b).

(b) CONTRACT PROVISIONS.—The National Aeronautics and Space Administration shall not enter into any contract which permits the exclusion of National Aeronautics and Space Administration quality assurance personnel from work sites unless the Administrator has submitted a copy of the provision permitting such exclusion to the Congress at least 60 days before entering into such contract.

SEC. 20. NATIONAL AERONAUTICS AND SPACE ADMINISTRATION ENDEAVOR TEACHER FELLOWSHIP TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States, in tribute to the dedicated crew of the Space Shuttle Challenger, a trust fund to be known as the "National Aeronautics and Space Administration Endeavor Teacher Fellowship Trust Fund" (hereafter in this section referred to as the "Trust Fund"). The Trust Fund shall consist of gifts and donations accepted by the National Aeronautics and Space Administration pursuant to section 208 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2476b), as well as other amounts which may from time to time, at the discretion of the Administrator, be transferred from the National Aeronautics and Space Administration Gifts and Donations Trust Fund.

(b) INVESTMENT OF TRUST FUND.—The Administrator shall direct the Secretary of the Treasury to invest and reinvest funds in the Trust Fund in public debt securities with maturities suitable for the needs of the Trust Fund, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities. Interest earned shall be credited to the Trust Fund.

(c) PURPOSE.—Income accruing from the Trust Fund principal shall be used to create the National Aeronautics and Space Administration Endeavor Teacher Fellowship Program, to the extent provided in advance in appropriation Acts. The Administrator is authorized to use such funds to award fellowships to selected United States nationals who are undergraduate students pursuing a course of study leading to certified teaching degrees in elementary education or in secondary education in mathematics, science, or technology disciplines. Awards shall be made pursuant to standards established for the fellowship program by the Administrator.

SEC. 21. DRUG AND ALCOHOL TESTING.

(a) SHORT TITLE.—This section may be cited as the "Civil Space Employee Testing Act of 1991".

(b) FINDINGS.—The Congress finds that—

(1) alcohol abuse and illegal drug use pose significant dangers to the safety and welfare of the Nation;

(2) the success of the United States civil space program is contingent upon the safe and successful development and deployment of the many varied components of that program;

(3) the greatest efforts must be expended to eliminate the abuse of alcohol and use of illegal drugs, whether on duty or off duty, by those individuals who are involved in the positions affecting safety, security, and national security;

(4) the use of alcohol and illegal drugs has been demonstrated to adversely affect the performance of individuals, and has been proven to have been a critical factor in accidents in the workplace;

(5) the testing of uniformed personnel of the Armed Forces has shown that the most effective deterrent to abuse of alcohol and use of illegal drugs is increased testing, including random testing;

(6) adequate safeguards can be implemented to ensure that testing for abuse of alcohol or use of illegal drugs is performed in a manner which protects an individual's right of privacy, ensures that no individual is harassed by being treated differently from other individuals, and ensures that no individual's reputation or career development is unduly threatened or harmed; and

(7) rehabilitation is a critical component of any testing program for abuse of alcohol or use of illegal drugs, and should be made available to individuals, as appropriate.

(c) TESTING PROGRAM.—(1) The Administrator shall establish a program applicable to employees of the National Aeronautics and Space Administration whose duties include responsibility for safety-sensitive, security, or national security functions. Such program shall provide for preemployment, reasonable suspicion, random, and post-accident testing for use, in violation of applicable law or Federal regulation, of alcohol or a controlled substance. The Administrator may also prescribe regulations, as the Administrator considers appropriate in the interest of safety, security, and national security, for the conduct of periodic recurring testing of such employees for such use in violation of applicable law or Federal regulation.

(2) The Administrator shall, in the interest of safety, security, and national security, prescribe regulations within 18 months after the date of enactment of this Act. Such regulations shall establish a program which requires National Aeronautics and Space Administration contractors to conduct preemployment, reasonable suspicion, random, and post-accident testing of contractor employees responsible for safety-sensitive, security, or national security functions (as determined by the Administrator) for use, in violation of applicable law or Federal regulation, of alcohol or a controlled substance. The Administrator may also prescribe regulations, as the Administrator considers appropriate in the interest of safety, security, and national security, for the conduct of periodic recurring testing of such employees for such use in violation of applicable law or Federal regulation.

(3) In prescribing regulations under the programs required by this subsection, the Administrator shall require, as the Administrator considers appropriate, the suspension, disqualification, or dismissal of any employee to which paragraph (1) or (2) applies, in accordance with the provisions of this section, in any instance where a test conducted and confirmed under this section indicates that such employee has used, in violation of applicable law or Federal regulation, alcohol or a controlled substance.

(d) PROHIBITION ON SERVICE.—(1) No individual who is determined by the Administrator under this section to have used, in violation of applicable law or Federal regulation, alcohol or a controlled substance after the date of enactment of this Act shall serve as a National Aeronautics and Space Administration employee with responsibility for safety-sensitive, security, or national security functions (as determined by the Administrator), or as a National Aeronautics and Space Administration contractor employee with such responsibility, unless such individual has completed a program of rehabilitation described in subsection (e).

(2) Any such individual determined by the Administrator under this section to have used, in violation of applicable law or Federal regulation, alcohol or a controlled substance after the date of enactment of this Act who—

(A) engaged in such use while on duty;

(B) prior to such use had undertaken or completed a rehabilitation program described in subsection (e);

(C) following such determination refuses to undertake such a rehabilitation program; or

(D) following such determination fails to complete such a rehabilitation program,

shall not be permitted to perform the duties which such individual performed prior to the date of such determination.

(e) PROGRAM FOR REHABILITATION.—(1) The Administrator shall prescribe regulations setting forth requirements for rehabilitation programs which at a minimum provide for the identification and opportunity for treatment of employees referred to in subsection (c) in need of assistance in resolving problems with the use, in violation of applicable law or Federal regulation, of alcohol or a controlled substance. Each contractor is encouraged to make such a program available to all of its employees in addition to those employees referred to in subsection (c)(2). The Administrator shall determine the circumstances under which such employees shall be required to participate in such a program. Nothing in this subsection shall preclude any National Aeronautics and Space Administration contractor from establishing a program under this subsection in cooperation with any other such contractor.

(2) The Administrator shall establish and maintain a rehabilitation program which at a minimum provides for the identification and opportunity for treatment of those employees of the National Aeronautics and Space Administration whose duties include responsibility for safety-sensitive, security, or national security functions who are in

need of assistance in resolving problems with the use of alcohol or controlled substances.

(f) PROCEDURES FOR TESTING.—In establishing the programs required under subsection (c), the Administrator shall develop requirements which shall—

(1) promote, to the maximum extent practicable, individual privacy in the collection of specimen samples;

(2) with respect to laboratories and testing procedures for controlled substances, incorporate the Department of Health and Human Services scientific and technical guidelines dated April 11, 1988, and any subsequent amendments thereto, including mandatory guidelines which—

(A) establish comprehensive standards for all aspects of laboratory controlled substances testing and laboratory procedures to be applied in carrying out this section, including standards which require the use of the best available technology for ensuring the full reliability and accuracy of controlled substances tests and strict procedures governing the chain of custody of specimen samples collected for controlled substances testing;

(B) establish the minimum list of controlled substances for which individuals may be tested; and

(C) establish appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform controlled substances testing in carrying out this section;

(3) require that all laboratories involved in the controlled substances testing of any individual under this section shall have the capability and facility, at such laboratory, of performing screening and confirmation tests;

(4) provide that all tests which indicate the use, in violation of applicable law or Federal regulation, of alcohol or a controlled substance by any individual shall be confirmed by a scientifically recognized method of testing capable of providing quantitative data regarding alcohol or a controlled substance;

(5) provide that each specimen sample be subdivided, secured, and labelled in the presence of the tested individual and that a portion thereof be retained in a secure manner to prevent the possibility of tampering, so that in the event the individual's confirmation test results are positive the individual has an opportunity to have the retained portion assayed by a confirmation test done independently at a second certified laboratory if the individual requests the independent test within 3 days after being advised of the results of the initial confirmation test;

(6) ensure appropriate safeguards for testing to detect and quantify alcohol in breath and body fluid samples, including urine and blood, through the development of regulations as may be necessary and in consultation with the Department of Health and Human Services;

(7) provide for the confidentiality of test results and medical information of employees; and

(8) ensure that employees are selected for tests by nondiscriminatory and impartial methods, so that no employee is harassed by being treated differently from other employees in similar circumstances.

(g) EFFECT ON OTHER LAWS AND REGULATIONS.—(1) No State or local government shall adopt or have in effect any law, rule, regulation, ordinance, standard, or order that is inconsistent with the regulations promulgated under this section.

(2) Nothing in this section shall be construed to restrict the discretion of the Administrator to continue in force, amend, or further supplement any regulations issued before the date of enactment of this act that govern the use of alcohol and controlled substances by National Aeronautics and Space Administration employees with responsibility for safety-sensitive, security, and national security functions (as determined by the Administrator), or by National Aeronautics and Space Administration contractor employees with such responsibility.

(h) DEFINITION.—For the purposes of this section, the term "controlled substance" means any substance under section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)) specified by the Administrator.

Mr. BROWN (during the reading). Mr. Speaker, I ask unanimous consent that the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Massachusetts?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I will not object, but I do so for the purpose of allowing some discussion of the bill before us.

Mr. Speaker, I yield first under my reservation to the distinguished gentleman from California [Mr. BROWN], the chairman of the Committee on Science, Space, and Technology.

Mr. BROWN. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I wonder if the gentleman will be kind enough to yield to the gentleman from North Carolina [Mr. VALENTINE].

Mr. WALKER. Mr. Speaker, I am happy to yield to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Speaker, I rise in strong support of the NASA Multi-Year Authorization Act of 1991, H.R. 1988, as amended. I commend the chairman for reaching a remarkably evenhanded balance of the realities of our budget problems and the essentials of sustaining our competitive posture in aerospace. I want to thank my colleague, Mr. TOM LEWIS of Florida the ranking Republican member of the Subcommittee on Technology and Competitiveness for his help.

The aerospace industry is a jewel in our industrial crown. We must ensure the vitality of that industry now and in the future. Our Nation needs many things of an immediate nature, but we cannot forsake the future when we establish budget priorities.

Aeronautical research and technology has long been recognized for its contribution to the economy. H.R. 1988, as amended continues that contribution. This year's authorization will prove a bargain investment in years to come.

One component of H.R. 1988, as amended, the national aerospace plane, will contribute to the future of both military and civil aerospace endeavors. We have already realized profitable technology returns from our investment to date in the NASP/X–30 program. We expect much greater returns as its development continues. NASP will lead to breakthroughs in materials and engine technologies that will help bring jobs and prosperity to aerospace for years to come. The $72 million authorized for the national aerospace plane will help meet that promise.

H.R. 1988, as amended, requires NASA to improve the care and maintenance of the public investment in their vast array of facilities that are crumbling from neglect. This legislation also provides for the continued upgrade and increased efficiency of NASA's laboratories.

H.R. 1988, as amended, is a good bill. I urge my colleagues to support it.

Mr. WALKER. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from California.

Mr. BROWN. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, it gives me an opportunity also to compliment the gentleman on his contribution to this legislation as the ranking minority member of the Committee on Science, Space, and Technology.

Mr. Speaker, I do not intend to take up much time today. However, I want to commend all the members of the Science Committee who worked on this bill and our colleagues from the other body for their fine level of cooperation.

I have a statement that I will include in the RECORD that explains the bill in detail. It is a good bill, a reasonable compromise with the other body, and we anticipate that with the action we are taking they will act expeditiously and send the bill on to the President.

Mr. WALKER. Further reserving the right to object, Mr. Speaker, I would concur in the gentleman's remarks. We made just a couple comments which could have been more timely, but this does have a number of important initiatives in it. It does fully fund space station *Freedom* and assures the necessary resources for the national aerospace plane.

We have taken some important steps toward multiyear funding in the bill. It is something that we have long advocated on the House side and I am glad to see we are moving in that direction.

Also this legislation contains language drafted by the gentleman from Wisconsin [Mr. SENSENBRENNER], the ranking Republican on the Subcommittee on Space, that calls on NASA to recommend specific programs that benefit from the steady spending stream afforded by complete project authorization.

In my view, this provision will enable us to pursue multiyear funding in next year's authorization.

Both Chairman BROWN and Chairman HALL have been very diligent in their work on this bill. I certainly congratulate them for where we are here this evening and join with the gentleman from California in hopes that the Senate will move expeditiously and get this to the President, where I am sure it will be signed.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, I thank my colleague for yielding to me.

I would point out that this bill has a very constructive feature which the gentleman just mentioned, and that is the reprogramming capability for the Administrator of NASA to transfer up to $67 million into the national aerospace plane project, the transatmospheric research and technology.

Unfortunately, in the appropriations bill that was passed a few weeks back, that project was almost zeroed out, barely funded. This is a project of immense importance to the United States of America, producing an aircraft for both military, but particularly for commercial purposes that can fly at hypersonic speeds and transport people from the United States to anywhere in the world in a very short period of time. If we do not do it in America, somebody else will, particularly the Japanese and the Germans.

What we have done in this bill is to give the Administrator authority to transfer up to what we thought he needed. Now I hope he would use that authority, and it is my hope that by this discussion today he will know this is of great importance to members of the Committee on Science, Space, and Technology.

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Mr. WALKER. Mr. Speaker, further reserving the right to object, I certainly agree with the gentleman on that. He can count on the fact that I will be very strongly urging the Administrator to prioritize this funding and transfer whatever funds are necessary within this authorization to see to it the national aerospace plane moves forward.

It is clear to me that this is one of the ultimate technologies of the future, and this country needs to be in the forefront of it, and we would make a terrible mistake if the civilian space agency does not aggressively move forward building a national aerospace plane.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Florida [Mr. LEWIS], my colleague who is one of the ranking Republican members of the subcommittee of jurisdiction.

Mr. LEWIS of Florida. Mr. Speaker, I thank the gentleman for yielding to me, and I rise in strong support of the NASA Multiyear Authorization Act of 1991, H.R. 1988, as amended. The aeronautics portions of this bill received strong bipartisan support in both the Science Committee and in the House.

I want to thank subcommittee Chairman VALENTINE for his hard work in forging the bipartisan legislation on the aeronautics portion of H.R. 1988, as amended. I also want to thank Chairman BROWN and ranking member WALKER for their leadership and support in forging this agreement before us with the other body.

The NASA aeronautics research section has one of the world's best high-performance computing programs underway and a preeminent long-term aviation safety program. Many of the advances in aviation technology, such as nondestructive testing of aging aircraft, are the result of NASA's research.

It is widely known that the largest positive balance of trade in any U.S. business sector is in aeronautics. In 1990, for example, the positive balance of trade is estimated to have been $25 billion. Credit of the aeronautical technology advantage is due, to a large part, to the long-term, high-risk research program at NASA.

Another important program is the national aerospace plane [NASP]. The project, conducted jointly with the Air Force has made major advances in management with the innovative teaming of contractors, materials in new heat resistant carbon-carbon, propulsion with advanced computers and wind tunnel tests and on and on.

NASP-type research programs will insure U.S. technology leadership into the next century.

The bill as amended, contains a provision mandating an Office of Management Systems. Subcommittee Chairman VALENTINE and I introduced it at the subcommittee markup. This afternoon Admiral Truly called me to inform me that NASA had recently reorganized and has created a position that would fulfill the duties mandated in this bill.

Also, Admiral Truly assured me that they would carry out the intent of the legislation.

I urge my colleagues to support H.R. 1988 as amended.

Mr. WALKER. Further reserving the right to object, I yield to the gentleman from Texas [Mr. HALL], the distinguished chairman of the Subcommittee on Space of the Committee on Science, Space, and Technology, who has worked so hard on this bill and has produced a very, very good document.

Mr. HALL of Texas. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I am grateful to the chairman of the committee, the gentleman from California [Mr. BROWN], and the ranking member, the gentleman from Pennsylvania [Mr. WALKER], and to all those who have worked with us to bring this to a successful conclusion.

Mr. Speaker, it is with great pleasure that I rise in support of H.R. 1988, the NASA Authorization Act of fiscal year 1992.

While I have long been interested in the health of the Nation's civil space program, this is the first year I have had the honor and privilege of serving as chairman of the Subcommittee on Space. It has been a year marked by renewed examination of our Nation's goals in space, as well as by debate over the best ways to achieve those goals. The report of the advisory committee on the future of the U.S. Space Program, commonly known as the Augustine committee report, which came out at the end of 1990, has provided a useful framework for the debate and includes recommendations that I believe can strengthen the space program. I believe that H.R. 1988 is faithful to the spirit of the Augustine report and will help advance the goals it identified.

Of course, all of us in this body recognize that we are living in a terribly constrained fiscal environment. H.R. 1988 reflects that environment. While the Space Subcommittee would like to support an aggressive space program, we recognize that tough choices have to be made. Thus, H.R. 1988 cuts the President's request by almost $600 million while maintaining an appropriate balance between a number of worthwhile programs.

Although cuts have had to be made, I believe that this bill does keep in place important initiatives that are central to NASA's mission. Thus the international space station Freedom, which was restructured this year at the direction of Congress, is strongly supported in this legislation. I believe that the station, once it is completed, will be an essential facility for learning how to live and work in space, and in preparing for eventual exploration of the solar system. Perhaps equally important will be the research conducted on the space station. While we cannot predict in advance the fruits of scientific research, I am confident that we will make discoveries in the life sciences and in the materials sciences that will be of great benefit to those of us here on Earth.

Another area of space research that could pay impressive terrestrial dividends is space robotics and automation, and this legislation encourages NASA's efforts in this area. I regret that funding for the flight telerobotic servicer program had to be cut, and I certainly encourage NASA to ensure that the significant investment of over $200 million made by the U.S. Government in FTS over the last 5 years is not in vain. I believe that NASA should explore ways in which hardware and software advances from the FTS program can be incorporated into future telerobotics designs.

Space science and applications is a fundamental part of NASA's mission, and this bill provides an increase of almost 15 percent over the fiscal year 1991 budget. We intend to maintain vigorous support of the science and applications program, but we have also urged NASA to structure its program in a way that is sustainable in future years. In that regard, I am encouraged by the recent restructuring of the Earth observing system recommended by the Frieman committee and the new emphasis on smaller science missions called for in the recommendations of NASA's space science and applications advisory committee. I think that such an approach is needed if we are to make the most effective use of the universities' research capabilities—one of this Nation's strongest assets.

There are many other important features contained in this legislation, but I would like to just comment on a provision contained in the life sciences funding that I think will have important long-term consequences. Specifically, we have allocated $2 million to plan and conduct cooperative research on the Soviet space station Mir. While I believe that the American space program is second to none in the world, I think it is important for us to gain as much knowledge as possible from the Soviet program as we move forward with our own space station. Now that the cold war is over, there is much our two nations can do together in space. The funding contained in this bill is an important step toward that goal.

Mr. Speaker, I think that H.R. 1988 is an excellent bill. Its final form is the result of productive discussions and reasonable compromises with our colleagues in the Senate. I congratulate the full committee chairman, Mr. BROWN, the ranking Republican member on the committee, Mr. WALKER, and the ranking Republican member on my subcommittee, Mr. SENSENBRENNER, for their efforts in crafting this legislation. I encourage all of the Members of the House to support this important bill.

Mr. WALKER. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. BROWN], the chairman of the committee.

Mr. BROWN. Mr. Speaker, I thank the gentleman for yielding, and I include for the RECORD the full text of my own statement and an explanation of the bill.

Mr. Speaker, I rise in support of the bill H.R. 1988, the National Aeronautics and Space Administration Act, fiscal year 1992. We have worked hard to accommodate the concerns and priorities of our counterparts in the other body and I am pleased with the compromise that this legislation represents.

I want to thank all of the members of the Committee on Science, Space, and Technology who participated in developing this piece of legislation. I especially want to recognize the efforts of the gentleman from Pennsylvania [Mr. WALKER], ranking Republican member of the committee. I also want to thank the gentleman from Texas [Mr. HALL], chairman of the Subcommittee on Space, and the gentleman from Wisconsin [Mr. SENSENBRENNER], ranking Republican of that subcommittee. Finally, I want to thank the gentleman from North Carolina [Mr. VALENTINE], chairman of the Subcommittee on Technology and Competitiveness and the gentleman from Florida [Mr. LEWIS], ranking Republican of that subcommittee.

H.R. 1988 represents many months of hard work to establish funding priorities and develop policy guidance for our Nation's space program. I want to take a moment to explain the process that has brought us to this point. The bill was originally passed in the House on May 3 of this year and an amendment in the nature of a substitute was passed in the Senate on September 27. In the intervening period, we have informally developed a compromise bill which we expect to receive expeditious consideration in the other body. I believe that the compromise that we have reached is fair and preserves the essential elements of the House bill and accommodates the position of the other body in areas where we have tended to diverge.

Mr. Speaker, I would like to insert in the RECORD a statement describing the main provisions of the compromise bill and an explanation of the funding levels we have agreed on. With your permission, I would like to highlight some of the major elements of the bill.

The bill provides a total of $15.159 billion for fiscal year 1992 representing a reduction of $594 million from the President's request. The bill also provides aggregate budget authority for fiscal years 1993 and 1994 which assumes a 5 percent real growth from the fiscal year 1992 appropriated level.

The bill provides full funding for the space station Freedom, the subject of a great deal of debate earlier this year.

Funding is provided for continued definition studies of the new launch system and we intend to review this program carefully this year.

Funding has been provided for a wide variety of scientific and environmental programs as well as aeronautical programs such as the National Aerospace Plane.

The bill includes a provision which requires NASA to submit a special 5-year budget plan including life-cycle costs for all major developmental programs.

The bill includes a feasibility study for a National Scholars Program intended to increase the number of Ph.D. recipients from among economically disadvantaged groups.

The bill establishes a program for drug and alcohol testing for Government and contractor personnel involved in sensitive safety or national security related duties.

The bill also addresses the commercial space sector and provides funding for the Department of Transportation's Office of Commercial Space Transportation and the Department of Commerce Office of Space Commerce.

During the course of bringing this compromise bill to the floor, the committee became aware that the form of our authorization for certain programs specifically identified in the bill may be inconsistent with the rules of the House because of the timing of this bill as compared with the corresponding appropriations bill. It is not our intention to overstep the jurisdiction of the authorizing committee, particularly where it relates to clause 5 of rule XXI of the rules of the House. However, it remains our contention that the setting of certain programmatic priorities and restrictions is wholly within our jurisdiction as a policy and oversight committee and within the spirit of the rules that have defined the roles of authorizing committees. Therefore, not withstanding the change in the legislative form of the programs specifically authorized in this bill, it is our expectation that NASA will endeavor to provide funding for these programs at the levels specified in the bill in the operating plan that is submitted to Congress. Obviously, conflicts with levels otherwise specified in the Appropriations bill must also be accommodated and the committee will, as always, remain open to reasonable alternative funding plans if such are necessary.

Mr. Speaker, this is a visionary piece of legislation that sets forth clear congressional priorities, establishes funding requirements and addresses critical policy guidelines.

This has been a difficult time for our Nation's space program and it is of the utmost importance that Congress continues in a strong leadership role and that we work toward a consensus on the direction of our space program and its long-term funding stability. Earlier this year we received the report of the Advisory Committee on the Future of the U.S. Space Program. That report, popularly called the Augustine report, set forth as a critical recommendation that the budget of the National Aeronautics and Space Administration increase by 10 percent per year in real terms. The final appropriation for NASA this year represented a decrease in real terms. As a result, many valuable scientific and engineering programs will be severely impacted

I very much support the recommendation for stable and increasing budget. However, it is clear that we may not have the overall budget flexibility to provide the growth recommended by the Augustine report. However, I believe that a 5 percent real growth, half that recommended by Augustine, is achievable. This bill provides for that 5 percent real growth over the next several years. It is my sincere hope that Congress can reach a clear agreement on this or some predictable level of real growth.

We cannot expect NASA to manage its programs efficiently and accomplish the challenging goals our Nation has set for the civil space program without a budget plan that stands a reasonable chance of being implemented and clearly lays out the most important priorities.

Mr. Speaker, this concludes my statement. I urge my colleagues to support H.R. 1988 and give it speedy passage.

EXPLANATION OF H.R. 1988

OVERVIEW AND SUMMARY OF MAJOR PROVISIONS

The Bill provides $14.896 billion in new budget authority and amends previously provided budgetary authority to authorize a total of $15.159 billion for FY 1992. This represents a reduction of $594 million from the President's request.

The Bill also provides general new budget authority for the next two fiscal years in the amount of $15.601 billion for FY 93 and $16.959 billion for FY 1994. These authorizations represent a 5% real growth per year, accounting for an annual inflation of 3.8%, from the fiscal year 1992 appropriated level.

Specific funding initiatives include the following:

The bill provides $2.029 billion, the full request, for Space Station Freedom. Of this amount, $18 million is authorized for design and development of an Assured Crew Return Vehicle.

Up to $40 million is provided for propulsion technology studies and $10 million for vehicle design studies including single stage to orbit vehicles in order to establish a firm technology base for a possible New Launch System. The Committee intends to thoroughly review the need for and potential roles of such a New Launch System pending the availability of a substantive program plan and detailed budget submission.

The bill provides, within Physics and Astronomy, $3 million to carry out scientific programs which were eliminated from the Station due to the reduction in attached payload accommodations.

Within Earth Sciences, the bill provides $5 million for Landsat data purchases at the cost of reproduction and authorizes funding for long lead Landsat parts in order to preclude a gap in data coverage. $1 million has been made available for other remote sensing data conversion from Defense related data bases and $3 million has been provided for a pilot study with the objective of making aircraft and satellite remote sensing data available for Global Change research in machine readable form. The Committee expects Department of Energy capabilities to be brought to bear on this effort. Finally, the bill provides $2 million for the conversion of archived Landsat data into a more durable medium. The Committee places a high priority on the maintenance of a consistent and usable set of Landsat data both in the past and in the future.

Within Space Technology, the Bill provides $10 million for solar power research and technology development and $10 million for a program of component technology development, validation and demonstration directed at commercial launch competitiveness. The Committee expects that, in carrying out this program, close coordination and cooperation is established with the private sector and with Agency elements responsible for the procurement of launch services for Government payloads. One major goal of this program is to reduce the cost of launch services for the Government.

Also within the Space Technology account, the Bill provides $15 million for telerobotics research in order to capitalize on the investment made in the Flight Telerobotic Servicer program. The Committee expects that NASA will incorporate the results obtained to date in developing a robust long term activity in this area, and will explore ways in which hardware and software advances from the Flight Telerobotic Servicer program can be incorporated into future telerobotics designs.

Within Space Shuttle production and operational capability, $375 million has been made available for the Advanced Solid Rocket Motor program. The Committee recognizes that this amount contains $50 million which was transferred from the Construction of Facilities account but not specifically provided for in the Appropriations bill. The Committee does not wish to restrict NASA's budget authority for Construction of Facilities and therefore would support a reprogramming for ASRM, if necessary, to meet total FY 1992 requirements for the program.

Also within this general account, the Committee has provided $112 million for the Assured Shuttle Availability program. A general $10 million reduction has been applied without prejudice.

Within Launch Services, funds have been authorized for the launch of the Mobile Satellite provided that all administrative and judicial uncertainties with respect to the status of the license are resolved and a plan of reimbursement from other Federal Agencies for their share of usage.

The bill amends previously provided budgetary authority for the Comet Rendezvous/Asteroid Flyby—Cassini program to reduce the amount available for FY 1992 with a concomitant increase in the total program amount made available through program completion. The Committee has taken this action in view of the severe shortfall in agency-wide appropriations in FY 1992 but has maintained its commitment to a full program authorization. The Committee, however, will revisit this commitment in the event that foreign participation in this program does not materialize.

Special reprogramming authority for transatmospheric research and technology has been provided within the Research and Development account in order to provide NASA the flexibility to commit sustaining funds, in combination with appropriated amounts from Department of Defense, for the continuation of the National Aerospace Plane program.

The Bill establishes a Facility Maintenance Office within the Office of Management Systems and Facilities in order to centralize programmatic authority for planning, budgeting, and carrying out an agencywide facility maintenance program.

The Bill includes a provision which requires a special 5-year budget plan for developmental programs in excess of $200 million. The programs reported in this submission must include an estimate of life-cycle costs. For the purposes of this submission, life-cycle costs must include, as a minimum, ongoing annual mission operating budgets, data analysis programs, planned hardware upgrades, and other costs that will be incurred in future years. The intent of this provision is to provide the Committee with specific information to enable prudent decisions to be made in allocating funds for the immediate fiscal year.

The Bill includes a National Scholars Program feasibility study intended to review options for increasing the number of PhD recipients among economically disadvantaged groups.

The bill authorizes for the Department of Transportation up to $20 million for a program to ensure the resiliency of the Nation's space launch infrastructure by improving the efficiency and effectiveness of launch facilities. The availability of this authority is subject to the enactment of subsequent legislation establishing a grant type program for managing and allocating these funds.

The Bill establishes a drug and alcohol testing program for all safety-sensitive, security, and national security employees working at NASA or with NASA contractors. This testing program mandates random, pre-employment, post-accident, and reasonable suspicion testing, while authorizing periodic testing. While not mandating rehabilitation for an employee who tests positive, the Bill precludes such an individual from returning to a safety-sensitive, security, or national security position until a rehabilitation program has been completed.

The Bill directs the Administrator to incorporate Department of Health and Human Services guidelines on laboratories and testing procedures. In addition, the bill mandates a series of procedural safeguards which promote individual privacy, require the confirmation of drug and alcohol tests by a scientifically recognized method capable of providing quantifiable data, require split samples that will allow samples to be retested, provide for the confidentiality of test results, and ensure that the selection of employees for testing must be by nondiscriminatory and impartial methods.

The Committee recognizes that NASA has implemented a Drug Free Workplace Program pursuant to Executive Order 12546 and that testing for illegal use of controlled substances by NASA employees has been conducted since March, 1989. The Committee has included this provision in the Bill to codify this existing drug testing program for employees in designated positions, as well as to require testing for alcohol and to extend these testing requirements to NASA contractors in certain positions. Enactment of this section is not intended to disturb the drug testing program already underway at NASA. Nor is it the Committee's intent to expand the testing population beyond the pool of testing designated positions already identified by NASA. NASA has done a great deal of work in the drug testing area and this language is not intended to threaten the validity or the scope of the current program.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION BUDGET SUMMARY

[In million of dollars]

	Fiscal year 1991 appropriation	Fiscal year 1992 authorization						
		Presidential request	House authorization		Senate authorization		Compromise authorization	
			Amount		Amount		Amount	
Research and development	6,023.6	7,198.5						
Space Station	1,900.0	2,028.9	2,028.9		2,028.9		2,028.9	
Space Transportation Capability Dev	602.5	879.8	679.8		704.8		679.8	
Upper Stages	82.2	108.5		(−20)		(−20)		(−20)
Spacelab	129.3	150.2		(−10)		(−10)		(−10)
Engineering and Technical Base	208.5	235.2		(−15)				(−15)
Payload Operations and Supp. Equip	101.5	144.5		(−15)		(−15)		(−15)
Tethered Satellite System	21.9	12.6						
Advanced Programs	35.2	53.8		(−15)		(−15)		(−15)
New Launch System	23.9	175.0		(−125)		(−125)		(−125)
Launch Technology Program						(+10)		
Space Science and Applications	2,429.6	2,934.6						
Physics and Astronomy	975.1	1,140.6	1,096.6		1,128.6		1,104.6	
Gamma Ray Observatory Dev	22.0	0.0						

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION BUDGET SUMMARY—Continued

[In million of dollars]

	Fiscal year 1991 appropriation	Presidential request	Fiscal year 1992 authorization					
			House authorization		Senate authorization		Compromise authorization	
			Amount		Amount		Amount	
Advanced X-Ray Astrophysics Fac	101.2	211.0		(−38)				(−30)
Globak Geospace Science	96.6	65.3						
Shuttle/Spacelab Payload Mission Mgmt	88.8	88.0						
Space Station Utilization	3.0	0.0						
Payload and Instrument Dev	94.6	115.9		(+6)				(+3)
Explorer Development	99.8	107.9						
Mission Operation and Data Analysis	313.3	388.4						
Research and Analysis	100.8	103.1		(−12)		(−12)		(−9)
Suborbital Program	55.0	61.0						
Life Sciences	138.0	183.9	183.9		144.4		163.9	
Human Space Flight and System Eng	81.1	89.7						
Resarch and Analysis	56.9	79.2				(−24.5)		(−5)
Lifesat	(2.0)	15.0				(−15)		(−15)
Planetary Exploration	457.1	627.3	299.3		299.3		299.3	
Ulyses Development	3.0	0.0						
Mars Observer	78.5	54.4						
Mars Balloon Relay Experiment	1.5	1.2						
CRAF/Cassini	145.0	328.0	[328.0]		[263.0]	(−65)	[263.0]	(−65)
Mission Operations and Data Analysis	161.2	150.5						
Research and Analysis	67.9	93.2						
Space Applications	859.4	982.8						
Earth Science and Applications	667.9	775.6	725.6		785.6		756.6	
Earth Observing System	191.0	336.0		(−75)				(−50)
Earth Probes	54.7	68.2		(+10)				(+20)
Remotely Piloted Aircraft	0.0	5.0						(−5)
Upper Atmosphere Research Satellite	64.0	18.2						
Ocean Topography Experiment	76.0	51.9						
Payload and Instrument Development	49.7	48.6		(−5)				(−5)
Mission Operations and Data Analysis	39.4	56.3		(+5)		(+2)		(+3)
Research and Analysis	193.1	191.4		(+5)		(+8)		(+8)
Materials Processing	102.3	125.8	115.8	(−10)	125.8		120.8	(−5)
Communications	52.5	39.4	39.4		39.4		39.4	
Information Systems	36.7	42.0	42.0		42.0		42.0	
Commercial Programs	86.0	150.0	(134.0)		150.0		(139.0)	
Technology Utilization	24.4	32.0	27.0	(−5)	(32.0)		32.0	
Commercial Use of Space	61.6	118.0	107.0	(−11)	(118.0)		107.0	(−11)
Aeronautical Research and Technology	512.0	591.2	591.2		591.2		591.2	
Transatmospheric Res. and Tech. (NASP)	95.0	72.0	72.0		72.0		72.0	
Space Research and Technology	(255.9)	(354.8)	314.8		354.8		324.8	
Research and Technology Base	125.7	141.6						
In-Space Flight Experiments	11.2	16.0						
Civil Space Technology Initiative	119.0	114.3						
Space Automation and Telerobotics	(22.2)	82.9		(−40)				(−40)
Commercial Launch Veh R&D								(+10)
Exploration Activities	(34.5)	(67.0)	66.5		0		34.5	
Exploration Technology	27.5	52.0		(−.5)		(−52)		(−24.5)
Exploration Mission Studies	7.0	15.0				(−15)		(−8)
Safety, Reliability and Qual. Assurance	33.0	33.6	33.6		33.6		33.6	
Academic Programs	55.1	64.6	64.6		64.6		64.6	
Tracking & Data Advanced Systems	20.0	22.0	22.0		22.0		22.0	
Space, flight, control and data com	5,124.4	5,608.3						
Shuttle Production and Ops. Cap	1,276.4	1,288.9	1,358.9		1,338.9		1,328.9	
Orbiter Operational Capability	275.6	273.8		(+30)				
Propulsion Systems	747.8	622.7		(+50)		(+50)		(+50)
Launch and Mission Support	253.0	270.1						
Assured Shuttle Availability	0.0	122.3		(−10)				(−10)
Space Shuttle Operations	2,790.0	3,023.6	2,965.1	(−58.5)	2,984.6	(−39)	2,970.6	(−53)
Flight Operations	801.5	912.5						
Flight Hardware	1,393.3	1,417.0						
Launch and Landing Operations	595.2	694.1						
Launch Services	229.2	341.9	315.9		290.9		291.9	
Launch Services	229.2	341.9		(−36)		(−51)		(−50)
Commercial Launch Veh R&D	0.0	0.0		(+10)				
Space and Ground Networks, Com	828.8	953.9	920.9	(−33)	920.9	(−33)	920.9	(−33)
Space Network	310.1	348.0						
Ground Network	260.7	291.7						
Communications and Data Systems	258.0	314.2						
Construction of facilities	497.9	480.3	430.3	(−50)	430.3	(−50)	430.3	(−50)
Research and program management	2,211.9	2,452.3	2,422.3	(−30)	2,432.3	(−20)	2,422.3	(−30)
Inspector General	10.5	14.6	14.6		14.6		14.6	
Total	13,868.3	15,754.0	14,938.0 15,266.0 −488.0		14,999.5 15,262.5 −491.5		14,896.5 15,159.5 −594.5	

Mr. Speaker, finally, with these parting words let me express my deep gratitude to all of the members of the Committee on Appropriations who worked so hard to authorize this program for us.

Mr. WALKER. Mr. Speaker, I join my colleague, Chairman BROWN, in supporting this legislation. Under his new leadership, the Science, Space, and Technology Committee was able to report every one of its authorization bills in advance of appropriations. I share his frustration that final passage of the NASA bill is not as timely as it could have been. This NASA authorization, however, contains a number of provisions which I believe will strengthen the Nation's Civil Space Program.

The bill contains full funding for space station Freedom, and makes available the necessary resources for the national aerospace plane.

I am especially pleased that we are taking two important steps toward multiyear funding. This is a policy which this committee has long advocated, and now it seems that the other body is beginning to agree with us. First, H.R. 1988 provides a total funding figure for fiscal years 1993 and 1994, which represents 5 percent real growth. Although we were not successful in breaking the outyear totals into their components, their presence in the bill sends a strong signal that we are committed to steady growth.

Second, this legislation contains language drafted by Mr. SENSENBRENNER, the ranking Republican on the Space Subcommittee, which calls on NASA to recommend specific programs which could benefit from a steady funding stream afforded by complete project authorizations. In my view, this provision will enable us to pursue multiyear funding in next year's authorization.

I thank Chairmen BROWN and HALL for their diligence in ensuring that we have a NASA authorization bill this year.

Mr. KYL. Mr. Speaker, I am pleased to note that the House Committee on Science, Space, and Technology has included language in its conference report which will reverse its earlier deferment of the multifunctional electronic display system [MEDS].

MEDS is informally known as the glass cockpit. It would replace the existing shuttle cockpits with electronic displays, such as the flat panel displays developed for commercial and military aircraft. MEDS will increase shuttle reliability and flight safety and reduce operating costs.

MEDS funding is part of NASA's Assured Shuttle Availability [ASA] Program. Though the original committee report reduced the ASA Program by $10 million by specifically designating the deferral of the MEDS program, members of the committee recognize that NASA officials should determine which elements of the ASA Program may be reduced without jeopardizing the shuttle program. In its conference report, the Committee on Science, Space, and Technology provides that the ASA savings of $10 million is without prejudice and is no longer intended to be specifically or solely targeted against the MEDS program.

I believe the MEDS program deserves a very high priority in the Assured Shuttle Availability Program, and appreciate the committee's decision to leave specific designations to the discretion of NASA officials.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

GENERAL LEAVE

Mr. BROWN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation presently under consideration.

The SPEAKER pro tempore (Mr. MFUME). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

ADJOURNMENT TO TUESDAY, NOVEMBER 12, 1991

Mr. MCNULTY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, November 8, 1991, it adjourn to meet at noon on Tuesday, November 12, 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. MCNULTY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

THE MEDICAL CARE INJURY COMPENSATION REFORM ACT OF 1991

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, the American people have made clear their desire that Congress reform the delivery of health care in this country, and politicians have responded with proposals long on promise, but short on specifics. Especially troublesome are promises of free national health care. Someone once said, for every complex problem there is a simple—and wrong—solution. National health care is just such a wrong solution. The American people do not want "one size fits all" health care. Instead, we need to identify each of the courses of the problems and address them specifically.

I have attempted to do that with H.R. 3516, the Medical Care Injury Compensation Reform Act of 1991. It specifically addresses tort reform, product liability, obstetric malpractice, and insurance for community and migrant health centers among other things.

The bill is cosponsored by my colleague from Texas, CHARLES STENHOLM. I urge all of you to cosponsor our bill, and include in the RECORD at this point a further explanation in testimony I gave to the Joint Economic Committee Subcommittee on Education and Health. This legislation is not just a promise; it is a solution.

TESTIMONY OF CONGRESSMAN JON KYL ON H.R. 3516

Mr. Chairman, thank you for allowing me this opportunity to testify before the Joint Economic Subcommittee on Education and Health regarding the Kyl-Stenholm medical malpractice tort reform bill, H.R. 3516. My colleagues and I are here today because we realize the importance of health care and the difficulties many Americans face in obtaining that care because of the prohibitive cost of insurance and treatment.

We may disagree about the solutions. Rather than a "one-size-fits-all" national program that attempts to address all aspects of the health care problem, I believe we must try to isolate each of the causes creating the problem and develop programs to deal with them individually. In considering any kind of reform, we must concentrate on preserving the high quality of care and innovation that people have come to expect without our system. In order to do so, a series of reforms must be adopted to reduce costs and expand accessibility. Medical malpractice tort reform is one of the essential components of an overall program to actually lower costs without decreasing the quality of care.

Medical malpractice premiums are the fastest growing cost expenditure facing physicians and medical institutions. According to the American Medical Association (AMA) Socioeconomic Monitoring System surveys, premiums for physicians fees in 1988 had increased 174% over 1982 premiums. In 1989 alone, medical insurance premiums added $5.6 billion to the cost of health care in America. Indirect professional liability costs such as redundant testing and defensive medicine added another $15.1 billion, bringing total professional liability to $20.7 billion.

These costs are having a significant impact on the individual physician. In my home state of Arizona, for example, obstetricians pay an average malpractice insurance premium of $52,900 per year. They are forced to either pass this cost along to their patients or to enter different specialties.

Institutions also are confronting the high cost of premiums. Community and Migratory Health Care Centers, which treat the majority of our poor and uninsured, are confronted with $58 million per year malpractice premiums even though only $3 million to $8 million in claims have been filed against them on average since 1982. This is money that they could be using to treat additional patients rather than paying for high insurance premiums.

Our current system also promotes the awarding of large sums of money to a few individuals, which significantly increases health care costs.

The Kly/Stenholm bill takes a multifaceted approach in dealing with all these problems. The Medical Care Injury Compensation Reform Act of 1991 first seeks changes in the handling of malpractice cases by giving states grants to establish alternative dispute resolution systems (ADRS). These ADRS will allow people to have their claims reviewed without having to go to court and pay large attorneys' fees.

Title I of the bill requires the Secretary of Health and Human Services to provide grants to states for the implementation and evaluation of innovative systems to settle medical liability disputes. States will have the ability to design systems tailored to their needs. Each system will be examined and approved by the Secretary for a two year grant. After the two-year period, the state will have the option of extending the grant for an additional two years.

The Secretary also will collect and disseminate information regarding the outcomes of the various ADRS to interested parties. States desiring to implement their own ADR or fine tune their existing program will be able to examine programs from around the country and determine what is effective.

The second section of the bill imposes federal tort reform, although states could always have more stringent laws. Our reform changes the standard of care in medical malpractice cases from "reasonable and prudent" to "reasonable".

Another reform is delineation of a series of damage limits. These include: limiting noneconomic losses to $250,000; requiring mandatory periodic payments for damages exceeding $100,000; limiting attorney's contingency fees to 25% for the first $150,000 and 15% to amounts greater than $150,000; requiring mandatory offsets for damages paid by a collateral source; requiring liability to be several only and not joint, with the defendant being liable only for the amount of noneconomic damages proportional to the defendant's percentage of responsibility; and limiting punitive damages to twice the compensatory damage award.

In addition, a state may opt to develop its own standards which exceed the federal minimum standards provided by the HHS/Federal guidelines. If more stringent guidelines developed, these would apply to all services provided in the state (both public and private.)

The statute of limitations would be two years from the time the injury was or should have reasonably been discovered.

Fourth, regarding obstetric services, health care practitioners who are seeing a woman for the first time during the labor and/or delivery of a baby could not be held liable for problems resulting from the term of the pregnancy. The health care practitioners could still be held negligent for their actions during labor and delivery.

Fifth, with respect to product liability, if a health care producer of medical devices or drugs goes through the Food and Drug Administration approval process, punitive damages could not be awarded in medical product liability claim. However, if a company withholds information or misrepresents the product during the approval process, punitive damages could be assessed.

Sixth, a nationwide insurance risk pool would be created for Community and Migrant Health Centers. Since Community and Migrant Health Centers have such a low rate of medical malpractice cases against them, creating a risk pool specifically for those centers would reduce their medical malpractice insurance costs.

As you can see, the Kyl/Stenholm approach to tort reform includes many component parts, but deals with specific problems. It does not tempt to solve everything in one bill. I think that is the best approach to this very complex challenge.

TEAR DOWN THE BUDGET WALL AROUND THE PENTAGON

(Mr. CONYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CONYERS. Mr. Speaker, today I am introducing, on behalf of myself and 10 colleagues on the Committee on Government Operations, legislation to amend the Budget Enforcement Act of 1990.

Simply put, our bill will bring down the wall that currently separates the defense budget from the domestic and international budgets. This wall was erected by the Budget Enforcement Act for Fiscal Years 1992 and 1993, preventing any shifts in spending among these three categories until fiscal year 1994.

Our bill would tear down this wall one year early, allowing Congress to transfer funds from defense to the other accounts.

The American people are demanding action. They want the Government to help them and their families.

This bill is a vital first step if we are to bring our budget into accord with the realities of the more favorable international scene and our more desperate domestic conditions.

We cannot afford to keep our Nation in a budgetary strait jacket.

As New York Governor Cuomo eloquently stated yesterday;

> By allowing funds to be transferred between defense and domestic spending, Representative Conyers' bill will allow us to respond to changing world events with fiscal priorities that reflect the best use of scarce federal resources.

I ask permission to include in the RECORD the statement of Governor Cuomo, the lead editorial from yesterday's New York Times, and the statement of principles from over 50 major national citizens groups in support of these reforms.

I urge my colleagues to join us in cosponsoring the Budget Process Reform Act of 1991. We must take the budget off auto-pilot and reassert our ability to respond to the needs of the American people.

Mr. Speaker, I include the following material:

STATEMENT BY GOVERNOR MARIO M. CUOMO

I commend Rep. John Conyers (D-MI) for his efforts to make the federal budget process more responsive to changes in fiscal priorities. Rep. Conyers has introduced a bill that would eliminate the walls between defense, domestic and international spending in 1993 created by last year's budget agreement. The measure would allow defense savings to be transferred to domestic spending, and is a necessary step toward the essential reordering of national priorities.

One year ago, the Administration and Congress announced with great fanfare that the new budget process would put the nation on the path to economic growth. We were told that, while we would have to swallow hard and agree to painful tax measures at the outset, the federal budget would be balanced by 1995.

Today, the emptiness of that promise is apparent. The budget agreement's heralded fiscal discipline has failed to stop the flow of red ink, with the 1992 budget deficit expected to be $362 billion, the largest in our nation's history—$133 billion larger than projected under the budget agreement. Worse still, we have a five-year budget plan that locks in the recession because it does not contain an effective economic growth component or an investment plan for America.

Although the budget agreement originally was touted as an ingenious mechanism to protect the federal budget from the unruly political process, it is now apparent that the Administration designed the agreement in a cynical effort to immobilize the federal government until after the presidential election. However, with the momentous changes taking place in the Soviet Union and the declining economy at home, Democrats are beginning to take action to release the federal budget process from the strait-jacket of the budget agreement.

By allowing funds to be transferred between defense and domestic spending, Rep. Conyers' bill would allow us to respond to changing world events with fiscal priorities that reflect the best use of scarce federal resources. At the same time, since the bill retains the same overall cap on appropriations, it would maintain needed fiscal discipline. In a $15 trillion budget, it should be possible to substantially reorder priorities to meet the needs of all Americans. Conyers' bill is a responsible fiscal measure that deserves Congress's and the Administration's support.

THE LAW THAT ATE THE FUTURE

The Budget Agreement. It was the Holy Grail of 1990, the painful compromise between a Republican President and a Democratic Congress. It was holy because both sides solemnly pledged to abide by the deal for five years, and grail because the quest for honest deficit reduction took so many elusive turns. "Read my hips," President Bush gibed—before finally accepting new taxes after all.

The same agreement has, in a different world, become the hair shirt of 1991, scratching at members of Congress who think the deal has gone sour yet feel a duty to stick with it. The truth is, however, that to preserve the 1990 budget agreement, it must be scrapped.

That's not sophistry. The budget law was designed to lower the deficit by $500 billion over 5 years, thereby spurring investment and economic growth. Had the world stayed put, it might have worked.

But 1990 was a light-year ago. Then, the Soviet Union was a military menace; now it barely survives as one country. Huge military programs justifiable a year ago make no sense today. And, compared with a year ago, the estimated cost of financing the Administration's defense program has soared so fast as to break the spirit of the budget agreement. To meet the deficit target now would force savage, unanticipated gouges in domestic programs.

It's easy to forget that deficit reduction is not an end in itself. Its purpose is to slow Washington's raid on private capital markets, freeing funds for investment. But viewed a year later, the budget law now threatens to protect private investment by trashing public investment in education, job training, transportation and research. That's why Congress must change the law.

The 1990 law called for reducing the deficit gradually. The cuts were backloaded, that is they bite especially hard after 1993, in order to avoid punishing the sluggish economy. And the law imposed an unprecedented pay-as-you-go discipline that would force Congress to pay for new entitlements with tax hikes or spending cuts.

So far so good. But the leadership imposed—without consultation or debate—a pernicious condition. For three years, non-entitlement spending would be capped in a way that would keep Congress from switching defense savings into domestic programs. Not until 1994 could non-entitlement spending be raised. What kind of sense does that make in this post-Communist world when Americans urge their Government to look homeward?

One remedy would be to collect the peace dividend now and use it to reduce the deficit, as the budget law would allow. But that's unlikely. Congress won't spit in the eye of defense contractors and workers on behalf of abstract virtue. If the choice is deficit reduction versus defense, defense will win every time.

Another remedy would be to stick with the budget agreement until 1994 before cashing in the peace dividend, letting unnecessary defense programs survive temporarily. But that turns out to be masochistic. New weapons systems, once started, can't be instantly stopped. The wasteful expenditures will roll along well past 1994, a course ruinous to worthy domestic programs.

The Congressional Budget Office provides a frightening estimate. If military spending proceeds as agreed last year, come 1994 and 1995 all non-entitlement spending will have to be sliced by a whopping 10 percent. Such cuts would brutalize investments in education, job training, technological research and every other public investment—unless the country starts collecting the peace dividend now. That means renegotiating the budget agreement.

Broadly speaking that's hardly a novel idea. In recent weeks, members of Congress have rushed to propose that defense reductions be used for neither deficit reduction nor public investment. They want—an election year's coming up—tax cuts. This is a dangerous, cynical game.

Because the budget law was backloaded, the largest share of spending cuts was scheduled for 1994 and 1995. Even if taxes were not reduced one dollar, all manner of domestic programs would have to be savaged just to meet the modest deficit-reduction goal.

Preserving desperately needed public spending will require the entire peace dividend, and then some. To give it away in tax cuts borders on the unconscionable. Still deeper cuts in defense are needed; every cent of tax revenue is needed; the budget agreement is not.

WE MUST INVEST IN AMERICA NOW

We, the undersigned organizations, have joined together to strongly urge the Congress and the Administration to reorder the nation's fiscal priorities.

The standard of living of a majority of Americans has declined or stagnated in recent years and the nation's competitive position in the world economy has eroded. Meanwhile, the United States has devoted a much larger share of its national resources to the military than have most other Western nations. Now, the end of the Cold War and the crumbling of the Soviet military threat present us with an historic opportunity to reinvest in America—to address long neglected domestic needs and to get the economy growing again.

In order to take advantage of this opportunity, Congress and the Administration need to modify the budget agreement reached a year ago and alter our priorities. In doing so, Congress and the Administration should apply the following principles.

STATEMENT OF PRINCIPLES

1. Congress and the Administration should reduce defense expenditures in FY 1993 significantly below the levels projected in the President's FY 1992 five-year plan. These savings should be used for needed public investment that can redress unmet domestic needs, build human capital and promote long-term economic growth.

2. Congress and the Administration should allow for the transfer of funds from defense to domestic discretionary spending programs in FY 1993, while maintaining the overall deficit reduction goals set forth in the budget agreement.

3. Congress and the Administration should not use defense savings or other discretionary funds for tax cut purposes. Instead the Congress and the Administration should finance any personal income tax relief package by shifting the tax burden to upper-income taxpayers.

We strongly believe that redirecting Federal resources according to these principles will promote economic growth at home and strengthen America's economic security and leadership in an increasingly competitive global market.

ORGANIZATIONS THAT HAVE SIGNED ON PRINCIPLES

U.S. Conference of Mayors.
American Federation of State, County and Municipal Employees.
OMB Watch.
Center for Budget and Policy Priorities.
Friends of the Earth.
Council for a Livable World.
Americans for Democratic Action.
National Association of Social Workers.
National Urban League.
Professional's Coalition for Nuclear Arms Control.
Service Employees International Union.
National Commission for Economic Conversion & Disarmament.
American Nurses Association.
The Coalition on Human Needs.
American Planning Association.
AIDS Action Council.
Bread for the World.
The United Methodist Church, General Board of Church and Society.
SANE/FREEZE: Campaign for Global Security.
United Food and Commercial Workers.
Women's Action for Nuclear Disarmament.
American Baptist Churches, U.S.A.
American Social Health Association.
Commission on Social Action on Reform Judaism.
Public Employee Department, AFL-CIO.
National Education Association.
Economic Policy Institute.
Fund for Human Dignity.
Center for Population Options.
Association of Schools of Public Health.
American Public Health Association.
American Home Economics Association.
Association of Flight Attendants.
National Council of Senior Citizens.
City of New York.
Children's Defense Fund.
National Council on Family Relations.
National Coalition for the Homeless.
YMCA of the U.S.A.
National Association of County Health Officials.
Food Research and Action Council.
U.S. Conference of Local Health Officers.
The Center for Public Dialogue.
Child Welfare League of America.

MIDDLE-CLASS TAX RELIEF AND FAIRNESS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing legislation, H.R. 3730, that will give most Americans a tax cut, temporarily stimulate our economy and create a fairer income tax system. Specifically, my proposal would provide a tax credit to middle-income taxpayers, based on the Social Security taxes they pay. The middle-income tax relief proposal would be offset by increased taxes on the richest 1 percent of our population.

Mr. Speaker, this is a good plan, and I am proud of it. I predict that it will become central to the upcoming debate about how to make our tax system fairer. That debate will begin in earnest when the Ways and Means Committee begins hearings this winter.

These hearings will address a number of questions, including how to balance the goals of middle-income tax relief, economic growth and tax fairness. Most tax proposals we have seen focus on one at the expenses of the other. My plan is an attempt to simultaneously address all three.

Whether we should act, and if so, when, is an equally important question.

We have seen many recent tax relief proposals, with many different messages. Some encourage savings. Others encourage consumption. Some focus on children. Others benefit investors. Some focus on fairness for middle-income Americans. Others attempt to stimulate the economy. Each proposal has merit. Each responds to a concern.

Some proposals are financed, others not. For my part, I will demand that any tax cut be honestly paid for over 5 years and that the pay-as-you-go discipline enacted last year, be respected. Our fragile economy cannot tolerate another deficit increase.

Many different proposals have been suggested—IRA's, childrens' credits, capital gains cuts. Some wish to add these proposals together. Clearly the country and the economy cannot afford such a bidding war. Let's not forget our sad experience in 1981. If we walk away from the 1990 budget agreement and the pay-as-you-go discipline, there will be no restraint at either end of Pennsylvania Avenue. Also, a protracted political debate that would create additional uncertainty could harm the already weak economy.

The bill I am introducing today is simple. It would provide a refundable income tax credit in 1992 and 1993, based on a worker's social security taxes paid during the year 20 percent of the employee portion of FICA and SECA taxes. The credit would be capped at $400 for a couple filing a joint return and $200 for a single taxpayer or head of household.

For example, a married couple with annual wage or salary earnings of $20,000 would get a $300 tax cut. The maximum credit would be $400 for married wage earners. Couples with wage or salary income of $26,150 or more would receive the maximum tax relief.

Since the credit would be refundable, families with wages who pay no Federal income tax, would, nonetheless, see their disposable incomes increase.

There are more than 118 million working Americans. Each would receive this credit in 1992 and 1993, and take home more income throughout the year.

I want to emphasize that this tax cut does not jeopardize the Social Security Trust Fund. It does not reduce Social Security reserves building to fund the retirement of the baby boom generation after the turn of the century.

The bill would be financed by an increase in the taxes of wealthy individuals. First, it would establish a new fourth rate bracket of 35 percent for individuals with taxable income in excess of $145,000 for a couple filing a joint return, $84,000 for a single taxpayer, and $125,000 for a head of household. Former President Reagan proposed a top rate of 35 percent in his 1985 tax reform proposals. At no time did he ever propose a lower rate. The individual alternative minimum tax rate would also be increased from 24 percent to 25 percent. In addition, the bill would impose a surtax of 10 percent of the income of millionaires, making their statutory marginal tax rate 38.5 percent.

Over 5 years, this bill would be revenue neutral. In the first 2 fiscal years, the bill would lose some revenue—because I want to provide a short-term stimulus for the economy. However, the bill would replace that lost revenue over the next 3 years.

Mr. Speaker, the higher tax rate on wealthy taxpayers will not only finance the temporary tax relief, but will make the tax system fairer. It will offset the tax relief provided to middle-income taxpayers on their payroll taxes. However, the bill does not sunset the 35-percent rate bracket or the millionaires' surtax. The revenues from these tax equity provisions would be available to reduce the deficit over the longer term. For me, deficit reduction is an added benefit to this proposal.

Mr. Speaker, this bill has a simple message—tax relief for middle-income working Americans, fully financed by fairer taxes on the wealthy.

I urge my colleagues' support for this important initiative.

PRIVATE CALENDAR AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BOUCHER] is recognized for 5 minutes.

Mr. BOUCHER. Mr. Speaker, I would like to take this opportunity to set forth some of the history behind the Private Calendar, as well as a description of the calendar.

Of the five House calendars, the Private Calendar is the one to which all private bills are referred. Private bills deal with specific individuals, corporations, institutions, and so forth, as distinguished from public bills which deal with class only.

Of the 108 laws approved by the First Congress, only 5 were private laws. But their number quickly grew as the new Republic produced veterans and veterans' widows seeking pensions and as more citizens came to have private claims and demands against the Federal Government. The 49th Congress—1885 to 1887—the first Congress for which complete workload and output data is available, passed 1,031 private laws, as compared with 434 public laws. At the turn of the century, the 56th Congress passed 1,498 private laws and 443 public laws, a better than 3 to 1 ratio.

Private bills were referred to the Committee of the Whole House as far back as 1820, and a calendar of private bills was established in 1839. These bills were initially brought before the House by special orders, but the 62d Congress changed this procedure by rule XXIV, clause 6, which provided for the consideration of the Private Calendar in lieu of special orders. This rule was amended in 1932 and then adopted in its present form on March 22, 1935.

A determined effort to reduce the private bill workload of the Congress was made in the Legislative Reorganization Act of 1946. Section 131 of that act banned the introduction or the consideration of four types of private bills: first, those authorizing payment of money for pensions; second, those authorizing personal or property damages for which suit may be brought under the Federal tort claims procedures; third, these authorizing the construction of a bridge across a navigable stream; or fourth, those authorizing the correction of a military or naval record.

This ban afforded some temporary relief but was soon offset by the rising postwar and cold war flood for private immigration bills. The 82d Congress passed 1,023 private Laws as compared with 594 public laws. The 88th Congress passed 360 private laws compared with 666 public laws.

Under Rule XXIV, clause 6, the Private Calendar is called the first and third Tuesday of each month. The consideration of the Private Calendar bills on the first Tuesday is mandatory unless dispensed with by a two-thirds vote. On the third Tuesday, however, recognition for consideration of the Private Calendar is within the discretion of the Speaker and does not take precedence over other privileged business in the House.

On the first Tuesday of each month, after disposition of business on the Speaker's table for reference only, the Speaker directs the call of the Private Calendar. If a bill called is objected to by two or more Members, it is automatically recommitted to the committee. No reservation of objection is entertained. Bills not objected to are considered in the House in the Committee of the Whole. On the third Tuesday of each month, the same procedure is followed with the exception that omnibus bills embodying bills previously rejected have preference and are in order regardless of objection.

Such omnibus bills are read by paragraph, and no amendments are entertained except to strike out or reduce amounts or provide limitations. Matters so stricken out shall not be again included in an omnibus bill during that session. Debate is limited to motions allowable under the rule and does not admit motions to strike out the last word or reservation of objections. The rules prohibit the Speaker from recognizing Members for statements or for requests for unanimous consent for debate. Omnibus bills so passed are thereupon resolved in their component bills, which are engrossed separately and disposed of as if passed separately. Private Calendar bills unfinished on one Tuesday go over to the next Tuesday on which such bills are in order and are considered before the call of bills subsequently on the Calendar. Omnibus bills follow the same procedure, and go over to the next Tuesday on which that class of business is again in order. When the previous question is ordered on a Private Calendar bill, the bill comes up for disposition on the next legislative day.

Mr. Speaker, I would also like to describe the official objectors system in the House, which has been established to deal with the great volume of private bills. The majority leader and the minority leader each appoint three Members to serve as Private Calendar objectors during a Congress. The objectors are on the floor ready to object to any bill which does not adhere to the guidelines established for consideration on the Private Calendar. Seated near the objectors are the majority and minority legislative clerks, to provide technical assistance. Should any Member have a doubt or question about a particular private bill, assistance can be provided by the objectors, the clerks, or from the Member who introduced the bill.

The great volume of private bills and the desire to have an opportunity to study them carefully before they are called in the Private Calendar have caused the six objectors to agree upon certain rules. The rules limit consideration of bills placed on the Calendar only shortly before it is called. The agreement adopted on June 3, 1958 provides for the consideration of bills only if they have been on the Private Calendar for a period of 7 days, excluding the day the bill is reported and the day the Calendar is called. Also, reports must be available to the objectors for 3 calendar days.

It is agreed to that the majority and minority clerks will not submit to the objectors any bills which do not meet this agreement. This policy will be strictly enforced except during the closing days of a session when House rules are suspended.

This agreement is entered into by the gentleman from Virginia [Mr. BOUCHER], the gentleman from Kentucky [Mr. HUBBARD], the gentleman from Maryland [Mr. MFUME], the gentleman from Wisconsin [Mr. SENSENBRENNER], the gentleman from Pennsylvania [Mr. GEKAS], and the gentleman from North Carolina [Mr. COBLE].

UPDATE ON THE AIDS VIRUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. I thank the Speaker. I will not take that long. But I do want to talk about a few subjects tonight, one subject that is very, very important.

Mr. Speaker, if the news accounts are correct, everybody in this country who is an athletic supporter who believes that we have some of the finest basketball players in America, is saddened tonight because it has been reported that one of the finest basketball players to ever play the game, Magic Johnson, has the AIDS virus and he is going to have to retire from basketball.

That saddens me because I have been one of his most ardent supporters over the years, although I have never had the opportunity to meet the man, but ever since he and Larry Bird played on the college scene I have had tremendous admiration and respect for both of them.

Mr. Speaker, this just points out once again to all of us that the AIDS virus is probably going to touch every single family in this country, and probably every one of us before the next decade is over is going to know somebody who has the AIDS virus or has died with it.

That brings us to this particular time and my plea to my colleagues on the House floor that we do not just sit back and let nature take its course. So far, the Congress of the United States has not taken any real positive action to deal with the AIDS pandemic facing this Nation.

Mr. Speaker, we have spent money on medical research and scientific research; we have tried to educate the population of this country. But none of this seems to have done much good.

In Uganda, yesterday, before my Subcommittee on Africa of the Committee on Foreign Affairs, the First Lady of Uganda testified, and she testified that they started a massive education program about 5 or 6 years ago to try to stem the tide of AIDS. She indicated that it had not been very successful.

That is because an educational program by itself is not going to solve the problem. They did a survey at Ball State University, and I said this last night and I will say it again tonight, and they found that 80 percent of the college students at that university, a very fine university, right on the edge of my district, 80 percent of the college students were sexually active. And I suppose that is probably consistent with all the big colleges and universities across this country.

□ 1650

Mr. Speaker, the same kind of sexual attitudes are prevalent in our high schools. Here in Washington, DC, and this really needs to be paid attention to by my colleagues, they have found in the last 3 to 4 years at the hospitals here in Washington that there has been a 300-percent increase in the number of teenagers who have the AIDS virus who did not get it from a drug-related source. A 300-percent increase; it has gone from four-tenths of 1 percent to 1.3 percent.

Now that does not sound like a very high percentage, but, when one looks at how it is skyrocketing and looks at the graph, then they start realizing how really dangerous this situation is.

I looked at the graphs in Uganda yesterday. They had graph, after graph, after graph showing how the AIDS virus spread and how the people started dying from it, and the graph would start out at zero, and it would go like this, and then it would just bend very sharply upward. That is what happened to Uganda, and Uganda is about 5 to 6 years ahead of us as far as the epidemic is concerned—5 to 6 years ahead of us.

Now I want to give my friends who are in their offices and who are here some statistical data that is extremely important, and I know very few are going to pay attention, but I hope somebody does. We are going to have by the end of this year, using the new statistical data that the CDC is going to be putting out, between 250,000 and 300,000 people infected with the AIDS virus, or dying from it, or are already dead. Through September, using the old statistical gathering system, we have 159,718 cases of AIDS or people who are either infected with it or dying from it. And when we use that new statistical acquiring method that they are using, it is going to be much higher than that and, as I said, by the end of the year it will be between 250,000 or 300,000, or maybe a little higher than that.

By the middle of this decade, the mid-1990's, if we extrapolate these figures on out, we are going to have somewhere close to a million people dead or dying of AIDS by 1995, 1996, or 1997, and it could be worse than that because, once that graph starts up, once that arrow starts shooting skywards, like we have in Uganda, we will find we have a lot more people dead or dying of the virus than we anticipated, and that is why the people in Africa are having such a difficult time, because they do not have the resources at their disposal to deal with this problem. They have one doctor, one doctor in Uganda, for every 23,000 people. One doctor for every 23,000 people. They cannot cope with it. They do not have the money, they do not have the money in the Soviet Union, and in a lot of countries they are going to suffer dramatically because they cannot deal with this kind of a pandemic.

But we here in the United States are fortunate. We have the resources at our disposal and a governmental structure at our disposal that can deal with it, if we will. But we have not been. We relied on scientific research and education. Education has not worked. It has not changed the sexual attitudes of the young people in this country.

We tell them about safe sex, and we say, "Use condoms, and that will solve the problem." The fact of the matter is it will not solve the problem. One out of six to one out of four of the young people using condoms who come in contact with an AIDS-infected person can get it. They can get it. That is the transference rate, one out of six to one out of four, and so there is no such thing as safe sex outside of a monogamistic relationship, and yet that is what we have been led to believe. We do not know all the ways one can get AIDS.

As my colleagues know, Dr. Koop was our Surgeon General, and he said just a couple of years ago that it was impossible. He said categorically it was impossible to get AIDS from a doctor, a dentist, or a health care worker. Well, we now know that is not the case, and the people of this country in a recent survey said, 95 percent of them said, they ought to be able to know the HIV status of their health care deliverer, whether their doctor or dentist has AIDS, before they did an invasive procedure on them as a patient. So, we do not really know all we need to know about AIDS.

The segment of our society that is going to be the most adversely impacted in the next 10 to 20 years in my opinion is going to be the young people, the productive members of our society into the 21st century, the teenagers and the college age students, and it is in large part because the education simply has not gotten through to them. Eighty percent of the college students at this university I have mentioned a few moments ago, Ball State, say they are sexually active, and that is true across the country, and so a lot of those young people are going to come down with the AIDS virus. No family in this country is likely to be left untouched in the future.

So, Mr. Speaker, we need a comprehensive program to deal with it. We need to find out how it is spreading, all the ways it is spreading, where it is spreading, how fast it is spreading, and we need to develop a plan to come to grips with it. This program needs to consist, first and foremost, of a national testing program, a national testing program. It does not cost much. The U.S. Army tests everybody in the military for less than $5 every year, and, when one figures out that the entire population of this country could be tested annually, if the Government paid for it, and the Government would not have to, but if the Government were to pay for it, it would cost somewhere around $1.2 billion a year. We say that is a lot of money. I ask, "Shouldn't we spend that money on health care, and education and so forth?"

Mr. Speaker, I will tell my colleagues that there is an old saying: An ounce of prevention is worth a pound of cure, and each person that gets AID costs, before they die, between $100,000 and $150,000 to the health delivery care system of this country. That is what it costs, and, if we get a million people dead or dying of the AIDS virus, put a pencil to that, and see how much money that is going to cost this country. We would be looking at $100 billion to deal with the AIDS pandemic, if these projections are correct, through the middle of the 1990's. So, testing on a regular basis is a cost-effective way to at least find out who has it.

Then, in addition to that, we need to have contact tracing to stop people who have it from continuing to spread it, to find out when people get the AIDS virus, where they got it, so we can try to stop it from spreading further.

We need psychological help for those who have the AIDS virus because it is a traumatic experience for anybody. I mean they are going through all kinds of hell before they die from this virus. They are going to get lesions on their arms, and they are going to get thrush in their mouth, they are going to get all kinds of other diseases because their immune system will completely disintegrate, and many of them will get Kaposi's sarcoma, which is a very rare form of cancer which is very painful, before they die. So, we need to have psychological help for them.

We need to protect their civil rights, make sure their jobs, and their homes and everything else is protected, that their health care benefits are protected. That should be part of the equation.

And we need to have penalties imposed for those who know they have the AIDS virus and go out to spread it. We have people who are deliberately tonight going out and trying to find somebody in bars, or other kinds of establishments, to infect with the AIDS virus because they are upset they have it. They are deliberately infecting people. We also have prostitutes and other people who ply their trade at night who know they have the AIDS virus and are out infecting other human beings, destroying lives and families, and so what we need to do with people who know they have it and continue to spread it, they need to be stopped. They need to be extricated from society just like a person who robs a bank, or shoots somebody or commits murder, because they are doing that.

So, Mr. Speaker, we need a comprehensive program to deal with it, and I know many Americans and many of my colleagues. They say, "Well, it's really not that bad." Well, I am telling them that it is that bad, and it is going to get a lot worse.

I am confident we will have a comprehensive program to deal with this in the next decade. The problem is how long are we going to wait before we do it? Are we going to wait until there is another million, or two million, or three million people infected with it, destined to die? A lot more heartache for their families and loved ones?

I do not know how Magic Johnson got this disease. We may never know, but maybe, just maybe, if there had been testing, he might have been able to avoid it.

We need to come to grips with this as a Nation. We are not doing it. I have been down in this well probably 20 or 30 times talking about it, and we really are not getting anyplace.

Kimberly Bergalis came up here, the young lady who was infected by her dentist down in Florida. She testified before the health subcommittee. She said that everybody ought to be tested. Doctors ought to tell their patients before they do invasive procedures if they have AIDS to protect them. She mentioned a lot of things that need to be done. Doctors and dentists have the right to know if their patients have AIDS before they work on them. All these things need to be done, but we are not doing it. We sit back and complain, but nothing is being done.

The problem with sitting back and waiting right now, my colleagues, is that the AIDS virus, as we speak, is continuing to spread. It is spreading around the world and in the United States. People who look perfectly healthy, who are very beautiful, very handsome, tonight are going to give AIDS to somebody else that they got 2 or 3 years ago. They do not know it, and the people who are going to get it do not know it, and those people are going to carry it up to 10 years without knowing they have it, and thus they will be infecting other people as well.

This is a very insidious disease. There is no manifestation of it until one gets active AIDS. So, the only way to find out if somebody has it is through blood testing.

□ 1700

So I would say to my colleagues, let us not keep our heads in this sack any longer. Let us be rational about this problem. Let us not have the problems they have in Uganda. We are probably going to have 3 million or 4 million people at the very least die of AIDS in this country. I think it is more like 5 million or 6 million, but we are going to have at least 3 million or 4 million die of AIDS in this country. Let us stop it at that. The best way to stop it at that level is to start testing, doing contact tracing, and getting the information necessary to come up with a battle plan to deal with it.

We are in a war against AIDS, and we are losing it. We need to declare war against it and do all the things that are necessary.

Last and not least, I would just like to say that the best way to avoid AIDS, I would say to young people and older people alike, is to have a monogamous relationship—one man and one woman. Any more than that is really playing Russian roulette. The Bible, the Koran, the Old Testament and the New Testament all set out moral guidelines for mankind, and when man deviates from those guidelines, he does it at his own peril. When we tell young people that safe sex involves using condoms, we are not giving them the right scoop, we are not giving them the right direction or the right answer. They have to realize that they have to cut it out. They have to deal only with one person for the rest of their lives. That is the only safe way to protect themselves against the AIDS virus, and even then there will be some innocent transmission through blood transfusions or through doctor-patient relationships to get the virus. And there will be other ways as well. So there is no guarantee that you will not get it, but one way to minimize your chances of getting the AIDS virus is to have 1 person as your mate for a lifetime.

So I would just say to my colleagues that maybe this stuff I am talking about sounds like pie in the sky, but I am confident we will have a comprehensive plan encompassing all the things I am talking about. The only question is whether we are going to do it now or 5 or 10 years from now when we have condemned another 5 million or 6 million people to death. I would opt for doing it now.

So I would like to say to my colleagues that I think we should get on with it. Let us do what is necessary quickly so we do not experience what is going to happen in Africa where they are going to have at least 10 million people dead or dying in the very near future, and ultimately maybe as many as 50 million people dying on that continent alone.

Mr. Speaker, I do not want that to happen to America. It need not happen if we do the right things.

MACHINE TOOL VRA EXTENSION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, last Friday's Wall Street Journal reports the efforts Congressman HENRY HYDE, Congresswoman NANCY JOHNSON, Congressman DUNCAN HUNTER, and I have made trying to have an extension of the machine tool voluntary restraint agreements [VRA's] with some of our major trading partners.

The story points out that only the Commerce Department agrees with us and reports that Deputy Defense Secretary Donald Atwood came to the Hill to discuss our concerns that Defense request this necessary protection for this vital industry.

This industry—recognized by anyone knowledgeable about manufacturing to be the most critical to maintaining an industrial base—has been long discounted by Government economists.

These are the same economists who have been saying since the spring that the recession is over. These are the economists who heralded the advent of a service economy over a manufacturing economy and pushed us in that direction by refusing to protect our heavy industries against unfair dumping and predatory marketing practices.

Intelligence which I have just received today leads me to believe that Defense is trying to duck talking the necessary strong stand to save this vital industry. Every one of the other agencies—including the Trade Representative's Office, OMB, and so forth. Have identified this decision as one involving only the national security of the United States.

This is not trade policy, nor industrial policy—this is the security of the U.S. weapons producing capability on the line.

The U.S. machine tool industry lost 25% of its production capacity in the 1984–85 time period while the 232 petition findings of the industry languished at the National Security Council—but, more about that later.

Right now, the machine tool industry—suffering the recession—trying to recover the tremendous investments of the last 5 years—needs to be saved.

If it is not, then Secretary of Defense Dick Cheney and Deputy Secretary of Defense Don Atwood will be responsible for the loss of—possibly—another 25 percent of capacity—which will mean that foreign nations increasingly will be manufacturing our machine tools with the availability of all of the proprietory information for all of our weapons systems—totally free to sell off that information, or to have their own nations produce these weapons and compete with us in sales.

This is national security. It should not be considered as economics or politics—just the safety of this Nation.

One of the major reasons that we even had the 5 year VRA—and that poorly enforced—Germany and Switzerland refused to comply—was because I personally urged President Reagan to act on the findings of the 232 investigation at Commerce—in 1984—which showed that seven of the major categories of machine tool manufacturing were threatened by growing market penetration of foreign producers.

Those findings were deep sixed inside the National Security Council for 26 months and until my conversation with the President, he had no knowledge of what was going on. Again, one man, Richard Levine—at that time in his twenties—held the power of life and death over a whole industry. He has since left government—to continue his education—in graduate school.

A pity. If he anticipates returning to serve his country in the government, we all would have been better served had he worked in a machine tool company for those 2 years and learned some real facts about the economics rather than more useless theory. We've had too much of that.

Now the tragedy of the National Security Council's action—that it behaved more as an outpost of the trendy economic theorists of the time—instead of acting with despatch on one of the truly major national security issues, the tragedy is, that in that 26 month period—more and more U.S. companies were lost either to foreign purchasers or to bankruptcy.

And remember, this was all happening at a time when the evidence was already in—already proven by our own Commerce Department—that the U.S. machine tool industry was under grave threat by foreign practices—and the action of the Commerce Department was on the basis of national security.

Overlooked in the whole issue of protection of our U.S.-owned machine tool producers is the tremendous potential machine tool production offers for industrial and defense espionage.

I have been following the fate of machine tools since the early thirties reading the papers and sometimes the industry publications. Headlines in the New York Times reported, "Japan Targets U.S. Machine Tool Industry," and no one ever questioned why.

It is an expensive industry to enter—major costs for start-ups. It is cyclical. It is high value added, but not noted for extraordinary profits. However, Japan targeted it. Why?

Because, he who makes your manufacturing machine—can eventually make your product. It is necessary when ordering a machine tool to tell the designers of the machinery which will make your product—a total description of the product the machine will have to make.

As a matter of fact, in the world of real espionage, the United States was eager to sell machine tools to the Russians in order to know the level of their expertise.

Japan, among the nations, has become infamous for getting and sharing among their industries proprietory information of other countries.

I suspicion that is why they wanted our industry.

Opponents of any kind of protection for machine tools or steel seem to ignore the economic structures of our trading partners which our industries are supposed to overcome unaided by our Government.

The European nations sit behind the wall of the value added tax using it as both an import barrier and as an export bonus for their companies. Not only in machine tools, not only in steel, but in every manufactured item seeking entrance to the EC markets there is—on average—20 percent is added at the port of entry. In like manner, when European items leave the EC, there is an income-tax free—on average—20 percent rebate to the European manufacturer.

In Japan, our manufacturers find they are competing for sales with manufacturers who are members of powerful keiretsu corporate families—so that Toshiba Machine Tool is one of 495 companies under the umbrella of the Toshibas Corp. It would be asking a lot to ask any of those other 494 companies to buy machine tools from any company other than their own.

Yet, facing this kind of protectionism—our companies are being asked to go it alone, and if they can't they are criticized for not being competitive.

Let's look at that charge—particularly in regard to the European Community. Europe is heavily unionized—more so than the United States. Most European countries allow 1 month of vacation for all employees and many have mandated family leave. Many countries also have 2-hour lunch breaks and, in some nations, everything—including supermarkets and many restaurants—closes down from Saturday noon until Monday morning.

Now, these workers may be good—but they are not that good. The difference between the 40- to 50-hour week worked in this country—when the economy is surging—is made up for by the 20 percent valued added tax.

We are among the hardest working nations in the world, but work alone cannot overcome a 20-percent advantage on a product. The liberal leave policies of the EC, the shorter working week, can only survive as long as they have the value added bonus protection.

And at no point over the last 30 years have we made any effort to address the inequity of this tax.

This year, Congressman RICHARD SCHULZE has introduced a uniform business tax law which can finally level the playing field with VAT nations and other countries which rebate taxes for exports and, it has none of the drawback of a value added tax.

This legislation—H.R. 3170—is basically a reform of U.S. corporate tax law. It is not adding a tax, but simplifying the computation of taxes. It is a border adjustment tax capable of fairly collecting taxes on foreign manufacturers inside this country, something we have not been able to accomplish thus far.

However, let me quote DICK SCHULZE on the provisions of the bill.

> First, consistent with international practice, the Uniform Business Tax would exempt from taxes all export sales of American-made products thereby making them less expensive and more competitive in world trade.
>
> Second, consistent with international practice, it would remove the present double tax on U.S. companies competing directly in foreign markets.
>
> Third, in order to make American-made goods even more competitive in both U.S. and foreign markets, it would reduce the presently high cost of capital in the U.S.
>
> Fourth, instead of continuing to compound and concentrate the tax burden on Americans, it would expand the U.S. tax base in a manner that is consistent with international practice—to include foreign owned companies that now participate in our economy to the tune of over $650 billion per year on a virtually tax-free basis.

That is a general description by Congressman SCHULZE of his bill. I am proud to be an original cosponsor because it so well addresses the problem of structural impediments inside other countries without having to adopt their methodology, as with the value added tax, expensive to administer.

DICK SCHULZE has come up with a brilliant concept which solves not only the problem of making our industries more competitive, but it simplifies and lowers the cost of tax filing for our companies without lowering the amount of taxes collected, and more importantly, it will guarantee that foreign manufacturing operations in this country will pay a fair share of taxes on their profits. This amount could be as high as $50 billion.

Were we to have this law in operation right now, it might not be necessary to consider an extension of the VRA's either for machine tools or steel but, currently there are no laws in place to balance off the unfair advantage enjoyed by most foreign producers coming into our market.

The only recourse we have at this time—if we are to save any of our heavy industrial base—is to use restraint agreements and/or restrictive tariffs. It is absolutely irrational to me that in the GATT proceedings we would be offering up 1.4 million manufacturing jobs in the textile industry when, no matter what we offer up, the barriers of the value added tax in the EC and the Keiretsu system in Japan will not change, nor will the Chinese Government stop using political prison labor.

I believe a look at any of the morning papers will give evidence aplenty that the economy needs some extraordinary measures to save the jobs we have left. We cannot afford to close one more plant in the face of unfair foreign competition—no matter the complaints of our trading partners, the criticism of the comparative advantage economists.

We are at a time in the history of this country that we must act swiftly. We must be bold, we must hold on to whatever we have left and begin to imaginatively create and pass new laws which will enable us to maintain our preeminance in the world. Extension of the VRA's for machine tools and steel will do the one, H.R. 3170 will put us well along the road to doing the other.

CROATIA ON THE OFFENSIVE: THE TRUE INTENTIONS OF THE REPUBLIC OF CROATIA FINALLY COME TO LIGHT

Mr. Speaker, the leadership of the Republic of Croatia has ordered the ethnic Serbians in Western Slavonia, who have lived there for hundreds of years, to abandon their homes and villages by today, and to take along only indispensable luggage.

On Monday of this week, Croatian forces attacked this area, burning and destroying 17 Serbian villages including Velika Barna, Mala Peratovica, Dapcevica, Dabcevacki Brdjani, Turcevic Polje, Loncarica, Mala Brana, Mala Jasenovaca, Velika Peratovica, Mali Grdjevac, Zrinjska, Sibenik, Cremusina, Brdjani, Rasenica, and Cadjevac.

During the night of November 3, almost 5,000 Serbian refugees reached Benja Luka, traveling via 270 tractors, 12 buses, and 7 trucks. The refugees told gruesome stories about the slaughter and the atrocities committed by Croatian troops.

In the region of Slavonska Pozega people from the villages of Gornji Vrhovci, Kantarevci, Poljanska, Odzakovci, Mrakovac Pozeski, Jezici, Vranici, Milivojevci, Podsrece, Snjegovic, Jeminovac, Vucjak, and Oblakovac were moved from their homes and taken to work camps.

In the larger area of the Serbian Autonomous Province of Western Slavonia, according to statements made by many refugees, the Croatian forces are carrying out an unseen genocide and terroristic activities. Croatian forces, much more numerous and better armed, continue to raid villages and slaughter all those who were not able to flee, destroying and burning everything in their path. Croatian formations attacked the village of Mikovicevo, and shelled the village of Veliki Bastaji with artillery.

On November 5, Croatian forces attacked Sid, a town within the Vojvodina province of Serbia, shelling it with artillery grenades. Four people were killed, and 13 were wounded.

The artillery grenades came from the direction of Nijemci and Lipovac, villages which are controlled by Croatian forces. The most densely populated areas of Sid were purposely targeted, and a kindergarten, silo, agricultural combine management building, chemical factory, medical center, and other vital objects were hit.

On November 6, Croatian artillery hit the villages of Aratin and Ilinci in the Republic of Serbia and the village of Bukovica in Bosnia.

Mr. Speaker, are these the actions of a republic that wants peace? I would say they demonstrate quite the contrary.

Where are the guarantees of autonomy given by Franjo Tudjman? Certainly not in any of the places I just mentioned. In fact, one of the main reasons for the current fighting is because Franjo Tudjman classified the Serbians within Croatia as a national minority, based on the tenets of his anti-Serbian platform when elected. This was a distinct change from the Serbians' previous classification as an ethnic equal within that republic.

Tudjman's regime also purged ethnic Serbians from government jobs, and others were forced to sign loyalty oaths in order to retain theirs.

Why are individuals of Serbian descent, who voluntarily live in Zagreb, still having to sign loyalty oaths in Mr. Tudjman's "democratic" republic?

While the world press is focused on the situations in Dubrovnik and Vukovar, why is there not as great an outcry for these families suffering under Croatian oppression, being forced out of their homes by official policy, being terrorized by ultra-nationalist troops out of government control? These are not Serbian "Guerillas," these are old people, women and children.

Where are the stories of the Serbian cultural monuments and Orthodox churches being destroyed by Croatian troops? Here's a list:

Village of Pakrac—Episcopal Court—completely burnt down; Cathedral of the Holy Trinity—extensive fire damage, Grevinice, the graveyard church—extensive fire damage.

Village of Okucani—church damaged.

Village of Donji Rajic—church damaged.

Village of Nedari—church damaged, priest's home destroyed.

Village of Nova Grediska—church bombed.

Village of Donji Bogicevci—church heavily damaged.

Village of Jesonovac—church belfry damaged.

Village of Daljani—church damaged.

Village of Roastovec—18th century wooden church burnt down.

Village of Donja Rasnice—18th century wooden church mined.

Village of Bjelovar—Cathedral of the Holy Trinity—belfry damaged by grenade.

Village of Volca—church bombed.

Village of Erdut—church destroyed by grenades.

Village of Drnis—church damaged.

Village of Grubisno Polj—church sealed shut by Croatian Police.

Village of Sisak—church damaged by explosives, priest's home broken into.

In fact, a delegation from the U.N. Educational, Scientific and Cultural Organization [UNESCO] just returned from a fact-finding mission in Croatia. UNESCO's director general, Federico Mayor said, and I quote, "Hundreds of churches, both Catholic and Orthodox, palaces, monuments, schools and libraries, often from the 17th, 18th and 19th centuries, have been destroyed or damaged beyond repair."

The Croatians do not mention the damage they have done when they make their appeals for help to the international community.

Where are the stories of the atrocities committed against Serbs? The Croatians would have you believe that this does not occur in their enlightened new state.

I read from a November 4 report from Tanjug regarding the refugees fleeing from eastern Slavonia:

> Slobodan Kucuk of Virovitica told us: 'The Ustasha dug out the eyes of my neighbor Dusko Gleznic, cut off his ears, and then killed him. * * *
>
> Leader of the Caravan Djuro Dobrojevic said he had seen a pregnant woman whose child was taken out of her womb while she was still alive. He added that the Ustashas had massacred many people, carving out their kidneys, hearts, livers with knives. * * *
>
> "The Ustasha are setting fire to everything that can burn," Sava Skrgina of Gornja Kovacica confirmed, "They are killing and massacring everything that is Serbian. If we had not hastened to flee we would have been dead for sure," she said. * * *
>
> A refugee said that, "In the municipality of Grubisno Polje at least 17 Serbian villages have been razed, and 40 Serbian villages have been abandoned. Those who did not manage to escape were brutally murdered. The Ustasha have really gone wild. They are shooting at every moving target. They are finishing off whoever they can with their special curved knives.

I have seen footage of these acts, Mr. Speaker, and I invite you, or any other Member of the House or Senate, to join me in my office to view the atrocities that have been commited against the Serbian minority in Croatia, against helpless women and children. After I start the tape, Mr. Speaker, I will step out of the room, in order that I not get ill.

Mr. Speaker, the basis for the current conflict is the human rights of the Serbian minority in Croatia, which were violated previous to, and continue to be violated after the outbreak of hostilities.

The Republic of Croatia, by word and deed, has done little for, and has in fact regressed on any attainable respect for the human rights of the Serbian minority in Croatia.

The world must be careful in its analysis of the current situation in Yugoslavia, and must be careful before it acts. I would like to read from an article entitled "Juggernaut of War Gains Speed in Yugoslavia" written by Timothy Kenny in Tuesday's USA TODAY:

[From the USA TODAY, Nov. 5, 1991]

JUGGERNAUT OF WAR GAINS SPEED IN YUGOSLAVIA

(By Timothy Kenny)

ZAGREB, YUGOSLAVIA.—The civil war pitting Serbia against Croatia has ended Yugoslavia's life as a nation.

But there is worse to come politically, militarily and emotionality for Serbs and Croats, as well as for others in the country's six republics.

European Community efforts to end the fighting with a peace plan that would allow the breakup of Yugoslavia come to a head today. The republics are being asked to sign the plan and stop fighting.

But Serbian leaders say they won't sign, and that could push impose economic sanctions.

"The only way to stop all this, as we see it, is that the agreement brokered by the EC should be signed by all parties who want to sign it," says Croatian Vice President Zdravko Tomac. "The state of Yugoslavia would, in effect, be abolished if four or five republics sign it. * * * If talks collapse, the war will spread. And then no one will be able to stop it."

The spread of war seems unstoppable now. Monday the federal army, dominated by Serbs, pounded the Croatian cities of Dubrovnik and Vukovar, including the start of "final operations" to take Vukovar.

More than 60 deaths have been reported since Saturday. Estimates of the death toll in fighting launched by the Serbled federal army since Croatia declared independence June 25 range from 2,500 to 5,000.

Croatian hatred of Serbia has hardened into a tough, unified shell, ending chances of even loose economic cooperation under independence.

Many of the 600,000 Serbs living in Croatia, fearful of abuses, say they don't want to live in an independent Croatia.

What lies ahead for the civil war and for Croatia remains clouded by uncertain politics and vague diplomacy. But behind the political rhetoric and bellicose words there is an unvarnished, naked fear. The conflict will only grow wider in the near term, spreading with a vengeance to the republic of Bosnia-Hercegovina to the south, because of that republic's ethnic diversity.

"If nothing is achieved by the U.N. or the EC in the next couple of days, the war will spread to Bosnia, and that will be tragic," Tomac says.

Already, the war is a political tragedy in Croatia, where President Franjo Tudjman's popularity has plummeted as Croatia buries its young men. The war also could mean parliament will demand an end to Tudjman's government when it meets Sunday. A coalition that stands even more strongly for independence would likely replace it, analysts say.

Many Croats would welcome that, including members of the Croatian Party of Rights, led by Dobroslav Paraga.

The Party of Rights, a pronationalist group that demands a "greater Croatia" advancing to near Belgrade, is rising in popularity as the war drags on.

Ignored six months ago as a fringe party, the group is now third in popularity in Zagreb, says an informal poll published in the newsmagazine Danas.

At the group's headquarters across from Zagreb's railway station, uniformed armed men pat visitors down twice and scan them with electronic equipment before allowing them to talk with Paraga.

The party has also outfitted and armed thousands of men—Paraga says 15,000, but there is no way to verify the claim—in uniforms and light arms. Money for the weapons, which Paraga says include shoulder-fired Stinger missiles and anti-tank arms, comes from abroad, mostly the United States and Canada.

The army of independently trained and armed men fights under direction of the Croatian National Guard. And while the government has outlawed such organizations, Paraga's group continues to flourish.

"The Croatian people realize that the Party of Rights is protecting the nation," says Paraga, a lawyer who was jailed three times for anti-communist activity beginning in 1980 and was forced to leave Croatia for three years. "They are turning to us more and more. As an occupied nation we want to use all means for an independent and sovereign Croatia."

Serbs, meanwhile, say Croatian terrorists are maiming and killing their people, but the atrocities get very little media coverage, compared with coverage of the federal army fighting in Croatia.

At a Serbian-American convention in Chicago last weekend, the hottest topic was Croatian terrorism and why the plight of Serbian refugees doesn't seem to be reported in the international media.

"We've been very frustrated," says Michel Djordjevich, president of the Serbian Unity Congress. "We have not broken through" to get sympathetic media coverage.

While one person attending showed a notebook of photos he said showed Croatian bias in the media, another showed pictures of mutilated bodies, purportedly the result of Croatian terrorists and mercenaries brutalizing Serbs.

"If my cousins get caught by Croatians, they will be mutilated," says Serbian-American Veljko Miljus. "It makes me want to go there and fight."

Mr. Speaker, there is a lot about the current situation in Yugoslavia that does not reach the ears of the readers of the western press or of our Congress. There is another side, a side of slaughter and mutilation, a side of blatant human rights abuses against the Serbian minority in Croatia.

Mr. Speaker, there is a saying that hindsight is 20/20. Let us at least strive to correct our vision to encompass the full scope of the situation in Yugoslavia before making pronouncements or assigning blame to one party or the other.

☐ 1730

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. DORNAN of California. Mr. Speaker, I ask unanimous consent to vacate my request for a special order of 60 minutes and instead ask for a 5-minute special order.

The SPEAKER pro tempore (Mr. KOLTER). Is there objection to the request of the gentleman from California?

There was no objection.

NO $1 BILLION TO THE SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Mr. Speaker, this Thursday has become a getaway Thursday. There are no votes tomorrow. Monday is a holiday for our great veterans. I always think of it as a special day for my father, who was in the trenches of Europe in Northern France on the 11th hour of the 11th day of the 11th month in 1918 when the armistice was signed for a war that was then just called the World War. There was no Roman numeral I after it, because nobody would ever have dreamed in just one generation that many of those same men, more advanced in years and rank, with their own sons at their sides, would be fighting yet another war in Europe started by the same country, this time not under a Kaiser who resigned in 1918, but by the same country with an ideology of fascism, the twin brother of the ideology of communism which has kept us building a Defense budget for 46 years, Mr. Speaker.

That is the reason I come to the well today. I could have easily taken an hour on what I am going to discuss, but maybe brevity is the soul of not only wit but power in trying to suggest to all American citizens, Mr. Speaker, and 1½ million watching the proceedings of this House, the camera rudely, notwithstanding, as it pans an empty Chamber, and as long as I have Congresswoman HELEN BENTLEY correcting her great remarks of the last 40 minutes I am happy that I have a great audience on the floor, Mr. Speaker; but the 1½ million Americans who electronically follow the proceedings of this House, they will be interested in what I have to say.

The conference on the Defense authorization bill, with the Senate conferees and the House conferees, is back in doubt. They will be meeting over this long weekend. There are still many issues in controversy, although the proabortion language was dropped, but those people that are part of the abortion cult in this country, including some of our Members, are back in there fighting to get abortion language put back in, knowing that the President is going to veto it hands down, to try to make abortions available in all of our tax-funded and supported military facilities around the world.

The big bone of contention now appears to be $1 billion. What did the great Senator Everett Dirksen say, "A billion here and a billion there pretty soon turns out to be real money." Fifty years ago yesterday President Franklin Roosevelt, on the eve of Pearl Harbor, and this is November 6, just a month and a day before we were struck at Pearl Harbor in a sneak attack, he put up $1 billion of lend lease aid to the Soviet Union, and not a minute too soon, because on the ninth of this month the Russian forces were encircled around Lenigrad by the invading Hitler hordes, naziism fighting communism. On the east side of Leningrad they took the Tikhvin Rail Yard, the Tikhvin Railroad Junction, which completed the encirclement of Leningrad and began their 900 days of encirclement.

Now, what was Roosevelt proposing? One billion dollars in 1941, November 6, was real money because our entire budget for the whole Federal Government in 1941 was $13.7 billion, $13.7 billion. It grew in 1945 to $92.7 billion. You know what we gave out in human resources? Less than $2 billion, 1.9, and President Roosevelt put up $1 billion to save the Soviet Union and inadvertently saved communism, to be devilish for the next half a century.

Of that Defense budget in 1945, $92.7 billion, $83 billion was, for the year of 1945, the development of the nuclear bomb, our forces wrapping up the war in the Pacific and getting the Soviets, the Russian forces with us to accept the unconditional surrender of Germany on May 8, 1945.

□ 1740

A billion dollars was a lot of money then, so are we going to say here that a billion dollars is nothing today because we go into debt $1.1, maybe $1.2 billion every day, today, November 7?

Our great-grandchildren, some of these young people, Mr. Speaker, that visit us in the gallery, they are going to have to pay off debt at the rate of $1.2 billion a day. That is right, young man, today. Sorry, Mr. Speaker, he waved at me. I did not mean to make mention of that Cub Scout. I do not know him from Adam. That young Cub Scout, Cub Scouts across this country, Girl Scouts are going to have to pay off this debt; $365 billion this year, probably $400 billion. A billion dollars is a lot of money.

The $171 million is a lot of money to try and build more offices under the lawn out there in front. I am going up to the press gallery to talk to one of our networks about what a waste of money that is. Why? Because this Thanksgiving some families are not going to be able to buy a turkey. They are going to have to eat Spam. They are going to pay for it with food stamps; 23.5 million Americans are using food stamps to feed their families.

We are going to give $1 billion to the Soviet Union that we take out of operations and maintenance of our air forces? No; no. I will be circulating a Dear Colleague tomorrow, Mr. Speaker. I hope you will get on it.

We must not give any money to the Soviet Union and pour it down a bottomless hole. We must give them assistance with food, how to grow, how to fish, how to plant, and then we teach them how to feed themselves, not putting $1 billion down this bottomless pit.

Mr. Speaker, I submit for the RECORD my press release of today, the 74th anniversary of the tragic Bolshevik resolution in St. Petersburg in 1917. It is about this $1 billion defense bill conference idea, a bad idea. My Dear Colleague appeal will be substantially the same.

DORNAN SEEKS DEBATE ON SOVIET AID PROPOSAL

WASHINGTON, DC.—In an effort to derail a proposal granting massive U.S. aid to the Soviets, U.S. Rep. Robert K. Dornan (R-CA) hopes to open the issue for congressional debate.

"While we believe any U.S. aid must be directly tied to meaningful change of the Soviet military and Soviet foreign policy, the American public deserves at least a fair and open debate in the House on this specific provision," Dornan wrote Thursday to U.S. Rep. Joe Moakley (D-MA), chairman of the House Committee on Rules. The letter was cosigned by other congressmen.

The aid proposal, which would allow President Bush to transfer up to $1 billion in defense funds to the Soviet Union for humanitarian assistance, is contained in the Defense Authorization Act for fiscal year 1992. The legislation now awaits final congressional approval after a conference committee last week rectified differences between the House and Senate versions.

However, there appears to be growing resistance on Capitol Hill to providing such a large amount of unrestricted Soviet aid.

"It would be somewhat unseemly to take funding from our defense budget and pass it out to a government that still has literally thousands of missiles pointed at the United States," said Dornan. "Has any Member of Congress ever been approached by a taxpayer who suggested we give any peace dividend to the former 'evil empire' that caused 46 years of U.S. defense spending? No."

"During a time when the Defense Department is adapting to the changing world environment, our military shouldn't be forced to be in the business of handing out foreign aid. More importantly, the American taxpayer simply can't afford it, and to suggest we take from this billion from operations and maintenance accounts is bizarre. Should our pilots fly less just so Gorbachev can free up money for their pilots to accumulate more flight training hours? That's insane.

Dornan, a member of the House Armed Services Committee, believes the Soviet aid provision should be debated in Congress before the vote on the Pentagon spending bill.

"Neither the House nor the Senate defense bills even mentioned the prospect of Soviet humanitarian aid and for very good reason," continued Dornan. "In addition to changing their foreign policy, the Soviets must reform their economy. It's as simple as this—if you give a man a fish, he'll eat for a day. If you teach a man to fish, he'll eat forever. Soviet aid with no strings attached and no incentives to move toward a market economy will be like pouring money down a bottomless hole."

THE CHILD CARE COUNCIL: WORKING FOR WESTCHESTER

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 10 minutes.

Mrs. LOWEY of New York. Mr. Speaker, many of us in this House have made child care a priority. We have devoted long hours to developing policies intended to assist America's working families in obtaining the sense of security that affordable quality child care can provide.

I rise today to remind my colleagues that we are not alone. There are countless hard-working individuals across the country who share our commitment to improving and expanding child care services and who give of themselves day in and day out to address the challenges inherent in meeting these needs. Two such individuals are my good friends, Sally Ziegler and Joe Ungaro, who have provided strong leadership to a remarkable organization, the Child Care Council of Westchester.

The Child Care Council is an organization which has been providing a tremendous service for more than 20 years. Since its beginning, the council has provided training for day care workers and support for the centers which employ them. Over the years, its mission has grown to include many additional functions. It served as a training center under the Federal Comprehensive Education and Training Act Program in the years before that program was canceled by the Reagan administration. Since 1984, it has served as a locus of information, training, technical assistance, and advocacy for child care throughout Westchester County. It operates a referral and resource system for employers and parents. Wherever there is a need for action to ensure that quality child care is available for Westchester parents and children, the Child Care Council is there.

One of those who has played a leading role in the expansion of the council's work has been Joe Ungaro. In 1982, while serving as president and publisher of the Gannett Westchester Rockland Newspapers, he secured a Gannett Foundation grant for the Westchester United Way to study child care needs in our area. The results of that study led to the reorganization and expansion of the Child Care Council, which Joe went on to serve as board chairman for several years. Throughout his distinguished career in journalism, he has displayed a high degree of caring and concern for the needs of children through involvement in a wide range of community activities including his service to the Child Care Council.

Directing the council's efforts today is a talented and tireless woman, Sally Ziegler. With a firm hand and an eye on the future, she has continually guided the council in the right direction. A mother of three and grandmother of one, she knows the importance of family and understands first hand the need for quality day care services. She is also actively involved in a variety of other community activities. Her public service with such organizations as the Westchester Early Childhood Directors Association, the Westchester Task Force on Child Abuse and Neglect, the Westchester Children's Association, the Westchester Coalition, and the advisory council to the Westchester Commissioner of Social Services has been widely noted. In 1986, she was named Westchester Woman of the Year, an honor she richly deserved.

The Child Care Council of Westchester is a model that should be followed in communities across this country, Mr. Speaker. Thanks to people like Joe Ungaro and Sally Ziegler, the council makes a substantial contribution to the business community, to working parents, and most importantly, to the children whom it serves.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SANGMEISTER (at the request of Mr. GEPHARDT) for Monday, November 4, after 5 p.m. and for the balance of the week on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. NICHOLS) to revise and extend their remarks and include extraneous material:)

Mr. LIVINGSTON, for 60 minutes, today and on November 12.

Mr. RIGGS, for 60 minutes, today.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. BOUCHER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mrs. LOWEY of New York, for 10 minutes, today.

Mr. MORAN, for 5 minutes, today.

Mr. JONTZ, for 60 minutes each day, on November 18 and 19.

Mr. LIPINSKI, for 5 minutes each day, on November 12, 19, and 26.

Mr. WISE, for 60 minutes, on November 8.

Mr. MCCLOSKEY, for 60 minutes, on November 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. NICHOLS) and to include extraneous matter:)

Mr. LEWIS of California in three instances.

Mr. MCDADE.

Mr. GRADISON.

Mr. HORTON.

Ms. ROS-LEHTINEN in six instances.

Ms. MOLINARI in two instances.

Mr. GEKAS.

Mrs. VUCANOVICH.

Mr. WALSH.

Mr. RHODES.

Mr. GALLEGLY in two instances.

Mrs. ROUKEMA.

Mr. DORNAN of California.

Mr. DANNEMEYER in two instances.

Mr. MYERS of Indiana.

Mr. MACHTLEY.

Mrs. BENTLEY in two instances.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. BROWN.

Mr. KANJORKSI.

Mr. MAZZOLI.

Mr. LEVINE of California.

Mr. DORGAN of North Dakota.

Mr. REED in two instances.

Mr. MATSUI.

Mr. DWYER of New Jersey.

Mr. HOCHBRUECKNER.

Mr. VISCLOSKY.

Mr. ERDREICH.

Mr. DARDEN.

Mr. ROE.

Mr. RICHARDSON.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a Joint Resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 175. Joint resolution to designate the weeks beginning December 1, 1991, and November 29, 1992, as "National Home Care Week".

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S.J. Res. 188. Joint resolution designating November 1991 as "National Red Ribbon Month";

S.J. Res. 36. Joint resolution to designate the months of November 1991, and November 1992, as "National Alzheimer's Disease Month"; and

S.J. Res. 145. Joint resolution designating the week beginning November 10, 1991, as "National Women Veterans Recognition Week."

ADJOURNMENT

Mr. DORNAN of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p.m.), the House adjourned until tomorrow, Friday, November 8, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2320. A letter from the Secretary of Education transmitting a copy of Final Regulations—Program for Children and Youth with Serious Emotional Disturbance, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2321. A letter from the Secretary of Education transmitting a notice of Final Priority—Bilingual Education: Training Development and Improvement Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2322. A letter from the Secretary, Department of Energy, transmitting the report for fiscal year 1990 on Federal Government Energy Management and Conservation Programs, pursuant to Public Law 100-615, section 2(a) (102 Stat. 3188); to the Committee on Energy and Commerce.

2323. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice that the Department of Defense is providing up to $10 million in commodities and services to the Government of Senegal to support its deployment as part of the Economic Organization of West African States [Ecowas] peacekeeping operation in Liberia [Ecomog]; to the Committee on Foreign Affairs.

2324. A letter from the Chairman, Administrative Conference of the United States, transmitting the Conference's fiscal year 1991 Inspector General Annual Report status in compliance with the Inspector General Act Amendments of 1988; to the Committee on Government Operations.

2325. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting the report required by the Inspector General Act Amendments of 1988; to the Committee on Government Operations.

2326. A letter from the Chief of Staff, Office of U.S. Nuclear Waste Negotiator, transmitting the Office's annual report on audit and investigative coverage; to the Committee on Government Operations.

2327. A letter from the Director, Selective Service System, transmitting the report on actions taken by the Selective Service System to comply with the requirements of the Inspector General Act Amendments of 1988; to the Committee on Government Operations.

2328. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2329. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2330. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

2331. A letter from the Secretary of the Interior transmitting the Oil and Gas Leasing Program for Non-North Slope Federal Lands in Alaska, Annual Report Fiscal Year 1990, pursuant to 16 U.S.C. 3148; to the Committee on Interior and Insular Affairs.

2332. A letter from the Deputy Administrator, General Services Administration, transmitting an informational copy of a lease prospectus, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

2333. A letter from the Department of Health and Human Services transmitting the 15th annual report on the Child Support Enforcement Program for the period ending September 30, 1990, pursuant to 42 U.S.C.

652(a)(10); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2722. A bill to revise and extend the programs under the Abandoned Infants Assistance Act of 1988; with an amendment (Rept. 102–209, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. GONZALEZ: Committee on Banking, Finance and Urban Affairs. H.R. 2094. A bill to require the least-cost resolution of insured depository institutions, to improve supervision and examinations, to provide additional resources to the Bank Insurance Fund, and for other purposes; with an amendment (Rept. 102–293). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 3320. A bill to improve education for all students by restructing the education system in the States; with an amendment (Rept. 102–294). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CRANE (for himself, Mr. MOORHEAD, Mr. GREEN of New York, Mr. RANGEL, Mr. HANCOCK, Mr. HUGHES, Mr. OXLEY, and Mr. LAFALCE):

H.R. 3728. A bill to provide for a 6-month extension of the Commission on the Bicentennial of the Constitution; to the Committee on Post Office and Civil Service.

By Mr. BARTON of Texas:

H.R. 3729. A bill for the relief of the Rockett Special Utility District; to the Committee on Agriculture.

By Mr. ROSTENKOWSKI (for himself, Mr. GEPHARDT, Mr. PEASE, Mr. DOWNEY, Mr. RANGEL, Mr. MATSUI, Mr. ANTHONY, Mr. DORGAN of North Dakota, Mr. DONNELLY, Mr. COYNE, Mr. LEVIN of Michigan, Mr. CARDIN, Mr. MCDERMOTT, Mr. HOYER, Mr. FAZIO, Mr. MAZZOLI, Mr. OBEY, Mr. HOCHBRUECKNER, Mr. MCNULTY, and Mrs. UNSOELD):

H.R. 3730. A bill to amend the Internal Revenue Code of 1986 to provide a credit for a portion of the employees' share of Social Security taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. BARTON of Texas (for himself and Mr. WILSON):

H.R. 3731. A bill to provide certain rules governing the treatment of a 5.421-acre parcel of land donated by the Resolution Trust Corporation to the city of Navasota, TX; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CONYERS (for himself, Mr. KLECZKA, Mr. WAXMAN, Mr. OWENS of New York, Mr. SANDERS, Mrs. BOXER, Mr. SYNAR, Mr. THORNTON, Mr. BUSTAMANTE, Mr. MARTINEZ, Mr. ENGLISH, Mr. TOWNS, Mr. PAYNE of New Jersey, and Ms. DELAURO):

H.R. 3732. A bill to amend the Congressional Budget Act of 1974 to eliminate the division of discretionary appropriations into three categories for purposes of a discretionary spending limit for fiscal year 1993, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. COUGHLIN:

H.R. 3733. A bill to amend the Federal Election Campaign Act of 1971 and the Internal Revenue Code of 1986 to reduce the role of special interest campaign money, prohibit soft money contributions, and create alternative campaign resources; jointly, to the Committees on House Administration and Ways and Means.

By Mr. DANNEMEYER (for himself, Mr. SHAYS, Mr. RAMSTAD, Mr. HAYES of Louisiana, Mr. THOMAS of Wyoming, Mr. BALLENGER, Mr. WALSH, Mr. MILLER of Washington, Mr. COMBEST, Mr. ZIMMER, Mr. SMITH of Texas, Mr. KLUG, Mr. BAKER, Mr. DICKINSON, Mr. SANTORUM, Mr. LIGHTFOOT, Mr. EWING, Mr. WOLF, Mr. ALLARD, Mr. DOOLITTLE, Mr. PORTER, Mr. HUNTER, Mr. PACKARD, Mr. ROHRABACHER, Mr. LIVINGSTON, Mr. HOLLOWAY, Mr. YOUNG of Florida, and Mr. DUNCAN):

H.R. 3734. A bill to make applicable to the Congress certain laws relating to the terms and conditions of employment, the health and safety of employees, and the rights and responsibilities of employers and employees, and for other purpose; jointly, to the Committees on House Administration, Education and Labor, the Judiciary, Government Operations, Ways and Means, and Rules.

By Mr. DREIER of California (for himself and Mr. GORDON):

H.R. 3735. A bill to establish guidelines and goals for U.S. assistance to Central and Eastern Europe, to provide certain tax incentives for U.S. business investment in the region, to privatize the Eastern European Business Information Management System, to expand U.S. private sector initiatives for the region, and to coordinate and streamline U.S. Government programs for Central and Eastern European countries; jointly, to the Committees on Ways and Means, Foreign Affairs, and Small Business.

By Mr. DEFAZIO:

H.R. 3736. A bill to repeal the $2 copayment requirement for medication furnished certain veterans on an outpatient basis; to the Committee on Veterans' Affairs.

By Mr. HOCHBRUECKNER:

H.R. 3737. A bill to amend title 38, United States Code, to provide that amounts received by veteran in a legal settlement with the Department of Veterans Affairs for injuries arising from the negligence of the Department shall be excluded from determinations with respect to annual income for purposes of programs administered by the Secretary of Veterans Affairs that are income based; to the Committee on Veterans' Affairs.

By Mr. HYDE (for himself, Mr. MICHEL, Mr. GINGRICH, Mr. SOLOMON, Mr. GOODLING, Mr. PACKARD, and Mr. LEWIS of California):

H.R. 3738. A bill to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes; jointly, to the Committees on the Judiciary, Education and Labor, and Rules.

By Mrs. JOHNSON of Connecticut:

H.R. 3739. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the purchase of a principal residence by a first-time homebuyer; to the Committee on Ways and Means.

By Mr. MARLENEE:

H.R. 3740. A bill to restore reductions in veterans' benefits made by the Omnibus Budget Reconciliation Act of 1990, to modify the final allowances for veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MATSUI (for himself, Mr. MOODY, Mr. GRADISON, Mr. MARKEY, Mr. HOAGLAND, Mr. PICKLE, Mr. VANDER JAGT, Mr. GUARINI, Mr. MCGRATH, Mr. ANTHONY, Mr. CHANDLER, Mr. ANDREWS of Texas, Mrs. JOHNSON of Connecticut, Mr. BUNNING, Mr. BACCHUS, Mr. BOEHNER, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CAMPBELL of California, Mr. CRAMER, Mr. FEIGHAN, Mr. FISH, Ms. HORN, Mr. HORTON, Mr. IRELAND, Mr. KLUG, Mr. KOLBE, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LANCASTER, Mr. MINETA, Mr. OWENS of Utah, Mr. RHODES, Mr. RIGGS, Mr. SENSENBRENNER, Mr. SPRATT, Mr. WILSON, Mr. ZELIFF, Mr. LEVINE of California, and Mr. CUNNINGHAM):

H.R. 3741. A bill to amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high-risk, long-term, growth-oriented venture and seed capital investments in startup and other small enterprises; to the Committee on Ways and Means.

By Mr. ROSE (for himself and Mr. DE LA GARZA):

H.R. 3742. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to improve the safety of pesticides, and for other purposes; jointly, to the Committees on Agriculture and Energy and Commerce.

By Mr. TRAFICANT:

H.R. 3743. A bill to amend the Internal Revenue Code of 1986 to require an investigation of Internal Revenue Service abuse of taxpayers' rights, to safeguard taxpayer rights, to monitor the effectiveness of the Internal Revenue Service's program for the prevention of taxpayer abuse, and for other purposes; to the Committee on Ways and Means.

By Mr. WEBER (for himself, Mr. DELAY, Mr. WOLF, Mr. ARMEY, Mr. RAMSTAD, Mr. SMITH of Texas, Mr. DOOLITTLE, Mr. PACKARD, Mr. MCEWEN, Mr. SANTORUM, Mr. ZIMMER, Mr. COX of California, Mr. WALKER, Mr. ROHRABACHER, Mr. BOEHNER, Mr. KYL, Mr. IRELAND, Mr. BROOMFIELD, Mr. DICKINSON, Mr. CUNNINGHAM, Mr. BARRETT, Mr. SKEEN, Mr. RIGGS, Mr. TALLON, Mr. PAXON, Mr. RAVENEL, Mr. SENSENBRENNER, Mr. THOMAS of Wyoming, Mr. WALSH, Mr. SOLOMON, and Mr. CAMP):

H.R. 3744. A bill to amend the Internal Revenue Code of 1986 to provide income tax relief for families and to provide tax incentives for economic growth; jointly, to the Committees on Ways and Means, Banking, Finance and Urban Affairs, and the Judiciary.

By Mr. CHANDLER:

H.J. Res. 370. Joint resolution designating March 25 of each year as "National Medal of Honor Day"; to the Committee on Post Office and Civil Service.

By Mr. MYERS of Indiana (for himself, Mr. BEREUTER, Mr. BEVILL, Mr. BLILEY, Mr. BROOMFIELD, Mr. BURTON of Indiana, Mr. CHANDLER, Mr. FIELDS, Mr. GILCHREST, Mr. GILMAN, Mr. HAMILTON, Mr. INHOFE, Ms. LONG, Mr.

McCloskey, Mr. McGrath, Mr. McMillen of Maryland, Ms. Norton, Mr. Oberstar, Mr. Petri, Mr. Ramstad, Mr. Ray, Mr. Ritter, Mr. Sharp, Mr. Sisisky, Mr. Skeen, Mr. Slattery, Mr. Spence, Mr. Stump, and Mr. Yatron):

H.J. Res. 371. Joint resolution designating May 31-June 6, 1992, as a "Week for the National Observance of the 50th Anniversary of World War II"; to the Committee on Post Office and Civil Service.

By Mr. NEAL of Massachusetts:

H.J. Res. 372. Joint resolution designating December 21, 1991, as "Basketball Centennial Day"; to the Committee on Post Office and Civil Service.

By Mr. SANGMEISTER:

H.J. Res. 373. Joint resolution to designate the week of November 10 through 17, 1991 as "Joliet Junior College 90th Anniversary Week"; to the Committee on Post Office and Civil Service.

By Mr. CAMP (for himself, Mr. Upton, Mr. Goss, Mr. Miller of Washington, and Mr. Dornan of California):

H. Con. Res. 233. Concurrent resolution calling upon the President of the United States not to proceed toward the normalization of diplomatic and economic relations with the Socialist Republic of Vietnam until the United States Senate Select Committee on POW/MIA Affairs has reported its findings on the accounting of missing American servicemen in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. DYMALLY (for himself, Mr. Burton of Indiana, Mr. Yatron, and Mr. Payne of New Jersey):

H. Con. Res. 234. Concurrent resolution expressing the sense of the Congress concerning humanitarian assistance for the people in Sudan; to the Committee on Foreign Affairs.

By Mr. LEVINE of California (for himself, Mr. Owens of Utah, Mr. Lehman of California, Mr. Broomfield, Mr. Sensenbrenner, Mr. McNulty, Mr. Annunzio, Mr. Applegate, Mr. Gallo, Mr. Lipinski, Ms. Pelosi, Mr. Ritter, Mr. Lowery of California, Mr. Scheuer, Mr. Pallone, Mr. Moorhead, Mr. Dreier of California, Mr. Dooley, Mr. Lantos, Mr. Frank of Massachusetts, Mrs. Unsoeld, Mr. Guarini, Mr. Torres, Mr. Walsh, Mrs. Meyers of Kansas, Mr. Torricelli, Mr. de Lugo, Mr. Traficant, Mr. Machtley, Mr. Hughes, Mr. Fawell, Mr. Cardin, Mr. Ackerman, and Mr. Swett):

H. Con. Res. 235. Concurrent resolution congratulating the President and the people of Armenia for their democratic elections and urging the President of the United States to recognize Armenia's declaration of independence and to extend full diplomatic recognition to the Republic of Armenia; to the Committee on Foreign Affairs.

By Mrs. VUCANOVICH (for herself and Mr. Bilbray):

H. Con. Res. 236. Concurrent resolution expressing the sense of the Congress that the President should award the Presidential Unit Citation to the crew of the U.S.S. *Nevada* for their heroism and gallantry during the attack on Pearl Harbor on December 7, 1941; to the Committee on Armed Services.

By Mr. HORTON:

H. Res. 272. Resolution calling on the film industry to continue to develop technologies that make films more accessible to the hearing-impaired; to the Committee on Energy and Commerce.

By Mr. KYL (for himself, Mr. Ballenger, Mr. Burton of Indiana, Mr. Ireland, and Mr. Thomas of Wyoming):

H. Res. 273. Resolution to amend the Rules of the House of Representatives to limit the length of service on any standing committee of the House; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

314. By the SPEAKER: Memorial of the Legislature of the State of California, relative to outdoor advertising; to the Committee on Public Works and Transportation.

315. Also, memorial of the Legislature of the State of California, relative to Federal Supplemental Security Income Program benefits; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 155: Mr. Gingrich.

H.R. 213: Ms. Norton.

H.R. 467: Mr. Kyl and Mr. Sensenbrenner.

H.R. 701: Mr. Lehman of California, Mr. Lewis of California, Mr. Gallegly, and Mr. Dornan of California.

H.R. 742: Mr. Gingrich.

H.R. 786: Mr. Jontz and Mr. Conyers.

H.R. 811: Mr. Swett.

H.R. 967: Mr. Markey.

H.R. 1108: Mr. Gingrich.

H.R. 1163: Mr. Klug.

H.R. 1218: Mr. Olver and Mr. Pastor.

H.R. 1237: Mr. Walsh.

H.R. 1240: Mr. Poshard.

H.R. 1251: Mr. Andrews of Maine, Ms. Kaptur, Mr. Espy, Mr. Jefferson, and Mr. Schiff.

H.R. 1252: Mr. Andrews of Maine, Ms. Kaptur, Mr. Espy, and Mr. Jefferson.

H.R. 1253: Ms. Kaptur, Mr. Espy, Mr. Jefferson, Mr. Schiff, and Mr. Andrews of Maine.

H.R. 1259: Mr. Andrews of Maine and Mr. Lantos.

H.R. 1335: Mr. Dymally and Mrs. Morella.

H.R. 1366: Mr. Perkins, Mr. Martin, Ms. Norton, Mr. Johnson of South Dakota, Ms. Kaptur, Mr. Mfume, Mr. DeFazio, Mr. Frost, Ms. DeLauro, Mr. Evans, and Mr. Peterson of Minnesota.

H.R. 1414: Mr. Hoyer.

H.R. 1483: Mr. Valentine.

H.R. 1516: Mr. Evans and Mr. Volkmer.

H.R. 1541: Ms. Snowe.

H.R. 1744: Mr. Torricelli.

H.R. 1751: Mr. Lightfoot.

H.R. 1774: Mr. Conyers.

H.R. 2070: Mr. Hancock, Mr. Bateman, and Mr. Wolf.

H.R. 2083: Mr. Markey and Mr. Waxman.

H.R. 2089: Mr. Yates and Mrs. Boxer.

H.R. 2248: Mr. DeFazio, Mr. Olver, Mrs. Boxer, and Mr. Lowery of California.

H.R. 2401: Mr. Upton.

H.R. 2485: Mr. DeFazio, Mr. Lipinski, Mr. Pease, and Mr. Durbin.

H.R. 2510: Mr. Doolittle.

H.R. 2598: Mr. Spence and Ms. Molinari.

H.R. 2643: Mr. Barton of Texas and Mr. Oxley.

H.R. 2766: Mr. Gingrich, Mr. Darden, Mr. Zimmer, and Mr. Gunderson.

H.R. 2768: Mr. Owens of Utah.

H.R. 2776: Mr. McCollum and Mr. Roe.

H.R. 2855: Mr. Evans.

H.R. 2890: Mr. Alexander, Mr. Gingrich, Mrs. Schroeder, and Mr. Wylie.

H.R. 2936: Mr. Hayes of Illinois, Ms. Horn, Mr. Hughes, Mr. Kolter, Mr. LaFalce, and Mr. Markey.

H.R. 2966: Mr. Michel, Mr. Jones of North Carolina, Mr. Ravenel, Mr. Gillmor, Mr. Roth, Mr. Boucher, and Mr. Andrews of New Jersey.

H.R. 2970: Mr. Towns, Mr. McDermott, Ms. Kaptur, Mr. Horton, Mr. Martinez, Mrs. Collins of Illinois, Mr. Mfume, Mr. Ford of Tennessee, Mr. Dymally, Mr. Espy, Mr. Rangel, Ms. Pelosi, Ms. Norton, Mr. Dellums, Mr. Clay, Mr. Foglietta, Mrs. Boxer, Mr. Fazio, Mr. Torres, Mr. Sanders, Mr. Frost, Mr. Hayes of Illinois, Mr. Owens of New York, Mr. Stokes, Mr. Payne of New Jersey, Mr. Stark, Mr. Flake, Ms. Waters, Mr. Roybal, Mr. Jefferson, Mr. de Lugo, Mr. Berman, Mr. Wheat, Mr. Lehman of Florida, Mr. Conyers, Mr. Fish, and Mr. Frank of Massachusetts.

H.R. 3071: Mr. Dornan of California, Mr. English, Mrs. Roukema, and Mr. Upton.

H.R. 3120: Mr. Engel.

H.R. 3160: Mr. Abercrombie, Mr. Andrews of New Jersey, Mr. Andrews of Maine, Mr. AuCoin, Mrs. Boxer, Mr. Brown, Mr. Coleman of Texas, Mr. Costello, Mr. Dicks, Mr. Downey, Mr. Dymally, Mr. Fazio, Mr. Foglietta, Mr. Frost, Mr. Gonzalez, Mr. Hochbrueckner, Ms. Kaptur, Mr. Levine of California, Mr. Pallone, Mr. Peterson of Minnesota, and Mr. Poshard.

H.R. 3171: Mr. Frost, Ms. Kaptur, Mr. Dwyer of New Jersey, and Ms. Norton.

H.R. 3185: Mr. Ray, Mr. Hatcher, and Mr. Jenkins.

H.R. 3193: Mr. Ramstad.

H.R. 3320: Mr. Miller of California, Mr. Gunderson, Mr. Martinez, Mr. Barrett, Mr. de Lugo, Mr. Olver, Mr. Levine of California, and Mr. Rahall.

H.R. 3359: Mr. Campbell of Colorado.

H.R. 3360: Mr. Weldon.

H.R. 3464: Mr. Olver, Mr. Duncan, Mrs. Collins of Illinois, Mr. Ireland, Mr. Inhofe, Mr. Mfume, Mr. Martinez, Mr. Fields, and Mr. Peterson of Florida.

H.R. 3475: Mr. Fish and Mr. de Lugo.

H.R. 3476: Mr. Mineta and Mr. Moran.

H.R. 3493: Mr. Paxon, Mr. Hancock, Mr. Swift, Mr. Cox of California, Ms. Ros-Lehtinen, Mr. Machtley, Mr. Duncan, Mr. Hastert, Mr. Lagomarsino, Mr. Horton, and Mr. McNulty.

H.R. 3509: Mr. Horton, Mr. Kolter, Mr. Oberstar, Ms. Kaptur, Mr. Sabo, Mr. Spratt, Mr. Ackerman, Mr. Hughes, Mr. Peterson of Minnesota, Mr. Dwyer of New Jersey, Mr. Kostmayer, Mr. Moran, Mr. Sikorski, Mr. Owens of Utah, and Mr. Scheuer.

H.R. 3511: Mr. Traficant and Mr. Lewis of Georgia.

H.R. 3528: Mrs. Unsoeld, Mr. Lancaster, Mr. Johnson of South Dakota, and Mr. Blaz.

H.R. 3552: Mr. Bustamante, Mr. Abercrombie, Mr. Condit, Mr. Frank of Massachusetts, Mr. Lagomarsino, Mrs. Schroeder, Mr. Sabo, Mr. Towns, and Mr. Blaz.

H.R. 3553: Ms. Norton, Mr. Porter, and Mr. Torres.

H.R. 3554: Mr. Sikorski, Mr. Yates, and Mr. Mfume.

H.R. 3578: Mr. McCloskey, Mr. Gibbons, Mr. Ravenel, Mr. Bilbray, Mr. Ford of Tennessee, Mr. Frank of Massachusetts, Mr. Nagle, Mr. Obey, Mr. Skaggs, Mrs. Boxer, Mr. Evans, and Mr. Sabo.

H.R. 3630: Mr. Ewing, Mr. Riggs, Mr. Gallegly, Mr. Goss, and Mr. McCandless.

H.R. 3645: Mr. ROTH, Mr. TALLON, and Mr. SYNAR.

H.R. 3649: Mr. JOHNSON of South Dakota and Mr. DELLUMS.

H.R. 3669: Mr. FUSTER.

H.J. Res. 201: Mr. SISISKY and Mr. HOAGLAND.

H.J. Res. 212: Mr. CARDIN, Mr. NAGLE, Mr. COSTELLO, Mr. MATSUI, Mr. SABO, Mr. WOLPE, Mr. GUNDERSON, Mr. JACOBS, and Mr. HENRY.

H.J. Res. 291: Mr. ORTIZ, Ms. PELOSI, Mr. PRICE, Mr. AuCOIN, Mr. BARNARD, Mr. HALL of Ohio, Mr. LEHMAN of Florida, Mr. ACKERMAN, Mr. McDADE, Mr. DAVIS, Mr. PASTOR, Mr. HERTEL, Mr. HENRY, Mr. HOCHBRUECKNER, Mr. GALLO, Mr. DOWNEY, Mr. DeFAZIO, Mr. YOUNG of Alaska, Mr. NAGLE, Mr. BALLENGER, Mr. JACOBS, Mr. MORRISON, Mr. FOGLIETTA, Mr. KOSTMAYER, Mr. SAVAGE, Mr. HASTERT, Mr. APPLEGATE, Mr. RITTER, Mr. GOODLING, Mr. WHITTEN, Mr. RICHARDSON, Mr. CHAPMAN, Mr. CALLAHAN, Mr. HAMMERSCHMIDT, and Mr. McMILLEN of Maryland.

H.J. Res. 300: Mrs. COLLINS of Illinois, Mr. BLILEY, Mr. ROTH, Mr. SISISKY, Mr. HAYES of Louisiana, Mr. OBERSTAR, Mr. PANETTA, Mr. ORTIZ, Mr. VISCLOSKY, Mr. ANDREWS of New Jersey, Mr. FAWELL, Mrs. MINK, Mr. WALSH, Mr. LEVINE of California, Mr. GIBBONS, Mr. CHANDLER, Mr. COBLE, Mr. GILCHREST, Mr. MARTIN, Mr. BRUCE, Mr. SMITH of New Jersey, Mr. STEARNS, Mr. RIGGS, Mr. RINALDO, Mr. GUNDERSON, Mr. WASHINGTON, Mr. ROSE, Mr. HUNTER, Mr. HALL of Ohio, Mr. STALLINGS, Mr. ABERCROMBIE, Mr. ROBERTS, and Mr. DORNAN of California.

H.J. Res. 302: Mr. BEILENSON.

H.J. Res. 326: Mr. DE LA GARZA, Mr. EMERSON, Mr. YATRON, Mr. GEKAS, Mr. SUNDQUIST, Mr. GILCHREST, Ms. HORN, Mr. CARR, Mr. SHAYS, Mr. PANETTA, Mr. NEAL of North Carolina, and Mr. MILLER of California.

H.J. Res. 356: Mr. DANNEMEYER, Mr. HOBSON, Mr. SABO, Mr. BATEMAN, Mrs. MEYERS of Kansas, Mr. SAXTON, Mr. MOORHEAD, Mr. BENNETT, Mr. AuCOIN, Mr. MURPHY, Mr. DeFAZIO, Mr. KOLTER, Mrs. KENNELLY, and Mr. SCHEUER.

H.J. Res. 361: Mr. MAVROULES, Mr. McNULTY, Mr. RANGEL, Mr. VENTO, Mr. HUGHES, Mr. APPLEGATE, Mr. HORTON, Ms. KAPTUR, Mr. WEBER, Mr. TOWNS, Mr. HERTEL, Mr. TRAXLER, Mr. PURSELL, Mr. BROOMFIELD, and Mr. CONYERS.

H. Con. Res. 89: Mr. ANDREWS of Maine, Ms. KAPTUR, Mr. ESPY, and Mr. JEFFERSON.

H. Con. Res. 188: Ms. NORTON, Mr. BRUCE, and Ms. HORN.

H. Con. Res. 192: Ms. KAPTUR, Mr. BEREUTER, Mr. ALLARD, Mr. SWIFT, Mr. FIELDS, Mr. GILCHREST, Mr. THOMAS of Georgia, Mr. MARTIN, Mr. UPTON, Mr. McCOLLUM, Mr. HUBBARD, Mr. TANNER, Mr. HUCKABY, and Ms. SNOWE.

H. Con. Res. 210: Mr. DUNCAN.

H. Con. Res. 224: Mr. FAWELL, Mr. SARPALIUS, Mr. SANTORUM, and Mr. UPTON.

H. Res. 21: Mr. McCANDLESS.

H. Res. 107: Mr. MINETA.

H. Res. 215: Mr. KOLTER and Mr. SHAYS.

H. Res. 222: Mr. FISH.

H. Res. 257: Mr. CHAPMAN.

SENATE—*Thursday, November 7, 1991*

(Legislative day of Tuesday, October 29, 1991)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

The PRESIDING OFFICER. Today's prayer will be offered by guest chaplain Rabbi Milton Balkany, dean, Bais Yaakov School of Brooklyn, Brooklyn, NY.

PRAYER

Rabbi Milton Balkany, dean, Bais Yaakov School of Brooklyn, 1362 49th Street, Brooklyn, NY.

Let us pray:

Almighty G-d, the august assemblage of our esteemed Senators stand before You in prayer. We recognize that prayer brings to us resources from another world—the world of spirituality and holiness. We need Your help and blessings to enable us to cope with the problems, temptations, and difficulties of our duties. Invoking Your mercy and might is our most efficacious means of guaranteeing peace and security for the harassed and helpless people of the Earth.

We are thankful for this blessed country of the United States of America, the land of plenty and freedom. We need Your divine guidance to bring peace, civility, and harmony within our communities. We seek oneness, not sameness. To make all people the same would debase our quality, but oneness would raise it. Inspire us to seek the noble and supreme ideal. We can win the world by example.

We recognize the great opportunities in the changing world. When G-dless and ruthless regimes crumble, we must exhibit our allegiance and dedication to the principals of our democracy.

The clarity of our vision and the intensity of our idealism mean that for us, at least, the American dream is projected on a wide screen in technicolor.

When the roots of optimism, faith, and enthusiasm sink deeply into the soil of our labors, we shall harvest the glorious fruits of successful achievement.

We worship You, O G-d, in gratitude and beseech You in humility. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 7, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1991—CONFERENCE REPORT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the conference report on H.R. 2707, which the clerk will report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2707) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1992, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. The Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 1, 1991.)

The ACTING PRESIDENT pro tempore. The time for debate on the conference report is limited to 30 minutes, 10 minutes each to the Senator from Iowa [Mr. HARKIN]; the Senator from Pennsylvania [Mr. SPECTER]; and the Senator from New Mexico [Mr. DOMENICI].

Mr. HARKIN. Mr. President, I rise in support of the fiscal year 1992 conference report on Labor-Health and Human Services appropriations. The bill, as you know, Mr. President, passed the other body yesterday. It is now up to us to agree to the conference report and send it down to the White House.

Mr. President, I believe that all of us really understand what is in the bill. It is a very comprehensive bill—$204.9 billion. This is a bill that covers all education, health care, human services, job training, and the Labor Department appropriations, items that really go to make our human resources in this country more productive, more efficient, more healthy.

There is, however, Mr. President, one item in this bill that has drawn the statement from the President that he will veto the bill based upon this one provision in it. And I want to talk briefly about that, Mr. President.

Section 514 of the bill includes language adopted by the House and Senate in identical form that would prohibit the administration from implementing any regulations that would prevent abortion counseling to occur in federally funded title X family planning clinics.

This, Mr. President, is the so-called gag rule that this administration implemented and which, of course, was upheld by the Supreme Court last year. Both the House and the Senate included in their bills provisions—identical provisions, so it was not even subject to conference—identical provisions overturning the implementation of the gag rule by the administration.

Mr. President, we must untie the gag and restore to women their right to get the information they need to make their own choice and their own decisions. The gag rule just does not make sense, Mr. President. It puts the Government between doctors and their patients and denies poor women information about health that all other women in our society can get as a matter of course. So much of what we are trying to do now in health care is to inform people so they can make their own decisions, important decisions, that will better guarantee the prevention of disease: decisions about smoking and diet, exercise, drug use and, yes, safe sex.

The White House says we need to clarify the separation between family planning and abortion. But, Mr. President, nothing could be more clearer than existing law. The law right now will not permit title X funds to pay for abortions. We do not need to clarify that.

Not only has the so-called compromise language that appeared yesterday in a memo from the White House to Secretary Sullivan, not only has it

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

been voted down before by this body, it really has no legal standing and does not change the administration's regulation.

Mr. President, again, for the benefit of others, yesterday the White House sent a memo to Secretary Sullivan at Health and Human Services, trying to put up a smoke screen on the gag rule, because as I said, that very language has been voted down here before and does nothing to lift the gag rule at all and does not change the implementation of that gag rule.

Again, Mr. President, almost 4 million women get health care from title X clinics. Among the services provided are breast exams, Pap smears. When 1 woman in 10 will develop breast cancer and when cervical cancer is one of the most common cancers in women, I cannot support any measures that will put our title X clinics at risk, and the gag rule does, in fact, put them at risk. This is because, rather than comply with the gag rule, many title X clinics will refuse Federal funds and be forced to shut down. Overturning the gag rule will protect women's health, their right to choose, and all of their first amendment rights.

So I am disappointed in the President's threatened veto of this entire $204.9 billion appropriations bill because of the conference overriding of the gag rule. I hope my colleagues will show their strong support on this issue.

As the Members will recall, this measure was reported to the Senate on July 11, and on September 10, 11, and 12 the full Senate considered the bill. During the three days of Senate floor consideration, 38 amendments were offered and debated and 35 of those were agreed to by the Senate.

Mr. President, this year's conference with the House required five sessions, two of them full day sessions. The Senate met with the House in conference on October 16, 17, 22, 23, and 29. While the time required in conference this year was unusually long, I am pleased to report that of the 35 amendments added by the full Senate, 31 of them are accommodated by the conference agreement.

Mr. President, the 602(b) allocation for the subcommittee is $59.087 billion for discretionary budget authority and $57.797 billion for discretionary outlays. Based on the resolution reached by the conference committee on October 29, we were essentially at these ceilings for both budget authority and outlays. Subsequently, however, additional reductions were required, based on negotiations with the Office of Management and Budget to further reduce the totals in order to avoid a sequester across all domestic programs. As the last domestic appropriations bill, it was necessary to bring the OMB scoring—compared to the CBO scoring—down to the $2.5 billion scoring cushion that is provided in the Budget Enforcement Act for all domestic spending. Based on this final adjustment, the bill is $71 million below the 602(b) allocation in budget authority and $34 million below the 602(b) allocation in outlays.

Any funding additions made to the conference agreement, however, will need to be offset with cuts to avoid an administration imposed sequester or an across-the-board cut to all domestic programs.

Mr. President, the conference agreement includes $59,015,901,000 in discretionary budget authority which is a $2.678 billion or 4.75 percent increase over the level provided in fiscal year 1991. A full $3.136 billion of this new budget authority, however, does not become available until September 30, 1992, or the last day of the fiscal year.

While the conference agreement includes increases for discretionary budget authority, it does not provide increases for discretionary outlays. The conference agreement includes $25,363,523,000 in new discretionary outlays. Based on CBO estimates, this is $1.514 billion below the level needed to maintain current services. Also based on CBO estimates, the amount of new discretionary outlays provided by the conference agreement is approximately $100 million below a hard freeze.

The budget authority increases provided in this bill are only possible because of the delayed obligations. Without the delays the bill would be cut to the bone and held to levels below last year.

Mr. President, a great deal has recently been said in opposition to delayed obligations. I should note however, that the idea originated with the President's request which included $1.442 billion of delayed obligations. The House included $1.815 billion of delays. The conference agreement includes $3.136 billion of delays of spending authority until September 30, 1992. Six other appropriations bills also include delays; the House defense bill includes over $3.3 billion of delays.

Mr. President, it seems curious to me that we are hearing such a great deal about delayed obligations on this appropriations bill. Many have suggested that the issue is being raised to give the President cover for his threatened veto of the bill solely because of the gag rule. Many have argued that the White House does not want to face the political fire storm that will result from gagging doctors and health care workers from giving poor women medically necessary counseling and referral information and therefore the President needs to find another reason to veto the bill.

This must be the case because the truth is that delayed obligations are not new; delayed obligations were requested by the President; delayed obligations have been included in many other appropriation bills both this year and in the past; and delayed obligations were necessary in this bill in order that it not be cut below a freeze level.

Mr. President, the amounts provided for education in this year's conference agreement are especially generous. The discretionary total provided for the Department of Education is $22,873,309,000. This is $1,887,527,000 or 9 percent more than last year, $352 million more than was provided by the Senate.

The discretionary budget authority totals for the Department of Labor increase by only 1.9 percent and the discretionary budget authority for the Department of Health and Human Services increase by only 2.2 percent.

Mr. President, the conference agreement treats education in an exceedingly generous manner.

Mr. President, I do not want to take a great amount of additional time to describe this conference agreement, I will however, offer a few highlights.

The conference agreement maintains the full $30 million increase that had been provided by the Senate for breast cancer research and also maintains the $50 million breast and cervical cancer screening program.

The conference agreement includes $280 million for the Ryan White AIDS programs, $59 million more than the administration budget request, and $33 million more than had been recommended by the House.

The conference agreement includes the full level recommended by the Senate for the Low-Income Home Energy Assistance Program, $500 million more than the level recommended by the House.

The conference agreement includes $150 million for the family planning program, up from $144 million provided last year and the zero funding provided by the House.

The conference agreement includes the full amount recommended by the Senate for child care block grants and does not include the $145 million rescission of the 1991 child care funds that had been recommended by the House.

The conference agreement includes a total of $1.4 billion for a series of selected programs targeted at disease prevention. This package includes increases of $320 million over last year and $245.6 million over the level recommended by the House for this package of programs.

The conference agreement includes a total of $9,010,405,000 for the National Institutes of Health, $734 million more than last year and $186 million more than the House.

The conference agreement also provides $10,379,000 for social services research. Included in that amount is funding for Family Support Center demonstrations. It is expected that these demonstrations will be funded at or near the $7,000,000 level.

Finally, Mr. President, the conference agreement includes the full level requested by the administration for unemployment claims processing. And it includes $4.2 billion for job training and employment services, $103 million more than requested by the administration.

Mr. President, this concludes the summary of the conference agreement that I would make at this time. In a moment I would like to yield to Senator SPECTER, the ranking Republican member of the subcommittee. Senator SPECTER provides this subcommittee with a great deal of very useful and wise advice and I am grateful to him for his assistance throughout the year. I would also like to thank Senator SPECTER'S appropriations staff who have continued to work again this year very cooperatively with the majority staff truly as one team. These staff are: Craig Higgins, minority staff director, Bettilou Taylor, Janet Lamos, and Robin Rosencrantz. I would also like to thank the majority staff who have worked on this bill long and hard. These staff are: Mike Hall, staff director, Jim Sourwine, Carol Mitchell, Amy Schultz, Margaret Stuart, Gladys Clearwaters, and Susan McGovern.

Mr. President, at this point I would like to yield to Senator SPECTER for any statement he would like to make. Following Senator SPECTER'S statement, and any additional discussion or debate, I would urge the Members to support the adoption of the conference report.

Mr. President I reserve the remainder of my time.

Mr. SPECTER. Mr. President, I join my distinguished colleague from Iowa in supporting the adoption of the conference report. It is a very important bill which includes funding for biomedical research, drug-free schools, substance abuse treatment, AIDS research, health care prevention services, and low-income home energy assistance, to mention just a few. It is an important bill in that it includes $27.8 billion for educational purposes.

And the grave difficulty in working as the ranking Republican on this Subcommittee for Labor-Health and Human Services and Education is that there are not more funds to go around because of the very, very important projects involved. Many of the items we had to cut short, but we did the best we could. Although all of the programs contained in this bill are of great importance, I would like to highlight some programs of particular concern to me and my home State.

PUBLIC HEALTH SERVICE

This Nation's people are its greatest natural resource and should therefore be of the highest priority. Disease and illness touch every segment of our society, the young and old, rich and poor alike. And when economic or social circumstances impose special barriers to our citizens, I believe the Federal Government bears some responsibility.

This conference agreement contains $16.5 billion for programs to immunize America's children, grants to combat the high infant mortality rate, research into the cause and cure of diseases that destroy lives and drain our economy, early screening and detection programs for breast and cervical cancers, and programs to combat mental illness, alcoholism, and drug abuse.

BIOMEDICAL RESEARCH

This Nation has made remarkable progress in its quest to conquer disease, but much more needs to be done. To address this need, the conference agreement before us today contains $9 billion for the National Institutes of Health, an increase of $733 million over the fiscal year 1991 appropriation. These funds will continue vital research to find the causes and treatments for diseases such as cancer, heart disease, Gaucher's, and intensify the search for the diabetes gene.

ALZHEIMER'S RESEARCH

One example of the initiatives in this bill relates to a disease that is threatening the lives of growing numbers of Americans. The tragedy of Alzheimer's disease is one of enormous proportion, with potentially devastating public health and economic consequences. Last year, Mr. President, Alzheimer's disease drained approximately $90 billion out of our economy. Not only does this disease bring devastation to its victim, its tragic impact includes the families, friends and loved ones who assume the role of caregiver. I know, because of the 4 million Americans who have been stricken by this horrible disorder, more than 200,000 reside in my home State of Pennsylvania.

The only hope we can offer to these individuals and to future generations is by finding a way to cure, prevent, or effectively treat Alzheimer's. This bill provides $280 million for research, and an additional $4 million for a new State grant program to help families caring for Alzheimer's patients at home.

BREAST AND CERVICAL CANCER

The conference agreement also provides funds to address the epidemic and growing threat of breast and cervical cancer.

Mr. President, breast cancer is now the most frequent cancer in women. In fact, it is the leading cause of death among women under age 65. In 1989 alone, there were an estimated 142,000 new cases of breast cancer, and more than 43,000 deaths resulted from it.

Gynecologic cancers are the fourth leading cause of cancer death among women, accounting for more than 6,000 deaths each year.

Mr. President, this bill will target additional funds for screening, paying particular attention to the most vulnerable women in our population—namely, the elderly, minorities, and women living in medically underserved areas.

AIDS RESEARCH, PREVENTION, AND EDUCATION

Mr. President, few could argue with the fact that AIDS, a disease that was virtually unheard of 11 years ago, now threatens a hemorrhage in our society.

The conferees agreed to continue our strong commitment to research, prevention, and treatment programs funded through the Public Health Service. We included $1.9 billion in the bill to address these needs. This amount includes $122 million for emergency aid to the 18 cities hardest hit by this disease—cities where the incidence of AIDS has created a serious breach in our health care system.

EDUCATION

Mr. President, I take pride in the fact that this bill contains $27.8 billion for education programs, an increase of $4.9 billion over last year's appropriation. Some would say this is a remarkable accomplishment, given tight spending limits we faced this year. Actually, my only regret is that we could not have provided two to three times this amount for programs that, more than any others perhaps, represent a direct investment in our Nation's future. The fact is that there are so many worthy and excellent programs that need funding: drug-free schools, Even Start, capital expenses for private schools, student aid programs, dropout prevention and education of this Nation's homeless, to name just a few.

Included in this agreement is $1.4 billion for vocational and adult education programs, and $6.9 billion for aid to students who want to pursue a higher education.

I am proud to say that at the urging of this Senator, the conferees agreed to include $2.5 million in the bill for adult education programs designed to increase the literacy skills of commercial truck drivers—skills that will enable truckers to successfully complete the requirements of the Commercial Motor Vehicle Safety Act of 1986.

PRISON EDUCATION

Mr. President, I have long held the belief that prison education should be a high priority in the rehabilitation of the incarcerated. Recent studies have shown that education prepares the inmate psychologically for return to society and also produces a lower rate of recidivism among those who had participated in education programs. At my urging, Mr. President, we have again this year included $2 million to continue the literacy demonstration program in State corrections facilities.

JOB TRAINING

The Job Training Partnership Act is comprised of programs designed to enhance the employment and earnings of economically disadvantaged and dislocated workers, and operated through a decentralized system of skill training and related services. The bill before us today authorizes $4.2 billion, a $105.3 million increase over fiscal year 1991, to help improve job skills and readjustment services for disadvantaged youth and adults.

SUBSTANCE ABUSE PREVENTION AND TREATMENT PROGRAMS

Mr. President, substance abuse continues to erode the very foundation of our society. Most troubling perhaps is the devastating toll this problem is taking on this Nation's most precious resource: our children and youth.

The conference report before us today includes over $3 billion for substance prevention, treatment and education programs. This represents an increase of $132 million over last year's appropriation. Among other things, these added funds will support demonstration programs involving IV drug abusers, pregnant and postpartum women and their infants, and special programs linking drug treatment with vocational training.

LIHEAP

Low-Income Home Energy Assistance Program, or LIHEAP, grants are awarded to the States, territories, and Indian tribes to assist low-income households in meeting the costs of home energy. The program is especially vital to the Commonwealth of Pennsylvania, where more than 1.2 million low-income households rely on LIHEAP to get them through some of the toughest weather this country experiences. The average program participant in Philadelphia, for example, expends nearly 40 percent of his or her income on utility services.

This year's conference report includes $1.5 billion for LIHEAP. In addition, $300 million is provided in the event that an emergency is declared by the President.

MENTAL HEALTH

Finally, Mr. President, the conference agreement provides $674.5 million for mental health programs, an increase of $58.7 million over last year's appropriation.

Mr. President, scientists are making remarkable progress in understanding the mechanisms that disrupt normal brain functions to produce mental disorders. This is particularly fitting during a time Congress has designated as the "decade of the brain," a time when we begun to fully recognize the potential of neuroscience to advance our understanding of mental illness.

Mr. President, I urge President Bush to sign the bill and bring an end to the controversy as to whether there may be counseling on abortion, because that in no way conflicts with the original statute of 1970 and is a fundamental right in terms of freedom of speech.

In looking at the Supreme Court decision in Rust versus Sullivan, which was handed down last year, it was hard for me to understand how the Supreme Court could uphold a change in regulation on a statute passed in 1970 where the regulation had been in effect to allow such counseling for 18 years. Then there was a change in regulation and the Supreme Court of the United States identified, among other reasons, that it was "in accord with a shift in attitude."

Mr. President, legislation which is adopted by the Congress with a clear-cut intent not to prohibit such counseling is not something which should legally be affected by a change in attitude. The statute provides in section 1008 as follows:

> None of the funds appropriated under this title shall be used in programs where abortion is a method of family planning.

The statute on its face does not prohibit counseling. If it did, the first amendment for freedom of speech prohibits a legislative restriction. This was a 5-to-4 decision, and Justice O'Connor, noted as a conservative Justice, that the new regulation was inappropriate and said this:

> Where an otherwise acceptable construction of a statute would raise serious constitutional problems, the Court will construe the statute to avoid such problems unless construction is plainly contrary to the intent of Congress.

In so stating, Justice O'Connor would permit counseling.

We have seen a revisionist Court take over in this country. It is not a conservative Court. The doctrines which have been revised by the current Court were upheld and articulated by a conservative Court in unanimous opinions written by Chief Justice Burger: school district cases, the Griggs case, and many, many others.

This revisionist Court decision ought not to be allowed to stand. Now the Congress is speaking plainly on the subject, to uphold first amendment rights, to permit counseling—which is in accordance with the statute. I do urge President Bush to sign this conference report.

Mr. President, I yield 2 minutes to my distinguished colleague from Rhode Island who deserves the lion's share of the credit for the outstanding work which was done in crafting this language and bringing forward this proposal in the public interest.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I support the measure before us. There are some very important programs in this bill, many of which I have supported strongly over the years—increases in the Job Corps Program, childhood immunizations, Head Start, and the maternal and child health block grant, to name a few. I am very pleased there is money in there for the Low-Income Home Energy Assistance Program which helps poor people obtain funds to keep themselves warm in the winter.

This legislation also contains language which would postpone for 1 year the implementation of the infamous gag rule which has been discussed previously.

I would like to make this clear. This is not an argument about abortion. The title X program does not and has never paid for abortions. Rather, the disagreement is over whether a poor woman is entitled to basic information.

Should she not be able to receive the basic information that a wealthier woman, or a woman who can afford to pay a doctor, would rightfully expect to obtain from a health care professional? I was disappointed that last Tuesday the administration released a memo, sent to Secretary Sullivan, intending to clarify these regulations.

Since July, I have been negotiating with representatives of the administration to develop a compromise on this issue. We were very close to a solution. And I have not given up hope yet. The letter sent to Secretary Sullivan lays out another gag, which is unacceptable. This is an attempt to get rid of the problems with the gag rule without removing the gag.

The title X program is intended to increase access for poor women to quality health services. That is what the title X program is all about. It has been a very successful program. It brings women into the health care system who would otherwise have little or no access to health care at all. It plays a critical role in screening for sexually transmitted diseases and preventing unwanted pregnancies. In many cases the title X program serves as the entry point for poor women into the health care system.

We should be doing all we can to improve this program, not finding ways to make it more difficult for poor women to get basic information. These regulations do make things more difficult and they should be overturned. I urge my colleagues to support this important legislation.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HARKIN. I yield 3 minutes to the Senator from Massachusetts.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I strongly support the Labor, Health and Human Services appropriations bill, and I urge the Senate to support it as well.

This measure contains some of the Nation's most important social programs—energy assistance to low-income citizens, educational loans for students, health care for the elderly and assistance for the handicapped. These are indispensable programs to meet America's basic needs.

As we struggle to deal with the recession, these safety net provisions are more essential than ever. We owe a debt of gratitude to Senator HARKIN and many others who worked hard to see that the safety net is truly safe.

For weeks, the most divisive issue in this legislation has been the gag rule. For over 20 years, title X has provided quality health care to over 5 million low-income American women.

Yet by the stroke of a pen, in the final year of the Reagan administration, the gag rule regulations have imposed an unfair burden on physicians and their patients.

Under these regulations, at clinics funded by title X, women are denied the right to receive information on abortion, and doctors are forbidden to provide it.

There is no justification for that serious interference with the medical profession and the relationship between doctors and their patients.

If the President persists in this unreasonable position, then Congress should override his veto.

Throughout the debate on the gag rule, its proponents have waged a flagrant disinformation campaign. Abortion is not the issue here. Free speech is. Congress agreed that Federal funds should not be used to perform abortions. But Congress never intended to gag physicians or stop them from informing patients about abortion as an option.

The relationship between a doctor and a patient should be protected from intervention by the Government.

Patients deserve to have full confidence that the information they receive is based on the professional judgment of their doctor, not the political ideology of spin doctors engaged in malpractice at the White House.

For years, Congress has worked hard to provide access for low-income Americans to better health. For many, the services of title X facilities are their only access to decent care.

The gag rule regulations are a flagrant attempt to interfere with the right of patients to consult their doctors and obtain sound medical advice.

These regulations would establish a two-tiered system of health care on this issue. Low-income women being served in a title X facility would be denied the same information that is available to women who can afford a private doctor.

Major medical organizations are united against the gag rule. The American Medical Association, the American College of Obstetricians and Gynecologists, the American Nurses Association, and leading public health schools across the country have stated their opposition to these regulations. And with good reason.

The gag rule would deny them the basic right to practice their profession as they see fit.

I urge my colleagues to prevent a grave injustice by passing this legislation, repealing the gag rule, and overriding a Presidential veto.

One final point. Yesterday, the House of Representatives failed by a handful of votes to achieve the two-thirds majority needed to override a veto.

Apparently, some votes against the bill were based on budget considerations not involving the gag rule, and there is still a reasonable chance that the veto can be overriden.

If not, I urge the leadership of both the Senate and the House to press this issue again on a separate bill dealing only with the gag rule.

The issue is too important. We must not let it drop.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HARKIN. Mr. President, how much time do I have left?

The ACTING PRESIDENT pro tempore. Four minutes and three seconds.

Mr. SPECTER. And how much time do I have left, Mr. President?

The ACTING PRESIDENT pro tempore. Two minutes and thirty-two seconds.

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise in opposition to this bill. And it is with great regret, because I think those who put the bill together know that on many of the items in this bill I am as strong an advocate as anyone in the U.S. Senate. But I must oppose it because it essentially compromises the intent of the Budget Enforcement Act. Because of what is done here, Senators are already asking the question: "Will the 5-year budget agreement really work? Is it not vulnerable? Are there not ways to get around it such that it will not have its effectiveness over the 5 years?"

They will use as an example what is happening in this bill. For those who look at at the fiscal year 1992 appropriations bills overall, they will also say this subcommittee is not unique. The President of the United States did a little compromising when it came to the Labor-HHS-Education bill because he did not have enough money in the budget for some of the National Institutes of Health, so the administration proposed moving obligations out near the end of the year so they will count next year, not this year.

But the Congress is far more guilty. Let me quickly go through what is in this bill, because everybody should know that the intent of the budget agreement is being denied right here and now, today. What we are doing is saying we want to put in this year's appropriations bill, some things that we cannot afford under the budget agreement. But we want to tell everyone we have given them these things, and we will wait until the end of the year to allocate the appropriated budget authority, or we will literally—believe it or not—in this appropriations bill we appropriate for the following year.

So I would like to go through a few of these practices so everyone will understand how all this happened and where we are.

First, let me suggest that in this particular bill, we have three kinds of gimmicks that defeat the intent of the budget agreement. First, we delay obligations to the extent of $3.1 billion in budget authority. So what we say and what those who support this are going to say is, community services block grant, we really gave you more money—we are going to tell them—than we could afford, because at the end of the year, we put in $29 million more that will spend in the first few days of the following year.

And then we will say about child care assistance—interesting—that $825 million in child care assistance will be available at the end of the year instead of the beginning of the year. Thus, these funds spend out in the following year, and the outlays do not get charged to this year.

That is an interesting one, because we are already on a treadmill on that one, because for child care assistance, we started this pattern last year. The Congress put in full year funding for fiscal year 1991 but allowed the expenditure of these funds essentially in fiscal year 1992 by making the funding available on the very last day of fiscal year 1991. Now we are playing on a new budget cycle, so if we keep on with this, we will have programs starting at different times throughout the year so we can match up with the right budget numbers for the end of the year. There is $3.14 billion of that kind of budget game in this bill.

Then there are advance appropriations—interesting. We have a budget agreement. We tell this committee: You can spend a certain amount of money on all these programs. And so they say: We want to spend more, so, what we will do is just write in that we are appropriating for the next year. I have been an advocate of 2-year appropriations, but we are not there yet. So we willy-nilly choose to do these kind of things, and that one is the nice round number of $1.3 billion.

And then we have the last of the gimmicks. This is a real nice one. The Budget Enforcement Act has emergency provisions under which the President and the Congress can declare an emergency, and not count unforeseen emergency spending against spending caps in the budget agreement.

In this bill, a congressional allocation for the program that helps low-income people with energy assistance—the Low-Income Home Energy Assistance Program [LIHEAP]. This bill includes $300 million that will be spent only if the President declares an emergency. Everyone should know that if he does not declare an emergency, it does not get spent. If he does declare an emergency, obviously, it is outside the domestic discretionary spending cap in the budget agreement. But that funding is put in the bill so we can tell people we tried, and the President did not go along with the emergency. Obviously, it is not an emergency; it is a regularly appropriated item.

Having said that, I want to talk about one other thing that is not directly related to this bill. But there is another measure coming along, and some of the news media in and around Washington have raised some concerns about, the dire emergency supplemental appropriations bill, indicating that because that is loaded up with all kind of programs, maybe the budget agreement is not working.

Let me suggest that everyone in this body who is concerned about programs, including the programs in this bill, ought to be concerned about a dire emergency bill that we may run through the Congress and ask the President to sign that literally breaks the domestic spending caps; literally breaks them.

Guess what is going to happen if that occurs? We are going to get tough and send in this dire emergency bill and say, "Sign it, Mr. President." If the President signs it, the extent of the so-called dire emergency spending in this bill will automatically, Mr. President—automatically—cause an across-the-board cut of all the domestic programs we spent all this time funding. In this particular bill, it might be as much as 1 to 2 percent in cuts if the dire emergency bill, floating through here, goes to the President and he signs it. Obviously, the President is not going to declare everything in the bill an emergency. So the Congress will face a sequester, because we have already spent up to the caps by taking every appropriations bill up to its ceiling.

Mr. President, I left out one item. There may be Senators who are wondering, on this bill, whether the amount that I have been talking about that is part of this gimmick of moving obligations to the end of the year so they will spend out the next year—is very much money. I already gave the amount. They may say it is not very much money because this bill has a very large amount of dollars in it.

I remind everyone that we only talk here about the nonmandatory programs in this bill. And in this bill, there are about $59 billion—that is all; not $180 billion or so—$59 billion that is discretionary spending. Those who put this bill together—and frankly I think in many respects they have done a good job—I do not know why they had to put this extra finding in when they could probably get it next year in the appropriations cycle—but I think they want to prejudice next year's cycle by locking in this funding in advance. This action prejudices all the programs in Government that are domestic discretionary programs by determining in advance in this bill the amount that will be spent on these programs. We do not wait until next year to determine our spending priorities.

Actually, these programs went from $56.3 billion in fiscal year 1991 to $59.1 billion in this fiscal year 1992 bill. Yet, to live within the $59.1 billion discretionary allocation, the subcommittee had to use the budget practices I have just described—that is the $3.1 billion in appropriations that are delayed for expenditure until late in the year, and the other item of $1.3 billion that I talked about that is just absolutely appropriated next year. We have to add that much to the subcommittee's budget allocation.

So I will vote against this bill, regrettably. It has very good programs in it. But frankly, I think the Senate, and I think the American people truly want us to live within our budgets. If we want to spend more on these kinds of Government activities, we ought to take funding out of something else; not decide to fund it at the end of the year and, thus, act as if this spending does not count, act as if it is not taxpayers' dollars, and act as if we are not really going to spend it, so the subcommittee will be charged with it.

I believe we have to pay for such spending, I believe we have to charge ourselves for it, and I believe we ought to live up to the spirit and intent of the budget agreement, or everyone will find their ways to get around this budget descipline.

Mr. President, this bill poses a great dilemma for this Senator. This bill is of critical importance to every man, woman, and child in this country. The programs funded in this bill provide important employment services, health care and research, and education to everyone. I overwhelmingly support these programs.

In fact, this bill includes increased funding for mental health research that this Senator fought for on the Senate floor.

Thus, it pains me to oppose this bill, but I feel I have no alternative.

I will vote against this bill because it violates the intent of the bipartisan budget agreement that is just 1 year old. Yes, Mr. President, the Congress couldn't even make it through the first full year of the budget agreement.

The conference agreement before the Senate provides $183 billion in budget authority and $146.8 billion in new outlays for the programs of the Departments of Labor, Health and Human Services, and Education for fiscal year 1992.

The amount in this bill under the control of the Congress—the domestic discretionary spending that is subject to the budget agreement—totals $58.7 billion in budget authority and $25.4 billion in new outlays for fiscal year 1992.

When outlays from prior-year budget authority and other adjustments are taken into account, the overall bill is technically within the subcommittee's section 602(b) allocation.

But the subcommittee achieves this by delaying the tough choices. By delaying the obligation of $3.1 billion until fiscal year 1993, by providing new advance appropriations totaling $1.3 billion in fiscal year 1993, and by establishing emergency contingencies for various programs. Thus, by seeking to keep everyone happy, the subcommittee avoids difficult choices on overall spending priorities, and locks in spending under next year's domestic discretionary spending cap.

If we engage in these budget games this year, I can only guess at the extent of the games next year. Not only are we limiting our funding choices next year by locking in spending now, we will be operating under a domestic spending cap that is no less constrained.

I am voting against this conference report for the budget games it plays, for the limitations it puts on the Appropriations Committee next year, and for the undue pressure I believe it puts on the budget agreement next year.

DELAYED OBLIGATIONS

I must say, Mr. President, that this is not the only subcommittee that has engaged in the practice of delaying the obligation of funds until next year.

Nor is it just the Congress that has proposed such a policy. The administration's budget for fiscal year 1992 requested delays in obligations for the National Institutes of Health.

However, it is the Congress that has played this game to a significant extent. Of the estimated $4.1 billion in delayed obligations in just the domestic discretionary appropriations bills, $3.1 billion, or 75 percent, of the delays are in this bill.

The Labor-HHS-Education Subcommittee saves $1.3 billion in outlays in the pending bill by delaying the obligation of $3.1 billion in budget authority until late in the fiscal year, pushing spending into the outyears. In adopting this conference report, we spend $850 million of next year's discretionary outlays cap.

In enacting all domestic discretionary bills, Congress has spent $4.1 billion in budget authority and $1.4 billion in outlays under the fiscal year 1993 domestic discretionary spending cap. In so doing, it has spent this budget authority and avoided counting $1.9 billion in outlays associated with this spending against this year's cap.

There is no valid policy reason to engage in this practice. Rather, it is a device to minimize near-term outlays, and spend all available budget authority under the spending caps for which no outlays remain.

Mr. President, I ask unanimous consent that a table displaying the delayed obligations in the domestic spending bills be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD as follows:

DELAYS OF OBLIGATIONS IN 1992 APPROPRIATIONS BILLS

Appropriations bill/program	1992 budget authority	1993 outlays
Agriculture:		
Cooperative state research service	25	6
CCC: Market promotion program	28	28
Subtotal, Agriculture	53	34
District of Columbia:		
D.C. General Hospital	1	1
Board of Education	9	9
Subtotal, D.C	10	10
Interior:		
Miscellaneous payments to Indians	41	37
U.S. Fish and Wildlife, construction	13	2
Indian Health Service	5	4
Subtotal, Interior	59	43
Labor/HHS/Education:		
HRSA, healthy start	125	34
Centers for disease control	134	21
NIH	575	(14)
LIHEAP	406	256
Refugee and entrant assistance	117	83
SSA LAE	80	0
Community services block grant	29	11
Child care assistance	825	289
State unemployment and employment service	30	12
Human development services	25	13
ADAMHA	165	(18)
Head Start	250	102
Community Health Centers	55	21
Comprehensive Child Development	20	3
Voc and Adult Education	60	7
Chapter 1	152	18
Impact Aid	2	2
Student Financial Aid	62	6
Higher Education	24	3
Star Schools	1	1
Subtotal, Labor/HHS	3,136	850
VA/HUD:		
VA medical care	413	254
General Operating Expenses	42	0
Public housing operating subsidies	294	136
Neighborhood investment corporation	5	3
Subtotal, VA/HUD	754	393
Treasury-Postal:		
Customs, O&M	15	6
IRS Information System	97	58
Subtotal, Treasury-Postal	112	64
Total, all bills	4,124	1,394

Note—Prepared by SBC minority staff, Nov. 6, 1991.
Source: Congressional Budget Office.

Mr. DOMENICI. Mr. President, my colleagues may recall a statement I made criticizing this very practice when the Senate considered this bill. It was in the context of this bill overall, and of the Wirth amendment in particular, that utilized all remaining budget authority under the subcommittee's allocation when no outlays remained. The subcommittee spent this budget authority and got around the lack of outlays by delaying the actual expenditure to these funds until fiscal year 1993.

The distinguished chairman of the full Senate Appropriations Committee, Senator BYRD, joined me in opposing this budget device.

He and I realize that unless the subcommittees responsible for such delays are held accountable for the resulting outlays in their section 602(b) allocations next year, all domestic subcommittees will be penalized for these spending excesses.

Yes, there are some who find the restraint in the budget agreement difficult to live with. No, the Congress will not get around the spending caps in the budget agreement by delaying outlays until next year. We may spend money we don't have in the near-term, but we will limit our spending choices next year by spending outlays under the fiscal year 1993 cap.

I would say, Mr. President, that the Congress has the potential to significantly increase the use of this budget device in the upcoming conference on the defense appropriations bill. The House-passed version of the defense appropriations bill delays the obligation of $3.3 billion in budget authority, resulting in $2.24 billion in outlays under the defense spending cap in fiscal year 1993.

If the final conference agreement on the defense appropriations bill includes this House provision, the fiscal year 1992 appropriations bill includes this House provision, the fiscal year 1992 appropriations bills will delay the availability of $7.4 billion in budget authority until late in the fiscal year, resulting in fiscal year 1993 outlays of $3.6 billion charged against the total discretionary spending caps.

ADVANCE APPROPRIATIONS

Delayed obligations are not the only device this subcommittee uses to delay difficult choices. The conferees also promise spending they can't find within the current subcommittee allocation by providing advance appropriations totaling $1.3 billion for next year in this bill.

So adding up the delays and the advanced appropriations, the Labor-HHS appropriations bill spends $4.4 billion in budget authority and $1.2 billion in outlays that affect in some way next year's domestic discretionary spending cap.

CONTINGENCIES

The committee also jumped into the game of contingency appropriations. In other words, the committee provides funding but makes it contingent upon some action, such as a declaration of emergency by the President.

This bill includes $380 million in new, emergency contingency appropriations for which outlays are not reflected in this bill.

For example, what is the actual program level for the Low-Income Home Energy Assistance Program in this bill. If asked, the chairman might say $1.8 billion. However, upon the date of enactment, the amount of funding that will be apportioned for the LIHEAP Program will be just over $1.0 billion, for that is the amount that is appropriated in this conference report that becomes available upon the signing of the bill into law.

The remaining $800 million consists of: $80 million declared a congressional emergency, $405.6 million that becomes available only on the last day of fiscal year 1992, September 30, 1992, and $300 million that becomes available only if the President submits a formal budget request designating these funds as an emergency, and therefore, outside the domestic spending cap.

While the $405.6 million will become available, I fail to see how the administration can carry out the conferees' directive to spend it all in fiscal year 1992. Even for the Federal Government, it is difficult to spend so much money for one program in 1 day.

Mr. President, I ask unanimous consent that a table displaying the delayed obligations, advance appropriations, and contingency appropriations in the Labor-HHS-appropriations bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Budgetary gimmicks in 1992 Labor-HHS appropriations bill

[Dollars in millions]

Delays in obligations:	
HRSA, healthy start	125
Centers for disease control	134
NIH	575
LIHEAP	406
Refugee and entrant assistance	117
SSA LAE	80
Community services block grant	29
Child care assistance	825
State unemployment and employment service	30
Human development services	25
ADAMHA	164
Head Start	250
Community health centers	55
Comprehensive child development	20
Voc and adult education	60
Chapter 1	152
Impact aid	2
Student financial aid	62
Higher education	24
Star schools	1
Subtotal, delays in obligations	3,136
Advanced appropriations:	
Training and employment, summer youth	188
State legalization (SLIAG)	1,123
Subtotal, advanced appropriations	1,311
Contingency appropriations:	
LIHEAP emergency allocation	300
LIHEAP congressional emergency	80
Subtotal, contingencies	380
Total, all gimmicks	4,827

NOTE.—The advanced and contingency appropriations listed here are not all inclusive but rather reflect advances and contingencies not typically included in the Labor-HHS appropriations bill.

SOURCE.—Prepared by SBC Minority Staff, November 6, 1991.

Mr. DOMENICI. Finally, Mr. President, earlier this week, I read in the Washington Post an editorial that may lead some of my colleagues to believe that the 1990 bipartisan budget agreement is not exactly working as intended.

That editorial focuses on two issues relating to congressional action on the fiscal year 1992 appropriations bills. The first issue is the practice of delaying the obligation, or actual expenditure, of funds into a future fiscal year, which I have already addressed. The second issue is congressional action on a multibillion-dollar dire emergency supplemental appropriations bill, which passed the House on October 29.

The author of that editorial would have us believe that these actions are designed to stuff the budget agreement with excess spending, and thus, that the Congress is finding its way around the airtight and tamper-proof rules of the budget agreement.

I can state with certainty that these excesses will not go unchallenged by the budget agreement. To the contrary, this spending will be accounted for, and charged against, the spending caps enacted as part of the Budget Enforcement Act of 1990.

As I stated earlier, the $1.4 billion in outlays associated with the delay of obligations in the fiscal year 1992 domestic appropriations bills will be charged against the fiscal year 1993 spending cap, as will any fiscal year 1993 advance appropriations.

The budget agreement will also address the excesses of the House's dire emergency supplemental appropriations bill. With the completion of the pending Labor-HHS appropriations bill, almost all of the spending authority under the fiscal year 1992 domestic discretionary spending cap will be utilized.

Thus, the enactment of the dire emergency supplemental appropriations bill will trigger an across-the-board sequester of all domestic discretionary programs by the amount of the overage included in that bill. A preliminary estimate of this sequester is $4 billion, which would cause a sequester of between 1 and 2 percent.

So, if my colleagues are beginning to wonder if the budget agreement is working, I would say that in my opinion it is working as intended.

In fact, it is retraining spending, and Congress is feeling the pinch, as these two bills prove.

Yes, the Congress can spend money it does not now have, as the pending bill, and other bills, prove. No, it will not be outside the discipline of the budget agreement.

Mr. President, I ask unanimous consent that the editorial appearing in the Washington Post on Monday, November 4, 1991, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 4, 1991]

And Hold the Stuffing

Especially as they affected appropriations, the new budget rules adopted last fall were supposed to be airtight and tamperproof. For all five years of the budget agreement, they imposed explicit dollar ceilings on spending subject to the appropriations process. For the first three years, through 1993, sub-ceilings were imposed as well on defense, international affairs and total spending from domestic appropriations. Among other things, it was said that these and other safeguards would keep both branches from indulging in what had been a favorite pastime before: pretending to hit budget targets by conveniently moving spending from one fiscal year to another so that it never got counted.

The problem is that any lock the president and Congress design, they can also pick. Thus the administration in its budget for this fiscal year began a process that the appropriations committees have now perfected, of backloading or overstuffing their bills through what are known as delayed obligations. They approve the money but say the spending can't begin until more or less the last day of the fiscal year; the effect is to kick it into the next year.

To enable the appropriators to satisfy all the health and education groups after them for money and still not break the budget agreement, the appropriations bill for labor, health and human services contains more than $4 billion in such delayed obligations. To accommodate the administration's space program without offending other not-to-be-denied constituencies, the bill providing funds for veterans, housing and independent agencies contains perhaps another $700 million.

The question is, what then happens in 1993? Rep. Neal Smith of Iowa, the third-ranking House Appropriations Committee Democrat, has warned that, given the spending ceilings, the carryover spending will be such that "you won't even have enough money for cost-of-living increases" in many programs—and these are votes that Congress will be taking just as it adjourns for the elections. But advocates of the overstuffing see it as a legitimate forcing device that one way or another—at the expense of higher taxes, a higher deficit or cuts elsewhere in the budget—will help the favored programs; they think it's worth the price.

A similar step has now been taken in the House in connection with the "dire emergency" supplemental appropriations bill passed last week. It includes an extra $1.4 billion for Head Start and other programs for poor children, which it would have the president exempt from the 1992 spending ceiling under his emergency powers. You then also have to ask, what would become of these increases in 1993? Would Congress with the election approaching cut the programs below the year before?

It's well understood that the spending ceilings will have to be adjusted for fiscal 1994, the budget for which will be the first submitted to Congress after the election. The artificially low spending ceiling for that year is already a forcing device; if it isn't eased through an increase in either taxes or the deficit, there will have to be huge cuts in defense, domestic spending or, more likely, both. In that sense you could say that what the overstuffers are doing is merely moving up a year and ahead of the election a set of choices that will have to be made anyway. But Congress also owes an explanation if it follows their lead. It's easy to assemble a majority in favor of increased spending. Where's the majority for paying for it?

Mr. DOMENICI. Mr. President, I oppose this conference agreement, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. Who yields time?

Mr. HARKIN. Mr. President, how much time do I have left?

The ACTING PRESIDENT pro tempore. The Senator has 4 minutes.

Mr. HARKIN. Mr. President, I want to respond to the Senator from New Mexico just a little bit here. I will point out, Mr. President, that our bill is under the 602(b) allocations; no points of order lie. There is no legal prohibition against delays. It has been done for years; it has been done in the Defense bill for years.

I hear a lot of sound and fury about the delays in this bill. But you should know, however, Mr. President that the President's request, his own request included $1.4 billion of delayed obligations. The House included $1.8 billion. The conference agreement includes $3.1 billion.

I also will point out, Mr. President, that six other appropriations bills also include delays. The House Defense bill includes over $3.3 billion in delays. The distinguished Senator from New Mexico, a good friend of mine, and I mean that sincerely, is here talking about the delays in this bill that he indicated may force him to vote against it. But the Defense bill includes delays. I did not hear anybody get up and talk about the Defense bill, and it had $3.3 billion in delays. No one stood and talked about it.

But all of a sudden now, this bill, the one that funds education and health care, the one that funds, as Senator KENNEDY said, low-income heating and energy assistance programs to help keep people warm in the winter, now all of a sudden we hear there may be something wrong about the delays.

Mr. President, there is nothing wrong with the delays. The fact is it has been done before; it is legal. We are under our 602(b) allocations. In fact, we are enough under our allocations that no sequester would arise on this. We are quite a bit under in both budget authority and budget delays.

I would point out, of the delays, ours is only 2 percent of the total; 2 percent of our total bill is delayed obligations.

I really hardly think that delays raise too many red flags.

Again, I will just point out to the distinguished Senator one of the problems we had was that many Senators had programs they wanted increased. To accommodate some of the things like the Centers for Disease Control, NIH, alcohol and drug abuse, mental health, low-income home energy, refugee assistance, student financial assistance, to compensate all those, the only way we had under the budget agreement was with the delayed obligation. Since it has been done before, there is nothing illegal about it. It is perfectly permissible; no points of order lie. That is the way we were able to accommodate the real needs in our society.

Mr. President, this talk about delayed obligations is not really a sound argument for voting against this bill. Again, the important thing, as I said before, is to untie the gag rule. That is what is important about this bill, so that women can get the information they need to make their own decisions.

Before I close, Mr. President, let me thank my distinguished colleague and friend from Pennsylvania, Senator SPECTER, and all of the staff on both sides, majority and minority, for their great work in getting a tough bill through. This was a tough, tough process all year. We had to make some hard decisions, some hard choices. Not all the programs we wanted to fund were funded at the levels people wanted. But these are the hard decisions that had to be made. I thank Senator SPECTER and his staff for all of the work they did in an open and conciliatory manner, and with that produced a fine bill given the circumstances.

Mr. President, I ask for the yeas and nays on the conference report.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. Who yields time?

Mr. SPECTER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I have very great respect for my distinguished colleague from New Mexico, and I can understand the concerns which he has expressed on some of the delayed appropriations. We are really battling to find some way to fund programs which are so meritorious but which simply cannot be comprehended in any other way. It is my argument that this is acceptable under the prevailing law and that this conference report ought to be adopted.

I thank my distinguished colleague from Iowa for his generous comments. He has labored long and hard on a very difficult bill with the staffs on both sides.

The conference was especially arduous. As we went into session with the House conferees under the distinguished chairmanship of Chairman NATCHER, who has no peers in the Congress on this kind of legislation, we conferred and we disagreed and recessed, and then we reconferred and disagreed and recessed, and then we rereconferred and went back and forth again and again and again as we tried to hammer out a conference report.

My comment during the conference was that we were arguing about a series of A-plus items and it was a question of how we accommodated many tremendous demands. This bill is a good bill, a product of compromise, extending as many funds as we could to very important programs—education, health, human services, and labor.

Of paramount concern, Mr. President, is the provision which will modify the Rust versus Sullivan decision. I urge the President to sign this bill.

I thank the Chair and yield the floor.

Mr. DOLE. Mr. President, the Republican sweep of the New Jersey Legislature sends a loud and clear message to politicians everywhere—voters are waking up to the fact that you can't have it all and not pay for it. Eventually the tax man, or in this case the Democrat Governor of New Jersey, comes to collect.

Well, today we have our first opportunity to let the voters know we have heard their message. We can vote against the Labor/Health and Human Services conference report which promises Americans more—$4.1 billion more—than Congress can pay for.

How can this be? Don't we have a budget agreement? Well, while the negotiators of last year's budget agreement cracked down on a number of budget loopholes, they did not anticipate the latest smoke and mirrors trick—delayed obligations. The way this gimmick works is that budget authority is delayed until the last day of fiscal year 1992. Outlays are then scored against fiscal year 1993 allocations.

Although delayed obligations free up money in the short run, it is about as fiscally sound as using your Visa to pay your Mastercard bill. Such a large shift in spending will make the task of keeping fiscal year 1993 domestic discretionary spending within the spending caps extremely difficult—creating a fiscal time bomb to blow off the limits on domestic spending next year.

Let me say up front that this is not the first time delayed obligations have been used to get around spending restraints. A number of appropriations subcommittees are guilty, and yes, even the President has included delayed obligations in his budget request. The Labor/HHS conference, however, has exceeded anything that has been done to date. The time has come to put a stop to this practice on both ends of Pennsylvania Avenue.

I will be the first to admit sticking to the budget agreement is painful. But as difficult as the choices we face are, now is not the time to bust the spending caps. Losing the discipline of last year's budget agreement will result in only one thing—a tax increase. No, the only answer is to do something that is almost unheard around Congress—make some tough choices about which programs should be cut back or even eliminated. It won't be easy, but maybe the voters will give us credit for having a little courage for a change.

TITLE X

There is one other item in this conference report I wish to address—the so-called gag rule. I remain concerned that certain restrictions on counseling by title X agencies would interfere with the free exchange of information between health care providers and their patients. While I strongly believe that abortion is not family planning and should not be encouraged, we should take the greatest care in regulating the deeply personal and confidential relationship between providers and patients. I regret that no compromise could be reached with the administration on this issue, but I continue to hold out hope that there is still a chance.

CONCLUSION

Finally, I want to say that voting against an appropriations bill brings me no great pleasure. This is the first appropriation bill I have voted against all year. That record is a tribute to the leadership of the distinguished chairman of the Appropriations Committee, who has always tried to avoid playing politics with the budget. If his advice on the Labor/HHS appropriations bill had been heeded, I believe the Senate would be voting on a much better conference report.

If we reject this conference report today, Congress can begin work on fixing the problems with this bill immediately. If we instead allow a Presidential veto, we delay new funding for such important programs as Head Start and cancer research at the National Institutes of Health. That is why I urge my colleagues to vote "no" on the Labor/HHS conference report.

Mr. DODD. Mr. President, I rise in strong support of the conference report on the Labor-HHS-Education appropriations bill. This bill, more than any other that comes before us, defines our commitment as a Nation to addressing the social problems that make this a difficult time for many American families. Even in a time of great fiscal constraints, the conferees have been able to hold the line, and even expand, funding for vital programs including LIHEAP, child care services, Head Start, education programs, and childhood immunization. These increases reflect my belief that preparing children for school and giving them a sound education must be a No. 1 priority for this Nation if it is to be competitive in the future.

I want to commend Senator HARKIN for his outstanding leadership in reaching this final agreement in a way that responds to the most pressing social needs across the Nation. It is always difficult to determine how best to stretch thin dollars to cover the many unmet needs of American children and families. But this year, that challenge has been more formidable than at any time I can remember. Yet, the conferees have made the tough decisions and targeted funding where it will make the most difference for millions of American families.

I am particularly pleased that the conferees prevailed in including a prohibition on implementation on the so-called gag rule. If implemented the gag rule would interfere with confidential doctor-patient relationships and compromise the health of thousands of American women. In a last ditch effort over the last few days, the administration tried to blur the issues, but let's be clear about one thing. The gag rule is bad policy and must be rejected once and for all. It is critical that women of all incomes have access to full information about all options—whether for reproductive choices or other health care needs.

As chairman of the Senate Subcommittee on Children, Family, Drugs and Alcoholism and a member of the Education Subcommittee, I have been directly involved in the growth and development of many of the programs funded by this bill—Head Start, the child care and development block grant, the Child Abuse Prevention and Treatment Act, and the Low-Income Home Energy Assistance Program [LIHEAP]. I wish all of my colleagues could be present when we hold a hearing on one of these programs—there could be no doubt about what we are voting on today. The witnesses sound the same themes, time and time again. They describe the outstanding and proven records of these programs. They also tell the other part of the story: of the success of children who have attended Head Start and the two-thirds of eligible children who cannot participate for lack of funds; of the security parents feel when their children are in high-quality child care and the children who fill the child care waiting lists unable to find space with safe providers; of the overwhelming advantage of life a college education gives and the teenagers whose parents must struggle to piece together college tuition. So many of our social programs could be described in exactly the same words—they bring direct and immediate improvement in people's lives, they result in long-term societal savings far in exceeding their costs, and they serve only a small portion of those in need.

Mr. President, if we truly want to live up to our commitment to American families, we need to roll up our sleeves and figure out how to reach more families through programs that work. Regrettably, our job is made more difficult by an administration that continues to focus its attention and resources on world problems at the expense of any real domestic agenda. Too much of our attention in Labor-HHS-Education appropriations is drained by battles simply to protect effective programs from administration proposed slashing.

Throughout our history, we as Americans have shared a common goal—to make life better for our children than it was for us in our own time. Today—for the first time in our history—America's working families can no longer count on a better life for their children. Caught in a squeeze between changing family demographics, stagnant income, and rising basic costs, families now question whether the American dream is beyond reach.

During the 1980's, the wealthy grew even more prosperous, while working people were left far, far behind. I see the ravages of the 1980's throughout my State of Connecticut, and I know my colleagues see the damage across this country. But this Nation needs a President—a leader—who sees it as well. We need a President whose interest in the peoples of Bridgeport, New Haven, Hartford, Naugatuck, and Windham is as great as his interest in foreign affairs. As yet another company in Connecticut shuts down and the unemployment lines grow longer, it's time for President Bush to recognize the concerns and needs of families right here at home.

In the meantime, I am pleased with the steps taken by this appropriations agreement. Let me take a moment on a few programs of top priority for me and for my State of Connecticut.

The child care and development block grant, which I authored, would be funded at $825 million, which is its full authorization level and an increase of $93 million over fiscal year 1991. The Head Start program would be funded at $2.2 billion, an increase of $250 million over fiscal year 1991 and $150 million more than the administration request. Last year, I authored legislation authorizing full funding for Head Start; this agreement moves us a little closer to achieving that dream. Chapter 1 will be increased by more than $600 million. The children of our Nation deserve a seamless garment of programs and opportunities as they grow up, from safe child care to an affordable college education. The final appropriations bill helps to weave that seamless garment.

Mr. President, this week we have been given a taste of what could be a long, cold winter ahead of us. So, I am particularly appreciative of the conferees' successful effort to hold the Senate level of $1.5 billion for the Low-Income Home Energy Assistance Program [LIHEAP], which my Subcommittee oversees. The administration proposed cutting more than $600 million from this program; the House cut almost as much. LIHEAP is a lifeline for many people in my home State of Connecticut, where last year the program helped 92,000 households make it safely through the winter. I would like to have seen even higher funding levels, in view of the increased need generated by the recession. However, given the budget constraints and what to me is the inexplicable opposition to this critical program by the administration, I believe Senator HARKIN and the other conferees have accomplished a monumental feat in reaching this agreement on LIHEAP. The agreement also sets aside $25 million for a program I authored to provide incentives to States to establish public-private partnerships, using LIHEAP dollars to leverage additional State or private funds for the program.

The agreement also includes $73 million for construction and rehabilitation of Job Corps centers. This will cover the higher than anticipated costs of opening four centers, including the one in New Haven. I am very pleased that we will be able to bring this new program into the State. The New Haven center will provide disadvantaged youth with concentrated training and other services to help them become employed.

Finally, there are many, many ways in which this legislation would improve services to children and families. This long list reflects the recognition that a multitude of often small programs make a tremendous difference in people's lives. For example, the agreement doubles funding for critical programs to prevent and address domestic violence. In addition, the agreement significantly strengthens key health programs such as the community health centers and the maternal and child health block grant. In communities like New Haven—where we face very high infant mortality rates—these funds are desperately needed and can be put to immediate use. Finally, the agreement provides funds for another program I authored, one that would provide outreach to homeless children through mobile medical units—pediatric vans—that will reach children otherwise lost to our health care systems.

Mr. President, when we look back on 1991, the picture will be a mixed one. The people of Eastern Europe have made strides toward freedom and democracy, fulfilling their dreams. But the people of America have faced a growing economic squeeze and often crumbling social services. This appropriations bill has been an important opportunity to address the needs of American children and families directly and to give renewed hope to their dreams. Under tough circumstances, this agreement does a good job, and I am pleased to support it.

Mr. COATS. Mr. President, today we are taking up for consideration the conference report on the Labor-HHS appropriations bill. I am rising to oppose this report for two principle reasons. First, this bill exceeds the budget agreement by $360 million in budget authority, $732 million in outlays, and contains $4.1 billion in delayed obligations, a gimmick which Congress has frequently used during the appropriations process this year, to put off expenditures until the end of the fiscal year so they won't show up on the budget until fiscal year 1993.

Second, this legislation contains pro-abortion language which has the effect of not only permitting, but actually requiring abortion-related activities in our Nation's federally funded family planning facilities while eliminating even a simple requirement that parents be notified before their minor child undergoes an abortion.

Whether we are spending the money this year or taking it out of next year's budget, it still amounts to expenditures that we cannot afford and should not be endorsing. They constitute a covert means of getting around the budget enforcement act passed at the end of last year.

Mr. President, for some time now, I have been attempting to fight the wasteful expenditures which are routinely tucked into important appropriations bills which would not merit approval on their own. In particular, I have been pushing for the passage of the legislative line-item veto act which I have introduced with Senator MCCAIN as a means of curbing low-priority projects or expenditures which are placed in these bills—often without the benefit of authorization—for special interests and narrow constituencies.

As the custodians of the portion of the American taxpayer's paycheck that the Federal Government takes every year—which now, in many cases, constitutes as much as one-third of an individual's income—I believe it is a very bad reflection on our institution to continue to send bloated appropriations bills which are full of pork or unnecessary programs or dishonest budget gimmicks to the President for his approval.

Mr. President, the second reason I will oppose this legislation is its radical treatment of the abortion issue. As reported from conference, this bill prevents the Secretary of HHS from implementing what I consider to be very reasonable regulations drawing a clear line of separation between abortion and legitimate family planning activities. Abortion is not a method of family planning and has no legitimate place in a federally funded family planning program. This legislation also rejects an effort supported by a majority of this body. I am speaking to a requirement that parents be notified at least 48 hours prior to their minor child's abortion. This body considered and passed two amendments requiring parental notification. Unfortunately, neither of those measures survived the conference.

Mr. President, a majority of Americans believe, as do a majority of the Members of this body, that a parent is in the best position to offer counsel and advice to a minor child considering the very serious abortion procedure. I simply cannot understand how we can pass legislation which clearly is aimed at tearing down the already fragile institution of the family. I for one can not and will not support such an effort. And I am confident that the President will honor his pledge of last June to veto this legislation if it contains language restricting the right of the Secretary of HHS to implement regulations regarding the use of funds for abortion.

Mr. President, I support many of the activities included in this legislation. Head Start, LIHEAP, the Education programs, cancer research, and many others too numerous to mention. However, the spending excesses contained in this legislation and the way in which this legislation deals with the very sensitive and controversial issue of abortion are testimony to the fact that we have not done a good job in dealing in a responsible manner with this bill. I am hopeful that after the President's veto is sustained, we will send to him a bill which he can sign and I can enthusiastically support.

Mr. DURENBERGER. Mr. President, I rise today to oppose the conference report on H.R. 2707, the Labor-Health and Human Services-Education appropriations bill.

Nearly 2 months ago, I voted for final passage of this appropriations bill. At that time, I had hoped that the conferees on this legislation would remove the contentious provisions so that a noncontroversial bill could be sent to the President for his signature. Instead, the many valuable programs counting on our support are being jeopardized—by fiscally irresponsible forward funding, and by the controversy over abortion counseling in federally funded title X clinics. The President has promised to veto this conference report because of the title X controversy.

This conference report would ban for 1 year the enforcement of title X regulations that separate the issue of abortion from family planning in federally funded title X clinics. Before this body votes against the enforcement of the regulations by approving the conference report, we must be sure that we understand the purpose of the title X program.

The title X program was created in 1972 to help Americans plan and prevent pregnancy. This program was not intended to be a full-service health program. If women who come to title X clinics for family planning services are tested and found to be pregnant, they necessarily require services that are outside of the scope of the title X program. A title X clinic is not designed to deal with all of the complex issues that surround pregnancy, but it should connect pregnant women with available health services that do.

Today, millions of low-income women receive essential family planning services from nearly 4,000 title X facilities. Every dollar that we spend on these services saves the Federal Government money in the long run.

But for years, the title X program has been underfunded because connections have been made between family planning services and the promotion of abortion. We have been unable for many years to reauthorize title X because of abortion-related issues which don't belong in family planning.

The administration's regulations, which prohibit abortion counseling and referrals in title X clinics, were an attempt to draw a clear line of separation between abortion and the essential family planning services that title X facilities provide.

Earlier this year, this body approved legislation that would overturn these regulations. During that debate, I offered an amendment that would have removed the abortion controversy from title X clinics, and would have ensured that women receive complete medical information about their pregnancy through referrals to prenatal and obstetrical care providers—health professionals who specialize in pregnancy. My amendment would have removed pregnancy counseling from the family planning setting, and would have facilitated entry of pregnant women into the health care system.

On November 5, the President sent a letter to the Secretary of Health and Human Services to clarify the purpose and intent of the regulations. This letter incorporates much of the language that I offered in my amendment. Through this directive, the President has addressed the concerns of those who feel that the regulations violate the freedom of speech or the confidentiality of the doctor/patient relationship. The President has ordered an interpretation of the regulations that will conform with the highest standards of medical care.

First, the President states that "Nothing in these regulations is to prevent a woman from receiving complete medical information about her conditions from a physician." In other words, doctors in title X clinics will not be gagged. They may answer any questions a patient asks and discuss any medical information—including information about abortion.

Nonphysician health professionals—who do not have the generalized training of physicians—will not be required to assume the responsibility of counseling on postconception issues. These title X professionals are usually nurse practitioners who have specialized training in contraceptions and venereal diseases, but who are not necessarily trained in the complex issues that surround a pregnancy.

Again, it is important to remember that title X clinics are limited medical settings that provide preconception services only. A pregnant woman should be referred to health care professionals who can provide her with complete medical information and services.

The President's letter outlines the responsible manner in which referrals should be made when women require services that are outside the scope of title X:

> Title X projects are to provide necessary referrals to appropriate health care facilities when medically indicated.

> If a woman is found to be pregnant and to have a medical problem, she should be referred for complete medical care, even if the ultimate result may be the termination of her pregnancy.
>
> Referrals may be made by title X programs to full-service health care providers that perform abortions, but not to providers whose principle activity is providing abortion services.

This interpretation of the regulations, while preserving the separation of abortion from family planning, ensures that the health of women in title X clinics will not be at risk. Title X physicians will not be gagged. Mr. President, the regulations under this interpretation represent good medical practice, and their enforcement should not be delayed for a year.

There are those who will still disagree with the regulations, and they have every right to debate that issue. But they should not hold a funding bill hostage to that debate.

Mr. President, there is an additional issue that makes this conference report objectionable. This legislation contains $4.2 billion in delayed obligations. The programs that we are funding are all very valuable, but we are funding them in a fiscally irresponsible manner. Under the budget agreement that we reached last year, this means that we will have $850 million less to spend under next year's discretionary cap. This year's funding will cost these crucial programs drastic funding cuts next year.

Mr. President, for these reasons, I intend to vote against this conference report. I encourage my colleagues to do the same.

Mr. ROTH. Mr. President, I would like to take a minute to indicate that my vote against the conference report on H.R. 2707 is not related to the prohibition on the implementation of the so-called gag rule. In fact I am supportive of Senator CHAFEE's efforts to overturn the Rust versus Sullivan decision and voted with him on this issue this year as well as last year. I feel, however, as I did when the Senate considered H.R. 2707 in September of this year that this measure is fiscally unresponsible. I am also deeply troubled by the use of budget gimmicks to postpone outlays to the following fiscal year to stay within the budget caps. In closing I would just say that I hope we can come to some agreement on S. 323 in the near future without having to rely on appropriations language. It would be far preferable in the long run to adopt a permanent solution to the gag rule which many feel strongly about on its own merits.

Mr. ADAMS. Mr. President, I rise today in strong support of the conference report. This is a truly historic document for women. It overturns the gag rule, and it provides more than $100 million to the National Institutes of Health for women's health research.

There is a great deal else of importance in this bill, Mr. Chairman, and I applaud you for your hard work. But where women are concerned, this bill is a winner.

It increases funding for research on breast cancer by 46 percent over last year; provides $10 million for the office on women's health research, and $25 million for the women's health trial to look at the major causes of disease and death in mid-life and older women. But Mr. Chairman, I fear these gains are greatly threatened. President Bush has indicated he will veto this bill because of language to stop the gag rule.

Mr. President, the gag rule is dangerous public policy. It allows the Government to play doctor and decide what medical advice can be provided. It bans medical professionals from telling pregnant women about their legal medical options. And it prevents women from receiving complete medical advice, including abortion, even when they ask for it.

The White House sent a memorandum to the Secretary of Health and Human Services yesterday. That letter attempts to clarify the administration's regulations. But let's be clear. This memorandum is nothing less than a wolf in sheep's clothing. While it says: "that nothing in the regulations prevents a woman from receiving complete medical care." Nothing could be further from the truth.

The regulations forbid a woman who asks for a referral to an abortion facility from getting it.

The regulations forbid a woman from receiving information about all her legal medical options even if she asks for them.

The regulations forbid a woman from receiving counseling from anyone other than a physician, although the majority of clinics rely on nurse practitioners, supervised by a physician.

We will not be fooled by this false bill of goods, Mr. President. The women in this country won't be fooled either.

These regulations are mean spirited. They deliberately relegate low-income women, primarily young women and minority women to second-rate health care. They say to poor women, young women, minority women, don't expect to hear the truth here. Don't expect to have the same health care options that other women have.

Congress must make no compromise where women's health is concerned. We must support this conference report—because of what it provides for women, and we must override the President's veto, and we will.

Our vote today sends a strong message that the Senate will not tolerate second-rate medical research and health care for women—whether it's in the laboratory, or in the doctor's office.

We can do no less for the women in this country.

Mr. HATFIELD. Mr. President, I support the Labor, Health and Human Services, and Education appropriations conference report that is before the Senate today. I would like to take this opportunity to thank the chairman of the subcommittee, Senator HARKIN, and the ranking member, Senator SPECTER, for doing a superb job in a very difficult budget year.

I would like to highlight a few of the programs in which I have taken a personal interest.

HEARING RESEARCH

Mr. President, an estimated 13.4 million persons, or nearly 1 in every 20 Americans suffer from hearing impairments. Hearing loss, whether from excessive noise, the aging process, disease, or some other cause, imposes a serious hardship, not only upon the affected person, but also upon family, loved ones, and all those who come in contact with that person. While the medical and scientific communities have developed an arsenal of treatments for many disorders, research into hearing problems has been relatively limited. Most research on deafness and other hearing impairments in this country is aimed at prevention. This bill contains $149.8 million for the National Institute on Deafness and Other Communications Disorders. In addition, $6 million has been provided within the rehabilitation services and disability research account for a grant to a hearing research center to conduct basic and applied research. These funds will help produce clinical methods that physicians and the medical products industry can incorporate into practical treatments for hearing problems. In 1985, the Oregon Hearing Research Center received such a grant, and since that time much progress has been made in the treatment of tinnitus and in the area of implantable hearing aids.

BIOMEDICAL RESEARCH

Ill health and its consequences are not confined to any State or region, to any race, age, or sex, or to any occupation or economic level. The health of this Nation is a matter of national concern. This bill contains $9 billion for the National Institutes of Health, an increase of $733.7 million above the fiscal year 1991 appropriation. This increase in funding will help to find the cures for those who suffer from the diseases that affect so many in this Nation—cancer, heart disease, arthritis, and neurological disorders—as well as the lesser known illnesses such as epidermolysis bullosa, interstitial cystitis, and sudden infant death syndrome.

ALZHEIMER'S

According to the National Institute on Aging, an estimated 4 million persons now suffer from Alzheimer's and unless a cure or prevention is found, the Institute projects that as many as 14 million Americans will be stricken by the middle of the next century. Mr. President, if we can find a treatment that keeps even 10 percent of the patients out of nursing homes for a year, this country would save $8.8 billion annually. My goal is to double the amount being invested for Alzheimer's disease research. As a down payment in reaching that goal, the bill provides $280 million for research into the cause and cure of this disease, more than halfway toward reaching that goal. Also included in this bill is $4 million for a new State grant program to help families caring for Alzheimer's patients at home.

AIDS

Mr. President, since 1981, over 110,000 AIDS deaths have been reported in the United States and by 1993, the toll may be as high as 340,000. The World Health Organization estimates that 8 to 10 million people are currently infected with the virus. The bill before us today provides $1.9 billion to confront this merciless killer, care for its victims and continue the search for preventive treatments. First time funding for AIDS research was funded in 1981 at a level of $5.5 million. This dramatic increase in just a few short years demonstrates the commitment on the part of the Congress to ridding the world of this disease.

In addition, Mr. President, the conference report provides funds to continue expanding research for an AIDS vaccine. The Senate bill specifically urged that $6 million be appropriated for this cause. Mr. President, I have long been an advocate of research for an effective AIDS vaccine. The development of such a vaccine would be a critical step toward curbing the rise of the AIDS epidemic that is affecting the entire world. I would like to submit in full, for the RECORD, my correspondence with Dr. Anthony S. Fauci, the Director of the National Institute of Allergy and Infectious Diseases. This correspondence reflects my strong interest in finding an AIDS vaccine, and indicates the progress that is being made in this regard.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS,
Washington, DC, May 21, 1991.

Dr. ANTHONY S. FAUCI, M.D.,
Director of Office of AIDS Research, National Institutes of Health, Bethesda, MD.

DEAR DR. FAUCI: I am writing concerning the present status of research for an AIDS vaccine. The development of an effective AIDS vaccine is a critical step toward stemming the rise of the AIDS epidemic in this country and worldwide. Accordingly, issues concerning AIDS vaccine trials were raised on several occasions during the recent testimony before the Senate Appropriations Subcommittee on Labor, Health and Human Services and Education.

It is my understanding that there are several pharmaceutical companies currently developing AIDS vaccines. However, no clinical trials to determine efficacy in humans have been conducted to this date. In an effort to facilitate development, suggestions have been made to the Subcommittee that Federal funding be made available for the commencement of such trials immediately.

I am interested in knowing the status of efficacy trials for an AIDS vaccine and if there is a scientific consensus which warrants moving forward with these trials at this time. I would also appreciate being informed of the National Institutes of Health's perspective on this issue and hearing your comments regarding the circumstances under which human efficacy trials should be pursued.

Thank you for your attention to this matter. I am looking forward to hearing from you soon.

Kind regards.

Sincerely,

MARK O. HATFIELD,
U.S. Senator.

NATIONAL INSTITUTES OF HEALTH,
NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES,
Bethesda, MD, June 13, 1991.

Hon. MARK O. HATFIELD,
U.S. Senate, Washington, DC.

DEAR SENATOR HATFIELD: I am writing in response to your letter of May 21 regarding the status of efficacy trials for an AIDS vaccine and whether there is a scientific consensus that warrants moving forward with such trials at this time.

As background, it is important to state that enormous strides have been made in HIV vaccine development. Pilot clinical trials of candidate vaccines have demonstrated safety and immunogenicity in man and some evidence of protection in a number of animal models. Consequently, there is a good possibility that a number of candidate HIV vaccines may be ready to consider for large scale efficacy trials within the next several years. Currently, there are eleven different products classified as AIDS vaccines that are being evaluated, either alone or in combination, in clinical trials worldwide. These products are being studied both as therapeutic agents for individuals already infected with the HIV, and as prophylactic agents in individuals who are not infected with the virus. All of the products intended for prophylaxis are undergoing evaluation for safety and immunogenicity. The National Institute of Allergy and Infectious Diseases (NIAID) is conducting or supporting studies involving eight of these eleven products.

Regarding your question whether a scientific consensus exists that warrants moving forward with efficacy trials at this time, let me state first that we have a comprehensive process designed to scientifically review in detail candidate AIDS vaccines and select for funding the most promising approaches. This process has relied heavily upon the advice of scientific leaders in the field to make the critical and difficult decisions regarding selecting vaccines candidates. We have used several standing committees, including the National Advisory Allergy and Infectious Diseases Council, the NIAID AIDS Research Advisory Committee, and the NIH AIDS Program Advisory Committee. In addition, we have solicited input from several ad hoc committees of top scientists who are working on HIV vaccines and have important expertise in related scientific areas. Thus, throughout the year, these meetings have been taking place to provide a forum for leaders in the field to discuss the future of HIV vaccine research and development.

Two prominent issues have been identified by these experts which remain to be resolved before large-scale efficacy trials can proceed: (1) whether a vaccine's success should be demonstrated first in animal models before beginning large efficacy trials in man; and (2) the selection of vaccine type.

On the first issue, there is considerable agreement among scientific experts that a vaccine must first show safety and the ability to prevent infection (or possibly disease) in animals before large efficacy trials in people should be initiated. This consensus is based on our current level of understanding regarding several attributes of HIV, including such issues as: (1) the lack of adequate knowledge of what confers immunity to HIV; (2) our limited understanding of the degree of individual variation in the immune response and the complexity of immune response to the virus; (3) the high degree of viral genetic variation and our need to understand its importance; and (4) the lack of strong protective immunity evoked by the vaccines now in early clinical investigation.

Regarding the selection of vaccine type, experts agree that insufficient information exists to make such as choice at the present time. There are considerable advantages and disadvantages to various vaccine types in terms of safety and the type of immune responses they may evoke. In fact, it is now thought that a combination approach using more than one vaccine type may be preferable for eliciting a broad-based immune response. It is further possible that different vaccines may be needed for different populations. Much research remains to be done before we can determine which of the several possible vaccine types would be best, either alone or in combination for the U.S. and other populations.

In summary, there is a high degree of consensus, supported by the issues outlined above, that it is premature to select a vaccine for large efficacy trials from the products currently available because we do not have sufficient information concerning their efficacy. We at the National Institutes of Health, in active collaboration with other agencies and organizations sponsoring vaccine research, are proceeding expeditiously to gain the information to judiciously select one or more vaccines to evaluate in large efficacy trials. We are also working to develop the infrastructures needed to ensure the ethical and timely conduct of such trials.

I appreciate your interest in the activities of the National Institute of Allergy and Infectious Diseases. If I can be of further assistance, please do not hesitate to call upon me. Best personal regards.

Sincerely,

ANTHONY S. FAUCI, M.D.,
Director, National Institute of Allergy and Infectious Diseases.

PREVENTION

Mr. HATFIELD. Many of the health issues this Nation faces today could be greatly reduced or even eliminated if we focused more of our human and material resources on preventing the cause rather than finding the cure for many of our health problems. This bill includes $1.5 billion for the Centers for Disease Control for programs to improve the health of Americans. In addition, $650 million is recommended for the maternal and child health block grant which will fund the program at the fully authorized amount. These funds will expand maternal and infant health delivery systems for women and children. Also provided, Mr. President, is an increase of $94 million to expand substance abuse treatment services to combat such problems as fetal alcohol syndrome, the leading cause of birth defects and mental retardation in the United States today.

DISLOCATED WORKERS

Mr. President, as you well know, many of the communities in the Pacific Northwest are almost entirely dependent upon the forest products industry for their source of employment. In recent years, changes in Federal environmental policy, such as the listing of the spotted owl as a threatened species, are endangering the livelihood of many Oregonians. To help address this problem, the bill before us today contains $577 million for quality training and other readjustment assistance to help retrain and reemploy dislocated workers. In addition, a portion of the $1.3 billion provided for vocational education has been directed to develop specialized training and demonstration programs in the Northwest as well as other regions of the country plagued by the threat of unemployment.

EDUCATION

Some of my colleagues may recall that Soviet advances in space exploration during the late 1950's prompted Congress to pass the National Defense Education Act. That legislation was intended to close the science and engineering gap that left us lagging behind the Soviet Union. Today, we face the same kind of challenge, only now the adversary is ourselves. I have been actively involved in efforts to increase the funding for the Eisenhower Math and Science Program as well as other education programs which focus on strengthening the economic competitiveness and national security of the United States. I am pleased, that at my urging, the bill before us today contains $240 million for the Eisenhower Math and Science Education Programs. These programs will assist the students of this Nation to achieve the basic math and science skills required to participate fully as workers and citizens. In addition, Mr. President, $12 million is included to establish a regional network of consortiums to provide technical assistance to schools undergoing reform of their math and science education programs, and $3.5 million for the establishment of a National Clearinghouse for Science, Math, and Technical Education Materials.

URBAN GRANTS

Mr. President, over the past year I have been actively involved in efforts to secure funding for urban community service grants. I am tremendously pleased that the bill before us today includes $8 million for this program. These grants will assist universities in responding to the needs and priorities of the metropolitan area in which they are located, and carry out programs to make postsecondary education opportunities more accessible to residents of that particular region.

FOREIGN LANGUAGE ASSISTANCE

Mr. President, this country is still not producing enough individuals capable of functioning in an increasingly global society. To help address the problem, this bill contains $10 million for an elementary and secondary foreign language assistance program, which will give students the opportunity to begin language study in the early grades so that useful levels of efficiency may be obtained.

STUDENT AID

The committee bill contains over $6.9 billion to make higher education affordable to all students who wish to pursue a college degree. Within the total, $5.4 billion has been included for the Pell Grant Program, which provides aid to financially needy undergraduate students. This amount will provide a maximum grant of $2,400 to over 3.4 million students. Supplemental educational opportunity grants are funded at $577 million, which will provide grants to approximately 850,000 undergraduates.

LIBRARIES

And last but not least, Mr. President, is funding for library services. These funds will help eliminate the barriers brought about by age and physical disability, thereby making libraries accessible to all persons. Library funds are also used for research, resource sharing, and adult literacy programs. Included in this year's bill is $147.7 million, increased $4.8 million over fiscal year 1991 amounts.

Mr. President, again, I want to thank Senators HARKIN and SPECTER, as well as the other members of the subcommittee and their staffs for their hard work and cooperation.

Mr. BROWN. Mr. President, the fiscal year 1992 Labor, HHS, and Education conference report exceeds the budget by $700 million according to the Office of Management and Budget.

I opposed final passage of H.R. 2707 when it was before the Senate because it was over budget. I also support the language in this bill which effectively suspends enforcement of the 1988 title X regulation, known as the gag rule.

I supported passage of S. 323, which would have insured that pregnant women who rely upon title X clinics for initial diagnosis would be fully informed of their medical and legal options as well as related services available in their communities.

On August 2, I joined Senator CHAFEE and several other Republican colleagues in sending a letter to the President requesting that he not take action to implement the 1988 regulations before Congress has the opportunity to take final action on legislative measures such as S. 323 and H.R. 2707.

The administration has made it clear that the President will veto this bill if it contains language suspending enforcement of title X regulations and expanding the conditions under which Federal funding can be used to provide abortion services for Medicaid recipients.

Because the issue regarding this bill has now become suspension of the gag rule, I will vote for H.R. 2707. If the President vetoes H.R. 2707 on the basis of the gag rule language, I will vote to override the veto.

My hope is that in the future the Presidential veto will be used to control runaway spending. In that cause the President will have my support.

HOME HEATING ASSISTANCE FUNDING CRITICAL TO MINNESOTA

Mr. WELLSTONE. Mr. President, I rise to urge my colleagues to support the conference report which accompanies H.R. 2707, the Labor, HHS, and Education appropriations bill for fiscal year 1992. This legislation, providing $205 billion in critical funding for a wide range of Federal labor, human service, and education programs, must be adopted by this body soon so that the immediate needs of Americans in health care, education, heating assistance, refugee relocation, workplace safety, job retraining, child care, and many other areas can be met.

Of all the important programs funded in this measure, I would like to focus on one urgent area of need for my Minnesota constituents: low-income energy assistance.

I am deeply concerned, and have been throughout the last 6 months, about funding for the Low-Income Home Energy Assistance Program [LIHEAP] provided in the bill. Especially in Minnesota, buffeted by up to 36 inches of snow in the last 10 days, with temperatures dipping down almost to zero and windchills well below zero, the uncertainty surrounding Federal heating assistance funds pending in Congress has caused major anxiety and hardship.

There are people right now throughout Minnesota—in urban, rural, and suburban areas alike—waiting in their homes, their furnaces unlit or red-tagged by municipalities, struggling to find ways to heat their homes. They have been waiting for weeks—in the midst of one of the largest storms in Minnesota history—for word to come through on whether and at what level they will be eligible for heating assistance funds. We must not let them down by delaying further this critical funding.

In June, I wrote to Chairman HARKIN of the Senate Subcommittee on Labor, Health and Human Services, and Education, urging him and his subcommittee colleagues to provide $1.67 billion in funding for this program for this fiscal year. This amount represented a modest $60 million increase over last year, to allow the program to keep pace with inflation. I would like to insert at this point the text of that letter for the RECORD which explains and justifies that funding request.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 28, 1991.

Hon. TOM HARKIN,
Committee on Appropriations, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We write to thank you for your support last year for the Low Income Home Energy Assistance Program (LIHEAP) and to request your continued support this year. Specifically, we urge the Appropriations Subcommittee on Labor, Health & Human Services, Education and Related Agencies to provide $1.67 billion in fiscal year 1992 funds for LIHEAP. This request represents a $60.0 million increase, or just enough to keep pace with inflation. We understand that eleven Appropriations Committee members wrote to you on June 3, 1991 also requesting $1.67 billion.

Federal funding for LIHEAP peaked at $2.10 billion in fiscal year 1985. Since then it has declined by nearly 30 percent in real (inflation-adjusted) dollars as measured by the Consumer Price Index for household fuels and other utilities. As a result of this reduction, nearly one million households have lost benefits. Fewer than six million households currently receive LIHEAP benefits nationwide; 18 million to 25 million households were eligible prior to the economic downturn. Another two million people are newly eligible as a result of this downturn.

According to the National Consumer Law Center, the average annual income of program beneficiaries is below $6,000. Most of these families have annual residential energy bills over $900. Consequently, they spend between 13 and 23 percent of their gross income on home energy. An earlier report prepared on behalf of the National Association of State Community Services Programs indicated that a LIHEAP benefit can boost a recipient's discretionary income by 60 percent.

We appreciate your strong commitment to LIHEAP and your leadership in reversing a downward spiral in funding for the program. We harbor no illusions about the difficult budget choices you and your fellow subcommittee members face. We recognize that the subcommittee will not be able to fund LIHEAP at its fiscal year 1992 authorization level of $2.23 billion. You may have difficulty providing the "current services" level we request but it is essential just to maintain benefits to those currently receiving them.

LIHEAP is the only means of protecting the poor and elderly people on fixed incomes from the sort of home energy price explosions we have witnessed over the past two years. Please do all that you can to maintain this vital safety net.

Sincerely,

(Signed by Senator WELLSTONE and 51 other Senators.)

Mr. WELLSTONE. After long negotiations, the committee agreed to provide $1.5 billion, cutting the additional funds provided last year to pay for the large but temporary increase in oil prices due to the Persian Gulf war.

For weeks, low-income Minnesotans, and service providers, have waited for Congress to agree on funding levels for this program. Last week, I visited with program participants deeply concerned about Federal funding for this program, some of Minnesota's most vulnerable citizens, who are unable to pay to heat their homes because they are unemployed, disabled, or simply overwhelmed by economic forces beyond their control.

When I returned from that visit, I discussed this issue personally with Chairman HARKIN and underscored my support in a letter urging reasonable final funding levels for this program. I would also like at this point to include a copy of that letter for the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, October 29, 1991.

Hon. TOM HARKIN,
Chairman, Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Committee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: In June, I urged your subcommittee to provide $1.67 billion in FY 1992 funds for the Low-Income Home Energy Assistance Program. After a fact-finding trip to Minnesota yesterday, I write to reiterate my strong support for this program, to urge you to insist on at least the Senate-passed funding level of $1.5 billion, and to express my deep concern that with the first snow already fallen and temperatures dropping in parts of Minnesota, definite federal funding levels for the LIHEAP program be resolved quickly.

In recent weeks, fuel shut-off notices have been sent to low-income people throughout the state unable to pay their fuel bills. I met yesterday in Minnesota with clients and assistance providers working within the state energy assistance program, some of whom told me they would be unable to heat their homes and care for their families' basic needs at the same time. I heard from single parents, heads of inner city, suburban, and rural households, disabled people—all of whom are threatened by the proposed large cuts in LIHEAP funding and continuing uncertainty about final funding levels.

Congress decided—after years of contentious debate—to deregulate energy prices only on condition that the poor and elderly on fixed incomes would be afforded some protection from energy price shocks. Yet federal funding for LIHEAP has declined by nearly thirty percent in real terms as measured by the Consumer Price Index for household fuels and other fuels since it peaked at $2.1 billion in 1985.

While I am hopeful that the heating needs of many of these people will be met in the weeks and months to come through this program, I am deeply concerned that further delay will place them in immediate jeopardy.

As you know, LIHEAP is a vitally important "safety net" program for many of our most economically vulnerable constituents. When that already seriously weakened safety net fails, the results are tragic.

I appreciate your strong and consistent support for this program, Mr. Chairman. I know that under the constraints of the current budget agreement these funding decisions will inevitably be painful. I pledge to continue to work with you to enact legislation reflecting alternative budget priorities which will ensure that the basic human needs of all our constituents—especially the most vulnerable—are met.

I again urge you to do all you can to persuade your fellow conferees to hold the Senate line on funding for this vital safety net program.

Sincerely,

PAUL D. WELLSTONE,
U.S. Senator.

Mr. WELLSTONE. The $1.5 billion in LIHEAP funding contained in this bill still falls far short of the great needs for low-income energy assistance. The same is true for many vital safety net programs in the bill, because under the constraints of last year's budget agreement we cannot exceed spending caps for such programs.

Earlier this year, when the bill was before the Senate, we attempted to provide additional funds to a number of critical programs with an amendment which would have exceeded these spending limits. That amendment was rejected, but I promise my colleagues we will be back next year with a similar effort.

I know the Senate conferees fought long and hard to ensure at least the Senate-passed funding level, one third higher than the $1 billion provided for in the House version of the bill, and I appreciate their unwavering support. I have said it before and will say it again—it is time to move beyond the artificial limits set forth in the budget agreement, cut defense spending, and reinvest in our real national security—in education, health care, child care, infrastructure, job training, and others.

Mr. President, it is sometimes easy to be generous with the suffering of others. This program serves society's most vulnerable, guaranteeing a basic—and for some lifesaving—means of heating their family homes. The first duty of a society is to serve justly its members—especially those on its margins. In this land of plenty, people have a right to the necessities: To food, shelter, clothing, light, and heat. The home heating assistance funds provided for in this bill will ensure that America's most vulnerable citizens have access to the energy assistance funds necessary to make it through what promises to be a long and bitterly cold winter.

I urge my colleagues to vote for this bill, and once it is enacted I urge the President to immediately sign it into law and release these funds to each of the States who administer this critical program.

Mr. MITCHELL. Mr. President, I would like to clarify an item with Senator HARKIN, chairman of the Labor, Health and Human Services Subcommittee, on which the conference report accompanying H.R. 2707 is silent.

Mr. HARKIN. I will be pleased to respond to whatever concern the Senator from Maine may wish to raise.

Mr. MITCHELL. I thank the chairman. The vocational and adult education section in this bill includes funding for innovative national demonstration programs authorized under the Carl Perkins Act. The Perkins reauthorization requires that priority be given to establish demonstration centers for retraining dislocated workers.

Mr. HARKIN. The majority leader is correct. In particular, section 363 of Public Law 101-392, the Perkins reauthorization, directs that community education employment centers be developed and implemented as models to transform the Nation's vocational schools. Two million dollars has been provided for this purpose in the conference report, to carry out a two-site demonstration of community education employment centers, as authorized by the Perkins Act.

Mr. MITCHELL. I thank the Senator for assuring me of this. I think it is vitally important that vocational education focus on providing work-related and applied learning experiences for students and adult learners, different from the traditional college-track curricula. This is especially important in the current economy as the number of dislocated workers has increased dramatically. But it is not just something that deserves our attention now: As our Nation continues its transition to a high technology and service-oriented economy, the country's work force must learn new skills to remain competitive. Community education and employment centers will provide the education, training, and applied skills necessary to meet the needs of both today's and tomorrow's jobs.

In the Senate report, the committee directed that each of these two demonstration sites be multicounty rural areas where at least one of the area educational agencies is eligible for assistance under section 1006 of the Elementary and Secondary Education Act of 1965, and where at least one county has been designated a labor surplus area. In the same report, the committee also noted that two particular educational institutions meet both the eligibility requirements of the authorizing statute and the stated funding priorities, and would provide excellent sites for the community education and employment centers. I want to clarify that it is also the intent of the conferees to rely on these funding priorities.

Mr. HARKIN. The Senator is correct, both in advocating the increased emphasis on vocational education and in his understanding of the conferees' intent. The conferees provided sufficient funding levels to carry out the intent of the Senate with regard to this particular demonstration.

Mr. MITCHELL. I thank the chairman for his dedication to promoting vocational education, as well as his willingness to clarify this point for me.

ALZHEIMER'S DISEASE RESEARCH FUNDING

Mr. HATFIELD. Mr. President, over the past 2 years the Appropriations Committee has embarked on a concerted effort to conquer Alzheimer's disease. Support for research to find a cause and cure for this tragic disorder has nearly doubled over this 2-year period. And by so doing, we have brought a measure of hope to millions of Americans.

I know that the chairman of the subcommittee, my distinguished colleague from Iowa, shares my concern that Alzheimer's disease represents one of the most serious breaches in our health defense. It robs people of their minds and their ability to function as healthy, independent persons. The disease also places an enormous strain on families and care givers—leaving them emotionally, physically, and financially bankrupt. Last but not least, Alzheimer's disease deprives society of the skill and sagacity that its victims have to offer.

When this bill was being marked up in subcommittee, the Senator from Iowa and myself took great pains to target funds for Alzheimer's disease research. Our ultimate goal is to channel as much as $500 million for a disease that matches the public health impact of cancer, heart disease, and AIDS. But for this year, we were guided in part by the recommendations of the National Advisory Panel on Alzheimer's disease, which had concluded that it would require $350 million to take advantage of the research avenues scientists have opened only recently.

Mr. HARKIN. On that point, Mr. President, my distinguished colleague from Oregon is absolutely correct. In fact, on page 124 of our committee report we specifically stated our hopes to double the amount invested in Alzheimer's disease research. That would bring the total to $500 million. But because of budget constraints, we were forced to settle for a downpayment toward that goal.

Mr. HATFIELD. So that I am clear on this, the President's budget for the National Institute on Aging totaled $348.6 million, including $162.7 million for Alzheimer's research. The House increased the Institute budget by about 4 percent, which would bring the Alzheimer's amount to $169.2 million. Is that the chairman's understanding, as well?

Mr. HARKIN. That is correct. And as the Senator knows, when our subcommittee marked up, we specifically earmarked an increase of $18.7 million over the President's budget for Alzheimer's. That, together with some downward adjustments for indirect costs, brought the NIA total to $178.4 million.

When this bill was taken up on the Senate floor, the Senator from Oregon and myself sponsored an amendment specifically targeting an additional $34 million for Alzheimer's research. By my calculations, that brought the NIA total to $213 million for Alzheimer's research, of which $22 million was proposed for delayed obligation.

Mr. HATFIELD. As I recall, the conferees agreed to pull the delayed portion out to discuss separately, leaving the House with $169.2 million for Alzheimer's research and the Senate with $190.4 million. When the conferees agreed to take three-fourths of the difference between the two, that left Alzheimer's research with $185.6 million plus the $15 million agreed to on a delayed obligation basis. Is that correct?

Mr. HARKIN. The Senator is correct. The National Institute on Aging budget for Alzheimer's disease research will be about $200.6 million. That, together with research supported through other institutes and the NIMH will bring the total to about $280 million.

COMMUNITY SERVICES BLOCK GRANT

Mr. BUMPERS. I understand that the conference report on H.R. 2707, the appropriations bill for the Department of Labor, Health and Human Services, Education, and related agencies for fiscal year 1992, has made a change regarding the discretionary fund of the community services block grant. It is my understanding that the conference agreement earmarks the overall funds available for the discretionary fund in bill language while allocating among categories in the report. I will note for the record that the funds provided include $22,000,000 for community economic development; $4,099,000 for rural housing; $3,025,000 for farmworker assistance; $12,000,000 for national youth sports; $4,050,000 for demonstration partnerships; and $244,000 for technical assistance.

This is a change from past years. Since fiscal year 1983, these funds have been earmarked, by category, in bill language. Congress did this because it wanted to be sure that appropriated funds for community economic development or rural housing were spent in a manner consistent with congressional intent.

Does this new procedure regarding the discretionary fund indicate any change in congressional intent regarding the allocation of discretionary fund appropriations?

Mr. HARKIN. This action does not change policy regarding the programs or funding of the discretionary fund. The conference committee took this action to streamline the bill. Allocating funds in the committee report is the standard procedure. The Department of Health and Human Services is expected to comply with the provisions of the conference report regarding the discretionary fund.

JOB CORPS FUNDING

Mr. SIMON. Mr. President, I rise today to commend my friend from Iowa, Mr. HARKIN, for his leadership on this appropriations bill. We all appreciate how difficult it is with the current budget constraints to make fair decisions on the thousands of programs that must be funded.

I would like to thank him particularly for his leadership on the issue or our Nation's National Job Corps Program. This bill will strengthen Job Corps Program, which has been effective for almost 30 years now in training and educating our Nation's poverty youth.

Job corps has proven to be one of the best investments of taxpayer's money. The program reportedly returns $1.46 to America for each dollar invested in the program. It does this by reducing the cost of crime and incarceration that go unprevented if enrollees are not in the program; and by increasing revenue are received by the Government when Job Corps participants become wage earners. The success rate of graduates from the Job Corps Program is high, with 84 percent finding employment or going on to receive college degrees.

The subcommittee has also provided money for additional centers in areas with tremendous numbers of poverty youth. In my State, the city of Chicago has untold numbers of youth that could benefit from Job Corps services.

The Job Corps Program is a meaningful way to address the serious problems associated with poverty in America. It is a wise investment in the youth of today and in the economic future of this country.

Mr HARKIN. I appreciate the comments of my colleague from Illinois and recognize that the city of Chicago, along with other areas, such as Butler, PA, Prince Georges County, MD, Compton, CA; and Seattle, WA, have demonstrated broad based support for obtaining a Job Corps center and participating in the Job Corps Program. The conference report specifies that not less than $4,300,000 be utilized for planning, priority site acquisition, and facility design for further expansion, with new centers to be selected through a competitive process.

VERY SPECIAL ARTS MISSISSIPPI DEMONSTRATION PROJECT

Mr. COCHRAN. Mr. President, I would inquire of the distinguished chairman of the subcommittee if he could engage in a colloquy regarding a very important program.

Mr. HARKIN. I would be happy to yield to the Senator from Mississippi in order to discuss the program.

Mr. COCHRAN. During the Senate's consideration of the Labor, Health, and Human Services, Education fiscal year 1992 appropriations bill, the chairman of the subcommittee and I engaged in a colloquy to express support for Department of Labor funds to be made available to finance an employment demonstration project developed by Very Special Arts Mississippi in conjunction with other States in the Appalachian region. This employment and training project would enable individuals with disabilities in the Appalachian region to form an arts collective supporting the production, marketing, and distribution of their handmade artifacts.

Mr. President, we are well aware of the overwhelming unemployment rate among people with disabilities. Only 32 percent of adults with disabilities hold jobs or actively seek employment. One in ten adults with disabilities reported no income at all in the latest reporting year (1987). Of the working adults with disabilities, the mean earnings were 35 percent less than the mean for nondisabled workers in the same age range. My home State of Mississippi is last in per capita income of the 50 States and has the second highest percentage of persons with disabilities.

When considering policy affecting disabled individuals, one of Congress' primary objectives should be the creation of new employment opportunities for people with disabilities. The Very Special Arts Program addresses this need by offering a unique approach to job creation and economic development for people with disabilities.

This program will encourage a spectrum of employment opportunities open to people with a range of physical and mental disabilities. By creating a support system and professional environment, the program will cultivate talents, reward creativity, and build self-esteem through self-expression for people with disabilities. Coordination with regional and state agencies will provide education and life services that many persons with disabilities need in order to flourish.

The Appalachian region stands to gain a great economic benefit from this program, not only by the employment of disabled persons, but also in the area of potential recreation and tourism development by capitalizing on arts and crafts as an integral part of Appalachian lifestyle. The Very Special Arts Program will afford people with disabilities the opportunity to move into the forefront of community development initiatives and allow them to be productive, contributing members of society.

A number of regional and national organizations support and recognize the very special arts project as an employment opportunity which will reward and enrich the lives of people with disabilities. In light of this, Mr. President, I express my strong support for the Department of Labor to find in the pilots and demonstration account the necessary funds—$400,000 in fiscal year 1992—to fully develop the Very Special Arts Employment Program for the very special people of the Appalachian region.

Mr. HARKIN. I thank my colleague from Mississippi for his continued efforts to address the unemployment rate of disabled individuals. The Very Special Arts Program could bring a lot of hope and prosperity to the Appalachian region, and I encourage the Department of Labor to make this project a priority when considering grant awards.

AVAILABILITY OF HEAL LOANS TO NEW BORROWERS

Mr. RUDMAN. Would the distinguished chairman of the Labor-HHS-Education Subcommittee yield for a question?

Mr. HARKIN. I would be pleased to yield.

Mr. RUDMAN. Mr. President, it is my understanding that the conference report includes an annual loan limitation of $290,000,000 for the Health Education Assistance Loans [HEAL] Program. Is that correct?

Mr. HARKIN. That is correct.

Mr. RUDMAN. Was it the chairman's understanding in providing this loan limitation of $290,000,000 that funding would be available for both new and continuation loans during fiscal year 1992.

Mr. HARKIN. That was my understanding. However, as my colleague is aware, the Department of Health and Human Services has recently taken the position that HEAL loans will not be available to new borrowers until legislation reauthorizing public health service title VII programs is in place.

Mr. RUDMAN. In fact, on October 4, 1991, the Department notified lenders throughout the country that loans could only be made to prior HEAL borrowers. Was the chairman notified of this action by the Department, or was any attempt made to alert the conferees on this bill that there may be a problem with HEAL loans?

Mr. HARKIN. I was not notified of any problem with the program. In fact, the conference agreement on H.R. 2707 was reached with the understanding that the program would be available to make both new and continuation loans.

Mr. RUDMAN. Mr. President, I believe this presents a very difficult problem for an estimated 10,000 medical, dental, and other health professions students throughout the country who may already be attending classes and be dependent upon these loans to pay the cost of that education. I learned of the problem from the parent of a New Hampshire student who is attending Tufts Dental School in Boston. In fact, it is my understanding that many schools may be carrying these students with the understanding that funding will be forthcoming in the near future. Does the chairman know the status of the authorizing legislation and when an authorization might be in place?

Mr. HARKIN. The distinguished chairman of the Labor and Human Resources Committee is here. He might be able to respond to the status of the reauthorization legislation.

Mr. KENNEDY. I would be pleased to respond to that question. The legislation reauthorizing the HEAL Program will be introduced shortly and I am hopeful that it will receive expeditious consideration by the Labor and Human Resources Committee and the full Senate. Having said that, I share my colleagues' concern that students who have depended on the availability of these loans may find themselves without sufficient resources to finance their educational expenses should consideration of the authorizing legislation be delayed. However, I would suggest that section 728 of the Public Health Service Act does not prohibit the Department from making loans to new HEAL borrowers as long as there is a ceiling on loan guarantee authority in place. Since H.R. 2707 places a ceiling of $290,000,000 on loan guarantees for fiscal year 1992, I do not believe the Department is precluded from making loan guarantees for new borrowers.

Mr. RUDMAN. I thank my colleagues for their assistance. I trust this discussion we have just had will serve to clarify the confusion surrounding this issue and that the Department of Health and Human Services will notify lenders of the availability of loan guarantees to new students, consistent with the intent of the conference agreement on H.R. 2707.

Mr. LAUTENBERG. Mr. President, I rise in support of the Labor, Health and Human Services, and Education appropriations conference report for fiscal year 1992. I commend the distinguished chairman of the subcommittee for his work on this bill.

I wanted to note the inclusion of funding for a number of important programs which I requested that are designed to address critical domestic needs. One of our biggest health challenges has been the AIDS epidemic. The AIDS epidemic now affects young and old, men and women, black and white, urban and rural, and has already taken over 150,000 lives. This epidemic, which is now growing at approximately 35 percent per year, has been crippling our public health system for the past few years.

In response to this epidemic and the tragic death of Ryan White, the Congress passed the Ryan White CARE Act in 1990. I was a cosponsor of this legislation that was designed to provide emergency funding for AIDS care, prevention, and education. The bulk of the funding was designed to go to 16 target areas, including Hudson County, NJ, and Newark, NJ, metropolitan area, and the 50 States. This year two new cities became eligible for the target cities program.

Recognizing the great need for Ryan White CARE Act funding, I urged Senator HARKIN to include $440 million for this act in fiscal year 1992. This would have doubled the funding from fiscal year 1991. Given the nature of this epidemic, I believed that this response was appropriate. While this conferees included $280 million for the Ryan White CARE Act, which is less than my request, it is an increase of $59 million over last year's level. I commend the chairman of this subcommittee for including this increase even though the Labor and Health and Human Services allocation was below last year's level plus inflation. I hope that we can work together in the future to provide the highest possible funding for this program, especially next year because approximately nine new cities may be eligible for title I assistance.

The $280 million total for Ryan White programs will provide an approximately 40 percent funding for AIDS care and education programs in Newark, NJ, and Hudson County, NJ, as well as other hard hit areas across the United States.

Title II of the Ryan White CARE Act funds includes a set-aside of $5 million for indigent dental AIDS. This is an important part of the overall effort to prevent and treat AIDS. Dental clinics in hospitals and medical schools throughout the country play an important role in the early identification of AIDS victims. AIDS often manifests itself first in the oral cavity and the dentist is often the first health care professional to identify and work with these patients. The University of Medicine and Dentistry of New Jersey [UMDNJ] maintains such training programs for professionals who treat indigent patients. I think that UMDNJ is well qualified to receive a portion of this funding and the health care professions there hope to participate in this program in fiscal year 1992.

This conference agreement also includes $19.8 million for pediatric health care demonstrations. This money supports projects to develop community-based, family-centered coordinated services for women, infants, and children who are infected with or at risk of contracting HIV. Newark, NJ, is currently home to one of these demonstration centers. The Newark center will continue to receive these much-needed funds to fight this deadly disease which is tragically striking our Nation's children.

This conferees also provide funding for the National Institute of Allergy and Infectious Diseases [NIAID]. The Senate committee report recognized that minorities have been underrepresented in NIAID's AIDS clinical trials research groups. Recognizing that New Jersey has one of the highest per capita rates of HIV infection and pediatric AIDS, the Senate committee report encouraged NIAID to create more clinical trials at the University of Medicine and Dentistry of New Jersey [UMDNJ] in Newark for research purposes that will benefit women and minorities in New Jersey and nationwide. The conference report upholds this report language.

This conference agreement also provides full funding of $410.2 million for domestic refugee and entrant assistance programs. The House originally cut $117 million from the Refugee Cash and Medical Assistance Program [RCMA]. I was pleased that the Senate restored these funds. I requested that funding. Unfortunately, the obligation of the funds was delayed until the end of fiscal year 1992. The conferees included the $410.2 million but also delayed its obligation. I hope the Senator will work with me and the Department of Health and Human Services to try to find a solution to the problem of delayed funding for this program. The Domestic Refugee and Entrant Assistance Program is critical to successful resettlement of refugees fleeing desperate situations in their home countries and should have adequate resources.

This conference agreement also contains $23 million for lead poisoning prevention programs which is $15 million more than last year's funding level. These funds will be available to State and local health departments who are confronted with severe lead contamination and toxicity problems. These funds are designed to establish education programs to help reduce lead poisoning, especially among children.

This conferees also agreed to include $5.25 million for computer-based instruction programs funded through the Secretary's fund for education innovation. I secured authorization for this program in 1988 and it has received appropriations since fiscal year 1989. The Computer Education Program provides funds for special projects that expand and strengthen computer education resources in elementary and secondary schools. It is designed to increase opportunities for our young people to receive hands on experience with computers and technology. School districts in New Jersey have received these funds in the past.

This conference agreement also includes a provision that overturns the administration's gag rule on health professionals giving women who visit family planning clinics advice and information about reproductive choices, including abortion. Several other Senators and I urged Chairman HARKIN to include this language. I am now aware of an 11th-hour memorandum that the President has sent to the Secretary of Health and Human Services modifying the gag rule. I urge my colleagues to dismiss this cynical compromise and support the provision contained in this bill that overturns the gag rule and protects the privilege of the doctor-patient relationship.

I am also pleased that the conference committee restored much of the funding for the Low-Income Home Energy Assistance Program [LIHEAP]. The new total of $1.5 billion for LIHEAP in the Senate passed bill will provide essential assistance to low-income families who must struggle to pay heating bills each winter. Without adequate funding, many current LIHEAP recipients are so poor that they must choose between heating their homes and buying food.

Once again, I commend the distinguished chairman of the Labor-HHS Appropriations Subcommittee for accommodating my requests in the conference committee.

SUPPORT OVERTURNING THE GAG RULE

Mr. WIRTH. Mr. President, I rise today to express my strong support for the provision in the Labor, Health and Human Services, and Education appropriations bills which overturns the so-called gag rule. This bill will enable the Federal Government to assist in providing women with all the information they need to make responsible decisions about their reproductive health.

Mr. President, I am outraged by the decision made by the Supreme Court in Rust versus Sullivan because it in effect institutionalizes medical malpractice. I think that 7½ year-old Sally from Fort Collins hit the nail on the head when she wrote to me about how upset she and her mother were about the gag-me rule. This is an accurate description of what this regulation does.

The regulation says that we have a government that prohibits medical professionals from discussing with their patients not only their rights, but what legal, medically sound procedures may be in their best interest.

The Rust decision upholds the administration's plan to promote its own policy at the expense of informed decisionmaking. This country would not stand for a Government that prohibits a physician from telling a women all her legal options for treating breast cancer. This country cannot stand for a government that prohibits a physician from telling a women all her legal options about her pregnancy.

Mr. President, I have to say on the face of it, I am perplexed that this administration would continue to pursue this misguided policy. One one hand, most of the policies advocated by the President are geared toward eliminating Government oversight and regulation. But on the other hand—the hand that we must deal with today—he is advocating that the Government intrude into the lives of its citizens and make decisions about reproductive health that a woman should make for herself. To my way of thinking, this is as wrong a policy as there can be.

In its decision, the Supreme Court has upheld the administration's notion that proper and adequate health care is something available only to the moneyed in this country. If a women works hard yet still requires Federal assistance to meet her health care needs, she simply won't have access to the same level of care that others do.

She is not allowed the opportunity to know what her options are, what the ramifications of her decision may be, or how her mental or physical well-being may be affected. Mr. President, it is an outrage that our Government would promote two types of medical care—limited and censored for the poor and proper and adequate for all others. Evidently, the Supreme Court believes that only woman who can afford private health care are entitled to make educated decisions. Is this equal justice?

The political arguments must be set aside and we must consider the relationship between a women and her health care provider, free speech, and the health of our society. I urge my colleagues to support this conference agreement and lay aside the threats from the White House. We have before us an opportunity—again—to write a wrong created by the administration. Let us act on it.

Mr. PACKWOOD. Mr. President, the Labor-HHS conference report contains language which would prohibit HHS from using any of its funds to enforce the gag rule during the next fiscal year. The gag rule is the HHS regulation promulgated in 1988 which prohibits health care professionals in federally funded family planning clinics from discussing abortion with patients or making abortion referrals.

Eariler in this Congress, the Senate passed Senator CHAFEE's bill, the Pregnancy Counseling Act, which would permanently overturn the gag rule. Since the Pregnancy Counseling Act passed, Senator CHAFEE and others have been negotiating with the White House to get the gag rule lifted. Despite diligent efforts, no agreement has been reached.

Yesterday the White House circulated a memo in Congress which seems to say that the gag rule is no longer a problem and that it does not really infringe on the rights of women or the health care professionals who treat them. But the memo does really not say anything new. It would leave the gag rule in place, and in no way represents any kind of compromise.

That's why in this vote on the Labor-HHS conference report, it's important to keep our eye on the real issue—the overturn of the gag rule.

I urge my colleagues' support of this report, which contains funds for Head Start, childhood immunizations, and infant mortality prevention, and which would overturn the HHS regulations that impinge upon the rights of women and their physicians.

Mr. LIEBERMAN. Mr. President, as we vote on this conference report I think it is important to highlight the decrease in funding for the Low-Income Home Energy Assistance Program. For those Americans who live where the winters are cold, this may be the most important program in this entire bill. I am pleased that we were able to settle on the slightly higher dollar amounts which were in the Senate bill, but I can tell my colleagues right now that if the rest of the winter is anything like this past week has been and if the economy does not improve rapidly, this bill does not contain enough money to keep the elderly, the poor, and the disabled warm this winter.

The money we have appropriated this year is less than last year and for my State of Connecticut it means a total of only $33 million as opposed to $35.5 million last year. Not only is this a decrease in funding, but not all the money will be available this winter because some of it will be held back until September 30, 1992. We are attempting to meet the budget agreement by penalizing people who are already suffering from the recession. In a cold winter LIHEAP is literally a lifetime for thousands of Connecticut families. It provides the funds that enable them to meet the high costs of heating their homes and ensures that they are not left to freeze nor forced to forgo food or other necessities it order to pay their heating bills.

Recently the Hartford Courant published an article about a family who will suffer because Congress has not fully funded the LIHEAP program. The husband has just been laid off, the wife has a part-time job, they have a 2-year-old son and a 6-month-old daughter, and an empty oil tank. For the first time they are forced to seek assistance to fill the oil tank and ensure that their children don't freeze. Last year they would have been eligible to receive $700 over the course of a winter with as many crisis payments as needed if the tank ran dry again. This year they will only be able to receive $200 and a one time payment of $150. What happens when the money runs out? Who will keep these children warm?

In the first 8 months of this year Connecticut had more people run out of unemployment benefits than in all of 1990. Many of these people will need assistance from the Government to heat their homes this winter, but we may not be able to assist them. How will we try to help them? We will rely in part on good samaritans like George Deconinck, president of F&S Oil Co. in Waterbury, who has already donated $3,000 worth of fuel oil to the Connecticut Energy Assistance Program and is urging others in the industry to do the same. I hope other businesses will follow George's lead, but I also hope that the Federal Government will reexamine its commitment to those who are struggling to make it through this recession and strengthen its commitment to a very worthwhile program.

Mr. President, we are a great nation and we must provide the elderly, the disabled and those who are suffering economic hardship with the funding necessary to keep them from freezing in the winter.

TARGETED JOBS TAX CREDITS

Mr. HARKIN. Mr. President, I would like to make note of Congress' intent with respect to the use of funds appropriated in H.R. 2707 to the Department of Labor for use with respect to the targeted jobs tax credit [TJTC].

The TJTC is a program jointly administered by the Department of Labor and the Internal Revenue Service. DOL's role is to coordinate the processing by the State jobs services of TJTC claims filed by employers, while IRS' role relates to ensuring that the technical TJTC requirements in the Tax Code are followed. This legislation appropriates approximately $20 million to DOL for distribution to the State jobs services for processing TJTC claims.

Unfortunately, at this time, the enactment of an extension of TJTC in the Tax Code beyond its December 31, 1991, expiration date in this session of Congress is in doubt. This Senator, as a firm believer in TJTC, deeply regrets that we may be unable to extend the credit in a timely fashion this year.

It is expected that employers will continue to fill numerous TJTC claims with the State jobs services through December 31, 1991, the date when the current credit expires. These claims, even absent an extension of TJTC in this session are valid and should be processed. I am concerned, however, that absent an extension, the State jobs services may terminate TJTC operations after December 31, and might be tempted to use their TJTC appropriations for other purposes, causing an unfair costly and inefficient pileup of unprocessed claims to remain until the TJTC is extended next year.

The TJTC funds which are appropriated in this bill are appropriated specifically for the purpose of processing TJTC claims, and that because funds are being appropriated for that purpose, the State jobs service processing should remain in operation as long as it is necessary to process TJTC claims filed through December 31, 1991.

Mr. BOND. Mr. President, I would like to take a few minutes to express my support for the provisions in this bill crucial to our fight against infant mortality. Earlier this year I introduced the Families in Need Act of 1991, a multifaceted approach to the problems leading to infant deaths, and I have spent much of the summer and fall fighting for appropriations for these programs.

The infant mortality rate in the United States is significantly higher than almost every other developed nation in the world. This grim fact is a disgrace for our country and an unthinkable tragedy for those infants and families. We know that adequate housing, prenatal care, and nutrition during the 9 months of pregnancy are crucial in ensuring a healthy birth. I have spent the last year identifying areas in the Federal budget where a little extra money would go a long way toward providing adequate housing, prenatal care, and nutrition and promoting health lifestyles for pregnant women.

I have argued that community health centers, the Maternal and Child Health block grant programs, and the National Health Service Corps in particular should receive extra funds, as these programs often provide the only source of care for indigent women. In the next few minutes I will outline the appropriations outcome for programs I have pushed for through families in need.

Birth defects are the leading cause of infant mortality. In addition, those infants who survive a birth defect often suffer through their entire lives. Sadly, the vast majority of birth defects are preventable. We have been attacking this problem through several avenues.

The role of the Centers for Disease Control [CDC] as the country's prevention agency is well known and recognized. It is only logical that CDC serve as the country's leader in the effort to coordinate birth defects surveillance, prevention and epidemiology activities. To that end, I have worked to increase CDC's role in birth defects monitoring. We must learn more about what substances cause birth defects so we can protect pregnant mothers from exposure to these hidden dangers to their unborn children. I am very pleased that this bill contains my specific CDC funding for new and enhanced efforts at CDC to reduce birth defects.

One of the key elements in the fight against infant mortality is access to prenatal care. The community health centers are on the vital front lines of the infant mortality battle and I have been working to increase funding for these high-quality cost-effective clinics. In Missouri, as in many other States, there is no source other than community health centers for prenatal care for indigent or poor pregnant women. We must be sure they have the funds they need to serve the women who desperately need care. Community health centers will get an overall $59 million increase in fiscal year 1992 from this bill—the largest increase they have seen in a decade.

Prenatal and pediatric care are in particularly short supply in rural and urban inner cities. In addition to the important role that community health centers play, the National Health Service Corps is critical in the effort to increase access to care in these areas. This bill will provide a $10 million increase for the Corps in fiscal year 1992 up from $91 million in fiscal year 1991.

The ability of individuals, particularly pregnant mothers and infants, who live in public housing to access properly health services is difficult, yet much more cost-effective if sought early than if left to the hospital emergency room as is often the case. In my own State of Missouri, I have been personally active in securing safe, comprehensive transitional housing, and support services programs to help pregnant women and infants. A relatively new HUD Health Services program is designed to provide access to essential health care services including primary care and health screenings for residents of public housing. I asked for and got a large increase for this program—nearly twice as much as last year's budget of $3.4 million.

Immunizing our children is the most cost-effective form of disease prevention known. I strongly supported increased funding for childhood immunizations and I am very happy that this bill contains a welcome and much-needed $80 million increase. This is certainly money well spent to prevent fatal or debilitating diseases.

Another important achievement for families in crisis in this bill is the increase in funding for the Maternal and Child Health Block Program. This program will get 10 percent increase over fiscal year 1991 funding. In Missouri, funds are used for prenatal care, well-child care, school health screenings, and dental health programs.

Finally, this bill doubles the budget for the Family Violence Prevention and Services Act, which provides shelter and support services for battered women and children. In Missouri, or in many other States, very little is offered in the way of shelter for women and children needing to escape their batterers, particularly in rural areas. While the Missouri Coalition Against Domestic Violence reports that over 32,000 crisis calls were received last year for women and children in abusive situations, there were only 359 beds in the entire State. While I favored a much larger increase, this increase in the budget will leverage state, local and private dollars and will give hope to many battered women and children.

I would be the last to argue that these new moneys are adequate to meet the needs of young families in crisis. But I am pleased that Congress has today indicated a willingness to fund the preventive activities necessary to ensure that children are born and stay healthy, activities that are infinitely less costly in the long run than remedying the effects of low birthweight.

UNANIMOUS-CONSENT AGREEMENT

Mr. HARKIN. Mr. President, I ask unanimous consent that upon disposition of H.R. 2707, the Senate proceed to the consideration of calendar No. 243, S. 838, the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991; that the only amendment in order other than the committee reported substitute be a Dodd substitute amendment; that there be 10 minutes for debate on the bill, including the substitute amendments, with the time equally divided and controlled between Senator DODD and Senator COATS; that when the time is used or yielded back, the Senate proceed to adopt the Dodd substitute, the committee reported substitute, as amended, if amended, and then proceed to third reading and final passage of the bill; further, that all of the preceding occur without intervening action or debate.

Mr. SPECTER addressed the Chair.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. SPECTER. Mr. President, that request has been cleared on this side of the aisle.

The ACTING PRESIDENT pro tempore. If there is no objection, it is so ordered.

The time for debate has expired. The question is on agreeing to the conference report on H.R. 2707. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON] and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH] is absent due to a death in the family.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote "nay."

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 73, nays 24, as follows:

[Rollcall Vote No. 246 Leg.]

YEAS—73

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Brown
Bryan
Bumpers
Burdick
Byrd
Chafee
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Exon
Fowler
Glenn
Gore
Gorton
Graham
Grassley
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Warner
Wellstone
Wirth
Wofford

NAYS—24

Breaux
Burns
Coats
Craig
Dole
Domenici
Durenberger
Ford
Garn
Gramm
Helms
Johnston
Kasten
Lott
Lugar
Mack
McCain
Nickles
Pressler
Roth
Smith
Symms
Thurmond
Wallop

NOT VOTING—3

Cranston
Hatch
Kerrey

So the conference report was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. Mr. President, I ask unanimous consent that the Senate concur en bloc with the amendments of the House to the amendments of the Senate in disagreement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments are as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$3,861,338,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$187,700,000 is appropriated for part B of title II of the Job Training Partnership Act, as amended, in addition to amounts otherwise provided herein for part B of title II, to be available for obligation for the period October 1, 1992 through June 30, 1993; and, in addition, $73,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

On page 16 of the House engrossed bill, insert after line 19 the following:

SEC. 100. (a) Notwithstanding any other provision of law, on or before December 1, 1991, the Secretary of Labor, acting under the Occupational Safety and Health Act of 1970, shall promulgate a final occupational health standard concerning occupational exposure to bloodborne pathogens. The final standard shall be based on the proposed standard as published in the Federal Register on May 30, 1989 (54 FR 23042), concerning occupational exposures to the hepatitis B virus, the human immunodeficiency virus and other bloodborne pathogens.

(b) In the event that the final standard referred to in subsection (a) is not promulgated by the date required under such subsection, the proposed standard on occupational exposure to bloodborne pathogens as published in the Federal Register on May 30, 1989 (54 FR 23042) shall become effective as if such proposed standard had been promulgated as a final standard by the Secretary of Labor, and remain in effect until the date on which such Secretary promulgates the final standard referred to in subsection (a).

(c) Nothing in this Act shall be construed to require the Secretary of Labor (acting through the Occupational Safety and Health Administration) to revise the employment accident reporting regulates published at 29 C.F.R. 1904.8.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$3,148,655,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 26 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert "X, XII,".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$125,000,000, of which $25,000,000 shall be for the Healthy Start program,".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 35 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows: In lieu of the sum named in said amendment, insert "$290,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows: ": *Provided,* That of the funds made available under this heading, $134,000,000 shall not become available for obligation until September 30, 1992".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 41 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$1,989,278,000: *Provided,* That of the funds made available under this heading, $223,446,000 shall not become available for obligation until September 30, 1992: *Provided further,* That the Director of the National Institutes of Health, within thirty days of enactment of this Act, may transfer such portion of $160,000,000 which becomes available on September 30, 1992, as she deems appropriate to other Institutes for research directly related to the prevention, treatment or cure of cancer".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 49 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$524,452,000: *Provided,* That of the funds made available under this heading, $27,368,000 shall not become available for obligation until September 30, 1992: *Provided further,* That funds made available under this heading shall not be used to conduct the SHARP survey of adult sexual behavior and the American Teenage Survey of adolescent sexual behavior".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 52 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$387,014,000: *Provided,* That of the funds made available under this heading, $31,308,000 shall not become available for obligation until September 30, 1992: *Provided further,* That the Director of the National Institutes of Health, within thirty days of enactment of this Act, may transfer such portion of $15,000,000 which becomes available on September 30, 1992 as she deems appropriate to other Institutes for research directly related to Alzheimer's disease".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 64 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further,* That $7,500,000 of this amount shall be available for extramural facilities construction grants if awarded competitively".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 65 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the term "high-priority" named in said amendment, insert "emergency".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 68 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$3,081,119,000: *Provided*, That of the funds made available under this heading, $164,100,000 shall not become available until September 30, 1992".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 73 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$101,870,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 79 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That the use of the term "unanticipated costs" in the foregoing proviso refer only to costs associated with unanticipated workloads: *Provided further*, That the Secretary shall make a recommendation upon enactment of this Act and thereafter prior to the first day of each following quarter of the fiscal year, about the extent to which contingency funds may be necessary to be expended".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 87 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$1,500,000,000, of which $80,000,000 is hereby designated by Congress to be an emergency requirement pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, and".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 90 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$410,630,000: *Provided*, That of the funds made available under this heading for State cash and medical assistance, $116,616,000 shall not become available for obligation until September 30, 1992: *Provided further*, That when sufficient funds have been made available to reimburse all allowable fiscal year 1991 claims for refugee cash assistance, refugee medical assistance, unaccompanied minors, and State and local administrative costs, fiscal year 1991 funds appropriated for cash and medical assistance may be used to supplement insufficient fiscal year 1990 grants to States for the programs of refugee cash assistance and refugee medical assistance".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 93 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided*, That $29,124,000 made available under this heading shall not become available for obligation until September 30, 1992".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 94 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "no funds are provided for fiscal year 1992".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 95 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$92,500,000, together with such sums as may be collected, which shall be credited to this account as offsetting collections, from fees authorized under section 453 of the Social Security Act".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 96 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert "$3,537,562,000, of which up to $6,225,000 shall remain available until expended for information resources management: *Provided*, That of the funds made available under this heading for carrying out the Older Americans Act of 1965, $25,000,000 shall not become available for obligation until September 30, 1992".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 99 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That of the amounts provided under this heading $2,000,000 shall be for the White House Conference on Aging, which shall only become available for obligation upon enactment into law of authorizing legislation and shall remain available until expended".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 112 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$152,000,000 shall become available on September 30, 1992 and shall remain available through September 30, 1993 and $6,524,351,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 122 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$771,708,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 124 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ", $1,952,000, to remain available until expended, shall be for payments for decreases in Federal activities under section 3(e), $2,000,000 for section 10, which shall become available on September 30, 1992 and remain available until expended,".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 126 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ": *Provided further*, That none of the previous provisos related to revisions in the use of prior year data in determining payment amounts provided for under this account or related to preliminary payments shall be effective for fiscal year 1992 and preliminary payments shall be authorized on the same basis as provided for prior to the enactment of P.L. 102–103".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 130 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$1,236,963,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 132 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert "$3,800,000 shall be for civic education programs under section 4609, $30,304,000 shall be for emergency grants under section 5136,".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 133 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert "sections 329 and 330 of the Public Health Service Act (Migrant and Community Health Centers), and section 670T of the Comprehensive Child Development Act,".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 135 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: ", not less than $55,000,000 of these funds shall be transferred to the Community and Migrant Health Centers programs, not less than $20,000,000 shall be transferred to the Comprehensive Child Development Centers and $100,000,000 shall be for new America 2000 educational excellence activities, if enacted into law: *Provided further*, That the December 31, 1991, deadline for enacting new authorizations for the America 2000 initiatives may be delayed by the Secretary until April 1, 1992, if he determines that sufficient progress is being made towards final approval of such legislation except that this delay shall not apply to programs".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 140 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$2,077,158,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 141 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$31,103,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 142 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ", including $6,000,000, to remain available until expended, for a grant to a hearing research center to support applied and basic research activities, which shall be awarded competitively, and $6,000,000 for grants to establish regional comprehensive head injury prevention and rehabilitation centers, which shall be awarded competitively".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 143 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the word "persons" named in said amendment, insert "entities".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 151 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amended to read as follows: "$60,000,000 shall become available on September 30, 1992 and remain available through September 30, 1993 and".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 156 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert ", $5,000,000 shall be for

State Literacy Resource Centers under the National Literacy Act of 1991, and $5,000,000 shall be for prison literacy activities as authorized under section 601 of the National Literacy Act of 1991, as amended by Public Law 102–103.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 158 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$62,000,000, which shall become available on September 30, 1992 and remain available through September 30, 1993, together with $6,822,880,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 161 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

"(INCLUDING TRANSFER OF FUNDS)

"For the costs of guaranteed loans, including administrative costs other than Federal administrative costs, as authorized by title IV, part B, of the Higher Education Act, as amended, such sums as may be necessary to carry out the purposes of the program: *Provided*, That such costs, including costs of modifying such loans, shall be defined in section 502 of the Congressional Budget Act of 1974, as amended. In addition, for administrative expenses to carry out the guaranteed loan program, $45,000,000. In addition to amounts appropriated in this Act for liquidation of contract authority in the "Guaranteed Student Loans (Liquidation)" account, there is also provided for payment of obligations incurred under contract authority entered into pursuant to title IV, part B, of the Higher Education Act, as amended, $1,114,748,000 which shall be transferred to the Guaranteed Student Loans (Liquidation) account."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 164 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$827,523,000 of which $24,000,000 shall become available on September 30, 1992 and".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 176 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment, insert "$258,684,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 179 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$29,900,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 181 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken by said amendment, insert ", including $6,000,000 for a high technology demonstration grant, including equipment, which shall be awarded competitively;".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 188 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert "$18,417,000 shall be for star schools, of which $1,000,000 shall become available for obligation on September 30, 1992, and of which $4,000,000 shall be to establish a demonstration of a statewide, two-way interactive fiber optic telecommunications network, carrying voice, video, and data transmissions, and housing a point of presence in every county, which shall be awarded competitively;".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 200 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$32,688,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 205 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$1,750,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 214 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment, insert "$72,287,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 218 to the aforesaid bill, and concur therein with an amendment as follows: Restore the matter stricken by said amendment, amend to read as follows:

"SEC. 513. (a) Notwithstanding any other provision of this Act, funds appropriated for salaries and expenses of the Department of Labor are hereby reduced by $31,991,000; salaries and expenses of the Department of Education are hereby reduced by $10,660,000; and salaries and expenses of the Department of Health and Human Services are hereby reduced by $142,349,000, including $8,000,000 of funds appropriated in this Act for travel costs of the Public Health Service: *Provided*, That the reduction for travel costs shall be from the amounts set forth therefor in the budget estimates submitted for the appropriations."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 219 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

"(b) Notwithstanding any other provision of this Act, there are hereby appropriated an additional $214,000 for 'Salaries and expenses, Occupational Safety and Health Review Commission' and an additional $786,000 for 'Salaries and expenses, Federal Mine Safety and Health Review Commission'."

"(c) Notwithstanding any other provision of this Act, appropriations in this Act for carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 shall not become available for obligation until September 30, 1992."

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SHELBY). Without objection, it is so ordered.

The Senator from Connecticut is recognized.

ORDER OF PROCEDURE

Mr. DODD. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The regular order is for the Senate to proceed to the consideration of S. 838.

CHILD ABUSE, DOMESTIC VIOLENCE, ADOPTION, AND FAMILY SERVICES ACT OF 1991

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 838) to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such act, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991".

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.).

SEC. 102. FINDINGS.

(a) IN GENERAL.—The Act is amended by inserting after the table of contents the following new section:

"SEC. 2. FINDINGS.

"Congress finds that—

"(1) each year, hundreds of thousands of American children are victims of abuse and neglect with such numbers having increased dramatically over the past decade;

"(2) many of these children and their families fail to receive adequate protection or treatment;

"(3) the problem of child abuse and neglect requires a comprehensive approach that—

"(A) integrates the work of social service, legal, health, mental health, education, and substance abuse agencies and organizations;

"(B) strengthens coordination among all levels of government, and with private agencies, civic, religious, and professional organizations, and individual volunteers;

"(C) emphasizes the need for abuse and neglect prevention, investigation, and treatment at the neighborhood level;

"(D) ensures properly trained and supported staff with specialized knowledge, to carry out their child protection duties; and

"(E) is sensitive to ethnic and cultural diversity;

"(4) the failure to coordinate and comprehensively prevent and treat child abuse and neglect threatens the futures of tens of thousands of children and results in a cost to the Nation of billions of dollars in direct expenditures for health, social, and special educational services and ultimately in the loss of work productivity;

"(5) all elements of American society have a shared responsibility in responding to this national child and family emergency;

"(6) substantial reductions in the prevalence and incidence of child abuse and neglect and the alleviation of its consequences are matters of the highest national priority;

"(7) national policy should strengthen families to remedy the causes of child abuse and neglect, provide support for intensive services to prevent the unnecessary removal of children from families, and promote the reunification of families if removal has taken place;

"(8) the child protection system should be comprehensive, child-centered, family-focused,

and community-based, should incorporate all appropriate measures to prevent the occurrence or recurrence of child abuse and neglect, and should promote physical and psychological recovery and social re-integration in an environment that fosters the health, self-respect, and dignity of the child;

"(9) because of the limited resources available in low-income communities, Federal aid for the child protection system should be distributed with due regard to the relative financial need of the communities;

"(10) the Federal government should ensure that every community in the United States has the fiscal, human, and technical resources necessary to develop and implement a successful and comprehensive child protection strategy;

"(11) the Federal government should provide leadership and assist communities in their child protection efforts by—

"(A) promoting coordinated planning among all levels of government;

"(B) generating and sharing knowledge relevant to child protection, including the development of models for service delivery;

"(C) strengthening the capacity of States to assist communities;

"(D) allocating sufficient financial resources to assist States in implementing community plans;

"(E) helping communities to carry out their child protection plans by promoting the competence of professional, paraprofessional, and volunteer resources; and

"(F) providing leadership to end the abuse and neglect of the nation's children and youth.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 1, the following new item:

"Sec. 2. Findings.".

SEC. 3. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

(a) IN GENERAL.—Section 102 (42 U.S.C. 5102) is amended to read as follows:

"SEC. 102. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

"(a) ESTABLISHMENT.—There is established, within the Office of the Assistant Secretary for the Administration for Children and Families of the Department of Health and Human Services, a United States Advisory Board on Child Abuse and Neglect (hereafter referred to in this section as the 'Board'). The authority to administer the operations of the Board may not be delegated.

"(b) PROGRAM YEAR.—The program year of the Board shall commence on May 29 of each year and conclude on the first May 28th thereafter.

"(c) COMPOSITION.—

"(1) IN GENERAL.—The Board shall be composed of 16 members who shall be members of the general public, none of which may be Federal employees, and be appointed as provided for in subsection (d).

"(2) REQUIREMENTS.—To be appointed to the Board under subsection (d), an individual shall be generally knowledgeable concerning child abuse and neglect prevention, intervention (including the operation of child protective services agencies), foster care and adoption, treatment, and research. Of the members appointed under such subsection, one each shall be specifically recognized for their knowledge of and expertise in or concerning one of the following areas (which such individual shall represent on the Board)—

"(A) child protective services in a State or local government setting;

"(B) elementary and secondary education;

"(C) law;

"(D) law enforcement or corrections;

"(E) medicine;

"(F) the provision of services to adolescents;

"(G) the provision of services to disabled persons;

"(H) parents' groups;

"(I) parent self-help organizations;

"(J) psychology or child development;

"(K) public health nursing or other individuals specializing in the prevention of child abuse and neglect;

"(L) research;

"(M) social work practice involving family preservation and support services and the individual treatment of abused and neglected children and their families; and

"(N) voluntary groups.

"(d) APPOINTMENTS.—

"(1) APPOINTING AUTHORITY.—The Secretary shall appoint individuals to serve as members of the Board, except that—

"(A) individuals of the type described in subsection (c)(2) who are recognized for their knowledge of and expertise in law and law enforcement or corrections shall be appointed, or reappointed in accordance with paragraph (4), only after the Secretary has requested the advice of the Attorney General; and

"(B) individuals of the type described in subsection (c)(2) who are recognized for their knowledge of and expertise in elementary and secondary education shall be appointed, or reappointed in accordance with paragraph (4), only after the Secretary has requested the advice of the Secretary of Education.

"(2) APPOINTMENT CONSIDERATIONS.—

"(A) NOTICE.—The Secretary shall publish a notice in the Federal Register soliciting nominations for appointments under this subsection.

"(B) RACIAL AND ETHNIC REPRESENTATION.—In making appointments under this subsection, the Secretary shall give due consideration to the representation of ethnic and racial minorities and diverse geographic areas on the Board.

"(3) APPOINTMENTS NECESSITATED BY VACANCIES.—If a vacancy on the Board occurs due to the resignation of a member, or the removal of a member in accordance subsection (e)(5), prior to the expiration of the term to which such member had been appointed, a replacement for such member shall be appointed in the same manner in which the original appointment was made, and such replacement member shall serve for the balance of the term being vacated in accordance with subsection (e)(4).

"(4) REAPPOINTMENTS.—The Secretary may reappoint a member to the Board after the expiration of such member's term subject to the limitations contained in subsection (e)(3). Where such reappointments occur, at the discretion of the Secretary the nomination procedures required under paragraph (2)(A) may be waived by the Secretary.

"(e) TERMS OF OFFICE.—

"(1) LENGTH.—Except as otherwise provided in this subsection, an individual appointed to the Board shall serve for a term of 4 years.

"(2) NEW SEATS.—Notwithstanding the date on which the initial appointments are made under subsection (d), with respect to the terms of individuals appointed in accordance with subparagraphs (K), (L) and (M) of subsection (c)(2) such terms shall end on May 28, 1994.

"(3) NUMBER OF TERMS.—No member of the Board shall be eligible to serve in excess of two consecutive terms, but a member may continue to serve until such member's successor is appointed. A member having served two consecutive terms may subsequently be appointed to the Board if not less than a 1-year period has elapsed since the expiration of the preceding term.

"(4) VACANCIES.—Any member of the Board who is appointed to fill a vacancy occurring before the expiration of the term to which such member's predecessor was appointed shall be appointed for the remainder of such term.

"(5) REMOVAL.—No member of the Board may be removed by the Secretary during the member's term except for just and sufficient cause to be determined in a hearing before the Departmental Appeals Board of the Department of Health and Human Services.

"(f) COMPENSATION.—

"(1) REQUIREMENT.—

"(A) IN GENERAL.—Except as provided in paragraph (3), members of the Board, while serving on business of the Board, shall receive compensation at a daily rate equivalent to the daily rate payable to a GS-18 employee under section 5332 of title 5, United States Code, including travel time.

"(B) DEFINITION.—For purposes of this subsection, 'business of the Board' shall mean attendance at a meeting of the Board or of one of the committees of the Board performing work for the Board with the prior approval of the Executive Director.

"(2) TRAVEL.—

"(A) IN GENERAL.—Except as provided in paragraph (3), members of the Board who reside outside of the metropolitan Washington, D.C. area, while serving on business of the Board away from their homes or regular places of business, may be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(B) RESIDENTS OF WASHINGTON, D.C.—Except as provided in paragraph (3), members of the Board residing within the metropolitan Washington, D.C. area, while serving on business of the Board, may be allowed actual travel and subsistence expenses as authorized by section 5703 of title 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(3) LIMITATION.—A member of the Board may not be compensated under this subsection, nor may such member be allowed travel and subsistence expenses, if such member is receiving compensation or travel and subsistence expenses from another source while serving on business of the Board.

"(g) ADMINISTRATION.—

"(1) PROCEDURES.—The Board is authorized to establish such procedures to enable the Board to carry out it's functions and duties in an orderly manner.

"(2) ELECTION OF OFFICERS.—The Board shall elect a chairperson and vice-chairperson at the first meeting of the Board following the date of enactment of this section.

"(3) EXECUTIVE COMMITTEE.—The Board is authorized to establish an Executive Committee. If the Board establishes an Executive Committee, the Board shall determine whether its members shall be elected or appointed by the chairperson and vice-chairperson, what its duties shall be, and what powers it shall have.

"(h) MEETINGS.—The Board shall meet at least four times each program year at the call of the chairperson, unless the chairperson determines that fewer meetings are necessary. Meetings of committees, including meetings of the Executive Committee, shall not be deemed to satisfy the requirements of this subsection.

"(i) DUTIES.—

"(1) REPORTS.—Not later than 120 days after the conclusion of each program year, the Board shall prepare and submit to the Secretary, the Attorney General, the Secretary of Education, the Secretary of Housing and Urban Development, and the Secretary of Agriculture, and to the appropriate committees of Congress, a report—

"(A) assessing the progress of the Nation in protecting children; and

"(B) making recommendations for action to improve such protection.

"(2) SPECIAL REPORTS ON MALTREATMENT.—At such times as the Board determines appropriate, the Board shall issue special reports concerning child maltreatment.

"(3) ADVISOR.—

"(A) IN GENERAL.—The Board shall provide the Secretary, the Attorney General, the Secretary of Education, the Secretary of Housing and Urban Development, and the Secretary of Agriculture, and the appropriate committees of Congress, with such advice as the Board determines appropriate concerning actions necessary to improve the protection of children. Such advice may be provided in response to a request to the Board or may be initiated by the Board.

"(B) SUBJECT OF ADVICE.—Subjects that the Board may provide advice concerning shall include—

"(i) proposed and final regulations, guidelines, program announcements, and operating procedures developed to implement this Act;

"(ii) proposed and final regulations, guidelines, program announcements, and operating procedures developed to implement all other Federal laws related to child maltreatment; and

"(iii) any initiatives developed in response to Board recommendations.

"(C) IMPLEMENTATION OF CERTAIN REGULATIONS.—Notwithstanding any other provision of law, proposed and final regulations, guidelines, program announcements, and operating procedures developed to implement a child maltreatment program or effort may not be implemented until the Board has been provided with 30 calendar days to review such regulations, guidelines, program announcements and operating procedures and provide written comments concerning such to the implementing agency.

"(4) OTHER BOARD ACTIONS.—The Board shall take such actions as it determines appropriate to advocate the implementation of the recommendations contained in the reports of the Board. Such actions shall include—

"(A) publicizing the recommendations;

"(B) convening meetings and conferences to discuss the recommendations;

"(C) holding public hearings to assess progress in implementing the recommendations; and

"(D) working cooperatively with officials of governmental and nongovernmental organizations on the actual implementation of such recommendations.

"(j) RESOURCES.—

"(1) EXECUTIVE DIRECTOR.—The Board shall appoint an Executive Director.

"(2) PERSONNEL.—

"(A) ADDITIONAL PERSONNEL.—Upon the recommendation of the Executive Director, the Board shall appoint and fix the compensation of such additional personnel as are necessary to assist the Board in carrying out its duties. Appointment and compensation of such personnel shall take place in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code.

"(B) TEMPORARY OR INTERMITTENT SERVICES.—Subject to such rules as may be prescribed by the Board, the Executive Director may procure temporary or intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed $400 per day.

"(C) OTHER AGENCY PERSONNEL.—Upon the request of the Board, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Board to assist the Board in carrying out its duties under subsection (i).

"(3) CONTRACTS.—With the approval of the Board, the Executive Director may enter into such contracts on behalf of the Board as the Executive Director considers necessary to carry out the duties of the Board under subsection (i).

"(4) AUTHORIZATION OF APPROPRIATIONS.—

"(A) FISCAL YEAR 1992.—There are authorized to be appropriated to carry out this section, $1,000,000 for fiscal year 1992, and such sums as may be necessary for each subsequent fiscal year.

"(B) FUNDING IN LIEU OF APPROPRIATIONS.—During each fiscal year for which no appropriation is made under subparagraph (A), the Secretary shall make available, from Department of Health and Human Services salaries and expenses accounts, not less than $1,000,000 to enable the Board to carry out it's duties.

"(C) GIFTS.—Notwithstanding any other provision of law, the Board is authorized to receive gifts and accept donations from non-Federal organizations to carry out its duties.

"(k) POWERS OF THE BOARD.—

"(1) GENERAL POWERS.—

"(A) HEARINGS, ETC.—For the purpose of carrying out its duties under subsection (i), the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. The Board may administer oaths or affirmations to witnesses appearing before it.

"(B) ACTION BY INDIVIDUALS.—Any member or employee of the Board may, if authorized by the Board, undertake any action which the Board is authorized to undertake under this section.

"(C) INFORMATION.—The Board may request directly from any Federal agency such information as it determines necessary to carry out its duties. Upon the request of the chairperson of the Board, the head of such agency shall furnish such information to the Board.

"(2) DATA COLLECTION.—Notwithstanding the provisions of the Paperwork Reduction Act, the Board is authorized to gather such data as it determines necessary to carry out the duties of the Board under subsection (i) without the approval from the Office of Management and Budget.

"(3) PUBLICATION.—The Board may publish and disseminate any annual and special reports prepared under this section and such other documents as it determines appropriate without the prior approval of any other Government official.

"(l) RELATIONSHIP TO THE INTER-AGENCY TASK FORCE ON CHILD ABUSE AND NEGLECT.—The Secretary shall appoint two members of the Inter-Agency Task Force on Child Abuse and Neglect to serve as liaisons to the Board. It shall be the duty of such members to keep the Board informed of the activities of the Task Force and to keep the Task Force informed of activities of the Board. The chairperson and Executive Director of the Board shall take all necessary steps to assure that such members are kept informed of all Board activities. Nothing in this subsection shall be construed to provide such members with a vote on any Board decision.".

(b) TRANSFER PROVISIONS.—

(1) TERMINATION OF PRIOR BOARD.—The Advisory Board on Child Abuse and Neglect established under section 102 of the Child Abuse Prevention and Treatment Act as such section existed prior to the date of enactment of this Act, shall terminate on the date on which the Board established under the amendment made by subsection (a) is operational.

(2) MEMBERS OF PRIOR BOARD.—

(A) CONTINUED SERVICE.—The 13 non-Federal members serving on the Advisory Board on Child Abuse and Neglect established under section 102 of the Child Abuse Prevention and Treatment Act as such section existed prior to the date of enactment of this Act, shall serve as members of the Board established under the amendment made by subsection (a) until the terms to which such members were previously appointed have expired.

(B) REAPPOINTMENT.—With respect to membership on the Board established under the amendment made by subsection (a), the members continuing to serve on such Board under subparagraph (A) who are determined by the Secretary of Health and Human Services to be serving with a recognized expertise in—

(i) law enforcement or corrections, parents' groups, and voluntary groups, as well as serving in one of the two positions that may be held by a member not required to be recognized for knowledge of and expertise in or concerning a specialized subject, (as required by section 102(c) of the Child Abuse Prevention and Treatment Act (as such section is amended by subsection (a)) the initial appointments (or reappointments of members who are providing continued service) shall be for terms beginning on May 29, 1992, and ending on May 28, 1996;

(ii) law, medicine, the provision of services to adolescents, the provision of services to disabled persons, and parent self-help organizations (as required by section 102(c) of the Child Abuse Prevention and Treatment Act (as such section is amended by subsection (a)) the initial appointments (or reappointments of members who are providing continued service) shall be for terms beginning on May 29, 1993, and ending on May 28, 1997, except that the term of the appointment for a member with recognized expertise in medicine shall end on May 29, 1998; and

(iii) child protective services in a State or local government setting, elementary and secondary education, and psychology or child development, as well as serving in one of the two positions that may be held by a member not required to be recognized for knowledge of and expertise in or concerning a specialized subject (as required by section 102(c) of the Child Abuse Prevention and Treatment Act (as such section is amended by subsection (a)) the initial appointments (or reappointments of members who are providing continued service) shall be for terms beginning on May 29, 1995, and ending on May 28, 1999.

(C) REAPPOINTMENTS.—With respect to a member serving on the Board in accordance with subparagraph (B), the number of terms to which such member was appointed on the Advisory Board on Child Abuse and Neglect established under section 102 of the Child Abuse Prevention and Treatment Act (as such section existed prior to the date of enactment of this Act) shall be counted as if such appointments had been made to the Board as it exists after such date of enactment.

Subtitle A—General State Program

SEC. 110. GRANT PROGRAM FOR CHILD ABUSE NEGLECT PREVENTION AND TREATMENT.

Section 107 (42 U.S.C. 5106a) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) DEVELOPMENT AND OPERATION GRANTS.—The Secretary, acting through the Center, shall make grants to the States, based on the population of children under the age of 18 in each State that applies for a grant under this section, for purposes of assisting the States in improving the child protective service system of each such State in—

"(1) the intake and screening of reports of abuse and neglect through the improvement of the receipt of information, decisionmaking, public awareness, and training of staff;

"(2)(A) investigating such reports through improving response time, decisionmaking, referral to services, and training of staff;

"(B) creating and improving the use of multidisciplinary teams and interagency protocols to enhance investigations; and

"(C) improving legal preparation and representation;

"(3) case management and delivery services provided to families through the improvement of

response time in service provision, improving the training of staff, and increasing the numbers of families to be served;

"(4) enhancing the general child protective system by improving assessment tools, automation systems that support the program, information referral systems, and the overall training of staff to meet minimum competencies; or

"(5) developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs."; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) STATE PROGRAM PLAN.—To be eligible to receive a grant under this section, a State shall annually submit a plan to the Secretary that specifies the child protective service system area or areas described in subsection (a) that the State intends to address with funds received under the grant. The plan shall describe the current system capacity of the State in the relevant area or areas from which to assess programs with grant funds and specify the manner in which funds from the State's programs will be used to make improvements. The plan required under this subsection shall contain, with respect to each area in which the State intends to use funds from the grant, the following information with respect to the State:

"(1) INTAKE AND SCREENING.—

"(A) STAFFING.—The number of child protective service workers responsible for the intake and screening of reports of abuse and neglect relative to the number of reports filed in the previous year.

"(B) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in report-taking, screening, decision-making, and referral for investigation.

"(C) PUBLIC EDUCATION.—An assessment of the State or local agency's public education program with respect to—

"(i) what is child abuse and neglect;

"(ii) who is obligated to report and who may choose to report; and

"(iii) how to report.

"(2) INVESTIGATION OF REPORTS.—

"(A) RESPONSE TIME.—The number of reports of child abuse and neglect filed in the State in the previous year where appropriate, the agency response time to each with respect to initial investigation, the number of substantiated and unsubstantiated reports, and where appropriate, the response time with respect to the provision of services.

"(B) STAFFING.—The number of child protective service workers responsible for the investigation of child abuse and neglect reports relative to the number of reports investigated in the previous year.

"(C) INTERAGENCY COORDINATION.—A description of the extent to which interagency coordination processes exist and are available Statewide, and whether protocols or formal policies governing interagency relationships exist in the following areas—

"(i) multidisciplinary investigation teams among child welfare and law enforcement agencies;

"(ii) interagency coordination for the prevention, intervention and treatment of child abuse and neglect among agencies responsible for child protective services, criminal justice, schools, health, mental health, and substance abuse; and

"(iii) special interagency child fatality review panels, including a listing of those agencies that are involved.

"(D) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as investigation, risk assessment, court preparation, and referral to and provision of services.

"(E) LEGAL REPRESENTATION.—A description of the State agency's current capacity for legal representation, including the manner in which workers are prepared and trained for court preparation and attendance, including procedures for appealing substantiated reports of abuse and neglect.

"(3) CASE MANAGEMENT AND DELIVERY OF ONGOING FAMILY SERVICES.—For children for whom a report of abuse and neglect has been substantiated and the children remain in their own homes and are not currently at risk of removal, the State shall assess the activities and the outcomes of the following services:

"(A) RESPONSE TIME.—The number of cases opened for services as a result of investigation of child abuse and neglect reports filed in the previous year, including the response time with respect to the provision of services from the time of initial report and initial investigation.

"(B) STAFFING.—The number of child protective service workers responsible for providing services to children and their families in their own homes as a result of investigation of reports of child abuse and neglect.

"(C) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as risk assessment, court preparation, provision of services and determination of case disposition, including how such training is evaluated for effectiveness.

"(D) INTERAGENCY COORDINATION.—The extent to which treatment services for the child and other family members are coordinated with child welfare, social service, mental health, education, and other agencies.

"(4) GENERAL SYSTEM ENHANCEMENT.—

"(A) AUTOMATION.—A description of the capacity of current automated systems for tracking reports of child abuse and neglect from intake through final disposition and how personnel are trained in the use of such system.

"(B) ASSESSMENT TOOLS.—A description of whether, how, and what risk assessment tools are used for screening reports of abuse and neglect, determining whether child abuse and neglect has occurred, and assessing the appropriate level of State agency protection and intervention, including the extent to which such tool is used statewide and how workers are trained in its use.

"(C) INFORMATION AND REFERRAL.—A description and assessment of the extent to which a State has in place—

"(i) information and referral systems, including their availability and ability to link families to various child welfare services such as homemakers, intensive family-based services, emergency caretakers, home health visitors, daycare and services outside the child welfare system such as housing, nutrition, health care, special education, income support, and emergency resource assistance; and

"(ii) efforts undertaken to disseminate to the public information concerning the problem of child abuse and neglect and the prevention and treatment programs and services available to combat instances of such abuse and neglect.

"(D) STAFF CAPACITY AND COMPETENCE.—An assessment of basic and specialized training needs of all staff and current training provided staff. Assessment of the competencies of staff with respect to minimum knowledge in areas such as child development, cultural and ethnic diversity, functions and relationship of other systems to child protective services and in specific skills such as interviewing, assessment, and decisionmaking relative to the child and family, and the need for training consistent with such minimum competencies.

"(5) INNOVATIVE APPROACHES.—A description of—

"(A) research and demonstration efforts for developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs, including the interagency efforts at the State level; and

"(B) the manner in which proposed research and development activities build on existing capacity in the programs being addressed.".

SEC. 111. GRANT PROGRAM FOR INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.

Section 109 (42 U.S.C. 5106c) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 109. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.";

(2) in subsection (a), by striking out paragraphs (1) and (2), and inserting in lieu thereof the following new paragraphs:

"(1) the handling of child abuse and neglect cases, particularly cases of child sexual abuse and exploitation, in a manner which limits additional trauma to the child victim;

"(2) the handling of cases of suspected child abuse or neglect related fatalities; and

"(3) the investigation and prosecution of cases of child abuse and neglect, particularly child sexual abuse and exploitation.";

(3) in subsection (b)—

(A) by striking out "and 107(e) or receive a waiver under section 107(c)" in paragraph (1);

(B) by striking out "and" at the end of paragraph (3);

(C) by inserting "annually" after "submit" in paragraph (4); and

(D) by striking out the period at the end thereof and inserting the following: "; and

"(5) submit annually to the Secretary a report on the manner in which assistance received under this program was expended throughout the State, with particular attention focused on the areas described in paragraphs (1) through (4) of subsection (a).";

(4) in subsection (c)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting ", and maintain" after "designate"; and

(ii) by striking out "child abuse" and inserting in lieu thereof "child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities";

(B) by striking out "judicial and legal officers", in subparagraph (B) and inserting in lieu thereof "judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect";

(C) by inserting before the semicolon in subparagraph (C), the following: ", including both attorneys for children and, where such programs are in operation, court appointed special advocates";

(D) by striking out subparagraph (E); and

(E) by striking out "handicaps;" in subparagraph (F), and inserting in lieu thereof "disabilities; and"; and

"(G) by striking out subparagraph (G) and redesignating subparagraph (H) as subparagraph (G);

(5) in subsection (d)—

(A) by striking out "the State task force shall" in the matter preceding paragraph (1), and inserting in lieu thereof "and at three year intervals thereafter, the State task force shall comprehensively";

(B) by striking out "judicial" and all that follows in paragraph (1), and inserting in lieu thereof the following: "both civil and criminal judicial handling of cases of child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal;";

(C) by inserting "policy and training" before "recommendations" in paragraph (2); and

(6) in subsection (e)(1)—

(A) by striking out "child abuse" and all that follows through "child victim" in subparagraph (A), and inserting in lieu thereof the following: "child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal, in a manner which reduces the additional trauma to the child victim and the victim's family";

(B) by striking out "improve the rate" and all that follows through "abuse cases" in subparagraph (B), and inserting in lieu thereof the following: "improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children"; and

(C) in subparagraph (C)—

(i) by inserting ", protocols" after "regulations"; and

(ii) by inserting "and exploitation" after "sexual abuse".

Subtitle B—Community-Based Prevention Grants

SEC. 121. TITLE HEADING AND PURPOSE.

(a) TITLE HEADING.—The heading for title II (42 U.S.C. 5116 et seq.) is amended to read as follows:

"TITLE II—COMMUNITY-BASED CHILD ABUSE AND NEGLECT PREVENTION GRANTS"

(b) PURPOSE.—Section 201 (42 U.S.C. 5116) is amended—

(1) in the section heading to read as follows:

"SEC. 201. PURPOSES.";

and

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"It is the purpose of this title, through the provision of community-based child abuse and neglect prevention grants, to assist States in supporting child abuse and neglect prevention activities.".

SEC. 122. DEFINITIONS.

Section 202 (42 U.S.C. 5116a) is amended—

(1) in paragraph (1), by striking out "and" at the end thereof; and

(2) in paragraph (2), by striking out the period and inserting in lieu thereof "; and".

SEC. 123. STATE ELIGIBILITY.

Section 204 (42 U.S.C. 5116c) is amended—

(1) by striking out "or other funding mechanism"; and

(2) by striking out "which is available only for child" and all that follows through the end thereof, and inserting "which includes (in whole or in part) legislative provisions making funding available only for the broad range of child abuse and neglect prevention activities.".

SEC. 124. LIMITATIONS.

Section 205 (42 U.S.C. 5116d) is amended—

(1) by striking out paragraph (1) of subsection (a) and inserting in lieu thereof the following new paragraph:

"(1) ALLOTMENT FORMULA.—

"(A) IN GENERAL.—Amounts appropriated to provide grants under this title shall be allotted among eligible States in each fiscal year so that—

"(i) 50 percent of the total amount appropriated is allotted among each State based on the number of children in each such State; and

"(ii) the remaining 50 percent of the total amount appropriated is allotted in an amount equal to 25 percent of the total amount collected by each such State, in the fiscal year prior to the fiscal year for which the allotment is being determined, for the children's trust fund of the State for child abuse and neglect prevention activities.

"(B) USE OF AMOUNTS.—Not less than 50 percent of the amount of a grant made to a State under this title in each fiscal year shall be utilized to support community-based prevention programs as authorized in section 204(a), except that this subparagraph shall not become applicable until amounts appropriated under section 203(b) exceed $10,000,000."; and

(2) in subsection (b)(1)—

(A) by striking out "trust fund advisory board" and all that follows through "section 101" in subparagraph (A) and inserting in lieu thereof "advisory board established under section 102";

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (F) and (G), respectively; and

(C) by inserting after subparagraph (A) the following new subparagraphs:

"(B) demonstrate coordination with other child abuse and neglect prevention activities and agencies at the State and local levels;

"(C) demonstrate the outcome of services and activities funded under this title;

"(D) provide evidence that Federal assistance received under this title has been supplemented with non-Federal public and private assistance (including in-kind contributions) at the local level (Federal assistance expended in support of activities authorized under paragraphs (1), (2), and (3) of section 204 shall be supplemented by State assistance);

"(E) demonstrate the extent to which funds received under this title are used to support community prevention activities in underserved areas, in which case the supplemental support required under subparagraph (D) shall be waived for the first 3 years in which assistance is provided to a grantee described in this subparagraph;".

Subtitle C—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness

SEC. 131. CERTAIN PREVENTIVE SERVICES REGARDING CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 302(b) (42 U.S.C. 5118a(b)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) by redesignating paragraph (4) as paragraph (6); and

(3) by inserting after paragraph (3) the following new paragraphs:

"(4) the provision of emergency housing-related assistance necessary to prevent the placement of children in out-of-home care, to facilitate the reunification of children with their families, and to enable the discharge of youths not less than 16 years of age from such area, including assistance in meeting the costs of—

"(A) rent or utility arrears to prevent an eviction or termination of utility services;

"(B) security and utility deposits, first month's rent, and basic furnishings; and

"(C) other housing-related assistance;

"(5) the provision to families, and to youths not less than 16 years of age who are preparing to be discharged from such care, of temporary rent subsidies necessary to prevent the initial or prolonged placement of children in out-of-home care, which subsidies are provided in an amount not exceeding 70 percent of the local fair market rental value and are provided for a period not to exceed 180 days; and".

Subtitle D—Child Abuse Treatment Improvements Grants

SEC. 141. ESTABLISHMENT OF PROGRAM.

The Act is amended by adding at the end thereof the following new title:

"TITLE IV—MISCELLANEOUS PROGRAMS

"SEC. 401. CHILD ABUSE TREATMENT IMPROVEMENTS GRANT PROGRAM.

"(a) AUTHORITY.—The Secretary of Health and Human Services (hereafter referred to in this section as the 'Secretary'), acting through the Administration for Children, Youth and Families, may award grants to eligible entities to improve the treatment of children exposed to abuse or neglect and the families of such children, particularly when such children have been placed in out-of-home care.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

"(1) be a State or local public or nonprofit private entity;

"(2) have the approval of the State agency responsible for administering public child welfare services, to apply for such grant;

"(3) be responsible for administering or providing child welfare services (including out-of-home services); and

"(4) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require including the information required under subsection (c).

"(c) CONTENTS OF APPLICATION.—An application submitted by an entity under subsection (b)(4) shall contain—

"(1) a description of the proposed program to be established, implemented or improved using amounts received under a grant, including the specific activities to be undertaken, the agencies that will be involved, the process that has been established for evaluating such activities, and the nature of any innovations proposed;

"(2) evidence of the need that the activity or program, to be conducted using amounts received under the grant, will address;

"(3) assurances that amounts received under the grant will be used to supplement, not supplant, existing funds provided by the State for child welfare purposes;

"(4) assurances that the applicant entity will provide not less than 20 percent of the total amounts needed to pay the costs associated with the program funded under such grant;

"(5) assurances that the applicant entity will provide information to the Secretary concerning the progress and outcome of the program to be funded under such grant;

"(6) a description of the procedures to be used to disseminate the findings derived from the program to be funded under such grant within the State;

"(7) a description of the extent to which multiple agencies will be involved in the design, development, operation, and staffing of the program to be funded under such grant; and

"(8) and other information determined appropriate by the Secretary.

"(d) USE OF FUNDS.—An entity may use amounts provided under a grant awarded under this section to—

"(1)(A) develop models of out-of-home care that are designed to promote the reunification of children with their families, including training and support components for foster parents to enable such parents to assist the birthparents with reunification efforts;

"(B) develop comprehensive service approaches for child out-of-home care and for the families of such children, specifically focused on reunification; and

"(C) establish activities that are designed to promote visitation of parents and children, such as the establishment of neutral settings for

structured visits between biological parents and children in care;

"(2) develop activities that are designed to support relatives caring for children who have been abused or neglected or children from families where substance abuse is present;

"(3) enhance the reimbursement and other support provided to foster parents, including relatives, to promote better recruitment and retention of foster parents;

"(4) develop activities and programs designed to—

"(A) promote the healthy physical, social, emotional, and educational development of children in out-of-home care and under child abuse preventive services supervision, including—

"(i) the conduct of comprehensive, multidisciplinary assessments of the physical, social, emotional, and educational development of such children, with particular attention given to the needs and strengths of the families of such children; and

"(ii) the development of services to meet such needs which involve multiple service agencies and alternative support systems within the community;

"(B) provide training for foster parents to address the physical, social, emotional, and educational needs of the children in their care; or

"(C) provide special programs to assist children with academic or developmental problems;

"(5) develop and implement programs that provide mentors, who are adults from the community or who are former foster youths, to use an out-of-home care, in order to address their special needs, increase self esteem, and provide role models;

"(6) provide incentives that may be necessary to establish and recruit foster family homes for special populations, including children who are medically fragile or have other special physical, mental, and emotional disabilities, adolescent mothers and their children who are in care, and children who have been sexually abused;

"(7) hire staff with specialized knowledge in the areas of substance abuse, child development, education, health care, and adolescents, to provide support and act as a resource for caseworkers working with children and families with special needs in these areas; and

"(8) conduct other activities as the Secretary determines appropriate.

"(e) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section the Secretary shall consider—

"(1) the geographic dispersion of the applicants for such grants;

"(2) the likelihood that the proposed service approach of the applicant would be transferable to other sites; and

"(3) the need for variety in the problems to be addressed by the applicants and in the models used to address similar problems.

"(f) ADMINISTRATION.—In administering the grant program established under this section the Administration for Children, Youth and Families shall—

"(1) require grantees to submit annual reports concerning the projects funded under such grants and a final report assessing the outcome of such projects;

"(2) arrange for the dissemination of project results through such means as the child welfare resource centers and the National Clearinghouse on Child Abuse and Neglect; and

"(3) provide for the evaluation of projects funded under this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $30,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.".

SEC. 142. TECHNICAL AMENDMENT.

The Act is amended in the table of contents in section 1(b) by adding at the end thereof the following new items:

"TITLE IV—MISCELLANEOUS PROGRAMS

"Sec. 401. Child abuse treatment improvements grant program.".

Subtitle E—Reauthorization of Certain Programs

SEC. 151. EMERGENCY GRANT PROGRAM.

Section 107A(e) (42 U.S.C. 5106a–1(e)) is amended by striking out "and such sums" and all that follows through the end thereof and inserting "such sums as may be necessary for fiscal year 1991, $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 152. GENERAL GRANT PROGRAMS.

Subsection (a) of section 114 (42 U.S.C. 5106h(a)) is amended to read as follows:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, except for section 107A, $150,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994. Of amounts appropriated under this section in any fiscal year—

"(1) 33⅓ percent of such amounts shall be made available in each such fiscal year for activities under sections 104, 105 and 106; and

"(2) 66⅔ percent of such amounts shall be made available in each such fiscal year for activities under sections 107 and 108.

A State may spend the entire amount provided to such State under this title in a fiscal year for the purposes described in subsection (a)(5) of section 107, except that subsequent to the date on which the amount appropriated and available under paragraph (2) exceeds $40,000,000, such State shall not spend in excess of 15 percent of such amounts for the purposes described in subsection (a)(5) of section 107.".

SEC. 153. COMMUNITY-BASED PREVENTION GRANTS.

Section 203 (42 U.S.C. 5116b) is amended—

(1) by striking out subsection (b);

(2) by redesignating subsection (c) as subsection (b); and

(3) in subsection (b) (as so redesignated), by striking out "such sums" and all that follows through the period and inserting in lieu thereof "$50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 154. PREVENTIVE SERVICES FOR CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 306(a) (42 U.S.C. 5118e(a)) is amended by inserting ", and such sums as may be necessary in each of the fiscal years 1993 and 1994" before the period.

SEC. 155. REAUTHORIZATION OF NATIONAL CHILD ABUSE ADVISORY BOARD.

To be supplied

Subtitle F—Miscellaneous Provisions

SEC. 161. REPORT CONCERNING VOLUNTARY REPORTING SYSTEM.

Not later than April 30, 1992, and annually thereafter, the Secretary of Health and Human Services, acting through the Director of the National Center on Child Abuse and Neglect, shall prepare and submit to the appropriate committees of Congress a report concerning the measures being taken to assist States in implementing a voluntary reporting system for child abuse and neglect. Such reports shall contain information concerning the extent to which the child abuse and neglect reporting systems developed by the States are coordinated with the automated foster care and adoption reporting system required under section 479 of the Social Security Act.

TITLE II—CHILDREN WITH DISABILITIES TEMPORARY CARE

SEC. 201. SHORT TITLE.

This title may be cited as the "Children With Disabilities Temporary Care Reauthorization Act of 1991".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 206 of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117) is amended in the first sentence, by inserting before the period the following: ", and $20,000,000 for each of the fiscal years 1992 through 1994".

SEC. 203. TECHNICAL AMENDMENT.

Section 205(a)(1)(A)(vi) of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117c(a)(1)(A)(vi)) is amended by striking out "(vi)" and inserting in lieu thereof "(v)".

SEC. 204. EFFECTIVE DATE.

The amendments made by this title shall take effect October 1, 1991, or on the date of the enactment of this Act, whichever occurs later.

TITLE III—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO FAMILY VIOLENCE

SEC. 301. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.).

SEC. 302. EXPANSION OF PURPOSE.

Section 302 (42 U.S.C. 10401) is amended—

(1) in paragraph (1)—

(A) by striking out "demonstration the effectiveness of assisting" and inserting in lieu thereof "assist"; and

(B) by striking out "to prevent" and inserting in lieu thereof "to increase public awareness about and prevent"; and

(2) in paragraph (2), by inserting ", courts, legal, social service, and health care professionals" after "(including law enforcement agencies".

SEC. 303. EXPANSION OF STATE GRANT PROGRAM.

Section 303(a) (42 U.S.C. 10402(a)) is amended—

(1) in paragraph (1), by striking out "demonstration grants" and inserting in lieu thereof "grants"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" in the matter preceding subparagraph (A), and inserting in lieu thereof "grant";

(B) by striking out "demonstration grant" in subparagraph (A), and inserting in lieu thereof "grant"; and

(C) by striking out "particularly those projects" in subparagraph (B)(ii) and all that follows through the end thereof, and inserting in lieu thereof the following: "the primary purpose of which is to operate shelters for victims of family violence and their dependents, and those which provide counseling, advocacy, and self-help services to victims and their children.".

SEC. 304. INVOLVEMENT IN PLANNING.

Section 303(a)(2)(C) (42 U.S.C. 10402(a)(2)(C)) is amended by inserting "State domestic violence coalitions" after "involve".

SEC. 305. CONFIDENTIALITY ASSURANCES.

Section 303(a)(2)(E) (42 U.S.C. 10402(a)(2)(E)) is amended by striking out "assurances that procedures will be developed" and inserting in lieu thereof "documentation that procedures have been developed, and implemented including copies of the policies and procedure,".

SEC. 306. PROCEDURE FOR EVICTING VIOLENT SPOUSES.

Section 303(a)(2)(F) (42 U.S.C. 10402(a)(2)(F)) is amended to read as follows:

"(F) provide documentation to the Secretary that the State has a law or procedure that has been implemented for the eviction of an abusing spouse from a share household;".

SEC. 307. PENALTIES FOR NONCOMPLIANCE.

Section 303(a)(3) (42 U.S.C. 10402(c)) is amended—

(1) by inserting "a 6-month period providing an" before "opportunity"; and

(2) by adding at the end thereof the following new sentences: "The Secretary shall provide such notice within 45 days of the date of the application if any of the provisions of subsection (a)(2) have not been satisfied in such application. If the State has not corrected the deficiencies in such application within the 6-month period following the receipt of the Secretary's notice of intention to disapprove, the Secretary shall withhold payment of any grant funds to such State until the date that is 30 days prior to the end of the fiscal year for which such grant funds are appropriated or until such time as the State provides documentation that the deficiencies have been corrected, whichever occurs first. State Domestic Violence Coalitions shall be permitted to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2).".

SEC. 308. GRANTS TO INDIAN TRIBES.

Section 303(b) (42 U.S.C. 10402(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "is authorized to make demonstration grants" and inserting in lieu thereof ", from amounts appropriated to carry out this section, shall make available not less than 10 percent of such amounts to make grants";

(B) by striking out "and tribal" and inserting in lieu thereof ", tribal"; and

(C) by inserting "and nonprofit private organizations approved by an Indian Tribe for the operation of a family violence shelter on a Reservation", after "tribal organizations"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by striking out "and (E)" and inserting in lieu thereof "(E) and (F)"; and

(C) by adding at the end thereof the following new sentence: "No entity eligible to submit an application under paragraph (1) shall be prohibited from making an application during any fiscal year for which funds are available because such entity has not previously applied or received funding under this section.".

SEC. 309. MAXIMUM CEILING.

Subsection (c) of section 303 (42 U.S.C. 10402(c)) is repealed, and subsections (d) through (g) are redesignated as subsections (c) through (f), respectively.

SEC. 310. GRANTS TO ENTITIES OTHER THAN STATES; LOCAL SHARE.

The section 303(e) (42 U.S.C. 10402(f)) (as so redesignated by section 309) is amended—

(1) in the first sentence—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by inserting "or an Indian Tribe" after "State";

(C) by striking out "35 percent" and inserting in lieu thereof "20 percent";

(D) by striking out "55 percent" and inserting in lieu thereof "35 percent";

(E) by striking out "65 percent in the third such year" and inserting in lieu thereof "and, for any year thereafter"; and

(2) in the second sentence, by striking out "50 percent" and inserting in lieu thereof "25 percent".

SEC. 311. SHELTER AND RELATED ASSISTANCE.

(a) SHELTER.—Section 303(f) (42 U.S.C. 10402(g)) (as so redesignated by section 309) is amended—

(1) by striking out "60 percent" and inserting in lieu thereof "70 percent"; and

(2) by inserting before the period the following: "as defined in section 309(4). Not less than 15 percent of the funds distributed under subsection (a) or (b) shall be distributed for the purpose of providing related assistance as defined under section 309(5)(A), and not more than 10 percent for the purpose of providing family violence prevention services as defined under section 309(5)(B)".

(b) DEFINITION.—Paragraph (5) of section 309 (42 U.S.C. 10408(5)) is amended to read as follows:

"(5) The term 'related assistance' means the provision of direct assistance to victims of family violence and their dependents for the purpose of preventing further violence, helping such victims to gain access to civil and criminal courts and other community services, facilitating the efforts of such victims to make decisions concerning their lives in the interest of safety, and assisting such victims in healing from the effects of the violence. Related assistance—

"(A) shall include—

"(i) counseling with respect to family violence, counseling by peers individually or in groups, and referral to community social services;

"(ii) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health-care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health-care services;

"(iii) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

"(iv) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims; and

"(B) may include prevention services such as outreach and prevention services for victims and their children, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school age children, family violence public awareness campaigns, and violence prevention counseling services to abusers.".

SEC. 312. ALLOTMENT OF FUNDS.

Section 304(a)(1) (42 U.S.C. 10403(a)(1)) is amended—

(1) by striking out "whichever is the greater of the following amounts: one-half of"; and

(2) by striking out "$50,000" and inserting in lieu thereof "$200,000, whichever is the lessor amount".

SEC. 313. SECRETARIAL RESPONSIBILITIES.

Section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) is amended—

(1) by striking out "into the causes of family violence";

(2) by inserting "most effective" before "prevention";

(3) by striking out "and (ii)" and inserting in lieu thereof "(ii)"; and

(4) by inserting before "and (B)" the following: "(iii) the effectiveness of providing safety and support to maternal and child victims of family violence as a way to eliminate the abuse experienced by children in such situations, (iv) identification of intervention approaches to child abuse prevention services which appear to be successful in preventing child abuse where both mother and child are abused, (v) effective and appropriate treatment services for children where both mother and child are abused, and (vi) the individual and situational factors leading to the end of violent and abusive behavior by persons who commit acts of family violence, including such factors as history of previous violence and the legal and service interventions received,".

SEC. 314. EVALUATION AND REPORT TO CONGRESS.

Section 306 (42 U.S.C. 10405) is amended—

(1) by inserting "and every two years thereafter," after "the first time after the date of the enactment of this title,";

(2) by striking out "assurances" and inserting in lieu thereof "documentation"; and

(3) by striking out "303(a)(2)(F)" and inserting in lieu "303(a)(2)(B) through 303(a)(2)(F)".

SEC. 315. FUNDING FOR TECHNICAL ASSISTANCE CENTERS.

Section 308 (42 U.S.C. 10407) is amended to read as follows:

"SEC. 308. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

"(a) PURPOSE AND GRANTS.—

"(1) PURPOSE.—It is the purpose of this section to provide resource information, training, and technical assistance to Federal, State, and Indian tribal agencies, as well as to local domestic violence programs and to other professionals who provide services to victims of domestic violence.

"(2) GRANTS.—From the amounts appropriated under this title, the Secretary shall award grants to private nonprofit organizations for the establishment and maintenance of one national resource center (as provided for in subsection (b)) and not to exceed six special issue resource centers (as provided for in subsection (c)) focusing on one or more issues of concern to domestic violence victims.

"(b) NATIONAL RESOURCE CENTER.—The national resource center established under subsection (a)(2) shall offer resource, policy and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, and shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics and analyses thereof relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.

"(c) SPECIAL ISSUE RESOURCE CENTERS.—The special issue resource centers established under subsection (a)(2) shall provide information, training and technical assistance to State and local domestic violence service providers, and shall specialize in at least one of the following areas of domestic violence service, prevention, or law:

"(1) Criminal justice response to domestic violence, including court-mandated abuser treatment.

"(2) Improving the response of Child Protective Service agencies to battered mothers of abused children.

"(3) Child custody issues in domestic violence cases.

"(4) The use of the self-defense plea by domestic violence victims.

"(5) Improving interdisciplinary health care responses and access to health care resources for victims of domestic violence.

"(6) Improving access to and the quality of legal representation for victims of domestic violence in civil litigation.

"(d) ELIGIBILITY.—To be eligible to receive a grant under this section an entity shall be a private nonprofit organizations that—

"(1) focuses primarily on domestic violence;

"(2) provides documentation to the Secretary demonstrating experience working directly on issues of domestic violence, particularly in the specific subject area for which it is applying;

"(3) include on its advisory boards representatives from domestic violence programs in the region who are geographically and culturally diverse; and

"(4) demonstrate the strong support of domestic violence advocates from across the country and the region for their designation as the national or a special issue resource center.

"(e) REPORTING.—Not later than 6 months after receiving a grant under this section, a grantee shall prepare and submit a report to the Secretary that evaluates the effectiveness of the use of amounts received under such grant by such grantee and containing such additional information as the Secretary may prescribe.

"(f) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations.

"(g) FUNDING.—From the amounts appropriated under section 310, not in excess of 5 percent of such amount for each fiscal year shall be used for the purpose of making grants under this section.".

SEC. 316. AUTHORIZATION OF APPROPRIATIONS.

Section 310 (42 U.S.C. 10409) is amended to read as follows:

"SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of sections 303 through 309 and section 313, $85,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(b) SECTION 303 (a) AND (b).—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 80 percent shall be used for making grants under subsection 303(a), and not less than 10 percent shall be used for the purpose of carrying out section 303(b).

"(c) SECTION 308.—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 5 percent shall be used by the Secretary for making grants under section 308.".

SEC. 317. LAW ENFORCEMENT TRAINING AND TECHNICAL ASSISTANCE GRANTS AND CONTRACTS AND GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 (42 U.S.C. 10410) is amended to read as follows:

"SEC. 311. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

"(a) IN GENERAL.—The Secretary shall award grants for the funding of State domestic violence coalitions. Such coalitions shall further the purposes of domestic violence intervention and prevention through activities, including—

"(1) working with judicial and law enforcement agencies to encourage appropriate responses to domestic violence cases and examine issues including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation when domestic violence is involved;

"(C) the use of mandatory arrests of accused offenders;

"(D) the discouragement of dual arrests;

"(E) the adoption of aggressive and vertical prosecution policies and procedures;

"(F) the use of mandatory requirements for presentence investigations;

"(G) the length of time taken to prosecute cases or reach plea agreements;

"(H) the use of plea agreements;

"(I) the consistency of sentencing, including comparisons of domestic violence crimes with other violent crimes;

"(K) the restitution of victims;

"(L) the use of training and technical assistance to law enforcement and court officials and other professionals;

"(M) the reporting practices of, and significance to be accorded to, prior convictions (both felony and misdemeanor) and protection orders;

"(N) the use of interstate extradition in cases of domestic violence crimes;

"(O) the use of statewide and regional planning; and

"(P) any other matters as the Secretary and the State domestic violence coalitions believe merit investigations;

"(2) work with family law judges, Child Protective Services agencies, and children's advocates to develop appropriate responses to child custody and visitation issues in domestic violence cases as well as cases where domestic violence and child abuse are both present, including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation where domestic violence is involved;

"(C) the inappropriate use of marital or conjoint counseling in domestic violence cases;

"(D) the use of training and technical assistance for family law judges and court personnel;

"(E) the presumption of custody to domestic violence victims;

"(F) the use of comprehensive protection orders to grant fullest protections possible to victims of domestic violence, including temporary support and maintenance;

"(G) the development by Child Protective Service of supportive responses that enable victims to protect their children;

"(H) the implementation of supervised visitations that do not endanger victims and their children; and

"(I) the possibility of permitting domestic violence victims to remove children from the State when the safety of the children or the victim is at risk;

"(3) conduct public education campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence; and

"(4) participate in planning and monitoring of the distribution of grants and grant funds to their State under section 303(a).

"(b) ELIGIBILITY.—To be eligible for a grant under this section an entity shall be a statewide nonprofit State domestic violence coalition whose—

"(1) membership includes representatives from a majority of the programs for victims of domestic violence in the State;

"(2) board membership is representative of such programs; and

"(3) purpose is to provide services, community education, and technical assistance to such programs to establish and maintain shelter and related services for victims of domestic violence and their children.

"(c) ALLOTMENT OF FUNDS.—From amounts appropriated under this section for each fiscal year, the Secretary shall allot to each State, the District of Columbia, the Commonwealth of Puerto Rico, and the combined U.S. Territories an amount equal to 1/53 of the amount appropriated for such fiscal year. For purposes of this section, the term 'combined U.S. Territories' means Guam, American Samoa, the U.S. Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands and shall not receive less than 1.5 percent of the funds appropriated for each fiscal year.

"(d) REPORTING.—Each State domestic violence coalition receiving amounts under this section shall submit a report to the Secretary describing the coordination, training and technical assistance and public education services performed with such amounts and evaluating the effectiveness of those services.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for each fiscal year to be used to award grants under this section.

"(f) REGULATIONS.—Not later than 45 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing this section.".

SEC. 318. REGULATIONS.

Section 312(a) (42 U.S.C. 10409(a)) is amended by adding at the end thereof the following new sentence:

"Not later than 90 days after the date of enactment of this sentence, the Secretary shall publish proposed regulations implementing sections 303, 308, and 314. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing such sections.".

SEC. 319. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION.

Section 313(1) (42 U.S.C. 10409(1)) is amended by striking out "characteristics relating to family violence" and inserting in lieu thereof "develop data on the number of victims of family violence and their dependents who are homeless or institutionalized as a result of the violence and abuse they have experienced".

SEC. 320. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

The Act is amended by adding at the end thereof the following new section:

"SEC. 314. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

"(a) IN GENERAL.—The Secretary may make grants to public or private nonprofit entities to provide public information campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence.

"(b) APPLICATION.—No grant, contract, or cooperative agreement shall be made or entered into under this section unless an application that meets the requirements of subsection (c) has been approved by the Secretary.

"(c) REQUIREMENTS.—An application submitted under subsection (b) shall—

"(1) provide such agreements, assurances, and information, be in such form and be submitted in such manner as the Secretary shall prescribe through notice in the Federal Register, including a description of how the proposed public information campaign will target the population at risk, including pregnant women;

"(2) include a complete description of the plan of the application for the development of a public information campaign;

"(3) identify the specific audiences that will be educated, including communities and groups with the highest prevalence of domestic violence;

"(4) identify the media to be used in the campaign and the geographic distribution of the campaign;

"(5) describe plans to test market a development plan with a relevant population group and in a relevant geographic area and give assurance that effectiveness criteria will be implemented prior to the completion of the final plan that will include an evaluation component to measure the overall effectiveness of the campaign;

"(6) describe the kind, amount, distribution, and timing of informational messages and such other information as the Secretary may require, with assurances that media organizations and other groups with which such messages are placed will not lower the current frequency of public service announcements; and

"(7) contain such other information as the Secretary may require.

"(d) USE.—A grant, contract, or agreement made or entered into under this section shall be used for the development of a public information campaign that may include public service announcements, paid educational messages for print media, public transit advertising, electronic broadcast media, and any other mode of conveying information that the Secretary determines to be appropriate.

"(e) CRITERIA.—The criteria for awarding grants shall ensure that an applicant—

"(1) will conduct activities that educate communities and groups at greatest risk;

"(2) has a record of high quality campaigns of a comparable type; and

"(3) has a record of high quality campaigns that educate the population groups identified as most at risk.".

SEC. 321. MODEL STATE LEADERSHIP INCENTIVE GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

The Act (as amended by section 320) is further amended by adding at the end thereof the following new section:

"SEC. 315. MODEL STATE LEADERSHIP GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

"(a) IN GENERAL.—The Secretary, in cooperation with the Attorney General, shall award grants to not less than 10 States to assist such States in becoming model demonstration States and in meeting the costs of improving State leadership concerning activities that will—

"(1) increase the number of prosecutions for domestic violence crimes;

"(2) encourage the reporting of incidences of domestic violence; and

"(3) facilitate 'arrests and aggressive' prosecution policies.

"(b) DESIGNATION AS MODEL STATE.—To be designated as a model State under subsection (a), a State shall have in effect—

"(1) a law that requires mandatory arrest of a person that police have probable cause to believe has committed an act of domestic violence or probable cause to believe has violated an outstanding civil protection order;

"(2) a law or policy that discourages 'dual' arrests;

"(3) statewide prosecution policies that—

"(A) authorize and encourage prosecutors to pursue cases where a criminal case can be proved, including proceeding without the active involvement of the victim if necessary; and

"(B) implement model projects that include either—

"(i) a 'no-drop' prosecution policy; or

"(ii) a vertical prosecution policy; and

"(C) limit diversion to extraordinary cases, and then only after an admission before a judicial officer has been entered;

"(4) statewide guidelines for judges that—

"(A) reduce the automatic issuance of mutual restraining or protective orders in cases where only one spouse has sought a restraining or protective order;

"(B) discourage custody or joint custody orders by spouse abusers; and

"(C) encourage the understanding of domestic violence as a serious criminal offense and not a trivial dispute;

"(5) develop and disseminate methods to improve the criminal justice system's response to domestic violence to make existing remedies as easily available as possible to victims of domestic violence, including reducing delay, eliminating court fees, and providing easily understandable court forms.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to the funds authorized to be appropriated under section 310, there are authorized to be appropriated to make grants under this section $25,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) LIMITATION.—Funds shall be distributed under this section so that no State shall receive more than $2,500,000 in each fiscal year under this section.

"(3) DELEGATION AND TRANSFER.—The Secretary shall delegate to the Attorney General the Secretary's responsibilities for carrying out this section and shall transfer to the Attorney General the funds appropriated under this section for the purpose of making grants under this section.".

SEC. 322. EDUCATING YOUTH ABOUT DOMESTIC VIOLENCE.

(a) GENERAL PURPOSE.—For purposes of this section, the Secretary of Education, hereinafter referred to as the "Secretary" shall develop model programs for education of young people about domestic violence and violence among intimate partners.

(b) NATURE OF PROGRAM.—The Secretary, in consultation with the Secretary of Health and Human Services, shall through grants or contracts develop three separate programs, one each for primary and middle schools, secondary schools, and institutions of higher education. Such model programs shall be developed with the input of educational experts, law enforcement personnel, legal and psychological experts on battering, and victim advocate organizations such as battered women's shelters. The participation of each such group or individual consultants from such groups is essential to the development of a program that meets both the needs of educational institutions and the needs of the domestic violence problem.

(c) REVIEW AND DISSEMINATION.—Not later than 9 months after the date of enactment of this Act, the Secretary shall transmit the model programs, along with a plan and cost estimate for nationwide distribution, to the relevant committees of Congress for review.

(d) AUTHORIZATION.—There are authorized to be appropriated under this section for fiscal year 1992, $200,000 to carry out the purposes of this section.

TITLE IV—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO ADOPTION

SEC. 401. FINDINGS AND PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5111) is amended to read as follows:

"SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

"(a) FINDINGS.—Congress finds that—

"(1) the number of children in substitute care increased by nearly 50 percent between 1985 and 1990, as our Nations's foster care population included more than 400,000 children at the end of June, 1990;

"(2) increasingly children entering foster care have complex problems which require intensive services;

"(3) an increasing number of infants are born to mothers who did not receive prenatal care, are born addicted to alcohol and other drugs, and exposed to infection with the etiologic agent for the human immunodeficiency virus, are medically fragile, and technology dependent;

"(4) the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and some such children are in need of placement in permanent, adoptive homes;

"(5) many thousands of children remain in institutions or foster homes solely because of local and other barriers to their placement in permanent, adoptive homes;

"(6) the majority of such children are of school age, members of sibling groups or disabled;

"(7) currently one-half of children free for adoption and awaiting placement are minorities;

"(8) adoption may be the best alternative for assuring the healthy development of such children;

"(9) there are qualified persons seeking to adopt such children who are unable to do so because of barriers to their placement; and,

"(10) in order both to enhance the stability and love of the child's home environment and to avoid wasteful expenditures of public funds, such children should not have medically indicated treatment withheld from them nor be maintained in foster care or institutions when adoption is appropriate and families can be found for such children.

"(b) PURPOSE.—It is the purpose of this title to facilitate the elimination of barriers to adoption and to provide permanent and loving home environments for children who would benefit from adoption, particularly children with special needs, including disabled infants with life-threatening conditions, by—

"(1) promoting model adoption legislation and procedures in the States and territories of the United States in order to eliminate jurisdictional and legal obstacles to adoption; and

"(2) providing a mechanism for the Department of Health and Human Services to—

"(A) promote quality standards for adoption services, pre-placement, post-placement, and post-legal adoption counseling, and standards to protect the rights of children in need of adoption;

"(B) maintain a national adoption information exchange system to bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children, and conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption;

"(C) maintain a National Resource Center for Special Needs Adoption to—

"(i) promote professional leadership development of minorities in the adoption field;

"(ii) provide training and technical assistance to service providers and State agencies to improve professional competency in the field of adoption and the adoption of children with special needs; and

"(iii) facilitate the development of interdisciplinary approaches to meet the needs of children who are waiting for adoption and the needs of adoptive families; and

"(D) demonstrate expeditious ways to free children for adoption for whom it has been determined that adoption is the appropriate plan.".

SEC. 402. MODEL ADOPTION LEGISLATION AND PROCEDURES.

Section 202 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5112) is repealed.

SEC. 403. INFORMATION AND SERVICE FUNCTIONS.

Section 203 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5113) is amended—

(1) in subsection (a)—

(A) by inserting ", on-site technical assistance" after "consultant services" in the second sentence;

(B) by inserting "including salaries and travel costs," after "administrative expenses," in the second sentence; and

(C) by adding at the end thereof the following new sentence: "The Secretary shall, not later than 9 months after the date of enactment of this sentence, prepare and submit to the committees of Congress having jurisdiction over such services reports, as appropriate, containing appropriate data concerning the manner in which activities were carried out under this title, and such reports shall be made available to the public."; and

(2) in subsection (b)—

(A) by striking out paragraph (1) and redesignating paragraph (2) as paragraph (1);

(B) by inserting after paragraph (1) (as so redesignated) the following new paragraph:

"(2) conduct, directly or by grant or contract with public or private nonprofit organizations, ongoing, extensive recruitment efforts on a national level, develop national public awareness efforts to unite children in need of adoption with appropriate adoptive parents, and establish a coordinated referral system of recruited families with appropriate State or regional adoption resources to ensure that families are served in a timely fashion;";

(C) by striking out "and (B)" in paragraph (3) and inserting in lieu thereof "(B) the operation of a national resource center for special needs adoption; and (C)"; and

(D) by inserting ", and to promote professional leadership training of minorities in the adoption field" before the semicolon in paragraph (4).

SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5115) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) There are authorized to be appropriated, $10,000,000 for each of the fiscal years 1992 through 1994, to carry out programs and activities under this Act except for programs and activities authorized under sections 203(b)(8) and 203(c)(1)."; and

(2) in subsection (b), by striking out "$3,000,000", the first place that such appears, and all that follows through the end thereof, and inserting in lieu thereof the following: "$10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(b)(8), and there are authorized to be appropriated $10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(c)(1).".

The PRESIDING OFFICER. There are 10 minutes of debate by the previous order, 5 minutes for the Senator from Indiana and 5 minutes for the Senator from Connecticut.

The Senator from Connecticut.

AMENDMENT NO. 1309

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] for himself and Mr. COATS proposes an amendment numbered 1309.

Mr. DODD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DODD. Mr. President, on behalf of myself and Senator COATS of Indiana, we offer this amendment, a substitute, for the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991.

This is legislation which reauthorizes and increases support for essential, vitally needed services. This authorization is for 3 years. It addresses comprehensively, but does not pretend to overcome, a national crisis and that is family violence which we are painfully aware of each and every day with more and more reports of the increases and this particular violent act which destroys of course the fabric of family lives.

Family violence macerates the fabric of our society and depletes our ability as a Nation to cope. The family home that should be the safe haven of a child or spouse is too often unstable, traumatic, and fractured. And instead of prepared, confident, motivated citizens, we have the specter of future generations populated by the scarred and the dysfunctional. We already see this happening.

Over 2.5 million children were found to be victims of child abuse or neglect in 1990—a 31-percent rise since 1985. Child deaths due to maltreatment increased by 38 percent from 1985 to 1990—1,211 died last year. About 2.5 percent of all American children are abused or neglected each year.

Care for maltreated children is delivered by the State Child Protective Service Agencies. But most of these State agencies have been underfunded and their caseloads have skyrocketed. Last year, over half the States received no real increases in State funding to help meet the load of reported cases. Since 1985, the Federal budget for the National Center on Child Abuse and Neglect [NCCAN] has actually dropped below the 1985 level in real dollars.

Family violence, meanwhile, is the single largest cause of injury to women in the United States; an estimated 3 to 4 million American women are injured each year by their husbands or male partners. Wife beating results in more injuries requiring medical treatment than rape, auto accidents, and muggings combined. The medical costs related to domestic violence exceed $100 million a year; over 1 million women seek medical assistance annually for injuries caused by battering. The Centers for Disease Control considers violence against women to be a widespread public health problem, affecting families of all classes and backgrounds.

Domestic violence, moreover, continues to increase. There were nearly 23,000 incidents of family violence in my own State of Connecticut in 1990 in which at least one person was arrested—a 3.2 percent increase over 1989. Especially worrisome is that children were present or involved in 44 percent of these cases. As we have come to realize, family violence and child abuse are intertwined and synergistic. An estimated 3.3 million children witness domestic violence every year. These children, in turn, are at higher risk of suffering physical abuse or neglect themselves—1,500 percent higher, to be precise, than among the general population. Children from violent homes, furthermore, are at heightened risk for substance abuse and juvenile delinquency.

The legislation we pass today seeks to prevent the abuse and neglect of children. Within the child abuse title, the community-based prevention grants have been increased to strengthen State-funded primary prevention programs. The State Grants Program focuses on the improvement of overburdened child protective services—including staff training, case management, and record systems, as well as augmenting the numbers of social workers.

The family violence provisions of this legislation improve direct services, such as shelters and counseling, for family violence victims and their children. Funding for the State domestic violence coalitions has been included in recognition of their critical successes in coordinating services, training, and strengthening of State services and legal protections.

The adoption opportunities provisions support the recruitment of prospective adoptive families. It promotes professional leadership development, especially within the minority community, to unite minority children with families of like ethnicity and culture. The bill provides for adoption training for professional agency staff and parents, and therapy services to help families cope with postadoption problems.

We should be proud of this legislation; the provisions address severely pressing needs. I am especially pleased with the broad-based, bipartisan cooperation and support behind this effort. Senator COATS and his staff deserve much credit for their hard work and contributions throughout the legislative process. In particular, Senator COATS has brought the issue of family violence to the fore and is a leader among us in developing thoughtful legislative responses in this area.

Today's act, however, is by no means definitive. Although we have succeeded in strengthening important programs, there remains the overriding need to better coordinate and organize the agencies and services that protect our families and children. The U.S. Advisory Board on Child Abuse and Neglect has addressed this fundamental issue thoughtfully and in detail. Our task will be to work with our colleagues in the House to craft companion legislation next year to improve the administration of these programs.

Mr. President, we do not pretend with this legislation to deal or necessarily suggest we are going to wipe out this problem. We do think the funds we are providing here will make a significant impact on trying to reduce the incidences of violence in children and to women in the domestic setting.

As I said at the very outset, this kind of violence, of course, often comes along with economic crisis as we see with higher unemployment rates and significant deterioration of our economy. So obviously there is some interrelationship of getting the economy moving and also having an impact on some of these issues.

Mr. President, I thank my colleague for support of this. I look forward to working with our colleagues in the House to craft companion legislation next year to improve the administration of these programs where some concern has been raised over those particular points.

I reserve the remainder of my time.

Mr. COATS. Mr. President, I am pleased to join Senator DODD and to be a co-author of S. 838, the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991. This bill endeavors to address a very serious and unfortunately growing problem of abuse and neglect of our most vulnerable citizens, children and women.

In my own State of Indiana, a record number of children are dying of abuse and neglect. During the first 6 months of last year 54 children died of causes related to child abuse. This represents the highest number of deaths contributed to child abuse in Indiana in at least a decade, nearly double those that occurred in 1989.

The experts in Indiana believe, as do I that part of the reason for these growing statistics is a lack of preventative care. Low pay and high caseloads have in many instances made it impossible for child protective workers to do their jobs effectively. Caseloads in many instances are now two or three times above a manageable level.

These are very serious problems that Congress can and should address. S. 838 addresses this problem by significantly expanding funding for State child protective services. But this problem is more than a matter of budgets, turnover rates, and programs. Child abuse is not ultimately caused by a failure of Government, but by a failure and lack of strong supportive families. And this is infinitely more disturbing. Amid all these figures we see one dreadful fact. In some way we have dulled our capacity for nurture. And it is the helpless innocent who suffer.

There is no comfort when the family becomes a hostile place. Wounds suffered this early seldom heal. But wounds suffered later in life are also painful. Unfortunately, we have been slower to address the latter. I am speaking of the issue of spouse abuse. I thank Senator DODD for working with me to include several provisions from legislation I first introduced last year on the issue of family violence. I have taken a very personal interest in family violence, in part in response to a series of unfortunate situations in Indiana which received nationwide attention. Last year, the committee may recall, I chaired a hearing on this issue and also sponsored a series of conferences in Indiana on the subject. The information I gleamed from the experts was invaluable—and resulted in the legislation introduced last year and reintroduced again this year.

S. 838 is the product of close to a year's work and attempts to address some very difficult and troubling areas. This is a very important piece of legislation, and while it certainly is not the perfect answer, it represents, in my opinion, our best effort at addressing this difficult area.

I thank Senator DODD for his work with me and our staff in crafting what I think is the most appropriate response to a very difficult problem.

Mr. DODD. Mr. President, I did not pay enough deference to my colleague from Indiana. He has been terrific on this issue and has made very valuable suggestions to the legislation. And his staff has been tremendously supportive.

I also want to thank Rich Tarplin and Courtney Pastorfield of my staff for their help in this. And, of course, the chairman of the committee, Senator KENNEDY, whose staff was tremendously helpful in making it possible for us to move this legislation forward.

Lastly, President, I agree with the comments of my colleague from Indiana. We could not obviously design nor have we designed here the perfect piece of legislation. There is, however, no doubt in my mind that there is a correlation between economic hard times and alcoholism, drug abuse, and family violence These things seem to track each other. While we try to make an effort here, the ultimate answer I suppose is to make it possible to reduce some of those offenses that occur in domestic settings where this kind of violence seems to erupt. Too often we see it erupt when people are out of work or having difficult times making ends meet. So there is a correlation. We hope to be able to address this problem and simultaneously address the issues affecting the economy of this country.

On that note, Mr. President, I do not have any requests for time on this particular matter and, if my colleague from Indiana does not, I would ask for the yeas and nays on this legislation.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Connecticut has 1 minute and 17 seconds remaining.

Mr. DODD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Indiana yield back his time?

Mr. COATS. Mr. President, I do not have any other requests for time. I know a number of Senators wanted to express their thoughts on this and will submit statements for the RECORD, but I will yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to Amendment No. 1309 offered by the Senator from Connecticut, [Mr. DODD].

The amendment (No. 1309) was agreed to.

The PRESIDING OFFICER. The question now occurs on agree to the committee substitute, as amended.

The committee substitute, as amended, was agreed to.

Mr. REID. Mr. President, I rise today to offer my sincere thanks to Senator DODD for his successful work in bringing the reauthorization of S. 838, the Child Abuse Prevention and Treatment Act, to the Senate floor.

There are many, many important provisions in this bill. The goal they seek to reach is commendable, desperately needed, and sometimes overwhelming. That goal, however, is simple, it is one of keeping our children, and mothers, safe; safe at the hands of their male companions.

Earlier this year I became involved with the battered women's community. What I have seen, and what I have heard, have taught me some new things indeed.

Every 18 seconds a woman in the United States is battered. This adds up to 200 women battered every hour, or almost 5,000 battered every day. When you hear the stories I've heard, and look at the statistics I've seen, you're forced to conclude that nobody is safe from domestic violence.

I learned that there is only one Federal law on the books concerning domestic violence. That law created a program at the Department of Health and Human Services which funds shelters and hotlines for battered women. But, in terms of the program's funding, it receives only peanuts. Sure, the program was made law by the Congress and President, but no one thought it was important enough to fully fund, or even halfway fund.

So, this year, I worked to make sure the Appropriations Committee increased its funding. Three out of four women who seek safety in a shelter for battered women are turned away. Now, with funding nearly doubled, maybe only one out of two women will be turned away, but that is still too many. No woman should have to be a prisoner in her own home.

The American public desperately needs education about domestic violence. They need to stop turning their backs on this ugly issue, to take a stand, to do something about it. In order to improve the education of Americans about this issue, I introduced the Domestic Violence Act, S. 803, which passed today with Senator DODD's 838. This bill will provide Federal funds for State coalitions on domestic violence to provide indirect services such as public education campaigns, and special training of law enforcement officers and judges. Because of the work of Senator DODD, the American public will start learning about this tragedy which tears at the fabric of our families. People will learn what they can do to stop it and prevent it.

I would like to thank all 96 of my colleagues who supported this legislation. America's women and children will be better off because of your work.

Mr. HATCH. Mr. President, the U.S. Advisory Board on Child Abuse and Neglect stated in their first report, "Not only are child abuse and neglect wrong, but our Nation's lack of an effective response to them is also wrong. Neither can be tolerated. Together they constitute a moral disaster."

The problem of child abuse continues to outrage all of us. In 1990, an estimated 2,508,000 children were reported as victims of child abuse or neglect, a 31-percent increase in reports from 1985 to 1990.

Child abuse and neglect clearly result from the disruptions of our family, neighborhood, and community structures. Poverty, parental substance abuse, poor parenting skills, and unemployment are some of the leading contributing factors.

Over the past 5 years there has been an increase in the number of children requiring protective services. In 1990, 407,000 children were in foster care. Child welfare agencies struggle to protect children under a heavy caseload burden.

I support S. 838, the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991, in its attempt to address these problems. This bill authorizes funds for State Grants Program to support and improve State child protective services systems. It assists States in supporting child abuse and neglect prevention activities through community-based prevention grants. It authorizes emergency child abuse prevention grants focusing on children affected by substance abuse within the family.

S. 838 makes changes in the Family Violence Prevention and Services Act to provide more comprehensive services to victims of family violence. The greatest threat of violent assault to women and children comes from intimates, not strangers. Studies indicate that in half of the cases in which women are being physically abused by a male partner, the children are being abused as well.

This bill also strengthens the Adoption Opportunities Act to help remove barriers to providing permanent placement for the thousands of children who remain in institutions or foster homes.

We need to continue to consider, debate, and implement, where appropriate, the recommendations of the U.S. Advisory Board on Child Abuse and Neglect. We need to continue to work together to eliminate the national disgrace of child abuse to pursue solutions that both protect children and strengthen families.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having read the third time, the question is, Shall it pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH] is absent due to a death in the family.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote "yea."

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—96

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—4

Cranston
Harkin
Hatch
Kerrey

So the bill (S. 838), as amended, was passed as follows:

S. 838

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991".

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.).

SEC. 102. FINDINGS.

(a) IN GENERAL.—The Act is amended by inserting after the table of contents the following new section:

"SEC. 2. FINDINGS.

"Congress finds that—

"(1) each year, hundreds of thousands of American children are victims of abuse and neglect with such numbers having increased dramatically over the past decade;

"(2) many of these children and their families fail to receive adequate protection or treatment;

"(3) the problem of child abuse and neglect requires a comprehensive approach that—

"(A) integrates the work of social service, legal, health, mental health, education, and substance abuse agencies and organizations;

"(B) strengthens coordination among all levels of government, and with private agencies, civic, religious, and professional organizations, and individual volunteers;

"(C) emphasizes the need for abuse and neglect prevention, investigation, and treatment at the neighborhood level;

"(D) ensures properly trained and supported staff with specialized knowledge, to carry out their child protection duties; and

"(E) is sensitive to ethnic and cultural diversity;

"(4) the failure to coordinate and comprehensively prevent and treat child abuse and neglect threatens the futures of tens of thousands of children and results in a cost to the Nation of billions of dollars in direct expenditures for health, social, and special educational services and ultimately in the loss of work productivity;

"(5) all elements of American society have a shared responsibility in responding to this national child and family emergency;

"(6) substantial reductions in the prevalence and incidence of child abuse and neglect and the alleviation of its consequences are matters of the highest national priority;

"(7) national policy should strengthen families to remedy the causes of child abuse and neglect, provide support for intensive services to prevent the unnecessary removal of children from families, and promote the reunification of families if removal has taken place;

"(8) the child protection system should be comprehensive, child-centered, family-focused, and community-based, should incorporate all appropriate measures to prevent the occurrence or recurrence of child abuse and neglect, and should promote physical and psychological recovery and social re-integration in an environment that fosters the health, self-respect, and dignity of the child;

"(9) because of the limited resources available in low-income communities, Federal aid for the child protection system should be distributed with due regard to the relative financial need of the communities;

"(10) the Federal government should ensure that every community in the United States has the fiscal, human, and technical resources necessary to develop and implement a successful and comprehensive child protection strategy;

"(11) the Federal government should provide leadership and assist communities in their child protection efforts by—

"(A) promoting coordinated planning among all levels of government;

"(B) generating and sharing knowledge relevant to child protection, including the development of models for service delivery;

"(C) strengthening the capacity of States to assist communities;

"(D) allocating sufficient financial resources to assist States in implementing community plans;

"(E) helping communities to carry out their child protection plans by promoting the competence of professional, paraprofessional, and volunteer resources; and

"(F) providing leadership to end the abuse and neglect of the nation's children and youth.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 1, the following new item:

"Sec. 2. Findings.".

SEC. 3. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

(a) IN GENERAL.—Section 102 (42 U.S.C. 5102) is amended by adding at the end thereof the following new subsection:

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,000,000 for fiscal year 1992.".

Subtitle A—General State Program

SEC. 110. GRANT PROGRAM FOR CHILD ABUSE NEGLECT PREVENTION AND TREATMENT.

Section 107 (42 U.S.C. 5106a) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) DEVELOPMENT AND OPERATION GRANTS.—The Secretary, acting through the Center, shall make grants to the States, based on the population of children under the age of 18 in each State that applies for a grant under this section, for purposes of assisting the States in improving the child protective service system of each such State in—

"(1) the intake and screening of reports of abuse and neglect through the improvement of the receipt of information, decisionmaking, public awareness, and training of staff;

"(2)(A) investigating such reports through improving response time, decisionmaking, referral to services, and training of staff;

"(B) creating and improving the use of multidisciplinary teams and interagency protocols to enhance investigations; and

"(C) improving legal preparation and representation;

"(3) case management and delivery services provided to families through the improvement of response time in service provision, improving the training of staff, and increasing the numbers of families to be served;

"(4) enhancing the general child protective system by improving assessment tools, automation systems that support the program, information referral systems, and the overall training of staff to meet minimum competencies; or

"(5) developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs."; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) STATE PROGRAM PLAN.—To be eligible to receive a grant under this section, a State shall annually submit a plan to the Secretary that specifies the child protective service system area or areas described in subsection (a) that the State intends to address with funds received under the grant. The plan shall describe the current system capacity of the State in the relevant area or areas from which to assess programs with grant funds and specify the manner in which funds from the State's programs will be used to make improvements. The plan required under this subsection shall contain, with respect to each area in which the State intends to use funds from the grant, the following information with respect to the State:

"(1) INTAKE AND SCREENING.—

"(A) STAFFING.—The number of child protective service workers responsible for the intake and screening of reports of abuse and neglect relative to the number of reports filed in the previous year.

"(B) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in report-taking, screening, decision-making, and referral for investigation.

"(C) PUBLIC EDUCATION.—An assessment of the State or local agency's public education program with respect to—

"(i) what is child abuse and neglect;

"(ii) who is obligated to report and who may choose to report; and

"(iii) how to report.

"(2) INVESTIGATION OF REPORTS.—

"(A) RESPONSE TIME.—The number of reports of child abuse and neglect filed in the State in the previous year where appropriate, the agency response time to each with respect to initial investigation, the number of substantiated and unsubstantiated reports, and where appropriate, the response time with respect to the provision of services.

"(B) STAFFING.—The number of child protective service workers responsible for the investigation of child abuse and neglect reports relative to the number of reports investigated in the previous year.

"(C) INTERAGENCY COORDINATION.—A description of the extent to which interagency coordination processes exist and are available Statewide, and whether protocols or formal policies governing interagency relationships exist in the following areas—

"(i) multidisciplinary investigation teams among child welfare and law enforcement agencies;

"(ii) interagency coordination for the prevention, intervention and treatment of child abuse and neglect among agencies responsible for child protective services, criminal justice, schools, health, mental health, and substance abuse; and

"(iii) special interagency child fatality review panels, including a listing of those agencies that are involved.

"(D) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as investigation, risk assessment, court preparation, and referral to and provision of services.

"(E) LEGAL REPRESENTATION.—A description of the State agency's current capacity for legal representation, including the manner in which workers are prepared and trained for court preparation and attendance, including procedures for appealing substantiated reports of abuse and neglect.

"(3) CASE MANAGEMENT AND DELIVERY OF ONGOING FAMILY SERVICES.—For children for whom a report of abuse and neglect has been substantiated and the children remain in their own homes and are not currently at risk of removal, the State shall assess the activities and the outcomes of the following services:

"(A) RESPONSE TIME.—The number of cases opened for services as a result of investigation of child abuse and neglect reports filed in the previous year, including the response time with respect to the provision of services from the time of initial report and initial investigation.

"(B) STAFFING.—The number of child protective service workers responsible for providing services to children and their families in their own homes as a result of investigation of reports of child abuse and neglect.

"(C) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as risk assessment, court preparation, provision of services and determination of case disposition, including how such training is evaluated for effectiveness.

"(D) INTERAGENCY COORDINATION.—The extent to which treatment services for the child and other family members are coordinated with child welfare, social service, mental health, education, and other agencies.

"(4) GENERAL SYSTEM ENHANCEMENT.—

"(A) AUTOMATION.—A description of the capacity of current automated systems for tracking reports of child abuse and neglect from intake through final disposition and how personnel are trained in the use of such system.

"(B) ASSESSMENT TOOLS.—A description of whether, how, and what risk assessment tools are used for screening reports of abuse and neglect, determining whether child abuse and neglect has occurred, and assessing the appropriate level of State agency protection and intervention, including the extent to which such tool is used statewide and how workers are trained in its use.

"(C) INFORMATION AND REFERRAL.—A description and assessment of the extent to which a State has in place—

"(i) information and referral systems, including their availability and ability to link families to various child welfare services such as homemakers, intensive family-based services, emergency caretakers, home health visitors, daycare and services outside the child welfare system such as housing, nutrition, health care, special education, income support, and emergency resource assistance; and

"(ii) efforts undertaken to disseminate to the public information concerning the problem of child abuse and neglect and the prevention and treatment programs and services available to combat instances of such abuse and neglect.

"(D) STAFF CAPACITY AND COMPETENCE.—An assessment of basic and specialized training needs of all staff and current training provided staff. Assessment of the competencies of staff with respect to minimum knowledge in areas such as child development, cultural and ethnic diversity, functions and relationship of other systems to child protective services and in specific skills such as interviewing, assessment, and decisionmaking relative to the child and family, and the need for training consistent with such minimum competencies.

"(5) INNOVATIVE APPROACHES.—A description of—

"(A) research and demonstration efforts for developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs, including the interagency efforts at the State level; and

"(B) the manner in which proposed research and development activities build on existing capacity in the programs being addressed.".

SEC. 111. GRANT PROGRAM FOR INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.

Section 109 (42 U.S.C. 5106c) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 109. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.";

(2) in subsection (a), by striking out paragraphs (1) and (2), and inserting in lieu thereof the following new paragraphs:

"(1) the handling of child abuse and neglect cases, particularly cases of child sexual abuse and exploitation, in a manner which limits additional trauma to the child victim;

"(2) the handling of cases of suspected child abuse or neglect related fatalities; and

"(3) the investigation and prosecution of cases of child abuse and neglect, particularly child sexual abuse and exploitation.";

(3) in subsection (b)—

(A) by striking out "and 107(e) or receive a waiver under section 107(c)" in paragraph (1);

(B) by striking out "and" at the end of paragraph (3);

(C) by inserting "annually" after "submit" in paragraph (4); and

(D) by striking out the period at the end thereof and inserting the following: "; and

"(5) submit annually to the Secretary a report on the manner in which assistance received under this program was expended throughout the State, with particular attention focused on the areas described in paragraphs (1) through (4) of subsection (a).";

(4) in subsection (c)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting ", and maintain" after "designate"; and

(ii) by striking out "child abuse" and inserting in lieu thereof "child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities";

(B) by striking out "judicial and legal officers", in subparagraph (B) and inserting in lieu thereof "judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect";

(C) by inserting before the semicolon in subparagraph (C), the following: ", including both attorneys for children and, where such programs are in operation, court appointed special advocates";

(D) by striking out subparagraph (E); and

(E) by striking out "handicaps;" in subparagraph (F), and inserting in lieu thereof "disabilities; and"; and

"(G) by striking out subparagraph (G) and redesignating subparagraph (H) as subparagraph (G);

(5) in subsection (d)—

(A) by striking out "the State task force shall" in the matter preceding paragraph (1), and inserting in lieu thereof "and at three year intervals thereafter, the State task force shall comprehensively";

(B) by striking out "judicial" and all that follows in paragraph (1), and inserting in lieu thereof the following: "both civil and criminal judicial handling of cases of child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal;";

(C) by inserting "policy and training" before "recommendations" in paragraph (2); and

(6) in subsection (e)(1)—

(A) by striking out "child abuse" and all that follows through "child victim" in subparagraph (A), and inserting in lieu thereof the following: "child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal, in a manner which reduces the additional trauma to the child victim and the victim's family";

(B) by striking out "improve the rate" and all that follows through "abuse cases" in subparagraph (B), and inserting in lieu thereof the following: "improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children"; and

(C) in subparagraph (C)—

(i) by inserting ", protocols" after "regulations"; and

(ii) by inserting "and exploitation" after "sexual abuse".

Subtitle B—Community-Based Prevention Grants

SEC. 121. TITLE HEADING AND PURPOSE.

(a) Title Heading.—The heading for title II (42 U.S.C. 5116 et seq.) is amended to read as follows:

"TITLE II—COMMUNITY-BASED CHILD ABUSE AND NEGLECT PREVENTION GRANTS".

(b) Purpose.—Section 201 (42 U.S.C. 5116) is amended—

(1) in the section heading to read as follows:

"SEC. 201. PURPOSES."; and

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"It is the purpose of this title, through the provision of community-based child abuse and neglect prevention grants, to assist States in supporting child abuse and neglect prevention activities.".

SEC. 122. DEFINITIONS.

Section 202 (42 U.S.C. 5116a) is amended—

(1) in paragraph (1), by striking out "and" at the end thereof; and

(2) in paragraph (2), by striking out the period and inserting in lieu thereof "; and".

SEC. 123. STATE ELIGIBILITY.

Section 204 (42 U.S.C. 5116c) is amended—

(1) by striking out "or other funding mechanism"; and

(2) by striking out "which is available only for child" and all that follows through the end thereof, and inserting "which includes (in whole or in part) legislative provisions making funding available only for the broad range of child abuse and neglect prevention activities.".

SEC. 124. LIMITATIONS.

Section 205 (42 U.S.C. 5116d) is amended—

(1) by striking out paragraph (1) of subsection (a) and inserting in lieu thereof the following new paragraph:

"(1) Allotment formula.—

"(A) In general.—Amounts appropriated to provide grants under this title shall be allotted among eligible States in each fiscal year so that—

"(i) 50 percent of the total amount appropriated is allotted among each State based on the number of children under the age of 18 in each such State, except that each State shall receive not less than $30,000; and

"(ii) the remaining 50 percent of the total amount appropriated is allotted in an amount equal to 25 percent of the total amount collected by each such State, in the fiscal year prior to the fiscal year for which the allotment is being determined, for the children's trust fund of the State for child abuse and neglect prevention activities.

"(B) Use of amounts.—Not less than 50 percent of the amount of a grant made to a State under this title in each fiscal year shall be utilized to support community-based prevention programs as authorized in section 204(a), except that this subparagraph shall not become applicable until amounts appropriated under section 203(b) exceed $10,000,000."; and

(2) in subsection (b)(1)—

(A) by striking out "trust fund advisory board" and all that follows through "section 101" in subparagraph (A) and inserting in lieu thereof "advisory board established under section 102";

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (F) and (G), respectively; and

(C) by inserting after subparagraph (A), the following new subparagraphs:

"(B) demonstrate coordination with other child abuse and neglect prevention activities and agencies at the State and local levels;

"(C) demonstrate the outcome of services and activities funded under this title;

"(D) provide evidence that Federal assistance received under this title has been supplemented with non-Federal public and private assistance (including in-kind contributions) at the local level (Federal assistance expended in support of activities authorized under paragraphs (1), (2), and (3) of section 204 shall be supplemented by State assistance);

"(E) demonstrate the extent to which funds received under this title are used to support community prevention activities in underserved areas, in which case the supplemental support required under subparagraph (D) shall be waived for the first 3 years in which assistance is provided to a grantee described in this subparagraph;".

Subtitle C—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness

SEC. 131. CERTAIN PREVENTIVE SERVICES REGARDING CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 302(b) (42 U.S.C. 5118a(b)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) by redesignating paragraph (4) as paragraph (6); and

(3) by inserting after paragraph (3), the following new paragraphs:

"(4) the provision of emergency housing-related assistance necessary to prevent the placement of children in out-of-home care, to facilitate the reunification of children with their families, and to enable the discharge of youths not less than 16 years of age from such area, including assistance in meeting the costs of—

"(A) rent or utility arrears to prevent an eviction or termination of utility services;

"(B) security and utility deposits, first month's rent, and basic furnishings; and

"(C) other housing-related assistance;

"(5) the provision to families, and to youths not less than 16 years of age who are preparing to be discharged from such care, of temporary rent subsidies necessary to prevent the initial or prolonged placement of children in out-of-home care, which subsidies are provided in an amount not exceeding 70 percent of the local fair market rental value and are provided for a period not to exceed 180 days; and".

Subtitle D—Child Abuse Treatment Improvements Grants

SEC. 141. ESTABLISHMENT OF PROGRAM.

The Act is amended by adding at the end thereof the following new title:

"TITLE IV—MISCELLANEOUS PROGRAMS

"SEC. 401. CHILD ABUSE TREATMENT IMPROVEMENTS GRANT PROGRAM.

"(a) AUTHORITY.—The Secretary of Health and Human Services (hereafter referred to in this section as the 'Secretary'), acting through the Administration for Children, Youth and Families, may award grants to eligible entities to improve the treatment of children exposed to abuse or neglect and the families of such children, particularly when such children have been placed in out-of-home care.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

"(1) be a State or local public or nonprofit private entity;

"(2) be responsible for administering or providing child welfare services (including out-of-home services); and

"(3) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require including the information required under subsection (c).

"(c) CONTENTS OF APPLICATION.—An application submitted by an entity under subsection (b)(4) shall contain—

"(1) a description of the proposed program to be established, implemented or improved using amounts received under a grant, including the specific activities to be undertaken, the agencies that will be involved, the process that has been established for evaluating such activities, and the nature of any innovations proposed;

"(2) evidence of the need that the activity or program, to be conducted using amounts received under the grant, will address;

"(3) assurances that amounts received under the grant will be used to supplement, not supplant, existing funds provided by the State for child welfare purposes;

"(4) assurances that the applicant entity will provide not less than 20 percent of the total amounts needed to pay the costs associated with the program funded under such grant;

"(5) assurances that the applicant entity will provide information to the Secretary concerning the progress and outcome of the program to be funded under such grant;

"(6) a description of the procedures to be used to disseminate the findings derived from the program to be funded under such grant within the State;

"(7) a description of the extent to which multiple agencies will be involved in the design, development, operation, and staffing of the program to be funded under such grant; and

"(8) and other information determined appropriate by the Secretary.

"(d) USE OF FUNDS.—An entity may use amounts provided under a grant awarded under this section to—

"(1)(A) develop models of out-of-home care that are designed to promote the reunification of children with their families, including training and support components for foster parents to enable such parents to assist the birthparents with reunification efforts, except that such efforts must be determined to be in the best interest of the child;

"(B) develop comprehensive service approaches for child out-of-home care and for the families of such children, specifically focused on reunification; and

"(C) establish activities that are designed to promote visitation of parents and children, such as the establishment of neutral settings for structured visits between biological parents and children in care;

"(2) develop activities that are designed to support relatives caring for children who have been abused or neglected or children from families where substance abuse is present;

"(3) enhance the reimbursement and other support provided to foster parents, including relatives, to promote better recruitment and retention of foster parents;

"(4) develop activities and programs designed to—

"(A) promote the healthy physical, social, emotional, and educational development of children in out-of-home care and under child abuse preventive services supervision, including—

"(i) the conduct of comprehensive, multidisciplinary assessments of the physical, social, emotional, and educational development of such children, with particular attention given to the needs and strengths of the families of such children; and

"(ii) the development of services to meet such needs which involve multiple service agencies and alternative support systems within the community;

"(B) provide training for foster parents to address the physical, social, emotional, and educational needs of the children in their care; or

"(C) provide special programs to assist children with academic or developmental problems;

"(5) develop and implement programs that provide mentors, who are adults from the community or who are former foster youths, to youths in out-of-home care, in order to address their special needs, increase self esteem, and provide role models;

"(6) provide incentives that may be necessary to establish and recruit foster family homes for special populations, including children who are medically fragile or have other special physical, mental, and emotional disabilities, adolescent mothers and their children who are in care, and children who have been sexually abused;

"(7) hire staff with specialized knowledge in the areas of substance abuse, child development, education, health care, and adolescents, to provide support and act as a resource for caseworkers working with children and families with special needs in these areas; and

"(8) conduct other activities as the Secretary determines appropriate.

"(e) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section the Secretary shall consider—

"(1) the geographic dispersion of the applicants for such grants;

"(2) the likelihood that the proposed service approach of the applicant would be transferable to other sites; and

"(3) the need for variety in the problems to be addressed by the applicants and in the models used to address similar problems.

"(f) ADMINISTRATION.—In administering the grant program established under this section the Administration for Children, Youth and Families shall—

"(1) require grantees to submit annual reports concerning the projects funded under such grants and a final report assessing the outcome of such projects;

"(2) arrange for the dissemination of project results through such means as the child welfare resource centers and the National Clearinghouse on Child Abuse and Neglect; and

"(3) provide for the evaluation of projects funded under this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $30,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.".

SEC. 142. TECHNICAL AMENDMENT.

The Act is amended in the table of contents in section 1(b) by adding at the end thereof the following new items:

"TITLE IV—MISCELLANEOUS PROGRAMS
"Sec. 401. Child abuse treatment improvements grant program.".

Subtitle E—Reauthorization of Certain Programs

SEC. 151. EMERGENCY GRANT PROGRAM.

Section 107A(e) (42 U.S.C. 5106a-1(e)) is amended by striking out "and such sums" and all that follows through the end thereof and inserting "such sums as may be necessary for fiscal year 1991, $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 152. GENERAL GRANT PROGRAMS.

Subsection (a) of section 114 (42 U.S.C. 5106h(a)) is amended to read as follows:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, except for section 107A, $150,000,000 for fiscal year 1992, and such sums as may be necessary for each of this fiscal years 1993 and 1994. Of amounts appropriated under this section in any fiscal year—

"(1) 33⅓ percent of such amounts shall be made available in each such fiscal year for activities under sections 104, 105 and 106; and

"(2) 66⅔ percent of such amounts shall be made available in each such fiscal year for activities under sections 107 and 108.

A State may spend the entire amount provided to such State under this title in a fiscal year for the purposes described in subsection (a)(5) of section 107, except that subsequent to the date on which the amount appropriated and available under paragraph (2) exceeds $40,000,000, such State shall not spend in excess of 15 percent of such amounts for the purposes described in subsection (a)(5) of section 107.".

SEC. 153. COMMUNITY-BASED PREVENTION GRANTS.

Section 203 (42 U.S.C. 5116b) is amended—

(1) by striking out subsection (b);

(2) by redesignating subsection (c) as subsection (b); and

(3) in subsection (b) (as so redesignated), by striking out "such sums" and all that follows through the period and inserting in lieu thereof "$50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 154. PREVENTIVE SERVICES FOR CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 306(a) (42 U.S.C. 5118e(a)) is amended by inserting ", and such sums as may be necessary in each of the fiscal years 1993 and 1994" before the period.

Subtitle F—Miscellaneous Provisions

SEC. 161. REPORT CONCERNING VOLUNTARY REPORTING SYSTEM.

Not later than April 30, 1992, and annually thereafter, the Secretary of Health and Human Services, acting through the Director of the National Center on Child Abuse and Neglect, shall prepare and submit to the appropriate committees of Congress a report concerning the measures being taken to assist States in implementing a voluntary reporting system for child abuse and neglect. Such reports shall contain information concerning the extent to which the child abuse and neglect reporting systems developed by the States are coordinated with the automated foster care and adoption reporting system required under section 479 of the Social Security Act.

TITLE II—CHILDREN WITH DISABILITIES TEMPORARY CARE

SEC. 201. SHORT TITLE.

This title may be cited as the "Children With Disabilities Temporary Care Reauthorization Act of 1991".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 206 of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117) is amended in the first sentence, by inserting before the period the following: ", and $20,000,000 for each of the fiscal years 1992 through 1994".

SEC. 203. TECHNICAL AMENDMENT.

Section 205(a)(1)(A)(vi) of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117c(a)(1)(A)(vi)) is amended by striking out "(vi)" and inserting in lieu thereof "(v)".

SEC. 204. EFFECTIVE DATE.

The amendments made by this title shall take effect October 1, 1991, or on the date of the enactment of this Act, whichever occurs later.

TITLE III—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO FAMILY VIOLENCE

SEC. 301. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.).

SEC. 302. EXPANSION OF PURPOSE.

Section 302 (42 U.S.C. 10401) is amended—

(1) in paragraph (1)—

(A) by striking out "demonstration the effectiveness of assisting" and inserting in lieu thereof "assist"; and

(B) by striking out "to prevent" and inserting in lieu thereof "to increase public awareness about and prevent"; and

(2) in paragraph (2), by inserting ", courts, legal, social service, and health care professionals" after "(including law enforcement agencies".

SEC. 303. EXPANSION OF STATE GRANT PROGRAM.

Section 303(a) (42 U.S.C. 10402(a)) is amended—

(1) in paragraph (1), by striking out "demonstration grants" and inserting in lieu thereof "grants"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" in the matter preceding subparagraph (A), and inserting in lieu thereof "grant";

(B) by striking out "demonstration grant" in subparagraph (A), and inserting in lieu thereof "grant"; and

(C) by striking out "particularly those projects" in subparagraph (B)(ii) and all that follows through the end thereof, and inserting in lieu thereof the following: "the primary purpose of which is to operate shelters for victims of family violence and their dependents, and those which provide counseling, advocacy, and self-help services to victims and their children.".

SEC. 304. INVOLVEMENT IN PLANNING.

Section 303(a)(2)(C) (42 U.S.C. 10402(a)(2)(C)) is amended by inserting "State domestic violence coalitions" after "involve".

SEC. 305. CONFIDENTIALITY ASSURANCES.

Section 303(a)(2)(E) (42 U.S.C. 10402(a)(2)(E)) is amended by striking out "assurances that procedures will be developed" and inserting in lieu thereof "documentation that procedures have been developed, and implemented including copies of the policies and procedure,".

SEC. 306. PROCEDURE FOR EVICTING VIOLENT SPOUSES.

Section 303(a)(2)(F) (42 U.S.C. 10402(a)(2)(F)) is amended to read as follows:

"(F) provide documentation to the Secretary that the State has a law or procedure that has been implemented for the eviction of an abusing spouse from a share household;".

SEC. 307. PENALTIES FOR NONCOMPLIANCE.

Section 303(a)(3) (42 U.S.C. 10402(c)) is amended—

(1) by inserting "a 6-month period providing an" before "opportunity"; and

(2) by adding at the end thereof the following new sentences: "The Secretary shall provide such notice within 45 days of the date of the application if any of the provisions of subsection (a)(2) have not been satisfied in such application. If the State has not corrected the deficiencies in such application within the 6-month period following the receipt of the Secretary's notice of intention to disapprove, the Secretary shall withhold payment of any grant funds to such State until the date that is 30 days prior the end of the fiscal year for which such grant funds are appropriated or until such time as the State provides documentation that the deficiencies have been corrected, whichever occurs first. State Domestic Violence Coalitions shall be permitted to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2), except that no funds made available to State Domestic Violation Coalitions under section 311 shall be used to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2).".

SEC. 308. GRANTS TO INDIAN TRIBES.

Section 303(b) (42 U.S.C. 10402(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "is authorized to make demonstration grants" and inserting in lieu thereof ", from amounts appropriated to carry out this section, shall make available not less than 10 percent of such amounts to make grants";

(B) by striking out "and tribal" and inserting in lieu thereof ", tribal"; and

(C) by inserting "and nonprofit private organizations approved by an Indian Tribe for the operation of a family violence shelter on a Reservation", after "tribal organizations"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by striking out "and (E)" and inserting in lieu thereof "(E) and (F)"; and

(C) by adding at the end thereof the following new sentence: "No entity eligible to submit and application under paragraph (1) shall be prohibited from making an application during any fiscal year for which funds are available because such entity has not previously applied or received funding under this section.".

SEC. 309. MAXIMUM CEILING.

Subsection (c) of section 303 (42 U.S.C. 10402(c)) is repealed, and subsections (d) through (g) are redesignated as subsections (c) through (f), respectively.

SEC. 310. GRANTS TO ENTITIES OTHER THAN STATES; LOCAL SHARE.

The section 303(e) (42 U.S.C. 10402(f)) (as so redesignated by section 309) is amended—

(1) in the first sentence—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by inserting "or an Indian Tribe" after "State";

(C) by striking out "35 percent" and inserting in lieu thereof "20 percent";

(D) by striking out "55 percent" and inserting in lieu thereof "35 percent";

(E) by striking out "65 percent in the third such year" and inserting in lieu thereof "and, for any year thereafter"; and

(2) in the second sentence, by striking out "50 percent" and inserting in lieu thereof "25 percent".

SEC. 311. SHELTER AND RELATED ASSISTANCE.

(a) SHELTER.—Section 303(f) (42 U.S.C. 10402(g)) (as so redesignated by section 309) is amended—

(1) by striking out "60 percent" and inserting in lieu thereof "70 percent"; and

(2) by inserting before the period the following "as defined in section 309(4). Not less than 15 percent of the funds distributed under subsection (a) or (b) shall be distributed for the purpose of providing related assistance as defined under section 309(5)(A), and not more than 10 percent for the purpose of providing family violence prevention services as defined under section 309(5)(B)".

(b) DEFINITION.—Paragraph (5) of section 309 (42 U.S.C. 10408(5)) is amended to read as follows:

"(5) The term 'related assistance' means the provision of direct assistance to victims of family violence and their dependents for the purpose of preventing further violence, helping such victims to gain access to civil and criminal courts and other community services, facilitating the efforts of such victims to make decisions concerning their lives in the interest of safety, and assisting such victims in healing from the effects of the violence. Related assistance—

"(A) shall include—

"(i) counseling with respect to family violence, counseling by peers individually or in groups, and referral to community social services;

"(ii) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health-care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health-care services;

"(iii) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

"(iv) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims; and

"(B) may include prevention services such as outreach and prevention services for victims and their children, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school age children, family violence public awareness campaigns, and violence prevention counseling services to abusers.".

SEC. 312. ALLOTMENT OF FUNDS.

Section 304(a)(1) (42 U.S.C. 10403(a)(1)) is amended—

(1) by striking out "whichever is the greater of the following amounts: one-half of"; and

(2) by striking out "$50,000" and inserting in lieu thereof "$200,000, whichever is the lessor amount".

SEC. 313. SECRETARIAL RESPONSIBILITIES.

Section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) is amended—

(1) by striking out "into the causes of family violence";

(2) by inserting "most effective" before "prevention";

(3) by striking out "and (ii)" and inserting in lieu thereof "(ii)"; and

(4) by inserting before "and (B)" the following: "(iii) the effectiveness of providing safety and support to maternal and child victims of family violence as a way to eliminate the abuse experienced by children in such situations, (iv) identification of intervention approaches to child abuse prevention services which appear to be successful in preventing child abuse where both mother and child are abused, (v) effective and appropriate treatment services for children where both mother and child are abused, and (vi) the individual and situational factors leading to the end of violent and abusive behavior by persons who commit acts of family violence, including such factors as history of previous violence and the legal and service interventions received,".

SEC. 314. EVALUATION AND REPORT TO CONGRESS.

Section 306 (42 U.S.C. 10405) is amended—

(1) by inserting "and every two years thereafter," after "the first time after the date of the enactment of this title,";

(2) by striking out "assurances" and inserting in lieu thereof "documentation"; and

(3) by striking out "303(a)(2)(F)" and inserting in lieu "303(a)(2)(B) through 303(a)(2)(F)".

SEC. 315. FUNDING FOR TECHNICAL ASSISTANCE CENTERS.

Section 308 (42 U.S.C. 10407) is amended to read as follows:

"SEC. 308. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

"(a) PURPOSE AND GRANTS.—

"(1) PURPOSE.—It is the purpose of this section to provide resource information, training, and technical assistance to Federal, State, and Indian tribal agencies, as well as to local domestic violence programs and to other professionals who provide services to victims of domestic violence.

"(2) GRANTS.—From the amounts appropriated under this title, the Secretary shall award grants to private nonprofit organizations for the establishment and maintenance of one national resource center (as provided for in subsection (b)) and not to exceed six special issue resource centers (as provided for in subsection (c)) focusing on one or more issues of concern to domestic violence victims.

"(b) NATIONAL RESOURCE CENTER.—The national resource center established under subsection (a)(2) shall offer resource, policy and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, and shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics and analyses thereof relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.

"(c) SPECIAL ISSUE RESOURCE CENTERS.—The special issue resource centers established under subsection (a)(2) shall provide information, training and technical assistance to State and local domestic violence service providers, and shall specialize in at least one of the following areas of domestic violence service, prevention, or law:

"(1) Criminal justice response to domestic violence, including court-mandated abuser treatment.

"(2) Improving the response of Child Protective Service agencies to battered mothers of abused children.

"(3) Child custody issues in domestic violence cases.

"(4) The use of the self-defense plea by domestic violence victims.

"(5) Improving interdisciplinary health care responses and access to health care resources for victims of domestic violence.

"(6) Improving access to and the quality of legal representation for victims of domestic violence in civil litigation.

"(d) ELIGIBILITY.—To be eligible to receive a grant under this section an entity shall be a private nonprofit organizations that—

"(1) focuses primarily on domestic violence;

"(2) provides documentation to the Secretary demonstrating experience working directly on issues of domestic violence, particularly in the specific subject area for which it is applying;

"(3) include on its advisory boards representatives from domestic violence programs in the region who are geographically and culturally diverse; and

"(4) demonstrate the strong support of domestic violence advocates from across the country and the region for their designation as the national or a special issue resource center.

"(e) REPORTING.—Not later than 6 months after receiving a grant under this section, a grantee shall prepare and submit a report to the Secretary that evaluates the effectiveness of the use of amounts received under such grant by such grantee and containing such additional information as the Secretary may prescribe.

"(f) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations.

"(g) FUNDING.—From the amounts appropriated under section 310, not in excess of 5 percent of such amount for each fiscal year shall be used for the purpose of making grants under this section.".

SEC. 316. AUTHORIZATION OF APPROPRIATIONS.

Section 310 (42 U.S.C. 10409) is amended to read as follows:

"SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of sections 303 through 309 and section 313, $85,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(b) SECTION 303(a) AND (b).—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 80 percent shall be used for making grants under subsection 303(a), and not less than 10 percent shall be used for the purpose of carrying out section 303(b).

"(c) SECTION 308.—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 5 percent shall be used by the Secretary for making grants under section 308.".

SEC. 317. LAW ENFORCEMENT TRAINING AND TECHNICAL ASSISTANCE GRANTS AND CONTRACTS AND GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 (42 U.S.C. 10410) is amended to read as follows:

"SEC. 311. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

"(a) IN GENERAL.—The Secretary shall award grants for the funding of State domestic violence coalitions. Such coalitions shall further the purposes of domestic violence intervention and prevention through activities, including—

"(1) working with judicial and law enforcement agencies to encourage appropriate responses to domestic violence cases and examine issues including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation when domestic violence is involved;

"(C) the use of mandatory arrests of accused offenders;

"(D) the discouragement of dual arrests;

"(E) the adoption of aggressive and vertical prosecution policies and procedures;

"(F) the use of mandatory requirements for presentence investigations;

"(G) the length of time taken to prosecute cases or reach plea agreements;

"(H) the use of plea agreements;

"(I) the consistency of sentencing, including comparisons of domestic violence crimes with other violent crimes;

"(K) the restitution of victims;

"(L) the use of training and technical assistance to law enforcement and court officials and other professionals;

"(M) the reporting practices of, and significance to be accorded to, prior convictions (both felony and misdemeanor) and protection orders;

"(N) the use of interstate extradition in cases of domestic violence crimes;

"(O) the use of statewide and regional planning; and

"(P) any other matters as the Secretary and the State domestic violence coalitions believe merit investigations;

"(2) work with family law judges, Child Protective Services agencies, and children's advocates to develop appropriate responses to child custody and visitation issues in domestic violence cases as well as cases where domestic violence and child abuse are both present, including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation where domestic violence is involved;

"(C) the inappropriate use of marital or conjoint counseling in domestic violence cases;

"(D) the use of training and technical assistance for family law judges and court personnel;

"(E) the presumption of custody to domestic violence victims;

"(F) the use of comprehensive protection orders to grant fullest protections possible to victims of domestic violence, including temporary support and maintenance;

"(G) the development by Child Protective Service of supportive responses that enable victims to protect their children;

"(H) the implementation of supervised visitations that do not endanger victims and their children; and

"(I) the possibility of permitting domestic violence victims to remove children from the State when the safety of the children or the victim is at risk;

"(3) conduct public education campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence; and

"(4) participate in planning and monitoring of the distribution of grants and grant funds to their State under section 303(a).

"(b) Eligibility.—To be eligible for a grant under this section an entity shall be a statewide nonprofit State domestic violence coalition whose—

"(1) membership includes representatives from a majority of the programs for victims of domestic violence in the State;

"(2) board membership is representative of such programs; and

"(3) purpose is to provide services, community education, and technical assistance to such programs to establish and maintain shelter and related services for victims of domestic violence and their children.

"(c) Allotment of Funds.—From amounts appropriated under this section for each fiscal year, the Secretary shall allot to each State, the District of Columbia, the Commonwealth of Puerto Rico, and the combined U.S. Territories an amount equal to 1/53 of the amount appropriated for such fiscal year. For purposes of this section, the term 'combined U.S. Territories' means Guam, American Samoa, the U.S. Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands and shall not receive less than 1.5 percent of the funds appropriated for each fiscal year.

"(d) Prohibition on Lobbying.—No funds made available to entities under this section shall be used, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State or local agency, or to undertake to influence the passage or defeat of any legislation by Congress, or by any State or local legislative body, or State proposals by initiative petition, except that the representatives of the entity may testify or make other appropriate communication—

"(1) when formally requested to do so by a legislative body, a committee, or a member thereof; or

"(2) in connection with legislation or appropriations directly affecting the activities of the entity.

"(e) Reporting.—Each State domestic violence coalition receiving amounts under this section shall submit a report to the Secretary describing the coordination, training and technical assistance and public education services performed with such amounts and evaluating the effectiveness of those services.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $15,000,000 for each fiscal year to be used to award grants under this section.

"(g) Regulations.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing this section.".

SEC. 318. REGULATIONS.

Section 312(a) (42 U.S.C. 10409(a)) is amended by adding at the end thereof the following new sentence:

"Not later than 90 days after the date of enactment of this sentence, the Secretary shall publish proposed regulations implementing sections 303, 308, and 314. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing such sections.".

SEC. 319. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION.

Section 313(1) (42 U.S.C. 10409(1)) is amended by striking out "characteristics relating to family violence" and inserting in lieu thereof "develop data on the number of victims of family violence and their dependents who are homeless or institutionalized as a result of the violence and abuse they have experienced".

SEC. 320. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

The Act is amended by adding at the end thereof the following new section:

"SEC. 314. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

"(a) In General.—The Secretary may make grants to public or private nonprofit entities to provide public information campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence.

"(b) Application.—No grant, contract, or cooperative agreement shall be made or entered into under this section unless an application that meets the requirements of subsection (c) has been approved by the Secretary.

"(c) Requirements.—An application submitted under subsection (b) shall—

"(1) provide such agreements, assurances, and information, be in such form and be submitted in such manner as the Secretary shall prescribe through notice in the Federal Register, including a description of how the proposed public information campaign will target the population at risk, including pregnant women;

"(2) include a complete description of the plan of the application for the development of a public information campaign;

"(3) identify the specific audiences that will be educated, including communities and groups with the highest prevalence of domestic violence;

"(4) identify the media to be used in the campaign and the geographic distribution of the campaign;

"(5) describe plans to test market a development plan with a relevant population group and in a relevant geographic area and give assurance that effectiveness criteria will be implemented prior to the completion of the final plan that will include an evaluation component to measure the overall effectiveness of the campaign;

"(6) describe the kind, amount, distribution, and timing of informational messages and such other information as the Secretary may require, with assurances that media organizations and other groups with which such messages are placed will not lower the current frequency of public service announcements; and

"(7) contain such other information as the Secretary may require.

"(d) Use.—A grant, contract, or agreement made or entered into under this section shall be used for the development of a public information campaign that may include public service announcements, paid educational messages for print media, public transit advertising, electronic broadcast media, and any other mode of conveying information that the Secretary determines to be appropriate.

"(e) Criteria.—The criteria for awarding grants shall ensure that an applicant—

"(1) will conduct activities that educate communities and groups at greatest risk;

"(2) has a record of high quality campaigns of a comparable type; and

"(3) has a record of high quality campaigns that educate the population groups identified as most at risk.".

SEC. 321. MODEL STATE LEADERSHIP INCENTIVE GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

The Act (as amended by section 320) is further amended by adding at the end thereof the following new section:

"SEC. 315. MODEL STATE LEADERSHIP GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

"(a) In General.—The Secretary, in cooperation with the Attorney General, shall award grants to not less than 10 States to assist such States in becoming model demonstration States and in meeting the costs of improving State leadership concerning activities that will—

"(1) increase the number of prosecutions for domestic violence crimes;

"(2) encourage the reporting of incidences of domestic violence; and

"(3) facilitate 'arrests and aggressive' prosecution policies.

"(b) Designation as Model State.—To be designated as a model State under subsection (a), a State shall have in effect—

"(1) a law that requires mandatory arrest of a person that police have probable cause to believe has committed an act of domestic violence or probable cause to believe has violated an outstanding civil protection order;

"(2) a law or policy that discourages 'dual' arrests;

"(3) statewide prosecution policies that—

"(A) authorize and encourage prosecutors to pursue cases where a criminal case can be proved, including proceeding without the active involvement of the victim if necessary; and

"(B) implement model projects that include either—

"(i) a 'no-drop' prosecution policy; or

"(ii) a vertical prosecution policy; and

"(C) limit diversion to extraordinary cases, and then only after an admission before a judicial officer has been entered;

"(4) statewide guidelines for judges that—

"(A) reduce the automatic issuance of mutual restraining or protective orders in cases where only one spouse has sought a restraining or protective order;

"(B) discourage custody or joint custody orders by spouse abusers; and

"(C) encourage the understanding of domestic violence as a serious criminal offense and not a trivial dispute;

"(5) develop and disseminate methods to improve the criminal justice system's response to domestic violence to make existing remedies as easily available as possible to victims of domestic violence, including reducing delay, eliminating court fees, and providing easily understandable court forms.

"(c) Authorization of Appropriations.—

"(1) In general.—In addition to the funds authorized to be appropriated under section 310, there are authorized to be appropriated to make grants under this section $25,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) LIMITATION.—Funds shall be distributed under this section so that no State shall receive more than $2,500,000 in each fiscal year under this section.

"(3) DELEGATION AND TRANSFER.—The Secretary shall delegate to the Attorney General the Secretary's responsibilities for carrying out this section and shall transfer to the Attorney General the funds appropriated under this section for the purpose of making grants under this section.".

SEC. 322. EDUCATING YOUTH ABOUT DOMESTIC VIOLENCE.

(a) GENERAL PURPOSE.—For purposes of this section, the Secretary of Education, hereinafter referred to as the "Secretary" shall develop model programs for education of young people about domestic violence and violence among intimate partners.

(b) NATURE OF PROGRAM.—The Secretary, in consultation with the Secretary of Health and Human Services, shall through grants or contracts develop three separate programs, one each for primary and middle schools, secondary schools, and institutions of higher education. Such model programs shall be developed with the input of educational experts, law enforcement personnel, legal and psychological experts on battering, and victim advocate organizations such as battered women's shelters. The participation of each such group or individual consultants from such groups is essential to the development of a program that meets both the needs of educational institutions and the needs of the domestic violence problem.

(c) REVIEW AND DISSEMINATION.—Not later than 9 months after the date of enactment of this Act, the Secretary shall transmit the model programs, along with a plan and cost estimate for nationwide distribution, to the relevant committees of Congress for review.

(d) AUTHORIZATION.—There are authorized to be appropriated under this section for fiscal year 1992, $200,000 to carry out the purposes of this section.

TITLE IV—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO ADOPTION

SEC. 401. FINDINGS AND PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5111) is amended to read as follows:

"SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

"(a) FINDINGS.—Congress finds that—

"(1) the number of children in substitute care increased by nearly 50 percent between 1985 and 1990, as our Nations's foster care population included more than 400,000 children at the end of June, 1990;

"(2) increasingly children entering foster care have complex problems which require intensive services;

"(3) an increasing number of infants are born to mothers who did not receive prenatal care, are born addicted to alcohol and other drugs, and exposed to infection with the etiologic agent for the human immunodeficiency virus, are medically fragile, and technology dependent;

"(4) the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and some such children are in need of placement in permanent, adoptive homes;

"(5) many thousands of children remain in institutions or foster homes solely because of local and other barriers to their placement in permanent, adoptive homes;

"(6) the majority of such children are of school age, members of sibling groups or disabled;

"(7) currently one-half of children free for adoption and awaiting placement are minorities;

"(8) adoption may be the best alternative for assuring the healthy development of such children;

"(9) there are qualified persons seeking to adopt such children who are unable to do so because of barriers to their placement; and,

"(10) in order both to enhance the stability and love of the child's home environment and to avoid wasteful expenditures of public funds, such children should not have medically indicated treatment withheld from them nor be maintained in foster care or institutions when adoption is appropriate and families can be found for such children.

"(b) PURPOSE.—It is the purpose of this title to facilitate the elimination of barriers to adoption and to provide permanent and loving home environments for children who would benefit from adoption, particularly children with special needs, including disabled infants with life-threatening conditions, by—

"(1) promoting model adoption legislation and procedures in the States and territories of the United States in order to eliminate jurisdictional and legal obstacles to adoption; and

"(2) providing a mechanism for the Department of Health and Human Services to—

"(A) promote quality standards for adoption services, pre-placement, post-placement, and post-legal adoption counseling, and standards to protect the rights of children in need of adoption;

"(B) maintain a national adoption information exchange system to bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children, and conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption;

"(C) maintain a National Resource Center for Special Needs Adoption to—

"(i) promote professional leadership development of minorities in the adoption field;

"(ii) provide training and technical assistance to service providers and State agencies to improve professional competency in the field of adoption and the adoption of children with special needs; and

"(iii) facilitate the development of interdisciplinary approaches to meet the needs of children who are waiting for adoption and the needs of adoptive families; and

"(D) demonstrate expeditious ways to free children for adoption for whom it has been determined that adoption is the appropriate plan.".

SEC. 402. MODEL ADOPTION LEGISLATION AND PROCEDURES.

Section 202 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5112) is repealed.

SEC. 403. INFORMATION AND SERVICE FUNCTIONS.

Section 203 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5113) is amended—

(1) in subsection (a)—

(A) by inserting ", on-site technical assistance" after "consultant services" in the second sentence;

(B) by inserting "including salaries and travel costs," after "administrative expenses," in the second sentence; and

(C) by adding at the end thereof the following new sentence: "The Secretary shall, not later than 12 months after the date of enactment of this sentence, prepare and submit to the committees of Congress having jurisdiction over such services reports, as appropriate, containing appropriate data concerning the manner in which activities were carried out under this title, and such reports shall be made available to the public."; and

(2) in subsection (b)—

(A) by striking out paragraph (1) and redesignating paragraph (2) as paragraph (1);

(B) by inserting after paragraph (1) (as so redesignated) the following new paragraph:

"(2) conduct, directly or by grant or contract with public or private nonprofit organizations, ongoing, extensive recruitment efforts on a national level, develop national public awareness efforts to unite children in need of adoption with appropriate adoptive parents, and establish a coordinated referral system of recruited families with appropriate State or regional adoption resources to ensure that families are served in a timely fashion;";

(C) by striking out "and (B)" in paragraph (3) and inserting in lieu thereof "(B) the operation of a national resource center for special needs adoption; and (C)"; and

(D) by inserting ", and to promote professional leadership training of minorities in the adoption field" before the semicolon in paragraph (4).

SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5115) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) There are authorized to be appropriated, $10,000,000 for each of the fiscal years 1992 through 1994, to carry out programs and activities under this Act except for programs and activities authorized under sections 203(b)(8) and 203(c)(1)."; and

(2) in subsection (b), by striking out "$3,000,000", the first place that such appears, and all that follows through the end thereof, and inserting in lieu thereof the following: "$10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(b)(8), and there are authorized to be appropriated $10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(c)(1).".

Mr. COATS. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

The PRESIDING OFFICER. Without objection, the motion to reconsider is laid upon the table.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business during which Senators be permitted to speak therein and that the first 60 minutes of the morning business period be under the control of the distinguished Senator from Rhode Island [Mr. CHAFEE].

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH EQUITY AND ACCESS IMPROVEMENT ACT OF 1991

Mr. CHAFEE. Mr. President first I want to thank the distinguished majority leader for giving us this hour. I urge those Republicans who have been cosponsors of the health care reform provision, if they would come to the floor, this would be an excellent opportunity for them to make their remarks.

Mr. President, I see the distinguished Senator from Missouri here. The Senator from Missouri will follow after my comments.

Mr. President, today I am joined by 19 of my Republican colleagues in introducing the Health Equity and Access Improvement Act of 1991—a proposal which builds on the strengths of our existing health care system and corrects its deficiencies.

In July 1990, the Republican Task Force on Health Care was created by the Republican leader. The proposal we are introducing today arose from discussions within the task force and is an attempt to put forward a creative set of ideas that will improve our health care system. It represents a successful effort to develop some common ground among a fairly large and diverse group of Republicans.

This has been a lengthy process. Finding common ground on an issue as challenging and complicated as this is tremendously difficult. If it were not, we would have enacted health care reform legislation years ago. Consensus is hard to find, but I think we've made a good start with this proposal.

Our goal was to correct what is wrong with our system, while at the same time building upon those aspects which seem to work.

Clearly our costs are excessive in comparison with other nations. It is estimated that last year, $660 billion—almost $2 billion per day—was spent in the United States on health care. This is more per capita than any other industrialized nation. Yet between 31 and 37 million people, almost half of them children, may be unable to get needed health care services because they lack health insurance or live in an area without easy access to affordable health care providers.

Our businesses face skyrocketing costs for employee coverage, and this is affecting our ability to compete in international markets. In recent years, the primary cause of labor-management disputes has been disagreement over who should pay the increased cost of health insurance premiums. In addition, many small employers find it almost impossible to offer health care coverage to employees.

Another problem is inequity in the Federal Tax Code. Today, a worker in a large company that provides—and pays for—insurance receives that benefit without being assessed any tax. On the other hand, an individual who purchases health insurance for his or her family outside of an employer group must use after-tax dollars. Likewise, an individual who is self-employed can deduct only 25 percent of his or her insurance costs.

By the same token, our system does have its strong points. Approximately 85 percent of all Americans have some form of health insurance. Our system allows patients to have choices about their health care needs. There are no delays in treatment for those who are covered. Our medical technology is the best in the world.

Now, how does our proposal address the strengths and weaknesses in our system?

GETTING COSTS UNDER CONTROL

Our proposal includes a number of provisions to slow the rate of growth of health care expenditures.

1. PREVENTION

Our proposal invests in primary and preventive care. By providing increased funding for childhood immunizations, we are assuring that children in low-income families are protected from preventable diseases. Another provision in the bill would encourage all Americans, regardless of income, to utilize preventive services, such as cancer screening tests, childhood immunizations, and well-baby care. As the old adage goes, "an ounce of prevention is worth a pound of cure."

2. MANAGED CARE

Businesses and insurers continue to develop effective methods to contain the growth of their medical costs. One such effort is through managed care arrangements ranging from simple preadmission screening to full-scale HMO's. Our proposal encourages the development of such initiatives by preempting State antimanaged care and mandated benefit laws for approved managed care plans. Our bill also includes a provision to encourage employers to offer managed care options to their employees by providing a tax credit. The credit would be equal to 25 percent of the employer's cost of the managed care plan for the first year the plan is offered and would phaseout over the next 4 years. Through changes such as these, we can assure that individuals receive appropriate, cost-effective care, thereby reducing costs in the long term.

3. AFFORDABILITY FOR SMALL BUSINESS

Our proposal encourages employers to provide health insurance coverage to their employees. Many small companies, today, would like nothing more than to provide health insurance to their employees, but they simply cannot afford the cost. We address this problem in a number of ways.

First, we make reforms in insurance market practices that limit small employers' ability to provide coverage to their employees. Such practices include underwriting and ratesetting policies that exclude high-risk individuals or groups. Under our proposal, insurers who provide coverage to small businesses must meet the standards outlined in the bill or be subject to a Federal tax penalty.

Second, we encourage businesses with less than 100 employees to join health insurance purchasing groups, thereby giving them additional market strength to negotiate more effectively with insurance companies. The credit would be equal to 20 percent of the employer's health insurance cost and would be available in any year that the employer is a member of a purchasing group.

Third, we require development of a model health insurance plan. If an employer offers a health insurance plan that meets the criteria of the model plan, the employer would be exempt from State-mandated benefit laws. These benefits cover services ranging from in-vitro fertilization to hair loss treatment.

4. MEDICAL LIABILITY REFORM

A conservative estimate sets the cost of medical liability at $15 billion annually. It is estimated that this accounts for roughly 15 percent of our total expenditures on physician services. Our proposal mandates alternative dispute resolution systems, thereby lowering court costs and backlogs as well as increasing access to the liability system for those with small claims. The proposal also sets caps on noneconomic damages; preempts State tort law in certain areas; requires that punitive damage awards go to consumer protection agencies and State disciplinary boards, rather than providing a windfall to the plaintiff; and strengthens the ability of States to ensure that the quality of care provided by physicians and other health care professionals remains high.

EXPANSION OF ACCESS TO HEALTH CARE

Our proposal would help ensure access to health care services and insurance in a number of ways.

1. EXPANSION OF PUBLIC HEALTH SERVICE PROGRAMS

Our proposal expands Community Health Centers and the National Health Service Corporation. This would ensure that health care services would be available to at least an additional 7.5 million people over the next 5 years. In addition, we have increased funding for the Childhood Immunization Program.

2. GETTING CARE TO MEDICALLY UNDERSERVED AREAS

Our bill would create incentives to encourage medical professionals to practice in rural areas with a shortage of trained medical professionals. The most important of these incentives is a nonrefundable tax credit for primary health care providers who practice in such areas. If the health care provider practices in a designated rural area for 5 years, he would receive the full benefit of the tax credit.

3. CREATION OF NEW PUBLIC PROGRAM FOR THOSE NOT ELIGIBLE FOR MEDICAID

For low-income individuals who are not eligible for Medicaid services, we have established a new program that would allow any State to provide health care services to uninsured persons, based on its needs and financial capacity. The program, called BasiCare, has the same Federal matching requirement as the Medicaid Program, but allows States to set their own eligibility levels and services. For example, under BasiCare, a State could provide primary and preventive care services to all children under 200 percent of poverty, provided they are not already eligible for these services under the State's Medicaid Program.

4. STATE EXPERIMENTATION

Finally, as an ex-Governor, I believe that those States that believe they have found a solution to their health care problems should be allowed as much leeway as possible to move forward. Thus, our proposal establishes a Federal waiver board to which States could apply for broad waivers of Federal health care programs such as Medicare, Medicaid, public health service, Veterans' Administration programs, and ERISA. A State could develop a plan to provide health care services to at least 90 percent of its population, and to meet certain Federal standards, and submit it to the waiver board for approval.

5. TAX CREDITS FOR INDIVIDUALS

Approximately three-quarters of those who are uninsured have family incomes below $30,000 annually. One way to assist these families in their attempt to find adequate and appropriate health care is to create a tax credit to be used for the purchase of health insurance as well as health care services. We provide for a refundable health expenses tax credit to assist low- and middle-income Americans purchase health insurance and health services. Qualifying individuals and families would receive a dollar-for-dollar tax credit for out-of-pocket health expenditures up to a maximum of $1,200 for a family and $600 for an individual. The credit would be available to families with incomes below $32,000 and to individuals with incomes below $16,000.

6. TAX CREDITS FOR SMALL BUSINESS

About 40 percent of those who are uninsured are employed by small businesses. To encourage those businesses to provide coverage, we have created tax credits to small businesses which begin to cover employees as well as to those which extend coverage to include dependents. The credit would be equal to 25 percent of the employer's cost of the dependent coverage for the first year the coverage is offered, and would phase out over 5 years.

7. EQUITY IN THE TAX CODE

Those who receive employer provided health benefits pay no tax on any employer contribution to the premium. On the other hand, an individual who does not receive employer-based insurance not only will pay more for insurance because he is purchasing it outside of a group, but also will pay for it with after-tax dollars since those payments are not deductible. There ought to be equity in the Tax Code. We encourage the purchase of health insurance by making the cost deductible for those without employer-provided insurance, and those who are self-employed.

The goal of our proposal is to develop a fair strategy designed to address the health care needs of all Americans by enhancing the benefits of our system and correcting its deficiencies. Our system must be modified to respond to the needs of those it does not adequately serve, and to prevent further erosion. Equally important, we believe we must ensure that innovative and creative alternatives to traditional health insurance plans are given a fair opportunity to evolve.

Through these initiatives we can accomplish these goals, and I urge my colleagues to join us by cosponsoring the Health Equity and Access Improvement Act of 1991.

I am delighted we have as many cosponsors as we do. There are already 19 cosponsors and we seek others, Democrats as well as Republicans.

I see my distinguished colleague from Missouri, Mr. President. I grant him such time as he needs.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I am very proud today to join Senator CHAFEE and 16 other Senators in introducing this very important legislation. I begin by commending Senator CHAFEE for the great leadership he has shown.

Now, around this body it is almost pro forma to say that I am grateful to—I thank my distinguished colleague from Rhode Island. I want my colleagues to know that in this instance this is a sincere and heartfelt thank you on behalf of the many of us who have participated in the task force looking at the problems of health care.

For over a year now we have been meeting every Thursday morning in Senator CHAFEE's office to talk about and to learn about the problems of health care. When you are talking about the health care problems in America today you are talking about many, many different facets. After several months of this meeting it appeared that we had raised so many questions that I thought we would perhaps never be able to come put with a solution. It was only through the determined effort and the leadership of JOHN CHAFEE that we were able to come to this point today where we are putting forth a bill that directly deals with many of the most serious deficiencies in our health care system today.

I believe that this is a good starting point for the legislative effort that we must conduct to fight rising health care costs and improve access to health care for all Americans. We have spent countless hours with experts on health care. We have looked at many approaches. We talked with people who are consumers, who are providers, and who are experts in the area.

Mr. President, today, other Republican Senators and I are introducing a proposal to reform our health care system. This legislation, we believe, will be the starting point for a serious legislative effort to fight rising health care costs and improve access to health care in America.

We have been working on this plan for more than a year. We have spent countless hours meeting with experts on health care and drafting a measure that addresses the needs of American families.

Last year spending on health care in our country soared another 10.5 percent to $666.2 billion—12.2 percent of our GNP. Worse yet, health spending is expected to reach $1 trillion by the year 2000.

As the explosion in health care costs is forced on the backs of American workers, particularly those in small businesses, more and more workers cannot afford to purchase insurance or even pay to see the doctor when they need to. We are facing a crisis in our health care system and Congress must act before rising costs cause a total collapse of the system.

The cost of health care for American workers is growing at an unsustainable rate. Legislation is needed to protect the workers and families in small businesses from having huge price increases for health care slapped on them by greedy insurance companies.

We must act to ensure that these families do not wake up and find their employer has had to drop their health insurance coverage because their insurance company has delivered a sharp rate increase. In many cases, a company faces increases when only a single worker develops a health problem. These rate increases are pushing working Americans into an inescapable cycle of ever-rising premiums and declining coverage that adds to the ranks of the uninsured and the underinsured.

We must act to fix the problem of the lack of affordable policies for workers in small businesses. Because these workers do not have the purchasing power of the blue chip companies and because there are fewer people over which to spread the risk in a small company, these workers are trapped in a system that leaves them only to face drastically higher health premiums. If one worker in a small company has a serious health problem, the insurance company may simply refuse to write a policy for the whole company, or they will charge so much that the workers and the company can not afford it. We must act to help these working Americans and their families get affordable health insurance.

Workers unfortunate enough to have a serious health condition dread the day when their insurance company will decide the risk is too great and drop their coverage and they can not change jobs for fear of being refused health insurance in a new job.

As the insured feel the ever-increasing crunch of rising costs, there are more than 30 million Americans who have no health insurance at all and additional uncounted numbers who have inadequate coverage.

Mr. President, we have been developing this legislation and studying the complex health care system for more than a year. It has been a tough task to come up with a package of proposals to address the host of problems facing our health system. Our legislation addresses these problems in a number of ways.

One of our main goals is to give the workers in small businesses the same advantages in purchasing health insurance that workers at IBM, Chrysler, and GE enjoy. We would achieve this through a series of reforms of the small business insurance market.

Our bill would create Small Group Purchasing Organizations to give workers in small businesses more market power so they can get a better deal from the insurance industry. These purchasing groups would allow these workers to band together to get better rates. The group would receive a tax credit for 20 percent of the cost of health insurance purchased in this manner and under these guidelines. Group purchasers that meet Federal guidelines could purchase an HHS-approved insurance plan that would be exempt from costly State provider and service coverage mandates allowing these workers to purchase flexible, affordable, and reasonable insurance packages. This change would rightfully place small business workers on an even playing field with the blue chip companies that self-insure and are already exempt from these mandates.

Another big problem facing our health system is the inability of those with existing health conditions to purchase affordable health insurance of any kind. Simply put, the insurance industry only wants to insure healthy people. Our bill would prohibit insurance companies from refusing to offer an HHS-approved model benefits insurance plan to workers in small businesses.

We would also limit the ability of insurers to impose coverage restrictions on small businesses purchasing the HHS-approved model benefits plan and guarantee renewal of these policies where no reasonable cause for termination exists. So that a small company can afford to purchase insurance in the first place, our bill would limit rates for new policies to between 80 and 120 percent of the average rate of the class. To prevent insurance companies from forcing a small employer to drop coverage by drastically hiking rates, we would limit annual rate increases to the level of rates charged to new businesses with certain adjustments.

Workers who are self employed, like Missouri farmers, cannot currently deduct the entire cost of health insurance from their income tax as other working Americans effectively do when the cost of health insurance premiums is paid for out of their paycheck before taxes. We would extend this same benefit to the self-employed making the cost of health insurance 100-percent deductible for them.

In addition to these much-needed reforms, our legislation would provide assistance to those who, because their employer does not provide insurance, cannot take advantage of the existing tax benefits. We would create a refundable tax credit to use in purchasing health insurance and for out-of-pocket health costs, and make the cost of health insurance premiums 100-percent deductible.

We would extend this same benefit to the self-employed, making the cost of health insurance 100-percent deductible for them.

Mr. President, I ask unanimous consent to have printed in the RECORD after my remarks an article from the Farm Bureau News about the burden of health care costs on farmers and the need for deductions.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BOND. In addition to these much-needed reforms, our legislation would provide assistance to those who, because their employer does not provide insurance, cannot take advantage of the existing benefits.

Mr. President, we must help the working uninsured obtain health insurance. Eighty percent of the uninsured in this country are either employed or dependents of employed people. That is 30 million people who will benefit from our bill right from the start. Remember, when someone without any health insurance cannot pay their health bill, those who have insurance get stuck with the tab.

We must act now—the problem grows worse with each passing day: The percentage of employers paying 100 percent of health premiums has dropped from 56 percent in 1989 to 48 percent in 1991: 44 percent, or 6.2 million of workers without health insurance work for businesses with less than 10 employees; 85 percent, or 12 million of uninsured workers work in businesses with 100 or fewer employees; In firms with 10 or fewer employees, only 1 in 3 businesses can afford to offer health insurance to their employees; and 13.6 percent of uninsured workers are self-employed.

For those who still will not be able to purchase insurance, we must strengthen our health care safety net. Our legislation would do this through the best, most cost-effective, public funded means possible today—our community health centers. Health centers across the Nation are already providing primary and preventive care, emergency health services, preventive dental services, and more to those who need medical care and cannot afford it. We would increase funding for the community health centers by $2.8 billion over the next 5 years. We strongly believe that for those who cannot afford insurance, there should be a community health center there for them.

The community health centers already provide health care to 25 percent of the Nation's medically indigent—5.8 million Americans. But, we must do better and the CHC's are a much better answer to this problem than huge expansions in the Medicaid Program. Communities with a CHC have seen their infant mortality rates decline by as much as 40 percent and their premature birth rate decline by as much as 29 percent compared to communities without a CHC.

Patients who use community health centers receive more preventive care and have hospitalization rates that are 50 percent lower compared to those who use hospital outpatient clinics or emergency rooms as their primary source of care. Total hospital days are cut by as much as 62 percent and average length of hospital stay decreases by as much as 34 percent. CHC patients' costs for laboratory, x ray, and pharmacy services are two-thirds the national average for this population. Overall, Medicaid payments for CHC patients are reduced by over 40 percent per year.

We must strengthen the health safety net for those who fall through the cracks of the system and the community health centers are clearly the best approach and they provide top quality health care.

Mr. President, we have found in Jackson County, MO, where there is a lock-in for Medicaid patients either to community health center, or hospital, or other providers, that we have been able to provide significantly increased health and better care for those people by providing incentives to the health care provider to keep patients well. There is a savings in cost but most important there is a saving in human terms in avoiding unnecessary illness, injury, instability, or delay.

There is much more in this bill than I can detail here. There is much-needed malpractice reform to address the tremendous added health costs caused by defensive medicine. There are numerous incentives for cost-effective managed care. There is increased funding for childhood immunizations. Our legislation will create new optional Federal funding for States to provide health coverage to the uninsured who are not eligible for Medicaid.

Mr. President, other health reform proposals that have been introduced unfortunately would do more harm than good to our health system, our country, and to the American taxpayers who will ultimately have to pay the tab for health reform.

One popular approach among liberal reformers is copying the Government-controlled single-payer Canadian system of health care. Liberals believe that big government can run a better health system than the one we have now. They believe that Americans would have the same freedom of access under a United States version of the Canadian single-payer system. They believe that hospitals and physicians would practice medicine free of Government oversight and regulation. They believe that all of this could take place and cost Americans less than our current system. In short, they believe in a health care fantasyland run by a bigger and bigger Government.

The truth is that the Canadian single-payer system does not control rising costs. Between 1967 and 1987, inflation adjusted per capita health care spending increased at an average annual rate of 4.58 percent in Canada compared to 4.38 percent in the United States. The truth is that Canadians must wait weeks or months to get care—the average time spent waiting in line for heart surgery is 5 months, for a hernia, they can wait up to 52 weeks, and up to 32 weeks for cataract surgery. This is universal access? And the truth is that implementing a so-called universal access, Canadian-style system in this country could cost American workers between $189 and $339 billion in additional public spending in the first year alone.

Those who believe a Canadian-style, single-payer system would cost less must feel that a giant, Government-run bureaucracy is more efficient. They will find, as in so many other areas where we have had a simple, single-shot, Federal solution that, like so many of them, these solutions are neat, simple, and wrong.

To find a private-sector-based model for cost-effective health care we have to look no further than our own HMO's. In fact, the cost per capita at Kaiser Permanente in 1987 was far lower than the per capita cost of the Canadian system—$890 versus $1,370. In my own State of Missouri, we have had a managed care program for Medicaid recipients in Jackson County that has been providing better quality care more cost effectively since 1987.

In summary, a single-payer national health insurance system would provide for big government telling Americans when they can get care, how they can get care, and even if they can get care. This approach would have the efficiency typical of the Federal Government, the compassion of the IRS, and the cost control of the Pentagon.

It is hard to understand why some are proposing a bloated bureaucratic government-controlled system when governments throughout the Eastern bloc are throwing aside their government-controlled economies to solve their problems.

Mr. President, as everyone in this Chamber knows, our infant mortality rate in this country is far behind just about every other developed country in the world. About 40,000 babies will die before their first birthday in our Nation this year and 30,000 more will be stillborn. Nearly 75,000 women will receive no prenatal care at all. There will be 110,000 babies born with a serious birth defect. There will be 11,000 babies born this year who will have long-term disabilities because of low birthweight. That is an unacceptable record and we must improve it.

In many areas of this country, lack of access to health care services of any kind is an obvious and formidable barrier for a pregnant woman seeking prenatal care. In 1988, there were 111 counties in the United States that had no physicians at all; half a million rural residents live in counties with no physician trained to provide obstetric care; and almost one-third of all rural residents live in areas desperately short of physicians of any type.

By improving access to health care for pregnant women, infants, and children, lives will be saved and public spending will be lowered in the long run. Prenatal care is the most cost-effective health care we can provide. Bringing health care to poor, undeserved neighborhoods is a critical, but difficult objective.

Earlier this year, I introduced the Families in Need Act to address this terrible shortfall in our health delivery system. I have also been working in the Appropriations Committee to obtain increased funding for community health centers, the National Health Service Corps, the MCH block grant and other programs that fight this growing crisis.

Mr. President, we must work to solve the problems facing our health system. American workers, pregnant women and infants, families—they are all depending on us. We must not let them down.

The bill presented by Senator CHAFEE on behalf of the task force gives us a good starting point. I thank him again for his leadership, and I urge my colleagues to get engaged in the discussion of the provisions in this measure, which I think provide an excellent outline for what we ought to do to cover the multitude of questions raised in health care.

[From the American Farm Bureau Federation, Oct. 28, 1991]

EXHIBIT 1

FARM BUREAU PRESSES FOR HEALTH INSURANCE DEDUCTION

The American Farm Bureau Federation last week urged Congress to allow a 100 percent deduction of health insurance premiums paid by self-employed farmers, ranchers and other small business operators.

John G. Laurie, president of the Michigan Farm Bureau and a member of the AFBF board, told the House Ways and Means Committee that at the very least, the 25 percent deduction due to expire at the end of this year should be promptly extended. The congressional committee is holding three weeks of hearings to examine comprehensive health insurance reform in America.

Denying tax deductibility for self-employed people while permitting if for other workers is simply unfair, said Laurie, who with his family operates a 2,000-acre dairy and cash crop farm near Cass City, Mich. And, he added, allowing the 25 percent deduction to expire at the end of the year also would be unjust.

"Health care and health insurance are of direct and pressing concern to our membership," Laurie emphasized. "We strongly support a system of private health insurance where all individuals have the opportunity to join a group that is insured by an insurance carrier that is able to operate under a sound financial basis.

"We are heartened by some recent trends in the health insurance industry that point to systems that provide 'no frills' health plans to subscribers at reasonable prices," Laurie testified. He said the state of Maryland has permitted Blue Cross-Blue Shield to provide policies that do not contain some two dozen state-mandated health benefits that conventional policies must contain. He added, "State mandates are indeed a growing problem as more expensive coverage and high-risk coverage are imposed on the health insurance industry.

"We are particularly concerned about the health delivery system in rural areas and strongly support efforts to recruit and encourage health professionals to serve rural communities."

He added that veterans who are eligible for VA medical benefits should be permitted to use the rural hospitals and health facilities near their homes, utilizing a voucher or reimbursement system.

"In recent months, there has been a great deal of interest in a single-payer system like the one implemented by Canada," Laurie told the committee members. "We believe a system like that is not adaptable to our country because it fails to deliver the quality and quantity of care that we in this country take for granted."

The Farm Bureau leader added, "The one thing the failures of the economies of the Soviet Union and Eastern Europe have shown is that more government central planning will not provide high quality health care at reasonable prices."

AFBF joined with 290 other groups to form the Healthcare Equity Action League (HEAL). HEAL represents more than 1 million employers and more than 30 million employees nationwide.

Mr. CHAFEE. Mr. President, first, I want to commend the distinguished Senator from Missouri for not only his excellent statement, but in this task force, there was no more loyal and steady attender at our sessions, or no better contributor to our efforts, that Senator BOND. I appreciate the kind things he had to say about the leadership I gave. But for his efforts and his consistent attendance and contributions, we would not be where we are. I thank him very much. He has had a long-time interest in health care, extending back to when he was Governor.

Briefly, I want to read off the list of cosponsors of this legislation. Beside myself, there are: Senators DOLE, McCAIN, SPECTER, BOND, COHEN, DANFORTH, MURKOWSKI, GORTON, McCONNELL, STEVENS, PRESSLER, SIMPSON, WALLOP, WARNER, MACK, DOMENICI, HATFIELD, D'AMATO, and GRASSLEY.

Mr. President, I am so pleased that one of the real workers in our task force, Senator SIMPSON, is here, and I am glad to yield him such time as he requires.

The PRESIDING OFFICER. The Senator from Wyoming.

HEALTH EQUITY AND ACCESS IMPROVEMENT ACT

Mr. SIMPSON. I thank my friend from Rhode Island.

Mr. President, I am personally very proud to be associated with this effort. I want to personally thank Senator CHAFEE for his leadership and his patience and his great, good common sense. He has "trained us up" on this issue. This is not something that just comes topically or politically, because, for over 1 year, we have, all of us, been making great strides under his good tutelage.

I want to take a moment here to comment his fine staff, as well: Christy Ferguson—and she has worked very diligently with my staff—and Leslie Tucker. We have appreciated the very good counsel and material that we have received. When it get right down to the nuts and bolts of pulling together the divergent perspectives of a number of Senators, especially as diverse as ones the Senator from Rhode Island addressed—there are a number of Senators who articulate their thoughts at 8:30 a.m. every Thursday morning for weeks on end—we know how tough that is to get that done.

So my compliments to our well-respected friend.

As I say, I am proud to be part of it. I am especially pleased with how we went about crafting this proposal. We began not with some vision or some hindbound dogma, but rather, we sat down and asked, "What are the problems? What is causing them? What can we do that is doable?" And we proceeded then to wade through piles of data, and views of experts to look for ways to fix the problems.

We did it this way because I think we all started from the presumption that for the vast majority of Americans, our existing health care system is simply the best in the world—and it is. We did not want to disrupt that. We wanted to make it better, to find ways to bring the remaining 15 percent of Americans into full and equal participation in this marvelous system.

The growth of Federal expenditures for health is part—obviously an increasingly important part—of a more general budgetary problem. We have a debt limit of $4.175 trillion. And you can stand around all day and blame that on the Republicans, or blame it on the Democrats, but we are all here, a Democrat Congress and the Republican President, through those years, to accumulate a $4.175 trillion debt limit—$345 billion deficit in this 1 year alone. And health care outlays are an exploding part of this total.

Health expenditures are rising at a rate that is not only high, but is also totally unsustainable for both Federal payers and business. Medicare part B, now 3 percent of the Federal budget, will exceed 12 percent of the Federal budget by 2030. Medicare parts A and B, now 7 percent of Federal budget, are projected to exceed 30 percent of the Federal budget by the year 2025.

Then we have this great discrepancy in the part B premiums where 25 percent is being paid by the beneficiary, and 75 percent is being paid by the remaining taxpayers of the United States to take care of people who may be able to take care of themselves. It is a very troubling issue, and we have to get that formula corrected. Politically, it will be totally difficult.

Business spending on health care premiums, once a very small fraction of total employee compensation costs, now exceeds 100 percent of after-tax profits. Total public and private spending on health care in this country is on a growth path that would take over one-half of the gross national product by the time my 3-year-old granddaughter attains the age of 25.

In spite of this tremendous national commitment to health care, there are very real reasons to be concerned about the return on our investment. Our neighbor in the north is always mentioned when we speak of health care, and we should indeed closely look at their plan. For example, they spend a fraction of what we do on health care but nonetheless enjoy lower infant mortality rates, longer life expectancy, and universal coverage. But there are serious deficiencies in that program, and those are being ever more markedly observed. As we read and learn more about that, I think we will find that the American public would not want to embrace the Canadian health care policy.

In America, access to health insurance and health care is very uneven. Nearly 15 percent of Americans lack any form of health insurance. The public-private partnership we sought has turned into a public-private cost shift war. And it is the American public that suffers—inflated medical bills, higher insurance premiums, limited access to care for occupants of rural areas, inner cities, and the lower rung of the income distribution chart.

Our proposal addresses both the escalating cost issues and the access issues very squarely. It does so in a way that is not disruptive of what is best in American health care.

We propose a series of incentives—not mandates, mind you—to expand access to health insurance coverage and to make such coverage more affordable to individuals and businesses. We include a tax credit which will help nearly two-thirds of those who currently have no insurance to purchase coverage. We assist small businesses offering meaningful plans to their employees. We expand public health programs that have proven that they can deliver efficient, high-quality health care to those who have no other alternative, and we offer means for bringing those people into the mainstream health care system as rapidly as possible.

We propose to reform State malpractice laws, emphasize primary and preventive care, encourage managed care delivery systems, and reform the private insurance market to bring order out of the chaos.

And the best part—we propose to shore up the health care infrastructure in rural and inner-city areas. After all, it really does not matter how good your insurance is if there is not someone there to provide health care services.

So these are the things that we intend to present to our colleagues in Congress, and say: "Here is our package; some of us do not agree with all of it, and some of us have different views about how you finance this." I have my own and will share those at a later time in detail.

It can be done.

Politics, it is said, is the art of the possible. In our political system, it is simply not possible to enact sweeping reform packages that would significantly disrupt the health care system that Americans know to be the best in the world. So it is time to get past that way of thinking.

The proposals contained in the legislation we will introduce today are eminently achievable. They have been proposed or talked about by thoughtful people on all sides of this debate. Nothing new. Just finally a group of very concerned and able people who have been dealing with it for an entire year have put themselves on the line as cosponsors.

The proposals contained in this legislation are well known, and those who would hold their own realization hostage to some more aggrandized visions of health care reform, I think, would do the American people a grave disservice.

It will not be allowed by the people of America to do something sweeping, so we have to do it incrementally. And these are the increments of a plan which can be of great assistance to us and can bring us out of a situation, which, if we do not correct the consumption of resources for this health care system—which were $670 billion and now this year will rise over $700 billion—will simply engulf the entire Federal budget without our bipartisan attention.

This is our approach, a good, thoughtful approach by our deeply respected Senator from Rhode Island.

I thank the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Maine [Mr. COHEN].

Mr. COHEN. Mr. President, I am pleased to join my distinguished colleague in cosponsoring this Republican health care task force proposal. I commend Senator CHAFEE, in particular, and the other Members who were so diligent in attending the meetings virtually every week for more than a year.

This is an issue that has been percolating through our system for some time now, and it has become increasingly clear that health care reform is not simply a political or practical necessity, as some have suggested. I believe it is a moral imperative.

We have parents who are worried about how they can care for their children, parents who worry about how they can care for their parents, rural citizens who are concerned about how they can get access to much-needed health care, and virtually everyone in our society concerned about how they are going to be able to pay for it.

What we have is a paradox. We have perhaps the best health care technology available anywhere in the world. Our health care system provides the finest care available anywhere in the world. The bad news is that it is not available to everybody. The estimates vary, but between 34 to 37 million Americans do not have health insurance. And those numbers are going to climb.

As the cost of health care continues to grow, businesses are going to start reducing the health care coverage they provide for their employees.

The motion that it is only the unemployed who do not have insurance is a mistake. One of the great ironies is that working Americans and their families account for approximately 80 percent of the uninsured. The cost of health care insurance is simply beyond their reach or the reach of their employers.

Any health care reform proposal necessarily has to address three basic issues: Ensuring universal access, holding down costs, and maintaining high quality. Those are the three principal goals that we must strive to achieve. And there is no one plan that is going to be acceptable to the majority of people in this country or certainly in this Congress.

We believe we have structured a comprehensive proposal to achieve these three goals: Access, cost containment, and quality. While not perfect—as Senator SIMPSON mentioned a moment ago, many might object to specific provisions in this proposal—nonetheless, we believe that we have structured a package around which a consensus can be built in this country and certainly in this Congress.

Reference has been made to the Canadian health care system. There certainly are many positive attributes of that system. Everyone is covered, for example, and Canada does, in fact, have a lower infant mortality rate. But I think it is a mistake for us to simply look to other countries and say: "That is the system we ought to adopt."

For example, we have more uninsured Americans in our country than they have people in Canada. There are roughly 27 million people in Canada. We have 34 to 37 million people who are uninsured in this country. We also have different demographics, different problems, a different constituency. We have crime problems and drug problems that have yet to afflict our neighbor to the north. And we also have a different cultural, social, and political history.

For example, when you combine the Canadian income tax rates from the provinces and the national government, they go as high as 66 percent. I am not sure how many Americans would be willing to accept a combined State and Federal tax rate of 66 percent.

In addition, Canadians must often wait months and even years before necessary surgery can be scheduled.

I do think we can learn from other countries' experiences. I think we can build upon our current system to make the reforms necessary to ensure that all Americans have access to affordable, quality health care.

Our goals, therefore, are access, quality, and cost control. I think we can achieve these goals through the proposal that the Republican task force has put together.

There are many competing proposals. Many of these proposals also have merit. Hopefully introduction of the task force proposal will signal the beginning of a debate that will be carried on in a bipartisan manner by high-minded people who seek to reach a consensus between proposals coming from both sides of the aisle.

Based upon my review of the major proposals that have been introduced, I believe that we are within reach of a compromise that most Americans can support and that will bring necessary relief to millions of people.

Mr. President, I am pleased to join with my distinguished colleagues on the Republican Health Care Task Force in introducing the Health Equity and Access Improvement Act of 1991, which takes significant steps toward ensuring that all Americans have access to affordable, quality health care services.

The proposal is similar in many respects to comprehensive health care reform legislation I initially introduced in the last Congress, and I was pleased to have the opportunity to help shape the task force proposal. I would particularly like to thank my colleague, Senator CHAFEE, for his leadership in this effort, which has finally come to fruition after many months of meetings, workshops, and extended discussions.

Political pundits across the country woke up on Wednesday morning proclaiming, along with the Pennsylvania election results, the birth of a new national issue: health care. That concerns about health care are foremost in America's mind is not news to me, and it's not news to my constituents. The people of Maine woke up to this issue a long time ago. That's why I've introduced a comprehensive health care reform bill in the last two Congresses. That's why I've tried to persuade the administration to engage in more than rhetoric on the issue. That's why I've dedicated time and energy to the Republican task force. And that's why Congress can no longer avoid taking action on the issue.

I was reminded of the extent of the concern in my State when I sponsored a health care conference in Portland recently to examine some of the more pressing problems plaguing the system. The response was overwhelming. We anticipated 250 to 300 participants, were able to accommodate over 500, and had to turn away 200 more. Unfortunately, there was no single facility available in my State to accommodate everyone who wanted to talk about health care.

The problems plaguing our Nation's health care system have reached critical proportions, and the need for comprehensive reform is not just clear, it is compelling. It is a problem that affects every segment of our society—parents who worry about providing adequate care for their children, residents of rural areas plagued by shortages of health care providers, senior citizens who fear the devastating financial and emotional effects of serious illness, and businesses that simply can no longer afford to provide health care coverage for their employees.

What was once just a serious problem, is now both a moral imperative and a practical necessity.

Americans spent $671 billion on health care in 1990—over 12 percent of our gross national product. Ironically, at a time when health care expenditures are skyrocketing, more and more Americans are going without adequate care. As many as 37 million people—at least one in every eight Americans—have no health insurance at all. Many more have inadequate coverage. They are not old enough for Medicare, not poor enough for Medicaid, and have limited or no health insurance provided through their employers.

In fact, working Americans and their families make up the vast majority—about 80 percent—of the uninsured. Some have been denied coverage because of their medical histories. Most have simply been priced out of the market.

Rising health costs and Government mandates have sent health insurance premiums through the roof, virtually precluding small businesses from providing adequate coverage for their workers, and individuals and families of modest means from providing coverage on their own.

The American health care system is a paradox.

It is capable of providing the finest, most innovative and technologically advanced care in the world. But for all of its sophistication and technical expertise, our system is critically flawed. While it is capable of providing the finest health care in the world, an increasingly unacceptable number of Americans are going without routine, basic health care services.

The legislation I introduced in the last two Congresses, and the bill my colleagues and I are introducing today, takes major steps towards resolving the problems of cost and access that plague our current system.

Like my bill, the task force package builds upon our current employer-based system by offering financial incentives to broaden access to care. It provides a refundable tax credit to help low-income individuals and families cover the cost of health insurance or services. It makes insurance more affordable for self-employed individuals and their families by granting them the same 100-percent deduction for health benefit costs currently granted to large businesses.

The proposal also makes insurance less expensive for small businesses and their employees by encouraging them to enter into purchasing groups and exempting them from costly State mandates, thus allowing them the option of purchasing more affordable basic coverage. It guarantees the availability of such coverage to any small business wishing to purchase it, guarantees the renewal of such policies, limits premium increases, and also limits the ability of insurers to impose coverage restrictions.

In addition, the legislation increases funding and expands programs like the National Health Service Corps, community health centers, and area health education centers to increase access to care in rural areas. And it provides Federal matching funds for States, like Maine, which wish to provide basic health coverage to low-income, uninsured individuals who are not currently eligible for Medicaid.

While I have concerns about some provisions of the Republican task force package, specifically the preemption of State tort law in the malpractice component, by and large it is a fine bill that takes significant steps toward the fulfillment of some of our most pressing health care needs. The introduction of such a package makes an important contribution to the debate and is a major step toward the development of the consensus necessary to achieve significant national health care reform.

The problems plaguing our Nation's health care system are complex. Any solution is bound to be expensive. But the problems will never be any simpler, and the solutions will never be any cheaper. The window of opportunity for reform will never again be open as wide as it is today, and it is time now for Congress to put partisan interests aside in favor of the national interest. I look forward to working with my colleagues on both sides of the aisle to enact the reforms necessary to ensure that all Americans have access to affordable, quality care.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, I first state for the RECORD that I will submit, if not today, at the next convening of the Senate, an explanation of my support for the passage of the proposals on health care and, at the same time, indicate in that document some of the areas that I have concern about. With that observation, I am going to be a cosponsor, and I have already told Senator CHAFEE that I would be.

Mr. President, I am going to talk today, not about the proposal that is pending before us, but about two aspects of American life that I think it is important that we think about as we look at health care for Americans.

I do not know which is more important, but let me start and say there are two things that I believe are very much the predominant concerns of our people and, if they are not in a way that people express them as being a big concern, they are a concern in the sense that they are somewhat taken for granted. So let me suggest what I think they are.

First, I think the paramount issue in a society such as ours from the standpoint of Government and what Government ought to be trying to do by policy is essentially to make the capitalistic economic system work well.

Because without it working well, we do not have any jobs, we do not have opportunity, and millions of Americans do not have an opportunity to enter into their own business, to share their own entrepreneurial skills, and make money. So essentially, to make the capitalistic system work well, we have to recognize that businesses owned by people have to make money.

We used to think that jobs somehow came by somebody waiving a wand. And for a long time, we would not even want to talk about the fact that General Motors has to make money in order to sell cars in order to pay its workers a good solid living wage, and all the other things.

And for a long time we would not even talk about small business having to make money. We were always talking about what we ought to do to make sure they are good citizens and providing the right kind of safety and the right kind of job environment. You know, there is so much of that out there that many businessmen think that Government actually hates them, dislikes them. There are many businesses, large and small, that are convinced that their national Government really does not care about them.

Well, obviously, this Senator does not feel that way. I believe that we ought to start looking seriously at why we are unable to have long—I do not mean 7 years—why are we unable to have 15 or 20 years of sustained economic growth at low inflation. That ought to be top rung for all policymakers of the United States.

How do we do that? It is not easy. Because now we are competing with a lot of countries that have a capitalistic regime for their economy and for their individual country's prosperity, and they do some things better than we do.

I believe eventually, though, we are going to have to look seriously at a whole new Tax Code, because the Tax Code of the United States has sent the wrong signals to the marketplace. It tells people to borrow instead of save. It tells corporations to merge and borrow rather than go into the marketplace and get capital, because if you borrow you get to deduct everything. If you have to go raise money for capital, you get taxed twice; once on the profit, and once on the dividend. Those are just kind of fundamentals.

Now, why am I talking about that when we are talking this morning about an improvement in the health care system of the United States? Well, Mr. President, because while health care is the premier social concern in the United States today—and I think that is right—it just happens that whatever system you have in our quilted system—partially run by Government and partially run other ways; and Medicaid, partially paid by us and partially by our States—whatever way, it costs money.

And there again, I am sure the American people, sitting around watching a discussion about health care, know that for somebody to say, "we want national health care, and if you elect me, I will have it; I will do it," I am sure they know that somehow or another it is going to cost money.

Now, maybe there are policymakers or policymakers-to-be who can suggest we will save a lot of money, and it will not cost any more; we are just going to give a lot more people health care. But I am not so sure, when you get right down to it, that average Americans sitting around pondering this issue are going to believe that.

Some talk as if we ought to have a national health care system, and they sort of indicate Washington ought to run it; it ought to be run by the Government. Well, you know Americans will not believe in that very long. They will say that, instead of being good medicine, they will end up saying that is bad medicine that is coming from Washington, and do you really think they are going to let Washington run the health care system?

Well, let me suggest that it does cost money, whatever the system. Let us just talk about ours, with all the deficiencies, and put it into perspective. It costs 12 percent of our gross national product, an incredible number.

Some might say, "What is the difference? Of the huge pie of GNP, we just take a sliver of 12 percent and use that for health care."

Well, it makes a difference because all those competing countries that are building goods and services and selling them in the world market and paying their workers, they have health care, too. And in our case, we have the highest percent of GNP for health care of any of them. A living example, Japan is about 7; we are 12. So whatever their GNP, 7 pays for all their health care; 12 is ours. One might say, "So what, Senator? That doesn't matter."

Then let us look at cars. When a Toyota car comes off the assembly line in Japan, because it has a health-care cost attached to it, because they have paid for the workers' health-care coverage that worked on that car, that Japanese car has a little sign on it: "350 dollars' worth of health care."

Well, get on an airplane and come over here and go outside of the Dodge plant, and get a similar car called Dodge. Guess what? It has a little tag on it which says: "750 dollars' worth of health care costs." A little bit of difference. if you keep those differences going, pretty soon you will understand why they might sell more cars than we sell. That is the case everywhere.

So it is time, if we want to have a good economic system and take care of that big problem called health and health worries, health concerns, preventive and primary care, and all the other things, we better get busy trying to figure out a way to do it where we can assume that we are going to pay less for the unit of delivery and deliver more; that is, let us have some cost control ideas. And then we have to broaden the coverage, and we call that access.

And clearly, in the process, we have to make sure that we have a diversity of care that keeps the American system, which is obviously the best. In terms of exotic medicine, high-technology medicine, and overall quality, we are the best. We do not want to lose that in the shuffle. So I think what we have here is a very, very exciting start.

Senators have explained how we are going to try to work this into a major item of discussion for the American people and for those who are gong to have to draft a policy here and elsewhere in the Congress. I think, in that respect, it is going to serve a very good purpose.

I would like to suggest that one thing we must do sooner or later, and I think almost every Senator that has looked at it will agree, we have to do something to get control of costs by controlling the court cases, the tort jury trials against doctors and hospitals. We have to do that a different way. We have to have some reasonable caps on that kind of liability, and we have to get it out from the emotional decisions and the decisions that we are hearing day by day, which clearly point to the kind of thinking that you go after someone with deep pockets and get an enormously large verdict. And then that sets a very high plateau of settling cases, and also of defensive medicine.

I am absolutely convinced if we were to look at this carefully for 6 months or so and see what has really happened, we will be amazed and aghast at how the system is literally getting bludgeoned and burned by jury trials and tort liability brought by the plaintiffs' bar in this country on behalf of patients. Most of the time, the cases represent very, very high visibility plaintiffs, malformed babies, the kind that have an adverse event; not necessarily negligent, but it gets to the jury, and the adverse event yields a huge jury verdict.

We have to get those under control. And this package at least says let us get started down that line. I think we need more than the voluntary arbitration that is in the bill, but I will discuss that in more detail later.

I thank the Chair, and I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska [Mr. STEVENS].

Mr. STEVENS. Thank you, Mr. President.

I have cosponsored this Health Equity and Access Improvement Act of 1991 because I think it represents a good start toward expanding access for health care, while at the same time addressing, really, the causes of the increased costs in our health care delivery system.

This bill has been the product of a dialog with long hours and many meetings. I have to admit I have not attended all of them. But I have attended when we had the provisions for discussion which pertain to rural health delivery systems. The provisions in this bill seek to address the issues of the delivery system nationally, particularly in rural areas, in States like mine where the costs are often prohibitive and, in many instances, unfortunately, health care may be totally nonexistent.

For those who live in the remote areas of Alaska, for instance, often the cost of just one trip to the hospital is more than their monthly income. I believe the bill begins to address those needs of rural America and also the needs of small businesses. And again, frankly, the businesses of my State are almost all small businesses. We cannot obtain insurance for the small business company employees at a reasonable cost today. I think this bill, if adopted, could lead to relief for small businesses.

Even though Alaska now has a lower rate of injury and lower rate of malpractice, the insurance rates in Alaska now are twice those of California. In both instances, the rates of exposure are half those of Alaska, but we pay twice the cost. This bill makes, again, a good start at addressing the area of cost containment of those premiums. And I believe in terms of access, it is a plan which the American people can live with.

I want to tell the Senate that those of us who live in Alaska see the Canadian system in a different light than those who live in the big cities of the United States. The Canadian system at least provides some medical care in the very, very remote sectors of Canada. And I think this bill goes towards solving the problem of the nonexistent medical care areas in our State.

We decided, those of us who have cosponsored this bill, not to address the subject of financing the proposal. We will be criticized for that. But we attempt to set parameters on a health care delivery system and have the Congress define the need. I think if we could get to an agreement on those two subjects, we could then determine what we could afford and how soon we could afford the complete system that this bill envisions. I am very pleased to join Senator CHAFEE and commend him on what he has done to bring this bill to the floor today.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky [Mr. MCCONNELL].

Mr. MCCONNELL. Mr. President, there has been a lot of discussion the last couple of days about the messages emanating from the American public, and from the election this Tuesday. It seems to me, Mr. President, it clearly was not a partisan message. In fact, it could probably be argued rather persuasively that my party, the Republican Party, achieved more success on Tuesday than did the Democratic Party.

As has been pointed out, all across America in unexpected places, the Republicans did quite well, including most spectacularly electing the first Republican Governor in Mississippi since 1874.

But since, Mr. President, the focus has been to a large extent on the Pennsylvania race, I rise today principally to make some observations about the health care issue.

It comes as no surprise to this Senator that Americans are interested in health care. It also comes as no surprise to this Senator that the American public, in spite of their general skepticism about whether Congress can accomplish anything effectively, expects us to make some effort to address this issue which is very near the top of their list of priorities. It is not just a question of the uninsured, whether it is 31 million or 36 million depending upon which statistic you want to refer to. Clearly, there is a gap in the system in terms of the number of Americans who have no coverage whatsoever.

In addition to that, Mr. President, there is a genuine concern on the part of a whole lot of others as to whether or not the coverage they have is adequate. The whole subject is complicated, complicated to understand even if you are covered.

There are those who suggest that we ought to simply scrap the American health care system which has brought to most people in this country the best health care in the world, and replace it in lieu thereof with something akin to the Canadian system or the British system or some other really dramatic change.

I do not think anybody has the open answer to this problem yet. But it seems to me elementary that if you have a system that is already producing the finest health care in the world for most Americans, the most sensible approach would be to plug the gap for those who do not currently enjoy that quality of health care. So, obviously, we will have to address the problems of the uninsured.

In addition to that, clearly, we have to do something about the rising cost of health care, and we must go back and address catastrophic health care for the elderly, something we essentially wimped out on 3 years ago, and the problem of long-term care.

Republicans in the Senate are committed to dealing with the health care issue in a responsible way. The Republican task force, chaired by Senator CHAFEE of Rhode Island, has met for quite some time and has produced a bill today of which I am proudly a cosponsor and which represents our suggestions in the ongoing health care debate.

Mr. President, I introduced a health care bill last year similar to the one the task force introduced today, and reintroduced it in this Congress. I think the message is clear. The American people expect us to act in the area of health care. And with a divided government, the only way we can act is on a bipartisan basis.

I think if there is any national message at all emanating from Tuesday's election, it clearly was not anti-Republican—the Republicans won more races than the Democrats. If there was any message at all about Tuesday, it was that the American people would like for us to finally deal with the health care issue. That was the issue that dominated the Pennsylvania race. That was the issue the American public expects us to stand up and do something about.

So I am here today to commend my colleague from Rhode Island for his leadership in bringing together this proposal, to proudly cosponsor it, and suggest that the Senate and the administration get about the business of dealing with the health care issue.

Mr. SPECTER. Mr. President, more than half a century ago this country embraced the principle that every worker and his family should be insured against the haunting threat of loss of income as a result of retirement, death, or unemployment. To that basic tenet we have added protections against economic loss caused by disability, as well as help paying for the cost of health care for the elderly and the poor.

These were all laudable commitments, Mr. President. As has been the covenant we forged with medical science shortly after World War II. A covenant that has enabled us to make impressive advances—in increasing life expectancy and reducing the prevalence of fatal or incurable disease.

Under the circumstances, Mr. President, is it any wonder that America was once recognized as the world's leader when it came to safeguarding its citizens. But our leadership position is being threatened. We are losing ground in the war for a healthier America.

Mr. President, the enactment of Medicare and Medicaid in the 1960's resolved a longstanding national concern by providing insurance to older citizens and to the poor. But other, equally important issues have emerged since then. The cost of health care has increased so rapidly that it now makes up about 12.2 percent of our gross national product. As a point of fact, America now spends about $660 billion on health care—more than any other country in the world.

What a sad irony, Mr. President, that despite such a large national expenditure there are people in this country who have little or no access to health care.

Mr. President, today I join with my colleagues participating in the Republican Task Force on Health Care to introduce legislation that helps address the needs of the 33 million Americans who lack health insurance altogether, and the 20 million persons whose coverage is inadequate, including the over 1,000,000 residents of the Commonwealth of Pennsylvania without health insurance coverage.

The medical system in this country provides health care to 250 million people. This diverse system cannot be reformed over night. The bill we are introducing today would put in place reforms to improve the access to care for all Americans; provide affordable coverage; build on existing Federal programs which currently provide services; and improve health promotion and disease prevention initiatives. It is an important step toward implementing a national health policy which will ensure access to all Americans to affordable health care.

There is no one reason why people find themselves and their families among the uninsured. Data seems to indicate that jobs created over the past decade have been in the service-related industry and other nonmanufacturing jobs which are the least likely to provide insurance coverage for their workers. The decline in the employers contribution to the cost of individual and dependent coverage is another factor. With the decrease in the employer contribution and the low-wages paid by most of these industries, employees can no longer afford adequate coverage for themselves and their families.

Mr. President, it is estimated that 80 percent of the individuals without health insurance today have jobs or are dependents of those who are employed. Most of these uninsured are concentrated in small businesses, particularly those with 25 employees or less and in industries with a lower skilled work force. Clearly, one means of improving access to health care is to make insurance coverage more affordable to these employers and their employees.

This bill attempts to do just that. The bill focuses on improving the affordability of health insurance for all small businesses. It is achieved by amending the Internal Revenue Code to provide full deductibility of insurance premium costs for self-employed individuals and through establishing a new tax credit for small business employers who begin to offer insurance coverage to their employees and/or their dependents.

I compliment my colleague, Senator CHAFEE, for his leadership on this important issue. While I have some reservations on some aspects of the bill, I believe it provides a good starting point for consideration of legislation to extend adequate medical care to the people of this country.

Mr. DOLE. Mr. President, 1 year ago, Senate Republicans formed a health care task force, ably chaired by the distinguished Senator from Rhode Island [Mr. CHAFEE].

No doubt about it, health care is at the top of the list when it comes to national priorities. Several months ago, in fact, a couple of years ago, I predicted that health care would be the No. 1 issue in the 1992 Presidential campaign, and judging by the intensifying focus on health care, it looks like this prediction is coming true.

Every American knows firsthand that health care costs have run amok.

The number of uninsured has grown. And the middle class are getting more and more concerned about the security and affordability of health care. When I read recent polls indicating that 90 percent of the American people feel our health care system needs fundamental change, I believe it.

It always has been a priority issue with those of us from rural States where access to quality care is becoming more and more challenging, and in some places, almost impossible. Let us face it, health care is not an issue that suddenly popped up this week. I have been immersed in this issue throughout the course of my career in public service, as have many others in this chamber, on both sides of the aisle.

I have just completed a tour of all 105 counties in the State of Kansas, and after hundreds of town meetings and visits with Kansas officials, voters, taxpayers, workers, I can tell the Senate today that health care is the priority concern in my home State, and the unanimous message does not come as any surprise, but it underscores the fact that despite the best efforts of Republicans and Democrats during the past decades, the problem remains.

Reform proposals to revamp the current system are in no short supply—there is plenty of access to them. My latest count is there are 24 different proposals that have been introduced in the Senate itself. I am certain there are dozens more in the House. In addition, we have all kinds of plans coming from insurance companies, from big labor, big business, small business, hospitals, doctors, all health care providers.

So there is a lot of interest in what we may be doing in the next couple of years when it comes to health care.

But conventional wisdom among Government and industry experts says that it probably is going to be 2 to 5 years before we have a meaningful comprehensive health reform.

What is blocking action? There is a lot of finger pointing going on right now. Democrats point at the White House; others point to the Democrat-controlled Congress; doctors point to lawyers; insurance companies point to wasteful hospitals and doctors who charge too much; small business points to the insurance companies; interest groups point to a lack of consensus. Everyone talks about how complex the issue is and, meanwhile, the American people watch in frustration as their coverage dwindles or even disappears, in some cases, and costs go higher and higher.

So I suggest it is time to stop pointing fingers. There is plenty of blame to go around. It is time to really do something. I do not mean it is time to just talk about doing something. It is time to introduce a bill that will actually pass and will have the support of the President and the Congress, from Members of both sides of the aisle, and that will become law.

I am not certain where that bill is. There are a lot of people who think their bill is the one that is going to pass. I think all of us understand if we are going to have health care reform, it is going to have to be bipartisan, nonpartisan. It is going to have to be consensus driven.

But today, a number of my Republican colleagues, led by Senator CHAFEE, introduced a bill that I believe does have a fighting chance of passing and becoming law.

For the past year, our Republican task force spent every week searching for ways to curb the ever-rising health care costs and to expand access for millions of Americans now without insurance.

Our discussions have been frank and comprehensive. Did we agree on every point? Of course not. Have we solved the crisis? Not completely. But what we have done is put together a meaningful package that will improve health care for Americans.

We must remember, comprehensive, sweeping reform is going to take some time. Anyone who says it will happen overnight is going to be very disappointed.

I think anyone who understands health care and how complex it is and how many different groups are involved is going to have to be willing to make a lot of tradeoffs, a lot of balancing, because every interest group is going to want to be there to reserve their appropriate rights, as they should reserve their appropriate rights. But the bottom line is getting affordable health care to the average American, people in my State and other States around the country.

The financial resources to restructure the system are just not there. Simply put, the Government is broke. And most of the States are running in the red as well. That is why Democrats keep talking about taxing business—because that is what those pay or play proposals really are—just another tax on business.

If it is America's intention to bankrupt the employers of our Nation, particularly small employers, some of which are already operating on the margin, then that particular proposal is the right solution. Or if it is our intention to ravage the economy and force people out of work, then some of the other proposals we have seen might be the right way to go.

I doubt that is what most Americans want. What we want to do is curb runaway health care costs that are consuming more and more of our gross national product. Our goal is a health care system accessible to all Americans. Our goal is to have health care reform that preserves the assets of our system, assets we do not often hear about, such as unparalleled high quality health care delivered by our health professionals.

The most critical element of the proposal before us is the use of incentives versus mandates. The American people do not want to mandate, they do not want to be told. Employers do not want to be told you have to do this or you have to do that, whether it is parental, or family leave, or health care, or anything else, for that matter. We continue to believe that given a chance, small business, the self-employed, and many individuals will seek to protect themselves or their employees. Our bill will do that through the use of tax credits and reforms in small market insurance.

Additionally, our bill recognizes the multifaceted nature of the problems confronting us. Some people can be helped through the use of tax credits. Others will benefit through the expansion of the Community Health Clinic Program, while still others will avail themselves of coverage under the State publicly financed program.

I should also note that there is special attention given to the real needs of rural populations. Our bill not only increases the funding for community health clinics, it also increases funding for the National Health Service Corps which will translate into more health care providers for rural areas throughout America.

Our bill also features some innovative provisions to contain skyrocketing costs. We believe that $15 billion can be saved each year by reform of the medical liability laws. We have also made provisions for small market insurance reform and the creation of purchasing groups.

These are just a few of the innovations included in our bill. As a group, the task force had to resist the temptation to junk the entire system and simply start from scratch. It also rejected radical reform, which have no chance of passing. I believe our approach is both reasonable and responsible.

Mr. President, I would also like to note that while the proposal we are introducing may focus on acute care services, long-term care is still a priority.

In August, Senator PACKWOOD and I introduced a long-term care bill that addresses the needs of many of our older Americans. It provides for both home and community-based long-term care services as well as nursing home care. And most importantly, it significantly improves access to long-term care for a larger segment of our senior population. Unfortunately, we have yet to see any action on our proposal, and I think we can look forward to that next year.

Now, what is the toughest part? It is not to outline some program or to set forth a number of benefits. The most difficult part is telling the American people, the very people who want more health care at less cost, who is going to pay for it. How are we going to pay for our package? How is anybody else going to pay for the other 24 packages that have been introduced?

I would just say this. We are certainly committed. We are not going to pass a bill on this side of the aisle that is not paid for. I think that is one thing on which we agree.

One area that looks promising to me is the imposition of a reasonable limit on the deductibility of health benefits provided by employers. That is one possibility.

Our current system of unlimited tax-free health benefits not only strips away incentives to contain costs and to consume cautiously, it also results in a loss of revenue to the U.S. Treasury of almost $40 billion. That is $40 billion a year.

This is only one financing mechanism that is a viable option. There are others. I am certainly confident we can find some way to responsibly finance any package without breaking the backs of the taxpayers by adding to our recordbreaking Federal deficit.

I conclude by suggesting that certainly this bill does not solve everybody's problems. It does move in the right direction toward greater access with decisive cost containment measures. What it does not do is to have the Government crushing Americans with new regulations, huge deficits, or massive tax increases.

It is quite different from the Canadian system with which some seem to be so fascinated. It is also quite different from the leading Democrat proposals with all of their mandates and big ticket bottom lines.

If you are looking for a health care bill that will actually help the American people without wreaking havoc on the economy, then I believe this bill looks pretty good. On the other hand, if you are looking for an excuse to expand the Government and weaken working America, while socking it to the taxpayers, then I think you have to look elsewhere.

Finally, as I indicated earlier, we are not going to get a health care bill, a good health care reform bill, unless we can bring all the parties together; that is, big business, small business, big labor, working men and women, providers of all kinds, insurance companies, and certainly get a lot of input from people who have been patients. And we have all been patients at one time or another in our lifetime.

I just suggest, Mr. President, this is the issue, the challenge of the rest of this decade. It is not particularly partisan. It is going to have to be addressed in a nonpartisan way. I look forward to working with my colleagues, working with the President of the United States, and working with the private sector in trying to come to grips with this very important challenge.

I yield the floor.

Mr. McCAIN. Mr. President, I rise today to introduce along with Senators CHAFEE, DOLE, SPECTER, BOND, COHEN, DANFORTH, MURKOWSKI, GORTON, MCCONNELL, STEVENS, PRESSLER, SIMPSON, WALLOP, WARNER, MACK, and DOMENICI, the Health Equity and Access Improvement Act of 1991.

Mr. President, the American health care system is very much like an extremely ill patient, infecting us all.

The medical chart on the end of the health system's bed details the following serious symptoms: Over 32 million uninsured; business and government health expenditures rising rapidly; rural areas facing health care provider shortages, and hospitals struggling to keep their doors open. Nearly 25 percent of every dollar spent on health care is consumed by defensive medicine; young mothers lack adequate prenatal care; there is unequal access to medical services, and the costs of long-term care are prohibitive.

Arizona's chart certainly reveals the same. In fact, it is worse than most States in the areas of the uninsured, infant mortality, and access to mental health services, to name a few.

The American health care system is suffering from financial hypertension: Explosive cost pressure which is pushing every part of the system to the breaking point.

Health care costs are the fastest rising segment of our economy. From 1981 to 1989, they grew some 93.5 percent, while general inflation rose only 44.8 percent. This year, we will spend $750 billion. In 1960, health care consumed 5.3 percent of our GNP, a figure which will rise to 13 percent by the end of this year. Our competitiveness with other countries is now threatened by these enormous costs.

So difficult has the burden of health care become that this year has witnessed an unprecedented movement aimed at nationalizing at least some part of the health care system. Daily, we hear and read of the Canadian system, of mandated health benefit plans, and of big business' support for some form of national health insurance.

Reform of our health care system is essential. The polls suggest that many support national health insurance, like that of Canada, but I wonder whether this would really leave us with the system we want.

To their credit, our neighbors to the north have a health care system that provides universal access to primary care and preventive services for all of their citizens, and has a great deal to offer in way of ideas for reform. Their system's administrative costs are significantly lower than those of our system. Providers are paid on a fee-for-service basis and there is little cost sharing for the patient. The taxpayers, however, are burdened with an enormous bill to pay for their system. Costs are rising in Canada as fast as ours are, and their system eliminates some services and constrains access to some types of care.

The Canadian Government largely controls costs by rationing some services, and there is very little innovation. Patients with serious health problems do not have access to some sophisticated technology or innovative treatment methods. What's more, most Canadians lack ready access to many of the very diagnostic services we have come to demand in our country, including detection of such serious diseases as breast cancer, brain tumors, and spinal problems.

A second option for reform which is supported by some is the so-called Massachusetts miracle. It required businesses to either provide a specific set of health benefits to their employees or be taxed. It was a mandate, pure and simple, and it failed to recognize that the reason many businesses didn't provide insurance to their employees was that they were unable to afford the premiums. After 2 years, it was repealed due to its negative impact on the State's employers.

So, before we adopt, as a Nation, a national health insurance proposal that repeats something like the now repealed Massachusetts miracle, it's worth exploring what's good about our system, how it can be protected, and what alternatives exist in the marketplace to help deal with its problems.

Approximately 85 percent of all Americans do have health coverage, and enjoy state-of-the-art health care. Most patients have a choice. For those who are covered, there are usually no lines for care. We spend billions of dollars a year providing services for the poor. Nowhere in the world is the art and science of medicine so advanced, or advancing so quickly as in the United States. But that advancement comes at a very high price. One of the most severe is the unprecedented fact that 32 to 37 million Americans are without insurance.

For the last 2 years, I have been meeting with health care providers, consumers, and other Senators. We have been examining what's good and bad about our system, and searching for possible remedies. As a result of this process, many have come to the view that reform is essential, and believe there are some sensible options for reform.

We have developed proposals that will focus on the coverage needs of small businesses and their employees, addressing the needs of the poor and underserved, expanding access to care for children, increasing access to preventive care, and providing long-term care coverage for the elderly.

The legislation we are introducing today will reform many aspects of our Nation's health care system. It incorporates many of the proposals I have introduced as separate measures in the past. And, combined with new proposals I've introduced this year, it provides the basis for sound and sensible reforms.

SMALL BUSINESSES

Most of the 32 to 37 million Americans without health insurance work in a small business, or are the dependents of those who work in small businesses.

Simplistically, some in Congress believe the way to solve our uninsured problem is to mandate that small businesses provide their employees with health insurance. Such thinking demonstrates a failure to understand what many Arizona employers have told me: They don't offer health insurance because they can't afford it, not because they don't care about their employees.

Rather than mandating coverage, or creating expensive new programs, this bill creates new and efficient coverage options both for the uninsured and insurers.

It would correct the longstanding tax inequity between small and large businesses by making permanent the deductibility of health insurance premiums for self-employed individuals, and boosting the percentage of deductibility from 25 to 100 percent. It assists small businesses in the purchase of insurance by providing them with less expensive alternatives to existing insurance plans, placing limits on premium increases and preexisting condition coverage restrictions, and guaranteeing renewability of policies that haven't been legitimately terminated for cause.

It also will allow small businesses to join with others to form a pool for the purpose of purchasing health insurance. This concept, which has worked in Cleveland, OH, will not only make insurance more accessible, it will hold down costs. And, it will provide a tax credit for those small businesses which begin to cover their employees and dependents.

TAX INCENTIVES

In addition to the small business tax measures, this bill will provide a tax credit to assist currently uninsured individuals in purchasing health care services or health insurance. It will also make health insurance premiums deductible for those who purchase health care outside of an employer group.

MANAGED CARE

I believe managed care, an HMO for example, is one of the bright hopes for controlling the growth of health care costs. A number of large businesses and Arizona's Medicaid Program, AHCCCS, have certainly demonstrated this. The legislation would prohibit States from restricting the development of managed care plans. We should enact policies to encourage the development and use of such plans, not discourage them.

RURAL HEALTH

Rural areas continue to be in a crisis with regard to their health delivery system, facing a severe shortage of health care providers and the potential loss of their hospitals.

We can address this critical issue by expanding the Area Health Education Center Program, providing additional resources to attract health professionals to medically underserved areas, providing more funds for the Rural Hospital Transition Grant Program, and providing grants to assist rural communities in exploring ways to establish mental health outreach programs. Our bill will also promote the development of managed care cooperatives and encourage the sharing of resources with other rural communities.

IMPROVED ACCESS FOR UNINSURED

Beyond the uninsured who are the employees or dependents of small business employees, there are many who are too poor to purchase health care, but earn too much to qualify for Medicaid.

Our legislation would increase access to health care for the poor and near poor by expanding the excellent and cost effective Community Health Center Program, expanding the National Health Service Corps Program, and providing block grants to States to expand services in medically underserved areas, including the expansion of services, recruitment, training of personnel, and capital development. In addition, it will create a new public program to allow States to provide health care coverage to individuals with income between 100 and 200 percent of the poverty level who are not currently eligible for Medicaid.

EXPANDED COVERAGE FOR CHILDREN

Many children in our Nation lack adequate access to health care. In addition to expanding access to the Community Health Center Program, this legislation would increase funding for the critical Childhood Immunization Program, and provide full Federal funding to cover all children under the poverty level.

PERMIT STATE-BASED WAIVER PROGRAMS TO BECOME PERMANENT

A number of States, including Arizona, have been experimenting with innovative approaches to Medicaid and other public programs. Our Medicaid Program in Arizona, the AHCCCS Program, has enjoyed certain success. We would like to permit other States to replicate AHCCCS, and even explore other models. States should not be forced into a mold fashioned at the Federal level, rather they should be allowed to tailor public programs to serve their individual needs and demographics. This legislation would permit States to make these demonstration programs permanent if they are successful.

MEDICAL LIABILITY

The present medical liability system is supposed to protect patients from negligent acts, and provide compensation for those patients with valid claims in a fair and efficient manner. It has failed. Instead, the current litigation system increases the cost of health care, reduces access to both the compensation system and the health care delivery system, subjects patients to many unnecessary tests and procedures, and is not adequate to protect patients from negligent acts. It has had an unfortunate effect on the retention of health care providers, and has driven up the cost of health products and devices.

Our legislation will reform the system by expediting malpractice settlements, establishing alternative dispute resolution procedures, and setting uniform standards for medical malpractice cases. It also provides special protection for those devices and products that go through the Food and Drug Administration's premarket approval process, establish uniform disciplinary reforms, and permit community health centers to self-insure.

In addition to this legislation, it is imperative that the medical profession do a better job of disciplining the handful of bad actors that create 95 percent of the problem. With this, any reform will be insignificant.

While this legislation is fairly comprehensive, it is not complete. What's more, any legislative reform effort must be coupled with an elimination of wasteful and redundant procedures, tests, and operations, that are all too prevalent in our system.

FILLING THE BREACH

Several weeks ago, I introduced legislation with Senator LLOYD BENTSEN that I believe helps fill the breach.

First, it protects individuals with preexisting conditions from being denied access to health insurance if they change jobs. This issue has created job lock, as many with preexisting conditions are unable to change jobs for fear of being denied health insurance due to their preexisting condition.

Second, it creates a Health Care Cost Commission that will monitor and report on annual trends in national health spending. The Commission will also review the impact of administrative costs on health care spending, make recommendations for minimizing such costs, and develop uniform billing requirements for use by all insurers and providers.

And, third, it will expand the coverage of a number of preventive services under Medicare, including flu shots, mammograms, and colon cancer screening.

LONG-TERM CARE

Reform would be incomplete if we did not deal with the most critical health care coverage need of the elderly—long-term care.

Our Nation is aging at a phenomenal rate. Today, there are some 30.9 million Americans over the age of 65—356,000 of whom live in Arizona. By the year 2010, there will be 39.4 million elderly Americans and in excess of 422,000 Arizona seniors.

With the cost of an annual stay in a nursing home averaging some $30,000–$40,000, it is not surprising that this is the most critical health coverage need of the elderly.

Most Americans do not have adequate coverage from these often ruinous expenses. Reform will require the involvement of both the private and public sectors.

When people are able to afford it, private long-term care insurance policies are—and must be—part of the solution.

The market, at this point, however, is not that attractive to most. For example, the law provides a tax deduction for the purchase of acute care health insurance, but does not do so for long-term care policies.

I have introduced two bills to address this critical issue.

The first, S. 1021, the Private Long-Term Care Insurance and Accelerated Death Benefit Incentive Act of 1991, would expand the private long-term care insurance market by making the coverage more affordable and accessible to our Nation's seniors. It would make premiums for long-term care policies tax deductible, give employers the ability to deduct premiums paid for employee long-term care policies, permit them to be offered under an employer's cafeteria plan, and clarify that death benefits from a life insurance policy may be paid to a terminally ill individual in the year before death, and not be taxable.

The second, S. 846, the Long-Term Care Protection Act, would provide Federal consumer protection in the long-term care insurance market. Specifically, it focuses on cleaning up restrictive insurance policy limitations and marketing abuses. This is to the long-term care insurance market what Medigap reform was to the Medicare supplemental insurance market last year.

As I stated earlier, the greatest health care coverage need of our Nation's seniors is protection from the incredible expense of long-term care. While the public sector can, and does, play a role, many of our Nation's seniors are spending their hard-earned and limited resources to purchase private insurance coverage. It is critical that they have confidence in the coverage they are buying, and that unscrupulous salesmen are prevented from being able to prey on their understandable fears.

These two bills will spur the development of the private sector long-term care insurance market, assisting millions of Americans in protecting themselves from long-term care expenses, while providing consumers with the confidence that the market will be free from abuse.

With regard to the issue of expanded public sector participation in long-term care, I am still working with seniors from Arizona and around the country. There are significant questions yet to be resolved, including, what coverage should be provided through the public sector and who should be eligible for that coverage.

The crisis facing our Nation's health care system is perhaps the most critical domestic challenge we face, next to the budget deficit.

The proposals I have outlined provide a solid base of reforms and attack our real problems. There is, however, more that needs to be done before our health care system can fully recover.

There is a deep split in public opinion over whether we should enact the Massachusetts miracle, national health insurance, or other options. I believe we need an extensive national dialog on these issues before we find ourselves with a terminally ill system.

As part of this dialog, I look forward to continuing to work with all the citizens of my State as we press forward. On January 11, in Tucson, I will be chairing the second in a series of Arizona health care forums. The first one, held earlier this year in Phoenix, was attended by over 700 Arizonans. In my view, this dialog is critical if we are to map the rest of the road to health care reform.

Mr. HATFIELD. Mr. President, throughout my career I have had a single objective—to improve the quality of life for Oregonians and for all Americans. In my opinion, improving the quality of life depends on three things: health care, medical research, and education. I stand today to address all three.

First of all, I would like to comment on the action we took this morning. The adoption of the conference report to the fiscal year 1992 Labor-HHS-Education appropriations bill was a significant accomplishment. In all my 24 years in the Senate, Mr. President, I cannot remember a conference as contentious as was conducted this year on this bill. The reason is clear: our needs continue to rise while our resources are rapidly declining. We simply are not making progress toward cost containment and better utilization of our precious health care resources. I am, therefore, more convinced than ever that the time is right to embark on comprehensive health care reform.

As we all know, the question of access to health care has become a major issue in the United States. With more than 33 million Americans living without any form of health insurance or health care services, this has become a serious situation, indeed. In addition, the highest percentage of those without health insurance earn less than $30,000 per year. As health care costs continue to rise, more and more Americans will be forced to go without the benefits and care they need.

That is why, Mr. President, I rise today as an original cosponsor of the Health Equity and Access Improvement Act of 1991. Over the course of several months, 34 members of the Republican Health Care Task Force have worked diligently to come up with a plan of action to tackle this Nation's health care shortfalls. While this bill is not the entire answer to our health care crisis, it is a beginning, a starting point.

My main concern with this legislation is the lack of a financing mechanism. If we are to legislate a realistic solution to the health care crisis, we must come up with a workable financing mechanism. However, the proposals raised in the bill are important and open the door for further discussion of reform. Our time frame for adequate cost estimates and financing was short, but these things were certainly not forgotten or ignored. Therefore, our first priority must be to find a financing mechanism for the proposals and programs provided for in this innovative bill.

This bill provides incentives through tax credits to employers and to small businesses to provide health insurance for their employees and families. It expands access to health care through the expansion of community health centers and the National Health Service Corps. States are given the opportunity and flexibility to increase access to health care through existing Federal programs and new public programs, and to focus on preventive care. Also, Americans in rural areas will benefit from the rural assistance programs included in the bill. The initiatives in this legislation begin to address our health care concerns, and will ultimately lead to the improvement of the quality of life for many Americans.

I am pleased that S. 1597, the Rural Health Innovation Demonstration Act of 1991, which I introduced earlier this year, is included in this legislation. Access to health care in rural areas is important to me because more than 39 percent of Oregon's population lives in rural areas. More than one-half of our small towns have no physicians. On the national level, according to 1988 Census figures, 23 percent of the population lived in rural areas. In addition, in 1988, 111 rural counties in 22 States had no physicians. These statistics cannot be ignored.

My initiative addresses several rural health care concerns. First, it establishes rural health care cooperatives which would allow rural hospitals and health care systems to link resources. Second, it establishes rural health extension networks to provide education and community decisionmaking support for providers in rural areas. And finally, it creates a mutual support network to link mental health care providers of all sizes in a region in order to enhance the delivery of mental health services to the elderly and children.

My legislation also provides for an increase of $20 million in the authorization for area health education centers [AHEC]. I am pleased that with the support of several of my colleagues, this proposal has been included. As you know, AHEC's provide crucial assistance to States to improve the distribution, supply, quality, utilization and efficiency of health personnel in the health delivery system by encouraging the regionalization of educational responsibilities of health professions schools. By linking the academic resources of the university health science centers with local planning, educational, and clinical resources, the AHEC Program establishes a network of health-related institutions. This network provides educational services to students, faculty and practitioners, and ultimately improves the delivery of health care to rural communities.

Mr. President, I have the good fortune of being in Oregon tomorrow to dedicate the Biomedical Information Communication Center [BICC] at the Oregon Health Sciences University [OHSU]. This center, the first of its kind in the Nation, relies heavily on the AHEC Program. The BICC facility will be located at the center of the OHSU campus in Portland, OR. The BICC computers will form an electronic network with other health facilities in the region and with the National Library of Medicine, corporate and academic sectors. Computer teleconferencing will make it possible for scientists and clinicians in Oregon to collaborate with colleagues throughout the region and the world. The BICC will also contain a high speed fiber-optic based Oregon Health Information Network. This network will house data on the health status of Oregonians and the outcomes of their health care. In addition, researchers at BICC are working to develop a satellite teleconferencing system to link Oregon teaching sites. This, along with the AHEC Program, will allow live interactive conferences between health care providers and educators at OHSU and their colleagues throughout the State. As you can see, the BICC project is one of the ways Oregon is trying to improve health care in rural areas. In essence, Mr. President, the BICC is like a new four-lane highway running through my State, delivering vital health care information to all four corners and the borders beyond. It is critical to Oregon's infrastructure as an essential tool in health care delivery.

Today's legislation is a starting point. It is my hope that we can continue to build on the policies enumerated in this bill to provide high quality health care at an affordable price to all Americans. As Dwight Eisenhower often reminded us: A nation's security is not just in its weapons of war, but in its children, in its housing, in its roads and bridges, in its education, and in its health care.

Mr. CRAIG. Mr. President, as a member of the Republican Health Care Task Force, I am pleased to see today's introduction of the Health Equity and Access Improvement Act of 1991. The task force, under the excellent leadership of Mr. CHAFEE, has come up with a proposal which I support in large part.

To date, most of the proposals we have seen and most of the debate on health care reform has been skewed toward focusing on expansion of the Federal role. This proposal looks at health care as more of a public-private mix, an approach that I have advocated. It also focuses on the problems of our current system, preserving what is good. Another important aspect of this bill is the fact that it reflects an awareness of the unique needs of rural areas.

While supportive of this legislation, Mr. President, I have not yet become a cosponsor. In view of this Nation's tremendous debt burden I cannot ignore the potential price tag of this measure. I hope to be able to put those concerns to rest as we develop additional information on the legislation, so that I can give this otherwise admirable bill my full support.

Mr. WALLOP. Mr. President, today, I join with many of my colleagues in introducing legislation to implement the goals of the Republican Health Task Force. For nearly a year, the task force has labored to develop appropriate reforms of Federal health policies to steer us past the Charybdis and Scylla of health care—lack of coverage and escalating costs. The effort to develop this legislation at times did resemble the tasks of Hercules—involving many members from my party who at times had quite divergent opinions on how to proceed.

My own interest has been spurred by developments in my home State of Wyoming. The rapid decline in energy prices in the early 1980's was devastating to one of the economic backbones of Wyoming. One tragic result was that many people, struggling to survive economically, could not afford health insurance. At the State level, the response was to develop a State insurance pool, and to undertake a review of State health programs and options for improvement. But, the economic problems in Wyoming had hampered the development of health reforms due to a lack of stable funding. It is obvious that a Federal role is necessary to support private and State efforts to provide health care at a reasonable cost.

With this background, I have been particularly interested in three areas covered by our task force. The first involves the assurance of the availability of health insurance to the broadest spectrum of those currently without insurance. The second is to assist the small business community—the generator of new jobs and economic growth—in obtaining health insurance at an affordable price. Lastly, we have to address the special problems of rural, frontier, regions of the country. In terms of health care, many counties in my State have a frontier status.

Our bill addresses access by providing a tax credit for individuals to offset the costs of health services or health insurance. Our proposal would assist about two-thirds of those who do not have health insurance. For small businesses, we would provide a tax credit for health insurance plans, and provide incentives for small business purchasing groups. Such groups would allow economies of scale, and spread the premium costs among a wider population. This is an important step to ensuring that insurance prices remain reasonable.

From my perspective, one of the most important sections of this bill is the rural health section. Our bill improves the Federal rural health grants program to spur planning for health services and facilities in frontier health areas. It amends the Health Professions Training Acts to expand placement of doctors and nurses in medically underserved areas. And, the bill expands the concept of federally qualified facilities under the Community Health Centers Program. More facilities in Wyoming would receive assistance in expanding the population served, for recruiting and training health personnel, and for the purchase of necessary equipment.

Beyond these three areas, the bill also addresses health costs through such provisions as medical malpractice liability reforms and managed care requirements. The Republican task force has put together a comprehensive bill which should inspire an interesting debate. I strongly support some of the concepts in the bill, and have reservations about others. But, this is a serious effort. It follows our actions yesterday to introduce a Republican economic growth package. It once again demonstrates, in the words of David Broder, that "Republicans could govern." Broder wrote an interesting column on this subject—basically why a Republican Congress is ready and able to join with a Republican President to govern our Nation. I would ask that his column be printed at the conclusion of my remarks.

I must raise one caveat before we become seduced by the Siren's song on health care. If we are going to have a more vigorous public effort on health care, there will be a public cost. We, the American people, will have to pay for health care reforms. Our task force had rather strong discussions and disagreements on how to pay for our bill. The discussions continue, and this potential Achilles' heel must be resolved before we move forward on this issue.

I look forward to continue to work with my colleagues on the development of the Republican health care reforms.

REPUBLICANS COULD GOVERN

(By David S. Broder)

Unless you are of a certain age and were really tuned into politics in the early '50s, the possibility of a Republican Congress is as unfamiliar to you as a balanced budget. The last time there really was a Republican Congress was back in 1953–54. Democrats yielded the Senate majority to the GOP briefly between 1981 and 1987, but they have held control of the House of Representatives ever since 1955.

Anyone under 50 can be forgiven for thinking that the only thing Republicans can do in the legislative branch is oppose Democratic initiatives, support presidential vetos and defend administration officials and appointees before congressional committees. That's all they've ever seen.

The Republicans are type-cast as naysayers, obstructionists and lackeys of the White House. No wonder, then, that the voters' reflex is to keep electing Democrats to the House and Senate.

For a few hours the other morning, however, it was possible to glimpse what life might be like in a Republican Congress. It was nothing like the stereotype.

Over in a Senate committee room, the Republican Conference Task Force on Economic Growth and Job Creation was holding a mock hearing on tax proposals to stimulate the lethargic economy and ward off an early return to recession.

In a small office in the Capitol, the House Wednesday Group, an informal caucus of issue-oriented Republicans, was holding a press briefing on a report embodying two years of their work on new approaches to cracking the problem of persistent poverty.

My purpose is not to ballyhoo their specific proposals, although many of them make sense. Any open-minded person who was in either of those rooms would come away knowing that he had been listening to intelligent, serious people actively engaged in figuring out answers to major problems—not throwing sand in the gears of government.

The two Republican congressmen who presented the anti-poverty initiative were Reps. Vin Weber of Minnesota and Bill Gradison of Ohio. Their colleagues and congressional reporters know them to be among the brightest and most hard-working members of the House. But after 26 years of combined service, they are virtually unknown to the country, because neither has ever chaired a committee hearing, managed a major piece of legislation on the House floor or directed an investigation. Those are the perks of the majority party, and for 37 years, the voters have denied those opportunities and responsibilities to the Republicans.

The key figures in the Senate mock-hearing were somewhat more familiar: Sens. Phil Gramm of Texas and Bob Kasten of Wisconsin, both key players in the Reaganomics revolution of the early '80s; House Minority Whip Newt Gingrich of Georgia, a star of C-SPAN; and Secretary of Housing and Urban Development Jack Kemp, their ally inside the Bush administration.

Yet for these folks, too, there is immense frustration in the fact that when domestic policy is set, the action flows between the White House and the congressional Democrats. Congressional Republicans and their ideas are often left on the sideline.

Divided government has many costs, ranging from the protracted impasse of last year's budget summit to the ugly spectacle of the recent Clarence Thomas hearings. But the largest cost is that the country never gets to have more than a fraction of the intellectual and political resources of either political party applied to the problems of the nation.

An important objective of both the Wednesday Group and the Senate GOP Task Force was to persuade the Bush White House to take a look at new approaches to the stubborn problems of poverty and the sluggish economy. Were President Bush dealing with a Republican Congress, he would have no choice but to consider such views—and every incentive to weigh seriously what congressional Republicans were suggesting.

For these would be the people who would finally shape whatever legislation was passed. And as his ticketmates in the next election, they would share a common interest in seeing that the nation's problems were solved.

None of that is true when Republicans are in the minority and Democrats control Congress. The president need not heed advice from congressional Republicans, because they cannot pass any bills. The Democrats can pass bills, but they have no motivation to help make the president a success.

So the system ends up frustrating everyone in it—and serving the country badly. That's why the most critical question for 1992 is not whether the Democrats regain the White House or the Republicans win Congress. The critical objective is to see one party or the other do both—and give this country a government again, not just another set of warring politicians.

Democrats could provide that government if they produce a credible replacement for Bush from their field of presidential candidates. But what I saw on Capitol Hill suggests that Republicans are ready to govern—if given the chance.

Mr. MACK. Mr. President, I am pleased to be here to support the introduction of the Health Equity and Access Improvement Act of 1991. This proposal follows months of study and discussion of our current health care system by the Senate Republican Health Care Task Force. As a member of this task force, I have had the opportunity to participate in discussions on our current health care system, including the private insurance market, Medicare, and Medicaid. We have also discussed the necessity of access to health care for all Americans and the need to make health care more affordable.

The Health Equity and Access Improvement Act of 1991 is an effort to address access to health care and the escalating costs associated with our system, while continuing to promote individual choices in our health care marketplace.

I believe it is significant this legislation includes provisions to emphasize preventive health care. The preventive section builds on a proposal I introduced earlier this year to provide a preventive care tax credit of up to $250 for certain cancer screening procedures which are not otherwise covered by an individual's insurance plan or Federal Health Care Program. This section of the bill expands my proposal to include other worthwhile preventive health care programs—childhood immunizations and well child care. A tax credit would also be available to health care providers who provide these services free of charge to low-income individuals.

I have made cancer prevention a top priority legislative issue. In 1979, my brother, to whom I was very close, lost his life to cancer. In 1989, I was diagnosed and treated early for melanoma cancer. Recently, my wife, Priscilla, underwent a mastectomy after discovering a breast tumor through early detection. My daughter was successfully treated last year for cervical cancer and my mother was successfully treated for breast cancer 12 years ago.

Yes, Mr. President, cancer screening procedures and other preventive care services are the key to keeping individuals healthy and saving lives.

The American Cancer Society estimates that of the 1.1 million Americans diagnosed with cancer in 1991, approximately 79,600 deaths could be avoided through early detection and prompt treatment.

I commend to the attention of all Senators, the prevention section of The Health Equity and Access Improvements Act in addition to the many other fine initiatives contained within the bill. I wish to thank my friend and colleague, Senator JOHN CHAFEE, for his leadership on this task force and I look forward to continuing our efforts to improve access to our health care system.

Mr. GRASSLEY. Mr. President, I am pleased to be a cosponsor of this measure. The task force that put this proposal together, of which I was a member, worked on it for more than a year. We met regularly to listen to national experts discuss their reform proposals, to consider staff briefings, to hear presentations by administration officials, and to debate and argue about what should be included in it. Our Member meetings were pretty well attended, which I believe attests to the high level of interest in this problem among our Members.

We began meeting on this issue because we concluded many months ago that our health care system is very much in need of reform. It is obvious to everyone, as it is obvious to this Senator, that we must take steps, and soon, to stop the truly stupendous increases in the cost of health care that manifest themselves in ever-increasing health insurance premium costs, ever-increasing out-of-pocket expenses for health care, and ever-increasing public budgets for health care. These continuous increases in the cost of health care are creating, and rightfully so, great anxiety among our citizens, who wonder when the inexorable rise in health care costs, together with a serious personal medical emergency, is going to leave them financially devastated. The ordinary person is also, again rightfully, just plain mad at the outlandish cost of health care services. And also just plain mad at the seeming inability of anybody to do anything about it.

It is also obvious that we must take steps, and soon, to cure the related problem—the lack of assured access to health care of 31 to 37 million of our fellow Americans who do not have health insurance. It is heart-rending to contemplate that working families, and their children, may have no reliable way to pay for the most basic health care needs. We have in my own State of Iowa, according to the State department of insurance, somewhere around 223,000 Iowans without health care. Our hospitals in Iowa do wonderful work in providing health care without charge to many of these less fortunate citizens. But this is not the way it should be in this country, Mr. President.

So I participated in the task force which offers this proposal today, and, although I realize quite well that it is not perfect, not without its shortcomings, nevertheless it does offer a set of very concrete steps to address the related problems of cost and access. I look on it as contributing to the debate in the Congress, among those directly involved in providing health care, and among the public at large, on reform of the health care system. I believe that its specific proposals merit being added to the debate. And I believe that, taken all together, they provide a comprehensive approach to the problem.

The proposal we offer today has several provisions to increase access to health care. It provides refundable tax credits to low income individuals for the purchase of health care. It provides tax credits for small businesses to encourage them to offer health insurance for their employees. It would provide the same degree of tax benefit to the self-employed, and to those who purchase their health insurance outside of employer groups, as is now enjoyed by individuals employed by large companies.

It would reform the small group health insurance market. This reform probably wouldn't reduce the cost of health care in the small group marketplace, but it should create stability and reliability for the small employer, and thus for the small employers' employees, in this market.

The proposal would also help groups of small employers to form purchasing groups to enable them to exert bargaining and purchasing leverage with insurers and thus obtain cheaper health insurance. This small employer purchasing group approach has worked well in Cleveland, OH, and other communities that would like to experiment with such approaches should be helped to do it.

The proposal would expand public safety net programs. It calls for additional funds for the community health centers which are doing very good work in providing basic health care for low income people. We have three such community health centers in Iowa, Mr. President, and I wish we had several more. The proposal also would create a Federal-State matching program to enable a State to provide basic medical care to low-income individuals who are not eligible for Medicaid.

The plan this bill offers also has several provisions designed to improve access to health care in rural communities. It would increase funding for the health professions and nurse education acts to increase the number of these health care professionals in rural communities. As my fellow Iowans know, many of our communities have been having difficulty for some time in finding and attracting such vital health care workers. The health professions and nurse education acts can be amended to help interest such professionals in working in rural communities.

The bill would also increase funding for the Medicare Rural Health Transition Grant Program from which my own State of Iowa has already benefited greatly. It would increase authorization for the Rural Outreach Grant Program, the National Health Services Corps, and the Essential Access Community Hospital Program.

The bill contains several provisions designed to help contain costs. There is a medical liability law reform plan which would attempt to bring some sanity to the medical liability arena, thus ultimately lowering medical malpractice insurance premiums, and reducing the amount of defensive medicine practiced by physicians. There is an emphasis on preventive health care, such as cancer screening and well baby care. As I think is well understood by now, Mr. President, health promotion and disease prevention can help to reduce the cost of health care by keeping people healthier.

The proposal also would foster increased emphasis on "managed care" which many employers and insurers are experimenting with, and with which they have had considerable success in controlling the escalation of health care costs. Advocates of managed care approaches believe that such approaches can also improve the quality of health care received by those enrolled in managed care programs. I have some reservations about how well such approaches are going to work in rural communities, Mr. President, such as many in Iowa, where there may be relatively few providers of health care. I also believe that we will have to be on guard to be sure that the inherent conflict of interest in managed care programs, between those who pay for services and those who receive them, does not lead to deterioration in the quality of needed services, or access to them.

Mr. President, I am under no illusions that this proposal I am cosponsoring today offers a definitive answer to the problems we are experiencing with the way our health care system works. Nor am I under any illusions that the ultimate reform of the health care system we adopt will necessarily resemble this proposal in every respect. It is also obvious that this is an expensive proposal, and the bill contains no way to pay for it. It is obvious that the cost of any ultimate health care reform will have to be addressed, and that the cost will have a major bearing on how far we can go with reform and how fast we can go. What this proposal does is set out several routes toward improvement in our health care system, a framework for discussion and action, if you will. Once we gain some consensus on what type of approach we want to use for reform, we will have to get down to cases on how to pay for it.

I want to conclude by congratulating Senator CHAFEE and his staff for the hard work they put into coordinating and leading this effort. It was a thankless task because, even though the task force involved only Republican Senators, it was no easier to find a consensus among them than it has been to find a consensus among our Democratic Party brethren, among organizations that represent the various health care provider groups, among independent experts, or in the country at large, on this question of reform of our health care system.

Mr. COCHRAN. Mr. President, the Republican side had an hour of time allocated to it by the distinguished majority leader for the purpose of discussing health care legislation and proposals that had been crafted by Senators on this side of the aisle. We appreciate very much having the opportunity for this discussion on our side today.

But now that the allocated time has expired, I rise to compliment all of those who have worked so hard on the Republican side to develop these specific proposals to improve the health care situation in our country. There is no doubt this is a major concern among citizens throughout the country, and it is time for Government to come to grips with some of these very complicated, hard-to-solve problems like how to improve access to health care and the affordability of health care, especially in small towns and rural communities. These are issues that are not given to easy or simple solutions.

Some may like to think that; and some may suggest solutions that may take up no more than a paragraph or even a sentence. But I think the more we dig into it and study the problem, all the aspects of it, we come to the conclusion that this is going to require a comprehensive effort, an effort that includes the administration as well as the Congress, State governments and local governments, the private sector, the health care professions and providers, all pitching in, all trying to work together to meet these challenges.

I think the bill that has been introduced by Senator CHAFEE, who chairs the Republican conference task force on health care, is an excellent example of the kind of response to these challenges which is going to pay off for America.

I might also add that the Senator from New Mexico [Mr. DOMENICI] has also made a proposal and has introduced legislation which deserves the careful consideration of the Senate as well, emphasizing the importance of rural health centers and small-town health clinics that can more efficiently and effectively, in many cases, deliver health care services to those who are unable to pay the expensive professionals who may practice only in the large cities. They may not be able to get to the offices and the hospitals where those more expensive health care providers practice medicine.

So, one of my purposes today, Mr. President, is to commend those who are Republican sponsors of the bills that have been introduced for the dedicated and conscientious effort they have made to develop these proposals and to bring them to the attention of the Senate in the way that they have. I know that these measures will receive careful and thoughtful consideration by this body. I will be very disturbed if they do not, because they certainly deserve that kind of attention.

Let me close my remarks and yield the floor, Mr. President, after making a few observations about the recent political events around the country which were discussed in such detail by many Democratic Senators yesterday and which have been the focus of a lot of media attention in the last couple of days.

Hearing the conversations on the floor of the Senate yesterday from the other side of the aisle, one could get the impression that there was only one election held in the United States on Tuesday and that was the Senate race in Pennsylvania. I am happy to offer my congratulations to the distinguished Senator from Pennsylvania [Mr. WOFFORD] who was victorious in that election. I commend him on the successful campaign he waged and the effective way he presented his message to the people of his State. I will work with him and cooperate with him here in the Senate, to try to help make sure that some of the issues that he raised in that election campaign are considered carefully by the Senate.

Some of those issues that he talked about were the same issues that are being discussed here today by Republican Senators, who feel just as strongly as he does and have worked very hard to craft workable solutions to some of the problems that he raised in that campaign.

But, I am also interested in making sure that everybody realizes that was not the only election that was held in the United States this week. Much has been said about the fact that this is an off-year election, there are not that many elections that are going on, not many campaigns waged. But the fact of the matter is there were a lot of municipal elections around the country, local government elections in several States, legislative races in my State of Mississippi, and in Virginia and New Jersey. All of these elections were held on the same day as the election in Pennsylvania. There were county government elections held in New York as well.

My point is this. The Republican Party did very well in these elections. Significant gains were made at the local level in many States as a result of the elections last Tuesday. Right enough, the Democrats held the Senate seat in Pennsylvania and they held the office of Governor in Kentucky. But Republicans picked up strength almost everywhere else and won very large gains in legislative bodies and in local elected offices in several significant States in this country.

I commend the Republican National Committee and the leaders of the Republican Party at the local level in these States where elections were held, for the successes they had.

Let me just point out a few facts, Mr. President. In New Jersey, for example, the legislature changed from a Democratic-controlled legislature to a Republican-controlled legislature with substantial increases in numbers in both the State assembly and the State senate.

Before the election, there were 17 Republicans and 23 Democrats in the State senate. After the election on Tuesday, there are 27 Republicans and only 13 Democrats. In the State assembly, before the election, there were 37 Republicans and 43 Democrats. After the election, there are 57 Republicans and only 23 Democrats. That is an increase in the State senate of 10 Republicans and an increase in the State assembly of 20 Republicans.

What they have in New Jersey now, Mr. President, is a veto-proof legislature. Even though a Democrat is serving as Governor, if the legislature passes legislation and the Governor should veto it, there are enough Republicans in the senate and in the house to ensure that the veto can be overridden. That is an interesting change. That is a significant change.

The campaign in New Jersey, as I understand it, was based upon disenchantment with the increases in taxes that were recommended and approved by the Democrats in New Jersey. Commitments were made to try to change some of those decisions by electing Republicans who were committed to make a difference, even though a Democrat continues to serve as Governor. He was not up for reelection.

And look across the border to the State of New York. Republicans claimed victory in New York State in three Democrat-held county executive positions. In Governor Cuomo's backyard in Albany, in Albany County which had been controlled by the Democrats for 70 years, Republican Michael Hoblock soundly defeated the favored Democrat candidate. There are two other counties where Republicans claimed victory: Monroe County, which is where the city of Rochester is located, and Suffolk County. All three of these candidates, I am told, in their campaigns emphasized their opposition to increased taxes and the bankrupt policies of Governor Cuomo. They were victorious. The people responded to their campaigns.

If you look to the State of Virginia, Mr. President, you see some very dramatic changes that were made in the legislature in Virginia. The highest numbers of Republicans that have served in the Virginia State House and State senate since reconstruction will be there. The State senate went from 10 Republicans and 30 Democrats to 19 Republicans and 20 Democrats. One race, I understand, is still undecided so that could be 9 or 10 new Republican senators in Virginia.

The State house of delegates went from 40 Republicans and 60 Democrats to 41 Republicans and 58 Democrats. One race there is still undecided. There could be two new Republicans in the State house of delegates.

The shared theme in Virginia was that we want more responsible government from the legislature. There was a challenge to some of the policies of Democratic Gov. Doug Wilder and these issues were debated throughout the State of Virginia. The Republicans won the debate and won the elections.

In one congressional special election that was held in Virginia, the Republican George Allen racked up the highest winning margin for a Republican in that congressional district in over a decade.

There were also races for mayor held all over the country. Let me just mention a few that are significant and have not been fully discussed by the press. They have not been given much coverage and attention.

Republicans were elected mayor in Savannah, GA; Fort Wayne, IN; Indianapolis, IN; Columbus, OH; Canton, OH—evidence, as I understand it, of continued support for some of the programs being recommended by the new Gov. George Voinovich, who is Republican, elected last year. Manchester, NH; Dallas, TX, where former Republican Congressman Steve Bartlett was elected; and Stamford, CT.

I mention these mayor races because they indicate that the Republican Party is alive and well in many parts of this country, and candidates that were running on the Republican ticket were elected to head up the city governments in many of our Nation's cities.

My own State of Mississippi has been talked about, too. My distinguished State colleague, Senator LOTT, made a very fine statement yesterday describing some of the issues that were involved in the Governor's race in our State. Some may not have noticed that we also had a Republican candidate elected Lieutenant Governor in Mississippi. In our elections for Governor and Lieutenant Governor, the candidates run their own campaigns. They run separate campaigns. There is no automatic election of a Lieutenant Governor just because the Governor may win on one party's ticket.

What was so surprising to many in Mississippi and outside of the State is that we were able to see two Republicans win both of those elections because we have never had any candidate running on the Republican ticket elected to any statewide office in State government since 1874. So this was very definitely an event that should attract nationwide attention.

But it is not just the State government elections that are so significant. They are significant and very important, and I commend both Kirk Fordice, our winning gubernatorial candidate, and Eddie Briggs, who won the Lieutenant Governor's race, for the outstanding campaigns they conducted. We also had many successes in the local elections as well.

People were elected on the Republican ticket who were running for sheriff, who were running for county board of supervisor positions, who were running for clerks of the court, and all up and down the line in every part of the State there were successful candidates who were elected Tuesday on the Republican ticket in Mississippi. And there were many Democrats who were reelected and some new ones elected. I am not saying that it was a clean sweep by the Republican Party by any means. But it has just been in the last few years that we have seen candidates running for public office as Republicans on the local level.

I have been disappointed by some who point to the Mississippi election and try to explain it as some kind of campaign that was run and rewarded on the basis of racial politics. I have seen a considerable amount of that today in the press and on some television accounts of the election, and I am very distressed by that, Mr. President. That is not an accurate assessment of what happened in Mississippi on Tuesday or the reason for the way the elections turned out in our State on Tuesday.

The candidate for Governor, Kirk Fordice, ran a campaign against career politicians. He ran a campaign based on an anti-incumbent theme: "They've had their chance, now give us our chance." It was that kind of theme and appeal that was successful in the campaign. It was not race baiting. It was not based on the tactics that I have seen alleged by some observers. As a matter of fact, the best account I have seen given of the election, the most objective because it talks about the campaign in all of its aspects, was written in the New York Times today. The dateline is Jackson, MS, and at the conclusion of my remarks, Mr. President, I ask unanimous consent that this article from the New York Times be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COCHRAN. Yesterday, I was shocked when I heard the chairman of the National Democratic Party, Ron Brown, in a flippant aside say, "The Republicans ought to be ashamed of that race" in Mississippi. For saying that, Mr. President, Ron Brown should be ashamed of himself.

I know he doesn't know, or he did not know it when he said that, but the elections in Mississippi involved candidates at every level of government.

One of the candidates who sought office in Mississippi on Tuesday on the Republican ticket was Charles Evers. Charles Evers is the former mayor of Fayette, MS, brother of Medgar Evers. I know Ron Brown knows who they are. Charles Evers supported Kirk Fordice for Governor, and it was a lot of the campaign rhetoric that Kirk Fordice and Charles Evers were using together in this campaign that appealed to Mississippi voters. I defy anybody to convince the people in Mississippi that the reason they elected Kirk Fordice was on the basis of racial considerations.

So I rise today also to commend Charles Evers on his successful election as Republican chancery clerk in Jefferson County, MS. He will be one of the first Republicans to win office as chancery clerk anywhere in Mississippi.

I think that is an illustration of how wrong some people can be when they look from Washington, or New York City, or some other distant place, down South and try to interpret, and accuse, and berate, and talk down to the people, and try to excuse some of the things that have happened on the basis of racial considerations.

I am here today to stand before the Senate and tell you that is not why the election was decided as it was in Mississippi on Tuesday. And I predict further that we will continue in our State to try to deal effectively with problems that arise in our communities, and in our towns, and in our schools throughout our State with consideration of what is best for everybody in our State, what is best for every African-American in Mississippi, every white person, every Native American who may live in Mississippi, and we have many who do.

Our policies are going to be based upon, under the administration of this new Republican Governor, Kirk Fordice, what is best for everybody. It may not be what is best for Ron Brown and his political agenda in Washington, or for the Democrats who may want to have that area of the country viewed through their eyes. It may not suit their agenda, but I predict it will suit Mississippi's needs.

EXHIBIT 1

[From the New York Times, Nov. 7, 1991]

MISSISSIPPI: FORDICE SEIZED ANTI-INCUMBENT ANGER

(By Ronald Smothers)

JACKSON, MS, November 6.—An anti-incumbency mood among the electorate and skillful manipulation of racially charged issues were being cited today as the two main factors behind the upset victory of a little-known Republican, Kirk Fordice, over the Democratic incumbent, Gov. Ray Mabus.

But another factor, disenchantment with what has been described as an aloof and distant personal style on the part of Mr. Mabus, helped Mr. Fordice, make election history in Mississippi, said Democrats and Republicans alike. With his victory by a 51-to-47 percent margin, Mr. Fordice becomes the first Republican Governor to be elected since a carpetbagger named Adelbert Ames presided in the statehouse during Reconstruction more than 110 years ago.

In Mississippi, where more than 30 percent of the population is black and politics is increasingly becoming racially polarized, some described Mr. Fordice's oft-repeated opposition to quotas and affirmative action and his calls for workforce rather than welfare as attempts to mobilize people who vote along racial lines.

RACE DIDN'T DOMINATE

But even Mabus supporters conceded that to the extent that this was done, it never came to dominate the campaign. As a result, black voters, who have never been too enthusiastic in their support for Mr. Mabus, said they were not dreading the prospect of a Fordice administration.

"Fordice very effectively exploited divisions and focused on divisive issues," said Mr. Mabus's deputy campaign manager, Tom Oppel, "but he managed to do that without overly inflaming people."

The dominant theme, many officials, analysts and voters said, was the anti-incumbency mood.

The extent to which voters had grown disenchanted with Mr. Mabus could be seen in Alcorn County in northeast Mississippi. Jack Reed, the Republican candidate for governor four years ago who narrowly lost to Mr. Mabus, said that two businessmen in the county, which traditionally votes Democratic and which Mr. Fordice did not visit in the campaign, told him that they disliked Mr. Mabus so much that "they had voted for a man that they didn't know."

He continued, "And these same guys, who I know, wouldn't vote for me four years ago."

The anti-incumbency mood extended to other races in the state as well. Ed Briggs, the Republican candidate for Lieutenant Governor who switched from the Democratic Party last spring, defeated the three-term incumbent, Brad Dye.

But a former Democratic governor, William Waller, cautioned national Republican leaders about reading too much into the vote here. "I don't foresee any dramatic change in philosophy or ideology in state government," he said. "This merely says that incumbency is a burden this year and so is familiarity. A new man and a new face seems to carry the day."

NOT AN IDEOLOGICAL VICTORY

In an interview after a victory rally here today, the 57-year-old Mr. Fordice, who runs a Vicksburg construction company, conceded as much and refused to label his election as a victory for conservative views and ideology. He pointed out that he had run against professional politicans and incumbents and that he had stressed his experience as a businessman rather than as a government insider.

"I worked twice as hard as Ray Mabus did, and if there is any ideology involved, it is the anti-politician, anti-incumbent feeling. Perhaps that's an ideology in itself."

The election brings to a halt, at least for the time being, the rise of a man who many here called the "Yuppie Governor." Mr. Mabus was 37 when he moved up from state auditor to win the governor's office. His youth, reformist image and Harvard Law School bankground contrasted sharply with the "good ole boy" image of many of the state's past elected officials.

His election four years ago brought a period of great optimism about change in the state as he seemed to attract the conservative young, white professionals that the Democrats had been losing as well as blacks who had been the strength of the party in recent years. Much of the optimism focused on Mr. Mabus's determination to emphasize improvements in education in the state by first raising teachers' salaries and then bringing about broad changes in currriculum, class size and school financing.

Within two years he accomplished his goal of raising salaries. But after initially getting legislative approval for other education initiatives, he was not able to win legislative approval for a state lottery to finance the remainder of his proposals. The stalemate with the legislature was costly and Mr. Mabus, with his refusal to raise taxes or compromise on financing sources, appeared intransigent and arrogant to many.

In the end, observers here said, the same young professionals who invested so much hope in him lost patience and confidence and defected or returned to the Republicans.

Joseph Parker, a political scientist at the University of Southern Mississippi, said that because he was seen as part of the "Chablis and brie crowd," Mr. Mabus distanced himself from "the average white rural Mississippi voter."

"He ended up suffering from an inability to connect with and win the trust of the average voter in rural areas and disappointing the Yuppie voters whose expectations he had raised," said Haley Barbour, the state's Republican National Committeeman.

On the other hand, Mr. Parker said, Mr. Fordice, though a millionaire, was "comfortable at the truck stop," and "people appreciated his rough edges."

In a statement today, Mr. Mabus congratulated Mr. Fordice and said he would discuss his future plans at a news conference on Thursday. The state said today that with returns from 2,079 of the state's 2,101 precincts, Mr. Fordice had 357,083 votes, or 51 percent of the vote, as compared to 334,208, or about 47 percent, for Mr. Mabus.

Mr. Fordice's unexpected victory was not entirely the work of amateurs. It was engineered by a local political consultant, Joe Loyacano, who is a veteran of Republican Congressional campaigns here and in Virginia, and by Marketing Research Institute, a local company, and by Sandler and Innocenzi, a Washington-based advertising concern that usually works for Republican candidates.

In all, the Fordice campaign manager, Jan Rasch, said about $900,000 was spent in the primary and general election campaigns, as compared to Mr. Mabus's $3 million.

The Democratic National Chairman, Ron Brown, said that Mr. Fordice, in winning in Mississippi, had exploited racial issues and fears by trumpeting his opposition to quotas and affirmative action and by criticizing welfare programs that often benefit blacks disproportionately. He compared the approach to that used in Louisiana by David Duke, the former Ku Klux Klan leader and neo-nazi who is in a runoff later this month for Governor.

But Reuben V. Anderson, a lawyer and the first black on the Mississippi Supreme Court, said that Mr. Fordice's campaign style was no more superheated than that of any other conservative Republican.

Mr. CHAFEE. Mr. President, I now ask unanimous consent that the text of the Health Equity and Access Improvement Act be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Health Equity and Access Improvement Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TAX INCENTIVES FOR HEALTH CARE ACCESS

Sec. 101. Refundable health expenses tax credit.
Sec. 102. Individual tax deduction for health insurance costs.
Sec. 103. Credit for employers to provide health insurance.
Sec. 104. Deductibility for self-employed individuals.
Sec. 105. Revenue incentives for practice in rural areas.

TITLE II—HEALTH CARE REFORM PROVISIONS

Subtitle A—Model Health Care Insurance Benefits Plan

Sec. 201. Model health care insurance benefits plan.
Sec. 202. Definitions.

Subtitle B—Managed Care

Sec. 211. Development of standards for managed care plans.
Sec. 212. Preemption of provisions relating to managed care.

Subtitle C—Small Employer Purchasing Groups

Sec. 221. Qualified small employer purchasing groups.
Sec. 222. Preemption from insurance mandates for small employer purchasing groups.

Subtitle D—Insurance Market Reform

Sec. 231. Failure to satisfy certain standards for health care insurance provided to small employers.

TITLE III—MEDICAL LIABILITY REFORM

Subtitle A—Definitions and Findings

Sec. 301. Definitions.
Sec. 302. Effect on interstate commerce.

Subtitle B—Expedited Medical Malpractice Settlements

Sec. 311. Expedited medical malpractice settlements.

Subtitle C—Alternative Dispute Resolution Procedures

Sec. 321. Establishment of board of advisors.
Sec. 322. Development of State voluntary dispute resolution procedures.
Sec. 323. Application of existing procedures, rebuttable presumption.

Subtitle D—Uniform Standards for Medical Malpractice Cases

Sec. 331. Application to civil actions.
Sec. 332. Damages.
Sec. 333. Joint and several liability for noneconomic damages.
Sec. 334. Uniform statute of limitations.
Sec. 335. Special protection for obstetricians and gynecologists.

Subtitle E—Uniform Disciplinary Reforms

Sec. 341. Requirement of compliance.
Sec. 342. Funds for State disciplinary activities.
Sec. 343. Membership of State health care practitioner boards.
Sec. 344. Immunity for members of State health care practitioner boards.
Sec. 345. Risk management programs.
Sec. 346. Punitive damages.

Subtitle F—Medical Products

Sec. 351. Limitation on award of punitive damages in product liability actions involving drugs and devices.

Subtitle G—Community Health Centers

Sec. 361. Community and migrant health centers risk retention group.

Subtitle H—Miscellaneous Provisions

Sec. 371. Severability.
Sec. 372. Compliance.

TITLE IV—PUBLIC HEALTH PROVISIONS

Subtitle A—New Basic Health Care Program

Sec. 401. Establishment of BasiCare program.
Sec. 402. GAO study of payments under BasiCare.

Subtitle B—Medicaid Provisions'

Sec. 411. Expansion of medicaid waiver authority.
Sec. 412. Establishment of Federal Medical Waiver Demonstration Board.

TITLE V—MEDICALLY UNDERSERVED AREAS

Subtitle A—Public Health Service Act Provisions

Sec. 501. National Health Service Corps.
Sec. 502. Establishment of grant program.
Sec. 503. Establishment of new program to provide funds to allow federally qualified health centers and other entities or organizations to provide expanded services to medically underserved individuals.
Sec. 504. Rural mental health outreach grants.
Sec. 505. Health professions training.
Sec. 506. Area health education centers.
Sec. 507. Rural health extension networks.
Sec. 508. Rural managed care cooperatives.

Subtitle B—Provision Relating to Social Security

Sec. 511. Rural health care transition grant program.
Sec. 512. Essential access community hospital program.

TITLE VI—INCENTIVES TO ENCOURAGE PREVENTIVE SERVICES

Sec. 601. Preventive services tax credit.
Sec. 602. Increase in authorization for childhood immunizations.

TITLE I—TAX INCENTIVES FOR HEALTH CARE ACCESS

SEC. 101. REFUNDABLE HEALTH EXPENSES TAX CREDIT.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable personal credits) is amended by inserting after section 34 the following new section:

"SEC. 34A. HEALTH EXPENSES.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the qualified health expenses paid by such individual during the taxable year.

"(b) QUALIFIED HEALTH EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified health expenses' means amounts paid during the taxable year for medical care (within the meaning of section 213(d)(1)).

"(2) DOLLAR LIMIT ON QUALIFIED HEALTH EXPENSES.—The amount of the qualified health expenses paid during any taxable year which may be taken into account under subsection (a) shall not exceed—

"(A) $600, in the case of a taxpayer described in section 1(c) or 1(d), and

"(B) $1,200, in the case of any other taxpayer.

For purposes of this paragraph, the rule of section 219(g)(4) shall apply.

"(3) PHASEOUT.—In the case of any taxpayer whose adjusted gross income exceeds $10,000 ($20,000, in the case of a taxpayer described in paragraph (2)(B)), the dollar amounts under paragraph (2) shall be reduced (but not below zero) by an amount equal to 10 percent of such excess.

"(4) ELECTION NOT TO TAKE CREDIT.—A taxpayer may elect for any taxable year to have amounts described in paragraph (1) not treated as qualified health expenses.

"(c) SPECIAL RULES.—For purposes of this section—

"(1) COORDINATION WITH ADVANCE PAYMENT AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply to any credit to which this section applies.

"(2) SUBSIDIZED EXPENSES.—No expense shall be treated as a qualified health expense if—

"(A) such expense is paid, reimbursed, or subsidized (whether by being disregarded for purposes of another program or otherwise) by the Federal Government, a State or local government, or any agency or instrumentality thereof, and

"(B) the payment, reimbursement, or subsidy of such expense is not includable in the gross income of the recipient.

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(b) ADVANCE PAYMENT OF CREDIT.—Chapter 25 of the Internal Revenue Code of 1986 (relating to general provisions relating to employment taxes) is amended by inserting after section 3507 the following new section:

"SEC. 3507A. ADVANCE PAYMENT OF HEALTH EXPENSES CREDIT.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a health expenses eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's health expenses advance amount.

"(b) HEALTH EXPENSES ELIGIBILITY CERTIFICATE.—For purposes of this title, a health expenses eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 34A for the taxable year,

"(2) certifies that the employee does not have a health expenses eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(3) states whether or not the employee's spouse has a health expenses eligibility certificate in effect, and

"(4) estimates the amount of qualified health expenses (as defined in section 34A(b)) for the calendar year.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnishes the statement in question.

"(c) HEALTH EXPENSES ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'health expenses advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the employee's estimated qualified health expenses included in the health expenses eligibility certificate, and

"(C) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(C) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(c) TERMINATION OF HEALTH INSURANCE CREDIT.—Section 32 of the Internal Revenue Code of 1986 (relating to earned income credit) is amended by adding at the end thereof the following new subsection:

"(d) TERMINATION OF HEALTH INSURANCE CREDIT.—In the case of taxable years beginning after December 31, 1991, the health insurance credit percentage shall be equal to 0 percent.".

(d) CONFORMING AMENDMENT.—Section 213 of the Internal Revenue Code of 1986 (relating to deduction for medical, dental, etc., expenses) is amended by striking subsections (e) and (f) and by inserting the following new subsection:

"(e) COORDINATION WITH HEALTH EXPENSES CREDIT UNDER SECTION 34A.—The amount otherwise taken into account under subsection (a) as expenses paid for medical care shall be reduced by the amount (if any) of the health expenses credit allowable to the taxpayer for the taxable year under section 34A.".

(e) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 34 the following new item:

"Sec. 34A. Health expenses.".

(2) The table of sections for chapter 25 of such Code is amended by adding after the item relating to section 3507 the following new item:

"Sec. 3507A. Advance payment of health expenses credit.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 102. INDIVIDUAL TAX DEDUCTION FOR HEALTH INSURANCE COSTS.

(a) FULL DEDUCTION ALLOWED.—Subsection (a) of section 213 of the Internal Revenue Code of 1986 (relating to deduction for medical, dental, etc., expenses) is amended to read as follows:

"(a) ALLOWANCE OF DEDUCTION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), there shall be allowed as a deduction the expenses paid during the taxable year, not compensated for by insurance or otherwise, for medical care of the taxpayer, the taxpayer's spouse, or a dependent (as defined in section 152).

"(2) SPECIAL DOLLAR LIMITATION.—Expenses for medical care described in subparagraphs (A) and (B) of subsection (d)(1) shall be taken into account under subsection (a) only to the extent that such expenses exceed 7.5 percent of the taxpayer's adjusted gross income for the taxable year.".

(b) DEDUCTION AVAILABLE FOR NONITEMIZERS.—

(1) IN GENERAL.—Section 213 of the Internal Revenue Code of 1986, as amended by section 101(d), is further amended by adding at the end thereof the following new subsection:

"(f) RULE FOR NONITEMIZATION OF DEDUCTIONS.—In the case of an individual who does not itemize his deductions for the taxable year, the amount allowable under subsection (a) for the taxable year with respect to expenses described in subsection (d)(1)(C) shall be taken into account as a direct health insurance deduction under section 63.".

(2) DEFINITION OF TAXABLE INCOME.—

(A) IN GENERAL.—Section 63(b) of such Code (relating to individuals who do not itemize their deductions) is amended—

(i) by striking "and" at the end of paragraph (1),

(ii) by striking the period at the end of paragraph (2) and inserting ", and", and

(iii) by adding at the end thereof the following new paragraph:

"(3) the direct health insurance deduction.".

(B) DIRECT HEALTH INSURANCE DEDUCTION DEFINED.—Section 63 of such Code (defining taxable income) is amended by adding at the end thereof the following new subsection:

"(h) DIRECT HEALTH INSURANCE DEDUCTION.—For purposes of this section, the term 'direct health insurance deduction' means that portion of the amount allowable under section 213(a) which is taken as a direct health insurance deduction for the taxable year under section 213(f).".

(C) CONFORMING AMENDMENT.—Section 63(d) of such Code (defining itemized deductions) is amended—

(i) by striking "and" at the end of paragraph (1),

(ii) by striking the period at the end of paragraph (2) and inserting ", and", and

(iii) by adding at the end thereof the following new paragraph:

"(3) the direct health insurance deduction.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 103. CREDIT FOR EMPLOYERS TO PROVIDE HEALTH INSURANCE.

(a) ALLOWANCE OF CREDIT.—Section 38(b) of the Internal Revenue Code of 1986 (defining general business credit) is amended by striking "plus" at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting ", plus", and by adding at the end thereof the following new paragraph:

"(8) the employer health insurance credit."

(b) EMPLOYER HEALTH INSURANCE CREDIT.—Subpart D of part IV of subchapter A of chapter 1 of such Code (relating to business related credits) is amended by adding at the end thereof the following new section:

"SEC. 45. EMPLOYER HEALTH INSURANCE CREDIT.

"(a) GENERAL RULE.—For purposes of section 38, the amount of the employer health insurance credit determined under this section for the taxable year is an amount equal to the sum of—

"(1) the small employer basic health insurance credit,

"(2) the managed care credit,

"(3) the dependent coverage credit, and

"(4) the small employer purchasing group health insurance credit.

"(b) DEFINITION OF SMALL EMPLOYER BASIC HEALTH INSURANCE CREDIT, MANAGED CARE CREDIT, DEPENDENT COVERAGE CREDIT, AND SMALL EMPLOYER PURCHASING GROUP HEALTH INSURANCE CREDIT.—

"(1) SMALL EMPLOYER BASIC HEALTH INSURANCE CREDIT.—The small employer basic health insurance credit of any eligible employer which is an eligible small employer is 25 percent of the qualified health care costs of such employer beginning with the first full taxable year in which such employer offers health-care coverage to employees of such employer, reduced (but not below zero percentage) by 5 percentage points for each taxable year thereafter.

"(2) MANAGED CARE CREDIT.—The managed care credit of any eligible employer is 25 percent of the approved managed care plan costs of such employer beginning with the first full taxable year in which such employer offers an approved managed care plan (within the meaning of section 162(m)(3)(B)) to employees of such employer for the taxable year, reduced (but not below zero percent) by 5 percentage points for each taxable year thereafter.

"(3) DEPENDENT COVERAGE CREDIT.—The dependent coverage credit of any eligible employer is 25 percent of the qualified dependent coverage costs of such employer beginning with the first full taxable year in which such employer offers health-care coverage to dependents of employees of such employer for the taxable year, reduced (but not below zero percent) by 5 percentage points for each taxable year thereafter.

"(4) SMALL EMPLOYER PURCHASING GROUP HEALTH INSURANCE CREDIT.—The small employer purchasing group health insurance credit of any eligible small employer which is a member of a qualified small employer purchasing group is 20 percent of the qualified health care costs of such employer for the taxable year.

"(c) ELIGIBLE EMPLOYER.—An employer is eligible for a small employer basic health insurance credit, managed care credit, and dependent coverage credit under this section if such employer (or any predecessor employer) has never provided health-care coverage, an approved managed care plan, or dependent coverage for its employees (as the case may be) at any time before the calendar year in which occurs the first full taxable year described in paragraphs (1), (2), or (3) of subsection (b), respectively.

"(d) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED HEALTH CARE COSTS.—The term 'qualified health care costs' means the amounts paid by the employer for health-care coverage of its employees.

"(2) APPROVED MANAGED CARE PLAN COSTS.—

"(A) IN GENERAL.—The term 'approved managed care plan costs' means the amounts paid by the employer for an approved managed care plan for the employees of such employer.

"(B) APPROVED MANAGED CARE PLAN.—The term 'approved managed care plan' means a managed care plan meeting the requirements of section 202(2) of the Health Equity and Access Improvement Act of 1991.".

"(3) QUALIFIED DEPENDENT COVERAGE COSTS.—The term 'qualified dependent coverage costs' means the amounts paid by the employer for health-care coverage of the dependents of employees of such employer.

"(4) ELIGIBLE SMALL EMPLOYER.—

"(A) IN GENERAL.—The term 'eligible small employer' means any person—

"(i) which, on an average business day during the preceding taxable year, had more than 2 but less than 100 employees, and

"(ii) at least 60 percent of the employees of which during the taxable year received health-care coverage described in paragraph (1).

"(B) AGGREGATION RULES.—All members of the same controlled group of corporations (within the meaning of section 52(a)) and all persons under common control (within the meaning of section 52(b)) shall be treated as 1 person.

"(C) EMPLOYEE.—The term 'employee' shall not include—

"(i) a self-employed individual as defined in section 401(c)(1), or

"(ii) an employee who works less than 20 hours per week.

"(5) QUALIFIED SMALL EMPLOYER PURCHASING GROUP.—The term 'qualified small employer purchasing group' has the meaning given such term by section 221(a) of the Health Equity and Access Improvement Act of 1991.

"(e) COORDINATION WITH DEDUCTION.—No deduction shall be allowable under this chapter for any qualified health care costs taken into account in computing the amount of the credit under section 38.".

(c) CONFORMING AMENDMENT.—Section 39(d) of such Code is amended by adding at the end thereof the following new paragraph:

"(3) NO CARRYBACK OF EMPLOYER HEALTH INSURANCE CREDIT BEFORE 1992.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 45(a) (relating to employer health insurance credit) may be carried to a taxable year beginning before January 1, 1992.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 104. DEDUCTIBILITY FOR SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking "25 percent of".

(b) DEDUCTION MADE PERMANENT.—Section 162(l) of the Internal Revenue Code of 1986 is amended by striking paragraph (6).

(c) CONFORMING AMENDMENT.—Subparagraph (B) of section 162(l)(3) of the Internal Revenue Code of 1986 (relating to coordination with medical deduction, etc.) is amended—

(1) by striking "health insurance credit" and inserting "health expenses credit and employer health insurance credit",

(2) by striking "section 32" and inserting "section 34A with respect to such insurance and section 38, respectively", and

(3) by striking "CREDIT" in the heading thereof and inserting "CREDITS".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 105. REVENUE INCENTIVES FOR PRACTICE IN RURAL AREAS.

(a) NONREFUNDABLE CREDIT FOR CERTAIN PRIMARY HEALTH SERVICES PROVIDERS.—

(1) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25 the following new section:

"SEC. 25A. PRIMARY HEALTH SERVICES PROVIDERS.

"(a) ALLOWANCE OF CREDIT.—In the case of a qualified primary health services provider, there is allowed as a credit against the tax imposed by this chapter for any taxable year in a mandatory service period an amount equal to the product of—

"(1) the lesser of—

"(A) the number of months of such period occurring in such taxable year, or

"(B) 36 months, reduced by the number of months taken into account under this paragraph with respect to such provider for all preceding taxable years (whether or not in the same mandatory service period), multiplied by

"(2) $1,000 ($500 in the case of a qualified health services provider who is a physician assistant or a nurse practitioner).

"(b) QUALIFIED PRIMARY HEALTH SERVICES PROVIDER.—For purposes of this section, the term 'qualified primary health services provider' means any physician, physician assistant, or nurse practitioner who for any month during a mandatory service period is certified by the Bureau to be a primary health services provider who—

"(1) is providing primary health services—

"(A) full time, and

"(B) to individuals at least 80 percent of whom residein a rural health professional shortage area,

"(2) is not receiving during such year a scholarship under the National Health Service Corps Scholarship Program or a loan repayment under the National Health Service Corps Loan Repayment Program,

"(3) is not fulfilling service obligations under such Programs, and

"(4) has not defaulted on such obligations.

"(c) MANDATORY SERVICE PERIOD.—For purposes of this section, the term 'mandatory service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is a qualified primary health services provider.

"(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BUREAU.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

"(2) PHYSICIAN.—The term 'physician' has the meaning given to such term by section 1861(r) of the Social Security Act.

"(3) PHYSICIAN ASSISTANT; NURSE PRACTITIONER.—The terms 'physician assistant' and 'nurse practitioner' have the meanings given to such terms by section 1861(aa)(3) of the Social Security Act.

"(4) Primary health services provider.—The term 'primary health services provider' means a provider of primary health services (as defined in section 330(b)(1) of the Public Health Service Act).

"(5) Rural health professional shortage area.—The term 'rural health professional shortage area' means—

"(A) a class 1 or class 2 health professional shortage area (as defined in section 332(a)(1)(A) of the Public Health Service Act) in a rural area (as determined under section 1886(d)(2)(D) of the Social Security Act), or

"(B) an area which is determined by the Secretary of Health and Human Services as equivalent to an area described in subparagraph (A) and which is designated by the Bureau of the Census as not urbanized.

"(e) Recapture of Credit.—

"(1) In general.—If, during any taxable year, there is a recapture event, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable percentage, and

"(B) the aggregate unrecaptured credits allowed to such taxpayer under this section for all prior taxable years.

"(2) Applicable recapture percentage.—

"(A) In general.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs during:	The applicable recapture percentage is:
Months 1–24	100
Months 25–36	75
Months 37–48	50
Months 49–60	25
Months 61 and thereafter	0.

"(B) Timing.—For purposes of subparagraph (A), month 1 shall begin on the first day of the mandatory service period.

"(3) Recapture event defined.—

"(A) In general.—For purposes of this subsection, the term 'recapture event' means the failure of the taxpayer to be a qualified primary health services provider for any month during any mandatory service period.

"(B) Cessation of designation.—The cessation of the designation of any area as a rural health professional shortage area after the beginning of the mandatory service period for any taxpayer shall not constitute a recapture event.

"(C) Secretarial waiver.—The Secretary may waive any recapture event caused by extraordinary circumstances.

"(4) No credits against tax.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.".

(2) Clerical amendment.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Primary health services providers.".

(3) Effective date.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1991.

(b) National Health Service Corps Loan Repayments Excluded from Gross Income.—

(1) In general.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 136 as section 137 and by inserting after section 135 the following new section:

"SEC. 136. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS.

"(a) General Rule.—Gross income shall not include any qualified loan repayment.

"(b) Qualified Loan Repayment.—For purposes of this section, the term 'qualified loan repayment' means any payment made on behalf of the taxpayer by the National Health Service Corps Loan Repayment Program under section 338B(g) of the Public Health Service Act.".

(2) Conforming amendment.—Paragraph (3) of section 338B(g) of the Public Health Service Act is amended by striking "Federal, State, or local" and inserting "State or local".

(3) Clerical amendment.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 136 and inserting the following:

"Sec. 136. National Health Service Corps loan repayments.

"Sec. 137. Cross references to other Acts.".

(4) Effective date.—The amendments made by this subsection shall apply to payments made under section 338B(g) of the Public Health Service Act after the date of the enactment of this Act.

(c) Expensing of Medical Equipment.—

(1) In general.—Section 179 of the Internal Revenue Code of 1986 (relating to election to expense certain depreciable business assets) is amended—

(A) by striking paragraph (1) of subsection (b) and inserting the following:

"(1) Dollar limitation.—

"(A) General rule.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $10,000.

"(B) Rural health care property.—In the case of rural health care property, the aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $25,000, reduced by the amount otherwise taken into account under subsection (a) for such year."; and

(B) by adding at the end of subsection (d) the following new paragraph:

"(11) Rural health care property.—For purposes of this section, the term 'rural health care property' means section 179 property used by a physician (as defined in section 1861(r) of the Social Security Act) in the active conduct of such physician's full-time trade or business of providing primary health services (as defined in section 330(b)(1) of the Public Health Service Act) in a rural health professional shortage area (as defined in section 25A(d)(5)).".

(2) Effective date.—The amendments made by this subsection shall apply to property placed in service after December 31, 1991, in taxable years ending after such date.

(d) Deduction for Student Loan Payments by Medical Professionals Practicing in Rural Areas.—

(1) Interest on student loans not treated as personal interest.—Section 163(h)(2) of the Internal Revenue Code of 1986 (defining personal interest) is amended by striking "and" at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting ", and", and by adding at the end thereof the following new subparagraph:

"(F) any qualified medical education interest (within the meaning of subsection (k)).".

(2) Qualified medical education interest defined.—Section 163 of such Code (relating to interest expenses) is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(k) Qualified Medical Education Interest of Medical Professionals Practicing in Rural Areas.—

"(1) In general.—For purposes of subsection (h)(2)(F), the term 'qualified medical education interest' means an amount which bears the same ratio to the interest paid on qualified educational loans during the taxable year by an individual performing services under a qualified rural medical practice agreement as—

"(A) the number of months during the taxable year during which such services were performed, bears to

"(B) the number of months in the taxable year.

"(2) Dollar limitation.—The aggregate amount which may be treated as qualified medical education interest for any taxable year with respect to any individual shall not exceed $5,000.

"(3) Qualified rural medical practice agreement.—For purposes of this subsection—

"(A) In general.—The term 'qualified rural medical practice agreement' means a written agreement between an individual and an applicable rural community under which the individual agrees—

"(i) in the case of a medical doctor, upon completion of the individual's residency (or internship if no residency is required), or

"(ii) in the case of a registered nurse, nurse practitioner, or physician's assistant, upon completion of the education to which the qualified education loan relates,

to perform full-time services as such a medical professional in the applicable rural community for a period of 24 consecutive months. An individual and an applicable rural community may elect to have the agreement apply for 36 consecutive months rather than 24 months.

"(B) Special rule for computing periods.—An individual shall be treated as meeting the 24 or 36 consecutive month requirement under subparagraph (A) if, during each 12-consecutive month period within either such period, the individual performs full-time services as a medical doctor, registered nurse, nurse practitioner, or physician's assistant, whichever applies, in the applicable rural community during 9 of the months in such 12-consecutive month period. For purposes of this subsection, an individual meeting the requirements of the preceding sentence shall be treated as performing services during the entire 12-month period.

"(C) Applicable rural community.—The term 'applicable rural community' means—

"(i) any political subdivision of a State which—

"(I) has a population of 5,000 or less, and

"(II) has a per capita income of $15,000 or less, or

"(ii) an Indian reservation which has a per capita income of $15,000 or less.

"(4) Qualified educational loan.—The term 'qualified educational loan' means any indebtedness to pay qualified tuition and related expenses (within the meaning of section 117(b)) and reasonable living expenses—

"(A) which are paid or incurred—

"(i) as a candidate for a degree as a medical doctor at an educational institution described in section 170(b)(1)(A)(ii), or

"(ii) in connection with courses of instruction at such an institution necessary for certification as a registered nurse, nurse practitioner, or physician's assistant, and

"(B) which are paid or incurred within a reasonable time before or after such indebtedness is incurred.

"(5) RECAPTURE.—If an individual fails to carry out a qualified rural medical practice agreement during any taxable year, then—

"(A) no deduction with respect to such agreement shall be allowable by reason of subsection (h)(2)(F) for such taxable year and any subsequent taxable year, and

"(B) there shall be included in gross income for such taxable year the aggregate amount of the deductions allowable under this section (by reason of subsection (h)(2)(F)) for all preceding taxable years.

"(6) DEFINITIONS.—For purposes of this subsection, the terms 'registered nurse', 'nurse practitioner', and 'physician's assistant' have the meaning given such terms by section 1861 of the Social Security Act.".

(3) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Section 62(a) of such Code is amended by inserting after paragraph (13) the following new paragraph:

"(14) INTEREST ON STUDENT LOANS OF RURAL HEALTH PROFESSIONALS.—The deduction allowable by reason of section 163(h)(2)(F) (relating to student loan payments of medical professionals practicing in rural areas).".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1991.

TITLE II—HEALTH CARE REFORM PROVISIONS

Subtitle A—Model Health Care Insurance Benefits Plan

SEC. 201. MODEL HEALTH CARE INSURANCE BENEFITS PLAN.

(a) IN GENERAL.—The Secretary shall request that the NAIC—

(1) develop a model health care insurance benefits plan that shall contain standards that entities offering health care insurance policies should meet with respect to the benefits and coverage provided under such policies, and

(2) report to the Secretary on such standards, not later than 1 year after the date of enactment of this Act.

If the NAIC develops such a plan by such date and the Secretary finds that such plan implements the requirements of subsection (c), such plan shall be the model health care insurance benefits plan under this Act.

(b) ROLE OF THE SECRETARY IN ABSENCE OF NAIC PLAN.—If the NAIC fails to develop and report a model health care insurance benefits plan by the date specified in subsection (a) or the Secretary finds that such plan does not implement the requirements of subsection (c), the Secretary shall develop and publish such a plan, by not later than eighteen months after the date of enactment of this Act. Such plan shall then be the plan under this Act.

(c) CONTENTS.—The standards under the model benefits plan should require—

(1) that coverage be provided under health care insurance policies for basic hospital, medical and surgical services, including preventative care services determined appropriate by the Secretary;

(2) reasonable cost sharing by the beneficiaries under such policies; and

(3) appropriate copayments and deductibles.

SEC. 202. DEFINITIONS.

As used in this title:

(1) HEALTH CARE INSURANCE.—The term "health care insurance" means any hospital or medical expense incurred policy or certificate, hospital or medical service plan contract, health maintenance subscriber contract, multiple employer welfare arrangement, other employee welfare plan (as defined in the Employee Retirement Income Security Act of 1974), or any other health insurance arrangement, and includes an employment-related reinsurance plan, but does not include—

"(A) a self-insured health care insurance plan; or

"(B) any of the following offered by an insurer—

"(i) accident only, dental only, or disability income only insurance,

"(ii) coverage issued as a supplement to liability insurance,

"(iii) worker's compensation or similar insurance, or

"(iv) automobile medical-payment insurance."

(2) MANAGED CARE PLAN.—The term "managed care plan" means a health care insurance plan in which the insurer offering such plan utilizes the standards recommended under section 211 concerning the benefits and coverage under such plan.

(3) MODEL BENEFITS PLAN.—The term "model benefits plan" means the model health care insurance benefits plan developed under section 201(a).

(4) NAIC.—The term "NAIC" means the National Association of Insurance Commissioners.

(5) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(6) SMALL EMPLOYER.—

(A) IN GENERAL.—The term "small employer" means any employer which, on an average business day during the preceding taxable year, had more than 2 but less than 100 employees.

(B) EMPLOYEE.—The term "employee" shall not include—

(i) a self-employed individual as defined in section 401(c)(1) of the Internal Revenue Code of 1986, or

(ii) an employee who works less than 20 hours per week.

Subtitle B—Managed Care

SEC. 211. DEVELOPMENT OF STANDARDS FOR MANAGED CARE PLANS.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, taking into account recommendations of the Managed Care Advisory Committee, shall develop recommended standards that insurers offering managed care plans should meet with respect to the benefits, coverage, and delivery systems provided under such plans. Such standards shall encompass the standards by which managed care entities operate.

(b) MANAGED CARE ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—There shall be established a Managed Care Advisory Committee (hereinafter referred to as the "Committee").

(2) MEMBERSHIP.—The Committee shall be composed of 5 members appointed by the Secretary, each member representing 1 of the following areas:

(A) Health care professionals.

(B) Managed care industry.

(C) Academia (with specific expertise in managed care plans).

(D) Business management.

(E) Organized labor.

(3) COMPENSATION.—

(A) IN GENERAL.—Members of the Committee shall serve without compensation.

(B) EXPENSES, ETC., REIMBURSED.—While away from their homes or regular places of business on the business of the Committee, the members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

(C) APPLICATION OF ACT.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the Committee.

(D) SUPPORT.—The Secretary shall supply such necessary office facilities, office supplies, support services, and related expenses as necessary to carry out the functions of the Committee.

SEC. 212. PREEMPTION OF PROVISIONS RELATING TO MANAGED CARE.

In the case of a managed care plan meeting the recommended standards under section 211 that is offered by an insurer, the following provisions of State law are preempted and may not be enforced against the managed care plan with respect to an insurer offering such plan:

(1) RESTRICTIONS ON REIMBURSEMENT RATES OR SELECTIVE CONTRACTING.—Any law that restricts the ability of the insurer to negotiate reimbursement rates with health care providers or to contract selectively with one provider or a limited number of providers.

(2) RESTRICTIONS ON DIFFERENTIAL FINANCIAL INCENTIVES.—Any law that limits the financial incentives that the managed care plan may require a beneficiary to pay when a non-plan provider is used on a non-emergency basis.

(3) RESTRICTIONS ON UTILIZATION REVIEW METHODS.—

(A) IN GENERAL.—Any law that—

(i) prohibits utilization review of any or all treatments and conditions;

(ii) requires that such review be made by a resident of the State in which the treatment is to be offered or by an individual licensed in such State, or by a physician in any particular specialty or with any board certified specialty of the same medical specialty as the provider whose services are being rendered;

(iii) requires the use of specified standards of health care practice in such review or requires the disclosure of the specific criteria used in such review;

(iv) requires payments to providers for the expenses of responding to utilization review requests; or

(v) imposes liability for delays in performing such review.

(B) CONSTRUCTION.—Nothing in subparagraph (A)(ii) shall be construed as prohibiting a State from requiring that utilization review be conducted by a licensed health care professional, or requiring that any appeal from such a review be made by a licensed physician or by a licensed physician in any particular specialty or with any board certified specialty of the same medical specialty as the provider whose services are being rendered.

(4) RESTRICTIONS ON BENEFITS.—Any law that mandates benefits under the managed care plan that are greater that the benefits recommended under the standards developed under section 211.

Subtitle C—Small Employer Purchasing Groups

SEC. 221. QUALIFIED SMALL EMPLOYER PURCHASING GROUPS.

(a) DEFINED.—For purposes of this title, an entity is a qualified small employer purchasing group if—

(1) the entity submits an application to the Secretary at such time, in such form and

containing such information as the Secretary may require; and

(2) on the basis of information contained in the application and any other information the Secretary may require, the Secretary determines that—

(A) the entity is administered solely under the authority and control of its member employers;

(B) the membership of the entity consists solely of small employers (except that an employer member of the group may retain its membership in the group if, after the Secretary determines that the entity meets the requirements of this subsection, the number of employees of the employer member increases to more than 100);

(C) with respect to each State in which its members are located, the entity consists of not fewer than 100 employers;

(D) at the time the entity submits its application, the health care insurance plans with respect to the employer members of the entity are in compliance with applicable State laws and the model benefits plan relating to such plans;

(E) the health care insurance plans of the entity and the employer members of the entity are not self-insured plans;

(F) each enrollee in the program of the entity may enroll with any participating carrier that offers health care insurance coverage in the geographic area in which the enrollee resides; and

(G) such entity will be a nonprofit entity; and

(3) such entity has a board of directors as described in subsection (b) with authority to act as described in subsection (c).

(b) OPERATIONS.—A small employer purchasing group shall be administered by a board of directors. The members of such board shall be elected by the employers that are members of the group, and such board members shall serve at the pleasure of the majority of such employers.

(c) DUTIES OF BOARD.—

(1) IN GENERAL.—The board shall have the authority to—

(A) enter into contracts with carriers to provide health care insurance coverage to eligible employees and their dependents;

(B) enter into other contracts as are necessary or proper to carry out the provisions of this subtitle;

(C) employ necessary staff;

(D) appoint committees as necessary to provide technical assistance in the operation of the entity's program;

(E) assess participating employers a reasonable fee for necessary costs in connection with the program;

(F) undertake activities necessary to administer the program including marketing and publicizing the program and assuring carrier, employer, and enrollee compliance with program requirements;

(G) issue rules and regulations necessary to carry out the purpose of this subtitle; and

(H) accept and expend funds received through fees, grants, appropriations, or other appropriate and lawful means.

(2) PROGRAM MANAGEMENT.—

(A) GEOGRAPHIC AREAS OF COVERAGE.—The board shall establish geographic areas within which participating carriers may offer health care insurance coverage to eligible employees and dependents. The board shall contract with sufficient numbers and types of carriers in an area to assure that employees have a choice from among a reasonable number and type of competing health care insurance carriers.

(B) CONTRACT REQUIREMENTS.—

(i) IN GENERAL.—The board shall enter into contracts with qualified carriers for the purpose of providing health care insurance coverage to eligible employees and dependents, and shall pay qualified carriers on at least a monthly basis at the contracted rates.

(ii) GENERAL QUALIFICATIONS OF CARRIERS.—Participating carriers shall be qualified if such carriers have—

(I) adequate administrative management,

(II) financial solvency, and

(III) the ability to assume the risk of providing and paying for covered services.

A participating carrier may utilize reinsurance, provider risk sharing, and other appropriate mechanisms to share a portion of the risk described in subclause (III). The board may establish risk adjustment mechanisms that can be utilized to address circumstances where a participating carrier has a significantly disproportionate share of high risk or low risk enrollees based upon valid data provided by carrier. Any such risk adjustment mechanism may be developed and applied only after consultation with the participating carriers.

(C) PROGRAM STANDARDS.—The board shall require that participating carriers that contract with or employ health care providers shall have mechanisms to accomplish at least the following, satisfactory to the program:

(i) Review the quality of care covered.

(ii) Review the appropriateness of care covered.

(iii) Provide accessible health services.

(D) UNIFORMITY OF BENEFITS.—The board shall assure that participating carriers—

(i) shall offer substantially similar benefits to enrollees in the program, except that enrollees cost sharing required by participating carriers may vary according to the basic method of operation of the carrier, and

(ii) shall not vary rates to small employers or enrollees in the program on account of claim experience, health status or duration from issue.

(E) PAYMENT MECHANISM.—The board shall establish a mechanism to collect premiums from small employers, including remittance of the enrollee's share of the premium.

(3) NOTIFICATION OF PROGRAM BENEFITS.—The board shall use appropriate and efficient means to notify employers of the availability of sponsored health care insurance coverage from the program. The board shall make available marketing materials which accurately summarize the carriers' insurance plans and rates which are offered through the program. A participating carrier may contract with an agent or broker to provide marketing, advertising, or presentation proposals or otherwise disseminate information regarding coverage or services or rates offered in connection with the program.

(4) CONDITIONS OF PARTICIPATION.—

(A) IN GENERAL.—The board shall establish conditions of participation for small employers and enrollees that—

(i) assure that the entity is a valid small employer purchasing group and is not formed for the purpose of securing health care insurance coverage;

(ii) assure that individuals in the group are not added for the purpose of securing such coverage;

(iii) require that a specified percentage of employees and dependents obtain health care insurance coverage;

(iv) require minimum employer contributions; and

(v) require prepayment of premiums or other mechanisms to assure that payment will be made for coverage.

(B) MINIMUM PARTICIPATION.—The board may require participating employers to agree to participate in the program for a specified minimum period of time and may include in any participation agreements with employers a requirement for a financial deposit or provision for a financial penalty, which would be invoked in the event the employer violates the participation agreement.

(d) GRANTS.—

(1) AUTHORITY.—The Secretary may award grants to qualified small employer purchasing groups to assist such groups in paying the expenditures associated with the formation and initial operations of such groups.

(2) APPLICATION.—To be eligible to receive a grant under this subsection, a qualified small employer purchasing group shall request such a grant as part of the application submitted by such group under subsection (a)(1).

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to award grants under this subsection, such sums as may be necessary.

(e) FREEDOM OF CONTRACT.—Nothing in this subtitle shall be construed to prohibit a participating carrier from offering health care insurance coverage to small employers that are not participating in the program of a small employer purchasing group.

SEC. 222. PREEMPTION FROM INSURANCE MANDATES FOR SMALL EMPLOYER PURCHASING GROUPS.

(a) FINDING.—Congress finds that qualified small employer purchasing groups organized for the purpose of obtaining health insurance for the employer members of such groups affect interstate commerce.

(b) PREEMPTION OF STATE MANDATES.—In the case of a qualified small employer purchasing group, no provision of State law shall apply that requires the offering, as part of the health care insurance plan with respect to an employer member of such a group, of any services, category of care, or services of any class or type of provider that is in excess of that recommended under the model benefit plan.

Subtitle D—Insurance Market Reform

SEC. 231. FAILURE TO SATISFY CERTAIN STANDARDS FOR HEALTH CARE INSURANCE PROVIDED TO SMALL EMPLOYERS.

(a) IN GENERAL.—Subchapter L of chapter 1 of the Internal Revenue Code of 1986 (relating to insurance companies) is amended by adding at the end thereof the following new part:

"PART IV—HEALTH CARE INSURANCE PROVIDED TO SMALL EMPLOYERS

"Sec. 850. Failure to satisfy standards for health care insurance of small employers.
"Sec. 850A. General issuance requirements.
"Sec. 850B. Specific contractual requirements.
"Sec. 850C. State compliance agreements.
"Sec. 850D. Definitions and other rules.

"SEC. 850. FAILURE TO SATISFY CERTAIN STANDARDS FOR HEALTH CARE INSURANCE OF SMALL EMPLOYERS.

"(a) GENERAL RULE.—No health insurance contract issued to an eligible small employer shall be treated as a contract for purposes of section 807 or 832 if the issuer of such a contract fails to meet at any time during any taxable year—

"(1) the general issuance requirements of section 850A, or

"(2) the specific contractual requirements of section 850B.

"(b) LIMITATION.—

"(1) SECTION NOT TO APPLY WHERE FAILURE NOT DISCOVERED EXERCISING REASONABLE DILIGENCE.—Subsection (a) shall not apply with respect to any failure for which it is established to the satisfaction of the Secretary that the person described in such subsection did not know, or exercising reasonable diligence would not have known, that such failure existed.

"(2) SECTION NOT TO APPLY WHERE FAILURES CORRECTED WITHIN 30 DAYS.—Subsection (a) shall not apply with respect to any failure if—

"(A) such failure was due to reasonable cause and not to willful neglect, and

"(B) such failure is corrected during the 30-day period beginning on the 1st date any of the persons described in such subsection knew, or exercising reasonable diligence would have known, that such failure existed.

"(3) WAIVER BY SECRETARY.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive the application of subsection (a).

"SEC. 850A. GENERAL ISSUANCE REQUIREMENTS.

"(a) GENERAL RULE.—The requirements of this section are met if a person meets—

"(1) the mandatory policy requirements of subsection (b),

"(2) the guaranteed issue requirements of subsection (c), and

"(3) the mandatory registration and disclosure requirements of subsection (d).

"(b) MANDATORY POLICY REQUIREMENTS.—

"(1) IN GENERAL.—The requirements of this subsection are met if any person issuing a health care insurance contract to any eligible small employer makes available to such employer a health care insurance contract which—

"(A) provides benefits and coverage consistent with the model health care insurance benefits plan developed under section 201 of the Health Equity and Access Improvement Act of 1991, and

"(B) is for a term of not less than 12 months.

"(2) PRICING AND MARKETING REQUIREMENTS.—The requirements of paragraph (1) are not met unless—

"(A) the price at which the contract described in paragraph (1) is made available is not greater than the price for such contract determined on the same basis as prices for other health care insurance contracts within the same class of business made available by the person to eligible small employers, and

"(B) such contract is made available to eligible small employers using at least the marketing methods and other sales practices which are used in selling such other contracts.

"(c) GUARANTEED ISSUE.—

"(1) IN GENERAL.—The requirements of this subsection are met if the person offering health care insurance contracts to eligible small employers issues such a contract to any eligible small employer seeking to enter into such a contract.

"(2) FINANCIAL CAPACITY EXCEPTION.—Paragraph (1) shall not require any person to issue a health care insurance contract to the extent that the issuance of such contract would result in such person violating the financial solvency standards (if any) established by the State in which such contract is to be issued.

"(3) DELIVERY CAPACITY EXCEPTION.—Paragraph (1) shall not require any person to issue a health care insurance contract to the extent that the issuance of such contract would result, upon demonstration to the Secretary, in such person exceeding its administrative capacity to serve previously enrolled groups and individuals (and additional individuals who will be expected to enroll because of affiliation with such previously enrolled groups)

"(4) EXCEPTION FOR CERTAIN EMPLOYERS.—Paragraph (1) shall not apply to a failure to issue a health care insurance contract to an eligible small employer if—

"(A) such employer is unable to pay the premium for such contract, or

"(B) in the case of an eligible small employer with fewer than 15 employees, such employer fails to enroll a minimum percentage of the employer's eligible employees for coverage under such contract, so long as such percentage is enforced uniformly for all eligible small employers of comparable size.

"(5) EXCEPTION FOR ALTERNATIVE STATE PROGRAMS.—

"(A) IN GENERAL.—Paragraph (1) shall not apply if the State in which the health care insurance contract is issued—

"(i) has a program which—

"(I) assures the availability of health care insurance contracts to eligible small employers through the equitable distribution of high risk groups among all persons offering such contacts to such employers, and

"(II) is consistent with a model program developed by the NAIC;

"(ii) has a qualified State-run reinsurance program, or

"(iii) has a program which the Secretary of Health and Human Services has determined assures all eligible small employers in the State an opportunity to purchase a health care insurance contract without regard to any risk characteristic.

"(B) REINSURANCE PROGRAM.—

"(i) PROGRAM REQUIREMENTS.—For purposes of subparagraph (A)(ii), a State-run reinsurance program is qualified if such program is one of the NAIC reinsurance program models developed under clause (ii) or is a variation of one of such models, as approved by the Secretary of Health and Human Services.

"(ii) MODELS.—Not later than the 120 days after the date of the enactment of the Health Equity and Access Improvement Act of 1991, the NAIC shall develop several models for a reinsurance program, including options for program funding.

"(d) MANDATORY REGISTRATION AND DISCLOSURE REQUIREMENTS.—The requirements of this subsection are met if the person offering health care insurance contracts to eligible small employers in any State—

"(1) registers with the State commissioner or superintendent of insurance or other State authority responsible for regulation of health insurance,

"(2) fully discloses the rating practices for small employer health care insurance contracts at the time such person offers a health care insurance contract to an eligible small employer, and

"(3) fully discloses the terms for renewal of the contract at the time of the offering of such contract and at least 90 days before the expiration of such contract.

"SEC. 850B. SPECIFIC CONTRACTUAL REQUIREMENTS.

"(a) GENERAL RULE.—The requirements of this section are met if the following requirements are met:

"(1) The coverage requirements of subsection (b).

"(2) The rating requirements of subsection (c).

"(b) COVERAGE REQUIREMENTS.—

"(1) IN GENERAL.—The requirements of this subsection are met with respect to any health care insurance contract if, under the terms and operation of the contract, the following requirements are met:

"(A) GUARANTEED ELIGIBILITY.—No eligible employee (and the spouse or any dependent child of the employee eligible for coverage) may be excluded from coverage under the contract.

"(B) LIMITATIONS ON COVERAGE OF PREEXISTING CONDITIONS.—Any limitation under the contract on any preexisting condition—

"(i) may not extend beyond the 6-month period beginning with the date an insured is first covered by the contract, and

"(ii) may only apply to preexisting conditions which manifested themselves, or for which medical care or advice was sought or recommended, during the 3-month period preceding the date an insured is first covered by the contract.

"(C) GUARANTEED RENEWABILITY.—

"(i) IN GENERAL.—The contract must be renewed at the election of the eligible small employer unless the contract is terminated for cause.

"(ii) CAUSE.—For purposes of this subparagraph, the term 'cause' means—

"(I) nonpayment of the required premiums;

"(II) fraud or misrepresentation of the employer or, with respect to coverage of individual insureds, the insureds or their representatives;

"(III) noncompliance with the contract's minimum participation requirements;

"(IV) noncompliance with the contract's employer contribution requirements; or

"(V) repeated misuse of a provider network provision in the contract.

"(2) WAITING PERIODS.—Paragraph (1)(A) shall not apply to any period an employee is excluded from coverage under the contract solely by reason of a requirement applicable to all employees that a minimum period of service with the employer is required before the employee is eligible for such coverage.

"(3) DETERMINATION OF PERIODS FOR RULES RELATING TO PREEXISTING CONDITIONS.—For purposes of paragraph (1)(B), the date on which an insured is first covered by a contract shall be the earlier of—

"(A) the date on which coverage under such contract begins, or

"(B) the first day of any continuous period—

"(i) during which the insured was covered under 1 or more other health insurance arrangements, and

"(ii) which does not end more than 120 days before the date employment with the employer begins.

"(4) CESSATION OF SMALL EMPLOYER HEALTH INSURANCE BUSINESS.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, a person shall not be treated as failing to meet the requirements of paragraph (1)(C) if such person terminates the class of business which includes the health care insurance contract.

"(B) NOTICE REQUIREMENT.—Subparagraph (A) shall apply only if the person gives notice of the decision to terminate at least 90 days before the expiration of the contract.

"(C) 5-YEAR MORATORIUM.—If, within 5 years of the year in which a person terminates a class of business under subparagraph (A), such person establishes a new class of business, the issuance of such contracts in that year shall be treated as a failure to which this section applies.

"(D) TRANSFERS.—If, upon a failure to renew a contract to which subparagraph (A) applies, a person offers to transfer such contract to another class of business, such transfer must be made without regard to risk characteristics.

"(c) RATING REQUIREMENTS.—

"(1) IN GENERAL.—The requirements of this subsection are met if—

"(A) the requirements of paragraphs (2) and (3) are met, and

"(B) any increase in any premium rate under the renewal contract over the corresponding rate under the health care insurance contract being renewed does not exceed the applicable annual adjusted increase.

"(2) LIMIT ON VARIATION OF PREMIUMS BETWEEN CLASSES OF BUSINESS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the index rate for a rating period for any class of business of the insurer does not exceed the index rate for any other class of business by more than 20 percent.

"(B) EXCEPTIONS.—Subparagraph (A) shall not apply to a class of business if—

"(i) the class is one for which the insurer does not reject, and never has rejected, eligible small employers included within the class of business or otherwise eligible employees and dependents who enroll on a timely basis, based upon risk characteristics,

"(ii) the insurer does not transfer, and never has transferred, a health care insurance contract involuntarily into or out of the class of business, and

"(iii) the class of business is currently available for purchase.

"(3) LIMIT ON VARIATION IN PREMIUM RATES WITHIN A CLASS OF BUSINESS.—The requirements of this paragraph are met if the premium rates charged during a rating period to eligible small employers with similar case characteristics (other than risk characteristics) for the same or similar coverage, or the rates which could be charged to such employers under the rating system for that class of business, do not vary from the index rate by more than 20 percent of the index rate.

"(4) APPLICABLE ANNUAL ADJUSTED INCREASE.—For purposes of paragraph (1)(B)—

"(A) IN GENERAL.—The applicable annual adjusted increase is an amount equal to the sum of—

"(i) the applicable percentage of the premium rate under the health care insurance contract being renewed, plus

"(ii) any increase in the rate under the renewal contract due to any change in coverage or to any change of case characteristics (other than risk characteristics), plus

"(iii) 5 percentage points.

"(B) APPLICABLE PERCENTAGE.—

"(i) IN GENERAL.—For purposes of subparagraph (A), the applicable percentage is the percentage (if any) by which—

"(I) the premium rate for newly issued contracts for substantially similar coverage for an employer with similar case characteristics (other than risk characteristics) as the employer under the health care insurance contract (determined on the 1st day of the rating period applicable to such contracts), exceeds

"(II) such rate on the 1st day of the rating period applicable to the contract being renewed.

"(ii) CASES WHERE NO NEW BUSINESS.—If no new contracts are being issued for a class of business during any rating period, the applicable percentage shall be the percentage (if any) by which the base premium rate determined under paragraph (5)(B) with respect to the renewal contract exceeds such rate for the contract to be renewed.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) INDEX RATE.—The term 'index rate' means, with respect to a class of business, the arithmetic average of the applicable base premium rate and the corresponding highest premium rate for that class.

"(B) BASE PREMIUM RATE.—The term 'base premium rate' means, for each class of business for each rating period, the lowest premium rate which could have been charged under a rating system for that class of business by the insurer to eligible small employers with similar case characteristics (other than risk characteristics) for health care insurance contracts with the same or similar coverage.

"SEC. 850C. STATE COMPLIANCE AGREEMENTS.

"(a) AGREEMENTS.—The Secretary of Health and Human Services may enter into an agreement with any State—

"(1) to apply the standards set by the NAIC for health care insurance contracts in lieu of the requirements of this subchapter, and

"(2) to provide for the State to make the initial determination as to whether a person is in compliance with such standards for purposes of applying the sanctions under section 850.

"(b) STANDARDS.—An agreement may be entered into under subsection (a)(1) only if—

"(1) the chief executive officer of the State requests such agreement be entered into,

"(2) the Secretary of Health and Human Services determines that the NAIC standards to be applied under the agreement will carry out the purposes of this subchapter, and

"(3) the Secretary determines that the NAIC standards to be applied under the agreement will apply to substantially all health care insurance contracts issued in such State to eligible small employers.

"(c) TERMINATION.—The Secretary of Health and Human Services shall terminate any agreement if the Secretary determines that the application of NAIC standards by the State ceases to carry out the purposes of this subchapter.

"(d) NAIC STANDARDS.—Not later than the 270 days after the date of the enactment of the Health Equity and Access Improvement Act of 1991, the NAIC shall develop standards which provide for requirements substantially similar to the requirements of this subchapter.

"SEC. 850D. DEFINITIONS AND OTHER RULES.

For purposes of this part—

"(1) HEALTH CARE INSURANCE.—The term 'health care insurance' means any hospital or medical expense incurred policy or certificate, hospital or medical service plan contract, health maintenance subscriber contract, multiple employer welfare arrangement, other employee welfare plan (as defined in the Employee Retirement Income Security Act of 1974), or any other health insurance arrangement, and includes an employment-related reinsurance plan, but does not include—

"(A) a self-insured health care insurance plan; or

"(B) any of the following offered by an insurer—

"(i) accident only, dental only, or disability income only insurance,

"(ii) coverage issued as a supplement to liability insurance,

"(iii) worker's compensation or similar insurance, or

"(iv) automobile medical-payment insurance.

"(2) CLASS OF BUSINESS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'class of business' means, with respect to health care insurance provided to eligible small employers, all health care insurance provided to such employers.

"(B) ESTABLISHMENT OF GROUPINGS.—

"(i) IN GENERAL.—An issuer may establish separate classes of business with respect to health care insurance provided to eligible small employers but only if such classes are based on 1 or more of the following:

"(I) Business marketed and sold through persons not participating in the marketing and sale of such insurance to other eligible small employers.

"(II) Business acquired from other insurers as a distinct grouping.

"(III) Business provided through an association of not less than 20 eligible small employers which was established for purposes other than obtaining insurance.

"(IV) Business related to managed care plans (as defined in section 202(2) of the Health Equity and Access Improvement Act of 1991.

"(V) Any other business which the Secretary of Health and Human Services determines needs to be separately grouped to prevent a substantial threat to the solvency of the insurer.

"(ii) EXCEPTION ALLOWED.—Except as provided in subparagraph (C), an insurer may not establish more than one distinct group of eligible small employers for each category specified in clause (i).

"(C) SPECIAL RULE.—An insurer may establish up to 2 groups under each category in subparagraph (A) or (B) to account for differences in characteristics (other than differences in plan benefits) of health insurance plans that are expected to produce substantial variation in health care costs.

"(2) CHARACTERISTICS.—

"(A) IN GENERAL.—The term 'characteristics' means, with respect to any insurance rating system, the factors used in determining rates.

"(B) RISK CHARACTERISTICS.—The term 'risk characteristics' means factors related to the health risks of individuals, including health status, prior claims experience, the duration since the date of issue of a health insurance plan or arrangement, industry, and occupation.

"(C) GEOGRAPHIC FACTORS.—

"(i) IN GENERAL.—In applying geographic location as a characteristic, an insurer may not use for purposes of this subchapter areas smaller than 3-digit postal zip code areas.

"(ii) STUDY AND REPORT.—Not later than 120 days after the date of the enactment of the Health Equity and Access Improvement Act of 1991, the Comptroller General of the United States shall study and report to the Congress concerning—

"(I) insurance industry practices in determining the geographic boundaries of communities used for setting rates,

"(II) the feasibility and desirability of establishing standardized geographic communities for setting rates, and

"(III) the effect such standardized geographic communities would have on rates charged small employers.

"(3) ELIGIBLE SMALL EMPLOYER.—

"(A) IN GENERAL.—The term 'eligible small employer' means any person which, on an average business day during the preceding taxable year, had more than 2 but less than 50 employees.

"(B) AGGREGATION RULES.—All members of the same controlled group of corporations (within the meaning of section 52(a)) and all persons under common control (within the meaning of section 52(b)) shall be treated as 1 person.

"(C) EMPLOYEE.—The term 'employee' shall not include—

"(i) a self-employed individual as defined in section 401(c)(1), or "(ii) an employee who works less than 20 hours per week.

"(4) NAIC.—The term 'NAIC' means the National Association of Insurance Commissioners."

(b) CONFORMING AMENDMENT.—Subchapter L of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Part IV. Health care insurance provided to small employers."

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to contracts issued, or renewed, after the date of the enactment of this Act.

(2) GUARANTEED ISSUE.—The provisions of section 850A(c) of the Internal Revenue Code of 1986, as added by this section, shall apply to contracts which are issued, or renewed, after the date which is 18 months after the date of the enactment of this Act.

(3) PREMIUM RANGE.—In the case of any contract in effect on the date of the enactment of this Act, the provisions of section 850B(c)(1)(A) of such Code, as added by this section, shall not apply to the premiums under such contract or any renewal contract for benefits provided during the period beginning on such date and ending on the last day of the 2nd plan year beginning after such date.

TITLE III—MEDICAL LIABILITY REFORM

Subtitle A—Definitions and Findings

SEC. 301. DEFINITIONS.

As used in this title:

(1) BOARD OF ADVISORS.—The term "Board of Advisors" means the Alternative Dispute Resolution Board of Advisors established under section 321.

(2) CLAIMANT.—The term "claimant" means any person who brings a civil action that is subject to the requirements of this Act, and any person on whose behalf such an action is brought. If such an action is brought through or on behalf of an estate, such term includes the claimant's decedent, or if such an action is brought through or on behalf of a minor or incompetent, such term includes the claimant's parent or guardian.

(3) CLEAR AND CONVINCING EVIDENCE.—The term "clear and convincing evidence" is that measure or degree of proof that will produce in the mind of the trier of fact a firm belief or conviction as to the truth of the allegations sought to be established. The level of proof required to satisfy such standard is more than that required under preponderance of the evidence, but less than that required for proof beyond a reasonable doubt.

(4) MEDICAL MALPRACTICE ACTION.—The term "medical malpractice action" includes any action involving a claim, third-party claim, cross-claim, counterclaim, or contribution claim in a civil action in which a health care provider is alleged to be liable for harm caused by such health care provider.

(5) NONECONOMIC DAMAGES.—The term "noneconomic damages" means subjective, nonmonetary losses including, pain, suffering, inconvenience, mental suffering, emotional distress, loss of society and companionship, loss of consortium, and injury to reputation and humiliation. Such term does not include objectively verifiable monetary losses including medical expenses, loss of earnings, burial costs, loss of use of property, costs of obtaining substitute domestic services, rehabilitation and training expenses, loss of employment, or loss of business or employment opportunities.

(6) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(7) STATE.—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any other territory or possession of the United States, or any political subdivision thereof.

SEC. 302. EFFECT ON INTERSTATE COMMERCE.

Congress finds that the health care and insurance industries are industries affecting interstate commerce and the medical malpractice litigation systems existing throughout the United States impact on interstate commerce by contributing to the high cost of health care and premiums for malpractice insurance purchased by health care providers.

Subtitle B—Expedited Medical Malpractice Settlements

SEC. 311. EXPEDITED MEDICAL MALPRACTICE SETTLEMENTS.

(a) RIGHT TO BRING ACTION.—Any claimant may bring a civil action for damages against a person for harm caused during the provision of medical care pursuant to applicable State law, except to the extent that such law is superseded by this subtitle.

(b) SETTLEMENT OFFERS.—

(1) BY CLAIMANT.—Any claimant may, in addition to any claim for relief made in accordance with State law as provided for in subsection (a), include in the complaint filed by such complainant an offer of settlement for a specific dollar amount.

(2) BY DEFENDANT.—Within 60 days after service of the complaint of a claimant of the type referred to in paragraph (1), or within the time permitted pursuant to State law for a responsive pleading, whichever is longer, the defendant may make an offer of settlement for a specific dollar amount, except that if such pleading includes a motion to dismiss in accordance with applicable State law, the defendant may tender such relief to the claimant within 10 days after the determination of the court regarding such motion.

(c) EXTENSION OF TIME.—

(1) AUTHORITY.—In any case in which an offer of settlement is made pursuant to subsection (b), the court may, upon motion made prior to the expiration of the applicable period for response, enter an order extending such period.

(2) CONTENTS OF EXTENSION ORDER.—Any order extending the period for response under paragraph (1) shall contain a schedule for discovery of evidence material to the issue of the appropriate amount of relief, and shall not extend such period for more than 60 days. Any such motion shall be accompanied by a supporting affidavit of the moving party setting forth the reasons why such extension is necessary to promote the interests of justice and stating that the information likely to be discovered is material, and is not, after reasonable inquiry, otherwise available to the moving party.

(d) REJECTION OF OFFER BY DEFENDANT OFFEREE.—If the defendant, as offeree, does not accept the offer of settlement made by a claimant in accordance with subsection (b)(1) within the time permitted pursuant to State law for a responsive pleading or, if such pleading includes a motion to dismiss in accordance with applicable law, within 30 days after the court's determination regarding such motion, and a verdict is entered in such action equal to or greater than the specific dollar amount of such offer of settlement, the court shall enter judgment against the defendant and shall include in such judgment an amount for the claimant's reasonable attorney's fees and costs. Such fees shall be offset against any fees owed by the claimant to the claimant's attorney by reason of the verdict.

(e) REJECTION OF OFFER BY CLAIMANT OFFEREE.—If the claimant, as offeree, does not accept the offer of settlement made by a defendant in accordance with subsection (b)(2) within 30 days after the date on which such offer is made and a verdict is entered in such action equal to or less than the specific dollar amount of such offer of settlement, the court shall reduce the amount of the verdict in such action by an amount equal to the reasonable attorney's fees and costs owed by the defendant to the defendant's attorney by reason of the verdict, except that the amount of such reduction shall not exceed that portion of the verdict which is allocable to noneconomic loss and economic loss for which the claimant has received or will receive collateral benefits.

(f) CALCULATION OF ATTORNEY'S FEES.—For purposes of this section, attorney's fees shall be calculated on the basis of an hourly rate that should not exceed that which is considered acceptable in the community in which the attorney practices, considering the attorney's qualifications and experience and the complexity of the case.

Subtitle C—Alternative Dispute Resolution Procedures

SEC. 321. ESTABLISHMENT OF BOARD OF ADVISORS.

(a) IN GENERAL.—The Secretary shall establish an Alternative Dispute Resolution Board of Advisors to make recommendations to the Secretary concerning the establishment of a model voluntary alternative dispute resolution program.

(b) COMPOSITION.—The Board of Advisors shall be composed of members to be appointed by the Secretary. Such members shall include representatives of—

(1) patient advocacy groups;

(2) State governments;

(3) physicians groups;

(4) hospitals;

(5) health and medical malpractice insurers;

(6) medical product manufacturers; and

(7) other professions or industries determined appropriate by the Secretary.

(c) DUTIES OF BOARD.—The Board of Advisors shall—

(1) provide advice and assistance to representatives from State governments concerning the establishment of alternative dispute resolution systems; and

(2) not later than 1 year after the date of enactment of this Act, submit a recommendation to the Secretary for the implementation of a model voluntary alternative dispute resolution system.

(d) APPROVAL BY SECRETARY.—The Secretary shall approve the model system submitted under subsection (c)(2) with any modifications that the Secretary determines appropriate.

SEC. 322. DEVELOPMENT OF STATE VOLUNTARY DISPUTE RESOLUTION PROCEDURES.

(a) PROGRAM TO ENCOURAGE ADOPTION.—The Secretary shall develop and implement a program to encourage States to develop and implement voluntary alternative dispute resolution procedures that meet the requirements of this title.

(b) FAILURE TO ADOPT PROCEDURES.—With respect to a State that has not adopted alternative dispute resolution procedures that meet the requirements of this title by the date that occurs 2 years after the date of enactment of this Act, such State shall be required to adopt the model voluntary dispute resolution procedure system approved by the Secretary under section 321(d).

SEC. 323. APPLICATION OF EXISTING PROCEDURES, REBUTTABLE PRESUMPTION.

(a) OFFER TO PROCEED.—With respect to a State that has an alternative dispute resolution system in effect that meets the requirements of this title, in lieu of or in addition to making an offer of settlement under section 311, a claimant or defendant may, within the time permitted for the making of such an offer under section 311, offer to proceed pursuant to any voluntary alternative dispute resolution procedure established or recognized under the law of the State in which the civil action for damages for harm caused through a medical procedure is brought or under the rules of the court in which such action is maintained.

(b) REFUSAL TO PROCEED.—If the recipient of an offer to proceed under subsection (a) refuses to proceed pursuant to an alternative dispute resolution procedure and the court determines that such refusal was unreasonable or not in good faith, the court shall assess reasonable attorney's fees and costs against the offeree.

(c) REBUTTABLE PRESUMPTION.—For the purposes of this section, there shall be created a rebuttable presumption that a refusal by an offeree under subsection (b) to proceed pursuant to an alternative dispute resolution procedure was unreasonable or not in good faith, if a verdict is rendered in favor of the offeror.

Subtitle D—Uniform Standards for Medical Malpractice Cases

SEC. 331. APPLICATION TO CIVIL ACTIONS.

This subtitle shall apply to any medical malpractice action brought in any Federal or State court and any medical malpractice claim resolved through an alternative dispute resolution system.

SEC. 332. DAMAGES.

(a) PAYMENTS.—With respect to a civil action or claim of the type referred to in section 331, no person may be required to pay more than $100,000 in a single payment for future losses, but such person shall be permitted to make such payments on a periodic basis. The periods for such payments shall be determined by the court, based upon projections of such future losses. This subsection shall apply to awards of plaintiff's damages.

(b) LIMITATION ON NONECONOMIC DAMAGES.—With respect to a civil action or claim of the type referred to in section 331, the total amount of damages that may be awarded to an individual and the family members of such individual for noneconomic losses resulting from an injury alleged under such action or claim may not exceed $250,000, regardless of the number of health care professionals and health care providers against whom the claim is brought or the number of claims brought with respect to the injury.

(c) MANDATORY OFFSETS FOR DAMAGES PAID BY A COLLATERAL SOURCE.—

(1) IN GENERAL.—With respect to a civil action or claim of the type referred to in section 331, the total amount of damages received by an individual under such action or claim shall be reduced, in accordance with paragraph (2), by any other payment that has been, or will be, made to an individual to compensate such individual for the injury that was the subject of such action or claim.

(2) AMOUNT OF REDUCTION.—The amount by which an award of damages to an individual for an injury shall be reduced under paragraph (1) shall be—

(A) the total amount of any payments (other than such award) that have been made or that will be made to such individual to compensate such individual for the injury that was the subject of the action or claim; minus

(B) the amount paid by such individual (or by the spouse, parent, or legal guardian of such individual) to secure the payments described in subparagraph (A).

(d) ATTORNEYS' FEES.—With respect to a civil action or claim of the type referred to in section 331, attorneys' fees may not exceed—

(1) 25 percent of the first $150,000 of any award or settlement under such action or claim; and

(2) 15 percent of any additional amounts in excess of $150,000.

SEC. 333. JOINT AND SEVERAL LIABILITY FOR NONECONOMIC DAMAGES.

(a) IN GENERAL.—With respect to a civil action or claim of the type referred to in section 331, the liability of each defendant for noneconomic damages shall be several only and shall not be joint. Each defendant shall be liable only for the amount of noneconomic damages allocated to such defendant in direct proportion to such defendant's percentage of responsibility as determined under subsection (b).

(b) PROPORTION OF RESPONSIBILITY.—For purposes of this section, the trier of fact shall determine the proportion of responsibility of each party for the claimant's harm.

SEC. 334. UNIFORM STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Except as provided in subsection (b), no medical malpractice civil action may be initiated after the expiration of the 2-year period that begins on the date on which the alleged injury should reasonably have been discovered, but in no event later than 4 years after the date of the alleged occurrence of the injury.

(b) EXCEPTION FOR MINORS.—In the case of an alleged injury suffered by a minor who has not attained 6 years of age, no medical malpractice claim may be initiated after the expiration of the 2-year period that begins on the date on which the alleged injury should reasonably have been discovered, but in no event later than 4 years after the date of the alleged occurrence of the injury or the date on which the minor attains 8 years of age, whichever is later.

SEC. 335. PROVISION FOR DROP IN DELIVERIES.

With respect to a civil action of the type referred to in section 331, for alleged medical malpractice related to services provided during the delivery of a baby, a court shall only find in favor of the claimant if such malpractice on the part of the defendant health care professional is proven by clear and convincing evidence, except that such evidentiary standard shall only apply if a defendant did not previously provide prenatal care to the claimant for this pregnancy, was not part of a group practice that previously treated the claimant during the pregnancy resulting in this delivery, or was not providing coverage pursuant to an agreement with another health care professional for this delivery.

Subtitle E—Uniform Disciplinary Reforms

SEC. 341. REQUIREMENT OF COMPLIANCE.

Not later than 2 years after the date of enactment of this Act, a State shall comply with the requirements of this subtitle.

SEC. 342. FUNDS FOR STATE DISCIPLINARY ACTIVITIES.

Each State shall allocate the total amount of fees paid to the State in each year for the licensing or certification of each type of health care practitioner, or an amount of State funds equal to such total amount, to the State agency or agencies responsible for the conduct of licensing and disciplinary actions with respect to such type of health care practitioner.

SEC. 343. MEMBERSHIP OF STATE HEALTH CARE PRACTITIONER BOARDS.

Each State shall permit the general public to be represented on State health care practitioner disciplinary boards. Not less than 25 percent of the membership of each such health care practitioner disciplinary board shall be appointed from among the general public.

SEC. 344. IMMUNITY FOR MEMBERS OF STATE HEALTH CARE PRACTITIONER BOARDS.

There shall be no monetary liability on the part of, and no cause of action for damages shall arise against, any current or former member, officer, administrator, staff member, committee member, examiner, representative, agent, employee, consultant, witness, or any other individual serving or having served on a State health care practitioner disciplinary board, either as a part of the board's operation or as an individual, as a result of any act, omission, proceeding, conduct or decision related to the duties of such individual undertaken or performed in good faith and within the scope of the function of the board.

SEC. 345. RISK MANAGEMENT PROGRAMS.

Not later than 2 years after the date of enactment of this Act, each State shall have in effect a Statewide risk management program, to reduce the incidence of medical malpractice that meets any regulations promulgated by the Secretary for the establishment of such program.

SEC. 346. PUNITIVE DAMAGES.

(a) TRUST FUND.—Each State shall establish a health care disciplinary trust fund consisting of such amounts as are transferred to the trust fund under subsection (b).

(b) TRANSFER OF AMOUNTS.—Each State shall require that all awards of punitive damages resulting from all medical malpractice and medical products civil actions in that State be transferred to the trust fund established under subsection (a) in the State.

(c) OBLIGATIONS FROM TRUST FUND.—The chief executive officer of a State shall obligate such sums as are available in the trust fund established in that State under subsection (a) to provide additional resources to State health care practitioner disciplinary boards for the disciplining of health care practitioners and to provide additional resources for consumer protection activities of the State.

Subtitle F—Medical Products

SEC. 351. LIMITATION ON AWARD OF PUNITIVE DAMAGES IN PRODUCT LIABILITY ACTIONS INVOLVING DRUGS AND DEVICES.

(a) DEFINITIONS.—As used in this section:

(1) DEVICE.—The term "device" has the meaning given the term in section 201(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(h)).

(2) DRUG.—The term "drug" has the meaning given the term in section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1)).

(3) HEALTH CARE PRODUCER.—The term "health care producer" means any firm or business enterprise that designs, manufactures, produces, or sells a drug or device that is the subject of a liability action.

(b) LIMITATION.—

(1) IN GENERAL.—Punitive damages otherwise permitted by applicable law shall not be

awarded in an action under this Act against a health care producer of a drug or device that caused the harm complained of by the claimant if—

(A) the drug or device—

(i) was subject to approval under section 505 (21 U.S.C. 355) or premarket approval under section 515 (21 U.S.C. 360e), respectively, of the Federal Food, Drug, and Cosmetic Act, by the Food and Drug Administration, with respect to—

(I) the safety of the formulation or performance of the aspect of the drug or device that caused the harm; or

(II) the adequacy of the packaging or labeling of the drug or device; and

(ii) was approved by the Food and Drug Administration; or

(B) the drug or device is generally recognized as safe and effective pursuant to conditions established by the Food and Drug Administration and applicable regulations, including packaging and labeling regulations.

(2) WITHHELD INFORMATION; MISREPRESENTATION; ILLEGAL PAYMENT.—The provisions of paragraph (1) shall not apply in any case in which the defendant—

(A) withheld from or misrepresented to the Food and Drug Administration or any other agency or official of the Federal Government information that is material and relevant to the performance of the drug or device; or

(B) made an illegal payment to an official of the Food and Drug Administration for the purpose of securing approval of the drug or device.

(c) SEPARATE PROCEEDING.—

(1) CONSIDERATIONS.—At the request of the health care producer in an action described in subsection (b), the trier of fact shall consider in a separate proceeding—

(A) whether punitive damages are to be awarded and the amount of the award; or

(B) the amount of punitive damages following a determination of punitive liability.

(2) EVIDENCE.—If a separate proceeding is requested in accordance with paragraph (1), evidence relevant only to the claim of punitive damages, as determined by applicable State law, shall be inadmissible in any proceeding to determine whether compensatory damages are to be awarded.

(d) AMOUNT OF PUNITIVE DAMAGES.—In determining the amount of punitive damages in an action described in subsection (b) or (c), the trier of fact shall consider all relevant evidence, including—

(1) the financial condition of the health care producer;

(2) the severity of the harm caused by the conduct of the health care producer;

(3) the duration of the conduct or any concealment of the conduct by the health care producer;

(4) the profitability of the conduct to the health care producer;

(5) the number of products sold by the health care producer of the kind causing the harm complained of by the claimant;

(6) awards of punitive of exemplary damages to persons similarly situated to the claimant;

(7) prospective awards of compensatory damages to persons similarly situated to the claimant;

(8) any criminal penalties imposed on the health care producer as a result of the conduct complained of by the claimant; and

(9) the amount of any civil fines assessed against the defendant as a result of the conduct complained of by the claimant.

(e) STRICT LIABILITY DEFENSE.—In a civil action brought by a claimant in a Federal or State court under which the claimant alleges that a health care producer of a drug or device is strictly liable to such claimant for injuries sustained from the use of such drug or device, a showing by the defendant that such drug or devices was subject to approval and was approved by the Food and Drug Administration as described in subsection (b)(1)(A) shall be an absolute defense to such strict liability claims.

Subtitle G—Community Health Centers

SEC. 361. COMMUNITY AND MIGRANT HEALTH CENTERS RISK RETENTION GROUP.

(a) IN GENERAL.—Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end thereof the following new section:

"SEC. 330A. RISK RETENTION GROUP.

"(a) GRANT.—The Secretary shall make a grant to an entity that represents recipients of assistance under section 329 and 330 to enable such entity to develop a business plan as described in subsection (b)(2) and establish a nationwide risk retention group as provided for in Liability Risk Retention Act of 1986 (15 U.S.C. 3901 et seq.), and that meets the requirements of this section.

"(b) BUSINESS PLAN AND FORMATION.—

"(1) DEVELOPMENT AND ESTABLISHMENT.—

"(A) IN GENERAL.—Not later than September 30, 1992, the grantee shall develop a business plan as described in paragraph (2) and have established a risk retention group that meets the requirements of section 2(4) of the Product Liability Risk Retention Act of 1981 (15 U.S.C. 3901(2)(4)).

"(B) ESTABLISHMENT.—In establishing the risk retention group under subparagraph (A), the grantee shall take all steps, in accordance with this subsection, necessary to enable such group to be prepared to issue insurance policies under this section.

"(2) BUSINESS PLAN.—The grantee shall develop a plan for the operation of the risk retention group that shall include all actuarial reports and studies conducted with respect to the formation, capitalization, and operation of the group.

"(3) STRUCTURE, RIGHTS, AND DUTIES OF THE RISK RETENTION GROUP.—

"(A) BOARD OF DIRECTORS.—

"(i) APPOINTMENT.—The board of directors of the risk retention group shall consist of 12 members to be appointed by the recipient of the grant under subsection (a), and approved as provided in clause (ii).

"(ii) APPROVAL.—The initial members appointed under clause (i) shall be approved by the Secretary, and shall serve for a term as provided in clause (iii). All subsequent members shall be subject to the approval of the members of the risk retention group.

"(iii) TERMS.—The recipient of the grant under subsection (a) shall appoint the members of the board under clause (i) as follows:

"(I) Four members shall be appointed for an initial term of 1 year.

"(II) Four members shall be appointed for an initial term of 2 years.

"(III) Four members shall be appointed for an initial term of 3 years.

Members serving terms other than initial terms shall serve for 3 years. Members may serve successive terms.

"(iv) EXECUTIVE DIRECTOR.—The Executive Director of the board shall be elected by the members of the board, and shall serve at the pleasure of such members.

"(v) VACANCIES.—Vacancies on the board shall be filled through a vote of the remaining members of the board, subject to the approval of the members of the risk retention group.

"(B) BYLAWS.—The board shall develop the bylaws of the risk retention group that shall be subject to the disapproval of the Secretary. Any changes that the board desires to make in such bylaws shall also be subject to the disapproval of the Secretary. The Secretary shall provide the board with 90 days notice of the Secretary's intent to disapprove a bylaw.

"(C) ADMINISTRATION.—The risk retention group may negotiate with other entities for the purposes of managing and administering the risk retention group, and for purposes of obtaining reinsurance.

"(D) PROVISION OF INSURANCE.—The risk retention group shall provide professional liability insurance, and other types of profitable insurance approved for issuance by the Secretary, to migrant and community health centers that receive assistance under sections 329 and 330 and that meet the requirements of subparagraph (E).

"(E) PARTICIPANTS.—

"(i) IN GENERAL.—Except as provided in clause (ii), all community and migrant health centers that receive assistance under section 329 and 330 shall become members in the risk retention group established under this section and shall purchase the professional liability insurance that is offered by such group for such centers and any health care staff or personnel employed by such centers or under contract with such centers. All professional staff members of such centers shall be eligible to obtain the insurance offered by such group.

"(ii) EXCEPTIONS.—

"(I) GOOD CAUSE.—The Secretary may, on a showing of good cause by the center, exempt such center from the requirements of clause (i).

"(II) FAILURE TO MEET CONDITIONS.—If the risk retention group determines that a center is not complying with the established underwriting standards, such group may decline to provide insurance to such center. The risk retention group shall provide a center with 60 days notice of a decision by the group not to provide insurance to such center.

"(III) HEARING.—Prior to the Secretary granting an exemption or severance as requested in an application submitted under subclause (I), the Secretary shall require that the applicant provide evidence concerning its application and shall afford the risk retention group an opportunity to address the allegations contained in such application. The Secretary may grant the center temporary relief under this subparagraph without a hearing in emergency situations.

"(F) APPLICABILITY OF INSURANCE TO CLAIMS.—Insurance provided by the risk retention group under this section shall apply to all claims filed against a covered community or migrant health center after the initiation of insurance coverage by the risk retention group, including acts that occur prior to coverage under this section that are not covered by other insurance.

"(c) SUBMISSION OF BUSINESS PLAN TO OUTSIDE EXPERTS.—After the development of the business plan and the establishment of the risk retention group as required under subsection (b), the risk retention group shall enter into a contract with individuals or entities who are insurance, financing, and business experts to require such individuals or entities to analyze and audit the group. Such individuals and entities shall provide the group with an evaluation of such plan and group.

"(d) SUBMISSION OF PLAN AND EVALUATION.—

"(1) IN GENERAL.—The risk retention group shall submit to the Secretary the business plan required under subsection (b) and the evaluation completed under subsection (c) to the Secretary.

"(2) DETERMINATION BY SECRETARY.—Not later than September 30, 1992, the Secretary shall make a determination, based on the plan and evaluation submitted under paragraph (1), of whether the operation of the risk retention group results in an increase in the amount of funds available for use by community and migrant health centers and other entities that receive assistance under sections 329 and 330 in the 2-year period ending on September 30, 1994.

"(3) IMPLEMENTATION.—If the Secretary makes an affirmative determination under paragraph (1), the Secretary shall permit the implementation of the plan and the operation of the risk retention group as provided for in this section, and shall capitalize such group as provided for in subsection (e)(2).

"(e) FUNDING.—

"(1) CAPITALIZATION.—There are authorized to be appropriated to carry out this section, $40,000,000 for each of the fiscal years 1992 and 1993. Amounts appropriated under this paragraph may only be made available if the Secretary makes an affirmative determination under subsection (d)(2).

"(2) REMAINING ASSETS.—All assets of the risk retention group that remain after the dissolution of such group shall become the property of the Secretary who shall use such assets to pay the remaining expenses of the group.

"(3) SAVINGS.—Any amount saved by the grantees under sections 329 and 330 as a result of the establishment of the risk retention group shall be utilized—

"(A) to provide additional services of the type permitted under section 329 or 330, as appropriate; and

"(B) to defend against medical malpractice claims arising from services provided by such grantees.".

(b) CONFORMING AMENDMENTS.—

(1) Section 329(h)(1)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(1)(A)) is amended by striking "1991" and inserting "1993".

(2) Section 330(g)(2)(A) of such Act (42 U.S.C. 254b(h)(1)(A)) is amended by inserting ", and such sums as may be necessary for fiscal year 1992" after "1991".

Subtitle H—Miscellaneous Provisions

SEC. 371. SEVERABILITY.

If any provision of this title, or an amendment made by this title, or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this title and the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 372. COMPLIANCE.

Except as otherwise specifically provided, not later than 2 years after the date of enactment of this Act, a State shall enact, adopt, or otherwise comply with the provisions of this title.

TITLE IV—PUBLIC HEALTH PROVISIONS

Subtitle A—New Basic Health Care Program

SEC. 401. ESTABLISHMENT OF BASICARE PROGRAM.

(a) IN GENERAL.—The Social Security Act (42 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new title:

"TITLE XXI—BASICARE

"TABLE OF CONTENTS OF TITLE

"Sec. 2101. Appropriation.
"Sec. 2102. State plans for BasiCare assistance.
"Sec. 2103. Payment to States.
"Sec. 2104. Quality assurance.
"Sec. 2105. Definitions.

"APPROPRIATION

"SEC. 2101. For the purpose of providing basic health care benefits to low-income uninsured individuals not eligible for coverage under title XIX of this Act, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary, State plans for BasiCare assistance.

"STATE PLANS FOR BASICARE ASSISTANCE

"SEC. 2102. (a) IN GENERAL.—A State plan for BasiCare assistance must—

"(1) provide either for the establishment or designation of a single State agency to administer or supervise the administration of the program established under this title;

"(2) provide for financial participation by the State equal to the non-Federal share of the expenditures under the plan with respect to which payments under section 2103 are authorized by this title;

"(3) provide health assistance to all eligible individuals described in subsection (b), and at the option of the State, subsets of basic medical and social benefits to subgroups of such eligible individuals;

"(4) meet the quality assurance requirements of section 2104;

"(5) provide that the State will not modify its State plan under title XIX of this Act so as to result in individuals eligible under the State's plan under such title becoming eligible for enrollment under BasiCare;

"(6) meet the requirements of paragraphs (4), (6), (7), (19), (45), (46), (48), and (49) of section 1902(a); and

"(7) meet such further requirements as the Secretary may specify.

"(b) ELIGIBILITY FOR BASICARE.—An individual is eligible to receive benefits under this title if such individual—

"(1) has a family income below 200 percent of the income official poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981);

"(2) is not otherwise eligible for medical assistance under a State plan under title XIX of this Act; and

"(3) is not otherwise covered under a health plan offered by the individual's employer.

"PAYMENT TO STATES

"SEC. 2103. (a) IN GENERAL.—From the sums appropriated therefor (subject to the expenditure limitation described in subsection (b)), the Secretary shall pay to each State which has a plan approved under this title, for each quarter, beginning with the quarter commencing January 1, 1992—

"(1) an amount equal to the Federal health assistance percentage (as defined in section 2105(b)); plus

"(2) an amount equal to 3 percent of the average per person expenditures under the plan for each individual under the plan enrolled in a managed care setting (including health maintenance organizations, community health centers and such other types of providers as designated by the Secretary).

"(b) LIMIT ON FEDERAL EXPENDITURES AS HEALTH ASSISTANCE.—Payments under this section to a State may not exceed an average of $10,000 per year, per enrolled individual.

"(c) COST-SHARING.—(1) With respect to individuals eligible for health assistance under this title whose income is between 100 and 200 percent of the income official poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981), the State may impose such deductibles, copayments or premiums with respect to such individual's coverage under this title as the State may deem appropriate, subject to the limitation in paragraph (2).

"(2) A State may not impose a deductible, copayment or premium with respect to an individual described in paragraph (1) that is in excess of 5 percent of such individual's gross income during a calendar year.

"QUALITY ASSURANCE

"SEC. 2104. The Secretary shall establish a program to assure the quality of services provided under this title. In establishing such program, the Secretary shall provide that Federal employees and contractors are utilized in ensuring compliance with the quality assurance provisions of this title and provide for criteria to disallow payment under section 2103 for services found not to meet the quality assurance provisions of this title established by the Secretary.

"DEFINITIONS

"SEC. 2105. (a) HEALTH ASSISTANCE.—For purposes of this title, the term 'health assistance' means a set of basic medical and social benefits as defined by the State, including services provided in skilled nursing facilities or in other long-term care settings for a period not to exceed 45 days in a calendar year.

"(b) FEDERAL HEALTH ASSISTANCE PERCENTAGE.—For purposes of this title, the term 'Federal health assistance percentage' means the Federal medical assistance percentage as defined in section 1905(b).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to payments for health assistance beginning on or after January 1, 1992.

SEC. 402. GAO STUDY OF PAYMENTS UNDER BASICARE.

The Comptroller General of the Government Accounting Office shall study and report to Congress by no later than January 1, 1995, on payments to providers of services under title XXI of the Social Security Act and shall include in such report recommendations on whether or not payments under such title to managed care programs need to be increased in order to encourage greater participation of such entities under such title.

SEC. 411. EXPANSION OF MEDICAID WAIVER AUTHORITY.

(a) IN GENERAL.—Section 1115 of the Social Security Act (42 U.S.C. 1315) is amended by adding at the end the following new subsection:

"(e)(1) Notwithstanding any other provision of this title, with respect to any waiver granted by the Secretary under title XIX (except waivers under section 1915(c)) after such a waiver has been in effect for over a period of 3 years, the Secretary shall not require a State operating under such a waiver to conduct an independent assessment of such waiver unless the State proposes a substantial (as determined by the Secretary) amendment to the waiver agreement.

"(2) Any waiver granted under title XIX which has been in effect for over a period of 3 years shall be considered, at the option of a State, to be a permanent amendment to the State's plan for medical assistance in effect under section 1902.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to waivers granted under title XIX of the Social Security Act beginning before, on or after January 1, 1992.

SEC. 412. ESTABLISHMENT OF FEDERAL MEDICAL WAIVER DEMONSTRATION BOARD.

(a) ESTABLISHMENT.—There is established a board to be known as the Federal Medical Waiver Demonstration Board (hereinafter referred to as the "Board").

(b) MEMBERSHIP.—The Board shall be composed of—

(1) the Secretary of Health and Human Services;

(2) the Secretary of Labor; and

(3) the Secretary of Veterans Affairs.

(c) DUTIES AND POWERS OF THE BOARD.—

(1) REVIEW OF STATE APPLICATIONS.—The Board shall review applications submitted by States to conduct health care related demonstration projects in the State and shall approve within 3 months of receiving such applications those applications which meet the requirements of this section. The Board in reviewing and approving the application of a State shall make a determination whether such application provides for a demonstration project which—

(A) would provide that at least 95 percent of the residents of the State would have access to basic health care services (as defined by the Board);

(B) would improve the delivery of and increase access to health care services for a significant number of individuals in the State; and

(C) would assure the quality of care of health care services provided under such project.

(2) DEVELOPMENT OF MODEL STATE PLANS.—The Board shall develop and publish in the Federal Register, no later than 6 months after the date of enactment of this Act, at least 3 different model health care delivery plans that provide for new approaches that may be adopted by States in providing and furnishing health care services to residents of the State.

(3) WAIVER OF CERTAIN FEDERAL HEALTH RELATED PROVISIONS.—The Board upon approving the application of a State to conduct a demonstration project under this section shall waive to the extent necessary to allow the State to conduct such a demonstration project the following provisions of Federal law:

(A) The Public Health Service Act.

(B) Subject to paragraph (4), title XVIII of the Social Security Act.

(C) Titles XIX and XXI of the Social Security Act.

(D) All health care programs operated under laws administered by the Secretary of Veterans Affairs.

(E) The Employee Retirement Income Security Act of 1974.

(4) LIMITED WAIVER OF MEDICARE.—The Board may waive the provisions of title XVIII of the Social Security Act only if a State provides that all individuals residing in the State receiving benefits under the medicare program under such title are eligible for health care benefits under the program operated by the State under a waiver granted under this section and that such health care benefits provided to such individuals are equal in amount, duration, and scope to the benefits provided under such title.

(d) 3-YEAR RENEWAL OF WAIVER.—A waiver approved by the Board for a State shall be in effect in the State for a 36-month period commencing from the date of such approval. At the end of the 36-month period such waiver shall be renewed unless the Board determines that the State is not substantially in compliance with the requirements described in subparagraphs (A) through (C) of subsection (c)(1).

(e) BUDGET NEUTRALITY.—The Board in carrying out its duties under this section shall provide that total Federal expenditures under the programs for which waivers are granted under this section are no greater than what such expenditures would have been but for the waivers granted under this section.

TITLE V—MEDICALLY UNDERSERVED AREAS

Subtitle A—Public Health Service Act Provisions

SEC. 501. NATIONAL HEALTH SERVICE CORPS.

Section 338H(b) of the Public Health Service Act (42 U.S.C. 254q(b)) is amended—

(1) in paragraph (1), by striking "and such sums" and all that follows through the end thereof and inserting "$118,900,000 for each of the fiscal years 1992 through 1996."; and

(2) in paragraph (2)—

(A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(B) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) IN GENERAL.—Of the amount appropriated under paragraph (1) for each fiscal year, the Secretary shall utilize 25 percent of such amount to carry out section 338A and 75 percent of such amount to carry out section 338B.".

SEC. 502. ESTABLISHMENT OF GRANT PROGRAM.

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end thereof the following new section:

"SEC. 330A. COMMUNITY BASED PRIMARY HEALTH CARE GRANT PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall establish and administer a program to provide allotments to States to enable such States to provide grants for the creation or enhancement of community based primary health care entities that provide services to pregnant women and children up to age three.

"(b) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—From the amounts available for allotment under subsection (h) for a fiscal year, the Secretary shall allot to each State an amount equal to the product of the grant share of the State (as determined under paragraph (2)) multiplied by the amount available for allotment for such fiscal year.

"(2) GRANT SHARE.—

"(A) IN GENERAL.—For purposes of paragraph (1), the grant share of a State shall be the product of the need-adjusted population of the State (as determined under subparagraph (B)) multiplied by the Federal matching percentage of the State (as determined under subparagraph (C)), expressed as a percentage of the sum of the products of such factors for all States.

"(B) NEED-ADJUSTED POPULATION.—

"(i) IN GENERAL.—For purposes of subparagraph (A), the need-adjusted population of a State shall be the product of the total population of the State (as estimated by the Secretary of Commerce) multiplied by the need index of the State (as determined under clause (ii)).

"(ii) NEED INDEX.—For purposes of clause (i), the need index of a State shall be the ratio of—

"(I) the weighted sum of the geographic percentage of the State (as determined under clause (iii)), the poverty percentage of the State (as determined under clause (iv)), and the multiple grant percentage of the State (as determined under clause (v)); to

"(II) the general population percentage of the State (as determined under clause (vi)).

"(iii) GEOGRAPHIC PERCENTAGE.—

"(I) IN GENERAL.—For purposes of clause (ii)(I), the geographic percentage of the State shall be the estimated population of the State that is residing in nonurbanized areas (as determined under subclause (II)) expressed as a percentage of the total nonurbanized population of all States.

"(II) NONURBANIZED POPULATION.—For purposes of subclause (I), the estimated population of the State that is residing in non-urbanized areas shall be one minus the urbanized population of the State (as determined using the most recent decennial census), expressed as a percentage of the total population of the State (as determined using the most recent decennial census), multiplied by the current estimated population of the State.

"(iv) POVERTY PERCENTAGE.—For purposes of clause (ii)(I), the poverty percentage of the State shall be the estimated number of people residing in the State with incomes below 200 percent of the income official poverty line (as determined by the Office of Management and Budget) expressed as a percentage of the total number of such people residing in all States

"(v) MULTIPLE GRANT PERCENTAGE.—For purposes of clause (ii)(I), the multiple grant percentage of the State shall be the amount of Federal funding received by the State under grants awarded under sections 329, 330 and 340, expressed as a percentage of the total amounts received under such grants by all States. With respect to a State, such amount shall not exceed twice the general population percentage of the State under clause (vi) or be less than one half of the States general population percentage.

"(vi) GENERAL POPULATION PERCENTAGE.—For purposes of clause (ii)(II), the general population percentage of the State shall be the total population of the State (as determined by the Secretary of Commerce) expressed as a percentage of the total population of all States.

"(C) FEDERAL MATCHING PERCENTAGE.—

"(i) IN GENERAL.—For purposes of subparagraph (A), the Federal matching percentage of the State shall be equal to one less the State matching percentage (as determined under clause (ii)).

"(ii) STATE MATCHING PERCENTAGE.—For purposes of clause (ii), the State matching percentage of the State shall be 0.25 multiplied by the ratio of the total taxable resource percentage (as determined under clause (iii)) to the need-adjusted population of the State (as determined under subparagraph (B)).

"(iii) TOTAL TAXABLE RESOURCE PERCENTAGE.—For purposes of clause (ii), the total taxable resources percentage of the State shall be the total taxable resources of a State (as determined by the Secretary of the Treasury) expressed as a percentage of the sum of the total taxable resources of all States.

"(3) ANNUAL ESTIMATES.—

"(A) IN GENERAL.—If the Secretary of Commerce does not produce the annual estimates required under paragraph (2)(B)(iv), such estimates shall be determined by multiplying the percentage of the population of the State that is below 200 percent of the income official poverty line as determined using the most recent decennial census by the most recent estimate of the total population of the State. Except as provided in subparagraph (B), the calculations required under this subparagraph shall be made based on the most recent 3 year average of the total taxable resources of individuals within the State.

"(B) District of Columbia.—Notwithstanding subparagraph (A), the calculations required under such subparagraph with respect to the District of Columbia shall be based on the most recent 3 year average of the personal income of individuals residing within the District as a percentage of the personal income for all individuals residing within the District, as determined by the Secretary of Commerce.

"(4) Matching requirement.—A State that receives an allotment under this section shall make available State resources (either directly or indirectly) to carry out this section in an amount that shall equal the State matching percentage for the State (as determined under paragraph (2)(C)(II)) divided by the Federal matching percentage (as determined under paragraph (2)(C)).

"(c) Application.—

"(1) In general.—To be eligible to receive an allotment under this section, a State shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may by regulation require.

"(2) Assurances.—A State application submitted under paragraph (1) shall contain an assurance that—

"(A) the State will use amounts received under its allotment consistent with the requirements of this section; and

"(B) the State will provide, from non-Federal sources, the amounts required under subsection (b)(4).

"(d) Use of Funds.—

"(1) In general.—The State shall use amounts received under this section to award grants to eligible public and nonprofit private entities, or consortia of such entities, within the State to enable such entities or consortia to provide services of the type described in paragraph (2) of section 329(h) to pregnant women and children up to age three.

"(2) Eligibility.—To be eligible to receive a grant under paragraph (1), an entity or consortium shall—

"(A) prepare and submit to the administering entity of the State, an application at such time, in such manner and containing such information as such administering entity may require, including a plan for the provision of services;

"(B) provide assurances that services will be provided under the grant at fee rates established or determined in accordance with section 330(e)(3)(F); and

"(C) provide assurances that in the case of services provided to individuals with health insurance, such insurance shall be used as the primary source of payment for such services.

"(3) Target populations.—Entities or consortia receiving grants under paragraph (1) shall, in providing the services described in paragraph (3), substantially target populations of pregnant women and children within the State who—

"(A) lack the health care coverage, or ability to pay, for primary or supplemental health care services; or

"(B) reside in medically underserved or health professional shortage areas, areas certified as underserved under the rural health clinic program, or other areas determined appropriate by the State, within the State.

"(4) Priority.—In awarding grants under paragraph (1), the State shall—

"(A) give priority to entities or consortia that can demonstrate through the plan submitted under paragraph (2) that—

"(i) the services provided under the grant will expand the availability of primary care services to the maximum number of pregnant women and children who have no access to such care on the date of the grant award; and

"(ii) the delivery of services under the grant will be cost-effective; and

"(B) ensure that an equitable distribution of funds is achieved among urban and rural entities or consortia.

"(e) Reports and Audits.—Each State shall prepare and submit to the Secretary annual reports concerning the State's activities under this section which shall be in such form and contain such information as the Secretary determines appropriate. Each such State shall establish fiscal control and fund accounting procedures as may be necessary to assure that amounts received under this section are being disbursed properly and are accounted for, and include the results of audits conducted under such procedures in the reports submitted under this subsection.

"(f) Payments.—

"(1) Entitlement.—Each State for which an application has been approved by the Secretary under this section shall be entitled to payments under this section for each fiscal year in an amount not to exceed the State's allotment under subsection (b) to be expended by the State in accordance with the terms of the application for the fiscal year for which the allotment is to be made.

"(2) Method of payments.—The Secretary may make payments to a State in installments, and in advance or, by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"(3) State spending of payments.—Payments to a State from the allotment under subsection (b) for any fiscal year must be expended by the State in that fiscal year or in the succeeding fiscal year.

"(g) Definition.—As used in this section, the term 'administering entity of the State' means the agency or official designated by the chief executive officer of the State to administer the amounts provided to the State under this section.

"(h) Funding.—Notwithstanding any other provision of law, the Secretary shall use 50 percent of the amounts that the Secretary is required to utilize under section 330B(h) in each fiscal year to carry out this section.".

SEC. 503. ESTABLISHMENT OF NEW PROGRAM TO PROVIDE FUNDS TO ALLOW FEDERALLY QUALIFIED HEALTH CENTERS AND OTHER ENTITIES OR ORGANIZATIONS TO PROVIDE EXPANDED SERVICES TO MEDICALLY UNDERSERVED INDIVIDUALS.

(a) In General.—Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) (as amended by section 502) is further amended by adding at the end thereof the following new section:

"SEC. 330B. ESTABLISHMENT OF NEW PROGRAM TO PROVIDE FUNDS TO ALLOW FEDERALLY QUALIFIED HEALTH CENTERS AND OTHER ENTITIES OR ORGANIZATIONS TO PROVIDE EXPANDED SERVICES TO MEDICALLY UNDERSERVED INDIVIDUALS.

"(a) Establishment of Health Services Access Program.—From amounts appropriated under this section, the Secretary shall, acting through the Bureau of Health Care Delivery Assistance, award grants under this section to federally qualified health centers (hereinafter referred to in this section as 'FQHC's') and other entities and organizations submitting applications under this section (as described in subsection (c)) for the purpose of providing access to services for medically underserved populations (as defined in section 330(b)(3)) or in high impact areas (as defined in section 329(a)(5)) not currently being served by a FQHC.

"(b) Eligibility for Grants.—

"(1) In General.—The Secretary shall award grants under this section to entities or organizations described in this paragraph and paragraph (2) which have submitted a proposal to the Secretary to expand such entities or organizations operations (including expansions to new sites (as determined necessary by the Secretary)) to serve medically underserved populations or high impact areas not currently served by a FQHC and which—

"(A) have as of January 1, 1991, been certified by the Secretary as a FQHC under section 1905(l)(2)(B) of the Social Security Act; or

"(B) have submitted applications to the Secretary to qualify as FQHC's under such section 1905(l)(2)(B); or

"(C) have submitted a plan to the Secretary which provides that the entity will meet the requirements to qualify as a FQHC when operational.

"(2) Non FQHC entities.—

"(A) Eligibility.—The Secretary shall also make grants under this section to public or private nonprofit agencies, health care entities or organizations which meet the requirements necessary to qualify as a FQHC except, the requirement that such entity have a consumer majority governing board and which have submitted a proposal to the Secretary to provide those services provided by a FQHC as defined in section 1905(l)(2)(B) of the Social Security Act and which are designed to promote access to primary care services or to reduce reliance on hospital emergency rooms or other high cost providers of primary health care services, provided such proposal is developed by the entity or organizations (or such entities or organizations acting in a consortium in a community) with the review and approval of the Governor of the State in which such entity or organization is located.

"(B) Limitation.—The Secretary shall provide in making grants to entities or organizations described in this paragraph that no more than 10 percent of the funds provided for grants under this section shall be made available for grants to such entities or organizations.

"(c) Application Requirements.—

"(1) In general.—In order to be eligible to receive a grant under this section, a FQHC or other entity or organization must submit an application in such form and at such time as the Secretary shall prescribe and which meets the requirements of this subsection.

"(2) Requirements.—An application submitted under this section must provide—

"(A)(i) for a schedule of fees or payments for the provision of the services provided by the entity designed to cover its reasonable costs of operations; and

"(ii) for a corresponding schedule of discounts to be applied to such fees or payments, based upon the patient's ability to pay (determined by using a sliding scale formula based on the income of the patient);

"(B) assurances that the entity or organization provides services to persons who are eligible for benefits under title XVIII of the Social Security Act, for medical assistance under title XIX of such Act or for assistance for medical expenses under any other public assistance program or private health insurance program; and

"(C) assurances that the entity or organization has made and will continue to make every reasonable effort to collect reimbursement for services—

"(i) from persons eligible for assistance under any of the programs described in subparagraph (B); and

"(ii) from patients not entitled to benefits under any such programs.

"(d) Limitations on Use of Funds.—

"(1) In general.—From the amounts awarded to an entity or organization under this section, funds may be used for purposes of planning but may only be expended for the costs of—

"(A) assessing the needs of the populations or proposed areas to be served;

"(B) preparing a description of how the needs identified will be met;

"(C) development of an implementation plan that addresses—

"(i) recruitment and training of personnel; and

"(ii) activities necessary to achieve operational status in order to meet FQHC requirements under 1905(l)(2)(B) of the Social Security Act.

"(2) Recruiting, training and compensation of staff.—From the amounts awarded to an entity or organization under this section, funds may be used for the purposes of paying for the costs of recruiting, training and compensating staff (clinical and associated administrative personnel (to the extent such costs are not already reimbursed under title XIX of the Social Security Act or any other State or Federal program)) to the extent necessary to allow the entity to operate at new or expanded existing sites.

"(3) Facilities and equipment.—From the amounts awarded to an entity or organization under this section, funds may be expended for the purposes of acquiring facilities and equipment but only for the costs of—

"(A) construction of new buildings (to the extent that new construction is found to be the most cost-efficient approach by the Secretary);

"(B) acquiring, expanding, or modernizing of existing facilities;

"(C) purchasing essential (as determined by the Secretary) equipment; and

"(D) amortization of principal and payment of interest on loans obtained for purposes of site construction, acquisition, modernization, or expansion, as well as necessary equipment.

"(4) Services.—From the amounts awarded to an entity or organization under this section, funds may be expended for the payment of services but only for the costs of—

"(A) providing or arranging for the provision of all services through the entity necessary to qualify such entity as a FQHC under section 1905(l)(2)(B) of the Social Security Act;

"(B) providing or arranging for any other service that a FQHC may provide and be reimbursed for under title XIX of such Act; and

"(C) providing any unreimbursed costs of providing services as described in section 330(a) to patients.

"(e) Priorities in the Awarding of Grants.—

"(1) Certified FQHC's.—The Secretary shall give priority in awarding grants under this section to entities which have, as of January 1, 1991, been certified as a FQHC under section 1905(l)(2)(B) of the Social Security Act and which have submitted a proposal to the Secretary to expand their operations (including expansion to new sites) to serve medically underserved populations for high impact areas not currently served by a FQHC. The Secretary shall give first priority in awarding grants under this section to those FQHCs or other entities which propose to serve populations with the highest degree of unmet need, and which can demonstrate the ability to expand their operations in the most efficient manner.

"(2) Qualified FQHC's.—The Secretary shall give second priority in awarding grants to entities which have submitted applications to the Secretary which demonstrate that the entity will qualify as a FQHC under section 1905(l)(2)(B) of the Social Security Act before it provides or arranges for the provision of services supported by funds awarded under this section, and which are serving or proposing to serve medically underserved populations or high impact areas which are not currently served (or proposed to be served) by a FQHC.

"(3) Expanded services and projects.—The Secretary shall give third priority in awarding grants in subsequent years to those FQHCs or other entities which have provided for expanded services and project and are able to demonstrate that such entity will incur significant unreimbursed costs in providing such expanded services.

"(f) Return of Funds to Secretary for Costs Reimbursed From Other Sources.—To the extent that an entity or organization receiving funds under this section is reimbursed from another source for the provision of services to an individual, and does not use such increased reimbursement to expand services furnished, areas served, to compensate for costs of unreimbursed services provided to patients, or to promote recruitment, training, or retention of personnel, such excess revenues shall be returned to the Secretary.

"(g) Termination of Grants.—

"(1) Failure to meet FQHC requirements.—

"(A) In general.—With respect to any entity that is receiving funds awarded under this section and which subsequently fails to meet the requirements to qualify as a FQHC under section 1905(l)(2)(B) or is an entity that is not required to meet the requirements to qualify as a FQHC under section 1905(l)(2)(B) of the Social Security Act but fails to meet the requirements of this section, the Secretary shall terminate the award of funds under this section to such entity.

"(B) Notice.—Prior to any termination of funds under this section to an entity, the entities shall be entitled to 60 days prior notice of termination and, as provided by the Secretary in regulations, an opportunity to correct any deficiencies in order to allow the entity to continue to receive funds under this section.

"(2) Requirements.—Upon any termination of funding under this section, the Secretary may (to the extent practicable)—

"(A) sell any property (including equipment) acquired or constructed by the entity using funds made available under this section or transfer such property to another FQHC, provided, that the Secretary shall reimburse any costs which were incurred by the entity in acquiring or constructing such property (including equipment) which were not supported by grants under this section; and

"(B) recoup any funds provided to an entity terminated under this section.

"(h) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $400,000,000 for fiscal year 1992, $800,000,000 for fiscal year 1993, $1,200,000,000 for fiscal year 1994, $1,600,000,000 for fiscal year 1995, and $1,600,000,000 for fiscal year 1996.".

(b) Effective Date.—The amendments made by subsection (a) shall become effective with respect to services furnished by a federally qualified health center or other qualifying entity described in this section beginning on or after October 1, 1991.

(c) Study and Report on Services Provided by Community Health Centers and Hospitals.—

(1) In general.—The Secretary of Health and Human Services (hereinafter referred to in this subsection as the "Secretary") shall provide for a study to examine the relationship and interaction between community health centers and hospitals in providing services to individuals residing in medically underserved areas. The Secretary shall ensure that the National Rural Research Centers participate in such study.

(2) Report.—The Secretary shall provide to the appropriate committees of Congress a report summarizing the findings of the study within 90 days of the end of each project year and shall include in such report recommendations on methods to improve the coordination of and provision of services in medically underserved areas by community health centers and hospitals.

(3) Authorization.—There are authorized to be appropriated to carry out the study provided for in this subsection $150,000 for each of fiscal years 1992 and 1993.

SEC. 504. RURAL MENTAL HEALTH OUTREACH GRANTS.

Subpart 3 of part B of title V of the Public Health Service Act (42 U.S.C. 290cc-11 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 520A. RURAL MENTAL HEALTH OUTREACH GRANTS.

"(a) In General.—The Secretary may award competitive grants to eligible entities to enable such entities to develop and implement a plan for mental health outreach programs in rural areas.

"(b) Eligible Entities.—To be eligible to receive a grant under subsection (a) an entity shall—

"(1) prepare and submit to the Secretary an application at such time, in such form and containing such information as the Secretary may require, including a description of the activities that the entity intends to undertake using grant funds; and

"(2) meet such other requirements as the Secretary determines appropriate.

"(c) Priority.—In awarding grants under subsection (a), the Secretary shall give priority to applications that place emphasis on mental health services for the elderly or children. Priority shall also be given to applications that involve relationships between the applicant and rural managed care cooperatives.

"(d) Matching Requirement.—An entity that receives a grant under subsection (a) shall make available (directly or through donations from public or private entities), non-Federal contributions towards the costs of the operations of the network in an amount equal to the amount of the grant.

"(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $5,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 505. HEALTH PROFESSIONS TRAINING.

(a) Medically Underserved Area Training Incentives.—Part A of title VII of the

Public Health Service Act (42 U.S.C. 292 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 711. PRIORITIES IN AWARDING OF GRANTS.

"(a) ALLOCATION OF COMPETITIVE GRANT FUNDS.—In awarding competitive grants under this title or title VIII, the Secretary shall, among applicants that meet the eligibility requirements under such titles, give priority to entities submitting applications that—

"(1) can demonstrate that such entities—

"(A) have a high permanent rate for placing graduates in practice settings which serve residents of medically underserved communities; and

"(B) have a curriculum that includes—

"(i) the rotation of medical students and residents to clinical settings the focus of which is to serve medically underserved communities;

"(ii) the appointment of health professionals whose practices serve medically underserved communities to act as preceptors to supervise training in such settings;

"(iii) classroom instruction on practice opportunities involving medically underserved communities;

"(iv) service contingent scholarship or loan repayment programs for students and residents to encourage practice in or service to underserved communities;

"(v) the recruitment of students who are most likely to elect to practice in or provide service to medically underserved communities;

"(vi) other training methodologies that demonstrate a significant commitment to the expansion of the proportion of graduates that elect to practice in or serve the needs of medically underserved communities; or

"(2) contain an organized plan for the expeditious development of the placement rate and curriculum described in paragraph (1).

"(b) SERVICE IN MEDICALLY UNDERSERVED COMMUNITIES.—Not less than 50 percent of the amounts appropriated for fiscal year 1995, and for each subsequent fiscal year, for competitive grants under this title or title VIII, shall be used to award grants to institutions that are otherwise eligible for grants under such titles, and that can demonstrate that—

"(1) not less than 15 percent of the graduates of such institutions during the preceding 2-year period are engaged in full-time practice serving the needs of medically underserved communities; or

"(2) the number of the graduates of such institutions that are practicing in a medically underserved community has increased by not less than 50 percent over that proportion of such graduates for the previous 2-year period.

"(c) WAIVERS.—A health professions school may petition the Secretary for a temporary waiver of the priorities of this section. Such waiver shall be approved if the health professions school demonstrates that the State in which such school is located is not suffering from a shortage of primary care providers, as determined by the Secretary. Such waiver shall not be for a period in excess of 2 years.

"(d) DEFINITIONS.—As used in this section:

"(1) GRADUATE.—The term 'graduate' means, unless otherwise specified, an individual who has successfully completed all training and residency requirements necessary for full certification in the health professions discipline that such individual has selected.

"(2) MEDICALLY UNDERSERVED COMMUNITY.—The term 'medically underserved community' means—

"(A) an area designated under section 332 as a health professional shortage area;

"(B) an area designated as a medically underserved area under this Act;

"(C) populations served by migrant health centers under section 329, community health centers under section 330, or Federally qualified health centers under section 1905(l)(2)(B) of the Social Security Act;

"(D) a community that is certified as underserved by the Secretary for purposes of participation in the rural health clinic program under title XVIII of the Social Security Act; or

"(E) a community that meets the criteria for the designation described in subparagraph (A) or (B) but that has not been so designated.".

(b) MEDICALLY UNDERSERVED AREA TRAINING GRANTS.—Part F of title VII (42 U.S.C. 295g et seq.) of such Act is amended by adding at the end thereof the following new section:

"SEC. 790B. MEDICALLY UNDERSERVED AREA TRAINING GRANT PROGRAM.

"(a) GRANTS.—The Secretary shall award grants to health professions institutions to expand training programs that are targeted at those individuals desiring to practice in or serve the needs of medically underserved communities.

"(b) PLAN.—As part of an application submitted for a grant under this section, the applicant shall prepare and submit a plan that describes the proposed use of funds that may be provided to the applicant under the grant.

"(c) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applicants that demonstrate the greatest likelihood of expanding the proportion of graduates who choose to practice in or serve the needs of medically underserved areas.

"(d) USE OF FUNDS.—An institution that receives a grant under this section shall use amounts received under such grant to establish or enhance procedures or efforts to—

"(1) rotate health professions students from such institution to clinical settings the focus of which is to serve the residents of medically underserved communities;

"(2) appoint health professionals whose practices serve medically underserved areas to serve as preceptors to supervise training in such settings;

"(3) provide classroom instruction on practice opportunities involving medically underserved communities;

"(4) provide service contingent scholarship or loan repayment programs for students and residents to encourage practice in or service to underserved communities;

"(5) recruit students who are most likely to elect to practice in or provide service to medically underserved communities; or

"(6) provide other training methodologies that demonstrate a significant commitment to the expansion of the proportion of graduates that elect to practice in or serve the needs of medically underserved communities.

"(e) ADMINISTRATION.—

"(1) REQUIRED CONTRIBUTION.—An institution that receives a grant under this section shall contribute, from non-Federal sources, either in cash or in-kind, an amount equal to the amount of the grant to the activities to be undertaken with the grant funds.

"(2) LIMITATION.—An institution that receives a grant under this section, shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the type described in subsection (d) in the fiscal year preceding the year for which the grant is received.

"(f) DEFINITIONS.—As used in this section:

"(1) GRADUATE.—The term 'graduate' means, unless otherwise specified, an individual who has successfully completed all training and residency requirements necessary for full certification in the health professions discipline that such individual has selected.

"(2) MEDICALLY UNDERSERVED COMMUNITY.—The term 'medically underserved community' means—

"(A) an area designated under section 332 as a health professional shortage area;

"(B) an area designated as a medically underserved area under this Act;

"(C) populations served by migrant health centers under section 329, community health centers under section 330, or Federally qualified health centers under section 1905(l)(2)(B) of the Social Security Act;

"(D) a community that is certified as underserved by the Secretary for purposes of participation in the rural health clinic program under title XVIII of the Social Security Act; or

"(E) a community that meets the criteria for the designation described in subparagraph (A) or (B) but that has not been so designated.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $15,000,000 for each of the fiscal years 1992 and 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1996.".

(c) HEALTH PROFESSIONS TRAINING GRANTS.—Part F of title VII (42 U.S.C. 295g et seq.) of such Act (as amended by subsection (b)) is further amended by adding at the end thereof the following new section:

"SEC. 790C. HEALTH PROFESSIONS INTEGRATION GRANT PROGRAM.

"(a) GRANTS.—The Secretary shall award grants to eligible regional consortia to enhance and expand coordination among various health professions programs, particularly in medically underserved rural areas.

"(b) ELIGIBLE REGIONAL CONSORTIUM.—

"(1) IN GENERAL.—To be eligible to receive a grant under subsection (a), an entity must—

"(A) be a regional consortium consisting of at least one medical school and at least one other health professions school that is not a medical school; and

"(B) prepare and submit an application containing a plan of the type described in paragraph (2).

"(2) PLAN.—As part of the application submitted by a consortium under paragraph (1)(B), the consortium shall prepare and submit a plan that describes the proposed use of funds that may be provided to the consortium under the grant.

"(c) USE OF FUNDS.—A consortium that receives a grant under this section shall use amounts received under such grant to establish or enhance—

"(1) strategies for better clinical cooperation among different types of health professionals;

"(2) classroom instruction on integrated practice opportunities, particularly targeted toward rural areas;

"(3) integrated clinical clerkship programs that make use of students in differing health professions schools; or

"(4) other training methodologies that demonstrate a significant commitment to the expansion of clinical cooperation among different types of health professionals, particularly in underserved rural areas.

"(d) LIMITATION.—A consortium that receives a grant under this section, shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the type described in subsection (c) in the fiscal year preceding the year for which the grant is received.

"(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $7,000,000 for each of the fiscal years 1992 and 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1996.".

SEC. 506. AREA HEALTH EDUCATION CENTERS.

(a) Stipends for Personnel.—Section 781(a) of the Public Health Service Act (42 U.S.C. 295g-1(a)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) The Secretary may award grants under this section to rural communities to enable such communities to provide stipends to physicians, nurses or other health professional trainees to encourage such individuals to continue to provide health care services in such rural communities.

"(B) A community that receives a grant under subparagraph (A) shall make available (directly or through donations from public or private entities), non-Federal contributions towards the costs of the operations of the network in an amount equal to the amount of the grant.".

(b) Reauthorization.—Section 781(h) of such Act (42 U.S.C. 295g-1(h)) is amended to read as follows:

"(h)(1) For purposes of carrying out this section, other than subsection (f), there are authorized to be appropriated $40,000,000 for each of the fiscal years 1992 through 1996.

"(2) For purposes of carrying out subsection (f), there are authorized to be appropriated $12,000,000 for each of the fiscal years 1992 through 1996.

"(3) A contract entered into under this section after the date of enactment of this subsection shall require that the entity awarded such contract make available (directly or through donations from public or private entities), during the fourth and remaining years of the contract, non-Federal contributions equal to—

"(A) for the fourth year for which such contract is in effect, $3 for every $7 of Federal funds provided under the contract in such year;

"(B) for the fifth year for which such contract is in effect, $4 for every $6 of Federal funds provided under the contract in such year; and

"(C) for the sixth and subsequent years for which such contract is in effect, $1 for every $1 of Federal funds provided under the contract in such year.".

SEC. 507. RURAL HEALTH EXTENSION NETWORKS.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) is amended by adding at the end thereof the following new section:

"SEC. 1707. RURAL HEALTH EXTENSION NETWORKS.

"(a) Grants.—The Secretary, acting through the Health Resources and Services Administration, may award competitive grants to eligible entities to enable such entities to facilitate the development of networks among rural and urban health care providers to preserve and share health care resources and enhance the quality and availability of health care in rural areas. Such networks may be statewide or regionalized in focus.

"(b) Eligible Entities.—To be eligible to receive a grant under subsection (a) an entity shall—

"(1) be a rural health extension network that meets the requirements of subsection (c);

"(2) prepare and submit to the Secretary an application at such time, in such form and containing such information as the Secretary may require; and

"(3) meets such other requirements as the Secretary determines appropriate.

"(c) Networks.—For purposes of subsection (b)(1), a rural health extension network shall be an association or consortium of three or more rural health care providers, and may include one or more urban health care provider, for the purposes of applying for a grant under this section and using amounts received under such grant to provide the services described in subsection (d).

"(d) Services.—

"(1) In general.—An entity that receives a grant under subsection (a) shall use amounts received under such grant to—

"(A) provide education and community decision-making support for health care providers in the rural areas served by the network;

"(B) utilize existing health care provider education programs, including but not limited to, the program for area health education centers under section 781, to provide educational services to health care providers in the areas served by the network;

"(C) make appropriately trained facilitators available to health care providers located in the areas served by the network to assist such providers in developing cooperative approaches to health care in such area;

"(D) facilitate linkage building through the organization of discussion and planning groups and the dissemination of information concerning the health care resources where available, within the area served by the network;

"(E) support telecommunications and consultative projects to link rural hospitals and other health care providers, and urban or tertiary hospitals in the areas served by the network; or

"(F) carry out any other activity determined appropriate by the Secretary.

"(2) Education.—In carrying out activities under paragraph (1)(B), an entity shall support the development of an information and resource sharing system, including elements targeted towards high risk populations and focusing on health promotion, to facilitate the ability of rural health care providers to have access to needed health care information. Such activities may include the provision of training to enable individuals to serve as coordinators of health education programs in rural areas.

"(3) Collection and dissemination of data.—The chief executive officer of a State shall designate a State agency that shall be responsible for collecting and regularly disseminating information concerning the activities of the rural health extension networks in that State.

"(e) Matching Requirement.—An entity that receives a grant under subsection (a) shall make available (directly or through donations from public or private entities), non-Federal contributions towards the costs of the operations of the network in an amount equal to the amount of the grant.

"(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $10,000,000 for each of the fiscal years 1992 through 1996.

"(g) Definition.—As used in this section and section 1708, the term 'rural health care providers' means health care professionals and hospitals located in rural areas. The Secretary shall ensure that for purposes of this definition, rural areas shall include any area that meets any applicable Federal or State definition of rural area.".

SEC. 508. RURAL MANAGED CARE COOPERATIVES.

Title XVII of the Public Health Service Act (42 U.S.C. 300u et seq.) as amended by section 507 is further amended by adding at the end thereof the following new section:

"SEC. 1708. RURAL MANAGED CARE COOPERATIVES.

"(a) Grants.—The Secretary, acting through the Health Resources and Services Administration, may award competitive grants to eligible entities to enable such entities to develop and administer cooperatives in rural areas that will establish an effective case management and reimbursement system designed to support the economic viability of essential public or private health services, facilities, health care systems and health care resources in such rural areas.

"(b) Eligible Entities.—To be eligible to receive a grant under subsection (a) an entity shall—

"(1) prepare and submit to the Secretary an application at such time, in such form and containing such information as the Secretary may require, including a description of the cooperative that the entity intends to develop and operate using grant funds; and

"(2) meet such other requirements as the Secretary determines appropriate.

"(c) Cooperatives.—

"(1) In general.—Amounts provided under a grant awarded under subsection (a) shall be used to establish and operate a cooperative made up of all types of health care providers, hospitals, primary access hospitals, other alternate rural health care facilities, physicians, rural health clinics, rural nurse practitioners and physician assistant practitioners, public health departments and others located in, but not restricted to, the rural areas to be served by the cooperative.

"(2) Board of directors.—A cooperative established under paragraph (1) shall be administered by a board of directors elected by the members of the cooperative, a majority of whom shall represent rural providers from the local community and include representatives from the local community. Such directors shall serve at the pleasure of such members.

"(3) Executive director.—The members of a cooperative established under paragraph (1) shall elect an executive director who shall serve as the chief operating officer of the cooperative. The executive director shall be responsible for conducting the day the day operation of the cooperative including—

"(A) maintaining an accounting system for the cooperative;

"(B) maintaining the business records of the cooperative;

"(C) negotiating contracts with provider members of the cooperative; and

"(D) coordinating the membership and programs of the cooperative.

"(4) Reimbursements.—

"(A) Negotiations.—A cooperative established under paragraph (1) shall facilitate negotiations among member health care providers and third party payers concerning the rates at which such providers will be reimbursed for services provided to individuals for which such payers may be liable.

"(B) Agreements.—Agreements reached under subparagraph (A) shall be binding on the members of the cooperative.

"(C) Employers.—Employer entities may become members of a cooperative established under paragraph (a) in order to provide, through a member third party payer, health insurance coverage for employees of such entities. Deductibles shall only be charged to employees covered under such insurance if such employees receive health care services from a provider that is not a member of the cooperative if similar services would have been available from a member provider.

"(D) Malpractice insurance.—A cooperative established under subsection (a) shall be responsible for identifying and implementing a malpractice insurance program that shall include a requirement that such cooperative assume responsibility for the payment of a portion of the malpractice insurance premium of providers members.

"(5) Managed care and practice standards.—A cooperative established under paragraph (1) shall establish joint case management and patient care practice standards programs that health care providers that are members of such cooperative must meet to be eligible to participate in agreements entered into under paragraph (4). Such standards shall be developed by such provider members and shall be subject to the approval of a majority of the board of directors. Such programs shall include cost and quality of care guidelines including a requirement that such providers make available preadmission screening, selective case management services, joint patient care practice standards development and compliance and joint utilization review.

"(6) Confidentiality.—Patients records, records of peer review, utilization review, and quality assurance proceedings conducted by the cooperative should be considered confidential and protected from release outside of the cooperative. The provider members of the cooperative shall be indemnified by the cooperative for the good faith participation by such members in such the required activities.

"(d) Linkages.—A cooperative shall create linkages among member health care providers, employers, and payers for the joint consultation and formulation of the types, rates, costs, and quality of health care provided in rural areas served by the cooperative.

"(e) Matching Requirement.—An entity that receives a grant under subsection (a) shall make available (directly or through donations from public or private entities), non-Federal contributions towards the costs of the operations of the network in an amount equal to the amount of the grant.

"(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $15,000,000 for each of the fiscal years 1992 through 1996.".

Subtitle B—Provision Relating to Social Security

SEC. 511. RURAL HEALTH CARE TRANSITION GRANT PROGRAM.

Section 4005(e)(9) of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 1395ww note) is amended by striking "$15,000,000" and all that follows through the end thereof and inserting "$50,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 512. ESSENTIAL ACCESS COMMUNITY HOSPITAL PROGRAM.

Section 1820(k) of the Social Security Act (42 U.S.C. 1395i-4(k)) is amended to read as follows:

"(k) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $50,000,000 for each of the fiscal years 1992 through 1996.".

TITLE VI—INCENTIVES TO ENCOURAGE PREVENTIVE SERVICES

SEC. 601. PREVENTIVE SERVICES TAX CREDIT.

(a) In General.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits), as amended by section 101, is further amended by inserting after section 34A the following new section:

"SEC. 34B. PREVENTIVE SERVICES CREDIT.

"(a) Allowance of Credit.—There shall be allowed as a credit against the tax imposed by this subtitle for the taxable year expenditures paid or incurred during the taxable year for any qualified preventive services which are included in the list under subsection (c) and which are not compensated by insurance or otherwise, as follows:

"(1) Eligible individual.—In the case of an eligible individual, the amount of the credit allowable under this subsection shall not exceed—

"(A) $250, or

"(B) $200 in the case of a taxpayer with taxable income for the taxable year in excess of the maximum rate of taxable income to which the 15-percent rate applies under the applicable table under section 1.

"(2) Qualified preventive services provider.—In the case of a qualified preventive services provider, the amount of the credit allowable under this subsection shall be an amount equal to the product of—

"(A) the lower of—

"(i) the usual and customary charges for qualified preventive services, or

"(ii) the rate of payment established by the Health Care Financing Administration for qualified preventive services,

multiplied by—

"(B) the number of qualified preventive services provided without charge during the taxable year to qualifying low-income individuals.

"(b) Definitions.—For purposes of subsection (a)—

"(1) Eligible individual.—The term 'eligible individual' means an individual who is—

"(A) the taxpayer,

"(B) the taxpayer's spouse, or

"(C) any individual for whom the taxpayer is allowed an exemption under section 151.

"(2) Qualified preventive services provider.—The term 'qualified preventive services provider' means a medical practitioner, facility, hospital, laboratory, or similar institution licensed under State law to provide 1 or more qualified preventives services.

"(3) Qualifying low-income individual.—The term 'qualifying low-income individual' means an individual—

"(A) whose income level does not exceed 150 percent of the official poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved, and

"(B) with respect to whom identifying information is maintained.

"(c) Qualified Preventive Services.—

"(1) In general.—For purposes of this section, the Secretary, after consultation with the Secretary of Health and Human Services and cancer research and prevention organizations, shall publish, not later than December 31, 1991, and annually thereafter, a list of preventive services which qualify for the credit allowable under this section.

"(2) Preventive services.—

"(A) In general.—The list of preventive services which qualify under this section shall include at least the following:

"(i) Cancer screening tests.

"(ii) Childhood immunization.

"(iii) Well child care.

"(B) Cancer screening tests.—The term 'cancer screening tests' shall include at least the following:

"(i) Physical breast examination and mammogram for female breast cancer.

"(ii) Digital rectal examination, proctosigmoidoscopy, and blood stool test for colon and rectum cancer.

"(iii) Rectal examination for prostate cancer.

"(iv) Pap test for uterine cancer.

"(v) Pelvic examination for ovarian cancer.

"(d) Identifying Information.—No credit shall be allowed under this section unless the qualified preventive services provider maintains, to the satisfaction of the Secretary, adequate records regarding the name and address, date of services, and type of services provided with respect to each qualifying low-income individual with respect to whom a credit is claimed.".

(b) Coordination With Deductions for Medical Expenses.—Section 213(e) of such Code (relating to coordination with health expenses credit under section 34A), as added by section 101, is amended—

(1) by inserting "and the amount (if any) of the preventive services credit allowable to the taxpayer for the taxable year under section 34B(a)(1)" before the end period; and

(2) by inserting "And Preventive Services Credit Under Section 34B" in the heading after "Section 34A".

(c) Clerical Amendment.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code, as amended by section 101, is further amended by inserting after the item relating to section 34A the following new item:

"Sec. 34B. Preventive services credit.".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 602. INCREASE IN AUTHORIZATION FOR CHILDHOOD IMMUNIZATIONS.

Section 317(j)(1)(B) of the Public Health Service Act (42 U.S.C. 247b(j)(1)(B)) is amended by striking "such sums as may be necessary" and inserting "$238,865,000 for fiscal year 1992, and $240,000,000 for each of the fiscal years 1993 through 1996".

DOMESTIC ECONOMIC PROBLEMS

Mr. DIXON. Mr. President, recently I had seven contractors in my office from around the country. They all said their business was now worse than it was even a little over a month ago when I spoke to the Associated General Contractors at their convention at the Adams Mark Hotel in St. Louis, and their business was terrible then.

Unfortunately, this is not an isolated example, Mr. President, and it is not limited to the construction and the real estate development sectors of our economy. Business is bad, and it is getting worse. Working Americans are anxious about their future, and they are justifiably worried about the security of their jobs and their future.

Unemployed Americans are even more anxious. They do not know how they are going to make ends meet, and they do not know how or when they are going to find new jobs, particularly jobs that pay enough to meet their family needs.

Consumers have no confidence. The banking system is in terrible trouble, and business is as pessimistic as consumers.

What makes all of this worse is that this is a recession that is unlike any we have experienced in the past. This country, Mr. President, is drowning in debt. Government, business, and consumers are all in debt up to their eyeballs. As a country, we seem to have mortgaged our future, and that means that the standard economic remedies using Government deficit spending and lowering interest rates to get more money into the economy to get the country moving again do not seem to be working this time.

Think of it. We are experiencing the largest single-year Federal deficit in the history of our Nation. The Federal Reserve has cut interest rates not once, not twice, not three times, not four times, Mr. President, the Federal Reserve has cut interest rates five times in the last 2 years, pushing the discount rate to its lowest point in 18 years, yet the economy is weakening and not strengthening. The budget deficit is not making the economy better. It may even be making it worse.

As terrible as this recession is, it is not the only economic problem we face. Unfortunately, our fundamental economic problems will not be solved even when we eventually come out of this recession.

The administration likes to point with pride to the fact that until now this country enjoyed steady economic growth since the 1982 recession. Unfortunately, however, the average American did not seem to benefit from those 8 so-called good years, Mr. President.

The truth is that the average American has not benefited. Many families must now have two wage earners to equal a standard of living that their parents achieved with only one.

Mr. President, I have 3 children. All three are married, and in all three of those families both spouses work to support their children and their families. And even with two incomes, an increasing number of our citizens cannot achieve what every American family most wants. They cannot afford to buy their own little home.

The economy may have grown, but the real income of average Americans has gone down. It has declined. More and more working Americans are being priced out of the American dream.

What is needed, Mr. President, is a change of direction. What is needed is leadership. That is what the voters of Pennsylvania so dramatically told us last Tuesday. The Pennsylvania election results make it clear that the country wants us to address the problems of health care, education, and housing. Senator HARRIS WOFFORD's come-from-behind victory convincingly demonstrates that Americans want this Government to focus on making America—America—a better place, by fostering an economy that creates good jobs, by making Government leaner and more efficient, and by being honest with them.

Americans are justifiably concerned about their future and their children's futures. They need their Government to act. They expect their Government to act. They are entitled to have their Government confront these issues.

Government may be part of the problem, but, Mr. President, Government can also lead the way to solutions. That is why we elect a President. That is why I am in public service. Government, Mr. President, has to meet this challenge. We must act.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. I thank the Chair.

(The remarks of Mr. GORTON pertaining to the introduction of S. 1930 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GORTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DODD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH CARE

Mr. KENNEDY. Mr. President, our Republican colleagues in the Senate have finally announced a health care program. In taking this step, they have placed themselves miles ahead of the Bush White House, but they are still light-years behind the American people.

The Republican plan includes a number of good ideas. Many of these ideas are already included in the Senate Democratic leadership bill, HealthAmerica. Others deserve serious consideration. But the plan fails the two most basic tests that any serious proposal must meet—it will not guarantee the American people the insurance coverage they need, and it will not control health care costs.

Today, 34 million Americans have no coverage whatever and 60 million more have coverage that even the Reagan administration said was inadequate. Even families that have adequate coverage live in fear that the insurance that protects them today will not be there for them tomorrow. The sad truth is that no American family is more than one pink slip, one job change, one decision by the boss to cut costs, or one serious illness or accident away from being uninsured.

And the exploding cost of our wasteful system threatens to price health care out of the reach of the average American family, burdens American businesses, and threatens economic recovery and growth. Health care is going up twice as fast as wages. Health care spending by business actually exceeds corporate profits. We spend 40 percent more than Canada, 90 percent more than Germany, and more than twice as much as Japan on health care. Yet our citizens are more dissatisfied with our health care system than those of any other industrial country.

The Republican plan simply does not address these key problems adequately. The response to those who lack coverage, who have inadequate coverage, or fear the loss of coverage, is to provide tax credits to low-income people and to small businesses and to allow States to expand the Medicaid Program to the near poor. The middle class receive no assistance; taxpayers must bear the whole burden of expanded coverage; and business that will not cover their workers continue to get a free ride. Most of all, average Americans simply will not be guaranteed the health insurance coverage they need.

The program to control health care costs is seriously inadequate. There are four parts to the health care cost problem—cost shifting, unnecessary care, excessive administrative costs, and blank check reimbursement to providers. The plan does nothing to reduce cost shifting. Indeed, it saddles the taxpayers and businesses already providing coverage with billions in extra costs, without requiring all businesses to do their fair share. It ignores the problem of unnecessary care, and only waves at the problem of administrative costs. The most glaring omission is that it does nothing to restrain the blank check, open ended reimbursement to health care providers that is at the root of so much of our excess cost inflation.

The Republican plan offers a Band-Aid when major surgery is needed. You do not treat cancer with aspirin. It will take more than a garden hose to put out the wildfire ignited by the voters of Pennsylvania. The Republican plan is simply too little and too late. The message from the people is loud and clear. Comprehensive reform is needed. The American people as a whole are demanding basic change, and they can tell damage control from the real thing.

There is room for compromise and give and take. But there can be no compromising the American people's fundamental right to health care.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOVIET AID

Mr. D'AMATO. Mr. President, there has been a lot of talk about what should be the proper role of this country in aiding the Soviet Union as it moves toward democracy with, hopefully, the fall of the Communist Stalin-style government that has been so threatening to the world, as well as enslaving to its own people.

As a matter fact, Mr. President, we have gone so far as to include in the defense authorization bill $1 billion—$1 billion—that will be made available to the Soviet Union. And I have to think that something is wrong. I think it is shameful. I think the cost of the cold war was borne on the backs of our middle-class taxpayers, and I am wondering how I can go home, if this armed services bill comes to the floor and passes, and say that I voted to authorize $1 billion to be spent and sent to the Soviet Union.

We have working middle-class families today who are barely getting by, who are scrimping and scraping together whatever they can in order to provide the opportunity for their youngsters to get a good education. They are having a difficult time sending their kids to schools, and many of them go out and get second mortgages and remortgage their homes. How do they save for their retirement? And here Congress now is going to decide to play Santa Claus to the Soviet Union.

I am not suggesting we do not have a humanitarian role to play, nor have we ever walked away from humanitarian needs. If we are talking about supplying food and loan guarantees for that, that is fine. If we are talking about desperately needed medical supplies, that is fine.

By the way, I would like to say that I think our Government had better wake up. I have an example in New York where 135 tons of first-class medical supplies have been waiting on the tarmac at Stewart Air Field. They have been there for several weeks. The Reverend Paul Moore of the City of Hope Program has collected $2.5 million in medical supplies to send to the children and victims of Chernobyl, and our Government still has not authorized the use of planes that are right there at Stewart. We are caught up in red tape.

This has been going on for 2 weeks already. The Soviets could not get a transport plane over here now. Now we have 2½ million dollars' worth of medical supplies on the tarmac, and maybe—maybe—the Ukrainians are going to get a plane over here and get some of it. These are medical supplies, 70 to 80 percent.

So here, where we do have an opportunity to do something—and I have spoken to the White House and various people in charge of the national security people—2 weeks plus go by, an outrage.

But yet, we take $1 billion of taxpayers' money, and some bureaucrat is going to decide what to do with the funds. This is terrific. This is supposed to make us feel good, because some bureaucrats have signed off on this, and some of our people who put this armed services bill together have come to the conclusion that we will take a billion dollars of taxpayers' money and we will make it available to the Soviets.

I think it is about time we began to say that we have to take care of our needs here. I do not relish the suffering of people in the Soviet Union. But let me tell you something: It has been Soviet aggression over 45 years that has brought about a situation that has strained our taxpayers, as well.

I think taxpayers now are saying: What are you going to do here? Instead of this country being forced into having to send $1 billion now, at this time, to the Soviet Union, you had better look at the unemployed shipbuilders. Let us look at the people in our States, the laid-off defense workers. What about job training for them? What about unemployment benefits for them? What about programs for working middle-class families?

Let us stimulate this economy here, and stop this nonsense that we are going to send $1 billion over to the Soviets, and put it in the defense bill. Somehow, that is supposed to make us feel good, because we are taking from defense and sending it to the Russians.

I am simply stating very, very clearly if that bill comes to the floor with that provision in there, I intend to work against it, to vote against that bill, and certainly to work to strike that provision. I will do everything I can to defeat it. It is wrong. I will use every means possible. This is absolute nonsense.

I think the people responsible for putting that in, they have lost their way. And the American people are saying: Wake up, those of you in Government, and listen to our cries for help. We have a lot of people who are going to be unemployed.

As it relates to the various economic pressures taking place, I have defense plants in Long Island that are in peril. The good Presiding Officer who sits here today has plants that are in peril in his State of Connecticut.

We have many, many people, through no fault of their own, who find themselves out of work. That billion dollars can go a long way toward helping the economy here, and our working, middle-class taxpayers.

Instead of sending it over there, maybe we ought to think of a way to see to it that we cut taxes or that we stimulate the economy or that we provide the unemployment benefits for those people whose benefits have run out. That is the kind of thing we can and should be doing. To be a great statesman at the expense of other people, that is easy. We better begin to take a look at seeing to it that we take care of the needs of our citizens.

So, Mr. President, before we go home we are going to have to take up this important bill, the armed services bill, and I have to tell you right here and now, I am not going to vote for $1 billion to send to the Soviet Union when, at the same time, in that armed services bill, we will be sending a message to workers in Connecticut who work in defense plants that they are not going to be there; we are going to send a message to people employed in Long Island aerospace companies that we are going to cut back on those programs, and they are going to be out. We are going to be saying to working, middle-class families: You go out and remortgage the house so you can send youngsters to school and give them an opportunity for an education; we are sending $1 billion today to the Soviet Union.

I have to tell you, we better get a grip on ourselves, recognize reality. It is cold out there. People are having a tough time. This bill, I tell you, sends a wrong signal. I think we are in the never-never land. We have not woken up as to what is taking place in the heartland of America, throughout America. Maybe it does us good to get out of here on weekends and go home and listen to working, middle-class families, struggling and working, looking for answers and leadership. Sending $1 billion of taxpayers' money to the Soviet Union is not the kind of leadership they are looking for.

Mr. President, the Congress, I think, will hear a lot more about this billion dollars when the American people find out. I would hope they will let their Representatives in the Congress know what they feel about this kind of situation.

Mr. President, I see another Senator who wants the floor. So I yield the floor.

HEALTH CARE REFORM

Mr. DURENBERGER. Mr. President, I rise to commend the leadership of my colleague from Rhode Island, JOHN CHAFEE, in putting together the health care reform package he introduces in the Senate today.

No one should underestimate the difficulty of what Senator CHAFEE has done here today. Putting together a comprehensive health package is without a doubt the most daunting of legislative challenges.

Our American health system is so massive and complex and has so many interconnected problems that designing an approach to reform involves many difficult choices. What the Senator from Rhode Island has done is persevere through that struggle and bring together the views of many of our colleagues.

His contribution to the effort to reform the American health system is that with the presentation of this package, he moves us out of the debate stage and hopefully into the action phase of health reform.

The legislation he introduces today with a number of Senators includes five concepts which I strongly support.

First, building up our health infrastructure. The package expands funding for the National Health Service Corps and community health centers, and it creates a block grant program to get more doctors into professional shortage areas.

Second, Tax Code changes. We need to help make insurance more affordable to the consumer and the business owner and tax credits are one of the ways to do that.

Encouraging managed care. State laws now stand in the way of managed care plans. The package would help define approved managed care plans, and exempt them from State law.

Fourth, small group insurance reform. Similar to my own S. 700 and the Bentsen-Durenberger bill, S. 1872, this package would guarantee availability and renewability of health insurance for small businesses and put limits on experience rating. State insurance mandates would also be preempted for a defined basic health package.

Fifth, increased State flexibility. We need State experimentation in alternative ways to financing health care. The package would create a waiver board to facilitate State Medicaid demonstration projects.

Mr. President, at this stage in the process, what is in the Chafee bill is more important that what is left out. The bill does not include a financing plan. It makes a somewhat less than specific commitment to cost control. And I believe its sections on public programs and medical liability reform can be improved.

But the value of the package that the Senator from Rhode Island has put forward is that it clearly identifies, for the first time, the items on which the two parties agree.

It should be clear to all Senators that a legislative effort as difficult as health reform is not going to proceed on a partisan basis. If we do not have bipartisanship, we just do not make progress.

Today, for the first time, we can lay two packages side by side, the Mitchell-Rockefeller-Kennedy-Riegle HealthAmerica bill and this Chafee bill and identify the areas of agreement.

They are:

Tax deductibility for the self employed;

Small group insurance reform;

Encouraging managed care; and

Steps to build up our health infrastructure.

Mr. President, that is the Senate's near-term agenda for health reform. Today we have at least closed that loop. I now urge my colleagues to come together across party lines, and for the administration to join with us in setting in place a plan to tackle these issues over the next year.

Senator CHAFEE has given us the opportunity to turn bipartisan agreement into action. Let us seize the opportunity.

RESPECT FOR COMMUNITY VALUES

Mr. DURENBERGER. Mr. President, in our current political discourse, we hear a great deal about individual rights, but much less about personal responsibilities. We hear a lot about what laws to pass, and much less about respect for community values.

When we do discuss moral values, the issues are often framed in terms of individual rights versus the community. Then we hear calls for suppression of speech or the banning of books or ideas in the name of morality.

Mr. President, the community need not be pitted against the individual. Indeed, Amitai Etzioni, a renowned sociologist, has pointed out that we cannot have individual freedom without shared values that assure respect for one another's rights and that recognize personal and collective responsibilities toward others.

Mr. President, I want to tell my colleagues about some young people that I know, students at the University of Pennsylvania, and how they resolved a conflict of values constructively.

The story begins with a song, a song with a long tradition among fraternity men, a song that happens also to glorify rape.

Previously, the fraternity sung the song only at private events. However, this fall it was sung at football games in the presence of families and friends. It was again performed at a party at the chapter house.

This song shocked, offended, and hurt women on the campus. After hearing its words at a party, the women of Kappa Alpha Theta met to discuss their reactions. The considered a variety of actions. The decision was to communicate their disapproval directly to the members of the fraternity. The women did not ask for intervention of the usual social forces of the university or the media, all with the power to either discipline or punish. Nor did they seek to publicly humiliate the men. Rather, they directly and clearly stated their views in a letter and decided to terminate social interactions with the fraternity.

I would like to read to you from a letter written just 2 weeks ago. It is a letter to the fraternity from Rebecca Foote, the president of Kappa Alpha Theta, and happens to also be the daughter of a member of my staff.

I picture my own sons having to read this letter at some fraternity.

It reads:

> I am writing on behalf of the sorority in regard to the crude and offensive song that you insist on singing at public events. I realize that this has been a tradition in your fraternity, and that many of you consider it to be harmless. However, I urge you to reconsider your position on a tradition which is destructive for a number of reasons.
>
> In light of the recent focus on the fraternities role in acquaintance rape, and the heightened awareness of violence toward women on this campus, the song is entirely inappropriate. By singing it, you are seriously jeopardizing the integrity of the fraternity as well as that of the entire Greek system. But even more importantly, you are sending out a powerful message to women about the way they are viewed, and the way they should expect to be treated by your fraternity.
>
> Having listened to the complaints of my sisters, and having heard some of the words of the song, I still could not fathom its full impact. It was not until yesterday afternoon at your party when it was sung in my presence, that I understood. For any woman who has been raped or sexually harassed, the words are painfully reminiscent. How can you expect this blatant show of disrespect not to be taken seriously?
>
> As I have given this issue much consideration, I am asking that you do the same. I hope that you will have the courage to stand up for what is right, and make a conscious effort to change.

In addition to condemning the song, the sorority canceled a scheduled mixer at the fraternity house.

Mr. President, the men responded on the same day. After much soul-searching, they apologized privately in a letter to the sorority and publicly in the school newspaper, the Daily Pennsylvanian. They admitted the song supported a long-standing tradition in the house, but "now realize that traditions which disgust members of the community" and "legitimate the subjugation of women" are unacceptable. They agreed to participate in a joint workshop to raise awareness of issues of rape, sexual assault, and sexual harassment.

I ask unanimous consent, Mr. President, to have these letters printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

KAPPA ALPHA THETA, BETA ETA
CHAPTER, UNIVERSITY OF PENNSYLVANIA,
Philadelphia, PA, October 20, 1991.

To the Brothers of Pi Kappa Alpha:

I am writing on behalf of the sisters of Kappa Alpha Theta in regard to the crude and offensive song that you insist on singing at public events. I realize that this has been a tradition in your fraternity, and that many of you consider it to be harmless. However, I urge you to reconsider your position on a tradition which is destructive for a number of reasons.

In light of the recent focus on the fraternity's role in acquaintance rape, and the heightened awareness of violence toward women on this campus, the song is entirely inappropriate. By singing it, you are seriously jeopardizing the integrity of Pi Kappa Alpha as well as that of the entire Greek system. But even more importantly, you are sending out a powerful message to women about the way they are viewed, and the way they should expect to be treated by your fraternity.

Having listened to the complaints of my sisters, and having heard some of the words of the song, I still could not fathom its full impact. It was not until yesterday afternoon at your party when it was sung in my presence, that I understood. For any woman who has been raped or sexually harassed, the words are painfully reminiscent. How can you expect this blatant show of disrespect not to be taken seriously?

As I have given this issue much consideration, I am asking that you do the same. I hope that you will have the courage to stand up for what is right, and to make a conscious effort to change.

Sincerely,

BECCA FOOTE,
President, Kappa Alpha Theta.

OCTOBER 20, 1991.

Becca Foote,
President, Kappa Alpha Theta, Philadelphia, PA.

DEAR SISTERS OF KAPPA ALPHA THETA: On behalf of the Brothers of Pi Kappa Alpha I would like to apologize. After much discussion and deliberation, the Pika brothers have unanimously agreed that our "song" is both disrespectful and inappropriate. In light of our new awareness, we agree never to sing the song in public again.

Our new consciousness stems from the fact that parts of the song legitimate the fundamental subjugation of women. The brothers of Pi Kappa Alpha do not wish to associate themselves with such demeaning attitudes. We sang the song to support a long-standing tradition in our house. However, we now realize that traditions which insult and disgust members of our community are unacceptable. As a group, we apologize if our lack of consideration has negatively affected any sisters of Kappa Alpha Theta. Hopefully, our amiable relationship has not been irreparably damaged.

In conclusion, the brothers of Pi Kappa Alpha would like to learn more about this issue. We want to be enlightened about the issues of rape and sexual harassment. Would the sisters of Kappa Alpha Theta participate with us in a joint STAAR workshop? I am certain that such a workshop would raise the brotherhoods' awareness. Once again, I apologize on behalf of the brotherhood and I look forward to working pro-actively with you to address this most-pressing issue!

Sincerely,

JOHN F. GAMBA,
President, Pi Kappa Alpha.

SORRY FOR OFFENSE

TO THE EDITOR. On behalf of the brothers of Pi Kappa Alpha, I would like to issue an apology to the Penn community. After much discussion and deliberation, the PIKA brothers have deemed a traditional "song," which describes explicit sexual acts, both disrespectful and inappropriate. In light of our new awareness, we unanimously agree never to sing the song in public again.

Our new consciousness stems from the fact that parts of the song legitimate the subjugation of women. The brothers of Pi Kappa Alpha do not with to be linked with such demeaning attitudes. We sang the song to support a long-standing tradition in our house. However, we now realize that traditions which disgust members of our community are unacceptable. As a group, we apologize if our lack of consideration and sensitivity has negatively affected anyone on our campus.

Unfortunately, there have already been adverse effects due to our lack of foresight. The sisters of Kappa ALpha Theta, besides simply condemning our song, have decided not to participate in a scheduled mixer at our chapter house.

In an effort to show our deep concern for this issue the brothers of Pi Kappa Alpha have asked the sisters of Kappa Alpha Theta if they would participate in a joint STAAR workshop in the near future. I am certain that such a workshop would raise the brotherhoods' awareness on the issues of rape, sexual assault and sexual harrassment.

Once again, I apologize to the Penn community and I look forward to working proactively in the future to address this most pressing issue.

JOHN GAMBA,
President, Pi Kappa Alpha.

Mr. DURENBERGER. These young people never called on the college authorities to intervene. They never called home to their parents or to the parents of these young men. They did not call on the university, the local government, the State government, or the Federal Government. They did not ask to silence the offenders by using the law. They did not convert the debate to one of first amendment rights versus morality. These young women appealed to higher values and used the consciousness of the community as a moral voice. As Dr. Etzioni has described, moral voices get their power through persuasion and education, not force.

Of course, there remains a role for law. Law can reinforce community values and, where necessary, protect individual rights. Laws condemning practices such as sexual harassment can strenghten the community's resolve. Indeed, the laws prohibiting sexual harassment gave a name to an old problem, and a vocabulary to expressly condemn it. It has been said that values are sutured to the law. At their best, they can be mutually reinforcing.

Yet, law will not create values when values are absent, nor can it replace them when they have been lost or abandoned. When communities reach the point where moral responsibilities must be enforced by State power, we are in deep moral crisis.

Mr. President, as a society we have not always done well by our young people. We do not consistently provide a moral environment nor are we always perfect models for them to emulate. However, I think we can all be uplifted by the example of these young women and men at the University of Pennsylvania. They represent, in the words of Abraham Lincoln, "the better angels of our nature." There is much we can learn from them.

A DEFENSE AUTHORIZATION BILL SETASIDE

Mr. EXON. Mr. President, let me take a few moments, if I can, to try to put into some logical perspective what looks like a new firestorm breaking out in the U.S. Senate and the House of Representatives with regard to the defense authorization bill.

As a member of the Armed Services Committee I had a great deal to do with putting together that most difficult compromise that we had. And there are many things about the bill that I am not enthusiastic about. But under our system we have to get together and come to some kind of agreement when the House and the Senate do not see eye to eye.

One of the things that I had little if anything to do with in that conference was the $1 billion set-aside programs from the total budget to be used as the Secretary of Defense, and/or the President of the United States so desire.

I am always fearful and I am always concerned, Mr. President, when I see any hint of demogoguery or any hint of outright partisanship for partisan political gain breaking out with gestures of indignation by either Senators on this side of the aisle or that side of the aisle.

It may well be that the $1 billion—I heard by rumor, and I do not know whether it is true or not, that some on the other side of the aisle said that they would filibuster the whole defense authorization bill with all the important matters contained therein, unless that $1 billion caveat is removed.

It may well be that the conferees did not take as close a look at this proposition as we should. It may well be, for the sake of moving the Defense authorization bill, that that $1 billion controversial item should be removed. So I am not arguing, necessarily, for or against the proposition. I am simply trying to put in perspective, in a nondemagogic way, what actually happened from the understanding of this one Senator.

The $1 billion is out of—in round figures—a $300 billion defense budget. One billion dollars of that was to be set aside as originally proposed, I believe, by the chairman of the House Armed Services Committee, Congressman ASPIN of Wisconsin. It was Congressman ASPIN'S desire, as I understand it—although he never talked to me about it either personally or in conference—that with the fact that we are trying to do everything we can in the Armed Services Committee to have a systematic builddown of the nuclear devices on each side of the ocean, and despite the fact that peace has seemingly broken out all over, as many people have said there is still only one Nation in the world as of now who still has a trigger that they could pull that would literally destroy the United States of America in a matter of maybe 30 minutes or 40 minutes.

So to think that there is not still some kind of a threat or a potential threat—although I do not think it could happen—to think that it is impossible or that we can ignore it is something I think would be very shortsighted indeed.

Therefore, I think the facts of the matter are that of the $1 billion that is now attracting a great deal of attention there could not, there will not, and there cannot be one penny of that money spent without the approval of the Secretary of Defense and the President of the United States.

So let us for a moment, if we can, take a step backward from the brouhaha that is about ready to break out, and recognize the proposition as sincerely advanced by the chariman of the House Armed Services Committee and accepted by the Senate members of the House Armed Services Committee. In fact, I must say with all of the other highly controversial matters that we have, I was not in on the discussion with regard to the $1 billion bombshell.

But suffice it to say, so all understand, whether or not this remains in the bill when it comes to the floor of the Senate or when introduced for approval in the House of Representatives, there is not one penny of this money that is going to be thrown away or give away or wasted or stolen from some other program, worthy or not, unless the Secretary of Defense and the President of the United States approves such an expenditure.

As I understand this measure, what it basically does is provides nothing in the form of a giveaway. It simply provides $1 billion out of a $300 billion defense program that is earmarked and can be used by the Secretary of Defense and the President of the United States—and the Secretary of Defense and the President of the United States only—before any or all of the $1 billion could be expended.

I also understand that this $1 billion does not provide nor does it authorize, even with the appproval of the President and the Secretary of Defense, that one penny of that could be spent for providing anything of value to the citizens of the Soviet Union. This money, it simply says, can be used at the discretion of the Secretary of Defense and the President of the United States only to provide necessary fuel costs and other logistic expenses that would be necessary to transport something of value—probably food—to the Soviet Union, especially during this terribly hard-hit period that they are going through.

So I think it should be emphasized that this is not a giveaway program. It merely provides the tools, if the President of the United States and the Secretary of Defense want to use them, to provide some fuel for transportation costs, should the President of the United States and the Secretary of Defense feel that it would be in the interest of the United States to provide some fuel to transport but not buy food, clothing, and medical supplies at a time when the Soviet Union obviously is in great unrest. Let us think a little bit.

Oh, it would be very politically popular—popular indeed—to come smack out against any kind of a giveaway. This is not a giveaway. Since it specifically stipulates that the Secretary of Defense and the President are the only ones that can spend a penny of it, it clearly is intended that they would not expend any of the funds unless the President of the United States and the Secretary of Defense thought it was in the national Security interests of the United States to do so.

To put it another way, Mr. President, it just might be, come next January or February, if we have another massive revolution or happening in the Soviet Union that would be against the interests of the United States that would further threaten the United States if the wrong person got too close to the nuclear trigger that maybe, just maybe the Pesident of the United States and the Secretary of Defense would think it might be wise for us to buy enough fuel to fly something of value to someplace in the Soviet Union that might quell an uprising or an overthrow movement that would not be in the interest of the United States and peace and tranquility on the whole.

So I hope, Mr. President, while this is not a project that I was involved in and was not a project I actively supported, it is not a project that I feel would be the end of the world before the bill is presented to the House and Senate if it is withdrawn.

I just want to calm the water, if I can, of mob-like actions riding on the floor of the House of Representatives and the floor of the U.S. Senate for demagoguery of political purposes that might serve some of those who should know better and hopefully they will know a little better after I have made these remarks to calm the waters.

Certainly, I would think and hope the chairmen of the House Armed Services Committee and the Senate Armed Services Committee would consult, once again, with the Secretary of Defense, who said that he wanted and approved the passage of this agreement as part of the conference report, to check with the Secretary of Defense again and, indeed, check with the President of the United States, and see whether those two top officials in whom we place a great deal of confidence and responsibility to be in a position to do things on short notice if they, as our two principals for national security, feel it would be in the interest of the United States.

Therefore, Mr. President, I hope that some will hear my plea. I hope that some will have some understanding. I hope that some might come to the floor of the U.S. Senate to try to give further explanation to this, if necessary, rather than let the political campaign fires burn on the floor of the U.S. Senate for some partisan advantage. When it comes to national defense, this Senator, and I think most of us in this body, recognize that partisanship should and, for the most part, does end when we go beyond the shores of the United States.

I have every confidence, Mr. President, that the Secretary of Defense and the elected President of the United States would not and should not use any of these simply earmarked funds unless they thought it was absolutely necessary from the standpoint of humanitarian interests and even more so the overall national security interests of the United States whether we like it or not are very much tied in with what goes on in the Soviet Union today, especially with regard to their significant stockpile of nuclear devices.

I thank the President, and I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I thank my distinguished colleague who so patiently waited and yielded the floor, Senator NICKLES from Oklahoma. But I feel compelled to respond to the assertions that this billion dollars in the defense budget is something that belongs there.

I have a letter, a "Dear Colleague" letter, from Senator NUNN sent to all of us dated November 4, 1991, in which the chairman of the authorization committee sets forth the plan for the billion dollars going to the Soviet Union. He says, "The Secretary of Defense has discretion on how much would be spent under this provision, which in no case could exceed $1 billion."

That is a lot of money. I am going to say I am not ready and willing to just turn that billion dollars over.

Let me just touch on a couple of points as to what this billion dollars can be used for. I am not so sure that there are not even more things that it can be used for. Page 2: (b) it says:

> Modest economic incentives for U.S. private-sector investment in the Soviet and Eastern European military conversion, and recommendations to Congress for enacting such incentives (authority to implement any such recommended program would require a subsequent congressional act).

"Modest economic incentives for U.S. private-sector investment in the Soviet and Eastern European military conversion"—we better begin to make some modest investment incentives here in America's defense plants that are closing down.

If we want to take a look and see what is taking place, the unemployment figures—you do not want the B-2? Fine, vote the B-2 out. How many thousands and thousands of Americans are going to be out of work? I am not suggesting that we keep the B-2 or any other defense program just to keep people employed, but let us understand we are going to make available resources so that they can have incentives for the United States private-sector investment in Soviet and Eastern Europe military conversion. We better get some incentives in the United States.

I look at—

> (c) other ways to facilitate private-sector investment in conversion, including contacts with Soviet and Eastern European authorities at all levels, establishing data bases on investment opportunities, and removing redtape, licensing barriers and other impediments to such investment.

Let me tell my colleagues, there is not a businessman in this country who would not say to you, if you want to help this economy, get rid of some of the redtape. Let us look at what we can do here.

> (3) limited technical advice on helping the Soviets and Eastern Europeans retrain military personnel involuntarily separated as their militaries are down-sized; U.S. funds would be used only for providing technical advice, not for any actual retraining or other benefits.

Again, Mr. President, I want to suggest to you that if we go forward with this, there should be a rebellion. It is the working middle-class taxpayer footing the bill. There are factories throughout New York—barely hanging on, and indeed there may be substantial cuts over and above what has already taken place, and we are talking about training people in the defense industry in the Soviet Union and giving them assistance? We better be working with companies here, defense contractors throughout this country in providing training and assistance.

This is incredible. Technical advice on helping the Soviets and the Eastern Europeans retrain military personnel who lost their jobs. We are talking about a cutback I think in the area of three-quarters of a million men and women who are in the military today who are going to be involuntarily separated. What are we going to do with them?

Unemployment is at historically high levels, and we are talking about helping the Soviets. Now look, I am not opposed to providing assistance, humanitarian assistance. Nobody is. But when we get to a situation where we are going to delegate, I do not care to whom—I was not elected to delegate my authority, nor were the Members of this Congress, to the Secretary of Defense or to anybody else.

I will discuss some of those things when that bill comes over here. And now we are going to give $1 billion away. I do not care what you call it, that is what this says, $1 billion. I just picked out three or four of these areas. As it relates to job training, I say we have job training to do right here. If you pick unemployed, we have unemployed right here. If you want to find an area where you can fund the $1 billion, here it is. Here is $1 billion. If the Defense Committee wants to give it up, let us give that up because we were saying we do not know where to fund the $1 billion to extend the benefits. You want to talk about job training, talk about military personnel laid off. We are going to have a lot of people laid off, a lot of people involuntarily separated. What about them? What about the terrible dislocation that takes place to working middle-class Americans.

So I just say that this may be well-intentioned, and I am not suggesting to you that it is not well-intentioned. I am not suggesting to you that there may not be some areas where we have vital national security interests related to the Soviet Union. But I am not ready to open up what amounts to a blank check of $1 billion, and that is what this is. This is a blank check. These safeguards are not safeguards.

I yield the floor.

Mr. NICKLES and Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma, who has been standing for some time.

Mr. NICKLES. Mr. President, how much time does the Senator from Nebraska wish?

Mr. EXON. The Senator from Nebraska would need possibly an additional 2, 3, no more than 5 minutes, if the Senator will yield for that purpose.

Mr. NICKLES. I have been sitting here for a long time. If the Senator will keep it to 2 minutes, I will be happy to yield.

Mr. EXON. Does the Senator want 2 minutes?

Mr. NICKLES. No, I want 15.

Mr. EXON. The Senator from Oklahoma was recognized by the Chair in the wisdom of the Chair. I do not dispute the wisdom of the Chair. Normally speaking, we go from side to side on these kinds of matters. The Senator from Oklahoma was not on the floor when the Senator from Nebraska started speaking. The Senator from Nebraska seeks recognition to respond to the Senator from New York. If the Senator from Oklahoma wants to talk for 15 minutes, I will sit here and listen.

I yield the floor.

Mr. NICKLES. I would be happy for the Senator to respond but the Senator from New York asked for 2 minutes and took a few, and I would like to make a few comments as well on this issue.

Mr. D'AMATO. Mr. President, if I might——

Mr. EXON. The Senator's mistake was in yielding to the Senator from New York.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

THE DEFICIT

Mr. NICKLES. Mr. President, I thank the Chair.

First, I wish to comment on the subject matter just discussed by both the Senator from Nebraska and the Senator from New York. I compliment the Senator from New York. I think that $1 billion in discretionary authority to the President or the Secretary of Defense, for the aid of the Soviet Union is a ridiculous idea.

Mr. President, my reason for rising today was to talk about the deficit, an issue my colleagues from Nebraska and New York talked about at length. We have serious problems. We are spending a lot more money than we are taking in. Last year's figures, just reported from the Treasury Department, said that we spent $268 billion more than we took in—$268 billion worth of deficit last year.

And then we hear something about, allocating the Department of Defense $1 billion for economic assistance to convert the Soviet military without any assurances whatsoever that they are going to quit making their SS-24's or SS-25's, no assurances that they won't use some of their money to create offensive weapons to be directed at the United States. And we are going to assist them economically, militarily, and in some other manner for other purposes.

I think that is ridiculous. That is one of the craziest of ideas. That idea is not something this administration requested. That idea is something that came from the House, and, unfortunately, it looks like the Senate conferees may be willing to agree with it. My guess is, when we get it to the floor of the Senate, it will not be agreed with. I think it is a crazy idea, one that we cannot afford, and one that we should not afford even if we had the money.

Mr. President, again my reason for rising is the fact that, yes, we completed the fiscal year at the end of September, and although a lot of comments are made on the floor, I have heard very few about the fiscal problems that we have, very few about the deficit. I hear people complain about it. But the people who complain about the deficit are the same ones who say let's pass unemployment comp, not even pay for it and add $6.5 billion to the deficit next year.

So what, when you are already a couple hundred billion dollars in debt, what is a few more billion. This, or any other program. We just put programs on automatic pilot without really considering what it does to the deficit, what it does to the future obligations of this country and future generations. I find that irresponsible. I find that unacceptable.

Some of us happen to think we have to live within our means. Some people say that is impossible. It is not impossible if we just show a little more courage. True, the figures are staggering. We actually had a balanced budget in 1969–70. You can see on this chart that receipts have grown but the outlays have grown even faster.

I have heard some of my colleagues say, well, that is because we cut taxes in 1981, or because we reduced the tax rates. I beg to differ. Just looking at the last 10 years, outlays have grown 96 percent. Receipts or revenues have grown by 76 percent.

Thus, revenues have been compounding at a very good growth rate, but outlays have been compounding even faster, and that is the problem. To give you an example, in the year just completed we set a record deficit of $268 billion. But the deficit is only symptomatic of the fact we are spending a lot more money than we are taking in. Outlays last year grew at 5.7 percent. Receipts or revenues grew at 2.2 percent. For that reason we have seen a 21-percent increase in the deficit. Outlays are growing faster than receipts or revenues. Upon hearing this, a lot of people act surprised. They say, wait a minute. Did we not last year pass a big deficit reduction package? I heard people on the floor of the Senate last year state that this is the biggest deficit reduction package ever passed in history. This package is going to reduce the deficit by $500 billion.

What they did not say is that we allowed outlays to increase rather significantly in the first couple of years and then supposedly we are supposed to have outlay reductions in the third, fourth, and fifth year. We are now seeing an enormous increase in the first couple years and that is the reason we are looking at staggering deficits for these years.

Mr. President, I have several charts I wish to insert in the RECORD. I do so for educational purposes—for our colleagues, and also for the public, so they can see where their money is going and also so they can have a better idea, a better comprehension of what has actually caused the deficit, where the money is going, and why the deficit is increasing at such an enormous rate.

Mr. President, I will include in these charts a month-by-month summary that shows how our spending and revenues compared this year to last year.

I will also include an outlay chart that shows branch by branch how much spending was in 1989, what it was in 1990, and what it is in 1991. It probably would not surprise anyone to find that spending has increased in almost every area—every area except for defense. We have a significant reduction in defense mainly because we show net outlays in defense. We have had significant contributions from the war in the gulf from our allies. I might mention some of the other outlay increases. We had a total outlay growth last year of $70.7 billion.

(Mr. KOHL assumed the chair.)

Mr. NICKLES. I might mention that the growth of total outlays minus defense and RTC was $94.4 billion, a 10.3-percent increase over 1990. Again I take defense out because of a distorted defense picture due to $43 billion we received from our allies. I take out RTC because I do not agree that it should be included.

Funding of RTC and FDIC is a little confusing because every dollar that is expended is counted as an outlay. When we sell those assets, we count that as a receipt. That's funny accounting. That's not realistic accounting. It should not be accounted for in that manner, but for some reason it is.

The point is, if you take out defense and if you take out RTC expenditures, total growth in spending equals 10.3 percent.

I will go through some of the figures. Department of Treasury, where we fund our debt, 8.5-percent increase; veterans affairs, 7.6-percent increase compared to last year; Environmental Protection Agency, 13-percent increase; NASA, 11.7 percent; Office of Personnel Management, 8.9 percent; Federal Deposit Insurance Corporation, 35-percent increase.

I might even spell out some of the largest outlay increases, and I will include this chart for the RECORD.

The Food Stamp Program went from $15.9 to $19.6 billion. That is a 23-percent increase. Some people say we are not showing compassion. How compassionate are we? We had a 23-percent increase in food stamps.

I might mention unemployment benefits. I have heard people say well, they need a big increase. I wonder if my colleagues are aware of the fact that in 1990 for unemployment we spent $17.2 billion, and in 1991 we spent $26.1 billion. That is a 46-percent increase.

I might mention, too, Social Security insurance and disability payments went up by 8.1 percent, an increase of $19.7 billion. Medicare went up $6.8 billion, only a 6-percent increase. I thought it would be much higher than that.

Listen to this. Medicaid went from $41.1 to $52.5 billion, an $11.4 billion increase. That is a 27.8 percent increase. A 27.8 percent increase in Medicaid?

A lot of States are dumping Medicaid expenses on the Federal Government saying, "Uncle, you pay it all." This is supposed to be a cost-sharing program split between the Federal Government and the States. But a lot of States are abusing the program. There is no control over it; no control.

A lot of our colleagues who are saying "Let's get the deficit down," are also endorsing legislation that says "Wait a minute. We don't want to have any regulations that would curtail this scam that many States are perpetrating on the Federal Government, on the taxpayers today." They have the idea if it comes from Uncle Sam it's free; if it comes from the State, that's a problem; if it comes from the local community, that's a problem; but if it comes from Uncle Sam, it doesn't make any difference, it's free. That money is not real, and who cares about the Federal deficit?

This Senator happens to care about the Federal deficit. I think we need to get this body to care more about the Federal deficit. I think we need to get the Congress to care about the Federal deficit. Some people will start talking about the economy, and what we can do about it if the Fed lowers interest rates. They are handling the monetary policy, but we handle the fiscal policy. I say we; that is Congress.

A lot of people want to blame the President, but the Congress is the one that passes all the appropriations bills. We spend the money. We also raise the taxes. It is Congress that controls the fiscal policy. And this deficit is living proof that Congress had done a crummy job in fiscal policy; Congress, with a capital "C."

Maybe the administration has some blame, but it is Congress that spends the money, that raises the taxes; it is Congress that passes entitlements and allows them to grow totally without control.

As a result, we are looking at a national debt that is continuing to increase. This year we are looking at $268 billion; next year the deficit is projected to be about $350 billion. Yet evidently that is not enough, because there are countless proposals to increase that deficit more. Many people are saying "let's prime the pump, the economy is soft."

I know the economy is soft, but how can you prime the pump by spending money that we do not have? That well is already dry. The taxpayers are dry. They don't want more debt. They don't want more taxes. Yet people keep saying, what can we do? How can we spend more money? We want to go out and give refundable tax credits to everybody in America so they can buy more for Christmas and get this economy jump-started. Just increase the deficit that much more. Who cares? It'll be paid by future generations.

Now that people are talking about having more defense savings, some say let's use that money; we will use that money for a great economic boost. I say, what about using some of it to reduce these deficits?

I think these figures are horrendous. And I think we have to be more responsible. Yet some people say we just cannot do enough, and let us spend more money.

I remember when George McGovern proposed a refundable tax credit. A lot of people laughed at him and said, "Wait a minute. We cannot afford that." Yet now that idea is very popular. Yes, that's going to give a lot of benefits to a lot of people. Sure.

Why don't we pass a bill that gives refundable tax credits, $1,000 for everybody; regardless of whether or not you pay taxes, we are going to give everybody $1,000, and we are going to get this economy going. Make our money out of paper, make it worthless. And increase these deficits to proportions even greater than they are today? That's how irresponsible some people are being, so many of our colleagues, and so many people across the country.

Moving to my next chart of gross Federal debt, we are looking at $3.5 trillion. That figure is escalating at a rapid rate, though some in Congress think that is not enough. I think it is enough. I think it is time we start trying to turn it around. We need to turn it around.

My next chart is Federal debt per capita. When you start talking about trillions of dollars, about figures that have 12 zeroes behind them it is beyond most people's comprehension. That's why I talk about per capita. Do you realize that in 1990, per capita debt is about $13,000 for every man, woman, and child in the United States. Do you realize that in 1991 it is going to be over $14,000, for every man, woman, and child in the United States.

How many people are going to go to their constituents and say, "Look what I have done for you lately. You and your children, each and every one, regardless if they are taxpayers, regardless if they are 3 years old, owe the Federal Government $14,000. Haven't I done a great job for you? Oh, yes, would you please reelect me?" That's really what's important.

I think people are sick and tired of it. I think when people are talking about the results of this election, they ought to underscore the fact that people are a little disgusted about what is happening in "business-as-usual D.C." They do not like seeing the debt go up. They do not like seeing us spend money that we do not have. They do not like us interfering in their lives at such a point that either they are going to become slaves of the Government or we are totally mortgaging the future of their children where they will have to work just to pay the interest on the debt.

Some people say that our debt is too great, and evidently we need to increase taxes. They think we have not increased taxes enough. I will show my colleagues another chart of income taxes and other receipts. You see that they have grown every year from 1980 through 1990. Taxes continue to escalate. They did not grow as much between 1990 and 1991, last year, because yes, our country was in a recession.

The tax increase we passed last year that was supposed to reduce the deficit did not reduce the deficit. It helped contribute to a recession. It put more people out of work. It was supposed to raise more money, but that was not the result. You see the Federal taxes per capita have continued to escalate. Thus, I don't really think the solution to this deficit is raising more taxes.

As I mentioned already, taxes in the last 10 years have grown by 76 percent. So we have had tax increases. Workers have had enormous Social Security tax increases—taxes on wages. I do not really think the solution is just more and more tax increases to close this deficit gap.

I want to close it. I think that with a $268 billion deficit this year, and a deficit of $363 billion next year, I do not think the way we should close that gap is through more taxes.

Some of my colleagues have talked about an economic recovery package. Some are introducting an economic package today. I would just say we should follow a couple of guidelines if we do that. If we are going to make some tax changes, one of those changes is that we not have any tax increase because most tax increases have been counterproductive. They have not raised money. They have lost money.

We are beyond that marginal area where, if you increase taxes more, you are going to reduce the total net revenue to the Federal Government. We saw that last year. We passed excise taxes on a lot of different items, such as yachts and whatever, and those industries went down. They employed less people. They are not paying income tax now.

The Senator from New York made mention of the defense industry. A lot of those people are going to be unemployed, so they are not going to be paying tax. So when people are talking: Hey, what can we do? I think we need to look at guidelines. One, not to have a tax increase.

Just the very idea that Congress might be considering a tax package sends chills throughout American industry, because they happen to know that Congress keeps looking to corporations to carry the load. And so, as a result, they further cut back on their activity; therefore, they unemploy more people, or they employ less people, more people are in the welfare lines, more people are drawing food stamps and unemployment compensation, and the result is we have exacerbated the deficit instead of working our way out of it.

I happen to think there are tax changes we can make that would raise more money for the Federal Government and help stimulate the economy. I think reducing the capital gains is one. Using IRA's for first-time home buyers is one. There are a lot of good ideas.

I hope we will work on an economic stimulus package that will help move our economy, but at the same time not allow these deficit figures to go through the roof, and not allow Federal taxes per capita to continue to escalate. I think it can be done. Unfortunately, it has not been done in the past.

So, Mr. President, I have several charts I would like to include in the RECORD. I mention that these came from the final monthly Treasury statement for fiscal year 1991. It shows receipts by tax items or income amounts, individual taxes, corporate taxes, social insurance taxes, and so forth. It also shows outlays by department, and the percentage increases for the last 3 years. And also it shows a month-to-month comparison of receipts and outlays, as well as the summary of some of the largest outlay increases.

I mention that just on one page, I found $111 billion in 12 items that have increased just between 1991 and 1990. I will put this in the RECORD so people will have some kind of idea where Federal spending is going, where it is growing, where it is not growing, and what can we do to get a handle on it.

Frankly, Congress does not have a handle on it. I think it is time that we be responsible. I hope that we will become responsible. Unfortunately, by the activities we have seen in the past couple of weeks, this Congress is not becoming more responsible. I think we have a real challenge to turn that around. I hope we will.

I am going to begin making little speeches, maybe, before we vote on appropriations bills. I told my colleagues on the last appropriations bill, the Labor-HHS bill that passed—and everybody seemed to think that was about the gag rule. That was a little controversy on the bill, but nobody paid attention to the fact that that bill spent $21 billion more than the year before. That bill's spending went up by 11 percent over what it was in 1991; 11 percent growth in Labor-HHS—11 percent. That is $21 billion more than what we spent last year, and no one paid any attention to it. Everybody was talking about the gag rule or modifications of the gag rule, and the President's speech.

And then in the bill, not only did they spend $21 billion more, but also they said: We are going to commit next year to $4.5 billion more, by basically gaming the system, to have that money already committed for the next year.

I call that spending out of control. It happens almost every day. I think we have to do something about it. So I am going to start talking about the appropriations bills as they come up, and I am also going to talk about spending programs as the come up.

We pass authorizations in here all the time. We passed one today. Somebody said, "How much did it cost?" Just a couple hundred million. We passed one yesterday on the environment, on improving air quality inside buildings. How much? A couple, $300 million. It was no big deal. Who cares?

just $200 million or $300 million. This is only $40 million or $50 million a year.

Besides that, it is only an authorization bill. So what is the big deal? Nobody really seems to care. Nobody seems to be adding up all of the pieces. As a matter of fact, we have not added up the pieces. We pass bills on a continual basis, and the net result is the deficit. No one has paid enough attention to the final result, and the net result is that we are spending a whole lot more money than we are taking in.

We are going to have to decide—and everybody would agree that this deficit is too large. We are going to have to decide, are we undertaxed, and do we have to raise taxes? Or are we overspending? I think we are spending too much money. We need to curtail outlays. We need to consider things like a freeze on discretionary spending, which some of us tried to do in the Budget Committee earlier this year. We need to try to have serious, significant entitlement reform, where we would contain the growth of entitlement programs to no more than the inflation rate.

When I mention Medicaid growing at 27 percent, an astronomical increase, and when I look at all of the other entitlements that I have already referred to, I see that we have not done anything to contain the growth of those programs. The Food Stamp Program was up 23 percent. State unemployment benefits went up 46 percent. Many people think that is obviously not enough. We need to increase that even more.

Family support payments to States went up 10 percent. Medicaid went up 27.8 percent. I could go on and on. We are not doing anything to control entitlements. The budget package last year said leave all entitlements off of the table; let's not look at them. That is what is driving up this deficit. We need the courage to control discretionary spending and nondiscretionary spending—some people used to say controllable spending and noncontrollable. Frankly, I think we have to control all Federal spending. But unless and until we do, we are going to have deficits that are going to be out of control.

I do not think that is responsible. We need to make a change.

I yield the floor. I ask unanimous consent to have these reports printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MONTHLY RECEIPTS, OUTLAYS, AND DEFICITS

[In millions of dollars]

	Receipts	Cumulative	Outlays	Cumulative	Deficit/(surplus)	Cumulative
Fiscal year 1990:						
October	68,420	68,420	94,503	94,503	26,084	26,084
November	71,174	139,594	100,906	195,409	29,732	55,816
December	89,122	228,716	103,893	299,302	14,772	70,588
January	99,524	328,240	91,242	390,544	(8,282)	62,306
February	65,141	393,381	100,348	490,892	35,207	97,513
March	64,805	458,186	118,128	609,020	53,324	150,837
April	139,604	597,790	97,775	706,795	(41,829)	109,008
May	69,186	666,976	111,668	818,463	42,482	151,490
June	110,601	777,577	121,706	940,169	11,105	162,595
July	72,329	849,906	98,253	1,038,422	25,924	188,519
August	78,462	928,368	131,181	1,169,603	52,719	241,238
September	102,939		82,171		(20,768)	
Fiscal year 1990 total		1,031,308		1,251,776		220,469
Fiscal year 1991:						
October	76,986	76,986	108,270	108,270	31,285	31,285
November	70,507	147,493	118,142	226,412	47,635	78,920
December	101,900	249,393	109,212	335,624	7,311	86,231
January	100,713	350,106	99,023	434,647	(1,690)	84,541
February	67,657	417,763	93,834	528,481	26,177	110,718
March	64,805	482,568	105,876	634,357	41,071	151,789
April	140,380	622,948	110,249	744,606	(30,131)	121,658
May	63,560	686,508	116,906	861,512	53,346	175,004
June	103,389	789,897	105,849	967,361	2,460	177,464
July	78,593	868,490	119,384	1,086,745	40,791	218,255
August	76,426	994,916	120,071	1,206,816	43,645	261,900
September	108,917		115,746		6,829	
Fiscal year 1991 total		1,053,832		1,322,561		268,729
Fiscal year 1991 compared to fiscal year 1990 (percent):						
October	12.5	12.5	14.6	14.6	19.9	19.9
November	−.9	5.7	17.1	15.9	60.2	41.4
December	14.3	9.0	5.1	12.1	−50.5	22.2
January	1.2	6.7	8.5	11.3	−79.6	35.7
February	3.9	6.2	−6.5	7.7	−25.6	13.5
March		5.3	−10.4	4.2	−23.0	.6
April	.6	4.2	12.8	5.3	−28.0	11.6
May	−8.1	2.9	4.7	5.3	25.6	15.5
June	−6.5	1.6	−13.0	2.9	−77.8	9.1
July	8.7	2.2	21.5	4.7	57.3	15.8
August	−2.6	1.8	−8.5	3.2	−17.2	8.6
September	5.8		40.9		−132.9	
Fiscal year 1991/1990		2.2		5.7		21.9

MONTHLY TREASURY STATEMENT ANALYSIS

Agency/account	Fiscal year—		Change fiscal year 1990 over fiscal year 1989—		Fiscal year 1991	Change fiscal year 1991 over fiscal year 1990—	
	1989	1990	Dollars	Percent		Dollars	Percent
RECEIPTS							
Individual income taxes	445,690	466,884	21,194	4.8	467,827	943	0.2
Corporate income taxes	103,291	93,507	(9,784)	−9.5	98,086	4,579	4.9
Social inusrance taxes	359,416	380,047	20,631	5.7	396,011	15,964	4.2
Excise taxes	34,386	35,345	959	2.8	42.430	7,085	20.0
Estate and gift taxes	8,745	11,500	2,755	31.5	11,138	(362)	−3.1
Customs duties	16,334	16,707	373	2.3	15,921	(786)	−4.7
Miscellaneous receipts	22,839	27,316	4,477	19.6	22,419	(4,897)	−17.9
Total receipts	990,701	1,031,308	40,607	4.1	1,053,832	22,524	2.2
OUTLAYS							
Legislative branch	2,095	2,244	149	7.1	2,295	51	2.3
The judiciary	1,492	1,641	149	10.0	1,989	348	21.2

MONTHLY TREASURY STATEMENT ANALYSIS—Continued

Agency/account	Fiscal year—		Change fiscal year 1990 over fiscal year 1989—		Fiscal year 1991	Change fiscal year 1991 over fiscal year 1990—	
	1989	1990	Dollars	Percent		Dollars	Percent
Executive Office of the President	124	157	33	26.6	193	36	22.9
Funds appropriated to the President	42,57	10,086	5,829	136.9	11,724	1,638	16.2
Department of Agriculture	48,316	46,012	(2,304)	−4.8	54,119	8,107	17.6
Department of Commerce	2,571	3,734	1,163	45.2	2,585	(1,149)	−30.8
Department of Defense—Military	294,881	289,755	(5,126)	−1.7	261,925	(27,830)	−9.6
Department of Defense—Civil	23,450	24,975	1,525	6.5	26,538	1,563	6.3
Department of Education	21,608	23,109	1,501	6.9	25,339	2,230	9.6
Department of Energy	11,387	12,028	641	5.6	12,459	431	3.6
Health and Human Services	172,301	193,679	17,525	12.4	217,541	23,862	12.3
Social Security	227,473	244,998	487	7.7	266,395	21,397	8.7
Housing and Urban Development	19,680	20,167	487	2.5	22,751	2,584	12.8
Department of the Interior	5,308	5,795	275	9.2	6,094	299	5.2
Department of Justice	6,232	6,507	275	4.4	8,244	1,737	26.7
Department of Labor	22,657	25,316	2,659	11.7	34,049	8,733	34.5
Department of State	3,722	3,979	257	6.9	4,252	273	6.9
Department of Transportation	26,607	28,637	2,030	7.6	30,503	1,866	6.5
Department of the Treasury	230,566	255,268	24,702	10.7	276,894	21,626	8.5
Department of Veterans Affairs	30,041	28,998	(1,043)	−3.5	31,214	2,216	7.6
Environmental Protection Agency	4,906	5,108	202	4.12	5,770	662	13.0
General Services Administration	(462)	(123)	339	−73.4	487	610	−495.9
National Aeronautics and Space Administration	11,036	12,429	1,393	12.6	13,878	1,449	11.7
Office of Personnel Management	29,073	31.949	2,876	9.9	34,808	2,859	8.9
Small Business Administration	85	692	607	714.1	613	(79)	−11.4
Federal Deposit Inusrance Corporation	12,913	11,729	(1,184)	−9.2	15,883	4,154	35.4
Federal Emergency Management Agency	532	2,040	1,508	283.5	870	(1,170)	−57.4
Resolution Trust Corporation	9,172	46,547	37,375	407.5	50,751	4,204	9.0
Other independent agencies	11,153	13,350	2,197	19.7	12,952	(398)	−3.0
Undistributed offsetting receipts	(89,155)	(99,025)	(9,870)	11.1	(110,554)	(11,529)	11.6
Total outlays	1,144,020	1,251,776	107,756	9.4	1,322,561	70,785	5.7
Total outlays minus defense and RTC	839,967	915,474	75,507	9.0	1,009,885	94,411	10.3

SUMMARY OF LARGEST OUTLAY INCREASES

Agency/account	Fiscal year—		Change fiscal year 1991 over fiscal year 1990	
	1990	1991	Dollars	Percent
Department of Agriculture:				
Price support programs	6,276	9,898	3,622	57.7
Food Stamp Program	15,923	19,649	3,726	23.4
Department of Defense—Military:				
Military personnel	75,622	83,439	7,817	10.3
Operations and maintenance	88,340	101,769	13,429	15.2
Defense cooperation account	0	(43,618)	....	....
Department of Education:				
Education for the disadvantaged	4,482	5,219	737	16.4
Special education	1,617	2,174	557	34.4
Health and Human Services:				
Medicaid	41,103	52,533	11,430	27.8
Medicare	107,410	114,219	6,809	6.3
Family support payments to States	12,246	13,520	1,274	10.4
Social Security: Insurance and disability payments	243,300	263,025	19,725	8.1
Department of Labor: State unemployment benefits	17,210	25,149	7,939	46.1
Department of Transportation: Airpost and Airway Trust Fund	3,498	5,236	1,738	49.7
Department of the Treasury:				
Internal Revenue Service	12,053	13,689	1,636	13.6
Interest on the public debt	264,853	286,022	21,169	8.0
Department of Veterans Affairs: Compensation and pensions	14,453	16,168	1,715	11.9
Independent Agencies:				
Bank insurance fund	6,429	7,363	934	14.5
FSLIC resolution fund	5,213	8,556	3,343	64.1
Resolution Trust Corporation	46,547	50,751	4,204	9.0
Sum of increases	....	....	111,804	....

Mr. EXON. Mr. President, to conserve time, will the Chair advise the Senator from Nebraska when 5 minutes is up? I want to give other people a chance to speak.

I just want to speak briefly about the remarks made by my colleague from Oklahoma. Indeed, we serve together on the Budget Committee and, indeed, the Senator from Nebraska being on a different side of the political aisle than the Senator from Oklahoma, we have seen eye to eye more times than not. I appreciate very much the presentation he made. He makes some very good points.

There is only one part on which I disagree with my friend from Oklahoma. I am not accusing him of being dishonest. I just wish he would shape up his facts just a little bit. He tends, as so many people do today, to blame everything on the Congress. And the Congress is certainly entitled to more than its share of responsibility.

But the President of the United States, under our system, proposes a budget. Not once during the term of Ronald Reagan, or, yet, of George Bush—and I will not hold my breath until it starts happening—have those Presidents proposed a budget that was balanced; not once in all of those years did those Presidents who, seemingly, because they happen to be Republicans, who by their very nature are conservative and want to balance the budget. Could it not be that the President of the United States, because he is a Republican, ducks issues?

How many times have Republican Presidents——

Mr. NICKLES. Mr. President, will the Senator yield?

Mr. EXON. I will yield when I finish and give my friend from Oklahoma the same consideration and courtesy that he gave me.

How many times in the last several years have we seen the veto pen used for anything other than less significant items? I know it is difficult because the President of the United States does not have line-item veto authority. This Senator has been trying to get that for a long time because I used it effectively and fairly when I was Governor of the State of Nebraska to bring spending into line. But the facts of the matter are President Reagan, who promised to balance the budget after 4 years, and even President Bush, who has made some statements that he would like to balance the budget, on no occasion whatsoever have any of those Presidents had the courage to practice what they preach, and that is to veto.

We as Members of the Congress, both Democrats and Republicans, I emphasize, have a share, a major share of that fault for whatever it is. But to try to say it is all the fault of the Congress, and the individual down there at 1600 Pennsylvania Avenue has nothing to say about it, indicates to this Senator a basic lack of understanding of how our Government is set up and how it works.

I would just like to comment briefly on what we have been talking about with regard to the $1 billion earmark. I would simply say once again that I am not crazy about this proposal. If this proposal is eliminated from the conference report before it reaches the Senate and the House. It will be fine with this Senator. It might stop some of the debate that is going on.

I simply want to say once again, Mr. President, and emphasize that, while not being an author of that particular $1 billion earmark, I say once again and very clearly that not one penny of that money could be spent for any purpose without the President of the United States and the Secretary of Defense agreeing.

It might be well and good for people to stand up and say, "But I do not want that." They do not trust the President of the United States and the Secretary of Defense to use some funds as they see fit if they thought those fund would be in the national security interest of the United States.

You know, I trust the President of the United States and the Secretary of Defense that much. I suspect that if this bill is passed, over filibusters, furor, rhetoric, and pounding the desk, the President of the United States and the Secretary of Defense will not spend the money anyway.

Therefore, I think and hope that the U.S. Senate and the House of Representatives will not be bogged down for days and days and days, and maybe weeks, on a piece of legislation that simply says, "Mr. President, we authorize you to use some of this money if in your viewpoint it would be in the national security interests of the United States." That is all it does. But if we want to drop it, it is perfectly all right with this Senator.

Mr. President, I yield the floor.

Mr. DODD. Mr. President, will the Senator from Oklahoma yield?

Mr. NICKLES. I would just like 2 minutes. I was seeking recognition for 2 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 2 minutes.

Mr. NICKLES. Mr. President, I appreciate the comment from my friend and colleague from Nebraska, but I just have two points, one on the deficit and one on the $1 billion for the Soviet aid.

I think again that the $1 billion is ridiculous, and to say we are just going to give the President discretion is also. We did not give the President discretion on the defense bill for SDI. We are micromanaging that program. We should not, but we do. We did not give the President discretion on the B-2. Basically we said, "Here is the money, but you cannot build any more B-2's with it, which I happen to think is ridiculous. I think we need the Stealth bomber just like we need the stealth fighter.

No, Congress is not giving that discretion. The only way it will give discretion is for the President to offer economic aid to the Soviet Union to help them reestablish their military, relocate, and job training. I think that is ludicrous, and we should not do it. The President did not ask for it. I am kind of amazed. And now some of my colleagues pick on the Democratic side, or in the House of Representatives they let us give this kind of discretion to the President. He did not want it, did not ask for it. Let's not give it to him.

Let's have DOD dollars to be used for American defense purposes. If we do not need to spend it for defense, let's use it to reduce the deficit or use it to stimulate the economy in the United States. But let's not waste it over in the Soviet Union when they are still building missiles aimed at the United States. Let's not waste it when they are still sending money to Cuba. Let's not waste it when their economy is still based on the idea of government control of communism and socialism. That, frankly, has not worked and it does not reform. They do not have convertibility of the ruble. They do not have private ownership of property. They do not have private ownership of corporations. They are talking about it, but have not done it. Their economy is a basket case. Our giving them $1 billion will not help them one iota.

To respond to my friend and colleague from Nebraska, he said, well, the administration is just as much at fault as Congress. I would say they are partially at fault, but I will say likewise the administration sends up budgets and requests spending cuts—they do not get them—in the budget package.

In the big battles we had in the early eighties, we got tax cuts, but we did not get the spending cuts, the proposed significant spending reductions. We have not done that. Congress has refused to do it. We have not shown the guts, willingness, or courage to limit the growth in outlays. We either have to shut down, freeze it, curb it, or curtail it, slow the upward curve down. We cannot allow outlays to continue to grow twice as much as receipts and revenues. If we do that, we will continue to have escalating deficits, and that is not acceptable.

I yield the floor.

The PRESIDING OFFICER. I recognize the Senator from Connecticut.

Mr. DODD. Mr. President, I thank the Chair.

Let me just briefly comment, if I may, on this proposal that is included, at least in the draft, as I understand it, at this point of the defense authorization bill. It is title XII, and it is entitled "Reduction of Soviet Military Threat, Part A, Emergency Assistance to the Soviet People." Then it goes on here for some pages, as I understand it. Procedurally, having talked with a number of people, the conference report has yet to be filed.

So, as I understand it, the conference is still an open conference, and I would like to think that possibly some of this discussion here today might serve as at least some indication to the conferees, both the House and the Senate, of some of the feelings about this particular proposal.

So I hope that before we decide exactly how we are going to deal with the conference report when it comes over, there is a possibility still, since the conference is still an open conference, the report has not been filed—I understand it has not been filed because there are some other matters raised, or some objections to be raised in the House of Representatives over this specific package or this specific proposal.

But I would like to suggest, Mr. President, that certainly one could make the strong case that there is going to be a need for some sort of assistance, I suppose, for the Soviet Union, given the fact that they are in fact a basket case, as the Senator from Oklahoma has indicated, economically. Some sort of financial help for the food or medical assistance this winter may be necessary. But I would like to strongly recommend that if that is the case, I think the President ought to come to the Congress and ask for that. It seems to me that is the appropriate way to proceed here.

Second, I have serious questions about whether or not, even if you wanted to do this, that it ought to properly be included under a Defense authorization bill. This is entitled "Assistance to the Soviet People." I would raise at least the proposal that, if this is to be done, it probably ought to come out of the Foreign Relations Committee or the Foreign Affairs Committee of the House since we are talking about basically an economic aid package here. So the proper vehicle for this, if it is to be done, should properly come through that particular committee rather than through the Armed Services Committee.

Third, there are some serious questions, I suggest here, regarding the Budget Act that was just passed or the budget proposal last year. There are requirements there that, if reductions are to occur in these areas, they not necessarily automatically go to other accounts. It seems to me here that this proposal, as it is coming out of defense budgets going into what might be categorized as a foreign assistance budget, or at least under those proposals, you might need super majorities to deal with this.

So it seems to me there are a number of significant issues that are being raised by this proposal aside from the question of whether or not this is the right thing for us to be doing at this particular time given the economic difficulties we face here at home.

Rather than suggest today that I would use any and all procedures and vehicles available to each and every one of us as Members of this body to recommit the authorization conference report or to strike those provisions, I wish the conferees who are dealing with this matter would listen to this debate or listen to these comments that are being made and maybe go back to the table and reconsider this, and that, in fact, if the administration, as I am told is the case, is very supportive of this, in fact likes what is being concluded in the proposal because it does give discretion and it does allow the administration to move forward, I think the proper way to proceed is for the President to go before the Congress or to submit to the Congress a proposal that will include that kind of assistance, and then we will debate whether or not that is what we want to do.

My colleagues here on the floor can correct me if I am wrong, but I do not recall this being included in the debate here on the floor of the Senate when we were considering the Defense authorization bill, nor do I recall that the matter was raised in the House of Representatives, in the other body, during their consideration of the Defense authorization bill—now I am not absolutely sure that I am correct in that, but I believe I am—which could indicate that this matter came up sort of as a matter never raised in either Chamber and as a result it is something that the conferees themselves brought forward, which I am sure will raise certain concerns in both bodies.

So, Mr. President, I urge the conferees to listen hard to their colleagues in both the House and the Senate before bringing forward this conference report. There are many significant and worthwhile proposals included in that Defense authorization bill. It was debated at length here on the floor of the Senate. There are matters in there that I think are of tremendous importance to the country and we should not be delayed in bringing out that conference report.

But I would suggest that the inclusion of title 12 in that conference report is going to have the effect of turning this particular bill into a significant battle on the floor of the U.S. Senate, and I would suggest probably the same is true in the House of Representatives.

It is rather difficult for many of us to go back and suggest to our constituencies, when we are being told that there is an inadequate amount of funds for the extension of unemployment benefits or that we do not have the funds to deal with low-income energy assistance—and I could go on, and I presume each of my colleagues might raise various other matters that are of concern with them where the argument has been raised—we cannot quite afford to do it.

I do not have the numbers available to me at this very moment but I would suggest that there are thousands of people in my State alone, literally thousands of people in the last 2 years who have been laid off within the defense industry. That does not include State employees or employees of businesses that have nothing to do with the defense industry who have also lost their jobs. But just for the sake of discussion here this afternoon, there are a significant number of people who have lost their jobs in my State who worked at Pratt & Whitney, Sikorsky, Hamilton Standard, Norden, and Electric Boat Division of General Dynamics and dozens upon dozens of subcontractors that are suppliers to those major contractors who have lost their jobs.

In many ways, Mr. President, these are the veterans of the cold war. These are the veterans of the cold war. And it is regrettable that they have lost their jobs. It is a tragedy to see it happen.

It is going to be extremely difficult, to put it mildly, to go back and I presume at some point I would be confronted with someone standing up and saying, "Senator would you mind explaining to me section 1212 of this bill which is entitled "Authority for Programs to Promote Soviet and Eastern European Defense Conversion and Demilitarization?"

Some 15 years ago our former colleague, who is now deceased, Stewart McKinney of Connecticut, and I introduced conversion legislation to assist communities and defense contractors in converting from defense products to nondefense items. That legislation never got very far. Ideas have been raised over the years in a number of different ways that might assist in the conversion effort. There is a lot of talk today about how we might assist defense workers who have lost their jobs because we have reduced the budget significantly, and increased technology does not demand as labor-intensive an industry as defense contract work has been in the past.

But I presume all of us are going to be asked in our respective jurisdictions and States; how is it that we can manage to come up with a defense conversion bill and assistance for Soviet defense workers when we refuse to even consider legislation that would provide for conversion for our own defense industries and assistance to those workers who have lost their jobs?

I would suggest that is going to be a very difficult argument for people to face when they see a proposal in front of them that would provide at least an authorization of a billion dollars to assist the Soviet Union in that regard.

So, Mr. President, again I commend at least the thoughts and the desires and the intentions, well founded as they are, behind this proposal, in that they would like to help people who are hurting, and I think all of us can relate to that. We have certainly been a generous people throughout our history, a generous people; and particularly in the post-World War II period we have been extremely generous. And I take pride in standing in this Chamber admitting to that.

But it seems also just as true, Mr. President, that at times when your own country is feeling the worst economic times in decades, in decades, where 1 out of every 10 Americans is now on food stamps, 23 million people on food stamps in this country, 30 to 40 million without health insurance at all of any kind, it is going to be an extremely difficult proposal to suggest to the American people at this particular moment that we have the resources available to us to such an extent that we can provide a billion dollars to the Soviet Union and its people, who legitimately are suffering, at a time when our own people are feeling the incredible pressures of unemployment and increased prices in education and health care and housing, and the long list.

So, Mr. President, I hope, with all due respect to our colleagues who have proposed this, that they go back to the drawing board and have a look again before bringing this before this Chamber or the other body for consideration. This is not the time. There are other ways of doing this. I think it is incumbent upon those who are interested in this proposal. The best way for them to proceed is for the Commander in Chief, the President of the United States, if he feels this is necessary, to submit legislation to this body and to the other, laying out a program that would provide that assistance and then to thoroughly debate that proposal here on the floor of the U.S. Senate and in the House of Representatives, and then give our approval or disapproval to that suggestion as a freestanding proposal rather than something that is included in a defense authorization bill that has never been considered in this Chamber and, to the best of my knowledge, not considered in the other body as well.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. D'AMATO. Mr. President, let me make two facts known to the Chamber. No. 1 is that this letter was signed as a "Dear Colleague" letter by Senator NUNN, the chairman of the Armed Services Committee on November 4. And I have been informed, fact No. 2, that the conference report has already been signed.

So I would suggest that there is a greater urgency to see to it that it is dealt with. Because, certainly, I find it hard to believe that the conferees would take on this kind of a responsibility, assume this, just put it in the report and report it out here and we are going to have to take it as fait accompli or reject the report. And they understand that is very seldom done.

Certainly we were not consulted, as the Senator from Connecticut has suggested. This matter was never brought to the floor. And when we talk about needs, the needs of American working people in our defense industry have been forgotten.

Do you want to do something in that bill? Then talk about the unemployed defense workers, retraining them; talk about the thousands and thousands who are going to be laid off as a result of the fact of the cutbacks.

Incredible. We pay the price for freedom and yet we give a peace dividend to the Soviet Army. If we are going to talk about a peace dividend, we better give it to the people here and the troops who are going to be furloughed here.

With some specificity it talks about dealing with the problems of those military people who are laid off, who are separated involuntarily in the Soviet Union. Well, there are tens and tens and tens of thousands of young American men and women who are going to be and are being involuntarily separated as we speak. What about them?

What an incredible piece of legislation to be considering. I will tell you what makes it somewhat ironic. While we are desperately trying to find a way to pay for and pass an unemployment benefits bill for Americans who are suffering because they are out of work, the leadership of the Senate and the House are literally arguing over, forgive me, forgive me, mere millions of dollars that separate them from coming to an agreement for an unemployment package.

I have to tell my colleagues, I do not know whether we really recognize what is happening in the real world. If we have $1 billion to spare, Mr. President, we can spare it for the needs of the unemployed, the needs to find funds to support better schools, more competitive schools, the needs that we have for research and development and for industries here, the needs we have to retrain and employ Americans who need work. It strikes me this is Ivan in Wonderland logic. What kind of logic are we using?

Then yesterday I had my friends come to the floor and say, oh, what a message the elections sent. What a message? I think my friends over here—some can take delight that their fellow won or lost; and others, oh, we will just pile on, but it is business as usual.

Come in out of the rain, fellows; wake up; understand what is happening. Because this proposal smacks of "business as usual." They really do not understand what the American people are saying. They are not saying continue to move on as in Alice in Wonderland.

Now, as I have said, I think we have found a new logic, Ivan in Wonderland.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DIXON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, there will be no further rollcall votes today.

I have been discussing with the distinguished Republican leader and other interested Senators the schedule for the Senate in the next few days. We have been discussing a number of measures that we hope to take up beginning early next week, including the Older Americans Act, the banking legislation, and the unemployment insurance extension legislation.

We are going to continue those meetings in the very near future, and it is my hope that we will be able to make an announcement, indeed to get some agreements regarding the precise times and order of handling such matters, before this day is out.

So the Senate will remain in session. There will be further announcements in that regard, we hope, in the near future. But for now, we will not be able to proceed to and complete action on the legislation today. So there will be no further rollcall votes today.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

FIX THE HEALTH CARE SYSTEM

Mr. RIEGLE. Mr. President, I want to draw attention to a story today on the front page of the Wall Street Journal. It is a story in the left-hand column that says, "Pennsylvania Election Sends National's Leaders An Ominous Message."

The subheadline says, "Fix the Economy, Voters Say; Other Gripes: High Taxes, Inadequate Health Care."

Then the third subheadline here is, "Wake-up Call for Republicans."

I want to just read the first couple of paragraphs here.

It says:

> The voters had a message for President Bush, and it come in a shout, not a whisper: Ignore us at your peril.
>
> The surprising victory of Democrat Harris Wofford in the Pennsylvania Senate race over Dick Thornburgh, a former governor and member of the Reagan and Bush cabinets, sent Mr. Bush an unmistakable signal: He'd better produce a health-care plan and do whatever it takes, including cutting taxes for the middle class, to get the economy out of the doldrums.

I will not read the rest of the article, but I certainly agree with that description in these headlines and first two paragraphs of this Wall Street Journal story of today. I think clearly the message from the Pennsylvania Senate race was that the economy is in trouble, people want action taken to fix it. They want to see extended unemployment compensation benefits. They want to see a comprehensive national health insurance program. They want to see an economic recovery program that can bring our jobs back. They want to see the country not go into a fast-track trade agreement with Mexico where what we are doing is providing jobs to Mexico but taking jobs out of the United States at the same time. Those issues came through loud and clear.

I think today we saw a reaction to that right here on the Senate floor when a number of our colleagues on the other side of the aisle came forward, finally, and in a welcome way, from this Senator's point of view, to begin to address the issue of the national health care problem. While I was not on the floor at the time, I have obtained a copy of the news release put out by our colleague, Senator CHAFEE, from Rhode Island, in which he summarizes some ideas, an approach to the health care issue that he and others on that side of the aisle have decided to put forward.

I want to say I welcome that initiative. I think it is important that both parties be engaged on this issue. I serve as chairman of the Subcommittee on Health for Families and the Uninsured in the Finance Committee, and Senator CHAFEE is the ranking minority member. So I very much look forward to working with him on the issue of health care to develop a comprehensive plan for this country.

In analyzing, in the time that I have had, the proposal—the general outline of the proposal—that he had described today, I have to say that there are two parts of it that I think are missing that have to be added to it. And I would like to, in the course of the days ahead, attempt to work constructively to see if we can move in the direction of a broader approach to this problem.

First of all, we need a plan, a national health insurance plan that will end up providing health insurance coverage to everyone in the country. In the plan that the Democrats have developed that I am a cosponsor of, along with Senators MITCHELL, ROCKEFELLER, and KENNEDY, we phase in coverage starting with children under the age of 19, and expectant mothers, and then we phase in coverage for all people in the country.

The proposal put forward by Senator CHAFEE today does not envision covering all people in the country under a health insurance system. So I think that is one area that I would hope they would take another look at and decide they could move with us in that area, and find a way to do that.

Also, with respect to fundamental cost reform of the health care system, the problem is that we are spending a virtual fortune on health care in this country. The amount of money, about 12 percent of our GNP, going to health care is well beyond that of any other modern nation. We need some effective cost control because what is happening is that for those people out across the country, particularly those in the middle class, who have health insurance coverage today, it is so expensive and the rates are going up and the copayments are going up, the deductibles are increasing, that most people who have health insurance are finding they cannot afford to maintain it. And so the problem is one of ever-rising costs of health insurance. Those costs have to be contained, and you need a tough set of cost control mechanisms to do that.

In the Democratic bill that we have developed, we have laid out a series of cost containment proposals. We propose establishing a Federal Expenditure Board which would operate like the Federal Reserve Board operates where we would establish national spending goals for all of the health care services in the United States. And for the first time we would ask the providers, the doctors and the hospitals, and the purchasers of health care, businesses, individuals, and insurance intermediaries, to sit down around a table and to develop a comprehensive set of cost controls, including national payment rates.

We also think that billions and billions of dollars can be saved by making the system more efficient through the reduction of administrative costs and by establishing a uniform billing procedure.

We also think that a lot of unnecessary care could be eliminated by a better job of evaluating the effectiveness of certain medical procedures and the cost of performing those procedures. We believe that there are great savings to be had in that area as well.

The proposal today by the Republicans does not address those issues, in my view, and I would encourage them to take a look at that and see if that is an area where they could join us in moving in the area of a comprehensive cost reform aspect of a national health insurance program.

Those two parts, universal coverage so that every person in America is seen and is acknowledged as being worthy of health insurance, and, on the other hand, a tough set of cost controls that can hold these cost increases down so that people who have insurance are not bankrupted by the rising costs of health insurance, these two things have to be dealt with in tandem.

I will say for the plan that Senator CHAFEE advanced, at least from the general outline I have seen today, it has a very strong program in the area of medical malpractice reform. I think that is a very constructive addition to the debate. I commend him for the work that has been done in that area. I myself feel that this is an area where we need to move farther.

So, I would hope that the folks on the other side of the aisle, having now engaged in this issue—even if it is the result of a little anxiety over the Pennsylvania election results—would take a closer look at the issues of access and cost controls I think the introduction of their plan is a constructive development and I am pleased to see some action now starting to occur on the other side of the aisle.

I want to say for my part that I am prepared to work within our subcommittee, with Senator CHAFEE, to develop a comprehensive proposal, with tough cost controls and universal access to health insurance for all the people of this country. If we start down that track toward those goals, I think we can accomplish something.

Now, as to the timetable, I think the commitment that we have to make to the American people and to each other is that we will enact a comprehensive national health insurance program before the 1992 Presidential election; that we will enact it before that election—not some time in the distant future, in 1993, or 1994. And we need the President to get involved in this issue. The Reagan-Bush administration was in power for 8 years. They made no national health insurance proposal. That administration has continued on now. It is the Bush-Quayle administration that has been in power for 3 more years. So now for a total of 11 years they have been studying this problem, and they have not developed any concrete proposal to put forward a comprehensive national health insurance plan. We need that plan developed now and enacted this coming year, in 1992, before the Presidential election. Not after, but before.

So I am prepared to set our subcommittee at work, and we will take whatever time it takes to work these proposals out. There is going to have to be some cutting and fitting to find a consensus where we can meet these two goals of a fundamental cost reform package and universal access to health insurance that covers all the people of this country.

The time to do it is now. I call on the President to address this issue. There is a lot of time and effort that is going into foreign policy and the problems in other countries. All of the other leading industrial countries have national health insurance programs. The only country that is left that does not have one is the United States, and we need one and we need it now. So I invite the President to join us in this effort. We need his help. We need his engagement. We need his commitment to developing that kind of a program. We are going to move ahead and we are going to use every tool that we have to work with to get that kind of a program enacted within the coming year.

I thank the Chair and yield the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois [Mr. DIXON] is recognized.

THE NATIONAL DEFENSE AUTHORIZATION BILL FOR FISCAL YEARS 1992 AND 1993

Mr. DIXON. Mr. President, I am generally satisfied with the national defense authorization bill for fiscal years 1992 and 1993. This bill is the result of the tireless efforts put forth by the Members and the staffs of both the House and the Senate, and it is a good Defense bill in my view. It reduces our forces in an intelligent manner and does not create a hollow force as we have done in previous military drawdowns.

Nevertheless, I am very concerned with the language in the bill which permits the President, if he so wishes, to provide the Soviet Union with $1 billion in aid. If we can find an extra $1 billion in this Defense budget, why are we not using it to directly benefit our own people in our own country?

Let me make it clear that, as an American, I welcome the end of the cold war. I wholeheartedly support the blossoming of democracy in a country which suffered under totalitarianism for so long.

But even so, Mr. President, I cannot understand how anyone can justify giving this kind of assistance to any foreign country when the United States is faced with a serious recession as well as the highest debt in our history.

Americans are losing their jobs. Unemployment compensation is running out. More people than ever before are being forced to rely on food stamps. It is outrageous to me that we are making foreign aid a priority over domestic aid.

Mr. President, I have spoken about the erosion of the American industrial base on many occasions. Part of this $1 billion aid package is to bolster the Soviet Union's industrial base.

But, Mr. President, what about the U.S. industrial base?

How can we help the Russians and continue to ignore our own citizens?

Mr. President, I am a strong proponent of charity, but I feel charity should start at home. If the Department of Defense has an extra $1 billion, then those dollars should be used for our own citizens first. I recognize that Soviet citizens and industry need some help, but so do United States citizens and their industrial apparatus. I know I am not alone in the belief that this portion of the bill is wrong.

I do not think the bill should be voted down simply because of this proposed aid to the Soviet Union. Since the bill only allows and does not require the President to give this $1 billion in aid to the Soviet Union, I strongly recommend that the President be encouraged by us in Congress not to provide this aid package to the Soviet Union.

I thank the Chair.

I note the lack of a quorum and suggert that to the Chair.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRAYER IN SCHOOL

Mr. NICKLES. Mr. President, yesterday was kind of an unusual day. I had the opportunity to sit in on the Supreme Court hearing of Weisman v. Lee, which is a case dealing with prayer in school. Actually, it was not prayer in school, but it was the question of prayer at a commencement exercise. This commencement exercise was not for a high school graduation but for a middle school, where a prayer was read and evidently it offended someone, and so they filed suit to stop such activity.

I was interested in the case because I had a hard time believing that in the United States someone would complain because somebody happened to pray at a commencement exercise and felt that this was in violation of the first amendment, or in violation of the so-called doctrine of separation of church and state.

Mr. President, let me make a couple of comments. One, the separation of church and state argument, which I have heard, and it is repeated around this body and around this country as if it is doctrine and in the Constitution, is wrong. There is nothing in the Constitution that says we are going to have or should have separation of church and state.

As a matter of fact, that is totally opposite of what our forefathers believed. If you happen to read the Constitution or the Declaration of Independence, the word "separation" of church and state is not to be found. And if you read the Declaration of Independence, it is quite obvious that we had forefathers who were very committed individuals, who were committed to God, who were believers. I was kind of troubled by the fact that this case would go all the way to the Supreme Court.

I would also tell you, Mr. President, I was troubled by some of the questions and the tone of the argument and even the presentation of the case. To put the day in perspective, I might just read for the RECORD the invocation that was stated by a rabbi in Providence, RI.

This prayer is one of the prayers at issue in the case. They were so offensive that somebody said they were unconstitutional. In the invocation, I quote:

> God of the free, hope of the brave: For the legacy of America, where diversity is celebrated and the rights of minorities are protected, we thank you. May these young men and women grow up to enrich it.
>
> For the liberty of America, we thank you. May these new graduates grow up to guard it.
>
> For the political process of America in which all citizens may participate, for its court system, where all can seek justice, we thank you.
>
> May those we honor this morning always turn to it in trust.
>
> For the destiny of America, we thank you. May the graduates of Nathan Bishop Middle School so live that they might help to share it.
>
> May our aspirations for our country and for these young people, who are our hope of the future, be richly fulfilled. Amen.

This prayer, Mr. President, if I am correct, mentions the word "God" once. It is a prayer. It thanks God for our liberties and for our freedoms, for our judicial system, for our political system, and mentions the word "God" and praise to God one time.

As a result of this prayer, people were so incensed that they would go all the way to the Supreme Court and say: This is a violation of my liberty? I find that hard to believe.

I compliment Rabbi Gutterman for his prayer. I think it was well stated. But I am trying to rationalize how people could be opposed to that. Because if they are opposed to that, evidently they are opposed to what is in the Senate Chamber and probably should be filing suit. In the Senate, we have right over this door, "In God we Trust."

The same God, I guess, that we trust in and he was praying to they found quite offensive. I do not know if people find that offensive. We have "In God we Trust" on our coins. Is that so offensive? Is that unconstitutional?

If this prayer is unconstitutional, then it is unconstitutional to say the Pledge of Allegiance, as we say, "One nation under God." How in the world can we be going so far? Somebody says we are trying to protect the separation of church and state. Oh, it is in the first amendment of the U.S. Constitution. It is not. Somebody said it is in violation of the establishment clause of the first amendment to the Constitution. It is not.

When I listened to the debate in the Court, I will tell you, Mr. President, I was bothered by what is happening. Let me read the first amendment to the Constitution. It says:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof;

I will go on. It says:

> or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

So our Government, in the first amendment to the Constitution, says we do not want Congress to pass any law providing for the establishment of religion, nor did they want to prohibit the free exercise thereof.

With the Supreme Court in this case—unfortunately, I think they have done in previous cases—they say you cannot have prayer in the school or you cannot have prayer in the commencement exercise. They are prohibiting the free exercise of religion. They are violating the first amendment to the Constitution as it is written, not as the establishment clause has been expanded through past Court decisions.

So I really hope the Supreme Court, when they look at this issue, will look at the first amendment and not just previous Court cases, such as Lemon versus Kurtzman. The product of the Lemon case is the Lemon Test which our Courts use to determine separation of church and state. The Lemon Test has gone far beyond what our forefathers envisioned.

Our forefathers wanted, they insisted, they demanded, they mutually pledged their lives, their fortunes, and their sacred honor to give us a system of government that would preserve and protect our freedom, including our religious freedom. This was in the first amendment. They wanted no restrictions on the free exercise of religion. They said Congress shall pass no laws.

I might refer my friend to article I of the Constitution. It says.

> All legislative Powers herein granted shall be vested in a Congress of the United States.

All legislative powers shall be vested in Congress. And then the first amendment says Congress shall make no laws. In other words, any laws that are going to be made are going to be made by Congress, and it says Congress shall make no laws respecting an establishment of religion, no laws prohibiting the free exercise thereof.

They did not want Congress doing anything that would infringe on anybody's right to exercise their religion. They were fleeing England. They had a Church of England. They did not want a Church of the United States. They wanted to have freedom of worship without any possibility of government prohibiting that activity whatsoever.

Our forefathers would be shocked that the Supreme Court would be hearing a case because somebody named Rabbi Gutterman would read a prayer that mentions the word "God." They would be shocked that somebody would be saying that is unconstitutional.

It's almost beyond comprehension that, from our forefather' vantage point, the first amendment could be distorted as it has been. The first amendment was written beautifully; it was written well. It really does not need to be amended. It just needs to be interpreted as written, not as misinterpreted by previous Court cases in the past.

I might mention, too, Mr. President—and thinking of this day, so this is kind of an interesting day for at least this Senator, a little piece of history, a case where I hope the Supreme Court will review some of the previous decisions dealing with prayer in school and allow freedom of religion. I am not trying to, nor do I have a desire to have any religion endorsed, mandated or coerced on any individual, but I do want individuals to have the right to have freedom of religion.

If we should go so far as the petitioners in this case, who are wanting to make sure that no one would invoke God's name in a school or in a public facility or in a graduation ceremony, or maybe an athletic event, or maybe in the halls of Congress or before the Supreme Court, if we want to go as far as they would go, then evidently we should never say the Pledge of Allegiance. We should never sing "God Bless America." We should never sing the song "America, God shed his grace on thee."

I can think of so many of our rich cultural historical songs and prayers and these people are going to say you cannot say them. In other words, does it mean our schools have to be so secular they almost have to be agnostic? They have to be an athiestic to comply with this doctrine of "we do not want" to have establishment of religion? No. That is not what our forefathers' meant, and I do not think it is right for this Court or previous Courts to misinterpret the first amendment, which was written quite well.

Mr. President, to put this day in perspective, it started out with the Supreme Court case Lee versus Weisman dealing with prayer in school.

Then toward the end of the day I found out that the National Endowment for the Arts has decided again to fund a couple of artists who have as their primary interest, I guess, or one of their primary interests to advocate, utilize as part of their performance, homoerotic art. We are funding that.

I am trying to reconcile these two things. The National Endowment for the Arts, which we write checks for, is funding performers who openly advocate gay and lesbian lifestyles and who in their performances do things that are very, some people would say, sacrilegious.

One of the performers has indicated, according to press reports—I am talking about the Washington Times and the Washington Post—that she sees Jesus between her mother's hips. I find that quite sacrilegious. I do not want to subsidize that. I do not think the taxpayers in Oklahoma want to subsidize that. She can perform that way on her own private time, using her own money, that is her desire. If anybody wants to pay to see that, that is their business.

But as a taxpayer, and maybe as a person who has some responsibility over taxpayers' funds, I find it very offensive to think that we as taxpayers would be subsidizing homoerotic art. But we have done it. We have done it time and time again. And, unfortunately, the NEA last night decided to do it again. They made two more grants, one to Holly Hughes, and one also to Ken Miller. They have given them grants in the past. They have given them grants time and time again even though they continue to advocate this type of alternative lifestyles.

I might mention the NEA a year ago decided that they would not give them a grant, and these performers and a couple of others sued the NEA. I would compliment NEA for refusing to make that award in the past, but what did they do? NEA since then has given them additional awards.

Last night they announced two more, giving those performers another $8,000. This was a grant; it was not for the performance.

Here again, it is kind of hard to handle, at least for this Senator, to think that in the morning, here we have people arguing in the Supreme Court that if a rabbi mentions the word "God" once in a prayer, he is violating somebody's constitutional rights. And then in the afternoon, to have the National Endowment for the Arts send out taxpayers' money to subsidize homoerotic art—here is a picture in the Washington Post of Holly Hughes, and she has on a T-shirt that says: Fight for homoerotic art. It goes into several things she and Mr. Miller and others have done.

How in the world can we have distorted the Constitution to the extent that some people say that it is against the Constitution for people to use the word "God" in a public institution like a school, but yet, at the same time, the chairman of the National Endowment for the Arts, Mr. Frohnmayer, thinks this is the right way to spend our money, and he knew these two grants were going to be quite controversial. But he thinks that is the right thing to do, because we do not want to infringe on anyone's right in the way that they express themselves or because of their lifestyle.

I am offended by that. I am offended by the fact that the NEA knew that these grants were in the mill, but they waited to make the grant until after Congress passed the Interior appropriation bill. That was not a coincidence that these were announced yesterday. They waited until after the Interior bill, which funds the National Endowment for the Arts. They waited until after, because they knew it was controversial, and maybe it would make a difference on their funding request. But they went ahead and funded them anyway.

I have been very supportive, I think, probably as much as anybody in this body, of most of this administration's appointments and nominees. I cannot really remember opposing one. I may have, but I cannot remember one. I sent a letter to the President yesterday suggesting that he replace Mr. Frohnmayer. I do not do that lightly. I cannot remember doing it. I may have done it in my 11 years in the Senate, but I cannot remember doing it.

I am offended by his administration of NEA. I am offended by his basically telling Congress: we do not care what you pass, I am going to fund whoever I want, no matter how offensive their art is, no matter how obscene it is, as if the NEA money is his money. It is not his money. It is taxpayers' money. Taxpayers are offended by this nonsense.

I commend Senator HELMS for his effort to try and clean up this type of what some people define as art, this type of obscenity, or lifestyle. I am not even critical of the lifestyle. I am just saying we should not subsidize it. Whether somebody is homosexual or lesbian, that is their business. But we have no business to subsidize those types of performances that are advocating that type of lifestyle. That is exactly what Mr. Frohnmayer did. And he knew there would be an outrage in Congress, but he did it anyway.

So I did send the President a letter and I said: Mr. President, I think you need to replace Mr. Frohnmayer. Not only did Mr. Frohnmayer make the decision, and also in a press interview he said, yes, I talked to somebody at the administration, and they did not indicate any opposition to this, and therefore I went ahead and did it. That is like, now he is going to pass the buck to them, because this going to be a hot potato. There is going to be political heat for this type of grant.

Then he puts that over on the President. I think the President would be better served by replacing Mr. Frohnmayer and, hopefully, make sure that we do not make this type of grant in the future.

Mr. President, think how ironic it is, that in the morning—and I want to include the second part of the rabbi's prayer, as I read his invocation. I want to read the benediction, because once again he mentions the world "God." In his benediction, Rabbi Gutterman stated:

> Oh, God, we are grateful to you for having endowed us with the capacity for learning, which we have celebrated on this joyous commencement. Happy families give thanks for seeing their children achieve an important milestone. Send your blessings upon the teachers and administrators who helped prepare them. The graduates now need strength and guidance for the future. Help them to understand that we are not complete with academic knowledge alone. We must strive to fulfill what you require of us all, to do justly, to love mercy and to walk humbly. We give thanks to you, Lord, for keeping us alive, sustaining us, and allowing us to reach this special happy occasion.

Mr. President, in his benediction he mentioned the word "God," and he mentions "Lord." I hope that Rabbi Gutterman's prayer will be answered not only for the graduates, but also for the Supreme Court and also for Members of this body. I pray to God that he will forgive us for having distorted the first amendment and the Constitution, as we have done so grossly by past decisions. Maybe with this Supreme Court, it will allow us to interpret the first amendment and allow us to have free exercise of religion, and not prohibit us freedom of speech, but just to give us the freedoms that were fought for, that were cherished by our forefathers, that we are to protect for tomorrow.

I yield the floor.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar No. 357 through and including Calendar No. 382, and all nominations placed on the Secretary's desk in the Air Force, Army, Marine Corps, and Navy.

I further ask unanimous consent that the Senate proceed to their immediate consideration; that the nominees be confirmed en bloc; that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table en bloc; that the President be immediately notified of the Senate's action; and the Senate return to legislative session.

Mr. WARNER. Mr. President, first it is a pleasure to appear here in wrap-up with my distinguished friend from South Carolina.

NOMINATION OF VICE ADM. JEREMY M. BOORDA

Mr. WARNER. I should like to note for purposes of Calendar No. 381, the promotion of Adm. Jeremy M. Boorda, to be admiral, that I have known this individual for many years, beginning with my association with the Department of the Navy in 1969 as Under Secretary and later the Secretary. He is an extraordinary individual. I wish to state that I believe he will fulfill these new responsibilities in a certain area important to our security, namely, the Mediterranean and European area, with great distinction. I wish him and his lovely wife well.

The PRESIDING OFFICER. Without objection, the unanimous consent request is agreed to.

The nominations considered and confirmed en bloc are as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

David F. Bradford, of New Jersey, to be a Member of the Council of Economic Advisers, vice Richard Schmalensee, resigned.

Paul Wonnacott, of Maryland, to be a member of the Council of Economic Advisers, vice John B. Taylor, resigned.

FEDERAL RESERVE SYSTEM

Susan Meredith Phillips, of Iowa, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of 14 years from February 1, 1984, vice Martha R. Seger, resigned.

IN THE AIR FORCE

The following officer for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of sections 593, 8218, 8373, and 8374, title 10, United States Code:

To be brigadier general

Col. Richard C. Cosgrave [redacted] Air National Guard of the United States.

IN THE ARMY

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Carmen J. Cavezza [redacted] U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Charles E. Dominy [redacted] U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Neal T. Jaco [redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. William H. Harrison [redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Calvin A. H. Waller, [redacted] U.S. Army.

The following-named officer for appointment as Assistant Judge Advocate General, U.S. Army and for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, section 3037:

To be assistant judge advocate general

To be major general

Brig. Gen. Robert E. Murray, [redacted] U.S. Army.

The following-named officers for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent major general

Brig. Gen. David A. Bramlett, [redacted] U.S. Army.

Brig. Gen. Richard A. Behrenhausen, [redacted] U.S. Army.

Brig. Gen. John A. Leide, [redacted] U.S. Army.

Brig. Gen. Robert D. Orton [redacted] U.S. Army.

Brig. Gen. James R. Harding, [redacted] U.S. Army.

Brig. Gen. Frederick E. Vollrath, [redacted] U.S. Army.

Brig. Gen. Richard F. Keller, [redacted] U.S. Army.

Brig. Gen. John C. Ellerson [redacted] U.S. Army.

Brig. Gen. Kenneth R. Wykle, [redacted] U.S. Army.

Brig. Gen. David C. Meade [redacted] U.S. Army.

Brig. Gen. Ronald V. Hite, [redacted] U.S. Army.

Brig. Gen. Thomas M. Montgomery, [redacted] U.S. Army.

Brig. Gen. Daniel W. Christman, [redacted] U.S. Army.

Brig. Gen. Richard E. Davis [redacted] U.S. Army.

Brig. Gen. James M. Lyle, [redacted] U.S. Army.

Brig. Gen. Richard G. Larson [redacted] U.S. Army.

Brig. Gen. Johnnie E. Wilson [redacted] U.S. Army.

Brig. Gen. William F. Garrison, [redacted] U.S. Army.

Brig. Gen. Dewitt T. Irby, Jr. [redacted] U.S. Army.

Brig. Gen. Thomas L. Prather, Jr., [redacted] U.S. Army.

Brig. Gen. John G. Coburn, [redacted] U.S. Army.

Brig. Gen. John H. Little [redacted] U.S. Army.

Brig. Gen. William G. Carter III, [redacted] U.S. Army.

Brig. Gen. Wesley K. Clark [redacted] U.S. Army.

Brig. Gen. Walter H. Yates [redacted] U.S. Army.

Brig. Gen. Hubert G. Smith [redacted] U.S. Army.

Brig. Gen. Charles W. McClain, Jr. [redacted] U.S. Army.

Brig. Gen. Richard E. Beale, Jr., [redacted] U.S. Army.

Brig. Gen. Paul E. Blackwell [redacted] U.S. Army.

Brig. Gen. Robert E. Gray, [redacted] U.S. Army.

Brig. Gen. Jared L. Bates, [redacted] U.S. Army.

Brig. Gen. Richard F. Timmons, [redacted] U.S. Army.

The following-named Army Nurse Corps Competitive Category officer for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 634(c):

To be permanent brigadier general

Col. Nancy R. Adams, [redacted] U.S. Army.

The following-named officer for promotion in the Judge Advocate General's Corps, U.S. Army, and in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 611(a), 624(c) and 3037:

To be permanent brigadier general

Col. Michael J. Nardotti, Jr. [redacted] U.S. Army.

The U.S. Army Reserve officers named herein for appointment in the Reserve of the Army of the United States in the grades indicated below, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. Richard B. Burleson, [redacted]

Brig. Gen. Paul P. De La Vergne, [redacted]

Brig. Gen. George L. Gunderman, [redacted]

Brig. Gen. Gene P. Hale, [redacted]

Brig. Gen. Paul R. Lister, [redacted]

Brig. Gen. Robert L. Menist, [redacted]

Brig. Gen. Ross G. Pickus, [redacted]

Brig. Gen. Claude J. Roberts, Jr., [redacted]

Brig. Gen. John E. Scully, Jr. [redacted]

Brig. Gen. John E. Simek, [redacted]

Brig. Gen. Ronald E. Sneed, [redacted]

To be brigadier general

Col. Dale F. Andres, [redacted]

Col. William E. Barron, [redacted]

Col. Thomas C. Collins, [redacted]

Col. Alan E. Deegan, [redacted]

Col. George W. Goldsmith, Jr. [redacted]

Col. John M. Gosdin, [redacted]

Col. William B. Hobgood, [redacted]

Col. George O. Hillard, III, [redacted]

Col. Charles A. Ingram [redacted]

Col. Axel A. Johnson, III [redacted]

Col. James C. Johnson [redacted]

Col. Calvin Lau, [redacted]

Col. Darrel W. McDaniel, [redacted]

Col. James M. McDougal, [redacted]

Col. Marilyn J. Musacchio [redacted]

Col. James H. Phillips [redacted]

Col. Steve L. Repichowski [redacted]

Col. Harold H. Shively, Jr. [redacted]

Col. Charles F. Smith [redacted]

Col. Carl J. Tegtmeier [redacted]

Col. Paul C. Bergson, [redacted]

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Charles B. Eichelberger [redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Ellis D. Parker [redacted] U.S. Army.

The following-named Army Medical Corps officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of Title 10, United States Code, sections 611(a) and 624(c):

To be permanent brigadier general

Col. James J. James [redacted] U.S. Army.

Col. James B. Peake, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. William G. T. Tuttle, Jr., [redacted] U.S. Army.

The following-named officer for appointment to the grade of general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be general

Lt. Gen. Jimmy D. Ross, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Marvin D. Brailsford, [redacted] U.S. Army.

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Lt. Gen. William G. Pagonis [redacted] U.S. Army.

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Lt. Gen. Leon E. Salomon. [redacted] U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Ira C. Owens, [redacted] U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a).

To be lieutenant general

Maj. Gen. Samuel N. Wakefield, [redacted] U.S. Army.

IN THE NAVY

The following-named officer for appointment to the grade of admiral while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be admiral

Vice Adm. Jeremy M. Boorda [redacted] U.S. Navy.

The following officer for appointment to the grade of vice admiral while assigned to a position of importance and responsibility under title 10, United States Code, section 601 and 5141:

To be chief of naval personnel

Rear Adm. (1h) Ronald J. Zlatoper [redacted] U.S. Navy.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nomination of Lt. Col. Sidney M. Gutierrez, which was received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning Donald L Mapes, and ending Kenneth D Scott, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning Bradford L Riza, and ending Kurt D Schuman, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning Major James W. Bailey, [redacted] and ending Maj. Richard F. Hettinger [redacted] which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning Major John L. Baker, [redacted] and ending Maj. Thomas S. Tucker, [redacted] which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning Louis M Ayers, Jr., and ending Charles P Kielkopf, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning Andrew J Adams, and ending Carlos R Zendejas, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning Gary J Abbate, and ending Don R Ziss, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Air Force nominations beginning David J Agema, and ending John F Ulrich, which nominations were received by the Senate and appeared in the Congressional Record of September 19, 1991.

Air Force nominations beginning Major Stephen J. Bittner, [redacted] and ending Maj. Kenneth K. Hsu, [redacted] which nominations were received by the Senate and appeared in the Congressional Record of October 24, 1991.

Army nominations beginning William C. Ohl, II, and ending * Emil A. Stein, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Army nominations beginning Charles W. Andres, and ending Cynthia Trujillo, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Army nominations beginning Robert D. Jordan, and ending Gerald P. Rudd, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Army nominations beginning Paul D Amos, and ending Patricia Wise, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Army nominations beginning Rachel A Addison, and ending Theodore W Slone, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Army nominations beginning Flora T Abueva, and ending Craig W White, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Army nominations beginning Curtis T Anderson II, and ending Fran W Walterhouse, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Army nominations beginning Mark D Ahner, and ending Larry J. Dubose, which nominations were received by the Senate and appeared in the Congressional Record of September 25, 1991.

Army nominations beginning Johnny R Abbott, and ending 443a, which nominations were received by the Senate and appeared in the Congressional Record of October 24, 1991.

Marine Corps nominations beginning Scott W Evans, and ending Frank E Zeigler, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Marine Corps nominations beginning William B Bohn, and ending Robert Vojtik, which nominations were received by the Senate and appeared in the Congressional Record of September 19, 1991.

Marine Corps nominations beginning Laurence Farnen, Jr., and ending William D. York, which nominations were received by the Senate and appeared in the Congressional Record of October 22, 1991.

Navy nominations beginning David M Harlan, and ending David Leivers, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Navy nominations beginning Matthew A. Lisowski, and ending Sharon N. Hirako, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Navy nominations beginning Randall Scott Butler, and ending Michael Lee Thompson, which nominations were received by the Senate and appeared in the Congressional Record of September 11, 1991.

Navy nominations beginning Hugh L. Middleton, and ending Miles L. Wilhelm, which nominations were received by the Senate and appeared in the Congressional Record of October 22, 1991.

Navy nomination of Michael Allen Baker, U.S. Navy, which was received by the Senate and appeared in the Congressional Record of October 24, 1991.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

Mr. MITCHELL. Mr. President, I submit for the RECORD, a statement regarding Veterans Day by Senator CRANSTON, who is at the Stanford Medical School Hospital for tests.

VETERANS DAY

• Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I want to comment on the observance of Veterans Day next Monday, November 11, 1991.

We should be grateful that we can observe this Veterans Day while the Nation is at peace. At this time last year, the Nation was preparing for war. Our troops were massing in the Persian Gulf and no one, military experts included, could predict what course the conflict would take. In our relief and excitement at the swift outcome of the fighting, we celebrated. But we must not forget the 370 men and women who will never return home to enjoy victory parades or the thousands of soldiers who sustained injuries as a result of their service in the gulf. On this Veterans Day, we remember especially the sacrifices of all the men and women who gave of themselves in the Persian Gulf—their peace of mind, their limbs, their health, or their lives.

As I have stated many times during my tenure as chairman of the Veterans' Affairs Committee, the great costs of securing freedom do not end when the guns cease firing. Providing survivors is a continuing cost of war and must be recognized as such.

For veterans of the Persian Gulf, the war will never fade from memory. Our task must be to make sure our fellow citizens fully accept these ongoing costs of war. Health care must be provided to heal the wounds of war. Adequate compensation must be provided for these with service-connected disabilities. Programs of educational support, counseling, and employment assistance are needed to help with the readjustment to civilian life. According to the Congressional Budget Office, the cost of all veterans' benefits resulting from the Persian Gulf war will be approximately $148 million between now and 1996. The VA's estimate of the net present value of these benefits through the next 100 years is nearly $3.8 billion. Just as we must support our military personnel during the tense hours of combat, so too must we support them during the long and often painful hours of healing and the anxieties of readjustment.

We learned from the Nation's experience in Vietnam the importance of enthusiastic support for our troops, and the support of the American people for Operation Desert Storm veterans was wonderful. In our eagerness to support our newest class of veterans, however, we must not ignore the needs of all the Nation's veterans. With each new generation of veterans, we increase our knowledge of issues related to military service and combat. Near the end of the war in Vietnam, for instance, I conducted a series of hearing to identify how the Government was responding to the needs of veterans returning from that war. Since those first hearings, the Nation became acutely aware of the need for readjustment counseling and post-traumatic stress disorder treatment among war veterans. Although, regrettably, it took a full 10 years after those hearings, my legislation establishing readjustment counseling through vet centers was finally enacted into law in 1979. It is extremely important, as we continue to learn about the effects of war on servicemembers, that we not design new programs only for the veterans whose anguish revealed a desperate need for assistance but to all veterans who may be affected by similar problems. I introduced earlier this year, and the Veterans' Affairs Committee approved in S. 869, legislation that would require vet centers to furnish counseling to combat theater veterans of World War II and the Korean conflict in addition to Vietnam-era veterans. I expect Senate action on it soon and will be working hard for its enactment.

Mr. President, I convened hearings in July on the readjustment needs of Persian Gulf war veterans in order to identify the effects of the Persian Gulf war, both on those who participated and on their families. The military personnel who served in the gulf included an unprecedented number of women, mothers, and married persons. Our hearings revealed a considerable amount of stress, especially among Guard and Reserve members—who did not benefit from the extensive predeployment and reunion services that the Armed Forces provides for regular active duty personnel and families—of those who served in the gulf or in support of our operations there. To address these needs, I introduced, an the Veterans' Affairs Committee approved, legislation, S. 1553, to establish a program of marriage and family counseling for veterans of the Persian Gulf war and their spouses and families. Again, I anticipate Senate action on the bill in the near future and will do all I can to secure its enactment into law.

Mr. President, on Veterans Day, we honor through remembrances and observances those whose service and sacrifices have safeguarded our precious freedoms. On this and all other days of the year, we must honor veterans through our support for, and funding of, programs of benefits, services, and research that respond fully and appropriately to the needs of those men and women who have borne the burden of battle. Let us all, on this special day, renew our commitment to continuing our efforts on behalf of the Nation's veterans and their families.•

DEATH OF LEIGH ORTENBURGER

Mr. WALLOP. Mr. President, I would like to take a moment to pay tribute to Leigh Ortenburger, a long-time resident of Jackson Hole, WY, and a famous and beloved mountaineer in Grand Teton National Park, who was tragically lost in the firestorm that recently swept through the Oakland Foothills.

Leigh first came to Wyoming from Oklahoma in 1948 as a 19-year-old young man anxious to test his mettle against the spectacular Teton Range of northwest Wyoming. He soon became a guide in the elite Exum Climbing School in Grand Teton National Park, and within a few years went on to climb all the major peaks and routes within the Teton Range. A stickler for detail, and with over 26 first ascents under his belt, he went on to publish the authoritive "Climber's Guide to the Teton Range" in order to share his knowledge with those who would follow after him.

To his friends Leigh Ortenburger was a man of quiet competence, who inspired many others to reach within themselves and push their limits, to become all they could be in the mountains and in their other endeavors in life. He was quick to praise others and not to seek recognition for himself. For example, in 1967 one of the most difficult mountain rescues ever recorded occurred on the north face of the Grand Teton. Leigh volunteered to help the National Park Service rangers, and with his unmatched experience in effect served as the rescue leader. He was the first to descend the wet, black, and frozen 3,000-foot face to aid the injured climber 600 feet below, and for 3 days worked with the rescue team battling the elements to successfully save the climber's life. Afterwards the rangers involved were awarded the highest award available to NPS personnel by the President of the United States. As a private citizen, Leigh neither received nor sought any recognition.

In his red wool shirt, baggy pants, and a floppy hat, Leigh was an elf in the mountains, always with a smile on his face and unmatched in the respect he commanded from a wide circle of friends, colleagues, scholars, readers, and climbers. When not in his beloved Tetons, Leigh worked on sensitive national security matters, where his contributions to our national defense are reported to have been as significant as those he made in the mountains.

Leigh Ortenburger was a guide to many, not only in the mountains but in the walk through life. In 1986 another well-known, now deceased mountaineer and special friend of Leigh's, Dr. Fritof Fryxell, wrote of his friend:

This quiet but enthusiastic giant of the Tetons, whose understanding and appreciation and eloquence are not to be again matched, was truly special. His counsel was treasured and his encouragement was ever present. Truly his was a life worthy of emulation.

Mr. MITCHELL. Mr. President, I submit for the RECORD a statement regarding the 53d anniversary of the Kristallnacht, by Senator CRANSTON, who is at the Stanford Medical School Hospital for tests.

ADDRESSING THE CYCLE OF PAIN

● Mr. CRANSTON. Mr. President, this week marks the 53d anniversary of Kristallnacht or as it is known in English "the night of broken glass." On November 9, 1938, the Nazis orchestrated pogroms across Germany and Austria, unleashing violent attacks against Jewish lives and property. The arson attacks on property and synagogues, the murder of hundreds, and the mass arrests of some 20,000 Jews were the most widespread and destructive signals until that time of Hitler's plan to eradicate the Jewish people.

The gruesome Holocaust which ensued cannot be forgotten by any of us.

Although the Jewish people have survived and from the ashes of the concentration camps the modern State of Israel was born, what remains of German Jewry is a remnant of what was.

German reunification and the different paths East and West Germany took in grappling with the past have brought German-Jewish relations into sharper focus. Reports of violence against foreigners in Germany serve as a stark reminder of the hatreds which can be aroused in the face of economic crisis. The resurgence of anti-Semitism in Eastern Europe has evoked fear in the hearts of many who remember the events leading up to the destruction of European Jewry.

Now, more than half a century after the cataclysmic events symbolized by Kristallnacht, Phil Blazer, the visionary publisher of the International Jewish News, has organized a conference to build bridges between Jews from around the world and Germans from Berlin and other cities.

Addressing the cycle of pain is a historic gathering intended as a living memorial to the 6 million lives destroyed during the Holocaust. From November 7–10, activists and scholars from around the world will meet in Berlin to study the lessons of the past and work toward building a future free of the scourge of anti-Semitism.

Although Kristallnacht was the most widespread rampage of its kind, it was certainly not the first sign of Hitler's murderous intentions. Fifteen years earlier, Hitler wrote "Mein Kampf" outlining his plans for world conquest. The first concentration camp was built in 1933 and the Nuremberg Laws of 1935 stripped German Jews of their civil rights. Yet, these signposts were all but ignored.

I want to commend the participants of this unprecedented conference for addressing the painful issues of the past head-on. We cannot afford to shy away from trying to understand the human tragedy of the Holocaust.

Mr. President, we must address the cycle of pain if we ever hope to bring it to a close.●

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,427th day that Terry Anderson has been held captive in Lebanon.

HEALTH EQUITY AND ACCESS IMPROVEMENT ACT 1991

Mr. D'AMATO. Mr. President, I rise today to join Senators CHAFEE, COHEN, McCAIN, and numerous others in introducing the Health Equity and Access Improvement Act of 1991. This bill contains several carefully crafted, achievable reforms that will go a long way toward making health care more accessible and affordable for all Americans.

Americans are dissatisfied with many aspects of our Nation's health care system—and with good reason. Health care costs are running out of control. With national health expenditures of $2,354 per person in 1989, our Nation spends more per capita than any other industrialized nation. At the same time, too many Americans are lacking in even the most basic coverage against the costs of medical care.

We need to address these flaws in our health care system, without threatening those elements of the system that Americans value, such as the ability to choose your own doctor, to avoid having to wait months for needed procedures, and to benefit from medical technology that is among the best in the world.

The Health Equity and Access Improvement Act is a package of reasonable proposals that will allow us to make significant progress toward this goal. Through an innovative combination of tax credits, insurance reforms, state demonstrations, and medical liability law reforms, this bill will help increase access to health care for those who are currently uninsured, while at the same time curbing the escalation of our Nation's health care costs.

Mr. President, those Americans without access to adequate health care cannot wait years for Congress to act on reform of the health care system. They need help immediately. This bill contains realistic, achievable proposals that can be implemented without delay. I am proud to be an original cosponsor of this bill to help millions of Americans who are currently underserved. I urge my colleagues to join me in cosponsoring this bill, and I urge its immediate adoption.

TELEPHONE ADVERTISING CONSUMER RIGHTS ACT

Mr. HOLLINGS. Mr. President I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 261, S. 1410, the Telephone Advertising Consumer Rights Act.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1410) relating to the rights of consumers in connection with telephone advertising.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insering in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telephone Advertising Consumer Rights Act".

SEC. 2. FINDINGS.

The Congress finds that:

(1) The use of the telephone to market goods and services to the home and other businesses is now pervasive due to the increased use of cost-effective telemarketing techniques.

(2) Over 30,000 businesses actively telemarket goods and services to business and residential customers.

(3) More than 300,000 solicitors call more than 18,000,000 Americans every day.

(4) Total United States sales generated through telemarketing amounted to $435,000,000,000 in 1990, a more than four-fold increase since 1984.

(5) Unrestricted telemarketing, however, can be an intrusive invasion of privacy and, when an emergency or medical assistance telephone line is seized, a risk to public safety.

(6) Many consumers are outraged over the proliferation of intrusive, nuisance calls to their homes from telemarketers.

(7) Over half the States now have statutes restricting various uses of the telephone for marketing, but telemarketers can evade their prohibitions through interstate operations; therefore, Federal law is needed to control residential telemarketing practices.

(8) The Constitution does not prohibit restrictions on commercial telemarketing solicitations.

(9) Individuals privacy rights, public safety interests, and commercial freedoms of speech and trade must be balanced in a way that protects the privacy of individuals and permits legitimate telemarketing practices.

SEC. 3. RESTRICTIONS ON THE USE OF TELEPHONE EQUIPMENT FOR ADVERTISING.

(a) AMENDMENT.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 228. RESTRICTIONS ON THE USE OF TELEPHONE EQUIPMENT FOR ADVERTISING.

"(a) DEFINITIONS.—As used in this section:

"(1) The term 'automatic telephone dialing system' means equipment which has the capacity—

"(A) to store or produce telephone numbers to be called, using a random or sequential number generator; and

"(B) to dial such numbers.

"(2) The term 'telephone facsimile machine' means equipment which has the capacity to transcribe text or images, or both, from paper into an electronic signal and to transmit that signal over a regular telephone line.

"(3) The term 'unsolicited telephone solicitation' means a telephone call by a live person for the purpose of encouraging the purchase or rental of, or investment in, property, goods, or services, or for other commercial purposes, which is transmitted to any person without that person's prior express invitation or permission. Such term does not include calls or messages made by or on behalf of a tax exempt nonprofit organization.

"(4) The term 'unsolicited advertisement' means any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person's prior express invitation or permission.

"(b) RESTRICTIONS.—It shall be unlawful for any person within the United States by means of telephone—

"(1) to make any unsolicited telephone solicitation in violation of the regulations prescribed by the Commission pursuant to subsection (c);

"(2) to send an unsolicited advertisement by a facsimile machine; and

"(3) to make any call using any automatic telephone dialing system, or an artificial or prerecorded voice—

"(A) to any emergency telephone line or pager of any hospital, medical physician or service office, health care facility, or fire protection or law enforcement agency; or

"(B) to any telephone number assigned to paging or cellular telephone service.

"(c) PROTECTION OF SUBSCRIBER PRIVACY RIGHTS.—

"(1) RULEMAKING PROCEEDING REQUIRED.—Within 120 days after the date of enactment of this section, the Commission shall initiate a rulemaking proceeding concerning the need to protect residential telephone subscribers' privacy rights to avoid receiving unsolicited telephone solicitations to which they object. The proceeding shall—

"(A) further define 'unsolicited telephone solicitation' consistent with subsection (a)(3);

"(B) compare and evaluate alternative methods and procedures, including the use of telephone electronic databases, telephone network technologies, special directory markings, industry and company based 'do not call' systems, and any other alternatives, individually or in combination, for protecting such privacy rights, in terms of their cost effectiveness and their other advantages and disadvantages;

"(C) evaluate the categories of public and private entities that would have the capacity to establish and administer such methods and procedures;

"(D) consider whether such methods and procedures may apply for local telephone solicitations, such as those of small businesses or holders of second class mail permits; and

"(E) develop proposed regulations to implement the methods and procedures that the Commission determines are most effective and efficient to accomplish the purposes of this section.

"(2) REGULATIONS.—Not later than 240 days after the date of enactment of this section, the Commission shall conclude the rulemaking proceeding initiated under paragraph (1) and shall prescribe regulations to implement methods and procedures for protecting the privacy rights described in such paragraph in an efficient, effective, and economic manner and without the imposition of any additional charge to telephone subscribers.

"(d) TECHNICAL AND PROCEDURAL STANDARDS.—

"(1) PROHIBITION.—It shall be unlawful for any person within the United States—

"(A) to initiate any communication using a telephone facsimile machine, or to make any telephone call using any automatic telephone dialing system that does not comply with the technical and procedural standards prescribed under this subsection, or to use any telephone facsimile machine or automatic telephone dialing system (to make any telephone solicitation) in a manner that does not comply with such standards; or

"(B) to use a computer or other electronic device to send any message via a telephone facsimile machine unless such person clearly marks, in a margin at the top or bottom of each transmitted page of the message or on the first page of each transmission, the date and time it is sent and an identification of the business sending the message and the telephone number of the sending machine or of such business.

"(2) TELEPHONE FACSIMILE MACHINES.—The Commission shall revise the regulations setting technical and procedural standards for telephone facsimile machines to require that any such machine which—

"(A) is manufactured after 6 months after the date of enactment of this section; and

"(B) can be used for the distribution of unsolicited advertising,

clearly marks, in a margin at the top or bottom of each transmitted page or on the first page of each transmission, the date and time sent, an identification of the business sending the message, and the telephone number of the sending machine or of such business. The Commission shall exempt from such standards, for 18 months after such date of enactment, telephone facsimile machines that do not have the capacity for automatic dialing and transmission and that are not capable of operation through an interface with a computer.

"(3) ARTIFICIAL OR PRERECORDED VOICE SYSTEMS.—The Commission shall prescribe technical and procedural standards for systems that are used to transmit any artificial or prerecorded voice message via telephone. Such standards shall require that—

"(A) all artificial or prerecorded telephone messages (i) shall, at the beginning of the message, state clearly the identity of the business initiating the call, and (ii) shall, during or after the message, state clearly the telephone number or address of such business; and

"(B) any such system will automatically release the called party's line within 5 seconds of the time the system receives notification that the called party has hung up, to allow the called party's line to be used to make or receive other calls.

"(e) STATE LAW NOT PREEMPTED.—Nothing in this section or in the regulations prescribed under this section shall preempt any State law that imposes more restrictive intrastate requirements or regulations on, or which prohibits—

"(1) the use of telephone facsimile machines or other electronic devices to send unsolicited advertisements;

"(2) the use of automatic telephone dialing systems to transmit prerecorded telephone solicitations; and

"(3) the use of artificial voice or prerecorded messages.

"(f) PREEMPTION OF INCONSISTENT INTERSTATE COMMUNICATIONS LAWS.—This section preempts any provisions of State law concerning interstate communications that are inconsistent with the interstate communications provisions of this section.".

(b) CONFORMING AMENDMENT.—Section 2(b) of the Communications Act of 1934 (47 U.S.C. 152(b)) is amended by striking "and 225" and inserting in lieu thereof ", 225, and 228".

Mr. PRESSLER. Mr. President, I support Senate passage of S. 1410, the Telephone Advertising Consumer Rights Act. I introduced this legislation in response to the national outcry over the explosion of unsolicited telephone advertising. Many consumers in my home State of South Dakota are simply tired of the nuisance of unwanted telephone solicitations. New technologies when combined with the telephone now give modern door-to-door salesmen an unrestricted ability to invade the privacy of our homes at any time.

Unlike other communications media, the telephone commands our instant attention. Junk mail can be thrown away. Television commercials can be turned off. The telephone demands to be answered.

People are increasingly upset over this invasion of their privacy by unrestricted telemarketing. In fact, the consumer backlash that has arisen from the cost and the interference of unsolicited telemarketing calls has sparked the introduction of over 1,000 bills in State legislatures around the country seeking to limit this abuse. We have heard the complaints of consumers.

This past June, we held hearings in the Commerce, Science, and Transportation Committee on S. 1410. During these hearings, we received testimony from consumer advocates, private citizens, and representatives of the telemarketing industry. The testimony we received was clear. The Federal Government needs to act now to provide uniform legislation to protect consumers.

The primary purpose of this legislation is to develop the necessary ground rules for cost-effective protection of consumers from unwanted telephone solicitations. These rules should allow responsible telemarketers to reach consumers who are most responsive to this form of solicitation, while eliminating the cost and time of contacting those individuals who would be least responsive.

To accomplish this balanced approach, the substitute we have before us today directs the FCC to prescribe regulations to protect the privacy rights of consumers from the intrusion of unsolicited telephone marketing calls. One such proposal the FCC would consider is the use of a telephone electronic database that would allow consumers to have their phone numbers protected from unsolicited advertising. This type of consumer protection has already been used with great success in the State of Florida. Another proposal the FCC would examine is the placement of all telemarketers on a single exchange, thus allowing consumers to block calls from that exchange.

Some objected to the original legislation because of the extent to which it outlined the safeguards necessary for the creation of a national database. It is important to note that this substitute bill does not mandate the creation of an electric database. Rather, it gives the FCC flexibility in deciding the best approach to handling this problem. Personally, and in the eyes of many others, it appears that an electronic database clearly offers the most promising protection for consumers. However, we recognize that newer technologies may arise in the future. For this reason, our legislation directs the FCC to consider a number of alternatives.

We included in the substitute a provision that directs the FCC to examine whether local telephone solicitations by small businesses and second class mail permit holders should be subject to the same FCC regulations that would apply to all other telemarketers. Many small businesses conduct responsible telemarketing in the local areas they serve. Since their business depends upon their good standing in the community, they conduct their own telemarketing in a very respectable way.

This bill will not prohibit businesses from contacting their established customers. For example, if a credit card company like Citibank needs to contact a customer regarding their credit card account, clearly this would be allowed.

We have directed the FCC to further define the rules and regulation needed to allow businesses to contact customers who expected to receive calls from companies they do business with.

The purpose of the substitute is to prohibit cold calls by any telemarketer to the telephone of a consumer who has no connection or affiliation with that business and who has affirmatively taken action to prevent such calls. Responsible telemarketers will save both time and money by contacting only people who are most likely to respond positively to such solicitations.

S. 1410 also addresses problems arising from computerized calls. Due to advances in autodialer technology, machines can be programmed to deliver a prerecorded message to thousands of sequential phone numbers.

This results in calls to hospitals, emergency care providers, unlisted numbers, and paging and cellular equipment. There have been many instances of autodial machines hitting hospital switchboards and sequentially delivering a recorded message to all telephone lines. In some cases, the calling machine does not release the called party's line until the recorded message has ended. This renders the called party's phones inoperable. In an emergency situation, this can create a real hazard.

To remedy this situation, the substitute requires autodialer machines to release the phone line automatically after the called party hangs up. In addition, it requires all prerecorded messages to clearly identify the name, phone number, or address of the person or business initiating the call.

This bill also allows hospitals, police stations, fire stations, and owners of paging and cellular equipment to eliminate all unsolicited calls.

The growth of facsimile machines in the workplace has brought another form of unsolicited advertising—the junk fax. Unsolicited facsimile advertising ties up fax machines and uses the called party's fax paper. This costs the recipient both time and money. The substitute bill requires that autodial fax machines clearly mark on all transmissions the date and time of transmission, the identity of the sender, and the telephone number of the sending machine.

The substitute will not end all unsolicited calls, but it will allow consumers to choose how their telephones are used and requires vendors to respect that decision. The balanced approach taken by this legislation, should ensure a robust telemarketing industry while giving consumers relief from unwanted telephone solicitations.

AMENDMENT NO. 1310

(Purpose: To make an amendment in the nature of a substitute)

Mr. WARNER. Mr. President, on behalf of Mr. PRESSLER, I send a substitute amendment to the desk for immediate consideration.

The PRESIDING OFFICER. The clerk will report the substitute amendment.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. PRESSLER, proposes an amendment numbered 1310.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telephone Advertising Consumer Rights Act".

SEC. 2. FINDINGS.

The Congress finds that:

(1) The use of the telephone to market goods and services to the home and other businesses is now pervasive due to the increased use of cost-effective telemarketing techniques.

(2) Over 30,000 businesses actively telemarket goods and services to business and residential customers.

(3) More than 30,000 solicitors call more than 18,000,000 Americans every day.

(4) Total United States sales generated through telemarketing amounted to $435,000,000,000 in 1990, a more than four-fold increase since 1984.

(5) Unrestricted telemarketing, however, can be an intrusive invasion of privacy and, when an emergency or medical assistance telephone line is seized, a risk to public safety.

(6) Many consumers are outraged over the proliferation of intrusive, nuisance calls to their homes from telemarketers.

(7) Over half the States now have statutes restricting various uses of the telephone for marketing, but telemarketers can evade their prohibitions through interstate operations; therefore, Federal law is needed to control residential telemarketing practices.

(8) The Constitution does not prohibit restrictions on commercial telemarketing solicitations.

(9) Individuals' privacy rights, public safety interests, and commercial freedoms of speech and trade must be balanced in a way that protects the privacy of individuals and permits legitimate telemarketing practices.

SEC. 3. RESTRICTIONS ON THE USE OF TELEPHONE EQUIPMENT FOR ADVERTISING.

(a) AMENDMENT.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 228. RESTRICTIONS ON THE USE OF TELEPHONE EQUIPMENT FOR ADVERTISING.

"(a) DEFINITIONS.—As used in this section:

"(1) The term 'automatic telephone dialing system' means equipment which has the capacity—

"(A) to store or produce telephone numbers to be called, using a random or sequential number generator; and

"(B) to dial such numbers.

"(2) The term 'telephone facsimile machine' means equipment which has the capacity to transcribe text or images, or both, from paper into an electronic signal and to transmit that signal over a regular telephone line.

"(3) The term 'unsolicited telephone solicitation' means a telephone call by a live person for the purpose of encouraging the purchase or rental of, or investment in, property, goods, or services which is transmitted to any person without that person's prior express invitation or permission. Such term does not include calls or messages made by or on behalf of a tax exempt nonprofit organization.

"(4) The term 'unsolicited advertisement' means any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person's prior express invitation or permission.

"(b) RESTRICTIONS.—It shall be unlawful for any person within the United States by means of telephone—

"(1) to make any unsolicited telephone solicitation in violation of the regulations prescribed by the Commission pursuant to subsection (c);

"(2) to send an unsolicited advertisement by a facsimile machine; and

"(3) to make any call (other than a call made for emergency purposes or made with the prior consent of the called party) using any automatic telephone dialing system, or an artificial or prerecorded voice—

"(A) to any emergency telephone line or pager (including any '911' line and any emergency line or pager of a hospital, medical physician or service office, health care facility, or fire protection or law enforcement agency) or to the telephone line of any guest room or patient room of a hospital, health care facility, elderly home, or similar establishment; or

"(B) to any telephone number assigned to a paging service, cellular telephone service, specialized mobile radio service, or radio common carrier service, or any other service for which the called party is charged for the call.

"(c) PROTECTION OF SUBSCRIBER PRIVACY RIGHTS.—

"(1) Rulemaking proceeding required.—Within 120 days after the date of enactment of this section, the Commission shall initiate a rulemaking proceeding concerning the need to protect residential telephone subscribers' privacy rights to avoid receiving unsolicited telephone solicitations to which they object. The proceeding shall—

"(A) further define 'unsolicited telephone solicitation' consistent with subsection (a)(3);

"(B) compare and evaluate alternative methods and procedures, including the use of telephone electronic databases, telephone network technologies, special directory markings, industry and company based 'do not call' systems, and any other alternatives, individually or in combination, for protecting such privacy rights, in terms of their cost effectiveness and their other advantages and disadvantages;

"(C) evaluate the categories of public and private entities that would have the capacity to establish and administer such methods and procedures;

"(D) consider whether such methods and procedures may apply for local telephone solicitations, such as those of small businesses or holders of second class mail permits; and

"(E) develop proposed regulations to implement the methods and procedures that the Commission determines are most effective and efficient to accomplish the purposes of this section.

"(2) Regulations.—Not later than 240 days after the date of enactment of this section, the Commission shall conclude the rulemaking proceeding initiated under paragraph (1) and shall prescribe regulations to implement methods and procedures for protecting the privacy rights described in such paragraph in an efficient, effective, and economic manner and without the imposition of any additional charge to telephone subscribers.

"(d) Technical and Procedural Standards.—

"(1) Prohibition.—It shall be unlawful for any person within the United States—

"(A) to initiate any communication using a telephone facsimile machine, or to make any telephone call using any automatic telephone dialing system that does not comply with the technical and procedural standards prescribed under this subsection, or to use any telephone facsimile machine or automatic telephone dialing system (to make any telephone solicitation) in a manner that does not comply with such standards; or

"(B) to use a computer or other electronic device to send any message via a telephone facsimile machine unless such person clearly marks, in a margin at the top or bottom of each transmitted page of the message or on the first page of each transmission, the data and time it is sent and an identification of the business, other entity, or individual sending the message and the telephone number of the sending machine or of such business, other entity, or individual.

"(2) Telephone facsimile machines.—The Commission shall revise the regulations setting technical and procedural standards for telephone facsimile machines to require that any such machine which—

"(A) is manufactured after 6 months after the date of enactment of this section; and

"(B) can be used for the distribution of unsolicited advertising, clearly marks, in a margin at the top or bottom of each transmitted page or on the first page of each transmission, the date and time sent, an identification of the business, other entity, or individual sending the message, and the telephone number of the sending machine or of such business. The Commission shall exempt from such standards, for 18 months after such date of enactment, telephone facsimile machines that do not have the capacity for automatic dialing and transmission and that are not capable of operation through an interface with a computer.

"(3) Artificial or Prerecorded Voice Systems.—The Commission shall prescribe technical and procedural standards for systems that are used to transmit any artificial or prerecorded voice message via telephone. Such standards shall require that—

"(A) to the extent not otherwise prohibited by law, all artificial or prerecorded telephone messages (i) shall, at the beginning of the message, state clearly the identity of the business, other entity, or individual initiating the call, and (ii) shall, during or after the message, state clearly the telephone number or address or such business, other entity, or individuals; and

"(B) any such system will automatically release the called party's line within 5 seconds of the time the system receives notification that the called party has hung up, to allow the called party's line to be used to make or receive other calls.

"(e) Private Right of Action.—A person who has received more than one telephone call from the same entity, or delivering the same or a similar message, in violation of this section or regulations prescribed under this section may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State an action in such person's own name to enjoin such calls, an action to recover for actual monetary loss or be awarded $500 in damages for each violation, whichever is greater, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(f) Actions by State Attorneys General.—

"(1) Authority of Attorneys General.—Whenever the attorney general of a State, or an official or agency designated by a State, has reason to believe that any person has engaged or is engaging in a pattern or practice of telephone calls to residents of that State in violation of this section or the regulations prescribed under this section, the State may bring a civil action on behalf of its residents to enjoin such calls, an action to recover for actual monetary loss or $500 in damages for each violation, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(2) Exclusive Jurisdiction of Federal Courts.—The district courts of the United States, the United States courts of any territory, and the District Court of the United States for the District of Columbia shall have exclusive jurisdiction over all civil actions brought under this subsection. Upon proper application, such courts shall also have jurisdiction to issue writs of mandamus, or orders affording like relief, commanding the defendant to comply with the provisions of this section and regulations prescribed under this section, including the requirement that the defendant take such action as is necessary to remove the danger of violation of any such provision. Upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.

"(3) Rights of Commission.—The State shall serve prior written notice of any such civil action upon the Commission and provide the Commission with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the States shall serve such notice immediately upon instituting such action. The Commission shall have the right (A) to intervene in the action, (B) upon so intervening, to be heard on all matters arising therein, and (C) to file petitions for appeal.

"(4) Venue; service of process.—Any civil action brought under this subsection in a district court of the United States may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or wherein the violation occurred or is occurring, and process in such cases may be served in any district in which the defendant is an inhabitant or wherever the defendant may be found.

"(5) Investigatory powers.—For purposes of bringing any civil action under this subsection, nothing in this section shall prevent the attorney general of a State from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(6) Effect on state court proceedings.—Nothing contained in this subsection shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State.

"(7) Limitation.—Whenever the Commission has instituted a civil action for violation of this section or regulations prescribed under this section, no State may, during the pendency of such action instituted by the Commission, subsequently institute a civil action against any defendant named in the Commission's complaint for any violation as alleged in the Commission's complaint.

"(8) Definition.—As used in this subsection, the term 'attorney general' means the chief legal officer of a State.

"(g) State Law Not Preempted.—Nothing in this section or in the regulations prescribed under this section shall preempt any State law that imposes more restrictive intrastate requirements or regulations on, or which prohibits—

"(1) the use of telephone facsimile machines or other electronic devices to send unsolicited advertisements;

"(2) the use of automatic telephone dialing systems to transmit prerecorded telephone solicitations; and

"(3) the use of artificial voice or prerecorded messages.

"(h) Preemption of Inconsistent Interstate Communications Laws.—This section preempts any provisions of State law concerning interstate communications that are inconsistent with the interstate communications provisions of this section.".

(b) Conforming Amendment.—Section 2(b) of the Communications Act of 1934 (47 U.S.C. 152(b)) is amended by striking "and 225" and inserting in lieu thereof ", 225, and 228".

The PRESIDING OFFICER. If there is no further debate, and no objection, the substitute amendment is agreed to.

So the amendment (No. 1310) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORE. Mr. President, I rise today in support of the legislation currently before the Senate. There are several items, however, on which I would like clarification. First, I am troubled by the fact that this bill does not contain a specific exception allowing businesses to call their existing customers. Earlier drafts of this legislation contained such an exception. Second, I want to be sure that the FCC has the flexibility to adopt from a wide array of options whatever types of rules they find necessary to protect the public interest. The reported bill does not specify which approach they must choose. For example, they are not required to adopt a national database of prohibited numbers. Finally, I have concerns regarding the directions given to the FCC to explore the effect of the regulations on local telephone solicitations, and the extent of the Federal system with regard to intrastate calling.

First, with regard to existing business relationships, it would seem to me that businesses need to be able to contact customers with whom they have a prior or existing relationship. Furthermore, these are the types of calls customers want to receive, because it informs them about promotional opportunities from vendors with whom they have had relationships.

Is it not true that the committee deleted the established business relationship exception from the bill because it did not want to become involved in the technicalities of determining what this phrase means? Nevertheless, is it not true the FCC may consider establishing different rules concerning calls made by businesses to their prior or existing customers?

Mr. PRESSLER. Yes, that is correct.

Mr. GORE. Also, with regard to the rulemaking to be conducted by the FCC to protect telephone subscribers' privacy rights, it is my understanding that the FCC is free to adopt any type of regulation that they decide accomplishes the purpose of this legislation. The committee has specifically directed that the FCC consider as one possibility the option of mandating companies to maintain company-based do not call systems to identify customers who do not wish to be called again by that company. Is that correct?

Mr. PRESSLER. Yes, that is correct.

Mr. GORE. Furthermore, I also noticed that the committee has directed the FCC to consider whether the procedures eventually adopted should apply to businesses that conduct primarily local telephone solicitations. While the committee cites small businesses and holders of second-class mail permits such as newspapers as two examples of companies that conduct these types of solicitations, am I correct in my understanding that any company conducting primarily local telephone solicitations might be included in this category? It would seem that the provision should apply to companies that conduct business locally, and thus become part of the community, and are subject to the scrutiny of the community, and must live by their reputation in the community, regardless of the specific type of business they conduct. For example, one of my constituents, Olan Mills, has photography studios located across the country. However, each location generally conducts its solicitations directly from the studio, within the local community. Nearly all of these calls are local in nature, and rarely cross State boundaries unless the studio is located in a community near a State line. Am I correct in believing that this is the kind of business meant by the committee to be considered under this provision?

Mr. PRESSLER. Yes, that is correct.

Mr. GORE. Finally, I would like a clarification as to the relationship between the Federal regulations to be enacted by the FCC and State laws in the area of intrastate telephone solicitations. It would seem to me that in the area of these telephone solicitations, it would be preferable to have the Federal law as a national scheme to protect telephone subscribers. While the States remain free to adopt laws affecting intrastate communications, I am sure the Senator would join me in encouraging the States to adopt laws consistent with the Federal system to facilitate the telemarketers' ability to comply fully with both the State and Federal laws regarding intrastate communications.

Mr. PRESSLER. The Senator is correct in his understanding.

Mr. GORE. I thank the Senator for the clarification.

The PRESIDING OFFICER. If there is no objection, the committee amendment, as amended, is agreed to and the bill is deemed to have read a third time and passed.

[The bill (S. 1410), as amended, will appear in a subsequent issue of the RECORD.]

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTOMATED TELEPHONE CONSUMER PROTECTION ACT

Mr. HOLLINGS. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar 262, S. 1462, the Automated Telephone Consumer Protection Act.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1462) to amend the Communications Act of 1934 to prohibit certain practices involving the use of telephone equipment for advertising and solicitation purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Automated Telephone Consumer Protection Act".

SEC. 2. RESTRICTIONS ON THE USE OF AUTOMATED TELEPHONE EQUIPMENT.

(a) AMENDMENT.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 228. RESTRICTIONS ON THE USE OF AUTOMATED TELEPHONE EQUIPMENT.

"(a) DEFINITIONS.—As used in this section—

"(1) The term 'automatic telephone dialing system' means equipment which has the capacity—

"(A) to store or produce telephone numbers to be called, using a random or sequential number generator; and

"(B) to dial such numbers.

"(2) The term 'telephone facsimile machine' means equipment which has the capacity to transcribe text or images, or both, from paper into an electronic signal and to transmit that signal over a regular telephone line.

"(3) The term 'unsolicited advertisement' means any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person's prior express invitation or permission.

"(b) RESTRICTIONS.—It shall be unlawful for any person within the United States—

"(1) to make any call using any automatic telephone dialing system or an artificial or prerecorded voice—

"(A) to any emergency telephone line of any hospital, medical physician or service office, health care facility, or fire protection or law enforcement agency; or

"(B) to any telephone number assigned to paging or cellular telephone service;

"(2) to initiate any telephone call to any residence using an artificial or prerecorded voice to deliver a message without the prior express consent of the called party, unless the call is initiated for emergency purposes; or

"(3) to send an unsolicited advertisement by a facsimile machine.

"(c) TECHNICAL AND PROCEDURAL STANDARDS.—

"(1) PROHIBITION.—It shall be unlawful for any person within the United States—

"(A) to initiate any communication using a telephone facsimile machine, or to make any telephone call using any automatic telephone dialing system that does not comply with the technical and procedural standards prescribed under this subsection, or to use any telephone facsimile machine or automatic telephone dialing system (to make any telephone solicitation) in a manner that does not comply with such standards; or

"(B) to use a computer or other electronic device to send any message via a telephone facsimile machine unless such person clearly

marks, in a margin at the top or bottom of each transmitted page of the message or on the first page of the transmission, the date and time it is sent and an identification of the business sending the message and the telephone number of the sending machine or of such business.

"(2) TELEPHONE FACSIMILE MACHINES.—The Commission shall revise the regulations setting technical and procedural standards for telephone facsimile machines to require that any such machine which—

"(A) is manufactured after 6 months after the date of enactment of this section, and

"(B) can be used for the distribution of unsolicited advertising,

clearly marks, in a margin at the top or bottom of each transmitted page or on the first page of each transmission, the date and time sent, an identification of the business sending the message, and the telephone number of the sending machine or of such business. The Commission shall exempt from such standards, for 18 months after such date of enactment, telephone facsimile machines that do not have the capacity for automatic dialing and transmission and that are not capable of operation through an interface with a computer.

"(3) ARTIFICAL OR PRERECORDED VOICE SYSTEMS.—The Commission shall prescribe technical and procedural standards for systems that are used to transmit any artificial or prerecorded voice message via telephone. Such standards shall require that—

"(A) all artificial or prerecorded telephone messages (i) shall, at the beginning of the message, state clearly the identity of the business initiating the call, and (ii) shall, during or after the massage, state clearly the telephone number or address of such business; and

"(B) any such system will automatically release the called party's line within 5 seconds of the time the system receives notification that the called party has hung up, to allow the called party's line to be used to make or receive other calls.

"(d) STATE LAW NOT PREEMPTED.—Nothing in this section or in the regulations prescribed under this section shall preempt any State law that imposes more restrictive intrastate requirements or regulations on, or which prohibits—

"(1) the use of telephone facsimile machines or other electronic devices to send unsolicited advertisements;

"(2) the use of automatic telephone dialing systems to transmit prerecorded telephone solicitations; or

"(3) the use of artificial or prerecorded voice messages.".

"(b) CONFORMING AMENDMENT.—Section 2(b) of the Communications Act of 1934 (47 U.S.C. 152(b)) is amended by striking "and 225" and inserting in lieu thereof ", 225, and 228".

Mr. HOLLINGS. Mr. President, I rise today to urge the Senate to approve S. 1462, the Automated Telephone Consumer Protection Act. The substitute amendment before the Senate addresses an enormous public nuisance. Computerized telephone calls are invading our homes and destroying our privacy. Consumers around the country are crying out for Congress to put a stop to these computerized telephone calls. Congress has a clear opportunity to protect the interests of our citizens, and we should not pass up this chance.

Computerized calls are the scourge of modern civilization. They wake us up in the morning; they interrupt our dinner at night; they force the sick and elderly out of bed; they hound us until we want to rip the telephone right out of the wall.

Even more important, these computerized telephone calls threaten our personal health and safety. In one case, a family that suffered an emergency illness could not call 911 because the telephone line was tied up by a computerized message. An elderly woman who was confined to bed in a hospital after surgery was constantly interrupted by computerized sales calls. Computerized calls tieup the emergency line of police, fire, and medical services and prevent real emergency calls from getting through.

These machines are out of control, and their use is growing by 30 percent every year. It is telephone terrorism, and it has got to stop.

Let me offer my colleagues a glimpse of the types of consumer complaints that I heard from some of my constituents in South Carolina concerning these computerized telephone calls.

Ms. Nadine Brock of the Anderson County Emergency Services testified as follows:

> In my present position with the county government, we dispatch ambulances. And when these 911 calls are coming in from the computerized solicitations, it ties up those emergency lines. * * * So when these calls come in and tie up our emergency lines, then those real emergencies that come through cannot get through to us. And of course from the point of dispatching ambulances, this is a lifesaving emergency that we cannot meet when our lines are tied up on these computerized calls.

Ms. Beverly Nett of Incentives Unlimited in Greenville, SC, complained that her business is hampered by these computerized telephone calls. She said:

> We have only six lines that come into our company and when one of the computerized messages come in, it is very frustrating because I cannot give them a piece of my mind because it is—like you said, it is going to go on and on. So if I simply hang up the phone on a computerized message, it rolls to the next line and to the next line, and somebody else in the office is picking it up. It even rolls into our fax machine and our fax machine will ring with these numbers. It takes time away from the office routine.

The telemarketing industry appears oblivious to the harm it is creating. Two months ago, a representative of the Direct Marketing Association said on television that telemarketers have a right to call us in our homes. This is absurd. I echo Supreme Court Justice Louis Brandeis, who wrote 100 years ago that "the right to be left alone is the most comprehensive of rights and the one most valued by civilized man".

Mr. President, I originally introduced this bill on July 11 of this year. Since then, my constituents in South Carolina and citizens around the country have deluged my office with letters of support for this bill. Senator INOUYE, the chairman of the Communications Subcommittee, held a hearing on the bill on July 24. Not one party at that hearing testified in opposition to the bill. Because of the enormous public support, the bill was ordered reported by the Commence Committee, which I chair, and without objection on July 31.

Mr. Steve Hamm, administrator of the Department of Consumer Affairs in South Carolina, informed me that his office receives more complaints about computerized telephone calls and 900 numbers than any other problems. Despite the fact that South Carolina recently passed legislation to protect consumers from unwanted computerized calls within our State, South Carolina consumers continue to suffer from computerized calls made from out-of-State. The State law does not, and cannot, regulate interstate calls. Only Congress can protect citizens from telephone calls that cross State boundaries. That is why Federal legislation is essential.

In response to these continuing consumer complaints in South Carolina, Mr. Hamm asked me to come down to South Carolina to hear directly from my constituents about their problems with 900 numbers and computerized telephone calls. I chaired 2 days of hearing on October 10 in Greenville, SC, and on October 11 in Columbia, SC. These hearings gave consumers in South Carolina the opportunity to relate their real-life experiences with these calls and to suggest some improvements to the bill.

Mr. President, the substitute bill I am offering today contains a number of small changes to the bill that was reported by the Commerce Committee. These changes address concerns that were raised at the hearing in Washington and hearings in South Carolina, and in the additional comments that were received from the public.

The substitute bill contains a private right-of-action provision that will make it easier for consumers to recover damages from receiving these computerized calls. The provision would allow consumers to bring an action in State court against any entity that violates the bill. The bill does not, because of constitutional constraints, dictate to the States which court in each State shall be the proper venue for such an action, as this is a matter for State legislators to determine. Nevertheless, it is my hope that States will make it as easy as possible for consumers to bring such actions, preferably in small claims court. The consumer outrage at receiving these calls is clear. Unless Congress makes it easier for consumers to obtain damages from those who violate this bill, these abuses will undoubtedly continue.

Small claims court or a similar court would allow the consumer to appear before the court without an attorney. The amount of damages in this legislation is set to be fair to both the consumer and the telemarketer. However, it would defeat the purposes of the bill if the attorneys' costs to consumers of bringing an action were greater than the potential damages. I thus expect that the States will act reasonably in permitting their citizens to go to court to enforce this bill.

The substitute also permits the States to enforce the provisions of the bill. Several parties, including the Federal Communications Commission [FCC] itself, raised concerns that the FCC might not have the resources to pursue violators of this bill. The will of the FCC to enforce the bill rigorously was also questioned, especially since the chairman of the FCC submitted testimony at the July hearing to indicate that he believed the bill was unnecessary. To address these allegations, the bill permits the State attorneys general to enforce the provisions of the bill in Federal court. These provisions are noncontroversial and are almost identical to the provisions of S. 1392, which have already passed the Senate as part of the omnibus crime bill.

The substitute bill specifically directs the FCC to initiate a rulemaking to consider whether, and to what extent, restrictions might apply to calls placed to business telephones. This provision has been included in response to complaints from some businesses that computerized telephone calls are tying up their business lines. The Supreme Court has generally recognized that persons at work do not have the same level of privacy protection as is afforded to persons in their homes. Thus, the legality of a ban on unwanted computerized telephone calls to the workplace is uncertain. Restrictions other than a ban on such calls, however, might be justifiable. If the FCC finds, after a notice and comment proceeding, that the record justifies some form of restriction on computerized calls to the workplace on constitutional and policy grounds, the FCC is free to adopt such regulations.

The substitute makes clear that computerized calls can be made to emergency lines and cellular or paging lines in emergency situations, or with the consent of the called party. It is not my intention in this bill to restrict the use of artificial or prerecorded voice messages in genuine emergency situations. Such emergency situations are to be defined by the FCC, but it is expected that situations which pose a threat to the health and safety of persons or property would be included in the definition of emergency.

The substitute extends the ban on computerized calls to cover patient and guest rooms in hospitals, elderly homes, or other similar health care facilities. The obvious purpose of this provision is to protect the health of persons who may find it difficult to answer the telephone. Such persons deserve the same amount of protection as persons in their homes, and possibly more protection. These persons suffer not only from an invasion of their privacy; they also suffer a potential risk to their health because of the difficulty in reaching the telephone.

This provision was added in response to numerous consumer complaints from persons who were lying in hospital rooms recovering from surgery and were disturbed by computerized telephone calls. Hospital patients often need extended hours of sleep or rest to aid their recovery. While the FCC might have defined either emergency lines or residence to include hospital guest rooms, I believe it is wiser to include this specific provision in the legislation to make clear our intent. Although this provision is to be interpreted by the FCC consistent with the constitutional guarantees of free speech it is not expected that this provision would apply to guest rooms in hotels or other where the privacy or health interests are not as great as those I have just described.

Finally, the substitute recognizes that the FCC has the authority to craft different rules, including an exemption, for certain types of calls. This provision responds to the concerns expressed by some telephone companies about new services, and some companies that use machines to place calls for debt-collection purposes. In considering the need for special rules, however, the FCC must be careful to ensure that its rules are fully consistent with the first amendment protections in the constitution. This bill carefully avoids drawing any distinctions among types of calls based on the content of the message being delivered. The provisions of this bill apply whether these calls are made for commercial, political, or other purposes. This content-neutral approach is essential to preserve the unbiased, nondiscriminatory nature of this legislation. If the FCC finds, however, that some distinctions can be justified on policy grounds and constitutional grounds, the FCC is free to adopt rules to recognize those distinctions.

The substitute bill also contains a number of minor clarifications that are consistent with the intent of the original bill. For instance, the substitute extends the ban on calling paging and cellular lines to specialized mobile radio, radio common carrier, and other services that charge the person receiving the call. The substitute also allows consent to be given orally, in writing, electronically, or by any other means, as long as the consent is expressly given to the particular entity making the call. Such consent could be obtained, for instance, by including a clause in a contract or purchase agreement indicating that signing the agreement constitutes the purchaser's express consent to receive a computerized call concerning that service or product. Such consent also could be obtained by a live person who simply asks the called party whether he or she agrees to listen to a recorded message.

This bill has been drafted to comply strictly with the first amendment guarantees of freedom of speech. The record of our hearings demonstrates that a ban on computerized calls to the home—except in emergencies or with the called party's consent—is the least restrictive means of protecting the consumer's privacy in the home. There is no other alternative that will protect the interests of the consumer. Any proposed new technology or other method of allowing consumers to avoid receiving these calls is likely to be ineffective or place too much of the burden on the consumer to protect his or her privacy interests.

Let me also make clear with respect to the Constitution that this legislation does not cover calls made by live persons. The intention of this bill is to deal directly with computerized calls. From the record of the hearings we have held and the consumer complaints we have received, it is clear that it is the computerized call that generates the most significant consumer outrage and that is most clearly an invasion of our privacy, a nuisance, and a threat to our health and safety. Mr. Hamm testified at our hearings in South Carolina:

> And I think that while I have not found any individuals that are crazy about telephone solicitations generally, I have not talked to the first consumer nor the first business that welcomes these kinds of calls in terms of computer calls.

All this legislation requires is that when a person is called at home, there must be a live person at the other end of the line. This applies regardless of the message being delivered because it is an equal invasion of privacy whether the computerized message is made for political, charitable, or commercial purposes.

Mr. President, these changes have been fully shared and explored with the members of the industry and the consumer representatives who support this bill. There is no significant opposition to the bill. I believe Congress should carryout its duty to protect the integrity of the home and stop this unwarranted invasion of our privacy. I therefore urge the passage of this substitute bill by the Senate.

Mr. WARNER. Mr. President, I join my distinguished colleague from South Carolina, the chairman of the committee that has jurisdiction over this legislation, in urging the adoption of this legislation. Indeed, the most important thing we have in this country is our freedom and our privacy, and this is clearly an invasion of that.

Mr. HOLLINGS. I thank the distinguished colleague.

AMENDMENT NO. 1311

(Purpose: To make an amendment in the nature of a substitute, and to amend the title of the bill)

Mr. HOLLINGS. Mr. President, I send a substitute amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 1311.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Automated Telephone Consumer Protection Act."

SEC. 2. RESTRICTIONS ON THE USE OF AUTOMATED TELEPHONE EQUIPMENT.

(a) AMENDMENT.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 228. RESTRICTIONS ON THE USE OF AUTOMATED TELEPHONE EQUIPMENT.

"(a) DEFINITIONS.—As used in this section—

"(1) The term 'automatic telephone dialing system' means equipment which has the capacity—

"(A) to store or produce telephone numbers to be called, using a random or sequential number generator; and

"(B) to dial such numbers.

"(2) The term 'telephone facsimile machine' means equipment which has the capacity to transcribe text or images, or both, from paper into an electronic signal and to transmit that signal over a regular telephone line.

"(3) The term 'unsolicited advertisement' means any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person's prior express invitation or permission.

"(b) RESTRICTIONS.—

"(1) REGULATIONS.—The Commission shall prescribe regulations to make it unlawful for any person within the United States—

"(A) to make any call (other than a call made for emergency purposes or made with the prior express consent of the called party) using any automatic telephone dialing system or an artificial or prerecorded voice—

"(i) to any emergency telephone line (including any '911' line and any emergency line of a hospital, medical physician or service office, health care facility, or fire protection or law enforcement agency) or to the telephone line of any guest room or patient room of a hospital, health care facility, elderly home, or similar establishment; or

"(ii) to any telephone number assigned to a paging service, cellular telephone service, specialized mobile radio service, or radio common carrier service, or any other service for which the called party is charged for the call;

"(B) to initiate any telephone call to any residence using an artificial or prerecorded voice to deliver a message without the prior express consent of the called party, unless the call is initiated for emergency purposes;

"(C) to send an unsolicited advertisement by a facsimile machine; or

"(D) to use an automatic telephone dialing system in such a way that two or more telephone lines of a multi-line business are seized simultaneously.

"(2) PRIVATE RIGHT OF ACTION.—A person who has received more than one telephone call from the same entity, or delivering the same or a similar message, in violation of regulations prescribed under this subsection may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State an action in such person's own name to enjoin such calls, an action to recover for actual monetary loss or receive $500 in damages for each violation, whichever is greater, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss up to $1,500 for each violation, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(3) CALLS TO BUSINESSES.—In the course of its rulemaking proceeding to prescribe regulations under paragraph (1), the Commission shall consider prescribing regulations to allow businesses to avoid receiving calls made using an artificial or prerecorded voice message to which they have not given their prior express consent.

"(4) EXEMPTIONS AND OTHER PROVISIONS.—In the course of its rulemaking processing to prescribe regulations under paragraph (1), the Commission shall also determine whether and to what extent the regulations should include exemptions and other provisions to address special circumstances, consistent with the public interest, convenience, and necessity.

"(c) TECHNICAL AND PROCEDURAL STANDARDS.—

"(1) PROHIBITION.—It shall be unlawful for any person within the United States—

"(A) to initiate any communication using a telephone facsimile machine, or to make any telephone call using any automatic telephone dialing system that does not comply with the technical and procedural standards prescribed under this subsection, or to use any telephone facsimile machine or automatic telephone dialing system in a manner that does not comply with such standards; or

"(B) to use a computer or other electronic device to send any message via a telephone facsimile machine unless such person clearly marks, in a margin at the top or bottom of each transmitted page of the message or on the first page of the transmission, the date and time it is sent and an identification of the business, other entity, or individual sending the message and the telephone number of the sending machine or of such business, other entity, or individual.

"(2) TELEPHONE FACSIMILE MACHINES.—The Commission shall revise the regulations setting technical and procedural standards for telephone facsimile machines to require that any such machine which—

"(A) is manufactured after 6 months after the date of enactment of this section, and

"(B) can be used for the distribution of unsolicited advertising,

clearly marks, in a margin at the top or bottom of each transmitted page or on the first page of each transmission, the date and time sent, an identification of the business, other entity, or individual sending the message, and the telephone number of the sending machine or of such business, other entity, or individual. The Commission shall exempt from such standards, for 18 months after such date of enactment, telephone facsimile machines that do not have the capacity for automatic dialing and transmission and that are not capable of operation through an interface with a computer.

"(3) ARTIFICIAL OR PRERECORDED VOICE SYSTEMS.—The Commission shall prescribe technical and procedural standards for systems that are used to transmit any artificial or prerecorded voice message via telephone. Such standards shall require that—

"(A) all artificial or prerecorded telephone messages (i) shall, at the beginning of the message, state clearly the identity of the business, individual, or other entity initiating the call, and (ii) shall, during or after the message, state clearly the telephone number or address of such business, other entity, or individual; and

"(B) any such system will automatically release the called party's line within 5 seconds of the time the system receives notification that the called party has hung up, to allow the called party's line to be used to make or receive other calls.

"(d) STATE LAW NOT PREEMPTED.—Nothing in this section or in the regulations prescribed under this section shall preempt any State law that imposes more restrictive intrastate requirements or regulations on, or which prohibits—

"(1) the use of telephone facsimile machines or other electronic devices to send unsolicited advertisements;

"(2) the use of automatic telephone dialing systems to transmit prerecorded telephone solicitations; or

"(3) the use of artificial or prerecorded voice messages.

"(e) ACTIONS BY STATES.—

"(1) AUTHORITY OF STATES.—Whenever the attorney general of a State, or an official or agency designated by a State, has reason to believe that any person has engaged or is engaging in a pattern or practice of telephone calls to residents of that State in violation of the regulations prescribed under this section, the State may bring a civil action on behalf of its residents to enjoin such calls, an action to recover for actual monetary loss or receive $500 in damages for each violation, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss up to $1,500 for each violation, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(2) EXCLUSIVE JURISDICTION OF FEDERAL COURTS.—The district courts of the United States, the United States courts of any territory, and the District Court of the United States for the District of Columbia shall have exclusive jurisdiction over all civil actions brought under this subsection. Upon proper application, such courts shall also have jurisdiction to issue writs of mandamus, or orders affording life relief, commanding the defendant to comply with the provisions of regulations prescribed under this section, including the requirement that the defendant take such action as is necessary to remove the danger of violation of any such regulations. Upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.

"(3) RIGHTS OF COMMISSION.—The State shall serve prior written notice of any such civil action upon the Commission and provide the Commission with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Commission shall have the right (A) to intervene in the action, (B) upon so intervening, to be heard on all matters arising therein, and (C) to file petitions for appeal.

"(4) VENUE; SERVICE OF PROCESS.—Any civil action brought under this subsection in a district court of the United States may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or wherein the violation occurred or is occurring, and process in such cases may be served in any district in which the defendant is an inhabitant or wherever the defendant may be found.

"(5) INVESTIGATORY POWERS.—For purposes of bringing any civil action under this subsection, nothing in this section shall prevent the attorney general of a State from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance or witnesses or the production of documentary and other evidence.

"(6) EFFECT ON STATE COURT PROCEEDINGS.—Nothing contained in this subsection shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State.

"(7) LIMITATION.—Whenever the Commission has instituted a civil action for violation of regulations prescribed under this section, no State may, during the pendence of such action instituted by the Commission, subsequently institute a civil action against any defendant named in the Commission's complaint for any violation as alleged in the Commission's complaint.

"(8) DEFINITION.—As used in this subsection, the term 'attorney general' means the chief legal officer of a State.".

(b) CONFORMING AMENDMENT.—Section 2(b) of the Communications Act of 1934 (47 U.S.C. 152(b)) is amended by striking "and 225" and inserting in lieu thereof ", 225, and 228".

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 1311) was agreed to.

Mr. INOUYE. Mr. President, I rise today to voice my support for S. 1462, the Automated Telephone Consumer Protection Act offered by my good friend and colleague, Senator HOLLINGS, and S. 1410, the Telephone Advertising Consumer Rights Act offered by my other good friend, Senator PRESSLER. These bills address an urgent and pressing problem in American society—the proliferation of machine-generated and live telephone calls.

I have great respect for the telemarketing industry. Telemarketing is a useful and cost-effective tool for many merchants. But telemarketers must learn not to take advantage of their technology. They must learn to respect the privacy rights of consumers in their homes. They must learn not to tie up the telephone or fax lines of businesses without prior consent. And they must ensure that they limit the danger to emergency services.

The two bills before the Senate today, Senator HOLLINGS' bill to regulate computerized telephone calls, and Senator PRESSLER's bill to regulate calls by live persons, are reasonable attempts to protect consumers, businesses, and emergency services from unwanted telephone calls. There is overwhelming support for both of these bills, and these substitute versions reflect the substantial input of the telemarketing industry. I applaud both my colleagues for their work to protect the telephone consumer, and look forward to having these bills enacted into law before the end of this year.

Mr. BENTSEN. Mr. President, I join my colleague, the distinguished Senator from South Carolina, Senator FRITZ HOLLINGS, in supporting the immediate passage of S. 1462, the Automated Telephone Consumer Protection Act of 1991. This bill addresses an issue of great concern to many of my Texas constituents and people all over the country: The unreasonable encroachment upon their privacy by unsolicited, automated telephone calls to homes, businesses, and public institutions and by the unsolicited use of facsimile machines to transmit advertising.

Automatic dialer recorded message players are used by telemarketers to automatically dial a telephone number and deliver an artificial or prerecorded voice message. The use of these machines makes long distance telemarketing much less expensive. As a result, these machines are widely used and the telemarketing industry has grown by immense proportions.

Advertisements for all kinds of consumer products, trips, investments, credit cards, and sweepstakes are frequently communicated to home, business, and cellular telephones, as well as paging machines, through the use of automated calls. Such advertisements are also transmitted to facsimile machines. One survey found that about 75 percent of the public favor some form of regulation of these calls, and one-half of these favored prohibiting all unsolicited calls.

As Senator HOLLINGS has noted, consumer complaints about the use of these machines and the use of junk fax have steadily increased.

This bill would ban all unsolicited automated calls to the home that are not made for emergency purposes. It would also ban all automated calls to emergency telephone lines, cellular telephones, and paging systems. Furthermore, it would ban all unsolicited advertising to facsimile machines.

In spite of the traditional hesitancy of Congress to pass legislation that regulates a particular industry or technology, we must enact this bill in order to avoid the unreasonable interference with the privacy of consumers and the normal conduct of public and private business. I urge my colleagues to endorse this important legislation that will restrict the use of automated calling and junk fax, without making distinctions based upon the content of the respective communications.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

[The bill (S. 1462) will appear in a subsequent issue of the RECORD.]

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read: "A bill to amend the Communications Act of 1934 to prohibit certain practices involving the use of telephone equipment.".

CHANGE OF VOTE—ROLLCALL 246

Mr. WARNER. Mr. President, I propound a unanimous-consent request which has been cleared by both the majority and Republican leader. I ask unanimous consent to change my vote from "nay" to "yea" on rollcall 246, adopting the conference report on H.R. 2707 for fiscal year 1992 Labor-Health and Human Services and Education appropriations bill. The measure was approved by a majority, 72 to 25, and the addition of an affirmative vote, making 73 to 24, will have no effect on the outcome.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE REFORM

Mr. BOREN. Mr. President, as we come near the close of this legislative week, I again want to discuss an issue that I have been discussing now on a weekly basis in the Senate with our colleagues and with the American people. That is a need to reform Congress as an institution. All of us realize that we have serious problems with the functioning of this institution. There are constructive changes that need to be made so that we can better fulfill our responsibilities, to grapple with the problems which confront us.

The last time that Congress took a major look at itself and made sweeping reforms at its own internal structures and procedures was in the period immediately after World War II, as the cold war was about to begin. In 1946, 1947, the Monroney-La Follette Commission was established by a joint action of the House and Senate to examine the institution of Congress, to make sure that the Congress was ready to meet the challenges of a new age.

The cold war was beginning. The superpower confrontation was beginning. There were major challenges to be met. And the result of that study, which was carried on for almost a year by Members of the House and the Senate, with the help of outside experts, staff donated by the American Political Science Association, resulted in a major overhaul of Congress as an institution.

The committee structure was rationalized in both the House and Senate so that the jurisdiction was identical in the two Houses, so that when conference committees met, they had but two committees to meet in conference. We are often now confronted, as jurisdictions are basically different between the House and the Senate, sometimes with as many as 8, 9, 10, even a dozen committees having partial jurisdiction over the matters of disagreement between the House and the Senate.

As I said a few days ago on the Senate floor, sometimes it seems more appropriate to rent out the Versailles Palace and the Hall of Mirrors to have a conference committee, because so many people are involved. Sometimes, over a hundred people are involved in a conference committee, trying to work out a compromise between the House and the Senate.

So one of the major elements of the changes made back in the period immediately after the end of World War II was to rationalize the committee structure and to make sure that there was parallel jurisdiction between the two Houses so that we could work together more easily.

Now that the cold war is coming to an end, and now that we confront, again, new challenges for our country, a new world situation, a situation that will require a whole different set of assets that remain influential in the world and play a leadership role, it is time again for Congress to take a look at itself.

We have, of course, been impacted by the events of the last several weeks, and our proposal in Senate Concurrent Resolution 57 was one that was submitted before the events of the last few weeks. But they have only, I think, intensified the interest of the American people in this proposal, and the consideration which should be given to it by our colleagues in the Senate and the House.

We have been buffeted by events, by the publicity about the operation of the House bank, by a very controversial and divisive confirmation process on the Thomas nomination, and by other events that have caused the American people to express an even higher level of dissatisfaction with the Congress and an even lower level of trust in this institution.

It is not only, however, just because of those criticisms that have been leveled at the Congress that I think it is time for us to undertake a major reform effort; it is because all of us know from our personal experience that we could do our job better. I view this as not a time simply for reacting to criticism, although I think we should heed the voices of the people which have expressed dissatisfaction with the performance of Congress and the performance of Government in general.

But I think we should also view it as an opportunity, a constructive opportunity to set up a structure here that is appropriate for the changed world environment, a structure that will make it easier for us to consider the major policy questions that confront us, to rebuild the economic strength of this country, to rebuild our social strength, to revitalize our educational programs, to combat the need to improve the competitiveness of American business and industry in world markets, to change tax policy to encourage investment and savings and increased productivity.

Major decisions need to be made. Major problems need to be confronted, and many of us, at the end of a legislative week, or at the end of a legislative day in which we put in long hours, often are left with the feeling that while we have been caught up in almost continuous activity, that sometimes not much of it has been directed to the big problems that confront our country; that we have been weighted down with trivia, with legislative proposals that are not really important enough to take our time, and that it becomes more and more difficult for us to have time for reflection, for consultation with one another, and for even focusing the activities of our committee on those big problems, those big issues of policy that in the final analysis will determine whether or not we are really leading America into the next century, prepared for the challenges that we will have to meet.

Changing the structure of Congress, reforming the structure of Congress itself, passing meaningful campaign finance reform so that we will be able to devote more of our time and attention to the solving of problems instead of the raising of money for the next campaign, will not in themselves guarantee that we will have either the insight or the vision or the political courage to do what we need to do to serve our country well.

But by devising a structure and by changing the campaign laws so that we will have more of our time available to focus on the real problems of this country, we at least create an atmosphere in which there is a greater likelihood we will make the decisions that need to be made for the sake of our country.

So, Mr. President, I do not say that congressional reform, the reform of this Congress as an institution, the getting under control of the bureaucracy of this institution, the rationalizing of the 300 committees and subcommittees which we have, the examination and improvement of our rules so that we can take up one subject matter at a time and consider it without the disruption of extraneous matters being added as amendments during the process, and many other items that we should at least consider with an open mind as we review where Congress is, I am not saying that doing these things alone will assure us a first-rate educational system or a balanced budget or a tax policy that will enable us to save and invest and compete in the world marketplace or a health program that will serve the needs of all Americans and make health care, basic health care available at affordable prices to the American people or will take care of the unemployed or will reform the welfare system so that people can be put to work doing something productive in return for any payments which they receive from the Government.

Those actions will not automatically follow from campaign finance reform or from reform of the structure of this institution. But I do believe, Mr. President, that they will make the focus on these problems more likely and they will make it more likely that we will have a positive result and take the right actions in this area.

Mr. President, as I said when I began these discussions on the floor several days ago and indicated that I would continue to come to the floor each and every week until there is action to commence hearings on this proposal and until there is a positive action on behalf of both Houses to enact campaign finance reform and to start the process of taking an objective look at ourselves in terms of how we function, the efficiency with which we function, the manner in which we function—as I said when I began the discussion of these issues, we are the trustees of the Senate. We occupy these chairs. They do not belong to us. They belong to the people.

When we open the drawers and look at the names that are inscribed in the drawers of all of these desks, following the tradition of 200 years of Members of this institution to write their names or carve their names inside the desk drawers, and we pull open those drawers and we see those names written there, the Websters, the Clays, the Calhouns, the Tafts, the La Follettes, those who have served as President of the United States, the Harry Trumans, others whose names are inscribed inside these desk drawers, we are reminded of the past greatness of this institution. We are reminded of how well it has served our country and preserved our democracy, how well in times of emergency and social unrest, in times of war, in times of depression, in times of crisis for our country this institution has responded to meet the needs of the American people and to help shepherd, along with the executive branch and the judicial branch, our country through perilous times.

Mr. President, we are all a part of an institution that is greater than ourselves. We are all a part of the democratic institutions of government, the Senate of the United States, that is far more important in terms of how it functions and how it serves the American people than the individual political interests of any of us or the interests of the Democratic Party or the Republican Party. We are a part of something greater than ourselves, and it is what gives us satisfaction in our daily lives because we are a part of a process that is worthy of sacrifices that we might make personally to it in order to be public servants in the real sense of that term.

That is why, Mr. President, we must not turn our backs on the problems that we see around us. There are good men and women in this institution attempting to serve the people, attempting to make a difference on a daily basis who become more and more frustrated because they are diverted by the need to raise campaign funds. They are diverted by the need to rush from one subcommittee hearing to another on some meaningless or very unimportant proposal. They are diverted from doing the job that they came here intending to do, to tackle the big problems facing this country, and to do it with vision, and to do it with courage, and to do the right thing without regard to political consequences.

We cannot therefore turn our backs on the fact that this institution needs to be repaired. It needs to be revitalized. We need to take actions so we can once again merit the respect of the American people.

So that when we are walking across a room in some public place and someone says, "Is that not a Member of the Congress?" instead of lowering our heads and averting our eyes and hoping that maybe they will not recognize the fact that we serve in this institution, that we would raise our heads with pride and say, "Yes, it is a privilege to be a part of that institution, and to try to render public service, and to be in a forum where we are really grappling with the issues that matter to the future of your children and your grandchildren."

That is what we should have in this institution. That is how we should feel about being Members of this institution. Sadly, some of the days through which we have passed recently, even, we have not had that sense of pride that we should feel.

That means we have not been doing our jobs as we should to keep this institution healthy, strong, vital, and serving the American people, preparing this country for the challenges of the next century, making sure that our economic decline will not continue, making sure that our children will have a first-rate educational system so that they will have the skills necessary not only to prosper, but to survive in their adult lifetime because they are going to be in a world market competing with the best and brightest from around the world to a greater degree than any generation of America's children have had to compete in the past.

So, Mr. President, I again end this week with a plea to my colleagues: Let us step up and be trustees of this institution. Let us be worthy of the title Senator and Congressman and Congresswoman by making sure that we do all we can to make this institution function as well as it can, that we take this opportunity for constructive action, that as our world changes again in a fundamental way, just as it changed at the end of World War II, as we see the cold war coming to an end and a new age with new challenges coming before us, that we do what the Congress did in 1946 and 1947 with the Monroney-LaFollette reform effort, that we step back and we take action once again to restructure and to reform this institution.

Now 21 Members of the Senate have joined as cosponsors of this resolution. There are over 100 Members of the House that have joined in this effort. It is our goal that by the time the Senate and House leave for Thanksgiving we will have a majority of the Members of both Houses of Congress signed on to a major reform effort for this institution. I hope that will happen.

The distinguished chairman of the Rules Committee has indicated to me that he hopes to have hearings commencing soon on this matter. I appreciate his very constructive and positive response to our proposal. As I have indicated before Senator FORD is one of those who has devoted much of his time already to trying to improve this institution. He has made major improvements in printing and mailing, reducing the costs of this institution for which I have commended him on the floor.

Our two leaders, who are now on the floor, the Democratic and the Republican leader, struggle on a daily basis to make this place work, to get the people here at a time and to do the business of the country at a time that it needs to be done, in an orderly fashion. We need to try to help them in this task.

Mr. LOTT. Mr. President, will the distinguished Senator yield?

Mr. BOREN. I am happy to yield to my friend, the Senator from Mississippi.

Mr. LOTT. I want to commend the distinguished senior Senator from Oklahoma for what he has been doing in this area and what he has had to say today.

There is a tremendous need for us to look into possible ways to have reforms, to improve the way we do business, the way we serve the people. I think he is doing an excellent job in this area. I want to join in supporting what he is trying to do.

I would like to ask one question. What is the process that my colleague envisions of how we might get this done? He was beginning to talk about it a little bit. He says the Rules Committee expressed an interest in it. Do they anticipate some hearings? Are we going to develop legislation in which we will consult with leadership?

I really am serious about trying to get this done. I hope that we will make sure there is a mechanism for it, not just an opportunity for us to talk about it.

Mr. BOREN. I thank my good friend from Mississippi for his question. I know he has expressed a lot of interest to me on this subject in the past. He may have joined as a cosponsor of the Senate concurrent resolution 57. I believe he has. It was to set up as a committee as was done with the Monroney-La Follette committee that would report back major changes and positive suggestions in overhauling the Congress as an institution in a certain period of time.

We will not be establishing another permanent committee. It would have existence only for limited duration of time. It would be totally bipartisan. It would have to use outside experts, and in fact to receive volunteer service so we will not have to spend a lot of money and build a huge bureaucracy to help some new committee and new study effort. It then would report back its recommendations to the Congress which then would of course have to be voted on, enacted in the rules changes and in the statutory changes for them to take effect.

My hope is that kind of effort would be successful. It was successful. We would add on to the old Monroney-La Follette study which had a lot of volunteer Member help, and outside experts who came in and helped at very little cost to the Government. Sometimes by making a major proposal for change, and a major reform, it is easier to get it done than it is piecemeal, a little bit at a time, because everyone is giving up something at the same time. The Members are all being asked to make some personal sacrifices at one time. The difficulty is we are all in the same boat together. It is time for us to really do something for the institution.

And I think it is better to do it in a bold dramatic way which we hope will happen under this proposal; it would be piecemeal. As I have indicated, the Rules Committee in both Houses would have hearings on the concurrent resolution. Congressman LEE HAMILTON and Congressman GRADISON have introduced a companion resolution to that introduced by Senator DOMENICI and myself here in the Senate, and they have introduced it on the House side. We are making a lot of progress and getting cosponsors and are requesting hearings on both sides at this time. I thank my colleague for his questions.

I see the two leaders are here to complete the Senate's business, and having just spoken about the need to provide greater assistance, as we look at ways that would change the Senate, that would allow the two leaders to conduct business in a more orderly fashion and to ease the frustrations they have, I will not interfere with their concluding business at this time.

I thank the Chair and my colleagues for hearing me out.

OLDER AMERICANS ACT OF 1965

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 225, S. 243, a bill to revise and extend the Older Americans Act of 1965, at 11 a.m. on Tuesday, November 12.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

Mr. MITCHELL. Mr. President, the Republican leader and I have had previous discussions about the banking bill. I want to state for the record that, on our side of the aisle, we Democrats are now in a position to proceed to the consideration of S. 543, the banking bill. I want to inquire of the Republican leader if he is in a position to give consent on his side so that we might be able to proceed with that bill.

Mr. DOLE. Mr. President, I personally have no problems with proceeding to the bill. I must inform the majority leader that I am not in a position to give consent to do that.

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I therefore move to proceed to Calendar No. 245, S. 543, the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, and send to the desk a cloture motion on the motion to proceed to that bill.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 543, the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991:

Richard H. Bryan, Claiborne Pell, Alan J. Dixon, Carl Levin, Don Riegle, Timothy E. Wirth, Jim Sasser, J. Lieberman, George Mitchell, Pete Domenici, Thomas Daschle, D. Inouye, Albert Gore, Christopher Dodd, Jay Rockefeller, Harry Reid.

Mr. MITCHELL. Mr. President, I now withdraw the motion to proceed to S. 543.

The PRESIDING OFFICER. The motion to proceed is withdrawn.

CLOTURE VOTE ON S. 543

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the cloture vote on the motion to proceed to S. 543 occur on Wednesday, November 13, in accordance with the provisions of rule XXII, and that the mandatory live quorum be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW AND TUESDAY, NOVEMBER 12, 1991

Mr. MITCHELL. Mr. President, I now ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m., Friday, November 8; that on Friday, the Senate convene for a pro forma session only; that when the pro forma session closes, the Senate stand in recess until 10 a.m., Tuesday, November 12; that on Tuesday, November 12, following the prayer, the Journal of the proceedings be deemed approved to date, and following the time for the two leaders, there be a period for morning business not to extend beyond 11 a.m., with Senators permitted to speak therein for up to 5 minutes each; that the Senate stand in recess from 12:30 until 2:15 p.m. in order to accommodate the respective party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting nominations which were referred to the Committee on Foreign Relations.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on November 7, 1991, during the recess of the Senate, received a message from the House of Representatives announcing that the House agrees to the report of the committee of conference on the disagreeing votes on the two Houses on the amendments of the Senate to the bill (H.R. 2707) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1992, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 42, 66, 71, 108, 109, 150, 167, 172, 197, 206, and 213 to the bill, and agrees thereto; and that it recedes from its disagreement to the amendments of the Senate numbered 3, 7, 9, 13, 26, 29, 35, 38, 41, 49, 52, 64, 65, 68, 73, 79, 87, 90, 93, 94, 95, 96, 99, 112, 122, 124, 126, 130, 132, 133, 135, 140, 141, 142, 143, 151, 156, 158, 161, 164, 176, 179, 181, 188, 200, 205, 214, 218, and 219 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 1848. An act to restore the authority of the Secretary of Education to make certain preliminary payments to local educational agencies.

H.J. Res. 140. Joint resolution designating November 19, 1991, as "National Philanthropy Day";

H.J. Res. 177. Joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day"; and

H.J. Res. 280. Joint resolution to designate the week beginning November 10, 1991, as "Hire a Veteran Week."

The enrolled bill and joint resolution were subsequently signed, during the session of the Senate, by the Acting President pro tempore [Mr. SANFORD].

MESSAGES FROM THE HOUSE

At 4:46 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, each without amendment:

S.J. Res. 36. Joint resolution to designate the months of November 1991, and November 1992, as "National Alzheimer's Disease Month";

S.J. Res. 145. Joint resolution designating the week beginning November 10, 1991, as "National Women Veterans Recognition Week"; and

S.J. Res. 188. Joint resolution designating November 1991 as "National Red Ribbon Month."

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 3350) to extend the United States Commission on Civil Rights.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2950) to develop a national intermodal surface transportation system, to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Public Works and Transportation for the consideration of the entire House bill (except title VII), the entire Senate amendment, and modifications committed to conference: Mr. ROE, Mr. ANDERSON, Mr. MINETA, Mr. OBERSTAR, Mr. NOWAK, Mr. RAHALL, Mr. APPLEGATE, Mr. DE LUGO, Mr. SAVAGE, Mr. BORSKI, Mr. KOLTER, Mr. HAMMERSCHMIDT, Mr. SHUSTER, Mr. CLINGER, Mr. PETRI, Mr. PACKARD, Mr. BOEHLERT, and Mrs. BENTLEY.

From the Committee on Ways and Means, for consideration of title VII of the House bill, and sections 140E, 141 through 144, 271(b)(12), and 305 of the Senate amendment, and modifications committed to conference: Mr. ROSTENKOWSKI, Mr. GIBBONS, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. ARCHER, Mr. VANDER JAGT, and Mr. CRANE.

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 5, 121(a), 123, 124, 134 (a) and (b), 143, 184, 209, 322(m), 335, title V (insofar as it addresses railroads), sections 601(b), 608 through 610, 617, and 620 of the House bill, and sections 103(b) (1), (2), and (9), 106(a), 107, 113, 114, 115 (a)(2) and (d), 116, 117, 122(b), 127, 128, 131, 140G, 140T, 140U, 239, 261, 262, 319, and 336 of the Senate amendment, and modifications committed to conference: Mr. DINGELL, Mr. SWIFT, Mr. SIKORSKI, Mr. LENT, and Mr. RITTER: *Provided*, That Mr. DANNEMEYER is appointed in place of Mr. RITTER for consideration of sections 123 and 124 of the House bill, and sections 103(b)(2), 106(a) (insofar as it addresses 23 U.S.C. 133(a)(10)), 107, 113, 114, and 319 of the Senate amendment.

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 140I, 140N, part A of title II (except sections 204, 218, and 226), 264, and 271 of the Senate amendment, and modifications committed to conference: Mr. DINGELL, Mr. SWIFT, Mr. SHARP, Mr. ECKART, Mr. TAUZIN, Mr. SLATTERY, Mr. BOUCHER, Mr. MANTON, Mr. BRUCE, Mr. HARRIS, Mr. SYNAR, Mr. LENT, Mr. MOORHEAD, Mr. RINALDO, Mr. DANNEMEYER, Mr. RITTER, Mr. FIELDS, and Mr. OXLEY.

As additional conferees from the Committee on Interior and Insular Affairs, for consideration of sections 125, 143, and 144 of the Senate amendment, and modifications committed to conference: Mr. MILLER of California, Mr. VENTO, Mr. KOSTMAYER, Mr. LAGOMARSINO, and Mr. MARLENEE.

As additional conferees from the Committee on the Judiciary, for consideration of section 409 of the House bill, and section 238 and title IV of the Senate amendment, and modifications committed to conference: Mr. BROOKS, Mr. EDWARDS of California, Mr. FRANK of Massachusetts, Mr. FISH, and Mr. MOORHEAD.

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of sections 5, 108, 317(b), 320, and 321 (a) and (e) of the House bill, and section 106(a) of the Senate amendment, and modifications committed to conference: Mr. JONES of North Carolina, Mr. STUDDS, Mr. HERTEL, Mr. DAVIS, and Mr. YOUNG of Alaska.

As additional conferees from the Committee on Science, Space, and Technology, for consideration of sections 141 (a) and (e), 202, 317, 405, 502, 601, 604 through 609, 616 through 618, 651 through 659, and 671 through 673 of the House bill, and sections 103(b) (9) and (10), 106(a), 107, 115, 116, 127(g), 136(b), 203(e), 204, 232(a), 329, and 341 of the Senate amendment, and modifications committed to conference: Mr. BROWN, Mr. VALENTINE, Mr. GLICKMAN, Mr. WALKER, and Mr. LEWIS of Florida.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 3402. An act to amend the Public Health Service Act to revise and extend certain programs regarding health information, health promotion, and vaccine injury compensation; and

H.J. Res. 125. Joint resolution to designate the week beginning November 24, 1991, and the week beginning November 22, 1992, each as "National Family Caregivers Week."

ENROLLED JOINT RESOLUTIONS SIGNED

At 5:52 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 36. Joint resolution to designate the months of November 1991, and November 1992, as "National Alzheimer's Disease Month";

S.J. Res. 145. Joint resolution designating the week beginning November 10, 1991, as "National Women Veterans Recognition Week";

S.J. Res. 188. Joint resolution designating November 1991, as "National Red Ribbon Month"; and

H.J. Res. 175. Joint resolution to designate the weeks beginning December 1, 1991, and November 29, 1992, as "National Home Care Week."

The enrolled joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 125. Joint resolution to designate the week beginning November 24, 1991, and the week beginning November 22, 1992, each as "National Family Caregivers Week"; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, November 7, 1991, he had presented to the President of the United States the following enrolled bill:

S. 1848. An act to restore the authority of the Secretary of Education to make certain preliminary payments to local educational agencies, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2123. A communication from the General Counsel of the Oversight Board and the Resolution Trust Corporation, transmitting, pursuant to law, a report of the audited financial statements of the Resolution Trust Corporation for December 31, 1990, and for the year then ended; to the Committee on Banking, Housing and Urban Affairs.

EC-2124. A communication from the Secretary of the Interior, transmitting, a draft of proposed legislation to distribute a portion of the Outer Continental Shelf natural gas and oil receipts to coastal States and coastal counties as impact assistance, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2125. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the first-year preliminary report on the New York Bight Restoration Plan; to the Committee on Environment and Public Works.

EC-2126. A communication from the Chairman of the Board of Directors of the Farm Credit System Assistance Board, transmitting, pursuant to law, a report on October 31 the Farm Credit System Assistant Board's FY 1991 report; to the Committee on Governmental Affairs.

EC-2127. A communication from the Administrator of the General Services Administration, transmitting, a draft of proposed legislation to amend chapter 57 of title 5, United States Code, to provide a system for setting the maximum mileage allowances for reimbursement to an employee for the use of privately owned vehicles while engaged on official Government business; to the Committee on Governmental Affairs.

EC-2128. A communication from the President of the James Madison Memorial Fellowship Foundation, transmitting, a draft of proposed legislation to eliminate the $10 million fund-raising requirement; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DECONCINI, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1095. A bill to amend title 38, United States Code, to improve reemployment rights and benefits of veterans and other benefits of employment of certain members of the uniformed services (Rept. No. 102-203).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. D'AMATO:

S. 1927. A bill to authorize the Secretary of Agriculture to carry out a grant program to increase the international competitiveness of the forest products industries in the United States, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 1928. A bill to provide temporary duty-free treatment to 2,6-HNA; to the Committee on Finance.

By Mr. DECONCINI:

S. 1929. A bill to amend the Internal Revenue Code of 1986 to allow individuals to exclude certain amounts of interest from gross income; to the Committee on Finance.

By Mr. GORTON:

S. 1930. A bill to amend title 10, United States Code, to revise certain time limitations for the awarding of medals and other decorations, to revise the time limitation applicable to requests for corrections of military records, and for other purposes; to the Committee on Armed Services.

By Mr. STEVENS (for himself and Mr. LIEBERMAN):

S. 1931. A bill to authorize the Air Force Association to establish a memorial in the District of Columbia or its environs; to the Committee on Energy and Natural Resources.

By Mr. BUMPERS (for himself, Mr. BROWN, Mr. KERRY, Mr. SYMMS, Mr. DASCHLE, Mr. SEYMOUR, Mr. LIEBERMAN, Mr. KASTEN, Mr. WOFFORD, Mr. COATS, Mr. SANFORD, Mr. CRAIG, Mr. RIEGLE, Mr. BURNS, Mr. SASSER, Mr. COHEN, Mr. INOUYE, Mr. LOTT, Mr. BREAUX, Mr. DODD, Mr. KOHL, Mr. NUNN, Mr. BURDICK, Mr. GORE, Mr. PRYOR, Mr. CONRAD, Mr. GRAHAM, Mr. BRYAN, Mr. BAUCUS, Ms. MIKULSKI, Mr. SHELBY, Mr. FORD, Mr. BINGAMAN, Mr. HEFLIN, Mr. BOREN, Mr. ADAMS, Mr. DECONCINI, Mr. JOHNSTON, Mr. DIXON and Mr. SPECTER):

S. 1932. A bill to amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high-risk, long-term, growth-oriented venture and seed capital investments in start-up and other small enterprises; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. ADAMS, Mr. BINGAMAN, Mr. DURENBERGER, Mrs. KASSEBAUM, Mr. KOHL, Ms. MIKULSKI, Mr. SIMON and Mr. HARKIN):

S. 1933. A bill to amend titles VII and VIII of the Public Health Service Act to reauthorize and extend programs under such titles, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. STEVENS:

S. 1934. A bill to exclude deposits into a capital construction fund account under section 607(d) of the Merchant Marine Act from net earnings from self-employment; to the Committee on Finance.

By Mr. SIMPSON (for himself, Mr. WALLOP, Mr. BURNS, Mr. BAUCUS, Mr. GARN, Mr. HATCH, Mr. DOMENICI, Mr. CRAIG, and Mr. PRESSLER):

S. 1935. A bill to require the Secretary of Agriculture to submit a report on, and establish a system for, lamb price and supply reporting services in the Department of Agriculture, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CHAFEE (for himself, Mr. DOLE, Mr. MCCAIN, Mr. SPECTER, Mr. BOND, Mr. COHEN, Mr. DANFORTH, Mr. MURKOWSKI, Mr. GORTON, Mr. MCCONNELL, Mr. STEVENS, Mr. PRESSLER, Mr. SIMPSON, Mr. WALLOP, Mr. WARNER, Mr. MACK, Mr. DOMENICI, Mr. HATFIELD, Mr. D'AMATO, Mr. GRASSLEY, and Mr. KASTEN):

S. 1936. A bill to provide improved access to health care, and for other purposes; to the Committee on Finance.

By Mr. COATS:

S. 1937. A bill to provide for coverage of Congress under Federal civil rights and employment laws, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ROBB (for himself and Mr. WARNER):

S. 1938. A bill to extend the time for submission of the final statement of community development block grant activities by Petersburg, Virginia; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LEAHY:

S. 1939. A bill to amend title 5, United States Code, to amend the Freedom of Information Act, and for other purposes; to the Committee on the Judiciary.

By Mr. LEAHY (for himself and Mr. BROWN):

S. 1940. A bill to amend title 5, United States Code, to provide for public access to information in an electronic format, to amend the Freedom of Information Act, and for other purposes; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself and Mr. SIMPSON):

S. 1941. A bill to amend the Immigration and Nationality Act for the purpose of reforming procedures for the resettlement of refugees in the United States; to the Committee on the Judiciary.

By Mr. GLENN (for himself, Mr. LEVIN, Mr. PRYOR, Mr. SASSER, Mr. LIEBERMAN, Mr. AKAKA, Mr. METZENBAUM, Mr. DURENBERGER, Mr. CHAFEE):

S. 1942. A bill to provide for procedures for the review of Federal department and agency regulations, and for other purposes; to the Committee on Governmental Affairs.

By Mr. RIEGLE (for himself, Mr. DIXON, Mr. DODD, Mr. GRAHAM, Mr. WIRTH, and Mr. KERREY):

S. 1943. A bill to reform the Resolution Trust Corporation; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY (for himself, Mr. HARKIN, Mr. PELL, and Mr. BINGAMAN):

S. 1944. A bill to amend the Public Health Service Act to strengthen the Nation's health promotion and disease prevention activities, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MITCHELL (for himself, Mr. BENTSEN, Mr. SASSER, Mr. SARBANES, Mr. RIEGLE, Mr. KENNEDY, Mr. DODD, Mr. ADAMS, and Mr. LEVIN):

S. 1945. A bill to provide a program of emergency unemployment compensation, and for other purposes.

By Mr. COATS:

S.J. Res. 227. A joint resolution proposing an amendment to the Constitution of the United States to limit the terms of office for Members of Congress; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 228. A joint resolution to designate the week beginning February 23, 1992, as "National Manufacturing Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. COATS:

S. Res. 215. A resolution to amend the Standing Rules of the Senate to require that any pay increase for Members be considered as freestanding legislation and held at the desk for at least 7 calendar days prior to consideration by the Senate; to the Committee on Rules and Administration.

By Mr. D'AMATO (for himself and Mr. PRESSLER):

S. Res. 216. A resolution expressing the sense of the Senate regarding the recognition of, and establishment of diplomatic relations with, Croatia, Slovenia, Bosnia-Hercegovina, Kosova, and Macedonia; to the Committee on Foreign Relations.

By Mr. GORE (for himself, Mr. ADAMS, Mr. AKAKA, Mr. BINGAMAN, Mr. BUMPERS, Mr. CHAFEE, Mr. COHEN, Mr. CONRAD, Mr. DASCHLE, Mr. DODD, Mr. INOUYE, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. PELL, Mr. SIMON, Mr. WELLSTONE and Mr. WIRTH):

S. Res. 217. A resolution urging the Administrator of the Environmental Protection Agency to accelerate the scheduled phaseout of ozone-destroying substances in the United States as required pursuant to the Clean Air Act Amendments of 1990; calling on the President to urge the Contracting Parties to the Montreal Protocol to modify the Protocol in order to accelerate the phaseout of such substances; and for other purposes based on scientific findings concerning the degradation of the stratospheric ozone layer; to the Committee on Environment and Public Works.

By Mr. REID (for himself and Mr. BRYAN):

S. Con. Res. 75. A concurrent resolution expressing the sense of the Congress that the President should award the Presidential Unit Citation to the crew of the U.S.S. Nevada for their heroism and gallantry during the attack on Pearl Harbor on December 7, 1941; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO:

S. 1927. A bill to authorize the Secretary of Agriculture to carry out a grant program to increase the international competitiveness of the forest products industries in the United States, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

WOOD PRODUCTS EXPORT ACT

• Mr. D'AMATO. Mr. President, I rise to introduce the Wood Products Export

Act of 1991. This legislation will provide forest product companies with production and marketing assistance that will help them compete globally.

The bill establishes funding for up to six centers at graduate degree-granting universities located in the principal forestry regions of the United States. Their mission is to stimulate value-added manufacturing and marketing of products from U.S. forests to increase their competitiveness in world markets.

The U.S. forest products industry is already an important part of the economy comprising about 5 percent of the gross national product. This legislation helps strengthen that industry by developing new forest product uses and assisting the private sector to effectively compete in the world market. The legislation creates urgently needed rural employment that will benefit rural businesses and communties.

The centers' tasks will be to promote domestic and international forest and trade policies in a way that increase economic benefits while still improving the global environment.

Activities of the centers will include the establishing of communications links with forest products manufacturing concerns and the centers. It will promote the education, research and technology transfer of marketing and manufacturing technologies, including the study of linkages and impacts between trade and environmental policy.

I urge my colleagues to support this legislation to help the United States to be both aggressively competitive and environmentally responsible in the critical area of forest products exports.

Mr. President, I ask unanimous consent that the text of this bill be printed in its entirety at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1927

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wood Products Export Act of 1991".

SEC. 2. FINDINGS.

Congress finds that—

(1) the forest products industries of the United States comprise approximately 5 percent of the gross national product;

(2) these forest products industries are often located in rural areas of the United States where employment opportunities are otherwise limited;

(3) the employment base and tax base of rural America needs to be expanded, especially in nonfarming areas where forest products industries are typically located;

(4) in many cases, an increase in the productivity of lumber and other primary manufacturing operations has not increased employment opportunities in these operations;

(5) while consumers in the United States benefit from the importation of wood products from Canada, the United States must as a consequence remain aggressively competitive in exports to avoid a substantial trade deficit;

(6) in order to prevent the decline of rural economies in the United States, the forest products industries must achieve more stable sourcing, increased value-added manufacturing, and customization of wood products, especially for export markets;

(7) in some cases, unprocessed timber is exported from the United States only to be processed overseas and made into products, such as furniture, which are then imported into the United States;

(8) national and international trade policies affect not only world economies, but also have substantially different effects on the environment in each country, with some policies resulting in substantial negative environmental effects;

(9) both national and the developing global environmental policies cause substantial shifts in environmental effects from one region to another through trade linkages, frequently offsetting the objectives of single-issue policies while having substantial negative economic effects as well;

(10) a substantial amount of research on the manufacturing and marketing of forest products and their substitutes and on the effects of forest resource and forest product use on the environment has been amassed by the United States Forest Service, universities, corporations, and certain government, university, and private research laboratories in other countries;

(11) application of this research regarding the manufacturing and marketing of forest products and their substitutes and the environmental effects of the products will increase the competitiveness of forest products industries in the United States in international markets while contributing to improvements in the global environment;

(12) universities and colleges have the expertise to transfer appropriate existing and new knowledge to manufacturing and marketing forest products industries to assist them in increasing their competitiveness;

(13) universities and colleges, because they are not directly associated with commercial forest production or forest products manufacturing and marketing, are especially well suited to the design and analysis of country and regionally specific domestic and international forest, forest sector, agroforestry, development, economic, and trade policy;

(14) universities and colleges, because of this neutrality, are especially suited to provide policy alternatives that can contribute to global environmental gains with fewer negative economic effects;

(15) the international forest products trade development efforts of State colleges and universities and of the Federal Government will be more effective if there is close coordination between the efforts; and

(16) forestry schools are especially vital in the training of research workers and international trade experts in the forest products industries.

SEC. 3. GRANTS FOR INTERNATIONAL FOREST PRODUCTS TRADE DEVELOPMENT CENTERS.

(a) IN GENERAL.—In order to increase the competitiveness of the forest products industries of the United States in international markets, the Secretary of Agriculture shall make grants for the establishment, expansion, and operation in the United States of a network of cooperating international forest products trade development centers at colleges and universities offering graduate training in forestry.

(b) ACTIVITIES OF CENTERS.—An international forest products trade development center assisted by a grant made under this section may use the funds provided by the grant to—

(1) establish communications links with forest products manufacturing concerns within the areas of influence of the center, concentrating especially on small- and medium-sized companies;

(2) promote education and technology transfer of marketing and manufacturing technologies to companies and organizations within the area of influence of the center;

(3) develop educational programs that enhance the abilities of industry to compete globally;

(4) conduct research in those areas that would promote trade in forest products and establish quality products especially for export trade;

(5) conduct research and education on the linkages and impacts between trade and environmental policy, developing policies more conducive to environmental improvement with less negative economic impacts;

(6) collaborate to establish a permanent data base to address the problems faced by potential exporters, including language barriers, foreign codes and standards, interaction with representatives of foreign governments, transportation of goods and products, insurance and financing within foreign countries, and international marketing data;

(7) develop temporary or permanent exhibits that will—

(A) stimulate and educate trade delegations from foreign nations with respect to forest products produced in the United States; and

(B) be made available for use by State and regional entities for exhibits, trade seminars, and negotiations involving the products;

(8) stimulate technology transfer and research by the centers by stressing cooperation and communication between centers;

(9) expand technology transfer globally and inform United States industry of improved production techniques developed by foreign firms;

(10) stimulate foreign trade in forest products through cooperation with existing Federal and industry trade programs dealing with expanding markets for domestically produced wood products;

(11) perform such additional education, research, and technology transfer as necessary to meet the objectives of the centers; and

(12) carry out such other activities relating to the exportation of forest products as the Secretary of Agriculture may approve.

(c) SELECTION OF GRANT RECIPIENTS.—

(1) IN GENERAL.—In making grants under this section, the Secretary of Agriculture shall provide for a network of not more than six cooperating international forest products trade development centers that are strategically located to serve the needs of the various regions of the forest products industries, including (to the extent practicable) consortia comprised of the universities or colleges of more than one State within a region.

(2) REGIONS.—The regions in which a center shall be established or an existing center supported shall include at least the Pacific northwest, the north central States, the northeast, the central Appalachian region, and the Gulf States.

(3) CENTERS.—The network shall include at least—

(A) the Appalachian Export Center for Hardwoods located at West Virginia University in Morgantown, West Virginia;

(B) the Center for International Trade in Forest Products located at the University of Washington in Seattle, Washington;

(C) the Gulf States Forest Products International Trade Development Center, which is a consortium consisting of Auburn University in Auburn, Alabama, the University of Alabama in Tuscaloosa, Alabama, the Louisiana State University in Baton Rouge, Louisiana, the Mississippi State University in Mississippi State, Mississippi, and the University of Arkansas in Monticello, Arkansas; and

(D) the International Forest Products Trade Institute located at the State University of New York College of Environmental Science and Forestry in Syracuse, New York.

(e) ADMINISTRATION.—

(1) REGULATIONS.—The Secretary of Agriculture shall issue such regulations as the Secretary considers necessary to carry out this section.

(2) PLANS.—Funds under a grant made under this section shall be provided in accordance with plans that are agreed on by the Secretary and the international forest products trade development centers.

(3) ASSISTANCE.—The Secretary may furnish the centers with such additional advice and assistance through the Cooperative State Research Service as will best promote the purposes of the centers.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section for a fiscal year an amount equal to at least ¼ of the amount appropriated for the preceding fiscal year for Federal forest products and harvesting research conducted directly by the Department of Agriculture.•

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 1928. A bill to provide temporary duty-free treatment to 2,6-HNA; to the Committee on Finance.

TEMPORARY DUTY-FREE TREATMENT

• Mr. BRADLEY. Mr. President, I rise to reintroduce legislation to extend the duty suspension on 6-hydroxy-2-naphthoic acid (also known as 2,6-HNA). Joining me is my friend and colleague Senator LAUTENBERG. We introduced the identical bill in the 101st CONGRESS.

Germany is the sole producer of 2,6-HNA. Hoechst Celanese of Bridgewater, NJ, imports the chemical in order to produce Vectra resins. Initially Vectra resins were utilized uniquely for tire reinforcements. More recently a wider field of applications for Vectra resins such as electronics, fiber optics, consumer products, and aircraft have been explored. The impact of the burgeoning Vectra resins business will provide New Jersey and other parts of the United States a number of job and economic opportunities.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1928

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 2,6-HNA.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12	I6-hydroxy-2 napthoic acid (2,6-HNA) (provided for in subheading 2918.29.50)	Free	No change	No change	On or before 12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.•

By Mr. DECONCINI:

S. 1929. A bill to amend the Internal Revenue Code of 1986 to allow individuals to exclude certain amounts of interest from gross income; to the Committee on Finance.

EXCLUSION OF CERTAIN INTEREST FROM GROSS INCOME

• Mr. DECONCINI. Mr. President, today I am introducing a bill that attempts to stem the rapid decline in this Nation's savings rate. My proposal would allow tax-free earnings on savings interest of $2,500 a year for single filers and $5,000 for couples filing jointly. I would like to emphasize that this would only cover deposits in federally insured institutions.

Mr. President, the Census Bureau tells us that heads of households in this country between the ages of 45 and 54 have, on average, less than $16,000 in an interest bearing account. With health care an extravagant luxury for a growing number, and with housing, taxes, and the cost of family necessities on the rise, we all know how far $16,000 will go.

Net national savings in this country has plummeted 80 percent in the last 40 years. I need not remind my colleagues that as the savings rate has fallen, Americans have acquired debt at record levels. We have the lowest per capita savings rate in the industrialized world.

The Japanese save at a rate of almost two times that of their counterparts in the United States. The Germans save at a rate of 1½ times ours. What is wrong with this picture? What is wrong with this Nation, going from the world's bankers to a world class debtor?

Older Americans will remember what a similar situation led to not so very long ago—the Great Depression.

We must take the lead here, today. The other side of the aisle would tell you that the real answer is another tax break for the wealthy. Middle Town, U.S.A., is justifiably angry over those assertions. Most of the last decade we have all experienced what can only be referred to as "golden trough" economics. If you could afford a golden trough, you were able to gorge yourself; if not, you were out of luck. We now know that the trickle-down theory has led us into recession. I am proposing an alternative theory, one in which the savings of all Americans will catapult this economy into growth.

In 5 to 10 years, who will be going to college and how will they be able to pay for it? Who will be buying cars or homes? This body must send the message that if we are to have a secure economic future, personal savings must increase. A commitment to increased national savings is our future.

My colleagues and I have been told by our constituents that one of the worst mistakes Congress ever made was the elimination of individual retirement accounts for everyone. I have supported legislation by Senator BENTSEN to correct that situation. My bill goes a step further and encourages all savings for all purposes by making interest earned on savings, up to $2,500 for an individual, $5,000 for a couple filing jointly, tax exempt.

Mr. President, I ask unanimous consent that the text of my bill be included in the RECORD. I ask my colleagues to join me in cosponsoring this approach to dampening the recession and promoting prosperity.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1929

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PARTIAL EXCLUSION OF INTEREST RECEIVED BY INDIVIDUALS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to amounts specifically excluded from gross income) is amended by inserting after section 115 the following new section:

"SEC. 116. PARTIAL EXCLUSION OF QUALIFIED INTEREST RECEIVED BY INDIVIDUALS.

"(a) EXCLUSION FROM GROSS INCOME.—Gross income does not include qualified interest received during the taxable year by an individual.

"(b) LIMITATION.—The aggregate amount excluded under subsection (a) for any taxable year shall not exceed $2,500 ($5,000 in the case of a joint return filed under section 6013).

"(c) DEFINITION AND SPECIAL RULES.—

"(1) QUALIFIED INTEREST.—For purposes of this section the term 'qualified interest' means amounts (whether or not designated as interest) paid, in respect of deposits, investment certificates, or withdrawable or repurchase shares, by—

"(A) an insured depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act, 12 U.S.C. 1813(c)), or

"(B) an insured credit union (as defined in section 101 of the Federal Credit Union Act, 12 U.S.C. 1752).

"(2) DISTRIBUTIONS FROM REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—Subsection (a) shall apply with respect to distributions by—

"(A) regulated investment companies to the extent provided in section 854(c), and

"(B) real estate investment trusts to the extent provided in section 857(c).

"(3) Distributions by a Trust.—For purposes of subsection (a), the amount of qualified interest properly allocable to a beneficiary under section 652 or 662 shall be deemed to have been received by the beneficiary ratably on the same date that the qualified interest was received by the estate or trust.

"(4) Certain nonresident aliens ineligible for exclusion.—In the case of a nonresident alien individual, subsection (a) shall apply only—

"(A) in determining the tax imposed for the taxable year pursuant to section 871(b)(1) and only in respect of interest which is effectively connected with the conduct of a trade or business within the United States, or

"(B) in determining the tax imposed for the taxable year pursuant to section 877(b)."

(b) Clerical and Conforming Amendments.—

(1) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 115 the following new item:

"Sec. 116. Partial exclusion of qualified interest received by individuals"

(2) Section 265(a)(2) of such Code is amended by inserting before the end period the following: "or to make deposits, to the extent the interest thereon is excludable from gross income under section 116".

(3) Subsection (c) of section 584 of such Code is amended by adding at the end thereof the following new sentence:

"The proportionate share of each participant in the amount of interest received by the common trust fund and in which section 116 applies shall be considered for purposes of such section as having been received by such participant."

(4) Subsection (a) of section 643 of such Code is amended by inserting after paragraph (6) the following new paragraph:

"(7) Interest.—There shall be included the amount of any interest excluded from gross income pursuant to section 116."

(5) Section 854 of such Code is amended by adding at the end thereof the following new subsection:

"(c) Treatment Under Section 116.—

"(1) In General.—For purposes of section 116, in the case of a dividend (other than a dividend described in subsection (a)) received from a regulated investment company which meets the requirements of section 852 for the taxable year in which it paid the dividend, the portion of such dividend which bears the same ratio to the amount of such dividend as the aggregate qualified interest bears to gross income shall be treated as qualified interest. For purposes of the preceding sentence, gross income and aggregate qualified interest received shall each be reduced by so much of the deduction allowable by section 163 for the taxable year as does not exceed aggregate qualified interest received for the taxable year.

"(2) Notice to shareholders.—The amount of any distribution by a regulated investment company which may be taken into account as qualified interest for purposes of the exclusion under section 116 shall not exceed the amount so designated by the company in a written notice to its shareholders mailed not later than 45 days after the close of its taxable year.

"(3) Definitions.—For purposes of this subsection—

"(A) The term 'gross income' does not include gain from the sale or other disposition of stock or securities.

"(B) The term 'aggregate qualified interest received' includes only interest described in section 116(c)(1)."

(6) Subsection (c) of section 857 of such Code is amended to read as follows:

"(c) Limitations Applicable to Dividends Received From Real Estate Investment Trusts.—

"(1) In general.—For purposes of section 116 (relating to partial exclusion of qualified interest received by individuals) and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.

"(2) Treatment as interest.—In the case of a dividend (other than a capital gain dividend, as defined in subsection (b)(3)(C)) received from a real estate investment trust which meets the requirements of this part for the taxable year in which it paid the dividend, the portion of such dividend which bears the same ratio to the amount of such dividend as the aggregate qualified interest received bears to gross income shall be treated as qualified interest.

"(3) Adjustments to gross income and aggregate qualified interest received.—For purposes of paragraph (2)—

"(A) gross income does not include the net capital gain,

"(B) gross income and aggregate qualified interest received shall each be reduced by so much of the deduction allowable by section 163 for the taxable year (other than for interest on mortgages on real property owned by the real estate investment trust) as does not exceed aggregate qualified interest received for the taxable year, and

"(C) gross income shall be reduced by the sum of the taxes imposed by paragraphs (4), (5), and (6) of section 857(b).

"(4) Aggregate qualified interest received.—The purposes of this subsection, the term 'aggregate qualified interest received' means only interest described in section 116(c)(1).

"(5) Notice to shareholders.—The amount of any distribution by a real estate investment trust which may be taken into account as qualified interest for purposes of the exclusion under section 116 shall not exceed the amount so designated by the trust in a written notice to its shareholders mailed not later than 45 days after the close of its taxable year."

(c) Effective Date.—The amendments made by this section shall apply to interest received in taxable years beginning after December 31, 1991.●

By Mr. GORTON:

S. 1930. A bill to amend title 10, United States Code, to revise certain time limitations for the awarding of medals and other decorations, to revise the time limitation applicable to requests for corrections of military records, and for other purposes; to the Committee on Armed Services.

MILITARY AWARDS LEGISLATION

Mr. GORTON. Mr. President, men and women who serve in the armed forces are, for this Senator, heroes of the highest order. They have often risked and all-too-frequently sacrificed their lives on the battlefield for their fellow soldiers and for the principles for which this Nation stands. To those who display exceptional acts of bravery and valor, we give special recognition in the form of military awards and decorations. These awards constitute a small thank you for what these soldiers have done for this country.

Yet, many awards are denied to deserving soldiers, not because of their misconduct or lack of support from their superior officers. No, Mr. President, awards are denied because the military simply refuses to process the paperwork for nominations made more than 5 years after an heroic act took place.

The reverse is true as well. If a military award has been presented but not indicated on a soldier's service record, the military simply will not correct the record if the request is made more than 3 years after the mistake was detected.

I became aware of these two shortcomings in the military's administrative regulations and laws because two constituents who came to me for help.

Cpl. Wong Suey Lee is a decorated veteran of the Korean war, and was awarded the Purple Heart and the Combat Infantry Badge. In 1989, Corporal Lee was recommended by his former battalion commander for the Silver Star for acts of bravery and heroism during heavy combat in June 1951. In letters of recommendation, both his battalion commander and company commander stated their belief that Corporal Lee's acting company commander on June 3, 1951 fully intended to submit promptly the award recommendation but inadvertently failed to do so because of other pressing needs caused by the heavy casualties suffered during a military offensive.

The Army refused to process the recommendation because it was entered into military channels more than 5 years after the act of heroism. A number of letters from Members of Congress, including a letter signed by this Senator and four of his colleagues, were sent requesting that the Army consider the recommendation on its merits. The Army flatly refused, saying that "equity and fairness dictate that we refrain from waiving the time limits on a case-by-case basis."

I was dismayed to find that similar provisions apply in all four military branches, and that countless others like Corporal Lee, are being told that because of technical, administrative oversights they cannot be officially rewarded for serving their Nation.

The time limit is even shorter for correcting one's military service record. Recently, for instance, I received a request from a veteran who was honorably discharged, wounded during the Battle of the Bulge, and taken prisoner in World War II. On December 17, 1944, during the Battle of the Bulge at Hosingen, Luxembourg, Leonard H. Grady was wounded while acting as an assistant tank driver. On December 24, 1944, the POW train transporting Leonard Grady was bombed. Fortunately, Leonard Grady survived.

Leonard Grady was awarded the Purple Heart Medal in 1946, but due to unattended legal work, the award was not recorded on his service record. He was unaware of this oversight until 1985, and has since attempted, unsuccessfully, to amend his military record to reflect the award. The Army Board of Correction of Military Records responded by stating, and I quote, "it was not in the interest of justice to excuse your failure to timely file," and that further consideration was inappropriate.

It is unjust, Mr. President, to deny Mr. Grady the simple opportunity to amend his service records to reflect the sacrifices he made while serving his country. It is unreasonable to refuse Corporal Lee the Silver Star Medal which he earned and was nominated for in 1951. And, finally, it is unfair to forbid other veterans, who are in similar predicaments, from receiving awards to which they are entitled. I think most Senators will agree, that these are not outrageous or radical requests, and that their consideration is only a small token of our appreciation for the sacrifices endured while defending America.

I believe it is never too late to recognize the contributions of anyone who has sacrificed or risked his or her life to protect and promote democracy. We build monuments in honor of those who have worked for the betterment of society, for the survival of civil rights, and for the pursuit of freedom, happiness and justice. The Silver Star award, the Purple Heart, as well as other medals for outstanding performance, are physically small, yet significant monuments for the veterans who served America. We cannot, of course, construct individual monuments for every veteran who served his country. We can, however, express our appreciation by giving veterans the awards they deserve, regardless of whether it is 10, 20 or even 50 years after serving their Nation.

Mr. President, today I introduce legislation which will remedy a grave injustice done to our Nation's veterans. This legislation will abolish the 5-year time limit currently applied to the awarding of military awards and decorations. This will give veterans the opportunity to retrieve an award he or she is entitled to, provided sufficient information to prove entitlement to the award, but did not officially receive due to administrative oversights, and legal roadblocks. Secondly, this legislation will waive the 3-year time limitation for correcting one's military service records to reflect the receipt of medals or decorations. Finally, this legislation will permit the military to award and/or receive nominations for medals and decorations, and correct military service records up to 2 years after the death of a veteran.

Mr. President, it saddens me to think that hundreds or thousands of veterans may have been robbed of the medals and decorations that they earned. By waiving these unfair and insensitive regulations for the awarding of military medals, we will undo an injustice inflicted on the thousands of veterans who fought to preserve America.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1930

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF TIME LIMITATIONS FOR AWARDING MEDALS AND DECORATIONS.

(a) ARMY.—Section 3744 of title 10, United States Code, is amended—

(1) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) No medal of honor, distinguished-service cross, distinguished-service medal, or device in place thereof may be awarded to a person unless—

"(1) statements setting forth the distinguished service of the person and recommending official recognition of such service is made not later than two years after the death of the person; and

"(2) it appears from records of the Department of the Army that the person is entitled to the award."; and

(2) by striking out subsection (d).

(b) NAVY AND MARINE CORPS.—(1) Section 6248 of title 10, United States Code, is amended to read as follows:

"6248. Limitations

"No medal of honor, Navy cross, distinguished-service medal, silver star medal, Navy and Marine Corps Medal, or bar, emblem, or insignia in place thereof may be awarded to a person unless—

"(1) statements setting forth the distinguished service of the person and recommending official recognition of such service is made not later than two years after the death of the person; and

"(2) it appears from records of the Department of the Navy that the person is entitled to the award.".

(2) The table of sections at the beginning of chapter 567 of such title is amended by striking out the item relating to section 6248 and inserting in lieu thereof the following:

"6248. Limitations.".

(c) AIR FORCE.—Section 8744 of title 10, United States Code, is amended—

(1) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) No medal of honor, Air Force cross, distinguished-service medal, or device in place thereof may be awarded to a person unless—

"(1) statements setting forth the distinguished service of the person and recommending official recognition of such service is made not later than two years after the death of the person; and

"(2) it appears from records of the Department of the Air Force that the person is entitled to the award."; and

(2) by striking out subsection (d).

(d) ADMINISTRATIVE LIMITATIONS.—The policy set out in paragraphs (1) and (2) of section 3744(b) of title 10, United States Code, section 6248 of such title, and paragraphs (1) and (2) of section 8744(b) of such title, as such provisions were in effect on the day before the date of the enactment of this Act, may not be applied administratively to the awarding of any medal or other decoration for the recognition of the service of any person as a member of the Armed Forces of the United States or the recognition of any act of a person while serving as a member of the Armed Forces.

(e) APPLICABILITY.—The amendments made by subsections (a) through (c) shall apply with respect to a recommendation for the award of a medal or other decoration that is made after December 31, 1988, and shall apply without regard to the date of the act or service justifying the award.

SEC. 2. REVISION OF TIME LIMITATION RELATING TO THE CORRECTION OF MILITARY RECORDS.

(a) REVISION OF TIME LIMITATION.—Subsection (b) of section 1552 of title 10, United States Code, is amended to read as follows:

"(b) No correction may be made under subsection (a)(1) unless—

"(1) the claimant or his heir or legal representative files a request for the correction;

"(2) the request is filed not later than two years after the date of death of the claimant; and

"(3) a board established under subsection (a)(1) may excuse a failure to timely file, after it finds it to be in the interest of justice.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to a request for the correction of a military record that is made after the date of the enactment of this Act.

By Mr. STEVENS (for himself and Mr. LIEBERMAN):

S. 1931. A bill to authorize the Air Force Association to establish a memorial in the District of Columbia or its environs; to the Committee on Energy and Natural Resources.

ESTABLISHMENT OF THE AIR FORCE MEMORIAL

Mr. STEVENS. Mr. President, the U.S. Air Force was established as a separate service in 1947. Since that time, the Air Force has distinguished itself in times of peace and war, from the Berlin airlift to its stunning success in Desert Storm.

The 50th anniversary of the founding of the Air Force will be 1997. Today, I am introducing a bill to authorize the erection of a memorial to the Air Force and the extraordinary men and women who have served their country so well within this extraordinary institution. If a memorial is to be completed in time for the 50th anniversary celebration, Congress must start the process now.

An Air Force memorial will not cost any public money. Funds will be raised privately and my bill expressly prohibits taxpayer funding for the memorial. The process for the establishment of a memorial must be in accordance with all existing standards for erecting such works as laid out in 40 U.S.C. 1001.

I urge my colleagues to join me in assisting in the establishment of a suitable monument to a remarkable institution that has so nobly served our Nation.

By Mr. BUMPERS (for himself, Mr. BROWN, Mr. KERRY, Mr. SYMMS, Mr. DASCHLE, Mr. SEYMOUR, Mr. LIEBERMAN, Mr. KASTEN, Mr. WOFFORD, Mr. COATS, Mr. SANFORD, Mr. CRAIG, Mr. RIEGLE, Mr. BURNS, Mr. SASSER, Mr. COHEN, Mr. INOUYE, Mr. LOTT, Mr. BREAUX, Mr. DODD, Mr. KOHL, Mr. NUNN, Mr. BURDICK, Mr. GORE, Mr. PRYOR, Mr. CONRAD, Mr. GRAHAM, Mr. BRYAN, Mr. BAUCUS, Ms. MIKULSKI, Mr. SHELBY, Mr. FORD, Mr. BINGAMAN, Mr. HEFLIN, Mr. BOREN, Mr. ADAMS, Mr. DECONCINI, Mr. JOHNSTON, Mr. DIXON, and Mr. SPECTER):

S. 1932. A bill to amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high-risk, long-term, growth-oriented venture and seed capital investments in start-up and other small enterprises; to the Committee on Finance.

ENTERPRISE CAPITAL FORMATION ACT OF 1991

• Mr. BUMPERS. Mr. President, today I am proud to introduce the Enterprise Capital Formation Act. This legislation provides a capital investment tax incentive that challenges Americans to make high-risk, long-term, growth-oriented investments in the enterprises that will lead Americans into the 21st century.

LEARNING THE LESSONS

The legislation I am introducing learns all the lessons from the partisan and ideological debate in the 101st Congress on the President's proposal for an across-the-board cut in capital gains taxes.

First, we learned last year that the impact of a capital gains investment incentive on Government revenue is the critical issue here in the Congress.

It is no coincidence that the 1981 supply-side tax cut—a tax cut that President Reagan claimed would pay for itself—was associated with a dramatic increase in Government budget deficits. In fact, it is clear to me that the 1981 tax cut—along with a doubling of defense spending—was the major cause of these deficits.

So, the Congress is justifiably cautious when we hear that another supply-side tax cut, this one for capital investments, is going to raise Government revenue.

My proposed investment incentive is not premised on the supply-side claim that it will magically pay for itself. I have never believed the supply side claims that income tax or capital gains tax cuts—or any other tax cut—will pay for themselves. Back in 1981 I warned that the supply-side cut in income taxes would generate deficits that would choke a mule. Unfortunately, that warning proved to be an understatement. I have not changed my position on this issue just because I am introducing my own proposal to cut taxes.

I acknowledge that the investment incentive I am proposing today does lose revenue and I will insist that this revenue loss be financed on a pay-as-you-go basis under last year's budget reconciliation law.

I am well aware that those of us who support tax incentives for savings and investment cannot claim that we have increased savings if we run up the public deficit—Government dissavings—to pay for it. This is a zero sum game with the increase in private savings canceled out by the decrease in public savings. The key issue is whether we have increased public and private savings on a net basis.

I have obtained a revenue estimate from the Joint Committee on Taxation and I do not dispute its finding that the incentive I am proposing loses $900 million in Government revenue over a 5-year period.

But, I want to emphasize that this revenue loss is small enough that we do not need to raise the tax rates on ordinary income or to impose a surcharge on wealthy taxpayers to pay for it. I also want to emphasize that this revenue loss estimate pales in comparison to the estimate of the Joint Committee with regard to the capital gains proposal advocated by the President during the budget summit negotiations last year, which would have lost $11.4 billion over 5 years. This revenue loss was for a capital gains bill that only applied to individual taxpayers. If the bill also applied to corporate taxpayers—as does my bill—the revenue loss would have been approximnately 30 percent greater. This huge revenue loss is what led to the demand that it be financed with an increase in tax rates or a surcharge on millionaires.

I have not proposed a way to finance the tax cut I am proposing, but, given the amount of revenue involved, it can be financed in the context of a medium-sized tax bill with the closing of a few tax loopholes. The Joint Committee on Taxation has estimated that the tax code will grant $2.132 trillion in tax expenditures over the next 5 years.

Last year's budget reconciliation bill contained provisions that lost $27.4 billion in Government revenue over a 5-year period. It contained $164.5 billion in tax increases. It contained four separate provisions that lost more than $900 million over 5 years and 19 separate provisions that raised more than $900 million. The 1989 budget reconciliation bill contained $7.7 billion in revenue losing provisions and $32.2 billion in revenue raising provisions, including 9 provisions that raised more than $900 million. The 1988 tax bill contained $4.2 billion in revenue losing provisions and the same amount of revenue raising provisions. The 1987 tax bill had $38.2 billion in revenue raising provisions and the 1986 tax reform bill contained $121.9 billion in revenue raising provisions.

So, it's clear that we can raise the $900 million in revenue we need to finance this bill. I will work with the Senate Finance Committee to identify one or more tax increases sufficient to raise the $900 million we need.

So, the revenue issue that killed the President's proposal last year will not kill this proposal.

Second, we learned last year that the fairness is the other key to consideration of an investment incentive in the Congress.

My legislation does not provide an underserved, retroactive tax windfall for wealthy investors for the sale of investments that were made long before it goes into effect. The bill only applies to new investments made in response to the new incentive.

This legislation rewards investors and entrepreneurs who are willing to take risks and invest for long term economic growth, not short-term income. It calls on them to change their portfolio strategy and does not simply reward investors for doing exactly what they are already doing without any capital gains tax incentive for doing so.

This legislation does confer tax advantages on wealthy taxpayers who act as outside investors and provide capital to entrepreneurs who need it. Any cut in capital gains taxes provides benefits to those who have capital to invest. The Joint Committee has told me, however, that it is unable to give me an estimate of the tax benefits that would be conferred on different taxpayers in different income ranges by my proposal. It's simply too targeted and the data is not available to complete the estimate.

Let me emphasize that the legislation also provides tax benefits to individual entrepreneurs who start new businesses and build their value with their own savings and sweat equity. Any entrepreneur can benefit even if he or she does not have any capital to start with and builds up the value of a business with sweat equity and brainpower.

So, the business issue that helped to kill the President's proposal last year will not kill this proposal.

Third, we learned last year that we must focus on investment incentives that are necessary to help America meet the intense competition we face in the international marketplace.

This incentive is directly related to the America's competitiveness challenge. It only applies only to high-risk, long-term, growth-oriented investments in businesses that will create the technology and jobs of tomorrow and that will help the United States compete in international markets. It provides no incentive for any other kind of investment.

This legislation provides an incentive for investors who put capital directly into the hands of entrepreneurs, not for simply trading these investments on the secondary market. This incentive is a capital formation incentive in the literal sense.

This legislation seeks to reinvigorate the venture capital industry and to create a new seed capital industry that is as large or larger. This legislation is indispensable to the renaissance of America and its property in the international marketplace.

This is legislation that looks to the future, both in terms of the politics of the Congress and the Nation and in terms of its emphasis on investments that are critical to help America compete in international trade.

So, the competitiveness issue that helped to kill the President's proposal last year will not kill this proposal.

Finally, the fourth lesson we have learned from last year is that we will not enact a capital formation incentive if it becomes a partisan and ideological battle between Republicans and Democrats.

I am a Democrat and I first introduced my venture capital bill in 1987 [S. 931], before then-Vice President Bush proposed cutting capital gains taxes. I reintroduced my venture capital bill in 1989, S. 348, with strong support among Senate Democrats, and introduced my seed capital bill, S. 2798 in 1990. Congressman PETER HOAGLAND, another Democrat, was the lead sponsor for my venture capital bill in the other body.

The media has always billed the capital gains debate as one in which Republicans and Democrats were fighting and it never reported that there were 12 Democrats in the Senate who supported my venture capital gains proposal in the last Congress, one of the proposals that is incorporated in the bill I am introducing today.

It is true, however, that many Democrats opposed the President's proposal for an across-the-board cut in capital gains taxes. This opposition was decisive. We have divided Government. Democrats in the Congress argued forcefully in the last Congress that the President's proposal lost huge amounts of revenue, provided an unfair windfall for wealthy taxpayers, and was not sufficiently related to the competitiveness of America. These were honest and well substantiated criticisms of the President's proposal and they carried the day in the Congress.

So, one crucial difference with this proposal is that it is supported by a large number of Senate Democrats.

But, the support for the bill I am introducing today is truly bipartisan. I am delighted that I am joined by a distinguished and bipartisan group of cosponsors for the legislation: Senators BROWN, KERRY, SYMMS, DASCHLE, SEYMOUR, LIEBERMAN, KASTEN, WOFFORD, COATS, SANFORD, CRAIG, RIEGLE, BURNS, SASSER, COHEN, INOUYE, LOTT, BREAUX, DODD, KOHL, NUNN, BURDICK, GORE, PRYOR, CONRAD, GRAHAM, BRYAN, BAUCUS, MIKULSKI, SHELBY, FORD, BINGAMAN, HEFLIN, BOREN, ADAMS, DECONCINI, JOHNSTON, and DIXON. This means that this bill will not be killed by the partisanship that proved so divisive in the last Congress.

RHETORIC VERSUS REALITY

Most of the rhetoric we hear from those who favor restoring a capital gains differential focuses on risk-takers, small, growth companies, entrepreneurs and inventors, and competitiveness.

We hear endless stories about the brilliant entrepreneur who borrows money using his own home as collateral, who starts a computer company in his garage, who develops a technology that all the Fortune 500 companies have ignored, and who becomes a mega-millionaire when his company finally goes public.

However, restoring an across-the-board capital gains differential for nearly every type of investment transaction has very little to do with this rhetoric. Most of the benefits of a broad-based capital gains differential go to transactions that have nothing to do with the brilliant entrepreneur attempting to start a company in Silicon Valley or on Route 128.

According to one detailed analysis, an across-the-board cut in capital gains tax rates mostly provides tax benefits to "sectors other than new businesses." (James Poterba, "Venture Capital and Capital Gains Taxation," in "Tax Policy and the Economy," 1989.) This conclusion is based on the fact that less than "one-quarter of realized (capital) gains reflects appreciation of common stock, and venture capital activity is only a small share of this equity component." (Id. at 63.) The pool of venture capital funds under management is "less than 1 percent of the value of U.S. equity markets." (Id.)

The flow of initial public offerings [IPO's] of new firms suggests that "the venture IPO's accounted for 0.5 percent and 0.65 percent, respectively (for 1985 and 1986), of realized (captial) gains." (Id. at 65.) "These statistics illustrate the basic fact that a subsidy to all appreciating assets, such as an across-the-board reduction in capital gains rates, largely benefits nonventure capital assets." (Id.) Such an across-the-board cut in capital gains tax rates is a "relatively blunt device for encouraging venture investments." Id. at 48.)

By way of contrast, the venture and seed capital formation bill provide a tax incentive that is specifically targeted to form capital for entrepreneurs and inventors struggling to grow small startup businesses. These are working capital investments that can create jobs, new technologies, and new markets. The seed capital formation and venture capital gains bills match the capital gains rhetoric with the targeted provisions of the legislation.

I am not saying that no other types of investments should be covered by a capital gains tax incentive. I come from a State where timber is an important industry and strong arguments can be made for extending some type of a capital incentive to other, less risky classes of investments.

In terms of priorities, an incentive for venture and seed capital formation should form the core of any capital gains considered by the Congress. These forms of direct investments are the paradigm for investments that are high-risk, long-term, and growth-oriented.

When one sets priorities, it is clear that there are different types of investments, there are different degrees of risk, there are different capital formation barriers, and there are differently taxed investors. We need to match an analysis of the need for a capital formation incentive with the provisions of an incentive that meets that need to offset the risk that is associated with the investment.

In short, the capital gains issue is one that involves balancing and choices, not one that is simply a question of one's support for or opposition to a general concept. The venture and seed capital formation bill set priorities that match the capital gains rhetoric with the targeted provisions of the bills.

I ask unanimous consent that a memorandum outlining the terms of the legislation be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEGISLATIVE ANALYSIS OF ENTERPRISE CAPITAL FORMATION ACT

The following memorandum describes the terms and conditions of the Enterprise Capital Formation Act.

A. ELIGIBLE INVESTMENTS AND INCENTIVES PROVIDED

The Enterprise Capital Formation Act provides a capital investment incentive for venture and seed capital investments by providing a deduction for gains on such investments.

Venture capital investments are defined as investments in the stock of a small business venture with $100 million or less in paid-in capital. Seed capital investments are defined as investments in the stock of a small business venture with $5 million or less in paid-in capital. These thresholds are indexed for inflation, which ensures that this legislation will continue to provide an incentive for venture and seed capital investments in the future.

The thresholds are set by reference to three forms of capital provided to the company—money, other property, and services received by the corporation for stock, as a contribution to capital, and as paid-in surplus—and the sum of the accumulated earnings and profits of the corporation. The sum of these figures must not exceed the thresholds in the bill.

If property is contributed to the corporation in exchange for stock, the value of the stock for purposes of the thresholds is the adjusted basis of such property for determining gain, reduced (but not below zero) by any liability to which the property was subject or which was assumed by the corporation. If services are contributed to the corporation in exchange for stock, the amount taken into account shall be the value of the services.

Incentive stock options under Section 422 of the tax code are granted to employees of start-up and other small firms in lieu of compensation. Many such businesses begin with an idea and very little capital to carry the idea from research and development to product or process. To preserve capital for research and development in a start-up firm, the entrepreneurial employees of the business sacrifice all or a large portion of their compensation to invest in the development of an idea with hopes of producing a new product or process. In many cases, the risks are great and the awards are received only when the product or process is successful, which may be many years in the future.

The entrepreneurial employees who accept incentive stock options in lieu of compensation incur substantial risks and have no guarantee of benefits for many years in the future. Due to receiving reduced compensation, the employees are not able to fund the exercise of the incentive stock option until the product or process is close to completion.

Except in the case of certain tax free transfers outlined below stock in another corporation may not be exchanged for the stock in a qualified corporation. In short, stock is not considered to be "property" that may be exchanged to purchase the stock of a qualified corporation. All other types of property do qualify as contributions.

In a case where a corporation is issuing a second or other subsequent round of stock, the amounts received by the corporation in the new issuance and all prior issuances shall be aggregated to determine if the threshold has been reached.

The determination of whether the thresholds have been exceeded is met immediately after the stock is issued.

If the contributions to the corporation do not exceed the $100 million or $5 million thresholds, the stock qualifies for the special tax deduction provided in the legislation.

A corporation can issue more than one round of equity financing as long as the aggregate amounts received by the corporation do not exceed these thresholds.

There may be cases where a corporation issues stock that takes it up to and over the threshold. To the extent the stock that is issued does not cause the corporation to exceed the applicable threshold, it qualifies for the tax incentive provided for in this legislation. The corporation would need to keep track of the paid-in capital and the stock that was issued before and after the threshold had been reached to determine which stock qualified for the incentive and which did not.

This is the approach already taken in the tax code for stock issued under Section 1244, which concerns stock issued by small corporations with one million dollars or less in paid-in capital. The corporation that issues the stock will be required to keep some records of which stock is qualified stock and which stock is not so that the taxpayers and the I.R.S. will know what tax rules apply when the taxpayer realizes gains or losses on the stock.

The legislation counts the accumulated earnings and profits of the corporation in determining whether it has met the $100 and $5 million thresholds to ensure that large corporations with very little outstanding stock do not qualify when they do issue stock. There are some companies that are quite large but which have little or no outstanding stock. This would include some large corporations that have gone private in leveraged buyouts. These large corporations have significant amounts of accumulated earnings and profits—retained earnings—and are not small corporations in any sense of the word. By including the accumulated earnings and profits of a corporation in determining whether it has met the $100 and $5 million thresholds, we ensure that the legislation applies only to truly small corporations.

During the drafting of this bill some have argued that the $5 million threshold for seed capital investments is too low and some have argued that it is too high. Similar arguments have been made with respect to the $100 million threshold for venture capital investments.

This threshold for seed capital investments is high enough so it may include some of the companies that undertake public offerings of stock, but mostly it will apply to non-public, private placement stock offerings. This non-public market is a much larger potential capital market than the public securities market.

The threshold for venture capital investments will cover many, but not all, companies when they go public to secure their equity financing. It will not cover many companies whose stock is traded on the New York Stock Exchange and other exchanges.

There is no magic, bright line that distinguishes between seed and venture capital investments. The sponsors of the legislation are open to evidence and arguments on the issue of where to draw this line. The sponsors believe that we need to draw some line in order to make sure that the seed and venture capital incentives serve to create a new seed capital industry and reinvigorate the venture capital industry and do not simply reward investors for taking the risks—often, the high risks—that they are now willing to take with only a minimal capital gains incentive.

One key issue in setting the threshold for the two types of investments is the revenue impact. In 1989 the Joint Committee on Taxation ruled that Senator Bumpers' venture capital incentive—with a $100 million paid-in capital threshold—would lose $218 million in revenue over a five year period. It ruled that his seed capital incentive—with a $5 million paid-in capital threshold—would loss $590 million over a five year period. This higher revenue loss estimate for the seed capital proposal arises from its 100% tax exemption for seed capital investments held for ten or more years.

The Joint Committee on Taxation has ruled that the legislation introduced today—with the incentives for both seed and venture capital incentives—would lose $900 million over five years. If the venture capital paid-in capital threshold was lowered to $50 million and the seed capital threshold remains at $5 million, the Joint Committee has found that it would lose $700 million over five years. Similarly, if the venture capital threshold were kept at $100 million and the seed capital incentive were raised to $10 million, the Joint Committee finds that the bill would lose $1.3 billion over five years.

Given these different choices on the threshold, we have determined that it is important to cover more companies and to use the $100 million threshold because this means we will cover some of the most important companies, the ones with the greatest potential for economic growth.

A $50 million threshold is simply not high enough to cover the equity capital needs of some companies that need to set up very expensive, high-technology production lines. This is true, for example, of some sophisticated biotechnology companies. The more technology that is involved, the more equity capital is needed. We do not want to exclude those companies that are taking the risk to set up a state-of-the-art manufacturing facility for a break-through technology that might revolutionize the marketplace.

We can cover the high-flyers, the I.B.M.'s of tomorrow, if we set the threshold at $100 million in paid-in capital. We would be penny-wise and pound-foolish to set the threshold at $50 million. The seed capital threshold of $5 million is high enough to provide help to most start-up companies. Any company that raises its first $5 million in capital under the seed capital threshold is free to raise its next $95 million under the venture capital threshold, so this reduces the need to raise the $5 million seed capital threshold.

The revenue estimate for a $100 million venture capital threshold and a $5 million seed capital threshold is high, $900 million in revenue losses over 5 years. But, even with the large government deficits, this is a manageable figure. It is expensive, but it is a small fraction of the revenue loss—using the Joint Committee's estimates—for an across-the-board cut in capital gains taxes.

It is feasible because we can raise this much revenue without raising the tax rates of wealthy taxpayers or by imposing a surtax or surcharge on millionaires. The President made it quite clear that he will not agree to another increase in the tax rates of upper-income taxpayers, so the only capital gains incentive that can be considered is one where there is no need to raise income tax rates or impose a surcharge to pay for it.

Another point of reference is the $50 million threshold that was set by the Bush Administration in the "small business growth" provision it insisted be included in the Budget Summit Agreement last September. That Agreement provided in Section B.4 that taxpayers who purchased the stock of a "qualified small corporation" when the stock is issued by the corporation would qualify for a 25% deduction up to $50,000.

This deduction was available when the stock was purchased rather than when any gains on the stock are realized, so it greatly reduced the incentive of taxpayers to invest in stocks that would, in fact, generate gains. In addition, by providing the incentive to any purchasers of stock at the time of the purchase, the proposal was estimated to generate a huge loss in revenue, $7.3 billion over five years. For these reasons, the proposal was widely criticized, and it was rejected.

The $50 million threshold, however, represented the judgment of the Administration about the size of the companies that face the greatest capital formation challenge and the companies that we need to assist with enactment of an investment tax incentive. The $100 million threshold in this bill is more generous than the Administration threshold and it still costs a small fraction as much in revenue—according to the Joint Committee.

Let us make it clear that the proposal we are introducing today provides an incentive for venture and seed capital investments if the taxpayer generates gains. Investors in seed capital stock also receive some tax benefits if their investments generate losses. But, in the case of gains the stock must be held for at least five years and the resulting revenue loss is a fraction of that estimated to result from the Administration's proposal—again, according to the Joint Committee.

B. HOLDING PERIOD AND DEDUCTION FOR ELIGIBLE INVESTMENTS

The purpose of the legislation is to encourage investors to put patient capital in the hands of entrepreneurs. The legislation provides tax benefits only for investments that are held for a substantial period of time. This long holding period will reduce the pressure on the entrepreneur to show an immediate profit to distribute to the investor. Investors who hold their investments in a small business venture for a substantial period of time are taking a very great risk, and that is why the tax incentive provided in this legislation will be so effective and is so appropriate.

To be eligible for any capital gains tax preference a venture or seed capital investment must be held for a minimum of five years. This is the minimum holding period under the legislation for any tax benefits for either a venture or seed capital investment.

The holding period for stock issued as an incentive stock option runs from the date the stock option is granted, not the date it is exercised This makes incentive stock options even more attractive and reduces the pressure on the corporation to raise outside investor capital. The same holding period rule applies to options or warrants or the conversion of debt instruments. The holding period shall run during the time such option, warrant or debt was held.

In cases where securities of the corporation are exchanged in a transaction described in section 368 of the tax code the holding period during the time such securities were outstanding.

At the end of this five year minimum holding period, if a taxpayer realizes a gain on a venture or seed capital investment, the taxpayer is entitled to a 50% deduction on the amount of the net gain. This means that the taxpayer will pay tax on a maximum of 50% of the net gain. The special capital gains deduction allowed by this bill will not be subject to the 2% and 3% limitations imposed on itemized deductions by Section 67 and 68 of the Tax Code.

The tax code currently has three tax brackets, 15%, 28% and 31%, but the capital gains tax rate is capped at 28%. This means that with a 50% exclusion the maximum tax rate on a venture or seed capital investment is 7.5% for taxpayers in the 15% tax bracket and 14% for taxpayers in the 28% tax bracket. For taxpayers in the 31% bracket, the legislation provides that this 50% deduction operates against this 28% capital gains cap, not against the 31% bracket, and that the capital gains tax rate for taxpayers in the 31% bracket is 14%.

These tax rates for venture and seed capital investments are for individual taxpayers, but the same scheme applies to corporate taxpayers. For corporate taxpayers the deduction is also 50% so the maximum capital gain for corporations with net venture and seed capital gains is 17%, half the 34% maximum rate that applies to corporations. Because some corporations are in a special recapture bracket, and, therefore incur liability for tax at a marginal tax rate higher than 34%, the legislation provides that this 50% deduction operates against the 34% bracket and that the maximum capital gains tax rate for corporate taxpayers is 17%.

For taxpayers with venture capital investments, the 50% deduction is the maximum tax incentive they will receive. The investor receives no additional deduction if he or she holds the investment for six, seven, eight, nine, ten or more years. The taxpayer still has a powerful incentive to hold the investment if it is appreciating in value, but the taxpayer will receive no more tax benefits for holding the investment for a period of time extending beyond five years.

For seed capital investments, however, the 50% deduction is the minimum tax benefit. It is available for seed capital assets held for more than five years but less than six years. If the investor holds that seed capital investment for six or more years, the investor receives an additional 10% deduction for each additional year he or she holds the investment until the taxpayer is entitled to a 100% deduction for an investment held for ten or more years. So, if the investor holds the investment for more than six but less than seven years, he or she can take a 60% deduction. If the investor holds the investment for more than eight years but less than nine years, he or she can take an 80% deduction. When the investor holds the seed capital investment for ten or more years, his or her gains on the investment are tax exempt.

These additional deductions for long term seed capital investments are justified because the seed capital investments are the most risky, long-term, and strategic investments that can be made. The purpose of this legislation is to encourage investments in small, early stage companies and to create a whole new seed capital industry, and this potential 100% deduction should have precisely this effect.

An investment cannot qualify for both the venture and seed capital incentives. The issue only arises if a seed capital investment is held for more than six years and in that case the investor will pay the least capital gains tax that is due and take the largest deduction available to him or her. No taxpayer is permitted to take both a 60% seed capital deduction and a 50% venture capital deduction.

The tax deduction available under this legislation applies to the lesser of the taxpayer's net capital gains or his net capital gains from qualified investments. Under the current law regarding capital gains, a taxpayer is permitted to net out his capital gains and losses. If a taxpayer has $100 in capital gains and $50 in capital losses, the taxpayer is permitted to net the $50 in capital losses against his capital gains, leaving the taxpayer with a $50 net capital gain upon which he must pay tax.

Under the legislation, the taxpayer may have two different types of net capital gains, some on qualified small business stock and some on other non-qualified capital investments. In that case the legislation provides that the taxpayer must net out his gains and losses on qualified investments and his gains and losses on non-qualified investments separately. the benefits of the legislation would apply to the next gains from qualified investments. If the taxpayer had net losses from non-qualified investments, this would reduce the net gains on qualified investments entitled to those benefits. This is what is called an ordering rule. The qualified small business capital gains deduction is limited to the lesser of the net capital gain on qualified investments and the net capital gain on qualified and non-qualified investments.

Structuring the federal incentive as a capital gains deduction will further increase the incentive's effect because investors in many states will become entitled to increased capital gains deductions available under state law.

C. INVESTMENTS COVERED

The legislation focuses on the riskiest type of investments, the direct purchase of the stock issued by a start-up or other small corporation.

Stock was only one of the many types of capital assets covered by the capital gains incentive available before the preference was repealed in the 1986 Tax Reform legislation. Under the old law, a capital asset included essentially all property except for property held for sale to customers (inventory), accounts or notes receivable, and copyrights. Corporate stock accounted for the most capital gains realizations, followed by the sale of personal residences, the sale of nonbusiness real estate, depreciable business property, partnership distributions, and prior-year installment sales.

The distinguishing characteristic of corporations is that they issue stock and the shareholders who own the stock own the corporation. There are approximately 3.6 million corporations in America. These corporations generated 9.6 trillion dollars in receipts, had 15.3 trillion dollars in assets, and paid $118 billion in Federal income taxes. Corporations account for the majority of the gross national product. Approximately one million corporations are organized as S corporations, which are generally small corporations with not more than 35 shareholders (either individuals or certain trusts for individuals) that elect to be taxed at the shareholder level.

The legislation provides a tax incentive for the purchase of all types of stock issued by corporations, including common stock, straight preferred stock, participating preferred stock, or convertible preferred stock. Venture capital investors frequently take some or all of their investments in the form of convertible or participating preferred stock. The incentive is available for stock issued by C corporations and S corporations.

As mentioned above the legislation also covers stock that is acquired pursuant to exercise of a stock option or warrant, or pursuant to conversion of a convertible debt instrument. In this case under the legislation the stock that is acquired is treated as issued on the date of the grant of the option or warrant, or issuance of the debt, and the amount contributed to the company is considered to be the amount paid upon exercise of the option, or in the case of convertible debt, the adjusted principal amount of the debt at the time of the conversion.

The legislation only covers options and warrants if they were issued in exchange for the performance of services for the corporation issuing it and if they are not transferred to any third party.

Corporations can issue stock to the individuals who found the corporation, individuals who work for the corporation, outside investors who buy the stock in private transactions, and outside investors who buy the stock when it is offered for sale in the public, regulated securities market.

The incentive is available only for direct purchases of the stock from the company. It does not apply to a purchase of the stock on a secondary market from another investor. These stock purchases on the secondary market do not inject new capital into the corporation for the use of the corporation in meeting its expenses. The legislation applies only to capital formation for the corporation and to individuals who put capital into the hands of entrepreneurs for use in their business.

The sponsors of the legislation have some concern that this limitation to the first purchaser of the qualified stock may make it more difficult for some corporations to set the price for an initial public offering of stock. When a company goes public and issues stock to the public capital markets for the first time, it is difficult for the corporation to set the offering price for the stock. The initial investors are equally unsure of the appropriate market price for the stock. Typically the price for the stock is quite unstable in the first few days after it is offered as the market sets the market price for the stock through a rapid series of stock trades. This process is the market at work.

If only the first purchaser of the stock qualifies for the tax incentive, this might inhibit the market process for setting the market price for the stock. So, the sponsors are researching whether it makes sense to permit the owner of the stock on the second or third day after it is issued to qualify for the incentive. Any such rule would, in itself, affect the market and we need to determine if this is a reasonable standard. Any such amendment to the bill would have some revenue impact, so that is another issue to be considered.

The stock of the corporation may be acquired by a third party in a tax-free or other transfer of the stock from the qualified corporation to another party. Such acquisitions or transfers are extremely common in the entrepreneurial community. The legislation provides that the transferee is considered to have acquired the stock in the same manner as the transferor and is considered to have acquired the stock directly from the corporation. The holding period for this stock runs from the date the transfer acquired it, not the date it is acquired or transferred.

The tax-free transfers that are covered here are any transfer by gift, at death, or when the basis of the property in the hands of the transferee is determined by reference to the basis of the property in the hands of the transferor by reason of section 334(b), 723, or 732 of the tax code. The legislation also applies to stock received in an incorporation or reorganization covered by Section 351 or 368 of the Code in exchange for qualified stock.

The incentive in the legislation applies to stock that is acquired through the exercise of an option or warrant, through the conversion of convertible debt, or as payment for debt of the corporation. Any stock acquired in this way shall be treated as acquired by the taxpayer at original issue as long as the stock is acquired from a small business that has not exceeded the paid-in capital thresholds with the issuance of such stock. When such stock is acquired it shall be treated as having been held during the period such option, warrant, or debt was held, or such loan was outstanding. In the case of a debt instrument converted to stock, or stock issued to repay a loan, such stock shall be treated as issued for an amount equal to the sum of the principal amount of the debt or loan as of the time of the conversion or repayment and accrued but unpaid interest on such debt or loan.

The bill provides that if stock is issued in a series of new companies (perhaps subsidiaries of a larger corporation) the stock issued in these new companies does not qualify for the incentive if the stock is issued by the corporation under section 351 for property (other than qualified stock) if both the recipient of the stock and the issuer of the stock are members of the same controlled group of corporations within the meaning of section 1563 immediately after the transfer. This prevents a corporation from simply dividing itself up into smaller pieces in order to qualify for the incentive.

Even without this explicit limitation, there is a strong reason why a corporation would not set up a series of new and independent companies by shareholders other than itself. Under current law a corporation is permitted to file a consolidated tax return for itself and all of its subsidiaries as long as it retains at least 80% ownership of the subsidiaries. A consolidated tax return permits the corporation to take the losses of one subsidiary against the gains of another subsidiary, it avoids any tax on the dividends paid by the subsidiary to the corporation, and it defers the income on any sales between the subsidiary and the corporation. These considerable advantages are lost if the corporation spins off a series of separate, small corporations.

But, it is perfectly appropriate under current law and under the legislation for a subsidiary of a corporation to issue stock to the public. When subsidiaries issue stock, this is capital formation and it is consistent with the purposes of the bill. If subsidiaries issue stock the legislation provides that one must look at the value of the stock of the subsidiary already owned by the corporation and the new stock to be issued by the subsidiary to see if it exceeds the paid-in capital limits.

In terms of issuing stock in a subsidiary, a corporation is permitted under current law to issue "minority" stock of up to 20% of the ownership in a subsidiary and still file a consolidated return. And, this stock could qualify for the incentive if it (taken with the stock already owned by the corporation) does not exceed the paid-in capital limit.

Again, however, there are strong economic reasons why a corporation would not issue minority stock in a subsidiary. Minority shareholders in a subsidiary have endless opportunities to question transactions between the subsidiary and the corporation. As shareholders they have standing to sue the corporation over these transactions. For example, the minority shareholders might question whether the subsidiary was paid enough for some good it sold to the corporation.

Of course, a corporation can issue new stock in a subsidiary and it can buy the stock with money, property, or as compensation for services. The new stock in the new subsidiary would qualify as long as the total capital paid into the subsidiary by the parent corporation does not exceed the limit in the bill. The corporation would gain a capital gains tax preference if it eventually sells the stock in the subsidiary at a gain. The bill applies to investments made by corporate taxpayers.

This is consistent with the purposes of the bill, which is to encourage investors, including corporations, to take risk and seek gains on investments in corporate stock. We want corporations to make these investments. It is not important whether these investments are made in wholly owned subsidiaries or in totally independent companies. Both subsidiaries and independent companies need capital to grow and they both can generate the new technology, new markets and new jobs we all need for America to compete in international markets.

In addition, many high risk companies, including biotechnology companies, are creating spin off companies to raise the capital necessary to finance new research and development projects. The founding company will transfer its patent rights or proprietary technology to the new company, plus warrants for the parent company's stock. The new company will agree to contract with the founder company to perform the new company's research and development on that product.

The new company will then sell "units" to raise the funds necessary to develop the new product. Units generally consist of one share of the new company's stock, plus an option to buy one share of the founder company's stock at a later date for a specified price.

Capital gains on these units therefore consist of two components: gains on the new company stock and gains from exercising the option on founder company stock. Each of these gains should be evaluated independently for purposes of this legislation. If the new company is a qualified small business but the founder company is not, then only the gain on the new company stock qualifies for preferential capital gains treatment. If both companies are qualified small businesses, then both new company and founder company capital gains qualify.

The bill is flexible enough to accommodate innovative capital formation plans such as this and it is my intention that the Internal Revenue Service will not seek innovative ways to disqualify these stock offerings from the capital gains treatment offered in this legislation.

D. TAXPAYERS COVERED

The legislation provides a tax incentive for both individuals and corporations. It is just as important to encourage corporations to become venture and seed capital investors as it is to encourage individuals to do the same.

The legislation covers personal service corporations as defined in section 269A(b)(1) of the code, which covers a corporation the principal activity of which is the performance of personal services which are substantially performed by employees who own, directly or by attribution, on any day during the taxable year, more than 10% of the outstanding stock. This includes a management consulting company, a software programming company, a computer payroll service company, a computer or aeronautical design company and many other companies. If such a company wants to raise additional capital through issuance of stock, it should be covered by the legislation to the same extent as any manufacturing corporation should be covered. When these companies issued stock, a corporation that has been closely held ceases to be closely held, so its outside investors are and should be covered.

E. VENTURE AND SEED CAPITAL PARTNERSHIPS

The tax incentives for venture and seed capital equity financing must reflect the manner in which the marketplace for such financing actually operates, including the widespread use of venture and seed capital partnerships to assemble pools of equity capital. These partnerships constitute an important conduit and organizer for venture and seed capital investments.

In addition, the legislation provides that the incentive is available to investments in the shares of a publicly traded partnership that is taxed as a corporation under Section 7704 of the Internal Revenue Code.

When we adopt this legislation it is important that we take care of an anomaly in the tax code that affects venture capital partnerships formed as investment companies rather than operating companies.

F. TRANSFERS OF STOCK OWNERSHIP

The legislation provides that the tax incentive applies to qualified small business stock acquired by the taxpayer at its original issue (directly or through an underwriter). But, there are many cases in the business world where stock is transferred by a taxpayer to another taxpayer on a tax-free basis and the legislation makes clear that that would be the same with respect to the transfer of qualified small business stock.

When a tax-free transfer takes place the transferee shall be treated as having acquired the stock in the same manner as the transferor, that is acquired at its original issue, and has having been held during the continuous period immediately preceding the transfer during which it was held (or treated as held) by the transfor. This ensures that the stock still qualifies for the tax incentive, both the deduction and tax losses, and that the holding period is not broken.

If the taxpayer who acquired the stock sells the stock in some other transaction that is not covered by these provisions of the bill, that taxpayer will realize gains and pay his or her capital gains tax.

G. ALTERNATIVE MINIMUM TAX

The tax incentives provided by this legislation are valuable and some taxpayers may use them to substantially reduce their tax liability. The tax code now includes an alternative minimum tax which is designed to ensure that taxpayers do not reduce their tax liability below a certain level. This level is now set at 24% for individual taxpayers.

It can certainly be argued that application of the minimum tax to venture and seed capital investments substantially diminishes the attractiveness of the proposed incentive to certain, high-income investors. The legislation sets a compromise, applying the minimum tax to venture capital investments but not to seed capital investments.

It is clear that very few low and middle income taxpayers will be able to take the risk associated with venture and seed capital investments, particularly the latter. In order to encourage seed capital investments and create a seed capital industry, we will need to rely on the investments of upper income taxpayers, who have the capital, who can afford to wait for a return on their investments, and who can afford the risk. Wealthy individuals are extremely sensitive to the minimum tax issue and it is this reason why seed capital investments are exempt from the minimum tax.

The public is extremely senstive to the widespread impression that wealthy individuals are not paying their fair share in taxes. Indeed, it is these stories that led to the enactment of the Tax Reform legislation and the inclusion of a stiff minimum tax to ensure that all wealthy taxpayers and profitable corporations pay at least some Federal income tax.

Not applying the minimum tax only to seed capital investments is appropriate given the great risk associated with these investments and it will, in effect, call on wealthy individuals and profitable corporations to take the lead in creating the industries and technologies of tomorrow.

A related change to the alternative minimum tax will be necessary. We need to permit the deduction of certain investment expenses for AMT purposes in order to avoid taxing income from venture capital investments on a gross rather than a net basis. Under current law individuals making venture capital investments become minimum taxpayers based on the gross income from their venture capital investments. The impact of this rule is particularly egregious in the case of individuals who are partners in venture capital partnerships that invest in the stock of start-up and other small enterprises. This rule should be changed when the Enterprise Capital Formation Act is adopted.

H. TREATMENT OF TAX LOSSES

The current tax law permits taxpayers to deduct up to $3,000 in net capital losses in each tax year. But, the likelihood that a taxpayer will incur losses on seed capital investments is very high. So, the legislation cushions investors if they have losses on these seed capital investments.

Section 1244 of the tax code already provides that the tax losses on direct equity investments in small business ventures may be deducted against the taxpayer's ordinary income, rather than netted against gains on other capital investments. Section 1244 was added to the tax code as an amendment to the 1958 tax bill and it defines a small business venture as one with one million or less in paid-in capital.

The purpose of Section 1244 was to encourage the growth of seed capital for start-up small businesses. That remains the purpose of Section 1244, but its effectiveness has been undermined because the one million dollar paid-in capital threshold has not been adjusted for inflation since the legislation was enacted.

The legislation introduced today revises this one million threshold upward to $5 million and indexes it for inflation. The $5 million threshold is the same threshold this legislation sets for the tax benefits for gains on seed capital investments.

Under Section 1244 investors who buy stock from a qualifying company and who lose money on the investment are permitted to deduct the loss as an ordinary loss rather than as a capital loss. This means that the taxpayer "nets" his Section 1244 losses on seed capital investments against ordinary income, rather than against the taxpayer's capital gains. Section 1244 permits the taxpayer to use his losses on qualified small business stock as deductions against ordinary income in determining the adjusted gross income of the taxpayer. This means that a taxpayer does not need to have capital gains to use his Section 1244 losses and the $3,000 annual limit on using capital loss deductions to offset ordinary income does not apply.

There is a limit on the amount of Section 1244 losses that can be deducted, $50,000 per individual taxpayer and $100,000 for couples filing a joint return. This limitation is retained in this legislation.

A small business corporation issuing Section 1244 stock must be a company that has derived 50% or more of its aggregate gross receipts for the previous five years from sources other than royalties, dividends, interests, annuities, and sales or exchanges of stocks, or securities. This focuses the current incentive on small businesses that create jobs, not those primarily formed for financial purposes. This limitation is retained in the seed capital formation bill.

I. ACTIVE TRADE OR BUSINESS

The stock purchased by the investor qualifies for the tax incentives provided by the legislation if the corporation that issued the stock is engaged in the active conduct of a trade or business and substantially all of the assets of the corporation are used in the active conduct of a trade or business. This "active trade or business" requirement applies for the five-year period after the stock has been acquired.

The purpose of the active trade or business requirement is to prevent use of the venture and seed capital incentive for abusive tax shelter purposes. This requirement is the same approach taken in Section 1244 of the tax code regarding investments in small business stock.

Typically a start-up venture will remain dormant while financing and business plans are completed. It then issues stock and incurs start-up expenses within the meaning of Section 195(a)(1) of the tax code and, after a period of time in this start-up phase, it begins to sell products and generate gross income. It is, therefore, essential to include start-up period in determining whether the corporations satisfies the active trade or business requirement.

The legislation also provides that investment assets held to provide funds for research and development and working capital will be treated as active business funds. Many venture companies, including particularly biotechnology companies, hold the preponderance of their assets in cash and cash equivalents to fund research and their early development. This is perfectly legitimate and investors who fund this research through the purchase of stock should qualify for the investment incentive.

Thus, under this bill, a company is treated as active trade or business when it is incurring start-up expenses under Section 195 of the Internal Revenue Code, research and development expenses covered by Section 174, or it it meets the active trade or business requirement of Section 41(b)(4).

Frequently it is desirable to use a holding company structure and to have separate subsidiaries for operations in different states or in foreign countries. If the qualified small corporation must itself satisfy the active trade or business test, the definition would not include such a holding company. The legislation provides that a corporation shall be deemed to conduct any trade or business that it conducts indirectly through a corporation controlled by it and to own its ratable share of the subsidiary's assets and to conduct its ratable share of the subsidiary's activities.

To avoid any abuse the bill provides that not more than 10% of the value of the gross assets of the company may be stock of corporations which are not subsidiaries of such corporation and that not more than 10% of the value of the gross assets of the company may consist of real estate held for investment or rental to third parties rather than for the active conduct of a trade or business.

J. EFFECTIVE DATE AND APPLICATION TO CURRENT HOLDINGS

The legislation applies to stock issued after December 31, 1991. If the legislation is not enacted into law by that date, the effective date for it should be set after the legislation is enacted. In short, the legislation would not and should not apply to stock issued before it is enacted.

In addition the legislation does not apply to stock that is acquired by a taxpayer at its original issue if it is issued directly or indirectly in redemption of (or otherwise exchanged for) stock that was not issued before the effective date of this legislation.

For this purpose, it is intended that if shareholders of an old corporation form a new corporation which buys the stock or assets of the old corporation, the stock of the new corporation will be treated as exchanged for the stock of the old corporation and would not qualify.

If the shareholders in the new company are the same shareholders as in the old company, then the purchase by the new company of the stock in the old company would constitute an indirect redemption of, or exchange for, the stock in the old company. This would mean that the stock issued in the new company would not qualify for the tax incentive provided by the bill.

This is an indirect redemption because there is no capital formation involved if a current shareholder, in effect, sells his stock to himself. The stock in the new company is indistinguishable from the stock in the old company. It has the same value, it covers the same assets, and there are the same number of other shareholders. The "new" company is not new or different in any respect. There is no change, no risk taking, no additional capital for the business, and no change in ownership. It's a sham transaction and nothing is different except perhaps for the name of the "new" company.

This point is clear in the bill. The bill includes an explicit provision that stock will not be treated as received at original issue if it is issued under Section 351 for property (other than qualified stock) if both the recipient of the stock and the issuer of the stock are members of the same controlled group of corporations within the meaning of Section 1563 immediately after the transfer.

It is quite different, however, when the shareholders of the old company are not shareholders in the new company. The legislation does not require that the new company use the proceeds of its stock sale to create an entirely new enterprise. A company can use the proceeds of a stock sale, in whole or in part, to buy an existing business or existing assets, to hire additional employees, to buy a patent or license for a product, to pay for additional research or any other purpose.

The government should not be in the business of regulating how a business chooses to expand, what it creates or purchases, or other fundamental business decisions. The purpose of the legislation is to form the capital that will make these activities possible and to trust that the marketplace will determine the best use for the capital that has been formed.

It would be very difficult to define what constitutes a "new" business. Nearly every business goes through many different stages in its growth and it may issue stock at any or all of these stages. It is rare for a company to be totally, entirely "new." A company is almost always building on the value created by some preexisting entity, often itself.

The bill permits a company to issue several rounds of stock as long as the aggregate paid-in capital does not exceed the limits set in the bill and any company that is issuing its second round of stock is, by definition, not a new business. The business that has the potential to grow must issue stock at several stages of its growth and this is exactly the kind of business we need to cover with this investment incentive.

The bill is not retroactive, but it does provide that a taxpayer may "mark-to-market" a current investment that would, but for the date of its acquisition, qualify for the venture and seed capital incentives contained in the legislation. This means that the taxpayer would voluntarily realize the gains on this investment, pay his capital gains tax under the current capital gains tax rates, and then that stock would qualify for the venture and seed capital incentives in this legislation when it is actually sold. The holding period for this stock would run from the date it was acquired, not the date it is marked-to-market. This procedure permits a taxpayer to avoid selling his small business stock on the public market, paying brokerage commissions, and then repurchasing the same stock. It also gives the taxpayer credit for the time period in which he has already held the stock. This is particularly important for seed capital stock, where the maximum benefits are realized after the stock has been held for ten years.

It has been suggested that this mark-to-market provision be modified so that the taxpayer could defer payment of the tax that is due. Some taxpayers would want to take advantage of the mark-to-market provision but would not have the cash with which to pay the tax. There are some issues that would arise with such a deferred payment, for example, whether it would be possible for the taxpayer to avoid ever paying the tax, but this is an issue that should be considered.•

• Mr. BROWN. Mr. President, today Senator BUMPERS and I are introducing the Enterprise Capital Formation Act of 1991. The purpose of this bill is to encourage long-term investment in small businesses. I join 25 Democratic Senate colleagues and 20 Democratic House colleagues to provide investment incentives for long-term investments in new ventures. This bill has also been endorsed by the National Venture Capital Association, the American Electronics Association, and the Industrial Biotechnology Association.

America needs incentives to encourage entrepreneurship, employment, growth, and competitiveness. The incentives provided in this bill are key if the United States is to preserve a competitive edge over other nations. Small business has the hardest time raising capital and provides the most new jobs. If we are to remain competitive America must have a competitive tax system.

The Enterprise Capital Formation Act [ECFA] would provide that the first $5 million raised by the company be treated as seed capital and the first $100 million be treated as venture capital. Seed and venture capital gains earned after a 5-year holding period would be eligible for a 50-percent exclusion. Seed capital investments would be entitled to an additional 10-percent exclusion for each year beyond the 5 years. These apply to both individuals and corporations.

The bill also includes antiabuse provisions to ensure only new stock is covered. Specifically, the language prohibits companies from reissuing old stock as new, divvying up larger companies into smaller companies that could then issue qualified stock and setting up shell corporations as a tax shelter.

The Joint Committee on Taxation [JCT] has calculated that, in a static environment assuming no change in investor behavior, this bill will lose Federal revenue over the course of 5 years. I believe, however, that these incentives will result in a change in investment behavior and increase Federal revenue.

The United States needs long-term, growth-oriented investment incentives to rejuvenate our sluggish economy and create initial capital necessary for new businesses and jobs. Congress can best help by providing incentives where we need them most—in over 5 million small and mid-sized businesses that were responsible for over half of the new jobs created since 1980.•

• Mr. KASTEN. Mr. President, the legislation introduced by the distinguished chairman of the Senate Small Business Committee represents a watershed moment in the economic growth debate: A majority of Senators on the other side of the aisle now accept the premise that lower tax rates boost incentives to save and invest and thereby promote economic growth. This is an important step away from the class warfare rhetoric that has dominated the capital gains debate to date.

This bill provides tax incentives to individuals and corporations who make seed capital investments in emerging growth firms. In fact, it eliminates the capital gains tax altogether for venture capitalists who hold the stock in a small business for more than 10 years. These new small businesses will, in turn, create jobs and opportunity for our workers.

Let me say at the outset that I continue to support across-the-board capital gains tax relief for all taxpayers, all income groups, and all investors. In fact, yesterday I introduced a new tax incentive plan called the Economic Growth and Family Tax Relief Act of 1991 which provides profamily and progrowth incentives including a 15-percent indexed capital gains tax for all assets, all taxpayers, and all income groups, with a 7.5-percent tax rate for lower- and middle-income taxpayers.

I would say to my colleagues who have cosponsored this targeted approach to apply the same line of reasoning for an across-the-board tax cut: If we reduce the capital gains tax for venture capital investors, why not reduce it for homeowners, for landowners, for farmers, for retirees who want to cash in their nest egg, for middle-class families who want to sell their mutual fund investments to put their kids through college, and for investors and minority entrepreneurs in America's blighted innercities?

An across-the-board tax cut is not only fair, but economically superior to a targeted approach in that it increases mobility of capital, allowing investment funds to flow to their most efficient uses.

With the introduction of this bipartisan bill, I think it is time to stop the demagoguery about capital gains benefitting the rich at the expense of the poor and middle class. A capital gains tax cut will promote small business formation and economic growth and in the process it will create jobs for all income groups.

Let me say that I welcome the support of my Democratic colleagues for capital gains reform. I've been fighting for capital gains tax cuts since the 1986 Tax Reform Act raised capital gains taxes. I have authored several capital gains reduction bills—and cosponsored almost every major piece of capital gains legislation introduced by both Democrats and Republicans.

In summary, I believe that the Kasten-Mack 15-percent indexed capital gains bill is better for the U.S. economy than the Enterprise Capital Formation Act. But it is my view that the Bumpers proposal can serve as an important first step in enacting this year a significant capital gains tax cut.

Our economy desperately needs some kind of capital gains incentive. I am hopeful that the Enterprise Capital Formation Act will move the process of enacting capital gains reform forward in a bipartisan manner. And I am hopeful that we can use this proposal as a basis for a broader compromise that will benefit farmers, middle-income savers and investors, and retired seniors as well as venture capitalists.●

● Mr. GRAHAM. Mr. President, I am delighted to join Senator BUMPERS in the introduction of the Enterprise Capital Formation Act.

His diligence in developing a bipartisan and workable proposal which encourages the start up of new companies, the availability of capital, and long-term investment strategies is commendable.

The need for encouragement in this area has been a topic of discussion for some time. Many of us have worked with leading economists, entrepreneurs, and industry specialists to design comprehensive legislative proposals that would alter corporate mentality and lower the cost of capital.

In the fall of 1989, I introduced a capital gains reduction package in an attempt to achieve these objectives. The approach may have been too sweeping for it included a capital gains reduction on assets other than for the purchase of corporate equity, but it did address the issues of shifting time horizons and lowering the cost of capital.

As Senator BUMPERS proposal suggests, these issues are still very much a part of what is holding this country back from being as economically competitive as its resources lead us to believe it can be.

The deterioration of the manufacturing base in America is attributable to the lack of long-term investment capital available to industries. There is increasing evidence that U.S. investors, entrepreneurs, and corporate managers have overemphasized financial return on a short-range basis to the detriment of long-term investment considerations. There is also evidence that investment capital is becoming less and less affordable because it has become less and less available.

The combination of short-term investment strategies and the lack of affordable capital has resulted in companies reducing the much needed research and development and increasing to a crippling state, plant and equipment deterioration.

Instead of investing in technological improvements to existing facilities or replacing old and overused equipment, a company often contemplates short-term, high-yield ways to satisfy its creditors or to increase dividend payments to its shareholders.

Certainly incentives are needed to lower the cost of capital and expand the horizon of the time economic decisions are made.

This can be done by rewarding investors whose investments meet the criteria of being long term. Senator BUMPERS' bill goes a long way toward providing these incentives. My only regret is that the proposal does not go further.

I recognize the limits placed on us by our Nation's suffocating budget deficit and ever-increasing debt, but the slippage of our economic competitiveness demands that we expand the reach of the tax incentives proposed today. I look forward to working with Senator BUMPERS to see what more can be done without endangering the bipartisan support that the Senator has already engendered.●

● Mr. KERRY. Mr. President, I rise today to introduce the Enterprise Capital Formation Act of 1991 with Senators BUMPERS and BROWN. This legislation is patterned on legislation that I introduced earlier in this Congress and in the last Congress. It would establish a capital gains tax rate differential for investments in new, small, and emerging businesses that are held for a specified length of time.

Mr. President, what I said when I previously introduced my legislation remains true today. The entire Northeast region is in the midst of a severe economic downturn. In Massachusetts, the lack of available capital has aggravated the recession. Banks, faced with large loan losses and tougher capital standards, are shutting off credit lines to sound business opportunities and even to reliable, creditworthy customers. As a result, many small companies and new companies find themselves without the investment capital necessary to expand and contribute to the growth of the regional and national economy.

On January 28, 1991, Gov. William Weld and I held a day-long economic conference in Boston to gather our State's banking, public, business, and academic leaders and to hear firsthand their views on how best to get the Massachusetts economy moving again. Perhaps the most vital issue raised by conference participants—and reiterated in countless meetings I have had throughout Massachusetts since then—was the urgency of finding new ways to get capital flowing into Massachusetts. Capital must be available to small companies today if they are to grow into the large employers of tomorrow.

Mr. President, we are introducing this legislation to address that particular concern and also to correct one aspect of the Tax Reform Act of 1986 which I believe has contributed, in part, to a general decline in the availability of investment capital for small businesses.

However, unlike President Bush, I do not believe a retroactive, broad-based cut in the capital gains tax represents the best way to promote job creation. The bill we are introducing today, like my previous bill, by establishing a two-tier tax rate structure that distinguishes the type and holding period of a qualified investment, will encourage the flow of capital into emerging growth companies and set the stage for future income growth and job creation.

For direct equity investment in businesses worth $100 million or less, our bill will cut the tax rate for capital gains in half after a 5-year holding period. For seed capital investments, investments in companies with $5 million or less in paid-in capital, the bill will give investors a 60- to 100-percent tax deduction for investments held from 6 to 10 years. In addition, investors will be able to deduct losses of up to $50,000 against ordinary income.

As I said when I introduced my bill earlier in the year, I believe that the institution of this capital gains differential will encourage increased investment in the startup and expansion of small and medium-sized businesses that have proven so key in creating jobs. This kind of targeted approach is vital and fair—one that encourages capital formation and rewards patient capital.

Mr. President, I would like to stress that our proposal, like my earlier targeted approach, differs in another way from President Bush's across-the-board capital gains tax cut. Our approach does not have the regressive income distributional effect. By limiting the tax cut to certain types of investments, our bill excludes profits from short-term paper investments and targets long-term job producing investment. Thus, the wealthiest Americans do not benefit enormously and the cost to U.S. taxpayers is limited.

Finally, I want to reemphasize that this measure is as important in addressing current economic concerns in Massachusetts as my last bill was.

I urge our colleagues to join us in supporting this narrowly targeted incentive to get capital flowing in this Nation's economy again.●

● Mr. SEYMOUR. Mr. President, I rise today as an original cosponsor of the Enterprise Capital Formation Act. The legislation we are introducing today is one vital step in ensuring America's entrepreneurial preeminence.

Without a strong economy and enterprise, America's torch of freedom and democracy flicker with subdued conviction. If we are to rightfully lead the world to a new international order of democratization and market-based economies, we must rejuventate America's economy by encouraging growth and prosperity.

Our legislation, the Enterprise Capital Formation Act, will make the United States more competitive by encouraging direct investment in promising new companies, creating jobs, and stimulating research and development in cutting edge technologies. The purpose of this legislation is to cut the capital gains tax to encourage targeted investment in growth-oriented startup and smaller companies.

The bill will lower the capital costs for small companies by providing a 50-percent tax deduction for investors who own small business stock for at least five years. Small business stock is defined as the stock of a company with less than $100 million in paid-in capital. The bill also restricts the sale of stock to direct purchases from the corporation. In addition, investors who make seed capital investment qualify for additional deductions if they hold a stock more than 6 years. This investment is defined as the first $5 million of paid-in capital for a company.

In this period of economic stagnation, these incentives are critical. Many small businesses and startup companies—such as electronic, biotech, and high-technology companies, are finding it difficult to secure bank financing because of the present credit crunch, and virtually impossible to attain financing through the equity markets.

We cannot underestimate the importance of the American electronics industry to our economy and the international competitiveness. At least 1 in 9 manufacturing jobs in the United States is linked to this industry. And 7 million secondary jobs support and service this industry. When this market grows, the economy grows with it.

Our legislation is designed to encourage entrepreneurial investment so that we can at least ensure that the critically important high technology and electronics markets stay ahead of the curve in the increasingly competitive international race for new products.•

By Mr. KENNEDY (for himself, Mr. ADAMS, Mr. BINGAMAN, Mr. DURENBERGER, Mrs. KASSEBAUM, Mr. KOHL, Ms. MIKULSKI, Mr. SIMON, and Mr. HARKIN):

S. 1933. A bill to amend titles VII and VIII of the Public Health Service Act to reauthorize and extend programs under such titles, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH PROFESSIONS TRAINING AND NURSE EDUCATION IMPROVEMENT AND REAUTHORIZATION ACT OF 1991

• Mr. KENNEDY. Mr. President, today I am introducing legislation to do more to alleviate the Nation's alarming shortage of primary care practitioners, nurses, public health, and allied health professionals.

The Health Professions Training and Nurses Education Improvement and Reauthorization Act of 1991 will reauthorize programs to train additional health professionals in the following critical areas: First, mid-level primary care providers such as nurse practitioners, nurse midwives, nurse anesthetists, and physician assistants; second, primary care physicians such as in family medicine, general internal medicine, and general pediatrics; and third, allied health professionals in shortage fields such as physical therapists, occupational therapists, and clinical laboratory technologists.

The bill is also intends to improve the geographic distribution of health professionals, and increase access to health care in medically undeserved and rural communities.

The original purpose of the legislation establishing these authorizations in 1963 and 1964 was to increase the overall number of physicians, dentists, nurses, and other health professionals. More recently, our efforts have begun to focus on problems associated with the diminishing number of primary care practitioners, the geographic maldistribution of health professionals, and the need for more nonphysician providers.

The administration has argued that Federal support for these programs over the past 20 years has resulted in overall surpluses of health practitioners and improved their distribution, and there is no longer a need for this legislation. If this were true, then why are approximately 2,000 communities in this country still designated by the Federal Government as health professions shortage areas, where 4,300 physicians are needed to provide primary care services? That figure translates into 30 million people without access to primary and preventive health care. This is a tragedy that we can't allow to continue.

In the 1990 report from the Health Resources and Services Administration on "States' Assessment of Health Personnel Shortages: Issues and Concerns," the States identified three major problems areas in health personnel: First, a shortage of registered nurses; second, a shortage of primary care practitioners; and third, a shortage of all health personnel in rural communities.

Partly as a result of funding provided by the Nursing Education Act, the number of RN's practicing in the United States has grown from 1.4 million in 1983 to 1.7 million in 1990, and the number of students in RN programs has increased from 200,000 to 230,000. Despite these gains, there continues to be a severe shortage of nursing personnel. The 1989 Report of the Hospital Nursing Personnel Survey by the American Hospital Association showed a national vacancy rate of 12.7 percent, with 81 percent of the hospitals reporting a shortage. According to the 1990 "States' Assessment," 49 out of 55 States and territories reported shortages of RN's. In addition, the proportion of RN's who work in rural areas has decreased in recent years, and rural areas continue to be at a disadvantage when competing for the shrinking national supply of nurses.

Over the past 5 years, the proportion of graduates planning to enter the primary care specialties has decreased from 30 percent to 23 percent. Moreover, 1990 national residency matching program data indicate that only 55 percent of the available family practice residency positions were filled.

The picture is no better in general pediatrics, where only 56 percent of the positions were filled; in general internal medicine, only 62 percent were filled. If this trend continues, there will not be enough replacements for the 24,000 family and general practice physicians who will be retiring from their clinical practices in the coming decades.

A major source of primary care providers for medically underserved or rural communities comes from nonphysician providers, consisting mainly of nurse practitioners, certified nurse midwives, and physician assistants. Today, there are over 20,000 nurse practitioners, and over 4,300 certified nurses-midwives. Unfortunately, for every nurse practitioner or nurse-midwife we produce, today, there are at least four medically underserved communities requiring their services. In addition, in 1978, approximately 74 percent of physician assistants were working in primary care; in 1989, this figure had dropped to 55 percent. The percentage of physician assistants practicing in rural areas has been reduced by over half since 1981. These trends must be reversed.

The story is the same for nurse anesthetist. Graduates of such training programs dropped by 44 percent from 1980 to 1990. The number of training programs fell from 163 in 1980 to 80 in 1990. Many hospitals rely solely on nurse anesthetists for anesthesia services, and the vast majority of these hospitals are located in rural areas. Without the service of these nurses, important surgical procedures must often be postponed, thus limiting access to needed care.

Studies, surveys, and reports by groups such as the American Medical Association, American Hospital Association, American Society of Allied Health Professions, the Department of Health and Human Services, and the Institute of Medicine of the National Academy of Sciences provide further evidence of the diminishing pool of allied health personnel and forecast a grim future for our health care system if corrective action is not taken.

The demand is high for allied health practitioners in physical therapy, occupational therapy, clinical laboratories, medical imaging, dental hygiene, and respiratory therapy. It is projected that by the year 2000, the demand for physical therapists will increase by 57 percent, for occupational therapists by 49 percent, for laboratory technologists by 24 percent, and for medical imaging technologists by 66 percent.

These critical shortages will impede the provision of quality care. They have already forced some hospitals to reduce services, close beds or units, or refer patients to other facilities.

All of these problems are compounded by the rising cost of education in the health professions. Increasing numbers of students are dependent on the Federal Government for assistance to finance their education. In 1976, the Health Education Assistance Loan Program [HEAL] was created to provide financial assistance to graduate students in high tuition health professions schools, and to assure that every American, no matter what their economic status, has access to a health professions education. Since then, HEAL has insured more than 300,000 loans totaling over $2.6 billion in loan principal to students in 11 health professions.

Unfortunately, problems exist in the HEAL program that Congress must address. Default rates are rising. The program was introduced to be self-financing by charging borrowers an up-front loan origination fee, but the fee is now insufficient to cover the costs of the yearly defaults. Congress was forced to appropriate $25 million in fiscal year 1991 to fill the gap and an estimated $61 million in fiscal year 1992. HEAL is broken and needs to be fixed.

Above all, we need to send a clear message that we are committed to training an adequate supply of health professionals to meet the Nation's current needs. This bill sends that message, and I urge the Senate to approve it.

I ask unanimous consent that the text of the Health Professions Training and Nurse Education Improvement and Reauthorization Act of 1991 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Health Professions Training and Nurse Education Improvement and Reauthorization Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.

TITLE I—PROVISIONS RELATING TO TITLE VII

Sec. 100. Short title.

Subtitle A—General Provisions

Sec. 101. Revision of title heading.
Sec. 102. Definitions.
Sec. 103. National Advisory Council.
Sec. 104. Prohibition of discrimination.
Sec. 105. Health professions data.
Sec. 106. Required assurances.
Sec. 107. Priority in awarding of grants.

Subtitle B—Student Assistance

Sec. 110. Limitations on scope of Federal loan insurance program.
Sec. 111. Loan deferral and loan consolidation.
Sec. 112. Maximum interest rates to be assessed.
Sec. 113. Participation of institutions in loan collection.
Sec. 114. Default penalty fees.
Sec. 115. Elimination of statute of limitations for loan collections.
Sec. 116. Student loan insurance fund.
Sec. 117. Powers and responsibilities.
Sec. 118. Annual report concerning default rates.
Sec. 119. Eligibility of institutions.
Sec. 120. Office for Health Education Assistance Loans.
Sec. 121. Authorization of appropriations for certain loans.

Subtitle C—Direct Student Loan Health Demonstration Program

Sec. 131. Direct student loan health demonstration program.
Sec. 132. Loan repayment program for allied health personnel.
Sec. 133. Scholarships for students of exceptional financial need.
Sec. 134. Repeal of Lister Hill scholarship program.
Sec. 135. Scholarships for students from disadvantaged backgrounds.
Sec. 136. Faculty loan repayment program.

Subtitle D—Grants and Contracts for Programs and Projects

Sec. 141. Departments of family medicine.
Sec. 142. Area health education centers.
Sec. 143. Programs of excellence in health professions education for minorities.
Sec. 144. Training, traineeships, and fellowships in general internal medicine and general pediatrics.
Sec. 145. Dentistry.
Sec. 146. Family medicine residencies.
Sec. 147. Educational assistance to individuals from disadvantaged backgrounds.
Sec. 148. Retention program for certain health professionals.
Sec. 149. Minority faculty development training fellowships.
Sec. 150. Special demonstration projects.
Sec. 151. AIDS education and training.
Sec. 152. Geriatric education centers and geriatric training.

Subtitle E—Personnel in Public Health, Health Administration and Allied Health

Sec. 161. Special projects, schools of public health.
Sec. 162. Graduate programs.
Sec. 163. Public health traineeships.
Sec. 164. Project grants and contracts.
Sec. 165. Advanced training of allied health personnel.
Sec. 166. Division of Allied Health.

Subtitle F—Miscellaneous Programs

Sec. 171. Council on Graduate Medical Education.
Sec. 172. Rural health training program.
Sec. 173. Creation of Advisory Council on Medical Licensure.

Subtitle G—Repealers and Technical and Conforming Amendments

Sec. 181. Repeal of facilities construction grant program.
Sec. 182. Technical and conforming amendments.

TITLE II—PROVISIONS RELATING TO TITLE VIII

Sec. 201. Short title.
Sec. 202. Special projects grants and contracts.
Sec. 203. Advanced nurse education programs.
Sec. 204. Nurse practitioner and nurse midwife programs.
Sec. 205. Capacity building.
Sec. 206. Nursing education opportunities for individuals from disadvantaged backgrounds.
Sec. 207. Traineeships for advanced education of professional nurses.
Sec. 208. Nurse anesthetists.
Sec. 209. Authorization of appropriations for loan repayments.
Sec. 210. Allotments and payments.
Sec. 211. Distribution.
Sec. 212. Undergraduate education of professional nurses.
Sec. 213. Employer loan repayment program.
Sec. 214. Prohibition on discrimination.
Sec. 215. Evaluations.
Sec. 216. Grants for nurse education in long-term care facilities.
Sec. 217. Primary care training program.
Sec. 218. Technical amendments.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Savings provision with respect to current grants or contracts.

SEC. 2. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—PROVISIONS RELATING TO TITLE VII

SEC. 100. SHORT TITLE.

This title may be cited as the "Health Professions Training Improvement and Reauthorization Act of 1991"

Subtitle A—General Provisions

SEC. 101. REVISION OF TITLE HEADING.

The heading for title VII (42 U.S.C. 292 et seq.) is amended by striking out "HEALTH RESEARCH AND TEACHING FACILITIES AND".

SEC. 102. DEFINITIONS.

Section 701 (42 U.S.C. 292a) is amended—

(1) by striking out paragraphs (1), (3), (7) and (9);

(2) by redesignating paragraphs (2), (4), (5), (6), (8) and (10) through (13) as paragraphs (1) through (9), respectively;

(3) in paragraph (2) (as so redesignated)—

(A) by inserting "(A)" after the paragraph designation; and

(B) by adding at the end thereof the following new subparagraphs:

"(B) The term 'graduate program in clinical social work' means an accredited graduate program in a public or nonprofit private institution in a State that provides training in a concentration in health or mental health care leading to a graduate degree in social work.

"(C) The term 'graduate program in marriage and family therapy' means an accredited graduate program in a public or nonprofit private institution in a State which provides training in a concentration leading to a graduate degree in marriage and family therapy.";

(4) in paragraph (3) (as so redesignated), by striking out "or a graduate program in clinical psychology" and inserting in lieu thereof "a graduate program in clinical psychology,

and a graduate program in clinical social work that offers a training concentration in health or mental health care, and a graduate program that provides training in a concentration leading to a graduate degree in marriage and family therapy"; and

(5) in paragraph (9) (as so redesignated) by adding at the end thereof the following new sentence:

"Such term shall not include any registered nurse or physician assistant."

SEC. 103. NATIONAL ADVISORY COUNCIL.

Section 702 (42 U.S.C. 292b) is amended—

(1) in subsection (a)—

(A) by striking out "twenty-one" in the matter preceding paragraph (1) and inserting in lieu thereof "22";

(B) by striking out "thirteen" in paragraph (1) and inserting in lieu thereof "fourteen"; and

(C) by striking out "and graduate programs in clinical psychology" in paragraph (1)(A) and inserting in lieu thereof ", graduate programs in clinical psychology and clinical social work"; and

(2) by adding at the end thereof the following new subsection:

"(e)(1) There is established a subcommittee of the National Advisory Council on Health Professions Education to be known as the Subcommittee on Allied Health (hereafter in this section referred to as the 'Subcommittee') which shall meet at least twice annually until such time as the final report is submitted under paragraph (4). The Subcommittee shall—

"(A) provide advice and make recommendations to the National Advisory Council, the Secretary, and to the Committee on Labor and Human Resources and Committee on Finance of the Senate and the Committee on Energy and Commerce and the Committee on Ways and Means of the House of Representatives, with respect to—

"(i) the supply and distribution of allied health personnel throughout the United States;

"(ii) current and future shortages or excesses of allied health personnel, particularly in medically underserved and rural communities;

"(iii) priority research needs within the allied health professions;

"(iv) appropriate Federal policies relating to the matters described in clauses (i) through (iii), including policies concerning changes in the financing of undergraduate and graduate allied health programs, changes in the types of allied health education, and the appropriate Federal role in the development of a research base in the allied health professions;

"(v) appropriate efforts to be carried out by health care facilities, schools and programs of allied health, and professional associations with respect to the matter referred to in clause (i), including efforts for changes in undergraduate and graduate allied health education programs, and private support for research initiatives;

"(vi) deficiencies and needs for improvements in existing data bases concerning the supply and distribution of training programs for allied health in the United States and steps that should be taken to eliminate such deficiencies; and

"(vii) problems, and recommendations for the resolution of such problems, relating to the roles and functions of professionals within the allied health fields and other fields such as medicine and dentistry;

"(B) encourage entities providing allied health education to conduct activities to voluntarily achieve the recommendations of the Subcommittee;

"(C)(i) conduct a study concerning the shortage of clinical laboratory technologists for the purpose of—

"(I) determining the extent of such shortage;

"(II) determining the causes of such shortage; and

"(III) developing recommendations concerning the manner in which such shortage can be alleviated; and

"(ii) in conducting the study required under clause (i)—

"(I) consider any special or unique factors affecting the supply of clinical laboratory technologists in medically underserved and rural communities; and

"(II) conduct an assessment of alternative routes for certification of the competence of individuals to serve as such technologists, and consider the role of entities that provide such certifications; and

"(D) not later than October 1, 1993, prepare and submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report concerning the results of the study conducted under subparagraph (D).

"(2) In addition to select members of the National Advisory Council, the Subcommittee shall be composed of—

"(A) the Assistant Secretary for Health;

"(B) the Administrator of the Health Care Financing Administration;

"(C) the Assistant Secretary for Defense for Health Affairs;

"(D) the Chief Medical Director of the Department of Veterans Affairs;

"(E) the Commissioner of the Bureau of Labor Statistics of the Department of Labor;

"(F) a representative of the National Center for Education Statistics of the Department of Education;

"(G) a representative of the Bureau of Health Professions, Health Resources and Services Administration to be appointed by the Secretary;

"(H) five individuals appointed by the Secretary to represent allied health professionals, of which—

"(i) two such individuals shall be representatives of allied health professionals who provide occupational, speech, respiratory or physical therapy services;

"(ii) two such individuals shall be health professionals who provide primary care services in underserved areas or to underserved populations; and

(iii) one such individual shall be a health professional who provide primary care services to the elderly;

"(I) five individuals appointed by the Secretary, including representatives of schools and programs of allied health, health care facility employers of allied health personnel, health insurers, and professional organizations representing the allied health professions;

"(J) a professional knowledgeable about health occupations and professions and data policy to be appointed by the Secretary; and

"(K) a representative of the general public to be appointed by the Secretary.

"(3) Not later than April 1, 1992, the Secretary shall appoint the members of the Subcommittee in accordance with paragraph (2).

"(4) Not later than 6 months after the date on which the initial meeting of the Subcommittee is held, the Subcommittee shall prepare and submit to the individual and entities described in paragraph (1)(A) a progress report concerning the activities of the Subcommittee. Not later than April 1, 1994, the Subcommittee shall prepare and submit to such individuals and entities a final report.

"(5) The Secertary shall insure the necessary resources are made available to implement the provisions of this subsection.

"(6) The Subcommittee shall terminate upon the submission of the final report required under paragraph (4).".

SEC. 104. PROHIBITION OF DISCRIMINATION.

Section 704 (42 U.S.C. 292d) is amended—

(1) in the section heading by striking out "ON THE BASIS OF SEX";

(2) by striking out "sex" each place that such occurs and inserting in lieu thereof "race, color, religion, gender, national origin, age, disability, marital status, or educational affiliation"; and

(3) by striking out "or graduate program in clinical psychology" and inserting in lieu thereof "graduate program in clinical psychology or graduate program in clinical social work".

SEC. 105. HEALTH PROFESSIONS DATA.

(a) IN GENERAL.—Section 708 (42 U.S.C. 292h) is amended—

(1) in subsection (a)—

(A) by inserting after "clinical psychologists," the following: "physician assistants, clinical social workers practicing in health or mental health care"; and

(B) by adding at the end thereof the following new sentence: "Data shall also be collected with respect to health professional shortage areas as designated under section 332, and other medically underserved communities (as defined in section 711(c)(2)) and underserved populations."; and

(2) in subsection (d)—

(A) by inserting "health professional shortage areas, rural areas, and medically underserved areas and populations," after "profession," in paragraph (1); and

(B) by inserting ", service in health professional shortage areas and to medically underserved communities (as defined in section 711(c)(2) and populations," after "geographic location" in paragraph (2).

(b) TRANSFER OF PROVISIONS WITH RESPECT TO STATISTICS AND REPORT.—

(1) IN GENERAL.—Section 794 (42 U.S.C. 295h-2)—

(A) is transferred to part A of title VII;

(B) is redesignated as section 708A; and

(C) is inserted after section 708 of such part A.

(2) REVISION.—Section 708A (as transferred and added by paragraph (1), is amended—

(A) in the section heading by striking out "ANNUAL" and inserting in lieu thereof "BIENNIAL"; and

(B) in subsection (c)—

(i) by striking out "Labor and Public Welfare" and inserting in lieu thereof "Labor and Human Resources" in the matter preceding paragraph (1); and

(ii) by striking out "under this subpart" and inserting in lieu thereof "under subpart I of part G" in paragraph (2).

SEC. 106. REQUIRED ASSURANCES.

Section 709(c) (42 U.S.C. 292i(c)) is amended by adding at the end thereof the following new sentence: "The applicant is further required to provide assurances to the Secretary that all trainees will receive instruction in the utilization of universal precautions and infection control procedures for the prevention of transmission of bloodborne diseases."

SEC. 107. PRIORITY IN AWARDING OF GRANTS.

Part A (42 U.S.C. 292 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 711. PRIORITIES IN AWARDING OF GRANTS.

"(a) ALLOCATION OF COMPETITIVE GRANT FUNDS.—In awarding competitive grants under this title or title VIII, the Secretary shall, among applicants that meet the eligibility requirements under such titles, give priority to entities submitting applications that—

"(1) can demonstrate that such entities have training programs that demonstrate the presence of, or progress toward the development and integration of effective approaches and educational strategies to promote health and prevent disease and disability, especially in primary care, that will help meet the Healthy People 2000: National Health Promotion and Disease Prevention Objectives established by the Public Health Service; and

"(2)(A) have a high permanent rate for placing graduates in practice settings which serve residents of medically underserved or rural communities; or

"(B) will provide for not less than four of the following—

"(i) the rotation of health professionals and students to clinical settings whose focus is to serve medically underserved communities or rural areas;

"(ii) the appointment of health professionals whose practices serve medically underserved or rural communities to act as preceptors to supervise training in such settings;

"(iii) a plan that insures that all health professionals and students receive information on practice opportunities involving medically underserved or rural communities;

"(iv) service contingent scholarship or loan repayment programs for students and health professionals to encourage practice in or service to medically underserved or rural communities;

"(v) the recruitment and admission of students from medically underserved or rural communities; and

"(vi) other training methodologies that demonstrate a significant commitment to the expansion of the proportion of graduates that elect to practice in or serve the needs of medically underserved or rural communities.

"(b) SERVICE IN MEDICALLY UNDERSERVED OR RURAL COMMUNITIES.—Of the amounts appropriated for fiscal year 1995, and for each subsequent fiscal year, for competitive grants under this title or title VIII, the Secretary shall give preference in awarding grants to schools or programs that are otherwise eligible for grants under such titles, and that can demonstrate that—

"(1) not less than 20 percent of the graduates of such schools or programs during the preceding 2-year period are engaged in full-time practice in a health professions shortage specialty in a medically underserved or rural community; or

"(2) the number of the graduates of such schools or programs that are practicing in a medically underserved or rural community has increased by not less than 50 percent over that proportion of such graduates for the previous 2-year period. Among the pool of applications that have been approved by the Standard peer review process, funding preference applies only to those applications that score in the upper 80 percent of those approved applications.

"(c) DEFINITIONS.—As used in this section:

"(1) GRADUATE.—The term 'graduate' means, unless otherwise specified, an individual who has successfully completed all training and residency requirements necessary for full certification in the health professions discipline that such individual has selected.

"(2) MEDICALLY UNDERSERVED COMMUNITY.—The term 'medically underserved community' means—

"(A) an area designated under section 332 as a health professional shortage area;

"(B) an area or population designated as a medically underserved area under section 330(b)(3), including areas designated under section 330(b)(6);

"(C) populations served by migrant health centers under section 329, community health centers under section 330, programs providing health services for the homeless under section 340, or Federally qualified health centers under section 1905(l)(2)(B) of the Social Security Act;

"(D) a community that is certified as underserved by the Secretary for purposes of participation in the rural health clinic program under title XVIII of the Social Security Act; or

"(E) a community that meets the criteria for the designation described in subparagraph (A) or (B) but that has not been so designated.

"(3) RURAL COMMUNITY.—The term 'rural' refers to geographic areas that are located outside of standard metropolitan statistical areas.".

Subtitle B-Student Assistance

SEC. 110. LIMITATIONS ON SCOPE OF FEDERAL LOAN INSURANCE PROGRAM.

Section 728(a) (42 U.S.C. 294a(a)) is amended—

(1) in the first sentence by striking out "$500,000,000" and all that follows through the end thereof and inserting the following: "$400,000,000 for fiscal year 1992, $425,000,000 for fiscal year 1993, $475,000,000 for fiscal year 1994, $525,000,000 for fiscal year 1995, and $550,000,000 for fiscal year 1996."; and

(2) in the third sentence by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1999".

SEC. 111. LOAN DEFERRAL AND LOAN CONSOLIDATION.

(a) LOAN DEFERRAL.—Section 731(a)(2)(C) (42 U.S.C. 294d(a)(2)(C)) is amended—

(1) in clause (viii)—

(A) by striking out "clauses (i) through (vii)" and inserting in lieu thereof "clauses (i) through (x)"; and

(B) by striking out "clauses (i) through (viii)" and inserting in lieu thereof "clauses (i) through (xi)";

(2) by redesignating clauses (vii) and (viii) as clauses (x) and (xi), respectively; and

(3) by inserting after clause (vi), the following new clauses: "(vii) not in excess of 3 years, for a borrower who has (I) completed an accredited internship or residency training program in family medicine, general internal medicine or general pediatrics, or (II) completed training in general dentistry, public health dentistry, clinical psychology or clinical social work and is currently serving as a primary care provider in a medically underserved or rural community as defined in section 711(c), (viii) not in excess of 1 year, for borrowers in the health professions that do not require residency training, (ix) not in excess of 2 years during which the borrower is providing care in a medically underserved or rural community as defined in section 711(c),".

(b) LOAN CONSOLIDATION.—Subsection (f) of section 732 (42 U.S.C. 294e(f)) is amended to read as follows:

"(f) Nothing in this section shall be construed to preclude the consolidation of all of the borrower's debts into a single instrument on the same terms and conditions as those provided in the Higher Education Act of 1965.".

(c) TECHNICAL AMENDMENTS.—Section 728(c) (42 U.S.C. 294a(c)) is amended—

(1) by striking out paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

SEC. 112. MAXIMUM INTEREST RATES TO BE ASSESSED.

Section 731 (42 U.S.C. 294d) is amended—

(1) in subsection (a)(2)(D), by striking out "semiannually" and inserting in lieu thereof "annually"; and

(2) in subsection (b)—

(A) by inserting "(1)" after the subsection designation;

(B) by striking out "No maximum" and inserting in lieu thereof "The";

(C) by striking out "subsection (a) may exceed the average" and inserting in lieu thereof "subsection (a) may not exceed the average";

(D) by inserting before the period, the following: "with a maximum rate of interest of 12 percent per year"; and

(E) by adding at the end thereof the following:

"(2)(A) A special allowance may be paid to an eligible holder of an eligible loan under this subpart for each of the 3-month periods ending on March 31, June 30, September 30, and December 31 of each year. The amount of a special allowance paid to any holder under this paragraph with respect to any 3-month period shall be a percentage of the average unpaid balance of principal (not including unearned interest added to such principal) on all eligible loans held by such holder during such period.

"(B) Subject to paragraph (4), a special allowance paid under this paragraph to a holder shall be computed—

"(i) by determining the average of the bond equivalent rates of 91-day Treasury bills auctioned for the 3-month period for which the allowance is to be paid;

"(ii) by subtracting the applicable interest rate on the loans that are subject to such allowance from such average,

"(iii) by adding 3 percent to the amount determined under clause (ii); and

"(iv) by dividing the amount determined under clause (iii) by 4.

"(C) The holder of an eligible loan under this subpart shall have a contractual right against the United States, during the life of such loan, to receive the special allowance under this paragraph. The special allowance determined for any 3-month period under this paragraph shall be paid promptly after the close of such period, and without administrative delay after receipt of an accurate and complete request for payment, pursuant to procedures established under regulations promulgated under this paragraph.

"(D)(i) If payment of a special allowance to a holder under this section has not been made within 30 days after the Secretary has received an accurate, timely, and complete request for payment from such holder, the amount of such allowance shall be increased by an amount equal to the daily interest accruing on such allowance, as determined under clause (ii), and interest benefits payments due the holder.

"(ii) The amount of the daily interest referred to in clause (i) shall be computed at the daily equivalent rate of the sum of the special allowance rate determined under subparagraph (B) and the interest rate applicable to the loan, and shall be paid for the later of—

"(I) the 31st day after the receipt of a request for payment of an allowance under this paragraph by the holder; or

"(II) the 31st day after the final day of the period or periods covered by such request;

and shall be paid for each succeeding day until, and including, the date on which the Secretary authorizes payment.

"(iii) For purposes of reporting to Congress the amounts of special allowances paid under this paragraph, amounts so paid shall be segregated and reported separately.

"(E) The Secretary shall pay the holder of an eligible loan a special allowance under this paragraph, at such time or times as are specified in regulations promulgated under this paragraph, subject to the condition that such holder shall submit to the Secretary, at such time or times, and in such manner as the Secretary determines appropriate, such information as may be required under such regulations for the purpose of enabling the Secretary to carry out this section and to carry out the purposes of this section.

"(F) The quarterly rate of the special allowance for holders of loans that were made or purchased with funds obtained by the holder from the issuance of obligations, the income from which is exempt from taxation under the Internal Revenue Code of 1986, shall be one half the quarterly rate of the special allowance established under subparagraph (B). Such rate shall also apply to holders of loans that were made or purchased with funds obtained by the holder from collections or default reimbursements on, or interest or other income pertaining to, loans made or purchased with funds described in the preceding sentence or from income on the investment of such funds.".

SEC. 113. PARTICIPATION OF INSTITUTIONS IN LOAN COLLECTION.

(a) Eligibility.—Section 731(a)(2) (42 U.S.C. 294d(a)(2)) is amended—

(1) in subparagraph (G), by striking out "and" at the end thereof;

(2) in subparagraph (H), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(I) authorizes an institution or postgraduate training program attended by the borrower to assist in the collection of any loan that becomes delinquent, by providing information concerning the borrower to the Secretary and to past and present lenders and holders of the borrower's loans.".

(b) Federal Loan Insurance Program.—Section 733 (42 U.S.C. 294f) is amended—

(1) by adding at the end of subsection (a) the following new sentence: "The Secretary shall establish by regulation performance standards and fees to be paid by lenders and loan holders for the servicing of HEAL loans and for the processing of loan default claims filed by insurance beneficiaries under this subsection.";

(2) in subsection (e)—

(A) by striking out "and" at the end of paragraph (2); and

(B) by adding at the end thereof the following new paragraph:

"(4) the term 'default rate', in the case of an eligible entity, means the percentage constituted by the ratio of—

"(A) the principal amount of loans insured under this subpart—

"(i) that are made with respect to the entity and that enter repayment status after April 7, 1987; and

"(ii) for which amounts have been paid under subsection (a) to insurance beneficiaries, exclusive of any loans for which amounts have been so paid as a result of bankruptcy under title 11 of the United States Code, or the death or total and permanent disability of the borrowers, and exclusive of any amounts of principal actually repaid by the borrowers subsequent to payment of the claim; to

"(B) the total principal amount of loans insured under this subpart that are made with respect to the entity and enter repayment status after April 7, 1987.";

(3) in the first sentence of subsection (f), by striking out "The Secretary may" and inserting in lieu thereof "The Secretary shall"; and

(4) in subsection (h)(1)—

(A) by striking out "or" at the end of subparagraph (B);

(B) by striking out the period in subparagraph (C), and inserting in lieu thereof "; or"; and

(C) by adding at the end thereof the following new subparagraph:

"(D) in the judgment of the Secretary, in consultation with the lender or holder, there is not a reasonable likelihood of recovering, within 6 months of the date on which active enforcement of the judgment begins, at least one-half of the outstanding debt owed by the borrower (including collections costs and associated charges) or $10,000, whichever is less.".

SEC. 114. DEFAULT PENALTY FEES.

(a) In General.—Part C of title VII is amended by inserting after section 732 (42 U.S.C. 294e) the following new section:

"SEC. 732A. DEFAULT PENALTY FEES.

"(a) Authority.—With respect to a loan made under this subpart, the Secretary, in accordance with subsection (b), shall assess a risk-based premium on an eligible borrower and, if required, an eligible institution that is based on the default rate of the eligible institution involved.

"(b) Assessment of Premium.—Except as provided in subsection (d)(2), the risk-based premium to be assessed under subsection (a) shall be as follows:

"(1) Low-risk rate.—With respect to an eligible borrower seeking to obtain a loan for attendance at an eligible institution that has a default rate below five percent, such borrower shall be assessed a risk-based premium in an amount equal to 6 percent of the principal amount of the loan.

"(2) Medium risk rate.—

"(A) In general.—With respect to an eligible borrower seeking to obtain a loan for attendance at an eligible institution that has a default rate of between five percent and 15 percent—

"(i) such borrower shall be assessed a risk-based premium in an amount equal to 10 percent of the principal amount of the loan; and

"(ii) such institution shall be assessed a risk-based premium in an amount equal to 5 percent of the principal amount of the loan.

"(B) Reduction in loan level.—The maximum loan amount for which a borrower of the type described in subparagraph (A) shall be eligible to receive shall be reduced by an amount equal to 10 percent of the maximum loan amount that such borrower would otherwise be eligible to receive under this subpart prior to the date of enactment of this section.

"(C) Default management plan.—An institution of the type described in subparagraph (A) shall prepare and submit to the Secretary for approval, an annual default management plan, that shall specify the detailed short-term and long-term procedures that such institution will have in place to minimize defaults on loans to borrowers under this subpart. Under such plan the institution shall, among other measures, provide an exit interview to all borrowers that includes information concerning repayment schedules, loan deferments, forbearance, and the consequences of default.

"(3) High risk rate.—

"(A) In general.—With respect to an eligible borrower seeking to obtain a loan for attendance at an eligible institution that has a default rate of between 15 percent and 25 percent—

"(i) such borrower shall be assessed a risk-based premium in an amount equal to 10 percent of the principal amount of the loan; and

"(ii) such institution shall be assessed a risk-based premium in an amount equal to 10 percent of the principal amount of the loan.

"(B) Reduction in loan level.—The maximum loan amount for which a borrower of the type described in subparagraph (A) shall be eligible to receive shall be reduced by an amount equal to 25 percent of the maximum loan amount that such borrower would otherwise be eligible to receive under this subpart prior to the date of enactment of this section.

"(C) Default management plan.—An institution of the type described in subparagraph (A) shall, in addition to complying with the provisions of paragraph (2)(C), become a co-signer of the loan. The Secretary may require a performance bond on behalf of such an institution.

"(4) Ineligibility.—A borrower shall not be eligible to obtain a loan under this subpart for attendance at an institution that has a default rate of in excess of 25 percent.

"(c) Reduction of At-Risk Premium.—Lenders may reduce by 50 percent the at-risk premium to eligible borrowers if a credit worthy parent or other responsible party cosigns the loan note.

"(d) Administrative Waivers.—

"(1) Hearing.—The Secretary shall afford an institution not less than one hearing, and may consider mitigating circumstances, prior to assigning an institution to a risk-based category under subsection (b) or making such institution ineligible for participation in the programs under this subpart.

"(2) Exceptions.—In carrying out this section with respect to an institution, the Secretary may grant an institution a waiver of requirements of subsection (b) if the Secretary determines that—

"(A) the default rate for such institution is not an accurate indicator because the volume of the loans under this subpart made by such institution has been insufficient;

"(B) the borrowers of such institution that are in default are providing primary care in a medically underserved community, as defined in section 711(c)(2);

"(C) progress is being made to reduce the default rate of the institution; or

"(D) the institution can justify the default record using other sources of information.

"(3) Transition for certain institutions.—Effective January 1, 1992, an institution with 40 percent or more of its students coming from populations that are traditionally underrepresented in the health professions may not be ruled as ineligible to participate in the loan program under this subpart for a 5-year period. Such institutions shall submit to the Secretary an annual default management plan.

"(e) Payoff to Reduce Risk Category.—An institution may payoff the outstanding principal and interest owed by the students of such institution who have defaulted on loans made under this subpart in order to reduce the risk category of the institution.".

(b) Technical Amendment.—Section 732 (42 U.S.C. 294e) is amended by striking out subsection (c).

SEC. 115. ELIMINATION OF STATUTE OF LIMITATIONS FOR LOAN COLLECTIONS.

(a) Elimination.—

(1) IN GENERAL.—Section 733 (42 U.S.C. 294f) is amended by adding at the end the following new subsection:

"(j)(1) It is the purpose of this subsection to ensure that obligations to repay loans are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

"(2) Notwithstanding any other provision of Federal or State statute, regulation, or administrative limitation, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by the Secretary, the Attorney General, or other administrative head of another Federal agency, as the case may be, for the repayment of the amount due from a borrower on a loan made under this subpart that has been assigned to the Secretary under this subpart.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall be effective with respect to actions pending on or after the date of enactment of this Act.

(b) TECHNICAL AMENDMENT.—Section 733(h)(1)(A)(ii) (42 U.S.C. 294f(h)(1)(A)(ii)) is amended by striking out "fruitless" and inserting in lieu thereof "inappropriate".

SEC. 116. STUDENT LOAN INSURANCE FUND.

Section 734 (42 U.S.C. 294g) is amended—

(1) in the first sentence of subsection (a), by striking out "in connection with the collection or default of loans" and inserting in lieu thereof "in connection with the administration, collection and default of loans"; and

(2) by adding at the end thereof the following new subsection:

"(c) The Secretary may utilize not to exceed $1,000,000 of amounts available under this section for each of the fiscal years 1992 through 1996 to support the activities of the Office for Health Education Assistance Loans.".

SEC. 117. POWERS AND RESPONSIBILITIES.

Section 735(c) (42 U.S.C. 294h(c)) is amended—

(1) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively; and

(2) by inserting immediately before paragraph (2) (as so redesignated) the following new paragraph:

"(1) Borrowers under this subpart who enter and remain in the primary care fields of general internal medicine, general pediatrics and family medicine shall receive preference for participation in the National Health Service Corps Loan Repayment Program under section 338B."

(3) in paragraph (2) (as so redesignated), by striking out "not to exceed $10,000 in any 12-month period" and inserting in lieu thereof "not to exceed $35,000 in any 12-month period";

(4) in paragraph (3) (as so redesignated)—

(A) by striking out "paragraphs (3) and (4)" and inserting in lieu thereof "paragraphs (4) and (5)"; and

(B) by striking out "paragraph (1)" and inserting in lieu thereof "paragraph (2)";

(4) by striking out paragraph (4) (as so redesignated) and inserting in lieu thereof the following new paragraph:

"(4) The obligation of a borrower to pay damages under this subsection shall be canceled only in the case of the death, bankruptcy or total permanent disability of the borrower. A borrower may not be permitted to discharge in bankruptcy a loan made under this section within 5 years of the first date on which repayment of the damages is required."; and

(5) in paragraph (5) (as so redesignated), by striking out "paragraph (2)" and inserting in lieu thereof "paragraph (3)".

SEC. 118. ANNUAL REPORT CONCERNING DEFAULT RATES.

Subpart I of part C of title VII (42 U.S.C. 294 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 737B. ANNUAL REPORT CONCERNING DEFAULT RATES.

"(a) REPORT.—Not later than September 30, 1992, and annually thereafter, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report concerning the default rates for each—

"(1) institution described in section 737(1) that is participating in the loan programs under this subpart;

"(2) lender participating in the loan program under this subpart; and

"(3) loan holder under this subpart.

"(b) LIST OF DEFAULTERS.—As part of the report submitted under subsection (1), the Secretary shall compile, and publish in the Federal Register, a list of the borrowers who are in default under this subpart.

"(c) NOTICES OF DEFAULT.—The Secretary shall annually send notices of default with respect to the borrowers identified on the list under subsection (b), to relevant Federal agencies and to organizations such as State licensing boards, hospitals with which such borrowers may be associated, and specialty organizations.".

SEC. 119. ELIGIBILITY OF INSTITUTIONS.

(a) IN GENERAL.—Section 739(a) (42 U.S.C. 294l) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(5) the assessing of tuition or fees to borrowers in amounts that are the same or less than the amount of tuition and fees assessed to non-borrowers;

"(6) the submission, by the institution and the lender to the Office of Health Education Assistance Loans, of information concerning each loan made under this subpart, including the date when each such loan was originated, the date when each such loan is sold, the identity of the loan holder and information concerning a change in the borrowers status;

"(7) the withholding of services, including academic transcripts, financial aid transcripts, and alumni services, by an institution from a borrower upon the default of such borrower of a loan under this subpart, except in case of a borrower who has filed for bankruptcy; and

"(8) the offering, by the lender to the borrower, of a variety of repayment options, including fixed-rate, graduated repayment with negative amortization permitted, and income dependent payments for a limited period followed by level monthly payments.".

(b) WORKSHOP FOR BORROWERS.—Section 739 (42 U.S.C. 294l) is amended by adding at the end thereof the following new subsection:

"(c) Each participating institution must have, at the beginning of each academic year, a workshop concerning the provisions of this subpart that all student borrowers shall be required to attend.".

SEC. 120. OFFICE FOR HEALTH EDUCATION ASSISTANCE LOANS.

Subpart I of part C of title VII is amended by adding at the end thereof the following new section:

"SEC. 739B. OFFICE FOR HEALTH EDUCATION ASSISTANCE LOANS.

"(a) ESTABLISHMENT.—The Secretary shall establish, within the Bureau of Health Professions, an office to be known as the Office for Health Education Assistance Loans (hereafter referred to in this section as the 'Office').

"(b) PURPOSE AND FUNCTIONS.—It shall be the purpose of the Office to achieve a reduction in the number and amounts of defaults on loans made or guaranteed under this part. In carrying out such purpose the Office may—

"(1) conduct analytical and evaluative studies concerning loans and loan defaults;

"(2) carry out activities designed to reduce loan defaults;

"(3) respond to special circumstances that may exist in the financial lending environment that may lead to loan defaults;

"(4) coordinate with other Federal entities that are involved with student loan programs, including—

"(A) with respect to the Department of Education, to develop a single student loan application form, a single student loan deferment form and a single disability form; and

"(B) with respect to the Department of Justice to recover payments from health professionals who have defaulted on loans made or guaranteed under this part;

"(5) provide technical assistance to lenders, servicers and schools concerning deferments and collection activities;

"(6) establish a central student loan database; and

"(7) carry out any other activities that the Secretary determines appropriate.".

SEC. 121. AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN LOANS.

(a) CONSTRUCTION.—Subsection (a) of section 742 (42 U.S.C. 294o) is repealed.

(b) AUTHORIZATION.—Section 742(c)(1) (42 U.S.C. 294o(c)(1)) is amended by striking out "$15,000,000" and all that follows through the end thereof and inserting the following: "$15,000,000 for each of the fiscal years 1992 through 1996.".

Subtitle C—Direct Student Loan Health Demonstration Program

SEC. 131. DIRECT STUDENT LOAN HEALTH DEMONSTRATION PROGRAM.

(a) Purpose.—It is the purpose of this section to establish a direct student loan demonstration program for health professions students to examine the viability of such a program and determine—

(1) whether such a program will—

(A) reduce default costs to the Federal Government; and

(B) provide loans on more favorable terms to students; and

(2) whether the existing HEAL program under part C of the Public Health Service Act should be replaced by a direct loan program in which health professions schools, rather than lenders, make such loans directly to borrowers.

(b) ESTABLISHMENT OF PROGRAM.—Part C of title VII (42 U.S.C. 294 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart VII—Demonstration Programs

"SEC. 765. ESTABLISHMENT OF DIRECT STUDENT LOAN HEALTH DEMONSTRATION PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall establish a direct student loan health demonstration program under which the Secretary will make assistance available to certain institutions who shall utilize such assistance to make direct loans to health professions students to assist such students in meeting the costs associated with attending such institutions.

"(b) FUNDING.—The Secretary shall borrow, from the Secretary of the Treasury, an amount not to exceed $50,000,000 in each fiscal year to enable the Secretary to provide assistance to institutions under the program established under subsection (a).

"(c) PARTICIPATING INSTITUTIONS.—

"(1) SELECTION.—The Secretary shall select not to exceed 20 eligible institutions to participate in the program established under this section. In making such selections, the Secretary shall, to the maximum extent practicable, ensure that a wide range of health professions institutions participate in such program, except that the Secretary may refuse to permit the participation of any institution that has a default rate under the program established under subpart I that is in excess of 15 percent.

"(2) ELIGIBLE INSTITUTIONS.—To be eligible for selection under paragraph (1), an institution shall—

"(A) be eligible to participate in the program established under subpart I;

"(B) have annually accepted for enrollment not less than 20 student borrowers under such subpart;

"(C) prepare and submit to the Secretary an application, at such time, in such form, and containing such information as the Secretary may require, including demonstrable evidence that the institution possesses the administrative capacity to implement the direct loan program either in-house or through the employment of an outside entity;

"(D) agree to assume full liability, as assessed by the Secretary, for errors relating to the origination of loans or other administrative responsibilities of institutions under this title;

"(E) agree to provide all information and maintain such records as required by the Secretary in order to assist in the evaluation of the program authorized under this section; and

"(F) otherwise meet the requirements of this section.

"(3) REQUIREMENTS.—An institution participating in the program established under this section shall—

"(A) be responsible for originating loans under the program, conducting interviews with borrowers prior to the origination of such loans, conducting exit interviews with borrowers (which shall include the provision of all pertinent documentation as required by the Secretary), and assisting collection agencies in locating and collecting repayments from borrowers who become delinquent;

"(B) increase tuition and required fees at a rate that does not exceed 150 percent of the increase in the cost of living in the previous year;

"(C) not later than 15 working days after a borrower is determined to have lost his or her status as a full-time student, proceed with in-house collection activities or forward the loan of the borrower to a collection agency selected by the Secretary.

"(d) BORROWERS.—

"(1) ELIGIBILITY.—A student who has not previously obtained a loan under subpart I shall be eligible to participate in the program established under this section. The provisions of section 731 (except for subsection (a)(1)(B) and (b) of such section) shall apply to borrowers under this subpart.

"(2) INELIGIBILITY FOR HEAL LOANS.—A student that obtains a loan under the program established under this section shall be ineligible to obtain a loan under subpart I until the expiration of the program established under this subpart.

"(3) EVALUATION AGREEMENT.—A borrower under this section shall agree to participate in an evaluation of the program established under this section.

"(4) LIMITATIONS.—The limitations described in section 729 shall apply to loans made under this subpart.

"(e) TERMS OF LOANS.—

"(1) PROMISSORY NOTE.—A borrower under this section shall be required, at the origination of a loan, to sign a promissory note to the Federal Government promising to repay the loan under the terms and conditions disclosed to the borrower at such origination.

"(2) INTEREST RATES.—With respect to a loan made under this section, a borrower shall be assessed an interest rate on such loan that is equal to one percentage point above the average of the bond equivalent rates of the 91-day Treasury bills auctioned for the previous quarter. Such interest will accrue on such loan and will be compounded annually.

"(3) ORIGINATION FEE.—A borrower under this section shall pay a loan origination fee equal to 3 percent of the principal amount of the loan. The proceeds generated from such loan origination fees shall be remitted by the institution to the Secretary to assist in offsetting the costs of the administration of the program.

"(4) REPAYMENT.—Repayment on a loan made under this section shall be deferred for the period during which the borrower is a full-time student at the institution. Except as provided in paragraph (5), such repayment shall commence 90 days after the date on which the borrower is no longer a full-time student at such institution.

"(5) FORBEARANCE.—

"(A) ON DEMAND.—A borrower may receive forbearance on a loan under this section on the demand of such borrower for a period of—

"(i) not to exceed 5 years if such borrower is in an accredited postgraduate residency program;

"(ii) not to exceed 1 year beginning on the date on which the borrower leaves the institution if such borrower is not completing a residency or practicing in a medically underserved community; or

"(iii) not to exceed 5 years if such borrower is practicing in a medically underserved community.

"(B) PAYMENTS.—During the period of forbearance under this paragraph, a borrower and an institution may agree on a partial payment schedule based on the income and debt burden of the borrower. In such case the interest shall continue to accrue on the loan and shall be added to the principal amount due on such loan annually. Notwithstanding the preceding sentences, a borrower shall not be required to make any payments of principal or interest on the loan during such forbearance period.

"(6) CANCELLATION.—The obligation of a borrower to repay a loan under this section shall be canceled only in the case of the death, bankruptcy or total permanent disability of the borrower, whichever occurs later. In the case of bankruptcy, the provision of section 733(g) shall apply.

"(f) COLLECTION AGENCIES.—

"(1) REQUIREMENT.—In establishing the program under this section, the Secretary shall enter into contracts with not less than two collection agencies for the collection of repayments under loan made to borrowers under this section.

"(2) SELECTION BY SECRETARY.—In entering into contracts under paragraph (1), the Secretary shall select collection agencies—

"(A) with experience in Federal student loan collections, a comprehensive program of repayment options for borrowers, and modest costs; and

"(B) that provide evidence of being able to work cooperatively with participating institutions.

"(3) SELECTION BY INSTITUTION.—A participating institution under this section shall proceed with in-house collection activities or select an agency that is a party to a contract under paragraph (1) for the collection of repayments on loans originated by the institution.

"(4) REIMBURSEMENT.—A collection agency selected by an institution under paragraph (3) shall be reimbursed by the Secretary for collection activities in an amount that is based on the number of students served by such collection agency under this section. Such agencies shall agree to accept loans from any institution participating in the demonstration program under this section.

"(g) SUSPENSION.—The Secretary may suspend the eligibility of any institution to participate in the program under this section if the Secretary determines that the institution is not successfully implementing the program.

"(h) EVALUATION.—Not later than 1, 5, 10, and 15 years after the date of enactment of this section, the Secretary shall conduct an evaluation of the program established under this section to identify any problems in the program that need correction. The evaluation shall, among other things, assess the cost of the program to the Federal Government, the cost of the program to the borrower, the cost of the program to institutions, the default record of institutions in the program compared to institutions in the program under subpart I, administrative problems that arise from the program, and the impact of the program on the borrower's choice of specialization and residency or practice decisions.

"(i) TERMINATION.—The authority to make loans under this section shall terminate 5 years after the date of enactment of this section.".

SEC. 132. LOAN REPAYMENT PROGRAM FOR ALLIED HEALTH PERSONNEL.

Section 751 (42 U.S.C. 294r) is amended—

(1) in subsection (a), by striking out "an Indian Health Service" and all that follows through the end thereof and inserting "a medically underserved or rural community that can demonstrate a shortage of allied health professionals in a recognized discipline."; and

(2) in subsection (d), by striking out "$2,000,000" and all that follows through the end thereof and inserting "$5,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 133. SCHOLARSHIPS FOR STUDENTS OF EXCEPTIONAL FINANCIAL NEED.

(a) IN GENERAL.—Section 758(d) (42 U.S.C. 294z(d)) is amended by striking out "$16,000,000" and all that follows through the end thereof and inserting "$30,000,000 for each of the fiscal years 1992 through 1996.".

(b) TECHNICAL AMENDMENT.—Part C of title VII (42 U.S.C. 294 et seq.) is amended by striking out the subpart heading for subpart IV.

SEC. 134. REPEAL OF LISTER HILL SCHOLARSHIP PROGRAM.

Section 759 of title VII (42 U.S.C. 294aa) is repealed.

SEC. 135. SCHOLARSHIPS FOR STUDENTS FROM DISADVANTAGED BACKGROUNDS.

Section 760 (g)(1) (42 U.S.C. 294bb(g)(1)) is amended by striking out "$17,000,000" and all that follows through the end thereof and inserting "$17,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 136. FACULTY LOAN REPAYMENT PROGRAM.

Section 761 (42 U.S.C. 294cc) is amended—

(1) in subsection (b), by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(b) ELIGIBLE INDIVIDUALS.—The individuals referred to in subsection (a) are individuals from disadvantaged backgrounds who are newly employed as faculty of the eligible school and who have not been members of the faculty of any school at any time during the 18-month period preceding the date of application, and who—";

(2) in subsection (d)—

(A) by striking out "for such year"; and

(B) by striking out "equal to 50 percent" and inserting in lieu thereof "equal to 20 percent"; and

(3) in subsection (h), by striking out "$4,000,000" and all that follows through the end thereof and inserting "$5,000,000 for each of the fiscal years 1992 through 1996.".

Subtitle D—Grants and Contracts for Programs and Projects

SEC. 141. DEPARTMENTS OF FAMILY MEDICINE.

Section 780 (42 U.S.C. 295g) is amended—

(1) in subsection (b)—

(A) by striking out "and" at the end of paragraph (1);

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1), the following new paragraph:

"(2) in the case of an applicant with an existing department or division of family medicine, assurance satisfactory to the Secretary that such applicant will secure financial support from non-Federal sources in amounts that shall increase annually, and that the applicant has developed a plan for future self-sufficiency; and";

(2) in subsection (c), to read as follows:

"(c) In making grants under subsection (a), the Secretary shall give priority to applications that—

"(1) establish new Departments of Family Medicine; or

"(2) demonstrate the substantial expansion of program activities in existing Departments of Family Medicine."; and

(3) in subsection (d), by striking out "$10,000,000" and all that follows through the end thereof and inserting "$10,000,000 for fiscal year 1992, $11,000,000 for fiscal year 1993, $12,000,000 for fiscal year 1994, $13,000,000 for fiscal year 1995, and $14,000,000 for fiscal year 1996.".

SEC. 142. AREA HEALTH EDUCATION CENTERS.

(a) TERMS OF AGREEMENTS.—Section 781(a) (42 U.S.C. 295g-1(a)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) Except as provided in subparagraph (B), an agreement entered into under this subsection for establishment of a center shall remain in effect for a period of 6 years from the date on which such agreement was executed. Such agreement shall be extended to the extent necessary to provide Federal funds under such agreement, for a 6-year period, to all centers operated or developed with funds provided under such agreement.

"(B) The agreements referred to in subparagraph (A) may be terminated by the Secretary on a determination by the Secretary that a center, developed and operated with funds received under such agreement, has not performed in a satisfactory manner.

(b) REQUIREMENTS.—Section 781(c) (42 U.S.C. 295g-1(c)) is amended by adding at the end thereof the following new sentences: "The Secretary shall give preference in awarding contracts under this section to applicants that will establish new programs. The Secretary shall give priority in awarding contracts under this section to applicants that establish linkages with a school of public health, if such a school exists within the area being served by such center and desires to participate.".

(c) HEALTH EDUCATION TRAINING CENTERS.—Section 781(f) (42 U.S.C. 295g-1(f)) is amended—

(1) in paragraph (1)—

(A) by inserting "and in other high-impact urban or rural areas (as determined by the Secretary)" before the semicolon in subparagraph (A); and

(B) by inserting "and other high risk" after "Hispanic" in subparagraph (B);

(2) in paragraph (3)—

(A) by inserting "or high impact" after "Each border"; and

(B) by inserting "or a high impact urban or rural area (as determined by the Secretary)" before the period at the end thereof;

(3) by redesignating paragraphs (6) through (8) as paragraphs (7) through (9), respectively; and

(4) by inserting after paragraph (5), the following new paragraph:

"(6) The Secretary shall give priority in the funding of a health education training center under such agreement to applicants that establish linkages with a school of public health, if such a school exists within the area being served by such center and desires to participate.".

(d) STATE MATCHING AREA HEALTH EDUCATION CENTER PROGRAMS.—Section 781 (42 U.S.C. 295g-1) is further amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f), the following new subsection:

"(g)(1)(A) The Secretary may enter into agreements with eligible schools of medicine and osteopathic medicine for the planning, development and operation of State supported area health education center programs that meet the requirements of subparagraph (B).

"(B) To be eligible to receive an agreement award under this section, the applicant shall ensure that the program supported with amounts received under the agreement will—

"(i) meet the other requirements of subsections (b) and (c);

"(ii) create and maintain preceptorship educational experiences for health science students;

"(iii) develop or affiliate with community-based primary care residency programs;

"(iv) institute or coordinate with continuing education programs for health professionals;

"(v) establish and maintain learning resource and dissemination systems for information identification and retrieval;

"(vi) enter into agreements with community-based organizations for the delivery of services supported under this authority;

"(vii) become involved in the training of nurses, allied and other health professionals and, where consistent with State laws, nurse practitioners and physicians assistants;

"(viii) carry out recruitment programs for health science professions among minority and other elementary or secondary students from areas the program determines to be medically underserved; and

"(ix) carry out not less than three of the activities described in subparagraph (C).

"(C) The activities referred to in subparagraph (B)(ix) shall include—

"(i) coordinating with an Office of Rural Health in the State that is operating in the area served by the center, wherein one exists;

"(ii) administering appropriate National Health Service Corps program activities in the area serviced by the center, except that such center shall provide only support services if the responsibility for such administration has been assigned to any other State agency;

"(iii) working directly with local health departments in the area served by the center;

"(iv) participating in community and migrant health centers and similar provider activities in the area to be served by the centers; or

"(v) cooperating with other federally and State funded health service provider recruitment and retention programs operating in the area to be served by the center.

"(2) Amounts received under an agreement entered into under this subsection shall be sufficient to enable a State supported area health education program to carry out demonstration projects concerning subjects determined appropriate by the Secretary, including, but not limited to—

"(A) the establishment of computer-based information programs or telecommunication networks that will link health science centers and service delivery sites;

"(B) the provision of disease specific educational programs for health providers and students in areas of concern to the United States;

"(C) the development of information dissemination models to make available new information and technologies emerging from biological research centers to the practicing medical community;

"(D) the institution of new minority recruitment and retention programs, targeted to improved service delivery in areas the program determines to be medically underserved;

"(E) the establishment of State health service corps programs to place physicians from health professional shortage areas into similar areas to encourage retention of physicians and to provide flexibility to States in filling positions in health professional shortage areas; and

"(F) the establishment or improvement of education and training programs for State emergency medical systems.

"(3) The Secretary shall not provide in excess of $2,000,000 per annum per State, or per program where that program serves more than one State, or an aggregate amount based on an average award of $250,000 per center to be supported in the States in which the program is operating, whichever is less, to programs under this subsection.

"(4) An agreement entered into under this subsection shall require that the program—

"(A) ensure that at least 75 percent of the amounts received under the agreement be distributed to area health education centers within the area served by the program, through a formal agreement; and

"(B) use amounts provided under such agreement to supplement, not supplant, State funds provided for similar programs prior to the execution of the agreement.".

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 781 (42 U.S.C. 295g-1) is further amended—

(1) in subsection (f)(8)—

(A) by striking out "(h)(2)" in subparagraph (A) and inserting in lieu thereof "(i)(2)"; and

(B) by inserting "and Native American" after "Hispanic" in subparagraph (B)(i); and

(2) by striking out subsection (i) (as so redesignated by subsection (b)(1)), and inserting in lieu thereof the following new subsection:

"(i)(1)(A) For purposes of carrying out this section other than subsection (f), there are authorized to be appropriated $40,000,000 in each of the fiscal years 1992 through 1996. Any amounts appropriated with respect to fiscal year 1992 or 1993 in excess of $19,200,000 and with respect to fiscal years 1994 through 1996 in excess of $18,700,000 shall be used to carry out the activities authorized under subsection (g). Not more than 10 percent of any amount appropriated in a fiscal year in excess of $21,000,000 shall be used to fund the activities authorized under subsection (g)(2).

"(B) The Secretary may obligate not more than 20 percent of the amount appropriated under this paragraph in each fiscal year, or up to $4,000,000, whichever is less, for special area health education center initiatives under section (a)(2)(A).

"(2) For purposes of carrying out subsection (f), there are authorized to be appropriated—

"(A) $5,000,000 for fiscal year 1992;

"(B) $6,000,000 for fiscal year 1993;

"(C) $7,000,000 for fiscal year 1994;

"(D) $8,000,000 for fiscal year 1995; and

"(E) $9,000,000 for fiscal year 1996.".

(f) MATCHING REQUIREMENT.—Section 781 (42 U.S.C. 295g–1) is further amended by adding at the end thereof the following new subsection:

"(j) An agreement entered into under subsection (g) after the date of enactment of this subsection shall require that the entity awarded such agreement make available (directly through cash donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than $1 for every $1 of Federal funds provided under the agreement in such year.".

(g) TECHNICAL AMENDMENTS.—Section 781 such Act (42 U.S.C. 295g–1) is further amended—

(1) by striking out "contract" each place that such appears and inserting in lieu thereof "agreement"; and

(2) by striking out "contracts" each place that such appears and inserting in lieu thereof "agreements".

SEC. 143. PROGRAMS OF EXCELLENCE IN HEALTH PROFESSIONS EDUCATION FOR MINORITIES.

(a) DEFINITIONS.—Section 782(g)(1)(A) (42 U.S.C. 295g-2(g)(1)(A)) is amended by striking out "a school of dentistry" and all that follows through the end thereof and inserting "a school of osteopathic medicine, a school of dentistry, a school of pharmacy, a school of public health, or a graduate program in clinical psychology.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 782(h) (42 U.S.C. 295g-2(h)) is amended—

(1) in subsection (a), by inserting ", or enter into contracts with," after "make grants to"; and

(2) in subsection (h)—

(A) by striking out "such sums" and all that follows in paragraph (1) through the end thereof and inserting "$28,000,000 for each fiscal year 1992 through 1996."; and

(B) by striking out "$2,500,000" in paragraph (2)(B), and inserting in lieu thereof "$5,000,000".

SEC. 144. TRAINING, TRAINEESHIPS, AND FELLOWSHIPS IN GENERAL INTERNAL MEDICINE AND GENERAL PEDIATRICS.

(a) GRANTS.—Paragraphs (1) and (2) of section 784(a) (42 U.S.C. 295g-4(a)) are amended to read as follows:

"(1) to plan, develop, and operate, or participate in, an approved professional training program (including an approved residency or internship program) in the field of internal medicine or pediatrics for allopathic and osteopathic students, interns, residents, or practicing physicians, that emphasizes training for the practice of general internal medicine or general pediatrics;

"(2) to provide financial assistance (in the form of traineeships and fellowships) to allopathic and osteopathic students, interns, residents, practicing physicians, or other medical personnel, who are in need of such assistance, who are participants in any such program, and who plan to specialize or work in the practice of general internal medicine and general pediatrics;".

(b) PRIORITY.—Section 784(b) (42 U.S.C. 295g-4(b)) is amended by striking out "priority" and inserting in lieu thereof "preference".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 784(c) (42 U.S.C. 295g-4(c)) is amended by striking out "$10,000,000" and all that follows through the end thereof and inserting "$35,000,000 for fiscal year 1992, $36,000,000 for fiscal year 1993, $37,000,000 for fiscal year 1994, $38,000,000 for fiscal year 1995, and $39,000,000 for fiscal year 1996.".

SEC. 145. DENTISTRY.

(a) RESIDENCY PROGRAMS.—Section 785 (42 U.S.C. 295g-5) is amended—

(1) in subsection (a)—

(A) by striking out "and" at the end of paragraph (1);

(B) by striking out the period in paragraph (2) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(3) to fund innovative, nontraditional models for the provision of postdoctoral General Dentistry training."; and

(2) in subsection (b), by striking out "$4,000,000" and all that follows through the end thereof and inserting "$8,000,000 for fiscal year 1992, $9,000,000 for fiscal year 1993, $10,000,000 for fiscal year 1994, $11,000,000 for fiscal year 1995, and $12,000,000 for fiscal year 1996.".

(b) TRAINING GRANTS.—Part F of title VII is amended by inserting after section 785 (42 U.S.C. 295g-5) the following new section:

"SEC. 785A. TRAINING IN DENTAL PUBLIC HEALTH.

"(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with schools of dentistry, schools of public health, accredited postgraduate dental training institutions, or State or local public health agencies to assist such entities in meeting the costs of projects—

"(1) to plan, develop or participate in new residency programs and expand or improve existing residency programs in dental public health; and

"(2) to provide financial assistance in the form of traineeships to dental residents or practicing dentists who participate in any program of the type described in paragraph (1) and who plan to work in the field of public health.

"(b) ELIGIBILITY.—To be eligible to receive a grant or contract under subsection (a), an entity of the type described in such subsection shall—

"(1) prepare and submit to the Secretary an application at such time, in such form, and containing such information as the Secretary may require; and

"(2) demonstrate to the Secretary that such entity has available full-time faculty or staff with training and experience in the field of public health, preventive dentistry or community dentistry and other related specialties or disciplines.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 146. FAMILY MEDICINE RESIDENCIES.

Section 786 (42 U.S.C. 295g-6) is amended—

(1) in subsection (b)—

(A) by striking out "priority" and inserting in lieu thereof "preference"; and

(B) by inserting after "family medicine" the following: "and who demonstrate a substantial linkage to one or more medically underserved or rural communities (as defined in section 711(c))";

(2) in subsection (c), by striking out "$37,900,000" and all that follows through the end thereof and inserting "$50,000,000 for fiscal year 1992, $51,000,000 for fiscal year 1993, $52,000,000 for fiscal year 1994, $53,000,000 for fiscal year 1995, and $54,000,000 for fiscal year 1996."; and

(3) by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of law, after October 1, 1993, only those schools or hospitals with departments or divisions or approved residencies providing clinical instruction in family medicine shall be eligible to receive assistance under this section."

SEC. 147. EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.

Section 787 (42 U.S.C. 295g-7) is amended—

(1) in subsection (a)(1), by inserting "or clinical social work" after "clinical psychology";

(2) in subsection (b)—

(A) by inserting "or clinical social work" after "clinical psychology" in paragraph (1);

(B) by striking out "priority" and inserting in lieu thereof "preference" in the matter preceding subparagraph (A) of paragraph (2);

(C) by striking out "and" at the end of subparagraph (A) of paragraph (2);

(D) by striking out subparagraph (B) of paragraph (2) and inserting in lieu thereof the following new subparagraph:

"(B) to schools that—

"(i) maintain an enrollment of individuals from disadvantaged backgrounds at a level that exceeds 200 percent of the national average of such individuals enrolled in such schools;

"(ii) secure financial support from non-Federal sources in amounts that increase annually; and

"(iii) involve or consult with appropriate State and local health and educational agencies and entities in the planning and conduct of the project.";

(3) in subsection (c)—

(A) by striking out "$20,000,000" and all that follows through the first period and inserting "$36,000,000 for fiscal year 1992, $37,000,000 for fiscal year 1993, $38,000,000 for fiscal year 1994, $39,000,000 for fiscal year 1995, and $40,000,000 for fiscal year 1996."; and

(B) by striking out the third and fourth sentences; and

(4) by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of law relating to a limitation on the amount of stipends that may be paid under this section, the Secretary may provide for the payment of stipends under this section in an amount not to exceed $40 per day.".

SEC. 148. RETENTION PROGRAM FOR CERTAIN HEALTH PROFESSIONALS.

Section 787A(d) (42 U.S.C. 295g-7a(d)) is amended by striking out "and 1991" and inserting in lieu thereof "through 1996".

SEC. 149. MINORITY FACULTY DEVELOPMENT TRAINING FELLOWSHIPS.

Part F of title VII is amended by inserting after section 787A (42 U.S.C. 295g-7a) the following new section:

"SEC. 787B. MINORITY FACULTY DEVELOPMENT TRAINING FELLOWSHIPS.

"(a) In General.—The Secretary may make grants to and enter into contracts with schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatric medicine, pharmacy, public health, health administration and other public or private nonprofit health or educational entities of the type described in section 701, to assist such schools in increasing the number of underrepresented minority faculty members at such schools.

"(b) Applications.—To be eligible to receive a grant or contract under this section a school shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that amounts received under such a grant or contract will be used to award a fellowship to a new member of the faculty of such school who meets the requirements of subsections (c) and (d), that shall include a stipend in an amount that does not exceed 50 percent of the regular salary of a similar faculty member position up to a maximum of $30,000.

"(c) Eligibility.—To be eligible to receive a grant or contract under subsection (a), an applicant shall demonstrate to the Secretary that such applicant has or will have the ability to—

"(1) identify, recruit and select individuals from underrepresented minorities in health professions who have the potential for teaching, administration, or conducting research at a health professions institution;

"(2) provide such individuals with the skills necessary to enable them to secure a tenured faculty position at such institution, which may include training with respect to pedagogical skills, program administration, the design and conduct of research, grants writing, and the preparation of articles suitable for publication in peer reviewed journals;

"(3) provide mentoring or other services designed to assist such minorities in their preparation for an academic career; and

"(4) provide health services to rural or medically underserved populations.

"(d) Requirements.—To be eligible to receive a grant or contract under this section an applicant shall—

"(1) provide an assurance that such applicant will make available (directly through cash donations) $1 for every $1 of Federal funds received under this section for the fellowship;

"(2) provide an assurance that institutional support will be provided for the individual for a second year at a level that is not less than the total amount of Federal and institutional funds provided in the year in which the grant or contract was awarded;

"(3) provide an assurance that the individual that will receive the fellowship will be a member of the faculty of the applicant school; and

"(4) provide an assurance that the individual that will receive the fellowship will have, at a minimum, appropriate advanced preparation (such as a master's or doctoral degree) and special skills necessary to enable such individual to teach and practice.

"(e) Definition.—As used in this section, the term 'minority' means an individual desiring to participate in a specific health profession in which there is an underrepresentation of racial or ethnic pracitioners in such specific health profession.

"(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $2,000,000 in each of the fiscal years 1992 through 1996.".

SEC. 150. SPECIAL DEMONSTRATION PROJECTS.

(a) Grants for Studies and Demonstrations.—Subsection (a) of section 788 (42 U.S.C. 295g-8(a)) is amended to read as follows:

"(a) Grants for Studies and Demonstrations.—The Secretary may award grants to and enter into contracts with public or nonprofit private entities to enable such entities to conduct studies and demonstration projects related to—

"(1) the improvement of health professions education, including studies and projects to determine—

"(A) the effectiveness of various methods of training health professionals (including nurses) to practice in primary care specialties or to provide services to underserved populations;

"(B) the merits of major curricular innovations (such as the increased integration of undergraduate and graduate medical education and various approaches to interdisciplinary training programs);

"(C) the effect of Medicare graduate medical education funding and medical research grant funding on medical schools and residency programs, particularly as such funding may affect institutional support for primary care training and student choices regarding medical specialty and location of practice;

"(D) the effectiveness of education targeted toward meeting the needs of particular population groups (such as the elderly, women, children, adolescents, the disabled, individuals residing in rural areas);

"(E) the impact of student indebtedness on specialty choice and practice location; and

"(F) the impact of minority health professions programs in minority and majority schools on recruitment, retention, and practice choices of minority health personnel;

"(2) the assurance of the competency of health personnel, including studies and projects to determine—

"(A) the effect on quality and service of adopting alternative approaches to the licensure and credentialing of health personnel;

"(B) the efficacy of different approaches to providing for continuing competency of such personnel;

"(C) the effectiveness and variation of State licensing authorities in identifying problem providers and undertaking disciplinary actions;

"(D) the usefulness of various types of certification programs in assuring the quality of health personnel; and

"(E) the appropriate differentiation of functions of various types and levels of health professions personnel.".

(b) Chiropractic Training and Demonstration Project.—Subsection (b) of section 788 (42 U.S.C. 295g-8) is amended to read as follows:

"(b) Chiropractic Training and Demonstration Project.

"(1) In general.—The Secretary may make grants to and enter into contracts with, colleges and universities of chiropractic to assist such colleges and universities in—

"(A) meeting the costs of projects designed—

"(i) to plan, develop, establish, expand and operate advanced degree programs or postdoctoral programs in chiropractic for the advanced specialty training of chiropractic health care professionals who plan to teach and conduct research in chiropractic;

"(ii) to support interdisciplinary training programs that promote the effectiveness of chiropractic in prevention, diagnosis and treatment of chronic lower back, musculoskeletal, and spinal problems;

"(iii) to develop innovative models to link chiropractic, chiropractic education and chiropractic research;

"(iv) to identify, recruit and train individuals from disadvantaged backgrounds;

"(v) to improve and strengthen the curriculum of such colleges or universities by including or expanding the knowledge and practice concerning disease prevention and health promotion; or

"(vi) to develop new and innovative methods to train chiropractors to provide services in rural and medically underserved areas; or

"(B) establishing a demonstration project to develop the collaboration of a college or university of chiropractic and a traditional health professions academic institution training program, including medical schools.

The demonstration project referred to in subparagraph (B) shall address the manner in which to effectively integrate chiropractic into the traditional health care provider systems and medical education programs, with particular emphasis on the reduction of health care costs for lower and spinal-related back problems.

"(2) Methods.—A recipient of funds under paragraph (1) may use various methods in carrying out the projects described in subparagraphs (A) and (B) of such paragraph, including—

"(A) the distribution of stipends to students and faculty of eligible applicants;

"(B) the establishment of a post-doctoral fellowship program;

"(C) the training of faculty in preparation for graduate and post-doctoral education and training activities; and

"(D) the purchase of equipment and training materials where the need for such equipment due to unique characteristics of the project is demonstrated by the recipient.

"(3) Administration.—An applicant for a grant or contract under this subsection shall not use in excess of five percent of the funds made available to such applicant under this subsection for administrative expenses and not more than five percent of such funds for indirect costs.

"(4) Eligible applicants.—To be eligible to receive funds under paragraph (1)(A), an applicant for a grant or contract shall be an accredited college or university of chiropractic. Such eligible applicants shall not include for-profit entities, either directly or through a subcontract or subgrant. Applications for a grant or contract under paragraph (1)(B) shall be jointly submitted by a college or university of chiropractic and by one or more of the following:—

"(A) State or local health departments;

"(B) public and nonprofit colleges, universities, schools of allopathic or osteopathic medicine; or

"(C) public or nonprofit hospitals.

"(5) Peer review.—

"(A) In General.—Each applicant for a grant or contract under this subsection shall be submitted to a peer review group for an evaluation of the merits of the proposals contained in the application.

"(B) Establishment.—The Secretary shall establish such peer review groups as may be necessary to carry out subparagraph (A). The Secretary shall make appointments of individuals to the peer review group from among appropriately qualified individuals who are not officers or employees of the United States. The peer review group shall consist of not more than six members, at least three of which shall be chiropractors. Of such chiropractor members—

"(A) one shall represent the Consortium for Chiropractic Research;

"(B) one shall represent a college or university of chiropractic; and

"(C) one shall be a practicing chiropractor.

"(6) EXPEDITING AWARD OF GRANTS/CONTRACTS.—The Secretary shall expedite the awarding of grants or contracts to eligible applicants under this subsection. To the maximum extent practicable, such grants or contracts shall be awarded by the Secretary not later than 120 days after the date of the receipt of the final recommendation of the peer review group established under paragraph (5) concerning applications submitted under this subsection.

"(7) REPORT.—Not later than April 1, 1995, the Secretary shall prepare and submit to the Committee on Labor and Human Resources and the Subcommittee on Labor, Health, and Human Services, Education and Related Agencies of the Committee on Appropriations of the Senate and the Committee on Energy and Commerce and the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies of the Committee on Appropriations of the House of Representatives, a comprehensive report summarizing the applications that were submitted and the grants and contracts that were awarded under this subsection, and the effectiveness of programs established using such grants or contracts.".

(c) PREVENTIVE MEDICINE.—

(1) REPEAL.—Section 793 (42 U.S.C. 295h-1c) is repealed.

(2) TRANSFER OF PROVISIONS WITH TRAINING AND PREVENTIVE MEDICINE.—

(A) IN GENERAL.—Subsection (c) of section 788 (42 U.S.C. 295g-8)—

(i) is transferred to subpart I of part G of title VII;

(ii) is redesignated as section 793(a); and

(iii) is inserted after section 792.

(B) REVISION.—Section 793 (as transferred and added by subparagraph (A), is amended—

(i) by inserting immediately preceding subsection (a) the following:

"SEC. 793. TRAINING IN PREVENTIVE MEDICINE.";

(ii) in the subsection heading of subsection (a) to read as follows:

"(a) TRAINING GRANTS AND CONTRACTS.—"; and

(iii) by adding at the end thereof the following new subsection:

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $6,000,000 in fiscal year 1992, $7,000,000 in fiscal year 1993, $8,000,000 in fiscal year 1994, $9,000,000 in fiscal year 1995, and $10,000,000 in fiscal year 1996.".

(d) PHYSICIAN ASSISTANTS.—

(1) TRANSFER OF PROVISIONS WITH TRAINING AND PREVENTIVE MEDICINE.—Subsection (d) of section 788 (42 U.S.C. 295g-8)—

(A) is transferred to part F of title VII;

(B) is redesignated as section 786A(a); and

(B) is inserted after section 786.

(2) REVISION.—Section 786A (as transferred and added by paragraph (1), is amended—

(A) by inserting immediately preceding subsection (a) the following:

"SEC. 786A. PHYSICIAN ASSISTANT PROGRAMS.";

(B) in the subsection heading of subsection (a) to read as follows:

"(a) GRANTS AND CONTRACTS.—"; and

(C) by adding at the end thereof the following new subsection:

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $8,000,000 for fiscal year 1992, $9,000,000 for fiscal year 1993, $10,000,000 for fiscal year 1994, $11,000,000 for fiscal year 1995, and $12,000,000 for fiscal year 1996.".

(e) PODIATRIC MEDICINE.—Section 788 (42 U.S.C. 295g-8) is amended by redesignating subsection (e) as subsection (c).

(f) AUTHORIZATION OF APPROPRIATIONS.—Subsection (f) of section 788 (42 U.S.C. 295g-8(f)) is amended to read as follows:

"(d) AUTHORIZATION OF APPROPRIATIONS.—

"(1) SUBSECTION (a).—There are authorized to be appropriated to carry out subsection (a), $5,000,000 for each of the fiscal years 1992 through 1996.

"(2) SUBSECTION (b)(1).—

"(A) SUBPARAGRAPH (A).—There are authorized to be appropriated to carry out subsection (b)(1)(A), $1,000,000 for each of the fiscal years 1992 through 1996.

"(B) SUBPARAGRAPH (B).—There are authorized to be appropriated to carry out subsection (b)(1)(B), $500,000 for each of the fiscal years 1992 through 1994.

"(4) SUBSECTION (c).—There are authorized to be appropriated to carry out subsection (c), $1,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 151. AIDS EDUCATION AND TRAINING.

(a) IN GENERAL.—Section 788A (42 U.S.C. 295g-8b) is amended—

(1) in subsection (a)—

(A) by inserting "and other public or private nonprofit health or educational entities" after "science centers" in the matter preceding paragraph (1); and

(B) by striking out paragraphs (1) through (3) and inserting in lieu thereof the following new paragraphs:

"(1) to train health professions faculty to teach health professions practitioners and students to provide for the health care needs of individuals infected with the human immunodeficiency virus and individuals who are at high risk of contracting such infection;

"(2) with respect to improving skills in the diagnosis, treatment, and prevention of such infection, to educate and train health professions practitioners and students; and

"(3) to develop and disseminate health professions curricula and related resource materials relating to the care and treatment of individuals infected with the human immunodeficiency virus and to the prevention of such infection in individuals who are at high risk of contracting such virus.";

(2) in subsection (b)—

(A) by striking out "treatment for minority individuals with acquired immune deficiency syndrome" in paragraph (1), and inserting in lieu thereof "health care to minority individuals who are infected with the human immunodeficiency virus"; and

(B) by striking out "treatment for individuals with acquired immune deficiency syndrome" in paragraph (2), and inserting in lieu thereof "health care to individuals who are infected with the human immunodeficiency virus and other individuals who are at high risk of contracting such infection"; and

(3) in subsection (e), by striking out "such sums" and all that follows through the end thereof and inserting "$21,000,000 for fiscal year 1992, $23,000,000 for fiscal year 1993, $25,000,000 for fiscal year 1994, $27,000,000 for fiscal year 1995, and $29,000,000 for fiscal year 1996.".

(b) TRANSFER.—Subsection (f)(5) of section 788A (42 U.S.C. 295g-8b(f)(5)) is amended by striking out "such sums" and all that follows through the end thereof and inserting "$6,000,000 for fiscal year 1992, $8,000,000 for fiscal year 1993, $10,000,000 for fiscal year 1994, $12,000,000 for fiscal year 1995, and $14,000,000 for fiscal year 1996.".

SEC. 152. GERIATRIC EDUCATION CENTERS AND GERIATRIC TRAINING.

(a) EDUCATION.—Section 789(a)(1) (42 U.S.C. 295g-9(a)(1)) is amended by striking out "and programs referred to in section 701(8)" and inserting in lieu thereof ", programs referred to in section 701(5) and schools referred to in section 853".

(b) TRAINING.—Section 789(b) (42 U.S.C. 295g-9(b)) is amended—

(1) in paragraph (1), by inserting ", geriatric psychiatry," after "geriatric medicine";

(2) in paragraph (2)—

(A) by inserting "or geriatric psychiatry" after "geriatric medicine" in subparagraph (A); and

(B) by inserting "or in a department of geriatric psychiatry" after "department of geriatrics"; and

(3) in paragraph (3)(B)—

(A) by striking out "1-year or" in the matter preceding clause (i); and

(B) by striking out clause (ii) and inserting in lieu thereof the following new clause:

"(ii) dentists who have demonstrated a commitment to an academic career and who have completed postdoctoral dental training, including postdoctoral dental education programs or who have relevant advanced training or experience.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 789(c) (42 U.S.C. 295g-9(c)) is amended to read as follows:

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $26,000,000 for each of the fiscal years 1992 through 1996.".

Subtitle E—Personnel in Public Health, Health Administration and Allied Health

SEC. 161. SPECIAL PROJECTS, SCHOOLS OF PUBLIC HEALTH.

(a) TRANSFER OF PROVISIONS.—Section 790A (42 U.S.C. 295g-11)—

(1) is transferred to subpart I of part G of title VII;

(2) is redesignated as section 794; and

(3) is inserted after section 793.

(b) REVISION.—Section 794 (as transferred and added by subsection (a), is amended—

(1) in subsection (a)—

(A) by striking out "schools of public health" and all that follows through "evaluating projects" in the matter preceding paragraph (1) and inserting in lieu thereof "accredited schools of public health for the costs of planning, developing, demonstrating, operating, and evaluating projects to accomplish the Healthy People 2000: National Health Promotion and Disease Prevention Objectives, including projects";

(B) by striking out "and quality in health care." in paragraph (4) and inserting in lieu thereof "to preventive services and quality in health care;"; and

(C) by inserting after paragraph (4), the following:

"which shall provide graduate students with comprehensive knowledge and skills, recruit candidates for graduate education in preparation for public service in specialties that are in short supply, strengthen existing departments of instruction to cope with specific and especially severe health problems, strengthen continuing education and non-degree teaching programs, and establish firm links with governmental and private health agencies and institutions as sites for field practice training."; and

(2) in subsection (d), by striking out "$1,500,000" and all that follows through the end thereof and inserting "$10,000,000 for fiscal year 1992, $11,000,000 for fiscal year 1993, $12,000,000 for fiscal year 1994, $13,000,000 for fiscal year 1995, and $14,000,000 for fiscal year 1996.".

SEC. 162. GRADUATE PROGRAMS.

(a) HEALTH ADMINISTRATION PROGRAMS.—Section 791(d) (42 U.S.C. 295h(d)) is amended by striking out "$3,250,000" and all that follows through the end thereof and inserting "$1,700,000 for each of the fiscal years 1992 through 1996.".

(b) HEALTH ADMINISTRATION TRAINEESHIPS.—Section 791A(c) (42 U.S.C. 295h-1a) is amended by striking out "$2,500,000" and all that follows through the end thereof and inserting "$1,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 163. PUBLIC HEALTH TRAINEESHIPS.

(a) GRANTS.—Subsection (a) of section 792 (42 U.S.C. 295h-1b(a)) is amended to read as follows:

"(a)(1) The Secretary may make grants to—

"(A) accredited schools of public health; and

"(B) other public or nonprofit institutions that provide graduate or specialized training in public health and that are not eligible to receive a grant under section 791(A); to provide traineeships to increase the number of graduate students preparing to serve the Healthy People 2000: National Health Promotion and Disease Prevention Objectives.

"(2) Traineeships under paragraph (1) shall be awarded primarily to—

"(A) minority and disadvantaged students;

"(B) physicians, scientists and engineers who are determined by the Secretary to be in short supply in the public health field;

"(C) students in other areas of severe personnel shortage such as epidemiology and preventive medicine; and

"(D) students committed to service that involves severe health problems that are targeted in the Healthy People 2000: National Health Promotion and Disease Prevention Objectives, including AIDS prevention and control, maternal and child health, drug abuse, infant mortality, injury prevention and control, environmental protection and chemical hazards, including toxic wastes, chronic disease prevention and control, health problems in minority populations, health problems of the elderly, migrants and immigrants, and specific health promotion programs in underserved areas.".

(b) PREFERENCES.—Subsection (b) of section 792 (42 U.S.C. 295h-1b(b)) is amended by striking out paragraphs (2) through (4) and inserting in lieu thereof the following new paragraph:

"(2) When considering applications submitted for grants under this section, the Secretary shall give preference to—

"(A) projects that provide for increased involvement of State and local governments in the planning and support of training initiatives to help mobilize State and local financial support for needed activities as well as to enhance the responsiveness of educational and training programs to State, local and regional health personnel needs; and

"(B) projects that can demonstrate effectiveness in meeting priority health care needs of underserved populations, especially public health, environmental health and allied health training.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Subsection (c) of section 792 (42 U.S.C. 295h-1b(c)) is amended by striking out "$7,500,000" and all that follows through the end thereof and inserting "$10,000,000 for fiscal year 1992, $11,000,000 for fiscal year 1993, $12,000,000 for fiscal year 1994, $13,000,000 for fiscal year 1995, and $14,000,000 for fiscal year 1996.".

SEC. 164. PROJECT GRANTS AND CONTRACTS.

Section 796 (42 U.S.C. 295h-5) is amended to read as follows:

"SEC. 796. PROJECT GRANTS AND CONTRACTS.

"(a) PROJECTS RELATED TO ALLIED HEALTH PROFESSIONS WITH PERSONNEL SHORTAGES.—The Secretary may award grants to and enter into contracts with eligible entities to assist such entities in meeting the costs associated with increasing program enrollments or establishing programs that will increase the number of individuals in those allied health professions with demonstrated personnel shortage (including occupational therapy, physical therapy, respiratory therapy, clinical laboratory personnel and dental hygienists) to provide individuals to serve in a medically underserved or rural communities (as defined in section 711(c)). Programs and activities funded under this section may include—

"(1) the expansion of program enrollments in those professions with the greatest shortages and whose services are most needed by the elderly;

"(2) projects to provide rapid transition training programs in allied health fields to individuals who have baccalaureate degrees in health-related sciences;

"(3) the establishment of innovative outreach programs that link academic resources with rural clinical settings to establish community-based allied health training programs;

"(4) the development of interdisciplinary training programs that promote formal education and professional certification of allied health professionals in more than one discipline;

"(5) projects that provide career advancement training for practicing allied health professionals; and

"(6) projects that by expanding or establishing clinical training sites for allied health professionals in medically underserved or rural communities will increase the number of individuals so trained.

"(b) STRENGTHENING ALLIED HEALTH PROFESSIONS.—The Secretary may award grants to and enter into contracts with eligible entities to assist such entities in meeting the costs associated with the planning, development, establishment and operation of projects relating to—

"(1) the development of a curriculum that will emphasize knowledge and practice concerning prevention and health promotion, geriatrics, long-term care, home health and hospice care, and ethics;

"(2) the expansion or establishment of interdisciplinary training programs that promote the effectiveness of allied health practitioners in geriatric assessment and the rehabilitation of the elderly;

"(3) the expansion or establishment of demonstration centers to emphasize innovative models to link allied health clinical practice, education, and research; and

"(4) the improvement and strengthening of the effectiveness of allied health administration, program directors, faculty, and clinical faculty.

"(c) TRAINING CENTERS FOR ALLIED HEALTH PROFESSIONS.—

"(1) GRANTS AND CONTRACTS.—The Secretary may award grants to and enter into contracts with training centers for allied health professions to assist such centers in meeting the costs associated with projects designed to provide financial assistance in the form of traineeships to students—

"(A) pursuing a career in the allied health fields that have demonstrated personnel shortages; and

"(B) who agree upon completion of their training program to practice in a medically underserved or rural community (as defined in section 711(c)).

"(2) USE OF FUNDS.—Amounts provided under grants and contracts awarded under paragraph (1) shall be utilized to assist in the payment of the costs associated with tuition, fees and such other stipends as the Secretary may consider necessary.

"(d) APPLICATION.—

"(1) REQUIREMENT.—No grant may be awarded or contract entered into under subsections (a), (b), or (c) unless an application therefore has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(2) PREFERENCE.—In considering an application submitted for a grant under this section, the Secretary shall give preference to applicants that plan to increase their first-year enrollments by not less than 10 percent over the number of such enrollments in 1991.

"(3) AMOUNT.—The amount of any grant awarded under subsections (a), (b), or (c) shall be determined by the Secretary.

"(e) ELIGIBLE ENTITIES.—For purposes of this section, the term 'eligible entities' means entities that are—

"(1) public or private nonprofit schools, universities, or other educational entities that provide for allied health personnel education and training and that meet such standards as the Secretary may by regulation prescribe; or

"(2) public or nonprofit private entities capable, as determined by the Secretary, of carrying out projects described in subsections (a), (b), and (c).

"(f) AUTHORIZATION OF APPROPRIATION.—

"(1) IN GENERAL.—For the purpose of carrying out activities under this section, there are authorized to be appropriated $8,000,000 for fiscal year 1992, $9,000,000 for fiscal year 1993, $10,000,000 for fiscal year 1994, $11,000,000 for fiscal year 1995, and $12,000,000 for fiscal year 1996.

"(2) AVAILABILITY OF AMOUNTS.—Of the amounts appropriated pursuant to paragraph (1) for each fiscal year, the Secretary shall make available not less than 70 percent of such amounts in each such fiscal year to carry out subsection (a), not more than 10 percent of such amounts in each such fiscal year to carry out subsection (b), and not less than 20 percent of such amounts in each such fiscal year to carry out subsection (c).".

SEC. 165. ADVANCED TRAINING OF ALLIED HEALTH PERSONNEL.

Section 797 (42 U.S.C. 295h-6) is amended to read as follows:

"SEC. 797. TRAINEESHIPS FOR ADVANCED TRAINING OF ALLIED HEALTH PERSONNEL.

"(a) GRANTS.—The Secretary may award grants to and enter into contracts with training centers for allied health professions to assist such centers in meeting the costs associated with projects designed to—

"(1) plan, develop, establish or expand postbaccalaureate programs for the advanced training of allied health professionals in demonstrated shortages who commit to teaching in an allied health training program; and

"(2) provide financial assistance, in the form of traineeships or fellowships, to postbaccalaureate students who are participants in any such program and who commit to teaching in an allied health discipline.

"(b) PREFERENCE.—In awarding grants under subsection (a), the Secretary shall give preference to projects that can demonstrate that—

"(1) not less than 50 percent of the graduates of such schools or programs during the preceding 2-year period are engaged as full-time teaching faculty in an allied health shortage specialty; or

"(2) the number of the graduates of such schools or programs that are practicing as full-time teaching faculty in an allied health shortage specialty has increased by not less than 50 percent over that proportion of such graduates for the previous 2-year period.

"(c) LIMITATION.—The Secretary shall limit grants and contracts awarded or entered into under subsection (a) to those allied health fields or specialties as the Secretary shall, from time to time, determine to have—

"(1) the most significant national or regional shortages of practitioners including clinical laboratory technologists, respiratory therapists, dental hygienists;

"(2) insufficient numbers of qualified faculty in entry level or advanced educational programs; or

"(3) a significant role in the care and rehabilitation of patients who are elderly or disabled including physical therapists and occupational therapists.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out activities under this section, there are authorized to be appropriated $8,000,000 for fiscal year 1992, $9,000,000 for fiscal year 1993, $10,000,000 for fiscal year 1994, $11,000,000 for fiscal year 1995, and $12,000,000 for fiscal year 1996.

"(e) AVAILABILITY OF FUNDS.—Amounts appropriated under this section for any fiscal year shall remain available until expended or through fiscal year 1996.".

SEC. 166. DIVISION OF ALLIED HEALTH.

Section 798 (42 U.S.C. 295h-7) is amended to read as follows:

"SEC. 798. DIVISION OF ALLIED HEALTH.

"(a) ESTABLISHMENT.—The Secretary shall establish, within the Bureau of Health Professions, a division to be known as the Division of Allied Health (hereafter referred to in this section as the 'Division').

"(b) PURPOSE.—It shall be the purpose of the Division to exercise responsibility over allied health programs administered by the Secretary under this title, including oversight over the Advisory Commission on Allied Health and other related matters concerning allied health professions.".

Subtitle F—Miscellaneous Programs

SEC. 171. COUNCIL ON GRADUATE MEDICAL EDUCATION.

Section 799 (42 U.S.C. 295i) is amended—

(1) in subsection (a)(1)-

(A) by redesignating subparagraphs (C) through (F) as subparagraphs (F) through (I), respectively;

(B) by inserting after subparagraph (B) the following new subparagraphs:

"(C) the adequacy of current and future supplies of primary care physicians to serve health professional shortage areas and medically underserved areas and populations as designated in section 338B;";

"(D) the effect of Medicare graduate medical education funding and medical research grant funding on medical schools and residency programs, particularly as such funding may affect institutional support for primary care training and student choices regarding medical specialty and location practice;

"(E) the inclusion of health promotion and disease and disability prevention as a part of graduate medical education, in order to address those objectives contained in Healthy People 2000: National Health Promotion and Disease Prevention Objectives relevant to the provision of preventive services and education of health professionals;";

(C) in subparagraph (G) (as so redesignated) by striking out "(B), and (C)" and inserting in lieu thereof "through (F)"; and

(D) in subparagraph (F) (as so redesignated) by striking out "(B), and (C)" and inserting in lieu thereof "(C), and (D)";

(2) in subsection (b)(4), by inserting "(including those physicians practicing in a medically underserved or rural community (as defined in section 711(c))"; and

(3) in subsection (k), by striking out "1989, 1990, and 1991" and inserting in lieu thereof "1992 through 1996".

SEC. 172. RURAL HEALTH TRAINING PROGRAM.

(a) PART HEADING.—The heading for part I of title VII (42 U.S.C. 295j et seq.) is amended to read as follows:

"Part I—Rural Health Training Program".

(b) TRAINING PROGRAM.—Section 799A (42 U.S.C. 295j(c)) is amended

(1) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 799A. RURAL HEALTH TRAINING PROGRAM.";

(2) in subsection (b)(1)—

(A) by striking out the period in subparagraph (E); and

(B) by adding at the end thereof the following new subparagraphs:

"(F) conduct research concerning the social and psychological processes involved in health-related decisionmaking, the perception of assessments of risk, and health risk reduction relating to individuals in rural areas; and

"(G) design training models for rural areas that focus on illness prevention and health promotion that may include programs in areas such as—

"(i) rehabilitation;

"(ii) health concerns of minorities or economically disadvantaged individuals;

"(iii) environmental health;

"(iv) women's health;

"(v) infant, prenatal, and developmental care;

"(vi) adolescent health;

"(vii) the process of health-care seeking, decisionmaking, and compliance behavior;

"(viii) developmental life span perspective;

"(ix) rural occupational health and safety;

"(x) geriatrics; and

"(xi) other areas determined to be appropriate by the Secretary.";

(3) in subsection (b)(2)—

(A) by adding "or" at the end of subparagraph (B);

(B) by striking out the semicolon in subparagraph (C) and inserting in lieu thereof a period; and

(C) by striking out subparagraph (D);

(4) in subsection (b)(3), by adding at the end thereof the following new subparagraph:

"(C) LIMITATION.—An institution that receives a grant under this section shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the type described in subsection (b)(1) in the fiscal year preceding the year for which the grant is received.";

(5) in subsection (c)—

(A) by inserting "clinical" before "psychology" and before "social work"; and

(B) by inserting "marriage and family therapy" after "social work";

(6) by striking out subsection (e) and redesignating subsections (f) through (h) as subsections (e) through (g), respectively;

(7) in subsection (f) (as so redesignated) to read as follows:

"(f) DEFINITIONS.—As used in this section:

"(1) MEDICALLY UNDERSERVED COMMUNITY.—The term 'medically underserved community' has the same meaning given such term in section 711(c).

"(2) RURAL.—The term 'rural' refers to geographic areas that are located outside of standard metropolitan statistical areas."; and

(8) in subsection (g) (as so redesignated) to read as follows:

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 in fiscal year 1992, $11,000,000 in fiscal year 1993, $12,000,000 in fiscal year 1994, $13,000,000 in fiscal year 1995, and $14,000,000 in fiscal year 1996.".

SEC. 173. CREATION OF ADVISORY COUNCIL ON MEDICAL LICENSURE.

Title VII (42 U.S.C. 295j et seq.) is amended by adding at the end thereof the following new part:

"Part J—Advisory Council on Medical Licensure

"SEC. 799D. CREATION OF ADVISORY COUNCIL ON MEDICAL LICENSURE.

"(a) ADVISORY COUNCIL.—

"(1) IN GENERAL.—The Secretary of Health and Human Services shall establish a Council to be known as the 'Council on Medical Licensure'.

"(2) DUTIES.—

"(A) ADVICE.—The Council shall provide advice to the Secretary regarding the establishment and operation of the system established by the American Medical Association for the purpose of verifying and maintaining information regarding the qualifications of individuals to practice medicine, and advice regarding the establishment and operation of any similar situation.

"(B) ACTIVITIES.—In carrying out subparagraph (A), the Council shall—

"(i) monitor and review the operation of the private credentials verification system and develop recommendations regarding methods by which the system can be improved, and make recommendations for the establishment of nondiscriminatory policies and practices for the operation of the system;

"(ii) determine to what extent the system has expedited and otherwise improved the efficiency and equitable operation of the process in the States for licensing individuals to practice medicine who previously have been licensed by another State (commonly known as licensure by endorsement); and

"(iii) review the policies and practices of the States (including any relevant laws) in licensing international medical graduates and in licensing domestic medical graduates, and determine the effects of the policies.

"(3) COMPOSITION.—

"(A) IN GENERAL.—The Council shall be composed of 13 voting members selected in accordance with subparagraphs (B) and (C).

"(B) HRSA.—The Secretary shall designate one official or employee of the Health Resources and Services Administration to serve as a member of the Council. The official or employee so designated shall be a graduate of a medical school located in the United States.

"(C) APPOINTMENTS.—From among individuals who are not officers or employees of the Federal Government, the Secretary shall, subject to subparagraph (D), make appointments to the Council as follows:

"(i) one individual from an organization representing State authorities that license individuals to practice medicine;

"(ii) one individual representing a national organization that represents practicing physicians in the United States;

"(iii) one individual representing an organization in the United States that tests international medical graduates regarding medical knowledge;

"(iv) one individual representing an organization in the United States that tests individuals who are graduates of medical schools located in the United States regarding medical knowledge;

"(v) one physician representing a medical school or medical schools in the United States;

"(vi) one individual who is a representative of the private credentials verification system;

"(vii) one individual who is a graduate of a medical school in the United States, licensed to practice medicine in a State for at least 20 years, and who has applied for and received licensure by endorsement within the past 5 years;

"(viii) one individual who is an international medical graduate and who is representing a coalition representing international medical graduates;

"(ix) one individual who is a native of the United States who is a graduate of a medical school located in a country other than the United States or Canada;

"(x) one international medical graduate who is a native of a country located in southern or eastern Asia (including southern or eastern Asian islands), and who is a graduate of a medical school located in such a country;

"(xi) one international medical graduate who is a native of a European country and who is a graduate of a medical school located in such a country; and

"(xii) one international medical graduate who is a native of a country located in a Latin American or Caribbean country and who is a graduate of a medical school located in such a country.

"At least one member appointed by the Secretary should be practicing in a medically underserved or rural areas as defined in Sec. 711(c)."

"(D) Consultation.—The Secretary shall make the appointments described in subparagraph (C) only after consultation with relevant organizations and coalitions.

"(4) Duration.—The Council shall continue in existence until the submission of the report required under paragraph (6), or not later than September 30, 1995, whichever is earlier.

"(5) Annual report.—The Council shall annually submit to the Secretary, the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives, a report describing the findings and recommendations of the Council pursuant to the duties established in paragraph (2). The Secretary shall provide a copy of each such report to the private credentials verification system.

"(6) Final report and recommendations.—

"(A) In general.—Not later than September 30, 1995, the Council shall prepare and submit to the Secretary, the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives, a final report that shall include recommendations regarding activities conducted pursuant to paragraph (2), that shall include a determination as to whether the private credentials verification system is operating with a reasonable degree of efficiency and whether the policies and practices of the system are nondiscriminatory.

"(B) Recommendations.—If the Secretary determines that the private credentials verification system fails to meet either of the criteria with respect to the determination described in subparagraph (A), the Secretary, in consultation with the Council and relevant organizations, shall make a recommendation concerning the establishment of an alternative private system and concerning the specifications for such a system as described in paragraph (2)(B).

"(b) Study of State Licensure Process.—

"(1) In general.—With respect to the licensure by the States of individuals to practice medicine, the Secretary, in consultation with the Council, shall annually conduct a study of not less than 10 States for the purpose of determining—

"(A) the average length of time required for the States involved to process the licensure applications of domestic medical graduates and the average length of time required for the States to process the licensure applications of international medical graduates, and the reasons underlying any significant differences in such times; and

"(B) the percentage of licensure applications from domestic medical graduates that are approved and the percentage of licensure applications from graduates of international medical schools that are approved, and the reasons underlying any significant differences in such percentages.

"(2) Report.—The Secretary each fiscal year shall submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the findings made as a result of the study required in paragraph (1) for the fiscal year.

"(c) Definitions.—For purposes of this section:

"(1) Council.—The term "Council" means the Council on Medical Licensure established in subsection (a)(1).

"(2) Domestic medical graduate.—The term "domestic medical graduate" means an individual who is a graduate of a medical school located in the United States or Canada.

"(3) International medical graduate.—The term "international medical graduate" means an individual who is a graduate of a medical school located in a country other than the United States or Canada.

"(4) Medical school.—The term "medical school" means a school of medicine or a school of osteopathic medicine, as such terms are defined in section 701(2).

"(5) Nondiscriminatory.—The term "nondiscriminatory" with respect to policies and practices means that such policies and practices do not discriminate on the basis of race, color, religion, gender, national origin, age, disability, marital status, or educational affiliation.

"(6) Private credentials verification system.—The term "private credentials verification system" means the system described in subsection (a)(2)(A) and established by the American Medical Association.

"(7) Secretary.—The term "Secretary" means the Secretary of Health and Human Services.

"(8) State.—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

"(c) The Secretary shall insure that necessary rsources are made available to implement the provisions of this section.".

Subtitle G—Repealers and Technical and Conforming Amendments

SEC. 181. REPEAL OF FACILITIES CONSTRUCTION GRANT PROGRAM.

Part B of title VII (42 U.S.C. 293 et seq.) is repealed.

SEC. 182. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Public Health Service Act.—Title VII is amended—

(1) in section 701(3) (as so redesignated) by striking out "podiatry" and inserting in lieu thereof "podiatric medicine";

(2) in section 721(b)(1) (42 U.S.C. 293a(b)(1)), by striking out "podiatry" and inserting in lieu thereof "podiatric medicine";

(3) in section 731(a)(1)(A)(iii) (42 U.S.C. 294d(a)(1)(A)(iii)), by striking out "tuition," and inserting in lieu thereof "tuition and ";

(4) in section 740(c)(1)(B) (42 U.S.C. 294m(c)(1)(B)), by striking out "such paragraph" and inserting in lieu thereof "such subparagraph";

(5) in section 741(c) (42 U.S.C. 294n(c)), by striking out "podiatry, optometry," and inserting in lieu thereof "podiatric medicine, optometry, or";

(6) in section 741(f)(1)(B) (42 U.S.C. 294n(f)(1)(B)), by striking out "podiatry" and inserting in lieu thereof "podiatric medicine";

(7) in section 760(a)(1)(A) (42 U.S.C. 294bb(a)(1)(A)), by striking out "individuals";

(8) in section 787(b)(1) (42 U.S.C. 295g-7(b)(1)), by striking out "podiatry" and inserting in lieu thereof "podiatric medicine";

(9) in section 787A(a) (42 U.S.C. 295g-7a(a)), by striking out "podiatry" and inserting in lieu thereof "podiatric medicine";

(10) in section 788(b)(1)(B) (42 U.S.C. 295g-8(b)(1)(B)), by striking out "podiatry" and inserting in lieu thereof "podiatric medicine";

(11) in the first sentence of section 790(5)(A) (42 U.S.C. 295g-10(5)(A)), by striking out "evaluation." and inserting in lieu thereof "application.";

(12) in section 797(a)(2) (42 U.S.C. 295h-6(a)(2)), by striking out "post doctoral" and inserting in lieu thereof "postdoctoral"; and

(13) in section 799A(c) (42 U.S.C. 295j(c)), by striking out "podiatry" and inserting in lieu thereof "podiatric medicine"

(b) Immigration and Nationality Act.—Section 212 of the Immigration and Nationality Act (8 U.S.C. 1182) is amended—

(1) in subsection (a)(5)(B)—

(A) by striking out "passed parts I" and all that follows through "Services)" in the first sentence and inserting in lieu thereof "passed medical science examinations administered by the Educational Commission for Foreign Medical Graduates to graduates of foreign medical schools and approved by the Secretary of Health and Human Services for purposes of the law"; and

(B) by striking out "parts I and II of the National Board of Medical Examiners examination" in the second sentence and inserting in lieu thereof "medical science examinations";

(2) in subsection (a)(32)—

(A) by striking out "passed parts I" and all that follows through "Services)" in the first sentence and inserting in lieu thereof "passed medical science examinations administered by the Educational Commission for Foreign Medical Graduates to graduates of foreign medical schools and approved by the Secretary of Health and Human Services for purposes of the law"; and

(B) by striking out "parts I and II of the National Board of Medical Examiners examination" in the third sentence and inserting in lieu thereof "medical science examinations"; and

(3) in subsection (j)(1)(B)—

(A) by striking out "passed parts I" and all that follows through "Services)" in the first sentence and inserting in lieu thereof "passed medical science examinations administered by the Educational Commission for Foreign Medical Graduates to graduates of foreign medical schools and approved by the Secretary of Health and Human Services for purposes of the law"; and

(B) by striking out "parts I and II of the National Board of Medical Examiners examination" in the second sentence and inserting in lieu thereof "medical science examinations".

(c) AMENDMENTS RELATING TO DEFINITIONS.—The Act is amended—

(1) in section 2(f) (42 U.S.C. 201(f)), by striking out "701(9),";

(2) in section 737(4) (42 U.S.C. 294j(4)), by striking out "701(10)" and inserting in lieu thereof "701(6)";

(3) in section 747 (42 U.S.C. 294q-3), by striking out "701(5)" and inserting in lieu thereof "701(3)";

(4) in section 781(c)(3) (42 U.S.C. 295g-1(c)(3)), by striking out "(as defined in section 701(7))";

(5) in section 782(c)(2)(A)(i) (42 U.S.C. 295g-2(c)(2)(A)(i)), by striking out "701(4)" and inserting in lieu thereof "701(2)";

(6) in section 788(d)(1) (42 U.S.C. 295g-8(d)(1)), by striking out "701(8)" and inserting in lieu thereof "701(5)";

(7) in section 789(a)(1) (42 U.S.C. 295g-9(a)(1)), by striking out "701(4) or 701(10) and programs referred to in section 701(8)" and inserting in lieu thereof "701(2) or 701(6) and programs referred to in section 701(5)";

(8) in section 1706(d) (42 U.S.C. 300u-5(d)), by striking out "701(4)" and inserting in lieu thereof "701(2)"; and

(9) in section 1910(c)(1) (42 U.S.C. 300w-9(c)(1)), by striking out "701(4)" and inserting in lieu thereof "701(2)".

TITLE II—PROVISIONS RELATING TO TITLE VIII

SEC. 201. SHORT TITLE.

This title may be cited as the "Nurse Education Improvement and Reauthorization Act of 1991".

SEC. 202. SPECIAL PROJECTS GRANTS AND CONTRACTS.

Section 820 (42 U.S.C. 296k) is amended-

(1) in subsection (a)—

(A) by inserting "serving in medically underserved or rural communities as defined in sec. 711(c)" before the semicolon in paragraph (1);

(B) by striking out ", through geriatric health education centers and other entities," in paragraph (2);

(C) by striking out "through telecommunications via satellite" in paragraph (3)(B); and

(D) by adding "or" at the end of paragraph (4);

(E) by inserting after "settings" in paragraph (5) the following: ", including providing nursing care as a component of nursing training in one or more medically underserved or rural communities (as defined in section 711(c))";

(F) by striking out "; or" at the end of paragraph (5) and inserting in lieu thereof a period; and

(G) by striking out paragraph (6);

(2) by striking out subsection (b);

(3) by redesignating subsections (c) through (g) as subsections (b) through (f), respectively;

(4) in subsection (b)(1) (as so redesignated), by inserting "and innovative nursing practice models in primary care and long-term care settings" after "nursing practice models" in paragraph (1);

(5) in subsection (b)(2) (as so redesignated)—

(A) by striking out "hospital" each place that such appears;

(B) by striking out "and" at the end of subparagraph (B);

(C) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(D) by adding at the end thereof the following new subparagraph:

"(D) to evaluate the effectiveness of providing incentives to practice in rural and underserved areas."; and

(6) in subsection (f) (as so redesignated), to read as follows:

"(f) For the purpose of carrying out this section, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 203. ADVANCED NURSE EDUCATION PROGRAMS.

Section 821(b) (42 U.S.C. 296l(b)) is amended by striking out "$13,000,000" and all that follows through the period and inserting in lieu thereof "$20,000,000 for fiscal year 1992, $21,000,000 for fiscal year 1993, $22,000,000 for fiscal year 1994, $23,000,000 for fiscal year 1995, and $24,000,000 for fiscal year 1996.".

SEC. 204. NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS.

Section 822 (42 U.S.C. 296m) is amended—

(1) in subsection (a)—

(A) by striking out the second sentence of subsection (a)(1); and

(B) by striking out "including primary health care" in paragraph (2)(A) and inserting in lieu thereof "including health care";

(2) in subsection (b)(1)—

(A) by striking out "give special consideration" and inserting in lieu thereof "give preference"; and

(B) by striking out "health professional shortage areas designated under section 332" and inserting in lieu thereof "medically underserved or rural communities as defined in section 711(c)"; and

(3) in subsection (d), by striking out "$12,000,000" and all that follows through the period and inserting in lieu thereof "$25,000,000 for fiscal year 1992, $27,000,000 for fiscal year 1993, $29,000,000 for fiscal year 1994, $30,000,000 for fiscal year 1995, and $31,000,000 for fiscal year 1996.".

SEC. 205. CAPACITY BUILDING.

Subpart I of part A (42 U.S.C. 296k et seq.) is amended by adding at the end thereof the following new section:

"SEC. 823. CAPACITY BUILDING IN NURSING EDUCATION FOR PRACTICE.

"(a) GRANTS AND CONTRACTS.—The Secretary may award grants to and enter into contracts with public and private nonprofit schools of nursing for the purpose of providing support (including traineeships and fellowships) for projects to enable such schools to develop resources or strengthen programs or faculty to address the National Health Objectives for the Year 2000.

"(b) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section a school shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require.

"(2) CONSIDERATION.—The Secretary shall give special consideration to applications submitted by schools that provide outreach programs that are taught in medically underserved or rural communities (as defined in sec. 711(c)) in which advanced nursing education is not readily available or that, as a result of such location, may have difficulty recruiting qualified faculty, or schools that can demonstrate that graduates of the nursing program serve rural or underserved populations.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,500,000 for fiscal year 1992, $2,000,000 for fiscal year 1993, $2,500,000 for fiscal year 1994, $3,000,000 for fiscal year 1995, and $3,500,000 for fiscal year 1996.".

SEC. 206. NURSING EDUCATION OPPORTUNITIES FOR INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.

Section 827(c) (42 U.S.C. 296r(c)) is amended by striking out "$3,000,000" and all that follows through the period and inserting in lieu thereof "$5,000,000 for fiscal year 1992, $5,500,000 for fiscal year 1993, $6,000,000 for fiscal year 1994, $6,500,000 for fiscal year 1995, and $7,000,000 for fiscal year 1996.".

SEC. 207. TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES.

Section 830 (42 U.S.C. 297) is amended—

(1) in subsection (a)(1)(A)—

(A) by striking out "for nurses" and inserting in lieu thereof "for individuals"; and

(B) by striking out "programs in order to educate such nurses to" and inserting in lieu thereof "nursing programs in order to educate such individuals to";

(2) by adding at the end of subsection (a)(1), the following new subparagraph:

"(C) Non-nurses enrolled in masters of nursing programs shall be eligible for traineeship support only after completion of basic nursing preparation as defined by the School of Nursing consistent with State nurse practice acts.";

(3) by striking out subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively; and

(4) in subsection (c) (as so redesignated) to read as follows:

"(c) For the purpose of carrying out this section, there are authorized to be appropriated $17,000,000 for fiscal year 1992, $19,000,000 for fiscal year 1993, $21,000,000 for fiscal year 1994, $23,000,000 for fiscal year 1995, and $25,000,000 for fiscal year 1996.".

SEC. 208. NURSE ANESTHETISTS.

Section 831(c) (42 U.S.C. 297-1(c)) is amended by striking out "$1,800,000" and all that follows through "1991" and inserting in lieu thereof "$3,000,000 for fiscal year 1992, $4,000,000 for fiscal year 1993, $5,000,000 for fiscal year 1994, $6,000,000 for fiscal year 1995, and $7,000,000 for fiscal year 1996".

SEC. 209. AUTHORIZATION OF APPROPRIATIONS FOR LOAN REPAYMENTS.

(a) IN GENERAL.—Section 837A (42 U.S.C. 297c-1) is amended by striking out "$5,000,000" and all that follows through the period and inserting in lieu thereof "$5,000,000 for fiscal year 1992, $6,000,000 for fiscal year 1993, $7,000,000 for fiscal year 1994, $8,000,000 for fiscal year 1995, and $9,000,000 for fiscal year 1996.".

(b) REPEALER.—Section 837 (42 U.S.C. 297c) is repealed.

SEC. 210. ALLOTMENTS AND PAYMENTS.

Section 838(a)(3)(A) (42 U.S.C. 297d(a)(3)(A)) is amended in the first sentence by striking out "in such fiscal year and in the fiscal year succeeding the fiscal year" and inserting in lieu thereof "until expended".

SEC. 211. DISTRIBUTION.

Section 839 (42 U.S.C. 297e) is amended—

(1) in subsection (a), by striking out "1991" and inserting in lieu thereof "1996"; and

(2) by striking out "1994" each place that such appears and inserting in lieu thereof "1999".

SEC. 212. UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES.

Section 843 (42 U.S.C. 297j) is amended—

(1) in subsection (c), by striking out "serve as a nurse for a period not less than two years" and inserting in lieu thereof "serve as a nurse for a period equal to the number of years of the scholarship award"; and

(2) in subsection (f), by striking out "$15,000,000" and all that follows through the period and inserting in lieu thereof "$30,000,000 for fiscal year 1992, $31,000,000 for fiscal year 1993, $32,000,000 for fiscal year 1994, $33,000,000 for fiscal year 1995, and $34,000,000 for fiscal year 1996.".

SEC. 213. EMPLOYER LOAN REPAYMENT PROGRAM.

Section 847 (42 U.S.C. 297n) is repealed.

SEC. 214. PROHIBITION ON DISCRIMINATION.

Section 855 (42 U.S.C. 298b-2) is amended—

(1) in the section heading by striking out "ON THE BASIS OF SEX"; and

(2) by striking out "sex" each place that such occurs and inserting in lieu thereof "race, color, religion, gender, national origin, age, disability, marital status, geographic or educational affiliation or political affiliation".

SEC. 215. EVALUATIONS.

Section 859(b) (42 U.S.C. 298b-6(b)) is amended—

(1) by striking out paragraph (1); and

(2) in paragraph (2)—

(A) by striking out "(2)"; and

(B) by striking out "biannually" and inserting in lieu thereof "every 2 years".

SEC. 216. GRANTS FOR NURSE EDUCATION IN LONG-TERM CARE FACILITIES.

Part B of title VIII (42 U.S.C. 297 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart IV—Grants for Nurse Education in Long-Term Care Facilities

"SEC. 848. ESTABLISHMENT OF NURSE EDUCATION GRANT PROGRAM WITH RESPECT TO SERVICE IN LONG-TERM CARE FACILITIES.

"(a) In General.—The Secretary may award grants to public and private nonprofit undergraduate schools or programs accredited for the training of professional nurses for the purpose of providing fellowships to licensed vocational or practical nurses, nursing assistants and other paraprofessional nursing personnel to assist such individuals in obtaining professional nursing education to attain the level of registered nurse.

"(b) Preferences.—The Secretary may not award a grant under subsection (a) unless the applicant for the grant agrees that, in providing fellowships under the grant, the applicant will give preference to—

"(1) disadvantaged and minority individuals who are underrepresented in the nursing profession, as determined in accordance with appropriate criteria established by the Secretary; and

"(2) individuals participating in rapid transition programs targeted towards the achievement of professional nursing degrees.

"(c) Certain Requirements With Respect to Students.—The Secretary may not award a grant under subsection (a) unless the applicant for the grant agrees that, in providing fellowships under the grant, the applicant will provide a fellowship to an individual only if—

"(1) the individual is enrolled or accepted for enrollment as at least a half-time student in a public or nonprofit school of nursing or other training program accredited to provide the requisite education and training for the level of professional certification sought by the individual;

"(2) the individual agrees to expend amounts received under the fellowship solely for the payment of the costs of tuition, books, fees, reasonable living expenses, or necessary transportation related to the training program referred to in paragraph (1);

"(3) the individual agrees that, if the individual is dismissed from the school or program referred to in paragraph (1) for academic reasons, voluntarily terminates such education or training, or violates the contract entered into pursuant to paragraph (4), the individual will be liable to the United States in an amount equal to 100 percent of the amount of the fellowship, plus interest at a rate of 5 percent per annum; and

"(4) the individual enters into a contract with a long-term care facility that is certified under title XVIII or XIX of the Social Security Act to engage in full-time employment at the higher level of professional skill acquired under this section for a period of time equal to not less than the period of time during which the individual receives assistance under this section.

"(d) Certain Requirements with Respect to Long-term Care Facilities.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, in providing fellowships under the grant, the amount of a fellowship provided for an individual attending the school will not exceed the amount described in subsection (c)(2).

"(e) Requirement of Application.—The Secretary may not award a grant under subsection (a) unless—

"(1) an application for the grant is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(f) Authorization of Appropriations.—For the purpose of making grants under subsection (a), there are authorized to be appropriated $5,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 217. PRIMARY CARE TRAINING PROGRAM.

Subpart I of part B of title VIII (42 U.S.C. 297 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 832. PRIMARY CARE TRAINING PROGRAM.

"(a) In General.—The Secretary may award grants to public or nonprofit private schools of nursing for the establishment or expansion of clinical training sites or training affiliations that shall be administered by such schools.

"(b) Application.—A school desiring to receive a grant under subsection (a) shall prepare and submit to the Secretary, an application at such time, in such form, and containing such information as the Secretary may require.

"(c) Use of Grants.—Amounts received under grants awarded under subsection (a) shall be used to—

"(1) establish clinical training sites or new training affiliations to be run and staffed by the faculty and students of such grantee school, to provide nursing students with training in the delivery of primary care in rural areas or in areas on or within 50 miles of Indian country (as defined in section 1151 of title 18, United States Code);

"(2) provide for all aspects of clinical training program development, faculty enhancement and student scholarships; and

"(3) carry out any other activities determined appropriate by the Secretary.

"(d) Design.—The training sites established under subsection (c)(1) shall be designed to provide at least 25 percent of the school's nursing students with a structured clinical experience in primary care.

"(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $5,000,000 for each of the fiscal years 1992 through 1996.".

SEC. 218. TECHNICAL AMENDMENTS.

Title VIII is amended—

(1) in section 836(b)(1) (42 U.S.C. 297b(b)(1)) by striking out the period and inserting in lieu thereof a semicolon;

(2) in section 851(a) (42 U.S.C. 298(a)) by striking out "a Advisory" and inserting in lieu thereof "an Advisory"; and

(3) in section 859(a) (42 U.S.C. 298b-6(a)) by striking out "as result of" and inserting in lieu thereof "as a result of".

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. SAVINGS PROVISION WITH RESPECT TO CURRENT GRANTS OR CONTRACTS.

Notwithstanding any other provision of law, in the case of any authority for the provision of a grant or contract that is terminated by any provision of this Act, the Secretary of Health and Human Services shall, notwithstanding the termination of such authority, continue in effect any grant or contract awarded or entered into under the authority that is in effect on the day before the date of enactment of this Act, subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such grant or contract, or in approving the most recent request made (prior to such date of enactment) for the continuation of such grant or contract, as the case may be.•

By Mr. STEVENS:

S. 1934. A bill to exclude deposits into a capital construction fund account under section 607(d) of the Merchant Marine Act from net earnings from self-employment; to the Committee on Finance.

EXCLUSION OF CERTAIN FUNDS DEPOSITED INTO CAPITAL CONSTRUCTION FUND ACCOUNTS

• Mr. STEVENS. Mr. President, today I am introducing a bill to permit participants in the Merchant Marine Capital Construction Fund—or CCF—Program to reduce their self-employment income by the amount of contributions to their CCF account. Under current law, an amount equal to the amount deposited for the year into a CCF account reduces taxable income, but not self-employment income. My amendment would reverse revenue ruling 79–413 and the Tax Court ruling in *Eades* v. *Commissioner*, 79 TC 985—December 8, 1982.

The purpose of the Capital Construction Fund Program, which was created by the Merchant Marine Act in 1936, is to improve the U.S.-flag merchant marine by providing fishermen a mechanism to facilitate accumulation of funds with which to acquire, construct, or reconstruct vessels—including processing and transporting vessels. This is accomplished by permitting any citizen owning or leasing an eligible vessel to enter into an agreement with the Secretary of Commerce to establish a Capital Construction Fund. Taxation of funds deposited into a CCF fund are deferred, in order to facilitate the accumulation of funds required for the acquisition, construction, or reconstruction of the specified vessel(s).

Essentially, this is a form of advance depreciation. Earnings which are placed into the CCF accounts are not subject to the income tax. However, when funds are taken from the CCF accounts to acquire, construct or reconstruct a vessel, the basis of the vessel is reduced to reflect the tax benefit received when the money was originally deposited.

The advance depreciation benefit does not, however, apply to self-employment income. The Internal Revenue Service and the U.S. Tax Court have ruled that although the Merchant Marine Act provided that taxable income should be reduced by the amount deposited into a CCF, no provisions exist for earnings to be reduced in the determination of self-employment tax. Fishermen using the CCF program are therefore, in a sense, double-taxed with reference to self-employment income. They pay tax on their self-employment income at the time of the CCF deposit, and lose future depreciation deductions against self-employment income due to the basis reductions required by the program.

Despite this apparent double taxation, the Tax Court found it "unlikely that Congress ever considered whether deposits into a capital construction fund established pursuant to Section 607 of the Merchant Marine Act should be subject to the self-employment tax." Certainly, the court is correct as to the law setting up the CCF program because when Congress enacted the Merchant Marine Act in 1936, the self-employment tax did not exist. The court, however, went on to find that subsequent Merchant Marine Act amendments fail to indicate any congressional intent to apply the CCF deferrals to self-employment income.

Mr. President, there continue to be disputes and court actions regarding congressional intent on this matter. I believe the Congress should squarely address this issue and make clear that deposits into CCF accounts will reduce self-employment income. The current situation where individuals must lose future depreciation against their self-employment income in order to utilize the CCF program is inconsistent with that program's purpose. It simply doesn't make sense to provide reduction of taxable income as an incentive to use the CCF program, and at the same time have a disincentive on the self-employment income side. This reduces the benefits CCF can provide to fishermen, which undermines the purposes of the program. I have, in fact, been told by administrators at the Fisheries Service that some fishermen are not using CCF because of the double taxation disincentive.

The bill I am introducing today makes clear that deposits into CCF accounts will reduce—in addition to taxable income—"net earnings from self employment." In addition, the bill provides for recapturing self-employment taxes for funds which are withdrawn from CCF accounts for nonqualified purposes, that is, purposes other than acquisition, construction, or reconstruction of qualified vessels. Finally, the bill would apply the self-employment tax deferral to all tax cases beginning with tax year 1986, and would provide 1 year from the date of enactment during which time tax refunds pursuant to this legislation could be claimed.

I thank my colleagues for their attention and urge the Finance Committee to act on this legislation.●

By Mr. SIMPSON (for himself, Mr. WALLOP, Mr. BURNS, Mr. BAUCUS, Mr. GARN, Mr. HATCH, Mr. DOMENICI, Mr. CRAIG, and Mr. PRESSLER):

S. 1935. A bill to require the Secretary of Agriculture to submit a report on, and establishing a system for lamb price and supply reporting services in the Department of Agriculture, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

LAMB MARKETING LEGISLATION

Mr. SIMPSON. Mr. President, the lamb industry of the United States is in an economic crisis. I have worked carefully the last several months with the American sheep industry and many interested and energetic colleagues in both the House and Senate investigating the best approach to solve the current crisis within the lamb industry.

I rise today to introduce a bill that would require the Secretary of Agriculture to submit a report to the Senate Agriculture Committee regarding measures that are necessary to improve the lamb price and supply reporting services of the Department of Agriculture. I believe this bill is a step in the right direction toward solving the industry's problems.

Many lamb producers from ranches across the country have contacted me in the last 6 months to tell me about the problems in the industry. I have forwarded many of their concerns to the Justice Department to assist in the investigation of the industry. I am pleased to report that the Justice Department has dedicated itself to investigate the industry—from top to bottom—from the producer to the retail level.

The loud and clear message that producers are conveying is that there appears to be a fundamental breakdown in the price discovery system. The House hearings in the last few weeks have produced similar information. Immediate improvements must be made to the lamb marketing information system in order to save the U.S. domestic sheep industry.

The bill I introduce today, with my colleagues from other sheep producing States, would require that the U.S. Department of Agriculture evaluate the current marketing and price reporting system—or lack thereof—and implement a lamb price discovery and reporting system based on the findings of the study.

The bill requires the Secretary to examine measures to improve information on the following:

First, price reporting series of wholesale, retail, box, carcass, pelt, offal, and live lamb sale prices in the United States, including markets in California, the east coast region, the Midwest region, Texas, the Rocky Mountain region, and Florida.

Second, sheep and lamb inventories, including onfeed report.

Third, the price and supply relationships between retailers and breakers.

Fourth, the workability of voluntary or mandatory reporting for sheep prices.

Fifth, information on the import and export of sheep, analyzed by cut, carcass, box, breeder stock, and sex.

The bill also mandates the Secretary to develop a price discovery formula, such as carcass equivalent pricing, for the lamb market.

The gap between farm gate prices for lamb and its retail prices continues to grow. That trend must be reversed. This bill will provide producers with the information needed to make better and more efficient production decisions. I am truly optimistic about the opportunities this bill may be able to create for the producers of my fine State of Wyoming and those in the other sheep-producing States.

Mr. WALLOP. Mr. President, I join with my distinguished colleague from Wyoming, AL SIMPSON, in introducing legislation vital to the survival of a domestic sheep industry. This is one more step in our ongoing efforts to correct serious sheep market problems adversely affecting over 110,000 hard-working families nationwide. Because Wyoming is the Nation's third-largest sheep-producing State with 1,539 family operations, disparities in America's sheep market continue to deeply concern this Senator and my constituents who are directly and indirectly involved in the sheep industry.

Between 1988 and 1991, approximately 3,000 family sheep operations nationwide, including over 200 in Wyoming, have been unfairly driven from their heritage and out of business. Most are on the brink of unnecessary financial disaster. If the current situation is not resolved soon, at least half of Wyoming's 830,000 sheep and lambs will be gone in 2 to 3 years. For the sake of thousands of families and small communities in Wyoming and nationwide who depend on a fair sheep market for their livelihoods, this problem must be corrected. Our bill is one piece of the puzzle which, once completed, will lead to a healthy domestic industry.

I refer to the current situation as a puzzle—it is puzzling because the retail price of lamb products has remained steady, but the wholesale prices paid to our sheep-ranching producers has declined. There is something rotten in the marketplace—it's not working. Making the market work through Government directives is not the solution. What we must do is ensure that all the players have information about retail and wholesale pricing in order to play fair. Shining sunshine on this information, as required by our bill, will ensure that market information will not remain the privilege of a few, and perhaps help shrink the curious and unfair spread between wholesale and retail sheep prices. By opening up the flow of information, the sheep industry will begin to operate like every other free agricultural market in this Nation.

We have a good, bipartisan coalition of Senators who are concerned and demand action at this critical time to save one of our country's oldest and proudest industries. I would urge the Senate to act expeditiously on this matter.

Mr. BAUCUS. Mr. President, I rise in strong support of the bill introduced by Senator SIMPSON to help bolster the U.S. sheep industry.

The U.S. sheep industry is in the midst of an economic crisis.

Nationally, producer returns per stock animal have fallen from an average of $96 in 1987 to $57 this year. These numbers represent a whopping 41 percent decline in value over the past 5 years.

In the last year alone, the industry's inventory value dropped by $166 million, or 19.5 percent.

Recently, many sheep producers from across the country gathered in Denver for a field hearing in an effort to figure out what to do about low lamb prices.

They wanted to figure out a way to close the huge gap between wholesale-farm and retail prices.

A Montana producer, for example, testified that he got 99 cents a pound for lamb in 1987, and only 47 cents in 1990. At the same time, it was pointed out that consumers today pay as much as $6.99 a pound for a leg of lamb at the supermarket.

Producers believe that one of the major reasons this gap exists is because of the lack of adequate market information on which to base marketing decisions.

They point out that other industries such as pork, beef, and poultry have a wealth of information upon which to base market decisions and are therefore doing pretty well right now.

The lamb industry, on the other hand, has very little information. This is because the USDA has chosen simply not to ever report some critical lamb prices; and over the past 10 years has chosen to slowly do away with most of the lamb price reporting it has done historically.

The USDA has never reported offal prices even though these prices directly impact live lamb prices. Nor has the USDA ever reported boxed lamb prices which is a higher value carcass meeting specific standards. Nor are exports reported by weight, sex, or age.

In 1981, the USDA discontinued retail price reporting. In September 1985, the USDA discontinued the reporting of weekly lamb pelt prices. In September of 1990, the USDA discontinued reporting wholesale carcass prices in San Francisco and wholesale cut prices in Los Angeles and San Francisco.

Consequently, only a small fraction of lamb sales in the east coast carcass market determines the price for the whole industry nationwide. To exacerbate the problem, these east coast lambs are often fatter and lower in value than lambs in the rest of the country. In addition, this report is done only once a year and is always out of date.

Surely, the USDA can do a better job than this.

This bill will go a long way toward correcting the problem. Specifically, it will require the Secretary of Agriculture to submit a report to the House and Senate Agriculture Committees on measures that are necessary to improve the lamb price and supply reporting services of the Department of Agriculture.

The report will concentrate on measures to improve reporting of such information as: Prices of wholesale, retail, box, carcass, pelt, offal, and live lamb sales throughout the United States; sheep and lamb inventories; price and supply relationships between retailers and breakers; and information on the import and export of sheep, analyzed by cut, carcass, box, breeder stock, and sex.

After the report is completed and submitted to Congress, the Secretary will be required to develop and establish a price discovery system for the lamb market.

Mr. President, because I think this legislation is so critical to the continued viability of the lamb industry, I plan to offer this bill as an amendment to the 1990 farm bill technical corrections legislation when it is debated by the Senate Agriculture Committee.

I urge my colleagues to support it.

By Mr. COATS:

S. 1937. A bill to provide for coverage of Congress under Federal civil rights and employment laws; to the Committee on Governmental Affairs.

S.J. Res. 227. Joint resolution proposing an amendment to the Constitution of the United States to limit the terms of office for Members of Congress; to the Committee on the Judiciary.

CONGRESSIONAL REFORM LEGISLATION

Mr. COATS. Mr. President, Americans are in a crisis of confidence. The Congress is in a crisis of credibility and something has got to change.

I hear this point made every time I leave the city limits of Washington. People are facing real problems: Getting their kids a good education, paying the bills after taxes, worrying about the cost of being sick, looking for a job, or trying to keep one.

But when they turn in need to Congress, they only find disappointment and anger. They see midnight pay raises and entrenched, distant politicians. They see an institution that exempts itself from many of the laws it writes, and won't punish itself when it breaks the laws and rules it pretends to observe.

Americans have become deeply cynical about the Congress—and deeply skeptical when we try to create public policy. They ask if an institution which can't govern itself can govern the rest of us.

That is a fair question. It is impossible to simultaneously be held in contempt by the American public and be viewed as an institution capable of providing leadership on the major problems facing our Nation.

The simple fact is this: the trust of Americans must be restored in their representatives as major problems are effectively addressed. We need to create an environment where we can focus on important problems, not endless internal scandals. And that requires some major reform.

Today, I unveil a wide-ranging congressional reform package in four parts—three introduced today, one other very shortly. The goal of this package is not to improve or whitewash the image of Congress. The goal is to recover the kind of public trust necessary to do the Nation's business. It outlines a radically different approach to government.

First, I will propose to abolish the Senate Ethics Committee entirely and replace it with something that works.

It should be clear to everyone that the Congress has failed to police itself. The Ethics Committee has been called the graveyard of investigations. For the most part, it does not look for blind justice; it looks after the self-preservation of this institution and its Members.

You would not try an accused person before a jury of his family. But in the eyes of most Americans, that is essentially what the Senate ethics committee amounts to. For evidence, we need look no further than the Keating investigation.

My bill would replace the Ethics Committee with an outside commission that has the power to refer serious ethical and legal breaches to an independent counsel. The goal is to give Congress the same kind of scrutiny applied to the executive branch. It is premised on one belief—only an outsider can enforce the ethical and legal standards that Americans expect. The insiders have failed.

Second, I have introduced a major reform of the way Congress deals with its pay.

There is nothing that angers Americans more than when Congress awards itself a raise and hides its action behind obvious deceptions—late at night, in a larger bill, evading current restrictions. It is a congressional practice that counts on public apathy and confusion.

My measure would require pay raises to be taken in the light of day, by a rollcall vote, standing alone. It would leave Senators no place to hide.

And I am encouraging Senators to lead by example. I voted against the last pay raise. And I am giving it to charity.

Third, I have proposed to apply the laws that Congress has written to the Congress itself. It is the worst, most obvious hypocrisy for the Senate to pass legislation that applies to every American, except those who wrote the law. It sets the Congress apart as a privileged elite unbound by normal rules and standards. And it protects it from the consequences of its own failures and excessive burdens.

My measure ensures that public laws would be applied to public servants. Anything less is a dangerous double standard.

Fourth, I have proposed to apply term limits to the Congress.

Americans are offended by the entrenched power of distant politicians—people who have lived away from the real world for 30 or 40 years, and come to accept the Washington rules. They think that Members of Congress, over time, become tied to big money and special interests, and vote more on the basis of self-preservation than national interest. They want citizen legislators, not career politicians.

My bill would limit the period that any Member of Congress could serve to two full terms in the Senate and six full terms in the House. And more than that, I've made a pledge to live by that standard if it passes or not.

Under this law, it would no longer make as much difference how many special interests a Member of Congress pleased, or how many unneeded pet projects they returned home. No matter what they did, public service could not be a lifetime. And this might provide more freedom to act on conscience.

This is a limit. But I intend it as a source of liberation—the liberation of a Congress that concentrates on policy, not the demands of a career or the opinions of special interests.

In addition to these legislative measures, the Congress must confront the kind of internal waste that makes Americans so angry. I have tried to honor that commitment in my own office. During my tenure in Congress, I have returned more than $1 million to the Treasury, and pledge to continue that practice by returning more than 10 percent of this year's allocation.

With this kind of congressional reform—with limited terms and limited pay raises, with Congress subjected to laws and held to high ethical standards, with a Congress that will lead by example—we could get on to other, more important things. Instead of being a problem, the Congress could look for solutions.

It is important to take advantage of this unique moment, a time when public anger burns white-hot. This is the moment to advance reform—the moment when outrage meets activism.

In most times, Congress seems frozen in indifference. I intend this package to begin the thaw.

I have proposed it for one reason: if the Congress does not change, the Congress can not govern.

Mr. ROBB (for himself and Mr. WARNER):

S. 1938. A bill extending the time for submission of the final statement of community development block activities by Petersburg, VA; to the Committee in Banking, Housing and Urban Affairs.

EXTENSION OF CERTAIN COMMUNITY BLOCK GRANT COMMUNITIES

Mr. ROBB. Mr. President. I rise today, along with my colleague, Senator WARNER, to introduce legislation to deal with an important problem facing the city of Petersburg, VA. Because of personnel changes in the city administration, the city missed the September 1, 1991, deadline to submit its final statement for the community development block grant [DCBG] program. The Department of Housing and Urban Development says that it is unable to waive the deadline administratively, and that this problem requires a legislative resolution. This bill would waive the city's September 1 deadline until December 31, 1991.

The city of Petersburg is in desperate need of the CDBG funds for which it has applied. In 1990, the median household income in Petersburg was $24,117, which is 64 percent of Virginia's median household income.

I hope that the Senate will move quickly on this noncontroversial piece of legislation to correct this problem. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the City of Petersburg, Virginia is authorized to submit by December 31, 1991, and the Secretary of Housing and Urban Development shall consider and accept, the final statement of community development objectives and projected use of funds required by section 104(a)(1) of the Housing and Community Development Act of 1974 in connection with a grant to the City of Petersburg under title I of such Act for fiscal year 1991.

By Mr. LEAHY:

S. 1939. A bill to amend title 5, United States Code, to amend the Freedom of Information Act, and for other purposes; to the Committee on the Judiciary.

By Mr. LEAHY (for himself and Mr. BROWN)

S. 1940. A bill to amend title 5, United States Code, to provide for public access to information in an electronic format, to amend the Freedom of Information Act, and for other purposes; to the Committee on the Judiciary.

FREEDOM OF INFORMATION IMPROVEMENT ACT AND THE ELECTRONIC FREEDOM OF INFORMATION IMPROVEMENT ACT

• Mr. LEAHY. Mr. President, our Nation was born of a healthy disrespect for kings and despots and autocratic rule. The Constitution created a new kind of government. The Founders did not give power to the state—they vested it in the people. They believed that government is to be probed and poked, ridiculed and satirized, if it cannot make an accounting for itself.

This year we commemorate the 25th anniversary of the Freedom of Information Act. Twenty-five is symbolic. In truth, FOIA was born when the Constitution was signed more than 200 years ago. FOIA is no more and no less than a codification of the democratic principle that the public has the "right to know."

It has been an eventful 25 years, and in many ways the FOIA came of age as I did. In 1966, FOIA established a statutory right of access to government records by any person who requested them. It was, as John Moss said at the time, an "historic act." When President Johnson signed that bill, I was 26 years old and a young state's attorney in Chittenden County, VT. Inspired in part by President Kennedy's vision that government could be a positive force in this country, I committed myself to public service. My understanding of the importance of an informed electorate and an accountable government was just beginning to take shape.

In 1974, FOIA was amended to improve administrative procedures, to allow attorney fees for successful plaintiffs, and to authorize judges to review documents in camera to determine whether they were properly withheld. The Watergate scandal, which culminated in President Nixon's resignation in August of that year, showed us the danger of secrecy in government. The public reaction to that scandal foreshadowed the overrides of President Ford's veto of the FOIA amendments. The same desire for a fresh start fueled my first campaign for the Senate. I came to serve in this body at a time when the Nation was rocked by Watergate and suspicious of government activities and officials.

In the early 1980's, we had a new President and a Republican Senate. The Reagan administration was disdainful of the public's right to know and used every means at its disposal to clamp down on access to information. We fought many fierce battles in those years, as the administration worked hard to limit the scope of the act and to curtail the public knowledge of what the government was doing.

In 1986, we found ourselves in the middle of a war on drugs and crime. Congress struggled to deal with that problem in an omnibus antidrug bill. In that context, FOIA was amended to address certain law enforcement concerns and to change the fee structure. The next year, I became the chairman of the Technology and the Law Subcommittee, which has jurisdiction over the Freedom of Information ACT.

The country has changed in the last quarter century and the Freedom of Information Act has changed along with it. But FOIA's purpose and foundation remain the same: That democracy without knowledge is meaningless, and citizens without information are not truly free.

In its 25 years, FOIA has led to the disclosure of information on consumer health and safety; waste, fraud and abuse in the government; foreign policy; civil and constitutional rights; and the environment. From revelations about the dangers of the Ford Pinto gas tank and red dye number 2 to accidents at the Rocky Flats nuclear weapon plant, FOIA has informed the public about serious threats to our health. In just the last year, information on the Hubble space telescope and details of the savings and loan crisis were made available to the public—thanks to the Freedom of Information Act.

As we celebrate FOIA's 25th birthday, we find ourselves in a different world from 1966—facing new questions and complex challenges. As the government moves full force into the computer age, gone are the days of carbon paper and mimeograph machines. Today computers, fax machines, and electronic mail systems are commonplace.

What does that mean for the Freedom of Information Act?

It should mean more access for people—like those with sight or hearing impairments—who have traditionally been excluded from meaningful participation in our system of government. It should mean for FOIA what it has meant for the rest of the world—faster, cheaper, and more efficient communications.

Unfortunately, this is not necessarily happening. Some agencies use computers to frustrate rather than to help requesters, while others simply do not use computers efficiently.

The questions raised by electronically stored information were explored at length in the Benton/Bauman Foundation Conference on "Electronic Information and the Public's Right to Know" in October 1989. Last year, the house of delegates of the American Bar Association approved a resolution encouraging agencies to ensure that "access to information under the FOIA not be diminished by virtue of the fact that the information is maintained in electronic form."

One of the bills I am introducing today—joined by Senator BROWN, the ranking member on the Technology Subcommittee—builds on this foundation in the effort to bring FOIA into the computer age. While there is no question that FOIA covers all Government information—regardless of its format—there are technical questions raised by the increased use of computers.

How do we define a FOIA search? Is an automated data base search synonymous with looking through a file cabinet? My view is that not only is it a search, but that it should be faster and easier for an agency to do.

In this age of paper records and computer tapes, should requesters be given the format of their choice? My bill requires that if the requester's format of choice exists, the agency should make it available, and if it does not exist, the agency should make reasonable efforts to provide it.

My legislation also addresses the problem of delays. The single biggest complaint about FOIA is that requesters wait weeks, months, even years to get information from the Government. While there is no question that agencies sometimes delay to avoid responding to a specific request, it is also true that in this age of budget deficits, lack of resources is a serious problem.

I am proposing that we allow agencies to retain half of the FOIA fees they collect if they comply with the statutory time limits. The fees they retain will be channeled back into the agency's FOIA operation. This incentive should alleviate some of the horrendous FOIA backlogs.

I am introducing a second bill that would tighten the national security, law enforcement, and financial institution exemptions, and define "commercial requester" for purposes of the fee structure.

This bill would also extend the scope of FOIA to cover both the legislative branch and the President. In the past, I have introduced legislation that would extend to Congress a number of Federal laws relating to employment as well as both the Freedom of Information Act and the Privacy Act. I continue to believe that Congress must consider whether we are willing to subject ourselves and the President to those responsibilities we impose on others. I recognize that subjecting Congress to FOIA raises important constitutional and policy issues, but I think it is time to consider the merits of this proposal.

These are not always easy problems to solve, but we can deal with them if we take a commonsense approach. The purpose of FOIA is to make information available to the public—FOIA is a disclosure statute, not a withholding statute. In that context, many of these issues become clear. The Government should do what it reasonably can to make information available to the American public. Period.

We have to keep in mind the great cost to our democratic system if the Government ignores this mandate.

The risk is not that one requester will not get the information she seeks. It is not that one reporter will have to wait 2 years to get a response from an agency or that one book author will be denied a fee waiver.

The risk is that the American people will lose faith in their Government—that the public will become more disdainful and ultimately indifferent to a democratic system that will wither without their participation.

In a new book entitled, "Why Americans Hate Politics," E.J. Bionne writes:

> With democracy on the march outside our borders, our first responsibility is to ensure that the United States becomes a model for what self-government should be and not an example of what happens to free nations when they lose interest in public life.

We must preserve our democratic system by cherishing the freedom and responsibility it gives us. FOIA gives us the power to govern ourselves and to ensure that the freedom we celebrate today is preserved tomorrow.

When President Johnson signed the FOIA into law he said that he did so "with a deep sense of pride that the United States is an open society in which the people's right to know is cherished and guarded."

Let us preserve that legacy. And let us renew our commitment to government, freedom of expression, and democracy.•

• Mr. BROWN. Mr. President, I am pleased to cosponsor S. 1940, the Electronic Freedom of Information Improvement Act of 1991. Mr. President, all across America, private industry has embraced the coming of the information age. This bill takes an important step toward bringing the Federal Government into the information age as well.

The purpose of the bill is to provide electronic access to agency records and data bases and to discourage agency delay in complying with Freedom of Information Act requests.

It would provide that the Federal Register be made available in printed and electronic form, thereby permitting the widest possible dissemination of agency actions, rules, and regulations. Making the Federal Register available electronically would also take an important step toward making this information available in braille and synthetic speech forms for the visually impaired.

Under the bill, the private sector would be provided with increased information as to the records maintained by agencies in electronic form and descriptions of the data bases maintained by the agency. This would ensure that heavily regulated industries have ready access to the latest Government data bases and other information which may affect their everyday business decisions.

The bill would provide agencies with an incentive to comply with FOIA requests in a timely manner. A percentage of the fees collected from such requests would be credited to the agency, but only if the agency had been found to be responsive to FOIA requests. I believe this will help to defray the costs of the legislation. However, if any agency does not timely comply with FOIA requests, penalties may be assessed against the agency.

Agencies would also be required to establish rules governing expedited requests under the Freedom of Information Act where a compelling need is shown for the information.

Mr. President, this bill is an important first step and I look forward to working with my colleagues in order to refine this legislation.●

By Mr. KENNEDY (for himself and Mr. SIMPSON):

S. 1941. A bill to amend the Immigration and Nationality Act for the purpose of reforming procedures for the resettlement of refugees in the United States; to the Committee on the Judiciary.

REFUGEE RESETTLEMENT REFORM ACT

Mr. KENNEDY. Mr. President, I am pleased to join today with my colleague on the Immigration and Refugee Affairs Subcommittee, Senator SIMPSON, in introducing once again legislation to reauthorize the domestic resettlement authorities of the Refugee Act of 1980.

It has now been slightly over a decade since the Senate has taken a comprehensive look at our country's mechanisms for the resettlement of refugees. Over that time, over 1 million refugees have been successfully resettled, so there is much to celebrate and much to learn from.

But at the same time, Federal resources for the program have declined dramatically. State and local governments, voluntary agencies, and refugee mutual assistance associations have been required to take up the slack in the Federal commitment to the program. Clearly, changes are required.

Let me emphasize at the outset that we consider the bill we are introducing today to be a working bill, not a final product. We will be reviewing comments and suggestions before markup and before it is reported to the Senate.

But it is a bill that has already been given considerable work and review. It is the product of extensive consultations over this past year with all of the parties involved in refugee resettlement—the administration, the voluntary agencies, mutual assistance associations, and State and local governments. It represents the results of a special roundtable discussion I convened last March. And the subcommittee conducted a thorough hearing on this subject on July 11. So this bill already represents a broad consensus on what reforms are needed now to make our refugee resettlement process more efficient and more cost effective—and to give States, localities, voluntary agencies, and refugee groups a greater voice in resettlement policy.

Mr. President, our bill would accomplish a number of goals.

For the first time in our immigration laws, we clarify Federal goals and requirements for our Nation's resettlement program. We state clearly that the goal of our program is to contribute to the durable economic self-sufficiency and full social integration of refugees. And we establish a clear Federal minimum standard of 12 months for Federal reimbursement of State costs of refugee cash and medical assistance.

Second, our bill would bring much-needed coordination of refugee admissions and refugee funding. Over the last few years, the President has proposed refugee admissions ceilings which respond appropriately to worldwide resettlement needs. However, the same commitment has not been demonstrated toward paying for the resettlement. In fact, Federal funding per refugee has declined by more than 50 percent over the past 5 years.

Our bill would require that discussions on refugee admissions occur before June 1 of each year before the completion of the appropriations process, rather than in September after appropriations levels are fairly well determined. In addition, the President will be required to indicate in his annual budget submissions exactly how many refugees he intends to cover under the budget. If the refugee admissions levels he later proposes are higher than those upon which the budget was based—as has frequently been the case in recent years—then the President is required to indicate how he will make up the additional funding.

Third, the bill establishes a clear system of refugee case management for States which face the greatest resettlement challenges. This case management will better endure that services are coordinated and not duplicated. The bill also authorizes, where appropriate, that States may permit case managers also to be responsible for administering any cash and medical assistance for which the refugee is eligible. This approach has been tried with some success in Oregon, and we would authorize the extension of this approach to other States where such action makes sense.

Fourth, the legislation establishes a system of consultation and coordination between the Federal Government and other key resettlement actors on the State and local level regarding resettlement policy and procedures. The day-to-day work of resettlement occurs at the local level, and counties, voluntary agencies, mutual assistance associations and others should have a greater say in how the resettlement job is done.

In this context, Mr. President, I am deeply concerned about the need to strengthen our Government's ability to coordinate our refugee programs. I believe that the President, at a minimum, should shift the office of the U.S. Coordinator for Refugee Affairs to the Executive Office of the President. This would free it from being a creature of the Department of State and eliminate its redundant diplomatic responsibilities. This was the original intent of the House-Senate conferees on the Refugee Act in 1980, which statutorily created the office.

This is a matter which I will continue to review with my colleagues as this legislation is considered by the Senate.

Fifth, the legislation provides States and localities with greater flexibility in determining how Federal funds may be used, as long as they can accomplish the goal of helping refugees toward early self-sufficiency.

Sixth, in recognition of the increasingly important role that Federal innovation plays in times of reduced resources, we elevate the Office of Refugee Resettlement in the office of the Secretary of Health and Human Services. The bill establishes the office as a new Administration on Refugee and Migration Affairs, much like was done recently by Congress on behalf of the Administration on Aging.

Finally, in order to enhance our country's response to refugees at risk, this bill authorizes consular officers to make refugee determinations where U.S. immigration officials are not readily available. Currently, refugees in remote regions often must wait months for INS officers to arrive to adjudicate their refugee claim.

Mr. President, we take great pride in the accomplishments of our refugee program. Over the past decade, over 1 million refugees have been rescued from persecution, and assisted in starting anew in America. This accomplishment is a great tribute to the many committed individuals in Government and in the voluntary agencies and refugee self-help organizations over many years. And this legislation compliments their many achievements, and puts the refugee program on even more solid footing as we enter the next decade.

Mr. President, I ask that the legislation be printed at this point in the RECORD, along with a recent joint recommendation on resettlement presented to our subcommittee by 153 organizations.

There being no objection, the material was ordered to be printed in the RECORD as follows:

S. 1941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Refugee Resettlement Reform Act of 1991".

SEC. 2. REFERENCES IN ACT.

Except as specifically provided in this Act, whenever in this Act an amendment or repeal is expressed as an amendment or repeal of a provision, the reference shall be deemed to be made to the Immigration and Nationality Act.

SEC. 3. PURPOSE.

Section 412(a)(1)(B) is amended by inserting after "(B)" the following: "The purpose of this subsection is to authorize assistance to refugees admitted to the United States under the terms of this Act with the goal of contributing to the durable economic self-sufficiency and full social integration of refugees.".

SEC. 4. AUTHORITY FOR SECRETARY OF STATE TO MAKE REFUGEE DETERMINATIONS.

Section 207(c)(1) (8 U.S.C. 1157(c)(1)) is amended—

(1) by inserting "(A)" immediately after "(1)";

(2) by inserting "and subject to subparagraph (B)," after "subsections (a) and (b),"; and

(3) by adding at the end thereof the following:

"(B) The Secretary of State together with the Attorney General shall develop procedures, under which the Secretary may determine individuals to be qualified for admission to the United States as refugees. Such determinations may be made by the Secretary of State in instances defined by the Attorney General together with the Secretary of State in which the Attorney General does not have immediate access to the individual under consideration for admission as a refugee and cannot expeditiously determine whether such individual is qualified for refugee admission.".

SEC. 5. CONSULTATIONS ON REFUGEE ADMISSIONS.

(a) DEADLINE FOR REPORT.—Section 207(d)(1) (8 U.S.C. 1157(d)(1)) is amended by striking out "Before the start of each fiscal year" and inserting in lieu thereof "At the time of the President's annual budget submission to the Congress,".

(b) DEADLINE FOR DETERMINATION OF REFUGEE ADMISSIONS.—Section 207(a)(2) (8 U.S.C. 1157(a)(2)) is amended by striking "before the beginning of the fiscal year" and inserting "before June 1 of each year".

(c) CONTENT OF CONSULTATIONS.—Section 207(e) (8 U.S.C. 1157(e)) is amended by adding at the end the following:

"(8) Whenever the number of refugees proposed to be admitted exceeds the number reported under subsection (d)(1), a specific budget request with respect to such additional number of refugees to be admitted and resettled, including a description of the source of such additional budget authority, whether from supplemental appropriations, the reprogramming of funds, or otherwise.".

SEC. 6. RESTRICTION ON ADJUSTMENT OF STATUS OF REFUGEES.

Section 209(a) (8 U.S.C. 1159(a)) is amended—

(1) in paragraph (2), by striking "subsection (c)" and inserting "paragraph (3) or subsection (c)"; and

(2) by adding at the end thereof the following new paragraph:

"(3) Any alien inspected and examined under paragraph (2) who fails to demonstrate progress toward the repayment of any loan made by the United States to the alien for expenses incurred (including airfare) in connection with the resettlement of the alien in the United States shall not be eligible for adjustment to the status of an alien lawfully admitted for permanent residence for a period of up to one year after the alien becomes eligible to apply for such adjustment.".

SEC. 7. LOCATION OF OFFICE OF REFUGEE RESETTLEMENT.

(a) AMENDMENT TO INA.—Section 411 (8 U.S.C. 1521) is amended to read as follows:

"ADMINISTRATOR FOR REFUGEE AND MIGRATION AFFAIRS.".

"SEC. 411. (a) ESTABLISHMENT.—(1) There is established in the Office of the Secretary of Health and Human Services an Administration on Refugee and Migration Affairs, which shall be headed by an Administrator for Refugee and Migration Affairs (hereafter in this section referred to as the "Administrator").

"(2) The Administrator shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall be directly responsible to the Secretary of Health and Human Services.

"(b) DUTIES.—The function of the Administration and the Administrator is to fund and administer programs of the Federal Government under this chapter.".

(b) TECHNICAL AMENDMENTS.—(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new item:

"Administrator for Refugee and Migration Affairs.".

(2) Chapter 2 of title IV of the Immigration and Nationality Act is amended by striking "Director" each place it appears and inserting "Administrator".

SEC. 8. CONSULTATIONS WITH STATES, LOCALITIES, AND PRIVATE ORGANIZATIONS.

(a) IN GENERAL.—Section 412(a)(2)(B) (8 U.S.C. 1522(a)(2)(B)) is amended to read as follows:

"(B)(i) The Secretary of Health and Human Services, together with the Secretary of State, shall consult at least once each year with States, localities, private nonprofit voluntary agencies, mutual assistance associations, and other entities or persons essential to the resettlement of refugees.

"(ii) Such consultation shall include—

"(I) a review of the state of the refugee program; and

"(II) to the maximum extent practicable, the development of general plans and policies which would govern the admission and resettlement of refugees for at least the two fiscal years beginning after such consultations.

"(iii) For purposes of this subparagraph, the term 'mutual assistance association' means any organization that enables refugees to assist themselves and on which at least one-half of the board of directors is composed of individuals who are or were refugees.".

(b) CONSULTATION WITH CONGRESS.—Section 207(e) of the Immigration and Nationality Act (8 U.S.C. 1157(e)), as amended by section 5 of this Act, is further amended by adding at the end thereof the following new paragraph:

"(9) A certification that the consultation required by section 412(a)(2)(B) has taken place, together with a brief description of such consultation and its results.".

SEC. 9. ADMINISTRATIVE PROCEDURES FOR THE STATES.

(a) REQUIREMENT OF SINGLE GRANT PROPOSALS; ADJUSTMENT OF REPORTING DEADLINES.—Section 412(a)(4)(B) (8 U.S.C. 1522(a)(6)(A)) is amended to read as follows:

"(B)(i) After an annual consultation under paragraph (2)(B), the State shall submit to the Administrator a single grant proposal to cover programs within the State funded under this chapter, including—

"(I) a description of the State's requirements for each such program; and

"(II) a budget request for the administrative costs of such programs, which request shall identify separately the proposed costs for the State's management of its refugee program.

"(ii) The Administrator shall prescribe revised regulations for the purpose of consolidating procedures relating to programs funded under this chapter. As part of such regulations, the Administrator shall, to the maximum extent practicable, adjust reporting deadlines to occur on a concurrent basis.".

(b) CONTENT OF STATE PLAN.—Section 412(a)(6)(A) (8 U.S.C. 1522(a)(6)(A)) is amended—

(1) by striking "and" at the end of clause (iv);

(2) by striking the semicolon at the end of clause (v); and

(3) by adding at the end thereof the following new clauses:

"(vi) a description of the State's consultation and collaboration with relevant refugee assistance organizations (including refugee groups), highly impacted localities, voluntary agencies, mutual assistance associations, social services agencies, and others, through which this plan has been developed, and

"(vii) a description of the efforts of the State in the previous year to provide refugees with equitable access to programs under State jurisdiction.".

(c) DEADLINE FOR MAKING GRANT AWARDS AND NOTIFYING OF REIMBURSEMENTS.—Not later than 90 days after the date of enactment of any appropriation pursuant to section 412 of the Immigration and Nationality Act, the Administrator for Refugee and Migration Affairs shall, to the maximum extent practicable, make grant awards and notices of reimbursement to the States.

SEC. 10. CASE MANAGEMENT.

(a) CONTENT OF STATE PLAN.—Section 412(a)(6) (8 U.S.C. 1522(a)(6)) is amended—

(1) in subparagraph (A)(i), by inserting before the comma the following: ", including how the State intends to meet the case management requirement";

(2) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(3) by inserting after subparagraph (A) the following:

"(B) meet the criteria prescribed by the Administrator under paragraph (9) with respect to case management.".

(b) ROLE OF CASE MANAGEMENT.—Section 412(a) is amended by—

(1) by redesignating paragraphs (9) and (10) as paragraphs (10) and (11) respectively; and

(2) by inserting after paragraph (8) the following:

"(9)(A) The Administrator shall develop criteria for States (other than States described in subparagraph (B)) for the awarding of grants for case management. Such criteria shall include—

"(i) consideration given to awarding such a grant to the voluntary agency which was awarded the grant by the Department of State for the reception and placement of the refugee, if such agency is qualified to conduct such case management and is the appropriate agency in that locality for such function;

"(ii) consideration to the use of mutual assistance associations for case management;

"(iii) allowances for alternative means of structuring case management; and

"(iv) a coordinated transition between the reception and placement services provided under subsection (b)(7) and those services provided under a case management plan, as described in subparagraph (C).

"(B) The criteria of subparagraph (A) shall not apply to States—

"(i) with small refugee populations,

"(ii) with low public assistance use by refugees, or

"(iii) with an alternative resettlement plan for which, in the determination of the Administrator, there is a reasonable likelihood of accomplishing the goal of economic self-sufficiency for refugees resettled under such plan.

"(C)(i) The case manager shall develop for each refugee family or unit a resettlement plan to accomplish the goal of economic self-sufficiency, and such plan shall be developed in coordination with the refugee family or unit. The plan shall stipulate a time-frame and sequence for services required to remove barriers to self-sufficiency and secure employment for each employable member of the family or unit.

"(ii) Any services provided to the refugee family or unit which are funded under the provisions of this section shall be determined by the Administrator and shall be provided on the basis of the case manager's assessment of need as reflected by the resettlement plan.

"(iii) The case manager's responsibilities may also include the determination and periodic redetermination of eligibility for cash or medical assistance or both under this section and the distribution of such benefits, if such responsibilities are required under the State plan described in section 412(a)(6)(A) and if such responsibilities would meet the case management criteria which the Administrator establishes under section 412(a)(9)(A).

"(D) For purposes of this paragraph, the term 'case management' means the performance and coordination of services by a service entity to benefit a refugee family or other refugee unit in order to assist a refugee family or unit toward the earliest possible economic self-sufficiency.".

(c) CONDITIONS ON CASH ASSISTANCE.—Section 412(e) (8 U.S.C. 1522(e)) is amended—

(1) in paragraph (2)(A)(i), by inserting "with the case manager, or where no such entity exists," after "registration"; and

(2) in paragraph (6), by inserting "the case manager, or if no such entity exists," after "promptly".

SEC. 11. REPORTING REQUIREMENTS REGARDING RECEPTION AND PLACEMENT GRANTS.

Section 412(b)(7) (8 U.S.C. 1522(b)(7)) is amended—

(1) in subparagraph (A), by inserting before the period at the end thereof the following: "and such aggregated annual reporting as the Secretary may require to assure compliance with this paragraph, including the proportion of such expenditures used for administrative purposes and for provision of services.";

(2) in subparagraph (D), by inserting "adult" after "employment of each";

(3) by striking subparagraph (E); and

(4) by striking the last sentence thereof.

SEC. 12. CASH AND MEDICAL ASSISTANCE.

Section 412(e) (8 U.S.C. 1522(e)) is amended—

(1) in paragraph (1)—

(A) by striking "thirty-six month"; and

(B) by inserting after "United States" the following: "and ending on a date which to the maximum extent practicable is no earlier than 12 months or later than 36 months after such entry";

(2) in paragraph (5), by adding at the end thereof the following new sentence: "Refugees shall not be required to qualify or apply for cash assistance to be eligible for medical assistance."; and

(3) by adding at the end thereof the following: "Notwithstanding any other provision of law, the Administrator, after having conducted the consultations described in subsection (a)(2)(B) shall establish guidelines by which a State may establish a unified system and a set of consistent rules and criteria for the provision of any assistance authorized by this subsection.".

SEC. 13. MATCHING GRANT PROGRAM.

Section 412(c)(1)(A) (8 U.S.C. 1522(c)(1)(A)) is amended by adding at the end thereof the following new undesignated paragraph:

"The authority to make grants under this subparagraph includes the authority to make grants to voluntary agencies on a matching basis.".

SEC. 14. FLEXIBILITY FOR STATES IN THE USE OF SOCIAL SERVICES FUNDS.

Section 412(c)(1)(C) (8 U.S.C. 1522(c)(1)(C)) is amended by striking out "and determines" and all that follows through "Act" and inserting "which would meet the purpose of subparagraph (A)".

SEC. 15. TARGETED ASSISTANCE.

(a) ELIGIBILITY FOR GRANT ASSISTANCE.—Section 412(c)(2)(B) (8 U.S.C. 1522(c)(2)(B)) is amended—

(1) by striking the period at the end and inserting ", and"; and

(2) by adding at the end the following new clause:

"(iii) only for the assistance of aliens who are admitted or otherwise conferred status under section 207 or 208.".

(b) LOCALITIES MOST SIGNIFICANTLY AFFECTED BY REFUGEE POPULATIONS.—Section 412(c)(2) (8 U.S.C. 1522(c)(2)) is amended by adding at the end thereof the following new subparagraph:

"(C)(i) Not less than 10 percent of the grants made under this paragraph shall be available only for localities most significantly affected by the impact of refugee populations (including refugees from secondary migration).

"(ii) The Administrator shall make grants allocated under this subparagraph to assist local schools, hospitals, employment services, and other institutions.".

SEC. 16. LOANS FOR SOCIAL SERVICES LEADING TO EMPLOYMENT.

The Administrator for Refugee and Migration Affairs is authorized to conduct a project through September 30, 1994, which would demonstrate the feasibility of providing loans to refugees for social services leading to employment.

SEC. 17. TECHNICAL AMENDMENTS.

(a) Section 412(b) (8 U.S.C. 1522(b)(1)(A)) is amended—

(1) in paragraph (1)—

(A) by striking "(1)(A) For" and all that follows through "subparagraph (B))" and inserting "(1) For each fiscal year, the Secretary of State"; and

(B) by striking subparagraph (B);

(2) in paragraph (3), by inserting "or such other officer as the President may designate" after "Secretary";

(3) in paragraph (4)—

(A) in the first sentence, by inserting "or such other officer as the President may designate" after "Secretary"; and

(B) in the second sentence, by inserting "or such other officer as the President may designate" after "Secretary";

(4) by striking paragraph (6);

(5) by redesignating paragraphs (7) and (8) as paragraphs (6) and (7), respectively;

(6) in paragraph (6)(A) (as so redesignated), by striking "and financial status reports to the Federal agency administering paragraph (1)" and inserting "reports to the Secretary of State";

(7) in paragraph (6)(E) (as so redesignated)—

(A) in the text above clause (i), by striking "Federal agency administering paragraph (1)" and inserting "Secretary of State";

(B) in clause (i), by striking "and the expenditures" and all that follows through "services"; and

(C) by striking "agency administering paragraph (1)" each place it appears and inserting "Secretary of State"; and

(8) in paragraph (7) (as so redesignated)—

(A) by striking "Federal agency administering paragraph (1)" each place it appears and inserting "Secretary of State"; and

(B) in subparagraph (E), by striking "Director" and inserting "Secretary of State".

(b) Section 412(e)(7) (8 U.S.C. 1522(e)(7)) is amended—

(1) in subparagraph (A), by striking "Secretary shall" and inserting "Secretary is authorized to";

(2) by striking subparagraph (C); and

(3) by redesignating subparagraph (D) as subparagraph (C).

(c) Section 301 of the Refugee Act of 1980 is amended by adding at the end thereof the following new subsection:

"(d)(1) There are authorized to be appropriated such funds as may be necessary to carry out this section.

"(2) No funds may be appropriated to carry out this section except pursuant to the authorization contained in paragraph (1).".

SEC. 18. AUTHORIZATION OF APPROPRIATIONS.

(a) SIX-YEAR AUTHORIZATION.—Section 414(a)(1) is amended—

(1) by striking out "1987 and 1988" and inserting in lieu thereof "1993 through 1998"; and

(2) by striking out "(2) through (4)" and inserting in lieu thereof "(2) and (3)".

(b) ELIMINATION OF SEPARATE AUTHORIZATION.—Section 414(a) is further amended—

(1) by striking out paragraph (2); and

(2) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(c) REAUTHORIZATION OF REFUGEE EDUCATION ASSISTANCE ACT OF 1980.—Section 102(a) of the Refugee Education Assistance Act of 1980 (Public Law 96-422, as amended) is amended by striking out "1981, 1982, and 1983" and inserting "1991 through 1998".

SEC. 18. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 1992, except that, if the Secretary of Health and Human Services determines and so reports to the Committees on the Judiciary of the House of Representatives and the Senate, that implementation of any amendment can only be made after that date, then such amendment shall take effect on that later specified date, but not later than October 1, 1993. The Secretary shall include in any such report an explanation of his reasons for such determination.

OCTOBER 24, 1991.

Hon. EDWARD KENNEDY,
Chairman, Senate Subcommittee on Immigration and Refugee Affairs, Washington, DC.

DEAR SENATOR KENNEDY: The undersigned organizations and agencies, all of which are actively involved in the development and/or implementation of the U.S. refugee resettlement program, are writing to present our views regarding the reauthorization of the Refugee Act of 1980.

As Congress and the Administration embark on an effort to make changes in the policies and systems which currently govern the refugee resettlement program, we believe that our voice should be heard. We are the key players in the system: the private sector voluntary agencies with direct responsibility for the initial placement and resettlement of refugees upon arrival in the United States; state and local government agencies responsible for the administration of federal funding and direct delivery of human services to refugees; refugee-led community-based mutual assistance associations (MAAs); and others involved in advocacy or social services to promote integration of refugees into American society.

After more than ten years of experience resettling refugees under the 1980 Refugee Act, we are perhaps in the best position to comment on the importance, successes, and shortcomings of the program. As an indication of the seriousness with which we view the need for improvements, many of us have engaged in a series of consultations over the past year in order to develop consensus positions regarding necessary and desirable reforms.

Before presenting our recommendations for reform, we must emphasize that the national refugee resettlement program is being seriously threatened by the erosion of federal financial support. Over the last ten years, funding through the Office of Refugee Resettlement (U.S. Department of Health and Human Services), has been cut in absolute dollars, in addition to being eroded by inflation, by nearly 60 percent. Likewise, over the last 15 years, funding for the reception and placement grants provided by the Bureau of Refugee Programs (U.S. Department of State) has declined at least 55 percent in real dollar value. To sustain the partnership between the public and private sectors, maintain state and local government participation, implement needed reforms, and produce better results for refugees resettled throughout the United States, the federal government must live up to its commitment to adequately finance domestic resettlement.

This letter, written prior to the introduction of any legislation, reflects the agreements we have reached to date.

REFORMS NEEDED: DEFINE THE GOALS OF REFUGEE RESETTLEMENT AND ENHANCE PROGRAM ACCOUNTABILITY

As stated in the Refugee Act of 1980, one of the purposes of the legislation is to promote "effective resettlement." We believe it is now time to define more precisely what is meant by this phrase. In doing so, we hope to clearly articulate the goal of the program, prescribe desirable performance outcomes, provide guideposts for programmatic changes, and promote greater accountability throughout the system.

(1) We propose that the overall goal of domestic resettlement address the social integration of the refugee with the emphasis on durable social and economic self-sufficiency for individuals, refugee families, and new refugee communities.

(2) We believe that it is important to delineate a reasonable time frame for an initial resettlement period. Currently, there are various viewpoints throughout the country with regard to an appropriate time frame.

(3) Initial, as well as longer term, resettlement services should be geared towards the achievement of durable economic self-sufficiency of the refugee family unit. Such a goal corresponds to the desirable outcome of reducing the need for refugees to rely on public assistance. It also will encourage service providers to take into account critical factors such as family size and composition, since most refugee families, like most American families, need more than one breadwinner to survive. Furthermore, such a goal places early employment in proper context: as a means to an end, rather than as a goal in and of itself. Finally, defining the goal as durable self-sufficiency will encourage an awareness of the need for employment stability and job mobility via upgrading educational, and training opportunities.

(4) To better enable more refugees to achieve durable self-sufficiency as quickly as possible, there is a need for a single point of programmatic accountability for each newly arriving refugee family, especially during an initial resettlement period. Some background here is necessary: A common criticism in many areas is that the local service delivery system is fragmented. For example, it is not uncommon for newly arrived refugees to have to contend with a different agency for every service needed—the sponsoring voluntary agency for reception and placement assistance, the public health clinic for initial health screening, the public assistance office for financial and medical assistance, the community education institution for English class, the jobs agency for employment assistance, and other community organizations for social adjustment services. The recommendation is to designate a specific service provider with the responsibility for helping each newly arrived refugee family negotiate the service system in a way that achieves the desired outcome of durable economic self-sufficiency within the initial resettlement phase. The essential strategies of such a single point of programmatic accountability would be to (1) develop a resettlement plan with each newly arriving family regarding goals and services needed to reach those goals; and (2) ensure that the service system responds to the needs of the family in a manner that produces the desired outcome. Adequate funding for these reforms and other resettlement strategies must be authorized and appropriated.

(5) Some important caveats need to be mentioned. First, because of age, disability and other factors, there are a few refugees and refugee family units for whom economic self-sufficiency is simply not feasible. There are some others who have special needs that require targeted and tailored services from their date of arrival and extending beyond the initial resettlement phase. Second, although we clearly want national goals articulated and program accountability enhanced, outcome projections must be specific to local jurisdictions, taking into account variable economic conditions and the characteristics of the refugee populations being resettled there. Third, consistent with the concept of a national resettlement program and national goals, there should be flexibility at the local level to allow for targeted approaches to address local needs. And fourth, jurisdictions with objectively effective programs, including those states with small refugee populations, should have the option to maintain current service delivery systems as long as they continue to be effective and meet national goals.

(6) We recognize that reforms related to the initial resettlement process may be the focus of the reauthorization debate over the next few months. Nonetheless, we believe that it is essential to underscore the importance of long-term resettlement services and the federal responsibility to provide adequate financial support for such services. Ongoing services are critical for families who are marginally employed and need help to enhance their skills and employment opportunities in order to achieve durable self-sufficiency; for families who have not become self-sufficient, but who can become so with appropriate support and assistance; and for those special populations with ongoing service and assistance needs.

Long-term resettlement services should be consistent with the domestic resettlement program's overall goal of social integration of the refugee with the emphasis on durable social and economic self-sufficiency for individuals, refugee families, and new refugee communities. Therefore, such services should facilitate the ability of refugees to participate in the mainstream institutions and as well as to access mainstream services that are appropriate for and sensitive to refugee populations. Finally, we wish to emphasize the importance of refugee mutual assistance associations as service providers and community building agents. Their capacity and strength are essential components of the full integration of new communities into the fabric of American society.

(7) We recognize that there are a number of other programmatic and structural considerations which are relevant to the reauthorization of the Refugee Act of 1980. We hope to address these matters at a later date.

THE IMPORTANCE OF A NATIONAL REFUGEE RESETTLEMENT PROGRAM

We cannot overemphasize the importance of an effective domestic resettlement program. The program saves lives, promotes the protection of refugees worldwide, enables refugees to start new lives, and helps local communities to respond appropriately.

For instance, by upholding our nation's tradition as a safe haven for the oppressed and persecuted, we set an example for the rest of the world. The more able the United States is to admit refugees, the more willing are other countries to provide first asylum, temporary protection, and permanent resettlement. And since less than 1% of the world's 17 million refugees are admitted to the United States each year, America's leadership affects the fate of millions of refugees who will never come here, but whose future will be determined by other countries.

On the homefront, an effective resettlement program is important so that refugees can more quickly adapt to their new country, become economically self-sufficient, and ultimately fully participate in and contribute to their new communities. Likewise, federal leadership and an effective program encourage the public and private sectors to extend a welcoming hand to new arrivals in order to help them effectively integrate into local communities.

It is in light of the fundamental humanitarian character of U.S. refugee policy and the need for a strengthened resettlement program to sustain it that we offer our views on the reauthorization of the Refugee Act of 1980.

We look forward to continuing our work with Congress as we debate and develop ideas to strengthen our nation's commitment to refugee rescue, protection, and resettlement.

Sincerely,

THE UNDERSIGNED ORGANIZATIONS

National agencies

A. Phillip Randolph Institute.

American Council for Nationalities Service.

American Jewish Committee.

American Public Welfare Association.

American-Arab Anti-Discrimination Committee.

Cambodian Network Council.

Church World Service, Immigration and Refugee Program.

Council of Jewish Federations.

Ethiopian Community Development Council.

Hebrew Immigrant Aid Society.

Indochina Resource Action Center.

International Rescue Committee.

Lutheran Immigration and Refugee Service.

National Association for the Education and Advancement of Cambodian, Laotian, and Vietnamese Americans.

National Conference of State Legislatures.

National Governors Association.

National Immigration Project of the National Lawyers Guild.

New York Association for New Americans.

Tolstoy Foundation.

United Methodist Committee on Relief.

United States Catholic Conference/Migration and Refugee Services.

United States Conference of Mayors.

World Relief.

State and local government agencies

County of Orange, CA.

County Welfare Directors Association of California.

Division of Refugee Assistance, State of Washington.

Kansas Department of Social and Rehabilitation Services.

Maryland Office of Refugee Affairs.

Massachusetts Office for Refugee and Immigrants.

New York State, Department of Social Services, Bureau of Refugee and Immigrant Affairs.

Office of Community Services, State of Hawaii.

Ramsey County Human Services, St. Paul, MN.

Refugee Coordinator's Office, City of Portland.

Refugee Coordinator's Office, State of Virginia.

Refugee Resettlement Program, State of Arizona.

Rhode Island Office of Refugee Resettlement.

South Carolina Department of Social Services.

St. Paul Mayor's Office, Minnesota.

Utah Department of Human Services—Refugee Program.

West Virginia Office of Income Maintenance.

Local agencies

Archdiocese of Louisville, KY.

Archdiocese of St. Louis, MO.

Associated Catholic Charities, Immigration and Resettlement Services, New Orleans, LA.

California Refugee Resettlement Program of Catholic Social Services, Sacramento, CA.

Cambodian Association of Illinois.

Cambodian Mutual Assistance Association.

Caritas of Austin, TX.

Catholic Charities, Diocese of Dallas, TX.

Catholic Charities, Diocese of Oakland, CA.

Catholic Charities, Migration and Refugee Services, Hartford, CT.

Catholic Charities, Monterey, CA.

Catholic Charities of Buffalo – Diocesan Resettlement, Buffalo, NY.

Catholic Charities of Los Angeles/Refugee Resettlement Program.

Catholic Charities of Tennessee, Inc. – Refugee Resettlement Program.

Catholic Charities of the Diocese of Pittsburgh.

Catholic Charities of the Archdiocese of St. Paul/Minneapolis, MN.

Catholic Charities, Parasocial Ministry, Diocese of Rockford, IL.

Catholic Community Services, Miami, FL.

Catholic Community Services, Migration and Refugee Services, Baton Rouge, LA.

Catholic Community Services, Portland, OR.

Catholic Family Services, Inc., Refugee and Citizenship Division, Amarillo, TX.

Catholic Social Ministries, Oklahoma City, OK.

Catholic Social Ministries, Refugee Resettlement, Fayetteville, NC.

Catholic Social Services Bureau – Refugee Resettlement Program, Lexington, KY.

Catholic Social Services, Diocese of Madison, WI.

Catholic Social Services, Diocese of Charlotte, NC.

Catholic Social Services Migration and Refugee Center, Biloxi, MS.

Catholic Social Services of Indianapolis, IN.

Catholic Social Services of Sacramento, CA.

Catholic Social Services, Pensacola, FL.

Catholic Social Services, Providence, RI.

Center for Immigrant Rights, New York, NY.

Chinese Mutual Aid Association, Chicago, IL.

Church World Service of North Carolina.

Coalition for Humane Immigrant Rights of Los Angeles.

Coalition for Immigrant and Refugee Rights and Services, San Francisco, CA.

Davenport Resettlement Office, Davenport, IA.

Diocese of Honolulu Catholic Immigration Center, Honolulu, HI.

Diocese of Lafayette, Migration and Refugee Services, Lafayette, LA.

Diocese of Wheeling-Charleston, West Virginia—Migration and Refugee Services.

Dolores Mission Church, Los Angeles, CA.

Employment Opportunities Center, Seattle, WA.

Ethiopian Community Association of Chicago.

Ethiopian Community Association of North Carolina.

HIAS and Council Migration Service of Philadelphia.

Home Lao Association, Raleigh, NC.

Intercultural Mutual Assistance Association, Rochester, MN.

International Institute of Boston.

International Institute of Los Angeles.

International Institute of New Jersey.

International Institute of Rhode Island.

Jewish Family Services of Columbus, OH.

Jewish Federation of Metropolitan Chicago.

Khmer Aid Group, Triad, NC.

Khmer Community of Seattle-King County.

King County Refugee Planning Committee, Seattle, WA.

La Crosse Area Hmong Mutual Assistance Association, Lacrosse, WI.

Lao-American Community Services, Chicago, IL.

Loatian Family Association, Inc., Greensboro, NC.

Lutheran Family Service Refugee Program, Portland, OR.

Lutheran Family Services in the Carolinas, Inc.

Lutheran Ministries of Florida, Tampa, FL.

Lutheran Ministries of Georgia.

Lutheran Service Associates of New England.

Lutheran Social Ministries of New Jersey.

Lutheran Social Services of Michigan.

Lutheran Social Services of Northeast Florida, Jacksonville, FL.

Lutheran Social Services of Texas.

Lutheran Social Services of Wisconsin and Upper Michigan.

Lutheran Social Services of South Dakota.

Lutheran Social Services of Michigan.

Metro Committee for Refugees.

Migration and Refugee Services, Tucson, AZ.

Migration and Refugee Services, Diocese of Charleston, SC.

Montagnard Dega Association.

New Jersey Immigration Policy Network.

Oregon Refugee Forum.

Portland Community College, Portland, OR.

Prince George's County Coalition for the Foreign Born, Inc., College Park, MD.

Proyecto Adelante, Dallas, TX.

Proyecto Libertad, Harlingen, TX.

Proyecto Pastoral, Los Angeles, CA.

Refugee Assistance Program, U.S. Catholic Conference, Seattle, WA.

Refugee Committee, Episcopal Diocese of Washington.

Refugee Federation Services Center, Seattle, WA.

Refugee Resettlement Coordinator's Office for the Diocese of La Crosse, WI.

Refugee Resettlement Office of the Diocese of Manchester, NH.

Refugee Resettlement Program, Catholic Family Services, Diocese of Rochester, NY.

Rhode Island College, Center for Industrial Technology.

Rhode Island College, PROJECT GRAPHIC (Giving Refugees a Promising Head Start in Computers).

Rhode Island Refugee Services Network.

Rick Swartz and Associates, Washington, DC.

Seattle-King County Private Industry Council.

The Intercultural Communication Institute, Portland, OR.

The Network Office—Refugee Department, Vancouver, WA.

Travelers and Immigrants Aid, Chicago, IL.

Tressler Lutheran Services, Mechanicsburg, PA.

Triad Refugee Interfaith Program, Greensboro, NC.

Triangle Refugee Action Council, Raleigh, NC.

U.S. Catholic Conference—Catholic Social Services, Mobile, AL.

U.S. Catholic Conference of Houston, TX.

United Jewish Appeal—Federation of Jewish Philanthropies of New York, Inc.

United Refugee Services, Madison, WI.

Utah Refugee Advisory Council, Logan, UT.

Vietnam Freedom Fighters Alliance, Portland, OR and Vancouver, WA.

Vietnam Navy Friendship Association, Portland, OR.

Vietnamese Association of Illinois.

Vietnamese Catholic Community, Portland, OR.

Vietnamese Community in Washington, D.C., Maryland and Virginia.

Vietnamese Community of Raleigh, Raleigh, NC.

Vietnamese Fisherman's Assocation of America, Oakland, CA.

Vietnamese Friendship Association, Seattle, WA.

Washington Lawyers Committee for Civil Rights Under Law, Washington, DC.

• Mr. SIMPSON. Mr. President, I am pleased to join my colleague, Senator KENNEDY, in introducing legislation to reauthorize the Domestic Resettlement Programs of the Refugee Act of 1980.

This legislation provides for a 6-year reauthorization of the programs established to facilitate the integration of refugees admitted from abroad into our economy and our society. This relatively long reauthorization period is justified, I believe, by the important substantive changes that the legislation would make. It is the goal of this legislation to solve the most serious problems that now face our Refugee Resettlement Program: First, lingering welfare dependency problems of refugees in certain States; and second, declining Federal reimbursement of State and local resettlement costs during an era of high refugee admissions.

First, the legislation would require the executive branch to inform Congress earlier in the year about its plans for admitting refugees in the next fiscal year. If the executive branch decides to admit more refugees than it had earlier budgeted for admission, then it must inform Congress of where resources for the additional refugee admissions will be found.

Second, the legislation would elevate the Office of Refugee Resettlement within the Department of Health and Human Services from the lower depths that it now inhabits to the Office of the Secretary. The Office Director would be given Administrator status, similar to that now given to the Administrator of Aging. I firmly believe that this move will enhance the attention that our refugee resettlement programs deserve.

Third, the bill would insert more flexibility and efficiency into the process by which State governments now apply for and receive Federal dollars to help resettle refugees. Refugee resettlement is a shared Federal-State responsibility. Therefore, a minimum of bureaucracy should be interjected into the Federal-State relationship, and this bill will reduce and simplify current administrative requirements for State governments.

Finally, this bill would require a system of case management in those States where there are: First, sizable refugee populations; and second, substantial refugee welfare dependency problems. The case management system requires greater accountability of refugees to the providers of services to those refugees. Many refugee experts believe that case management will lead to a significantly lower level of refugee welfare dependency. Because refugee welfare dependency problems have persisted over the past 10 years, I believe it is time to try innovative and novel approaches to promoting economic self-sufficiency. I do have some reservations about the plan created by this legislation, and I would encourage comment on this bill's proposal by interested parties. However, I strongly share the objective of case management—the reduction of welfare dependency—and I pledge to work closely with Senator Kennedy, the subcommittee chairman, to resolve any concerns that arise because of this proposal.

Mr. President, I have been very concerned in recent years over the combination of rising refugee admissions levels and declining Federal assistance to the States and localities where these refugees go to live. I look forward to working to achieve a reasonable balance between admissions levels and effective domestic resettlement, and I urge my colleagues to participate in processing this legislation in order to achieve these goals.•

By Mr. GLENN (for himself, Mr. LEVIN, Mr. PRYOR, Mr. SASSER, Mr. LIEBERMAN, Mr. AKAKA, Mr. METZENBAUM, Mr. DURENBERGER, and Mr. CHAFEE):

S. 1942. A bill to provide for procedures for the review of Federal department and agency regulations, and for other purposes; to the Committee on Governmental Affairs.

REGULATORY REVIEW SUNSHINE ACT

• Mr. GLENN. Mr. President, I rise today to introduce the Regulatory Review Sunshine Act of 1991, legislation designed to bring greater openness and public accountability to the Federal regulatory process.

As my fellow Senators are well aware, openness is one of the guiding principles of democracy, and of our Nation. Our Founding Fathers intended for us to have an informed citizenry empowered to make political, economic, and social decisions through a free press, the right to assemble, and the right to participate in Government. It is impossible, however, for the citizenry to make such judgments without access to information on Government decisionmaking. This public right to know is essential if we are to have a government "for the people and by the people."

In the early days of our Nation, openness and accountability in government was most evident in town meetings. Townsfolk, local officials and the press all attended to witness and debate major issues confronting the community. On a national level, the House and Senate leadership built galleries from which the public could view congressional debate.

Today, our laws have grown more complex, as have our legislative and executive branches of Government. Still, members of the public can watch Senate debate from the gallery above me. Or they can see it on C-SPAN. Likewise, they can attend most hearings and markups.

In the executive branch, the growing complexity and impact of its work has also required that we come up with new methods to ensure pubic accountability. The Administrative Procedure Act, the Freedom of Information Act, and the Government in Sunshine Act are perhaps the most notable of these efforts to maintain openness in the executive branch. However, they appear to be not enough. Over the last decade, we have seen the Bush and Reagan administrations implement a process of Presidential regulatory review that has undermined the basic principles of openness and public accountability in Government. Both administrations have invoked the foil of executive privilege to prevent the public from knowing about their regulatory decisions for fear of the potentially damaging political consequences.

As chairman of the Committee on Governmental Affairs, I have been involved in the oversight of how the executive branch implements congressionally enacted law through the rulemaking process. Over the last 5 years, I've held a number of hearings on how both administrations, through the hand of OMB, has weakened Federal agency rules in the areas of environmental protection, health care reform, alcohol labeling, and worker safety. Unfortunately, the when, where, and why of OMB's actions are difficult to determine, primarily because there has been so little record made available to the public of OMB's involvement in the regulatory process.

Last year, I thought we had solved this problem of openness in presidential regulatory review. The administration and members of both the Senate Governmental Affairs and House Governmental Operations Committees reached bipartisan agreement to impose new regulatory review procedures on OMB as part of reauthorization of the Paperwork Reduction Act. Unfortunately, the legislation died in the waning moments of the last Congress, thanks to anonymous Republican holds apparently engineered by certain factions within the administration.

This year when I went to reintroduce the same bipartisan agreement, the administration backed away from its support. I found this to be a disturbing development. I found it even more disturbing to learn that while on one hand the administration was supposedly negotiating in good faith on OMB regulatory review procedures, on the other it was developing a whole new process of regulatory review—this time conducted by the Vice President's Council on Competitiveness.

A number of reports have come out recently of how the Council and OMB have rewritten EPA rules on the Clean Air Act and Wetlands Protection as well as OSHA standards on formaldehyde exposure in the workplace. However, these reports are just that, reports based largely on leaks of information combined with some fact and some supposition. When I held a hearing on October 24 to try to corroborate the information in these reports, the administration refused to send a witness to respond to our questions. Other witnesses at the hearing, however, pointed to heavy-handed intervention by the Council and OMB in agency rulemaking decisions. Without public access to the regulatory review process, neither Congress, the courts, nor the public can know for sure what the true story is behind the involvement of OMB and the Council in regulatory review.

The Regulatory Review Sunshine Act would open up the Federal regulatory review process to the public eye. Agencies would be required to publish in the Federal Register a list of rules being reviewed by the administration, as well as explain how such review has affected their rulemaking decisions. The Council and OMB would have to disclose to the public and the rulemaking agency a record of all documents pertaining to review of an agency's rules, including communications with organizations outside of the Government. They would also have to comply with reasonable time limits on regulatory review.

I would like to point out that this legislation does not deny the right of the President to review agency rules. I believe Presidential regulatory review is an entirely appropriate process, if it is done fairly to bring needed balance to Federal rulemaking. However, our oversight has shown that this has not been the case. We therefore need this legislation to bring openness and accountability to this process and to ensure that all views are heard and given equal consideration in regulatory review.

The importance of sunshine and openness in the Federal Government cannot be overemphasized. I firmly believe that if a policy or decision of the Federal Government cannot stand up to public scrutiny, then it was a bad choice in the first place. Secrecy in Government is a sign that we don't have confidence in the American public. And a government that does not have confidence in its people is not the kind of Government our Nation's Founders intended for us to have.

To ignore the need for this legislation is to turn a blind eye toward how backdoor lobbying and behind-closed-doors dealmaking can unfairly sway decisionmakers, intimidate agency scientific and technical experts, and ultimately undermine the implementation of law. I ask unanimous consent that a copy and summary of the legislation, as well as several articles on the Council on Competitiveness, be inserted into the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

S. 1942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Regulatory Review Sunshine Act of 1991".

SEC. 2. DEFINITIONS.

For purposes of this Act, the term—

(1) "agency" means an agency as defined under section 551(1) of title 5, United States Code, and section 552(f) of title 5, United States Code;

(2) "regulatory review" means the evaluation, review, oversight, supervision, or coordination of agency rulemaking activity by a reviewing entity directed by the President or his designee to conduct such review;

(3) "reviewing entity" means any agency, or other establishment in the executive branch of the Federal Government established by the President, which engages, in whole or in part in regulatory review;

(4) "review action" means any action, including but not limited to a recommendation or direction, regarding an agency rulemaking activity taken by a reviewing entity; and

(5) "rulemaking activity" means any activity involving a rulemaking as defined under section 551(5) of title 5, United States Code, and includes activity involving a schedule or plan for rulemaking, strategy statements, guidelines, policy manuals, grant and loan procedures, advance notices of proposed rulemaking, press releases and other documents announcing or implementing regulatory policy that affects the public.

SEC. 3. DISCLOSURE BY A REVIEWING ENTITY.

(a) PUBLIC ACCESS.—A reviewing entity shall establish procedures, consistent with subsection (b), to provide public access to information concerning each agency rulemaking activity under its review. Such information shall include a copy of—

(1) all written communications, regardless of format, including drafts of all proposals and associated analyses, between the reviewing entity and the rulemaking agency;

(2) all written communications, regardless of format, between the reviewing entity and any person not employed by the Federal Government;

(3) a summary, including date, participants, and substance, of all oral communications relating to the substance of an agency rulemaking activity, including meetings, between the reviewing entity and the rulemaking agency or any person not employed by the Federal Government;

(4) a written explanation as required by section 4(c) and the date of any significant review action;

(5) any notice of any extensions of review under section 6; and

(6) a register for each rulemaking activity which shall identify the rulemaking activity, the rulemaking agency, the date of receipt by the reviewing entity of the rulemaking activity, any review actions, the date of such actions, and the authority for review.

(b) PROCEDURES.—Information described under subsection (a) shall be made available to the public upon request—

(1) within 5 working days of receipt or creation by the reviewing entity;

(2) in a manner consistent with the requirements of section 552(a) of title 5, United States Code; and

(3) for review, and copying, in a publicly accessible reading room during normal business hours.

SEC. 4. DISCLOSURE TO A RULEMAKING AGENCY BY A REVIEWING ENTITY.

(a) WRITTEN COMMUNICATIONS.—A reviewing entity shall transmit to the rulemaking agency, on a timely basis, copies of any written communications between the reviewing entity and any person not employed by the Federal Government concerning the substance of a rulemaking activity of that agency.

(b) ORAL COMMUNICATIONS.—A reviewing entity shall disclose to the rulemaking agency, on a timely basis, all oral communications, including meetings, between any person not employed by the Federal Government and the reviewing entity concerning the substance of a rulemaking activity of that agency. The reviewing entity shall—

(1) advise the rulemaking agency of the date, participants, and substance of such communications; and

(2) invite the rulemaking agency head or designee to all scheduled meetings involving such communications.

(c) EXPLANATION OF SIGNIFICANT REVIEW ACTION.—A reviewing entity shall, in a timely manner, provide the rulemaking agency with a written explanation of any significant review action taken by the reviewing entity concerning an agency rulemaking activity.

SEC. 5. PUBLIC DISCLOSURE BY A RULEMAKING AGENCY.

(a) EXPLANATIONS.—For each proposed and final rule, a rulemaking agency shall explain in its rulemaking notice any significant changes made to such rule as a consequence of regulatory review.

(b) RECORD.—A rulemaking agency shall place in the appropriate rulemaking record all of the documents received from a reviewing entity as required under section 4.

SEc. 6. TIME LIMITS FOR REVIEW.

(a) TIME LIMITS.—Within 60 days after the receipt of a rulemaking activity submitted to a reviewing entity for review, the reviewing entity shall conclude review of the rulemaking activity. The reviewing entity may, for good cause explained to the rulemaking agency extend the time for review for 30 days.

(b) RESOLUTION OF OUTSTANDING ISSUES.—If the President, or such other person or entity as the President may designate, reviews for resolution an issue arising out of a regulatory review—

(1) the applicable time limits described under subsection (a) may be extended, al-

though any such issue shall be resolved as promptly as practicable; and

(2) any such review shall be subject to the requirements of this Act, except for section 6(a).

(c) EXTENSIONS.—A reviewing entity shall notify the rulemaking agency of an extension beyond 60 days and provide public notice, pursuant to section 3. The rulemaking agency shall promptly publish a notice of any such extension in the Federal Register.

SEC. 7. PUBLIC ACCOUNTING OF REGULATORY REVIEW.

(a) PUBLICATION OF ACCOUNTING.—The Office of Management and Budget shall prepare and make available to the public a monthly and an annual accounting of regulatory review conducted by any and all reviewing entities. Such accounting shall include a list of all rulemaking activities submitted to a reviewing entity for review, under review by a reviewing entity, or for which a review action was taken by a reviewing entity during the reporting period.

(b) INFORMATION INCLUDED IN ACCOUNTING.—The monthly accounting required under subsection (a) shall be prepared and made available to the public within 10 working days of the end of each month and shall include the name and type of each rulemaking activity reviewed, the reviewing entity, the rulemaking agency, the date of submission, the status of review, any review action, and the date of such action.

(c) FEDERAL REGISTER PUBLICATION.—Each rulemaking agency shall publish in the Federal Register within 10 working days for the end of each month a list of all rulemaking activities undergoing regulatory review during the preceding month. Such list shall include the name and type of each rulemaking activity, the reviewing entity, the date of submission, any review action taken during the reporting period, and the date of any such action.

SEC. 8. EXCLUSIONS.

Oral communications with the President, the Vice President, the Administrator of the Environmental Protection Agency, the Director of the Office of Management and Budget, and the heads of executive departments as defined under section 101 of title 5, United States Code, are not covered by this Act.

SUMMARY, PROPOSED LEGISLATION—REGULATORY REVIEW SUNSHINE ACT OF 1991

This legislation establishes basic public accountability procedures for executive branch regulatory review of Federal agency rulemaking activity.

A decade of congressional oversight of OMB regulatory review has built a strong record for this bill. The Governmental Affairs Committee's October 24, 1991, hearing on the Council on Competitiveness has now shown the urgent need for it.

The bill is based on previous legislation considered by the Governmental Affairs Committee (from Senator Levin's 1982 regulatory reform amendments, to title II of this year's S. 1044, introduced by Senators Glenn, Levin, and Akaka). It also reflects provisions initially agreed to by the Administration in negotiations with the Committee in October 1990, as well as between the Administration and the House Government Operations Committee in November 1989.

The legislation establishes basic procedures for any regulatory review process created by the President, including OMB and the Council on Competitiveness. This is made clear by the broad definitions of "regulatory review," "reviewing entity," "review action," and "rulemaking activity" (sec. 2. Definitions).

I. DISCLOSURE BY A REVIEWING ENTITY (SEC. 3)

The reviewing entity is required to create procedures for making the following information available to the public:

(1) All written communications between the reviewing entity and the rulemaking agency;

(2) All written communications between the reviewing entity and any non-governmental party;

(3) A summary of substantive oral communications between the reviewing entity and the rulemaking agency or any non-governmental party;

(4) A written explanation of any significant review action;

(5) Notice of any extension of regulatory review; and

(6) A register of rulemaking activities under review.

A reviewing entity must place this information in a public reading room within a week. It must also provide public access to the information as required by the Freedom of Information Act.

II. DISCLOSURE TO A RULEMAKING AGENCY BY A REVIEWING ENTITY (SEC. 4)

Regulatory review entities are required to inform rulemaking agencies about regulatory review, by sending them:

(1) Written communications between the reviewing entity and any non-governmental party;

(2) A description of oral communications between the reviewing entity and non-governmental parties, and an invitation to attend such meetings; and

(3) An explanation of significant review actions.

III. PUBLIC DISCLOSURE BY A RULEMAKING AGENCY (SEC. 5)

Rulemaking agencies are required to place materials received from the reviewing entity in the rulemaking record, and to explain in all rulemaking notices any significant changes made to the rule as a result of regulatory review.

IV. TIME LIMITS FOR REVIEW (SEC. 6)

Regulatory review is to be concluded within 60 days. The reviewing entity may, for good cause explained to the rulemaking agency, extend its review for 30 days.

If the President, or someone designated by the President, reviews an issue arising out of regulatory review the review time limits may be extended, although such issue shall be resolved as promptly as practicable, and such review shall be subject to the public disclosure and agency notice requirements of the Act.

The reviewing entity must notify the rulemaking agency of any extension beyond 60 days, and the rulemaking agency must then publish a notice of the extension in the Federal Register.

V. PUBLIC ACCOUNTING OF REGULATORY REVIEW (SEC. 7)

The Office of Management and Budget (OMB) shall prepare and make available to the public a monthly and an annual accounting of the regulatory review activities of all reviewing entities. Each rulemaking agency shall publish a monthly listing in the Federal Register of all rulemaking activities undergoing regulatory review during the preceding month.

VI. EXCLUSIONS (SEC. 8)

Oral communications with the President, the Vice President, the Administrator of the Environmental Protection Agency, the Director of the Office of Management and Budget, and the heads of the Executive Departments, as defined by 5 U.S.C. 101, are not covered by this Act.

[From Time, Nov. 4, 1991]

THE ADMINISTRATION: NEED FRIENDS IN HIGH PLACES?

(By Michael Duffy)

WASHINGTON. William Reilly thought he had a deal. The besieged chief of the Environmental Protection Agency was certain Dan Quayle had agreed that any piece of land that was flooded or saturated with water for 15 consecutive days a year would constitute a "wetland" and deserved protection from private development. The next day Reilly received a call from Allan Hubbard, who heads Quayle's Council on Competitiveness, telling him the deal was off. Within days the council hatched a new plan, narrowing the definition of "wetness" by six extra days, satisfying a powerful coalition of farmers and builders and reducing America's wetlands by as much as 30 million acres.

Reilly was privately steamed. If George Bush persuaded Congress last year to pass most of his kinder, gentler, legislation untouched, Quayle's Council on Competitiveness is spending much of this year making sure that the new environmental and health laws are as beneficial to business as possible. California Democrat Henry Waxman calls the council a "shadow government." Senator Albert Gore believes that the mysterious body allows Bush to pose as an environmentalist long enough "to justify a television commerical. Then, behind the scenes, the [council[guts the law."

Bush created the panel in 1989 but gave it new powers a year later, when he began hearing complaints from friends that his government was reregulating industries that the Reagan Administration had sought to deregulate. Not long afterward, the President appeared before aides one morning waving a newspaper clipping about reregulation and asking, "What's going on here?" Bush, who headed a task force on regulatory relief as Vice President, asked Quayle to review new regulations to make sure that costs would not outweigh benefits. Lacking a high-profile White House role at the time, Quayle jumped in with both feet.

This is no renegade operation: Bush, chief of staff John Sununu and Budget Director Richard Darman are fully apprised of the panel's activities. When such agencies as the EPA and the White House differ over how aggressively to implement a law, the council moves in to referee. Staffed by fewer than a dozen officials, who are, even by Bush White House standards, unusually conservative, the council regularly sides with business against the environment. Even Administration officials marvel at how powerful the body has become. "Because Quayle has Bush's total confidence," said a former Administration official, "nobody can touch those guys."

The council's favorite target is the 1990 Clean Air Act, which the White House backed but now fears will cost more than $26 billion to implement. Last summer the council asked the EPA to make more than 100 changes in proposed regulations for carrying out the act, changes that top EPA officials say undercut the law. The most controversial proposed change would allow polluters to unilaterally increase their emissions if states ignore a waiver request for more than seven days. "You could drive a big truck through some of those holes," said a top EPA official.

The council has also opposed an EPA plan to require liners and leachate collection systems at all new solid-waste landfills. For nearly a year, the council argued that the plan was too costly, though other officials noted that in the past five years no city has permitted the construction of a new landfill without such equipment. The nation is short on landfills, and the rules for creating new sites already three years behind schedule.

Hubbard, a gregarious Indian entrepreneur who ran Pierre du Pont's 1988 presidential bid, points out that thse who object to the council's rulings are free to mount challenges in the courts. Hubbard says the council's goal is to improve the nation's competitiveness, not to shelter industry from regulation. "The higher the cost of the regulation, the higher the cost of the product to the consumer," he explains. "Our whole effort is to protect the consumer and the American worker."

There's a little more to it than that. The council is potentially a political gold mine for Quayle, who often refers businesspeople with complaints about government meddling to his eager staff of deregulators. The council spearheaded Quayle's attack on lawyers and excess litigation last August, and is preparing to move beyond reviewing new regulations to tackling rules already in place. While Quayle's detractors dismiss the Vice President as silly and feckless, his shrewd handling of the council's affairs in just another sign that he is taking full advantage of his office.

For Bush, who in the midst of a sluggish recovery can neither pass out tax cuts nor launch spending programs to promote economic growth, the council is "the only game in town," an official said. "The one thing that can cause George Bush problems in 1992 is the recession." The council also exemplifies Bush's have-half approach to political problems. In 1992 he can run as an environmentalist while telling industrialist he's on their side too.

[From the National Journal, July 6, 1991]

QUAYLE'S QUIET COUP

(By Kirk Victor)

Even as Jay Leno continues to dish out one-liners at his expense and David Letterman jabs him with brutal barbs, Vice President Dan Quayle is ever-so-quietly beginning to get the last laugh. As the chairman of the President's Council on Competitiveness, Quayle has become the Bush Administration's point man in shaping the nation's regulatory agenda—a role that has delighted the business community and dismayed public-interest groups.

Among the first to say that the standup comics are far off the mark in portraying Quayle as Bush's brainless second banana are environmental activists, who have been stung by what they see as the council's repeated efforts to weaken the Environmental Protection Agency's (EPA's) proposed regulations for the 1990 Clean Air Act.

Liberal lawmakers have joined the activists in denouncing the council, calling it the base of operations for a small band of zealots who do the bidding of business interests under the guise of promoting U.S. competitiveness. But as the critics' rhetorical level rises, so too have countervailing noises from industry representatives and others who praise the council's willingness to subject the proposals of government agencies to stringent cost-benefit analyses.

It's no surprise that the group has stirred up so much consternation in some quarters. It has weighed in on issues from national recycling requirements to emissions standards for industries throughout the country. On these and other contentious matters, it has turned into something of a court of last resort for parties who feel that they haven't gotten a fair shake from federal bureaucrats. "When they feel like they are being treated unfairly, they come to us," said Allan B. Hubbard, the council's executive director and Quayle's deputy chief of staff.

The council's clout has been so great, particularly in taking aim at EPA's proposals, that Rep. Henry A. Waxman, D-Calif., chairman of the Energy and Commerce Subcommittee on Health and the Environment, angrily denounced it in an interview and even wondered how long top EPA officials could live with having their decisions systematically undermined by White House aides whose primary allegiance, he said, is to business interests.

"The Environmental Protection Agency, by and large, is trying to live up to the law and follow what they think is the right course from a policy perspective, based on their expertise, and then they get overturned by a group that has no knowledge about the law, no expertise in the field, but only is responding to pressures from industry," Waxman said. "We have a pretty clear sense from EPA that they're not happy, but their hands are tied and they feel they don't have the power to stand up to the council."

EPA administrator William K. Reilly, however, maintained that his agency—not the council—makes the final call. "They have no authority to direct me in how I'll administer the law."

But Waxman is adamant that the council has overstepped its authority. "It's unacceptable to me as a Member of Congress to have the law flouted by an agency that is not spelled out in any law or in the Constitution as having this kind of centralization of power to operate behind the scenes and to respond solely to the pressures of big business," he said.

Asked about the council's authority, Hubbard referred to Executive Order 12291, issued by President Reagan on February 17, 1981, which created the Task Force on Regulatory Relief, chaired by then-Vice President George Bush. The President's Council on Competitiveness is the task force's successor.

Hubbard also had a suggestion for Waxman and other critics, who contend that the council is unlawfully meddling in the rulemaking process and conducting its business in secret. "Whenever a regulation is issued that someone thinks is inconsistent with a statute, all they have to do is to take it to court, and the court will adjudicate the matter," Hubbard said. (In April, the Natural Resources Defense Council Inc. [NRDC] sued EPA to force the agency to adopt recycling regulations that the competitiveness outfit had crushed.)

Hubbard pointed out that all proposed regulations must be published so the public has an opportunity to comment on them before a final rule is issued. But he acknowledged that in reviewing a proposed regulation or the draft of a final regulation, "we don't ask 250 million Americans to come in and help us."

Hubbard and David M. McIntosh, the council's soft-spoken deputy director, portray the group as a neutral body with no preconceived agenda. The council, Hubbard said, is simply "driven by the numbers and by the desire to minimize regulations and to make regulations as unburdensome as possible while meeting the requirements of the statutes."

Hubbard's characterization provokes scorn from Rep. Gerry Sikorski, D-Minn., a member of Waxman's subcommittee. "What you have here is a special-interest waltz that they do," he said. "Then they come out and say [a proposal] is anti-business."

THE REDTAPE BRIGADE

Hubbard and McIntosh insist that their mission is simply to carry out President Bush's marching orders. Bush recently praised the council for attacking "the scourge of unnecessary regulation," which he contended cost the economy $185 billion last year. Because about half of the cost stems from environmental rules, McIntosh said, EPA regulations are the subject of much of the council's work.

The White House's renewed assault on regulations came after Bush had heard criticism from friends in the business community that his Administration was reversing what he had accomplished as Vice President by issuing lots of "extraneous regulations," said Wayne H. Valis, who, as a member of the Reagan White House staff, had worked with Bush in the early 1980s on the regulatory reform effort.

So upset was Bush about tales of burgeoning regulations that over the 1989 Christmas holidays, he directed a top aide to track Valis down—finally contacting him as he was riding a camel in Egypt—to set up a meeting to discuss how the earlier effort on regulatory relief had worked. Within months, the council got a jump-start.

Though it had been established on March 31, 1989, the council initially seemed to be little more than a facade that allowed the Administration to at least give a passing bow to the increasingly contentious debate over U.S. global competitiveness. It had no full-time staff and no real structure until Hubbard was brought on board in July 1990, followed in short order by McIntosh.

Hubbard, a 43-year-old Harvard-educated lawyer and entrepreneur who owns a specialty chemicals company in Indiana, also brings political skills to the job. He managed the presidential campaign of former Delaware Gov. Pierre S. (Pete) du Pont IV in 1988 and was deputy convention manager for Bush at the Republican National Convention. Last year he served as vice chairman of Dan Coats's successful senatorial campaign in Indiana.

McIntosh, who also serves as assistant to the vice president for domestic policy, had been Quayle's deputy counsel before joining the council. Before that, he was special assistant to President Reagan for domestic affairs. His solid conservative legal background also includes a stint as special assistant to former Attorney General Edwin Meese III. A graduate of the University of Chicago Law School, McIntosh, 33, is a co-founder and co-national chairman of the right-leaning Federalist Society for Law & Public Policy Studies.

The council relies heavily on other members of Quayle's staff and works closely with the Office of Management and Budget (OMB). Its permanent members, in addition to the Vice President, are six Administration luminaries: Treasury Secretary Nicholas F. Brady, Commerce Secretary Robert A. Mosbacher, Attorney General Dick Thornburgh, chairman of the Council of Economic Advisers Michael J. Boskin, OMB director Richard G. Darman and White House chief of staff John H. Sununu. They meet about every other month.

Don't let the involvement of the heavy hitters fool you, said David D. Doniger, senior attorney at the NRDC. "What you have is minimal involvement by Cabinet-level officials on the council and very heavy involvement by what is becoming a permanent bureaucracy, a power center in the White House," he said. "They see it as their prerogative to make the decisions on issues that rise to their attention."

McIntosh, however, paints a more systematic and less ad hoc picture, noting that issues rise to the council's attention either when one agency disagrees with another over a proposal or when an agency disagrees with the review of a regulation by OMB's Office of Information and Regulatory Affairs.

The council has also tackled Quayle's personal hobby horses, such as biotechnology, a $2 billion business in the United States that—barring the impediment of unnecessary regulations—is expected to hit $50 billion annually by the year 2000, according to a glossy four-color brochure that the council issued in February.

On the regulatory front, Quayle ruffled some feathers in March, when he sent a memorandum to all department and agency chiefs in which he enumerated a sweeping list of items subject to cost-benefit review. Although Hubbard said that the list simply conformed to Executive Order 12291, Quayle's inclusion of press releases and strategy statements raised some eyebrows.

"This has not happened before, where the Vice President reached in an actually told agencies how to comply with regulatory review," a Senate aide said. "It is a significant symbolic step of vice presidential hands-on control of regulatory review, which is unprecedented."

The council is also preparing a white paper on the future of the telecommunications industry and has a working group exploring ways to streamline the process for approving new drugs. Another working group is looking at reform of the civil justice system. The council has supported legislation to overhaul product liability laws, arguing that litigation costs and liability risks impede product development.

But Sikorski is not buying for a moment the council's professed agenda. "They can't point to a single item that has made American industry more competitive," he said. "What they can point to is a bunch of backdoor, secret decisions that bailed out special interests—business interests."

Echoing Sikorski's view and even likening the council's methods to Oliver L. North's, Waxman fumed that by taking actions contrary to what Congress had prescribed and pursuing its agenda in a forum not open to the public, the council is "not accountable in any way."

"They see themselves and openly declare themselves as a place where industries can come in and overturn Congress and the regulatory agency, even though they've made their case and lost it in the places where authority rests—Congress in the first instance, the agency in the second," Waxman said.

Noting that Waxman can always call on senior Administration officials to testify, Michael M. Uhlmann, an attorney who sought out the council's help in resolving a dispute over the liability of financial institutions for hazardous waste cleanup costs, said that it is "not fair" to say that the group's work "occurs in the dark by conspiratorial forces you can't get at."

Similarly, Kent W. Colton, executive vice president of the National Association of Home Builders, who has met with the council on several occasions, disagreed with those who called it a closed shop. He said that he welcomed its involvement as "a broker" in helping to make certain that all views are heard, including those of business, which are sometimes short-changed by agency bureaucrats.

McIntosh also flatly disputes the notion that the council has displaced the decision-making authority of agency chiefs, noting that if an environmental issue is raised at the council, EPA administrator Reilly simply weighs the council's recommendations in his deliberations before issuing a rule, but "the discretion remains with him."

Waxman, however, is unpersuaded. "I'm saying that Reilly does not have the final say even though by law he should," he said.

BATTLING THE BUREAUCRACY

The critics' fury toward the council has stemmed from its recent handling of several politically charged issues. It helped to scuttle an ambitious recycling requirement that EPA had favored; it sided with a power station targeted by EPA to substantially reduce its sulfur dioxide emissions and, thereby, clear the air around the Grand Canyon; and, most recently, it refereed a dispute between Treasury and EPA and helped to limit the liability of banks and other lenders for cleanup costs under the superfund—a position harshly criticized by some environmentalists.

Add to that list the council's ringing affirmation of private-property rights, as reflected in its strong support of an amendment to the Senate's highway reauthorization bill that would require federal agencies to pay property owners for "takings" that affect property values, as in the case of setting aside wetlands. The amendment, for which Quayle lobbied, received 55 votes and would prevent any regulation from being issued unless the Attorney General certified that it complied with the executive order requiring agencies to review their actions to minimize the taking of private property.

Describing the issue as "somewhat technical" but one that "will have a big impact," Hubbard said that it "will force an agency, before imposing a regulation on your property, to assess whether a taking will occur. That will make the agency more cautious about imposing regulations that have the effect of a takings."

But critics say that it is simply a barely disguised effort to discourage agencies from issuing regulations, including those designed to protect pristine land from development. "It gives the Attorney General virtual carte blanche to veto or indefinitely delay any federal regulation on any issue, no matter how badly that regulation is needed to protect people's rights to breathe clean air, to have the health and safety of food assured and a wide variety of other rights," said Glenn P. Sugameli, counsel for public lands at the National Wildlife Federation.

Even Charles Fried, the Reagan Administration's solicitor general and hardly a bleeding-heart liberal, recently wrote in Order & Law: Arguing the Reagan Revolution—A Firsthand Account (Simon & Schuster Inc., 1991) that using the takings clause of the 5th Amendment of the Constitution as a "severe brake upon federal and state regulation of business and property" had been part of a "quite radical project" hatched by Meese and "his young advisers—many drawn from the ranks of the then fledgling Federalist Societies and often devotees of the extreme libertarian views of Chicago law professor Richard Epstein."

Sen. Steven D. Symms, R-Idaho, the sponsor of the amendment, listed more than 60 business groups that supported it, but Sugameli said the list constituted "basically a who's who of special interests who argue they want to be basically immune from all sorts of federal regulations."

Six months before it weighed in on the primacy of private-property rights, the council induced Reilly to back off of a proposed regulation under the Clean Air Act that would have required the diversion of at least 25 per cent of recyclable garbage from trash headed for municipal incinerators.

EPA conducted three studies of the costs of recycling and concluded that there would be a net savings as well as indirect benefits—less air and water pollution. But McIntosh said that the final decision was based chiefly on a cost-benefit calculus that showed the recycling requirement added $100 million to the cost "without any additional air-quality benefits."

Doniger strongly disagreed with that assessment. "If this rule doesn't pass the cost-benefit test, then it shows that there is no neutral application of that test," he said. "Even in the worst possible assumptions, the cost is less than the price of one month's worth of bubble gum for my kids per person."

The proposal would fail to pass a cost-benefit analysis only under the most pessimistic assumptions—that is, if there were no market for recycled products and extraordinarily high costs for segregating recyclable garbage, he added.

Among those upset by EPA's recycling proposal and who lobbied the council were a phalanx of municipal and county officials concerned about its cost and its breadth. Noting that EPA lacked the legal authority to require that the diverted trash be recycled under the Clean Air Act—only that it not be burned and cause dirty emissions—Barbara Paley, an associate legislative director at the National Association of Counties, said that the agency didn't care what you did with the garbage after it had been separated.

"You could leave it at the curb forever, put it in a landfill or dump it on the White House steps. They didn't care as long as it didn't show up at your incinerator," she said. "That was one of the things we thought was so ridiculous about the whole thing."

EPA didn't seem open to practical problems," agreed Richard F. Goodstein, divisional vice president of national government affairs at Browning-Ferris Industries Inc., a leader in the waste energy business.

Paley and other lobbyists called the White House, sent follow-up letters, and even met several times with White House aides. They were advised to contact the council, which Paley had never heard of. They hit pay dirt when OMB found that the proposal did not pass muster under a cost-benefit test and ran counter to principles of federalism, because garbage was an area traditionally reserved for state and local government action.

"The idea that there's some pristine constitutionally hallowed role for localities in handling garbage is silly." Doniger said. He noted that regulations for managing garbage by states and localities exist under the 1976 Resource Conservation and Recovery Act, a law that governs solid waste.

Reilly and one of his top lieutenants also disagreed with OMB's conclusion and decided to make their pitch to the council, but "they got rolled." said Doniger, who fortuitously happened to have a meeting with Reilly on Dec. 19—the same day he lost before the council. Reilly briefed him and other environmentalists about the council meeting and was "a good soldier," but "he also made clear he was very disappointed." Doniger said.

Reilly, however, maintained that he "voluntarily withdrew" the proposal. "Obviously I had a position that I went in and advocated, and it is not the position I agreed to when I came out," he said. "People have built a cathedral on that point. I think, and come to see many more problems in the competitiveness council than in fact we have experienced."

END RUNS

Ironically, Paley, who was pleased with the result, still has some misgivings about how the President's Council on Competitiveness got the job done. "This is not the way you want to go, because you don't want to turn these things into political power battles devoid of the issue," she said. "We think there is a good, sensible, substantive argument that can and should be made and be understood by the agency. That's the way I would prefer to proceed: to have the agency understand what it is that they have done rather than go back around and [obtain a result based on] who whispers in whose ear.

"It's nice that we got it, but I guess that there may be times when we will be concerned about an organization like the competitiveness council, which nobody knows a whole lot about and nobody knows who does what to whom there. We don't think that you should have to go around the back door to groups that are not out there in the open and who do not function in a substantive area to achieve this kind of objective."

No less controversial than the council's involvement in the recycling issue was its work in setting back another proposal dear to Reilly: his effort to eliminate the pollution that obscures the magnificent vistas around the Grand Canyon. Invoking the clean air laws, Reilly sought a steep reduction in sulfur dioxide emissions from the Navajo Generating Station, a coal-fired power plant 80 miles northeast of the park.

Reilly's original goal was to gain a 90 percent reduction in the plant's sulfur dioxide emissions, but he encountered stiff opposition from within the Administration and from the plant's operators. Another complication: The Interior Department's Bureau of Reclamation owns more than a 20 percent stake in the plant.

D. Michael Rappoport, an associate general manager at the Salt River Project, which operates the generating station, contended that the costs of meeting Reilly's target were astronomical, reaching into the billions of dollars.

"We came to the conclusion that there is no empirical or common-sense basis for imposing those costs on customers for minimal [benefits] that might arise." Rappoport said, "We were concerned fundamentally that EPA was not hearing our concern and was proceeding on a regulatory track that had very significant [monetary] consequences. We began to look for other opportunities to share our concern."

Those opportunities included a stop at the President's Council on Competitiveness. "What the competitiveness council provided was an opportunity to get economic considerations into the equation, which often are overlooked." Rappoport noted. "It provides a very important forum for presenting a point of view that we felt needed to be factored into the equation."

The council ultimately helped to persuade EPA to propose a 70 per cent reduction, although it is also receiving public comments on the more ambitious 90 per cent standard (which would increase the visibility range even more), according to government data.

Hubbard again referred to the council's concern as stemming from a straight cost-benefit analysis, but he pointed out that the proposal includes several options for people to comment on. "I'm certain that administrator Reilly is not uncomfortable with the proposed regulation," he added.

But Doniger said that the 70 per cent standard means there is three times as much pollution. "It's really a question of whether you'll have 10 percent of pollution left or 30 per cent," he said.

The council is sure to draw further fire from environmentalists with its recent announcement that it would be taking a look at the government's Wetlands Delineation Manual, which specifies environmentally sensitive areas that require a permit before they can be developed. In a May 7 press release, the council reaffirmed Bush's commitment to a policy of "no net loss" of wetlands while it promoted such legitimate land use as farming, housing development and construction of roads and airports.

Colton, for one, is pleased by the council's review of the wetlands issue. "It's very useful to have somebody say, 'Let's be concerned about the environment, but let's recognize that you need balance in some of these areas in order to achieve what needs to be done.'" he said. "Some of these [environmentalists] might be upset because they do have the ear of the bureaucracy and have been able to work closely with the EPA. They certainly would be opposed to somebody else entering the picture and trying to facilitate a dialogue that would achieve a balance, but everybody plays the game the best they can."

Indeed, perhaps the smoothest players of all are Hubbard and McIntosh, who have adroitly used the trump cards that Quayle dealt them, to the chagrin of environmentalists.

[From the Wall Street Journal, July 8, 1991]

WHITE HOUSE COMPETITIVENESS COUNCIL PROVOKES SHARP ANGER AMONG DEMOCRATS IN CONGRESS

(By Jeffrey H. Birnbaum)

WASHINGTON.—California Rep. Henry Waxman calls it "sinister." To Massachusetts's Rep. Gerry Studds, it's "Orwellian." And Minnesota Rep. Gerry Sikorski accuses it of nothing short of "treason."

What could possibly trigger such rage from these liberal Democrats? Why, it's the innocently named White House Council on Competitiveness, which is fast emerging as a major flashpoint in the regulatory battles between the Bush administration and Democrats in Congress.

The council, which is made up of highranking administration officials, exists ostensibly to help the administration speak with one voice on issues involving international competitiveness. But Democrats charge that, through its process of reviewing the routine-but-important regulations that enforce new laws, the council is secretly and probably illegally seeking to thwart the intention of those laws—especially the Clean Air Act—to benefit business interests.

"There's no legislative authority for what they're doing," asserts Rep. George Miller, the California Democrat who chairs the House Interior Committee. "It's a serious breach of the separation of powers."

To make their point, the Democrats have staged two lengthy congressional hearings and are planning a series of others; party leaders say they even hope to turn the council into an issue in the 1992 campaign. In addition, environmental groups are gearing up legal challenges to the council's basic authority.

Council aides and congressional Republicans scoff at all the fuss, and defend the group's activities as not only desirable but also almost completely immune from legislative attack. The Democrats' grousing, they add, won't deter it from broadening its influence in coming months on matters that range from civil justice to clean air to telecommunications.

"BROAD-RANGING" MANDATE

"The council's mandate is broad-ranging," says Allan Hubbard, the councils executive director and a top aide to Vice President Quayle, its chairman. "We obviously want to have an impact." (What's more, riling Democrats on such nuts-and-bolts issues as regulation is just what some GOP strategists think the vice president needs to do to dispel his reputation as a lightweight.)

President Bush established the council soon after taking office in 1989. Besides Mr. Quayle, it includes White House Chief of Staff John Sununu, Budget Director Richard Darman, Treasury Secretary Nicholas Brady, Commerce Secretary Robert Mosbacher, Attorney General Dick Thornburgh and Michael Boskin, the chairman of the Council of Economic Advisers.

Last summer, President Bush gave the council its first concrete task, the same one he himself had spearheaded during the Reagan administration: pushing for deregulation. Any new rules that would impose more costs on business than they would generate benefit to the rest of society, he directed, should be held up and revised.

The major test of this mandate came with the enactment last November of the Clean Air Act. The Environmental protection Agency has been obliged to develop hundreds of regulations to implement the act and other related laws, and the Council on Competitiveness quietly became a forum for appeals on any of the rules that were the subject of disputes between the EPA and other agencies.

Among other things, the council has been instrumental—either directly or through informal talks within the executive branch—in blocking a proposal to require recycling at municipal incinerators; putting off a plan to discourage the incineration of lead batteries, a source of toxic pollution; and softening a proposal to improve visibility in the Grand Canyon by sharply reducing sulfur dioxide emissions from a nearby power plant.

POLLUTION ISSUE

The council staff also helped fashion a rule that critics charge would allow big factories and utilities to unleash almost limitless pollution into the air unless a state government objects within seven days. (The EPA disputes the characterization, and says in any event that the rule isn't yet final.)

"The Council on Competitiveness has taken on the task of helping polluters block EPA's efforts to write Clean Air regulations with the unabashed purpose of protecting industry from the cost of regulation," fumes Rep. Waxman, who chairs the House environment subcommittee. Rep. Miller charges that council members "are quietly, secretly meeting with God-knows-who," and refers to the council as "a polluter star chamber."

Republicans rebut the attacks just as angrily, contending that the council's activities are well within the prerogative of the executive branch and shouldn't be subject to congressional meddling. "This is not an evil agency," says Rep. Norman Lent of New York, the senior Republican on the House Energy and Commerce Committee. "This is part and parcel of the executive agency of this government."

Rep. Lent and others say the council has clear authority to review regulations under the terms of Executive Order 12291, which was signed by President Reagan on Feb. 17, 1961. The order gave the White House's Office of Management and Budget, under the direction of the Bush deregulation task force, the authority to review existing and proposed rules. Today, the council's staff works closely with OMB's Office of Information and Regulatory Affairs to screen proposed regulations.

As a legal matter, decisions about regulations still rest with the agency of jurisdiction, and must be justified by the public record that already has been accumulated. But practically speaking, the council exercises considerable clout; though its decisions can be appealed to the president, he generally doesn't overrule them.

OMBUDSMAN ROLE

Council officials dispute that its mission is to act merely as a business ombudsman. They point out that business interests often war with each other, and are sometimes at odds with the council's own main motivation: to create jobs. "We try to get input from all sources," says David McIntosh, the council's deputy staff director. "At the staff level we meet not only with businesses, but also consumers, labor and environmental groups.

In addition to deregulation, the council also is active in developing new legislation. Its backing recently helped Idaho GOP Sen. Steve Symms insert an amendment into the Senate-passed highway bill making it harder for the government to take private property; critics contend the amendment also could frustrate future enforcement of health and antipollution laws. The council also has set as a priority the defeat of an effort by Nevada Democratic Sen. Richard Bryan to toughen auto emission standards.

The council will soon be moving into other realms as well. It is at work on proposals that would make it harder for plaintiffs to collect punitive damages in civil cases, reduce the time it takes for government approval of new drugs, open wetlands for commercial development and deregulate even further the telecommunications business.

All of which will undoubtedly outrage congressional Democrats even more. "Too much of our hard work is being ignored or reversed," charges Rep. Sikorski. "Some is being twisted, and some trashed."

[From the Wall Street Journal, July 22, 1991]

Interagency Memos Reveal White House Influencing EPA Clean-Air Proposals

(By Barbara Rosewicz)

Washington.—Documents to be divulged at a congressional hearing today raise new questions of whether the White House is improperly injecting pro-industry positions into proposed clean-air rules.

Internal government memos reviewed by this newspaper reveal how a June 6 proposal by the Environmental Protection Agency on a top-priority issue for electric utilities ended up highly favorable to the utility industry.

In an unusual regulatory process, White House economists and the Energy Department played a heavy hand in pressuring the EPA to insert provisions that would relax current regulatory practices and could help power plants avoid as much as $5 billion in pollution-control costs.

Even the Justice Department has questioned whether certain components of the proposal are legal, according to a congressional staffer and government employees who have seen a confidential memo from the department.

Although the EPA by law is in charge of drafting rules to carry out the Clean Air Act, objections by career technical and legal staff at the agency were overridden on certain key provisions. In one memo, Energy Department positions that later were included in the proposal were blasted as "hogwash" and "mostly garbage" in margin notes penned by Greg Foote, EPA assistant general counsel.

"In effect, the EPA rule-making process has been hijacked," said Rep. Henry Waxman (D., Calif.), who called Bush administration officials to Capitol Hill today to testify on the legality of the utility proposal. "What we have," he said, "is a shadow government, responsive apparently exclusively to industry, dictating the administration's policy and forcing the EPA to go along with that."

Allegations have surfaced previously that the Bush administration is illegally trying to write into regulation what it couldn't convince Congress to write into the clean-air law. An earlier hearing by Rep. Waxman focused on a proposal for issuing pollution permits to industry.

White House officials claim the Clean Air Act's high cost—at least $25 billion annually to industry by 2005—justifies their unprecedented degree of involvement in drafting even the finest details of new clean-air rules.

In the case of the utility regulation, EPA Assistant Administrator William Rosenberg argued in an interview that Congress had its chance and failed to agree on how to fix what is widely known as the Wepco problem. It was named for a case involving Wisconsin Electric Power Co., a unit of Wisconsin Energy Corp. Mr. Rosenberg said the administration set out to write a regulation to try to accomplish what it couldn't convince Congress to do.

The Wepco rule is high stakes for the electric industry. It was meant to settle a controversy over when the nation's aging power plants must install costly antipollution equipment, now required for new plants, when they do refurbishment projects to replace parts, meet new acid—rain requirements or, more broadly, to extend the lifetime of their plants.

Memos and correspondence show an unusual regulatory process in which Richard Schmalensee, who has since left his job at the White House Council of Economic Advisers, acted as mediator between the Energy Department, which wanted more exemptions for electric plants doing refurbishment, and the EPA, which wanted to limit pollution increases to result from construction work.

The EPA's original draft rule was scorned by Energy Department Deputy Undersecretary Linda Stuntz, who complained in one interagency memo that it wasn't "responsive to the needs of the electric utility industry."

Afterward, Mr. Schmalensee wrote a memo marked urgent to the EPA that also criticized the agency's draft and spelled out steps on "where and how the current draft must be modified."

Conflict over whether the administration unlawfully went too far in trying to instill flexibility for the industry is likely to be the basis for court challenges, unless there are major changes before the Wepco rule becomes final. The Natural Resources Defense Council, an environmental group that often sues over regulations, has mailed out letters to more than 90 utilities warning it thinks key portions of the proposal are illegal.

"There is no question that these changes ignore the spirit and letter of the law," said David Hawkins, a senior attorney with the NRDC and a former EPA regulator.

The administration is ready to defend its proposal. Mr. Rosenberg of the EPA said the proposal includes changes to fix legal problems cited by the Justice Department memo. Privately, however, some government employees contend legality is still a question and the administration's defense on certain issues is weak.

Mr. Rosenberg also argues that the proposal won't increase pollution because of acid-rain provisions and other antipollution laws on the books. "I'm not saying that the administration's proposal reflected everything the EPA wanted. It didn't. But it was the proposal we accepted. I don't think we're surrendering authority."

[From the Washington Post, Oct. 2, 1991]

Quayle Requests Look at Breeden Testimony

(By David S. Broder and Stan Hinden)

Vice President Quayle, responding to a plea for help from a business group, last night asked to review the testimony that the chairman of the Securities and Exchange Commission plans to give today endorsing a bill to extend the time in which stockholders can sue corporations for fraud and misrepresentation.

SEC Chairman Richard C. Breeden agreed to send Quayle a copy of the testimony in which he will reaffirm his support for the legislation, sources said. The sources also said Quayle did not ask Breeden to change his views.

The incident is the latest in a series of cases in which Quayle, as chairman of the President's Council on Competitiveness, has intervened on behalf of business on a regulatory issue. As chairman of the SEC, Breeden heads an independent regulatory agency that is not answerable to the Bush administration.

The case became public as a result of a question Quayle was asked following a speech to the American Business Council, made up of chief executives of 100 of the nation's fast-growing companies, at the Willard Intercontinental Hotel.

Marne Obernauer, chief executive of the Devon Group, a Connecticut graphic arts company, asked whether Breeden's support for legislation giving victims of fraud more time to file lawsuits flew in the face of Quayle's effort to reduce corporate litigation expenses.

Quayle said the administration did not have a position on the issue. "I can assure you that the testimony of Mr. Breeden will be obviously very closely examined and we will make sure that this issue is properly ventilated before he testifies tomorrow," Quayle said.

Breeden is scheduled to testify before the Senate securities subcommittee on a bill extending the time for such lawsuits. The bill, introduced by Sen. Richard H. Bryan (D-Nev.), is opposed by a phalanx of business groups, including public accounting firms, securities firms, insurance companies and others.

A Quayle aide said William Kristol, Quayle's chief of staff, called Breeden and was told by the SEC chairman that he had no problem in sending Quayle a copy of the testimony. Meanwhile, it was learned that Kristol told Breeden that Quayle had not taken a stand on the shareholder-suit issue at the meeting.

Breeden said later that he planned to stick to his guns. "We are not taking a new position," Breeden said. He noted that the SEC has long supported an extended time frame for the lawsuits.

"The vice president has expressed a concern about the cost of excessive litigation to the economy," Breeden said. "I share many of those concerns."

Quayle went to the business meeting to pick up support for his civil litigation reform package, the goal of which is to reduce the burden and costs of lawsuits. That cause, which drew praise from the entrepreneurial audience, is part of the agenda of the President's Council on Competitiveness.

With Bush's blessing, the competitiveness council has injected itself into several recent regulatory controversies, including a battle over the definition of wetlands.

The wetlands controversy also provoked some last-minute discussions between Quayle and his aides and Environmental Protection Agency head William K. Reilly over congressional testimony Reilly was about to give.

Congressional critics have complained that the competitiveness council gives business a back-door channel of appeal on regulatory issues, but Quayle has strongly defended its work as a check on excessive bureaucracy.•

Mr. METZENBAUM. Mr. President, I rise today as an original cosponsor of the Regulatory Review Sunshine Act of 1991. I would like to thank my colleague from Ohio, Senator GLENN, for his outstanding leadership in offering this legislation.

This legislation is about one thing, and one thing only: accountability. Under our present system of Government, Federal agencies within the executive branch exercise broad rulemaking authority within their areas of jurisdiction. As a general matter, the public may participate in these rulemaking proceedings, and Federal agencies normally are accountable for their actions or for their failure to act.

But there is another layer of policymaking that most Americans know little or nothing about. For example, Federal agencies must obtain the approval of the Office of Management and Budget before issuing final rules. This is known as "executive branch regulatory review," and it takes place under the authority of numerous Executive orders as well as statutes such as the Paperwork Reduction Act.

The Office of Management and Budget, the Council on Competitiveness, chaired by Vice President QUAYLE, and other establishments within the executive branch, have wielded substantial power in Federal policymaking. For example, in the area of occupational safety and health, OMB has all too frequently stalled its review to delay or prevent the adoption of protective standards by the Occupational Safety and Health Administration, or forced OSHA to weaken standards before issuing them. This sort of interference has a very tangible result: American workers die. They die because they are unprotected from dangerous workplace hazards.

The accountability of those in power is one of the most fundamental hallmarks of our democratic system of Government. The American public often gets mad at the President for things he has done or at the Congress for things we have done. But the American public has no idea of what OMB and other establishments within the administration are doing in the name of "executive branch regulatory review." OMB is completely unaccountable for its actions.

This legislation would force OMB and other little-known power centers within the executive branch into the light. The bill would require disclosure of all oral and written communications between rulemaking agencies and establishments within the executive branch which engage in any form of regulatory review. Communications between the Government and private entities would also be covered by the disclosure provisions.

I should note that the Comprehensive Occupational Safety and Health Reform Act, which Senator KENNEDY and I introduced this past summer, would address this issue in the context of OSHA regulations. But we need broader reform, and this legislation is the vehicle to that reform. I urge my colleagues to cosponsor this important bill.

• Mr. LEVIN. Mr. President, it's been over 10 years since then-President Reagan issued Executive Order 12291, which dramatically changed the rulemaking process in the executive branch. Prior to that Executive order, regulatory review by an office of the President was conducted on only an ad hoc basis. With the advent of 12291, however, for the first time there was a formalized process for every proposed rule to be reviewed by the Executive Office of the President.

From the time that Executive order was issued, a number of us in Congress have been working to get the OMB review process out into the open. We have had proposed legislation—some of which, by the way, has even passed the Senate at various times—but none of which has been enacted into law.

In 1986 we were able to reach an agreement with the then-Administrator of the Office of Information and Regulatory Affairs [OIRA], Wendy Gramm, to adopt a number of specific disclosure procedures to increase public awareness of and participation in OIRA's review process. That 1986 memorandum was only supposed to be a beginning toward the development of strong public disclosure procedures. Unfortunately, it has turned out for the past 5 years to be an end as well.

That 1986 agreement was made with the understanding that OIRA was the principal reviewer of rules for the Executive Office of the President. Although the Vice President's Regulatory Relief Task Force was also in existence at that time, it was viewed by many of us involved in the development of that agreement as more of an appellate body for reviewing rules. Rules would be referred to the task force if there was strong interagency disagreement that couldn't be resolved through OIRA.

Now we have been hearing about the work of the Competitiveness Council, which is supposed to be President Bush's substitute for the Regulatory Relief Task Force, but it seems much more than that. Instead of just resolving interagency disputes over proposed rules, the Competitiveness Council appears to play a much more active and regular role in the review process. It appears that the Council on its own selects the rulemakings in which it wants to participate and it apparently has invited the public to contact it about any rulemaking.

By its own admission and as a result of congressional investigation, we know that the Competitiveness Council has had a direct impact on a number of significant rules. Yet the work of the Competitiveness Council is not covered by even the minimum disclosure requirements of the 1986 agreement.

So we have an additional problem now. Not only do we have disclosure procedures for OMB which are inadequate and were only to be a starting point, we have another player in the regulatory review process for which we're starting from scratch in terms of public disclosure. And what's more, we in Congress haven't even been able to get all the documents we have requested on the work of the Competitiveness Council, much less make appropriate documents available to the public.

Mr. President, with the arrival of the Competitiveness Council, I feel we're almost back to square one on the issue of public disclosure, and I, along with Senator GLENN and other cosponsors of this legislation, am not happy with or willing to stay at square one on an issue of such importance to our administrative process.

So we are introducing this bill today to establish basic but essential public disclosure procedures for any Federal entity established by the President to conduct regulatory review. This would cover both the Office of Information and Regulatory Affairs and the Competitiveness Council. The disclosure we seek is appropriate in light of the significance of the conduct we are attempting to monitor.

If there are regulatory review entities which can dictate the outcome of agency rulemakings, the public needs to be aware of that, so that everyone has the opportunity to have an equal say in the process and to know the reasons for a particular result. Regulatory review should not be the tool of any one segment of our society or any one group of people who happen to know whom to contact and when a review is being conducted.

The regulatory process must be fair and open to everyone. That is the commitment behind the Administrative Procedure Act, and that is what this bill seeks to ensure.●

Mr. CHAFEE. Mr. President, I am pleased to cosponsor the Regulatory Review Sunshine Act of 1991. This bill would apply the basic principles of the Administrative Procedures Act to the regulatory oversight functions now performed by the Office of Management and Budget and other entities of the executive branch.

The Administrative Procedures Act tries to assure that every American has the same opportunity to be informed and to be heard by the departments and agencies that formulate regulations and policies to carry out our laws. It requires that the regulatory agency make its proposed rules and policies known well in advance of their effective date. It requires that the regulatory agency take public comments on significant regulatory actions. And it requires that each of these comments be considered and that a response to each be formulated before a final regulation is put in place. Every American has an equal opportunity to be heard in the process of formulating rules.

When we pass a law to protect the environment or public health or worker safety here in the Congress, the agency that carries out the law is bound by these procedures. The heads of these agencies who are charged with writing the regulations are also confirmed by the Senate and answerable to the Congress in hearings for their actions.

Since the Carter administration, there has been an attempt to centralize the regulatory process to assure that the program of the government is balanced and that costs imposed by regulations are meeting the highest priorities. In the Reagan administration this oversight process was formalized in two Executive orders that assigned the oversight function to the Office of Management and Budget. OMB is to assure that major rules are properly considered and are consistent with the President's program.

In the Bush administration another layer has been added. It is called the Council on Competitiveness. It is run out of the Vice President's office and includes eight members of the Cabinet. When OMB and an agency cannot agree on a rule or policy, it is sent up to this Council on Competitiveness for dispute resolution.

That oversight is important. We need a coordinating agency for the regulatory process. I have no quarrel with the President's desire to coordinate and oversee the action of the many regulatory agencies.

But in some cases I fear this oversight authority has been used to undermine the openness and equal standing that is promised by the Administrative Procedures Act. Outside groups try to use the review process as another route to influence the content of regulations. OMB officials and staff of this new Council on Competitiveness have met with various groups, presumably with some effect on their decisions, while conducting regulatory oversight.

This is troubling to me. Today, there is no assurance in the law that every American will have equal access to the policymakers at OMB and the Council who participate in these review activities. They are not required to put their proposals on the record. They are not required to ask or respond to public comment. They are not required to listen to all sides before making a decision. And they are not officials of the executive branch confirmed by the Senate with an obligation to answer to the Congress when called upon.

Mr. President, there are several events that have triggered this legislation. Two I will mention are the role of the Council on Competitiveness in recycling policy and in wetlands protection. In January of this year, the Council vetoed an EPA rule that would have encouraged recycling in communities that build municipal incinerators. EPA made the proposal that 25 percent of the solid waste in these communities by recycled. EPA took public comment on the proposal, modified the proposal to reflect the comment, and was prepared to go final with the regulation. But the decision made by the head of the Environmental Protection Agency, who is the person that the Senate confirmed to make these policy judgments, was overturned by the Competitiveness Council. The reasons for reversing EPA's decision are not clear. They are not on the record. No one can have any confidence that the decision was made only after hearing all sides on the issue of recycling.

The second example is wetlands policy. The EPA and the Corps of Engineers have been working to develop a manual that defines the lands that are to be protected by section 404 of the Clean Water Act. A group of scientists from the appropriate Federal agencies spent several years in that effort and in 1989, EPA and the corps jointly issued a delineation manual that was to be used to define wetlands and the jurisdiction of the Section 404 Program.

Apparently, the Competitiveness Council is not happy with the manual and has taken it upon itself to rewrite what it had taken scientists years to develop. A revised manual based on the deliberations of the Council has been issued. That manual has been submitted to the public for comment which is not always the case with these decisions that are handed down from above. The comment so far is overwhelmingly negative. Scientists in the field are finding that this manual, written not by the technical experts of the agencies that are charged with protecting our natural resources but by a small regulatory staff at OMB and at the Competitiveness Council, is a disaster. Perhaps one-half of the areas traditionally considered wetlands, including lands within wildlife refuges and national parks, would be removed from section 404 protection if the revised manual becomes final.

We don't know yet how the debate on wetlands will turn out. But we do know from the experience of the recycling rule that the Council on Competitiveness may take the final decision onto itself, may make the decision without public justification and may hide the record of discussions and considerations that led up to the decision.

The Regulatory Review Sunshine Act of 1991 will hopefully restore a balance to the regulatory process. It requires that all contacts between the staff or members of a reviewing entity like the Competitiveness Council and interest group representatives be made public. It also requires that communications with the regulatory agency be put in the public record. Those are important protections that should be supported by all Senators. We need to know the record on which these decisions are based. That is a fundamental principle of American Government.

There is one suggestion that I would make to the author of the bill. The legislation sets a deadline on the review process to assure that it is not used to kill a proposed rule simply by stalling a final action. This deadline can be extended for good cause. That may be appropriate, but I would like an assurance in the legislative language that the period for review can in no way override a deadline for promulgating a rule or making a report that is set in statute or by a court order.

Mr. President, I congratulate Senator GLENN on the introduction of this bill and urge my colleagues to give it careful consideration.

Mr. RIEGLE (for himself, Mr. DIXON, Mr. DODD, Mr. GRAHAM, Mr. WIRTH, and Mr. KERREY):

S. 1943. A bill reforming the Resolution Trust Corporation; to the Committee on Banking, Housing and Urban Affairs.

RESOLUTION TRUST CORPORATION ACT OF 1991

● Mr. RIEGLE. Mr. President, today I am introducing, together with Senator DIXON, the Resolution Trust Corporation Reform Act of 1991. Senators DODD, GRAHAM, WIRTH, and BOB KERREY are cosponsors of the measure. This bill will reform the governance of the RTC to make it more accountable to the American public and to the Congress. Right now, there are too many people in charge at the RTC. Consequently, you end up with a situation where no one is really in charge. This bill would end that confusion by streamlining the two-board structure of the RTC and by putting into place an RTC chief executive officer who has the stature to interact with all agencies of government while running the RTC on a day-to-day basis.

We have learned from hearings on the RTC, and from the experiences of our constituents who have dealt with the RTC, that the administration's structure and proposed restructuring can be significantly improved.

For example, we heard from two impartial witnesses in a hearing held by the Consumer and Regulatory Affairs Subcommittee, which is chaired by Senator DIXON, that the RTC's governance structure is cumbersome. One witness, Mr. Dean, a fellow at the National Academy of Public Administration in Washington, DC who has spent over 45 years in continuous work on the setting up of Government agencies, departments, corporations and advising them on their structure and organization stated that:

> I have never seen such a jerry-built * * * unsatisfactory structure as that which now exists for the RTC framework.

Another witness from that same hearing, Dr. Harold Seidman, also from the National Academy of Public Administration, stated that:

> The division of functions among the Oversight Board, the FDIC, and the RTC inevitably causes confusion, generates conflicts, encourages second-guessing, and buck-passing, and makes it impossible to hold any one individual or organization accountable for the effective performance of the important tasks assigned to the RTC.

Additionally, in the same hearing we heard from Mr. G. William Miller, the former Secretary of the Treasury and former Chairman of the Federal Reserve, that reform of the RTC's governance function should be geared toward a one board structure. He testified that:

> So far as oversight is concerned, I do believe that a single board, simplified and clear-cut can perform well all of the oversight functions that are needed.

We also have heard considerable private sector criticisms of the operations of the RTC. For example, in a hearing held by the Senate Banking Committee on October 24, 1991, a principal of Gencom interests stated that:

> In the marketplace, the recurrent criticism of the RTC is leveled at its changing policies, slow response times, long closing delays, and very onerous contract terms.

Moreover, earlier this year we heard testimony from Mr. Anthony M. Frank, the Postmaster General who previously had served as the chairman and CEO of First Nationwide Bank, that we need to have one individual to run the RTC's operations. Specifically, in his testimony on April 9, 1991, he indicated that on the matter of how the RTC should be organized:

> My theme * * * still is, that this enormous asset disposition problem needs to be administered by a highly capable individual—a czar if you will, with relatively unfettered authority. That czar would assume risks, make decisions, and take actions that a government bureaucracy inherently cannot and will not take, but which are commonplace at the top of honorable, well-run private businesses.

This testimony reiterates what I and many other Members have heard time and time again of the problems with the operations and structure of the RTC. It's time to improve the RTC's performance. This bill would streamline the governance of the RTC. That streamlining combined with the management skills of the RTC CEO will help the RTC run more efficiently. Additionally, other reforms provided by the legislation will make the RTC more accountable and responsive to the American public and Congress.

Nowhere in the private sector or in the Government is there anything like the governance structure that is now in place at the RTC. The bill's chief reform in that area is to eliminate the current two-board governance of the RTC and substitute just one board to govern the affairs of the RTC. The RTC's current two-board structure has impeded the ability of the RTC to move in a sustained and coherent fashion. Generally, two heads may be better than one but certainly not when they are on the same body.

Implementation of this bill will not throw the RTC off track. The field personnel will not be replaced. Offices will not be shut down. Information and expertise will not be lost.

In that regard, Dr. Seidman testified that:

> The change in the board structure would have really no effect whatsoever on the conduct of (the) provision of services in the field. * * * We hope that there would be improvements, but it certainly would not cause any delays or changes.

What will be gained from this legislation I believe is better direction from the governing members of the RTC as well as an active CEO with the appropriate tools to tackle the very large challenges that loom ahead for the RTC.

Attached is a copy of the bill, which I ask unanimous consent be included in the RECORD. I look forward to working with the administration and all members of the committee on a bipartisan basis to enact legislation which will both refinance and improve the operations of the RTC.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Resolution Trust Corporation Reform Act of 1991".

(b) TABLE OF CONTENTS.—

Section 1. Short title; table of contents.

TITLE I—REFORM OF THE RTC

Sec. 101. Oversight of the Resolution Trust Corporation.
Sec. 102. Savings and transitional provisions.
Sec. 103. Technical and conforming amendments.

TITLE II—DISPOSITION OF PROPERTY BY RESOLUTION TRUST CORPORATION

Sec. 201. Sales records.
Sec. 202. Sale of condominium properties.
Sec. 203. Anti-speculation provisions.
Sec. 204. Inclusion of multifamily property under conservatorship in affordable housing program and continuation of program for single family property.
Sec. 205. Definition of income for eligibility determination under the Single Family Affordable Housing Disposition Program.
Sec. 206. Public disclosure of transactions.
Sec. 207. Operation of branch facilities by minorities and women.
Sec. 208. Seller financing procedures.
Sec. 209. Utilization of competitive bidding methods.
Sec. 210. Disposition of significant property.
Sec. 211. Office of Dispute Resolution.
Sec. 212. Interest paid by institutions in conservatorship.
Sec. 213. Management and disposition of property by local office which is closest to the property.

TITLE III—MISCELLANEOUS

Sec. 301. Suspension of funding upon the failure to provide an audited financial statement.
Sec. 302. Uninsured depositors not covered.
Sec. 303. Disclosure of certain Resolution Trust Corporation salaries.
Sec. 304. Whistleblower protection.
Sec. 305. GAO study of privatization of Resolution Trust Corporation functions.

TITLE I—REFORM OF THE RTC

SEC. 101. OVERSIGHT OF THE RESOLUTION TRUST CORPORATION.

(a) IN GENERAL.—Effective on the date of enactment of this Act—

(1) the Oversight Board established under section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is abolished; and

(2) section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by striking subsections (a), (m), and (n) and by redesignating subsections (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (o), (p), (q), and (r), as subsections (a), (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), (n), and (o), respectively.

(b) DUTIES OF THE BOARD OF DIRECTORS.—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended—

(1) in subsection (a)(1), as redesignated, by striking subparagraph (C) and inserting the following:

"(C) MANAGEMENT BY BOARD OF DIRECTORS.—The Corporation shall be managed by or under the direction of its Board of Directors."; and

(2) by striking paragraph (8) of subsection (a), as redesignated, and inserting the following:

"(8) BOARD OF DIRECTORS.—

"(A) IN GENERAL.—The Board of Directors of the Corporation shall consist of—

"(i) the Chief Executive Officer of the Resolution Trust Corporation;

"(ii) the Secretary of the Treasury;

"(iii) the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation; and

"(iv) 2 independent members who shall be appointed by the President, by and with the advice and consent of the Senate. The nominations of the independent members shall be referred to the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(B) VACANCY.—Any vacancy on the Board shall be filled in the same manner as the original appointment.

"(C) CHAIRPERSON.—The Chief Executive Officer of the Resolution Trust Corporation shall serve as Chairperson of the Board.

"(D) COMPENSATION OF GOVERNMENT MEMBERS.—The Secretary of the Treasury and the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation shall receive no pay, allowances, or benefits from the Corporation by reason of their service on the Board of Directors, but shall receive allowances in accordance with subchapter I of chapter 57 of title 5, United States Code, for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Board of Directors, as set forth in the bylaws issued by the Board of Directors.

"(E) INDEPENDENT MEMBERS.—An independent member shall—

"(i) not hold any other appointed office during his or her term as a member;

"(ii) not be a member of the same political party as the other individual member; and

"(iii) be appointed for a term of 5 years.

"(F) COMPENSATION FOR INDEPENDENT MEMBERS.—The independent members of the Board of Directors shall be paid at a rate equal to the daily equivalent of the rate of basic pay for Level II of the Executive Schedule for each day (including travel time) during which such member is engaged in the actual performance of duties of the Board.

"(G) QUORUM REQUIRED.—A quorum shall consist of 3 members of the Board of Directors of the Corporation. All decisions of the Corporation shall require an affirmative vote of at least a majority of the members voting.

"(H) DUTIES.—

"(i) IN GENERAL.—The Board of Directors shall oversee and be accountable for the activities of the Corporation.

"(ii) STRATEGIC REVIEW.—The Board of Directors shall develop and establish overall strategies, policies, and goals for the Corporation, including such items as general policies for case resolution, the management and disposition of assets, the use of private contractors, and the use of notes, guarantees, or other obligations by the Corporation.

"(iii) FINANCING.—The Board of Directors shall review prior to implementation any periodic financing requests made to the Secretary of the Treasury or the Federal Financing Bank or otherwise developed by the Corporation.

"(iv) RULEMAKING.—The Board of Directors shall prescribe such rules and regulations as it may deem necessary to carry out the provisions of this section or any other law which it has the responsibility of administering or enforcing.

"(v) MEETINGS.—All meetings of the Board of Directors shall be open meetings, subject to the provisions of section 552b of title 5, United States Code.

"(vi) TRANSCRIPTS.—The Board shall maintain a transcript of each of its meetings.

"(vii) BUDGET.—The Board of Directors shall adopt the budget of the Corporation and monitor the performance of the Corporation relative to approved budget plans.

"(viii) ADVISORY BOARDS.—The Board of Directors shall maintain 2 national advisory boards and not less than 6 regional advisory boards, to be established pursuant to subsection (c).

"(ix) INTERNAL AUDITS.—The Board of Directors shall evaluate audits by the Inspector General and other congressionally required audits and reports.

"(x) COMMITTEES.—The Board shall establish such committees as it deems appropriate and delegate requisite authority to such committees.";

(3) in subsection (a)(9), as redesignated, by adding at the end the following new subparagraph:

"(C) CHIEF EXECUTIVE OFFICER.—The Corporation shall have a chief executive officer appointed by the President, by and with the advice and consent of the Senate. The chief executive officer shall serve a 5-year term. The chief executive officer shall be an employee of the Federal Deposit Insurance Corporation provided to the Corporation for that purpose and shall receive such compensation and benefits as the Corporation's Board of Directors may determine from time to time in accordance with the laws and regulations applicable to the personnel practices of the Federal Deposit Insurance Corporation. The Corporation's Board of Directors shall provide the chief executive officer with such powers as shall be adequate for the chief executive officer's efficient management and administration of the Corporation's day-to-day affairs. Among such duties, authorities, and powers shall be the duty, authority, and power, subject to the ultimate direction of the Corporation's Board of Directors:

"(i) To specify the duties, authorities, and powers of other officers of the Corporation and the duties, authorities, and powers of other persons, including employees of the Federal Deposit Insurance Corporation, acting on behalf of the Corporation.

"(ii) To make and modify staffing plans and organizational and management structures of the Corporation to meet the goals of this Act and other applicable laws.

"(iii) To direct all aspects of the Corporation's operations in a manner consistent with general practices of the private sector and with this Act and other applicable law.

"(iv) To modify and implement existing rules, regulations, standards, policies, principles, procedures, guidelines, and statements in order to optimize the Corporation's performance, including, but not limited to, its performance in the disposition of assets.

"(v) To develop, adopt, and implement new rules, regulations, standards, policies, principles, procedures, guidelines, and statements in order to optimize the Corporation's performance, including, but not limited to, its performance in the disposition of assets.

"(vi) To set and adjust the compensation and benefits of persons (other than the chief executive officer) acting on behalf of the Corporation in accordance with laws and regulations applicable to the personnel practices of the Federal Deposit Insurance Corporation.

"(vii) To choose employees of the Federal Deposit Insurance Corporation to be provided to the Corporation by the Federal Deposit Insurance Corporation, to request that the Federal Deposit Insurance Corporation employ specified persons for that purpose, and to return at any time to the Federal Deposit Insurance Corporation any such employee so provided.";

(4) in subsection (c), as redesignated—

(A) in paragraph (1)—

(i) by striking "(b)(3)(A)" in subparagraph (A) and inserting "(a)(3)(A)"; and

(ii) by striking "(2)" in subparagraph (B)(ii) and inserting "(3)";

(B) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively;

(C) by inserting after paragraph (1) the following new paragraph:

"(2) NATIONAL HOUSING ADVISORY BOARD.—

"(A) ESTABLISHMENT.—The Board of Directors shall establish a National Housing Advisory Board to advise the Board of Directors on policies and programs related to the provision of low-income housing.

"(B) MEMBERSHIP.—The National Housing Advisory Board shall consist of—

"(i) the Secretary of Housing and Urban Development; and

"(ii) the chairpersons of any regional advisory boards established pursuant to paragraph (3).

"(C) MEETINGS.—The National Housing Advisory Board shall meet 4 times a year, or more frequently if requested by the Board."; and

(D) in paragraph (3)(A), as redesignated, by striking "(b)(3)(A)" and inserting "(a)(3)(A)";

(5) by striking subsection (a)(1)(C), as redesignated;

(6) in subsection (a)(3), as redesignated, by striking "to carry out a program, under the general oversight of the Oversight Board and through the Federal Deposit Insurance Corporation (or any replacement authorized pursuant to subsection (m)), including";

(7) in subsection (a)(7), as redesignated—

(A) by striking "subject to general supervision by the Oversight Board under subsection (a) of this section and shall be"; and

(B) by striking "(j)" and inserting "(a)(8)(b)(iii) and (i)";

(8) by striking subsection (a)(9), as redesignated, and inserting the following:

"(9) STAFF.—

"(A) IN GENERAL.—The Corporation itself shall have no employees.

"(B) UTILIZATION OF EMPLOYEES.—The Corporation may use employees of the Federal Deposit Insurance Corporation and shall reimburse the Federal Deposit Insurance Corporation for its actual costs incurred in providing such employees. Such employees shall remain subject to the personnel practices of the Federal Deposit Insurance Corporation. The Corporation may use administrative services of the Federal Deposit Insurance Corporation and shall reimburse the Federal Deposit Insurance Corporation for its actual costs incurred in providing such services.";

(9) in subsection (a)(10), as redesignated—

(A) by striking subparagraphs (B) and (L); and

(B) by redesignating subparagraphs (C), (D), (E), (F), (G), (H), (I), (J), (K), (M), and (N) as paragraphs (B), (C), (D), (E), (F), (G), (H), (I), (J), (K), and (L), respectively;

(10) in subsection (a)(11)(B)(iv), as redesignated—

(A) by striking "the Oversight Board and"; and

(B) by striking "(k)" and inserting "(j)";

(11) in subsection (a)(11)(C)(i), as redesignated, by striking "The cost or income of any modification shall be a liability or an asset of the Corporation or the FSLIC Resolution Fund as determined by the Oversight Board" and inserting "The cost or income of any modification shall be a liability or an asset of the FSLIC Resolution Fund";

(12) in subsection (a)(12), as redesignated, by striking paragraphs (A) and (B) and inserting the following:

"(A) IN GENERAL.—The Chief Executive Officer of the Resolution Trust Corporation may issue or modify such rules, regulations, standards, policies, principles, procedures, guidelines, and statements as are necessary or appropriate to carry out this section. The Chief Executive Officer of the Resolution Trust Corporation shall keep the Board of

Directors reasonably informed of such actions. The Board of Directors shall have the power to require modification of any such actions.

"(B) NOTICE AND COMMENT.—Such rules, regulations, standards, policies, procedures, guidelines, and statements shall be promulgated pursuant to subchapter II of chapter 5 of title 5, United States Code.";

(13) by striking subsection (a)(13), as redesignated, and inserting the following:

"(13) PERIODIC FINANCING REPORTS.—The Corporation shall provide the Secretary of the Treasury with quarterly financing reports which shall detail—

"(A) anticipated funding requirements for operations, case resolutions, and asset liquidation;

"(B) anticipated payments on previously issued notes, guarantees, other obligations, and related activities; and

"(C) any proposed requests for advances from the Secretary of the Treasury or from the Federal Financing Bank.";

(14) in subsection (c), as redesignated, by striking "Oversight Board" each place it appears and inserting "Board of Directors of the Corporation";

(15) in subsection (f), as redesignated, by striking "and the Oversight Board" each place it appears;

(16) in subsection (g)(1), as redesignated, by striking "the Oversight Board,";

(17) in subsection (h)(1), as redesignated, by striking ", upon approval of the Oversight Board,";

(18) in subsection (j)(1), as redesignated, by striking "Oversight Board" each place it appears and inserting "Board of Directors of the Corporation";

(19) in subsection (j)(2), as redesignated, by striking "Oversight Board" wherever it appears and inserting "Board of Directors of the Corporation";

(20) in subsection (j)(3)(A), as redesignated, by striking "Oversight Board" and inserting "Board of Directors of the Corporation";

(21) in subsection (j)(3)(B), as redesignated, by striking "the Oversight Board and";

(22) in subsection (j)(4)(A), as redesignated, by striking "Oversight Board and the";

(23) in subsection (j)(5)(A), as redesignated—

(A) by striking "the Oversight Board and"; and

(B) by striking ", the Federal Deposit Insurance Corporation, and the Oversight Board";

(24) by striking subsection (j)(5)(B)(iii), as redesignated, and inserting the following:

"(iii) The number of persons acting on behalf of the Corporation and the Federal Deposit Insurance Corporation at the beginning and end of the reporting period.";

(25) in subsection (j)(5)(B)(xi), as redesignated, by striking "Oversight Board" and inserting "Board of Directors of the Corporation";

(26) in subsection (j)(5)(B)(xii), as redesignated, by striking "the Oversight Board or";

(27) in subsection (j)(6), as redesignated, by striking "Oversight Board" each place it appears and inserting "Chief Executive Officer of the Corporation";

(28) in subsection (j)(7), as redesignated—

(A) in subparagraph (A), by striking "Before January 31, 1990, the Oversight Board and" and inserting "Before January 31, 1992, the Chief Executive Officer of the Corporation"; and

(B) in subparagraph (B)—

(i) by striking "of the Oversight Board and the Corporation", and

(ii) by striking "Oversight Board and the Corporation"; and inserting "the Chief Executive Officer of the Corporation";

(29) in subsection (j)(8), as redesignated, by striking "Oversight Board" and inserting "Board of Directors of the Corporation";

(30) in subsection (j)(9), as redesignated, by striking "Oversight Board" each place it appears and inserting "Board of Directors of the Corporation";

(31) by striking subsection (k)(3), as redesignated, and inserting the following:

"(3) REMOVAL AND REMAND.—

"(A) IN GENERAL.—The Corporation, in any capacity and without bond or security, may remove any action, suit, or proceeding from a State court to the United States district court with jurisdiction over the place where the action, suit, or proceeding is pending, to the United States District Court for the District of Columbia, or to the United States District Court with jurisdiction over the principal place of business of any institution for which the Corporation has been appointed conservator or receiver if the action, suit, or proceeding is brought against the institution or the Corporation as conservator or receiver of such institution. The removal of any such suit, or proceeding shall be instituted—

"(i) not later than 90 days after the date the Corporation is substituted as a party, or

"(ii) not later than 30 days after service on the Corporation, if the Corporation is named as a party in any capacity and if such suit is filed after August 9, 1989.

"(B) SUBSTITUTION.—The Corporation shall be deemed substituted in any action, suit, or proceeding for a party upon the filing of a copy of the order appointing the Corporation as conservator or receiver for that party or the filing of such other pleading informing the court that the Corporation has been appointed conservator or receiver for such party.

"(C) APPEAL.—The Corporation may appeal any order of remand entered by a United States district court.";

(32) in subsection (m), as redesignated—

(A) in paragraph (1)(A), by striking "the Oversight Board or" wherever it appears;

(B) in paragraphs (1), (2), (3), and (5), by striking "Oversight Board and the" wherever it appears;

(C) in paragraph (4)—

(i) by inserting after "The chief executive officer" "or any independent member of the Board of Directors";

(ii) by inserting after "the chief executive was" "or the independent member of the Board of Directors was"; and

(iii) by inserting after "chief executive officer" wherever it appears "or independent member";

(D) in paragraph (6)(A), by striking "Oversight Board" and inserting "Board of Directors of the Corporation";

(E) in paragraph (7)—

(i) by striking "Oversight Board or the" wherever it appears; and

(ii) in subparagraph (B), by striking "or the Oversight Board"; and

(F) in paragraph (8)—

(i) by striking "(8) PRIORITY OF OVERSIGHT BOARD RULES", and inserting "(8) PRIORITY OF RULES";

(ii) by striking "or the Oversight Board"; and

(iii) by striking "by the Oversight Board" and inserting "by the Board of Directors of the Corporation"; and

(33) in subsection (n), as redesignated, by striking "or of the Oversight Board" each place it appears.

(c) CONFORMING AMENDMENTS.—

(1) INSPECTOR GENERAL ACT.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended in paragraph (1) by striking "the Oversight Board" and inserting a semicolon.

(2) COMPENSATION.—Section 5313 of title 5, United States Code, is amended by striking "Independent Members, Oversight Board, Resolution Trust Corporation." and inserting "Independent Members, Board of Directors, Resolution Trust Corporation.".

(3) TIMELINESS OF REPORTS.—Section 102(c) of the Resolution Trust Corporation Funding Act of 1991 (12 U.S.C. 1441a note) is amended—

(A) by striking "the President of the Oversight Board, and"; and

(B) by striking "Chairperson of the Resolution Trust Corporation" and inserting "Chief Executive Officer of the Resolution Trust Corporation".

(d) RIGHTS OF EMPLOYEES.—Section 404 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (103 Stat. 361) is amended—

(1) in paragraph (2)—

(A) by inserting "grade," after "status, tenure,"; and

(B) by inserting "or, if the employee is a temporary employee, separated in accordance with the terms of the appointment" after "cause"; and

(2) in paragraph (9)—

(A) by striking "section 21A(m)" and inserting "section 21A(*l*)";

(B) by striking "of such Corporation shall be transferred to" and inserting "of the Federal Deposit Insurance Corporation assigned to the Resolution Trust Corporation shall be reassigned to a position within"; and

(C) by striking "of this subsection" and inserting "of this section".

(e) INTERIM APPOINTMENTS.—

(1) CHIEF EXECUTIVE OFFICER.—The President shall appoint an interim Chief Executive Officer who shall serve until the earlier of June 30, 1992, or the date on which the Chief Executive Officer of the Resolution Trust Corporation is appointed and takes office under section 21A(a)(8) of the Federal Home Loan Bank Act.

(2) RESOLUTION TRUST CORPORATION BOARD.—The President shall appoint 2 interim independent members, each of whom shall serve on the Board of Directors of the Corporation until the earlier of June 30, 1992, or the date on which the 2 independent members of the Board are appointed and take office under section 21A(a)(8) of the Federal Home Loan Bank Act.

(3) STATUS.—The interim Chief Executive Officer and interim independent members shall have the same authorities and duties as the Chief Executive Officer and independent members provided for by section 21A(a) of the Federal Home Loan Bank Act.

SEC. 103. SAVINGS AND TRANSITIONAL PROVISIONS.

(a) SAVINGS PROVISIONS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—This title shall not affect the validity of any right, duty, or obligation of the United States, the Corporation, the Oversight Board, or any other person, which—

(A) arises under or pursuant to the Federal Home Loan Bank Act, or any other provision of law applicable with respect to the Oversight Board; and

(B) existed on the day before the date of the enactment of this Act.

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against

the Oversight Board, with respect to any function of the Oversight Board, shall abate by reason of the enactment of this Act, except that the Board of Directors of the Corporation shall be substituted for the Oversight Board as a party to any such action or proceeding.

(b) CONTINUATION OF ORDERS, RESOLUTIONS, DETERMINATIONS, AND REGULATIONS.—All orders, resolutions, determinations, and regulations, which—

(1) have been issued, made, prescribed, or allowed to become effective by the Oversight Board (including orders, resolutions, determinations, and regulations which relate to the conduct of conservatorships and receiverships), or by a court of competent jurisdiction, in the performance of functions which are transferred by this Act; and

(2) are in effect on the date this Act takes effect,

shall continue in effect according to the terms of such orders, resolutions, determinations, and regulations, and shall be enforceable by or against the Board of Directors until modified, terminated, set aside, or superseded in accordance with applicable law by the Board of Directors, by any court of competent jurisdiction, or by operation of law.

(c) EMPLOYEE PROTECTIONS.—(1)(A) Any permanent employee of the Federal Deposit Insurance Corporation who was performing services on behalf of the Resolution Trust Corporation immediately prior to the enactment of this Act shall continue to be assigned to perform services on behalf of the Resolution Trust Corporation with the same status, tenure, grade, and pay, unless voluntarily separated, or removed for cause. Temporary employees may be separated in accordance with the terms of their appointment.

(B) Any reduction-in-force or reorganization that occurs after the one-year period specified in subparagraph (A) shall be conducted in accordance with chapters 33 and 35 of title 5, United States Code, and the procedures promulgated pursuant to them. Any such reduction-in-force or reorganization shall be deemed a "major reorganization" or a "major reduction-in-force" for purposes of section 8336(d)(2) and 8414(b)(1)(B) of title 5, United States Code, and any separated employee shall be entitled to severance payments in accordance with section 5595 of title 5, United States Code.

(2)(A) Effective upon enactment of this Act, each officer and employee of the Oversight Board, employed by such Board on the day before the date of enactment of this Act, shall be transferred to the Federal Deposit Insurance Corporation, and such transfer shall be deemed a transfer of function for the purpose of section 3503 of title 5, United States Code. Each transferred officer and employee, including officers and employees in the Senior Executive Service, or its equivalent, shall be entitled to the protections provided transferred employees under subsections (2), and (4) through (7) of section 404 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, except that the liability for any difference in the costs and benefits described in paragraph (5) of such section shall be a liability of the Resolution Trust Corporation and not the Office of Thrift Supervision. Within 60 days of the date of enactment of this Act, the Federal Deposit Insurance Corporation shall assign each transferred officer and employee to a position performing services on behalf of the Resolution Trust Corporation with responsibilities commensurate with the qualifications and experience of each such transferred officer and employee, as determined by the Federal Deposit Insurance Corporation. Nothing contained herein shall be construed to require the Federal Deposit Insurance Corporation to assign any such transferred officer or employee to a position held by any officer or any employee of the Federal Deposit Insurance Corporation or of the Resolution Trust Corporation.

(B) Any employee that declines a transfer pursuant to subparagraph (A), shall be entitled to severance pay in accordance with section 5595 of title 5, United States Code. All such severance pay shall be paid by the Resolution Trust Corporation.

(C) If otherwise eligible, in addition to the severance pay provided by subparagraph (B), an employee that declines a transfer shall be entitled to an annuity under section 8336(d) or section 8414(b)(1) of title 5, United States Code.

(D) Any reduction-in-force or reorganization that occurs after the one-year period specified in section 404(4) of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 shall be conducted in accordance with chapters 33 and 35 of title 5, United States Code, and the procedures promulgated pursuant to them. Any such reduction-in-force or reorganization shall be deemed a "major reorganization" or a "major reduction-in-force" for purposes of section 8336(d)(2) and section 8414(b)(1)(B) of title 5, United States Code, and any separated employee shall be entitled to severance payments in accordance with section 5595 of title 5, United States Code.

(d) TRANSFER OF PROPERTY.—Effective upon enactment of this Act, all assets and liabilities of the Oversight Board on the day before enactment of this Act shall be transferred to the Resolution Trust Corporation.

SEC. 104. TECHNICAL AND CONFORMING AMENDMENTS.

The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended—

(1) in section 21 by striking "Oversight Board" each place it appears and inserting "Secretary of the Treasury"; and

(2) in section 21B—

(A) by striking "Oversight Board" each place it appears and inserting "Secretary of the Treasury"; and

(B) in subsection (k), by striking paragraph (7) and redesignating paragraphs (8) through (10) as paragraphs (7) through (9), respectively.

TITLE II—DISPOSITION OF PROPERTY BY RESOLUTION TRUST CORPORATION

SEC. 201. SALES RECORDS.

Section 21A(a)(12)(D)(ii) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(12)(D)(ii)), as redesignated, is amended by striking the last sentence and inserting the following: "If the Corporation sells a property located in a distressed area for less than the minimum disposition price, it shall maintain a written record of the reasons for its decision.".

SEC. 202. SALE OF CONDOMINIUM PROPERTIES.

(a) IN GENERAL.—Section 21A(b)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(2)), as redesignated, is amended by adding at the end the following new subparagraph:

"(C) OFFERS TO SELL CONDOMINIUM PROPERTIES.—Within a reasonable period of time after acquiring title to an eligible condominium property, the Corporation shall provide written notice to clearinghouses. Such notice shall contain basic information about the property. Each clearinghouse shall make such information available, upon request, to eligible multifamily purchasers. The Corporation shall allow eligible multifamily purchasers reasonable access to an eligible condominium property for purposes of inspection. For the 3 month period following the date on which the Corporation makes an eligible condominium property available for sale, the Corporation shall sell the property to—

"(i) qualifying households, or

"(ii) qualifying multifamily purchasers that agree to—

"(I) make the property available for occupancy by, and maintain it as affordable for, lower-income families for the remaining useful life of such property, or

"(II) make the property available for purchase by lower-income families.

The restrictions described in subclause (I) of the preceding sentence shall be contained in the deed or other recorded instrument. If upon the expiration of the 3 month period, no qualifying household or eligible multifamily purchaser has made a bona fide offer to purchase the eligible condominium property, the Corporation may offer to sell the property to any purchaser.".

(b) DEFINITION OF ELIGIBLE CONDOMINIUM PROPERTY.—Section 21A(b)(9) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(9)), as redesignated, is amended by inserting at the end the following new subparagraph:

"(Q) ELIGIBLE CONDOMINIUM PROPERTY.—The term "eligible condominium property" means a condominium unit as defined in section 604(6) of the Housing and Community Development Act of 1980—

"(i) to which the Corporation acquires title; and

"(ii) that has an appraised value that does not exceed the applicable dollar amount set forth in section 203(b)(2) of the National Housing Act (without regard to any increase of such amount for high-cost areas).".

SEC. 203. ANTI-SPECULATION PROVISIONS.

(a) IN GENERAL.—Section 21A(b)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(2)), as redesignated, is amended by adding at the end the following new subparagraph:

"(D) ANTI-SPECULATION PROVISIONS.—If a property sold under this paragraph to a qualifying household is resold during the two years following the sale under this paragraph, any profit from the resale above the original sale price, increased for inflation and owner improvements, will be paid to the Corporation or its successor according to the following formula:

"(i) 75 percent of the profit will be paid to the Corporation if the property is sold during the first year following the sale under this paragraph; and

"(ii) 50 percent of the profit will be paid to the Corporation if the property is sold during the second year following the sale under this paragraph.".

(b) QUALIFYING HOUSEHOLD.—Section 21A(b)(9)(K) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(9)(K)), as redesignated, is amended—

(1) by redesignating clause (ii) as clause (iii);

(2) in clause (i), by striking "principle residence;" and inserting "principal residence for a minimum of twelve months; (ii) who certifies in writing that the household intends to occupy the property as a principal residence for a minimum of twelve months;"; and

(3) in clause (iii), as redesignated, by striking "adjusted".

SEC. 204. INCLUSION OF MULTIFAMILY PROPERTY UNDER CONSERVATORSHIP IN AFFORDABLE HOUSING PROGRAM AND CONTINUATION OF PROGRAM FOR SINGLE FAMILY PROPERTY.

(a) CONTINUATION OF AFFORDABLE HOUSING PROGRAM FOR ELIGIBLE SINGLE FAMILY PROPERTY UNDER CONSERVATORSHIP.—Section 203 of the Resolution Trust Corporation Funding Act of 1991 is amended by inserting "(b)" after "sections 201".

(b) DEFINITION OF CORPORATION.—Section 21A(b)(9)(C) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(9)(C)), as redesignated, is amended to read as follows:

"(C) CORPORATION.—The term 'Corporation' means the Resolution Trust Corporation acting in its corporate capacity, acting in its capacity as an operating conservator, or acting in its capacity as receiver (including in its capacity as the sole owner of a subsidiary corporation).".

SEC. 205. DEFINITION OF INCOME FOR ELIGIBILITY DETERMINATION UNDER THE SINGLE FAMILY AFFORDABLE HOUSING DISPOSITION PROGRAM.

Section 21A(b)(9) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(9)), as redesignated, is amended by adding at the end the following new subparagraph:

"(R) INCOME.—The term 'income' has the same meaning as such term has under section 3 of the United States Housing Act of 1937.".

SEC. 206. PUBLIC DISCLOSURE OF TRANSACTIONS.

Section 21A(j)(2)(A) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(j)(2)(A)), as redesignated, is amended—

(1) by striking "and" at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting "; and"; and

(3) by adding at the end the following:

"(iii) the identity of the accepted offeror and the terms of the accepted offer for sales of assets in excess of $250,000, by publication in the Federal Register no later than 30 days after the date of the transaction. For purposes of this clause, the term 'assets' includes any assets controlled or acquired by the Corporation as a result of its appointment as a conservator or a receiver.".

SEC. 207. OPERATION OF BRANCH FACILITIES BY MINORITIES AND WOMEN.

(a) ACQUISITION OF BRANCH FACILITIES FROM THE RESOLUTION TRUST CORPORATION.—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(p) ACQUISITION OF BRANCH FACILITIES IN MINORITY NEIGHBORHOODS.—

"(1) IN GENERAL.—In the case of any savings association for which the Corporation has been appointed conservator or receiver, the Corporation shall make available any branch of such association which is located in any predominantly minority neighborhood to any minority depository institution or women's depository institution on the following terms:

"(A) The branch shall be made available on a rent-free lease basis for not less than 5 years.

"(B) Of all expenses incurred in maintaining the operation of the facilities in which such branch is located, the institution shall be liable only for the payment of applicable real property taxes, real property insurance, and utilities.

"(C) The lease may provide an option to purchase the branch during the term of the lease.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) MINORITY DEPOSITORY INSTITUTION.—The term 'minority depository institution' means a depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act)—

"(i) more than 50 percent of the ownership or control of which is held by 1 or more minority individuals; and

"(ii) more than 50 percent of the net profit or loss of which accrues to 1 or more minority individuals.

"(B) WOMEN'S DEPOSITORY INSTITUTION.—The term 'women's depository institution' means a depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act)—

"(i) more than 50 percent of the ownership or control of which is held by 1 or more women;

"(ii) more than 50 percent of the net profit or loss of which accrues to 1 or more women; and

"(iii) more than 50 percent of the senior management positions of which are held by women.

"(C) MINORITY.—The term 'minority' has the meaning given to such term by section 1204(c)(3) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(D) The term 'predominantly minority neighborhood' shall be defined by regulation by the Corporation.".

(b) COMMUNITY REINVESTMENT CREDIT FOR DEPOSITORY INSTITUTIONS PROVIDING ASSISTANCE.—The Community Reinvestment Act of 1977 (12 U.S.C. 2901 et seq.) is amended by adding at the end the following new section:

"SEC. 808. OPERATION OF BRANCH FACILITIES BY MINORITIES AND WOMEN.

"(a) IN GENERAL.—In the case of any depository institution which donates, sells on favorable terms (as determined by the appropriate Federal financial supervisory agency), or makes available on a rent-free basis any branch of such institution which is located in any predominantly minority neighborhood to any minority depository institution or women's depository institution, the amount of the contribution or the amount of the loss incurred in connection with such activity shall be treated as meeting the credit needs of the institution's community for purposes of this title.

"(b) DEFINITIONS.—For purposes of this section—

"(1) MINORITY DEPOSITORY INSTITUTION.—The term 'minority depository institution' means a depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act)—

"(A) more than 50 percent of the ownership or control of which is held by 1 or more minority individuals; and

"(B) more than 50 percent of the net profit or loss of which accrues to 1 or more minority individuals.

"(2) WOMEN'S DEPOSITORY INSTITUTION.—The term 'women's depository institution' means a depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act)—

"(A) more than 50 percent of the ownership or control of which is held by 1 or more women;

"(B) more than 50 percent of the net profit or loss of which accrues to 1 or more women; and

"(C) more than 50 percent of the senior management positions of which are held by women.

"(3) MINORITY.—The term 'minority' has the meaning given to such term by section 1204(c)(3) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(4) The term 'predominantly minority neighborhood' shall be defined by regulation by the Corporation.".

SEC. 208. SELLER FINANCING PROCEDURES.

Section 21A(a)(12)(F) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(12)(F)), as redesignated, is amended by adding at the end the following: "Within 180 days from the date of enactment of the Resolution Trust Corporation Reform Act of 1991, the Corporation shall conduct a review of its seller financing procedures and endeavor to arrange appropriate financing to States, municipalities and other political subdivisions seeking to acquire real property assets of the institutions subject to the Corporation's jurisdiction.".

SEC. 209. UTILIZATION OF COMPETITIVE BIDDING METHODS.

(a) COMPETITIVE BIDDING.—Section 21A(a)(12) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(12)), as redesignated, is amended by inserting at the end the following new subparagraphs:

"(H) UTILIZATION OF COMPETITIVE BIDDING METHODS.—In reviewing the Corporation's disposition of any real estate owned, any non-securitizable loan, or any other illiquid asset on a bulk sale basis or on an individual basis, the chief executive officer of the Corporation shall assure that all practicable competitive bidding, auction, and other marketing mechanisms are utilized to the maximum extent possible to maintain open competitive bidding.

"(I) ACTIVELY MARKETED ASSETS.—When a bona fide offer has been received and is under consideration by the Corporation in connection with the disposition of any real estate owned, any non-securitizable loan, or any other illiquid asset, any such asset shall be treated by the Corporation as an asset that is being actively marketed and is ineligible for disposition on a bulk sale basis or as part of an asset portfolio sale."

(b) REPORT ON AGE OF THE CORPORATION'S PORTFOLIO.—The chief executive officer of the Corporation shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance, and Urban Affairs of the House of Representatives by March 31, 1992, a comprehensive review and summary of the amount of time that assets held by the Corporation from the date of the Corporation's creation through December 31, 1991, have been retained in the Corporation's portfolio.

SEC. 210. DISPOSITION OF SIGNIFICANT PROPERTY.

(a) IN GENERAL.—Section 21A(a)(12) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(12)), as redesignated, is amended—

(1) in the second to last sentence of subparagraph (F), by striking all that follows "thereafter" and inserting "and shall designate the properties in the inventory identified by the Secretary of the Interior pursuant to subparagraph (I) as having natural, cultural, recreational, or scientific value of special significance."; and

(2) by adding at the end the following new subparagraph:

"(J) IDENTIFICATION, DISPOSITION, AND PROTECTION OF PROPERTIES WITH NATURAL, CULTURAL, RECREATIONAL, OR SCIENTIFIC VALUE OF SPECIAL SIGNIFICANCE.—

"(i) PURPOSE.—The purpose of this subparagraph is to provide public and private entities with an adequate opportunity and incentive to acquire real estate with natural, cultural, recreational, or scientific value of special significance in order to preserve the character of such real estate.

"(ii) IDENTIFICATION OF PROPERTIES.—Not later than 60 days after the date on which the Corporation submits to the Secretary of the Interior any list of real property assets of institutions subject to the jurisdiction of the Corporation, the Secretary of the Interior shall—

"(I) review the real property assets of institutions contained on such list subject to the jurisdiction of the Corporation; and

"(II) identify properties having natural, cultural, recreational, or scientific value of special significance.

The Secretary of the Interior shall implement procedures by regulation, which shall include categorical exemptions for certain real property, in consultation with the Corporation, to identify properties and to ensure that the inventory is examined in a cost-effective manner.

"(iii) NATURAL, CULTURAL, RECREATIONAL, AND SCIENTIFIC VALUE DEFINED.—For purposes of identifying property having natural, cultural, recreational, or scientific value of special significance, the Secretary of the Interior shall define these terms. In defining these terms, the Secretary shall include—

"(I) property that receives protection under existing Federal laws and executive orders due to any unique natural, cultural, recreational, or scientific characteristics of such property; and

"(II) property that is described in clause (iv).

"(iv) PROPERTY HAVING NATURAL VALUE OF SPECIAL SIGNIFICANCE.—For purposes of this subparagraph, property having natural value of special significance includes property that directly contributes to—

"(I) the protection of endangered or threatened plants or animals;

"(II) the protection or restoration of wetlands, as described in the Emergency Wetlands Resources Act of 1986 and other wetlands identified under the authority of the North American Wetlands Conservation Act of 1989; or

"(III) the protection of land that is contiguous to or an inholding in a federally owned or State-owned conservation area or an area legally designated for acquisition for conservation purposes by a Federal or State agency.

"(v) ESTABLISHMENT OF INFORMATION CLEARINGHOUSE.—

"(I) After soliciting comments on such selection from public agencies and nonprofit organizations, including comments on whether the clearinghouse should be required to maintain a mailing list of interested agencies and organizations to be notified, the Corporation shall select a clearinghouse to be responsible for disseminating information relating to properties with natural, cultural, recreational, or scientific value of special significance. The clearinghouse should be organized to disseminate information according to the geographic location of the property rather than the geographic location of the financial institution which had controlled the property.

"(II) After the Corporation has selected a clearinghouse, the Secretary of the Interior shall provide the clearinghouse with a list of real estate that is available for sale and that has been identified as having natural, cultural, recreational, or scientific value of special significance.

"(vi) INVENTORY PUBLICATION; NOTIFICATION REQUIREMENTS.—

"(I) UPDATING OF RECORDS.—The Corporation shall update its inventory records to reflect the identification of properties by the Secretary of the Interior in accordance with clause (ii) not more than 30 days after the Corporation is notified of the identification.

"(II) INVENTORY PUBLICATION.—The publication by the Real Estate Asset Division of the Corporation of a revised list of the Corporation's inventory of real property assets, pursuant to subparagraph (F), shall include a designation of all properties identified by the Secretary of the Interior as having special significance under clause (ii).

"(vii) PROPERTY MAINTENANCE AND MANAGEMENT.—The Corporation shall maintain any property identified by the Secretary of the Interior as having special significance under clause (ii) in a manner consistent with the preservation of the property's special significance. Nothing contained in this subparagraph shall be construed to require the Corporation to restore, rehabilitate, or reclaim any such property, or to undertake any similar activities. The Corporation may employ, on a reimbursable basis, the services of any qualified individual to provide technical assistance and to maintain and manage the property during the period that the property is subject to the jurisdiction or control of the Corporation.

"(viii) TRANSFER OF INVENTORY LANDS.—Notwithstanding any other provision of this Act, the Corporation may in its sole discretion transfer property identified by the Secretary under clause (ii), or interests therein, at 50 percent of market value, as determined in accordance with the Corporation's established methods of appraisal or valuation, to any public agency or nonprofit organization if the agency or organization agrees to protect and maintain the special nature of the property by deed or other recorded instrument which is binding upon successors in interest to the property. If any such property sold ceases to be used by the public agency or nonprofit organization in the manner agreed to under this clause, all rights, title, and interest in and to the covered property shall revert to the United States.

"(ix) TRANSFER TO FEDERAL OR STATE AGENCIES.—Notwithstanding any other provision of this Act, at the request of the Secretary of the Interior, the Corporation shall transfer real property, or interests therein, without reimbursement, to any Federal or State agency for conservation purposes if the transfer of such property would directly contribute to—

"(I) the protection of endangered or threatened plants or animals;

"(II) the protection or restoration of wetlands as described in the Emergency Wetlands Resources Act of 1986 and other wetlands identified under the authority of the North American Wetlands Conservation Act of 1989; or

"(III) the protection of land that is contiguous to or an inholding in a federally owned or State-owned conservation area or an area legally designated for acquisition by a Federal or State agency.

Any such request by the Secretary of the Interior shall be made within 120 days from the date on which the Corporation submits to the Secretary of the Interior any list of real property assets of institutions subject to the jurisdiction of the Corporation.

"(x) TRANSFER OF PROPERTY TO PUBLIC AGENCIES OR NONPROFIT ORGANIZATIONS.—

"(I) RIGHT OF FIRST OFFER.—For a 45-day period beginning on the date that the clearinghouse receives the list of real estate from the Secretary of the Interior pursuant to clause (v), the Corporation shall not offer to sell property on the list to any entity other than a public agency or nonprofit organization described in clause (viii).

"(II) NOTICE OF INTEREST.—If a public agency or nonprofit organization submits a timely notice of interest in the property, the Corporation may not sell or otherwise transfer the property during the 90-day period beginning upon the expiration of the initial 45-day period, except to such agency or nonprofit organization under clause (viii).

"(III) NO NOTICE OF INTEREST.—If the Corporation does not receive a timely notice of interest in the property from a public agency or nonprofit organization, the Corporation may sell or otherwise transfer the property to any purchaser or transferee.

"(xi) UNDEVELOPED LAND.—Pending the determination by the Secretary of the Interior as to whether property has natural, cultural, recreational, or scientific value of special significance under clause (ii), the Corporation shall not offer to sell any parcel of undeveloped land larger than 5 acres except to a public agency or nonprofit organization that agrees to comply with the condition contained in clause (viii) or to a Federal or State agency under clause (ix). If the Secretary of the Interior fails to make a determination under clause (ii) with respect to any such parcel of land larger than 5 acres within 120 days from the date on which the Corporation has submitted a list of property containing such parcel of undeveloped land larger than 5 acres, the Corporation shall have the right to sell or otherwise transfer any such parcel. Nothing contained in this section shall be construed to prohibit the Corporation from selling or otherwise transferring any property other than undeveloped land larger than 5 acres pending a determination of the Secretary of the Interior under clause (ii).

"(xii) LIMITATION OF PRIVATE RIGHT OF ACTION.—The provisions of this subparagraph, or any failure by the Corporation to comply with the provisions, may not be used by any person to attach or defeat title to property after it is conveyed by the Corporation. The preceding sentence shall not apply in the case of a failure by any successor in interest to property conveyed or transferred by the Corporation under this subparagraph, to comply with clause (viii).

"(xiii) ADMINISTRATIVE PROVISIONS.—

"(I) The Corporation shall not reimburse or otherwise compensate the Secretary of the Interior for the costs and expenses incurred by the Secretary in carrying out his responsibilities under this subparagraph, except as provided in clause (vii).

"(II) The requirements imposed upon the Corporation by this subparagraph shall become effective upon the date on which final regulations adopted by the Secretary of the Interior pursuant to clause (ii)(II) take effect, or 90 days after the date of enactment of the Resolution Trust Corporation Reform Act of 1991, whichever is later. The Secretary shall issue regulations pursuant to clause (ii)(II) not later than 120 days after the date of enactment of this Act.".

(b) AMENDMENTS TO THE COASTAL BARRIER IMPROVEMENT ACT.—Section 10 of the Coastal Barrier Improvement Act of 1990 (12 U.S.C. 1441a–3) is amended—

(1) in the section heading, by striking "RTC AND";

(2) in subsections (a)(1) and (b)(1), by striking "Resolution Trust Corporation and the";

(3) in subsection (a)(1), by striking "each submit" and inserting "submit";

(4) in subsection (a)(2), by striking "each corporation concerned" and inserting "the Federal Deposit Insurance Corporation";

(5) in subsections (a)(1), (b)(1), (b)(2), (b)(3), and (b)(4), by striking "the corporation con-

cerned" each time it appears and by substituting "the Federal Deposit Insurance Corporation";

(6) in subsection (b)(3), by striking "a corporation concerned" and by substituting "the Federal Deposit Insurance Corporation";

(7) in subsection (c), by striking paragraph (1) and by redesignating paragraphs (2), (3), and (4), as paragraphs (1), (2), and (3), respectively; and

(8) by striking subsection (c)(1)(A), as redesignated, and inserting the following:

"(A) to which the Federal Deposit Insurance Corporation has acquired title in its corporate capacity or which was acquired by the former Federal Savings and Loan Insurance Corporation in its corporate capacity; and".

SEC. 211. OFFICE OF DISPUTE RESOLUTION.

Section 21A(a)(12) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(12)), as redesignated, is amended by adding at the end the following new subparagraph:

"(K) Office of dispute resolution.—The Corporation shall establish an Office of Dispute Resolution, which shall have only the following duties:

"(i) To act as an impartial mediator to resolve disputes that may arise between asset management and disposition contractors and owners of property subject to loans formerly held by the Corporation.

"(ii) To work with the parties described in clause (i) for the purpose of settling disputes.".

SEC. 212. INTEREST PAID BY INSTITUTIONS IN CONSERVATORSHIP.

Section 21A(a)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(4)), as redesignated, is amended—

(1) by striking "Except as provided" and inserting the following:

"(A) In general.—Except as provided"; and

(2) by adding at the end the following new subparagraph:

"(B) Restriction on interest rate paid.—Any insured depository institution for which the Corporation is the conservator may not pay a rate of interest on such funds which, at the time that such funds are accepted, significantly exceeds the rate paid on deposits of similar maturity in such institution's normal market area for deposits accepted in the institution's normal market area.".

SEC. 213. MANAGEMENT AND DISPOSITION OF PROPERTY BY LOCAL OFFICE WHICH IS CLOSEST TO THE PROPERTY.

Section 21A(a)(12) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)(12)), as redesignated, is amended by adding at the end the following new subparagraph:

"(L) Real estate management and disposition.—The Corporation shall establish a procedure under which—

"(i) real estate assets of any institution described in paragraph (3)(A) shall be managed and disposed of by the Corporation through the office of the Corporation which is closest to the location of any such real estate asset; and

"(ii) the management and disposition of assets pursuant to clause (i) shall be properly accounted for to the office of the Corporation which is responsible for administering the receivership of the institution referred to in such clause, consistent with the fiduciary responsibility of the Corporation to the creditors of the institution.".

TITLE III—MISCELLANEOUS

SEC. 301. SUSPENSION OF FUNDING UPON THE FAILURE TO PROVIDE AN AUDITED FINANCIAL STATEMENT.

(a) Financial Statement for Fiscal Year 1990.—If no financial statement of the Corporation for fiscal year 1990 which has been independently audited by a certified public accountant has been submitted to the Congress by the end of fiscal year 1991, no amount provided to the Corporation under section 21A(i) of the Federal Home Loan Bank Act shall be available for obligation until such audited financial statement has been submitted to the Congress.

(b) Financial Statement for Fiscal Year 1991.—If no financial statement of the Corporation for fiscal year 1991 which has been independently audited by a certified public accountant has been submitted to the Congress by the end of fiscal year 1992, no amount provided to the Corporation under section 21A(i) of the Federal Home Loan Bank Act shall be available for obligation until such audited financial statement has been submitted to the Congress.

(c) Independent Audit Provision.—An audit of a financial statement of the Corporation which has been conducted by the Comptroller General of the United States, using the services of certified public accountants, shall be treated as an independent audit for purposes of subsections (a) and (b).

SEC. 302. UNINSURED DEPOSITORS NOT COVERED.

Section 21A(a) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(a)), as redesignated, is amended by adding to the end the following new paragraph:

"(15) Deposit insurance funds available for intended purpose only.—

"(A) In general.—The Corporation may not take action, directly or indirectly, with respect to any institution described in paragraph (3)(A) that would have the effect of increasing losses to the Corporation by protecting—

"(i) depositors for more than the insured portion of deposits (determined without regard to whether such institution is liquidated); or

"(ii) creditors other than depositors.

"(B) Purchase and assumption transactions.—No provision of this paragraph shall be construed as prohibiting the Corporation from allowing any person who acquires any assets or assumes any liabilities of any institution described in paragraph (3)(A) for which the Corporation has been appointed conservator or receiver to acquire uninsured deposit liabilities of such institution so long as the Corporation does not incur any loss with respect to such deposit liabilities in an amount greater than the loss which would have been incurred with respect to such liabilities if the institution had been liquidated.".

SEC. 303. DISCLOSURE OF CERTAIN RESOLUTION TRUST CORPORATION SALARIES.

Section 21A(j)(5)(B)(iii) of the Federal Home Loan Bank Act (1441a(j)(5)(B)(iii)), as redesignated, is amended by adding before the period the following: ", and the name of each person acting on behalf of the Corporation and the Federal Deposit Insurance Corporation paid at a rate in excess of the rate for level V of the Executive Schedule during such period, and the amount of compensation paid such employees during the reporting period".

SEC. 304. WHISTLEBLOWER PROTECTION.

Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(q) RTC and RTC Contractor Employee Protection Remedy.—

"(1) Prohibition against discrimination.—The Corporation and any person who is performing, directly or indirectly, any function or service on behalf of the Corporation may not discharge or otherwise discriminate against any employee (including any employee of the Federal Deposit Insurance Corporation being utilized by the Corporation) with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to the Corporation, the Attorney General, or any appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) regarding any possible violation of any law or regulation by the Corporation or such person or any director, officer, or employee of the Corporation or the person.

"(2) Enforcement.—Any employee or former employee who believes that such employee has been discharged or discriminated against in violation of paragraph (1) may file a civil action in the appropriate United States district court before the end of the 2-year period beginning on the date of such discharge or discrimination.

"(3) Remedies.—If the district court determines that a violation has occurred, the court may order the Corporation or the person which committed the violation to—

"(A) reinstate the employee to the employee's former position;

"(B) pay compensatory damages; or

"(C) take other appropriate actions to remedy any past discrimination.

"(4) Limitation.—The protections of this section shall not apply to any employee who—

"(A) deliberately causes or participates in the alleged violation of law or regulation; or

"(B) knowingly or recklessly provides substantially false information to the Corporation, the Attorney General, or any appropriate Federal banking agency.".

SEC. 305. GAO STUDY OF PRIVATIZATION OF RESOLUTION TRUST CORPORATION FUNCTIONS.

(a) In General.—The Comptroller General of the United States shall conduct a study of—

(1) the feasibility of transferring all or a substantial portion of the functions being performed by the Corporation as of the date of enactment of this Act to the private sector;

(2) the most efficient methods for accomplishing the transfer; and

(3) the potential benefits of the transfer to the Corporation and the United Sates Government.

(b) Report.—The Comptroller General shall submit a report to the Congress before the end of the 6-month period beginning on the date of the enactment of this Act containing—

(1) the findings and conclusions of the Comptroller General in connection with the study conducted under subsection (a); and

(2) such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.•

• Mr. DIXON. Mr. President, for some time I have been very concerned about the progress of the Resolution Trust Corporation. As chairman of the Subcommittee on Consumer and Regulatory Affairs, I have become more and more alarmed that the RTC is not operating efficiently. I am equally distressed over the RTC's apparent lack of accountability.

In hearings before both the subcommittee and the full Banking Committee, I have listened to testimony from representatives of small businesses, from academics, and from RTC officials. The cumulative effect of these hearings and testimonies is that I am convinced, more than ever, that the administrations handling of the savings and loan debacle has been poorly conceived and inadequately executed. Most of all, I am convinced that the original oversight structure of the RTC was poorly designed by the administration, creating unclear lines of decisionmaking and diffusing needed accountability.

Again, in hearing after hearing, in letter after letter, in town meeting after town meeting, citizens have voiced their concern over the RTC. The horror stories are mind boggling, and sadly, I do not see them diminishing. Two full years after the creation of the RTC, it is still an unwieldy bureaucracy staffed with career bureaucrats who have little understanding of private sector needs. This Senator and other members have listened to the repeated assurances that changes would be made and that goals would be met. Well, I have news that is no news to the many frustrated individuals throughout the country: The assurances keep flooding from the RTC but changes and progress are only trickling out.

Remember, it was the administration that set up the Resolution Trust Corporation; it was the administration that first told us that the bailout would cost the American taxpayers $19 billion, then $40 billion, then $80 billion, and finally $160 billion. Now it is the administration that tells us not to change the structure of the RTC. The administration asked Congress to accept their plan for the RTC, but one look at the escalating cost to the taxpayer, exacerbated by a poorly constructed and poorly run RTC, emphasizes Congress' responsibility to take corrective action.

Last summer, I introduced a bill to create the position of chief executive officer of the RTC. It was my hope that we could find a strong, independent businessperson with proven success in the private sector to turn things around. Equally important was the goal of increased accountability. I wanted one person to make the decisions and one person to be held accountable. I wanted the buck passing and finger pointing to end.

The administration has recently selected a CEO for the RTC and I applaud this action. The creation of an RTC CEO was an important first step; however, it is not enough. There is concern that the present RTC oversight apparatus might be so diffused and so sprawling as to rob this CEO of any potential for success.

Instead of establishing a clear link of responsibility, the authority and accountability for the policies and operations of the RTC are divided between two boards. By law, the oversight board is to be held accountable for the RTC, while exclusive authority for management of the Corporation is vested in the FDIC. The RTC Board is subject to oversight board supervision for some of its functions but not for others. Clearly, this is a confused and inefficient system.

Recently, the administration proposed a plan to modify the existing dual board structure. This was to be accomplished in part by adding new members to each of the two boards and then slightly modifying the power of the oversight board. It is this Senator's opinion that this relatively cosmetic face lift does nothing to seriously repair the flawed features of the RTC's structure.

On October 23, 1991, I chaired a hearing on restructuring the RTC. The testimony was direct and compelling. Dr. Harold Seidman, senior fellow at the National Academy of Public Administration, a nonpartisan organization, stated:

> We do not believe these basic deficiencies in the present structures can be cured by halfway measures and mere tinkering with the membership and functions of the oversight board.

He went on to say:

> The creation of a dual board structure for a U.S. Government corporation is utterly without precedent and cannot be justified as necessary to maintain sound management and protect the public interest.

Mr. Alan Dean, another expert in public administration testified:

> I have never seen such a Jerry-built * * * unsatisfactory structure as that which now exists for the RTC framework.

This Senator has become convinced that oversight by two boards results in unnecessary confusion and conflict. I am determined to give the new RTC CEO, Al Casey, the best possible chance for success. I am a great believer in the power of one qualified individual to effect significant change. I believe Al Casey is an individual who can make changes and put the RTC back on the right track, but we must be sure that his hands are not tied. Mr. Dean additionally stated:

> To pretend that a confused multi-board structure will be a help to Mr. Casey is simply not the case * * * I think any objective observer would note, there's absolutely no reason for these two boards, nor would it be difficult for Congress to provide for their elimination.

Mr. President, today I join with Senator RIEGLE in introducing S. 1943, a bill that calls for a single streamlined Board of Directors chaired by the Chief Executive Officer of the Resolution Trust Corporation.

I believe this is one more crucial step in insuring that we clean up the clean-up. As I have said before, I do not believe that all of the RTC's problems will be instantly solved; they will not. I do believe that a strong CEO, serving as Chairperson to a streamlined Board, can begin to take action to solve the bureaucratic nightmares which have plagued the RTC.•

• Mr. DODD. Mr. President, I rise today to join the distinguished chairman of the Banking Committee, Senator RIEGLE, and others in introducing the Resolution Trust Corporation Reform Act of 1991.

The RTC Reform Act will streamline the RTC's management. At the outset, I realize it is difficult for people to instinctively understand the need for doing this. Management theory, after all, is a dry subject that is usually the province of business school academicians.

The fact is that the Resolution Trust Corporation was created in 1989 to clean up the remains of the savings and loan debacle. The RTC is charged with closing down failed thrifts and selling off their assets, all at the least possible cost to taxpayers.

Mr. President, RTC restructuring is important because cleaning up the thrift debacle may cost every man, woman, and child in America as much as $1,000 each before all is said and done. That translates into a total of more than $250 billion. And that is money that could be much better spent on health care, or housing, or education, or on any of a thousand and one other pressing needs.

The more disorganized the RTC is, the higher the ultimate cost is going to be. The more cumbersome the RTC's management structure is, the harder it will be to get the job done and to put this disaster behind us.

Mr. President, there is no question about it. The RTC is disorganized. The two-Board structure that is supposed to be running things makes even the most complicated Rube Goldberg contraption look simple by comparison. Decisions aren't made. Simple questions take months to get answered. Accountability is divided, and the truth is, no one's in charge. And for every day that the problems persist, the cost to taxpayers rises.

In addition, the chaos at the RTC creates huge headaches for those who try to do business with the agency.

Just today I received a letter from a constituent who has been seeking for months to take possession of a house that he bought at an RTC auction back in June. Three times the RTC has set a date for closing. Three times those dates have gone by the boards because the RTC can't get all its documents together, or hasn't had all the necessary signoffs from its officials, or there has been some other snafu.

Mr. President, it is very cold up in Connecticut this time of year, and my constituent's house is unoccupied because of RTC delays. While papers are shuffled among the RTC offices in Massachusetts, Pennsylvania, and California, squatters appear to be taking refuge in his house. The utilities cannot be switched on, and as a result the water pipes may burst and the heating system freeze. Dealing with the RTC is turning into a much more expensive proposition than my constituent bargained for.

And this constituent's case is by no means an isolated incident. Rather, it is a prime example of the type of horror story I hear all the time about the RTC. Higher ups can't make decisions because it is never clear who is in charge. Papers are shuffled through an endless series of bureaucratic mazes all across the country. Many buyers just walk away, frustrated. And those who do persist wind up paying through the nose for all their trouble.

Mr. President, the bill we are introducing today would simplify the RTC's structure. Following the example of private corporations, it would establish one board to set broad policies, and one chief executive officer to manage day-to-day operations. This structure is not a panacea and it will not end all the horror stories. But it will clear up much of the confusion that breeds so many bureaucratic snafus.

How is the administration responding to this proposal?

The Treasury Department's so-called RTC restructuring plan begins with the pretzel logic of the current system, and builds in even more bureaucracy. The administration insists it will not allow all the management responsibility to be concentrated in a single board. Instead, it wants to keep the current two-Board structure, and add members to each. That is very odd coming from an administration that rails constantly against inefficiency in Government and the need to streamline the bureaucracy.

Mr. President, I regret to say it, but I am afraid that this is the same type of inflexibility and ignorance of reality that we are seeing from the administration on a host of financial issues. The administration needs to wake up and begin to demonstrate the type of leadership that current problems require, not just on the RTC, but on the credit crunch and other matters.

Yesterday, for example, I voted against the nomination of Bob Clarke to continue as Comptroller of the Currency. It was not out of any animosity toward Mr. Clark. Quite the contrary, I like Bob Clarke, but I felt I had no choice but to send the administration a message to pay attention to the credit crunch in New England.

The truth is that we're being clobbered up there. We've lost 96,000 jobs over the past year in Connecticut alone. Business failures in Connecticut during the first seven months of 1991 were up 220 percent over the same period in 1990. Thousands have exhausted their unemployment benefits. Things haven't been this bad since the Second World War, and people no longer talk about a recession. They talk about a depression.

The credit crunch is making matters much worse. I could tell you story after story of banks cutting off creditworthy borrowers, many of whom have been customers for years. I could tell you about the cases I know of small companies literally being put out of business because once they are cut off, there's nowhere else to turn for credit. And the more businesses that fail, the longer the unemployment lines stretch.

Mr. President, the people of Connecticut and New England need help, and they need it fast. And that is why I was sent down here, not to ignore their problems. Not to paper over their pain with some bad assertions that recovery is just around the corner. But to find ways that Government can play a positive, proactive role in getting our economy moving again.

In this vein, other members of the New England delegation and I have gone to the administration time after time after time. We've met with them. We've had them up to New England for countless visits. We have had a whole series of pleasant meetings and polite conversations, but every time we've tried to get the administration to take some concrete action that could ease people's pain, we've been turned down. On capital infusion. On getting the regulators to be more sympathetic to our economic problems. Each time we've asked for their help, the administration has given us a flat-out "No."

Of course, the administration trots out a whole list of directives it has issued to regulators about the credit crunch. They issued another one today, but if they would only talk to people in New England, they'd understand pretty quickly that the message isn't getting through. On Monday I met with a group of 30 CPA's who represented over 1,000 businesses in Connecticut. They know all too well that there is still a credit crunch in Connecticut, and they speak eloquently about the climate of fear that still grips lenders, even after the raft of Treasury directives.

Mr. President, the administration needs to wake up and see the pain and the suffering and the anger for themselves. They need to demonstrate they care. They need to roll up their sleeves, and find some solutions. I have worked with others in Congress on capital infusion plans, on an innovative stock guarantee proposal for small banks, and on other efforts. And I would love to see the administration join us on some of those efforts.

Mr. President, I want to mention one other issue in this connection. Last year, the distinguished junior senator from Missouri [Mr. BOND] and I pushed through a bill to explore the causes of the thrift crisis. Our idea was to set up a bipartisan panel that would compile a complete account of the many factors which contributed to the biggest financial disaster in the history of humanity.

This panel was created almost a year ago, but it has not yet met, because of a host of bureaucratic delays. I would hope that the administration will make some efforts to cut through the red tape, so that the commission can get underway. It is far past time that America got some answers about the source of the $180 billion hole that the RTC is now trying to fill.

Mr. President, in closing, let me say that I am pleased that negotiations are once again slouching toward production of a banking bill. The administration has worked hard for a bill, and has, I think, demonstrated great realism in recognizing the wisdom of modernizing our financial services industry. My hope is, however, that the administration will soon put the same degree of energy and realism into the RTC restructuring issue, the credit crunch, and the thrift commission.●

By Mr. KENNEDY (for himself, Mr. HARKIN, Mr. PELL, and Mr. BINGAMAN):

S. 1944. A bill to amend the Public Health Service Act to strengthen the Nation's health promotion and disease prevention activities, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH PROMOTION AND DISEASE PREVENTION ACT OF 1991

Mr. KENNEDY. Mr. President, today I am introducing legislation to improve two of the most neglected aspects of our health care system—health promotion and disease prevention. The Health Promotion and Disease Prevention Act of 1991 emphasizes that an ounce of prevention is worth a pound of cure. It capitalizes on the strengths of the current law and further solidifies the Federal-State partnership in promoting health and preventing disease and disability.

Preserving and enhancing the quality of life for all Americans is the overall goal of this legislation and it is particularly timely now. Over three-quarters of our national health care costs are the result of diseases or injuries that are preventable. Nine preventable chronic diseases are responsible for over 50 percent of all deaths in this Nation. Yet, of over $600 billion spent on health care each year, less than 3 percent will be spent on health promotion and disease prevention.

Chronic diseases, such as heart disease and cancer, are responsible for over 1.5 million deaths each year. Seventeen percent of children under the age of 6 may be suffering from lead poisoning. Over 2.3 million victims are hospitalized for injuries each year and over 150,000 deaths result. Twenty to thirty percent of children aged 2 and younger have inadequate immunization. Many of the factors responsible for chronic diseases, disabilities, or deaths are preventable through health promotion and disease prevention activities.

The human costs are accompanied by the staggering economic costs for treatment of these preventable conditions. Cardiovascular disease alone costs the Nation $135 billion annually. Injuries cost $100 billion and cancer costs $70 billion. The lifetime cost of one child with congenital rubella is $354,000, which could have been avoided if the mother had been immunized at a cost of $30. Over 7 million Americans have coronary artery disease. The costs associated with the surgical treatment of this disease averages $30,000 per patient.

The treatment of advanced cervical cancer costs $28,000 for just the first year. The lifetime costs to treat and rehabilitate quadriplegic victims of preventable injury exceed $570,000. We pay billions of dollars a year to treat diseases and illness that could have been prevented.

The effectiveness of preventive health measures has been demonstrated time and again. The control of high blood pressure is one of the most effective measures for reducing death rates from heart disease and stroke. The cost-benefit analysis of lead poisoning prevention suggests that for every dollar invested we save two in future treatment.

The preventive health and health service block grant provides funding to States for a wide range of public health and preventive services, including breast and cervical screening, hypertension and cholesterol screening, health education, emergency medical technician training, rodent control, water fluoridation, and dental health. In addition to the block grant, several categorical programs include childhood lead poisoning prevention, injury control, and sexually transmitted disease control.

Although the block grant activities and categorical programs have been successful in providing some preventive health services, the current health promotion and disease prevention activities need vigorous revitalization. The public health system continues to suffer from lack of resources, lack of uniform data reporting, insufficient priorities, poor coordination between different levels of government, and inadequate accountability.

This legislation focuses on correcting the health problems of adolescents, women, and minorities, on injury prevention and on control and prevention of childhood lead poisoning by dramatically strengthening our public health system programs and infrastructure.

Contrary to standard thought, adolescents are not among the healthiest Americans. About one in five of today's adolescents have at least one serious health problem. The future contributions of young people are too often lost because of the senseless violence of suicide and homicide, or the tragedy of malnutrition or chronic despair which occur in many of our youth. Young Americans are the Nation's future, and we must act systematically and aggressively to meet their complex needs.

In women, cardiovascular disease accounts for 28 percent of all deaths. In 1991, an estimated 175,000 new causes of breast cancer and about 44,500 deaths will occur. In addition, osteoporosis, obesity, and infertility are major threats to the health and well-being of women in America.

Minorities and the poor continue to suffer disproportionately from serious health conditions. Many preventable diseases occur at higher rates and access to quality health promotion and disease prevention services are inadequate.

Unintentional injuries are the fourth leading cause of death resulting in about 100,000 deaths each year. Nonfatal injuries are responsible for 1 of every 6 hospital days. The economic costs from injuries have been estimated at $100 billion annually.

This legislation strengthens our efforts in adolescent health, the health of women, in lead poisoning prevention and screening, and in injury control. It will help reduce the heavy burden of chronic illness, morbidity, and disability in minorities and the disadvantaged and it will strengthen the current preventive health and health services block grant and categorical programs. Plainly put, this legislation will save millions of American lives through the promotion of health and the prevention of disease.

The economic costs are staggering. It is the human costs, that shock the mind, heart, and conscience of the Nation. We can do far more to prevent the physical, emotional, and mental anguish that result from premature disease, disability, and death and that scar so many families in our society.

With this legislation, we take a major step toward improving the Nation's health and enhancing our future. I urge my colleagues to support this measure, and I ask unanimous consent that the full text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1944

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Health Promotion and Disease Prevention Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.

TITLE I—HEALTH PROMOTION AND DISEASE PREVENTION ASSISTANCE
Sec. 101. Short title.
Subtitle A—Preventive Health and Health Services Block Grant
Sec. 110. Reauthorization of preventive health and health services block grant.
Sec. 111. Reporting and data collection improvements.
Sec. 112. Establishment of block grant requirement to address health promotion and disease prevention related to women's health.
Sec. 113. Reauthorization of State planning functions.
Sec. 114. Health promotion and disease prevention research centers.
Sec. 115. Use of allotments.
Sec. 116. Training.
Subtitle B—National Health Objectives Project Grants to States
Sec. 121. National health objectives project grants to States.
Subtitle C—Categorical Programs
Sec. 131. National demonstration projects for women's health.
Sec. 132. Increased injury prevention activities.
Sec. 133. Establishment of an Office of Adolescent Health.
Sec. 134. Improvement in lead poisoning screening and prevention.
Sec. 135. Prevention and control of sexually transmitted diseases.
Sec. 136. Screening and early detection of prostate cancer.
Sec. 137. Special regional and national demonstration projects for minority health promotion and disease prevention.
TITLE II—COORDINATION OF HEALTH PROMOTION AND DISEASE PREVENTION ACTIVITIES
Sec. 201. Short title.
Sec. 202. Health information and health promotion.
Sec. 203. Interdepartmental coordinating council.
Sec. 204. Dissemination of health information.
Sec. 205. Report on national health status improvement.
Sec. 206. Health education curriculum.
Sec. 207. State offices of minority health.
TITLE III—CENTERS FOR DISEASE CONTROL AND PREVENTION FOUNDATION
Sec. 301. Short title.
Sec. 302. Establishment of the Centers for Disease Control and Prevention foundation.
TITLE IV—PREVENTABLE CASES OF INFERTILITY
Sec. 401. Establishment of program of grants regarding preventable cases of infertility arising as result of sexually transmitted diseases.
TITLE V—MISCELLANEOUS
Sec. 501. Establishment of an Advisory Council on Health Promotion and Disease Prevention.
Sec. 502. Responsibilities of members of the commissioned corps for health promotion and disease prevention.
Sec. 503. Responsibilities of the surgeon general for disseminating information and recommendations.
Sec. 504. Change in name of Centers for Disease Control.
Sec. 505. Study concerning the reduction of the risk of bloodborne disease transmission.

SEC. 2. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—HEALTH PROMOTION AND DISEASE PREVENTION ASSISTANCE

SEC. 101. SHORT TITLE.

This title may be cited as the "Health Promotion and Disease Prevention Assistance Act of 1991".

Subtitle A—Preventive Health and Health Services Block Grant

SEC. 110. REAUTHORIZATION OF PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT.

Section 1901 (42 U.S.C. 300-w) is amended—

(1) in subsection (a), by striking out "$95,000,000" and all that follows through the end thereof and inserting the following: "$275,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.";

(2) in subsection (b), by striking out "at least $3,500,000" and inserting in lieu thereof "at least $7,000,000"; and

(3) by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of this subtitle, if amounts appropriated under subsection (a) for any fiscal year exceed $150,000,000 all of such amounts shall be used to carry out subpart 2 for such fiscal year.".

SEC. 111. REPORTING AND DATA COLLECTION IMPROVEMENTS.

(a) ANNUAL REPORTS.—Subsection (a) of section 1906 (42 U.S.C. 300w-5(a)) shall be amended to read as follows:

"(a)(1) Each State receiving an allotment, and each entity receiving a grant, under this part shall prepare and submit to the Secretary an annual report concerning the activities carried out by such State or grantee with amounts received under this part. Such reports shall describe the services provided using such amounts in accordance with subsections (a) and (e) of section 1904.

"(2) The Secretary, acting through the Centers for Disease Control and Prevention and in consultation with the States and the National Health Objectives Advisory Committee, shall develop uniform data items and data formats for the annual reports required under paragraph (1). Such uniform data items and formats shall constitute the minimum requirements that States must meet in submitting annual reports under paragraph (1).

"(3) In addition to complying with the uniform data item and format requirements of paragraph (2), an annual report submitted under paragraph (1) shall specifically provide if readily available—

"(A) the number of individuals provided with services in the service areas designated under subsections (a) and (e) of section 1904;

"(B) the percentage of minorities and disadvantaged individuals served within each of the service areas described in subparagraph (A); and

"(C) any other demographic information that the Secretary, after consultation with the States, determines appropriate.".

(b) INVESTIGATIONS.—Subsection (d) of section 1906 (42 U.S.C. 300w-5(d)) is amended to read as follows:

"(d) The Secretary, in consultation with the States and the National Health Objectives Advisory Committee, shall periodically update a set of priority national health status indicators, to be used to evaluate and monitor the overall health of the United States and of selected subgroups within the United States.".

(c) HEALTH STATUS REPORTS.—Section 1906 (42 U.S.C. 300w-5) is amended by adding at the end thereof the following new subsection:

"(e)(1) The Secretary shall determine the capability of each State to evaluate and submit a report, in a uniform format, concerning the health status of the State as measured in terms of the health objectives parameters as described in subsection (d).

"(2)(A) Except as provided in subparagraph (B), with respect to a State that is determined by the Secretary under paragraph (1) to be unable to adequately evaluate its health status, such State shall be required to utilize not more than 10 percent of the amounts paid to the State under section 1903 for a fiscal year to develop the capacity to make such an evaluation. Amounts under section 1903 shall be so utilized until such time as the Secretary determines that such capacity has been achieved by the State.

"(B) The Secretary may waive the requirement of subparagraph (A) in the case of a State, territory or Indian tribe that is determined by the Secretary to be unable to develop the capacity required under paragraph (1) through the utilization of the funds required under such subparagraph.

"(3) With respect to entities that are eligible to receive grants under this part, that apply for such grants, and that the Secretary determines do not have the resources to efficiently establish the capacity for evaluating their health status as provided for in paragraph (1), the Secretary, in consultation with the State agencies, may provide technical assistance to enable such entities to make such evaluations and such entities shall be exempt from the requirements of paragraph (1).

"(4) An entity described in paragraph (3) shall indicate in the annual report submitted by such entity under subsection (a) the status of such entity under such paragraph and the Secretary shall review such status once during every 3-year period.".

(d) REPORT TO CONGRESS.—Section 1906 (42 U.S.C. 300w-5(b)) (as amended by subsection (a)) is amended—

(1) by striking out paragraph (6) of subsection (b); and

(2) by adding at the end thereof the following new subsection:

"(f) Not later than 3 years after the date of enactment of this subsection, and every 3 years thereafter, the Secretary shall prepare and submit a report to Congress concerning the activities of the States that have received funds under this part. Such report shall include State compilations of the information contained in the reports prepared under subsection (a), and any recommendations for appropriate changes in legislation necessary to facilitate improvement in the health status indicators described in subsection (d), facilitate the implementation of the State plans described in subsection (a)(3)(A) and ensure compliance with section 1905(c)(8), and to facilitate other changes determined appropriate by the Secretary under this part.".

(e) APPLICATION.—Section 1905 (42 U.S.C. 300w-4) is amended—

(1) in subsection (c)—

(A) by striking out "and" at the end of paragraph (6);

(B) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(8) agrees that continuing education credits in the utilization of universal precautions, and infection control procedures for the prevention of bloodborne disease transmission, shall be required as part of those credits required for health professional relicensure."; and

(2) in subsection (d), by striking out the last sentence and inserting in lieu thereof the following new sentences: "The description shall include, a summary of the manner in which the funds will be allocated under section 1904(a)(1), and which health status indicators (as described in section 1906(d)) such allocations are intended to address. The description shall also include prior year information concerning the State's health status according to the health status indicators (as described in section 1906(d)).".

SEC. 112. ESTABLISHMENT OF BLOCK GRANT REQUIREMENT TO ADDRESS HEALTH PROMOTION AND DISEASE PREVENTION RELATED TO WOMEN'S HEALTH.

Section 1904 (42 U.S.C. 300w-3) is further amended by adding at the end thereof the following new subsection:

"(e) Each State that receives payments under section 1903 shall demonstrate that a portion of such payments are being utilized in each fiscal year for health promotion and disease prevention activities related to women's health, such as osteoporosis, physical abuse, diabetes and tobacco use.".

SEC. 113. REAUTHORIZATION OF STATE PLANNING FUNCTIONS.

Section 7 of the Year 2000 Health Objectives Planning Act (Public Law 101-582) is amended to read as follows:

"SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this Act and for the establishment and operation of State Health Objectives Advisory Committees under section 1910I(b) of the Public Health Service Act, there are authorized to be appropriated $10,000,000 for fiscal year 1992 and such sum as necessary for each of the fiscal years 1993 through 1996.".

SEC. 114. HEALTH PROMOTION AND DISEASE PREVENTION RESEARCH CENTERS.

Section 1706(e) (42 U.S.C. 300u-5(e)) is amended by striking out "$3,000,000" and all that follows through the end thereof and inserting "$12,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.".

SEC. 115. USE OF ALLOTMENTS.

Section 1904(a)(1) (42 U.S.C. 300w-4(a)(1)) is amended in the matter preceding subparagraph (A) by striking out "and (c)" and inserting in lieu thereof "(c), (e), and (f)".

SEC. 116. TRAINING.

Part A of title XIX (42 U.S.C. 300w et seq.) is amended by adding at the end thereof the following new section:

"SEC. 1910A. TRAINING.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, to the extent appropriations are available to provide assistance for the professional training of public health personnel, including—

"(1) the identification of new knowledge bases and skills for State and local public health personnel that are reasonably necessary and appropriate to permit the States to achieve the national health priorities; and

"(2) encouraging the training and education of appropriate numbers of such personnel, including racial and ethnic minority personnel, in such knowledge bases and skills, including cross cultural skills, by establishing cooperative agreements with schools of public health, schools of nursing, schools of medicine, and other institutions that train and educate such personnel; and

"(b) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.".

Subtitle B—National Health Objectives Project Grants to States

SEC. 121. NATIONAL HEALTH OBJECTIVES PROJECT GRANTS TO STATES.

Part A of title XIX (42 U.S.C. 300w et seq.) is amended—

(1) in the part heading, to read as follows:

"Part A—Preventive Health and National Health Objectives Grants";

(2) by inserting after the part heading the following:

"Subpart 1—Preventive Health and Health Services Block Grant";

and

(3) by adding at the end thereof the following new subpart:

"Subpart 2—National Health Objectives Project Grants to States

"SEC. 1910D. OPERATION OF SUBPART.

"The Secretary, in accordance with subsection (c) of section 1901, shall use amounts appropriated under subsection (a) of such section for a fiscal year to carry out this subpart in such fiscal year.

"SEC. 1910E. DEFINITIONS AND ADMINISTRATION.

"(a) Definitions.—As used in this subpart:

"(1) Advisory committee.—The term 'Advisory Committee' means the National Health Objectives Advisory Committee established under section 1910K(a).

"(2) Core priorities.—The term 'core priorities' means the three national health priorities that are designated by the Secretary as 'core national health priorities' and that must be included in the State health objectives provided in the State health objectives plan of each State.

"(3) National health priorities.—The term 'national health priorities' means the priorities established under section 1910K(b).

"(4) State agency.—The term 'State agency' means the department, agency, commission, or other entity designated and vested with authority under State law over matters concerning public health.

"(5) State plan.—The term 'State plan' means the health objectives plan of a State submitted under section 1910I.

"(6) State report.—The term 'State report' means the annual report of a State required under section 1910J.

"(b) Administration.—The Secretary shall carry out this subpart through the Centers for Disease Control and Prevention.

"SEC. 1910F. ALLOTMENTS.

"(a) In General.—Amounts available pursuant to section 1910D for each fiscal year shall be utilized to make allotments in accordance with subsections (b), (c), and (d).

"(b) Formula.— The amount of an allotment to a State under subsection (a) shall be equal to the amount of the allotment for such State under section 1902 for fiscal year 1992.

"(c) Remainder.—From the remainder of the amounts available pursuant to section 1910D, the Secretary shall allot in each fiscal year to each State an amount that equals—

"(1) $12,500, if the population of the State does not exceed 50,000;

"(2) $37,500, if the population of the State exceeds 50,000 but does not exceed 450,000;

"(3) $500,000, if the population of the State exceeds 450,000 but does not exceed 1,000,000;

"(4) $750,000, if the population of the State exceeds 1,000,000 but does not exceed 3,000,000;

"(5) $1,000,000, if the population of the State exceeds 3,000,000 but does not exceed 6,000,000;

"(6) $1,250,000, if the population of the State exceeds 6,000,000 but does not exceed 10,000,000;

"(7) $1,500,000, if the population of the State exceeds 10,000,000 but does not exceed 15,000,000; and

"(8) $2,000,000, if the population of the State exceeds 15,000,000.

"(d) Relative Population.—To the extent that all amounts available for allotment under subsection (a) for each fiscal year are not otherwise allotted to States under subsection (c), such excess shall be allotted to each State in an amount that bears the same ratio to such excess amount for such fiscal year as the total population of the States bears to the population of all States.

"(e) Adjustment.—If for any fiscal year the amount available under section 1910D is less than the total of all amounts listed under subsection (b), the amount allotted to each State shall be an amount that bears the same ratio to the total of all amounts available for allotment under such section as the amount of the allotment that the State is entitled to under subsection (b) bears to the total of all such amounts under such paragraph.

"(f) Indians.—

"(1) In general.—If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this subpart be provided directly by the Secretary to such tribe or organization; and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart;

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for the fiscal year the amount determined under paragraph (2).

"(2) Eligibility.—For an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"(3) Definitions.—As used in this subsection, the terms 'Indian tribe' and 'tribal organization' shall have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

"SEC. 1910G. PAYMENTS UNDER ALLOTMENTS TO STATES.

"(a) In General.—

"(1) Plan requirement.—For each fiscal year, the Secretary shall make payments from amounts available under section 1910D for that fiscal year, as provided for in section 6503(a) of title 31, United States Code, to each State, if such State has submitted an approved State plan, from its allotment under section 1910F.

"(2) Carryover funds.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"(b) Supplies and Services in Lieu of Grant Funds.—

"(1) In general.—

"(A) Aiding grantee in carrying out duties.—Upon the request of a grantee under subsection (a), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the grantee in carrying out such subsection and, for such purposes, may detail to the grantee any officer or employee of the Department of Health and Human Services.

"(B) Limitation.—With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of the grant to the grantee involved by an amount equal to the costs of detailing personnel and fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(2) Use of reduction.—The amount by which any payment is reduced under paragraph (1) shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be considered to be subpart of the payment and to have been paid to the State.

"SEC. 1910H. USE OF ALLOTMENTS.

"(a) State Plan.—A State shall utilize amounts paid to it under section 1910G, from the allotment of such State under section 1910F, to develop and implement a State plan, in accordance with section 1910I, in order to—

"(1) develop and collect data to assess the public health needs and health status of the individuals, including minorities, that reside in the State;

"(2) provide assistance for planning necessary to assist projects and programs to be included in the State plan;

"(3) provide assistance to projects and programs described in the State plan; and

"(4) make appropriate State data and the State plan available to local health departments to facilitate improved local planning.

"(b) Limitations.—A State shall not use amounts paid to it under section 1910G, to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of health services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment; or

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(c) Administration.—Not more than 10 percent of the total amount paid to a State under section 1910G from the State allotment under section 1910F for any fiscal year shall be used for administering the funds made available under section 1910G. The State shall pay from non-Federal sources any additional costs of administering such funds. For purposes of this subsection, the term 'administration' shall not be construed to include collection or assessment of data or assistance provided by States for the planning or implementation of projects and programs.

"SEC. 1910I. STATE HEALTH OBJECTIVES PLAN AND DESCRIPTION OF ACTIVITIES.

"(a) In General.—To receive a payment under section 1910G from the State allotment for a fiscal year under section 1910F, a State shall prepare and submit, to the Secretary, a State health objectives plan at such time, in such manner, and containing such information as the Secretary shall require. Such State plan shall—

"(1) be developed by the State health agency in consultation with the State Health Objectives Advisory Committee established under subsection (b);

"(2) meet the requirements of subsection (c); and

"(3) contain assurances satisfactory to the Secretary that the State will meet the requirements of subsection (d).

"(b) Advisory Committee.—

"(1) Establishment.—Not later than 6 months after the enactment of this subpart, each State shall establish a State Health Objectives Advisory Committee, that shall be chaired by the State health officer, and shall consist of members of the public and health directors that represent local health departments.

"(2) Representatives.—States are encouraged to include entities receiving grants under this subpart, representatives of community-based organizations including minority community-based organizations, and a representative of an academic institution that trains public health professionals, as part of the State committee established under paragraph (1).

"(3) Meetings.—The State Health Objectives Advisory Committee shall meet not less than twice each year.

"(4) Responsibilities.—The Advisory Committee established under paragraph (1) shall review and make recommendations to the State health agency concerning—

"(A) health assessment and policy development and assurance functions associated with the program established under this subpart; and

"(B) State plans, data collection efforts, the establishment of State health objectives, coordination of efforts funded under this subpart, coordination with other similar programs, public hearings, and the allocation of funds within the State annual report.

"(c) Requirements.—A State plan submitted under subsection (a) shall—

"(1) be developed in consultation with the State Health Objectives Committee;

"(2) contain a specific set of not less than five State health objectives that shall be chosen from the national health priorities described by the Secretary under section 1910K, and that shall include all core priorities identified under such section;

"(3) contain an annual budget that describes the manner in which the payments made under section 1910G are to be used by the State, and such budget shall—

"(A) specify the portion of such funds that are to be used at each level of the State or local government, and the portion of such funds that are to be allocated for grants to local agencies of public health, community-based organizations, including minority community-based organizations, voluntary nonprofit health organizations, and other entities selected by the State help meet State objectives under paragraph (7); and

"(B) commit the State to use not less than 80 percent of such payments to meet State objectives that, as determined by the State agency after an analysis of the national health priorities, and based on the available State data described in paragraph (4), are critical to improving the health status of the individuals who reside within the State;

"(4) in terms of each State objective—

"(A) provide assurances satisfactory to the Secretary that there is a minimum set of data available to satisfactorily measure the health status of individuals including racial and ethnic minorities, who reside within the State;

"(B) utilize the data described in subparagraph (A) to identify the improvement that the State expects to make in the health status of individuals who reside within the State during the term of the State plan;

"(C) specify the particular strategies, projects and programs intended to be used by the State to improve the health status of individuals who reside within the State;

"(D) specify the methods intended to be used by the State to evaluate the progress made by the State in improving the health status of individuals who reside within the State; and

"(E) provide services targeted at improving the health status of individuals who reside within the State at the level of State or local government that the State determines are most likely to be effective in achieving the State objectives especially with respect to addressing inner city and rural disparities in health status indicators;

"(5) provide for the establishment of practices and procedures through which the State shall assist local health agencies in the development of community health plans and to monitor the progress of local health agencies, community-based organizations, including minority community-based organizations, and health organizations in implementing the State objectives;

"(6) identify public health personnel requirements that the State determines are reasonably necessary and appropriate to permit the State to achieve the State objectives;

"(7) identify the mechanism by which the State shall select, and allocate assistance provided under this subpart to local units of government, local agencies of public health, community-based health, including minority community-based organizations, voluntary nonprofit health organizations, and other entities within the State to help meet the State objectives;

"(8) contain a description (that may be revised throughout the year as may be necessary to reflect substantial changes in the projects and programs assisted by the State) of the intended use of the payments the State will receive under section 1910G for the fiscal year for which the State plan is submitted, including information concerning the projects and programs to be supported and services to be provided, which shall be made available to the public within the State in a manner that will facilitate comment from any individual during the period of the development of the description and after the transmittal of such; and

"(9) contain a plan for conducting health education and disease prevention programs for identifiable racial and ethnic communities.

"(d) Assurances.—As part of the State plan required under subsection (a), a State shall provide assurances satisfactory to the Secretary that such State—

"(1) shall use the amounts allotted to it under section 1910F in accordance with the requirements of the State plan and of this subpart;

"(2) shall establish reasonable criteria for the evaluation of the effective performance of entities that receive assistance from the allotment to the State under this subpart;

"(3) shall identify those populations including racial and ethnic minorities, areas, and localities in the State that demonstrate a need for the services for which funds may be provided by the State under this subpart;

"(4) shall use amounts made available under section 1910G for any period to supplement and increase the level of State, local, and other Federal assistance that would, in the absence of amounts available under section 1910G, be made available for the programs and activities for which funds are provided for under this subpart, and shall not use funds made available under this subpart to supplant such State, local, and other Federal funds; and

"(5) shall require the State Health Objectives Advisory committee to consult with community-based minority organizations.

"SEC. 1910J. STATE HEALTH OBJECTIVES REPORT.

"(a) In General.—Not later than 120 days after the end of each fiscal year for which assistance is provided under this subpart, each State, in cooperation with participating local units of government, shall prepare and submit, to the Secretary, an annual State health objectives report concerning the activities of the State under this subpart, that meets the requirements of this section.

"(b) Requirements.—A State report submitted under subsection (a) shall be in such form and contain such information as the Secretary determines, after consultation with the heads of the State agencies and the Comptroller General, to be necessary—

"(1) to determine whether funds were expended by the State in accordance with this subpart and consistent with the needs within the State as proscribed in the State plan;

"(2) to secure a description of the projects and programs within the State operated or assisted with amounts provided under allotments made under this subpart; and

"(3) to secure a record of—

"(A) the purposes for which amounts provided under this subpart were expended;

"(B) the recipients of such funds; and

"(C) the progress made toward achieving the purposes for which such funds were provided.

"(c) Uniform Data Item.—A State report submitted under subsection (a) shall include information concerning at least one uniform data item on each national health priority described in section 1910K(b) to be determined in consultation with the Secretary.

"(d) Uniform Data Sets.—Each State shall report uniform data sets, as prescribed by the Secretary under section 1910K(f), for each national health priority addressed in the State plan that shall commence not later than 4 years after the date of enactment of this subpart.

"(e) Additional Contents.—The Secretary may require States to include additional information in the State report submitted under this section.

"(f) Availability.—The State shall ensure that the State report is available for public inspection within the State, and the State Health Official shall provide copies at cost, on request, to any interested individual.

"SEC. 1910K. RESPONSIBILITIES OF THE SECRETARY.

"(a) Advisory Committee.—

"(1) Establishment.—Not later than 3 months after the enactment of this subpart, the Secretary, acting through the Assistant Secretary for Health, shall establish an advisory committee, to be known as the 'National Health Objectives Advisory Committee', to advise the Secretary concerning national health priorities.

"(2) Composition.—The Advisory Committee shall be composed of 12 members, of which—

"(A) one member shall be the Assistant for Secretary of Health, who shall serve as the chairperson of the Advisory Committee;

"(B) two members shall be appointed by the Secretary from the general public;

"(C) one member shall be appointed by the Administrator of the Environmental Protection Agency;

"(D) two members shall be appointed by the Association of State and Territorial Health Officials;

"(E) one member shall be appointed by the National Association of County Health Officials;

"(F) one member shall be appointed by the United States Conference of Local Health Officials;

"(G) one member shall be appointed by the Association of Schools of Public Health;

"(H) one member shall be appointed by the American Public Health Association.

(I) the Director of the Centers for Disease Control and Prevention; and

(J) the Director of the Office of Disease Prevention and Health Promotion.

"(3) MEETINGS AND DUTY.—The Advisory Committee shall meet not less than once each year for the purpose of providing advice to the Secretary concerning the selection, revision, implementation, and evaluation of the national health priorities, and the development and adoption of the uniform data set.

"(b) NATIONAL HEALTH PRIORITIES.—The Secretary, in consultation with the heads of other Federal agencies and the Advisory Committee, and taking into account the 'Year 2000 Health Objectives' developed by the United States Public Health Service, shall establish—

"(1) national health priorities that shall form the basis for all activities that receive assistance under this subpart;

"(2) from the priorities established under paragraph (1), a set of three core priorities that shall be included in each State plan; and

"(3) in cooperation with other appropriate national organizations, an estimate of the personnel and training that will be needed throughout the United States to accomplish the priorities established under paragraph (1).

"(c) REVIEW OF STATE PLANS.—The Secretary shall review each proposed State plan, and each proposed amendment thereto, submitted by a State under section 1910I, and approve each such plan or amendment, or each portion of such plan or amendment, that the Secretary determines complies with the requirements of this subpart.

"(d) STATE REPORT.—The Secretary shall receive and review each State report submitted by a State under section 1910J, and shall compile, evaluate, and prepare and submit, every 3 years, to the appropriate Committees of Congress and the President, an annual national health objectives report concerning the data and information contained in such State.

"(e) OTHER ASSISTANCE.—The Secretary shall provide consultation, guidance, and technical assistance to State, and through State to local units of government, and to other entities participating in the programs created under this subpart, to—

"(1) assist in the development of data sets as required under section 1910I, and uniform data items required under section 1910J; and

"(2) assist States with the development of local and State plans, or amendments to such plans, that the Secretary determines does not comply with the requirements of this subpart, in revising such plans or amendments to comply with the requirements of this subpart.

"(f) UNIFORM DATA SETS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in consultation with State and local health officials and the National Health Objectives Advisory Committee, shall establish uniform data sets for each of the national health priorities described in subsection (b). Such data sets shall be consistent with those established under section 1906 and shall be adopted not later than 2 years after the date of the enactment of this subpart.

"(g) IMPLEMENTATION.—In implementing the provisions of sections 1910I, 1910J and this section, with respect to data sets and data items, the Secretary shall, to the extent practicable, rely on previously developed uniform data sets, systems and indicators.

"(h) REPORT TO CONGRESS.—Not later than 3 years after the date of enactment of this subpart, and every 3 years thereafter, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the activities of the States that have received funds under this subpart. Such report shall include State compilations of the information contained in the reports prepared under section 1910J, and any recommendations for appropriate changes in legislation necessary to facilitate improvement in the health status of the United States and of selected subgroups within the United States, facilitate the implementation of the State plans described in section 1910I and to facilitate other changes determined appropriate by the Secretary under subpart 2.".

Subtitle C—Categorical Programs

SEC. 131. NATIONAL DEMONSTRATION PROJECTS FOR WOMEN'S HEALTH.

Section 317(k) (42 U.S.C. 247b(k)) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following new paragraph:

"(4)(A) The Secretary shall award grants to States, and in consultation with State health agencies, to political subdivisions of States, community based organizations, and other public and nonprofit private entities for—

"(i) the establishment of demonstration projects for the prevention of conditions or diseases that adversely affect women;

"(ii) the establishment of demonstration projects for the promotion of women's health; and

"(iii) the development and dissemination of information for health promotion and disease prevention related to issues of women's health.

"(B) The projects and activities carried out under this subsection shall have an emphasis on, but not be restricted to the prevention or control of osteoporosis, coronary heart disease, diabetes, obesity and tobacco use.

"(C) There are authorized to be appropriated to carry out this paragraph, $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.".

SEC. 132. INCREASED INJURY PREVENTION ACTIVITIES.

(a) INJURY CONTROL ACTIVITIES.—Section 392 (42 U.S.C. 280b–1) is amended by adding at the end thereof the following new subsections:

"(c) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may establish a national information clearinghouse to facilitate the exchange and dissemination of information concerning the prevention and control of injuries in homes, schools, public buildings and other such locations not otherwise covered by the Occupational Safety and Health Act of 1970.

"(d) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants to, or enter into contracts with, State departments of health and education, and in consultation with State authorities, to local departments of health and education, for the purposes of helping public schools to implement effective programs to prevent injuries and behaviors associated with unnecessary risks for injuries. As a condition of awarding a grant under this subsection to a State or local department of education, the Secretary shall require that such department of education coordinate with the relevant department of health in utilizing amounts received under such grant.

"(e)(1) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall award grants to States, and in consultation with State health agencies, to political subdivisions of States, community based organizations, and other public and nonprofit private entities for the establishment of 10 demonstration projects for the prevention and control of injuries in homes, schools, public buildings and other such locations not otherwise covered by the Occupational Safety and Health Act of 1970.

"(2)(A) Not more than 50 percent the amount appropriated under section 394 for fiscal year 1993 that exceeds $30,000,000, but in no event in excess of $2,000,000, shall be used to establish five demonstration projects under paragraph (1) in such fiscal year.

"(B) Not more than 50 percent of the amount appropriated under section 394 for fiscal year 1994 that exceeds the amount appropriated under such section for fiscal year 1993, but in no event in excess of $2,000,000, shall be used to establish the remaining five demonstration projects required under paragraph (1) in such fiscal year. Additional projects may be established under such paragraph if appropriations remain available.

"(3) The projects and activities carried out under this subsection shall place an emphasis on, but not be restricted to, childhood injuries, particularly injuries to children under five years of age, prevention of motor vehicle injuries, violence and falls.".

(b) REPORT AND RECOMMENDATIONS.—Section 393 (42 U.S.C. 280b–2) is amended—

(1) in the section heading to read as follows:

"REPORT AND RECOMMENDATIONS";

(2) by inserting "(a)" after the section designation; and

(3) by adding at the end thereof the following new subsection:

"(b) The Director of the Centers for Disease Control and Prevention shall biennially prepare and submit to the Secretary a report, together with recommendations and guidelines, concerning new technologies and practices based on established research findings of efficacy for injury prevention and control. The Secretary shall consider such recommendations and guidelines in determining whether to approve the purchase or lease of equipment, including vehicles, for use by the Department of Health and Human Services. The Secretary shall forward such recommendations and guidelines to the Congress, the Director of the General Services Administration, and any other agency head or State Governor that requests a copy of such recommendations and guidelines.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 394 (42 U.S.C. 280b–3) is amended—

(1) by striking out "$10,000,000" and all that follows and inserting "$40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.";

(2) by inserting "(a)" after the section designation; and

(3) by adding at the end thereof the following new subsection:

"(b) The Secretary shall only make grants under section 392(e) for a fiscal year if amounts appropriated under subsection (a) for such fiscal year are in excess of the amount appropriated under this section for fiscal year 1991.".

SEC. 133. ESTABLISHMENT OF AN OFFICE OF ADOLESCENT HEALTH.

Title III (42 U.S.C. 241 et seq.) is amended by adding at the end thereof the following new part:

"Part M—Adolescent Health

"SEC. 399F. OFFICE OF ADOLESCENT HEALTH.

"(a) ESTABLISHMENT.—The Secretary, acting through the Assistant Secretary for Health, shall establish an Office of Adolescent Health (hereafter referred to in this part as the 'Office') and provide administrative support and support services to the Director of such Office.

"(b) DIRECTOR.—The Office shall be headed by a Director (hereafter referred to in this part as the 'Director') who shall be appointed by the Assistant Secretary for Health.

"(c) PURPOSE AND DUTIES.—It shall be the purpose of the Office to ensure the sufficiency of the efforts of the Federal government to improve the health status of adolescents. The Office shall—

"(1) coordinate all activities within the Department that relate to the monitoring of trends in the health status of adolescents through data collection;

"(2) coordinate all activities (including research) within the Department concerning the design of, support for, and evaluation of, adolescent health services;

"(3) establish a national information clearinghouse to facilitate the exchange of information concerning all Federal research activities and initiatives as such relates to adolescent health and to facilitate access to such information;

"(4) oversee multidisciplinary disease, injury, and disability prevention research projects concerning conditions and diseases unique to, more prevalent in, or neglected in adolescents;

"(5) coordinate the training of health providers who work with adolescents, particularly nurse practitioners, physician assistants, social workers;

"(6) establish within the Office an advisory committee under section 399H to be known as the National Advisory Committee on Adolescent Health;

"(7) provide advice to Congress concerning adolescent health issues; and

"(8) in collaboration with the National Adolescent Health Advisory Commission, develop a national strategic plan to access adolescent health issues.

"SEC. 399G. ADOLESCENT HEALTH INITIATIVES.

"(a) GRANTS.—The Secretary, acting through the Office of Adolescent Health, shall award grants to, or enter into contract with, State health agencies and other eligible applicants to assist such applicant in funding activities authorized under an application approved under section (d).

"(b) USE OF AMOUNTS.—Amounts provided under a grant or contract under subsection (a) shall be used by the recipients of such amounts to fund multidisciplinary projects based on established research findings of efficacy that are designed to—

"(1) use new and innovative methods to train health care practitioners to provide services to adolescents; and

"(2) demonstrate and evaluate innovative multidisciplinary methods and models designed to prevent adolescent violence.

"(c) ELIGIBLE APPLICANTS.—To be eligible to receive a grant or contract under this section an entity shall be a State or local health department, nonprofit organization and public or nonprofit college, university or school of, or program that specializes in, adolescent medicine, nursing, medicine, osteopathy, social work, psychology, public health, and programs that train physician assistants and shall prepare and submit to the Secretary for approval an application under subsection (d). Eligible entities shall not include for-profit entities, either directly or through a subcontract or subgrant.

"(d) APPLICATIONS.—

"(1) SUBMISSION.—To be eligible to receive a grant or contract under subsection (a) an entity shall prepare and submit an application to the Secretary at such time, in such form, and containing such information as the Secretary shall require.

"(2) REQUIREMENTS.—Applications submitted under this subsection shall—

"(A) be submitted by a coalition or consortium of at least three eligible applicants with the express purpose of establishing long-term collaborative relationships with adolescent health care providers; and

"(B) provide any additional information required by the Secretary.

"(e) PEER REVIEW.—

"(1) IN GENERAL.—Each application for a grant or contract under this section shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application.

"(2) ESTABLISHMENT.—The Secretary shall establish such peer review groups as may be necessary to carry out paragraph (1). The Secretary shall make appointments to the peer review groups from among appropriately qualified persons who are not officers or employees of the United States.

"(3) REPORT OF FINDINGS.—With respect to applications referred to in paragraph (1), a peer review group established pursuant to such paragraph shall report its finding and recommendations to the Secretary. The Secretary may not approve such an application unless a peer review group has recommended the application for approval, and awards should be made in the order of priority from the peer review process.

"(4) ADMINISTRATION.—This paragraph shall be carried out by the Secretary.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.

"SEC. 399H. NATIONAL ADOLESCENT HEALTH ADVISORY COMMISSION.

"(a) COMPOSITION.—The Advisory Commission (hereafter referred to in this section as the 'Commission') established under section 399F(c)(6) shall be composed of—

"(1) the Assistant Secretary of Health;

"(2) the Assistant Secretary of Education for Elementary and Secondary Schools;

"(3) a representative of the Health Resources and Services Administration to be appointed by the Secretary;

"(4) a representative of the Centers for Disease Control and Prevention to be appointed by the Secretary;

"(5) a representative of the National Institute of Health to be appointed by the Secretary;

"(6) five individuals appointed by the Secretary from among physicians, practitioners, scientists, and other health professionals whose clinical practice and research specialization focus on adolescent health; and

"(7) a parent of an adolescent to be appointed by the Secretary.

"(b) APPOINTMENTS.—Not later than April 1, 1992, the Secretary shall appoint the members of the Commission in accordance with subsection (a).

"(c) MEETINGS.—The Commission shall meet not less than twice annually to provide advice and make recommendations to the Secretary and to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives, with respect to—

"(1) priority research needs;

"(2) appropriate research activities to be supported by the Office;

"(3) deficiencies and needs for improvements in existing data bases concerning adolescent health status and steps that should be taken to eliminate such deficiencies; and

"(4) identify problems in adolescent health and make recommendations for the resolution of such problems.

"(d) REPORTS.—

"(1) INTERIM REPORTS.—Not later than 1 year and 3 years after the date on which the initial meeting of the Commission is held, the Commission shall prepare and submit to the individual and entities described in subsection (c) a progress report concerning the activities of the Commission.

"(2) FINAL REPORT.—Not later than April 1, 1996, the Commission shall prepare and submit to the individuals and entities described in subsection (c) a final report concerning its activities.

"(e) STAFF SUPPORT FOR THE ADVISORY COMMISSION.—The Director of the Centers for Disease Control and Prevention, acting through the Division of Adolescent and School Health, shall provide the staff support for the Commission.".

SEC. 134. IMPROVEMENT IN LEAD POISONING SCREENING AND PREVENTION.

(a) AUTHORITY FOR GRANTS.—

(1) IN GENERAL.—Section 317A(a) (42 U.S.C. 247b–1(a)) is amended to read as follows:

"(a) AUTHORITY FOR GRANTS.—

"(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to public and nonprofit private entities (including States and political subdivisions of States) for the initiation and expansion of community programs designed—

"(A) to provide, for infants and children—

"(i) screening for elevated blood-lead levels;

"(ii) referral for treatment of such levels; and

"(iii) referral for environmental intervention associated with such levels; and

"(B) to provide education about childhood lead poisoning.

"(2) PROVISION OF ALL SERVICES AND ACTIVITIES THROUGH EACH GRANTEE.—In making grants under paragraph (1), the Secretary shall ensure that each of the services and activities described in such paragraph is provided through each grantee under such paragraph. The Secretary may authorize such a grantee to provide the services and activities directly, or through arrangements with other providers."; and

(2) CONFORMING AMENDMENTS.—Section 317A (42 U.S.C. 247b–1) is amended—

(A) by redesignating subsections (b) through (j) as subsections (d) through (l), respectively;

(B) in subsection (h) (as so redesignated)—

(i) in paragraph (1), by striking the comma after "recipient" and inserting a semicolon; and

(ii) in paragraph (2), by striking the comma at the end and inserting a semicolon; and

(C) by inserting before subsection (d) (as so redesignated) the following:

"(c) Priority in Making Grants.—In making grants under subsection (a), the Secretary shall give priority to applications for programs that will serve areas with a high incidence of elevated blood-lead levels in infants and children.".

(b) Establishment of Requirement Regarding Status as Medicaid Provider.—Section 317A, as amended by subsection (a)(2)(A), is further amended by inserting after subsection (a) the following new subsection:

"(b) Status as Medicaid Provider.—

"(1) In general.—Subject to paragraph (2), the Secretary may not make a grant under subsection (a) unless, in the case of any service described in such subsection that is made available pursuant to the State plan approved under title XIX of the Social Security Act for the State involved—

"(A) the applicant for the grant will provide the service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

"(B) the applicant will enter into an agreement with a provider under which the provider will provide the service, and the provider has entered into such a participation agreement and is qualified to receive such payments.

"(2) Waiver regarding certain secondary agreements.—

"(A) In the case of a provider making an agreement pursuant to paragraph (1)(B) regarding the provision of services, the requirement established in such paragraph regarding a participation agreement shall be waived by the Secretary if the provider does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits plan.

"(B) A determination by the Secretary of whether a provider referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the provider accepts voluntary donations regarding the provision of services to the public.".

(c) Grant Application.—

(1) Coordination.—Section 317A, as amended by subsection (a)(2)(A), is further amended—

(A) by striking out subsection (f); and

(B) in subsection (d)(1)—

(i) by inserting ", including the sources of lead exposure, the immediate risk of lead-based paints, other sources of lead including drinking water and soil, the potential dangers of lead exposure during home renovations, the importance of screening young children for lead, and the preventive steps that parents can take in reducing the risk for lead poisoning," after "infants and children" in subparagraph (B);

(ii) by redesignating subparagraph (E) as subparagraph (F); and

(iii) by inserting after subparagraph (D) the following new subparagraph:

"(E) Assurances satisfactory to the Secretary that the program to be provided under the grant applied for will include educational programs designed to communicate to health professionals and paraprofessionals updated knowledge concerning lead poisoning and research, the health consequences, if any, of low-level lead burden, the prevalence of lead poisoning among all socioeconomic groupings, the benefits of expanded lead screening, and the therapeutic and other interventions available to prevent and combat lead poisoning in affected children and families.".

(2) Report.—Section 317A(d)(2), as redesignated by subsection (a)(2)(A), is amended to read as follows:

"(2) Annual report.—Not later than February 1 of each year, the Secretary shall submit to Congress a report on the effectiveness during the preceding fiscal year of programs carried out with grants under subsection (a) and of any programs that are carried out by the Secretary pursuant to subsection (l)(2). Such reports shall include in addition to any other information that the Secretary shall require a description of the number of individuals screened, age distribution of individuals screened, minority representation of the screened population, number of screening sites, percentage of children screened with blood levels greater than 10 micrograms per deciliter, and prior years information for these categories where available. Recipients of grants under this section that are required to report equivalent information to the Secretary under other sections of this Act shall be exempt from the requirements of this subsection.".

(3) Technical and conforming amendments.—Section 317A(d)(1), as redesignated by subsection (a)(2)(A) and amended by subsection (c)(1)(B)(i), is further amended—

(A) by striking out "(d) Grant" and all that follows through "No grant" and inserting the following:

"(d) Grant Application.—

"(1) In general.—No grant";

(B) by moving each of subparagraphs (A) through (F) 2 ems to the right; and

(C) in subparagraph (C), by striking out "effectiveness" and all that follows and inserting in lieu thereof "effectiveness.".

(d) Establishment of Provision Regarding Relationship to Items and Services Under Other Programs.—Section 317A, as amended by subsection (c)(1)(A), is further amended by inserting after subsection (e) the following new subsection:

"(f) Relationship to Services and Activities Under Other Programs.—

"(1) In general.—A recipient of a grant under subsection (a) may not make payments from the grant for any service or activity to the extent that payment has been made, or can reasonably be expected to be made, with respect to such service or activity—

"(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

"(B) by an entity that provides health services on a prepaid basis.

"(2) Applicability to certain secondary agreements for provision of services.—Paragraph (1) shall not apply in the case of a provider through which a grantee under subsection (a) provides services under such subsection if the Secretary has provided a waiver under subsection (b)(2) regarding the provider.".

(e) Authorization of Appropriations.—

(1) In general.—Section 317A(l), as redesignated by subsection (a)(2)(A), is further amended—

(A) by striking out "There are" and all that follows through "not more than" and inserting in lieu thereof the following: "For the purpose of carrying out this section, there are authorized to be appropriated";

(B) by striking "and" after "1990,"; and

(C) by inserting before the period the following: ", $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996. Of the amounts appropriated under this subsection for each fiscal year, the Secretary shall use not to exceed 10 percent of such amounts in each such fiscal year to carry out sections 317B, 317C, and 317D".

(2) Establishment of set-aside.—Section 317A(l), as amended by paragraph (1), is further amended—

(A) by striking out "(1) Authorization" and all that follows through "purpose" and inserting in lieu thereof the following:

"(l) Funding.—

"(1) Authorization of appropriations.—For the purpose"; and

(B) by adding at the end the following new paragraph:

"(2) Set-aside for other programs.—Of the amounts appropriated under paragraph (1) for any fiscal year, the Secretary may reserve not more than 20 percent for carrying out programs regarding the services and activities described in subsection (a) in addition to the program of grants established in such subsection.".

(f) National Education Program.—Title III is amended by inserting after section 317A (42 U.S.C. 247b-1) the following new section:

"SEC. 317B. NATIONAL LEAD POISONING PREVENTION EDUCATION PROGRAM.

"The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish and implement a national program designed to educate health professionals and paraprofessionals and the general public concerning lead poisoning. As part of such educational program the Secretary shall ensure that such individuals have access to information concerning the health effects of low-level lead toxicity, the most serious causes of lead poisoning, and the primary and secondary preventive measures that may be taken to combat the problem of lead poisoning.".

(g) Research and Development.—Title III (as amended by subsection (f)) is further amended by inserting after section 317B the following new section:

"SEC. 317C. NATIONAL LEAD POISONING TECHNOLOGY ASSESSMENT AND EPIDEMIOLOGY PROGRAM.

"The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish and implement a concerted technology assessment and epidemiology program to—

"(1) develop improved testing measures that may be administered to children to detect lead toxicity using methods that are sufficiently reliable, sensitive, applicable and cost-effective;

"(2) more accurately assess the prevalence of lead poisoning by State, socioeconomic grouping, and health care insurance status; and

"(3) conduct any applied research necessary to improve the effectiveness of childhood lead poisoning prevention programs.".

(h) Task Force To Coordinate Efforts to Prevent Lead Poisoning.—Title III (as amended by subsections (f) and (g) is further amended by inserting after section 317C the following new section:

"SEC. 317D. INTERAGENCY TASK FORCE ON THE PREVENTION OF LEAD POISONING.

"(a) Establishment.—Not later than 6 months after the date of enactment of this Act, the Secretary shall establish a task force, to be known as the 'Interagency Task Force on the Prevention of Lead Poisoning', to coordinate the efforts of Federal agencies to prevent lead poisoning.

"(b) COMPOSITION.—The task force established under subsection (a) shall be composed of—

"(1) the Secretary, who shall serve as the chairperson of the task force;

"(2) the Secretary of Housing and Urban Development;

"(3) the Administrator of the Environmental Protection Agency; and

"(4) senior staff selected by the Secretary of Health and Human Services, Secretary of Housing and Urban Development, and Administrator of the Environmental Protection Agency.

"(c) DUTIES.—The task force established under subsection (a) shall—

"(1) review, evaluate and coordinate current strategies and plans formulated by the Department of Health and Human Services (including the *Strategic Plan for the Elimination of Lead Poisoning* of February 21, 1991), the Department of Housing and Urban Development (including the *Comprehensive and Workable Plan for the Abatement of Lead-Based Paint in Privately Owned Housing* of December 7, 1990) and the Environmental Protection Agency (including the *Strategy for Reducing Lead Exposures* of February 21, 1991) and develop a unified implementation plan for programs related to the prevention of lead poisoning that receive assistance from the Federal Government;

"(2) establish a mechanism for sharing and disseminating information among and to agencies participating in the task force;

"(3) identify the most promising areas of research and education concerning lead poisoning;

"(4) identify the practical and technological constraints to expanding lead poisoning prevention;

"(5) annually carry out a comprehensive review of Federal programs providing assistance to prevent lead poisoning, and prepare and submit not later than May 1 of each year to the Committee on Labor and Human Resources and the Committee on the Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives, a report that summarizes the review conducted under this paragraph and contains any program, policy and budgetary recommendations of the task force; and

"(6) annually review and coordinate departmental and agency budgetary requests with respect to all lead poisoning prevention activities of the Federal Government.".

(i) EFFECTIVE DATE.—The amendments made by this section shall take effect October 1, 1991, or upon the date of the enactment of this Act, whichever occurs later.

SEC. 135. PREVENTION AND CONTROL OF SEXUALLY TRANSMITTED DISEASES.

Section 318 (42 U.S.C. 247c) is amended—

(1) in subsection (b), by inserting after "may make grants to States," the following: "and with notification of the State health authority, to";

(2) in the first sentence of subsection (d)(1), by striking out "$45,000,000" and all that follows through the period and inserting in lieu thereof "$120,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996"; and

(3) by adding at the end thereof the following new subsection:

"(e) Recipients of grants under subsection (a) shall annually prepare and submit to the Secretary a report concerning the services provided using such grant funds. Such reports shall include information determined appropriate by the Secretary.".

SEC. 136. SCREENING AND EARLY DETECTION OF PROSTATE CANCER.

Title III is amended by inserting after Section 318 (42 U.S.C. 247c) the following new section:

"SEC. 318A. PROSTATE CANCER SCREENING AND EARLY DETECTION.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States, academic medical centers, or other public or nonprofit private entities—

"(1) to determine the prevalence, incidence and mortality rates and stage at diagnosis of prostate cancer, nationally, within regions and within subgroups of the population; and

"(2) to determine the state of current practices for the screening and diagnosis of prostate cancer and the effectiveness of such practices in reducing mortality.

Such grants shall be awarded on the basis of an established competitive review process.

"(b) COORDINATION WITH THE NATIONAL INSTITUTES OF HEALTH.—The Director of the Centers of Disease Control and Prevention shall coordinate with the Director of the National Institutes of Health to—

"(1) evaluate existing methods for the screening and diagnosis of prostate cancer in order to develop more sensitive and specific, less expensive screening and diagnostic methods;

"(2) evaluate and improve reporting of surveillance data relative to prostate cancer;

"(3) disseminate information concerning such methods to health professionals; and

"(4) collaborate to expedite the review of research and development of technologies that insure early detection of prostate cancer.

"(c) APPLICATION REQUIREMENTS.—The Secretary may not make a grant under subsection (a) unless an application for such grant is submitted to the Secretary. Such application shall be in such form, submitted at such time, and contain such information as the Secretary determines to be appropriate to carry out this section, including a description of the activities, as described in subsection (a), that the applicant intends to use the amounts received under such grant to carry out.

"(d) DESCRIPTION OF INTENDED USE OF GRANTS.—The Secretary may not make a grant under subsection (a) unless the applicant for such grant submits to the Secretary a description of the purposes for which the applicant intends to expend the amounts received under the grant that—

"(1) identifies the populations, areas and locations to be assessed under the grant; and

"(2) provides assurances that the grant funds will be used in the most cost-effective manner practicable.

"(e) TECHNICAL ASSISTANCE.—The Secretary may provide training and technical assistance with respect to the planning, development and operation of activities carried out under grants awarded under this section.

"(f) REPORTS.—Not later than 18 months after the awarding of grants under this section, and annually thereafter, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce in the House of Representatives, a report that contains—

"(1) a summary of the findings derived from the activities carried out under grants awarded under this section during the preceding fiscal year; and

"(2) recommendations for administrative and legislative initiatives to improve the public health based upon the findings described in paragraph (1) that the Secretary determines to be appropriate.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.

SEC. 137. SPECIAL REGIONAL AND NATIONAL DEMONSTRATION PROJECTS FOR MINORITY HEALTH PROMOTION AND DISEASE PREVENTION.

Title XVII (42 U.S.C. 300u) is amended by adding at the end thereof the following new section:

"SEC. 1707. SPECIAL REGIONAL AND NATIONAL DEMONSTRATION PROJECTS FOR MINORITY HEALTH PROMOTION AND DISEASE PREVENTION.

"(a) GRANTS.—The Secretary, acting through the Assistant Secretary of Health, shall award grants to States, political subdivisions of States, public or nonprofit community-based organizations, and other public and nonprofit private entities for the establishment of demonstration projects for the prevention of diseases that disproportionately affect minorities.

"(b) PRIORITY.—In awarding grants for projects under subsection (a), the Secretary shall give priority to projects that are designed to address the leading causes of death, disease and disability in minority populations, including cancer, cardiovascular disease, diabetes, violence, homicide, and tobacco use.

"(c) APPLICATION.—To be eligible to receive a grant under this section, an entity of the type described in subsection (a) shall prepare and submit to the Secretary an application, at such time, in such form, and containing such information as the Secretary determines appropriate.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.".

TITLE II—COORDINATION OF HEALTH PROMOTION AND DISEASE PREVENTION ACTIVITIES

SEC. 201. SHORT TITLE.

This title may be cited as the "Health Promotion and Disease Prevention Coordination Act of 1991".

SEC. 202. HEALTH INFORMATION AND HEALTH PROMOTION.

(a) OFFICE OF DISEASE PREVENTION AND HEALTH PROMOTION.—Paragraph (11) of section 1701(a) (42 U.S.C. 300u(a)(11)) is amended to read as follows:

"(11) establish in the Office of the Assistant Secretary for Health an Office of Disease Prevention and Health Promotion, to be headed by a director appointed by the Secretary, that shall—

"(A) ensure interagency and interdepartmental coordination of all activities related to health promotion and disease prevention, specifically including nutrition, physical fitness, children and school health, worksite health promotion, health promotion for special populations at risk for preventable disease and disability, and other matters that involve various agencies of the Department or collaboration with other Federal departments and agencies;

"(B) coordinate Federal activities of the type described in subparagraph (A) with similar activities conducted by the private sector and encourage the establishment of additional activities of this type in the private sector;

"(C) establish a national information clearinghouse to—

"(i) facilitate the exchange of information concerning matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care;

"(ii) facilitate the access of health care providers, other providers of health information, and health care consumers to such information; and

"(iii) facilitate and assist entities in the access of such information and the analysis of issues and problems relating to such matters;

"(D) support projects, conduct research, and disseminate information relating to health promotion, disease prevention, preventive medicine and physical fitness and exercise; and

"(E) coordinate, in collaboration with agencies within the Department and other Federal Departments and agencies, a national effort to promote health and prevent disease through the enhancement of health related behavior, improve access to preventive health services, and health information, communication and education with respect to the appropriate use of health care."

(b) AUTHORIZATION OF APPROPRIATIONS.—Subsection (b) of section 1701 (42 U.S.C. 300u(b)) is amended to read as follows—

"(b) There are authorized to be appropriated—

"(1) to carry out sections 1701 through 1703, and section 1705, $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996;

"(2) to carry out section 1704, $4,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1996.".

(c) TARGET POPULATIONS.—Section 1701 (42 U.S.C. 300u) is amended by adding at the end thereof the following new subsection:

"(d) With respect to activities carried out with amounts appropriated under this title, particular emphasis shall be placed on the target populations under each grant, contract or other activity under this title to ensure that appropriate priority is provided to populations and groups with documented historically poor health.".

SEC. 203. INTERDEPARTMENTAL COORDINATING COUNCIL.

Section 1701 (42 U.S.C. 300u) (as amended by section 202(c)) is further amended by adding at the end thereof the following new subsection:

"(e)(1) The Secretary, in consultation with the Secretary of Education, shall establish an interdepartmental group for coordinating activities and fostering cooperation with respect to programs concerning multi- dimensional school health programs, including school health education. Multidimensional school health programs may include—

"(A) school health education;

"(B) school-linked or school based health services designed to prevent, detect and address health problems;

"(C) programs to create a healthy and safe school environment;

"(D) physical education;

"(E) healthful school food services;

"(F) psychological assessment and counseling to promote child development and emotional health;

"(G) schoolsite health promotion for faculty and staff; and

"(H) integrated school and community disease prevention and health promotion efforts.

"(2) The group established under paragraph (1) shall foster cooperation in linking national health objectives established by the Secretary with national education goals established by the Secretary of Education, and promote the establishment of multi- dimensional school health programs, particularly comprehensive school education, to improve the health of American youth.

"(3) The Secretary and the Secretary of Education, through the Assistant Secretary for Elementary and Secondary Education, shall serve as co-chairpersons of the group established under paragraph (1). The Secretary shall appoint individuals to serve as a members of the group from among representatives of appropriate components of the Department of Health and Human Services and the Department of Education. The co-chairpersons may solicit appropriate representation from other Federal departments and agencies. The Public Health Services shall provide staff support for convening the group established under paragraph (1).".

SEC. 204. DISSEMINATION OF HEALTH INFORMATION.

(a) RESEARCH.—Section 1702(a) (42 U.S.C. 300u–1(a)) is amended—

(1) in the matter preceding paragraph (1), by striking out "health information and";

(2) striking out paragraph (2);

(3) redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively; and

(4) in paragraph (5) (as so redesignated), by striking out "paragraph (5)" and inserting in lieu thereof "paragraph (4)".

(b) INFORMATION.—Section 1704 (42 U.S.C. 300u–3) is amended by adding at the end thereof the following new paragraph:

"(6) A determination of the most effective methods of disseminating information concerning personal health behavior, preventive health services and the appropriate use of health care and of affecting behavior so that such information is applied to maintain and improve health, and prevent disease, reduce risk, or modify its course or severity.".

SEC. 205. REPORT ON NATIONAL HEALTH STATUS IMPROVEMENT.

Subsection (a) of section 1705 (42 U.S.C. 300u–4(a)) is amended to read as follows:

"(a) The Secretary shall annually prepare and submit to the President, for subsequent transmittal to the appropriate committees of Congress, a report concerning the status of the nation's health. Each such report shall include—

"(1) a description of the activities carried out under this title for the period for which the report is being submitted and the extent to which each such activity achieves the purpose of the title;

"(2) a description of the goals and strategy formulated pursuant to section 1701(a)(1), the model standards developed under this title, and the results of the study conducted under subsection (b) of this section;

"(3) an analysis of the manner in which the health status of the nation has changed since during the period for which the report is submitted, including information concerning the nation's health status according to the national health status indicators developed under section 5 of the Year 2000 National Health Objectives Planning Act (Public Law 101–582); and

"(4) such recommendations as the Secretary considers appropriate for legislation with respect to health promotion, disease prevention, health information, preventive health services, and education in the appropriate use of health care, including recommendations for revisions and extensions of this title.".

SEC. 206. HEALTH EDUCATION CURRICULUM.

Section 1707(b)(6) (42 U.S.C. 300u–6(b)(6)) is amended—

(1) by striking out "and" at the end of subparagraph (D);

(2) by adding "and" after the semicolon in subparagraph (E);

(3) by adding at the end thereof the following new subparagraph:

"(F) the development of model curricula and programs for health information and education for use in community and workplace settings.".

SEC. 207. STATE OFFICES OF MINORITY HEALTH.

Title XVII (42 U.S.C. 300u et seq.) is amended by adding at the end thereof the following new section:

"SEC. 1708. GRANTS TO STATES FOR OPERATION OF OFFICES OF MINORITY HEALTH.

"(a) IN GENERAL.—The Secretary, acting through the Deputy Assistant Secretary for Minority health (as established under section 1707), may make grants to States for the purpose of improving the health status in minority communities, through the operation of State offices of minority health established to monitor and facilitate the achievement of the Health Objectives for the Year 2000 as they affect minority populations.

"(b) CERTAIN REQUIREMENT FOR STATES.—

"(1) MINIMUM QUALIFICATIONS.—The Secretary may not make a grant to a State under subsection (a) unless such State receives, under any provision of this Act other than subsection (a), one or more grants, cooperative agreements, or contracts for the fiscal year for which the State is applying pursuant to subsection (g) to receive a grant under subsection (a).

"(2) ADMINISTRATION OF PROGRAM.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that the program carried out by the State with amounts received under the grant will be administered directly by a single State agency.

"(c) CERTAIN REQUIRED ACTIVITIES.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that activities carried out by an office operated under the grant received pursuant to such subsection will—

"(1) establish and maintain within the State a clearinghouse for collecting and disseminating information on—

"(A) minority health care issues;

"(B) research findings relating to minority health care; and

"(C) innovative approaches to the delivery of health care and social services in minority communities;

"(2) coordinate the activities carried out in the State that relate to minority health care, including providing coordination for the purpose of avoiding redundancy in such activities; and

"(3) identify Federal and State programs regarding minority health, and providing technical assistance to public and non-profit entities regarding participation in such program.

"(d) REQUIREMENT REGARDING ANNUAL BUDGET FOR OFFICE.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that, for any fiscal year for which the State receives such a grant, the office operated under such grant will be provided with an annual budget of not less than $50,000.

"(e) CERTAIN USES OF FUNDS.—

"(1) RESTRICTIONS.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that—

"(A) if research with respect to minority health is conducted pursuant to the grant, not more than 10 percent of the amount received under the grant will be expended for such research; and

"(B) amounts provided under the grant will not be expended—

"(i) to provide health care (including providing cash payments regarding such care);

"(ii) to conduct activities for which Federal funds are expended—

"(I) within the state to provide technical and other non-financial assistance under subsection (m) of section 340A;

"(II) under a memorandum of agreement entered into with the State under subsection (h) of such section;

"(III) under a grant under section 388I;

"(iii) to purchase medical equipment, to purchase ambulances, aircraft, or other vehicles, or to purchase major communications equipment;

"(iv) to purchase or improve real property; or

"(v) to carry out any activity regarding a certificate of need.

"(2) AUTHORITIES.—Activities for which a State may expend amounts received under a grant under subsection (a) include—

"(A) paying the costs of establishing an office of minority health for purposes of subsection (a);

"(B) subject to paragraph (1)(B)(ii)(III), paying the costs of any activity carried out with respect to recruiting and retaining health professionals to serve in minority communities in the State; and

"(C) providing grants and contracts to public and non-profit private entities to carry out activities authorized in this section.

"(f) REPORTS.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees—

"(1) to submit to the Secretary reports containing such information as the Secretary may require regarding activities carried out under this section by the State; and

"(2) to submit such a report not later than January 10 of each fiscal year immediately following any fiscal year for which the State has received such a grant.

"(g) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant to a State under subsection (a) unless an application for the grant is submitted to the Secretary and the application in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection.

"(h) NONCOMPLIANCE.—The Secretary may not make payments under subsection (a) to a State for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the State has complied with each of the agreements made by the State under this section.

"(i) DEFINITIONS.—For purposes of making grants under subsection (a) there are authorized to be appropriated $3,000,000 for fiscal year 1992, $4,000,000 for fiscal year 1993, $3,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1996.

"(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

"(k) TERMINATION OF PROGRAM.—No grant may be made under this section after the aggregate amounts appropriated under subsection (j)(1) are equal to $10,000,000.".

TITLE III—CENTERS FOR DISEASE CONTROL AND PREVENTION FOUNDATION

SEC. 301. SHORT TITLE.

This title may be cited as the "Centers for Disease Control and Prevention Foundation Act of 1991".

SEC. 302. ESTABLISHMENT OF THE CENTERS FOR DISEASE CONTROL AND PREVENTION FOUNDATION.

Title III (42 U.S.C. 280 et seq.) (as amended by section 133) is further amended by adding at the end thereof the following new part:

"PART N—CENTERS FOR DISEASE CONTROL AND PREVENTION FOUNDATION

"SEC. 399L. ESTABLISHMENT AND DUTIES OF THE FOUNDATION.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish a nonprofit corporation to be known as the Centers for Disease Control and Prevention Foundation (hereafter in this part referred to as the 'Foundation'). The Foundation shall not be an agency or instrumentality of the United States Government.

"(b) PURPOSE, ENDOWMENT FUND, AND ADDITIONAL ACTIVITIES.—The primary purpose of the Foundation shall be to support efforts designed to prevent disease, injury, and disability, and to promote health. In carrying out this purpose, the Foundation shall comply with the requirements of subsection (c).

"(c) REQUIREMENTS.—

"(1) ENDOWMENT FUND.—

"(A) ESTABLISHMENT.—The Foundation shall establish a fund whose primary purpose shall be to provide endowments for positions at the Centers for Disease Control and Prevention that are dedicated to the prevention of disease, injury, and disability, and to the promotion of health. Such positions may be held by individuals without regard to whether such individuals are employees of the Federal Government. Any individual occupying such endowed positions shall be engaged in activities that promote the exchange of information between the Centers for Disease Control and Prevention and international, national, State, or local public health professionals and others in the public and private sectors.

"(B) RECRUITMENT EFFORTS.—In addition to the activities described in subparagraph (A), the fund established under such subparagraph may be expended to recruit qualified individuals to hold the positions endowed by the fund.

"(C) ADDITIONAL ACTIVITIES.—The fund established under subparagraph (A) may also be utilized to provide support for the staffing, equipment, travel, and quarters for the professional activities conducted by individuals holding endowed positions under such subparagraph.

"(2) ADDITIONAL ACTIVITIES.—The Foundation may provide support for or conduct additional activities that may include—

"(A) the development of a fellowship program that will permit State and local public health officials to work and learn or undergo training at the Centers for Disease Control and Prevention for a specified period of time and return to their normal place of employment with enhanced knowledge and expertise to share with others;

"(B) the development of an exchange program for public health officials of other countries and employees of the Centers for Disease Control and Prevention to build support for and expertise in international health activities and to help strengthen public health systems in other countries;

"(C) the support of epidemiologic studies, demonstration projects, and applied research in prevention or prevention effectiveness at the Centers for Disease Control and Prevention or elsewhere;

"(D) the provision of a forum for strategy development in addressing priority health problems in the United States and internationally, that shall involve the public and private sectors, including universities and international organizations;

"(E) the support of international, national, State, and local programs and projects for the prevention of disease, injury, and disability prevention and in health promotion;

"(F) fostering improvement in health status assessments;

"(G) the sponsoring of meetings, conferences, courses, and training workshops on disease and injury prevention and health promotion; and

"(H) the facilitation of information exchanges through the writing, editing, printing, and publishing of books and other materials.

"(3) APPLICABILITY OF CERTAIN STANDARDS REGARDING NON-FEDERAL EMPLOYEES.—In the case of individuals holding endowed positions under subsection (c)(1)(A) who are not employees of the Federal Government, the Foundation shall negotiate a memorandum of understanding with the Director of the Centers for Disease Control and Prevention that specifies that any such individual shall observe the ethical and procedural standards regulating Federal employment, scientific investigation, and research findings (including publications and patents) that are required of individuals employed by the Centers for Disease Control and Prevention, including standards under this Act, the Ethics in Government Act, and the Technology Transfer Act.

"(4) AUDITS.—The Foundation shall provide for biennial audits of the financial condition of the Foundation.

"(d) COMMITTEE ON INCORPORATION.—

"(1) IN GENERAL.—The Director of the Centers for Disease Control and Prevention shall establish a Committee on Incorporation (hereafter in this part referred to as the 'Committee') for the Foundation.

"(2) COMPOSITION.—

"(A) APPOINTMENTS.—The Committee shall be composed of seven members, of which—

"(i) six shall be appointed by the Director of the Centers for Disease Control and Prevention; and

"(ii) one shall be the Director of the Centers for Disease Control and Prevention;

all of which shall be voting members.

"(B) REPRESENTATION.—Of the members appointed under subparagraph (A)(I), not less than two of such members shall be representatives of the general field of public health, and not less than two such members shall have broad, general experience in nonprofit organizations or philanthropies.

"(C) CONSULTATION.—Prior to making appointments to the Committee under subparagraph (A), the Director of the Centers for Disease Control and Prevention shall consult with the Chairman and ranking minority member of the Subcommittee on Health and the Environment of the Committee on Energy and Commerce of the House of Representatives and the Chairman and ranking minority member of the Committee on Labor and Human Resources of the Senate, regarding such appointments.

"(3) CHAIRPERSON.—The membership of the Committee shall elect the Chairperson of the Committee from among their appointed members.

"(4) COMMITTEE DURATION AND VACANCIES.—

"(A) DURATION.—The Committee shall serve for a period not to exceed 24 months. Once the Committee has completed the functions required in paragraph (5), the Committee shall be terminated.

"(B) VACANCIES.—A vacancy in the membership of the Committee shall be filled by the Director of the Centers for Disease Control and Prevention in that same manner in which the original member was appointed for the position that is vacant. Any vacancy in the Committee membership shall not affect the power of the remaining members to execute the duties of the Committee.

"(5) FUNCTIONS OF THE COMMITTEE.—

"(A) INCORPORATION.—

"(i) IN GENERAL.—The members of the Committee shall serve as incorporators and shall take whatever actions are necessary to incorporate the Foundation.

"(ii) INTERNAL REVENUE CODE.—The Foundation shall be considered to be a corporation under section 501(c) of the Internal Revenue Code of 1986, and shall be subject to the provisions of such section.

"(B) BYLAWS.—The Committee shall develop an initial set of bylaws for the Foundation that shall be consistent with law, and at a minimum, provide for the manner in which—

"(i) the officers, employees, and agents of the Foundation are selected;

"(ii) property is acquired, held, and transferred by the Foundation;

"(iii) the general operations of the Foundation are to be conducted; and

"(iv) the privileges granted to the Foundation by law are to be exercised and enjoyed.

"(C) BOARD OF DIRECTORS.—The Foundation shall establish, subject to subsection (e), the criteria for the selection of the Board of Directors of the Foundation and appoint the initial members of the Foundation's Board of Directors.

"(6) COMPENSATION.—Members of the Committee may not receive compensation for service on the Committee. Members of the Committee may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Committee. Such reimbursement shall be in an amount and manner determined appropriate by the Director of the Centers for Disease Control and Prevention in conformance with policies in effect on the date of enactment of this part for similar reimbursements to members of existing advisory committees of the Centers for Disease Control and Prevention.

"(7) COMMITTEE SUPPORT.—The Director of the Centers for Disease Control and Prevention may provide the necessary staff and financial support to enable the Committee to carry out its responsibilities under this section. In providing such support, such Director may detail employees and contract for assistance, such as the services of an interim Executive Director.

"(e) BOARD OF DIRECTORS.—

"(1) COMPOSITION.—

"(A) IN GENERAL.—The Foundation shall be governed by a Board of Directors (hereafter in this Part referred to as the 'Board'). The initial Board shall be appointed by the Committee. All of the members of the Board shall be voting members.

"(B) MEMBERSHIP.—The initial Board appointed by the Committee under subparagraph (A) shall be composed of not less than eight individuals, one of which shall represent—

"(i) the general field of public health;

"(ii) the general field of international health; and

"(iii) the general public.

"(C) EX OFFICIO MEMBER.—The Director of the Centers for Disease Control and Prevention shall be a permanent ex officio voting member of the Board.

"(D) EXPANSION OF MEMBERSHIP.—Through an appropriate change in the bylaws of the Foundation, the number of individuals who may serve on the Board may be expanded if the Board determines appropriate.

"(2) CHAIRPERSON.—The Committee shall designate an appointed member of the Board to serve as the initial Chairperson of the Board. Such Chairperson shall serve in such capacity for a term of 2 years. Following the completion of the initial 2-year term, all subsequent Chairpersons shall be selected by the Board from among its appointed members using such methods and for such term of office as shall be determined appropriate by the Board. Such selection method and term of office shall be included in the bylaws of the Foundation.

"(3) TERMS AND VACANCIES.—

"(A) TERMS.—Each member of the Board appointed under paragraph (1)(A) shall serve for a term of 5 years, except that the initial members appointed under such paragraph shall serve for staggered terms of not to exceed 5 years as determined at the time of such initial appointments.

"(B) VACANCIES.—A vacancy in the membership of the Board shall be filled by appointment from among nominees proposed by the Chairperson of the Board and the Executive Director of the Foundation in a manner that conforms with the requirements of paragraph (1)(B), and shall not affect the power of the remaining members of the Board to execute the duties of the Board. An individual appointed to fill a vacancy on the Board shall serve for the remainder of the unexpired term for which such individual is appointed.

"(C) CONTINUED SERVICE.—A member of the Board may continue to serve after the expiration of his or her term until a successor is appointed.

"(4) COMPENSATION.—Members of the Board may not receive compensation for service on the Board. Such members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Board, as set forth in the bylaws issued by the Board.

"(f) EXECUTIVE DIRECTOR.—

"(1) IN GENERAL.—The Board shall appoint an Executive Director who shall serve at the pleasure of the Board. The Executive Director shall be responsible for the day-to-day operations of the Foundation and shall have such specific duties and responsibilities as the Board shall prescribe.

"(2) COMPENSATION.—The rate of compensation for the Executive Director shall be fixed by the Board.

"(3) RESPONSIBILITIES.—In carrying out subsection (b), the Executive Director, acting for the Foundation and under the direction of the Board, may—

"(A) prescribe and maintain, by and for the Board, the Foundation bylaws which shall be consistent with law, and at a minimum, provide for the manner in which—

"(i) its officers, employees, and agents are selected;

"(ii) its property is acquired, held, and transferred;

"(iii) its general operations are to be conducted; and

"(iv) the privileges granted by law are exercised and enjoyed;

"(B) provide for the employment of one or more officers, employees, and agents, as may be necessary, define their duties, and require surety bonds or make other provisions against losses occasioned by acts of such persons;

"(C) hire, promote, compensate, and discharge officers and employees of the Foundation;

"(D) accept, hold, administer, invest, and spend any gift, devise, or bequest of real or personal of the property made to the Foundation;

"(E) establish a mechanism for the selection of candidates for the Foundation's endowed positions within the Centers for Disease Control and Prevention;

"(F) enter into such contracts, leases, cooperative agreements, and other transactions as the Executive Director considers appropriate to conduct the activities of the Foundation;

"(G) modify or consent to the modification of any contract or agreement to which the Foundation is a party or in which it has an interest under this part;

"(H) enter into contracts with public and private organizations for the writing, editing, printing, and publishing of books and other materials;

"(I) take such action as may be necessary to obtain patents and licenses for devices and procedures developed by the Foundation and its employees;

"(J) adopt, alter, and use a corporate seal, which shall be judicially noticed;

"(K) sue and be sued in its corporate name, and complain and defend in courts of competent jurisdiction;

"(L) with the consent of any executive department or independent agency, use the information, services, staff, and facilities of such department or agency in carrying out this section;

"(M) appoint other individual or groups of advisers as may be determined necessary from time to time to carry out the functions of the Foundation; and

"(N) exercise other powers as set forth in this section, and such other incidental powers as are necessary to carry out its powers, duties, and functions in accordance with this part.

"(g) ADMINISTRATIVE CONTROL.—No participant in the program established under this part shall exercise any administrative control over any Federal employee.

"(h) ABILITY TO ACCEPT FUNDS.—The Centers for Disease Control and Prevention may accept funds from the Foundation whether such funds be designated as general purpose funds or designated for a particular purpose.

"(i) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—Subject to paragraph (2), for the purpose of carrying out this part, there are authorized to be appropriated such sums as may be necessary for each fiscal year in which appropriations may be provided for the purpose of carrying out this part.

"(2) LIMITATIONS.—

"(A) ADMINISTRATIVE SUPPORT.—Amounts appropriated under paragraph (1) or made available under subparagraph (B) shall be used to support the administrative functions of the Foundation, and may not be provided to the fund established under subsection (c)(1).

"(B) ADDITIONAL AMOUNTS.—With respect to any fiscal year for which amounts are appropriated under paragraph (1), the Secretary may, from amounts appropriated for such fiscal year for the programs of the Department, make available not more than an additional $500,000 for carrying out this part.".

TITLE IV—PREVENTABLE CASES OF INFERTILITY

SEC. 401. ESTABLISHMENT OF PROGRAM OF GRANTS REGARDING PREVENTABLE CASES OF INFERTILITY ARISING AS RESULT OF SEXUALLY TRANSMITTED DISEASES.

Title III (42 U.S.C. 241 et seq.) (as amended by sections 133 and 302), is further amended by adding at the end the following new part:

"PART O—PREVENTABLE CASES OF INFERTILITY

"SEC. 399N. INFERTILITY ARISING AS RESULT OF SEXUALLY TRANSMITTED DISEASES.

"(a) IN GENERAL.—The Secretary may make grants to States, political subdivisions of States, and any other public or nonprofit private entities for the purpose of carrying out the activities described in subsection (c) regarding any treatable sexually transmitted disease that can cause infertility in women if treatment is not received for the disease. The Secretary shall carry out this section acting through the Director of the Centers for Disease Control and Prevention.

"(b) SPECIFICATION OF RELEVANT DISEASES.—

"(1) IN GENERAL.—For each fiscal year, the Secretary shall make a determination specifying all sexually transmitted diseases that are diseases described in subsection (a).

"(2) DISEASES APPLICABLE WITH RESPECT TO GRANTEE INVOLVED.—In making a grant under subsection (a) to an applicant for the grant, the Secretary shall make a determination in order to select, from among the diseases specified for purposes of paragraph (1) for the fiscal year involved, the particular diseases with respect to which the grant is to be made to the applicant. The Secretary may select, for purposes of the determination, any or all of the diseases so specified. The Secretary may not make such a grant unless the applicant agrees to carry out this section only with respect to the disease or diseases selected for the applicant through the determination.

"(c) AUTHORIZED ACTIVITIES.—With respect to any sexually transmitted disease described in subsection (a), the activities referred to in such subsection are—

"(1) providing counseling to women on the prevention and control of the disease, including, in the case of a woman with the disease, counseling on the benefits of locating and providing such counseling to any individual from whom the woman may have contracted the disease and any individual whom the woman may have exposed to the disease;

"(2) screening women for the disease and for secondary conditions resulting from the disease, and as appropriate, to provide pregnancy testing;

"(3) providing treatment to women for the disease;

"(4) providing referrals regarding the provision of other medical services to women screened pursuant to paragraph (2), including, as appropriate, referrals for evaluation and treatment regarding acquired immune deficiency syndrome and other sexually transmitted diseases and referrals regarding pregnancy, childbirth, and pediatric care;

"(5) providing follow-up services to determine the outcomes of medical services;

"(6) in the case of any woman receiving services pursuant to any of paragraphs (1) through (5), providing to the partner of the woman the services described in such paragraphs, as appropriate;

"(7) providing outreach services to inform women of the fact that the services described in paragraphs (1) through (6) are available from the grantee involved;

"(8) providing to the public information and education on the prevention and control of the disease, including disseminating such information;

"(9) providing training to health care providers in carrying out the counseling and screenings described in paragraphs (1) and (2);

"(10) in the case of services and activities described in this subsection, coordinating the services and activities in accordance with subsection (g); and

"(11) collecting, in accordance with subsection (k), data on the incidence and prevalence of the disease in order to assist in carrying out activities for the prevention and control of the disease, including activities to educate the public regarding the disease.

"(d) REQUIREMENT OF AVAILABILITY OF ALL SERVICES THROUGH EACH GRANTEE.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that each authorized service will be available through the applicant. With respect to compliance with such agreement, the applicant may expend the grant to provide any of the services directly, and may expend the grant to enter into agreements with other public or nonprofit private entities under which the entities provide the services.

"(e) REQUIRED PROVIDERS REGARDING CERTAIN SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that, in expending the grant to provide authorized services, the services described in paragraphs (1) through (7) of subsection (c) will be provided only through entities that are State or local health departments, grantees under section 329, 330, or 1001 or are other public or nonprofit private entities that provide health or voluntary family planning services to a significant number of low-income women.

"(f) QUALITY ASSURANCE REGARDING SCREENING FOR DISEASES.—For purposes of this section, the Secretary shall establish criteria for ensuring the quality of screening procedures for diseases described in subsection (a). The Secretary may not make a grant under such subsection unless the applicant involved agrees, with respect to any disease selected in the determination made under subsection (b)(2) for the applicant, to carry out screenings for the disease in accordance with such criteria.

"(g) COORDINATION OF SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees to coordinate all authorized services provided through the applicant for the purpose of ensuring efficiency in the provision of the services.

"(h) CONFIDENTIALITY.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees to maintain the confidentiality of information on individuals regarding screenings of the individuals for sexually transmitted diseases, subject to complying with applicable law.

"(i) LIMITATION ON IMPOSITION OF FEES FOR SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income of the individual involved; and

"(3) will not be imposed on any individual with an income of less than 150 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

"(j) LIMITATIONS ON CERTAIN EXPENDITURES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that—

"(1) in the case of the first fiscal year for which the applicant receives payments under the grant, not more than 20 percent of the grant will be expended for the purpose of carrying out paragraphs (8) through (11) and subsection (c); and

"(2) in the case of any subsequent fiscal year for which the applicant receives payments under any grant under subsection (a), not more than 15 percent of the grant will be expended for such purpose.

"(k) REPORTS TO SECRETARY.—

"(1) COLLECTION OF DATA.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to any disease selected in the determination made under subsection (b)(2) for the applicant, to submit to the Secretary, for each fiscal year for which the applicant receives such a grant, a report providing—

"(A) the incidence of the disease among the population of individuals served by the applicant;

"(B) the number and demographic characteristics of individuals in such population;

"(C) the types of interventions and treatments provided by the applicant, and the health conditions with respect to which referrals have been made pursuant to subsection (c)(4);

"(D) an estimate by the applicant of the effect of the services provided under the grant on the community in which the services have been provided; and

"(E) providing such other information as is available to the applicant and determined by the Secretary to be relevant regarding the prevention and control of the disease.

"(2) UTILITY AND COMPARABILITY OF DATA.—The Secretary shall carry out activities for the purpose of ensuring the utility and comparability of data collected pursuant to paragraph (1). The Secretary may not make a grant under subsection (a) unless the applicant involved makes such agreements as the Secretary determines to be necessary for such purpose.

"(l) MAINTENANCE OF EFFORT.—

"(1) IN GENERAL.—With respect to activities for which a grant under subsection (a) is authorized to be expended, the Secretary may not, subject to paragraph (2), make such a grant for any fiscal year unless the applicant agrees to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the first fiscal year for which the entity receives such a grant.

"(2) APPLICABILITY TO PRIVATE ENTITIES.—In the case of a nonprofit private entity making an agreement under paragraph (1), the Secretary may require the entity to comply with the agreement only to the extent of the amount of non-Federal amounts that are available to the entity for the activities to which the agreement applies.

"(m) SUBMISSION OF PLAN FOR PROGRAM OF GRANTEE.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the applicant involved submits to the Secretary a plan describing the manner in which the applicant will comply with the agreements required as a condition of receiving such a grant, including a specification of the entities through which authorized services will be provided and a specification of the manner in which such services will be coordinated for purposes of subsection (g).

"(2) PARTICIPATION OF CERTAIN ENTITIES.—The Secretary may not make a grant under subsection (a) unless the applicant provides assurances satisfactory to the Secretary that the plan submitted under paragraph (1) has been prepared in consultation with an appropriate number and variety of—

"(A) representatives of entities in the geographic area involved that provide services for the prevention and control of sexually transmitted diseases, including programs to provide to the public information and education regarding such diseases; and

"(B) representatives of entities in such area that provide family planning services.

"(n) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary, the application contains the plan required in subsection (m), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(o) DURATION OF GRANT.—The period during which payments are made to an entity from a grant under subsection (a) may not exceed 3 years. The provision of such payments shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments in such year. The preceding sentence may not be construed to establish a limitation on the number of grants under such subsection that may be made to an entity.

"(p) TECHNICAL ASSISTANCE, AND SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.—

"(1) TECHNICAL ASSISTANCE.—The Secretary may provide training and technical assistance to grantees under subsection (a) with respect to the planning, development, and operation of any program or service carried out under such subsection. The Secretary may provide such technical assistance directly or through grants or contracts.

"(2) SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.—

"(A) Upon the request of a grantee under subsection (a), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the grantee in carrying out such subsection and, for such purpose, may detail to the grantee any officer or employee of the Department of Health and Human Services.

"(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of the grant to the grantee involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(q) EVALUATIONS AND REPORTS BY SECRETARY.—

"(1) EVALUATIONS.—The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to subsection (a) in order to determine the quality and effectiveness of the programs.

"(2) REPORT TO CONGRESS.—Not later than 1 year after the date on which amounts are first appropriated pursuant to subsection (t), and annually thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report—

"(A) summarizing the information provided to the Secretary in reports made pursuant to subsection (k), including information on the incidence of sexually transmitted diseases described in subsection (a); and

"(B) summarizing evaluations carried out pursuant to paragraph (1) during the preceding fiscal year.

"(r) COORDINATION OF FEDERAL PROGRAMS.—The Secretary shall coordinate the activities carried out under the program established in this section with any similar activities regarding sexually transmitted diseases that are carried out under other programs administered by the Secretary, including the coordination of such activities of the Director of the Centers for Disease Control and Prevention with such activities of the Director of the National Institutes of Health.

"(s) DEFINITIONS.—For purposes of this section, the term 'authorized service' means any service or activity described in subsection (c).

"(t) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, other than subsections (q) and (u), there are authorized to be appropriated $50,000,000 for each of the fiscal years 1992 through 1996.

"(u) SEPARATE GRANTS FOR RESEARCH ON DELIVERY OF SERVICES.—

"(1) IN GENERAL.—The Secretary may make grants for the purpose of conducting research on the manner in which the delivery of services under subsection (a) may be improved. The Secretary may make such grants only to grantees under such subsection and to public and nonprofit private entities that are carrying out projects substantially similar to projects carried out under such subsection.

"(2) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out paragraph (1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992 through 1996.".

TITLE V—MISCELLANEOUS

SEC. 501. ESTABLISHMENT OF AN ADVISORY COUNCIL ON HEALTH PROMOTION AND DISEASE PREVENTION.

Title XVII (42 U.S.C. 300u et seq.) (as amended by section 137) is further amended by adding at the end thereof the following new section:

"SEC. 1708 . SECRETARY'S ADVISORY COUNCIL.

"(a) IN GENERAL.—The Secretary shall establish an advisory council on health promotion and disease prevention to be known as the Secretary's Advisory Council on Health Promotion (hereafter referred to in this section as the 'Council').

"(b) COMPOSITION.—The Council shall be composed of—

"(1) the Secretary;

"(2) recognized leaders in health promotion, academia, industry, non-profit private organizations and representatives of health care consumer groups, to be appointed by the Secretary; and

"(3) ex officio members who shall include representatives of—

"(A) the Department of Health and Human Services as designated by the Secretary;

"(B) the Departments of Education;

"(C) the Department of Agriculture;

"(D) the Office of Science and Technology Policy;

"(E) the Surgeon Generals of all of the uniformed services;

"(F) the chief medical officer of the Department of Veterans Affairs; and

"(G) the members of the National Health Objectives Advisory Committee established under section 1910K.

"(c) DUTIES.—The Council shall provide advice and recommendations to the Secretary concerning the goals and priorities of the Department relating to health promotion, disease prevention, preventive health services and the objectives established by the Secretary for the health status of the population of the United States under section 1906(d). The Council may also direct that recommendations for changes in priorities or programs be prepared and submitted to the Congress and the President.

"(d) FUNDING.—The Secretary is authorized to transfer not to exceed one percent of any appropriation authorized under this Act to provide the funds necessary for the operation of the Council. The total amount transferred under this subsection shall not exceed $400,000 for each fiscal year.".

SEC. 502. RESPONSIBILITIES OF MEMBERS OF THE COMMISSIONED CORPS FOR HEALTH PROMOTION AND DISEASE PREVENTION.

Section 204 (42 U.S.C. 205) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b) The Surgeon General shall notify all active members of the Commissioned Corps concerning any guidelines and recommendations for clinical practice that are developed or issued by the Public Health Service. The Surgeon General shall also ensure that members of the Commissioned Corps who are engaged in clinical practice are properly utilizing such guidelines and recommendations.".

SEC. 503. RESPONSIBILITIES OF THE SURGEON GENERAL FOR DISSEMINATING INFORMATION AND RECOMMENDATIONS.

Title XVII (42 U.S.C. 300u) (as amended by sections 137 and 501) is further amended by adding at the end thereof the following new section:

"SEC. 1709. DISSEMINATION OF PREVENTION RECOMMENDATIONS.

"The Secretary, in consultation with the Assistant Secretary for Health, the Director of the Office of Disease Prevention and Health Promotion, the Surgeon General of the Public Health Service, and the Director of the Agency for Health Care Policy and Research, shall inform the Surgeon Generals of all the uniformed services, the Secretary of Veterans Affairs, and the Administrator of the Office of Personnel Management concerning any guidelines or recommendations for clinical practice that are developed by the Public Health Service. The Secretary shall annually prepare and submit to the appropriate committees of Congress, a report describing all such recommendations transmitted under this section.".

SEC. 504. CHANGE IN NAME OF CENTERS FOR DISEASE CONTROL.

(a) COMPREHENSIVE SMOKING EDUCATION ACT.—Section 3(b)(1)(A) of the Comprehensive Smoking Education Act (15 U.S.C. 1341(b)(1)(A)) is amended by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention".

(b) EDUCATION AMENDMENTS OF 1978.—Section 1121(b)(2) of the Education Amendments of 1978 is amended by striking out "Federal Center for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention".

(c) VETERANS' BENEFITS AND SERVICES ACT OF 1988.—Section 123(b)(1) of the Veterans'

Benefits and Services Act of 1988 (38 U.S.C. 210 note) is amended by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention".

(d) PUBLIC HEALTH SERVICE ACT.—The Public Health Service Act is amended—

(1) in section 227 (42 U.S.C. 236) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(2) in section 317A(a) (42 U.S.C. 247b-1(a)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(3) in section 319(a) (42 U.S.C. 247d(a)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(4) in section 391 (42 U.S.C. 280b) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(5) in section 392 (42 U.S.C. 280b-1) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(6) in section 393 (42 U.S.C. 280b-2) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(7) in section 430(b)(2)(A)(i) (42 U.S.C. 285c-4(b)(2)(A)(i)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(8) in section 442(b)(2)(A) (42 U.S.C. 285d-7(b)(2)(A)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(9) in section 464D(b)(2)(A) (42 U.S.C. 285m-4(b)(2)(A)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(10) in section 494(a) (42 U.S.C. 289c(a)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(11) in section 508(b)(6) (42 U.S.C. 290aa-6(b)(6)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(12) in section 509B(a) (42 U.S.C. 290aa-9(a)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(13) in section 1706(c)(2)(B) (42 U.S.C. 300u-5(c)(2)(B)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(14) in section 2102 (42 U.S.C. 300aa-2) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(15) in section 2119(a)(2) (42 U.S.C. 300aa-19(a)(2)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(16) in section 2126(b)(2) (42 U.S.C. 300aa-26(b)(2)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(17) in section 2301(b)(4) (42 U.S.C. 300cc(b)(4)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(18) in section 2303 (42 U.S.C. 300cc-2) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(19) in section 2315(b) (42 U.S.C. 300cc-15(b)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(20) in section 2317 (42 U.S.C. 300cc-17) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(21) in section 2320 (42 U.S.C. 300cc-20) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(22) in section 2341(a) (42 U.S.C. 300cc-31(a)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(23) in section 2521 (42 U.S.C. 300ee-31) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(24) in section 2522(a) (42 U.S.C. 300ee-32(a)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(25) in section 2524(b)(2) (42 U.S.C. 300ee-34(b)(2)) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(26) in section 2601 by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(27) in section 2602(a)(1) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(28) in section 2603(a)(3)(B)(i) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(29) in section 2607(2) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(30) in section 2617(d)(3)(A) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(31) in section 2618(c)(1) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(32) in section 2641(a) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(33) in section 2643(c)(1)(A) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention";

(34) in section 2649 by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention"; and

(35) in section 2675(a) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention".

(e) HEALTH OMNIBUS PROGRAMS EXTENSION OF 1988.—The Health Omnibus Programs Extension of 1988 is amended—

(1) in section 161 (42 U.S.C. 241 note) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention";

(2) in section 252 (42 U.S.C. 300ee-1) by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention"; and

(3) in section 253 (42 U.S.C. 300ee-2) by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention".

(f) HEALTH RESEARCH EXTENSION ACT OF 1985.—Section 5(b)(1)(G) of the Health Research Extension Act of 1985 (42 U.S.C. 281 note) is amended by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention".

(g) PAINT POISONING PREVENTION.—Section 501(3)(B)(i) of Public Law 91-695 (42 U.S.C. 4841(3)(B)(i)) is amended by striking out "Centers for Disease Control" and inserting in lieu thereof "Centers for Disease Control and Prevention".

(h) COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980.—Section 104 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9604) is amended by striking out "Centers for Disease Control" each place that such occurs and inserting in lieu thereof "Centers for Disease Control and Prevention".

SEC. 505. STUDY CONCERNING THE REDUCTION OF THE RISK OF BLOODBORNE DISEASE TRANSMISSION.

(a) STUDY.—The Secretary of Health and Human Services shall request the National Academy of Sciences, acting through the Institute of Medicine, to conduct a study concerning surgical technique, including oral surgery, and medical device innovation to further reduce the risk of bloodborne disease transmission in the health care setting. The study shall review techniques and medical devices used in performing various surgical and dental procedures that present a risk of percutaneous injury and examine mechanisms, such as improvements in technique and product design modification, to enhance injury prevention during such procedures to further reduce the risk of bloodborne disease transmission.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the results of the study conducted under subsection (a).

Mr. D'AMATO:

S.J. Res. 228. A joint resolution designating the week beginning February 23, 1992, as "National Manufacturing Week"; to the Committee on the Judiciary.

NATIONAL MANUFACTURING WEEK

• Mr. D'AMATO. Mr. President, I rise today to introduce legislation designating the week of February 23 through 29, 1992, as "National Manufacturing Week."

This legislation celebrates the important contributions of the manufacturing industry to our economy, national defense, and way of life in the United States. Manufacturing directly employs over 18 million workers, and at least that many workers in the service sector depend on a sound manufacturing sector for their jobs. Manufacturing accounts for some of the highest paying jobs and therefore is an important source of tax revenue for local, State, and the Federal Government. Sound manufacturing is essential for a strong national defense. A strong manufacturing sector is directly linked to leadership in science and technology.

The manufacturing industry is on the move; it is reinventing itself with new factories, new products, new workers, and a new management style. The result is lower costs, greater productivity, better products, more modern facilities, higher quality, vigorous expansion of exports, and restructured organizations. We are all encouraged by the contribution manufacturing is making to the future of our country. It is a newness that warrants recognition. Therefore I urge all of my distinguished colleagues to support and cosponsor this resolution to make February 23 through 29, 1992, "National Manufacturing Week."

Mr. President, I ask unanimous consent that the text of my bill be printed in its entirely at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 228

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas throughout the history of the United States, manufacturing has contributed substantially to the economic well being of the Nation;

Whereas manufacturing is an essential yet often overlooked component of the economic foundation of the United States;

Whereas a strong manufacturing industry contributes to continued growth, prosperity, and high-paying jobs in every other sector of the national economy;

Whereas manufacturing directly employs more than 18,000,000 workers, and at least 18,000,000 workers in the service sector depend on a sound manufacturing sector for their jobs;

Whereas manufacturing accounts for many of the highest paying jobs in the economy, and manufacturing wages are 20 percent higher on the average than non-manufacturing wages;

Whereas in the 1980's, manufacturing increased from 20 to 23 percent of the gross national product, and manufacturing productivity in the last decade has increased at an annual rate of 3.6 percent, 3 times faster than the rate at which non-manufacturing activity has increased;

Whereas the quality revolution has been one of the most important factors contributing to the recent resurgence of manufacturing in the United States;

Whereas manufacturing is an important source of tax revenue for the Federal Government, and State and local governments;

Whereas the continued leadership of the United States in science and technology is inherently linked to the success of manufacturing;

Whereas manufactured goods account for more than 80 percent of the trade deficit of the United States, indicating that manufacturing is especially important to overall national competitiveness and international trade;

Whereas a sound manufacturing economy is an essential precondition for a strong national defense;

Whereas the school children of the Nation should be educated about job opportunities in manufacturing;

Whereas the people of the United States should be educated about the importance of manufacturing to the economy, the international competitiveness, and the standard of living of the Nation, and about the challenges and changing nature of manufacturing; Now therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning February 23, 1992, is designated as "National Manufacturing Week," and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.•

ADDITIONAL COSPONSORS

S. 243

At the request of Mr. ADAMS, the names of the Senator from Vermont [Mr. LEAHY], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. GORE], the Senator from North Dakota [Mr. BURDICK], the Senator from Georgia [Mr. FOWLER], the Senator from Hawaii [Mr. AKAKA], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 243, a bill to revise and extend the Older Americans Act of 1965, and for other purposes.

S. 267

At the request of Mr. REID, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 267, a bill to prohibit a State from imposing an income tax on the pension or retirement income of individuals who are not residents or domiciliaries of that State.

S. 284

At the request of Mr. LIEBERMAN, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 284, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of payments under life insurance contracts for terminally ill individuals.

S. 474

At the request of Mr. DECONCINI, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Arkansas [Mr. BUMPERS], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 474, a bill to prohibit sports gambling under State law.

S. 684

At the request of Mr. FOWLER, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 684, a bill to amend the National Historic Preservation Act and the National Historic Preservation Act Amendments of 1980 to strengthen the preservation of our historic heritage and resources, and for other purposes.

S. 891

At the request of Mr. MACK, the names of the Senator from Washington [Mr. GORTON], the Senator from Alabama [Mr. SHELBY], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 891, a bill to amend the Internal Revenue Code of 1986 to provide a refundable credit for qualified cancer screening tests.

S. 898

At the request of Mr. LEAHY, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 898, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to improve the safety of exported pesticides, and for other purposes.

S. 1423

At the request of Mr. DODD, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1490

At the request of Mr. ROCKEFELLER, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1490, a bill to provide for the establishment of a national scenic byways program.

S. 1521

At the request of Mr. MCCONNELL, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1521, a bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of hard-core pornographic material.

S. 1627

At the request of Mr. FORD, the names of the Senator from Tennessee [Mr. SASSER] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1627, a bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products.

S. 1673

At the request of Mr. HEFLIN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1673, a bill to improve the Federal justices and judges survivors' annuities program, and for other purposes.

S. 1730

At the request of Mr. ADAMS, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1730, a bill to provide early childhood staff training and professional enhancement grants, and for other purposes.

S. 1810

At the request of Mr. ROCKEFELLER, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Nebraska [Mr. EXON], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 1810, a bill to amend title XVIII of the Social Security Act to provide for corrections with respect to the implementation of reform of payments to physicians under the Medicare Program, and for other purposes.

S. 1860

At the request of Mr. GRASSLEY, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1860, a bill to amend part A of title IV of the Social Security Act to remove barriers and disincentives in the program of aid to families with dependent children so as to enable recipients of such aid to move toward self-sufficiency through microenterprises.

S. 1866

At the request of Mr. KENNEDY, the names of the Senator from New Jersey [Mr. BRADLEY], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 1866, a bill to promote community based economic development and to provide assistance for community development corporations, and for other purposes.

S. 1884

At the request of Mr. D'AMATO, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1884, a bill to require the Secretary of Agriculture to conduct inspections of garbage from Canada and to assess fees for such inspections.

SENATE CONCURRENT RESOLUTION 65

At the request of Mr. DECONCINI, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Concurrent Resolution 65, a concurrent resolution to express the sense of the Congress that the President should recognize Ukraine's independence.

SENATE RESOLUTION 196

At the request of Mr. HATCH, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senate Resolution 196, a resolution expressing the sense of the Senate that the Soviet Union should immediately begin a prompt withdrawal of Soviet Armed Forces from the Baltic States and undertake discussions with the governments of Lithuania, Latvia, and Estonia appropriate to facilitate that withdrawal.

SENATE RESOLUTION 213

At the request of Mr. GORE, the names of the Senator from Washington [Mr. GORTON], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of Senate Resolution 213, a resolution expressing the sense of the Senate regarding United States policy toward Yugoslavia.

SENATE CONCURRENT RESOLUTION 75—RELATIVE TO AWARDING OF THE PRESIDENTIAL UNIT CITATION TO THE CREW OF THE U.S.S. "NEVADA" FOR THEIR HEROISM DURING THE ATTACK ON PEARL HARBOR

Mr. REID (for himself and Mr. BRYAN) submitted the following concurrent resolution; which was referred to the Committee on Armed Services:

S. CON. RES. 75

Whereas the Japanese military forces attacked the United States on December 7, 1941, at Pearl Harbor in Hawaii;

Whereas the U.S.S. Nevada was the oldest battleship present during the attack, and was, despite being moored directly astern of the U.S.S. Arizona and restricted by a dredging line astern, the only battleship able to get underway during the attack;

Whereas the U.S.S. Nevada, prior to getting underway, had been struck by a torpedo which tore a 20-foot by 20-foot hole in her bow and by several bombs which started fires in her forecastle and amidships;

Whereas there was only one officer senior to the rank of Ensign aboard the U.S.S. Nevada, and he manned his battle station in Central Station deep in the ship;

Whereas over 50 men were killed and over 100 wounded on the U.S.S. Nevada during the attack;

Whereas the outstanding teamwork, perseverance, and unfailing devotion to duty of the crew of the U.S.S. Nevada enabled them to perform courageously and gallantly; and

Whereas the role of the crew of the U.S.S. Nevada has been either downplayed or overlooked: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the President should award the Presidential Unit Citation to the crew of the U.S.S. Nevada for their heroism and gallantry during the attack on Pearl Harbor on December 7, 1941.

Mr. REID. Mr. President, I speak here today in honor of one ship and its crew of brave sailors who fought for their country's honor. I am referring to the U.S.S. *Nevada*, a battleship present at Pearl Harbor on December 7, 1941.

While the history of this Nation from the day it was born is one of an inevitable rise to power, perhaps no other date in history more reflects America's assumption of world leadership. The Japanese attack on Pearl Harbor brought our country into the greatest war ever fought. The many forces of democracy and self-determination joined in a grand alliance to defeat totalitarianism. The men and women present at Pearl Harbor witnessed the United States entry into World War II, and many gave their lives over the following 4 years.

As almost everyone knows, the Japanese attack was a complete surprise. It was a quiet Sunday morning, and most of the Pacific fleet sat peacefully at anchor. Within a matter of hours, however, the Japanese torpedo planes and bombers had wrought intense destruction, suffering little damage in return.

Only a few American ships were able to escape destruction, and it is in honor of one of these ships that I rise today. The U.S.S. *Nevada* was the only battleship to get underway during the attack, despite receiving several major torpedo and bomb hits.

The brave crew of the U.S.S. *Nevada* fought hard that day to get their ship out of danger. After the attack, Congressional Medals of Honor and other decorations were awarded to some of the crewmembers. I rise today, however, in hope that the entire crew can be honored. I and my fellow Nevadan, Senator BRYAN, are sending to the desk a resolution. This resolution asks the President to award to the entire U.S.S. *Nevada* complement one of this country's highest honors: the Presidential Unit Citation.

Fifty years after the onset of World War II, it is time to honor those brave men and women who fought for their country. The crew of the U.S.S. *Nevada* worked together and fought bravely on December 7, 1941, and throughout the war. Awarding the Presidential Unit Citation to these individuals is the best way our country can show its appreciation.

Today, in the House of Representatives, Congresswoman VUCANOVICH and Congressman BILBRAY are introducing a companion resolution to this one. It is my hope that this resolution will pass both Houses quickly so that the brave crew of the U.S.S. *Nevada* can be honored during the 50th anniversary celebration of Pearl Harbor.

SENATE RESOLUTION 215—A RESOLUTION RELATING TO SENATE PAY INCREASES

Mr. COATS submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 215

Resolved, That the Standing Rules of the Senate are amended by adding at the end thereof the following:

"RULE XLIII

"SENATE PAY INCREASES

"1. It shall not be in order to consider a bill or resolution containing a provision increasing the pay of Members of the Senate under section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351 et seq.) unless such provision is the only matter contained in the bill or resolution being considered.

"2. It shall not be in order to consider any amendment containing a provision increasing the pay of Members of the Senate under section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351 et seq.) to a bill or resolution.

"3. It shall not be in order to consider a bill or resolution containing a provision increasing the pay of Members of the Senate under section 225 of the Federal Salary Act of 1967 (2 U.S.C. 351 et seq.) unless such bill or resolution is filed with the Journal Clerk at least 7 calendar days prior to consideration of such bill or resolution.

"4. Paragraph 1, 2, or 3 of this rule may be waived only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.".

SENATE RESOLUTION 216—RELATIVE TO RECOGNITION OF CROATIA, SLOVENIA, BOSNIA-HERCEGOVINA, KOSOVA, AND MACEDONIA

Mr. D'AMATO (for himself and Mr. PRESSLER) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 216

Whereas, in 1990, the Republics of Croatia, Slovenia, Macedonia, and Bosnia-Hercegovina held free and fair elections;

Whereas, in 1991, the citizens of Kosova held as free and fair elections as were possible under martial law;

Whereas, on June 25, 1991, the Republic of Macedonia declared its independence after 95 percent of the population supported independence in a September 8, 1991 referendum;

Whereas, on September 8, 1991, the freely elected Assembly of the republic of Bosnia-Hercegovina declared Bosnia-Hercegovina a sovereign state;

Whereas, in a September 26, 1991 referendum, a vast majority of the citizens of Kosova approved independence;

Whereas the United States should advance the principles of peace, democracy, human rights, self-determination, respect for existing borders, and respect for existing borders, and respect for international law: Now, therefore, be it

Resolved by the Senate, That it is the sense of the Senate that the President should confer diplomatic recognition upon, and establish diplomatic relations with, the sovereign states of Croatia, Slovenia, Bosnia-Hercegovina, Kosova, and Macedonia.

The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

• Mr. D'AMATO. Mr. President, I rise today along with Senator PRESSLER to introduce a resolution urging the President to recognize the independence of the Yugoslav Republics of Croatia, Kosova, Slovenia, Macedonia, and Bosnia and Hercegovina.

The most basic tenet of democracy lies in representing the wishes of the citizenry. The citizens of Croatia, Kosova, Slovenia, Macedonia, and Bosnia and Hercegovina have sent a clear message of their desire for independence to the leadership in Yugoslavia. Overwhelmingly, each Republic, holding free and fair elections this year, stated their clear passion for freedom. Up to now, their message has been ignored.

It is my firm belief that the United States, the most powerful model of democracy in history, has a clear responsibility to support those who seek to carry the torch of democracy. The only road to true peace in Europe is the road of self-determination. The citizens of these Republics have chosen this road overwhelmingly and we must support them throughout their treacherous travels against the repressive forces in Yugoslavia.

The situation in Yugoslavia has raged into civil war. Thousands of innocent civilians have been murdered, hundreds of thousands have been displaced, hospitals have been bombed, schools have been bombed, and hundreds of churches destroyed. All of this destruction because Serbian dictator Slobodan Milosevic, the most brutal Communist dictator in Europe, decided that he wanted a larger piece of Yugoslavia for himself and his Serbian brethren.

Slobodan Milosevic is the butcher of Belgrade. He has blatantly defied 11 European Community cease-fires, and he continues to kill the innocent. He kills those that seek freedom and those that seek democracy.

Just 2 days ago, the Serbian delegation walked out of EC-sponsored peace talks at the Hague. The EC threatened sanction on those parties that left the peace table, yet when the Serbs walked out the EC delayed all action. Mr. President, while the EC fiddles, Zagreb burns.

And it's not just Zagreb which suffers. The historic town of Dubrovnik, the jewel of the Adriatic, has been under attack for weeks, without water, food, or electricity. This town has no military significance, yet the Milosevic ego could not be contained. He is a dictator bent on destruction.

Yesterday afternoon several Croatian students representing 85 students of Dubrovnik who undertook a hunger strike on October 22 came to my office. During the meeting one of the students asked if there is anyone who can stop the killing. Mr. President, I firmly believe that only the United States, a country that has always stood behind those seeking peace, freedom, and democracy, can stop this killer.

Milosevic's reign of terror is neither new or limited to Croatia. We must never forget the suffering of the close to 2 million Albanians in Kosova. Suffering under a Milosevic, imposed martial law for over 2½ years, they have seen thousands of innocent people die, including women and children, and many more arrested unjustly. Hundreds of thousands have been dismissed from jobs because of their beliefs. Is this just? Is this humane? Who will help these people?

Mr. President, it has become quite obvious that help will not come from the European Community. Therefore, it must come from this distinguished body. By recognizing the sovereignty of these republics, who have all voted themselves independence, we will send the strongest of messages to the killer Milosevic.

We cannot wait. We cannot delay. We cannot monitor. We must act and we must act now because for every minute we wait, more innocent men, women and children die.•

SENATE RESOLUTION 217—RELATIVE TO THE OZONE

Mr. GORE (for himself, Mr. ADAMS, MR. AKAKA, Mr. BINGAMAN, Mr. BUMPERS, Mr. CHAFEE, Mr. COHEN, Mr. CONRAD, Mr. DASCHLE, Mr. DODD, Mr. INOUYE, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. PELL, Mr. SIMON, Mr. WELLSTONE, and Mr. WIRTH) submitted the following resolution; which was referred to the Committee on Environment and Public Works:

S. RES. 217

Whereas the stratospheric ozone layer, which protects all living things from harmful ultraviolet radiation from the sun, has been severely depleted in many areas of the globe;

Whereas recent scientific data show that the ozone layer over densely populated areas of the United States and other countries in the northern midlatitudes has thinned twice as fast as had previously been measured and as had been projected by theoretical models and the depletion is persisting into the warmer months of the year, and has reached significant levels even in summer;

Whereas ozone depletion in the Southern Hemisphere is proceeding even more rapidly than in the Northern Hemisphere;

Whereas the incidence of skin cancer and cataracts is expected to rise significantly and the human immune system may be suppressed due to increased exposure to ultraviolet radiation;

Whereas increased exposure to ultraviolet radiation threatens food crops and some wild plants, and interferes with the ability of phytoplankton, the microscopic organisms that are at the base of the oceanic food chain, to photosynthesize and to reproduce;

Whereas the scientific evidence shows that chlorofluorocarbons, hydrochlorofluorocarbons, and other halogenated chemicals undergo reactions in the stratosphere that lead to the rapid destruction of the ozone layer;

Whereas the Administrator of the Environmental Protection Agency is required under the Clean Air Act Amendments of 1990 to accelerate the scheduled phaseout of ozone-destroying substances if it is determined in the light of scientific evidence that a more stringent schedule is necessary to protect human health and the environment;

Whereas the recent scientific findings make necessary a reappraisal of both domestic and international policy on the control of ozone-destroying chemicals; Now, therefore, be it

Resolved, That—

(1) the Administrator of the Environmental Protection Agency should accelerate the interim phaseout schedules and the final phaseout date of chlorofluorocarbons, carbon tetrachloride, methyl chloroform, and halons as required pursuant to section 606 of the Clean Air Act Amendments of 1990, and shall provide for complete phaseout as early as possible;

(2) the Administrator of the Environmental Protection Agency should accelerate the interim phaseout schedule and the final phaseout date of those hydrochlorofluorocarbons that have relatively long atmospheric lifetimes, high ozone depletion potentials, or high global warming potentials;

(3) the Administrator of the Environmental Protection Agency should prioritize efforts to issue regulations, as required pursuant to title VI of the Clean Air Act Amendments of 1990, providing for the recapture and recycling of ozone-destroying substances as used in appliances and motor vehicle air conditioners, and for the elimi-

nation of such substances as used in nonessential consumer products;

(4) the President of the United States should urge the Contracting Parties to the Montreal protocol to accelerate the interim phase out schedules and the final phaseout date of the ozone-destroying chemicals currently covered by the protocol;

(5) the President should urge the contracting parties to include hydrochlorofluorocarbons within the terms of the Montreal protocol, and to provide for the most rapid phaseout of those hydrochlorofluorocarbons with relatively long atmospheric lifetimes, high ozone depletion potentials, or high global warming potentials;

(6) the President should urge the contracting parties to amend the Protocol to include recapture and recycling provisions and to prohibit the venting or releasing of ozone-destroying chemicals from refrigeration and air-conditioning units into the atmosphere by date certain;

(7) the President should urge the contracting parties, by providing technical assistance and through other measures as appropriate, to accelerate the compliance of developing countries with the terms of the Montreal protocol.

Mr. GORE. Mr. President, I rise to speak on a different subject, one that I have addressed here before. Late last month, the International Ozone Scientific Assessment Panel sounded a loud alarm. I spoke to my colleagues on the floor the day the new data was released, and I indicated then that the news was not good, confirming earlier reports that ozone depletion is proceeding some two to three times faster than had ever been found or measured or predicted before, over almost every part of the globe, including over this Capitol Building, over Oklahoma, over Louisiana, over Arkansas, over Tennessee, over Nevada, over all parts of the United States.

The scientists also reported that, for the first time, they had detected significant levels of ozone depletion in the summer months. The implications of this finding for human health, for the stability of agricultural crops, indeed for the entire food chain on which all life depends, are ominous. We have, in fact, changed our environment, and in such a way that for our lifetimes and for our children's lifetimes, we will have to take new precautions simply to enjoy the pleasure of spending time outdoors.

Of course, while we can use floppy hats and sunglasses, animals and plants cannot. And earlier this month, actually late last month, a new scientific study was released confirming for the first time that the extra levels of ultraviolet B radiation, coming through the atmosphere because of the depleted ozone layer, interfere with the photosynthesis by plankton in the ocean. That is the base of the food chain in the oceans, and the implications of those findings are very ominous indeed, as well.

There was a story yesterday, Mr. President, about hunters in the southern part of South America known as Patagonia. Patagonia, as you know, is at the tip of South America. Part is in Argentina and part in Brazil. The ozone hole above Antarctica now spreads out over an area three times as large as the continental United States of America.

The edges of that ozone hole now cover Patagonia or part of Patagonia. Some communities there are now within the ozone hole. That is the reason why some saw significance in this news report from Patagonia about hunters finding blind rabbits.

Why do they test medications and cosmetics intended for human beings on rabbits? That is another whole controversy. But one of the reasons why rabbits are used for some tests has to do with the similarity between a rabbit's eye and a human being's eye. The fact that extra ultraviolet radiation is linked to extra cases of cataracts and blindness here in the United States over the next several decades is related to the fact that in these land areas within the ozone hole hunters are now finding blind rabbits.

When do we wake up and react to this? When do we say this is worth responding to?

Actually, the world has responded to a limited degree with the Montreal Protocol. But one of the provisions in the Clean Air Act, Mr. President, tells the administration that when significant new evidence is found about ozone depletion they have to speed up the phaseout of the chemicals that cause ozone depletion. The law does not say the administration may speed up the phaseout of these chemicals. The administration is required to speed up the phaseout of these chemicals.

Is this new evidence significant within the meaning of the term as it appears in the law? Of course it is. Scientists from nations around the world gathered in Switzerland in closed-door meetings for a week to verify whether the evidence really showed what they were afraid that it did.

When they verified it, they sent out emergency messages by telefax to the government of every nation in the world to say the new evidence is significant. It is dangerous. It is grave. We have to act further. We have to speed up the phaseout of these chemicals.

The very next morning spokesmen for the administration appeared on television news shows, saying this is significant. We need to take action.

Where is the action? I heard the words. I have waited as time passed. Nothing has happened.

I have a deep respect for the head of the Environmental Protection Agency, Mr. Bill Reilly. I have a feeling that if he could set the policy the President would have already announced a speedup of the phaseout of these chemicals.

But he does not set the policy. The President sets the policy. And he pretends that it is Mr. Sununu who sets the policy, but the President sets the policy. And when Mr. Sununu and Mr. Reilly disagree, they tell Mr. Reilly to shut up and be quiet, and stop calling for the President to do the right thing.

Recently, and let me say this as a parenthetical thought: One of the large environmental organizations looked at the President's environmental record and said that he deserves a D-plus. Mr. Reilly protested loudly, and said the President deserves a C. Deserves a C.

I do not think he even deserves a C. But if that is the best case that can be made by a spokesman for the environmental President, then it is a pretty sad commentary on what that President has really done and what he has not done.

But let me come back, Mr. President, to this case. The chemicals that destroy the stratospheric ozone layer were first used in small quantities about 60 years ago. One of them, carbon tetrachloride, was first used about 80 years ago. But the main ones were first used in small quantities 60 years ago and were not used in significant amounts until after World War II. The chlorine began to build up in the atmosphere as these chemicals broke down high in the atmosphere.

And now the atmosphere of the entire Earth has been changed in several ways, but in this respect it has been changed in terms of the amount of chlorine atoms in the atmosphere.

In this Chamber, the air that these pages are breathing right now, that you are breathing, Mr. President, that I am breathing has 600 percent more chlorine atoms in each lungful than it did when this Chamber was constructed, than it did when I was born. That is because the atmosphere of the entire earth has been changed to that degree in only 30 or 40 years' time.

Almost 20 years ago, two scientists, one of them named Sherwood Rowland, and the other his assistant, Mario Melino, discovered the linkage between these chemicals, chlorofluorocarbons, and there are other bromides and carbon tetrachloride, and the others, but the main actors are the chlorofluorocarbons. He discovered the linkage between the chemicals and destruction of the stratospheric ozone layer.

A lot of people did not believe it. He was taken off the invitation list for scientific meetings. A lot of chemical companies that were profiting from this business also sponsored some of these meetings in part. They did not want him to, but as time passed by the evidence became clear to others and he was vindicated.

Then the ozone hole appeared and the world scientific community rang the alarm bells, and governments responded belatedly, but they did respond, and the Montreal protocol was signed. Every year since then, new evidence has been coming in and those provisions have been getting stronger.

Here in the United States, as I said a moment ago, we anticipated when the Clean Air Act was passed, and I had an amendment on the floor here that was accepted, that new evidence would come out and that the phaseout of these chemicals, which is on a slow and leisurely pace, now fast according to past circumstances, but slow and leisurely compared to what the crisis is we anticipated that that pace would have to be speeded up significantly, and the law says when significant new evidence comes out the phaseout has to be speeded up.

Where is the action? What is the environmental President doing? When is he going to respond? I know I asked the question in a tone that implies disbelief, but truly, Mr. President, what are we doing waiting to respond?

Today I am introducing a resolution on behalf of one of my colleagues urging the administration to act now as the law requires them to do, to accelerate the phaseout of the ozone-destroying chemicals that are placing each of us and our children in such grave jeopardy.

My colleagues may recall that I introduced a similar resolution last April when similarly disturbing news was reported by the scientific community with regard to ozone depletion. I brought that resolution to the floor. And what happened? The administration put a hold on it. The President sent word to his allies here: Stop the resolution. We do not want action. We do not want it to speed up the phaseout of these chemicals. We will just keep things as they are.

Their argument was that the United States should not take unilateral action to step up the phaseout of chlorofluorocarbons. Unilateral action? The truth, Mr. President, is the United States of America is way behind on this. Other countries are right out in front of us. They have some leadership. They are listening to their scientists. They care about future generations. They are moving much faster than we are.

Many countries have already announced that they are going to completely stop the production and use of these incredibly harmful chemicals within 3½ years, in 1995, 5 years before either required to do so under the Montreal protocols. But because President Bush refuses to act, we are lagging way behind. Even the industry, even the companies that profit from these chemicals are way ahead of President Bush on this. One company in the United States indicated that they would, in response to the new findings in their production of these chemicals some 4 years ahead of schedule.

Where is the environmental President? If even the companies profiting from the practice are willing to move faster, if our allies in other countries are moving twice as fast as we are, where is the environmental President?

In press interviews and statements immediately after the release of the data, Mr. Reilly said the data was startling. This is last April. There have been two releases—one last April and one just a couple of weeks ago.

Last April, when many of us called for speeding up the phaseout, Mr. Reilly said this evidence is startling, and the implications for policy are clear. And, of course, they were. And the Environmental Protection Agency, under Mr. Reilly, released evidence showing that the evidence from the satellites clearly means that many millions of Americans will suffer cancer and many hundreds of thousands additional will die in the United States because of the extra depletion of the stratospheric ozone layer.

But still, incredibly, there has been no action by EPA or by the President. It is business as usual at EPA and they are only now getting around to publishing preliminary rulemaking on some of the Clean Air Act provisions.

Obviously, Mr. President, Mr. Reilly appreciates the need for much more aggressive action. It must just, therefore, be one more example of where Mr. Bush's political heavies rather than his scientific experts are calling the shots. We have seen many other examples of this. Mr. Sununu and Vice President QUAYLE and his counsel on competitiveness have been keeping themselves very busy thwarting policies that are needed to protect our health and our environment.

In addition to introducing the resolution, Mr. President, I am also sending a letter to the President today calling for an end to these irresponsible and immoral delay tactics—and I use the word advisedly, looking at these youngsters who are Pages here and looking at the implications of the evidence for the world they will inherit. And I am joined in this letter by 23 of our colleagues.

We urge the President to take action to stop the continued production and use of these chemicals depleting the ozone and confront this process that is now out of control, and stop the other grave threat that we face, the intensified greenhouse effect that our pollution of the atmosphere is causing.

And, incidentally, the new data shows very clearly that the role of CO_2 in global warming is even more pronounced than was thought before these latest findings were released. The ozone scientists determined that we need to redouble our efforts to reduce emissions of CO_2 and specifically called for it because the global warming impact of CFC's is at least in part mitigated due to the interaction with the ozone. The chemicals themselves trap heat, but when the ozone is destroyed, then that partially offsets it. What it means is that CO_2 is even more important than was thought.

The administration was playing a fast and loose game in pretending that if they got rid of CFC's by the end of this century, that would meet their commitment to reduce greenhouse gases. The implications of these new findings are, of course, that that just does not work and they have to come up with a real policy on CO_2.

The astonishing and unprecedented rate of the depletion of ozone that we are witnessing underscores as well the message that the scientists have long tried to send us with regard to natural processes. We simply cannot assume that nature will respond gracefully and gradually to the intensifying pressures that we are exerting. Dangerous thresholds can, indeed, be reached and, once crossed, our ability to mitigate or avoid harmful impact may be extremely limited.

The bottomline, Mr. President, is that we need to accelerate the phaseout of all of the chemicals now destroying the stratospheric ozone layer and we need to move aggressively to curb our emission of carbon dioxide.

I hope my other colleagues join us in cosponsoring this resolution, and I hope the President will finally hear our call and stop dragging his feet and take a leadership role on these critical issues.

Mr. President, I ask unanimous consent that the letter to the President to which I have referred be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, November 7, 1991.

Hon. GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing to urge you to take immediate action to address the global environmental problems we face. The stakes are high, and we can no longer afford simply to call for further study. Your leadership is critical.

Last month, the International Ozone Trends Assessment Panel sounded a loud alarm. Confirming earlier reports that ozone depletion is proceeding some 200 percent faster than had ever previously been measured or predicted, the scientists also reported that—for the first time—they had detected significant levels of ozone depletion in the summer months. The implications of this finding for human health, for the stability of agricultural crops, indeed, for the entire food chain on which all life depnds is ominous. We have in fact changed our environment, and in such a way that for our lifetimes and for our children's lifetimes, we will have to take precautions simply to enjoy the pleasure of spending time outdoors.

The Ozone Trends report also has significant implications for global warming. First, the scientists determined that the contribution of chlorofluorocarbons to the enhanced greenhouse effect is, at least in part, mitigated by the depletion of ozone, which is also a greenhouse gas. The implication here is that, in our effort to counter the effects of global warming, we cannot rely on the steps we are taking to phaseout CFC's under the Montreal Protocol or the Clean Air Act. Rather we must redouble our efforts to reduce our emissions of those gases whose radiative effect is not offset by other reactions in the atmosphere—particularly and most importantly, carbon dioxide.

Second, the astonishing and unprecedented rate of the depletion that we are witnessing underscores the message that the scientists have long tried to send us with regard to natural processes. We simply cannot assume that nature will respond gracefully and gradually to the intensifying pressures we are exerting. Dangerous thresholds can indeed be reached, and once we cross these critical points, our ability to mitigate or avoid harmful impacts is extremely limited.

The bottomline: we need to accelerate the phaseout of all chemicals that destroy the ozone layer, and we need to move aggressively to curb our emissions of carbon dioxide. The Congress has taken action on both of these fronts, and many other nations are far ahead of us in responding to these threats. Leadership from the White House is now essential.

We feel that this situation is of the utmost urgency, and we sincerely hope that you will give it your immediate attention. Congress is moving; the White House must too.

Sincerely,

Brock Adams, Daniel K. Akaka, Jeff Bingaman, Dale Bumpers, William S. Cohen, Christopher J. Dodd, Albert Gore, Jr., Joseph R. Biden, Jr., Richard H. Bryan, John H. Chafee, Thomas A. Daschle, Daniel K. Inouye, Edward M. Kennedy, Herbert Kohl, Carl Levin, Barbara A. Mikulski, Claiborne Pell, Paul Wellstone, John F. Kerry, Patrick J. Leahy, Joseph I. Lieberman, Daniel Patrick Moynihan, Paul Simon. Timothy E. Wirth.

AMENDMENTS SUBMITTED

CHILD ABUSE, FAMILY VIOLENCE, ADOPTION AND FAMILY SERVICES ACT OF 1991

DODD (AND COATS) AMENDMENT NO. 1309

Mr. DODD (for himself and Mr. COATS) proposed an amendment to the bill (S. 838) to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such act, and for other purposes, as follows:

In lieu of the language proposed to be inserted, insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991".

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.).

SEC. 102. FINDINGS.

(a) IN GENERAL.—The Act is amended by inserting after the table of contents the following new section:

"SEC. 2. FINDINGS.

"Congress finds that—

"(1) each year, hundreds of thousands of American children are victims of abuse and neglect with such numbers having increased dramatically over the past decade;

"(2) many of these children and their families fail to receive adequate protection or treatment;

"(3) the problem of child abuse and neglect requires a comprehensive approach that—

"(A) integrates the work of social service, legal, health, mental health, education, and substance abuse agencies and organizations;

"(B) strengthens coordination among all levels of government, and with private agencies, civic, religious, and professional organizations, and individual volunteers;

"(C) emphasizes the need for abuse and neglect prevention, investigation, and treatment at the neighborhood level;

"(D) ensures properly trained and supported staff with specialized knowledge, to carry out their child protection duties; and

"(E) is sensitive to ethnic and cultural diversity;

"(4) the failure to coordinate and comprehensively prevent and treat child abuse and neglect threatens the futures of tens of thousands of children and results in a cost to the Nation of billions of dollars in direct expenditures for health, social, and special educational services and ultimately in the loss of work productivity;

"(5) all elements of American society have a shared responsibility in responding to this national child and family emergency;

"(6) substantial reductions in the prevalence and incidence of child abuse and neglect and the alleviation of its consequences are matters of the highest national priority;

"(7) national policy should strengthen families to remedy the causes of child abuse and neglect, provide support for intensive services to prevent the unnecessary removal of children from families, and promote the reunification of families if removal has taken place;

"(8) the child protection system should be comprehensive, child-centered, family-focused, and community-based, should incorporate all appropriate measures to prevent the occurrence or recurrence of child abuse and neglect, and should promote physical and psychological recovery and social re-integration in an environment that fosters the health, self-respect, and dignity of the child;

"(9) because of the limited resources available in low-income communities, Federal aid for the child protection system should be distributed with due regard to the relative financial need of the communities;

"(10) the Federal government should ensure that every community in the United States has the fiscal, human, and technical resources necessary to develop and implement a successful and comprehensive child protection strategy;

"(11) the Federal government should provide leadership and assist communities in their child protection efforts by—

"(A) promoting coordinated planning among all levels of government;

"(B) generating and sharing knowledge relevant to child protection, including the development of models for service delivery;

"(C) strengthening the capacity of States to assist communities;

"(D) allocating sufficient financial resources to assist States in implementing community plans;

"(E) helping communities to carry out their child protection plans by promoting the competence of professional, paraprofessional, and volunteer resources; and

"(F) providing leadership to end the abuse and neglect of the nation's children and youth.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 1, the following new item:

"Sec. 2. Findings.".

SEC. 3. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

(a) IN GENERAL.—Section 102 (42 U.S.C. 5102) is amended by adding at the end thereof the following new subsection:

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,000,000 for fiscal year 1992.".

Subtitle A—General State Program

SEC. 110. GRANT PROGRAM FOR CHILD ABUSE NEGLECT PREVENTION AND TREATMENT.

Section 107 (42 U.S.C. 5106a) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) DEVELOPMENT AND OPERATION GRANTS.—The Secretary, acting through the Center, shall make grants to the States, based on the population of children under the age of 18 in each State that applies for a grant under this section, for purposes of assisting the States in improving the child protective service system of each such State in—

"(1) the intake and screening of reports of abuse and neglect through the improvement of the receipt of information, decisionmaking, public awareness, and training of staff;

"(2)(A) investigating such reports through improving response time, decisionmaking, referral to services, and training of staff;

"(B) creating and improving the use of multidisciplinary teams and interagency protocols to enhance investigations; and

"(C) improving legal preparation and representation;

"(3) case management and delivery services provided to families through the improvement of response time in service provision, improving the training of staff, and increasing the numbers of families to be served;

"(4) enhancing the general child protective system by improving assessment tools, automation systems that support the program, information referral systems, and the overall training of staff to meet minimum competencies; or

"(5) developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs."; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) STATE PROGRAM PLAN.—To be eligible to receive a grant under this section, a State shall annually submit a plan to the Secretary that specifies the child protective service system area or areas described in subsection (a) that the State intends to address with funds received under the grant. The plan shall describe the current system capacity of the State in the relevant area or areas from which to assess programs with grant funds and specify the manner in which funds from the State's programs will be used to make improvements. The plan required under this subsection shall contain, with respect to each area in which the State intends to use funds from the grant, the following information with respect to the State:

"(1) INTAKE AND SCREENING.—

"(A) STAFFING.—The number of child protective service workers responsible for the intake and screening of reports of abuse and neglect relative to the number of reports filed in the previous year.

"(B) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in report-taking, screening, decisionmaking, and referral for investigation.

"(C) PUBLIC EDUCATION.—An assessment of the State or local agency's public education program with respect to—

"(i) what is child abuse and neglect;

"(ii) who is obligated to report and who may choose to report; and

"(iii) how to report.

"(2) INVESTIGATION OF REPORTS.—

"(A) RESPONSE TIME.—The number of reports of child abuse and neglect filed in the State in the previous year where appropriate, the agency response time to each with respect to initial investigation, the number of substantiated and unsubstantiated reports, and where appropriate, the response time with respect to the provision of services.

"(B) STAFFING.—The number of child protective service workers responsible for the investigation of child abuse and neglect reports relative to the number of reports investigated in the previous year.

"(C) INTERAGENCY COORDINATION.—A description of the extent to which interagency coordination processes exist and are available Statewide, and whether protocols or formal policies governing interagency relationships exist in the following areas—

"(i) multidisciplinary investigation teams among child welfare and law enforcement agencies;

"(ii) interagency coordination for the prevention, intervention and treatment of child abuse and neglect among agencies responsible for child protective services, criminal justice, schools, health, mental health, and substance abuse; and

"(iii) special interagency child fatality review panels, including a listing of those agencies that are involved.

"(D) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as investigation, risk assessment, court preparation, and referral to and provision of services.

"(E) LEGAL REPRESENTATION.—A description of the State agency's current capacity for legal representation, including the manner in which workers are prepared and trained for court preparation and attendance, including procedures for appealing substantiated reports of abuse and neglect.

"(3) CASE MANAGEMENT AND DELIVERY OF ONGOING FAMILY SERVICES.—For children for whom a report of abuse and neglect has been substantiated and the children remain in their own homes and are not currently at risk of removal, the State shall assess the activities and the outcomes of the following services:

"(A) RESPONSE TIME.—The number of cases opened for services as a result of investigation of child abuse and neglect reports filed in the previous year, including the response time with respect to the provision of services from the time of initial report and initial investigation.

"(B) STAFFING.—The number of child protective service workers responsible for providing services to children and their families in their own homes as a result of investigation of reports of child abuse and neglect.

"(C) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as risk assessment, court preparation, provision of services and determination of case disposition, including how such training is evaluated for effectiveness.

"(D) INTERAGENCY COORDINATION.—The extent to which treatment services for the child and other family members are coordinated with child welfare, social service, mental health, education, and other agencies.

"(4) GENERAL SYSTEM ENHANCEMENT.—

"(A) AUTOMATION.—A description of the capacity of current automated systems for tracking reports of child abuse and neglect from intake through final disposition and how personnel are trained in the use of such system.

"(B) ASSESSMENT TOOLS.—A description of whether, how, and what risk assessment tools are used for screening reports of abuse and neglect, determining whether child abuse and neglect has occurred, and assessing the appropriate level of State agency protection and intervention, including the extent to which such tool is used statewide and how workers are trained in its use.

"(C) INFORMATION AND REFERRAL.—A description and assessment of the extent to which a State has in place—

"(i) information and referral systems, including their availability and ability to link families to various child welfare services such as homemakers, intensive family-based services, emergency caretakers, home health visitors, daycare and services outside the child welfare system such as housing, nutrition, health care, special education, income support, and emergency resource assistance; and

"(ii) efforts undertaken to disseminate to the public information concerning the problem of child abuse and neglect and the prevention and treatment programs and services available to combat instances of such abuse and neglect.

"(D) STAFF CAPACITY AND COMPETENCE.—An assessment of basic and specialized training needs of all staff and current training provided staff. Assessment of the competencies of staff with respect to minimum knowledge in areas such as child development, cultural and ethnic diversity, functions and relationship of other systems to child protective services and in specific skills such as interviewing, assessment, and decisionmaking relative to the child and family, and the need for training consistent with such minimum competencies.

"(5) INNOVATIVE APPROACHES.—A description of—

"(A) research and demonstration efforts for developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs, including the interagency efforts at the State level; and

"(B) the manner in which proposed research and development activities build on existing capacity in the programs being addressed.".

SEC. 111. GRANT PROGRAM FOR INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.

Section 109 (42 U.S.C. 5106c) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 109. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.";

(2) in subsection (a), by striking out paragraphs (1) and (2), and inserting in lieu thereof the following new paragraphs:

"(1) the handling of child abuse and neglect cases, particularly cases of child sexual abuse and exploitation, in a manner which limits additional trauma to the child victim;

"(2) the handling of cases of suspected child abuse or neglect related fatalities; and

"(3) the investigation and prosecution of cases of child abuse and neglect, particularly child sexual abuse and exploitation.";

(3) in subsection (b)—

(A) by striking out "and 107(e) or receive a waiver under section 107(c)" in paragraph (1);

(B) by striking out "and" at the end of paragraph (3);

(C) by inserting "annually" after "submit" in paragraph (4); and

(D) by striking out the period at the end thereof and inserting the following: "; and

"(5) submit annually to the Secretary a report on the manner in which assistance received under this program was expended throughout the State, with particular attention focused on the areas described in paragraphs (1) through (4) of subsection (a).";

(4) in subsection (c)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting ", and maintain" after "designate"; and

(ii) by striking out "child abuse" and inserting in lieu thereof "child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities";

(B) by striking out "judicial and legal officers", in subparagraph (B) and inserting in lieu thereof "judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect";

(C) by inserting before the semicolon in subparagraph (C), the following: ", including both attorneys for children and, where such programs are in operation, court appointed special advocates";

(D) by striking out subparagraph (E); and

(E) by striking out "handicaps;" in subparagraph (F), and inserting in lieu thereof "disabilities; and"; and

"(G) by striking out subparagraph (G) and redesignating subparagraph (H) as subparagraph (G);

(5) in subsection (d)—

(A) by striking out "the State task force shall" in the matter preceding paragraph (1), and inserting in lieu thereof "and at three year intervals thereafter, the State task force shall comprehensively";

(B) by striking out "judicial" and all that follows in paragraph (1), and inserting in lieu thereof the following: "both civil and criminal judicial handling of cases of child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal;";

(C) by inserting "policy and training" before "recommendations" in paragraph (2); and

(6) in subsection (e)(1)—

(A) by striking out "child abuse" and all that follows through "child victim" in subparagraph (A), and inserting in lieu thereof the following: "child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal, in a manner which reduces the additional trauma to the child victim and the victim's family";

(B) by striking out "improve the rate" and all that follows through "abuse cases" in subparagraph (B), and inserting in lieu thereof the following: "improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children"; and

(C) in subparagraph (C)—

(i) by inserting ", protocols" after "regulations"; and

(ii) by inserting "and exploitation" after "sexual abuse".

Subtitle B—Community-Based Prevention Grants

SEC. 121. TITLE HEADING AND PURPOSE.

(a) TITLE HEADING.—The heading for title II (42 U.S.C. 5116 et seq.) is amended to read as follows:

"TITLE II—COMMUNITY-BASED CHILD ABUSE AND NEGLECT PREVENTION GRANTS".

(b) PURPOSE.—Section 201 (42 U.S.C. 5116) is amended—

*(1) in the section heading to read as follows: "**SEC. 201. PURPOSES.**"; and*

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"It is the purpose of this title, through the provision of community-based child abuse and neglect prevention grants, to assist States in supporting child abuse and neglect prevention activities.".

SEC. 122. DEFINITIONS.

Section 202 (42 U.S.C. 5116a) is amended—

(1) in paragraph (1), by striking out "and" at the end thereof; and

(2) in paragraph (2), by striking out the period and inserting in lieu thereof "; and".

SEC. 123. STATE ELIGIBILITY.

Section 204 (42 U.S.C. 5116c) is amended—

(1) by striking out "or other funding mechanism"; and

(2) by striking out "which is available only for child" and all that follows through the end thereof, and inserting "which includes (in whole or in part) legislative provisions making funding available only for the broad range of child abuse and neglect prevention activities.".

SEC. 124. LIMITATIONS.

Section 205 (42 U.S.C. 5116d) is amended—

(1) by striking out paragraph (1) of subsection (a) and inserting in lieu thereof the following new paragraph:

"(1) ALLOTMENT FORMULA.—

"(A) IN GENERAL.—Amounts appropriated to provide grants under this title shall be allotted among eligible States in each fiscal year so that—

"(i) 50 percent of the total amount appropriated is allotted among each State based on the number of children under the age of 18 in each such State, except that each State shall receive not less than \$30,000; and

"(ii) the remaining 50 percent of the total amount appropriated is allotted in an amount equal to 25 percent of the total amount collected by each such State, in the fiscal year prior to the fiscal year for which the allotment is being determined, for the children's trust fund of the State for child abuse and neglect prevention activities.

"(B) USE OF AMOUNTS.—Not less than 50 percent of the amount of a grant made to a State under this title in each fiscal year shall be utilized to support community-based prevention programs as authorized in section 204(a), except that this subparagraph shall not become applicable until amounts appropriated under section 203(b) exceed \$10,000,000."; and

(2) in subsection (b)(1)—

(A) by striking out "trust fund advisory board" and all that follows through "section 101" in subparagraph (A) and inserting in lieu thereof "advisory board established under section 102";

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (F) and (G), respectively; and

(C) by inserting after subparagraph (A), the following new subparagraphs:

"(B) demonstrate coordination with other child abuse and neglect prevention activities and agencies at the State and local levels;

"(C) demonstrate the outcome of services and activities funded under this title;

"(D) provide evidence that Federal assistance received under this title has been supplemented with non-Federal public and private assistance (including in-kind contributions) at the local level (Federal assistance expended in support of activities authorized under paragraphs (1), (2), and (3) of section 204 shall be supplemented by State assistance);

"(E) demonstrate the extent to which funds received under this title are used to support community prevention activities in underserved areas, in which case the supplemental support required under subparagraph (D) shall be waived for the first 3 years in which assistance is provided to a grantee described in this subparagraph;".

Subtitle C—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness

SEC. 131. CERTAIN PREVENTIVE SERVICES REGARDING CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 302(b) (42 U.S.C. 5118a(b)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) by redesignating paragraph (4) as paragraph (6); and

(3) by inserting after paragraph (3), the following new paragraphs:

"(4) the provision of emergency housing-related assistance necessary to prevent the placement of children in out-of-home care, to facilitate the reunification of children with their families, and to enable the discharge of youths not less than 16 years of age from such area, including assistance in meeting the costs of—

"(A) rent or utility arrears to prevent an eviction or termination of utility services;

"(B) security and utility deposits, first month's rent, and basic furnishings; and

"(C) other housing-related assistance;

"(5) the provision to families, and to youths not less than 16 years of age who are preparing to be discharged from such care, of temporary rent subsidies necessary to prevent the initial or prolonged placement of children in out-of-home care, which subsidies are provided in an amount not exceeding 70 percent of the local fair market rental value and are provided for a period not to exceed 180 days; and".

Subtitle D—Child Abuse Treatment Improvements Grants

SEC. 141. ESTABLISHMENT OF PROGRAM.

The Act is amended by adding at the end thereof the following new title:

"TITLE IV—MISCELLANEOUS PROGRAMS

"SEC. 401. CHILD ABUSE TREATMENT IMPROVEMENTS GRANT PROGRAM.

"(a) AUTHORITY.—The Secretary of Health and Human Services (hereafter referred to in this section as the 'Secretary'), acting through the Administration for Children, Youth and Families, may award grants to eligible entities to improve the treatment of children exposed to abuse or neglect and the families of such children, particularly when such children have been placed in out-of-home care.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

"(1) be a State or local public or nonprofit private entity;

"(2) be responsible for administering or providing child welfare services (including out-of-home services); and

"(3) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require including the information required under subsection (c).

"(c) CONTENTS OF APPLICATION.—An application submitted by an entity under subsection (b)(4) shall contain—

"(1) a description of the proposed program to be established, implemented or improved using amounts received under a grant, including the specific activities to be undertaken, the agencies that will be involved, the process that has been established for evaluating such activities, and the nature of any innovations proposed;

"(2) evidence of the need that the activity or program, to be conducted using amounts received under the grant, will address;

"(3) assurances that amounts received under the grant will be used to supplement, not supplant, existing funds provided by the State for child welfare purposes;

"(4) assurances that the applicant entity will provide not less than 20 percent of the total amounts needed to pay the costs associated with the program funded under such grant;

"(5) assurances that the applicant entity will provide information to the Secretary concerning the progress and outcome of the program to be funded under such grant;

"(6) a description of the procedures to be used to disseminate the findings derived from the program to be funded under such grant within the State;

"(7) a description of the extent to which multiple agencies will be involved in the design, development, operation, and staffing of the program to be funded under such grant; and

"(8) and other information determined appropriate by the Secretary.

"(d) USE OF FUNDS.—An entity may use amounts provided under a grant awarded under this section to—

"(1)(A) develop models of out-of-home care that are designed to promote the reunification of children with their families, including training and support components for foster parents to enable such parents to assist the birthparents with reunification efforts, except that such efforts must be determined to be in the best interest of the child;

"(B) develop comprehensive service approaches for child out-of-home care and for the families of such children, specifically focused on reunification; and

"(C) establish activities that are designed to promote visitation of parents and children, such as the establishment of neutral settings for structured visits between biological parents and children in care;

"(2) develop activities that are designed to support relatives caring for children who have been abused or neglected or children from families where substance abuse is present;

"(3) enhance the reimbursement and other support provided to foster parents, including relatives, to promote better recruitment and retention of foster parents;

"(4) develop activities and programs designed to—

"(A) promote the healthy physical, social, emotional, and educational development of children in out-of-home care and under child abuse preventive services supervision, including—

"(i) the conduct of comprehensive, multidisciplinary assessments of the physical, social, emotional, and educational development of such children, with particular attention given to the needs and strengths of the families of such children; and

"(ii) the development of services to meet such needs which involve multiple service agencies and alternative support systems within the community;

"(B) provide training for foster parents to address the physical, social, emotional, and educational needs of the children in their care; or

"(C) provide special programs to assist children with academic or developmental problems;

"(5) develop and implement programs that provide mentors, who are adults from the community or who are former foster youths, to youths in out-of-home care, in order to address their special needs, increase self esteem, and provide role models;

"(6) provide incentives that may be necessary to establish and recruit foster family homes for special populations, including children who are medically fragile or have other special physical, mental, and emotional disabilities, adolescent mothers and their children who are in care, and children who have been sexually abused;

"(7) hire staff with specialized knowledge in the areas of substance abuse, child development, education, health care, and adolescents, to provide support and act as a resource for caseworkers working with children and families with special needs in these areas; and

"(8) conduct other activities as the Secretary determines appropriate.

"(e) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section the Secretary shall consider—

"(1) the geographic dispersion of the applicants for such grants;

"(2) the likelihood that the proposed service approach of the applicant would be transferable to other sites; and

"(3) the need for variety in the problems to be addressed by the applicants and in the models used to address similar problems.

"(f) ADMINISTRATION.—In administering the grant program established under this section the Administration for Children, Youth and Families shall—

"(1) require grantees to submit annual reports concerning the projects funded under such grants and a final report assessing the outcome of such projects;

"(2) arrange for the dissemination of project results through such means as the child welfare resource centers and the National Clearinghouse on Child Abuse and Neglect; and

"(3) provide for the evaluation of projects funded under this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $30,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.".

SEC. 142. TECHNICAL AMENDMENT.

The Act is amended in the table of contents in section 1(b) by adding at the end thereof the following new items:

"TITLE IV—MISCELLANEOUS PROGRAMS

"Sec. 401. Child abuse treatment improvements grant program.".

Subtitle E—Reauthorization of Certain Programs

SEC. 151. EMERGENCY GRANT PROGRAM.

Section 107A(e) (42 U.S.C. 5106a-1(e)) is amended by striking out "and such sums" and all that follows through the end thereof and inserting "such sums as may be necessary for fiscal year 1991, $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 152. GENERAL GRANT PROGRAMS.

Subsection (a) of section 114 (42 U.S.C. 5106h(a)) is amended to read as follows:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, except for section 107A, $150,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994. Of amounts appropriated under this section in any fiscal year—

"(1) 33⅓ percent of such amounts shall be made available in each such fiscal year for activities under sections 104, 105 and 106; and

"(2) 66⅔ percent of such amounts shall be made available in each such fiscal year for activities under sections 107 and 108.

A State may spend the entire amount provided to such State under this title in a fiscal year for the purposes described in subsection (a)(5) of section 107, except that subsequent to the date on which the amount appropriated and available under paragraph (2) exceeds $40,000,000, such State shall not spend in excess of 15 percent of such amounts for the purposes described in subsection (a)(5) of section 107.".

SEC. 153. COMMUNITY-BASED PREVENTION GRANTS.

Section 203 (42 U.S.C. 5116b) is amended—

(1) by striking out subsection (b);

(2) by redesignating subsection (c) as subsection (b); and

(3) in subsection (b) (as so redesignated), by striking out "such sums" and all that follows through the period and inserting in lieu thereof "$50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 154. PREVENTIVE SERVICES FOR CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 306(a) (42 U.S.C. 5118e(a)) is amended by inserting ", and such sums as may be necessary in each of the fiscal years 1993 and 1994" before the period.

Subtitle F—Miscellaneous Provisions

SEC. 161. REPORT CONCERNING VOLUNTARY REPORTING SYSTEM.

Not later than April 30, 1992, and annually thereafter, the Secretary of Health and Human Services, acting through the Director of the National Center on Child Abuse and Neglect, shall prepare and submit to the appropriate committees of Congress a report concerning the measures being taken to assist States in implementing a voluntary reporting system for child abuse and neglect. Such reports shall contain information concerning the extent to which the child abuse and neglect reporting systems developed by the States are coordinated with the automated foster care and adoption reporting system required under section 479 of the Social Security Act.

TITLE II—CHILDREN WITH DISABILITIES TEMPORARY CARE

SEC. 201. SHORT TITLE.

This title may be cited as the "Children With Disabilities Temporary Care Reauthorization Act of 1991".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 206 of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117) is amended in the first sentence, by inserting before the period the following: ", and $20,000,000 for each of the fiscal years 1992 through 1994".

SEC. 203. TECHNICAL AMENDMENT.

Section 205(a)(1)(A)(vi) of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117c(a)(1)(A)(vi)) is amended by striking out "(vi)" and inserting in lieu thereof "(v)".

SEC. 204. EFFECTIVE DATE.

The amendments made by this title shall take effect October 1, 1991, or on the date of the enactment of this Act, whichever occurs later.

TITLE III—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO FAMILY VIOLENCE

SEC. 301. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.).

SEC. 302. EXPANSION OF PURPOSE.

Section 302 (42 U.S.C. 10401) is amended—

(1) in paragraph (1)—

(A) by striking out "demonstration the effectiveness of assisting" and inserting in lieu thereof "assist"; and

(B) by striking out "to prevent" and inserting in lieu thereof "to increase public awareness about and prevent"; and

(2) in paragraph (2), by inserting ", courts, legal, social service, and health care professionals" after "(including law enforcement agencies".

SEC. 303. EXPANSION OF STATE GRANT PROGRAM.

Section 303(a) (42 U.S.C. 10402(a)) is amended—

(1) in paragraph (1), by striking out "demonstration grants" and inserting in lieu thereof "grants"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" in the matter preceding subparagraph (A), and inserting in lieu thereof "grant";

(B) by striking out "demonstration grant" in subparagraph (A), and inserting in lieu thereof "grant"; and

(C) by striking out "particularly those projects" in subparagraph (B)(ii) and all that follows through the end thereof, and inserting in lieu thereof the following: "the primary purpose of which is to operate shelters for victims of family violence and their dependents, and those which provide counseling, advocacy, and self-help services to victims and their children.".

SEC. 304. INVOLVEMENT IN PLANNING.

Section 303(a)(2)(C) (42 U.S.C. 10402(a)(2)(C)) is amended by inserting "State domestic violence coalitions" after "involve".

SEC. 305. CONFIDENTIALITY ASSURANCES.

Section 303(a)(2)(E) (42 U.S.C. 10402(a)(2)(E)) is amended by striking out "assurances that procedures will be developed" and inserting in lieu thereof "documentation that procedures have been developed, and implemented including copies of the policies and procedure,".

SEC. 306. PROCEDURE FOR EVICTING VIOLENT SPOUSES.

Section 303(a)(2)(F) (42 U.S.C. 10402(a)(2)(F)) is amended to read as follows:

"(F) provide documentation to the Secretary that the State has a law or procedure that has been implemented for the eviction of an abusing spouse from a share household;".

SEC. 307. PENALTIES FOR NONCOMPLIANCE.

Section 303(a)(3) (42 U.S.C. 10402(c)) is amended—

(1) by inserting "a 6-month period providing an" before "opportunity"; and

(2) by adding at the end thereof the following new sentences: "The Secretary shall provide such notice within 45 days of the date of the application if any of the provisions of subsection (a)(2) have not been satisfied in such application. If the State has not corrected the deficiencies in such application within the 6-month period following the receipt of the Secretary's notice of intention to disapprove, the Secretary shall withhold payment of any grant funds to such State until the date that is 30 days prior the end of the fiscal year for which such grant funds are appropriated or until such time as the State provides documentation that the deficiencies have been corrected, whichever occurs first. State Domestic Violence Coalitions shall be permitted to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2), except that no funds made available to State Domestic Violation Coalitions under section 311 shall be used to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2).".

SEC. 308. GRANTS TO INDIAN TRIBES.

Section 303(b) (42 U.S.C. 10402(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "is authorized to make demonstration grants" and inserting in lieu thereof ", from amounts appropriated to carry out this section, shall make available not less than 10 percent of such amounts to make grants";

(B) by striking out "and tribal" and inserting in lieu thereof ", tribal"; and

(C) by inserting "and nonprofit private organizations approved by an Indian Tribe for the operation of a family violence shelter on a Reservation", after "tribal organizations"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by striking out "and (E)" and inserting in lieu thereof "(E) and (F)"; and

(C) by adding at the end thereof the following new sentence: "No entity eligible to submit and application under paragraph (1) shall be prohibited from making an application during any fiscal year for which funds are available because such entity has not previously applied or received funding under this section.".

SEC. 309. MAXIMUM CEILING.

Subsection (c) of section 303 (42 U.S.C. 10402(c)) is repealed, and subsections (d) through (g) are redesignated as subsections (c) through (f), respectively.

SEC. 310. GRANTS TO ENTITIES OTHER THAN STATES; LOCAL SHARE.

The section 303(e) (42 U.S.C. 10402(f)) (as so redesignated by section 309) is amended—

(1) in the first sentence—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by inserting "or an Indian Tribe" after "State";

(C) by striking out "35 percent" and inserting in lieu thereof "20 percent";

(D) by striking out "55 percent" and inserting in lieu thereof "35 percent";

(E) by striking out "65 percent in the third such year" and inserting in lieu thereof "and, for any year thereafter"; and

(2) in the second sentence, by striking out "50 percent" and inserting in lieu thereof "25 percent".

SEC. 311. SHELTER AND RELATED ASSISTANCE.

(a) SHELTER.—Section 303(f) (42 U.S.C. 10402(g)) (as so redesignated by section 309) is amended—

(1) by striking out "60 percent" and inserting in lieu thereof "70 percent"; and

(2) by inserting before the period the following "as defined in section 309(4). Not less than 15 percent of the funds distributed under subsection (a) or (b) shall be distributed for the purpose of providing related assistance as defined under section 309(5)(A), and not more than 10 percent for the purpose of providing family violence prevention services as defined under section 309(5)(B)".

(b) DEFINITION.—Paragraph (5) of section 309 (42 U.S.C. 10408(5)) is amended to read as follows:

"(5) The term 'related assistance' means the provision of direct assistance to victims of family violence and their dependents for the purpose of preventing further violence, helping such victims to gain access to civil and criminal courts and other community services, facilitating the efforts of such victims to make decisions concerning their lives in the interest of safety, and assisting such victims in healing from the effects of the violence. Related assistance—

"(A) shall include—

"(i) counseling with respect to family violence, counseling by peers individually or in groups, and referral to community social services;

"(ii) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health-care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health-care services;

"(iii) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

"(iv) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims; and

"(B) may include prevention services such as outreach and prevention services for victims and their children, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school age children, family violence public awareness campaigns, and violence prevention counseling services to abusers.".

SEC. 312. ALLOTMENT OF FUNDS.

Section 304(a)(1) (42 U.S.C. 10403(a)(1)) is amended—

(1) by striking out "whichever is the greater of the following amounts: one-half of"; and

(2) by striking out "$50,000" and inserting in lieu thereof "$200,000, whichever is the lesser amount".

SEC. 313. SECRETARIAL RESPONSIBILITIES.

Section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) is amended—

(1) by striking out "into the causes of family violence";

(2) by inserting "most effective" before "prevention";

(3) by striking out "and (ii)" and inserting in lieu thereof "(ii)"; and

(4) by inserting before "and (B)" the following: "(iii) the effectiveness of providing safety and support to maternal and child victims of family violence as a way to eliminate the abuse experienced by children in such situations, (iv) identification of intervention approaches to child abuse prevention services which appear to be successful in preventing child abuse where both mother and child are abused, (v) effective and appropriate treatment services for children where both mother and child are abused, and (vi) the individual and situational factors leading to the end of violent and abusive behavior by persons who commit acts of family violence, including such factors as history of previous violence and the legal and service interventions received,".

SEC. 314. EVALUATION AND REPORT TO CONGRESS.

Section 306 (42 U.S.C. 10405) is amended—

(1) by inserting "and every two years thereafter," after "the first time after the date of the enactment of this title,";

(2) by striking out "assurances" and inserting in lieu thereof "documentation"; and

(3) by striking out "303(a)(2)(F)" and inserting in lieu "303(a)(2)(B) through 303(a)(2)(F)".

SEC. 315. FUNDING FOR TECHNICAL ASSISTANCE CENTERS.

Section 308 (42 U.S.C. 10407) is amended to read as follows:

"SEC. 308. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

"(a) PURPOSE AND GRANTS.—

"(1) PURPOSE.—It is the purpose of this section to provide resource information, training, and technical assistance to Federal, State, and Indian tribal agencies, as well as to local domestic violence programs and to other professionals who provide services to victims of domestic violence.

"(2) GRANTS.—From the amounts appropriated under this title, the Secretary shall award grants to private nonprofit organizations for the establishment and maintenance of one national resource center (as provided for in subsection (b)) and not to exceed six special issue resource centers (as provided for in subsection (c)) focusing on one or more issues of concern to domestic violence victims.

"(b) NATIONAL RESOURCE CENTER.—The national resource center established under subsection (a)(2) shall offer resource, policy and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, and shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics and analyses thereof relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.

"(c) SPECIAL ISSUE RESOURCE CENTERS.—The special issue resource centers established under subsection (a)(2) shall provide information, training and technical assistance to State and local domestic violence service providers, and shall specialize in at least one of the following areas of domestic violence service, prevention, or law:

"(1) Criminal justice response to domestic violence, including court-mandated abuser treatment.

"(2) Improving the response of Child Protective Service agencies to battered mothers of abused children.

"(3) Child custody issues in domestic violence cases.

"(4) The use of the self-defense plea by domestic violence victims.

"(5) Improving interdisciplinary health care responses and access to health care resources for victims of domestic violence.

"(6) Improving access to and the quality of legal representation for victims of domestic violence in civil litigation.

"(d) ELIGIBILITY.—To be eligible to receive a grant under this section an entity shall be a private nonprofit organizations that—

"(1) focuses primarily on domestic violence;

"(2) provides documentation to the Secretary demonstrating experience working directly on issues of domestic violence, particularly in the specific subject area for which it is applying;

"(3) include on its advisory boards representatives from domestic violence programs in the region who are geographically and culturally diverse; and

"(4) demonstrate the strong support of domestic violence advocates from across the country and the region for their designation as the national or a special issue resource center.

"(e) REPORTING.—Not later than 6 months after receiving a grant under this section, a grantee shall prepare and submit a report to the Secretary that evaluates the effectiveness of the use of amounts received under such grant by such grantee and containing such additional information as the Secretary may prescribe.

"(f) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations.

"(g) FUNDING.—From the amounts appropriated under section 310, not in excess of 5 percent of such amount for each fiscal year shall be used for the purpose of making grants under this section.".

SEC. 316. AUTHORIZATION OF APPROPRIATIONS.

Section 310 (42 U.S.C. 10409) is amended to read as follows:

"SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of sections 303 through 309 and section 313, $85,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(b) SECTION 303(a) AND (b).—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 80 percent shall be used for making grants under subsection 303(a), and not less than 10 percent shall be used for the purpose of carrying out section 303(b).

"(c) SECTION 308.—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 5 percent shall be used by the Secretary for making grants under section 308.".

SEC. 317. LAW ENFORCEMENT TRAINING AND TECHNICAL ASSISTANCE GRANTS AND CONTRACTS AND GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 (42 U.S.C. 10410) is amended to read as follows:

"SEC. 311. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

"(a) IN GENERAL.—The Secretary shall award grants for the funding of State domestic violence coalitions. Such coalitions shall further the purposes of domestic violence intervention and prevention through activities, including—

"(1) working with judicial and law enforcement agencies to encourage appropriate responses to domestic violence cases and examine issues including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation when domestic violence is involved;

"(C) the use of mandatory arrests of accused offenders;

"(D) the discouragement of dual arrests;

"(E) the adoption of aggressive and vertical prosecution policies and procedures;

"(F) the use of mandatory requirements for presentence investigations;

"(G) the length of time taken to prosecute cases or reach plea agreements;

"(H) the use of plea agreements;

"(I) the consistency of sentencing, including comparisons of domestic violence crimes with other violent crimes;

"(K) the restitution of victims;

"(L) the use of training and technical assistance to law enforcement and court officials and other professionals;

"(M) the reporting practices of, and significance to be accorded to, prior convictions (both felony and misdemeanor) and protection orders;

"(N) the use of interstate extradition in cases of domestic violence crimes;

"(O) the use of statewide and regional planning; and

"(P) any other matters as the Secretary and the State domestic violence coalitions believe merit investigations;

"(2) work with family law judges, Child Protective Services agencies, and children's advocates to develop appropriate responses to child custody and visitation issues in domestic violence cases as well as cases where domestic violence and child abuse are both present, including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation where domestic violence is involved;

"(C) the inappropriate use of marital or conjoint counseling in domestic violence cases;

"(D) the use of training and technical assistance for family law judges and court personnel;

"(E) the presumption of custody to domestic violence victims;

"(F) the use of comprehensive protection orders to grant fullest protections possible to victims of domestic violence, including temporary support and maintenance;

"(G) the development by Child Protective Service of supportive responses that enable victims to protect their children;

"(H) the implementation of supervised visitations that do not endanger victims and their children; and

"(I) the possibility of permitting domestic violence victims to remove children from the State when the safety of the children or the victim is at risk;

"(3) conduct public education campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence; and

"(4) participate in planning and monitoring of the distribution of grants and grant funds to their State under section 303(a).

"(b) ELIGIBILITY.—To be eligible for a grant under this section an entity shall be a statewide nonprofit State domestic violence coalition whose—

"(1) membership includes representatives from a majority of the programs for victims of domestic violence in the State;

"(2) board membership is representative of such programs; and

"(3) purpose is to provide services, community education, and technical assistance to such programs to establish and maintain shelter and related services for victims of domestic violence and their children.

"(c) ALLOTMENT OF FUNDS.—From amounts appropriated under this section for each fiscal year, the Secretary shall allot to each State, the District of Columbia, the Commonwealth of Puerto Rico, and the combined U.S. Territories an amount equal to 1/53 of the amount appropriated for such fiscal year. For purposes of this section, the term 'combined U.S. Territories' means Guam, American Samoa, the U.S. Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands and shall not receive less than 1.5 percent of the funds appropriated for each fiscal year.

"(d) PROHIBITION ON LOBBYING.—No funds made available to entities under this section shall be used, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State or local agency, or to undertake to influence the passage or defeat of any legislation by Congress, or by any State or local legislative body, or State proposals by initiative petition, except that the representatives of the entity may testify or make other appropriate communication—

"(1) when formally requested to do so by a legislative body, a committee, or a member thereof; or

"(2) in connection with legislation or appropriations directly affecting the activities of the entity.

"(e) REPORTING.—Each State domestic violence coalition receiving amounts under this section shall submit a report to the Secretary describing the coordination, training and technical assistance and public education services performed with such amounts and evaluating the effectiveness of those services.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for each fiscal year to be used to award grants under this section.

"(g) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing this section.".

SEC. 318. REGULATIONS.

Section 312(a) (42 U.S.C. 10409(a)) is amended by adding at the end thereof the following new sentence:

"Not later than 90 days after the date of enactment of this sentence, the Secretary shall publish proposed regulations implementing sections 303, 308, and 314. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing such sections.".

SEC. 319. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION.

Section 313(1) (42 U.S.C. 10409(1)) is amended by striking out "characteristics relating to family violence" and inserting in lieu thereof "develop data on the number of victims of family violence and their dependents who are homeless or institutionalized as a result of the violence and abuse they have experienced".

SEC. 320. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

The Act is amended by adding at the end thereof the following new section:

"SEC. 314. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

"(a) IN GENERAL.—The Secretary may make grants to public or private nonprofit entities to provide public information campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence.

"(b) APPLICATION.—No grant, contract, or cooperative agreement shall be made or entered into under this section unless an application that meets the requirements of subsection (c) has been approved by the Secretary.

"(c) REQUIREMENTS.—An application submitted under subsection (b) shall—

"(1) provide such agreements, assurances, and information, be in such form and be submitted in such manner as the Secretary shall prescribe through notice in the Federal Register, including a description of how the proposed public information campaign will target the population at risk, including pregnant women;

"(2) include a complete description of the plan of the application for the development of a public information campaign;

"(3) identify the specific audiences that will be educated, including communities and groups with the highest prevalence of domestic violence;

"(4) identify the media to be used in the campaign and the geographic distribution of the campaign;

"(5) describe plans to test market a development plan with a relevant population group and in a relevant geographic area and give assurance that effectiveness criteria will be implemented prior to the completion of the final plan that will include an evaluation component to measure the overall effectiveness of the campaign;

"(6) describe the kind, amount, distribution, and timing of informational messages and such other information as the Secretary may require, with assurances that media organizations and other groups with which such messages are placed will not lower the current frequency of public service announcements; and

"(7) contain such other information as the Secretary may require.

"(d) USE.—A grant, contract, or agreement made or entered into under this section shall be used for the development of a public information campaign that may include public service announcements, paid educational messages for print media, public transit advertising, electronic broadcast media, and any other mode of conveying information that the Secretary determines to be appropriate.

"(e) CRITERIA.—The criteria for awarding grants shall ensure that an applicant—

"(1) will conduct activities that educate communities and groups at greatest risk;

"(2) has a record of high quality campaigns of a comparable type; and

"(3) has a record of high quality campaigns that educate the population groups identified as most at risk.".

SEC. 321. MODEL STATE LEADERSHIP INCENTIVE GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

The Act (as amended by section 320) is further amended by adding at the end thereof the following new section:

"SEC. 315. MODEL STATE LEADERSHIP GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

"(a) IN GENERAL.—The Secretary, in cooperation with the Attorney General, shall award grants to not less than 10 States to assist such States in becoming model demonstration States and in meeting the costs of improving State leadership concerning activities that will—

"(1) increase the number of prosecutions for domestic violence crimes;

"(2) encourage the reporting of incidences of domestic violence; and

"(3) facilitate 'arrests and aggressive' prosecution policies.

"(b) DESIGNATION AS MODEL STATE.—To be designated as a model State under subsection (a), a State shall have in effect—

"(1) a law that requires mandatory arrest of a person that police have probable cause to believe has committed an act of domestic violence or probable cause to believe has violated an outstanding civil protection order;

"(2) a law or policy that discourages 'dual' arrests;

"(3) statewide prosecution policies that—

"(A) authorize and encourage prosecutors to pursue cases where a criminal case can be proved, including proceeding without the active involvement of the victim if necessary; and

"(B) implement model projects that include either—

"(i) a 'no-drop' prosecution policy; or

"(ii) a vertical prosecution policy; and

"(C) limit diversion to extraordinary cases, and then only after an admission before a judicial officer has been entered;

"(4) statewide guidelines for judges that—

"(A) reduce the automatic issuance of mutual restraining or protective orders in cases where only one spouse has sought a restraining or protective order;

"(B) discourage custody or joint custody orders by spouse abusers; and

"(C) encourage the understanding of domestic violence as a serious criminal offense and not a trivial dispute;

"(5) develop and disseminate methods to improve the criminal justice system's response to domestic violence to make existing remedies as easily available as possible to victims of domestic violence, including reducing delay, eliminating court fees, and providing easily understandable court forms.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to the funds authorized to be appropriated under section 310, there are authorized to be appropriated to make grants under this section $25,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) LIMITATION.—Funds shall be distributed under this section so that no State shall receive more than $2,500,000 in each fiscal year under this section.

"(3) DELEGATION AND TRANSFER.—The Secretary shall delegate to the Attorney General the Secretary's responsibilities for carrying out this section and shall transfer to the Attorney General the funds appropriated under this section for the purpose of making grants under this section.".

SEC. 322. EDUCATING YOUTH ABOUT DOMESTIC VIOLENCE.

(a) GENERAL PURPOSE.—For purposes of this section, the Secretary of Education, hereinafter referred to as the "Secretary" shall develop model programs for education of young people about domestic violence and violence among intimate partners.

(b) NATURE OF PROGRAM.—The Secretary, in consultation with the Secretary of Health and Human Services, shall through grants or contracts develop three separate programs, one each for primary and middle schools, secondary schools, and institutions of higher education. Such model programs shall be developed with the input of educational experts, law enforcement personnel, legal and psychological experts on battering, and victim advocate organizations such as battered women's shelters. The participation of each such group or individual consultants from such groups is essential to the development of a program that meets both the needs of educational institutions and the needs of the domestic violence problem.

(c) REVIEW AND DISSEMINATION.—Not later than 9 months after the date of enactment of this Act, the Secretary shall transmit the model programs, along with a plan and cost estimate for nationwide distribution, to the relevant committees of Congress for review.

(d) AUTHORIZATION.—There are authorized to be appropriated under this section for fiscal year 1992, $200,000 to carry out the purposes of this section.

TITLE IV—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO ADOPTION

SEC. 401. FINDINGS AND PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5111) is amended to read as follows:

"SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

"(a) FINDINGS.—Congress finds that—

"(1) the number of children in substitute care increased by nearly 50 percent between 1985 and 1990, as our Nations's foster care population included more than 400,000 children at the end of June, 1990;

"(2) increasingly children entering foster care have complex problems which require intensive services;

"(3) an increasing number of infants are born to mothers who did not receive prenatal care, are born addicted to alcohol and other drugs, and exposed to infection with the etiologic agent for the human immunodeficiency virus, are medically fragile, and technology dependent;

"(4) the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and some such children are in need of placement in permanent, adoptive homes;

"(5) many thousands of children remain in institutions or foster homes solely because of local and other barriers to their placement in permanent, adoptive homes;

"(6) the majority of such children are of school age, members of sibling groups or disabled;

"(7) currently one-half of children free for adoption and awaiting placement are minorities;

"(8) adoption may be the best alternative for assuring the healthy development of such children;

"(9) there are qualified persons seeking to adopt such children who are unable to do so because of barriers to their placement; and,

"(10) in order both to enhance the stability and love of the child's home environment and to avoid wasteful expenditures of public funds, such children should not have medically indicated treatment withheld from them nor be maintained in foster care or institutions when adoption is appropriate and families can be found for such children.

"(b) PURPOSE.—It is the purpose of this title to facilitate the elimination of barriers to adoption and to provide permanent and loving home environments for children who would benefit from adoption, particularly children with special needs, including disabled infants with life-threatening conditions, by—

"(1) promoting model adoption legislation and procedures in the States and territories of the United States in order to eliminate jurisdictional and legal obstacles to adoption; and

"(2) providing a mechanism for the Department of Health and Human Services to—

"(A) promote quality standards for adoption services, pre-placement, post-placement, and post-legal adoption counseling, and standards to protect the rights of children in need of adoption;

"(B) maintain a national adoption information exchange system to bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children, and conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption;

"(C) maintain a National Resource Center for Special Needs Adoption to—

"(i) promote professional leadership development of minorities in the adoption field;

"(ii) provide training and technical assistance to service providers and State agencies to improve professional competency in the field of adoption and the adoption of children with special needs; and

"(iii) facilitate the development of interdisciplinary approaches to meet the needs of children who are waiting for adoption and the needs of adoptive families; and

"(D) demonstrate expeditious ways to free children for adoption for whom it has been determined that adoption is the appropriate plan.".

SEC. 402. MODEL ADOPTION LEGISLATION AND PROCEDURES.

Section 202 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5112) is repealed.

SEC. 403. INFORMATION AND SERVICE FUNCTIONS.

Section 203 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5113) is amended—

(1) in subsection (a)—

(A) by inserting ", on-site technical assistance" after "consultant services" in the second sentence;

(B) by inserting "including salaries and travel costs," after "administrative expenses," in the second sentence; and

(C) by adding at the end thereof the following new sentence: "The Secretary shall, not later than 12 months after the date of enactment of this sentence, prepare and submit to the committees of Congress having jurisdiction over such services reports, as appropriate, containing appropriate data concerning the manner in which activities were carried out under this title, and such reports shall be made available to the public."; and

(2) in subsection (b)—

(A) by striking out paragraph (1) and redesignating paragraph (2) as paragraph (1);

(B) by inserting after paragraph (1) (as so redesignated) the following new paragraph:

"(2) conduct, directly or by grant or contract with public or private nonprofit organizations, ongoing, extensive recruitment efforts on a national level, develop national public awareness efforts to unite children in need of adoption with appropriate adoptive parents, and establish a coordinated referral system of recruited families with appropriate State or regional adoption resources to ensure that families are served in a timely fashion;";

(C) by striking out "and (B)" in paragraph (3) and inserting in lieu thereof "(B) the operation of a national resource center for special needs adoption; and (C)"; and

(D) by inserting ", and to promote professional leadership training of minorities in the adoption field" before the semicolon in paragraph (4).

SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5115) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) There are authorized to be appropriated, $10,000,000 for each of the fiscal years 1992 through 1994, to carry out programs and activities under this Act except for programs and activities authorized under sections 203(b)(8) and 203(c)(1)."; and

(2) in subsection (b), by striking out "$3,000,000", the first place that such appears, and all that follows through the end thereof, and inserting in lieu thereof the following: "$10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(b)(8), and there are authorized to be appropriated $10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(c)(1).".

TELEPHONE ADVERTISING CONSUMER RIGHTS ACT

PRESSLER AMENDMENT NO. 1310

Mr. WARNER (for Mr. PRESSLER) proposed an amendment to the bill (S. 1410) relating to the rights of consumers in connection with telephone advertising, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telephone Advertising Consumer Rights Act".

SEC. 2. FINDINGS.

The Congress finds that:

(1) The use of the telephone to market goods and services to the home and other businesses is now pervasive due to the increased use of cost-effective telemarketing techniques.

(2) Over 30,000 businesses actively telemarket goods and services to business and residential customers.

(3) More than 30,000 solicitors call more than 18,000,000 Americans every day.

(4) Total United States sales generated through telemarketing amounted to $435,000,000,000 in 1990, a more than four-fold increase since 1984.

(5) Unrestricted telemarketing, however, can be an intrusive invasion of privacy and, when an emergency or medical assistance telephone line is seized, a risk to public safety.

(6) Many consumers are outraged over the proliferation of intrusive, nuisance calls to their homes from telemarketers.

(7) Over half the States now have statutes restricting various uses of the telephone for marketing, but telemarketers can evade their prohibitions through interstate operations; therefore, Federal law is needed to control residential telemarketing practices.

(8) The Constitution does not prohibit restrictions on commercial telemarketing solicitations.

(9) Individuals' privacy rights, public safety interests, and commercial freedoms of speech and trade must be balanced in a way that protects the privacy of individuals and permits legitimate telemarketing practices.

SEC. 3. RESTRICTIONS ON THE USE OF TELEPHONE EQUIPMENT FOR ADVERTISING.

(a) AMENDMENT.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 228. RESTRICTIONS ON THE USE OF TELEPHONE EQUIPMENT FOR ADVERTISING.

"(a) DEFINITIONS.—As used in this section:

"(1) The term 'automatic telephone dialing system' means equipment which has the capacity—

"(A) to store or produce telephone numbers to be called, using a random or sequential number generator; and

"(B) to dial such numbers.

"(2) The term 'telephone facsimile machine' means equipment which has the capacity to transcribe text or images, or both, from paper into an electronic signal and to transmit that signal over a regular telephone line.

"(3) The term 'unsolicited telephone solicitation' means a telephone call by a live person for the purpose of encouraging the purchase or rental of, or investment in, property, goods, or services which is transmitted to any person without that person's prior express invitation or permission. Such term does not include calls or messages made by or on behalf of a tax exempt nonprofit organization.

"(4) The term 'unsolicited advertisement' means any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person's prior express invitation or permission.

"(b) RESTRICTIONS.—It shall be unlawful for any person within the United States by means of telephone—

"(1) to make any unsolicited telephone solicitation in violation of the regulations prescribed by the Commission pursuant to subsection (c);

"(2) to send an unsolicited advertisement by a facsimile machine; and

"(3) to make any call (other than a call made for emergency purposes or made with the prior consent of the called party) using any automatic telephone dialing system, or an artificial or prerecorded voice—

"(A) to any emergency telephone line or pager (including any '911' line and any emergency line or pager of a hospital, medical physician or service office, health care facility, or fire protection or law enforcement agency) or to the telephone line of any guest room or patient room of a hospital, health care facility, elderly home, or similar establishment; or

"(B) to any telephone number assigned to a paging service, cellular telephone service, specialized mobile radio service, or radio common carrier service, or any other service for which the called party is charged for the call.

"(c) PROTECTION OF SUBSCRIBER PRIVACY RIGHTS.—

"(1) RULEMAKING PROCEEDING REQUIRED.—Within 120 days after the date of enactment of this section, the Commission shall initiate a rulemaking proceeding concerning the need to protect residential telephone subscribers' privacy rights to avoid receiving unsolicited telephone solicitations to which they object. The proceeding shall—

"(A) further define 'unsolicited telephone solicitation' consistent with subsection (a)(3);

"(B) compare and evaluate alternative methods and procedures, including the use of telephone electronic databases, telephone network technologies, special directory markings, industry and company based 'do not call' systems, and any other alternatives, individually or in combination, for protecting such privacy rights, in terms of their cost effectiveness and their other advantages and disadvantages;

"(C) evaluate the categories of public and private entities that would have the capacity to establish and administer such methods and procedures;

"(D) consider whether such methods and procedures may apply for local telephone solicitations, such as those of small businesses or holders of second class mail permits; and

"(E) develop proposed regulations to implement the methods and procedures that the Commission determines are most effective and efficient to accomplish the purposes of this section.

"(2) REGULATIONS.—Not later than 240 days after the date of enactment of this section, the Commission shall conclude the rulemaking proceeding initiated under paragraph (1) and shall prescribe regulations to implement methods and procedures for protecting the privacy rights described in such paragraph in an efficient, effective, and economic manner and without the imposition of any additional charge to telephone subscribers.

"(d) TECHNICAL AND PROCEDURAL STANDARDS.—

"(1) PROHIBITION.—It shall be unlawful for any person within the United States—

"(A) to initiate any communication using a telephone facsimile machine, or to make any telephone call using any automatic telephone dialing system that does not comply with the technical and procedural standards prescribed under this subsection, or to use any telephone facsimile machine or automatic telephone dialing system (to make any telephone solicitation) in a manner that does not comply with such standards; or

"(B) to use a computer or other electronic device to send any message via a telephone facsimile machine unless such person clearly marks, in a margin at the top or bottom of each transmitted page of the message or on the first page of each transmission, the data and time it is sent and an identification of the business, other entity, or individual sending the message and the telephone number of the sending machine or of such business, other entity, or individual.

"(2) TELEPHONE FACSIMILE MACHINES.—The Commission shall revise the regulations setting technical and procedural standards for telephone facsimile machines to require that any such machine which—

"(A) is manufactured after 6 months after the date of enactment of this section; and

"(B) can be used for the distribution of unsolicited advertising, clearly marks, in a margin at the top or bottom of each transmitted page or on the first page of each transmission, the date and time sent, an identification of the business, other entity, or individual sending the message, and the telephone number of the sending machine or of such business. The Commission shall exempt from such standards, for 18 months after such date of enactment, telephone facsimile machines that do not have the capacity for automatic dialing and transmission and that are not capable of operation through an interface with a computer.

"(3) ARTIFICIAL OR PRERECORDED VOICE SYSTEMS.—The Commission shall prescribe technical and procedural standards for systems that are used to transmit any artificial or prerecorded voice message via telephone. Such standards shall require that—

"(A) to the extent not otherwise prohibited by law, all artificial or prerecorded telephone messages (i) shall, at the beginning of the message, state clearly the identity of the business, other entity, or individual initiating the call, and (ii) shall, during or after the message, state clearly the telephone number or address or such business, other entity, or individuals; and

"(B) any such system will automatically release the called party's line within 5 seconds of the time the system receives notification that the called party has hung up, to allow the called party's line to be used to make or receive other calls.

"(e) PRIVATE RIGHT OF ACTION.—A person who has received more than one telephone call from the same entity, or delivering the same or a similar message, in violation of this section or regulations prescribed under this section may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State an action in such person's own name to enjoin such calls, an action to recover for actual monetary loss or be awarded $500 in damages for each violation, whichever is greater, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(f) ACTIONS BY STATE ATTORNEYS GENERAL.—

"(1) AUTHORITY OF ATTORNEYS GENERAL.—Whenever the attorney general of a State, or an official or agency designated by a State, has reason to believe that any person has engaged or is engaging in a pattern or practice of telephone calls to residents of that State in violation of this section or the regulations prescribed under this section, the State may bring a civil action on behalf of its residents to enjoin such calls, an action to recover for actual monetary loss or $500 in damages for each violation, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(2) EXCLUSIVE JURISDICTION OF FEDERAL COURTS.—The district courts of the United States, the United States courts of any territory, and the District Court of the United States for the District of Columbia shall have exclusive jurisdiction over all civil actions brought under this subsection. Upon proper application, such courts shall also have jurisdiction to issue writs of mandamus, or orders affording like relief, commanding the defendant to comply with the provisions of this section and regulations prescribed under this section, including the requirement that the defendant take such action as is necessary to remove the danger of violation of any such provision. Upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.

"(3) RIGHTS OF COMMISSION.—The State shall serve prior written notice of any such civil action upon the Commission and provide the Commission with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the States shall serve such notice immediately upon instituting such action. The Commission shall have the right (A) to intervene in the action, (B) upon so intervening, to be heard on all matters arising therein, and (C) to file petitions for appeal.

"(4) VENUE; SERVICE OF PROCESS.—Any civil action brought under this subsection in a district court of the United States may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or wherein the violation occurred or is occurring, and process in such cases may be served in any district in which the defendant is an inhabitant or wherever the defendant may be found.

"(5) INVESTIGATORY POWERS.—For purposes of bringing any civil action under this subsection, nothing in this section shall prevent the attorney general of a State from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(6) EFFECT ON STATE COURT PROCEEDINGS.—Nothing contained in this subsection shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State.

"(7) LIMITATION.—Whenever the Commission has instituted a civil action for violation of this section or regulations prescribed under this section, no State may, during the pendency of such action instituted by the Commission, subsequently institute a civil action against any defendant named in the Commission's complaint for any violation as alleged in the Commission's complaint.

"(8) DEFINITION.—As used in this subsection, the term 'attorney general' means the chief legal officer of a State.

"(g) STATE LAW NOT PREEMPTED.—Nothing in this section or in the regulations prescribed under this section shall preempt any State law that imposes more restrictive intrastate requirements or regulations on, or which prohibits—

"(1) the use of telephone facsimile machines or other electronic devices to send unsolicited advertisements;

"(2) the use of automatic telephone dialing systems to transmit prerecorded telephone solicitations; and

"(3) the use of artificial voice or prerecorded messages.

"(h) PREEMPTION OF INCONSISTENT INTERSTATE COMMUNICATIONS LAWS.—This section preempts any provisions of State law concerning interstate communications that are inconsistent with the interstate communications provisions of this section.".

(b) CONFORMING AMENDMENT.—Section 2(b) of the Communications Act of 1934 (47 U.S.C. 152(b)) is amended by striking "and 225" and inserting in lieu thereof ", 225, and 228".

AUTOMATED TELEPHONE CONSUMER PROTECTION ACT

HOLLINGS AMENDMENT NO. 1311

Mr. HOLLINGS proposed an amendment to the bill (S. 1462) to amend the Communications Act of 1934 to prohibit certain practices involving the use of telephone equipment for advertising and solicitation, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Automated Telephone Consumer Protection Act."

SEC. 2. RESTRICTIONS ON THE USE OF AUTOMATED TELEPHONE EQUIPMENT.

(a) AMENDMENT.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following new section:

"SEC. 228. RESTRICTIONS ON THE USE OF AUTOMATED TELEPHONE EQUIPMENT.

"(a) DEFINITIONS.—As used in this section—

"(1) The term 'automatic telephone dialing system' means equipment which has the capacity—

"(A) to store or produce telephone numbers to be called, using a random or sequential number generator; and

"(B) to dial such numbers.

"(2) The term 'telephone facsimile machine' means equipment which has the capacity to transcribe text or images, or both, from paper into an electronic signal and to transmit that signal over a regular telephone line.

"(3) The term 'unsolicited advertisement' means any material advertising the commercial availability or quality of any property, goods, or services which is transmitted to any person without that person's prior express invitation or permission.

"(b) RESTRICTIONS.—

"(1) REGULATIONS.—The Commission shall prescribe regulations to make it unlawful for any person within the United States—

"(A) to make any call (other than a call made for emergency purposes or made with the prior express consent of the called party) using any automatic telephone dialing system or an artificial or prerecorded voice—

"(i) to any emergency telephone line (including any '911' line and any emergency line of a hospital, medical physician or service office, health care facility, or fire protection or law enforcement agency) or to the telephone line of any guest room or patient room of a hospital, health care facility, elderly home, or similar establishment; or

"(ii) to any telephone number assigned to a paging service, cellular telephone service, specialized mobile radio service, or radio common carrier service, or any other service for which the called party is charged for the call;

"(B) to initiate any telephone call to any residence using an artificial or prerecorded voice to deliver a message without the prior express consent of the called party, unless the call is initiated for emergency purposes;

"(C) to send an unsolicited advertisement by a facsimile machine; or

"(D) to use an automatic telephone dialing system in such a way that two or more telephone lines of a multi-line business are seized simultaneously.

"(2) PRIVATE RIGHT OF ACTION.—A person who has received more than one telephone call from the same entity, or delivering the same or a similar message, in violation of regulations prescribed under this subsection may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State an action in such person's own name to enjoin such calls, an action to recover for actual monetary loss or receive $500 in damages for each violation, whichever is greater, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss up to $1,500 for each violation, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(3) CALLS TO BUSINESSES.—In the course of its rulemaking proceeding to prescribe regulations under paragraph (1), the Commission shall consider prescribing regulations to allow businesses to avoid receiving calls made using an artificial or prerecorded voice message to which they have not given their prior express consent.

"(4) EXEMPTIONS AND OTHER PROVISIONS.—In the course of its rulemaking processing to prescribe regulations under paragraph (1), the Commission shall also determine whether and to what extent the regulations should include exemptions and other provisions to address special circumstances, consistent with the public interest, convenience, and necessity.

"(c) TECHNICAL AND PROCEDURAL STANDARDS.—

"(1) PROHIBITION.—It shall be unlawful for any person within the United States—

"(A) to initiate any communication using a telephone facsimile machine, or to make any telephone call using any automatic telephone dialing system that does not comply with the technical and procedural standards prescribed under this subsection, or to use any telephone facsimile machine or automatic telephone dialing system in a manner that does not comply with such standards; or

"(B) to use a computer or other electronic device to send any message via a telephone facsimile machine unless such person clearly marks, in a margin at the top or bottom of each transmitted page of the message or on the first page of the transmission, the date and time it is sent and an identification of the business, other entity, or individual sending the message and the telephone number of the sending machine or of such business, other entity, or individual.

"(2) TELEPHONE FACSIMILE MACHINES.—The Commission shall revise the regulations setting technical and procedural standards for telephone facsimile machines to require that any such machine which—

"(A) is manufactured after 6 months after the date of enactment of this section, and

"(B) can be used for the distribution of unsolicited advertising,

clearly marks, in a margin at the top or bottom of each transmitted page or on the first page of each transmission, the date and time sent, an identification of the business, other entity, or individual sending the message, and the telephone number of the sending machine or of such business, other entity, or individual. The Commission shall exempt from such standards, for 18 months after such date of enactment, telephone facsimile machines that do not have the capacity for automatic dialing and transmission and that are not capable of operation through an interface with a computer.

"(3) ARTIFICIAL OR PRERECORDED VOICE SYSTEMS.—The Commission shall prescribe technical and procedural standards for systems that are used to transmit any artificial or prerecorded voice message via telephone. Such standards shall require that—

"(A) all artificial or prerecorded telephone messages (i) shall, at the beginning of the message, state clearly the identity of the business, individual, or other entity initiating the call, and (ii) shall, during or after the message, state clearly the telephone number or address of such business, other entity, or individual; and

"(B) any such system will automatically release the called party's line within 5 seconds of the time the system receives notification that the called party has hung up, to allow the called party's line to be used to make or receive other calls.

"(d) STATE LAW NOT PREEMPTED.—Nothing in this section or in the regulations prescribed under this section shall preempt any State law that imposes more restrictive intrastate requirements or regulations on, or which prohibits—

"(1) the use of telephone facsimile machines or other electronic devices to send unsolicited advertisements;

"(2) the use of automatic telephone dialing systems to transmit prerecorded telephone solicitations; or

"(3) the use of artificial or prerecorded voice messages.

"(e) ACTIONS BY STATES.—

"(1) AUTHORITY OF STATES.—Whenever the attorney general of a State, or an official or agency designated by a State, has reason to believe that any person has engaged or is engaging in a pattern or practice of telephone calls to residents of that State in violation of the regulations prescribed under this section, the State may bring a civil action on behalf of its residents to enjoin such calls, an action to recover for actual monetary loss or receive $500 in damages for each violation, or both such actions. The court may, in its discretion, increase the award for monetary loss to an amount not to exceed three times the actual monetary loss up to $1,500 for each violation, or to increase the award of damages to an amount not to exceed $1,500 for each violation, if the court finds the defendant willfully or knowingly violated such regulations.

"(2) EXCLUSIVE JURISDICTION OF FEDERAL COURTS.—The district courts of the United States, the United States courts of any territory, and the District Court of the United States for the District of Columbia shall have exclusive jurisdiction over all civil actions brought under this subsection. Upon proper application, such courts shall also have jurisdiction to issue writs of mandamus, or orders affording life relief, commanding the defendant to comply with the provisions of regulations prescribed under this section, including the requirement that the defendant take such action as is necessary to remove the danger of violation of any such regulations. Upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.

"(3) RIGHTS OF COMMISSION.—The State shall serve prior written notice of any such civil action upon the Commission and provide the Commission with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Commission shall have the right (A) to intervene in the action, (B) upon so intervening, to be heard on all matters arising therein, and (C) to file petitions for appeal.

"(4) VENUE; SERVICE OF PROCESS.—Any civil action brought under this subsection in a district court of the United States may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or wherein the violation occurred or is occurring, and process in such cases may be served in any district in which the defendant is an inhabitant or wherever the defendant may be found.

"(5) INVESTIGATORY POWERS.—For purposes of bringing any civil action under this subsection, nothing in this section shall prevent the attorney general of a State from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance or witnesses or the production of documentary and other evidence.

"(6) EFFECT ON STATE COURT PROCEEDINGS.—Nothing contained in this subsection shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of such State.

"(7) LIMITATION.—Whenever the Commission has instituted a civil action for violation of regulations prescribed under this section, no State may, during the pendence of such action instituted by the Commission, subsequently institute a civil action against any defendant named in the Commission's complaint for any violation as alleged in the Commission's complaint.

"(8) DEFINITION.—As used in this subsection, the term 'attorney general' means the chief legal officer of a State.".

(b) CONFORMING AMENDMENT.—Section 2(b) of the Communications Act of 1934 (47 U.S.C. 152(b)) is amended by striking "and 225" and inserting in lieu thereof ", 225, and 228".

NOTICE OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATURAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, November 14, 1991, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 1625, a bill to provide for the settlement of certain claims under the Alaska Native Claims Settlement Act, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact Tom Williams of the committee staff at (202) 224-7145.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. HOLLINGS. Mr. President, I ask unanimous consent for the Senate Select Committee on POW/MIA Affairs to meet today, November 7, 1991, at 9:30 a.m. in room 216 of the Hart Senate Office Building to continue to examine the Government's process of investigation of POW/MIA's which is currently in place, and to determine whether or not live Americans are being held against their will in Southeast Asia.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on

Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., November 7, 1991, to receive testimony on S. 461, S. 606, S. 1230, H.R. 990, S. 1552, S. 1660, S. 1772, H.R. 2370, and S. 1770.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, November 7, at 10 a.m. to hold a hearing entitled, "President Bush's Unilateral Nuclear Arms Reduction Initiative, the Gorbachev Response, and the Meeting in Madrid."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Thursday, November 7, 1991, at 2 p.m. The committee will hold a full committee hearing to consider the President's nomination of Paul H. Cooksey to be Deputy Administrator of the Small Business Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COMPETITIVENESS AND ECONOMIC OPPORTUNITY

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Small Business Subcommittee on Competitiveness and Economic Opportunity be authorized to meet during the session of the Senate on Thursday, November 7, 1991, at 9:15 a.m. The subcommittee will hold a hearing on product liability.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON GOVERNMENT INFORMATION AND REGULATION

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Government Information and regulation be authorized to meet on Thursday, November 7, 1991, at 9 a.m. on the subject: dividing the dollars: Federal funding and the 1990 census.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FOREIGN COMMERCE AND TOURISM

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Subcommittee on Foreign Commerce and Tourism, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on November 7, 1991, at 10 a.m. on trade with Eastern Europe and the Soviet Union.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE QUESTION OF MOST-FAVORED-NATION TRADE STATUS FOR ROMANIA

• Mr. DECONCINI. Mr. President, as you may be aware, on October 28 the United States initialled a trade agreement with Romania. Immediately thereafter, the Romanian press reported that the accord would soon be formally signed and sent to the respective legislatures for ratification. It is my understanding that this trade agreement will contain a clause for the restoration of most-favored-nation [MFN] trade status to Romania.

It is clear that Romania, which enjoyed MFN status from 1975 until 1988, is suffering a severe economic crisis largely inherited from the tyrannical Ceausescu regime. Measures to transform the economy have exacerbated public hardship and discontent, prompting, most recently, the violent assault of the miners on Bucharest. We should not underestimate the serious challenge the Romanian authorities are facing, or the danger of isolating the country at a time of tremendous instability and uncertainty.

Nonetheless, Mr. President, I believe that further concrete progress toward pluralism and democracy are essential before we restore MFN status.

Last month, Senators D'AMATO, DODD, and HELMS joined me in circulating a "Dear Colleague" on this issue. We invited our colleagues to join us in sending a letter to President Bush, explaining our strong views on this subject. The letter has been mailed today, with 19 signatures. Copies have also been sent to Secretary Baker, Romanian President Ion Iliescu, and Romanian Ambassador Virgil Constantinescu. In our letter, we attempt to lay clear markers for the Romanian authorities.

The most important indicator will be the holding of timely, free and fair elections. As you may know, the national elections of May 1990 were tainted by serious harassment and intimidation of the opposition. Local elections have been repeatedly postponed; local administration is consequently in the hands of prefects and officials appointed by the government. We believe that a new round of national elections is critical to provide leadership responsive and accountable to the people.

It is clear, however, that a free and fair elections process will rest on a number of equally significant developments. Romania, as a member of the CSCE, has recognized that independent media are essential to a free and open society. Yet despite repeated appeals from the domestic and international community, television remains virtually entirely within the grip of the state. The state maintains a monopoly on printing works and controls the use of printing presses; opposition journalists and cultural figures continue to receive threats by phone and mail, and have even been subject to physical abuse. We will be looking for real action—not further bureaucratic delays—on these issues.

A free and fair elections process will also rely on improved control of the internal security and intelligence forces. There are many indications that remnants of the Securitate are continuing their old tactics of harassment and intimidation. Steps should be taken to ensure that military and paramilitary forces, internal security and intelligence services, and the police are subject to the effective direction and control of the appropriate civil authorities, in conformity with accepted international standards.

And overall, we expect greater protection of individual human rights, particularly with regard to minorities. We are concerned about laws that seem to inhibit basic freedoms, such as the restrictive law on citizenship. We are troubled by acts of violence against individuals and groups that have thus far gone unpunished. We regret the tendency toward discrimination in the administration of justice, which has undermined confidence in the rule of law. And we are disappointed that progress toward privatization has been slow.

We realize that the restoration of MFN status would be of significant economic, and political, benefit to Romania. Nevertheless, we believe that the restoration of MFN for Romania should be postponed until substantial progress toward democratic pluralism—including timely, free and fair elections—and a market economy is achieved.•

IN APPRECIATION OF OREGON'S COUNTIES

• Mr. HATFIELD. Mr. President, today I rise to salute the local governmental organizations in my home State of Oregon. These grassroots legislative bodies are the cogs and wheels in a system in which I have been involved for the past 40 years, a system comprising the lifeblood of the public service industry in my State.

None of the elected officials making up these local governmental organizations holds office because of the high salary or great working conditions. They are in office because their nature is to serve their fellow human beings and to better their communities. Their generosity and unselfish sacrifice constitutes the very best of the local governmental organizations we have in Oregon.

Throughout my years as a U.S. Senator, I have been fortunate to work with a great many county and local officials dedicated to making Oregon a better place. I would like to take this opportunity to elaborate on several recent county/Federal partnerships working for the good of Oregonians.

One Federal/local partnership program working to benefit Oregonians and other people living in publicly owned areas of the United States is the Payment-In-Lieu-of-Taxes [PILT] Program. As many of my Senate colleagues from public-lands States know, the PILT system is essential to the funding of many county government services, such as fire protection, police protection, schools and roads.

In Oregon, 58 percent of our land base is owned by public entities such as the U.S. Forest Service and Bureau of Land Management. Some counties in Oregon contain upwards of 75 to 80 percent public lands—land which, if not for the PILT Program, would be entirely removed from county tax bases.

Unfortunately, Mr. President, many of the counties under the PILT Program are now at the program's ceiling, and are thus receiving no new money for local services at a time when the costs of such services are skyrocketing. Most are at this ceiling because the PILT Program, since it creation in 1976, has not been adjusted for inflation. Additionally, many of the rural PILT counties in Oregon, are feeling the crunch of extremely reduced revenues from other areas, such as historically low timber harvest levels and statewide budget cutbacks. The adjustments the PILT Program badly needs, however, are in sight.

I am proud to report that the Senate Committee on Energy and Natural Resources recently passed a bill adjusting PILT payments to public-land counties to match the inflation rates of the past 15 years, while at the same time projecting yearly increases in PILT up until 1997. Nationwide, this legislation will increase the PILT Program over 100 years from approximately $105 million to $210 million per year.

Oregon will also see a dramatic increase in its PILT funding levels from approximately $2.9 million to $6.2 million per year. Assuming the bill passes the full Senate, the House of Representatives, and receives the President's signature, Oregon counties under strict budget guidelines will see some significant relief. Money for schools, roads, police, fire and other essential local services will now be available. I am proud to be a cosponsor of this legislation, and I am thankful to all those at the local level with whom I worked to ensure committee passage of this much needed piece of legislation.

Another testimony to the successful relationship between Oregon's county and Federal elected officials can be found in Wallowa County at the Nez Perce gravesite of Old Chief Joseph.

The Nez Perce tribe is seeking protection of this and 13 other sites of historical tribal significance in Oregon, Washington, Idaho, and Wyoming through legislation at the Federal level. The protection of the Old Chief Joseph site, however, requires the removal of land from Walowa County's tax base—a problem for the revenue-starved rural county.

Nevertheless, the Wallowa County Court, the U.S. Park Service, the Nez Perce Tribe, the owners of the land adjacent to the gravesite, and my office were able to craft a compromise which seeks to preserve the local tax base while at the same time protecting and enhancing the Old Chief Joseph site. I am exceedingly grateful for all the hard work contributed by all parties on this compromise and look forward to final passage of the Nez Perce park additions bill in both the Senate and the House of Representatives.

Finally, I would be remiss not to note the recently successful effort in Harney County regarding the exchange of land in the Warner Basin/Steens Mountain area of southeast Oregon. Here, county and Federal government officials worked together with private interests to forge a compromise on the protection of high desert lands in Harney County, OR.

Simple withdrawal of this land would have resulted in a large removal of private land from Harney County's tax base—a move which would have placed a significant burden on local tax revenue levels and the services provided by the local units of government. After much hard work and dedication, the Harney County government was able to agree on a resolution to this complex problem which: First, did not result in a loss of revenue due to a removal of land from the Harney County tax base; and second, directed the BLM not to engage in any land exchanges resulting in a net loss to either Harney or neighboring Lake Counties' tax bases.

The success of the Warner Basin/Steens Mountain land exchange sets a precedent for future county/Federal land exchange partnerships. The clear intent of both the county officials and Congress on this exchange was that land acquisitions should be accomplished to the greatest extent possible through land exchange. In this way, the interests and resources of county governments can be preserved.

This exchange rule has been the policy of the last two Presidential administrations, and it is one I strongly support. Additionally, it is a policy I plan to follow on any future land exchanges in my State. This approach will protect the public interest, it will protect the interest of the property owner seeking the transfer, and it assures that local governments are consulted as partners when land acquisitions are proposed. In the future, land acquisitions should be accomplished only when lands of equivalent value are exchanged within the county of acquisition.

Mr. President, in all of these successful projects there has been one common denominator—the dedication and hard work of Oregon's county and local elected officials. These hard-working individuals live on the front liens of Oregon's democratic process and represent our constituents directly in their individual communities and businesses. And while my statement today has focused exclusively on local/Federal partnerships on natural resource-related issues, I in no way want to diminish the multitude of people-related issues these county and local officials must juggle on a day-to-day basis.

As an elected official from the State of Oregon, I am extremely privileged to work with these people, and I am hopeful we can continue to forge this local/Federal relationship in the future. The success of policies beneficial to the constituents of our State requires us to strive to work, not in isolation but in partnership with our county and local governments.

Mr. President, next week the Association of Oregon Counties convenes its annual meeting in Ashland, OR, and I am pleased that several of my field representatives will be present. They will be seeking to further cultivate the partnerships and collaborative efforts between the county and Federal governments we have worked on for so many years. I remain convinced that by our collective efforts, the county/Federal partnership can make a tremendous difference for Oregonians. I would like to take this opportunity to express my most sincere gratitude for all the work done by Oregon's county and local elected officials.•

THE LATVIAN CITIZENSHIP LAW

• Mr. DECONCINI. Mr. President, I rise today to discuss an issue that is assuming great importance in the nations formerly comprising the Soviet Union, that of citizenship for residents of those nations.

Latvia, which restored its independence in August of this year after 41 years of illegal Soviet occupation, is presently engaged in establishing legal standards for citizenship.

Under Soviet rule, the Latvian people were seriously threatened with ethnic annihilation. By the mid-1980's they constituted a scant majority in their own country. The Latvian language and Latvian culture were relegated to second-class status at best, and Latvian history was rewritten to denigrate the independent Latvian Republic of 1920–40.

But the Latvian people resisted, some openly, some quietly. Many went to labor camps and prison for their perserverance. Some, like Gunars Astra, gave their lives to the cause. But in the end, they were victorious. The Latvian people preserved their history, their language, their sense of nationhood, and having thrown off Moscow's yoke, they have rejoined the community of free nations.

And now the Latvian government is faced with the great task of re-establishing its nation under the rule of law, and one of the major questions is: "Who will become a citizen of the Latvia?"

On October 15, 1991 the Latvian Supreme Council adopted a resolution on the rights of citizens of Latvia and regulations for naturalization of noncitizens. According to this resolution, former citizens of independent Latvia and their descendants will be restored to citizenship by formal application before July 1, 1992.

Residents wishing to become naturalized citizens must be conversant in Latvian, know the fundamental principles of the Latvian Constitution, take an oath of loyalty to the Republic of Latvia, and have resided in Latvia for 16 years.

Mr. President, it seems to me that the first three requirements are eminently reasonable, and fully compatible with the naturalization laws of many advanced nations. However, I am frankly uneasy about the 16-year residency requirement, which appears designed to discourage citizenship by non-Latvians. It appears, unfortunately, that supporters of this 16-year provision wish to intentionally alienate non-Latvians currently residing in that country. I am aware of the "Ugly Russian" in the Baltics, the colonial mentality, the resolute refusal by many immigrants to learn the language of the indigenous population, making not the slightest effort to contribute to the society around him or her. I understand the unwillingness to share the new freedoms with such persons. But are old antagonisms worth the waste of human potential, the discord, the resentments that this provision, if enacted into law, will undoubtedly generate? Is this a reasonable way to proceed?

I am also aware that certain nations, Switzerland and Iceland among them, have similar time periods for naturalization. In the United States the normal waiting period is 5 years, 3 years for the spouse of an American citizen. I am reminded, however, that a potential citizen is aware of these provisions prior to attempting to emigrate to those countries and become naturalized, unlike the non-Latvian population of Latvia. And I would admit that the record of the United States has not been exemplary in this area. Regrettably, we only extended full citizenship to our native Americans in 1924.

Nevertheless, I believe it would be prudent to heed the words of Ambassador Max Kampelman, the United States head of delegation at the Moscow CSCE Conference on the Human Dimension. Ambassador Kampelman said:

> * * * human rights and fundamental freedoms are invested in the individual and not the group. Pluralistic democracies work because they respect every possible variation of self-identification and voluntary association by the individual. He or she has inalienable rights which each individual may exercise alone or in community with others. Group rights are by nature exclusionary and regrettably lead to a preoccupation with differences in a society rather than focus on the freely shared values that can hold societies together. Too often, a groups rights approach is a prescription for confusion, conflict and division.

I wonder if the citizenship resolution reflects an unfortunate and hastily formulated group approach to civil rights for minorities? It is certainly not in accordance with the spirit of the Helksinki Process.

At last word, the resolution on Latvian citizenship has not yet become law. I hope the Supreme Council and Latvian leadership will seriously reconsider the residency requirements. Ideally, we would hope that citizenship could be extended automatically to all legal residents at the time of the enactment of the citizenship law, or, at least, a more reasonable time period were considered. In any event, on the ashes of the Soviet Empire, there is confusion, conflict, and division enough. I fear this resolution on citizenship may only create more.●

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SECTION 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
John Ziolkowski:									
Mexico	Peso	1,179,963	387.00					1,179,963	387.00
United States	Dollar				358.00				358.00
Total			387.00		358.00				745.00

PATRICK LEAHY,
Chairman, Committee on Agriculture, Nutrition, and Forestry, Oct. 11, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22 P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
William P. Jones:									
Czechoslovakia	Dollar		520.00						520.00
France	Franc	6,059.52	1,052.00					6,059.52	1,052.00
United States	Dollar				5,537.00				5,537.00
Rand H. Fishbein:									
Turkey	Dollar		500.00						500.00
Israel	Dollar		1,400.00						1,400.00
United States	Dollar				2,085.00				2,085.00
Charles R. D'Amato:									
Turkey	Dollar		86.00						86.00
Israel	Dollar		1,016.00						1,016.00
Britain	Dollar		548.00						548.00
United States	Dollar					1,944.00			1,944.00
David H. Morrison:									
Germany	Dollar		867.00						867.00
United States	Dollar				3,188.00				3,188.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22 P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Mary C. Marshall:									
Hong Kong	Dollar	5,298	688.00					5,298	688.00
China	Yuan	3,668	704.00					3,668	704.00
South Korea	Won	2,938	408.00					2,938	408.00
United States	Dollar				3,136.00				3,136.00
Total			7,789.00		15,890.00				23,679.00

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Oct. 18, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC.22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Tim Rieser:									
El Salvador	Dollar		230.00						230.00
United States	Dollar				864.00				864.00
Senator Barbara A. Mikulski:									
Israel	Dollar		362.76						362.76
Cyprus	Dollar		197.83						197.83
United States	Dollar				1,689.87				1,689.87
Rand H. Fishbein:									
Israel	Dollar		770.00						770.00
United States	Dollar				5,694.00				5,694.00
Total			1,560.59		8,247.87				9,808.46

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Oct. 23, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ARMED SERVICES, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John W. Warner									
United Kingdom	Dollar		1,980.00						1,980.00
Total			1,980.00						1,980.00

SAM NUNN,
Chairman, Committee on Armed Services, Oct. 4, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Randall J. DeValk:									
United Kingdom	Pound	424.18	718.95					424.18	718.98
Germany	Mark	2,469.17	1,478.55					2,469.17	1,478.55
Soviet Union	Ruble	19,706.70	757.95					19,706.70	757.95
Sweden	Krona	738.61	118.94					738.61	118.94
United States	Dollar				3,397.00				3,397.00
Total			3,074.39		3,397.00				6,471.39

JIM SASSER,
Chairman, Committee on the Budget, Sept. 26, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Douglas C. Olin:									
Australia	Dollar		723.00						723.00
Thailand	Dollar		450.00						450.00
Taiwan	Dollar		614.00						614.00
United States	Dollar				6,146.00				6,146.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Singapore	Dollar		213.00						213.00
Total			2,000.00		6,146.00				8,146.00

JIM SASSER,
Chairman, Committee on the Budget, Aug. 27, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator J. Bennett Johnston:									
Czechoslovakia	Dollar		520.00						520.00
France	Franc	6,059.52	1,052.00						1,052.00
United States	Dollar				5,537.00				5,537.00
Senator Paul Wellstone:									
Israel	Dollar		25.00		4,058.70				4,083.70
Katherine Magraw:									
Israel	Dollar		302.00		4,057.00				4,359.70
Total			1,899.00		13,653.40				15,552.40

J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, Oct. 16, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384–22 U.S.C. 1754(b), COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph Lieberman:									
Israel	Shekel	268.60	117.00					268.60	117.00
Saudi Arabia	Dollar						164.34		164.34
United States	Dollar				3,920.00				3,920.00
James Kennedy:									
Israel	Skekel	837.93	365.00					837.93	365.00
Saudi Arabia	Dollar						164.34		164.34
United States	Dollar				4,025.00				4,025.00
Total			482.00		7,945.00		328.68		8,755.68

QUENTIN BURDICK,
Chairman, Committee on Environment and Public Works, Oct. 22, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Orrin G. Hatch:									
Mexico	Peso	1,315,000	432.00					1,315,000	432.00
Brazil	Cruzado	356,972	295.00					356,972	295.00
Argentina	Austral	3,352,700	339.00					3,352,700	339.00
Ecuador	Sucre	167,042	150.00					167,042	150.00
Robert Lockwood:									
Mexico	Peso	1,850,750	608.00					1,850,750	608.00
Brazil	Cruzado	356,972	295.00					356,972	295.00
Argentina	Austral	3,352,700	339.00					3,352,700	339.00
Ecuador	Sucre	189,314	170.00					189,134	170.00
Deborah A. Lamb:									
Mexico	Peso	1,178,000	387.00					1,178,000	387.00
United States	Dollar				358.00				358.00
Marcia E. Miller:									
Mexico	Peso	1,178,000	387.00					1,178,000	387.00
United States	Dollar				358.00				385.00
Total			3,402.00		716.00				4,118.00

LLOYD BENTSEN,
Chairman, Committee on Finance, Oct. 29, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Gary Slaiman:									
Belgium	Franc	23,557	164.00				50.00	23,557	214.00
United States	Dollar				717.00				717.00
Total			164.00		717.00		50.00		931.00

JOE BIDEN,
Chairman, Committee on the Judiciary, Nov. 4, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON ETHICS, FOR TRAVEL FROM APR. 1, TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Howell Heflin[1]									
			270.00						270.00
			474.00						474.00
			390.00						390.00
			248.00						248.00
			228.00						228.00
Total			1,610.00						1,610.00

[1] Senator Heflin accompanied the Senate Intelligence Committee as a member of an official delegation.

HOWELL HEFLIN,
Chairman, Select Committee on Ethics, Oct. 31, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Dennis DeConcini			1,323.00		5,451.00				6,774.00
Timothy Carlsgaard			1,203.00		4,898.00				6,101.00
Michael Hathaway			817.56		1,550.00				2,367.56
Arthur Grant			1,037.00		3,859.75				4,896.75
Terrence Ryan			1,885.00		4,245.00				6,130.00
Jeffrey Roe			1,885.00		4,200.00				6,085.00
Michael Hathaway					3,178.00				3,178.00
Michael Hathaway			522.40		2,774.00				3,296.40
Senator David Boren			1,575.00						1,575.00
Jim Hall			1,767.63						1,767.63
Christopher Straub			1,767.63						1,767.63
Total			13,783.22		30,155.75				43,938.97

DAVID BOREN,
Chairman, Select Committee on Intelligence, Oct. 31, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), JOINT ECONOMIC COMMITTEE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jeff Bingaman:									
United States	Dollar		142.40		180.80		34.29		357.49
Richard Zuniga:									
United States	Dollar		204.07		280.80				484.87
Alice Salcido:									
United States	Dollar		204.07		280.80				484.87
Total			550.54		742.40		34.29		1,327.23

PAUL S. SARBANES,
Chairman, Joint Economic Committee, Sept.30, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Dennis DeConcini:									
Austria	Schilling	1,660	211.00					1,660	211.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Estonia	Dollar		255.00						255.00
Lithuania	Dollar		255.00						255.00
Soviet Union	Dollar		752.00						752.00
Total			1,473.00						1,473.00

DENNIS DeCONCINI,
Chairman, Commission on Security and Cooperation in Europe,
Oct. 30, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL AUG. 4–19, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Michael Amitay:									
United States	Dollar				5,658.00				5,658.00
South Africa	Rand	2,183.10	766.00					2,183.10	766.00
Namibia	Rand	592.80	208.00					592.80	208.00
Kenya	Shilling	16,595.70	584.00					16,595.70	584.00
Nigeria	Naira	3,017.80	191.00					3,017.80	191.00
Jane Fisher:									
United States	Dollar				5,658.00				5,658.00
South Africa	Rand	2,183.10	766.00					2,183.10	766.00
Namibia	Rand	592.80	208.00					592.80	208.00
Kenya	Shilling	16,595.70	584.00					16,595.70	584.00
Mary Sue Hafner:									
United States	Dollar				5,658.00				5,658.00
South Africa	Rand	2,183.10	766.00					2,183.10	766.00
Namibia	Rand	592.80	208.00					592.80	208.00
Kenya	Shilling	16,595.70	584.00					16,595.70	584.00
Nigeria	Naira	3,017.80	191.00					3,017.80	191.00
Delegation expenses					728.45				728.45
Total			5,056.00		17,702.45				22,758.45

DENNIS DeCONCINI,
Chairman, Commission on Security and Cooperation in Europe,
Oct. 30, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), PRESIDENT PRO TEMPORE, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Frank R. Lautenberg:									
Israel	Dollar		590.00						590.00
Egypt	Pound	1,397.77	416.25					1,397.77	416.25
	Dollar						256.43		256.43
United States	Dollar				5,827.50				5,827.50
Total			1,006.25		5,827.50		256.43		7,090.18

ROBERT C. BYRD,
President pro tempore, Oct. 3, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE MAJORITY LEADER, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Ronald Ledlow:									
Poland	Zloty	12,642,900	1,110.00					12,642,900	1,110.00
United States	Dollar				1,263.00				1,263.00
Total			1,110.00		1,263.00				2,373.00

GEORGE J. MITCHELL,
Majority Leader, Oct. 4, 1991.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), AUTHORIZED BY THE REPUBLICAN LEADER, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1991

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William V. Roth, Jr.:									
England	Pound	496.17	810.00					496.17	810.00
Soviet Union	Dollar		115.00						115.00
Finland	Finmark	933.68	220.00					933.68	220.00
United States	Dollar				3,625.00				3,625.00
R. Ian Butterfield:									
England	Pound	496.17	810.00					496.17	810.00
Soviet Union	Dollar		225.00						225.00
Daniel Bob:									
United States	Dollar				2,063.00				2,063.00
Total			2,180.00		5,688.00				7,868.00

ROBERT J. DOLE,
Republican Leader, Oct. 30, 1991.

SOURCE TAXES MUST GO

• Mr. GORTON. Mr. President, many residents in my home State of Washington are currently being taxed by other States simply because they worked there at one point in their life. These other States make pensioners pay by levying a source tax on their pension benefits. In many cases this unfair tax is automatically deducted from the retiree's pension benefits every month.

Recently I asked constituents in my home State of Washington to get their feelings on this practice. The vast majority of respondents agreed that we need to abolish this unfair tax. Many made reference to our Founding Fathers' battle against this same kind of unfair taxing and used terms like taxation without representation to express their outrage. I agree.

Interestingly, most of those who responded were not directly affected by the source tax. They were, nonetheless, outraged that source taxes exist because they see these taxes as fundamentally unfair and contradictory to the values we hold dear in America.

We need to correct this problem now. That is why I signed on as a cosponsor to S. 267. This bill will prohibit the taxing of retirement income by a State in which the retiree no longer resides. I encourage my colleagues to help me pass this bill quickly and restore fairness to our retirees' tax bill.•

TRIBUTES

• Mr. KERRY. Mr. President, today I wish to call attention to the achievements of one of Massachusetts' finest citizens. For the past 15 years, Mr. Elmer Bartels has been the commissioner of the Massachusetts Rehabilitation Commission where he has been an outstanding advocate and role model for all citizens with disabilities in Massachusetts.

After the 1960 hockey accident which paralyzed him from the neck down, Commissioner Bartels returned to Colby College and earned a bachelor's degree in physics and then a master's from Tufts University. He worked in the nuclear science lab at MIT and in 1968 joined Honeywell Information Systems. Although he rose to become a department manager, he answered the call of public service when in 1977 Gov. Michael Dukakis asked him to serve as Massachusetts Rehabilitation Commissioner. Through three governors and five administrations, Commissioner Bartels has served the people of the Commonwealth, becoming a national figure in the area of technology and adaptive devices for people with disabilities.

On November 16, the National Spinal Cord Injury Association, of which he is a founding member, will create an award in his name. The Elmer C. Bartels Leadership Recognition Award, to be bestowed on an individual with a disability who has been a leader in the disability community for at least 15 years, will be lasting testimony not only to Mr. Bartels' achievements, but also to the cause that he has dedicated so much of his life to serving.

Elmer Bartels is an example of hope and courage and achievement in the face of tremendous odds, not only to those with disabilities whom he has benefited so greatly over the years, but to all of us who have worked with him. I want to extend to him my congratulations on this very fitting tribute and wish him a long and productive career.•

HON. ARTHUR M. CROMARTY

• Mr. D'AMATO. Mr. President, I am proud to stand here today to honor outgoing Administrative Judge Arthur M. Cromarty. Judge Cromarty has spent 40 years in public service, including 25 years on the bench as justice of the supreme court and 18 years as district administrative judge of Suffolk County.

Arthur Cromarty was born in Brooklyn, NY, on July 3, 1919. He received a B.S. degree from the University of Alabama and served in the U.S. Air Force during World War II as a captain. Arthur received the Distinguished Flying Cross, the Air Medal, and three clusters, 1943-45. He received his juris doctor degree from St. Johns University Law School in 1948.

He married Ellin Hirsch and had three children, Alice—Mrs. Emory Herrick—Ross, and Peter. He is a member of many civic, fraternal, and professional organizations. He is a recipient of many special awards from various religious, civic, and fraternal organizations, including 1986 Judge of the Year Award from the Catholic Lawyer's Guild.

The Honorable Arthur M. Cromarty has had a distinguished career and has given of himself freely to New York and to the United States of America. It is indeed an honor to pay tribute to this exemplary man.•

OIL WELL FIRES IN KUWAIT

• Mr. LIEBERMAN. Mr. President, I spoke yesterday about the wonderful news that the last oil-well fire had been extinguished in Kuwait. I personally thanked the three American companies and one Canadian firm for their extraordinary efforts in fighting the fires.

I would also like to commend the efforts of two additional American companies who played a major role in the firefighting effort: Santa Fe International of Alhambra, CA, and Bechtel Group, Inc. of San Francisco. The logistics of supplying massive amounts of equipment and materials was a herculean task. Without the tremendous support of these two fine organizations, the fires may well have continued to burn for many more weeks, if not months. As chairman of the Gulf Pollution Task Force, I would like to thank Santa Fe and Bechtel for their contributions toward resolving this environmental nightmare.•

PHYSICAL EDUCATION, RECREATION, AND DANCE NEW YORK CITYWIDE CONFERENCE

• Mr. D'AMATO. Mr. President, I rise today to bring your attention to a citywide physical education, recreation, and dance professional conference which will be held on Saturday, December 7, 1991, from 8:30 a.m.–2 p.m. at Murray Bergtraum High School in Manhattan.

Physical education, recreation, and dance are an essential element in the overall fitness and development of our youth. It is only fitting that we pay tribute to the generous and caring individuals who donate their time and energy to support sports and dance activities for our youth.

The New York State Association for Health, Physical Education, Recreation, and Dance, Inc., is composed of educators and professionals who are dedicated to the advancement of their respective fields. They are actively concerned with expanding the capabilities of its members and promoting quality curricula for better education. It is also the New York State leader in providing extensive professional and educational growth opportunities.

The main goal of the conference is to provide workshops that will impart new, innovative, and informative ideas that can and will be brought back to the classroom. This is a worthwhile goal and I salute the association members for all of their efforts, during this conference and throughout the years.•

TRIBUTE TO PEARL HARBOR SURVIVORS

• Mr. DODD. Mr. President, I rise today to urge my colleagues to join me in paying tribute to the Connecticut Chapter of the Pearl Harbor Survivors Association. Mr. President, 2 years ago Congress passed legislation introduced on behalf of members of the Armed Forces present on December 7, 1941, during the attack on Pearl Harbor. In doing so, Congress authorized the awarding of the Pearl Harbor Commemorative Medal. On Sunday, in my home State of Connecticut, the Connecticut Chapter of the Pearl Harbor Survivors Association is holding its awards ceremony for the purpose of presenting these medals to the veterans of the attack on Pearl Harbor.

Mr. President, the 50th anniversary of the attack on Pearl Harbor is less than a month away. Despite the passage of nearly half of a century, the memories of that day live on in all of us. We owe the veterans of the Pearl Harbor attack a great deal for their commitment to national security, their belief in American values, and their willingness to make the ultimate sacrifice for their country. This commemorative medal represents our gratitude and respect for these special individuals. It is my fervent hope that the recipients of this medal feel the pride of Connecticut and that of the entire Nation.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Brad Figel, a member of the staff of Senator PACKWOOD, to participate in a program in China sponsored by the United States-Asia Foundation on November 30 to December 15, 1991.

The committee has determined that participation by Mr. Nigel in this program, at the expense of the United States-Asia Foundation is in the interest of the Senate and the United States.•

GATES NOMINATION

• Mr. HARKIN. Mr. President, I rise in opposition to the nomination of Robert Gates to be Director of the Central Intelligence Agency.

Mr. President, at the outset of the confirmation hearings, I had serious reservations about the nominee. The confirmation hearings only raised more questions and greater doubts. Questions and doubts about Mr. Gates' past activities, managerial style, judgment, lapses in memory and analytical abilities. Questions and doubts about his role in the Iran-Contra Affair and in providing military intelligence to Iraq during the Iran-Iraq war; and questions and doubts about whether he will be able to remove the ideological blinders reflected in his writings and speeches or whether Mr. Gates is so rooted in the past, that he will not be able to lead the Agency into the post-cold war era. Because of these concerns, I have concluded that Mr. Gates is not the right person for the important job of overseeing our intelligence operations in this New World.

Mr. President, Robert Gates is a career Soviet analyst and former Deputy Director of the CIA who was wrong about what CIA analyst Harold Ford described as "the central analytic target of the past few years: the probable fortunes of the USSR and the Soviet European bloc." And I believe that the committee report points out one possible reason why the CIA failed to predict the collapse of the Soviet Union. According to testimony, Mr. Gates was busy pursuing hypotheses and making unsubstantiated arguments attempting to show Soviet expansion in the Third World, instead of looking for or paying attention to facts that pointed in the opposite direction. Why? Why, as Mentor MOYNIHAN has pointed out, was the CIA able to tell Presidents everything about the Soviet Union except the fact that it was falling apart?

Mr. Gates was also wrong about the Soviet threat to Iran in 1985. The 1985 Special National Intelligence Estimate on Iran stressed possible Soviet inroads into Iran. Gates admits that the analysis was an anomaly. It was a clear departure from previous analyses and almost immediately proven wrong by subsequent events. Gates was involved in preparing that analysis. According to Hal Ford, whose testimony the nominee never refuted, Gates leaned heavily on the Iran Estimate, in effect, "insisting on his own views and discouraging dissent." What was the result? The 1985 estimate was skewed and contributed to the biggest foreign policy debacle of the Reagan administration, the sale of arms to Iran.

Mr. President, Graham Fuller, the CIA's National Intelligence Officer for the Near East, suggested that the 1985 SNIE estimate was based on intuition in the absence of hard evidence. I agree there is nothing wrong with preparing worse case scenarios or using "intuition" as opposed to hard evidence in the preparation of analysis, provided it is made clear to policymakers that the finished analysis is based on intuition and not hard evidence. It is the job of the CIA to sort out fact from fiction, not convert one into the other.

Mr. President, I also have doubts and questions about Mr. Gates' role in the secret intelligence sharing operation with Iraq. Robert Gates served as assistant to the Director of the CIA in 1981 and as Deputy Director for Intelligence from 1982 to 1986. In that capacity he helped develop options in dealing with the Iran-Iraq war, which eventually involved into a secret intelligence liaison relationship with Saddam Hussein's Iraq. Gates was in charge of the directorate that prepared the intelligence information that was passed on to Iraq. He testified that he was also an active participant in the operation during 1986. The secret intelligence sharing operation with Iraq was not only a highly questionable and possibly illegal operation, but also may have jeopardized American lives and our national interests. The photo reconnaissance, highly sensitive electronic eavesdropping and narrative texts provided to Saddam, may not only have helped him in Iraq's war against Iran but also in the recent gulf war. Saddam Hussein may have discovered the value of underground land lines as opposed to radio communications after he was given our intelligence information. That made it more difficult for the allied coalition to get quick and accurate intelligence during the gulf war. Further, after the Persian Gulf war, our intelligence community was surprised at the extent of Iraq's nuclear program. One reason Saddam may have hidden his nuclear program so effectively from detection was because of his knowledge of our satellite photos. What also concerns me about that operation is that we spend millions of dollars keeping secrets from the Soviets and then we give it to Saddam who sells them to the Soviets. In short, the coddling of Saddam was a mistake of the first order.

Mr. President, I've stated a very simple case for rejecting the nomination of Robert Gates to be Director of the CIA. The fact that he was wrong on major issues which in some instances led to foreign policy debacles. I haven't addressed concerns about the allegations of his politicization of intelligence analysis, his apparently poor managerial style or still unanswered questions about his role in the Iran-Contra affair. Regarding the Iran-Contra affair, I should mention that I was quite disturbed to hear testimony that portrayed Robert Gates as someone concerned about Agency's role and not sufficiently concerned about pursuing possible illegal Government activities. In his opening statement before the Intelligence Committee, Mr. Gates said that he should have taken more seriously "the possibility of impropriety or possible wrongdoing in the Government and pursued this possibility more aggressively." I agree.

I should also mention, Mr. President, that aside from Mr. Gates' poor judgment in not pursuing the possibility of Government wrongdoing more aggressively, I still find it incredible that the Deputy Director of CIA was not aware of that major covert operation. How could such a high ranking official not know about the CIA's efforts to support the Contras? Did he purposely avoid trying to find out what was happening? The testimony seemed to indicate he did. Gates' selective lapses in recall about the affair by a man with a photographic memory raises serious doubts.

The U.S. Congress and the American people depend on accurate and reliable intelligence information. Our expenditures on defense and other areas are often decided on the basis of that information. We cannot afford to waste billion of dollars in the future. After reviewing the record, I do not believe that the Central Intelligence Agency under the directorship of Robert Gates will provide the clear intelligence assessments necessary for Congress to make decisions to deal with the future threats confronting our nation.

Mr. President, I do not believe that Robert Gates is the right person to lead the CIA at this time. The cold war is over and it's time for some of the old warriors to rest. Now we must take a fresh new look at the world, think new thoughts and reassess the future role of the intelligence community. I urge my colleagues to vote against Robert Gates.•

CONFERENCE REPORT ON H.R. 2707, THE FISCAL YEAR 1992 LABOR-HHS APPROPRIATIONS BILL

• Mr. KERREY Mr. President, I rise in strong support of the conference report on the fiscal year 1992 Labor-HHS appropriations bill which includes funding for many critically needed health and education programs.

In particular, I am very pleased that the conference report includes the provision overturning the administration's 1988 gag rule regulations.

On May 23, 1991, the Supreme Court, dominated by Reagan and Bush appointees, upheld the constitutionality of the 1988 regulations which prohibit doctors, nurses, or other health care professionals working in family planning clinics receiving title X Federal funds from providing any information concerning abortion, even when such information is specifically requested by a pregnant woman. The fiscal year 1992 Labor-HHS appropriations bill fortunately includes language that would keep these regulations from being implemented during the 1992 fiscal year.

I spoke out strongly against the Rust versus Sullivan decision when it was issued, and I do so again today. The Federal Government should not be in the business of denying women access to information on all their legal medical options.

Mr. President, the 1973 Supreme Court decision, Roe versus Wade, established the basis for a limited right to a legal abortion. Although a minority of Americans want this legal precedent overturned, a majority does not. It comes as close as possible to expressing the will of the American people on an extremely difficult moral issue.

Our personal ideological and moral principles should guide us in making decisions according to the specific constraints of this ruling. We should not use government to coerce Americans' decisions, unless there is a compelling health and safety reason to do so.

The November 6 Washington Post reports that the administration has circulated a memorandum from President Bush to Secretary of Health and Human Services Sullivan which addressed the criticism that the rule would interfere with the doctor-patient relationship and would deny women their constitutional right to full information about family planning alternatives. The Post reports that the memo stated: "We must ensure that the confidentiality of the doctor-patient relationship will be preserved and that the operation of the title X family planning program is compatible with free speech and the highest standards of medical care."

I could not agree more. If the President truly believes what he stated in his memo, then he should prove it by signing the Labor-HHS appropriations bill with the provision rejecting the legal interpretation by the Supreme Court and guaranteeing that all women will continue to have information on all their medical options.•

PLAYGROUND SAFETY

• Mr. HARKIN. Mr. President, as my colleagues know, I have long advocated the value of investing in our human infrastructure, especially as it relates to prevention. As chairman of the Labor, HHS, and Education Subcommittees, I have a particular interest in any efforts to safeguard the well-being of this Nation's greatest resource—our children.

As a society, we all bear some responsibility for ensuring that our children are allowed to grow and develop in the safest possible environment. Yet, according to the U.S. Consumer Product Safety Commission, last year almost a quarter of a million children under age 15 were treated in hospital emergency rooms for injuries sustained on our country's playgrounds. Injuries that occurred on swings or other playground equipment.

Mr. President, I think we all recognize the physical and social benefits that playgrounds have to offer our children. But it is very troubling to learn that playgrounds can also pose a serious threat to children's safety.

Mr. President, according to the American Academy of Orthopaedic Surgeons, some of the injuries that occur in the playground setting can be prevented by paying greater attention to playground design and maintenance, as well as by closer adult supervision.

Recognizing that an ounce of prevention can substantially reduce the number of injuries to children, the American Academy of Orthopaedic Surgeons has launched a national public education program—called Play It Safe—to increase public awareness of the problem and to call attention to the guidelines of the U.S. Consumer Product Safety Commission.

While orthopaedic surgeons treat a variety of injuries to children and adults, it is important to note that they are also interested in prevention of injuries. I wish to commend the academy for its efforts in this important area. I also want to urge my colleagues to obtain the brochure "Play It Safe: A Guide to Playground Safety," developed by the orthopaedic surgeons, and share it with your constituents.•

ALEX SCHOENBAUM TRIBUTE

• Mr. ROCKEFELLER. Mr. President, I rise today to pay tribute to an outstanding individual and a man who has been a personal friend of mine for many years—Alex Schoenbaum.

On November 21, 1991, the American Jewish Committee's Institute of

Human Relations will pay tribute to Alex Schoenbaum by presenting him with the Sarasota—South Central Florida 1991 Human Relations Award. I can confidently state, without a doubt, that there is not a more deserving individual.

Alex founded Shoney's restaurants, beginning under the name Parkette, in 1947 in Charleston, WV. The name was changed to Shoney's in 1951. In the fifties, Shoney's was "the" gathering place for many Charleston teenagers and before long, that one small drive-in became one of the largest restaurant chains on the east coast.

It was Alex Schoenbaum's strength, determination, and good business sense that turned Shoney's into the enormous success it has enjoyed. But it is his humanity that defines the kind of man he is. He cares a great deal about people. He's always been particularly concerned about the needs of young people, providing thousands with jobs and opportunities through his business.

Alex has always been a philanthropist, and has several programs set up to help people who are in need of assistance. One program, the Schoenbaum Foundation, helps those that are less fortunate in the States of West Virginia and Florida. Another is the Manna-Meal Program, which donates food to the homeless or underprivileged. As an example of his enormous love for the State of West Virginia, Alex established an educational scholarship program at both West Virginia University and the University of Charleston. The scholarship awards 1 year's tuition fees to students in education, in exchange for 1 year of teaching in West Virginia. A similar program also exists in the State of Ohio.

Alex Schoenbaum is dedicated to the improvement of life and the advancement of human character. Although some may view his deeds as transcendent of human kindness, to him it is just a way of life.

I have tremendous respect for Alex Schoenbaum, and I am proud to call him my friend.•

THE 50TH ANNIVERSARY OF THE ATTACK ON PEARL HARBOR

• Mr. RIEGLE. Mr. President, December 7, 1991, marks the 50th anniversary of the "date that will live in infamy." On Sunday, December 7, 1941, America was thrown into the horrors of war by the surprise attack upon American military installations at Pearl Harbor launched by the Japanese Imperial Navy and Air Force. The American military defended their bases bravely, but were caught off guard and could do little against the sizable Japanese offensive force.

The attack on Pearl Harbor left 2,403 Americans dead and 1,178 wounded. It was the only time in the 20th century that U.S. territory was ever attacked. The assault came as a shock to our Nation and jolted our country out of its self-imposed isolation into the position of world leadership which it still holds today.

One day after Pearl Harbor was attacked, the United States Congress met in joint session as President Franklin Delano Roosevelt asked for a declaration of war against Japan. After his address, the Senate retired to its Chamber for immediate consideration of Senate Joint Resolution 116, the formal declaration of war. One of my predecessors representing Michigan in the U.S. Senate, Arthur Hendrick Vandenberg, rose after the resolution had been read. He spoke briefly on the declaration of war. I would like to quote from the final paragraph of his heartfelt comments, as I believe his eloquent words captured the determination of the American people that day:

> Mr. President, I am constrained to make this brief statement on my own account, lest there be any lingering misapprehension in any furtive mind that previous internal disagreements regarding the wisdom of our policies may encourage the despicable hope that we may weaken from within. I have fought every trend which I thought would lead to needless war; but when war comes to us—and particularly when it comes like a thug in the night—I stand with my Commander in Chief for the swiftest and most invincible reply of which our total strength may be capable. It is too late to argue why we face this hazard. The record stands. The historians can settle this conundrum upon another day, when we have finished with this task. For now, it is enough that the attack has come. For now, nothing will be enough except an answer from 130,000,000 united people that will tell this whole round earth that though America still hates war, America fights when she is violated. And fights until victory is conclusive. God helping her, she can do no other.

We must never forget Pearl Harbor. As an original cosponsor of legislation designating December 7, 1991, as "National Pearl Harbor Remembrance Day," I believe that it is important to honor the veterans of that attack. They survived that terrible assault, and with the battle cry of "Remember Pearl Harbor," helped lead the United States to victory in World War II. Our Nation turned a corner that fateful December day. While I know that Americans will never hesitate to defend our country from aggression, I pray that we will never have cause to do battle on such a massive scale ever again.•

THE 1991 CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWRY

• Mr. ADAMS. Mr. President, once again this session, I rise to speak on behalf of the Congressional Call to Conscience Vigil for Soviet Jews. I regret that the number of cases of Soviet refuseniks still outstanding requires Members of both the House and Senate to repeatedly come to the floor to make these remarks on their behalf. It is truly unfortunate that we must mark another year with these statements to call attention to the continued difficulties faced by Soviet Jews who wish to emigrate.

The last time I stood here I spoke of Mrs. Alla Iosifovna Makavoz, the mother of David Makavoz, a Seattle resident. Mrs. Makavoz is battling breast cancer and was trying to get out of the Soviet Union to receive treatment. Three days ago Mrs. Makavoz landed in Seattle to be reunited with her family and to receive the advanced treatment for breast cancer she needs so desperately.

For every Mrs. Makavoz, however, there are hundreds of other Soviet Jews trying to get out. The Soviet Union is going through tremendous upheaval. The radical economic reforms being instituted in the Republics will bring tremendous hardship and change. I am concerned that these difficulties may well result in an increase of anti-Semitic incidents, as we have seen before. With the new freedom of expression in the Soviet Union has come greater openness and publicity for extreme nationalist groups like Pamyat to spread their anti-Semitic message of hate and violence. Soviet Jews must be allowed to emigrate now, before these attacks reach the critical levels of the past.

Mrs. Makavoz' release from the Soviet Union is just the beginning of the kind of emigration that needs to happen in the next year. While major reforms are occurring in what was the Soviet Union, and the Government claims to have improved its emigration policies, there are still hundreds of thousands of Jews waiting to get out and thousands of longstanding refusenik cases pending. I cannot express my concern enough. We must get these people out, and we must do it now.

Today, I would like to bring to the attention of my colleagues the case of Igor Bondarev, a civil engineer who lives in Moscow with his wife and child and who first applied for emigration for himself and his family in 1979. The Government refused to grant Igor an emigration visa because his mother, who is a committed Communist and very poor, does not want him to leave. Mr. Bondarev would like to take his mother with him to Israel, but she does not want to go. The Soviet emigration law still contains a clause which allows parents, no matter how old the child is, to keep their children from emigrating. This practice must be stopped. The Soviet Union committed itself to reforming its emigration laws, but it still maintains the right to refuse visas to those whose parents will not allow them to leave and to those who are considered security risks because, at one point in their working lives, they had something to do with defense, State, transportation, or energy enterprise. Mr. Bondarev's case is a good example of the obstacles that refuseniks still face in their quest to leave the Soviet Union.

Though thousands have been able to leave the Soviet Union, there are indications that, given the current confusion over the powers of the Central Government and the powers of the Republics, the lack of a functioning legal system in the Soviet Union will continue to delay the exit of these refuseniks. As the Soviet Republics embrace their new-found spirit of democracy they must allow those who wish to emigrate the opportunity to do so. Igor Bondarev and his family have been waiting for 13 years to get out of the Soviet Union. How much longer can we expect him to wait? It is my sincere hope that Mr. Bondarev and his family will be allowed to emigrate soon and that the thousands of other Soviet Jews waiting to emigrate will be allowed to do so, and to do so immediately.•

VETERANS DAY

• Mr. RIEGLE. Mr. President, on November 11, America will celebrate Veterans Day. On this special day, we honor those Americans who have made profound sacrifices in order to keep our country a free and democratic nation. This year, however, our observance of Veterans Day bears extra significance as we formally recognize those Americans who served in the Persian Gulf war.

America is very proud of the troops who served in the gulf. As Americans, our support for these courageous men and women remains true and unwavering. To show our appreciation for their sacrifice, the U.S. Congress extended veterans benefits to those who served in the gulf war. Hopefully, this will help smooth their transition back to civilian life.

As we honor all of America's veterans, I can't help but reflect on the history and evolution of this day. It has been several generations since President Woodrow Wilson proclaimed Armistice Day to commemorate the peace between the Allies and central powers that ended the fighting of the "war to end wars." Tragically, World War I did not end all wars, as Americans who had fought in that war had hoped. That dream was overcome by events—only 20 years later the world once again took up arms. And, once again, Americans were there to fight for the values we hold close to our hearts. Following World War II, President Eisenhower formally changed the name of Armistice Day to Veterans Day, in recognition of those who had fought so valiantly for our Nation.

On a day devoted to our veterans, let us not forget those who remain missing and unaccounted for in the wake of the war in Southeast Asia. More than 15 years after the United States departed Vietnam, the fate of more than 2,000 American service personnel remains unresolved. Let us take time on this day to renew our commitment to finding a solution to this national tragedy.

As our World War II and Korean war veteran population ages, we must be sure that our VA medical facilities are equipped to meet the special needs of these veterans. In Michigan, efforts are in progress to ensure that this fundamental requirement is met. The recent ground breakings for the construction of a new VA hospital in Detroit and for a 120-bed nursing home addition at the Saginaw VA Medical Center are just two examples of the efforts underway to meet that growing need. And, as the new outpatient clinic nears completion in Grand Rapids, MI veterans can be assured that the entire State will move into the 21st century with modern veterans facilities. Finally, we must ensure that the VA medical care budget is not reduced. Today, I added my name to a letter to President Bush signed by more than 20 Senators which expresses strong support for increased funding for VA medical care and health related research.

Veterans Day means many things to all of us. It is a reflection of the pride we share in the men and women who have kept our Nation free and strong. It is an indication of the deep respect we hold for those who have risked their lives for American democracy. On this Veterans Day, let us express our sincere thanks to our fellow Americans who valiantly served abroad in the U.S. Armed Forces.•

TRIBUTE TO SURVIVORS OF PEARL HARBOR

• Mr. LIEBERMAN. Mr. President, I rise today to honor the memory of those who lost their lives during the attack on Pearl Harbor, and to pay tribute to the men and women who survived.

On Veterans Day, 1941, Americans reflected upon what they believed was the war to end all wars—World War I. Less than a month later, without warning, on December 7, 1941, the Japanese attacked Pearl Harbor. In a matter of hours, 2,403 Americans had died and 1,178 were wounded.

The response of the American people was immediate. We were horrified and outraged over this unprovoked assault, and we were ready to retaliate. We threw our support behind the Allies, fighting against Hitler and Mussolini in Europe and the desert, and the Emperor of Japan in the Pacific.

We fought World War II for a multitude of reasons: to defeat fascism, to prevent unchecked aggression, and to halt the murder of millions of Jews. We also fought World War II for the men and women of Pearl Harbor.

We hoped World War II would be our final conflict, but unfortunately the United States has been involved in a number of battles around the globe. Every generation has sadly added loved ones names to the roll of those we honor on Veterans Day. Recent events in the Persian Gulf forced us to, once again, look directly into the eyes of a dictator. Fifty years later we did, in fact, remember Pearl Harbor. We remembered Pearl Harbor in the most fitting manner possible—we avoided a similar disaster. This time we were not caught short and unprepared. This time we did not bury our heads in the sand; instead, we drew a line in it and stood fast.

Mr. President, I rise today to honor and thank all veterans. As we commemorate the 50th anniversary of the attack on Pearl Harbor and pay tribute to the survivors of this conflict, we are reminded of the contribution all veterans have played in the defense of our country. We should not only remember those who perished, but those who survived. Veterans continue to keep our Nation free, and for this we owe them our lives, our liberty, and our freedom.•

UNEMPLOYMENT INSURANCE

Mr. MITCHELL. Mr. President, the distinguished Republican leader and I, and others, have today discussed on several occasions the status of the unemployment insurance matter. I have previously, with other Democratic Senators, announced our intention to introduce a bill today, which we will do today prior to the close of business, and which we will be addressing in the near future.

I understand that the distinguished Republican leader wishes to address that subject now and, therefore, I will momentarily yield the floor and state that I look forward to continuing our discussions with him, and I hope that we are going to be able to bring this matter to a successful, satisfactory conclusion in the near future.

I will be, later this afternoon, shortly, when we get the bill ready, introducing that bill and having a statement on it at that time.

The PRESIDING OFFICER. The Republican leader is recognized.

BANK CARD RATES DEFY ECONOMIC GRAVITY

Mr. DOLE. Mr. President, it is no secret that America is searching for ways to increase consumer confidence and to build a strong economic recovery.

The Federal Reserve Board helped in this search by cutting the discount rate to 4.5 percent—the lowest rate since January 1973.

In turn, many banks are helping out by cutting their prime rate to 7.5 percent, less than half of the 1981 average prime rate of 19 percent.

One group, however, seems reluctant to do their part, and I am hearing from an increasing number of Americans who are wondering "why?"

Why, despite the drops in discount and prime rates, does the average bankcard interest rate remain at 18.9 percent—higher than the 18.5 percent rate of 1981.

Why are far too many of the 97 million Americans who have a credit card stuck with paying these staggering interest rates?

The banks cite many reasons—including the need to make a profit, and rising delinquencies and bankruptcies—for the fact that credit card rates always go up—completely defying the laws of economic gravity.

Let there be no doubt that I am completely in favor of businesses making a profit, but I would point to numbers from the bankcard holders of America, stating that the ratio of bad debts to credit card receivables is much lower now—2.9 percent—than it was in 1981, when it was 5.1 percent.

I would also point to the fact that many bankcards almost invite bad debts by blanketing the Nation with credit applications, without regard to an individual's creditworthiness.

Banks also contend that the credit card market is competitive, and that consumers are free to shop for better deals. There are 6,000 different financial institutions issuing bankcards nationwide, with interest rates ranging from 10.5 percent to 24 percent, and I would certainly urge consumers to shop around and find the best deal.

All I want to do this evening—and Senator DOMENICI and I might have something else to say on this subject next week—is to suggest that the bankcard companies should make it a little bit easier for consumers to find that fair deal.

UNEMPLOYMENT INSURANCE EXTENDED BENEFITS

Mr. DOLE. Mr. President, on the matter of unemployment insurance extended benefits, I might say there have been a lot of discussions about unemployment and extended benefits for the past several weeks—in fact, since on or about August, September.

Some have suggested that President Bush does not care or does not have a plan of his own. I would just for the record—not for any partisan debate—point out that the President has been willing to sign our proposal 3 months ago because it paid for itself.

There have been lots of discussions. We sent it down to the President twice. It has been vetoed twice, and the veto has been sustained in the Senate twice.

I think there is a growing consensus now across the board, across this spectrum, across party lines, that we ought to get together, work out a plan, a plan that President Bush will sign, something that pays for itself, and something that gets the checks flowing to the unemployed workers in Nevada, Kansas, Mississippi, wherever they may be.

So it is my hope that by next weekend that will happen and it will happen if we can come together and drop the politics on each side, get down to work, and try to find some common ground.

Today, the majority leader, Senator BENTSEN, and others offered their proposal—another proposal. It would cut foreign aid. We are still studying that proposal. We do not have the language yet. It has not been introduced. But we will be studying that over the weekend.

Certainly, cutting foreign aid is very popular. Most Americans like to cut foreign aid, but I am not certain yet whether all countries are treated alike or whether exceptions are made for some that may have more influence or whether we are saying to the American people, well, we treat some foreign countries better than other foreign countries, we treat some foreign countries better than Americans.

That is what the American people are disturbed about. They say we spend too much money abroad, too much time focusing on foreign events and problems in countries like that.

So we want to make certain that no country is singled out for special treatment. Let us treat everybody alike. We treat all Americans alike. So if we go down the road, if we are going to make exceptions for this country, that country, then I think we have a problem.

Also, I understand, based on a very cursory review of the Democrat's plan, they depend on a declaration of an emergency because the bill itself does not pay for itself each year. So it would be in violation of the budget agreement.

It is also our understanding that the bill still uses what we call the total unemployment rates so that students and teachers on summer vacation and people who voluntarily leave their jobs will be included in the count.

We do not think that is a fair way to approach this issue. We have some suggestions. We hope they will be looked at carefully. The majority leader indicated certainly he is willing to look at suggestions for improvement.

So I would just suggest we do not want to do anything but try to work something out. We also have to keep in mind that a bill like this should originate in the House. I know that the House Republicans and House Democrats do not like the cafeteria approach.

Under the Democratic plan you have three choices: You can declare an emergency, you can freeze or reduce foreign aid, or you can pay for it in other ways that we are working on—by speeding up collection of income taxes and extending certain provisions that applied to student loans.

It is my understanding that generally on the House side, in both parties, they believe that that is not an appropriate approach. I must say I confess I had that suggestion in debating earlier on this floor the last time around that maybe we ought to put the Democratic package and Republican package together, send it to the White House, and let the President make his choice so we get checks in the mail.

So I am not suggesting it is a bad idea because it was not a bad idea when I suggested it. I am suggesting my understanding the House side prefers to have one bill, and if we are going to do anything, if we have to send the President two options, they ought to be in separate bills, not just one package.

So I would suggest that we ought to agree to a single approach, not sort of government by multiple choice. And we ought to start negotiating. I know there is a desire on the other side of the aisle not to change anything in the original Bentsen benefit package.

Now, it seems to me that if there is no-give there, then we may have some difficulty.

In the final analysis, we are going to be able to do this and do it the way we should do it if we can beat off all amendments that might have some impact. But I am not certain we can do that until we can have some agreement, some bipartisan agreement, agreement on both sides of the aisle, that this is the package we agree to.

In fact, the President called me today. There was some allusion earlier, some criticism. The President happened to be in a very important NATO meeting in Rome. If he were not there, he would be criticized. He is there. It is very important for the United States when we look at the future defense of the world, future defense spending, and it is very important the President be where he is today. But one of my colleagues was taking a cheap shot at the President of the United States, saying, well, he is in Rome today.

The President called me, notwithstanding the duties he is undertaking for all Americans and freedom-loving people around the world, to ask me about the unemployment bill—whether we were making any progress, whether I thought we could work something out.

I want to point that out, because he has been following it almost on an hour-by-hour basis since he left here yesterday morning. So there is an interest all around, it seems to me, at this point: Republicans, Democrats, House, Senate, the executive branch.

I also want to thank Mr. Darman, the OMB Director. He has been in my office nearly all day, along with the Treasury Secretary. They have been meeting in my office. They have been meeting in Congressman MICHEL'S office, the Republican leader of the House. They met with Republican members of the House Ways and Means Committee, Republican members of the Senate Finance

Committee. Mr. Darman met with Senator BENTSEN earlier today.

The point I would make is it seems to me we are finally getting a little consensus here that we ought to get this done. And you never get everything you want. This side will not get all we want. On the other side, they will not get all they want. But the bottom line is we want to get the checks out to the American men and women who are unemployed. We believe the sooner we can do that, the better.

But keep in mind one more thing. If the House has a different idea and if the House originates the bill, then I think we should watch very carefully what Congressman MICHEL, the Republican leader, and Chairman ROSTENKOWSKI of the House Ways and Means Committee, may originate. It will be interesting what they do in the next few days.

It would also be my hope that key staff would work on some of the problems we are going to find in some of these approaches over the weekend, so when we come back here on Tuesday we are going to be in a position to start moving the bill forward and not start on next Tuesday trying to work out some differences and to go on into the next week.

So it is my hope, working with the majority leader, with the chairman of the Finance Committee, the ranking Republican on that committee, Senator PACKWOOD, and other members on this committee and other Members on each side of the aisle—and I would say particularly those on this side of the aisle, those who stuck with us on vetoes—to get a good bill that will be beneficial to all unemployed men and women in America.

Mr. President, I yield the floor.

Mr. LOTT. Mr. President, first I want to thank the distinguished Republican leader for the comments he has been making about the unemployment benefits extension. This matter has gone on far too long. There are people in my State of Mississippi and in Kansas and other States that do need these extended benefits. So I am pleased to see that there is activity going on now across the aisle in an effort to try and find a proper solution.

There is no doubt in my mind the President is interested in this and wants to find a solution. It is time that any politics which may have been played with this issue be put aside. In fact, it is overdue. I am pleased the President is forcing this issue. I am pleased that we are looking for other solutions to try to solve this problem.

But the solution is not to use this as an opportunity to break the budget. While it is perfectly all right with me to take foreign aid to pay for unemployment extensions, I have looked at what I understand may be in this new package and it is not real money, I am afraid. I am afraid the savings would not be there in the foreign aid area to actually pay for the extension of these unemployment benefits. But, I am willing to look at that.

I would much prefer that we go with the proposal that our distinguished Republican leader developed earlier, a process to pay for it. The Senator from Texas, Senator BENTSEN, has had a proposal. Maybe a combination of the two. But something real to pay for this. And let us get this job done.

Anybody that wants to say, "Oh, the President has not been properly responsive in dealing with this," let me assure you if we will send a package to him, a reasonable package that will get the job done that is paid for, he will sign it Monday morning, or as soon as he gets access to it.

I think it is time we do this job and I would urge the leaders on both sides of the aisle to quit playing around with this thing and let us get it done so that the people that need help can get it.

DEFENSE AUTHORIZATION CONFERENCE REPORT

Mr. LOTT. Mr. President, I feel that the Armed Services Committees, House and Senate, and the conferees did a pretty good job in developing the conference that we probably will be considering next week. It has not been finally completed, but we are down to the final sections that are in debate. It is not a conference report that I am perfectly happy with because, quite frankly, it has too many cuts in it. We are trying to comply with the budget that will require us to reduce defense spending by 25 percent over the next few years. The money in this bill for shipbuilding is not as much as I would like for it to be.

There are cutbacks in ships. There are cutbacks in personnel. We are reducing spending overseas. There are base closures. And all of these reductions are having an impact.

I think one of the problems with the economy right now is that we put 85,000 military and civilian employees of the Department of Defense out into the economy. Now they are out there looking for jobs. You cannot take jobs, you cannot close down bases, and expect it not to have an impact on the economy of this country. But we are doing what we agreed to do.

I am particularly pleased with what this bill does in the Strategic Defense Initiative area. I think that the chairman of our committee, Senator NUNN of Georgia, should be commended for the work that he has done, and our ranking member from Virginia, Senator WARNER. They worked very hard at reaching the SDI agreement as well as other provisions of the bill.

But there is one provision that we are still considering that I think is a great big mistake. The military budget is not this great big bucket of gold from which we can all begin to dip for money to spend on other programs that we would like to advocate. We should not set up a process whereby we can take a billion dollars of the American taxpayer's money from defense of our own country and say it can be spent in the Soviet Union. Before I get into specifics I want to make it clear my main objection is to the whole concept of using defense dollars to aid the Soviets. If you get into the details, you can say, well, maybe you could justify some money here, maybe you could justify some of that. But we need to be thinking about what we are doing here.

This is another dip out of the defense budget, a billion dollars. But this time it is for the Soviet Union. Do the American people want that? If we are going to reduce our defense spending, would they not prefer that it be spent someplace else? Could we not spend it on health care in America or for unemployment benefits or for retraining of Americans? There are so many programs in America that could certainly make better use of the money.

What about this democracy dividend that we have talked about? If we decide we do not need to spend this money for defense, let us return it back to the American people in the form of middle-income tax cuts. We have been talking about that. There are many, many things we could be doing with this money that I think would be much better than aid to the Soviet Union.

But I will tell you, talking about the politics of it, I urge my colleagues to stop and think about going back home, wherever it may be in America, and defending a decision to take a billion dollars out of our defense budget and spend it in the Soviet Union for any purpose. Be careful. Make sure you realize that the Soviet Union is still spending astronomical amounts of money for defense in their country. They continue to build the next generation of military weapons—nuclear weapons.

I do not understand. We are going to take our defense money and spend it in the Soviet Union to help them while they are taking their own defense money and building the next generation of weapons? That is insanity.

Mr. President, this is a public relations disaster. I urge the conferees on both sides of this building: Drop this provision. It is bad idea. It is a bad policy. It is bad politics. It has not been properly thought out. There are too many questions involved. If we are going to do this, let us do it headon. Just face it right up front and say, "Look, we are going to provide funds."

If we want to provide food aid for the Soviet Union in this difficult winter, I am very ready to be helpful. I have already voted for that once, in the form of grain. But this approach has all kinds of problems. We have not really had a chance to consider the specifics of this proposal.

Many Members of the Senate Armed Services Committee did not even see it until 8 o'clock last Thursday night. And when we started asking questions, we found a lot of problems that concerned us.

Once again, I would want to make absolutely sure that before we start spending money from our defense bill in the Soviet Union, that we make sure that the republics—many that they are now, and with a questionable common bond—are actually reducing their nuclear threat to America; that they are not spending as much money on their own military weapons.

Let us have some tightening up of this provision's preamble to guarantee that they are not spending money on destructive weapons while we are giving aid to feed them or to retrain their military troops. So that is the first thing I think we have to be very careful about.

My next problem: It says in order to determine where we would spend this money, we need a blue ribbon panel consisting of government, business, and academic experts. Another panel; great. That is all we need. Another committee; that will solve the problem.

But it does not say who goes on this panel or how they are selected or who they would answer to. So I would have a lot of questions about that particular provision.

Also, this would provide that money could go for humanitarian aid. It could go for retraining Soviet military officers. How can we fund a grand unemployment and retraining plan for the Soviet military, when we are not doing it for American military people losing their job? This says the President shall obtain the assurances of the Soviet Government that the fissionable materials and other components of nuclear weapons be destroyed pursuant to that program; that they will not be reused in new nuclear weapons.

That is pretty broad and pretty mild, in my opinion. I would want some greater guarantee as to what is going to happen with these nuclear devices that might be taken down.

If we can limit this in some way, only to maybe technically assisting the Soviet in the dismantling of their nuclear weapons, then we ought to consider it. But I would want to know where the money is going to come from, and who is going to make that decision. And I would want to know once again what are the Soviets doing to help themselves.

There is a provision in here that says we are going to help the Soviet Union with environmental cleanup. As a member of the Armed Services Committee, I can tell you this: We are closing bases in America where it is going to take hundreds of millions—even billions—of dollars for environmental cleanup, and the money is not there. It is not there.

I want you to explain to our citizens in Indiana, Ohio, Louisiana—wherever it may be—that we are closing your base and oh, by the way, you have environmental problems, but gee, we are sorry, we do not have the money. And maybe we do not have the money because we are helping the Soviets with their environmental cleanup.

Mr. President, where are our priorities? This is crazy. At least let us make sure we understand what we are agreeing to before we go forward with this particular program.

There are too many questions I have about this proposal. I am not questioning the leadership on our committee. They were having to deal with the proposal that came from the other body.

Many people in this city and across America, including the Secretary of Defense, said when this idea was suggested it was a harebrained idea.

Now, all of a sudden people say, well, gee, if it is discretionary, it is OK; we will work it out later.

It is still a harebrained idea. Let us be specific; let us make sure we understand what we are doing; let us know what the Soviets are doing; and let us limit where this money will go if it is to be used at all.

I also predict if we do this, this is only the first dip in the Pentagon budget. There will be more and more problems developing. In fact, one of the problems here is it says we can take DOD money to pay for other departments' or agencies' expenses. Does that mean Department of State? I do not want the Department of State dipping into the defense budget.

This gets into foreign affairs. There is a multitude of problems.

Mr. President, we need to have the defense authorization conference report completed so we can go forward with the appropriations bill. I am beginning to wonder if our authorization is even needed around here anymore, if they are not going to do their job. The appropriators have to go forward. The problem is the authorizing committees take too long.

Here it is November 7, and we do not have a Department of Defense authorization bill. Where have we been all year? The appropriators are ready to go. They are waiting on us.

Let us complete it. We have a good conference report that has been laboriously worked out. There is a lot of involvement in how it is crafted. And then we have this thing come out at the last minute, $1 billion for the Soviet Union. We do not know what it is going to do, we do not know what the Soviets are going to do, and it is holding up the whole process.

Mr. President, let us dump that provision. Let us talk about it in a different forum. Let us think about it very carefully, and then let us approve the defense authorization bill.

Mr. President, I yield the floor. I suggest the lack of a quorum, Mr. President.

The PRESIDING OFFICER (Mr. ADAMS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE RECESSION

Mr. MITCHELL. Mr. President, last Friday the Labor Department reported that the unemployment rate rose again. The Index of Leading Economic Indicators fell slightly. Both facts indicate that contrary to what the President has said, the recession is not over.

Instead, the recession continues. The downturn that began in July 1990 continues to sap the American economy. It has been throwing Americans out of work for 16 months. In the past month alone, more than 400,000 working Americans have put in applications for unemployment insurance each week, and there is no end in sight.

The Democratic Congress has acted twice to provide extended insurance coverage. The President ignored the first bill. He vetoed the second one.

Now, at long last, the President has begun to see what American workers have faced for over a year. The President has now seen that there is a recession.

Now he says he wants to act, but he still does not have a plan of his own. So he has asked the Congress to provide him with one.

I continue to believe that these extended unemployment benefits should be declared an emergency, an emergency just like the President asked be declared to help many people in many foreign countries. As I have said often before, I think American workers should be treated as well as foreigners by the American Government.

The President was willing and eager to declare emergencies to help people overseas, but he will not do so for Americans. We think that is wrong. We should use a portion of the $8 billion surplus in the unemployment insurance trust fund to pay for these extended benefits. That is why the trust fund was created, and that is its intended purpose.

But the President has twice denied the use of the unemployment trust fund. If the President insists on paying for the benefits from some other source, we are prepared to let him do so, even though we do not agree that it is necessary. For us, the overriding need is to provide extended benefits to the millions of American families who need them, who are eligible for them, and who have earned them. It is time for Americans to take care of our own.

If the President chooses not to declare an emergency, the legislation we will shortly introduce would allow him to offset the costs from either of two sources.

He could elect to offset the cost of the unemployment benefits by a modified freeze on spending on foreign aid and State Department operations, or he could elect to provide the funding in the manner previously suggested by Senator BENTSEN, which will increase revenues by changes in tax law.

That means, Mr. President and Members of the Senate, that we are offering the President legislation which will provide extended unemployment benefits and give him three options on how best to deal with that. The first would be to declare an emergency, which we think is the right course, but it is a course which the President has previously twice rejected. The second is to pay for it by a modified freeze on spending on foreign aid and by the State Department. And the third is by changes in tax law which will increase the necessary revenues.

As I said, we believe the President should reverse his previous position and declare an emergency. If he chooses not to do so, if he chooses not to use the trust fund created for this precise purpose, he can either restrain foreign aid or increase revenues. The choice is his.

I want to make it clear that in the alternative with respect to the State Department and foreign aid, I am not suggesting an actual cut in foreign aid. What I am suggesting is that the amount of increase in foreign aid over the next 4 years be less than would otherwise occur. Scheduled funds would be available to honor all of our commitments to important foreign policy goals.

I can best explain this through the use of just two figures. Under current law, if there is no change, foreign aid and State Department spending would increase by $5 billion—that is, $5.9 billion over the next 5 years. Let me repeat that. Under current law, if there is no change in law, spending for foreign aid and for State Department operations would increase by $5.9 billion over the next 5 years. This alternative which we propose, instead, would permit that increase to be by an amount of $2.5 billion, so there would be an increase above the current level of spending for foreign aid and State Department operations, but it would be a lesser increase than would be the case under current law.

This would not affect grain sales to the Soviet Union and there would be sufficient funds to accommodate loan guarantees to Israel.

This modified foreign aid freeze would provide funds for what I think is a higher priority, the needs of American families, the needs of American workers.

I am very disappointed that the administration opposes this alternative. I ask the President and the members of his administration what is wrong with spending a little less, with having a little less of an increase in foreign aid so that we can provide unemployment insurance benefits to American workers who need them? I emphasize we are not even cutting foreign aid, although many Americans would say you ought to cut it. What we are saying is instead of having foreign aid go up, increase by nearly $6 billion over the next 5 years, let us have it increase by $2.5 billion, and to use that difference to pay unemployment insurance to American workers who, through no fault of their own, have been thrown out of work, whose benefits have been exhausted and who now face a harsh winter with no income.

Mr. President, the other alternative, the third alternative, besides declaring an emergency or having less of an increase in foreign aid——

Mr. SARBANES. Will the majority leader yield for a question?

Mr. MITCHELL. Yes, certainly.

Mr. SARBANES. Do I understand that representatives of the administration rejected the notion of reducing foreign aid.

Mr. MITCHELL. That is correct.

Mr. SARBANES. Actually, It is not a cut in foreign aid, it is just that it would not be as much of an increase as would otherwise be expected to take place. They rejected the notion of taking some of what otherwise would be an increase and using it to deal with the problem of the unemployed?

Mr. MITCHELL. I am advised that administration officials are opposed to this provision.

Mr. SARBANES. But this is the same administration that earlier this year came to the Congress and asked us to find an emergency so they could send assistance overseas, and then would not find an emergency in order to help our people here at home, is that not correct?

Mr. MITCHELL. That is correct.

Mr. SARBANES. In fact, I see the chairman of the Budget Committee here on the floor, who was involved in that budget arrangement that provided the emergency declaration. Is it not correct that the administration this year asked the Congress to find an emergency so they could spend money outside the budget agreement and send it overseas?

Mr. SASSER. Indeed, they did. The administration asked the Congress to cooperate in finding an emergency so they could send foreign aid money to a number of countries in the Middle East. And I think there is also a proposal to send money to Cambodia if I am not mistaken.

I might say to my friend, in the last 10 years this Nation's spending for foreign aid has doubled. We gave $11 billion in economic and military assistance to foreign countries in 1981. By 1991, that had doubled to $22 billion.

Incidentally, along the way our national debt has tripled in that 10 years. State Department funding—and this is funding for the State Department, just one area of foreign aid spending—has grown by 125 percent since 1982—60 percent growth in real terms in State Department spending.

Now all of our other nondefense discretionary programs, programs for education, building highways, a whole host of programs have experienced only three-tenths of 1 percent of real growth—three-tenths of 1 percent of real growth while the State Department budget has grown by 125 percent.

Mr. RIEGLE. If the Senator will yield for a minute, I suspect if you want to be a foreign policy President, as President Bush obviously wants to do, traveling again today over in Europe, you probably have to have a checkbook in it with about $22 billion worth of checks in there, so when you go around the world you can help people as you go. We need a little help here at home.

Mr. SASSER. I agree.

Mr. MITCHELL. Mr. President, I thank my colleagues. If I might complete the remainder of my brief statement.

The revenue option that the President can invoke to which Senator BENTSEN earlier referred has three components. First is the collection of delinquent student loans. Second is the extension of the FUTA tax in 1994 and 1995. Third is an estimated tax provision.

Mr. President, the Congress has been attempting to pass this vital legislation for 4 months. It should be clear to all that what we want is a bill which provides benefits to needy Americans, needy American families who are out of work during these difficult times through no fault of their own. This proposal gives the President the choice. He can either do what we said he should do and which he has refused to do—that is to declare an emergency for Americans.

Even though he has repeatedly declared emergencies to help people overseas; he will not do it for Americans. If he continues in that refusal, then he can agree to pay for it through a modified freeze on foreign aid, again a lesser increase than would otherwise occur on foreign aid, or he can increase revenues in the manner suggested in Senator BENTSEN's plan.

I have discussed this matter with the distinguished Republican leader, Senator DOLE. He is considering it. He has made no commitment to me on it. But we do intend to continue these discussions.

We hope that we can act promptly on this matter, and hope that we can have broad bipartisan support and the approval of the President because the one thing we feel most strongly about is that American families in need should be helped. Right now there are millions of American families in need. That is our objective.

Mr. President, a very important point to be made: The benefit level under this bill is the same level as in the bill the President vetoed. We will not agree to any benefit level less than that amount. Not 1 week less, not 1 day less. That is the absolute minimum that we think is critical.

It is important to note that the level of benefits in this legislation is less than the level of benefits in any recession in the last 25 years. During the past quarter century, in the three major recessions that have occurred, the level of extended benefits was 29 weeks, 39 weeks, and 26 weeks. The level of benefits in this bill is 20 weeks, less than in any recession in the past quarter century. The President says that is too much. We think it is actually too little. We are prepared to go to that amount, not one bit less.

Mr. President, this legislation offers the President three reasonable options. But if he refuses and if he chooses to reject all three of these options and vetoes the bill, we will of course attempt to override that veto so that benefits will still get out to unemployed Americans.

If the President's veto is overridden, he will still have the three options on that same day; that is, to declare an emergency, reduce the increase in foreign aid, or increase revenues under the Tax Code. Should he not take action on that day, then the legislation provides for the spending to be declared an emergency.

Just so that is clear, if we pass the bill, the President would have the three choices. If he rejected all three and vetoed the bill and we overrode the veto, on the day of the override, he would still have all three choices. If he refused to exercise any of those choices, then the bill provides that it would be declared an emergency.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I now ask unanimous consent that Senator BENTSEN, myself, and others, have until 9 p.m. today to introduce the bill relating to extended unemployment benefits; that the bill be considered to have had its first reading; that its second reading be deemed to have been objected to and that the bill be placed on that portion of the calendar reserved for items read the first time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, that was cleared in advance with the distinguished Republican leader.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I thank the Chair. I will be very brief.

Mr. SARBANES. Will the Senator yield for just a moment?

Mr. RIEGLE. Yes, of course I yield.

THE RECESSION

Mr. SARBANES. Mr. President, I want to commend the majority leader not only for the piece of legislation that he will be introducing later this evening, but for the major address which he gave last week on a Democratic plan for economic growth.

Mr. President, the majority leader in that plan set out a number of measures to help bring back economic growth and restore economic prosperity in this country: A middle-income tax cut; an incentive to help first-time home buyers so we could encourage economic activity and address this disastrous result in the trend in home ownership in this country; an interest rate and credit policy that would enable businessmen to obtain credit; the enactment of a major transportation bill; the reform of the unemployment insurance system, which of course he has spoken to specifically here this evening; a health care proposal to provide affordable health care for the American people; and a long-term economic growth plan by increasing investment in education, worker training, research and development.

That is a comprehensive, full scope economic plan for America. I want to commend the majority leader for offering it. We have not gotten it from the President of the United States. The leader of the executive branch of this Government has not given us an economic plan. He has not even given us a proposal on unemployment insurance benefits. All he does is veto or reject the efforts on the part of the Congress.

Health care: There has been no proposal out of this administration for a health care plan.

He does support the transportation bill. I concede that. The administration is supportive of the transportation bill.

But this is a comprehensive plan that the majority leader has offered, to help get growth going in America and restore prosperity.

I want to commend the majority leader for that major statement on October 31. It is a very powerful statement of a Democratic plan for economic growth in this country.

Mr. MITCHELL. I thank my colleague.

Mr. RIEGLE. Mr. President, I also want to join in commending the leader for his leadership on the extended unemployment benefits bill as well as this comprehensive economic plan just referred to by Senator SARBANES.

It is interesting. Senator SARBANES makes reference to the fact that President Bush has not offered an economic recovery plan. The administration has an economic plan in Mexico. It is called the United States-Mexico Free Trade Agreement, and is designed to create jobs in Mexico essentially by taking the jobs out of the United States.

The President also has a jobs plan for China, the most-favored-nation trading status with China. China has a $15 billion trade surplus with the United States this year. That means they are taking 15 billion dollars' worth of jobs out of our economy and taking them to China.

So the President has an economic plan for virtually every country in the world except this one.

And the same is very, very much true in the area of health care. The Senator from Maryland mentions the fact that the majority leader has offered with several others as cosponsors a comprehensive national health insurance plan. The administration has been in power now 11 years and has not been able to develop a health care plan. It was 8 years of Reagan and Bush and now 3 years of Bush and QUAYLE. That is 11 years: No health care plan; nothing in terms of an initiative to try to provide a comprehensive health insurance plan for the people of this country.

But with respect specifically to the extended unemployment benefits, the package offered tonight by the majority leader, cosponsored by many of us, is urgently needed in this country.

We have high unemployment. We have millions of workers that have exhausted their unemployment benefits, that have been out of work over 6 months, have not been called back to work, cannot find other jobs, and are desperate because of a lack of income. Many are losing their homes and cars. Families are being broken apart. In many cases, they do not have food to be able to feed their children.

I have a front page story from the Detroit Free Press of 2 days ago, and the headline is: "Right to Survive Is at Stake."

"As the mercury falls, the shelters for homeless fill up," it says. There is a picture of a woman standing on a street corner begging for money from passing cars here, saying "Please help. I will work for food. God bless you."

Another woman down below is also out trying to get donations from people. One woman needs $80 for her rent. Another needs $40 for the rent. They do not have the money, and they cannot find the work. This is the problem we are facing in Michigan. I have 170,000 unemployed workers in my State who will receive extended benefits under this legislation.

We have passed it twice. The President has turned it down twice. We are offering it a third time. We give him the choice of three different ways to finance those benefits. He ought to be able to pick one of those three ways to do it.

People like this, who have worked all their lives, who cannot find work, are in desperate circumstances. They need help. One of the reasons that all these homeless shelters are filled up is that these are not just vagabond people, many of them had jobs 4, 5 months ago, but they do not have jobs now. They have exhausted their savings, and they have been put out on the street, and they need help. It is time for this Nation to help.

So I salute the majority leader for his initiative. We have to get it passed again, send it down to the White House; and this time I hope the President will decide that it is time to respond to this urgent need in the United States. The people of the country need this help. They deserve the help. We have given the help to all these foreign countries. It is time to help our own.

I yield the floor.

The PRESIDING OFFICER. The Chair requests, in his capacity as the Senator from Washington, that he be added as a cosponsor to the legislation. Does the Senator from Michigan yield the floor?

Mr. RIEGLE. Yes.

Mr. SARBANES addressed the Chair.

Mr. SARBANES. Mr. President, I want to commend the Senator from Michigan for his very powerful statement and the very strong leadership he has shown on this very important issue.

I must say to the Senator from Michigan that I actually expected the President to declare an emergency and let the benefits flow to the unemployed in August when we sent the bill to him. I know the administration made noises about not doing that, but I had hoped, up until the last minute, that the President would do it. I cannot, for the life of me, understand why the President did not do that.

After all, it was this President who came to the Congress earlier in the year, asked us to join with him in finding an emergency, so he could send assistance overseas. The Congress acceded to the President's request to make that possible.

In this instance, we were asked the President to join with us in a determination that an emergency existed here at home, an emergency with unemployed workers who have exhausted their benefits. In every other recession, we have paid these extended benefits.

Referring to this chart, this is the Carter years, and this is the Reagan years.

Mr. RIEGLE. These are the extended unemployment benefits?

Mr. SARBANES. The monthly average of extended unemployment benefits. You can see what happened. In each instance, it went up significantly. This is under President Bush, during this recession. Hardly anyone is receiving benefits.

Mr. RIEGLE. I almost cannot see it there.

Mr. SARBANES. I can understand that. It is very difficult to make it out.

Look at this in contrast with what happened in the previous recessions. When we raise these benefits, it is being done at a time when the trust fund has these large balances in it. The premise of the unemployment benefit trust fund is to pay into it when unemployment is down. When things are good, you build up a surplus, and then you use it when you hit a hard time. Then you do not have the whole problem of how you are going to pay for the benefits.

The system was constructed to answer that ahead of time by building up the surplus. So you paid into it, and the money was there to be drawn upon when the recession came, and you had to pay the unemployed, and the unemployed would not be left out there without any benefit. If there was no money in the trust fund, then we would have a problem on our hands in dealing with a recession situation. That is not the case.

Mr. SASSER. Is the Senator saying that here in a recession that started in July 1990, and is now almost a year and a half in progress, that we are building up a surplus in the unemployment insurance trust fund?

Mr. SARBANES. The Senator has perceived a very important point about this chart. That is, not only are we not using the surplus in a recession that was in the trust fund for that purpose, but to compound the felony, we are building the surplus up right during a recession. I mean, there is nothing that is more counterproductive than to be in the process of adding to the surplus right in a recession when you have millions of people desperate for extended benefits.

Mr. SASSER. Just examining the chart there, the fact that we are building up a surplus in this recession, I contrast that with what is shown on your chart there, the recession of 1983. It appears that the fund at that time was utilized for what it was intended to be utilized for—it was being drawn down.

Mr. SARBANES. It was drawn down during the heavy Reagan recession, and it started to build up again, as we came out of that recession and had better employment. It continues to build up. This administration is the first one not to extend the benefits.

We only show the three previous recessions on this chart. But if one went back and showed all those recessions since the end of World War II, you would have a similar situation, with the number of people drawing the extended benefits going up during each recessionary period. The numbers go up, and you draw down your surplus. Then you build it back up again.

Look what happened here in this recession.

Mr. SASSER. If I understand the Senator's chart here, we have the recession of 1974 when President Gerald Ford was President. We have the persons receiving extended unemployment insurance benefits spiking up to a very high spike there, and we see it going down as the recession abates after President Carter took office, and then we see it spiking up again in the recession of 1979, going down again, and spiking up in the recession under President Reagan in 1982.

But here in this recession, why, it is no higher, apparently, than it would be in a time of prosperity.

Mr. RIEGLE. If the Senator will yield at that point, what is going on here is that the administration has tried to pretend there is no recession. In other words, they wanted to say there is not one. I think the Senator from Maryland has a quotation from Mr. Darman, the Budget Director, who, a few months ago, spoke out against any extended unemployment benefits, because he said there was no recession. Of if there was, it was all over, and people did not need extended benefits, and nothing should happen.

So what they have, in effect, done is tried to pretend all along that the problem either was not there, or was not as bad as we know it to have been then and now.

Now they finally have been caught short, because it is so obvious across the country. You look at polling data, you have 70 percent of the people of the country saying the economy is on the wrong track. And even today they are still fighting against this. We have had the President now turn down these extended unemployment benefits not once but twice.

Mr. SASSER. He has, indeed. But I think that under the leadership of the majority leader we are presenting or will be presenting shortly to the President a package he simply cannot turn down. In other words, what excuse is there to turn down extending these unemployment benefits to these millions of people who paid for them, but have exhausted them, if we give him legislation, which I hope we will do very shortly, which allows him to pay for it by simply cuts in foreign aid?

Mr. RIEGLE. Yes.

Mr. SASSER. I think that is it.

Mr. RIEGLE. Cuts in the planned increase in foreign aid.

Mr. SARBANES. It is not a cut in foreign aid. I think the people in the country are coming to see through the administration's rhetoric.

I have a letter here from an unemployed person who says, "What constitutes an emergency? Whenever the unemployment rates have been this devastating in the past, the Federal Government has automatically stepped in." Which is what this chart shows, that the Government stepped in. What has made this emergency different?

Listen to this question: "Could it be that no one wants to admit that there is an emergency?" I am frank to tell you I think that is one of the problems.

In December 1990, when we were moving into this recession, Secretary Brady said—and I am quoting him. This was in the New York Times. He says, "I do not think it is the end of the world even if we have a recession. We will pull out of it again. No big deal."

Then President Bush came up in January of this year to give the State of the Union Message, and President Bush said, and I am quoting him now:

> I know that tonight in some regions of our country people are in genuine economic distress and I hear them. Earlier this month Cathy Blackwell of Massachusetts wrote me about what can happen when the economy slows down saying "My heart is aching and I think you should know your people out here are hurting badly." I understand. I am not unrealistic about the future. But there are reasons to be optimistic about the economy.

That is in January of this year.

Then in the economic report of the President in February, President Bush said, and I quote him:

> The current recession is expected to be mild and brief by historical standards.

Michael Boskin, his chief economic adviser, said in the economic report:

> Our outlook is that the economy, after a relatively brief and mild recession, will rebound by the middle of the year. The recession will be rather shallow and short.

Here is what they did. They predicted a shallow and short recession. The President makes a State of the Union Message that says that there are reasons to be optimistic about the economy. This did not work out. But they did not revise their view. They were not prepared to admit that we were facing an economic crisis.

In July, Boskin, in a news conference, said "The economy has begun to recover." In testimony to the Joint Economic Committee in late July he said "The economic recovery appears to be underway."

To compound this, as the distinguished Senator from Michigan knows, because he had a very sharp exchange with the Director of the Office of Management and Budget, Mr. Darman, on July 22. Mr. Darman said an unemployment bill was "unnecessary because the recession reached bottom in May and by the time the beneficiaries actually got the money it would not be needed." Can you imagine that?

Mr. SASSER. Mr. President, if the Senator will just yield on that particular point, 8.6 million Americans—that is twice the population of or three times perhaps the population of my State of Tennessee—woke up this morning and they had no job to go to. That is up 140,000 people since September. If you add together those who are unemployed, the 8.6 million, with those who lost good, full-time jobs and are now working part time, add to that the million and a half people who becomes discouraged that they no longer are looking for jobs—they fall off the statistics when they quit looking—you have almost 13 percent of the work force of this country either unemployed or underemployed. One out of every 10 Americans, as I speak to you this evening, I say to my colleagues, is on food stamps.

If this is not a recession, I do not know what it is. It is getting worse. It is not getting better. The economic indicators for September were worse than they were for July. In other words, it is getting worse; it is not getting better. And we are on the verge of a double-digit recession here.

(Mr. RIEGLE assumed the chair.)

Mr. SARBANES. The American people know it is getting worse. Look what is happening to consumer confidence. The consumer confidence index dropped 12 points last month. It started back up and now it is starting back down again. The American people know what is happening out there.

Mr. ADAMS. Mr. President, will the Senator from Maryland yield?

Mr. SARBANES. Certainly.

Mr. ADAMS. Mr. President, as the Budget Committee chairman, I first just want to echo what he is saying. We set aside this fund to pay these benefits in this period and now we have an even worse thing happening, which I know the Senator from Maryland is well aware of. They are attempting to drop interest rates through the Federal Reserve System and the President goes out and says to everybody "Buy, buy, buy, and bring us out of this recession." But how can they possibly do this when they have no money?

There is no program by this administration to justify jobs to people. There is no unemployment compensation flowing out to them so they will have some money to carry over until they get another job. So we have the potential here for a disaster, and I compliment the Senator from Maryland, the Senator from Tennessee, the Senator from Michigan, and particularly the majority leader for coming up with an economic plan to help our people here at home.

If we can help people all over the world, we can help our middle-class workers who are in between jobs, trying to find a job, or even worse, as the Senator from Tennessee said, have been out of work for so long they have lost hope. We have to give them this unemployment compensation and now.

I agree with the Senator from Maryland. It is beyond my comprehension, having seen other Presidents of both parties, back through the years, this President not use the unemployment compensation trust fund for what it was created to do. All he had to say was this was an emergency and the Budget Act was complied with, and we would have helped our people in the way we have done for over half a century. So I commend the Senators.

Mr. SARBANES. That would have been back in mid-August.

Mr. ADAMS. In mid-August that we said that.

Mr. SARBANES. I say to the Senator from Washington that he has touched on another important point. By definition you do not get unemployment benefits until you have held a job over a continuous period of time. So we are talking about working men and women, the people who have helped to build this country.

In addition, for those who have been fortunate enough to hold a job, to keep their job, their standard of living is dropping.

Now the very distinguished Senator from Tennessee, the chairman of the Budget Committee, had on the floor the other day a very important chart that shows that the annual real per capita GNP growth under George Bush has been negative. George Bush is the only President since World War II where annual real per capita GNP growth was a negative. There have been nine Presidents, including George Bush, since World War II. Under the other eight we had positive real per capita GNP growth. In other words, people's living standards rose in varying degrees. It was better under John Kennedy of the other eight Presidents, but under all of them there was some positive advance. Only under President Bush has it been negative.

Just last week we got figures from the Bureau of Labor Statistics that over the past year the wage and salary of working people—we are not now talking about unearned income, interest, and dividends that go primarily, not entirely but primarily to the people at the top of the scale who have really just benefited incredibly over the last decade—but for wage and salary people over the last year, their incomes went up 1.8 percent.

Inflation went up 3.9 percent. So the prices they had to pay went up 3.9 percent. Their incomes went up 1.8 percent. So at the end of the year, their living standard was lower. They were worse off in real terms than they had been at the beginning of the year.

Mr. ADAMS. I thank the Senator.

Mr. SASSER. If the Senator from Maryland will yield, I think he touched on a point there a moment ago; the fact that these people who have paid for these unemployment insurance benefits have exhausted them and now are in desperate straits.

I read a letter or a statement made by the Director of the Office of Management and Budget, Mr. Darman, in which he said that extending these unemployment insurance benefits would act as a "disincentive to employment," as if to infer that these people were unemployed because they wanted to be, and if their unemployment benefits were extended, that they would not have an incentive to go back to work.

Mr. SARBANES. Will the Senator yield on that point?

Mr. SASSER. I am pleased to yield.

Mr. SARBANES. Darman said that. It is just outrageous. I want to say this: If the American people were dependent upon Budget Director Darman's compassion and concern for their situation, it would be very bleak indeed.

Now, he said that in that very hearing where he said an unemployment bill was unnecessary. He then went on and said it would have the effect of giving them an incentive to be unemployed.

I just want to read a letter that I received from an unemployed person, a very eloquent letter. I am just going to quote:

> What we as unemployed people want is to be able to rebuild our self-esteem, pay our bills, and contribute to this country. We are not looking for a handout, but right now we need more help.
>
> It is sad to know the funds are there, but the President will not release them.

I am directing this directly to Director Darman on the basis of what the Senator said about his attitude—

> People have this idea of being unemployed as fun. It isn't. It is extremely depressing.
>
> Everyone thought I was lucky having the summer off. I did not enjoy 1 day of this summer, as I was worrying about getting a job. It is on your mind constantly, from when you wake up in the morning until you go to bed at night. And then, if you should wake up during the night, it is right there hounding on you.
>
> You are on edge constantly. You fight with people for no reason at all. Does that sound like fun? I want a job and I want a paycheck.

Mr. SASSER. Well, I just say to my friend from Maryland, I think that says it all. And to say that extending these unemployment compensation benefits to those who have exhausted their benefits, as we have in every other recession prior to this time—under the administrations of Eisenhower, Gerald Ford, Jimmy Carter, even Ronald Reagan—to say extending these benefits would be a disincentive, it is a mystery to me how one could think that.

Think of how many automobiles have been repossessed, how many homes may have been lost, how many people evicted from their apartments, how many marriages on the rocks, how many children who have been hurt by the fact that these unemployment insurance benefits were not extended.

And I see polling data which indicates that now the biggest fear—what the American people are frightened of, the middle-class American—now, for the first time, their greatest fear is losing their job. They are frightened that they will lose their job, because they have seen so many of their friends and neighbors lose their jobs.

And I do not know where the Budget Director gets the idea that extending these unemployment benefits to those who have exhausted them would be a disincentive.

But I do know in my native State of Tennessee of a small factory advertised that they had 10 or 15 jobs, positions, available. I say to my friend from Maryland, 800 people showed up at this little factory before 7 o'clock in the morning. The sheriff's deputies had to be summoned to maintain some kind of order. These people were desperate for work. They would do anything just to get a job.

Now, to say that would be a disincentive to give these people some sustenance, to put bread on the table and to keep a roof over their heads and to keep some sort of warmth going as we approach winter, I do not understand that kind of reasoning, quite frankly.

I mean, these unemployed people paid for these benefits. Their employers paid for these benefits. It was deducted out of their paychecks for so-called rainy day funds. Now, whether this administration and whether the President wants to believe it or not, the rainy day is here. It has been here since July 1990.

My friend from Maryland will recall that it was not until December 1990, if memory serves me correctly, that Dr. Michael Boskin of the administration finally acknowledged that there was a recession that had begun in July 1990, some 7 months before. He finally acknowledged that there was a recession. But he said, "Don't worry; it's over. We are into recovery now." That was in December 1990.

And here we stand, in November 1991, Thanksgiving a couple of weeks away, Christmas 6 weeks away, and this recession is getting worse. And here we are, still trying to get the President and his administration to extend these emergency unemployment insurance benefits that had been extended in every recession.

You know, we started back—I ask my friend from Maryland, when did we pass the first bill the President vetoed?

Mr. SARBANES. He vetoed it in mid-August.

Mr. SASSER. In mid-August.

Mr. SARBANES. Well, he did not veto it. He refused to declare an emergency, and therefore the benefits could not flow. Because the way we sent him a bill, we in effect were trying to draw the President in, in a cooperative way, to declare this emergency, just like he had declared an emergency earlier in the year to help people overseas.

The President refused to do it. Therefore the unemployed people could have been receiving benefits from mid-August, if President George Bush had simply concurred in that legislation.

Mr. SASSER. Then we passed another bill to try to get unemployment insurance benefits extended in September, and the President vetoed that bill. And he said, well, he wanted to extend unemployment benefits, but he did not like the bill we sent him. So now we are going to send him a third; we are going to make a third try at it.

We are going to have a three-pronged approach. We are going to let him declare an emergency situation, as he declared economic aid to the Kurds, economic aid to Israel, economic aid to a whole host of countries as being emergencies. He can declare this an emergency.

If he chooses not to do that, then we are providing in this legislation that the unemployment insurance benefits will be paid for by taking the money out of foreign aid. Now, we are not saying that we are cutting foreign aid. What we are saying is, we are just going to arrest the growth of foreign aid.

Between 1992 and 1995, if memory serves me correctly, we will have outlays of something like about $85 billion for foreign aid. We are simply saying: Mr. President, can you see your way clear to take $3½ billion or less of this $85 billion in foreign aid and give some relief to the millions of our people who are suffering because they cannot find jobs? We give him those two options.

And if he does not want to use either one of those two options, the third option is a measure to raise some revenues to pay for it. We give him three options so he cannot say: You have not given me a way to fulfill our needs here.

I mean, he has three choices. All we want to do is to stop the posturing here, and let us get on with giving these unemployed people the unemployment insurance compensation that they are entitled to, that they have paid for, that their employers have paid for.

And we see, if our friend from Maryland shows us his chart—can we see that once more, the chart which indicates the surplus that is building up?

In 1992, we see a surplus of, what is that?

Mr. SARBANES. Almost $10 billion.

Mr. SASSER. Almost $10 billion.

Mr. SARBANES. This fund, I will say to the Senator, in a recession, is building up at the rate of about $1.2 billion a year. It is incredible. You pay the money into this trust fund for the purpose of paying the benefits in a recession. Not only are they not paying the benefits in the recession, but in fact they are adding to the fund.

The Secretary of Labor, Secretary Martin was asked about this, and she thought it was wonderful. She says, we have all this money in the trust fund.

What are they going to do, sit on it and hatch it? The purpose of having it, building up the trust fund, is to pay it out when you hit a difficult time.

Her comments are a little bit like the librarian when asked how is everything in the library, who says, "Wonderful. Every book is on the shelf." The purpose of the library is not to have every book on the shelf, and the purpose of this trust fund is not to build up huge balances in the middle of a recession when you have millions of people who need extended benefits, people who are losing their homes, their cars, are unable to meet their payments, do not know how to put food on the table for their families.

Mr. SASSER. If I could just draw the attention of my friend from Maryland to this, this is the extended benefit trust fund, with emphasis on "trust." In other words, these funds are held in trust by the U.S. Government. These are the funds that employees, workers, have paid in. These are funds that their employers have paid in, to be held in trust by the U.S. Government to be used for extended unemployment benefits when we get into an extended recession. That is precisely what we are in here.

Mr. SARBANES. That is right. I say to the Senator the very reason we have a trust fund and the reason we build up a balance in it is so that when we go into a recession we do not get into this problem of how are we going to pay for the benefits, the very issue that the President has now precipitated. The system was constructed to deal with that question ahead of time by building up the surplus. The President will not use the money in the trust fund for the purpose for which it was intended. It is an abuse of this trust fund.

Mr. SASSER. No, I will say to my friend from Maryland, it is a breach of trust.

Mr. SARBANES. Well, yes, it is.

Mr. SASSER. This is a breach of trust between this administration and the workers who paid their hard-earned dollars into this trust fund and the employers who paid their money into this trust fund. This is a breach of trust.

Mr. SARBANES. I say to the Senator, I am hearing from employers who are saying to me, "We paid the money in for the purpose of paying the benefits. We want to see the benefits paid."

Many responsible employers want their workers who have been laid off through no fault of their own because of the downturn in the economy to receive these unemployment benefits. They have a concern for their workforce.

It is really sad. It is a disgrace.

One lady wrote to me and said:

> I am writing to you regarding a serious crisis that exists nationally. The subject is a lack of adequate unemployment benefits for working men and women. What has been allowed to happen in this country has been a disgrace.

And she is absolutely right. She says:

> As I stood in line every week I got to hear firsthand the concern in the voices of the people. The first blow was losing their job. The second was seeing the United States Government abandon them in their hour of need. These are the hard-working people that have, over the years, made this country great. These were workers who have held the same job, in many cases, for numbers of years.

In fact, you are having workers who have worked 10, 12, 14 years in the same job hit by this recession and being laid off. They get the basic 26 weeks. Then they have exhausted their benefits.

A year ago the unemployment rate was 5.7 percent. Today the unemployment rate is 6.8 percent. That is the official rate for those completely out of work. As the Senator from Tennessee has pointed out, there are another 6.5 million people working part time who want to work full time.

If you lost your job a year ago, with an unemployment rate of 5.7 percent, by now you would have used up your benefits. You would now be looking for a job in a job market where the unemployment rate is 6.8 percent. In other words, it is tougher out there now to find a job than it was at the time that you lost your job. Yet this administration will not extend the benefits in order to try to help people through this period. The purpose of providing these benefits is to help people through this period.

The PRESIDING OFFICER. Will the Senator yield to a question from the Chair on the chart that was held up a moment ago? From this distance it appears to me the surplus in the fund is about $10 billion. Is that accurate?

Mr. SARBANES. I would say to the Senator, that is what it is projected it would be by the end of next year. At the moment we expect it to be over $8 billion by the end of this year. It is building up by about $1.2 to $1.4 billion a year. Can you imagine? We are building up the surplus right in the middle of a recession. Let us leave aside the question of drawing down the surplus in a recession, which is, of course, what you should do. But here we are, not only not doing that, we are building the surplus up even higher, right in the midst of a recession and with no one drawing these unemployment benefits. No wonder people are so desperate out there.

Let me just quote from a letter I received:

> Please do what you can to help all of us out. We do not want it; we need it and we need it now. Please see what you and your fellow Senators can do to help get this country back on its feet or else this country will be gone. I know it sounds stupid but I think it could happen if we don't help ourselves and each other. We are falling off the face of the Earth and no one cares.

Let me just repeat that. "We are falling off the face of the Earth and no one cares." I say to the President, I say to Director Darman, I say to Chairman Boskin, I say to Secretary Brady: It is time for you to care. It is time for these people not to fall off the face of the Earth. These are hard-working Americans who helped to build this country. These are the people who contributed financially and through their physical effort to build this Nation, and it is time to respond to their situation and not allow them to fall off the face of the Earth.

We care, and we are going to continue to press this issue with the President of the United States. He has demonstrated twice his inability to perceive and understand this situation. The majority leader is now going to go back to him a third time with a proposal that will give him three options to pay these benefits. He can choose any one of the three options. It is time for the President to recognize the hurt that exists across this country and to try to help these people all across America.

Mr. SASSER. Mr. President, the Senator from Maryland has done yeoman service in bringing this whole problem of unemployment compensation benefits having expired and not having been extended in this recession to the attention of this body and, indeed, to the attention of the country.

The Senator from Maryland, in his capacity as chairman of the Joint Economic Committee, has led the fight to see that these 8.5 million Americans, 140,000 more this month than last month, who have exhausted their unemployment benefits or are on the verge of exhausting them, are given the same treatment that unemployed workers have gotten in every other recession. He has been ably assisted in that effort by the distinguished Senator from Michigan.

Michigan has been hard hit and the Senator from Michigan has been on this floor day after day trying to fashion some type of remedy for these millions who are suffering.

Mr. SARBANES. If the Senator will yield. Mr. President, I want to thank the Senator from Tennessee for his very kind comments, and I also want to thank him for the extraordinary leadership which he, along with the Senator from Michigan, has provided in this fight, and the majority leader and Senator BENTSEN, the chairman of the Finance Committee.

Mr. SASSER. Indeed.

Mr. SARBANES. In fact, Mr. President, when we tried to override the President's veto of the last unemployment benefits bill, we also had the support in that effort of eight of our Republican colleagues. We had all of the Democratic Members, 57 Democrats, and we had the support of 8 of our Republican colleagues who departed from the President and from Republican discipline because they perceived the crisis which exists.

The unfortunate fact though is, even with 65 votes, we could not override the President's veto. This underscores the power of the veto weapon in the hands of the President. It is very important that be understood because the President vetoed that bill. We made an effort in the Senate to override that veto. We had a vote on the veto override; 65 Senators to override the veto, 35 not to override the veto. Sixty-five to thirty-five was the margin and unfortunately, under our Constitution which requires two-thirds, it fell short by two votes in overriding the veto.

But that is the weapon that the President has brandished, not only on this issue but on other issues designed to encourage economic growth and to bring about paying attention to the problems of our working middle class in this country. The President has that veto stamp which he has used and then he holds onto sufficient numbers in order to sustain his veto. The sufficient numbers are a clear minority of either this body or the other body, and yet it is enough for the President to sustain his veto. That is what he did in this instance.

But the Senator from Tennessee, as the chairman of the Budget Committee, has been extraordinary in his leadership on this issue. He understands thoroughly the budget situation and understands the rationale for our effort to have this treated as an emergency. Particularly I appreciate his emphasis on the trust fund aspect of this situation, because faith is not being kept with the American people. That is one of the issues that is also at stake in this dispute.

Mr. SASSER. I say to my friend from Maryland that I am hopeful and optimistic that this body will act speedily on this new bill to extend unemployment insurance benefits and get it to the President's desk. As my friend from Maryland knows, if we passed it this evening and took it over to the White House, the President would be unable to sign it. He is in Rome, Italy, on another trip abroad. But we are hopeful that he will return from abroad shortly. I am not sure how long this particular trip will last, but we are hopeful that he will return from Rome, Italy, shortly and we can have a bill on his desk when he arrives back home, and I am hopeful he will sign this one.

Of course, like my friend from Maryland, frankly, I thought he would sign the first two bills. Certainly, if he was going to ignore the first bill that was sent to him, I thought that when the second bill went to him and he had no choice but either to sign it or veto it, I was confident the President would sign that bill to extend this unemployment insurance, these benefits to the millions who need it. I was stunned, frankly, when he did veto it since it had passed this Congress, both Houses, with large bipartisan majorities.

But as soon as he returns from abroad, I am hopeful this bill will be on his desk waiting for his consideration, and I hope before he even unpacks his bags from this latest trip that he will sign this bill extending unemployment compensation benefits.

Mr. SARBANES. I say to my colleague that some of our colleagues on the House side suggested that the President should visit the Romes in this country: Rome, GA; Rome, MS; Rome, OH, and so forth and so on, instead of Rome, Italy. I do not really go that far. I think the President has these responsibilities internationally. In a sense, they have to be met.

But I cannot understand why that seems to be the only dimension to this Presidency. Why is it that the President cannot have a domestic dimension? Why is it the President who perceived an emergency overseas in order to send assistance cannot perceive an emergency here at home in order to help the unemployed people in this country?

I am not saying that the President does not have to exercise his international responsibilities, but what about exercising his national responsibilities, his domestic responsibilities? He was elected President of the United States, and the United States is a world leader and, therefore, he has responsibilities on the international scene. But what about his responsibilities as President of the United States for the problems at home on the domestic front for our unemployed people, for health care for Americans, for the education of our children, for the range of problems that Americans confront every day in their own lives?

The President needs to have a domestic dimension to him. He needs to pay attention here. The fact of the matter is that the United States cannot be an international leader, cannot be strong abroad, if the United States is not strong at home. Our international leadership depends, in the last analysis, upon our domestic strength. If we fail to build a strong society here, strong economically, strong socially, a society marked by equity and justice, if we fail to build that here at home, he can make all the trips he wants around the world, but his position of leadership will be eroded internationally and at home.

So these problems cry out. People are calling out with a plaintive cry for help. It is time to respond to that and we call on the administration to address it. It is interesting, they have not sent their proposal to us as to what ought to be done about the unemployed. They keep finding fault in the proposals that we send to them, but they have not sent a proposal to us. It is very clear that if the Congress was not making the effort, if we were not making the effort to send something down there, this President would not do anything about it. He and his advisers would just let this situation go. They would not do a thing about it.

He has rejected two of the proposals we sent to him. He has not sent one to us. We are going to send a third one with these options in it. I call on the President to approve it and let these people get their benefits.

Mr. SASSER. Mr. President, I ask unanimous consent that the text of S. 1945 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1945

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

TITLE I—EMERGENCY UNEMPLOYMENT COMPENSATION PROGRAM

SEC. 101. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law,

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law), and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada, and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 106(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period, or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment,

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act, and

(3) the maximum amount of emergency unemployment compensation payable to any

individual for whom an account is established under section 102 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 102(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 102. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	13
6-percent period or other period	7.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data for all States are published—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after November 16, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) November 17, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after August 1, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes August 1, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—

(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after February 28, 1991, and before the first week following November 16, 1991 (or, if later, the first week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following November 16, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) SPECIAL RULE.—A State not meeting the requirements of subparagraph (A)(ii) shall be treated as meeting such requirements if such State would have met them for the first week following November 2, 1991, October 5, 1991, or August 31, 1991, if this Act had been in effect for such week.

(C) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) or (B) shall be reduced in accordance with subsection (b)(3).

SEC. 103. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 104. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

(d) AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are authorized to be appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as established by section 905 of the Social Security Act) such sums as may be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code, and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 105. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation, and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 106. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after November 16, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data for all States are published.

TITLE II—DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE

SEC. 201. DEMONSTRATION PROGRAM TO PROVIDE JOB SEARCH ASSISTANCE.

(a) GENERAL RULE.—The Secretary of Labor (hereafter in this title referred to as the "Secretary") shall carry out a demonstration program under this title for purposes of determining the feasibility of implementing job search assistance programs. To carry out such demonstration program, the Secretary shall enter into agreements with 3 States which—

(1) apply to participate in such program, and

(2) demonstrate to the Secretary that they are capable of implementing the provisions of an agreement under this section.

(b) SELECTION OF STATES.—

(1) IN GENERAL.—In determining whether to enter into an agreement with a State under this section, the Secretary shall take into consideration at least—

(A) the size, geography, and occupational and industrial composition of the State,

(B) the adequacy of State resources to carry out a job search assistance program,

(C) the range and extent of specialized services to be provided by the State to individuals covered by the agreement, and

(D) the design of the evaluation to be applied by the State to the program.

(2) REPLICATION OF PRIOR DEMONSTRATION PROJECT.—At least 1 of the States selected by the Secretary under subsection (a) shall be a State which has operated a successful demonstration project with respect to job search assistance under a contract with the Department of Labor. The demonstration program under this title of any such State shall, at a minimum, replicate the project it operated under such contract in the same geographic areas.

(c) PROVISIONS OF AGREEMENT.—Any agreement entered into with a State under this section shall—

(1) provide that the State will implement a job search assistance program during the 1-year period specified in such agreement,

(2) provide that such implementation will begin not later than the date 1 year after the date of the enactment of this Act,

(3) contain such provisions as may be necessary to ensure an accurate evaluation of the effectiveness of a job search assistance program, including—

(A) random selection of eligible individuals for participation in the program and for inclusion in a control group, and

(B) collection of data on participants and members of a control group as of the close of the 1-year period and 2-year period after the operations of the program cease,

(4) provide that not more than 5 percent of the claimants for unemployment compensation under the State law shall be selected as participants in the job search assistance program, and

(5) contain such other provisions as the Secretary may require.

SEC. 202. JOB SEARCH ASSISTANCE PROGRAM.

(a) GENERAL RULE.—For purposes of this title, a job search assistance program shall provide that—

(1) eligible individuals who are selected to participate in the program shall be required to participate in a qualified intensive job search program after receiving compensation under such State law during any benefit year for at least 6 but not more than 10 weeks,

(2) every individual required to participate in a job search program under paragraph (1) shall be entitled to receive an intensive job search program voucher, and

(3) any individual who is required under paragraph (1) to participate in a qualified intensive job search program and who does not satisfactorily participate in such program shall be disqualified from receiving compensation under such State law for the period (of not more than 10 weeks) specified in the agreement under section 201.

(b) ELIGIBLE INDIVIDUAL.—For purposes of this title—

(1) IN GENERAL.—The term "eligible individual" means any individual receiving compensation under the State law during any benefit year if, during the 3-year period ending on the last day of the base period for such benefit year, such individual had at least 126 weeks of employment at wages of $30 or more a week with such individual's last employer in such base period (or, if data with respect to weeks of employment with such last employer are not available, an equivalent amount of employment computed under regulations prescribed by the Secretary).

(2) EXCEPTION.—Such term shall not include any individual if—

(A) such individual has a definite date for recall to his former employment,

(B) such individual seeks employment through a union hall or similar arrangement, or

(C) the State agency—

(i) waives the requirements of subsection (a)(1) for good cause shown by such individual, or

(ii) determines that such participation would not be appropriate for such individual.

(c) QUALIFIED INTENSIVE JOB SEARCH PROGRAM.—For purposes of this section, the term "qualified intensive job search program" means any intensive job search assistance program which—

(1) is approved by the State agency,

(2) is provided by an organization qualified to provide job search assistance programs under any other Federal law, and

(3) includes—

(A) all basic employment services, such as orientation, testing, a job-search workshop, and an individual assessment and counseling interview, and

(B) additional services, such as ongoing contact with the program staff, followup assistance, resource centers, and job search materials and equipment.

(d) INTENSIVE JOB SEARCH VOUCHER.—For purposes of this section, the term "intensive job search voucher" means any voucher which entitles the organization (including the State employment service) providing the qualified intensive job search assistance program to a payment from the State agency equal to the lesser of—

(1) the reasonable costs of providing such program, or

(2) the average weekly benefit amount in the State.

SEC. 203. ADMINISTRATIVE PROVISIONS.

(a) FINANCING PROVISIONS.—

(1) PAYMENTS TO STATES.—There shall be paid to each State which enters into an agreement under section 201 an amount equal to the lesser of the reasonable costs of operating the job search assistance program pursuant to such agreement or the State's average weekly benefit amount for each individual selected to participate in the job search assistance program operated by such State pursuant to such agreement. Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) shall be used for purposes of making such payments.

(2) PAYMENTS ON CALENDAR MONTH BASIS.—There shall be paid to each State either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this subsection for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such method as may be agreed upon by the Secretary and the State agency.

(3) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(4) SPECIAL RULE.—Notwithstanding any other provision of law, amounts in the account of a State in the Unemployment Trust Fund may be used for purposes of making payments pursuant to intensive job search vouchers provided pursuant to an agreement under this title.

(b) REPORTS TO CONGRESS.—

(1) INTERIM REPORTS.—The Secretary shall submit 2 interim reports to the Congress on the effectiveness of the demonstration program carried out under this title. The 1st such report shall be submitted before the date 2 years after operations under the demonstration program commenced and the 2d such report shall be submitted before the date 4 years after such commencement.

(2) FINAL REPORT.—Not later than the date 5 years after the commencement referred to in paragraph (1), the Secretary shall submit a final report to the Congress on the demonstration program carried out under this title. Such report shall include estimates of program impact, such as—

(A) changes in duration of unemployment, earnings, and hours worked of participants,

(B) changes in unemployment compensation outlays,

(C) changes in unemployment taxes,

(D) net effect on the Unemployment Trust Fund,

(E) net effect on Federal unified budget deficit, and

(F) net social benefits or costs of the program.

(c) DEFINITIONS.—For purposes of this title, the terms "compensation", "benefit year", "State", "State agency", "State law", "base period", and "week" have the respective meanings given such terms by section 106.

TITLE III—OTHER PROVISIONS

SEC. 301. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 302. OPTIONAL BENEFITS FOR CERTAIN SCHOOL EMPLOYEES.

(a) IN GENERAL.—

(1) Subclause (I) of section 3304(a)(6)(A)(ii) of the Internal Revenue Code of 1986 is amended by striking "shall be denied" and inserting "may be denied".

(2) Subparagraph (A) of section 3304(a)(6) of such Code is amended by striking "and" at the end of clauses (iii) and (iv) and by inserting after clause (v) the following new clause:

"(vi) with respect to services described in clause (ii), clauses (iii) and (iv) shall be applied by substituting 'may be denied' for 'shall be denied', and".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply in the case of compensation paid for weeks beginning on or after the date of the enactment of this Act.

SEC. 303. EXTENDED RAILROAD UNEMPLOYMENT INSURANCE BENEFITS DURING PERIODS OF HIGH NATIONAL UNEMPLOYMENT.

(a) IN GENERAL.—For purposes of section 2(h) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(h)(2)), a "period of high unemployment" includes any month during the period November, 1991 through July, 1992.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no employee shall have an extended benefit period under the second proviso of section 2(c) of the Railroad Unemployment Insurance Act beginning before November 17, 1991, or after August 1, 1992.

(2) TRANSITION.—If an employee has established an extended benefit period under the second proviso of section 2(c) of the Railroad Unemployment Insurance Act and the last day of such extended benefit period, as established, is after August 1, 1992, such employee shall continue to be entitled to extended unemployment benefits for days of unemployment in registration periods included in such extended benefit period, provided that such employee meets the eligibility requirements of this section and the Railroad Unemployment Insurance Act.

(3) Reachback Provisions.—If an employee has exhausted that employee's rights to normal unemployment benefits under section 2(c) of the Railroad Unemployment Insurance Act after February 28, 1991, but before November 17, 1991, such employee shall, for the purposes of the application of this section, be deemed to have exhausted such rights after November 17, 1991.

(c) LIMITATION ON PAYMENT.—Extended benefits under this section shall be payable for a maximum of 65 days of unemployment, including any extended benefits payable by reason of the application of the reachback provisions.

SEC. 304. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter, the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

(b) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 305. REPORT ON METHOD OF ALLOCATING ADMINISTRATIVE FUNDS AMONG STATES.

(a) IN GENERAL.—The Secretary of Labor shall submit to the Congress, within the 12-month period beginning on the date of the enactment of this Act, a comprehensive report setting forth a proposal for revising the method of allocating grants among the States under section 302 of the Social Security Act.

(b) SPECIFIC REQUIREMENTS.—The report required by subsection (a) shall include an analysis of—

(1) the use of unemployment insurance workload levels as the primary factor in allocating grants among the States under section 302 of the Social Security Act,

(2) ways to ensure that each State receive not less than a minimum grant amount for each fiscal year,

(3) the use of nationally available objective data to determine the unemployment compensation administrative costs of each State, with consideration of legitimate cost differences among the States,

(4) ways to simplify the method of allocating such grants among the States,

(5) ways to eliminate the disincentives to productivity and efficiency which exist in the current method of allocating such grants among the States,

(6) ways to promote innovation and cost-effective practices in the method of allocating such grants among the States, and

(7) the effect of the proposal set forth in such report on the grant amounts allocated to each State.

(c) CONGRESSIONAL REVIEW PERIOD.—The Secretary of Labor may not revise the method in effect on the date of the enactment of this Act for allocating grants among the States under section 302 of the Social Security Act, until after the expiration of the 12-month period beginning on the date on which the report required by subsection (a) is submitted to the Congress.

SEC. 306. ASSISTANCE TO CERTAIN DISLOCATED WORKERS.

For the purposes of determining the programs and activities to be funded under part B of title III of the Job Training Partnership Act in program years 1991 and 1992, the Secretary of Labor shall give special consideration to providing services to dislocated workers in the timber industry in the States of Washington and Oregon.

TITLE IV—BUDGETARY PROVISIONS

Subtitle A—Emergency Treatment

SEC. 401. EFFECTIVENESS.

Notwithstanding any other provision of law or any other provision of this Act, section 402 of this Act shall take effect only if, on or before the date of the enactment of this Act—

(1) the President has not submitted to the Congress either of the written declarations described in sections 411 and 421, or

(2) the President has submitted to the Congress both of such declarations.

SEC. 402. EMERGENCY DESIGNATION.

All direct spending amounts provided by the provisions of (and amendments made by) this Act (for all fiscal years) and all appropriations authorized by the provisions of (and amendments made by) this Act (for all fiscal years, whenever appropriated) shall be treated as provisions designated as emergency requirements (for all fiscal years, whenever appropriated or otherwise enacted) by the President and the Congress under section 251(b)(2)(D)(i) or section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Subtitle B—Reductions in Foreign Aid and Other Spending

SEC. 411. EFFECTIVENESS.

Notwithstanding any other provision of law or any other provision of this Act, all of the provisions of this subtitle shall take effect only if—

(1) not later than the date of the enactment of this Act, the President submits to the Congress a written declaration of the need for reductions in foreign aid and other spending, under this subtitle; and

(2) the President has not submitted on or before such date the written declaration described in section 421.

PART I—FOREIGN AID REDUCTIONS

SEC. 412. REDUCTIONS IN FOREIGN AID.

(a) IN GENERAL.—Notwithstanding any other provision of law, the discretionary spending limits under section 601(a)(2) of the Congressional Budget Act of 1974 (as adjusted under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985) are decreased as follows:

(1) the discretionary spending limit with respect to fiscal year 1992 for the international category (under section 601(a)(2)(B)(ii) of the Congressional Budget Act of 1974) is decreased by $700,000,000 in new budget authority and $200,000,000 in outlays;

(2) the discretionary spending limit with respect to fiscal year 1993 for the international category (under section 601(a)(2)(C)(ii) of such Act) is decreased by $2,900,000,000 in new budget authority and $1,600,000,000 in outlays;

(3) the discretionary spending limit with respect to fiscal year 1994 for the discretionary category (under section 601(a)(2)(D) of such Act) is decreased by $712,000,000 in new budget authority and $948,000,000 in outlays; and

(4) the discretionary spending limit with respect to fiscal year 1995 for the discretionary category (under section 601(a)(2)(E) of such Act) is decreased by $604,000,000 in outlays.

(b) PROHIBITED REDUCTIONS.—None of the reductions required under this section shall be achieved through reduction of—

(1) domestic discretionary spending; or

(2) assistance to the Camp David Accord countries, in recognition of the fragile, ongoing efforts to achieve peace in the Middle East.

PART II—COLLECTION OF NONTAX DEBTS

SEC. 413. PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES.

(a) IN GENERAL.—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1991.

PART III—GUARANTEED STUDENT LOANS

SEC. 414. CREDIT CHECKS; COSIGNERS.

(a) IN GENERAL.—Section 427(a)(2)(A) of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), hereafter in this part referred to as "the Act", is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

SEC. 415. BORROWER INFORMATION.

(a) IN GENERAL.—Section 427 of the Act is amended by adding at the end thereof the following new subsection:

"(d) BORROWER INFORMATION.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) CONFORMING AMENDMENT.—Section 428 of the Act is amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any.".

SEC. 416. ADDITIONAL BORROWER INFORMATION.

Section 485(b) of the Act is amended—

(1) by striking the subsection heading and inserting "EXIT COUNSELING FOR BORROWERS; BORROWER INFORMATION.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 417. CONFESSION OF JUDGMENT.

Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V), by striking "and" at the end thereof;

(2) in subparagraph (W), by striking the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

SEC. 418. WAGE GARNISHMENT.

(a) IN GENERAL.—Part G of title IV of the Act is amended by inserting immediately following section 488 the following new section:

"SEC. 488A. WAGE GARNISHMENT REQUIREMENT.

"(a) GARNISHMENT REQUIREMENTS.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) HEARING REQUIREMENTS.—A hearing described in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) NOTICE REQUIREMENTS.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) DEFINITION.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) CONFORMING AMENDMENTS.—

(1) Section 428E of the Act is repealed.

(2) Paragraph (6) of section 428(c) of the Act is amended—

(A) in clause (ii) of subparagraph (A), by striking "(subject to subparagraph (D) of this paragraph)"; and

(B) by striking subparagraph (D).

SEC. 419. DATA MATCHING.

Part G of title IV of the Act is further amended by adding at the end thereof the following new section:

"SEC. 492. DATA MATCHING.

"(a) INFORMATION.—

"(1) IN GENERAL.—The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) PROVISION OF INFORMATION TO A GUARANTY AGENCY.—The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b) REQUESTS FOR INFORMATION.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2) TRANSMITTAL.—(A) If such information is found, the individual shall, in conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of this information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3) COSTS AND FEES.—(A) The reasonable costs incurred by any such agency of the United States in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.".

SEC. 420. HIGHER EDUCATION TECHNICAL AMENDMENTS.

Subsection (c) of section 3 of the Higher Education Technical Amendments of 1991 (Public Law 102-26) is amended by striking "that are brought before November 15, 1992".

Subtitle C—Alternative Financing Provisions

SEC. 421. EFFECTIVENESS.

Notwithstanding any other provision of law or any other provision of this Act, all of the provisions of this subtitle and the provisions of parts II and III of subtitle B shall take effect only if—

(1) not later than the date of the enactment of this Act, the President submits to the Congress a written declaration of the need for the financing provisions under this subtitle, and

(2) the President has not submitted on or before such date the written declaration described in section 411.

SEC. 422. EXTENSION OF FUTA SURTAX.

Section 3301 of the Internal Revenue Code of 1986 (relating to rate of unemployment tax) is amended—

(1) by striking "1995" in paragraph (1) and inserting "1996", and

(2) by striking "1996" in paragraph (2) and inserting "1997".

SEC. 423. MODIFICATION TO INDIVIDUAL ESTIMATED TAX REQUIREMENTS.

(a) General Rule.—Paragraph (1) of section 6654(d) of the Internal Revenue Code of 1986 (relating to amount of required installments) is amended by adding at the end thereof the following new subparagraphs:

"(C) Limitation on use of preceding year's tax.—

"(i) In general.—In any case to which this subparagraph applies, clause (ii) of subparagraph (B) shall be applied as if it read as follows:

" '(ii) the greater of—

" '(I) 100 percent of the tax shown on the return of the individual for the preceding taxable year, or

" '(II) 90 percent of the modified current year tax (determined by only taking into account the adjustment set forth in clause (i) of subparagraph (D)).'

"(ii) Cases to which subparagraph applies.—This subparagraph shall apply if—

"(I) the modified current year tax exceeds the tax shown on the return of the individual for the preceding taxable year by more than $10,000 ($5,000 in the case of a separate return for the current year by a married individual),

"(II) the adjusted gross income for the current year exceeds $75,000, ($37,500 in the case of a married individual filing a separate return) and

"(III) the taxpayer has made a payment of estimated tax (determined without regard to subsection (g) and section 6402(b)) with respect to any of the preceding 3 taxable years (or a penalty is assessable under this section for a failure to pay estimated tax with respect to any of such 3 preceding taxable years).

"(iii) May use preceding year's tax for first installment.—This subparagraph shall not apply for purposes of determining the amount of the 1st required installment for any taxable year. Any reduction in an installment by reason of the preceding sentence shall be recaptured by increasing the amount of the 1st succeeding required installment (with respect to which the requirements of clause (iv) are not met) by the amount of such reduction.

"(iv) Annualization exception.—This subparagraph shall not apply to any required installment if the individual establishes that the requirements of subclauses (I) and (II) of clause (ii) would not have been satisfied if such subclauses were applied on the basis of—

"(I) the annualized amount of the modified current year tax determined under rules similar to the rules of paragraph (2)(B)(i) and by assuming that all items referred to in clause (i) of subparagraph (D) accrued ratably during the current year, and

"(II) the annualized amount of the adjusted gross income for months in the current year ending before the due date for the installment.

Any reduction in an installment under the preceding sentence shall be recaptured by increasing the amount of the 1st succeeding required installment (with respect to which the requirements of the preceding sentence are not met) by the amount of such reduction.

"(v) Sole penalty.—No criminal or civil penalty (other than that imposed by this section) shall be imposed solely by reason of failing to meet the requirements of this section in a case to which this subparagraph applies if the individual made required installments on the basis of 100 percent of the tax shown on the return of the individual for the preceding taxable year.

"(vi) Cost-of-living adjustments.—

"(I) In general.—If the cost-of-living amount for any calendar year is equal to or greater than $2,500, then the dollar amounts under clause (ii)(I) (as previously adjusted under this clause) for any taxable year beginning in any subsequent calendar year shall be increased by $2,500 ($1,250 in the case of the dollar amount applicable to married individuals filing separate returns).

"(II) Cost-of-living amount.—The cost-of-living amount for any calendar year is the excess (if any) of $10,000, increased by the cost-of-living adjustment for such calendar year, over the dollar amount in effect under clause (ii)(I) for taxable years beginning in such calendar year for individuals other than married individuals filing separate returns.

"(III) Cost-of-living adjustment.—For purposes of this clause, the cost-of-living adjustment for any calendar year shall be determined in the same manner as under section 1(f)(3), except that '1991' shall be substituted for '1989' in subparagraph (B) thereof.

"(D) Modified current year tax.—For purposes of this paragraph, the term 'modified current year tax' means the tax shown on the return for the current year determined with the following modifications:

"(i) All pass-thru items of an S corporation or partnership shown on the return for the current year shall be treated as identical to the amount of such items shown on the return for the preceding taxable year.

"(ii) The amount of any gain from any involuntary conversion (within the meaning of section 1033) which is shown on the return for the current year shall be disregarded.

In the case of a 10-percent owner, clause (i) shall not apply.

"(E) Other definitions and special rules.—For purposes of this paragraph—

"(i) Current year.—The term 'current year' means the taxable year for which the amount of the installment is being determined.

"(ii) Pass-thru items.—The term 'pass-thru item' means any item of income, gain, loss, deduction, or credit attributable to an interest in a partnership or S corporation. Such term shall not include any gain or loss from the disposition of an interest in an entity referred to in the preceding sentence.

"(iii) 10-percent owner.—The term '10-percent owner' means—

"(I) in the case of an S corporation, an individual who owns 10 percent or more (by vote or value) of the stock in such corporation, and

"(II) in the case of a partnership, an individual who owns 10 percent or more of the capital interest (or the profits interest) in such partnership, or who is a general partner.

"(iv) Special rule.—If no return is filed for the current year, any reference in this subparagraph or subparagraph (C) or (D) to an item shown on the return for the current year shall be treated as a reference to the actual amount of such item for such year.

"(v) Marital status.—Marital status shall be determined under section 7703."

(b) Technical Amendments.—

(1) Subparagraph (C) of section 6654(i)(1) of such Code is amended to read as follows:

"(C) the amount of such installment shall be equal to the required annual payment determined under subsection (d)(1)(B) by substituting '66 2/3 percent' for '90 percent' and without regard to subparagraph (C) of subsection (d)(1), and".

(2) Subparagraph (A) of section 6654(j)(3) of such Code is amended by inserting before the period at the end thereof the following: "and subsection d(1)(C)(iii) shall not apply".

(3) Paragraph (4) of section 6654(l) of such Code is amended by striking "subsection (d)(2)(B)(i)" and inserting "paragraphs (1)(C)(iv) and (2)(B)(i) of subsection (d)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

Subtitle D—General Budgetary Provisions

SEC. 431. EXEMPTION FROM SEQUESTRATION AND CONSIDERATION.

(a) No Sequestration of Unemployment Compensation.—Notwithstanding any other provision of law, payments (including budget authority and outlays for administrative expenses incurred in connection with this Act) under titles I, II, and III of this Act (relating to emergency unemployment compensation) shall be exempt from any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Consideration of Amounts.—All receipts and direct spending amounts provided by the provisions of (and amendments made by) this Act (for all fiscal years) and all appropriations authorized by the provisions of (and amendments made by) this Act (for all fiscal years, whenever appropriated) shall be counted as zero for all purposes under the Balanced Budget and Emergency Deficit Control Act of 1985 and for the purposes of all points of order under the Congressional Budget Act of 1974, except that such amounts shall be considered for purposes of—

(1) construction of the baseline for the President's budget and the congressional budget under section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985; and

(2) adjustment of the maximum deficit amount under subsection (c).

(c) Adjustment of Maximum Deficit Amounts.—

(1) President's budget.—When the President submits the budget for fiscal years 1993, 1994, and 1995, in addition to any adjustments required by section 253 of the Balanced Budget and Emergency Deficit Control Act of 1985, the maximum deficit amounts for the budget year and all outyears through fiscal year 1995 (under section 601(a) of the Congressional Budget Act of 1974) shall be adjusted to reflect up-to-date reestimates of the effects on the deficit of the provisions of (and amendments made by) this Act (including budget authority and outlays for administrative expenses incurred in connection with this Act).

(2) Calculation.—The required increase or decrease under this subsection shall be calculated so that the maximum deficit amount shall be increased by the amount by which the provisions of (and amendments made by) this Act increase the deficit and the maximum deficit amount shall be decreased by the amount by which the provisions of (and amendments made by) this Act decrease the deficit.

(d) Definition.—For the purposes of this title, the term "administrative expenses incurred in connection with this Act" means an amount of $160,000,000 (in both budget authority and outlays) in fiscal year 1992, and includes amounts appropriated to implement section 303 of this Act, relating to the Advisory Council on Unemployment Compensation.

Mr. SASSER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AKAKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SARBANES). Without objection, it is so ordered. The Chair recognizes the Senator from Hawaii.

HAWAII: STRANGERS IN PARADISE

Mr. AKAKA. Mr. President, I wish to bring to my colleagues' attention the premiere of a National Geographic special. I invite my colleagues, their families, and staff to tune in to PBS next Wednesday evening, November 13, and watch a remarkable documentary titled "Hawaii: Strangers in Paradise."

I have stood on this floor before, and I imagine I will again, to point out the plight of Hawaii's endangered plants and wildlife. "Strangers in Paradise" showcases the extremely fragile ecosystem of the Hawaiian Islands and discusses, for the first time before a nationwide audience, the biological emergency facing Hawaii.

I would also invite my colleagues to take a look at a report recently released by the U.S. Fish and Wildlife Service, the Hawaii Department of Land and Natural Resources, and the Nature Conservancy of Hawaii. This report is the first comprehensive inventory of Hawaii's flora and fauna and their habitat. The picture it paints is astonishing—and tragic.

Mark Twain once called the Hawaiian Islands the most lovely fleet of islands to lie anchored in any ocean. These islands are also the most isolated anywhere in the world—a fact which explains how Hawaii has come to host 10,000 native animal and plant species found nowhere else in the world.

And yet in spite of its stunning beauty and agreeable climate, Hawaii stands at the edge of an ecological abyss. Hawaii represents just two-tenths of 1 percent—0.2 percent—of the country's land mass, but accounts for more than 70 percent of the Nation's extinctions and more than one-quarter of its rare and endangered birds and plants. Indeed, Hawaii has the dubious honor of being known as the extinction capital of the world. It is a desperate battleground where the fight for survival is waged every day, and numerous plant and wildlife species are barely hanging on. Countless others have altogether disappeared.

Today's editions of the Christian Science Monitor and USA Today chronicle the plight of Hawaii's environment. In its lead sentence, the Monitor has accurately summarized Hawaii's problem as follows: "The Hawaiian Islands, home to 10,000 native animal and plant species found nowhere else on Earth—and the only tropical rain forests on United States soil—face a state of biological emergency."

The term "biological emergency" is not an overstatement. What Hawaii needs is an environmental call to arms.

Long before the first Polynesians came to Hawaii, nature was populating our islands at a very slow pace. Only an occasional insect or spore borne on the jet stream, or a bird blown off its migratory course, reached Hawaii. Sometimes these birds carried a plant seed in their feathers or droppings. But because Hawaii is 2,500 miles from any major land mass, such arrivals were a very rare event. Only once every 100,000 years did a new species successfully navigate the ocean or wind currents and establish itself. And because the introduction of new species proceeded so gradually, Hawaii's fragile tropical ecosystem had the time to adapt to these new visitors.

Now, all that has changed. When Europeans began to venture to Hawaii in the late 1770's, the introduction of new species accelerated dramatically. Whereas prior to the arrival of man only a single new species established itself every 100,000 years, today dozens reach our shores annually. Most of these alien species prey on native birds, plants, and insects, leaving a widening trail of biological decline and extinction.

Nearly 7 million people visit Hawaii each year, but the plight of Hawaii's threatened and endangered species is difficult to appreciate unless they travel to remote tropical habitats as I have. That is a unique and humbling experience, Mr. President, and perhaps the example of one of Hawaii's endangered species can give you some appreciation of how the struggle for survival is fought each day.

This morning's edition of USA Today tells the story of the 'o'o bird, and I would like to read a short passage from the article:

> A century ago, the Kauai 'o'o was a common little black bird whose songs echoed through the Hawaiian island swamps. But disease, probably carried by mosquitoes introduced to Hawaii by settlers, dwindled its numbers to just 12 in 1960 and two in 1981. Scientists watched the last known 'o'o in Kauai's Alakai wilderness build a nest each year and sing to attract a mate that never came. Then that songster disappeared in 1989.

The 'o'o may have sung its last verse. And unfortunately, the 'o'o is not alone. In Hawaii, we are witnessing the biological demise of countless plant and animal species that we, as humans, ultimately depend upon for our existence. Scientists estimate that humans rely on native organisms for nearly 75 percent of today's medicines and pharmaceutical products. With each passing day and with every new extinction, we lose more and more of the genetic material that could unlock a new cancer cure or provide the next generation of antibiotics. The profound concern I am addressing today relates to the ability of our race to survive and prosper.

Mr. President, I am ashamed of this terrible destruction and needless loss and even more ashamed of our Government's lack of will and action. In the Book of Genesis, God gave man dominion over the creatures of the earth, sea, and air. I fear mankind has broken this trust and not fully appreciated this gift, and we are about to reap the consequences.

But I am pleased that private, State, and Federal efforts have coalesced to produce this report entitled, "Hawaii's Extinction Crisis: A Call to Action." Despite the bleak picture painted by the report, it also points to a 10-point plan of action. The plan calls upon us to protect essential habitat for native species; provide stable and sufficient funding; create incentives for private landowners to protect endangered species and ecosystems on their property; halt the introduction of foreign pest species; strengthen conservation laws; increase scientific research and training; and raise public awareness.

These 10 points are essential to the recovery of Hawaii's ecological treasures. During the second session of the 102d Congress, I intend to propose legislation to implement this 10-point plan. During this first session, I have already taken action through a series of bills to address the threat of the brown tree snake, which has already caused the extinction of nine bird species in Guam. And I have held related hearings. But much, much more needs to be done.

Critics and naysayers will no doubt say, Why is this so important? Why should we care if an endangered snail or fern disappears? What difference does it make?

The point of all this, Mr. President, is not about one endangered bird or a threatened plant. The point is human survival and our role as caretakers of the Earth. Lose a bird or a plant species, and the planet will no doubt survive. But lose 100 or 1,000 species, then the planet grows ill and ecosystems come crashing down like a fragile house of cards. And if the Earth is no longer fit for animals to live upon, surely it will not be fit for humans, either.

Mr. President, I ask unanimous consent that a copy of today's Christian Science Monitor and USA Today articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, November 7, 1991]

HAWAIIAN ISLANDS FACE EXTENSIVE ECOLOGICAL PERIL

(By Daniel B. Wood)

The Hawaiian Islands, home to 10,000 native animal and plant species found nowhere else on earth—and the only tropical rain forests on United States soil—face a state of biological emergency.

A decade of private, state, and federal efforts have coalesced with the first comprehensive inventory of birds, plants, fish, animal life and habitat since statehood (1959). Due for release tomorrow, the new report by the US Fish and Wildlife Service, the Hawaii Department of Land and Natural Resources, and Natural Resources, and The Nature Conservancy of Hawaii includes several dire conclusions:

Nearly two-thirds of Hawaii's original forest cover has been lost, including 50 percent of vital rain forests. Ninety percent of lowland plains, once forested, have been destroyed.

Of 140 listed species of native birds, only 70 remain, 33 of which are endangered. Eleven more are beyond recovery.

As of this month, 37 Hawaiian plant species were federally listed as endangered. Within two years, 152 more will be proposed. Among the state's rarest plants are 93 species with no more than 100 known individual plants—including trees, shrubs, vines, herbs, and ferns. At least five species have been reduced to one individual.

"These three organizations have come together in the recognition that with all that has been and is being done, we are losing the battle," says Michael Buck, administrator of the Hawaii Division of Forestry and Wildlife. "The facts are quite sobering."

The cause of the decline is twofold: 1) a cumulative effect of land conversion to agriculture, ranching, and residential use; 2) introduction of non-native species of insects and mammals.

The state is particularly vulnerable to both as the most isolated land mass on Earth.

"Until man came, these islands were lucky to get one new species every 10,000 years," says Alan Holt, director of science and stewardship for the Nature Conservancy.

The influx of feral pigs, goats, horses, and cattle began in the 1700s. A crossroads of Pacific travel and trade, the islands have seen a dramatic increase in foreign pests in the last 15 years.

"Now when a new prey is introduced, it can wreak havoc," Mr. Holt says.

Native birds have been hard hit by malaria and pox brought by mosquitoes, for instance. Brown tree snakes, which have devastated bird species on Guam, have been intercepted on flights to Hawaii six times.

The banana poka, a passion-flower vine which is kept in check in native South America by feeding insects, has no such predator in Hawaii. The vine has smothered 70,000 acres of forests on two islands and is threatening larger tracts.

Loss of forests, plants, and wildlife impact every level of the state's economy and cultural heritage.

The report chronicles the danger of losing forests that intercept and generate rainfall, protect coral beaches from siltation, and generate unique materials for clothing, textiles, ornaments, canoes, and scientific study. The islands surpass even the Galapagos Islands off South America in numbers of species evolving from a single ancestor.

At least 50 species have evolved from a single common ancestor in Hawaii.

To bring awareness to the new findings, study sponsors have adopted a 10-point action plan that includes acquiring habitat and funding long-term stewardship of publicly-owned natural areas. Networks of state, federal, and private areas are joining into mega-reserves large enough to sustain populations of endangered bird species.

"We're finding it's not enough just to set aside land in a protectorate," says Dr. Joan Canfield, a botanist with the US Fish and Wildlife Service. "It needs to be actively managed for invasive plants and animals."

Propagation programs have already started, including captive rearing in zoos and botanical gardens. The nene (Hawaiian goose) and koloa (Hawaiian duck) have been bred successfully.

Besides new attempts to halt the flow of foreign pests into Hawaii—modeled after a successful campaign in New Zealand—the groups are lobbying for further landowner incentives to protect endangered species on their properties, increased effectiveness of conservation laws, and more extensive research.

To heighten public awareness, the report is timed to precede a major National Geographic television special. Entitled "Hawaii: Strangers in Paradise," the show airs on PBS Wednesday, Nov. 13.

"This report in a sense says the sky is falling on one of the most remarkable paradises on earth," notes Kelvin Taketa, director of the Pacific Region for the Nature Conservancy. "We're hoping it can help coalesce the kind of broad-based, national support that can help reverse the trend."

[From USA Today, Nov. 7, 1991]

"SILENT EXTINCTIONS" BEFALLS HAWAII'S FLORA, FAUNA

(By Linda Kanamine)

A century ago, the Kauai 'o'o (pronounced OH-OH) was a common little black bird whose songs echoed through the Hawaiian island swamps.

But disease, probably carried by mosquitoes introduced to Hawaii by settlers, dwindled its number to just 12 in 1960 and two in 1981.

Scientists watched the last known 'o'o in Kauai's Alaskai wilderness build a nest each year and sing to attract a mate that never came. Then that songster disappeared by 1989.

Similar sagas have occurred over and over in the Aloha State—home to less than 1% of the nation's land mass, yet nearly 75% of its documented plant and animals extinctions, says a new report out today.

"There's trouble in paradise," says David Klinger of the Fish and Wildlife Service.

The status report, written with the Nature Conservancy of Hawaii and the Hawaii Department of Land and Natural Resources, heralds increasing attention to Pacific troubles, Klinger says. Next: 189 Hawaiian plants will be proposed for endangered status.

Hawaii's primeval wilderness has been overtaken by foreign plants and animals (pigs, parrots, pineapple, sugar cane, amoung others), and diseases, carried to the islands beginning 1,500 years ago first by Polynesians, then waves of Europeans and Asians.

An average 12 new species each year invade Hawaii. Scientists now are watching for the brown tree snake from Guam, a ravenous predator that eats birds and bird eggs, in otherwise snake-free Hawaii.

Today, another prime culprit is development that clears native habitat for agriculture, ranching and homes.

At least half of more than 140 bird species are extinct. Of the 70 species remaining, 33 are endangered and 11 of those already may be beyond help.

37 types of plants are on the U.S. endangered species list. Among the rarest: 93 species with fewer than 100 individual plants left. Five have just a single plant remaining.

24 species of Oahu tree snails—part of native folklore—can no longer be found.

Two-thirds of original forest cover is lost, including half of rain forests.

On Wednesday, PBS airs a National Geographic special, Hawaii: Strangers in Paradise, taking a look at the crisis.

"Our goal is to alert people," says Carol Fox of the Nature Conservancy of Hawaii. "We worry about rain forests in Brazil and tend to think ours are all right. Well they're not."

Among 10 urgent actions recommended to stern the tide of extinctions:

Buy or set aside more habitat for native species.

Offer incentives for private landowners to protect endangered species and habitat on their properties.

Stop influx of foreign pest species.

Stiffen conservation laws and penalties.

Expand intensive rescue efforts of "species on the brink" of extinction.

Environmental damage is easy to understand when the culprit is a bulldozer, Fox says.

"But when it's the silent extinction of thousands of species on beautiful Hawaii, which you always thought was paradise, it's hard to understand the urgency. If we don't do something we could lose the battle."

ORDERS FOR TUESDAY, NOVEMBER 12, 1991

Mr. MITCHELL. Mr. President, I now ask unanimous consent that when the Senate completes its business on Friday, November 8, it stand in adjournment until 10 a.m. on Tuesday, November 12; and that, when the Senate reconvenes on Tuesday, November 12, the Journal of proceedings be deemed to have been approved to date; the call of the calendar be waived; and no motions or resolutions come over under the rule; that the morning hour be deemed to have expired; that following the time for the two leaders there be a period for morning business, not to extend beyond 11 a.m., with Senators permitted to speak therein for up to 5 minutes each; and then that the Senate stand in recess from 12:30 p.m. until 2:15 p.m. on Tuesday, November 12.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

RECESS UNTIL 10 A.M. TOMORROW

Mr. AKAKA. Mr. President, if no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess as under the previous order until 10 a.m., Friday, November 8.

There being no objection, the Senate, at 8 p.m., recessed until Friday, November 8, 1991, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 7, 1991:

DEPARTMENT OF STATE

JOHN R. DAVIS, JR., OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ROMANIA.

EXECUTIVE OFFICE OF THE PRESIDENT

CHARLES TYROLER II, OF VIRGINIA, TO BE A MEMBER OF THE ADVISORY BOARD FOR CUBA BROADCASTING FOR A TERM EXPIRING OCTOBER 27, 1992, VICE JOHN R. SILBER, TERM EXPIRED.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

PAMELA J. TURNER, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 1992, VICE PRISCILLA L. BUCKLEY, TERM EXPIRED.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate November 7, 1991:

EXECUTIVE OFFICE OF THE PRESIDENT

DAVID F. BRADFORD, OF NEW JERSEY, TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS.

PAUL WONNACOTT, OF MARYLAND, TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS.

FEDERAL RESERVE SYSTEM

SUSAN MEREDITH PHILLIPS, OF IOWA, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR THE UNEXPIRED TERM OF 14 YEARS FROM FEBRUARY 1, 1984.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

AIR FORCE

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTIONS 593, 8218, 8373, AND 8374, TITLE 10, UNITED STATES CODE:

To be brigadier general

COL. RICHARD C. COSGRAVE, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.

ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. CARMEN J. CAVEZZA, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. CHARLES E. DOMINY, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. NEAL T. JACO, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. WILLIAM H. HARRISON, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. CALVIN A. H. WALLER, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS ASSISTANT JUDGE ADVOCATE GENERAL, UNITED STATES ARMY AND FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 3037:

To be assistant judge advocate general

To be major general

BRIG. GEN. ROBERT E. MURRAY, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624:

To be permanent major general

BRIG. GEN. DAVID A. BRAMLETT, [redacted] U.S. ARMY.

BRIG. GEN. RICHARD A. BEHRENHAUSEN, [redacted] U.S. ARMY.

BRIG. GEN. JOHN A. LEIDE, [redacted] U.S. ARMY.

BRIG. GEN. ROBERT D. ORTON, [redacted] U.S. ARMY.

BRIG. GEN. JAMES R. HARDING, [redacted] U.S. ARMY.

BRIG. GEN. FREDERICK E. VOLLRATH, [redacted] U.S. ARMY.

BRIG. GEN. RICHARD F. KELLER, [redacted] U.S. ARMY.

BRIG. GEN. JOHN C. ELLERSON, [redacted] U.S. ARMY.

BRIG. GEN. KENNETH R. WYKLE, [redacted] U.S. ARMY.

BRIG. GEN. DAVID C. MEADE, [redacted] U.S. ARMY.

BRIG. GEN. RONALD V. HITE, [redacted] U.S. ARMY.

BRIG. GEN. THOMAS M. MONTGOMERY, [redacted] U.S. ARMY.

BRIG. GEN. DANIEL W. CHRISTMAN, [redacted] U.S. ARMY.

BRIG. GEN. RICHARD E. DAVIS, [redacted] U.S. ARMY.

BRIG. GEN. JAMES M. LYLE, [redacted] U.S. ARMY.

BRIG. GEN. RICHARD G. LARSON, [redacted] U.S. ARMY.

BRIG. GEN. JOHNNIE E. WILSON, [redacted] U.S. ARMY.

BRIG. GEN. WILLIAM F. GARRISON, [redacted] U.S. ARMY.

BRIG. GEN. DEWITT T. IRBY, JR., [redacted] U.S. ARMY.

BRIG. GEN. THOMAS L. PRATHER, JR., [redacted] U.S. ARMY.

BRIG. GEN. JOHN G. COBURN, [redacted] U.S. ARMY.

BRIG. GEN. JOHN H. LITTLE, [redacted] U.S. ARMY.

BRIG. GEN. WILLIAM G. CARTER, III, [redacted] U.S. ARMY.

BRIG. GEN. WESLEY K. CLARK, [redacted] U.S. ARMY.

BRIG. GEN. WALTER H. YATES, JR., [redacted] U.S. ARMY.

BRIG. GEN. HUBERT G. SMITH, [redacted] U.S. ARMY.

BRIG. GEN. CHARLES W. MCCLAIN, JR., [redacted] U.S. ARMY.

BRIG. GEN. RICHARD E. BEALE, JR., [redacted] U.S. ARMY.

BRIG. GEN. PAUL E. BLACKWELL, [redacted] U.S. ARMY.

BRIG. GEN. ROBERT E. GRAY, [redacted] U.S. ARMY.

BRIG. GEN. JARED L. BATES, [redacted] U.S. ARMY.

BRIG. GEN. RICHARD F. TIMMONS, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED ARMY NURSE CORPS COMPETITIVE CATEGORY OFFICER FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be permanent brigadier general

COL. NANCY R. ADAMS, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR PROMOTION IN THE JUDGE ADVOCATE GENERAL'S CORPS, UNITED STATES ARMY, AND IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A), 624(C) AND 3037:

To be permanent brigadier general

COL. MICHAEL J. NARDOTTI, JR., [redacted] U.S. ARMY.

THE UNITED STATES ARMY RESERVE OFFICERS NAMED HEREIN FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES IN THE GRADES INDICATED BELOW, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 593(A), 3371 AND 3384:

To be major general

BRIG. GEN. RICHARD B. BURLESON [redacted]

BRIG. GEN. PAUL P. DE LA VERGNE [redacted]

BRIG. GEN. GEORGE L. GUNDERMAN [redacted]

BRIG. GEN. GENE P. HALE [redacted]

BRIG. GEN. PAUL R. LISTER [redacted]

BRIG. GEN. ROBERT L. MENIST [redacted]

BRIG. GEN. ROSS G. PICKUS [redacted]

BRIG. GEN. CLAUDE J. ROBERTS, JR. [redacted]

BRIG. GEN. JOHN E. SCULLY, JR. [redacted]

BRIG. GEN. JOHN E. SIMEK [redacted]

BRIG. GEN. RONALD E. SNEED [redacted]

To be brigadier general

COL. DALE F. ANDRES [redacted]

COL. WILLIAM E. BARRON, [redacted]

COL. THOMAS C. COLLINS, [redacted]

COL. ALAN E. DEEGAN, [redacted]

COL. GEORGE W. GOLDSMITH, JR., [redacted]

COL. JOHN M. GOSDIN, [redacted]

COL. WILLIAM B. HOBGOOD, [redacted]

COL. GEORGE O. HILLARD, III [redacted]

COL. CHARLES A. INGRAM, [redacted]

COL. AXEL A. JOHNSON, III, [redacted]

COL. JAMES C. JOHNSON, [redacted]

COL. CALVIN LAU, [redacted]

COL. DARREL W. MCDANIEL, [redacted]

COL. JAMES M. MCDOUGAL, [redacted]

COL. MARILYN J. MUSACCHIO, [redacted]

COL. JAMES H. PHILLIPS, [redacted]

COL. STEVE L. REPICHOWSKI, [redacted]

COL. HAROLD H. SHIVELY, JR., [redacted]

COL. CHARLES F. SMITH, [redacted]

COL. CARL J. TEGTMEIER, [redacted]

COL. PAUL C. BERGSON, [redacted]

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. CHARLES B. EICHELBERGER, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. ELLIS D. PARKER, [redacted] U.S. ARMY.

THE FOLLOWING NAMED ARMY MEDICAL CORPS OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be permanent brigadier general

COL. JAMES J. JAMES, [redacted] U.S. ARMY.

COL. JAMES B. PEAKE, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEN. WILLIAM G. T. TUTTLE, JR., [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

LT. GEN. JIMMY D. ROSS, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. MARVIN D. BRAILSFORD, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. WILLIAM G. PAGONIS, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. LEON E. SALOMON, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. IRA C. OWENS, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general.

MAJ. GEN. SAMUEL N. WAKEFIELD, [redacted] U.S. ARMY.

NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be admiral

VICE ADM. JEREMY M. BOORDA, [redacted] U.S. NAVY.

THE FOLLOWING OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTIONS 601 AND 5141:

To be chief of naval personnel

To be vice admiral

REAR ADM. (1H) RONALD J. ZLATOPER, [redacted] U.S. NAVY.

IN THE AIR FORCE

AIR FORCE NOMINATION OF LT. COL. SIDNEY M. GUTIERREZ, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING DONALD L MAPES, AND ENDING KENNETH D SCOTT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING BRADFORD L RIZA, AND ENDING KURT D SCHUMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING MAJ. JAMES W. BAILEY, [redacted] AND ENDING MAJ. RICHARD F. HETTINGER, [redacted] WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING MAJ. JOHN L. BAKER, [redacted] AND ENDING MAJ. THOMAS S. TUCKER, [redacted] WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING LOUIS M AYERS, JR, AND ENDING CHARLES P KIELKOPF, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING ANDREW J ADAMS, AND ENDING CARLOS R ZENDEJAS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING GARY J ABBATE, AND ENDING DON R ZISS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

AIR FORCE NOMINATIONS BEGINNING DAVID J AGEMA, AND ENDING JOHN F ULRICH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 19, 1991.

AIR FORCE NOMINATIONS BEGINNING MAJ. STEPHEN J. BITTNER, [redacted] AND ENDING MAJ. KENNETH K. HSU, [redacted] WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF OCTOBER 24, 1991.

IN THE ARMY

ARMY·NOMINATIONS BEGINNING WILLIAM C. OHL, II, AND ENDING * EMIL A. STEIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

ARMY NOMINATIONS BEGINNING CHARLES W. ANDRES, AND ENDING CYNTHIA TRUJILLO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

ARMY NOMINATIONS BEGINNING ROBERT D. JORDAN, AND ENDING GERALD P. RUDD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

ARMY NOMINATIONS BEGINNING PAUL D. AMOS, AND ENDING PATRICIA B. WISE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

ARMY NOMINATIONS BEGINNING RACHEL A. ADDISION, AND ENDING THEODORE W. SLONE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

ARMY NOMINATIONS BEGINNING FLORA T. ABUEVA, AND ENDING CRAIG W. WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

ARMY NOMINATIONS BEGINNING CURTIS T. ANDERSON, AND ENDING FRAN W. WALTERHOUSE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

ARMY NOMINATIONS BEGINNING MARK D. AHNER, AND ENDING LARRY J. DUBOSE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 25, 1991.

ARMY NOMINATIONS BEGINNING JOHNNY R. ABBOTT, AND ENDING 443A, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF OCTOBER 24, 1991.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING SCOTT W. EVANS, AND ENDING FRANK E. ZEIGLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

MARINE CORPS NOMINATIONS BEGINNING WILLIAM B. BOHN, AND ENDING ROBERT A. VOJTIK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 19, 1991.

MARINE CORPS NOMINATIONS BEGINNING LAURENCE FARNEN, JR., , AND ENDING WILLIAM D. YORK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF OCTOBER 22, 1991.

IN THE NAVY

NAVY NOMINATIONS BEGINNING DAVID M. HARLAN, AND ENDING DAVID LEIVERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

NAVY NOMINATIONS BEGINNING MATTHEW A. LISOWSKI, AND ENDING SHARON N. HIRAKO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

NAVY NOMINATIONS BEGINNING RANDALL SCOTT BUTLER, AND ENDING MICHAEL LEE THOMPSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF SEPTEMBER 11, 1991.

NAVY NOMINATIONS BEGINNING HUGH L. MIDDLETON, AND ENDING MILES L. WILHELM, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF OCTOBER 22, 1991.

NAVY NOMINATION OF MICHAEL ALLEN BAKER, U.S. NAVY, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF OCTOBER 24, 1991.

EXTENSIONS OF REMARKS

SUPPORT FOR PROPOSED LAND EXCHANGE

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. SKEEN. Mr. Speaker, on November 1, 1990, I signed a letter to Secretary of the Interior Manuel Lujan expressing support for a proposed land exchange between the Potlatch Corp. and the Federal Government. Potlatch is interested in swapping a large block of forested bottomland in Arkansas and a small strip of Idaho riverfront property for scattered federally owned timberland parcels of equal economic value in northern Idaho. I expressed the hope that "we can proceed with a legislative initiative in the upcoming Congress to carry out the exchange." A review of the considerable congressional support for this exchange may be instructive.

On September 20, 1990, Senator SIMPSON and Senator WALLOP cosigned a letter to Secretary Lujan supporting the exchange. The letter stated that "the potential acquisition of such a large continuous tract of wetlands including bottomland, which bridges the gap between two extraordinary existing wildlife refuges, in exchange for scattered woodlands in Idaho would be a rare opportunity to promote both increased efficiency in management of Federal lands and compelling environmental values." That letter followed a similar July 31, 1990 communication to the Secretary from Senator BUMPERS and Senator McClure supporting the exchange. As pointed out in the July 31, 1990 letter, "the lower White River-Cache River-Bayou Deview floodplain, which includes the Potlatch holdings, was designated as a 'Wetlands of International Importance' under the Ramsar Convention."

Additionally, Senate Appropriations Committee Report 101–534 to accompany the fiscal year 1991 Interior appropriations bill indicated that the "Committee supports the exchange proposal and urges the Department to proceed as expeditiously as possible with the necessary appraisals and other actions required to conclude the negotiations and develop appropriate legislation for congressional consideration."

The joint explanatory statement of the committee of conference to accompany the October 27, 1990 conference report on the Interior appropriations bill, H.R. 5769, stated that the "language and allocations set forth in House Report 101–789 and Senate Report 101–534 shall be complied with unless specifically addressed to the contrary in the conference report and accompanying statement of the managers."

On October 17, 1991 the joint explanatory statement of the committee of conference in the fiscal year 1992 Interior appropriations bill gave fresh and renewed emphasis to the importance of the land exchange negotiations. Contained in House Report 102–256 to accompany H.R. 2686 is language by the managers as follows:

> The managers are concerned about the apparent lack of meaningful progress in negotiations between the Department and the Potlatch Corp. regarding the transfer to the Fish and Wildlife Service of wetlands owned by Potlatch in Arkansas in exchange for public lands in Idaho. The managers continue to support an equal value exchange as a means of acquiring prime wetland habitat for public use, and continue to urge the Department to proceed as expeditiously as possible with the necessary actions required to conclude the negotiations.

In light of the crystal clear congressional directives and key expressions of support, the pace of negotiations for the exchange should be quickened substantially. This is a very important environmental initiative. Enabling legislation should be enacted in this Congress. A recent summary of the exchange situation is attached to my statement:

SUMMARY OF THE PROPOSED EXCHANGE—U.S. FISH AND WILDLIFE SERVICE, POTLATCH CORP., BUREAU OF LAND MANAGEMENT

The U.S. Fish & Wildlife Service's North American Waterfowl Plan identified approximately 56,000 acres of Potlatch Corporation lands in east-central Arkansas, along the Cache and White Rivers a significant wintering habitat for migrating waterfowl. Subsequently, Potlatch and the U.S. Fish & Wildlife Service have reached an agreement in concept for offering Potlatch's Arkansas land to the Fish & Wildlife Service in exchange for federal timberland of equal value in northern Idaho.

Under the agreement, BLM land transferred to Potlatch in northern Idaho would be located outside of designated BLM management areas. In addition, approximately 8,500 acres of BLM lands within the Grandmother Mountain, Marble Creek and Lemonade Peak areas would be transferred to the Forest Service in exchange for the transfer of Forest Service lands of equal value to Potlatch. Additional three-way exchanges involving BLM and Forest Service will be structured as necessary to balance exchange values.

As part of the exchange agreement, Potlatch would convey to the Forest Service approximately 640 acres of Potlatch inholding in the Grandmother Mountain area. In addition, Potlatch would convey to the BLM approximately 900 acres in the Rochat Divide Management Area, 240 acres in the Lolo Creek Management Area and portions of Potlatch's 30 miles of abandoned railroad right-of-way along the St. Joe river.

GENERAL SUPPORT FOR THE EXCHANGE

Arkansas: there is strong local support from the Arkansas Game and fish Commission, the Governor, local politicians, community leaders, the Arkansas Heritage Commission, Nature Conservancy and other conservation groups.

Idaho: the concept of the exchange has support from the Idaho Department of Lands, the Idaho Panhandle National Forest, other forest industry and local and state politicians. In addition, Potlatch has described the proposal to several conservation groups, including The Wilderness Society, Idaho Conservation League, The Nature Conservancy of Idaho, Sierra Club and several wildlife organizations. Groups who have heard the details of the plan have identified no negative Idaho impacts. Potlatch has also contacted and received support from the Clearwater Resource Coalition and the St. Joe Valley Association.

HOW WILL IT HAPPEN?

Congressional Action: Complex intra-agency exchanges such as this must be facilitated by specific federal legislation. Hence, the support of Congressional delegations of Arkansas and Idaho is essential. A first step was taken in July of 1990 with a letter, jointly signed by Senators Dale Bumpers of Arkansas and James McClure of Idaho, advising Interior Secretary Manuel Lujan of their support for the exchange and urging him to facilitate the exchange within his department. A further step was taken during the fall of 1990 when the Senate Interior Committee included the following in its report on the Interior Appropriations bill:

"The Committee is aware of ongoing negotiations between the Department (Fish & Wildlife) and the Potlatch Corporation regarding the transfer to the Fish & Wildlife Service lands owned by Potlatch in Arkansas in exchange for public lands of equal value in Idaho. Such an exchange will ultimately require congressional approval. The Committee supports the exchange proposal and urges the Department to process as expeditiously as possible with the necessary appraisals and other actions required to conclude the negotiations and develop appropriate legislation for congressional consideration."

Agency Action: the Forest Service and Fish and Wildlife Services are engaged in appraising and screening various land parcels identified as candidates for trade. BLM lands selected to date have been further screened through the Idaho Heritage Program to determine if any environmental sensitivity exists.

APPRAISALS

Appraisals are being conducted in Arkansas and Idaho by independent appraisers. Potlatch has no input to the appraisal process.

The appraisal will proceed in two phases. Phase I identifies primarily BLM lands within Potlatch's operating region. If sufficient value isn't identified in Phase I, Potlatch may select additional lands north of Coeur d'Alene and south of the Salmon River, with plans of effecting other exchanges to move back into the company's operating areas. Selection and appraisal of USFS lands will also occur during the second phase.

NEPA

In compliance with the National Environmental Policy Act (NEPA), a full environmental review of the proposed action will be completed. Included in the NEPA requirements are opportunities for public input. Multiple public meetings will be held in North Idaho.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ADVANTAGES

Aside from providing wetlands in Arkansas as desired by the U.S. Fish & Wildlife Service, a prime advantage of the exchange is that it allows the Forest Service to block up its ownership where it is intermingled with BLM lands. In addition, Potlatch's conveying portions of the railroad right-of-way along the St. Joe River to BLM will allow that agency to develop recreational facilities and enhance the value of that area for public use. BLM lands transferred to Potlatch will be open to the public for traditional forest recreation use. Furthermore, the established working relationship between Potlatch and the Idaho Fish and Game Department will incorporate wildlife considerations into the management of the acquired lands. Potlatch intends to continue to allow public access to its 620,000 acres in northern Idaho.

ORGANIZATIONS/INDIVIDUALS CONTRACTED

Idaho Wildlife Federation, District I Chairman Kent Henderson.
Idaho Wildlife Council.
Wilderness Society, Craig Gehrke.
Idaho Conservation League, Mike Medberry.
The Nature Conservancy of Idaho, Mark Elsbree.
Sierra Club, Don Crawford/Dennis Baird.
Clearwater Resource Coalition.
St. Joe Valley Association.
Idaho Dept. of Fish & Game, Jerry Conley.
Idaho Ducks Unlimited.
Office of the Governor, Andy Bruneel.
Bureau of Land Management, Coeur d'Alene.
Idaho Panhandle National Forest.
Coeur d'Alene Tribe.
Nez Perce Tribe.
Senator Larry Craig.
Congressional Larry LaRocco.
Idaho Dept. of Public Lands.
County Commissioners in the following Counties: Boundary, Bonner, Kootenai, Shoshone, Benewah, Latah, Clearwater, and Idaho.

JOSEPH "GUS" GUZINSKI: HONORED FOR LOYAL SERVICE

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. PENNY. Mr. Speaker, any list of prominent Democrats in southeastern Minnesota would have to include the gentleman being honored by the Olmsted County Democratic-Farmer-Labor Party this weekend for many years of devoted service.

Joseph "Gus" Guzinski of Rochester, MN, epitomizes the strength of political activism in Michigan. Never seeking the limelight for himself, he is content to play an active role behind the scenes. Gus was born into politics some 65 years ago, following in the footsteps of his father, who was involved in the Democratic Party and in the merger that became the Minnesota DFL.

Gus is being recognized for 25 documented years of service as Olmsted County DFL treasurer, although his party activity "predates recorded history," at least in county circles. In these years as county treasurer, he's become known not only as a sharp man with the figures but as one of the most politically astute individuals in our State. His down-to-earth advice and impeccable honesty are well known and deeply appreciated by all of us who have come under Gus's political tutelage.

Gus is very generous to his friends and allies and displays tremendous loyalty on all fronts. He's quietly provided support—both financial and advisory—to many candidates in our area.

As I mentioned, he is known for his keen political judgment. Some may have questioned his wisdom when, in 1982, he took a chance on a relatively unknown and untested young man from New Richland who was running for Congress. Gus knew that no Democrat had represented southeastern Minnesota in Congress in 92 years, so the eager young man was truly a long shot. I was pleased and humbled when Gus stepped forward to give me his backing during that campaign. His support meant a lot to me then and means even more to me now after 9 years of his friendship.

Gus is also known for his quick wit, his forthrighteness and dedication to the Democratic Party. Perhaps he shares the belief of Will Rogers, who said: "You've got to be an optimist to be a Democrat, and you've got to be a humorist to stay one." Goodness knows, being a Democrat in the First District all these years required plenty of optimism and humor, not to mention persistence and perseverance.

I am proud to join his many friends throughout Minnesota, his children, Joe Guzinski, Jr., and Cheri Clark of Rochester, and his three grandchildren in saluting Joe "Gus" Guzinski. It's folks like Gus who really give strength to our political system. Congratulations to Gus on a job well done.

CONCEPT HOUSE OPENS NEW DRUG REHABILITATION CENTER FOR COCAINE MOTHERS AND THEIR AT-RISK NEWBORNS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, Concept House in Miami, is a nonprofit organization that provides rehabilitation and recovery services for chemically dependent adults. Concept House has initiated a new program to decrease the number of cocaine addicted mothers and protect their at-risk newborns. The Concept House Day Care Program helps the mothers of newborn babies to remain drug free and to properly care for their children.

The program will be located in a special facility which will house 16 mothers and their children and provide 6 months of intensive treatment. While these mothers attend the day care program, they will benefit from special classes which help them successfully adapt to motherhood and a drug-free lifestyle.

The funds for the purchase of the building, as well as funding for the program, has been provided by grants received from the Florida Health and Rehabilitative Services, Alcohol, Drug Abuse, and Mental Health Agency. Capital Bank also plays an important role in providing permanent financing for the project.

I would like to recognize the leadership of Ms. Polly E. Jones, the executive director of Concept House, for her efforts to make this much needed program possible. Ms. Jones has helped develop a drug treatment program that targets women's special needs, an approach often overlooked. I am confident that the efforts of Concept House will become a model in caring for addicted pregnant women and mothers in south Florida.

NEW HOPE FOR PEACE IN THE MIDDLE EAST

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. LEVINE of California. Mr. Speaker, two recent articles by prominent Middle East scholars leave reason to believe that peace in the Middle East is attainable. In their articles, Andrei Shoumikhin and Steven L. Spiegel, "Don't Give Up Hope Yet," New York Times, November 4, 1991, and Martin Indyk, "Taking Baby Steps Into a Brave New World," The Los Angeles Times, November 5, 1991, cite several factors, most significant of which is the end of the cold war, why there is cause for optimism about the prospects for peace in the post-Madrid Middle East.

The combination of Palestinian pragmatism, Syrian isolationism, Shamir's acceptance of the process and American influence and leverage over the regional players all work in favor of a positive outcome to the 43-year-old Arab-Israeli conflict. While it will take time to overcome the many obstacles to peace, particularly the continuing intransigence that characterizes the regime of Hafez al-Assad, the Madrid conference has demonstrated that our efforts may not be in vain.

I strongly urge my colleagues to review these refreshing and insightful articles.

[From the New York Times, Nov. 4, 1991]

DON'T GIVE UP HOPE YET

(By Andrei Shoumikhin and Steven L. Spiegel)

LOS ANGELES.—Imagine a Mideast peace conference in which tough proponents of the Arab and Israeli causes find themselves transformed by meetings with one another. What if they are soon enjoying cordial dinners and kissing each other on the cheek—developing ties they did not think were possible?

Picture a conference where a former radical Palestinian says at a closing dinner: "I have learned so much. I need to learn much more." And an Israeli right-winger comments, with tears in his eyes, "The Arabs and Israelis understand the Middle East, not you Americans and Soviets."

You don't believe it? Well, this did not happen in Madrid, but it did occur in Moscow a week ago when Arab, Israeli, Western and Soviet experts met for four days under the auspices of the Institute on Global Conflict and Cooperation of the University of California and the U.S.A.-Canada Institute in Moscow to discuss Middle East initiatives. We were the meeting's cochairmen. There were no idealists at these sessions, which consisted not of official negotiators but of scholars simulating peace talks. In Palestinian-Israeli and Syrian-Israeli dialogues, the disagreements sounded like debates of government officials.

Despite these differences, the chemistry worked and incredible events followed. Because the Soviet and American sponsors were in complete agreement, their cooperation was contagious for both Arabs and Israelis. The Mideast players were forced to communicate in ways impossible during the cold war when it was tempting to play Washington and Moscow against each other.

The experts in Moscow agreed that the new Arab-Israeli peace process should begin with a declaration of principles on procedures, covering matters like the commitment to negotiate continuously and to deal in good faith with the aim of resolving outstanding issues. The participants stressed that once agreement was reached on procedures, it could create a precedent for later accords, averting the need to start all over again. An Arab delegate argued: "Don't insult us. Don't just deal as Americans and Israelis always do with only technicalities or tactics."

To take advantage of the early positive atmosphere, participants were encouraged to take on difficult issues such as arms control, economic cooperation and negotiating procedures.

Then the shocks began. The Arabs and Israelis took a common approach on specific issues and opposed the stands of the great powers. For example, the Mideast participants argued that foreign aid was critical to the peace process and that economic reforms could not be pressed too strongly during the delicate adjustment period—positions at odds with the U.S., European and Soviet view. Mideast players also voiced support for a moratorium on arms shipments and new arms sales to their region for the duration of the talks.

All participants agreed that talks could succeed only if difficult issues like nuclear weapons, the status of Jerusalem and the P.L.O.'s role were deferred until agreements had been reached on other matters.

Are these meetings relevant to Madrid? Yes, because they were attended by former generals and diplomats, well-placed academics and journalists with close ties to their governments. The Moscow sessions demonstrated that good faith, good cheer, good will and work on practical issues can make a difference under the right circumstances. With all the acrimony in Madrid, our experience suggests that away from the limelight, compromise is possible.

Most participants entered the Moscow meeting skeptical about the success of the Madrid conference. Despite their continued disagreement, most left Moscow at least somewhat more optimistic. An Arab admitted that he had never previously understood the variety of Israeli views; he had always thought simply of one Israel. And an Israeli hard-liner commented: "This is a scary conference; the Arabs are so likable."

[From the Los Angeles Times, Nov. 5, 1991]

TAKING BABY STEPS INTO A BRAVE NEW WORLD

(By Martin Indyk)

When Arab and Israeli delegates entered the Hall of Columns at the Madrid Peace Conference, weighed down with the baggage of their nightmarish past, they took a small step into a brave new world.

To the outside viewer, the success of this peace conference was difficult to discern. It ended in acrimonious exchanges more bitter than the opening speeches and a final admonition from "Schoolmaster of State" James A. Baker III for the failure to deal adequately with the human dimension of the conflict. It took two more days of cajoling the Syrians before the secretary of state was able to announce the commencement of direct, bilateral negotiations—the very objective of this opening spectacle.

And yet, in the end, even the recalcitrant Syrians proved willing to get away from the cameras and down to the negotiations behind closed doors. The Israeli and Jordanian-Palestinian delegations—defying Syrian objections— emerged from their initial encounter with handshakes for the cameras.

Madrid was a climactic event generated by forces set in motion by the ending of the Cold War and the defeat of Saddam Hussein. And Madrid in turn has generated four positive elements that bode well for the negotiating process begun there.

PRAGMATISM

The mere presence of Palestinians in a joint delegation, seated across the table from Israel's prime minister, was a major achievement for the Palestinians and a plus for the peace process. In five decades of conflict, the Palestinians have never shown sufficient pragmatism to secure Israeli recognition. This time they did not miss the opportunity even though it required difficult decisions and a large measure of self-restraint.

The Palestinians came to the table without the Palestine Liberation Organization, without Jerusalemites and without a settlements freeze. Their speech respected the constraints on invoking the PLO, which prevented an Israeli walkout. Of all the Arab delegates, they came closest to addressing Israel's concerns in their recognition of Israeli suffering and their appeal for coexistence. And this approach earned them a direct response from Israel's prime minister who addressed them as "our closest neighbors," stressed the importance he attached to reaching an accommodation with them and appealed to them to "join us in negotiations."

No appeal was necessary. This Palestinian pragmatism reflects their sense of weakness and urgency in the wake of the Gulf War, which discredited the PLO and undermined the intifada. And it reflects the shift in the balance of power from the Tunis-based PLO to the nationalist leadership in the territories. Madrid witnessed the partial eclipse of Yasser Arafat by Faisal Husseini and his newly empowered and legitimized team of leaders from the "inside." They have a very large stake in changing the status quo in the territories. The negotiations on interim arrangements provide them with the opportunity to end Israel's military government and take control of their own affairs. For 13 years the Palestinians had spurned this Camp David approach, but in Madrid they formally accepted it and announced their readiness to begin direct negotiations regardless of Syrian opposition.

SYRIAN ISOLATION

Madrid also revealed Syria's weakness. This was evident in the changed status of Syria's former superpower patron. As President Mikhail Gorbachev emphasized by his bizarre opening speech, the Soviet Union is preoccupied with turmoil at home and content to follow Washington's script in the Middle East.

But Syria's isolation was more starkly revealed in its manifest failure to exercise control over the positions of the other Arab parties engaged in the peace process. By the time the parties convened in Madrid, Syria had already failed to prevent other Arab states from agreeing to engage in the multilateral talks with Israel over regional issues. Twelve Arab states have now committed to these talks, including the Saudi-led Gulf Cooperation Council. As if to underscore Syria's failure, Foreign Minister Farouk Shareh's reiterated Syrian opposition, only to be publicly rebuffed by the two co-sponsors and the European and Egyptian participants.

And then, after parading before the world the crude and vicious nature of the Syrian regime, Shareh demonstrated weakness by trying, unsuccessfully, to block the commencement of bilateral talks. Syria had expected the Madrid conference to expose Israel's isolation and bring the pressure of "international legitimacy" to bear on its policies. But Shareh's style and tactics backfired dramatically. Syria, not Israel, emerged isolated, intransigent and the most uncomfortable with the new post-Cold War world.

This is Hafez Assad's worst nightmare—that he has fired the starting gun in a race in which the other Arab horses are more eager to run than his and he can no longer hold them back. Previously, he had the option of insisting, by hook or by crook, on an Arab consensus that proceeded at Damascus' pace. But now, even the Saudis, who used to do his bidding, are acting against his wishes and supporting a new Arab consensus that abandons Assad to the choice of being left behind or striving to catch up.

SHAMIR'S ENGAGEMENT

Israeli Prime Minister Yitzhak Shamir's presence at the Madrid conference table marks a personal transformation from the naysayer who blocked peace initiatives to the leader who now embraces them. Like the Palestinians, in coming to the table Shamir had to swallow much that was unpalatable to him. He did not want an international conference, he did not want the PLO associated with the process and he strongly objected to the evaluation of the Palestinian delegation to equal status. Shamir also entered the process knowing that the Bush Administration is fundamentally opposed to his most cherished beliefs—retention of Judea and Samaria and settlement of Jews there.

Yet he came to Madrid with the solid backing of the most right-wing government in Israel's history. And he leaves Madrid, after sitting stoically through excoriations and slander, still committed to "negotiating without interruption until an agreement is reached." His speech closed no doors and actually hinted at the possibility of territorial compromise if it was preceded by confidence-building measures and development of relations.

AMERICAN INFLUENCE

It is obvious that Madrid would have never occurred without the active intervention of Baker. There can be no doubt that the parties came to the table in large measure because of the "off the table" benefits that might be gained from the United States. With the end of the Cold War, the Middle East powers have lost much of their leverage over the United States. Baker now knows that the mere threat of assigning blame and walking away—as he did again over the weekend—is sufficient to introduce flexibility into previously fixed positions.

Many in America wonder why the United States should bother with what looks more than ever like an intractable problem when so many other pressing interests at home and abroad deserve attention. What they fail to understand, however, is that the very fact that the United States needs Middle East peace less than the parties themselves, puts us at a tremendous advantage. Arabs and Israelis now have to prove to us that they want peace if they are to secure American involvement. Put simply, they now need us more than we need them.

Madrid was hardly the transforming event that many expected. Its achievement of Arab recognition of Israel and Israeli recognition of the Palestinians was begrudging at best. Yet Madrid was a learning process for students badly in need of education. Some were quicker learners than others, but each discovered that they could make difficult compromises and still survive. And the United States, in its role a schoolmaster rather than catalyst, has proved capable of teaching each side to go beyond the constraints established by four decades of conflict and accept the previously unacceptable. The message of Madrid is faint but discernable: Middle East peace is possible.

CONGRATULATIONS TO ANDREW VOTO

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Chief Andrew Voto on the occasion of his retirement as chief of police in Lodi, NJ.

Chief Voto began his career with the Lodi Police Department after returning from military service during World War II where he served in the Pacific Theater with the U.S. Navy. He is a man dedicated to law enforcement and serving his community. Chief Voto has received a long list of awards and commendations, including being named "Cop of the Year" by the Lodi Jacyees and by the American Legion, receiving the Distinguished Service Award from the American Heart Fund Association, and being named "Man of the Year" by the Italian-American Forum.

Chief Voto initiated many innovative programs within the Lodi Police Department. Among his many accomplishments was the development of a comprehensive and advanced juvenile antidrug program in the Lodi school system. He has extensive and impressive special training in many areas of law enforcement.

Chief Voto and his wife Matilda have been married for over 40 years. They have two daughters, Louise and Andrea, and two grandchildren, Andrew and Mark. Chief Voto is a man well respected by all who know him. He has shared his time and talent, enthusiasm and energy with the town of Lodi, and I am sure he will continue to be committed to his community.

Mr. Speaker, I am proud to join in paying tribute to this exceptional man. He is among those outstanding few who truly make a difference in society.

FUNDACION ARTISTICA CUBANA AMERICANA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to recognize the Cuban-American Artistic Foundation for their celebration commemorating Cuban artists of the visual and fine arts who have passed away while living in exile. The organization celebrated a mass on the 4th of October at St. Michael's Church in Miami to honor these artists who left their country in a desperate search for freedom.

The Cuban-American Artistic Foundation is an organization created by Cuban artists in order to bring together those artists who have come from Cuba to the United States seeking liberty.

The members of the executive board of the FACA include Homero Gutierrez, president; Tito Hernandez and Carlos Irigoyen Sierra, vice presidents; Vicky Lester, secretary; Elsa Valladares, treasurer; Frank Soto Pujol, public relations. The board also includes a delegate for each of the arts, including theater, television and film actors, vocalists dancers, radio and broadcast professionals, and musicians.

Among the many interests and projects of this organization, it has created a network of possible opportunities for artists who are temporarily unemployed. They have also created a learning facility called La Case Del Artista for the benefit of new artists to develop their talents.

The foundation was established in 1986 and has organized several works since then. The latest theatrical performance, "Entre Nosotros" held at the Manuel Artime Theater on the 13th of July.

It is my hope to convey to others the dedication and commitment of those involved in their organization for the good of our community. Their work and their decision to serve the people is certainly commendable.

JOSEPH APICELLA AND THE PALENESE SOCIETY: ITALIAN-AMERICAN VALUES ENRICHING THE PEOPLE OF YONKERS

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mrs. LOWEY of New York. Mr. Speaker, I am proud to share many of the values of the Italian-American community—traditional values like a strong work ethic, love of family, respect for law and order, and reverence for this great country of ours. These values are embodied by the Palenese Society, a Yonkers-based group that works to keep alive the Italian-American spirit and all that it represents.

Tomorrow evening, the Palenese Society will hold its 81st annual dinner dance. This year's event is particularly noteworthy because the society will be paying tribute to an outstanding individual, Joseph Apicella. He is an active member of the Italian-American community and gives his all to make Yonkers a better place for all.

A graduate of the Yonkers public schools and of Mercy College in Dobbs Ferry, NY, Joe Apicella started his career in public service as an aide in the office of the Westchester County Clerk before dedicating himself to his home town as a city assessor's aide in Yonkers. He has worked for the city of Yonkers every since, moving from that first position to that of city real estate coordinator. In 1988, he moved on to the position of downtown manager, one of the most significant in city government. In the 2 years that he served in that position, he coordinated economic development programs, business recruitment, and the New York State Economic Development Zone Program. Working together with the Yonkers Police Department and the Department of Sanitation, he provided leadership to the downtown area, working hard to revitalize that all-important part of Yonkers.

A loving husband and doting father of two young children, Joe takes an active part in the civic life of his community. In addition to serving as vice president of the Palenese Society, he is a member of the Big Brothers/Big Sisters of Yonkers Board of Directors, of the Yonkers Police/Fire Memorial Committee, the St. Donato Society, and the Yonkers Brotherhood Committee. He was the grand marshal of Yonkers' Columbus Day celebration in 1987, and has served as a delegate to the Congress of Italian American Organizations, as well as a member of several professional societies.

By applying in his own life the values that the Palenese Society represents, he has made himself a success and has enriched the lives of his family, his community, and all who know him. His example reflects the strengths of this organization, and it is a privilege to join many others in paying tribute to Joseph Apicella and all of the Palenese Society's members.

THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1991

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DANNEMEYER. Mr. Speaker, today I am introducing, along with 26 of my House colleagues, the Congressional Accountability Act of 1991. Over the last few decades the belief that "the Congress can do no wrong" has taken hold in this institution. Like the English barons who joined forces at Runnymede in 1215 to challenge King John's heavy taxation and abuse of power, we are today introducing legislation that says, in effect, that the abusive reign of this Congress must end. Like the Magna Carta developed at that time, this legislation would require the Kings here on Capitol Hill to abide by the same rules and regulations that we impose on the rest of society.

Congress has exempted itself from laws that regulate the terms and conditions of employment, the health and safety of employees, and the rights and responsibilities of employers. These laws are familiar to all of us—the Social

Security Act of 1933, the National Labor Relations Act, the Fair Labor Standards Act of 1938, the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Occupational Safety and Health Act of 1970, title IX of the Education Amendments of 1972, the Rehabilitation Act of 1973, the Privacy Act of 1974, the Age Discrimination Act of 1975, the Ethics in Government Act of 1978, and the Americans With Disabilities Act of 1990.

Admittedly, the Congress has made several feeble attempts to apply these laws to itself, but these efforts have not provided congressional employees with any real protections. Congressional employees who believe they have been aggrieved under one of these laws cannot appeal their cases to Federal district court. Instead, the Congress simultaneously wears the hats of defendant, prosecutor, jury, trial judge and appeals judge and resolves all employee grievances in house. It was that sort of abuse of power—the attitude that the "King can do no wrong"—that prompted the development of the Magna Carta. Indeed, there would be outrage in the halls of this institution if we ever gave private corporations the same sort of immunity that we in the Congress have given ourselves with respect to these laws.

Our Founding Fathers, too, would be appalled at the very notion of a congressional exemption from a law relating to civil rights or the health and safety of employees. James Madison wrote in the Federalist Papers that "Congress can make no law which will not have its full operation on themselves and their friends, as well as on the great mass of society." He understood that a government that exempts itself from the laws it imposes on others will, like King John's abusive regime, quickly lose touch with the people.

Every congressional office is, in a sense, like a small business. Members pay staff according to different pay scales; we allocate resources between our Washington and district offices differently; we purchase computer systems that are unique to our individual needs. But, because we have exempted ourselves from so many laws, we never have to face the consequences of the laws we pass.

We do not have to forego certain material things or reduce our payroll as a result of complying with the Americans with Disabilities Act. Private sector entities must face that choice every day. We do not waste valuable time locked in protracted litigation over frivilous claims brought under one of these laws. Yet that has become an expensive part of doing business in this Nation. Every day businesses forego modernization or expansion because of expenses they incur under one or more of these laws. How can the Congress make intelligent decisions with respect to the impact of these rules and regulations on the private sector if we immunize ourselves from them here in Washington?

My legislation not only requires the Congress to abide by these laws, but it guarantees that employees will be able to appeal adverse outcomes in the appropriate Federal district court. The right to judicial appeal is an essential element of any attempt to make the Congress accountable to these laws.

Let's send a message to the American people that the Congress is willing to play by the same rules as the rest of society. We must acknowledge that the King can do wrong and that even the King can be held accountable for his actions.

I urge my colleagues to cosponsor my legislation.

ATLANTIS ACADEMY GIVES FRESH START TO STRUGGLING STUDENTS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Atlantis Academy which was recently featured in the Miami Herald. The article "Atlantis gives struggling kids a fresh start" by Jon O'Neill tells how the 15-year-old private school has helped students who are slow learners or have learning disabilities:

If it weren't for Atlantis Academy, 18-year-old Alex Uriarte might be just another dropout statistic.

When Alex went to Coral Park High three years ago, he was overwhelmed. He fell behind and stopped going to class, once skipping 32 days in a row. Not the stuff of which diplomas are made.

But Atlantis changed that. The school caters to kids who are slow learners or who have learning disabilities or reading handicaps. Its goal is to make school a fun and rewarding experience instead of a burden. It worked for Alex.

"Coral Park was so big, I got lost fast," he said. "After that, it was kind of pointless for me just to sit there. But here, I work at my own pace, and the teachers pay attention and are real consistent in giving me help."

Alex will graduate this year. He has set his sights on studying marine biology in college. Two years ago, college wasn't in the picture.

"I would have laughed at the idea," he said.

Atlantis, at 9600 SW 107th Ave., is full of stories like Alex's. It now has 180 students in kindergarten through 12th grade. With a 7-1 student-teacher ratio, the kids are assured of getting plenty of individual attention.

"It's like a family here," said Joy Davies, who teaches high school language arts. "We try to tap into each child's potential and find out what they're good at. We want to teach them to use their disabilities."

Atlantis was founded in 1976 by Tish Tepper, who rented space in an empty Kendall church for 35 students. The next year, Zelda Carner became a co-director of the school. The school built its first building in 1980, adding more space in 1982 and 1985.

Kids are admitted into the school based on evaluations and interviews with the student and their parents. School officials said they rarely turn anyone away. Tuition is $7,400 a year.

In class, students are divided into teams that cut across grade levels. They set at U-shaped tables, facing the teacher. Most teachers are charged with devising a curriculum to meet the needs of their classes. Few books are used. Computers are a staple in almost every room.

Students are usually involved in demonstrations that help them learn. Thursday, for instance, kids in junior and senior high classes studied math by making milkshakes from recipes.

The Atlantis approach to learning helped Chelle Bentley, an 18-year-old senior. Chelle actually did drop out of school when she lived in Lawton, Okla. She never thought she would graduate. Now, Chelle wants to study photography in college next year.

"I couldn't understand things, so my grades were bad," she said. "But here, they work with you and help you understand.

Watching students like Alex and Chelle succeed is what keeps Atlantis teachers going, Davies said. The job can be taxing at times, but the rewards are great.

"It's like saving people from drowning," Davies said. "Most of these kids just need someone to understand them."

I am happy to pay tribute to the school's founder Zelda Carner, and the staff of the Atlantis Academy by reprinting this article from the Miami Herald. The Atlantis Academy should be proud of its success in turning potential high school dropouts into potential college graduates.

INTRODUCTION OF LEGISLATION REGARDING PESTICIDE REGULATIONS

HON. CHARLIE ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. ROSE. Mr. Speaker, today, I have introduced legislation that will attempt to address inadequacies in current law that have undermined consumer confidence in pesticide regulations. The proposal that we have put forward does not represent any special interests and is an attempt to balance the often-conflicting concerns of pesticide production, food production, and consumer protection. It is a thoughtful adaptation of the seven-point food safety plan put forward by the administration during the last Congress. The bill can generally be characterized as a middle-ground approach to other food safety bills introduced this year. I agree that this proposal is not perfect, but I do believe it is the best point from which to begin debate.

Last week, the House Agriculture Subcommittee on Department Operations, Research and Foreign Agriculture conducted a hearing to review the Environmental Protection Agency's implementation of its adverse effects data program and the FIFRA reregistration program. Basically, the story revealed in the hearing read like a government bureaucrat's worst nightmare. This story followed in the tradition of a hearing we held three weeks ago on the Department of Agriculture's horrible mismanagement of the National Food Consumption Survey. In both instances, the hearings revealed that important data had been lost, misplaced, improperly submitted, improperly collected, and improperly managed. And we also have two instances of inadequate and poorly utilized databases—databases designed to ensure the safety of America's food supply.

The lead agencies on ensuring a safe food supply have not done a particularly good job of winning public confidence. And responsible regulation and public confidence are absolutely essential to avoid another damaging scare like we faced with Alar. As chairman of the House Agriculture Subcommittee on Department Operations, Research and Foreign Agriculture, it has become increasingly evident to me that diligent congressional oversight will be essential to ensure that Government administration of pertinent laws lives up to congressional and public expectations. Oversight is required; so oversight will be done.

Subcommittee hearings on this proposal are schedule to begin November 19. It is my sincere hope that all interested parties will participate in constructive dialog on the issues surrounding food safety. We have all heard the hollow food safety rhetoric many times before; it's time to move beyond this approach and to forge a responsible reform of the existing food safety laws.

EXPLANATION OF ABSENCE DURING CONSIDERATION OF BANKING REFORM BILL

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. BROWN. Mr. Speaker, late last week I was unable to be here during initial consideration of the Deposit Insurance and Regulatory Reform Act (H.R. 6). I had the privilege of being the only Member of the Congress to attend the second Ceres Conference where I was able to spend 2 full days in substantive consultation with some of the world's most distinguished science and technology practitioners and policymakers. As chairman of the House Science, Space, and Technology Committee, I felt I had a particular obligation to participate in the annual conference proceedings.

Radical political changes, rapid technological advances, and inexorable demographic shifts force us to reexamine the development and management of the global food system. This system, which represents almost half of the world's economy, is at the center of great debates in health, in food safety and regulation, and in trade.

In the first Ceres Conference, we examined the future problems of food and nutrition in the broadest way possible. Throughout those discussions, certain key issues emerged that cried out for fuller examination at a second Ceres Conference:

First, the science and technology that emanate from molecular biology and genetic engineering are moving faster than the public policy decisions needed to take full and safe advantage of their possibilities for economic and health benefits. Consumer interest is focussed mainly on possible risk, but as Aaron Wildavsky has pointed out, the demand for zero risk is not only impossible to satisfy but also results in lost opportunity benefits. But can we have policy dictated only by an educated elite? In present day democracies such a basis for policy is easily subverted by popular ignorance or narrow parochial interests. Accordingly, a major question is the adequacy of our present institutions to provide a suitable forum out of which public trust might emerge when the science, per se, justifies such trust.

Second, there is a pressing need for a better scientific basis for food regulation. The political influence of regional interests threatens the emergency of rational global regulatory harmonization. Without such harmonization nontariff barriers will further inhibit free trade. We shall be less able to grow, manufacture, and distribute food in ways that allow the new technologies better to feed the world's population. Of course, other factors are important as well, for example, equitable technology transfer, patent protection for investment, and public policy that will take into account technological unemployment and other disruptions and dislocations to the lives of those affected by these changes.

These two key issues were explored in more detail in the second Ceres Conference:

In the first panel, Prof. Ray Goldberg of the Harvard Business School and a distinguished panelist explored how revolutionary new technologies will affect the structure and use of the global food system, and products coming from it. The panelists addressed themselves to how change will occur and what its likely outcomes will be.

Dr. Carolina Jackson, the member of the European Parliament shepherding new food regulatory legislation through the European Parliament, led a panel examining issues of the food regulatory process, exploring how it is influenced by both science and politics. While science is a universal language, scientific capability and resources vary from region to region, as does politics. Yet if we are to encourage free trade in a global food system, this nontariff barrier to trade must somehow be harmonized and socioeconomic hurdles confronted.

In the third panel, Prof. Dorothy Nelkin of New York University, led a discussion of the interaction of science and politics, using the topic of diet and cancer as a case study. The public is overwhelmed by messages about its diet, either of alarm or of unbridled optimism. Cancer is the subject of considerable attention in this regard. Some nutrients in our diet are now viewed as cancer preventives; on the other hand, naturally occurring substances, as well as those added to the food system by man, are said to be potential carcinogens. The panel discussed how rational public policy can be developed when scientific information is incomplete and uncertain.

After a discussion of this problem in nutrition, the fourth panel explored the question of public understanding of new food technologies. Harvard Law School Prof. Charles Nesson, employing the Socratic method he uses on the Public Broadcasting System's public policy series, discussed the issues raised by the inexorable advances in these technologies. How can we weigh the cost of opportunity against the cost of risk when public fear is now our greatest impediment to technological progress? If the public does not buy technologically produced products, then investment in such development will stop. But can a determination of the safety of such products really be made on a purely scientific basis? Is the traditional notion of the entirely objective, disinterested scientist a reality or a fiction? Is no risk a reasonable or even a possible policy objective? If a determination of minimal risk versus maximal benefit can be made, how and to what extent can the consumer understand the issues? If the issues are difficult to understand, who should inform them, and how should they be informed? Professor Nesson was joined by a panel of distinguished leaders in various sectors involved in such decisions.

Finally, a panel of industry leaders, chaired by John T. Dunlop, university professor emeritus at Harvard University, led a discussion of action alternatives. In light of what we have learned about the distance between the art of the technologically possible and what the public psyche is willing to accept, what if anything can the individual food company do to inform the consumer? How can it act both effectively and responsibly? Do we need a specialized, industrywide working group or a more broadly based organization to which the perplexed public can turn for a better understanding of nutrition, food safety and related policy issues? If there is no appropriate organization already in place whose mission covers these needs should one be created and what form should it take? What are the consequences of inaction to the business health of our companies and to the general health of the public?

In summary, if we are properly to feed and nourish the people of the world, then new trading opportunities must be achieved. The removal of nontariff trade barriers, in turn, will lead to new economic growth. Such growth and its consequent new wealth will create a new consumer demand for improved nutrition and better health. With these demands will come greater opportunities for the entire food system—from the producer of seeds to the processor and retailer of foods. These are some of the new challenges—but how do we manage them?

VETERANS DAY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today in tribute to members of the American Legion's Post 18 in Portsmouth, RI. On this Veterans Day, we certainly owe these fine American citizens a special honor.

I will be joining many Rhode Islanders this coming Monday to recognize and pay tribute to the tremendous impact that American Legion's Post 18 and other veterans have on our everyday activities. We must always remind our citizenry that veterans are not simply a part of our Nation's past. They are not simply soldiers who fought in a war to keep our national borders intact. Instead, we must always—not just on Veterans Day—remember that the bravery and self-sacrifice of these honorable citizens of Newport and other communities affects the present day lives of not only Americans, but free people throughout the world.

For example, just this past Tuesday, cities and towns in Rhode Island and across the Nation held elections for mayor and local offices. Our right to choose our leaders democratically, as we recently did in Rhode Island, would not exist were it not for the fact that hundreds of thousands of brave Americans—such as the fine members of post 18—were willing to make the ultimate sacrifice to defend our democratic form of Government, embodied by our cherished right to vote.

Who would have thought several years ago that we would today be witnessing the liberation of Eastern Europe and the collapse of communism in the Soviet Union. In a short time, the world has gone from an environment marked by mistrust and nuclear threat to one of hope for long-term peace and freedom from tyranny. These miraculous events did not happen by accident. Rather, they are a direct result of the diligence and fortitude of the forces of democracy, of which our veterans have played such a key role.

Those who have died for this Nation can only fail to the extent that we fail them. They gave their all, and we must do nothing less than grant them the benefits and care they so clearly deserve. If we fail them, we let down far more than our veterans: We fail our country, we desecrate our heritage, and we belittle the rights and freedoms that they fought to preserve.

On this Monday, I pledge to redouble my efforts in Congress to strongly support veterans medical and other programs. My record clearly recognizes how deeply indebted we are to the sacrifice made by veterans such as those of American Legion Post 18.

We can all remember the near tragedy which took place late last year when Congress did not pass legislation granting veterans a 1991 COLA. I was pleased to join the effort early this year to pass this belated but much-needed veterans COLA bill.

I was also pleased to play a part in the effort early this year to pass the most comprehensive legislation granting additional benefits to veterans exposed to the deadly herbicide agent orange. The scientific evidence is indisputable linking agent orange exposure to certain illnesses, and Congress did well to pass this much needed legislation.

Finally, it is fitting that just last week, Congress sent to the President legislation granting veterans a 3.7 percent COLA for 1992. I look forward to the President's quick signature to this bill so that our veterans receive the compensation they so clearly deserve.

The members of American Legion Post 18 deserve our deepest gratitude and respect on this Veterans Day. I urge every Rhode Islander, if they get a chance to see a member of post 18, think about their irreplacable contribution and take the time to say, "thanks for keeping us free."

RECOGNITION OF THE FOURTH ANNUAL AMERICAN FLAG RUN

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. REED. Mr. Speaker, I rise today in recognition of the fourth annual "American Flag Run" sponsored by our colleague, GLENN BROWDER of Alabama. This event honors veterans and U.S. Armed Forces around the country.

The American Flag Run began October 27 at the Tomb of the Unknown Soldier and traveled through five States to the National Cemetery in Fort Mitchell, AL. During the run, the American flag is carried by veterans and nonveterans, both young and old, to honor the men and women who have proudly served this country.

As a veteran, I am proud to support this great event. Each year, in early November, Americans express their appreciation for the sacrifices of the men and women who defend our great country. The American flag run continues this important tradition of honoring our veterans.

I ask my colleagues to join me in recognizing this unique tribute to our veterans.

SALUTE TO TOMMY LASORDA

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. GALLEGLY. Mr. Speaker, as a longtime fan of the Los Angeles Dodgers, I am pleased to rise today to honor the dean of major league managers, Tommy Lasorda.

Although the Dodgers were just edged at the wire this year, Tommy has established himself as one of the best skippers in baseball. During his 14 years as the Dodgers' manager, he has guided his team to two world championships, four National League pennants and six Western Division titles. His teams have also finished in second place three times and in third place once.

As many of my colleagues know, Tommy has bled "Dodger Blue" for 42 of his 64 years, as a player in the organization for 11 years, a scout for 4 years, a minor league manager for 8 years and a Dodger coach for 4 more before being named to replace Walter Alston in 1977.

That year, he became only the 19th manager in Major League history to win a league title in his first year of managing, earning "Manager of the Year Awards" in the process. He also won the league championship in 1978, to become the only N.L. skipper to win pennants his first 2 years.

Tommy led his 1981 team to the world championship over the New York Yankees, and was the leader of the underdog 1988 team that shocked the Oakland A's.

But Tommy is more than an outstanding manager. More importantly, he is an outstanding human being, giving selflessly of his time to aid countless charities.

Mr. Speaker, Tommy Lasorda will be honored for his many contributions on November 17, by Club da Vinci at the group's 17th anniversary dinner dance. I ask my colleagues—even those from the bay area—to join me in saluting him for his work both and on and off the field.

A TRIBUTE TO BOB FORSYTHE

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of Bob Forsythe. Bob is retiring later this month after 26 years of dedicated service to the city of Redlands and will be honored at a special dinner on December 1.

Bob began his work with the city in 1965 when he was hired by the Redlands City Fire Department. He was promoted to engineer in 1970, captain in 1976, and division chief in 1985. Over the years, he has served the city with honor and distinction responding to all major incidents and providing support in many roles.

Bob is certified in many areas, far too many to mention, including rescue tactics, fire prevention, high rise fire tactics, helicopter operations, and heavy rescue. Bob's current assignment is division chief where he is in charge of training, hazardous materials incidents, and paramedic operations for the city of Redlands.

In addition to his professional activities, Bob has also been married to his lovely wife, Mary, for 35 years and has five children—Michael, Susan, Patrick, Tim, and Robert Jr.

Mr. Speaker, I ask that you join me and our colleagues in paying tribute to the very fine work that Bob has performed over the years. His selfless public service and longstanding dedication to the people of Redlands clearly qualifies Bob for recognition by the House today.

REV. ANDREW ANDERSON, NEW RECTOR AT ST. MARY'S CATHEDRAL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Rev. Andrew Anderson, who recently was featured in the Miami Herald as the new rector for St. Mary's Cathedral in Miami. The article "New Rector Assumes Post at St. Mary's Cathedral" by Nancy San Martin tells his story:

> When the Rev. Andrew Anderson was studying to become a teacher 17 years ago, he got the feeling he should be teaching a specific subject: Catholicism.
>
> So Anderson enrolled in the seminary to become a priest.
>
> "That's what the Lord wanted me to do," said Anderson, 48. "You have a desire to pray, to feel closer to God and to want to bring people closer to God."
>
> Anderson is the new rector at St. Mary's Cathedral, 7525 NE Second Ave. He replaces the Rev. Gerard LaCerra, who served as rector at St. Mary's for 11 years.
>
> LaCerra retained his position as chancellor and vicar general for the archdiocese, which means he coordinates projects for the pastoral center and fills in for the archbishop when necessary.
>
> As rector, Anderson is responsible for the cathedral's daily administrative duties, reporting to the pastor, Archbishop Edward McCarthy. The cathedral is the mother church of the archdiocese and is where major events and ordinations take place.
>
> "Father Anderson is going to be just fine," LaCerra said. "He is sensitive to people's needs."

Anderson was ordained a priest by the Archdiocese of Nashville in 1974. He received a doctorate degree in canon law—law of the church—in 1986.

A native of Michigan, Anderson first came to Miami in 1981 when he served as judicial vicar for the Archdiocese of Miami's tribunal. As judicial vicar, he decided whether to grant annulments. From 1989 to 1990, he was the pastor at St. Maximilian Kolbe Church in Pembroke Pines.

A year later, he went to the Vatican to work with the Congregation for Sacraments and Worship. He recently returned to Miami and was appointed to St. Mary's.

"I love it here," Anderson said. "The people are so loving and welcoming: It's nice to see their deep faith and how they treasure their families."

The parish's 1,500 members are ethnically mixed with Haitians, African Americans, Hispanics and Non-Hispanic whites.

"I was very gratified to see that where there is diversity, there is a true community," Anderson said. "It is a constant reminder of our universality."

Anderson who speaks Spanish, Italian and is now picking up Creole, said he will spend his first year building on the sense of community that already exists at St. Mary's.

Sister Jane Stoecker, principal of the adjacent school, said Anderson is a welcome addition.

I am happy to pay tribute to Reverend Anderson by reprinting this article. I wish him much success in his new position as rector for the mother church of the Archdiocese of Miami.

MILITARY ROLE OF CONGRESS

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MAVROULES. Mr. Speaker, I am pleased to bring to my colleagues' attention the following article that appeared in the November 1 edition of the Washington Times regarding the 1986 Defense Department Reorganization Act. Sponsored by Senator Barry Goldwater and Representative BILL NICHOLS, the act reformed the U.S. military command and control procedures. By centralizing the command of all forces in the theater of operations and focusing on strategy rather than management skills, these revisions became a key component of the victory in the Persian Gulf.

A major force behind the reforms was my distinguished colleague, Representative IKE SKELTON. By working with the military while serving as chairman of the House Armed Services Committee's Panel on Military Education, Representative SKELTON was able to revitalize and restructure the education system for mid- and senior-level officers through such efforts as the establishment of the Army's School for Military Studies in 1983. I commend Representative SKELTON for his continued efforts to make the U.S. armed services the effective force it is today:

[From the Washington Times, Nov. 1, 1991]

MILITARY ROLE OF CONGRESS

(By Harry Summers)

Earlier this month, following a lecture to the Marine Command and Staff College at Quantico, Va., the conversation among the listeners turned to the depths into which some members of Congress had recently fallen. "What a tragedy to see them all tarred with the same brush," said one Marine. "The reforms they made in our command procedures and in military education helped make victory in the Gulf possible."

Although it is not generally recognized, Congress has always played a major role in military matters. "By whose authority do you act?" asked the British commander of Fort Ticonderoga in bewildered amazement as the Americans demanded his surrender in the opening days of the American Revolution. "In the name of the great Jehovah and the Continental Congress!" was American Gen. Ethan Allen's reply.

Gen. H. Norman Schwarzkopf, the American commander in the Gulf war, could have given Saddam Hussein the same answer. As the Constitution makes clear, the Congress—and the Congress alone—has the sole power to "raise and support armies," "provide and maintain a navy" and "provide for organizing, arming and disciplining the militia [today's National Guard and Reserves]."

Not only did our latter-day "Continental" Congress formally authorize the use of force in the Gulf on Jan. 12, 1991, but the entire American presence—fighting personnel, arms, ammunition, equipment and Gen. Schwarzkopf himself—was there at the sufferance of the U.S. Congress.

Led by Sen. Sam Nunn, Georgia Democrat, and Rep. Les Aspin, Wisconsin Democrat, and their respective Armed Services committees, the Congress not only provided the enabling legislation for recruitment of the high-quality active and reserve force that proved so impressive in the Gulf, but also approved and funded the acquisition of its high-tech arms and equipment.

And Congress' influence was not limited to material factors alone. The Constitution also provided that the Congress "shall have power . . . to make rules for the government and regulation of the land and naval forces." Sponsored by then Sen. Barry Goldwater, Arizona Republican, in the Senate and Rep. Bill Nichols, Alabama Democrat, in the House in 1986, the Goldwater-Nichols Defense Department Reorganization Act made major reforms in the military's top-level command and control procedures.

Thus when war came in the Persian Gulf, the command arrangements were much more akin to the war-winning World War II chain of command than they were to those of the Vietnam debacle where the war was run from Honolulu, 6,000 miles away. Congress has brought the military back to its senses. As with Gen. Dwight Eisenhower and the World War II European Theater of Operations, Gen. Schwarzkopf had total command of all U.S. forces in the Kuwaiti Theater of Operations.

Largely unseen in the success of this transformation was the fact that even before the Gulf war, the Congress had set out to ensure that this joint—i.e., all-service—approach to warfare was institutionalized through reforms to the military's mid- and senior-level educational system.

The eminence grise behind this reform movement was Rep. Ike Skelton, Missouri Democrat. Quiet and unassuming, he was one of the original proponents of the Goldwater-Nichols reforms. And he saw early that the military's education system was emphasizing management skills at the expense of strategy.

As chairman of the House Armed Service Committee's Panel on Military Education in 1988, Mr. Skelton found that "we aren't producing the kind of strategic thinkers of the kind that won World War II." The timing of that study was fortuitous, for similar sentiments had been rising for some time within the military itself.

Mr. Skelton's efforts helped bring them to a head. The military's staff and war colleges were encouraged to emphasize strategic thinking and ensure a joint approach to warfighting. The Army's School for Advanced Military Studies (SAMS), established in 1983, is a case in point. Four of its students were dispatched to the Gulf to aid in developing the concept of operations for the war.

Mr. Skelton helped build the intellectual framework that made victory in the Gulf possible. And he did more than that. His own son, Lt. Jim Skelton of the Army's 1st Cavalry Division, took part in the fight. Lt. Skelton's bravery was recognized by award of the Bronze Star Medal with "V" device, the nation's fourth-highest combat decoration.

While Mr. Skelton received no medal, his effort in reforming the military made sure that one of the major failings of the Vietnam War was not repeated. This time tactical successes were translated into strategic victory.

VETERANS DAY

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mrs. BENTLEY. Mr. Speaker, distinguished colleagues, I would like to take this time to remember and honor November 11 as Veterans Day. The day had been commissioned in 1919, by President Woodrow Wilson, and was known then as Armistice Day, the day Germany surrendered and Americans were victorious in World War I.

In Maryland, the first Armistice Day was declared by Governor Harrington, almost spontaneously, as crowds poured onto the streets to celebrate the end of WWI. All business had ceased, as Marylanders enjoyed the end of battle and knew our brave soldiers soon would return. The Baltimore Sun called it the "Greatest Day in the History of the World," a fitting title to end such a bitter World War.

The celebration would not last long. As President Calvin Coolidge had the foresight to say at Johns Hopkins University in 1922, "Freedom is not only bought with a great price; it is maintained by unremitting effort."

We again would be forced to defend freedom and democracy. Over the year, our bravest would be called upon to fight for the values instilled in Americans; the values that keep our country free and our flag flying proudly. In honor of all Veterans of all wars, Armistice Day would be renamed after the men and women who see the United States as the best hope for freedom. In 1954, following President Eisenhower's decree, Governor McKeldin recommended the Maryland General Assembly adopt the name, Veterans Day.

On Veterans Day, 1991, we are reminded that this is the first holiday after the gulf war. We have new veterans. Our soldiers are our young, old, mothers, fathers, neighbors, and friends. Our families were at war and we made it very clear we were there supporting them.

With all due respect Mr. Speaker, nowhere more than in Maryland did one see more patriotism and pride for their country. Nowhere more than in Maryland did we commit ourselves to our soldiers and our flag.

As we pay homage to all veterans, from WWI to the gulf, we will be proud of our brave soldiers and thank them for enabling our flag to continue to fly. And this year, as we enjoy our parades and festivities, let us remember that each flag we see is a memorial to the brave veterans who gave their lives for the freedom we enjoy today.

PACK LEADS FIGHT AGAINST NEIGHBORHOOD BLIGHT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Father Jose Menendez, who recently was featured in the Miami Herald, for leading the People Acting for Community Together [PACT] to clean up his Miami neighborhood. The article "Activists Urge Crackdown on Blight" by Joseph Tanfani tells how PACT has successfully driven out crack houses, and now is leading a drive to combat neighborhood blight:

> Father Jose Menendez says heaven can wait. Right now he's leading his parishioners on a fight to clean up their piece of Miami.
>
> Menendez is president of People Acting for Community Together (PACT), a group of 14 churches in Miami, North Miami and Hialeah. Churches in PACT successfully pressured the city to clean up crack houses. Now they're dealing with dirt.
>
> Menendez says PACT's Clean Up Miami Dade effort is now focusing its efforts on cleaning up areas around Corpus Christi Church, 3220 NW Seventh Ave., and St. Mary's Cathedral, 7525 NW Second Ave. "But many of the things we're fighting for affect the whole city," he said.
>
> Most recently, Menendez and other PACT members have been badgering City Hall to combat neighborhood nuisances: trash in streets, vacant lots filled with tires and other junk, abandoned cars rusting in front of houses. They said they've received lots of promises, little action.
>
> "Our people have less capacity to wait," Menendez said. "They need to see things going on fast. Otherwise, their hope will fall apart."
>
> PACT and city manager Cesar Odio met last week at Menendez' Corpus Christi Church. Menendez says he is mostly satisfied with the results.
>
> Carlos Smith, assistant city manager and the city's liaison with PACT, said Miami government is doing as much as it can to help.
>
> "They cannot expect us to have inspectors in every block 24 hours a day," Smith said. "We need their support."
>
> He has asked the city's scofflaw task force to make monthly sweeps of the areas to try to clear out abandoned cars, but some problems are sticky. Smith said state laws make it tough for cities to clear out junk cars and junk tires quickly. He said he will press for changes.
>
> Smith said an upcoming overhaul of code enforcement should help inspectors crack down on recalcitrant owners of trashy vacant lots.
>
> PACT also wants mini-trash transfer stations close by, figuring they will help stop illegal dumping. But Smith said that won't happen before next year, when Miami is due to overhaul its trash system.
>
> PACT, which runs an office with three staff members, will not accept public funds for its efforts, which Menendez sees as the Lord's work.
>
> "I think we need to fight," Menendez said. "We do not have to wait until the Lord comes. We are putting our blood and sweat and tears into this part of the world."

I am happy to pay tribute to Father Jose Menendez and his organization PACT by reprinting this article. I wish to commend him and his organization for their concern for their community. They are setting a good example for civic activism which all neighborhoods should follow.

CONGRATULATIONS TO MARCO CANGIALOSI

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Cav. Marco Cangialosi, who is the recipient of the "Humanitarian Award" from Panorama Italo-USA.

Marco was born in Marineo, Pr., Palermo, Italy in 1933. He moved to the United States in 1957 and immediately began working for a window manufacturing company. Five years later, after much hard work and many long hours, Marco and his two brothers opened a business of their own. Dor-Win Manufacturing became successful thanks to the commitment and dedication of these brothers.

Marco is deeply involved in his community. He contributes his time, effort, and money to various community projects. Marco is a founder of Columbus Park in Lodi, NJ, and has received many awards and honors for his tireless service, including being named "Man of the Year" by the Kiwanis Club in 1980 and again by the Italian American Forum of Lodi in 1982. In 1984 Marco received the Humanitarian Award from the Italian Tribune and was honored at the Columbus Day Parade in Newark, NJ. Marco was voted one of the top 10 Italian American citizens by the readers of Il Progresso Newspaper for which he received a silver medal from the Italian Ambassador to the United States in 1986.

Marco's greatest commitment to his adopted country came with the nationwide effort to restore the Statue of Liberty. Marco was determined to take advantage of this unique opportunity and contribute something to a country which had given him so much. Marco could take special pride during the unveiling of the restored Statue of Liberty on July 4, 1986, because the windows on Ellis Island and the Statue of Liberty were donated by Marco and his company.

I am honored to call Marco Cangialosi a close friend. He is truly one of the special few who make a difference in society. Marco is a man of the utmost integrity who sincerely cares about his neighbors, his community, and his country.

Mr. Speaker, I am proud to join in paying tribute to this exceptional man and extend my best wishes to him.

TRIBUTE TO THE ST. TERESA SCHOOL

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. REED. Mr. Speaker, I rise today to pay tribute to the St. Teresa School of Providence, RI, on the occasion of its 100th anniversary celebration. Although tragically, the school burned down last November, the students were able to complete the 100th school season before the official close of the building this past June.

Under the direction of the Sisters of Notre Dame, St. Teresa's enrolled approximately 200 children every school year in grades kindergarten through eight. For the last 20 years, Sr. Pauline Elizabeth served as the Principal. She and the entire faculty and staff at St. Teresa's dedicated themselves to providing for the scholastic preparation and the religious education of the students, many of whom were from the inner-city areas of Providence. The school not only has been a source of both academic and spiritual strength for the entire community.

Mr. Speaker, I ask you and my colleagues to join me in saluting the St. Teresa School for its commitment to education and for the century of service they provided as they prepared our students for good citizenship. The school's perseverance to complete their 100th year through an obstacle of fate is indeed an inspiration.

YOUTH CRIME WATCH KEEPS UP THE FIGHT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Youth Crime Watch of America is making an impact on crime in our schools and among young people. The nationwide, nonprofit organization began in 1986 as an expansion of the successful Dade County Youth Crime Watch Program. This student-led crime and drug prevention program has yielded such favorable results that it has been mandated in all Dade County schools and receives State level financial support. President George Bush recognized the volunteers of Youth Crime Watch of Dade County as his 553d Daily Point of Light for the Nation.

The youth Crime Watch Program in Florida has gained the respect of the Department of Education, the Florida Governor and State legislature. The program works with students of all ages, from elementary school through 12th grade, conducting workshops and providing educational materials. The program forms a network of students in elementary and secondary schools who are committed to helping create and maintain crime and drug free schools. The Youth Crime Watch agenda is to spread positive, community building values and encourage positive civic action, and has done so with remarkable effectiveness.

The Youth Crime Watch Program works. In some schools, crime has been reduced by 50 percent after the program was implemented. It inspires student confidence with the knowledge that one's school is committed to stopping crime. With new funding from the Florida State Legislature, the Youth Crime Watch Program anticipates additional growth and greater effectiveness. The program has added two full time training coordinators to travel throughout the State, advising established programs and aiding the implementation of new ones. The coordinators assist in bringing students, educators and law enforcement representatives from counties with programs in operation to those which are in the development stages.

I commend the leadership of Youth Crime Watch of America president, Ms. Betty Ann Good and executive director, Ms. Ann W. Lisk, and board members, Louis Wolfson III, Roger Fritze, Maj. Doug Hughes, Marilyn Morris, Joyce Nunez Bell, Jane McMillan, Linda D. Brown, Sgt. James DiBernardo, William Flanagan, James Kelly, E.O. McAllister, Jeff Miller, Kip Parsons, Howard Rasmussen, Donna Uzzell, and Harry Wright for making the program a success. I also want to recognize the newly established State coordinators, Mr. Larry Bursey representing the southern counties of Florida and Ms. Susan Nefzger representing the northern counties. I encourage all of those involved in Youth Crime Watch, students, educators, civic leaders and law enforcement representatives to keep up the good work.

COMMENDING UNION RESCUE MISSION FOR 100 YEARS OF SERVICE

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DANNEMEYER. Mr. Speaker, a majority of my California colleagues and I are taking this special opportunity to commend Union Rescue Mission, located in the skid row area of Los Angeles, for its service to the homeless, hungry, and needy as it celebrates its 100th anniversary this year. Union Rescue Mission is the largest mission of its kind in the world. Since its founding in 1891, the mission has served over 46 million meals to the hungry. Over 86 million nights of shelter have been provided to the homeless.

Today, with an annual budget of close to $8 million and a staff of nearly 100, the mission serves the poor and needy of skid row by helping to restore hurting lives and broken families and by renewing faith in those who have lost all hope. The Union Rescue Mission offers these services by depending solely upon the contributions and support of concerned individuals, churches, and other organizations—with no Government support.

As it marks its first 100 years of service, a campaign is underway to build a new and larger home for the mission; $15 million have been raised for this project. This evening, at a gala event in Los Angeles, the check for $15 million will be presented to the officers of the mission. I am proud to announce that many of my California colleagues and I have signed a resolution which will also be presented to the mission at this evening's gala. We are pleased to formally commend Union Rescue Mission for its century of commitment to the thousands of needy who have received charity and hope as a result of its services in our State. I commend the following resolution to each of my colleagues in the House of Representatives:

Whereas, in 1891 Lyman Steward, President and founder of Union Oil Company—recognizing the need to serve the poor and homeless of the Los Angeles area—founded the Union Rescue Mission (initially known as the Pacific Gospel Union); and

Whereas, the Union Rescue Mission serves more than 1.1 million meals each year, provides nightly shelter to more than 1,100 people, has distributed more than a half million articles of clothing, and has helped more than 1,500 individuals successfully overcome drug and/or alcohol abuse; and

Whereas, the Mission operates without the support of the federal government, depending solely on private contributions and the support of concerned individuals, churches and other organizations; and

Whereas, the Mission has had an overwhelming impact on the homeless and hungry in the Los Angeles Skid Row area, restoring more than 40,000 lives, and is committed to serving the less fortunate 365 days a year; and

Whereas, the Mission not only exemplifies the 1,000-points-of-light volunteerism promoted by the Administration, but is in fact a century-old beacon of help known and appreciated nation-wide;

Now, Therefore, Be It Resolved That the California Congressional Delegation commends the Union Rescue Mission for its dedication to serving the needy, and calls upon the United States Congress to similarly honor the Mission's century of commitment to the poor and the homeless.

VETERANS DAY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today in tribute to veterans residing at the Rhode Island Veterans Home in Bristol, RI. On this Veterans Day, we certainly owe these fine American citizens a special honor.

I will be joining many Rhode Islanders this coming Monday to recognize and pay tribute to the tremendous impact that Rhode Island Veterans Home Residents and other veterans have on our everyday activities. We must always remind our citizenry that veterans are not simply a part of our Nation's past. They are not simply soldiers who fought in a war to keep our national borders intact. Instead, we must always—not just on Veterans Day—remember that the bravery and self-sacrifice of these honorable citizens of Newport and other communities affects the present day lives of not only Americans, but free people throughout the world.

For example, just this past Tuesday, cities and towns in Rhode Island and across the Nation held elections for mayor and local offices. Our right to choose our leaders democratically, as we recently did in Rhode Island, would not exist were it not for the fact that hundreds of brave Americans—such as the fine veterans of the Bristol home—were willing to make the ultimate sacrifice to defend our democratic form of Government, embodied by our cherished right to vote.

Who would have thought several years ago that we would today be witnessing the liberation of Eastern Europe and the collapse of communism in the Soviet Union. In a short time, the world has gone from an environment marked by mistrust and nuclear threat to one of hope for long-term peace and freedom from tyranny. These miraculous events did not happen by accident. Rather, they are a direct result of the diligence and fortitude of the forces of democracy, of which our veterans have played such a key role.

Those who have died for this Nation can only fail to the extent that we fail them. They gave their all, and we must do nothing less than grant them the benefits and care they so clearly deserve. If we fail them, we let down far more than our veterans: We fail our country, we desecrate our heritage, and we belittle the rights and freedoms that they fought to preserve.

On this Monday, I pledge to redouble my efforts in Congress to strongly support veterans' medical and other programs. My record clearly recognizes how deeply indebted we are to the sacrifice made by veterans such as those in Bristol.

We can all remember the near tragedy which took place late last year when Congress did not pass legislation granting veterans a 1991 COLA. I was pleased to join the effort early this year to pass this belated, but much-needed, veterans COLA bill.

I was also pleased to play a part in the effort early this year to pass the most comprehensive legislation granting additional benefits to veterans exposed to the deadly herbicide agent orange. The scientific evidence is indisputable linking agent orange exposure to certain illnesses, and Congress did well to pass this much-needed legislation.

Finally, it is fitting that just last week, Congress sent to the President legislation granting veterans a 3.7 percent COLA for 1992. I look forward to the President's quick signature to this bill so that our veterans receive the compensation they so clearly deserve.

Residents at the Rhode Island Veterans Home in Bristol deserve our deepest gratitude and respect on this Veterans Day. I urge every Rhode Islander, if they get a chance to see a Bristol veteran, think about their irreplacable contribution and take the time to say, "Thanks for keeping us free."

W.L. PHILBRICK, ONE OF MIAMI'S TRUE PIONEERS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize retired funeral director and former Coral Gables commissioner, W.L. Philbrick who was featured in the Miami Herald on his 91st birthday. The article "Retired Funeral Director Honored on 91st Birthday" by Ana Acle tells about Mr. Philbrick's many contributions to the development of the Miami area:

W.L. Philbrick was only 8 when he attended his older brother's funeral.

Upset at the loss of his big brother, who died in a train wreck, Philbrick was even more disappointed when the funeral home did not do a very good job of embalming his kin.

"I knew then that I wanted to be a funeral director," he said.

Friday, the retired funeral director and former Coral Gables commissioner celebrated his 91st birthday and his 60th wedding anniversary with his wife, Christine, and about 30 other friends at the David William Hotel in Coral Gables.

Wyndham Llewellyn Philbrick, known as Phil, was born Oct. 5, 1900, and was married on the same day in 1931. But the wedding day was not chosen to help him remember both events; Philbrick is a stickler for accuracy, including dates.

"I was born in Tallahassee and raised in Jacksonville from 1906 to 1919," he said. "I came to Dade County on Sept. 28, 1919. I was here for the hurricane of 1926 and, in 1922, I operated a business under my own name."

Philbrick founded Miami-Dade Community College's Mortuary Science Department and was one of Miami's pioneer funeral directors.

"He was the first to provide an ambulance hearse when Miami mostly consisted of waterways and bridges," said Darwin Gearhart, chairman of the Department of Funeral Service at Miami-Dade. "He had the first handicap ramp, the first essential dial-a-prayer and the first air-conditioned funeral home in the South."

Gearhart has known Philbrick for 25 years and remembers when they met: "He introduced himself, then he entertained me for one hour about the funeral of Al Capone, whom he embalmed."

At times, Philbrick entertained himself at the Gables' expense.

He once brought in a trash can and dumped garbage in front of Coral Gables commissioners to protest a garbage hike. He also was escorted out of commission chambers by two policemen after refusing to stop speaking. He even rode his bicycle up and down City Hall corridors to lobby for a bike path.

At his party Friday, Philbrick gave the Miami-Dade Wolfson Foundation a check for $50,000. Horace Traylor, vice president of the MDCC Foundation, and J. Terrence Kelly, president of Miami-Dade's North campus, presented Philbrick with an honorary associate arts degree.

I am happy to pay tribute to W.L. Philbrick by reprinting this article from the Miami Herald. Mr. Philbrick is truly one of Miami's great pioneers who has played a significant role in making Miami the great metropolitan area it is today.

MULTIFUNCTIONAL ELECTRONIC DISPLAY SYSTEM PROGRAM

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. RHODES. Mr. Speaker, when the House Committee on Science, Space, and Technology finished consideration earlier this year of H.R. 1988, the NASA Multiyear Authorization Act of 1991, the Committee had deferred development of the Multifunctional Electronic Display System [MEDS], decreasing the Assured Shuttle Availability [ASA] Program by $10 million.

However, as a member of the Committee on Science, Space, and Technology and the Subcommittee on Space, I am very pleased today to note that the committee has not inserted language into its conference report noting that the ASA savings of $10 million is without prejudice and no longer intended to be specifically or solely targeted against the MEDS Program.

Mr. Speaker, members of the Committee have decided that the MEDS Program is an important and vital part of ASA. MEDS is a solution to the increasing number of failures associated with the existing electromechanical flight instruments. MEDS will incorporate state-of-the-art technology and will benefit NASA by increasing shuttle reliability and flight safety, reducing up-front costs by building on already developed technology and reducing operating costs through reduced maintenance.

NASA should have the discretion, under the ASA program, to address shuttle reliability and safety requirements and decide how best to assure shuttle availability. I am sure that given the opportunity to choose, among several projects, how best to do so will greatly assist the Nation's goal of increasing the safety and reliability of the Space Shuttle Program.

CONGRATULATIONS FIFTH DISTRICT ATHLETES

HON. MIKE KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. KOPETSKI. Mr. Speaker, each fall as school begins again, millions of Americans participate in fall athletic activities. This is true all across our country, from Salem, MA to Salem, OR in my district. These activities add to the academic atmosphere and the sense of community that we all take pride in.

Today, I rise to congratulate all Fifth District residents who participated in and supported fall athletic activities. These include the individual athletes, their families, the coaches, the school administrators and teachers, the cheerleaders, the bands, the booster clubs, the officials, and the community supporters.

Mr. Speaker, this week in Oregon the playoffs begin for fall athletics. I would like to congratulate and wish good luck to those teams from my district who qualified for the playoffs. In women's volleyball; Clackamas High School, South Albany High School, Corvallis High School, Lake Oswego High School, Estacada High School, Molalla High School, Silverton High School. In men's soccer; Lakeridge High School, Lake Oswego High School, Corvallis High School, and Gervais High School. In women's soccer; West Linn High School, Crescent Valley High School, Lake Oswego High School and Gladstone High School. In men's football; Oregon City High School, McNary High School, Milwaukie High School, North Salem High School, Lakeridge High School, Silverton High School, Salem Academy and St. Paul High School. I would also like to congratulate my alma mater, Pendleton High School, for qualifying for the football playoffs.

Mr. Speaker, in recognizing athletic excellence I do not want to overlook the importance of academic achievement. I challenge each student athlete in my district to duplicate and exceed their athletic achievements in the classroom. True excellence begins in the classroom.

THE SOUTHERN DISTRICT OF FLORIDA SALUTES FEDERAL JUDGE JAMES LAWRENCE KING

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Federal Judge James Lawrence King, who was featured in the Miami Herald after serving as the chief Federal judge for the Nation's busiest Federal court—the Southern District of Florida. The editorial, "Thank you, your honor" tells how Judge King tackled one of the Nation's most extensive and difficult judicial caseloads as chief judge:

For the last seven years, James Lawrence King has known the exalted status of being the chief judge of the busiest Federal court in the nation. But among the reasons that the Federal Bar Association and the Dade County Bar Association are honoring him with a dinner tonight is that Larry King's exalted status never went to his head. Instead, it went to his roots.

Judge King, who yielded the chief judgeship to Judge Norman Roettger earlier this month, chuckles in private that his career has taken him only about 35 blocks. That's the distance to the Federal Courthouse from his birthplace at 2229 NW 35th St.

He was born at home on Dec. 20, 1927. The house had neither electricity nor indoor plumbing. "I was in the sixth grade before we ever had anything more than a kerosene lamp to read by," he recalls.

That lamp lit within him a great love for Miami and South Florida. And Larry King's own lights—pre-eminently as chief judge, but also eminently as a first-rate jurist as well—have been a beacon for a court beset by circumstances and stresses unique in the entire Federal-court system.

Consider some bare numbers alone: Nationally, Federal judges carry an average load of about 400 cases, civil and criminal. The 11 active judges in the Southern District of Florida, which covers all of South Florida, average 700 cases. Moreover, because geography makes South Florida a natural drug-importation point, this district's judges get an above-average load of complex, multiple-defendant criminal cases.

Some districts, with criminal caseloads not even approaching that of the South Florida district, have stopped taking civil cases altogether. Not this court. It has just moved up to fourth (from sixth) nationally in the number of civil cases disposed of. Average time: six months. "That," says Judge King, "is a miracle."

Whatever it is, it's attributable to Judge King's work ethic and his example: For seven years, he carried a full caseload even while devoting 25-30 hours a week to his administrative duties as chief judge.

Judge King could take senior status in December 1992, when he turns 65, and hear fewer cases. He says that he's not close to that decision yet. He's only close, at tonight's dinner, to a long and deserved ovation for exemplary public service.

I am happy to pay tribute to Judge King by reprinting this editorial. I wish him a continued long and successful career as a judge on the toughest judicial court in the Nation.

WESTLAKE VILLAGE CELEBRATES ITS 10TH ANNIVERSARY

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. GALLEGLY. Mr. Speaker, I rise today to salute the city of Westlake Village as it celebrates its 10th anniversary.

Westlake Village's beginnings date back to 1963, when the American Hawaiian Steamship Co. purchased the old Albertson Ranch and proceeded to build a master-planned community. Westlake Village quickly became one of southern California's most prestigious communities, and a generation of residents have worked hard to keep it that way.

The cityhood movement got under way in May of 1979 when dedicated community leaders formed the cityhood community to establish local control and home rule. Westlake Village became a city in November 1981 after 81 percent of the voters decided to become Los Angeles County's 82d city. Since then, the residents and city officials have worked together to maintain high standards and values necessary to promote the highest quality of life. Indeed, Westlake Village residents pride themselves on living in one of the most beautiful cities in California.

The current members of the city council—Mayor Kenneth E. Rufener and council members Berniece E. Bennett, Bonnie Klove, James E. Emmons, and Douglas R. Yarrow, are to be commended for their hard work and leadership.

Mr. Speaker, on November 15, the city will host a gala 10th anniversary celebration. I ask my colleagues to join me in saluting the residents and the leaders of Westlake Village as they mark this milestone, and in extending our best wishes for the years to come.

CONGRATULATIONS TO JACK ZISA

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. TORRICELLI. Mr. Speaker, it is with great respect and admiration that I address my colleagues in the House today, for I rise to extend my heartiest congratulations and warmest best wishes to Mayor Jack Zisa who is the recipient of the Outstanding Public Official Award from Panorama Italo-USA.

For many in Hackensack, the name "Zisa" has come to be synonymous with a tradition of community service, dedication, and love of our city. Jack Zisa, elected mayor of our city in his first run for elective office, has only enhanced his family's tradition.

After graduating from Hackensack High School, Jack received his degree in accounting from Rutgers University. He is the owner of an insurance agency and a partner in an accounting firm here in Hackensack.

Long a contributing and vital member of our community, Jack is a member of the executive board of the Bergen County Private Industry Council; a trustee of the nonprofit Fairmount Creative Playground project; and an executive board member of the American Stage Theatre Group. He is also a member of the Hackensack Lions Club and has served as both a Cub Scout leader and little league baseball coach. Jack recently was honored by the Hackensack chapter of UNICO for his dedication and service to the community. As mayor, Jack has initiated many neighborhood programs including Clean Sweep Day, a day when citizens take part in a community cleanup in Hackensack, and the Community Volunteer Program which encourages volunteers to work at city hall and other city departments.

Jack and his wife, Maureen, have a son, John, in the Hackensack Public School System. He and his family are parishioners of Holy Trinity Roman Catholic Church.

He is truly one of the special few who make a difference in society. Jack is a man of the utmost integrity who sincerely cares about his neighbors, his community and his country.

Mr. Speaker, I am proud to join in paying tribute to Jack Zisa as a colleague and a friend, as he continues to provide invaluable service to his community and truly makes a difference in society. I extend my best wishes to him on this most special occasion.

JOY ALSCHULER, MIAMI BEACH KIWANIS CLUB'S FIRST WOMAN PRESIDENT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Joy Alschuler, who was featured in the Miami Herald after being elected the first woman president of the Miami Beach Kiwanis Club. The article "Beach Kiwanis Club Names Woman Chief" by Charles B. Rabin tells about her plans for the 42-year-old Miami Beach Kiwanis Club:

For the first time since its inception 42 years ago, the Kiwanis Club in Miami Beach has named a woman president.

Kiwanis International, originally called the Supreme Lodge Benevolent Order of Brothers, didn't allow women until 1987. Founded in Detroit in 1915 by Allen S. Browne, the organization took its name from the Indian term "kiwanis," which translates to "self-expression."

Joy Alschuler, the Miami Beach club's new president, takes exception to the translation. "The club's goals are to help others." she said.

There are other chapters throughout the country that have women presidents.

"But, for Miami Beach, it's a breakthrough," said Alschuler. "It's a challenge, and I'm looking forward to the opportunity."

The Miami Beach chapter has 66 members.

Kiwanis clubs began admitting women after the Supreme Court ruled in 1987 that the Rotary Club must admit women.

"We were in a convention in Washington, D.C., at the time," said John B. Morton, president of Kiwanis International. "And the membership overwhelmingly approved female participants. It's been a very positive thing."

Founded with the intent of providing service to the community, the organization has grown to 87,000 clubs in 70 countries, with a total of 329,000 members. Alschuler said that last year, Kiwanis clubs raised $65 million, spending 22 million people hours doing volunteer community projects. The organization went international in 1962.

The clubs' theme this year is addressing the needs of children. They have provided car seats and emergency "Children's Resource Guides" to needy parents.

Alschuler also serves as treasurer of the Miami Beach Chamber of Commerce and vice chairman of the Miami Beach Planning Board. She is a past-president of the Miami Beach Taxpayers Association.

She is also vice president and manager of Jefferson National Bank's main office in Miami Beach. She's held that position since June 1990.

An English major who graduated cum laude from the University of Miami in 1975, Alschuler says studying English helped her in communications, a necessary ingredient for banking.

She also waited until the last of her children—she has two boys and a girl—were grown before attending school.

"Young women today are more apt to go into management training first, then have kids," she said. "I have no regrets I did it the other way."

Alschuler, who grew up in New York, spent time in Miami Beach as a child.

Her father ran VanLeigh Furniture Showrooms in New York and Miami until 1979. He formed the company in 1923.

Alschuler's community involvement stems from her love of the area.

"Miami Beach is like a hometown feeling," she said. "But it's still large enough to offer cultural happenings. I like being back here, I have old friends here.

"The beach is improving everywhere, and it's not just an overnight thing. The infrastructure has been improved, and now we'll see more improvement in the interior blocks.

"When I have out-of-town guests, they enjoy the South Beach scene the most."

I am happy to pay tribute to Joy Alschuler and the Miami Beach Kiwanis Club by reprinting this article from the Miami Herald. They have proven they can accept the challenge of change while still continuing their significant role in making the Miami Beach area a better place to live.

TRIBUTE TO JOSEPH ZOGLIO

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. REED. Mr. Speaker, I rise today to pay tribute to Joseph Zoglio of Providence, on the occasion of a testimonial honoring his years of dedication not only to senior citizens of Silver Lake but for his commitment to the city of Providence.

A member of numerous civic organizations, Mr. Zoglio was past president of the Senior Citizens of Hope in the Silver Lake section of Providence for 8 years, before his retirement in 1987. His unselfish concern for seniors is a true example of his character. Mr. Zoglio has been a friend and a source of strength to those in need.

After retiring from a 20-year career with the U.S. Postal Service and another 20 years with the Providence Journal Co., he directed his efforts to helping others enjoy their golden years. A lifelong resident of the Silver Lake section of Providence, he is also a WWII veteran of the U.S. Army.

Mr. Speaker, I ask you and my colleagues to join me in saluting Joseph Zoglio.

U.S.S. "NEVADA," THE HERO SHIP OF PEARL HARBOR

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mrs. VUCANOVICH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

THE HERO SHIP OF PEARL HARBOR

One of the overlooked facets of the Japanese attack on Pearl Harbor is the performance of the crew of the U.S.S. *Nevada* (BB-36).

No ship's crew in the history of the Navy, before Pearl Harbor or since, received as many Congressional Medals of Honor and Navy Crosses.

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The average age of the 1,440 crew members of *Nevada* was under 19½ years. Fifteen officers above the rank of Ensign were assigned, and there were 105 Ensigns.

By happenstance, the only officer above the rank of Ensign on the ship at the commencement of the attack was a Lieutenant Commander in the Naval Reserve, who was actually "standing by" for the assigned "Officer with the Day's Duty."

When the attack commenced, the Officer of the Deck was a twenty-one-year-old Ensign less than a year out of the Naval Academy, and the Junior Officer of the Deck was a nineteen-year-old, newly commissioned Ensign in the Naval Reserve. Both were wounded shortly after the attack began.

Nevada was the oldest battleship present. Her sister ship, U.S.S. *Oklahoma* (BB-37), rolled over at her mooring. The next oldest ship, U.S.S. *Pennsylvania* (BB-38), suffered from bomb hits while in dry-dock. The next oldest ship, U.S.S. *Arizona* (BB-39), which has become a symbol of Pearl Harbor, blew up at her moorings very early in the attack.

When the fleet was ordered to put to sea, *Nevada* was the only battleship able to get underway.

In the soul searching environment following the attack, the role of the crew of *Nevada* was either downplayed or overlooked. How could a ship with only one Reserve Lieutenant Commander, and a very young OOD and JOOD possibly get underway? How would this appear in the soul searching of "unpreparedness" during the following long drawn out post mortem investigations addressing senior officials?

Oddly, no one ever questioned the Officer of the Deck, nor delved very deeply into what had happened on this ship.

The situation actually dated back to 1916 when this ship was commissioned. The original crew chose the nickname "Cheer-Up Ship" and passed this down to its successors. 87 percent of the "disciplinary cases" occurring on the ship in 1941 were for "fighting ashore." All of these were dismissed with a warning at Executive Officer's mast. The standard defense was, "Commander, I was in this bar down town, and only had two beers. Then someone said their ship was better than *Nevada*. A fight started. The Shore Patrol arrested me and sent me back to the ship." Many years later the Executive Officer confessed that he had no intention of disciplining any sailor who believed his ship was the best ship in the Navy. In ensuing years, some of the crew confessed that knowing this, they took advantage of the leniency and started a fight in order to get a free ride back to Pearl Harbor in the paddy wagon.

The 0.50 caliber machine gun nest at the top of the mainmast was unofficially "out of bounds" for officers. The rumor was that since 1916, the Marine Detachment which manned these guns, had been conducting a floating poker game. Indeed, when it rained or in other foul weather, a canopy would appear over the "bird bath."

Despite the career enhancing rules involving engineering performance by the Engineering Officer (the less fuel used the better), the Engineering Officer never let any of his six boilers go "cold iron" unless he had to shut it down to repair it. All boilers not in use to provide auxiliary power while in port, were kept heated with a small head of steam provided.

By happenstance, there was a platform halfway up the mainmast on which four 0.30 caliber machine guns had been mounted. This was often used by junior officers as an "unofficial punishment platform" for minor transgressions by their enlisted personnel. The "excuse" was to post a watch to spot Captain's gigs and Admiral's barges passing the ship in order to render proper side honors. The actual reason was that the stack gasses wafted over this platform and easily taught enlisted personnel not to transgress against the rules.

The Gunnery Officer was not very popular with the crew. There were two dummy "antiaircraft loading machines" on the AA Deck, which were in continual use. Practically every member of the 1,440 man crew had spent several hours "training" at these loading machines. It made no difference whether they were cooks, bakers, boiler tenders, electricians, or whatever.

During the 2000-2400 watch on December 6th, the Chief Warrant Gunner suggested to the OOD that following taps at 2200, all water tight doors not involving living spaces be closed. This was a precaution during a massive change in the main battery ammunition, in which the 1,440 14" shells and the two seventy-five pound bags of smokeless powder assigned each shell, were being replaced with heavier ammunition, and larger powder bags.

It is not known how prepared in comparison other ships were. Probably none had all boilers ready to come up to steam; probably none had Marines playing poker near their 0.50 caliber machine guns; probably none had posted sailors on the 0.30 caliber platform; some may have had some degree of watertight integrity; and some may have indulged in the total-crew evolutions at their AA loading machines. Some may even have harbored convictions that their ship was a better ship than *Nevada*.

And so on December 7, 1941, the crew set about proving its convictions.

Aside from the 0.50 caliber and 0.30 caliber machine guns, *Nevada's* AA Battery consisted of ten open mount 5"/25 caliber guns. Five were controlled from a starboard director on the Sky Control platform above the bridge, and five from the port director. The port director was inoperative being modified to track aircraft going 210 knots vice the 140 knot capability of the starboard director. There were no 20mm, 40mm, or 1.1" guns which played such a major part in fleet defense at Midway in June of 1942.

At each gun, there was a locked "ready box" with forty rounds of ammunition.

Routinely, there were around 150 men working on the AA deck, either in routine maintenance or at the dummy practice machines. 90 of these were actually assigned to specific guns.

It is not clear who saw the first attacking planes. The Boatswain's Mate of the Watch observed bomb(s) falling on Ford Island concurrently with the OOD's seeing a torpedo plane drop a torpedo and peel off, displaying the red circles under the wing. The General Alarm was sounded, and by the time the OOD climbed the two ladders to the AA gun deck, all of the guns were firing. A Chief Petty Officer had taken a sledge and knocked the locks off the ready boxes. He has also seen to it that the firing cutouts which restricted the guns from firing above a 65 degree angle (for safety in peace) had been pulled.

The OOD was also an AA Director officer. By the time he climbed the additional ladders to the Sky Control Platform, his director was already tracking a bomber. It was obvious that with so many AA bursts in the air, that no one had any idea which batteries from which ships were tracking the same aircraft. LCDR Mitsuo Fuchida who led the air attack noted in his writings how surprised he was that there was so much anti-aircraft fire so quickly.

In reality, the duel between the AA guns and bombers was a Mexican stand-off. The bombers were very inaccurate, and the AA Fire was very inaccurate. The gun directors using analog gears would calculate the course, speed, height, and range to a bomber, and then calculate the fuze setting necessary to hit the enemy. The director then sent signals to each gun, activating pointers which instructed the crews to match the signals. Because of safety practices, the guns were never fired above a 65 degree angle, and because of competitive judging practices, never were fired at targets approaching more than forty-five degrees ahead or abaft the beam, or flying less than 8,000 feet or more than 10,000 at a speed between 100 and 120 knots.

Even with these "given" the accuracy of the guns was not good. The bombers were even less accurate, as they had no way to calculate the winds, nor bomb sights capable of translating the height, course, or speed of the aircraft into a solution for accurate targeting.

On the other hand, the Japanese dive bombers and torpedo planes could be accurately targeted by their pilots by simply flying towards the targets. In the absence of 20mm, 40mm or 1.1" guns, the dive bombers and torpedo planes enjoyed all the advantages.

The Japanese assigned four torpedo planes to attack *Nevada*. During survey operations in 1989–1990, one of these torpedoes was found in the mud off the *Nevada* moorings. Two Kate torpedo planes were also found in the mud, one slightly forward of the beam and one slightly abaft of the beam of *Nevada* moorings. It is believed that one was shot down by the Marines in the "bird bath" and the other by the sailors on the mid-mast platform. Only one torpedo struck *Nevada*, on the port side at about Number 2 turret. This left a 20′ × 40′ hole in her side. Because the ship was well closed up. the flooding was confined to the proximate compartments.

The other battleships and the cruiser *Helena* were not so fortunate. The three battleships nested outboard of the others all sank from torpedo hits, the *Oklahoma* rolling over.

In the initial dive bombing attacks, bombs exploded on *Nevada's* forecastle and one amidships on the starboard side, starting fires in both instances. The dive bombers returned to strafe, and several men were killed or wounded, including the Officer of the Deck who was severely wounded by a bullet which passed completely through his thigh.

During this phase of the attack, the U.S.S. *Arizona* blew up at the moorings directly ahead of *Nevada*, showering *Nevada* with a great deal of debris, and injuring or killing other personnel.

A fleet signal was made for all ships to sortie. Because the *Nevada's* boilers were not "cold" the ship was able to get underway in record time. By this time, the nineteen year old JOOD had also been wounded, and the conning of the ship was left to the ship's Chief Quartermaster. With *Arizona* burning furiously ahead, and a dredging line off the stern, the maneuvering of the ship was a masterpiece of seamanship.

As *Nevada* passed close by *Arizona*, additional fires broke out along the starboard side. Most were not severe, but burned several crewmen who refused to leave their AA guns.

During the sortie, the second wave of attackers appeared, and chose *Nevada* as the main target since she was by far the largest ship underway. There was terrible carnage on the AA Deck. Out of the 90 officers and men assigned to the batteries, and the personnel who served as relief crews, fifty men were killed and over 100 wounded. Yet, throughout the battle, all guns were kept continuously in action. Only one AA officer escaped wounds; all of the CPOs were killed or wounded; and only three of the Gun Captains escaped death or wounds.

As *Nevada* sortied, crews of other ships who saw her stopped for a moment and cheered. The bombs from the second attack left fourteen fires burning from hits and near misses, with a massive fire on the forecastle from a fire that ignited the ship's aviation gasoline and its paint locker. In order to save the forward magazines, more counter flooding forward was ordered, making the *Nevada* appear to be sinking by the head.

Fearing a third attack which might sink the ship in the channel, she was ordered to run aground near Dry Dock #1. This signal was ignored, and an Emergency flag was placed above it, and the ship reluctantly was grounded on Hospital Point.

More Congressional Medals of Honor and more Navy Crosses were awarded to crew members for their conduct during the Japanese attack than had ever been awarded to any ship's crew—before or after. There were many hundreds of acts of bravery that went unnoticed on practically every ship present. There is no record of a single person involved in the attack, whether in the Army, the Army Air Corps, Marine Corps or the Navy failing to do their best for their defense.

HONORING DR. MANUEL CEREIJO

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to acknowledge Dr. Manuel Cereijo for being chosen by the selection committee of the Hispanic Engineer National Achievement Awards as the winner of the 1991 University Level—Lifetime Achievement Award. This award was originated to acknowledge Hispanics who have made exceptional contributions and a difference in the fields of science, engineering, education, and technology.

Dr. Manuel Cereijo, a professor of engineering at Florida International University in Miami, was presented this award on October 12, 1991 at the Century Plaza Hotel in Los Angeles, CA at an event called "Success Through Education: A Salute to Hispanic Excellence."

Dr. Cereijo has expressed his commitment and dedication to our educational system. His expertise in engineering, scientific and technical education earned him the opportunity for this very special honor. He has performed essential research activities in engineering and science in the last 25 years, and has three patents in the area of high-technology manufacturing. In addition, he is the author of two textbooks, and has written hundreds of articles for technical journals, national and international magazines and newspapers.

In addition to this very special honor, Dr. Cereijo received the "Engineer of the Year" award in 1988 by the Association of Cuban Engineers. He is the national coordinator for the Southeast United States of the National Hispanic Scholarship Fund. Dr. Cereijo also created a plan for 250 engineering students, who arrived in Miami during the Mariel exodus, to be accepted in Florida International University's engineering program in 1981. These engineering students were able to successfully earn their engineering degrees in the United States.

With his outstanding credentials and obvious dedication to his profession, it is no wonder that Dr. Cereijo has received these honors. I commend him for his exceptional work.

VETERANS DAY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today in tribute to the American Legion's Post 7 in Newport, RI. On this Veterans Day, we certainly owe these fine American citizens a special honor.

I will be joining many Rhode Islanders this coming Monday to recognize and pay tribute to the tremendous impact that American Legion's Post 7 and other veterans have on our everyday activities. We must always remind our citizenry that veterans are not simply a part of our Nation's past. They are not simply soldiers who fought in a war to keep our national borders intact. Instead, we must always—not just on Veterans Day—remember that the bravery and self-sacrifice of these honorable citizens of Newport and other communities affects the present-day lives of not only Americans, but free people throughout the world.

For example, just this past Tuesday, cities and towns in Rhode Island and across the Nation held elections for mayor and local offices. Our right to choose our leaders democratically, as we recently did in Rhode Island, would not exist were it not for the fact that hundreds of thousands of brave Americans—such as the fine members of post 7—were willing to make the ultimate sacrifice to defend our democratic form of government, embodied by our cherished right to vote.

Who would have thought several years ago that we would today be witnessing the liberation of Eastern Europe and the collapse of communism in the Soviet Union. In a short time, the world has gone from an environment marked by mistrust and nuclear threat to one of hope for long-term peace and freedom from tyranny. These miraculous events did not happen by accident. Rather, they are a direct result of the diligence and fortitude of the forces of democracy, of which our veterans have played such a key role.

Those who have died for this Nation can only fail to the extent that we fail them. They gave their all, and we must do nothing less than grant them the benefits and care they so clearly deserve. If we fail them, we let down far more than our veterans: we fail our country, we desecrate our heritage, and we belittle the rights and freedoms that they fought to preserve.

On this Monday, I pledge to redouble my efforts in Congress to strongly support veterans medical and other programs. My record clearly recognizes how deeply indebted we are to the sacrifice made by veterans such as those of American Legion Post 7.

We can all remember the near tragedy which took place late last year when Congress did not pass legislation granting veterans a 1991 COLA. I was pleased to join the effort early this year to pass this belated but much-needed veterans COLA bill.

I was also pleased to play a part in the effort early this year to pass the most comprehensive legislation granting additional benefits to veterans exposed to the deadly herbicide, agent orange. The scientific evidence is indisputable linking agent orange exposure to certain illnesses, and Congress did well to pass this much-needed legislation.

Finally, it is fitting that just last week, Congress sent to the President legislation granting veterans A 3.7-percent COLA for 1992. I look forward to the President's quick signature to this bill so that our veterans receive the compensation they so clearly deserve.

The members of American Legion Post 7 deserve our deepest gratitude and respect on this Veterans Day. I urge every Rhode Islander, if they get a chance to see a member of post 7, think about their irreplaceable contribution and take the time to say, "Thanks for keeping us free."

TRIBUTE TO CHARLES C. ZETTEL

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. CAMP. Mr. Speaker, it is with great admiration that I rise today to recognize a truly outstanding individual from mid-Michigan. Charlie Zettel, a lifetime resident of Gladwin County, passed away on September 29, 1991, after a battle with cancer.

Mr. Zettel was known as Mr. Gladwin by many. His activities truly illustrate the dedication this man had to his community. A member of organizations such as the Fraternal Order of the Eagles, Knights of Columbus, and the Rotary Club, his voluntarism was evident.

His civic duty is also apparent by the fact that he was a member of the Gladwin City Council for 28 years, airport commissioner, Gladwin County Chamber of Commerce member, city planning commission member, Gladwin City Business Association member, and cofounder of the Gladwin Development Corp. He truly was dedicated to his community and its citizens.

Someone once said that "the way I look at Charlie, he was an Eagle Scout who continued to earn merit badges for the rest of his life." This is an excellent quote to describe a man who used to work 16-hour days regularly between running his store, Zettel's Drug Store, and taking care of city council business.

There are many community accomplishments that Charlie Zettel could claim as his, including the modernization of offices. When Mr. Zettel saw the benefits of computers, he went to Mid-Michigan Community College to take classes and learn how to use computers. Soon he was helping others in the community learn how to use computers.

The accomplishment that he was most proud of, however, was the establishment of the Gladwin Airport, which was recently renamed Charles C. Zettel Memorial Airport. As a pilot himself he was named airport commissioner in 1968, and held that post until shortly before his death. He oversaw many changes in the airport, including renovations in the early 1970's to include a terminal building, cement runways, and lighted landing devices.

He also found a way to use his store to benefit the community. If it meant opening the store at midnight or going in on a Sunday in order to fill an emergency prescription, he would do it.

Mr. Speaker, I know you will join me in commending this great man. It was once said of him that "what it came down to was anytime there was anything good for the community, he was involved." Charlie Zettel is a man that will truly be missed.

PRECISION TRADING CORP. AS ONE OF TOP 10 HISPANIC BUSINESSES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize Precision Trading Corp. which was recently selected as one of the 10 most important Hispanic businesses in Dade County by the Greater Miami Chamber of Commerce and the Hispanic Heritage Council.

Along with the other businesses, Precision Trading Corp. was presented with this award at the Omni International Hotel at a luncheon honoring these distinguished firms. The businesses were selected from a list of the 100 most important Hispanic firms in the United States which was published in Hispanic Business magazine.

Greater Miami Chamber of Commerce President-elect Carlos Arboleya said that these firms were selected for their efforts for the Hispanic community and for their contribution to the economic development of Dade County.

Accepting the award for Precision Trading Corp. was the company's president, Israel Lapciuc, who said that he hoped his firm would be an example to other businesses, that with work, honesty, and presentation, anyone can reach the heights in this country.

I would like to take this opportunity to thank Precision Trading Corp. for the contributions it has made to the economy of south Florida, providing economic opportunity, economic development, and employment for the people of the Miami area.

REMARKS BY DR. BERT VOGELSTEIN

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. GEKAS. Mr. Speaker, I would like to share with my colleagues some remarks made by Dr. Bert Vogelstein before the congressional biomedical research caucus on Monday, October 28, 1991. But first, I would like to say a few words about him.

Dr. Bert Vogelstein is professor of oncology at the Johns Hopkins University School of Medicine, where he directs the molecular genetics laboratory. His primary interest is the study of human colorectal cancer. Dr. Vogelstein and his colleagues have discovered a series of genetic alterations responsible for this type of tumor. The principles he has uncovered about colon cancer seem to apply to many other tumor types, giving hope to the idea that a basic understanding of the molecular basis of most common cancers are within our grasp. He has received many honors for his research, including the prestigious Bristol-Meyers Squibb Award for Distinguished Cancer Research. His talk today is "The New Understanding of Human Cancer: Implications for Health Care." Dr. Vogelstein's text of remarks follows:

Dr. Bert Vogelstein, it is an honor to speak before you today and especially to follow Dr. Bishop. I follow him not only temporally at this briefing, but as you will see, our work on human cancers follows in the footsteps of his pioneering work on experimental tumor systems and his juxtaposition provides an excellent example of how basic research often leads to clinical advances.

I will discuss three related topics this afternoon: first, how I got involved in cancer research; second, recent results on the cause of human cancer; and third, ways in which this research can be applied to treatment and prevention of cancer in the future. My first contact with cancer patients came in 1974 when I was a resident in Pediatrics at John Hopkins. Part of my responsibilities there were to take care of young patients with cancer. That was, to say the least, a very frustrating experience. It was frustrating emotionally because there was little we could do for many of the patients. But that frustration was compounded by an intellectual one, the frustration that we were dealing with a disease about which we knew nothing. That kind of experience prompted many young physicians like me to enter research careers, most often through training at the National Cancer Institute, to try to learn something—indeed, anything—about this mysterious condition. In the last several years, that research has paid off beyond anyone's expectations. I will tell you today about colon cancers. But similar stories could be told about many other common tumor types.

Colon tumors progress through several stages, from normal colon to benign polyps (called adenomas), which gradually grow until a cancer forms. Our work over the last decade has been designed to understand the cause of each of these steps. The bottom line of these studies is that this progression is caused by a series of mutations, that is, alterations in genes. There are four genes which normally control colon growth. When a mutation in one of these genes occurs, the gene does not work properly and a small tumor—a polyp—results. If an additional mutation occurs in the polyp, it grows larger, and so on. When enough mutations have occurred, all the controls are broken down, and a full-blown cancer results. Some of the mutations are inherited from parent to child, and that is why some families have a very high incidence of specific forms of cancer, including colon cancer. Most of the mutations occur after birth, either as mistakes that cells unfortunately make without any outside interference or as result of exposure to chemical carcinogens or other environmental insults.

Now I would like to try to give you some glimpse of the future, how this new knowledge about the cause of cancer is going to lead in the future to completely new ways of caring for patients.

Let us discuss therapy first. Conceptually, the best way to treat a cancer which has lost its controlling genes is to replace those normal genes. Can we do that? The first answer to that question is affirmative. In the test tube, at least, one can put back a normal, non-mutated gene into the cancer cells. In every case, the cancer completely stops growing, stops dead in its tracks. Can we do this in a patient? Can we use gene therapy to replace defective genes in cancer cells growing in a patient rather than a test tube? Not yet, although several laboratories are hard at work on this problem. And at any rate that technology is advancing, it is a safe bet that this technological hurdle will be overcome in the foreseeable future.

Treatment involves patients who already have cancer. What is much better than treatment is prevention. It takes 20 or more years to accumulate enough mutations to take a normal cell to a fully developed cancer cell. That provides a huge window in time in which to detect tumors which have not yet become malignant. Any tumor which is detected at a benign stage, or even at an early malignant stage, can be cured by relatively simple surgical means. What we need to do is develop tests that will allow the detection of tumors before they have invaded the body. And since the cause of tumors is mutations, we are hopeful that the mutations themselves can be used as tools for such early detection.

There are many ways one can envision using these tools. As I mentioned before, some of the mutations are inherited from parent to child. Patients who inherit these mutations are at great risk for developing cancer, and they often do so at an early age. For example, one young man who was presented to our clinics was only 22 years old when he was found to have colon cancer. Because he was so young, we looked at other members of his family. We found that his mother died from colon cancer at an early age and three of his sisters, all in their twenties were each found to have colon tumors. Obviously a very sad case. Two other sisters did not yet have colon tumors, but these girls were young, one was 9 and one was 12. Were they going to develop disease like the other members of their family? Just a short time ago, it would have been impossible to tell, but now that we know the gene that is mutated and causes this family's predisposition, it's easy to tell. We did a simple blood test on these girls and found out that they did not inherit the mutant gene. Similarly, all the cousins, aunts, uncles and extended family members of this kindred can undergo the same simple blood test to determine who has inherited the mutant gene and who has not. Those who are not affected, are spared great expense, discomfort, and anxiety. For those who are affected, we can try to prevent the onset of cancers using drugs or other measures; it is often easier to prevent than to cure if you know who is at risk.

So, in summary, the new knowledge about the cause of cancer is already making significant differences to patients. What is more important is that this is just the tip of the iceberg. The contrast between what we knew about cancer when I was a resident and what we know about cancer today is dramatic. The frustration that we felt back then has given way to great excitement and optimism. The excitement stems from the fact that we finally understand the basics of what is wrong with the cancer cell; the mystery has been removed. It is also important to point out that almost all of the work on cancer genes that Dr. Bishop and I discussed has been done in the United States, largely under the auspices of the National Cancer Institute. Therefore, the revolution in understanding cancer that has taken place in the last few years should be a great source of pride to all Americans, and especially to the Congress, whose members have made this revolution possible through its continuing support of The National Cancer Institute.

ON THE RETIREMENT OF AN EXEMPLARY AMERICAN

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, in his lifetime, Dr. LaVern A. Freeh has made an unusual contribution to production, marketing and distribution of food throughout the world. Many millions of people throughout the world eat better today because of his life's work.

Dr. Freeh is retiring next month, and since he is a native North Dakotan, I wish to recognize his contribution to farm cooperative marketing and food processing and distribution, and to summarize the life of an exemplary American. I also wish him a very enjoyable retirement.

Vern was born on July 10, 1926, on a Depression-era farm near Harvey, ND. Following graduation from high school, in 1944, he enlisted in the Marines and served in the South Pacific during the final year of the war. He returned home in mid-1946 to farm with his father. He also taught school at the local, one-room rural school, though he hadn't yet attended college.

In 1947, he was recruited to play football at North Dakota State University. Beginning with the third game of his freshman year, he started 34 consecutive games, playing both offense and defense, and earned 4 varsity letters. During his junior year, in 1949, he played all but 20 minutes out of the nine-game schedule and was voted as the team's most valuable player. In recognition of Vern's athletic accomplishments, he was inducted into the North Dakota Athletic Hall of Fame on October 5, 1991.

When Vern graduated from NDSU in 1951, he was named one of the 15 most outstanding graduating seniors. Following college, he taught vocational agriculture and coached football for 6 years at Linton, ND. In 1957, he moved to East Lansing, MI, where he served as an assistant football coach at Michigan State University.

There he also began to pursue his masters and doctorate degrees. He earned an M.S. degree in ag economics and his doctorate in communications. In 1962, after receiving his Ph.D., he joined the faculty at the University of Minnesota. He served there with distinction for 18 years.

During his tenure at the University of Minnesota, Dr. Freeh became deeply involved in international agricultural development. He rose to the rank of assistant dean for Agriculture, Forestry, and Home Economics and director of International Programs for the University. He received numerous honors for his work, including:

Outstanding Service Citation from the Chancellor of the Republic of Germany in 1968 for work on behalf of German agriculture.

Knighted by the President of Finland in 1969 for work on behalf of Finnish agriculture and Finnish youth.

Outstanding Minnesota Citizen of the Year in 1976 by the State Community Education Association for work on behalf of public community education.

Distinguished National Epsilon Sigma Phi Meritorious Service Award in 1977 for work on behalf of humanity.

Outstanding Alumni Achievement Award from North Dakota State University in 1977.

In 1980, Dr. Freeh left academic life and joined the staff of Land O'Lakes, a farm supply and dairy marketing cooperative based in Minnesota. Under his leadership, the cooperative initiated several new programs for increased involvement in international affairs. Since then, Land O'Lakes has built a reputation for the quality of training and technical assistance for improving overseas agricultural production and food processing systems.

As a result of Dr. Freeh's efforts and the programs undertaken by the cooperative, Land O'Lakes received two major national awards:

The Fowler-McCracken Commission Corporate Award in 1984 for outstanding leadership in alleviating world hunger, and

The President's World Without Hunger Award in 1985 to the corporation that's done the most to alleviate world hunger.

In addition to his responsibilities at Land O'Lakes, Dr. Freeh serves on several State, national, and international committees and boards, including:

Board chairperson, Eastern European Cooperative Business Development Center, Washington, DC.

Chairperson, Overseas Cooperative Development Committee, Washington, DC.

Chairperson, Governor's Ag Advisory Committee, State of Minnesota.

Board member, CARE, New York City.

Board member, National Cooperative Business Association, Washington, DC.

Founding board member, Jamaican Agricultural Development Foundation, Kingston, Jamaica.

Board member, North Dakota State University Development Foundation.

Member, President's Advisory Committee on Voluntary Foreign Assistance, Washington, DC.

As Land O'Lakes vice president of public and international affairs, Dr. Freeh has often testified before Congress on issues relating to food aid, development assistance, and participation by cooperatives in international development programs. He also has been responsible for representing the cooperative's position on domestic agricultural issues in an effort to help Members of Congress understand the needs and concerns of midwestern farmers, ranchers, and rural residents.

SOUTH BEACH ELEMENTARY SCHOOLS FACE POSITIVE CHANGES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, overcrowding in South Beach elementary schools has yielded positive change for the area. Leroy D. Fienberg Elementary and Ida M. Fisher Elementary schools have merged, while a new school, South Pointe Elementary has been opened. The reorganization will relieve overcrowding, make new programs available and introduce a new teaching method. The Miami Herald recently brought attention to this reorganization benefiting the parents, teachers, and students of South Beach in an article by Mr. Aaron S. Rubin. That article follows:

When school starts in September, one new elementary school in South Beach will open while two other ones will merge.

The realignment—the Beach hasn't seen such a reorganization in decades—will mean vast changes for South Beach teachers, students and parents. Overcrowding will be relieved. Parents and residents will benefit from new programs. And a revolutionary new teaching method will debut in South Beach.

The first manifestation will be at Leroy D. Fienberg Elementary and Ida M. Fisher Elementary in South Beach. The two schools will reunite in September, after five years of being apart.

The merger will come about because South Pointe Elementary will open in September, allowing some Fienberg-Fisher students to transfer there. Five years ago, Fienberg-Fisher Elementary School was the largest grade school in the nation, with nearly 1,600 students. Now, the newly reunited school will have 500 fewer students.

Teachers already are relishing the extra space and other benefits the merger should bring.

"Each one of us will be able to have our own classroom, which will be wonderful," said teacher Valerie Wilkerson, 34. Before, teachers had to share.

Teacher Bryna Berman said she looks forward to the mix of younger and older students.

MERGER BRINGS UNITY

Fienberg didn't have a student newspaper. Now, older students can write one for the whole school. And older students can serve as tutors for their younger schoolmates, said Berman, who will switch from teaching second graders to fifth-and sixth-graders.

Emilio Fox, director of the Dade schools region that includes Beach schools, said better community health would lead to better learners.

"We're very interested in seeing it work not only from an education standpoint," Fox said, "but also in acting as the catalyst for whatever agencies are out there to come into our school and kind of pitch in with us."

At South Pointe Elementary, a different kind of partnership is leading to a new way of teaching.

A private company will receive public school money to run South Pointe, the first such partnership in the nation.

The company, Education Alternatives Inc., is using a novel teaching method that it says has boosted student achievement at its two private schools in Minnesota and Arizona.

Teachers at South Pointe will let students decide what they'll learn—and how they'll learn it.

A MODEL FOR FUTURE?

Dr. Michael Krop, a member of the Dade County School Board, said he hopes the company's methods—and outside funding—will serve as a method for educating underprivileged children.

"We are doing very poorly with the kind of background these children have in other conventional schools, not only in Dade County but throughout the country," he said. "We're hoping we can show some succcsses here that are not being shown elsewhere."

The merger, too, could be good news for parents and families.

Instead of two Parent-Teacher Associations, there will be one—so parents with children in upper and lower grades won't have to choose. And separate programs that taught and assisted parents will be combined.

HUB FOR COMMUNITY

Perhaps most significantly, educators and social service agencies are working to make Fienberg-Fisher a "full-service school," that is, a community hub where education, health care and other services are offered.

Fienberg-Fisher is using part of a $75,000 grant from the private Danforth Foundation to arrange the project, which calls for such agencies as the Stanley C. Myers Community Health Center and the state department of Health and Rehabilitative Services to set up an office at the school.

Mr. Speaker, I would like to recognize the leadership of Mr. Emilio Fox, the director of South Beach area schools in Dade County, for helping to oversee a successful reorganization of South Beach schools. I would also like to commend the principal of South Pointe Elementary, Ms. Patricia Parhan and the principal of Fienberg-Fisher Elementary, Mr. Matthew Lawrence for aiding in this innovative transition.

CONGRATULATIONS TO LEVON TER-PETROSYAN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. LEVINE of California. Mr. Speaker, I am introducing a resolution which congratulates Mr. Levon Ter-Petrosyan on becoming the first democratically elected President of Armenia. The resolution also comments the Armenian people for continuing their difficult quest for democracy and free-market economics in their country. I would like to invite my colleagues to join us as cosponsors of this important resolution.

Armenia deserves much of the credit for fueling the democratic movements in the Soviet Union and Eastern Europe. In February 1988, Armenians took to the streets en mass to protest the authoritarian and oppressive nature of their government. Many experts believe that the prodemocracy movements in Eastern Europe and the Soviet Union used the Armenian protests as a model. As we all know, the net result of these national democratic movements was the ouster of entrenched, corrupt Communist dictatorships.

We must encourage democratic tendencies wherever and whenever possible. Democracy in Armenia is in its embryonic stage. The U.S. Congress has a vital role to play in nurturing and encouraging its growth. Please join us in sending the message to the Armenian people that the Congress supports its efforts for independence and democracy.

Mr. Speaker, I ask that the test of my resolution be printed in the RECORD at this point.

H. CON. RES.—

Congratulating the president and the people of Armenia for their democratic elections and urging the President of the United States to recognize Armenia's declaration of independence and to extend full diplomatic recognition to the Republic of Armenia.

Whereas in February 1988, the Armenian people engaged in mass public protests against their oppressive communist government, thereby creating a model for the other anticommunist protest movements throughout Eastern Europe and the Union of Soviet Socialist Republics;

Whereas the Armenian protests and similar protests throughout Eastern Europe and the Union of Soviet Socialist Republics have caused the communist system to collapse and the liberation of millions of people;

Whereas the Armenian people yearn for and are striving for the establishment of democracy and a free-market economic system in their country;

Whereas on September 21, 1991, in a national referendum held in compliance with the Soviet constitution and monitored by international observers, the people of the Armenian republic voted overwhelmingly for independence from the Union of Soviet Socialist Republics;

Whereas on October 16, 1991, the Republic of Armenia held its first multiparty presidential election, selecting Levon Ter-Petrosian, a former political prisoner, as its first president; and

Whereas these elections are recognized as being free and fair:

Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) congratulates President Levon Ter-Petrosian for becoming the first democratically elected president of the Republic of Armenia;

(2) commends the people of Armenia for successfully executing Armenia's first free, fair, and democratic presidential election, and encourages them to continue their course toward democracy and a free-market economy; and

(3) urges the President of the United States to recognize Armenia's declaration of independence, extend full diplomatic recognition to the independent Republic of Armenia, and support Armenia's application to join international organizations, including the United States and the Conference on Security and Cooperation in Europe.

DOES AMERICA CARE ABOUT FAMILIES?

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. CLAY. Mr. Speaker, on November 6, European Community labor ministers reached a political agreement over plans to harmonize workers' rights to parental leave throughout Western Europe.

The agreement reached by the European labor ministers guarantees women a minimum of 14 weeks paid maternity leave. The agreement provides that workers on leave must be compensated at adequate levels and that those levels should not be less than the sums available to a worker during sick leave. The agreement prohibits the dismissal of pregnant workers for any reason related to the pregnancy, provides that such workers shall have the right to transfer to alternative duties if their current job involves a risk to the health and safety of the worker, and restricts the ability of employers to assign pregnant workers to night work. The agreement further provides that this is a minimum standard, below which protection cannot fall, and can never be used to justify a lowering of existing standards.

This is just a part of the support system that the European countries have established to protect families. Indeed, the provisions just agreed to by the European labor ministers are a lesser standard than those provided by law by many of the member nations of the European Community. But even the United Kingdom, which has one of the weakest laws in Europe, provides that women are entitled to at least 6 weeks maternity leave at 90 percent of their salary, followed by an additional 12 weeks of leave at minimum compensation. To the extent that the proposal of the labor ministers is controversial at all, it is because many feel that it does not go far enough.

It is discouraging and disturbing to compare this policy with the current status of the law in the United States. The Senate has recently passed legislation that would provide workers with 12 weeks of unpaid leave to provide for family members in the event of a crisis. Specifically, that legislation provides a worker would be entitled to 12 weeks of unpaid leave, leave that may be offset by any paid leave the employee has accrued, in the event of a birth or adoption, in order to care for a seriously ill parent, spouse, or child, or in the event of the worker's own illness. The legislation requires medical certification that an employee is either needed to care for an ill family member or is unable to perform the functions of his or her position. The Senate-passed bill exempts employees working less than 1,250 hours a year. Almost one-third of the women in the work force and one-fifth of all employees are working part time. The Senate-passed bill exempts employers employing less than 50 workers, thereby removing approximately 40 percent of the work force from coverage. The Senate bill exempts key employees, requires employees provide 30-days notice of intent to take leave, and permits employers to recapture health premiums paid on behalf of the employee in the event the employee does not return to work.

To call this legislation a minimum standard does not do justice to the word "minimum"; "least" is a more accurate term. Yet, we are being told that even this constitutes too great a burden on business for the President and perhaps a third of the House. The real cost, however, is being borne by American families. Too many families face an irreconcilable conflict between financial needs and emotional and physical needs. Faced with a need to provide care on the one hand and to provide income on the other, a worker unable to obtain leave has no rational choice. Either decision imposes unreasonable costs on that family and on society. The Family and Medical Leave Act, at minimal expense to employers, enables workers to provide necessary, crucial care at times of family crises without jeopardizing the economic livelihood of the family. This legislation benefits workers and their dependents, specifically, and the quality of life in this country, generally. Mr. Speaker, this is truly the minimum that we owe to our constituents.

ALLAPATTAH ELEMENTARY KICKS OFF RED RIBBON ANTIDRUG CAMPAIGN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Allapattah Elementary School in Miami recently kicked off its red ribbon campaign, with a week full of events, October 19–26. The program of speakers, pep rallies, and games, launches a year long, day-to-day effort to prevent drug abuse. The Red Ribbon Committee under the leadership of committee chair, Ms. Maria Sarduy and cochair, Ms. C. Kary Marquez, has created a multidimensional drug prevention program at Allapattah Elementary.

Mr. Speaker, our children are often bombarded with negative peer pressure. The red ribbon campaign works to counteract those harmful influences by teaching Allapattah Elementary students that drugs steal your happiness. The program works through all of a students activities: Classroom studies, art and music classes, and recreation.

The substance abuse trust curriculum, sponsored by Dade County Public Schools, plays a significant role in the classroom. The children gain a foundation of knowledge about the dangerous effects of drug abuse through this class work. The cold hard facts about drug abuse work to dispel any myths about this killer of our children, families, and neighborhoods. An essay contest for the campaign challenges the writing skills of these young students to explain, in their own words, the evils of drug abuse.

The art and music programs at Allapattah Elementary also promote the antidrug theme at the red ribbon campaign. Door decorating contests and other art competitions rally students around antidrug themes through creative expression. Music classes work with students as they compose pep songs and rap pieces which melodically decry drugs.

I commend the leadership of Ms. Sarduy and Ms. Marquez for making the antidrug efforts of the red ribbon campaign an integral part of Allapattah. The Red Ribbon Committee should also be recognized for their contribution, these include: Mary Acebal, Annie Byrd, Thelma Clark, Raquel Cruz, Maria Del Gado, Mora Finch, Angel Forte, Mary Richard, Katrinka Gibson, Isabel Gonzales, Patricia Jackson, Anita Julien, Mareya Morino, Richard Muller, Barbara Myles, Odalys Perez, Gratha Pla, Ana Reyes, Judy Rodriquez, Cristina Rubino, Rodrigo Suarez, and Jacqueline Van Bell.

ENTERPRISE CAPITAL FORMATION ACT

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. GRADISON. Mr. Speaker, today, I am joining over 40 of my colleagues in the House and over 20 in the Senate in introducing the Enterprise Capital Formation Act. This bipartisan effort responds to the need of small businesses to tap into equity markets.

While a strong supporter of the Tax Reform Act of 1986, I have long felt that eliminating the capital gains differential was its biggest flaw. Since the elimination of the capital gains differential, there has been a dramatic drop-off in venture capital investments. It has become much more difficult for small, start-up firms to raise the capital needed to expand and create jobs.

The Enterprise Capital Formation Act responds to this problem by providing a 50-percent deduction for investors who make long-term—greater than 5 years—venture capital investments, the first $100 million of paid-in capital, and greater deductions for those who make seed capital investments—the first $5 million of paid-in capital.

Small businesses are vital to the health of the American economy, but they often have great difficulty raising money from banks and the capital markets. These incentives should make small businesses less dependent on debt, and supply them with patient equity financing.

I believe that the question of capital gains taxation needs to be examined in a nonpartisan atmosphere. This bill is a good starting point. I do not view this as a growth package, but as a proposal to level the playingfield between large and small firms in the equity markets.

IN MEMORY OF O. WAYNE ROLLINS

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DARDEN. Mr. Speaker, today I rise to honor the memory of O. Wayne Rollins who passed away last month at age 79.

A native of Tunnel Hill, GA, Mr. Rollins grew up as a child of the Great Depression, working for $10 a week in a cotton mill in addition to his responsibilities on the family farm in the mornings and evenings. He attended a one-room school and graduated from Ringgold High School as valedictorian in 1930. Mr. Rollins went on to become a pioneer businessman, amassing a financial empire—Rollins, Inc.—worth more than $930 million.

In addition to his gift for financial genius, Mr. Rollins also was a great promoter of education. In 1986, he donated $10 million to Emory University in Atlanta as the first step toward building a $40 million laboratory facility which will encourage cross-disciplinary research among scientists who are working on possible cures for cancer, heart disease, genetic birth defects, diseases of children, and nervous system disorders such as Alzheimer's disease and schizophrenia.

Mr. Rollins had been honored for his contributions to Georgia colleges and universities by the Association of Private Colleges and Universities in Georgia. Buildings bearing his name are on the Georgia campuses of Berry College, and Young Harris College, at Kentucky's Cumberland College, and the Claudia

A. Rollins Center for Church Ministries at Georgia's Emory University is named in honor of his mother. He also has served on the board of trustees of Emory University, Young Harris College, and Berry College; a number of honorary degrees were bestowed on him.

For two decades, Mr. Rollins provided a large number of college scholarships for needy young people at four high schools and three colleges and universities.

He was the recipient of the Horatio Alger Award and the Golden Plate Award by the Academy of Achievement; named Georgia Philanthropist of the Year for 1987; received the National Philanthropist of the Year Award for 1988, and inducted into the Sales and Marketing Executives International Academy of Achievement for 1990. Mr. Rollins had served as a director of the Atlanta Chamber of Commerce and several major business and banking firms.

Mr. Rollins will long be remembered for his many contributions to the betterment of our State. I would like to extend my sympathies to his wife, Grace, and sons, Randall and Gary, At this time, I also would like to share with my colleagues the following articles from the Catoosa County News which best describe the unique character of this generous and successful man.

[From the Catoosa County News]

BUSINESSMAN O.W. ROLLINS DIES AT 79

O. Wayne Rollins, a Tunnel Hill farmer's son who worked for $10 a week in a cotton mill during the Great Depression and went on to amass a financial empire worth more than $930 million, died Friday at Emory University Hospital. He was 79.

Rollins, a Ringgold High School graduate who founded the multi-million Rollins Inc., died at 12:30 p.m. after being taken to the hospital for a pacemaker implant, said hospital spokeswoman Judy Smith.

Dr. Gloria Shatto, Berry College president, said Rollins was very important to the growth of the college, where he served as a trustee.

Rollins came on the Berry Board of Trustees in 1973 and was named trustee emeritus in 1983, Dr. Shatto said.

"He was a valuable friend to the college during his active years and had continued his interest in our progress," she said.

The Rollins Beef Research Center is named after him, and Rollins endowed the Rollins Work Professorship at the college. Several students annually received Rollins student-work scholarships, she said.

He had been on the Berry campus just last week, working on a project, Dr. Shatto said.

Rollins, who annually was listed by Forbes magazine as one of the nation's richest men, was a co-founder of Rollins Inc., one of the world's largest service companies. Forbes ranked him as the third richest Georgian and the 79th richest American.

Over the years, Rollins amassed an estimated 55,000 acres in Georgia, Florida and Delaware as well as 12,000 head of cattle. He earned a reputation as a tough negotiator who loved to buy land and hated to sell it. He was probably the largest non-corporate landholder in Georgia.

A winner of the Horatio Alger Award, Rollins never attended college, but he provided scores of college scholarships to needy students.

In 1987 Rollins was named Georgia's Philanthropist of the Year.

A native of Tunnel Hill, Rollins grew up on his family's farm and attended a one-room school-house. He graduated from Ringgold High School.

He took a job in 1931 in the winding room of Standard Coosa Thatcher, a Chattanooga, Tenn., cotton mill where he worked up to 72 hours a week at the Depression-era wage of $10. He kept working on the family farm in the mornings and evenings.

Although his investments ranged from radio and television stations to oil service companies, carpet manufacturing, real estate, cattle and citrus groves, Rollins' greatest success came in providing three varied services to homeowners: insect extermination, home security and lawn care.

In 1948, Rollins formed a partnership with his brother, John, marking the birth of Rollins Inc. Wayne bought a radio station and John sold cars.

In 1964, Rollins caught the attention of Wall Street with what is believed to be the first leveraged buyout—a $62.4 million acquisition of Orkin Exterminating Co. At the time, Rollins Inc. had revenues of only $9 million.

Rollins is survived by his wife, Grace Rollins; two sons, R. Randall Rollins and Gary W. Rollins of Atlanta; and a brother, John Rollins of Delaware.

O.W. ROLLINS REMEMBERED VERY FONDLY

(By Richard L. Ball)

Catoosa County's O. Wayne Rollins, the millionaire businessman who died last weekend, will be remembered for his commitment to education and his interest in young people, Catoosa County residents.

Bobby Plemons, administrative assistant to Commissioner Jack Rowan, said the Tunnel Hill native was an inspiration to the area's young people.

"Mr. Rollins believed in education and for several years has given scholarships to deserving graduating seniors to help with their college education," said Plemons. "He always did take a lot of interest in young people. I remember him speaking to my graduating class and he was very inspiring."

Although he kept up with all the modern technology of today's world, he was also able to apply "old-fashioned common sense" to everything that he did and I think this played a big part in his success," said Plemons.

He was also very interested in agriculture and took an active role in agriculture experimentation. He provided a lot of equipment and facilities to Berry College in the agriculture area, Plemons said.

"He was not the kind of person to leave details to someone else. He was right in there attending to each detail—leaving no loose ends," said Plemons.

"Personally, I think the people that had the privilege of hearing Mr. Rollins speak came away, inspired. He grew up through hard times and was an example of what a person can do if they just apply some hard work and common sense.

Plemons said Rollins had a deep desire to help Catoosa County, adding that he believed that to be the reason Rollins took a personal hand in purchasing land for an industrial site. He wanted to provide jobs for Catoosa Countians.

"Mr. Rollins was a real credit to our county and I have all kinds of admiration and respect for the man," said Plemons.

Elyse Cochran, executive director of the Catoosa County Chamber of Commerce and Economic Development Commission, called Rollins a unique and special individual.

"From his first full-time job with a starting salary of $10 per week until his approximate worth of one billion dollars at the time of his death, he exemplified the meaning of entrepreneurship," said Cochran.

"He never forgot where he came from and I feel that this is why he purchased the 400 acre site for industrial development. He saw that this would create jobs for his hometown and serve as a lasting contribution to the citizens of this community."

Mr. Rollins participated in various Chamber functions throughout the year which includes awarding a college scholarship to a Catoosa County senior each year.

His commitment to Catoosa County and its citizens will be long remembered, said Cochran.

Rollins was born in Tunnel Hill in 1912 and graduated from Ringgold High School as valedictorian in 1930. In 1948 he and his brother, John, became business partners. John operated an automobile dealership. Wayne operated a radio station where the dealership could advertise its business.

SOUTHERN FLORIDA CHAPTER OF THE LEUKEMIA SOCIETY OF AMERICA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the important work of the Southern Florida Chapter of the Leukemia Society of America in our Miami community.

On October 30, 1991, the Leukemia Society held a fundraiser to raise money for leukemia research. This fundraiser, called the F.G. Bodner Man of the Year, was a major event emceed by Tony Segreto, the sports director of Miami's Channel 4. The event was successfully chaired by Rebecca Fisher, corporate counsel to Capital Bank. Ms. Fisher recently lost her father to leukemia after his year long battle with the illness and wanted to do something to prevent others from suffering with this terrible disease.

The Leukemia Society is a national health agency based on volunteers like Ms. Fisher dedicated to seeking the cause and eventual cure of leukemia. Nationwide, the society has 57 chapters all working toward raising money for research and educating the public about leukemia. Leukemia strikes 74,000 Americans each year but the survival rate has increased from 15 percent 20 years ago to 77 percent today. The society supports five major programs: research, patient-aid, public and professional education, and community service.

I wish to also recognize other members of the F.G. Bodner Man of the Year Committee, who worked with Ms. Fisher to make this event so successful. They are: Jennifer Glaser, Lynn D. Evens, Lois Shaver, Allison Ullman, Wendy Sacks, Scott Simowitz, Sally Warner, Michele Vogel, Howard Glass, Steve Goldman, and Monica Hollar.

A 100-YEAR ANNIVERSARY TRIBUTE TO THE SAN BERNARDINO PUBLIC LIBRARY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the 100th anniversary of the San Bernardino Public Library. The library will be honored on its centennial at a gala dinner to be held in San Bernardino, CA, later this month.

Public libraries are a unique demonstration of the freedoms we share and often take for granted in the United States. How important it is to remember that people across the globe are willing to risk their lives and homes for the opportunity to have even the simplest freedoms we enjoy every day. Among these freedoms most basic to our democratic society is the right to uncensored information. Our public libraries serve to remind us of this freedom and others.

The city of San Bernardino's elected officials appointed the first public library board of trustees in December 1891, and the library first opened its doors in 1892. The first branch library was built in 1929 to accommodate San Bernardino's growing population.

Over the years, the library has served many critical needs, serving as a reference and information center, a door to learning for children and adults, a community activity center, and a popular materials library. The library also attempts to provide educational activities and opportunities for the public which are consistent with library goals.

Last year, San Bernardino Public Library served 68,000 library-card holders, 700,000 items were borrowed, 102,000 reference and information questions were answered for the public, and 285,000 children attended library programs. In addition, some 300,000 people a year visit the Feldheym Library to consult or borrow.

The mission statement of the San Bernardino Public Library includes the following: "It is vitally important that every citizen in our community have ready and free access to the world of ideas, information, and creative experience. To this end, San Bernardino Public Library's mission is to provide for the public convenient access to information, library materials, life-long learning opportunities, cultural events, and appropriate new technologies, and to promote our services to make them known to the community."

Mr. Speaker, I ask that you join me and our colleagues today in recognizing the contributions that the San Bernardino Public Library has made to the community over the past 100 years. I know that San Bernardino looks forward to the next 100 years with assurance that the library will continue to meet the needs of our citizens. It is fitting that the House pay tribute to this fine facility today.

WESTCHESTER COUNTY'S FOOD-PATCH: A SENSE OF COMMITMENT THAT IS TACKLING HUNGER

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mrs. LOWEY of New York. Mr. Speaker, some people talk about problems in their communities. Some people do something about them. For the last 4 years, the people at Food-PATCH [People Allied to Combat Hunger] have done a great deal to tackle the problem of hunger in our community head on.

Westchester County has a serious hunger problem. In fact, the county is confronting the fastest growing hungry population in the country. That fact is tragic, and it is an even greater tragedy that more than half of these hungry people—more than 50,000—are children. That situation is criminal. We cannot allow it to continue.

All of us in this House understand full well the ramifications of hunger in our society. The implications go far beyond the pain of the hunger. Those who suffer from hunger all too often develop health problems as a result, adding to their suffering and to the societal costs of this tragedy. For young people working to get an education, hunger has a severe detrimental impact. The ultimate result is, of course, lost productivity and economic success for the individual and the society.

Clearly, hunger is a problem not only for those who suffer directly but also for the rest of our society. Many do not acknowledge that fact and have found it easier to turn their backs to this problem, as if it has no bearing on their own lives.

In fact, as recently as 1988, Westchester County did not have one food cupboard or soup kitchen to assist these people. There was not one place where a hungry person could count on finding sustenance, not one oasis of caring where a worried parent could count on finding food for a hungry child.

Food-PATCH was organized to bring together concerned citizens to respond to this urgent need. In a very short time over 100 soup kitchens have been established in the northern half of Westchester County. Every day, 10,000 pounds of food are distributed to those who would otherwise go hungry. Through the efforts of Food-PATCH, thousands of children do not have to go to bed hungry; parents are able to feed themselves and know that their children are receiving essential nutrition.

In spite of the immense challenge of tackling the hunger problem in our county, Food-PATCH is undertaking an energetic program toward even more ambitious goals. They provide classes in practical living to help people become self-sufficient, to supplement the quality of the food they distribute with nutritious fruit and vegetables, to fight for breakfast programs in public schools, and to provide infant's and children's survival kits to parents.

I salute Food-PATCH, Mr. Speaker, for having the compassion to care, the energy to work, the perseverance to ensure the resources are there to meet the massive need, and the foresight to look beyond today. The result of their commitment has been a remarkable ability to make a difference in the lives of others. Every person who is involved with this organization deserves the appreciation of the entire Westchester community for their selfless support for Food-PATCH and its important work.

Those of us in the Congress have a responsibility to groups like Food-PATCH. As we set budgetary priorities and craft legislation designed to address the hunger problem in America, we need to ensure that our work complements and enhances the ability of Food-PATCH and other humanitarian organizations to continue their valuable work. We should never forget that, without them, the Federal efforts to address this problem would not succeed.

I am sure that all of my colleagues here in the House join me in acknowledging our debt of gratitude to the people who give of their time and financial resources to make Food-PATCH the success it is.

VETERANS DAY 1991 IS A VERY SPECIAL OCCASION

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. WALSH. Mr. Speaker, for the first time in decades our country finds itself ready to celebrate Veterans Day without the cold war staring us in the face. The world has changed drastically, although many serious problems remain. But our military personnel find themselves quietly defending the peace at the present time.

Veterans Day 1991 remains a very special occasion. We honor the brave men and women in our military forces, both past and present, who serve their country with such great distinction. I remind all my fellow Americans to take a moment to remember especially those veterans who have given the ultimate sacrifice in the defense of freedom. In this century alone we have seen two major world wars and countless other confrontations between nations. Any day you visit either a veterans cemetery or VA hospital, you are clearly reminded of the horrors of war. Yet at the same time I encourage the citizens of this Nation to take a moment to visit a veterans hospital to offer support to those confined there.

The tremendous success of the Desert Storm operation showed the skill of our Armed Forces. They are second to none in the world, yet all of us hope no further battles in the name of peace will be necessary.

We have a great deal to be thankful for on Veterans Day 1991. I support all of our Armed Forces personnel, past and present, and extend to them the congratulations of a grateful nation.

TRIBUTE TO THE D.C. INSTITUTE FOR MENTAL HEALTH

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DELLUMS. Mr. Speaker, I am pleased today to extend to the D.C. Institute for Mental Health my heartfelt congratulations for 25 years of mental health service to the citizens of the District of Columbia. For 25 years, the Institute for Mental Health has operated 5 community-based programs—Anacostia Clinic, the Center for Family Health, Connecticut Avenue Clinic, Georgia Avenue Clinic, and the Institutewide Training Program.

Mr. Speaker, between July 1991 and June 1992, the Institute will see nearly 3,000 patients at 4 program sites, and it will provide them with some 150,000 hours of health care services. The institute is the largest and one of the oldest nonprofit providers of primary mental health care in the city—and the largest provider of such care for poor children. Among the institute's clients are the working poor, with nearly 40 percent in this group uninsured or underinsured. In the main, the institute's client population exhibits problems ranging from acute depression and suicidal behavior to stress-related disorders, phobias, and schizophrenia—with health as well as substance abuse problems commonly seen as complicating factors.

Mr. Speaker, with successful outpatient treatment, many of the institute's clients remain at work and productive in the community or move from public assistance to educational achievement, greater levels of productivity, and the maximum levels of self-sufficiency. As a result of the institute's work, severely disturbed patients who would require admission and costly treatment in inpatient psychiatric units remain in the community at a fraction of the public cost. Without the institute, the sheer number of patients needing emergency care would inundate the psychiatric and medical emergency rooms in the metropolitan area; significant numbers of patients would place overwhelming demands on the area's strained mental health and health care system; and many persons only marginally coping with their lives would become homeless.

Mr. Speaker, once identified and enrolled in the program, drug-exposed infants will receive routine pediatric neurological and psychiatric evaluations, indepth therapies, and other extensive medical care for the first 5 years of their lives. Siblings ages 6 to 11 years old will likewise receive indepth attention in the Therapeutic Afterschool Program, which will provide individual and group psychotherapy, psychiatric and psychological evaluations, and medicative therapies.

Mr. Speaker, recovery from cocaine addiction is a long, hard-fought process. Residential treatments will be provided for the most seriously addicted parents, lasting anywhere from 6 to 18 months. In addition, the Institute will offer outpatient therapy groups for those mothers and fathers not requiring residential treatment. Other therapy groups will focus on assisting and encouraging pregnant women, many of whom are expected to be very young, to seek early pre-natal care and to eliminate the drug-taking behaviors which endanger unborn children.

Vocational training will be offered through collaborations with the local business community and schools. Day and evening drug and other education programs will teach parenting and other necessary life skills. A full range of psychiatric services will be available for this often dually diagnosed population.

Mr. Speaker, the D.C. Institute for Mental Health is an excellent nonprofit organization worthy of our notice on its 25th Anniversary.

MIAMI COUNCIL NAVY LEAGUE EVENT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, on October 26, the Miami Council Navy League of the United States held a most successful celebration commemorating the 216th birthday of the U.S. Navy. The guest of honor was Rear Adm. George Gee of the U.S. Navy.

Rear Admiral Gee shared with the distinguished guests of this year's Navy ball experiences from his recent command in Operations Desert Shield and Desert Storm. He further explained his current command with the Joint Task Force Four, a counternarcotics task force in Key West, FL.

Many should be commended for their leadership in organizing this successful event. These include: Honorary chair, Lady Suzanna Tweed; president, Mrs. Martha Ann Hoskins; and chairmen, Mr. and Mrs. M. Berman Stein, Capt. and Mrs. William Best, Mr. and Mrs. Ronald Falkey, Mr. and Mrs. William Kilpatrick, Mrs. June Larson, Mr. Don Manson, Capt. and Mrs. John Machin, Lt. Col. and Mrs. Mel Mendelson, Comdr. and Mrs. John Pell, Mrs. Helen Rowan, Mr. and Mrs. Robert Sprung, Comdr. and Mrs. William Stein, Mrs. Gene Storob, Mr. and Mrs. Jerry Sherrard, Maj. Gen. and Mrs. Frank Simokaitis, Col. Thomas Stringfellow, Capt. and Mrs. Sandy Tanos, Mr. and Mrs. Charles Terry, Col. and Mrs. John Thomson, Lt. Col. Nicholas Valeriani, and Mr. and Mrs. John Watson.

INTRODUCTION OF LEGISLATION TO COMPENSATE VETERANS WHO HAVE BEEN HARMED BY DVA

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to introduce legislation that I believe will bring fairness to veterans who have been harmed by the Department of Veterans Affairs [DVA].

My bill will provide that amounts received by a veteran in a legal settlement with the DVA for injuries arising from the negligence of the Department shall not be counted as income for purposes of income-based programs administered by the DVA.

Mr. Speaker, as so often is the case, the inadequacies of current law are brought to our attention through constituent casework. The impetus for this bill came from one of my constituents, Mr. Richard Corbett, who was offered a $20,000 settlement for his injuries as a result of the DVA's negligence in providing him with improper medication. Mr. Corbett was informed that if he accepted this settlement for his injuries caused by the DVA he would no longer receive the income-based pension he and his family currently depend upon. Since the DVA includes personal damages as countable income, veterans benefits that are means tested, such as pensions, are offset by the amount of any injury award.

I believe that it is unfair for the DVA to benefit from the injuries it causes veterans. The veteran, after having his personal damages claim acknowledged by a settlement offer from the DVA, is not indemnified for the DVA's negligence. He is no better off having essentially won his claim than he would have been having lost. Where is the justice for this disabled veteran and his family who have been harmed by the DVA? I am certain that there are many other veterans who find themselves in similar circumstances.

I call my colleagues' attention to a precedent set with regard to personal damages as countable income and the offsetting of DVA means-tested benefits. In the past 3 years, Congress enacted two laws that excluded personal damages from being counted as income for the purpose of determining entitlement to Federal benefits. The first law precludes out-of-court settlement payments received by Vietnam veterans who were exposed to agent orange from being counted by the DVA for its income-based benefits. The second law prohibits all Federal agencies from counting as income any veteran's out-of-court settlement payments for agent orange exposure for all means-tested Federal benefits and programs. Both of these bills, which I introduced, received unanimous support and were expeditiously signed into law.

Mr. Speaker, I ask my colleagues to give this important bill their support. I am certain that each one of us will be helping a veteran who has been hurt by the DVA. We should not allow them to be hurt twice. Let's approve legislation to allow these veterans to settle their legal claims and keep their pension benefits, when the DVA is the negligent party.

ENTERPRISE CAPITAL FORMATION ACT

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MOODY. Mr. Speaker, I want to start by thanking Senator BUMPERS, Representatives MATSUI, GRADISON, and others and say that I enjoyed working with them in drafting this important piece of legislation.

For many years, I have been a leading and vocal critic in the Ways and Means Committee against the broad-based capital gains tax cut offered by the President and others.

I intend to remain so.

I have taken this position because I believe that such an approach creates windfall rewards for past investment decisions, disproportionately benefits the very wealthy, and encourages rapidly churning capital, creating paper wealth for stockbrokers.

What makes the Enterprise Capital Formation Act different is that our bill is a highly targeted capital gains tax cut designed to encourage new, long-term investments in small businesses that have been effectively shut out of traditional capital markets.

Indeed, the credit crunch has affected small businesses, particularly high-growth, risk-taking small businesses, most severely. We heard testimony in the Ways and Means Committee that venture capital funds fell from $4.2 billion in 1987 to $1.8 billion last year, and it will probably get worse in 1991.

These businesses are the engines of our economic growth in Wisconsin and the Nation. They create more jobs and are more innovative than their bigger counterparts.

A recent study by the Office for Technology Assessment [OTA] cited a lack of capital as a primary threat to the competitiveness of U.S. innovation in the future. While that study was specifically about biotechnology, the same could be said of electronics, process technologies, software development and other technologies specified by the President's own National Critical Technologies Panel as crucial to our economic growth.

American basic scientific research is the best in the world. Yet, when it comes to commercializing technologies, no American firm or bank can afford to invest. The payback takes too long, even when capital is available. So, reluctantly, many turn to Japanese, Germans, and others with more venture capital and investors who are willing to wait for their returns.

This silent technological drain is unnecessary. By making corporations as well as individuals eligible, our bill creates new pools of American capital that can help keep our best ideas at home, contributing to U.S. economic competitiveness and U.S. standard of living.

Democrats have long been identified with economic fairness. The Enterprise Capital Formation Act illustrates our willingness to work in a bipartisan way to achieve economic growth whose benefits are shared widely among all parts of society.

BIRMINGHAM PEDIATRICIAN LEAVES LEGACY FOR CHILDREN

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. ERDREICH. Mr. Speaker, I'd like to take this opportunity to extend my congratulations to Dr. Dewey A. White, who will be receiving the Alabama Family Alliance 1991 Friends of the Family Award. I'd also like to share with my colleagues the many professional, church and civic contributions Dr. White has made to our community, touching the lives of thousands of Jefferson County citizens.

Dr. White practiced pediatrics for 30 years in Birmingham, served as president on the staff of Children's Hospital and organized and served as head of the department of pediatrics at Baptist Medical Center Montclair. Dr. White was a physician at UAB Medical Center Student Health Center from 1973 to 1978, serving the last 10 years as medical director. He was a professor of pediatrics at UAB, and held numerous positions in the State medical association.

But Dr. White's contributions were not limited to his profession. He served in the Alabama Legislature as a member of the house and senate, and was a member of the board of directors for Young Life, the King's Ranch, and Youth for Christ.

He presently serves on the Alabama Commission of Environmental Management; Juvenile Justice Coordinating Council, and is executive director of the King's Ranch.

Dr. White is the father of four children and nine grandchildren. His tireless efforts on behalf of all children is indeed a very special legacy that will be remembered by future generations. And, on a personal note, I sincerely appreciate and will always remember the many times Dr. White stitched up my son, Jeremy.

40TH ANNIVERSARY TRIBUTE TO SANTA CLAUS, INC.

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of Santa Claus, Inc., a very special organization in San Bernardino, CA. During this holiday season, Santa Claus, Inc., will celebrate 40 years of bringing Christmas cheer to thousands of needy children and families in southern California.

Santa Claus, Inc., has its roots in World War II when Mrs. Mignon Schweitzer, a beautiful lady now in her eighties, joined with her friends on the social planning council in seeing a need to bring entertainment and some special holiday festivities to the airmen stationed at what is now Norton Air Force Base. The program was a success and deemed important to continue.

In 1951, Mignon Schweitzer founded Santa Claus, Inc., to concentrate solely on Christmas. "Incorporated" was added to signify incorporating the efforts of the entire community. The group acquired the use of garages, porches, and spare storage to store clothing and toys for the less fortunate families in the area. According to Mrs. Schweitzer, "Santa Claus has never considered itself a charity. Families that are less fortunate often are only temporarily so." A recent example are the many military families from Norton Air Force Base who were served last Christmas during the Persian Gulf war.

Some have suggested that it is unusual that Mignon Schweitzer, a woman of Jewish faith, would become so closely involved with Christmas. In an interview several years ago, she explained, "My grandfather was German and he always celebrated Christmas. It was a family gathering that came to mean so much to me."

Children and families in need come to the attention of Santa Claus, Inc., through referrals from schools, hospitals, churches, social workers, Red Cross, Salvation Army, and neighbors. Parents are sent invitations and appointments are set for them to shop at no cost for their children's Christmas presents. Mignon's wish has always been that parents be able to preserve their self-esteem and not suffer embarrassment because of their inability to provide for their children.

The organization Mignon founded 40 years ago provided toys and clothing for 1,000 children in its first year. During the last year, Santa Claus, Inc., served 9,078 children, including toys to 374 Norton Air Force Base families. Over the years, more than 250,000 children have been given positive memories of Christmas and the holiday season because of this wonderful organization.

Mr. Speaker, I ask that you join me and our colleagues in recognizing the many valuable contributions Mignon Schweitzer and Santa Claus, Inc., have made over the years. This organization dedicated to giving is most worthy of recognition by the House today.

TRIBUTE TO JUDGE LUIGI R. MARANO

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. MOLINARI. Mr. Speaker, in the Bay Ridge community of Brooklyn on November 15, 1991, a very special event will take place. There will be a reception in honor of acting supreme court justice Luigi R. Marano, who will be retiring from the bench on December 31, 1991.

Judge Marano has been active and devoted in civil service all of his life, from his days as an assistant attorney general for the State of New York, to his service as a member of the New York State Assembly, and his appointments and reappointments as judge of the Family Court of New York and judge of the New York State Court of Claims.

In addition, Judge Marano has been active in the Bay Ridge community. He has taken on leadership roles in community organizations that best serve the interests of Bay Ridge.

Mr. Speaker, on behalf of the citizens of New York I would like to thank Judge Luigi Marano for his dedication and service. New York is losing a valuable civil servant, but we are all the better for his long and active career.

A TRIBUTE TO THE LIBERTY CITY QUARTET

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to pay tribute to the Liberty City Quartet, a group of four young women—Deithrea Smith, Melissa Spencer, Electra Ford, and Hope Walker—who perform in their string quartet. Three of the members have been friends and playing together since they attended Liberty School Elementary. Now seniors in college, they have quite a positive enterprise going. In a Miami Herald article Ricardo Bascuas reports "Quartet Won't Forget Roots," and I commend the following article to my colleagues:

> When Joe Tonna, manager of a Miami Beach restaurant, was looking for local talent to entertain his clientele, he called the University of Miami. The School of Music put him in touch with the Liberty City String Quartet.
>
> "I wanted to keep the music real simple but good and the Liberty City quartet fits the bill. They're straight-forward, they're classically studied students and they fit the place great," Tonna said.
>
> The quartet's members began playing their instruments at Liberty City Elementary, 1855 NW 71st St., under the direction of music teacher Charles Mobley. Now seniors in college, three original members of the group, Deithrea Smith, Melissa Spencer and Electra Ford still play together with Hope Walker, who replaced a member who went away to school.
>
> "They wanted to pursue this beyond their Dade County Public School tenure," said Mobley. "They have been friends and colleagues since their elementary school days and it just sort of evolved."
>
> Once they all graduated from Northwestern High, they began managing the quartet themselves instead of relying on their instructors.
>
> "When Melissa graduated in 1987, we decided to get serious. We set our own price range, we got business cards," said Ford, 21.
>
> They now have a manager, Morgan Harris, to market their talent. Besides appearing at Key East Restaurant, 647 Lincoln Rd., the group plays at wedding receptions and banquets.
>
> "Quite frankly speaking, you don't have many black groups that are really interested in playing string instruments," said Harris. "This kind of group can be a rare commodity."
>
> "That is the reason the women named the group after the city where they grew up.
>
> "Everything you hear on TV about Liberty City is so negative. We just wanted to portray the positive side of it," said Smith, 21. "We're not going to forget Liberty City no matter if our careers and our education take us someplace else. This will always be our base."
>
> Spencer, 22, and Ford are both on scholarship at UM. Ford, a music performance major, has a full tuition scholarship while Spencer, majoring in music education, received two partial scholarships. Spencer plays the viola and Ford plays the cello.
>
> Smith, a business management major at Barry University, and Walker, a 19-year-old sophomore at the South Campus of Miami-Dade Community College, both play the violin. Smith received a Golden Drum scholarship and Walker, a music education major, received a full-tuition fine arts grant from MDCC.

I would like to recognize the outstanding accomplishments of these four, young artists Deithrea Smith, Melissa Spencer, Electra Ford, and Hope Walker.

FATAL FLAW IN NEW BANKING BILL EXPOSES TAXPAYERS TO TENS OF BILLIONS IN RISK

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. KANJORSKI. Mr. Speaker, while there is much in the new banking bill (H.R. 2094) that is worthwhile, I am concerned that it does not include many important sections of the original H.R. 6 which were considered noncontroversial, and that it contains one fatal flaw.

Members should be aware that, as currently drafted the new banking bill explicitly exposes U.S. taxpayers to tens of billions of dollars of risk. It authorizes the Federal Reserve and Secretary of the Treasury to spend tens of billions of dollars to payoff uninsured deposits, even if those deposits are outside the United States.

To put this in perspective, if section 142(b)(2) of the bill is not changed, unelected bureaucrats could, in one fell swoop, spend more money than either the Commerce Department, the Energy Department, the Interior Department, the Justice Department, the State Department, the EPA, NASA, or the entire legislative or judicial branches spend in an entire year.

This loophole must be closed before we pass this legislation. I will seek permission from the Rules Committee to offer such an amendment on the House floor. No amendments were permitted in the Banking Committee because the previous question was moved before any amendments could be offered.

Section 142(b)(2) of the bill purports to close the infamous too-big-to-fail loophole. Unfortunately, it contains a loophole large enough to drain the U.S. Treasury.

Section 142(b)(2) of this legislation adds a new subsection (b)(5) Permissible advances to avoid systemic risk to section 10B of the Federal Reserve Act (12 U.S.C. 347b). This loosely defined subsection constitutes an open-ended draw on the U.S. Treasury.

This subsection authorizes the Federal Reserve, in conjunction with the Secretary of the Treasury, to make advances to an undercapitalized depository institution if the advances, are necessary to prevent a severe adverse effect on a regional or the national economy. Nowhere does it define either severe adverse affect or regional economy.

Some have said we should not worry about these advances because they are made by the Federal Reserve, and not the FDIC or the Treasury. Members should be aware that the only reason the Federal Reserve runs a profit is because reserve requirements imposed by Federal law guarantee the Federal Reserve a steady income stream of billions of dollars. Thus the Federal Reserves' profits are guaranteed by law and profits in excess of expenditures are turned over to the U.S. Treasury. If the Federal Reserve starts bailing-out uninsured and foreign deposits those costs will reduce income to the Treasury and will raise both the deficit and the national debt.

Furthermore, new subsection (5)(B) explicitly states that costs in excess of liquidation—i.e., the bailout of uninsured deposits and foreign deposits—shall be an obligation of the United States. A number of our too-big-to-fail banks have tens of billions of dollars of such deposits.

By leaving this loophole in the law we perpetuate the too-big-to-fail doctrine and continue the drain on small- and medium-sized financial institutions.

Ideally, we should strip new subsection (5)(B) from this bill. At an absolute minimum we should: First, require that the President, not the Secretary of the Treasury, make any bailout decision that could cost U.S. taxpayers tens of billions of dollars, and second, permit such bailouts only when there is systemic risk to the national economy.

It would be a serious mistake for us to continue to leave the too-big-to-fail loophole open, hemorrhaging funds from small- and medium-sized financial institutions to undercapitalized money center banks. It would be tragic to open the doors to the U.S. Treasury, at great potential risk to U.S. taxpayers, upon the decision of unelected officials at the Treasury and the Federal Reserve.

The Federal Government is neither legally nor morally obligated to cover uninsured or foreign deposits. We should not give that power to unelected bureaucrats now when that will disrupt the flow of credit in the United States, and will expose the Treasury and U.S. taxpayers to tens of billions of unwarranted costs.

IN MEMORIAM: SCOTT ANDERSON

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MANTON. Mr. Speaker, it is with much sadness that I note the passing of my good friend, Scott Anderson. For many years, Scott was the chief lobbyist for the Burlington Northern Railroad. It was in this capacity that I first met Scott shortly after I was elected to Congress 7 years ago.

Scott helped me in many ways. My campaign had a six-figure debt and Scott helped me retire it. That is not an unusual story. Every lobbyist wants to get close to an incumbent. Scott, however, offered much more. He gave me good advice about this town. He helped me to achieve a perspective about my new job that allowed me not to take myself or Capitol Hill too seriously. Scott's wisdom was invaluable then, and it has stayed with me ever since.

Mr. Speaker, many of our colleagues will remember Scott for his political acumen, his wonderful sense of humor, and his ever-present suspenders and hearty laugh. We were all fortunate to know him because he brought a balance to this town that is desperately needed. I know my colleagues join me in sending our condolences to his wife, Rosemary, his daughters, Heather and Heidi, and the remainder of his family. Scott's friends on Capitol Hill mourn his loss because he was such a joy to know and work with. This institution needs more lobbyists like Scott Anderson.

TRIBUTE TO MARY STANDLEE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to a truly special individual who has contributed significantly to education in California and across the Nation. Mary Standlee has served the past year as president of the California School Boards Association and is concluding her term in December. During her tenure as president and as a leader in education, Ms. Standlee has brought innovative ideas and thoughtful debate to the education community. Her stature as a distinguished authority in education has become unquestioned through her demonstrated leadership as an educator and articulate spokesperson on behalf of children.

Ms. Standlee has demonstrated a lifelong commitment to youth. She has taught school in California and Alaska and involved herself deeply in education issues for more than 20 years. Ms. Standlee has been directly responsible for the tremendous professional growth of the association in the areas of governmental relations, communications, research, board development, policy development, and field services. Her personal efforts to focus attention on specific education issues including at-risk children, early intervention, and instruction to limited-English-proficient students clearly indicate her compassion and concern for kids.

Mr. Speaker, on behalf of all my colleagues and all Americans who value a high quality of education for our Nation's children, I pay honor to the tireless efforts of Ms. Mary Standlee as she leaves the presidency of the California School Boards Association. It is with great pride and enthusiasm that we thank her for the lasting contributions she has already provided us and those accomplishments we can expect from her in the future.

ON THE OCCASION OF THE LAST NATIONAL REUNION OF THE VETERANS OF THE 108TH INFANTRY REGIMENT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. HORTON. Mr. Speaker, on November 16, 1991, the 108th Infantry of the 27th Division of the old New York National Guard will celebrate the 51st anniversary of its Federal muster of October 15, 1940. The gathering will also be a time for the veterans of the regiment to commemorate the 50th anniversary of Pearl Harbor which occurred on December 7, 1941, when the 108th was on active duty at Fort McClellan, AL.

The 108th Infantry, as part of the 27th Division, was the first infantry regiment from the State of Alabama to be sent overseas in February 1942. The 27th Division and the 108th Infantry Regiment were assigned to defend the territory of Hawaii, and the 108th took up defensive positions on the Islands of Maui, Lanai, and Molokai.

In September 1942, the regiment prepared and trained for jungle warfare and was assigned to the 40th Division of the California National Guard. The 108th served with distinction and honor in Hawaii, Guadalcanal, New Britain, Luzon, and in the liberation of the Philippines.

For its distinguished service in World War I, as a part of the 27th Division, the 108th was decorated with campaign streamers for the Somme Offensive, Ypres, and Flanders. The campaign streamers for World War II include Bismarck Archipelago, Leyte, Luzon, and the southern Philippines with Arrowhead.

The mayor of the city of Rochester, NY, Thomas P. Ryan, has proclaimed November 15–17, 1991, as 108th Infantry Days in honor of the regiment's faithful service to our country. And the State of Alabama, where Fort McClellan is located at Anniston, is host to the permanent monument to the 27th Division, including the 108th Infantry which was reassigned to the division at the end of World War II.

Mr. Speaker, I am extremely proud to be an honorary life member of the 108th Infantry Association. Other honorary life members include: Our former colleague, Bill Nichols, who represented the 3rd District of Alabama, the site of Fort McClellan; my fellow Rochesterian, good friend and colleague, Louise Slaughter, who represents New York's 30th District, the home base of the 108th Infantry Association; my colleague from Alabama, Congressman Glen Browder, and Guy Hunt, the Governor of the State of Alabama.

On behalf of all of us, Mr. Speaker, I would like to commend all of the members of the 108th, especially the officers of the 108th Infantry Association: Mr. Joe Taddeo, Sr., president; Mr. Nick Meli, vice president; and Mr. Archie Rinebold, special events chairman. Also, special recognition is in order for Mr. James Noblitt, who serves as the historian for the 108th Infantry Association. Mr. Noblitt served as medical assistant throughout the battle for the liberation of the Philippines and treated many of the injured and wounded members of the regiment.

On this memorable occasion, the members of the 108th Infantry Association salute their Commander in Chief, the Honorable George Bush, President of the United States of America, and wish the Members of the Congress good health and guidance in the performance of their services to our country. And Mr. Speaker, I ask my colleagues to join me in expressing their gratitude and admiration for the brave soldiers of the 108th Infantry.

CONGRATULATIONS TO MARIAN AND FRANK ROCHE

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. McDADE. Mr. Speaker, the coming weeks provide cause for special celebration for Marian and Frank Roche of Waverly, PA, and their family and friends. Mr. and Mrs. Roche will be celebrating both their 60th wedding anniversary and their 80th birthdays.

Marian and Frank were born on December 15 and November 15, 1911, respectively, and have been lifelong residents of the Dunmore-Scranton area. They were kindergarteners together in Dunmore, and eloped and were married at St. Theresa's Catholic Church in Wilkes-Barre on November 26, 1931. Sixty years later they are blessed with 5 children, 20 grandchildren and 10 great-grandchildren.

Frank retired in 1972 from a rewarding career with the Metropolitan Life Insurance Co. after attaining the position of regional manager. Mr. and Mrs. Roche have been longtime activists in community, church, civic, and charitable activities in northeastern Pennsylvania. I am sure that their proudest achievements are the health and successes of their children and grandchildren.

The Roche's lives personify the traditional American values of commitment to each other, love of family, success earned through hard work, and selfless service to others that have made this country great. Mr. and Mrs. Roche are to be congratulated as their family and friends gather in Scranton later this month to celebrate these significant milestones in their lives.

TRIBUTE TO COL. JERRY D. WOODS, U.S. AIR FORCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DORNAN. Mr. Speaker, I rise today to salute a friend, a warrior and a true American hero, Col. Jerry D. Woods, who retired on September 1, 1991, from the U.S. Air Force after 24 years of diligent service to our country, most recently as the chief of the Air Force House Liaison Office.

Colonel Woods has served this country with great distinction as both an officer and fighter pilot. He has flown 281 combat missions and has received the Distinguished Flying Cross as well as 11 Air Medals. Overall, Colonel Woods has logged over 4,000 flight hours in various jet fighter aircraft including both the Air Force and Navy F–4 Phantom, the F–5 aggressor aircraft, and the F–16 Fighting Falcon.

He has served as an instructor pilot at Luke Air Force Base, where he was named Instructor Pilot of the Year in 1975. Colonel Woods also served as an exchange pilot with the U.S. Navy, where he completed 257 carrier landings, including 91 at night. He even received the prestigious Carrier Top Gun Award while in service with the Navy in 1979.

While Colonel Woods has an extensive background in the cockpit of numerous jet fighter aircraft, those of us in the House of Representatives know him best from his most recent position as chief of the Air Force Liaison Office. In this position, Colonel Woods has been a direct representative to Members of Congress for the Air Force, Secretary of Defense Cheney, and President Bush. I can think of no one who has provided better guidance, advice and real world expertise on a wide variety of aerospace and other national security issues than Colonel Woods has provided to this body over the past 2 years.

Mr. Speaker, I ask you and my colleagues to join me in saluting Colonel Woods for his many contributions to the security of this great Nation. It is worth great pride and pleasure that I congratulate him upon his retirement from the Air Force, and I extend my best wishes to Jerry for all of his future endeavors.

INTRODUCTION OF LEGISLATION TO COMMEMORATE THE 50TH ANNIVERSARY OF WORLD WAR II

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MYERS of Indiana. Mr. Speaker, today I am reintroducing legislation to commemorate the 50th anniversary of World War II. There are over 9 million living veterans of World War II in the United States and during the 4-year period from 1991 to 1995, I believe it is important to honor the men and women who defended our country so bravely just 50 years ago.

This bill calls for a national observance of the 50th anniversary of World War II which lends support to those men and women across America who are holding reunions, conferences, and special events to remember an important time ingrained in our country's past.

War is not a cause for celebration and this resolution does not celebrate World War II or any war. This legislation commemorates the U.S. involvement in the war and serves to recognize the people who fought for freedom. There are many stories about our Nation's involvement in the war and these stories should be retold, especially to the younger generations, who only know about World War II from their history books and their parents and grandparents.

By designating the week of May 31 through June 6, 1992 as a week for the "National Observance of the 50th Anniversary of World War II," we recognize and pay homage to millions of Americans who made great sacrifice for the benefit of all America.

I invite all Members to join me in recognizing World War II veterans by cosponsoring this commemorative legislation.

UNIVERSAL HEALTH CARE

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DWYER of New Jersey. Mr. Speaker, I rise today to bring to the attention of my colleagues an issue that is important to myself, my constituents, and the Nation. That issue is national health care reform. On November 5, 80 percent of New Jersey voters supported a ballot question urging the Congress to enact national health care for everyone. My colleagues will also be interested to know that supporters would be willing to share the cost either through a copayment or deductible.

There has been a great deal of concern in recent years over the high cost of health care, and whether attempts to control costs have resulted in a reduced level of quality in our health care. These are concerns that I have been working on throughout my tenure in Congress.

However, past efforts are not enough. Now is the time to review the health care system in America. There are many proposals circulating this Congress. A step in the right direction would be consideration of H.R. 1300, the Universal Health Care Act. As its name implies, this legislation would provide coverage to all Americans regardless of job, income, and age.

I believe that now is the time for the Congress to act on reforming the health care system. The people of New Jersey demand it as does the whole country.

MAYOR TED MANN LEADS RECYCLING EFFORT

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. FRANK of Massachusetts. Mr. Speaker, there has been a great deal of talk about recycling in recent years. In some cases there has been decisive action in this regard—and I am very proud that my home city of Newton, MA, is one of those in which such action is taking place.

The major share of the credit for this goes to our mayor, Ted Mann. Newton has had this program in existence in some form for 20 years, and it is no coincidence that is also the length of time that Ted Mann has been the mayor. He is not only the senior mayor in point of service in our State; he is, by general agreement, as dynamic and creative a chief executive as we have in Massachusetts. Obviously this program succeeds because of the enthusiastic cooperation it receives from so many citizens of Newton, and from the city's able municipal work force. But the key to it all is Mayor Mann and his talented enthusiasm.

I was very pleased that City & State magazine in its October 7 issue recognized both the importance of Newton's program and the central role Ted Mann has played in it. This is truly an example for the rest of the Nation and I ask that the article be reprinted here so that others can benefit from this example.

[From City & State, Oct. 7, 1991]

NEWTON: A HISTORY OF "THINKING GREEN"—VISIONARY MAYOR NURTURES PROGRAM

(By Amy Lamphere)

Over the last few years, the United States has witnessed a turnaround in attitudes toward wasting, using and recycling.

In the early 1980s, most recycling programs existed only on drawing boards, and citizens who were "thinking green" virtually were considered radicals. By 1990, recycling suddenly was "in" for the majority of the populace.

Given that history, how is it that recycling in Newton, Mass., a medium-size city just outside of Boston, has been in existence since 1971?

Credit goes to one visionary, Theodore D. Mann, who was elected mayor in 1971 and immediately began implementing a plan to create a recycling program. Mr. Mann, who remains Newton's mayor today, had formulated a recycling program during his earlier days as an alderman.

"Mayor Mann has been the driving force behind all of the environmental programs in the city," explained James L. Hickey, Newton's public works commissioner. "Water conservation, tree planting, composting, recycling * * *. He's the one who gives us an environmental push. Twenty years ago Newton started this program. That's a lot of foresight."

Mr. Hickey noted that Newton was the first city in Massachusetts to commence weekly curbside recycling. Now, he added, that program is the state's most comprehensive.

Mr. Mann said his enthusiasm for environmental programs was the result of a series of observations in the community and around the world.

"I took note of what was happening to the environment," Mr. Mann said. "Land space was becoming scarce and stories of pollution from incinerators were beginning to filter through. I knew something had to happen."

Mr. Mann's commitment to working with the environment has heightened over the years. He has visited countless cities to examine resource recovery programs.

"We are being emulated in many countries throughout the world," he said. "What started locally has gone global."

Newton's two-decades-old program started simply with a recycling drop-off center. Residents were encouraged to bring newspaper, cans and glass to the center on a voluntary basis. Less than a year later, the mayor created the Citizens Recycling Committee, an ad hoc advisory group of citizens.

Early in 1972, the recycling program in Newton launched bimonthly curbside newspaper collections. The program has since experienced a multitude of changes.

Newton's recycling program has been developed gradually, with expansions coming piece by piece. The first expansion came in 1975, when glass and cans were added to the curbside effort. The next big change arrived in 1980, when an initiative spearheaded by Mr. Mann to mandate the recycling of newspaper was passed by the Newton Board of Aldermen.

The switch to mandatory from voluntary recycling was a success. The tonnage of collected newspaper increased 66% during the first year of mandatory recycling to 2,792 tons in 1981 from 1,683 tons in 1980.

Newton privatized its waste collection and recycling programs in 1983. In April last year, the city negotiated a five-year, fixed-price contract with Laidlaw Waste Systems Inc. for collection of material with a waste hauler, waiving the returns from the sale of recyclables in exchange for avoiding the uncertainties of recycling markets.

The estimated cost of the recycling and yard waste projects for fiscal 1992 is $750,000 City officials say that amount represents a cost savings of $600,000 when compared to past disposal methods.

During the mid 1980s, it became apparent that a composting plan for yard waste was essential. Although one had been instituted in the 1970s, it had been largely unsuccessful.

The mayor's push for composting can be attributed to his knowledge of similar programs in Japan, where he found that "composting is a way of life."

The city adopted the state's first major municipal composting program, according to Mr. Hickey, and the program's success seems to be contagious. In December, the state will begin enforcing a ban on leaf disposal in landfills and incinerators.

"Composting is an integral part of recycling," said Mr. Hickey. "There was a tremendous amount of yard waste being deposited in the landfill."

In the 82,000-resident community, nicknamed the "Garden City," yard waste is not small potatoes. The city boasts 350,000 trees, 30,000 of which line public streets. Yard waste is a large portion—between 18% and 20%—of Newton's residential waste stream.

The composting plan has flourished. Although some residents have taken the initiative to compost at home, the majority of recycled yard waste is picked up during curbside collection. Last year, 8,000 tons of yard waste were composted by the city.

Newton also has provided a market for its own compost. By mixing the material with road sand swept up at the end of winter and clay recycled from road construction jobs, the city creates loam for city landscaping projects. Any remaining loam is given to Newton residents free of charge.

"We are able to save money and put valuable natural resources to use in our own city," boasted Mr. Hickey.

Yet with all of its success, Newton hasn't finished developing its recycling program. The fastest growing area in the program is the drop-off center. In particular, the flow of office paper, cardboard, telephone books and magazines is increasing.

"We're constantly looking at new ways to expand." Mr. Hickey said.

CONGRATULATIONS JAMIE WHITTEN; YOU ARE A GREAT MEMBER OF THE HOUSE

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MAZZOLI. Mr. Speaker, on Tuesday, November 5, 1991, the House of Representatives celebrated a very important day—the 50th anniversary of Congressman JAMIE WHITTEN's entry into Congress. Two months from now, Chairman WHITTEN will break the all-time record for continuous service in the House of Representatives.

This remarkable longevity is testimony to the esteem and admiration that the First District of Mississippi has held for their Representative over the past 50 years.

First elected in 1941, a month before the Japanese attacked Pearl Harbor, JAMIE WHITTEN has chaired the Rural Development and Agriculture Subcommittee of the Appropriations Committee since 1949, with a special eye toward serving his agriculturally based corner of Mississippi.

Mr. Speaker, JAMIE WHITTEN'S success in representing Mississippi is indicated by his 25 consecutive election victories, and his success at gaining the esteem of his colleagues is illustrated by his ascendance to the chairmanship of the full Appropriations Committee in 1978. Over the years, he has remained one of the most important, and indeed, influential members of this body, respected for his sound judgment, experience, and especially his fairness.

Mr. Speaker, JAMIE WHITTEN has devoted all of his adult life to public service. Reared in a farming family, he was elected to the Mississippi House at age 21 and became district attorney just 2 years later. At age 31, he was elected to Congress on the eve of World War II. He served through the end of the Great Depression, World War II, the Vietnam war, the civil rights movement, Watergate, and most recently the gulf war. He has been a Member of Congress under 10 Presidents. He has changed with the times, but he is also testimony to the virtues of perseverance and dedication.

Mr. Speaker, I am proud to have served in this body with JAMIE WHITTEN, and I congratulate him on his 50 years as a Member of Congress.

A TRIBUTE TO WARREN COUNTY, MS, SHERIFF PAUL BARRETT

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. ESPY. Mr. Speaker, I rise today to give tribute to Sheriff Paul Barrett who has served Warren County, MS, for 24 years. Yesterday, Sheriff Barrett made Mississippi history by becoming the first sheriff in the State to be elected for seven terms. His six previous terms of solid law enforcement and unselfish service are undoubtedly highly recognized by the residents throughout Warren County.

Paul Barrett first entered law enforcement on October 4, 1952, when he joined the Vicksburg Police Department. While on the Vicksburg force, his hard work and dedication quickly advanced him to rank of chief of detectives, where his skills as a law enforcement officer where highly valued.

After losing his first attempt at the sheriff's post in 1963, Paul Barrett was first elected sheriff in 1967. He has beaten opponents in his previous six elections, but on Tuesday he happily ran unopposed.

Since that first election, he has worked to serve all the residents of Warren County—both black and white. His dedication to fair, yet stern police work, has helped him gain great respect.

Throughout Warren County, Sheriff Barrett is known for his many Good Samaritan acts. He once bought presents for five children for Christmas. Their father couldn't—because he was serving time in Sheriff Barrett's jail. At another time, Sheriff Barrett helped the widow of a grocery store owner who was murdered during a robbery. Sheriff Barrett helped the widow get a safety deposit box and helped her with funeral arrangements. In yet another incident, Sheriff Barrett bought shoes for a young girl so she could go to school. Many years later, that same young girl passed on a lifesaving tip to the sheriff. She helped him catch suspects plotting to take his life. It's just that kind of close relationship with Warren County residents that has helped Sheriff Barrett to inspire the community to work together. Consistently, Sheriff Barrett goes far beyond the call of duty, and Warren County residents consistently recognize his hard work.

Mr. Speaker, I have known Sheriff Barrett, who is the father of one son and grandfather of three grandchildren, for several years. He and his wife, Juanita Boutwell Barrett know their community well and serve it well. Sheriff Barrett's reelection to his seventh term on November 5, 1991, is testament to his distinguished public service.

ESTABLISHING NATIONAL MEDAL OF HONOR DAY

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. CHANDLER. Mr. Speaker, today I am introducing legislation designating March 25 of each year as National Medal of Honor Day.

The Congressional Medal of Honor is the highest distinction that any member of our Armed Forces can earn. Last year many of my colleagues joined me in cosponsoring a resolution designating March 25, 1991 as National Medal of Honor Day. The positive response was overwhelming and that resolution was signed into law. It is the intent of the bill I am introducing today to give National Medal of Honor Day a permanent place on our calendars.

President Abraham Lincoln, in the name of Congress, issued the first Medal of Honor on March 25, 1863. Since that time, millions of brave men and women have served our country but only 3,412 have earned this medal. It is in this spirit of selfless sacrifice and caring for others that I believe it only fitting to set aside one day, March 25, of each year to honor and remember these great Americans.

In recent years, we've learned that young Americans have little understanding of the Medal of Honor. Last year, the Wall Street Journal reported on a survey concerning the Medal of Honor. Out of the 1,500 students surveyed, 50 percent believed the medal was an entertainment award, while only 5 percent knew what the medal really represented. We must correct this lack of understanding.

This bill seeks to raise public awareness of the Medal of Honor and its recipients. These brave individuals who have given so much to our country must never be forgotten. It is important that they remain in the forefront of our thoughts. I urge my colleagues to join me in cosponsoring this legislation I have introduced today designating March 25 of each year, National Medal of Honor Day.

VETERANS DAY

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. BOEHLERT. Mr. Speaker, today I rise to remember those joyous moments not so long ago, when we knew that Operation Desert Storm was over, and that our friends and loved ones serving in the Armed Forces would soon be coming home. From Saudi Arabia to Iraq, from Griffis Air Force Base in Rome, NY, to Rheien-Main in Frankfurt, Germany, those fine men and women served their

Nation with incredible courage and bravery, with unmatched tenacity and valor. I salute them today for their unending patriotism, for the many sacrifices they made, and for their willingness to go beyond the call of duty.

But, I salute them for another reason, as well. Today, I applaud those airmen, soldiers, marines, and sailors, because many have now become members of a very select and very esteemed group—they are veterans. With songs and parades, marches and speeches, they will be remembered on Veterans Day. Yet, as we reflect upon the service which these new veterans rendered recently for freedom's sake, let us reflect, too, upon the invaluable service which has been provided by all our Nation's veterans. From Gettysburg to Saigon, from Fort Stanwix and Oriskany to Normandy and Iwo Jima, the veterans of this great land have given us something for which we can never fully repay. They have given us their strength. They have given us our freedom.

The fact that America stands today as a beacon of hope and democracy throughout the world is proof that no one has died in vain. It is up to us to make certain that veterans know of the unending appreciation we feel in our hearts for all their service and all their sacrifices. Let us make this November 11 a day when every veteran feels the deepest respect, admiration, and gratitude from the countrymen he or she so nobly and valiantly fought to defend.

KAREN A. GIEVERS, DADE COUNTY BAR ASSOCIATION'S NEW PRESIDENT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Karen A. Gievers, who was featured in the Miami Herald after being installed as the president-elect of the Dade County Bar Association. The article "President-Elect of Dade Bar Likes View From Top of Ladder" by Charles B. Rabin tells about how she worked her way up the ladder to become president of this prestigious organization:

This past June, Karen A. Gievers was installed as president-elect of the Dade County Bar Association. It's something she's been shooting for for quite some time.

"I've been working my way up the ladder for the last 4½ years," she said. "It's always nice to move up to the next step."

Her term will begin in June 1992.

"She'll be an excellent president. There are very few people in America who care about curing problems like she does," said current President Dean Colson, of Colson Hicks Eidson Colson and Matthews in Miami.

Gievers maintains an office with associate Nancy La Vista at 44 W. Flagler St. in Miami. The two primarily practice personal injury law, but she likes to refer to herself as a trial lawyer.

The specialty has suffered an image problem, Gievers acknowledges, no thanks to some late-night television ads that make the attorneys seem a bit overzealous. It's a bad rap on some reputable lawyers, she said.

"You can use commercials to help educate people instead of using them for attorney selection," Gievers said.

In 1987, Gievers formed a nonprofit organization called Operation SafeDrive. Its creation was due in part to her work with accident victims but mainly because of her husband's death. Joe Gievers was struck by a car and killed while riding a bicycle. A teenage driver had taken his eyes off the road to change the radio station.

"I formed the organization to help remind the driving public of paying attention and to help judges be aware of changed laws," Gievers said.

She lobbies the Florida Legislature on behalf of the Academy of Florida Trial Lawyers, the Dade County Bar Association, the Dade County Trial Lawyers Association and Operation SafeDrive. She also serves the Academy of Florida Trial Lawyers as president.

"Where necessary, she'll work like hell to change the system," Colson said. "She's a very formidable foe if she feels something needs to be changed."

Her respect for those on the other side of the fence has deepened, too.

"It's (lobbying) a tremendous process. I've been working at it for 7½ years," she said. "I've found that legislators work a lot harder than most people think.

"Sometimes it gets frustrating, because laws many times are changed because of political reasons, and not for common sense. But the democratic system of government is the best anyone's ever come up with."

The daughter of a housewife and businessman, Gievers is the first in her family to study law. "The generation I grew up in, girls were supposed to drop out and have kids. My parents don't know how to explain me."

After dropping out of UCLA in 1967 to get married, the Gieverses moved to Miami in 1969, when Joe found a job with National Airlines. Four years later, it was back to school for Karen. She attended Florida International University and Miami-Dade Community College as an undergraduate and graduated from the University of Miami Law School in 1976.

She landed her first job as a law clerk with Wolf & Schoninger. She left to join Sams Anderson Gerstein & Ward, becoming an associate in 1978. She then spent five years with Anderson & Moss, also as an associate, before becoming a partner with Anderson Moss Russo Gievers & Cohen.

By March 1987, it became Karen A. Gievers, P.A. She's the mother of a 21-year-old son at the University of Southern California and a 19-year-old daughter attending Tulane University.

She would maintain her South Florida residence. "I think it's a really fun place to work and live. People throughout the whole state care about it, and you can make a difference," she said. "There are so many different cultures, you see it in multi-ethnic juries. It's a microcosm of South Florida to watch a jury in action."

I am happy to pay tribute to Karen A. Gievers by reprinting this article from the Miami Herald. She has overcome many obstacles to achieve her goal, and is an inspiration to those who are still climbing the ladder to their dream.

VETERANS DAY 1991 HAS A SPECIAL SIGNIFICANCE

HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. LANCASTER. Mr. Speaker, I rise today to join my colleagues and millions of Americans as we prepare to formally celebrate Veterans Day, November 11. For 72 years, this Nation has recognized the contributions and sacrifices of our Nation's veterans to the cause of freedom that we all enjoy. While Veterans Day, initially known as Armistice Day, celebrated the ending of World War I at 11 a.m., November 11, 1918—the 11th hour of the 11th day of the 11th month—this special day now celebrates all who have so fought and struggled in the wars of this Nation and those who serve every day in our Nation's Armed Forces in times of peace. We are a grateful Nation.

This year we have experienced war and the unsettled peace that follows. Our Nation united as one to support the fine men and women who fought in Desert Storm and also those who remained behind serving in our Nation's military at home. My congressional district in North Carolina proudly sent its finest out of Camp Lejeune Marine Corps Base and Seymour Johnson Air Force Base and Fort Bragg and from National Guard armories and Reserve centers across eastern North Carolina. All of our communities, large and small, supported the men and women in uniform and took the families of these men and women who served into their hearts and into their homes.

Veterans Day 1991 has a special significance. For the first time since the end of the Vietnam conflict, this Nation was involved in a war that millions of Americans experienced every day and night in their own homes. Patriotism was strong, our goals as a nation of right and wrong were clearly defined. We welcomed those who returned with celebration and open arms. This body passed legislation to assist the men and women of Desert Storm, and rightly so. We were a grateful nation.

We have not always been a grateful nation. Those who served in Vietnam did not come home to celebration. They came home to a divided nation, a nation struggling to determine in their own minds if the war was right and wrong. As a cochair of the Vietnam Veterans in Congress with my friend and colleague, the Honorable LANE EVANS, we continue to struggle with our other colleagues on issues particular to that war as well as others such as post traumatic stress disorder and agent orange.

Finally, after 20 years some progress has been made, but more is needed. There are those who cling to the belief and hope that their loved ones that served in Southeast Asia are still there. They are still unaccounted for and the struggle for many of us will continue until they are. Our colleagues in the other body are conducting hearings this week on the POW/MIA issue. A renewed effort is being initiated. It is one of the many haunting legacies of that war.

Last week I hosted a Veterans Conference in my congressional district along with my colleagues from North Carolina, Congressmen DAVID PRICE and TIM VALENTINE. The gentleman from Georgia, Congressman BEN JONES, a member of the Committee on Veterans' Affairs, was our guest speaker. Congressman JONES gave a wonderful speech and we are grateful for his participation. Congressman JONES pointed out that the recent Mission Commission findings and recommendations have been presented to the House and Senate Committees on Veterans' Affairs. This committee scrutinized the VA health care system and pointed out that the veterans hospitals are coming apart at the seams. Their solution was additional funding. While the House has responded by passing a VA–HUD appropriations bill that contains a $298 million increase over the President's budget request for VA health care, more needs to be done. The veterans in that audience last Saturday were largely World War II and Korean veterans. These veterans need health care. They need excellent doctors and hospitals. Our veterans of those wars have been promised health care benefits and if you have worked with a veteran attempting to get benefits you know of the incredible struggle that is faced by that veteran in obtaining benefits to which he or she is rightfully entitled.

We not only owe a debt of gratitude to our veterans who went in harms way, but also to those who are left at home to worry and wait. Often when a veteran returns, the home life becomes difficult. People and lives have been changed forever. We salute on Veterans Day the family of the veteran, the wives, the husbands, the children, mothers, and fathers that must carry on a strong vigilance.

This weekend many in this Chamber will be in Veterans Day parades and at other observances at which they will see our veterans who have given so much. Let us celebrate our victories and never forget our losses. Let us applaud our veterans and stand proudly with them. Because of their lives and sacrifices we continue to be blessed by living in a land that despite its flaws continues to represent liberty to all peoples around the world.

TRIBUTE TO AZAD "DUKE" JUKNAVORIAN

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. ATKINS. Mr. Speaker, today I would like to pay tribute to Mr. Azad "Duke" Juknavorian of Lowell, MA, who is retiring after 26 years of dedicated service in the Middlesex County District Attorney's Office.

Duke is one of those rare individuals who consistently gives to his community. He has a long, impressive history of civic, political, and religious involvement in the Greater Lowell area. He is currently chairman of the Democratic City Committee, a position which he has held for over a decade. He was awarded the Armenian Apostolic Church's highest honor, is a New England Regional Armenian Church delegate and has been an officer at St. Vartanantz Church in Chelmsford. Duke is a member of St. John's Hospital Men's Club in Lowell, the Lowell Elks, and the Masons.

Born, raised, and educated in Lowell, Duke is a man who has served his Nation as well as his city. During World War II, he was a tank operator in Germany and now is active in the Disabled American Veterans' organization, the Veterans of Foreign Wars, and is an Armenian American Veterans post commander.

Duke is truly a believer in democracy. His many years of dedication to the democratic process has greatly enriched the region. However, it is his kind, philanthropic nature, and commitment to his beliefs that leaves the biggest impression on those who are fortunate enough to meet him.

Mr. Speaker, while at the time of Duke's retirement, it is satisfying to look back at his achievements, it is even more gratifying to look forward to his continued involvement in the community and participation in democracy.

I congratulate Duke on his retirement and wish him, his wife Lucy, and their children, health and happiness in the coming years.

A TRIBUTE TO JIMMY AND ALAN WONG AND THE ART OF KARATE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Jimmy and Alan Wong, owners of Key Fitness and Aerobics, where they instruct and specialize in the shotokan school of karate. Danielle Beck of the Islander News reports on this tremendous sport entitled, "Karate Instruction Aimed at Whole Being—Body, Mind, Spirit."

> Although Japanese martial arts have been around for hundreds of years, many people are just beginning to enjoy the physical and psychological benefits of the sport.
>
> From 1961 to the present, karate has experienced a large growth rate in the United States, but to many it is still not fully understood. In the United States, karate is often identified with brick-breaking and the more violent free-style of *kumite* competitions that comprise almost every U.S. competition.
>
> Because of this, the true basis of the sport such as *kata*, breathing exercises, and achieving harmony with one's higher nature, are sometimes forgotten.
>
> Jimmy and Alan Wong, owners of Key Fitness and Aerobics, are attempting to acquaint their students with these aspects of the sport from the beginning.
>
> "You have to start with the basic techniques," says Alan Wong. "When you know these, you can combine the other techniques."
>
> While there are different schools of karate, the Wongs specialize in the shotokan school. This school was founded by Gichin Funakoshi in 1915 and prevails mainly in the east of Japan.
>
> Funakoshi, a master of karate, was primarily an educator, whose teachings were directed at the whole man in mind, body and spirit. He emphasized the moral ethics of karate and refused to teach the art to the lay public, only instructing military and college personnel. This resulted in karate's strong acceptance into the Japanese martial arts.
>
> "He made karate more professional," explains Alan Wong. "Two or three centuries ago, karate was only used for self-defense. It didn't become a sport until Funakoshi."
>
> In order for students to progress in skill and advance in degree belts, they are taught the *katas*, or forms of karate.
>
> The *katas* are various techniques of defense and counterattacks performed in pre-determined moves one after the other. The 25 *katas* are beneficial for proper breathing and are done alone, not as a form of combat.
>
> Earning a black belt, karate's highest honor, takes many years and much discipline. For students to progress from white to yellow belt, they must master the first kata, *heian shodan*. To earn an orange belt, *heian nidan* must be mastered.
>
> The green belt is awarded for completing the third kata, *heian sandan*. This is followed by the *heian yodan* where the blue belt is awarded for the completion of the *heian godan* and advancement to the brown belt is signified by completing the *teky shodan*.
>
> "Karate gives you more concentration, coordination, self-control and also provides self-defense," says Jimmy Wong. "It's good for many different things and for people of all ages."
>
> With the completion of each class, the Wongs lead their students through a meditation of an old Japanese philosophy which states: Seek perfection of character. Be faithful. Endeavor. Respect others and refrain from violent behavior.
>
> "When we finish the meditation, we breathe and relax." says Jimmy Wong. "Everybody should learn this philosophy."

Again, I am pleased to recognize Jimmy and Alan Wong for their dedication in sharing the physical and psychological benefits of karate.

JOAQUIN F. BLAYA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. RICHARDSON. Mr. Speaker, the 1990 U.S. census has confirmed that the American population changed more dramatically between 1980 and 1990 than at any other time in the 20th century. According to the U.S. census, nearly one in every four Americans has African, Asian, Hispanic, or American Indian ancestry. The Census Bureau has noted a 56-percent increase in the Hispanic population—an increase of 7.7 million people—since 1980. The Census Bureau also projects that Hispanics will account for an astonishing 42 percent of the Nation's growth between 1990 and the year 2010.

Mr. Joaquin F. Blaya, as the acting president of Univision Holdings Inc., was invited to provide testimony before the Committee on Post Office and Civil Service Subcommittee on Census and Population. As the Nation's leading Spanish-language communications network, Univision's television broadcasts combined with magazine circulation potentially reach 90 percent of the Nation's Hispanic population. Mr. Blaya's contact with and understanding of the Hispanic community has provided the subcommittee with a knowledgeable and insightful participant in the planning process for the 2000 census.

Mr. Speaker, I would like to call the attention of my colleagues to the testimony provided by Mr. Joaquin F. Blaya and ask that they consider the importance of the recommendations made for the planning and implementation of the 2000 census.

OUR VETERANS DESERVE MORE THAN HOLLOW WORDS AND EMPTY PROMISES

HON. PETER A. DeFAZIO

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. DEFAZIO. Mr. Speaker, it's appropriate that America honor its brave service men and women on Veterans Day. But those who served, in war or in peace, deserve to be remembered for more than just 1 day each year. They deserve to be honored every day. Unfortunately, that's not the case.

Veterans were dealt a cruel blow in last year's budget agreement. The budget package seriously cut into veterans benefits by requiring a $2 prescription drug copayment for medication provided on an outpatient basis to veterans with nonservice-connected disabilities. Despite an outcry from vets across the country, the copayment remains in place today.

We will soon be facing a grave crisis in the veterans health care system. Since 1980, funding for veterans health care has barely kept up with inflation. At the same time, demand for services has dramatically increased because the number of veterans over age 65 has doubled. Consequently, their health care needs are growing just as their incomes are shrinking and access to the veterans health care system is curtailed.

Our veterans deserve more than hollow words and empty promises.

That's why I'm introducing legislation today to repeal the $2 prescription drug copayment. The prescription drug copayment hurts those who can least afford it. To the elderly, disabled, and those living on a fixed income, the copayment can mean the difference between having enough to eat or taking care of an illness. No one should have to make that choice.

I'm sick and tired of the Government balancing the budget on the backs of this Nation's veterans and retired military personnel. No group of Americans is more deserving of the gratitude and respect of the Nation than our veterans. These men and women earned their benefits in good faith while defending our country.

We owe them no less.

A TRIBUTE TO ANNA ROLEN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Ms. Anna Rolen, a south Florida woman who sketches historical sites of the Civil War. Ms. Rolen, who travels to many of the momentous sites, is fascinated by history. In a Miami Herald article entitled, "Artist's Work Captures Mood of Civil War," Bea Moss reports of Ms. Rolen's sketches:

ARTIST'S WORK CAPTURES MOOD OF CIVIL WAR

(By Bea Moss)

Where once two opposing generals rode through the countryside with their armies, a South Dade woman now drives through their battlefields, sketching the things they left behind.

Artist Anna Rolen's travels take her to historic sites of the Civil War.

"I sketch a lot of places where the Civil War was fought, but it's sort of by default," said Rolen, whose husband, James, is a management consultant and whose business takes the couple from coast to coast.

They travel mostly by car and she draws while he drives.

"It's amazing what she does," James Rolen said. "She sketches from the car and pencils scenes in minutes."

"I've gotten so fast that I can draw it and my memory finishes it off," Anna Rolen said.

Areas around Alexandria and Petersburg, Va., and Washington, D.C., are some of her favorite spots.

"Two or three summers ago we were in Petersburg and I had a chance to go to the battlefield there and I relived the Civil War," she said.

That's where she did her first sketches of The Dictator, a powerful Union Army mortar, now located at the Petersburg National Battlefield.

"It was so symbolic to me of the North's power during the war," Rolen said.

Recently, during a special ceremony, she presented the original painting to the U.S. Air Force Academy in Colorado Springs, Colo., where it now hangs in the academy's museum.

One of the drawings she is most proud of is of Robert E. Lee's boyhood home in Alexandria, Va., now a museum. She had it made into a greeting card and docents at the museum make it available for private sale.

"It's a very pleasant presentation of the house," said the home's director, Juanita Miller. "No question that it's accurate."

Another favorite is a watercolor of the Center Hill Mansion in Petersburg, the house that served as Union headquarters after the siege of Petersburg ended. The curator of the Lee House bought the original.

Rolen sketches anything that strikes her fancy. Once, while stranded at an out-of-the-way gas station waiting for car repairs, she drew a picture of a pile of old tires. The original hangs in her home.

A native of Montreal, Rolen has a degree in nursing and used her nursing skills for 15 years in New York hospitals.

Along the way she took art courses at the Art Students League and the National Academy in New York, and later at the Boston Museum.

Her love of history may have been nurtured, she said, because of the history around her. She grew up in Boston and attended the Mather School, founded in 1639; Girls' Latin, another old Boston school; and the University of Pennsylvania, founded in 1740.

Her art plans are uncertain, she said, but Rolen will continue to draw and paint and hopes to start doing larger pictures.

"Maybe I'll branch out into the Revolutionary War," she said.

I would like to recognize Ms. Rolen for using her talent and applying it to a fascinating time of American history.

TRIBUTE TO THOSE WHO DEFENDED PEARL HARBOR

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. VISCLOSKY. Mr. Speaker, on December 7, our country will mark the 50th anniversary of the heinous surprise attack on Pearl Harbor and the surrounding military installations on the island of Oahu, HI.

As our Nation recognizes the anniversary of this attack, I would like to extend my sincerest respect and gratitude to all of the men who valiantly defended Pearl Harbor that day, especially to those who gave the ultimate sacrifice—their lives—for the preservation of the ideals and principles of our great Nation.

I would also like to recognize and praise the northwest Indiana members of the Pearl Harbor Survivors Association. The association, which is dedicated to the memory of those who were killed in action on that fateful December day, consists of Pearl Harbor veterans who were on active duty on the island during the time of the attack. Their slogan, "Remember Pearl Harbor—Keep America Alert," is meant to serve as a reminder that our country must never again suffer a similar tragedy.

With the utmost respect, I recognize: Merle F. Berdine, Peter J. Bisbis, William P. Burns, Raymond J. Crane, George Churley, Rock E. Flynn, Joseph C. Gawor, Harry H. Hubbard, Edward F. Jagiela, Andrew A. Janiga, Emil L. Katona, John J. Kostolnick, Herman Krumdick, John J. Latko, George W. Lininger, Herbert R. Roach, and Francis A. Straukas. May no other Americans have to witness the horrors or live through the experience which these noble men did.

TRIBUTE TO RUSSELL ROEMMELE, A DISTINGUISHED JOURNALIST AND CITIZEN OF BLOOMFIELD, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. ROE. Mr. Speaker, it is with the greatest pride that I rise today to pay special tribute to an extraordinary man from my Eighth Congressional District in New Jersey. A man who has lent his time and talents to the improvement of his community and preservation of its history. Russell Roemmele has been called the Public Watchdog of Bloomfield, NJ.

This respected and outspoken journalist will be honored at a testimonial dinner on Friday, November 15, at the Friar Tuck Inn in Cedar Grove, NJ. Proceeds from this gala event will go for the establishment of a scholarship fund in Mr. Roemmele's name for a Bloomfield High School senior who has done the most during his high school career to bring forth the spirit, history, and heritage of the community, whether through writings or deeds.

Mr. Speaker, this is a fitting tribute to a man who has dedicated his life to those same goals. As managing editor of Bloomfield Life since 1981 and a reporter for more than 30 years, Mr. Roemmele has focused his writings on life in and around Bloomfield. To sum up his writings to his own words, "My philosophy has always been to emphasize history and heritage of family, neighborhood, community, county, state and America." He seeks to "uphold the traditions that have come down to us and, at some time, make adjustments that are necessary for each new generation."

Mr. Roemmele has written for several newspapers before coming to Bloomfield Life, including the Independent Press, Newark Evening News, and the New York Herald Tribune. In those years he has always striven to illuminate the page with honest prose and straightforward commentary on the world around him. His friends know that his strong will is tempered with a good and gentle heart.

Mr. Speaker, I am sure that my colleagues here in the House join with me in sharing the pride felt by Mr. Roemmele's lovely wife, Rosemary, and their four children and three grandchildren. Russell Roemmele is that rare individual who combines a rich appreciation for the past and all that it has to teach us with a true understanding that the future is sculpted by the decisions made today.

Mr. Speaker, Russell Roemmele is an active caring citizen of his community and of this Nation. He inspires others with his words and leads by his example. Mr. Roemmele is being honored for his devotion of the fundamental ideals upon which this country was founded and the spirit with which he has carried them to his neighbor. I am proud indeed to represent such a man as this here in the People's House.

A TRIBUTE TO RAFAEL PORTELA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to recognize Mr. Rafael Portela, a constituent from my congressional district and president of the Key Biscayne Athletic Club. In an article in the Islander News entitled, "KBAC President Continues Club's Traditions" Danielle Beck reports on Mr. Portela's strong sense of community involvement:

"TUTY" PORTELA—KEY BISCAYNE ATHLETIC CLUB PRESIDENT—HONORED

When Rafael "Tuty" Portela stepped on the field for the very first soccer game of the Key Biscayne Athletic Club in 1966, he probably never imagined that, he'd be president of the organization.

But as fate would have it, spurred by a strong sense of community involvement, he finds himself 25 years later at the helm of that organization.

"I decided to become involved as an adult because a lot of the people I played with then are involved now," he says. "Plus, my kids are that age where they can participate, so I wanted to be a part of that."

Born in Cuba, Portela arrived on Key Biscayne in 1961 with his family. After looking for homes in the Miami area, they decided on Key Biscayne because it reminded his mother of Cuba.

"She fell in live with it," says Portela.

After attending Key Biscayne Elementary School, Belen, and Coral Gables Senior High, Portela attended college at Auburn University. While in high school, he became All City, All State and High School All-American in soccer and his senior-year team placed second in the state. He also started for the football team and was the kicker. At Auburn, he participated in club soccer.

"There's no question it was all due to the athletic club and (KBAC soccer coach) Mr. Foster," he says.

After Auburn, he earned his medical degree from Penn State and completed his ears, nose and throat residency at Johns Hopkins Hospital in Baltimore.

"After being away, I knew I wanted to come back and live in the area, and it had to be Key Biscayne," he says.

With his wife Carolina, his high school sweetheart, he moved back to the Key in 1988 and is now raising his own family here.

"I don't think there's any better place," he says.

Following his tenure as vice president of the athletic club last year, he was elected as president for the 1991–92 term and is a strong advocate of children and athletics.

"Kids learn to get along with other kids and they learn about winning and losing," he says. "Team sports are like everyday hurdles and they help you learn how to manage them in the long run. I think it helps kids develop their potential."

As his son Antonio, 9, enters his third season with the club, his 8-year old daughter, Victoria, begins her second year and Carolina, 4 anxiously awaits her chance next year, Portela is thankful for coach Ralph Foster.

Foster was the Key Biscayne Elementary School's sixth grade physical education instructor when Portela began playing soccer for him. From Foster's involvement with the children and the soccer program, the athletic club soon developed and incorporated baseball and football.

"As far as dedication and volunteering, he's done it for over 20 years," says Portela about Foster. "He was the only coach for all the age groups."

To continue the winning tradition of the club, Portela and other members of the KBAC are attempting to make the club as competitive as possible with outside teams, but oftentimes lack of funds stands in the way. "It's become more difficult to get involved for coaching so it's difficult to set out in new territories," says Portela. "We're hoping our group enlarges."

To help meet the costs of running the sports programs, the group holds three major fund raisers a year including a Christmas tree sale beginning in early December, an auction in May and a Dolphin Night at the beginning of summer.

As far as future plans for the athletic club are concerned, Portela hopes to maintain the high, sportsmanlike standards and the fun times that are an integral part of the KBAC philosophy.

"I want the kids to have similar opportunities to the ones we had when we were their age," he says.

I would like to recognize Rafael "Tuty" Portela for his dedication and volunteering he has done throughout the years.

INTRODUCTION OF THE ENTERPRISE CAPITAL FORMATION ACT OF 1991

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. MATSUI. Mr. Speaker, I rise today to introduce a very important piece of legislation, the Enterprise Capital Formation Act of 1991. This legislation takes a fresh and bipartisan approach to the issue of capital gains by providing lower rates for long-term investment in small companies. Its goal is to promote economic growth and the creation of jobs by lowering the cost of capital for smaller American companies, encouraging patient capital investment, and making smaller firms less reliant on foreign capital.

Equally important, this measure would accomplish these goals without bankrupting the Federal Government. The Joint Tax Committee estimates that this legislation will cost under $1 billion over a 5-year period.

Under my proposal, individual or corporate investors making direct stock purchases that qualify as seed or venture capital investment would be afforded a reduction in their capital gains rate, provided that they meet certain criteria. Seed capital investment is defined to be the purchase of stock in a company with less than $5 million in paid-in equity. Venture capital investment is defined as the purchase of stock in a company with less than $100 million in paid-in equity. Paid-in equity refers to the amount of capital that a company receives when it sells its own stock.

If an investor makes a direct purchase of qualifying stock, and then holds that stock for 5 years, that individual or corporation would be afforded a 50-percent reduction in the capital gains tax rate upon sale of the stock and realization of any gain. In addition, for seed capital investments, an investor could accrue an additional 10-percent reduction per year in the capital gains tax rate, up to a maximum 100-percent deduction for stock held for 10 years.

While the bill is prospective only, it affords current stockholders an opportunity to take advantage of the capital gains tax benefit by marking to market the value of stock purchased previously. The investor could then use the new capital gains rate on gains accrued on the stock from that point forward.

The bill contains a series of antiabuse provisions. For example, the proposal would prevent companies from evading the effective date by redeeming existing stock and issuing new, qualifying stock. It would also prevent a large company from splitting itself into smaller companies and issuing qualifying stock. An active trade or business test is included to prevent the formation of shell corporations created for tax shelter purposes, and a retained earnings test would be included to prevent companies that have recently undergone a leveraged buyout from attempting to issue qualifying stock.

America needs an incentive for patient investments in the companies that will generate the technology, markets, and jobs of tomorrow. The Enterprise Capital Formation Act would do this by literally forming new capital for startup and other small companies. The bill would not simply encourage investors to sell the capital assets they acquired before the incentive went into effect, and it would not apply to the trading of investment on the secondary markets, transactions that do not put capital into the hands of entrepreneurs.

It is important to note that the high cost and scarcity of capital for small, entrepreneurial firms has put America at a disadvantage. The alarming slowdown in capital investments in startup and other small firms has been highlighted in national publications such as the Wall Street Journal and New York Times. Increasingly smaller firms are having to turn to investors from our major international competitors to fund their growth. Entrepreneurship should be encouraged here at home, and this bill proposes to establish that encouragement.

Mr. Speaker, I urge each of my colleagues to cosponsor this important legislation.

TRIBUTE TO REV. TONEY JACKSON

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Mr. PAYNE of New Jersey. Mr. Speaker, I would like my colleagues here in the U.S. House of Representatives to join me in honoring a spiritual leader in my community, a man known for his dedication and unselfish service, Rev. Toney E. Jackson, Sr. Reverend Jackson is being honored this weekend on the occasion of his fifth anniversary as pastor of the Bethlehem Baptist Church, which I am proud to add is the church where I was baptized over 50 years ago, and which I still attend.

One of eight children, Reverend Jackson was born in Edgefield, SC, to Mrs. Marian and the late Carletha Jackson.

In 1970, he graduated from Morehouse College in Atlanta, where he received a B.A. degree. He received his M.A. degree in 1972 from Montclair State College, Upper Montclair, NJ. He has done further study at Northeastern Bible College in Essex Fells, NJ, and at New York Bible School.

Reverend Jackson is a former teacher in the East Orange Public School System. During his service as a teacher, he worked diligently to provide his students with the knowledge and skills that they would need to compete in our highly complex and competitive society. In addition to teaching academics, Reverend Jackson also strived to teach positive values, integrity, and principles of good conduct. He resigned from the East Orange School System to become Pastor of the Bethlehem Baptist Church.

Reverend Jackson was ordained to the work of the Gospel ministry in 1981 by the New Hope Baptist Church in East Orange under the leadership of the Rev. Leonidas B. Young. Faithfully, he served there for 8 years as an assistant to Reverend Young.

Reverend Jackson served on the board of directors of the Citizens Volunteer Workers for Essex County Jails from 1979 to 1981, cofounded the Agape Brothers, and serves as a volunteer for several hospitals in the Newark area. He is also a member of the NAACP.

Reverend Jackson has been a positive influence in the lives of all those he has come in contact with, young and old alike. In his work with youth, he has shown exemplary leadership by helping them confront the contemporary problems that they must deal with in their everyday lives.

He does not shy away from topics which are controversial, because he believes that these issues must be addressed. Members of Bethlehem Baptist feel fortunate to have the benefit of Reverend Jackson's spiritual leadership.

Reverend Jackson and his wife, Rosemary Flowers Jackson, were married in 1976 and are the parents of two children, Tameka and Toney, Jr.

Mr. Speaker, I know my colleagues join with me and the entire Bethlehem Baptist family in offering congratulations and appreciation to Reverend Jackson on this very special occasion.

RON ERBEL—STATE VOLUNTEER FIREFIGHTER OF THE YEAR AWARD

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 7, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize today one of my constituents Ron Erbel who was selected as 1991 State Volunteer Firefighter of the Year by the Florida Fire Marshals Association. An article for the Islander News, "Resident nominated for firefighter award" tells about Mr. Erbel's contributions to Dade County's only volunteer fire department—the Key Biscayne Volunteer Fire Department:

> Ron Erbel, a 14-year veteran with the Key Biscayne Volunteer Fire Department, has been nominated for the 1991 State Volunteer Firefighter of the Year award.
>
> As a member of the 38-year-old department, Erbel has twice served as chief. Owner of The Good Earth landscaping service, he works on the Key, and is generally credited with being one of the first of the volunteers on the scene whenever a call for fire assistance goes out.
>
> Last year, Erbel was one of the first firefighters to arrive after two fires ignited inside a residence on the Key. He entered the house and put out one of the blazes alone, prior to the arrival of the Metro suppression unit. He also assisted the aerial unit in extinguishing the second fire inside the building.
>
> More recently, he was able to help 10-year-old Sergio Sardinas after the boy was struck by a car while riding his bicycle. Erbel gave immediate assistance to the boy, who suffered severe head injuries, and continued to aid him until the Metro-Dade rescue unit arrived. He then rode on the rescue truck with Sardinas, never leaving the patient's side until the hospital crew took over.
>
> Metro firefighter Steve Bahr said that Erbel's assistance may have contributed to saving Sardinas' life.
>
> Spurred by the near tragedy, Erbel quickly initiated a bicycle safety awareness program. Knowing how resistant many young people are to wearing helmets, he organized a sale of helmets that is still ongoing on Saturdays at the fire station.
>
> Erbel also bought from his own funds two fire trucks for use in fund-raising and public service events. The trucks have appeared through the years at various Key functions, including the Fourth of July parade. Erbel has also taken an active role in distributing fire prevention materials and handouts at numerous special events, and has been involved in fire prevention displays at public school activities.
>
> Battalion Chief Dallas J. Bailey said "Captain Erbel has always been one of the first volunteers on the scene, sometimes ahead of our units. He stands out as very special and deserves recognition for his unselfish efforts."
>
> Erbel, who is the first volunteer firefighter ever to be nominated for the award from Dade County, has also contributed his time to numerous Key Biscayne functions and causes, including the Key Biscayne Quiet Gardens, the Key Biscayne Property Taxpayers Association Inc. and the Key Biscayne Presbyterian Church.
>
> The winner of the award will be announced in October.

I am happy to pay tribute to Ron Erbel by reprinting this article from the Islander News. He is the first volunteer firefighter ever to win the award from Dade County.

Two other Dade firefighters from the Metro-Dade Fire Department also received awards from the Florida Fire Marshals Association. Lt. John Mitchell received the Firefighter of the Year Award and Lt. Michael Myers received the Fire Inspector of the Year Award.

Along with Ron Erbel, these two Metro-Dade firefighters will be honored by the Metro-Dade County Commission on November 19. I am proud to honor these men who have risked their lives to save their neighbors' lives and property from fires.

SENATE—*Friday, November 8, 1991*

(Legislative day of Tuesday, October 29, 1991)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable PAUL SIMON, a Senator from the State of Illinois.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 8, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PAUL SIMON, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. SIMON thereupon assumed the chair as Acting President pro tempore.

ADJOURNMENT UNTIL TUESDAY AT 10 A.M.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands adjourned until 10 a.m., Tuesday, November 12, 1991.

Thereupon, at 10 o'clock and 32 seconds, the Senate adjourned, under the order of Thursday, November 7, 1991, until Tuesday, November 12, 1991, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Friday, November 8, 1991*

The House met at 10 a.m.

The Chaplain, the Reverend James David Ford, D.D., offered the following prayer:

Let us pray in the words of Isaac Watts:

O God, our help in ages past,
  Our hope for years to come,
Our shelter from the stormy blast,
  And our eternal home.
Under the shadow of Thy throne,
  Thy saints have dwelt secure,
Sufficient is thine arm alone,
  And our defence is sure.
O God, our help in ages past,
  Our hope for years to come,
Be Thou our guide while troubles last,
  And our eternal home!

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The Speaker. Will the gentleman from New Mexico [Mr. RICHARDSON] please come forward and lead the House in the Pledge of Allegiance?

Mr. RICHARDSON led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The Speaker. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Thursday, November 7, 1991:

H.R. 2707. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

MAGIC'S TRAGEDY SHOULD WAKE UP OUR NATION

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute.)

Mr. RICHARDSON. Mr. Speaker, it takes a tragedy like Magic Johnson's to wake up a nation. The country literally stopped, as it did when President Kennedy was assassinated, when this gifted young man disclosed that he had the AIDS virus. We all lost something.

Mr. Speaker, what are the lessons to be learned after feeling such pain? First, that AIDS can hit anyone, regardless of their prominence and station in life. Second, that an important deterrent is to practice safe sex. And third, that AIDS education is not sufficient, that we need to invest in finding a cure. This takes resources and leadership. We all know those startling statistics: 1 million Americans infected, half of India and Uganda, with the AIDS virus by the year 2000.

Mr. Speaker, let the grace of Magic Johnson illuminate our country's leaders to redouble our effort to kill this dreaded disease before it takes our hearts out the way it did yesterday.

THANK GOODNESS MAGIC IS DEALING STRAIGHT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, Magic Johnson's tragic announcement yesterday was a real heart stopper. But the one thing I want to say to him is: "Thank goodness you're setting such a marvelous example for this country."

Mr. Speaker, he is dealing straight. Just as he shot baskets straight on, he is dealing straight on about this disease in trying to give America a wakeup call. His candor and forthrightness is something I hope we all salute and follow.

Mr. Speaker, I want to call upon the TV networks. I find it positively amazing they made so much money showing games of a man like this, and they are willing to make money showing alcohol ads that cost lives, but they have been refusing to show any ads on condoms that could save lives. Magic Johnson's coming forward and dealing straight is a time that the networks should start coming forward and dealing straight. America should start dealing straight. Let us save lives rather than continuing to risk lives by pretending this great puritanical thing is going on when we know it really is not.

MAGIC, WE NEED YOU NOW MORE THAN EVER

(Mr. DOWNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY. Mr. Speaker, one of the most exciting memories of my life was playing a pickup game of basketball with Magic Johnson. For this old, slow amateur to be on the receiving end of one of his mystical look-away passes is something I will never forget. Millions of basketball fans around the world will mourn his leaving the game. But the memories of Magic's talent, sportsmanship, and humanity will forever be a part of all those who ever saw him play.

The special quality that distinguished Magic Johnson was the quiet nobility of his spirit. This was dramatically revealed yesterday, off the basketball court, when Magic announced his retirement from basketball because he is infected with the HIV virus. It was a sad moment for sports fans all across America.

But in making his announcement, Magic has reminded us that the challenge of the HIV infection is to keep our society focused on the reality that it is a preventable disease. Our fervor to find a cure should be as great as the efforts to inform Americans of the ways to avoid infection.

Each day hundreds of people across this land face the same personal tragedy that Magic Johnson now confronts. For those people and their families, it is the beginning of an enduring nightmare that many must suffer alone and afraid. Occasionally, like yesterday, their plight is highlighted by the powerful example of a celebrity victim like Magic Johnson and we are once again reminded that the AIDS virus is nondiscriminating and it is a terrible enemy.

Magic, we need you now more than ever. We need you to serve as a spokesman for this disease so that it doesn't slide back into obscurity. We need you to continue to remind us that Government must take the lead in stopping the spread of AIDS. We need you, Magic, as our new point guard in getting the resources to do this. And most of all, we need you Magic, because you are a living symbol of the shining humanity and quiet dignity that should inspire us all.

BUSH BOASTS SECURITY FOR EUROPE, NOT FOR THE UNEMPLOYED AT HOME

(Mr. AUCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AUCOIN. Mr. Speaker, George Bush was in Rome today. He boasted that he had taken decisive steps for the future of European security. Oregonians, who I represent, would have preferred the President to have been in Roseburg, not Rome, and to have announced he would focus on their economic security.

One hundred thirty days ago this House passed the first bill to extend American unemployment benefits, which the President continues to oppose. Thirty-five thousand nine hundred fifty-nine Oregonians have received their first unemployment check since that time, and 14,043 have received their last check because their unemployment has expired.

What does this administration say about the security of these Americans? Well, apparently that Rome is more important than Roseburg, that Europe is more important than the American heartland, the S&L bailout is more important than Americans who have been laid off.

I think we ought to get one thing straight. Unemployment insurance is not a handout, it is not welfare. It is a safety net and insurance policy, just as sure as medical insurance, to help out-of-work Americans survive. Workers need this money to pay the bills, to put food on the table for their kids and to obtain the retraining that they need. Employers have paid into the unemployment trust fund, and, if there is a $8 billion surplus in this account, I think it is incumbent upon the President to use those funds for the security of Americans on Main Street, in Roseburg, not in Rome.

□ 1030

BETTER HEALTH CARE SERVICES NEEDED FOR VETERANS

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, in the spirit of this Veterans Day weekend, I rise urging the speedy passage of the veterans bill of rights.

Our brave men and women went to battle with our cherished freedoms as their inspiration, yet returned home only to be forced to stare down the barrel of inadequate health services.

Every day, veteran after veteran marches into my district office fed up with a health care system that in reality is no more than a frustrating battlefield.

If the President can forgive a $7 billion loan to Egypt and the administration can ask for the equivalent of $5,000 in foreign assistance for every man, woman, and child in Israel, then surely we can live up to the promise of adequate and decent health care to our veterans.

Let us not forget those who did the heavy lifting to secure our superpower status in this world.

I urge all my colleagues to give these heroes their rightful due.

DOMESTIC PROBLEMS DEMAND THE PRESIDENT'S ATTENTION AND HIS COOPERATION WITH CONGRESS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, while driving to the Hill this morning, I turned on the radio and listened to the President's press conference. He was conducting his press conference from the Villa Taverna, which is the residence of the U.S. Ambassador in Rome.

I am sure the President was surprised, as I was myself, at the extent of the questioning, because I think only one foreign policy question, one NATO-related question, was asked of him. The other questions were all about the domestic economy and about the situation of joblessness here at home.

I believe the President is correct in saying that there is a need for us to continue relationships with the European nations and to continue our membership in NATO, and that NATO has a new, though very different, role for the future than it has had in the last 50 years.

But at the same time it is very clear that the essence of those questions is: Will we be able to take care of the people here at home as well as we have taken care of the people around the world?

Mr. Speaker, I think there is a way to do it, and with the President's leadership and with his cooperation, I think this Chamber and the other body can fashion that kind of a domestic program that will in fact make life here at home as nice as it has been made for those abroad.

THE PRESIDENT MUST GIVE LEADERSHIP IN TIME OF RECESSION

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, I just heard the President in his press conference. He says he is not convinced that the United States is in a recession.

The President should come home and talk to people in Michigan and elsewhere. Then he would know there is a recession. He says his travels to Japan are necessary for jobs in Michigan. What is necessary is not more talk in Japan but action here at home.

Mr. Brady says he is constitutionally opposed to this pessimism about the economy. Well, what the Constitution says to Mr. Brady is this: "When there is a recession, be realistic. Lead. Take your head out of the sand."

Mr. Speaker, they are still with their heads in the sand despite Pennsylvania. I hope that Mr. Brady will say to the President, "Come home. Look at reality. Our people are hurting. We need to take action."

COMMITTEE ON RULES PLANS CONSIDERATION OF H.R. 2837, THE DAIRY BILL, AND H.R. 2929, THE CALIFORNIA DESERT PROTECTION ACT

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BONIOR. Mr. Speaker, the Rules Committee plans to consider two bills, H.R. 2837, the dairy bill, and H.R. 2929, the California Desert Protection Act, on Wednesday, November 13.

The committee is considering a rule for each bill which may structure the offering of amendments and permit only those amendments designated in the rule to be offered. In order to ensure Members' rights to offer amendments under this structure they should submit 55 copies of their amendment, together with a brief explanation of the amendment, to the committee office located in H-312 of the Capitol no later than 5 p.m. on Tuesday, November 12.

Amendments to H.R. 2837, the dairy bill, should be drafted to the de la Garza substitute which will appear in the CONGRESSIONAL RECORD of Friday, November 8 and will be available in the Agriculture Committee office today.

Amendments to H.R. 2929, the California Desert Protection Act, should be drafted to the Interior Committee reported bill which is available in the House document room.

I have sent "Dear Colleague" letters to all Members and committee offices which explain these procedures further. We appreciate the cooperation of all Members in our effort to be fair and orderly in granting a rule.

REPORT ON HOUSE RESOLUTION 258, CREATING A TASK FORCE TO INVESTIGATE ALLEGATIONS CONCERNING THE HOLDING OF AMERICANS AS HOSTAGES BY IRAN

Mr. BONIOR, from the Committee on Rules, submitted a privileged report (Rept. No. 102-296, part I) on the resolution (H. Res. 258) creating a task force of members of the Foreign Affairs Committee to investigate certain allegations concerning the holding of Americans as hostages by Iran in 1980, which was referred to the Committee on House Administration for a period ending not later than Friday, November 15, 1991, for consideration of such provisions of the resolution and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k) of rule X, and ordered to be printed.

A PRESCRIPTION FOR CURING U.S. ECONOMIC WOES, LEADERSHIP AT HOME

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, I heard the President's press conference from Rome this morning. He indicated that he was not sure there is a recession in this country.

I, frankly, agree with Secretary Brady, that it does not do a lot of good to be depressed and constantly talk about what is wrong. But you cannot diagnose an illness or at least you cannot treat it unless you know what it is. You have to understand what is wrong before you begin prescribing a remedy.

After a decade of "prosperity is just around the corner," showing faulty and phony numbers out of every office of this Government, and trying to describe an economic prosperity that did not exist, we now have a ship of state that is absolutely loaded with debt and very close to sinking. We have a debt that is almost $4 trillion. The deficit this fiscal year is going to be over $400 billion if they are not dishonest about taking the Social Security revenues. That is over $400 billion, a billion and a quarter dollars a day that is being spent that is not being brought in in revenues and that is being charged to our grandkids.

Mr. Speaker, we must do something to pull this country out of this economic trouble. The first thing we need is leadership. The President has traveled around the Equator three times on Air Force One since his term of office began. He has gone over 300,000 miles all around the world promising things for everybody. And it's time for him to come home and roll up his sleeves and work with a Congress that is willing to follow his lead to put this country back on track. This country is in trouble. It is time to take care of things here at home.

THE "OCTOBER SURPRISE" RESOLUTION FROM THE RULES COMMITTEE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 5 minutes.

Mr. SOLOMON. Mr. Speaker, I would just like to call attention to the fact that the distinguished majority whip has just filed a report on legislation which was marked up by our Rules Committee, creating a task force on the so-called October surprise.

□ 1020

Mr. Speaker, I will include at the end of my remarks the minority views of that report that was just filed, and also the General Accounting Office testimony before our committee.

Mr. Speaker, we went through 4 hours of testimony yesterday. At the end of the day the General Accounting Office simply said that there were no grounds at all for believing that President Bush or his campaign were involved in the so-called October surprise or that President Bush was in Paris dealing with Iranians as so many of these ridiculous House rumors have said.

I would just say this, we spent $40 million in 4 years on an Iran-Contra witch hunt. We have already spent 85 man-days and $55,000 on this ridiculous October surprise witch hunt. Certainly we do not need to continue this kind of waste of the taxpayers' money.

I have to really take exception to some of the 1-minutes that were made on the floor here this morning because they are criticizing President Bush for being at the NATO conference and meeting with our allies over there. Do you know what he is doing over there? He is over there doing the same thing I was doing 3 weeks ago, carrying a message for America and carrying a message for you on the Democrat side of the aisle. Your message has been to cut back our troops in NATO, let's bring some of them home.

That is exactly what President Bush is doing over there, saving the taxpayers money. Some of these people have the nerve to come down here in the well and hypocritically criticize the President. I think that is a shame.

Mr. Speaker, today we are faced with a $300 billion deficit—at least it was $300 billion up until a couple of months ago. Now the new estimates are $350 billion, all caused by this irresponsible, drunken spending spree that this Congress has been on for so many years.

When are we going to wake up? Right now there is a Defense budget waiting to come before our Committee on Rules next Tuesday which has in it, would you believe, $1 billion in foreign aid for the former Soviet Union. One billion dollars, which we are going to take out of our Defense budget, which means laying off our American troops and putting them on the unemployment rolls. And we are going to take that $1 billion and give it to the Soviet Union so that they can keep their troops under arms and getting a paycheck.

What is going on around here? I cannot wait for that bill to come to the Committee on Rules, because we are going to make a rule in order where we can separate that $1 billion. We are going to put people's feet to the fire, those who are talking about all this foreign aid. We are not going to give the Soviet Union a nickel. Loans, maybe; credits, maybe; but not a nickel in gifts and grants, mark my word. I hope all Members are here next week.

Now, Mr. Speaker, I would like to include in the RECORD the text of the GAO study on President Bush's supposed trip to Paris to meet with Iranians; a listing of the House staff members who met with the GAO during the course of the GAO's investigation; and, finally, a copy of the minority reviews that were filed with the so-called October surprise resolution.

[U.S. General Accounting Office, Nov. 7, 1991]

PRELIMINARY INQUIRY INTO ALLEGED 1980 NEGOTIATIONS TO DELAY RELEASE OF IRANIAN HOSTAGES UNTIL AFTER NOVEMBER ELECTION

(Testimony before the Committee on Rules, House of Representatives, Statement of James F. Hinchman, General Counsel)

Mr. Chairman and Members of the Committee:

We are pleased to be here to discuss our preliminary inquiry undertaken last year into the facts surrounding allegations made by Richard Brenneke for which he was tried in his May 1990 trial on charges of making a false declaration before a federal court. Mr. Brenneke alleged that he and high-ranking officials of the Reagan-Bush campaign staff had met with Iranian officials in Paris, France, in October 1980, to negotiate delaying the release of the Iranian-held American hostages until after the November election. This preliminary inquiry was requested on July 5, 1990, by the Chairman, Subcommittee on Legislation and National Security, House Committee on General Operations.

In summary, during our preliminary inquiry we were unable to develop evidence to corroborate Mr. Brenneke's allegations.

THE REQUEST

After several meetings with the Subcommittee staff and a staff representative of the House Committee on Foreign Affairs, we and the staff agreed that the sensitivity of the subject demanded that we periodically keep the Subcommittee staff apprised of developments and that we limit the scope of the inquiry to specific issues identified by the staff. The Subcommittee staff also asked that the Subcommittee not be identified as having requested the inquiry. At the time of the request, GAO's long-standing written policy, which had evolved over time in response to congressional needs, allowed requesters of GAO reviews and investigations to request anonymity during the course of the investigation itself. This policy has since been changed. It is now GAO's policy to identify the requester of any review or investigation when asked for that information.

THE INQUIRY

As the Subcommittee staff requested, the initial focus of our inquiry was the statements made and evidence introduced at the Brenneke trial. We first reviewed the trial transcript and extensive evidence obtained by the defense attorneys through discovery, including the results of numerous Federal Bureau of Investigation interviews related to the subject. We also interviewed Brenneke, his two attorneys, and the prosecuting attorney. Brenneke and his lawyers reiterated Brenneke's statements that he had participated in and arranged a meeting in France in October 1980 attended by William Casey, then the Republican presidential campaign manager; Donald Gregg, then national security council staff; representatives of the Iranian government; and individuals working for the French, British, and Israeli governments. However, they provided no documentary evidence in support of these statements. Information furnished by Brenneke and his attorneys in support of his allegations was extraneous or unsupported, or would have required extensive investigative activity beyond the scope of our inquiry. The prosecuting attorney declined to provide any comment outside the official record of the government's case and findings relative to the investigation it undertook to prepare for trial.

Brenneke was charged with making a false declaration at the sentencing of an associate, Heinrich Rupp, who had been tried for bank fraud. One of the statements attributed to Brenneke was that he saw then candidate George Bush in Paris in October 1980. Brenneke's attorneys referred us to a transcript of Brenneke's trial testimony and a letter he had sent to the trial's presiding judge in which he stated both that his information was provided by Heinrich Rupp and that his prior statements at Rupp's trial needed clarification. In Brenneke's clarified testimony and in our interview of Brenneke, he claimed no first-hand knowledge of Bush's presence in Paris in October 1980. He stated that his information came from Rupp, who allegedly piloted one of the planes carrying officials to the meeting.

Through his attorneys, Rupp declined several requests for an interview. In lieu of an interview, his attorneys provided a videotaped interview of Rupp by a television reporter in which Rupp reiterated his statement that he had seen someone who he was fairly confident was Bush in Paris in October 1980. The attorneys provided copies of airline identification cards and an envelope from a Paris hotel, none of which were supportive of the allegations.

To further clarify the facts surrounding Rupp's alleged flight to Paris, we contacted the Federal Aviation Administration and charter aircraft companies allegedly involved and obtained flight logs for one of the planes allegedly involved. We also checked what we had been told was Rupp's description of the weather on the day of the flight against meteorological records at two alleged refueling locations. We found no evidence to support the allegations about the flight to Paris. Additionally, an interview of another charter airline pilot alleged to have participated in or arranged the flight failed to yield any corroboration. Contact with an official of a second charter aircraft company allegedly involved also yielded no witnesses with information of assistance to us.

We were asked to review relevant Secret Service documentation and conduct interviews as to George Bush's whereabouts on the dates in question. A review of relevant press articles and Secret Service records placed then candidate Bush in the United States the weekend of October 17–19, 1980, the weekend he was alleged to be in Paris. During interviews of supervisory Secret Service agents assigned to candidate Bush, one agent recalled accompanying Bush to the Chevy Chase Country Club for a luncheon engagement with Supreme Court Justice Potter Stewart on October 19, 1980. Although a review of Justice Stewart's appointment calendars retrieved from the Yale University library revealed no entries for appointments on October 19, 1980, Secret Service logs reflect a motorcade to the country club on this date. Interviews of personnel at the country club yielded no documentation of this event, as records for such activities are not maintained.

As requested by the Subcommittee staff, we periodically supplemented these inquiries with interviews of other individuals identified as having pertinent information, specifically Casey's former secretary and a number of journalists. These interviews did not corroborate the allegations.

Supplementary inquiries to the Customs Service in an attempt to identify records of reentry into the country by the parties allegedly involved were unsuccessful because such records were no longer maintained.

We regularly briefed the Subcommittee staff throughout the course of this inquiry. During February 1991 discussions with the staff, we agreed to terminate our inquiry and, given the limited nature of the inquiry, to issue no written report. Since terminating the inquiry, we have briefed the majority and minority staff of several House Committees, as well as that of the Speaker of the House and the House Majority and Minority Leaders.

Mr. Chairman, this concludes our statement. At this time, we would be pleased to answer questions you may have.

COMMITTEE STAFF BRIEFINGS OF OSI STAFF

June 14, 1990: Attendees: Supervisory Special Agent Jack Taylor and Special Agent Bill Davis, OSI; Frank Askin and Amit Pandya, House Subcommittee on Legislation and National Security; and Spencer Oliver, House Foreign Affairs Committee.

July 10, 1990: Attendees: Supervisory Special Agent Jack Taylor and Special Agent Bill Davis, OSI; William Gerkins, GAO/OCR; Frank Askin and Amit Pandya, House Subcommittee on Legislation and National Security; Spencer Oliver, Chief Counsel, House Foreign Affairs Committee; Morton Killian, Der Spiegel; Bill Perry, *Frontline*, PBS; and Gary Sick, former National Security Council member.

OSI BRIEFINGS OF COMMITTEE STAFF

September 6, 1990: Attendees: Deputy Director Donald Wheeler, Assistant Director Jack Taylor, and Special Agent Cecelia Porter, OSI; William Gerkins, GAO/OCR; Frank Askin and Amit Pandya, House Subcommittee on Legislation and National Security; and Spencer Oliver, Chief Counsel, House Foreign Affairs Committee.

October 10, 1990: Attendees: Deputy Director Donald Wheeler, Special Agents Cecelia Porter and William McDaniel, OSI; William Gerkins, GAO/OCR; and Frank Askin and Amit Pandya, House Subcommittee on Legislation and National Security.

December 6, 1990: Attendees: Assistant Director Barbara Cart and Special Agent Cecelia Porter, OSI; and Frank Askin, House Subcommittee on Legislation and National Security.

January 4, 1991: Attendees: Assistant Director Barbara Cart, Special Agent Cecelia Porter, and Evaluator Dave Brack, OSI; William Gerkins, GAO/OCR; Amit Pandya and Frank Askin, House Subcommittee on Legislation and National Security; and Spencer Oliver, Chief Counsel, House Foreign Affairs Committee.

SUBSEQUENT BRIEFINGS TO OTHER CONGRESSIONAL STAFF

May 20, 1991: Attendees: Assistant Director Barbara Cart and Special Agent Cecelia Porter, OSI; William Gerkins, GAO/OCR; Dan Finn, Chief Counsel, and John Sinclair, Chief of Staff, Minority Staff, House Foreign Affairs; Ted Van Der Meid, Counsel, House Minority Leader's Office.

June 5, 1991: Attendees: Assistant Director Barbara Cart and Special Agent Cecelia Porter, OSI; Richard Roscoe, GAO/OCR; Spencer Oliver, Chief Counsel, House Foreign Affairs Committee.

June 13, 1991: Attendees: Richard Stiener, Director, and Special Agent Cecelia Porter, OSI; William Gerkins, GAO/OCR; Michael O'Neill, Office of the Speaker of the House; George Stephanopoulus, House Majority Leader's Office; Steve Ross, House Legal Counsel; Rob Kurz, Acting Staff Director, Majority Staff, Subcommittee on Legislation and National Security; and Spencer Oliver, Chief Counsel, House Foreign Affairs Committee.

July 7, 1991: Attendees: James Hinchman, General Counsel, GAO; Special Agent Cecelia Porter, OSI; William Gerkins, GAO/OCR; Billy Pitts, Floor Assistant to House Minority Leader; Ted Van Der Meid, Counsel, House Minority Leader's Office; William Gavin, Special Assistant, Office of the Minority; John Sinclair, Minority Chief of Staff, House Foreign Affairs; and Tom Smeeton, Minority Counsel, Permanent Select Committee on Intelligence.

August 20, 1991: Attendees: Assistant Director Barbara Cart and Special Agent Cecelia Porter, OSI; William Gerkins, GAO/OCR; Don Upson, Director, and Matt Fletcher, Deputy Director, Minority Staff, House Government Operations Committee.

November 1, 1991: Attendees: Assistant Director Barbara Cart and Special Agent Cecelia Porter, OSI; William Gerkins, GAO/OCR; Frank Askin, House Subcommittee on Legislation and National Security; and Julian Epstein, Staff Director, Majority Staff, House Government Operations Committee.

MINORITY VIEWS ON HOUSE RESOLUTION 258

We have consistently indicated that we would work with the majority on creating a so-called "October Surprise" Task Force so long as suspicions were removed that this was being done simply to spring a new October surprise on the eve of next year's elections for partisan, political purposes.

We agree that it is important to get to the bottom of allegations that anything unlawful or unethical may have been done by anyone in 1980 to affect the timing of the release of Americans being held hostage in Iran.

But the fact that this resolution confines itself to the 1980 Reagan campaign, and persons associated with it, does not meet that basic goal. By not including the Carter Administration within the scope of the inquiry, the resolution makes it impossible to get the full picture.

And, as GAO's own investigative experts have informed us, it would be impossible to conduct a thorough investigation into various allegations unless the inquiry included contemporaneous efforts by U.S. government officials in 1980 to secure the release of hostages, including any government proposals to swap arms for hostages.

While we do not question the many legitimate efforts of the Carter Administration to effect the release of the hostages, we are concerned about reports, such as that of Carter National Security Council aide Gary Sick, in his book, All Fall Down, that the Administration did propose to the Iranian Government the release of some $150-million in frozen arms shipments in exchange for the hostages.

For this inquiry to be truly comprehensive, nonpartisan, and objective, it is critical that all such efforts, by whatever parties, be fully examined, to determine whether any laws or executive orders may have been violated, or that such information was kept from the American people and the appropriate committees of the Congress.

At a minimum, the resolution should be amended to include the hostage release efforts of the Carter Administration within the scope of the inquiry. And secondly, it should be amended to put a six-month deadline on the inquiry unless the House specifically extends it for good cause. Without these two changes, the resolution is badly partisan and political, and the well will be poisoned before the investigation even begins.

For these reasons alone, we favor the resolution introduced by the Republican Leader (Mr. Michel), H. Res. 255, over the Hamilton resolution, since it both includes the Carter Administration under the scope of the inquiry and puts a six-month deadline on the inquiry, subject to extension by the House.

But beyond those reasons, the Michel resolution is preferable to the Hamilton resolution in several important procedural respects. These include: (1) requiring at least two Members, including at least one minority party Member, to take deposition testimony rather than one Member or one staffer as the Hamilton resolution does; (2) requiring the task force to vote on subpoenas rather than delegating this authority to the chairman; (3) requiring a majority of Members to be present to close meetings or hearings as required by House rules, rather than permitting as few as two Members to do so, as the Hamilton resolution does; and (4) requiring the task force to abide by the same House Rules as other standing and select committees, rather than giving it special privileges and exemptions that might jeopardize the reputations of witnesses and of the House.

We have also proposed amendments (1) to make the composition of the task force completely bipartisan to remove the cloud of partisanship that hangs over this whole endeavor; and (2) to require to the maximum extent possible, that the House task force conduct joint hearings with its Senate counterpart subcommittee and share staff, information and resources.

Finally, we are especially skeptical about the wisdom and advisability of a further inquiry into allegations and rumors that are over a decade old given certain recent revelations that have come to light since we began looking into this in October. These include the inability of the GAO to substantiate or corroborate any of the allegations it was directed to investigate by a secret, partisan request from the chairman of the Government Operations Committee. The request was made without the approval, knowledge or participation of any other members of the Government Operations Committee or the subcommittee directly involved. The results of the GAO inquiry, eventually made public after persistent efforts of the House Republican leader questioning the partisan use of this non-partisan arm of the Congress, can best be summed up as chasing changing shadows down dry holes.

The minority has been refused in its attempt to call as a witness Mr. Frank Askin, a contract consultant to the Government Operations Committee who presumably has been looking into October Surprise allegations dating back to 1988 and also directed the GAO inquiry. One book quoted him as saying in 1988 that he had "substantial evidence" that the allegations were true. Yet no substantial evidence has been produced to the Rules Committee. Moreover, the Rules Committee, on a party-line vote, refused to subpoena Mr. Askin after he declined to voluntarily appear.

Secondly, two extensive investigative journalistic efforts by magazines not known for their conservative bias, came to the same conclusion as the GAO investigators—that the whole October Surprise conspiracy theory is pure myth and fantasy.

The New Republic, in a November 18, 1991, cover story entitled, "The Hunt for the October Surprise: The Conspiracy That Wasn't," includes the following conclusion:

"But the truth is, the conspiracy as currently postulated is a total fabrication. None of the evidence cited to support the October Surprise stands up to scrutiny. The key sources on whose word the story rests are documented frauds and impostors." (p. 16)

And the November 11, 1991, issue of Newsweek carries a similar cover story entitled, "Making of a Myth: The October Surprise: It Wasn't Treason, but a Conspiracy Theory Run Wild." That article contains the following conclusion:

"Newsweek has found, after a long investigation including interviews with government officials and other knowledgeable sources around the world, that the key claims of the purported eye witnesses and accusers simply do not hold up. What the evidence does show is the murky history of a conspiracy theory run wild." (pp. 18–19)

In short, the advocates of the October Surprise theory are spinning their conspiratorial webs out of cotton candy—90 percent hot air held together by 10 percent suspicious sticky-stuff.

While it is not our intention here to rehash all the details revealed in either the GAO investigation or the two magazine reports, we do have a responsibility to make a determination as to whether a further investigation into these wild allegations is even justified, and not just what the scope, authority and procedures of such a new inquiry should be.

According to one GAO official who briefed our committee, to do a thorough investigation into all the various allegations which have been made "would require something on the scale of the Iran-Contra inquiry." The House must ask itself at a time of burgeoning budget deficits and rapidly declining public confidence in the Congress whether it its prepared to spend millions of dollars more in poking around in decade-old rumors.

Is this really the way to convince the American people that Congress is expending its valuable time and taxpayer dollars in addressing our Nation's problems? Is this really the way to restore public confidence in its government? We think not, especially when the majority seems unwilling to launch a truly bipartisan investigation.

GERALD B. SOLOMON.
JAMES H. QUILLEN.
DAVID DREIER.
BOB MCEWEN.

TRIBUTE TO THE HONORABLE HENRY B. GONZALEZ

The SPEAKER pro tempore (Mr. TAYLOR of Mississippi). Under a previous order of the House the gentleman from New Mexico [Mr. RICHARDSON] is recognized for 5 minutes.

Mr. RICHARDSON. Mr. Speaker, there are many outstanding Members of Congress serving in this body right now but only a few giants left. One of those giants is Congressman HENRY B. GONZALEZ of San Antonio, TX. He is serving his 30th year in this body.

Last Monday, November 4, marks that 30th year. He was elected in 1961.

When one thinks of HENRY B. GONZALEZ what does one think of? You will be seeing him shortly deliver one of his trademark special orders. So when one thinks of HENRY GONZALEZ, one thinks of very special orders.

But there is an outstanding record of achievement in those 30 years. HENRY GONZALEZ started out as an Hispanic leader. Now he is a national leader, in health care, education, housing, and banking reform. All of those issues through 30 years HENRY GONZALEZ has touched, fighting for the little guy, fighting for the middle class, fighting for his constituents in San Antonio, who he goes back to see once a week to make sure that he not only talks to them every weekend, but mows his lawn on Saturday in his San Antonio home.

When one thinks of HENRY GONZALEZ, one thinks of the Kennedy assassination investigation. One thinks of the Gonzalez amendment that protected American companies overseas from being expropriated.

When one thinks of HENRY GONZALEZ, one learns about what he is trying to do to protect the taxpayer from bank bailouts, from banking irregularities, from S&L irregularities.

When one thinks of HENRY GONZALEZ, one thinks of integrity, of toughness, of compassion. When one thinks of HENRY GONZALEZ, one thinks of one of the most colorful men to serve in this body—not just his suits and ties but his character, his friendliness, his constant good humor.

Yes, he can be hot tempered, but it is always in the cause of being angry at some injustice or something erroneously said.

Mr. Speaker, there are a lot of tributes paid to individuals on this floor, but I think if we look back at those giants, the time has come to remember them not just because they have served their 30 years, but remember them for what they have done.

Mr. Speaker, I would like to yield to another younger Member of this body, whom I am sure reflects the view that I am stating today, the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Speaker, I thank the gentleman for yielding, and I thank the gentleman for taking this time.

Mr. Speaker, I have been privileged to serve with the gentleman from Texas [Mr. GONZALEZ] for 17 years in the House of Representatives. Of course, he comes from one of the most interesting parts of our country. San Antonio, TX, had before HENRY GONZALEZ a person like Maury Maverick, whom he followed richly in the tradition of being concerned almost to a single-minded degree about the plight of people who no one cares about, about poor campesinos, about people who have no representation here.

To me the great gift of serving with HENRY GONZALEZ is that he reminds me and all of us that people out in this country who do not have much, who only want a fair shake from their Government, have a true champion—and that champion is fortunately the chairman of the Committee on Banking, Finance and Urban Affairs—to make sure that they toe the line as well, the big powerful interests in this country.

As long as there are powerful interests, as long as there are people who are comfortable, there will be a HENRY GONZALEZ to afflict them, and thank God for him.

Mr. RICHARDSON. Mr. Speaker, I thank my colleague.

I would just like to remind everyone here HENRY GONZALEZ is 75 years old. We will be celebrating his 60th year in Congress 30 years from now.

I want to make an announcement: I will not be here to make this special accolade then, but HENRY GONZALEZ will be here, because he is healthy, he is strong, he is getting younger every day, and the little guy, the middle class, will have their champion another 30 years.

☐ 1030

H.R. 2094—NOW IT'S THE PUBLIC'S TURN

The SPEAKER pro tempore (Mr. TAYLOR of Mississippi). Under a previous order of the House the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, at the outset let me say that I am overwhelmed by my good friends who have just spoken. I had no idea that the gentleman from New Mexico [Mr. RICHARDSON], much less the gentleman from New York [Mr. DOWNEY], would be saying such fine things. I think these are the rewards that in a democracy one is very fortunate to receive.

I have never felt that in a democracy such as ours, based on a representative form of government, that any one of us attempting to be a Representative, and it is always a challenge, I think it is something that like perfection, which we are striving to reach, knowing we never will quite reach it, but at least we should keep on trying. And that is to try to represent without fear of favor equally and all, regardless of the status in our society, those that are charged with being constituents in the districts that we are honored and privileged to represent.

I do not have the words with which to express my profound and sincere thanks to the gentleman from New Mexico, Congressman RICHARDSON, and the gentleman from New York, Congressman DOWNEY. I would just say that these are the real moments of reward that I feel make it all worthwhile.

I do not think that in a democracy one should expect monuments, one should expect gratitude necessarily for doing one's duty. That is what the people have elected us in free, open, democratic, unrestrained circumstances and under the institutions of freedom that we have inherited. And it has always been my feeling of profound gratitude that I could be the beneficiary of the inheritance and that nothing I would ever do would diminish by one iota the transmittal of that inheritance to those who would follow me.

Mr. Speaker, we are all hopeful that the house will be able to successfully complete work on major banking legislation next week. It has been a rough 2 weeks for the House, as it has attempted to move an omnibus package. Competing interests have attacked the efforts from every angle. We have got to look at it this way. It is to be expected. Any time we have $1 trillion or more involved laying on that table, we are going to have a lot of interests and they are going to reflect their interests in the deliberations that take place anywhere in or out of this great body or in those areas of decisionmaking that can have some impact on those trillion dollars or so.

The lobbyists have taken an all-or-nothing attitude and at the moment the result has been a true nothing. After the administration's omnibus package was overwhelmingly defeated, and when it was introduced and sent over by the Secretary of the Treasury, there were those who said "Oh, the Banking Committee, they are not going to consider it. Those Democrats in the majority are going to try to sidetrack it."

Secretary Brady himself, in person, came over to the House. Let me explain to my colleagues, I have never met in private to work any deals with anybody. The position I have taken when I have been requested to do so is that I am just the chairman of the committee and I cannot speak for the majority of that committee until they have been brought in their consultation. And I have tried to do that to the best of my ability.

I have been invited to go to other places, including the White House, to discuss possible legislative arrangements. I have not gone. Other Members have gone, but I have not.

My answer is, my door is open in my office that the people provide. It is open to all comers, from the Cabinet level, the Presidential level, down to just the poorest constituent at any time. Assuming I am not otherwise occupied in legislative business, I will be there and I will discuss legislative business here in the Hall of the House or in the premises of the House where we are supposed to, but nowhere else.

Now, this has been bothersome to people who have been accustomed to working in a different manner in the preceding years. I cannot help that. So when the Secretary spoke to me in May, he was surprised when I told him that I was going to follow regular order and that the bill, once it was referred to the committee by the Speaker, Parliamentarian, I would in turn refer it to the subcommittee that has jurisdiction, which is the Subcommittee on Financial Institutions and Supervision, chaired by my very able colleague, the ranking majority member of the committee, the gentleman from Illinois, Congressman FRANK ANNUNZIO.

Furthermore, I explained and requested to the subcommittee chairman, and I mentioned this to the Secretary to his surprise, that the markup vehicle should not be the bill that I had introduced on the first day of the session of this Congress on January 3, not a subsequent bill introduced jointly by the gentleman from Illinois, Congressman ANNUNZIO, and myself, but the Treasury bill as the vehicle for markup in the subcommittee. And that is what they used.

I warned the Secretary and I said, "Mr. Secretary, you realize that this bill as you have gotten it, it is a hodgepodge of industry wish lists. We have at least four to five sections in this bill you have sent us that we are going to have to share under the system that prevails in the House with four other committees, at least in what is known as sequential referral."

He did not seem to understand. So I explained further. I said, "In the Senate, unlike the House, the Senate Banking Committee has total jurisdiction. It doesn't have to refer anything else on the bill before it to any other committee of the Senate. But unlike the House, in the House we have what is known as sequential referral, and it is good because it recognizes the integrity of the processes and the integrity of jurisdiction of every committee that is charged with jurisdiction over the subject matter under discussion."

I have no quarrel with that. It has worked out fine. I have had any number of bills since I have been chairman of the House subcommittee since 1981, and then of course some of the substantial legislation since I have been chairman of the full Committee on Banking, Finance and Urban Affairs. We have had referrals to other committees. They have worked out. I have the highest esteem for my colleagues who happen to be chairmen of the committees. I have nothing but high respect and regard, have always.

I certainly think that had it not been for the rather old pact understanding on the part of the Secretary, we would have had better results.

He said, "Well, I'm really surprised but that is good." And of course, the rest is history.

Now, the omnibus package that we received from the administration was defeated overwhelmingly last Monday night, immediately, and I had foreseen that in May. I offered committee options. I offered the Secretary, advising him that since the bank insurance fund is in some distress that that had to have priority and that if this massive document he had, with all of the variegated interests involved bogged down, we would be in here.

I said September. Well, it is November, and in the meanwhile, we would have this other big gigantic problem of the refunding of the RTC, the Resolution Trust Corporation. And up to this week, the last figure I heard that they are requesting, and they have admitted they have not been able to resolve some of the defunct S&L's because they do not have the money in RTC, they are requesting $70 billion.

I could not think of anything worse for us than to be hit simultaneously by both gigantic demands.

□ 1040

Bogged down, we would be in here I said September. Well, it is November and that is what has happened. Unfortunately, I could not convince either leadership or administration or the spokesmen or much of the committee, but I gave the choice. I said that the gentleman from Illinois, Chairman ANNUNZIO, and I have in the meanwhile arranged a leaner package, but very substantial. Some people said "It is very narrow." It is far from that, and I am going to go into that in a few minutes. The rest is history.

We were prepared when the House acted as it did Monday. By Tuesday we took the standby bill, polished it up, put it in, and on Wednesday I called a hearing of the committee and we marked it up and passed it out Wednesday morning, and it is now in the hands of the leadership and the Committee on Rules. But as far as our forum, known as the Committee on Banking, Finance and Urban Affairs, we have done our duty. We have passed the bill.

While H.R. 2094 has been described as a narrow bill, it contains a major set of regulatory reforms, among other things. It provides authority for the bank insurance fund to borrow up to $30 billion from the U.S. Treasury, the funds to be repaid by premiums by the industry. This is not a taxpayers' bailout. Traditionally, all we are doing is changing the traditional $5 billion line of credit from the Treasury to the FDIC or the bank insurance fund from $5 to $30 billion which then will enable them to make use of an additional $40 billion from the sale of the assets of the institutions they have resolved, but it is to be paid back on the basis of amortization that will be set by Treasury and the FDIC or the banking industry. The FDIC is the banking industry's insurance fund paid for through premiums and fees by the insurance industry, and that is who will have to pay that back.

Second, it requires annual onsite examinations and annual audits. Third, it requires improved internal controls for banks. Fourth, it requires that regulators get in and take action when the condition of an institution deteriorates. This eliminates the present practice of letting institutions rot away and become wrecks with no salvage value. Fifth, it requires that the FDIC use a method least costly to the taxpayers in resolving failed institutions "too big to fail." It establishes criteria for the use of the discount window of the Federal Reserve and curbs the use of the window for secret bailouts of banks, which we have exposed and the staff of the Committee on Banking, Finance and Urban Affairs has exposed. Seventh, it requires data on small business lending including lending for minority business on banks' condition reports.

Mr. Speaker, H.R. 2094 was reported out of the Committee on Banking, Finance and Urban Affairs on a 37-to-15 vote. The committee recognized the critical need to make certain that the insurance fund is kept solvent and that we do not allow the Federal Government to renege on its pledge to pay off depositors of failed banks. This is the issue. Confidence in the banking industry is fragile, very fragile. Any delay in refunding the BIF or any suggestion that the Congress will debate endlessly without action is certain to erode continuously and further that confidence.

It is difficult to measure confidence but it is clearly the basic fuel that keeps the entire banking system going, and my friends, it is fragile. When it slips away it is gone, extremely difficult to get back, like credibility, in our case, and good reputation. Once it is shattered, once it is cracked it is gone, difficult if ever to be able to recover.

We cannot afford to make that gamble. I have been saying this now for 2 years. Unfortunately, Mr. Speaker, so much of the debate over the past 2 weeks, and in reality the entire year, has centered on the other issues in banking: Who could own banks, who could peddle insurance, who could sell securities.

Sure, those are wonderful issues. They are issues dear to a multitude of interest groups and to the U.S. Treasury Department. But for our constituents, for the overwhelming majority, the real concern centers on the safety and soundness of the banking system and on the assurance that deposits will be protected by that insurance fund. How many people in your district, my colleagues, really care whether their banks can sell securities? But I can guarantee the Members that 100 percent of them are going to make sure that their hard-earned dollars are safe.

I am also convinced that they want a safe and sound banking system that will not become a part of the State bank welfare cases to be paid for by the taxpayers. The American people have had enough of financial bailouts with the savings and loan industry. They do not want to set the stage for another disaster for the banking system and the bank insurance fund.

H.R. 2094 does shore up the banking fund. Most important, it provides new regulatory initiatives that will go a long way toward preventing a repeat of the savings and loan mess.

Mr. Speaker, the shock waves are still coming in from Monday's vote against the administration's bill to allow banks to expand into securities activities and to build nationwide networks or branches. Both the administration and the banking industry turned against the legislation after the Committee on Banking, Finance and Urban Affairs and the Committee on Energy and Commerce insisted on safeguards for the public and for the insurance fund.

I am pleased that a majority of the House voted in favor of the safeguards and against giving banks new powers without protection. But in the end, the industry said thumbs down when they realized they could not pry the safeguards off of the power package.

Mr. Speaker, there are still some in the House who want to give the industry another bite at that apple to try a package of amendments that would allow geographical and product expansion for the banks without safeguards. They would like to pack these amendments onto H.R. 2094. Mr. Speaker, I think such moves will only serve to ensnarl badly needed legislation in an impossible thicket. It will only serve to delay refunding BIF and postpone the installation of new regulatory tools. Such amendments gamble with the public's confidence in the banking system and its regulatory machinery.

The lobbyists are all over town. The hotels have been filled with bank, insurance, and securities lobbyists. The law firms have been on red alert to help their clients with a welter of special interest amendments. Place any of these controversial amendments before the House next week and the battle begins all over again, and with no certain winners. Such a development, however, would come up with one certain loser: the American public.

Mr. Speaker, the banking industry and the Treasury Department missed the boat last week. They had their opportunity to take a bill, perhaps a bill not entirely to their liking but a bill that would have provided them new powers and new markets. It is amazing that the Treasury Department and the industry thought they could dictate every detail of the legislation to the House.

The legislation, contrary to bank propaganda, did provide the banks with greater opportunities in the securities field. We did insist on safeguards and this fact alone caused them to scuttle the entire package. Just a little bit of accountability and no sir, they would rather go along with what they have now and get it from the courts or from the Federal Reserve Board.

Mr. Speaker, a few years ago the industry would have taken such a package, powers with safeguards, and would have been happy. We all know that. The industry knows that, but now the appetite is bigger and they want everything, power without safeguards.

Unfortunately, the Secretary of the Treasury failed to sit down with the banks and explain the need for public safeguards. Instead, the Secretary tried to outdo the banks with industry wish lists and pushed away safeguards at every turn.

□ 1050

The Treasury Department, I will remind the Secretary and my colleagues, is a part of the U.S. Government, and it is tax supported. It has a responsibility to speak up for the public interest and not just the bank interests on this legislation.

I will remind my colleagues of a very famous Coloradan back during the Depression, Senator Costigan, who would get up in the Senate and say, "I believe in the public ownership of the Government." That is the issue. And here is the Treasury acting as an agent for the private industry, and had the Bush administration met its responsibility to the public and had they done it, both the banks and the administration would have fared much better in last weeks' vote.

Mr. Speaker, I know that many will have favored amendments before the Committee on Rules next week. I have a whole list of them, but I am not going to offer them, because I believe that it is essential that we proceed with this bill, that we pass it out of the committee, safeguard the integrity of the action of the overwhelming members of the Committee on Banking, Finance and Urban Affairs this last Wednesday.

Now is the time for restraint, not another reaching into the grab bags of the special interests. If amendments are considered on interstate or securities powers, we must, again, speak up for the public safeguards. We also must face the fact that community groups and consumer organizations have legitimate requests before us for public safeguards. This cannot be a one-way street for the banks.

Many have raised serious and documented concerns about what will happen to local communities in this new world of banking. The Community Investment Act is already weak and poorly enforced. We cannot weaken it further without great damage to our communities, particularly minority and low- and moderate-income neighborhoods. That is everybody, not just minorities.

This bill cannot be for banks alone.

The release last month of data collected under the Home Mortgage Disclosure Act shows wide patterns of discriminatory lending across the country by commercial banks. This information is still filtering out to communities, and ultimately we are going to see a big fallout from these things.

These banks enjoy great grants of Government benefits. The bankers are the most privileged group in our country. Under our fractional reserve system, they, not the Congress, manufacture credit and money. They are the most privileged, and they are not satisfied. They want it all.

Since when have Congresses become so abject and would abdicate the tremendous constitutional duties and responsibilities to the people and the greatest interests of the greatest number?

I have confidence that my colleagues will not let that happen and that we will have learned by now and will be going ahead and honor the integrity of action of the overwhelming majority of members of the Committee on Banking, Finance and Urban Affairs last Wednesday.

Mr. Speaker, I hope we will move swiftly next week to deal with the essential problems before us, keeping the insurance fund solvent, making certain that we have good, workable, and strong regulatory tools available. Down the road we can deal with these wish lists of expansion after we have had suitable hearings, I mean, really good hearings, and next time perhaps we can get help from the administration in speaking up for the public side of these issues, and perhaps we will be in a position then to make certain that the banks who seek these new benefits and privileges are willing to serve all the people regardless of color, ethnic background, race, or sex.

We have had our bloodbath on the floor this week. Enough is enough. Let us do the people's business next week.

THE COURSE OF AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, I have asked for a special order today because there are some things going on in this country and around the world that ought to cause us to be very apprehensive, and ought to cause us to decide to take some action as Americans.

This House of Representatives has been under relentless attack in recent months. It has been called stupid and corrupt by some people, including some Members on the floor of the House of Representatives. It's been attacked by virtually everybody that likes to attack institutions, and yet that is not new. Congress has been under attack for a couple of hundred years. It is a kind of fragile institution in a lot of ways. It is easy to attack.

I have served in the House of Representatives for 11 years. I serve with some Republicans and Democrats who, I think, are very hard working people that I know try to do the best job they can for this country. They are not corrupt. They are not stupid. They are not here because their only interest is to get reelected. In most cases, they have a very serious desire to be involved in public policy questions and want this country to progress, to move ahead and to prosper. They come from all parts of the country. And generally, I think that their motives cannot be challenged, and as I said, they work very, very hard.

Now, I am the first to admit that this institution certainly has lots of trouble, and we do not always make the right decisions. We do not always make the decisions we should on time, and Lord knows we certainly deserve some criticism, but not the kind of criticism that suggests the motives of everyone here are all wrong. I think these men and women have good motives, who come from all parts of this country, who represent the interests of this country.

I come from a town of 350 people. That is where I spent my youth. I graduated in a high school class of nine in southwestern North Dakota.

People in my hometown worked hard, and helped each other. When they wanted to buy something, there was still a notion that you should save up for it. Those were the days when I was growing up in a small community.

The people in that town had an enormous amount of interest in sacrificing themselves for the interests of their children. They were very interested in keeping a school open in that small town, and making sure it was a good school.

We had a doctor named Doc Hill. He came to Regent and stayed for 55 years. In rain and sleet and snow he traveled all across the countryside to deliver babies, to pull teeth, to do whatever was required of a doctor who was the only health care professional around.

My father ran a petroleum dealership. We raised horses and cattle. It was not unusual at 3 or 4 in the morning to get a call that someone's pig barn was out of propane 15 miles north of town. In a blizzard, he'd get the propane truck and wake me up, and we would go deliver propane. You have to keep a hog barn heated when they are farrowing.

It is the sort of thing we did. When Ernest Whelan died, the neighbors put the crop in and took the crop off. When a barn burned down, folks came and brought their tools and supplies and helped build the neighbor's barn. That was my hometown's way.

It was something else that was interesting back then. Every day of my life, I understood from everything I saw and heard and knew that this country was No. 1. This country was the best. We were the most powerful, the wealthiest, and were experiencing the greatest rate of economic growth. We did things right, and invested in education. This country was No. 1, a world economic power.

Yes, they were simpler times back then, in a lot of ways when it was clear who was No. 1. We had been blessed with enormous bountiful fruits of our labor and our resources. This country was head and shoulders above the rest of the countries in the world as an economic power, and then during that time and later as a military superpower.

Well, I have a 4½-year-old son who this morning went off to day school, the year before kindergarten, and as he went off to school today, he did not know and will not know tonight when he gets home, nor will his schoolmates or other children around the world, that this country is off course.

□ 1100

It is a ship of state that is drifting. Things are not working right. Today, while my son is at school, this Government will spend $1¼ billion—that is with a "b"—that we do not have.

Today, tomorrow, every day, 7 days a week, all year in this fiscal year, this Government will spend $1¼ billion that it does not take in in revenues and charge it to the kids and the grandkids.

Now, how did we come to that position? Is it not still a great country? Sure. Is it not still a country with a strong economy? Yes. Are we still a military superpower? Sure. But are we headed for very serious trouble? You better believe it.

Frankly, I do not think a lot of people in this town and around the country understand the peril that faces this country. We must decide to do the right things, tough as they might be, to set this country back on track and help America grow again.

I would like to mention a couple things that have led us to this point and then talk about what we ought to do to respond.

First of all, just to put it all in perspective, a century ago power shifted in this world. England was the world economic power, and it shifted from England to the United States. No one saw it shift. There was not some smart journalist who wrote an op-ed piece someplace in the London tabloids that said it happened, the boat left with power on it and it is going to dock in New York soon. It doesn't happen that way. Power shifted, and the United States became a world economic power. And now it is shifting again today for a lot of reasons. Some are watching it shift and not willing to do much about it, even though we could. It is shifting from here to the Pacific rim.

The question of what kind of public policies we pursue, what kind of courage we have as Americans, what kind of leadership we have in the White House, what kind of courage we have in Congress to follow good leadership, the answer to those questions will determine what kind of a country we have 10 years, 20 years, and 50 years from now.

This country is losing its edge and is off track. We are beset with deficits and debt, recession, scandal, and collapse in key industries. The ship of state is loaded with debt, and my colleagues and others say let us have a growth package. Let us propel this ship of state once again.

You cannot propel a ship that is loaded. You have got to lighten the load. We have got to deal with this debt problem. We have got to put this country back on track by facing squarely the issues that we would face if we were in a small town. We would understand if we were in a small town and this was our community what we would have to do. We would have to set things right and get back to fundamentals. You have to pay your bills.

We have had some discussion earlier today in the 1-minutes about President Bush. One of the things, I am a Democrat and I am a Democrat because I believe in the basic values that we stand and fight for. But one of the things I find interesting about the last 11 years is when Ronald Reagan came to the Presidency and George Bush followed him, every single thing that happened around this town and in this country that was right, that was good, and that worked, they claim was as a result of policies and actions initiated by Republicans. This they would trumpet as a Republican success as long as it worked.

On the other hand, every single thing that fails and goes wrong, anything that is haywire. they point to the Democrats and say, "That is your responsibility. You caused that. We weren't even here. It's not our fault. We wash our hands."

President Reagan came to town and said, "I have a new vision. We will cut taxes, double the defense budget, and balance the budget." Well, it did not work. We have deficits after deficits.

Some say, well, that is not President Reagan's fault. President Reagan cannot spend money. Well, the first step in the three-step budget process is that by law the President sends a budget to this Congress.

Does anybody here know what kind of deficits the most conservative President in this century asked for? President Reagan—not Millard Fillmore, not Jimmy Carter—President Reagan requested a trillion dollars in deficits, and you bet Congress failed. Our failure was to follow leadership that was reckless and dangerous in the area of fiscal policy, and that leadership continues. The budgets that come to this Congress from the President are budgets that request enormous deficits, and Congress does not have the guts apparently to say no.

We ought to send them back and say, "Send one that is balanced and then we will talk."

There are three steps to the budget process, and the process by which you spend money. First, the President sends a budget.

Second, Congress reacts by passing appropriations bills, and third, the President signs or vetoes the bill and that signature is worth two-thirds of all the votes here in the House and in the Senate. So when they say that these deficits are not the President's fault, that is nonsense. It is his fault because he initiates it and it is the fault of Congress because we followed that leadership.

For 11 years we have had conservatives in the White House who talk about balanced budgets and send to this Congress proposals for deficits that are the biggest in the history of this country. We could put them out here around the table today, if anybody wants proof, and say here is his budget for 1989, here is his budget for 1990, and you would see the deficits that this President requested.

Now, there is talk today about letting us start worrying about things here at home. Someone said, well, that is not fair. When the President travels, he travels in this country's interests.

I will be the first to credit President Bush with some enormous successes internationally. I will be the first to say to him that he deserves to be congratulated, and I have said that from this microphone and this well. I think he has done a superb job in some areas in international affairs, not all, but some, and I have said congratulations.

But I tell you there is a tendency down at the White House to think it is really interesting to be involved in foreign affairs and it is pretty dull and not very interesting to be involved in domestic affairs. The people of this country that I represent in my home and the State that I represent want a President who is far more interested in what is happening in Bismarck, ND, and Boston, MA, and St. George, UT, than they are about a President traveling to Japan, Italy, or Germany. That is not to suggest that we should be isolationists and withdraw from the world. It is to suggest that we have serious problems in this country and it is time to park Air Force One and take care of things here at home.

The President has a brand new 747 that has 330,000 miles on it. He has traveled the equivalent of three times around the equator since he took office, visited 32 countries, and there is not anybody who asks him for anything around the world that he does not say, "absolutely."

Egypt wants $7 billion of debt forgiven, no problem. That is not a problem. "We will forgive your debt. Spend it all, $42 million. We will forgive your debt." Thirty countries have had debt forgiveness just in the last year and a half. That is not a problem. Foreign aid, the more the merrier, he says.

A lot of people are starting to wonder if the priorities should not be that this country is in trouble. This country has a President of the United States, and that means a President of this country who needs to pay attention to problems here at home. He should get and demand and expect a Congress that follows courageous leadership on these issues.

Let me just go through a list, if I might, of some of the things that we can, and I think should, do to respond to these issues.

First, the easiest recommendation by any of us who serve here, and I think by the President, is we have got to pay our bills. We cannot keep charging. We cannot have a $4 trillion debt. It is actually about $3.6 trillion at this point, but the deficit this year is going to be about $420 billion. We have simply got to pay our bills.

How do you do that? First, you stop forgiving everybody's debt. Why should we forgive debts for every country that asks?

Second, we have to cut some spending. Yes, the Federal Government is bloated, absolutely, even here in Congress. But you go downtown to some of these agencies, and I am telling you that they have got too many people working there. Let us cut some Federal employment. Let us cut programs that do not work.

Let us ask people who are not paying taxes to start paying them. Nothing wrong with asking rich folks to pay their share; there is nothing wrong with that at all. We have got to deal with the budget deficit.

And is that hard? You bet it is tough, because it is not good news to tell people you have to have a cut in programs or a cut in spending or to tell people you might have to pay some extra taxes, yet, we have to do what is necessary to stop the deficits and stop the hemorrhaging; to put this country back on track is to do what the American people demand and expect of their leaders.

The second point is this country has got to stop paying for everybody else's defense bills. We pay over a $100 billion to defend our allies. Why should the American taxpayer pay for the defense umbrella to defend a free world? We borrow money from Japan because that is who is lending the money to help finance our deficit in order to protect France against an invasion from Poland. I mean, the whole place is goofy, for God's sake.

Let us tell Japan, let us tell Germany, let us tell France and others, "We love you. You are great friends of ours. You have a certain responsibility to pay for defending the free world. Here it is. Send us a check. We have the captains and the cruisers and the air carriers out there keeping the sealanes open so you can ship your Hondas to Pittsburgh. God bless you, but send us a check for the amount of money we spent to keep the free world free."

We cannot afford to spend $100 billion a year of American taxpayers' dollars to add to the debt so our kids will be required to pay off the debt so that we can defend Germany, France, and Japan. That is nuts, and it is time to stop it.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Connecticut.

□ 1110

Mr. GEJDENSON. Mr. Speaker, to the gentleman's point, we just saw yesterday on the nightly news the President pleading with the Europeans for us to maintain this role, a role that was designed when there was a danger of a united Soviet Union invading West Germany, and then the rest of Europe. The President goes over there, the worst of all negotiations, doing the opposite of what the gentleman from North Dakota [Mr. DORGAN], the gentleman in the well, suggested.

"You want us to stay in? Pay us for some of the costs of protecting freedom, or else we're going home."

The President takes a different tack. He runs over there and says, "Please let us stay." The French, the Germans, and the English are ready to take on, I think, more of their own responsibilities, and the worst of it is we recognize that we cannot intervene when it comes to Yugoslavia. The administration, I think, understands that sending American troops into Yugoslavia is not going to solve the situation, that the Europeans have got to do it. Yet, as the gentleman from North Dakota [Mr. DORGAN] points out, what the administration wants to do is keep spending about $140, $150 billion a year, and what does that mean?

It means: "If you're a 55-year-old in Germany, and you get laid off, you got something like 130 weeks of unemployment compensation. In North Dakota or Connecticut you're just out of luck if you've run out of your present benefits."

Mr. Speaker, every one of those European countries has national health care, maternal and parental leaves, better unemployment benefits. Do my colleagues know why they can afford it? Because we are subsidizing their countries, and the most insane part, of course, is that we then borrow the money from them so we can afford to both defend them and try to keep our own country running.

Mr. DORGAN of North Dakota. Mr. Speaker, the gentleman from Connecticut [Mr. GEJDENSON] makes a great point. With respect to Europe, until about a year ago we had about 300,000 troops in Europe, and we hired about 200,000 civilians in Europe as well. So, we had 500,000 Americans on a jobs program in Europe. That's a jobs program we could well use in America, but we are paying for it in Europe because that is the way it always was, that is the way it is, and, if the President has his way, that is the way it will always be.

Mr. Speaker, that is crazy, and it's time to change all of that. It is time to reorder priorities, not to withdraw from the world, but simply to tell others, "Shrewd, tough, smart competitors, you have to pay your way. Part of your obligation in this world is to help Uncle Sam pay for the world's defense umbrella to keep the Free World free."

I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, if we could just get those 275,000–300,000 Americans back here in the United States, if we did not lay them off, if we continue to pay their salaries, but we housed them in some of the empty apartment buildings and houses we have in this country, we would fix the real estate crisis. But no. What we are doing is we are taking money that we borrow from the Germans at 7 or 8 percent, then we send it to our troops over in Europe, they take that money, and they pay rent on an apartment or house in Europe. They buy groceries in a store in Germany, or wherever they are. They end up buying at their department stores and keeping those economies going rather than using that money here to keep our economy going.

Mr. DORGAN of North Dakota. Mr. Speaker, there is an amendment that I put on the defense bill that is now being kept in conference. It is going to come back and go to the President for signature. It does something that is very simple. It says the President is required to negotiate with our allies, offset payments to us that represent the cost of our defending them, and we set up a specific amount in the Department of Defense to receive the money.

Now, we found out during the Desert Storm situation that, when the President and James Baker, the Secretary of State, want to do a little shuttle diplomacy and go collecting money, they can do a pretty good job. They raised $45–$48 billion. Every year we ought to be getting tens of billions of dollars into this country's coffers from those for whom we are now providing a defense. It is simply a matter of will.

Mr. Speaker, if I have my way, I hope we can force the President to negotiate those kinds of payments with our allies because this country cannot afford it. This country is in serious economic trouble, and we have got to put a stop to that sort of thing.

I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, there is nothing wrong with helping out our neighbors, one, if we have the financial ability to do so and if our neighbor is in some real trouble. I think that is something the United States has always been ready to do. But this situation is the single threat that everybody was focused on, is in the process of dissolving, and is dissolved. They have got a better and healthier economy in Western Europe than we do, and we are constantly giving this transfer of funds, and these people are our primary economic competitors. It is as if General Motors and Ford were trying to sell cars in the American market, which sometimes they appear to be, but not always, and periodically General Motors would send another billion dollars over to Ford. It would probably give Ford some advantage.

Mr. Speaker, that is what we do to Germany. The reason the Germans have better health care, a better education system, and are beating the pants off us economically is because we are constantly subsidizing their economy.

Mr. DORGAN of North Dakota. Mr. Speaker, I yield to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Speaker, I thank the gentleman from North Dakota [Mr. DORGAN] for yielding, and I would like to associate myself with his fine comments and just point out, and I think the gentleman has alluded to this fact, and the gentleman from Connecticut [Mr. GEJDENSON] has as well; the world has fundamentally changed since 1989 in ways that have apparently eluded this administration. There was a revolution, and that revolution was unlike the gentleman's point about the shifting of economic tide. It is trumpeted across the world.

The fact is the Soviet Union was paid by one of our principal allies, the Germans, $8 billion to move soldiers from Europe, Soviet soldiers from Europe, back to the Soviet Union. So, there is already a lifeline, a flood, if my colleague will, of foreign aid going from European countries to their former adversaries and our former adversaries, the Soviet Union.

If this administration continues to insist, as the gentleman from Connecticut [Mr. GEJDENSON] pointed out, as the President did from Rome the other day, that somehow the old Atlantic structure, a structure of NATO, is so sacrosanct, so important, that we cannot possibly rethink it for fear that there will be instability, well, the greatest instability that I know, and I would like the gentleman to comment upon this, is economic instability, because the threat of economic instability is a far greater danger in the United States than the potential for an invasion of the Soviet Union back into the Eastern European countries where it once held suzerainty, but clearly this President, and I hope when he comes back from this recent trip, will appreciate that the American people cannot afford any longer to keep the European structure, the NATO structure, alive while the American economy fails.

Mr. Speaker, it simply cannot be done.

Mr. DORGAN of North Dakota. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, it reminds us of the military response of the French after World War I. They built the Maginot Line, and the Israelis built the Barlev Line after the 1967 war, and we are ready for world war III. We are ready for the fight with the Soviets, and what we are not ready for is this fight with our economic competitors, and it is a much different world if we do not have the resources to invest. Just as the Maginot Line was overridden in World War II, we will be overridden economically, and then we will no longer be able to lead the world for human rights and for all the things that America has done for decades We will not be able to be that shining example of freedom and an economy that can sustain freedom.

Mr. DORGAN of North Dakota. Mr. Speaker, the gentleman from Connecticut [Mr. GEJDENSON] is absolutely correct, and I mentioned burden sharing, the question of how much we pay for the free world's defense and the requirement that others begin to share fairly in that because that is an important part of this deficit issue, as far as I am concerned.

And the gentleman from New York [Mr. DOWNEY] talked about the security threat. By far the greatest security threat to this country at this moment is the perilous condition of our economy and the need to put this country back on track and if we fail to do that at this point, then, 10 and 20 years from now we will look back at this time and say that this country came to a critical juncture and did not have the leadership, the political will, or guts to do what was necessary to make it a great country again.

Mr. Speaker, we have got to make this country grow again. But as I said before, it is awfully hard to put new fuel into the ship to propel that ship when it is loaded with debt. We have got to lighten the load as well, and I wanted to mention today, and I hope we will before the end of the hour, the issue of international trade, where we are shipping out used paper in wood ships and bringing back television sets and cars and finding markets closed to us when our markets are open to them. That is an issue we have got to deal with.

We have got to deal with still this issue of leveraged buyouts, hostile takeovers, and junk bonds and this greed game, the economic casino that is going on in parts of this country that is, in my judgment, ruining the private sector in this country while regulators sleep in this town.

☐ 1120

These are regulators hired by a President who has said, in my judgment, "I don't want to govern. I don't like government very much." That started with Ronald Reagan. He said that government is the problem.

So we are going to bring people into key regulatory positions whose position and whose judgment is to not regulate. That basically happens in the area of hostile takeovers and in the airlines and the whole area. So what do we have? We have people playing these little greed games, and we have this infection of hostile takeovers in this country, and a blizzard of junk bonds that has sprung up in a form of economic cannibalism that has weakened this country from the inside. We have seen, partly as a result of that, the collapse of institutions, S&L's that bought all these junk bonds, and we have seen failures of companies that were the targets.

Then what happened? We were doing all that because regulators failed to regulate, and in my judgment they were almost criminally irresponsible. While this was happening, our competitors were figuring out how to build better products and sell them at a better price.

You could not do a hostile takeover in Japan because they will not allow it. Do you know why? Because they know it does not make a darned bit of sense.

What are they involved in in their private sector? Building better products and figuring out how to sell them at a better price.

What are all the folks on Wall Street and many in our boardrooms doing? Trying to figure out how to take over somebody else or how to avoid being taken over. They are spending precious little time figuring out how to compete and how to win when we compete with shrewd, tough international competitors like the Japanese, the Germans, and the French.

One of the things we ought to do is simply flatout make illegal hostile takeovers. We should stop the junk bond craze, and put an end to this loading corporations up with debt for personal gain, which has been going on for too long. We should just end it.

I will bet there are not very many Members who know that the U.S. Government ended up owning junk bonds in the Taj Mahal. This is the Taj Mahal that Donald Trump built, the biggest, glitziest, costliest casino in the world over in Atlantic City. It had jewels all over it. The question was: Was Marla Maples going to come to the grand opening? Who cared? It opened, and now it is broke.

The junk bonds that were used to finance the building of the Taj Mahal ended up in the bowels of the Federal Government. Do you know how? Because the S&L that bought some of the junk bonds failed. We had to take over the S&L, and U.S. taxpayers ended up with junk bonds in the Taj Mahal.

I cannot think of a more grotesque definition of systematic failure by these folks who were supposed to be regulating this sort of thing than to say that we ended up, as a result of this incompetence, with junk bonds from the Taj Mahal being owned by the American taxpayer. It is time to end that sort of thing.

Mr. DOWNEY. Mr. Speaker, if the gentleman will yield, do the American taxpayers get some kind of a break if they go back to the Taj Mahal as a result of this? Is the gentleman aware of that, or is it just that we get to own the bonds?

Mr. DORGAN of North Dakota. Does the gentleman have a weekend trip planned?

Mr. DOWNEY. No, I do not, but I was just wondering about it. I know the gentleman is not a big fan of the Taj Mahal.

Mr. DORGAN of North Dakota. Let me give the gentleman another choice. It is not just the Taj Mahal. The American taxpayer also got stuck with junk bonds from Caesar's, Bally's, and Resorts International. So just take your choice of casinos if you want to travel this weekend.

Mr. DOWNEY. So taxpayers could just walk into these casinos and say, "Look, I own a part of you. I am an investor, and I would like the privileges of being an investor."

Mr. DORGAN of North Dakota. It probably would not work to try to do that. But incidentally the RTC, the Resolution Trust Corporation, has now sold the junk bonds from the Taj Mahal. I have been trying to find out what price they got for them, who bought them, and who helped with the sale.

Mr. DOWNEY. Has the gentleman been able to find out?

Mr. DORGAN of North Dakota. No; the Resolution Trust Corporation would not trust Members of Congress and would not trust the American people to get that kind of information because they say it is confidential. When the RTC bill comes to the floor, we are going to have a long discussion about that.

Interestingly enough, they have a firm that helped issue some of the junk bonds that is now under contract to help them sell the junk bonds and that is also on the other end buying some of the junk bonds. That is one of the reasons I wanted to find out what they were getting for the Taj Mahal bonds.

Mr. DOWNEY. So they get fees at both ends of the game?

Mr. DORGAN of North Dakota. Yes; the whole thing has been fee driven. That is why people who have not yet gotten rid of their acne and are just out of college are making a half million dollars a year doing these kinds of things. They are not building America, they are ruining America, but they are getting rich.

Maybe this house of cards has finally begun to collapse because in the last couple of years we have begun to see a number of these takeover artists doing 2 years of hard tennis at some minimum security prisons for their indiscretions. Maybe this house of cards is beginning to collapse. But if it does not and if it has not and we still see evidence of people who want to do these deals, I think it is incumbent on Congress to say, "Enough." What we ought to do in the private sector is build better products, not buy and sell each other. We should say, "No more scavenging, No more of these greed games. Let's stop it."

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I am happy to yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, the problem, of course, is that the White House, the executive in our system of government, has so much of the regulatory control, with the decisions on enforcement, that makes it very difficult here in the Congress to contain some of this.

I remember waking up one day and finding out that the NRC decided it was going to deregulate certain kinds of nuclear waste. They called it low-level radioactive waste, and it could go into each of the landfills around the country. I know the landfills in my State never had the kind of expertise at the entrance to find out whether it was above or below radioactive waste.

The gentleman mentioned agriculture. I remember once discussing this with some trade folks from Japan. I said, "You know, you are beating us in electronics and television. Our farmers are pretty good. How about taking our agricultural products?"

They said, "Oh, no, we can't do that because that would create a political problem in Japan. You see, we don't have reapportionment."

So the majority party has overrepresentation in their parliamant, and that majority party has even a greater percentage of its representation coming from agricultural districts. So they said, "We're sorry, we can't let your agricultural products in."

I said, "I come from Connecticut, and we have got insurance companies that are pretty capable. How about letting some of our insurance companies go in there and try to compete?"

At that time even our banks were stronger, but now the biggest banks are Japanese.

They said, "Oh, no, we can't let your banks in and we can't let your insurance companies in because ours are yet in a very early stage of development."

Well, they protected theirs, and now they are gobbling up ours.

Mr. DORGAN of North Dakota. Mr. Speaker, I believe in the Golden Rule of trade. I am not one who is protectionist, but I believe in protecting America. I think our markets ought to be open. But I also think we ought to say to other countries, "Listen carefully. It has got to be two way. America's markets are open to you, but we are going to treat you like you treat us. So be careful. Open your markets to American workers and American producers. If you don't, you are not going to find our markets soaking up all of your goods."

This is interesting. First of all, the gentleman mentioned farming. We need a decent farm program. That would be easy to do if we had an administration that cared. We could do a farm program that saves family farmers. But part of the farm program is a trade system that works, and our trade policies are bankrupt.

We cannot get rice into Japan. They did this negotiation with Japan on beef. We have all these Japanese products coming in, and that is fine. I am not opposed to that, but we cannot get enough beef into Japan. They want cheeseburgers in Tokyo and T-bones in Tokyo, but it costs $29 a pound for T-bones in Tokyo. Why? They do not have enough beef, and we want to get more beef into Tokyo, but they have all these barriers. So we have this negotiation. Our fearless trade negotiators go to Tokyo and negotiate for a couple of years. Then they finish their negotiations, and do you know what? It is all on the front pages. They made a deal, and they trumpeted that deal as a major breakthrough with the Japanese. They said, "We are going to get American beef into Japan," and even my colleagues here jump up and down and yell and shout and think this is something. We would have thought that the trade negotiators had just won the Olympics, for God's sake.

Then you look at the fine print, and do you know what we found? On this wonderful agreement with the Japanese on beef, do you know what happens at the end of it? When it is phased in, when we have ratcheted down all the barriers and done all the things, we are left with only a 50-percent tariff. That is defined as success when we negotiate it with the Japanese. If in any other set of negotiations, the negotiations end with a 50-percent tariff on foreign goods coming into this country, it would be defined as a failure by everybody involved. But when we finish our negotiations with the Japanese and have ratcheted them down to only a 50-percent tariff on beef, you would have thought we had just provided a free steak fry for the world.

We take 305 million cars and pickups from Japan, and we say to them, "It is OK that we can't get more rice and bottles of ketchup and corned beef and enough regular beef into your country."

That is not right. We ought to be selling insurance and building airports and doing all the things that are necessary to have free and fair trade between us and Japan. And it is not just Japan. It is a lot more than Japan.

My point is that one of the elements in putting this country back on track is demanding and insisting on fair trade. Free trade is nonsense. It does not mean a thing. If it is not fair, "free" does not mean anything to me. It is time for this country to stand up for its own interests and to say that American workers and American producers count for something and we are willing for a change to begin supporting them and getting access to other markets around the world.

☐ 1130

Mr. ANDREWS of Texas. Mr. Speaker, I just want to compliment the gentleman from North Dakota [Mr. DORGAN] for the work that he has done in this particular area. I had an opportunity a month or so ago to travel with the gentleman down to his district and to visit with farmers in his region and see really how difficult and tough it is out there, to not just make a profit, but keep the farming community alive in a very, very tough time, tough environment economically.

But North Dakota is not that different from my State of Texas. We are the No. 1 or No. 2 leading rice producing State in the country. Yet, as hard as we would like to introduce our product into the Japanese market, they refuse to allow us to do so.

Our rice is four times cheaper than Japanese rice and far more nutritious. Yet the Japanese refuse to let us sell our products in Japan, and that is not right.

The gentleman from North Dakota [Mr. DORGAN] has spoken out on these kinds of issues for some time, and we need to make some changes. Frankly, the administration has got to be more aggressive, much, much more aggressive to level this playing field.

Mr. DOWNEY. Mr. Speaker, I wanted to ask the gentleman from North Dakota [Mr. DORGAN] about something that he started out on at the outset of his remarks, and that was concerning the beginning of the Reagan era where the President promised then that you could have it all, you could cut spending in social areas, raise it in defense, and dramatically cut taxes to the wealthy, and still have a balanced budget and vibrant economy. I think the gentleman was correct to point out that was fallacious then.

Many people who watch special orders and listen to the Democrats rail against the Republicans, or the Republicans rail against the Democrats for their control of Congress all the time, may find that a very dissatisfying meal. It is really incumbent upon us to look to the future and suggest what path we would take.

The gentleman was in the process of doing that when we interrupted him. I hope he gets back to it.

But I want to comment on one thing. It seems to me the most important commodity that is missing from the political landscape today is the truth. It is not really so much a question of whether we are ethical or not ethical in the Congress of the United States. I happen to think that this is an ethical institution, governed by men and women, the vast majority of whom, whether they are conservatives or liberals, Democrats or Republicans, are interested in the public interest. They may make from time to time mistakes of one sort or another, but they are ethically based.

What I am concerned about is that the Congress and the Senate and certainly this President are afraid to tell the American people the truth about what the gentleman was dealing with, and that is that this country is in trouble, that the recognition of the problem is the first step to solving the problem, and that it is not a question of having a balanced budget amendment to force us to be responsible.

We have to make hard choices. We have to explain to the American people, and I know the Republicans hate to hear this, that these last 10 years we have made enormous economic mistakes in judgment, the consequences of which are that the middle class is dwindling, people are living month to month, week to week on paychecks, and are frightened by the future.

I am afraid I do not see that political dialog. I do not see people standing up and saying to the American people, look, there are problems here. Unless we pull together, Democrats and Republicans, they are not going to be solved.

Mr. DORGAN of North Dakota. Mr. Speaker, the gentleman makes a point I was going to make later. I think it is essential.

There was a member of the minority on the floor earlier today who talked about these enormous deficits, drowning in a sea of debt caused by the Congress, and so on. We have heard that ad nauseam.

Look, I am the first to admit to this failure. All of us, it seems to me, are failing when this country is not on track doing the things it needs to do to invest in its future and to build its future. But it does no good and serves no useful purpose for us to try to figure out who is ultimately, finally, and totally responsible, and who ought to be blamed.

I have my own view of it. I have said for a decade that this fiscal policy was reckless and dangerous. But, look: People in this country want a future that is a good future. They do not care who gives it to them. They could care less whether it was Republicans who come up with the good ideas or Democrats.

Unfortunately, what we found is so often we fight so much that instead of getting at the best of what both parties have to offer, we get the worst of each.

I think it is important, and I think if the President would decide to focus here in this country and come home and say yes, foreign affairs worked, but I am going to focus on this country now, I think he would find a Congress willing to set aside a lot of differences, say we are no longer Republicans or Democrats, conservatives or liberals; we are people employed by the American people to confront the needs of this country and to meet its challenges.

One of the things that we have got to do is not only cement a relationship between Republicans and Democrats, the White House and Congress, the conservatives and liberals, but decide to meet the enormous challenge to put the country back on track. There must also be a welding of a will and determination between the Government and the private sector.

It is nuts for us to try to compete with other countries when those countries have their public sector and private sector welded together in one common purpose, to go out in the international marketplace and win. Our public sector and private sector are adversaries, fighting each other at every turn. It cannot work that way and must not work that way in the future if this country is going to be the kind of country it can be and should be.

Mr. KENNEDY. Mr. Speaker, if the gentleman will yield, I think the gentleman from North Dakota [Mr. DORGAN] makes an excellent point about the fact that this country needs a new kind of economics, a new kind of capitalism.

We see capitalism working so tremendously well in nations such as Japan and Germany. Yet when we look at what has happened here in America, we find an entirely different story over the course of the last 20 years.

We find that around 20 or 25 years ago the United States of America controlled 75 percent of the world's consumer electronics market. As the gentleman has pointed out, today we do not make a single television set in America. We do not make so many products. Every product you can think of, whether it is washers, dryers, stoves, were all made in America and exported overseas. Yet somehow the American people have been blamed because of their so-called lack of productivity, because somehow the working people in this country do not have the skills nor the determination to be able to continue to make the goods that we have in the past.

But the fact is that we saw on our Japanese TV sets just a few months ago airplanes made here in America fly across the sky and drop a bomb at 700 miles an hour down the smokestack of the Iraqi International Guard headquarters.

The German workers, the Japanese workers, the capitalists in those countries were in awe of American technology.

The fact is that we have the technology. But what we do not have are the incentives that, as the gentleman has pointed out, could coordinate a strategy, as we have had in our military expenditures, to be able to make equipment, to be able to make products that enable this country to effectively compete.

We have gone from 75 percent of the world's consumer electronics market to less than 5 percent. Less than 5 percent.

Now, it seems to me that if we had the kind of coordinated economy that these other nations have, that we certainly have the skills on behalf of the American workers, we have the capital, and we have the technology. But what we do not have in this country today is the leadership at the top levels of this Government that is willing to stand up for the American worker, that is willing to defend our technology, that is willing to put together the package that is necessary in order for this country to be able to go out and compete in defined markets.

Whether that is in areas we are still lightyears ahead of the rest of the world in, whether they be in areas such as insurance and banking, whether they find the kinds of technology that we have in advance of other nations with regard to drugs, with regard to the whole medical field in general, the fact is that there is still an enormous amount of understanding and knowledge that the United States has above the rest of the world.

But if we do not bring the wagons 'round in order to protect ourselves from some of these infringements that are taking place, then I think we are going to suffer the kinds of downturns that we have had to withstand over the course of the last 20 years.

So I want to commend the gentleman from North Dakota [Mr. DORGAN] for the efforts he has made and suggest that the kind of coordinated effort that enables this country to effectively compete with our counterparts abroad is entirely accurate and what we need to be able to compete into the future.

□ 1140

Mr. DORGAN of North Dakota. Mr. Speaker, I yield to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from North Dakota for yielding to me. I have been listening carefully to his entire presentation today, and I find a tremendous amount that I personally agree with.

What made it so interesting to me and why I choose to participate with him is right now on the Committee on the Budget, the gentleman from California, Chairman PANETTA has got all of us who are serving on the Committee on the Budget looking at a 10-year plan.

There were some in the media and some economists, I suppose, that are smarter than us and have said that is ridiculous. We cannot plan 10 years out, but they missed the point.

The point is that if we do not have a 10-year plan with a 1-year and a 2-year installment that moves us in the direction of that plan, we will never get to the goal of which we seek.

As the gentleman was discussing, the defense function of the budget and all of the valid points being made about sharing of burdens, which are going to have to be faced up to in much the way that we have described it, it seems to me that we need to plan for that. Because obviously the world has changed. As we begin to do something about last year's $268 billion deficit, next year's $362 billion deficit, a national debt that now stands at $3.6 trillion, of which one of the best things we can do, the quickest and the easiest to reduce the deficit is to reduce the interest rate which is occurring, and now lo and behold people are complaining that interest rates are getting too cheap. But I point out for every 1 percent decline in interest on our national debt, we reduce the deficit by $36 billion.

Mention was made a while ago by our colleague from New York who mentioned the balanced budget amendment, not in a positive way. I know the gentleman in the well is supportive of that, as I am supportive of that, as 256 of our colleagues are supportive of that. We acknowledge and agree with the gentleman that a balanced budget amendment will not balance the budget and will not solve the problem. The way we do that is we deal with the defense function. We deal with trade matters. We work toward a level playing field so that our producers, whether they be agriculture or whether they be anyone else, can compete and compete profitably.

We set that as a goal.

Why I so strongly support the balanced budget amendment, as I believe the gentleman in the well does, is that it gives us a goal that says to us, next year, start dealing realistically with that budget.

Mr. DORGAN of North Dakota. Let me just make this point: The deficit that you are citing is accurate except that that is a number that is reduced by the misuse of Social Security funds. This year we are going to collect over $70 billion in Social Security funds above Social Security needs this year, and we are doing that for a specific reason. We need the money after the turn of the century when the baby boomers retire.

In order to get to the deficit number you used, which is what OMB uses and the Committee on the Budget uses, you subtract that. In fact, we should not subtract that.

In fact, the operating budget deficit is about $420 billion this year, and I did not come to Congress thinking we should change the Constitution. I am pretty stingy about supporting constitutional change.

I decided, after seeing absolutely no willingness on the part of the White House and no ability on the part of Congress to respond, as they should and must to these deficits, that if there is no other way we must amend the Constitution.

I do not happen to think that will solve the problems, unfortunately, but at least it applies more and more pressure to respond to these crippling deficits.

Mr. STENHOLM. I totally agree. That is why I get a little nervous now when many of our colleagues believe that we can tap into that trust fund and increase the national debt, every time we spend money, and when I say tap into the trust fund, I quickly say we do not spend Social Security money of the trust fund. We just increase the debt is what we do, in order to give a tax cut.

That worries me a little bit. But that is not the subject, what you are talking about, and what I want to do is get back to what you are talking about today, which is a plan.

There are differences of opinion on different parts of it. Certainly we will have to debate those, but it is a plan.

I believe when we see what will be coming out of the Committee on the Budget, as far as the 10-year plan of the gentleman from California, Chairman PANETTA, and I believe to be a bipartisan agreement on that committee, that you are going to see options being made.

The gentleman from New York made a remark a little while ago that he gets tired of being blamed as Congress for this national debt. This is one area that the gentleman from New York [Mr. DOWNEY] and I agree. I get tired of my colleagues coming on this floor and blaming the big-spending liberal Congress for the fact that we have increased our national debt in the last 10 years by $2.7 trillion, when we in the Congress, through the appropriating process, which is the only way we can spend money, have spent within $200 billion of what Presidents Reagan and Bush have asked us in their budget to spend.

That is a fact. I agree with the gentleman from New York, we ought to talk the truth, and to the best of my knowledge and ability we always try to do that.

I ask a simple question over and over in my town hall meetings when I am confronted with this: How can it be that it is the big spending liberal democratically controlled Congress that has caused this $2.7 trillion in debt when we have spent within $200 billion of what the Presidents have asked us to spend? Could it not be a shared responsibility of which the gentleman in the well said he accepts his share? I accept my 1/435 share of the blame. But clearly in matters of trade, in matters of defense of this free world, and in matters of the budget direction of this country, it is time we start biting some little bullets, if we are going to do something about it.

The gentleman mentioned it. I agree with him. It is part of the plan.

The gentleman in the chair has got a plan in which he says what we ought to do is sit down and divide up the 1 trillion, 3,100 billion that we have to spend and just have a budget and show what it would take, what it would take for us to balance next year's budget. I think those are the kind of economics 101 lessons that we are going to have to start sharing apparently with ourselves if we are going to get serious about doing it.

I conclude by saying that I commend you for this special order, for the focus that you are giving today in the area of defense and trade. We have also got to start doing a few things like not forward-funding so many of our appropriation bills and getting ourselves deeper and deeper in the hole as far as the spending and the budget is concerned.

We have got to stop doing that somehow, some way if we are going to solve this problem.

Mr. DORGAN of North Dakota. I would like to just mention a couple of other areas that I think we need to be involved in. One of the things that when we finally put things back on course, if you succeed in the international marketplace, it is because you have produced things that people want to buy.

I assume that consumers out there who are looking for a toaster, a tire, automobile, motorcycle, they are rational consumers who are going to look at all the products available and make a decision that in their judgment this is the best product they can buy at the best price. They are not making decisions about was this made in Pittsburgh or Korea. They are making judgments about what is the best value for me as a consumer.

We are going to win in the international marketplace in the years ahead when somewhere halfway around the world someone buys a product or at least looks at a product and sees on the back side of it a label that says, "Made in the USA." And immediately they say, "I know what that means. That means that is the best product I can buy. That means quality and value."

When people around the world see Made in the USA labels, and think that thought, then we begin to succeed again.

It was interesting that we have a little award called the Malcolm Baldrige Quality Award. It is not a giant program. It is relatively small, but it is interesting to see how some of our producers are now starting to compete for designation of that award.

I tell you that is moving in the right direction. I think we need a public sector/private sector joint initiative for product quality in America again. We need to emphasize product quality in this country.

When we do that, then we begin to win in the international marketplace again. We need a commitment to improve our education system. People talk about the crisis in education. I am not an educator. I have been educated in several schools, several colleges, but I am not an educator, and I do not pretend to know how to fix it.

I do know that it takes some resources, and it may take alternative approaches to put our education system back on track. Our kids are in school 180 days a year. The Japanese kids are in school about 240-250 days a year.

It seems to me, we must decide that education is the foundation of virtually all progress in this country and the investment in education is a direct and important investment in this country's future.

We have a health care crisis in this country, and I am telling you that everybody in this body is wondering how do we respond to the health care crisis. We understand we have to, but it is not an easy thing to deal with. Yet we cannot be a country as good as this country is with 35 to 40 million who have no health coverage. People showing up at hospitals and being turned away who are sick. Families unable to take their children to the doctor because they do not have money. Health care ought not to be a function of how much money you have in your wallet. Health care for people who are sick ought to be a right.

How do you develop a universal system using the best in our private sector and maybe some public sector initiative to put the system back in place that works for all Americans?

□ 1150

We have to do that. Again, that will not be easy. That may even cost some money, but we have to do that, one way or another.

This country of ours is a country that over a couple of centuries has always responded to good leadership. We go back and forth. We shift right for a while and then we shift left for a while and then we come back to the center, and if you look at this country's history you will always find that no matter where it moves it somehow comes back to the center, because people in this country have an enormous amount of initiative, a great deal of self-pride, and they want what is best for this country.

We have gone through the 1980's which was in my judgment a very selfish period in America. The message has been that we have to pull ourselves up by our bootstraps, and worry only about us, we are No. 1 and we do not care about the others. If you have worked your whole life and not filled your bank account for your retirement, tough luck.

That is all right. I think success is the big motivator, but we define success differently. I had a friend who said, "My parents were ministers. My father was a minister and my mother taught Sunday school. They worked 50 years. At the end of that time they ended up with very little because he was a minister in rural churches that did not pay much. My mother taught Sunday school and taught piano as well to make ends meet. At the end of 50 years they ended up without much because they were not able to put much away. On the other end of the block was a fellow who had a business on Main Street and did very well because his motive was to make as much money as he could. He was good for the community as well, and he made a lot of money, and God bless him, he reached retirement period and he was going to have a good life in his retirement."

The question this fellow asked was "Did my parents contribute less to their community? Did they contribute less to this country, ministering in a small church and giving piano lessons, than the fellow at the end of the block who committed his life to making as much money as he could?" The answer is no.

We have a country that has an obligation to promote incentives for people to do well; yes, to encourage people to do well and to make money, to prosper, to succeed. But we have a country also that has responsibility to teach all of us, and especially to teach the children, that in a democracy like ours, in a country as good as ours we have a responsibility for each other, because there are times when others do not do as well. That is when we reach out a helping hand, and part of the agenda in this Congress is a helping hand. We have got people sometimes who run on tough times, who are down on their luck, who have trouble, and that is when we reach out a helping hand. Some people call that liberal do-good welfare stuff.

It is interesting to me. I have been here 11 years and there is not a nickel's worth of difference between how much people want to spend. Republicans generally sit on that side of the Chamber and Democrats on this side of the Chamber, and there is not a nickel's worth of difference about how much they want to spend. There is a radical difference in what they want to spend if for. They have not ever met a weapon system they did not like and they did not want three of, and on our side of the aisle there is not a social program that we do not want to create a new vending machine program for and spend for. So there is a difference in what our priorities are.

But I am telling you, we should have an agenda in this country not to leave people behind while we try and move the country ahead. Most importantly, while we try and move this country ahead in the coming months and years, we have got to decide that there are some fundamental things that need doing if this country is going to survive as a world economic power. I have mentioned just a couple of them. I intended to go through a list today, and I will do that at some later time, but they are not very difficult. Pay your bills. You learn that in small towns. They teach that when you are old enough to count, pay your bills. You have to do that. Fair play. Insist that we be treated fairly. Fair play, that is something you learn in kindergarten. We should expect other people to pay their fair share on burden sharing. Invest in your kids' educations. That is not such a tough thing to understand. My folks understood it. This country needs to invest in its children. That means building the finest education system in the world, because that is the foundation of this country's economic future.

A farm program that works. The genesis of progress in this country, I think, begins on the farm, and we can have a farm program that works easily if we just decide that our interest in a farm program is to maintain a network of family farmers, and that we want to target farm program benefits to help family sized farms.

Health care. I can go through the list. There is a whole list of things that represent the agenda for this country's future. The agenda, it seems to me, is an agenda especially for Democrats and Republicans, for the White House and the Congress to decide to work together to put America back on track and help America grow again.

SUPPORT THE DAIRY PRODUCT STABILIZATION ACT OF 1991

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, next week the Committee on Agriculture will bring to the floor of the House the Dairy Product Stabilization Act of 1991 as an amendment in the nature of a substitute to H.R. 2837, dairy legislation reported out of the committee in July.

This is vital legislation, needed by both dairy farmers and consumers. During the last 3 years, the Nation's milk markets have experienced unprecedented instability, and during most of this year milk prices received by dairy farmers were below their average cost of production. These prices must improve to avoid wholesale financial hardship among milk producers and forced exit from this important industry.

This market instability leads to higher than average retail prices for dairy products, to the detriment of the Nation's consumers. The intent of the legislation is to stabilize prices so that both dairy producers and American consumers benefit.

We have attempted in this bill to craft a dairy program that deals with the long-term needs of the industry and meets the short-term needs of dairy producers. In addition, we have attempted to craft legislation that addresses the concerns of the administration, the cattle industry, and the consumer. This substitute drops from the committee reported bill the authority for a two-tier dairy program and would establish instead a voluntary diversion program. This change was prompted by the administration's strong opposition to the two-tier approach. The substitute contains sections designed to hold harmless from the potential impact of the bill, the cattle industry, and the WIC Program. In fact, dairy producers have gone out of their way in this bill to alleviate any possible adverse impact on WIC participants and on cattle producers.

We will bring the result of months of effort to the floor next week. Long, tedious, and well-meaning negotiations have resulted in this compromise legislation that will benefit dairy producers and the American consumer by stabilizing milk prices. I urge your support of this very important legislation.

THE PRESIDENT SHOULD COME HOME AND FACE AMERICA'S PROBLEMS

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, if this is Friday, then the President must be in Rome. And sure enough, he is, telling the world that there's no recession at home. Earlier this week, he told Americans that the problem is all in their heads. He said it's a great time to buy a house, to buy a car.

Now, we all know that, in economics as in the rest of life, attitude counts for a lot. Optimism is important. But blind optimism is another thing. The President is preaching tinkerbell economics: Just blink your eyes, click your heels, and the recession is over.

He needs to stop blinking, and to start opening his eyes to the truth. The problem is not in people's heads. It's in their pockets, which have been picked bare by a decade of Republican rule. Tax cuts for the rich, billion dollar bailouts for high-flying S&L's, record budget deficits, defense giveaways to the Europeans and Asians, and the unopposed loss of millions of American jobs to Third World countries—these are the reasons for the recession. These are the reasons why working men and women fear that they may be the first generation of Americans to live poorer than the last. And these are the problems that must be faced if America's proud and prosperous heritage is to be preserved.

What we need from the White House is reality, not wishful thinking. We need solutions, not cheerleading. Come home, Mr. President, and let's start taking care of our own.

□ 1200

HUMANITARIAN AID TO THE SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BENNETT] is recognized for 15 minutes.

Mr. BENNETT. Mr. Speaker, I do not often come to the floor of the House and occupy this much time, but the issue is very important.

I have just now read the following oped by Joe Murray, a senior writer for Cox Newspapers.

I think it makes sense to say that the Soviets need our advice and assistance, which is plentiful, and not our money, which is in very short supply.

The current proposal to give Russia money is faulted for the following reasons among others: Americans do not want this proposal in the face of economic hurting here at home. A billion dollars will not save the Russians. The amount needed to bail out the Russians would dwarf the Marshall plan, far exceeding any amount of money that has been suggested in this legislation.

Russia abounds in natural resources such as oil and strategic materials which our country needs. The Russians should learn about free enterprise firsthand. They should sell us their resources which we greatly need and get hard currency which they greatly need.

Other countries, such as France, Turkey, and China have entered into agreements with the Soviet Union to swap essential consumer goods to Russia in exchange for oil and other petroleum products and strategic and critical materials and industrial goods.

It is illogical to give away this money to a country that is so rich in natural resources. Russia abounds in natural resources such as oil and strategic materials. Rather than giving the Russians money, we should enter into a mutually beneficial agreement, one where they sell us products that our country needs, and we pay them.

As chairman of the Committee on Strategic Materials, I know the strategic materials that the U.S. Government wants to buy which we do not have in adequate amounts and which the Russians have in excess, and they include beryllium, chromite, manganese, nickel, platinum-group metals, titanium, and vanadium.

I support helping the Russians demilitarize and support helping them establish a market economy. However, throwing scarce U.S. taxpayer dollars at the problem is not the answer. A better solution is to share the experience and talent of American businessmen and businesswomen. As the proverb says, "If you give a man a fish, he eats one meal. If you teach him now to fish, he eats for a lifetime." I suggest we teach the Russians how to fish.

Mr. Speaker, it would be a mistake not to help the Russians advance democracy and free enterprise economy. U.S. taxpayers' dollars are not needed as far as I can see.

Section 12 of the reduction of Soviet military threat portion of the Department of Defense Authorization Act, fiscal year 1992, part A, provides up to $1 billion of nonreimbursable assistance to the Soviet Union. Congress should not support a giveaway program to the Soviet Union at a time when the United States economy is in recession, the United States budget deficit is estimated to exceed $260 billion for 1990-91, and there are so many unmet needs here at home, and we have, as you know, almost a $4 trillion national debt which we have achieved mostly during the last 10 years.

Any United States aid package to the Soviet Union should incorporate the principle that the United States should, if possible, receive an equivalent value of materials or services in return for the aid provided.

In 1990, the Soviet Union exported $109 billion worth of commodities including petroleum, petroleum products, natural gas, metals, wood, agricultural products, and a wide variety of manufactured goods.

The United States should follow the lead of France, Turkey, and China, which have entered into agreements with the Soviet Union which provide or allow the Soviet Union to purchase meat, sugar, powdered milk, grain, tea, peanuts, tobacco, cigarettes, textiles, medicines, leather, and industrial detergents and many others. In return, the Soviets would furnish or repay the loans with oil and other petroleum products, strategic and critical materials, and industrial goods. The French deal amounted to $405 million. The two Turkish loans totaled $500 million. The Chinese favorable-goods loans totaled 1 billion Swiss francs, $700 million.

From the 1960's to the early 1970's the U.S. Government conducted its own barter exchange program with a number of foreign countries which disposed of large quantities of surplus U.S. agricultural commodities for a total of $1.6 billion, of strategic and critical materials, which would be placed on the national defense stockpile.

Barter and exchange can provide a variety of opportunities for the U.S. Government to receive Soviet goods in exchange for United States humanitarian aid or to barter these goods with other nations or corporations for cash or other more suitable materials.

Mr. Murray's article reads as follows under the headline of "Soviets Need Our Advice, Not Money."

Mr. Speaker, this is a very vital issue before our country today. It would be a shame to throw away a billion dollars in a way in which the defense authorizing bill suggests.

It would also be a great shame if our country did not cooperate with Russia and bring about free enterprise and democracy in that great piece of the world's surface.

SOVIETS NEED OUR ADVICE, NOT MONEY

(By Joe Murray)

SVERDLOVSK, SIBERIA.—Stas Bursh sends this message to America:

Don't send money.

"It would be a very good way to waste money," he said.

Stas Bursh is 27. He is thin, blond and boyish in appearance. He is a Ph.D. who teaches physics at Sverdlovsk Institute.

We met at the memorial at the site where Czar Nicholas II and his family were executed by the Bolsheviks in 1918. It's nothing more than a vacant lot where a 12-foot-tall cross has been erected. The cross, three tiers in the tradition of the Russian Orthodox Church, is nothing more than crudely welded iron bars that have been painted white. Plastic flowers had been left at the foot of the cross.

Stas Bursh comes here to be alone with his thoughts. He avoids the site when there is a formal memorial service. There are too many people then for it to be meaningful to him. He likes to stop here to think for a while.

What does he think about?

"I think of the shame," he said, gesturing toward the cross. "Not because of what happened here in 1918 but because of what is happening here now. This cross is the only thing the Russian people did to mark this place. It makes me ashamed."

"It's the same with economics and politics," he said. "Our leaders keep talking, and nothing is done. You can see it here. They only speak, speak, speak, and do nothing."

Mr. Bursh is married, and he and his wife have a 3-year-old daughter. His wife is a gynecologist. They live in a tiny apartment with her parents. It is all they can afford.

What can America do to help?

"I don't think it would be food parcels. What is really important is medicine. The medical situation is awful. We have little or no drugs, no medicine, no medical equipment. Every time my wife comes across a medical problem, she has a dilemma. There is such a gap between the right way to treat the patient and what she has at her hand, the way she can do it.

"We as a people would like to do many things for ourselves. We don't know how. If the United States could help us with management, education and technical advice, that would be of great assistance. But don't give us money. It would be a very good way to waste money."

Then Mr. Bursh had a question for me: How long did I think it would take Russia to recover? I paused before answering. I didn't want to discourage him, but I told him what I thought:

That it would take at least a generation—a new generation of Russians who would grow up knowing and believing that they could better themselves, that if they got a good education and worked hard, their life would be better than their parents'.

Mr. Bursh shook his head sadly. "I think it will be at least three generations," he said. "We have had 70 years of communism. I think it will take almost that long to recover from communism. I doubt I will live to see it."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. NICHOLS) to revise and extend their remarks and include extraneous material:)

Mr. SOLOMON, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. RICHARDSON, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 60 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. BENNETT, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. NICHOLS) and to include extraneous matter:)

Mr. SOLOMON.

(The following Member (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. MAZZOLI.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2707. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

ADJOURNMENT

Mr. BENNETT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 5 minutes p.m.), under its previous order, the House adjourned until Tuesday, November 12, 1991, at 12 noon.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various committees of the United States House of Representatives concerning the foreign currencies used by them during the fourth quarter of 1990, and the first, second and third quarters of 1991 in connection with foreign travel, as well as the consolidated report concerning foreign currencies used in the third quarter of 1991 for official foreign travel authorized by the Speaker of the U.S. House of Representatives pursuant to Public Law 95–384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1990

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to United Kingdom and Austria, Nov. 24 to Dec. 2, 1990.											
Delegation expenses	11/29	12/2	Austria				4,257.82		1,907.96		6,165.78
Committee total							4,257.82		1,907.96		6,165.78

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Sept. 30, 1991.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Helen Delich Bentley	3/27	3/29	Yugoslavia		536.00		200.14				736.14
Committee total					536.00		200.14				736.14

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEON E. PANETTA, Chairman, Oct. 30, 1991

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Ron Marlenee	3/25	4/4	Costa Rica		1,651.72						1,651.72
Commercial transportation							757.00				757.00
Hon. Wally Herger	4/26	4/28	Poland		249.00						249.00
	4/28	4/30			348.00						348.00
Military transportation											
Mr. Laverne Hubert	4/2	4/5	Mexico		500.00						500.00
Commercial transportation					1,103.00						1,103.00
Ms. Lynn Gallagher	4/2	4/5	Mexico		500.00						500.00
Commercial transportation					1,103.00						1,103.00
Marshall Livingston	4/24	4/26	Mexico		400.00						400.00
Commercial transportation					1,997.00						1,997.00
Committee totals					7,851.72		757.00				8,608.72

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA, Chairman, July 29, 1991

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to the Philippines, Thailand, Australia, New Zealand, French Polynesia, and Chile, Mar. 26 to Apr. 7, 1991:											
Delegation expenses	3/26	3/29	Thailand				496.48		902.36		1,398.84
Visit to Egypt, Bahrain, Israel, Jordan, Syria, and Turkey, Mar. 29 to Apr. 7, 1991:											
Delgation expenses	3/29	3/31	Egypt				290.26		518.83		809.09
Committee total							786.74		1,421.19		2,207.93

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Sept. 30, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to Thailand and Vietnam, July 1–8, 1991:											
Hon. Lane Evans	7/1	7/3	Thailand		352.00		109.10		187.12		648.22
	7/3	7/7	Vietnam		576.00						576.00
	7/7	7/8	Thailand		176.00						176.00
Per diem returned					205.00						205.00
Commercial airfare							2,501.63				2,501.63
Visit to Saudi Arabia, July 2–6, 1991:											
Hon. Gene Taylor	7/2	7/2	Saudi Arabia		81.80						81.80
Visit to Germany, Czechoslovakia, United Kingdom, Italy, and Germany, Aug. 5–17, 1991:											
Hon. Richard Ray	8/5	8/11	Germany		1,043.00						1,043.00
	8/11	8/12	Czechoslovakia		260.00						260.00
	8/12	8/14	United Kingdom		506.00						506.00
	8/14	8/16	Italy		532.00						532.00
	8/16	8/17	Germany		149.00						149.00
Commercial airfare							5,641.10				5,641.10
Trainfare							114.08				114.08
Michael A. West	8/5	8/11	Germany		1,043.00						1,043.00
	8/11	8/12	Czechoslovakia		260.00						260.00
	8/12	8/14	United Kingdom		506.00						506.00
	8/14	8/16	Italy		532.00						532.00
	8/16	8/17	Germany		149.00						149.00
Commercial airfare							5,641.10				5,641.10
Trainfare							114.08				114.08
Visit to Germany, Norway, Iceland, and Greenland, Aug. 3–11, 1991:											
Hon. Patricia Schroeder	8/3	8/7	Germany		740.00						740.00
	8/7	8/10	Norway		528.00						528.00
	8/10	8/11	Iceland		264.00						264.00
	8/11	8/11	Greenland								
Hon. David O'B. Martin	8/3	8/7	Germany		740.00						740.00
	8/7	8/10	Norway		528.00						528.00
	8/10	8/11	Iceland		264.00						264.00
	8/11	8/11	Greenland								
Hon. Glen Browder	8/3	8/7	Germany		740.00						740.00
	8/7	8/10	Norway		528.00						528.00
	8/10	8/11	Iceland		264.00						264.00
	8/11	8/11	Greenland								
Alma B. Moore	8/3	8/7	Germany		740.00						740.00
	8/7	8/10	Norway		528.00						528.00
	8/10	8/11	Iceland		264.00						264.00
	8/11	8/11	Greenland								
Delegation expenses	8/10	8/11	Iceland				555.87				555.87
Visit to Panama and Mexico, Aug. 4–8, 1991:											
Hon. Nicholas Mavroules	8/4	8/6	Panama		364.00						364.00
	8/6	8/8	Mexico		358.00						358.00
Warren L. Nelson	8/4	8/6	Panama		364.00						364.00
	8/6	8/8	Mexico		358.00						358.00
Cathleen D. Graman	8/4	8/6	Panama		364.00						364.00
	8/6	8/8	Mexico		358.00						358.00
Visit to Hong Kong, Japan, and Philippines, Aug. 22 to Sept. 1, 1991:											
Hon. H. Martin Lancaster	8/22	8/26	Hong Kong		1,008.00						1,008.00
	8/26	8/30	Japan		762.00						762.00
	8/30	9/1	Philippines		364.00						364.00
Commercial airfare							3,347.00				3,347.00
Hon. Owen B. Pickett	8/22	8/26	Hong Kong		1,008.00						1,008.00
	8/26	8/30	Japan		762.00						762.00
	8/30	9/1	Philippines		364.00						364.00
Commercial airfare							5,046.93				5,046.93
Williston B. Cofer	8/22	8/26	Hong Kong		1,008.00						1,008.00
	8/26	8/30	Japan		762.00						762.00
	8/30	9/1	Philippines		364.00						364.00
Commercial airfare							5,046.93				5,046.93
Stephen O. Rossetti	8/22	8/26	Hong Kong		1,008.00						1,008.00
	8/26	8/30	Japan		762.00						762.00
	8/30	9/1	Philippines		364.00						364.00
Commercial airfare							5,993.40				5,593.40
Visit to Germany and Italy, Sept. 4–9, 1991:											
Hon. Dennis M. Hertel	9/4	9/6	Germany		371.00						371.00
	9/6	9/9	Italy		769.00						769.00
Commercial airfare							5,963.09				5,963.09
William J. Andahazy	9/4	9/6	Germany		371.00						371.00
	9/6	9/9	Italy		769.00						769.00
Commercial airfare							5,963.09				5,963.09
Visit to Austria, Latvia, Estonia, Lithuania, Georgia, Armenia, and Moscow, Sept. 4–10, 1991:											
Hon. Curt Weldon	9/4	9/5	Austria		211.00						211.00
	9/5	9/5	Latvia								
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania								
	9/7	9/8	Georgia		178.00						178.00
	9/8	9/8	Armenia								
	9/8	8/10	Moscow		574.00						574.00
Visit to Jordan, Israel, and Armenia, Sept. 18–23, 1991:											
Hon. Michael R. McNulty	9/18	9/19	Jordan		186.00						186.00
	9/19	9/20	Israel		189.00						189.00
	9/20	9/23	Armenia		438.00						438.00
Visit to Japan, Laos, and Thailand, Sept. 28 to Oct. 1, 1991:											
Hon. Frank McCloskey	9/28	9/29	Japan								
	9/29	9/30	Laos		125.00						125.00
	9/30	10/1	Thailand		176.00						176.00
Commercial airfare							5,638.00				5,638.00
Chris D. Aldridge	9/28	9/29	Japan								
	9/29	9/30	Laos		125.00						125.00
	9/30	10/1	Thailand		176.00						176.00
Commercial airfare							5,638.00				5,638.00
Committee total					27,703.80		56,913.40		187.12		84,804.32

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Oct. 30, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Maxine Waters	6/29	7/8	Durbin, South Africa		1,764.75		5,260.00				7,024.75
Hon. Tom Carper	8/5	8/6	Bangkok, Thailand		126.00						126.00
	8/6	8/7	Laos		59.00						59.00
	8/7	8/8	Cambodia		142.00						142.00
	8/8	8/10	Vietnam		284.00		[3] 19,610.18		565.00		20,459.18
Elizabeth Ryan	8/5	8/6	Bangkok, Thailand		126.00						126.00
	8/6	8/7	Laos		59.00						59.00
	8/7	8/8	Cambodia		142.00						142.00
	8/8	8/10	Vietnam		284.00		[3] 19,610.18				19,894.18
Hon. Steve Neal	8/19	8/19	Amsterdam, Holland				127.32				127.32
	8/19	8/21	Brussels, Belgium		642.00		37.20				679.20
	8/21	8/22	Cologne and Bonn, Germany				67.00				67.00
	8/22	8/24	Frankfurt, Germany		1,550.00						1,550.00
	8/24	8/27	Prague, Czechoslovakia		780.00						780.00
	8/27	8/29	London, England		759.00		[4] 1,634.00				2,393.00
Committee total					6,717.75		46,345.88		565.00		53,628.63

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Denotes military transportation.
[4] Total ticket equals $2,052 less returned portion.

HENRY GONZALEZ, Chairman, Oct. 30, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Mike Parker	8/16	8/19	Italy		873.00						873.00
Hon. Jim Kolbe	8/5	8/6	Thailand		126.00						126.00
	8/6	8/7	Laos		118.00						118.00
	8/7	8/8	Cambodia		74.00						74.00
	8/8	8/10	Vietnam		284.00						284.00
Military Transportation							19,610.18				19,610.18
Laurie Fenton	8/5	8/6	Thailand		126.00						126.00
	8/6	8/7	Laos		118.00						118.00
	8/7	8/8	Cambodia		74.00						74.00
	8/8	8/10	Vietnam		284.00						284.00
Military Transportation							19,610.18				19,610.18
Committee total					2,077.00		39,220.36				41,297.36

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LEON E. PANETTA, Chairman, Oct. 30, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Louise Slaughter	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/10	USSR		752.00						752.00
Hon. Bob McEwen	8/25	8/27	Germany		821.97						821.97
	8/25	8/30	Czechoslovakia		520.00						520.00
	8/30	8/31	Hungary		218.00		[3] 58.24		29.15		305.39
	8/31	9/3	Soviet Georgia		534.00				71.92		605.92
	9/3	9/6	Soviet Union		861.00						861.00
	9/6	9/7	Estonia		255.00						255.00
	9/7	9/8	England		260.00						260.00
Committee total					4,942.97		58.24		101.07		5,102.28

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] U.S. military transportation.

JOE MOAKLEY, Chairman, Oct. 29, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, SPACE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Eileen Lee	6/27	7/2	Japan	145,524	1,053.00						1,053.00
Commercial air							3,148.00				3,148.00
Hon. Wayne T. Gilchrest	8/5	8/6	Thailand		126.00						126.00
	8/6	8/7	Laos		59.00						59.00
	8/7	8/8	Cambodia		142.00						142.00
	8/8	8/10	Viet Nam		284.00						284.00
Military air							19,610.18				19,610.18
Nancy Jeffery	8/12	8/26	Germany	1,512.01	874.00						874.00
Commercial air							983.10				983.10

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, SPACE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. George E. Brown, Jr	9/19	9/22	Mexico		716.00				405.83		1,121.83
Military air							8,563.20				8,563.20
Grace Ostenso	9/19	9/22	Mexico		716.00						716.00
Commercial air							524.00				524.00
Dan Sarewitz	9/19	9/22	Mexico		716.00						716.00
Commercial air							524.00				524.00
Michael Quear	9/19	9/22	Mexico		716.00						716.00
Military air							8,563.20				8,563.20
Committee total											47,723.51

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

GEORGE E. BROWN, Jr., Chairman, Oct. 30, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Douglas Peterson	8/5	8/6	Bangkok		126.00						126.00
	8/6	8/7	Laos		59.00						59.00
	8/7	8/8	Cambodia		133.00						133.00
	8/8	8/10	Vietnam		284.00						284.00
Military (Navy)							19,610.18				19,610.18
Mr. Ralph Ibson	8/5	8/6	Bangkok		126.00						126.00
	8/6	8/7	Laos		59.00						59.00
	8/7	8/8	Cambodia		133.00						133.00
	8/8	8/10	Vietnam		284.00						284.00
Military (Navy)							19,610.18				19,610.18
Delegation expenses									650.00		650.00
Committee total					1,204.00		39,220.36		650.00		41,074.36

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

G.V. MONTGOMERY, Chairman, Oct. 31, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Kenneth M. Kodama, staff	7/14	7/30	Europe		2,395.00						2,395.00
Commercial Air							3,641.00				3,641.00
Margaret Sullivan, staff	7/14	7/30	Europe		2,395.00						2,395.00
Commercial Air							3,641.00				3,641.00
John G. Keliher, staff	8/3	8/9	Europe		1,650.05		66.05				1,716.10
Commercial Air							3,964.90				3,964.90
William T. Fleshman, staff	8/4	8/6	Central America		364.00						364.00
	8/6	8/8	North America		358.00						358.00
Committee totals					7,162.05		11,312.95				18,475.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAVE McCURDY, Chairman, Oct. 3, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Charles B. Rangel	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. Lawrence Coughlin	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. James Scheuer	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. Solomon Ortiz	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. James Inhofe	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. Paul Gillmor	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10/	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. Donald Payne	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. Benjamin Gilman	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. Jim Ramstad	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Hon. Frank Guarini	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,665.66				1,665.66
Ground transportation							279.01				279.01
Commercial transportation							1,499.00				1,499.00
Edward H. Jurith	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Peter Coniglio	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Rebecca Hedlund	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Michael J. Kelley	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,849.91				1,849.91
Ground transportation							279.01				279.01
Charlotte Casey	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Jerusalem		440.00						440.00
	8/10	8/12	Palermo, Italy		217.00				71.24		288.24
	8/11	8/12	Rome, Italy		582.00				14.29		596.29
Military transportation							1,1849.91				1,849.91
Ground transporation							279.01				279.01
Committee total					29,865.00		33,248.55				64,396.50

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHARLES B. RANGEL, Chairman.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Samuel G. Wise		6/29	United States				3,271.00				3,721.00
	6/30	7/11	Switzerland		1,628.00						1,628.00
		9/24	United States				3,510.20				3,510.20
	9/25	10/5	Soviet Union		2,870.00		315.47		215.93		3,401.40
David M. Evans		7/2	United States				2,991.00				2,991.00
	7/3	7/21	Switzerland		2,343.00		353.01				2,696.01
		9/21	United States				3,365.00				3,365.00
	9/22	10/6	Soviet Union		4,018.00		322.72		453.05		4,793.77
	10/6	10/7	Finland		220.00				15.00		235.00
Patricia Carley		9/14	United States				4,307.10				4,307.10
	9/15	9/19	Turkey		600.00						600.00
	9/19	10/5	Soviet Union		3,446.00						3,446.00
Orest S. Deychakiwsky		6/28	United States				2,991.00				2,991.00
	6/29	7/6	Switzerland		1,086.00						1,086.00
		9/6	United States				1,987.00				1,987.00
	9/7	9/22	Soviet Union		4,305.00						4,305.00
Robert Hand		6/28	United States				734.00				734.00
	6/29	7/22	Switzerland		3,457.00						3,457.00
Heather Hurlburt	7/1	7/7	Austria		1,038.00						1,038.00
	7/7	7/20	Switzerland		1,844.00						1,844.00
		8/31	United States				2,741.00				2,741.00
	9/1	9/7	Austria		1,038.00						1,038.00
	9/7	10/5	Soviet Union	8,036.00							8,036.00
James Ridge	9/10	9/11	Germany		174.00						174.00
Victoria Showalter		6/29	United States				2,980.00				2,980.00
	6/30	7/13	Switzerland		1,939.00						1,939.00
	7/13	7/17	Romania		660.00						660.00
		9/20	United States				3,510.20				3,510.20
	9/21	10/5	Soviet Union		4,018.00						4,018.00
Corinne Zaccagnini	9/10	9/11	Germany		174.00						174.00
Representative Steny H. Hoyer		9/3	United States								
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/10	Soviet Union		752.00						752.00
Samuel G. Wise		9/3	United States				[3]2,145.00				2,145.00
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/20	Soviet Union		3,731.00						3,731.00
Jane S. Fisher		9/3	United States				[3]2,145.00				2,145.00
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/14	Soviet Union		2,009.00						2,009.00
David M. Evans		9/3	United States								
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/10	Soviet Union		752.00						752.00
Patricia Carley		9/3	United States				[3]1,719.10				1,719.10
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/10	Soviet Union		752.00						752.00
John Finerty		9/3	United States				[3]3,864.10				3,864.10
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/9	Lithuania		765.00						765.00
	9/9	9/21	Soviet Union		3,444.00						3,444.00
Jesse Jacobs		9/3	United States				[3]2,293.00				1,293.00
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/14	Soviet Union		2,009.00						2,009.00
Michael Ochs		9/3	United States				[3]1,719.10				1,719.10
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/10	Soviet Union		752.00						752.00
James Ridge		9/3	United States				[3]1,505.00				1,505.00
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/10	Soviet Union		752.00						752.00
Corinne Zaccagnini		9/3	United States				[3]3,224.10				3,224.10
	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/10	Soviet Union		752.00						752.00
Hon. Edward Feighan	9/8	9/10	Soviet Union		574.00						574.00
Commission portion of delegation expenses							[4]375.54				375.54
Committee totals					66,893.00		52,368.64		683.98		119,945.62

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Commercial and military aircraft.

[4] Military aircraft.

STENY HOYER, Oct. 30, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO EL SALVADOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 28 AND JULY 2, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Joe Moakley	6/28	7/2	El Salvador	2,034.54	254.00		2,794.93				3,048.93

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO EL SALVADOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 28 AND JULY 2, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
James P. McGovern	6/28	7/2	El Salvador	2,034.54	254.00		2,794.93				3,048.93
William Woodward	6/28	7/2	El Salvador	2,034.54	254.00		2,794.93				3,048.93
Committee total					762.00		8,384.79				9,146.79

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMES P. McGOVERN, July 22, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO JAPAN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 28, AND JULY 4, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. James Scheuer	6/28	3/4	Japan				3,042.00				
Hon. Gerry Sikorski	6/28	3/3	Japan	142,346	1,030.00		2,963.00				
Hon. Jolene Unsoeld	6/28	3/3	Japan	134,552	973.60		3,042.00				
Carol Parker	6/28	3/3	Japan	142,346	1,030.00		3,042.00				
Dan Evans	6/28	3/3	Japan	134,552	973.60		3,042.00				
Helen McDonald	6/28	3/3	Japan	119,958	868.00		3,077.00				
Committee total					$4,875.20		$18,208.00				

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

GERRY SIKORSKI, Aug. 2, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE UNITED KINGDOM AND THE UNION OF SOVIET SOCIALIST REPUBLICS, EXPENDED BETWEEN JUNE 29 AND JULY 7, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Thomas Foley	6/29	7/7	United Kingdom		1,504.00						1,504.00
Hon. Dante Fascell	6/29	7/7	United Kingdom		1,920.00						1.920.00
Kathryn Momot	6/29	7/7	United Kingdom		1,920.00						1,920.00
Elizabeth Daoust	6/29	7/7	United Kingdom		1,920.00						1,920.00
Hon. Charles Rose	6/29	7/3	United Kingdom		1,090.00		[3] 2,017.00				3,332.00
	7/3	7/6	U.S.S.R.		225.00						
Peter Abbruzzese	6/29	7/3									
	7/6	7/7	United Kingdom		1,350.00						
	7/3	7/6	U.S.S.R.		225.00						1,575.00
Hon. Larry Smith	6/29	7/3									
	7/6	7/7	United Kingdom		1,350.00						
	7/3	7/6	U.S.S.R.		225.00						1,575.00
Hon. David Price	6/29	7/3									
	7/6	7/7	United Kingdom		1,350.00						
	7/3	7/6	U.S.S.R.		225.00						1,575.00
Hon. Norm Dicks	6/29	7/4	United Kingdom		1,080.00		[3] 2.397.00				
Hon. Bill Lowery	6/29	7/3	United Kingdom		810.00						
Hon. Donnald Anderson	6/29	7/7	United Kingdom		1,804.00						
Werner Brandt	6/29	7/7	United Kingdom		1,804.00						
Michael O'Neil	6/29	7/7	United Kingdom		1,804.00						
Casey Miller	6/29	7/7	United Kingdom		1,804.00						
Marcie Reis	7/2	7/7	United Kingdom		1,350.00		[3] 1,980.00				
Committee total					23,760.00		6,394.00				30,154.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military transportation.

THOMAS S. FOLEY, Aug. 7, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO SWITZERLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 15 AND JULY 20, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Jack O. Andresen	7/16	7/20	Switzerland	1,026.25	652.00					1,026,25	652.00
Commercial air transportation							2,972.90				2,972.90
Mark Benedict	7/16	7/19	Switzerland	769.70	489.00					769.70	489.00
Commercial air transportation							2,972.90				2,972.90
Committee total					1,141.00		5,945.80				7,086.80

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK O. ANDRESEN, Sept. 18, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO CZECHOSLOVAKIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 20 AND JULY 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Cathy Brickman	7/21	7/31	Czechoslovakia		750.00						750.00
Commercial transportation							3,009.90				3,009.90
William Freeman	7/21	7/31	Czechoslovakia		750.00						750.00
Commercial transportation							3,008.00				3,008.00
Carolyn Stoneberg	7/21	7/31	Czechoslovakia		750.00						750.00
Commercial transportation							3,009.90				3,009.90
Henry Collins	7/21	7/31	Czechoslovakia		750.00						750.00
Commercial transportation							3,009.90				3,009.90
Susan Zeleniak	7/21	7/31	Czechoslovakia		525.00						525.00
Commercial transportation							3,009.90				3,009.90
Committee total											18,572.60

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, Sept. 13, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO IRELAND AND POLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 5 AND AUG. 13, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Dennis Hertel	8/5	8/10	Ireland		1,326.00						
	8/10	8/13	Poland		534.00						1,860.00
Hon. Clay Shaw	8/5	8/10	Ireland		1,326.00						
	8/10	8/13	Poland		534.00						1,860.00
Hon. Michael Bilirakis	8/5	8/10	Ireland		1,326.00						
	8/10	8/13	Poland		534.00						1,860.00
Mimi McGee O'Hara	8/5	8/10	Ireland		1,326.00						
	8/10	8/13	Poland		534.00						1,860.00
Committee total					7,440.00						7,440.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DANTE B. FASCELL, Sept. 9, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MEXICO, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 11 AND AUG. 14, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Michael Wessel	8/11	8/14	Mexico		387.00		347.00				734.00
Robert Larussa	8/11	8/14	Mexico		387.00		369.00				756.00
Committee total					774.00		716.00				1,490.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MICHAEL WESSEL, Sept. 23, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BULGARIA, CZECHOSLOVAKIA, HUNGARY AND FRANCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 17 AND AUG. 27, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Martin Frost	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
Military transportation							5,148.08				5,148.08
Hon. Gerald Solomon	8/18	8/20	Bulgaria	1,180	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							11,498.97				11,498.97
Hon. Henry Waxman	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							11,498.97				11,498.97
Hon. Nita Lowey	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							1,972.66				1,972.66
Hon. Glen Browder	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							11,498.97				11,498.97
Hon. John Paul Hammerschmidt	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							11,498.97				11,498.97

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO BULGARIA, CZECHOSLOVAKIA, HUNGARY AND FRANCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 17 AND AUG. 27, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Lucien Nedzi	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							11,498.97				11,498.97
Kristi E. Walseth	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							11,498.97				11,498.97
Douglas Riggs	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
	8/25	8/27	France	2,431	410.00						410.00
Military transportation							11,498.97				11,498.97
William Freeman	8/18	8/20	Bulgaria	1,810	554.00						554.00
	8/20	8/22	Czechoslovakia		520.00						520.00
	8/22	8/25	Hungary	45,498	597.00						597.00
Military transportation							5,148.08				5,148.08
Committee totals					19,990.00		92,761.61				112,751.53

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MARTIN FROST, Chairman, Sept. 16, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO HUNGARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 25 AND SEPT. 7, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Cathy Brickman	8/25	9/7	Hungary	158,840.50	2,086.00						2,086.00
Commercial transportation							3,445.90				3,445.90
William Freeman	8/25	9/7	Hungary	158,840.50	2,086.00						2,086,00
Commercial transportation							1,584.00				1,584.00
Carolyn Stoneberg	8/29	9/7	Hungary	113,834.50	1,490.00						1,490.00
Commercial transportation							3,445.90				3,445.90
Committee total											14,137.80

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, Sept. 13, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO IRELAND, NORTHERN IRELAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 26 AND SEPT. 10, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Thomas S. Foley	8/31	9/7	Ireland, Northern Ireland	918.17 275	1,778.00						
Hon. John J. Moakley	8/31	9/7	Ireland, Northern Ireland	918.17 275	1,778.00						
Hon. Thomas J. Manton	8/31	9/7	Ireland, Northern Ireland	918.17 275	1,778.00						
Hon. Richard E. Neal	8/31	9/7	Ireland, Northern Ireland	918.17 275	1,778.00						
Hon. William F. Clinger	8/31	9/7	Ireland, Northern Ireland	918.17 275	1,778.00						
Hon. Bill Green	8/31	9/7	Ireland, Northern Ireland	918.17 275	1,778.00						
Hon. David R. Obey	8/30	9/7	Ireland, Northern Ireland	903.14 330	1,939.00						
Hon. Matthew F. McHugh	8/30	9/7	Ireland, Northern Ireland	903.14 330	1,939.00						
Hon. Frank McCloskey	8/30	9/7	Ireland, Northern Ireland	921.49 330	1,967.00		[3]554.68				
Hon. Frederick Boucher	8/30	9/6	Ireland, Northern Ireland	1,002.27 110	1,807.00		[4]2,701.00				
Werner Brandt	8/31	9/7	Ireland, Northern Ireland	738.01 330	1,687.00						
Michael O'Neil	8/31	9/7	Ireland, Northern Ireland	738.01 330	1,687.00						
Jeff Biggs	8/31	9/7	Ireland, Northern Ireland	918.17 275	1,778.00						
Kevin Peterson	8/26	9/10	Ireland, Northern Ireland	1,288.46 330	2,527.00		[4]2,904.00				
Casey Miller	9/2	9/7	Ireland, Northern Ireland	369.69 220	938.00		[4]3,718.00				
Committee total					26,937.00		[4]9,877.68				

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Commercial and military air.

[4] Commercial air.

THOMAS S. FOLEY, Sept. 24, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO CZECHOSLOVAKIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 7 AND SEPT. 15, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Henry Collins	9/8	9/15	Czechoslovakia		1,470.00						1,470.00
Commerical transportation							3,010.10				3,010.00
William Kinter	9/8	9/15	Czechoslovakia		1,470.00						1,470.00
Commerical transportation							3,010.10				3,010.00
Susan Zeliniak	9/8	9/15	Czechoslovakia		1,470.00						1,470.00
Commerical transportation							3,010.10				3,010.00
Committee total					4,410.00		9,030.30				13,440.30

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, Oct. 22, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO SWITZERLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 27 AND OCT. 4, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Jack Andresen	9/27	10/4	Switzerland	1,423	978.00						978.00
Air transportation commercial							2,985.00				2,985.00
Mark Benedict	9/28	10/4	Switzerland	1,185	815.00						815.00
Air transportation commercial							2,985.00				2,985.00
Committee total					1,793.00		5,970.00				7,763.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK ANDRESEN, Oct. 28, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO AUSTRIA, THE BALTICS, GEORGIA, ARMENIA, AND MOSCOW, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 3 AND SEPT. 10, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Deborah H. Johns	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia, Latvia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/8	Armenia, Georgia		178.00						178.00
	9/9	9/10	Moscow		574.00						574.00
Keith Jewell	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia, Latvia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/8	Armenia, Georgia		178.00						178.00
	9/9	9/10	Moscow		574.00						574.00
Committee total					2,946.00						2,946.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DEBORAH H. JOHNS, Nov. 1, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. KEVIN CARVELL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND JULY 2, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Kevin Carvell	7/1	7/2	Canada		56.51		23.22		.70		80.43

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KEVIN CARVELL, Aug. 1, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, REPRESENTATIVE JOHN RHODES III, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 5 AND AUG. 10, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. John Rhodes	8/5	8/6	Bangkok								126.00
	8/6	8/7	Laos								59.00
	8/7	8/8	Cambodia								133.00
	8/8	8/10	Vietnam								284.00
Committee total											611.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN J. RHODES III, Oct. 30, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. PATRICIA BRADLEY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 3 AND AUG. 13, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Patricia O. Bradley	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/9	Jerusalem		440.00						440.00
	8/10	8/10	Palermo, Italy		217.00						217.00
	8/11	8/11	Rome, Italy		582.00						582.00
Military transportation							(3)				(3)
Committee total					1,991.00						1,991.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Information not yet available.

PATRICIA O. BRADLEY.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. STEFAN L. RUSNAK, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 24 AND SEPT. 11, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Stefan L. Rusnak	8/24	8/27	Germany		1,095.97						1,095.97
	8/28	8/30	Czechoslovakia		520.00						520.00
	8/30	8/31	Hungary		218.00						218.00
	8/31	9/3	Soviet Georgia		534.00						534.00
	9/3	9/6	Soviet Union		861.00						861.00
	9/6	9/7	Estonia		255.00						255.00
	9/7	9/11	London		1,040.00						1,040.00
Committee total					4,523.97						4,523.97

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Note.—This report assumes refund to the U.S. Treasury of $17 for excess per diem issued in Berlin for Soviet portion.

STEFAN L. RUSNAK, Sept. 24, 1991.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
D. Barton	6/30	7/7	France		1,743.00						1,743.00
Commercial transportation							3,136.70				3,136.70
Hon. B. Blaz	7/31	8/2	Philippines		344.00						344.00
Commercial transportation							837.00				837.00
K. Bolognese	7/7	7/12	Belgium		1,070.00						1,070.00
Commercial transportation							5,339.00				5,339.00
J. Brady	8/5	8/10	Ireland		1,326.00						1,326.00
	8/10	9/13	Poland		534.00						534.00
Military transportation											
R. Bush	8/27	8/30	Hong Kong		756.00						756.00
	8/30	9/2	Philippines		546.00						546.00
	9/2	9/5	China		225.00						225.00
	9/5	9/7	Japan		[3] 58.54						58.54
Commercial transportation							4,158.00				4,158.00
Total					6,602.54		13,470.70				20,073.24
M. Camp	7/7	7/11	Ivory Coast		1,120.00						1,120.00
Commercial transportation							5,046.00				5,046.00
	8/6	8/8	Switzerland		326.00						326.00
	8/8	8/11	Italy		723.00						723.00
	8/12	8/13	South Africa		184.00						184.00
Commercial transportation							8,369.00				8,369.00
	9/29	9/30	France		242.00						242.00
	9/30	10/3	England		1,040.00						1,040.00
Commercial transportation							6,269.80				6,269.80
N. Carman	8/25	9/4	Switzerland		2,343.00						2,343.00
Commercial transportation							3,269.70				3,269.70
	9/14	9/21	Kenya		1,168.00						1,168.00
Commercial transportation							6,262.00				6,262.00
Total					7,146.00		29,216.50				36,362.50
Hon. M. Dymally	6/29	7/4	Korea		1,180.00						1,180.00
Commercial transportation							3,841.00				3,841.00
	8/4	8/7	Nigeria		740.00		6,235.47				6,975.47
	8/8	8/9	Ivory Coast		208.00						208.00
	8/10	8/12	Senegal		644.00						644.00
	8/12	8/13	Burkina Faso		388.00						388.00
	8/13	8/14	Senegal								
	8/14	8/17	Morocco		472.00						472.00
	8/17	8/19	Algeria		281.00						281.00
	8/19	8/20	France		235.00						235.00
Commercial transportation							8,044.30				8,044.30
	8/28	8/30	Japan		755.00						755.00
	8/31	9/1	Korea								
Commercial transportation							4,204.00				4,294.00
Total					4,903.00		22,414.77				27,317.77
	9/17	9/19	Chad		376.00						376.00
	9/19	9/21	Central African Republic		224.00						224.00
Commercial transportation							5,216.00				5,216.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	9/29	9/30	France		242.00						242.00
	9/30	10/1	England		520.00						520.00
Commercial transportation							5,501.80				5,501.80
Hon. E. Engel	8/20	8/22	Japan		755.00						755.00
No transportation cost											
M. Ennis	7/1	7/3	Algeria		416.00						416.00
	7/3	7/5	Tunisia		250.00						250.00
Commercial transportation							5,870.70				5,870.70
	8/12	8/15	Dominican Republic		425.00						425.00
Commercial transportation							1,030.00				1,030.00
Total					3,208.00		17,618.50				20,826.50
Hon. E. Faleomavaega	8/26	8/29	Japan		1,131.00						1,131.00
	8/29	9/1	China		404.00						404.00
	9/1	9/4	Singapore		639.00						639.00
	9/4	9/5	Papua, New Guinea		249.00						249.00
	9/4	9/7	Western Samoa		464.00						464.00
Hon. D. Fascell	8/5	8/10	Ireland		1,326.00						1,326.00
	8/10	8/13	Poland		534.00						534.00
Hon. E. Feighan	8/5	8/10	Ireland		1,326.00						1,326.00
	8/10	8/13	Poland		534.00						534.00
	9/6	9/8	Soviet Union		434.00						434.00
Commercial transportation							2,824.4				2,824.00
Total					7,041		2,824.00				9,865.00
R.M. Finley	8/5	8/10	Ireland		[3] 802.18						802.18
Commercial transportation							972.00				972.00
D. Finn	7/2	7/3	Hong Kong		252.00						252.00
	7/3	7/6	China		603.00						603.00
	7/6	7/9	Taiwan		[3] 764.00						764.00
Commercial transportation							3,529.30				3,529.30
	9/14	9/21	Kenya		1,168.00						1,168.00
Commercial transportation							5,322.00				5,322.00
S. Fletcher	8/26	9/5	Switzerland		[3] 2,875.55						2,875.55
Commercial transportation							967.70				967.70
Hon. T. Foglietta	7/4	7/5	South Korea				203.00				203.00
	7/5	7/9	Thailand		704.00						704.00
Commercial transportation							5,480.00				5,480.00
Total					7,371,73		16,271.00				23,642.73
Hon. T. Foglietta	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Israel		440.00						440.00
	8/10	8/10	Italy		79.00						79.00
Commercial transportation							2,772.00				2,772.00
Hon. B. Gilman	9/4	9/5	Austria		219.00						219.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/8	Georgia		178.00						178.00
	9/8	9/8	Armenia								
	9/8	9/10	Moscow		574.00						574.00
Military transportation											
M. Gueye	7/7	7/10	Ivory Coast		680.00						680.00
Commercial transportation							5,041.00				5,041.00
Total					3,432.00		7,813.00				11,245.00
	8/9	8/15	Senegal		1,212.00						1,212.00
Commercial transportation							8,403.00				8,403.00
B. Hammond	8/4	8/7	Botswana		516.00						516.00
	8/7	8/13	Zimbabwe		1,051.00						1,051.00
	8/13	8/16	Tanzania		200.00						200.00
Commercial transportation							8,239.70				8,239.70
L. Heyes	6/27	6/30	Hong Kong		756.00						756.00
	6/30	7/9	China		1,311.00						1,311.00
Commercial transportation							3,065.00				3,065.00
	8/13	8/14	Hong Kong		290.00						290.00
	8/14	8/17	Bangladesh		381.00						381.00
	8/17	8/20	Sri Lanka		[3] 50.00						50.00
Commercial transportation							4,518.00				4,518.00
Total					5,767.00		24,225.70				29,992.70
A. Hoffman	6/29	7/4	South Korea		$1,015.00						1,015.00
Commercial transportation						4,962.00					4,962.00
	8/4	7/4	Nigeria		740.00						740.00
	8/7	8/8	Nigeria		125.00						125.00
	8/9	8/9	Ivory Coast		208.00						208.00
	8/10	8/14	Senegal		872.00						872.00
	8/12	8/13	Burkina Faso		388.00						388.00
	8/14	8/17	Morocco		472.00						472.00
	8/17	8/19	Algeria		281.00						281.00
	8/19	8/20	France		235.00						235.00
Commercial transportation								7,565.70			7,565.70
R. Jenkins	7/1	7/3	Algeria		416.00						416.00
	7/3	7/5	Tunisia		250.00						250.00
Commercial Transportation											5,870.00
Total				5,002.00		18,397					23,399.70
	8/9	8/13	Sudan		1,248.00						1,248.00
	8/13	8/17	Ethiopia		850.00						850.00
	8/17	8/18	England								
Commercial Transportation							6,470.00				6,470.00
G. Kapen	8/9	8/13	Sudan		1,248.00				32.92		1,280.92
	8/13	8/17	Ethiopia		850.00						850.00
	8/18	8/20	Egypt		330.00						330.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Commercial Transportation							6,470.00				6,470.00
Hon. P. Kostmayer	9/19	9/21	Guatemala		336.00						336.00
Commercial Transportation							2,268.00				2,268.00
D. Latorre	8/25	9/2	Soviet Union		1,900.00						1,900.00
	9/2	9/5	Hungary		447.00						447.00
	9/5	9/8	Germany		395.00						395.00
Commercial Transportation							5,501.90				5,501.90
Total					7,604.00		20,709.90		32.92		28,346.82
J. McCormick	6/27	6/29	Hong Kong		756.00						756.00
	6/30	7/5	China		[3]1,032.28						1,032.28
	7/6	7/8	Taiwan		[3]568.33						568.33
Commercial transportation							3,128.00				3,128.00
Hon. J. Meyers	9/4	9/5	Austria		219.00						219.00
	9/5	9/5	Latvia								
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
	9/7	9/8	Georgia		178.00						178.00
	9/8	9/8	Armenia								
	9/8	9/10	Soviet Union		574.00						574.00
	9/10	9/10	Germany								
Totals					3,837.61		3,128.00				6,965.61
K.B. Moazed	8/25	9/2	Soviet Union		1,900.00						1,900.00
	9/2	9/5	Hungary		447.00						447.00
	9/5	9/8	Germany		395.00						395.00
Commercial transportation							5,501.90				5,501.90
Hon. A. Murphy	6/30	6/30	Ireland		1,869.00		110.00				1,979.00
	6/30	7/7	Ireland								
K. Nakamura	8/13	8/14	Hong Kong		252.00						252.00
	8/14	8/17	Bangladesh		553.74						553.74
	8/17	8/20	Sri Lanka		225.00						225.00
Commercial transportation							4,518.00				4,518.00
Total					5,641.74		10,129.90				15,771.64
R. S. Oliver	7/1	7/3	Austria		446.00						446.00
	7/3	7/5	Spain		530.00		46.01				576.01
Commercial transportation							3,398.00				3,398.00
Hon. W. Owens	9/18	9/19	Jordan		186.00						186.00
	9/19	9/20	Israel		220.00						220.00
	9/20	9/23	Armenia		438.00						438.00
Hon. Wm. Orton	8/6	8/10	Soviet Union		1,148.00						1,148.00
	8/13	8/14	Jordan		186.00						186.00
	8/14	8/17	Egypt		495.00						495.00
	8/17	8/18	Kuwait		303.00						303.00
	8/18	8/19	Saudi Arabia		210.00						210.00
Commercial transportation							8,199.40				8,199.40
A. Pandya	8/13	8/16	Hong Kong		756.00						756.00
Commercial transportation							4,870.00				4,870.00
Total					4,918.00		16,513.41				21,431.41
B. Paolo	8/6	8/8	Switzerland		326.00						326.00
	8/8	8/11	Italy		723.00		1,591.45				2,314.45
	8/12	8/13	South Africa		138.00						138.00
Commercial transportation							8,369.00				8,369.00
	9/17	9/19	Chad		376.00						376.00
	9/19	9/21	Central African Republic		224.00						224.00
Commercial transportation							5,216.00				5,216.00
Hon. D. Payne	7/3	9/7	South Africa		495.00						495.00
Commercial transportation							7,784.00				7,784.00
G. Pitchford	8/4	8/7	Botswana		516.00						516.00
	8/7	8/13	Zimbabwe		1,051.00						1,051.00
	8/13	8/16	Tanzania		200.00						200.00
Commercial transportation							8,239.70				8,239.70
Total					4,049.00		31,200.15				35,249.15
A. Powell	8/13	8/14	Hong Kong		252.00						252.00
	8/14	8/17	Bangladesh		540.00						540.00
	8/18	8/21	Sri Lanka		225.00						225.00
Commercial transportation							4,518.00				4,518.00
F. Record	6/27	7/8	China		[3]1,713.00						1,713.00
Commercial transportation							2,829.00				2,829.00
A. Roberts	6/20	6/26	Japan		1,828.98						1,828.98
	6/26	6/30	Hong Kong		1,008.00						1,008.00
	6/30	7/6	China		1,110.00		12.83				1,122.83
	7/6	7/9	Taiwan		[3]936.00						936.00
Commercial transportation							3,414.00				3,414.00
Total					7,612.98		10,773.83				18,386.81
S. Roth	6/29	7/1	Oman		310.00						310.00
	7/1	7/3	Kuwait		606.00						606.00
	7/3	7/4	Saudi Arabia		133.00						133.00
	7/5	7/7	Turkey		396.00						396.00
Commercial transportation							7,953.00				7,953.00
	8/29	9/2	Philippines		728.00						728.00
	9/2	9/4	South Korea		[3]504.07						504.07
Commercial transportation							1,247.00				1,247.00
Hon. T. Roth	8/16	8/18	Germany		264.00						264.00
No cost for transportation											
Hon. T. Sawyer	9/4	9/5	Austria		211.00						211.00
	9/5	9/6	Estonia		255.00						255.00
	9/6	9/7	Lithuania		255.00						255.00
Total					3,662.07		9,200.00				12,862.07

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1991—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	9/7	9/8	Georgia		178.00						178.00
	9/8	9/10	Soviet Union		287.00						287.00
Military transportation											
R., Scheunemann	8/4	8/7	Botswana		516.00						516.00
	8/7	8/13	Zimbabwe		1,051.50						1,051.50
	8/13	8/17	South Africa		643.00						643.00
Commercial transportation							6,269.00				6,269.00
E. Schwartz	7/4	7/5	South Korea		203.00				94.07		297.07
	7/5	7/9	Thailand		704.00						704.00
Commercial transportation							5,480.00				5,480.00
	8/13	8/14	Hong Kong		252.00						252.00
	8/14	8/17	Bangladesh		[3]553.00						553.00
	8/17	8/20	Sri Lanka		[3]148.00						148.00
Commercial transportation							4,518.00				4,518.00
Total					4,535.50		16,267.00		94.07		20,896.57
M. Sletzinger	8/28	8/31	Hungary		597.00						597.00
Commercial Transportation					.00		3,445.70				3,445.70
Hon C. Smith	8/29	9/3	Yugoslavia		742.00						742.00
Commerical Transportation					.00		3,138.10				3,138.10
Hon. S. Solarz	6/29	7/1	Oman		310.00						310.00
	7/1	7/3	Kuwait		606.00						606.00
	7/3	7/5	Saudi Arabia		133.00						133.00
	7/5	7/7	Turkey		396.00						396.00
Commercial Transportation					.00		7,953.00				7,953.00
	8/30	9/2	Philippines		225.00						225.00
	9/2	9/5	China		225.00						225.00
	9/5	9/7	Japan		226.66						226.66
Commercial Transportation							5,399.00				5,399.00
Total			3,460.66				19,935.80				23,396.46
I. Spalatin	8/5	8/10	Ireland		1,326.00						1,326.00
	8/10	9/13	Poland		534.00						534.00
M. Tavlarides	7/1	7/3	Algeria		416.00						416.00
	7/3	7/5	Tunisia		250.00						250.00
Commercial transportation							5,914.70				5,914.70
	8/13	8/15	Dominican Republic		334.00						334.00
Commercial transportation							1,030.00				1,030.00
Hon. R. Torricelli	8/11	8/14	Italy		873.00						873.00
Commercial transportation							5,802.00				5,802.00
T. Verstandig	8/5	8/10	Ireland		1,326.00						1,326.00
Commercial transportation							972.00				972.00
Total					5,059.00		13,718.70				18,777.70
G. Warren	6/30	7/14	Switzerland		2,556.71						2,556.71
Commercial transportation							5,494.00				5,494.00
D. Weiner	6/23	6/29	Japan		2,295.00						2,295.00
	6/29	6/30	Hong Kong		252.00						252.00
	6/30	7/6	China		1,110.00						1,110.00
Commercial transportation							4,385.00				4,385.00
Hon. T. Weiss	8/4	8/6	Syria		404.00						404.00
	8/6	8/8	Pakistan		348.00						348.00
	8/8	8/10	Israel		440.00						440.00
	8/10	8/13	Italy		799.00						799.00
Total					8,204.71		9,879.00				18,083.71
Grand total for 3d quarter											422,893.09

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Represents refunds of unused per diem.

DANTE B. FASCELL, Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

2334. Under clause 2 of rule XXIV, a letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation entitled, "Electronic Funds Transfer Salary Act of 1991;" was taken from the Speaker's table and referred jointly, to the Committees on Banking, Finance and Urban Affairs; Post Office and Civil Service; and House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DELLUMS: Committee on the District of Columbia. H.R. 2626. A bill to eliminate certain obsolete reporting requirements for the District of Columbia (Rept. 102-295). Referred to the House Calendar.

Mr. DELLUMS: Committee on the District of Columbia, H.R. 3709. A bill to waive the period of congressional review for certain District of Columbia acts and to permit the Council of the District of Columbia to enact laws relating to attorneys and the representation of indigents in criminal cases; with amendments (Rept. 102-298). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. MOAKLEY: Committee on Rules, House Resolution 258. A resolution creating a task force of members of the Foreign Affairs Committee to investigate certain allegations concerning the holding of Americans as hostages by Iran in 1980; with an amendment; referred to the Committee on House Administration for a period ending not later than November 15, 1991 for consideration of such provisions of the resolution and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X (Rept. 102-296, Pt. 1). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1087. A bill to authorize a high speed rail transportation development and commercialization program, to establish a national high speed rail transportation policy, to promote development and commercialization of high speed rail transportation by providing Federal guarantees of certain investments in high speed rail transportation facilities, and for other purposes; with an amendment; referred to the Committee on Public Works and Transportation for a period ending not later than February 28, 1992, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(p) of rule X (Rept. 102-297, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AuCoin (for himself, Mr. DeFazio, Mr. Kopetski, Mr. Wyden, Mr. Morrison, Mr. McDermott, Mr. LaRocco, and Mrs. Unsoeld):

H.R. 3745. A bill to provide additional security measures to stop the illegal harvesting of timber, to create a situation in which honest timber operations are not forced to compete against illegal operators, and to insure that taxpayers are receiving full value for an increasingly scarce public timber resource and to eliminate the potential for waste, fraud, and abuse in the Forest Service timber sale program; to the Committee on Agriculture.

By Mr. AuCoin (for himself and Mr. Synar):

H.R. 3746. A bill to terminate production by the United States of tritium, plutonium, and weapons-grade uranium, and for other purposes; to the Committee on Armed Services.

By Mr. REED (for himself and Mr. Machtley):

H.R. 3747. A bill to provide emergency assistance to enable the State of Rhode Island to expedite the repayment of depositors at State-chartered banks and credit unions that are in receivership and to facilitate the resolution of such receiverships; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DORGAN of North Dakota (for himself and Mr. Penny):

H. Con. Res. 237. Concurrent resolution to obtain a 5-percent reduction in the civilian work force of all three branches of the Federal Government; jointly, to the Committees on Post Office and Civil Service, the Judiciary, and House Administration.

By Mr. PAYNE of New Jersey (for himself, Mr. Wolpe, Mr. Dellums, Mr. Faleomavaega, Mr. Fuster, Mr. Kennedy, Mr. Weiss, Mr. Towns, Mr. Burton of Indiana, Mr. Foglietta, and Mr. Houghton):

H. Con. Res. 238. Concurrent resolution concerning democratic changes and violations on human rights in Zaire; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 251: Ms. Pelosi.

H.R. 252: Mr. Fawell and Mr. Mazzoli.

H.R. 1120: Mr. Borski, Mr. Gillmor, and Mr. Ravenel.

H.R. 1124: Mr. Andrews of Maine.

H.R. 2086: Mr. Mollohan, Mr. Peterson of Minnesota, and Mr. Solarz.

H.R. 2448: Mr. Blaz.

H.R. 2625: Mr. Fish, Mr. Dornan of California, Mr. Horton, Mr. Riggs, Mr. Bilbray, Mr. Kolter, Mr. Baker, Ms. Norton, Mr. Machtley, Mrs. Roukema, and Mr. Peterson of Florida.

H.R. 2846: Mr. McCandless.

H.R. 3282: Mr. Derrick, Mr. Clay, Mr. Lent, Mr. Tauzin, Mr. Sarpalius, Mr. Scheuer, Mr. Oberstar, Mr. Washington, Ms. Molinari, Mr. Flake, Mr. Gilchrest, Mr. Stokes, and Mr. Gingrich.

H.R. 3555: Mr. Campbell of California, Mr. Hyde, and Mr. Taylor, of Mississippi.

H.R. 3595: Ms. Norton, Mr. Horton, Mr. Martinez, Mr. Emerson, Mr. Ackerman, Mr. Dickinson, Mr. Murtha, and Mr. Lagomarsino.

H.R. 3655: Mr. Hughes, Mrs. Mink, Mr. Martinez, and Mr. Fuster.

H.R. 3656: Mr. Hughes, Mr. Rangel, Mr. Martinez, and Mr. Fuster.

H.R. 3732: Mr. Wise.

H.J. Res. 319: Mr. Orton.

H.J. Res. 369: Mr. Lehman of Florida.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the third calendar quarter 1991:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Is this an Amendment?
☐ YES ☐ NO

IDENTIFICATION NUMBER__________________________________

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER —State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1◆

Organization or Individual Filing	Employer/Client
Elliott Abrams, 1250 24th Street NW Suite 300 Washington, DC 20037	The Schmertz Co (For:Embassy of Greece)
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	Bolt Beranek & Newman, Inc
Do	Nestle Holdings, Inc
Do	Riggs National Corp
Guadalupe Albert, Monte Caucaro 915 Lomas de Chapultepec Mexico DF 11000	Coordinadora de Organizaciones Empresariales de Comercio Ext
James J. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Great Lakes Transmission Company)
Do	Albertine Enterprises, Inc. (For:Safety Kleen Corp)
John M. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Great Lakes Transmission Company)
Do	Albertine Enterprises, Inc (For:Safety-Kleen Corp)
Albertine Enterprises, Inc, 1250 24th Street, NW, #600 Washington, DC 20037	Great Lakes Transmission Co
Do	Safety-Kleen Corp
Alcalde Rousselot & Fay, 1901 North Ft. Myer Drive, 12th Floor Rosslyn, VA 22209	Bank of America, NT&SA
Do	City of Virginia Beach
Do	Hillsborough County
Do	Marin County
Do	Metropolitan Dade County - Seaport Department
Do	National Refrigerants Inc
Do	Port of Sacramento
Do	Sonoma County
Do	Westside Water District
Donald C. Alexander, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Calwalader Wickersham & Taft (For:Coalition for Pension Reform (CPR))
Do	Cadwalader Wickersham & Taft (For:Ladies Professional Golf Assn)
Allen Company, Richard V., 905 16th Street, NW Washington, DC 20006	Centennial Companies
Victoria Almquist, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control
American Art Therapy Assn, 1202 Allanson Rd. Mundelein, IL 60060	
American Dance Therapy Assn, 2000 Century Plaza, #108 Columbia, MD 21044	
Toney Anava, 200 W. DeVargas, #7 Santa Fe, NM 87501	
Debra J. Anderson, 1819 L Street, NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America
Kenneth William Anderson, 1629 K Street, NW, #503 Washington, DC 20006	Evergreen International Aviation, Inc
Anderson Hibey Nauheim & Blair, 1708 New Hampshire Ave., NW Washington, DC 20009	Mark Winkler Company
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	Associated General Contractors of America
Ater Wynne Hewitt Dodson & Skerritt, 1225 19th Street, NW, #200 Washington, DC 20036	Marion & Polk County Schools Credit Union
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	ITT Rayonier, Inc
Do	Powell Goldstein Frazer & Murphy (for: Lockheed Corp)
APCO Associates, Inc, 1155 21st St., NW Washington, DC 20036	American Maritime Congress
Do	American Red Cross
Do	Asocolflores
Do	Canadian Meat Council
Do	City Utilities of Springfield
Do	Colorado River Energy Distributors
Do	Fujisawa USA, Inc
Do	Heart of America Northwest
Do	Hoffmann-La Roche Inc
Do	ITT Rayonier, Inc
Do	Jay P. Altmayer
Do	Minnesota World Trade Center Corp
Do	Missouri Joint Municipal Electric Utility Commission
Do	Pasminco
Do	Philip Morris Companies, Inc
Do	Profilo Holding A.S.
Do	Sacramento Municipal Utility District
Do	State Farm Mutual Automobile Insurance Co
Do	Tennessee Valley Public Power Assn
Do	World Trade Center of Orange County
William W. Bailey, 3333 K Street, NW, #210 Washington, DC 20006	Bailey Morris & Robinson (For:First American Bankshares, Inc)
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)
Do	Bailey Morris & Robinson (For:Maggio-Onorato & Associates)
Bailey Morris & Robinson, 3333 K Street, NW, #210 Washington, DC 20007	First American Bankshares, Inc
Do	Health Insurance Assn of America
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	Computer & Business Equiptment Manufacturers Assn
Do	Middle East Airlines Airliban, SAL
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Soap and Detergent Association
Baker Worthington Crossley Stansberry & Woolf, 801 Pennsylvania Ave., NW, #800 Washington, DC 20004	Argo Air
Do	Morrison Knudsen Corp
Do	National Business Aircraft Assn.
Ball Janik & Novack, 1101 Pennsylvania Avenue, NW, #1035 Washington, DC 20004	City University
Sheila M. Bamberger, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform
M. Graeme Bannerman, 888 16th St., NW Washington, DC 20006	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)
James W. Bapple III, 5535 Hampstead Way Springfield, VA 22151	National Assn for Uniformed Services
Baraff Koerner Olender & Hochberg, P.C., 5335 Wisconsin Avenue, NW, #300 Washington, DC 20015-2003	Football Bowl Assn
Jim Bates, 3246 Quesada Street, NW Washington, DC 20015	American Tank Testers Association
Patricia M. Bauer-Carlen, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)
Bayless Boland Bates & Madigan, 1072 Thomas Jefferson Street, NW Washington, DC 20007	Hauser Communications, Inc
Beacon Consulting Group, Inc, 1012 Pennsylvania Ave, SE Washington, DC 20003	Asphalt-Rubber Producers Group
Do	Cummins-Allison Corp
Kevin M. Beattie, 475 Riverside Drive #239 New York City, NY 10115	Morality in Media, Inc
Robert G. Beckel, 1000 Potomac Street, NW, #301 Washington, DC 20007	Career College Assn
C. Jonathan Benner, 1300 I Street, NW, #470-E Washington, DC 20005-3306	International Assn of Independent Tanker Owners (INTERTANKO)
Bergner Boyette & Bockorny, Inc, 1101 16th Street, NW, #500 Washington, DC 20036	Philip Morris Co, Inc
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Northwest Indiana Forum
Richard W. Bliss, 1079 Papermill Court, NW Washington, DC 20007	FMC
Do	Spa & Pool Assn
Jeffrey Bobeck, 1341 G Street, NW, #1100 Washington, DC 20005	Molson Breweries USA, Inc
Do	REN Corporation
Do	Smith Corona Corp
Do	Torrington Company
John K. Boidock, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments
Judith Bonderman, 1225 Eye Street, NW Washington, DC 20005	Handgun Control, Inc
Bonneville Associates, Inc, 257 E. 200 South, #925 Salt Lake City, UT 84111	Bonneville Pacific Corp
Do	Nevada Power Co
Do	Recomp, Inc
Do	Solid Waste Composting Council
Larry G. Bowles, 1150 Connecticut Ave.,NW Suite 205 Washington, DC 20036	Halliburton Co.
Bradbury Bliss & Riordan, 431 West 7th Ave., #201 Anchorage, AK 99501	Hans & Margaret Bucher
Russell W. Bradd, 2905 717th Street Trenton, MI 48183	
Henry E. Braden, 2122 N. Galvez Street New Orleans, LA 70119	Entergy Services, Inc
Lynn M. Bragg, 701 Pennsylvania Ave., NW Washington, DC 20004	Edison Electric Institute
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Olin Pantex, Inc
John R. Brigance, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn
Robert F. Brothers, 1776 I Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company
Michael J. Brown, 18 East Custis Ave. Alexandria, VA 22301	Klein & Saks (For:Silver Institute)
Omer F. Brown II, 701 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Davis Wright Tremaine (For:Lockheed Engineering & Sciences Co)
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	Related Companies of Florida
Jeremiah S. Buckley, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:National Council of Savings Institutions)
Do	Thacher Proffitt & Wood (For:Residential Services Corp of America)
Do	Thacher Proffitt & Wood (For:Savings Bank of Life Insurance)
Betsy Buffington, 938 Sumner Sheridan, WY 82801	Sierra Club
Thomas J. Bulger, Government Relations, Inc 1620 Eye Street, NW, #300 Washington, DC 20006	Robin Peripheral Developers
Tonio Burgos, 909 Third Avenue, 17th Floor New York, NY 10028	Commonwealth of Puerto Rico/ P.R. Fed Affairs Admin
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	Salomon Brothers, Inc
Do	Warner-Lambert Co
Butera & Andrews, 1275 Pennsylvania Ave., NW Washington, DC 20004	Edison Electric Institute

Organization or Individual Filing	Employer/Client
Do	Emigrant Savings Bank
Do	Pioneer Financial Services
BBA, Inc, 1000 Potomac Street, NW, #301 Washington, DC 20007	Career College Assn
C & C Consulting Group, Inc, 210 Cameron Street Alexandria, VA 22314	EG&G/Dynatrend, Inc
Paul A. Cammer, 1225 19th Street, NW Suite 300 Washington, DC 20036	Cammer & Associates (For:Business Council on Indoor Air)
Camp Barsh & Tate, 2550 M St., NW, #275 Washington, DC 20037	National Assn of Diagnostic Services (NADS)
Do	Rural Referral Centers Coalition
John G. Campbell, 9300-D Old Keene Mill Road Burke, VA 22015	John G. Campbell, Inc (For:Sierra Nevada Corp)
Do	John G. Campbell, Inc (For:SPACEHAB, Inc)
John D. Canatsey, 1735 Jefferson Davis Hwy., #1001 Arlington, VA 22202	Thiokol Corp
Hugh C. Cannon, 1500 K Street, NW, #650 Washington, DC 20005	Glaxo, Inc
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	American Osteoporosis Alliance
Do	AMC Cancer Research Center
Do	Massachusetts Assn for Mental Health
Do	Psychiatric Education & Research Foundation
Capitol Strategies, 1825 I Street, NW, #1201 Washington, DC 20006	Equitable Capital Management Corp.
Do	Equitable Life
Do	National Taxpayers Union
Carmen Group, 2100 Pennsylvania Ave., NW, #365 Washington, DC 20037	Kennametal, Inc
Cashdollar-Jones & Company, 1000 16th Street, NW, #702 Washington, DC 20036	Federal Agricultural Mortgage Corp
Cassidy and Associates, Inc, 700 13th St., NW, #400 Washington, DC 20005	Atlantic Drydock Corp
Do	Bishop Museum
Do	Fairleigh Dickinson University
Do	Federal League of Americans Around the Globe
Do	Governor of Hawaii, Executive Office on Aging
Do	Ministry of Forestry of Indonesia
Do	Piaggio Aviation, Inc
Do	Union Switch & Signal
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	Rockland Telephone Company, Inc
Chernikoff & Company, 1320 18th Street, NW, #100 Washington, DC 20036	New York Historical Society
John L. Child, 490 L'Enfant Plaza, #8206 Washington, DC 20024	Litton Industries
Edward C. Chow, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies
Michelle C. Clay, 8630 Fenton Street, #615 Silver Spring, MD 20910	National Association of Minority Automobile Dealers
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Fleet/Norstar Financial Group, Inc
Coalition for Pension Reform (CPR), 1333 New Hampshire Ave., NW 7th Floor Washington, DC 20036	
Coalition for Vehicle Choice, 1440 New York Ave., NW, #320 Washington, DC 20005	
Robert D. Coble, P.O. Drawer 2426 Columbia, SC 29202	Nexsen Pruet Jacobs & Pollard (For:Greenwood Development Corp)
Edmund S. Cohen, 200 Park Avenue New York, NY 10166	Coudert Brothers
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Government of France
Colex & Associates, 2775 South Quincy Street, #520 Arlington, VA 22206	Invacare
Bert M. Concklin, 1203 N. Pitt Street, #1C Alexandria, VA 22314	
Concord Associates, Inc, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	Maglev USA
Do	National Assn of Industrial & Office Parks
Do	Texas TGV
Conkling Fiskum & McCormick, 900 SW 5th Ave. Suite 2300 Portland, OR 97204-1268	ATEQ Corporation
Do	Electro Scientific Industries, Inc
Do	Mentor Graphics Corporation
Do	Sequent Computer Systems
Do	Tektronix, Inc
Do	Unified Sewerage Agency
Do	Washington County
Do	Western Coating Inc
Gregory A. Conley, 9700 W. Higgins Rd. Rosemont, IL 60018	Covia Partnership
Charles Connelly, 4849 W Street, NW Washington, DC 20007	
Ruth E. Cook, 3309 Ridgecrest Court Raleigh, NC 27607	AT&T
Richard M. Cooper, 839 17th Street, NW Washington, DC 20006	Williams & Connolly (For:Unilever United States, Inc)
Cheryl Countess, 1820 Harvard Street, NW, #302 Washington, DC 20009	Washington Office on Africa
Thomas J. Cove, 1625 K Street, NW, #900 Washington, DC 20006	Sporting Goods Manufacturers Assn (SGMA)
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	Council of American Survey Research Organizations (CASRO)
Do	State of Alabama, Dept of Human Resources Legal Office
Do	State of California, Dept of Social Services
Do	State of Florida, Dept of Health & Rehabilitative Services
Do	State of Georgia, Division of Family & Children's Services
Do	State of Kentucky, Dept of Social Insurance
Do	State of Louisiana, Food Stamp Director
Do	State of Nebraska, Dept of Social Services
Do	State of New York, Dept of Social Services
Do	State of Ohio, Dept of Human Services
Do	State of West Virginia, Bureau of Human Resources
Cary L. Cox, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc
John A. Cox Jr., 9300 Livingston Road Ft. Washington, MD 20744	National Tooling & Machining Assn
Gary D. Coxon, 1015 15th Street, NW, #700 Washington, DC 20005	Bechtel Group, Inc
Charles T. Crangle, 560 N Street, SW #N-609 Washington, DC 20024	District 2, MEBA-AMO
Croatian-American Assn, 1912 Sunderland Pl., NW Washington, DC 20036-1608	
Enrique M. Cubillos, 818 Connecticut Ave., NW, #200 Washington, DC 20006	U.S. English
Philip Cummings, 1101 Pennsylvania Avenue, NW Washington, DC 20004	McCutchen Doyle Brown & Enerson (For:USS Technical Center)
Law Ofs of Jonathan W. Cuneo, 1300 I Street, NW, #408-E Washington, DC 20005	Service Station Dealers of America
Maureen Curley, 105 East 22nd Street New York, NY 10010	Community Service Society
Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101	Bank of America
Do	City of Las Vegas
Edward J. Daly III, 4 Library Ct., SE Washington, DC 20003	Save America's Forests
Davidson Colling Group, 1211 Connecticut Ave., NW, #610 Washington, DC 20036	Dun & Bradstreet Corporation
Do	Newsletter Publishers Assn
Charles Chandler Davis, P.O. Box 684156 Austin, TX 78768	Vencor Inc
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	American Integrity Insurance Company
Do	American Investors Life Insurance
Do	General Aviation Manufacturers Association
Do	Marriott Corporation
Do	National Business Aircraft Association
Do	Worldspan
Davis Wright & Tremaine, 701 Pennsylvania Ave., NW, #600 Washington, DC 20004	Western Livestock Producers Alliance
Delchamps Associates, 600 New Hampshire Ave., NW, #955 Washington, DC 20037	Alabama School of Mathematics & Science
Do	Huntingdon College
Do	Huntsville-Madison County Botanical Garden Society
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	American Immigration Services
Judith Martin Desarno, 122 C Street, NW, #380 Washington, DC 20001-2109	National Family Planning & Reproductive Health Assn, Inc
Dewey Ballantine, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Motion Picture Assn of America
Do	Potomac Capital Investment Corp
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Mental and Addictive Disorders Research Foundation
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Company (For:Kemper Corporation)
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Madison Public Affairs Group
Do	National Computer Systems
William Christopher Doss, 818 Connecticut Ave., NW, #200 Washington, DC 20006	U.S. English
John E. Drawz, 1100 International Centre 900 Second Ave., South Minneapolis, MN 55402-3397	Fredrikson & Byron (For:City of New Brighton)
Jane McPike Dudley, 888 17th Street, NW, #400 Washington, DC 20006	Whiteford Taylor & Preston (For:Giddings & Lewis, Inc)
Charles N. Duncan, 708 Dawnwood Court Raleigh, NC 27609	Career College Assn
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Audubon Institute
Do	CYCLEAN, Inc
Do	Earth Observation Satellite Co
Do	Tiregator, Inc
Denis J. Dwyer, 1155 15th St., NW, #400 Washington, DC 20005	McNair Group, Inc (For:Bombardier Corporation)
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Air Transport Assn of America
Do	Atlantic Richfield Company
Do	Barge Transport, Inc

Organization or Individual Filing	Employer/Client
Do	Greek Shipping Cooperation Committee
Do	MH Systems, Inc
Do	US Naval Institute
John Echeverris, 666 Pennsylvania Ave., SE Washington, DC 20002	National Audubon Society
Edelman Public Relations Worldwide, 1420 K Street, NW 10th Floor Washington, DC 20005	Safety-Kleen
Edon Company, 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Consolidated Seafood
Do	Kansas Department of Commerce
Do	Stephens Inc
Elias Matz Tiernan & Herrick, 734 15th Street, NW Washington, DC 20005	Investors Financial Corporation
Gary Elmestad, P.O. Box 3153 St Peters, MO 63376	City of O'Fallon
Philip W. Engle, 1825 Eye St., NW, #400 Washington, DC 20006	
Gary R. Estes, P.O. Box 124 Wayne, IL 60184	
Evans Group, Ltd, 1010 Wisconsin Ave., NW, 8th Floor Washington, DC 20007	Interim Government for National Unity in Liberia
Kellye A. Eversole, 4434 Indigo Lane Harwood, MD 20776	Agricultural Utilization Research Institute
Do	Eversole Associates (For:Arbuckle Wilderness, Inc)
Do	Department of Agriculture
Do	Eversole Associates (For:North Dakota Agricultural Products Utilization Commission)
William Ferguson Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Ferguson Company (For:Hamilton Partners)
Do	The Ferguson Company (For:Interstate 5 Consortium)
Do	The Ferguson Company (For:Southeast Water Coalition)
Do	Transportation Corridor Agencies
DeDe Ferrell, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters
H. David Fish, 5885 Stadium St. San Diego, CA 92122	Education Legislative Services, Inc (For:San Diego Unified School District)
Wendy S. Fishman, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	Americans for Energy Independence/Oklahoma Basic Economy...
Do	Chickasaw Nation
Do	Chiropractic Physicians Initiative Fund
Do	Institute of Scrap Recycling Industries
Do	Marazul Charters
Do	McDonnell Douglas
Do	Oklahoma State Chamber of Commerce
Do	Superstar Connection
Alan C. Folmsbee, 1585 West Maggio Way Building 12-2104 Chandler, AZ 85224	Democracy Movement USA
Edward H. Forgotson, 1350 I Street, NW, #700 Washington, DC 20005	National Deposit Insurance Corp
Patrick Forte, 888 17th Street, NW, #312 Washington, DC 20006	Association of Financial Services Companies
Fulbright & Jaworski, 801 Pennsylvania Avenue, NW Washington, DC 20004	Avis, Inc
Do	Sound Refining, Inc
Do	Systems Control, Inc
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Fiberglass Fabrication Assn
Juan Gallardo, Monte Caucaso 915 Lomas de Chapultepec Mexico DF 11000	Coordinadora de Organizaciones Empresariales de Comercio Ext
Garvey Schubert & Barer, 1000 Potomac Street, NW Washington, DC 20007	Interocean Management Company
Gary J. Gibbs, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004-2696	Central & South West Services, Inc
Gibson Dunn & Crutcher, 1050 Connecticut Ave., NW, #900 Washington, DC 20036	Association of United States Postal Lessors
Do	Von Bundesverband Deutscher Banken E.V.
Joseph A. Gillan, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation
Lisa T. Givens, 1413 T Street, NW #C-4 Washington, DC 20009	Fique
Burt Glass, 1819 H Street, NW, #640 Washington, DC 20006-3603	Sane/Freeze
Al James Golato, 1533 New Hampshire Ave., NW Washington, DC 20036	National Assn of Retired Federal Employees
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	Sunrise Club, Inc
Steve Goldman, 1250 Connecticut Avenue, Nw Suite 401 Washington, DC 20036	McCaw Cellular CommunicationsInc (For:McCaw Cellular Communications Inc)
Neil Goldschmidt, Inc, 222 S.W. Columbia, #1850 Portland, OR 97201	Nike, Inc
Do	Southern Pacific Transportation Co.
Gordy Associates, Susan K., 1 First National Plaza, #3175 Chicago, IL 60603	First Chicago Corp
Graves & Associates, Ed, 2001 M Street, NW, 4th Floor Washington, DC 20036	Emerald Resources, Inc
Do	Jorden Schulte & Burchette
Do	OPEDA (Office of Professional Employees of USDA)
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Embassy of the People's Republic of China)
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Appalachian Coalbed Methane Assn
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Amoco Corp
Do	Cargill, Inc
Nina G. Gross, 1001 Pennsylvania Ave., NW, #350N Washington, DC 20036	State of Delaware Bank Commissioner
Mark F. Guimond, 4659-C 28th Road Arlington, VA 22206	National Motorists Assn
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419 Washington, DC 20036	McDermott, Inc
Denise A. Guthrie, 3507 S. 50th Street Tampa, FL 33619	U.S. Organized Labor Directory Services
William J. Guthrie, 3507 S. 50th Street Tampa, FL 33619	U.S. Organized Labor Directory Services
GLB, Inc, 1507 West 6th Street Austin, TX 78703	Jones Motor Co, Inc
Do	MPPAA Solvency Coalition
Do	Schneider National, Inc
Do	Walsh Trucking Service, Inc
Joanna Carol Hadley, One Thomas Circle, NW Washington, DC 20005	Independent Bankers Association of America
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Arthur D. Little, Inc
Ellice Halpern-Barnes, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn
Hance & Gamble, PC, 400 West 15th Street, #320 Austin, TX 78701	Kinetic Concepts, Inc
Grant W. Hanson, 507 Second Street, NE Washington, DC 20002	Nike, Inc
Saundra J. Hardbower, 3050 K Street, NW, #330 Washington, DC 20007	National Club Assn
Harris & Ellsworth, 2600 Virginia Avenue, NW, #1113 The Watergate Washington, DC 20037	Coalition of Food Importers Assn
Randolph C. Harrison, 1875 Connecticut Ave., NW, #300 Washington, DC 20009	Center for Science in the Public Interest
Fruzsina M. Harsanyi, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri, Inc
Gerald S. Hartman, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)
Margaret V. Hathaway, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Lafayette Life Insurance Company)
Do	Thacher Proffitt & Wood (For:United Companies Financial Corp)
Laurie L. Hawkins, 4688 Wilde Street Philadelphia, PA 19127	None
Hennessy Plummer & Griffin, Inc, 12 Sheridan Ave. Albany, NY 12207	Systems Control, Inc
Julian B. Heron, 1025 Thomas Jefferson Street, NW, #407 Washington, DC 20007	Hawaii Macadamia Nut Assn
Hessel & Aluise, PC, One Thomas Circle, NW, #1250 Washington, DC 20005	National Corp for Housing Partnerships
Do	Riverview Towers Limited Partnership
William D. Hickman, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Narragansett Indian Tribe
Do	National Native American Public Broadcasting Consortia
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	National Child Care Assn
Do	Railway Progress Institute
Richard F. Hohlt, 209 Princess Street Alexandria, VA 22314	Silver Freedman & Taff
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Alamo Rent A Car, Inc
Do	Environmental Management Services
Do	Michele Stell & Associates
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	American Commodity Distribution Association
Do	Florida International Bankers Association (FIBA) Inc.
Gregory W. Homer, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)
Tom Hoog, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton, Inc (For:Embassy of the People's Republic of China)
Candice Shy Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:National Assn of Royalty Owners)
Lindsay Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:ENSERCH Exploration)
Do	Hooper Hooper & Owen (For:Software Publishers Assn)
Do	Hooper Hooper & Owen (For:United Asset Management)
Do	Hooper Hooper & Owen (For:Western Resources Council)
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Cash Station
Do	Gulf Citrus Growers Assn, Inc
Do	Soap & Detergent Assn
Sue E. Hopkinson, 777 N. Capitol St., SE, #803 Washington, DC 20002	American Assn of Nurse Anesthetists
John R. Horner, 8524 Bradford Rd. Silver Spring, MD 20901	Campbell-Raupe, Inc (for: NMTBA-Assn for Mfgr Technology)
John H. F. Hoving, 1575 Eye Street, NW #325 Washington, DC 20005	Society of American Value Engineers
Torbjorn Ihre, 2101 Wilson Boulevard Room 402 Arlington, VA 22201	Ericsson Corporation
Immigration Services Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Agricultural Producers
Do	American Immigration Services (AIS)
Do	Citicorp/Citibank

Organization or Individual Filing	Employer/Client
Do	Fragomen Del Rey & Bernsen, PC (for National Hockey League)
Do	(For:Irish Immigration Reform Movement (IIRM))
Do	McDonald's Corp
Walter G. 'Skip' Irvine Jr., 34th & Civic Center Blvd. Philadelphia, PA 19104	Children's Hospital of Philadelphia
Klea Rowena Jackson, C31, Claypoole Courts 1414 Girard Street, NW Washington, DC 20009	
Pierre R. Jambon, 1001 19th Street, North #800 Arlington, VA 22209	TRW, Inc
Bruce Johnson, 655 15th Street, NW, #300 Washington, DC 20005	Investors Savings Bank
Kay Johnson, 1901 L Street NW Suite 260 Washington, DC 20036	March of Dimes Birth Defects Foundation
Leroy D. Jones, 400 North Capitol St., NW, #856 Washington, DC 20001	Brotherhood of Locomotive Engineers
Jones Day Reavis & Pogue, 1450 G Street, NW, #700 Washington, DC 20005-2088	Anchor Savings Bank
Do	Federated Stores, Inc
Do	First American Bankshares
Jones Walker Waechter Poitevent Carrere & Denegre, 1776 Eye Street, NW, #245 Washington, DC 20006	Freeport-McMoRan Resource Partners
Do	General Atomics
Do	New Orleans Sports Foundation
Patricia Jordan, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	The Ferguson Company (For:Southeast Water Coalition)
Steven Kanai, 444 North Capitol St., NW Suite 308 Washington, DC 20001	U S Trust Territory of the Pacific Islands (Palau)
Betty Ann Kane, 1225 19th Street, NW, #400 Washington, DC 20036	Coalition for the Metropolitan Branch Trail
Kaplan Russin & Vecchi, 1215 17th Street, NW Washington, DC 20036	Walter Conston Alexander & Green (for: Leybold AG)
Alyce Katayama, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments
Ghana R. Kaulius, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:San Pellegrino)
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	RSR Corp
Beth Keifer, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools
W. Curtis Kelley, 1150 17th Street, NW, #600 Washington, DC 20036	Health Insurance Plan of Greater New York
Kemper Corporation, 1 Kemper Drive Long Grove, IL 60049	
William Kenworthy, 256 Edwards St., #10 New Haven, CT 06511	American Nuclear Energy Council
Kilpatrick & Cody, 700 13th Street, NW, #800 Washington, DC 20005-3960	Municipal Electric Authority of Georgia
Do	Software Productivity Consortium
Daryl G. Kimball, 1000 16th Street, NW, #810 Washington, DC 20036	Physicians for Social Responsibility
King & Spaulding, 1730 Pennsylvania Ave., NW Washington, DC 20006	Montgomery County, MD/ Office of Economic Development
Janie A. Kinney, 1615 L Street., NW, #1320 Washington, DC 20036	Glaxo, Inc
Michael G. Kirby, 2010 Corporate Ridge, #700 McLean, VA 22102	Magnum Power Systems, Ltd
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Dominion Bankshares Corporation
Do	Dykema Gossett
Do	Glendale Federal Savings Bank
Do	Investment Company Institute
Do	Meridian Bancorp, Inc
Carla Kish, 962 Wayne Avenue, #750 Silver Spring, MD 20910	Energy Conservation Coalition
Frank D. Kittredge, 1625 K Street, NW Suite 1090 Washington, DC 20006	National Foreign Trade Council
William J. (Bill) Klinefelter, 815 16th Street, NW, #301 Washington, DC 20006	Industrial Union Department (AFL-CIO)
Kogovsek & Associates, Inc, 1801 Broadway, #1420 Denver, CO 80202	Colorado Water Congress
Do	National Water Resources Assn
Michael V. Kostiw, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco Inc
Victor Krohn, 100 N. Brand Ave., S-502 Glendale, CA 91203	Citizens for an Alternative Tax System
Peter Kyros, 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	Board of Veterans Appeals Professional Assn
Do	Merit Sustems Potectction Board Professional Assn
Latham & Watkins, 1001 Pennsylvania Ave., NW, #1300 Washington, DC 20004-2505	Marie Ringrose and Ilda McGinness
Law Offices of Joe Vasapoli, 2989 S. Columbus Street Arlington, VA 22206	Skadden Arps Slate Meagher & Flom
Bob Lawrence & Associates, 803 Prince St. Alexandria, VA 22314	Valmont Industries, Inc
Laxalt Corporation, 801 Pennsylvania Ave., NW, #747 Washington, DC 20004	Shernoff Bidart & Darras
William N. LaForge, 1150 Connecticut Ave., NW, #900 Washington, DC 20036	Battelle Memorial Institute
Do	Coordination Council for North American Affairs
Laurel Leach, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313-1480	Animal Health Institute
Edward R. Leahy, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Capital Holding Corp)
Lepon McCarthy Jutkowitz & Holzworth, 1146 19th Street, NW, Third Floor Washington, DC 20036	Scandinavian Airlines System
Jennifer S. Lim, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton, Inc (For:Olin Brass)
Jeanne Marie Little, 9300 Livingston Road Ft. Washington, MD 20744	National Tooling & Machining Assn
Debbie E. Locker, 3003 W. Dr. Martin Luther King Blvd. Tampa, FL 33607	St. Joseph's Health Care Center
Lofton & Associates, 1803 Belmont Road, NW, #303 Washington, DC 20009	Lalibela
Do	Lofton & Lofton
Lomurro Davison Eastman & Munoz P.A., 69 West Main Street Freehold, NJ 07728	Lomurro Davison Eastman & Munoz
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Medical Infusion Management, Inc
Darrcy A. Loveland, 2842 Yarling Ct Falls Church, VA 22042	American Art Therapy Assn
Do	American Dance Therapy Assn
Kenneth M. Ludden, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)
James Lyon, 218 D St., SE Washington, DC 20003	Friends of the Earth
Cliff Madison Government Relations, Inc., 1611 Landfall Drive Wilmington, NC 28403	Center City West Associates
Do	Disney Development Co
Madison Public Affairs Group/Earle Palmer Brown, 2033 M Street, NW, #900 Washington, DC 20036	General Public Utilities
Manatt Phelps & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Coalition for Continued Correctional Education
Do	Hansen Savings Bank SLA
Margaret A. Manthe, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Company
Marc Associates, Inc, 1030 15th Street, NW, #468 Washington, DC 20005	American Lithotripsy Society
Do	Health Industry Manufacturers Assn (HME)
Alexandra Maroulis-Cronmiller, One Thomas Circle, NW Washington, DC 20005	Independent Bankers Association of America
E. Lee Martin, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp
Daniel J. Massey, Huntington Center 41 South High Street Columbus, OH 43215-3406	Centerior Energy Corporation
Dawson Mathis, 1900 L Street, NW, #300 Washington, DC 20036	Dawson Mathis and Associates (For:AT&T)
Do	Dawson Mathis and Associates (For:Metropolitan Insurance Company)
Dawson Mathis & Associates, 1900 L Street, NW Suite 300 Washington, DC 20036	AT&T
Do	Metropolitan Insurance Company
Maupin Taylor Ellis & Adams, 1130 Connecticut Ave., NW, #750 Washington, DC 20036	Glaxo Australia Pty. Ltd.
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Arthur Andersen & Co, Coopers & Lybrand, DeLoitte & Touche
Do	Morton International
Do	Outboard Marine Corporation
Do	Trinova Corp
McAdam Group, Inc, 1029 Vermont Ave., NW, #800 Washington, DC 20005	National Computer Systems
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Fairtax
Do	Ft. Worth Transportation Authority
Do	Harker Firm
Do	St. Michael Hospital
Do	Texarkana Chamber of Commerce
Donald N. McClure Jr., 1500 N. Second St. Harrisburg, PA 17102	Pennsylvania Assn of Home Health Agencies
McClure Gerard & Neuenschwander, Inc, 801 Pennsylvania Ave., NW, #820 Washington, DC 20004-2604	Lockheed Corp
James F. McConnell Jr., 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	Transportation Corridor Agencies
McConnell/Ferguson Group, 1730 Rhode Island Ave., NW Suite 400 Washington, DC 20036	Transportation Corridor Agencies
Aubrey McCutcheon III, 933 N Street, NW Washington, DC 20001	Washington Office on Africa
Jack McDonald, 901 15th Street, NW, #700 Washington, DC 20005-2301	Dow Corning Corp
Do	Outboard Marine Corp.
Michael McGovern, P.O. Box 916404 Longwood, FL 32791-6404	Towing & Recovery Assn of America, Inc
McGuiness & Holch, 400 North Capitol Street, NW, #585 Washington, DC 20001	Arch Mineral Corporation
Do	RJR Nabisco
Susan G. McGuire, 3333 K Street, #210 Washington, DC 20007	Bailey Morris & Robinson (For:Health Insurance Assn of America)
McKevitt Group, 1101 16th Street, NW, #333 Washington, DC 20036	ORACLE Corporation
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt Inc (For:Medtronic, Inc)
Michael R. McLeod, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:General Mills)
Molly McMorrow, 1350 I Street, NW, #840 Washington, DC 20005	Ralston Purina Company
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	American University of the Caribbean
James Gregory Means, 6252 15th Place Arlington, VA 22205	National Assn of Chemical Recyclers
Dave S. Merlin, 444 North Capitol Street NE Suite 232 Washington, DC 20001	Committee from the Freedom Lobby to Restore the Gold Stand.
Carol Messito, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group
Sean Meyer, 1000 16th Street, NW, #810 Washington, DC 20036	One Percent for Peace

Organization or Individual Filing	Employer/Client
Meyers & Associates, 412 First St., SE, #100 Washington, DC 20003	Federal Land Bank Assn
Do	Technology Services Group, Inc
Pamela A. Miller, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society
Robert G. Miller, 29050 Fuller Heights Rd., #301 Triangle, VA 22172	Air Force Sergeants Assn
Miller & Associates, Harris N., 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Ada Software Alliance (ASA)
Do	American Council on International Personnel (ACIP)
Do	Home Insurance
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Government of British Columbia/Min. of Dev. Trade & Tourism
Miller & Holbrooke, 1225 19th Street, NW, #400 Washington, DC 20036	International Small Satellite Organization (ISSO)
Jerry L. Mintz, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	American Newspaper Publishers Association
Do	Iwerks Entertainment
Mitchell Williams Selig Gates & Woodyard, 1420 New York Ave., NW, #1050 Washington, DC 20005	Entergy
Do	Innotek Corporation
John V. Moller, 1707 L Street NW, #725 Washington, DC 20036	Policy Consulting Services, Inc (For:Nissan North America, Inc)
John H. Montgomery, 2715 M St., NW, #300 Washington, DC 20007	Underground Injection Practices Council
Kevin P. Montgomery, 1629 K Street, NW, #503 Washington, DC 20006	Evergreen International Aviation, Inc
Powell A. Moore, 1133 Connecticut Ave., NW, #700 Washington, DC 20036	Independent Video Retailers Assn
Fred P. Moosally, 1745 Jeff Davis Highway Arlington, VA 22202	Rockwell International Corp
J. Wilson Morris, 3333 K Street, NW Washington, DC 20007	Bailey Morris & Robinson (For:First American Bankshares, Inc)
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)
Peyton H. Moss, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee
Susan Connolly Moya, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri Inc
Edward L. Murphy, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn
Margaret R. Murray, One Massachusetts Avenue, NW, #800 Washington, DC 20001	McLeod Watkinson & Miller (For:General Mills)
Susan A. Murray, 666 Pennsylvania Ave., SE Washington, DC 20002	National Audubon Society
Murray, Scheer & Montgomery, 2715 M Street, NW, #300 Washington, DC 20007	North American Philips Corp
Gerald F. Nalepa, 805 15th Street, NW, #330 Washington, DC 20005	Air Products & Chemicals, Inc
National Committee on Pay Equity, 1126 16th St., NW, #411 Washington, DC 20036	
National Glass Association, 8200 Greensboro Drive, #302 McLean, VA 22102	
National Spa & Pool Institute, 2111 Eisenhower Ave. Alexandria, VA 22314	
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	National Resources Defense Council
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	Republic of Cameroon
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffit & Wood (For:Emigrant Savings Bank)
Do	Thacher Proffitt & Wood (For:National Council of Savings Institutions)
Do	Thacher Proffitt & Wood (For:Nationar)
Do	Thacher Proffitt & Wood (For:North Side Savings Bank)
Julia J. Norrell, 1155 Connecticut Ave., NW, #300 Washington, DC 20036	American Land Title Associates
Do	Ameritas Life Insurance Corp
Marcia Nusgart, 1200 G Street, NW, #400 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)
O'Bannon & Gibbons, 2550 M Street, NW, #275 Washington, DC 20037	Kellogg Company
Do	Polyisocyanurate Insulation Manufactuters Assn (PIMA)
Do	Prince of Fundy Cruises, Ltd
Do	TECO Energy, Inc
Do	Jim Walter Corp
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	AFL-CIO Maritime Committee
Do	Bobby Berosini LTD
Do	Home Finance Coalition, Inc
Do	National Multi Housing Council
Do	New York State Mortgage Loan Corp
Anne Marie O'Keefe, 1920 L Street, NW, #700 Washington, DC 20036	Kamber Group (For:National Rehabilitation Assn)
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	General Mills, Inc
M. Dabney Oakley Jr., 218 N. Lee Street P.O. Box 32 Alexandria, VA 22313	Baltic-American Trade Assn, Inc
Do	Monroe Group, Inc
Larry O. Oliver, 2230 Gallows Road, #200 Dunn Loring, VA 22027	International Technical Expertise
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Tropicana Products Inc
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Insurance Solvency Coalition
Do	National Assn of Energy Service Companies
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22034	Perkins Coie
Kaz Oshiki, 5600 Broad Branch Rd. Washington, DC 20015	Go for Broke National Veterans Assn
Jack C. Overstreet, 1745 Jefferson Davis Highway Suite 1000 Arlington, VA 22202	General Dynamics
Pagonis & Donnelly Group, Inc, 1620 Eye Street, NW, #202 Washington, DC 20006	National Association of Uniform Manufacturers & Distributors
Brian Pallasch, 1575 Eye Street, NW Washington, DC 20005	American Society of Association Executives
Peter J. Pantuso, 1400 K Street, NW Suite 900 Washington, DC 20005	Rubber Manufacturers Assn
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	American Chiropractic Assn
Do	Secured Systems International, Inc
Kathleen F. Patterson, Kaplan Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Walter Conston Alexander & Green (for: Leybold AG)
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Encore Computer Corp
Do	Jena Band of Choctau
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	American College of Neuropsychopharmacology
Do	Novo-Nordisk Pharmaceuticals, Inc
Do	Siskiyou Co Board of Supervisors & Office of Education
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	Circuses
Paul Werth Associates Inc, 1150 Connecticut Ave, NW Suite 900 Washington, DC 20036	Coalition for Vehicle Choice
Gwen Gampel Paulson, 711 Second Street, NE, #200 Washington, DC 20002	Dialysis Clinic, Inc
Robert Peck, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Gordon O. Pehrson Jr., 1275 Pennsylvania Ave., NW Washington, DC 20004-2404	Chemical Products Corp
Pepper Hamilton & Scheetz, 1300 19th Street, NW Washington, DC 20036	Consolidated Rail Corp
Roxanne Perugino, 888 16th St., NW Washington, DC 20006	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)
John W. Pestle, 171 Monroe Ave., #800 Grand Rapids, MI 49503	Michigan Municipal Cooperative Group
Laura Phelps, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:General Mills)
James B. Phifer, 1700 N. Moore St., #1801 Arlington, VA 22209	Magnavox Electronic Systems Co
Stephen J. Piecara, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn (NRECA)
Policy Consulting Services, Inc, 1707 L Street, NW, #725 Washington, DC 20036	Nissan North America, Inc
Thomas B. Pollard Jr., P.O. Drawer 2426 Columbia, SC 29202	Nexsen Pruet Jacobs & Pollard (For:Greenwood Development Corp)
Karen Pollitz, 2021 Massachusetts Ave., NW Washington, DC 20036	American Academy of Family Physicians
Harry L. Ponder, 815 16th Street, NW, #707 Washington, DC 20006	Department for Professional Employees AFL-CIO
Preston Gates Ellis Rouvelas & Meeds, 1735 New York Avenue, NW, #500 Washington, DC 20006	Bay Ship Management
Do	Kraft General Foods
Do	Software Pubishers Association
Harold Price, 1533 New Hampshire Ave., NW Washington, DC 20036	National Assn of Retired Federal Employees
Charles H. Purcell, 200 Park Avenue New York, NY 10166	Coudert Brothers
P. Khalea Queen, 2241 Prout St., SE Washington, DC 20020	TransAfrica
Todd Quisenberry, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:Ameritech, Bell Atlantic, BellSouth & et al)
George Ramonas, 601 Pennsylvania Ave., NW, #900 Washington, DC 20004	Capitol Strategies Inc (For:Arizona State University)
Do	Capitol Strategies Inc (For:Georgia Southern University)
Do	Capitol Strategies Inc (For:University of Utah)
Reed Smith Shaw & McClay, 1200 18th Street, NW Washington, DC 20036	High Speed Rail Assn
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	State of New Jersey
Troy Reinhart, 3000 Stewart Parkway Suite 208 Roseburg, OR 97470	Douglas Timber Operators Inc (For:Douglas Timber Operators Inc)
James R. Ricciuti, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc
Jonathan M. Rice, 4119 Stockade Place Gahanna, OH 43230	
Jeffrey K. Richard, 1620 I Street, NW Suite 300 Washington, DC 20006	City of Fort Worth Center for Municipal Development
Joan D. Ringel, 500 Independence Avenue, SE Washington, DC 20003	
Rebecca Roberts-Malamis, 1 Massachusetts Ave., NW, #350 Washington, DC 20001	Chubb Corporation
Robins Kaplan Miller & Ciresi, 1220 19th Street, NW, #700 Washington, DC 20036	International Group of P&I Clubs
H. Alexander Robinson, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union
Peter D. Robinson, 3333 K Street, NW, #210 Washington, DC 20007	Bailey Morris & Robinson (For:First American Bankshares, Inc)
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Ingersoll-Rand
Kyle Rogers, 818 Connecticut Ave., NW, #200 Washington, DC 20006	U.S. English
Fred B. Rooney, 1050 Connecticut Ave., NW, #1200 Washington, DC 20036-5331	AT&T
Henry A. Ross, 6714 Rockledge Pl. Centreville, VA 22020	Reflexite Corp

Organization or Individual Filing	Employer/Client
John H. Rousselot, 1101 South Arlington Ridge Road Arlington, VA 22202	Bank of America N.T. & S.A.
Manik Roy, 1616 P Street, NW, #150 Washington, DC 20036	Environmental Defense Fund
Ruder Finn, Inc, 1615 M Street, NW, #220 Washington, DC 20036	Republic of Croatia, Washington Office
Shannon M. Russell, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc
Shannon Salmon, 1350 Eye Street, NW, #810 Washington, DC 20005	Johnson & Johnson
Joel Saltzman, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute
Patricia Kopf Sanner, 1227 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn
Kristin Sarri, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife
G. David Schiering, 625 Indiana Avenue, NW Suite 500 Washington, DC 20004-2901	Taft Stettinius & Hollister (For:Special Committee for Health Care Reforms)
David S. Schless, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council
Abraham Schneier, 1101 16th Street, NW, #333 Washington, DC 20036	ORACLE Corporation
Christopher C. Seeger, 655 15th Street, NW, #400 Washington, DC 20005	USAA
David P. Serwer, 11723 Tireside Place, #G Reston, VA 22080	Automated Sciences Group, Inc
Mark R. Shapiro, 5 Darby Court Bethesda, MD 20817	Guam Office (For:Marilyn Manibusan)
Sheridan Group, 1775 T Street, NW Washington, DC 20009	American Foundation for AIDS Research
Do	CFIDS Action Campaign for the U.S. (CACTUS)
Do	Harvard AIDS Institute
Do	San Francisco AIDS Foundation
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Douglas Timber Operators Inc
Steve Silver, 2300 Clarendon Blvd, #1010 Arlington, VA 22201	Robertson Monagle & Eastaugh (For:Klukwan, Inc)
Curtis Silvers, 888 16th St., NW, #606 Washington, DC 20006	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)
Donna L. Singletary, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Riggs National Corporation
Edward Del Smith, 905 16th Street, NW Washington, DC 20006	Burke Williams & Sorensen (for: City of Port Hueneme)
Do	E. Del Smith and Company (For:Cement Importers Group)
Do	E. Del Smith & Company (For:CenterPort Int'l)
Do	E. Del Smith & Company (For:Circus Circus Enterprises, Inc)
Rob Smith, 516 E. Portland Street Phoenix, AZ 85006	Sierra Club
Warren F. Smith, 3240 North Webster Road Tucson, AZ 85715	Warren Smith
Society of the Plastics Industry, Inc, 1275 K Street, NW, #400 Washington, DC 20005	
Regina Solomon, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America
Southwestern Power Resources Assn, P.O. Box 1360 1800 Canyon Park Cr., #403 Edmond, OK 73083-1360	
David E. Springer, 1301 K Street, NW, #900 East Tower Washington, DC 20005	Gardner, Carton, & Douglas (For:American Telephone & Telegraph)
Do	Gardner Carton & Douglas (For:National Cable Television Assn)
Roger Staiger Jr., 1220 L Street, NW, #450 Washington, DC 20005	Alyeska Pipeline Service Co
Earl Stevenson, 1977 N. Olden Ave., Ext. Suite 222 Ewing Township, NJ 08628	
John J. Stirk, 490 L'Enfant Plaza, #8206 Washington, DC 20024	Litton Industries
Robert A. Stuart, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:American Library Assn)
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	General Electric Corporation
Do	Grocery Manufacturers Association
Do	Laidlaw Environmental Services
Do	Laidlaw, Inc
Sarah L. Szanton, 122 C Street, NW, #380 Washington, DC 20001-2109	National Family Planning & Reproductive Health Assn, Inc
Bruce B. Talley, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri Inc
Tauke Walgren & Associates, 510 C Street, NE Washington, DC 20002	Independent Bancservices Exchange
Gary J. Taylor, 444 North Capitol Street, NW, #534 Washington, DC 20001	International Association of Fish & Wildlife Agencies
Taylor Thiemann & Aitken, 908 King Street, #300 Alexandria, VA 22314	Association of Personnel Test Publishers
Do	CTB MacMillan/McGraw-Hill
Do	National Assn of Convenience Stores
Richard L. Templeton, P.O. Box 17500 Washington, DC 20041-0500	Justice Fellowship
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	Capital Holding Corp
Do	Emigrant Savings Bank
Do	Lafayette Life Insurance Company
Do	National Council of Savings Institutions
Do	Nationar
Do	North Side Savings Bank
Do	Residential Services Corp of America
Do	Savings Bank of Life Insurance
Do	United Companies Financial Corporation
Kenneth W. Thompson, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	Great Lakes Gas Transmission Company
Do	Safety-Kleen Corporation
John W. Timmons, 1133 Connecticut Ave, NW, #1000 Washington, DC 20036	America West Airlines, Inc
Michael L. Tiner, 1317 Rhode Island Ave., NW, #502 Washington, DC 20005	Electric Reliability Coalition
William D. Toohey Jr., 501 School Street, SW, #800 Washington, DC 20024-2713	American Road & Transportation Builders Assn
Toy Manufacturers of America, Inc, 200 Fifth Ave., #740 New York, NY 10010	
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:U.S. Agrichemicals (Sinochem))
Thomas C. Trauger, 1350 New York Ave., NW Washington, DC 20005	Michigan Municipal/Cooperative Group
Jeffrey C. Treeman, 3801 S. Sheridan Tulsa, OK 74145	United Video, Inc
Joseph D. Tydings, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)
U.S. Strategies Corp, 1321 Duke Street, #200 Alexandria, VA 22314-3563	American Day Treatment Centers, Inc
Do	Continental Medical Systems
Do	Integrated Health Services, Inc
Anthony Valanzano, 1825 I Street, NW, #400 Washington, DC 20006	American Land Title Assn
Van der Voort Associates, Ltd, 1134 Westmoreland Road Alexandria, VA 22308	SPACEHAB
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, #700 Washington, DC 20005-2301	Hughes Network Systems, Inc
Do	Uniroyal Chemical Company, Inc
Vierra Associates, Inc, 1825 I Street, NW #400 Washington, DC 20006	Brevard County
Do	Greater Orlando Aviation Authority
Howard A. Vine, Jefferson Group 1341 G Street, NW, #1100 Washington, DC 20005	Molson Breweries USA, Inc
Do	REN Coporation
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	AEG Westinghouse Transportation Systems, Inc
Sarah C. Von der Lippe, 80 Trowbridge St. Cambridge, MA 02138	Kids Project
Herbert R. Waite, 2 Skipper Way Glousester, MA 01930	Citicorp
Doug Walgren, 8312 Hunting Hill Lane McLean, VA 22102	Association of Chiropractic Colleges
Do	Chambers Development Company, Inc
Do	Institute of Scrap Recycling Industies, Inc
Do	Merck & Company
Do	National Assn of Convenience Stores
Do	Petroleum Marketers Assn of America
Do	Society of Independent Gasoline Marketers of America
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	National Agricultural Chemicals Assn
Do	University of Oklahoma
Thomas D. Wallace, 1000 Kiewit Plaza Omaha, NE 68131	Peter Kiewit Sons, Inc
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	Grumman Corporation
Robert A. Warden, 1331 F Street, NW, #400 Washington, DC 20004	Public Employees Retirement Assn of Colorado
Betsy R. Warren, 2001 Pennsylvania Avenue, NW, #600 Washington, DC 20006	Schmertz Company, Inc for Gov't of the Republic of Greece
Washington Christian & Loafman, 1275 Pennsylvania Ave., NW, #301 Washington, DC 20004	Bethune-Cookman College
Do	City of Cleveland
Do	City of Philadelphia
Do	Coca-Cola Company
Do	Electronic Data Systems, Inc
Do	Government of the People's Republic of Angola
Do	Government of Antigua
Do	Greater Cleveland Regional Transit Authority
Do	OPEDA
Washington Public Affairs Group, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	National Union for the Total Independence of Angola (Unita)
Douglas R. Watts, 1724 Massachusetts Avenue, NW Washington, DC 20036	Tele-Communications, Inc
Philip A. Waxman, 2800 Quebec St., #536, NW Washington, DC 20008	Boehringer Ingelheim Pharmaceuticals, Inc
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	The Centennial Co
James K. Wessel, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp
Joseph J. Westwater, 1 Massachuseets Avenue, N.W., #800 Washington, DC 20001	McLeod Watkinson & Miller (For:California Cooperative Creamery)
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Walter Conston Alexander & Green (for: Leybold AG)

Organization or Individual Filing	Employer/Client
Whiteford Taylor & Preston, 888 17th St., NW, #400 Washington, DC 20006	Giddings & Lewis, Inc
Brad Whitehurst, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council
Anne Marie Wiedemer, 1350 I Street, NW, #840 Washington, DC 20005	Ralston Purina Company
Andrew F. Wiessner, 1801 Broadway #1420 Denver, CO 80202	Kogovsek & Associates, Inc (For:Pioneer Mobile Homes)
Do	Kogovsek & Associates Inc (For:Pioneer Mobile Homes)
Julia Bullard Wilkie, 206 E Street, NE Washington, DC 20002	National Roofing Contractors Assn
James J. Williams, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition
Wade S. Williams, 1001 Pennsylvania Ave., NW Suite 350N Washington, DC 20004	Deloitte & Touche
Wanda Williams, 317 10th Street, NE, #8 Washington, DC 20002	Career College Assn
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	Owens-Illinois Inc
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Advanced Network & Services, Inc (ANS)
Do	Public Broadcasting Service
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	Compaq Computer Corporation
Do	Digital Equipment Corporation
Do	Regional Transit Authority
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Bristol-Myers Squibb
Do	Saloman Brothers, Inc
With Each New Step, 1841 Kirby Road McLean, VA 22101	
S.R. Wojdak and Associates, Inc, The Bellevue - Suite 850 200 S. Broad Street Philadelphia, PA 19102	Arden Hill Hospital
Do	Cornwall Hospital
Do	Heatheast
Do	Horton Memorial Hospital
Do	Mercy Community Hospital
Do	Northern Dutchess Hospital
Do	St. Anthony's Hospital
Do	St. Francis Hospital
Do	St. Luke's Hospital
Do	Vassar Brothers Hospital
Andrew L. Woods, 625 Indiana Avenue, NW Suite 500 Washington, DC 20004-2901	Taft Stettinius & Hollister (For:Special Committee for Health Care Reforms)
Elizabeth L. Wright, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments
Wunder Diefenderfer Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Ares-Serono, Inc
Do	Bituminous Coal Operators Assn
Do	General Motors
Do	Keramont Corp
Do	National Coalition of Alcoholic Beverage Licensees
Do	Outdoor Advertising Association of America Inc
Do	Westinghouse Electric Corp
Thane Young, 1730 Rhode Island Ave., NW, #400 Washington, DC 20036	The Ferguson Company (For:The LACDA Alliance)
Do	McConnell/Ferguson Group (For:Transportation Corridor Agencies)

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the third calendar quarter 1991:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ♦

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Is this an Amendment?

IDENTIFICATION NUMBER ______ ☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER —State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."♦

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1♦

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value*. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............."Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* *("Period" from Jan. 1 through............................., 19.......)*
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§302(b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*______________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ann Hadley vom Eigen, 1828 L Street, NW, #705 Washington, DC 20036	American Land Title Assn	3,375.00	
Robert J. Aagre, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	90.00	
Ande M. Abbott, 2722 Merrilee Drive, #360 Fairfax, VA 22031	International Brotherhood of Boilermakers...	340.55	
Paul C. Abenante, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
Jean R. AbiNader, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S.-Arab Chamber of Commerce		
Jeffery A. Abrahamson, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	147.19	
Adele L. Abrams, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Elliott Abrams, 1250 24th Street NW Suite 300 Washington, DC 20037	The Schmertz Co (For:Embassy of Greece)	3,000.00	200.00
Matthew J. Abrams, 1220 19th Street, NW, #202 Washington, DC 20036	CANAMCO (For:Aerospace Industries Assn of Canada)	2,500.00	
Do	CANAMCO (For:Canadian Shipowners Assn)		
Christopher Barclay Abukari, 1627 Lamont St., NW, #51 Washington, DC 20010	Rainbow Lobby, Inc	3,862.00	
Adrian Acevedo, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company		
Elaine Acevedo, 216 7th Street, SE Washington, DC 20003	Florist's Transworld Delivery Assn	2,000.00	
Rodney J. Ackerman, 1450 Poydras Street New Orleans, LA 70112-6000	CNG Producing Company	600.00	554.25
Charles A. Acquard, 2301 M Street, NW, Washington, DC 20037	American Public Power Assn	2,000.00	
John J. Adams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Ethyl Corporation		
Do	Hunton & Williams (For:Vepco)		
John M. Adams, 909 N. Washington Street, #300 Alexandria, VA 22314	Retired Enlisted Assn	1,745.00	1,040.00
Kenneth R. Adams, 2211 Congress Street Portland, ME 04122	UNUM Life Insurance Co		1,944.20
Robert O. Aders, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Elmer E. Adkins, 89 East Avenue Rochester, NY 14649-0001	Rochester Gas & Electric Corp	878.00	
Allan Robert Adler, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn & Marks (For:Association of American Publishers, Inc)	1,000.00	
Do	Cohn and Marks (For:Maclean Hunter Cable TV)		
Do	Cohn & Marks (For:USA Network)		
Terrance M. Adlhock, 1001 Pennsylvania Ave, NW, #450-N Washington, DC 20004	Southern California Edison Co	4,950.00	4,500.00
Advocates for Highway & Auto Safety, 777 N. Capitol Street, NE, #410 Washington, DC 20002			18,264.80
Aerospace Industries Assn of America, Inc, 1250 Eye Street, NW, #1100 Washington, DC 20005		8,318.00	8,318.00
David A. Affeldt, 10404 Joiners Lane Potomac, MD 20854	Association for Gerontology in Higher Education	750.00	
Catherine W. Ahmad, 516 First Street, SE Washington, DC 20003	Gryphon International	6,900.00	
David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006	Baxter	2,000.00	
Robert S. Aiken, 1735 I Street, NW, #916 Washington, DC 20006	Pinnacle West Capital Corp	10,000.00	320.67
Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209			
Air Conditioning Contractors of America, 1513 16th Street, NW Washington, DC 20036		1,250.00	1,250.00
Air Products & Chemicals, Inc, 805 15th Street, NW, #330 Washington, DC 20005		13,500.00	614.10
Aircraft Owners & Pilots Assn, 421 Aviation Way Frederick, MD 21701		140,583.00	106,866.00
Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	3,200.00	51.50
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	A.E. Staley Manufacturing	570.00	
Do	American Airlines	10,410.00	190.00
Do	American General Investment Corp		
Do	American Telephone & Telegraph Co	2,315.00	38.00
Do	Bank of Nova Scotia		
Do	Basis Point	176.00	
Do	Bolt Beranek & Newman, Inc	850.00	19.00
Do	Boone Co		
Do	Burger King Corp		
Do	Business Round Table		
Do	California Institute of Technology		
Do	Cambridge Information Group	3,440.00	57.00
Do	Clark/Bardes Organization, Inc		
Do	Colombian Government Trade Bureau (PROEXPO)	7,830.00	152.00
Do	Consumers Power Company	7,970.00	152.00
Do	Cotton Bowl Athletic Assn	6,150.00	114.00
Do	First City Bankcorporation of Texas, Inc		
Do	Fujitsu America, Inc		
Do	General Instrument Corp		
Do	W. R. Grace & Co		
Do	Guardian Industries		
Do	Houston Oilers		
Do	Peter Kiewit Son's, Inc	1,785.00	19.00
Do	Levi Strauss & Co		
Do	Long Island Lighting Co		
Do	MacAndrews & Forbes Holdings, Inc	7,625.00	133.00
Do	Mesa Petroleum Co	6,360.00	114.00
Do	Metropolitan Transit Authority of Harris County	11,240.00	209.00
Do	Miller Brewing Company	3,980.00	76.00
Do	Morgan Stanley & Co, Inc	7,340.00	133.00
Do	Motion Picture Assn of America, Inc	3,055.00	57.00
Do	National Football League	14,125.00	266.00
Do	National Health Laboratories		
Do	Nestle Holdings, Inc		
Do	New York Public Library	1,090.00	19.00
Do	Pharmaceutical Manufacturers Assn	580.00	
Do	Pillsbury Company		
Do	Riggs National Corp	9,210.00	171.00
Do	RJR Nabisco, Inc	1,960.00	19.00
Do	Shell Oil Co		
Do	Southern California Edison Co	4,050.00	76.00
Do	Texas National Research Laboratory Commission	100.00	
Do	Time-Warner		
Do	Upjohn Company	2,150.00	38.00
Do	Warner-Lambert Co	100.00	
William E. Albers, 11 Dupont Circle, NW, #300 . Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		
David Alberswerth, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,975.02	
James J. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Ambrosetti America)		
Do	Albertine Enterprises, Inc (For:American Business Conference, Inc)	1,800.00	250.00
Do	Albertine Enterprises (For:Castle-Harlan Delaware Management, Inc)		
Do	Albertine Enterprises, Inc (For:Exide Electronics)	3,600.00	475.00
Do	Albertine Enterprises (For:Fruit of the Loom)	10,000.00	600.00
Do	Albertine Enterprises, Inc (For:Great Lakes Transmission Company)	1,500.00	150.00
Do	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)	4,500.00	400.00
Do	Albertine Enterprises, Inc (For:Millipore Corp)	900.00	73.26
Do	Albertine Enterprises, Inc (For:Rogerson Aircraft Corp)	1,881.90	150.00
Do	Albertine Enterprises, Inc. (For:Safety Kleen Corp)	2,400.00	250.00
Do	Albertine Enterprises, Inc (For:SMS Corp)	3,000.00	450.00
Do	Albertine Enterprises, Inc (For:West Point Pepperell, Inc)	10,000.00	700.00
Do	Albertine Enterprises (For:Western Digital, Inc)	1,500.00	900.00
John M. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Ambrosetti America)		
Do	Albertine Enterprises, Inc (For:American Business Conference, Inc)	4,200.00	230.00
Do	Albertine Enterprises (For:American Precision Industries)	1,050.00	7.00
Do	Albertine Enterprises, Inc (For:Castle Harlan & Delaware Management Corp)		
Do	Albertine Enterprises, Inc (For:Exide Electronics)	8,400.00	470.00
Do	Albertine Enterprises, Inc (For:Fruit of the Loom, Inc)	21,000.00	2,300.00
Do	Albertine Enterprises, Inc (For:Great Lakes Transmission Company)	3,500.00	525.00
Do	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)	7,000.00	650.00
Do	Albertine Enterprises, Inc (For:Millipore Corp)	2,000.00	148.64
Do	Albertine Enterprises, Inc (For:Rogerson Aircraft Corp)	4,550.00	150.00
Do	Albertine Enterprises, Inc (For:Safety-Kleen Corp)	5,600.00	600.00
Do	Albertine Enterprises, Inc (For:SMS Corp)	10,000.00	300.00
Do	Albertine Enterprises, Inc (For:West Point Pepperell, Inc)	21,000.00	770.00
Do	Albertine Enterprises, Inc (For:Western Digital Corp)	3,500.00	1,000.00
Albertine Enterprises, Inc, 1250 24th Street, NW, #600 Washington, DC 20037	Ambrosetti America		150.00
Do	American Business Conference, Inc	6,000.00	163.33
Do	American Precision Industries	1,500.00	12.00
Do	Castle Harlan, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Exide Electronics	18,000.00	150.00
Do	Fruit of the Loom, Inc	25,000.00	1,500.00
Do	Great Lakes Transmission Co	5,000.00	250.00
Do	Materials Research Corp of Sony USA, Inc	10,000.00	1,500.00
Do	Millipore Corp	3,000.00	236.00
Do	Rogerson Aircraft Corp	6,273.80	250.00
Do	Safety-Kleen Corp	12,000.00	150.00
Do	SMS Corp	15,000.00	200.00
Do	West Point Pepperell, Inc	30,000.00	1,100.00
Do	Western Digital Corp	5,000.00	750.00
Virginia S. Albrecht, 1350 I Street, NW Washington, DC 20005	Beveridge & Diamond, P.C. (For:Foundation for Environmental & Economic Progress, Inc).	1,104.75	
Alcalde Rousselot & Fay, 1901 North Ft. Myer Drive, 12th Floor Rosslyn, VA 22209	Alliance for Responsible CFC Policy	6,000.00	
Do	American Counsel of State Savings Supervisors	3,000.00	
Do	Barbee Curran Elevator Co		
Do	City of Las Vegas	4,000.00	
Do	Consolidated Freightways	5,000.00	
Do	Council on Audio Communications (COAC)	1,500.00	
Do	Credit Union National Assn	3,000.00	
Do	Jack Eckerd Corp	1,000.00	
Do	Elcon Enterprises	1,000.00	
Do	EMSA Limited Partnership	3,500.00	
Do	Home Shopping Network	30,000.00	
Do	International Council of Cruise Lines	30,000.00	
Do	Jim Walter Corp	3,000.00	
Do	Port of Jacksonville	3,000.00	
Do	Regular Common Carrier Conference	2,000.00	
Do	Tampa Electric Co	6,000.00	
Do	Tampa Port Authority	6,000.00	
Do	Towers Financial Corp	7,500.00	
Do	Walter Industries	2,000.00	
Do	Washington Workshops	2,000.00	
Arthur J. Alexander, 1000 Connecticut Ave., NW Washington, DC 20036	Japan Economic Institute of America	500.00	
Donald C. Alexander, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Air Products & Chemicals, Inc)		
Do	Cadwalader Wickersham & Taft (For:Air Transport Assn of America)		
Do	Cadwalader Wickersham & Taft (For:American Financial Corp)		
Do	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)		
Do	Cadwalader Wickersham & Taft (For:Bechtel Investments, Inc)		
Do	Cadwalader Wickersham & Taft (For:Chiquita Brands International, Inc)		
Do	Calwalader Wickersham & Taft (For:Coalition for Pension Reform (CPR))		
Do	Cadwalader Wickersham & Taft (For:Disabled American Veterans)	27.63	
Do	Cadwalader Wickersham & Taft (For:Ladies Professional Golf Assn)	55.25	
Do	Cadwalader Wickersham & Taft (For:Management Compensation Group)		
Do	Cadwalader Wickersham & Taft (For:Mortgage Guaranty Insurance Corp)	27.63	
Do	Cadwalader Wickersham & Taft (For:Nationwide Mutual Insurance Co)	328.25	
Donna K. Alexander, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:ABB)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Federal Employee Tax Group)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Golden Nugget)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Groom & Nordberg (for: Chevron))		
Do	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR)) .		
Do	LeBoeuf Lamb Leiby & MacRae (For:Physicians Insurers Assn of America)		
Mary K. Alexander, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	100.00	34.00
Nancy C. Alexander, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	5,515.62	
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	Investment Company Institute	15,000.00	
Do	Merrill Lynch & Co., Inc		
Do	Washington Hospital Center		
Barbara Allen, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	12,231.00	125.75
Alliance for Acid Rain Control, 444 N. Capitol Street, #526 Washington, DC 20001			4,648.00
Alliance for Capital Access, 888 17th Street, NW, 12th Floor Washington, DC 20006			130.70
Alliance of American Insurers, 1629 K Street, NW, #1010 Washington, DC 20006			52,867.78
Alliance of Nonprofit Mailers, 2001 S Street, NW, #301 Washington, DC 20009		2,406.85	6,554.35
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Robert F. Allnut, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Margaret S. Almond, 1735 Jefferson Davis Highway Arlington, VA 22202	McDonnell Douglas Corp		
Alpha Lyracom d/b/a Pan American Satellite, One Pickwick Plaza Greenwich, CT 06830			
Loren J. Alter, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Companies		
Michael J. Altier, 701 Pennsylvania Avenue, NW Washington, DC 20004	National Retail Federation	3,000.00	17.50
Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016			5,000.00
Quinn R. Amaro, #45771-098 8901 South Wilmot Road Tucson, AZ 85706			2.61
John O. Ambler, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	326.06	
American Academy of Family Physicians, 8880 Ward Parkway Kansas City, MO 64114		30,284.62	30,284.62
American Agriculture Movement, Inc, 100 Maryland Ave, NE, #500 Box 69 Washington, DC 20002		6,000.00	6,000.00
American Amusement Machine Assn, 12731 Directors Loop Woodbridge, VA 22192		18,332.00	18,332.00
American Art Therapy Assn, 1202 Allanson Rd. Mundelein, IL 60060			
American Arts Alliance Action League, Inc, 1319 F Street, NW, #500 Washington, DC 20004-1151			12,149.23
American Assn for Marriage & Family Therapy, 1100 17th Street, NW, 10th Fl Washington, DC 20036		31,630.00	31,630.00
American Assn of Blood Banks, 1117 North 19th St., #600 Arlington, VA 22209		5,000.00	5,000.00
American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209			
American Assn of Meat Processors, P.O. Box 269 Elizabethtown, PA 17022		69.75	50.00
American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036		150,004.07	150,004.07
American Cement Alliance, Inc, 1212 New York Avenue, NW, #520 Washington, DC 20005		4,504.62	32,160.44
American Cemetery Assn, 5201 Leesburg Pike, #1111 Falls Church, VA 22041			
American Consulting Engineers Council, 1015 15th Street, NW, #802 Washington, DC 20005		41,575.00	39,372.50
American Council for Capital Formation, 1850 K Street, NW, #400 Washington, DC 20006		3,203.00	5,171.00
American Council of Life Insurance, Inc, 1001 Pennsylvania Avenue, NW Washington, DC 20004		51,129.29	51,129.29
American Dance Therapy Assn, 2000 Century Plaza, #108 Columbia, MD 21044			
American Dental Assn, 211 E. Chicago Ave. Chicago, IL 60611			7,000.00
American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068		158,075.00	158,075.00
American Fed of Labor & Congress of Industrial Organizations, 815 16th St., NW Washington, DC 20006			196,188.17
American Feed Industry Assn, 1501 Wilson Blvd., #1100 Arlington, VA 22209		4,440.00	4,440.00
American Frozen Food Institute, 1764 Old Meadow Rd., #350 Mclean, VA 22102		11,500.00	11,500.00
American Grain Inspection Institute, 1629 K Stret, NW, #1100 Washington, DC 20006		42.94	142.00
American Health Care Assn, 1201 L Street, NW Washington, DC 20005		334,604.34	91,767.51
American Hellenic Institute Public Affairs Committee, Inc, 1730 K Street, NW, #1005 Washington, DC 20006			
American Hotel & Motel Assn, 1201 New York Ave., NW Washington, DC 20005		22,376.32	11,954.79
American Institute of Merchant Shipping, 1000 16th Street, NW, #511 Washington, DC 20036			2,523.75
American Insurance Assn, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036			
American International Group, Inc, 70 Pine Street New York, NY 10270			53,911.62
American Israel Public Affairs Comm, 440 First Street, NW, #600 Washington, DC 20001		129,524.00	189,661.44
American Land Title Assn, 1828 L St., NW, #705 Washington, DC 20036			3,825.00
American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001		27,500.00	15,758.95
American Library Assn, 50 E. Huron St. Chicago, IL 60611		2,073.00	11,247.00
American Life Lobby, Inc, P.O. Box 490 Stafford, VA 22554		29,000.00	28,050.00
American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202		8,376.96	2,733.98
American Managed Care & Review Assn, 1227 25th St., NW, #610 Washington, DC 20037			2,585.20
American Meat Institute, 1700 N. Moore Street Arlington, VA 22209			
American Medical Assn, 535 North Dearborn St. Chicago, IL 60610			70,751.10
American Methanol Institute, 815 Connecticut Ave., NW, #800 Washington, DC 20006		12,650.00	66,386.00
American Motorcyclist Assn, P.O. Box 6114 Westerville, OH 43081		20,625.19	20,625.19
American Movers Conference, 1611 Duke Street Alexandria, VA 22314			4,900.00
American Newspaper Publishers Assn, Box 17407 Dulles International Airport Washington, DC 20041		62,951.35	62,951.35
American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003		7,251.60	267.00
American Nurses' Assn, 1101 14th Street, NW, #200 Washington, DC 20005		33,774.98	33,774.98

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
American Occupational Therapy Assn, Inc, 1383 Piccard Drive P.O. Box 1725 Rockville, MD 20850-0822		10,669.59	10,669.59
American Optometric Assn, 1505 Prince Street, #300 Alexandria, VA 22314			
American Orthotic and Prosthetic Assn, 1650 King Street, #500 Alexandria, VA 22314-1885		17,468.00	57,645.00
American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016			11,925.00
American Petroleum Institute, 1220 L St., NW Washington, DC 20005		305,903.78	293,643.74
American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314		2,942.10	2,924.10
American Podiatric Medical Assn, 9312 Old Georgetown Road Bethesda, MD 20814-1621			23,195.05
American Postal Workers Union, AFL-CIO, 1300 L Street, NW Washington, DC 20005		95,910.98	94,466.60
American Public Transit Assn, 1201 New York Avenue, NW Washington, DC 20005		42,717.00	42,717.00
American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005			
American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217		250.00	250.00
American Short Line Railroad Assn, 2000 Massachusetts Ave., NW Washington, DC 20036			40.00
American Soc for Medical Technology, 2021 L Street, NW, #400 Washintgton, DC 20036			15,143.99
American Soc of Anesthesiologists, 1101 Vermont Ave, NW, #606 Washington, DC 20005			45,731.12
American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814			13,170.00
American Textile Manufacturers Institute, Inc, 1801 K Street, NW, #900 Washington, DC 20006		40,694.57	54,830.14
American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706			27,200.00
American Veterinary Medical Assn, 1023 15th Street, NW, #300 Washington, DC 20005		1,000.00	656.00
American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209		484,700.00	2,569.31
American Wood Preservers Institute, 1945 Gallows Road, #550 Vienna, VA 22182			21,375.00
Americans for the High Frontier, 2800 Shirlington Road, #405A Arlington, VA 22206		40,885.73	55,359.66
Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465		10,935.92	10,935.92
Americans for Nonsmokers' Rights, 2530 San Pablo Ave., #J Berkeley, CA 94702		5,500.00	5,500.00
Joanne Ames, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Laurel W. Ames, 989 Tahoe Keys Blvd., #6 South Lake Tahoe, CA 96150	League to Save Lake Tahoe	1,114.41	4.04
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	Coalition for American Energy Security	7,500.00	
Do	Free Angola Information Service	15,000.00	
Do	Northrop Corp	6,000.00	
Do	Thompson Medical Co	3,000.00	
Anadarko Petroleum Corp, 16855 Northchase Drive Houston, TX 77251-1330			
Jeffrey M. Anders, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	50.00
Steven C. Andersen, 422 First Street, SE, #208 Washington, DC 20003	Pearson & Pipkin, Inc (For:Physicians Who Care)		
Anthony A. Anderson, 2100 Pennsylvania Avenue, NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:Community Transportation Assn)	10,680.63	
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Carl A. Anderson, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004	Knights of Columbus	750.00	
Cynthia C. Anderson, 750 17th Street, NW 4th Floor Washington, DC 20006-4607	Enron Corp	3,000.00	
H. Kim Anderson, Virginia Petroleum Council 701 E. Franklin St., #105 Richmond, VA 23219	American Petroleum Institute	50.00	
Jon A. Anderson, 1100 Connecticut Ave., NW, #410 Washington, DC 20036	Eaton Corp		4,110.99
Kenneth William Anderson, 1629 K Street, NW, #503 Washington, DC 20006	Evergreen International Aviation, Inc		11.50
Richard F. Anderson, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Steven Anderson, 1764 Old Meadow Rd, #350 Mclean, VA 22102	American Frozen Food Institute	6,600.00	
Susan S. Anderson, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp		50.27
Tobyn J. Anderson, 601 Thirteenth Street, NW, #320 South Washington, DC 20005	National Independent Energy Producers		35.46
Elaine Andrews, 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20004-0401	National Assn of Life Companies	200.00	22.00
Lewis D. Andrews Jr., 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		
William Robert Andrews, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	1,276.31
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Association of Battery Recyclers	3,141.50	3,141.50
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	California Dairy Institute		
Do	Interstate Natural Gas Assn (INGA)	17,500.00	
Do	Mars, Inc		
Do	Safeguard America's Family Enterprises		
Animal Health Institute, 119 Oronoco Street P. O. Box 1417-D50 Alexandria, VA 22313			1,022.00
Decker Anstrom, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	8,984.00	
Ernest Antczak, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp	137.00	520.39
Thomas D. Anthony, 2500 Central Trust Center 201 E. Fifth Street Cincinnati, OH 45202	Frost & Jacobs (For:Comprehensive Medical, Inc)		
Do	Frost & Jacobs (For:Louisville Imaging Services, Inc)		
Do	Frost & Jacobs (For:Western Hills Imaging Center, Inc)		
Virginia Antos, 1718 Connecticut Avenue, NW, 7th Floor Washington, DC 20009	Association of American Publishers		
Apple Processors Assn, 1629 K Street, NW, #1100 Washington, DC 20006		16,934.07	39,418.43
Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314	Retired Officers Assn	7,514.50	
R. M. Julie Archuleta, 1747 Pennsylvania Avenue, NW, 3rd Fl. Washington, DC 20006	Occidental Chemical Corp	60.00	16.00
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	American Assn of Bioanalysts	17,768.40	1,347.50
Do	American Assn of Occupational Health Nurses	6,277.65	467.77
Do	American Medical Imaging Corp		
Do	Associated General Contractors of America		38.25
Do	Association of Professional Flight Attendants	55,000.00	3,300.00
Do	Children With Attention Deficit Disorder (CHADD)		60.00
Do	Independent Federation of Flight Attendants	10,000.00	290.00
Do	International Society for Clinical Laboratory Technology	2,025.68	3.00
Do	Mercy Hospital of Des Moines, Iowa	8,331.00	215.31
Do	National Assn of College Stores	3,040.00	
Do	National Parking Association	44,923.46	
Do	Popular Democratic Party		8.98
Do	Puerto Rico Federal Affairs Administration		37.72
Do	Second Street Limited Partnership	53,428.50	92.03
Do	SO-PAK-CO, Inc	5,774.32	41.29
Fred Armstrong Jr, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Carl F. Arnold, P.O. Drawer 7170 McLean, VA 22106	American Iron & Steel Institute	600.00	
Do	Ashland Oil Co	937.50	
Do	Corporate Property Investors	749.99	
Do	Goodyear Tire & Rubber Company		
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	American Institute of Certified Public Accountants	750.00	18.00
Do	American Red Cross	3,036.00	155.71
Do	Avatar Utilities, Inc		
Do	Avis, Inc		
Do	ACPC		
Do	AFL-CIO		
Do	Bank of Montreal		
Do	Building & Construction Trades Dept, AFL-CIO		
Do	Business Roundtable	2,625.00	87.20
Do	Commissioner, Dept of Telecommunications City of New York	250.00	
Do	Continental Corporation	62.50	
Do	Fujisawa USA, Inc	641.25	
Do	General Conference of Seventh-day Adventists	7,933.75	92.96
Do	Hoffmann-La Roche, Inc		
Do	Michigan National Corp (for: Beverly Hills Fed Savings Bank)	6,531.25	88.32
Do	MCorp		
Do	National Assn of Telecommunications Officers & Advisors	816.75	82.50
Do	National Coordinating Comm for Multiemployer Plans	10,937.50	542.14
Do	Penn Central Industries Group		
Do	Philip Morris, Inc	5,928.09	51.23
Do	Recording Industry Assn of America, Inc	465.75	13.75
Do	Sacramento Municipal Utility District		
Do	Stanford University	2,524.50	
Do	State Farm Mutual Automobile Insurance Co	10,931.25	220.44
Do	Survival Technology, Inc		
Do	Thomsom Corp of America	1,495.00	17.20
Do	Unilever United States, Inc		
Arnold Grobmyer & Haley, P.O. Box 70 Little Rock, AR 72203	Arkansas Assn of Securities Dealers		
Do	Mid-South International Trade Assn		
Thomas M. Arrasmith, 1301 K Street, NW, #1200 Washington, DC 20006	IBM Corp	730.80	54.39
Deborah Arrindell, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses Assn	2,975.00	263.58
Thomas Ludlow Ashley, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	3,000.00	
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippines			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		22,500.00	
Associated Credit Bureaus, Inc, 1090 Vermont Avenue, NW, #200 Washington, DC 20005		1,500.00	
Associated General Contractors of America, 1957 E St., NW Washington, DC 20006			
Association of American Foreign Service Women, P.O. Box 70051 Washington, DC 20024-0051		223.00	
Association of American Law Schools, 1201 Connecticut Avenue, NW, #800 Washington, DC 20036			
Association of American Publishers, 1718 Connecticut Avenue, NW Washington, DC 20009-1148		15,357.00	15,357.00
Association of American Railroads, American Railroads Building 50 F Street, NW Washington, DC 20001		199,589.91	199,589.91
Association of American Veterinary Medical Colleges, 1023 15th Street, NW, 3rd Floor Washington, DC 20005			
Association of Certified Trucking Schools, 3050 K Street, NW, 4th Floor Washington, DC 20007			
Association of Maximum Service Television, Inc, 1400 16th Street, NW, #610 Washington, DC 20036			499.72
Association of Oil Pipe Lines, 1725 K St., NW Washington, DC 20006			
Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007		9,365.00	9,365.00
Association of Urban Universities, P.O. Box 33276 Washington, DC 20033		21,000.00	10,805.08
Atlantic Richfield Co, 515 South Flower Street Los Angeles, CA 90071			2,130.00
Fritz E. Attaway, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	925.00	159.52
Leslie Aubin, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.00	200.00
John J. Auciello, P.O. Box 269 Elizabethtown, PA 17022	American Assn of Meat Processors		
Kenneth E. Auer, 50 F Street, NW, #900 Washington, DC 20001	Farm Credit Council	200.00	800.00
Frank W. Ault, 2009 North 14th Street, #101 Arlington, VA 22201	American Retirees Assn		
Ronald R. Austin, 1201 16th Street, NW, #210 Washington, DC 20036	Overseas Education Assn, Inc	873.71	
Avon Products, Inc, 9 West 57th St. New York, NY 10019			
Merribel Symington Ayres, 601 Thirteenth Street, NW, #320 South Washington, DC 20005	National Independent Energy Producers		4,910.59
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	American Maritime Congress		
Do	American Red Cross	690.00	
Do	Asocolflores		
Do	Canadian Meat Council		
Do	City Utilities of Springfield		
Do	Colorado River Energy Distributors Assn		43.00
Do	Fujisawa USA, Inc	2,125.00	7.75
Do	Heart of America Northwest	5,980.00	
Do	Hoffman-La Roche	2,275.00	
Do	ITT Rayonier, Inc		
Do	Missouri Joint Municipal Electric Utility Commission		
Do	Pasminco		
Do	Philip Morris Management Corp		
Do	Powell Goldstein Frazer & Murphy (for: Lockheed Corp)	2,610.00	
Do	Profilo Holding A.S.		
Do	Sacramento Municipal Utility District		8.00
Do	State Farm Mutual Automobile Insurance Co		
Do	Tennessee Valley Public Power Assn	320.00	
ARCO Chemical Co, 3801 West Chester Pike Newtown Square, PA 19073			462.88
Edward J. Babbitt, 400 Broadway Cincinnati, OH 45202	Western-Southern Life Insurance Co		
Hope M. Babcock, Georgetown Law Center 600 New Jersey Ave., NW Washington, DC 20001	National Audubon Society		
Gregory R. Babyak, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Contact Lens Institute		
Do	Genentech		
Do	MacAndrews & Forbes Holding, Inc		
Do	Municipal Finance Industry Assn		
Do	National Health Labs, Inc		
Do	John Nuveen & Co, Inc		
Charlotte M. Bahin, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Community Banks	2,000.00	
George F. Bailey Jr., 400 South Union Street, #495 Montgomery, AL 36104	CSX Transportation		
William W. Bailey, 3333 K Street, NW, #210 Washington, DC 20006	Bailey Morris & Robinson (For:First American Bankshares, Inc)		
Do	Bailey Morris & Robinson (For:Kingdon Gould II)		
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)		
Do	Bailey Morris & Robinson (For:Investment Company Institute)		
Do	Bailey Morris & Robinson (For:Maggio-Onorato & Associates)		
Do	Bailey Morris & Robinson (For:Upjohn Corp)		
Bailey Morris & Robinson, 3333 K Street, NW, #210 Washington, DC 20007	American Assn of Discount Travel Brokers		
Do	First American Bankshares, Inc		
Do	Kingdon Gould II	900.00	
Do	Health Insurance Assn of America	15,000.00	
Do	Hospice Care, Inc		
Do	Investment Company Institute		
Do	Maggio-Onorato & Assoc		
Do	Upjohn Company	12,000.00	
David Baime, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	6,246.00	293.00
Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	200.00	
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	587.50	
Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,000.00	702.06
James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,875.00	624.40
John D. Baker, 815 Sixteenth Street, NW Washington, DC 20006	International Longshoremens Assn, AFL-CIO	7,458.00	
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	German Federation of Industry		
Do	Greater Houston Partnership		147.03
Do	National Machine Tool Builders' Assn		
Do	Rhone-Poulec		
Do	U.S. West		
Do	United Technologies Pratt & Whitney		
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Allen Memorial Hospital	3,749.75	
Do	American Protestant Health Assn	10,350.00	518.18
Do	American Resort & Residential Development Assn	3,000.00	3,000.00
Do	Amherst Hospital	5,348.50	
Do	Bayer AG	1,462.50	
Do	California Independent Casualty Companies Assn	10,000.00	10,000.00
Do	Chubb Corporation	7,500.00	7,500.00
Do	Cleveland Clinic Foundation	1,000.00	1,000.00
Do	Committee on Problems of Drug Dependence, Inc	4,000.00	60.80
Do	Edison Electric Institute	9,400.00	9,400.00
Do	Elyria Memorial Hospital & Medical Center		
Do	Financial Holding Corp	7,000.00	7,000.00
Do	Hermann Hospital	14,400.00	330.42
Do	Huntleigh Technologies, Inc		
Do	INVACARE Corporation	9,999.99	165.71
Do	Life Gift Organ Donor Center	12,700.00	
Do	Lorain Community Hospital	3,749.75	
Do	Medasonics		
Do	MMI Companies, Inc	3,000.00	
Do	National Assn of Insurance Brokers, Inc	10,000.00	10,000.00
Do	National Assn of Professional Insurance Agents	4,000.00	4,000.00
Do	Renal Physicians of Texas	1,000.00	49.86
Do	Soap and Detergent Association	2,880.00	529.36
Do	Society of Cardiovascular & Interventional Radiology	40,000.00	209.56
Do	St. Joseph Hospital & Health Center	2,478.50	
Do	Substance Abuse Management, Inc	2,017.19	16.00
Do	Travelers Insurance Co	10,000.00	10,000.00
Do	United Fidelity Life Insurance	5,000.00	5,000.00
Do	University of Texas Health Science Center at Houston	13,946.25	
Baker Worthington Crossley Stansberry & Woolf, 801 Pennsylvania Ave., NW, #800 Washington, DC 20004	Lehman Brothers		
H. R. Balikov, 333 Thornall St. Edison, NJ 08818	J. M. Huber Corp		
Thomas L. Balkema, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron Companies	50.00	220.21
R. Brian Ball, P.O.Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)		
William L. Ball III, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn		
William Lewis Ball, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	2,572.03
Ball Janik & Novack, 1101 Pennsylvania Avenue, NW, #1035 Washington, DC 20004	City of Bellevue (Washington)	5,333.46	664.04
Do	City of Portland, OR	19,169.07	2,549.44

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	City University	2,858.00	106.50
Do	Clackamas County	15,633.00	1,427.00
Do	Fresno County	292.00	57.05
Do	Greenbrier Leasing, Inc	40,362.50	5,864.02
Do	Gunderson, Inc	2,293.50	83.87
Do	Harsch Investment Corporation	10,020.00	839.46
Do	Mt. Hood Meadows Oregon, Ltd	14,560.00	434.70
Do	Northwest Industrial Gas Users	6,442.50	1,181.89
Do	Northwest Marine Iron Works	14,213.50	2,066.09
Do	Northwest Woodland Owners Council	30,000.00	5,493.39
Do	Oregon Department of Transportation	21,000.00	2,749.92
Do	Oregon Economic Development Department	10,074.54	1,020.58
Do	Oregon Graduate Institute of Science & Technology	4,192.50	602.41
Do	Salzer Bingham	62.50	17.77
Do	Section 8 Housing Group		
Jack L. Ballard, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	1,820.50	246.31
Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Association		
Sheila M. Bamberger, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform	58.00	5.25
Charles E. Bangert, P.C., 662 Mallard Court Arnold, MD 21012	Business Roundtable		
Bank of Boston Corporation, 100 Federal St. Boston, MA 02110			
Kathryn Bannan, 1300 I Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
M. Graeme Bannerman, 888 16th St., NW Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)	3,000.00	195.44
Do	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	48.00
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)	750.00	48.00
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)	2,500.00	57.25
Do	Bannerman and Associates, Inc (For:Government of Tunisia)	3,000.00	56.00
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	5,000.00	213.08
Samuel J. Baptista, 1225 19th St., NW, #410 Washington, DC 20036	Financial Services Council	4,750.00	
Baraff Koerner Olender & Hochberg, P.C., 5335 Wisconsin Avenue, NW, #300 Washington, DC 20015-2003	College Football Association		
Do	Football Bowl Assn		
Do	National Basketball Assn	1,155.00	
Do	National Hockey League	1,250.00	
Emory W. Baragar, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	4,461.82	288.75
Peter S. Barash Associates, inc, 1156 15th Street, NW, #800 Washington, DC 20005	American Society of Appraisers	22,002.00	370.00
Do	TRW, Inc	23,038.00	369.00
John Paul Barber, 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	2,500.00	
Betsy F. Barclay, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	603.79
M. Camille Bares, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp, Inc		560.31
Leslie A. Barhyte, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	5,000.00	116.74
Amy L. Barker, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
William J. Barloon, 1850 M Street, NW, #1110 Washington, DC 20036	United Telecom/US Sprint	7,000.00	1,108.58
Thomas W. Barlow, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Company		
Iraline G. Barnes, 1900 Pennsylvania Ave, NW Washington, DC 20068	Potomac Electric Power Company		
Ray A. Barnhart, 2602 Dellana Lane Austin, TX 78746	Marathon Oil Co	9,000.00	1,041.21
Michael E. Baroody, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Terry N. Barr, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
David C. Barrett Jr., 1201 New York Ave., NW, #830 Washington, DC 20005	National Grain & Feed Assn		500.00
David M. Barrett, 2550 M Street, NW, #375 Washington, DC 20037	Fleetwood Enterprises, Inc		
Do	Southeastern Pennsylvania Transportation Authority		
Kenneth R. Barrett, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	2,000.00	
Robert E. Barrow, 1616 H Street, NW Washington, DC 20006	National Grange	5,000.00	
Albert P. Barry, 2011 Crystal Drive, #606 Arlington, VA 22202	AAI Corp		
Robert G. Bartlett, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
James E. Bartley, 1700 North Moore Street, #1900 Arlington, VA 22209-1904	National Industrial Transportation League	10,000.00	58.00
Richard A. Barton, 1101 17th St., NW, #705 Washington, DC 20036	Direct Marketing Assn	4,500.00	16,194.00
Jo-Anne R. Basile, 1133 21st Street 3rd Floor Washington, DC 20036	Cellular Telecommunications Industry Assn	7,500.00	248.58
Robert W. Batchelder, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	1,250.00	
Diane Bateman, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	797.84
Christopher M. Bates, 1325 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Motor and Equipment Manufacturers Association	1,750.00	15.00
Douglas P. Bates, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,000.00	
Jim Bates, 3246 Quesada Street, NW Washington, DC 20015	American Tank Testers Association	8,640.00	
Erica M. Battaglia, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	8,083.70	658.00
Gary Lee Bauer, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	875.00	
Patricia M. Bauer-Carlen, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)	250.00	16.00
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)		
Do	Bannerman & Associates, Inc (For:Government of Egypt)	500.00	
Do	Bannerman & Associates, Inc (For:Government of Tunisia)		
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for:Government of the Philippines)).		
Barbara Bauman, 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light Company, et al.	16,800.00	6,627.00
Gregory J. Baumann, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Richard 'Sandy' Beach, 805 15th Street NW, #300 Washington, DC 20005-2207	Credit Union National Assn, Inc	300.00	
Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	390.00	
Beacon Consulting Group, Inc, 1012 Pennsylvania Ave, SE Washington, DC 20003	Asphalt-Rubber Producers Group	8,000.00	404.54
Do	Big Brothers & Big Sisters of America	9,000.00	182.18
Do	Cummins-Allison Corp	2,175.00	60.96
Do	Museum of Science & Industry	7,500.00	525.59
Do	National Crime Prevention Council	14,400.00	478.92
Do	National Museum of Health & Medicine Foundation	11,000.00	182.29
Do	TDS Healthcare Systems Corp	8,400.00	221.39
Bruce A. Beam, 801 Pennsylvania Ave, #214 Washington, DC 20004	American Electric Power Service Corp	107.22	279.13
Dorothy A. Beam, 1510 Laburnum Street McLean, VA 22101	Richard J. Sullivan Associates, Inc (For:Alameda County Transportation Authority).		
Do	Richard J. Sullivan Associates (For:Association of American Railroads)	9,000.00	
Do	Richard J. Sullivan Associates, Inc (For:National Utility Products Co)		
Do	Richard J. Sullivan Associates, Inc (For:Northeast Ohio Regional Sewer District)	200.00	
Hubert Beatty, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Richard F. Bechtel, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	320.83	
Edward A. Beck III, 1615 L Street, NW Suite 1205 Washington, DC 20036	American Petroleum Institute	9,500.00	
Robert G. Beckel, 1000 Potomac Street, NW, #301 Washington, DC 20007	Career College Assn	4,000.00	
Brenda Larsen Becker, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	692.00	221.38
Lee Becker, 1111 14th St., NW Washington, DC 20005	American Bakers Assn	375.00	100.00
Stacey Beckhardt, 750 17th Street, NW, #1100 Washington, DC 20006	American Society of Clinical Oncology		
Steven M. Beckman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	8,862.60	35.00
William W. Beddow, 1730 Pennsylvania Ave., NW, #750 Washington, DC 20006	Caterpillar, Inc	3,000.00	
Beer Institute, 1225 Eye Street, NW, #825 Washington, DC 20005			4,475.00
Robert M. Beers, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn	4,656.00	
William A. Behan, 1700 N. Moore St., #820 Arlington, VA 22209	Magnavox Electronics Systems Corp	3,800.00	3,964.13
Edwin L. Behrens, Market Square 801 Pennsylvania Ave., NW, #720 Washington, DC 20004-2604	Procter & Gamble Co	234.40	
Kenneth J. Beirne, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	2,500.00	
Robert R. Belair, 1800 M Street, NW South Lobby, 9th Floor Washington, DC 20036	Kirkpatrick & Lockhart (For:Center for Civic Education)	1,268.33	194.96
Do	Kirkpatrick & Lockhart (For:Constitutuinal Rights Foundation)	1,268.33	194.96
Do	Kirkpatrick & Lockhart (For:National Institute for Citizen Education in the Law)	1,268.33	194.96
Mark Belanger, 805 Third Avenue New York, NY 10022	Major League Baseball Players Assn		
Denise Bell, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,003.89
R. Steve Bell, 444 North Capitol Street, NW #845 Washington, DC 20001	National Air Traffic Controllers Assn		
Winston Everett Bell, P.O. Box 26543 Las Vegas, NV 89126			
Trina Bellak-Bronfman, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries, Inc	1,500.00	916.47
James P. Bellis, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Lisa Bellucci, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Terre Belt, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jennifer L. Bendall, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc	3,800.00	
Mike Benner, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	3,355.63	
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
William M. Bennett, 1420 King Street Alexandria, VA 22314-2715	National Society of Porfessional Engineers	1,250.00	
John C. Bennison, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	8,500.00	
James E. Benton, N. J. Petroleum Council 150 W. State Street Trenton, NJ 08608	American Petroleum Institute	128.00	
Todd P. Bentsen, 1444 Rhode Island Ave., NW, #917 Washington, DC 20005	Rainbow Lobby, Inc	3,590.00	
Steven P. Berchem, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313-1480	Animal Health Institute	45.00	
Richard Scott Berg, 1250 Connecticut Avenue, NW, #210 Washington, DC 20036	National Forest Products Assn		
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	621.66	
Bergner Boyette & Bockorny, Inc, 1101 16th Street, NW, #500 Washington, DC 20036	Animal Health Institute	1,000.00	150.00
Do	Avianca, Inc	2,000.00	150.00
Do	Bell Atlantic Corp		
Do	China External Trade Development Council	2,000.00	1,600.00
Do	First Boston Corp	2,000.00	2,850.00
Do	Flo-Sun Land Corp	5,000.00	2,008.97
Do	Fort Wayne Chamber of Commerce	2,000.00	420.00
Do	Fox Broadcasting Company	3,000.00	654.46
Do	Friendship in Freedom Assn	3,000.00	750.00
Do	Mallinckrodt, Inc	2,000.00	400.00
Do	McDonnell Douglas Corp	1,200.00	375.00
Do	Metpath	1,000.00	210.00
Do	Murry's, Inc	400.00	174.05
Do	National American Wholesale Grocers Assn (NAWGA)	500.00	180.00
Do	National Assn of Business & Educational Radio, Inc	3,000.00	1,013.00
Do	National Soft Drink Assn	4,000.00	1,016.12
Do	Newscorp	500.00	654.46
Do	Okeelanta Corp	5,000.00	1,785.00
Do	Orange & Rockland Utilities	6,000.00	1,430.00
Do	Philip Morris Co, Inc	2,000.00	420.00
Gene S. Bergoffen, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Edwin M. Bergsmark, 136 North Summit Street, #213 Toledo, OH 43604	Bergsmark & Associates (For:Rudolph/Libbe Companies, Inc & subsidiaries)		
Paul C. Bergson, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20004	Bergson & Company (For:Halon Research Institute)	5,000.00	
Do	Smokeless Tobacco Council	5,000.00	
Jane W. Bergwin, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	3,448.00	6,998.00
Jessica Berk, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	213.90	92.44
Dayle Berke, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	8,172.75	737.55
Antoinette C. Berkely, P.O. Box 2972 Washington, DC 20013			
Peter M. Berkery Jr., 1010 N. Fairfax Street Alexandria, VA 22314	National Society of Public Accountants		
Nathan R. Berkley, 1611 Duke Street Alexandria, VA 22314	American Movers Conference	100.00	
Linda K. Berkshire, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges and Universities	10,062.00	518.00
Pamela M. Berkwitz, Norwest Center-Sixth & Marquette Minneapolis, MN 55479-1032	Norwest Corporation	15,000.00	6,769.41
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Jason S. Berman, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc	2,000.00	
Richard B. Berman, 1025 Connecticut Ave. NW, #1010 Washington, DC 20036	Burger King Corp		
Do	S&A Restaurants Corp		
Joan Kovalic Bernard, 2100 Pennsylvania Avenue, NW, #755 Washington, DC 20037	BASF Corp	205.10	35.00
Elizabeth Bernstein, 2030 M Street, NW Washington, DC 20036	Common Cause	4,268.74	83.50
George K. Bernstein, 1730 K St., NW Washington, DC 20006	Nationwide Insurance Companies		
Bernstein & Lipsett, 1920 L Street, NW, #602 Washington, DC 20036	National Assn of Police Organizations	24,000.00	19,730.52
Craig A. Berrington, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Do	Florida Department of Citrus		
Robert E. Berry, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	1,950.00	413.08
Michael J. Bertelsen, Beneficial Management Corp. 453 New Jersey Ave., SE Washington, DC 20005	Perkinson & Associates, Inc (For:Beneficial Management Corp)		
John F. Betar, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	3,000.00	
Ed Bethune, 210 East Vine Street Searcy, AR 72143	FBI Agents Assn (FBIAA)	13,500.00	1,732.18
Albert J. Beveridge, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Arvida Company)	210.94	
Beveridge & Diamond, P.C., 1350 Eye Street, NW, #700 Washington, DC 20005	Foundation for Environmental & Economic Progress, Inc	13,674.56	3,314.44
Do	Pacific Dunlop-GNB		
Do	RSR Corp		
Janice Bezanson, 601 Westlake Drive Austin, TX 78746	Texas Committee on Natural Resources	544.29	177.14
Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036	IMCERA Group, Inc		
Moe Biller, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	13,726.22	
Leon G. Billings, Inc, 901 15th St., NW, #570 Washington, DC 20005	South Coast Air Quality Management District	16,359.91	
Ray B. Billups Jr., 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	1,967.24	4,321.18
David Billy, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	9,778.00	
Hugh L. Binford, 327 30th Street West Bradenton, FL 34205			
Stuart Binstock, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Peggy K. Binzel, 820 First Street, NE, #620 Washington, DC 20002	Turner Broadcasting System, Inc	1,925.00	
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Alaska Wetlands Coalition		
Do	Calista Corp		
Do	Central Bering Sea Fishermens Assn		
Do	Chugach Alaska Corp		
Do	City of Cordova		
Do	City of St. George		
Do	Duquesne Light		
Do	Entergy Services Corp		
Do	Globesat Express		
Do	Grand Targhee Ski Resort		
Do	MicroSat Launch Systems		
Do	North Slope Borough		
Do	Old Harbor Corp		
Do	Orange & Rockland		
Do	Pacific Gas & Electric Company		
Do	Sealaska Corp		
Do	St. George Tanaq Corp		
Do	Tanadgusix Corporation		
Do	Turlock Irrigation District		
Do	Westinghouse Electric Corp		
Do	Wildlife Legislative Fund of America		
Do	Yukon Pacific Corp		
Susan Birmingham, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	9,423.05	
McNair Bishop, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Wal-Mart		
Do	Washington Public Power Supply System		
Cathleen Black, Box 17407 Dullas Airport Washington, DC 20041	American Newspaper Publishers Assn		
Judy Black, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	900.00	
Wayne V. Black, Keller and Heckman 1001 G Street, NW, #500 West Washington, DC 20001	INDA, Assn of the Nonwoven Fabrics Industry		
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Aetna Life & Casualty	7,000.00	355.20
Do	Allied-Signal Corp	22,500.00	221.48
Do	Bethlehem Steel Corp	22,500.00	
Do	Clark Construction Group	9,000.00	
Do	Gas Safety Action Council	1,000.00	227.46
Do	Gemico	31,250.00	
Do	GTech Corp	10,000.00	647.29
Do	D. George Harris & Associates	4,500.00	
Do	Johnson & Johnson, Inc	30,000.00	367.61
Do	Kashmiri American Foundation	35,000.00	97.40
Do	Katun Corp	11,250.00	
Do	League of Leaders for Philippine Development	7,500.00	85.47
Do	MacAndrews & Forbes Holdings, Inc/Revlon Group, Inc	6,000.00	133.69

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NOVA University	30,000.00	101.75
Do	Puerto Rico Federal Affairs Administration	9,000.00	148.36
Do	Republic of Kenya		
Do	South Carolina Economic Development Board	2,000.00	71.31
Do	Tobacco Institute	22,500.00	137.64
Do	Trump Organization	18,000.00	
Do	Union Pacific Corp	22,500.00	
Do	UNITA	75,000.00	
Joseph W. Blackburn, P.O. Box 55727 2222 Arlington Ave., So. Birmingham, AL 35255	Sirote & Permutt, PC (For:McAbee Construction)		1,770.43
Lisa E. Blackwell, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,250.00	17.29
Robert J. Blackwell Jr., 1025 Connecticut Avenue, NW, #1014 Washington, DC 20036	Ebasco Services, Inc	3,645.00	870.01
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Stephen Blair, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	750.00	
Roy Blake, 900 University Dr. Nacogdoches, TX 75961	Philip Morris, Inc	3,000.00	336.74
Julia M. Blankenship, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	961.76	225.57
Norma Blankenship, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	1,666.67	164.62
Ernest Blazar, 122 C Street NW Washington, DC 20001	American League for Exports & Security Assistance (ALESA)	2,100.00	
Michael E. Bleier, Mellon Bank N.A. One Mellon Bank Center, #1915 Pittsburgh, PA 15258-0001	Mellon Bank N.A.	2,500.00	
David Bley, 1501 4th Ave., 19th Floor Seattle, WA 98101	Federal Home Loan Bank of Seattle	8,750.00	14,220.14
Richard W. Bliss, 1079 Papermill Court, NW Washington, DC 20007	Amax, Inc	315.00	14.39
Do	Figgie International	1,613.00	198.12
Do	FMC		
Do	Hunter Industrial Facilities, Inc	900.00	371.80
Do	National Paint & Coatings Assn, Inc	687.50	138.44
Do	Spa & Pool Assn	200.00	16.70
John R. Block, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn		
Sara Block, 1625 K Street, NW, #900 Washington, DC 20006	Sporting Goods Manufacturers Assn (SGMA)		
Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Patricia Blood, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	1,415.86
Shawn M. Bloom, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging	20.00	9.43
Mark Bloomfield, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	1,000.00	
Shirley A. Bloomfield, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	12,000.00	1,195.85
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,011.54
Patti Blumer, 1225 Eye Street, NW, #1250 Washington, DC 20005	American Dietetic Assn	1,000.00	371.30
Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304		100,000.00	100,000.00
Judith Ann Boddie, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	2,687.14	549.96
Denise A. Bode, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		112.00
Robert Spurrier Boege, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Larry A. Boggs, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co		
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	American Dehydrated Onion & Garlic Assn	3,000.00	
Do	Cruiseship Alliance	600.00	
Do	National Apparel & Textile Assn	5,000.00	
Do	United Sport Fishermen	1,500.00	
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Stacy A. Bohlen, 1830 Columbia Pike, #503 Arlington, VA 22204	Humane Society of the United States	6,750.00	295.05
John K. Boidock, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments	1,500.00	196.75
Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	75.00	
Michael J. Bolen, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Eugene R. Bolo, 4000 Boury Center Wheeling, WV 26003	Oralco Management Services, Inc (For:Ormet Corp)		
Do	Oralco Management Services, Inc (For:Ravenswood Aluminum Corp)		
M. Joel Bolstein, 4000 Bell Atlantic Tower 1717 Arch Street Philadelphia, PA 19103-2793	Dechert Price & Rhoads (For:Monell Chemical Senses Center)	576.00	19.11
Naila Bolus, 305 7th Street, SE Washington, DC 20003	Womens Action for Nuclear Disarmament, Inc, et al.	4,300.00	
John E. Bonitt, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc	390.00	180.00
Brian C. Bonnet, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Bonneville Associates, Inc, 257 E. 200 South, #925 Salt Lake City, UT 84111	Bonneville Pacific Corp	1,250.00	24.98
Do	Recomp, Inc	1,950.00	46.18
Do	Solid Waste Composting Council	600.00	348.68
Do	Western Regional Council	6,255.00	1,004.21
Edward Book, Two Layfayette Centre 1133 21st Street, NW Washington, DC 20036	Travel Industry Assn of America	4,450.00	
Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America		
Steven A. Bookshester, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	314.00	
John K. Booth, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	100.00	
Mary Booth, 312 Massachusetts Ave., NE Washington, DC 20002	Trust for Public Land	4,536.00	31.16
Henry Borelli, 14589-053 P.O. Box 1000 Leavenworth, KS 66048-1000			
Lydia A. Borland, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	2,708.34	209.06
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,681.25	
Ken Bossong, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	1,000.00	
G. Stewart Boswell, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc		
Charles G. Botsford, 1730 M St., NW, #911 Washington, DC 20036	McDonnell Douglas Helicopters, et al.	1,000.00	
John C. Bottenberg, 800 S.W. Jackson, #1120 Topeka, KS 66612	Philip Morris, Inc	2,500.00	841.27
Francis D. Bouchard, 1819 L Street, NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Jennifer O. Boucher, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators		
Claude P. Boudrias, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	230.75
Laura L. Bourne, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Wayne A. Boutwell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,250.00	
John Bowers Jr., 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO		101,285.40
Michael Bowers, 1100 17th Strret, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	2,838.00	
M. Kenneth Bowler, 1455 Pennsylvania Ave., NW Washington, DC 20004	Pfizer, Inc	3,000.00	462.31
J. Laing Bowles, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	453.75	
Christopher Bowlin, 1331 Penn. Ave., NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers		
Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314	Truck Trailer Manufacturers Assn	1,000.00	
Gina M. Bowman, P.O. Box 7305, Dept. 178 Kansas City, MO 64116	Farmland Industries, Inc		
Joan Costain Bowyer, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	150.00	
John G. Boyd, 1301 K St., NW, #1200 Washington, DC 20005	International Business Machines Corp	198.00	32.80
Richard K. Boyd, 299 Park Ave. New York, NY 10171	Westvaco Corporation		971.59
Philip B. Boyer, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,250.00	
J. Patrick Boyle, 1700 N. Moore Street, #1600 Arlington, VA 22209	American Meat Institute	2,187.50	
Paul Boyle, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	7,000.00	158.86
Cynthia R. Boynton, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Gordley Associates (For:National Sunflower Assn)	65.00	
Do	Gordley Associates (For:U.S. Canola Assn)	65.00	
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Caribbean Marine, Inc		
Do	Centex Corp		
Do	Chemical Manufacturers Assn, Inc	3,750.00	2,250.00
Do	Edison Electric Institute		
Do	Enron Corp		
Do	Enterprise Products Co		
Do	Genentech, Inc		
Do	Graham Resources, Inc		
Do	Higman Barge Lines, Inc		
Do	Louisiana Land & Exploration Co		
Do	Lyondell Petrochemical, Co		
Do	MEPC American Properties		
Do	National Cable Television Assn, Inc		
Do	Pennsylvania Natural Gas Assn		
Do	Rohm & Hass Co		
Do	Joseph E. Seagram & Sons, Inc		
Do	Southdown/Pelto Oil Company	2,625.00	1,575.00
Do	Sterling Chemicals, Inc		
Do	Texas Ophthalmological Assn	215.00	129.00
Do	Torch Energy Advisors, Inc		
Do	Valero Energy Corporation	3,000.00	1,800.00
Bracy Williams & Company, 1000 Connecticut Avenue, NW, #304 Washington, DC 20036	Arkla, Inc	7,000.00	200.00
Do	City of Klamath Falls	8,000.00	135.00
Do	City of Tucson	7,000.00	110.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Coin Coalition	10,000.00	250.00
Do	Daishowa America Company, Ltd	6,000.00	155.00
Do	Energy Absorption Systems, Inc	8,000.00	100.00
Do	Fieldstone Co	1,000.00	55.00
Do	Pratt & Whitney Aircraft Group	4,000.00	80.00
Do	St. Louis Airport Authority	4,000.00	100.00
Bradbury Bliss & Riordan, 431 West 7th Ave., #201 Anchorage, AK 99501	Akhiok-Kaguyak, Inc	31,329.82	
Do	Hans & Margaret Bucher		
Wayne W. Bradley, 515 North State Street Chicago, IL 60610	American Medical Assn		
Stuart J. Brahs, 1350 I Street, NW, #1030 Washington, DC 20005	Principal Financial Group	1,100.54	
Barbara Bramble, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	735.63	
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Bamsi	120.00	
Do	LTB Associates		
Do	National Assn for Home Care		
Do	NCube	2,340.00	
Do	Olin Pantex, Inc	1,020.00	24.76
Do	Oracle Corp	1,860.00	70.58
Do	S.A.F.E.		
Do	Seafarers International Union		
Do	Unisys	1,395.00	131.19
Robert M. Brandon, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action Fund	1,660.00	288.00
Chris Julian Brantley, 1828 L Street, NW #1202 Washington, DC 20036	Institute of Electrical and Electronics Engineers	2,500.00	825.00
Jean A. Brashears, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	275.00	
Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Roy Braunstein, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	15,026.96	177.96
Donald H. Brazier, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al.		
Noel Brazil, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Carolyn J. Breedlove, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	3,141.56
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	427.50
Thomas M. Bresnahan III, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron Companies	4,000.00	50.00
F.H. Brewer III, 1913 Eye Street, NW Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc	1,750.00	385.74
Larry K. Brewer, 1235 Jefferson Davis Highway Arlington, VA 22202	ESCO Electronics Corp		933.01
Karen B. Brigham, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Craig S. Brightup, 206 E Street, NE Washington, DC 20002	National Roofing Contractors Assn	4,875.00	1,212.77
David M. Brockman, 1201 New York Avenue, NW, #850 Washington, DC 20005	National Grain & Feed Assn		2,041.87
Mary Broderick, 1625 K St., NW, 8th Fl. Washington, DC 20006	National Legal Aid & Defender Assn	1,500.00	
William M. Brodhead, 900 Marquette Building Detroit, MI 48226	Plunkett & Cooney (For:NBD Bancorp, Inc)	5,250.00	2,314.88
Do	Plunkett & Cooney (for City of Detroit, Michigan)	8,625.00	135.00
Do	Plunkett & Cooney (for Michigan Consolidated Gas Co)	9,795.00	3,410.45
David A. Brody, 1140 Connecticut Avenue, NW, #803 Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
Do	Anti-Defamation League of B'nai B'rith		
Do	BASF Corp	2,500.00	
Do	Corn Coalition	2,000.00	
Do	Telecommunications Industry Assn	500.00	
Marcia D. Brody, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	100.00	
Michael J. Brokovich, 8201 Greensboro Drive McLean,, VA 22102	Unisys Corp	1,000.00	
Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	4,500.00	
Dale E. Brooks, 1401 I St., NW #1200 Washington, DC 20005	Chevron USA, Inc	1,000.00	
E. R. Brooks, P.O. Box 660164 Dallas, TX 75266	Central & South West Corp	5,025.00	529.93
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	5,558.70	
Edward J. Brothers, 5601 South High School Rd. Indianapolis, IN 46241			
Cynthia A. Brown, 1640 Wisconsin Ave., NW, First Floor Washington, DC 20007	American College of Surgeons		
Dale E. Brown, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	4,000.00	1,711.62
David S. J. Brown, 700 14th Street, NW Washington, DC 20005	Monsanto Co	700.00	72.31
Michael J. Brown, 18 East Custis Ave. Alexandria, VA 22301	Gold Institute	1,650.00	82.27
Do	Klein & Saks (For:Silver Institute)	900.00	
Omer F. Brown II, 701 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Davis Wright Tremaine (For:Hazardous Waste Action Coalition)	6,946.00	219.25
Paul S. Brown, 205 East 42nd Street New York, NY 10017	Risk & Insurance Management Society, Inc		
Ralph Brown, Suite 107 701 S. 22nd Street Omaha, NB 68102	M.O.A.A.I.O.A. & Subs, Inc		
Robert Craig Brown, P.O.Box 12285 Memphis, TN 38182	National Cotton Council of America	2,475.00	
S. M. Henry Brown Jr., 1776 Eye Street, NW, #275 Washington, DC 20006	Entergy Services, Inc	6,900.00	415.24
Steven J. Brown, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,000.00	
Vincent D. Brown, Nebraska Petroleum Council P.O. Box 95063 Lincoln, NB 68509	American Petroleum Institute	2,000.00	
Will Rolland Brown, 11 Dupont Circle, NW, #300 Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		
William E. Brown, 1667 K Street, NW #420 Washington, DC 20006	Mead Corporation		
William R. Brown, 122 C Street, NW, Suite 330 Washington, DC 20001	Council of State Chambers of Commerce	399.60	
Clarence J. Brown and Co, Inc, 1101 Connecticut Avenue, NW, #1000 Washington, DC 20036	BHC, Inc	1,750.00	
Do	Chris-Craft Industries, Inc		
Do	Honda North America, Inc		
Do	Ohio Edison Co	3,200.00	
Do	United Television, Inc		
Arthur W. Brownell, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	12,500.00	1,257.95
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Colorado Ski Country USA	3,785.00	
Do	Titanium Metals Corporation	1,841.84	79.42
Do	Western Union Corp	11,575.55	2,873.19
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	New York City Housing Development Corp	3,953.00	118.00
Do	New York State Mortgage Loan Enforcement & Admin Corp	6,821.00	19.25
Do	Related Companies of Florida	1,420.00	106.33
Do	Related Companies, Inc	3,000.00	151.60
Do	Technical Assistance Corp - of the City of St. Louis	1,143.33	150.31
Thomas P. Bruderle, 4630 Montgomery Ave. Bethesda, MD 20814	American Soc of Hospital Pharmacists		9,900.00
David J. Brugger, 1350 Connecticut Ave., NW, #200 Washington, DC 20036	Association of America's Public Television Stations	1,032.00	11.25
William K. Brunette, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	697.71	177.50
Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	2,000.00	
J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Allstate Insurance Cos	1,275.00	493.54
Barbara L. Bryant, 1101 17th Street, NW, #1000 Washington, DC 20036	American Physical Therapy Assn, Private Practice Section		
Victor A. Bryant, 1801 K Street, NW #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	200.00	150.00
Brydges Riseborough Morris Franke & Miller, 150 N. Michigan Ave. Chicago, IL 60601		9,500.00	1,011.00
Dawn M. Brydon, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Judith A. Buckalew, 1300 Eye Street, NW, #520-W Washington, DC 20005	Hoffmann-La Roche		
Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
David T. Buente Jr., 1722 Eye Street, NW Washington, DC 20006	Sidley & Austin (For:Commercial Finance Assn (CFA))	180.00	
Do	Sidley & Austin (For:General Electric Capital Corporation)	2,880.00	
J. Bruce Bugg Jr., 660 N. Main Ave., #350 San Antonio, TX 78205	J. Bruce Bugg, Jr., P.C. (For:Karnes Savings and Loan Assn)		16,291.27
Building Owners & Managers Assn Int'l, 1201 New York Avenue, NW, #300 Washington, DC 20005			11,550.00
Douglas W. Bulcao, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	3,000.00	35.00
Darrel D. Bunge, Minnesota Petroleum Council 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	1,930.00	
David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Hearst Corporation	1,000.00	
Do	Parcel Shippers Assn	2,000.00	
William D. Bunnell, 4660 Kenmore Ave., #1018 Alexandria, VA 22304	Cummins Engine Company, Inc	460.76	107.50
David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601	Amoco Corporation		2,545.80
Bruce W. Burgess, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	12,545.20	
Tonio Burgos, 909 Third Avenue, 17th Floor New York, NY 10028	Commonwealth of Puerto Rico/ P.R. Fed Affairs Admin		1,772.00
Do	New York Puerto Organizing Company of America (For:Telefonica Large Distancia).		
April L. Burke, 901 31st Street, NW Washington, DC 20007-3838	Hill & Knowlton (For:Association of Independent Research Institutes (AIRI))		
Do	Hill & Knowlton (For:California Institute of Technology)		
Do	Hill & Knowlton (For:University of Cincinnati)		
Kevin M. Burke, 1111 14th St., NW Washington, DC 20005	American Bakers Assn	2,546.25	250.00
Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036		47,690.50	1,196.00
Phillip C. Burnett, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America	4,125.00	19.70
David G. Burney, 1101 17th St. N.W., #609 Washington, DC 20036	U.S. Tuna Foundation	12,000.00	3,000.00
Charles S. Burns, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	1,200.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Kevin R. Burns, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Maura E. Burns, 1511 K Stret, NW, #335 Washington, DC 20005	National Committee For A Human Life Amendment, Inc	72.10	10.00
Timothy F. Burns, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	4,000.00	63.50
Joseph E. Burnside, 1819 L Street, NW, #200 Washington, DC 20036	Matsushita Electric Corp of America	100.00	34.00
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Mobil Satellite Corp	5,000.00	
Do	Arthur Andersen & Co		
Do	Chicago & Northwestern Transportation Co		
Do	CEMEX		
Do	Eli Lilly & Company		
Do	Ethyl Corporation		
Do	Lever Brothers Company		
Do	National Assn of Professional Baseball Players (NAPBL)		
Do	Thomson-CSF, Inc		
Do	U.S. Telephone Assn		
Do	Warner-Lambert Co		
William Burton, 180 Maiden Lane New York, NY 10038	Continental Insurance Company		
Mark R. Burtschi, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,678.10	1,201.44
James D. Burwell, Governmental Affairs Dept. (051) Columbia, SC 29218	Scana Corp		5,387.28
Barbara L. Bush, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Donald G. Butcher, c/o N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	1,600.00	599.43
Patrick Butler, 1875 Eye Street, NW, #1110 Washington, DC 20006	Times Mirror Co		
Mrs. H. E. Butt, 3700 Ocean Drive Corpus Christi, TX 78411			
John J. Byrne, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	3,000.00	
BBA, Inc, 1000 Potomac Street, NW, #301 Washington, DC 20007	Career College Assn	20,000.00	24,151.25
Patrick J. Cacchione, 11775 Borman Dr. St Louis, MO 63146-6905	Daughters of Charity National Health Systems		
Christopher G. Caine, 1301 K St., NW, 11th Floor Washington, DC 20005	IBM Corp	430.00	182.79
Tony Calandro, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Alan Caldwell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,350.00	
Bonnie Caldwell, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	309.16
Antonio J. Califa, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,800.00	
Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Cambridge International, Inc, 2775 South Quincy Street, #520 Arlington, VA 22206	Allison Transmission	600.00	
Do	Eastern Technologies, Inc	750.00	
Do	FMC Corporation	500.00	
Do	General Dynamics Land Systems	1,000.00	
Do	McDonnell Douglas Helicopter Company	600.00	
Do	Optic-Electronics Corp	600.00	
Do	Oshkosh Truck Corp	300.00	
Do	Stewart & Stevenson Services, Inc	600.00	
Do	Textron Lycoming	800.00	
Arthur E. Cameron, 1111 14th Street, NW, #1001 Washington, DC 20005	Lukens General Industries, Inc	1,500.00	
Do	National Greyhound Assn	4,500.00	
Do	Potters Industries, Inc	2,250.00	
Do	Radar Assn Defending Airwave Rights, Inc (RADAR)	5,250.00	
Do	Safetran Systems Corporation	7,418.00	
Do	Stimsonite Corporation	1,500.00	
Do	Syro Steel Co, et al.	1,875.00	
Do	3M Company	10,672.00	
Nancy Camm, 1101 17th St., NW, #1002 Washington, DC 20036	Bank of America	403.90	387.66
Camp Barsh & Tate, 2550 M St., NW, #275 Washington, DC 20037	Advance Petroleum Inc		
Do	American Industries Trust Co		
Do	Associated Financial Corp		
Do	ARA Services, Inc		
Do	BellSouth Corp	125.00	
Do	Blue Cross & Blue Shield Assn	228.80	
Do	Campbell Soup Co		
Do	Chemical Manufacturers Assn, Inc	425.00	
Do	Cigar Assn of America, Inc		
Do	Coalition for Employment Opportunities		
Do	Columbia Gas Systems, Inc		
Do	Committee for Equitable Compensation		
Do	Dean Witter Financial Services Group	550.00	
Do	Fashion Accessories Shippers Assn (FASA)		
Do	Harcourt Brace Jovanovich, Inc		
Do	Home Intensive Care, Inc	582.40	
Do	K-Mart Corp	166.40	
Do	McDermott Will & Emery for Group Health Insurance Assn of AM		
Do	Mobil Oil Corp		
Do	Natural Gas Supply Assn	150.00	
Do	Olin Corporation		
Do	Pennzoil Co		
Do	PGA Tour	250.00	
Do	PPG Industries, Inc		
Do	Rural Referral Centers Coalition	20.80	
Do	Russ Berrie & Co, Inc		
Do	Shell Oil Co	41.60	
Do	Southland Corporation	520.00	
Do	Texaco, Inc		
Do	Union Pacific Resources, Inc		
Do	World Airways		
Do	World Fuel Services		
Campaign for U.N. Reform-Political Education Committee, 418 7th Street, SE Washington, DC 20002		15,531.76	11,332.38
C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036	GTE Corporation	3,000.00	
Carl C. Campbell, 1110 Vermont Avenue, NW, #430 Washington, DC 20005	National Cotton Council of America	200.00	
Charles O. Campbell, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	2,000.00	
David Campbell, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	517.18	
Jeanne Campbell, Campbell-Raupe, Inc 1010 Pennsylvania Avenue, SE Washington, DC 20003	Algonquin Gas Transmission		
Do	American Assn of Advertising Agencies		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	National Machine Tool Builders Assn		
Do	Securities Industry Assn		
Do	Stone & Webster Engineering Corp		
Do	Texas Utilities Services, Inc		
Do	Westinghouse Electric Corp		
Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402	Tennessee Valley Public Power Assn		
John G. Campbell, 9300-D Old Keene Mill Road Burke, VA 22015	John G. Campbell, Inc (For:ARCO Power Technologies, Inc)		
Do	John G. Campbell, Inc (For:BDM International, Inc)		
Do	John G. Campbell, Inc (For:Ebasco)		
Do	John G. Campbell, Inc (For:General Electric Co)		
Do	John G. Campbell, Inc (For:Hughes Aircraft Company)		
Do	John G. Campbell, Inc (For:Loral Corp)		
Do	ManTech International Corp		
Do	John G. Campbell, Inc (For:Sierra Nevada Corp)		
Do	John G. Campbell, Inc (For:SPACEHAB, Inc)	50,000.00	36,536.00
Do	John G. Campbell, Inc (For:3M Company)		
Marilyn E. Campbell, 517 2nd Street, NE Washington, DC 20002	David Turch & Asso	600.00	
Sarah L. Campbell, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Thomas D. Campbell & Associates, Inc, 113 South Alfred Street Alexandria, VA 22314	Cyprus Minerals Co	5,000.00	1,643.87
John D. Canatsey, 1735 Jefferson Davis Hwy., #1001 Arlington, VA 22202	Thiokol Corp		49,297.00
Anne C. Canfield, 1331 Pennsylvania Ave., NW, #800-South Washington, DC 20004	General Electric Co	530.00	
Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	186.80	
Hugh C. Cannon, 1500 K Street, NW, #650 Washington, DC 20005	Glaxo, Inc	450.00	
James R. Cannon Jr., 808 Seventeenth Street, NW, #300 Washington, DC 20006-3910	Stewart & Stewart (For:Timken Co)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Stewart & Stewart (For:Torrington Company)		
W. Dean Cannon Jr., 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045	California League of Savings Institutions	3,000.00	
Brent A. Cantley, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Francis J. Cantrel Jr, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	4,000.00	1,788.74
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunication Corp		
Capital Marketing Analytics, Inc, 2001 Jefferson Davis Highway , #1012 Arlington, VA 22202	Honeywell, Inc		
Do	Loral Corp		
Do	Rockwell International Corp		
Do	Sofec, Inc		
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	American Academy of Allergy & Immunology	500.00	
Do	American Assn of Cancer Research	300.00	
Do	American Biotechnology Companies	600.00	
Do	American Osteoporosis Alliance	400.00	
Do	American Soc of Nephrology	4,750.00	
Do	American Soc of Tropical Medicine and Hygiene	600.00	
Do	Arthritis Foundation	937.50	
Do	AMC Cancer Research Center	500.00	
Do	Carnation Co	5,000.00	
Do	Citizens Comm for Medical Research & Health Education	300.00	
Do	Cystic Fibrosis Foundation	1,200.00	
Do	Emergency Nurses Assn	250.00	
Do	FDA Council	10,237.50	
Do	Hutchinson Cancer Center	1,800.00	
Do	Illinois Collaboration on Youth	100.00	
Do	International Coordinating Council for Cancer Research	2,000.00	
Do	Joint Council of Allergy & Immunology	450.00	
Do	Massachusetts Assn for Mental Health	400.00	
Do	Massachusetts General Hospital	2,250.00	
Do	National Assn of Pediatric Nurse Associates & Practitioners	1,200.00	
Do	National Association of Addiction Treatment Providers	750.00	
Do	National Coalition for Cancer Research	375.00	
Do	National Multiple Sclerosis Society	675.00	
Do	Partnership for Organ Donation	2,000.00	
Do	Psychiatric Education & Research Foundation	200.00	
Do	Ringling Brothers	2,750.00	
Do	Wellman Laboratory	1,000.00	
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	American Methanol Institute (AMI)		
Do	Council on Foundations, Inc		
Do	Investors in Home-Stake Production Company		
Norval E. Carey, 1100 17th St., NW, #1200 Washington, DC 20036	General Atomics	30,863.00	1,793.28
Robert R. Carey, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Company		
Maurice E. Carino Jr., 1667 K St. N.W., #600 Washington, DC 20006	Bethleham Steel Corp	170.00	
Linda E. Carlisle, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)		
Do	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)		
Do	Cadwalader Wickersham & Taft (For:GAF Corporation)		
Do	Cadwalader Wickersham & Taft (For:Institute of International Container Lessors).		
Do	Cadwalader Wickersham & Taft (For:Kern River Gas Transmission Company)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Do	Cadwalader Wickersham & Taft (For:Philadelphia Stock Exchange, Inc)		
Do	Cadwalader Wickersham & Taft (For:Princeton University Investment Company)		
Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	7,650.00	
Catherine A. Carlson, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	2,713.05	
Paul D. Carlson, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	695.00	
Carmen & Muss, 1901 Pennsylvania Ave., NW, #800 Washington, DC 20006	Carmen Group (for CareerCom)		
Carmen Group, 2100 Pennsylvania Ave., NW, #365 Washington, DC 20037	CareerCom Corp		
Do	Carter Footwear		
Do	Kennametal, Inc		
George U. Carneal III, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
William Carney, 217 3rd St., SE Washington, DC 20003	American Nuclear Energy Council	15,000.00	
Do	Edison Electric Institute	20,000.00	
Do	Enserch Corp	6,000.00	
Julia Carol, 2530 San Pablo Avenue, #J Berkeley, CA 94702	Americans for Nonsmokers' Rights	425.00	
Bertram W. Carp, 820 First Street, NE, #620 Washington, DC 20002	Turner Broadcasting System, Inc	7,655.00	
Fred A. Carr Jr., 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		
James M. Carroll, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	2,160.00	240.62
Mary Carroll, 555 West 57th Street New York, NY 10019	Greater New York Hospital Assn	808.00	81.00
John R. Carson, 9312 Old Georgetown Rd. Bethesda, MD 20814-1621	American Podiatric Medical Assn	18,000.00	
R. D. Carson Jr., P.O. Box 2021 40 Franklin Rd., SW Roanoke, VA 24022	Appalachian Power Company	190.00	40.69
S. Read Carson, 901 15th Street, NW, #500 Washington, DC 20005	Northwest Airlines, Inc	8,750.00	500.00
Joseph L. Carter Jr., 50 F Street, NW, #1200 Washington, DC 20001-1564	Association of American Railroads	1,087.24	279.70
Melanie Carter-Maguire, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc		1,445.00
James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	2,500.00	462.59
Winthrop Cashdollar, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	10,000.00	712.84
Cashdollar-Jones & Company, 1000 16th Street, NW, #702 Washington, DC 20036	Council on Education Development and Research	300.00	99.74
Do	Federal Agricultural Mortgage Corp	2,350.00	81.66
Do	First South Production Credit Assn	18,000.00	334.76
Do	United Foods, Inc	1,000.00	
Allen R. Caskie, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,500.00	
William E. Casselman II, 1300 I Street, NW, #500-East Washington, DC 20005	Popham Haik Schnobrich & Kaufman, (For:Peter S. Baldonado)		
Do	Popham Haik Schnobrich & Kaufman, Ltd (For:Ova Noss Family Partnership)		
Cassidy & Mottl Co, 6285 Pearl Road, #8 Parma Heights, OH 44130	Patrick Media		
Cassidy and Associates, Inc, 700 13th St., NW, #400 Washington, DC 20005	African American Panoramic Experience (APEX)	750.00	18.95
Do	Alexander Graham Bell Assn for the Deaf		
Do	American Assn of Colleges of Podiatric Medicine	900.00	
Do	American Dredging Co		4.81
Do	American Hospital in Shanghai Foundation		
Do	American Petroleum Institute		
Do	American Science and Engineering, Inc	500.00	30.00
Do	AmeriBrom, Inc	2,850.00	41.80
Do	AmeriFlora '92	300.00	
Do	Anatolia College Board of Trustees		
Do	Ron Ansin		
Do	Atlantic Drydock Corp		
Do	AT&T	600.00	
Do	Barry University		
Do	Bay County Chamber of Commerce		
Do	Bean Dredging Company		4.91
Do	Biopure Corp	1,275.00	7.50
Do	Bishop Museum		
Do	Boston Carmen's Union		
Do	Boston College	500.00	
Do	Boston University	3,875.00	35.60
Do	Cardinal Hill Hospital		
Do	Catholic University of America	900.00	12.00
Do	Center for Health Technologies, Inc	1,200.00	22.60
Do	Centex Communications, Inc		
Do	Challenger Center	300.00	
Do	Chevron Chemical Company, Inc	300.00	12.00
Do	Children's Hospital and Health Center of San Diego	2,175.00	27.05
Do	Children's Hospital in Michigan	600.00	
Do	Children's Hospital of Pittsburgh	1,425.00	
Do	Children's National Medical Center	1,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Cities In Schools, Inc		
Do	Clark-Atlanta University		
Do	Columbia University	475.00	
Do	Community College Assn for Technology Transfer		3.00
Do	Comprehensive Care Corp	2,012.40	7.50
Do	Critical Languages & Area Studies Consortium, Inc	2,400.00	
Do	Cso Partnerships	1,125.00	47.40
Do	Delaware State Dept of Transportation	1,950.00	13.20
Do	Enichem Elastomers Americas, Inc	600.00	7.50
Do	Epcint		
Do	Experiment in International Living		9.98
Do	Fairleigh Dickinson University		
Do	Federal League of Americans Around the Globe		
Do	Florida Institute of Technology	1,100.00	26.20
Do	Foundation for James Madison's Montpelier	2,100.00	127.15
Do	Fudan Foundation		3.00
Do	Garden Isle Cablevision, L.P.		
Do	Gatx-Airlog	300.00	6.00
Do	Gonzaga University		12.00
Do	Governor of Hawaii, Executive Office on Aging	525.00	
Do	Great Lakes Dredge & Dock Company	2,750.00	12.41
Do	Hahnemann University Hospital		18.85
Do	Hawaii Dept of Business & Economic Development		
Do	Illinois Eastern Community Colleges	600.00	15.00
Do	Illinois Institute of Technology	1,725.00	80.90
Do	Infirmary Health Systems, Inc		
Do	Intercontinental Energy Group	600.00	
Do	International Data Group		
Do	T.L. James & Company	2,750.00	4.91
Do	Jones Intercable, Inc	300.00	101.70
Do	JBS & Associates, Inc		
Do	Kauai CableVision, L.P.		
Do	Kendall Square Research Corp	5,175.00	57.35
Do	Kimberly Quality Care		
Do	LaSalle University	225.00	
Do	Lehigh University	600.00	
Do	Lodge Corp		
Do	Loma Linda University Medical Center, Inc	2,100.00	9.98
Do	Loyola Marymount University		
Do	Maersk, Inc	10,875.00	329.60
Do	Marquette University	2,325.00	66.75
Do	Massachusetts League of Banks		
Do	Medical College of Wisconsin	2,325.00	13.20
Do	Michigan Biotechnology Institute	675.00	1.88
Do	Michigan Technological University	375.00	
Do	Ministry of Forestry of Indonesia		
Do	Monterey Institute of International Studies		
Do	Mt. Sinai Medical Center of Greater Miami	2,100.00	
Do	Multinational Business Development		12.00
Do	National Assn of Proton Therapy	300.00	7.10
Do	National Cable Television Assn		
Do	National Jewish Center for Immunology & Respiratory Medicine	850.00	7.10
Do	NeoRx		
Do	New England Deaconess Hospital Corporation	850.00	22.50
Do	New Jersey Instutute of Technology	475.00	
Do	Northwestern University		8.20
Do	Ocean Spray Cranberries, Inc	6,000.00	55.55
Do	Pacific Presbyterian Hospital	1,275.00	15.00
Do	Pennsylvania Turnpike Commission	1,200.00	
Do	Piaggio Aviation, Inc		18.85
Do	Pine Bluff Sand & Gravel	2,750.00	4.91
Do	Pirelli Cable Co	75.00	
Do	Pirelli Industrial Products Corp		
Do	Polaroid Corp		6.00
Do	Polytechnic University	375.00	
Do	PHH Corp		
Do	Rhode Island Hospital	4,200.00	
Do	Rochester Institute of Technology	375.00	
Do	Ryland Group		
Do	Saint Joseph's University	675.00	15.58
Do	Saint Regis Mohawk Tribe		
Do	Salzburg Seminar		
Do	Scott County Highway Department	600.00	
Do	Societa Cavi Pirelli S.p.A.		
Do	Southwest Marine, Inc		
Do	St. Norberts College	900.00	
Do	State of Indiana, Office of the Governor	1,500.00	
Do	Tougaloo College		
Do	Tri-State University	1,275.00	68.25
Do	Tufts University	1,150.00	70.13
Do	U.S. Surgical Corp	1,200.00	37.00
Do	Union Switch & Signal		
Do	United Hospital Medical Center	600.00	
Do	Uniter Brotherhood of Carpenters National Health & Sfty Fund	2,025.00	102.10
Do	Universal Med Center/U of TX Health Science Center at Dallas		
Do	University of the Arts		
Do	University of Detroit Mercy	150.00	
Do	University of Hawaii	750.00	
Do	University of Pennsylvania		
Do	University of Southern Mississippi		1.88
Do	University of St. Thomas	600.00	
Do	University of Utah		
Do	University of Vermont	300.00	
Do	Waterman Health Care System (Lake Care)	1,650.00	
Do	Western Townships Utilities Authority	1,800.00	45.60
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	912.50	
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:Council of Large Public Housing Authorities)	19,860.00	2,309.16
Do	Reno Cavanaugh & Horning (For:Housing Authority Insurance, Inc)	2,668.00	153.00
Do	Reno Cavanaugh & Hornig (For:National American Indian Housing Council)		
Andrew F. Caverly, 180 South Clinton Ave. Rochester, NY 14646-0700	Rochester Telephone Corp	2,875.00	
Cement Kiln Recycling Coalition, 1101 30th Street, NW 5th Floor Washington, DC 20007			
Center for Responsive Politics, 1320 19th Street, NW Washington, DC 20036			
David Certner, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	740.85	
Michael J. Chakarun, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	American Postal Workers Union, AFL-CIO		
Do	Coalition of Publicly Traded Limited Partnerships	2,188.00	
Do	Columbia Falls Aluminum Company		
Do	Council of Infrastructure Financing Authorities	510.00	
Do	Fund to Assure Public Infrastructure Financing		
Do	Lead Industries Assn	3,000.00	
Do	Manville Corporation	925.00	
Do	National Committee to Preserve Social Security & Medicare	1,313.00	
Do	Newhall Land and Farming Company		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Rockland Telephone Company, Inc	300.00	
Maxine Champion, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	3,000.00	100.00
Ed Chandler, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	14,025.00	500.00
John Chandler Associates, Inc, 9816 Hillridge Drive Kensington, MD 20895	York International	500.00	44.47
Pete Chaney, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Linda Z. Chapman, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Manufacturers Assn		
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,121.39
Thomas B. Chapman, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	14,191.00	1,974.02
Byron Charlton, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,724.15	218.75
Charter Medical Corp, 577 Mulberry Street Macon, GA 31298			175.00
Leslie Cheek III, 1025 Connecticut Avenue, NW, #414 Washington, DC 20036	Crum & Forster Corp	35,470.00	541.50
Chemical Manufacturers Assn, Inc, 2501 M Street, NW Washington, DC 20037			23,193.00
Chemical Specialties Manufacturers Assn, Inc, 1913 Eye Street, NW Washington, DC 20006			2,135.74
William B. Cherkasky, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Chernikoff & Company, 1320 18th Street, NW, #100 Washington, DC 20036	American Museum of Natural History		
Do	Arena Stage	1,203.00	1,309.75
Do	Art Museum Princeton University		19.00
Do	Bishop Museum		
Do	Capital Childrens Museum	1,062.50	1,169.25
Do	Carnegie Museum of Natural History		1,000.00
Do	Cleveland Museum of Natural History		
Do	Corcoran Gallery of Art	1,156.00	1,262.75
Do	Directors Guild of America	9,767.00	1,414.00
Do	Field Museum of Natural History		
Do	Fine Arts Museums of San Francisco		9.00
Do	Ford's Theater	1,062.50	1,169.25
Do	Hebrew Union College, Skirball Museum		109.00
Do	Illinois State Museum Society		15.00
Do	International Photographers Guild	3,954.00	2,045.00
Do	John F. Kennedy Center for the Performing Arts	1,203.00	1,309.75
Do	Meridian House International	1,062.50	1,169.25
Do	Metropolitan Museum of Art		1,009.00
Do	Museum of American Textile History	500.00	209.00
Do	Museum of Fine Arts Boston		
Do	Museum of Natural History University of Kansas		
Do	Museum of Northern Arizona		9.00
Do	Mystic Seaport Museum		200.00
Do	National Museum of Women in the Arts	1,109.00	1,215.75
Do	National Symphony	1,203.00	1,309.75
Do	Natural History Museum of Los Angeles County	4,000.00	2,009.00
Do	New York Historical Society	1,000.00	500.00
Do	Peabody Museum of Archeology & Ethnology		200.00
Do	Peabody Museum of Salem		
Do	Phillips Collection	1,062.50	1,169.25
Do	Science Museum of Minnesota		
Do	Shakespeare Theater at the Folger	1,062.50	1,169.25
Do	Shelburn Museum		
Do	Textile Museum	1,062.50	1,169.25
Do	University of Nebraska State Museum		
Do	University of Pennslvania Museum		9.00
Do	Washington Ballet	1,062.50	1,169.25
Do	Washington Opera	1,203.00	1,309.75
Do	Washington Performing Arts Society	1,109.00	1,215.75
Samuel D. Chilcote Jr., 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute, Inc	1,525.00	
Peggy M. Childress, 811 W. Marvin Avenue Waxahachie, TX 75165	Housing Roundtable		
Nam-Hong Cho, 1800 K Street, NW, #700 Washington, DC 20006	Korea Foreign Trade Assn	750.00	620.00
Joseph L. Choquette III, Vermont Petroleum Assn P.O. Box 566 Montpelier, VT 05602	American Petroleum Institute	778.85	
Richard Chriss, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
James T. Christy, 805 15th Street, NW, #330 Washington, DC 20005	Air Products & Chemicals, Inc	10,000.00	
Chubb Corporation, 15 Mountain View Road Warren, NJ 07061			19,630.11
Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300			7,000.00
Alan L. Chvotkin, 14829 Dufief Drive Gaithersburg, MD 20878	Sundstrand Corporation	1,870.00	407.57
Jeffrey R. Cilek, 1001 Connectivut Ave., NW, #1001 Washington, DC 20036	Lanxide Corp	2,500.00	
Linda Church Ciocci, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	900.00	
Citizen Action Fund, 1300 Connecticut Ave., NW, #401 Washington, DC 20036		13,320.00	16,138.00
Citizens for Reliable and Safe Highways (CRASH), 81 Lansing Street, #106 San Francisco, CA 94105-1611		6,099.57	489.53
Citizens for Stabilizing Corporate Taxes & Foreign Policy, P.O. Box 1036 Guthrie, OK 73044-1036			
Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005		656,656.01	183,168.91
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215	Tele-Press Associates, Inc (For:Japan Fisheries Association)	3,000.00	1,077.80
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	13,252.98	
Marshall C. Clark, 7332 SW 21st Street P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc (KEC)	3,246.00	
Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032	Air Force Sergeants Assn, Inc		
Thomas R. Clark, 1667 K Street, NW, #200 Washington, DC 20006	Federal Agricultural Mortgage Corp	9,487.50	966.11
Vernon A. Clark, 2100 Pennsylvania Ave, NW #600 Washington, DC 20037	Coalition for Property Rights	51,600.00	
Do	Vern Clark & Associates (For:Fox Television Stations, Inc)	14,400.00	610.11
Do	Vern Clark & Associates (For:Metromedia Company)	12,000.00	1,016.00
Do	Vern Clark & Associates (For:RJR-Nabisco Washington, Inc)	42,000.00	1,715.10
Vern Clark & Associates, 2100 Pennsylvania Ave, NW, #600 Washington, DC 20037-3202	Coalition for Property Rights	124,999.98	1,000.00
Do	Fox Television Stations, Inc	18,000.00	
Do	Metromedia Company	15,000.00	
Do	RJR, Nabisco Washington, Inc	60,000.00	
Richard Clarke, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn		445.20
Sara F. Clary, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	1,000.00	
Michelle C. Clay, 8630 Fenton Street, #615 Silver Spring, MD 20910	Brown & Associates (for Bi-State Development Agency)	3,000.00	2,050.00
Do	National Association of Minority Automobile Dealers		600.00
Joan Claybrook, 2000 P Street, NW, #605 Washington, DC 20036	Public Citizen, Inc	7,350.00	
Kenneth J. Clayton, 1120 Connecticut Ave, NW Washington, DC 20036	American Bankers Assn	493.14	
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Crompton & Knowles Corp		
Do	Day-Glo Color Corp		
Do	Fleet/Norstar Financial Group, Inc		
Do	Government Representatives Committee Securities Indstry Assn		
Do	Harry Frank Guggenheim Foundation		
Do	Ministry of Finance & Public Credit of the United Mexican St		
Do	Salomon Brothers, Inc		
Do	Security Pacific National Bank	2,583.75	
Do	U.S. Bancorp		
Do	Union Oil Co of California, et al.		
Ronald D. Clements, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	4,895.60	1,067.34
Cleveland-Cliffs, Inc, 1100 Superior Avenue Cleveland, OH 44114-2589			
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Australian Meat & Live-Stock Corp	2,096.25	1,104.26
Do	Nonprescription Drug Manufacturers Assn	600.00	200.00
George Stephen Clifton, 1050 17th Street, NW, #550 Washington, DC 20036	Houston Industries, inc	5,000.00	
Climaco Climaco Seminatore Lefkowitz & Garofoli Co., 1228 Euclid Ave., #900 Cleveland, OH 44115	Carbon Fuels Corporation		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Coalition for Higher Education Assistance Organizations	562.50	
Do	Consumer Bankers Assn	8,300.00	
Do	Student Loan Funding Corp of Ohio	1,200.00	
Do	Very Special Arts	250.00	
Stephen J. Cloud, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	2,800.00	
Jamie L. Clover, 1501 Wilson Blvd., #1100 Arlington, VA 22209	American Feed Industry Assn	1,200.00	
W. Dewey Clower, 1199 North Fairfax, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Coalition for an Undercharge Relief Bill, 2020 Pennsylvania Ave., NW, #626 Washington, DC 20006		12,000.00	2,080.00
Coalition for American Energy Security, 1050 Thomas Jefferson St., NW, 6th Floor Washington, DC 20007		3,750.00	
Coalition of Supporters of the Shipping Act, 1800 M Street, NW, 8th Floor North c/o Morgan Lewis & Bockius Washington, DC 20036.			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Coalition to Preserve the Low Income Housing Tax Credit, 2300 M St., NW Washington, DC 20037		2,000.00	2,000.00
Coalition to Promote America's Trade, c/o Steptoe & Johnson 1330 Connecticut Avenue, NW Washington, DC 20036			
Coalition Against Double Taxation, Inc, c/o Perkins Coie 607 14th Street, NW, 8th Floor Washington, DC 20005		2,500.00	9,679.17
Coastal Advocate, 148 Topside Road Manahawkin, NJ 08050		10,968.15	
Richard B. Cobb, Petroleum Council of Ga 50 Hurt Plz., SE, #720 Atlanta, GA 30303-2923	American Petroleum Institute	400.00	
Robert D. Coble, P.O. Drawer 2426 Columbia, SC 29202	Nexsen Pruet Jacobs & Pollard (For:Greenwood Development Corp)		79.00
Coffield Ungaretti Harris & Slavin, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Comdisco, Inc		
Do	Metropolitan Mutual Life Insurance Company	7,500.00	
Do	Smokeless Tobacco Council, Inc	21,250.00	
Amy A. Coggin, 1201 New York Ave., NW, #400 Washington, DC 20005	American Public Transit Assn	2,200.00	
Dan Cohen, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	15,099.96	1,137.63
Daniel L. Cohen, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
David Cohen, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,213.86	66.00
John Cohen, 1331 Penn Ave., NW, #1500-North Washington, DC 20004-1703	National Association of Manufacturers	300.00	
Kenneth S. Cohen, 1295 State Street Springfield, MA 01111-0001	Massachusetts Mutual Life Insurance Company	640.00	576.87
Marvin S. Cohen, 3300 N. Central Ave., 20th Floor Phoenix, AZ 85012-2576	City of Globe	222.00	
Do	Sacks Tierney Kasen & Kerrick (For:City of Tucson)	253.50	
Cohn and Marks, 1333 New Hampshire Ave., NW Washington, DC 20036	Maclean Hunter Cable TV	175.00	25.53
Do	USA Network		14.55
Joseph L. Colaneri, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		724.80
Carol Thompson Cole, 1455 Pennsylvania Ave, NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,100.00	
Ken W. Cole, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Robert E. Cole, 900 17th St., NW Washington, DC 20006	Kaiser Aluminum & Chemical Corp	325.00	200.00
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Government of France		
Do	Louisiana Land & Exploration Co		
Do	Matsushita Elec Corp (for Int'l Electron Mfgrs & Consum...)		
Colex & Associates, 2775 South Quincy Street, #520 Arlington, VA 22206	Cambridge International, Inc		
Do	Coalition for Employment Opportunities	2,000.00	
Do	Homedco		
Do	National Assn of TJTC Consultants		
Do	RGDC Inc	6,000.00	
Do	Triangle Group, Inc		
Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180	American Watch Assn	950.00	105.00
Calvin Evans Collier, 1010 Wisconsin Ave., NW Washington, DC 20007	Grocery Manufacturers of America, Inc		
Collier Shannon & Scott, 3050 K Street, NW, #400 Washington, DC 20007	Alliance for British & Australian Tax Equity (ABATE)		
Do	Alliance for Capital Access		
Do	American Car Rental Assn	935.00	935.00
Do	American Iron & Steel Institute		
Do	American Meat Institute		
Do	American Textile Machinery Assn		
Do	Association of Certified Trucking Schools		
Do	Australian Wheat Board		
Do	Bicycle Manufacturers Assn of America	500.00	500.00
Do	Coalition for Safe Ceramicware	550.00	550.00
Do	Committee of American Ammunition Manufacturers	140.00	140.00
Do	Crop Insurance Research Bureau	400.00	400.00
Do	Ferrous Scrap Consumers Coalition		
Do	Food Marketing Institute		
Do	Footwear Industries of America	200.00	200.00
Do	Footwear Procurement Coalition		
Do	Gerry Baby Products Co	400.00	400.00
Do	Golden Gate Petroleum International	2,000.00	2,000.00
Do	Independent Lubricant Manufacturers Assn	2,581.25	2,581.25
Do	Inland Steel Corp	1,600.00	1,600.00
Do	Leather Industries of America		
Do	National Assn of Convenience Stores	7,816.25	7,816.25
Do	National Assn of Mutual Insurance Cos	300.00	300.00
Do	National Cosmetology Assn, Inc		
Do	Oneida Ltd.	21.25	21.25
Do	Outdoor Power Equipment Institute		
Do	Petroleos de Venezuela, S.A.	10,200.00	10,200.00
Do	PetroJam, Ltd		
Do	Pittsburgh Corning Corporation		
Do	Shipbuilders Council of America		
Do	Society of Independent Gasoline Marketers of America	10,811.25	10,811.25
Do	Specialty Steel Industry of the United States	21.25	21.25
Do	Zurich-American Insurance Companies		
Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	6,000.00	320.57
Paula J. Collins, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	14,962.50	95.00
R. J. Collins, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
William P. Collins, 1001 G Street, NW 7th Floor East Washington, DC 20001	(For:R. Marc Nuttle)		
Do	Southern Company Services, Inc	1,000.00	
Camilla L. Collova, 1025 Connecticut Ave., NW, #1007 Washington, DC 20036	Armstrong World Industries, Inc		4.60
Jeffrey Colman, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee	15,124.98	182.89
Kent W. Colton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Mary Colville, 1155 15th St., NW Washington, DC 20005	National Broiler Council	1,375.00	
Jeffrey W. Combos, c/o Tennessee Petroleum Council 211 7th Ave. North Nashville, TN 37219	American Petroleum Institute		
Lori A. Comeau, 805 15th Street, NW #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	170.42
Comfort Lipe & Green, P.C., 2100 Mid-Continent Tower 401 South Boston Avenue Tulsa, OK 74103	Thrifty Rent-A-Car System, Inc	1,410.00	
Comiskey & Hunt, One Courthouse Metro, #850 2200 Wilson Boulevard Arlington, VA 22201	Gold Fields Operating Co-Mesquite		
Commercial Finance Association, 225 W. 34th St. New York, NY 10122	National Commercial Finance Assn		13,048.00
Committee for America's Copyright Community, 2000 K Street, NW, #600 Washington, DC 20006-1809		5,250.00	5,250.00
Committee for Humane Legislation, Inc, 1623 Connecticut Avenue, NW, 4th Floor Washington, DC 20036		8,970.00	20,050.58
Committee on U.S. Business Canadian Life & Health Insur Assn, C/O Dykema Gossett 800 Michigan National Tower Lansing, MI 48933.	Committee on U.S. Business Canadian Life & Health Ins. Assn		45,741.57
Committee to Protect the Family, 8001 Forbes Place, #102 Springfield, VA 22151		615.00	15.33
Committee to Support the Antitrust Laws, 1300 Eye Street, NW, #480E Washington, DC 20005		8,000.00	24,000.00
Common Cause, 2030 M St., NW Washington, DC 20036		2,390,795.00	540,578.90
Community Service Council of Central IN, Inc, 1828 North Meridian Indianapolis, IN 46202			99.17
Competitive Enterprise Institute, 233 Pennsylvania Avenue, SE, #200 Washington, DC 20003		95,250.00	
Compressed Gas Assn/Helium Advisory Council, 1725 Jefferson Davis Hwy, #1004 Arlington, VA 22202-4102		59,407.00	59,407.00
Concord Associates, Inc, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	American Newland Associates		
Do	Kinetic Concepts		
Do	Southern Company Services, Inc	3,000.00	
Gregory A. Conley, 9700 W. Higgins Rd. Rosemont, IL 60018	Covia Partnership		
Brian L. Connor, Connor & Associates 8700 Bluedale Street Alexandria, VA 22308	American Road & Transportation Builders Assn	9,000.00	175.30
Catherine Connor, 555 13th Street, NW #460 West Tower Washington, DC 20004-1109	Parsons Brinckerhoff, Inc	54.00	
David Conover, 655 15th Street, NW, #444 Washington, DC 20005	CH2M Hill	1,000.00	
David R. Conrad, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	7,416.50	
Conservative Action Lobby, P.O. Box 931602 Los Angeles, CA 90093			
Consortium for Int'l Earth Science Information Network, P.O. Box 8689 Ann Arbor, MI 48107		9,752.65	9,752.65
Consumer Energy Council of America Research Foundation, 2000 L St., NW, #802 Washington, DC 20036			
Consumers Union of U.S., Inc, 101 Truman Avenue Yonkers, NY 10703			13,370.00
Daniel J. Conway, One Massachusetts Ave., NW, #350 Washington, DC 20001	Chubb Corporation	10,000.00	449.83
John J. Coogan, 1776 Eye Steet, NW, #1050 Washington, DC 20006	Eastman Kodak Co	250.00	56.00
Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	192.00	458.86
Cheryl L. Cook, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-operative Union of America	7,372.10	80.00
Ruth E. Cook, 3309 Ridgecrest Court Raleigh, NC 27607	AT&T	5,486.20	779.17
Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Cook Group, Inc, 300 Fountain Square P.O. Box 1608 Bloomington, IN 47402-1608			40,661.22
Charles E. Cooke, 1001 Pennsylvania Avenue, NW, #450-N Washington, DC 20004	Southern California Edison Co	5,625.00	4,500.00
Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101 Washington, DC 20002	American Library Assn	2,054.00	
Robert M. Coon Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare		
Bente E. Cooney, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	2,715.00	4.85

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Brian D. Cooney, 1455 Pennsylvania Ave., NW Washington, DC 20004-1007	American Institute of Certified Public Accountants	10,000.00	385.21
Benjamin Y. Cooper Jr., 100 Daingerfield Road Alexandria, VA 22314	Printing Industries of America, Inc	12,500.00	
Cherry E. Cooper, 2301 Market Street, S13-1 Philadelphia, PA 19101	Philadelphia Electric Company		
Edward R. Cooper, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036	Rubber & Plastic Footwear Manufacturers Assn	30,000.00	112.55
Richard M. Cooper, 839 17th Street, NW Washington, DC 20006	Williams & Connolly (For:Unilever United States, Inc)		308.86
Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	2,000.00	543.00
James M. Copeland, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly Raffaelli & Siemens (For:County of Alameda)	18,800.00	
Jim Copeland & Associates, 1341 G Street, NW, #200 Washington, DC 20005	Pacific Mutual Life Insurance Co	6,000.00	
Michael J. Copps, 1700 North Moore Street Arlington, VA 22209	American Meat Institute	6,312.00	710.62
John J. Corbett, 1350 New York Ave., NW Washington, DC 20005	Spiegle & McDiarmid (For:Michigan Municipal/Cooperative Group)		
Corn Refiners Assn, Inc, 1100 Connecticut Ave., NW, #1120 Washington, DC 20036		9,153.00	3,814.00
Ernest J. Corrado, 1000 16th St., NW, #511 Washington, DC 20036	American Institute of Merchant Shipping	2,453.75	70.00
Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard L. Corrigan, 655 15th Street, NW, Suite #444 Washington, DC 20005	CH2M Hill	2,500.00	
Marty Corry, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	928.84	123.10
Allan D. Cors, 1455 Pennsylvania Avenue, NW, #500 Washington, DC 20004	Corning, Inc	300.00	
Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Barbara J. W. Cosgriff, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance		
Paul S. Cosgrove, 222 SW Columbia, #1600 Portland, OR 97201	Lindsay Hart Neil & Weigler (For:Anadarko Petroleum Corp)		
Cosmetic Toiletry & Fragrance Assn, Inc, 1101 17th Street, NW, #300 Washington, DC 20036		2,500.00	2,510.00
Gregory Costa, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	
Donna J. Costlow, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004	National Assn of Manufactuers	250.00	
Coudert Brothers, 1627 I Street, NW Washington, DC 20006	British Columbia Stena Line Ltd.	6,293.94	
Do	British Columbia, Province of, (Office of Attorney General)	6,293.94	
William K. Coulter, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp (COMSAT)		
Council for Responsible Nutrition, 1300 19th Street, NW #310 Washington, DC 20036-1609		18,333.00	16,947.00
Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036	Council for Rural Housing & Development	2,000.00	2,000.00
Council of American Homeowners, 7927 Jones Branch Drive, #600-S McLean, VA 22102			
Council of Institutional Investors, 1616 P Street NW, #350 Washington, DC 20036			
Council of State Chambers of Commerce, 122 C St., NW, #330 Washington, DC 20001		1,792.00	783.56
James Cousins, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	2,625.00	
Thomas J. Cove, 1625 K Street, NW, #900 Washington, DC 20006	Sporting Goods Manufacturers Assn (SGMA)	5,000.00	1,000.00
Michael W. Cover, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc		
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	American PCS, L.P.	1,095.00	
Do	American Watch Assn	3,000.00	740.00
Do	Association of Maximum Service Telecasters, Inc		
Do	Bank of Boston Corp		
Do	Brown Brothers Harriman & Co	8,500.00	2,227.75
Do	Coalition to Preserve the Integrity of American Trademarks		
Do	Commonwealth of Puerto Rico		
Do	Council of American Survey Research Organizations (CASRO)	1,175.50	
Do	CBS Television Network Affiliates Assn		
Do	ERISA Industry Committee	270.00	
Do	Illinois Department of Public Aid	1,250.00	1,250.00
Do	Investment Company Institute		
Do	Lutheran Brotherhood		14.00
Do	Midwest Television, Inc		
Do	National Football League	750.00	
Do	Post-Newsweek Stations, Inc		
Do	Rhode Island Department of Human Services		
Do	State of Alabama, Dept of Human Resources Legal Office	1,875.00	1,875.00
Do	State of California, Dept of Health Services		10,800.00
Do	State of California, Dept of Social Services		3,150.00
Do	State of Florida, Dept of Health & Rehabilitative Services	2,500.00	2,500.00
Do	State of Georgia, Division of Family & Children's Services	3,125.00	3,125.00
Do	State of Idaho	1,250.00	1,250.00
Do	State of Illinois, Dept of Public Aid	6,250.00	6,250.00
Do	State of Indiana		2,500.00
Do	State of Kentucky, Dept of Social Insurance		625.00
Do	State of Louisiana, Dept of Health & Hospitals	5,000.00	5,000.00
Do	State of Louisiana, Food Stamp Director	5,000.00	5,000.00
Do	State of Maryland		1,250.00
Do	State of Missouri, Dept of Social Services	2,500.00	2,500.00
Do	State of Nebraska, Dept of Social Services	3,125.00	3,125.00
Do	State of New York, Dept of Social Services		6,250.00
Do	State of Ohio, Dept of Human Services		1,562.00
Do	State of Oklahoma, Dept of Human Services	3,250.00	3,250.00
Do	State of Washington Office of Analysis & Medical Review	2,500.00	2,500.00
Do	State of West Virginia, Bureau of Human Resources		625.00
Do	State of West Virginia, Office of Medical Services		1,250.00
Do	Sun Life Assurance Co of Canada (U.S.)	4,200.00	1,240.59
Do	Washington Post Company (for: Media Group)	1,760.00	
Sharon Cowan, 1825 K Street, NW Washington, DC 20006	American Soc of Mechanical Engineers		
Eugene S. Cowen, 2759 Unicorn Lane, NW Washington, DC 20015	Capital Cities/ABC, Inc		
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Fairbanks/North Star Borough	1,912.55	10.72
Do	Pacific Marine Fisheries Commission	9,476.03	383.00
Do	United Fishermen of Alaska	1,957.28	82.39
Archibald Cox, 2030 M St., NW Washington, DC 20036	Common Cause	6,540.00	
C. Richard Cox, 2801 West Tyvola Road Charlotte, NC 28217-4500	Belk Stores Services, Inc		
Cary L. Cox, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc		
Eric Cox, 418 7th St., SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	3,787.50	
Daniel Craig, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	3,281.00	415.33
Roger J. Crain, 3506 Frederick Place Kensington, MD 20895-3405	Customs Science Services, Inc	750.00	102.00
James P. Cramer, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Donald A. Crane, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	2,000.00	
Richard C. Crawford, 601 Pennsylvania Ave. NW Suite 500 North Building Washington, DC 20004	Adolph Coors Company	10,800.00	77.50
Robin Crawford, Box M Allentown, PA 18105-5000	Mack Trucks, Inc		
Creative Coalition, 1100 Avenue of the Americas, 15th Floor New York, NY 10036			
Credit Union National Assn, Inc, 805 15th Street, NW, #300 Washington, DC 20005-2207		1,500.00	676.38
Richard C. Creighton, 1212 New York Avenue, NW, #520 Washington, DC 20005	American Cement Alliance, Inc	13,125.02	52.27
Douglas P. Crew, 1730 Pennsylvania Avenue, NW, #750 Washington, DC 20006	Caterpillar, Inc	3,000.00	84.01
Saone B. Crocker, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Foundation for Environmental & Economic Progress, Inc).	643.88	
Judy Crockett, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	1,856.00	
Robert W. Crolius, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	130.00	
Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
Curtis R. Cross, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,388.45	
James W. Cross, 125 N. West Street Alexandria, VA 22314-2754	Fleet Reserve Assn		
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	American Forest Resource Alliance	8,800.00	187.00
Do	Asarco, Inc		
Do	Associated Gas Distributors		
Do	Avon Products, Inc		
Do	Brooklyn Union Gas Co		
Do	City of North Miami		
Do	Communications Satellite Corp		
Do	Cook Inlet Region, Inc		
Do	Eagle-Picher Industries, Inc		
Do	Eli Lilly & Company	1,530.00	10.00
Do	Environmental Research Information, Inc		
Do	Helicopter Assn International		
Do	Lehn & Fink Products Group		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Meridian Minerals Co		
Do	Minnesota Mining & Manufacturing Co		
Do	National Assn of Wholesaler-Distributors	5,440.00	10.00
Do	National Risk Retention Assn		
Do	Pan American World Airways, Inc, et al.		
Do	Regional Airline Association		
Do	Tiffany & Co		
Do	Trust for Public Lands		
Do	United Cities Gas Co		
Do	Western Governors' Assn		
Do	Wyatt Company		
Crowell & Moring International L.P., 1001 Pennsylvania Ave., NW, #1275 Washington, DC 20004-2505	Avon Products, Inc		
Do	Board of Foreign Trade, Gov't of the Republic of China		
Do	Singapore Trade Development Board		
James P. Crumley Jr., 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company		
John D. Cuaderes, 1235 Jefferson Davis Highway Arlington, VA 22202	ESCO Electronics Corp		302.34
Maura Cullen, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20849-1725	American Occupational Therapy Assn, Inc	2,500.00	63.00
Culley-Foster & Co, P.O. Box 17370 Washington, DC 20041			
Philip Cummings, 1101 Pennsylvania Avenue, NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:American Iron & Steel Institute)	43,264.00	
Do	McCutchen Doyle Brown & Enersen (For:Arco)		
Do	McCutchen Doyle Brown & Enersen (For:Browning-Ferris Industries, Inc)	13,156.00	
Do	McCutchen Doyle Brown & Enersen (For:Freeport-McMoRan, Inc)	1,742.00	
Do	McCutchen Doyle Brown & Enersen (For:General Electric Co)	9,100.00	
Do	McCuthchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments).	9,906.00	
Do	McCutchen Doyle Brown & Enerson (For:USS Technical Center)	1,508.00	
Law Ofs of Jonathan W. Cuneo, 1300 I Street, NW, #408-E Washington, DC 20005	Committee to Support the Antitrust Laws	12,000.00	10.00
Do	National Assn of Securities and Commercial Attorneys	18,000.00	325.83
Do	Service Station Dealers of America	3,500.00	152.40
Do	Songwriters Guild of America	8,000.00	112.00
William J. Cunningham, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	17,779.58	1,152.65
Anne M. Curry, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
Wayne T. Curtin, P.O. Box 1808 Washington, DC 20013-1808	Motorcycle Riders Foundation, Inc	10,050.00	1,348.00
Cutler & Stanfield, 700 14th Street, NW, 10th floor Washington, DC 20005	General Atomics		
Do	Mountains Recreation and Conservation Authority		
Do	Potomac Investment Associates		
Do	Raleigh-Durham Airport Authority	1,881.00	0.58
Do	University of Colorado	4,811.25	169.64
Ralf W.K. Czepluch, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Gulf Power Company	4,300.00	5,683.00
CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047			1,000.00
CRS, P.O. Box 118 Cold Spring Harbor, NY 11724-0118			
Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101	American Council of State Savings Supervisors	300.00	
Do	Bank of America	5,700.00	
Do	City of Las Vegas	3,000.00	
Do	Credit Union National Assn, Inc		
William K. Dabaghi, Arter & Hadden 1801 K Street, NW, #400K Washington, DC 20006	Central Union of Agricultural Cooperatives (ZENCHU)		
Do	Houston Clearing House Assn		
Susan Dahlquist, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	15,331.00	3,590.41
Frank J. Daily, 411 East Wisconsin Ave. Milwaukee, WI 53202	Quarles & Brady (For:General Motors Corp)		
Donna M. Daley, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	1,155.00	95.00
Donald W. Dalrymple, 1575 I St., NW Washington, DC 20005	American Cynamid Company (For:Lederle Laboratories)	2,850.00	302.25
James G. Dalton, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	2,500.00	
Robert P. Daly II, 1000 Wilson Blvd, #2800 Arlington, VA 22209	Grumman Corp	625.00	361.12
Patrick E. Dandino, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Jim Daniels, 4759 S. Conway Rd. Orlando, FL 32812	National Assn of State Farm Agents		
David S. Danielson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Nancy Danielson, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers Educational and Co-Operative Union of America	5,362.43	
Jo-Ellen Darcy, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	329.46	
Diane Davenny Darneille, 1850 K Street, NW, Suite 1195 Washington, DC 20006	Schering-Plough Corp	2,750.00	34.13
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	13,471.89	
Earl F. David, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
John C. David, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	140.00	
Davidoff & Malito, 444 N. Capitol Street Washington, DC 20001	Long Island University		
Do	Medallion Funding Corp	18,000.00	1,115.00
Do	Town of Orangetown	4,400.00	205.00
Seth Davidson, 1742 Massachusetts Ave., NW Washington, DC 20036	National Cable TV Assn	4,368.75	40.66
Davidson Colling Group, 1211 Connecticut Ave., NW, #610 Washington, DC 20036	American Advertising Federation	7,096.30	
Do	American Assn of Advertising Agencies	7,096.30	
Do	American Newspaper Publishers Assn	10,373.05	
Do	Association of National Advertisers	7,096.30	
Do	Direct Marketing Assn	7,096.30	
Do	Field Container Corp	2,415.63	
Do	Garden State Paper Company	5,991.36	
Do	Grocery Manufacturers of America	7,096.30	
Do	Halltown Paperboard Co	1,128.55	
Do	Homedco	18,647.26	
Do	Magazine Publishers of America	19,889.61	
Do	Media General, Inc	2,500.00	20.00
Do	Miller & Chevalier, Chtd	15,061.80	
Do	National Assn of Broadcasters	21,226.77	
Do	Newark Group	17,708.81	
Do	Newman & Company	1,203.64	
Do	Rock-Tenn Company	14,207.53	
Do	Rouse Company		
Do	Sonoco Products Co	18,887.19	
Do	Southeast Paper Manufacturing Co	11,147.37	
Do	Waldorf Corp	8,800.93	
Do	White Pigeon Paper Company	1,296.29	
Do	Yellow Pages Publishers Assn	7,096.30	
Dionne M. Davies, 1120 Connecticut Ave., NW, #727 Washington, DC 20036	American Bankers Assn	1,500.00	
Drew M. Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	150.57	20.00
Edward M. Davis, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	7,251.60	267.00
Edwin H. Davis, 2030 M St., NW Washington, DC 20036	Common Cause	11,046.00	
Fred G. Davis, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	2,975.27	1,748.65
Gregory L. Davis, 1411 K Street, NW, #500 Washington, DC 20005	District of Columbia Chamber of Commerce		
Kenneth E. Davis, 1667 K Street, NW, #210 Washington, DC 20006	Rohm & Haas Co	3,500.00	500.00
Lynda C. Davis, 1825 Eye Street, NW, #400 Washington, DC 20006	Florida Business Associates (For:Daytona Beach Community College)	1,500.00	
Do	Florida Business Associates (For:Gulf Coast Community College)	1,500.00	
Do	Florida Business Associates (For:Rio Hondo Community College)	1,500.00	
Do	Florida Business Associates (For:Truckee Meadows Community College)	1,500.00	
Do	Florida Business Associates (For:Valencia Community College)	1,500.00	
Michael Davis, 735 North Water St., #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	1,425.00	848.68
Ovid R. Davis, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company		
Robert Davis, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	1,200.00	703.00
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Ad Hoc Comm of Life Insurance Companies	100.00	
Do	Alcoma Packing Company, Inc		
Do	American General Life Insurance Co	125.00	
Do	American Horse Council	600.00	52.42
Do	American Integrity Insurance Company	650.00	
Do	American Investors Life Insurance	1,900.00	
Do	Armco Steel Co	500.00	107.00
Do	Bethlehem Steel Corp	500.00	107.00
Do	Chicago Board of Trade	4,500.00	178.53

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Committee of Annuity Insurers	717.50	
Do	Dresser Industries, Inc		
Do	First Penn-Pacific Life Insurance Co		
Do	Florida Power & Light	250.00	127.50
Do	Florida Sugar Cane League, Inc		
Do	General Aviation Manufacturers Association	2,925.00	
Do	Hughes & Luce	600.00	
Do	James Graham Brown Foundation		
Do	Lincoln National Life Insurance Co	6,175.00	167.08
Do	Marriott Corporation	33,642.00	32.00
Do	National Assn of Life Companies		
Do	National Business Aircraft Association	8,700.00	
Do	National Cattlemen's Assn		
Do	National Foreign Trade Council	2,050.00	9.00
Do	Retired Lives Reserve Group	400.00	11.00
Do	Stock Information Group		
Do	U.S. Sugar Corp		
Do	Underwriters of Lloyd's London	50.00	
Do	Worldspan	650.00	
Davis Polk & Wardwell, 1300 Eye St., NW Washington, DC 20005	American Inst of Certified Public Accountants	862.50	33.50
Do	Brown Brothers Harriman & Co	1,250.00	24.00
Do	CoreStates Financial Corp	1,650.00	21.00
Do	Kohlberg Kravis Roberts & Co		
Do	LTV Corp		
Do	Manville Corporation		
Do	Morgan Guaranty Trust Co	4,260.00	49.00
Do	Morgan Stanley & Co, Inc		
Do	Norwest Corporation	3,850.00	78.00
Do	Occidental International Corp		
Davis Wright & Tremaine, 701 Pennsylvania Ave., NW, #600 Washington, DC 20004	American Honda Motor Co, Inc	475.00	96.25
Do	American Tunaboat Assn		
Do	Port Blakely Tree Farms	1,767.00	11.00
Rhett B. Dawson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	213.52	
Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Gaston De Bearn, 1300 Eye Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
Maryann M. Dean, 1875 Eye Street, NW, #775 Washington, DC 20006	Georgia-Pacific Corp	1,000.00	
John Russell Deane III, 1317 F Street NW #550 Washington, DC 20004	Auto Internacional Assn	61.00	29.36
Do	Coalition of Automotive Assns	281.25	130.03
Do	Specialty Equipment Market Assn	1,125.00	520.10
Debevoise & Plimpton, 875 Third Avenue, 23rd Floor New York, NY 10022	American Airlines	11,000.00	403.70
Do	International Assn of Broadcast Monitors		
Do	Sony Corp of America		
Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Brian Deery, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
George K. Degnon Associates, Inc, 6728 Old McLean Village Drive McLean, VA 22101	Association of State & Territorial Health Officials		1,000.00
William T. Deitz, 1629 K Street, NW, #1100 Washington, DC 20006	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers) .		
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	367.50	48.44
Do	New Jersey Turnpike Authority	3,157.50	69.00
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)	3,705.00	198.44
Jonathan W. Delano, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:INDSPEC Chemical Corp)	13,810.00	
Dan C. Delurey, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc		7,475.04
William H. Dempsey, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,521.19	256.66
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	American Immigration Services		
Do	Amex International, Inc		
Do	Edison Electric Institute		
Do	General Atomics	800.00	
Do	(For:Government of Sierra Leone)		
Do	Westinghouse Electric Corp		
John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101	American Petroleum Institute		
Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	7,154.51	
Paul W. Dennett, 655 15th St., NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	3,718.00	736.14
Daniel B. Denning, 1331 Pennsylvania Ave., NW, #930 Washington, DC 20004	General Electric Co	168.00	152.00
Thomas J. Dennis Sr., 1001 Pennsylvania Ave, NW, #450-N Washington, DC 20004	Southern California Edison Co	7,013.00	4,500.00
James L. Denson, 1250 Connecticut Ave., NW, #319 Washington, DC 20036	Allpoints International, Inc (For:Republic of Bophuthatawana)	5,000.00	
Robert Neal Denton, 2001 S Street, NW, #301 Washington, DC 20009	Alliance of Nonprofit Mailers	789.60	
Wells Denyes, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	800.00	137.83
Brian R. Detter, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	1,000.00	
Jo Ellen Deutsch, 1625 Massachusetts Avenue, NW Washington, DC 20036	Association of Flight Attendants, AFL-CIO	4,000.00	
Caroline M. Devine, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	1,000.00	4.00
R. Daniel Devlin, 808 17th Street, NW, #520 Washington, DC 20006	Trans World Airlines, Inc	600.00	
Robert L. Dewey, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		
Brenda E. Dews, 30 Joyceton Way Upper Marlboro, MD 20772	Automated Sciences Group, Inc		9.00
David P. Dexter, 1000 Connecticut Ave., NW, #1202 Washington, DC 20036	Wildlife Legislative Fund of America	5,200.00	
Nicholas DeBenedictis, 2301 Market Street, #13-1 Philadelphia, PA 19101	Philadelphia Electric Company		
Alex J. DeBoissiere, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas		
Matthew D. DeConcini, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers		
Michael DeEmilio, 400 North Capitol Street, NW, #852 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	12,500.00	
James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Ebasco Services, Inc	4,012.50	928.51
Law Offices of Paul H. DeLaney, Jr., 1826 Jefferson Place, NW, #201 Washington, DC 20036	Embassy of Japan	5,000.00	
Debra DeLee, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Rodney DeLoach, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	296.03
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,030.22
William R. DeReuter, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	2,000.00	
Christine DeVries, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,516.00	206.69
Bonnie S. DeWitt, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	500.00	52.72
Thomas R. DeYulia, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
Chester T. Dickerson Jr., 700 14th Street, NW, #1100 Washington, DC 20005	Monsanto Co		166.31
Ann Sanders Dickey, 2005 Corporate Ave. Memphis, TN 38132	Federal Express Corp	6,000.00	
Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304	Boat Owners Assn of the U.S.	7,000.00	
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	United Technologies Corporation	5,000.00	
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications		
Do	American Greyhound Track Operators Assn	7,500.00	
Do	Apple Computer Corp		
Do	Avondale Industries, Inc	52.50	
Do	ABD Securities Corp		
Do	Bear Stearns & Co		
Do	BATMAN Corp		
Do	Car Audio Specialists Assn (CASA)		
Do	Cordova District Fishermen United, Inc		
Do	Embassy of Malaysia		
Do	Federal National Mortgage Assn	5,294.69	
Do	Federated Cash Management Systems	14,000.00	
Do	Guess, Inc		
Do	Harbour Group Ltd		
Do	Home Box Office, Inc		
Do	Illinois Dept of Children & Family Services	600.00	
Do	Iroquois Gas, Inc		
Do	IPP Working Group	665.00	
Do	Marine Engineers' Beneficial Assn		
Do	Medtronic, Inc	913.75	
Do	Mental and Addictive Disorders Research Foundation	1,000.00	
Do	J. P. Morgan Securities, Inc		
Do	National Fed of Societies for Clinical Social Work	11,848.75	
Do	Newport Group		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	North Carolina Dept of Natural Resources and Community Devlp		
Do	Ocean State Power	430.00	
Do	Paulucci Enterprises		
Do	PG&E-Bechtel Generating Co	550.00	
Do	Sea Hawk Seafoods, Inc		
Do	State of Connecticut	1,000.00	
Do	States of Arkansas, et al.		
Do	Tobacco Institute	55.00	
Rick Diegel, 1125 15th Street, NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	2,281.25	150.00
Dorothea M. Diemer, P.O. Box 20850 Fountain Valley, CA 92728-0850	Hyundai Motor America	27.50	290.51
Lisa M. Dinackus, 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	American Institute of Certified Public Accountants	5,000.00	328.33
Thomas A. Dine, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	26,800.00	2,655.14
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co)		
Do	Lumbermens Mutual Casualty Company (For:Kemper Corporation)	105.26	6.00
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc)	580.13	45.31
Do	Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co)		
Do	Lumbermens Mutual Casualty Company (For:Kemper Reinsurance Company)	17.54	
Do	Lumbermens Mutual Casualty Company	2,100.00	45.30
James C. Dinegar, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Dale P. Dirks, 711 Second Street, NE, #200 Washington, DC 20002	Health & Medicine Counsel of Washington		
Mary Ann Dirzis, 9 West 57th Street New York, NY 10019	Avon Products, Inc		
Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076		154,261.27	154,261.27
District of Columbia Bankers Assn, 1709 New York Ave., NW Washington, DC 20036		2,073.00	11,247.00
Patsy B. Dix, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,753.35	95.00
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,290.00	453.14
Dixon Arnett Associates, 905 16th Street, NW, #310 Washington, DC 20006	Institute for Clinical PET	1,250.00	111.30
Do	Southern California Rapid Transit District (SCRTD)	5,416.00	27.20
Charles J. DiBona, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	5,000.00	
Gerard D. DiMarco, Two State Street, Crossroads Bldg, #400 Rochester, NY 14614	Mackey & DiMarco (For:Greater Rochester Cable)		
Nicholas J. DiMichael, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	4,273.50	10.00
Anthony F. DiPasquale, Genesse Unit P.O. Box 905 Ray Brook, NY 12977			
Thomas B. Dobbins, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,750.00	
J. Chris Dobbs, 2711 North Haskell Avenue Dallas, TX 75204	Southland Corporation		1,555.16
J. Graham Dodson, P.O. Box 21106 Shreveport, LA 71156	Southwestern Electric Power Co	896.00	
Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036	Investment Company Institute	512.16	67.00
J. Jon Doggett, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	5,689.10	52.97
Daniel P. Doherty, 2001 S St., NW, #301 Washington, DC 20009	Alliance of Nonprofit Mailers	3,122.40	94.88
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	2,063.07	
Brian M. Dolan, 195 Montague Street Brooklyn, NY 11201	Brooklyn Union Gas Co	355.00	25.00
Stephan G. Dollinger, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Douglas Domenech, 1025 Vermont Avenue, NW Washington, DC 20005	American Pulpwood Assn		
Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Kevin J. Donnellan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	350.00	
Mary Elizabeth Donnelly, 1233 20th St., NW, #200 Washington, DC 20036	Newmont Mining Corp		
Thomas F. Donnelly, 3800 N. Fairfaxl Drive, #4 Arlington, VA 22203	National Water Resources Assn	11,000.00	
William Donovan, 3138 N. 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	2,500.00	
Donovan Leisure Newton & Irvine, 1250 24th Street, NW, #700 Washington, DC 20037	Republic of Estonia		36.50
James R. Dorcy, 1666 Connecticut Avenue, NW Washington, DC 20009	Federation for American Immigration Reform	510.00	28.50
Michael C. Dorf, 130 East Randolph Street, #3800 Chicago, IL 60601	Schuyler Roche & Zwirner (For:Gabriella Rosenbaum Trust)	3,237.00	744.63
Keith G. Dorman, 625 Liberty Ave., 7th Pittsburgh, PA 15222	Peoples Natural Gas Company	1,000.00	521.75
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Association of International Automobile Manufacturers, Inc	9,346.50	44.00
Do	City of St. Paul	2,587.50	32.00
Do	Madison Public Affairs Group	1,080.00	1,028.00
Do	Regional Transit Board	5,062.50	
W. Carter Doswell, 1101 Pennsylvania Avenue, NW, #900 Washington, DC 20004	Goldman Sachs & Co	2,000.00	
Robert J. Dotchin, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc		
James Dougherty, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		
Dougherty Consulting, P.O. Box 819 Sioux Falls, SD 57101-0819	Philip Morris, Inc		
Michael G. Dowd, 1233 20th Street, NW, #400 Washington, DC 20036	Porter Wright Morris & Arthur (For:Coalition for Environmental-Energy Balance)		
Maureen F. Dowling, 1511 K Street, NW, #335 Washington, DC 20005	National Committee for a Human Life Amendment, Inc	66.92	
Charles P. Downer, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,620.00	250.00
Jane Lind Downey, 2200 Mill Rd Alexandria, VA 22314	American Movers Conference	300.00	
Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	19,617.60	
David P. Drake, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	5,000.00	101.00
James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,272.00	
John E. Drawz, 1100 International Centre 900 Second Ave., South Minneapolis, MN 55402-3397	Fredrikson & Byron (For:City of New Brighton)		
Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	9,687.51	
Anthony V. Dresden, 444 N. Capitol Street, NW, #801 Washington, DC 20001	National Air Traffic Controllers Assn		
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	General Dynamics Corp	250.00	
Do	Qual-Med, Inc	250.00	
Do	Science Applications Int'l Corp	250.00	
Charles T. Drevna, 4711 Old Kingston Pike Knoxville, TN 37919	Sun Coal Company	1,000.00	6,000.00
Stephen D. Driesler, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
William B. Driggers Jr., 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	121.00	431.23
Alvin Drischler, 3420 Reedy Drive Annandale, VA 22003	Leucadia National Corp	9,000.00	
Do	PHLCORP	18,000.00	51.31
Lorraine Driscoll, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action Fund	460.00	90.00
Pamela J. Driver, 1025 Connecticut Ave., NW Washington, DC 20036	Foodservice & Packaging Institute, Inc		
Fran Du Melle, 1726 M Street, NW, #902 Washington, DC 20036	American Lung Assn	2,890.00	9,244.00
Mitch Dubensky, 1250 Connecticut Ave., NW, #210 Washington, DC 20036	National Forest Products Assn		
Duberstein Group, Inc, 2100 Pennsylvania Ave., NW, #350 Washington, DC 20037	Aetna Life & Casualty	16,500.00	
Do	Anheuser-Busch Companies, Inc	5,250.00	
Do	Communications Satellite Corp	4,500.00	
Do	CompTel	7,000.00	
Do	Consolidated Rail Corporation	5,333.00	
Do	Federal National Mortgage Assn	15,000.00	
Do	Fiber Optic Competition US, Inc		
Do	General Motors Corp	8,250.00	
Do	Goldman Sachs & Co	15,750.00	
Do	McCaw Cellular Communications, Inc	112.00	
Do	Monsanto Company	1,500.00	
Do	National Cable TV Assn	12,000.00	
Do	Nevada Resort Assn	14,250.00	
Do	Shell Oil Company	1,500.00	
Do	United Air Lines, Inc	1,500.00	
Do	Warner Communications, Inc	13,500.00	
Ducheneaux Gerard & Associates, 1155 Connecticut Avenue, NW, #400 Washington, DC 20036	Ak-Chin Indian Community	646.47	
Do	Bois Forte Band of Chippewa Indians	560.07	
Do	Campo Band of Mission Indians		
Do	Commissioned Officers Assn of the U.S.P.H.S., Inc	300.00	
Do	Eight Northern Indian Pueblos Council		
Do	Leech Lake Tribal Council	560.22	
Do	Santa Clara Indian Pueblo		
Do	Siletz Tribal Council	1,123.47	
Do	Tohono O'Odham Nation	709.44	
Do	Tulalip Tribes	1,600.80	
Do	White Earth Tribal Council	560.97	
Tim Dudgeon, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Jane McPike Dudley, 888 17th Street, NW, #400 Washington, DC 20006	Whiteford Taylor & Preston (For:National Constructors Assn)	4,000.00	221.44
Robert H. Dugger, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Mac S. Dunaway, Dunaway & Cross 1146 19th Street, NW Washington, DC 20036	Crown Control Corp		
Do	Industrial Truck Assn		
Do	Lord Corporation		
Do	Walbro Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Amy K. Dunbar, P.O. Box 19230 Washington, DC 20036	National Assn of Bond Lawyers	20,000.01	
Charles N. Duncan, 708 Dawnwood Court Raleigh, NC 27609	Career College Assn	2,500.00	369.31
Don R. Duncan, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	5,000.00	
William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036	Japan Automobile Manufacturers Assn	2,100.00	
Duncan & Allen, 1575 Eye Street, NW Washington, DC 20005	Colorado River Energy Distributors Assn		
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	Lake Andes-Wagner Water Systems, Inc		
Do	Mid-West Electric Consumers Assn		
Do	National Assn of State Energy Officials		
Do	State of Hawaii, Dept of Business & Economic Development		
Robert Dunkel, 1875 I Street, NW, #1110 Washington, DC 20006	Times Mirror Company		
Mari Lee Dunn, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation		
Michael V. Dunn, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	13,210.08	1,120.46
James A. Dupree, 1350 Eye Street, NW, #1000 Washington, DC 20005	Ford Motor Co	3,500.00	1,313.00
Daniel T. Durham, 601 E Street, NW Washington, DC 20049	American Association of Retired Persons	708.00	248.82
Ed Durkin, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	700.00	
Katherine M. Dutilh, 1100 Connecticut Ave., NW, #1300 Washington, DC 20036-4101	Milliken & Company	5,000.00	1,550.00
Lloyd L. Duxbury, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	16,154.00	1,286.54
Ernest DuBester, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,077.28	514.32
William P. DuBose IV, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	2,437.00	
Robert F. DuPree Jr., 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	737.80	25.00
Denis J. Dwyer, 1155 15th St., NW, #400 Washington, DC 20005	McNair Group, Inc	9,375.00	113.55
Roderick T. Dwyer, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Apex Marine Corp		
Do	Liberty Maritime Corporation	98,623.00	2,268.41
Do	National Steel & Shipbuilding Co		
Do	REN Corporation, USA		
Do	Surgical Care Affiliates, Inc		
Dykema Gossett, 800 Michigan National Tower Lansing, MI 48933	Committee on U.S. Business Canadian Life & Health Ins. Assn	42,194.68	
Talis Dzenitis, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	500.00	
DGA International, Inc, 1133 Connecticut Avenue, NW Washington, DC 20036	Dir Intl Aff of the Gen Del for Armements		
Do	Societe Nationale D'Etude et de Const de Moteurs D'Aviation	8,302.50	3,296.42
Do	Sofreavia	515.00	860.66
Jeffrey P. Eagleson, 1001 Connecticut Ave., #1001 Washington, DC 20036	Lanxide Corporation		
C. Renee Eastman, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Company, Inc	2,000.00	1,057.68
Hope B. Eastman, 4800 Hampden Lane, 7th Floor Bethesda, MD 20814	Paley Rothman Goldstein Rosenberg & Cooper (For:National Assn of Women Business Owners).		
Robert E. L. Eaton, 4921 Essex Avenue Chevy Chase, MD 20815	Eaton Associates, Inc		
Eaton Associates, Inc, 4921 Essex Avenue Chevy Chase, MD 20815			
Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,450.00	1,058.00
Brenda L. Eberly, 50 F Street, NW, #1050 Washington, DC 20001	Freeport-McMoRan D.C., Inc	2,750.00	20.75
George Eckert, 12100 Sunrise Valley Drive Reston, VA 22091	Tandem Computers, Inc	2,550.00	130.00
Ed Graves & Associates, 2001 M Street, NW, 4th Floor Wasington, DC 20036	Emerald Resources Inc		
Do	Jorden Schulte & Burchette	975.00	
Do	OPEDA		
Helen H. Edge, 700 N. Fairfax Street, #601 Alexandria, VA 22314	Railway Progress Institute	729.68	
Edison Electric Institute, 701 Pennsylvania Avenue, NW Washington, DC 20004		8,031.77	61,892.72
Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Dean Witter Financial Services Group	320.00	
J. Rodney Edwards, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036	National Education Assn	4,160.65	178.00
Mr. Jack Edwards, 3000 First Natonal Bank Bldg. P.O. Box 123 Mobile, AL 36601	Matra Aerospace, Inc		
Do	Societe Nationale d'Etude et de Const de Moteurs d'Aviation	322.08	
Do	Teledyne Industries, Inc	8,991.65	
Paul S. Egan, 1325 15th Street, NW, #503 Washington, DC 20005	Vietnam Veterans of America, Inc	13,587.00	108.75
William J. Ehrig, 700 Anderson Hill Road Purchase, NY 10577	PepsiCo, Inc		568.70
Peter J. Eide, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Eugene Eidenberg, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp		
Phyllis Eisen, 1331 Pennsylvania Ave., #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	250.00	
Albert C. Eisenberg, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	14,256.00	
Earl B. Eisenhart, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10122	National Commercial Finance Assn	12,000.00	1,048.00
H. J. Elam III, 110 S. Park Dr. Greensboro, NC 27401	Cone Mills Corp		
J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703	American Petroleum Institute	146.00	
Emily K. Elliott, 204 Whitehurst Hall Stillwater, OK 74078-0001	Oklahoma State University	8,135.10	941.28
Mark G. Ellis, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Kenneth W. Ellison, 1001 Pennsylvania Ave., NW, #600-S Washington, DC 20004	Belz Investment Company, Inc	10,000.00	
Gary Elmestad, P.O. Box 3153 St Peters, MO 63376	City of O'Fallon	3,600.00	3.99
Do	St. Charles Co Economic Development Council	9,999.99	1,545.67
Alyson A. Emanuel, 2100 Pennsylvania Ave., NW #755 Washington, DC 20037	BASF Corp		
Emergency Committee for American Trade, 1211 Connecticut Ave., NW, #801 Washington, DC 20036		118,902.07	120,888.45
JoAnn Emerson, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Emerson Electric Co, 8000 W. Florissant St. Louis, MO 63136			2,021.93
John M. Emery, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Michael J. Emig, 1125 15th St., NW Washington, DC 20005	International Brotherhood of Electrical Workers	18,832.00	278.00
Randy Eminger, 5205 W. 37th Street Amarillo, TX 79109	Southwestern Public Service Co	1,563.75	
Energy Consumers & Producers Assn, Box 1726 Seminole, OK 74868		7,225.00	
Gary D. Engebretson, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		87.30
Ralph Engel, 1913 Eye Street, NW, Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc		
English First, 8001 Forbes Place, #102 Springfield, VA 22151		230,248.17	239,263.46
Loretta E. Enloe, 8 Oak Hill Drive Edwardsville, IL 62025	Federation of American Consumers & Travelers (FACT)	750.00	
Environmental Tax Policy Alliance, 1704 Old Town Rd. Edgewater, MD 21037		13,000.00	5,713.97
David Eppler, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	7,250.00	
Epstein Becker & Green, P.C., 1227 25th Street, NW, #800 Washington, DC 20037	American Managed Care & Review Assn	2,400.00	
Do	MFJ Task Force	1,325.00	
Do	Voluntary Hospitals of America, Inc	11,250.00	
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	39,346.00	
Thomas J. Erickson, 1030 15th Street, #1020 Washington, DC 20005	National Grain Trade Council		
Gregory D. Erken, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004	Knights of Columbus	7,750.00	
James L. Ervin, 1667 K Street, NW, #310 Washington, DC 20006	Baldt, Inc	4,014.62	14.62
Do	Kaman Diversified Technologies Corp	9,056.63	56.63
Do	Mip Instadsetzungstriebe Gmbh	34,747.60	7,747.60
Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	16,380.00	578.20
John T. Estes, 2300 N St., NW, #600 Washington, DC 20037	International Council of Cruise Lines	1,800.00	586.00
Sherry Ettleson, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,500.00	
Billy Lee Evans, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	B.L. Evans & Associates (For:Great Western Financial Corp)		
Do	B.L. Evans & Associates (For:Paul Revere Life Insurance Company)		
Brock Evans, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	4,400.00	165.00
Cindy Evans, 1250 Connecticut Ave., NW, #210 Washington, DC 20036	National Forest Products Assn		
Cleve Evans, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Company		
Donald C. Evans Jr., 655 15th St., NW, #310 Washington, DC 20005	American Family Corp		
Lynwood J. Evans, 1020 19th Street, NW, #780 Washington, DC 20036	U.S. West, Inc	250.00	
William J. Evans Jr., 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc	1,280.00	336.16
B.L. Evans and Associates, Inc, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	Great Western Financial Corp	5,000.00	
Do	Paul Revere Life Insurance Company	2,500.00	
Evans Group, Ltd, 1010 Wisconsin Ave., NW, 8th Floor Washington, DC 20007	Matlack Systems, Inc	6,000.00	
Do	National Independent Automobile Dealers Assn	9,000.00	298.50
Do	Republic of China		
Do	Republic of Cyprus	19,000.00	
Do	Towers Financial Corp	3,000.00	
Patricia C. Eveland, 7805 Daybreak Court Alexandria, VA 22306	Kimberly Clark	3,300.00	30.00
Fawn K. Evenson, 1420 K Street NW, #600 Washington, DC 20005	Footwear Industries of America	1,000.00	
Kellye A. Eversole, 4434 Indigo Lane Harwood, MD 20776	Agricultural Utilization Research Institute	2,476.03	24.17
Do	Eversole Associates (For:Arbuckle Wilderness, Inc)	6,175.00	126.37
Do	Department of Agriculture		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Eversole Associates (For:North Dakota Agricultural Products Utilization Commission).	5,800.00	69.25
Wayne S. Ewing, Associated Petroleum Industries of PA P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
EDS Corporation, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004			2,942.52
ESCO Electronics Corp, 8100 W. Florissant St. Louis, MO 63136			1,235.35
F/P Research Associates, 1700 K St., NW, #1000 Washington, DC 20006	American Bus Assn		
Do	National Cable Television Assn, Inc	500.00	
Do	Northrop Corp		
Do	Wiley Rein & Fielding (For: BMW of North America, Inc)	500.00	
Dan L. Fager, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies	1,400.00	
Dale W. Fallat, P.O. Box 119 Maumee, OH 43537	Andersons		
Thomas B. Farley II, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	7,000.00	96.25
Farm Credit Council, 50 F Street, NW, #900 Washington, DC 20001		1,0,500.00	7,005.00
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	20,000.00	
Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024		198,680.00	89,626.44
Dagmar T. Farr, 1750 K Street, N.W. Washington, DC 20006	Food Marketing Institute	300.00	
Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc	200.00	
Joseph A. Farrell, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Richard T. Farrell, 1015 15th St., NW, #401 Washington, DC 20005	Syntex (USA) Inc	4,125.00	799.29
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Central Utah Water Conservancy District	15,637.50	399.37
Do	Clark County Nevada-McCarran International Airport	20,312.50	287.19
Do	Geneva Steel	9,000.00	27.43
Do	Kirton McConkie & Bushnell	5,137.50	14.55
Do	Las Vegas Valley Water District	33,123.75	443.88
Do	Public Service Co of New Mexico	11,950.00	174.45
Do	Sierra Pacific Power Co	33,343.75	257.47
Do	State of Montana Dept of Natural Resources & Conservation	23,377.50	5,854.77
Jane Fawcett-Hoover, 801 Pennsylvania Ave., NW, #720 Washington, DC 20004-2604	Procter & Gamble Manufacturing Co	4.17	
Robert C. Fay, 12731 Directors Loop Woodbridge, VA 22192	American Amusement Machine Assn		
William D. Fay, 1001 19th St. North, #800 Arlington, VA 22209	Product Liability Coordinating Committee	13,800.00	1,501.92
Federation of American Controlled Shipping, 50 Broadway New York, NY 10004		2,977.08	2,977.08
Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036		9,000.00	9,000.00
Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002		50.00	4,405.04
John D. Fedor, 2001 Jefferson Davis Highway, #1012 Arlington, VA 22202	Capital Marketing Analytics, Inc (For:Alliant Techsystems, Inc)		
Donald M. Fehr, 805 Third Ave. New York, NY 10022	Major League Baseball Players Assn		
Scott Feierabend, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	1,584.28	
Douglas J. Feith, 2300 M Street, NW—#600 Washington, DC 20037	International Advisers Inc (For:Embassy of Turkey)	5,000.00	
Jay Feldman, 600 Sandtree Drive, #107 Palm Beach Gardens, FL 33403	American Shoolting Sports Coalition, Inc		
Laura Feldman, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,043.00	
Mark B. Feldman, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	5,000.00	
Kenneth E. Feltman, 927 15th St., NW, #1000 Washington, DC 20005	Employers Council on Flexible Compensation	200.00	
Melody H. G. Fennel, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Judith W. Fensterer, 242 E. 80th Street New York, NY 10021	Generic Pharmaceutical Industry Assn		
Fensterwald Alcorn & Vangellow, 1952 Gallows Road Vienna, VA 22182	Concerned Federal Railroad Administration Employees		
George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036	American Mining Congress	210.00	
Edward T. Fergus, 100 Gold St. New York, NY 10292	Prudential Securities, Inc	750.00	
Denise G. Ferguson, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	21,908.81	1,130.08
James H. Ferguson, 2310 Trott Avenue Reston, VA 22181	Institute of Electrical & Electronics Engineers	78,500.00	
Stephen L. Ferguson, CFC, Inc 405 N. Rogers St. Bloomington, IN 47401	Cook Group, Inc		
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Dillingham Construction Group	5,812.50	688.57
Do	U.S. Borax & Chemical Corp	3,093.75	685.63
Deeohn Ferris, 1400 Sixteenth Street, NW Washington, DC 20036-2266	National Wildlife Federation		
John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Fiber Fabric & Apparel Coalition for Trade, 1801 K Street, NW, #900 Washington, DC 20006		15,341.00	131,238.00
Fiber Optic Competition US, Inc, 804 W. Diamond Ave., 3rd Floor Gaithersburg, MD 20878			9,000.00
Fierce & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	AB Hagglund & Sonar	13,500.00	840.37
Do	Bollinger Machine Shop & Shipyard, Inc	41,250.00	3,211.42
Do	Liberty Maritime Company	650.00	23.75
Do	Spar Aerospace, Ltd	19,000.00	3,267.34
Alan D. Fiers, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	4,000.00	135.00
Richard G. Fifield, P.O. Box 11000 Montgomery, AL 36198	Alabama Farmers Federation	1,775.00	834.89
Amy M. Finan, 818 Connecticut Ave., NW, #303 Washington, DC 20006	National Assn for Biomedical Research	105.00	
Financial Executives Institute, 10 Madison Avenue P.O. Box 1938 Morristown, NJ 07962-1938			
Financial Services Council, 1225 19th St., NW, #410 Washington, DC 20036		12,125.00	15,542.00
Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004	National Assn of Manufacturers	125.00	
Matthew P. Fink, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Stephen Finley, 200 West Thomas, #310 Seattle, WA 98119	Emerald Seafoods, Inc		5,350.00
Peter J. Finnerty, 1331 Pennsylvania Ave., NW #560 Washington, DC 20004	Sea-Land Service, Inc	3,000.00	
Thomas D. Finnigan, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		45.75
James J. Finnucan, 2 Hodio Drive Ansonia, CT 06401	Northeast Utilities Service Co	1,450.36	424.24
M. J. Fiocco, 1700 N. Moore Street, S-1900 Arlington, VA 22209-1904	National Industrial Transportation League	8,000.00	50.00
First National Bank of Boston, 100 Federal St. Boston, MA 02110		2,470.00	3,846.85
Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Carleton W. Fish, P.O. Box 39106 Minneapolis, MN 55435-0106	American Collectors Assn	1,000.00	
Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310	American Group Practice Assn, Inc	372.00	
Gary K. Fisher, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron Companies	4,800.00	48.00
William P. Fisher, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn		
Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125	International Communications Assn	2,000.00	
Wendy S. Fishman, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,200.00	
Clyde Fitzgerald, 815 Sixteenth Street Washington, DC 20006	International Longshoremen's Association, AFL-CIO	2,486.00	
John Fitzgerald, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		
Mary Clare Fitzgerald, 1155 21st Street, NW, #850 Washington, DC 20036	Secura Group	15,000.00	1,935.29
Thomas H. Fitzpatrick, Connecticut Petroleum Council 60 Washington Street, #908 Hartford, CT 06106	American Petroleum Institute		
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	Chemical Manufacturers Assn, Inc	750.00	327.65
Steven H. Flajser, 1111 Jefferson Davis Highway, #811 Arlington, VA 22202	Space Systems/Loral	4,500.00	
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	Ad Hoc Coalition on Intermarket Coordination	9,000.00	
Do	American Ambulance Assn	27,000.00	2,377.49
Do	American Health Care Assn		
Do	American Optometric Assn	15,000.00	
Do	Americans for Energy Independence/Oklahoma Basic Economy...	30,000.00	304.85
Do	Anheuser-Busch Companies		
Do	Association of American Railroads	24,999.00	7.40
Do	Automotive Refrigeration Products Institute	15,000.00	169.60
Do	Centel Federal Systems		
Do	Certified Auctioneers Assn/National Auctioneers Assn	22,500.00	215.34
Do	Chickasaw Nation	2,500.00	2.03
Do	Citizens for a Drug Free America		
Do	Esselte Pendaflex Corp		
Do	Eveready		
Do	EDS	9,000.00	92.07
Do	Ferrellgas		
Do	Institute of Scrap Recycling Industries	10,000.00	
Do	Jason Pharmaceuticals		
Do	LeGere Walking Stick Foundation	6,000.00	6.99
Do	Marazul Charters	30,000.00	161.55
Do	National Collegiate Athletic Assn (NCAA)	36,000.00	76.65
Do	National Spiritual Assembly of the Baha'is of the U.S.	13,900.00	3,000.00
Do	Oklahoma Natural Gas	3,000.00	4.45
Do	Pathology Practice Assn	24,000.00	100.78
Do	Pharmaceutical Coalition		
Do	Public Broadcasting Service	15,000.00	154.30
Do	Sony Corp of America	60,000.00	10,512.49
Do	Spectacor Management Group		
Do	St. Louis NFL Partnership		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Superstar Connection	5,000.00	12.00
Do	Syva Company	43,500.00	359.37
Do	Third District Industrial Development Initiative Fund	12,000.00	132.86
Do	United Homeowners		
Michael Fleming, 1300 N. 17th St., # 1010 Arlington, VA 22209	American Assn of Equipment Lessors		
Terry P. Fleming, Ohio Petroleum Council 88 E. Broad St., #1960 Columbus, OH 43215	American Petroleum Institute	1,000.00	
Ronnie G. Flippo, 701 Pennsylvania Ave., NW, #800 Washington, DC 20004	R.G. Flippo & Associates, Inc (For:Aetna Life & Casualty)	3,750.00	
Do	R.G. Flippo & Associates, Inc (For:Alabama Power Company)	2,100.00	
Do	R.G. Flippo & Associates, Inc (For:American Institute of Certified Public Accountants).	4,500.00	
Do	R.G. Flippo & Associates, Inc (For:AmSouth Bank)	1,200.00	
Do	R.G. Flippo & Associates, Inc (For:Colsa, Inc)	1,350.00	
Do	R.G. Flippo & Associates, Inc (For:Edison Electric Institute)	5,250.00	
Do	R.G. Flippo & Associates, Inc (For:Norfolk Southern Corp)	1,575.00	
Do	R.G. Flippo & Associates, Inc (For:RJR Nabiso Washington)	2,850.00	
Florida Business Associates, 1825 EYE Street, NW, #400 Washington, DC 20006	Control Data Corporation	10,520.17	
Do	Cray Research, Inc	31,264.65	
Do	MEDCO Containment	10,000.00	
Do	State University System	31,248.00	
Do	University of Alaska		
Do	University of Nevada-Las Vegas	13,910.86	
Do	Westinghouse Electric Corp	14,062.42	
Ruth Flower, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	5,515.62	
John J. Flynn, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	7,500.00	523.50
Focus on the Family, 420 N. Cascade Ave. Colorado Springs, CO 80903-3352		82,079.00	71,683.00
Foley & Lardner, 1775 Pennsylvania Avenue, NW, #1000 Washington, DC 20006-4680	Aurora Health Care, Inc & Sinai Samaritan Medical Center,Inc		
Do	Coldwell Banker Real Estate Group		
Do	United Savings of America		
Alan C. Folmsbee, 1585 West Maggio Way Building 12-2104 Chandler, AZ 85224	Democracy Movement USA		
Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006		17,242.00	17,242.00
Food Marketing Institute, 1750 K St., NW Washington, DC 20006			5,050.00
Foodservice & Packaging Institute, Inc, 1025 Connecticut Ave., NW Washington, DC 20036			
Mari S. Forbes, 11 Dupont Circle, NW, #300 Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		
James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co	1,100.00	
Forest Farmers Assn, P.O. Box 95385 Atlanta, GA 30347			5,000.00
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Alison B. Fortier, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International	19,900.00	682.50
Richard D. Fortin, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	7,365.00	20.00
William L. Foster, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	2,550.00	
James J. Fotis, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,388.45	
Donald L. Fowler, P.O. Box 50627 Columbia, SC 29250	Chem-Nuclear Systems, Inc	1,625.00	986.65
Do	Delaware Container Corporation	4,275.00	287.00
Do	Giant Cement Company	1,900.00	398.05
Alissa T. Fox, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	5,155.00	827.21
Geraldine Dietz Fox, 39 Fairview Road Narberth, PA 19072	National Instutute on Deafness & Other Communication Disord.		203.00
Fox Bennett & Turner, 750 17th Street, NW, #1100 Washington, DC 20006	Bristol-Myers Squibb Co		
Do	Johnson & Johnson	195.00	
Do	National Coalition for Cancer Research		
Do	Pickens County Medical Center		
Do	Wireless Cable Assn, Inc	120.00	50.00
John R. Frahm, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Douglas L. Francisco, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		73.00
John L. Frank, P.O. Box 8082 Eau Claire, WI 54702-8082	National Presto Industries, Inc	2,460.50	18.29
Peter M. Frank, 1667 K St., NW, #250 Washington, DC 20006	Kerr-McGee Corp	2,500.00	
Richard L. Frank, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group)		
Faye B. Frankfort, 9312 Old Georgetown Road Bethesda, MD 20814-1621	American Podiatric Medical Assn	4,000.00	
James R. Franklin, One Highwoods Rd. St. James, NY 11780	Parkdale Mills, Inc, et al.	18,750.00	6,700.00
Thomas C. Franks, 1220 L St., NW, #510 Washington, DC 20005	American Resort & Residential Development Assn	1,500.00	91.03
John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061-6568			
Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008	National Campaign for a Peace Tax Fund	1,102.50	180.00
Charles L. Frazier, 777 North Capitol Street, #915 Washington, DC 20002	National Farmers Organization	5,333.00	3,506.00
Douglas Freberg II, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	2,000.00	68.36
Robert M. Frederick, 1616 H St., NW Washington, DC 20006	National Grange	6,000.00	
John S. Fredericksen, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Regional Airline Association	1,000.00	
Free the Eagle, 666 Pennsylvania Avenue S.E. #300 Washington, DC 20003		5,176.00	1,871.00
Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036	Hartford Fire Insurance Co		15,800.00
Lewis R. Freeman Jr., 1275 K Street, NW, #400 Washington, DC 20005	Society of the Plastics Industry, Inc		
Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005	General Electric Co	216.00	
David W. Freer, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	5,000.00	
Paula D. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corporation		
Verrick O. French, 1455 Pennsylvania Avenue, NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Mfgrs & Consumers of America, Inc).	300.00	
Do	French & Company (For:Montgomery Ward & Co, Inc)	250.00	
Do	French & Company (For:Wheels, Inc)	100.00	
French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	International Electronics Mfgrs & Consumers of America, Inc	800.00	
Do	Montgomery Ward & Co, Inc	325.00	
Do	Wheels, Inc	125.00	
Robert H. Frenzel, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	2,500.00	64.82
Katherine L. Frey, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co, (3M)	1,000.00	
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)	11,137.00	336.79
G. William Frick, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		
Ronald A. Fried, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:St. Johns Home Health)	2,000.00	
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004-2505	General Electric Co	1,260.00	68.41
Do	Goldrich & Kest		
Do	Lonza, Inc	1,925.00	23.40
Do	Virgin Islands Rum Industries, Ltd	390.00	4.50
Blaine P. Friedlander, 2341 Dale Drive Falls Church, VA 22043	Korean War Veterns		355.00
Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn		
F. Michael Friedman, 321 West Front Street P.O. Box 1000 Media, PA 19063	Clouse Pagano & Friedman (For:Chem Service, Inc)	4,999.79	1,217.40
James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114	Centerior Energy Corp	344.00	162.94
Do	Environmental Standards Group	630.00	
Friends of NIDCD, Inc, 225 Haverford Ave., #1 Narberth, PA 19072		1,200.00	5,635.49
Friends Committee on National Legislation, 245 2nd St., NE Washington, DC 20002			31,468.47
R. Roger Fries, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		
Edward O. Fritts, 1771 N Street Washington, DC 20036	National Assn of Broadcasters	2,500.00	
Charles H. Fritzel, 499 S. Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	520.00
Alan Front, 312 Massachusetts Ave., NE Washington, DC 20002	Trust for Public Land	5,305.50	6,526.53
Marcy Masters Frosh, 2030 M Street, NW Washington, DC 20036	Common Cause	4,136.62	
Gordon H. Fry, 900 19th Street, NW Washington, DC 20006	Aluminum Assn, Inc	25.00	
Fulbright & Jaworski, 801 Pennsylvania Avenue, NW Washington, DC 20004	Avis, Inc		
Do	Barrett Resources Corp	1,298.75	38.06
Do	Crysen Corp	7,500.00	64.25
Do	Rugby-Darby Group Companies, Inc	3,300.00	97.88
Do	Systems Control, Inc		
Nancy R. Fulco, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Richard B. Fuller, 801 18th Street, NW Washington, DC 20006	Paralyzed Veterans of America		
Don Fuqua, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	3,500.00	
Harold W. Furman II, 3050 K Street, NW Washington, DC 20007	Collier Shannon & Scott (For:Basic Management, Inc)	9,698.75	
Do	Collier Shannon & Scott (For:Central Basin Municipal Water District)	6,303.75	
Do	Collier Shannon & Scott (For:Central Utah Water Conservancy District)	15,000.00	
Do	Collier Shannon & Scott (For:Comdisco Medical Leasing Group, Inc)		
Do	Collier Shannon & Scott (For:Florida Lime & Avocado Trustees)	2,235.00	
Do	Collier Shannon & Scott (For:Granite Rock Company)		
Do	Collier Shannon & Scott (For:Odyssey International)	18,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Collier Shannon & Scott (For:Riverside Resort & Casino)	3,635.00	
Do	Collier Shannon & Scott (For:South Dade Land Corp)	12,615.00	
Do	Collier Shannon & Scott (For:Spelman & Co)		
Do	Collier Shannon & Scott (For:Summit Engineering Corp)	3,645.00	
Do	Collier Shannon & Scott (For:West Basin Municipal Water District)	10,295.00	
FICA Fairness Coalition, P.O. Box 66674 Washington, DC 20036			13,640.84
Julie Leigh Gackenbach, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	500.00	
James E. Gaffigan, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	2,966.19	
Jonathan J. Gaffney, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	
Floyd D. Gaibler, 888 16th Street, NW Washington, DC 20006-4103	International Dairy Foods Assn		
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Air Jamaica, Ltd		
Do	National Assn of Theatre Owners		
Do	Soule Corp		
Do	South Africa Sugar Association	1,700.00	54.20
Do	Textile Rental Services Assn of America		
Karl Gallant, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	4,200.00	569.88
Kathleene E. Gallegos, 1155 15th Street, NW, #400 Washington, DC 20005	McNair Group, Inc	4,687.50	139.96
Galvin Haroian & Mlawski, 425 Park Avenue New York, NY 10022	Herman's Sporting Goods, Inc		
Do	Voyager International, Inc		
Peter S. Gambel, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		240.00
Bruce Gamble, 122 C St., NW, #580 Washington, DC 20001	National Bankers Assn	205.06	
Briggs Gamblin, 2030 M Street, NW Washington, DC 20036	Common Cause	4,244.32	
Cheryl Gannon, 2000 K Street, NW #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	9,346.00	80.25
Sandra M. Garbrecht, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	25,601.25	8,511.31
Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036	National Education Assn		
Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	34.75
James N. Gardner, 121 S.W. Salmon, #1400 Portland, OR 97204-2924	Gardner Cosgrove & Gardner (For:Lindsay Hart Heil & Weigler (for: RENTRAK Corp)).	2,317.50	51.80
Lynda Nelson Gardner, 222 S.W. Columbia, #1600 Portland, OR 97201-6616	Lindsay Hart Neil & Weigler (For:Rentrak Corp)	2,317.50	51.80
Sherwin Gardner, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Gardner Carton & Douglas, 1301 K Street, NW Washington, DC 20005	Adventist Health System/Sunbelt Hospital System	24,597.33	1,195.35
Nancy Garland, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Anthony Garrett, 150 Andover San Francisco, CA 94110	Citizens for Reliable and Safe Highways (CRASH)	93.75	
Lee D. Garrigan, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,100.00	
Theodore J. Garrish, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	8,250.00	199.50
John C. Gartland, 214 Massachusetts Ave., NE, #210 Washington, DC 20002	Amway Corp	16,500.00	
Garvey Schubert & Barer, 1000 Potomac Street, NW Washington, DC 20007	Canadian Embassy	4,075.80	
Do	City of Aberdeen	6,087.50	
Do	Early Winters Resorts, Inc	746.25	
Do	Ministry of the Environment	8,144.25	
Do	Space Industries, Inc		
Do	Totem Ocean Trailer Express, Inc	4,667.75	
Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	2,100.00	
Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	128.00	59.51
Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-G Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Do	Kellen Company (For:Infant Formula Council)		
Morton A. Geller, Corporate Tax Department 100 Federal Street Boston, MA 02110	First National Bank of Boston		
General Instrument Corporation, 1899 L Street, NW, Fifth Floor Washington, DC 20036		1,500.00	
Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016		4,280.00	4,280.00
Diane J. Generous, 1331 Pennsylvania Ave., NW, #1500 North Washington, DC 20004-1703	National Assn of Manufacturers		
John Gentille, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
William A. Geoghegan, 1200 18th Street, NW Washington, DC 20036	Securities Industry Assn	3,700.00	
Nancy Whorton George, 555 13th Street, NW, #1010 E Washington, DC 20004-1109	Enron Corp		
Do	Natural Gas Alliance for the Generation of Electricity		
Do	Transco, Inc		
Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	1,500.00	1,644.57
Louis Gerber, 1925 K St., NW Washington, DC 20006	Communications Workers of America	7,032.00	144.83
Robin Gerber, 101 Constitution Ave. NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	1,254.50	
Richard C. Gergle, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	
Katherine Doddridge Gerlach, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Gerry Baby Products Co, 12520 Grant Drive Box 33755 Denver, CO 80233			400.00
Matthew Gerson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	4,535.00	942.86
Kenneth Gersten, 1116-C West Street Annapolis, MD 21401	Sierra Club	523.13	
John J. Gersuk, 3444 Valewood Dr. Oakton, VA 22124	Bechtel Group, Inc		
Alvin J. Geske, 1016 16th St., NW, 6th Floor Washington, DC 20036	Renewable Fuels Assn		
Dorothy F. Gevinson, Market Square 801 Pennsylvania Ave., NW, #720 Washington, DC 20006-2604	Procter & Gamble Manufacturing Co	17.64	
Danny Ghorbani, 8014 Falstaff Road McLean, VA 22102	Association for Regulatory Reform	6,000.00	745.03
Clair Ghylin, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc	7,500.00	150.00
Christopher J. Giaimo, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	3,297.00	
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007	Itel Rail Corp, et al.	1,000.00	
Wayne Gibbens, 801 Pennsylvania Ave., NW, #840 Washington, DC 20004-2604	Mid-Continent Oil & Gas Assn	10,500.00	482.37
Gary J. Gibbs, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004-2696	Central & South West Services, Inc	1,600.00	212.38
Anne Giesecke, 1111 14th Street, NW, #300 Washington, DC 20005	American Bakers Assn	1,450.00	16.00
Robert A. Gifford, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Lucie Kriste Gikovich, 866 Second Avenue New York, NY 10017	Pacific Telesis Group	12,500.00	
Do	Watts & Company Communications, Inc (For:Pacific Telesis Group)		
Robert C. Gilardi, 1725 Jefferson Davis Hwy, #1004 Arlington, VA 22202-4102	Compressed Gas Assn/Helium Advisory Council		
Karl O. Gilbert, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003	Public Citizen	8,625.00	
James E. Gilchrist, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Andrew Joseph Gildea, 1730 Pennsylvania Ave., NW Washington, DC 20006	Howrey & Simon (For:Tile Council of America, Inc)	74.00	8.00
Jonathan Gill, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004	Business Executives for National Security, Inc		
Jacqueline Gillan, 777 North Capitol Street, NE, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	4,980.78	64.45
Mary Ann Gilleece, 1146 19th Street, NW, 3rd Floor Washington, DC 20036	Lepon McCarthy Jutkowitz & Holzworth (For:Astra Holdings Corp)		
Do	Lepon McCarthy Jutkowitz & Holzworth (For:DynCorp)	300.00	
Do	Lepon McCarthy Jutkowitz & Holzworth (For:NMP Corp)	200.00	
Neal P. Gillen, 1725 K Street, NW, #1210 Washington, DC 20006	American Cotton Shippers Assn	37,500.00	1,526.76
Michael B. Gillett, 4612 Meridian Avenue North Seattle, WA 98103-6936	Atantic Richfield Company	30,000.00	
Do	Pacific Lumber & Shipping Co	15,000.00	
David Gillette, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee	13,249.98	112.69
Brad Gilman, 2300 Clarendon Blvd., #1010 Arlington, VA 22201	Robertson Monagle & Eastaugh (For:Aleutians East Borough)	6,500.00	
Do	Robertson Monagle & Eastaugh (For:City of Kenai)	9,000.00	
Do	Robertson Monagle & Eastaugh (For:City of Kodiak)	4,500.00	
Do	Robertson Monagle & Eastaugh (For:Crowley Maritime Corp)	1,200.00	
Do	Robertson Monagle & Eastaugh (For:Marco)	3,700.00	
Do	Robertson Monagle & Eastaugh (For:Ocean Shipholdings, Inc)	1,250.00	
Do	Robertson Monagle & Eastaugh (For:Sea-Land Services, Inc)	1,200.00	
Jim Gilmore, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Factory Trawler Assn	17,500.00	5,710.16
Tod I. Gimbel, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	499.00	
Ginn Edington Wade & Sanders, Inc, 803 Prince Street Alexandria, VA 22314	Allied Signal Aerospace Co	5,000.00	48.61
Do	Equifax		
Do	Firearms Training Systems, Inc	10,000.00	97.22
Do	Lockheed Corporation	12,000.00	118.49
Do	Oglethorpe Power Corp		
Do	Rockwell International Corp		
Do	Swedish Ordnance		
Do	Turner Broadcasting System, Inc	4,000.00	39.50
Do	U.S. Cane Sugar Refiners' Assn		
Do	Watkins Associated Industries, Inc		
Mark R. Ginsberg, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	2,470.00	
Caesar A. Giolito, P.O. Box 5793 Carefree, AZ 85377	U.S. Chamber of Commerce for Nat'l Info & Education Utility		451.29
Carolyn H. Giolito, P.O.Box 5793 Carefree, AZ 85377	Capital International Communications (For:U.S. Chamber of Commerce for National Information & Ed. Ut.).		447.40

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,362.11
Girl Scouts of the USA, 830 Third Avenue New York, NY 10022			740.52
Sandra Gjelde, P.O. Box 1708 Silverthorne, CO 80498	Mississippi Band of Choctau Indians (MBCI)	875.00	
Lawrence L. Gladchun, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp	1,750.00	1,540.15
Nicholas J. Glakas, 1600 M Street, NW Washington, DC 20036	ITT Corporation	210.00	47.50
Glass Packaging Institute, 1801 K Street, NW, #1105-L Washington, DC 20006			
Matthew D. Glasser, 1919 Park Road, NW Washington, DC 20010	City of Broomfield, Colorado	30,000.00	2,234.80
Law Offices of Thos Gleason, 26 Broadway, 17th Floor New York, NY 10004	International Longshoremen's Assn, AFL-CIO		
Robert E. Gleason, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO		
Martha Cole Glenn, 4637B S. 36th Street Arlington, VA 22206	Humane Society of the U.S.	10,570.02	2,133.74
Joanne Glisson, 700 14th Street, NW, Washington, DC 20005	Monsanto Company		37.98
Stephanie R. Godley, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	1,000.00	50.00
James W. Godlove, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,050.00	54.27
Kevin C. Goebel, 2530 San Pablo Avenue, #J Berkeley, CA 94702	Americans for Nonsmokers' Rights	129.00	
Judith M. Goff, P.O. Box 130092 St. Paul, MN 55113	Farm Credit Services	500.00	1,098.50
Harvey S. Gold, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	Air & Space West, Inc	8,400.00	2,231.00
Do	Alaska Loggers Assn		2,231.00
Do	Amercan College of Cardiology	3,000.00	2,631.00
Do	American Academy of Dermatology	12,000.00	2,631.00
Do	American Academy of Ophthalmology	8,190.00	2,384.00
Do	American Trucking Assn	5,600.00	2,631.00
Do	Hanna Andersson		2,231.00
Do	Beretta U.S.A. Corp	8,810.00	2,631.00
Do	BAA plc	4,800.00	2,631.00
Do	Camp Barsh Bates & Tate		2,309.00
Do	Chemical Manufacturers Assn, Inc	2,695.00	2,405.00
Do	Coca Cola Company	9,265.00	2,631.00
Do	College of American Pathologists	5,000.00	2,631.00
Do	Copiat		2,631.00
Do	Electronic Data Systems Corp	9,621.00	2,631.00
Do	Energy Research Corp	18,480.00	2,631.00
Do	Equitable Life Assurance Society of the U.S.	43,750.00	2,631.00
Do	Eye Bank Assn of America	2,513.00	2,261.00
Do	Federated Investors, Inc	15,000.00	2,631.00
Do	Fiat USA	20,960.00	2,631.00
Do	Ford Motor Co	1,864.00	2,283.00
Do	Genentech, Inc	16,000.00	2,631.00
Do	Hopi Tribe	57,600.00	2,231.00
Do	Investment Company Institute	16,213.00	2,631.00
Do	Martin Marietta Corp	2,465.00	2,277.00
Do	Museum Company	6,080.00	2,475.00
Do	MCI Communications Corp	9,600.00	2,631.00
Do	National Business Aircraft Assn, Inc	1,000.00	2,631.00
Do	National Football League	39,420.00	2,631.00
Do	National Restaurant Assn	39,750.00	2,631.00
Do	National School Transportation Assn	6,000.00	2,313.00
Do	Pacific Enterprises	13,200.00	2,631.00
Do	Pennzoil Co	4,000.00	2,631.00
Do	Philip Morris Co	27,500.00	2,631.00
Do	Phillips Petroleum Co	7,500.00	2,631.00
Do	Public Securities Assn	3,000.00	2,631.00
Do	Salomon Brothers, Inc	4,500.00	2,631.00
Do	Thomson-CSF, Inc	27,260.00	2,631.00
Do	Times Mirror Co	4,290.00	2,631.00
Do	Washington Metropolitan Area Transit Authority	25,136.00	2,231.00
Do	Washington Post Company		2,231.00
Goldberg & Spector, 1229 19th St., NW Washington, DC 20036	Alpha Lyracom d/b/a Pan American Satellite		
Janlori Goldman, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	500.00	100.00
Max Goldman, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Steve Goldman, 1250 Connecticut Avenue, Nw Suite 401 Washington, DC 20036	McCaw Cellular CommunicationsInc (For:McCaw Cellular Communications Inc) .	139.00	30.00
Goldman Sachs & Co, 1101 Pennsylvania Avenue, NW, #900 Washington, DC 20004			7,050.00
Janice Goldman-Carter, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	159.07	
Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210	Americans for Immigration Control, Inc	9,000.00	
Neil Goldschmidt, Inc, 222 S.W. Columbia, #1850 Portland, OR 97201	Nike, Inc		
Do	Southern Pacific Transportation Co.	3,500.00	1,455.01
Richard S. Goldstein, 2300 M Street, NW Washington, DC 20037	Kelley Drye & Warren (For:Coalition to Preserve the Low Income Housing Tax Credit).		
John A. Gonzalez, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	10,000.00	5,277.70
Richard F. Goodstein, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc	1,350.00	999.50
Linda Goold, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	20.99
John Gordley, 1150 Connecticut Avenue, NW, #507 Washington, DC 20036	Export Processors Industry Coalition (EPIC)	3,000.00	3,180.39
Do	Iowa Pork Producers Assn	1,500.00	1,180.78
Do	National Sunflower Assn	6,000.00	3,552.01
Do	U.S. Canola Association	9,000.00	3,131.54
Marvin N. Gordon, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	232.29
Mary S. Gordon, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc		1,445.00
Randall C. Gordon, 1201 New York Ave., NW #830 Washington, DC 20005	National Grain & Feed Assn		
David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	11,187.20	26.45
Faye A. Gorman, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	
Mark S. Gorman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Ann M. Gosier, 1920 N Street, NW Washington, DC 20036	American Mining Congress	30.00	14.00
Peter Gossens, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics	1,000.00	306.85
William P. Gotschall, 6222 Cheryl Drive Falls Church, VA 22044	World Resources Company	4,800.00	
Gover Stetson & Williams, 2501 Rio Grande Blvd., NW Albuquerque, NM 87104-3223	Campo Band of Mission Indians	11,057.00	
Do	Crow Tribal Housing Authority		
Do	Mescalero Apache Housing Authority		
Do	Minnesota Chippewa Tribe		
Do	Navajo Area School Board Assn		
Do	Pueblo of Laguna Housing Authority		
Do	Pueblo of Pojoaque	23.50	
Do	Pueblo of Tesuque		
Do	Pueblo of Zuni		
Do	Santa Clara Indian Pueblo	1,100.50	
Do	Shoshone Tribe	2,138.50	
Do	Tonono O'odham Nation	1,350.00	
Do	Wind River Tax Commission		
Do	Zuni Housing Authority		
Edmund Graber, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Elaine Z. Graham, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Citibank, N.A.	9,425.00	317.00
Do	Investors in Industry		
Nancy Granese, c/o P.O. Box 27414 Washington, DC 20038	FICA Fairness Coalition		
Do	Partnership on Health Care & Employment		
Andrew N. Grass Jr., One World Trade Center, #4511 New York, NY 10048	Security Traders Assn, Inc	2,500.00	
Clifford S. Graul, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	16.00
Edwin C. Graves, 2001 M Street, NW Washington, DC 20036	Hill & Knowlton, Inc (For:Church of Scientology International)		
Barbara Gray, P.O. Box 3958 Missoula, MT 59806	Metropolitan Analysis & Retrieval Systems, Inc (Mars, Inc)	11,300.00	7,000.00
Carol J. Gray, 1850 M Street, NW, #550 Washington, DC 20036	Securities Industry Assn	1,962.00	
Peter Gray, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp/Citibank	1,848.00	
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:AMR Corp)		
Do	Hill & Knowlton, Inc (For:Embassy of the People's Republic of China)	450.00	
Do	Hill & Knowlton, Inc (For:First American Bank, N.A.)		
Do	Hill & Knowlton, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Tobacco Institute)		
Robert N. Gray, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	10,155.22	54.03
Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036	Federation of American Health Systems	1,500.00	
Greater New York Hospital Assn, 555 West 57th Street 15th Floor New York, NY 10019			88,721.00
Greater Wash/MD Service Station & Automotive Repair Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706		500.00	500.00
Donald R. Greeley, 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	4,500.00	919.43
Deborah Green, 610 W. 110th Street New York, NY 10025	Rainbow Lobby, Inc	4,400.00	
Edward M. Green, 1920 N St., NW Washington, DC 20036	American Mining Congress		
George R. Green, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
James E. Green, 1100 Connecticut Ave., NW #620 Washington, DC 20036	Mobil Corp	2,500.00	692.95
Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	283.56
Oliver W. Green, 5025 Wisconsin Ave, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Scott H. Green, 1275 Pennsylvania Ave, NW, #220 Washington, DC 20004	Boys & Girls Clubs of America	4,000.00	
Wayne Green, Forest Road Hancock, NH 03449	73, Inc		
William Green, 1455 Pennsylvania Ave, #575 Washington, DC 20004	MacAndrews & Forbes Holdings, Inc		
Fred Greene, 3434 Pinetree Terrace Falls Church, VA 22041	Denny Miller Associates	2,500.00	
Anne Greenfield, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Suzanne Greenfield, 2030 M Street, NW Washington, DC 20036	Common Cause	6,720.00	93.35
Ronald K. Greenhalgh, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural ELectric Cooperative Assn	100.00	
Lynn Greenwalt, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation		
Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Janet R. Gregor, 1331 H Street, NW, #300 Washington, DC 20005	H&R Block, Inc (For:Rosapepe & Spanos, Inc)	1,800.00	5.00
David J. Gribbin IV, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,401.00	200.00
Anne-Marea Griffin, 9019 Manchester Road Silver Spring, MD 20901	TransAfrica	7,500.00	
John Wesley Griffin, #00311-158 P.O. Box 4200 Three Rivers, TX 78071-4200			
Robert T. Griffin, 1100 Connecticut Ave., NW, #900 Washington, DC 20035	Chrysler Corporation	2,500.00	275.00
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Air Transport Assn of America	3,500.00	84.00
Do	American Assn of Equipment Leasors	6,250.00	150.00
Do	American Nuclear Energy Council	18,750.00	450.00
Do	American Petroleum Institute	2,250.00	54.00
Do	American Psychological Assn	6,250.00	150.00
Do	Appalachian Coalbed Methane Assn	3,500.00	84.00
Do	Arthur Andersen & Co	20,000.00	480.00
Do	Avondale Industries, Inc		
Do	Blue Cross & Blue Shield Assn		
Do	City of Broomfield		
Do	Covia Partnership	5,500.00	132.00
Do	CBS, Inc	14,000.00	336.00
Do	COMSAT Corp	2,750.00	66.00
Do	Ethyl Corporation	22,500.00	540.00
Do	Fireman's Fund Insurance Cos	5,000.00	120.00
Do	General Atomics	250.00	6.00
Do	W.R. Grace & Co	11,250.00	270.00
Do	Grumman Corporation	4,250.00	102.00
Do	McCaw Communications Cos	6,750.00	162.00
Do	Merck & Co, Inc		
Do	Motorcycle Industry Council, Inc		
Do	National Music Publishers Assn	13,500.00	324.00
Do	NUS Corp	12,500.00	300.00
Do	Outdoor Advertising Assn of America	750.00	18.00
Do	Tobacco Institute	750.00	18.00
Do	Transport Life Insurance Co (for Resource Deployment, Inc)	7,500.00	180.00
Edward D. Griffith, 3801 West Chester Pike Newtown Square, PA 19073	ARCO Chemical Co	70.00	
Gary W. Griffith, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	540.00	198.19
Randy Griggs, 1052 Highway 431 North Dothan, AL 36303	Alabama Farmers Federation	600.00	834.89
Philip M. Grill, 444 N. Capitol Street, NW, #514 Washington, DC 20001	Matson Navigation Company, Inc		
Craig N. Grimm, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Margo A. Grimm, 1000 Connecticut Ave., NW Washington, DC 20036	Japan Economic Instutute of America	500.00	
Norman E. Grimm Jr., 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		
Cynthia P. Grisso, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		20.00
Mark W. Grobmyer, P.O. Box 70 Little Rock, AR 72203	Arnold Grobmyer & Haley (For:Arkansas Assn of Securities Dealers)		
Do	Arnold Grobmyer & Haley (For:Mid-South International Trade Assn)		
Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007			1,078.32
James N. Groninger, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	181.73	
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Ad Hoc MGA Group		
Do	Ad Hoc PFIC Group		
Do	American Petroleum Institute		
Do	Amoco Corp		
Do	Cargill, Inc		
Do	Chevron Corp	375.00	50.00
Do	Eli Lilly & Company		
Do	Goldman Sachs & Co		
Do	Murphy Oil USA, Inc		
Do	Nebraska Public Power District		
Do	New York City Teachers Retirement System		
Do	Phillips Petroleum Co		
Do	Physicians Mutual Insurance Co	100.00	25.00
Do	Principal Financial Group		
Do	Prudential Insurance Co of America	300.00	50.00
Do	Prudential-Bache Securities, Inc		
Do	Puerto Rico, USA Foundation		
Do	Reading & Bates Corporation		
Do	Retired Lives Reserve Group		
Do	Southern California Edison Co		
Do	Sunflower Electric Power Corp		
Do	True Oil Company		
Do	Union Texas Petroleum Corp		
Do	Westinghouse Electric Corp		
George Gross, 1211 Connecticut Ave., NW, #406 Washington, DC 20036	Magazine Publishers of America, Inc	5,000.00	
Thomas P. Gross, 1627 Eye Street, NW, #1000 Washington, DC 20006	McGuire Woods Battle & Boothe (For:Appomattox River Water Authority)		
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Cetus Corp)		
Do	Hill & Knowlton (For:Gerber Products Corp)		
Do	Hill Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Gene Guerrero, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	1,250.00	
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Marketing Service International, Inc		
Do	O'Connor & Hannan (For:Blanchfield & Moore)	1,000.00	
Do	Dillon Read & Co, Inc		
Do	LF Rothschild Unterberg Towbin, Inc		
Do	Michigan State Housing Development Authority		
Do	Morris Communications	18,000.00	
Do	Naegle Outdoor Advertising		
Do	National Rifle Assn of America	5,000.00	
Do	O'Connor & Hannan	30,000.00	
Do	Paine Webber Group, Inc		
Do	Bettis Rainsford		
Do	Riverton Investment Corp	1,000.00	
Do	Simpson Thacher & Bartlett (for Sol Goldman Estate)		
Do	Western Electrochemical Company		
Pamela D. Guffain, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	3,000.00	110.18
Clark J. Guild Jr., Guild & Hagen, Ltd 100 West Liberty St., #800 Reno, NV 89501	Motion Picture Assn of America, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419 Washington, DC 20036	BASF Corp	1,000.00	35.00
Do	KMS Fusion, Inc	500.00	35.00
Do	McDermott, Inc	1,000.00	75.00
Do	Walk-Haydel & Associates, Inc	500.00	75.00
Deborah H. Gum, 9425 Cloverhill Road Manassas, VA 22110	Capital Cities/ABC, Inc		
Gun Owners of America, Inc, 8001 Forbes Place Springfield, VA 22151		159,891.94	156,502.04
Phyllis A. Guss, 1050 Thomas Jefferson Street, NW 6th Floor Washington, DC 20007	Citizens for Reliable & Safe Highways (CRASH)		
Richard E. Gutting Jr., 1525 Wilson Boulevard, #500 Arlington, VA 22209	National Fisheries Institute	6,000.00	
Jocelyn A. Guyer, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	25,702.50	8,511.31
GPIA Animal Drug Alliance, 200 Madison Ave., #2404 New York, NY 10016			
Jane Scherer Haake, 1667 K Street, NW, #420 Washington, DC 20006	Mead Corporation		
William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Lonnie E. Haefner, 10 Finlay Road Kirkwood, MO 63122	L.E. Haefner Enterprises, Inc (For:Cape Girardeau Regional Commerce & Growth Assn).		
Gene P. Haflich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204	American Petroleum Institute		
Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701	Central & South West Services, Inc		3.33
Tom Hagedorn Associates, 4000 Oxford Street Annandale, VA 22003	Asphalt Rubber Producers Group, Inc	15,000.00	
Jay D. Hair, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	594.64	
Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California	8,000.00	622.77
Mr. Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Genetics Institute		
Do	Arthur D. Little, Inc	1,377.00	146.50
Do	Medallion Oil Company	270.00	
Do	Metalor USA Refining Corp		
Do	Micron Technology, Inc	550.00	16.00
Do	Northeastern University	1,269.00	109.80
Hale Foundation, 422 First Street, SE, #208 Washington, DC 20003			
Anne Hall, 100 East Broad Street Columbus, OH 43271-0251	Banc One Corporation		
Elliott S. Hall, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	7,500.00	1,312.40
John P. Hall Jr., 1350 Eye Street, NW, #810 Washington, DC 20005	Johnson & Johnson	1,000.00	225.00
Joseph Mitchell Hall, 2930 S. Buchanan Street, #A1 Arlington, VA 22230	Harris Corporation	1,475.00	2,106.89
Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,250.00	614.30
Morton H. Halperin, 122 Maryland Ave.,NE Washington, DC 20002	American Civil Liberties Union	16,000.00	100.00
Maurice E. Halsey, P.O. Box 190 Aurora, IL 60507	Northern Illinois Gas Company	2,000.00	
Paul T. Haluza, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004	Motor and Equipment Manufacturers Association	3,000.00	23.86
Martha R. Hamby, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	240.00	62.00
Matthew W. Hamill, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	7,248.00	154.00
David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	7,134.61	
J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers	281.00	
Joyce Hamilton, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Mark Hamilton, 5400 Carillon Point, #400 Kirkland, WA 98083	McCaw Cellular Communications, Inc	720.00	2,514.00
Philip W. Hamilton, 1825 K St., NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	2,350.00	354.63
Thomas A. Hammer, 2100 Pennsylvania Ave, NW, #695 Washington, DC 20037	Sweetener Users Assn		
Timothy A. Hanan, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	2,500.00	
William A. Hanbury, One Lincoln Center, #1180 Syracuse, NY 13202	Hanbury & Associates (For:Oneida Indian Nation)	2,554.50	2,554.50
Hance & Gamble, PC, 400 West 15th Street, #320 Austin, TX 78701	Kinetic Concepts, Inc	9,000.00	541.71
Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036	Oil Chemical & Atomic Workers International Union	6,760.25	
Hand Arendall Bedsole Greaves & Johnston, P.O. Box 123 Moblie, AL 36601	General Electric Co	374.15	
Do	Ingalls Shipbuilding	209.17	
Do	Northrop Corp	1,420.82	
Do	Waste Management, Inc	329.57	
Rose M. Hanes, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance		
Thomas H. Hanna, 7430 Second Ave, #300 Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	550.00	
Anneliz Hannan, 150 Glover Avenue Norwalk, CT 06856	United States Surgical Corp	1,000.00	
P. S. Hannas, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	300.00	
Richard L. Hanneman, 700 North Fairfax Street, #600 Alexandria, VA 22314-2040	Salt Institute		
Dolly A. Hanrahan, 1200 G Street, NW, #400 Washington, DC 20005	Hima	775.00	258.44
Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Grant W. Hanson, 507 Second Street, NE Washington, DC 20002	Nike, Inc		251.14
William S. Haraf, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	2,100.00	
Julie E. Harbin, 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company		
Robert N. Harbor, P.O. Box 1492 El Paso, TX 79978	El Paso Natural Gas Co		
Dorcas R. Hardy & Associates, 2909A So. Woodstock Street, #100 Arlington, VA 22206	MCI Telecommunications Corp	18,000.00	6,503.19
Kathleen Harnett, 1301 Pennsylvania Ave., NW #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Diane Harper, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	1,871.02
W. Brendan Harrington, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
A. J. Harris II, 1825 Eye Street, NW, #750 Washington, DC 20006	CIGNA Corp	4,938.00	522.31
Leslie Harris, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	6,500.00	
Ray Harris, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Nuclear Operating Company	600.00	6,020.16
Harris & Ellsworth, 2600 Virginia Avenue, NW, #1113 The Watergate Washington, DC 20037	American Railway Car Institute		
Do	Association of Food Industries, Inc		
Do	Cheese Importers Assn of America, Inc		
Do	Coalition of Food Importers Assn	1,800.00	84.00
Do	Committee of American Axle Producers		
Do	Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs	600.00	
Jack E. Harrison, West Virginia Petroleum Council 1250 One Valley Square Charleston, WV 25301	American Petroleum Institute		
Jim Harrison, 4925 Jamestown Rd. Bethesda, MD 20816-1757	Association of Urban Universities	8,333.32	39.93
Joseph M. Harrison, 1611 Duke Street Alexandria, VA 22314	American Movers Conference	100.00	
L. Ray Harry, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc	400.00	4,458.59
Fruzsina M. Harsanyi, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri, Inc	3,500.00	118.58
Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	3,000.00	
Thomas D. Hart, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
William R. Hart, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	3,297.00	
Hartford Fire Insurance Co, Hartford Plaza Hartford, CT 06115			33,800.00
Gerald S. Hartman, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)		
Mary M. Hartman, 10203 Vernlyn Drive San Antonio, TX 78230	Diamond Shamrock, Inc		
Rebecca J. Hartman, 1100 Citizens Building Cleveland, OH 44114	Centerior Energy Corp	428.00	
Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Carolyn Hartmann, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,923.05	
Frederick J. Hartwigsen, 1500 Paxton Street P.O. Box 3565 Harrisburg, PA 17105	UGI Corporation		
Fanny L. Haslebacher, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036	Hershey Foods Corp		
Jace Hassett, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Howard M. Haug, 1270 Avenue of the America New York, NY 10020	National Foreign Trade Council, Inc	4,500.00	
James N. Haug, 55 E. Erie Street Chicago, IL 60611	American College of Surgeons		
Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Barbara J. Haugh, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		1,481.88
Christina M. Hauptli, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Charles W. Havens III, 1333 New Hampshire Avenue, NW, #1100 Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Jennifer Hawk, 1722 Eye Street, NW, 4th Floor Washington, DC 20006	Barclays Bank, PLC	3,000.00	112.00
Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006	Mead Corporation		
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
F. William Hawley, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp/Citibank		
John F. Hay, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
David J. Hayes, 1001 Pennsylvania Ave., NW Washington, DC 20004	Latham & Watkins (For:American Electronics Assn)	4,377.50	60.09
Do	Latham & Watkins (For:Semiconductor Industry Assocation)	1,545.63	22.62
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	2,000.00	
Do	Coastal Conservation Assn	2,000.00	
Do	Natural Resources United	3,000.00	
Paul Hazen, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	10,000.00	210.01
Healthcare Financial Management Assn, 1050 17th Street, NW, #700 Washington, DC 20036			1,167.25
Robert Healy Jr., 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	3,400.00	58.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	350.00	
Anne A. Heanue, 110 Maryland Avenue, NW, #101 Washington, DC 20002	American Library Assn	1,014.00	
David E. Hebert, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	5,000.00	447.00
Jay Hedlund, 2030 M St., NW Washington, DC 20036	Common Cause	14,095.02	6.00
Edward D. Heffernan, 1019 19th St., NW, Penthouse #1 Washington, DC 20036	American Cast Iron Pipe Company	1,000.00	
Do	CSX Corporation	5,000.00	
Do	DePaul University	3,000.00	
Do	Renewable Fuel Assn	3,000.00	
Do	Sealaska Corp	1,000.00	
John F. Heilman, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	21,350.00	1,521.92
Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	274.28	186.25
Scott E. Heisel, 735 N. Water Street, #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc		
John Heissenbuttel, 1250 Connecticut Ave., NW, #320 Washington, DC 20036	American Forest Council		2,000.00
DeWitt F. Helm Jr., 155 East 44th Street New York, NY 10017	Association of National Advertisers, Inc		
Robert W. Helm, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corp	3,000.00	50.25
Edward A. Helme, 444 N. Capitol Street, #526 Washington, DC 20001	Alliance for Acid Rain Control	2,651.00	107.00
Thomas M. Helscher, 700 Fourteenth Street, NW, #1100 Washington, DC 20005	Monsanto Co		142.56
Mike D. Helton, Kentucky Petroleum Council 305 Ann St., #403 Frankfort, KY 40601	American Petroleum Institute		
Carol C. Henderson, 110 Maryland Ave., NE, #101 Washington, DC 20002	American Library Assn	1,329.00	
Robyn L. Henderson, 1726 M Street, NW, #902 Washington, DC 20036-4502	American Lung Assn	962.50	4,674.72
Wade J. Henderson, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union		
Hennessy Plummer & Griffin, Inc, 12 Sheridan Ave. Albany, NY 12207	Systems Control, Inc	3,605.00	50.00
George H. Henry, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	459.00	
John Hugh Henry, 1850 K Street, NW, #950 Washington, DC 20006	McDermott, Inc	9,400.00	4,370.95
Margaret C. Henry, 1919 Pennsylvania Ave., NW Washington, DC 20006	Arter & Hadden (For:Morgan Stanley & Co, Inc)		23.25
LeAnn Hensche, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,450.00	93.68
Charlotte W. Herbert, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
William Hermelin, 2215 Constitution Ave, NW Washington, DC 20037	American Pharmaceutical Assn	1,000.00	
Catherine L. Heron, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Julian B. Heron, 1025 Thomas Jefferson Street, NW, #407 Washington, DC 20007	Blue Diamond Growers	5,125.00	234.00
Do	Hawaii Macadamia Nut Assn	2,118.75	108.56
Do	Carl J. Maggio		
Do	Sunkist Growers, Inc	30,487.50	1,614.38
Do	Universal Leaf Tobacco		
Richard A. Herrett, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	15,000.00	
John A. Heslip, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn		
William S. Hettinger, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	232.29
Heublein, Inc, 16 Munson Road Farmington, CT 06034-0388		17,250.00	12,770.49
David B. Hickerson, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	450.00	350.00
Sydney Tally Hickey, 6401 Phillip Court Springfield, VA 22152	National Military Family Assn, Inc	2,158.13	
Guy M. Hicks, 1000 Wilson Boulevard, #2407 Arlington, VA 22209	Northrop Corp	1,000.00	
Paul T. Hicks, Rhode Island Petroleum Assn 395 Smith Street, #2 Providence, RI 02908	American Petroleum Institute		
Barbara L. Hiden, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	129.80	478.78
J. Thomas Higginbotham, 1455 Pennsylvania Ave., NW Washington, DC 20004	American Institute of Certified Public Accountants		20,052.42
John S. Hightower, 5700 Florida Blvd., #310 Baton Rouge, LA 70806	Louisiana-Pacific Corp	7,125.00	1,469.00
Vivian A. Hightower, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	100.00	
John Hildreth, 1300 Guadalupe, #100 Austin, TX 78701	Consumers Union of U.S., Inc	1,000.00	
Catherine J. Hill, 1640 Wisconsin Ave., NW, First Floor Washington, DC 20007	American College of Surgeons		109.85
J. Eldred Hill Jr., 820 First St., NE, #400 Washington, DC 20002	UBA, Inc	2,000.00	
Patricia Hill, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Robert B. Hill, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	750.00	82.25
Thomas M. Hill, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	3,226.50	
Edward Joseph Hillings, 750 17th Street, NW, 4th Fl Washington, DC 20006	Enron Corp	7,500.00	
Steven A. Hillyard, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies		
Cynthia Hilton, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
John M. Himmelberg, 888 17th Street, NW, #900 Washington, DC 20006	Florida Fruit & Vegetable Assn	3,000.00	
Do	Florida Tomato Exchange	1,500.00	
Evan Hirsche, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	72.60	37.95
Tamara Hirschfeld, 2101 L Street, NW, #401 Washington, DC 20037	American Stock Exchange, Inc		
Dan L. Hitt, 1101 15th Street, NW Washington, DC 20005	3M Co (Minnesota Mining & Mfg)	400.00	
Charles W. Hitzemann, 1701 Pennsylvania Ave, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co.		
Philip M. Hocker, 20 West Chapman Street Alexandria, VA 22301	Mineral Policy Center		85.50
Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601	Investment Company Institute	12,594.97	
Ann C. Hodges, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	8,904.00	588.25
Sheridan T. Hodges, 333 Piedmont Avenue, 23rd Floor Atlanta, GA 30308	Georgia Power Co	9,311.25	287.53
A.R. 'Trey' Hodgkins, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	935.00	230.93
Jeanne E. Hoenicke, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	1,000.00	
Kristin Hofeditz, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	923.00	
Glen D. Hofer & Associates, 1000 16th Street, NW, #702 Washington, DC 20036	National Barley Growers Assn	13,500.00	5,787.00
William L. Hoffman, 516 First Street, SE Washington, DC 20003	American University of Beirut	11,856.00	9,871.63
Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	776.25	
Elizabeth Hogan, 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	4,000.00	139.38
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	Alabama Construction Contractors	5,625.00	794.22
Do	American Coke & Chemicals Institute		
Do	American Frozen Food Institute		
Do	American Hellenic Institute		315.09
Do	American Insurance Assn	6,195.00	172.46
Do	Amgen, Inc	11,492.50	55.00
Do	Auburn University		1,415.16
Do	Berg Steel Pipe Corp	1,240.00	11.00
Do	Blount, Inc	10,925.83	482.21
Do	Bristol-Myers Squibb Company		
Do	BE&K Construction	1,622.50	30.65
Do	California State Teachers Retirement System	21,590.00	
Do	Drummond Company, Inc	49,620.41	2,707.54
Do	Ductile Iron Pipe Research Assn	16,666.66	1,329.07
Do	First National Bank of Opelika		
Do	Fox Broadcasting Company		
Do	Freightliner Corp		
Do	General Electric Company	3,536.25	107.77
Do	Glaxo, Inc		
Do	Harbert Corp		
Do	Hardie-Tynes Mfg. Company	7,173.76	162.66
Do	Intergraph Corp	7,110.00	87.39
Do	Manufacturers Hanover Trust Co		
Do	May Department Stores Co	17,732.50	214.96
Do	Mercedes-Benz of North America, Inc	29,808.75	
Do	Michelin Tire Company	40,282.64	2,893.28
Do	Michigan Consolidated Gas Co		
Do	Mid Atlantic Company	6,000.00	505.77
Do	Mortgage Insurance Companies of America	15,000.00	530.14
Do	Mutual Life Insurance Co of New York		
Do	National Apparel	407.50	
Do	National Assn of Tobacco Distributors		
Do	National Broiler Council		
Do	National Consumers Bankruptcy Coalition	21,000.00	2,103.11
Do	National Hospice Organization	10,394.55	143.50
Do	National Industries, Inc	2,267.50	560.01
Do	Ontario Ministry of Industry, Trade & Technology		
Do	Payload Systems, Inc		
Do	Poly Insulation Manufacturers Assn (PIMA)	28,906.25	1,262.63
Do	Private Child Care Providers	22,944.82	1,329.45
Do	Product Liability Coordination Committee	50,000.00	1,740.22
Do	Railway Progress Institute	400.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Rust Engineering		1,150.09
Do	Security Savings & Loan Assn		
Do	Shaw Pittman Potts ...for Robinson Terminal Warehouse Corp.	4,087.50	15.29
Do	Smith Barney Harris Upham & Co, Inc	3,410.00	
Do	Southern Company Services	33,333.33	2,674.49
Do	Storage Technology Corp		
Do	Tektronix, Inc		
Do	Underwriters at Lloyd's London		
Do	University of Pennsylvania		
Do	Vulcan Materials Company	1,065.00	
Do	Jim Walter Corp	10,000.00	673.31
Philip A. Hogue, 2230 Gallows Rd., #200 Dunn Loring, VA 22027	International Technical Expertise Ltd		
Richard F. Hohlt, 209 Princess Street Alexandria, VA 22314	Dime Savings Bank of New York	2,500.00	98.00
Do	Silver Freedman & Taff		
Do	Stuzin & Camner	2,500.00	115.00
Do	U.S. League of Savings Institutions	3,000.00	207.00
Bruce E. Holbein, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	28,000.00	
Gerard L. Holder, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Benny Holland Jr., 815 Sixteenth Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	4,972.00	
Robert A. Holland, 1020 19th Street, NW, #420 Washington, DC 20036	SmithKline Beecham Corp (Beecham, Inc)	2,000.00	800.00
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Alamo Rent A Car, Inc	500.00	
Do	Alyeska Pipeline Service Co	500.00	
Do	Carbon Fuels Corp & Subsidiaries		
Do	Citgo Petroleum Corp	1,000.00	
Do	Council for Solid Waste Solutions	1,775.00	
Do	Grocery Manufacturers of America, Inc		
Do	Precious Metals Producers Group	500.00	
Do	Scott's Liquid Gold		
Do	Southland Corporation		
Do	Michele Stell & Associates		
Do	Stillwater Mining Company		
Do	Styrene Information & Research Center	1,000.00	
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	American Commodity Distribution Association	1,000.00	
Do	Florida Celery Exchange		
Do	Florida High Speed Rail Transportation Commission	3,000.00	
Do	General Mills Corp	13,805.50	
Do	Pan American Satellite Corp		
Do	Town of Palm Beach	1,600.00	
Do	United Fresh Fruit & Vegetable Assn	3,000.00	
Wendell M. Holloway, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	4,597.80	2,987.60
Holly Corporation, 100 Crescent Court, #1600 Dallas, TX 75201	Holly Corp		
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	234.00	30.80
Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036	National Education Assn	3,753.35	32.00
Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	275.00	
John W. Holt, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	350.00	
John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608	American Petroleum Institute		
Home Recording Rights Coalition, P.O. Box 33576 1145 19th Street, NW Washington, DC 20033		26,000.00	26,160.19
Gregory W. Homer, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)		
Tom Hoog, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Colorado State University)		
Do	Hill & Knowlton, Inc (For:Embassy of the People's Republic of China)		
Do	Hill & Knowlton, Inc (For:Grumman)	15,000.00	
Do	Hill & Knowlton (For:McAndrews & Forbes Holdings, Inc)		
Do	Hill & Knowlton (For:Phillips Petroleum)		
Do	Hill & Knowlton (For:Tera Computer Company)		
Billy E. Hooper, 1023 15th Street NW 3rd floor Washington, DC 20005	Association of American Veterinary Medical Colleges		
Candice Shy Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Enserch Corp)	2,750.00	
Do	Hooper Hooper & Owen (For:John Hancock Mutual Life Insurance, Co)	15,000.00	
Helen Hooper, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	1,550.47	
Lindsay Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Carbon Fuels Corp)	3,750.00	
Do	Hooper Hooper & Owen (For:ENSERCH Exploration)	2,000.00	
Do	Hooper Hooper & Owen (For:Hallmark Cards)	6,375.00	
Do	Hooper Hooper & Owen (For:Kansas City Southern Industries)	7,500.00	
Do	Hooper Hooper & Owen (For:Phlcorp)	5,813.00	
Do	Hooper Hooper & Owen (For:Software Publishers Assn)		
Do	Hooper Hooper & Owen (For:United Asset Management)	2,000.00	
Do	Hooper Hooper & Owen (For:UtiliCorp United, Inc)	6,750.00	
Do	Hooper Hooper & Owen (For:Western Resources Council)		
Stephen A. Hopkins, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	2,500.00	
Virginia E. Hopkins, 1302 Noble Street, #3H Anniston, AL 36201	Campbell & Hopkins (For:Wald Manufacturing Company, Inc)	700.00	39.85
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Alaska Joint Venture Seafoods, Inc		
Do	Alaskan Cod, Inc		
Do	Comdisco		
Do	Cook Inlet Land Exchange, Inc		
Do	Estate of Helen Wodell Halbach		
Do	Geonex Corp		
Do	Grand Trunk Corp	14,503.75	81.91
Do	Greenwich Capital Markets, Inc		
Do	Infinite Research, Inc		
Do	Louisiana Pacific Corp	12,505.00	824.00
Do	United Video		
Deborah L. Horan, 777 N. Capitol Street, NE, #803 Washington, DC 20002	American Assn of Nurse Anesthetists	5,000.00	49.81
Darnell K. Horio, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	8,817.00	241.95
John R. Horner, 8524 Bradford Rd. Silver Spring, MD 20901	Campbell-Raupe, Inc (for: NMTBA-Assn for Mfgr Technology)	3,000.00	
Marcia L. Horton, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Charles H. Hossack, 50 South First Avenue Coatesville, PA 19320	Lukens, Inc		5,165.12
Russell Houston, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
John H. F. Hoving, 1575 Eye Street, NW #325 Washington, DC 20005	Society of American Value Engineers		
Hoving Group, 1575 Eye Street, NW, #325 Washington, DC 20005	American Film Marketing Assn	3,000.00	322.70
Do	Eagle-Picher Industries, Inc	70,600.00	6,950.73
Do	Western-Southern Life Insurance Co	10,500.00	1,070.01
Gerald M. Howard, 15th & M Street, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Robert M. Howard, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	2,187.60	1,598.42
Allynn Howe, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	11,375.00	1,908.98
Christopher W. Howe, 1401 Eye Street NW #1200 Washington, DC 20005	Chevron USA, Inc	950.00	15.00
Jonathan Howe, 1200 18th Street NW, #200 Washington, DC 20036	National Business Aircraft Assn	1,250.00	
Howe Anderson & Steyer, 1747 Penn Ave., NW, #1050 Washington, DC 20006	Association of Bituminous Contractors		
Do	Industrial Diamond Assn		
Gary Howell, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc		
James P. Howell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,738.00	
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	280.00
Ronnie Allen Howell, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper	12,921.28	3,980.67
Clifford T. Howlett Jr., 1875 Eye St., NW, #775 Washington, DC 20006	Georgia-Pacific Corp	5,000.00	
Howrey & Simon, 1730 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Tile Council of America, Inc	226.00	74.00
Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	2,500.00	
David S. Hubbard, 1212 New York Avenue, NW, #520 Washington, DC 20005	American Cement Alliance, Inc	5,000.00	99.13
Margaret Renken Hudson, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.00	300.00
Stewart Hudson, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	3,138.44	
Gary E. Hughes, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Peter W. Hughes, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners	3,000.00	
Robert (Bob) Hughes, 333 Piedmont Ave., 23rd Floor Atlanta, GA 30308	Georgia Power Company	16,292.10	5,744.19
Vester T. Hughes Jr., 1717 Main Street, Suite 2800 Dallas, TX 75201	Mrs. H. E. Butt		
Do	Holly Corp		
Do	Sammons Enterprises, Inc		
William Hughes, 27357 Avonbourne Lane Easton, MD 21601-9147	National Assn of Federal Veterinarians	26.14	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
F. Michael Hugo, 3414 N. Emerson Street Arlington, VA 22207	Warner-Lambert Co		
Steven E. Humerickhouse, 976 Fair Oaks Dr. Collierville, TN 38017	Adoptive Families of America	1,500.00	3,941.06
Gregory A. Humphrey, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	20,976.60	352.00
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc, et al.)	4,070.00	58.80
Frances A. Hunt, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	2,000.37	
Harriet Hunt-Burgess, 44 Montgomery Street, #4165 San Francisco, CA 94104	American Land Conservancy (ALC)	2,647.92	2,377.72
Angela M. Hunter, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	10,679.16	
Beverly A. Hunter, 100 Maryland Ave., NE Washington, DC 20002	Religious Coalition for Abortion Rights	7,905.78	30.00
Daniel J. Hunter, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	14,375.00	1,406.90
William N. Hunter, 2104-A Gallows Road Vienna, VA 22180	W.N. Hunter & Associates	2,000.00	
W.N. Hunter & Associates, 2104-A Gallows Road Vienna, VA 22180			2,000.00
Milton F. Huntington, Maine Petroleum Assn P.O. Box 2739 Augusta, ME 04338	American Petroleum Institute		
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Edison Electric Institute		
Robert Hurley, 1317 F Street, NW Washington, DC 20004	Wall & Associates, R. Duffy	1,250.00	
Cathy Hurwit, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action Fund	10,600.00	255.00
Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	2,400.00	298.89
Mark Hurwitz, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,434.52
Philip A. Hutchinson, 490 L'Enfant Plaza, #7204 Washington, DC 20024	Volkswagen of America, Inc	150.00	20.00
Suzanne C. Hutchinson, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	7,375.00	1,411.84
Randy Huwa, 2030 M St., NW Washington, DC 20036	Common Cause	12,493.13	
Kimberly Hyatt, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Cetus Corp)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Embassy of the People's Republic of China)		
Do	Hill & Knowlton, Inc (For:Ferruzzi Group)		
Do	Hill & Knowlton, Inc (For:Hertz Corp)		
Do	Hill & Knowlton, Inc (For:Liberal Democratic Federation of Hong Kong)		
Do	Hill & Knowlton, Inc (For:Mazda (North America), Inc)		
Do	Hill & Knowlton, Inc (For:Nintendo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	2,100.00	
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton (For:UNUM Corp)		
Robert D. Hynes Jr., 1331 Pennsylvania Ave., NW Suite 930 North Washington, DC 20004	National Broadcasting Co, Inc	1,000.00	1,170.17
Timothy John Hynes, 600 Cedar Street, NW Washington, DC 20012	Converging Techniques	15.00	360.00
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Pharmaceutical Assn	500.00	219.52
I.S.I. Enterprises, Inc, 7312 Western Ave. Chevy Chase, MD 20815	Comoil		
Do	President of the Republic of the Congo		
J. William Ichord, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Company of California		1,408.51
Richard H. Ichord, 800 K Street, NW, #830 Washington, DC 20001	Panda Motors Corp	10,000.00	738.90
Kris H. Ikejiri, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference	500.00	
Catherine L. Imus, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	Braun/Ketchum		
Independent Insurance Agents of America, Inc, 127 S. Peyton Street Alexandria, VA 22314		47,356.00	47,356.00
Industrial Biotechnology Assn, 1625 K Street, NW, #1100 Washington, DC 20006		2,173.76	2,173.76
Industrial Gas Cleaning Institute, Inc, 1707 L St., NW Washington, DC 20036			
Industrial Union Department, AFL-CIO, 815 16th St., NW, #301 Washington, DC 20006		38,044.00	38,044.00
Infant Formula Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Charles E. Ing, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc	13,360.00	223.42
Doug Inkley, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	2,969.76	
International Advisers, Inc, 2300 M Street, NW, #600 Washington, DC 20036	Embassy of Turkey	218,750.00	26,809.93
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006		17,148.50	27,948.50
International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001			68,501.75
International Communications Industries Assn, 3150 Spring Street Fairfax, VA 22031-2399		10,738.00	2,767.00
International Council of Shopping Centers, 665 Fifth Ave. New York, NY 10022		4,696.36	4,696.36
International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004		17,433.00	
International Speedway Corp, 1801 Volusia Avenue Daytona Beach, FL 32114			9,000.00
International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895			
International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005			6,192.87
International Union of Operating Engineers, 1125 17th St., NW Washington, DC 20036		10,500.00	623.50
Investment Company Institute, 1600 M St., NW Washington, DC 20036			52,320.81
Peter A. Iovino, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	2,275.00	1,584.21
Richard Munroe Irby III, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	4,000.00	123.37
Kathleen Ireland, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn	2,288.00	198.78
Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537	Andersons		
Iron Ore Lessors Assn, Inc, W-2081 First National Bank Bldg. Saint Paul, MN 55101		12,608.81	12,254.64
William Robert Irvin, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	2,103.00	
Sally D. Iskenderian, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Manufacturers & Consumers of Amer.).	100.00	
William A. Isokait, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Robert A. Jablon, 1350 New York Ave., NW, #1100 Washington, DC 20005-4798	Spiegel & McDiarmid (For:Michigan Municipal/Cooperative Group, et al.)	735.00	83.30
Dennis J. Jackman, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	Du Pont Merck Pharmaceutical Company	7,000.00	429.39
Bobby J. Jackson, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	9,300.00	40,633.04
Glenn Jackson, 555 13th Street, NW, #300 West Washington, DC 20004	Williams Companies, Inc	250.00	
Jacquelyn L. Jackson, 1875 I Street #1110 Washington, DC 20006	Times Mirror Co		
Joseph C. Jackson, 1600 Wilson Boulevard, #1008 Arlington, VA 22209	Suppliers of Advanced Composite Materials Assn	194.25	
Julia Jackson, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	747.12
Thomas C. Jackson, 1350 I Street, NW Washington, DC 20005	Beveridge & Diamond (For:Foundation for Environmental & Economic Progress, Inc).	809.81	
Stephen Jacobs, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	10,000.00	834.39
Rachel L. Jacobson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Lynnette Jacquez, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly Raffaili & Siemens (For:National Assn of Jai Lai Frontons)		
E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	University of Kansas	3,750.00	3,153.85
Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226			
Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc	144.24	42.00
Candace James, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,300.00	25.00
Dennis James, 1215 17th Street, NW Washington, DC 20036	Gadot Petrochemical Industries	2,031.00	114.55
Harriet James, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business	3,189.00	200.00
Jerry James, 8303 Mopac Expressway, #150-C Austin, TX 78759	ATC-ClayDesta Communications		5.00
Philip J. James, 8200 Greensboro Drive, #302 McLean, VA 22102	National Glass Assn (NGA)		
Jamin Ebell Bolger & Gentry, 323 Carolyn Street Kodiak, AK 99615	Old Harbor Native Corp	56,573.00	26,762.62
Russell A. Janis, 233 No. Pleasant St., #38 Amherst, MA 01002	Trust for Public Land	1,050.00	120.79
Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036		1,860.00	1,860.00
Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Marc R. Jartman, 175 Admiral Cochrane Drive Annapolis, MD 21401	UNC, Inc		
John T. Jarvis, The Jarvis Company 1901 L Street, NW, #300 Washington, DC 20036	American Insurance Assn	6,000.00	
Do	Computer Sciences Corporation	6,000.00	
Do	Labor-Management Committee for the Timber Industry	7,500.00	
Jerry J. Jasinowski, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
Judy Jaussi, 1201 L Street, NW Washington, DC 20005	Ameican Health Care Assn	12,000.00	1,128.06
Michael A. Jawer, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Jeford-McManus International, Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Aerojet-General Corp	50.00	
Do	Ferranti Defense & Space Group	75.00	
Do	Litton Data Systems	200.00	
Joseph S. Jenckes, Suite 300 1710 Rhode Island Ave., NW Washington, DC 20036	Abbott Laboratories	10,000.00	
David M. Jennings, 115 West College Drive Marshall, MN 56258	Schwan's Sales Enterprises, Inc		
James C. Jennings, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc		
Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004	Hiram Walker & Sons, Inc		
Jewish Peace Lobby, 8401 Colesville Road, #317 Silver Spring, MD 20910		26,765.47	22,074.39
Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	17,779.58	1,197.39
Carl T. Johnson, 1725 Jefferson Davis Hwy, #1004 Arlington, VA 22202-4102	Compressed Gas Assn/Helium Advisory Council		
Joel L. Johnson, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	1,214.40	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John W. Johnson, P.O. Box 39106 Minneapolis, MN 55439-0106	American Collectors Assn	1,000.00	
Kay Johnson, 1901 L Street NW Suite 260 Washington, DC 20036	Children's Defense Fund		
Mark R. Johnson, 1667 K Street, NW, #350 Washington, DC 20006	Maersk, Inc	2,500.00	
Michael S. Johnson, Suite 1290 East 555 13th Street, NW Washington, DC 20004	McCamish Martin & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin & Loeffler (For:Citicorp)		
Do	McCamish Martin & Loeffler (For:Electronic Data Systems Corp)		
Do	McCamish Martin & Loeffler (For:Hong Kong Trade Development Trade Council)	60.00	
Do	McCamish Martin & Loeffler (For:National Assn of Broadcasters)		
Do	McCamish Martin & Loeffler (For:Sematech)		
Do	McCamish Martin & Loeffler (For:United Services Automobile Assn)	60.00	
Myrna Johnson, 2025 M Street, NW Washington, DC 20036	National Public Radio	7,870.50	177.71
Rady A. Johnson, 200 East Randolph Drive P.O. Box 87703 Chicago, IL 60680-9978	Amoco Corporation		
Richard W. Johnson Jr., 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	8,541.00	160.05
Tom L. Johnson, P.O.Box 2185 Austin, TX 78768	Associated General Contractors of Texas		
Johnson & Gibbs, P.C., 1301 K Street, NW, #800 East Washington, DC 20005-3307	Centex Corp	19,512.50	
Do	Church Alliance	53,725.00	
Do	Permanente Medical Group, Inc	350.00	
Johnson Research Associates, 4429 Yuma Street, NW Washington, DC 20016	City of Virginia Beach	7,847.12	347.12
David A. Johnston, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
George A. Johnston, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	5,641.00	
James D. Johnston, 1660 L St., NW, #401 Washington, DC 20036	General Motors Corp	3,600.00	6,149.82
Mary K. Jolly, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,382.15	45.85
Herbert A. Jolovitz, 7531 Sebago Road Bethesda, MD 20817	Owens-Corning Fiberglas Corporation	1,725.00	
Belva W. Jones, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Earl Jones Jr., 401 West 18th Street Little Rock, AR 72206	Philip Morris, Inc	1,500.00	
Ernest W. Jones Jr., 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Randall T. Jones, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	3,000.00	
Robert L. Jones, 4647 Forbes Blvd. Lanham, MD 20706	Amvets	6,800.00	
Robin Wagner Jones, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	8,854.98	
T. Lawrence Jones, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Marsh & McLennan Cos, Inc		
Wiley N. Jones, 816 Connecticut Ave., NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Company	1,000.00	500.00
Jones Waldo Holbrook & McDonough, 2300 M Street, NW, #900 Washington, DC 20037	Nevada Power Company	3,470.00	
Do	Newspaper Agency Corp		
Do	Utah State University	5,300.00	
Jones Walker Waechter Poitevent Carrere & Denegre, 1776 Eye Street, NW, #245 Washington, DC 20006	Montana Sulphur & Chemical Company		
Do	Turner Broadcasting System, Inc	175.00	
Alexander H. Jordan, 816 Connecticut Avenue, NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Company	500.00	250.00
James Jordan Associates, Inc, 1825 K Street, NW Washington, DC 20006	Consortium for International Earth Science Info. Network	9,000.00	764.74
Do	Diagnostic & Instrumentation Laboratory at Mississippi Univ.	1,800.00	1,800.00
Jorden Schulte & Burchette, 1025 Thomas Jefferson Street, NW, #400E Washington, DC 20007	Carteret Savings & Loan Association	13,112.00	771.00
Do	City of Newark		
Do	Colorado-Ute Electric Assn, Inc		
Do	East Texas Electric Cooperative		
Do	Federal Agricultural Mortgage Corp	24,282.00	2,899.00
Do	International Geographical Congress	2,564.00	192.65
Do	Mutual Benefit Life		
Do	New York University	45,898.00	2,695.00
Do	Northeast Texas Electric Cooperative		
Do	Paine Webber	14,802.00	1,777.00
Do	Sabine River Authority		
Do	Tex-La		
Do	University of Medicine & Dentistry of New Jersey	27,868.00	1,637.00
Do	University of Miami	75,360.00	8,733.00
David C. Jory, 1101 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	500.00	
Robert G. Josephs, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	2,124.99	
Diana Jost, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	964.00	
John Steven Judge, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	2,019.00	
Justice Fellowship Advocates, P.O. Box 17500 Washington, DC 20041-0500			5,182.60
Hans Kaehler, P.O. Box 118 Cold Spring Harbor, NY 11724			
Laurel B. Kamen, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	18,652.50	53.50
John F. Kamp, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	1,250.00	
John E. Kane, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	5,000.00	
Thomas J. Kane Jr., 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	232.29
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	American Insurance Assn		
Do	Cambridge Redevelopment Authority		
Do	Humane Society of the U.S., et al.	715.00	
Do	Iroquois Gas Transmission Systems		
Do	National Venture Capital Assn		
Do	Thermedics, Inc		
Miles F. Kanne, P.O. Box 1608 Bloomington, IN 47402	Cook Group, Inc		
Martin B. Kanner, 2301 M St., NW Washington, DC 20037	American Public Power Assn	5,000.00	
S. Steven Karalekas, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Allpoints International, Inc)	2,000.00	6.00
Do	Karalekas & McCahill (For:American Retirees Assn)	5,000.00	32.75
Do	Karalekas & McCahill (For:Homeport Information Task Force, et al.)		
Phillip J. Kardis, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International	3,000.00	2,830.25
Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	10,076.98	
Barry Kasinitz, 1750 New York Avenue, NW Washington, DC 20006	International Assn of Fire Fighters	9,752.00	
Michael E. Kastner, 1350 New York Ave., NW, #800 Washington, DC 20005-4797	National Truck Equipment Assn		6,115.75
Alyce Katayama, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments	850.00	118.00
Robert C. Kaufmann, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Ghana R. Kaulius, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:ASSE International)		
Do	Hill & Knowlton (For:Colorado State University)	1,500.00	
Do	Hill & Knowlton (For:San Pellegrino)		
Do	Hill & Knowlton (For:Tera Computer Company)	1,500.00	
Everett E. Kavanaugh, 1101 - 17th Street, NW, #300 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Edward M. Kavjian, 1660 L. Street, NW Washington, DC 20036	General Motors Corp	541.82	1,141.21
Thomas O. Kay, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Kay Associates	17,500.00	
Catherine M. Keane, 1667 K Street, NW, #800 Washington, DC 20006	Williams Companies, Inc	100.00	
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	American Assn for Marriage & Family Therapy	780.00	
Do	General Instrument Corporation		
John R. Keeling, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	6,722.49	258.64
Lana Keelty, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	15.00	
Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Jane M. Keffer, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Wallace & Edwards	1,600.00	
Danea M. Kehoe, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	6,000.00	198.00
Beth Keifer, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,500.00	
Joan F. Keiser, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	32.00	
Kendell W. Keith, 1201 New York Avenue, NW, #830 Washington, DC 20005	National Grain & Feed Assn		500.00
William D. Kelleher, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., Suite 500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Keller & Heckman, 1001 G Street, NW, #500 West Washington, DC 20001	Specialty Advertising Assn Int'l	500.00	55.00
John T. Kelley, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	Business Roundtable		
Do	Coalition to Preserve the Low Income Housing Tax Credit	2,000.00	
Do	Council for Rural Housing & Development	2,000.00	
Do	Federal Legislative Associates, Inc		
Do	Great Western Financial Corp	734.50	
Do	Institute for Responsible Housing Preservation	2,000.00	
Do	Isotec, Inc		
Do	J.P. Morgan & Co, Inc	848.00	
Do	National Assn of Manufacturers		
Do	National Leased Housing Assn	2,000.00	
Do	Society for Human Resources Management		
Stephen S. Kellner, 1913 Eye Street, NW Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Cynthia K. Kelly, 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	2,500.00	
Ernest B. Kelly III, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	3,114.00	18.54
Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007	Republic Engineered Steels, Inc		
John F. Kelly, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	2,000.00	
Paul A. Kelly, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	425.00	656.10
Mark L. Kemmer, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	2,706.07
Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	8,750.00	
Kemper Corporation, 1 Kemper Drive Long Grove, IL 60049			111.26
Kemper Financial Services, Inc, 120 South Lasalle Street Chicago, IL 60603			625.44
Kemper Reinsurance Company, Long Grove, IL 60049			20.54
Jonathan Kempner, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	5,850.00	
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	American Water Works Service Company, Inc	400.00	
Do	ALC Communications Corp		
Do	Manville Corporation	2,000.00	
Do	Toyota Motor Sales, USA, Inc	3,000.00	
John Kendrick, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	1,543.79
Joseph W. Kennebeck, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024	Volkswagen of America, Inc	650.00	60.00
David Kennedy, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	6,250.00	1,591.94
Jerry W. Kennedy, 1025 Thomas Jefferson Street, NW, #407 Washington, DC 20007	General Atomics	2,231.25	148.06
Do	Pemco Aeroplex		
Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Robert P. Kennel, 12500 Fair Lakes Circle, #260 Fairfax, VA 22033-3822	Hadson Development Corp		
Do	National Wood Energy Assn, Inc		
Erica G. Kenney, 499 South Capitol St., SW, #520 Washington, DC 20003	Petroleum Marketers Assn of America	1,313.00	21.00
Edward B. Kenney & Associates, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	General Motors Corp		
Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	5,050.00	702.06
Cathy Ann Kenny, c/o NYS Petroleum Council 39 Broadway, #2705 New York, NY 10006	American Petroleum Institute		
William Kenworthy, 256 Edwards St., #10 New Haven, CT 06511	American Nuclear Energy Council	1,000.00	59.22
Michael C. Kerby, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	232.29
John P. Kerekes, P.O. Box 10070 Lansing, MI 48901	American Petroleum Institute	1,000.00	
Michael L. Kerley, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	1,100.00	144.00
Susan Akers Kernus, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	1,000.00	
Michael J. Kerrigan, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc		
G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Carolyn Kiely, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,031.25	103.38
William S. Kies, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	200.00	
Ingolf N. Kiland Jr., 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	4,829.43
Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	1,252.30	
John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Richard H. Kimberly, 1201 Pennsylvania Avenue, NW, #220 Washington, DC 20004	Kimberly-Clark Corp	3,185.00	372.50
Kimberly-Clark Corp, Texas Commerce Bank Building 545 E. Carpenter Freeway Irving, TX 75062-3931			4,694.95
James L. Kimble, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Aubrey C. King, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,000.00	
Judith E. King, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	566.99
Lewis O. King, P.O. Box 10045 Austin, TX 78766	National Guard Assn of Texas	7,000.00	62.36
W. Russell King, 50 F St., NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc	25,000.00	140.00
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Atlanta Committee for the Olympic Games (ACOG)		11.00
Do	Charter Medical Corp	703.00	10.00
Do	Fleet North Star Financial Group		
Do	General Motors Corp		
Do	Generic Pharmaceutical Industry Assn	434.50	
Do	GPIA-Animal Drug Alliance		
Do	Martin-Marietta		
Do	National Pharmaceutical Alliance		
Do	Union Camp	54.00	
Do	Woodruff Foundation		
King & Spaulding, 1730 Pennsylvania Ave., NW Washington, DC 20006	Montgomery County, MD/ Office of Economic Development		
Kathleen N. Kingscott, 1301 K Street, NW, #1100 Washington, DC 20005	IBM Corp	802.83	101.00
Daniel T. Kingsley, 1655 N. Fort Myer Dr., #700 Arlington, VA 22209	National Venture Capital Association		
Janie A. Kinney, 1615 L Street., NW, #1320 Washington, DC 20036	Merck & Co, Inc		
Richard J. Kinney, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp	500.00	109.61
Walter M. Kiplinger, 901 15th Street, NW, #250 Washington, DC 20005	American Foundrymens Society, Inc		
Kevin Kirchner, 1531 P Street, NW, #200 Washington, DC 20005	Sierra Club Legal Defense Fund	9,787.50	2,151.97
John R. Kirk, Bingham, Dana & Gould 150 Federal Street Boston, MA 02110	First National Bank of Boston		
Raissa V. Kirk, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Sharon Kirk, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Dykema Gossett	2,137.50	
Do	Glendale Federal Savings Bank	250.00	
Do	Institute of International Bankers	2,250.00	516.04
Do	Investment Company Institute	625.00	186.15
Do	Meridian Bancorp, Inc	5,535.00	
Do	Search Group, Inc	5,789.00	438.14
Walter B. Kirkwood, 111 Monument Circle Indianapolis, IN 46277	Banc One Corp	10,960.00	8,460.15
Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	16,380.00	1,403.41
Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	500.00	
Jon Kiser, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Sam Kito Jr., P.O. Box 210575 Anchorage, AK 99521-0575	Kito, Inc (For:Klukwan, Inc)	16,000.00	4,738.35
Do	Kito, Inc (For:Sealaska Corporation)	34,387.50	8,332.42
Do	Kito, Inc (For:Southeast Alaska Landless Native Coalition)	15,000.00	4,620.28
Sandra D. Kjellberg, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	3,763.30	
Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068	American Farm Bureau Federation	4,025.00	
William J. (Bill) Klinefelter, 815 16th Street, NW, #301 Washington, DC 20006	Industrial Union Department (AFL-CIO)	17,699.50	
David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719	New Jersey Natural Gas Co		
John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress		
Knights of Columbus, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004-2404			9,107.53
Karen Theibert Knobloch, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Keith R. Knoblock, 1920 N St., NW Washington, DC 20036	American Mining Congress	10.00	6.00
Albert B. Knoll, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	2,000.00	1,987.71
John C. Knott, 6800 Powderhouse Rd. Cheyenne, WY 82001	Burlington Northern, Inc		
Karil L. Kochenderfer, 1801 K Street, NW, #900K Washington, DC 20036	American Textile Manufacturers Institute, Inc		
David G. Koenig, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Howard Kohr, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee	7,775.00	80.45
Stanley E. Kolbe Jr., 305 4th Street, NE Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		689.11
Ann Kolker, 1616 P Street, NW, #100 Washington, DC 20036	National Women's Law Center		30.00
David Kolker, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	54,600.00	17,523.30
Steven Kopperud, 1501 Wilson Boulevard, #1100 Arlington, VA 22209	American Feed Industry Assn	3,240.00	
Horace R. Kornegay, P.O.Box 3463 Greensboro, NC 27402	Adams Kleemeier Hagen Hannah & Fouts (For:American Tobacco Company)		
Ronald W. Kosh, 12600 Fair Lakes Circle Fairfax, VA 22033-4900	AAA Potomac		
Kostmayer Communications, Inc, 1667 K Street, NW, #605 Washington, DC 20006	Coalition for Auto Repair Equality	960.00	1,162.09
Barbara M. Kostuk, 1025 Thomas Jefferson Street, NW, #511 Washington, DC 20007	LTV Corp	1,575.00	150.00
Gerald J. Kovach, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	4,000.00	
Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	13,591.10	
Jermone J. Kozak, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Malcolm A. Kram, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	25.00	
Andrea S. Kramer, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
Jeffrey H. Kramer, 1616 H Street, NW Washington, DC 20006	National Grange	5,750.00	
Alan M. Kranowitz, 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Stephen W. Kraus, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	1,000.00	
Raymond R. Krause, Pillsbury Center-MS 4076 Minneapolis, MN 55402	Pillsbury, Inc	1,500.00	956.00
Robert S. Krebs, 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		50.00
Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	1,202.00	
Kroger Company, P.O. Box 1199 Cincinnati, OH 45201-1199			3,764.32
Robin L. Kropf, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Keith R. Krueger, 1527 Wisconsin Avenue, NW Washington, DC 20007	U.S. West Communications	3,600.00	615.41

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James S. Krzyminski, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Joseph A. Kuchler, 1050 17th Street, NW, #700 Washington, DC 20036	Healthcare Financial Management Assn		40.93
Ronald W. Kuehn, 2 East Mifflin Street, #600 Madison, WI 53703	DeWitt Porter Huggett Schumacher & Morgan, SC (For:Becker CPA Review Courses).	96.00	
M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411	Northwest Independent Forest Manufacturers		
Jake Kuitwaard, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,027.85
Ester Kurz, 440 First Street, NW, 6th Floor Washington, DC 20001	American Israel Public Affairs Comm	28,600.00	1,694.16
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Louisiana Public Facilities	31,075.91	14,181.45
Do	Municipal Bond Insurance Assn	17,003.75	1,815.74
Do	Smith Barney Harris Upham & Co	25,228.50	859.18
James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005			
Labor Policy Assn, Inc, 1015 15th St., NW, #1200 Washington, DC 20005		1,556.56	1,556.56
Labor-Management Maritime Committee, Inc, 444 Capitol Street, 8th Fl Washington, DC 20001		16,450.00	1,662.00
Joseph L. Lach, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Marc E. Lackritz, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Securities Industry Assn	5,769.00	
John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation	104.00	
Katherine D. Ladd, 1500 K Street, NW, #650 Washington, DC 20005	Glaxo, Inc		
Robert A. Ladig, Scott Plaza Philadelphia, PA 19113	Scott Paper Co	2,575.00	911.05
Myron F. Laible, 1212 New York Ave., NW #1210 Washington, DC 20005	Outdoor Advertising Assn of America, Inc		
Nick L. Laird, 1050 17th Street, NW, #550 Washington, DC 20036	Electric Reliability Coalition		
Jennifer Lamson, 2030 M Street, NW Washington, DC 20036	Common Cause	7,250.04	
Dina Moses Land, 1764 Old Meadow Lane, #350 McLean, VA 22102	American Frozen Food Institute	500.00	
L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Robert D. Landis, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
David W. Landsidle, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	5,000.00	
Adrienne C. Lang, 1101 Vermont Ave, NW, #606 Washington, DC 20005	American Soc of Anesthesiologists	12,000.00	
Robert K. Lange, 1700 N. Moore St., #2120 Arlington, VA 22209	Boeing Company	6,106.00	2,137.64
Marily J. Langill, 1275 K Street, NW, #400 Washington, DC 20005	Society of the Plastics Industry, Inc		
Roger W. Langsdorf, 1600 M Street, NW Washington, DC 20036	ITT Corporation	5,000.00	25.00
Fern M. Lapidus, 6736 Hillandale Road Chevy Chase, MD 20815	Association of Proprietary Colleges	12,799.98	440.94
Peter J. Larkin, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Richard Eugene Larochelle, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	540.00	
Christopher D. Larsen, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc (IIAA)	6,577.00	
Mary Ellen Larson, 1513 16th Sreet, NW Washington, DC 20036	Air Conditioning Contractors of America	1,250.00	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	Amber Milling	2,500.00	286.68
Do	Calderon Clean Coal Technology, Inc		860.02
Do	Glasstech, Inc	3,000.00	584.69
Do	Harold & Ronald McMaster DBA McMaster Motors	3,000.00	584.69
K.P. Lau, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	5,851.56	1,436.19
Karl F. Lauenstein, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	977.22
Elizabeth Kepley Law, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	12,110.19	
Law Offices of Joe Vasapoli, 2989 S. Columbus Street Arlington, VA 22206	Skadden Arps Slate Meagher & Flom	6,937.00	9,976.00
Jonathan Lawniczak, 1331 F St. , NW, Washington, DC 20005	National Council of Senior Citizens	5,000.00	
M. S. Lawrence, 40 Franklin Rd, SW P.O. 2021 Roanoke, VA 24022	Appalachian Power Company	145.96	334.00
Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	4,608.29	14.52
Keith Lawson, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Laxalt Corporation, 801 Pennsylvania Ave., NW, #747 Washington, DC 20004	Boone Co	3,300.00	
Do	Financial Services Coalition of America		
Do	Mesa Limited Partnership	2,000.00	
Do	Milliken & Company	2,560.00	
Do	Motion Picture Assn of America, Inc	1,500.00	
Do	Shernoff Bidart & Darras	1,000.00	
Jennifer Layman-Heitman, 2030 M Street, NW Washington, DC 20036-0	Common Cause	5,368.41	
Randall R. LaBauve, P.O. Box 61000 New Orleans, LA 70161	Entergy Services, Inc	1,457.50	190.71
Sandra L. LaFevre, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
William N. LaForge, 1150 Connecticut Ave., NW, #900 Washington, DC 20036	Battelle Memorial Institute	9,435.00	1,409.89
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Community Banks	13,000.00	174.24
Wayne R. LaPierre Jr., 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		1,000.00
Clifford C. LaPlante, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	1,850.00	
Joan H. LaVor, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Barbara Leach, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	43.87
Laurel Leach, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313-1480	Animal Health Institute	308.00	
League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036		56,439.94	56,439.94
League to Save Lake Tahoe, 989 Tahoe Keys Blvd., #6 P.O. Box 10110 South Lake Tahoe, CA 96150			1,699.86
Bruce Lear, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	5,625.00	135.86
Thomas B. Leary, Hogan & Hartson 555 13th St., NW Washington, DC 20004-1109	Business Roundtable		
Richard J. Lease, 2145 Boise Drive Las Cruces, NM 88001			
Marvin Leath, One Massachusetts Ave, #330 Washington, DC 20001	General Dynamics Corp	3,000.00	
Do	Martin Marietta Corp	3,000.00	
Do	National Guard Assn	2,000.00	
Do	National Soft Drink Assn	3,000.00	
Do	Textron, Inc	3,000.00	
Wendy Lechner, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,401.75	100.00
Michael A. Ledeen, 7312 Western Ave. Chevy Chase, MD 20815	I.S.I. Enterprises, Inc		
Cara Lee, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Marsha P. Lefkovits, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,320.00	358.42
Bill B. Lefler, 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Mary James Legatski, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	500.00	
Jack Legler, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Leslie A. Lehmann, 500 NE Multnomah, #1500 Portland, OR 97232-2045	Nerco, Inc	9,000.00	
Mary Nell Lehnhard, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	1,821.00	214.98
G. Timothy Leighton, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Terry L. Leitzell, One Thomas Circle, NW, #900 Washington, DC 20005	Bogle & Gates (For:Wright Schuchart, Inc)	2,000.00	
Joseph L. Leitzinger, 1201 Third Ave., #4900 Seattle, WA 98101-3009	Simpson Investment Co	250.00	835.00
Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
Burleigh C. W. Leonard, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,340.00	2,199.93
Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	1,144.00	2,085.00
Jerris Leonard, 1000 Thomas Jefferson St., NW, #609 . Washington, DC 20007	Leonard Ralston Stanton & Danks (For:Krueger, Inc)	22,492.07	
Lloyd Leonard, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	6,452.86	14.00
Lepon McCarthy Jutkowitz & Holzworth, 1146 19th Street, NW, Third Floor Washington, DC 20036	Chilean Exporters' Assn		
Do	Scandinavian Airlines System	595.00	669.34
Charles Leppert Jr., 801 Pennsylvania Avenue, NW, #720 Washington, DC 20004-2360	Procter & Gamble Co	370.00	
Charles L. Leppert, B-2 P.O. Box 6000 Ashland, KY 41105-6000			
Richard L. Lesher, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce		
William Gene Lesher, 517 C Street, NE Washington, DC 20002	Lesher & Russell, Inc		
Lesher & Russell, Inc, 1919 S. Eads Street, #103 Arlington, VA 22202-3028	Dairy Farmers for Responsible Dairy Policy		
Do	Pizza Hut Inc	25,000.00	
Daniel Lesmez, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	75.00	
William J. Lessard Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	3,969.00	
Gilbert B. Lessenco, 1025 Connecticut Ave., NW #500 Washington, DC 20036	Semmes Bowen & Semmes (For:Graco, Inc)	503.00	44.00
Dale Lestina, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,753.35	397.00
Raymond D. Lett, 201 James Thurber Court Falls Church, VA 22046	Marxman & Associates, Inc		
Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809	Committee for America's Copyright Community	5,250.00	
Robert John Levering, 1101 17th St., NW, #705 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Robert B. Levethal, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Betsy Levin, 1201 Connecticut Avenue, NW, #800 Washington, DC 20036	Association of American Law Schools		
Morris J. Levin, 1050 17th St., NW Washington, DC 20036	Association of American Railroads	2,500.00	
David R. Levinson, 1133 15th Street, NW, #1200 Washington, DC 20005	Office & Professional Employees Intl Union, Local 2, AFL-CIO		
Lawrence E. Levinson, 1875 Eye St., NW, #1225 Washington, DC 20006	Paramount Communications, Inc	3,000.00	500.00
Roger N. Levy, 901 15th Street, NW, #520 Washington, DC 20005-2301	Travelers Companies	4,000.00	
Frank J. Lewis, 307 9th Terrace Indialantic, FL 32903	Harris Corporation	607.50	77.65
Howard Lewis, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Association of Manufacturers	1,800.00	100.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jack W. Lewis, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	4,000.00	
Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005	American Pulpwood Assn		
Robert J. Lewis, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,250.00	
John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	5,399.16	
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	ABB Combustion Engineering Nuclear Power, Inc		
Do	Federal Employees Tax Group		
Do	Feibel-Garek Realtors/Environmental Standard Group		
Do	Golden Nugget Corp		
Do	Groom & Nordberg (for: Chevron)		
Do	National Assn of Chemical Recyclers (NACR)		
Do	Physicians Insurers Assn of America	412.50	
Do	Underwriters at Lloyd's London		
Lynn H. LeMaster, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	1,277.47	302.12
Roger J. LeMaster, 1001 Pennsylvania Ave., NW, Washington, DC 20004	American Council of Life Insurance, Inc	4,000.00	
William J. Lhota, One Riverside Plaza Columbus, OH 43215	American Electric Power Service Corp		
Fern Z. Liang, 4630 Montgomery Ave. Bethesda, MD 20814	American Soc of Hospital Pharmacists		3,270.00
Robert Y. Lider, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	500.00	
Richard A. Lidinsky Jr., 700 13th Street, NW, #220 Washington, DC 20005	Sea Containers America, Inc		
Lincoln National Corp, 1300 South Clinton Street Fort Wayne, IN 46801			9,182.08
Karl W. Lindberg, 2322 Easter Lane New Orleans, LA 70114	Southern Forest Products Assn	2,499.99	
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton (For:American Public Transit Assn)	1,125.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Olin Brass)	562.50	
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Victor E. Lindenheim, 1945 Old Gallows Rd., #550 Vienna, VA 22180	American Wood Preservers Institute	1,500.00	
Donald Lindsey, 400 First Street, NW, #819 Washington, DC 20001	Brotherhood of Locomotive Engineers (OH)		
Rose Marie Lipinski, 6242 West 59th Street Chicago, IL 60638	Chicago Transit Authority	7,250.00	497.00
Linda A. Lipsen, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	2,160.00	
C. Bryan Little, 220 National Press Bldg. Washington, DC 20045	U.S. Business & Industrial Council	1,719.00	
Charles B. Little, 820 First St., NE, #400 Washington, DC 20002	UBA, Inc	1,000.00	
William F. Little, 1350 I Street, NW, #1000 Washington, DC 20007	Ford Motor Co	520.00	656.20
Little Sandy Hunting & Fishing Club, P.O.Box 6950 Longview, TX 75608			1,028.44
Roy E. Littlefield III, 1707 Pepper Tree Court Bowie, MD 20716	American Retreaders' Assn	250.00	
Do	Greater Washington/Maryland Service Station Assn	500.00	
David A. Litvin, 1600 M Street, NW, #700 Washington, DC 20036	Kennecott Corporation	500.00	429.50
E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Robert W. Lively, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	3,313.81	2,389.67
Wingate Lloyd, 1600 M Street, NW Washington, DC 20036	ITT Corp	1,500.00	150.00
Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005	Generic Pharmaceutical Industry Assn	8,059.00	43.43
Do	San Francisco Bay Guardian	2,000.00	92.78
Michael A. Lobue, 1333 New Hampshire, NW Washington, DC 20036	Atlantic Richfield Company (ARCO)	175.00	
Robert F. Lockhart Jr., 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Company	720.10	
Stephen G. Lodge, 7900 Westpark Drive, #A-320 McLean, VA 22102	National Confectioners Assn	300.00	153.40
Thomas G. Loeffler, P.O. Box 2999 San Antonio, TX 78299-2999	McCamish Martin Brown & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin Brown & Loeffler (For:Citicorp)		
Do	McCamish Martin Brown & Loeffler (For:Electronic Data Systems Corp)		
Do	McCamish Martin Brown & Loeffler (For:Hong Kong Trade Development Council)	500.00	
Do	McCamish Martin Brown & Loeffler (For:National Assn of Broadcasters)	200.00	
Do	McCamish Martin Brown & Loeffler (For:Sematech)		
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)	200.00	
Lofton & Associates, 1803 Belmont Road, NW, #303 Washington, DC 20009	Lalibela		675.00
Do	Lofton & Lofton	675.00	675.00
William E. Loftus, 2000 Massachusetts Ave., NW Washington, DC 20036	American Short Line Railroad Assn		
Lomurro Davison Eastman & Munoz P.A., 69 West Main Street Freehold, NJ 07728	Lomurro Davison Eastman & Munoz	3,832.00	
London & Satagaj, 1156 15th Street, NW, #510 Washington, DC 20005	Jewelers of America	6,000.00	
Do	National Home Furnishings Assn	6,000.00	
Do	Small Business Legislative Council	6,000.00	
G. Thomas Long, 1200 G Street, NW, #400 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)	1,295.00	214.30
Patricia Davitt Long, 1331 Pennsylvania Ave., NW, 1500 North Washington, DC 20004-1703	National Assn of Manufacturers	390.00	
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Baker Manufacturing Company, Inc		
Do	Employee Stock Ownership Assn		
Do	Greater New York Hospital Assn		
Do	Metropolitan Life Insurance Co		
Do	MicroGeneSys, Inc		
Dennis Longoria, Central Power & Light Co P.O. Box 3400 Laredo, TX 78044	Central Power & Light Co		
Peter A. Loomis, 1801 K St., NW Mezzanine Washington, DC 20006	C&S/Sovran Corporation	1,500.00	200.00
Susan J. Loomis, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	4,000.00	500.00
Ann Looper, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Gerald D. Lore, 1300 I St., NW, Suite 520 West Washington, DC 20005	Hoffmann-La Roche, Inc		
Philip J. Loree, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	1,500.00	
Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009	American Dredging Co, et al.	15,033.00	4,147.80
Timothy Lovain, 3713 Gunston Road Alexandria, VA 22302	Denny Miller Associates	5,000.00	
Darrcy A. Loveland, 2842 Yarling Ct Falls Church, VA 22042	American Art Therapy Assn		729.10
Do	American Dance Therapy Assn		729.10
Mark A. Lowman, 1201 K Street, #800 Scaramento, CA 95814	California Assn of Hospitals and Health Systems	10,000.00	7,157.00
Arthur M. Luby, 1300 L Street, NW, #200 Washington, DC 20005-4178	O'Donnell Schwartz & Anderson (For:Transport Workers Union of America, AFL-CIO).	4,000.00	180.00
Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	11,923.60	64.72
Mrs. Freddie H. Lucas, 1660 L St., NW, Suite 400 Washington, DC 20036	General Motors Corp	3,000.00	
William L. Lucas, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	7.00
Kenneth M. Ludden, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)	9,000.00	129.00
Do	Bannerman & Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)		
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)		
Do	Bannerman & Associates, Inc (For:Government of Tunisia)		
Do	Bannerman & Associates, Inc (For:Sawyer/Miller Group (for: Government of the Philippines)).		
Mary Riddle Ludke, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc	350.00	75.00
Leslie G. Ludwick, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	
Carolyn A. Lugbill, 8200 Greensboro Drive, #302 McLean, VA 22102	National Glass Assn (NGA)	1,000.00	
David R. Lukens, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Sylvester Lukis, 24 Quincy Street Chevy Chase, MD 20815	Brevard County	12,000.00	
Do	City of Miami	18,750.00	
Do	City of Miami Beach	9,167.00	
Do	City of Palm Springs	4,000.00	
Do	Dade County, Florida	15,416.00	
Do	Florida Medical Center	15,000.00	
Do	School Board of Dade County, Florida	10,200.00	
J.C. Luman & Associates, 1030 15th Street, NW, #816 Washington, DC 20005	National Assn of Personnel Consultants		
Lumbermens Mutual Casualty Company, Long Grove, IL 60049			4,246.13
Lund & O'Brien, 1825 K St., NW, #1010 Washington, DC 20006	Pennsylvania Power & Light Co	2,040.00	230.35
Beth Lyle-Durham, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	1,414.00	
Howard T. Lyman, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	6,875.28	451.28
Marshall L. Lynam, 101 D Street SE Washington, DC 20003	Dallas/Ft. Worth International Airport	15,000.00	
Do	Tandy Corp	10,500.00	
David H. Lynch, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Timothy P. Lynch, 1600 Wilson Blvd. #807 Arlington, VA 22209	Roadway Services, Inc	500.00	200.00
Margaret Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,625.00	
William T. Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	6,500.00	8,805.00
M.O.A.A.I.O.A. & Subs, Inc, 701 S. 22nd, #107 Omaha, NB 68102			
Robert A. Macari, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
Do	Coffield Ungaretti Harris & Slavin (For:Metropolitan Mutual Life Insurance Co)	7,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Coffield Ungaretti Harris & Slavin (For:Smokeless Tobacco Council, Inc)	21,250.00	
James H. Mack, 7901 Westpark Dr. Mclean, VA 22102	National Machine Tool Builders' Assn	26,000.00	500.00
Olivia C. Mackin, 1776 Eye St., NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
Robert A. Macrory, c/o Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36103-4220	American Petroleum Institute	1,835.00	
Mark MacCarthy, 6305 32nd Street, NW Washington, DC 20015	Capital Cities/ABC, Inc	362.00	
Timothy MacCarthy, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc	15,000.00	
Gordan D. MacKay, 501 Boylston Street Boston, MA 02117	New England Mutual Life Insurance Co, ('The New England')	2,125.00	
Paul MacMurdy, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	3,750.00	168.73
Cliff Madison Government Relations, Inc., 1611 Landfall Drive Wilmington, NC 28403	Burbank-Glendale-Pasadena Airport Authority	7,500.00	
Do	Center City West Associates	7,000.00	
Do	Disney Development Co	15,000.00	
Do	Federal Express Corp	10,500.00	
Do	Los Angeles County Transportation Commission	24,999.99	
Do	Mark Air, Inc	18,000.00	
Do	Regency Outdoor Advertising		
Do	Sarasota-Bradenton Airport	6,000.00	
Do	Ventura Port District	9,000.00	
Bill Magavern, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	6,192.34	
James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002	Veterans of Foreign Wars of the U.S.	4,500.00	1,912.55
James J. Magner, 314 Massachusetts Ave, NE Washington, DC 20002	James J. Magner & Associates, Inc. (For:ASARCO, Inc)	29,658.00	1,100.68
Do	James J. Magner & Associates (For:Kaibab Forest Products Company)	11,076.96	457.14
Do	James J. Magner & Associates, Inc (For:Northern Arizona University Foundation)	9,000.00	252.58
James J. Magner and Associates, Inc, 314 Massachusetts Ave., NE Washington, DC 20002	Asarco, Inc	39,430.00	26,466.36
Do	Kaibab Forest Products Company	18,461.60	26,466.36
Do	Northern Arizona University Foundation	15,000.00	26,466.36
A. John Maguire, 1110 Vermont Ave. NW Suite 430 Washington, DC 20005	National Cotton Council of America	33,000.00	4,074.19
W. Terry Maguire, Box 17407 Dulles International Airport Washington, DC 20041	American Newspaper Publishers Assn	5,000.00	375.00
David L. Mahan, 1133 Connecticut Ave., NW Washington, DC 20036	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).		
Do	DGA International, Inc (For:Sofreavia)		
Linda F. Maher, 9000 Montgomery Ave Chevy Chase, MD 20815	Turner Broadcasting System, Inc	550.00	
Robert W. Maher, 1133 21st Street, NW, 3rd Floor Washington, DC 20036	Cellular Telecommunications Industry Assn (CTIA)		
Terence P. Mahony, 1331 Pennsylvania Ave., NW, #700 South Washington, DC 20004	National Broadcasting Co, Inc	500.00	
Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022			
Anthony S. Makris, 116 Waterford Place Alexandria, VA 22314	National Rifle Assn of America		
K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	420.00	15.00
Andrew T. Malleck, 400 North Capitol St., NW, #852 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	14,922.46	
Michelle Mallory, 453 New Jersey Ave., SE Washington, DC 20003	Beneficial Management Corp		
Robert H. Maloney, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	15,000.00	1,967.52
Manatt Phelps & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Akhiok-Kaguyak, Inc	1,800.00	
Do	Appraisal Institute	1,456.25	32.00
Do	Bowling Proprietors Assn of America	600.00	
Do	Coalition for Continued Correctional Education	1,200.00	
Do	Dual Banking Coalition	12,575.00	267.71
Do	EDU-DYNE Systems, Inc	1,050.00	
Do	Federal Express Corp	11,181.50	
Do	General Electric, et al.		
Do	Hansen Savings Bank SLA	2,025.00	70.96
Do	Holden Group	3,262.50	281.48
Do	L.A. Gear, Inc		
Do	Melrose Company		
Do	Missouri Assn of Private Career Schools		
Do	Money Store		
Do	National Cable Television Assn, Inc	21,550.00	65.24
Do	New York Stock Exchange		
Do	North Beach Property Owners' Assn		
Do	NEC Corporation	100.00	
Do	Philip Morris Management Corp	12,350.00	71.60
Do	United Airlines, Inc		
Do	Vero Beach Oceanfront Investors Limited Partnership		
Susan Rachel Weiss Manes, 2030 M Street, NW Washington, DC 20036	Common Cause	16,075.02	55.25
Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Republic of Turkey)		
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Comcast)		
Do	Hill & Knowlton, Inc (For:Television Operators Caucus)	5,000.00	
Do	Hill & Knowlton, Inc (For:Thomson Consumer Electronics, Inc)		
Richard M. Manning, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Cynthia Mansfield, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	8,228.57	179.69
Margaret A. Manthe, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Company	258.50	
Albert Manville II, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		9.75
Anthony Manzanares Jr., 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
March for Life, Inc, P.O. Box 90300 Washington, DC 20090		3,921.00	9,966.09
R. V. Mariani, 815 16th St., NW, Suite 511 Washington, DC 20006	Transportation - Communications Union		
Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005			24,627.72
Lawrence D. Markley, Rt. 1, Box 130-A Mt. Solon, VA 22843	Chugach Electric Assn, Inc	7,000.00	
Do	Copper Valley Electric Assn	10,000.00	
Marc L. Marks, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp		
Ernest Robert Marlow, 1126 16th Street, NW, #200 Washington, DC 20036-1081	International Chemical Workers Union	2,500.00	
William G. Margaritis, 1747 Pennsylvania Ave., NW, 3rd Flr Washington, DC 20006	Occidental Chemical Corp		
Cornel Martin, 601 Poydras St., #1621 New Orleans, LA 70130	American Waterways Operators, Inc		
Cynthia L. Martin, 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic Retrieval Systems, Inc	6,500.00	
Fred J. Martin Jr., 1101 17th Street, NW, #1002 Washington, DC 20036	Bank of America	1,882.17	978.28
J. Ross Martin, Kansas Petroleum Council 1005 Merchants Tower Topeka, KS 66612	American Petroleum Institute		
John M. Martin Jr., 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Katherine E. Martin, 50 F Street, NW Washington, DC 20001	Association of American Railroads	636.02	120.45
Larry K. Martin, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,600.00	75.00
Robert L. Martin, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		
Susan Roeder Martin, 700 Universe Boulevard, Rm. 3074 Juno, FL 33408	Florida Power & Light Company		
Judith Marty, 1 Crane Place Bellevue Hill, NSW 2023 Australia			
Joseph J. Martyak, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc		
Maryland People's Counsel, 231 E. Baltimore Street, 9th Fl. Baltimore, MD 21202			
Robert A. Marzocchi, 15 Mountain View Road Warren, NJ 07061	Chubb & Son, Inc		
Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	7,425.00	360.93
Michael J. Mason, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	9,000.00	103.25
Ned W. Massee, 299 Park Avenue 13th Floor New York, NY 10171	Westvaco Corporation		
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:ARA Services)	300.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Ferruzzi Group)		
Do	Gerber Products Corp		
Do	Hill & Knowlton (For:Liberal Democratic Federation of Hong Kong)		
Do	Hill and Knowlton, Inc (For:Ninentdo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	1,350.00	
James D. Massie, 1317 F Street, NW, #400 Washington, DC 20004	R. Duffy Wall & Associates	1,250.00	
Sandra Masur, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company		
Noel D. Matchett, 1001 Spring St., #123 Silver Spring, MD 20910	Information Security, Inc	10.00	
Richard D. Mathias, 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc		
Dawson Mathis, 1900 L Street, NW, #300 Washington, DC 20036	Dawson Mathis & Associates (For:Crowley Maritime Corp)	1,000.00	
Do	Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co)	3,000.00	
Do	United Parcel Service	3,000.00	
Joel D. Mathis, 3819 Ft. Hill Drive Alexandria, VA 22310	Jim Whitehead & Associates		
Dawson Mathis & Associates, 1900 L Street, NW Suite 300 Washington, DC 20036	Crowley Maritime Corp		
Do	Massachusetts Mutual Life Insurance Co	3,000.00	
Dale L. Matschullat, 21300 Clearfield Count Brookfield, WI 53005	Newell Company	12,500.00	500.00
Charles D. Matthews, 1120 G Street, NW, #900 Washington, DC 20005	National Ocean Industries Assn	2,375.00	
Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	1,348.63	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Harry D. Mattison, P.O.Box 660164 Dallas, TX 75266-0164	Central & South West Corporation	2,153.92	298.12
Daniel J. Mattoon, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp	3,162.50	654.72
William C. Mattox, 1700 Pennsylvania Avenue, NW Washington, DC 20006	Mutual of Omaha	625.00	
Marshall L. Matz, 888 17th Street, NW, #900 Washington, DC 20006	American School Food Service Assn	9,000.00	178.11
Do	Holland & Knight (For:City of Orlando)	2,250.00	
Do	Holland & Knight (For:Electronic Data Systems Corp)	3,000.00	
Robert V. Maudlin, 1511 K Street, NW Washington, DC 20005	C.V. & R.V Maudlin (For:Southern Company Services, Inc)	550.00	110.00
William W. Maurer, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	1,049.85
Michael Mawby, 2030 M Street, NW Washington, DC 20036	Common Cause	13,822.50	108.50
William A. Maxwell, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	6,000.00	
James C. May, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	30,000.00	
Peter G. Mayberry, 1001 G Street, NW, #500 West Washington, DC 20001	Keller and Heckman (For:INDA (Association of the Nonwoven Fabrics Industry)) .		
Joseph T. Mayer, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	18,135.00	2,651.21
Marion R. Mayer, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	754.25	243.84
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Accountants' Liability Assurance Co, Ltd		
Do	Aetna Life & Casualty Company		
Do	Arthur Andersen & Co, Coopers & Lybrand, DeLoitte & Touche		710.00
Do	Attorneys' Liability Assurance Society Ltd		
Do	Bank for Foreign Economic Affairs of the USSR		
Do	Brunswick Corp		
Do	Cabot Partners Limited Partnership		
Do	Comdisco, Inc		
Do	Continental Bank, N.A.		3,062.45
Do	First Chicago Corp		
Do	FMC Corporation		
Do	GATX Corporation		
Do	Household Commercial Financial Services, Inc		
Do	Inland Steel Corp		
Do	JMB Realty Corp		
Do	LaSalle Partners, Inc		
Do	Lehndorff & Babson Real Estate Counsel		
Do	Mayer Brown & Platt Sentencing Commission Coalition		
Do	Merrill Lynch Capital Markets		
Do	Midway Airlines, Inc		170.00
Do	Morton International		
Do	Nalco Chemical Co		
Do	Outboard Marine Corporation		
Do	Product Liability Coordinating Council		
Do	Quaker Oats Company		
Do	RJR Nabisco, Inc		
Do	Santa Fe Pacific Corp		
Do	Sara Lee Corporation		
Do	Sears Roebuck & Co		
Do	Solid Waste Agency of Northern Cook County		
Do	Tele-Communications, Inc		
Do	The Modification of Final Judgement Task Force		
Do	Trinova Corp		
Do	Vulcan Materials Company, Midwest Division		
Martin Mayfield, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	950.00	170.17
Maurice W. Maynard, 44 Fifth Avenue Brooklyn, NY 11217			
Jeffrey G. Mays, 1505 Prince Street, Suite 300 Alexandria, VA 22314	American Optometric Assn		
Timothy McAnarney, 413 West Edwards Springfield, IL 62704	Philip Morris, Inc	1,875.00	
Rebecca Craford McAuliffe, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	3,500.00	
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Arlington Cancer Center		
Do	Bay Area Rapid Transit District	13,888.00	
Do	Cellular Telecommunications Industry Assn	4,500.00	
Do	Chabot Observatory & Science Center	100.00	
Do	City of Chattanooga	1,200.00	
Do	Council of American Overseas Research Centers	100.00	
Do	COSTEP	1,000.00	
Do	Dallas/Ft. Worth Railtran System		
Do	Dean Witter Realty, Inc	3,000.00	
Do	Electronic Data Systems Corp		
Do	General Atomics	200.00	
Do	Hamilton County	750.00	
Do	Johnson Controls, Inc	1,000.00	
Do	National Telephone Services, Inc		
Do	St. Michael Hospital	1,000.00	
Do	Union Labor Life Insurance Co		
Ann McBride, 2030 M St., NW Washington, DC 20036	Common Cause	17,890.02	120.00
Susan P. McCaffrey, 1828 N. Meridian Indianapolis, IN 46202	Community Service Council of Central IN, Inc	10.70	
John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	153.36	
McCamish Martin Brown & Loeffler, P.C., P.O. Box 2999 San Antonio, TX 78299-2999	Central & South West Corp		
Do	Citicorp		
Do	Electronic Data Systems Corp		
Do	Hong Kong Trade Development Council	1,500.00	560.00
Do	National Assn of Broadcasters	500.00	200.00
Do	Sematech		
Do	United States Automobile Assn	700.00	260.00
Carolyn Kim McCarthy, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	MetPath, Inc	30,000.00	1,000.00
John B. McCarthy, 1023 15th Street, NW #300 Washington, DC 20005	American Veterinary Medical Assn		
Luckie L. McClintock, 901 Massachusetts Ave., NW Washington, DC 20001	United Assn of Journeymen & Apprentices of the P. & P.F.I.	6,000.00	765.00
Donald N. McClure Jr., 1500 N. Second St. Harrisburg, PA 17102	Pennsylvania Assn of Home Health Agencies		
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Coca-Cola Company	2,454.63	40.02
Do	Coca-Cola Enterprises, Inc	3,078.75	50.29
Do	MetFuel, Inc	847.05	
Do	Motion Picture Assn America, Inc		122.70
Do	Paramount Communications, Inc	1,768.31	77.43
Do	Rank Video Services America	903.94	60.62
McClure Gerard & Neuenschwander, Inc, 801 Pennsylvania Ave., NW, #820 Washington, DC 20004-2604	America Mining Congress	28.57	
Do	Asarco, Inc	28.57	
Do	Barrick Resources (USA, Inc)	28.57	
Do	Brush Wellman, Inc	28.57	
Do	Coeur d'Alene Mines Corp	28.57	
Do	Cray Research, Inc		
Do	Electric Reliability Coalition	200.00	
Do	General Atomics		
Do	Hecla Mines	28.57	
Do	Idaho Power Company		
Do	National Rifle Assn		
Do	Nichols Enterprises		
Do	Phelps Dodge Corp	28.57	
Do	Potlatch Corp		
Do	World Cup USA 1994, Inc	900.00	
Robert S. McConnaughey, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Cynthia Williams McConnell, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Judith A. McCormick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
Edgar H. McCulloch III, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	9,951.00	208.00
John H. McCutcheon II, 240 9th Street, NE Washington, DC 20002	National Taxpayers Union	4,321.00	
Carol A. McDaid, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	2,500.00	2,228.93
John McDavitt, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	3,307.00	
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	Alaska Seafood Marketing Institute		
Do	American Dental Hygienists Assn	1,500.00	
Do	American Imaging Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	American Meat Institute		
Do	American Soc of Outpatient Surgeons		
Do	California Avocado Commission	6,825.00	506.00
Do	California Canning Peach Assn		
Do	California Children's Hospital Assn	2,077.50	
Do	California Energy Commission	1,750.00	
Do	California Kiwifruit Commission		22.00
Do	California Raisin Advisory Board	3,588.00	823.00
Do	Concord Grape Assn		
Do	Good Sam Club		
Do	Juvenile Diabetes Foundation, International	6,000.00	
Do	National Potato Council		78.00
Do	Outpatient Opthalmic Surgery Society		
Do	Peter Plocki	350.00	20.00
Do	U.S. Mink Export Development Council	1,750.00	83.00
Do	Welch Foods, Inc		
Craig McDonald, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	1,000.00	
Edward T. McDonald, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union		
James E. McDonald, 410 First Street, SE, 3rd Floor Washington, DC 20003	American Nuclear Energy Council (ANEC)	4,875.00	62.62
Michael D. McDonald, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	675.00	89.81
Jack McDonald Co, 1001 Pennsylvania Avenue, NW, #625-S Washington, DC 20004	Dow Corning Corp		
Do	Outboard Marine Corp		
Marian E. McDowell, 1275 Pennsylvania Ave., NW, 4th Floor Washington, DC 20004	Pacific Telesis Group	7,725.00	
McElroy & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Outdoor Advertising Assn of America, Inc		
Andrew S. McElwaine, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries	12,000.00	473.41
Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	4,080.00	
Robert J. McFarlin Jr., 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	175.00	
Pat L. McFerron, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Company	250.00	
Bertra B. McGann, One Elmcroft Road Stamford, CT 06926-0700	Pitney Bowes, Inc	7,000.00	3,800.27
Becky McGee, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company		
Donna Lee McGee, 1001 Connecticut Ave., #701 Washington, DC 20036	Burlington Industries, Inc	2,500.00	1,282.00
Meredith McGehee, 2030 M St., NW Washington, DC 20036	Common Cause	10,925.04	43.00
Patricia McGill, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,482.00	275.71
Robert M. McGlotten, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	21,980.40	2,245.48
Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	105.81	
Joseph M. McGrail, 52 Washington Ave. Williamstown, NJ 08094	Aircraft Owners & Pilots Assn	600.00	17.90
Do	AT&T Federal Systems	170.00	99.95
Do	Gamma-Metrics	2,000.00	159.50
Daniel H. McGrath, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corp	700.00	
McGuiness & Holch, 400 North Capitol Street, NW, #585 Washington, DC 20001	Arch Mineral Corporation	2,250.00	
Do	RJR Nabisco	450.00	
McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005	Workers Compensation Integrity, Stability & Equity (WISE)		336.60
Joseph M. McGuire, 1501 Wilson Boulevard, #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Mary Lee McGuire, 2300 Clarendon Blvd., #1010 Arlington, VA 22201-3367	Cook Inlet Region, Inc	4,000.00	
Monica M. McGuire, 1331 Pennsylvania Ave., NW, #1500 North Lobby Washington, DC 20004-1703	National Assn of Manufacturers	1,000.00	
Patrick J. McHugh, c/o NYS Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute		
James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	7,000.00	280.98
McIntyre Kahn & Kruse Co., L.P.A., The Galleria & Towers At Erieview 1301 East Ninth Street, #1200 Cleveland, OH 44114			
Harrison D. McIver, 1625 K Street, NW, #725 Washington, DC 20006	Project Advisory Group		
John J. McKechnie III, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	237.93
Thomas J. McKee, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	232.29
McKenna & Cuneo, 1575 Eye Street, NW Washington, DC 20005	Cigar Assn of America, Inc		
Do	Fertilizer Institute		
Jan E. McKenzie, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	4,496.70	199.38
F.J. McKeown, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Company	2,500.00	125.00
Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	11,000.00	321.31
Bernard A. McKinnon, 1757 N Street, NW Washington, DC 20036	United Automobile Aerospace & Agricultural Implement Workers	17,953.69	97.25
Monette McKinnon, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,519.00	
Timothy P. McKone, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	8,115.00	
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt, Inc (For:American Assn of Blood Banks)	1,743.75	
Do	Rowan & Blewitt, Inc (For:C.R. Bard, Inc)	1,406.25	
Do	Rowan & Blewitt, Inc (For:Bristol-Myers Squibb Company)	1,181.25	
Do	Rowan & Blewitt, Inc (For:Federation for Intercollegiate Fairness & Equity)	506.25	
Do	Rowan & Blewitt, Inc (For:Par Pharmaceutical, Inc)	3,150.00	
Do	Rowan & Blewitt, Inc (For:Upjohn Company)	7,031.25	
Francis X. McLaughlin Jr., 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,100.00	
Thomas J. McLeod, 50 West Kellogg Boulevard St Paul, MN 55164	West Publishing Company		
Kevin Patrick McMahon, 1001 19th St. N., #800 Arlington, VA 22209	TRW, Inc	11,315.00	100.00
Thomas E. McMahon, 11718 Bowman Green Drive Reston, VA 22090	National Automatic Merchandising Assn	8,750.00	1,639.79
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	285.00	
P. E. McManus Associates, 513 Capitol Court, NE, #300 Washington, DC 20002	Hydroacoustics, Inc	50.00	
Do	McDonnell Douglas Corp	150.00	
James D. McMillan, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	1,000.00	457.66
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Harmon Industries, Inc	2,160.00	33.33
Do	Hercules, Inc	600.00	54.61
Do	McNair Law Firm, P.A. (for: Puerto Rico Ports Authority)		52.31
Do	State of Hawaii/Dept of Transportation		13.06
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Allied-Signal, Inc		
Do	American University of the Caribbean	1,054.00	42.00
Do	Association of Banks in Insurance (ABI)	945.00	63.50
Do	Coalition for Auto Repair Equality	20,211.55	9,711.55
Do	Georgia-Pacific Corp	360.00	
Do	International Assn for Financial Planning	903.00	5.00
Do	New York State Bankers Assn	8,950.00	52.50
Do	Norfolk Southern Corp		
Do	Phillips Petroleum Co	975.00	
Do	South Carolina Research Authority		
Do	State of Hawaii		
Do	Westinghouse Electric Corp		
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc	400.00	416.90
Laramie Faith McNamara, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	17,120.00	2,902.00
Michael J. McNamara, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	6,494.20	264.50
Peter F. McNeish, 1199 N. Fairfax Street, #200 Alexandria, VA 22314	National Assn of Small Business Investment Cos	3,000.00	
John P. McNicholas, 2001 L Street, NW #1000 Washington, DC 20036	Unisys Corp	1,000.00	76.27
Larry McNickle, 901 E Street, NW, #500 Washington, DC 20004-2873	American Assn of Homes for the Aging	349.00	238.11
Michael J. McShane, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	11,700.00	3,828.00
Martha McSteen, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	14,799.00	
Kathleen P. McTighe, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	1,760.00	1,834.20
Leslie S. Mead, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
John K. Meagher, 1333 New Hampshire Avenue, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:ABB)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Chevron)		
Do	Leboeuf Lamb Leiby & MacRae (For:Federal Employees Tax Group)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek/Environmental Standard Group).		
Do	LeBoeuf Lamb Leiby & MacRae (For:Golden Nugget Corp)		
Do	National Assn of Chem Recyclers (NACR)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Physicians Insurance Assn of America)	412.50	
James Gregory Means, 6252 15th Place Arlington, VA 22205	BP American, Inc	3,000.00	472.14
Do	Centerior Energy Corp	6,000.00	568.80
Do	Environmental Hazards Management Institute	1,000.00	
Do	National Assn of Chemical Recyclers		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Paul N. Means, P.O. Box 551 Little Rock, AR 72203	Arkansas Power & Light Company		
William A. Meaux, 1600 M Street, NW, #702 Washington, DC 20036	ICI Americas, Inc	5,000.00	
Ira Mehlman, 1666 Connecticut Avenue, NW, #400 Washington, DC 20009	Federation for American Immigration Reform	512.50	30.00
Joseph Mehrkens, 900 17th Street, NW Washington, DC 20006	Wilderness Society		
Michelle Meier, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Marilyn F. Meigs, 9300 Lee Highway Fairfax, VA 22031	ICF International, Inc	450.00	40.00
J. Reese Meisinger, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
John Melcher, 230-B Maryland Avenue, N.E. Washington, DC 20002	Chicago Mercantile Exchange	11,250.00	6,094.00
Do	Humane Society of the U.S.		1,439.00
Do	Marine Engineers' Beneficial Assn	2,400.00	1,523.00
Do	National Rural Cooperative Bus. Center	2,000.00	1,523.00
Do	Philippine Coconut Authority		7,618.00
Do	Seaweed Industry Assn of the Philippines	10,000.00	7,618.00
Do	Society for Animal Protective Legislation	2,250.00	2,439.00
Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Margaret Mellon, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,117.35	
Joseph R. Membrino, 1120 20th Street, NW, #750 South Washington, DC 20036	Hall Estill et al (For:Cherokee Nation)	17,345.25	556.14
Do	Hall Estill et al. (For:Hoopa Valley Tribe)	7,245.00	259.61
Howard A. Menell, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
David Mengebier, 1016 16th St., NW, 5th Floor Washington, DC 20036	Consumers Power Company	6,000.00	6,998.00
William P. Mengebier, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	540.00	168.01
Edward L. Menning, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	65.16	
J. Roger Mentz, 1100 Connecticut Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Jane Mentzinger, 2030 M Street, NW Washington, DC 20036	Common Cause	5,258.76	
Melinda Mercer, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses Assn	795.00	2.97
Sandra K. Meredith, 1133 Connecticut Avenue, NW Washington, DC 20036	DGA International, Inc. (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc. (For:Sofreavia)		44.77
Do	DGA International, Inc. (For:SNECMA)		648.22
Cynthia E. Merifield, 1101 Vermont Ave, NW Washington, DC 20005	American Medical Assn	3,750.00	
Dave S. Merlin, 444 North Capitol Street NE Suite 232 Washington, DC 20001	Committee from the Freedom Lobby to Restore the Gold Stand.		515.00
Nancy Jo Merrill, 1901 L St., NW, #260 Washington, DC 20036	March of Dimes Birth Defects Foundation		
Merrill Lynch & Co, Inc, 3000 K Street, NW, #620 Washington, DC 20007			106,711.44
Gordon Merritt, 1100 Wilson Blvd., #2000 Arlington, VA 22209	Hughes Aircraft Company		
Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	711.62
Carol Messer, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	8,775.00	69.00
Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	1,000.00	174.31
Carol Messito, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	1,023.07	
Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	625.00	
Keith R. Mestrich, 815 16th Street, NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept (FAST)	2,434.00	10.00
Matthew S. Metcalfe, P.O. Box 6422 Mobile, AL 36660	American Family Corp		
David P. Metzger, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs	449.84	
Ferd. C. Meyer Jr., P.O. Box 660164 Dallas, TX 75266-0164	Central & South West Corp		
M. Barry Meyer, 900 19th Street, NW Washington, DC 20006	Aluminum Assn, Inc	25.00	
Sean Meyer, 1000 16th Street, NW, #810 Washington, DC 20036	One Percent for Peace	4,166.66	
John B. Meyers, P.O. Box 4067 Louisville, KY 40204			
Larry D. Meyers, 412 First Street, SE #100 Washington, DC 20003	American Beekeeping Federation	3,000.00	116.69
Do	International Assn of Refrigerated Warehouses		
Do	National Agricultural Chemicals Assn	11,186.25	419.30
Do	National Peanut Growers Group	13,200.00	715.38
Do	Ricebelt Warehouse, Inc	4,500.00	75.00
Do	Texas A&M Research Foundation	21,420.00	1,774.99
Meyers & Associates, 412 First St., SE, #100 Washington, DC 20003	Alnor Oil Company, Inc		
Do	American Sheep Industry Assn	16,500.00	1,014.92
Do	Centergas, Inc		
Do	College of Agriculture, New Mexico State University	9,000.00	546.97
Do	College of Engineering, New Mexico State University	9,000.00	546.98
Do	Federal Land Bank Assn	20,000.00	919.17
Do	Technology Services Group, Inc	1,113.75	
Do	Texas International Education Consortium	15,000.00	234.96
Do	Wellman, Inc	18,000.00	1,195.06
Daniel Mica, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	5,000.00	125.29
David R. Mica, Florida Petroleum Institute 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	39.58	
Mark A. Micali, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	5,000.00	1,175.00
Laurie J. Micciche, 1747 Pennsylvania Ave., NW Third Floor Washington, DC 20006	Occidental Chemical Corp	200.00	174.18
Michael Best & Friedrich, 135 South LaSalle Street, #1610 Chicago, IL 60603	Corn Coalition		
Do	DePaul University	4,000.00	
Do	Sweetheart Cup Company, Inc	3,000.00	
Michael G. Michaels, P.O. Box 150-160 Atlanta, GA 30315			
David Michaud, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	351.11	
James G. Michaux, 6917 Granby Street Bethesda, MD 20817	Federated Dept Stores, Inc		
Frank G. Michelena, 1520 Nutmeg Place, #100C Costa Mesa, CA 92626	Landsdale Company		
Kathleen Michels, 777 N. Capitol Street, NE, #803 Washington, DC 20002	American Assn of Nurse Anesthetists	5,000.00	150.00
Mid-Continent Oil & Gas Assn, 801 Pennsylvania Ave., NW, #840 Washington, DC 20004-2604		4,305.69	23,421.61
Mid-West Electric Consumers Assn, 999 18th Street, #1635 Denver, CO 80202			
Edmund Mierzwinski, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	7,000.00	
Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009			
Rene Milam, Box 17407 Washington Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn		
Nelson L. Milder, 1825 K Street, NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Milgrim Thomajan & Lee, P.C., 1025 Connecticut Ave, NW, #1000 Washington, DC 20036	New York Mercantile Exchange (NYMEX)		
Bonnie K. Miller, Box 528 Gainesville, VA 22065-0528	Liberty Lobby	2,000.00	1,646.20
Do	National Council for Improved Health	3,500.00	2,374.20
Brent V. B. Miller, 4207 South 7th Road Arlington, VA 22204	American Group Practice Assn	125.00	
Carolynn E. Miller, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
Charles R. Miller, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Chaz Miller, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		
Clinton R. Miller, P.O. Box 528 Gainesville, VA 22065-0528	Liberty Lobby		
Do	National Council for Improved Health		
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc		
Deborah Imle Miller, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Denny Miller, 2343 South Meade Street Arlington, VA 22202	Denny Miller Associates	7,500.00	
Edward C. Miller, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	1,000.00	
Ellen S. Miller, 1320 19th Street, NW Washington, DC 20036	Center for Responsive Politics		
Grant Miller, 1800 Diagonal Rd. # 600 Alexandria, VA 22314	LTV Aerospace & Defense Co		
Paul J. Miller, 8000 Sears Tower Chicago, IL 60606	Investment Counsel Assn of America, Inc		
Richard G. Miller, 1101 14th Street, NW, #200 Washington, DC 20005	American Health Care Assn	16,000.00	1,054.40
Robert G. Miller, 29050 Fuller Heights Rd., #301 Triangle, VA 22172	Air Force Sergeants Assn		
Sandra Miller, 2343 South Meade Street Arlington, VA 22202	Denny Miller Associates	1,250.00	
Sarah Miller, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Electronic Industries Assn		
Do	Export Source Rule Coalition		
Do	Great Northern Insured Annuity Corp		
Do	Hewlett-Packard Co		
Do	Organization for Fair Treatment of Int'l Investments	5,500.00	
Do	Pacific Medical Center		
Do	Professional Services Council		
Do	PHM Corporation	18,580.00	
Miller & Holbrooke, 1225 19th Street, NW, #400 Washington, DC 20036	City of Dubuque		
Do	City of Laredo		
Do	City of St. Louis	9,649.00	74.75
Do	Kenton-Boone Cable Television Board		
Do	Lincoln Broadcasting Company		
Do	Montgomery County Government		
Denny Miller Associates, Inc, 400 North Capitol Street, NW, #325 Washington, DC 20001	Ace Novelty Company	1,000.00	826.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Boeing Company	3,000.00	2,460.00
Do	Comprehensive Health Education Foundation	1,875.00	1,530.00
Do	Gamma-Metrics	1,500.00	1,235.00
Do	Makah Tribal Council	300.00	245.00
Do	Marine Engineers' Beneficial Assn	4,000.00	3,265.00
Do	Momentum 91	1,875.00	1,530.00
Do	Olin Corporation	3,000.00	2,460.00
Do	Pacific Nuclear Systems, Inc	1,062.50	862.00
Do	Port of Tacoma	1,125.00	928.00
Do	Sabey Corporation	1,200.00	1,000.00
Do	State of Washington, Dept of Transportation	1,500.00	1,235.00
Do	Troutlodge, Inc	1,000.33	833.33
Kenneth Y. Millian, 919 18th Street, NW Washington, DC 20006	W. R. Grace & Co		502.00
Richard V. Minck, 1001 Pennsylvania Ave., N.W. Washington, DC 20004	American Council of Life Insurance, Inc	1,750.00	
Dallas Miner, One Thomas Circle, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	19,000.00	
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Prudential Insurance Co of America	5,001.00	906.93
Ray Allen Minnick, P.O. Box 1000, Apt.-A304 Leavenworth, KS 66048-1000			
J. Robert Minter, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	283.50	4,279.18
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	National Cable Television Assn, Inc	7,500.00	208.58
Douglas P. Miskew, 500 E. Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	8,250.00	1,241.89
Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	759.18	
Lawrence W. Mitchell, 100 Maryland Ave., NE, #500 Box 69 Washington, DC 20002	American Agriculture Movement, Inc	3,000.00	
Mitchell Williams Selig Gates & Woodyard, 1420 New York Ave., NW, #1050 Washington, DC 20005	Entergy		460.00
Do	Innotek Corporation		2,731.22
Stacey J. Mobley, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
David T. Modi, 1875 Eye Street, NW, #775 Washington, DC 20006	Georgia-Pacific Corp	1,985.00	
Martha Mohler, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,241.00	
Brian R. Moir, 1255 23rd Street, NW, #800 Washington, DC 20037	Fisher Wayland Cooper & Leader (For:International Communications Assn)	2,000.00	
Peter A. Molinaro, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004	General Electric Co		325.00
John V. Moller, 1707 L Street NW, #725 Washington, DC 20036	Policy Consulting Services, Inc (For:Nissan Motor Company, Ltd)		
Do	Policy Consulting Services, Inc (For:Nissan Motor Manufacturing, U.S.A.)		
Do	Policy Consulting Services, Inc (For:Nissan North America, Inc)	5,204.00	56.00
Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO	5,000.00	215.00
C. Manly Molpus, 1010 Wisconsin Avenue, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	431.00	
Christopher Monek, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
James M. Montgomery, 1455 Pennsylvania Ave., NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	1,125.00	
John H. Montgomery, 2715 M St., NW, #300 Washington, DC 20007	Murray Scheer & Montgomery (For:National Assn of State Outdoor Recreation Liaison Officers).	400.00	
Do	National Rural Water Assn	3,100.00	95.00
Do	Murray Scheer & Montgomery (For:Oklahoma State Medical Assn)	600.00	95.00
Do	Underground Injection Practices Council	500.00	
Kevin P. Montgomery, 1629 K Street, NW, #503 Washington, DC 20006	Evergreen International Aviation, Inc		11.50
James P. Mooney, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	17,509.00	
Alan J. Moore, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Atchison Topeka & Santa Fe Railway Co	1,000.00	
Albert W. Moore, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,275.00	25.00
Allen Moore, 1730 Rhode Island Ave., #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Carlos Moore, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc		10.00
Mark P. Moore, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	3,000.00	22.01
Powell A. Moore, 1133 Connecticut Ave., NW, #700 Washington, DC 20036	Agusta Group	500.00	
Do	Lockheed Corporation	1,000.00	
Do	Outdoor Advertising Assn of America	500.00	
Do	DGA International, Inc (For:Societe Nationale d'Etude et de Const de Moteurs d'Aviation).		
Do	STD Research Corp	3,000.00	
Do	U.S. Cane Sugar Refiners Assn of America		
Laura Moorhead, 1156 15th Street, NW, #1201 Washington, DC 20005	NCR Corp		
Eugene Moos, Gene Moos & Associates 1000 16th Street, NW, #702 Washington, DC 20036	American Oat Assn	2,050.00	455.83
Do	Harvest States Cooperative	7,500.00	1,709.41
Do	Kraft General Foods	7,500.00	1,709.41
Fred P. Moosally, 1745 Jeff Davis Highway Arlington, VA 22202	Rockwell International Corp	20,000.00	505.01
Richard M. Moose, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	14,687.50	
Morality in Media, Inc, 475 Riverside Dr., #239 New York, NY 10115		2,572.12	2,605.25
Robert J. Moran, 1120 G Street, NW, #900 Washington, DC 20005	National Ocean Industries Assn	1,575.00	
Dudley Digges Morgan III, 4900 Baronne Street New Orleans, LA 70115	Southern Forest Products Assn	14,622.00	
E.M. Chip Morgan, P.O. Box 257 Stoneville, MS 38776	Delta Council		1,817.16
J. Railton Morgan, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	1,500.00	2,014.40
Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,000.00	344.55
Stephen L. Morgan, 5201 Leesburg Pike, #1111 Falls Church, VA 22041	American Cemetery Assn		
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Ad Hoc Committee on NHTSA FMVSS 205 Standard		
Do	Association of American Railroads		
Do	Coalition for an Undercharge Relief Bill	2,080.00	
Do	Coalition of Supporters of the Shipping Act		
Do	Consolidated Natural Gas Co		
Do	Hazardous Waste Action Coalition		
Do	Presbyterian Hospital City of New York, et al.		
Do	Scotch Whisky Assn		
Do	United Distribution Companies		
William G. Morin, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	54.00	
James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	10,000.00	107.99
Gerald D. Morris, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	19,377.30	88.00
J. Wilson Morris, 3333 K Street, NW Washington, DC 20007	Bailey Morris & Robinson (For:American Assn of Discount Travel Brokers)		
Do	Bailey Morris & Robinson (For:First American Bankshares, Inc)		
Do	Bailey Morris & Robinson (For:Kingdon Gould II)		
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)		
Do	Investment Company Institute		
Do	Bailey Morris & Robinson (For:Upjohn Co)		
Joseph Morris, 1101 15th Street, NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Tom C. Morris, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,800.00	90.00
William Morris, 1737 H Street, NW Washington, DC 20006	Rogers & Wells (For:Oxnard Refinery)		
John W. Morrison, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	886.88	
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	City and County of San Francisco	2,376.50	11.00
Do	Consolidated Freightways		
Do	Ford Motor Co		
Do	Mastercard International, Inc, et al.	30,340.00	49.00
Do	National Electrical Manufacturers Assn		
Valerie T. Morse, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	18,874.88	197.95
Russell N. Mosher, 950 N. Glebe Rd., #160 Arlington, VA 22203	American Boiler Manufacturers Assn, Inc		
Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037	Association of Bank Holding Cos	540.00	
Gerald J. Mossinghoff, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		17,277.00	18,860.22
John J. Motley, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	9,570.00	300.00
L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006	Abecitrus - Brazilian Citrus Assn		
Do	Adical		
Do	ANIC - National Assn of Citric Industries		
Do	Sawyer/Miller Group (for Philippine Sugar Regulatory Admin)		
Motor and Equipment Manufacturers Association, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004			478.86
Motor Vehicle Manufacturers Assn of the U.S., Inc, 7430 Second Avenue, #300 Detroit, MI 48202		55,632.60	55,632.60
Thomas O. Moulton Jr., 1275 Pennsylvania Ave., NW, #400 Washington, DC 20004	Pacific Telesis Group	15,000.00	
Katharine R. Mountcastle, 2030 M St. NW Washington, DC 20036	Common Cause	6,752.52	48.10
Susan Connolly Moya, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri Inc	7,500.00	
Steve Moyer, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	3,698.86	
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Carteret Savings Bank, F.A.	27,987.50	421.51

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Charter Federal Savings Bank	1,001.70	137.20
Do	Long Island Savings Bank	4,856.25	361.76
Do	Manufacturers Life Insurance Co	52,436.00	2,139.95
Do	Northeast Savings, F.A.	11,546.25	359.85
Do	Talman Home Federal Savings and Loan Assn	104,981.25	2,921.73
Do	Washington Federal Savings Bank	4,750.00	808.44
Michael J. Mullen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Mullenholz & Brimsek, 1150 Connecticut Ave., NW, #700 Washington, DC 20036	City of Fergus Falls	856.50	
Do	Delaware & Hudson Railroad	2,500.00	
Do	Florida East Coast Railway Co	1,000.00	
Do	North American Equipment Dealers Assn	1,500.00	
Do	Soo Line Corporation	5,000.00	
Do	TACA International Airlines		
John A. Mullett, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	2,400.00	131.75
Robert J. Mulligan, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	2,891.00	898.32
Albert E. Mullin Jr, 111 Powdermill Rd. Maynard, MA 01754	Digital Equipment Corp	26,500.00	
Tracy Mullin, 701 Pennsylvania Ave., NW Washington, DC 20004	National Retail Federation	2,800.00	40.00
Michael L. Mullins, 1101 15th Street, NW, #1000 Washington, DC 20005	Cargill, Inc		
Morton L. Mullins, 700 14th Street, NW, #1100 Washington, DC 20005	Monsanto Company		
James Brian Munroe, 1300 Eye Street, NW, #520 Washington, DC 20005	Hoffmann-La Roche, Inc		
Jeanne Marie Murphy, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	193.13
Michael M. Murphy, 1101 17th St., NW, #400 Washington, DC 20036	American President Companies, Ltd, et al.	9,300.00	
Stephen P. Murphy, 715 South Fairfax Street Alexandria, VA 22314	Yellow Freight System, Inc of Delaware	38,458.37	
Daniel H. Murray, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp	2,955.00	368.44
Hyde H. Murray, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	8,499.99	112.48
James V. Murray, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Rosemary Griffin Murray, Crystal Park Four, 2345 Crystal Drive Arlington, VA 22207	USAir, Inc		
Murray, Scheer & Montgomery, 2715 M Street, NW, #300 Washington, DC 20007	American Assn of Dental Schools	3,000.00	150.00
Do	Atochem, N.A.	600.00	
Do	Bear Stearns & Co	500.00	30.00
Do	Benton Mortgage Company		
Do	City of Philadelphia		
Do	Cleveland Cliffs Iron Co	250.00	25.00
Do	Connecticut Mutual Life Insurance Co	500.00	25.00
Do	Delaware River Port Authority	1,000.00	55.00
Do	Home Life Insurance Co	500.00	25.00
Do	Independence Blue Cross	900.00	50.00
Do	Independent Laboratory Consortium		
Do	Industry Council for Tangible Assets	400.00	25.00
Do	Iron Ore Assn	250.00	25.00
Do	LTV Corporation	450.00	25.00
Do	National Council of Coal Lessors	300.00	25.00
Do	New England Mutual Life Insurance Co	500.00	25.00
Do	Pacific Mutual Life Insurance Co	500.00	25.00
Do	Penn Mutual Life Insurance Co	500.00	25.00
Do	Philadelphia Port Corp	1,400.00	60.00
Do	Players Club International		
Do	Provident Mutual Life Insurance Co of Philadelphia	500.00	25.00
Do	Qualimetrics, Inc	400.00	30.00
Do	Shubert Organization, Inc	400.00	30.00
Do	Swaziland Sugar Assn	400.00	
Do	Sweetener Users Assn		
Do	Temple University	1,800.00	100.00
Robert Musil, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	8,290.18	15,671.17
Mutual Life Insurance Co Tax Committee, 720 East Wisconsin Avenue Milwaukee, WI 53202			
Fred Mutz Associates, 1200 New Hampshire Ave, NW, #200 Washington, DC 20036	American Bankers Assn	25,000.00	
Do	Communications Satellite Corp (Comsat)		
Do	Government of Romania		
Do	Trans World Insurance Brokers		
Gary D. Myers, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	4,500.00	125.97
Karen Magee Myers, 1331 Pennsylvania Ave., #1300-N Washington, DC 20004	Electronic Data Systems Corp	412.00	723.98
Peter C. Myers, 50 F Street, NW, #900 Washington, DC 20001	Farm Credit Council		
Christopher Alton Myrick, 1155 15th Street, NW, #900 Washington, DC 20005	National AgriChemical Retailers Assn	1,900.00	13,810.75
Daniel Nadash, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Marci H. Nadler, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors	2,500.00	
Alan Y. Naftalin, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
David Scott Nance, 808 17th Street, NW, #300 Washington, DC 20006-3910	Stewart and Stewart		
John Francis Nash Jr., 1100 Connecticut Ave NW #1300 Washington, DC 20036	Milliken & Company	5,000.00	3,250.00
Gary M. Nateman, 1225 Eye Street, NW, #825 Washington, DC 20005	Beer Institute		
Hardy L. Nathan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
National Air Carrier Assn, 1730 M St., NW, #806 Washington, DC 20036			
National Air Traffic Controllers Assn, 444 N. Capitol Street, NW, #845 Washington, DC 20001		12,309.00	7,460.75
National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006		184,108.00	16,557.21
National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218		765.07	1,143.05
National Assn for Stock Car Auto Racing, Inc (NASCAR), P.O. Box 26765 1801 Volusia Avenue Daytona Beach, FL 32115-2875.			
National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151		1,539.59	7,655.36
National Assn of Air Traffic Specialists, 4740 Corridor Pl., Suite C Beltsville, MD 20705			3,000.00
National Assn of Broadcasters, 1771 N Stret, NW Washington, DC 20036		204,872.00	204,872.00
National Assn of Federal Veterinarians, 1023 15th Street, NW, #300 Washington, DC 20005			91.30
National Assn of Independent Colleges & Universities, 122 C St., NW, #750 Washington, DC 20001			66,803.00
National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005			
National Assn of Life Companies, 1455 Pennsylvania Ave., #1250 Washington, DC 20004		2,200.00	2,247.00
National Assn of Manufacturers, 1331 Penn Ave., NW #1500-North Washington, DC 20004-1703		225,021.61	225,021.61
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
National Assn of Realtors, 777 14th St., NW Washington, DC 20005			86,583.45
National Assn of Securities and Commercial Law Attorneys, 1300 I Street, NW., #480E Washington, DC 20005		64,000.00	18,000.00
National Assn of Trade & Technical Schools, 2251 Wisconsin Ave., NW Washington, DC 20007		11,250.00	11,250.00
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314			
National Broiler Council, 1155 15th St., NW Washington, DC 20005		7,525.00	7,525.00
National Business Aircraft Assn, 1200 18th St., NW, #200 Washington, DC 20036-2598			31,635.72
National Coalition for Marine Conservation, Inc, P.O. Box 23298 Savannah, GA 31403		49,872.86	22,261.00
National Comm for a Human Life Amendment, Inc, 1511 K Street, NW, #335 Washington, DC 20005		224.45	527.44
National Comm of Cities & States for Airline Service, Transportation Bldg., #417 St. Paul, MN 55156		4.66	
National Comm to Preserve Social Security & Medicare, 2000 K Street, NW, #800 Washington, DC 20006		869,734.00	869,734.00
National Comm Against Repressive Legislation, 236 Massachusetts Avenue, NE, #406 Washington, DC 20002		8,522.50	4,998.30
National Committee on Pay Equity, 1126 16th St., NW, #411 Washington, DC 20036		44,231.28	995.65
National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182		86,221.32	86,221.32
National Council of Community Bankers, 1101 15th St., NW, #400 Washington, DC 20005		19,273.74	
National Council of Farmer Cooperatives, 50 F Street, NW, #900 Washington, DC 20001		8,940.15	7,979.18
National Council on Alcoholism & Drug Dependence, 1511 K Street, NW, #926 Washington, DC 20005			8,968.75
National Electrical Manufacturers Assn, 2101 L Street, NW, #300 Washington, DC 20037		16,472.71	16,472.71
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		47,042.75	2,900.00
National Glass Association, 8200 Greensboro Drive, #302 McLean, VA 22102		1,000.00	9,828.00
National Grain & Feed Assn, 1201 New York Avenue, NW, #830 Washington, DC 20005-3917			3,041.87
National Grain Trade Council, 1030 15th Street, NW, #1020 Washington, DC 20005			85.00
National Grange, 1616 H St., NW Washington, DC 20006		21,625.00	21,625.00
National Grocers Assn, 1825 Samuel Morse Drive Reston, VA 22090		3,000.00	1,665.53
National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001		31,536.35	17,685.15
National Independent Automobile Dealers Assn, 2521 Brown Blvd., Suite 100 Arlington, TX 76006-5299			9,298.50
National Industrial Transportation League, 1700 N. Moore St. S-1900 Arlington, VA 22209-1904		21,000.00	19,538.00
National Leased Housing Assn, 2300 M St., NW, #260 Washington, DC 20037		2,000.00	2,000.00
National Motorsports Comm of Accus, 2555 M Street, NW, #303 Washington, DC 20037		15,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036			9,102.98
National Pest Control Assn, 8100 Oak St. Dunn Loring, VA 22027			
National Pork Producers Council, 501 School Street, SW, #400 Washington, DC 20074		69,331.00	145,165.00
National Printing Equipment & Supplies Assn, Inc, 1899 Preston White Drive Reston, VA 22091			
National Realty Committee, 1250 Connecticut Ave., NW, #630 Washington, DC 20036		7,384.00	7,384.00
National Retail Federation, 701 Pennsylvania Avenue, NW, #710 Washington, DC 20004	Nartional Retail Federation		10,401.17
National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160		8,797.20	8,797.20
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			3,515.49
National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314		11,100.00	11,100.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			779.15
National Stone Assn, 1415 Elliot Place, NW Washington, DC 20007			
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	Alliance for Capital Access		
Do	American International Group	10,000.00	531.94
Do	Consumer News & Business Channel	7,395.62	97.47
Do	Manor Care	787.50	17.71
Do	Mothers & Others for a Livable World	1,500.00	350.44
Do	Reuters North America, Inc	93.75	207.70
Do	Trian Group	153.75	8.60
National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037		27,000.00	3,259.47
National Tire Dealers & Retreaders Assn, 1250 Eye Street, NW, #400 Washington, DC 20005		6,577.00	6,577.00
National Truck Equipment Assn, 38705 Seven Mile Road, #345 Livonia, MI 48152		3,750.00	91.00
National Venture Capital Association, 1655 N. Fort Meyer Dr., #700 Arlington, VA 22209			93,192.77
National Wildlife Federation, 1400 16th Street, NW Washington, DC 20036-0001			6,145.00
National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046		9,000.00	
Natural Gas Supply Assn, 1129 20th St. nw #300 Washington, DC 20036		20,700.00	32,347.42
Michael W. Naylor, 1001 Pennsylvania Ave, NW, #700 Washington, DC 20004-2502	Allied-Signal, Inc		
Pamela Neal, 1301 Pennsylvania, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Rick J. Neal, 1800 South Baltimore Ave. Tulsa, OK 74119	Mapco, Inc	5,250.00	30.86
Karen J. Neale, 2501 M Street N.w. Washington, DC 20037	Chemical Manufacturers Assn, Inc	568.00	21.15
Janet E. Neigh, 519 C Street, NE Washington, DC 20002	Hospice Assn of America/National Assn for Home Care	189.31	43.07
Neighbor-To-Neighbor Action Fund, 2601 Mission Street, #400 San Francisco, CA 94110		124,559.19	138,591.41
Frederick W. Neill, 600 5th Street Aurora, IL 60505			
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	American Methanol Institute	25,000.00	1,591.32
Do	General Electric Industrial and Power Systems	120,000.00	769.46
Do	Government of Jamaica		3,323.10
Do	Islamic Republic of Pakistan	90,000.00	12,825.52
Do	Joint Diseases North General Hospital	3,000.00	175.38
Do	Kingdom of Morocco	360,000.00	1,622.14
Do	Korea Foreign Trade Assn	20,000.00	28.35
Do	Puerto Rico Economic Development Administration	12,433.32	253.27
Do	Republic of Cameroon	55,500.00	8,835.18
Do	Republic of Cote d'Ivoire		
Do	Republic of Guinea	200,000.00	1,794.29
Do	Republic of Kenya	363,952.58	7,421.23
Do	Schomburg Center for Research In Black Culture	10,000.00	193.10
Neill & Shaw, 815 Connecticut Ave., NW, #800 Washington, DC 20006	National Council Social Security Management Assns, Inc	6,000.00	281.00
Do	PHH Group		
Do	Senior Executives Assn	7,000.00	337.00
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Mark E. Nelson, 1825 I Street, NW, #400 Washington, DC 20006	SEMATECH, Inc	5,313.00	1,668.75
Lynda L. Nersesian, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	58.00
Frederick H. Nesbitt, 1750 New York Avenue NW Washington, DC 20006	International Assn of Fire Fighters	15,840.00	
Network, 806 Rhode Island Ave., NE Washington, DC 20018		59,957.00	58,281.00
E. John Neumann, 1130 Connecticut Avenue, NW, #830 Washington, DC 20036	Southern Company Services, Inc	3,065.15	5,409.41
New England Rehabilitation Hospital, 2 Rehab Way Woburn, MA 01801			2,499.99
New York State Bankers Assn, 485 Lexington Avenue New York, NY 10017		12,500.00	16,449.00
Peter E. Newbould, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)	887.50	100.00
Lilian Ann Newby, 2301 M Street, NW Washington, DC 20037	American Public Power Assn		
Linton C. Newlin, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
George S. Newman, 7915 Jones Branch Dr. McLean, VA 22102	BDM International, Inc		
Sharon Newsome, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	3,295.89	
Sara S. Nichols, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	7,075.00	
Marlene Nicholson, 1722 Eye St., NW, Fifth Floor Washington, DC 20006	Barclays Bank PLC	4,875.00	1,212.77
Sherri L. Nicholson, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	2,000.00	125.00
Robert J. Nickens, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	
Patrick J. Nilan, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	16,145.90	3,691.88
Michael E. Nix, 231 W. Michigan Street, #P453 Milwaukee, WI 53203	Wisconsin Electric Power Co.	146.25	285.00
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	American Free Trade Assn	1,820.00	
Jeffrey P. Noah, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Walker F. Nolan, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	10,928.57	656.45
Nonprescription Drug Manufacturers Assn, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036			4,618.75
James A. Noone, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Allpoints International, Inc)	2,000.00	
Do	Karalekas & McCahill (For:American Retirees Assn)	3,000.00	22.16
Do	Karalekas & McCahill (For:Homeport Information Task Force, et al.)		
David F. Norcross, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Pilots Assn of the Bay and River Delaware).	550.00	
Julia J. Norrell, 1155 Connecticut Ave., NW, #300 Washington, DC 20036	American Council of Life Insurance, Inc	1,000.00	2,695.00
Do	American Insurance Assn	1,000.00	2,600.00
Do	Golden Rule Insurance Company	1,000.00	3,050.00
Do	Mutual of Omaha	1,000.00	2,975.00
Patrice North-Rudin, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,280.00	
J. Hallock Northcott, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	500.00	34.00
Northeast Utilities Service Co, Selden St. Berlin, CT 06037			1,874.60
Edward M. Norton Jr., 1400 16th Street, NW, #300 Washington, DC 20036	Grand Canyon Trust		
Julie Noufer, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	4,800.00	70.00
Steven R. Nousen, P.O. Box 3529 Portland, OR 97208	Port of Portland	13,717.00	253.79
Christopher A. Novak, 501 School Street, SW, #400 Washington, DC 20024	National Pork Producers Council	1,200.00	135.83
Mary Ann Novak, 555 13th Street, NW #460 West Tower Washington, DC 20004-1109	Parsons Brinkerhoff, Inc	420.00	200.00
Nussbaum & Wald, One Thomas Circle, NW #200 Washington, DC 20005	American Soc of Composers Authors & Publishers	2,000.00	
Do	National Football League Players Assn	4,000.00	
Franklin W. Nutter, 1819 L Street, NW, 7th Floor Washington, DC 20035	Reinsurance Assn of America		
R. Marc Nuttle, c/o Marion Harrison 840 The Watergate 2600 Virginia Ave., NW Washington, DC 20037	Regent C&C Ltd., et al.		12,950.67
Hubert K. O'Bannon, 50 F Street, NW Washington, DC 20001	Association of American Railroads	756.88	878.95
O'Bannon & Gibbons, 2550 M Street, NW, #275 Washington, DC 20037	Kellogg Company	687.50	
Do	Mutual Life Insurance Co of New York	3,206.25	
Do	Polyisocyanurate Insulation Manufactuters Assn (PIMA)	3,000.00	
Do	Prince of Fundy Cruises, Ltd		
Do	TECO Energy, Inc	7,000.00	
Do	Underwriters at Lloyd's London		
Do	Jim Walter Corp	5,000.00	
Dinah K. O'Berry, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	13,029.00	
Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	9,188.00	
Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036	ITT Corporation	2,500.00	75.00
Rosemary L. O'Brien, 805 15th Street, NW, #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	135.16
David S. O'Bryon, 1555 Connecticut Ave., NW, #308 Washington, DC 20036	American Assn of Limited Partners	300.00	
Richard T. O'Connell, Richard T. O'Connell & Associates, Inc 3208 Traveler Street Fairfax, VA 22030	Chocolate Manufacturers Assn of the USA		
Do	National Confectioners Assn of the U.S.		
Brenda O'Connor, 818 Connecticut Ave, NW, #303 Washington, DC 20006	National Assn for Biomedical Research	75.00	
David O'Connor, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
James E. O'Connor, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Community Bankers	20,000.00	156.66
Kelley E. O'Connor, 216 7th Street, SE Washington, DC 20003	Florists' Transworld Delivery Association	2,000.00	
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Clinical Laboratory Assn	3,000.00	
Do	American Family Life Assurance Co	3,084.00	
Do	American Insurance Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Bionox, Inc		
Do	Bobby Berosini LTD	1,792.67	
Do	Center for Marine Conservation, Inc		
Do	China External Trade Development Council	16,582.00	
Do	City of Minneapolis		
Do	Coca-Cola Company	15,750.00	
Do	CNA Insurance Co	3,120.00	
Do	Distilled Spirits Council of the U.S., Inc	1,000.00	
Do	DKT Memorial Foundation	4,900.00	
Do	Eastern Michigan University	342.00	
Do	Ecomarine USA		
Do	Electronic Data Systems Corp	11,242.50	
Do	Glass Packaging Institute		
Do	Golden Nugget, Inc	3,000.00	50.00
Do	Government of El Salvador	37,500.00	551.61
Do	Government of Israel Supply Mission	1,311.42	
Do	Government of Netherlands Antilles	13,943.00	
Do	Health Images, Inc	4,000.00	
Do	Hennepin County		
Do	Investment Company Institute		
Do	J.C. Penney Company, Inc		
Do	Kellogg Company	500.00	
Do	Liquidity Fund Management, Inc	21,555.68	
Do	Marine Mammal Interest Group	335.98	
Do	Martin Marietta Corp	3,000.00	
Do	Mercedes-Benz of North America, Inc	17,418.00	
Do	Mullendore & Tawney		
Do	National Assn of Optometrists and Opticians, Inc	3,000.00	
Do	National Assn of Portable X-Ray Providers		
Do	Joseph E. Seagram & Sons, Inc	794.00	
Do	Solid Waste Agency of Northern Cook County	15,342.83	
Do	State of Alaska		
Do	U.S. Wild Horse & Burro Foundation		
Do	Wards Cove Packing Company	46,622.28	
Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	900.00	
Wayne O'Dell, 6004 Wilmington Dr. Burke, VA 22015	Cable Television Assn of MD, DE & DC	21,250.00	
Denise M. O'Donnell, 1875 Eye Street, NW, #775 Washington, DC 20006	Georgia-Pacific Corp	600.00	
John F. O'Donnell, 1111 14th St., NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Bridget O'Grady, 3800 N. Fairfax Drive, #4 Arlington, VA 22203	National Water Resources Assn	7,000.00	
Jane O'Grady, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,078.06	196.32
Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	1,203.38	155.70
Barbara E. O'Hara, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	75.00	
Robert J. O'Hara Jr., 2 North 9th Street Allentown, PA 18101	Pennsylvania Power & Light Company	79.05	88.99
Dean O'Hare, 15 Mountain View Road Warren, NJ 07061	Chubb Corporation		
O'Keefe Ashenden Lyons & Ward, 30 North La Salle, #4100 Chicago, IL 60602	Mutual of America	106,607.11	22,429.02
Daniel J. O'Neal III, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,429.00	17.35
Robert O'Neill, 1600 Wilson Blvd, #100 Arlington, VA 22209	American Waterways Operators, Inc	3,000.00	1,200.00
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	American Bankers Assn	2,600.00	
Do	Beth Israel Hospital		
Do	Brandeis University		
Do	Brigham and Women's Hospital, Inc		
Do	Coalition of Boston Teaching Hospitals		
Do	CompuChem Corp		
Do	Massachusetts General Hospital		
Do	New England Deaconess Hospital		
Do	New England Medical Center		
Do	University Hospital		
Do	USX Corporation		
Do	Viacom International, Inc		
John O'Shaughnessy, 1001 G Street, NW, 7th Floor East Washington, DC 20001	Greater New York Hospital Assn	14,500.00	1,200.00
J. Denis O'Toole, 1709 New York Ave., NW Washington, DC 20006	U.S. League of Savings Institutions	18,480.00	
M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	254.86
Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	4,761.03
Jana R. Oakley, 1776 I Street, NW, #275 Washington, DC 20006	Entergy Services, Inc	3,600.00	
Paul C. Oakley, 50 F Street, NW Washington, DC 20001	Association of American Railroads	823.53	
Harry R. Obley, One Mellon Bank Center, #1905 Pittsburgh, PA 15258-0001	Mellon Bank N.A., et al.	2,000.00	650.10
Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	750.00	
Office & Professional Employees Intl Union, Local 2, AFL-CIO, 8455 Colesville Road, #1250 Silver Spring, MD 20910-3320			
Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Marion Browne Oglesby Jr., 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,000.00	
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	150.00	
R. Teel Oliver, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	2,000.00	500.00
Austin P. Olney, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))	192.50	8.00
Lawrence Olsen, 400 W. 15th, #417 Austin, TX 78701	Texas Good Roads/Transportation Assn		
Erik Olson, 1350 New York Avenue, NW Washington, DC 20005	National Wildlife Federation	1,293.53	
Laura L. Olson, 12731 Directors Loop Woodbridge, VA 22192	American Amusement Machine Assn		
Richard C. Olson, 2000 Edmund Halley Drive, #400 Reston, VA 22091	Citibank, N.A.		
Do	DynCorp	1,290.00	
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Beef Products, Inc		
Do	Duramed Pharmaceuticals, Inc		
Do	Milk Industry Foundation	6,300.00	
Do	Naremco, Inc.		
Do	National American Wholesale Grocers Assn	200.00	
Do	National Assn of Margarine Manufacturers		
Do	National Food Processors Assn	6,000.00	
Do	National Frozen Pizza Instutute	27,000.00	
Do	Pillsbury Company	1,100.00	
Do	San Tomo Group	600.00	
Do	Schwan's Sales Enterprises, Inc	1,000.00	
Do	Tropicana Products Inc	500.00	
Do	U.S. Surgical Corporation		
Do	Vicam		
Do	Western States Meat Assn	500.00	
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22034	General Atomic	500.00	
Do	Perkins Coie	500.00	
Philip C. Onstad, 333 Plainfield Road Edison, NJ 08820	International Communications Assn		
Oppenheimer Wolff & Donnelly, 1020 19th Street, #400 Washington, DC 20036	Government of Barbados		
Opperman Heins & Paquin, 1300 I Street, NW, #480E Washington, DC 20005	West Publishing Company	4,157.50	86.00
Elvira J. Orly, 1150 Connecticut Ave., NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Edward R. Osann, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	2,240.95	
Sima Osdoby, 305 7th Street, SE Washington, DC 20003	Womens Action for Nuclear Disarmament, Inc, et al.	4,300.00	
Kaz Oshiki, 5600 Broad Branch Rd. Washington, DC 20015	Go for Broke National Veterans Assn	750.00	
J. F. Otero, 815 16th Street, NW Washington, DC 20006	Transportation Communications Union	1,000.00	
Alan R. Ott, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	800.00	
Michael F. Ouellette, 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn	8,790.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,000.00	1,089.36
Jack C. Overstreet, 1745 Jefferson Davis Highway Suite 1000 Arlington, VA 22202	General Dynamics	1,000.00	105.00
Daryl Owen, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Arkla, Inc)	13,500.00	
Do	Hooper Hooper & Owen (For:BP America, Inc)	5,000.00	
Do	Hooper Hooper & Owen (For:CSX Corp/Yukon Pacific)	9,000.00	
Do	Hooper Hooper & Owen (For:Ebasco Services, Inc)	9,000.00	
Do	Hooper Hooper & Owen (For:Entergy Corp)	9,000.00	
Do	Hooper Hooper & Owen (For:Lockheed Engineering & Sciences Co)	11,250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hooper Hooper & Owen (For:Panhandle Eastern Corp)	13,500.00	
Stephen F. Owen Jr., 2600 Virgina Ave. NW, #840 Washington, DC 20037-1905	Classroom Publishers Assn		
Thomas E. Owens, 815 16th Street, NW, #309 Washington, DC 20006	AFL-CIO Dept of Legislation	14,619.93	518.36
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Continental Savings Bank	10,600.00	1,400.17
Do	Dollar Savings Bank, et al.	62,626.00	15,119.57
Joel Packer, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,753.35	95.55
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Anthony Padilla, 815 16th Street, NW, #511 Washington, DC 20006	Transportation Communications Union	3,000.00	
Pagonis & Donnelly Group, Inc, 1620 Eye Street, NW, #202 Washington, DC 20006	Air Products & Chemicals, Inc	13,015.00	2,692.99
Do	Association of High Medicare Hospitals	26,325.00	228.66
Do	Coalition for Quality Legal Services	45,000.00	265.03
Do	Dow Chemical USA	17,225.00	279.04
Do	Holiday Inn Corp	27,286.25	865.35
Geri Palast, 1313 L St., NW Washington, DC 20015	Service Employees International Union, AFL-CIO, CLC		
Benjamin L. Palumbo, 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	10,150.00	295.05
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	700.00	11.00
Do	Palumbo & Cerrell, Inc (For:Government Employees Hospital Assn.)	537.50	12.00
Do	New Jersey Turnpike Authority	1,062.50	27.50
Do	Soka University		39.00
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)	350.00	
Palumbo & Cerrell, Inc, 1629 K Street, NW, #1100 Washington, DC 20006	American Soc of Composers Authors & Publishers	33,750.00	27,262.64
Do	Atlantic Richfield Co	27,000.00	5,529.65
Do	Government Employees Hospital Assn	24,000.00	3,339.09
Do	New Jersey Turnpike Authority	29,997.00	7,070.11
Do	Rockport Fine Arts Council		
Do	Soka University	33,615.50	9,690.21
Do	Southern California Rapid Transit District	48,387.90	5,647.99
G. Oliver Papps, N.J. Petroleum Council 150 W. State St. Trenton, NJ 08608	American Petroleum Institute		
Jonathan R. Paret, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	2,769.00	
Alan A. Parker, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	5,000.00	100.00
Bruce Parker, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Tom V. Parker, Arkansas Petroleum Council One Riverfront Place, #460 North Little Rock, AR 72114	American Petroleum Institute		
Penny L. Parkin, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical USA		6,289.00
Carl M. Parks, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	15,000.00	99.10
Norman T. Parnes, 5503 Mako Court Waldorf, MD 20603	Air Force Sergeants Assn, Inc		
Ronald L. Parrish, 1800 One Tandy Center Fort Worth, TX 75102	Tandy Corporation	22,692.30	3,491.12
Amber Parson, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,620.00	500.00
Partnership on Health Care and Employment, P.O. Box 27414 Washington, DC 20038		1,605.00	35,177.84
Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	3,256.56	
Jack Partridge, P.O. Box 1199 Cincinnati, OH 45201-1199	Kroger Company	2,500.00	210.32
Robert D. Partridge, 511 Janneys Lane Alexandria, VA 22302	Burns & McDonnell		
Richard E. Pasco, 501 School Street, SW, #400 Washington, DC 20024	National Pork Producers Council	10,000.00	484.00
M. Stephanie Patrick, 1101 15th Street, NW, #1000 Washington, DC 20005	Cargill, Inc	1,250.00	
Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903	American Petroleum Institute	100.50	72.77
Jerry M. Patterson, 3200 Bristol St., Suite 640 Costa Mesa, CA 92626	City of Alhambra	451.00	
Do	City of Bell & Bell Community Redevelopment Agency	1,950.00	
Do	Burke Williams & Sorensen (For:City of Santa Ana)	17,857.00	
Do	Burke Williams & Sorensen (For:City of Santa Clarita)		
C. James Patti, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	12,671.66	
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Ad Hoc Coalition for Intermarket Coordination		
Do	Ad Hoc Coalition Administration for Native Americans	2,700.00	205.00
Do	Air Products & Chemicals, Inc	330.00	50.00
Do	Aiwa America, Inc		
Do	Akai America, Ltd		
Do	Alabama Power Co		
Do	Amenco	105.00	
Do	American Congress on Surveying & Mapping		
Do	American International Automobile Dealers Assn		
Do	American Stock Exchange, Inc		
Do	Ares-Serono, Inc		
Do	Armco, Inc	330.00	20.00
Do	Association of Trial Lawyers of America	722.50	80.00
Do	Bath Iron Works Corp		
Do	Bethlehem Steel Corp	330.00	20.00
Do	Bic Corporation		
Do	Blair Corporation		
Do	Board of Mississippi Levee Commissioners		
Do	Bristol Myers/Squibb Corp		
Do	Casio		
Do	Castle & Cooke, Inc		
Do	Center for Molecular Medicine & Immunology	403.75	20.00
Do	Center City Inner Harbor		
Do	Center City-Inner Harbor Management, Inc	1,500.00	
Do	Chemfix Technologies, Inc		
Do	Cherokee Nation of Oklahoma	6,500.00	235.00
Do	Cherokee Nation Industries, Inc	1,400.00	85.00
Do	Chicago Board Options Exchange	275.00	20.00
Do	Chrysler Corporation		
Do	City & County of Denver	715.00	
Do	City of Baltimore		
Do	Climate Council		
Do	Coalition on State Use Taxes		
Do	College Savings Bank	530.00	12.00
Do	Columbia, Inc		
Do	Corridor Broadcasting Corp		
Do	Council of Community Blood Centers		
Do	CUC International	367.50	9.00
Do	Dairy Institute of California	301.25	20.00
Do	Dealer Action Association		
Do	Denver Colorado Planning Department		
Do	Discovery Channel		
Do	Dole Fresh Fruit Co		
Do	Doyon Corporation		
Do	Duty Free Shoppers Group, Ltd		
Do	Electric Reliability Coalition	12,060.50	225.00
Do	Encore Computer Corp	1,100.00	25.00
Do	Federation of Postal Police Officers		
Do	Federation Against Inequitable & Progressive Taxation	1,085.00	69.00
Do	Fiart Cantieri Italiani, S.P.A.	655.00	70.00
Do	Fishing Vessel Owner's Assn		
Do	Flexi-Van Leasing, Inc	380.00	40.00
Do	Freedom to Advertise Coalition	250.00	20.00
Do	Fuji Photo Film USA, Inc		
Do	Gana-A'Yoo, Limited		
Do	General Electric Co		
Do	Genstar Container Corp	380.00	40.00
Do	George Mason University Foundation, Inc	1,600.00	
Do	Greater Baltimore Committee Foundation	500.00	
Do	Charles Heilbronn, et al.		
Do	Hillenbrand Industries		
Do	Hitachi Sales Corp of America		
Do	Institute of Scrap Recycling Industries	927.50	20.00
Do	International Fabricare Institute		
Do	International Swaps Dealers Assn., Inc.	105.00	20.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	International Thomson, Inc	43.75	
Do	Itel Containers International Corp	380.00	40.00
Do	Jena Band of Choctau	3,000.00	120.00
Do	Johnson Controls World Services, Inc		
Do	Kaiser Aluminum & Chemical Corp		
Do	Kenwood USA Corporation		
Do	KAO Infosystems		
Do	Local Government Wetlands Coalition	102.50	
Do	Loop, Inc		
Do	Loyloa University		
Do	Marathon Oil Co	780.00	
Do	Mars, Inc	105.00	20.00
Do	Mass Mutual	682.50	185.00
Do	Matson Navigation Co		
Do	Matsushita Electric Corp of America		
Do	Maxell Corp of America		
Do	Metropolitan Life	555.00	20.00
Do	Mitsubishi Electric Sales of America, Inc		
Do	Mutual Legislative Committee	202.50	10.00
Do	MCI Telecommunications, Inc	330.00	
Do	Nakajima USA		
Do	Nakamichi USA		
Do	National Assn of Life Underwriters		
Do	National Assn of Retail Druggists		
Do	National Automatic Merchandising Assn	982.50	75.00
Do	National Cable Television Assn, Inc		
Do	National Marine Manufacturers Assn		
Do	National Soft Drink Assn		
Do	New York Life Insurance Company		
Do	Northwestern Mutual Life	630.00	31.00
Do	Nutri/Systems, Inc		
Do	NCNB Texas National Bank		
Do	NEC Electronics (USA) Inc		
Do	NMTBA-National Machine Tool Builder's Assn	330.00	20.00
Do	Onkyo USA Corp		
Do	Options Clearing Corp		
Do	OSG Bulk Ships, Inc	1,800.00	50.00
Do	Pioneer Electronics (USA), Inc		
Do	Reader's Digest Assn, Inc		
Do	Reinsurance Assn of America		
Do	Reliance Group Holdings, Inc	380.00	40.00
Do	Republic of the Marshall Islands Development Authority		
Do	Republic of Guatemala	965.00	330.00
Do	Retail Industry Trade Action Coalition		
Do	Royal Trustco Ltd		
Do	Sansui Electronics Corp		
Do	Sanyo Electronics, Inc		
Do	Raymond F. Schoenke Jr.		
Do	Sharp Electronics Corp		
Do	Charles E. Smith Companies		
Do	Smokeless Tobacco Council, Inc	2,650.00	78.00
Do	Sony Corp of America		
Do	Sprat Bay Corp		
Do	Standard Federal Savings Bank		
Do	State of Louisiana, Department of Conservation	395.00	17.00
Do	Sultantate of Oman	720.00	
Do	Toshiba America, Inc		
Do	Trans Ocean Ltd	380.00	40.00
Do	Triton Container	380.00	40.00
Do	TDK USA Corp		
Do	TEAC Corp of America		
Do	U.S. Tobacco Company		
Do	Union Pacific Corp		
Do	University of Arizona Foundation	6,000.00	
Do	US JVC Corporation		
Do	USX Corporation	330.00	20.00
Do	Waste Management, Inc		
Do	Wayne County Michigan		
Do	Western Forest Industry Assn		
Do	Westinghouse Electric Corp		
Do	Yamaha Electronics Corp, USA		
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Allegheny Power System Inc, et al.	11,814.50	
Do	Amdahl Corp	1,466.25	
Do	American College of Neuropsychopharmacology	75.00	
Do	American Trucking Assns, Inc	9,761.25	
Do	CalMat Company		
Do	Government Affairs Policy Council of Reg Bell Operating Co's	12,326.25	
Do	Kawasaki Motors Corp, USA	855.00	
Do	Koito Manufacturing Co		
Do	Motor Vehicle Manufacturers Assn, Inc		
Do	Norfolk Southern Corp	1,211.25	96.19
Do	Novo-Nordisk Pharmaceuticals, Inc	750.00	
Do	Security Life of Denver		
Do	Siskiyou Co Board of Supervisors & Office of Education		
Do	Tobacco Institute	12,682.50	
Do	Union Pacific Corp		
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	Circuses		1,431.75
Do	National Music Publishers Assn, Inc	7,700.00	
Gwen Gampel Paulson, 711 Second Street, NE, #200 Washington, DC 20002	Congressional Consultants (For:American Assn of Retired Persons)		
Do	Kinetic Concepts, Inc	3,000.00	116.95
Do	Congressional Consultants (For:National Renal Administrators Assn)		
Tommy J. Payne, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,800.00	83.45
Chris Peace, 500 E. Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	5,000.00	776.61
Norman E. Pearson, 125 N. West Street Alexandria, VA 22314-2754	Fleet Reserve Assn	100.00	
Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003	Pearson & Pipkin (For:Physicians Who Care)		
Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003	Physicians Who Care	1,500.00	
Joe P. Peck Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Robert Peck, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union		
Kevin Pedraja, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004	Business Executives for National Security, Inc		
Gordon O. Pehrson Jr., 1275 Pennsylvania Ave., NW Washington, DC 20004-2404	Chemical Products Corp		42.32
Randall G. Pence, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn	5,416.00	539.00
James C. Pennington, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	3,244.06	
Pennsylvania Power & Light Co, 2 North 9th Street Allentown, PA 18101			2,438.39
Pepper Hamilton & Scheetz, 1300 19th Street, NW Washington, DC 20036	Association for Governmental Leasing & Finance	3,747.50	126.10
Barbara K. Pequet, 1775 Massachusetts Ave., NW, #418 Washington, DC 20036	American Soc for the Prevention of Cruelty to Animals	2,000.00	
Perkins Coie, 607 14th Street, NW #800 Washington, DC 20005-2011	American Coke & Coal Chemicals Institute		
Do	Arctic Alaska Fishing Corp		
Do	Boeing Company	2,600.00	
Do	Burlington Resources	2,600.00	700.00
Do	City of America		30,802.73
Do	Cook Inlet Region, Inc		
Do	General Electric Co		
Do	Krupp Atlas Elektronik GmbH		
Do	Wood Heating Alliance		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Gary J. Perkinson, 453 New Jersey Ave., SE Washington, DC 20003	Beneficial Management Corp		
Richard Perle, 5 Grafton Street Chevey Chase, MD 20815			
Leonard Perlman, 5312 Trailway Drive Rockville, MD 20853	National Rehabilitation Counseling Assn		
Beverly Perry, 1900 Pennsylvania Ave, NW Washington, DC 20068	Potomac Electric Power Company	25.05	
Susan Perry, 1015 15th Street, NW Washington, DC 20005	American Bus Assn	2,687.50	75.00
Mark Pertschuk, 2530 San Pablo Ave, #J Berkeley, CA 94702	Americans for Nonsmokers' Rights	667.00	
Roxanne Perugino, 888 16th St., NW Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)	6,000.00	97.78
Do	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	32.00
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)	250.00	40.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	1,000.00	117.51
Do	Bannerman and Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	250.00	16.00
John W. Pestle, 171 Monroe Ave., #800 Grand Rapids, MI 49503	Michigan Municipal Cooperative Group		11,384.00
Phillips S. Peter, 3135 Easton Turnpike Fairfield, CT 06431	General Electric Co	100.00	
Gordon A. Peters, 9191 West Tulip Drive Columbus, IN 47201	Juvenile Products Manufacturers Assn	13,690.00	2,663.26
Robert R. Petersen, 1030 15th Street, NW, #1020 Washington, DC 20005	National Grain Trade Council		85.00
Alan Peterson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Geoffrey G. Peterson, 1250 Eye St., NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Helena Hutton Peterson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
J. Scott Peterson, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	1,675.01	97.45
Kenneth W. Peterson, Kansas Petroleum Council 1005 Merchants Bank Tower Topeka, KS 66612	American Petroleum Institute		
Lars E. Peterson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Dayna Petete, 1666 Connecticut Ave, NW, #400 Washington, DC 20009	Federation for American Immigration Reform	729.00	150.00
Susan F. Petniunas, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Michael J. Petrina Jr., 1101 17th Street, NW, #300 Washington, DC 20036	Cosmetic Toiletry & Fragrance Assn, Inc	2,500.00	10.00
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	121.00	
Susan M. Pettey, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
C. L. Pettit, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Mitchell S. Pettit, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Southwestern Bell Corp-Washington, Inc	25,200.00	
Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036	International Assn of Drilling Contractors		
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	City of Philadelphia	7,250.00	
Do	HOV Coalition	10,000.00	
Do	MacAndrews & Forbes Holdings, Inc	5,250.00	
Do	Metro	9,450.00	
Do	Metropolitan Toledo Consortium	15,500.00	
Do	Mothers Against Drunk Driving (MADD)	11,666.66	
Do	Regional Transit Authority	24,999.99	
Do	Southeastern Pennsylvania Transit Authority	17,500.00	
Steven J. Pfister, National Retail Federation 701 Pennsylvania Avenue, NW #710 Washington, DC 20004	National Retail Federation	3,000.00	192.87
Pharmaceutical Manufacturers Assn, 1100 15th Street, NW, #900 Washington, DC 20005		31,021.75	31,021.75
Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106	Southwestern Public Service Co	9,828.00	364.41
Dennis J. Phelan, 1101 17th St., N.W., #609 Washington, DC 20036	Pacific Seafood Processors Assn	20,500.00	1,061.00
Mary Frances Phelps, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		
William C. Phelps, 2929 Allen Parkway Houston, TX 77019	American General Corporation	2,640.00	5,490.61
William W. Phelps, P.O. Box 2159 Dallas, TX 75221	FINA, Inc	29,000.04	1,171.90
Deirdre B. Phillips, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	2,470.00	3,846.85
Joseph M. Phillips, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,046.45	101.99
Dan Phythyon, 1771 N St., NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	1,226.35
Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	799.56	1,809.96
Stephen J. Piecara, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn (NRECA)	100.00	
Janice Pieper, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	381.39
Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	15,925.00	
Pierson Semmes & Bemis, 1054 31st Street, NW Washington, DC 20007	Mauritius Sugar Syndicate		
Do	Oklahoma Natural Gas Company		
Donna M. Pignatelli, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	2,000.00	
Elizabeth P. Pigott, 155 Marblehead Court Jackson, MS 39211	Entergy Services, Inc	3,000.00	2,250.00
Mary C. Pigott, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Piliero Mazza & Pargament, Farragut Square 888 17th Street, NW, #1100 Washington, DC 20006	Ad Hoc Committee of Mutual Fund Managers	1,219.61	
Do	National Fire Protection Assn		
Do	Villa Banfi, U.S.A		
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Chevron Corp		
Do	Federal Home Loan Bank of San Francisco		
Do	Geneva Steel		
Do	National Assn of Manufacturers		
Do	Southern Companies Services		
Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,100.00	151.63
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Edison Electric Institute		
William P. Pitts, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414			
Planned Parenthood Fed of America, Inc, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036		13,623.55	13,623.55
Reuben C. Plantico, 500 N.E. Multnomah, #1500 Portland, OR 97232-2045	Nerco, Inc	6,694.00	1,877.74
Wyll W. Pleger, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	Brown & Root, Inc		73.89
Rebecca S. Poe, P.O. Box 2450 Clarksburg, WV 26302-2450	CNG Transmission Corp	500.00	
Policy Consulting Services, Inc, 1707 L Street, NW, #725 Washington, DC 20036	Nissan Motor Company, Ltd		
Do	Nissan Motor Manufacturing Corp, U.S.A.		
Do	Nissan North America, Inc	6,939.00	6,667.00
Alfred M. Pollard, 1701 K Street, NW, #503 Washington, DC 20006	Security Pacific Corp	3,990.00	2,850.00
Thomas B. Pollard Jr., P.O. Drawer 2426 Columbia, SC 29202	Nexsen Pruet Jacobs & Pollard (For:Greenwood Development Corp)		599.16
Karen Pollitz, 2021 Massachusetts Ave., NW Washington, DC 20036	American Academy of Family Physicians	2,937.50	260.63
William B. Pomeroy, 1255 23rd Street, NW, #800 Washington, DC 20037	International Communications Assn		
Kathryn Pontzer, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	3,500.00	
Joseph V. Popolo Jr., 1600 Wilson Boulevard, #807 Arlington, VA 22209	Roadway Services, Inc		
Port of Seattle, P.O. Box 1209 Seattle, WA 98111			
Porter Wright Morris & Arthur, 41 South High Streetg Columbus, OH 43215	Coalition for Environmental-Energy Balance		4.91
J. Craig Potter, 1020 19th Street, NW, #400 Washington, DC 20036-6101	Oppenheimer Wolff & Donelly		
Sara E. Potter, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
John C. Pouland, 5601 Winding Wood Trail Dallas, TX 75227	Philip Morris, USA	1,800.00	399.07
John J. Power, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,078.06	287.50
David J. Pratt, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	810.00	455.00
Preston Gates Ellis Rouvelas & Meeds, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Fisheries Coalition		
Do	American Forest Resource Alliance	64.50	
Do	American President Lines	4,802.00	
Do	Bellingham Cold Storage		
Do	Boeing Company		
Do	Brown Forman Corp		
Do	Browning Kaleczyc Berry & Hoven	592.00	
Do	Burlington Northern Railroad Co	8,981.00	
Do	Calista Corp		
Do	(For:Chambers Development Company)	300.00	
Do	Coastal Transportation, Inc		
Do	Computer Systems Policy Project		
Do	Council on Research & Technology	2,205.00	
Do	Data General Corp		
Do	Earthquake Project	3,162.00	
Do	Hewlett-Packard Co		
Do	Intelsat		
Do	Jackson Laboratory		
Do	Kraft General Foods	5,884.00	
Do	Mormac Marine Group, Inc/Mormac Marine Transport, Inc		
Do	National Council on Compensation Insurance		
Do	National Hydropower Assn	1,605.00	
Do	OMI Corp		
Do	Pacific Medical Center		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Pitney Bowes		
Do	Port of Seattle		
Do	Software Pubishers Association		
Do	Sunmar Shipping, Inc		
Do	Tele-Communications, Inc	18,646.00	
Do	Transportation Institute		
Do	Tri-City Industrial Development Council	320.00	
Do	University of Washington		
Do	Westinghouse Electric Company		
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	General Electric Co		
Do	Investment Company Institute	390.00	16.50
Do	Union Labor Life Insurance Co		
Ann L. Pride, 1776 I Street, NW, #275 Washington, DC 20006	Entergy, Inc	812.49	127.82
Sheila M. Prindiville, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Waste Management Assn	500.00	
George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	1,875.00	399.97
Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070		222.85	936.90
Sydney Probst, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Procompetitive Rail Steering Committee, c/o Vuono, Lavelle & Gray 2310 Grant Building Pittsburgh, PA 15219			
Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606			
Peter D. Prowitt, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd.	11,874.00	
Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292			750.00
Jerry Z. Pruzan, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	230.00	
George Prytula, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	232.29
Public Citizen, Inc, 2000 P Street, NW Washington, DC 20036		55,325.00	59,665.00
Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006		76,501.89	23,831.84
Public Strategies, 620 Congress Avenue, #310 Austin, TX 78701	AT&T	20,000.00	10,957.05
Do	Sammons Enterprises, Inc		496.57
Do	Southwest Airlines Co	60,000.00	471.75
Theresa Pugh, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Philip N. Pulizzi Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	250.00	
David E. Pullen, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	1,000.00	
Brenda Pulley, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))		
Julie F. Pulliam, 801 Pennsylvania Ave., NW, #620 Washington, DC 20004	Equifax, Inc	10,000.00	
Thomas W. Purcell, 100 Daingerfield Road Alexandria, VA 22314	Printing Industries of America, Inc	2,500.00	
Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Howard Pyle III, 1050 17th Street, NW, #1250 Washington, DC 20036	Houston Industries, Inc	7,500.00	
Robert N. Pyle & Associates, P.O. Box 3731 Washington, DC 20007	Elkem Metals Company	4,250.00	
Do	Independent Bakers Assn	3,000.00	
Do	International Investors, Inc	2,000.00	250.00
Do	Stratcor	3,000.00	
Do	Welch Foods, Inc	3,750.00	
Patricia A. Quealy, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	7,750.00	1,458.05
William A. Quinlan, 3045 Riva Rd. Riva, MD 21140	Retail Bakers of America		
John E. Quinn, 11 Beacon Street, #415 Boston, MA 02108	American Petroleum Institute	1,000.00	
Lisa A. Quinn, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Community Bankers	2,000.00	
Todd Quisenberry, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Earl C. Quist, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Mark J. Raabe, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,500.00	500.00
Theresa Rabel, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	7,000.00	1,433.59
Alex Radin, 1200 New Hampshire Ave., NW, #507 Washington, DC 20036	Tennessee Valley Public Power Assn	843.75	
Do	Radin & Associates Inc (For:Washington Public Power Supply System)	206.25	
Do	Radin & Associates, Inc. (For:Washington Public Utility Districts Assn)	1,875.00	
Tess A. Rae, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Ragan & Mason, 1156 15th Street, NW, #800 Washington, DC 20005	American Bureau of Shipping	5,000.00	102.10
Do	American Ship Building Co	5,000.00	115.84
Do	Bechtel Corp		
Do	Bell Atlantic Network Services, Inc	33,750.00	
Do	Childrens Television Workshop	30,000.00	
Do	Commonwealth of Pennsylvania		
Do	Klukwan, Inc	20,000.00	
Do	National Bulk Carriers, Inc	4,500.00	
Do	R.J. Reynolds Nabisco, Inc	21,000.00	
Do	Sea-Land Service, Inc	20,000.00	212.43
Do	Security Pacific Leasing Corporation		
Do	Security Pacific National Bank		
Do	Stimson Lumber Co & Miller Redwood Co	3,000.00	
Do	Territorial Savings & Loan Assn		
Kelly Rahach, 3213 Roberts Drive Richfield, OH 44286			363.03
Tanya A. Rahall, 2550 M Street, NW, #305 Washington, DC 20037-1301	American Task Force for Lebanon	15,000.00	69.60
Richard W. Rahn, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	80.00	142.66
Railway Labor Executives' Assn, 400 N. Capitol Street, NW, #850 Washington, DC 20001		110,000.00	145,675.00
Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314		3,000.00	1,246.54
Rainbow Lobby, 1660 L Street, NW, #204 Washington, DC 20036		47,529.84	47,529.84
John C. Ramig, 222 SW Columbia, #1800 Portland, OR 97201	Lindsay Hart Neil & Weigler (For:Moex Corp)	18,425.84	11,428.63
George Ramonas, 601 Pennsylvania Ave., NW, #900 Washington, DC 20004	Capitol Strategies Inc (For:Arizona State University)		
Do	Capitol Strategies Inc (For:Georgia Southern University)		
Do	Capitol Strategies Inc (For:University of Utah)		
Kristen M. Rand, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
Donald A. Randall, 321 D Street, NE Washington, DC 20002	Automotive Service Assn	5,175.00	
Do	National Independent Dairy-Foods Assn	68.96	
Rebecca G. Range, 1300 Eye Street, NW, #950 East Washington, DC 20005	Continental Airlines Holdings, Inc	22,500.00	18,289.00
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	7,017.55
Kenneth E. Raske, 555 West 57th Street New York, NY 10019	Greater New York Hospital Assn	2,962.00	25.00
Larry Rasky, 253 Summer Street Boston, MA 02210	Rasky & Company (For:National Cable Television Assn, Inc)	12,000.00	
Magda A. Ratajski, Three Commercial Place Norfolk, VA 23510-2191	Norfolk Southern Corp		
John W. Rauber Jr., 1250 Connecticut Ave., NW Washington, DC 20037	American Paper Institute, Inc	3,000.00	
Carol L. Raulston, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	5,750.00	
William R. Rawson, 950 N. Glebe Road, #160 Arlington, VA 22203-1824	American Boiler Manufacturers Assn, Inc		
Bruce A. Ray, Bruce Ray & Company 636 A Street, NE Washington, DC 20002	ABB Traction, Inc	6,440.41	
Do	Bayley Seton Hospital	12,876.97	
Do	Cumberland Packing Company	12,078.49	
John K. Rayburn, 1801 K Street, NW Washington, DC 20006	Westinghouse Electric Corp	235.00	30.00
Robert S. Raymar, 1180 Raymond Boulevard Newark, NJ 07102	Hellring Lindeman Goldstein & Siegal (For:GAF Corporation)	4,591.20	216.20
David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Ebasco Services, Inc	3,379.00	597.20
Joanna E. Reagan, 815 15th Street, NW Washington, DC 20005	International Union of Bricklayers and Allied Craftsmen	3,000.00	192.24
Linda S. Rearick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Recording Industry Assn of America, Inc, 1020 I9th St., NW #200 Washington, DC 20036		16,765.75	16,765.75
John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314	National Assn of Retail Druggists	700.00	150.00
Fred J. Redeker, 811 Rusk, #200 Houston, TX 77002	Houston Bankers Association		
Donald L. Redfoot, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	664.25	
Jerrildine Reed, 1667 K Street, NW, #210 Washington, DC 20006	Rohm & Haas Company		
Jo Reed, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	817.92	
Mary Reed, 600 Maryland Ave., Sw, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,189.00	200.00
Michael L. Reed, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	62.00
Reed Smith Shaw & McClay, 1200 18th Street, NW Washington, DC 20036	D & R Pharmaceutical Services, Inc	1,000.00	
Do	High Speed Rail Assn	9,000.00	15,100.00
Do	Radio-Television News Directors Assn	1,000.00	
Robert K. Reeg, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	1,250.00	
Reese Communications Companies,Inc., 2111 Wilson Boulevard, #900 Arlington, VA 22201	Philip Morris, USA		
Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036	Burley & Dark Leaf Tobacco Export Assn	1,196.00	
J. Ronald Reeves, 2345 Crystal Drive Arlington, VA 22227	U.S. Air, Inc	2,000.00	181.25
Martin A. Regalia, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Community Bankers	11,000.00	
R. Brent Regan, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		404.09
Timothy J. Regan, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	2,000.00	561.59

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John T. Reggitts Jr., 95 Boonton Avenue P.O. Box 470 Boonton, NJ 07005			
Regional Airline Association, 1101 Connecticut Ave., NW, #700 Washington, DC 20036		2,000.00	1,150.00
David K. Rehr, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	400.00
Reichler & Soble, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Interim Government of National Unity of Liberia	89,412.07	3,803.28
Do	People's Progressive Party		694.60
Do	United Coconut Assn of the Philippines	21,960.52	369.54
Michael W. Reid, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	3,530.16	82.28
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	ABB Atom, Inc	8,631.00	187.52
Do	City of Philadelphia		
Do	CIAC Group		
Do	Edison Electric Institute		
Do	Henschel, Inc	23,708.00	1,170.29
Do	Philadelphia Industrial Development Corp		
Do	Robert E. Derecktor of Rhode Island, Inc		
Do	State of New Jersey		
Do	SPD Technologies		
Do	Transol USA, Inc		
Do	Utility Decommissioning Tax Group	11.35	7.25
Burke G. Reilly, 1350 I Street, NW Washington, DC 20005	Ford Motor Co	2,500.00	656.20
Troy Reinhart, 3000 Stewart Parkway Suite 208 Roseburg, OR 97470	Douglas Timber Operators Inc (For:Douglas Timber Operators Inc)	7,000.00	2,800.00
Reinsurance Assn of America, 1819 L St., NW, 7th Floor Washington, DC 20036			
Diane Rennert, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	6,500.00	474.02
Lee P. Reno, 122 C Street, NW, #875 Washington, DC 20001	Reno Cavanaugh & Hornig (For:Amerind Risk Management Corp)		
Do	Reno Cavanaugh & Hornig (For:Housing Authority Insurance, Inc)	4,466.00	304.02
Judy Rensberger, 2000 K Street, NW Washington, DC 20006	National Comm to Preserve Social Security & Medicare	10,468.00	85.55
Edward Repa, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Barclay T. Resler, 1627 K St., NW, #800 Washington, DC 20006	Coca-Cola Company	1,050.00	1,679.41
Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314		98,293.32	37,467.21
Alan V. Reuther, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	24,574.56	271.50
Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Nonprescription Drug Manufacturers Assn	4,468.75	150.00
Renee Reymond, 1331 Pennsylvania Ave, NW, #1500 N Washington, DC 20004	National Assn of Manufacturers		
Gregg M. Reynolds, 1441 Gardiner Lane Louisville, KY 40213	KFC Corp		
Frederick W. Rhodes, 1111 Jefferson Davis Highway, #811-E Arlington, VA 22202	Loral Corporation	4,250.00	
James R. Ricciuti, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,500.00	500.00
Michael T. Richard, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	1,998.06	417.36
Richard Richards, Law Office of Richard Richards 1025 Thomas Jefferson Street, NW, #105 Washington, DC 20007	Pratt & Whitney	2,000.00	
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	1,000.00	
Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	5,260.00	3.50
John C. Richardson, 101 Park Avenue New York, NY 10178	Morgan Lewis & Bockius (For:Underwriters at Lloyd's London)		
John G. Richardson, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	812.50	4,349.18
K. O. Richardson, 815 16th Street, NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	98.39
Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,813.00	236.28
Les Richter, 2555 M Street, NW, #327 Washington, DC 20037	National Assn for Stock Car Auto Racing, Inc (NASCAR)		
Do	National Motorsports Comm of Accus-FIA, Inc		
Max Richtman, 2000 K Street, NW 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	25,846.00	1,310.67
Larry D. Rickards, 1112 16th Street, NW, #100 Washington, DC 20036	National Assn of Area Agencies on Aging	2,500.00	95.00
Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502	American Petroleum Institute	2,000.00	
Dr. Mark J. Riedy, 1101 15th Street, NW, #400 Washington, DC 20005	National Council for Community Bankers	10,000.00	
Carol D. Rieg, 1511 K Street, NW, #335 Washington, DC 20005	National Committee for a Human Life Amendment, Inc	75.32	39.39
Judith Assmus Riggs, 1334 G Street, NW #500 Washington, DC 20005	Alzheimer's Assn	4,125.00	28.00
Wesley J. Riker, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	
Karen Rindge, 1400 16th Street, NW Washington, DC 20036-2266	National Wildlife Federation	147.56	
Russell C. Ring, 1700 Pensylvania Ave., SE, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	150.00	
Kenneth Rinzler, 9115 Hague Road indianapolis, IN 46250	Boehringer Mannheim Corp	1,425.00	2,200.00
John S. Rippey, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	2,500.00	
Carol A. Risher, 1718 Connecticut Ave., NW 7th Floor Washington, DC 20009-1148	Association of American Publishers	2,000.00	
Mark R. Riso, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Edward W. Rissing, 701 Pennsylvania Ave, NW Washington, DC 20004	Edison Electric Institute		
William R. Ritz, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	3,464.00	
Rivkin Radler Bayh Hart & Kremer, 1575 I Street, NW, #1025 Washington, DC 20005	ALC Communications Corp		
Do	Chemical Bank	27,600.00	5,250.00
Do	Cook Group, Inc	7,780.00	225.00
Do	Milk Industry Foundation	4,980.00	200.00
Do	National Soft Drink Assn	2,259.00	100.00
Do	Real Estate Capital Recovery Assn	6,200.00	150.00
Do	Joseph A. Seagram & Sons	4,500.00	200.00
Andrew W. Robart, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	497.14	484.48
Bill Roberts, P.O. Box 20406 Bloomington, MN 55420	National Computer Systems, Inc		
Carole T. Roberts, 901 15th Street, NW, #520 Washington, DC 20005	Travelers Companies	2,400.00	
David Gwyn Roberts, 411 Fayetteville Street Mall Raleigh, NC 27601	Carolina Power & Light Company	1,052.00	1,500.00
Perry A. Roberts, 8000 W. Florissant St. Louis, MO 63136	Emerson Electric Co		2,021.93
Richard R. Roberts, P.O. Box 809 North Beach, MD 20714	American Council of Highway Advertisers	13,866.00	3,013.44
Rebecca Roberts-Malamis, 1 Massachusetts Ave., NW, #350 Washington, DC 20001	Chubb Corporation		
Davis R. Robinson, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:ABB)		
H. Alexander Robinson, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	900.00	
Kenneth L. Robinson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions		
Mr. Davis R. Robinson, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek)		
Peter D. Robinson, 3333 K Street, NW, #210 Washington, DC 20007	Bailey Morris & Robinson (For:First American Bankshares, Inc)		
Do	Bailey Morris & Robinson (For:Kingdon Gould II)		
Do	Bailey Morris & Robinson (For:Health Insurance Assn of America)		
Do	Bailey Morris & Robinson (For:Investment Company Institute)		
Do	Bailey Morris & Robinson (For:Upjohn Co)		
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Atari Games Corp		
Do	Commission on Self-Determination	500.00	
Do	Faulk & Co., Inc	500.00	
Do	Illinois Power Co	10,000.00	
Do	Ingersoll-Rand		
Do	Minolta Corp		
Do	Napa Flood Control and Water Conservation District	1,000.00	
Do	National Venture Capital Association	1,000.00	
Do	New York Mercantile Exchange (NYMEX)	1,000.00	
Do	Sun-Diamond Growers of California	2,000.00	
Bob John Robison, 1 Massachusetts Avenue, NW, #800 Washington, DC 20001	Robison International, Inc (For:FMC Corp)	1,000.00	
Do	Robison International, Inc (For:McDonnell Douglas Corp)	1,000.00	
Do	Robison International, Inc (For:Royal Ordnance, Inc/British Aerospace Co)	1,000.00	
James W. Rock, 1455 Pennsylvania Ave, NW, #560 Washington, DC 20004	American Resort & Residential Development Assn		
Michael F. Rodgers, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging	159.00	444.80
Quincy Rodgers, 1899 L Street, NW, Fifth Floor Washington, DC 20036	General Instrument Corporation	1,500.00	
Raymund Rodriguez, P.O. Box 982 El Paso, TX 79960	El Paso Electric Co		
James A. Rogers, 316 Pennsylvania Ave., SE Washington, DC 20003	United Parcel Service	2,000.00	242.88
Kevin Rogers, Two Union Square, 53rd Floor 601 Union Street Seattle, WA 98101	Washington Citizens for World Trade	25,250.00	2,371.00
Lawrence Rogers, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
Margaret Rogers, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical Co		6,514.00
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	American Express Co		
Do	Dreyfus Corporation	3,000.00	500.00
Do	Investment Partnership Assn	5,000.00	500.00
Do	Kamehameha Schools/Bishop Estate		
Do	Liga Agricola Industrial de la Cana de Azucar		
Do	Merrill Lynch & Co, Inc		
Do	National Assn of Beverage Importers		
Do	Republic National Bank		
Do	Rutgers, The State University of New Jersey		
Do	Shearson Lehman Hutton		
Do	Teachers Insurance & Annuity Assn/CREF		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Wine & Spirits Wholesalers of America, Inc		
Barbara J. Rohde, 2440 Virginia Ave., NW, #D1203 Washington, DC 20037	City of Grand Forks	3,000.00	2,141.00
Stephen F. Rohrkemper, 2230 Gallows Road, #200 Dunn Loring, VA 22027	International Technical Expertise Ltd		
Ian M. Rolland, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Jackie Rollins, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn, Inc		
George L. Rolofson, P.O. Box 18300 Greensboro, NC 27419	CIBA-GEIGY Corp	3,995.00	2,438.15
Dennis G. Romano, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	303.54
Michael J. Romig, 1001 Pennsylvania Avenue, nw Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,500.00	
W. T. Rooker, 1301 K Street, NW, #1200 Washington, DC 20005-3307	IBM Corp	144.00	
Francis P. Rooney, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Mfgrs Assn		
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Butler Capital Corp		
Do	Industrial Development Authority of Ireland		
James C. Rosapepe, 1331 H Street, NW, #300 Washington, DC 20005	Rosapepe & Spanos, Inc	1,200.00	84.36
Rosapepe & Spanos, Inc, 1331 H Street, NW, #300 Washington, DC 20005	H&R Block, Inc	6,000.00	4,541.94
Clifton Peter Rose, 1101 Pennsylvania Ave., NW, #900 Washington, DC 20004	Goldman Sachs & Co	2,000.00	
Leslie Rose, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	5,775.00	
Rose Communications, Inc, 901 15th Street, NW, #570 Washington, DC 20005	Johnson Matthey, Inc		
Burt E. Rosen, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co	1,000.00	
Hilary Rosen, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America	3,500.00	
Albert B. Rosenbaum III, 499 South Capitol Street, SW, #520 Washington, DC 20003	Allwaste, Inc	3,000.00	
Robert M. Rosenberg, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Herb Rosenbleeth, 1811 R Street, NW Washington, DC 20009	Jewish War Veterans of the USA	15,346.31	203.00
Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009	Migrant Legal Action Program, Inc		
Nancy Ross, 1830 17th Street, NW, #704 Washington, DC 20009	Rainbow Lobby	4,950.00	
William F. Ross, South Carolina Petroleum Council 1220 L Street, NW Washington, DC 20005-8	American Petroleum Institute	438.00	560.30
Richard Rosser, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	2,112.00	
Roth VanAmberg Gross Rogers & Ortiz, P.O. Box 1447 Santa Fe, NM 87504-1447	Pueblo de Cochiti	253.00	22.75
John C. Rother, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	1,750.00	
Lauren J. Rothfarb, 1126 16th St., NW Washington, DC 20036	Int'l Union of Electronic, Electrical, Salaried, Machine...	9,825.02	829.81
Linda Rothleder, 315 Bonifant Road Silver Spring, MD 20904	Marconi Electronics, Inc	3,000.00	987.40
Emily B. Rothrock, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,500.00	
Edwin Rothschild, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action Fund	600.00	185.00
Louis C. Rotundo, 4948 Courtland Loop Winter Springs, FL 32708	Technological Research & Development Authority	4,400.00	567.59
Donald D. Rounds, South Dakota Petroleum Council 222 E. Capitol, #16 Pierre, SD 57501	American Petroleum Institute		
Michael O. Roush, 600 Maryland Avenue, SW. #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Brigette M. Rouson, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	8,000.00	98.81
Deborah Rowell, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		10.00
Lori Groves Rowley, 1025 Connecticut Ave, NW, #1014 Washington, DC 20036	Enserch Corp	2,500.00	4,429.65
Charles Rowton, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202			
P. Norman Roy, P.O. Box 1938 (10 Madison Ave) Morristown, NJ 07962-1938	Financial Executives Institute		
Robert S. Royer, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Citizens Savings Bank		
Do	Financial Security Assurance		
Do	International Futures Exchange		
Do	Intex Holdings (Bermuda) Ltd		
Do	Long Island Savings Bank		
Do	MacAndrews & Forbes Holdings, Inc		
Do	Michigan Trade Exchange		
Do	Morgan Stanley & Co, Inc		
Do	Municipal Finance Industry Assn		
Do	National Health Labs, Inc		
Do	Phillips Petroleum Co		
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW Washington, DC 20006	Municipal Finance Industry Assn		
Do	John Nuveen & Co, Inc		
Robert E. Ruddy, 9106 Drumaldry Drive Bethesda, MD 20817	Mortgage Insurance Companies of America	3,750.00	196.00
Paul M. Ruden, P.O. Box 23992 Washington, DC 20026-3002	American Soc of Travel Agents		
Deborah K. Rudolph, 1828 L Street, NW, #1202 Washington, DC 20036	Institute of Electrical & Electronics Engineers	2,500.00	925.00
Henry C. Ruempler, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Nicholas L. Ruggieri, 1667 K Street, NW, #410 Washington, DC 20006	Ares-Serono, Inc	1,000.00	225.00
John Runyan, 100 Daingerfield Rd. Alexandria, VA 22314	Printing Industries of America, Inc	1,000.00	
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	31,154.00	
R.K. Rushin, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	1,250.00	1,052.00
Barry Russell, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		40.00
Christine Faith Russell, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703	National Assn of Manufacturers	320.00	
Randall M. Russell, 1919 S. Eads Street #103 Arlington, VA 22202-3028	Lesher & Russell, Inc		
Diann Rust-Tierney, 122 Maryland Ave. Washington, DC 20002	American Civil Liberties Union	3,137.50	
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	125.00	
Herman Max Ruth 71990-158, Mail Box 129 3150 Horton Road Fort Worth, TX 76119			
John G. Ryan, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co	1,000.00	
Olive M. Ryan, 39 Harriett Ave. Burlington, MA 01803	New England Rehabilitation Hospital	2,499.99	235.47
Paul D. Ryan, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc	6,900.00	
Kermit W. Ryman, 1401 I Street, NW, 1200 Washington, DC 20005	Chevron USA, Inc	111.00	25.00
RCF Group, 1200 19th Street, NW, #606 Washington, DC 20036	Mapco, Inc	30,000.00	16,800.00
RJR Nabisco, Inc, 1301 Avenue of the Americas New York, NY 10019			35,098.29
Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	698.63
Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Kenneth J. Salaets, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Manufacturers Assn	4,000.00	208.68
David M. Saltz, 815 16th Street, NW Washington, DC 20006	AFL-CIO	13,070.72	973.15
Joel Saltzman, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	3,000.00	92.26
Sammons Enterprises, Inc, 300 Crescent Court Dallas, TX 75201			
Wendy B. Samuel, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Community Bankers	10,000.00	
Samuels International Associates, Inc, 1912 Sunderland Place, NW Washington, DC 20036-1608	Trend International	15,495.90	2,640.90
Felix R. Sanchez, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	2,000.00	307.74
Brian Sanderoff, 7500 Jefferson St., NE #250 Albuquerque, NM 87109	Philip Morris, Inc	1,800.00	
James C. Sanders, 1225 Eye Street, NW, #825 Washington, DC 20005	Beer Institute		234.89
Petronella C. Sanders, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	500.00	
Rose Marie Sanders, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	200.00	40.00
Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005	American Soc of Assn Executives		
Julie Sanderson-Austin, 4240 Brittany Court Woodbridge, VA 22192	American Group Practice Assn		
Stephen E. Sandherr, 1957 E Street, NW Washington, DC 20006	National Assn of Home Builders of the U.S.		
Myron G. Sandifer III, 1001 Pennsylvania Ave., NW, #625-South Washington, DC 20004	Jack McDonald Co (For:Dow Corning Corp)		
Do	Jack McDonald Co (For:Outboard Marine Corp)		
Charles E. Sandler, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	6,000.00	
Robert J. Saner II, 1156 15th Street, NW, #1100 Washington, DC 20005	Medical Group Management Assn	1,500.00	
Patricia Kopf Sanner, 1227 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn		185.20
Kathleen L. Santora, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	1,752.00	
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	California Assn of Sanitation Agencies	3,500.00	3,337.72
Do	Cure Corp		
Do	ENS Resources, Inc (For:East Bay Mud)	1,977.25	1,158.40
Do	ENS Resources, Inc (For:Orange County Sanitation Districts)		
Do	Western Research Institute	2,800.00	1,179.47
Leslie Sarasin, 1764 Old Meadow Lane, #350 McLean, VA 22102	American Frozen Food Institute	4,400.00	
Ronald A. Sarasin, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	500.00	
Robert L. Sarber, 1819 L Street, NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Sartain Law Offices, 219 Boulevard, NE Gainesville, GA 30501	Philip Morris, Inc	1,500.00	
Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Albert C. Saunders, 1100 15th St., NW #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	24.75
Charles P. Saunders, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc		
Donald M. Saunders, 1625 K Street, NW, #800 Washington, DC 20006	National Legal Aid & Defender Assn	12,499.98	
Save Our Children National Alliance, Inc, 1757-D-West Carson Street, #280 Torrance, CA 90501		127.77	387.77
Save Our Security, 1331 F Street NW Washington, DC 20004-1171		9,010.00	18,646.00
Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Paulasue Sawyers, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Jeanne Schaaf, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint	10,000.00	375.78

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Victoria V. Schaff, Missouri Electric Utitlies 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light, et al.	3,625.00	3,581.62
Amy Schaffer, 1250 Connecticut Ave., NW Washington, DC 20035	American Paper Institute, Inc		
Patricia A. Schaub, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Company	541.35	
Robert H. Scheerschmidt, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	2,000.00	
Sam Schertz, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Company		
G. David Schiering, 625 Indiana Avenue, NW Suite 500 Washington, DC 20004-2901	Taft Stettinius & Hollister (For:Special Committee for Health Care Reforms)	587.50	
Michael T. Schilling, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	1,113.00	2,330.00
James P. Schlicht, 1350 Eye Street, NW, #810 Washington, DC 20005-3305	Johnson & Johnson	1,000.00	225.00
Kenneth D. Schloman, 499 South Capitol, SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	
Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Association of American Publishers	500.00	
Do	National Assn of Trade & Technical Schools	1,250.00	
Robert Richard Schmitt, #12453-047 PO Box 1000 Leavenworth, KS 66048-1000			
Herbert K. Schmitz, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	20,000.00	253.88
John Noehl Schmitz, P.O. Box 475 Culbertson, MT 59218-0475			
Mahlon C. Schneider, 1100 N.W. 14th Austin, MN 55912	Geo. A. Hormel & Company		
Richard C. Schneider, 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn	4,000.00	
Thomas J. Schneider, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Zoe Schneider, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	4,917.73	
Abraham Schneier, 1101 16th Street, NW, #333 Washington, DC 20036	Kelly Services, Inc	6,000.00	117.00
Frank Schneller, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Paul Schoellhamer, 4720 Hunt Ave. Chevy Chase, MD 20815	World Span	2,000.00	
Jan Schoonmaker, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates (For:Coalition of EPSCoR States)	9,062.50	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	3,333.33	
Do	Van Scoyoc Associates, Inc (For:Tulane University)		
Do	Van Scoyoc Associates (For:University of Alabama System)	6,000.00	
Tracey E. Schreft, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		
Charles G. Schreiber, 1 Massachusetts Ave., NW Washington, DC 20001	National Guard Assn of the U.S.	9,132.00	625.76
H. B. W. Schroeder, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	8,000.00	6,998.00
N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	1,800.00	217.60
Judy Schub, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	845.38	661.71
Lynn M. Schubert, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Mark Schultz, 8607 Westwood Center Drive #204 Vienna, VA 22182	Professional Services Council	1,500.00	
Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	15,160.00	527.13
Benjamin R. Schuster, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036	Arco Chemical Company	150.00	
Neil D. Schuster, 2120 L Street, NW, #305 Washington, DC 20037	International Bridge Tunnel & Turnpike Assn	1,000.00	1,000.00
Adam D. Schwartz, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Community Bankers	2,000.00	518.74
Arthur E. Schwartz, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	California State Lands Commission	3,600.00	
Do	Washington State Department of Natural Resources	5,868.75	75.00
Phillip L. Schwartz, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Association		
Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	15,000.00	
Stephen I. Schwartz, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	174.96	25.00
Richard S. Schweiker, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	3,700.00	
Joseph A. Sciarrino, P.O. Box 1938 (10 Madison Ave) Morristown, NJ 07962-1938	Financial Executives Institute		
Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	16,000.00	
David A. Scott, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corporation	2,000.00	381.24
James L. Scott, 400 N. Capitol Street, NW, #590 Washington, DC 20001	American Healthcare Institute		245.32
John Havens Scott, 1101 Vermont Ave., NW 12th Floor Washington, DC 20005	American Medical Assn	3,750.00	
R. Denny Scott, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	752.50	
Susan J. Scott, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20850	American Occupational Therapy Assn, Inc	2,500.00	160.50
Scribner Hall & Thompson, 1850 K Street, NW, #1100 Washington, DC 20006	CNA Financial Corp		
Do	Provident Life & Accident Insurance Co		
Do	Security Life of Denver Insurance Co		
Do	Transamerica Corporation		
Kerrill K. Scrivner, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	4,688.00	6,619.51
Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	17,630.89	
Murray S. Scureman, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
John Morton Sebree, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,300.00	784.42
Securities Industry Assn, 1850 M Street, NW Washington, DC 20036			340,881.00
Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048			6,156.00
Christopher C. Seeger, 655 15th Street, NW, #400 Washington, DC 20005	USAA		6,576.00
Jerome M. Segal, 8401 Colesville Road, #317 Silver Spring, MD 20910	Jewish Peace Lobby	3,916.23	75.00
Ruth L. Segal, 1212 New York Avenue, NW Washington, DC 20005	Outdoor Advertising Assn of America	26,500.00	169.80
Frances Seghers, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc		
John F. Seher, 1825 I Street, NW, #400 Washington, DC 20006	UST Public Affairs, Inc	9,000.00	5,300.00
Carl J. Seiberlich, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd.	1,000.00	
H. Richard Seibert Jr., 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004-1703	National Assn of Manufacturers	1,200.00	
George H. Seidel Jr., Associated Petroleum Industries of PA P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute	175.00	
Elliott M. Seiden, 901 15th Street, NW, #500 Washington, DC 20005	Northwest Airlines, Inc	10,000.00	100.00
Mark K. Seifert, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		696.61
Tom Sellers, 1701 Pennsylvania Ave., NW Washington, DC 20006	E. I. du Pont de Nemours & Co		
J.P. Seman Jr., 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Aseptic Packaging Council)	4,920.00	
Do	Hill & Knowlton (For:Colorado State University)		
Marlisa Senchak, 3900 Wisconsin Ave.,NW Washington, DC 20016	Federal National Mortgage Assn	18,000.00	2,790.78
Wendy Senor, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	11,749.98	603.69
David Senter, 100 Maryland Avenue, NE, #500 Washington, DC 20002	American Agriculture Movement, Inc	3,000.00	
Cecilia B. Sepp, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Robert A. Seraphin, 2001 Jefferson Davis Highway, #1012 Arlington, VA 22202	Aerojet General Corp		
Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338	Heublein, Inc	17,250.00	12,770.49
David P. Serwer, 11723 Tireside Place, #G Reston, VA 22080	Automated Sciences Group, Inc		
Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006	Merrill Lynch Money Markets, Inc	4,768.50	
J. Richard Sewell, 801 Pennsylvania Ave. NW # 640 Washington, DC 20004-2604	Florida Power & Light Co	3,000.00	3,745.55
Seyfarth Shaw Fairweather & Geraldson, 815 Connecticut Ave., NW, #500 Washington, DC 20006	American Soc of Pension Actuaries	15,000.00	
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	5,000.00	
Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
James M. Shamberger, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Deborah L. Shannon, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Bernard M. Shapiro, 1801 K Street, NW, #700 Washington, DC 20006	Price Waterhouse (For:Investment Co Institute)	390.00	16.50
Mark R. Shapiro, 5 Darby Court Bethesda, MD 20817	Guam Office (For:Joseph George Bamba)	4,500.00	1,102.25
Do	Guam Office (For:Anthony C. Blaz)	3,000.00	684.95
Do	Guam Office (For:Gordon Mailloux)	3,000.00	778.21
John Hunter Sharp, 1129 20th St., NW, #300 Washington, DC 20036	Natural Gas Supply Assn	19,425.00	4,054.67
Mark J. Sharp, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	100.00	34.00
Sharretts Paley Carter & Blauvelt, P.C., 1707 L Street, NW, #725 Washington, DC 20036	American Assn of Exporters & Importers		
Do	Schoeller Technical Paper, Inc		
Do	Toy Manufacturers of America	3,850.00	4,248.53
Edward W. Shaw, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
Susan Shaw, 2729 S. Veitch Street Arlingtonn, VA 22206	National Treasury Employees Union	14,412.00	925.35
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW, #5121 Washington, DC 20037	Apple Computer, Inc		
Do	Atlas Corp	1,996.07	151.07
Do	City of Houston		
Do	Emerson Electric Co		
Do	Equitable of Iowa		
Do	ESCO Electronics Corp		
Do	Gross Pointes-harper Woods Study Committee for Detroit ...	2,694.99	61.61
Do	Institute of International Bankers	130,320.62	79,758.24
Do	National Assn of Marine Manufacturers	5,570.53	283.99
Do	National Automobile Dealers Assn		
Do	Robinson Terminal	2,839.30	626.80
Do	RJR Nabisco	3,543.88	214.25
Do	Utility Nuclear Waste and Transportation Program	300.00	10.00
Quinlan J. Shea, 1920 N Steet, NW Washington, DC 20036	American Mining Congress		
Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036	Societe Generale de Surveillance, S.A.		
James V. Sheahan, 1666 Manhasset Drive Atlanta, GA 30338	Siemens Energy & Automation, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Gail E. Shearer, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	
P. Scott Shearer, 1725 K Street, NW, #1405 Washington, DC 20006	Halfpenny Hahn Roche & Marchese (For:Automotive Service Industry Assn)	11,250.00	4,082.51
Shearman & Sterling, 801 Pennsylvania Avenue, NW, 9th Floor Washington, DC 20004-2604	Claro Y Cia (for Compania Sud Americana de Vapores SA), et a	48,716.94	8.32
Do	Secretariat of Commerce & Ind. Development of Mexico(SECOFI)	247,902.91	43,174.44
John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	15,623.15	
John Thomas Sheehan, 727 15th Street, NW, #1200 Washington, DC 20005	UST, Inc		
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,300.00	27.00
Shaun M. Sheehan, 1722 Eye Street, NW, Washington, DC 20006	Tribune Broadcasting Co	3,000.00	2,011.98
Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036	Common Cause	15,575.04	71.75
C. Douglas Shelby, Florida Petroleum Council 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	47.86	
Andrea Sheldon, 1010 Vermont Ave., NW, #210 Washington, DC 20005	Traditional Values Coalition	14,000.00	
L. Philip Sheldon Jr., 100 S. Anaheim Blvd, #350 Anaheim, CA 92805	Traditional Values Coalition		
Zack H. Shelley Jr., 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	3,000.00	
Sher & Blackwell, 1255 23rd Street, NW, #500 Washington, DC 20037	International Brotherhood of Teamsters Chauffers ...	1,907.00	24.50
Do	Joint Shipping Conference		
Judith C. Sherman, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
William Jeffry Shipp, 50 F St., NW, #900 Washington, DC 20001	Farm Credit Council	125.00	800.00
John C. Shirvinsky, 10700 Frankstown Road Pittsburgh, PA 15235	Chambers Development Company, Inc		
Julie Shisler, P.O. Box 85608 San Diego, CA 92138	General Atomics	2,630.07	697.63
Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001	American Fed of Teachers	15,993.30	144.00
T. V. Shockley III, 2121 San Jacinto Street, #2500 P.O. Box 660164 Dallas, TX 75266-0164	Central & South West Corp		
John G. Shortridge, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation		
Harold A. Shoup, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	2,500.00	
A. Z. Shows, 1801 Columbia Rd., NW, #203 Washington, DC 20009			
William H. Shute, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		3,420.35
Jane E. Sidebottom, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	292.50	
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Commonwealth Edison	10,045.00	254.00
Do	Donrey, Inc	1,600.00	20.00
Do	Douglas Timber Operators Inc	2,700.00	
Do	W. K. Kellogg Foundation	47,042.50	3,692.95
Do	Newell Company	713.75	6.00
Alexander W. Sierck, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Pacific Dunlop-GNB)		
Do	RSR Corp		
Christine Sigler, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	4,154.00	
Lucinda Sikes, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,538.48	
Allan Silber, 365 Main Street Nashua, NH 03060	Recyclers of Copper Alloy Products	17,500.00	5,929.07
Stephan Silberfarb, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	12,000.00	417.84
Mark Silbergeld, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	20.00
David Silver, 1600 M St., NW Washington, DC 20036	Investment Company Institute		
Steve Silver, 2300 Clarendon Blvd, #1010 Arlington, VA 22201	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)	3,500.00	
Do	Robertson Monagle & Eastaugh (For:Anchorage School District)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)		
Do	Robertson Monagle & Eastaugh (For:BP America, Inc)	5,000.00	
Do	Robertson Monagle & Eastaugh (For:City of Craig)		
Do	Robertson Monagle & Eastaugh (For:City of Kotzebue)		
Do	Robertson Monagle & Eastaugh (For:Echo Bay Mining Company)	3,000.00	
Do	Robertson Monagle & Eastaugh (For:Kennecott Corp)	6,000.00	
Do	Robertson Monagle & Eastaugh (For:Municipality of Anchorage)	6,000.00	
Do	Robertson Monagle & Eastaugh (For:Sea-Land Services, Inc)		
Daniel Silverman, 215 Pennsyhlvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	2,423.05	
Curtis Silvers, 888 16th St., NW, #606 Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)		
Do	Bannerman and Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)		26.23
Do	Bannerman & Associates, Inc (For:Government of the United Arab Emirates)	1,500.00	102.15
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	750.00	16.00
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	1,000.00	199.56
Silverstein & Mullens, 1776 K Street, NW, #800 Washington, DC 20006	American Newspaper Publishers Assn	600.00	
Do	Association for Advanced Life Underwriting	5,000.00	
Do	Bristol-Myers Co		
Do	Cushman & Wakefield		
Do	EDS		
Do	Goodwill Industries		
Do	Walter Harris, et al.	800.00	
Do	IEEE	14,000.00	
Do	Kelso & Company		
Do	Majestic Realty Co		
Do	Monrovia Nursery Company	5,000.00	
Do	MCA, Inc	10,000.00	
Do	National Assn of Home Builders Trade Assn		
Do	National Assn of Investment Companies	400.00	
Do	National Structured Settlements Trade Assn	3,000.00	
Do	Pacific Cargoes, Inc	2,000.00	
Do	R.S. Data Systems, Inc		
Do	Republic National Bank of New York		
Do	Rolls-Royce Motor Cars, Inc		
Do	Tropicana Energy Co		
Do	U.S. League of Savings Institutions		
Do	5600, Inc	300.00	
Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Simon & Company, Inc, 1001 Connecticut Ave., NW, #435 Washington, DC 20036	American Water Works Assn	8,288.16	4,734.29
Do	City of Fresno, CA		
Do	City of Portland, OR	12,745.00	5,813.47
Do	East Bay Dischargers Authority	3,908.53	4,854.66
Do	Elkhart, IN	4,962.83	5,158.96
Do	Gary, Indiana	7,802.09	4,998.22
Do	National Easter Seal Society	6,731.12	4,827.25
Do	Newark, Ca	4,984.38	5,180.51
Do	San Bernardino, CA	5,379.02	5,148.92
Do	San Leandro, CA	4,728.04	5,176.17
Do	Tacoma Public Utilities	1,802.70	4,998.83
Do	Tacoma, WA	4,028.88	5,588.57
David C. Simons, 1100 Connecticut Ave, NW, #410 Washington, DC 20036	Eaton Corp		4,517.70
Talmage E. Simpkins, 444 North Capitol Street, #801 Washington, DC 20001	Labor-Management Maritime Committee, Inc	1,875.00	1,063.00
Thomas D. Simpson, 700 N. Fairfax Street, #601 Alexandria, VA 22314	Railway Progress Institute	729.06	
James W. Singer III, 1100 15th Street, NW Suite 900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	
Donna L. Singletary, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Stephen G. Sinkez, 1111 19th Street, NW, #408 Washington, DC 20036	Mitsubishi Motors America, Inc	26.50	3.00
Constantine Sirigos, 1730 K Street, #1005 Washington, DC 20006	American Hellenic Institute Public Affairs Committee, Inc		
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Air Transport Assn of America		
Do	Akzo America, Inc		
Do	American Electronics Assn		
Do	American International Group, Inc	1,000.00	
Do	Amoco Corporation	4,000.00	
Do	Bethlehem Steel Corp	1,000.00	
Do	Computer & Business Equipment Manufacturers Assn		
Do	Council on Research & Technology		
Do	Enron Corporation		
Do	General Mills		
Do	Merrill Lynch & Co, Inc		
Do	National Assn of Energy Service Companies		
Do	Partida Popular Democratico		
Do	Riggs National Corporation	25.00	
Do	Transco Energy Corp	10,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	U.S. Windpower, Inc		
Mary Jacobs Skinner, 1722 Eye Street, NW Washington, DC 20006	La Radida Childrens Hospital & Research Center, et al.	8,750.00	20.00
Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	2,500.00	508.31
Paul A. Skrabut Jr., 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	2,422.50	77.00
Do	Palumbo & Cerrell, Inc (For:Rockport Fine Arts Council)		
Do	Palumbo & Cerrell, Inc (For:Soka University)		80.05
Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Robert G. Slaughter, 1615 M ST., NW, #200 Washington, DC 20036	Amoco Corporation		
William T. Slider, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
John E. Sloan Jr., Capital Gallery East, #695 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	1,150.00	200.00
Kirsten A. Sloan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	652.54	158.67
David P. Sloane, 1010 Wisconsin Ave., NW #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	372.00	
Kelly Campbell Slone, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Stephan K. Small, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Company, Inc		183.13
Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904		5,222.90	35,144.17
Douglas T. Smalls, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	2,000.00	153.80
Robert G. Smerko, 2001 L St., NW, #506 Washington, DC 20036	Chlorine Institute, Inc		
Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation		
C. Douglas Smith, 1850 M St., NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Carlos C. Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Strang Fletcher Carriger Walker Hodge & Smith (For:Chattanooga Production Credit Assn, et al.).		
Douglas Allen Smith, #40223-080 P.O.Box 4200 Three Rivers, TX 78071-4200			
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	659.44
Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006	West Mexico Vegetable Distributors Assn	300.00	
Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	24,720.72	5,370.55
Keith H. Smith, 1455 Pennsylvania Ave, NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Manufacturers)	400.00	
Do	French & Company (For:Montgomery Ward & Co, Inc)	75.00	
Do	French & Company (For:Wheels, Inc)	25.00	
Kevin R. Smith, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	150.00	
Kirkland Smith, Docs# 83-A-4548 Fishkill Correctional Facility P.O. Box 1245 Beacon, NY 12508			
Maureen Smith, 1200 G Street, NW, #400 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)	1,550.00	161.85
Michael P. Smith, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	2,664.00	724.00
Patricia Smith, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	772.49	
Philip Hardy Smith, P.O. Box 2801 Daytona Beach, FL 32115	International Speedway Corp		
Do	National Motorsports Comm of Accus-FIA, Inc		
Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Robert E. Smith, 1730 K St., NW, #1300 Washington, DC 20006	Olin Corporation	6,300.00	1,300.00
Sara Hope Smith, 1275 Pennsylvania Ave, NW, #400 Washington, DC 20004	Pacific Telesis Group	9,937.50	
Susan Snyder Smith, 7900 Westpark Drive, #A320 Mclean, VA 22102	Chocolate Manufacturers Assn of the USA	300.00	444.72
Tim Smith, 410 1st St., SE Washington, DC 20003	American Nuclear Energy Council	3,250.00	1,077.08
W. Glenn Smith, One Merchants Plaza Indianapolis, IN 46255	Merchants National Bank & Trust Co	522.50	315.46
Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #302 Washington, DC 20036	AES/Barbers Point, Inc		
Do	City of Eugene, Oregon	10,500.00	
Do	CRASH		
Do	Haarmann & Reimer Corp	3,025.00	105.00
Do	Kansas City Transit Authority	5,000.00	
Do	N.Y. Metropolitan Transportation Agency	24,999.99	275.00
Do	National Assn of Foreign Trade Zones	1,500.00	293.00
Do	S & F Warehouses, Inc		
Do	San Francisco Public Utilities Commission	9,166.66	
Do	Transportation Advisory/Service Group	4,000.00	35.00
David A. Smitherman, 1012 Fleming Building Des Moines, IA 50309	American Petroleum Institute		
Smokeless Tobacco Council, Inc, 2550 M Street, NW, #300 Washington, DC 20037		24,005.00	24,005.00
Randall D. Snodgrass, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	2,950.00	1,180.00
David F. Snyder, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Gene Snyder, 205 North Third Street LaGrange, KY 40031	American Assn of Railroads	21,000.00	1,088.36
Do	Arthur Cameron	9,000.00	
Do	Norfolk Southern Corp	15,000.00	1,228.34
Do	Radio Assn Defending Airwave Rights, Inc	22,500.00	1,110.99
Do	Scan	15,000.00	1,159.12
Do	United Parcel Service	18,000.00	1,733.26
John M. Snyder, 600 Pennsylvania Ave., SE, #205 Washington, DC 20003	Citizens Comm for the Right to Keep & Bear Arms	13,500.00	
Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Alloy Surfaces Co, Inc	93.72	
Do	General Motors Corp	70.00	491.05
Do	Puget Sound Naval Bases Assn, Inc (PSNBA)	45.30	
Do	Service Engineering Company	62.50	
Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007		11,624.54	58,286.92
Society for Nutrition Education, 2001 Killebrew Drive, #340 Minneapolis, MN 55425-1882			3,283.48
Frederick P. Somers, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20850-0822	American Occupational Therapy Assn, Inc	2,500.00	228.53
Nancy C. Somerville, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	3,000.00	
Judah C. Sommer, 1101 Pennsylvania Ave., NW, #900 Washington, DC 20004	Goldman Sachs & Co	2,000.00	
SL Sommer & Associates, Inc, 2700 Virginia Ave., NW, #910 Washington, DC 20037	Defense Division Brunswick Corp	500.00	1,346.16
William A. Sonntag, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Smith Bucklin & Associates (For:National Assn of Metal Finishers)		
Sorensen & Edwards, PS, 1201 Third Avenue, #2900 Seattle, WA 98101-3028	Shee Atika, Inc		
Do	Western Pioneer, Inc	10,000.00	10,000.00
Southern Forest Products Assn, P.O. Box 641700 Kenner, LA 70064-1700		23,390.44	23,390.44
Southwest Airlines Co, P.O. Box 36611 Dallas, TX 75235-1611			60,000.00
John S. Sparkman, 1100 Connecticut Ave., NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	673.67	238.28
Ian D. Spatz, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	2,342.67	
Jonathan B. Spear, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,000.00	400.00
Specialized Carriers & Rigging Assn, Inc, 2200 Mill Road, #616 Alexandria, VA 22314			
Karen Kay Speer, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Richard L. Spees, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly & Raffaelli (For:Desert Research Institute)	500.00	
Do	McAuliffe Kelly & Raffaelli (For:Washoe County)	350.00	
Martha Louise Spencer, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform (FAIR)		
William B. Spencer, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Ray L. Spickler, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn		
Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005-4798	City & County of Denver, Director of Aviation		
Do	Connecticut Municipal Electric Energy Coop		
Do	Former Residents of Centralia Pennsylvania		
Do	LeHigh-Northhampton Airport Authority		
Do	Minneapolis/St. Paul Metropolitan Airport Commission		
Do	Northern California Power Agency		4.50
Larry N. Spiller, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Sporting Goods Manufacturers Assn, 1625 K Street, NW, #900 Washington, DC 20006			
Lisa M. Sprague, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	25.00
David E. Springer, 1301 K Street, NW, #900 East Tower Washington, DC 20005	Gardner, Carton, & Douglas (For:American Telephone & Telegraph)	15,000.00	318.73
Do	Gardner Carton & Douglas (For:National Cable Television Assn)	12,500.00	399.35
Do	Gardner Carton & Douglas (For:Telecommunications Industry Assn)	9,012.50	312.14
Martha Ann Spudis, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,800.00	
Philip Squair, 1501 Wilson Blvd., #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	American Chamber of Commerce in Germany		
Do	American Soc of Anesthesiologists		
Do	National Collegiate Athletic Assn	29,610.00	
Janet G. St. Amand, 1225 19th Street, NW, #410 Washington, DC 20036	Financial Services	2,050.00	
Charles A. St. Charles, 808 17th Street, NW, #300 Washington, DC 20006-3910	Stewart & Stewart (For:Libbey Glass)	3,225.82	
Connell Stafford, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	300.00	1,155.76
Roger Staiger Jr., 1220 L Street, NW, #450 Washington, DC 20005	Alyeska Pipeline Service Co	2,000.00	
Do	American Petroleum Institute	1,000.00	
David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006	McDermott, Inc	7,773.89	
Theresa Stanion, 3150 Spring Street Fairfax, VA 22031-2399	International Communications Industries Assn	2,175.00	
Joseph M. Stanton, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	1,360.31
Michael J. Stanton, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	5,400.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Thomas J. Stanton Jr., 1000 Thomas Jefferson Street, NW, #609 Washington, DC 20007	Leonard Ralston Keyes & Danks (For:Krueger, Inc)	22,492.07	
Stanton & Associates, 1310 19th Street, NW Washington, DC 20036	International Longshoremen's Assn AFL-CIO		
Do	Philip Morris		
Do	University Hospitals of Cleveland		
Jane Sutter Starke, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:Blockbuster Entertainment Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Community Transportation Assn of America).	760.00	
Do	Eckert Seamans Cherin & Mellott (For:Ormet Corp)	1,260.00	30.50
Do	Eckert Seamans Cherin & Mellott (For:Ravenswood Aluminum Corp)	1,080.00	30.50
James D. Staton, 320 Timberbrook Drive Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Julie A. Stauss, 1225 Eye Street, NW, Suite 1250 Washington, DC 20005	American Dietetic Assn	1,000.00	371.29
Randolph J. Stayin, 1815 H Street, NW, Suite 800 Washington, DC 20006	Barnes & Thornburg (For:Empire Resources, Inc)		
Do	Barnes & Thornburg (For:Indiana Glass Company)		
Do	Barnes & Thornburg (For:Special Comm for Workplace Product Liability Reform)	5,075.00	155.10
Daniel M. Steadley, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Barbara E. Steakley, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Company	205.00	
Kathryn A. Steckelberg, 701 Pennsylvania Ave, NW Washington, DC 20004-2696	Edison Electric Institute	2,349.89	322.86
Steele Silcox & Browning, P.C., 1200 19th Street, NW, #604 Washington, DC 20036	K Mart Corp		
Allan Stein, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Dan Stein, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform		
Rena Steinzor, 1350 New York Ave., NW, #1100 Washington, DC 20005-4798	Spiegel & McDiarmid (For:Alliance of Resposible Electric Systems for Energy Access).		
Do	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	47,456.25	15,520.63
Michele Stell, 1675 Larimer, #300 Denver, CO 80202	Michele Stell & Associates		
Charles W. Stellar, 1227 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn		
John C. Stellman, 1725 Jefferson Davis Hwy, #500 Arlington, VA 22202-4102	Chrysler Technologies Corp	100.00	
Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	75.00
Jackson T. Stephens, 111 Center Street Little Rock, AR 72201	Stephens Group, Inc		
Stephen O. Stephens, P.O. Box 3507 111 Center Street Little Rock, AR 72203	Stephens Group, Inc		
Stephens Group, Inc, 111 Center Street P.O. Box 3507 Little Rock, AR 72203			
Stephens Overseas Services, Inc, 111 Center Street P.O. Box 3507 Little Rock, AR 72203			
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Bear Stearns & Co	8,883.73	
Do	Citizens Savings Financial Corp	6,192.21	
Do	Co-Operative Central Bank		
Do	Coalition to Promote America's Trade		
Do	CSO Company	693.25	
Do	Mutual Life Insurance Company Tax Committee		
Do	Western Financial	3,255.18	
Gary M. Stern, 122 Maryland Ave, NE Washington, DC 20001	American Civil Liberties Union	4,000.00	50.00
J. Michael Stern, 1317 F Street, NW, #400 Washington, DC 20004	R. Duffy Wall & Associates	1,250.00	
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	100.00	
Cindy M. Stevens, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	8,150.00	133.29
Eugene L. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council	3,660.00	
Do	Monsanto Co		
Do	Roses, Inc		
Do	Timken Co		
Robert B. Stewart, 1120 G Street, NW, #900 Washington, DC 20005	National Ocean Industries Assn	3,250.00	
Terence P. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council	3,660.00	3,660.00
Do	Stewart & Stewart (For:Hudson Industries Corp)		
Do	Stewart & Stewart (For:Kimble Glass, Inc)		
Do	Stewart & Stewart (For:Libbey Glass)	18,104.25	4,231.32
Do	Monsanto Co		
Do	PPG Industries, Inc		
Do	Smith Corona Corp		
Do	Stewart and Stewart		
Do	Timken Co	2,582.23	130.18
Do	Torrington Company	2,582.23	130.18
Elizabeth Still, 1850 M Street, NW, #550 Washington, DC 20036	Securities Industry Assn	1,154.00	
Don Stillman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	2,241.93	25.00
Lee J. Stillwell, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	750.00	
Neal Stine, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Heidi A. Stirrup, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Stockholders of America, Inc, 3133 Connecticut Avenue, NW, #705 Washington, DC 20008		3,390.00	402.15
Steven F. Stockmeyer, 499 South Capitol Street, SE #103 Washington, DC 20004	Manville Corporation	1,850.00	
Do	National Assn of Business PACs	1,400.00	
Do	Springs Industries, Inc		
Robin E. Stombler, 1640 Wisconsin Avenue, NW, 1st Floor Washington, DC 20007	American College of Surgeons		251.76
Judith Lee Stone, 777 N. Capitol Street, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	2,423.05	54.00
Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	3,800.00	
Sam E. Story Jr., 1700 N. Moore Street Arlington, VA 22209	American Meat Institute	12,750.00	831.91
Todd A. Stottlemyer, 7915 Jones Branch Drive McLean, VA 22102	BDM International, Inc		
Anna Stout, 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	5,000.00	334.97
Robert Francis Stout, 1825 I Street, NW, #400 Washington, DC 20006	Heublein, Inc	20,000.00	5,202.07
Susan M. Stout, 1010 Wisconsin Avenue, NW Washington, DC 20007	Grocery Manufacturers of America, Inc	218.00	
William P. Stout, P.O. Box 1475 Nashville, TN 37202	United Paperworkers International Union		
William M. Stover, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,000.00	
John L. Stowell, 1800 K St., NW, #1018 Washington, DC 20006	PSI Energy	15,250.00	9,624.14
Michael L. Strang, P.O. Box 71215 Washington, DC 20024-1215	ATR Defense Group		113.75
Strang Fletcher Carriger Walker Hodge & Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Chattanooga Production Credit Assn, et al.		
Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		191.34
Strategic Directions, Inc, P.O.Box 6011 Springfield, VA 22150-6011	Atlas Powder Company	23,841.61	17,982.39
Terrence D. Straub, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	250.00	90.74
David R. Straus, 1350 New York Avenue, NW Washington, DC 20005	Spiegel & McDiarmid (For:Alliance of Responsible Electric Systems for Energy Access).		
Stephen P. Strickland, 1835 K Street, NW, #610 Washington, DC 20006	National Peace Institute Foundation		
Carol Stroebel, 777 N. Capitol Street, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	10,157.72	288.37
Jack B. Strong, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunications Corp		
Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	Dreyfus Corporation	296.00	148.03
William M. Stroud, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Company		
Heather P. Stroup, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)	750.00	90.00
George Strumpf, 1150 17th St., NW, #600 Washington, DC 20036	Health Insurance Plan of Greater New York	12,000.00	12,050.00
Cory N. Strupp, 60 Wall Street Legal Department 38th Floor New York, NY 10260	Morgan Guaranty Trust Co	4,169.53	219.10
Robert A. Stuart, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	2,942.31	
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Yankee Gas Services Company	138.80	12.10
Glenn Sugameli, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	2,311.35	
Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	3,250.00	
Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440	General Mills, Inc		
Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	1,687.00	4,353.25
Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	2,344.00	755.40
Harold R. Sullivan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	600.00	
Margaret Cox Sullivan, 3133 Connecticut Avenue, NW, #705 Washington, DC 20008	Stockholders of America, Inc		
Patricia Sullivan, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants		
Richard J. Sullivan, 1507 Laburnum Street McLean, VA 22101	Alameda Transportation Authority		
Do	Association of American Railroads	14,145.85	
Do	National Utility Products Company	4,500.00	
Do	Richard Sullivan Associates, Inc (For:Northeast Ohio Regional Sewer District)	1,400.00	
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	American International Group, Inc		
Do	Massachusetts Bay Transportation Authority (MBTA)	7,000.00	75.00
Do	Massachusetts Port Authority (MASSPORT)	1,200.00	30.21
Do	Securities Industry Assn		1,640.00
Do	Turbomeca Engine Corp, Inc		
Sullivan & Worcester, 1025 Connecticut Ave., NW, #806 Washington, DC 20036	Hercules, Inc		
Do	Marion Laboratories, Inc	7,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Monarch Wine Company of Georgia, et al.	30,000.00	
Do	Upjohn Company	21,000.00	
Do	Wine Institute	93,768.00	
Richard J. Sullivan Associates, Inc., 1507 Laburnum Street McLean, VA 22101	Alameda County Transportation Authority		6,126.37
Do	Association of American Railroads	24,999.99	29,272.22
Do	National Utility Products Company	5,000.00	11,626.37
Do	Northeast Ohio Regional Sewer District	1,600.00	7,726.37
Scott M. Summers, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company	800.00	500.00
Charles Sunderlin, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc	225.00	
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:American Library Assn)		
Do	Ropes & Gray (For:Digital Equipment Corp)		
Do	Ropes & Gray (For:Barry Krock)		
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Federation for American Immigration Reform	17,066.25	26,022.46
Stephen Sutton, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	411.07
Douglass W. Svendson Jr., 1730 Rhode Island Avenue, NW, #417-19 Washington, DC 20036	Hollywood Marine, Inc	300.00	
Sylvia E. Swanson, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		
Deborah Swartz, 1225 19th Street, NW, #210 Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	
Do	Neckwear Assn of America, Inc	500.00	
David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	25,238.41	
William R. Sweeney Jr., 1331 Pennsylvania Ave., NW, #1300-N Washington, DC 20004	Electronic Data Systems Corp	128.00	111.17
Frederic H. Sweet, 720 East Wisconsin Avenue Milwaukee, WI 53202	Northwestern Mutual Life Insurance Co	600.00	
Leland H. Swenson, 10065 East Harvard Avenue Denver, CO 80251	Farmers' Educational & Co-Operative Union of America	11,250.00	421.86
Robert D. Swezey Jr., 1133 19th St., NW Washington, DC 20036	MCI Communications Corp		
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	National Council of Community Hospitals		
Ross O. Swimmer, 4100 Bank of Oklahoma Tower Tulsa, OK 74172-0154	Hall Estill et al. (For:Cherokee Nation)	3,656.25	533.65
Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	9,570.18
David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791	American Petroleum Institute	420.00	1,096.44
Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101	Garrison Diversion Conservancy District	3,750.00	177.15
Ronald P. Szabat, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	159.33
Janis Tabor, 1825 K Street, NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Robert Taft Jr., 625 Indiana Avenue, NW, #500 Washington, DC 20004	Taft Stettinius & Hollister (For:Dosimeter Corp of North America)		
Do	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
George C. Tagg, 300 Maryland Ave., NE Washington, DC 20002	Federal Express Corp	6,000.00	
Bruce B. Talley, 1101 15th Street, NW, #500 Washington, DC 20005	Asea Brown Boveri Inc	8,500.00	124.80
Tanaka Ritger & Middleton, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006	Electronic Industries Assn of Japan		
Do	Japan Automobile Tire Manufacturers Assn (JATMA)		
Susan Tannenbaum, 2030 M St., NW Washington, DC 20036	Common Cause	7,185.00	81.00
Eula M. Tate, 1757 N Street, NW Washington, DC 20036	United Auto. Aerospace & Agricultural Implement Wks of Amer.	17,714.85	361.75
Thomas N. Tate, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	2,967.60	
David R. Tatum, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165			375.00
Victor Tawil, 1400 16th Street, NW, #610 Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,500.00	
Gary J. Taylor, 444 North Capitol Street, NW, #534 Washington, DC 20001	International Association of Fish & Wildlife Agencies	13,797.25	8.60
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Gene Taylor Associates, Inc (For:Empire District Electric Company)	15,000.00	
Do	Gene Taylor Associates, Inc (For:FAG Bearings Corporation)	15,000.00	
Do	Gene Taylor Associates, Inc (For:Norfolk Southern Corp)	9,000.00	
Jefferson D. Taylor, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		36.30
Larry D. Taylor, P.O.Box 70 Boise, ID 83707	Idaho Power Company		
Patricia Taylor, 1875 Connecticut Ave., NW, #300 Washington, DC 20009-5728	Center for Science in the Public Interest	360.00	20,150.00
Peggy Taylor, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	19,519.24	412.49
R. William Taylor, 1575 Eye Street, NW Washington, DC 20006	American Soc of Assn Executives	300.00	
Taylor Thiemann & Aitken, 908 King Street, #300 Alexandria, VA 22314	Association of Personnel Test Publishers		
Do	CTB MacMillan/McGraw-Hill	300.00	
Do	Jones Motor Co., Inc		
Do	MPPAA Solvency Coalition		
Do	National Assn of Convenience Stores		
Do	Schneider National, Inc		
Do	Walsh Trucking Service, Inc		
T. Daniel Tearno, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	270.32	136.75
James M. Temenak, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Co	4,962.50	452.73
Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345	Central Maine Power Co, et al.		
Richard L. Templeton, P.O. Box 17500 Washington, DC 20041-0500	Justice Fellowship	1,575.00	265.44
Joshua P. Tenuta, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Do	National Rural Electric Cooperative Assn		
Cheryl Terio, 1957 E Steet, NW Washington, DC 20006	Associated General Contractors of America		
Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	6,000.00	144.19
John H. Terry, P.O. Box 4878 Syracuse, NY 13221	Hiscock & Barclay (For:Niagara Mohawk Power Corp)	1,938.00	246.65
Richard Paul Teske, 1500 K Street, NW, #625 Washington, DC 20005	Burroughs Wellcome Co	27,000.00	3,834.00
Robert D. Testa, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	920.25	516.58
Texas Committee on Natural Resources, 5934 Royal Lane, #223 Dallas, TX 75230		960.40	960.40
Textron, Inc, 40 Westminster St. Providence, RI 02903		4,650.00	1,030.00
Janelle C. Morris Thibau, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	1,500.00	
Alan C. Thiebaud, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		3,366.53
Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corporation		
Robert G. Thoma, 2100 Pennsylvania Ave., NW, #755 Washington, DC 20037	BASF Corp	750.00	50.00
Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
John L. Thomas, P.O. Box 796322 Dallas, TX 75379-6322	Visual Information Technologies, Inc		
John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	394.00	
W. Dennis Thomas, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	2,000.00	240.00
Brent Thompson, 1331 Pennsylvania Ave., NW #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Bruce E. Thompson Jr., 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	7,500.00	
Dana S. Thompson, 305 4th Street, NE, Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		
Duane R. Thompson, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Kenneth W. Thompson, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	BellSouth Corp	6,000.00	187.41
Do	Duke Power Co	18,000.00	764.59
Do	Great Lakes Products, Inc		
Do	National Funeral Directors Assn	3,000.00	254.59
Do	Safety-Kleen Corporation		
Randell Thompson, 1704 Old Town Rd. Edgewater, MD 21037	Parsons Brinkerhoff Quade & Douglas, Inc	15,000.00	690.53
Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715	Springs Industries, Inc		
W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
William Douglas Thompson, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	2,500.00	593.79
Thompson & Company, 1001 G Street, NW, 7th Floor Washington, DC 20004	Appalachian Coalbed Methane Assn		
Do	Chicago Research & Trading Group, Ltd	5,000.00	2,279.69
Do	Mitsubishi Electronics America, Inc	13,200.00	6,116.75
Do	Morse/Diesel	2,100.00	1,129.88
Do	Republic of Turkey	20,000.00	4,665.97
Do	Robert Wang	21,000.00	9,833.48
James L. Thorne, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas		
Jill Thorne, 222 NW Davis, #309 Portland, OR 97209	Oregon Trail Coordination Council		755.95
Margo Thorning, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	258.00	
John Thornton, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn	1,122.00	
C. Ridgely Thorp, 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Company of New York		
Kathryne M. Thorpe, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	1,185.00	1,014.80
Walter L. Threadgill, 1200 18th Street, NW, #705 Washington, DC 20036	Millicom, Inc		
Susan K. Till, 3800 North Fairfax Drive, #4 Arlington, VA 22203	National Water Resources Assn	4,000.00	
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	134.00	
Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
John W. Timmons, 1133 Connecticut Ave, NW, #1000 Washington, DC 20036	America West Airlines, Inc	10,000.00	5,215.00
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	Air Transport Assn of America	1,993.75	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	American Factory Trawler Assn	2,102.50	
Do	American Petroleum Institute	1,377.50	
Do	Amoco Corporation	1,015.00	
Do	Anheuser-Busch Companies, Inc	1,957.50	
Do	Association of Trial Lawyers of America	1,062.50	
Do	Capital Cities/ABC, Inc	1,522.50	
Do	Chrysler Corporation	1,812.50	
Do	Entergy Services, Inc.	1,522.50	
Do	General American Life Insurance Co	584.37	
Do	H.J. Heinz Co	1,015.00	
Do	Major League Baseball	2,392.50	
Do	Morgan Stanley & Co, Inc	2,247.50	
Do	National Rifle Assn of America	1,957.50	
Do	Northern Telecom, Inc	435.00	
Do	Northrop Corp	3,190.00	
Do	NutraSweet Co	869.98	
Do	Phoenix Mutual Life Insurance Company	481.25	
Do	G. D. Searle & Co	1,667.50	
Do	Union Pacific Corp	1,957.50	
Alan R. Timothy, 601 Pennsylvania Ave., NW, #500 Washington, DC 20004	Adolph Coors Co	12,109.50	92.25
Michael L. Tiner and Associates, 1317 Rhode Island Avenue, NW, #502 Washington, DC 20005	Genentech, Inc	200.00	
Do	Parry & Romani, Associates	500.00	
Do	Joseph E. Seagram & Sons, Inc	1,800.00	
G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Association		
Constance E. Tipton, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Association		1,777.49
E. Linwood Tipton, 888 16th St., NW Washington, DC 20006	International Dairy Foods Association		342.36
Eben S. Tisdale, 900 17th Street, NW, #1100 Washington, DC 20006	Hewlett-Packard Co	4,000.00	250.00
Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108	American Petroleum Institute	2,000.00	
James S. Todd, 515 North State Street Chicago, IL 60610	American Medical Assn	10,000.00	
M. Douglas Todd, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	
Nicholas C. Tolerico, 1025 Thomas Jefferson Street, NW, #511- West Washington, DC 20007	LTV Corporation	9,000.00	100.00
Kathryn R. Tollerton, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	241.11	128.96
Frank Toohey, 1317 F Street, NW, #400 Washington, DC 20004	Wall & Associates, R. Duffy	1,250.00	
Michael J. Toohey, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	391.59
William T. Torgerson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
Mary C. Toups, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,624.99	908.89
Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	2,550.00	62.23
Toy Manufacturers of America, Inc, 200 Fifth Ave., #740 New York, NY 10010			19,823.53
Joseph P. Trainor, 400 North Capitol Street, NW, #850 Washington, DC 20001	Railway Labor Executives' Assn	1,500.00	
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Blue Cross Blue Shield of Florida)		
Do	Hill & Knowlton, Inc (For:Fujisawa/Lyphomed)		
Do	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Serono, Inc)		
Do	Hill & Knowlton, Inc (For:U.S. Agrichemicals (Sinochem))		
Transportation - Communications Union, 815 16th St., NW, #511 Washington, DC 20006		7,000.00	8,098.39
Travel & Tourism Government Affairs Policy Council, 1133 21st Street, NW Washington, DC 20036		4,300.00	4,300.00
Travel Industry Assn of America, Two Lafayette Centre 1133 21st Street, NM Washington, DC 20036			8,750.00
Jeffrey C. Treeman, 3801 S. Sheridan Tulsa, OK 74145	United Video, Inc		21,355.25
Jeffery S. Trinca, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Golden Rule Insurance Company)	3,750.00	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	3,333.33	
Do	Van Scoyoc Associates, Inc (For:The National Assn of Life Underwriters)		
Do	Van Scoyoc Associates, Inc (For:USF&G Insurance)	9,375.00	
Tripp Scott Conklin & Smith, 110 Tower, 28th Floor 110 Southeast 6th Street Fort Lauderdale, FL 33301	Alamo Rent-A-Car, Inc		5,457.72
Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	13,125.00	
George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005	Bell Helicopter Textron, Inc	150.00	
Thomas L. Trueblood, 455 North Cityfront Plaza Drive Chicago, IL 60611	Navistar International Transportation Corp	1,000.00	
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	American Insurance Assn		
Do	Cambridge Redevelopment Authority		
Do	Humane Society of the U.S., et al.		
Do	Iroquois Gas Transmission Systems		
Do	National Venture Capital Assn		
Do	Norton Company		
Do	Sierra Club of America		
Rowland V. Tucker, Box 133 Darby, PA 19023	Amtrack Conrail Pennsylvania Railroad Retirees	350.00	220.00
Shannon B. Tuel, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
James Tully, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners		
David Turch & Asso, 517 2nd Street, NE Washington, DC 20002	City of Rialto	4,800.00	2,733.17
Brian Turner, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	19,044.50	
J. Terry Turner, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference	700.00	350.00
John H. Turner, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
John M. Turner, 1875 Eye St., NW, #775 Washington, DC 20006	Georgia-Pacific Corp	2,800.00	
Pamela Turner, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	7,012.50	296.54
Turner Broadcasting System, Inc, 820 First Street, NE Washington, DC 20002		19,505.00	19,505.00
Mimi Turnipseed, 2301 M Street, NW, 3rd Fl Washington, DC 20037	American Public Power Assn	1,500.00	
St. Clair J. Tweedie, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co		
John R. Tydings, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	8,500.00	
Joseph D. Tydings, 2000 Pennsylvania Ave., NW, #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:First Virginia Banks, Inc)	2,970.00	
Do	Anderson Kill Olick & Oshinsky (For:Population Crisis Committee)	33.00	
Clay Tyeryar, 7297-N Lee Highway Falls Church, VA 22042	American Textile Machinery Assn		
Craig Tyle, 1600 M Street, NW Washington, DC 20036	Investment Company Institute		
George Randall Tyree, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	35.00	
U.S. Border Control, 8001 Forbes Place Springfield, VA 22151		541.82	1,141.21
U.S. Cane Sugar Refiners' Assn, 1001 Connecticut Ave., NW Washington, DC 20036		126.88	
U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601			118,725.00
U.S. Public Interest Research Group, 215 Pennsylvania Avenue, SE Washington, DC 20003		96,505.80	115,793.14
Jerry G. Udell, 701 Pennsylvania Ave., NW Washington, DC 20004	National Retail Federation	75.00	25.00
Mark J. Ugoretz, 1400 L St., NW Ste. 350 Washington, DC 20005	Erisa Industry Committee		
Jon C. Uithol, 9623 Shipwright Dr. Burke, VA 22015	D.C. Metropolitan Subcontractors Assn		
Robert D. Umphrey Jr., 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	3,000.00	200.15
United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001			31,915.98
United International Consultants, 1800 Diagonal Road Alexandria, VA 22314	Republic of South Africa	40,000.00	6,000.00
United Shareholders Assn, 1667 K St., NW, #770 Washington, DC 20006		959.00	6,600.00
Anne I. Urban, 311 First Street, NW Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	6,000.00	978.74
John M. Urbanchuk, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:National Corn Growers Assn)		
Jane Usdan, 555 New Jersey Ave, NW Washington, DC 20001	American Fed of Teachers, AFL/CIO	11,049.78	144.00
Francis J. Vacca, 100 North Carolina Ave., SE Washington, DC 20003	Mid-America Dairymen, Inc	39,000.00	
Do	Western United Dairymen	9,000.00	
Robert E. Vagley, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Anthony Valanzano, 1825 I Street, NW, #400 Washington, DC 20006	American Insurance Assn	10,000.00	281.30
Do	Colonial Life & Accident Insurance Co	15,000.00	982.06
Do	Nationwide Life Insurance Company	9,750.00	
Jack J. Valenti, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,652.00	
Van der Voort Associates, Ltd, 1134 Westmoreland Road Alexandria, VA 22308	Orbital Sciences Corporation	500.00	
Do	Pharmaceutical Manufacturers Assn	500.00	
Do	Princeton University Office of Governmental Affairs	500.00	
R. Thomas Van Arsdall, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
William R. Van Dresser, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	200.00	
Becky Davenport Van Dyck, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Joseph Van Eaton, 1350 New York Ave, #1100 Washington, DC 20005	Spiegel & McDiarmid (For:Gillette, Wyoming)		
Do	Spiegel & McDiarmid (For:Salina, Kansas)		
Henry B. Van Gieson, 1700 North Moore St., 2120 Arlington, VA 22209	Boeing Company	1,395.00	135.50
Matthew Van Hook, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Todd Van Hoose, 50 F Street, NW, #900 Washington, DC 20001	Farm Credit Council	80.00	800.00
Burkett Van Kirk, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Anheuser-Busch Companies, Inc		
Do	INTERARMS		
Van Ness Feldman & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Alaska Eskimo Whaling Commission		
Do	American President Lines		
Do	Andrew Corp		
Do	Arctic Slope Regional Corp	2,404.50	
Do	Barron Collier Co		
Do	Blackfeet Tribe		
Do	Bumble Bee Seafoods, Inc	595.50	
Do	Clean Coal Technology Coalition		
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Electric Transportation Coalition	72.00	
Do	Fort Belknap Tribes		
Do	Geothermal Resources Assn	1,569.00	
Do	Intertribal Agricultural Council		
Do	Jicarilla Apache Tribe		
Do	Koncor Forest Products Company		
Do	Lower Colorado River Authority		
Do	LUZ International Ltd	2,475.00	
Do	McKesson Corp	139.50	
Do	National Wetlands Coalition		
Do	Natural Gas Supply Assn	120.00	
Do	Oneida Nation of New York		
Do	Seneca Resources, Inc	180.00	
Do	SCE Corp	600.00	15.00
Do	Toyota Motor Sales, USA, Inc	3,375.00	
Do	TransAlta Resources Corp		
Do	Uranium Producers of America	4,050.00	
H. Stewart Van Scoyoc, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Anheuser-Busch Companies)	15,000.00	
Do	Van Scoyoc Associates (For:Champion International Corp)	5,000.00	
Do	Van Scoyoc Associates (For:Coalition of EPSCoR States)	9,062.50	
Do	Van Scoyoc Associates, Inc (For:Dresser Industries, Inc)	2,500.00	
Do	Van Scoyoc Associates (For:Du Pont de Nemours & Company, E.I.)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:Golden Rule Insurance Company)	3,750.00	
Do	Van Scoyoc Associates (For:International Paper)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	3,333.33	
Do	Van Scoyoc Associates (For:Quanex)	8,025.00	
Do	Van Scoyoc Associates (For:Scott Paper Company)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:The National Assn of Life Underwriters)		
Do	Van Scoyoc Associates, Inc (For:Tulane University)		
Do	Van Scoyoc Associates (For:University of Alabama System)	6,000.00	
Do	Van Scoyoc Associates (For:USF&G Insurance)	9,375.00	
Do	Van Scoyoc Associates (For:Weyerhaeuser)	2,500.00	
John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	2,416.50	
Marjorie Vanderbilt, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,614.00	249.08
Norman C. VanderNoot, New Hampshire Petroleum Council 15 N. Main Street Concord, NH 03301	American Petroleum Institute	76.00	
Charlene Vanlier, 6203 A Waterway Drive Falls Church, VA 22044	Capital Cities/ABC, Inc	388.50	
Barbara J. Varca, 1015 15th Street, NW, #401 Washington, DC 20005	Syntex (U.S.A.), Inc	1,200.00	388.24
Donald R. Vaughan, P.O. Box 2909 Asheboro, NC 27203	Stedman Corporation		
Patricia C. Vaughan, 205 E. 42nd Street, #1504 New York, NY 10017	Risk & Insurance Management Society, Inc		
Nicholas A. Veliotes, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	4,000.00	
Venable Baetje Howard & Civiletti, 1201 New York Ave., NW, #1100 Washington, DC 20005	American Insurance Association		
Do	Compaq Computer Corporation	500.00	
Do	Computer & Business Association	1,000.00	
Do	International Mass Retail Association	375.00	
Do	Wal-Mart		
Carol Verby, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
Pamela Verick, 1666 Connecticut Ave., NW Washington, DC 20009	Federation for American Immigration Reform	250.00	10.00
Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Co	1,084.50	
Linda Vickers, 1706 23rd St., South Arlington, VA 22202	Communicating for Agriculture, Inc		
Do	National Assn of Crop Insurance Agents		
Dennis C. Vierra, Vierra Associates, Inc 1825 I Street, NW, #400 Washington, DC 20006	Metropolitan Transportation Authority		
Vierra Associates, Inc, 1825 I Street, NW #400 Washington, DC 20006	Brevard County	3,000.00	
Do	Dallas Area Rapid Transit Authority	12,750.00	1,879.02
Do	Greater Orlando Aviation Authority	2,799.99	1,099.83
Do	Lipton Sports, Inc		
Do	Memphis Area Transit Authoity	4,000.00	
Do	Metropolitan Dade County	4,708.00	564.54
Do	Metropolitan Transportation Authority	9,854.83	398.09
Do	Niagara Frontier Transportation Authority	10,500.00	1,263.42
Robert J. Vilhauer, 1700 N. Moore Street, #2120 Arlington, VA 22209	Boeing Company	2,728.00	771.56
Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,000.00	97.10
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Allied-Signal, Inc		
Do	Bank Tax Group		
Do	Citicorp Washington, Inc		
Do	City & County of San Francisco		
Do	E. M. Warburg Pincus & Co, Inc		
Do	Federal Express Corp	80.00	
Do	Goldman Sachs & Co		2,764.25
Do	Guadalupe Valley Electric Cooperative	19,920.00	
Do	Gulf Coast Regional Blood Center		
Do	Merrill Lynch & Co, Inc		
Do	Panhandle Eastern Corp		
Do	Pennsylvania Engineering Company	2,320.00	
Do	Texas Veterans Land Board		
Do	United Savings Assn of Texas FSB		
Do	YWCA Retirement Fund	31,500.00	
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	Continental Insurance Companies	20.00	
Do	National Fraternal Congress of America	10.00	
Virginia Association of Railway Patrons, P.O. Box 867 Richmond, VA 23207		60.00	232.23
Dina Vizzaccaro, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	13,250.00	
David Vladeck, 2000 P Street, NW Washington, DC 20036	Public Citizen	1,200.00	
Nick J. Volcheff, 7325 Del Norte Drive Scottsdale, AZ 85258	AT&T		
Earl J. Volk, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	6,969.36	
Volkswagen of America, Inc, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024			800.00
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	19,042.06	
Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn & Marks (For:Maclean Hunter Cable TV)		
Do	National Assn of Trade & Technical Schools		
Do	Cohn & Marks (For:USA Network)		
Volpe Boskey & Lyons, 918 16th Street, NW, #602 Washington, DC 20006	American Assn of Equipment Lessors		
Voluntary Hospitals of America, Inc, 1150 17th Street, NW, #300 Washington, DC 20036			11,250.00
Ingrid A. Voorhees, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	125.00	100.00
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Bell Communications Research		
Do	Dale Michael A/K/A Riviera Bowling Lanes		543.80
Do	Grocery Manufacturers of America, Inc		
Do	Ohio Advanced Technology Center, Inc		14.00
Do	Ohio Forestry Assn		
Do	Ohio Manufacturers Assn		
Do	Snow Aviation International, Inc		
Carmen Delgado Votaw, 1025 Connecticut Ave., NW, #309 Washington, DC 20036	Girl Scouts of the U.S.A.		740.52
Frank J. Voyack, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	17,148.50	541.61
John A. Vuono, Vuono Lavelle & Gray 2310 Grant Building Pittsburg, PA 15219	Procompetitive Rail Steering Committee		
Thomas D. Wacker, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	617.87

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Rex B. Wackerle, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	63.43
Sadami Wada, 9 West 57th Street New York, NY 10019	Sony Corp of America		
Robert J. Wade, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Robert Waffle, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	1,250.00	
Joan Wages, 601 24th Street, NW #904 Washington, DC 20037	Association of Professional Flight Attendants	4,500.00	1,127.00
Do	Independent Federation of Flight Attendants	3,000.00	1,224.00
Do	Independent Union of Flight Attendants	4,125.00	1,077.00
Do	Union of Flight Attendants	1,500.00	208.00
Frederick P. Waite, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs (For:American Wire Producers Assn)		
Herbert R. Waite, 2 Skipper Way Glousester, MA 01930	Citicorp	4,000.00	3,492.92
Donna Waks, 1627 Lamont St., NW, #51 Washington, DC 20010	Rainbow Lobby	2,896.00	
Susan Stephenson Walden, 1350 Eye Street, NW, #810 Washington, DC 20005	Johnson & Johnson	1,000.00	225.00
Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602	American Petroleum Institute		
Doug Walgren, 8312 Hunting Hill Lane McLean, VA 22102	Association of Chiropractic Colleges	5,000.00	
Do	Chambers Development Company, Inc	5,000.00	
Do	Institute of Scrap Recycling Industies, Inc	5,000.00	
Do	Merck & Company	5,000.00	
Do	Petroleum Marketers Assn of America	3,000.00	
Do	University of Pittsburg Medical Center	5,000.00	
Barbara J. Walker, P.O. Box 1417-D50 119 Oronoco Street Alexandria, VA 22313	Animal Health Institute		
John S. Walker, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	5,000.00	
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	American Institute of Certified Public Accountants	5,000.00	
Do	American Road & Transportation Builders Assn	500.00	
Do	American Telephone & Telegraph Co	7,500.00	
Do	Anheuser-Busch Companies, Inc		
Do	Atchison Topeka & Santa Fe Railway Co	2,550.00	
Do	Bankers Trust Company	2,000.00	
Do	Broadcast Music, Inc	5,625.00	
Do	BMW of North America, Inc	3,750.00	
Do	Columbia Pictures Entertainment, Inc	6,562.50	
Do	CSX Corporation	3,000.00	
Do	Federal Home Loan Mortgage Corp	18,000.00	
Do	Honeywell, Inc		
Do	Mexican Department of Commerce & Industrial Development	19,956.32	
Do	Mid Continent Oil and Gas Assn	1,800.00	
Do	National Business Aircraft Assn	250.00	
Do	National Stone Assn	750.00	
Do	Northville Industries Corp		
Do	Northwestern Mutual Life Insurance Co	1,875.00	
Do	Sony Music Entertainment, Inc	11,666.60	
Do	Southern Company Services, Inc	7,500.00	
Do	Union Pacific Corp	2,400.00	
Do	Weyerhaeuser Company		
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Ad Hoc Comm on Coal Taxation	1,000.00	
Do	Bell Atlantic Corp	1,500.00	
Do	Chambers Development Co, Inc	2,000.00	
Do	Eli Lilly & Company	2,000.00	
Do	Footwear Distributors and Retailers of America	2,500.00	
Do	Graham Resources	2,000.00	
Do	Grocery Manufacturers Assn	2,000.00	
Do	Hong Kong Trade Development Council	3,500.00	
Do	IMC Fertilizer, Inc	1,500.00	
Do	Jackson National Life Insurance Co	1,500.00	
Do	Mallinckrodt Medical, Inc		
Do	Peabody Holding Co, Inc	1,500.00	
Do	Pennsylvania Engineering	250.00	
Do	Pharmaceutical Manufacturers Assn	2,000.00	
Do	Pittston Group	1,250.00	
Do	Sandoz Corporation Protection Corp.	1,500.00	
Do	Securities Industry Assn	2,250.00	
Do	Torchmark Corporation	1,250.00	
Do	United Company	1,500.00	
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alabama Farmers Federation	3,500.00	
Do	Alaska Pulp Corp		
Do	American Soc of Farm Managers and Rural Appraisers	7,500.00	
Do	American Sugar Cane League	19,375.00	846.94
Do	Amstar Corp	7,500.00	890.00
Do	Calgene, Inc	3,750.00	87.10
Do	Cash America	5,000.00	
Do	Cotton Warehouse Assn of America	10,750.00	
Do	Fiber Fabric & Apparel Coalition for Trade		
Do	Flue-Cured Tobacco Cooperative Stabilization Corp	5,000.00	
Do	Merchants Grain & Transportation, Inc		
Do	Service Corporation International	7,500.00	
Do	U.S. Canola Association	5,000.00	
Do	URCARCO		
Lori M. Wallach, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,575.00	
Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
David B. Waller, 1667 K Street, NW, #800 Washington, DC 20006	Williams Companies, Inc	500.00	119.33
Charles S. Walsh, Fleischmen & Walsh 1400 16th Street, NW Washington, DC 20036	National Cable Television Assn, Inc	1,500.00	
Richard J. Walsh, 6770 Lake Ellanor Drive Orlando, FL 32859-3330	General Mills Restaurants, Inc	962.50	80.40
James Waltman, 666 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	1,875.00	1,040.00
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	John E. Chance & Associates, Inc	7,500.00	
Do	General Dynamics Corp	15,000.00	
Do	ISC Defense & Space	3,000.00	
Do	National Rifle Assn of America	35,000.00	1,026.51
Do	Stone & Webster Engineering, Inc	8,700.00	
Do	Textron, Inc	13,749.99	866.27
Do	Thiokol Corp	10,500.00	420.87
Bonnie B. Wan, 1201 Pennsylvania Ave., NW, #730 Washington, DC 20004	Kimberly-Clark Corp		
Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)	600.00	
Gregg Ward, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Michael D. Ward, c/o Virginia Petroleum Council, 701 E. Franklin Street, #105 Richmond, VA 23219	American Petroleum Institute		
Stephen E. Ward, 801 Pennsylvania Avenue, NW, #804 Washington, DC 20004-2604	Mid-Continent Oil & Gas Assn	3,894.23	50.00
Barbara F. Warden, 1757 N Street ,NW, Washington, DC 20036	International Union United Auto Aerospace & Ag. W of A(UAW)	18,586.49	352.90
Robert A. Warden, 1331 F Street, NW, #400 Washington, DC 20004	Public Employees Retirement Assn of Colorado		
Michael A. Waring, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	369.75
Peter F. Warker, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	3,849.00	153.58
Ann D. Warner, 2120 L Street, NW, #305 Washington, DC 20037	International Bridge Tunnel & Turnpike Assn	2,710.00	2,710.00
Ernest R. Warner Jr., 1133 Connecticut Avenue, NW Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Sofreavia)		
Do	DGA International, Inc (For:SNECMA)		779.55
James H. Warner, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
David E. Warr, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Company	1,000.00	
B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347	Forest Farmers Assn		
Betsy R. Warren, 2001 Pennsylvania Avenue, NW, #600 Washington, DC 20006	Allied-Signal Inc		
Do	Edison Electric Institute		
Do	Warren & Company (For:MCI Communications Corp)		
Do	Schmertz Company, Inc for Gov't of the Republic of Greece	4,000.00	
Do	Warren & Company (For:Southern Company Services, Inc)		
Tristan Carter Warren, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	6,843.75	654.23
Barbara J. Washburn, 1660 L Street, NW, #400 Washington, DC 20036	General Motors Corp	3,000.00	1,305.05
Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	American College of Neuropsychopharmacology		
Do	Behtune-Cookman College		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	City of Philadelphia		533.86
Do	Coca Cola Company	5,000.00	101.87
Do	Electronic Data Systems, Inc		
Do	Government of the People's Republic of Angola		54.00
Do	Government of Antigua		
Do	Greater Cleveland Regional Transit Authority		
Do	Healthdyne, Inc	1,278.50	83.91
Do	Novo-Nordisk Pharmaceutical, Inc		
Do	Opeda	600.00	49.23
Washington Public Affairs Group, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	National Union for the Total Independence of Angola (Unita)	800.00	
Bill Wasserman, 215 Pennsylvania Ave., SE Washington, DC 20036	Public Citizen, Inc	8,750.00	
John L. Watson III, One World Trade Center, #4511 New York, NY 10048	Security Traders Assn. Inc	6,156.00	
Leroy Watson, 1616 H Street, NW Washington, DC 20006	National Grange	4,875.00	
Arthur B. Watts, 4496 Alfred Street Cocoa, FL 32927			
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	40.00	
George B. Watts, 1155 15th St., NW, #614 Washington, DC 20005	National Broiler Council	1,650.00	
Bruce H. Watzman, 1130 17th Street, N.W. Washington, DC 20036	National Coal Assn	9,200.00	340.93
Philip A. Waxman, 2800 Quebec St., #536, NW Washington, DC 20008	Boehringer Ingelheim Pharmaceuticals, Inc		
William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602	American Petroleum Institute	300.00	383.72
A. Vernon Weaver, 111 Center Street Little Rock, AR 72201	Stephens Group, Inc		
Rebecca Weaver, 1616 P St., NW #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control		
Andrew H. Webber, 810 First Street, NE, #410 Washington, DC 20002	American Medical Peer Review Assn		
Frederick L. Webber, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions		
Phillip J. Weber, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)	5,100.00	3,246.19
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Commercial Law League of America		
Do	International Taxicab and Livery Assn		
Do	INTERARMS		
Lee J. Weddig, 1525 Wilson Boulevard, #500 Arlington, VA 22209	National Fisheries Institute	4,000.00	30.00
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Noranda, Inc		
Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Weinberg Bergeson & Neuman, 1300 Eye Street, NW, #600 East Washington, DC 20005	Battery Council International	292.50	73.07
Do	National Assn for Plastic Container Recovery (NAPCOR)		
Robert A. Weinberger, 816 Connecticut Ave., NW Washington, DC 20006	Unilever U.S., Inc	1,500.00	158.59
Deborah Feldman Weiner, 11004 Petersborough Drive Rockville, MD 20852	American Soc for the Prevention of Cruelty to Amimals	1,500.00	
Roslyne D. Weiner, 1205 South Washington Street, Apt. #12A Alexandria, VA 22314	American Group Practice Assn		
Donald G. Weinert, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,500.00	
Anna Weinroth, 1666 Connecticut Ave., NW #400 Washington, DC 20009	Federation for American Immigration Reform	721.92	62.00
Sandra G. Weis, 445 Hamilton Ave. White Plains, NY 10601	Prodigy Services Company		
Arthur A. Weiss, One Woodward Avenue, Suite 2400 Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
Stanley A. Weiss, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security Education Fund Inc		
Suzanne Weiss, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging	49.30	23.17
Bryant L. Welch, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	579.60	20.00
Don Welch, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
John F. Welch, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Suzanne Welch, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	2,000.00	62.00
Paul S. Weller Jr., 1629 K St., NW, #1100 Washington, DC 20006	American Grain Inspection Institute		
Do	Apple Processors Assn	13,464.63	3,011.38
Arnold Wellman, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	11,500.00	558.79
Kent M. Wells, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		6,580.48
Robert C. Wells, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	3,575.00	
Frederick C. Wendorf, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	3,920.00	2,816.47
Thomas F. Wenning, 1825 Samuel Morse Dr. Reston, VA 22090	National Grocers Assn	500.00	
Fred Wertheimer, 2030 M St., NW Washington, DC 20036	Common Cause	19,617.54	180.00
Charles M. West, 205 Daingerfield Road Alexandria, VA 22314	National Assn of Retail Druggists	1,500.00	300.00
Ford B. West, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	25,000.00	905.06
G. Franklin West, 1530 North Key Blvd., #122 Arlington, VA 22209	Church Alliance	15,000.00	
Do	Oklahoma Natural Gas	9,000.00	
W. P. West Jr., 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	3,000.00	985.72
West Mexico Vegetable Distributors Assn, P.O. Box 848 Nogales, AZ 85621			
J. C. West, P.C., 1090 Vermont Ave., NW, #800 Washington, DC 20005	City of Detroit	38,496.85	12,629.41
Michelle Westover, 1785 Massachusetts Ave., NW Washington, DC 20036	National Trust for Historic Preservation	1,009.42	
John F. Wetzel Jr., 50 F St., NW Washington, DC 20001	Association of American Railroads	510.01	326.41
Wexler Group, 1317 F Street, NW, #600 Washington, DC 20004	Allied-Signal, Inc		
Do	American Airlines, Inc		98.00
Do	American Institute for Foreign Study Scholarship Foundation	475.00	17.00
Do	American Public Transit Assn	1,300.00	284.60
Do	ARCO	5,200.00	42.40
Do	Columbia Hospital for Women Medical Center	3,250.00	87.45
Do	Communications Satellite Corp	2,475.00	10.90
Do	Consortium of State Maritime Schools	100.00	
Do	Coopers & Lybrand	850.00	15.50
Do	Defense Rations Manufacturers Assn	120.00	40.45
Do	Des Moines Chamber of Commerce		5.45
Do	Foothills Pipe Lines (Yukon) Ltd	1,050.00	12.75
Do	FHP	150.00	16.35
Do	General Motors Corp		
Do	Go USA/ The Travel Coalition		
Do	Intermountain Rural Electric Assn		
Do	Massachusetts Maritime Academy	40.00	
Do	Motion Picture Assn of America, Inc	720.00	27.70
Do	MCI Communications Corp	6,800.00	28.45
Do	National Gypsum Co	40.00	12.00
Do	New England Aquarium		
Do	New England Electric System		
Do	Oceanic Institute	30.00	5.45
Do	Ohio Edison	625.00	
Do	Square D Company		
Do	State of Oregon, Office of the Governor		
Do	Training Media Distributors Assn	525.00	13.45
Do	U.S. Bioscience	5,850.00	144.95
Nancy Katherine Weyl, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	1,189.51
Brian B. Whalen Jr., 455 North Cityfront Plaza Drive Chicago, IL 60611	Navistar International Transportation Corp	4,000.00	32.23
Curtis E. Whalen, 1600 Wilson Blvd., #1000 Arlington, VA 22209	American Waterways Operators	5,000.00	1,369.31
Whalen Company, Inc, 1717 K Street, NW, #700 Washington, DC 20006	Equitable Life Assurance Society of the U.S.		
Do	Toyota Motor Sales, USA, Inc		
Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
David W. Wheeler, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	34,980.10	9,936.14
Larry Wheeler, 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company	110.00	
John C. White, White Consulting Group, Suite 380 2000 M Street, NW Washington, DC 20036	AMGEN	8,000.00	
Do	Camp Barsh Bates & Tate		
Do	Chicago Mercantile Exchange		
Do	Coastal Corporation	20,000.00	
Do	Goldman, Sachs & Company	5,000.00	
Do	Tobacco Institute	4,000.00	
John Thomas White III, 490 L'Enfant Plaza East, SW, #2202 Washington, DC 20024	Tenneco Gas		
Joyce White, 222 NW Davis, #309 Portland, OR 97209	Oregon Trail Coordinating Council		568.45
Larry White, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	698.65	
Leland J. White, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	312.65
Margita E. White, 1400 16th Street, NW, #610 Washington, DC 20036	Association of Maximum Service Telecasters, Inc	481.00	
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corporation	3,500.00	1,418.50
Richard H. White, 1875 I Street, NW, #800 Washington, DC 20006	Tobacco Institute	600.00	36.17
Toni D. White, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	596.70	130.89
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Edison Electric Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Gadot Petrochemical Industries	2,031.00	114.55
White Fine & Verville, 1156 15th St., NW, #1100 Washington, DC 20005	Association of Regionally Accred Priv Coll & Univ	30,000.00	
Whiteford Taylor & Preston, 888 17th St., NW, #400 Washington, DC 20006	National Constructors Association	6,666.00	4,414.78
Suzanne K. Whitehurst, 332 Constitution Ave., NE Washington, DC 20002	Marcus G. Faust, PC (For:Central Utah Water Conservancy District)	1,430.00	
Do	Marcus G. Faust, PC (For:Clark County Nevada-McCarran International Airport)	1,430.00	
Do	Marcus G. Faust (For:Geneva Steel)	1,430.00	
Do	Marcus G. Faust, PC (For:Las Vegas Valley Water District)	1,430.00	
Do	Marcus G. Faust, PC (For:Public Service Co of New Mexico)	1,430.00	
Do	Marcus G. Faust, PC (For:Sierra Pacific Power Co)	1,430.00	28.62
Do	Marcus G. Faust, P.C. (For:State of Montana Dept of Natural Resources & Conservation).	1,430.00	
Wayne A. Whitham, 1021 East Cary Street, 17th Floor P.O. Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)		
Richard M. Whiting, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos		
Elizabeth D. Whitley, 600 Maryland Ave., SW, #800 Washington, DC 20024	American Farm Bureau Federation	7,875.00	126.21
Cameron Whitman, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	FAIR	200.00	16.00
Robert L. Whitmire, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	915.65
William F. Whitsitt, 1212 New York Avenue, NW, Suite 1200 Washington, DC 20005-6419	Oryx Energy Company	1,750.00	209.54
Larry H. Whitt, 9111 E. Douglas Wichita, KS 67207	Pizza Hut, Inc		
Robert Whittaker, c/o Fleishman Hillard, Inc 1301 Connecticut Ave., NW Washington, DC 20036	J. I. Gray & Associates		
Do	Arnold J. Lande MD.		
Whitworth & Associates, 801 Pennsylvania Ave., NW, #747 Washington, DC 20004	Mesa Limited Partnership	3,000.00	
William E. Wickert Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	135.00	
Helen C. Wiederhorn, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	3,382.80	3,075.64
Richard S. Wiedman, 600 Grant Street, 42nd Floor Pittsburgh, PA 15219	Eckert Seamans Cherin & Mellott (For:Ormet Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Ravenswood Aluminum Corp)		
Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35203	Alabama Power Co	19,106.18	2,221.42
Wiggin & Dana, One Century Tower P. O. Box 1832 New Haven, CT 06508-1832	Villa Banfi, U.S.A.		
W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,975.00	
Valerie Wilbur, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging	457.00	302.05
Shirley J. Wilcher, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges and Universities	8,106.00	44.00
Wildlife Legislative Fund of America, 1000 Connecticut Ave., NW, #1202 Washington, DC 20036			5,200.00
Cynthia H. Wiles Consulting, 10898 Woodleaf Lane Great Falls, VA 22066	Environmental Research Institute of Michigan	10,562.50	309.02
Do	Industrial Technology Institute		
Wiley Rein & Fielding, 1776 K Street, NW, 12th Fl. Washington, DC 20006	American Newspaper Publishers Assn	440.00	
Do	Association for Public TV (APTV)		
Do	Association of Telemessaging Services, International	684.00	59.00
Do	Firemens Fund Insurance		
Do	J.C. Penney		
Do	Marine Mammal Coalition		
Do	Merchants National Bank	14,192.00	826.36
Do	National Assn for Information Services	2,453.00	
Do	National Health Care Anti-Fraud Assn		
Do	Olan Mills, Inc	6,813.00	232.52
Do	Operator Service Providers of America		
Do	Pharmaquest		
Do	Prodigy Services Company		
Do	United Parcel Service	3,513.00	103.85
Do	Washington Citizens for World Trade	13,015.00	2,692.99
Guenther O. Wilhelm, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Carl B. Wilkerson, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Julia Bullard Wilkie, 206 E Street, NE Washington, DC 20002	National Roofing Contractors Assn	1,944.00	700.95
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Empire Blue Cross & Blue Shield	21,325.00	330.00
Do	Fleet/Norstar Financial Group	14,230.00	2,118.00
Do	Hobbs Straus Dean & Wilder	3,850.00	270.50
Do	J.C. Penney Co, Inc	3,250.00	236.98
Do	Solano Water Authority	650.00	10.00
Daniel Will, 306 Commonwealth, #4 Alexandria, VA 22301	National Taxpayers Union	4,328.00	
Jack L. Williams, 451 New Jersey Avenue, SE Washington, DC 20003	Ark-Best Co	1,500.00	300.00
Do	Arkansas Louisiana Gas Co (ARKLA)	3,550.00	300.00
Do	Coalition for American Energy Security	1,500.00	250.00
Do	Electro Com Automation, Inc	1,500.00	250.00
Do	Riceland Foods, Inc	1,550.00	225.00
Do	Tyson Foods, Inc	1,550.00	275.00
James J. Williams, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Leonard B. Williams, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	50.00	304.64
Lucinda L. Williams, 733 15th Street, NW, #700 Washington, DC 20005	National Medical Enterprises, Inc	4,980.00	
Merrill Williams, 3701 Connecticut Ave., NW, #802 Washington, DC 20008	Freshwater Press, Inc		
Do	Galactical Biochemical		
Do	National Credit Improvement Group		
Michael E. Williams, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,046.45	495.79
Perry F. Williams, 225 Main St. Newington, CT 06111	American Radio Relay League, Inc	1,973.00	1,525.00
Peter Williams, 2030 M St., NW Washington, DC 20036	Common Cause	450.00	
Richard T. Williams, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	
Robin L. Williams, 1667 K St., NW, #210 Washington, DC 20006	Rohm & Haas Co	700.00	10.00
Wanda Williams, 317 10th Street, NE, #8 Washington, DC 20002	Career College Assn	1,000.00	233.32
William C. Williams, 44 East Mifflin Street P.O. Box 1807, #1000 Madison, WI 53701-1807	Bell Metzner Gierhart & Moore (For:Wisconsin Cheese Makers Assn)		
Williams & Connolly, 839 17th St., NW Washington, DC 20006	Gtech	227.50	227.50
Do	National Comm to Preserve Social Security		
Do	North American Assn of State & Provincial Lotteries		227.50
Alan R. Willis, Box 3529 Portland, OR 97208	Port of Portland	10,696.00	
Roy W. Willis, 1101 16th Street, NW Washington, DC 20036	Independent Petroleum Assn of America		888.17
Wayne D. Willis, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	1,015.03	277.72
Willkie Farr & Gallagher, 1155 21st Street, NW, # 600 Washington, DC 20036	American Nuclear Energy Council (ANEC)		
Do	Association of International Auto Manufacturers	2,964.00	51.55
Do	Institute of Resource Recovery (IRR)	2,192.50	
Do	Morgan Guaranty Trust Co	40,416.50	366.01
Do	National Assn of Independent Fee Appraisers	2,582.50	
Do	Standard Commercial Tobacco Co	1,603.00	
Do	Telecommunications Industry Assn		
Do	Westinghouse Electric Corp	7,924.50	38.94
Do	Yamaha Motor Co, Ltd, et al.	2,697.50	38.95
Do	Yamaha Motor Manufacturing Corp of America		
Cindy J. Wilmer, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,500.00	50.00
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Advanced Network & Services, Inc (ANS)	295.00	
Do	Aetna Life & Casualty Co	1,143.75	10.00
Do	American Honda Motor Co, Inc		
Do	Association of American Universities		
Do	Business Roundtable	1,180.00	
Do	Capital Cities/ABC, Inc		
Do	Citibank, N.A.		
Do	Computer Systems Policy Project		
Do	Cook Inlet Communications, L.P.		
Do	Educational Testing Service	60.00	
Do	Federal Home Loan Bank of San Francisco		
Do	G-IV Family Coalition, Inc		
Do	Handgun Control, Inc		
Do	Intellectual Property Committee		
Do	International Metals Reclamation Company, Inc		
Do	Long Island Savings Bank		
Do	Pepsico, Inc		
Do	Southeast Banking Corporation		
Do	World Savings & Loan Assn		
Ann Wilson, 1611 Duke Street Alexandria, VA 22314	American Movers Conference	2,900.00	
Charles D. Wilson, 1919 South Broadway, Box 19130 Green Bay, WI 54307-9130	Fort Howard Corp	1,538.40	1,974.69

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	1,130.00	12.00
Gary Wilson, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemens Assn	1,000.00	
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,375.00	130.71
Patricia M. Wilson, 818 Connecticut Ave, NW Washington, DC 20006	USX Corporation		
Robert Dale Wilson, 1900 L Street, NW, #500 Washington, DC 20036	Wilson & Wilson (For:Cadmium Council)		
Do	Wilson & Wilson (For:Hecla Mining Company)		
Robert Gary Wilson, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc	50.00	21.00
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co	57.00	19.88
Quentin Wilson & Associates, Inc, 25 North Brentwood Blvd. St. Louis, MO 63105	University of Missouri-Rolla	12,000.00	
Mark V. Wimberly, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Mississippi Power Co	22,719.24	6,473.06
John P. Winburn, 50 E Street, SE Washington, DC 20003	Winburn Associates, Inc (For:American Assn of Equipment Lessors)	22,500.00	
Do	Winburn VanScoyoc & Hooper (For:American Automotive Leasing Assn)	6,000.00	
Do	Winburn VanScoyoc & Hooper (For:American Insurance Assn)	45,000.00	
Do	Winburn Associates, Inc (For:Burlington Northern Railroad Company)	15,000.00	
Do	Winburn Associates, Inc (For:Burlington Northern Services, Inc)	15,000.00	
Do	Winburn Associates, Inc (For:Fag Bearings Corp)	15,000.00	
Do	Winburn Associates, Inc (For:Hartford, (The))	45,000.00	
Do	Winburn Associates, Inc (For:Leggett & Platt)	6,000.00	
Do	Winburn Associates, Inc (For:National Assn of County Office Employees)	3,000.00	
Do	Winburn Associates, Inc (For:Pennzoil)	9,000.00	
Do	Winburn Associates, Inc (For:Philip Morris)	54,000.00	
Stephen H. Wines, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	7,438.48	
Eileen M. Winkelman, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	600.00	687.45
David A. Winston, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	887.50	90.00
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	American Assn of Museums		
Do	Compaq Computer Corporation		
Do	Cooper Tire & Rubber Company		
Do	Digital Equipment Corporation	560.00	10.00
Do	Federal Intermediate Credit Bank of Jackson	30,685.00	1,972.95
Do	International Council of Shopping Centers	287.50	8.00
Do	Mississippi Department of Economic & Community Development	26,129.30	995.71
Do	National Council of Health Facilities Finance Authorities		
Do	National Private Cable Assn		
Do	Natural Gas Pipeline Coalition		
Linda A. Winter, 1400 Sixteenth Street, NW Washington, DC 20036-2266	National Wildlife Federation	746.87	
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	America West Airlines, Inc		
Do	Amoco Performance Products, Inc		
Do	Bowater, Inc		
Do	Bristol-Myers Squibb		39.93
Do	Brown & Bain		
Do	Business Roundtable		
Do	BASF Corp		
Do	BASF Structural Materials, Inc		
Do	Connecticut Liquidity Investment Fund, Inc		
Do	Fiberite Corp		
Do	Hercules Aerospace Co		
Do	IBJ Schroder Bank & Trust Co		
Do	Macrovision, Inc	25,355.00	309.32
Do	MTN Coalition		
Do	National Vehicle Leasing Assn		
Do	Navajo Nation		10.00
Do	Sabreliner Corp	13,775.00	9.00
Do	Saloman Brothers, Inc		
Do	Snappy Car Rental		
Do	Thrifty Rent-A-Car System, Inc		
Elizabeth Wirick, 805 15th Street, NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	145.70
Melanie Wisniewski, P.O. Box 520783, GMF Miami, FL 33152	Burger King Corp		8,899.58
Robert V. Witeck, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Republic of Turkey)		
Walter J. Witek Jr., 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Lyn M. Withey, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper Co	2,085.00	135.98
Cynthia D. Witkin, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
Sandra W. Wobbe, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	636.00	
J. Thomas Wolfe, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries	3,200.00	106.00
Melissa A. Wolford, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	(For:American Insurance Assn)	350.00	
Don Womack, Suite 303 1825 K St., NW Washington, DC 20006	Texas Utilities Services, Inc	3,375.00	84.47
Linda Womack, 2100 E. Exchange Place Tucker, GA 30085-1349	Oglethorpe Power Corp	9,075.00	921.69
Richard Marvin Womack, Market Square 801 Pennsylvania Ave., NW, #720 Washington, DC 20004-2604	Procter & Gamble Co	45.76	
Donna Y. Wood, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
Mildred Wood, 2000 K Street, NW #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	1,649.00	
S. Roy Woodall Jr., 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20005	National Assn of Life Companies	2,000.00	25.00
Mark E. Woodbridge, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S. Arab Chamber of Commerce		
Andrew L. Woods, 625 Indiana Avenue, NW Suite 500 Washington, DC 20004-2901	Taft Stettinius & Hollister (For:Special Committee for Health Care Reforms)		
Irvin M. Woods, P.O. Box 521 The Plains, VA 22171	Maule Air, Inc		
Do	National Assn of Air Traffic Specialists	3,000.00	1,600.00
Jeanne M. Woods, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,315.00	
Cynthia Woodside, 701 N. Fairfax Street Alexandria, VA 22314-2045	(For:United Way of America)	4,947.69	6.55
Robert W. Woody, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae		
Noel C. Woosley, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Laura Dallman Wooster, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage and Family Therapy	7,597.00	
Worthington Associates, 2132 Southbay Lane Reston, VA 22091	HRM		
David L. Wray, 20 North Wacker Drive Chicago, IL 60606	Profit Sharing Council of America		
Andrew S. Wright, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	395.00	125.00
David L. Wright, Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		
Elizabeth L. Wright, 1455 Pennsylvania Ave., NW Suite 230 Washington, DC 20004	Texas Instruments	1,000.00	123.00
Wunder Diefenderfer Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Ad Hoc Committee for a Competitive Electric Supply System		
Do	American Bus Assn	3,875.00	
Do	American International Automobile Dealers Assn		
Do	American International Group, Inc		
Do	American Iron & Steel Institute	5,569.00	368.00
Do	American Orthotic & Prosthetic Assn	6,715.51	
Do	American Society of Assn Executives	3,328.71	
Do	Association of American Railroads	1,249.95	37.27
Do	BellSouth Corp		
Do	Bermuda, Government of		
Do	Business Council on Indoor Air		
Do	Committee Against Revising Staggers		
Do	Connaught Laboratories, Inc	3,634.10	
Do	Council of Industrial Boiler Owners	7,348.00	230.00
Do	Crescent Cities Jaycees Foundation, Inc	2,070.86	
Do	Environmmental Air Control, Inc		
Do	Grand Metopolitan/Pillsbury	1,122.76	
Do	Industrial Oil Consumers Group		
Do	Investment Company Institute	1,500.00	92.03
Do	ITT Corporation		
Do	Johanna Dairies, Inc		
Do	Kohlberg Kravis Roberts & Co	1,877.00	321.90
Do	Marina Paficia Oil Company		
Do	Maxxam	21,311.00	37.40
Do	Metropolitan Life Insurance Co	6,400.00	342.40
Do	Montana Department of Highways	850.00	
Do	Mutual Life Insurance Co Tax Committee	20,900.00	
Do	National Cable Television Assn, Inc	625.00	28.95
Do	National Funeral Directors Assn	2,875.00	
Do	National Retail Hardware Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	North American Phillips Corp	23,502.50	3,227.70
Do	Northwestern Mutual Life Insurance Co	9,999.60	276.00
Do	Nutri-System, Inc	15,822.20	1,148.57
Do	NEC Home Electronics (USA) Inc		
Do	NYNEX Corp	8,803.00	362.60
Do	Outdoor Advertising Association of America Inc		
Do	Pfizer, Inc	5,309.00	218.00
Do	Philip Morris Management Corp	3,082.00	217.00
Do	Polaris Industries		
Do	Process Gas Consumers Group	1,563.00	1,833.50
Do	QVC Network, Inc	6,134.00	1,173.54
Do	Rohm & Haas		
Do	RJR Nabisco	3,000.00	65.20
Do	SmithKline Beecham	2,303.62	
Do	South Dakota Dept of Transportation	850.00	
Do	Stanford University	1,840.93	40.00
Do	Thomson Consumer Electronics, Inc		
Do	Trailer Train Co		
Do	U.S. Telephone Assn	14,666.50	622.00
Tracy Wurzel, 600 Maryland Ave, #700 Washington, DC 20024	National Federation of Independent Business	3,401.00	300.00
Jeffery D. Wyatt, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron Chemical Company		
James Wyerman, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	2,127.69	42.00
Thomas L. Wylie, 555 13th St., NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	1,519.00	8.00
Edward Wytkind, 400 North Capitol Street, NW, #861 Washington, DC 20001	Transportation Trades Department, AFL-CIO	2,850.00	
Marc D. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	575.00	
Milan P. Yager, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Nick Yaksich, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Deborah K. Yamada, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	12,378.56	315.25
T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Yankee Gas Services Company, 599 Research Parkway P.O. Box 1030 Attn: Steve Piascik Meriden, CT 06450			150.90
Mary J. Yarrington, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	3,560.00	
Bruce Yarwood, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	22,500.00	1,362.11
Edward R. Yawn, 701 Pennsylvania Avenue, NW Washington, DC 20004-5475	Edison Electric Institute	1,222.97	282.88
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	9,960.00	72.95
Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	10,000.00	273.23
John S. Yodice, 500 E Street, SW, #930 Washington, DC 20024	Yodice Associates (For:Aircraft Owners & Pilots Assn)		
Andrew Yood, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Thomas F. Youngblood, 1201 New York Avenue, NW Washington, DC 20005-3931	American Hotel & Motel Assn	2,233.84	
Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005	American Petroleum Institute	8,000.00	140.26
Eugene A. Yourch, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Paulette Zakrzeski, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	16,000.00	748.28
Paul j. Zanowski, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	4,900.00	
Thomas K. Zaucha, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Shirley Zebroski, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	1,992.96
Eugene J. Zeiszler, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,620.00	250.00
Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	1,850.00	348.82
Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	2,800.00	2,748.80
Arlene Zielke, 3724 West 107th Street Chicago, IL 60655	National Congress of Parents & Teachers		1,944.20
Elaine Ziemba, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	2,000.00	153.83
Kelly Ziglar-Clay, 805 15th Street, NW, #1110 Washington, DC 20005	Mortgage Insurance Companies of America	6,474.97	311.58
Fred Everett Zillinger II, 501 Second Street, NE Washington, DC 20002	Fertilizer Insititue	9,000.00	1,341.73
John H. Zimmerman, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Daniel C. Zingale, 1200 Seventeenth Street, NW Washington, DC 20036	American Psychological Assn (APA)	900.00	70.00
Ziontz Chestnut Varnell Berley & Slonim, 2101 Fourth Avenue, #1230 Seattle, WA 98121	Fallon Paiute-Shoshone Tribes		
Do	Makah Indian Tribe		
Amy G. Zirkle, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	8,437.50	138.25
Gary M. Zizka, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	2,000.00	633.08
Zurich-American Insurance Co, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Company		
Charles O. Zuver, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	99.62
31st Pro-Life Congressional District Action Comm, 8654 Bonview Terrace Williamsville, NY 14221			
965, Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Bath Iron Works Corp		
Do	General Electric Company	100.00	
Do	Intermarine USA	100.00	
Do	Kaman Diversified Technologies	125.00	
Do	Woods Hole Oceanographic Institution	300.00	

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1991 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Is this an Amendment? ☐ YES ☐ NO

IDENTIFICATION NUMBER

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee"*.—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer"*.—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1◆

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value*. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............''Expense Money'' and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": ....◆

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*______________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates*—	*Name and Address of Recipient—Purpose*
$1,750.00	7-11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15:	Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A-K Associates, Inc, 1024 10th Street, #300 Sacramento, CA 95814	City of South Lake Tahoe	3,000.00	2,035.07
Do	Golden Gate Bridge Highway & Transportation District	6,300.00	4,070.14
Do	Reclamation District 1000		
Do	Tobacco Institute	31,200.00	34,596.18
Ande M. Abbott, 2722 Merrilee Drive, #360 Fairfax, VA 22031	International Brotherhood of Boilermakers...	308.55	
Leanne J. Abdnor, 1350 I Street, NW, #670 Washington, DC 20005	Koch Industries, Inc	3,000.00	872.23
Aborn & Anesi, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	9,000.00	
Adele L. Abrams, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Elaine Acevedo, 216 7th Street, SE Washington, DC 20003	Florist's Transworld Delivery Assn	2,000.00	
Kenneth R. Adams, 2211 Congress Street Portland, ME 04122	UNUM Life Insurance Co	465.00	125.00
Sandra Sue Adams-Choate, 80 F Street, NW Washington, DC 20001	American Federation of Government Employees	3,402.21	
David A. Affeldt, 10404 Joiners Lane Potomac, MD 20854	American Assn of Retired Persons		
Do	Association for Gerontology in Higher Education	1,250.00	
Creigh H. Agnew, 2001 L St., NW, #304 Washington, DC 20036	Weyerhaeuser Company		
Herbert Allen Ailsworth, 1615 L Street, NW, #420 Washington, DC 20036	Sandoz Corp		75.00
Air Traffic Control Assn, Inc, 2300 Clarendon Boulevard, #711 Arlington, VA 22201		3,880.28	3,880.28
Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	23,500.00	
Julia L. Akins, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Alcalde Rousselot & Fay, 1901 North Ft. Myer Drive, 12th Floor Rosslyn, VA 22209	Alliance for Responsible CFC Policy	6,000.00	
Do	American Counsel of State Savings Supervisors	3,000.00	
Do	Barbee Curran Elevator Co		
Do	City of Las Vegas	4,000.00	
Do	Colton Communities		
Do	Consolidated Freightways	5,000.00	
Do	Council on Audio Communications (COAC)	1,500.00	
Do	Credit Union National Assn	3,000.00	
Do	Jack Eckerd Corp	1,000.00	
Do	Elcon Enterprises	1,000.00	
Do	EMSA Limited Partnership	3,500.00	
Do	Home Shopping Network	30,000.00	
Do	International Council of Cruise Lines	30,000.00	
Do	Jim Walter Corp	3,000.00	
Do	Port of Jacksonville	3,000.00	
Do	Regular Common Carrier Conference	2,000.00	
Do	Tampa Electric Co	6,000.00	
Do	Tampa Port Authority	6,000.00	
Do	Towers Financial Corp	7,500.00	
Do	Walter Industries	2,000.00	
Do	Washington Workshops	2,000.00	
Marjorie D. Allen, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,310.76	1,027.00
Laura L. Allendorf, 1101 Vermont Avenue, NW, #500 Washington, DC 20005	American Soc of Internal Medicine	1,250.00	308.41
Alliance for Acid Rain Control, 444 N. Capitol Street, #526 Washington, DC 20001		60,000.00	1,398.12
Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW Washington, DC 20016			5,000.00
Jerome A. Ambro Associates, 4734 Timber Ridge Dr. Mountclair, VA 22026	Associated Universities	20,000.00	20,254.09
Robert P. Ambrose, 14615 Lone Oak Road Eden Prairie, MN 55344	Cooperative Power Association	5,000.00	1,207.70
American Advertising Federation, 1400 K Street, NW, #1000 Washington, DC 20005			
American Apparel Manufacturers Assn, Inc, 2500 Wilson Blvd., #301 Arlington, VA 22201		3,307.40	3,307.40
American Assn for Counseling & Development, 901 East Capitol Street, SE Second Floor Wahington, DC 20003		27,261.00	45,825.00
American Assn for Marriage & Family Therapy, 1100 17th Street, NW, 10th Fl Washington, DC 20036		30,104.00	30,104.00
American Assn of Boomers (AAB), 2621 W. Airport Frwy, #101 Irving, TX 75062			
American Assn of Exporters & Importers, 11 West 42nd Street, 30th Fl. New York, NY 10036			625.00
American Assn of Museums, 1225 Eye Street, NW, #200 Washington, DC 20005		8,755.00	8,720.30
American Automobile Assn, 500 E Street, SW, #950 Washington, DC 20024			
American Consulting Engineers Council, 1015 15th Street, NW, #802 Washington, DC 20005		40,375.00	38,046.62
American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036			120,025.48
American Feed Industry Assn, 1501 Wilson Blvd., #1100 Arlington, VA 22209		4,440.00	4,440.00
American Financial Services Assn, 919 18th Street, NW Washington, DC 20006			1,000.00
American Grain Inspection Institute, 1629 K Stret, NW, #1100 Washington, DC 20006		47.18	1,170.90
American Hellenic Institute Public Affairs Committee, Inc, 1730 K Street, NW, #1005 Washington, DC 20006			
American Humane Association, 63 Inverness Drive, East Englewood, CO 80112		15,511.00	15,511.00
American International Automobile Dealers Assn, 1128 16th Street, NW Washington, DC 20036		355,860.00	108,846.00
American Library Assn, 50 E. Huron St. Chicago, IL 60611		1,596.00	9,331.00
American Managed Care & Review Assn, 1227 25th St., NW, #610 Washington, DC 20037			2,400.00
American Medical Peer Review Assn, 810 First Street, NE, #410 Washington, DC 20002			
American Motorcyclist Assn, P.O. Box 6114 Westerville, OH 43081		24,854.44	24,854.44
American Optometric Assn, 1505 Prince Street, #300 Alexandria, VA 22314			
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			14,385.00
American Soc for Medical Technology, 2021 L Street, NW, #400 Washintgton, DC 20036			16,426.64
American Soc of Cataract & Refractive Surgery, 3702 Pender Drive, #250 Fairfax, VA 22030			3,955.91
American Soc of Hospital Pharmacists, 4630 Montgomery Avenue Bethesda, MD 20814			13,170.00
American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314			7,700.00
American Veterans of World War II, Korea & Vietnam (AMVETS), 4647 Forbes Boulevard Lanham, MD 20706			27,200.00
Americans for Immigration Control, Inc, P.O. Box 738 Monterey, VA 24465		10,697.68	10,697.68
Steven C. Andersen, 422 First Street, SE, #208 Washington, DC 20003	Pearson & Pipkin, Inc (For:Embassy of South Africa)		
Do	Pearson & Pipkin, Inc (For:Physicians Who Care)		
Anthony A. Anderson, 2100 Pennsylvania Avenue, NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:Community Transportation Assn)	3,325.00	
Do	Eckert Seamans Cherin & Mellott (For:Metropolitan Transportation Authority)		
Bette B. Anderson, 1030 15th St., NW, #700 Washington, DC 20036	KCI (For:SICPA Industries of America, Inc)		
Do	KCI (For:U.S. Banknote Corp)		
Richard F. Anderson, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	12.00
Anderson Hibey Nauheim & Blair, 1708 New Hampshire Ave., NW Washington, DC 20009	Alamo Rent-A-Car, Inc	1,872.35	10.64
Do	Bay Area Rapid Transit District	272.25	
Do	Communications Industries Assn of Japan	600.00	
Do	Electronic Industry Assn of Japan	1,159.57	
Do	Institute for Financial & Fiscal Studies		
Do	Japan Machine Tool Builders Assn	250.00	64.13
Do	Navajo Nation	5,000.00	164.45
Do	Oregon Landmark-Three		
Do	Park 'N Fly, Inc		
Do	Project Orbis, Inc	750.00	
Do	Riviana Foods, Inc	320.00	
Owen W. Anglum, 1667 K Street, NW, #650 Washington, DC 20006	Armco, Inc	500.00	750.00
Thomas D. Anthony, 2500 Central Trust Center 201 E. Fifth Street Cincinnati, OH 45202	Frost & Jacobs (For:Comprehensive Medical, Inc)		
Do	Frost & Jacobs (For:Louisville Imaging Services, Inc)		
Do	Frost & Jacobs (For:Western Hills Imaging Center, Inc)		
Apple Processors Assn, 1629 K Street, NW, #1100 Washington, DC 20006		26,976.00	19,509.88
John Archer, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
John A. Armstrong, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		
L. Wayne Arny & Company, 600 New Hampshire Ave., NW Washington, DC 20037	American Logistics Infrastructure Improvement Construction	14,000.00	400.00
Do	FMC Corp	4,000.00	400.00
Do	Guam Airport Authority	16,000.00	1,000.00
Do	Liberty Maritime	2,000.00	
Do	Technology for Communications, International	9,000.00	550.00
Nan Aron, 1601 Connecticut Avenue, NW Washington, DC 20009	Alliance for Justice		
Karen McGill Arrington, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	2,623.32	16.66
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		20,000.00	
Association of American Foreign Service Women, P.O. Box 70051 Washington, DC 20024-0051		6,107.96	
Association of American Publishers, 1718 Connecticut Avenue, NW Washington, DC 20009-1148		16,447.00	16,447.00
Ater Wynne Hewitt Dodson & Skerritt, 1225 19th Street, NW, #200 Washington, DC 20036	Agriculture Ocean Transportation Coalition	1,650.00	1,367.50
Do	AVIA Footwear, Inc	4,400.25	908.77
Do	CFI	6,656.25	160.16
Do	First Technology Credit Union	6,957.00	170.75
Do	Indiana Ports Commission		
Do	Maritime Fire and Safety Assn	7,510.50	193.80

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Coalition for Abortion Providers (NCAP)		1,830.66
Do	Oregon Economic Development Dept, Marine Div	7,407.10	275.30
Do	Pacific Coast Coun of Custom Brokers & Freight Forwarders	9,000.00	2,085.44
Do	Port of Portland	7,500.00	1,386.33
Do	Port of Redwood City	6,000.00	400.81
Do	Reebok International Ltd	23,251.75	3,888.11
Victor Atiyeh & Co, 519 SW Park St., #208 Portland, OR 97205	Fujitsu, Ltd		
Do	Seiko Epson		
Automotive Parts Rebuilders Assn, 6849 Old Dominion Drive McLean, VA 22101			
Automotive Refrigeration Products Institute, 4600 East-West Highway Bethesda, MD 20814			
John S. Autry, 1146 19th Street, NW Washington, DC 20036	Susan Davis Companies	12,000.00	871.14
Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7	Mil Davie Inc		
Richard E. Ayres, 555 13th Street, NW, #500 West Washington, DC 20004	Natural Resources Defense Council, Inc		
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	American Maritime Congress		
Do	American Red Cross		7.50
Do	Asocolflores		
Do	City Utilities of Springfield	1,137.50	
Do	Colorado River Energy Distributors Assn		82.10
Do	Emerald Public Utility District		
Do	Fujisawa USA, Inc	500.00	
Do	Heart of America Northwest	5,045.00	49.07
Do	Hoffman-La Roche		8.25
Do	Kansas Municipal Energy Agency		
Do	Missouri Joint Municipal Electric Utility Commission		
Do	Pasminco	1,462.50	
Do	Philip Morris Management Corp		
Do	Profilo Holding A.S.		
Do	Sacramento Municipal Utility District	33.75	11.60
Do	State Farm Mutual Automobile Insurance Co	70.00	
Do	Tennessee Valley Public Power Assn	67.50	4.00
Edward J. Babbitt, 400 Broadway Cincinnati, OH 45202	Western-Southern Life Insurance Co	825.00	25.00
Hope M. Babcock, Georgetown Law Center 600 New Jersey Ave., NW Washington, DC 20001	National Audubon Society		
Victor Bach, 105 East 22nd Street New York, NY 10010	Community Service Society	2,708.66	
Bronwyn Bachrach, 499 South Capitol Street, SW #507 Washington, DC 20003	Hecht Spencer & Associates (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:Farmers Insurance Group of Companies)		
Do	Hecht Spencer & Associates (For:Mars, Inc)		
Do	Hecht Spencer & Associates (For:Marwais Steel Co)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Do	Hecht Spencer & Associates (For:National Automatic Merchandising Assn)		
Do	Hecht Spencer & Associates (For:Charles E. Smith Management, Inc)		
Richard Anthony Baenen, 1735 New York Avenue, NW, #600 Washington, DC 20006	NANA Regional Corp, Inc		
Do	People's Republic of Angola		
Do	Shee Atika, Inc		
George F. Bailey Jr., 400 South Union Street, #495 Montgomery, AL 36104	CSX Transportation		
William A. Bailey, 1200 17th St., NW Washington, DC 20036	American Psychological Assn	3,000.00	58.20
Sheila Bair, 2033 K Street, NW, #802 Washington, DC 20581	Commodity Futures Trading Commission		
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	587.50	
Gerald E. Baker, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,000.00	656.29
Willie L. Baker, 1775 K Street, NW Washington, DC 20006	United Food & Commercial Workers International Union	29,214.22	712.18
Baker Worthington Crossley Stansberry & Woolf, 801 Pennsylvania Ave., NW, #800 Washington, DC 20004	Burger King Corp	1,597.70	
Do	Philip Morris Management Corp	2,047.50	
Do	Tracinda Corp	12,749.40	30.00
Do	U.S. Sprint/Contel	4,486.50	93.39
Patricia A. Baldi, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		420.00
M. Graeme Bannerman, 888 16th St., NW Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)	3,000.00	492.01
Do	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	32.00
Do	Bannerman and Associates, Inc (For:Government of Tunisia)	3,000.00	125.51
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	5,000.00	289.45
Robert D. Bannister, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.	29,242.32	288.55
Baraff Koerner Olender & Hochberg, P.C., 5335 Wisconsin Avenue, NW, #300 Washington, DC 20015-2003	College Football Association	150.00	
Do	Football Bowl Assn	2,500.00	
Do	National Basketball Assn	2,680.00	
Do	National Hockey League	3,130.00	
Gary C. Barbour, 507 2nd Street, NE Washington, DC 20002	Portland General Electric		520.06
Haley R. Barbour, P.O.Box 960 Yazoo City, MS 39194	American Maritime Congress	22,500.00	
Do	American Rice Incorporated	15,000.00	249.35
Do	Priamerica Financial Services	32,000.00	367.02
Rebecca T. Barbour, 1025 Connecticut Ave., NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Abbott Laboratories	15,260.41	378.92
Do	J.G. Durand International	19,834.32	320.75
Do	Florida Citrus Mutual		
Do	Industrial Fastener Equity Committee		
Do	Marion Merrell Dow, Inc	780.29	175.44
Do	Polaroid Corp	14,202.35	144.20
Sarah Barnett, 1101 15th Street, NW, #600 Washington, DC 20005	Sugar Assn, Inc	356.00	10.00
Ray A. Barnhart, 2602 Dellana Lane Austin, TX 78746	Marathon Oil Co	9,000.00	701.88
Kenneth R. Barrett, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Thomas S. Barrett, 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates	5,550.00	
Doyle C. Bartlett, 1015 18th Street, NW, #1100 Washington, DC 20036	Conference of State Bank Supervisors	2,782.50	
Linda L. Bartlett, 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	750.00	71.93
Patricia L. Bartlett, 700 13th Street, NW, #800 Washington, DC 20005	Georgia Institute of Technology	1,925.00	
Robert G. Bartlett, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Richard A. Barton, 1101 17th St., NW, #705 Washington, DC 20036	Direct Marketing Assn	4,500.00	16,575.00
Bass and Howes, 1601 Connecticut Ave., NW, #801 Washington, DC 20009	Women's Legal Defense Fund	18,000.00	867.25
Ellen Battistelli, 2010 Massachusetts Ave., NW, 5th Floor Washington, DC 20036	Planned Parenthood Federation of America	1,779.87	10.70
John L. Bauer Jr., 1667 K St., NW, #650 Washington, DC 20006	Armco, Inc	2,400.00	1,302.71
Patricia M. Bauer-Carlen, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Government of Egypt)	500.00	
Do	Bannerman & Associates, Inc (For:Government of Tunisia)		
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for:Government of the Philippines)).		
Beacon Consulting Group, Inc, 1012 Pennsylvania Ave, SE Washington, DC 20003	Asphalt-Rubber Producers Group	4,000.00	
Do	Big Brothers & Big Sisters of America	9,000.00	164.60
Do	Museum of Science & Industry	7,500.00	1,288.79
Do	National Coalition for Volunteer Protection	4,500.00	472.91
Do	National Crime Prevention Council	14,400.00	609.26
Do	National Museum of Health & Medicine Foundation	10,500.00	406.88
Do	TDS Healthcare Systems Corp	8,400.00	674.01
Stacey Beckhardt, 750 17th Street, NW, #1100 Washington, DC 20006	American Society of Clinical Oncology		
Elizabeth W. Beckwith, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	5,000.00	
Edwin L. Behrens, Market Square 801 Pennsylvania Ave., NW, #720 Washington, DC 20004-2604	Procter & Gamble Co	392.64	
David Beier, 1747 Pennsylvania Ave., NW, #1223 Washington, DC 20006	Genentech, Inc	3,000.00	1,186.76
Robert R. Belair, 1800 M Street, NW South Lobby, 9th Floor Washington, DC 20036	Kirkpatrick & Lockhart (For:Center for Civic Education)	5,135.33	809.68
Do	Kirkpatrick & Lockhart (For:Constitutuinal Rights Foundation)	5,135.32	809.68
Do	Kirkpatrick & Lockhart (For:National Institute for Citizen Education in the Law)	5,135.34	809.68
Donald K. Belch, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Stelco, Inc		
Howard H. Bell, 1400 K St., NW, #1000 Washington, DC 20036	American Advertising Federation		
Terre Belt, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,250.00	
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Frederick S. Benson III, 2001 L Street, NW, #304 Washington, DC 20036	Weyerhaeuser Company		40.01
Rebecca J. Berg, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	Sea-Land Corporation	450.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Douglas L. Berger, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Assn	3,000.00	1,398.00
Jane W. Bergwin, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	3,448.00	6,998.00
Peter A. A. Berle, 950 Third Avenue New York, NY 10022	National Audubon Society	1,000.00	362.00
Michael C. Berman, 501 School Street, SW, 8th Floor Washington, DC 20042-2713	American Road & Transportation Builders Assn	500.00	
William R. Berman, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Charles Bernhardt, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees	64.95	
Willard M. Berry, 1625 K Street, NW, #1090 Washington, DC 20006	National Foreign Trade Council, Inc	5,000.00	1,100.00
Beveridge & Diamond, P.C., 1350 Eye Street, NW, #700 Washington, DC 20005	Conference of National Park Concessioners		
Do	FMC Corporation		
Do	Northern Indiana Public Service Company		
Sander M. Bieber, 1500 K Street, NW Washington, DC 20005	Dechert Price & Rhoads (For:Asociacion Mexicana de Casas de Bolsa)		
David Billy, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	9,778.00	
Hugh L. Binford, 327 30th Street West Bradenton, FL 34205			
David R. Bird, 185 S. State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Bishop Cook Purcell & Reynolds, 1400 L Street, NW, #1000 Washington, DC 20005-3502	Oakland County Board of Commissioners		
Do	Thousand Springs Generating Company		
Gerrie Bjornson, 1825 Eye Street, NW, #400 Washington, DC 20006	B.F. Goodrich Co	100.00	
Black Crotty Sims Hubka Burnett Bartlett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Aetna Life Insurance Company		
Do	Health Images, Inc		
Do	Midland Risk Insurance Company		
Do	Nascar, Inc		
Do	Security First Federal Savings & Loan Assn		
Beatrice K. Bleicher, 1200 18th St. NW Washington, DC 20036	Owens-Illinois, Inc	5,000.00	100.00
Richard W. Bliss, 1079 Papermill Court, NW Washington, DC 20007	Amax, Inc		
Do	Figgie International	609.50	114.87
Do	Hunter Industrial Facilities, Inc	1,262.50	412.87
Do	International Bottled Water Assn	2,137.50	784.79
Do	National Paint & Coatings Assn, Inc	612.50	80.34
Do	Spa & Pool Assn		
Shawn M. Bloom, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Joanne Blum, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	11,024.67	262.50
Louis Blumberg, 900 - 17th Street NW Washington, DC 20006	Wilderness Society	2,313.24	347.29
Wayne F. Boan, 13525 East 30th Street, Unit B Tulsa, OK 74134	Employers Council on Flexible Compensation	200.00	
Jeffrey Bobeck, 1341 G Street, NW, #1100 Washington, DC 20005	Molson Breweries USA, Inc	3,900.72	
Do	REN Corporation		
Do	Torrington Company	6,750.00	
Alice Bodley, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	1,354.56	
Robert Spurrier Boege, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Timothy A. Boggs, 1133 21st Street, NW, #400 Washington, DC 20036	Time Warner, Inc	16,000.00	10,704.99
James E. Boland, 1341 G Street, NW, 9th Floor Washington, DC 20005	Philip Morris Management Corp	4,500.00	675.00
Michael J. Bolen, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Naila Bolus, 305 7th Street, SE Washington, DC 20003	Womens Action for Nuclear Disarmament, Inc, et al.	4,300.00	
Brian C. Bonnet, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Bonneville Associates, Inc, 257 E. 200 South, #925 Salt Lake City, UT 84111	Bonneville Pacific Corp	2,000.00	45.54
Do	Nevada Power Co		
Do	Recomp, Inc	775.00	21.62
Do	Solid Waste Composting Council	2,675.00	33.56
Do	Western Regional Council	1,968.50	395.59
Robert Bonnie, 216 7th Street, SE Washington, DC 20003	Scenic America	750.00	400.00
Marina K. Bornemann, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors		
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,681.25	
G. Stewart Boswell, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,916.50	17.20
Wayne A. Boutwell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,250.00	
Albert D. Bowers, 1025 Conn. Ave., #200 Washington, DC 20036	Shell Oil Co	500.00	
Betty Hudson Bowers, 1627 K Street, NW, #300 Washington, DC 20006	Fluor Corporation	15,000.00	63.14
Josh Bowers, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Michael Bowers, 1100 17th Strret, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	2,838.00	
J. Laing Bowles, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	453.75	
Gina M. Bowman, P.O. Box 7305, Dept. 178 Kansas City, MO 64116	Farmland Industries, Inc		
Jim D. Bowmer, P.O. Box 844 Temple, TX 76503	Bowmer Courtney Burleson Normand & Moore (For:Naman Howell Smith & Lee (for: Temple Junior College)).		
Bowmer Courtney Burleson Pemberton & Normand, P.O. Box 844 Temple, TX 76503	Namen Howell Smith & Lee (for Temple Junior College)		386.35
Joan Costain Bowyer, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	150.00	
Lavinia Boxill, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	1,450.00	
Richard K. Boyd, 299 Park Ave. New York, NY 10171	Westvaco Corporation		947.67
Carolyn A. Boyer, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Raymond F. Bragg Jr., 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	Federal Strategies (For:American Independent Refiners Assn)	1,162.50	392.85
Do	Legislative Strategies (For:Bridge Products)		
Do	Legislative Strategies (For:Cogeneration & Independent Power Coalition of America, Inc).		
Do	Legislative Strategies (For:Consolidated Natural Gas Co)	975.00	414.60
Do	Legislative Strategies (For:Donohue & Associates, inc)	1,425.00	225.10
Do	Legislative Strategies (For:Globos International, Inc)	225.00	36.45
Do	Legislative Strategies (For:National Hydropower Assn)	337.50	
Do	Legislative Strategies (For:Natural Gas Vehicle Coalition)		
Do	Legislative Strategies (For:State of New Mexico (Natural Gas Programs))	825.00	100.00
Do	Texas-New Mexico Power Company		
Do	Legislative Strategies (For:Tosco Corp)	1,050.00	452.76
David L. Brandon, 1129 Twentieth Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
Robert M. Brandon, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action Fund	1,660.00	190.00
Chris Julian Brantley, 1828 L Street, NW #1202 Washington, DC 20036	Institute of Electrical and Electronics Engineers		
Noel Brazil, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Bregman Abell & Kay, 1156 15th St., NW, #1212 Washington, DC 20005	Air Transport Assn of America		
Do	American Fed of Labor & Congress of Industrial Organizations		
Do	American Federal Savings Bank		
Do	Car Rental Coalition	2,500.00	
Do	Committee to Eliminate Equipment Giveaways		
Do	Federal Home Loan Bank of San Francisco		
Do	Temistocles Ramirez		
Do	Trans World Airlines, Inc		
Do	Truck Renting & Leasing Assn	10,000.00	
Michael D. Bromberg, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	4,500.00	
Edward J. Brothers, 5601 South High School Rd. Indianapolis, IN 46241			
Cynthia L. Brown, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	15,000.00	
Donald K. Brown, 1121 L St., #610 Sacramento, CA 95814	Crowley Maritime Corp		
Do	Summa Corporation		
Doreen L. Brown, 1726 M Street NW Washington, DC 20036	Consumers for World Trade		
Lori D. Brown, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	1,118.10	105.00
Michael J. Brown, 18 East Custis Ave. Alexandria, VA 22301	Gold Institute	1,100.00	
Arthur W. Brownell, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	12,499.00	1,566.22
Thomas P. Bruderle, 4630 Montgomery Ave. Bethesda, MD 20814	American Soc of Hospital Pharmacists		9,900.00
Wolf Brueckmann, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
David J. Brugger, 1350 Connecticut Ave., NW, #200 Washington, DC 20036	Association of America's Public Television Stations	958.00	15.90
J. M. Brunkenhoefer, 227 Massachusetts Avenue, NE, #100 Washington, DC 20002	United Transportation Union	6,250.00	
Kenley W. Brunsdale, 6071 Aries Drive Salt Lake City, UT 84118	Fabian & Clendenin (For:Envirocare of Utah, Inc)	1,000.00	1,000.00
Do	Fabian & Clendenin (For:Wasatch County)	1,000.00	1,000.00
Barbara L. Bryant, 1101 17th Street, NW, #1000 Washington, DC 20036	American Physical Therapy Assn, Private Practice Section		
Don C. Buchanan, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	19,394.75	
John G. Buckley, 901 15th Street, NW, #700 Washington, DC 20005-2301	New England Fuel Institute	500.00	
J. Bruce Bugg Jr., 660 N. Main Ave., #350 San Antonio, TX 78205	J. Bruce Bugg, Jr., P.C. (For:Karnes Savings and Loan Assn)		
Ann Garver Bulcao, 316 Pennsylvania Ave., SE, #400 Washington, DC 20003	National Assn of Casualty and Surety Agents	1,500.00	683.79
Thomas J. Bulger, Government Relations, Inc 1620 Eye Street, NW, #300 Washington, DC 20006	County of Fairfax	37,500.00	28,976.77
Do	County of San Mateo	15,000.00	11,110.44
Do	Metropolitan Transportation Commission	26,749.98	21,225.10

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Oakland County	8,721.21	7,018.37
David G. Burden, 200 E. Randolph Dr. Chicago, IL 60601	Amoco Corporation		2,545.80
James D. Burge, 1350 I Street, NW, #400 Washington, DC 20005	Motorola, Inc	6,500.00	
Diane B. Burke, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	13,881.48	751.50
J. J. Burke Jr., 40 E. Broadway Butte, MT 59701	Montana Power Co		125.98
Charles S. Bums, 1015 15th St., NW, #909 Washington, DC 20005	Phelps Dodge Corp	1,200.00	
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Mobil Satellite Corp	5,000.00	
Do	Arthur Andersen & Co		
Do	Chicago & Northwestern Transportation Co		
Do	CEMEX		
Do	Eli Lilly & Company		
Do	Ethyl Corporation		
Do	Lever Brothers Company		
Do	National Assn of Professional Baseball Players (NAPBL)		
Do	Thomson-CSF, Inc		
Do	U.S. Telephone Assn		
Larry D. Burton, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,700.00	
James D. Burwell, Governmental Affairs Dept. (051) Columbia, SC 29218	Scana Corp		8,184.28
Kenneth W. Butler, 2010 Corporate Ridge, #700 McLean, VA 22102	Association of American Railroads	21,250.00	9,380.90
Do	Capital Partnershipps, Inc (For:Coalition for Transit Opportunities)	11,500.00	7,305.89
Do	Capital Partnerships, Inc (For:Hennepin County Regional Railroad Authority)	15,000.00	696.16
Do	Capital Partnerships, Inc (For:North Metro Crosstown Coalition)	30,000.00	2,280.89
William Byler Associates, Inc, 1155 Conn. Ave., NW, #300 Washington, DC 20036	Ak-Chin Indian Community Council	320.55	
Do	Havasupai Tribal Council	214.07	
Do	San Carlos Apache Tribe	1,396.83	
BP America, Inc, 1776 Eye Street, NW, Suite 1000 Washington, DC 20006			4,720.00
John R. Cady, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	600.00	100.00
Morrison G. Cain, 1901 Pennsylvania Ave., NW, #200 Washington, DC 20006	International Mass Retail Assn	6,250.00	
Bruce P. Cameron, 1725 17th Street, NW, #109 Washington, DC 20006	Embassy of Mozambique		809.00
Do	Embassy of Nicaragua	17,500.00	4,045.00
Do	Estna Center		809.00
Jeanne Campbell, Campbell-Raupe, Inc 1010 Pennsylvania Avenue, SE Washington, DC 20003	Algonquin Gas Transmission		
Do	American Assn of Advertising Agencies		
Do	American Nuclear Energy Council		
Do	Invest to Compete Alliance		
Do	National Machine Tool Builders Assn		
Do	Securities Industry Assn		
Do	Stone & Webster Engineering Corp		
Do	Texas Utilities Services, Inc		
Do	Westinghouse Electric Corp		
Clarke D. Camper, 1776 G Street, NW, 3rd Floor Washington, DC 20006	Federal Home Loan Mortgage Corp	4,000.00	3,357.96
Canady Law Legislative Group, 310 N. Grand Ave., #110 Lansing, MI 48933-1279			
Candlelighters, 123 C St., SE Washington, DC 20003			
Richard R. Cape, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Capitol Associates, Inc, 426 C Street, NE Washington, DC 20002	American Academy of Allergy & Immunology	500.00	
Do	American Assn of Cancer Research	300.00	
Do	American Biotechnology Companies	600.00	
Do	American Osteoporosis Alliance	100.00	
Do	American Soc of Nephrology	4,750.00	
Do	American Soc of Tropical Medicine and Hygiene	600.00	
Do	Arthritis Foundation	937.50	
Do	AMC Cancer Research Center	500.00	
Do	Carnation Co	5,000.00	
Do	Citizens Comm for Medical Research & Health Education	300.00	
Do	Cystic Fibrosis Foundation	1,200.00	
Do	Emergency Nurses Assn	250.00	
Do	FDA Council	10,237.50	
Do	Hutchinson Cancer Center	1,800.00	
Do	Illinois Collaboration on Youth	100.00	
Do	International Coordinating Council for Cancer Research	2,000.00	
Do	Joint Council of Allergy & Immunology	450.00	
Do	Massachusetts General Hospital	2,250.00	
Do	National Assn of Pediatric Nurse Associates & Practitioners	1,200.00	
Do	National Association of Addiction Treatment Providers	750.00	
Do	National Coalition for Cancer Research	375.00	
Do	National Multiple Sclerosis Society	675.00	
Do	Partnership for Organ Donation	2,000.00	
Do	Psychiatric Education & Research Foundation	500.00	
Do	Ringling Brothers	2,750.00	
Do	Wellman Laboratory	1,000.00	
Capitol Strategies, 1825 I Street, NW, #1201 Washington, DC 20006	Equitable Capital Management Corp.		590.13
Do	Equitable Life		
Denise A. Cardman, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Kate Carey, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Cos		
Melissa Coggeshall Carey, 3415 North 21st Ave. Arlington, VA 22207	Harris Corporation	907.24	1,286.68
Edward J. Carlough, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	37,827.50	
Eileen Shannon Carlson, 2000 M St., NW Washington, DC 20036	Graham & James (For:R. R. Donnelley & Sons Company)		
Do	Graham & James (For:Federal Judges Association)		
Do	Graham & James (For:Illinois Health Facilities Authority)		
George U. Carneal III, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	American Fisheries Coalition		
Michael C. Carozza, 655 15th Street, NW Washington, DC 20005	Bristol-Myers Squibb Co	1,500.00	
Charles T. Carroll, 2011 Eye Street, NW, #601 Washington, DC 20006	National Association of Stevedores	650.00	
David Carroll, 1101 30th St. NW, 5th Washington, DC 20007	Lafarge Corp (For:Cement Kiln Recycling Coalition)		
Mary Carroll, 555 West 57th Street New York, NY 10019	Greater New York Hospital Assn	808.00	81.00
John R. Carter, 1001 19th Street, North, #800 Arlington, VA 22209	TRW, Inc	704.00	79.23
William E. Casselman II, 1300 I Street, NW, #500-East Washington, DC 20005	Popham Haik Schnobrich & Kaufman, Ltd (For:Ova Noss Family Partnership)		
Lawrence J. Cassidy, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	33,287.50	
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	912.50	
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar, Inc		
Harvey E. Cauthen Jr., 2 Dexter Ave. Montgomery, AL 36104	Alabama Power Co	17,550.00	2,964.28
Cement Kiln Recycling Coalition, 1101 30th Street, NW 5th Floor Washington, DC 20007			
Chadbourne & Parke, 1101 Vermont Ave., NW, #900 Washington, DC 20005	American Paper Institute, Inc		
Do	Napp Chemicals, Inc		
Do	Ruan Transportation Management Systems		
Deborah M. Chalfie, 1319 F St., NW, #300 Washington, DC 20004	Halt, Inc		
Ed Chandler, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	14,025.00	500.00
Richard A. Charter, 6947 Cliff Ave. Bodega Bay, CA 94923	County Administrative Office County of Santa Cruz	13,500.00	9,362.90
Leslie Cheek III, 1025 Connecticut Avenue, NW, #414 Washington, DC 20036	Crum & Forster Corp	35,470.00	287.80
John H. Chettle, 1050 Connecticut Ave., NW, #825 Washington, DC 20036	Chamber of Mines of South Africa	1,000.00	100.00
Children's Television Workshop, One Lincoln Plaza New York, NY 10023			
Peggy M. Childress, 811 W. Marvin Avenue Waxahachie, TX 75165	Housing Roundtable		
Jeffrey R. Cilek, 1001 Connectivut Ave., NW, #1001 Washington, DC 20036	Lanxide Corp	2,500.00	
Citizen Action Fund, 1300 Connecticut Ave., NW, #401 Washington, DC 20036		13,300.00	16,042.00
Citizens for Stabilizing Corporate Taxes & Foreign Policy, P.O. Box 1036 Guthrie, OK 73044-1036			
Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005		635,622.43	233,315.72
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Donald D. Clancy, 6507 Leeds Lane Cincinnati, OH 45215	Tele-Press Associates, Inc (For:Japan Fisheries Association)		
Jayne Clancy, 901 E Street, NW, #600 Washington, DC 20004	National Treasury Employees Union		
James F. Clark, P.O. Box 212II Juneau, AK 99802-1211	Alaska Loggers Assn		
Robert G. Clark, 400 Madison St., #1908 Alexandria, VA 22314	Ryder Systems, Inc		
Michelle C. Clay, 8630 Fenton Street, #615 Silver Spring, MD 20910	Brown & Associates (for Bi-State Development Agency)	6,000.00	1,500.00
Do	National Association of Minority Automobile Dealers	1,000.00	350.00
William A. Clifford, 510-15 Revere Beach Blvd., #806 Revere, MA 02151	American Dispatchers Assn	364.00	295.59

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Edward T. Cloonan, 70 Pine Street, 39th Floor New York, NY 10270	American International Group, Inc		
Jamie L. Clover, 1501 Wilson Blvd., #1100 Arlington, VA 22209	American Feed Industry Assn	1,200.00	
W. Dewey Clower, 1199 North Fairfax, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators, Inc		
Coalition of Americans to Protect Sports (CAPS), 200 Castlewood Drive North Palm Beach, FL 33408			
Coastal Advocate, 148 Topside Road Manahawkin, NJ 08050		1,008.00	823.22
Alan J. Cobb, 1120 Vermont Avenue, NW, #1130 Washington, DC 20005	Petroleum Marketers Assn of America	8,500.00	1,383.50
Coffield Ungaretti Harris & Slavin, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Comdisco, Inc		
Do	Massachusetts Mutual Life Insurance Company	7,500.00	
Do	Metropolitan Mutual Life Insurance Company	7,500.00	
Do	Monroe Communications		
Do	Smokeless Tobacco Council, Inc	21,250.00	
Marvin S. Cohen, 3300 N. Central Ave., 20th Floor Phoenix, AZ 85012-2576	City of Globe	74.00	
Do	Sacks Tierney Kasen & Kerrick (For:City of Tucson)	185.00	
Sharon Cohen, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,374.00	1,729.26
Paula J. Collins, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	14,962.50	452.00
William P. Collins, 1001 G Street, NW 7th Floor East Washington, DC 20001	Southern Company Services, Inc	1,000.00	
Dominique Colon, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		11.00
Committee for Do-It-Yourself Household Moving, 2011 Eye Street, NW, #500 Washington, DC 20006			
Committee to Support the Antitrust Laws, 1300 Eye Street, NW, #480E Washington, DC 20005		18,950.00	12,000.00
Community Service Society, 105 East 22nd Street New York, NY 10010			3,738.65
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			3,407.50
Gary L. Conkling, 900 SW 5th Ave., #2300 Portland, OR 97204-1268	Conkling Fiskum & Associates (For:Tektronix, Inc)		
John L. Conley, 2200 Mill Road Alexandria, VA 22314	National Tank Truck Carriers, Inc		100.00
Michael Conlon, 1818 N Street, NW, #200 Washington, DC 20036	Automotive Parts Rebuilders Assn		
Do	Automotive Refrigeration Products Institute		
Francis J. Conners, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	4,801.58	
Richard J. Connor Jr., 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	822.60	
Consumers for World Trade, 1726 M Street, NW Washington, DC 20036		62,075.00	20,064.95
John J. Contney, Suite B 1130 E. Beach Blvd. Hallandale, FL 33009	Textile Rental Services Assn of America		
Harry N. Cook, 1130 17th St., NW Washington, DC 20036	National Waterways Conference, Inc		
Benjamin Y. Cooper Jr., 100 Daingerfield Road Alexandria, VA 22314	Printing Industries of America, Inc	12,500.00	
Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207	Hospital Assn of New York State	817.40	7,793.21
Maria C. Cordone, 1300 Connecticut Ave, NW Washington, DC 20036	International Assn of Machinists and Aerospace Workers	14,575.41	1,022.57
David L. Cornwell, 10530 Rosehaven Street, #500 Fairfax, VA 22030	Wackenhut Corporation		
Michael E. Costello, 1620 L Street, NW, #1200 Washington, DC 20036	Panhandle Eastern Corp		997.87
Cotten Day & Selfon, 1899 L Street, NW, #1200 Washington, DC 20036	American Samoa Government		
Coudert Brothers, 1627 I Street, NW Washington, DC 20006	British Columbia, Province of, (Office of Attorney General)	9,124.13	
Walter Couillard, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	9,175.54	
Council for Educational Development & Research, 1201 16th Street, NW Washington, DC 20036		1,000.00	423.36
Council of American Homeowners, 7927 Jones Branch Drive, #600-S McLean, VA 22102		300.00	
Cheryl Countess, 1820 Harvard Street, NW, #302 Washington, DC 20009	Washington Office on Africa	3,613.44	
Christopher D. Coursen, 1133 Connecticut Ave., NW, #900 Washington, DC 20036	Coursen Group (For:Amdahl Corp)	500.00	100.00
Do	Chase Communications, Inc	500.00	
Do	Coursen Group (For:Community Antenna Television Assn)	500.00	100.00
Do	Coursen Group (For:Glenfed, Inc)		
Do	Handgun Control, Inc		
Do	International Balloon Assn		
Do	Coursen Group (For:IDB Communications Group, Inc)	500.00	
Do	Coursen Group (For:Pacific Bell)	250.00	
Do	Coursen Group (For:Pacific Telesis Group)	500.00	
Do	Coursen Group (For:Telecommunications Industries, Inc)		
Do	Coursen Group (For:United States Tobacco Company)		
John F. Cove, 1114 Fallsmead Way Rockville, MD 20854	Cove Associates, Inc (For:Association of U.S. Night Vision Manufacturers)		
Do	Grumman Corporation		
Sharon Cowan, 1825 K Street, NW Washington, DC 20006	American Soc of Mechanical Engineers		
Roger J. Crain, 3506 Frederick Place Kensington, MD 20895-3405	Customs Science Services, Inc		
Robin Crawford, Box M Allentown, PA 18105-5000	Mack Trucks, Inc		
Creative Coalition, 1100 Avenue of the Americas, 15th Floor New York, NY 10036			
Pete Cruz, P.O. Box 1000-476 Duluth, MN 55814			
Law Ofs of Jonathan W. Cuneo, 1300 I Street, NW, #408-E Washington, DC 20005	Committee to Support the Antitrust Laws	12,000.00	1,400.06
Maureen Curley, 105 East 22nd Street New York, NY 10010	Community Service Society	72.68	
John T. Curran, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	20,900.01	950.94
Do	National Coordinating Comm for Multiemployer Plans		
Jay B. Cutler, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	8,107.00	1,373.91
Cutler & Stanfield, 700 14th Street, NW, 10th floor Washington, DC 20005	Mountains Recreation and Conservation Authority		
Do	Potomac Investment Associates		
Do	Raleigh-Durham Airport Authority	4,121.25	64.35
CM Services, Inc, 800 Roosevelt Boulevard, Bldg C, #20 Glen Ellyn, IL 60137-5833	Plumbing Manufacturers Institute	500.00	
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Alzheimer's Assn	1,831.25	
Do	American Assn for Dental Research	958.50	
Do	Association of Academic Health Sciences Library Directors	100.00	
Do	Association of University Programs in Health Administration	489.00	
Do	Conjoint Comm on Diagnostic Radiology	1,200.00	
Do	Delta Dental Plans Assn	1,200.00	
Do	Medical Library Assn	100.00	
Do	National Assn of State Long Term Care Ombusman Programs	100.00	
CRS, P.O. Box 118 Cold Spring Harbor, NY 11724-0118			
Norman E. D'Amours, 1217 Evermay Court Mclean, VA 22101	City of Las Vegas	2,400.00	
Do	Credit Union National Assn, Inc	1,200.00	
Stephen J. Daigler, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Donna M. Daley, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	1,155.00	90.00
Donald W. Dalrymple, 1575 I St., NW Washington, DC 20005	American Cynamid Company (For:Lederle Laboratories)	825.00	127.24
John M. Damgard, 2001 Pennsylvania Ave., NW, #600 Washington, DC 20006-1807	Futures Industry Assn, Inc		
John E. Daniel, 1133 21th St., NW, #500 Washington, DC 20036	International Technology Corporation		
David S. Danielson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Theodore S. J. Davi, 624 South Quincy Street Green Bay, WI 54301			
Lizanne H. Davis, 1627 K Street, NW, #500 Washington, DC 20006	FMC Corporation	1,375.00	274.25
Ovid R. Davis, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company		
Donald S. Dawson, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Michael Gaughan		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Brenda T. Day, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	6,249.00	493.89
Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Debevoise & Plimpton, 875 Third Avenue, 23rd Floor New York, NY 10022	American Airlines	35,000.00	1,060.36
Mark O. Decker, 1129 20th Street, NW, #705 Washington, DC 20036	National Assn of Real Estate Investment Trusts, Inc		
George K. Degnon Associates, Inc, 6728 Old McLean Village Drive McLean, VA 22101	Association of State & Territorial Health Officials		1,000.00
Gene A. Del Polito, 1333 F Street, NW, #710 Washington, DC 20004-1108	Third Class Mail Association	1,698.00	
Edward N. Delaney & Associates, Chtd, 1629 K Street, NW, #1000 Washington, DC 20006	Association of Outplacement Consulting Firms, Inc	40,000.00	2,258.61
Do	National Assn of Independent Insurers	18,000.00	1,006.97
Do	National Council of Business Advisors		
Delchamps Associates, 600 New Hampshire Ave., NW, #955 Washington, DC 20037	Bishop State Community College		
Do	City of Mobile		
Do	Lawson State Community College		
Do	Louisiana Nature & Science Center, Inc		
Do	Spring Hill College		
Do	Technical Products, Inc		
Mitchell Delk, 1776 G Street, NW P.O.Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp		
Deloitte & Touche, 1001 Pennsylvania Ave. Suite 350N Washington, DC 20004-2505	Money Store Investment Co		
Janet Ann Denton, 1275 Pennsylvania Ave., NW, #400 Washington, DC 20004	Pacific Telesis Group	6,708.34	
Department for Professional Employees, AFL-CIO, 815 16th St., NW, #707 Washington, DC 20006		10,701.75	10,701.75
Judith Martin Desarno, 122 C Street, NW, #380 Washington, DC 20001-2109	National Family Planning & Reproductive Health Assn, Inc	227.00	
Jo Ellen Deutsch, 1625 Massachusetts Avenue, NW Washington, DC 20036	Association of Flight Attendants, AFL-CIO	4,000.00	
Dewey Ballantine, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Bankers Trust Co		
Do	Beneficial Corporation	450.00	10.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Catholic Health Assn of the U.S.	3,600.00	
Do	Cellular Telecommunications Industry Assn		
Do	Federation of American Health Systems	1,800.00	
Do	Ft. Howard Corp		
Do	General Electric Co		
Do	General Electric Pension Trust		
Do	General Reinsurance Corp		
Do	Glaxo, Inc	1,440.00	
Do	Hanschell Inniss, Ltd		
Do	Health Insurance Assn of America, Inc	900.00	15.00
Do	Household International		
Do	Labor-Industry Coalition for International Trade		1,005.50
Do	McCormack Baron & Associates		
Do	McCown De Leeuw & Company		
Do	Morgan Stanley Group, Inc		
Do	National Assn of Wholesaler-Distributors		
Do	Norfolk Southern Corp		
Do	NYNEX Corp		
Do	Piedmont Environmental Services		
Do	Potomac Capital Investment Corp	5,400.00	
Do	Premark International		
Do	Prudential Insurance Co of America		
Do	Seton Hall University		
Do	SEMATECH	2,170.00	
Do	Teachers Insurance & Annuity Assn of America		
Do	Tribune Broadcasting Co		
Do	U.S. Coalition for Fair Lumber Imports		
Do	U.S. Telephone Assn	720.00	
Do	Union Pacific Corp		
Do	United States Surgical Corporation		
Do	West Indies Rum & Spirits Producers Assn		
Do	Xerox Corp	5,400.00	
Kendall P. Dexter, 9 Country Club Road Mobile, AL 36608	MacMillan Bloedel, Inc		
Rodney DeLoach, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	40.98
Henry L. Diamond, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Conference of National Park Concessioners)		
Ann Sanders Dickey, 2005 Corporate Ave. Memphis, TN 38132	Federal Express Corp	6,000.00	
Dickinson Wright Moon Van Dusen & Freeman, 1901 L St., NW, #801 Washington, DC 20036	United Technologies Corporation	5,000.00	
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications		
Do	American Greyhound Track Operators Assn	8,912.51	
Do	Apple Computer Corp		
Do	Avondale Industries, Inc		
Do	ABD Securities Corp		
Do	Bear Stearns & Co		
Do	BATMAN Corp		
Do	C-3, Inc		
Do	Car Audio Specialists Assn (CASA)		
Do	Cordova District Fishermen United, Inc		
Do	Embassy of Malaysia		
Do	Federal National Mortgage Assn	4,272.50	
Do	Federated Cash Management Systems	13,500.00	
Do	Guess, Inc		
Do	Harbour Group Ltd		
Do	Home Box Office, Inc		
Do	Illinois Dept of Children & Family Services		
Do	Iroquois Gas, Inc	13,808.00	
Do	IPP Working Group	2,921.25	
Do	Marine Engineers' Beneficial Assn		
Do	Medtronic, Inc	1,350.00	
Do	National Fed of Societies for Clinical Social Work	3,760.00	
Do	Newport Group		
Do	North Carolina Dept of Natural Resources and Community Devlp		
Do	Ocean State Power	1,935.00	
Do	Paulucci Enterprises		
Do	PG&E-Bechtel Generating Co	4,299.94	
Do	Sea Hawk Seafoods, Inc		
Do	State of Connecticut		
Do	States of Arkansas, et al.		
Do	Tobacco Institute	1,350.81	
Thomas C. Diederich, 2170 Piedmont Road, NE Atlanta, GA 30324	Orkin Exterminating Co, Inc		647.49
David Dingee, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees		
Direct Selling Association, 1776 K Street, NW Washington, DC 20006			
Vanessa Dixon, 818 Connecticut Ave., NW, #200 Washington, DC 20006	U.S. English	25.00	5.00
Thomas B. Dobbins, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,750.00	47.00
Jeffrey A. Dodson, 1700 North Moore Street Rosslyn, VA 22209	Boeing Company	48.00	396.74
Robin C. Dole, 1101 Connecticut Avenue, NW, #500 Washington, DC 20036	Century 21 Real Estate Corp		
Mark A. Dombroff, 1025 Thomas Jefferson St., NW East Lobby #700 Washington, DC 20007-5201	Katten Muchin Zavis & Dombroff (For:Associated Aviation Underwriters)		
Nancy A. Donaldson, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	11,000.00	155.92
Paul Donnellan, 1128 16th Street, NW Washington, DC 20036	American International Automobile Dealers Assn	7,875.00	
Sally S. Donner, 1341 G Street NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	1,666.67	
Winfield L. Donoho, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Donohue & Associates, Inc, 11240 Waples Hill Road, #100 Fairfax, VA 22030			
David L. Donovan, 1200 18th Street, NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Brad L. Doores, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc	600.00	500.26
Jeffrey D. Doranz, 1000 Connecticut Ave., NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Insurance Assn)		
Kimberly Olson Dorgan, 2550 M Street, NW, #275 Washington, DC 20037	America's Public Television Stations, Inc	115.00	
Doris Day Animal League, 900 2nd Street, NE, #303 Washington, DC 20002		132,593.00	113,093.00
James A. Dorsch, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Association of International Automobile Manufacturers, Inc	21,689.00	265.00
Do	Morgan Stanley, Inc		
Do	Research-Cottrell Companies		
Dow Lohnes & Albertson, 1255 23rd St., NW, Suite 500 Washington, DC 20037	A.P. Moller-Maersk Line		
Do	Cellular Communications, Inc, et al.		
Do	International B'hood of Teamsters Chauffers Warehousers...		
Do	Royal Boskalis Westminster NV		
Charles P. Downer, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,620.00	250.00
M. Theresa Doyle, 1700 Pennsylvania Ave., NW #500 Washington, DC 20006	Mutual of Omaha Co	300.00	
Paul A. Drazek, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	9,687.51	76.85
Charles T. Drevna, 4711 Old Kingston Pike Knoxville, TN 37919	Sun Coal Company	1,000.00	6,000.00
Kevin J. Driscoll, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Lorraine Driscoll, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action Fund	575.00	82.00
Stan Dublinske, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Arianne M. Duddy, 1350 I Street, NW, #670 Washington, DC 20005	Koch Industries, Inc		
Tim Dudgeon, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Juanita D. Duggan, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	600.00	100.00
William C. Duncan, 1050 17th Street, NW, #410 Washington, DC 20036	Japan Automobile Manufacturers Assn	2,100.00	695.50
John H. Dunne, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
William C. Dunning, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
Douglas A. Durante, 7315 Wisconsin Avenue, NW, #515 East Bethesda, MD 20814	Clean Fuels Development Coalition	6,000.00	
Chris Durbin, 1630 Duke Street Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	5,615.00	292.00
Jean Durning, 900 17th Street, NW Washington, DC 20006	Wilderness Society	1,299.38	404.90
Katherine M. Dutilh, 1100 Connecticut Ave., NW, #1300 Washington, DC 20036-4101	Milliken & Company	5,000.00	1,650.00
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Audubon Institute	10,000.00	
Do	Bedford Properties	5,000.00	
Do	Building Industry Assn of Southern California	10,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Chickasha Cotton Oil Co		
Do	Citgo Petroleum Corp	24,191.25	3,536.97
Do	Communications Satellite Corp	15,000.00	228.96
Do	Construction Industry Air Quality Coalition (CIAQC)	5,000.00	
Do	Council for Solid Waste Solutions	9,000.00	3,337.81
Do	DSC Communications Corp	34,900.75	1,347.93
Do	Haldor-Topsoe, Inc	40,000.00	106.96
Do	Hart-Culp International		
Do	International Arid Lands Consortium		
Do	International Telecharge, Inc	2,000.00	
Do	Jewish National Fund	15,000.00	2,943.74
Do	Mexican American Free Trade Assn		
Do	National Cellular Resellers Assn	19,999.98	676.03
Do	PacifiCare Health Systems	22,500.00	979.45
Do	Paramount Communications, Inc	11,250.00	
Do	Phoenix Mutual Life Insurance	50,000.00	898.89
Do	Polyisocyanurate Insulation Manufacturers Assn (PIMA)	12,000.00	681.69
Do	Rmax, Inc		
Do	Satellite Broadcasting & Communications Assn	30,000.00	615.71
Do	Sims Walker... (for Creditors Alliance for Freight ...)	19,701.05	914.67
Do	SICPA Industries of America, Inc	20,000.00	1,062.05
Do	Telesphere, Inc		169.50
Do	Waste Conversion Systems, Inc	225.00	
Dworbell, Inc, 1726 18th Street, NW Washington, DC 20009	Title One Home Improvement Lenders Assn		
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Alliance for Corporate Growth		
Do	American Lithotripsy Society		
Do	Apex Marine Corp		
Do	ARCO Marine Co, Inc		
Do	Bender Shipbuilding & Repair Co, Inc	280.00	
Do	Bobbie Brooks, Inc		
Do	Liberty Maritime Corporation	17,837.00	393.22
Do	Medical Care International, Inc	400.00	
Do	National Steel & Shipbuilding Co	13,875.00	838.95
Do	PubCo Corp		
Do	REN Corporation, USA	7,064.00	89.69
Do	Smith Corona Corp		
Do	Surgical Care Affiliates, Inc		
Do	T/2 Medical, Inc	2,730.00	73.40
Do	The Torrington Company		
Mary A. Dyess, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	650.00	
Dykema Gossett, 1752 N Street, NW, 6th Fl. Washington, DC 20036	Military Boot Manufacturing Assn		
Do	Total Petroleum, Inc	2,805.00	
Jeffrey P. Eagleson, 1001 Connecticut Ave., #1001 Washington, DC 20036	Lanxide Corporation		
Hope B. Eastman, 4800 Hampden Lane, 7th Floor Bethesda, MD 20814	Paley Rothman Goldstein Rosenberg & Cooper (For:National Assn of Women Business Owners).		
Kevin James Echols, 425 2nd Street, NW Washington, DC 20001	American Determination for Peace Co		10.00
Norman R. Eder, 19600 NW Von Neumann Drive Beaverton, OR 97006-1999	Oregon Graduate Institute of Science & Technology	6,443.75	2,147.55
Robert Edgell, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	4,004.97	
Christopher Edley Jr., Harvard Law School Cambridge, MA 02138	Covington & Burling		
Edon Company, 600 New Hampshire Ave., NW #1010 Washington, DC 20037	Coca-Cola Foods	10,500.00	44.23
Do	Pinnacle Data Corporation	7,500.00	508.62
Edwards Associates, 507 Second St., NE Washington, DC 20002	Confederated Tribes of Warm Springs Reservation		
Paul S. Egan, 1325 15th Street, NW, #503 Washington, DC 20005	Vietnam Veterans of America, Inc	13,587.00	150.50
Roy L. Eiguren, 702 West Idaho Street, #700 Boise, ID 83702	Davis Wright Tremaine (For:City of Klamath Falls)		
Do	Davis Wright & Tremaine (For:Soap & Detergent Assn)		
Electronic Industries Assn, 2001 Pennsylvania Avenue, NW Washington, DC 20006		81,174.66	27,723.41
Law Offices of Peter L Eleey, 304 Victory Road Marina Bay, MA 02171	Dana Farber Cancer Institute		
Do	Fox Chase Cancer Center		
Do	Fred Hutchinson Cancer Research Center		
Do	Kenneth Norris Jr. Comprehensive Cancer Center		
John M. Ellis, 1120 Fairfield Avenue Roseville, CA 95678	Alliance of Government Managers		
Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	16,657.61	295.41
JoAnn Emerson, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Employee Relocation Council, 1720 N St., NW Washington, DC 20036			
Irene R. Emsellem, 1800 M Street, NW Washington, DC 20036	American Bar Assn	400.00	50.00
Ronald K. Ence, One Thomas Circle, NW, #950 Washington, DC 20005-5802	Independent Bankers Assn of America	20,625.00	936.78
Gary D. Engebretson, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		53.20
Environmental Tax Policy Alliance, 1704 Old Town Rd. Edgewater, MD 21037			16,646.70
J. Barry Epperson, 324 Main Mall, #900 Tulsa, OK 74103	Associated Wire Rope Fabricators		6,422.80
Cheryl Anthony Epps, 1110 North Glebe Road, #200 Arlington, VA 22201	International Assn of Chiefs of Police	11,545.86	7,839.46
Erisa Industry Committee, 1400 L Street, NW, #350 Washington, DC 20005		9,900.00	2,733.95
Andreas W. Evans, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Cleve Evans, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Company		
David C. Evans, 1200 18th Street, NW, Washington, DC 20036	Building Owners & Managers Assn Int'l		
Rae Forker Evans, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Robert B. Evans, 919 18th Street, NW Washington, DC 20006	American Financial Services Assn	250.00	
Robert D. Evans, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Fawn K. Evenson, 1420 K Street NW, #600 Washington, DC 20005	Footwear Industries of America	1,000.00	
Kellye A. Eversole, 4434 Indigo Lane Harwood, MD 20776	Eversole Associates (For:North Dakota Agricultural Products Utilization Commission).	2,425.00	86.37
Robbie G. Exley, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Paul K. Eyer, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	2,500.00	
Martin T. Farmer, P.O. Box 40789 Jacksonville, FL 32203-0789	Barnett Banks, Inc	26,125.00	9,126.84
William D. Fay, 1001 19th St. North, #800 Arlington, VA 22209	Product Liability Coordinating Committee	13,800.00	1,535.33
Kenrick Fealing, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	7,930.00	136.90
Federal Judges Association, Suite 110 111 West Washington Street Chicago, IL 60602-2768		19,492.59	24,588.60
Federation of American Health Systems, 1111 19th St., NW, #402 Washington, DC 20036		9,000.00	9,000.00
Federation of Behavioral Psychological & Cognitive Sciences, 1200 17th Street, NW Washington, DC 20036			
Jay Feldman, 600 Sandtree Drive, #107 Palm Beach Gardens, FL 33403	American Shoolting Sports Coalition, Inc		
Claudia Feller, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences		
Mimi A. Feller, 1100 Wilson Blvd Arlington, VA 22209	Gannett Co., Inc	4,500.00	1,000.00
Karen S. Fennell, 1522 K St., NW, #1000 Washington, DC 20005	American College of Nurse-Midwives		
Stephen Fenoglio, P.O. Box 1148 Austin, TX 78767	Clark Thomas Winters & Newton (For:State Mutual Insurance Company)		
Denise G. Ferguson, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	21,908.81	578.50
Jack Ferguson Associates, Inc, 203 Maryland Ave., NE Washington, DC 20002	Conoco, Inc		
Do	Dillingham Construction Group	2,500.00	686.93
Do	Global Marine, Inc	6,937.50	743.26
Do	Haida Corporation	7,687.50	775.93
Do	Klukwan, Inc	7,500.00	755.93
Do	Northern Air Cargo	2,500.00	687.96
Do	U.S. Borax & Chemical Corp	3,875.00	711.93
Do	Williams Companies	1,500.00	730.96
Fierce & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	AB Hagglund & Sonar	13,500.00	1,109.06
Do	Bollinger Machine Shop & Shipyard, Inc	41,150.00	776.44
Do	Liberty Maritime Company	9,575.00	394.20
Do	Spar Aerospace, Ltd	12,000.00	1,381.62
Marshall S. Filler, 1330 Connecticut Ave. NW Suite 250 Washington, DC 20036	Eastern Air Lines, Inc	1.00	
Patricia M. Fink, 1385 Piccard Dr. Rockville, MD 20850	Mechanical Contractors Assn of America, Inc		
Richard H. Fink, 1350 I Street, NW, #670 Washington, DC 20005	Koch Industries, Inc		
Peter J. Finnerty, 1331 Pennsylvania Ave., NW #560 Washington, DC 20004	Sea-Land Service, Inc	3,000.00	
Thomas D. Finnigan, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Mary Ellen Fise, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	6,316.00	
William P. Fisher, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn		
Hilliard J. Fjord, 6725 Wooster Pike Cincinnati, OH 45227	Ohio River Co	3,000.00	903.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Susan G. Flack, 1100 Connecticut Ave, NW, #1200 Washington, DC 20036	Dayton Hudson Corp	100.00	
Do	National Assn of Chain Drug Stores, Inc		
Do	Flack, Inc (For:Spiegel, Inc)	300.00	
Daniel V. Flanagan Jr., 11 Canal Center Plaza, #250 Alexandria, VA 22314	Flanagan Group, Inc (For:Dominion Resources, Inc)		
Do	Flanagan Group, Inc (For:Port of San Francisco)		
Do	Virginia Power		
Flanagan Group, Inc, 11 Canal Center Plaza, #250 Alexandria, VA 22314	Dominion Resources, Inc		
Do	Port of San Francisco		
Do	Virginia Power		
Mac A. Fleming, 12050 Woodward Ave. Detroit, MI 48203-3596	Brotherhood of Maintenance of Way Employes		
Food Marketing Institute, 1750 K St., NW Washington, DC 20006			5,050.00
John P. Ford, One Kellogg Square Battle Creek, MI 49016	Kellogg Co	2,000.00	283.00
Foreman & Heidepriem, 1112 16th Street NW, #750 Washington, DC 20036	United Food & Commercial Workers Int'l Union	1,350.00	91.56
Richard C. Fortuna, 1440 New York Ave., NW, #310 Washington, DC 20005	Hazardous Waste Treatment Council	750.00	375.00
Maria Foscarinis, 918 F Street, NW, #412 Washington, DC 20004	National Law Center on Homelessness and Poverty		
Bruce Foster, 2100 Pennsylvania Ave, NW, #675 Washington, DC 20037	New England Power Service Co	4,750.00	495.61
Geraldine Dietz Fox, 39 Fairview Road Narberth, PA 19072	National Instutute on Deafness & Other Communication Disord.		2,097.71
Fox Bennett & Turner, 750 17th Street, NW, #1100 Washington, DC 20006	American Soc of Clinical Oncology		
Do	Bristol-Myers Squibb Co		
Do	Fisons Corp		
Do	Healthcare Management Alternatives, Inc		
Do	Hoffmann-La Roche, Inc	160.00	
Do	Johnson & Johnson		205.00
Do	Lederle-Praxis Biologicals		
Do	Memorial Sloan-Kettering Cancer Center		
Do	National Coalition for Cancer Research		
Do	New MediCo Associates, Inc		
Do	Pickens County Medical Center		
Do	Serono Laboratories, Inc		
Do	Wireless Cable Assn, Inc		
Phillip L. Fraas, 1 Massachusetts Avenue, N.W., #800 Washington, DC 20001	McLeod & Pires (For:First South Production Credit Assn)	5,031.30	195.92
Michael Francis, 900 17th Street, NW Washington, DC 20006	Wilderness Society	8,911.45	76.55
Peter M. Frank, 1667 K St., NW, #250 Washington, DC 20006	Kerr-McGee Corp	2,500.00	
Ellis B. Franklin, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
George Franklin, 1 Kellogg Square Battle Creek, MI 49016-3599	Kellogg Company	1,500.00	150.00
James R. Franklin, One Highwoods Rd. St. James, NY 11780	Parkdale Mills, Inc, et al.	18,750.00	5,800.00
Kevin Frankovich, 1350 New York Ave., NW, #200 Washington, DC 20005	Contract Services Assn		177.29
Free the Eagle, 666 Pennsylvania Avenue S.E. #300 Washington, DC 20003		5,557.00	2,666.00
Marc Freedman, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc		
Robert Freimark, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	216.87	422.50
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004-2505	Lonza, Inc	3,872.50	151.30
Philip P. Friedlander Jr., 1250 Eye Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	1,500.00	
Gay Friedmann, 555 13th Street, NW, #300W Washington, DC 20004	Interstate Natural Gas Assn of America		
Friends of NIDCD, Inc, 225 Haverford Ave., #1 Narberth, PA 19072			7,566.32
Charles H. Fritts, P.O. Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp	1,900.00	102.23
Sara L. Froelich, 1500 K Street, NW, #650 Washington, DC 20005	Glaxo, Inc	3,000.00	
Futures Industry Assn, Inc, 2001 Pennsylvania Ave., NW Washington, DC 20006-1807			
Wayne Gable, 1350 I Street, NW, #670 Washington, DC 20005	Koch Industries, Inc	3,000.00	
Julie Leigh Gackenbach, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	400.00	
Jonathan J. Gaffney, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	
William C. Gager, 6849 Old Dominion Dr., #352 McLean, VA 22101	Automotive Parts Rebuilders Assn		
Janne G. Gallagher, 3373 Rittenhouse Street, NW Washington, DC 20015	Human Services Forum on Government Relations		
John Paul Galles, 1155 15th St., NW, #710 Washington, DC 20005	National Small Business United	1,000.00	
Richard E. Gardiner, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	16.00	7.00
Nancy Garland, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Lee D. Garrigan, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,100.00	
Patrick J. Garver, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Garvey Schubert & Barer, 1000 Potomac Street, NW Washington, DC 20007	Canadian Embassy		
Do	City of Aberdeen	57,378.40	
Do	Early Winters Resorts, Inc	6,860.25	
Do	Ministry of the Environment	13,053.22	
Do	Space Industries, Inc		
Do	Totem Ocean Trailer Express, Inc	9,037.50	
Lillian B. Gaskin, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Kathy Gavett, P.O.Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores	500.00	
W. Mark Gavre, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Garry Geffert, 2001 S Street, NW, #210 Washington, DC 20009	Farmworker Justice Fund, Inc		
Craig Gehrke, 900 17th Street, NW Washington, DC 20006	Wilderness Society	117.33	
Ruthann Geib, 1156 15th Street, NW, #1101 Washington, DC 20005	American Sugarbeet Growers Assn		
Elise Gemeinhardt, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Company		
General Aviation Manufacturers Association, 1400 K Street, NW, #801 Washington, DC 20005			15,407.00
Katherine Doddridge Gerlach, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
John J. Gersuk, 3444 Valewood Dr. Oakton, VA 22124	Bechtel Group, Inc		
Robert A. Gifford, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
Jonathan Gill, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004	Business Executives for National Security, Inc		
Annelise Gillespie, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Michael B. Gillett, 4612 Meridian Avenue North Seattle, WA 98103-6936	Atantic Richfield Company	30,000.00	
Dorothy M. Gillman, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America	10,250.00	990.08
Brad Gilman, 2300 Clarendon Blvd., #1010 Arlington, VA 22201	Robertson Monagle & Eastaugh (For:Aleutians East Borough)	2,750.00	
Do	Robertson Monagle & Eastaugh (For:City of Kenai)	8,500.00	
Do	Robertson Monagle & Eastaugh (For:City of Kodiak)	4,400.00	
Do	Robertson Monagle & Eastaugh (For:Crowley Maritime Corp)	1,900.00	
Do	Robertson Monagle & Eastaugh (For:Marco)	7,000.00	
Do	Robertson Monagle & Eastaugh (For:Municipality of Anchorage)		
Do	Robertson Monagle & Eastaugh (For:Ocean Shipholdings, Inc)		
Do	Robertson Monagle & Eastaugh (For:Reeve Aleutian Airways)		
Do	Robertson Monagle & Eastaugh (For:Sea-Land Services, Inc)	1,900.00	
Tod I. Gimbel, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	264.00	406.00
Mark R. Ginsberg, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	2,470.00	
Girl Scouts of the USA, 830 Third Avenue New York, NY 10022			862.00
Brenda M. Girton, 901 East Capitol Street, SE Washington, DC 20003	American Assn for Counseling & Development	17,696.00	
Do	Sears Roebuck & Co		
Lisa Glantz, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	1,750.00	600.00
George E. Glasier, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Katherine Gleeson, 1400 Sixteenth Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc	182.00	
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	All Nippon Airways Co, Ltd		
Do	Convex Computer Corp	32.45	
Do	Fanuc, Ltd		
Do	Hitachi, Ltd		
Do	Hyundai Motor America	300.48	
Do	Japan Fed of Construction Contractors, Inc	144.23	
Do	Komatsu Ltd		
Do	Kyocera Corporation		
Do	Mazak Corporation	54.08	
Do	Murata Machinery, Ltd	180.28	
Do	South Louisiana Port Commission		
Richard D. Gluck, 1220 19th Street, NW, #700 Washington, DC 20036	Robins Kaplan Miller & Ciresi (For:International Federation of Freight Forwarders Assn).	18,676.00	588.00
Horace D. Godfrey, 910 16th St., NW, S-402 Washington, DC 20006	Godfrey Associates, Inc		
Godfrey Associates, Inc, 15 Golf Course Road Littleton, NC 27850			
Jean C. Godwin, 1010 Duke Street Alexandria, VA 22314	American Assn of Port Authorities	17,000.00	2,000.00
Donald G. Goff, 1400 K. Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	6,042.00	
H.P. Goldfield, 3000 K St., NW, #300 Washington, DC 20007	Swidler & Berlin (For:Ferroalloys Association)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jack Golodner, 815 16th St., N.W. Washington, DC 20006	Department for Professional Employees, AFL-CIO	6,113.68	
Stephen Gordon, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209	TRW, Inc	261.00	
John C. Gore, 1776 Eye Street NW Suite 1000 Washington, DC 20006	BP America, Inc		
Mark S. Gorman, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
James D. Gormley, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	3,254.00	
Barry Gottehrer, 1295 State Street Springfield, MA 01111-0001	Massachusetts Mutual Life Insurance Co.		
Margaret A. Gottlieb, 1101 17th Street, NW, #705 Washington, DC 20036	Direct Marketing Assn		
George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	13,627.75	1,243.96
Government Liaison Project, 6313 Tulsa Lane Bethesda, MD 20817			
Augusto F. Grace, 13 Skilton Lane Burlington, MA 01803	Gadsby & Hannah (For:National Bankers Assn)		
John R. Graff, 1448 Duke Street Alexandria, VA 22314	International Assn of Amusement Parks & Attractions	100.00	362.00
Elaine Z. Graham, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Contact Lens Manufacturers Assn		
Gerald W. Grandey, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc	2,000.00	1,470.78
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
Suzanne Granville, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	9,500.21	
Andrew N. Grass Jr., One World Trade Center, #4511 New York, NY 10048	Security Traders Assn, Inc	2,500.00	
Ruth P. Graves, 600 Maryland Ave., SW, #500 Washington, DC 20560	Reading Is Fundamental, Inc	900.00	121.60
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Embassy of the People's Republic of China)	450.00	
Robert N. Gray, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	9,750.00	80.50
Mary R. Grealy, 1111 19th Street, NW, #402 Washington, DC 20036	Federation of American Health Systems	1,500.00	
Greater New York Hospital Assn, 555 West 57th Street 15th Floor New York, NY 10019			88,721.00
Greater Washington Educational Telecommunications Assn, P.O. Box 2626 Washington, DC 20013		130.00	
Kaylene H. Green, 2341 Jefferson Davis Highway, #1100 Arlington, VA 22202	Bath Iron Works Corp	1,000.00	84.28
Oliver W. Green, 5025 Wisconsin Ave, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
David I. Greenberg, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	20,000.00	4,500.00
Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	3,481.00	1,905.49
H. Thomas Greene, 412 1st St., SE Washington, DC 20003	National Automobile Dealers Assn	10,000.00	
Janice M. Gregory, 1400 L St., #350 Washington, DC 20005	ERISA Industry Committee	1,437.50	
Lori Gribbin, 1128 16th Street, NW Washington, DC 20036	American International Automobile Dealers Assn	18,000.00	
Ellen Griffee, 1025 Vermont Avenue, NW, #500 Washington, DC 20005	Association of Science-Technology Centers	57.00	1.70
Robert T. Griffin, 1100 Connecticut Ave., NW, #900 Washington, DC 20035	Chrysler Corporation	2,500.00	265.00
Grogan Graffam McGinley & Lucchino, P.C., 22nd Floor, Three Gateway Center Pittsburgh, PA 15222	Steel Valley Authority		
Groom & Nordberg, Chtd, 1701 Pennsylvania Avenue, NW, #1200 Washington, DC 20006	Ad Hoc MGA Group		
Do	Ad Hoc PFIC Group		
Do	American Petroleum Institute		
Do	Amoco Corp	400.00	50.00
Do	Cargill, Inc	800.00	50.00
Do	Chevron Corp	1,200.00	150.00
Do	Eli Lilly & Company		
Do	Goldman Sachs & Co		
Do	Murphy Oil USA, Inc		
Do	Nebraska Public Power District		
Do	New York City Teachers Retirement System		
Do	Phillips Petroleum Co		
Do	Physicians Mutual Insurance Co		
Do	Principal Financial Group		
Do	Prudential Insurance Co of America	1,200.00	150.00
Do	Prudential-Bache Securities, Inc		
Do	Puerto Rico, USA Foundation		
Do	Reading & Bates Corporation		
Do	Retired Lives Reserve Group	200.00	50.00
Do	Southern California Edison Co		
Do	Sunflower Electric Power Corp		
Do	True Oil Company		
Do	Union Texas Petroleum Corp		
Do	Westinghouse Electric Corp		
John T. Grupenhoff, 6410 Rockledge Drive, #203 Bethesda, MD 20817	Association of American Cancer Institutes	690.00	147.00
Do	Cooley's Anemia Foundation	300.00	74.00
Kenneth A. Guenther, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America	46,325.00	
John E. Guiniven, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	5,000.00	350.00
Lewis Gulick, 1911 Ft. Myer Drive, #703 Arlington, VA 22209	International Interests, Inc	5,000.00	100.00
Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314	American Fed of Musicians	4,254.25	2,560.83
Alvin M. Guttman, 1924 N Street, NW Washington, DC 20036	Towing & Recovery Assn of America, Inc	600.00	
John F. Haifley, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Genetics Institute		
Do	Medallion Oil Company	108.00	7.50
Do	Metalor USA Refining Corp		
Do	National Corp for Housing Partnerships	880.00	11.01
Do	Northeastern University	4,428.00	243.37
Do	Pine Street Inn		
Do	Riverview Towers Limited Partnership		
Do	State Street Development Corp		
Do	USS Constitution Museum		
Hale Foundation, 422 First Street, SE, #208 Washington, DC 20003			
Sarah E. Haller, 1615 L Street, NW, #320 Washington, DC 20036	Sandoz Corp		15.00
Paul Hallisay, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	6,250.00	574.25
Maurice E. Halsey, P.O. Box 190 Aurora, IL 60507	Northern Illinois Gas Company	2,000.00	
Mark Hamilton, 5400 Carillon Point, #400 Kirkland, WA 98083	McCaw Cellular Communications, Inc	385.00	1,639.00
Philip W. Hamilton, 1825 K St., NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
William W. Hamilton Jr., 2010 Massachusetts Ave., NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	681.41	
Amy R. Hammer, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	1,600.00	148.80
Gregory L. Hammond, 5010 Wisconsin Ave., NW, #118 Washington, DC 20016	National Staff Leasing Assn		
Hance & Gamble, PC, 400 West 15th Street, #320 Austin, TX 78701	Kinetic Concepts, Inc	6,000.00	1,605.20
D. Michael Hancock, 2001 S Street, NW, #210, P.O. Box 53396 Washington, DC 20002	Farmworker Justice Fund, Inc		608.08
Nolan W. Hancock, 1126 16th St., NW Washington, DC 20036	Oil Chemical & Atomic Workers International Union		
Richard L. Hanneman, 700 North Fairfax Street, #600 Alexandria, VA 22314-2040	Salt Institute		
Eric R. Hanson, 1321 Duke Street, #200 Alexandria, VA 22314-3563	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)		
Sandra K. Harding, 7981 Eastern Avenue Silver Spring, MD 20910	National Assn of Social Workers	9,346.69	
Stuart B. Hardy, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Charles A. Harkey, 919 18th Street, NW Washington, DC 20006	American Financial Services Assn	250.00	
Wiley C. Harrell Jr., 1776 Eye Street, NW, #200 Washington, DC 20006	Anheuser-Busch Companies, Inc		
Harris & Ellsworth, 2600 Virginia Avenue, NW, #1113 The Watergate Washington, DC 20037	American Railway Car Institute		
Do	Association of Food Industries, Inc	175.00	9.00
Do	Cheese Importers Assn of America, Inc		
Do	Committee of American Axle Producers		
Do	Committee of Domestic Steel Wire Rope & Specialty Cable Mfrs	1,138.00	9.00
Mark Harrison, 1819 H Street, NW, #640 Washington, DC 20006	SANE/FREEZE, Inc	7,796.54	
Lynn S. Hart, 1111 19th St., NW, #402 Washington, DC 20036	Federation of American Health Systems	3,000.00	
Gabriel A. Hartl, Arlington Courthouse Plaza II, #711 2300 Clarendon Boulevard Arlington, VA 22201	Air Traffic Control Assn, Inc		
Clifford J. Harvison, 2200 Mill Rd. Alexandria, VA 22314	National Tank Truck Carriers, Inc		150.00
Fred Hatfield, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly Raffaelli & Siemens (For:County of Merced)	1,500.00	
Do	McAuliffe Kelly Raffaelli & Siemens (For:ICF International Inc)	2,500.00	
Howard M. Haug, 1270 Avenue of the America New York, NY 10020	National Foreign Trade Council, Inc	4,500.00	
Kathryn Joann Hawes, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Paula Hawkins, P.O. Box 193 Winter Park, FL 32790	Genentech	30,000.00	2,431.84
Robert T. Hayden, 1201 New York Ave., NW, #850 Washington, DC 20005	Conway & Company (For:Academy of Rail Labor Attorneys)	2,550.00	
Mark F. Haynes, 1627 K Stret, NW, #300 Washington, DC 20006	Fluor Corporation	5,000.00	712.81
Holly Elisabeth Hazard, 900 2nd Street, NE, #303 Washington, DC 20002	Doris Day Animal League	2,823.00	2,823.00
Janis D. Hazel, 1250 Eye Street, NW, #200 Washington, DC 20005	Assn of Americas Public Television Stations	1,308.00	40.00
Health Insurance Assn of America, Inc, 1025 Connecticut Ave., NW Washington, DC 20036		3,057.87	3,057.87
Brian Keith Heard, 201 Massachusetts Ave., NE, #C-4 Washington, DC 20002	National Corn Growers Assn	4,688.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
William H. Hecht, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates, Inc (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates, Inc (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates, Inc (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates, Inc (For:Los Angeles Raiders)		
Do	Hecht Spencer & Associates (For:Mars, Inc)		
Do	Hecht Spencer & Associates (For:Marwais Steel Co)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Do	Hecht Spencer & Associates (For:National Automatic Merchandising Assn)		
Do	Hecht Spencer & Associates (For:Charles E. Smith Management, Inc)		
Hecht Spencer & Associates, Inc, 499 South Capitol Street, SW, #507 Washington, DC 20003	Bixby Ranch Co	1,000.00	
Do	Boy Scouts of America	1,000.00	
Do	Brown & Williamson Tobacco Corp	2,500.00	
Do	Farmers Insurance Group		
Do	Los Angeles Raiders		
Do	Mars, Inc	1,000.00	
Do	Marwais Steel Co		
Do	Mid-American Waste Systems, Inc	3,000.00	
Do	National Automatic Merchandising Assn	1,000.00	
Do	Charles E. Smith Management, Inc	1,000.00	
Do	Texas Clinical Laboratories, Inc		
James B. Hedlund, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Barbara D. Heffernan, 1776 I Street, NW, #200 Washington, DC 20006	Anheuser-Busch Companies, Inc		
Edward D. Heffernan, 1019 19th St., NW, Penthouse #1 Washington, DC 20036	American Cast Iron Pipe Company	1,000.00	
Do	CSX Corporation	5,000.00	425.74
Do	DePaul University	3,000.00	
Do	Estate of Edwin A. Gallun		
Do	Renewable Fuel Assn	3,000.00	
Do	Sealaska Corp	1,000.00	
Heideman Cardin, P.C., 1025 Connecticut Avenue, NW, #1017 Washington, DC 20036	Health Care for America, Inc	7,050.00	
Don Hellmann, 900 17th Street, NW Washington, DC 20006	Wilderness Society	8,436.44	49.06
Lewis M. Helm, 7000 Millwood Road Bethesda, MD 20817	Associated Public Safety Communications Officers	7,200.00	
Edward A. Helme, 444 N. Capitol Street, #526 Washington, DC 20001	Alliance for Acid Rain Control	758.00	
Donald E. Henderson, 130 E. Washington Street Indianapolis, IN 46204	Indiana Farm Bureau, Inc	6,000.00	345.00
Keith E. Henderson, 1901 L Street, NW, #260 Washington, DC 20036	March of Dimes Birth Defects Foundation		850.00
Charlotte W. Herbert, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
M. Lyn Herdt, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
William Hermelin, 2215 Constitution Ave, NW Washington, DC 20037	American Pharmaceutical Assn	1,000.00	150.54
Richard A. Herrett, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	15,000.00	
Hessel & Aluise, PC, One Thomas Circle, NW, #1250 Washington, DC 20005	National Corp for Housing Partnerships	2,505.00	
Do	Riverview Towers Limited Partnership		
Hal D. Hiemstra, 216 7th Street, SE Washington, DC 20003	Scenic America	3,000.00	1,000.00
Gerald 'Jerry' Hill, 375 Northbridge Road, #350 Atlanta, GA 30350	Amoco Corporation		
Grace L. Hinchman, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	18,590.50	
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Alamo Navajo School Board	33.00	
Do	Alaska Legal Services Corp		
Do	Aroostook Band of Micmacs	228.00	
Do	Association of Navajo Community-Controlled School Boards		
Do	Black Mesa Community School Board	33.00	
Do	Bristol Bay Area Health Corp	60.00	
Do	Evergreen Legal Services	50.00	
Do	Kodiak Area Native Assn		
Do	Maniilaq Assn	100.00	4.00
Do	Menominee Indian Tribe	661.00	
Do	Metlakatla Indian Community	220.00	8.00
Do	Miccosukee Tribe of Indians of Florida		
Do	Mississippi Band Choctaw Indians	20.00	
Do	Mooretown Rancheria		
Do	Narragansett Indian Tribe	50.00	
Do	National Indian Education Assn	203.00	
Do	Navajo Nation		
Do	Norton Sound Health Corp	60.00	
Do	Oglala Sioux Tribe		
Do	Oglala Sioux Tribe Public Safety Commission		
Do	Pinon Community School Board	44.00	
Do	Pueblo de Cochiti	400.00	
Do	Quinault Indian Tribe/Quinault Allottees Assn		
Do	Ramah Navajo School Board	616.00	
Do	Rock Point Community School	55.00	
Do	Rough Rock Community School	132.00	
Do	Seminole Tribe of Florida		
Do	Shiprock Alternative Schools, Inc	33.00	
Do	Spokane Legal Services Center		
Do	Three Affiliates Tribes of the Fort Berthold Reservation	500.00	
Deanna Hodge, 606 North Washington Street Alexandria, VA 22314	Society for Human Resource Management	15,000.00	
Irvin A. Hoff, 20 N. Live Oak Rd. Hilton Head Island, SC 29928	U.S. Cane Sugar Refiners' Assn		
Gail Hoffman, 1225 Eye St., NW #1100 Washington, DC 20005	Handgun Control, Inc	13,448.00	
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	American Academy of Pediatrics		
Do	American College of Osteopathic Surgeons	393.75	17.70
Do	Damon Corp		
Do	Infectious Diseases Society of America, Inc	225.00	
Do	Payload Systems, Inc		
Do	Society of Critical Care Medicine	562.50	10.00
Do	The Gap, Inc, et al.		
Richard F. Hohlt, 209 Princess Street Alexandria, VA 22314	Dime Savings Bank of New York	2,500.00	110.00
Do	Pacific Telesis Group		
Do	Stuzin & Camner	2,500.00	103.00
Do	U.S. League of Savings Institutions	3,000.00	220.00
William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	9,161.68	
Gerard L. Holder, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Philip C. Holladay Jr., 1025 Connecticut Avenue, NW, #200 Washington, DC 20036	Shell Oil Co	500.00	
Robert A. Holland, 1020 19th Street, NW, #420 Washington, DC 20036	SmithKline Beecham Corp (Beecham, Inc)	2,000.00	
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Alyeska Pipeline Service Co	775.00	
Do	Carbon Fuels Corp & Subsidiaries	575.00	
Do	Citgo Petroleum Corp	2,000.00	
Do	Council for Solid Waste Solutions	2,000.00	
Do	Grocery Manufacturers of America, Inc		
Do	Precious Metals Producers Group	1,000.00	
Do	Scott's Liquid Gold		
Do	Southland Corporation		
Do	Stillwater Mining Company		
Do	Styrene Information & Research Center	2,000.00	
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	Florida High Speed Rail Transportation Commission	1,000.00	
Do	Joseph E. Seagram & Sons, Inc		
Everett Boyd Hollingsworth Jr., 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc		
Holt Miller & Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Ada Software Alliance (ASA)	1,365.90	115.21
Do	Agricultural Producers		
Do	American Council of International Personnel	3,000.00	894.85
Do	Business Immigration Coalition		
Do	Home Insurance Co	416.50	55.07
Do	Irish Immigration Reform Movement	280.00	9.56
Do	McDonald's Corp		
Do	National Agricultural Coalition		
Do	Snake River Farmers Assn		
Do	Western Range Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Lois Holwerda-Hoyt, 2021 Massachusetts Avenue, NW Washington, DC 20036	American Academy of Family Physicians		
Homeport Information Task Force, 130 Bay Street Staten Island, NY 10301		3,600.00	1,015.00
Tom Hoog, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Colorado State University)		
Do	Hill & Knowlton (For:McAndrews & Forbes Holdings, Inc)		
Do	Hill & Knowlton (For:Tera Computer Company)		
Karen A. Hoover, 2111 Jefferson Davis Highway Apt. 407 Arlington, VA 22202	American Maritime Officers Service		
Hopkins & Sutter (Chicago), Three First National Plaza, #4200 Chicago, IL 60602	Cash Station, Inc		
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Federal Agricultural Mortgage Corp (Farmer Mac)	12,468.75	267.56
Do	Food Marketing Institute	2,312.50	44.00
Do	Marshall Durbin Companies	8,187.50	1,365.14
Do	Pizza Hut, Inc	11,562.50	1,159.76
Do	U.S. Sugar Corp	5,037.50	2,183.10
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		8,992.25	8,982.25
Charles H. Hossack, 50 South First Avenue Coatesville, PA 19320	Lukens, Inc		621.33
Russell Houston, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
John Howard, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
James P. Howell, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	1,738.00	
Ronnie Allen Howell, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper	12,921.28	6,297.24
Dwight A. Howes, 1819 L Street, NW, #800 Washington, DC 20036	Consolidated Natural Gas Co, Inc	1,353.00	2,199.40
J. Martin Huber, 5301 Wisconsin Ave., NW, #450 Washington, DC 20015	National Assn of Surety Bond Producers		
Terry D. Hudgins, P.O. Box 53999 Station 9978 Phoenix, AZ 85072-3999	Arizona Public Service Company	12,286.00	
Thomas H. Hudson, P.O. Box 2787 Baton Rouge, LA 70821	Coastal Corporation	6,000.00	1,736.90
Do	Electric Reliability Coalition		
Do	Louisiana State University Foundation	2,000.00	
Do	Philip Morris, USA		
Do	United Gas Pipe Line Co		
Peter W. Hughes, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners	3,000.00	
Brett Hulsey, Midwest Office 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	909.92	413.21
Beverly A. Hunter, 100 Maryland Ave., NE Washington, DC 20002	Religious Coalition for Abortion Rights	7,875.00	133.98
William N. Hunter, 2104-A Gallows Road Vienna, VA 22180	W.N. Hunter & Associates	2,000.00	
W.N. Hunter & Associates, 2104-A Gallows Road Vienna, VA 22180			
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Long Island Lighting Co	1.000.00	
Cathy Hurwit, 1300 Connecticut Avenue, NW, #401 Washington, DC 20036	Citizen Action Fund	10,600.00	255.00
William Hutnick, 1705-B N. Front Street Harrisburg, PA 17102	Bridge to the Future		
Regina C. Hutter, 1775 K Street, NW Washington, DC 20006	United Food & Commercial Workers International Union	12,653.83	1,092.71
Brian M. Hyps, 2215 Constitution Avenue, NW Washington, DC 20037	American Pharmaceutical Assn	500.00	26.63
HCA The Healthcare Co, One Park Plaza P.O. Box 550 Nashville, TN 37202-0550			
Industrial Union Department, AFL-CIO, 815 16th St., NW, #301 Washington, DC 20006		36,205.00	36,205.00
Edwin T. C. Ing, 2000 Pennsylvania Ave., NW, #3310 Washington, DC 20006	Hawaiian Electric Industries, Inc		
Do	Kamehameha Schools/Estate of Bernice P. Bishop		
Do	U.S. Windpower, Inc		
Institute for Responsible Housing Preservation, 2300 M Street, NW, #400 Washington, DC 20037		2,000.00	2,000.00
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (UAW) 8000 E. Jefferson Avenue Detroit, MI 48214.		150,365.21	150,365.21
International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036			40,394.70
International Business-Government Counsellors, Inc, 818 Connecticut Ave., NW, #1200 Washington, DC 20006	Bose Corp	112.50	
Do	Hercules, Inc	10,140.00	
Do	Procter & Gamble	4,043.75	
Do	Totes, Inc	1,237.50	
Do	Uniroyal Chemical Company, Inc	675.00	10.32
Do	USR Optonix, Inc	3,412.50	
Do	Xerox Corp	900.00	
Amy F. Isaacs, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action	8,502.30	
Robert R. Isaacs, 200 Eighth Avenue South Nashville, TN 37203	Greyhound Lines, Inc		
Russel Iuculano, 1620 L Street, #800 Washington, DC 20036	Metropolitan Life Insurance Co	700.00	220.00
Kenneth M. Iwashita, 29400 Lakeland Boulevard Wickliffe, OH 44092	Lubrizol Corp		
Al Jackson, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	12,411.42	
Kelleen W. Jackson, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,060.00	1,310.74
Jeff P. Jacobs, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,200.00	
Khalil E. Jahshan, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	1,750.00	811.00
Philip J. James, 8200 Greensboro Drive, #302 McLean, VA 22102	National Glass Assn (NGA)		
J. Jancin Jr., 1800 M Street, NW Washington, DC 20036	American Bar Assn	300.00	30.00
Japanese American Citizens League, 1765 Sutter Street San Francisco, CA 94115		8,290.00	4,292.00
Joseph J. Jaquay, 5025 Wisconsin Ave., NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Dane B. Jaques, 1275 Pennsylvania Ave., NW #301 Washington, DC 20004	Katten Muchin Zavis & Dombroff (For:Associated Aviation Underwriters)		
Jar-Mon Consultants, 208 N. Patriot St. Alexandria, VA 22314	American Freedom Coalition		
Do	Christian Voice, Inc	30,000.00	
Marc R. Jartman, 175 Admiral Cochrane Drive Annapolis, MD 21401	UNC, Inc		
John T. Jarvis, The Jarvis Company 1901 L Street, NW, #300 Washington, DC 20036	American Insurance Assn	6,000.00	
Do	Computer Sciences Corporation	6,000.00	
Do	Labor-Management Committee for the Timber Industry	10,000.00	
Edwin S. Jayne Jr., 1625 L Street, NW Washington, DC 20036	American Federation of State County & Municipal Emp(AFSCME)	16,534.20	600.34
Wendell Jeffreys, 245 N. Waco P.O. Box 2940 Wichita, KS 67201-2940	Wichita District Farm Credit Council		
Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc	115.38	12.00
Jenner & Block, 21 Dupont Circle, NW Washington, DC 20036	Adhesive & Sealant Council, Inc		
Do	American Assn of Electromyography & Electrodiagonosts		
Do	American Diabetes Assn		
Do	American Film Marketing Assn		
Do	American Soc for Cataract & Refractive Surgery		
Do	Dental Gold Institute		
Do	Independent Insurance Agents of America, Inc	8,229.73	
Do	International Soc for Hybrid Microelectronics		
Do	MCI Communications Corp		
Do	National Assn of Casualty & Surety Agents	7,516.32	
Do	National Assn of Life Underwriters	7,835.10	
Do	National Assn of Professional Insurance Agents	7,835.10	
Do	National Assn of Surety Bond Producers		
Do	National Glass Assn		
Carole P. Jennings, 8904 First Avenue Silver Spring, MD 20910	American Academy of Nurse Practitioners	6,000.00	300.00
Dallin W. Jensen, 185 S. State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Ronald P. Johnsen, 700 Thirteenth ,NW, #900 Washington, DC 20005	Columbia Gas System Service Corp	175.00	266.90
James W. Johnson Jr., 1156 15th Street, NW, #1019 Washington, DC 20005	U.S. Beat Sugar Assn		
Jane Leonard Johnson, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		
Mark R. Johnson, 1667 K Street, NW, #350 Washington, DC 20006	Maersk, Inc	2,500.00	
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	420.00	
Johnson Research Associates, 4429 Yuma Street, NW Washington, DC 20016	City of Virginia Beach	7,863.80	363.80
Barbara W. Johnston, 1401 I Street, NW, #200 Washington, DC 20005	BHP-UTAH International, Inc		
David R. Jones, 105 East 22nd Street New York, NY 10010	Community Service Society	726.51	142.00
Edwin M. Jones, 970 Summer Street Stamford, CT 06905-5518	Bentley Mosher & Babson, PC (For:United Engineering & Foundry Co)		
Randall T. Jones, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives	3,000.00	
Robert L. Jones, 4647 Forbes Blvd. Lanham, MD 20706	Amvets	6,800.00	
Robin Wagner Jones, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	5,941.65	
Theodore L. Jones, P.O. Box 65122 Baton Rouge, LA 70896	South Central Bell Telephone		
Do	United Companies Financial Corporation		
Do	United Illuminating Co		
Jones Day Reavis & Pogue, 1450 G Street, NW, #700 Washington, DC 20005-2088	Centex Corp		
Do	Chevy Chase Savings Bank		
Do	Citadel Holding Corp		
Do	Day Kimball Hospital		
Do	Greyhound Lines, Inc		
Do	International Telecharge, Inc		
Do	Laurel Industries, Inc		
Do	Los Angeles County	7,892.00	41.90
Do	Nacco Industries, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	Pfizer, Inc	990.00	
Do	Royal Trustco Ltd		10.00
Do	RJR Nabisco, Inc	2,626.23	17.00
Do	State Assn of County Retirement Systems		
Do	SCM Corp		5.00
Do	Windham Community Memorial Hospital, Inc		
David Josephs, 2010 Massachusetts Ave., NW, 5th Floor Washington, DC 20036	Planned Parenthood Federation of America	206.96	
Robert E. Juliano Associates, 2555 M Street, NW, #303 Washington, DC 20037	American Express Co	15,000.00	807.41
Do	Hotel Employees & Restaurant Employees Int'l Union	37,500.00	637.18
Do	International Speedway Corp	9,000.00	
Do	Martech USA, Inc	15,000.00	
Do	Matson & Navigation Company, Inc		
Do	National Academies of Practice		
Do	Stock Information Group		
Do	U.S. Telephone Assn		
Hans Kaehler, P.O. Box 118 Cold Spring Harbor, NY 11724			
Jim Kaitz, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute	139,132.00	47,983.00
Laurel B. Kamen, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	18,652.50	103.50
John F. Kamp, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	1,250.00	
James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101			
Donald J. Kaniewski, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	17,010.00	667.36
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	Cambridge Redevelopment Authority		
Do	Humane Society of the U.S., et al.		
Do	Iroquois Gas Transmission Systems		
Do	National Venture Capital Assn		
Do	Thermedics, Inc		
James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209	Boeing Company	11,223.60	2,226.62
David A. Karcher, 3702 Pender Drive, #250 Fairfax, VA 22030	American Soc of Cataract & Refractive Surgery	884.31	41.64
Barry Kasinitz, 1750 New York Avenue, NW Washington, DC 20006	International Assn of Fire Fighters	9,752.00	
George Kassouf, 1601 Connecticut Avenue, NW, #600 Washington, DC 20009	Alliance for Justice		
Katten Muchin Zavis & Dombroff, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Associated Aviation Underwriters		
Paul C. Katz, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae		
Anthony P. Kavanagh, 2100 Penn. Ave., #675 Washington, DC 20037	Consolidated Edison Co of New York, Inc	2,400.00	1,406.17
Edward M. Kavjian, 1660 L. Street, NW Washington, DC 20036	General Motors Corp	3,000.00	1,514.02
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	American Nuclear Energy Council		
Do	Benjamin Moore & Co	2,172.00	462.00
Do	Robert Bosch Corp		
Do	Brown Brothers Harriman & Co		
Do	Carlon Company		
Do	City of Newport Beach		
Do	Dow Chemical Co		
Do	Eastern Air Lines, Inc		
Do	Educational Media, Inc		
Do	Goldman Sachs & Co		
Do	GAF Corporation		
Do	Hartford Insurance Group		
Do	Kraft, Inc	150.00	37.50
Do	Londontown Corporation	3,348.00	462.00
Do	Michigan Consolidated Gas Co		
Do	Morgan Guaranty Trust Co of New York		
Do	Pepsico	1,749.00	362.25
Do	Siemens Medical Systems, Inc		
Do	Spanish Broadcasting System	13.00	13.00
Do	Texaco, Inc		
Do	U.S. Industrial Fabric Institute		
Do	United Television, Inc	675.00	168.75
Do	Westwood One, Inc		
Do	Winfield Manufacturing Co		
David L. Keating, 7322 Piney Branch Rd. Takoma Park, MD 20912	National Taxpayers Union	4,711.00	
Richard F. Keating, 1776 I Street, NW, #200 Washington, DC 20006	Anheuser-Busch Companies, Inc		100.00
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	Group Health, Inc	5,062.50	
Robert J. Keefe, 444 N. Capitol Street, #711 Washington, DC 20001	Keefe Company (For:Alarm Industry Communications Committee)		
Do	TKC International (For:International Public Relations Co, Ltd)		
Do	TKC International (For:Mexican Dept of Commerce & Industrial Development)		
Do	Keefe Co (For:Sanders Associates, Inc)		
Jennifer L. Keehan, 1901 Pennsylvania Ave, NW 10th Floor Washington, DC 20006	International Mass Retail Assn	717.00	24.00
Melvin Keener, 1776 I Street, NW, #1000 Washington, DC 20006	BP America		
Susan Keith, 201 Massachusetts Ave., NE, #C-4 Washington, DC 20002	National Corn Growers Assn	3,438.00	
William D. Kelleher, 1415 Elliot Place, NW Washington, DC 20007	National Stone Assn	4,000.00	500.00
Paul J. Kelley, 2727 North Central Ave. Phoenix, AZ 85004	U-Haul Intl, Inc	5,000.00	
Carol A. Kelly, 1620 L Street, NW, #800 Washington, DC 20036	Metopolitan Life Insurance Companies		
Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007	Republic Engineered Steels, Inc		
Mark L. Kemmer, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	2,721.78
Jackson Kemper Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	8,750.00	
Kemper Financial Companies, 120 South LaSalle Street Chicago, IL 60603			
Kemper Financial Services, Inc, 120 South Lasalle Street Chicago, IL 60603			811.55
Kemper Investors Life Insurance Co, 120 South Lasalle Street Chicago, IL 60603			94.85
Kendall & Associates, Inc, 50 E St., SE Washington, DC 20003	American Water Works Service Company, Inc	500.00	
Do	ALC Communications Corp	1,000.00	
Do	Manville Corporation	3,000.00	
Do	Toyota Motor Sales, USA, Inc	2,500.00	
Art Kennedy, P.O. Box 200576 Anchorage, AK 99520	Koniag, Inc	7,593.00	10,179.00
Patricia Cregan Kennedy, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	3,332.00	540.09
Brendan Kenny, 1625 Massachusetts Avenue, NW Washington, DC 20036	Air Line Pilots Assn	5,050.00	656.29
T. Michael Kerr, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	14,668.16	313.80
Richard S. Kessler, 709 2nd Street, NE, #200 Washington, DC 20002	Kessler & Associates (For:Ensco Washington)	4,000.00	
Do	National Assn of Beverage Importers	4,000.00	15.50
Do	Kessler & Associates, Inc (For:Sandoz Corp)	6,000.00	52.42
Do	Kessler & Associates (For:Joseph E. Seagram & Sons, Inc)	9,000.00	125.38
Do	Kessler & Asso (For:Upjohn Corp)	12,000.00	103.20
Carolyn Kiely, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,031.25	
Gene Kimmelman, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	13,183.00	449.00
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Atlanta Committee for the Olympic Games (ACOG)		
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Marcia Y. Kinter, 10015 Main Street Fairfax, VA 22031-3489	Screen Printing Assn International		
Ronald Kipke, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Empolyees	1,290.24	
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Search Group, Inc	10,970.00	1,298.13
Carla Kish, 962 Wayne Avenue, #750 Silver Spring, MD 20910	Energy Conservation Coalition	1,595.00	
Do	Florida Solar Energy Center	3,000.00	
Do	University of Oregon	2,000.00	
Jerry D. Klepner, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	25,527.78	808.71
Glenn Knapp, 773 Dartmouth Ave. San Carlos, CA 94070			
Anthony J. Knettel, 1400 L Street, NW, #350 Washington, DC 20005	Erisa Industry Committee	750.00	
Bruce Knight, 415 Second Street, NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,125.00	
Kevin T. Knobloch, 1616 P Street, NW, #310 Washington, DC 20036	Union of Concerned Scientists	7,150.00	368.00
James L. Knowles Jr., P.O.Box 888 Sandstone, MN 55072			
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906	Firearms Coalition	10,000.00	1,100.00
Darrell Knuffke, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	431.25	
Bradley R. Koch, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Kirk Koepsel, 23 North Scott Sherican, WY 82801	Sierra Club	3,093.99	3,093.99
Kogovsek & Associates, Inc, 1801 Broadway, #1420 Denver, CO 80202	Animas-La Plata Water Conservancy District, Durango County		
Do	Conejos Water Conservancy District		799.24
Do	Dolores Water Conservancy District	4,000.00	670.17

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Greater Denver Corporation	6,249.99	
Do	Public Employees Retirement Assn of Colorado	4,500.00	
Do	Regional Transportation District (Denver, Colorado)	10,749.00	
Do	Rio Grande Water Conservation District	3,000.00	696.38
Do	Rocky Mountain Health Care Corp	5,715.00	1,596.00
Do	San Juan Water Commission	2,216.50	1,451.36
Do	Southern Ute Indian Tribe	11,250.00	9,570.66
Do	Southwestern Water Conservation District, Durango County		10,755.67
Do	Ute Mountain Ute Tribe		
Gary J. Kohn, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America	17,500.00	1,725.62
Timothy S. Kolly, 2805 Meadow Vista Drive Charlottesville, VA 22906	Worrell Enterprises, Inc		
George S. Kopp, 2121 K Street, NW, #650 Washington, DC 20037	Global USA, Inc (For:Earth Observation Satellite Co)	288.46	
Steven Kopperud, 1501 Wilson Boulevard, #1100 Arlington, VA 22209	American Feed Industry Assn	3,240.00	
Horace R. Kornegay, P.O.Box 3463 Greensboro, NC 27402	Adams Kleemeier Hagen Hannah & Fouts (For:American Tobacco Company)		
Kostmayer Communications, Inc, 1667 K Street, NW, #605 Washington, DC 20006	Coalition for Auto Repair Equality	2,132.50	2,585.50
Do	Coalition Against Price-Fixing	1,757.00	2,450.00
Andrea S. Kramer, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
James S. Krzyminski, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Ruth M. Kurtz, 5517 Chevy Chase Pkwy., NW Washington, DC 20015	Coordinadora de Organizaciones Empresariales de Comercio Ext	4,499.88	712.50
James M. Kuszaj, P.O. Box 31608 Raleigh, NC 27615	Dow Chemical USA		
Peter Kyros, 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	Allsup & Associates, Inc		
Do	Kyros Associates (For:American Soc for Cell Biology, et al)		
Do	Association of Administrative Law Judges, Inc		
Do	Cooperative of American Physicians, Inc		
John R. Kyte, 1455 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	New England Council, Inc		
James La Sala, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Labor Policy Assn, Inc, 1015 15th St., NW, #1200 Washington, DC 20005		1,548.94	1,548.94
Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006			39,528.31
Janice R. Lachance, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	4,124.55	
Richard L. Ladd, 1 Massachusetts Ave. NW, #800 Washington, DC 20001	Allied-Signal Aerospace Co, Inc	1,533.40	1,648.48
Nick L. Laird, 1050 17th Street, NW, #550 Washington, DC 20036	Electric Reliability Coalition	37.50	20.00
Ellen C. Lamb, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors		
Gerard F. Lamb, 2341 Jefferson Davis Hwy, #1100 Arlington, VA 22202	Bath Iron Works Corp	5,000.00	
David F. Lambert III, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores	500.00	
David M. F. Lambert, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:INDSPEC Chemical Corp)		
David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	5,000.00	
Stephen K. Lambright, One Busch Place St. Louis, MO 63118	Anheuser-Busch Companies, Inc		
Ray H. Lancaster, 555 13th Street, NW, #430 West Washington, DC 20004	Texas Gas Transmission Corp	3,000.00	353.18
Jill Lancelot, 7100 Sycamore Avenue Takoma Park, MD 20912	National Taxpayers Union	6,057.00	
Maria Landolfo, 1126 16th St., NW Washington, DC 20036	Int'l Union of Electronic, Electrical, Salaried, Machine....	13,594.00	231.24
Scott H. Lane, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Marily J. Langill, 1275 K Street, NW, #400 Washington, DC 20005	Society of the Plastics Industry, Inc		
Robin W. Lanier, 1901 Pennsylvania Ave., NW, #200 Washington, DC 20006	International Mass Retail Assn	9,000.00	
Terry K. Laughlin, One Thomas Circle, NW, #900 Washington, DC 20005	Imrex Company, Inc		
Kathryn M. Lavriha, P.O. Box 1417-D49 Alexandria, VA 22313	National Association of Chain Drug Stores, Inc	500.00	
Law Offices of Deborah Steelman, Columbia Square 555 13th Street, NW, #1220 East Washington, DC 20004-1109	AEtna Life & Casualty	1,800.00	6,600.00
Do	Blue Cross & Blue Shield of Missouri		150.00
Do	Grocery Manufacturers of America		600.00
Do	Johnson & Johnson	1,350.00	750.00
Do	Lockheed Corp		750.00
Do	National Association for the Support of Long Term Care		1,200.00
Do	National Health Labs, Inc		900.00
Do	Pfizer, Inc	1,350.00	1,050.00
Do	Pharmaceutical Manufacturers Assn	1,350.00	1,200.00
Bob Lawrence & Associates, 803 Prince St. Alexandria, VA 22314	Arctic Slope Consulting Group	5,900.00	1,450.00
Do	Energy Partners	22,000.00	1,550.00
Do	Exergy, Inc	11,250.00	1,300.00
Do	Fishermen's Committee	4,000.00	2,530.00
John M. Lawson, 1350 Connecticut Ave., NW #200 Washington, DC 20036	Assn of America's Public TV Stations	3,250.00	190.45
Richard L. Lawson, 1130 17th St., NW Washington, DC 20036	National Coal Assn	3,300.00	
Paul Laxalt Group, 801 Pennsylvania Ave, NW, #750 Washington, DC 20004	Burlington Northern Railroad	2,000.00	
Do	Coalition for Affordable Housing	5,000.00	
Do	Harvey's Resort Hotel/Casino	2,000.00	
Do	Martin Marietta Corp	2,000.00	
Do	OPTUR	1,000.00	
Do	Standard Federal Savings Bank	5,000.00	
Do	Transcontinental Properties, Inc	2,000.00	
Leadership Conference on Civil Rights, 2027 Massachusetts Ave., NW Washington, DC 20036		232,259.98	69,436.37
Richard J. Lease, 2145 Boise Drive Las Cruces, NM 88001			
James B. Lee, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
L. Courtland Lee, Inc, 3814 West Street Landover, MD 20785	Public Resource Assn	1,200.00	18.00
Peter A. Lefkin, 1730 Rhode Island Ave., NW, #1117 Washington, DC 20036	Fireman's Fund Insurance Cos	4,500.00	794.00
Legislative Strategies, 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	American Independent Refiners Assn	3,712.50	1,447.66
Do	Bridge Products		
Do	Cogeneration & Independent Power Coalition of America, Inc	262.50	129.01
Do	Consolidated Natural Gas Service Co, Inc	2,925.00	1,122.68
Do	Donohue & Associates, Inc	4,275.00	1,743.08
Do	Globos International, Inc	675.00	259.08
Do	National Hydropower Assn	1,012.50	388.62
Do	Natural Gas Vehicle Coalition		
Do	State of New Mexico (Natural Gas Programs)	3,112.50	1,247.66
Do	Texas-New Mexico Power Company		
Do	Tosco Corporation	3,337.50	1,299.94
Jack Legler, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
G. Timothy Leighton, 1199 N. Fairfax Street, #801 Alexandria, VA 22314	National Assn of Truck Stop Operators		
Jerris Leonard, 1000 Thomas Jefferson St., NW, #609 . Washington, DC 20007	Leonard Ralston Stanton & Danks (For:Krueger, Inc)	12,814.28	
Charles L. Leppert, B-2 P.O. Box 6000 Ashland, KY 41105-6000			
Raymond D. Lett, 201 James Thurber Court Falls Church, VA 22046	Marxman & Associates, Inc		
Robert John Levering, 1101 17th St., NW, #705 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	634.50	
David R. Levinson, 1133 15th Street, NW, #1200 Washington, DC 20005	Office & Professional Employees Intl Union, Local 2, AFL-CIO		
Lawrence E. Levinson, 1875 Eye St., NW, #1225 Washington, DC 20006	Paramount Communications, Inc	3,000.00	500.00
Herbert J. Levy, 1614 King St. Alexandria, VA 22314	National Assn of Housing Cooperatives		
David A. Lewis, 1000 16th St., NW., #810 Washington, DC 20036	Physicians for Social Responsibility	6,057.69	
Harris W. LeFew, 300 Pratt Street Luke, MD 21540-1099	Westvaco Corporation		
Fern Z. Liang, 4630 Montgomery Ave. Bethesda, MD 20814	American Soc of Hospital Pharmacists		3,270.00
Robert G. Liberatore, 1100 Connecticut Avenue, NW, #930 Washington, DC 20036	Chrysler Corporation	6,252.00	409.00
William C. Lienesch, 238 10th St., SE Washington, DC 20003	National Parks & Conservation Association	500.00	
Lillick & Charles, 1220 19th Street, NW, #700 Washington, DC 20036	International Group of P&I Clubs		
Julienne Wood Lindley, 1725 17th Street, NW, #109 Washington, DC 20009	Bruce P. Cameron (For:Embassy of Mozambique)	743.00	
Do	Bruce P. Cameron (For:Embassy of Nicaragua)	3,713.00	
Do	Bruce P. Cameron (For:Estna Center)	743.00	
Kathleen M. Linehan, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	2,100.00	210.00
Linton Mields Reisler & Cottone, 1225 Eye Street, NW, #300 Washington, DC 20005	Colorado School of Mines Foundation	15,417.18	
Do	Iowa Department of Transportation	12,586.48	
Do	Michigan Dept of Transportation	11,309.60	
Do	Northern States Power Company	5,436.00	
Do	State of Colorado, Dept of Highways	10,956.69	
Do	State of IL, Dept of Transportation	23,001.57	
Do	State of IL, Dept of Transportation, Div of Water Resources	3,082.46	
Do	Water Reclamation District of Greater Chicago	32,276.63	
Do	Wisconsin Electric Power Co	15,939.00	
Do	Wisconsin Power & Light Co	7,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Wisconsin Public Service Corp	7,500.00	
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	Chambers Development Co, Inc	15,000.00	206.58
Do	Federal Record Service Corp		
Do	Health Trust, Inc		
Do	McDonalds Corp	6,000.00	
Do	National Rural Letter Carriers Assn	6,000.00	
Do	Olivetti USA, Inc	1,000.00	
Do	Pioneer Seed Co, Inc	10,000.00	
Do	Rolls Royce, Inc	7,500.00	
Do	RJR Nabisco Washington, Inc	8,000.00	
Do	Westinghouse Electric Corp	1,000.00	
Barbara A. Little, 1155 15th St., NW, #611 Washington, DC 20005	Ethyl Corporation	2,500.00	
E. Geoffrey Littlehale, 1500 K Street, NW, 650 Washington, DC 20005	Glaxo, Inc	2,000.00	
David A. Litvin, 1600 M Street, NW, #700 Washington, DC 20036	Kennecott Corporation	300.00	468.00
Livestock Marketing Association, 7509 Tiffany Springs Parkway Kansas City, MO 64153		33,500.00	17,417.00
Paul Locigno, 2001 M Street NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)		
W. Timothy Locke, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Bixby Ranch Co)		
Do	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:Farmers Insurance Group of Companies)		
Do	Hecht Spencer & Associates (For:Mars, Inc)		
Do	Hecht Spencer & Asso, Inc (For:Marwais Steel Co)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Do	Hecht Spencer & Associates (For:National Automatic Merchandising Assn)		
Do	Hecht Spencer & Associates (For:Charles E. Smith Management, Inc)		
Do	Hecht Spencer & Associates (For:Texas Clinical Laboratories, Inc)		
Frank P. Lombardo II, 317 Baronne Street, N-25 New Orleans, LA 70112	Entergy Services, Inc	175.00	340.00
London & Satagaj, 1156 15th Street, NW, #510 Washington, DC 20005	Jewelers of America	6,000.00	
Do	National Home Furnishings Assn	6,000.00	
Do	Small Business Legislative Council	6,000.00	
Elizabeth Long, 1828 L Street, NW, #802 Washington, DC 20036	American Foundation for AIDS Research	1,000.00	22.30
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).		
Do	Montgomery McCracken Walker & Rhoads (For:National Republican Institute for International Affairs).		
Laura Loomis, 3030 N. Tuckahoe Street Arlington, VA 22213	National Parks & Conservation Association	43.00	
Franklin W. Losey, 1110 Vermont Ave., NW, #1250 Washington, DC 20005	Shipbuilders Council of America	1,000.00	
James Lovell, 20361 Middlebelt Livonia, MI 48152	National Hearing Aid Society		
Mark A. Lowman, 1201 K Street, #800 Scaramento, CA 95814	California Assn of Hospitals and Health Systems	10,000.00	9,182.00
Mrs. Freddie H. Lucas, 1660 L St., NW, Suite 400 Washington, DC 20036	General Motors Corp	3,000.00	1,224.78
Gene A. Lucero, 633 West 5th Street, #3500 Los Angeles, CA 90071	Commercial Finance Assn (CFA)	4,570.00	1,569.59
Do	Sidley & Austin (For:General Electric Capital Corp)		
Kenneth M. Ludden, 888 16th Street, NW Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)	9,000.00	143.10
Do	Bannerman & Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Government of Tunisia)		
Do	Bannerman & Associates, Inc (For:Sawyer/Miller Group (for: Government of the Philippines)).		
Carolyn A. Lugbill, 8200 Greensboro Drive, #302 McLean, VA 22102	National Glass Assn (NGA)		
Kevin A. Lynch, 1275 K Street, NW, #1100 Washington, DC 20005	PacifiCorp Electric Operations	690.00	2,558.95
Barry W. Lynn, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union		
William T. Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	6,050.00	8,622.00
Robert A. Macari, 1747 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
Do	Coffield Ungaretti Harris & Slavin (For:Massachusetts Mutual Life Insurance Company).	7,500.00	
Do	Coffield Ungaretti Harris & Slavin (For:Metropolitan Mutual Life Insurance Co)	7,500.00	
Do	Coffield Ungaretti Harris & Slavin (For:Monroe Communications)		
Do	Coffield Ungaretti Harris & Slavin (For:Smokeless Tobacco Council, Inc)	21,250.00	
James E. Mack, 9005 Congressional Court Potomac, MD 20854	National Assn of Mirror Manufacturers		
Do	Peanut Butter & Nut Processors Assn		
James H. Mack, 7901 Westpark Dr. Mclean, VA 22102	National Machine Tool Builders' Assn	26,000.00	500.00
Thomas L. Mack, 13529 Haddonfield Lane Darnestown, MD 20878	Bechtel Group, Inc		
Robb S. Mackie II, 1004 Duke Street Alexandria, VA 22314	American Subcontractors Assn	2,800.00	
Robert E. Mackin, 122 South Swan Street Albany, NY 12210	National Conference of Insurance Legislators	11,250.00	1,121.90
Robert MacKay, 901 East Capitol Street, SE, 2nd Floor Washington, DC 20003	American Assn for Counseling & Development		
Cliff Madison Government Relations, Inc., 1611 Landfall Drive Wilmington, NC 28403	Burbank-Glendale-Pasadena Airport Authority	7,500.00	
Do	Federal Express Corp	10,500.00	
Do	Mark Air, Inc	15,000.00	
Do	Regency Outdoor Advertising		
Do	Sarasota-Bradenton Airport	6,000.00	
Do	Ventura Port District	9,000.00	
Madison Public Affairs Group/Earle Palmer Brown, 2033 M Street, NW, #900 Washington, DC 20036	Harbert Power Co		
Do	Philip Morris, USA		
Do	Stratco, Inc		
Paul J. Magliocchetti, 9527 Wallingford Drive Burke, VA 22015	Paul J. Magliocchetti Associates, Inc (For:Hughes Aircraft Company)		
Do	Paul Magliocchetti Associates, Inc (For:United Technologies Corporation)		
James J. Magner, 314 Massachusetts Ave, NE Washington, DC 20002	James J. Magner & Associates, Inc. (For:ASARCO, Inc)	14,805.00	296.85
Do	James J. Magner & Associates (For:Kaibab Forest Products Company)	8,307.72	412.26
Do	James J. Magner & Associates, Inc (For:Northern Arizona University Foundation)	9,000.00	386.62
James J. Magner and Associates, Inc, 314 Massachusetts Ave., NE Washington, DC 20002	Asarco, Inc	24,675.00	23,053.37
Do	Kaibab Forest Products Company	13,846.20	23,053.37
Do	Northern Arizona University Foundation	15,000.00	23,053.37
K. Wayne Malbon, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	420.00	20.00
Management & Government Resources, 1305 Mt. Holly Road Burlington, NJ 08016	Burlington Coat Factory Whse	42,319.81	35,258.62
Anne Mancer, P.O. Box 530187 Birmingham, AL 35253-0187	Vulcan Materials Co	500.00	27.50
Robert Y. Maples, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	526.80	210.72
Marc Associates, Inc, 1030 15th Street, NW, #468 Washington, DC 20005	Affiliated Leadership League of & for the Blind		
Do	American Assn of Colleges of Osteopathic Medicine	1,666.00	
Do	American Soc for Bone and Mineral Research		
Do	American Soc for Gastrointestinal Endoscopy	2,500.00	
Do	American Soc of Anesthesiologists	19,500.00	
Do	American Soc of Hematology	1,000.00	
Do	American Society of Clinical Pathology	5,000.00	
Do	American Urological Assn/Am Assn of Clinical Urologists	5,500.00	
Do	Health Industry Manufacturers Assn (IOL)	9,000.00	
Do	Helen Keller National Center	250.00	
Do	International Society for Cardiovascular Surgery/Soc Vas Sur	4,500.00	
Do	Merck Sharp and Dohme	1,000.00	
Do	National Association of Epilipsy Centers	2,000.00	
Do	National Coalition on Immune System Disorders		
Do	National Hemophilia Foundation	4,000.00	
Do	NI Industries	6,000.00	
Do	Recording for the Blind, Inc	1,000.00	
Do	Research Society on Alcoholism	2,000.00	
Do	Rorer Pharmaceutical Company	15,000.00	
Patricia Markey, 1155 15th St., NW, #400 Washington, DC 20005	United Distribution Companies	7,830.00	293.00
Marc L. Marks, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp		
Luther A. Markwart, 1156 15th St., NW, #1101 Washington, DC 20005	American Sugarbeet Growers Assn		
William G. Marqaritis, 1747 Pennsylvania Ave., NW, 3rd Flr Washington, DC 20006	Occidental Chemical Corp		
Chalmers H. Marquis, 1350 Connecticut Avenue, NW, #200 Washington, DC 20036	Association of America's Public Television Stations	3,000.00	176.98
Do	Children's Television Workshop		
C. Travis Marshall, 1350 Eye Street, NW, #400 Washington, DC 20005	Motorola, Inc		
Cynthia L. Martin, 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic Retrieval Systems, Inc	6,500.00	
Will Martin, P.O. Box 2960 Nashville, TN 37219-0960	Harwell Martin & Stegall		
Maryland People's Counsel, 231 E. Baltimore Street, 9th Fl. Baltimore, MD 21202			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Anna M. Maschino, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	625.00	
Mark A. Maslyn, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	7,425.00	333.38
Arthur K. Mason, 1220 19th Street, NW, #700 Washington, DC 20036	Robins Kaplan Miller & Ciresi (For:Assn of the United States Army)		
Do	Leva Hawes Mason Martin & Bebchick (For:Association of the U.S. Army)		
Scott D. Mason, 1535 Oronoco Alexandria, VA 22314	Beer Drinkers of America Legislative Action Committee		
James T. Massey, P.O. Box 1689 317 East Cascade Sisters, OR 97759	Farmers Legal Action Group, Inc		
Sandra Masur, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company	2,100.00	60.00
Suzette Matthews, Arlington Courthouse Plaza II 2300 Clarendon Boulevard, #711 Arlington, VA 22201	Air Traffic Control Assn, Inc	3,880.28	
William C. Mattox, 1700 Pennsylvania Avenue, NW Washington, DC 20006	Mutual of Omaha	750.00	
William W. Maurer, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	1,501.19
Jeffrey G. Mays, 1505 Prince Street, Suite 300 Alexandria, VA 22314	American Optometric Assn		
Ellen Mazer, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	3,162.44	
Michael J. McAdams, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Arlington Cancer Center	1,000.00	
Do	Chabot Observatory & Science Center	100.00	
Do	City of Chattanooga	1,800.00	
Do	Clark County	15,000.00	
Do	Council of American Overseas Research Centers	100.00	
Do	COSTEP	1,000.00	
Do	Dallas/Ft. Worth Railtran System		
Do	Dean Witter Realty, Inc	3,000.00	
Do	Desert Research Institute	800.00	
Do	Diagnostic Retrieval Systems	1,600.00	
Do	Electronic Data Systems Corp	400.00	
Do	Fairtax		
Do	General Atomics	800.00	
Do	Hamilton County	600.00	
Do	Harker Firm	2,500.00	
Do	Johnson Controls, Inc	800.00	
Do	MASSPORT/Commonwealth of Massachusetts	15,000.00	
Do	National Greyhound Assn	1,000.00	
Do	National Medical Care	15,000.00	
Do	National Telephone Services, Inc	1,500.00	
Do	Nevada Resort Assn	7,000.00	
Do	Seafarers International Union	1,600.00	
Do	Texarkana Chamber of Commerce	1,800.00	
Do	Union Labor Life Insurance Co	1,000.00	
Do	University of Nevada/Las Vegas/Research Center	7,500.00	
Do	University of Nevada, Reno	12,000.00	
Do	Washoe County	350.00	
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	2,566.00	
James A. McCarthy, 1711 King Street, #One Alexandria, VA 22314	National Food Processors Assn		
Stephen McConnell, 1334 G Street, NW Fifth Floor Washington, DC 20005	Alzheimer's Assn	5,250.00	200.00
Steven A. McCoy, 1030 15th Street, NW #1020 Washington, DC 20005	North American Export Grain Assn, Inc		
Todd McCracken, 1155 15th Street, NW, #710 Washington, DC 20005	National Small Business United	7,750.00	
Edgar H. McCulloch III, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	9,815.00	218.70
Aubrey McCutcheon III, 933 N Street, NW Washington, DC 20001	Washington Office on Africa	2,000.01	
John H. McCutcheon II, 240 9th Street, NE Washington, DC 20002	National Taxpayers Union	3,461.00	
Francis O. McDermott, 888 16th Street, N.W. Suite 624A Washington, DC 20006	Hopkins Sutter Hamel & Park (For:Association Management Corp)		
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Resources for Group Management, Inc (For:Greeting Card Assn)		
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	American Dental Hygienists Assn	1,500.00	
Do	American Imaging Assn		
Do	American Soc of Outpatient Surgeons		
Do	California Children's Hospital Assn	2,077.50	
Do	Juvenile Diabetes Foundation, International	6,000.00	
Do	Outpatient Opthalmic Surgery Society		
Jack McDonald, 901 15th Street, NW, #700 Washington, DC 20005-2301	Jack McDonald Co (For:Dow Corning Corp)		
Do	Outboard Marine Corp.	2,250.00	
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Paul J. McGeady, 27 Hampton Place Nutley, NJ 07110	Morality in Media, Inc	80.34	
Kate McGee, 1155 Connecticut Avenue, NW, #400 Washington, DC 20036	Oracle Corporation		1,000.00
Sheryl Peterson McGrath, 919 18th Street, NW Washington, DC 20006	American Financial Services Assn	250.00	
Richard L. McGraw, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp		
Mary Lee McGuire, 2300 Clarendon Blvd., #1010 Arlington, VA 22201-3367	Cook Inlet Region, Inc	4,000.00	
Robert McIntyre, 1313 L St., NW Washington, DC 20005	Citizens for Tax Justice	10,312.48	
McIntyre Kahn & Kruse Co., L.P.A., The Galleria & Towers At Erieview 1301 East Ninth Street, #1200 Cleveland, OH 44114			
Harrison D. McIver, 1625 K Street, NW, #725 Washington, DC 20006	Project Advisory Group	380.80	2.25
McKenna & Cuneo, 1575 Eye Street, NW Washington, DC 20005	Cigar Assn of America, Inc		
Lindsay McLaughlin, 1133 15th Street, NW Washington, DC 20005	ILWU	10,000.00	947.01
Michael R. McLeod, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	3,548.60	175.76
Do	McLeod Watkinson & Miller (For:American Mushroom Institute)	110.70	
Do	McLeod Watkinson & Miller (For:American Peanut Product Manufacturers, Inc)	6,400.00	26.75
Do	McLeod Watkinson & Miller (For:Chicago Board of Trade)	9,250.00	354.85
Do	McLeod Watkinson & Miller (For:Coalition for Affordable Home Financing)	3,550.00	
Do	McLeod Watkinson & Miller (For:Mid-Valley Water Authority)		
Do	McLeod Watkinson & Miller (For:State of Florida Department of Citrus)	1,210.50	
Do	McLeod Watkinson & Miller (For:United Egg Producers)	2,631.80	
Tara McMahon, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Rosemary McManus, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae		
C. W. McMillan, 2021 K Street, NW, #306 Washington, DC 20006	McMillan & Farrell Associates, Inc		
Larry McNickle, 901 E Street, NW, #500 Washington, DC 20004-2873	American Assn of Homes for the Aging	349.00	196.03
Mary T. McSorley, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	2,362.50	
Leslie S. Mead, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Joseph F. Meadow, 7307 Baltimore Avenue, #112 College Park, MD 20740	United Action for Animals, Inc	5,050.00	
James Meadows, 600 Congress Ave., #1360 Austin, TX 78701	Capital Network System, Inc	1,200.00	
William A. Meaux, 1600 M Street, NW, #702 Washington, DC 20036	ICI Americas, Inc	5,000.00	
Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432			11.00
Larry Mehlhaff, 23 N. Scott, #27 Sheridan, WY 82801	Sierra Club	7,878.14	7,878.14
Joseph Mehrkens, 900 17th Street, NW Washington, DC 20006	Wilderness Society		
Vernon H. Meier, 1630 Duke Street——4th Floor Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	18,894.00	
Marilyn F. Meigs, 9300 Lee Highway Fairfax, VA 22031	ICF International, Inc	180.00	20.00
J. Reese Meisinger, 1575 Eye Street, NW Washington, DC 20005	American Soc of Assn Executives	300.00	
Susan R. Meisinger, 606 North Washington Street Alexandria, VA 22314	Society for Human Resource Management	15,000.00	
Howard A. Menell, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Coffield Ungaretti Harris & Slavin (For:Comdisco, Inc)		
David Mengebier, 1016 16th St., NW, 5th Floor Washington, DC 20036	Consumers Power Company	6,000.00	6,998.00
J. Roger Mentz, 1100 Connecticut Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Princeton Univ Investment Co & American Council on Education).		
Segundo A. Mercado-Llorens, 1775 K Street, NW Washington, DC 20006	United Food & Commercial Workers International Union	18,914.00	585.55
Harold E. Mesirow, 1220 19th Street, NW Washington, DC 20036	Robins Kaplan Miller & Ciresi (For:International Federation of Freight Forwarders Assn).	18,676.00	558.00
Carol Messer, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	8,775.00	98.75
Messerli & Kramer, 1500 Northland Plaza Building 3800 West 80th Street Minneapolis, MN 55431-4409	City of New Brighton		
Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	625.00	
Jean L. Mestres, 1747 Pennsylvania Avenue, NW, #300 Washington, DC 20006	OXY USA, Inc	1,887.05	462.73
David A. Metzner, 499 S Capitol St., SW, #520 Washington, DC 20003	Van Fleet Associates	13,749.99	
Alden M. Meyer, 1616 P Street, NW Washington, DC 20036	Union of Concerned Scientists	2,700.00	5,576.16
Nicholas Meyers, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	3,007.00	1,415.33
John L. Mica, 15 Third Street N. E. Washington, DC 20002	Central Florida Research Park	1,000.00	250.00
Do	Greater Orlando Aviation Authority	3,000.00	350.00
Do	Harris-RF Communications	3,000.00	550.00
Do	Hvide Shipping, Inc	2,000.00	250.00
James G. Michaux, 6917 Granby Street Bethesda, MD 20817	Federated Dept Stores, Inc		
Janice I. Milazzo, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc		
Nelson L. Milder, 1825 K Street, NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Milgrim Thomajan & Lee, P.C., 1025 Connecticut Ave, NW, #1000 Washington, DC 20036	New York Mercantile Exchange (NYMEX)		
Military Boot Manufacturers Assn, Belleville Shoe Manufacturing Co P.O. Box 508 Belleville, IL 62222			
Bonnie K. Miller, Box 528 Gainesville, VA 22065-0528	Liberty Lobby	2,000.00	1,205.60
Do	National Council for Improved Health	3,500.00	1,788.00
Chaz Miller, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		
Clinton R. Miller, P.O. Box 528 Gainesville, VA 22065-0528	Liberty Lobby		
Do	National Council for Improved Health		
Ellen S. Miller, 1320 19th Street, NW Washington, DC 20036	Center for Responsive Politics	312.50	25.00
Linda B. Miller, 818 18th Street, NW, #900 Washington, DC 20006	Volunteer Trustees of Not-For-Profit Hospitals		
Marc E. Miller, 1 Massachusetts Ave., #800 Washington, DC 20001-1431	McLeod & Pires (For:Coalition for Affordable Home Financing)	2,840.00	
Peggy Miller, 1424 16th St., NW, #604 Washington, DC 20036	Consumer Federation of America	10,962.00	
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	American Nuclear Energy Council	1,500.00	
Do	Association of Financial Services Holding Companies		
Do	Chevy Chase Savings Bank, FSB		
Do	Professional Services Council		
Miller Hamilton Snider & Odom, 1747 Pennslvania Ave., NW, #1150 Washington, DC 20006	Honfed Savings Bank		
C.G. Pete Milligan, 1442 S.W. Troon Circle Palm City, FL 33490	American Telephone & Telegraph Co	2,050.00	554.32
Amy J. Millman, 2200 Mill Road Alexandria, VA 22314	Philip Morris Management Corp		
Timothy H. Minor, Salem Lake Drive Long Grove, IL 60047	CF Industries, Inc		
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	Biogen, Inc	5,275.00	
Do	Communications Industries Assn of Japan	15,000.00	
Do	Home Recording Rights Coalition		
Do	Houghton Mifflin Company	6,509.00	
Do	National Truck Weight Advisory Council	2,053.00	
Do	Siemens Corp	6,000.00	
Do	Turner Broadcasting System, Inc		
Lawrence H. Mirel, 1614 20th Street, NW Washington, DC 20009	Liberty Mutual Insurance Company	6,000.00	500.00
Gina Shea Mitchell, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute	139,132.00	47,983.00
Mitchell Friedlander & Gittleman, 1201 Conn. Ave., NW Washington, DC 20036	National Bank of Liberia		
Richard H. Mitman, 14734 Victory Blvd., #201 Van Nuys, CA 91411			3,015.00
Peter A. Molinaro, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Robert H. Mollohan, 912 Sylvan Avenue Fairmont, WV 26554	Airspace Technology, Inc	600.00	
Robert A. Molofsky, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO	5,000.00	186.00
Albert W. Moore, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,275.00	25.00
Allen Moore, 1730 Rhode Island Ave., #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Obie Moore, 1156 15th St., NW, #1015 Washington, DC 20005	JC Penney Co, Inc		
Richard M. Moose, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	14,687.50	
Morality in Media, Inc, 475 Riverside Dr., #239 New York, NY 10115			94.00
Lori M. Moran, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council		
Anne L. Morgan, 1016 16th St., NW Washington, DC 20036	National Fed of Federal Employees		
John Morgan, 501 3rd Street, NW Washington, DC 20001	Communications Workers of America		
William Morris, 1737 H Street, NW Washington, DC 20006	Rogers & Wells (For:Oxnard Refinery)		
William C. Morrison, 2001 North Adams St. Arlington, VA 22201	Meat Importers Council of America, Inc		
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	Ford Motor Co	1,220.00	26.00
Do	Mastercard International, Inc, et al.	31,977.50	126.50
Valerie T. Morse, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	18,874.88	5.00
Shelley R. Moskowitz, 236 Mass. Ave., NE, #608 Washington, DC 20002	Neighbor to Neighbor Action Fund	6,000.00	110.00
Beth Moten, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	1,365.75	32,710.19
Paul W. Mousseau Jr., 3000 K Street, NW Penthouse 3-A Washington, DC 20007	Wealth Management Corp (For:Ampol, Inc)	10,500.00	
Do	Wealth Management Corp (For:Finryan International, Ltd)	3,000.00	
Patricia Collins Murdock, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,415.94	108.35
James Jackson Murphy, 1720 I Street, NW 7th Floor Washington, DC 20006	American Academy of Actuaries		
Paul T. Murphy, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		200.00
Stephen P. Murphy, 715 South Fairfax Street Alexandria, VA 22314	Yellow Freight System, Inc of Delaware	38,458.37	
James V. Murray, 1100 15th Street, NW, #1200 Washington, DC 20005	Union Carbide Corp		
Margaret R. Murray, One Massachusetts Avenue, NW, #800 Washington, DC 20001	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	922.20	
Do	McLeod Watkinson & Miller (For:Coalition for Affordable Home Financing)	3,550.00	
Do	McLeod Watkinson & Miller (For:National Rural Telecom Assn)	3,624.00	
Robert J. Muth, 180 Maiden Ln. New York, NY 10038	Asarco, Inc		
Marci H. Nadler, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors	2,500.00	
John Francis Nash Jr., 1100 Connecticut Ave NW #1300 Washington, DC 20036	Milliken & Company	5,000.00	3,200.00
Hardy L. Nathan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
National Abortion Rights Action League, 1101 14th Street, NW, 5th Floor Washington, DC 20005			23,644.02
National Air Carrier Assn, 1730 M St., NW, #806 Washington, DC 20036			
National Assn of Chain Drug Stores, Inc, P.O. Box 1417-D49 Alexandria, VA 22313			
National Assn of Home Builders of the U.S., 15th & M Sts., NW Washington, DC 20005		200,180.95	146,154.30
National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001		6,890,284.40	129,012.46
National Assn of Real Estate Investment Trusts, Inc, 1129 20th St., NW, #705 Washington, DC 20036			
National Assn of Stevedores, 2011 I Street, NW, #601 Washington, DC 20006		3,300.00	4,800.00
National Assn of Truck Stop Operators, Inc, 1199 N. Fairfax Street, #801 Alexandria, VA 22314			
National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002		3,950.00	10,025.00
National Automobile Dealers Assn, 8400 Westpark Drive Mclean, VA 22102			25,250.00
National Coalition for Fair Trade, 514 Clinton Street Grand Haven, MI 49417			
National Coalition for Marine Conservation, Inc, P.O. Box 23298 Savannah, GA 31403		19,452.81	24,589.33
National Comm of Cities & States for Airline Service, Transportation Bldg., #417 St. Paul, MN 55156		4.50	
National Committee on Pay Equity, 1126 16th St., NW, #411 Washington, DC 20036		54,619.84	513.21
National Corn Growers Assn, 201 Massachusetts Ave., NE Suite C-4 Washington, DC 20002		20,851.00	20,851.00
National Council of Farmer Cooperatives, 50 F Street, NW, #900 Washington, DC 20001		10,629.76	7,938.09
National Family Planning & Reproductive Health Assn, Inc, 122 C St., NW, #380 Washington, DC 20001		93,328.00	748.00
National Fed of Business and Professional Women's Clubs, 2012 Massachusetts Ave., NW Washington, DC 20036	National Fed of Business & Professional Womens Clubs		16,831.00
National Fed of Federal Employees, 1016 16th Street, NW Washington, DC 20036		23,131.83	23,131.83
National Food Processors Assn, 1401 New York Avenue, NW, #400 Washington, DC 20005		600.00	600.00
National Foreign Trade Council, Inc, 1270 Avenue of the Americas New York, NY 10020		69,564.00	69,564.00
National Glass Association, 8200 Greensboro Drive, #302 McLean, VA 22102			
National Hearing Aid Society, 20361 Middlebelt Livonia, MI 48152			
National Independent Automobile Dealers Assn, 2521 Brown Blvd., Suite 100 Arlington, TX 76006-5299			9,520.11
National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016			2,708.24
National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314			43,121.00
National Newspaper Assn, 1627 K St., NW, #400 Washington, DC 20006		124,173.00	7,875.00
National Pork Producers Council, 501 School Street, SW, #400 Washington, DC 20074		217,791.00	144,198.00
National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036		272,453.44	428,890.81
National Rural Letter Carriers Assn, 1630 Duke St., 4th Floor Alexandria, VA 22314-3465		25,024.00	33,065.00
National Stone Assn, 1415 Elliot Place, NW Washington, DC 20007			
National Taxpayers Union, 325 Pennsylvania Ave., SE Washington, DC 20003		14,997.00	28,454.00
National Tire Dealers & Retreaders Assn, 1250 Eye Street, NW, #400 Washington, DC 20005		8,239.00	8,239.00
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		70,264.00	70,264.00
Irene Natividad, 400 S Kensington Street Arlington, VA 22204	Natividad Associates (For:Philippine Embassy)	15,000.00	1,963.74
Ralph G. Neas, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	20,419.68	621.91
Shirley Neff, 555 13th Street, NW, #300W Washington, DC 20004	Interstate Natural Gas Assn of America	1,000.00	
Neighbor-To-Neighbor Action Fund, 2601 Mission Street, #400 San Francisco, CA 94110		124,559.19	138,591.41
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	Republic of Cameroon	55,500.00	8,835.18
Joshua E. Neiman, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	10,152.00	
Christine V. Nelson, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:United Egg Assn)	2,112.75	44.65
Do	McLeod Watkinson & Miller (For:United Egg Producers)	3,499.55	69.65
E. Colette Nelson, 1004 Duke St. Alexandria, VA 22314	American Subcontractors Assn	4,900.00	
Lisanne Nelson, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	950.00	
Scott E. Nemanich, 150 N. Michigan Ave., #2800 Chicago, IL 60601	Brydges Riseborough Morris Franke & Miller	3,009.64	650.00
Frederick H. Nesbitt, 1750 New York Avenue NW Washington, DC 20006	International Assn of Fire Fighters	15,840.00	
New Jersey State Bar Assn, One Constitution Square New Brunswick, NJ 08901-1500			
Peter E. Newbould, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)	887.50	75.00
George S. Newman, 7915 Jones Branch Dr. McLean, VA 22102	BDM International, Inc		
E. Bruce Nicholson, 1800 M St., NW Washington, DC 20036	American Bar Assn	400.00	50.00
Daniel E. Nickelson, 2000 L St., NW, #200 Washington, DC 20036	Cleveland Clinic Foundation		
Nicholas K. Niemann, One Central Park Plaza, #1100 Omaha, NE 68102	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)		
Jeffrey P. Noah, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Nonprescription Drug Manufacturers Assn, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036			4,618.75
David F. Norcross, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).		
Do	Montgomery McCracken Walker & Rhoads (For:National Assn of Maritime Organizations).		
Edward M. Norton Jr., 1400 16th Street, NW, #300 Washington, DC 20036	Grand Canyon Trust		
James Norton, 900 17th Street, NW Washington, DC 20006	Wilderness Society	450.00	10.76
Julie Noufer, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	4,800.00	
Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	
Silas O. Nunn, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America		
David D. O'Brien, O'Brien & Associates 600 New Hampshire Avenue, NW, #1010 Washington, DC 20037	Harley-Davidson, Inc	12,000.00	639.18
Durinda O'Brien, 900 17th Street, NW Washington, DC 20006	Wilderness Society	10,436.66	271.45
David O'Brien & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Primerica Financial Services	12,000.00	1,183.13
David S. O'Bryon, 1555 Connecticut Ave., NW, #308 Washington, DC 20036	American Assn of Limited Partners	100.00	
Charles A. O'Connor Esq, P.O.Box 2522 Arlington, VA 22202			
Kelley E. O'Connor, 216 7th Street, SE Washington, DC 20003	Florists' Transworld Delivery Association	2,000.00	
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	New York State Assembly		
J. Daniel O'Flaherty, 1625 K St., NW, #1090 Washington, DC 20006	National Foreign Trade Council	5,000.00	400.00
Janet O'Keeffe, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	3,000.00	71.35
Law Offices of John O'Neal, P.C., 1455 Pennsylvania Ave., NW, #1200 Washington, DC 20004	National Rural Telecom Assn	3,500.00	
Obadal & O'Leary, P.C., 1612 K St., NW, #1400 Washington, DC 20006	Associated Equipment Distributors		
Harry R. Obley, One Mellon Bank Center, #1905 Pittsburgh, PA 15258-0001	Mellon Bank N.A., et al.	2,000.00	767.91
Neil H. Offen, 1776 K Street, NW, #600 Washington, DC 20006	Direct Selling Association		
Office & Professional Employees Intl Union, Local 2, AFL-CIO, 8455 Colesville Road, #1250 Silver Spring, MD 20910-3320			
Van R. Olsen, 1156 15th St., NW, #1019 Washington, DC 20006	U.S. Beet Sugar Assn		
Richard C. Olson, 2000 Edmund Halley Drive, #400 Reston, VA 22091	DynCorp	2,593.00	
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Ad Hoc Comm for Small Hydro Power		
Do	Insurance Solvency Coalition	2,500.00	
Do	National Assn of Energy Service Companies	2,000.00	
Elvira J. Orly, 1150 Connecticut Ave., NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Sima Osdoby, 305 7th Street, SE Washington, DC 20003	Womens Action for Nuclear Disarmament, Inc, et al.	4,300.00	
Kathleen Galiher Ott, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc		
Karl Ottosen, 208 G Street, NE Washington, DC 20002	NL Industries/Baroid Corp	11,250.00	
Do	U.S. Federation of Small Businesses, Inc	1,500.00	
Pagonis & Donnelly Group, Inc, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Government of the People's Republic of Ethiopia	48,000.00	602.83
Do	Government of the Republic of Transkei	52,500.00	
Candido R. Palting III, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute	139,132.00	47,983.00
Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Nancy L. Parke, 5410 Grosvenor Lane, #100 Bethesda, MD 20814-2122	American Cong. on Survey. & Mapp./Amer Soc of Photogrammetry	2,692.65	706.38
Ken Parmelee, 1630 Duke Street, 4th Floor Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	22,960.00	3,746.00
Parry and Romani Associates, Inc, 233 Constitution Avenue, NE Washington, DC 20002	American Chiropractic Assn		
Do	Bell Helicopter Textron, Inc	3,750.00	
Do	Brown & Root U.S.A., Inc	3,000.00	
Do	Cessna Aircraft Compnay	700.00	
Do	Genentech	2,100.00	
Do	Generic Pharmaceutical Industry Assn	1,000.00	
Do	Herbalife International of America, Inc	1,000.00	
Do	International Assn of Broadcast Monitors	1,200.00	
Do	Ixtlan Corp	375.00	
Do	Lockheed Aeronautical Systems Co	2,200.00	
Do	Motion Picture Assn of America, Inc	3,200.00	
Do	National Assn of Independent Insurers	1,500.00	
Do	New Mexico State University		
Do	Pfizer, Inc	1,800.00	
Do	Port of Brownsville	820.00	
Do	Research Corp Technology, Inc	4,800.00	
Do	Richard V. Allen Co (for MBB Co of Pennsylvania)	1,400.00	
Do	Secured Systems International, Inc		
Do	Systech Environmental Corp	3,600.00	
Do	TCOM, L.P.	1,500.00	
Do	Upjohn Company	2,100.00	
Do	Westinghouse Electric Corporation		
Do	Won Door Corporation	1,125.00	
Do	World Chiropractic Alliance		
Amber Parson, 7901 Westpark Drive McLean, VA 22102	National Machine Tool Builders' Assn	1,620.00	500.00
Parsons Behle & Latimer, 185 South State Street, #700 Salt Lake City, UT 84147-0898	Energy Fuels		
Kevin Patrick, 1110 North Glebe Rd. Suite 200 Arlington, VA 22201	International Association of Chiefs of Police	4,712.40	1,088.97
David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Patton Boggs & Blow, 250 West Pratt St., #1100 Baltimore, MD 21201	George Mason University Foundation, Inc	1,600.00	
Do	Greater Baltimore Committee Foundation	500.00	
Do	National Con-Serv, Inc		
Do	Prince George Center, Inc		
Do	University of Arizona Foundation	6,000.00	
Molly Pauker, 5151 Wisconsin Ave., NW Washington, DC 20016	Fox Television Stations, Inc	1,000.00	39.00
Andrew R. Paul, 225 Reinekers Lane, #600 Alexandria, VA 22314	Satellite Broadcasting & Communications Assn	5,000.00	103.18
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Union Pacific Corp		
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	National Music Publishers Assn, Inc		
Ronald Pearson, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Do	Pearson & Pipkin (For:Physicians Who Care)		
Russell H. Pearson, 1156 15th Street, NW, #1015 Washington, DC 20005	J. C. Penney Co, Inc		
Pearson and Pipkin, Inc, 422 First Street, SE, #208 Washington, DC 20003	Embassy of South Africa		
Do	Physicians Who Care	1,500.00	
Kevin Pedraja, 601 Pennsylvania Ave, NW, #700 Washington, DC 20004	Business Executives for National Security, Inc		
Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209	American Assn of School Administrators	8,715.00	
Robert A. Perkins, 1100 Connecticut Avenue, NW Washington, DC 20036	Chrysler Corporation	15,000.00	450.00
Jeffry L. Perlman, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,000.00	361.48
Leonard Perlman, 5312 Trailway Drive Rockville, MD 20853	National Rehabilitation Counseling Assn		
Roxanne Perugino, 888 16th St., NW Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)	6,000.00	221.76
Do	Bannerman and Associates, Inc (For:Beirut University College)	1,000.00	40.00
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	1,000.00	321.80
Do	Bannerman and Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	250.00	32.00
Alan Peterson, 1505 Prince Street, #300 Alexandria, VA 22314	American Optometric Assn		
Esther Peterson, 2001 S St., NW, #510 Washington, DC 20009	International Organization of Consumers Unions		
Geoffrey G. Peterson, 1250 Eye St., NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Mary Jo Peterson, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,300.00	
Petroleum Marketers Assn of America, 1120 Vermont Ave., NW, #1130 Washington, DC 20005		20,000.00	18,754.55
Laura M. Pettey, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	6,389.00
Susan M. Pettey, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Pettit & Martin, 601 13th Street, NW, #600 Washington, DC 20005	American Suzuki Motor Corp	11,939.00	331.00
Peyser Associates, Inc, 1000 Vermont Ave., NW, #400 Washington, DC 20005	City of Philadelphia	43,500.00	
Do	HOV Coalition	6,000.00	
Do	MacAndrews & Forbes Holdings, Inc	17,875.00	
Do	Metro	9,450.00	
Do	Metropolitan Toledo Consortium	28,500.00	
Do	Mothers Against Drunk Driving (MADD)	11,250.00	
Do	National School Health Education Coalition	3,400.00	
Do	Regional Transit Authority	24,999.99	
Do	Southeastern Pennsylvania Transit Authority	11,000.00	
Laura Phelps, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	2,080.20	113.71
Do	McLeod Watkinson & Miller (For:American Mushroom Institute)	4,083.75	83.21
Patricia Lynn Phillips, P.O. Box 10891 McLean, VA 22102	National Assn of State Agencies for Food Distribution	3,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Physicians for Social Responsibility, 1000 16th Street, NW, #810 Washington, DC 20036		13,793.07	16,103.65
Joan Piccolo, 1350 I Street, NW, #400 Washington, DC 20005	Motorola, Inc	4,500.00	
Theodore M. Pierce, 5301 Wisconsin Ave., NW, #450 Washington, DC 20015	National Assn of Surety Bond Producers		
Elizabeth P. Pigott, 155 Marblehead Court Jackson, MS 39211	Entergy Services, Inc	3,000.00	1,398.00
Susan G. Pikrallidas, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Consolidated Rail Corporation	10,170.50	351.06
Jeffrey J. Pirruccello, One Central Park Plaza, #1100 Omaha, NB 68508	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)		
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)		
Planned Parenthood Fed of America, Inc, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036		24,929.04	24,929.04
E. R. Plourd, 227 Massachusetts Ave., NE, #100 Washington, DC 20002	United Transportation Union	2,500.00	
Karen Pollitz, 2021 Massachusetts Ave., NW Washington, DC 20036	American Academy of Family Physicians	2,937.50	162.37
John Pomeranz, 1319 F Street, NW, #300 Washington, DC 20004	HALT		
Harry L. Ponder, 815 16th Street, NW, #707 Washington, DC 20006	Department for Professional Employees AFL-CIO	3,361.02	
John F. Pontius, 130 North Carolina Avenue, SE Washington, DC 20003	Caron Foundation		
Kathryn Pontzer, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	3,500.00	
James J. Popham, 1200 18th Street, NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
J. Craig Potter, 1020 19th Street, NW, #400 Washington, DC 20036-6101	Oppenheimer Wolff & Donelly		
Ramsay D. Potts, Shaw Pittman Potts & Trowbridge 1800 M St., NW (sO. Bldg.) Washington, DC 20036	Investment Counsel Assn of America, Inc		
Joseph L. Powell Jr., 1901 L Street, NW, #320 Washington, DC 20036	Powell Adams & Rinehart		
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Cadmium Council, Inc		
Do	John Hancock Mutual Life Insurance Co	10,000.00	1,091.15
Do	Lead Industries Assn, Inc		
Do	Preussag AG	20,430.72	1,236.40
Robert V. Price, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc		
Pro-Life Congressional District 11, P.O. Box 727 San Carlos, CA 94070		1,902.11	284.83
Sydney Probst, 1250 Eye Street, NW, #900 Washington, DC 20005	Distilled Spirits Council of the U.S., Inc	2,000.00	
Project Advisory Group, 1625 K Street, NW, #725 Washington, DC 20006			3,818.05
Gerald R. Prout, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	3,600.00	
James C. Pruitt, 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Public Resource Associates, 1815 H Street, NW, #600 Washington, DC 20006			1,765.00
Thomas W. Purcell, 100 Daingerfield Road Alexandria, VA 22314	Printing Industries of America, Inc	2,500.00	
Sue P. Purvis, P.O. Box 14042 St. Petersburg, FL 33733	Florida Power Corp	2,750.00	
Do	Florida Progress Corp	685.00	
Earle W. Putnam, 5025 Wisconsin Avenue, NW Washington, DC 20016	Amalgamated Transit Union, AFL-CIO		
Quality Peanut Industry Coalition, Inc, 47 East Oakland Ave. Camilla, GA 31730		57,725.00	47,324.94
Harold P. Quinn Jr., 1130 17th St., NW Washington, DC 20036	National Coal Assn	8,400.00	18.00
Todd Quisenberry, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
George Gregory Raab, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		
Radio-Television News Directors Assn, 1000 Connecticut Avenue, NW, #615 Washington, DC 20036		2,500.00	
Donald A. Randall, 321 D Street, NE Washington, DC 20002	Automotive Service Assn	1,897.50	
Do	National Independent Dairy-Foods Assn	241.36	
Rebecca G. Range, 1300 Eye Street, NW, #950 East Washington, DC 20005	Continental Airlines Holdings, Inc	22,500.00	20,521.00
Robert A. Rapoza Associates, Inc, 122 C Street, NW, # 875 Washington, DC 20001	Community Transportation Association of America	210.00	
Do	Great Lakes Rural Network/WSOS	155.00	
Do	Local Initiatives Support Corp	700.00	185.62
Do	Trust for Community Development	1,130.00	2,225.98
Do	Virginia Water Project/SE RCAP	155.00	
Robert Ratliffe, 5400 Carillon Point, #400 Kirkland, WA 98033	McCaw Communications Cos		
Helene Rayder, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	8,541.38	257.60
Robert S. Raymar, 1180 Raymond Boulevard Newark, NJ 07102	Hellring Lindeman Goldstein & Siegal (For:GAF Corporation)	6,854.74	385.58
Clark E. Rector Jr., 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	875.00	
Bill Redding, 214 N. Henry Street, #203 Madison, WI 53703	Sierra Club	945.00	626.00
Donald W. Reed, 1776 I Street, NW, #575 Washington, DC 20006	Dow Chemical Co		6,351.50
Robert S. Reese Jr., 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	2,500.00	582.75
John T. Reggitts Jr., 95 Boonton Avenue P.O. Box 470 Boonton, NJ 07005			
Regional Commerce & Growth Assn, 1021 Kingsway, #6 Cape Girardeau, MO 63701		14,551.51	15,922.28
Joseph J. Reilly, Jr, 62A Winn Street Burlington, MA 01803	Morality in Media, Inc		
Renewable Fuels Assn, One Massachusettes Ave, NW, #820 Washington, DC 20002		202,200.00	259,975.90
Clarinda Renner, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees	8,601.60	
Diane Rennert, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	6,500.00	1,288.90
Riley Repko, 1627 Eye Street, NW #880 Washington, DC 20006	Oracle Corporation		29,500.00
Reserve Officers Assn of the US, 1 Constitution Ave., NE Washington, DC 20002		3,246.47	16,202.72
Vincent P. Reusing, 1620 L Street, NW, #800 Washington, DC 20036	Metropolitan Life Insurance Cos	1,200.00	230.00
Allan R. Rexinger, 1150 Connecticut Ave., NW, #1200 Washington, DC 20036	Nonprescription Drug Manufacturers Assn	4,468.75	150.00
Michael S. Reynolds, 900 Threadneedle Houston, TX 77079	Vista Chemical Company		5,804.00
Alan K. Richards, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Warren S. Richardson, 325 Pennsylvania Ave., SE Washington, DC 20003	Washington Lobby Group, Inc (For:Preston Corp)	3,000.00	
James G. Rickards, 600 Steamboat Road Greenwich, CT 06830-7149	Greenwich Capital Markets, Inc		1,418.30
Mark Joesph Riedy Esq, 1775 Pennsylvania Ave., NW, 7th Floor Washington, DC 20006	Ripac, Inc		
Norbert J. Riedy Jr., 900 17th Street, NW Washington, DC 20006	Wilderness Society	2,193.75	739.07
Judith Assmus Riggs, 1334 G Street, NW #500 Washington, DC 20005	Alzheimer's Assn	4,125.00	66.50
Wesley J. Riker, 4647 Forbes Blvd. Lanham, MD 20706	AMVETS	6,800.00	
Michael R. Riksen, 2706 Davis Ave. Alexandria, VA 22302	Harris Corporation	2,025.00	538.16
Bryan Riley, 470 L'Enfant Plaza East Bldg. #7112 Washington, DC 20024	Citizens for a Sound Economy		
Russell C. Ring, 1700 Pensylvania Ave., SE, #500 Washington, DC 20006	Mutual of Omaha Insurance Co	225.00	
Riselli & Pressler, P.C., 1225 19th Street, NW, #850 Washington, DC 20036	Professional Managers' Assn		
Ivette E. Rivera, 412 First Street, SE Washington, DC 20003	National Automobile Dealers Assn	3,000.00	
Hal Rives, P.O. Box 1000-192 Duluth, MN 55814			
Rivkin Radler Bayh Hart & Kremer, 1575 I Street, NW, #1025 Washington, DC 20005	Milk Industry Foundation		
Michelle Robbins, 1825 Eye St., NW, #1100 Washington, DC 20006	Lockheed Corporation	2,000.00	703.25
Robins Kaplan Miller & Ciresi, 1220 19th Street, NW, #700 Washington, DC 20036	Polaris Industries	638.87	
Do			
Nancy J. Robinson, 7509 Tiffany Spgs. Pkwy. Kansas City, MO 64190-1402	Livestock Marketing Association	14,442.00	1,800.00
Bob John Robison, 1 Massachusetts Avenue, NW, #800 Washington, DC 20001	Robison International, Inc (For:FMC Corp)	1,000.00	
Do	Robison International, Inc (For:General Atomics Technologies)	1,000.00	
Do	Robison International, Inc (For:McDonnell Douglas Corp)	1,000.00	
Do	Robison International, Inc (For:Royal Ordnance, Inc/British Aerospace Co)	1,000.00	
Robison International, Inc, 1 Massachusetts Ave. NW, #800 Washington, DC 20001	FMC Corporation	800.00	1,648.48
Do	General Atomics Technologies	3,600.00	2,472.71
Do	McDonnell Douglas Corp	3,600.00	3,296.94
Do	Royal Ordnance, Inc	13,320.00	13,187.76
David B. Rockland, 1705 DeSales Street, NW 8th Floor Washington, DC 20036	Times Mirror Magazines, Inc		
Phillip Rodenberg, 1400 K Street, NW, #801 Washington, DC 20005	General Aviation Manufacturers Association	5,923.00	
Michael F. Rodgers, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging	53.00	24.91
Margaret Rogers, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical Co		6,539.00
Rogers & Wells, 1737 H Street, NW Washington, DC 20006	American Express Co		
Do	Dreyfus Corporation	500.00	215.00
Do	Futures Industry Association		
Do	Investment Partnership Assn	2,500.00	123.00
Do	Kamehameha Schools/Bishop Estate		
Do	National Assn of Beverage Importers		
Do	Rutgers, The State University of New Jersey		
Do	Shearson Lehman Hutton		
Do	Wine & Spirits Wholesalers of America, Inc		
Carole M. Rogin, 1255 23rd Street, NW, Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Lori S. Rogovin, 901 East Capitol Street, SE Second Floor Washington, DC 20003	American Assn for Counseling & Development	9,926.00	
Barbara J. Rohde, 2440 Virginia Ave., NW, #D1203 Washington, DC 20037	City of Grand Forks	1,000.00	1,700.00
Emil A. Romagnoli, 180 Maiden Lane New York, NY 10038	Asarco, Inc	2,600.00	
Barbara Roper, 1424 16th Street, NW, #604 Washington, DC 20036	Consumer Federation of America	9,686.00	
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Butler Capital Corp		
Do	Industrial Development Authority of Ireland		
Leslie Rose, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc	5,775.00	
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	2,496.64	
John C. Rother, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	1,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Edwin Rothschild, 1300 Connecticut Ave., NW, #401 Washington, DC 20036	Citizen Action Fund	600.00	80.00
William C. Rountree, Suite 1000 1776 Eye Street, NW Washington, DC 20006	BP America, Inc		
Eugene F. Rowan, 11 Canal Center, Suite 250 Alexandria, VA 22314	Rugby-Darby Group Companies, Inc		
J. Patrick Rowland, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland & Sellery (For:Baker Industries)	1,500.00	25.00
Do	Rowland & Sellery (For:Borg-Warner Automotive, Inc)	1,500.00	
Do	Rowland & Sellery (For:Coalition for Uniform Product Liability Law)	2,000.00	25.00
Do	Rowland & Sellery (For:GE Plastics)	1,000.00	25.00
Do	Rowland & Sellery (For:Independent Armored Car Assn)	739.00	50.00
Do	Rowland & Sellery (For:National Armored Car Assn)	2,400.00	30.00
Do	Rowland & Sellery (For:National Check Cashers Assn, Inc.)	1,500.00	25.00
Melanie J. Rowland, 900 17th St., NW Washington, DC 20006	Wilderness Society	735.62	653.25
Rowland & Sellery, 1023 15th Street, NW, 7th Fl Washington, DC 20005	GE Plastics	2,000.00	50.00
Do	National Check Cashers Assn, Inc	3,000.00	50.00
Do	Security Companies Organized for Legislative Action (SCOLA)	1,004.00	25.00
Roxton, Inc, 2000 S. Eads Street, #1003 Arlington, VA 22202			
Herbert Ray Rubenstein, 1818 N Street, West Lobby Washington, DC 20036			
Eric M. Rubin, 1730 M Street, NW, #412 Washington, DC 20036	Rubin Winston & Diercks (For:Outdoor Advertising Assn of America, Inc)	7,500.00	
James S. Rubin, 300 Mercer Street, #28K New York, NY 10003	Bass & Ullman (For:National Assn of Pharmaceutical Manufacturers)	5,100.00	
Eldon Rudd, Shimmel Hill Bishop & Gruender, P.C. 3700 North 24th Street Phoenix, AZ 85016	Central Arizona Project Assn		
Lois J. Rude, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	500.00	211.32
John Runyan, 100 Daingerfield Rd. Alexandria, VA 22314	Printing Industries of America, Inc	1,000.00	
William Russell & Associates, Inc, 117 S. Columbus Street Alexandria, VA 22314-3003	Golbal Broadcasting System		
J. T. Rutherford & Associates, Inc, 1301 N. Courthouse Rd., #1802 Arlington, VA 22201	American College of Radiology		611.40
Do	American Optometric Assn		527.50
Do	Boehringer Mannheim		251.30
Donald T. Ryan, 600 Pennsylvania Ave., SE, #100 Washington, DC 20003	Alliance to End Childhood Lead Poisoning	345.00	
Ryan-McGinn, Inc, 2300 Clarendon Blvd., #610 Arlington, VA 22201	American Medical Record Assn Long Term Care Section	2,250.00	
Do	Cabot Energy Corporation		
Do	Council on Accreditation of Services for Families & Children	3,375.00	43.90
Do	Dietary Managers Assn	5,750.00	266.39
Do	National Assn of Medical Directors of Respiratory Care	21,249.99	
Do	West Virginia Hospital Assn	1,875.00	282.53
Do	West Virginia Independent Oil & Gas Assn	4,500.00	567.70
RBC Associates, 122 C Street, NW, #850 Washington, DC 20001	Ann Arbor Railroad		6,385.49
Do	Bangor & Aroostook Railroad	7,500.00	6,385.49
Do	Chicago & Northwestern Railroad	48,000.00	6,385.49
Do	Delaware Otsego System	15,237.50	6,385.49
Do	Illinois Central Railroad	24,000.00	6,385.49
Do	Investment Counsel Assn of America	7,564.46	6,385.51
Do	Regional Railroads of America	39,000.00	6,385.49
Do	Turbomeca Engine Corp	20,000.00	6,385.49
Lawrence E. Sabbath, 1023 15th Street, NW, 7th Fl Washington, DC 20005	Rowland & Sellery (For:GE Plastics)	1,000.00	25.00
Do	Rowland & Sellery (For:National Check Cashers Assn, Inc)	1,500.00	25.00
Do	Rowland & Sellery (For:Security Companies Organized for Legislative Action (SCOLA)).	1,004.00	25.00
Kevin M. Sabo, 1100 17th Street, NW, #1203 Washington, DC 20036	Financial Executives Institute	139,132.00	47,983.00
G. J. Thomas Sadler Jr., 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	882.55
Sagamore Associates, Inc, 1701 K Street, NW #400 Washington, DC 20006	Ebasco Services Inc	9,000.00	252.18
Do	Indiana Electric Assn	22,490.00	1,788.66
Do	MSE Corp	4,420.00	104.65
Stephen Sale, 910 16th Street, NW Washington, DC 20006	Fehrenbacher Sale Quinn & Deese (For:CSC Credit Services, Inc)		
Frank Max Salinger, 919 18th Stret, NW Washington, DC 20006	American Financial Services Assn	250.00	
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	American Escrow Assn	5,100.00	2,377.24
Do	Conference of National Park Concessioners	8,000.00	950.00
Do	National Tour Assn, Inc	38,163.00	6,163.13
Do	Truckee-Carson Irrigation District	575.00	44.62
Satellite Broadcasting & Communications Assn, 225 Reinekers Lane, #600 Alexandria, VA 22314			5,103.18
Donald M. Saunders, 1625 K Street, NW, #800 Washington, DC 20006	National Legal Aid & Defender Assn	12,499.98	228.85
Paulasue Sawyers, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Harold A. Schaitberger, 1750 New York Ave., NW Washington, DC 20006	International Assn of Fire Fighters	22,490.46	
Thomas A. Schatz, 1301 Connecticut Ave., NW, #400 Washington, DC 20036	Council for Citizens Against Government Waste	2,337.50	35.35
Michael T. Schilling, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	4,450.00	340.00
Herbert K. Schmitz, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	20,000.00	2,000.00
Schnader Harrison Segal & Lewis, 1111 19th Street, NW, #1000 Washington, DC 20036	Mack Trucks, Inc	4,250.00	131.00
Do	Toyota Motor Corporate Services U.S.A., Inc	7,350.00	586.01
Schnitzer Steel Industries, Inc, 3200 N.W. Yeon Avenue Portland, OR 97210			
Joel S. Schoenfeld, 129 West 30th Street New York, NY 10001	Amru International Trading Corp		
Carl J. Schramm, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc	174.00	
H. B. W. Schroeder, 1016 16th Street, NW, 5th Floor Washington, DC 20036	Consumers Power Co	8,000.00	6,998.00
Leslie C. Schuchart, 1030 15th Street, NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
Neil D. Schuster, 2120 L Street, NW, #305 Washington, DC 20037	International Bridge Tunnel & Turnpike Assn	1,000.00	4,800.00
Schwabe Williamson & Wyatt, 2100 Pennsylvania Ave., NW, #670 Washington, DC 20037	Nichols Institute	5,037.81	83.04
Do	Oregon Steel Mills, Inc		
Do	Public Generating Pool	2,909.81	42.48
Do	Tri-Met	19,570.69	5,359.35
Elizabeth Nash Schwartz, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	7,770.24	1,254.90
Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	2,875.00	
Ellen Scott, 1750 New York Avenue, NW Washington, DC 20006	Sheet Metal Workers International Assn	8,750.00	
Gregory R. Scott, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp	1,081.25	97.67
Michael Scott, 900 17th Street, NW Washington, DC 20006	Wilderness Society	580.50	137.62
Scribner Hall & Thompson, 1850 K Street, NW, #1100 Washington, DC 20006	CNA Financial Corp		
Do	Provident Life & Accident Insurance Co		
Do	Security Life of Denver Insurance Co	4,699.00	
Do	Transamerica Corporation		
Anne Scully, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	1,725.00	1,858.89
Walter J. Sczudlo, 1025 Connecticut Ave., NW Washington, DC 20036	Shell Oil Co	500.00	
Security Traders Assn, Inc, One World Trade Center, #4511 New York, NY 10048			6,156.00
Pamela Sederholm, 1101 Connecticut Avenuee, NW #700 Washington, DC 20036	National Council of Chain Restaurants		
H. Richard Seibert Jr., 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004-1703	National Assn of Manufacturers	1,050.00	
William H. Sells III, 1212 Potomac Street, NW Washington, DC 20007	Computer Dealers & Lessors Assn		84.38
Seven Months Session for Congress, 4210 Spicewood Springs Road, #202 Austin, TX 78759			140.00
Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006	Merrill Lynch Money Markets, Inc	4,768.50	
Alex Shami, 6863 Calhoun Dearborn, MI 48126	United Lebanese Lobby of America		
John Hunter Sharp, 1129 20th St., NW, #300 Washington, DC 20036	Natural Gas Supply Assn	19,425.00	681.98
Susan Shaw, 2729 S. Veitch Street Arlingtonn, VA 22206	National Treasury Employees Union	14,412.00	840.65
R. Parker Sherrill, P.O. Box 24350 4525 Harding Road Nashville, TN 37202-4350	Health Trust, Inc, et al.		
Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	2,475.00	
Pamela Hill Shouldis, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc	4,000.00	1,201.99
Harold A. Shoup, 1899 L Street, NW Washington, DC 20036	American Assn of Advertising Agencies	2,500.00	
Jane E. Sidebottom, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	292.50	
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	W. K. Kellogg Foundation	14,467.50	984.01
Mark A. Siegel & Associates, 1030 15th Street, NW, #408 Washington, DC 20005	Commonwealth of Puerto Rico	15,000.00	169.99
Do	County of Hudson (NJ)	8,250.00	316.32
Do	Power Authority of the State of New York	18,982.22	2,542.22
Do	Stevens Institute of Technology	12,000.00	521.85
Susan Siemietkowski, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		1,000.00
Alexander W. Sierck, 1350 I Street, NW, #700 Washington, DC 20005	Northern Indiana Public Service Company		
Steve Silver, 2300 Clarendon Blvd, #1010 Arlington, VA 22201	Robertson Monagle & Eastaugh (For:Alaska Loggers Assn)		
Do	Robertson Monagle & Eastaugh (For:American Airlines, Inc)		
Do	Robertson Monagle & Eastaugh (For:Anchorage School District)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:Bristol Bay Native Corp)		
Do	Robertson Monagle & Eastaugh (For:BP America, Inc)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:City of Craig)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:City of Kotzebue)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Robertson Monagle & Eastaugh (For:Crowley Maritime Corp)		
Do	Robertson Monagle & Eastaugh (For:Echo Bay Mining Company)	2,500.00	
Do	Robertson Monagle & Eastaugh (For:Kennecott Corp)		
Do	Robertson Monagle & Eastaugh (For:Municipality of Anchorage)	3,000.00	
Do	Robertson Monagle & Eastaugh (For:Sea-Land Services, Inc)		
Bruce A. Silverglade, 1875 Connecticut Avenue, NW, #300 Washington, DC 20009	Center for Science in the Public Interest	9,166.00	671.25
Curtis Silvers, 888 16th St., NW, #606 Washington, DC 20006	Bannerman & Associates, Inc (For:Arab Republic of Egypt)		120.88
Do	Bannerman and Associates, Inc (For:Beirut University College)		
Do	Bannerman & Associates, Inc (For:Embassy of the Republic of Djibouti)		62.95
Do	Bannerman & Associates, Inc (For:Government of Tunisia)	750.00	24.00
Do	Bannerman & Associates, Inc (For:Sawyer-Miller Group (for Government of the Philippines)).	1,000.00	147.52
Donald M. Simmons, 323 West Broadway, #404 Muskogee, OK 74401	Caltex Petroleum Corp	1,375.00	650.00
Gary D. Simms, 1720 Eye Street, NW, 7th Floor Washington, DC 20006	American Academy of Actuaries		
Donna L. Singletary, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Constantine Sirigos, 1730 K Street, #1005 Washington, DC 20006	American Hellenic Institute Public Affairs Committee, Inc		
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	American Electronics Assn		
Do	Computer & Business Equipment Manufacturers Assn		
Do	Council on Research & Technology		
James Skinner, 1233 20th Street, NW, #501 Washington, DC 20036	Southland Corporation		
William J. Skinner, 751 Rockville Pike, # 27B Rockville, MD 20852	U.S. Pharmaceopeial Convention, Inc	405.90	5.00
Scott Sklar, 777 N. Capitol St. NE #805 Washington, DC 20002	Solar Energy Industries Assn	17,500.00	1,144.36
Kathleen M. Skrabut, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	10,270.00	69.30
Jonathan Slade, 2000 L St., NW #200 Washington, DC 20036	MWW Strategic Communications (For:Associated Landscape Contractors of America).	3,000.00	260.00
Do	MWW Strategic Communications (For:Cuban American Foundation)	6,000.00	225.00
Robert G. Slaughter, 1615 M ST., NW, #200 Washington, DC 20036	Amoco Corporation	1,500.00	57.26
Albert J. Slechter, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	4,998.00	568.14
R. Barry Sleight, P.O. Box 30199 Bethesda, MD 20824-0199	CFIDS Assn		508.49
Smathers Hickey & Smathers, 1050 Connecticut Avenue, NW, #1230 Washington, DC 20036	Pennzoil Co	6,000.00	
Robert G. Smerko, 2001 L St., NW, #506 Washington, DC 20036	Chlorine Institute, Inc		
Edward Del Smith, 905 16th Street, NW Washington, DC 20006	E. Del Smith and Company (For:American Assn of Petroleum Geologists)	2,480.00	329.87
Do	E. Del Smith and Company (For:Bright & Associates)		
Do	E. Del Smith & Company (For:BEMS)	1,500.00	
Do	E. Del Smith and Company (For:California Independent Oil Producers Assn)	5,400.00	1,858.93
Do	E. Del Smith & Company (For:Calleguas Creek Flood Prevention)	11,000.00	743.04
Do	E. Del Smith and Company (For:Cement Importers Group)	3,000.00	
Do	E. Del Smith and Company (For:City of Anaheim Civic Center)	14,080.00	3,175.64
Do	E. Del Smith & Co (For:City of Anaheim Public Utilities)	9,760.00	2,387.81
Do	E. Del Smith and Company (For:City of Laguna Beach, CA)	2,400.00	
Do	E. Del Smith and Company (For:City of Long Beach, CA, Dept. of Oil Properties)		
Do	E. Del Smith and Company (For:City of Long Beach, CA, Intergovernmental Relations).	21,300.00	
Do	E. Del Smith & Co (For:City of Santa Barbara)	1,500.00	
Do	E. Del Smith and Company (For:City of Santa Monica)	2,400.00	
Do	E. Del Smith & Co (For:City of Victorville, CA)	3,000.00	
Do	E. Del Smith and Company (For:County of L.A. Community Development Commission).		
Do	E. Del Smith and Company (For:County of Los Angeles)	12,759.00	6,133.14
Do	E. Del Smith and Company (For:Hidden Valley Resources Inc)	1,500.00	376.18
Do	E. Del Smith and Company (For:Long Beach Naval Shipyard Employees Assn)	2,100.00	
Do	E. Del Smith & Company (For:National Independent Schools Assn)	2,400.00	48.60
Do	E. Del Smith and Company (For:Northern California Power Agency)	13,500.00	942.96
Do	E. Del Smith and Company (For:Port of Hueneme, CA, Oxnard Harbor District)	4,500.00	
Do	E. Del Smith and Company (For:Port of Long Beach, CA)	30,906.00	2,209.24
Do	E. Del Smith and Company (For:Rancho Palos Verdes)	2,250.00	
Do	E. Del Smith and Company (For:Signal Landmark, Inc)	7,500.00	2,908.33
Do	E. Del Smith & Co (For:South Orange County Consortium)	2,001.00	
Do	E. Del Smith & Company (For:Teague-McKevett Company)	4,500.00	
Do	E. Del Smith and Company (For:U.S. Escrow)	4,000.00	225.40
Kirkland Smith, Docs# 83-A-4548 Fishkill Correctional Facility P.O. Box 1245 Beacon, NY 12508			
Marc Smith, 200 Renaissance Place 714 Jackson Street Dallas, TX 75202			
Patrick F. Smith Jr., 901 E Street, NW, #600 Washington, DC 20004	National Treasury Employees Union	21,250.00	
Darlene Snow, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Gerard C. Snow, 5201 Auth Way Camp Springs, MD 20746	Transportation Institute		
Larry S. Snowhite, 1825 Eye St., NW, #1201 Washington, DC 20006	Massachusetts Education Loan Authority	2,214.00	
Do	New England Education Loan Authority	4,111.00	
John M. Snyder, 600 Pennsylvania Ave., SE, #205 Washington, DC 20003	Citizens Comm for the Right to Keep & Bear Arms	9,000.00	
Marguerite A. Snyder, 1227 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn		
Wallace S. Snyder, 1400 K Street, NW, #1000 Washington, DC 20005	American Advertising Federation	6,875.00	
Society for Human Resource Management, 606 North Washington Street Alexandria, VA 22314	American Soc for Personnel Administration		30,000.00
Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	5,592.63	
SL Sommer & Associates, Inc, 2700 Virginia Ave., NW, #910 Washington, DC 20037	Defense Division Brunswick Corp	1,000.00	727.00
James E. Sommerhauser, 8701 Georgia Ave., #701 Silver Spring, MD 20910	International Fed of Professional & Technical Engineers		
William A. Sonntag, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Smith Bucklin & Associates (For:National Assn of Metal Finishers)		
Walter Larke Sorg, 19110 Montgomery Village Ave., #225 Gaithersburg, MD 20879	American Assn of Small Dredging & Marine Construction Cos	19,500.00	1,878.89
Peter Sorum, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners		
Space Industries, Inc, 711 West Bay Area Blvd., #320 Webster, TX 77598-4001			
William B. Spencer, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
David E. Springer, 1301 K Street, NW, #900 East Tower Washington, DC 20005	Gardner Carton & Douglas (For:Telecommunications Industry Assn)	1,800.00	137.63
Martha Ann Spudis, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	6,800.00	
Mark G. Spurrier, 400 Kenilworth Drive Towson, MD 21204	Baltimore County Police Department, et al.		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	American Chamber of Commerce in Germany		
Do	Public Securities Assn		
Cecile Srodes, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
James St. Pierre, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	78.13	
Vivian Escobar Stack, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	1,680.28	204.15
Melvin R. Stahl, 1235 Jefferson Davis Hwy., Suite 600 Arlington, VA 22202	Motorcycle Industry Council, Inc		
Do	Specialty Vehicle Institute of America		
Elvis J. Stahr Jr., 1815 H Street, NW, #600 Washington, DC 20006	Public Resource Associates		
Thomas J. Stanton Jr., 1000 Thomas Jefferson Street, NW, #609 Washington, DC 20007	Leonard Ralston Keyes & Danks (For:Krueger, Inc)	12,814.28	
David Stawick, 201 Massachusettes Ave., NE Washington, DC 20002	National Corn Growers Assn	3,500.00	
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	2,092.00	
Victoria E. Stein, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae		
Susan M. Steinberg, 1455 Pennsylvania Ave, NW, #1000 Washington, DC 20004	New England Council, Inc		
Charles W. Stellar, 1227 25th Street, NW, #610 Washington, DC 20037	American Managed Care & Review Assn		
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Association of Private Pension & Welfare Plans, Inc		1,133.75
Do	Canadian Sugar Institute		
Do	Christie's		
Do	National Antique & Art Dealers Assn of America		
Do	Sotheby's, Inc		
Joseph D. Sternlieb, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights ,	8,386.02	168.70
Cindy M. Stevens, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	15,183.00	306.74
Lawrence E. Stevens, 185 South State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
John J. Stocker, 1110 Vermont Avenue, NW, #1250 Washington, DC 20005	Shipbuilders Council of America	3,300.00	
Alex Stoddard, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,200.00	
Dena G. Stoner, 1201 16th Street, NW Washington, DC 20036	Council for Educational Development & Research	1,000.00	126.19
Todd A. Stottlemyer, 7915 Jones Branch Drive McLean, VA 22102	BDM International, Inc		115.20
Strategic Resources Corp, 3000 K Street, NW, #300 Washington, DC 20007	Matsushita Electric Corp of America		
Heather P. Stroup, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)	85.00	
George Strumpf, 1150 17th St., NW, #600 Washington, DC 20036	Health Insurance Plan of Greater New York	12,000.00	6,100.00
John N. Sturdivant, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	6,790.93	7,111.46
Arthur E. Sullivan Jr., 1215 Jefferson Davis Hwy., #1004 Arlington, VA 22202	Diagnostic/Retrieval Systems, Inc	3,250.00	
Harold R. Sullivan, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	600.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Judy M. Sullivan, 1614 King Street Alexandria, VA 22314	National Assn of Housing Cooperatives		
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	American International Group, Inc		
Do	Securities Industry Assn		
Jeffrey Sumberg, 1016 16th Street, NW Washington, DC 20036	National Fed of Federal Employees		
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:Digital Equipment Corp)	3,415.00	100.00
Do	Ropes & Gray (For:Eastern Enterprises)		
Do	Ropes & Gray (For:Barry Krock)		8.25
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Process Gas Consumers Group		
Rosemarie Sweeney, 2021 Massachusetts Avenue, NW Washington, DC 20036	American Academy of Family Physicians	4,500.00	2,296.87
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	American Gas Assn	230.00	
Do	American Iron & Steel Institute	460.00	
Do	California Energy Company		
Do	Design Protection Coalition	15,557.50	
Do	External Tanks Corporation		
Do	Hyundai Motor Company		
Do	International Environmental Policy Coalition		
Do	Laidlaw Environmental Services	7,983.05	
Do	Laidlaw, Inc	3,517.00	
Do	Motor Vehicle Manufacturers Assn		
Do	National Council of Community Hospitals	490.00	
Do	New England Power		
Do	Pharmaceutical Manufacturers Assn	460.00	
Do	Product Liability Alliance		
Do	Software Publishers Assn	12,617.50	
Do	South Carolina Public Service Authority	4,400.00	
Ross O. Swimmer, 4100 Bank of Oklahoma Tower Tulsa, OK 74172-0154	Hall Estill et al. (For:Cherokee Nation)	2,388.75	184.51
Ronald G. Sykes, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	5,345.01
Christopher U. Sylvester, 1831 Briar Ridge Court Mclean, VA 22101	Garrison Diversion Conservancy District	3,750.00	332.57
Sarah L. Szanton, 122 C Street, NW, #380 Washington, DC 20001-2109	National Family Planning & Reproductive Health Assn, Inc	381.00	
Janis Tabor, 1825 K Street, NW, #218 Washington, DC 20006	American Soc of Mechanical Engineers		
Taggart & Associates, Inc, 1155 15th Street, NW, #1108 Washington, DC 20005	Association of American Railroads		
Do	Johanna Farms, Inc		
Do	M&M/Mars		
Do	Marion Merrell Dow, Inc		
Do	National Agricultural Chemicals Assn		
Do	Telephone & Data Systems, Inc		
Tanaka Ritger & Middleton, 1919 Pennsylvania Ave., NW, #303 Washington, DC 20006	Electronic Industries Assn of Japan		
Do	Japan Automobile Tire Manufacturers Assn (JATMA)		
Graca Da Silva Tavares, 17 Perkins Street West Newton, MA 02165			625.00
Jefferson D. Taylor, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Larry D. Taylor, P.O.Box 70 Boise, ID 83707	Idaho Power Company		
Margaret J. Taylor, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	1,750.00	1,034.10
Marie Taylor, 1825 Eye Street, NW, #400 Washington, DC 20006	BF Goodrich Co	100.00	
Patricia Taylor, 1875 Connecticut Ave., NW, #300 Washington, DC 20009-5728	Center for Science in the Public Interest	360.00	125.00
R. William Taylor, 1575 Eye Street, NW Washington, DC 20006	American Soc of Assn Executives	300.00	
Randy Teach, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
T. Daniel Tearno, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	461.04	601.29
Fred H. Telmer, c/o Dow Lohnes & Albertson 1255 Twenty-third Street, NW Washington, DC 20037	Stelco, Inc		
James M. Temenak, P.O. Box 16614 Arlington, VA 22215	National Steel & Shipbuilding Co	5,607.63	663.62
Norman J. Temple, 155 Dresden Avenue Gardiner, ME 04345	Central Maine Power Co, et al.		
Richard Paul Teske, 1500 K Street, NW, #625 Washington, DC 20005	Burroughs Wellcome Co	27,000.00	3,410.00
Third Class Mail Association, 1333 F Street, NW, #710 Washington, DC 20004-1108		6,817.00	6,817.00
W. Dennis Thomas, 1620 Eye St., NW, #700 Washington, DC 20006	International Paper Co	10,000.00	250.00
Randell Thompson, 1704 Old Town Rd. Edgewater, MD 21037	Parsons Brinkerhoff Quade & Douglas, Inc		
Joseph Thorndike, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assns		
Cindy C. Thorne, 4500 Vestal Parkway East P.O.Box 3607 Binghamton, NY 13902-3607	New York State Electric & Gas Corp	9,583.00	4,641.20
Anna Thronson, 1025 Thomas Jefferson Street, #700E Washington, DC 20007	Legislative Strategies (For:American Independent Refiners Assn)	75.00	50.00
Do	Legislative Strategies (For:Bridge Products)		
Do	Legislative Strategies (For:Cogeneration & Independent Power Coalition of America, Inc).	87.50	50.00
Do	Legislative Strategies (For:Consolidated Natural Gas Service Co, Inc)		
Do	Legislative Strategies (For:Donohue & Associates, Inc)	225.00	50.00
Do	Legislative Strategies (For:Globos International, Inc)		
Do	Legislative Strategies (For:National Hydropower Assn)		
Do	Legislative Strategies (For:Natural Gas Vehicle Coalition)		
Do	Legislative Strategies (For:State of New Mexico (Natural Gas Programs))	212.50	50.00
Do	Legislative Strategies (For:Texas-New Mexico Power Company)		
John W. Timmons, 1133 Connecticut Ave, NW, #1000 Washington, DC 20036	America West Airlines, Inc	10,000.00	5,215.00
Tobacco Associates, Inc, 1725 K Street, NW, #512 Washington, DC 20006			6,270.18
David R. Toll, 1155 Connecticut Ave., NW, #400 Washington, DC 20036	Public Service Co of Colorado		
Tony Poole, 1030 15th Street, NW, #700 Washington, DC 20005	Kelly Anderson & Associates, Inc (For:U.S. Banknote Corp)		
Jean R. Toohey, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	245.00	434.47
Total Petroleum, Inc, 999 18th Street, #2201 Denver, CO 80202			2,805.00
Charles H. Tower, 1026 16th Street, NW, #503 Washington, DC 20036	Dun & Bradstreet	50,000.00	
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Peoples Republic of China)		
Eugene M. Trisko, P.O. Box 596 Berkeley Springs, WV 25411	Stern Bros, Inc		
Tucker & Associates, 1701 Pennsylvania Ave., NW, #1000 Washington, DC 20006	New York Life Insurance Company		
Do	Regional Transportation District	3,000.00	
Shannon B. Tuel, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn	1,500.00	990.00
James Tully, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners	3,000.00	
Brian Turner, 815 16th Street, NW Washington, DC 20006	Industrial Union Department, AFL-CIO	17,810.00	
Jane L. Turner, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,200.00	
John R. Tydings, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	8,500.00	
Tyler House Tenants Council, Inc, 1200 North Capitol Street, NW, #636 Washington, DC 20001			
U.S. English, 818 Connecticut Ave., NW, 200 Washington, DC 20016			5,793.40
U.S. Recreational Ski Association, 1315 East Pacifico Avenue Anaheim, CA 92805			
U.S. Strategies Corp, 1321 Duke Street, #200 Alexandria, VA 22314-3563	Healthsouth Rehabilitation Corp		
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			
United Food & Commercial Workers International Union, 1775 K St., NW Washington, DC 20006		64,909.48	64,909.48
R. Thomas Van Arsdall, 50 F Street, NW, #900 Washington, DC 20001	National Council of Farmer Cooperatives		
Van Fleet Associates, Inc, 499 South Capitol St., SW, #520 Washington, DC 20003	Cadillac Gage Co	6,000.00	
Do	Harsco Corporation	24,000.00	10,312.87
Do	Magnavox Government & Industrial Electronics Co	19,500.00	862.90
Van Fleet Metzner & Meredith Corp, 499 S. Capitol Street, #520 Washington, DC 20003	Electrospace Corporation		
Do	General Instrument Corporation	18,000.00	1,973.65
Do	Miltope Corp	7,500.00	35.75
Do	Thermo Electro Technologies	7,500.00	21.06
Robert C. Varah, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Dofasco, Inc		904.57
Sheila K. Velazco, 1016 16th Street, NW Washington, DC 20036	National Federation of Federal Employees	1,668.48	
Stephen J. Verdier, One Thomas Circle, NW, #950 Washington, DC 20005-5802	Independent Bankers Assn of America	22,500.00	1,867.26
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW, #700 Washington, DC 20005-2301	American Museum of Natural History		
Do	Ameritech	1,487.50	
Do	Bell Atlantic Corp	3,281.25	
Do	Brown & Root, Inc	300.00	
Do	Burlington Morthern, Inc	5,013.75	
Do	Central Gulf		
Do	General Dynamics Corp	387.50	
Do	GenCorp	6,300.00	
Do	Hughes Communications, Inc	3,100.00	
Do	Independent Bankers Association of America	3,387.50	
Do	Investment Company Institute	13,993.75	
Do	John F. Kennedy Center for the Performing Arts		
Do	K Mart Corp	8,237.50	
Do	Kellogg	572.50	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Manville Corp	3,400.00	
Do	Mars, Inc	4,342.50	
Do	McDonnell Douglas Corp	387.50	
Do	Merrill & Lynch & Co, Inc	1,770.00	
Do	New Progressive Party	1,050.00	
Do	Northwest Airlines	10,441.25	
Do	NBC	2,737.50	
Do	NYNEX Corp	8,790.00	
Do	Rubber Manufacturers Assn	5,256.25	
Do	Travelers Companies	2,995.00	
Do	TRW, Inc		
Do	Upjohn Co	2,261.25	
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	American Assn of Classified School Employees	1,576.25	
Do	California Franchise Tax Board	4,910.00	
Do	California Public Employees' Retirement System	22,873.00	
Do	California State Senate	1,837.50	
Do	Executive Life Insurance Company of California	9,243.75	
Do	International Assn of Amusement Parks & Attractions		
Do	International Assn of Fairs & Expositions		
Do	Pacific Stock Exchange, Inc		
Do	State Board of Equalization (Calif)	6,081.25	
Vierra Associates, Inc, 1825 I Street, NW #400 Washington, DC 20006	Brevard County		
Do	Dallas Area Rapid Transit Authority	12,750.00	8,435.28
Do	Greater Orlando Aviation Authority	833.33	
Do	Lipton Sports, Inc		
Do	Memphis Area Transit Authoity		
Do	Metropolitan Dade County	14,124.00	1,163.28
Do	Metropolitan Transportation Authority	3,500.00	42.00
Do	Niagara Frontier Transportation Authority	14,000.00	2,356.29
Howard A. Vine, Jefferson Group 1341 G Street, NW, #1100 Washington, DC 20005	Alliance for Corporate Growth		
Do	Bobbie Brooks, Inc		
Do	Molson Breweries USA, Inc	11,702.15	159.05
Do	PubCo Corp		
Do	REN Coporation	420.63	
Do	Smith Corona Corp	3,750.00	554.68
Do	Torrington Company	7,500.00	410.35
Edith Rosales Vittel, 7352 Lee Highway, #103 Falls Church, VA 22046			
George A. Viverette Jr., 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
William Von Raab, 215 Prince Street Alexandria, VA 22738	Societe Generale de Surveillance SA	18,000.00	9,000.00
Carmen Delgado Votaw, 1025 Connecticut Ave., NW, #309 Washington, DC 20036	Girl Scouts of the U.S.A.		862.00
Joan Wages, 601 24th Street, NW #904 Washington, DC 20037	Association of Professional Flight Attendants	4,500.00	744.00
Do	Independent Federation of Flight Attendants	3,000.00	911.00
Do	Independent Union of Flight Attendants	4,125.00	730.00
Do	Union of Flight Attendants	1,500.00	168.00
Wagner Hines & Avary, Inc, 1899 L Street, NW, #500 Washington, DC 20036	Charter Federal Savings & Loan Assn		
Do	Kabumoto & Malany		
Do	National Beer Wholesalers of America		
Do	National Debt Repayment Foundation		
James Wagoner, 1101 14th Street, NW, 5th Floor Washington, DC 20005	National Abortion Rights Action League (NARAL)	1,867.89	
William M. Walker, 509 W. 3rd Anchorage, AK 99501	Hughes Thorness Ceandz Powell & Brurdin (For:City of Valdez, Alaska)	5,018.00	
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	Northville Industries Corp	1,500.00	
Anne Marie Walsh, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Alan S. Ward, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Baker & Hostetler (For:Soap & Detergent Assn)		
Barbara F. Warden, 1757 N Street ,NW, Washington, DC 20036	Industrial Union Department, AFL-CIO	17,095.00	
Richard D. Warden, 1757 N St., NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	24,308.11	116.00
Ann D. Warner, 2120 L Street, NW, #305 Washington, DC 20037	International Bridge Tunnel & Turnpike Assn	2,710.00	2,710.00
Washington Independent Writers, Inc, 733 15th St., NW, #220 Washington, DC 20005			
Washington Lobby Group, Inc, 325 Pennsylvania Ave., SE Washington, DC 20003	Preston Corp	9,000.00	
Washington Office on Africa, 110 Maryland Ave., NE, #112 Washington, DC 20002		21,152.94	38,022.18
Ronald D. Waterman, 900 2nd Street, NE, #109 Washington, DC 20002	Milwaukee County-Intergovernmental Relations	13,650.00	10,265.61
Do	Wisconsin Counties Assn	11,625.00	7,920.51
Waterman & Associates, 900 2nd Street, NE, #109 Washington, DC 20002	All Industry Television Committee	9,250.00	34.07
Do	Cast Metals Coalition	19,365.00	1,118.96
Do	North American Die Casting Assn (NADCA)	16,999.98	691.29
Jay Watson, 900 17th Street, NW Washington, DC 20006	Wilderness Society	7,614.57	750.00
John L. Watson III, One World Trade Center, #4511 New York, NY 10048	Security Traders Assn, Inc	6,156.00	
Bruce H. Watzman, 1130 17th Street, N.W. Washington, DC 20036	National Coal Assn	9,200.00	617.43
Andrew H. Webber, 810 First Street, NE, #410 Washington, DC 20002	American Medical Peer Review Assn		
Laura Weber, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Susan Weber, 1400 16th Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc	18.00	
Weidenfeld & Rooney, 1899 L Street, NW, #500 Washington, DC 20036	Southern Company Services, Inc		
Weiner McCaffrey Brodsky Kaplan & Levin, P.C., 1350 New York Ave., NW, #800 Washington, DC 20005	National Manufactured Housing Finance Assn	1,414.00	
Arthur E. Weisberg, 2200 First Bank Place East Minneapolis, MN 55402	Dorsey & Whitney		
Stanley A. Weiss, 601 Pennsylvania Ave., NW, #700 Washington, DC 20004-2602	Business Executives for National Security Education Fund Inc		
Suzanne Weiss, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Bryant L. Welch, 1200 17th St., NW, Suite 106 Washington, DC 20036	American Psychological Assn	579.60	25.00
John F. Welch, 655 15th Street, NW, #1200 Washington, DC 20005	Safe Buildings Alliance		
Mark Weller, 2200 Clarendon Blvd, #1006 Arlington, VA 22201	Ball Corp	3,735.15	528.64
Paul S. Weller Jr., 1629 K St., NW, #1100 Washington, DC 20006	American Grain Inspection Institute	848.90	98.90
Do	Apple Processors Assn	13,187.56	2,747.46
G. Franklin West, 1530 North Key Blvd., #122 Arlington, VA 22209	Church Alliance	15,000.00	
Do	Oklahoma Natural Gas	9,000.00	
Sherece West, 105 East 22nd Street New York, NY 10010	Community Service Society	88.80	
West Mexico Vegetable Distributors Assn, P.O. Box 848 Nogales, AZ 85621			
William H. Westhoff, 11240 Waples Mill Rd. Fairfax, VA 22030	Envipco		10,298.00
Joseph J. Westwater, 1 Massachuseets Avenue, N.W., #800 Washington, DC 20001	McLeod Watkinson & Miller (For:American Peanut Product Manufacturers, Inc)	4,900.00	52.76
Nancy Katherine Weyl, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	692.76
Whalen Company, Inc, 1717 K Street, NW, #700 Washington, DC 20006	Equitable Life Assurance Society of the U.S.		
Do	Toyota Motor Sales, USA, Inc		
Carol Wheeler, 1650 30th Street, NW Washington, DC 20007	Media Enterprises Corp (For:National Assn of Public Television Stations)	2,276.00	147.50
Gordon B. Wheeler, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc	255.16	24.00
John C. Whitaker, 2021 L Street, NW, #320 Washington, DC 20036-4909	Union Camp Corporation	4,750.00	90.00
George E. White Jr., 706 Lowerline St New Orleans, LA 70118	Avondale Industries, Inc	21,996.00	8,786.77
Steven C. White, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
James A. Whitman, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	500.00	
Robert L. Whitmire, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	745.61
Pamela J. Whitted, 1700 K Street, NW, #502 Washington, DC 20006	Pacific Resources, Inc	500.00	
Whitworth & Associates, 801 Pennsylvania Ave., NW, #747 Washington, DC 20004	Mesa Limited Partnership	3,000.00	
William E. Wickert Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	250.00	
Wickwire Greene & Seward, 1008 Western Ave. Seattle, WA 98104	Arctic Slope Regional Corp		
Barbara Wierzynski, 2001 Pennsylvania Ave., NW, #600 Washington, DC 20006-1807	Futures Industry Assn, Inc		
Andrew F. Wiessner, 1801 Broadway #1420 Denver, CO 80202	Kogovsek & Assn, Inc (For:Brent Nichols)		1,107.16
Do	Kogovsek & Associates, Inc (For:Pioneer Mobile Homes)	5,000.00	532.18
Do	Kogovsek & Associates Inc (For:Pioneer Mobile Homes)	5,000.00	532.18
Do	Kogovsek & Associates, Inc (For:Pitken & Eagle Counties, Colorado)	4,425.00	2,076.73
Robert H. Wilbur, 1101 Connecticut Ave., NW Washington, DC 20036	Smith Bucklin & Associates (For:Amusement & Music Operators Assn)	15,000.00	
Valerie Wilbur, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Brian Wilcox, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn	4,000.00	344.41
Thomas D. Wilcox, 2011 Eye Street, NW, #601 Washington, DC 20006	National Assn of Stevedores	2,250.00	
Lanny F. Wiles, 499 S. Capitol Street, SW, #507 Washington, DC 20003	Hecht Spencer & Associates (For:Boy Scouts of America)		
Do	Hecht Spencer & Associates (For:Brown & Williamson Tobacco Corp)		
Do	Hecht Spencer & Associates (For:Mid-American Waste Systems, Inc)		
Cynthia H. Wiles Consulting, 10898 Woodleaf Lane Great Falls, VA 22066	Environmental Research Institute of Michigan	1,562.50	63.86
Do	Industrial Technology Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
David A. Wilkinson, 1331 Pennsylvania Ave., NW, #890-North Washington, DC 20004	General Electric Co	1,050.00	
E. John Wilkinson, 1225 19th Street, NW, #300 Washington, DC 20036	Vulcan Materials Co	1,700.00	540.00
Wilkinson Barker Knauer & Quinn, 1735 New York Ave., NW Washington, DC 20006	Empire Blue Cross & Blue Shield		
Do	Fleet/Norstar Financial Group	33,550.00	2,346.62
Do	Hobbs Straus Dean & Wilder	4,800.00	
Do	J.C. Penney Co, Inc	10,000.00	522.44
Do	Solano Water Authority		
Daniel Will, 306 Commonwealth, #4 Alexandria, VA 22301	National Taxpayers Union	3,634.00	
Ralph E. Willham, 1750 New York Ave., NW Washington, DC 20006	Sheet Metal Workers International Assn	16,500.00	
Christopher D. Williams, 1 Massachusetts Avenue, N.W., #800 Washington, DC 20001	McLeod & Pires (For:Mid-Valley Water Authority)	1,726.25	
James J. Williams, 1101 30th Street, NW Suite 500 Washington, DC 20007	Cement Kiln Recycling Coalition		
Margie R. Williams, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,500.00	
Patrick H. Williams, 2001 Pennsylvania Ave., #800 Washington, DC 20006	Telecommunications Industry Assn	5,000.00	
William C. Williams, 44 East Mifflin Street P.O. Box 1807, #1000 Madison, WI 53701-1807	Bell Metzner Gierhart & Moore (For:Wisconsin Cheese Makers Assn)		
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	American Home Products		
Do	Association of Family Farmers	1,560.00	124.97
Do	Bank of America, NT&SA	470.00	83.35
Do	Robert M. Bass Group	810.00	124.97
Do	British Petroleum		
Do	BMC Industries, Inc		
Do	Century 21 Real Estate Corp		
Do	College Construction Loan Insurance Assn		
Do	Colonial Pipeline Company		
Do	Continental Airlines Holding, Inc.		333.77
Do	CIGNA Corp	1,958.00	83.85
Do	Estee Lauder, Inc	3,050.00	458.74
Do	Executive Life Insurance		
Do	First Boston Corp	1,956.00	346.42
Do	Glaxo, Inc	790.00	104.41
Do	Greenwich Capital Markets, Inc	510.00	83.85
Do	GAMMA Corp		
Do	Kelly Appleman Hart & Hallman	1,040.00	83.85
Do	Keystone Provident Life Insurance Co		
Do	Mustang Fuel Corporation		
Do	National Assn of Rehabilitation Agencies		
Do	National Board for Professional Teaching Standards		
Do	National Soft Drink Assn		
Do	Norfolk Southern Corp	1,550.00	208.82
Do	Oklahoma Gas & Electric Co	3,980.00	626.41
Do	Pharmaceutical Manufacturers Assn		
Do	Pittston Co		
Do	Recording Industry Assn of America, Inc	540.00	41.13
Do	Southern Pacific Transportation Co.	4,020.00	542.57
Do	Southwest Airlines	540.00	83.85
Do	Student Loan Marketing Assn		104.41
Do	Texaco, Inc	1,445.00	188.24
Do	Trailer Train Co	2,030.00	292.64
Do	Turner Broadcasting System, Inc		
Do	U.S. English	270.00	41.13
Do	U.S. Telephone Assn		
Do	Universal Foods, Inc		
Do	USAA Financial Service Co		
Kirk Willison, 707 Broadway, #1200 San Diego, CA 92101	Home Federal Savings & Loan of San Diego		
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Business Roundtable	3,540.00	
Do	Capital Cities/ABC, Inc		
Do	Citibank, N.A.		
Do	Computer Systems Policy Project		
Do	Cook Inlet Communications, L.P.		
Do	Educational Testing Service		
Do	Intellectual Property Committee		
Do	Long Island Savings Bank		
Do	Southeast Banking Corporation		
Don A. Wilson, 106 Dartmouth Waxahachie, TX 75165			
Don T. Wilson, 1250 I Street, NW, #400 Washington, DC 20005	National Tire Dealers & Retreaders Assn	1,272.00	27.00
G. Peter Wilson, 249 Maitland Avenue Altamonte Springs, FL 32701-4201	Institute of Internal Auditors, Inc		
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,375.00	126.26
Tyler J. Wilson, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	5,000.00	160.06
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	American Assn of Museums		
Do	American Honey Producers Assn	1,313.00	
Do	Barr Laboratories, Inc		
Do	Compaq Computer Corporation		
Do	CSR, Ltd		
Do	Data Transformation Corp	1,700.00	1,700.00
Do	International Council of Shopping Centers	1,350.00	
Do	National Bulk Vendors Assn	2,680.00	2,680.00
Do	National Council of Health Facilities Finance Authorities		
Do	National Independent Automobile Dealers Assn		
Do	National Private Cable Assn		
Do	Natural Gas Pipeline Coalition		
Do	Pyropower Corp	3,000.00	3,000.00
Do	Regional Transit Authority	1,000.00	
Do	U.S. Rice Producers Legislative Group	9,453.34	
Do	Western Peanut Growers Assn		
Wisconsin Citizens Utility Board, 16 North Carroll, #300 Madison, WI 53703			
Jim Wise Associates, 1707 Duke St., #300 Alexandria, VA 22314	Kern County, CA	10,500.00	505.00
Do	National Assn of Credit Management	10,500.00	975.00
Do	San Francisco Bar Pilots Assn	6,000.00	425.00
Lyn M. Withey, 1620 Eye Street, NW, #700 Washington, DC 20006	International Paper Co	5,734.00	342.04
S.R. Wojdak and Associates, Inc, The Bellevue - Suite 850 200 S. Broad Street Philadelphia, PA 19102	Albert Einstein Medical Center	9,000.00	1,442.72
Do	Arden Hill Hospital	1,800.00	154.37
Do	Arkansas Children's Hospital	3,000.00	338.37
Do	Biosonics, Inc		
Do	Children's Hospital (Boston)	9,000.00	2,603.47
Do	Children's Hospital of Buffalo	3,000.00	338.37
Do	Children's Hospital of Los Angeles	3,000.00	338.37
Do	Children's Hospital of Michigan	3,000.00	338.37
Do	Children's Hospital of Philadelphia	51,000.00	5,536.78
Do	Children's Hospital of Pittsburgh	21,000.00	4,038.34
Do	Children's Hospital Medical Center of Akron	5,100.00	812.64
Do	Children's Memorial Medical Center	3,000.00	338.37
Do	Cornwall Hospital	1,800.00	154.37
Do	Drexel University	7,500.00	1,406.82
Do	Greater Philadelphia First Corp	13,950.00	
Do	Hahnemann University		
Do	Healthcare Management Alternatives, Inc	9,000.00	2,249.01
Do	Heatheast	2,000.00	56.55
Do	Hill Group	27,000.00	2,739.51
Do	Horton Memorial Hospital	1,800.00	154.37
Do	Magee-Womens Hospital	7,500.00	1,525.87
Do	Mercy Catholic Medical Center	6,000.00	1,147.08
Do	Mercy Community Hospital	1,800.00	154.37
Do	National Assn of Children's Hospitals & Related Institutions	15,000.00	1,772.59
Do	National League of Nursing	15,000.00	3,088.69
Do	Northern Dutchess Hospital	1,800.00	154.37

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Philadelphia Electric Company	9,450.00	1,234.47
Do	Public Financial Management	27,000.00	3,628.79
Do	Southeastern Pennsylvania Trans Authority	18,112.50	
Do	St. Anthony's Hospital	1,800.00	154.37
Do	St. Francis Hospital	1,800.00	154.37
Do	St. Luke's Hospital	1,800.00	154.37
Do	University of Pennsylvania	22,500.00	2,734.24
Do	Vassar Brothers Hospital	1,800.00	122.58
Do	Western Pennsylvania Hospital	500.00	634.98
James E. Wolf, 2020 14th St., North Arlington, VA 22201	American Standard, Inc	2,000.00	
Linda Anzalone Woolley, 1600 M St., NW Washington, DC 20036	International Telephone & Telegraph Corporation	10,000.00	192.00
Noel C. Woosley, 4647 Forbes Boulevard Lanham, MD 20706	AMVETS	6,800.00	
Laura Dallman Wooster, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage and Family Therapy	7,597.00	
World University Games (for 1993), 1701 K Street, NW #400 Washington, DC 20006	Greater Buffalo Athletic Corp	33,000.00	3,032.01
Wunder Diefenderfer Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	American International Group, Inc	1,120.00	1.80
Do	American Iron & Steel Institute	2,235.00	
Do	Bermuda, Government of	2,115.00	69.00
Do	Business Council on Indoor Air		
Do	Committee Against Revising Staggers		
Do	Council of Industrial Boiler Owners		
Do	Environmmental Air Control, Inc		
Do	Industrial Oil Consumers Group		
Do	Johanna Dairies, Inc		
Do	Kohlberg Kravis Roberts & Co	7,945.50	624.00
Do	Nutri-System, Inc	3,852.00	590.00
Do	Outdoor Advertising Association of America Inc	3,333.00	
Do	Pfizer, Inc	3,280.00	23.00
Do	Philip Morris Management Corp		
Do	Process Gas Consumers Group	29,133.00	2,843.21
Do	QVC Network, Inc	9,098.00	602.00
Do	RJR Nabisco	2,000.00	62.00
Edward Wytkind, 400 North Capitol Street, NW, #861 Washington, DC 20001	Transportation Trades Department, AFL-CIO	1,375.00	
Deborah K. Yamada, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	12,378.56	88.00
Dalton Yancey, 910 16th St., NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Kim Yelton, 8120 Fenton St. Silver Spring, MD 20910	Americans United for Separation of Church and State	7,760.69	108.89
Caryl Yontz, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,424.76	436.76
Robert A. Young, 12248 Turkey Creek Ct. Maryland Heights, MO 63043	Brown & Associates	4,500.00	943.60
Do	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,500.00	
Barbara C. Zadina, 12500 Fair Lakes Circle Fairfax, VA 22033	Orbital Sciences Corporation	1,296.00	239.00
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Shirley Zebroski, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	1,334.50
Philip F. Zeidman, 1401 New York Ave., NW, #900 Washington, DC 20005	American Business Conference, Inc		
Eugene J. Zeiszler, 7901 Westpark Drive McLean, VA 22102	NMTBA	1,620.00	250.00
Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	2,533.33	2,755.03
Ronald L. Ziegler, P.O. Box 1417-D49 Alexandria, VA 22313	National Assn of Chain Drug Stores, Inc	1,000.00	
Bradley P. Ziff, 1270 Avenue of the Americas, #2118 Rockefeller Center New York, NY 10020-1702	International Swap Dealers Assn Inc		2,037.01
David W. Zimmerman, 185 S. State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latimer (For:Energy Fuels)		
Daniel C. Zingale, 1200 Seventeenth Street, NW Washington, DC 20036	American Psychological Assn (APA)	900.00	75.00
Amy G. Zirkle, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	8,437.50	322.50

EXTENSIONS OF REMARKS

IN SUPPORT OF THE SCHUMER CORE BANKING AMENDMENT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. MAZZOLI. Mr. Speaker, I rise on behalf of the amendment of the gentleman from New York, Mr. SCHUMER. I think it makes a contribution to the bill before us today.

The Schumer core banking proposal could help avoid another savings and loan-type fiasco, only this time for the commercial banks. Recall, the S&L's got into trouble when rates they could pay depositors were deregulated. S&L's then bid against one another for deposits by raising interest rates. To pay these higher interest rates they were forced to invest the deposits in risky endeavors carrying higher rates of return. When these risky ventures went sour, the house of cards fell quickly.

Mr. Schumer's core bank proposal would construct a two-tier commercial banking system. One tier—the insured tier—would guarantee the deposits and offer more modest rates of return on these deposits. The other tier—the uninsured tier—would allow greater risk and greater return.

One category of banks would be limited in the interest rates they could offer depositors on their FDIC-insured accounts. These banks could charge borrowers lower interest rates because they would not be under pressure to produce high rates of return on their portfolios in order to service their depositors.

The second category of banks would not be able to offer FDIC insurance to depositors and would be required to give clear notice of this to their depositors. These noninsured banks could offer higher rates of return on deposits and could engage in riskier investments and loans in order to secure these high rates of return.

Another important feature of the core banking proposal is that it limits the total amount which could be lent to a single borrower. This proposal helps insure that no bank would become insolvent because it had overlent to one failed or failing borrower.

Mr. Chairman, it should also be noted that the Schumer core banking proposal would not restrict current deposit insurance coverage of $100,000 for any and all accounts at one or a series of banks, and it would be phased in over an 8-year period to cushion the transition and to accommodate smoothly the inevitable changes which would occur as depositors and banks repositioned themselves in the new banking system.

Again, Mr. Chairman, I feel the core bank proposal—while novel and untried in the broad, national sense—should be authorized. I feel it could help stabilize commercial banking in the challenging years ahead.

MARIA EUGENIA ESCOBAR, A PIONEER IN TRAVEL BETWEEN COLOMBIA AND THE UNITED STATES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Maria Eugenia Escobar, who was recently featured in the Miami Herald. The article "Tour Operator Finds Her Niche" by Charles B. Rabin tells how Ms. Escobar, and her mother Ligia Ospina, have operated Calitours, a travel agency which has pioneered travel between Cali, Colombia, and Miami:

[From the Miami Herald]

TOUR OPERATOR FINDS HER NICHE

Citing a lack of mall traffic and the need to expand, Maria Eugenia Escobar has packed up her belongings and moved on.

Calitours, a full-service travel agency and tour operator, has abandoned its offices in the Omni International Mall and relocated in the Miami Center in downtown Miami.

"We were worried about the clients' comfort," said Escobar. "Now, we've implemented new services and added a translator and a notary public." In addition to Escobar, Calitours employes three agents and an office manager.

The company was formed 20 years ago in Cali, Colombia, by Escobar's mother, Ligia Ospina, and her mother's sister.

"She was the first woman owner of a travel agency in Cali," Escobar said proudly.

In 1977, Ospina opened her first office in Miami.

"Mom traveled here a lot and used to bring tourists here. She saw an opportunity to have a correspondence between Miami and Cali," Escobar said.

"Mom is no longer involved in the day-to-day business," said Escobar.

Escobar, 29, moved to the United States in 1981 to study English at Western Michigan University. She spent two years there, then moved on to Kalamazoo Community College, also in Michigan, where she studied business administration.

After finishing at Kalamazoo in 1984, Escobar was ready to venture into the business world.

"I thought I'd start my own business," she said. "I did not want to work in travel."

Things didn't go quite as planned.

In the fall of 1984, Ospina told her daughter that she intended to sell the agency because she didn't have the time to take care of it.

"It was very sad to see something she worked hard at for seven years go down the drain. So I took over, and mom moved back to Cali," Escobar said.

Today, although Escobar admits business was better in the early '80s, she said the economy doesn't seem to be affecting her business.

"I don't see the recession out there; I don't feel it," she said. "People have to travel anyway."

Michele Shelburne, president of Ladatco Tours in Coral Gables, agrees with Escobar's assessment.

"Overall, our business has been affected, but in South American travel less than most destinations," she said. "The people who travel there are of a higher echelon."

Escobar refers to her agency as a "pioneer in Latin American travel." She said much of the company's income is made by coordinating travel between Miami and Cali for special events. The Ballet de Cali Yimboro's performances in Cali and Calle Ocho in Miami are two such events, she said.

As for the competition, she says: "There's room for everyone. If you do your job well and have personalized service, you'll get your fair share."

I am happy to pay tribute to Ms. Escobar, her mother and the other employees at Calitours by reprinting this article from the Miami Herald. Through recessions and good economic times, they have worked to improve travel between Colombia and the United States, and have helped bring our two nations closer together.

LET IROQUOIS START DELIVERING MUCH-NEEDED NATURAL GAS TO NORTHEAST

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. SCHEUER. Mr. Speaker, the Iroquois Natural Gas Pipeline was scheduled to come on line next year, bringing much-needed natural gas from Canada to New York and New England. Now it seems as though a small group of Iroquois' potential competitors are making a last ditch effort to stop the pipeline from opening. They have asked the U.S. Court of Appeals to revoke Iroquois' regulatory approval.

Mr. Speaker, I have just one thing to say to these people who are trying to prevent Iroquois from beginning operations: Stop this nonsense. Let Iroquois open.

We all know that natural gas offers an excellent opportunity to reduce our dependence on oil. It is clean, efficient, and found in very large quantities in North America. We all also know that there is not enough pipeline capacity to bring sufficient quantities of natural gas to the Northeast.

Iroquois would go a long way toward solving this problem. When fully on line, Iroquois will bring nearly half a billion cubic feet of natural gas to the Northeast every day, and we can really use it.

Canadian gas represents a great new opportunity for the Northeast and the rest of the country to acquire new sources of natural gas, and under the free-trade agreement, it is as American as domestic gas.

Opponents have tried to derail Iroquois ever since it was proposed. It took 5 years and mil-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

lions of dollars just to get regulatory approval, but finally the pipeline is almost completed and ready to start delivering gas.

This latest petition to the court of appeals raises issues that have already been dealt with and is just a desperate attempt by the petitioners to avoid competition.

Mr. Speaker, I hope the court turns down this petition, and I hope we have seen the last of the attempts to stop Iroquois. It is time for Iroquois to start bringing clean, efficient, natural gas to the Northeast.

DAIRY LEGISLATION (H.R. 2837)

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. DE LA GARZA. Mr. Speaker, I rise to advise the Members of the House regarding anticipated floor action on H.R. 2837.

The bill may be considered on the floor of the House during the week of November 11.

It is my intention, on behalf of members of the Committee on Agriculture, to ask that an amendment in the nature of a substitute be made in order as original text during the bill's consideration. As Members of the House have not had an opportunity to see this amendment, I am having it printed in the CONGRESSIONAL RECORD.

The Rules Committee has announced that it intends to meet during the week of November 11 to consider granting a rule to provide for the consideration of H.R. 2837, and that it may be inclined to grant a modified rule. Consequently, the Rules Committee has also announced that any Member who wishes to offer an amendment to the substitute amendment must submit 55 copies of his or her amendment, together with a brief explanation, to the Rules Committee not later than 5 p.m. on Tuesday, November 12, 1991.

Copies of the substitute amendment will be made available in the office of the Committee on Agriculture in room 1301 of the Longworth House Office Building.

Mr. Speaker, as many of my colleagues are aware, the Committee on Agriculture reported H.R. 2837 in July of this year with an amendment in the nature of a substitute. Since the administration threatened to veto that legislation, many of the members of our committee have involved themselves in a sincere effort to develop a compromise that would meet the concerns expressed by the administration. The substitute printed in today's RECORD represents the product of our efforts.

The substitute amendment would establish the minimum support price at $11.10 per hundredweight and would require the Secretary of Agriculture to implement a voluntary milk diversion program when surplus production is expected to exceed certain levels.

Mr. Speaker, I thank my colleagues for their cooperation in this procedure.

The amendment in the nature of a substitute for H.R. 2837—that may be made in order as original text for the purpose of amendment during the bill's consideration—follows:

AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 2837, AS REPORTED—OFFERED BY MR. DE LA GARZA

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Dairy Production Stabilization Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents for 5 this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Findings.
Sec. 3. Policy and purpose.
Sec. 4. Price support rate and program operations.
Sec. 5. Manufacturing allowance.
Sec. 6. Surplus reduction program.
Sec. 7. Advisory board of milk producers, processors, and marketers.
Sec. 8. Disposal of excess purchases of milk and milk products.
Sec. 9. Livestock sector enhancement.
Sec. 10. Amendment to milk marketing orders.
Sec. 11. Dairy cattle export program.
Sec. 12. Protection for women, infants, and children participating in WIC.
Sec. 13. Modification of dairy termination program.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Milk and milk products are basic foods and a valuable part of the human diet as a primary source of required nutrients, such as calcium.

(2) The production of milk and milk products plays a significant role in the economy of the United States, in that—

(A) milk and milk products are consumed by millions of people in the United States every day; and

(B) the production of milk and milk products involves tens of thousands of milk producers and employs hundreds of thousands of persons in the handling, processing, and marketing of milk and milk products.

(3) Milk producers have a relatively limited ability to protect themselves from price risk because milk is a highly perishable commodity.

(4) In the absence of an effective price support program for milk, producer prices for milk in future years may become too unstable to maintain an economically healthy dairy sector.

(5) Milk and milk products move in interstate and foreign commerce, and milk and milk products that do not move in interstate or foreign commerce directly burden or affect interstate commerce.

(6) The problems currently facing milk producers disrupt the orderly exchange of milk and milk products in interstate commerce and, because they affect the national public interest, burden and obstruct the normal channels of interstate commerce.

(7) The measures initiated by the amendments made by this Act, including the surplus reduction program, are needed to—

(A) ensure consumers of a reliable and adequate supply of pure and wholesome milk and milk products at reasonable prices;

(B) respond adequately to current and anticipated future supply and demand imbalances regarding milk and milk products; and

(C) ensure a level of farm income for milk producers adequate to maintain productive capacity sufficient to meet anticipated consumer needs.

(8) The establishment of an advisory board of milk producers, processors, and marketers is vital to the success of the price support and surplus reduction programs in that the board will provide milk producers, processors, and marketers a role in determining how the problems affecting the dairy industry will be addressed.

(9) A viable national strategy for improving profitability for mile producers should include a program to assist producers to reduce their production costs through the adoption of improved and sustainable dairy production practices, such as rotational grazing of grass-and-legume forages and seasonal dairying.

SEC. 3. POLICY AND PURPOSE.

(A) IN GENERAL.—It is declared to be the policy of Congress that it is in the public interests to authorize, through the amendments made by this Act, the establishment of programs to—

(1) achieve a proper balance between milk production and consumption, so as to improve and stabilize farm income;

(2) reduce the likelihood of unreasonable fluctuations in supplies and prices of milk and stablizie the price of milk at fair and reasonable levels, so as to protect the interests of consumers and producers; and

(3) facilitate orderly marketing conditions for milk and milk products, so as to enable milk producers in the United States to respond adequately to the needs of consumers.

(b) PROTECTION OF CONSUMERS.—The programs authorized by the amendments made by this Act shall not be used to reduce the production of pure and wholesome milk and milk products below the level required to meet the needs of consumers in the United States. In carrying out these amendments, the Secretary of Agriculture, in consultation with the National Dairy Producers, Processors, and Marketers Advisory Board, shall give due regard to the maintenance of a continuous and stable supply of milk and milk products adequate to meet consumer demand.

SEC. 4. PRICE SUPPORT RATE AND PROGRAM OPERATIONS.

(a) EXTENSION OF PROGRAM.—Subsection (k) of section 204 of the Agricultural Act of 1949 (7 U.S.C. 1446e) is amended by striking "December 31, 1995" and inserting "December 31, 1998".

(b) PRICE SUPPORT RATE.—Subsection (b) of such section is amended to read as follows:

"(b) PRICE SUPPORT RATES.—The price of milk shall be supported at a rate not less than $10.10 per hundredweight in calendar year 1991 for milk containing 3.67 percent milkfat and not less than $11.10 per hundredweight in calendar years 1992 through 1998 for milk containing 3.67 percent milkfat. Notwithstanding any other provision of this title, in no event shall the price of milk be supported for a calendar year at less than the rate specified in this subsection for that year.".

(c) DEFINITIONS.—Subsection (a) of such section is amended—

(1) by inserting "(1)" after "IN GENERAL.—"; and

(2) by adding at the end the following new paragraph:

"(2) DEFINITIONS.—For purposes of this section and sections 204A and 204B:

"(A) MILK EQUIVALENT, TOTAL MILK SOLIDS BASIS.—The term 'milk equivalent, total milk solids basis', of milk and the products of milk purchased by the Commodity Credit Corporation, mean the weighted-average of the milk equivalent (as computed on a milkfat basis and on a milk solids nonfat basis) of such products, with weighting factors equal to not more than 40 percent for the milk equivalent, milkfat basis, and not more than 70 percent of the milk equivalent, solids nonfat basis. The weighting factors shall total 100 percent.

'(B) Net Removals.—The term 'net removals' means the level of purchases of milk and the products of milk by the Commodity Credit Corporation under subsection (c)(1), less sales under section 407 for unrestricted use.

"(C) Excess inventory.—The term 'excess inventory' means that portion of the net removals by the Commodity Credit Corporation for a calendar year in excess of 4,500,000,000 pounds (milk equivalent, total milk solids basis).

"(D) 48 contiguous states.—The term '48 contiguous States' means the 48 contiguous States in the continental United States.

"(E) Board.—The term 'Board' means the National Dairy Producers, Processors, and Marketers Advisory Board established under subsection (g).".

(d) Support Rate Adjustments and Monitoring of Prices Received.—Subsection (d) of such section is amended—

(1) by striking paragraphs (1)(B), (2)(B), and (4);

(2) in paragraph (1)—

(A) by striking "(A) In General.—" and conforming the margins of the paragraph to the paragraph heading; and

(B) by striking "1995," and all that follows through "the preceding calendar year," and inserting "1998, if the net removals by the Commodity Credit Corporation for that calendar year (as estimated under subsection (f) and adjusted to reflect the operation of any surplus reduction program)";

(3) in paragraph (2)—

(A) by striking "(A) In General.—" and conforming the margins of the paragraph to the paragraph heading; and

(B) by striking "1995," and all that follows through "the preceding calendar year," and inserting "1998, if the net removals by the Commodity Credit Corporation for that calendar year (as estimated under subsection (f) and adjusted to reflect the operation of any surplus reduction program)";

(4) in paragraph (3), by striking "calendar years 1992 through 1995," and inserting "calendar years 1992 through 1998,";

(5) by inserting after paragraph (3) the following new paragraph:

"(4) Notification of rate adjustment.—Not later than November 20 of each calendar year, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of any adjustment required under this subsection in the rate of price support for the following calendar year.";

(6) in paragraph (5), by striking "(5) Administration.—" and all that follows through "In estimating" in subparagraph (B) and inserting "(5) Administration.—In estimating"; and

(7) by adding at the end the following new paragraph:

"(6) Monitoring actual price received by producers.—

"(A) Monthly monitoring.—The Secretary shall monitor, on a monthly basis, actual prices received by representative producers for milk produced in the 48 contiguous States and marketed for commercial use in order to compare those prices with the rate of price support for milk in effect for that month.

"(B) Notification of results.—If the average of the prices monitored under this paragraph in a State for any three-month period is less than the support price in effect for that period under this section, the Secretary shall immediately notify the Congress of such fact in writing. In addition, not later than November 20 of each calendar year, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the results of such monitoring during the previous fiscal year and provide such recommendations with regard to those results as the Secretary considers appropriate.".

(e) Annual Estimate of Net Removals.—Subsection (f) of such section is amended to read as follows:

"(f) Annual Estimate of Purchases by Commodity Credit Corporation.—Not later than November 20 of each calendar year, the Secretary shall publish in the Federal Register an estimate of the net removals in pounds (on a milk equivalent, total milk solids basis) to be made by the Commodity Credit Corporation during the following calendar year. When making the estimate for a calendar year, the Secretary shall use the rate of price support to be in effect for that calendar year and shall consider surplus reduction contracts already entered into under section 204A that will be in effect during that calendar year.".

(f) Effect of Refund of Price Reduction Required by Budget Reconciliation.—Subsection (h)(3) of such section is amended by adding at the end the following new sentence: "A refund under this paragraph shall not be considered as any type of price support or payment for purposes of sections 1211 and 1221 of the Food Security Act of 1985 (16 U.S.C. 3811 and 3821).".

(g) Price Support Program Limited to 48 Contiguous States.—

(1) Limitation.—Such section is further amended—

(A) in subsection (a), by striking paragraph (1) (as designated by subsection (c)(1)) and inserting the following new paragraph:

"(1) Period and area of operation.—During the calendar years 1991 through 1998, the Secretary shall support the price of milk produced in the 48 contiguous States as provided in this section. The price of milk produced outside of the 48 contiguous States shall not be supported under this section or section 201.";

(B) in subsection (c)(1), by inserting before the period the following: "produced in the 48 contiguous States";

(C) in subsection (d)(5) (as amended by subsection (d)), by striking "United States" both places it appears and inserting "48 contiguous States and the District of Columbia"; and

(D) in subsection (h)(1), by striking "United States" and inserting "48 contiguous States".

(2) Effective date.—the amendments made by this subsection shall take effect as of January 1, 1991.

SEC. 5. MANUFACTURING ALLOWANCE.

Section 204(c) of the Agricultural Act of 1949 (7 U.S.C. 1446e) is amended by adding at the end the following new paragraph:

"(4) Manufacturing allowance.—

"(A) Minimum allowance established.—Notwithstanding any other provision of law, for purposes of supporting the price of milk through purchases of the products of milk under this section, the Secretary shall establish—

"(i) the manufacturing allowance of milk manufactured into butter and nonfat dry milk at not less than $1.37 per hundredweight of milk; and

"(ii) the manufacturing allowance for milk manufactured into cheese at not less than $1.52 per hundredweight of milk.

"(B) Manufacturing allowance defined.—For purposes of this paragraph, the term 'manufacturing allowance' means an amount (determined for purposes of the price support program for milk) applied separately to milk manufactured into butter and nonfat dry milk and to milk manufactured into cheese that, when added to the support price for milk, will enable a manufacturing plant of average efficiency in manufacturing these products to pay producers, on average, a price not less than the rate of price support for milk in effect during a 12-month period under this section when selling these products to the Commodity Credit Corporation.

"(C) Costs and returns reflected in allowance.—A manufacturing allowance shall reflect both the costs of manufacturing and selling products to the Corporation and the returns the plant receives from byproducts (other than whey solids as provided for in section 106 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 1446e note)) not purchased by the Corporation.

"(D) Factors establishing the value of milk products per hundredweight.—For purposes of supporting the price of milk through purchases of the products of milk, the Secretary may not take into consideration any factors establishing the value per hundredweight of milk of—

"(i) butter in excess of 4.48 pounds;

"(ii) nonfat dry milk in excess of 8.13 pounds;

"(iii) cheese in excess of 10.1 pounds;

"(iv) whey fat in excess of .25 pound; and

"(v) buttermilk solids in any amount.

"(E) Benefit of increase for producers.—To the extent practicable, additional receipts that a manufacturing plant receives as a result of an increase in the manufacturing allowance under subparagraph (A) shall be passed through to producers supplying milk to the plant.".

SEC. 6. SURPLUS REDUCTION PROGRAM.

"(a) Establishment of Program.—The Agricultural Act of 1949 is amended by inserting after section 204 (7 U.S.C. 1446e) the following new section:

"SEC. 204A. SURPLUS REDUCTION PROGRAM.

"(a) Contracts with Producers to Reduce Milk Marketing.—The Secretary shall enter into surplus production contracts with producers in the 48 contiguous States to reduce the quantity of milk marketed for commercial use in order to ensure that net removals of milk by the Commodity Credit Corporation equal—

"(1) in calendar year 1992, not more than 4,500,000,000 pounds (milk equivalent, total milk solids basis), adjusted upward as required under subsection (b)(2); and

"(2) in each calendar years 1993 through 1998, not more than 4,500,000,000 pounds (milk equivalent, total milk solids basis).

"(b) Required Amount of the National Reduction in Milk Marketing.—

"(1) Determination.—The amount of the national reduction in the quantity of milk marketed during a calendar year to be achieved through surplus reduction contracts under subsection (a) shall be equal to the difference between—

"(A) the estimate of net removals prepared under section 204(f) for that year; and

"(B) a level of net removals of milk by the Commodity Credit Corporation during that year of not more than 4,500,000,000 pounds (milk equivalent, total milk solids basis).

"(2) Special rule for 1992.—For calendar year 1992, the amount of the national reduction in milk marketing determined under paragraph (1) shall be reduced by 50 percent or such other amount as the Secretary determines to be necessary to comply with the requirement specified in subsection (d)(4) to vary the implementation dates of surplus reduction contracts.

"(3) QUARTERLY EVALUATION OF REDUCTION AMOUNT.—The Secretary shall—

"(A) evaluate on a quarterly basis the amount of the national reduction in milk marketing determined under paragraph (1) for a calendar year; and

"(B) make such adjustments in that amount as the Secretary considers to be necessary based on the operation of the surplus reduction program and such other factors affecting the quantity of milk marketed for commercial use.

"(4) SEASONAL STABILITY.—To the maximum extent practicable and consistent with the objectives of the price support program under section 204, the Secretary shall administer the surplus reduction program in a manner that will reduce the seasonal fluctuation in the supply of milk produced in the United States.

"(c) REGIONAL BASIS FOR REDUCTIONS IN MILK MARKETING.—

"(1) IN GENERAL.—In entering into surplus reduction contracts under subsection (a) with producers, the Secretary shall ensure that participation is proportionately distributed, based on the quantity of milk produced, among the seven geographic regions identified in paragraph (2).

"(2) DEFINITION OF REGIONS.—For purposes of this section, the United States shall be divided into seven geographic regions as follows:

"(A) California, Oregon, and Washington.

"(B) Arizona, Arkansas, Colorado, Idaho, Kansas, Montana, Nevada, New Mexico, Oklahoma, Texas, Utah, and Wyoming.

"(C) Illinois, Missouri, Nebraska, North Dakota, and South Dakota.

"(D) Iowa, Minnesota, and Wisconsin.

"(E) Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

"(F) Delaware, Indiana, Maryland, Michigan, New Jersey, Ohio, Pennsylvania, and West Virginia.

"(G) Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont.

"(3) REGIONAL MARKETING PERCENTAGE.—Not later than November 20 of each of the calendar years 1991 through 1998, the Secretary shall determine a regional marketing percentage for each region that is equal to the ratio of—

"(A) the total quantity of milk marketed in the region in the preceding 12 months; to

"(B) the total quantity of milk marketed in the United States in the preceding 12 months.

"(4) REGIONAL ALLOCATION OF ANNUAL REDUCTION.—The total reduction in the quantity of milk marketed for a region to be achieved under subsection (a) for a calendar year shall be equal to the product obtained by multiplying—

"(A) the amount of the national reduction in milk marketing, as determined under subsection (b) for that year; by

"(B) the regional marketing percentage for that region, as determined under paragraph (3) for that year.

"(5) ADJUSTMENT.—The Secretary may adjust the regional allocations made under paragraph (4) to take into consideration the regional supply and demand for fluid milk.

"(d) ELEMENTS OF REDUCTION CONTRACTS.—

"(1) IN GENERAL.—Beginning on January 1, 1992, the Secretary may begin making cash payments to each producer who enters into a surplus reduction contract under subsection (a) to reduce the quantity of milk marketed for commercial use during the period of the contract.

"(2) PAYMENTS TO PRODUCERS.—

"(A) BID OR OFFER RATE.—For purposes of payments under the surplus reduction program, the Secretary shall establish a rate per hundredweight for reduced quantities of milk marketed or solicit bids from producers who offer to enter into a surplus reduction contract. The rate established, or a bid accepted, by the Secretary may not be less than $5.50 per hundredweight nor more than $7.50 per hundredweight, unless the Secretary determines that a higher rate or bid is necessary for the successful operation of the program.

"(B) TIMING.—The Secretary shall make conditional whole or partial payments to participants in the surplus reduction program on at least a quarterly basis, or more frequently at the option of the Secretary.

"(C) ANNUAL SETTLEMENT PAYMENT.—If necessary, the Secretary shall make an annual settlement payment at the end of each year of the contract period, based on the total reduction in the quantity of milk marketed by the producer during the year.

"(D) TREATMENT OF PAYMENTS.—A payment made under a surplus reduction contract shall not be considered as any type of price support or payment for purposes of sections 1211 and 1221 of the Food Security Act of 1985 (16 U.S.C. 3811 and 3821).

"(E) SOURCE OF FUNDS FOR PAYMENTS.—The Secretary shall make payments to producers under a surplus reduction contract from funds of the Commodity Credit Corporation.

"(3) PERIOD OF CONTRACT.—

"(A) IN GENERAL.—The period of a surplus reduction contract shall be not less than 24 months and not more than 36 months, as determined by the agreement of the producer and the Secretary.

"(B) ONE-YEAR CONTRACTS.—Notwithstanding subparagraph (A), the Secretary may offer to enter into surplus reduction contracts for a shorter period to permit the dairy industry to adjust to unforeseen changes in factors affecting milk production, prices, and the demand for milk products. In no case shall surplus reduction contracts be for a period of less than 12 months.

"(4) STAGGERED IMPLEMENTATION OF CONTRACTS.—In entering into surplus reduction contracts in each region specified in subsection (c), the Secretary shall vary the beginning dates and periods of the contracts, and announcements regarding the acceptance of the contracts, in order to ensure that an approximately equal number of dairy cattle will be sold for slaughter during each month of a calendar year as a result of the contracts.

"(5) ANNUAL LEVEL OF REDUCTION.—For each year of a surplus reduction contract with a producer, the amount of the reduction in the quantity of milk marketed for commercial use by the producer shall be equal to the product obtained by multiplying—

"(A) not less than 5 percent, nor more than 30 percent (as specified in the contract); by

"(B) the milk marketing history of the producer, as determined under subsection (e).

"(6) OTHER TERMS.—A surplus reduction contract may include such other terms and conditions as the Secretary considers to be necessary to ensure the success of the surplus reduction program.

"(e) ESTABLISHMENT OF MILK MARKETING HISTORY.—

"(1) ESTABLISHMENT.—To establish the milk marketing history of a producer for purposes of the annual reduction in milk marketings required under subsection (d)(5), the Secretary shall use, at the option of the producer, the quantity of milk that was marketed by the producer for commercial use—

"(A) during the period beginning on September 1, 1989, and ending on August 31, 1990; or

"(B) during the period beginning on September 1, 1990, and ending on August 31, 1991.

"(2) ADJUSTMENT.—The Secretary may adjust the milk marketing history of a producer established under paragraph (1) if the Secretary determines that—

"(A) the quantity of milk marketed by the producer during the periods referred to in paragraph (1) were unusually low in comparison to prior years; or

"(B) such adjustment is necessary to prevent extreme hardship.

"(3) RECORDS.—A producer who seeks to enter into a surplus reduction contract under subsection (a) shall provide the Secretary with such information to establish the milk marketing history of the producer as the Secretary may require. A producer who enters into a surplus reduction contract shall keep such records and make such reports as the Secretary determines necessary to carry out this section.

"(f) MODIFICATION AND ASSIGNMENT OF CONTRACTS.—

"(1) MODIFICATION.—In accordance with such rules and procedures as the Secretary may prescribe, the Secretary may modify surplus reduction contracts entered into under subsection (a) if the Secretary determines that there would be an excessive reduction in the level of milk production in the 48 contiguous States as a result of—

"(A) the success of the surplus reduction program; or

"(B) other factors affecting the quantity of milk marketed for commercial use.

"(2) ASSIGNMENT.—A producer may assign, with the approval of the Secretary, a surplus reduction contract (including the milk marketing history determined for that contract) to another person only if—

"(A) the producer's interest in the entire milk production facility and the entire dairy herd used by the producer to produce milk for commercial use is transferred as a unit to the assignee;

"(B) the producer and the assignee agree in writing that the assignee shall succeed to all rights and liabilities of the producer under the contract; and

"(C) a copy of the agreement is submitted to the Secretary before the transfer occurs.

"(3) SPECIAL RULES FOR DECEASED PRODUCERS.—A surplus reduction contract entered into by a producer who by reason of death cannot perform or assign the contract may be performed or assigned, in accordance with paragraph (2), by the estate of the producer.

"(g) COMPLIANCE WITH CONTRACTS.—

"(1) MONITORING BY SECRETARY.—The Secretary shall ensure compliance by producers with the contracted level of reductions in the quantity of milk marketed. The Secretary shall monitor on at least a quarterly basis the compliance of producers with surplus reduction contracts entered into under subsection (a).

"(2) UNUSED PRODUCTION CAPACITY.—Any production capacity of a facility that becomes available for use because a producer reduces milk production in order to comply with a surplus reduction contract shall not be used by the producer, or made available by the producer for use by any other person, for the production of milk.

"(3) LIMITATION ON TRANSFER OF DAIRY CATTLE.—

"(A) LIMITATION.—Any dairy cattle that would or could be used by the producer for the production of milk if the producer had not entered into and complied with a surplus reduction contract shall not be sold, leased, or otherwise transferred to another person during the period of such contract unless such cattle are sold for slaughter or sold or transferred to another producer with respect to whom there is in effect a surplus reduction contract.

"(B) EXCEPTION.—To the extent practicable and consistent with the goals of the surplus reduction program, the Secretary may permit the sale of registered, purebred cattle for breeding purposes subject to such terms and conditions as the Secretary may prescribe based on a history of such sales by the producer. The Secretary may also permit the sale or transfer of any dairy cattle if the Secretary determines that such sale or transfer does not adversely affect the purpose of the program.

"(h) VIOLATIONS OF SURPLUS REDUCTION CONTRACTS.—

"(1) REPAYMENT OF FUNDS AND BENEFITS RECEIVED.—If the Secretary determines that a producer has violated a surplus reduction contract entered into under subsection (a), the Secretary may require the producer to repay to the secretary all payments made under the contract and to make all payments that would have been required under section 204(h) during the period of the contract. The amount paid by the producer shall include interest calculated at the rate equal, to the extent practicable, to the cost to the Commodity Credit Corporation of borrowings from the United States Treasury for the relevant time period. A violation of the contract shall not relieve the producer from continued compliance with the obligations of the contract.

"(2) TYPES OF VIOLATIONS.—A producer who enters into a surplus reduction contract shall be liable to the Secretary for marketing penalties under paragraph (3), in addition to other remedies available under this section, if the producer—

"(A) fails to make the required reduction in milk marketing;

"(B) retains or acquires an interest in dairy cattle or the production of milk in violation of the contract;

"(C) makes a false statement regarding the milk marketing history of the producer;

"(D) makes a false statement regarding the amount of the reduction in milk marketing achieved under the contract; or

"(E) fails to meet such other terms and conditions of the contract, as the Secretary considers appropriate.

"(3) PENALTIES.—The amount of a marketing penalty shall be an amount determined by the Secretary that is the higher of—

"(A) $5,000 for the violation; or

"(B) the quantity of milk involved in the violation multiplied by the support price in effect under section 204(b).

"(4) EXCEPTION.—The Secretary may waive penalties under paragraph (3) for a violation that is the result of inadvertent errors in the reduction of milk marketing, as determined by the Secretary, except that the amount of a wavier may not exceed 5 percent of the quantity of the reduction in annual milk marketing by the producer provided for under the contract.

"(i) USE OF GOVERNMENT RESOURCES.—In carrying out this section, the Secretary may—

"(1) use the services of State and county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)); and

"(2) enter into agreements to use, on a reimbursable basis, the services of administrators of the Federal milk marketing orders and State milk marketing programs.

"(j) REDUCTION IN PRICE RECEIVED BY PRODUCERS.—

"(1) REDUCTION REQUIRED; PURPOSE.—The Secretary shall provide for a reduction in the price received by producers for all milk produced in the 48 contiguous States and marketed by producers for commercial use. The reduction in price is required to fund the surplus reduction program under this section, the price support program under section 204 (including expenses of the Board under subsection (g)), the program for red meat purchases under section 204B, and the dairy cattle export program under section 154 of the Food Security Act of 1985.

"(2) PERIOD OF REDUCTION.—The reduction in price required by this subsection shall be made during the period beginning on January 1, 1992, and ending on December 31, 1998, and shall be in addition to any reduction in price required under section 204(h).

"(k) RATE OF REDUCTION.—

"(1) 1992 THROUGH 1995.—During each of the calendar years 1992 through 1995, the Secretary shall establish the rate of reduction under subsection (j)(1) in the price received by producers at an amount such that the total amount collected under that subsection is equal to the difference between—

"(A) the projected cost for that calendar year of the programs referred to in subsection (j)(1) or otherwise authorized by the amendments made by the Dairy Production Stabilization Act of 1991 and of the dairy termination program; and

"(B) the following amounts:

"(i) In fiscal year 1992, $391,958,000.

"(ii) In fiscal year 1993, $465,961,000.

"(iii) In fiscal year 1994, $469,537,000.

"(iv) In fiscal year 1995, $487,057,000.

"(v) For the first three months of fiscal year 1996, the projected outlays for such months if those programs are operated so that the projected outlays for the entire fiscal year are equal to $533,596,000.

"(2) 1996 THROUGH 1998.—During each of the calendar years 1996 through 1998, the Secretary shall establish the rate of the reduction under subsection (j)(1) in the price received by producers at an amount equal to the rate established under paragraph (1) for calendar year 1995.

"(3) ADJUSTMENTS FOR EXCESS COLLECTIONS.—the Secretary shall adjust the rate of reduction established under this subsection for a calendar year to reflect any excess in the total amount collected under this subsection for the preceding calendar year.".

(b) EXCEPTION FROM RECONCILIATION PRICE REDUCTION FOR PROGRAM PARTICIPANTS.—Subsection (h) of section 204 of the Agricultural Act of 1949 (7 U.S.C. 1446e) is amended by adding at the end the following new paragraph:

"(4) EXCEPTION FOR PRODUCERS PARTICIPATING IN SURPLUS REDUCTION PROGRAM.—A producer who is subject to a surplus reduction contract under section 204A(a) and who would be eligible for a refund under paragraph (3) (as determined by the Secretary) shall not be subject to the reduction in price required to be made under this subsection on milk subject to that contract and marketed during the period of that contract.".

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (h)(1) (as amended by section 4(g)), by striking "subsection (g)" and inserting "section 204A(j)"; and

(2) in subsection (i), by striking "subsection (g) or (h)" each place it appears and inserting "subsection (h) or section 204A(j)".

SEC. 7. ADVISORY BOARD OF MILK PRODUCERS, PROCESSORS, AND MARKETERS.

Subsection (g) of section 204 of the Agricultural Act of 1949 (7 U.S.C. 1446e) is amended to read as follows:

"(g) ESTABLISHMENT OF BOARD.—

"(1) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of the Dairy Production Stabilization Act of 1991, the Secretary shall establish a National Dairy Producers, Processors, and Marketers Advisory Board. The Board shall consist of 14 members appointed by the Secretary as follows:

"(A) Seven members, one from each geographic region defined in section 204A, appointed by the Secretary from nominees elected as provided in paragraph (2).

"(B) Six members appointed by the Secretary from among individuals who have a demonstrable expertise in the area of milk production, processing, or marketing.

"(C) The Secretary, or a representative of the Secretary, as a nonvoting ex officio member.

"(2) NOMINATION AND APPOINTMENT.—

"(A) CONDUCT OF NOMINATING ELECTIONS.—Not later than 75 days after the date of the enactment of the Dairy Production Stabilization Act of 1991, the Secretary shall conduct elections to elect nominees for appointment to the Board. A separate election shall be held in each of the seven geographic regions defined in section 204A to elect two nominees to the Board from each region.

"(B) PROCEDURE FOR NOMINATIONS.—During the 60-day period beginning on that date, the Secretary shall solicit the names of individuals to be included as candidates on the ballot for the election in each region. Such names may be submitted by milk producers in the region or by organizations or other persons that represent milk producers in the region, including general farm organizations. The Secretary shall establish such additional rules for the conduct of these elections as are appropriate. Individuals shall be eligible to appear on a ballot only if the Secretary determines that the individual has a demonstrable expertise in the area of milk production, processing, or marketing.

"(C) VOTING BY PRODUCERS.—The Secretary shall conduct an election in each region to determine the two nominees eligible for appointment to the Board from that region. The election shall be conducted only among individual milk producers who have been producing milk during a representative period, as determined by the Secretary. Only individual producers may cast ballots in the election. An organization or other person representing milk producers, including a general farm organization, may not cast ballots in the election on behalf of milk producers. The Secretary shall establish the methods by which ballots may be cast. Such methods shall include casting ballots by mail (subject to appropriate safeguards) and in person with a representative of the county office of the Agricultural Stabilization and Conservation Service or the Extension Service.

"(D) APPOINTMENT.—The Secretary shall appoint one of the two nominees elected from each region to serve as the member of the Board for that region.

"(3) DUTIES.—The Secretary shall consult with the Board regarding—

"(A) the operation of the milk price support program under this section;

"(B) the operation of the surplus reduction program under section 204A; and

"(C) the disposal of net removals by the Commodity Credit Corporation in excess of 4,500,000,000 pounds (on a milk equivalent, total milk solids basis).

"(4) MEETINGS OF THE BOARD.—Within two weeks after the Secretary first appoints the members of the Board under paragraph (2)(D), the Board shall convene for its initial meeting and elect officers. The Board shall meet at the call of the chair, or as requested by the Secretary, but at least once every three months. The Board shall notify the Secretary in advance of each meeting of the Board. The Secretary, or a representative of the Secretary, shall attend each meeting as a nonvoting ex officio member of the Board. A quorum of the Board shall be eight members.

"(5) FUNDING FOR BOARD.—The Secretary may make funds collected under section 204A(j) available to the Board to pay for the activities of the Board.

"(6) PROCEDURES OF THE BOARD; STAFF.—

"(A) PROCEDURES.—The Board shall adopt written bylaws and rules of procedures to govern its operations.

"(B) STAFF.—Using funds provided by the Secretary for a year, the Board may hire such staff and incur such administrative expenses as necessary to meet the responsibilities of the Board.

"(7) TERMS; COMPENSATION.—

"(A) FULL TERM.—Each person appointed to the Board shall serve for a term ending on July 31, 1996, or such later date as determined appropriate by the Secretary. The Secretary may remove for cause a member from the Board before the expiration of the term of the member.

"(B) VACANCIES.—A vacancy on the Board shall be filled in the same manner as the initial appointment.

"(C) TERMINATION.—The Board shall terminate on July 31, 1996, or such later date as determined appropriate by the Secretary.

"(D) REIMBURSEMENT FOR EXPENSES.—The members of the Board shall serve without compensation, but shall be reimbursed for reasonable expenses incurred in performing their duties as members of the Board.".

SEC. 8. DISPOSAL OF EXCESS PURCHASES OF MILK AND MILK PRODUCTS.

Subsection (e) of section 204 of the Agricultural Act of 1949 (7 U.S.C. 1446e) is amended to read as follows:

"(e) DISPOSAL OF EXCESS INVENTORY.—

"(1) AUTHORIZED DISPOSAL METHODS.—The Secretary may dispose of excess inventory acquired under this section only—

"(A) in export markets using export sales and foreign donations;

"(B) through donations to domestic food programs; and

"(C) for nonfood uses.

"(2) SPECIAL RULES FOR DISPOSAL IN EXPORT MARKETS.—In disposing of excess inventory, the Secretary shall take all steps necessary to ensure that export sales and foreign donations neither undermine international dairy prices nor otherwise adversely affect sales by nonsubsidized suppliers.".

SEC. 9. LIVESTOCK SECTOR ENHANCEMENT.

The Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) is further amended by inserting after section 204A, as added by section 7, the following new section:

"SEC. 204B. MINIMIZING THE EFFECT OF THE SURPLUS REDUCTION PROGRAM ON PRODUCERS OF RED MEAT.

"(a) ESTIMATION OF DAIRY CATTLE SLAUGHTERING.—An estimate under section 204(f) of purchase of milk and the products of milk by the Commodity Credit Corporation for a calendar year shall include an estimate by the Secretary of the total number of dairy cattle that will be marketed for slaughter during that year.

"(b) PREVENTION OF ADVERSE EFFECTS.—

"(1) OPERATION.—This subsection shall apply for calendar years in which the surplus reduction program under section 204A is in effect.

"(2) EFFORTS TO PREVENT ADVERSE EFFECTS.—If the Secretary estimates under subsection (a) that the total number of dairy cattle to be marketed for slaughter during a calendar year will exceed the average annual number of dairy cattle culled during calendar years 1988 through 1991, the Secretary shall take such steps as may be necessary to completely offset the adverse effect on producers of red meat of reductions in the price of red meat caused by the excess marketing of dairy cattle as a result of the surplus reduction program. Such steps may include—

"(A) purchasing and distributing red meat in addition to those quantities normally purchased and distributed by the Secretary; and

"(B) supporting the export of live dairy cattle through the dairy cattle export program established under section 154 of the Food Security Act of 1985.

"(3) STAGGERED PURCHASES.—During calendar years 1992 and 1993, the Secretary shall ensure that the monthly quantity of red meat purchased under paragraph (2) is approximately equal.

"(4) COORDINATION OF EFFORTS.—The Secretary shall coordinate the operation of this section with the efforts of the Secretary to support the export of dairy cattle through the dairy cattle export program established under section 154 of the Food Security Act of 1985.

"(c) SPECIFIC USES OF PURCHASED RED MEAT.—The Secretary may make red meat purchased under subsection (b) available—

"(1) to the Secretary of Defense, on a nonreimbursable basis, for use in commissaries on military installations located outside of the United States;

"(2) for export under the authority of any law in effect on or after October 1, 1991;

"(3) for donation under the commodity distribution and other nutritional programs administered by the Secretary; and

"(4) for distribution pursuant to agreements entered into under the Food for Progress Act of 1985 (7 U.S.C. 1736o) to assist the Soviet Union, its successor or successor entities, or individual republics of the Soviet Union in meeting their food needs.

"(d) AVAILABLE FUNDS.—The Secretary shall use funds, facilities, and authorities of the Commodity Credit Corporation to carry out this section. The Secretary may also use funds appropriated under section 32 of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes' (7 U.S.C. 612c), approved August 24, 1935. In using funds appropriated under that section, the Secretary shall not reduce purchases of any other agricultural commodities under that section.

"(e) OTHER EFFORTS.—The Secretary of Defense, the heads of other Federal agencies, and State agencies are encouraged to use, to the maximum extent practicable, increased quantities of red meat to meet the food needs of the programs that they administer.".

SEC. 10. AMENDMENT TO MILK MARKETING ORDERS.

(a) NATURE OF AMENDMENT.—Section 8c(5) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) in paragraph (G), by striking "No" and inserting "Except as provided in paragraph (H), no"; and

(2) by striking paragraph (H) and inserting the following new paragraph:

"(H) Each order issued pursuant to this section shall contain terms and conditions to provide that all dispositions of class I fluid milk products subject to the order shall comply with the following quality requirements:

"(i) In the case of milk marketed as skim milk, the milk shall contain not less than 9 percent milk solids not fat.

"(ii) In the case of milk marketed as lowfat milk, the milk shall contain not less than 12 percent total milk solids.

"(iii) In the case of milk marketed as whole milk, the milk shall contain not less than 8.7 percent milk solids not fat.

A violation of these requirements, and the amendment to an order implementing these requirements, shall be subject to the penalties provided in subsection (14).".

(b) AMENDMENT OF MILK MARKETING ORDERS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall publish an amendment to each milk marketing order issued pursuant to section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, to implement subsection (5)(H) of such section (as added by subsection (a)). The Secretary of Agriculture shall not conduct a referendum under paragraphs (8), (9), and (19) of such section among producers or a polling of processors regarding the amendment. The amendment of an order under this subsection shall take effect on the first day of the first calendar month beginning after the end of the one-year period beginning on the date of the enactment of this Act.

(c) APPLICATION TO STATE MILK MARKETING ORDERS.—The requirements of section 8c(5)(H) of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (as added by subsection (a)), shall apply with regard to comparable milk marketed under State milk marketing orders on and after the effective date specified in subsection (b).

SEC.11. DAIRY CATTLE EXPORT PROGRAM.

(a) PROGRAM ESTABLISHED.—The Food Security Act of 1985 (Public Law 99-198) is amended by inserting after section 153 (15 U.S.C. 713a-14) the following new section:

"SEC. 154. DAIRY CATTLE EXPORT PROGRAM.

"(a) DEFINITIONS.—For purposes of this section:

"(1) QUALIFIED EXPORTER.—The term 'qualified exporter' means an exporter who qualifies for assistance under this section and the dairy export incentive program established under section 153 (15 U.S.C. 713a-14).

"(2) CORPORATION.—The term 'Corporation' means the Commodity Credit Corporation.

"(b) PROGRAM REQUIRED.—During the calendar years 1992 through 1995, the Corporation shall carry out a program to encourage the export of dairy cattle to foreign countries by making payments to qualified exporters in accordance with this section and section 153.

"(c) DAIRY CATTLE FOR WHICH EXPORT ASSISTANCE AVAILABLE.—

"(1) FISCAL YEARS 1992 AND 1993.—During fiscal years 1992 and 1993, the Corporation shall restrict the program to supporting the export of—

"(A) live dairy cattle culled by dairy producers who have entered into a surplus reduction contract with the Secretary of Agriculture under section 204A of the Agricultural Act of 1949; and

"(B) live female dairy bovines that have not had a calf prior to their export.

"(2) FISCAL YEARS 1994 THROUGH 1998.—During fiscal years 1994 through 1998, the Corporation shall restrict the program to supporting the export of live female dairy bovines that have not had a calf prior to their export.

"(d) ANNOUNCEMENTS.—To carry out the program for a fiscal year, the Corporation shall announce—

"(1) the countries that are targeted for inclusion in the program;

"(2) the dollar value of bonuses per head for each of the targeted countries;

"(3) at the option of the Corporation, the quantity of dairy cattle eligible for shipment to each targeted country; and

"(4) a 120-day period beginning on the date of announcements for entering into agreements under subsection (e) to participate in the program.

"(e) AGREEMENTS.—On receipt of a proposal or bid by a qualified exporter of dairy heifers, the Corporation may offer to enter into an agreement with the exporter to assist in the export of dairy cattle to a purchaser in a foreign country through a payment made to the exporter.

"(f) DUTIES OF EXPORTERS.—If a qualified exporter enters into an agreement under this section to qualify for a payment from the Corporation, the exporter shall—

"(1) register a confirmed export sale of dairy cattle to a purchaser in a foreign country by submitting to the Corporation—

"(A) a copy of a signed sales agreement or contract; and

"(B) proof of the purchaser's ability to pay for the dairy cattle, which may include a statement from a financial institution or an irrevocable letter of credit, or both;

"(2) register the sale by placing on deposit at the corporation a fixed, refundable registration fee in an amount, determined by the Corporation, that is sufficient to encourage participation in the program established by this section;

"(3) deliver the dairy cattle to the foreign purchaser not later than 12 months after entering into the agreement;

"(4) submit evidence to the Corporation that the sales agreement or contract and delivery has been executed, which may include a signed transportation document, bill of lading, or acknowledgment by a financial institution that payment to the purchaser has been made; and

"(5) otherwise comply with the requirements of the agreement, including the requirements of the dairy export incentive program established under section 153 to the extent the Corporation determines that those requirements are practicable for this program.

"(g) EFFECT OF COMPLIANCE AND NONCOMPLIANCE.—

"(1) COMPLIANCE.—If a qualified exporter who enters into an agreement with the Corporation under subsection (e) complies with the agreement, the Corporation shall—

"(A) make a payment to the qualified exporter in compliance with the agreement; and

"(B) return the registration fee paid by the exporter under subsection (f).

"(2) NONCOMPLIANCE.—If the qualified exporter does not comply with the agreement, the Corporation shall—

"(A) retain all or part of the registration fee paid by the exporter under subsection (f);

"(B) withhold payments to the exporter under this section;

"(C) pursue such other courses of action as the Corporation determines to be appropriate; or

"(D) take any combination of actions described in subparagraphs (A), (B), and (C).

"(h) PRIORITIES.—The Corporation shall give priority to proposals or bids submitted under this section that, in connection with the export of dairy cattle, include appropriate herd management training, veterinary services, nutritional training, and other technical assistance necessary for the adoption of the cattle to foreign environments.

"(i) SAFEGUARDS.—The rules and conditions governing the program established under this section shall ensure, to the extent practicable, that—

"(1) payments may be made under the program only on the quantity of dairy cattle sold by an entity for export in any year that is in addition to, and not in place of, any export sales of dairy cattle that the entity would otherwise make in the absence of the program; and

"(2) dairy cattle sold for export under the program will not displace commercial export sales of cattle from the United States cattle by other exporters.".

(b) CLERICAL AMENDMENT.—The table of contents in section 2 of the Food Security Act of 1985 (Public Law 99-198; 99 Stat. 1354) is amended by inserting after the item relating to section 153 the following new item:

"Sec. 154. Dairy cattle export program.".

SEC. 12. PROTECTION FOR WOMEN, INFANTS, AND CHILDREN PARTICIPATING IN WIC.

(a) ENTITLEMENT.—Subject to subsection (b), in each of the fiscal years 1992, 1993, and 1994 in addition to any grant received from amounts appropriated pursuant to the authorizations contained in section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), each State agency is entitled to receive an additional grant that bears the same relationship to the amount described in subsection (b)(2) for such fiscal year as the amount such State agency receives for purposes of operating a program under such section for such fiscal year bears to the total amount received by all State agencies for purposes for such fiscal year.

(b) PROVISION OF ADDITIONAL GRANTS.—

(1) WHEN MADE.—Subsection (a) is effective only to the extent that the Secretary of Agriculture determines that retail prices for milk and dairy products exceed the amounts specified in subsection (c) as a result of amendments made by the Dairy Production Stabilization Act of 1991. The Secretary shall provide additional grants to State agencies in any fiscal year only to the extent that retail prices are projected to exceed the amounts specified in such subsection for the fiscal year.

(2) TOTAL AMOUNT OF ADDITIONAL GRANTS.—In no event shall the additional grants exceed—

(A) for the fiscal year 1992, $20,000,000;

(B) for the fiscal year 1993, $44,000,000 and

(C) for the fiscal year 1994, $47,000,000.

(c) COMPOSITE RETAIL DAIRY PRICES.—The Secretary shall determine if a composite retail price for fluid milk and dairy products will exceed—

(1) for fiscal year 1992, $33.50 per hundredweight of milk;

(2) for fiscal year 1993, $33.50 per hundredweight of milk; and

(3) for fiscal year 1994, $34.45 per hundredweight of milk.

(d) CARRYOVER OF ADDITIONAL GRANT.—In the event that the actual increase in retail dairy prices is less than the Secretary's estimate for any fiscal year, the amount of the additional grant determined under subsection (b) for that fiscal year that exceeds the additional grant based on the actual increase in retail prices shall be used to reduce the additional grant determined under such subsection for the following fiscal year.

(e) USES OF FUNDS.—Each State agency shall use amounts received under this section in the same manner and for the same purposes as grants received under section 17 of the Child Nutrition Act of 1966.

(f) DEFINITION.—For purposes of this section, the term "State agency" has the meaning provided in section 17(b)(13) of the Child Nutrition Act of 1966.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated until expended for purposes of carrying out this section, $20,000,000 for the fiscal year 1992, $44,000,000 for the fiscal year 1993, and $47,000,000 for the fiscal year 1994.

SEC. 13. MODIFICATION OF DAIRY TERMINATION PROGRAM.

(a) CERTAIN TRANSFERS AUTHORIZED.—If the Secretary of Agriculture determines that a natural disaster renders a milk producer's land or milk production facilities unusable for the production of milk, the Secretary shall allow the producer to transfer the production unit (including dairy animals and equipment) to a farm idled under the dairy termination program, without penalty, if the producer agrees to transfer all terms and conditions of the contract under the program to the disaster-damaged farm for the remainder of the contract period.

(b) DAIRY TERMINATION PROGRAM DEFINED.—For purposes of this section, the term "dairy termination program" means the program to terminate milk production established by section 101(b) of the Food Security Act of 1985 (7 U.S.C. 1446(d)).

Amend the title so as to read as follows: "To establish a price support and stabilization program for the production of milk and products of milk.".

A TRIBUTE TO THE FLORIDA MUSEUM OF HISPANIC AND LATIN AMERICAN ART

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Florida Museum of Hispanic and Latin American Art, a nonprofit organization, has been established in the city of Miami for the purpose of promoting and preserving Hispanic American cultures. On November 15, the museum will be hosting an opening exhibition featuring Cuban artist Victor Gomez, who will be showing his new series of monotypes.

In January, coinciding with "Art Miami '92," an exhibition by Spanish contemporary artists will take place at the museum. In February, Francisco Torregrosa, an artist from Valencia, Spain, will also hold an exhibit. Future presentations in the museum will include Latin American art exhibition and cultural events involving music, graphic design, and prints. The museum will be at the Hispanic International Festival of the Arts "Discovery '91" next month at the Coconut Grove Convention Center.

Among the founders are Manuel Rufi-Gilbert, director of Batik, an art magazine from Barcelona, Spain, and Raul Oyuela, former director of the San Francisco Museum of Contemporary Hispanic Art. Mr. Oyuela relocated to Miami to become the executive director of the Florida Museum of Hispanic and Latin American Art.

The curator of the museum is Dr. Carlos Gonzalez Lopez, an academic from San Fernando, Madrid, and other members of the museum include artists, art gallery directors, entrepreneurs, architects, collectors from all around the world.

The Florida Museum of Hispanic and Latin American Art, with Manuel Rufi-Gilbert, Raul Oyeula, and Dr. Carlos Gonzelez Lopez, will be working hard on this exhibit.

SUPPORT FOR THE CIVIL RIGHTS BILL

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, beginning with the successes of Dr. Martin Luther King, Jr., in the 1950's and 1960's, America has been on the road to improving civil rights protections for all its citizens. The Voting Rights Act, the Civil Rights Act, and Americans With Disabilities Act all ensured that race, creed, color—or any other factor—could not be used to discriminate against an individual.

Over the course of the 1980's there have been a number of legal challenges that have attempted to change the composition of employer-employee relations. The Supreme Court over that period of time issued decisions that effectively made it the responsibility of the employee to establish and prove transgressions by the employer.

Compromises have been crafted for a number of years that have failed to pass both Houses of Congress. Recent legislation, however, has passed both the House and the Senate by wide margins, but was vetoed by President Bush.

In the past few months, President Bush has conceded on many of the major controversial points after it appeared that the legislation might have enough support in the Congress to override his veto. The House and Senate have now passed the legislation which reinforces the employment protection that existed in the 1970's and specifies new protection for women, religious groups, and the disabled.

Among other matters, these provisions will: Make it clear that discrimination at all phases of employment is covered by law; force discriminatory employers to justify practices that adversely affect women and minorities; prevent employers from avoiding liability in all cases of intentional discrimination; provide the same legal protections for citizens working abroad for American companies; and allow proven victims of employment discrimination to seek compensation for their court costs. Finally, this act will provide for new punitive damages against intentional discrimination of women, religious groups, and the disabled. At the same time, this bill understands that the nature of the economy is such that overly burdensome regulations will have only a crippling effect on businesses and macroeconomics growth.

America's civil rights laws have been a symbol of this Nation's beliefs of fairness and equity. We need to continue to mold honest and fair laws that protect employees against discrimination without forcing businesses to close their doors because of undue Federal intervention. The bill before us today is a fair compromise, and I urge its adoption.

NATIONAL BIBLE WEEK

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. STENHOLM. Mr. Speaker, I rise today to urge my colleagues both to personally observe and to bring to the attention of their constituents National Bible Week, which is scheduled for November 24–December 1, 1991.

The great religious reformer and theologian Martin Luther once explained that he had so much work to accomplish in a given day that if he didn't spend the first 4 hours of each day in prayer and Bible reading, there was no way he would get it all done. While we wouldn't claim to have the piety or wisdom of Luther, those of us who regularly attend the Members' prayer breakfast have the same sense of the importance of the Bible. If we didn't take that time for fellowship and Bible study each week, there is no way we would have the guidance to accomplish the tasks before us here in the House of Representatives.

Many times I have marveled at the foresight and wisdom of our Nation's forefathers in drafting a document, the U.S. Constitution, which 200 years later remains a guiding force for our country. How much more marvelous it is that a book whose chapters were written 1,900 to 3,500 years ago has remained the spiritual light for generations ever since and in every nation.

The Bible is an amazing history book, contains great poetry, is filled with action-packed adventures, provides fascinating biographies about the most pure and the most evil of humans, includes amazingly contemporary psychological understanding, and even relates moments of humor. But if it were these things alone, it never would have endured in the way it has.

What distinguishes the Holy Bible is that it is exactly that: Holy. God is the author of scripture. Through the Holy Spirit, God directed the thoughts and the very words that the various human writers from Moses to John wrote. Through the Bible, we learn that God is holy, just, all-powerful, all-knowing, and the sovereign ruler of the universe, but most of all, we learn of God's grace. Through the additional illumination which Jesus Christ brings to the world, we learn even more about how God supports, guides, and empowers all people who look to Him as their foundation throughout life. While other books may instruct and inspire us, none can provide us the guidance provided by the Holy Bible.

This 51st annual observance of National Bible Week will continue in the nonsectarian, grassroot tradition of all previous celebrations. The group sponsoring this event, the Interfaith Laymen's National Bible Association, was formed in 1940 by a small group of business and professional men who sought to encourage Americans to appreciate our Nation's religious heritage. Since its beginning, this week has involved people from a broad range of faiths, with local observances occurring in thousands of communities all across the land. This year, I am proud to join Senator CHARLES GRASSLEY of Iowa as the congressional cochairmen of the event.

As we designate this 1 week to bring special attention to the Bible, I urge my colleagues to take this opportunity to remember the guidance which is available to them through this Good Book, encouraging their constituents to do the same. Even more important, I hope that this National Bible Week will serve to instigate and renew regular Bible reading by Americans across this land who are seeking wisdom and support as they live their lives.

IN RECOGNITION OF THE ACCOMPLISHMENTS OF MAJ. GEN. DONALD M. LIONETTI

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to honor Maj. Gen. Donald M. Lionetti who is being transferred from his post as Commanding General of the Army Air Defense Artillery Center and School at Fort Bliss, TX, to the Training and Doctrine Command at Fort Monroe, VA. While at Fort Bliss Major General Lionetti became an important part of the greater west Texas community.

Major General Lionetti will leave for his new assignment at TRADOC just 2 years after he became the commander of Fort Bliss in November 1989. He has been quoted in the El Paso media as saying that his assignment at Fort Bliss has been a pinnacle of 30 years of service. Those of us in El Paso also agree that his assignment has been a pinnacle, a pinnacle in the relationship between the Army Post and the west Texas community.

Major General Lionetti has served his country, and the Army, well. He was commissioned from the U.S. Military Academy in 1961 and has line experience in NIKE Hercules, service with the U.S. Air Force at a NORAD Control Center, warhead support for a German Armored Division, battery command in Vietnam, and service as chief of plans of a corps artillery headquarters.

Most recently, Major General Lionetti served as director of plans, U.S. Space Command, Peterson Air Force Base, CO. Other key assignments for Major General Lionetti included deputy commanding general, U.S. Army Air Defense Artillery School, Fort Bliss; chief of the Sgt. York Air Defense System Intensive Management Team, and later as chief of the Firepower Division, Office of the Deputy Chief of Staff for Operations and Plans, U.S. Army, Washington DC; Deputy Chief of the High Technology Test Bed and commander of the Division Air Defense Artillery, both assignments with the 9th Infantry Division (Motorized) at Fort Lewis.

At his new post, Major General Lionetti will continue to serve the United States as the deputy commanding general and chief of staff of the U.S. Army Training and Doctrine Command at Fort Monroe, VA.

While the residents of the 16th Congressional District of Texas wish Major General Lionetti well in his new position, it is with mixed feelings. Major General Lionetti has been an active participant in community events, sharing the battles of Operation Desert Shield/Desert Storm with the residents of El Paso, who returned the support throughout the 10 months military personnel were stationed in the Persian Gulf.

Major General Lionetti invited the community to share in the victories of Operation Desert Storm and, in return, the community invited Fort Bliss dependents into their hearts and homes.

I share the mixed emotions of my constituents; watching Major General Lionetti expand his professional skills and opportunities, I feel as though I am losing a friend at home.

Mr. Speaker, on behalf of the residents of the 16th Congressional District of Texas, I wish good luck and Godspeed to a good friend and a great west Texan and American.

A TRIBUTE TO ALVARO SOLIS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my wish to acknowledge the 1-year anniversary of the death of Alvaro Solis, Jr., a former constituent of my congressional district. Alvaro was killed on October 27, 1990, during an attempted robbery in South Dade.

On the date of the 1-year anniversary of his death, Alvaro's family along with the community of Florida International University, where Alvaro was a junior pursuing a degree in finance, held a vigil in remembrance of this fine student and member of our community.

The ceremony was coordinated by the members of his fraternity, the Florida Nu chapter of Sigma Phi Epsilon, and attended by more than 400 people. Among the special guests and speakers were Alvaro Solis, Sr., Dr. Mitch Maidique, president of the FIU; Dr. Richard Correnti, vice president for student affairs; and Mr. Al Osborne, president of Lock 'Em Up, Florida.

During the ceremony, members of the community planted an allspice tree in his name, and a photograph of Alvaro was set by the newly planted tree. Long stemmed red roses and white carnation boutonnieres, given to the guests by members of the fraternity, were carefully set beside his photograph decorating the allspice.

Alvaro Solis, Sr., and his family have dedicated their time to working with an organization called Lock 'Em Up, Florida, whose members are committed to keeping convicted criminals off the streets throughout the cities of this State.

Again, I wish to acknowledge Alvaro's friends and family for the beautiful ceremony that was held in his honor, and I commend them for the stand that they have taken against the perpetrators of such crimes as the one that took Alvaro's life. I'm certain that he is sorely missed by all who knew him.

A SALUTE TO OUR VETERANS

HON. JAMES M. INHOFE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. INHOFE. Mr. Speaker, I come before this House today in order to honor, and express my deep gratitude, to all the men and women who have proudly served this great country as members of our Armed Forces.

As you know, we pay tribute to this Nation's veterans each November. However, I must contend that we should be honoring them throughout the year, not just on one particular day. The commitment they made to this country is unparalleled, therefore we must fight to see that our commitment to them does not get cast aside. With all of the reductions in spending we must not take lightly the needs of those heroes who placed their country's interests above their own. Because of their courage, we enjoy more personal freedoms in the United States than any other country.

Not long ago, I witnessed over 1,100 of my constituents proudly answer the call to duty during the Persian Gulf war. I would especially like to thank them, and the 67,790 other wartime veterans in Oklahoma's First District for putting there lives on hold, leaving family and friends, to serve their country. I hope that you will join me today and every day, in honoring those brave individuals and remembering their commitment to these United States.

As the old military saying goes: It wasn't always easy, it wasn't always fair, but when our country needed us, we were always there. Mr. Speaker, let's make sure that we are there for them.

TRIBUTE TO MICHAEL J. BOOTH

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. PALLONE. Mr. Speaker, I rise today to pay tribute to Mr. Michael J. Booth, the editor of the Atlanticville newspaper in Long Branch, NJ. On Wednesday, November 13, 1991, Mr. Booth will be honored by the Long Branch Chamber of Commerce, and this occasion offers an opportunity to recognize the great contribution that Mike has made to the community.

Mike Booth has been a long-time acquantance—usually a friend, sometimes a friendly adversary, but always someone who can be counted on to take a deep, abiding, active, and very vocal concern for the unique and wonderful city of Long Branch that we both have called home for all of our lives.

Mike Booth was born in Long Branch in 1948 and graduated from Long Branch High School in 1967. He studied journalism and photography at Brookdale College in Monmouth County. He started the Atlanticville in 1976 to help America celebrate her 200th birthday. The paper started as a biweekly and became a weekly in 1979. With its offices in downtown Long Branch, the paper is now the shore area's news weekly.

Mike and his wife Shannon have four sons: David, 13, Shawn, 12, Paul, 10, and Charlie, 8.

Mr. Speaker, I believe that all of us in public office recognize that a free and energetic press plays an indispensable role in keeping the public engaged in the affairs of politics and government. While there may be times when we disagree with the way a particular issue is presented, and times when we are the subject of a certain amount of criticism, newspapers and other forms of media are integral to an informed and concerned populace. In his efforts to chronicle the political, social, cultural, and other events in Long Branch and the surrounding communities, Mike Booth has lived up to his vital responsibility to the great benefit of his readers.

LOCKHEED OF MARIETTA 40TH ANNIVERSARY

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. DARDEN. Mr. Speaker, one of the Nation's giants in the aerospace industry is the Lockheed Corp., a California-based firm. The company very wisely decided 40 years ago to locate an aircraft manufacturing plant in Marietta, GA, which is now in my congressional district.

Now the home of the entire Lockheed Aeronautical Systems Co., the Georgia plant was honored on its 40th anniversary October 31 with a luncheon at the Northwest Marriott Hotel, given by the Public and Business Affairs Committee of the Marietta Kiwanis Club.

Cochairing the event, attended by more than 400 persons, were Kiwanians Bob Spratlin and Bill Kinney, whose very capable efforts made it the special occasion warranted by such a milestone as a 40th anniversary.

Members of the Kiwanis committee included Walter Kelly, Jr.; Jack Crowder; State Senator Chuck Clay; Harold Willingham; Marietta Mayor Joe Mack Wilson; Knox Wood; Otis A. Brumby; Ed Milligan; Judge Harris Hines; Lockheed President Kenneth Cannestra; State Representative Jack Vaughan; Jack Wilson; Cobb County Commission Chairman Phil Secrest; Craig Aronoff; Ed Andrews; Wyman Pilcher III; and Roy Barnes, the Kiwanis Public Affairs Committee chairman.

I rise to commend Mr. Spratlin and Mr. Kinney in particular for their efforts to make the appreciation day a truly great event. I wish I could have been there.

On that particular day my legislative duties had to take priority. In addition to numerous floor votes on comprehensive banking legislation, my presence was required at a House-Senate conference committee working out final details of the Defense authorization bill for fiscal year 1992. This bill contained hefty authorization for Lockheed programs, including $1.6 billion for development of the F–22, the next generation multirole fighter to be built by Lockheed in Marietta, as well as $755.5 million for C–130's, $560 million for four new F–117 Stealth fighters, and $1.3 billion for D–5 missiles.

Keynote speaker for the notable occasion was Gen. J.M. (Mike) Loh, Commander, Tactical Air Command, Langley Air Force Base, VA. Appropriate music was provided by the Army Ground Forces Ceremonial Band, commanded by Capt. John Clanton.

Kiwanis President Steve Tumlin, Jr., presided, with Kennestone Hospital Administrator Bernie Brown delivering one of his fine versions of the national anthem, and Walter Kelly, Jr., the invocation.

Senator Clay introduced Mr. Cannestra, who spoke on the status of Lockheed's programs. State Senator Steve Thompson introduced special tribute speakers, and Mr. Spratlin introduced the keynote speaker, with Senator Barnes wrapping up the program.

A special word of commendation for Bill Kinney and his team at the Marietta Daily Journal for their special section commemorating the occasion.

From the color cover featuring the YF–22 advanced tactical fighter [ATF] and its designer, Micky Blackwell, with Mr. Cannestra, through 72 pages of historic photos and articles spanning Lockheed's four glorious decades in our fair State, the commemorative edition is a fitting tribute to one of Georgia's finest corporate citizens.

A TRIBUTE TO "TRAVELING AROUND THE WORLD"

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to recognize Traveling Around the World, an organization in my congressional district which, in celebration of United Nations Day on October 24, 1991, collected costumes from 80 countries around the world. In addition, Traveling Around the World has accumulated 55 flags from all around the world.

Ms. Mayita Sotomayor, director of Traveling Around the World, rents these wonderful costume dresses to anyone interested. The costumes are from five continents, from lands as close as Canada to lands as far away as Australia. Additional countries represented are Uruguay, Haiti, Egypt, Indonesia, Italy, and many more.

I would like to recognize Ms. Sotomayor and Traveling Around the World for their dedication to bringing different cultures closer to the south Florida community.

TRIBUTE TO LOIS FAIRLEY CARRION

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. TOWNS. Mr. Speaker, I am proud to introduce Mrs. Lois Fairley Carrion to my fellow Members of the House of Representatives, a woman who has dedicated her life to working unselfishly to help others. Mrs. Carrion is the director of the Stuyvesant Heights Landmark Senior Citizen Center.

Mrs. Carrion, a native New Yorker, became the director of the center after retiring from a distinguished career with the New York City Board of Education. She is a graduate of New York and Atlanta Universities. Her hallmark has always been helping people. Her desire to help others is evidenced by the contributions she has made as a teacher and social worker. Mrs. Carrion is known for her unswerving commitment to providing needy services to senior citizens. She has worked tirelessly to demonstrate to society and senior citizens that individuals in the twilight of their lives can still be productive contributors to the world. I am proud to highlight the achievements and contributions of Mrs. Lois Fairley Carrion.

TOWN OF HAGUE, NY, TO HONOR DICK BOLTON FOR LIFETIME OF SERVICE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. SOLOMON. Mr. Speaker, on December 8, my good friend Dick Bolton will be retiring as supervisor of the town of Hague, NY.

If you can't imagine Washington without its monuments, you can't imagine Hague without the presence, inspiration, and steady hand of Dick Bolton.

I measure a man by how much he gives to his neighbors and to his community. By that measure, Dick Bolton has been a giant.

Consider that he was a busy employee of International Paper Co. for 29 years, retiring as a department superintendent. He still found time to serve seven terms as Hague Town Supervisor, seven terms on the Warren County Board of Supervisors, and two terms as that board's chairman. His committee assignments including budget, data processing, public works, Lake George affairs, parks and recreations, planning and community development, solid waste, sheriff and communications, tourism and industrial promotion, and veterans services.

He was on the board of directors of the Supervisors and County Legislators Association from 1983 to 1988, and third vice president of that association in 1991. He also served as a member of the Lake George Park Commission and chairman of the Glens Falls Transportation Council.

But that's not all. He was also active in his community, serving as past commander of the Hague American Legion, past president of the Hague Fish and Game Club, Warren County Conservation Council, New York State Region 5 of the Fish and Wildlife Management Board, and the Hague Chamber of Commerce. He is a past vestryman of the Episcopal Church of the Cross and a charter member of the Hague Fire Department.

I could go on and on about Dick Bolton. So could everyone else who knows him. They will be having a farewell gathering for him on December 8, but let us pay our tribute today.

Mr. Speaker, I ask you and other Members to join me is saluting a model public servant, great American, and close friend, Dick Bolton of Hague, NY.

TRIBUTE TO JASON WERTZ

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. TRAFICANT. Mr. Speaker, it is my pleasure to pay tribute today to Jason Wertz of my 17th District in Ohio. Mr. Wertz is currently the District and Regional Cross Country State Champion.

Jason has invested his high school years perfecting his sport and has done so successfully. He is a 4-year letterman in cross country and a 3-year letterman in track. This is in addition to his position as captain of the cross-country team and the school record holder in cross country and the 2-mile.

Aside from his achievements in track, Jason is a member and vice president of the National Honor Society. He is also a member of the Eagle Scouts and an announcer for varsity basketball.

Mr. Speaker, it is truly a privilege to pay tribute to such an outstanding athlete and student, Mr. Jason Wertz.

SNAPPER CREEK ELEMENTARY PTA WORKS TO ERASE BUDGET CUTS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Snapper Creek Elementary Parent Teachers Association [PTA] which was recently featured in the Miami Herald. The article "School's Parents Want to 'Buy Back' Teachers," by Jon O'Neill, tells how this school's PTA held a flea market to raise money to hire back teachers and other personnel they lost in recent school budget cuts:

> Parents at Snapper Creek Elementary got tired of watching the budget ax chop into their children's education. So when the school lost several teachers this year, the PTA decided to do something about it.
>
> They're having a flea market today to raise money so they can buy back some of those teachers.
>
> "The parents have really come to the rescue," said Clifford Herrman, principal of the school at 10151 SW 64th St. "They're not

waiting for any help from anyone. They just said, 'We're going to do something.'"

In the latest round of education cuts, Snapper Creek lost five teacher aides, three full-time teachers and two compensatory education teachers. The average class size at the school hovers around 30 pupils, Herrman said.

The PTA found this hard to swallow. Earlier this year, it held a gift-wrap sale and raised enough to buy back one teacher aide. The goal is to retrieve all the lost teachers.

"We knew the school would be hit hard," said PTA President Richard Spencer. "We felt that we had to do something to keep the class sizes down, and everyone here has gotten involved. This is a bunch that grabbed the bull by the horns and our priority was to hire back the teachers we lost."

Today's flea market will run from 9 a.m. to 4 p.m. Almost 70 vendors paid $15 each to set up booths on the school athletic field. Nearly everything, except alcohol and guns, will be on sale.

There also will be food and drinks, as well as games for kids, including a basketball toss and a moon walk.

Delia Zayas-Bazan, a crossing guard at the school, bought two tables to sell her original artworks.

"This is the first time I've done this, so I'm excited," she said. "I also want to help the school."

"I basically cleaned out my house," he said. "I think I" have a little bit of everything for sale."

Other area businesses, including a hardware store and a chiropractor; have purchased space at the fair.

"The idea was to bring together the whole community," Spencer said. "The bottom line is we want to raise money, but we also want to have a good time."

Groups of parents have been banding together to offset budget cuts since the end of last school year, when the first cuts were made. At Palmetto Middle School, for instance, the PTA is trying to raise $50,000 to buy back teachers the school lost.

"This is not a rich neighborhood, but people really want to help," Herrman said. "They want to make sure their children get the best education possible."

I am happy to commend the Snapper Creek Elementary PTA by reprinting this article from the Miami Herald. Snapper Creek Elementary PTA President Richard Spencer and other members of the PTA should be commended for showing initiative and leadership, in organizing support from the community to make-up for school budget cuts.

CROATION CATHOLIC UNION OF THE UNITED STATES AND CANADA CELEBRATES 70TH ANNIVERSARY

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. VISCLOSKY. Mr. Speaker, I rise today to pay tribute to the Croatian Catholic Union of the United States and Canada, which, during the month of November, is celebrating its 70th anniversary.

The Croatian Catholic Union is a vital part of all Croatian communities throughout the United States and Canada. The union, which was organized by the Reverend Charles Jesih, of the Gary, IN, Croatian parish, was established as a source of spiritual strength for the Croatian people. The union also served to provide Croatian-Americans with opportunities to share their ethnic heritage with their fellow countrymen. Most importantly, however, the Croatian Catholic Union provided social assistance and insurance benefits for its members, important services which presently continue through the more than 100 branches located throughout the United States and Canada.

I would particularly like to recognize the dedicated efforts of Melchior Masina of Hobart, IN, who is the national secretary-treasurer for the union. Mr. Masina, along with the entire membership of Croatian Catholic Union, Lodge 70, have strived to live up to the highest ideals of their faith through their solidarity with the people of Croatia and service to all of their members.

In these difficult times, they have been a stronghold of faith and support for all Croatians. On their 70th anniversary, I commend the Croatian Catholic Union for their dedicated resolve and longevity.

EUROPEAN COMMUNITY SUSPENDS AID TO YUGOSLAVIA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. SMITH of New Jersey. Mr. Speaker, the time has come, Mr. Speaker, for the world to ratchet up their outrage at the months-long aggression and violence in Yugoslavia. I strongly support the European Community's announcement today of suspending aid to Yugoslavia and trust that the United States will quickly join in this multinational effort to isolate the aggressors.

Now that the European Community has asked the U.N. Security Council to impose an oil embargo, the United States should, without hesitation, join the coalition. The embargo should include other commodities such as coal, steel, and any other strategic items which would fuel the military actions.

Mr. Speaker, I believe President Milosevic has within his absolute power the ability to end the war today, if only he desired a peaceful settlement. He has been warned that continued aggression would press the European Community and the United States to impose additional sanctions and politically isolate his Republic. The EC's willingness to redirect the suspended moneys to those Yugoslav Republics which have cooperated with the EC efforts to negotiate a cease-fire will contribute to the isolation of President Milosevic and the Yugoslav Federal Army.

I encourage the President to announce immediately the United States' solidarity with the European Community and its sanctions directed against the aggressors in Yugoslavia. Mr. Speaker, I believe there is strong support in the Congress for such decisive action.

SAM TILLMAN, SERVING OUR NATION IN WAR AND PEACE

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mrs. LOWEY of New York. Mr. Speaker, I rise to pay tribute to Sam Tillman, a man who has served our Nation throughout his lifetime.

Sam is currently the president of the North East Jewish Center in Yonkers, NY. However, this is not the first position of community leadership that Sam has held. For many years, Sam has been active in the civic live of Yonkers and in the Jewish War Veterans. During the years 1989 and 1990, he was post commander of the Jewish War Veterans of America, Post No. 68. Under his guidance, Post No. 68 fulfilled all of its commitments—its civic and social duties. Also under his leadership, the post surpassed all previous recruiting efforts.

Sam has been in the forefront of fighting to ensure that our Government is more responsive and sensitive to the needs of hospitalized and homeless veterans. He has visited the Montrose veterans' medical center which serves veterans in our area, and has personally provided comfort to veterans there.

Sam had a distinguished military career. He completed basic training at Camp Gordon in Augusta, GA, in 1944. He then shipped out to the Far East. While on the ship, he volunteered his services as court reporter for a court-martial and received a special commendation for that work. By the time he arrived overseas to undertake responsibilities as a military court reporter, he had been promoted to the rank of master sergeant.

Upon leaving the Army, he entered the private sector. After many long years, he is now semiretired. As a 30-year resident of Yonkers, he continues to be a community leader and participates in a wide range of social and civil activities. This is one person who has certainly not slowed down during retirement.

I congratulate Sam, his wife Silvia, and their two children for all they mean to our community.

TRIBUTE TO MARY JANE CAYLOR

HON. BUD CRAMER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. CRAMER. Mr. Speaker, I rise today to pay tribute to Mary Jane Caylor, who has recently retired from her position as superintendent of the Huntsville city school system.

Mrs. Caylor has served as a teacher and administrator in the Huntsville school system for 28 years and has served as superintendent since 1984. She has made many significant contributions to the school system during her tenure by contributing to the growth of the school system and increased educational opportunities for all students.

Mrs. Caylor created the first Drug Abuse Resistance Education [DARE] Program for kindergartners, second and fifth graders in the

State of Alabama. This program is a joint effort with the Huntsville city police department and the Huntsville city schools. Because of the success of this program, Huntsville will be home to the DARE Training Center for the State of Alabama.

"Reaching for Excellence" is a 5-year plan of instruction Mrs. Caylor implemented to establish long-range goals for the Huntsville city schools. This plan enables every student to have the opportunity to develop his or her potential to the highest level.

Before Alabama mandated a reduction of the pupil/teacher ratio, Mrs. Caylor implemented a plan to reduce the ratio for Huntsville schools. She implemented the Advanced Placement Program that enables high school students to complete college level courses while they are still in high school. This program is now available in all Huntsville city high schools. Mrs. Caylor also initiated the policy of requiring students to maintain a "C" average in order to be eligible to participate in extracurricular activities. Mrs. Caylor developed a system wide computer education program with hands-on experience for grades K–12. Now each school has its own computer lab.

Mrs. Caylor implemented the APPLE Program—a program of positive life experiences—that placed elementary counselors in each elementary school. She also developed a comprehensive program to address the needs of "at risk" students. She implemented the Extended Day Program, which now exists in 15 elementary schools. This program provides affordable day care to families in the school system. Mrs. Caylor also implemented a contract service for transportation of physically disabled students, magnet school students, and vocational students.

In cooperation with the city of Huntsville, Mrs. Caylor designed and built the Center for Developmental Learning, a new state-of-the-art school specifically for children with special handicaps. She also was responsible for installing a state-of-the-art microwave security system and an emergency response plan. This emergency plan proved to be extremely important when a tornado struck Jones Valley School in 1989. She also initiated a capital improvements and building program.

Mrs. Caylor has been involved in several programs to share her expertise with others. She was appointed as a member of the education committee of the Alabama Association for Retarded Children. She presented a program on the Delinquency Prevention Center to the Second Annual Governor's Conference of Juvenile Justice in Louisiana. Mrs. Caylor was also appointed to serve on both the Alabama State Tenure Commission and the Governor's Task Force on Accreditation in Alabama Schools. She also served as a member of the Special Education Superintendent's Task Force.

Mrs. Caylor's dedication to children extends beyond the school system. She has served as a member of the board of directors of the Huntsville Youth Orchestra. She was a charter member of the United Cerebral Palsy Association and served on several committees. She served on the Mental Health Children's Advisory Committee and was appointed to the Madison County Juvenile Court Advisory Board by the Honorable Hartwell Lutz.

This is not the first time Mrs. Caylor has been recognized for her achievements. She received the first annual Milton K. Cummings Humanitarian Award presented by the Huntsville-Madison-Limestone Counties' Community Action Agency. She was recognized for outstanding service and exemplary leadership by the Alabama State Legislature and the board of directors of the Chamber of Commerce of Huntsville-Madison County. Mrs. Caylor also received the Distinguished Service to Public Education Award by the Huntsville Association of School Administrators. The Alabama State Art Association named her Administrator of the Year, and she has twice been named Superintendent of the Year, by the Alabama Parent/Teacher Association in 1990 and by the American Association of School Administrators in 1991.

It will be hard for the Huntsville city school system to replace someone as dedicated as Mrs. Caylor. However, with the groundwork she has laid over the past 28 years, Huntsville city schools should continue to grow and excel in meeting the needs of our students. I wish Mrs. Caylor all the best in her retirement.

SOUTH MIAMI'S AFTER SCHOOL HOUSE HELPS STUDENTS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the city of South Miami's After School House Program which was recently featured in the Miami Herald. The article "Older Students Get After-School Help" by Elizabeth Grudzinski, tells how this program was recently expanded to include students in grades seven through nine in this after-school tutoring program:

The hardest thing for Phyllis LeShane to do was tell children they were too old to learn.

But the City of South Miami's After School House of which LeShane is the director, only funds a program to help students through the sixth grade.

When seventh-graders started asking for help, LeShane was in a bind: "The kids would come to my door and ask me if I had anything for them. But they were too old for the After School House and I would have to turn them away."

No more.

LeShane and Christine Johnson, supervisor of the South Miami Community Services Center, have set up a new program for students in grades seven through nine at the Headstart/Community Action Agency building, 6125 SW 68th St.

There, older students can get help with their homework or take classes in computers, typing, drama, modeling and cooking.

The program is an outgrowth of the After School House, where up to 200 neighborhood school children through sixth grade spend an hour a week with a tutor in a sheltered, supervised environment.

Currently, the program for the older students is operating with no funding, no paid staff and very little equipment.

To start it, LeShane and Johnson found space in the CAA building, asked students about their interests and sent out an appeal for tutors.

One who responded is Jude Parry, a professional mime who teaches drama in the program. Parry, originally from England, now lives in Miami Beach.

"Essentially the reason I got involved is that this is one way for me to give these kids the opportunity to express themselves without the feeling that they're being measured or tested or compared," Parry said.

Sheila Alexander teaches a modeling class. A South Miami resident and the mother of three, she heads her own modeling troupe. She volunteered because "I just feel we need to go and get our children back from the streets."

A regular of the program, Haitian-born Fabien Fabre, 12, comes every day. The seventh-grader gets help with math and is taking typing.

"I like everything," Fabien said.

I am happy to pay tribute to South Miami Community Services Center supervisor Christine Johnson, After School House director Phyllis LeShane and the other staff members of After School House by reprinting this article from the Miami Herald. They have provided an invaluable service to the South Miami area through their tutoring program, often through the use of volunteers and donated equipment.

TO RESTORE VOTER CONFIDENCE IN GOVERNMENT: PASS CAMPAIGN FINANCE REFORM

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 8, 1991

Mr. MAZZOLI. Mr. Speaker, I wish to commend to the attention of my colleagues the following article from the Louisville Courier-Journal of Wednesday, November 6, 1991, which points out that only 30 percent of eligible voters in Kentucky participated in Tuesday's election. This is the worst voter turnout for a gubernatorial election in Kentucky in the last 40 years and is indicative of the disenchantment which citizens of Kentucky, and of the Nation, feel toward politics and elections.

Historically, alienation in political terms is not new. What is new, however, is the degree to which citizens are frustrated. This sad statistic underscores the need to pass comprehensive Campaign Finance Reform. Passing such legislation is the first step toward regaining voter confidence in the political process and in the institutions of government.

BARELY 30 PERCENT VOTED IN GOVERNOR'S RACE

(By Robert T. Garrett)

After candidates spent a record $19 million trying to become governor this year, voters stayed home yesterday in droves—virtually tying 1987's record low turnout of 30 percent of voting-age population.

Only about 834,000 people voted in the governor's race, while nearly 1.9 million other Kentuckians over 18 years of age did not.

The roughly 30 percent of eligible Kentuckians who voted in the governor's race yesterday and in November 1987 is a far cry from the 40-percent-plus turnouts that gubernatorial elections routinely attracted from World War II to 1975.

Of 2,731,202 voting-age Kentuckians counted by the 1990 Census, only 30.5 percent voted yesterday in the governor's race. In 1987, 30 percent of eligible voters voted in all races on the general-election ballot. (Only 28.4 percent voted in the governor's race that year. But estimated "slippage," or shunning of the gubernatorial line at the top of the ticket, was expected to be lower this year, meaning that the total turnouts four years ago and yesterday were approximately the same.)

Malcolm Jewell, a University of Kentucky political science professor who tracks voting trends, said yesterday's turnout startled him because it was as dismal as the previous lows recorded in 1975 and 1987, when the Republicans fielded weak gubernatorial candidates who generated little interest.

"It appeared this year that the Republicans had a serious candidate for the first time since Louie Nunn ran, and if Republicans wouldn't turn out for this, what does it take to turn them out?" Jewell said.

Jewell speculated that turnout may have been depressed by published polls showing a lopsided race in the final days before the election, continuing hostility toward GOP nominee Larry Hopkins from supporters of primary foe Larry Forgy, and registered Republicans' disappointment with Hopkins over not running "a smarter campaign."

But he said it's also hard not to conclude that "people are fed up with politics."

State Sen. Michael R. Moloney, who has proposed limiting spending by gubernatorial candidates to $1.8 million per candidate per primary or general election, said the nearly $8 million spent by winner Brereton Jones and the $3 million spent by Hopkins this year turned off voters.

"I think the massive amount of money has convinced a lot of people that they're disenfranchised," Moloney said. "They don't think that their vote means anything."

Under a 1976 U.S. Supreme Court decision, states may not limit campaign spending unless they do so with a voluntary program of incentives, such as the public financing contained in Moloney's bill. (Candidates who raised $600,000 would be eligible for $1.2 million in state funds per election. They also would have to appear on four hours of free programming by Kentucky Educational Television.)

Reducing the big money and making gubernatorial candidates "go beyond the 30-second sound bites" to discuss issues on TV "obviously is going to make some difference in turnout," Moloney said.

VOTER TURNOUT IN GOVERNOR'S RACES

[Chart shows turnout (as percentage of voting age population) and results since the end of World War II]

	Turnout	Percent
1947:		
Earle C. Clements, Democrat	385,242	57
Eldon Dummit, Republican	287,130	43
Total	672,372	41
1951:		
Lawrence Wetherby, Democrat	346,345	55
Eugene Siler, Republican	288,014	45
Total	634,359	38
1955:		
A.B. "Happy" Chandler, Democrat	451,647	58
Edwin Denny, Republican	322,671	41
Robert Garrison, Prohibition Party	2,687	0.3
Jesse K. Lewis, Independent	1,483	0.2
Total	778,488	46
1959:		
Bert T. Combs, Democrat	516,549	61
John M. Robison, Republican	336,456	39
Total	853,005	46
1963:		
Edward T. Breathitt, Democrat	449,551	51
Louie B. Nunn, Republican	436,496	49
Total	886,047	45
1967:		
Louie B. Nunn, Republican	454,123	51
Henry Ward, Democrat	425,674	48
Christian Glanz, Conservative Party	7,149	1
Total	886,946	44
1971:		
Wendell Ford, Democrat	470,720	51
Tom Emberton, Republican	412,653	44
A. B. Chandler, Commonwealth Party	39,493	4
William Smith, American Party	7,924	1
Total	930,790	42
1975:		
Julian Carroll, Democrat	470,159	63
Robert Gable, Republican	277,998	37
Total	748,157	32
1979:		
John Y. Brown Jr., Democrat	558,088	59
Louie B. Nunn, Republican	381,278	41
Total	939,366	37
1983:		
Martha Layne Collins, Democrat	561,674	55
Jim Bunning, Republican	454,650	44
Nicholas D. McGubbin, Citizens United	14,347	1
Total	1,030,671	39
1987:		
Wallace Wilkinson, Democrat	504,674	65
John Harper, Republican	273,141	35
Total	777,815	30

Sources: Turnout percentages were calculated by University of Kentucky political scientist Malcolm Jewell using population estimates from the Census Bureau's "U.S. Statistical Abstracts." Vote totals are from the Kentucky secretary of state. Election results are from "America Votes." Congressional Quarterly and The Courier-Journal library.

SENATE—*Tuesday, November 12, 1991*

The Senate met at 10 a.m., and was called to order by the Honorable CHARLES S. ROBB, a Senator from the State of Virginia.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*And it shall be, if thou do at all forget the Lord thy God * * * ye shall surely perish. As the nations which the Lord destroyeth before your face, so shall ye perish; because you would not be obedient unto the voice of the Lord your God*—Deuteronomy 8:19, 20.

God of Abraham, Isaac, and Israel, God of our fathers, the words of Moses remind us of the peril of a Godless people. Where does one look for hope in America today if there is no God we can trust? Overwhelming indebtedness: national, private, and corporate; exploding unemployment; corruption; failure; and bankruptcy in finance and business; fading economy; education without values; dysfunctional families; wife and child abuse; drugs and alcoholism; crime; war on our streets; sexual promiscuity; teenage pregnancy, violence, and suicide. And a cynical, angry citizenry which has lost confidence in its government, many of whom abdicate their sovereign responsibility at the polls.

Patient, loving God, has the collapse of communism taught us nothing, whose atheism determined its politics and economics? Moses' warning is timely for us today, "Beware lest thou forget the Lord thy God * * *."

Father, we want to remember Bob Bean and his family today in the loss of his father over the weekend.

Hear us, Lord. Help us. Heal us. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 12, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CHARLES S. ROBB, a Senator from the State of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. ROBB thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Without objection, the time for the majority leader and the Republican leader is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Chair recognizes the Senator from Nevada [Mr. REID].

UNFAIR ATTACK ON THE VICE PRESIDENT

Mr. REID. Mr. President, I was taught as a young man that if the fight was fair I should stay out of it. But I also was taught that if it was an unfair fight, I should do what I could to make it fair.

I have watched unfold in recent days a fight which I perceive to be unfair. I feel compelled to voice my opinion about the unfairness of this battle.

Vice President QUAYLE served as a Member of the U.S. Senate, and is now the Presiding Officer of this body. He is now under attack by a powerful political commentator.

Mr. President, in the ordinary course, the Vice President, and indeed each of us in public life, is fair game for any member of the media who cares to take aim. That hunting license is especially wide for political satirists.

But, Mr. President, what Garry Trudeau is doing to DAN QUAYLE is not only unfair, but it is a disgrace. Based on statements by an admitted felon, by a man who "60 Minutes" said admitted he was lying about Mr. QUAYLE, by a man who failed several polygraphs on this issue, one of which was witnessed by a prominent newscaster where the felon acknowledged deceit—with all this garbage—Mr. Trudeau is trying to damage, embarrass, and harass the Vice President.

He is castigating Mr. QUAYLE and his family. He is damaging his most valuable possessions, his honor and his reputation.

Mr. President, it was wrong when Joe McCarthy lied, slandered, and vilified in this Chamber some 40 years ago. It would be wrong to do the same thing today. And it is wrong to stand silent while the chief Presiding Officer of this body is aspersed.

I have often thought about McCarthyism. I hoped if I had been in this body at that time I would have had the courage to stand for the right. Now, in some small measure, I have that chance.

We have heard a great deal from the press in the past few months about how the American people disrespect their Congress. Perhaps part of the problem is that we do not always speak out when we should.

If we are to ask others to respect us we must first respect ourselves. If we are to ask others to trust us, we must first trust ourselves. If we are to ask others to allow us to govern then we must first govern ourselves; and such governance includes standing for what is right.

Mr. President, I do not know what other Members may care to do. But in this fight and on this issue, count me in DAN QUAYLE's corner.

MEASURE PLACED ON THE CALENDAR—S. 1945

The ACTING PRESIDENT pro tempore. The clerk will read S. 1945 for a second time.

The bill was read a second time.

Mr. REID. I object, Mr. President.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

HONOR THE DIC COMMITMENT

Mr. GRAHAM. Mr. President, the Omnibus Budget Reconciliation Act [OBRA] of 1990, Public Law 101-508, made remarried surviving spouses ineligible for reinstatement of Veterans Dependency and Indemnity Compensation [DIC] benefits if they lose their second or subsequent spouse due to death or divorce after October 31, 1990.

The issue is not that these widows have remarried and should, therefore, no longer be the financial responsibility of the Government. The fact is that in 1971, as an enticement to encourage DIC widows to remarry, thus getting them off the Government benefit rolls, Congress enacted reinstatement legislation.

This law was in effect for 20 years and many individuals made irreversible financial decisions based on Congress' explicit statutory commitment to reinstate benefits if the widows were predeceased or divorced.

An exhaustive history of the DIC Program has been compiled by 20 military associations. At the request of the Retired Officers Association, I ask unanimous consent that the history be printed in the CONGRESSIONAL RECORD.

I am hopeful that Congress will reconsider the action taken in Public

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Law 101-508. I have introduced legislation, S. 659, which would delay the effect of OBRA for 1 year and urge my colleagues to support this measure.

There being no objection, the history was ordered to be printed in the RECORD, as follows:

STATEMENT

(Air Force Association, Air Force Sergeants Association, Association of Military Surgeons of the United States, Association of U.S. Army, Commissioned Officers Association of the Public Health Service, Enlisted Association of the National Guard of the U.S., Fleet Reserve Association, Marine Corps League, Marine Corps Reserve Officers Association, National Association for Uniformed Services, National Guard Association of the U.S., National Military Family Association, Naval Enlisted Reserve Association, Naval Reserve Association, Navy League of the U.S., Reserve Officers Association, The Military Chaplains Association, The Retired Enlisted Association, The Retired Officers Association, U.S. Army Warrant Officers Association)

HISTORY OF DEATH BENEFITS: COLONIAL TIMES TO PRESENT

Public Law 94-433, September 30, 1976, directed the Administrator of Veterans' Affairs to conduct a study of the Dependency and Indemnity Compensation (DIC) program. An integral part of that study was a comprehensive history of veterans and survivor benefits that spanned more than 300 years. Because the history provides perspective on the numerous attempts to satisfy the varied constituencies, a significant part of that history is included here. The pages that follow are for the most part verbatim extracts of Senate Committee Print No. 14, 95th Congress, 2d Session, "Evaluation of Benefits Under the Dependency and Indemnity Compensation (DIC) Program, A Study Submitted by the Veterans' Administration (Pursuant to Section 204 of Public Law 94-433)" to the Committee on Veterans' Affairs, United States Senate, January 31, 1978. In places where the history seemed to require elaboration, additional information was included based on the several committee reports associated with the legislative changes to the survivor and DIC programs.

ENGLISH AND COLONIAL PRECEDENTS

The scope and character of both the English and Colonial legislation set the backdrop against which a system of benefits for veterans and their survivors subsequently developed in the United States.

The late 16th century marked the passage of the earliest English statute for the relief of disabled and maimed soldiers and sailors who had served during and after the battle with the Spanish Armada. Payment could not exceed ten pounds a year to a private soldier nor twenty pounds a year to an officer, with the responsibility for actual payment assigned to the soldier's place of residence or impressment. It was intended not only to be a reward for serving Her Majesty Queen Elizabeth I, but to relieve the burdens resultant from such service and to encourage others to serve.

During the 17th century, the original statute was extended and amplified until, in 1681, Chelsea Hospital was erected. This institution was intended to provide a home for the noncommissioned officers and men with funding provided both from public funds and through deductions from the servicemen's pay. Disabled officers were authorized half pay for life in the late sixteen hundreds. Similar arrangements for the relief of widows of deceased officers were in effect. This was sometimes accomplished by the carrying of a fictitious man on the army payrolls, with his pay taken for the widows' fund; another method was the commissioning of the deceased soldier's son regardless of the son's age. This English system continued throughout the Colonization of the United States and existed at the time of the American Revolution.

The earliest Colonial legislation occurred in 1624 when Virginia petitioned England to provide for the relief of soldiers injured in fighting the Indians. Pilgrim Colony enacted legislation in 1636 granting lifetime maintenance for those maimed in fighting the Indians. The other Colonies enacted similar legislation. In 1675, Virginia Colony provided relief for the indigent families of those killed by the Indians. The most comprehensive early benefit for surviving families was provided by Maryland in its militia law of November 1673. Provision was made for a "competent" pension during widowhood, the rate being subject to yearly review to determine whether the widow was an object of charity and deserving of a pension. Each locality within the Colony had the responsibility of making actual payment of the pensions.

An example of early eighteenth century legislation was the 1718 Rhode Island law which granted a yearly pension to the relatives of those slain in the Colony's service. The amount payable was determined by Rhode Island's general assembly as that which was "deemed sufficient." These payments continued until the survivors died or were able to subsist or maintain themselves. As in prior laws, the responsibility for actual payment was placed in the hands of the local town councils.

LEGISLATION FROM THE REVOLUTIONARY WAR TO 1917

The economic conditions of inadequate wages, equipment, clothing and food together with the political factors of less than unanimous support for the Revolutionary War, rampant inflation and currency depreciation set the stage for legislation directed solely towards those who served.

HALF PAY TO WIDOWS

The first national legislation benefiting those who served was enacted by the Continental Congress on August 26, 1776. It was intended to encourage enlistments by promising payment to those unable to earn a livelihood due to service-incurred disability. It provided half pay for life to those officers who lost a limb or who, due to service-related disability, were unable to secure a livelihood. Administration and payment of this benefit was left to the individual States, since the Continental Congress had no taxing power. This initial legislation did not make any provision for the families of those killed in battle. During this time, many of the States passed their own legislation due to a lack of faith in the central government. Many of the State legislative acts contained more liberal provisions than that of the Continental Congress by providing for the widows and orphans of those who died in service. Notably in the late 1770's, Virginia and Pennsylvania granted half pay to widows for their lifetime.

GENERAL WASHINGTON LEADS THE WAY

During the late 1770's, the Continental Congress was urged to enact a more liberal system of benefits for officers, their widows and surviving children. The impetus came from the increasing rigors of service, increasing officer dissatisfaction with their economic plight and increased officer resignations. General Washington led the way in urging passage of legislation that would provide half pay for life to all commissioned officers who served for the duration of the war and that would similarly provide for their widows and orphaned children. On May 5, 1778, Congress voted half pay for 7 years to all commissioned officers who served for the duration, the amount not to exceed the pay of a colonel, and an $80 gratuity to all soldiers who similarly served. It was not until August 24, 1780, that the half pay provision was extended to include the widows and orphans of commissioned officers who died in service. Again, implementation of these Acts was left to the individual States.

The years from 1780 to 1836 saw the passage of many Federal Acts for the benefit of surviving commissioned officers and private soldiers of the Revolution and the War of 1812. However, legislation relating to the widows of commissioned officers consisted mainly of extensions of the prior 7 year half pay provision, reducing the period to 5 years and extending eligibility to widows of commissioned officers who died as a result of service subsequent to the Revolutionary War. Throughout this period, numerous legislative bills were introduced to benefit the widows of commissioned as well as noncommissioned officers and widows of the private soldiers. It was not until 1836 that legislation was enacted which provided benefits to widows of all Revolutionary War veterans without regard to rank. Initially, provision was made for the payment of benefits in an amount to which the soldier would have been entitled under the June 7, 1832 Act. To qualify, the widow had to have been married to the soldier during the Revolutionary War. Subsequent legislation extended eligibility to those widows who married prior to 1794, later to those married prior to 1800, and finally to all Revolutionary War widows regardless of the date of marriage.

BENEFITS EQUATED TO TOTAL DISABILITY

The history of benefits for survivors of Revolutionary War participants indicates that they were meant to encourage enlistments, promote loyalty, and to prevent desertions and resignations of the officers at militarily critical times. The earliest benefit provisions for the Civil War were in the July 22, 1861 Act, which granted payment of $100 to the widows of those volunteers who died in service. However, due to the uncertainty surrounding the applicability of other concurrently existent benefit laws, Congress passed the Act of July 14, 1862, which became known as the General Law. This law applied to all who served on or after March 4, 1861, whether they were regulars, volunteers, militia or the Marine Corps. Passage of the Act of July 14, 1862, established a new standard of comprehensiveness and liberality in its provisions for surviving families. Widows of those men who died after March 4, 1861, either in service or after discharge from service-related causes were granted benefits. The rate of payment equaled that granted a totally disabled serviceman, ranging from $8 a month for those widows of noncommissioned officers and privates in the Army or those of equivalent rank in the Navy, to $30 a month for those widows of lieutenant colonels or higher rank in the Army and Marine Corps and those of equivalent rank in the Navy. Payment commenced at the death of the serviceman and continued throughout widowhood. This Act was amended in 1866 to provide the widow an additional $2 a month for each child under age 16 and to extend applicability to all previously granted pensions except Revolutionary War pensions.

During the late 19th century, various laws were enacted by Congress authorizing increased payments to widows of the War of 1812, the War with Mexico and the Civil War. Some of these laws granted widows benefits without the requirement of establishing service-related death. Widows of the War of 1812 were granted $8 a month for life, as were the widows of the War with Mexico.

The main purpose of the Act of July 25, 1866, was the relief of widows with large dependent families. This was done by providing a widow an additional $2 per month payment for each dependent child.

The Act of March 19, 1886 amended the General Law System by increasing the rates for all widows on the rolls as of its enactment from $8 a month to $12 a month. This Act further provided payment of $12 a month to any widow subsequently placed on the rolls, provided that she had married the deceased prior to March 19, 1886, or before or while the serviceman was in service.

In 1890, widows of Civil War veterans who had served a minimum of 90 days were granted $8 a month regardless of whether the veteran's death was service-related. In order to establish eligibility, the widow must have married the veteran prior to the law's enactment and must have been dependent upon her own daily labor for support.

Legislation enacted in 1899 required that, in order to be eligible for benefits under the General Law System, a widow need only have a legally contracted marriage and continuously cohabited with the veteran until his death.

The General Law System was comprehensive in nature and subsequently provided benefits for the widows of those who served in the Spanish American War, the Philippine Insurrection, and the Mexican Border War, as well as all those serving in the Regular Army. In April 1908, all General Law widows became entitled to payments of $12 a month. A further rate increase occurred in September 1916, when all Civil War widows who had been married during such service became entitled to $20 a month. This legislation also granted $20 a month at age 70 to widows of the War of 1812, the War with Mexico and the Civil War. In addition, pensionable status was granted to all Civil War widows who had married the veteran prior to June 27, 1905.

The provisions of the General Law System remained as the principal veteran's legislation until the passage of the War Risk Insurance Act in 1917.

THE WAR RISK INSURANCE ACT OF 1917

In anticipation of claims arising as a result of the United States' entry into World War I, Secretary of the Treasury W.C. McAdoo presented a plan to Congress for a new system of benefits. The proposed program consisted of three principal parts: (1) benefits for dependents of Armed Forces personnel who died during service, and for the dependents of those who died of service-related causes after separation; (2) compensation for service-disabled personnel; and (3) low-cost insurance on a voluntary participation basis. It was not intended to provide benefits to those eligible under the then existing laws.

PERCENTAGE OF PAY REJECTED

The initial proposal was to tie the widow's compensation rate to the deceased's pay grade. Proponents of this position pointed out that the Government had recognized this premise for its civilian employees by the 1916 enactment of the Federal Employees' Compensation Act, which provided survivor benefits based on a percentage of earnings of the deceased where the deceased's death had occurred during the course of employment. However, long and heated debates took place in the House of Representatives regarding the formula for computing the widow's monthly benefit. Many Representatives questioned this approach, as they felt it was discriminatory in nature. Opponents believed that with the advent of compulsory service, the military pay of an individual would not necessarily be reflective of civilian earning capacity prior to entry into service.

The supporters of the percentage of pay provision responded that a distinction between officers and the noncommissioned officers and enlisted men had always been made and was never questioned. They pointed to the fact that, in civilian life, all men do not have the same earnings. The supporters of the provision further expressed the opinion that the scope of an officer's responsibilities warranted higher benefits, even though the private spent just as much and sometimes more of his time fighting.

MILITARY ARISTOCRACY

As the debates continued, there was increased questioning of the advisability of the percentage of pay provision. Opponents expressed the opinion that, upon reading of the proposed legislation, it seems unfair, is not a democratic but an aristocratic measure, a measure framed in the interest of the officers and not in the interest of the private soldiers who do the fighting. Even though the opponents of the percentage of pay provision acknowledged that the manner of life of an officer's family was such that considerable money would be needed to maintain the same social relations after the officer's death, they felt that in this country this could sometimes be true of the private's widow as well, and they feared that such a provision would give rise to a military aristocracy.

Further opposition to the percentage of pay provision was based on the fact that without a limitation on the maximum amount payable to a widow, the amount could, in cases of high ranking officers, reach $2,000 monthly. Concerns were expressed that this could encourage young women to marry aged officers solely to obtain benefit eligibility, a situation sometimes arising under then existing benefit laws.

FLAT RATE PROPOSAL ENACTED

In mid-September 1917, Representative Black of Texas offered an amendment designed to remove the distinctions and discriminations that he felt were existent in the bill under consideration. The amendment replaced the percentage of pay provision with a flat monthly rate payable to all widows of those who died of service-related causes. Supporters of Representative Black's amendment felt that the percentage of pay proposal struck a blow at the very foundation of democracy; that it represented an attempt to create classes, castes, preferred persons and preferred dependents. They voiced the opinion that the percentage of pay provision was in contravention of the very principles that the United States was fighting for, and would destroy morale and cause dissatisfaction in millions of homes.

Black's flat rate amendment was passed and a $25 flat rate was incorporated in the War Risk Insurance Act (P.L. 65-90, 1917).

The widow's benefit computation formula controversy was accompanied by one less rigorous in nature as to whether the new widow's benefit program should be applicable to widows of those who died of service-related causes prior to enactment of the new law. Opposition to a right of election for these widows was based almost totally on cost.

However, eventually the proponents prevailed, and the widows of those who died prior to enactment of the new program were granted the right to elect benefits under the new program and by 1921, virtually all widows of decedents in or resulting from previous conflicts received a flat rate of $30 per month.

AN INNOVATIVE CHANGE

The nature and character of survivor benefit programs was further altered by a major innovation included in the War Risk Insurance act—life insurance coverage for Armed Forces personnel, partially underwritten by the Government. A number of factors prompted this innovation: (1) existent commercial life insurance policies generally excluded coverage for death as a result of war; (2) when coverage for death as a result of war was included in commercial policies, the premium rates were so high that most Armed Forces personnel could not afford them; (3) such Government insurance would provide Armed Forces personnel with a needed element of flexibility in providing for their survivors in the event of death in service and would supplement the other death benefits available; and (4) the combination of death compensation and insurance benefits would reduce or eliminate post war demand for pensions.

The draft legislation proposed one year renewable term insurance while in service with continuance on the same basis after separation from service, with participation on a voluntary basis. Initially, policy amounts ranging from $1,000 to $5,000 were proposed with the finally agreed upon policy limits set at $1,000 to $10,000 in multiples of $500. Service personnel were given the right to name a beneficiary from within a restricted class of relatives. The beneficiary restriction was based on the fact that the Government was paying a large portion of the cost, and the program was designed to benefit close relatives of the deceased. Much controversy surrounded these insurance proposals.

Commercial insurance companies opposed continuance of such coverage after the war, fearing Government invasion into the private insurance field. They also opposed the policy limits as being too high since the average commercial policy then in force was $1,800. In addition, the commercial companies were of the opinion that the proposed death compensation benefits based on the percentage of pay provisions were sufficient when viewed in light of the equivalent insurance value. Based on the concept of present net value of an annuity, the percentage of pay provisions provided the equivalent of $6,500 insurance to a widow entitled to the minimum death compensation rate and the equivalent of $35,000 to a widow entitled to the maximum death compensation rate. The deletion of the percentage of pay provision largely invalidated this argument.

Those favoring the insurance proposal felt strongly that it would provide service personnel with flexibility in providing for their survivors, the needs of whom were known only to the individual serviceman; that it would greatly benefit survivors of a poorer breadwinner; and, that premium rates should be low to make such insurance coverage attractive and thereby promote the taking of the maximum amount.

The insurance provisions is finally enacted provided for (1) payments at the rate of $5.75 monthly per $1,000 of insurance for a guaranteed 240 months and (2) continued coverage as renewable one year term insurance after separation with the right of the ex-servicemen to convert to a permanent policy.

In summary, the War Risk Insurance Act, with its two major survivor benefit provisions: flat rate death compensation for widows of all grades and low cost insurance, represented a bold effort to revamp what was considered an inefficient and outmoded apparatus. Its supporters expressed confidence that it would meet present and future needs alike.

REINSTATEMENT PROVIDED

In 1920 provisions were made for restoration to the rolls of remarried widows whose subsequent marriages had terminated. A similar provisions was enacted in September 1922 regarding remarried widows of the Spanish American War and Chinese Boxer rebellion, and the definition of widow was expanded to include widower where his condition was such that, if the deceased person were living, he would have been dependent upon her for support.

WARTIME—PEACETIME DISTINCTION

The Economy Acts for the early 1930's made little change in the laws relating to service-connected death benefits for widows. However, a distinction was made between deaths occurring as a result of peacetime service and those occurring due to wartime service. Widow's payments for wartime service-related deaths were set at $30 a month and for peacetime service-related deaths at $22 per month. It was thought that this distinction was justified because during wartime conscription there was less voluntary "acceptance of risk" than during peacetime, when service was by enlistment only.

AGE-BASED RATES

In the mid and late 1930's, legislation was enacted which provided for a differential in the monthly rate payable to a widow based on attained age. Widows of wartime service-related deaths were entitled to $30 a month while under age 50, $35 a month at age 50 and $40 a month at age 65. Peacetime rates were set at $22, $26 and $30 respectively. During this same period, prior laws that had established entitlement of remarried widows to benefits and those relating to widower's entitlement were repealed.

Early in 1939, members of the Reserves became eligible for such veterans benefits as then existed when they were called into active service for a period of thirty days or more.

FLAT RATES BACK AGAIN

Legislatively, the 1940's had little effect on service-connected death benefits for widows other than to grant increased monthly payments. In 1940, the monthly rate differential based on attained age was repealed. Instead, all widows of wartime service-related deaths became entitled to $75 a month, and widows of peacetime service-related deaths became entitled to 80% of the wartime rates—$60 a month. These rates remained in effect until August 1954, when Congress increased the rates to $87 a month and $69.60 a month respectively.

DEATH GRATUITY

The six month death gratuity, which had terminated with the War Risk Insurance Act, was reenacted in December 1919. Because it was payable immediately following the death, it was considered extremely important to survivors' adjustment following the death of a serviceman.

INSURANCE

Beginning in the spring of 1919, the one year renewable term insurance issued under the War Risk Insurance Act became United States Government Life Insurance upon conversion to permanent policies. Initially, the serviceman could designate a beneficiary only from within a restricted class. These restrictions were removed in 1928 because, with the ending of World War I, the cost to the Government was considerably reduced.

This program also provided for a variety of payment methods, including lump-sum, in 36 to 240 monthly installments, or as a monthly life income with either 120 or 240 months guaranteed. Thus, further flexibility of providing for one's survivors was given to Armed Forces personnel. Since the United States Government Life Insurance program was intended to be a peacetime program, characterized by low pressure selling, the enactment of the Selective Service Act in September 1940 gave cause to reappraise the existing insurance program.

The enactment of the National Service Life Insurance program in October 1940 terminated issuance of any new United States Government Life Insurance policies. Beneficiary designation restrictions were reinstated on two grounds: that world conditions could lead to the United States' entry into hostilities, thereby increasing the cost that the Government would have to pay; and, that previous experience had shown that, in many instances, insurance payments under the War Risk Insurance Act had been made to persons the serviceman didn't know and who had no interest in him. The modes of settlement were based on whether the beneficiary was under or over age 30 when the policy proceeds became payable. As with the prior insurance programs, participation was on a voluntary basis with the maximum policy set at $10,000. Following the end of World War II, the beneficiary designation restrictions were eased for the same reasons as they had been after World War I.

Starting in 1946, various Government agencies examined the existent insurance programs. As a result, a compulsory gratuitous program was recommended, as was terminating the issuance of new policies under the National Service Life Insurance program. This recommendation was based partially on the premise that a compulsory, gratuitous insurance program would eliminate the paperwork attendant to the existent programs and would result in lower administrative costs. In addition, it was felt that the existing program did not really provide the serviceman with flexibility in providing for his survivors, since many servicemen failed to participate while others allowed their beneficiary designations to become outmoded.

With the start of the Korean Conflict in June 1950, Congress began to consider numerous insurance reform proposals. On April 25, 1951, the Servicemen's Indemnity Act became law. It provided for a $10,000 gratuitous life insurance policy for each serviceman upon entry into service. Beneficiary designation was limited to the widow, child, parents and brothers or sisters. Only one mode of settlement was provided: $9.29 monthly per $1,000 coverage payable over a period of 10 years. This new program also provided for the waiver of premiums on United States Government Life Insurance and National Service Life Insurance policies then in effect for those serving on active duty. This provision was to have an important impact on subsequent survivor benefit legislation.

FEDERAL EMPLOYEES' COMPENSATION ACT

This law as enacted in 1916 was intended to be the Workmen's Compensation law for the civilian employees of the Federal Government. On February 28, 1925, the provisions of the Federal Employees' Compensation Act were extended to cover Navy and Marine Corps Reservists. This extension was prompted by the fact that death benefits for survivors of such persons were not available under the War Risk Insurance Act or the General Law System, and the fact that the Reservists were viewed primarily as civilians, since most of their tours of active duty were short-term in nature. This coverage applied only to Reservists serving in peacetime.

Until 1937, survivors of Reservists were not entitled to Veterans Administration service-related death benefits. Amendatory legislation in 1939 and 1940 extended Federal Employees' Compensation Act benefits first to Army Reservists serving on or after July 15, 1939 and retroactively to those who had served from February 28, 1925. The monthly rate payable to a survivor was computed as a percentage of the deceased's pay at time of death. Initially, the minimum pay used for computation purposes was $50 per month with the maximum set at $100.

Between 1916 and 1949, the minimum and maximum rates were increased. However, before 1949, few survivors who were eligible for both Federal Employees Compensation or Veterans Administration death compensation opted for the former, as the Veterans Administration payments were usually greater. However, on October 14, 1949, the minimum wage rate for federal employees' compensation benefit computation purposes was substantially increased to $150, and the maximum wage rate was eliminated.

Although this legislation limited the monthly rate payable to a survivor to $425 a month, the survivor benefits payable to those eligible under the Federal Employees' Compensation Act became, generally, greater than the death compensation rate payable by the Veterans Administration. This was particularly true as to survivors of higher ranking officers.

The Korean Conflict was, for purposes of Federal Employees' Compensation Act eligibility, a time of peace. A great number of Reservists were called to active duty during this period and, where death occurred because of such service, most survivors elected Federal Employees' Compensation Act benefits, which were payable at a much higher rate than benefits payable under the Veterans Administration death compensation program.

SOCIAL SECURITY

Initially, limited Social Security coverage was extended to military personnel by legislation enacted on August 10, 1946. Benefits were provided for survivors of ex-service personnel who died within three years after separation,. provided that the deceased had at least 90 days service or, if less than 90 days, had been discharged for disability incurred in service. Each eligible person was granted a gratuitous $160 a month wage credit for benefit computation purposes for each month of service. However, if the survivor was receiving Veterans Administration death benefits based on the deceased's death, no Social Security benefits were payable.

The granting of Social Security coverage was prompted by the view that military service constituted an interruption of civilian employment and the Social Security coverage an individual in service would have probably otherwise enjoyed.

Amendments to the Social Security Act between 1946 and 1955 removed the bar to concurrent receipt of Social Security survivor benefits and Veterans Administration death benefits, and provided stopgap extensions of the periods of service for which the gratuitous $160 monthly wage credit was applicable. During this time, consideration was repeatedly given by Congress to permanently including military service as employment covered under the Social Security program.

EVOLUTION OF THE CURRENT DIC PROGRAM

On July 16, 1952, Congress created a Committee to study Federal Retirement Policy pursuant to a Bureau of the Budget recommendation that there existed a need for a full consideration and reappraisal of all Government retirement systems. The Committee was headed by Presidential appointee Mr. H. Eliot Kaplan who was from outside the Government.

THE KAPLAN COMMITTEE

The Kaplan Committee concluded that the survivors' benefits pertinent to its study had developed in a piecemeal fashion over the years, with each benefit having been added or changed in response to a particular need or circumstance without regard to the effect on other benefits or on the total benefit structure. The result was a "hodgepodge" of five survivor benefit programs, administered by four Government agencies. These five programs provided benefits that were sometimes duplicative or overlapping. In many instances, a pyramiding of benefits occurred which resulted in a disproportionate amount payable to some survivors while others received an inadequate amount.

The Kaplan Committee's findings and recommendations were reported to the President and Congress early in 1954. In general, the Committee proposed simplification of the existing survivor benefit programs by reducing the number of programs and by designing a system of benefits wherein each component would fulfill a specific purpose which would not be duplicated by any other component [House Report 2682, Part 2, 83rd Congress]. The objective was to encourage enlistments in the Armed Forces by providing survivor benefits comparable with those available in private industry, and providing incentives to those already in service to remain on a career basis. The Kaplan Committee proposed a revised system of benefit programs that would be applicable only where death occurred during military service. Where death occurred due to service related causes after separation, the existent system of benefits, particularly Veterans Administration death compensation, would continue to be applied. Survivor benefits would be computed by taking 80 percent of the first $100 per month pay and 20 percent of the remainder. Benefit amounts were geared to the deceased's military earnings and length of service because they were considered to be a form of deferred compensation and not a gratuity. The Committee felt that such an approach was consistent with the prevailing Federal civilian employee pension plan and private industry plan policies. The Committee recognized that a minimum level of benefits was needed to insure a basic standard of adequacy. Therefore, their proposals were weighted towards those in the lower pay grades. Another principle set out by the Kaplan Committee was that persons in similar circumstances should be treated equally. They recommended that the monthly death compensation rate payable should be the same whether the deceased died during wartime or peacetime, since the loss to the survivors was no less when death occurred in peacetime.

The Veterans Administration monthly rate structure, as proposed by the Kaplan Committee, provided for much higher payments than those paid under the existent program and were intended to include an insurance/indemnity factor. They believed this would eliminate the need for continuing Servicemen's Indemnity, and that program was to be terminated. In addition, the new rate structure would be of greater benefit to those who, in the Kaplan Committee's view, should be the sole objects of the Government's obligation—the surviving widow and dependent children. This limitation was considered to be consistent with survivor benefits provided in private industry.

A great deal of controversy surrounded the proposal to relate the widow's monthly death benefit to the deceased's military pay grade, since this concept represented a sharp departure from the existent uniform death compensation rate structure. Proponents expressed the opinion that the existent uniform flat rate structure was inequitable, citing the fact that a widow of the lowest ranking enlisted man received benefits amounting to approximately 88 percent of the deceased's gross monthly pay, whereas the widow of a high ranking officer received approximately 14 percent. Also cited was the fact that, in many instances, a widow of a low ranking enlisted man received benefits in excess of the deceased's gross monthly pay.

Veterans organizations voiced strenuous objections to the proposed widow's benefit computation formula. They reiterated many of the arguments used by those who had favored the flat rate benefit structure that was incorporated in the 1917 War Risk Insurance Act. They considered the proposed formula to be acceptable when there were stable peacetime conditions, because during such periods the Armed Forces was composed mainly of volunteers. However, where the element of compulsion due to the Selective Service Act is present, it was felt that the deceased's military rank bore no relationship to the deceased's preservice earning level or potential future earning capability if he had survived.

SELECT COMMITTEE ON SURVIVOR BENEFITS

The creation of the House of Representatives Select Committee on Survivor Benefits was prompted by both the Kaplan Committee Report and by what was viewed as a maze of administrative details facing the survivors in obtaining their benefits, since applications had to be made to four Government agencies. The Select Committee used the Kaplan Committee recommendations and a June 1954 Department of Defense legislative proposal as starting points. After studying the problem in as much detail as the allotted time permitted, the Committee reported in January 1955 and it would be premature to attempt to draft new survivor benefit legislation or to make any specific legislative recommendations, but that it had concluded that the existent benefit system was inequitable in many cases due to the disparity in the benefits paid, and because it was unduly costly and cumbersome to administer. In early 1955, and 84th Congress passed House Resolution 35 authorizing the continuation of the Select Committee with Representative Porter Hardy, Jr. as its Chairman. The Committee conclude that survivor benefit inequities had lasted for too long a period of time, that a benefit program should be designed which would be reasonable and realistic in its benefit levels and which would provide equitable treatment to all survivors.

By 1955, the Select Committee, developed four proposals as a result of the testimony presented to it:

Death Gratuity: Payment equal to six months basic pay (including special and incentive pays) of the deceased but not less than $800 nor more than $3,000.

Servicemen's Indemnity: terminate eligibility for future coverage.

Veterans Administration Benefit—Dependency and Indemnity Compensation: provide the widow with a monthly payment at a rate equal to $100 plus 15 percent of the basic pay of the deceased. No additional monthly amount was payable to a widow for dependent children except where she had more than one child and the deceased's average monthly wage for Social Security benefit computation purposes was less than $135. In that case, the widow's Veterans Administration payment would be increased by $20 a month for each child in excess of one. Payment to the widow would continue until her remarriage or death.

Social Security: provide coverage to all Armed Forces personnel on a contributory basis.

Federal Employees' Compensation Act: Eliminate coverage for Reservists whose deaths occur after enactment.

The Select Committee subsequently introduced H.R. 7089, which was substantially the same as the committee's initial draft legislative proposal, although it did contain a revised benefit formula for the computation of a widow's Veterans Administration monthly payment. Under H.R. 7089, a widow's monthly rate would be $112 plus 12 percent of the deceased's basic pay. This was a compromise formula designed to provide some equality of treatment for all widows, while at the same time giving recognition to the higher earnings of career service personnel and the economic losses sustained by their survivors.

THE BRADLEY COMMISSION

The Bradley Commission established in January 1955 by President Eisenhower was authorized and directed to make a comprehensive survey and appraisal of the United States' laws as they related to all benefits provided to veterans and their dependents. Members of the Commission were appointed by the President from the private sector except for its chairman, General Omar N. Bradley, a former Administrator of the Veterans Administration. It was the expressed hope of President Eisenhower that the Commission's work would result in the orderly development of public policy whereby veterans and their survivors would receive equitable treatment. Overall, the Commission's work was largely duplicative of that being done by the Select Committee of the House during this same time period. The Commission agreed with the conclusion previously reached by the Kaplan Committee and by the Select Committee that the existent benefit program had developed piecemeal over the years.

The Bradley Commission presented its report in April 1956 and strongly approved of the benefit system as contained in H.R. 7089, and urged its passage.

FLAT RATE PLUS PERCENT OF BASIC PAY

Following receipt of the Bradley Commission report, the House Committee on Veterans' Affairs and the Senate Committee on Finance held additional hearings and on August 1, 1956, the 84th Congress passed H.R. 7089, which became Public Law 881 of that Congress. This law marked the introduction of a second system of benefits which fundamentally revised the extent and the nature of benefits payable to widows of those who died in-service, and to widows of those who died from service-related causes after separation from service. The pertinent provisions of Public Law 84-881 were:

Death Gratuity: A gratuity was payable when death occurred in service or when death due to service-related causes occurred within 120 days after separation from service. It was payable to the next of kin, with a surviving spouse having first priority. Payment equaled six months' basic pay (plus special and incentive pays), but not less than $800 nor more than $3,000.

Veterans Administration Benefit—Dependency and Indemnity Compensation: DIC became payable for in-service deaths and post-service deaths due to service-related causes occurring after January 1, 1957. A surviving widow's monthly rate was to be computed on a formula of $112 basic allowance plus 12 percent of the deceased's basic pay. Payment would continue until the widow's remarriage or death. A widow was not entitled to an additional monthly amount for surviving dependent children except where she had two or more children and the deceased's average monthly wage for Social Security benefit computation purposes was less than $160, the amount required for the deceased to have been in a fully and currently insured status at the time of death.

Federal Employee's Compensation Act: Coverage was terminated for reservists where death occurred after January 1, 1957.

Social Security: Coverage was provided to all Armed Forces personnel on a contributory basis effective January 1, 1957.

The formula for the computation of a widow's monthly Dependency and Indemnity Compensation payment resulted in a rate structure of approximately 220 different rates, with payments ranging from $122 a month for a new recruit's widow to $316 a month for a general's widow. Congress believed that the new program would eliminate the confusion attending the availability of survivor benefits under the existent laws, and would provide a realistic and adequate level of payments which were more evenly distributed over the widow's lifetime. It was also thought that payments for children only under social security would result in greater aggregate benefits to the widow while the children were young and the need greatest. In addition, the fundamental principle was that the revised payments would recognize the career serviceman's greater responsibility due to rank and commensurate larger earnings, while providing equitable payment levels to survivors of lower ranking personnel.

The provisions of Public Law 881 had been strenuously supported by President Eisenhower, who urged its enactment as a means of creating a career military service that would be competitive with civilian opportunities and end the wasteful losses from the Armed Forces of highly qualified and expensively trained personnel. The Department of Defense expressed the opinion that this law would provide service personnel with the assurance of financial security for their survivors, and would result in higher morale.

The Dependency and Indemnity Compensation rates for widows of middle ranking military personnel were increased in mid-1958 as the result of a military pay raise affecting these personnel only. In October 1963, Congress increased the basic allowance portion of the widow's benefit computation formula from $112 monthly to $120 monthly (P.L. 88-134). The 12 percent basic pay add-on provision was retained. This legislative action resulted in a payment scale that ranged from a minimum of $130 a month to a maximum of $335 a month. Subsequently military pay raises in 1964, 1965, 1966 and 1967 resulted in increased monthly Dependency and Indemnity Compensation payments that ranged, respectively from $130 to $340; $131 to $353; $131 to $361 and $132 to $374.

U.S. VETERANS ADVISORY COMMISSION

In President Johnson's January 1967 message to Congress on Veterans' Affairs, he stated that the continuing soundness of our veterans' programs must be assured. To this end, the President directed the Administrator of Veterans Affairs to conduct a comprehensive study of all programs that provided benefits to veterans and their survivors. A commission was created, composed of 11 members, five of whom were immediate past National Commanders of leading veterans organizations, four were state veterans' service directors, and one a retired military officer. It was headed by Mr. Robert M. McCurdy, former Chairman of the National Rehabilitation Commission of the American Legion. In its March 1968 report to Congress, the Commission noted that military pay raises in 1964, 1965 and 1966 resulted in an uneven distribution of increases in the rates of Dependency and Indemnity Compensation payable to surviving spouses. This was particularly true regarding the Dependency and Indemnity Compensation rates payable to surviving spouses of those in the lowest ranks with the least years of service. The Commission also noted that the increases in Dependency and Indemnity Compensation rates had not kept pace with the increased cost of living since the January 1, 1957 enactment of the Dependency and Indemnity Compensation program. The Commission's report of its findings and recommendations was made to the Administrator of Veterans' Affairs in March 1968, following which it was forwarded to the President and the Congress with the following recommendations:

(1) Increase the widows basic Dependency and Indemnity Compensation allowance from $120 to $130, with retention of the 12 percent basic pay add-on;

(2) In the future adjust the basic allowance in accordance with any increase in military pay; and

(3) Pay an additional monthly amount of $20 to a widow for each surviving dependent child, independent of any Social Security or Railroad Retirement payments.

The Commission's findings and recommendations prompted Congress to consider changes to the DIC program. Congressional hearings were conducted, at which testimony was presented by various government agencies and veterans service organizations. The testimony revealed that because the basic rate was only adjusted once in the 13 years which elapsed since 1956 (PL 84-881), the formula had a warping effect on the widows of the lowest ranking servicemen because of the resultant disproportionate effect of military pay raises on DIC rates. For example, from January 1, 1957 to July 1, 1968, the date of the then latest widows' Dependency and Indemnity Compensation rate increase, the rates payable to widows of the lowest ranking servicemen had increased 12.9 percent; for widows of middle rank, approximately 31.6 percent; and for widows of the highest rank, approximately 64.5 percent. During this same timeframe the Consumer Price Index had increased 33.8 percent. This clearly showed that the existent formula did not provide rate increases to widows of the lower ranks adequate to keep pace with the cost of living, while providing widows of the highest ranking servicemen with increases approximately twice those of the cost of living increases.

These statistics showed that the Dependency and Indemnity Compensation benefit computation formula did indeed carry out its originally conceived objective of making career military service attractive by providing proportionately greater benefits to survivors of career military personnel. However, because of disparities in the pay raises afforded to military personnel (i.e., they were targeted vs the current across the board procedure), less than adequate benefits were provided to widows of the lowest rank.

Those favoring modification of the widow's benefit computation formula did so on the basis that the existent formula operated as designed during periods of peace, but not during wartime. This was true because peacetime service permitted the promotions and accumulated years of service to occur which were essential to the orderly operation of the Dependency and Indemnity Compensation program. But during wartime, such as the United States' involvement in Vietnam, the program did not provide adequate support to survivors of those civilians called to duty who died within a year or two after entry into service.

The enactment of Public Law 91-96 effective December 1, 1969 substantially revised the widow's benefit computation formula for Dependency and Indemnity Compensation payments. The years of service factor in computing the rate payable to a widow was eliminated. In its place, a fixed monthly rate was assigned for each military rank or pay grade. The flat rate was based on increases in the cost of living since the $112 and 12 percent formula was established in 1956. This resulted in a payment scale that ranged from $167 a month for widows of the lowest ranking enlisted personnel to $426 a month to the widows of the highest ranking officers.

WIDOWS DIC BENEFIT RESTORED

P.L. 91-376 of August, 1970 stated, "The remarriage of the widow shall not bar the furnishing of benefits to her as the widow of the veteran if the remarriage has been terminated by death or has been dissolved by a court with basic authority to render divorce decrees unless the Veterans' Administration determines that the divorce was secured through fraud by the widow or collusion." This then, brought us back to a similar provision which had been in effect in the 1920's and 1930's.

The rates of dependency and indemnity compensation payable to a widow were increased by Congress in 1972, 1974, 1975 and 1976. These increases provided the following respective monthly payments ranging from $184 to $469; $215 to $549; $241 to $615 and $260 to $664. In addition, the additional monthly amount payable for each dependent child was increased from $20 to $22 in 1972, to $26 in 1974, to $29 in 1975 and to $31 in 1976.

DEJA VA

History once again repeated itself. No sooner was the new system in place than the "pressure for change" prevailed on Congress to reexamine (and hopefully change) the DIC program. As a result, P.L. 94-433 (September 30, 1976) directed the Administrator of Veterans Affairs to conduct a thorough and detailed study of DIC, to measure and evaluate the adequacy of benefits provided under this program, and to determine what extent, benefits should be based on the military grade of the person upon whose death entitlement to DIC was predicated. The Veterans Administration study contained the following comments, findings and recommendations:

"It is clear that the amount of financial loss to dependents of a serviceman or woman who dies on duty is generally related to the deceased's military pay grade. If the dependency and indemnity compensation program is to compensate for loss of earnings, then it is not unreasonable for the benefits rates to reflect to some extent previous military pay levels. For the in-service death of a young draftee who possessed high post-service earning potential, sole reference to low in-service rank may be regarded as inappropriate. Calculating such potential future earnings, however, would undoubtedly be difficult and require an extremely complex payment system which would be delay-producing and difficult to administer.

"The argument can be made that referencing DIC rates to military pay grade is also less applicable in the case of veterans whose deaths occur post-service, perhaps as long as thirty or forty years hence. While their deaths are no less service-connected than a serviceman's, their financial situations at death are less apt to be related to their service pay grades. Evidence of that may be found in the fact that the percentage of veterans who attended college after service does not vary significantly among pay grades.

"Because most of the current dependency and indemnity compensation cases are based upon post-service deaths (61%), it could be argued that consideration should be given to creating separate rates of benefits for survivors of these veterans, either flat rates (analogous to the disability compensation rate structure) which make no reference to service rank or rates somehow tied to the deceased's income at death. Careful analysis, however, reveals that the current dependency and indemnity compensation rate structure is an acceptable compromise between the two extremes of payments based strictly upon service rank, and flat rates which totally ignore service pay grades attained.

"While the present structure is graduated and provides higher rates for the higher service pay grades, it is weighted in favor of the lower grades to assure that survivors have incomes which place them above the national minimum standards of need. The current rate structure compresses the difference in pay rates between an E-1 and an O-10, such that there is much less relative variation in the payable DIC rates than in the military pay grade amounts. DIC payments alone at every pay grade are sufficient to raise a surviving spouse without dependents above the poverty level."

In concluding its report, the VA evaluated four alternative courses of action:

1. Benefits Based on Pay Grade and Years of Service: Under this alternative, the DIC rate payable to a surviving spouse would be computed as a specified percentage of the deceased's basic military pay. The deceased's basic pay would be calculated based on his/her pay grade and cumulative years of service.

Advantage: Recognition would be given to the economic status attained by a veteran during his/her military service, similar to that given under Federal Civil Service or private industry survivor benefit plans.

Disadvantages: While possibly equitable to the long-term career soldier, this benefit computation method would disadvantage survivors of both the newly inducted recruits killed in action after only a few months military service, and the veteran with a short period of active military service whose death occurs after return to civilian life. Essentially, this alternative would be a return to the benefit computation formula contained in the original DIC law. Other disadvantages include: administrative cumbersomeness, since this formula would result in a multiplicity of monthly rates; and, administrative cost, since each DIC surviving spouse case would require certification of the deceased's basic pay. Additional expense would be required if it were to apply retroactively.

2. Flat Monthly Rate: Under this system, a fixed flat monthly rate would be payable to all surviving spouses without regard to the deceased's military pay grade.

Advantages: Would treat all surviving spouses equally. Simplicity of administration. Would recognize that the income of a veteran who dies after service is not necessarily dependent upon military grade attained.

Disadvantages: Essentially, would reinstitute the benefit payment system in effect prior to the enactment of the original DIC law, with the perceived inequities which led to its revision. Would give no recognition to the economic status attained by a veteran during his/her military service. The needs and life style experienced by a colonel's spouse might vary considerably from those experienced by a private's spouse, and a flat rate would not reflect this realization. Could be costly to implement, depending upon the rates set. To get 100 percent of the present beneficiaries to elect it, the new rate would have to be set at the level of the highest DIC rate or above. If set at the mid-point, the cost would be less, but still considerable. If considerable members of beneficiaries had to be "grandfathered," the Veterans Administration would have still another DIC system to administer. As long as these grandfather beneficiaries existed, they would be receiving different treatment from that accorded new beneficiaries.

3. Four Pay Grade System: Under this system, the pay grades upon which DIC is based would be reduced from 23 to 4. This could be accomplished by clustering pay grades and having a single DIC rate for each clusters, but paying a higher DIC rate for each higher pay rate cluster. Pay grades, for example, could be clustered as follows: I—Pay Grades E-1 to E-4; II—Pay Grades E-5 to E-9; III—Pay Grades W-1 to 0-3; IV—Pay Grades 0-4 to 0-10.

Advantages: Encourages higher military grade attainment.

Disadvantage: Within a given pay grade class, the rate payable could be greater or lesser than the amount currently payable; grandfathering of those on the rolls would be required to prevent a reduction in the amount currently being received by some.

4. Retention of Current Benefit Formula: Under the current formula, the DIC rate computation is based on the deceased's military pay grade as defined in Title 38, United States Code, Section 402, without regard to cumulative years of active service.

Advantages: Retention of the current system would result in no additive costs. It provides a "floor" rate which assures an income above the national minimum standard of need for all beneficiaries, yet recognizes military attainment.

Disadvantage: Is not totally reflective of the economic status attained by the deceased during his/her military service, and is not related to post-service economic status of those who die of service-connected disabilities post-service.

VA DISCUSSION AND RECOMMENDATION

In arriving at its final recommendation, the VA provided the following philosophical discussion:

"As directed by Congress, this study has been aimed at measuring and evaluating the adequacy of DIC benefits, and at determining whether, or to what extent, benefits should be based upon military pay grade.

"Passing judgment on the adequacy of current DIC benefits requires one to resort to subjectively chosen standards; the current program either is or is not adequate depending upon the yardsticks employed. It may be that there is by definition no one system that will satisfy all. Given the pragmatic imperative of devising a system, however, it is necessary to adopt reasonable compromise.

"It can be argued that this is how the current DIC system has evolved, and that it is a product of continuous refinement. We believe that the scale of rates, as adjusted over the past several years to accommodate changes in the cost of living, fulfills the purposes of this program in a reasonably adequate manner.

"Whether or not survivor's compensation rates should be related to the decedent's military pay grade is a difficult and perhaps impossible question to answer definitively. We have had it both ways. Congress, after exhaustive study, in 1956 adopted the recommendation of a Select Committee on Survivor Benefits to relate DIC benefits to military pay grade. While there are arguments on this issue pro and con, we are of the opinion that there is more justification for continuing the present policy. We would consider it retrogressive to return to a posture once tried and found wanting.

"It is also important to bear in mind the differences in the philosophies that underlie the compensation and pension programs. The former is designed to compensate for loss to veterans for impaired earning capacity, and to survivors for loss of support. Pension, on the other hand, is intended to alleviate the need of those unacceptable income categories.

"Proponents of a flat rate DIC payment to surviving argue that the needs of all such spouses are not dependent upon the pay grade of the deceased. While this is true, in assuring that all eligible beneficiaries have an income which leaves them above the national minimum standard of need, the degree of additional support a survivor would normally anticipate if no death occurred would depend on the socioeconomic attainment of the wage earner. In all of our jurisprudence, tort awards in death cases take cognizance of a decedent's achievements and stature in society. Thus, as intended, DIC compensates for loss of support.

"The question remains as to what extent benefits should be based upon military pay grade. In most annuity programs the relationship is a straight-line, fixed one. However, in these programs, payments are based on actuarial formulae and predicated on contributions to a fund. This situation does not pertain to service personnel, who make no contributions and whose demises may occur abruptly and long before realization of their full earning potentials. Consequently, while we believe that there is reason to take military pay grade into account, we do not believe that total reliance on this variable as a determinant of DIC pay rates is justified.

"The present DIC pay scale represents a judicious compromise which, as compromises go, cannot completely satisfy the advocates of flat DIC rates nor the advocates of DIC rates based on a fixed percentage basis of military pay. It does in the main given appropriate recognition to both philosophies.

"We believe that any significant departure from the current program would not only be costly, but would not, in our opinion, be more equitable than what now exists.

Recommendation: That the present rate structure of DIC is retained, but that provision be made for continued adjustment as the cost of living and the national minimum standard of need fluctuate."

1991—THE DILEMMA

Perhaps it was inertia or perhaps recognition of the futility of change, but Congress resisted the pressure to modify the DIC program in 1978. For the next 13 years there were numerous increases in DIC and the advocates for change, dissatisfied with the 1978 decision, kept up their relentless criticism of the existent DIC program. There are at least four "bold new initiatives" being sponsored that will, according to the various proponents, perfect the DIC program. That dilemma facing Congress is how to change the program without breaking faith with current beneficiaries, without exceeding budgetary constraints and without once again regenerating pressures for change—an awesome, and Herculean task to say the least.

ROBERT H. ATWELL: HIGHER EDUCATION'S TOP LOBBYIST

Mr. KENNEDY. Mr. President, the Washington Post recently carried a profile of Robert H. Atwell, the president of the American Council on Education [ACE].

As all of the Members of this body know, postsecondary education in the United States is incredibly diverse. There are thousands of institutions, each with a slightly different set of interests and needs. While there are many interest groups representing various segments of the postsecondary education universe, there is only one organization—the American Council on Education—that represents all of these institutions.

Robert Atwell has been president of ACE for the last 7 years. By all accounts, this has been a turbulent time for higher education. Throughout this period, Mr. Atwell has provided steady, thoughtful leadership on a wide variety of complex issues—from athletics to college prices to increasing minority participation in higher education. The members of the Labor Committee have learned that Bob Atwell's insight and judgment on higher education issues are superb.

One area where I have benefited from Bob's leadership is on the issues surrounding college athletics. Even before he assumed the presidency at ACE, he was a champion of reform and improvement in college athletics. Largely through his Herculean efforts, the higher education community began—however tentatively—an effort to reform some of the abuses in intercollegiate athletics long before the public became aware of the extent of the problems. Last year, the Labor Committee worked closely with him as we wrote the Student Right to Know and Campus Security Act. With Bob's help, we wrote a law that, I believe, assures that students and their families have easy access to vitally important consumer information without creating an excessive paperwork burden on the institutions.

Thanks to Bob Atwell's leadership, higher education is well represented in Washington. Given the wide range of complex public policy issues facing higher education these days, America's colleges and universities are fortunate to have him in this position. I hope that, as a result of the Post article, the vitally important role that he plays will be more widely appreciated.

Mr. President, I would like to have a copy of this article printed in the RECORD so that all of my colleagues will be sure to see it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOVERS AND SHAKERS: HIGHER EDUCATION'S TOP LOBBYIST

(By Kenneth J. Cooper)

Amid uproar over a new government ban on minority scholarships, Robert H. Atwell calmly suggested that a federal agency "change its position on sober reflection." A week later, it did: A revise policy imposed a partial ban four years hence.

A dissatisfied Atwell went to work on Lamar Alexander, then newly nominated to be education secretary. In public and private, Atwell pressed Alexander to revoke the latest policy and order a thorough review once he took office. And that's exactly what Alexander did.

Atwell's effective lobbying in the past year for minority scholarships—a controversial issue yet to be finally resolved—has demonstrated the influence he wields as the designated spokesman for higher education in Washington. U.S. colleges and universities are one organization claims to represent them all—public or private, land grant or liberal arts, two-year or four-year. That is the American Council on Education, of which Atwell has been president since 1984.

In that role, Atwell has raised his voice on such education issues as student aid programs, intercollegiate athletics and minorities on campus. In times of controversy, he has spoken out and raised the profile of the council, a coalition of more than 200 higher education groups that, before his tenure, had functioned more as a quiet coordinating body.

A couple of years ago, for instance, Atwell endorsed separate federal aid programs for profitmaking trade-school students because they default on federally guaranteed loans more often than college students do. In a testy response, trade-school leaders noted that the institutions they represent pay taxes, while colleges do not. Atwell's proposal became moot when the new chairman of the House Education and Labor Committee, Rep. William D. Ford (D-Mich.), succinctly rejected it.

Atwell also waged a running battle of words with William J. Bennett when he was education secretary under President Reagan. Bennett questioned the educational value of a contemporary college education and argued that schools boosted tuition only because they knew federal aid would make up the difference. Atwell challenged the factual basis for this suggestion of greed. "Yeah, I took him on," he recalled.

Bennett has a different memory: "If I was saying the condition of higher education was very serious, he was saying it was a mild headache."

But the issue that Atwell has become most closely identified with is the recruitment, retention and fair treatment of minority students. In 1988, the council launched what has come to be known as its "minority initiative," a research and advocacy effort to increase the minority presence on the nation's campuses. The council, which has released an annual report on minorities in higher education since the early 1980s, has made the initiative its top priority in part because of population trends that indicate racial minorities will comprise one-third of high school graduates by the year 2000.

Last spring, Atwell stepped forward to oppose Alexander when the education secretary challenged the cultural diversity standards of the Middle States Association of Colleges and Schools, the accrediting body for the mid-Atlantic region, including Maryland and the District. "For me, diversity is a defensible ingredient of educational quality and thus defensible as an accreditation standard," Atwell said.

Alexander charged that the accrediting standards for diversity among students, professors and trustees threatened to create racial quotas while undermining academic freedoms and specialized colleges. As with the minority scholarship issue that surfaced last December, Alexander's final decision on diversity standards is pending.

Atwell acknowledges that his stance on the accreditation issue does not reflect unanimity among the nation's colleges.

"I know perfectly well . . . that there are many of our members who don't agree with the stand we've taken on Middle States accreditation," Atwell said in a recent interview. "But I think you have to, in these jobs, strike a delicate balance between leading and representing. If you only represent, you're gonna be a little mushy."

But there have been some muted noises from One Dupont Circle, where the council and many higher education groups have offices, suggesting that Atwell and the council have been paying too much attention to minority concerns. He acknowledges those criticisms too.

"I don't let that bother me," Atwell said. He noted that the impetus for the minority initiative actually came from Frank Rhodes, president of Cornell University, when he was chairman of the council's board. The current chairman, Robert L. Albright, is president of Johnson C. Smith University, a historically black college in Charlotte, N.C.

There have been times, however, when the council's politics have dictated that Atwell take a low profile on a controversial issue. For instance, he has had little to say in public about "political correctness," a broad slogan used by conservative commentators to describe such campus trends as racial-ethnic diversity, multicultural coursework, offensive speech codes and academic theories such as literary deconstructionism.

Atwell, 60, has negotiated such political battles with the political savvy and knowledge of government and academia that he gained as a former college administrator and federal bureaucrat.

He grew up the son of a Presbyterian minister in Beaver Falls, Pa., a steel town north of Pittsburgh. After undergraduate study at the College of Wooster in Ohio, he was drafted during the Korean War and served as an Army typist in Germany. Afterwards, he received a master's degree in public administration at the University of Minnesota and completed doctoral courses in political science there.

Atwell came to Washington in 1957 for his first jobs. He did two stints crunching numbers at the old Bureau of the Budget (now the Office of Management and Budget), one as a development loan officer at the State Department and another at the National Institute of Mental Health working on community clinics.

In 1965, he left the government to become a vice chancellor at the University of Wisconsin and stayed five years, spending much of his time handling anti-war protests. His memories of the period differ from those of college administrators who typically felt embattled during those times. But Atwell, like the protesters, opposed U.S. involvement in the Vietnam war.

"I found it a very exhilarating period," he said. "There were some pretty crazy kids, but not very many. Overwhelmingly, it involved students who were quite idealistic . . . I had a lot of friends on the other side of the barricades, if you will—faculty friends and student friends. It all ended badly at Madison when a [history] building got blown up. That actually happened almost literally the day I left."

Atwell moved to California to become the second president of Pitzer College, one of six Claremont colleges east of Los Angeles. There he wrestled with the racial issues confronting historically white colleges as the first wave of minority students arrived, thanks to the civil rights movement. In this instance, Atwell has some second thoughts.

"We had a very high proportion at Claremont of black and Hispanic students . . . and most of them lived in black and Hispanic corridors in the dorms and ate at black tables in the dining hall," he recalled. "I've often thought that we really didn't do the right thing by a lot of those people, because they really lived a very isolated existence within this predominantly white campus."

In 1978, Atwell left Pitzer to become executive vice president of the American Council on Education. He was hired as president in 1984 after Jack W. Peltason left to become chancellor of the University of California at Irvine. Two years ago, the council signed Atwell to a second five-year contract.

During his seven years as president, Atwell said, the council has achieved his initial goal of becoming more of a presence on higher education issues.

"I felt we needed to be a bit more aggressive and have a higher profile and take some risks that went along with that," he said. "Being a little controversial from time to time was necessary."

JUSTICE ROBERT HARWOOD: A LEGACY OF SERVICE TO ALABAMA

Mr. SHELBY. Mr. President, Alabama recently lost one of its most dedicated and devoted citizens with the untimely death of retired Alabama Supreme Court Justice Robert Bernard Harwood.

One word could easily define Justice Harwood's life: service. Born in Eutaw in 1902, Justice Harwood graduated from the University of Alabama in 1922, received his law degree from the University of Alabama in 1926, and earned an LL.M. degree from Harvard in 1932. Justice Robert Harwood was first elected to public service as a member of the Alabama State Legislature from Tuscaloosa for a 4-year term in 1926. After 2 years as an assistant U.S. attorney, he became the Democratic nominee for Alabama attorney general in May 1942. However, before his election in November, he entered the military and was temporarily replaced by an assistant until he returned home from service in World War II on September 1, 1945. Justice Harwood's leadership skills and commitment served him well as Alabama's attorney general for 40 days, the shortest tenure of any elected attorney general in the history of the State.

He resigned from the attorney general's office on October 10, 1945, and accepted an appointment to the Alabama Court of Appeals where he served for 17 years, 7 of them as presiding judge.

In 1962, he was elected an associate justice of the Alabama Supreme Court and served in that office until his retirement in 1974. His career also included maintaining a private law practice in Tuscaloosa and 7 years as a professor at the University of Alabama School of Law.

My thoughts are with Justice Harwood's family, especially his son Bernard of Tuscaloosa; his daughter, Eve Harwood Rickerson of Falls Church, VA; and his three grandsons, Robert Bernard Harwood III and Richard Scott Harwood, both of Tuscaloosa, and William Harwood Rickerson of Falls Church, VA.

Justice Robert Bernard Harwood devoted his life to serving the people of the State of Alabama. His spirit of dedication and community involvement made him a role model for all of us who knew him. Through a lifetime of kindness and generosity to those in need, he made Alabama and America a better place to live.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,432d day that Terry Anderson has been held captive in Lebanon.

On October 28, Terry Anderson's sister, Peggy Say, thanked U.N. Secretary General Javier Perez de Cuellar for his efforts to bring her brother and the other hostages held in Lebanon home. Mr. President, I ask unanimous consent that an Associated Press report of her remarks be included in the RECORD at this time.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ANDERSON'S SISTER THANKS U.N. CHIEF FOR EFFORTS

UNITED NATIONS.—Peggy Say, sister of hostage Terry Anderson, said she is more optimistic than ever that all Western captives will be freed by the end of the year.

She spoke Oct. 28 after thanking U.N. Secretary General Javier Perez de Cuellar for his efforts to free all detainees in the Mideast, including her brother and seven other Westerners in Lebanon.

"The secretary-general assured me that all the parties that need to cooperate to bring this to an end are indeed cooperating" she said.

"They think the process is going to continue and they are very hopeful that by the end of the year, all people who are held against their will in the Middle East will go free, including the Western hostages."

She said she had "total and complete confidence" in Perez de Cuellar and his chief Mideast envoy, who returned from the Middle East after arranging an exchange of Arab detainees for Jesse Turner, an American.

Perez de Cuellar has been trying to arrange a swap of the eight Westerners in Lebanon for about 300 Arab prisoners held by Israel and its proxy militia, the South Lebanon Army.

"The secretary-general personally has a determination that this situation will be over with before he leaves office" on Dec. 31, she said.

Anderson, the chief Middle East correspondent of The Associated Press, turned 44 on Oct. 27, spending his seventh birthday in captivity. He was kidnapped March 16, 1985 and is the longest-held Western hostage.

THE 71ST BIRTHDAY OF THE SHREVEPORT SUN

Mr. JOHNSTON. Mr. President, I recognize and salute today on the occasion of its 71st birthday the Shreveport Sun, a weekly newspaper founded in 1920 to fill a void in the news coverage in my hometown of Shreveport, LA.

Arthur Miller once said, "A good newspaper, I suppose, is a nation talking to itself." I believe this is true. Newspapers speak to and to some degree shape the ideas and ideals of the many components of our society.

But this was not always the case. Unfortunately, in the not-so-distant past, minority interests and concerns were often neglected by the news media.

The Sun, founded by the late M.L. Collins, Sr., has been not only a unifying voice for its readers, but a force for public enlightenment, for constructive change and for progress throughout the entire community.

At age 71, and at a time when many papers suffer declining circulation, the Sun continues to grow, continues to thrive as a strong voice for the community which has sustained it for 71 years.

I applaud the invaluable contribution the Shreveport Sun has made to all of Shreveport, and I wish it continued success in its next 71 years of publication.

TRIBUTE TO RALPH M. PAIEWONSKY

Mr. JOHNSTON. Mr. President, I was saddened to learn of the death on November 9 of Ralph Paiewonsky, the former Governor of the U.S. Virgin Islands, a lifelong champion of the people of those islands, and a man whom I regard as a dear personal friend.

Ralph Paiewonsky was appointed Governor of the Virgin Islands by President Kennedy in 1961 and remained in that office for 8 years, bringing an uncommon brand of leadership, vision, and dedication to that position.

One of his grandest ambitions for the residents of the islands, realized in the very first year of his service as Governor, was the creation of the College of the Virgin Islands.

Throughout his tenure as Governor and for all his remaining days, he fought tirelessly and effectively to promote the institution and to fully realize the potential it offered for the education and advancement of those it served throughout the Caribbean.

Those who have watched the College of the Virgin Islands attain the level of excellence it enjoys today and the countless generations to come whose lives will be enriched by this institution owe a great deal of gratitude to Ralph Paiewonsky. The College of the Virgin Islands will stand as a lasting and fitting monument to him.

I know firsthand of Ralph Paiewonsky's devotion to that cause and to the many others he undertook on behalf of the people of the Virgin Islands, both as a public servant and as a private citizen. I worked with him closely on those matters for nearly two decades, dating back to my appointment in 1973 as chairman of what was then the Committee on Interior and Insular Affairs' Subcommittee on Territories. His judgment and counsel to me over the course of nearly two decades were invaluable. His friendship to me throughout the years is something I will cherish always.

Today has been declared a day of mourning for the people of the Virgin Islands in memory of Ralph Paiewonsky. It is a day of mourning for all of us who had the good fortune to know him and to count him as a friend.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

OLDER AMERICANS ACT REAUTHORIZATION AMENDMENTS OF 1991

The PRESIDING OFFICER. Under the previous order, the Senate will now turn to consideration of S. 243, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 243) to revise and extend the Older Americans Act of 1965, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 243) to revise and extend the Older Americans Act of 1965, and for other purposes, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause, and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Older Americans Act Reauthorization Amendments of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. References.

TITLE I—OBJECTIVES AND DEFINITIONS

Sec. 101. Objectives.
Sec. 102. Definitions.

TITLE II—ADMINISTRATION

Sec. 201. Administration on Aging.
Sec. 202. Functions of Commissioner.
Sec. 203. Federal agency consultation.
Sec. 204. State agency consultation.
Sec. 205. Federal Council on the Aging.
Sec. 206. Interagency Task Force on Aging.
Sec. 207. Administration.
Sec. 208. Evaluation.
Sec. 209. Reports by Commissioner.
Sec. 210. Study of effectiveness of State Long-Term Care Ombudsman Programs.
Sec. 211. Commissioner.

TITLE III—STATE AND COMMUNITY PROGRAMS ON AGING

SUBTITLE A—GENERAL PROVISIONS

Sec. 301. Purpose of grants for State and community programs on aging.
Sec. 302. Authorization of appropriations.
Sec. 303. Allotment.
Sec. 304. Organization.
Sec. 305. Area plans.
Sec. 306. State plans.
Sec. 307. Transfer of funds between programs.
Sec. 308. Disaster relief reimbursements.
Sec. 309. Availability of surplus commodities.

SUBTITLE B—SUPPORTIVE SERVICES AND SENIOR CENTERS

Sec. 311. Supportive services.

SUBTITLE C—NUTRITION SERVICES

Sec. 321. Congregate nutrition services.
Sec. 322. Home delivered nutrition services.
Sec. 323. Congregate nutrition services and intergenerational activities.
Sec. 324. Senior nutrition.

SUBTITLE D—IN-HOME SERVICES FOR FRAIL OLDER INDIVIDUALS

Sec. 331. Grants for supportive activities for certain individuals who provide in-home services to frail older individuals.
Sec. 332. In-home services.

SUBTITLE E—PREVENTIVE HEALTH SERVICES

Sec. 341. Program authorized.
Sec. 342. Definition.

SUBTITLE F—PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION

Sec. 351. Repeal.

TITLE IV—TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS

Sec. 401. Priorities for grants and discretionary projects.
Sec. 402. Purposes of education and training projects.
Sec. 403. Grants and contracts for education and training projects.
Sec. 404. Multidisciplinary centers of gerontology.
Sec. 405. Demonstration projects.
Sec. 406. Special projects in comprehensive long-term care.
Sec. 407. Supportive services in federally assisted housing demonstration program.
Sec. 408. Neighborhood senior care program.
Sec. 409. Long-Term Care Ombudsman demonstration projects.
Sec. 410. Housing ombudsman demonstration program.
Sec. 411. Authorization of appropriations.
Sec. 412. Payments of grants for demonstration projects.
Sec. 413. Responsibilities of Commissioner.

TITLE V—OTHER OLDER AMERICANS PROGRAMS

SUBTITLE A—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Sec. 501. Older American Community Service Employment Program.
Sec. 502. Coordination.
Sec. 503. Authorization of appropriations.

SUBTITLE B—GRANTS FOR NATIVE AMERICANS

Sec. 511. Indian program coordination.
Sec. 512. Native Hawaiian coordination.
Sec. 513. Payments.
Sec. 514. Grants for Native Americans.

TITLE VI—ELDER RIGHTS SERVICES

Sec. 601. Vulnerable elder rights protection activities.
Sec. 602. Ombudsman programs.
Sec. 603. Programs for prevention of abuse, neglect, and exploitation.
Sec. 604. State elder rights and legal assistance development programs.
Sec. 605. Outreach, counseling, and assistance programs.
Sec. 606. Technical and conforming amendments.

TITLE VII—PENSION PROGRAMS

Sec. 701. Short title.
Sec. 702. Definitions.
Sec. 703. Entitlement to annuity.
Sec. 704. Computation of annuity.
Sec. 705. Applications.
Sec. 706. Administrative appeals.
Sec. 707. Judicial review.
Sec. 708. Payment of annuities.
Sec. 709. Interagency coordination and cooperation.
Sec. 710. Regulations.
Sec. 711. Program funding.
Sec. 712. Effective date.

TITLE VIII—OTHER PROGRAMS

SUBTITLE A—LONG-TERM HEALTH CARE WORKERS

Sec. 801. Definitions.
Sec. 802. Information requirements.
Sec. 803. Reports.
Sec. 804. Occupational code.

SUBTITLE B—NATIONAL STUDENT LUNCH ACT

Sec. 811. Meals provided through adult day care centers.

SUBTITLE C—WHITE HOUSE CONFERENCE ON AGING

Sec. 821. Authorization of the conference.
Sec. 822. Authorization of appropriations.

TITLE IX—GENERAL PROVISIONS

Sec. 901. Effective dates; application of amendments.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there is a need to consolidate and expand State responsibility for the development, coordination, and management of statewide programs

and services directed toward ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights; and

(2) recent program reports and current research and demonstration findings indicate that—

(A) the incidence of elder abuse in domestic settings is estimated at approximately 1,500,000 cases per year;

(B) only one out of eight cases of elder abuse comes to the attention of State elder abuse reporting systems;

(C) half of the complaints received by the State Long-Term Care Ombudsman program relate to abuse, neglect, and exploitation of residents of long-term care facilities;

(D) approximately 2,000,000 older individuals reside in an estimated 90,000 long-term care facilities;

(E) older individuals residing in long-term care facilities are among the most frail and most vulnerable elderly persons in the United States;

(F) the advocacy services of the State Long-Term Care Ombudsman program, in conjunction with the services of legal assistance providers, are essential to protecting and enhancing the rights of residents of long-term care facilities;

(G) more than persons in any other age group, older individuals rely on public benefit programs and services to meet income, housing, and health and supportive services needs;

(H) benefits and protections for older individuals have expanded under Federal laws such as—

(i) the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.);

(ii) the Military Retirement Reform Act of 1986 (Public Law 99–348; 100 Stat. 682);

(iii) the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.);

(iv) the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.);

(v) sections 1819 and 1919 of the Social Security Act, regarding nursing home reform (42 U.S.C. 1395i–3 and 1396r);

(vi) section 1924 of the Social Security Act, regarding spousal impoverishment (42 U.S.C. 1395r–5);

(vii) the Cranston-Gonzales National Affordable Housing Act of 1990 (Public Law 101–625; 104 Stat. 4079); and

(viii) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

(I) a wide range of State legislative action has occurred in the area of elder rights, including legislative action regarding guardianship reform, insurance regulation, consumer protection, and the development of procedures for surrogate decisionmaking and advanced directives;

(J) the Federal laws described in subparagraph (H) and the State laws resulting from the legislative action described in subparagraph (I) are complex and constitute a difficult challenge for older individuals who wish to take advantage of the benefits the laws provide;

(K) the appropriate utilization of public benefit programs requires consumer knowledge of entitlements and skill in understanding complex Federal, State, and local laws and regulations;

(L) there is growing evidence of the need to provide outreach, counseling, and assistance to older individuals on—

(i) the public benefits to which they are entitled, including benefits under—

(I) the supplemental security income, medicare, and medicaid programs established under the Social Security Act (42 U.S.C. 1381 et seq., 1395 et seq., and 1396 et seq.);

(II) the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); and

(III) the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.); and

(ii) the options available to the persons for public and private insurance, including health, long-term care, and life insurance, and retirement benefits;

(M) it is estimated that only half of older individuals eligible for benefits under the supplemental security income program are currently enrolled;

(N) it is estimated that only half of older individuals eligible for food stamps receive assistance; and

(O) it is estimated that less than half of older individuals eligible for benefits under the medicaid program are currently enrolled.

(b) PURPOSES.—The purposes of this Act are to—

(1) assist States in securing and maintaining for older individuals dignity, security, privacy, the exercise of individual initiative, access to resources and benefits to which the individuals are entitled by law, and protection from abuse, neglect, and exploitation;

(2) require States to undertake a comprehensive approach in developing and maintaining elder rights programs;

(3) authorize States to undertake State level activities in support of programs that—

(A) are administered by State agencies, area agencies on aging, other public agencies, nonprofit agencies and organizations, and volunteers; and

(B) focus on securing and protecting the rights and benefits of older individuals;

(4) require States to administer elder rights programs and services authorized by this Act in a comprehensive and coordinated manner;

(5) require States to give priority to protecting the rights of, and securing and maintaining benefits and services for, older individuals with the greatest economic or social need;

(6) require States, in making grants and entering into contracts to carry out programs to protect elder rights, to give preference as appropriate to area agencies and other entities with a proven track record in performing elder rights activities;

(7) authorize States—

(A) to plan and develop programs and systems of individual representation, investigation, advocacy, protection, counseling, and assistance, for older individuals; and

(B) to coordinate and administer State and local activities for the protection and representation of older individuals, including—

(i) activities for prevention of, and protection against, abuse, neglect, and exploitation;

(ii) legal assistance;

(iii) long-term care ombudsman services;

(iv) benefits counseling and assistance; and

(v) other such outreach activities;

(8) require the State agency to submit annually to the Commissioner on Aging and to other appropriate State agencies a report of elder rights activities and issues, including an analysis of data regarding elder rights based on—

(A) reports of abuse, neglect, or exploitation;

(B) complaints regarding long-term care or from residents of long-term care facilities;

(C) reports of consumer fraud and abuse;

(D) reports of requests for and the provision of emergency protective services;

(E) reports of legal assistance and advocacy required to provide protection; and

(F) reports regarding the failure of older individuals to secure benefits for which the persons are eligible; and

(9) require the State agency to provide public information, education and training, and technical assistance to older individuals, family members of older individuals, and service providers, regarding—

(A) the rights of older individuals;

(B) the means available to secure and protect the rights; and

(C) ways of assisting older individuals in making informed choices.

SEC. 3. REFERENCES.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

TITLE I—OBJECTIVES AND DEFINITIONS

SEC. 101. OBJECTIVES.

Section 101(4) (42 U.S.C. 3001(4)) is amended by inserting ", including support to family members and other persons providing voluntary care to older individuals needing long-term care services" after "homes".

SEC. 102. DEFINITIONS.

(a) DEFINITIONS.—Section 102 (42 U.S.C. 3002) is amended by adding at the end the following new paragraphs:

"(13) The term 'abuse' means the willful—

"(A) infliction of injury, unreasonable confinement, intimidation, or cruel punishment with resulting physical harm or pain or mental anguish; or

"(B) deprivation by an individual, including a caretaker, of goods or services that are necessary to avoid physical harm, mental anguish, or mental illness.

"(14) The term 'Administration' means the Administration on Aging.

"(15) The term 'aging network' means—

"(A) the network of agencies established in section 305, including the Administration, State agencies, and area agencies on aging; and

"(B) persons that—

"(i) are providers of direct services to older individuals; and

"(ii) receive funding under this Act.

"(16) The term 'area agency on aging' means an agency designated under section 305(a)(2)(A) by a State agency.

"(17) The term 'caretaker' means an individual who has the responsibility for the care of an older individual, either voluntarily, by contract, by receipt of payment for care, as a result of family relationship, or by order of a court of competent jurisdiction.

"(18) The term 'conflict of interest' means—

"(A) a direct involvement in the licensing or certification of a long-term care facility or of a provider of a long-term care service;

"(B) an ownership or investment interest (represented by equity, debt, or other financial relationship) in a long-term care facility or a long-term care service;

"(C) employment by, or participation in the management of, a long-term care facility; or

"(D) the receipt, or right to receive, directly or indirectly, remuneration (in cash or in kind) under a compensation arrangement with an owner or operator of a long-term care facility.

"(19) The term 'elder abuse' means abuse of an older individual.

"(20) The term 'exploitation' means the illegal or improper act or process of an individual, including a caretaker, using the resources of an older individual for monetary or personal benefit, profit, or gain.

"(21) The term 'focal point' means a facility established to encourage the maximum collocation and coordination of services for older individuals.

"(22) The term 'greatest economic need' means the need resulting from an income level at or below the poverty line.

"(23) The term 'greatest social need' means the need caused by noneconomic factors, which include—

"(A) physical and mental disabilities;

"(B) language barriers; and

"(C) cultural, social, or geographical isolation, including isolation caused by racial or ethnic status, that—

"(i) restricts the ability of an individual to perform normal daily tasks; or

"(ii) threatens the capacity of the individual to live independently.

"(24) The term 'information and assistance service' means a service for older individuals that—

"(A) provides the individuals with current information on all opportunities and services available to the individuals within their communities, including information relating to assistive technology;

"(B) assesses the problems and capacities of the individuals;

"(C) links the individuals to the opportunities and services that are available;

"(D) ensures that the individuals receive the services needed by the individuals, and are aware of the opportunities available to the individuals, by establishing adequate followup procedures; and

"(E) serves the entire community of older individuals, particularly individuals with the greatest social and economic need.

"(25) The term 'legal assistance'—

"(A) means legal advice and representation by an attorney to older individuals with economic or social needs; and

"(B) includes—

"(i) to the extent feasible, counseling or other appropriate assistance by a paralegal or law student under the supervision of an attorney; and

"(ii) counseling or representation by a nonlawyer where permitted by law.

"(26) The term 'long-term care facility' means—

"(A) any skilled nursing facility, as defined in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a));

"(B) any nursing facility, as defined in section 1919(a) of the Social Security Act (42 U.S.C.1396r(a));

"(C) any institution regulated by a State in accordance with section 1616(e) of the Social Security Act (42 U.S.C. 1382e(e)) for purposes of sections 307(a)(12) and 712; and

"(D) any other adult care home similar to a facility or institution described in subparagraphs (A) through (C).

"(27) The term 'neglect' means—

"(A) the failure to provide for oneself the goods or services that are necessary to avoid physical harm, mental anguish, or mental illness; or

"(B) the failure of a caretaker to provide the goods or services.

"(28) The term 'older individual' means any individual who is 60 years of age or older.

"(29) The term 'physical harm' means bodily pain, injury, impairment, or disease.

"(30) The term 'planning and service area' means an area specified by a State agency under section 305(a)(1)(E).

"(31) The term 'poverty line' means the official poverty line (as defined by the Office of Management and Budget, and revised annually by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)).

"(32) The term 'State agency' means the State agency designated by a State under section 305(a)(1).

"(33) The term 'unit of general purpose local government' means—

"(A) a political subdivision of the State whose authority is general and not limited to only one function or combination of related functions; or

"(B) an Indian tribal organization.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Sections 102(2), 201(c)(1), 211, 301(b)(1), 402(a), 411(b), 503(a), and 505(a) (42 U.S.C. 3002(2), 3011(c)(1), 3020b, 3021(b)(1), 3030bb(a), 3031(b), 3056a(a), and 3056c(a)) are amended by striking "Administration on Aging" and inserting "Administration".

(2) Section 201(a) (42 U.S.C. 3011(a)) is amended in the first sentence by striking—

(A) "(hereinafter in this Act referred to as the 'Administration')"; and

(B) "(hereinafter in this Act referred to as the 'Commissioner')".

(3) Section 302 (42 U.S.C. 3022) is amended—

(A) by striking paragraphs (2) through (7), (9), (11), and (14) through (21);

(B) by redesignating paragraph (8) as paragraph (2); and

(C) by redesignating paragraph (10) as paragraph (3).

TITLE II—ADMINISTRATION

SEC. 201. ADMINISTRATION ON AGING.

(a) COORDINATION.—Section 201(c)(3) (42 U.S.C. 3011(c)(3)) is amended—

(1) in subparagraph (B), by inserting ", with particular attention to services provided to Native Americans by the Indian Health Service" after "affecting older Native Americans";

(2) in subparagraph (F), by inserting ", including information on Native American elder abuse, in-home care, health problems, and other problems unique to Native Americans" after "Native Americans";

(3) by striking "and" at the end of subparagraph (G);

(4) by striking the period at the end of subparagraph (H) and inserting "; and"; and

(5) by adding at the end the following new subparagraph:

"(I) promote coordination between programs established under titles III and VI, including the sharing of information among grantees of the programs such as information involving the purposes and implementation of any training or technical assistance grants or contracts involved in the programs.".

(b) OFFICE OF LONG-TERM CARE OMBUDSMAN PROGRAMS.—Section 201 is amended by adding at the end the following new subsection:

"(d)(1) As used in this subsection:

"(A) The term 'Associate Commissioner' means the Associate Commissioner for Ombudsman Services.

"(B) The term 'eligible individual' means an individual, if—

"(i) the individual does not have, and in the preceding 2-year period did not have, a conflict of interest; and

"(ii) no member of the immediate family of the individual has, or in the preceding 2-year period had, a conflict of interest.

"(C) The term 'Office' means the Office of Long-Term Care Ombudsman Programs.

"(2) There is established in the Administration an Office of Long-Term Care Ombudsman Programs.

"(3)(A) The Office shall be headed by an Associate Commissioner for Ombudsman Services appointed by the Commissioner from among eligible individuals who have—

"(i) training in, or knowledge regarding—

"(I) gerontology, long-term care, health care, or social service programs that are relevant to meeting the needs of residents of long-term care facilities;

"(II) legal systems, the delivery of legal assistance, community services, and organizations that are involved in activities relating to long-term care;

"(III) program management skills and complaint and dispute resolution techniques, including skills and techniques relating to investigation, negotiation, and mediation; and

"(IV) long-term care advocacy; and

"(ii) technical or professional level experience with residents of long-term care facilities.

"(B) No person shall be appointed Associate Commissioner if—

"(i) the person has been employed within the previous 2 years by—

"(I) a long-term care facility;

"(II) a corporation that owned or operated a long-term care facility; or

"(III) an association of long-term care facilities; or

"(ii) the person or any member of the immediate family of the person has a conflict of interest.

"(4) The Associate Commissioner shall—

"(A) serve as an effective and visible advocate on behalf of older individuals who reside in long-term care facilities, within the Department of Health and Human Services and with other departments and agencies of the Federal Government, regarding all Federal policies affecting the individuals;

"(B) review and make recommendations to the Commissioner regarding—

"(i) the approval of the provisions in State plans submitted under section 307(a) or section 705 that relate to State Long-Term Care Ombudsman programs; and

"(ii) the adequacy of State budgets and policies relating to the programs;

"(C) after consultation with State Long-Term Care Ombudsmen and the State agencies, make recommendations to the Commissioner regarding—

"(i) policies designed to assist State Long-Term Care Ombudsmen; and

"(ii) methods to periodically monitor and evaluate the operation of State Long-Term Care Ombudsman programs, to ensure that the programs satisfy the requirements of section 307(a)(12) and section 712, including provision of service to residents of board and care facilities, and of other similar adult care homes;

"(D) keep the Commissioner and the Secretary fully and currently informed about—

"(i) problems relating to State Long-Term Care Ombudsman programs; and

"(ii) the necessity for, and the progress toward, solving the problems;

"(E) review, and make recommendations to the Secretary and the Commissioner regarding, existing and proposed Federal legislation, administrative regulations, and other policies, regarding the operation of State Long-Term Care Ombudsman programs;

"(F) make recommendations to the Commissioner and the Secretary regarding the policies of the Administration, and coordinate the activities of the Administration with the activities of other Federal entities, State and local entities, and nongovernmental entities, relating to State Long-Term Care Ombudsman programs;

"(G) supervise the activities carried out under the authority of the Administration that relate to State Long-Term Care Ombudsman programs; and

"(H) make recommendations to the Commissioner regarding the operation of the National Ombudsman Resource Center established under section 202(a)(21).".

SEC. 202. FUNCTIONS OF COMMISSIONER.

(a) CENTERS; AGING NETWORK; INFORMATION AND ASSISTANCE; LEGAL ASSISTANCE.—Section 202(a) (42 U.S.C. 3012(a)) is amended—

(1) in paragraph (19) by striking "and" at the end;

(2) in paragraph (20) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(21)(A) establish a National Ombudsman Resource Center and, by grant or contract, operate such center to assist State Long-Term Care Ombudsmen and the representatives of the Ombudsmen in carrying out State Long-Term Care Ombudsman programs effectively under section 307(a)(12) and section 712 by—

"(i) providing technical assistance, training, and other means of assistance;

"(ii) analyzing laws, regulations, policies, and actions with respect to which comments made *under section 712(a)(3)(G)(i) are submitted to the center; and*

"(iii) providing assistance in recruiting and retaining volunteers for State Long-Term Care Ombudsman programs by establishing a national program for recruitment efforts that utilizes the organizations that have established a successful record in recruiting and retaining volunteers for ombudsman or other programs; and

"(B) make available to the Center not less than the amount of resources made available to the Center for fiscal year 1991;

"(22) establish a National Aging Data Center and, directly or by grant or contract, operate the Center to—

"(A) annually compile, analyze, publish, and disseminate—

"(i) statistical data collected under paragraph (19);

"(ii) census data on aging demographics; and

"(iii) data from other Federal agencies on—

"(I) the health, social, and economic status of older individuals; and

"(II) the services provided to older individuals;

"(B) biannually compile, analyze, publish, and disseminate statistical data collected on the functions, staffing patterns, and funding sources of State agencies and area agencies on aging;

"(C) analyze the data collected under section 201(c)(3)(F) by the Associate Commissioner on American Indian, Alaskan Native, and Native Hawaiian Aging;

"(D) provide technical assistance, training, and other means of assistance to State agencies, area agencies on aging, and service providers, regarding State and local data collection and analysis; and

"(E) be a national resource on statistical data regarding aging;

"(23) serve, with State agencies and area agencies on aging, as the focal point for developing and maintaining a national aging network that ensures a responsive community-based services system to assist older individuals throughout the United States;

"(24) establish information and assistance services as priority services for the aged and aging;

"(25) develop guidelines for area agencies on aging to follow in choosing and evaluating providers of legal assistance; and

"(26) develop guidelines and a model job description for choosing and evaluating legal assistance developers.".

(b) Community-Based Long-Term Care Program.—Section 202(b) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) participate in all departmental and interdepartmental activities to provide a leadership role for the Administration, State agencies, and area agencies on aging in the development and implementation of a national community-based long-term care program for older individuals.".

(c) Volunteer Service Coordinators.—Section 202(c) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraph:

"(2)(A) In executing the duties and functions of the Administration under this Act and carrying out the programs and activities provided for by this Act, the Commissioner shall act to encourage and assist the establishment and use of—

"(i) area volunteer service coordinators, as described in section 306(a)(11), by area agencies on aging designated under section 305(a)(2)(A); and

"(ii) State volunteer service coordinators, as described in section 307(a)(32), by State agencies designated under section 305(a)(1).

"(B) The Commissioner shall provide technical assistance to the State and area volunteer services coordinators.".

(d) National Center on Elder Abuse.—Section 202 is amended by adding at the end the following new subsection:

"(d)(1) The Commissioner shall establish and operate a National Center on Elder Abuse.

"(2) In operating the Center, the Commissioner shall—

"(A) annually compile, publish, and disseminate a summary of recently conducted research on elder abuse, neglect, and exploitation;

"(B) develop and maintain an information clearinghouse on all programs, including private programs, showing promise of success, for the prevention, identification, and treatment of elder abuse, neglect, and exploitation;

"(C) compile, publish, and disseminate training materials for personnel who are engaged or intend to engage in the prevention, identification, and treatment of elder abuse, neglect, and exploitation;

"(D) provide technical assistance to State agencies and to other public and nonprofit private agencies and organizations to assist the agencies and organizations in planning, improving, developing, and carrying out programs and activities relating to the special problems of elder abuse, neglect, and exploitation; and

"(E) conduct research and demonstration projects regarding the causes, prevention, identification, and treatment of elder abuse, neglect, and exploitation.

"(3)(A) The Commissioner shall carry out paragraph (2) through a grant or contract.

"(B) The Commissioner shall issue criteria for programs receiving funding through a grant or contract under this subsection.

"(C) The Commissioner shall establish research priorities for making grants or contracts to carry out paragraph (2)(E) and, not later than 60 days before the date on which the Commissioner establishes such priorities, publish in the Federal Register for public comment a statement of such proposed priorities.

"(4) The Commissioner shall make available to the Center such resources as are necessary for the Center to carry out effectively the functions of the Center under this Act and not less than the amount of resources made available to the Center for fiscal year 1991.".

(e) Obligation.—Not later than January 1, 1992, the Commissioner shall obligate, from the funds appropriated under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) for fiscal year 1992—

(1) to carry out section 202(a)(21) of such Act (as added by subsection (a)(3) of this section), not less than the amount made available in fiscal year 1991 under such Act for making grants and entering into contracts to establish and operate National Ombudsman Resource Centers; and

(2) to carry out section 202(d) of such Act (as added by subsection (d) of this section), not less than the amount made available in fiscal year 1991 under such Act for making grants and entering into contracts to establish and operate National Centers on Elder Abuse.

(f) Technical and Conforming Amendments.—Paragraphs (2)(A) and (4) of section 306(a) and sections 307(a)(9), 422(c)(3), 614(a)(6), and 624(a)(7) (42 U.S.C. 3026(a)(2)(A) and (4), 3027(a)(9), 3035a(c)(3), 3057e(a)(6), and 3057j(a)(7)) are amended by striking "information and referral" each place the term appears and inserting "information and assistance".

SEC. 203. FEDERAL AGENCY CONSULTATION.

Section 203(a) (42 U.S.C. 3013(a)) is amended to read as follows:

"(a)(1) The Commissioner, in carrying out the purposes and provisions of this Act, shall advise, consult with, and cooperate with, the head of each Federal agency or department proposing or administering programs or services substantially related to the purposes of this Act, with respect to such programs or services. In particular, the Commissioner shall advise, consult, and cooperate with the Department of Labor in carrying out title V, and with ACTION in carrying out the Act.

"(2) The head of each Federal agency or department proposing to establish programs and services substantially related to the purposes of this Act shall consult with the Commissioner prior to the establishment of such programs and services. The head of each Federal agency administering any program substantially related to the purposes of this Act, particularly administering any program set forth in subsection (b), shall, to achieve appropriate coordination, consult and cooperate with the Commissioner in carrying out such program. In particular, the Department of Labor shall consult and cooperate with the Commissioner in carrying out the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

"(3) The head of each Federal agency administering programs and services substantially related to the purposes of this Act shall collaborate with the Commissioner in carrying out this Act, and shall develop a written analysis, for review and comment by the Commissioner, of the impact of such programs and services on—

"(A) the elderly, with particular attention to low-income minority older individuals; and

"(B) the functions and responsibilities of State agencies and area agencies on aging.".

SEC. 204. STATE AGENCY CONSULTATION.

Title II is amended by inserting after section 203 (42 U.S.C. 3013) the following new section:

"SEC. 203A. STATE AGENCY CONSULTATION.

"The Commissioner shall consult and coordinate with State agencies in the development of Federal goals, regulations, program instructions, policies, and procedures under this Act.".

SEC. 205. FEDERAL COUNCIL ON THE AGING.

(a) Establishment.—Section 204(a) (42 U.S.C. 3015(a)) is amended—

(1) in paragraph (1), by striking the second sentence; and

(2) in paragraph (2), by striking "1984" and inserting "1991".

(b) Classes.—Section 204(b) is amended—

(1) in paragraph (1), by striking subparagraph (A) and inserting the following new subparagraph:

"(A)(i) 15 members shall be appointed to the Federal Council on the Aging for terms commencing January 1, 1992, of which—

"(I) 5 members, who shall be referred to as class 1 members, shall serve for terms of 1 year, ending on December 31, 1992;

"(II) 5 members, who shall be referred to as class 2 members, shall serve for terms of 2 years, ending on December 31, 1993; and

"(III) 5 members, who shall be referred to as class 3 members, shall serve for terms of 3 years, ending on December 31, 1994.

"(ii) 5 members shall be appointed to the Federal Council on the Aging in 1993 and each subsequent year, for terms commencing on January 1 of the year in which the members are required to be appointed and ending on December 31 of the second year beginning after the year in which the members are required to be appointed.

"(iii) Members appointed in 1993 and each third year thereafter shall be referred to as class 1 members. Members appointed in 1994 and each third year thereafter shall be referred to as class 2 members. Members appointed in 1995 and each third year thereafter shall be referred to as class 3 members.

"(iv) Members shall serve without regard to the provisions of title 5, United States Code."; and

(2) in paragraph (2), by adding at the end the following new sentence: "The term of such a successor shall expire on the date that the term of other members of the class of the successor expires.".

(c) REPORTS.—Section 204(f) is amended by striking "such interim reports as it deems advisable" and inserting "interim reports".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 204(g) (42 U.S.C. 3015(g)) is amended by striking "$210,000" and all that follows and inserting "$255,000 for fiscal year 1992, $268,000 for fiscal year 1993, $281,000 for fiscal year 1994, and $295,000 for fiscal year 1995.".

SEC. 206. INTERAGENCY TASK FORCE ON AGING.

Title II is amended by inserting after section 204 (42 U.S.C. 3015) the following new section:

"SEC. 204A. INTERAGENCY TASK FORCE ON AGING.

"(a) IN GENERAL.—There is established an Interagency Task Force on Aging (referred to in this section as the "Task Force").

"(b) DUTIES.—The Task Force shall coordinate aging policies and programs among the agencies represented on the Task Force.

"(c) MEMBERSHIP.—

"(1) COMPOSITION.—The Task Force shall be composed of the Commissioner and one member from each Federal agency that administers programs specified in section 203(b), appointed by the head of the agency.

"(2) QUALIFICATIONS.—Each member of the Task Force shall hold a position within the agency from which the member is appointed and report directly to the head of the agency.

"(d) CHAIRPERSON.—The Commissioner shall serve as the Chairperson of the Task Force.

"(e) GENERAL POWERS.—The Task Force is authorized to enter into such contracts and other arrangements, make such expenditures, and take such other actions, as the Task Force may determine to be necessary to carry out the duties of the Task Force.

"(f) OBTAINING INFORMATION FROM FEDERAL AGENCIES.—The Commissioner may secure directly from any Federal agency such information as the Task Force may require to carry out its duties.

"(g) USE OF MAIL.—The Task Force may use the United States mails in the same manner and under the same conditions as Federal agencies.

"(h) EXPERTS AND CONSULTANTS.—The Commissioner may obtain such temporary and intermittent services of experts and consultants and compensate the experts and consultants in accordance with section 3109(b) of title 5, United States Code, as the Task Force determines to be necessary to carry out the duties of the Task Force.

"(i) DETAIL OF FEDERAL EMPLOYEES.—On the request of the Commissioner, the head of any Federal agency shall detail, without reimbursement, any of the personnel of the agency to the Administration to assist the Task Force in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

"(j) TECHNICAL ASSISTANCE.—On the request of the Commissioner, the head of a Federal agency shall provide such technical assistance to the Task Force as the Task Force determines to be necessary to carry out its duties.".

SEC. 207. ADMINISTRATION.

Section 205(e) (42 U.S.C. 3016(e)) is amended by inserting before the period at the end the following: "for each of the fiscal years 1992 through 1995".

SEC. 208. EVALUATION.

Section 206(a) (42 U.S.C. 3017(a)) is amended by inserting "including the Federal Council on the Aging," after "by this Act,".

SEC. 209. REPORTS BY COMMISSIONER.

(a) DEADLINE.—Section 207 (42 U.S.C. 3018) is amended—

(1) in subsection (b)(1), by striking "January 15" and inserting "March 1"; and

(2) by adding at the end the following new subsection:

"(d)(1)(A) The Commissioner shall establish a task force to develop recommendations identifying—

"(i) a core data set to be collected by the Administration to comply with section 202(a)(19);

"(ii) data to be collected by the Administration to comply with section 202(a)(22)(B); and

"(iii) supplementary data to be collected by the Administration on a sample basis.

"(B) The task force shall be composed of members appointed by the Commissioner from among individuals who are—

"(i) representatives of State agencies and area agencies on aging;

"(ii) service providers; and

"(iii) persons with expertise in data collection procedures.

"(C) The task force shall submit a report to the Commissioner containing the recommendations described in subparagraph (A).

"(2)(A) The Commissioner shall develop a proposal for a revised system to collect the data described in clauses (i) through (iii) of paragraph (1)(A), based on the recommendations described in paragraph (1)(A). The proposal shall specify a standardized nomenclature, definitions, and methodology for the system, to ensure uniform national data reporting, and a reasonable implementation period for the system.

"(B) Not later than September 30, 1992, the Commissioner shall submit a report to the appropriate committees of Congress containing the proposal described in subparagraph (A).

"(C) After soliciting and considering public comment on the revised system described in subparagraph (A), the Commissioner shall implement the system.

"(3) The Commissioner shall provide technical assistance, training, and other means of assistance to State agencies, area agencies on aging, and service providers regarding State and local data collection and analysis.".

SEC. 210. STUDY OF EFFECTIVENESS OF STATE LONG-TERM CARE OMBUDSMAN PROGRAMS.

Not later than July 1, 1993, the Commissioner on Aging shall, in consultation with State agencies and State Long-Term Care Ombudsmen, directly, or by grant or contract, conduct a study, and submit a report to the committees specified in section 207(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3018(b)(2)), analyzing separately with respect to each State—

(1) the availability of services, and the unmet need for services, under the State Long-Term Care Ombudsman programs in effect under section 307(a)(12) (42 U.S.C. 3028(a)(12)) and section 712 of such Act (as added by section 602 of this Act), to residents of long-term care facilities;

(2) the effectiveness of the program in providing the services to the residents, including residents of board and care facilities, and of other similar adult care homes;

(3) the adequacy of Federal and other resources available to carry out the program on a statewide basis in each State;

(4) compliance and barriers to such compliance of the States in carrying out the programs;

(5) any actual and potential conflicts of interest in the administration and operation of the programs; and

(6) the need for and feasibility of providing ombudsman services to older individuals utilizing noninstitutional long-term care and other health care services, by analyzing and assessing current State agency practices in programs in which the State Long-Term Care Ombudsmen provide services to individuals in settings in addition to long-term care facilities, taking into account variations in—

(A) settings where services are provided;

(B) the types of clients served; and

(C) the types of complaints and problems handled.

SEC. 211. COMMISSIONER.

Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Commissioner on Aging, Department of Health and Human Services.".

TITLE III—STATE AND COMMUNITY PROGRAMS ON AGING

Subtitle A—General Provisions

SEC. 301. PURPOSE OF GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING.

Section 301(a) (42 U.S.C. 3021(a)) is amended to read as follows:

"(a)(1) It is the purpose of this title to encourage and assist State agencies and area agencies on aging to concentrate resources in order to develop greater capacity and foster the development and implementation of comprehensive and coordinated service systems to serve older individuals by entering into new cooperative arrangements in each State with the persons described in paragraph (2), for the planning, and for the provision of, supportive services, and multipurpose senior centers, in order to—

"(A) secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive services;

"(B) remove individual and social barriers to economic and personal independence for older individuals;

"(C) provide a continuum of care for the vulnerable elderly; and

"(D) secure the opportunity for older individuals to receive managed in-home and community-based long-term care services.

"(2) The persons referred to in paragraph (1) include—

"(A) State agencies and area agencies on aging;

"(B) other State agencies, including agencies that administer home and community care programs;

"(C) Indian tribes, tribal organizations, and Native Hawaiian organizations;

"(D) the providers, including voluntary organizations, or other private sector organizations, of supportive services, including nutrition services and multipurpose senior centers; and

"(E) organizations representing or employing older individuals or their families.".

SEC. 302. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 303 of the Act (42 U.S.C. 3023) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "(1)"; and

(ii) by striking "$379,575,000" and all that follows through "fiscal year 1991," and inserting "$461,376,000 fiscal year 1992, $484,455,000 for fiscal year 1993, $508,667,000 for fiscal year 1994, and $534,100,000 for fiscal year 1995"; and

(B) by striking paragraphs (2) and (3);

(2) in subsection (b)—

(A) in paragraph (1), by striking "$414,750,000" and all that follows through "fiscal year 1991" and inserting "$504,131,000 for fiscal year 1992, $529,338,000 for fiscal year 1993, $555,805,000 for fiscal year 1994, and $583,595,000 for fiscal year 1995";

(B) in paragraph (2), by striking "$79,380,000" and all that follows through "fiscal year 1991" and inserting "$96,487,000 for fiscal year 1992, $101,311,000 for fiscal year 1993, $106,376,000 for fiscal year 1994, and $111,695,000 for fiscal year 1995"; and

(C) by adding at the end the following new paragraph:

"(3) There are authorized to be appropriated $20,000,000 for fiscal year 1992, and such sums as

may be necessary for each of the fiscal years 1993 through 1995 to carry out subpart 3 of part C of this title (relating to congregate nutrition services and intergenerational activities of schools).";

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking "parts B and C" and inserting "part B, and subparts 1 and 2 of part C,"; and

(B) in paragraph (2), by inserting "under subparts 1 and 2 of part C" after "nutrition services";

(4) in subsection (d)—

(A) by inserting "(1)" after the subsection designation;

(B) in paragraph (1) (as designated by subparagraph (A) of this paragraph)—

(i) by inserting "subpart 1 of" after "grants under"; and

(ii) by striking "$25,000,000" and all that follows through "fiscal year 1991" and inserting "$45,388,000 for fiscal year 1992, $46,907,000 for fiscal year 1993, $48,503,000 for fiscal year 1994, and $50,178,000 for fiscal year 1995"; and

(C) by adding at the end the following new paragraph:

"(2) There are authorized to be appropriated $15,000,000 for fiscal year 1992, $16,000,000 for fiscal year 1993, $17,000,000 for fiscal year 1994, and $18,000,000 for fiscal year 1995 to carry out subpart 2 of part D (relating to supportive activities for individuals who provide in-home services).";

(5) in subsection (e), by striking "Subject to subsection (h)," and all that follows through "1990 and 1991" and inserting "There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992 through 1995"; and

(6) by striking subsection (f), and inserting the following new subsection:

"(f) There are authorized to be appropriated $25,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 1995 to carry out part F (relating to disease prevention and health promotion services).".

(b) CONDITIONAL APPROPRIATIONS; VOLUNTEER SERVICE COORDINATORS.—Section 303 (42 U.S.C. 3023) is amended—

(1) by striking subsections (g) and (h); and

(2) by adding at the end the following new subsections:

"(g) Grants made under any authority of this title may be used for paying for the costs of providing for an area volunteer services coordinator, as described in section 306(a)(11), or a State volunteer services coordinator, as described in section 307(a)(32).

"(h) No funds may be appropriated under subsection (b)(3) for a fiscal year unless the amounts appropriated for subparts 1 and 2 of part C, respectively, exceed 100 percent of the amounts appropriated for fiscal year 1990 for subparts 1 and 2 of part C.".

SEC. 303. ALLOTMENT.

(a) MINIMUM ALLOTMENT.—Section 304(a)(3) (42 U.S.C. 3024(a)(3)) is amended to read as follows:

"(3) No State shall be allotted, from the amount appropriated pursuant to section 303(d)(2), less than $50,000 for any fiscal year.".

(b) WITHHOLDING OF ALLOTMENTS.—Section 304(c) is amended by inserting "or the Commissioner does not approve the funding formula required under section 305(a)(2)(C)" after "requirements of section 307".

(c) LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 304(d)(1)(B) is amended to read as follows:

"(B) such amount as the State agency determines to be adequate for conducting an effective State Long-Term Care Ombudsman program under section 307(a)(12) shall be available for paying up to 85 percent of the cost of conducting the program under this title;".

SEC. 304. ORGANIZATION.

(a) PLANNING; CONSULTATION; LOW-INCOME MINORITY GOALS AND FOCUS.—Section 305(a) (42 U.S.C. 3025(a)) is amended—

(1) in paragraph (1), by striking subparagraph (C) and inserting the following new subparagraph:

"(C) be primarily responsible for the planning, policy development, administration, coordination, priority setting, and evaluation of all State activities related to the purposes of this Act;"; and

(2) in paragraph (2)—

(A) in subparagraph (C), by inserting "and after consultation with area agencies on aging within the State" after "by the Commissioner";

(B) in subparagraph (D), by striking "for review and comment" and inserting "for approval";

(C) by striking "and" at the end of subparagraph (E);

(D) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(E) by adding at the end the following new subparagraph:

"(G)(i) set specific goals, in consultation with area agencies on aging, for each planning and service area for providing services funded under this title to low-income minority older individuals;

"(ii) provide an assurance that the State agency will undertake specific program development, advocacy, and outreach efforts focused on the needs of low-income minority older individuals; and

"(iii) provide a description of the efforts described in clause (ii) that will be undertaken by the State agency.".

(b) PROCEDURES; REVIEW OF BOUNDARIES.—Section 305(b) is amended—

(1) in paragraph (5), by adding at the end the following new subparagraph:

"(C)(i) A State agency shall establish and follow appropriate procedures to provide due process to affected parties, if the State agency initiates an action or proceeding to—

"(I) revoke the designation of the area agency on aging under subsection (a);

"(II) designate an additional planning and service area in a State; or

"(III) to divide the State into different planning and services areas.

"(ii) The procedures described in clause (i) shall include procedures for—

"(I) providing notice of an action or proceeding described in clause (i);

"(II) documenting the need for the action or proceeding;

"(III) conducting a public hearing for the action or proceeding;

"(IV) involving area agencies on aging, service providers, and older individuals in the action or proceeding; and

"(V) allowing an appeal of the decision of the State agency in the action or proceeding to the Commissioner.

"(iii) An adversely affected party involved in an action or proceeding described in clause (i) may bring an appeal described in clause (ii)(V) on the basis of—

"(I) the facts and merits of the matter that is the subject of the action or proceeding; or

"(II) procedural grounds.

"(iv) In deciding an appeal described in clause (ii)(V), the Commissioner may affirm or set aside the decision of the State agency. If the Commissioner sets aside the decision, and the State agency has taken an action described in subclauses (I) through (III) of subparagraph (C)(i), the State agency shall nullify the action."; and

(2) by adding at the end the following new paragraph:

"(6) Each State agency shall periodically review and evaluate the boundaries of planning and service areas within the State, taking into consideration changing demographics and the views of older individuals, service providers and recipients, State and local elected officials, other human services officials, area agencies on aging, and the general public.".

(c) FUNDING FORMULAS.—Section 305(d) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting a comma; and

(3) by adding at the end the following new paragraphs:

"(5) if the formula does not take into account the incidence of low-income and minority individuals in the State, the reasons that inclusion of the incidence is unnecessary, and

"(6) if the formula does not take into account the incidence of individuals residing in rural areas in the State, in accordance with a standard definition of rural areas specified by the Commissioner, the reasons that inclusion of the incidence is unnecessary.".

(d) APPROVAL OF FORMULA.—Section 305 is amended by adding at the end the following new subsection:

"(e) A State shall not be eligible for grants from the allotment of the State under section 304 until the formula required by subsection (a)(2)(C) is approved by the Commissioner. The Commissioner shall approve any State formula that the Commissioner finds fulfills the requirement of the Act. The Commissioner shall not make a final determination disapproving the formula of any State for distribution of funds received under this title without first affording the State reasonable notice and opportunity for a hearing of the type afforded States under section 307.".

SEC. 305. AREA PLANS.

(a) GOALS FOR LOW-INCOME MINORITY INDIVIDUALS.—Section 306(a)(5) (42 U.S.C. 3026(a)(5)) is amended—

(1) in subparagraph (A)—

(A) in clause (i)—

(i) by striking "preference will be given to" and inserting "the area agency on aging will set specific goals for"; and

(ii) by striking "with particular attention" and inserting "include specific objectives for providing services";

(B) in clause (ii)—

(i) by striking "and" at the end of subclause (I); and

(ii) by adding at the end the following new subclause:

"(III) meet specific goals, established by the area agency on aging, for providing services to low-income minority individuals within the planning and service area; and"; and

(C) in clause (iii)—

(i) by striking "and" at the end of subclause (I); and

(ii) by adding at the end the following new subclause:

"(III) provide information on the extent to which the area agency on aging met the goals described in clause (i);";

(2) by adding "and" at the end of subparagraph (B); and

(3) by adding at the end the following new subparagraph:

"(C) contain an assurance that the area agency on aging will ensure that each activity undertaken by the agency, including planning, advocacy, and systems development, will include a focus on the needs of low-income minority older individuals;".

(b) COORDINATION; HOUSING ARRANGEMENTS.—Section 306(a)(6) (42 U.S.C. 3026(a)(6)) is amended—

(1) by striking subparagraph (H) and inserting the following new subparagraph:

"(H) establish effective and efficient procedures for coordination of—

"(i) entities conducting programs that receive assistance under this Act within the planning and service area served by the agency; and

"(ii) entities conducting other Federal programs for older individuals at the local level, with particular emphasis on entities conducting programs described in section 203(b), within the area";

(2) by striking "and" at the end of subparagraph (O);

(3) by striking subparagraph (P); and

(4) by adding at the end the following new subparagraphs:

"(P) establish an informal grievance procedure for older individuals who are dissatisfied with or denied services under this title, with further appeal to the appropriate area agency on aging;

"(Q) in providing legal assistance, give priority to legal problems related to income, health care, long-term care, nutrition, housing and utilities, defense of guardianship, abuse and neglect, and age discrimination; and

"(R) where possible, assist organizations that provide housing to older individuals (including public and private housing authorities, and organizations that provide housing in accordance with the program established under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q)), in order to provide leadership in the development and expansion of adequate housing, support services, and living arrangements for older individuals;".

(c) EXPENDITURES UNDER IN-HOME SERVICES PROGRAMS.—Section 306(a)(7) (42 U.S.C. 3026(a)(7)) is amended—

(1) by inserting "subpart 1 or 2 of" after "received under"; and

(2) by striking "such part" and inserting "such subpart".

(d) STATE LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 306(a) is amended—

(1) by striking "and" at the end of paragraph (9); and

(2) by striking paragraph (10) and inserting the following new paragraph:

"(10) provide assurances that the area agency on aging, in carrying out the State Long-Term Care Ombudsman program under section 307(a)(12), will expend not less than the total amount of funds appropriated under this Act and expended by the agency in fiscal year 1991 in carrying out such a program under this title;".

(e) VOLUNTEERS TO ASSIST OLDER INDIVIDUALS; PUBLIC DISCLOSURE; RELATIONSHIP WITH PRIVATE SECTOR; ASSURANCES OF COORDINATION AND ACCESS.—Section 306(a) (42 U.S.C. 3026(a)) (as amended by subsection (d) of this section) is further amended by adding at the end the following new paragraphs:

"(11) if appropriate, provide for an area volunteer services coordinator, who shall—

"(A) encourage, and enlist the services of, local volunteer groups to provide assistance and services appropriate to the unique needs of the elderly within the planning and service area;

"(B) encourage, organize, and promote the use of older individuals as volunteers to local communities within the area; and

"(C) promote the recognition of the contribution made by volunteers to programs administered under the area plan;

"(12)(A) describe all activities of the area agency on aging, whether funded by public or private funds; and

"(B) provide an assurance that the activities conform with—

"(i) the responsibilities of the area agency on aging, as set forth in this subsection; and

"(ii) the laws, regulations, and policies of the State served by the area agency on aging;

"(13)(A) provide an assurance that any relationship between the area agency on aging and the private sector shall be related to the purposes of this Act in accordance with State policies; and

"(B) contain a description of all activities involving such a relationship to ensure public accountability;

"(14) provide an assurance that the area agency on aging will coordinate programs under this title and title VI where applicable; and

"(15)(A) provide an assurance that the area agency on aging will pursue activities to increase access by older Native Americans to all aging programs and benefits provided by the agency, including programs and benefits under this title, where applicable; and

"(B) specify the ways in which the area agency on aging intends to implement the activities.".

(f) WITHHOLDING OF AREA FUNDS.—Section 306 is amended by adding at the end the following new subsection:

"(e) If the head of a State agency finds that an area agency on aging has failed to comply with Federal or State laws, including the area plan requirements of this section, regulations, or policies, the State may withhold a portion of the funds to the area agency on aging available under this title. If a State agency withholds the funds, the State agency may use the funds withheld to directly administer programs under this title in the planning and service area served by the area agency on aging, until the area agency on aging takes corrective action and the corrective action is approved by the State agency.".

SEC. 306. STATE PLANS.

(a) STATE LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 307(a) (42 U.S.C. 3027(a)) is amended by striking paragraph (12) and inserting the following new paragraph:

"(12) The plan shall provide assurances that the State agency will carry out, through the Office of the State Long-Term Care Ombudsman, a State Long-Term Care Ombudsman program in accordance with section 712 and this part.".

(b) USE OF FUNDS; NUTRITION EDUCATION AND SANITARY HANDLING OF MEALS.—Section 307(a)(13) (42 U.S.C. 3027(a)(13)) is amended—

(1) in subparagraph (B), by inserting "(other than under section 303(b)(3))" after "available under this title";

(2) by striking "and" at the end of subparagraph (H);

(3) by striking the period at the end of subparagraph (I) and inserting a semicolon; and

(4) by adding at the end the following new subparagraphs:

"(J) each nutrition project shall provide nutrition education on at least a quarterly basis to participants in the congregate and home delivered nutrition services programs described in subparts 1 and 2, respectively; and

"(K) each project must comply with applicable provisions of State or local laws regarding the safe and sanitary handling of food, equipment, and supplies used in the storage, preparation, service, and delivery of meals to an older person.".

(c) LEGAL PROBLEMS.—Section 307(a)(15) (42 U.S.C. 3027(a)(15)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) the plan contains assurances that area agencies on aging will give priority to legal problems related to income, health care, long-term care, nutrition, housing and utilities, defense of guardianship, abuse and neglect, and age discrimination.".

(d) PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION.—Section 307(a)(16) (42 U.S.C. 3027(a)(16)) is amended by striking ", if funds are not appropriated under section 303(g) for a fiscal year, provide that" and inserting "provide".

(e) EXPENDITURES UNDER STATE LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 307(a) is amended by striking paragraph (21) and inserting the following new paragraph:

"(21) The plan shall provide assurances that the State agency, in carrying out the State Long-Term Care Ombudsman program under section 307(a)(12), will expend not less than the total amount expended by the agency in fiscal year 1991 in carrying out such a program under this title.".

(f) ELDER RIGHTS STATE PLAN.—Section 307(a) is amended by striking paragraph (30) and inserting the following new paragraph:

"(30) The plan shall provide assurances that the State has submitted, or will submit, a State plan under section 705.".

(g) REQUIREMENTS.—Section 307(a) is amended—

(1) by striking paragraph (31); and

(2) by adding at the end the following new paragraphs:

"(31) The plan shall provide assurances that if the State receives funds appropriated under section 303(d)(2), the State agency and area agencies on aging will expend such funds to carry out subpart 2 of part D.

"(32)(A) If 50 percent or more of the area plans in the State provide for an area volunteer services coordinator, as described in section 306(a)(11), the State plan shall provide for a State volunteer services coordinator, who shall—

"(i) encourage area agencies on aging to provide for area volunteer services coordinators;

"(ii) coordinate the volunteer services offered between the various area agencies on aging;

"(iii) encourage, organize and promote the use of older individuals as volunteers to the State;

"(iv) provide technical assistance, which may include training, to area volunteer services coordinators; and

"(v) promote the recognition of the contribution made by volunteers to the programs administered under the State plan.

"(B) If fewer than 50 percent of the area plans in the State provide for an area volunteer services coordinator, the State plan may provide for the State volunteer services coordinator described in subparagraph (A).

"(33) The plan shall provide assurances that special efforts will be made to provide technical assistance to minority service providers.

"(34) The plan—

"(A) shall include the statement and the demonstration required by paragraphs (2) and (4) of section 305(d); and

"(B) may not be approved unless the Commissioner approves such statement and such demonstration.

"(35) The plan shall require the establishment of a State advisory group to continuously advise the State agency on all matters relating to the development of the State plan, the administration of the State plan, and operations conducted under the plan.

"(36) The plan shall provide an assurance that the State agency will coordinate programs under this title and title VI where applicable.

"(37) The plan shall—

"(A) provide an assurance that the State agency will pursue activities to increase access by older Native Americans to all aging programs and benefits provided by the agency, including programs and benefits under this title, where applicable; and

"(B) specify the ways in which the State agency intends to implement the activities.".

SEC. 307. TRANSFER OF FUNDS BETWEEN PROGRAMS.

Section 308(b) (42 U.S.C. 3028(b)) is amended by striking paragraphs (4) and (5) and adding at the end the following new paragraphs:

"(4)(A) Notwithstanding any other provision of this title, a State agency may elect to transfer, between subparts 1 and 2 of part C, not more than 30 percent of the amount that is allotted to the State from the funds appropriated under paragraphs (1) and (2) of section 303(b), for use as the State agency considers appropriate to meet the needs of the areas served.

"(B) A State agency that elects to make a transfer described in subparagraph (A) shall indicate the election in the information submitted to comply with section 307(a)(13).

"(5)(A) A State agency that desires to transfer, between subparts 1 and 2 of part C, more than 30 percent of the amount described in paragraph (4)(A) shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.

"(B) At a minimum, the application described in subparagraph (A) shall include a description of the amount to be transferred, the purposes of the transfer, the need for the transfer, and the impact of the transfer on the services from which the funding will be transferred. The Commissioner shall approve or deny the application in writing.

"(6)(A) Notwithstanding any other provision of this title, a State agency may elect to transfer, between parts B and C, not more than 30 percent of the amount that is allotted to the State from the funds appropriated under subsections (a) and (b) of section 303, for use as the State agency considers appropriate to meet the needs of the areas served.

"(B) A State agency that elects to make a transfer described in subparagraph (A) shall notify the Commissioner of any such election.

"(7) A State agency may not delegate to an area agency on aging or any other entity the authority to make a transfer described in paragraph (4)(A), (5)(A), or (6)(A).

"(8) The Commissioner shall annually collect, and include in the report required by section 207(a), data regarding the transfers described in paragraphs (4)(A), (5)(A), and (6)(A), including—

"(A) the amount of funds involved in the transfers, analyzed by State;

"(B) the rationales for the transfers;

"(C) in the case of transfers described in paragraphs (4)(A) and (5)(A), the effect of the transfers of the provision of services, including the effect on the number of meals served, under—

"(i) subpart 1 of part C; and

"(ii) subpart 2 of part C; and

"(D) in the case of transfers described in paragraph (6)(A)—

"(i) in the case of transfers to part B, information on the supportive services, or services provided through senior centers, for which the transfers were used; and

"(ii) the effect of the transfers on the provision of services provided under—

"(I) part B; and

"(II) part C, including the effect on the number of meals served.".

SEC. 308. DISASTER RELIEF REIMBURSEMENTS.

Section 310(a) (42 U.S.C. 3030(a)) is amended—

(1) in paragraph (1), by striking "supportive services" and inserting "supportive supplies and services"; and

(2) by adding at the end the following new paragraph:

"(3) The Commissioner shall advance to a State up to 75 percent of the funds available for relief of a disaster not later than 5 working days after the President declares the disaster as described in paragraph (1).".

SEC. 309. AVAILABILITY OF SURPLUS COMMODITIES.

Section 311 (42 U.S.C. 3030a) is amended—

(1) in the first sentence of subsection (a)(4), by striking "shall maintain" and all that follows through "1991", and inserting "shall maintain a level of assistance of 56.76 cents per meal, which shall be adjusted on an annual basis on October 1 of each year to the nearest one-fourth cent, in accordance with changes in the series for food away from home, of the Consumer Price Index, published by the Bureau of Labor Statistics of the Department of Labor, for the 12-month period ending on July 1 of the preceding year"; and

(2) in subsection (c)—

(A) in paragraph (1)(A), by striking "$151,000,000" and all that follows through "1991" and inserting "$220,000,000 for fiscal year 1992, $235,000,000 for fiscal year 1993, $250,000,000 for fiscal year 1994, and $265,000,000 for fiscal year 1995"; and

(B) in paragraph (2)—

(i) by striking "(2) In" and inserting "(2)(A) Except as provided in subparagraph (B), in"; and

(ii) by adding at the end the following new subparagraph:

"(B) To the extent feasible, the cents per meal level described in subparagraph (A) shall not be reduced below 56.76 cents per meal in any fiscal year.".

Subtitle B—Supportive Services and Senior Centers

SEC. 311. SUPPORTIVE SERVICES.

Section 321(a) (42 U.S.C. 3030d(a)) is amended—

(1) in paragraph (6), by inserting ", and counseling regarding permanency planning for elderly caregivers of adult children with mental and physical disabilities" after "older individuals";

(2) in paragraph (11), by inserting ", or who are caregivers of adult children who are disabled" after "who are disabled";

(3) by striking "or" at the end of paragraph (18);

(4) by redesignating paragraph (19) as paragraph (20); and

(5) by inserting after paragraph (18) the following new paragraph:

"(19) services designed to support family members and other persons providing voluntary care to older individuals that need long-term care services; or".

Subtitle C—Nutrition Services

SEC. 321. CONGREGATE NUTRITION SERVICES.

Section 331 (42 U.S.C. 3030e) is amended—

(1) by inserting "(a)" after the section designation;

(2) in subsection (a) (as designated by paragraph (1) of this subsection), by striking ", each of which" and all that follows through "National Research Council"; and

(3) by adding at the end the following new subsection:

"(b) An agency that establishes and operates a nutrition project under subsection (a) shall ensure that the meals provided through the project—

"(1) comply with the Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture; and

"(2) provide a 5-day time-averaged intake of—

"(A) 33⅓ percent of the daily recommended dietary allowances, as established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences, if the project serves one meal each day;

"(B) 66⅔ percent of the allowances, if the project serves two meals each day; and

"(C) 100 percent of the allowances, if the project serves three meals each day.".

SEC. 322. HOME DELIVERED NUTRITION SERVICES.

Section 336 (42 U.S.C. 3030f) is amended—

(1) by inserting "(a)" after the section designation;

(2) in paragraph (1) of subsection (a) (as designated by paragraph (1) of this subsection), by striking ", each of which" and all that follows through "National Research Council"; and

(3) by adding at the end the following new subsection:

"(b) An agency that establishes and operates a nutrition project under subsection (a) shall ensure that the meals provided through the project—

"(1) comply with the Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture; and

"(2) provide a 5-day time-averaged intake of—

"(A) 33⅓ percent of the daily recommended dietary allowances, as established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences, if the project serves one meal each day;

"(B) 66⅔ percent of the allowances, if the project serves two meals each day; and

"(C) 100 percent of the allowances, if the project serves three meals each day.".

SEC. 323. CONGREGATE NUTRITION SERVICES AND INTERGENERATIONAL ACTIVITIES.

(a) FINDINGS.—Congress finds that—

(1) there are millions of older individuals who could benefit from congregate nutrition services, but live in areas where meals are unavailable or limited;

(2) there are millions of elementary and secondary school students who need positive role models, tutors, enhancement of self-esteem, and assistance with multiple and complex economic, health, and social problems;

(3) older individuals have a unique range of knowledge, talents, and experience, which can be of immeasurable value to students as a part of the educational process;

(4) intergenerational programs can provide older individuals with the opportunity to contribute skills and talents in the public schools;

(5) programs that create and foster communication between older individuals and youth are effective in improving awareness and understanding of the aging process, promoting more positive and balanced views of the realities of aging, and reducing negative stereotyping of older individuals;

(6) unused or underused space in school buildings can be used for intergenerational programs serving older individuals in exchange for good faith commitments by older individuals to provide volunteer assistance in the public schools; and

(7) school districts need broad-based community support for school initiatives, and intergenerational programs can help to enrich the support.

(b) PURPOSES.—The purposes of this section are—

(1) to create and foster intergenerational opportunities for older individuals and elementary and secondary students in the schools, where meals and social activities are provided;

(2) to create school-based programs for older individuals to assist elementary and secondary students who have limited-English proficiency or are at risk of—

(A) dropping out of school;

(B) abusing controlled substances;

(C) remaining illiterate; and

(D) living in poverty.

(3) to provide older individuals with opportunities to improve their self-esteem and make major contributions to the educational process of the youth of the United States by contributing the unique knowledge, talents, and sense of history of older individuals through roles as volunteer tutors, teacher aides, living historians, special speakers, playground supervisors, lunch-

room assistants, and many other school support roles;

(4) to provide an opportunity for older individuals to obtain access to school facilities and resources, such as libraries, gymnasiums, theaters, cafeterias, audiovisual resources, and transportation; and

(5) to create other programs for group interaction between students and older individuals, including class discussions, dramatic programs, shared school assemblies, field trips, and mutual classes.

(c) SCHOOL-BASED MEALS FOR VOLUNTEER OLDER INDIVIDUALS AND INTERGENERATIONAL PROGRAMS.—Part C of title III (42 U.S.C. 3030e et seq.) is amended by adding at the end the following new subpart:

"Subpart 3—School-Based Meals for Volunteer Older Individuals and Intergenerational Programs

"SEC. 338. ESTABLISHMENT.

"(a) IN GENERAL.—The Commissioner shall establish and carry out, under State plans approved under section 307, a program for making grants to States to pay for the Federal share of establishing and operating projects in elementary and secondary schools that—

"(1) provide hot meals, each of which ensures a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences, to volunteer older individuals—

"(A) while such schools are in session;

"(B) during the summer; and

"(C) unless waived by the State involved, on the weekdays in the school year when such schools are not in session;

"(2) provide intergenerational activities in which volunteer older individuals and students interact;

"(3) provide social and recreational activities for volunteer older individuals;

"(4) develop skill banks that maintain and make available to school officials information on the skills and preferred activities of volunteer older individuals, for purposes of providing opportunities for such individuals to serve as tutors, teacher aides, living historians, special speakers, playground supervisors, lunchroom assistants, and in other roles; and

"(5) provide opportunities for volunteer older individuals to participate in school activities (such as classes, dramatic programs, and assemblies) and use school facilities.

"(b) FEDERAL SHARE.—The Federal share of the costs of establishing and operating nutrition and intergenerational activities projects under this subpart shall be 85 percent.

"SEC. 338A. APPLICATION AND SELECTION OF PROVIDERS.

"(a) CONTENTS OF APPLICATION.—To be eligible to carry out a project under the program established under this subpart, an entity shall submit an application to a State agency. Such application shall include—

"(1) a plan describing the project proposed by the applicant and comments on such plan from the appropriate area agency on aging and the appropriate local educational agency;

"(2) an assurance that the entity shall pay not more than 85 percent of the cost of carrying out such project from funds awarded under this subpart;

"(3) an assurance that the entity shall pay not less than 15 percent of such cost, in cash or in kind, from non-Federal sources;

"(4) information demonstrating the need for such project, including a description of—

"(A) the nutrition services and other services currently provided under this part in the geographic area to be served by such project; and

"(B) the manner in which the project will be coordinated with such services; and

"(5) such other information and assurances as the Commissioner may require by regulation.

"(b) SELECTION AMONG APPLICANTS.—In selecting grant recipients from among entities that submit applications under subsection (a) for a fiscal year, the State agency shall—

"(1) give first priority to entities that carried out a project under this subpart in the preceding fiscal year;

"(2) give second priority to entities that carried out a nutrition project under subpart 1 in the preceding fiscal year; and

"(3) give third priority to entities whose applications include a plan that involves a school with greatest need (as measured by the dropout rate, the level of substance abuse, the number of children who have limited-English proficiency or who participate in programs under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.), the National School Lunch Act (42 U.S.C. 1751 et seq.), or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), or other measures).

"SEC. 338B. REPORTS.

"(a) REPORTS BY STATES.—Not later than 60 days after the end of a fiscal year for which a State receives a grant under this subpart, such State shall submit to the Commissioner a report evaluating the projects carried out under this subpart by such State in such fiscal year. Such report shall include for each project—

"(1) a description of—

"(A) persons served;

"(B) intergenerational activities carried out; and

"(C) additional needs of volunteer older individuals and students; and

"(2) recommendations for any appropriate modifications to satisfy the needs described in paragraph (1)(C).

"(b) REPORTS BY COMMISSIONER.—Not later than 120 days after the end of a fiscal year for which funds are appropriated to carry out this subpart, the Commissioner shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report summarizing, with respect to each State, the reports submitted under subsection (a) for such fiscal year.".

SEC. 324. SENIOR NUTRITION.

Part C of title III (42 U.S.C. 3030e et seq.) (as amended by section 323(c)) is further amended by adding at the end the following new subpart:

"Subpart 4—General Nutrition Service Provisions

"SEC. 339. DIETARY PROFESSIONALS.

"(a) IN GENERAL.—The Commissioner shall ensure that the Administration shall employ at least one individual as a National Dietary Professional on a full-time basis.

"(b) QUALIFICATIONS.—The National Dietary Professional shall—

"(1) have experience in nutrition and dietary services; and

"(2)(A) be a registered dietitian;

"(B) be a credentialed nutrition professional; or

"(C) have education and training that is substantially equivalent to the education and training for a registered dietitian or a credentialed nutrition professional.

"(c) DUTIES.—

"(1) NATIONAL DIETARY PROFESSIONAL.—The National Dietary Professional shall be responsible for the administration of the congregate and home delivered nutrition services programs described in subparts 1 and 2, respectively, and shall have duties that include—

"(A) designing, implementing, and evaluating nutrition programs;

"(B) developing guidelines for nutrition providers concerning safety, sanitary handling of food, equipment, preparation, and food storage;

"(C) disseminating information to nutrition service providers about nutrition advancements and developments;

"(D) promoting coordination between nutrition service providers and community-based organizations serving older individuals;

"(E) developing guidelines on cost containment;

"(F) defining a long range role for the nutrition services in community-based care systems;

"(G) developing model menus and other appropriate materials for serving special needs populations and meeting cultural meal preferences; and

"(H) providing technical assistance to the regional offices of the Administration with respect to each duty described in subparagraphs (A) through (G).

"(2) REGIONAL OFFICES.—The regional offices of the Administration shall be responsible for disseminating, and providing technical assistance regarding, the guidelines and information described in subparagraphs (B), (C), and (E) of paragraph (1) to State agencies, area agencies on aging, and persons that provide nutrition services under this part.

"SEC. 339A. MINIMUM CRITERIA AND GUIDELINES FOR NUTRITION SERVICES.

"(a) TASK FORCE.—

"(1) IN GENERAL.—The Commissioner shall establish a task force to develop recommendations for minimum criteria and guidelines of efficiency and quality for furnishing congregate and home delivered nutrition services, as described in subparts 1 and 2, respectively.

"(2) COMPOSITION OF TASK FORCE.—The task force shall be composed of members appointed by the Commissioner from among individuals nominated by the Secretary of Agriculture, the American Dietetic Association, the National Association of Nutrition and Aging Service Programs, the National Association of Meal Programs, the National Association of State Units on Aging, the National Association of Area Agencies on Aging, and other appropriate organizations.

"(3) REPORT.—Not later than January 1, 1993, the task force shall submit a report to the Commissioner containing the recommendations described in paragraph (1).

"(b) REGULATIONS.—

"(1) IN GENERAL.—Not later than June 30, 1993, the Commissioner, in consultation with the Secretary of Agriculture, shall promulgate regulations establishing minimum criteria and guidelines for furnishing the congregate and home delivered nutrition services described in subparts 1 and 2.

"(2) BASIS.—The regulations shall reflect, to the extent determined appropriate by the Commissioner, the recommendations described in subsection (a)(1).

"SEC. 339B. NUTRITION EDUCATION.

"The Commissioner and the Secretary of Agriculture may provide technical assistance and appropriate material to agencies carrying out nutrition education programs in accordance with section 307(a)(13)(J).".

Subtitle D—In-Home Services for Frail Older Individuals

SEC. 331. GRANTS FOR SUPPORTIVE ACTIVITIES FOR CERTAIN INDIVIDUALS WHO PROVIDE IN-HOME SERVICES TO FRAIL OLDER INDIVIDUALS.

(a) GRANTS.—Part D of title III (42 U.S.C. 3030h et seq.) is amended—

(1) by redesignating section 343 as section 341A;

(2) by redesignating section 342 as section 343;

(3) by inserting after the part designation the following:

***"Subpart 1—In-Home Services"**; and*

(4) by inserting after section 341A (as redesignated by paragraph (1) of this subsection) the following:

"Subpart 2—Supportive Activities for Certain Individuals Who Provide In-Home Services to Frail Older Individuals

"SEC. 342. PROGRAM.

"(a) IN GENERAL.—The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide supportive activities for individuals (including family members) who without compensation provide in-home services to frail older individuals.

"(b) SUPPORTIVE ACTIVITIES.—The supportive activities described in subsection (a) may include—

"(1) providing training and counseling for individuals who provide such services;

"(2) providing technical assistance to such individuals to assist the individuals in forming or participating in support groups;

"(3) providing information—

"(A) to frail older individuals and their families regarding ways of obtaining in-home services and respite services; and

"(B) to individuals who provide such services, regarding—

"(i) ways of providing such services; and

"(ii) sources of nonfinancial support available to the individuals as a result of providing such services; and

"(4) maintaining lists of individuals who provide respite services for the families of frail older individuals.

"Subpart 3—General Provisions."

(b) CONFORMING AMENDMENT.—Section 307(a)(10) (42 U.S.C. 3027(a)(10)) is amended by striking "section 342(1)" and inserting "section 343(1)".

SEC. 332. IN-HOME SERVICES.

Section 343(1) (42 U.S.C. 3030i(1)) (as redesignated by section 331(a)(2) of this Act) is amended—

(1) by striking "and" at the end of subparagraph (D); and

(2) by adding at the end the following new subparagraph:

"(F) other in-home services as defined by the State agency; and".

Subtitle E—Preventive Health Services

SEC. 341. PROGRAM AUTHORIZED.

Section 361 (42 U.S.C. 3030m) is amended—

(1) in subsection (a), to read as follows:

"(a) The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide disease prevention and health promotion services and information at senior centers, at congregate meal sites, through home delivered meals programs, or at other appropriate sites.";

(2) by striking subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

SEC. 342. DEFINITION.

(a) DISEASE PREVENTION AND HEALTH PROMOTION SERVICES.—Section 363 (42 U.S.C. 3030o) is amended to read as follows:

"SEC. 363. DEFINITION.

"As used in this part, the term 'disease prevention and health promotion services' means—

"(1) health risk assessments;

"(2) routine health screening, which may include hypertension, glaucoma, cholesterol, cancer, vision, hearing, diabetes, and nutrition screening;

"(3) nutritional counseling and educational services for individuals and their primary caregivers;

"(4) health promotion programs, including programs aimed at alcohol abuse reduction, smoking cessation, weight loss and control, and stress management;

"(5) physical fitness and group exercise programs, including programs for intergenerational participation that are provided by—

"(A) an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (42 U.S.C. 1141(a));

"(B) a local educational agency, as defined in section 1201(g) of the Act; or

"(C) a community-based organization;

"(6) home injury control services, including screening of high-risk home environments and provision of educational programs on injury protection in the home environment;

"(7) screening for the prevention of depression, coordination of community mental health services, provision of educational activities, and referral to psychiatric and psychological services;

"(8) educational programs on the availability, benefits, and appropriate use of preventive health services covered under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(9) counseling regarding followup health services based on any of the services described in paragraphs (1) through (8).

The term shall not include services for which payment may be made under title XVIII of the Social Security Act.".

(b) CONFORMING AMENDMENTS.—

(1) Part F of title III (42 U.S.C. 3030m et seq.) is amended in the part heading by striking "PREVENTIVE HEALTH SERVICES" and inserting "DISEASE PREVENTION AND HEALTH PROMOTION SERVICES".

(2) Section 422(a)(2) (42 U.S.C. 3035a(a)(2)) is amended by striking "preventive health service" and inserting "disease prevention and health promotion services".

Subtitle F—Programs for Prevention of Abuse, Neglect, and Exploitation

SEC. 351. REPEAL.

Title III (42 U.S.C. 3021 et seq.) is amended by repealing part G.

TITLE IV—TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS

SEC. 401. PRIORITIES FOR GRANTS AND DISCRETIONARY PROJECTS.

Section 402 (42 U.S.C. 3030bb) is amended—

(1) in subsection (c), by striking "and contracts" and inserting ", contracts, and cooperative agreements"; and

(2) by adding at the end the following new subsection:

"(d) The Commissioner shall consult with State agencies and area agencies on aging in—

"(1) developing priorities, consistent with the requirements of this title, for awarding grants and entering into contracts under this title; and

"(2) reviewing applications for the grants and contracts.".

SEC. 402. PURPOSES OF EDUCATION AND TRAINING PROJECTS.

Section 410(3) (42 U.S.C. 3030jj(3)) is amended by inserting ", with particular emphasis on attracting minority persons," after "qualified personnel".

SEC. 403. GRANTS AND CONTRACTS FOR EDUCATION AND TRAINING PROJECTS.

Section 411(a)(2) (42 U.S.C. 3031(a)(2)) is amended by inserting ", with special emphasis on using culturally sensitive practices" before the period.

SEC. 404. MULTIDISCIPLINARY CENTERS OF GERONTOLOGY.

Section 412(a)(4) (42 U.S.C. 3032(a)(4)) is amended by inserting "social work, and psychology," after "education,".

SEC. 405. DEMONSTRATION PROJECTS.

Section 422 (42 U.S.C. 3035a) is amended—

(1) in subsection (b)—

(A) by striking "and" at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(10) meet the service needs of elderly caregivers of adult children with disabilities, including needs for—

"(A) the provision of respite services; and

"(B) the provision of legal advice, information, and referral services to assist elderly caregivers with permanency planning for their adult children with disabilities."; and

(2) by adding at the end the following new subsection:

"(e) As used in this section, the term 'adult child with a disability' means a child who—

"(1) is age 18 or older;

"(2) is financially dependent on a parent of the child; and

"(3) has a physical or mental disability, including a disability caused by mental illness or mental retardation.".

SEC. 406. SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.

(a) IN GENERAL.—Section 423 (42 U.S.C. 3035b) is amended to read as follows:

"SEC. 423. SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.

"(a) DEFINITIONS.—As used in this section:

"(1) PROJECT.—The term 'Project' means a Project To Improve the Delivery of Long-Term Care Services.

"(2) RESOURCE CENTER.—The term 'Resource Center' means a Resource Center for Long-Term Care.

"(b) RESOURCE CENTERS FOR LONG-TERM CARE.—

"(1) GRANTS, CONTRACTS, AND AGREEMENTS.—The Commissioner shall award grants to, or enter into contracts or cooperative agreements with, eligible entities to support the establishment or operation of not fewer than four or more than seven Resource Centers for Long-Term Care in accordance with paragraph (2).

"(2) REQUIREMENTS.—

"(A) FUNCTIONS.—Each Resource Center that receives funds under this subsection shall, with respect to subjects within an area or areas of specialty of the Resource Center—

"(i) perform research;

"(ii) provide for the dissemination of results of the research; and

"(iii) provide technical assistance and training to State agencies and area agencies on aging.

"(B) AREAS OF SPECIALTY.—The areas of specialty described in subparagraph (A) include—

"(i) Alzheimer's disease, related dementias and other cognitive impairments;

"(ii) assessment and case management;

"(iii) data assistance;

"(iv) home modification and housing supportive services;

"(v) consolidation and coordination of services;

"(vi) linkages between acute care and long-term care settings and providers;

"(vii) decisionmaking and bioethics;

"(viii) supply, training, and quality of long-term care personnel;

"(ix) rural issues, including barriers to access to services;

"(x) chronic mental illness;

"(xi) populations with greatest social and economic need, including minorities; and

"(xii) other areas of importance as determined by the Commissioner.

"(c) PROJECTS TO IMPROVE THE DELIVERY OF LONG-TERM CARE SERVICES.—The Commissioner shall award grants to, or enter into contracts or cooperative agreements with, eligible entities to support the entities in establishing or carrying out not fewer than 10 Projects To Improve the Delivery of Long-Term Care Services.

"(d) USE OF FUNDS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an eligible entity may use funds received under a grant, contract, or agreement—

"(A) described in subsection (b)(1) to pay for part or all of the cost (including startup cost) of establishing and operating a new Resource Center, or of operating a Resource Center in existence on the day before the date of the enactment of the Older Americans Act Reauthorization Amendments of 1991; and

"(B) described in subsection (c) to pay for part or all of the cost (including startup cost) of establishing and carrying out a Project.

"(2) REIMBURSABLE DIRECT SERVICES.—None of the funds described in paragraph (1) may be used to pay for direct services that are eligible for reimbursement under title XVIII, title XIX, or title XX of the Social Security Act (42 U.S.C. 1395 et seq., 1396 et seq., or 1397 et seq.).

"(e) PREFERENCE.—In awarding grants, and entering into contracts and agreements, under this section, the Commissioner shall give preference to entities that demonstrate that—

"(1) adequate State standards have been developed to ensure the quality of services provided under the grant, contract, or agreement; and

"(2) the entity has made a commitment to carry out programs under the grant, contract, or agreement with the State agency responsible for the administration of title XIX of the Social Security Act or title XX of the Social Security Act, or both such agencies.

"(f) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive funds under a grant, contract, or agreement described in subsection (b)(1) or (c), an entity shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.

"(2) PROJECT APPLICATION.—An entity seeking a grant, contract, or agreement under subsection (c) shall submit an application to the Commissioner containing, at a minimum—

"(A) information identifying and describing gaps, weaknesses, or other problems in the delivery of long-term care services in the State or service area to be served by the entity, including—

"(i) duplication of functions of various levels in the delivery of services;

"(ii) fragmentation of systems, especially in coordinating services to both the elderly and nonelderly populations;

"(iii) barriers to access for populations with greatest social and economic need, including minorities and residents of rural areas;

"(iv) lack of financing for services; and

"(v) lack of availability of adequately trained personnel;

"(B) a plan to address the gaps, weaknesses and problems described in clauses (i) through (v); and

"(C) information describing the extent to which the entity will coordinate with area agencies on aging and service providers in carrying out the proposed Project.

"(g) ELIGIBLE ENTITIES.—Entities eligible to receive grants, or enter into contracts or agreements, under subsection (b)(1) or (c) include—

"(1) State agencies; and

"(2) in consultation with State agencies—

"(A) area agencies on aging;

"(B) institutions of higher education; and

"(C) other public agencies and nonprofit private organizations.

"(h) REPORT.—The Commissioner shall include in the annual report to the Congress required by section 207, a report on the grants awarded, and contracts and cooperative agreements entered into, under this section, including—

"(1) an analysis of the relative effectiveness, and recommendations for any changes, of the projects of Resource Centers funded under subsection (b)(1); and

"(2) an evaluation of the needs identified, the agencies utilized, and the effectiveness of the approaches tested under subsection (c).

"(i) AVAILABILITY OF FUNDS.—The Commissioner shall make available for carrying out subsection (b) for each fiscal year not less than the amount made available in fiscal year 1991 for making grants and entering into contracts to establish and operate Resource Centers under section 423 of this Act, as in effect on the day before the date of the enactment of the Older Americans Act Reauthorization Amendments of 1991.".

(b) OBLIGATION.—Not later than January 1, 1992, the Commissioner shall obligate, from the funds appropriated under section 431(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3037(a)(1)) for fiscal year 1992—

(1) not less than the amount described in section 423(i) of such Act (42 U.S.C. 3035b(i)) for carrying out section 423(b)(1) of such Act; and

(2) such sums as may be necessary for carrying out section 423(c) of such Act.

SEC. 407. SUPPORTIVE SERVICES IN FEDERALLY ASSISTED HOUSING DEMONSTRATION PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) congregate housing, coordinated with the delivery of supportive services, offers an innovative, proven, and cost-effective means of enabling frail older individuals and disabled individuals to maintain dignity and independence;

(2) independent living with assistance is a preferable housing alternative to institutionalization for many frail older and disabled individuals;

(3) 365,000 older individuals in federally assisted housing experience some form of frailty, and the number is expected to increase as the general population ages;

(4) a growing number of frail older individuals who are residents of federally assisted housing projects face premature or unnecessary institutionalization because of the absence of, or deficiencies in, availability, adequacy, coordination, or delivery of supportive services;

(5) the supportive service needs of frail residents of federally assisted housing are beyond the resources and experience that housing managers have for meeting such needs;

(6) the supportive needs of frail residents of federally assisted housing are beyond the resources that the area agencies on aging have for meeting such needs; and

(7) with the necessary resources, the network of area agencies on aging could provide supportive services to older residents of federally assisted housing projects in an effective manner and reduce the incidence of premature and unnecessary institutionalization.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide services to frail older individuals in federally assisted housing projects through the aging network of area agencies on aging and the subcontractors of the agencies;

(2) to improve the quality of life for older individuals living in federally assisted housing;

(3) to better target the resources of the Administration to low-income individuals, with particular attention to low-income minority individuals;

(4) to develop partnerships and models for coordination between Department of Housing and Urban Development and Farmers Home Administration projects and the aging network;

(5) to involve the aging network in the development of the Comprehensive Housing Affordability Strategy and other programs serving older individuals under the Cranston-Gonzales National Affordable Housing Act of 1990 (Public Law 101–625, 104 Stat. 4079);

(6) to provide the aging network staff the opportunity to effectively identify and assess the housing and supportive service needs of older individuals; and

(7) to improve the programs and services provided within the jurisdiction of the area agencies on aging and State agencies.

(c) DEMONSTRATION PROJECTS.—Part B of title IV is amended by inserting after section 426 (42 U.S.C. 3035e) the following new section:

"SEC. 426A. SUPPORTIVE SERVICES IN FEDERALLY ASSISTED HOUSING DEMONSTRATION PROGRAM.

"(a) GRANTS.—The Commissioner shall award grants to eligible agencies to establish demonstration programs to provide supportive services in federally assisted housing.

"(b) USE OF GRANTS.—An eligible agency shall use a grant awarded under subsection (a) to conduct outreach and to provide to older individuals who are residents in federally assisted housing projects, services including—

"(1) meal services;

"(2) transportation;

"(3) personal care, dressing, bathing, and toileting;

"(4) housekeeping and chore assistance;

"(5) nonmedical counseling;

"(6) case management;

"(7) other services to prevent premature and unnecessary institutionalization of eligible project residents; and

"(8) other services provided under this Act.

"(c) AWARD OF GRANTS.—The Commissioner shall award grants under subsection (a) to agencies in varied geographic settings.

"(d) APPLICATION.—To be eligible to receive a grant under subsection (a), an agency shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require, including, at a minimum—

"(1) information demonstrating a lack of, and need for, supportive services programs in federally assisted housing projects in the service area;

"(2) a comprehensive plan to coordinate with housing facility management to provide services to frail residents who are in danger of premature or unnecessary institutionalization;

"(3) information demonstrating initiative on the part of the agency to address the supportive service needs of older individuals who are residents in federally assisted housing projects;

"(4) information demonstrating financial, in kind, or other support from State or local governments, or from private resources;

"(5) an assurance that the agency will participate in the development of the Comprehensive Housing Affordability Strategy and seek funding for supportive services under the Department of Housing and Urban Development or the Farmers Home Administration;

"(6) an assurance that the agency will target services to low-income minority individuals and conduct outreach;

"(7) an assurance that the agency will comply with the guidelines described in subsection (f); and

"(8) a plan to evaluate the eligibility of residents for services under the federally assisted housing demonstration program, which plan shall include a professional assessment committee to identify residents.

"(e) ELIGIBLE AGENCIES.—Agencies eligible to receive grants under this section shall include State agencies and area agencies on aging.

"(f) GUIDELINES.—The Commissioner shall issue guidelines for use by agencies that receive grants under this section—

"(1) regarding the level of frailty that residents must meet to be eligible for services under a demonstration program established under this section; and

"(2) for accepting voluntary contributions from residents who receive services under such a program.

"(g) EVALUATIONS AND REPORTS.—

"(1) AGENCIES.—Each agency that receives a grant under subsection (a) to establish a demonstration program shall, not later than 3

months after the end of the period for which the grant is awarded—

"(A) evaluate the effectiveness of the program; and

"(B) submit a report containing the evaluation to the Commissioner.

"(2) COMMISSIONER.—The Commissioner shall, not later than 6 months after the end of the period for which the Commissioner awards grants under subsection (a)—

"(A) evaluate the effectiveness of each demonstration program that receives a grant under subsection (a); and

"(B) submit a report containing the evaluation to the appropriate committees of Congress.".

SEC. 408. NEIGHBORHOOD SENIOR CARE PROGRAM.

Part B of title IV of the Older Americans Act of 1965 is amended by adding after section 426A (as added by section 407 of this Act) the following new section:

"SEC. 426B. NEIGHBORHOOD SENIOR CARE PROGRAM.

"(a) DEFINITIONS.—As used in this section:

"(1) HEALTH AND SOCIAL SERVICES.—The term 'health and social services' includes skilled nursing care, personal care, homemaker services, health and nutrition education, health screening, home health aid services, and specialized therapies.

"(2) VOLUNTEER SERVICES.—The term 'volunteer services' includes peer counseling, chore services, help with mail and taxes, transportation, socialization, and other similar services.

"(b) GRANTS.—The Commissioner may award grants to eligible communities to establish neighborhood senior care programs to draw on the professional and volunteer services of local residents to provide health and social services and volunteer services to elderly neighbors who might otherwise have to be admitted to nursing homes and to hospitals.

"(c) PREFERENCE.—In awarding grants to communities under this section, the Commissioner shall give preference to applicants experienced in operating community programs and programs meeting the independent living needs of older individuals.

"(d) ADVISORY BOARD.—The Commissioner shall establish an Advisory Board to provide guidance regarding the neighborhood senior programs. Not fewer than two-thirds of the members of the Advisory Board shall be neighborhood residents in communities receiving grants under subsection (b).

"(e) APPLICATION.—To be eligible to receive a grant under this section, a community shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may reasonably require. Each application shall—

"(1) describe the activities for which assistance is sought;

"(2) describe the neighborhood in which services are to be provided, support and formal services to be provided, and a plan for integration of volunteer services and health and social services;

"(3)(A) provide assurances that nurses and community volunteers and an outreach coordinator live in the neighborhood; or

"(B)(i) reasons that it is not possible to provide such assurances; and

"(ii) assurances that nurses, community volunteers and an outreach coordinator will be assigned consistently to the particular neighborhood; and

"(4) provide for an evaluation of the activities for which assistance is sought.".

SEC. 409. LONG-TERM CARE OMBUDSMAN DEMONSTRATION PROJECTS.

Section 427(a) (42 U.S.C. 3035f(a)) is amended by inserting ", legal assistance agencies," after "ombudsman program".

SEC. 410. HOUSING OMBUDSMAN DEMONSTRATION PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) older individuals who live in, or are attempting to become residents of, publicly assisted housing experience a range of problems related to the housing situations, the condition of homes, and the economic status of the individuals;

(2) problems that older individuals experience in relation to Federal and other public housing programs include—

(A) legal and nonlegal issues;

(B) housing quality issues;

(C) security and suitability problems; and

(D) issues related to regulations of the Department of Housing and Urban Affairs and the Farmers Home Administration;

(3) participants and nonparticipants in Federal and other public housing programs have concerns regarding specific program information, processes, procedures, and requirements of housing programs;

(4) the problems and issues that older individuals face are not currently being addressed in a systematic and comprehensive manner;

(5) interest groups and senior citizen service organizations offer a variety of services, but do not necessarily focus on housing problems;

(6) there is a need for a mechanism to assist older individuals in resolving the problems, and protecting the rights, safety, and welfare of the individuals;

(7) the State Long-Term Care Ombudsman programs established under the Older Americans Act of 1965 have exhibited great success in protecting the rights and welfare of nursing home residents through work on complaint resolution and advocacy; and

(8) an approach similar to the approach used under the State Long-Term Care Ombudsman programs could be used to address the housing problems that older individuals experience.

(b) PURPOSES.—The purposes of this section are—

(1) to ensure the quality and accessibility of publicly assisted housing programs for older individuals;

(2) to assist older individuals seeking Federal, State, and local assistance in the housing area in receiving timely and accurate information and fair treatment regarding public housing programs and related eligibility requirements;

(3) to enable older individuals to remain in publicly assisted homes and live independently for as long as possible;

(4) to enable older individuals to obtain and maintain affordable and suitable housing that addresses the special needs of the individuals; and

(5) to protect older individuals participating in Federal and other publicly assisted housing programs from abuse, neglect, exploitation, or other illegal treatment in publicly assisted housing programs.

(c) DEMONSTRATION PROGRAM.—Title IV (42 U.S.C. 3030aa et seq.) is amended—

(1) by redesignating part C as part D;

(2) by inserting after section 426B (as added by section 408 of this Act) the following:

"PART C—ELDER RIGHTS PROTECTION
DEMONSTRATION PROJECTS"; and

(3) in part C (as designated by paragraph (2) of this subsection), by adding at the end the following new section:

"SEC. 429. HOUSING OMBUDSMAN DEMONSTRATION PROGRAM.

"(a) GRANTS.—The Commissioner shall award grants to eligible agencies to establish housing ombudsman programs.

"(b) USE OF GRANTS.—An eligible agency shall use a grant awarded under subsection (a) to—

"(1) establish a housing ombudsman program that provides information, advice, and advocacy services including—

"(A) direct assistance, or referral to services, to resolve complaints or problems;

"(B) provision of information regarding available housing programs, eligibility, requirements, and application processes;

"(C) counseling or assistance with financial, social, familial, or other related matters that may affect or be influenced by housing problems;

"(D) advocacy related to promoting—

"(i) the rights of the older individuals who are residents in publicly assisted housing programs; and

"(ii) the quality and suitability of housing in the programs; and

"(E) assistance with problems related to—

"(i) threats of eviction or eviction notices;

"(ii) older buildings;

"(iii) functional impairments as the impairments relate to housing;

"(iv) discrimination;

"(v) regulations of the Department of Housing and Urban Development and the Farmers Home Administration;

"(vi) disability issues;

"(vii) intimidation, harassment, or arbitrary management rules;

"(viii) grievance procedures;

"(ix) certification and recertification related to programs of the Department of Housing and Urban Development and the Farmers Home Administration; and

"(x) issues related to transfer from one project or program to another; and

"(2) provide the services described in paragraph (1) through—

"(A) professional and volunteer staff to older individuals who are—

"(i) participating in federally assisted and other publicly assisted housing programs; or

"(ii) seeking Federal, State, and local housing programs; and

"(B)(i) the State Long-Term Care Ombudsman program under section 307(a)(12) or section 712;

"(ii) a legal services or assistance organization or through an organization that provides both legal and other social services;

"(iii) a public or not-for-profit social services agency; or

"(iv) an agency or organization concerned with housing issues but not responsible for publicly assisted housing.

"(c) AWARD OF GRANTS.—The Commissioner shall award grants under subsection (a) to agencies in varied geographic settings.

"(d) APPLICATION.—To be eligible to receive a grant under subsection (a), an agency shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require, including, at a minimum—

"(1) an assurance that the agency will conduct appropriate training of professional and volunteer staff who will provide services through the housing ombudsman demonstration program; and

"(2) an acceptable plan to involve in the demonstration program the Department of Housing and Urban Development, the Farmers Home Administration, any entity described in subsection (b)(3) through which the agency intends to provide services, and other agencies involved in publicly assisted housing programs.

"(e) ELIGIBLE AGENCIES.—Agencies eligible to receive grants under this section shall include—

"(1) State agencies;

"(2) area agencies on aging, applying in conjunction with State agencies; and

"(3) other appropriate nonprofit entities, including providers of services under the State Long-Term Care Ombudsman program and the elder rights and legal assistance development program described in parts B and D of title VII, respectively.

"(f) EVALUATIONS AND REPORTS.—

"(1) AGENCIES.—Each agency that receives a grant under subsection (a) to establish a demonstration program shall, not later than 3 months after the end of the period for which the grant is awarded—

"(A) evaluate the effectiveness of the program; and

"(B) submit a report containing the evaluation to the Commissioner.

"(2) COMMISSIONER.—The Commissioner shall, not later than 6 months after the end of the period for which the Commissioner awards grants under subsection (a)—

"(A) evaluate the effectiveness of each demonstration program that receives a grant under subsection (a); and

"(B) submit a report containing the evaluation to the appropriate committees of Congress.".

SEC. 411. AUTHORIZATION OF APPROPRIATIONS.

Section 431(a) (42 U.S.C. 3037(a)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) There are authorized to be appropriated to carry out sections 420 through 426, $40,075,000 for fiscal year 1992, $42,079,000 for fiscal year 1993, $44,183,000 for fiscal year 1994, and $46,392,000 for fiscal year 1995.";

(2) in paragraph (2)—

(A) in the first sentence, by striking "$1,000,000 for fiscal year 1989" and inserting "$1,000,000 for fiscal year 1993"; and

(B) in the second sentence, by striking "fiscal year 1990" and inserting "fiscal year 1994";

(3) in paragraph (3), by striking "$2,000,000" and all that follows through "1989 and 1990" and inserting "such sums as may be necessary for each of the fiscal years 1992 through 1995"; and

(4) by adding at the end the following new paragraphs:

"(4) There are authorized to be appropriated to carry out section 426A, $4,000,000 for fiscal year 1992 and such sums as may be necessary for each of the subsequent fiscal years.

"(5) There are authorized to be appropriated to carry out the provisions of section 426B, $5,000,000 for fiscal year 1992, $5,500,000 for fiscal year 1993, and $6,000,000 for fiscal year 1994.

"(6) There are authorized to be appropriated to carry out section 429, $2,000,000 for fiscal year 1992 and such sums as may be necessary for each of the subsequent fiscal years.".

SEC. 412. PAYMENTS OF GRANTS FOR DEMONSTRATION PROJECTS.

Section 432(c) (42 U.S.C. 3037a(c)) is amended by striking "unless the Commissioner" and all that follows and inserting "unless the Commissioner—

"(1) consults with the State agency prior to issuing the grant or contract; and

"(2) informs the State agency of the purposes of the grant or contract when the grant or contract is issued.".

SEC. 413. RESPONSIBILITIES OF COMMISSIONER.

Section 433 (42 U.S.C. 3037b) is amended by adding at the end the following new subsection:

"(c)(1) The Commissioner shall establish a Clearinghouse to provide information about education and training projects established under part A, and research and demonstration projects, and other activities, established under part B, to persons requesting the information.

"(2)(A) The Commissioner shall establish procedures specifying the length of time that the Clearinghouse shall provide the information described in paragraph (1) with respect to a particular project. The procedures shall require the Clearinghouse to maintain the information beyond the term of the grant awarded, or contract entered into, to carry out the project.

"(B) The Commissioner shall establish the procedures described in subparagraph (A) after consultation with—

"(i) practitioners in the field of aging;

"(ii) older individuals;

"(iii) representatives of institutions of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (42 U.S.C. 1141(a));

"(iv) national aging organizations;

"(v) State agencies;

"(vi) area agencies on aging;

"(vii) legal assistance providers;

"(viii) service providers; and

"(ix) other persons with an interest in the field of aging.".

TITLE V—OTHER OLDER AMERICANS PROGRAMS

Subtitle A—Community Service Employment for Older Americans

SEC. 501. OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM.

Section 502 (42 U.S.C. 3056) is amended—

(1) in subsection (a), by inserting "and who have poor employment prospects" after "or older"; and

(2) in subsection (d)(1), by striking "within a State such organization or program sponsor shall submit to the State agency on aging" and inserting "within a planning and service area in a State such organization or program sponsor shall submit to the State agency and the area agency on aging of the planning and service area".

SEC. 502. COORDINATION.

Section 503(a) (42 U.S.C. 3056a(a)) is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(2) by inserting "(1)" after the subsection designation; and

(3) by adding at the end the following new paragraph:

"(2) The Secretary of the Department of Labor shall coordinate with the Commissioner to increase job opportunities available to older individuals.".

SEC. 503. AUTHORIZATION OF APPROPRIATIONS.

Section 508(a)(1) (42 U.S.C. 3056f(a)(1)) is amended by striking "$386,715,000" and all that follows and inserting "$470,055,000 for fiscal year 1992, $493,557,000 for fiscal year 1993, $518,235,000 for fiscal year 1994, and $544,147,000 for fiscal year 1995; and".

Subtitle B—Grants for Native Americans

SEC. 511. INDIAN PROGRAM COORDINATION.

Section 614(a) (42 U.S.C. 3057e(a)) is amended—

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(12) provide an assurance that the organization will coordinate programs under this title and title III where applicable.".

SEC. 512. NATIVE HAWAIIAN COORDINATION.

Section 624(a) (42 U.S.C. 3057j(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) provide an assurance that the organization will coordinate programs under this title and title III where applicable.".

SEC. 513. PAYMENTS.

Section 632 (42 U.S.C. 3057m) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end the following new subsections:

"(b) For fiscal year 1992 and each of the subsequent fiscal years, the Commissioner shall make available—

"(1) to organizations who received a grant to carry out the activities described in part A during fiscal year 1991 a total amount at least equal to the total amount made available to the persons to carry out the activities during fiscal year 1991; and

"(2) to organizations who received a grant to carry out the activities described in part B during fiscal year 1991 a total amount at least equal to the total amount made available to the organizations to carry out the activities during fiscal year 1991.

"(c) For fiscal year 1992 and each of the subsequent fiscal years, the Commissioner shall make available additional funds, from the portion of funds appropriated for the fiscal year that exceeds the amount of funds appropriated for fiscal year 1991, to tribal organizations who—

"(1) received a grant to carry out the activities described in part A in fiscal year 1980; and

"(2) received a grant for a lower level of funding to carry out the activities in a later fiscal year due to an increased number of tribal organizations receiving funding to carry out the activities.".

SEC. 514. GRANTS FOR NATIVE AMERICANS.

Section 633 (42 U.S.C. 3057n) is amended to read as follows:

"SEC. 633. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title (other than section 615)—

"(1) $23,321,000 for fiscal year 1992 of which $21,733,000 shall be available to carry out part A and $1,588,000 shall be available to carry out part B;

"(2) $24,603,000 for fiscal year 1993 of which $22,928,000 shall be available to carry out part A and $1,675,000 shall be available to carry out part B;

"(3) $25,956,000 for fiscal year 1994 of which $24,189,000 shall be available to carry out part A and $1,767,000 shall be available to carry out part B; and

"(4) $27,384,000 for fiscal year 1995 of which $25,520,000 shall be available to carry out part A and $1,864,000 shall be available to carry out part B.".

TITLE VI—ELDER RIGHTS SERVICES

SEC. 601. VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES.

The Act (42 U.S.C. 3001 et seq.) is amended by adding at the end the following new title:

"TITLE VII—GRANTS TO STATES FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES

"PART A—GENERAL PROVISIONS

"SEC. 701. ESTABLISHMENT.

"The Commissioner, acting through the Administration, shall establish and carry out a program for making allotments to States to pay for the Federal share of carrying out the elder rights activities described in parts B through E.

"SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

"(a) OMBUDSMAN PROGRAM.—There are authorized to be appropriated to carry out part B, $20,000,000 for fiscal year 1992, $21,000,000 for fiscal year 1993, $22,050,000 for fiscal year 1994, and $23,150,000 for fiscal year 1995.

"(b) PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.—There are authorized to be appropriated to carry out part C, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(c) STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAM.—There are authorized to be appropriated to carry out part D,

$10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(d) OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM.—There are authorized to be appropriated to carry out part E, $15,000,000 for fiscal year 1992, $15,750,000 for fiscal year 1993, $16,540,000 for fiscal year 1994, and $17,360,000 for fiscal year 1995.

"SEC. 703. ALLOTMENT.

"(a) IN GENERAL.—

"(1) POPULATION.—In carrying out the program described in section 701, the Commissioner shall initially allot to each State, from the funds appropriated under section 702 for each fiscal year, an amount that bears the same ratio to the funds as the population age 60 and older in the State bears to the population age 60 and older in all States.

"(2) MINIMUM ALLOTMENTS.—

"(A) IN GENERAL.—After making the initial allotments described in paragraph (1), the Commissioner shall adjust the allotments in accordance with subparagraphs (B) and (C).

"(B) GENERAL MINIMUM ALLOTMENTS.—

"(i) MINIMUM ALLOTMENT FOR STATES.—No State shall be allotted less than one-half of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made.

"(ii) MINIMUM ALLOTMENT FOR TERRITORIES.—Guam, the Virgin Islands, and the Trust Territory of the Pacific Islands, shall each be allotted not less than one-fourth of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made. American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than one-sixteenth of 1 percent of the sum appropriated under section 702 for the fiscal year for which the determination is made.

"(C) MINIMUM ALLOTMENTS FOR OMBUDSMAN AND ELDER ABUSE PROGRAMS.—

"(i) OMBUDSMAN PROGRAM.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(a), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out the State Long-Term Care Ombudsman program under title III.

"(ii) ELDER ABUSE PROGRAMS.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(b), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out programs with respect to the prevention of abuse, neglect, and exploitation of older individuals under title III.

"(D) DEFINITION.—For the purposes of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(b) REALLOTMENT.—

"(1) IN GENERAL.—If the Commissioner determines that any amount allotted to a State for a fiscal year under this section will not be used by the State for carrying out the purpose for which the allotment was made, the Commissioner shall make the amount available to a State that the Commissioner determines will be able to use the amount for carrying out the purpose.

"(2) AVAILABILITY.—Any amount made available to a State from an appropriation for a fiscal year in accordance with paragraph (1) shall, for purposes of this title, be regarded as part of the allotment of the State (as determined under subsection (a)) for the year, but shall remain available until the end of the succeeding fiscal year.

"(c) WITHHOLDING.—If the Commissioner finds that any State has failed to qualify under the State plan requirements of section 705, the Commissioner shall withhold the allotment of funds to the State. The Commissioner shall disburse the funds withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of the State submitting an approved plan under section 705, which includes an agreement that any such payment shall be matched, in the proportion determined under subsection (d) for the State, by funds or in-kind resources from non-Federal sources.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the costs of carrying out the elder rights activities described in parts B through E is 85 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the costs shall be in cash or in kind. In determining the amount of the non-Federal share, the Commissioner may attribute fair market value to services and facilities contributed from non-Federal sources.

"SEC. 704. ORGANIZATION.

"In order for a State to be eligible to receive allotments under this title—

"(1) the State shall demonstrate eligibility under section 305;

"(2) the State agency designated by the State shall demonstrate compliance with the applicable requirements of section 305; and

"(3) any area agency on aging designated by the State agency and participating in such a program shall demonstrate compliance with the applicable requirements of section 305.

"SEC. 705. STATE PLAN.

"(a) ELIGIBILITY.—In order to be eligible to receive allotments under this title, a State shall submit a State plan to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require. At a minimum, the State plan shall contain—

"(1) an assurance that the State, in carrying out any part of this title for which the State receives funding under this title, will establish programs in accordance with the requirements of this title;

"(2) an assurance that the State will hold public hearings to obtain the views of older individuals and other interested parties regarding programs carried out under this title;

"(3) an assurance that the State has submitted, or will submit, a State plan in accordance with section 307;

"(4) an assurance that the State, in consultation with area agencies on aging, will identify and prioritize statewide activities aimed at ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights;

"(5) an assurance that the State will use funds made available under this title for a part in addition to, and will not supplant, any funds that are expended under any Federal or State law in existence on the day before the date of the enactment of this title, to carry out the elder rights activities described in the part;

"(6) an assurance that the State agrees to pay, with non-Federal funds, 15 percent of the cost of the carrying out each part of this title; and

"(7) an assurance that the State will place no restrictions, other than the requirements specified in section 712(a)(5)(C), on the eligibility of agencies or organizations for designation as local Ombudsman entities under section 712(a)(5).

"(b) APPROVAL.—The Commissioner shall approve any State plan that the Commissioner finds fulfills the requirements of subsection (a).

"(c) NOTICE AND OPPORTUNITY FOR HEARING.—The Commissioner shall not make a final determination disapproving any State plan, or any modification of the plan, or make a final determination that a State is ineligible under section 704, without first affording the State reasonable notice and opportunity for a hearing.

"(d) NONELIGIBILITY OR NONCOMPLIANCE.—

"(1) FINDING.—The Commissioner shall take the action described in paragraph (2) if the Commissioner, after reasonable notice and opportunity for a hearing to the State agency, finds that—

"(A) the State is not eligible under section 704;

"(B) the State plan has been so changed that the plan no longer complies substantially with the provisions of subsection (a); or

"(C) in the administration of the plan there is a failure to comply substantially with a provision of subsection (a).

"(2) WITHHOLDING AND LIMITATION.—If the Commissioner makes the finding described in paragraph (1) with respect to a State agency, the Commissioner shall notify the State agency, and shall—

"(A) withhold further payments to the State from the allotments of the State under section 703; or

"(B) in the discretion of the Commissioner, limit further payments to the State to projects under or portions of the State plan not affected by the ineligibility or noncompliance, until the Commissioner is satisfied that the State will no longer be ineligible or fail to comply.

"(3) DISBURSEMENT.—The Commissioner shall, in accordance with regulations prescribed by the Commissioner, disburse funds withheld or limited under paragraph (2) directly to any public or nonprofit private organization or agency or political subdivision of the State that submits an approved plan in accordance with the provisions of this section. Any such payment shall be matched in the proportions specified in section 703(d).

"(e) APPEAL.—

"(1) FILING.—

"(A) IN GENERAL.—A State that is dissatisfied with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with the court not later than 30 days after the final action. A copy of the petition shall be transmitted by the clerk of the court to the Commissioner, or any officer designated by the Commissioner for the purpose.

"(B) RECORD.—On receipt of the petition, the Commissioner shall file in the court the record of the proceedings on which the action of the Commissioner is based, as provided in section 2112 of title 28, United States Code.

"(2) PROCEDURE.—

"(A) REMEDY.—On the filing of a petition under paragraph (1), the court described in paragraph (1) shall have jurisdiction to affirm the action of the Commissioner or to set the action aside, in whole or in part, temporarily or permanently. Until the filing of the record, the Commissioner may modify or set aside the order of the Commissioner.

"(B) SCOPE OF REVIEW.—The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence. If the court remands the case, the Commissioner shall, within 30 days, file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(C) FINALITY.—The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(3) STAY.—The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the action of the Commissioner.

"(f) PRIVILEGE.—Neither a State, nor a State agency, may require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.

"SEC. 706. ADMINISTRATION.

"(a) AGREEMENTS.—In carrying out the elder rights activities described in parts B through E, a State agency may, either directly or through a contract or agreement, enter into agreements with public or private nonprofit agencies or organizations, such as—

"(1) other State agencies;

"(2) county governments;

"(3) area agencies on aging;

"(4) universities and colleges; and

"(5) other statewide or local nonprofit service providers or volunteer organizations.

"(b) TECHNICAL ASSISTANCE.—

"(1) OTHER AGENCIES.—In carrying out the provisions of this title, the Commissioner may request the technical assistance and cooperation of such agencies and departments of the Federal Government as may be appropriate.

"(2) COMMISSIONER.—The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to programs established under this title and to individuals designated under the programs to be representatives of the programs.

"SEC. 707. AUDITS.

"(a) ACCESS.—The Commissioner and the Comptroller General of the United States and any of the duly authorized representatives of the Commissioner or the Comptroller shall have access, for the purpose of conducting an audit or examination, to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"(b) LIMITATION.—State agencies and area agencies on aging shall not request information or data from providers that is not pertinent to services furnished in accordance with this title or a payment made for the services.".

SEC. 602. OMBUDSMAN PROGRAMS.

Title VII (as added by section 601 of this Act) is amended by adding at the end the following new part:

"PART B—OMBUDSMAN PROGRAMS

"SEC. 711. DEFINITIONS.

"As used in this part:

"(1) OFFICE.—The term 'Office' means the office established in section 712(b)(1)(A).

"(2) OMBUDSMAN.—The term 'Ombudsman' means the individual described in section 712(b)(2).

"(3) PROGRAM.—The term 'program' means the State Long-Term Care Ombudsman program established in section 712(b)(1)(B).

"(4) REPRESENTATIVE.—The term 'representative' includes an employee or volunteer who represents an entity designated under section 712(a)(5) and who is individually designated by the Ombudsman.

"SEC. 712. STATE LONG-TERM CARE OMBUDSMAN PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—In order to be eligible to receive an allotment under section 703 from funds appropriated under section 702(a), a State agency shall, in accordance with this section—

"(A) establish and operate an Office of the State Long-Term Care Ombudsman; and

"(B) carry out through the Office a State Long-Term Care Ombudsman program.

"(2) OMBUDSMAN.—The Office shall be headed by an individual, to be known as the State Long-Term Care Ombudsman, who shall be selected from among individuals described in section 201(d)(3).

"(3) FUNCTIONS.—The Ombudsman shall serve on a full-time basis, and shall, directly or through representatives of the Office—

"(A) identify, investigate, and resolve complaints that—

"(i) are made by, or on behalf of, older individuals who are residents of long-term care facilities; and

"(ii) relate to action, inaction, or decisions, that may adversely affect the health, safety, welfare, or rights of the residents, of—

"(I) providers, or representatives of providers, of long-term care services;

"(II) public agencies; or

"(III) health and social service agencies;

"(B) provide services to assist the residents in protecting the health, safety, welfare, and rights of the residents;

"(C) inform the residents about means of obtaining services described in subparagraphs (A) and (B);

"(D) ensure that the residents have regular and timely access to the services provided through the Office and that residents and complainants receive timely responses to complaints from representatives of the Office;

"(E) represent the interests of residents before governmental agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of the residents;

"(F) provide administrative and technical assistance to entities designated under paragraph (5) to assist the entities in participating in the program;

"(G)(i) analyze, comment on, and monitor the development and implementation of Federal, State, and local laws, regulations, and other governmental policies and actions, that pertain to the health, safety, welfare, and rights of the residents, with respect to the adequacy of long-term care facilities and services in the State;

"(ii) recommend any changes in such laws, regulations, policies and actions that the Office determines to be appropriate; and

"(iii) facilitate public comment on the laws, regulations, policies, and actions;

"(H)(i) provide for training representatives of the Office;

"(ii) promote the development of citizen organizations, to participate in the program; and

"(iii) provide technical support for the development of resident and family councils to protect the well-being and rights of residents of long-term care facilities; and

"(I) carry out such other activities as the Commissioner determines to be appropriate.

"(4) CONTRACTS AND ARRANGEMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the State agency may establish and operate the office, and carry out the program, directly, or by contract or other arrangement with any public agency or other appropriate private nonprofit organization.

"(B) LICENSING AND CERTIFICATION ORGANIZATIONS; ASSOCIATIONS.—The State agency may not enter into the contract or other arrangement described in subparagraph (A) with—

"(i) an agency or organization that is responsible for licensing or certifying long-term care services in the State; or

"(ii) an association (or an affiliate of such an association) of long-term care facilities (including any other residential facility for older individuals).

"(5) DESIGNATION OF AREA OR LOCAL OMBUDSMAN ENTITIES AND REPRESENTATIVES.—

"(A) DESIGNATION.—In carrying out the duties of the Office, the Ombudsman may designate an entity as an area or local Ombudsman entity, and may designate an employee or volunteer to represent the entity.

"(B) DUTIES.—An individual so designated shall, in accordance with the policies and provisions established by the Office and the State agency—

"(i) provide services to protect the health, safety, welfare and rights of residents of long-term care facilities;

"(ii) ensure that residents of long-term care facilities in the service areas of the entity have regular, timely access to representatives of the State Long-Term Care Ombudsman program and timely responses to complaints and requests for assistance;

"(iii) identify, investigate, and resolve complaints made by or on behalf of residents of long-term care facilities that relate to action, inaction, or decisions that may adversely affect the health, safety, welfare, or rights of the residents;

"(iv) represent the interests of residents before government agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of the residents;

"(v)(I) review, and if necessary, comment on any existing and proposed laws, regulations, and other government policies and actions, that pertain to the rights and well-being of residents of long-term care facilities; and

"(II) facilitate the ability of the public to comment on the laws, regulations, policies, and actions;

"(vi) support the development of resident and family councils; and

"(vii) carry out other activities that the Ombudsman determines to be appropriate.

"(C) ELIGIBILITY FOR DESIGNATION.—Area or local entities eligible to be designated as Ombudsman entities, and persons eligible to be designated as representatives, shall—

"(i) have demonstrated capability to carry out the responsibilities of the Office;

"(ii) be free of conflicts of interest;

"(iii) in the case of the entities, be public or private not-for-profit entities; and

"(iv) meet such additional requirements as the Ombudsman may specify.

"(D) POLICIES AND PROCEDURES.—

"(i) IN GENERAL.—The State agency shall establish, in accordance with the Office of the State Long-Term Care Ombudsman, policies and procedures for monitoring area and local Ombudsman entities designated as subdivisions of the Office under subparagraph (A).

"(ii) POLICIES.—In a case in which the entities are grantees or employees of area agencies on aging, the State agency will develop the policies in consultation with the area agencies on aging. The policies shall provide for participation and comment by the agencies and for resolution of concerns with respect to case activity.

"(iii) CONFIDENTIALITY AND DISCLOSURE.—The State agency shall develop the policies and procedures in accordance with all provisions of this title regarding confidentiality and conflict of interest.

"(b) PROCEDURES FOR ACCESS.—

"(1) IN GENERAL.—The State shall ensure that representatives of the Office shall have—

"(A) immediate access to long-term care facilities and the residents of the facilities;

"(B) appropriate access to review the medical and social records of a resident, if—

"(i) the representative has the permission of a resident, or the legal representative of a resident; or

"(ii) a resident is unable to consent to the review and has no legal representative;

"(C) access to administrative records of long-term care facilities; and

"(D) access to and, on request, copies of all licensing and certification records maintained by the State with respect to long-term care facilities.

"(2) PROCEDURES.—The State agency shall establish procedures to ensure the access described in paragraph (1).

"(c) REPORTING SYSTEM.—The State agency shall establish a statewide uniform reporting system to—

"(1) collect and analyze data relating to complaints and conditions in long-term care facilities or to residents of the facilities for the purpose of identifying and resolving significant problems; and

"(2) submit the data, on a regular basis, to—

"(A) the agency of the State responsible for licensing or certifying long-term care facilities in the State;

"(B) other State and Federal entities that the Ombudsman determines to be appropriate; and

"(C) the Commissioner.

"(d) DISCLOSURE.—

"(1) IN GENERAL.—The State agency shall establish procedures for the disclosure of files, and of records described in subsection (b)(1), that are maintained by the program.

"(2) IDENTITY OF COMPLAINANT OR RESIDENT.—The procedures described in paragraph (1) shall—

"(A) provide that, subject to subparagraph (B), the files and records described in paragraph (1) may be disclosed only at the discretion of the Ombudsman (or the person designated by the Ombudsman to disclose the files and records); and

"(B) prohibit the disclosure of the identity of any complainant or resident of a long-term care facility with respect to whom the State agency maintains such files or records unless—

"(i) the complainant or resident, or the legal representative of the complainant or resident, consents to the disclosure and the consent is given in writing;

"(ii) in a case in which the complainant or resident is mentally competent and unable to provide written consent due to physical infirmity or other extreme circumstance—

"(I) the complainant or resident gives consent orally; and

"(II) the consent is documented contemporaneously in a writing made by a representative of the Office and reported in writing to the Ombudsman as soon as practicable; or

"(iii) the disclosure is required by court order.

"(e) CONSULTATION.—In planning and operating the program, the State agency shall consider the views of area agencies on aging, older individuals, and provider entities.

"(f) CONFLICT OF INTEREST.—The State agency shall—

"(1) ensure that no individual, or member of the immediate family of an individual, involved in the designation of the Ombudsman (whether by appointment or otherwise) or the designation of an entity designated under subsection (a)(5), is subject to a conflict of interest;

"(2) ensure that no officer, employee, or other representative of the Office, or member of the immediate family of the officer, employee, or other representative of the Office, is subject to a conflict of interest; and

"(3) establish, and specify in writing, mechanisms to identify and remove conflicts of interest referred to in paragraphs (1) and (2), including such mechanisms as—

"(A) the methods by which the State agency will examine individuals, and immediate family members, to identify the conflicts; and

"(B) the actions that the State agency will require the individuals and such family members to take to remove such conflicts.

"(g) LEGAL COUNSEL.—The State agency shall ensure that—

"(1)(A) adequate legal counsel is available to—

"(i) provide advice and consultation needed to protect the health, safety, welfare, and rights of residents of long-term care facilities; and

"(ii) assist the Ombudsman and representatives of the Office in the performance of the official duties of the Ombudsman and representatives; and

"(B) legal representation is provided to any representative of the Office against whom suit or other legal action is brought or threatened to be brought in connection with the performance of the official duties of the Ombudsman or such a representative; and

"(2) the Office pursues administrative, legal, and other appropriate remedies on behalf of residents of long-term care facilities.

"(h) ADMINISTRATION.—The State agency shall require the Office to—

"(1) prepare an annual report—

"(A) describing the activities carried out by the Office in the year for which the report is prepared;

"(B) containing and analyzing the data collected under subsection (c);

"(C) evaluating the problems experienced by, and the complaints made by or on behalf of, residents of long-term care facilities;

"(D) containing recommendations for—

"(i) improving quality of the care and life of the residents; and

"(ii) protecting the health, safety, welfare, and rights of the residents;

"(E)(i) analyzing the success of the program including success in providing services to residents of board and care facilities and other similar adult care homes; and

"(ii) identifying barriers that prevent the optimal operation of the program; and

"(F) providing policy, regulatory, and legislative recommendations to solve identified problems, to resolve the complaints, to improve the quality of care and life of the residents, to protect the health, safety, welfare, and rights of the residents, and to remove the barriers;

"(2) analyze, comment on, and monitor the development and implementation of Federal, State, and local laws, regulations, and other government policies and actions that pertain to long-term care facilities and services, and to the health, safety, welfare, and rights of the residents, in the State, and recommend any changes in such laws, regulations, and policies as the Office determines to be appropriate;

"(3)(A) provide such information as the Office determines to be necessary to public and private agencies, legislators, and other persons, regarding—

"(i) the problems and concerns of older individuals residing in long-term care facilities; and

"(ii) recommendations related to the problems and concerns; and

"(B) make available to the public, and submit to the Commissioner, the chief executive officer of the State, the State legislature, the State agency responsible for licensing or certifying long-term care facilities, and other appropriate governmental entities, each report prepared under paragraph (1);

"(4)(A) not later than January 1, 1993, establish procedures for the training of the representatives of the Office, including unpaid volunteers, based on model standards developed by the National Ombudsman Resource Center established under section 202(a)(21), in consultation with representatives of citizen groups, long-term care providers, and the State Office of Long-Term Care Ombudsman, that—

"(i) specify a minimum number of hours of initial training;

"(ii) specify the content of the training, including training relating to—

"(I) Federal, State, and local laws, regulations, and policies, with respect to long-term care facilities in the State;

"(II) investigative techniques; and

"(III) such other matters as the State determines to be appropriate; and

"(iii) specify an annual number of hours of in-service training for all designated representatives; and

"(B) require implementation of the procedures effective October 1, 1993;

"(5) prohibit any representative of the Office (other than the Ombudsman) from carrying out any activity described in subparagraphs (A) through (G) of subsection (a)(3) unless the representative—

"(A) has received the training required under subsection (h)(4); and

"(B) has been approved by the Ombudsman as qualified to carry out the activity on behalf of the Office.

"(6) coordinate ombudsman services with the protection and advocacy systems for individuals with developmental disabilities and mental illnesses established under—

"(A) part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.); and

"(B) the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.);

"(7) coordinate, to the greatest extent possible, ombudsman services with legal assistance services provided under section 306(a)(2)(C), through adoption of memoranda of understanding and other means; and

"(8) include any area or local Ombudsman entity designated by the Ombudsman under subsection (a)(5) as a subdivision of the Office.

"(i) LIABILITY.—The State shall ensure that no representative of the Office will be liable under State law for the good faith performance of official duties.

"(j) NONINTERFERENCE.—The State shall—

"(1) ensure that willful interference with representatives of the Office in the performance of the official duties of the representatives (as defined by the Commissioner) shall be unlawful;

"(2) prohibit retaliation and reprisals by a long-term care facility or other entity with respect to any resident or other person for filing a complaint with, providing information to, or otherwise cooperating with any representative of, the Office; and

"(3) provide for appropriate sanctions with respect to the interference, retaliation, and reprisals.

"SEC. 713. REGULATIONS.

"The Commissioner shall issue and periodically update regulations respecting conflicts of interest by persons described in paragraphs (1) and (2) of section 712(f).".

SEC. 603. PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION.

(a) PURPOSE.—The purpose of this section is to assist States in the design, development, and coordination of comprehensive services of the State and local levels to prevent, treat, and remedy elder abuse, neglect, and exploitation.

(b) PROGRAMS.—Title VII (as added by section 601, and amended by section 602, of this Act) is amended by adding at the end the following new part:

"PART C—PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION

"SEC. 721. PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.

"(a) ESTABLISHMENT.—In order to be eligible to receive an allotment under section 703 from funds appropriated under section 702(b), a State agency shall, in accordance with this section, develop and enhance programs for the prevention of abuse, neglect, and exploitation of older individuals.

"(b) USE OF ALLOTMENTS.—The State agency shall use an allotment made under subsection (a) to carry out, through the programs described in subsection (a), activities to develop, strengthen, and carry out programs for the prevention and treatment of elder abuse, neglect, and exploitation, including—

"(1) providing for public education and outreach to identify and prevent abuse, neglect, and exploitation of older individuals;

"(2) ensuring the coordination of services provided by area agencies on aging with services instituted under the State adult protection service program;

"(3) promoting the development of information and data systems, including elder abuse reporting systems, to quantify the extent of elder abuse, neglect, and exploitation in the State;

"(4) conducting analysis of State information concerning elder abuse, neglect, and exploi-

tation and identifying unmet service, enforcement, or intervention needs;

"(5) conducting training for individuals, professionals, and paraprofessionals, in relevant fields on the identification, prevention, and treatment of elder abuse, neglect, and exploitation, with particular focus on prevention and enhancement of self-determination and autonomy;

"(6) providing technical assistance to programs that provide or have the potential to provide services for victims of abuse, neglect, and exploitation and for family members of the victims;

"(7) conducting special and on-going training, for individuals involved in serving victims of abuse, neglect, and exploitation, on the topics of self-determination, individual rights, State and Federal requirements concerning confidentiality, and other topics determined to be a State agency to be appropriate; and

"(8) promoting the development of an elder abuse, neglect, and exploitation system—

"(A) that includes a State elder abuse, neglect, and exploitation law that includes provisions for immunity, for persons reporting instances of elder abuse, neglect, and exploitation, from prosecution arising out of such reporting, under any State or local law;

"(B) under which a State agency—

"(i) on receipt of a report of known or suspected instances of elder abuse, neglect, or exploitation, shall promptly initiate an investigation to substantiate the accuracy of the report; and

"(ii) on a finding of abuse, neglect, or exploitation, shall take steps, including appropriate referral, to protect the health and welfare of the abused, neglected, or exploited elder;

"(C) that includes, throughout the State, in connection with the enforcement of elder abuse, neglect, and exploitation laws and with the reporting of suspected instances of elder abuse, neglect, and exploitation—

"(i) such administrative procedures;

"(ii) such personnel trained in the special problems of elder abuse, neglect, and exploitation prevention and treatment;

"(iii) such training procedures;

"(iv) such institutional and other facilities (public and private); and

"(v) such related multidisciplinary programs and services,

as may be necessary or appropriate to ensure that the State will deal effectively with elder abuse, neglect, and exploitation cases in the State;

"(D) that preserves the confidentiality of records in order to protect the rights of elders;

"(E) that provides for the cooperation of law enforcement officials, courts of competent jurisdiction, and State agencies providing human services with respect to special problems of elder abuse, neglect, and exploitation;

"(F) that enables an elder to participate in decisions regarding the welfare of the elder, and makes the least restrictive alternatives available to an elder who is abused, neglected, or exploited; and

"(G) that includes a State clearinghouse for dissemination of information to the general public with respect to—

"(i) the problems of elder abuse, neglect, and exploitation;

"(ii) the facilities; and

"(iii) prevention and treatment methods available to combat instances of elder abuse, neglect, and exploitation.

"(c) APPROACH.—In developing and enhancing programs under subsection (a), the State agency shall use a comprehensive approach to identify and assist older individuals who are subject to abuse, neglect, and exploitation, including older individuals who live in State licensed facilities, unlicensed facilities, or domestic or community-based settings.

"(d) COORDINATION.—In developing and enhancing programs under subsection (a), the State agency shall coordinate the programs with other State and local programs and services for the protection of vulnerable adults, particularly vulnerable older individuals, including programs and services such as—

"(1) area agency on aging programs;

"(2) adult protective service programs;

"(3) the State Long-Term Care Ombudsman program established in part B;

"(4) protection and advocacy programs;

"(5) facility and other long-term care provider licensure and certification programs;

"(6) medicaid fraud and abuse services;

"(7) victim assistance programs; and

"(8) consumer protection and law enforcement programs, as well as other State and local programs that identify and assist vulnerable older individuals.

"(e) REQUIREMENTS.—In developing and enhancing programs under subsection (a), the State agency shall—

"(1) not permit involuntary or coerced participation in such programs by alleged victims, abusers, or members of their households;

"(2) require that all information gathered in the course of receiving a report described in subsection (b)(8)(B)(i), and making a referral described in subsection (b)(8)(B)(ii), shall remain confidential unless—

"(A) all parties to such complaint or report consent in writing to the release of such information; or

"(B) the release of such information is to a law enforcement agency, public protective service agency, licensing or certification agency, ombudsman program, or protection or advocacy system; and

"(3) make all reasonable efforts to resolve any conflicts with other public agencies with respect to confidentiality of the information described in paragraph (2) by entering into memoranda of understanding that narrowly limit disclosure of information, consistent with the requirements described in paragraph (2).".

SEC. 604. STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAMS.

Title VII (as added by section 601, and amended by sections 602 and 603(b), of this Act) is further amended by adding at the end the following new part:

"PART D—STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAM

"SEC. 731. STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—In order to be eligible to receive an allotment under section 703 from funds appropriated under section 702(c), a State agency shall, in accordance with this section, establish a program to provide leadership for expanding the quality and quantity of legal and advocacy assistance as a means for ensuring a comprehensive elder rights system.

"(2) FOCUS.—In carrying out the program established under this part, the State agency shall coordinate the providers in the State that assist older individuals in—

"(A) understanding the rights of the individuals;

"(B) exercising choice;

"(C) benefiting from services and opportunities promised by law;

"(D) maintaining rights consistent with the capacity of the individuals; and

"(E) solving disputes using the most efficient and appropriate methods for representation and assistance.

"(b) FUNCTIONS.—In carrying out this part, the State agency shall—

"(1) establish a focal point for elder rights policy review, analysis, and advocacy at the State level, including such issues as guardianship, age discrimination, pension and health benefits, insurance, consumer protection, surrogate decisionmaking, protective services, public benefits, and dispute resolutions;

"(2) provide a State legal assistance developer and other personnel sufficient to ensure—

"(A) State leadership in securing and maintaining legal rights of older individuals;

"(B) capacity for coordinating the provision of legal assistance; and

"(C) capacity to provide technical assistance, training and other supportive functions to area agencies on aging, legal assistance providers, ombudsmen, and other persons as appropriate;

"(3)(A) develop, in conjunction with area agencies on aging and legal assistance providers, statewide standards for the delivery of legal assistance to older individuals; and

"(B) provide technical assistance to area agencies on aging and legal assistance providers to enhance and monitor the quality and quantity of legal assistance to older individuals, including technical assistance in developing plans for targeting services to reach the individuals with greatest economic and social need (with particular attention to low-income minority individuals);

"(4) provide consultation to, and ensure, the coordination of activities with the legal assistance services provided under title III, services provided by the Legal Services Corporation, and services provided under parts B, C, and E, as well as other State or Federal programs administered at the State and local levels that address the legal assistance needs of older individuals;

"(5) provide for the education and training of professionals, volunteers, and older individuals concerning elder rights, the requirements and benefits of specific laws, and methods for enhancing the coordination of services;

"(6) promote the development of, and provide technical assistance concerning, pro bono legal assistance programs, State and local bar committees on aging, legal hot lines, alternative dispute resolution, aging law curricula in law schools and other appropriate educational institutions, and other methods to expand access by older individuals to legal assistance and other advocacy and elder rights services;

"(7) provide for periodic assessments of the status of elder rights in the State, including analysis—

"(A) of the unmet need for assistance in resolving legal problems and benefits-related problems, methods for expanding advocacy services, the status of substitute decisionmaking systems and services (including systems and services regarding guardianship, representative payeeship, and advance directives), access to courts and the justice system, and the implementation of civil rights and age discrimination laws in the State; and

"(B) of problems and unmet needs identified in programs established under title III and other programs; and

"(8) develop working agreements with—

"(A) State entities, including the consumer protection agency, the court system, the attorney general, the State equal employment opportunity commission, and other appropriate State agencies and entities; and

"(B) Federal entities, including the Social Security Administration and the Veterans' Administration, and other appropriate entities, for the purpose of identifying elder rights services provided by the entities, and coordinating services with programs established under title III and parts B, C, and E of the title.".

SEC. 605. OUTREACH, COUNSELING, AND ASSISTANCE PROGRAMS.

(a) PURPOSE.—The purpose of this section is to provide outreach, counseling, and assistance

in order to assist older individuals in obtaining benefits under—

(1) public and private health insurance, long-term care insurance, and life insurance programs; and

(2) public benefit programs to which the individuals are entitled, including benefits under the supplemental security income, medicaid, medicare, food stamp, and low-income home energy assistance programs.

(b) PROGRAM.—Title VII (as added by section 601, and amended by sections 602, 603(b), and 604, of this Act) is amended by adding at the end the following new part:

"PART E—OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM

"SEC. 741. STATE OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM FOR INSURANCE AND PUBLIC BENEFIT PROGRAMS.

"(a) DEFINITIONS.—As used in this section:

"(1) INSURANCE PROGRAM.—The term 'insurance program' means—

"(A) the medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.);

"(B) the medicaid program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

"(C) another public or private insurance program.

"(2) PUBLIC BENEFIT PROGRAM.—The term 'public benefit program' means—

"(A) the medicaid program established under title XIX of the Social Security Act;

"(B) the program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

"(C) the program established under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.);

"(D) the supplemental security income program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

"(E) with respect to a qualified medicare beneficiary, as defined in section 1905(p) of the Social Security Act (42 U.S.C. 1396d(p)), the medicare program described in title XVIII of the Social Security Act; or

"(F) another public benefit program.

"(3) MEDICARE SUPPLEMENTAL POLICY.—The term 'medicare supplemental policy' has the meaning given the term in section 1882(g)(1) of the Social Security Act (42 U.S.C. 1395ss(g)(1)).

"(4) STATE INSURANCE ASSISTANCE PROGRAM.—The term 'insurance assistance program' means the program established under subsection (b)(1).

"(5) STATE PUBLIC BENEFIT ASSISTANCE PROGRAM.—The term 'public benefit assistance program' means the program established under subsection (b)(2).

"(b) ESTABLISHMENT.—In order to receive an allotment under section 703 from funds appropriated under section 702(d), a State agency shall, in coordination with area agencies on aging and in accordance with this section, establish—

"(1) a program to provide to older individuals outreach, counseling, and assistance related to obtaining benefits under an insurance program; and

"(2) a program to provide outreach, counseling, and assistance to older individuals who may be eligible for, but who are not receiving, benefits under a public benefit program, including benefits as a qualified medicare beneficiary, as defined in section 1905(p) of the Social Security Act.

"(c) INSURANCE AND PUBLIC BENEFITS PROGRAMS.—The State agency shall—

"(1) in carrying out a State insurance assistance program—

"(A) provide information and counseling to assist older individuals—

"(i) in filing claims and obtaining benefits under title XVIII and title XIX of the Social Security Act;

"(ii) in comparing medicare supplemental policies and in filing claims and obtaining benefits under such policies;

"(iii) in comparing long-term care insurance policies and in filing claims and obtaining benefits under such policies;

"(iv) in comparing other types of health insurance policies not described in clause (iii) and in filing claims and obtaining benefits under such policies;

"(v) in comparing life insurance policies and in filing claims and obtaining benefits under such policies; and

"(vi) in comparing other forms of insurance policies not described in clause (v) and in filing claims and obtaining benefits under such policies as determined necessary;

"(B) establish a system of referrals to appropriate providers of legal assistance, and to appropriate agencies of the Federal or State government regarding the problems of older individuals related to health and other forms of insurance and public benefits programs;

"(C) ensure that services provided under the program will be coordinated with programs established under parts B, C, and D of this title, and under title III;

"(D) provide for adequate and trained staff (including volunteers) necessary to carry out the program;

"(E) ensure that staff (including volunteers) of the agency and of any agency or organization described in subsection (d) will not be subject to a conflict of interest in providing services under the program;

"(F) provide for the collection and dissemination of timely and accurate information to staff (including volunteers) related to insurance and public benefits programs;

"(G) provide for the coordination of information on insurance programs between the staff of departments and agencies of the State government and the staff (including volunteers) of the program; and

"(H) make recommendations related to consumer protection that may affect individuals eligible for, or receiving, health or other insurance; and

"(2) in carrying out a State public benefits assistance program—

"(A) carry out activities to identify older individuals with the greatest economic need who may be eligible for, but who are not receiving, benefits or assistance under a public benefits program;

"(B) conduct outreach activities to inform older individuals of the requirements for eligibility to receive such assistance and such benefits;

"(C) assist older individuals in applying for such assistance and such benefits;

"(D) establish a system of referrals to appropriate providers of legal assistance, or to appropriate agencies of the Federal or State government regarding the problems of older individuals related to public benefit programs;

"(E) comply with the requirements specified in subparagraphs (C) through (E) of paragraph (1) with respect to the State public benefits assistance program;

"(F) provide for the collection and dissemination of timely and accurate information to staff (including volunteers) related to public benefits programs;

"(G) provide for the coordination of information on public benefits programs between the staff of departments and agencies of the State government and the staff (including volunteers) of the State public benefits assistance program; and

"(H) make recommendations related to consumer protection that may affect individuals eligible for, or receiving, benefits under a public benefits program.

"(d) ADMINISTRATION.—The State agency may operate the State insurance and State public benefits assistance programs directly, in cooperation with other State agencies, or under an agreement with a statewide nonprofit organization, area agency on aging, or another public, or nonprofit agency or organization.

"(e) MAINTENANCE OF EFFORT.—Any funds appropriated for the activities under this part shall supplement, and shall not supplant, funds that are expended for similar purposes under any Federal, State, or local insurance or public benefits program.

"(f) COORDINATION.—A State that receives an allotment under section 703 and receives a grant under section 4360 of the Omnibus Reconciliation Act of 1990 (42 U.S.C. 1395b–4) to provide services in accordance with the section shall coordinate the services with activities provided by the State agency through the programs described in paragraphs (1) and (2) of subsection (b).".

SEC. 606. TECHNICAL AND CONFORMING AMENDMENTS.

(a) OMBUDSMAN PROGRAM.—

(1) SOCIAL SECURITY ACT.—

(A) Section 1819 of the Social Security Act (42 U.S.C. 1395i–3) is amended in subsections (c)(2)(B)(iii)(II) and (g)(5)(B) by striking "established under section 307(a)(12) of the Older Americans Act of 1965" and inserting "established under title III or VII of the Older Americans Act of 1965 in accordance with section 712 of the Act".

(B) Section 1919 of the Social Security Act (42 U.S.C. 1396r) is amended in subsections (c)(2)(B)(iii)(II) and (g)(5)(B) by striking "established under section 307(a)(12) of the Older Americans Act of 1965" and inserting "established under title III or VII of the Older Americans Act of 1965 in accordance with section 712 of the Act".

(2) OLDER AMERICANS ACT OF 1965.—

(A) Section 207(b) (42 U.S.C. 3018(b)) is amended—

(i) in paragraph (1)(A), by striking "by section 307(a)(12)(C)" and inserting "under titles III and VII in accordance with section 712(c)"; and

(ii) in paragraph (3)—

(I) by striking "by section 307(a)(12)(H)(i)" and inserting "under titles III and VII in accordance with section 712(h)(1)"; and

(II) by striking subparagraph (E) and inserting the following new subparagraph:

"(E) each public agency or private organization designated as an Office of the State Long-Term Care Ombudsman under title III or VII in accordance with section 712(a)(4)(A).".

(B) Section 301(c) (42 U.S.C. 3021(c)) is amended by striking "section 307(a)(12), and to individuals designated under such section" and inserting "section 307(a)(12) in accordance with section 712, and to individuals within such programs designated under section 712".

(C) Section 304(d)(1)(C) (42 U.S.C. 3024(d)(1)(C)) is amended by striking "(excluding any amount" and all that follows through "303(a)(3))".

(D) Section 351(4) (42 U.S.C. 3030l(4)) is amended by striking "under section 307(a)(12)" and inserting "under titles III and VII in accordance with section 712".

(b) PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION.—

(1) Section 321(15) (42 U.S.C. 3030d(15)) is amended by striking "clause (16) of section 307(a)" and inserting "part C of title VII".

(2) Section 431(b) (42 U.S.C. 3037(b)) is amended by striking "(other than sections 306(a)(6)(P), 307(a)(12), and 311, and parts E, F, and G)" and inserting "(other than sections 307(a)(12) and 311 and parts E and F)".

(c) OUTREACH PROGRAMS.—

(1) Section 202(a)(20) (42 U.S.C. 3012(a)(20)) is amended by striking "under section 307(a)(31)".

(2) Section 207(c) (42 U.S.C. 3018(c)) is amended—

(A) in the first sentence, by striking "on the evaluations required to be submitted under section 307(a)(31)(D)" and inserting "on the outreach activities supported under this Act"; and

(B) in paragraph (1), by striking "outreach activities supported under section 306(a)(6)(P)" and inserting "the activities".

(3) Section 303(a) (42 U.S.C. 3023(a)) is amended by striking "for purposes other than outreach activities and application assistance under section 307(a)(31)".

(4) Section 307(a)(20)(A) (42 U.S.C. 3027(a)(20)(A)) is amended by striking "sections 306(a)(2)(A) and 306(a)(6)(P)" and inserting "section 306(a)(2)(A)".

TITLE VII—PENSION PROGRAMS

SEC. 701. SHORT TITLE.

This title may be cited as the "Pension Restoration Act of 1991".

SEC. 702. DEFINITIONS.

For purposes of this title—

(1) STATE; UNITED STATES.—The terms "State" and "United States" have the meanings set forth in paragraph (10) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002).

(2) EMPLOYER; PARTICIPANT; BENEFICIARY; NONFORFEITABLE; DEFINED BENEFIT PLAN.—The terms "employer", "participant", "beneficiary", "nonforfeitable", and "defined benefit plan" have the meanings set forth in paragraphs (5), (7), (8), (19), and (35), respectively, of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002).

(3) EARLY TERMINATED PLAN.—The term "early terminated plan" means a defined benefit plan—

(A) which is described in subsection (a) of section 4 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1003) and is not described in subsection (b) of that section, and

(B) the termination date of which (as determined by the Corporation) was before September 1, 1974.

(4) QUALIFIED PARTICIPANT.—The term "qualified participant" means an individual who—

(A) was a participant in an early terminated plan maintained by an employer of such individual, and

(B) as of immediately before the termination of the plan had a nonforfeitable right to benefits under the plan.

(5) QUALIFIED SPOUSE.—The term "qualified spouse" means an individual who is the widow (within the meaning of section 216(c) of the Social Security Act (42 U.S.C. 416(c)) or the widower (within the meaning of section 216(g) of such Act (42 U.S.C. 416(g)) of a qualified participant.

(6) CORPORATION.—The term "Corporation" means the Pension Benefit Guaranty Corporation.

SEC. 703. ENTITLEMENT TO ANNUITY.

(a) ENTITLEMENT OF QUALIFIED PARTICIPANT.—

(1) IN GENERAL.—A qualified participant is entitled, upon approval under this title of an application therefor, to an annuity computed under section 704(a).

(2) COMMENCEMENT.—The annuity of a qualified participant commences on the day after the later of—

(A) the effective date set forth in section 712, or

(B) the date on which the qualified participant attains 65 years of age.

(3) TERMINATION.—The annuity of a qualified participant and the right thereto terminate at the end of the last calendar month preceding the date of the qualified participant's death.

(b) ENTITLEMENT OF QUALIFIED SPOUSE.—

(1) IN GENERAL.—A qualified spouse is entitled, upon approval under this title of an application therefor, to an annuity computed under section 704(b).

(2) COMMENCEMENT.—The annuity of a qualified spouse of a qualified participant commences on the latest of—

(A) the effective date set forth in section 712,

(B) the first day of the month in which the qualified participant dies, or

(C) if the qualified participant dies before attaining 65 years of age, the first day of the month in which the qualified participant would have attained such age but for the qualified participant's death.

(3) TERMINATION.—The annuity of a qualified spouse and the right thereto terminate at the end of the last calendar month preceding the date of the qualified spouse's death.

SEC. 704. COMPUTATION OF ANNUITY.

(a) QUALIFIED PARTICIPANT'S ANNUITY.—The annuity computed under this subsection (relating to a qualified participant) in connection with any early terminated plan is equal to the excess (if any) of—

(1) the product derived by multiplying $75 by the number of years of service of the qualified participant under the plan, over

(2) the annual amount which would be necessary to amortize in level amounts over 10 years the sum of—

(A) any lump sums paid to the qualified participant from the plan in connection with the termination, and

(B) the actuarial present value (determined, as of the effective date set forth in section 712, under the assumptions used by the Corporation for purposes of section 4044 of the Employee Retirement Income Security Act of 1974) of pension benefits under the plan (if any) to which the qualified participant retains a nonforfeitable right under the plan.

(b) QUALIFIED SPOUSE'S ANNUITY.—The annuity computed under this subsection (relating to the qualified spouse of a qualified participant) in connection with an early terminated plan is equal to the excess (if any) of—

(1) 50 per centum of the amount determined under paragraph (1) of subsection (a) in connection with such qualified participant, over

(2) the annual amount which would be necessary to amortize in level amounts over 10 years the sum of—

(A) any lump sums paid to the qualified spouse from the plan in connection with the termination, and

(B) the actuarial present value (determined, as of the effective date set forth in section 712, under the assumptions used by the Corporation for purposes of section 4044 of the Employee Retirement Income Security Act of 1974) of pension benefits under the plan (if any) to which the qualified spouse retains a nonforfeitable right under the plan.

(c) REDUCTION IN ANNUITIES.—

(1) IN GENERAL.—If this subsection applies for any fiscal year, the Corporation may provide for a pro rata reduction for such fiscal year in each annuity computed under subsections (a) and (b) in the amount the Corporation determines necessary.

(2) YEARS TO WHICH SUBSECTION APPLIES.—This subsection shall apply for any fiscal year if the Corporation determines that its long-range actuarial balance for single employer operations as of the close of the preceding fiscal year is not in close actuarial balance. Such determination shall be made in a manner similar to the determination under the Old-Age and Survivors Disability Insurance Trust Funds, except that such determination shall be for no less than 50 years and the threshold for such determination shall be no less than 120 percent of the cost rate.

(3) REPORTING.—The Corporation shall report to the appropriate committees of Congress—

(A) if it determines it is necessary to reduce the amount of the benefits under this section for any fiscal year, and

(B) the actuarial balance determined under paragraph (2) and the method for determining it.

SEC. 705. APPLICATIONS.

(a) REQUIREMENTS.—An application for an annuity under this title in connection with an early terminated plan shall be approved if—

(1) the application includes evidence sufficient to establish that the applicant is a qualified participant or qualified spouse in connection with such plan, or

(2) the evidence included in the application, together with such evidence as the applicant may request the Corporation to consider pursuant to subsection (c), establishes that the applicant is a qualified participant or a qualified spouse in connection with such plan.

(b) APPLICATION FORMS.—The Corporation may by regulation prescribe application forms which may be used by applicants for purposes of subsection (a). Any such forms prescribed by the Corporation shall be made available to the public by the Corporation.

(c) SPECIFIC MATTERS.—In considering applications for annuities under this title, the Corporation shall consider, on the request of an applicant or the applicant's representative, in addition to any other relevant evidence—

(1) a comparison of employment and payroll records which were maintained under chapter 21 of the Internal Revenue Code of 1986 (relating to Federal Insurance Contributions Act) or under the Social Security Act (42 U.S.C. 301 et seq.) with records maintained by the Internal Revenue Service relating to the qualification status of trusts forming part of a stock bonus, pension, or profit-sharing plan under part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 (relating to pension, profit sharing, stock bonus plans, etc.), and

(2) records maintained under the Welfare and Pension Plans Disclosure Act of 1958.

(d) PROCEDURES FOR INITIAL DETERMINATIONS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, in making initial determinations regarding applications for annuities under this title, the Corporation shall follow the procedures prescribed by the Corporation for—

(A) initial determinations of benefit entitlement of participants and beneficiaries under plans to which section 4021 of the Employee Retirement Income Security Act of 1974 applies, and

(B) determinations of the amount of guaranteed benefits of such participants and beneficiaries under title IV of such Act.

(2) NOTICES OF DENIAL.—The Corporation shall send any individual whose application under this title is denied by the Corporation pursuant to an initial determination a written notice of the denial. Such notice shall include the reason for the denial and shall set forth the procedures required to be followed in order to obtain review under this title.

SEC. 706. ADMINISTRATIVE APPEALS.

(a) IN GENERAL.—Any individual whose application for an annuity under this title is denied pursuant to an initial determination by the Corporation is entitled to—

(1) a reasonable time, but not less than 60 days after receipt of the written notice of denial described in section 705(d)(2), to request a review by the Corporation and to furnish affidavits and other documentary evidence in support of the request, and

(2) a written decision and the specific reasons therefor at the earliest practicable date.

(b) PROCEDURES.—Except as otherwise provided in subsection (a), in reviewing initial de-

terminations regarding applications for annuities under this title, the Corporation shall follow the procedures prescribed by the Corporation for requesting and obtaining administrative review by the Corporation of determinations described in subparagraphs (A) and (B) of section 705(d)(1).

SEC. 707. JUDICIAL REVIEW.

(a) In General.—Any individual, after any final decision made under section 706, irrespective of the amount in controversy, may obtain judicial review of the decision by a civil action commenced under this section within 180 days after the mailing to the individual of notice of such decision or within such further time as the Corporation may allow.

(b) Venue.—Any action commenced under this section shall be brought in the district court of the United States for the judicial district in which the plaintiff resides or in the United States District Court for the District of Columbia.

(c) Record.—As part of any answer by the Corporation, the Corporation shall file a certified copy of the transcript of the record, including the evidence upon which the findings and decision complained of are based.

(d) Judgment.—The court shall enter, upon the pleadings and transcript of the record a judgment affirming, modifying, or reversing the decision, with or without remanding the case for a rehearing.

(e) Remanded Cases.—

(1) Authority to remand to the Corporation.—The court shall, on the motion of the Corporation made before the Corporation files its answer, remand the case to the Corporation for further action by the Corporation. The court may, at any time, on good cause shown, order additional evidence to be taken before the Corporation.

(2) Reconsideration on remand.—The Corporation shall, after the case is remanded, and after hearing such additional evidence if so ordered—

(A) modify or affirm the earlier findings of fact or decision, or both, under section 706, and

(B) file with the court any such additional and modified findings of fact and decision, and a transcript of the additional record and testimony upon which the Corporation's action in modifying or affirming was based.

(f) Final Judgment.—The judgment of the court shall be final except that it shall be subject to review in the same manner as a judgment in other civil actions.

SEC. 708. PAYMENT OF ANNUITIES.

(a) Forms of Payment.—

(1) Yearly payments.—Each annuity payable under this title shall be payable as an annual amount.

(2) Retroactive lump-sum payments.—Any individual whose claim for an annuity under this title is approved after the date on which the annuity commences under subsection (a)(2) or (b)(2) of section 703 shall be paid the total amount of the annuity payments for periods before the date on which the claim is approved in the form of a lump-sum payment.

(b) Cases of Incompetency.—Payment due an individual mentally incompetent or under other legal disability may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of the claimant or is otherwise legally vested with the care of the claimant or the claimant's estate. If a guardian or other fiduciary of the individual under legal disability has not been appointed under the law of the State of residence of the claimant, payment may be made to any person who is responsible for the care of the claimant, and the payment bars recovery by any other person.

(c) Divorces, Etc.—

(1) Alternative payees.—Payments under this title which would otherwise be made to a person under this title shall be made (in whole or in part) to another person if and to the extent expressly provided for in the terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation. Any payment under this paragraph to a person bars recovery by any other person.

(2) Notification requirements.—Paragraph (1) shall only apply to payments made by the Corporation under this title after the date of receipt by the Corporation of written notification of such decree, order, or agreement, and such additional information and documentation as the Corporation may prescribe.

(3) Court.—As used in this subsection, the term "court" means any court of any State.

(d) Inalienability.—Amounts payable under this title are not assignable, either in law or equity, or subject to execution, levy, attachment, garnishment, or other legal process, except as otherwise may be provided by Federal law.

(e) Forgiveness.—Recovery of payments under this title may not be made from an individual in any case in which the Corporation determines that the individual is without fault and recovery would be against equity and good conscience.

SEC. 709. INTERAGENCY COORDINATION AND COOPERATION.

(a) In General.—The Corporation may make such arrangements or agreements with other departments, agencies, or establishments of the United States for cooperation or mutual assistance in the performance of their respective functions under this title as are necessary and appropriate to avoid unnecessary expense and duplication of functions.

(b) Use of Facilities.—The Corporation may use, as appropriate, on a reimbursable or other basis, the facilities or services of any department, agency, or establishment of the United States or of any State or political subdivision thereof, including the services of any of its employees, with the lawful consent of such department, agency, or establishment.

(c) Cooperation.—

(1) In general.—Each department, agency, or establishment of the United States shall cooperate with the Corporation and, to the extent necessary and appropriate, provide such information and facilities as the Corporation may request for its assistance in the performance of the Corporation's functions under this title.

(2) Availability of records from the Secretary of Health and Human Services.—The Secretary of Health and Human Services shall provide the Corporation with such records, determined by the Corporation to be necessary to carry out the purposes of this title, as the Corporation may request.

(3) Availability of confidential tax returns and return information.—Section 6103(l) of the Internal Revenue Code of 1986 (relating to use of returns and return information for purposes other than tax administration) is amended by adding at the end of paragraph (2) the following new sentence: "Returns and return information shall be open to inspection by or disclosure to officers and employees of the Corporation whose official duties require such inspection or disclosure for the purpose of, but only to the extent necessary in, considering such returns and return information pursuant to section 705(c)(1) of the Pension Restoration Act of 1991, except that such inspection or disclosure shall be permitted only upon written request which sets forth the specific reason or reasons why such inspection or disclosure is necessary and which is signed by the head of the bureau or office of the Corporation requesting the inspection or disclosure.".

SEC. 710. REGULATIONS.

The Corporation shall, before the effective date set forth in section 712, prescribe the initial regulations necessary to carry out the provisions of this title. Regulations under this title shall be prescribed by the Corporation in consultation, as appropriate, with the Secretary of the Treasury and the Secretary of Health and Human Services.

SEC. 711. PROGRAM FUNDING.

(a) Payment.—The Corporation shall use moneys from the appropriate revolving funds established under section 4005 of the Employee Retirement Income Security Act of 1974 to carry out its functions under this title.

(b) Transfers From Trust Funds.—The Corporation shall transfer to the revolving funds described in subsection (a) from the trust funds consisting of assets of terminated plans and employer liability payments amounts equal to the amounts needed to carry out its functions under this title.

(c) Amounts Disregarded For Allocations.—Any amount paid by reason of this Act shall be disregarded in computing any ratio (including the proportional funding ratio) used by the Corporation in allocating amounts from any fund of the Corporation.

SEC. 712. EFFECTIVE DATE.

(a) General Rule.—Except as provided in subsection (b), the provisions of this title shall take effect 60 days after the date of the enactment of this Act.

(b) Special Rule.—The provisions of sections 710 and 711 shall take effect on the date of the enactment of this Act.

TITLE VIII—OTHER PROGRAMS

Subtitle A—Long-Term Health Care Workers

SEC. 801. DEFINITIONS.

As used in this subtitle:

(1) Nursing home nurse aide.—The term "nursing home nurse aide" means an individual employed at a nursing or convalescent home who assists in the care of patients at such a home under the direction of nursing and medical staff.

(2) Home health care aide.—The term "home health care aide" means an individual who—

(A) is self-employed or is employed by a government, charitable, nonprofit, or proprietary agency; and

(B) cares for elderly, convalescent, or handicapped individuals in the home of the individuals by performing routine home assistance (such as housecleaning, cooking, and laundry) and assisting in the health care of such individuals under the direction of a physician or home health nurse.

SEC. 802. INFORMATION REQUIREMENTS.

(a) National Center for Health Statistics.—The Director of the National Center for Health Statistics of the Centers for Disease Control shall collect, and prepare a report containing—

(1) demographic information on home health care aides and nursing home nurse aides, including information on the—

(A) age, race, marital status, education, number of children and other dependents, gender, and primary language, of the aides; and

(B) location of facilities at which the aides are employed in—

(i) rural communities; or

(ii) urban or suburban communities; and

(2) in particular, information on the role of the aides in providing home-based and community-based long-term care.

(b) Bureau of Labor Statistics.—The Commissioner of the Bureau of Labor Statistics shall collect, and prepare a report containing, infor-

mation on home health care aides and nursing home nurse aides, including—

(1) information on conditions of employment, including—

(A) with respect to both home health care aides and nursing home nurse aides—

(i) the length of employment of the aides at each place of employment;

(ii) the type of employer of the aides (such as a for-profit, private nonprofit, charitable, or government employer, or an independent contractor);

(iii) the number of full-time, part-time, and temporary positions for the aides;

(iv) the number and type of work-related injuries occurring to the aides;

(v) the ratio of aides to professional staff;

(vi) the types of tasks performed by the aides, and the level of skill needed to perform the tasks; and

(vii) the number of hours worked each week by the aides; and

(B) with respect to nursing home nurse aides—

(i) the type of facility (such as a skilled care or intermediate care facility) of the employer of the aides;

(ii) the number of beds at the facility; and

(iii) the ratio of the aides to residents of the facility;

(2) information on employment benefits for home health care aides and nursing home nurse aides, including—

(A) the type of health insurance coverage, including—

(i) whether the insurance plan covers dependents;

(ii) the amount of copayments and deductibles; and

(iii) the amount of premiums;

(B) the type of pension plan coverage;

(C) the amount of vacation, disability, and sick leave;

(D) wage rates; and

(E) the extent of work-related training provided; and

(3) in particular, information on the role of the aides in providing home-based and community-based long-term care.

SEC. 803. REPORTS.

(a) REPORTS TO COMMISSIONER ON AGING.—

(1) TRANSMITTAL.—Not later than 12 months after the date of enactment of this Act, the reports required by subsections (a) and (b) of section 802 shall be transmitted to the Commissioner on Aging.

(2) PREPARATION.—The reports required by subsections (a) and (b) of section 802 shall be prepared and organized in such a manner as the Director of the National Center for Health Statistics and the Commissioner of the Bureau of Labor Statistics, respectively, may determine to be appropriate.

(3) PRESENTATION OF INFORMATION.—The reports required by section 802 shall not identify by name individuals supplying information for purposes of the reports. The reports shall present information collected in the aggregate.

(b) REPORT TO CONGRESS.—The Commissioner on Aging shall review the reports required by subsections (a) and (b) of section 802 and shall submit to the appropriate committees of Congress a report containing—

(1) the reports required by subsections (a) and (b) of section 802;

(2) the comments of the Commissioner on the reports; and

(3) additional information, regarding the roles of nursing home nurse aides and home health care aides in providing long-term care, obtained through the State Long-Term Care Ombudsman program established under sections 307(a)(12) and 712 of the Older Americans Act of 1965.

SEC. 804. OCCUPATIONAL CODE.

The Commissioner of the Bureau of Labor Statistics shall include an occupational code covering nursing home nurse aides and an occupational code covering home health care aides in each wage survey conducted by the Bureau that begins after the date of enactment of this Act.

Subtitle B—National Student Lunch Act

SEC. 811. MEALS PROVIDED THROUGH ADULT DAY CARE CENTERS.

(a) IN GENERAL.—Section 17(o) of the National School Lunch Act (42 U.S.C. 1766(o)) is amended—

(1) in paragraph (2)(A)(i), by inserting ", or a group living arrangement," after "homes"; and

(2) in paragraph (3)(B), by inserting "or title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq. and 1396 et seq.)" after "1965".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if the amendments had been included in the Older Americans Act Amendments of 1987.

Subtitle C—White House Conference on Aging

SEC. 821. AUTHORIZATION OF THE CONFERENCE.

(a) AUTHORITY TO CALL CONFERENCE.—Section 202(a) of the Older Americans Act Amendments of 1987 (42 U.S.C. 3001 note) is amended by striking "1991" and inserting "1993".

(b) PURPOSE OF THE CONFERENCE.—Section 202(c) of the Act is amended by striking paragraphs (1) through (6) and inserting the following new paragraphs:

"(1) to increase the public awareness of the interdependence of generations and the essential contributions of older individuals to society for the well-being of all generations;

"(2) to identify the problems facing older individuals and the commonalities of the problems with problems of younger generations;

"(3) to examine the well-being of older individuals, including the impact the wellness of older individuals has on our aging society;

"(4) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and improving the well-being of the aging;

"(5) to develop recommendations for the coordination of Federal policy with State and local needs and the implementation of such recommendations; and

"(6) to review the status and intergenerational value of recommendations adopted at previous White House Conferences on Aging.".

SEC. 822. AUTHORIZATION OF APPROPRIATIONS.

Section 207 of the Older Americans Act Amendments of 1987 (42 U.S.C. 3001 note) is amended to read as follows:

"SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORIZATION.—There are authorized to be appropriated $5,000,000 for each of the fiscal years 1992 and 1993, to remain available until expended.

"(b) NEW AUTHORITY.—New spending authority or authority to enter into contracts as provided in this section shall be effective only to the extent and in such amounts as are provided in advance in appropriations Acts.".

TITLE IX—GENERAL PROVISIONS

SEC. 901. EFFECTIVE DATES; APPLICATION OF AMENDMENTS.

(a) IN GENERAL.—Except as provided in subsection (b), and as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall not apply with respect to any plan that is—

(1)(A) an area plan submitted under section 306(a) of the Older Americans Act of 1965; or

(B) a State plan submitted under section 307(a) of such Act; and

(2) approved for any fiscal year beginning before the date of the enactment of this Act.

Mr. ADAMS. Mr. President, on behalf of the committee and with the approval of the chairman and the ranking member, I call up a modification of the committee-reported substitute at the desk. This modification has been authorized by a majority of the members of the Labor and Human Resources Committee.

The PRESIDING OFFICER. The committee has the right to modify the amendment, and the amendment is therefore modified.

The modification is as follows:

Beginning on page 6 of the Committee amendment, strike line 14 and all that follows and insert the following:

(a) SHORT TITLE.—This Act may be cited as the "Older Americans Act Reauthorization Amendments of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

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Sec. 323. Criteria.
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Sec. 331. Grants for supportive activities for certain individuals who provide in-home services to frail older individuals.
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Sec. 403. Grants and contracts for education and training projects.

Sec. 404. Multidisciplinary centers of gerontology.

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Sec. 821. Authorization of the conference.

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Sec. 901. Short title.

Sec. 902. Amendments.

TITLE X—GENERAL PROVISIONS

Sec. 1001. Effective dates; application of amendments.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there is a need to consolidate and expand State responsibility for the development, coordination, and management of statewide programs and services directed toward ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights; and

(2) recent program reports and current research and demonstration findings indicate that—

(A) the incidence of elder abuse in domestic settings is estimated at approximately 1,500,000 cases per year;

(B) only one out of eight cases of elder abuse comes to the attention of State elder abuse reporting systems;

(C) half of the complaints received by the State Long-Term Care Ombudsman program relate to abuse, neglect, and exploitation of residents of long-term care facilities;

(D) approximately 2,000,000 older individuals reside in an estimated 90,000 long-term care facilities;

(E) older individuals residing in long-term care facilities are among the most frail and most vulnerable elderly persons in the United States;

(F) the advocacy services of the State Long-Term Care Ombudsman program, in conjunction with the services of legal assistance providers, are essential to protecting and enhancing the rights of residents of long-term care facilities;

(G) more than persons in any other age group, older individuals rely on public benefit programs and services to meet income, housing, and health and supportive services needs;

(H) benefits and protections for older individuals have expanded under Federal laws such as—

(i) the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.);

(ii) the Military Retirement Reform Act of 1986 (Public Law 99-348; 100 Stat. 682);

(iii) the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.);

(iv) the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.);

(v) sections 1819 and 1919 of the Social Security Act, regarding nursing home reform (42 U.S.C. 1395i-3 and 1396r);

(vi) section 1924 of the Social Security Act, regarding spousal impoverishment (42 U.S.C. 1395r-5);

(vii) the Cranston-Gonzalez National Affordable Housing Act of 1990 (Public Law 101-625; 104 Stat. 4079); and

(viii) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

(I) a wide range of State legislative action has occurred in the area of elder rights, including legislative action regarding guardianship reform, insurance regulation, consumer protection, and the development of procedures for surrogate decisionmaking and advanced directives;

(J) the Federal laws described in subparagraph (H) and the State laws resulting from the legislative action described in subparagraph (I) are complex and constitute a difficult challenge for older individuals who wish to take advantage of the benefits the laws provide;

(K) the appropriate utilization of public benefit programs requires consumer knowledge of entitlements and skill in understanding complex Federal, State, and local laws and regulations;

(L) there is growing evidence of the need to provide outreach, counseling, and assistance to older individuals on—

(i) the public benefits to which they are entitled, including benefits under—

(I) the supplemental security income, medicare, and medicaid programs established under the Social Security Act (42 U.S.C. 1381 et seq., 1395 et seq., and 1396 et seq.);

(II) the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); and

(III) the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.); and

(ii) the options available to the persons for public and private insurance, including health, long-term care, and life insurance, and retirement benefits;

(M) it is estimated that only half of older individuals eligible for benefits under the supplemental security income program are currently enrolled;

(N) it is estimated that only half of older individuals eligible for food stamps receive assistance; and

(O) it is estimated that less than half of older individuals eligible for benefits under the medicaid program are currently enrolled.

(b) PURPOSES.—The purposes of this Act are to—

(1) assist States in securing and maintaining for older individuals dignity, security, privacy, the exercise of individual initiative, access to resources and benefits to which the individuals are entitled by law, and protection from abuse, neglect, and exploitation;

(2) require States to undertake a comprehensive approach in developing and maintaining elder rights programs;

(3) authorize States to undertake State level activities in support of programs that—

(A) are administered by State agencies, area agencies on aging, other public agencies, nonprofit agencies and organizations, and volunteers; and

(B) focus on securing and protecting the rights and benefits of older individuals;

(4) require States to administer elder rights programs and services authorized by this Act and the amendments made by this Act in a comprehensive and coordinated manner, with particular attention to coordinating, as appropriate, the programs and services with activities and services funded under title III of the Older Americans Act of 1965 through area agencies on aging;

(5) require States to give priority to protecting the rights of, and securing and maintaining benefits and services for, older individuals with the greatest economic or social need;

(6) require States, in making grants and entering into contracts to carry out programs to protect elder rights, to give preference as appropriate to area agencies and other entities with a proven track record in performing elder rights activities;

(7) authorize States—

(A) to plan and develop programs and systems of individual representation, investigation, ad-

vocacy, protection, counseling, and assistance, for older individuals; and

(B) to coordinate and administer State and local activities for the protection and representation of older individuals, including—

(i) activities for prevention of, and protection against, abuse, neglect, and exploitation;

(ii) legal assistance;

(iii) long-term care ombudsman services;

(iv) benefits counseling and assistance; and

(v) other such outreach activities;

(8) require the State agency to submit annually to the Commissioner on Aging and to other appropriate State agencies a report of elder rights activities and issues, including an analysis of data regarding elder rights based on—

(A) reports of abuse, neglect, or exploitation;

(B) complaints regarding long-term care or from residents of long-term care facilities;

(C) reports of consumer fraud and abuse;

(D) reports of requests for and the provision of emergency protective services;

(E) reports of legal assistance and advocacy required to provide protection; and

(F) reports regarding the failure of older individuals to secure benefits for which the persons are eligible; and

(9) require the State agency to provide public information, education and training, and technical assistance to older individuals, family members of older individuals, area agencies on aging, and service providers, regarding—

(A) the rights of older individuals;

(B) the means available to secure and protect the rights; and

(C) ways of assisting older individuals in making informed choices.

SEC. 3. REFERENCES.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

TITLE I—OBJECTIVES AND DEFINITIONS

SEC. 101. OBJECTIVES.

Section 101(4) (42 U.S.C. 3001(4)) is amended by inserting ", including support to family members and other persons providing voluntary care to older individuals needing long-term care services" after "homes".

SEC. 102. DEFINITIONS.

(a) DEFINITIONS.—Section 102 (42 U.S.C. 3002) is amended by adding at the end the following new paragraphs:

"(13) The term 'abuse' means the willful—

"(A) infliction of injury, unreasonable confinement, intimidation, or cruel punishment with resulting physical harm or pain or mental anguish; or

"(B) deprivation by an individual, including a caretaker, of goods or services that are necessary to avoid physical harm, mental anguish, or mental illness.

"(14) The term 'Administration' means the Administration on Aging.

"(15) The term 'aging network' means—

"(A) the network of agencies established in section 305, including the Administration, State agencies, and area agencies on aging; and

"(B) organizations that—

"(i) are providers of direct services to older individuals;

"(ii) are institutions of higher education; and

"(iii) receive funding under this Act.

"(16) The term 'area agency on aging' means an agency designated under section 305(a)(2)(A) by a State agency.

"(17) The term 'art therapy' means the use of art and artistic processes specifically selected and administered by an art therapist, to accomplish the restoration, maintenance, or improvement of the mental, emotional, or social functioning of an older individual.

"(18) The term 'caretaker' means an individual who has the responsibility for the care of an older individual, either voluntarily, by contract, by receipt of payment for care, as a result of family relationship, or by order of a court of competent jurisdiction.

"(19) The term 'case management service'—

"(A) means a service provided to an older individual, at the direction and with the concurrence of the older individual, or of the older individual and the family of the individual—

"(i) by a human service professional who is trained or experienced in the case management skills that are required to deliver the services and coordination described in subparagraph (B); and

"(ii) to assess the needs, and arrange, coordinate, and monitor an optimum package of services to meet the needs, of the older individual; and

"(B) includes services and coordination such as—

"(i) comprehensive assessment of the older individual (including the physical, psychological, and social needs of the individual);

"(ii) development and implementation of a service plan with the older individual to mobilize the formal and informal resources and services identified in the assessment to meet the needs of the older individual, including coordination of the resources and services—

"(I) with any other plans that may already exist for various formal services, such as hospital discharge plans; and

"(II) with the information and assistance services established under this Act;

"(iii) coordination and monitoring of formal and informal service delivery, including coordination and monitoring to ensure that services specified in the plan are being provided;

"(iv) periodic reassessment and revision of the status of the older individual with—

"(I) the older individual; or

"(II) if necessary, with a primary caregiver or family member of the older individual; and

"(v) in accordance with the wishes of the older individual, advocacy on behalf of the older individual for needed services or resources.

"(20) The term 'conflict of interest' means—

"(A) a direct involvement in the licensing or certification of a long-term care facility or of a provider of a long-term care service;

"(B) an ownership or investment interest (represented by equity, debt, or other financial relationship) in a long-term care facility or a long-term care service;

"(C) employment by, or participation in the management of, a long-term care facility; or

"(D) the receipt, or right to receive, directly or indirectly, remuneration (in cash or in kind) under a compensation arrangement with an owner or operator of a long-term care facility.

"(21) The term 'dance/movement therapy' means the use of psychotherapeutic movement as a process facilitated by a dance/movement therapist, to further the emotional, cognitive, or physical health of an older individual.

"(22) The term 'elder abuse' means abuse of an older individual.

"(23) The term 'exploitation' means the illegal or improper act or process of an individual, including a caretaker, using the resources of an older individual for monetary or personal benefit, profit, or gain.

"(24) The term 'focal point' means a facility established to encourage the maximum collocation and coordination of services for older individuals.

"(25) The term 'frail' means having a physical or mental disability, including having Alzheimer's disease or a related disorder with neurological or organic brain dysfunction, that restricts the ability of an individual to perform normal daily tasks or that threatens the capacity of an individual to live independently.

"(26) The term 'greatest economic need' means the need resulting from an income level at or below the poverty line.

"(27) The term 'greatest social need' means the need caused by noneconomic factors, which include—

"(A) physical and mental disabilities;

"(B) language barriers; and

"(C) cultural, social, or geographical isolation, including isolation caused by racial or ethnic status, that—

"(i) restricts the ability of an individual to perform normal daily tasks; or

"(ii) threatens the capacity of the individual to live independently.

"(28) The term 'information and assistance service' means a service for older individuals that—

"(A) provides the individuals with current information on all opportunities and services available to the individuals within their communities, including information relating to assistive technology;

"(B) assesses the problems and capacities of the individuals;

"(C) links the individuals to the opportunities and services that are available;

"(D) ensures that the individuals receive the services needed by the individuals, and are aware of the opportunities available to the individuals, by establishing adequate followup procedures; and

"(E) serves the entire community of older individuals, particularly individuals with the greatest social and economic need.

"(29) The term 'legal assistance'—

"(A) means legal advice and representation by an attorney to older individuals with economic or social needs; and

"(B) includes—

"(i) to the extent feasible, counseling or other appropriate assistance by a paralegal or law student under the supervision of an attorney; and

"(ii) counseling or representation by a nonlawyer where permitted by law.

"(30) The term 'long-term care facility' means—

"(A) any skilled nursing facility, as defined in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a));

"(B) any nursing facility, as defined in section 1919(a) of the Social Security Act (42 U.S.C.1396r(a));

"(C) any institution regulated by a State in accordance with section 1616(e) of the Social Security Act (42 U.S.C. 1382e(e)) for purposes of sections 307(a)(12) and 712; and

"(D) any other adult care home similar to a facility or institution described in subparagraphs (A) through (C).

"(31) The term 'music therapy' means the use of musical or rhythmic interventions specifically selected by a music therapist to accomplish the restoration, maintenance, or improvement of social or emotional functioning, mental processing, or physical health of an older individual.

"(32) The term 'neglect' means—

"(A) the failure to provide for oneself the goods or services that are necessary to avoid physical harm, mental anguish, or mental illness; or

"(B) the failure of a caretaker to provide the goods or services.

"(33) The term 'older individual' means any individual who is 60 years of age or older.

"(34) The term 'physical harm' means bodily pain, injury, impairment, or disease.

"(35) The term 'planning and service area' means an area specified by a State agency under section 305(a)(1)(E).

''(36) The term 'poverty line' means the official poverty line (as defined by the Office of Management and Budget, and revised annually by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)).

''(37) The term 'representative payee' means a person who is appointed by a governmental entity to receive, on behalf of an older individual who is unable to manage funds by reason of a physical or mental incapacity, any funds owed to such individual by such entity.

''(38) The term 'State agency' means the State agency designated by a State under section 305(a)(1).

''(39) The term 'supportive service' means a service described in section 321(a).

''(40) The term 'unit of general purpose local government' means—

''(A) a political subdivision of the State whose authority is general and not limited to only one function or combination of related functions; or

''(B) an Indian tribal organization.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Sections 102(2), 201(c)(1), 211, 301(b)(1), 402(a), 411(b), 503(a), and 505(a) (42 U.S.C. 3002(2), 3011(c)(1), 3020b, 3021(b)(1), 3030bb(a), 3031(b), 3056a(a), and 3056c(a)) are amended by striking ''Administration on Aging'' and inserting ''Administration''.

(2) Section 201(a) (42 U.S.C. 3011(a)) is amended in the first sentence by striking—

(A) ''(hereinafter in this Act referred to as the 'Administration')''; and

(B) ''(hereinafter in this Act referred to as the 'Commissioner')''.

(3) Section 302 (42 U.S.C. 3022) is amended—

(A) by striking paragraphs (2) through (7), (9), (11), and (14) through (21);

(B) by redesignating paragraph (8) as paragraph (2); and

(C) by redesignating paragraph (10) as paragraph (3).

TITLE II—ADMINISTRATION

SEC. 201. ADMINISTRATION ON AGING.

(a) COORDINATION.—Section 201(c)(3) (42 U.S.C. 3011(c)(3)) is amended—

(1) in subparagraph (B), by inserting '', with particular attention to services provided to Native Americans by the Indian Health Service'' after ''affecting older Native Americans'';

(2) in subparagraph (F), by inserting '', including information on Native American elder abuse, in-home care, health problems, and other problems unique to Native Americans, which information is compiled with assistance from public or nonprofit entities, including institutions of higher education, with experience in assessing the characteristics and health states of older Native Americans'' after ''Native Americans'';

(3) by striking ''and'' at the end of subparagraph (G);

(4) by striking the period at the end of subparagraph (H) and inserting ''; and''; and

(5) by adding at the end the following new subparagraph:

''(I) promote coordination between programs established under titles III and VI, including the sharing of information among grantees of the programs such as information involving the purposes and implementation of any training or technical assistance grants or contracts involved in the programs.''.

(b) OFFICE OF LONG-TERM CARE OMBUDSMAN PROGRAMS.—Section 201 is amended by adding at the end the following new subsection:

''(d)(1) As used in this subsection:

''(A) The term 'Associate Commissioner' means the Associate Commissioner for Ombudsman Services.

''(B) The term 'eligible individual' means an individual, if—

''(i) the individual does not have, and in the preceding 2-year period did not have, a conflict of interest; and

''(ii) no member of the immediate family of the individual has, or in the preceding 2-year period had, a conflict of interest.

''(C) The term 'Office' means the Office of Long-Term Care Ombudsman Programs.

''(2) There is established in the Administration an Office of Long-Term Care Ombudsman Programs.

''(3)(A) The Office shall be headed by an Associate Commissioner for Ombudsman Services appointed by the Commissioner from among eligible individuals who have—

''(i) training in, or knowledge regarding—

''(I) gerontology, long-term care, health care, or social service programs that are relevant to meeting the needs of residents of long-term care facilities;

''(II) legal systems, the delivery of legal assistance, community services, and organizations that are involved in activities relating to long-term care;

''(III) program management skills and complaint and dispute resolution techniques, including skills and techniques relating to investigation, negotiation, and mediation; and

''(IV) long-term care advocacy; and

''(ii) technical or professional level experience with residents of long-term care facilities.

''(B) No person shall be appointed Associate Commissioner if—

''(i) the person has been employed within the previous 2 years by—

''(I) a long-term care facility;

''(II) a corporation that owned or operated a long-term care facility; or

''(III) an association of long-term care facilities; or

''(ii) the person or any member of the immediate family of the person has a conflict of interest.

''(4) The Associate Commissioner shall—

''(A) serve as an effective and visible advocate on behalf of older individuals who reside in long-term care facilities, within the Department of Health and Human Services and with other departments and agencies of the Federal Government, regarding all Federal policies affecting the individuals;

''(B) review and make recommendations to the Commissioner regarding—

''(i) the approval of the provisions in State plans submitted under section 307(a) or section 705 that relate to State Long-Term Care Ombudsman programs; and

''(ii) the adequacy of State budgets and policies relating to the programs;

''(C) after consultation with State Long-Term Care Ombudsmen and the State agencies, make recommendations to the Commissioner regarding—

''(i) policies designed to assist State Long-Term Care Ombudsmen; and

''(ii) methods to periodically monitor and evaluate the operation of State Long-Term Care Ombudsman programs, to ensure that the programs satisfy the requirements of section 307(a)(12) and section 712, including provision of service to residents of board and care facilities, and of other similar adult care homes;

''(D) keep the Commissioner and the Secretary fully and currently informed about—

''(i) problems relating to State Long-Term Care Ombudsman programs; and

''(ii) the necessity for, and the progress toward, solving the problems;

''(E) review, and make recommendations to the Secretary and the Commissioner regarding, existing and proposed Federal legislation, administrative regulations, and other policies, regarding the operation of State Long-Term Care Ombudsman programs;

''(F) make recommendations to the Commissioner and the Secretary regarding the policies of the Administration, and coordinate the activities of the Administration with the activities of other Federal entities, State and local entities, and nongovernmental entities, relating to State Long-Term Care Ombudsman programs;

''(G) supervise the activities carried out under the authority of the Administration that relate to State Long-Term Care Ombudsman programs; and

''(H) make recommendations to the Commissioner regarding the operation of the National Ombudsman Resource Center established under section 202(a)(21).''.

SEC. 202. FUNCTIONS OF COMMISSIONER.

(a) CENTERS; AGING NETWORK; INFORMATION AND ASSISTANCE; LEGAL ASSISTANCE.—Section 202(a) (42 U.S.C. 3012(a)) is amended—

(1) in paragraph (19) by striking ''and'' at the end;

(2) in paragraph (20) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

''(21)(A) establish a National Ombudsman Resource Center and, by grant or contract, operate such center to assist State Long-Term Care Ombudsmen and the representatives of the Ombudsmen in carrying out State Long-Term Care Ombudsman programs effectively under section 307(a)(12) and section 712 by—

''(i) providing technical assistance, training, and other means of assistance;

''(ii) analyzing laws, regulations, policies, and actions with respect to which comments made under section 712(a)(3)(G)(i) are submitted to the center; and

''(iii) providing assistance in recruiting and retaining volunteers for State Long-Term Care Ombudsman programs by establishing a national program for recruitment efforts that utilizes the organizations that have established a successful record in recruiting and retaining volunteers for ombudsman or other programs; and

''(B) make available to the Center not less than the amount of resources made available to the Center for fiscal year 1990;

''(22) establish a National Aging Data Center and, directly or by grant or contract, operate the Center to—

''(A) annually compile, analyze, publish, and disseminate—

''(i) statistical data collected under paragraph (19);

''(ii) census data on aging demographics; and

''(iii) data from other Federal agencies on—

''(I) the health, social, and economic status of older individuals; and

''(II) the services provided to older individuals;

''(B) biannually compile, analyze, publish, and disseminate statistical data collected on the functions, staffing patterns, and funding sources of State agencies and area agencies on aging;

''(C) analyze the data collected under section 201(c)(3)(F) by the Associate Commissioner on American Indian, Alaskan Native, and Native Hawaiian Aging, and the information provided by the Resource Centers on Native American Elders under section 426E;

''(D) provide technical assistance, training, and other means of assistance to State agencies, area agencies on aging, and service providers, regarding State and local data collection and analysis; and

''(E) be a national resource on statistical data regarding aging;

''(23) serve, with State agencies and area agencies on aging, as the focal point for developing and maintaining a national aging network that ensures a responsive community-based services system to assist older individuals throughout the United States;

''(24) establish information and assistance services as priority services for the aged and aging;

"(25) develop guidelines for area agencies on aging to follow in choosing and evaluating providers of legal assistance;

"(26) develop guidelines and a model job description for choosing and evaluating legal assistance developers; and

"(27)(A) conduct a study to determine ways in which Federal funds might be more effectively targeted to low-income, minority, and rural older individuals to better meet the needs of States with a disproportionate number of older individuals with the greatest social and economic need;

"(B) conduct a study to determine ways in which Federal funds might be more effectively targeted to better meet the needs of States with disproportionate numbers of older individuals; and

"(C) not later than January 1, 1993, submit a report containing the findings resulting from the studies described in subparagraphs (A) and (B) to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate.".

(b) COMMUNITY-BASED LONG-TERM CARE PROGRAM.—Section 202(b) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) participate in all departmental and interdepartmental activities to provide a leadership role for the Administration, State agencies, and area agencies on aging in the development and implementation of a national community-based long-term care program for older individuals.".

(c) VOLUNTEER SERVICE COORDINATORS.—Section 202(c) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraph:

"(2)(A) In executing the duties and functions of the Administration under this Act and carrying out the programs and activities provided for by this Act, the Commissioner shall act to encourage and assist the establishment and use of—

"(i) area volunteer service coordinators, as described in section 306(a)(11), by area agencies on aging designated under section 305(a)(2)(A); and

"(ii) State volunteer service coordinators, as described in section 307(a)(32), by State agencies designated under section 305(a)(1).

"(B) The Commissioner shall provide technical assistance to the State and area volunteer services coordinators.".

(d) NATIONAL CENTER ON ELDER ABUSE.—Section 202 is amended by adding at the end the following new subsection:

"(d)(1) The Commissioner shall establish and operate a National Center on Elder Abuse.

"(2) In operating the Center, the Commissioner shall—

"(A) annually compile, publish, and disseminate a summary of recently conducted research on elder abuse, neglect, and exploitation;

"(B) develop and maintain an information clearinghouse on all programs, including private programs, showing promise of success, for the prevention, identification, and treatment of elder abuse, neglect, and exploitation;

"(C) compile, publish, and disseminate training materials for personnel who are engaged or intend to engage in the prevention, identification, and treatment of elder abuse, neglect, and exploitation;

"(D) provide technical assistance to State agencies and to other public and nonprofit private agencies and organizations to assist the agencies and organizations in planning, improving, developing, and carrying out programs and activities relating to the special problems of elder abuse, neglect, and exploitation; and

"(E) conduct research and demonstration projects regarding the causes, prevention, identification, and treatment of elder abuse, neglect, and exploitation.

"(3)(A) The Commissioner shall carry out paragraph (2) through a grant or contract.

"(B) The Commissioner shall issue criteria for programs receiving funding through a grant or contract under this subsection.

"(C) The Commissioner shall establish research priorities for making grants or contracts to carry out paragraph (2)(E) and, not later than 60 days before the date on which the Commissioner establishes such priorities, publish in the Federal Register for public comment a statement of such proposed priorities.

"(4) The Commissioner shall make available to the Center such resources as are necessary for the Center to carry out effectively the functions of the Center under this Act and not less than the amount of resources made available to the Center for fiscal year 1990.".

(e) OBLIGATION.—Not later than January 1, 1992, the Commissioner shall obligate, from the funds appropriated under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) for fiscal year 1992—

(1) to carry out section 202(a)(21) of such Act (as added by subsection (a)(3) of this section), not less than the amount made available in fiscal year 1991 under such Act for making grants and entering into contracts to establish and operate National Ombudsman Resource Centers; and

(2) to carry out section 202(d) of such Act (as added by subsection (d) of this section), not less than the amount made available in fiscal year 1991 under such Act for making grants and entering into contracts to establish and operate National Centers on Elder Abuse.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—Paragraphs (2)(A) and (4) of section 306(a) and sections 307(a)(9), 422(c)(3), 614(a)(6), and 624(a)(7) (42 U.S.C. 3026(a)(2)(A) and (4), 3027(a)(9), 3035a(c)(3), 3057e(a)(6), and 3057j(a)(7)) are amended by striking "information and referral" each place the term appears and inserting "information and assistance".

SEC. 203. FEDERAL AGENCY CONSULTATION.

(a) IN GENERAL.—Section 203(a) (42 U.S.C. 3013(a)) is amended to read as follows:

"(a)(1) The Commissioner, in carrying out the purposes and provisions of this Act, shall advise, consult with, and cooperate with, the head of each Federal agency or department proposing or administering programs or services substantially related to the purposes of this Act, with respect to such programs or services. In particular, the Commissioner shall advise, consult, and cooperate with the Department of Labor in carrying out title V, and with ACTION in carrying out the Act.

"(2) The head of each Federal agency or department proposing to establish programs and services substantially related to the purposes of this Act shall consult with the Commissioner prior to the establishment of such programs and services. The head of each Federal agency administering any program substantially related to the purposes of this Act, particularly administering any program set forth in subsection (b), shall, to achieve appropriate coordination, consult and cooperate with the Commissioner in carrying out such program. In particular, the Department of Labor shall consult and cooperate with the Commissioner in carrying out the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

"(3) The head of each Federal agency administering programs and services substantially related to the purposes of this Act shall collaborate with the Commissioner in carrying out this Act, and shall develop a written analysis, for review and comment by the Commissioner, of the impact of such programs and services on—

"(A) the elderly, with particular attention to low-income minority older individuals; and

"(B) the functions and responsibilities of State agencies and area agencies on aging.".

(b) RELATED PROGRAMS.—Section 203(b) is amended—

(1) by striking "and" at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting ", and"; and

(3) by adding at the end the following new paragraph:

"(18) the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, under part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750 et seq.).".

SEC. 204. CONSULTATION WITH STATE AGENCIES, AREA AGENCIES ON AGING, AND NATIVE AMERICAN GRANT RECIPIENTS.

Title II is amended by inserting after section 203 (42 U.S.C. 3013) the following new section:

"SEC. 203A. CONSULTATION WITH STATE AGENCIES, AREA AGENCIES ON AGING, AND NATIVE AMERICAN GRANT RECIPIENTS.

"The Commissioner shall consult and coordinate with State agencies, area agencies on aging, and recipients of grants under title VI in the development of Federal goals, regulations, program instructions, policies, and procedures under this Act.".

SEC. 205. FEDERAL COUNCIL ON THE AGING.

(a) ESTABLISHMENT.—Section 204(a) (42 U.S.C. 3015(a)) is amended—

(1) in paragraph (1), by striking the second sentence; and

(2) in paragraph (2), by striking "1984" and inserting "1991".

(b) CLASSES.—Section 204(b) is amended—

(1) in paragraph (1), by striking subparagraph (A) and inserting the following new subparagraph:

"(A)(i) 15 members shall be appointed to the Federal Council on the Aging for terms commencing January 1, 1992, of which—

"(I) 5 members, who shall be referred to as class 1 members, shall serve for terms of 1 year, ending on December 31, 1992;

"(II) 5 members, who shall be referred to as class 2 members, shall serve for terms of 2 years, ending on December 31, 1993; and

"(III) 5 members, who shall be referred to as class 3 members, shall serve for terms of 3 years, ending on December 31, 1994.

"(ii) 5 members shall be appointed to the Federal Council on the Aging in 1993 and each subsequent year, for terms commencing on January 1 of the year in which the members are required to be appointed and ending on December 31 of the second year beginning after the year in which the members are required to be appointed.

"(iii) Members appointed in 1993 and each third year thereafter shall be referred to as class 1 members. Members appointed in 1994 and each third year thereafter shall be referred to as class 2 members. Members appointed in 1995 and each third year thereafter shall be referred to as class 3 members.

"(iv) Members shall serve without regard to the provisions of title 5, United States Code."; and

(2) in paragraph (2), by adding at the end the following new sentence: "The term of such a successor shall expire on the date that the term of other members of the class of the successor expires.".

(c) REPORTS.—Section 204(f) is amended by striking "such interim reports as it deems advisable" and inserting "interim reports".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 204(g) (42 U.S.C. 3015(g)) is amended by

striking "$210,000" and all that follows and inserting "$255,000 for fiscal year 1992, $268,000 for fiscal year 1993, $281,000 for fiscal year 1994, and $295,000 for fiscal year 1995.".

SEC. 206. INTERAGENCY TASK FORCE ON AGING.

Title II is amended by inserting after section 204 (42 U.S.C. 3015) the following new section:

"SEC. 204A. INTERAGENCY TASK FORCE ON AGING.

"(a) IN GENERAL.—There is established an Interagency Task Force on Aging (referred to in this section as the "Task Force").

"(b) DUTIES.—The Task Force shall coordinate aging policies and programs among the agencies represented on the Task Force.

"(c) MEMBERSHIP.—

"(1) COMPOSITION.—The Task Force shall be composed of the Commissioner and one member from each Federal agency that administers programs specified in section 203(b), appointed by the head of the agency.

"(2) QUALIFICATIONS.—Each member of the Task Force shall hold a position within the agency from which the member is appointed and report directly to the head of the agency.

"(d) CHAIRPERSON.—The Commissioner shall serve as the Chairperson of the Task Force.

"(e) GENERAL POWERS.—The Task Force is authorized to enter into such contracts and other arrangements, make such expenditures, and take such other actions, as the Task Force may determine to be necessary to carry out the duties of the Task Force.

"(f) OBTAINING INFORMATION FROM FEDERAL AGENCIES.—The Commissioner may secure directly from any Federal agency such information as the Task Force may require to carry out its duties.

"(g) USE OF MAIL.—The Task Force may use the United States mails in the same manner and under the same conditions as Federal agencies.

"(h) EXPERTS AND CONSULTANTS.—The Commissioner may obtain such temporary and intermittent services of experts and consultants and compensate the experts and consultants in accordance with section 3109(b) of title 5, United States Code, as the Task Force determines to be necessary to carry out the duties of the Task Force.

"(i) DETAIL OF FEDERAL EMPLOYEES.—On the request of the Commissioner, the head of any Federal agency shall detail, without reimbursement, any of the personnel of the agency to the Administration to assist the Task Force in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

"(j) TECHNICAL ASSISTANCE.—On the request of the Commissioner, the head of a Federal agency shall provide such technical assistance to the Task Force as the Task Force determines to be necessary to carry out its duties.".

SEC. 207. ADMINISTRATION.

Section 205(e) (42 U.S.C. 3016(e)) is amended by inserting before the period at the end the following: "for each of the fiscal years 1992 through 1995".

SEC. 208. EVALUATION.

Section 206(a) (42 U.S.C. 3017(a)) is amended by inserting "including the Federal Council on the Aging," after "by this Act,".

SEC. 209. REPORTS BY COMMISSIONER.

(a) DEADLINE.—Section 207 (42 U.S.C. 3018) is amended—

(1) in subsection (b)(1), by striking "January 15" and inserting "March 1"; and

(2) by adding at the end the following new subsection:

"(d)(1)(A) The Commissioner shall establish a task force to develop recommendations identifying—

"(i) a core data set to be collected by the Administration to comply with section 202(a)(19);

"(ii) data to be collected by the Administration to comply with section 202(a)(22)(B);

"(iii) supplementary data to be collected by the Administration on a sample basis; and

"(iv) a methodology for collecting information on gaps in services needed by older individuals, as identified by service providers in assisting clients through the provision of the supportive services.

"(B) The task force shall be composed of members appointed by the Commissioner from among individuals who are—

"(i) representatives of State agencies, area agencies on aging, and recipients of grants under title VI;

"(ii) service providers; and

"(iii) persons with expertise in data collection procedures.

"(C) The task force shall submit a report to the Commissioner containing the recommendations described in subparagraph (A).

"(2)(A) The Commissioner shall develop a proposal for a revised system to collect the data described in clauses (i) through (iii) of paragraph (1)(A), based on the recommendations described in paragraph (1)(A). The proposal shall specify a standardized nomenclature, definitions, and methodology for the system, to ensure uniform national data reporting, and a reasonable implementation period for the system.

"(B) Not later than September 30, 1992, the Commissioner shall submit a report to the appropriate committees of Congress containing the proposal described in subparagraph (A).

"(C) After soliciting and considering public comment on the revised system described in subparagraph (A), the Commissioner shall implement the system.

"(3) The Commissioner shall provide technical assistance, training, and other means of assistance to State agencies, area agencies on aging, and service providers regarding State and local data collection and analysis.".

SEC. 210. STUDY OF EFFECTIVENESS OF STATE LONG-TERM CARE OMBUDSMAN PROGRAMS.

Not later than July 1, 1993, the Commissioner on Aging shall, in consultation with State agencies, State Long-Term Care Ombudsmen, the National Ombudsman Resource Center established under section 202(a)(21) of the Older Americans Act of 1965 (42 U.S.C. 3012(a)(21)), and professional ombudsmen associations, directly, or by grant or contract, conduct a study, and submit a report to the committees specified in section 207(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3018(b)(2)), analyzing separately with respect to each State—

(1) the availability of services, and the unmet need for services, under the State Long-Term Care Ombudsman programs in effect under section 307(a)(12) (42 U.S.C. 3028(a)(12)) and section 712 of such Act (as added by section 602 of this Act), to residents of long-term care facilities;

(2) the effectiveness of the program in providing the services to the residents, including residents of board and care facilities, and of other similar adult care homes;

(3) the adequacy of Federal and other resources available to carry out the program on a statewide basis in each State;

(4) compliance and barriers to such compliance of the States in carrying out the programs;

(5) any actual and potential conflicts of interest in the administration and operation of the programs; and

(6) the need for and feasibility of providing ombudsman services to older individuals utilizing noninstitutional long-term care and other health care services, by analyzing and assessing current State agency practices in programs in which the State Long-Term Care Ombudsmen provide services to individuals in settings in addition to long-term care facilities, taking into account variations in—

(A) settings where services are provided;

(B) the types of clients served;

(C) the types of complaints and problems handled;

(D) State regulations of noninstitutional long-term care; and

(E) possible conflicts of interest between ombudsman programs and area agencies on aging who provide noninstitutional long-term care to older individuals.

SEC. 211. COMMISSIONER.

Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Commissioner on Aging, Department of Health and Human Services.".

TITLE III—STATE AND COMMUNITY PROGRAMS ON AGING

Subtitle A—General Provisions

SEC. 301. PURPOSE OF GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING.

Section 301(a) (42 U.S.C. 3021(a)) is amended to read as follows:

"(a)(1) It is the purpose of this title to encourage and assist State agencies and area agencies on aging to concentrate resources in order to develop greater capacity and foster the development and implementation of comprehensive and coordinated service systems to serve older individuals by entering into new cooperative arrangements in each State with the persons described in paragraph (2), for the planning, and for the provision of, supportive services, and multipurpose senior centers, in order to—

"(A) secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive services;

"(B) remove individual and social barriers to economic and personal independence for older individuals;

"(C) provide a continuum of care for the vulnerable elderly; and

"(D) secure the opportunity for older individuals to receive managed in-home and community-based long-term care services.

"(2) The persons referred to in paragraph (1) include—

"(A) State agencies and area agencies on aging;

"(B) other State agencies, including agencies that administer home and community care programs;

"(C) Indian tribes, tribal organizations, and Native Hawaiian organizations;

"(D) the providers, including voluntary organizations, or other private sector organizations, of supportive services, including nutrition services and multipurpose senior centers; and

"(E) organizations representing or employing older individuals or their families.".

SEC. 302. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 303 of the Act (42 U.S.C. 3023) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "(1)"; and

(ii) by striking "$379,575,000" and all that follows through "fiscal year 1991," and inserting "$461,376,000 fiscal year 1992, $484,455,000 for fiscal year 1993, $508,667,000 for fiscal year 1994, and $534,100,000 for fiscal year 1995"; and

(B) by striking paragraphs (2) and (3);

(2) in subsection (b)—

(A) in paragraph (1), by striking "$414,750,000" and all that follows through "fiscal year 1991" and inserting "$504,131,000 for fiscal year 1992, $529,338,000 for fiscal year 1993, $555,805,000 for fiscal year 1994, and $583,595,000 for fiscal year 1995";

(B) in paragraph (2), by striking "$79,380,000" and all that follows through "fiscal year 1991"

and inserting "$96,487,000 for fiscal year 1992, $101,311,000 for fiscal year 1993, $106,376,000 for fiscal year 1994, and $111,695,000 for fiscal year 1995"; and

(C) by adding at the end the following new paragraph:

"(3) There are authorized to be appropriated $20,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995 to carry out subpart 3 of part C of this title (relating to congregate nutrition services and intergenerational activities of schools).";

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking "parts B and C" and inserting "part B, and subparts 1 and 2 of part C,"; and

(B) in paragraph (2), by inserting "under subparts 1 and 2 of part C" after "nutrition services";

(4) in subsection (d)—

(A) by inserting "(1)" after the subsection designation;

(B) in paragraph (1) (as designated by subparagraph (A) of this paragraph)—

(i) by inserting "subpart 1 of" after "grants under"; and

(ii) by striking "$25,000,000" and all that follows through "fiscal year 1991" and inserting "$45,388,000 for fiscal year 1992, $46,907,000 for fiscal year 1993, $48,503,000 for fiscal year 1994, and $50,178,000 for fiscal year 1995"; and

(C) by adding at the end the following new paragraph:

"(2) There are authorized to be appropriated $15,000,000 for fiscal year 1992, $16,000,000 for fiscal year 1993, $17,000,000 for fiscal year 1994, and $18,000,000 for fiscal year 1995 to carry out subpart 2 of part D (relating to supportive activities for individuals who provide in-home services).";

(5) in subsection (e), by striking "Subject to subsection (h)," and all that follows through "1990 and 1991" and inserting "There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992 through 1995"; and

(6) by striking subsection (f), and inserting the following new subsection:

"(f) There are authorized to be appropriated $25,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 through 1995 to carry out part F (relating to disease prevention and health promotion services).".

(b) CONDITIONAL APPROPRIATIONS; VOLUNTEER SERVICE COORDINATORS.—Section 303 (42 U.S.C. 3023) is amended—

(1) by striking subsections (g) and (h); and

(2) by adding at the end the following new subsections:

"(g) Grants made under any authority of this title may be used for paying for the costs of providing for an area volunteer services coordinator, as described in section 306(a)(11), or a State volunteer services coordinator, as described in section 307(a)(32).

"(h) No funds may be appropriated under subsection (b)(3) for a fiscal year unless the amounts appropriated for subparts 1 and 2 of part C, respectively, exceed 100 percent of the amounts appropriated for fiscal year 1990 for subparts 1 and 2 of part C.".

SEC. 303. ALLOTMENT.

(a) MINIMUM ALLOTMENT.—Section 304(a)(3) (42 U.S.C. 3024(a)(3)) is amended to read as follows:

"(3) No State shall be allotted, from the amount appropriated pursuant to section 303(d)(2), less than $50,000 for any fiscal year.".

(b) WITHHOLDING OF ALLOTMENTS.—Section 304(c) is amended by inserting "or the Commissioner does not approve the funding formula required under section 305(a)(2)(C)" after "requirements of section 307".

(c) LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 304(d)(1)(B) is amended to read as follows:

"(B) such amount as the State agency determines to be adequate for conducting an effective State Long-Term Care Ombudsman program under section 307(a)(12) shall be available for paying up to 85 percent of the cost of conducting the program under this title;".

SEC. 304. ORGANIZATION.

(a) PLANNING; CONSULTATION; LOW-INCOME MINORITY GOALS AND FOCUS.—Section 305(a) (42 U.S.C. 3025(a)) is amended—

(1) in paragraph (1), by striking subparagraph (C) and inserting the following new subparagraph:

"(C) be primarily responsible for the planning, policy development, administration, coordination, priority setting, and evaluation of all State activities related to the purposes of this Act;"; and

(2) in paragraph (2)—

(A) by striking subparagraph (C) and inserting the following new subparagraph:

"(C) in consultation with area agencies, in accordance with guidelines issued by the Commissioner, and using the best available data, develop and publish for review and comment a formula for distribution within the State of funds received under this title that takes into account—

"(i) the geographical distribution of older individuals in the State; and

"(ii) the distribution among planning and service areas of older individuals with greatest economic need and older individuals with greatest social need, with particular attention to low-income minority older individuals;"; and

(B) in subparagraph (D), by striking "for review and comment" and inserting "for approval";

(C) by striking "and" at the end of subparagraph (D);

(D) by striking subparagraph (F) and inserting the following new subparagraph:

"(F) provide assurances that the State agency will require use of outreach efforts described in section 307(a)(24)(A); and"; and

(E) by adding at the end the following new subparagraph:

"(G)(i) set specific goals, in consultation with area agencies on aging, for each planning and service area for providing services funded under this title to low-income minority older individuals;

"(ii) provide an assurance that the State agency will undertake specific program development, advocacy, and outreach efforts focused on the needs of low-income minority older individuals; and

"(iii) provide a description of the efforts described in clause (ii) that will be undertaken by the State agency.".

(b) PROCEDURES; REVIEW OF BOUNDARIES.—Section 305(b) is amended—

(1) in paragraph (5), by adding at the end the following new subparagraph:

"(C)(i) A State agency shall establish and follow appropriate procedures to provide due process to affected parties, if the State agency initiates an action or proceeding to—

"(I) revoke the designation of the area agency on aging under subsection (a);

"(II) designate an additional planning and service area in a State;

"(III) divide the State into different planning and services areas; or

"(IV) to otherwise affect the boundaries of the planning and service areas in the State.

"(ii) The procedures described in clause (i) shall include procedures for—

"(I) providing notice of an action or proceeding described in clause (i);

"(II) documenting the need for the action or proceeding;

"(III) conducting a public hearing for the action or proceeding;

"(IV) involving area agencies on aging, service providers, and older individuals in the action or proceeding; and

"(V) allowing an appeal of the decision of the State agency in the action or proceeding to the Commissioner.

"(iii) An adversely affected party involved in an action or proceeding described in clause (i) may bring an appeal described in clause (ii)(V) on the basis of—

"(I) the facts and merits of the matter that is the subject of the action or proceeding; or

"(II) procedural grounds.

"(iv) In deciding an appeal described in clause (ii)(V), the Commissioner may affirm or set aside the decision of the State agency. If the Commissioner sets aside the decision, and the State agency has taken an action described in subclauses (I) through (III) of subparagraph (C)(i), the State agency shall nullify the action."; and

(2) by adding at the end the following new paragraph:

"(6) Each State agency shall periodically review and evaluate the boundaries of planning and service areas within the State, taking into consideration changing demographics and the views of older individuals, service providers and recipients, State and local elected officials, other human services officials, area agencies on aging, and the general public.".

(c) APPROVAL OF FORMULA.—Section 305 is amended by adding at the end the following new subsection:

"(e) A State shall not be eligible for grants from the allotment of the State under section 304 until the formula required by subsection (a)(2)(C) is approved by the Commissioner. The Commissioner shall approve any State formula that the Commissioner finds fulfills the requirement of the Act. The Commissioner shall not make a final determination disapproving the formula of any State for distribution of funds received under this title without first affording the State reasonable notice and opportunity for a hearing of the type afforded States under section 307.".

SEC. 305. AREA PLANS.

(a) CASE MANAGEMENT SERVICES.—Section 306(a)(2)(A) (42 U.S.C. 3026(a)(2)(A)) (as amended by section 202(f) of this Act) is further amended by striking ", and information and assistance" and inserting ", information and assistance, and case management services".

(b) IDENTITY OF FOCAL POINT.—Section 306(a)(3) is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by adding "and" at the end of subparagraph (A) (as designated by paragraph (1)); and

(3) by adding at the end the following new subparagraph:

"(B) specify, in grants, contracts, and agreements implementing the plan, the identity of each focal point so designated;".

(c) GOALS FOR LOW-INCOME MINORITY INDIVIDUALS.—

(1) INFORMATION AND ASSISTANCE SERVICES.—Section 306(a)(4) is amended by inserting before the semicolon at the end the following: ", with particular emphasis on linking services available to isolated older individuals and older individuals with Alzheimer's disease or related disorders (and the uncompensated caretakers of individuals with such disease or disorders)".

(2) OUTREACH AND INFORMATION.—Section 306(a)(5) is amended—

(A) in subparagraph (A)—

(i) in clause (i)—

(I) by striking "preference will be given to" and inserting "the area agency on aging will set specific goals for"; and

(II) by striking "with particular attention" and inserting "include specific objectives for providing services";

(ii) in clause (ii)—

(I) by striking "and" at the end of subclause (I); and

(II) by adding at the end the following new subclause:

"(III) meet specific goals, established by the area agency on aging, for providing services to low-income minority individuals within the planning and service area; and"; and

(iii) in clause (iii)—

(I) by striking "and" at the end of subclause (I); and

(II) by adding at the end the following new subclause:

"(III) provide information on the extent to which the area agency on aging met the goals described in clause (i);";

(B) by striking subparagraph (B) and inserting the following new subparagraph:

"(B) provide assurances that the area agency on aging will use outreach efforts that will—

"(i) identify individuals eligible for assistance under this Act, with special emphasis on—

"(I) rural elderly individuals;

"(II) older individuals with the greatest economic need (with particular attention to low-income minority individuals);

"(III) older individuals with the greatest social need (with particular attention to low-income minority individuals);

"(IV) older individuals with severe disabilities;

"(V) isolated older individuals; and

"(VI) older individuals with Alzheimer's disease or related disorders (and the uncompensated caretakers of individuals with such disease or disorders); and

"(ii) inform the individuals and caretakers described in subclauses (I) through (VI) of clause (i) of the availability of such assistance;"; and

(C) by adding at the end the following new subparagraph:

"(C) contain an assurance that the area agency on aging will ensure that each activity undertaken by the agency, including planning, advocacy, and systems development, will include a focus on the needs of low-income minority older individuals;".

(d) COORDINATION; HOUSING ARRANGEMENTS; TELEPHONE LISTING.—Section 306(a)(6) is amended—

(1) in subparagraph (B), by inserting "and timely information" after "assistance";

(2) in subparagraph (D), insert "(in cooperation with agencies, organizations, and individuals participating in activities under the plan)" after "community by";

(3) in subparagraph (E)—

(A) by inserting "(i)" after "(E)";

(B) by adding "and" after the semicolon at the end; and

(C) by adding at the end the following:

"(ii) where possible regarding the provisions of services under this title, enter into arrangements and coordinate with organizations that—

"(I)(aa) were officially designated as community action agencies or community action programs under section 210 of the Economic Opportunity Act of 1964 (42 U.S.C. 2790) for fiscal year 1981, and have not lost the designation as a result of failure to comply with such Act; or

"(bb) came into existence during fiscal year 1982 as direct successors in interest to such community action agencies or community action programs; and

"(II) meet the requirements under section 675(c)(3) of the Community Services Block Grant Act (42 U.S.C. 9904(c)(3));";

(4) by striking subparagraph (H) and inserting the following new subparagraph:

"(H) establish effective and efficient procedures for coordination of—

"(i) entities conducting programs that receive assistance under this Act within the planning and service area served by the agency; and

"(ii) entities conducting other Federal programs for older individuals at the local level, with particular emphasis on entities conducting programs described in section 203(b), within the area";

(5) in subparagraph (I), by striking "emphasize the development" and all that follows and inserting "include the development of case management services as a component of the long-term care services;";

(6) by striking "and" at the end of subparagraph (O);

(7) by striking subparagraph (P); and

(8) by adding at the end the following new subparagraphs:

"(P) establish an informal grievance procedure for older individuals who are dissatisfied with or denied services under this title, with further appeal to the appropriate area agency on aging;

"(Q) in providing legal assistance, give priority to legal problems related to income, health care, long-term care, nutrition, housing and utilities, defense of guardianship, abuse and neglect, and age discrimination;

"(R) where possible, assist organizations that provide housing to older individuals (including public and private housing authorities, and organizations that provide housing in accordance with the program established under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q)), in order to provide leadership in the development and expansion of adequate housing, support services, and living arrangements for older individuals; and

"(S) list the telephone number of the agency in each telephone directory that is published, by the provider of local telephone service, for residents in any geographical area that lies in whole or in part in the service and planning area served by the agency—

"(i) under the name 'Area Agency on Aging';

"(ii) in the unclassified section of the directory; and

"(iii) to the extent possible, in the classified section of the directory, under a subject heading designated by the Commissioner by regulation;".

(e) EXPENDITURES UNDER IN-HOME SERVICES PROGRAMS.—Section 306(a)(7) is amended—

(1) by inserting "subpart 1 or 2 of" after "received under"; and

(2) by striking "such part" and inserting "such subpart".

(f) STATE LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 306(a) is amended—

(1) by striking "and" at the end of paragraph (9); and

(2) by striking paragraph (10) and inserting the following new paragraph:

"(10) provide assurances that the area agency on aging, in carrying out the State Long-Term Care Ombudsman program under section 307(a)(12), will expend not less than the total amount of funds appropriated under this Act and expended by the agency in fiscal year 1991 in carrying out such a program under this title;".

(g) VOLUNTEERS TO ASSIST OLDER INDIVIDUALS; PUBLIC DISCLOSURE; RELATIONSHIP WITH PRIVATE SECTOR; ASSURANCES OF COORDINATION AND ACCESS.—Section 306(a) (as amended by subsection (f) of this section) is further amended by adding at the end the following new paragraphs:

"(11) if appropriate, provide for an area volunteer services coordinator, who shall—

"(A) encourage, and enlist the services of, local volunteer groups to provide assistance and services appropriate to the unique needs of the elderly within the planning and service area;

"(B) encourage, organize, and promote the use of older individuals as volunteers to local communities within the area; and

"(C) promote the recognition of the contribution made by volunteers to programs administered under the area plan;

"(12)(A) describe all activities of the area agency on aging, whether funded by public or private funds; and

"(B) provide an assurance that the activities conform with—

"(i) the responsibilities of the area agency on aging, as set forth in this subsection; and

"(ii) the laws, regulations, and policies of the State served by the area agency on aging;

"(13)(A) provide an assurance that any relationship between the area agency on aging and the private sector shall be related to the purposes of this Act in accordance with State policies; and

"(B) contain a description of all activities involving such a relationship to ensure public accountability;

"(14) provide an assurance that the area agency on aging will coordinate programs under this title and title VI where applicable;

"(15)(A) provide an assurance that the area agency on aging will pursue activities to increase access by older Native Americans to all aging programs and benefits provided by the agency, including programs and benefits under this title, where applicable; and

"(B) specify the ways in which the area agency on aging intends to implement the activities; and

"(16) provide that case management services provided under this title through the area agency on aging—

"(A) will not duplicate case management services provided through other Federal and State programs;

"(B) will be coordinated with services described in clause (i);

"(C) will be provided by—

"(i) a public agency; or

"(ii) a nonpublic agency that—

"(I) does not provide, and does not have a direct or indirect ownership or controlling interest in, or a direct or indirect affiliation or relationship with, an entity that provides, services other than case management services under this title; or

"(II) is a nonprofit agency located in a rural area and obtains a waiver of the requirement described in subclause (I).".

(h) WITHHOLDING OF AREA FUNDS.—Section 306 is amended by adding at the end the following new subsection:

"(e)(1) If the head of a State agency finds that an area agency on aging has failed to comply with Federal or State laws, including the area plan requirements of this section, regulations, or policies, the State may withhold a portion of the funds to the area agency on aging available under this title.

"(2)(A) The head of a State agency shall not make a final determination withholding funds under paragraph (1) without first affording the area agency on aging due process in accordance with procedures established by the State agency.

"(B) At a minimum, such procedures shall include procedures for—

"(i) providing notice of an action to withhold funds;

"(ii) providing documentation of the need for such action; and

"(iii) at the request of the area agency on aging, conducting a public hearing concerning the action.

"(3)(A) If a State agency withholds the funds, the State agency may use the funds withheld to directly administer programs under this title in the planning and service area served by the area agency on aging for a period not to exceed 180 days, except as provided in subparagraph (B).

"(B) If the State agency determines that the area agency on aging has not taken corrective

action, or if the State agency does not approve the corrective action, during the 180-day period described in subparagraph (A), the State agency may extend the period for not more than 90 days.".

SEC. 306. STATE PLANS.

(a) CASE MANAGEMENT SERVICES.—Section 307(a)(3)(A) (42 U.S.C. 3027(a)(3)(A)) is amended—

(1) by striking "The plan" and all that follows through "(including legal assistance)" and inserting "The plan shall provide that the State agency will—

"(i) evaluate the need for supportive services";

(2) by striking the period at the end of clause (i) (as designated by paragraph (1) of this subsection) and inserting "; and"; and

(3) by adding at the end the following new clause:

"(ii) by fiscal year 1994, use the methodology developed under section 207(d)(1)(A)(iv) in conducting the evaluation.".

(b) PROCEDURES.—Section 307(a)(5) is amended—

(1) by striking "agency will afford" and inserting "agency will—

"(A) afford";

(2) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(B) establish and publish procedures for requesting and conducting the hearing.".

(c) EVALUATION.—Section 307(a)(8) is amended by adding at the end the following new sentence: "In conducting such evaluations and public hearings, the State agency shall solicit the views and experiences of entities that are knowledgable about the needs and concerns of low-income minority older individuals.".

(d) STATE LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 307(a) is amended by striking paragraph (12) and inserting the following new paragraph:

"(12) The plan shall provide assurances that the State agency will carry out, through the Office of the State Long-Term Care Ombudsman, a State Long-Term Care Ombudsman program in accordance with section 712 and this part.".

(e) USE OF FUNDS; NUTRITION EDUCATION AND SANITARY HANDLING OF MEALS.—Section 307(a)(13) is amended—

(1) in subparagraph (B), by inserting "(other than under section 303(b)(3))" after "available under this title";

(2) by striking "and" at the end of subparagraph (H);

(3) by striking the period at the end of subparagraph (I) and inserting a semicolon; and

(4) by adding at the end the following new subparagraphs:

"(J) each nutrition project shall provide nutrition education on at least a quarterly basis to participants in the congregate and home delivered nutrition services programs described in subparts 1 and 2, respectively; and

"(K) each project must comply with applicable provisions of State or local laws regarding the safe and sanitary handling of food, equipment, and supplies used in the storage, preparation, service, and delivery of meals to an older person.".

(f) LEGAL PROBLEMS.—Section 307(a)(15) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) the plan contains assurances that area agencies on aging will give priority to legal problems related to income, health care, long-term care, nutrition, housing and utilities, defense of guardianship, abuse and neglect, and age discrimination.".

(g) PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION.—Section 307(a)(16) is amended by striking ", if funds are not appropriated under section 303(g) for a fiscal year, provide that" and inserting "provide".

(h) EXPENDITURES UNDER STATE LONG-TERM CARE OMBUDSMAN PROGRAM.—Section 307(a) is amended by striking paragraph (21) and inserting the following new paragraph:

"(21) The plan shall provide assurances that the State agency, in carrying out the State Long-Term Care Ombudsman program under section 307(a)(12), will expend not less than the total amount expended by the agency in fiscal year 1991 in carrying out such a program under this title.".

(i) OUTREACH AND INFORMATION.—Section 307(a) is amended by striking paragraph (24) and inserting the following new paragraph:

"(24) The plan shall provide assurances that the State agency will require outreach efforts that will—

"(A) identify older individuals who are eligible for assistance under this title, with special emphasis on—

"(i) older individuals with greatest economic need (with particular attention to low-income minority individuals);

"(ii) older individuals with greatest social need (with particular attention to low-income minority individuals);

"(iii) older individuals who reside in rural areas;

"(iv) isolated older individuals;

"(v) older individuals with Alzheimer's disease or related disorders (and the uncompensated caretakers of individuals with such disease or disorders); and

"(B) inform the individuals and caretakers described in clauses (i) through (v) of subparagraph (A) of the availability of such assistance.".

(j) ELDER RIGHTS STATE PLAN.—Section 307(a) is amended by striking paragraph (30) and inserting the following new paragraph:

"(30) The plan shall provide assurances that the State has submitted, or will submit, a State plan under section 705.".

(k) REQUIREMENTS.—Section 307(a) is amended—

(1) by striking paragraph (31); and

(2) by adding at the end the following new paragraphs:

"(31) The plan shall provide assurances that if the State receives funds appropriated under section 303(d)(2), the State agency and area agencies on aging will expend such funds to carry out subpart 2 of part D.

"(32)(A) If 50 percent or more of the area plans in the State provide for an area volunteer services coordinator, as described in section 306(a)(11), the State plan shall provide for a State volunteer services coordinator, who shall—

"(i) encourage area agencies on aging to provide for area volunteer services coordinators;

"(ii) coordinate the volunteer services offered between the various area agencies on aging;

"(iii) encourage, organize and promote the use of older individuals as volunteers to the State;

"(iv) provide technical assistance, which may include training, to area volunteer services coordinators; and

"(v) promote the recognition of the contribution made by volunteers to the programs administered under the State plan.

"(B) If fewer than 50 percent of the area plans in the State provide for an area volunteer services coordinator, the State plan may provide for the State volunteer services coordinator described in subparagraph (A).

"(33) The plan shall provide assurances that special efforts will be made to provide technical assistance to minority service providers.

"(34) The plan—

"(A) shall include the statement and the demonstration required by paragraphs (2) and (4) of section 305(d); and

"(B) may not be approved unless the Commissioner approves such statement and such demonstration.

"(35) The plan shall require the establishment of a State advisory group to continuously advise the State agency on all matters relating to the development of the State plan, the administration of the State plan, and operations conducted under the plan.

"(36) The plan shall provide an assurance that the State agency will coordinate programs under this title and title VI where applicable.

"(37) The plan shall—

"(A) provide an assurance that the State agency will pursue activities to increase access by older Native Americans to all aging programs and benefits provided by the agency, including programs and benefits under this title, where applicable; and

"(B) specify the ways in which the State agency intends to implement the activities.

"(38) The plan shall provide that the State agency shall ensure compliance with the requirements specified in section 306(a)(16).

"(39) The plan shall identify for each fiscal year, the actual and projected additional costs of providing services under this title, including the cost of providing access to such services, to older individuals residing in rural areas in the State (in accordance with a standard definition of rural areas specified by the Commissioner).".

SEC. 307. PLANNING, COORDINATION, EVALUATION, AND ADMINISTRATION OF STATE PLANS.

Section 308(b) is amended by striking paragraphs (4) and (5) and adding at the end the following new paragraphs:

"(4)(A) Notwithstanding any other provision of this title, a State agency may elect to transfer, between subparts 1 and 2 of part C, not more than 30 percent of the amount that is allotted to the State from the funds appropriated under paragraphs (1) and (2) of section 303(b), for use as the State agency considers appropriate to meet the needs of the areas served.

"(B) A State agency that elects to make a transfer described in subparagraph (A) shall indicate the election in the information submitted to comply with section 307(a)(13).

"(5)(A) A State agency that desires to transfer, between subparts 1 and 2 of part C, more than 30 percent of the amount described in paragraph (4)(A) shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.

"(B) At a minimum, the application described in subparagraph (A) shall include a description of the amount to be transferred, the purposes of the transfer, the need for the transfer, and the impact of the transfer on the services from which the funding will be transferred. The Commissioner shall approve or deny the application in writing.

"(6)(A) Notwithstanding any other provision of this title, a State agency may elect to transfer, between parts B and C, not more than 30 percent of the amount that is allotted to the State from the funds appropriated under subsection (a) and paragraphs (1) and (2) of section 303(b), for use as the State agency considers appropriate to meet the needs of the areas served.

"(B) A State agency that elects to make a transfer described in subparagraph (A) shall notify the Commissioner of any such election.

"(7) A State agency may not delegate to an area agency on aging or any other entity the

authority to make a transfer described in paragraph (4)(A), (5)(A), or (6)(A).

"(8) The Commissioner shall annually collect, and include in the report required by section 207(a), data regarding the transfers described in paragraphs (4)(A), (5)(A), and (6)(A), including—

"(A) the amount of funds involved in the transfers, analyzed by State;

"(B) the rationales for the transfers;

"(C) in the case of transfers described in paragraphs (4)(A) and (5)(A), the effect of the transfers of the provision of services, including the effect on the number of meals served, under—

"(i) subpart 1 of part C; and

"(ii) subpart 2 of part C; and

"(D) in the case of transfers described in paragraph (6)(A)—

"(i) in the case of transfers to part B, information on the supportive services, or services provided through senior centers, for which the transfers were used; and

"(ii) the effect of the transfers on the provision of services provided under—

"(I) part B; and

"(II) part C, including the effect on the number of meals served.".

SEC. 308. DISASTER RELIEF REIMBURSEMENTS.

Section 310(a) (42 U.S.C. 3030(a)) is amended—

(1) in paragraph (1), by striking "supportive services" and inserting "supportive supplies and services"; and

(2) by adding at the end the following new paragraph:

"(3) The Commissioner shall advance to a State up to 75 percent of the funds available for relief of a disaster not later than 5 working days after the President declares the disaster as described in paragraph (1).".

SEC. 309. AVAILABILITY OF SURPLUS COMMODITIES.

Section 311 (42 U.S.C. 3030a) is amended—

(1) in subsection (a)(4)—

(A) by designating the first sentence as subparagraph (A);

(B) by designating the second and third sentence as subparagraph (B), and indenting accordingly; and

(C) in subparagraph (A) (as designated by subparagraph (A) of this paragraph), by striking "shall maintain" and all that follows, and inserting the following: "shall maintain—

"(i) for fiscal year 1992, a level of assistance equal to the greater of—

"(I) a per meal rate equal to the amount appropriated under subsection (c) for fiscal year 1992, divided by the number of meals served in the preceding fiscal year; or

"(II) 61 cents per meal; and

"(ii) for fiscal year 1993 and each of the subsequent fiscal years, an annually programmed level of assistance equal to the greater of—

"(I) a per meal rate equal to the amount appropriated under subsection (c) for the fiscal year, divided by the number of meals served in the preceding fiscal year; and

"(II) 61 cents per meal, adjusted in accordance with changes in the series for food away from home, of the Consumer Price Index, published by the Bureau of Labor Statistics of the Department of Labor, based on the 12-month period ending on July 1 of the preceding year."; and

(2) in subsection (c)—

(A) in paragraph (1)(A), by striking "$151,000,000" and all that follows through "1991" and inserting "$220,000,000 for fiscal year 1992, $235,000,000 for fiscal year 1993, $250,000,000 for fiscal year 1994, and $265,000,000 for fiscal year 1995"; and

(B) in paragraph (2)—

(i) by striking "(2) In" and inserting "(2)(A) Except as provided in subparagraph (B), in"; and

(ii) by adding at the end the following new subparagraph:

"(B) To the extent feasible, the cents per meal level described in subparagraph (A) shall not be reduced below 61 cents per meal in any fiscal year. In each fiscal year, the final reimbursement claims shall be adjusted to use the full amount appropriated under this subsection for the fiscal year.".

Subtitle B—Supportive Services and Senior Centers

SEC. 311. SUPPORTIVE SERVICES.

Section 321(a) (42 U.S.C. 3030d(a)) is amended—

(1) in paragraph (3), by inserting "(including information and assistance services)" after "and services";

(2) in paragraph (5)—

(A) by striking "client assessment through case management" and inserting "case management services (including providing information relating to assistive technology"; and

(B) by inserting "music therapy services," after "reader services,";

(3) by striking paragraph (6) and inserting the following new paragraph:

"(6) services designed to provide to older individuals legal assistance and other counseling services and assistance, including—

"(A) tax counseling and assistance, financial counseling, and counseling regarding appropriate health and life insurance coverage;

"(B) representation—

"(i) of individuals who are wards (or are allegedly incapacitated); and

"(ii) in guardianship proceedings of older individuals who seek to become guardians, if other adequate representation is unavailable in the proceedings; and

"(C) counseling regarding permanency planning for elderly caregivers of adult children with mental and physical disabilities" after "older individuals;";

(4) in paragraph (7), by striking "physical activity and exercise" and inserting "physical activity, exercise, music therapy, art therapy, and dance/movement therapy";

(5) in paragraph (9), by striking "preretirement" and all that follows and inserting ", for older individuals, preretirement counseling and assistance in planning for and assessing future post-retirement needs with regard to public and private insurance, public benefits, lifestyle changes, relocation, legal matters, leisure time, and other appropriate matters;";

(6) in paragraph (11), by inserting ", or who are caregivers of adult children who are disabled" after "who are disabled";

(7) in paragraph (12), by inserting "and second career" after "including job";

(8) by striking "or" at the end of paragraph (18);

(9) by redesignating paragraph (19) as paragraph (22);

(10) by inserting after paragraph (18) the following new paragraphs:

"(19) services designed to support family members and other persons providing voluntary care to older individuals that need long-term care services;

"(20) services designed to provide information and training for individuals who are or may become guardians or representative payees of older individuals, including information on the powers and duties of guardians and representative payees and on alternatives to guardianships;

"(21) services to encourage and facilitate regular interaction between school-age children and older individuals, including visits in long-term care facilities, senior centers, and other settings; or"; and

(11) by striking the second sentence.

Subtitle C—Nutrition Services

SEC. 321. CONGREGATE NUTRITION SERVICES.

Section 331 (42 U.S.C. 3030e) is amended—

(1) by inserting "(a)" after the section designation;

(2) in subsection (a) (as designated by paragraph (1) of this subsection), by striking ", each of which" and all that follows through "National Research Council"; and

(3) by adding at the end the following new subsection:

"(b) An agency that establishes and operates a nutrition project under subsection (a) shall ensure that the meals provided through the project—

"(1) comply with the Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture; and

"(2) provide a 5-day time-averaged intake of—

"(A) 33⅓ percent of the daily recommended dietary allowances, as established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences, if the project serves one meal each day;

"(B) 66⅔ percent of the allowances, if the project serves two meals each day; and

"(C) 100 percent of the allowances, if the project serves three meals each day.".

SEC. 322. HOME DELIVERED NUTRITION SERVICES.

Section 336 (42 U.S.C. 3030f) is amended—

(1) by inserting "(a)" after the section designation;

(2) in paragraph (1) of subsection (a) (as designated by paragraph (1) of this subsection), by striking ", each of which" and all that follows through "National Research Council"; and

(3) by adding at the end the following new subsection;

"(b) An agency that establishes and operates a nutrition project under subsection (a) shall ensure that the meals provided through the project—

"(1) comply with the Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture; and

"(2) provide a 5-day time-averaged intake of—

"(A) 33⅓ percent of the daily recommended dietary allowances, as established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences, if the project serves one meal each day;

"(B) 66⅔ percent of the allowances, if the project serves two meals each day; and

"(C) 100 percent of the allowances, if the project serves three meals each day.".

SEC. 323. CRITERIA.

Section 337 (42 U.S.C. 3030g) is amended by inserting "the Dietary Managers Association," after "Dietetic Association,".

SEC. 324. CONGREGATE NUTRITION SERVICES AND INTERGENERATIONAL ACTIVITIES.

(a) FINDINGS.—Congress finds that—

(1) there are millions of older individuals who could benefit from congregate nutrition services, but live in areas where meals are unavailable or limited;

(2) there are millions of elementary and secondary school students who need positive role models, tutors, enhancement of self-esteem, and assistance with multiple and complex economic, health, and social problems;

(3) older individuals have a unique range of knowledge, talents, and experience, which can be of immeasurable value to students as a part of the educational process;

(4) intergenerational programs can provide older individuals with the opportunity to contribute skills and talents in the public schools;

(5) programs that create and foster communication between older individuals and youth are effective in improving awareness and understanding of the aging process, promoting more positive and balanced views of the realities of aging, and reducing negative stereotyping of older individuals;

(6) unused or underused space in school buildings can be used for intergenerational programs serving older individuals in exchange for good faith commitments by older individuals to provide volunteer assistance in the public schools; and

(7) school districts need broad-based community support for school initiatives, and intergenerational programs can help to enrich the support.

(b) PURPOSES.—The purposes of this section are—

(1) to create and foster intergenerational opportunities for older individuals and elementary and secondary students in the schools, where meals and social activities are provided;

(2) to create school-based programs for older individuals to assist elementary and secondary students who have limited-English proficiency or are at risk of—

(A) dropping out of school;

(B) abusing controlled substances;

(C) remaining illiterate; and

(D) living in poverty.

(3) to provide older individuals with opportunities to improve their self-esteem and make major contributions to the educational process of the youth of the United States by contributing the unique knowledge, talents, and sense of history of older individuals through roles as volunteer tutors, teacher aides, living historians, special speakers, playground supervisors, lunchroom assistants, and many other school support roles;

(4) to provide an opportunity for older individuals to obtain access to school facilities and resources, such as libraries, gymnasiums, theaters, cafeterias, audiovisual resources, and transportation; and

(5) to create other programs for group interaction between students and older individuals, including class discussions, dramatic programs, shared school assemblies, field trips, and mutual classes.

(c) SCHOOL-BASED MEALS FOR VOLUNTEER OLDER INDIVIDUALS AND INTERGENERATIONAL PROGRAMS.—Part C of title III (42 U.S.C. 3030e et seq.) is amended by adding at the end the following new subpart:

"Subpart 3—School-Based Meals for Volunteer Older Individuals and Intergenerational Programs

"SEC. 338. ESTABLISHMENT.

"(a) IN GENERAL.—The Commissioner shall establish and carry out, under State plans approved under section 307, a program for making grants to States to pay for the Federal share of establishing and operating projects in elementary and secondary schools that—

"(1) provide hot meals, each of which ensures a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences, to volunteer older individuals—

"(A) while such schools are in session;

"(B) during the summer; and

"(C) unless waived by the State involved, on the weekdays in the school year when such schools are not in session;

"(2) provide intergenerational activities in which volunteer older individuals and students interact;

"(3) provide social and recreational activities for volunteer older individuals;

"(4) develop skill banks that maintain and make available to school officials information on the skills and preferred activities of volunteer older individuals, for purposes of providing opportunities for such individuals to serve as tutors, teacher aides, living historians, special speakers, playground supervisors, lunchroom assistants, and in other roles; and

"(5) provide opportunities for volunteer older individuals to participate in school activities (such as classes, dramatic programs, and assemblies) and use school facilities.

"(b) FEDERAL SHARE.—The Federal share of the costs of establishing and operating nutrition and intergenerational activities projects under this subpart shall be 85 percent.

"SEC. 338A. APPLICATION AND SELECTION OF PROVIDERS.

"(a) CONTENTS OF APPLICATION.—To be eligible to carry out a project under the program established under this subpart, an entity shall submit an application to a State agency. Such application shall include—

"(1) a plan describing the project proposed by the applicant and comments on such plan from the appropriate area agency on aging and the appropriate local educational agency;

"(2) an assurance that the entity shall pay not more than 85 percent of the cost of carrying out such project from funds awarded under this subpart;

"(3) an assurance that the entity shall pay not less than 15 percent of such cost, in cash or in kind, from non-Federal sources;

"(4) information demonstrating the need for such project, including a description of—

"(A) the nutrition services and other services currently provided under this part in the geographic area to be served by such project; and

"(B) the manner in which the project will be coordinated with such services; and

"(5) such other information and assurances as the Commissioner may require by regulation.

"(b) SELECTION AMONG APPLICANTS.—In selecting grant recipients from among entities that submit applications under subsection (a) for a fiscal year, the State agency shall—

"(1) give first priority to entities that carried out a project under this subpart in the preceding fiscal year;

"(2) give second priority to entities that carried out a nutrition project under subpart 1 in the preceding fiscal year; and

"(3) give third priority to entities whose applications include a plan that involves a school with greatest need (as measured by the dropout rate, the level of substance abuse, the number of children who have limited-English proficiency or who participate in programs under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.), the National School Lunch Act (42 U.S.C. 1751 et seq.), or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), or other measures).

"SEC. 338B. REPORTS.

"(a) REPORTS BY STATES.—Not later than 60 days after the end of a fiscal year for which a State receives a grant under this subpart, such State shall submit to the Commissioner a report evaluating the projects carried out under this subpart by such State in such fiscal year. Such report shall include for each project—

"(1) a description of—

"(A) persons served;

"(B) intergenerational activities carried out; and

"(C) additional needs of volunteer older individuals and students; and

"(2) recommendations for any appropriate modifications to satisfy the needs described in paragraph (1)(C).

"(b) REPORTS BY COMMISSIONER.—Not later than 120 days after the end of a fiscal year for which funds are appropriated to carry out this subpart, the Commissioner shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report summarizing, with respect to each State, the reports submitted under subsection (a) for such fiscal year.".

SEC. 325. SENIOR NUTRITION.

Part C of title III (42 U.S.C. 3030e et seq.) (as amended by section 324(c)) is further amended by adding at the end the following new subpart:

"Subpart 4—General Nutrition Service Provisions

"SEC. 339. DIETARY PROFESSIONALS.

"(a) IN GENERAL.—The Commissioner shall ensure that the Administration shall employ at least one individual as a National Dietary Professional on a full-time basis.

"(b) QUALIFICATIONS.—The National Dietary Professional shall—

"(1) have experience in nutrition and dietary services; and

"(2)(A) be a registered dietitian;

"(B) be a credentialed nutrition professional; or

"(C) have education and training that is substantially equivalent to the education and training for a registered dietitian or a credentialed nutrition professional.

"(c) DUTIES.—

"(1) NATIONAL DIETARY PROFESSIONAL.—The National Dietary Professional shall be responsible for the administration of the congregate and home delivered nutrition services programs described in subparts 1 and 2, respectively, and shall have duties that include—

"(A) designing, implementing, and evaluating nutrition programs;

"(B) developing guidelines for nutrition providers concerning safety, sanitary handling of food, equipment, preparation, and food storage;

"(C) disseminating information to nutrition service providers about nutrition advancements and developments;

"(D) promoting coordination between nutrition service providers and community-based organizations serving older individuals;

"(E) developing guidelines on cost containment;

"(F) defining a long range role for the nutrition services in community-based care systems;

"(G) developing model menus and other appropriate materials for serving special needs populations and meeting cultural meal preferences; and

"(H) providing technical assistance to the regional offices of the Administration with respect to each duty described in subparagraphs (A) through (G).

"(2) REGIONAL OFFICES.—The regional offices of the Administration shall be responsible for disseminating, and providing technical assistance regarding, the guidelines and information described in subparagraphs (B), (C), and (E) of paragraph (1) to State agencies, area agencies on aging, and persons that provide nutrition services under this part.

"SEC. 339A. MINIMUM CRITERIA AND GUIDELINES FOR NUTRITION SERVICES.

"(a) TASK FORCE.—

"(1) IN GENERAL.—The Commissioner shall establish a task force to develop recommendations for minimum criteria and guidelines of efficiency and quality for furnishing congregate and home delivered nutrition services, as described in subparts 1 and 2, respectively.

"(2) COMPOSITION OF TASK FORCE.—The task force shall be composed of members appointed by the Commissioner from among individuals nominated by the Secretary of Agriculture, the American Dietetic Association, the Dietary Managers Association, the National Association of Nutrition and Aging Service Programs, the National Association of Meal Programs, the National Association of State Units on Aging, the National Association of Area Agencies on Aging, and other appropriate organizations.

"(3) REPORT.—Not later than January 1, 1993, the task force shall submit a report to the Commissioner containing the recommendations described in paragraph (1).

"(b) REGULATIONS.—

"(1) IN GENERAL.—Not later than June 30, 1993, the Commissioner, in consultation with the Secretary of Agriculture, shall promulgate regu-

lations establishing minimum criteria and guidelines for furnishing the congregate and home delivered nutrition services described in subparts 1 and 2.

''(2) Basis.—The regulations shall reflect, to the extent determined appropriate by the Commissioner, the recommendations described in subsection (a)(1).

"SEC. 339B. NUTRITION EDUCATION.

''The Commissioner and the Secretary of Agriculture may provide technical assistance and appropriate material to agencies carrying out nutrition education programs in accordance with section 307(a)(13)(J).''.

Subtitle D—In-Home Services for Frail Older Individuals

SEC. 331. GRANTS FOR SUPPORTIVE ACTIVITIES FOR CERTAIN INDIVIDUALS WHO PROVIDE IN-HOME SERVICES TO FRAIL OLDER INDIVIDUALS.

(a) Grants.—Part D of title III (42 U.S.C. 3030h et seq.) is amended—

(1) by redesignating section 343 as section 341A;

(2) by redesignating section 342 as section 343;

(3) by inserting after the part designation the following:

"Subpart 1—In-Home Services";

(4) by inserting after section 341A (as redesignated by paragraph (1) of this subsection) the following:

"Subpart 2—Supportive Activities for Certain Individuals Who Provide In-Home Services to Frail Older Individuals

"SEC. 342. PROGRAM.

''(a) In General.—The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide supportive activities for individuals (including family members) who without compensation provide in-home services to frail older individuals (including older individuals who are victims of Alzheimer's disease and related disorders).

''(b) Supportive Activities.—The supportive activities described in subsection (a) may include—

''(1) providing training and counseling for individuals who provide such services;

''(2) providing technical assistance to such individuals to assist the individuals in forming or participating in support groups;

''(3) providing information—

''(A) to the frail older individuals and their families regarding ways of obtaining in-home services and respite services; and

''(B) to individuals who provide such services, regarding—

''(i) ways of providing such services; and

''(ii) sources of nonfinancial support available to the individuals as a result of providing such services; and

''(4) maintaining lists of individuals who provide respite services for the families of the frail older individuals.

"Subpart 3—General Provisions".

(b) Conforming Amendment.—Section 307(a)(10) (42 U.S.C. 3027(a)(10)) is amended by striking ''section 342(1)'' and inserting ''section 343(1)''.

SEC. 332. IN-HOME SERVICES.

Section 343 (42 U.S.C. 3030i) (as redesignated by section 331(a)(2) of this Act) is amended to read as follows:

"SEC. 342. DEFINITION.

''For purposes of this part, the term 'in-home services' includes—

''(1) homemaker and home health aides;

''(2) visiting and telephone reassurance;

''(3) chore maintenance;

''(4) in-home respite care for families, and adult day care as a respite service for families;

''(5) minor modification of homes that is necessary to facilitate the ability of older individuals to remain at home and that is not available under other programs, except that not more than $150 per client may be expended under this part for such modification;

''(6) personal care services; and

''(7) other in-home services as defined—

''(A) by the State agency in the State plan submitted in accordance with section 307; and

''(B) by the area agency on aging in the area plan submitted in accordance with section 306.''.

Subtitle E—Additional Assistance for Special Needs of Older Individuals

SEC. 341. MUSIC, ART, AND DANCE/MOVEMENT THERAPY.

Section 351 (42 U.S.C. 3030l) is amended—

(1) by striking ''and'' at the end of paragraph (4);

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following new paragraph:

''(5) music therapy, art therapy, and dance/movement therapy services; and''.

Subtitle F—Preventive Health Services

SEC. 351. PROGRAM AUTHORIZED.

Section 361 (42 U.S.C. 3030m) is amended—

(1) in subsection (a), to read as follows:

''(a) The Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide disease prevention and health promotion services and information at senior centers, at congregate meal sites, through home delivered meals programs, or at other appropriate sites. In carrying out such program, the Commissioner shall consult with the Directors of the Centers for Disease Control and the National Institute on Aging.'';

(2) by striking subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

SEC. 352. DEFINITION.

(a) Disease Prevention and Health Promotion Services.—Section 363 (42 U.S.C. 3030o) is amended to read as follows:

"SEC. 363. DEFINITION.

''As used in this part, the term 'disease prevention and health promotion services' means—

''(1) health risk assessments;

''(2) routine health screening, which may include hypertension, glaucoma, cholesterol, cancer, vision, hearing, diabetes, and nutrition screening;

''(3) nutritional counseling and educational services for individuals and their primary caregivers;

''(4) health promotion programs, including programs relating to osteoporosis and cardiovascular disease prevention, Alzheimer's disease and related disorders awareness, alcohol and substance abuse reduction, smoking cessation, weight loss and control, and stress management;

''(5) programs regarding physical fitness, group exercise, and music, art, and dance/movement therapy, including programs for intergenerational participation that are provided by—

''(A) an institution of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (42 U.S.C. 1141(a));

''(B) a local educational agency, as defined in section 1201(g) of the Act; or

''(C) a community-based organization;

''(6) home injury control services, including screening of high-risk home environments and provision of educational programs on injury prevention (including fall and fracture prevention) in the home environment;

''(7) screening for the prevention of depression, coordination of community mental health services, provision of educational activities, and referral to psychiatric and psychological services;

''(8) educational programs on the availability, benefits, and appropriate use of preventive health services covered under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.);

''(9)(A) medication management screening; and

''(B) education to prevent incorrect medication and adverse drug reactions;

''(10) information concerning diagnosis, prevention, and treatment of age-related diseases, including osteoporosis, cardiovascular diseases, and Alzheimer's disease and related disorders; and

''(11) counseling regarding followup health services based on any of the services described in paragraphs (1) through (10).

The term shall not include services for which payment may be made under title XVIII of the Social Security Act.''.

(b) Conforming Amendments.—

(1) Part F of title III (42 U.S.C. 3030m et seq.) is amended in the part heading by striking ''PREVENTIVE HEALTH SERVICES'' and inserting ''DISEASE PREVENTION AND HEALTH PROMOTION SERVICES''.

(2) Section 422(a)(2) (42 U.S.C. 3035a(a)(2)) is amended by striking ''preventive health service'' and inserting ''disease prevention and health promotion services''.

Subtitle G—Programs for Prevention of Abuse, Neglect, and Exploitation

SEC. 361. REPEAL.

Title III (42 U.S.C. 3021 et seq.) is amended by repealing part G.

TITLE IV—TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS

SEC. 401. PRIORITIES FOR GRANTS AND DISCRETIONARY PROJECTS.

Section 402 (42 U.S.C. 3030bb) is amended—

(1) in subsection (c), by striking ''and contracts'' and inserting '', contracts, and cooperative agreements''; and

(2) by adding at the end the following new subsection:

''(d) The Commissioner shall consult with State agencies, area agencies on aging, and recipients of grants under title VI, in—

''(1) developing priorities, consistent with the requirements of this title, for awarding grants and entering into contracts under this title; and

''(2) reviewing applications for the grants and contracts.''.

SEC. 402. PURPOSES OF EDUCATION AND TRAINING PROJECTS.

Section 410(3) (42 U.S.C. 3030jj(3)) is amended by inserting '', with particular emphasis on attracting minority persons,'' after ''qualified personnel''.

SEC. 403. GRANTS AND CONTRACTS FOR EDUCATION AND TRAINING PROJECTS.

Section 411(a) (42 U.S.C. 3031(a) is amended—

(1) in paragraph (2), by inserting '', with special emphasis on using culturally sensitive practices'' before the period; and

(2) in paragraph (4), by inserting before the period the following: '', including annual training of directors of programs under title VI''.

SEC. 404. MULTIDISCIPLINARY CENTERS OF GERONTOLOGY.

Section 412(a)(4) (42 U.S.C. 3032(a)(4)) is amended by inserting ''social work, and psychology,'' after ''education,''.

SEC. 405. CAREER PREPARATION FOR THE FIELD OF AGING.

Part A of title IV of the Older Americans Act of 1965 (42 U.S.C. 3030aa et seq.) is amended by adding at the end the following:

"SEC. 413. CAREER PREPARATION FOR THE FIELD OF AGING.

''(a) Grants.—The Commissioner shall make grants to institutions of higher education, historically Black colleges or universities, Hispanic Centers of Excellence in Health Professions Education, and other educational institutions that serve the needs of minority students, to provide education and training to prepare students for careers in the field of aging.

"(b) DEFINITIONS.—As used in subsection (a):

"(1) HISPANIC CENTER OF EXCELLENCE IN HEALTH PROFESSIONS EDUCATION.—The term 'Hispanic Center of Excellence in Health Professions Education' has the meaning given such term in section 782(d)(2) of the Public Health Service Act (42 U.S.C. 295g–2(d)(2)).

"(2) HISTORICALLY BLACK COLLEGE OR UNIVERSITY.—The term 'historically Black college or university' has the meaning given the term 'part B institution' in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)).

"(3) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).".

SEC. 406. DEMONSTRATION PROJECTS.

Section 422 (42 U.S.C. 3035a) is amended—

(1) in subsection (b)—

(A) by striking "and" at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

"(10) meet the service needs of elderly caregivers of adult children with disabilities, including needs for—

"(A) the provision of respite services; and

"(B) the provision of legal advice, information, and referral services to assist elderly caregivers with permanency planning for their adult children with disabilities; and

"(11) advance the understanding of the efficacy and benefits of providing music therapy, art therapy, or dance/movement therapy to older individuals through—

"(A) projects that—

"(i) study and demonstrate the provision of music therapy, art therapy, or dance/movement therapy services to older individuals who are institutionalized or at risk of being institutionalized; and

"(ii) provide music therapy, art therapy, or dance/movement therapy services in nursing homes, hospitals, rehabilitation centers, hospices, or senior centers, or through disease prevention and health promotion services programs, in-home services, or intergenerational programs; and

"(B) education, training, and information dissemination projects, including—

"(i) projects for the provision of gerontological training to music therapists, and education and training of persons in the aging network regarding the efficacy and benefits of music therapy for older individuals; and

"(ii) projects for disseminating to the aging network and to music therapists background materials on music therapy, best practice manuals, and other appropriate information on the application of music therapy with older individuals.";

(2) in subsection (d)(2)—

(A) by inserting "(A)" after the paragraph designation; and

(B) by adding at the end the following new subparagraph:

"(B) An agency or organization that receives a grant or enters into a contract under subparagraph (A) or (B)(i) of subsection (b)(11) shall submit to the Commissioner a report containing—

"(i) the results and findings resulting from the projects conducted by the agency or organization under the subparagraph; and

"(ii) the recommendations of the agency or organization regarding means by which music therapy could be made available, in an efficient and effective manner, to older individuals who would benefit from the therapy."; and

(3) by adding at the end the following new subsection:

"(e) As used in this section, the term 'adult child with a disability' means a child who—

"(1) is age 18 or older;

"(2) is financially dependent on a parent of the child; and

"(3) has a physical or mental disability, including a disability caused by mental illness or mental retardation.".

SEC. 407. SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.

(a) IN GENERAL.—Section 423 (42 U.S.C. 3035b) is amended to read as follows:

"SEC. 423. SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.

"(a) DEFINITIONS.—As used in this section:

"(1) PROJECT.—The term 'Project' means a Project To Improve the Delivery of Long-Term Care Services.

"(2) RESOURCE CENTER.—The term 'Resource Center' means a Resource Center for Long-Term Care.

"(b) RESOURCE CENTERS FOR LONG-TERM CARE.—

"(1) GRANTS, CONTRACTS, AND AGREEMENTS.—The Commissioner shall award grants to, or enter into contracts or cooperative agreements with, eligible entities to support the establishment or operation of not fewer than four or more than seven Resource Centers for Long-Term Care in accordance with paragraph (2).

"(2) REQUIREMENTS.—

"(A) FUNCTIONS.—Each Resource Center that receives funds under this subsection shall, with respect to subjects within an area or areas of specialty of the Resource Center—

"(i) perform research;

"(ii) provide for the dissemination of results of the research; and

"(iii) provide technical assistance and training to State agencies and area agencies on aging.

"(B) AREAS OF SPECIALTY.—The areas of specialty described in subparagraph (A) include—

"(i) Alzheimer's disease, related dementias and other cognitive impairments;

"(ii) assessment and case management;

"(iii) data assistance;

"(iv) home modification and housing supportive services;

"(v) consolidation and coordination of services;

"(vi) linkages between acute care and long-term care settings and providers;

"(vii) decisionmaking and bioethics;

"(viii) supply, training, and quality of long-term care personnel;

"(ix) rural issues, including barriers to access to services;

"(x) chronic mental illness;

"(xi) populations with greatest social and economic need, including minorities; and

"(xii) other areas of importance as determined by the Commissioner.

"(c) PROJECTS TO IMPROVE THE DELIVERY OF LONG-TERM CARE SERVICES.—The Commissioner shall award grants to, or enter into contracts or cooperative agreements with, eligible entities to support the entities in establishing or carrying out not fewer than 10 Projects To Improve the Delivery of Long-Term Care Services.

"(d) USE OF FUNDS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an eligible entity may use funds received under a grant, contract, or agreement—

"(A) described in subsection (b)(1) to pay for part or all of the cost (including startup cost) of establishing and operating a new Resource Center, or of operating a Resource Center in existence on the day before the date of the enactment of the Older Americans Act Reauthorization Amendments of 1991; and

"(B) described in subsection (c) to pay for part or all of the cost (including startup cost) of establishing and carrying out a Project.

"(2) REIMBURSABLE DIRECT SERVICES.—None of the funds described in paragraph (1) may be used to pay for direct services that are eligible for reimbursement under title XVIII, title XIX, or title XX of the Social Security Act (42 U.S.C. 1395 et seq., 1396 et seq., or 1397 et seq.).

"(e) PREFERENCE.—In awarding grants, and entering into contracts and agreements, under this section, the Commissioner shall give preference to entities that demonstrate that—

"(1) adequate State standards have been developed to ensure the quality of services provided under the grant, contract, or agreement; and

"(2) the entity has made a commitment to carry out programs under the grant, contract, or agreement with the State agency responsible for the administration of title XIX of the Social Security Act or title XX of the Social Security Act, or both such agencies.

"(f) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive funds under a grant, contract, or agreement described in subsection (b)(1) or (c), an entity shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.

"(2) PROJECT APPLICATION.—An entity seeking a grant, contract, or agreement under subsection (c) shall submit an application to the Commissioner containing, at a minimum—

"(A) information identifying and describing gaps, weaknesses, or other problems in the delivery of long-term care services in the State or service area to be served by the entity, including—

"(i) duplication of functions of various levels in the delivery of services;

"(ii) fragmentation of systems, especially in coordinating services to both the elderly and nonelderly populations;

"(iii) barriers to access for populations with greatest social and economic need, including minorities and residents of rural areas;

"(iv) lack of financing for services; and

"(v) lack of availability of adequately trained personnel;

"(B) a plan to address the gaps, weaknesses and problems described in clauses (i) through (v); and

"(C) information describing the extent to which the entity will coordinate with area agencies on aging and service providers in carrying out the proposed Project.

"(g) ELIGIBLE ENTITIES.—

"(1) RESOURCE CENTERS FOR LONG-TERM CARE.—Entities eligible to receive grants, or enter into contracts or agreements, under subsection (b)(1) include—

"(A) institutions of higher education; and

"(B) other public and nonprofit private organizations.

"(2) PROJECTS TO IMPROVE THE DELIVERY OF LONG-TERM CARE SERVICES.—Entities eligible to receive grants, or enter into contracts or agreements, under subsection (c) include—

"(A) State agencies; and

"(B) in consultation with State agencies—

"(i) area agencies on aging;

"(ii) institutions of higher education; and

"(iii) other public agencies and nonprofit private organizations.

"(h) REPORT.—The Commissioner shall include in the annual report to the Congress required by section 207, a report on the grants awarded, and contracts and cooperative agreements entered into, under this section, including—

"(1) an analysis of the relative effectiveness, and recommendations for any changes, of the *projects of Resource Centers funded under subsection (b)(1); and*

"(2) an evaluation of the needs identified, the agencies utilized, and the effectiveness of the approaches tested under subsection (c).

"(i) AVAILABILITY OF FUNDS.—The Commissioner shall make available for carrying out subsection (b) for each fiscal year not less than the amount made available in fiscal year 1991 for making grants and entering into contracts to establish and operate Resource Centers under section 423 of this Act, as in effect on the day before the date of the enactment of the Older Americans Act Reauthorization Amendments of 1991.".

(b) OBLIGATION.—Not later than January 1, 1992, the Commissioner shall obligate, from the funds appropriated under section 431(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3037(a)(1)) for fiscal year 1992—

(1) not less than the amount described in section 423(i) of such Act (42 U.S.C. 3035b(i)) for carrying out section 423(b)(1) of such Act; and

(2) such sums as may be necessary for carrying out section 423(c) of such Act.

SEC. 408. SUPPORTIVE SERVICES IN FEDERALLY ASSISTED HOUSING DEMONSTRATION PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) congregate housing, coordinated with the delivery of supportive services, offers an innovative, proven, and cost-effective means of enabling frail older individuals and disabled individuals to maintain dignity and independence;

(2) independent living with assistance is a preferable housing alternative to institutionalization for many frail older and disabled individuals;

(3) 365,000 older individuals in federally assisted housing experience some form of frailty, and the number is expected to increase as the general population ages;

(4) a growing number of frail older individuals who are residents of federally assisted housing projects face premature or unnecessary institutionalization because of the absence of, or deficiencies in, availability, adequacy, coordination, or delivery of supportive services;

(5) the supportive service needs of frail residents of federally assisted housing are beyond the resources and experience that housing managers have for meeting such needs;

(6) the supportive needs of frail residents of federally assisted housing are beyond the resources that the area agencies on aging have for meeting such needs; and

(7) with the necessary resources, the network of area agencies on aging could provide supportive services to older residents of federally assisted housing projects in an effective manner and reduce the incidence of premature and unnecessary institutionalization.

(b) PURPOSES.—The purposes of this Act are—

(1) to provide services to frail older individuals in federally assisted housing projects through the aging network of area agencies on aging and the subcontractors of the agencies;

(2) to improve the quality of life for older individuals living in federally assisted housing;

(3) to better target the resources of the Administration to low-income individuals, with particular attention to low-income minority individuals;

(4) to develop partnerships and models for coordination between Department of Housing and Urban Development and Farmers Home Administration projects and the aging network;

(5) to involve the aging network in the development of the Comprehensive Housing Affordability Strategy and other programs serving older individuals under the Cranston-Gonzalez National Affordable Housing Act of 1990 (Public Law 101-625, 104 Stat. 4079);

(6) to provide the aging network staff the opportunity to effectively identify and assess the housing and supportive service needs of older individuals; and

(7) to improve the programs and services provided within the jurisdiction of the area agencies on aging and State agencies.

(c) DEMONSTRATION PROJECTS.—Part B of title IV is amended by inserting after section 426 (42 U.S.C. 3035e) the following new section:

"SEC. 426A. SUPPORTIVE SERVICES IN FEDERALLY ASSISTED HOUSING DEMONSTRATION PROGRAM.

"(a) GRANTS.—The Commissioner shall award grants to eligible agencies to establish demonstration programs to provide supportive services in federally assisted housing.

"(b) USE OF GRANTS.—An eligible agency shall use a grant awarded under subsection (a) to conduct outreach and to provide to older individuals who are residents in federally assisted housing projects, services including—

"(1) meal services;

"(2) transportation;

"(3) personal care, dressing, bathing, and toileting;

"(4) housekeeping and chore assistance;

"(5) nonmedical counseling;

"(6) case management;

"(7) other services to prevent premature and unnecessary institutionalization of eligible project residents; and

"(8) other services provided under this Act.

"(c) AWARD OF GRANTS.—The Commissioner shall award grants under subsection (a) to agencies in varied geographic settings.

"(d) APPLICATION.—To be eligible to receive a grant under subsection (a), an agency shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require, including, at a minimum—

"(1) information demonstrating a lack of, and need for, supportive services programs in federally assisted housing projects in the service area;

"(2) a comprehensive plan to coordinate with housing facility management to provide services to frail residents who are in danger of premature or unnecessary institutionalization;

"(3) information demonstrating initiative on the part of the agency to address the supportive service needs of older individuals who are residents in federally assisted housing projects;

"(4) information demonstrating financial, in kind, or other support from State or local governments, or from private resources;

"(5) an assurance that the agency will participate in the development of the Comprehensive Housing Affordability Strategy and seek funding for supportive services under the Department of Housing and Urban Development or the Farmers Home Administration;

"(6) an assurance that the agency will target services to low-income minority individuals and conduct outreach;

"(7) an assurance that the agency will comply with the guidelines described in subsection (f); and

"(8) a plan to evaluate the eligibility of residents for services under the federally assisted housing demonstration program, which plan shall include a professional assessment committee to identify residents.

"(e) ELIGIBLE AGENCIES.—Agencies eligible to receive grants under this section shall include State agencies and area agencies on aging.

"(f) GUIDELINES.—The Commissioner shall issue guidelines for use by agencies that receive grants under this section—

"(1) regarding the level of frailty that residents must meet to be eligible for services under a demonstration program established under this section; and

"(2) for accepting voluntary contributions from residents who receive services under such a program.

"(g) EVALUATIONS AND REPORTS.—

"(1) AGENCIES.—Each agency that receives a grant under subsection (a) to establish a demonstration program shall, not later than 3 months after the end of the period for which the grant is awarded—

"(A) evaluate the effectiveness of the program; and

"(B) submit a report containing the evaluation to the Commissioner.

"(2) COMMISSIONER.—The Commissioner shall, not later than 6 months after the end of the period for which the Commissioner awards grants under subsection (a)—

"(A) evaluate the effectiveness of each demonstration program that receives a grant under subsection (a); and

"(B) submit a report containing the evaluation to the appropriate committees of Congress.".

SEC. 409. NEIGHBORHOOD SENIOR CARE PROGRAM.

Part B of title IV of the Older Americans Act of 1965 is amended by adding after section 426A (as added by section 408 of this Act) the following new section:

"SEC. 426B. NEIGHBORHOOD SENIOR CARE PROGRAM.

"(a) DEFINITIONS.—As used in this section:

"(1) HEALTH AND SOCIAL SERVICES.—The term 'health and social services' includes skilled nursing care, personal care, social work services, homemaker services, health and nutrition education, health screening, home health aid services, and specialized therapies.

"(2) VOLUNTEER SERVICES.—The term 'volunteer services' includes peer counseling, chore services, help with mail and taxes, transportation, socialization, and other similar services.

"(b) SERVICE GRANTS.—

"(1) IN GENERAL.—The Commissioner may award grants to eligible communities to establish neighborhood senior care programs to draw on the professional and volunteer services of local residents to provide health and social services and volunteer services to elderly neighbors who might otherwise have to be admitted to nursing homes and to hospitals.

"(2) PREFERENCE.—In awarding grants to communities under this section, the Commissioner shall give preference to applicants experienced in operating community programs and programs meeting the independent living needs of older individuals.

"(3) ADVISORY BOARD.—The Commissioner shall establish an Advisory Board to provide guidance regarding the neighborhood senior care programs. Not fewer than two-thirds of the members of the Advisory Board shall be neighborhood residents in communities receiving grants under paragraph (1).

"(4) APPLICATION.—To be eligible to receive a grant under this section, a community shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may reasonably require. Each application shall—

"(A) describe the activities for which assistance is sought;

"(B) describe the neighborhood in which services are to be provided, support and formal services to be provided, and a plan for integration of volunteer services and health and social services;

"(C)(i) provide assurances that nurses, social workers, and community volunteers and an outreach coordinator live in the neighborhood; or

"(ii)(I) reasons that it is not possible to provide such assurances; and

"(II) assurances that nurses, social workers, community volunteers and an outreach coordinator will be assigned consistently to the particular neighborhood; and

"(D) provide for an evaluation of the activities for which assistance is sought.

"(c) TECHNICAL RESOURCE CENTER.—The Commissioner shall, to the extent appropriations are available, execute a contract with an applicant described in subsection (b)(2) to establish a technical resource center that will—

"(1) assist the Commissioner in developing criteria for, and in awarding grants to communities to establish, neighborhood senior care organizations that will implement neighborhood senior care programs under subsection (b);

"(2) assist communities interested in establishing such a neighborhood senior care program;

"(3) coordinate the neighborhood senior care programs;

"(4) provide ongoing analysis and data collection of the neighborhood senior care programs and provide data to the Commissioner;

"(5) serve as a liaison to State agencies interested in establishing the neighborhood senior care programs in their States; and

"(6) take any further actions as established in regulation by the Commissioner.".

SEC. 410. INFORMATION AND ASSISTANCE SYSTEMS DEVELOPMENT PROJECTS.

Part B of title IV is amended by adding after section 426B (as added by section 409 of this Act) the following new section:

"SEC. 426C. INFORMATION AND ASSISTANCE SYSTEMS DEVELOPMENT PROJECTS.

"(a) GRANTS.—The Commissioner may—

"(1) make grants to selected State agencies, and, in consultation with State agencies, to selected area agencies on aging to support the improvement of information and assistance services, and systems of services, operated at the State and local levels; and

"(2) make grants to organizations to provide training and technical assistance to State agencies, area agencies on aging, and providers—

"(A) to continue support of a national telephone access service to link older individuals, families, and caregivers to State and local information and assistance services funded under this Act; and

"(B) to support the improvement of information and assistance services, and systems of services, operated at the State and local levels.

"(b) APPLICATION.—To be eligible to receive a grant under subsection (a) an appropriate agency or organization shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may specify.

"(c) GUIDELINES.—The Commissioner shall establish guidelines for the operation of the national telephone access service described in subsection (a)(1)(B).

"(d) EVALUATION AND REPORT.—

"(1) EVALUATION.—The Commissioner shall conduct an evaluation of the effectiveness of the national telephone service described in subsection (a)(1)(B) in—

"(A) providing information and assistance services to older individuals, families, and caregivers; and

"(B) linking the older individuals, families, and caregivers to State and local information and assistance services.

"(2) REPORT.—Not later than January 1, 1995, the Commissioner shall submit the evaluation described in paragraph (1) to the appropriate committees of Congress.".

SEC. 411. SENIOR TRANSPORTATION DEMONSTRATION PROGRAM GRANTS.

Part B of title IV is amended by adding after section 426C (as added by section 410 of this Act) at the end the following new section:

"SEC. 426D. SENIOR TRANSPORTATION DEMONSTRATION PROGRAM GRANTS.

"(a) ESTABLISHMENT.—The Commissioner shall establish and carry out Senior Transportation Demonstration Programs. In carrying out the Programs, the Commissioner shall award grants to not fewer than five eligible entities for the purpose of improving the mobility of older individuals and transportation services for older individuals (referred to in this section as 'senior transportation services').

"(b) USE OF FUNDS.—Grants made under this section may be used to—

"(1) develop innovative approaches for improving access by older individuals to supportive services under part B of title III, nutrition services under part C of title III, health care, and other important services;

"(2) develop comprehensive and coordinated senior transportation services; and

"(3) leverage additional resources for senior transportation services by—

"(A) coordinating various transportation services; and

"(B) coordinating various funding sources for transportation services, including—

"(i) sources of assistance under sections 9, 16(b)(2), and 18 of the Urban Mass Transportation Act of 1964 (49 U.S.C. App.) and titles XIX and XX of the Social Security Act (42 U.S.C. 1396 et seq. and 1397 et seq.); and

"(ii) State and local sources.

"(c) AWARD OF GRANTS.—

"(1) PREFERENCE.—In awarding grants under this section, the Commissioner shall give preference to entities—

"(A) that demonstrate special needs for enhancing senior transportation services and resources for the services within the geographic area of the entities;

"(B) that establish plans to ensure that senior transportation services are coordinated with general public transportation services and other specialized transportation services;

"(C) that demonstrate the ability to utilize the broadest range of available transportation and community resources to provide senior transportation services;

"(D) that demonstrate the capacity and willingness to coordinate the services with services provided by other appropriate State, regional, and local providers; and

"(E) that establish plans for Senior Transportation Demonstration Programs designed to serve the special needs of low-income, rural, frail, and other at-risk, transit-dependent older individuals.

"(2) RURAL ENTITIES.—The Commissioner shall award not less than 50 percent of the grants authorized under this section to entities located in, or primarily serving, rural areas.

"(d) APPLICATION.—An entity that seeks a grant under this section shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require, including at a minimum—

"(1) information describing senior transportation services for which the entity seeks assistance;

"(2) a comprehensive strategy for developing a coordinated transportation system or leveraging additional funding resources, to provide senior transportation services;

"(3) information describing the extent to which the applicant intends to coordinate the activities of the applicant with the activities of other transit providers;

"(4) a plan for evaluating the effectiveness of the proposed Senior Transportation Demonstration Program and preparing a report to be submitted to the Commissioner; and

"(5) such other information as may be required by the Commissioner.

"(e) ELIGIBLE ENTITIES.—Entities eligible to receive grants under this section include—

"(1) State agencies;

"(2) area agencies on aging; and

"(3) other public agencies and nonprofit organizations.

"(f) REPORT.—

"(1) PREPARATION.—The Commissioner shall prepare, either directly or through grants or contracts, annual reports on the Senior Transportation Demonstration Programs established under this section. The reports shall contain an assessment of the effectiveness of individual demonstration projects and recommendations regarding legislative, administrative, and other initiatives needed to improve the mobility of older individuals.

"(2) SUBMISSION.—The Commissioner shall submit the report described in paragraph (1) to the appropriate committees of Congress.".

SEC. 412. RESOURCE CENTERS ON NATIVE AMERICAN ELDERS.

Part B of title IV is amended by adding after section 426D (as added by section 411 of this Act) at the end the following new section:

"SEC. 426E. RESOURCE CENTERS ON NATIVE AMERICAN ELDERS.

"(a) ESTABLISHMENT.—The Commissioner shall make grants or enter into contracts with not less than two or more than four eligible entities to establish and operate Resource Centers on Native American Elders (referred to in this section as 'Resource Centers'). The Commissioner shall make such grants or enter into such contract for periods of not less than 3 years.

"(b) FUNCTIONS.—

"(1) IN GENERAL.—Each Resource Center that receives funds under this section shall—

"(A) gather information;

"(B) perform research;

"(C) provide for the dissemination of results of the research; and

"(D) provide technical assistance and training to entities that provide services to older Native Americans.

"(2) AREAS OF CONCERN.—In conducting the functions described in paragraph (1), a Resource Center shall focus on priority areas of concern regarding older Native Americans for the Resource Centers, which areas shall include—

"(A) health problems;

"(B) long-term care, including in-home care;

"(C) elder abuse; and

"(D) other problems and issues that the Commissioner determines are of particular importance to older Native Americans.

"(c) CONSULTATION.—In determining the type of information to be sought from, and activities to be performed by, Resource Centers, the Commissioner shall consult with the Associate Commissioner on American Indian, Alaskan Native, and Native Hawaiian Aging and with national organizations with special expertise in serving older Native Americans.

"(d) ELIGIBLE ENTITIES.—Entities eligible to receive a grant or enter into a contract under subsection (a) shall be institutions of higher education with experience conducting research and assessment on the needs of the aging population, with preference for institutions of higher education that have conducted research and assessment of the characteristics and needs of older Native Americans.

"(e) REPORT TO CONGRESS.—The Commissioner, with assistance from each Resource Center, shall prepare and submit to the appropriate committees of Congress an annual report on the status and needs of older Native Americans.".

SEC. 413. DEMONSTRATION PROGRAMS FOR OLDER INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES.

Part B of title IV is amended by adding after section 426E (as added by section 412 of this Act) the following new section:

"SEC. 426F. DEMONSTRATION PROGRAMS FOR OLDER INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES.

"(a) DEFINITION.—As used in this section:

"(1) DEVELOPMENTAL DISABILITY.—The term 'developmental disability' has the meaning given the term in section 102(5) of the Devel-

opmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(5)).

"(2) IN-HOME SERVICE.—The term 'in-home service' has the meaning given the term in section 343.

"(b) ESTABLISHMENT.—The Commissioner shall make grants to State agencies to assist older individuals with developmental disabilities, and their caretakers.

"(c) USE OF FUNDS.—A State agency may use a grant awarded under subsection (b) to provide services for older individuals with developmental disabilities, and for older individuals with caregiving responsibilities for developmentally disabled children, including services such as—

"(1) day care programs;

"(2) programs to integrate the individuals into existing programs for older individuals;

"(3) respite care;

"(4) transportation to senior centers and other facilities and services;

"(5) supervision;

"(6) renovation of senior centers;

"(7) materials to facilitate activities for such individuals;

"(8) training of state agency, area agency on aging, volunteer, and senior center staff, and other service providers, who work with such individuals; and

"(9) in-home services.

"(d) APPLICATION.—To be eligible to receive a grant under this section, a State agency shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require.".

SEC. 414. LONG-TERM CARE OMBUDSMAN DEMONSTRATION PROJECTS.

Section 427(a) (42 U.S.C. 3035f(a)) is amended by inserting ", legal assistance agencies," after "ombudsman program".

SEC. 415. HOUSING OMBUDSMAN DEMONSTRATION PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) older individuals who live in, or are attempting to become residents of, publicly assisted housing experience a range of problems related to the housing situations, the condition of homes, and the economic status of the individuals;

(2) problems that older individuals experience in relation to Federal and other public housing programs include—

(A) legal and nonlegal issues;

(B) housing quality issues;

(C) security and suitability problems; and

(D) issues related to regulations of the Department of Housing and Urban Affairs and the Farmers Home Administration;

(3) participants and nonparticipants in Federal and other public housing programs have concerns regarding specific program information, processes, procedures, and requirements of housing programs;

(4) the problems and issues that older individuals face are not currently being addressed in a systematic and comprehensive manner;

(5) interest groups and senior citizen service organizations offer a variety of services, but do not necessarily focus on housing problems;

(6) there is a need for a mechanism to assist older individuals in resolving the problems, and protecting the rights, safety, and welfare of the individuals;

(7) the State Long-Term Care Ombudsman programs established under the Older Americans Act of 1965 have exhibited great success in protecting the rights and welfare of nursing home residents through work on complaint resolution and advocacy; and

(8) an approach similar to the approach used under the State Long-Term Care Ombudsman programs could be used to address the housing problems that older individuals experience.

(b) PURPOSES.—The purposes of this section are—

(1) to ensure the quality and accessibility of publicly assisted housing programs for older individuals;

(2) to assist older individuals seeking Federal, State, and local assistance in the housing area in receiving timely and accurate information and fair treatment regarding public housing programs and related eligibility requirements;

(3) to enable older individuals to remain in publicly assisted homes and live independently for as long as possible;

(4) to enable older individuals to obtain and maintain affordable and suitable housing that addresses the special needs of the individuals; and

(5) to protect older individuals participating in Federal and other publicly assisted housing programs from abuse, neglect, exploitation, or other illegal treatment in publicly assisted housing programs.

(c) DEMONSTRATION PROGRAM.—Title IV (42 U.S.C. 3030aa et seq.) is amended—

(1) by redesignating part C as part D;

(2) by inserting after section 426F (as added by section 413 of this Act) the following:

"PART C—ELDER RIGHTS PROTECTION DEMONSTRATION PROJECTS";

and

(3) in part C (as designated by paragraph (2) of this subsection), by adding at the end the following new section:

"SEC. 429. HOUSING OMBUDSMAN DEMONSTRATION PROGRAM.

"(a) GRANTS.—The Commissioner shall award grants to eligible agencies to establish housing ombudsman programs.

"(b) USE OF GRANTS.—An eligible agency shall use a grant awarded under subsection (a) to—

"(1) establish a housing ombudsman program that provides information, advice, and advocacy services including—

"(A) direct assistance, or referral to services, to resolve complaints or problems;

"(B) provision of information regarding available housing programs, eligibility, requirements, and application processes;

"(C) counseling or assistance with financial, social, familial, or other related matters that may affect or be influenced by housing problems;

"(D) advocacy related to promoting—

"(i) the rights of the older individuals who are residents in publicly assisted housing programs; and

"(ii) the quality and suitability of housing in the programs; and

"(E) assistance with problems related to—

"(i) threats of eviction or eviction notices;

"(ii) older buildings;

"(iii) functional impairments as the impairments relate to housing;

"(iv) discrimination;

"(v) regulations of the Department of Housing and Urban Development and the Farmers Home Administration;

"(vi) disability issues;

"(vii) intimidation, harassment, or arbitrary management rules;

"(viii) grievance procedures;

"(ix) certification and recertification related to programs of the Department of Housing and Urban Development and the Farmers Home Administration; and

"(x) issues related to transfer from one project or program to another; and

"(2) provide the services described in paragraph (1) through—

"(A) professional and volunteer staff to older individuals who are—

"(i) participating in federally assisted and other publicly assisted housing programs; or

"(ii) seeking Federal, State, and local housing programs; and

"(B)(i) the State Long-Term Care Ombudsman program under section 307(a)(12) or section 712;

"(ii) a legal services or assistance organization or through an organization that provides both legal and other social services;

"(iii) a public or not-for-profit social services agency; or

"(iv) an agency or organization concerned with housing issues but not responsible for publicly assisted housing.

"(c) AWARD OF GRANTS.—The Commissioner shall award grants under subsection (a) to agencies in varied geographic settings.

"(d) APPLICATION.—To be eligible to receive a grant under subsection (a), an agency shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner may require, including, at a minimum—

"(1) an assurance that the agency will conduct appropriate training of professional and volunteer staff who will provide services through the housing ombudsman demonstration program; and

"(2) an acceptable plan to involve in the demonstration program the Department of Housing and Urban Development, the Farmers Home Administration, any entity described in subsection (b)(3) through which the agency intends to provide services, and other agencies involved in publicly assisted housing programs.

"(e) ELIGIBLE AGENCIES.—Agencies eligible to receive grants under this section shall include—

"(1) State agencies;

"(2) area agencies on aging, applying in conjunction with State agencies; and

"(3) other appropriate nonprofit entities, including providers of services under the State Long-Term Care Ombudsman program and the elder rights and legal assistance development program described in parts B and D of title VII, respectively.

"(f) EVALUATIONS AND REPORTS.—

"(1) AGENCIES.—Each agency that receives a grant under subsection (a) to establish a demonstration program shall, not later than 3 months after the end of the period for which the grant is awarded—

"(A) evaluate the effectiveness of the program; and

"(B) submit a report containing the evaluation to the Commissioner.

"(2) COMMISSIONER.—The Commissioner shall, not later than 6 months after the end of the period for which the Commissioner awards grants under subsection (a)—

"(A) evaluate the effectiveness of each demonstration program that receives a grant under subsection (a); and

"(B) submit a report containing the evaluation to the appropriate committees of Congress.".

SEC. 416. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 431(a) (42 U.S.C. 3037(a)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) There are authorized to be appropriated to carry out sections 420 through 426, $40,075,000 for fiscal year 1992, $42,079,000 for fiscal year 1993, $44,183,000 for fiscal year 1994, and $46,392,000 for fiscal year 1995.";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) There are authorized to be appropriated to carry out section 426A, $4,000,000 for fiscal year 1992 and such sums as may be necessary for each of the subsequent fiscal years.

"(B) There are authorized to be appropriated to carry out section 426B, $5,000,000 for fiscal year 1992, $5,500,000 for fiscal year 1993, and $6,000,000 for fiscal year 1994.

"(C) There are authorized to be appropriated to carry out section 426C, such sums as may be

necessary for fiscal year 1992 and each of the subsequent fiscal years.

"(D) There are authorized to be appropriated to carry out section 426D, $2,500,000 for each of the fiscal years 1992 through 1995.

"(E) There are authorized to be appropriated to carry out section 426E, such sums as may be necessary for each of the fiscal years 1992 through 1995.

"(F) There are authorized to be appropriated to carry out section 426F, $5,000,000 for each of the fiscal years 1992 through 1995.";

(4) in paragraph (3) (as redesignated by paragraph (2) of this section)—

(A) in the first sentence, by striking "$1,000,000 for fiscal year 1989" and inserting "$1,000,000 for fiscal year 1993"; and

(B) in the second sentence, by striking "fiscal year 1990" and inserting "fiscal year 1994";

(5) in paragraph (4), (as redesignated by paragraph (2) of this section), by striking "$2,000,000" and all that follows through "1989 and 1990" and inserting "such sums as may be necessary for each of the fiscal years 1992 through 1995"; and

(6) by adding at the end the following new paragraph:

"(5) There are authorized to be appropriated to carry out section 429, $2,000,000 for fiscal year 1992 and such sums as may be necessary for each of the subsequent fiscal years.".

(b) CONFORMING AMENDMENT.—Section 431(b) is amended by striking "paragraph (2) or (3)" and inserting "paragraph (3) or (4)".

SEC. 417. PAYMENTS OF GRANTS FOR DEMONSTRATION PROJECTS.

Section 432(c) (42 U.S.C. 3037a(c)) is amended by striking "unless the Commissioner" and all that follows and inserting "unless the Commissioner—

"(1) consults with the State agency prior to issuing the grant or contract; and

"(2) informs the State agency of the purposes of the grant or contract when the grant or contract is issued.".

SEC. 418. RESPONSIBILITIES OF COMMISSIONER.

Section 433 (42 U.S.C. 3037b) is amended by adding at the end the following new subsection:

"(c)(1) The Commissioner shall establish a Clearinghouse to provide information about education and training projects established under part A, and research and demonstration projects, and other activities, established under part B, to persons requesting the information.

"(2)(A) The Commissioner shall establish procedures specifying the length of time that the Clearinghouse shall provide the information described in paragraph (1) with respect to a particular project. The procedures shall require the Clearinghouse to maintain the information beyond the term of the grant awarded, or contract entered into, to carry out the project.

"(B) The Commissioner shall establish the procedures described in subparagraph (A) after consultation with—

"(i) practitioners in the field of aging;

"(ii) older individuals;

"(iii) representatives of institutions of higher education, as defined in section 1201(a) of the Higher Education Act of 1965 (42 U.S.C. 1141(a));

"(iv) national aging organizations;

"(v) State agencies;

"(vi) area agencies on aging;

"(vii) legal assistance providers;

"(viii) service providers; and

"(ix) other persons with an interest in the field of aging.".

TITLE V—OTHER OLDER AMERICANS PROGRAMS

Subtitle A—Community Service Employment for Older Americans

SEC. 501. OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM.

Section 502 (42 U.S.C. 3056) is amended—

(1) in subsection (a), by inserting "and who have poor employment prospects" after "or older"; and

(2) in subsection (d)(1), by striking "within a State such organization or program sponsor shall submit to the State agency on aging" and inserting "within a planning and service area in a State such organization or program sponsor shall submit to the State agency and the area agency on aging of the planning and service area".

SEC. 502. COORDINATION.

Section 503(a) (42 U.S.C. 3056a(a)) is amended—

(1) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(2) by inserting "(1)" after the subsection designation; and

(3) by adding at the end the following new paragraph:

"(2) The Secretary of the Department of Labor shall coordinate with the Commissioner to increase job opportunities available to older individuals.".

SEC. 503. EQUITABLE DISTRIBUTION OF ASSISTANCE.

Section 506(a) (42 U.S.C. 3056d(a)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (B); and

(B) by striking "Beginning with the first" and all that follows through "Preference in awarding such grants or contracts" and inserting the following:

"(B) Preference in awarding grants or contracts to organizations under this section"; and

(2) by adding at the end the following new paragraph:

"(5)(A) After the Secretary makes the allocations required by paragraphs (2), (3), and (4) for a fiscal year, the Secretary shall ensure that the funds allocated under the paragraphs are distributed in accordance with this paragraph.

"(B) If the amount appropriated to carry out this title for the fiscal year exceeds 102 percent of the amount appropriated to carry out this title in fiscal year 1991, the Secretary shall—

"(i) make available a portion of such increased appropriations that is determined to be appropriate by the Secretary (which portion shall be not less than 25 percent of such increased appropriations), for national grants and contracts with public or private nonprofit organizations, for each year until the year (which shall be not later than fiscal year 1995) in which the amount awarded to each such grant recipient or contractor in the fiscal year equals, at a minimum, 1.3 percent of the total amount appropriated under this title in fiscal year 1991; or

"(ii) make available not less than 1.3 percent of such total amount to each such grant recipient or contractor for each year thereafter.

"(C) The Secretary shall reserve such sums as may be necessary for national grants or contracts with public or nonprofit national Indian aging organizations with the ability to provide employment services to older Indians and with national public or nonprofit Pacific Island and Asian American aging organizations with the ability to provide employment services to older Pacific Island and Asian Americans.

"(D) The Secretary shall reserve an amount that is not less than 1 percent and not more than 3 percent of the amount appropriated in excess of the amount appropriated for fiscal year 1978 for the purpose of entering into agreements under section 502(e), relating to improving transition to private employment.".

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

Section 508(a)(1) (42 U.S.C. 3056f(a)(1)) is amended by striking "$386,715,000" and all that follows and inserting "$470,055,000 for fiscal year 1992, $493,557,000 for fiscal year 1993, $518,235,000 for fiscal year 1994, and $544,147,000 for fiscal year 1995; and".

Subtitle B—Grants for Native Americans

SEC. 511. INDIAN PROGRAM COORDINATION.

Section 614(a) (42 U.S.C. 3057e(a)) is amended—

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(12) provide an assurance that the organization will coordinate programs under this title and title III where applicable.".

SEC. 512. NATIVE HAWAIIAN COORDINATION.

Section 624(a) (42 U.S.C. 3057j(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) provide an assurance that the organization will coordinate programs under this title and title III where applicable.".

SEC. 513. PAYMENTS.

Section 632 (42 U.S.C. 3057m) is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end the following new subsections:

"(b) For fiscal year 1992 and each of the subsequent fiscal years, the Commissioner shall make available—

"(1) to organizations who received a grant to carry out the activities described in part A during fiscal year 1991 a total amount at least equal to the total amount made available to the persons to carry out the activities during fiscal year 1991; and

"(2) to organizations who received a grant to carry out the activities described in part B during fiscal year 1991 a total amount at least equal to the total amount made available to the organizations to carry out the activities during fiscal year 1991.

"(c) For fiscal year 1992 and each of the subsequent fiscal years, the Commissioner shall make available additional funds, from the portion of funds appropriated for the fiscal year that exceeds the amount of funds appropriated for fiscal year 1991, to tribal organizations who—

"(1) received a grant to carry out the activities described in part A in fiscal year 1980; and

"(2) received a grant for a lower level of funding to carry out the activities in a later fiscal year due to an increased number of tribal organizations receiving funding to carry out the activities.".

SEC. 514. GRANTS FOR NATIVE AMERICANS.

Section 633 (42 U.S.C. 3057n) is amended to read as follows:

"SEC. 633. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title (other than section 615)—

"(1) $23,321,000 for fiscal year 1992 of which $21,733,000 shall be available to carry out part A and $1,588,000 shall be available to carry out part B;

"(2) $24,603,000 for fiscal year 1993 of which $22,928,000 shall be available to carry out part A and $1,675,000 shall be available to carry out part B;

"(3) $25,956,000 for fiscal year 1994 of which $24,189,000 shall be available to carry out part A and $1,767,000 shall be available to carry out part B; and

"(4) $27,384,000 for fiscal year 1995 of which $25,520,000 shall be available to carry out part A and $1,864,000 shall be available to carry out part B.".

TITLE VI—ELDER RIGHTS SERVICES

SEC. 601. VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES.

The Act (42 U.S.C. 3001 et seq.) is amended by adding at the end the following new title:

"TITLE VII—GRANTS TO STATES FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES

"PART A—GENERAL PROVISIONS

"SEC. 701. ESTABLISHMENT.

"The Commissioner, acting through the Administration, shall establish and carry out a program for making allotments to States to pay for the Federal share of carrying out the elder rights activities described in parts B through E.

"SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

"(a) OMBUDSMAN PROGRAM.—There are authorized to be appropriated to carry out part B, $20,000,000 for fiscal year 1992, $21,000,000 for fiscal year 1993, $22,050,000 for fiscal year 1994, and $23,150,000 for fiscal year 1995.

"(b) PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.—There are authorized to be appropriated to carry out part C, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(c) STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAM.—There are authorized to be appropriated to carry out part D, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(d) OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM.—There are authorized to be appropriated to carry out part E, $15,000,000 for fiscal year 1992, $15,750,000 for fiscal year 1993, $16,540,000 for fiscal year 1994, and $17,360,000 for fiscal year 1995.

"SEC. 703. ALLOTMENT.

"(a) IN GENERAL.—

"(1) POPULATION.—In carrying out the program described in section 701, the Commissioner shall initially allot to each State, from the funds appropriated under section 702 for each fiscal year, an amount that bears the same ratio to the funds as the population age 60 and older in the State bears to the population age 60 and older in all States.

"(2) MINIMUM ALLOTMENTS.—

"(A) IN GENERAL.—After making the initial allotments described in paragraph (1), the Commissioner shall adjust the allotments in accordance with subparagraphs (B) and (C).

"(B) GENERAL MINIMUM ALLOTMENTS.—

"(i) MINIMUM ALLOTMENT FOR STATES.—No State shall be allotted less than one-half of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made.

"(ii) MINIMUM ALLOTMENT FOR TERRITORIES.—Guam, the Virgin Islands, and the Trust Territory of the Pacific Islands, shall each be allotted not less than one-fourth of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made. American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than one-sixteenth of 1 percent of the sum appropriated under section 702 for the fiscal year for which the determination is made.

"(C) MINIMUM ALLOTMENTS FOR OMBUDSMAN AND ELDER ABUSE PROGRAMS.—

"(i) OMBUDSMAN PROGRAM.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(a), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out the State Long-Term Care Ombudsman program under title III.

"(ii) ELDER ABUSE PROGRAMS.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(b), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out programs with respect to the prevention of abuse, neglect, and exploitation of older individuals under title III.

"(D) DEFINITION.—For the purposes of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(b) REALLOTMENT.—

"(1) IN GENERAL.—If the Commissioner determines that any amount allotted to a State for a fiscal year under this section will not be used by the State for carrying out the purpose for which the allotment was made, the Commissioner shall make the amount available to a State that the Commissioner determines will be able to use the amount for carrying out the purpose.

"(2) AVAILABILITY.—Any amount made available to a State from an appropriation for a fiscal year in accordance with paragraph (1) shall, for purposes of this title, be regarded as part of the allotment of the State (as determined under subsection (a)) for the year, but shall remain available until the end of the succeeding fiscal year.

"(c) WITHHOLDING.—If the Commissioner finds that any State has failed to qualify under the State plan requirements of section 705, the Commissioner shall withhold the allotment of funds to the State. The Commissioner shall disburse the funds withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of the State submitting an approved plan under section 705, which includes an agreement that any such payment shall be matched, in the proportion determined under subsection (d) for the State, by funds or in-kind resources from non-Federal sources.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the costs of carrying out the elder rights activities described in parts B through E is 85 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the costs shall be in cash or in kind. In determining the amount of the non-Federal share, the Commissioner may attribute fair market value to services and facilities contributed from non-Federal sources.

"SEC. 704. ORGANIZATION.

"In order for a State to be eligible to receive allotments under this title—

"(1) the State shall demonstrate eligibility under section 305;

"(2) the State agency designated by the State shall demonstrate compliance with the applicable requirements of section 305; and

"(3) any area agency on aging designated by the State agency and participating in such a program shall demonstrate compliance with the applicable requirements of section 305.

"SEC. 705. STATE PLAN.

"(a) ELIGIBILITY.—In order to be eligible to receive allotments under this title, a State shall submit a State plan to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require. At a minimum, the State plan shall contain—

"(1) an assurance that the State, in carrying out any part of this title for which the State receives funding under this title, will establish programs in accordance with the requirements of this title;

"(2) an assurance that the State will hold public hearings, and use other means, to obtain the views of older individuals, area agencies on aging, and other interested parties regarding programs carried out under this title;

"(3) an assurance that the State has submitted, or will submit, a State plan in accordance with section 307;

"(4) an assurance that the State, in consultation with area agencies on aging, will identify and prioritize statewide activities aimed at ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights;

"(5) an assurance that the State will use funds made available under this title for a part in addition to, and will not supplant, any funds that are expended under any Federal or State law in existence on the day before the date of the enactment of this title, to carry out the elder rights activities described in the part;

"(6) an assurance that the State agrees to pay, with non-Federal funds, 15 percent of the cost of the carrying out each part of this title; and

"(7) an assurance that the State will place no restrictions, other than the requirements specified in section 712(a)(5)(C), on the eligibility of agencies or organizations for designation as local Ombudsman entities under section 712(a)(5).

"(b) APPROVAL.—The Commissioner shall approve any State plan that the Commissioner finds fulfills the requirements of subsection (a).

"(c) NOTICE AND OPPORTUNITY FOR HEARING.—The Commissioner shall not make a final determination disapproving any State plan, or any modification of the plan, or make a final determination that a State is ineligible under section 704, without first affording the State reasonable notice and opportunity for a hearing.

"(d) NONELIGIBILITY OR NONCOMPLIANCE.—

"(1) FINDING.—The Commissioner shall take the action described in paragraph (2) if the Commissioner, after reasonable notice and opportunity for a hearing to the State agency, finds that—

"(A) the State is not eligible under section 704;

"(B) the State plan has been so changed that the plan no longer complies substantially with the provisions of subsection (a); or

"(C) in the administration of the plan there is a failure to comply substantially with a provision of subsection (a).

"(2) WITHHOLDING AND LIMITATION.—If the Commissioner makes the finding described in paragraph (1) with respect to a State agency, the Commissioner shall notify the State agency, and shall—

"(A) withhold further payments to the State from the allotments of the State under section 703; or

"(B) in the discretion of the Commissioner, limit further payments to the State to projects under or portions of the State plan not affected by the ineligibility or noncompliance, until the Commissioner is satisfied that the State will no longer be ineligible or fail to comply.

"(3) DISBURSEMENT.—The Commissioner shall, in accordance with regulations prescribed by the Commissioner, disburse funds withheld or limited under paragraph (2) directly to any public or nonprofit private organization or agency or political subdivision of the State that submits an approved plan in accordance with the provisions of this section. Any such payment shall be matched in the proportions specified in section 703(d).

"(e) APPEAL.—

"(1) FILING.—

"(A) IN GENERAL.—A State that is dissatisfied with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with the court not later than 30 days after the final action. A copy of the petition shall be transmitted by the clerk of the court to the Commissioner, or any officer designated by the Commissioner for the purpose.

"(B) RECORD.—On receipt of the petition, the Commissioner shall file in the court the record of the proceedings on which the action of the

Commissioner is based, as provided in section 2112 of title 28, United States Code.

"(2) PROCEDURE.—

"(A) REMEDY.—On the filing of a petition under paragraph (1), the court described in paragraph (1) shall have jurisdiction to affirm the action of the Commissioner or to set the action aside, in whole or in part, temporarily or permanently. Until the filing of the record, the Commissioner may modify or set aside the order of the Commissioner.

"(B) SCOPE OF REVIEW.—The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence. If the court remands the case, the Commissioner shall, within 30 days, file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(C) FINALITY.—The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(3) STAY.—The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the action of the Commissioner.

"(f) PRIVILEGE.—Neither a State, nor a State agency, may require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.

"SEC. 706. ADMINISTRATION.

"(a) AGREEMENTS.—In carrying out the elder rights activities described in parts B through E, a State agency may, either directly or through a contract or agreement, enter into agreements with public or private nonprofit agencies or organizations, such as—

"(1) other State agencies;

"(2) area agencies on aging;

"(3) county governments;

"(4) universities and colleges;

"(5) Indian tribes; and

"(6) other statewide or local nonprofit service providers or volunteer organizations.

"(b) TECHNICAL ASSISTANCE.—

"(1) OTHER AGENCIES.—In carrying out the provisions of this title, the Commissioner may request the technical assistance and cooperation of such agencies and departments of the Federal Government as may be appropriate.

"(2) COMMISSIONER.—The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to programs established under this title and to individuals designated under the programs to be representatives of the programs.

"SEC. 707. AUDITS.

"(a) ACCESS.—The Commissioner and the Comptroller General of the United States and any of the duly authorized representatives of the Commissioner or the Comptroller shall have access, for the purpose of conducting an audit or examination, to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"(b) LIMITATION.—State agencies and area agencies on aging shall not request information or data from providers that is not pertinent to services furnished in accordance with this title or a payment made for the services.".

SEC. 602. OMBUDSMAN PROGRAMS.

Title VII (as added by section 601 of this Act) is amended by adding at the end the following new part:

"PART B—OMBUDSMAN PROGRAMS

"SEC. 711. DEFINITIONS.

"As used in this part:

"(1) OFFICE.—The term 'Office' means the office established in section 712(a)(1)(A).

"(2) OMBUDSMAN.—The term 'Ombudsman' means the individual described in section 712(a)(2).

"(3) PROGRAM.—The term 'program' means the State Long-Term Care Ombudsman program established in section 712(a)(1)(B).

"(4) REPRESENTATIVE.—The term 'representative' includes an employee or volunteer who represents an entity designated under section 712(a)(5) and who is individually designated by the Ombudsman.

"SEC. 712. STATE LONG-TERM CARE OMBUDSMAN PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—In order to be eligible to receive an allotment under section 703 from funds appropriated under section 702(a), a State agency shall, in accordance with this section—

"(A) establish and operate an Office of the State Long-Term Care Ombudsman; and

"(B) carry out through the Office a State Long-Term Care Ombudsman program.

"(2) OMBUDSMAN.—The Office shall be headed by an individual, to be known as the State Long-Term Care Ombudsman, who shall be selected from among individuals described in section 201(d)(3).

"(3) FUNCTIONS.—The Ombudsman shall serve on a full-time basis, and shall, directly or through representatives of the Office—

"(A) identify, investigate, and resolve complaints that—

"(i) are made by, or on behalf of, older individuals who are residents of long-term care facilities; and

"(ii) relate to action, inaction, or decisions, that may adversely affect the health, safety, welfare, or rights of the residents (including the welfare and rights of such residents with respect to the appointment and activities of guardians and representative payees), of—

"(I) providers, or representatives of providers, of long-term care services;

"(II) public agencies; or

"(III) health and social service agencies;

"(B) provide services to assist the residents in protecting the health, safety, welfare, and rights of the residents;

"(C) inform the residents about means of obtaining services described in subparagraphs (A) and (B);

"(D) ensure that the residents have regular and timely access to the services provided through the Office and that residents and complainants receive timely responses to complaints from representatives of the Office;

"(E) represent the interests of residents before governmental agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of the residents;

"(F) provide administrative and technical assistance to entities designated under paragraph (5) to assist the entities in participating in the program;

"(G)(i) analyze, comment on, and monitor the development and implementation of Federal, State, and local laws, regulations, and other governmental policies and actions, that pertain to the health, safety, welfare, and rights of the residents, with respect to the adequacy of long-term care facilities and services in the State;

"(ii) recommend any changes in such laws, regulations, policies and actions that the Office determines to be appropriate; and

"(iii) facilitate public comment on the laws, regulations, policies, and actions;

"(H)(i) provide for training representatives of the Office;

"(ii) promote the development of citizen organizations, to participate in the program; and

"(iii) provide technical support for the development of resident and family councils to protect the well-being and rights of residents of long-term care facilities; and

"(I) carry out such other activities as the Commissioner determines to be appropriate.

"(4) CONTRACTS AND ARRANGEMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the State agency may establish and operate the office, and carry out the program, directly, or by contract or other arrangement with any public agency or other eligible private nonprofit organization.

"(B) LICENSING AND CERTIFICATION ORGANIZATIONS; ASSOCIATIONS.—The State agency may not enter into the contract or other arrangement described in subparagraph (A) with—

"(i) an agency or organization that is responsible for licensing or certifying long-term care services in the State; or

"(ii) an association (or an affiliate of such an association) of long-term care facilities (including any other residential facility for older individuals).

"(5) DESIGNATION OF AREA OR LOCAL OMBUDSMAN ENTITIES AND REPRESENTATIVES.—

"(A) DESIGNATION.—In carrying out the duties of the Office, the Ombudsman may designate an entity as an area or local Ombudsman entity, and may designate an employee or volunteer to represent the entity.

"(B) DUTIES.—An individual so designated shall, in accordance with the policies and provisions established by the Office and the State agency—

"(i) provide services to protect the health, safety, welfare and rights of residents of long-term care facilities;

"(ii) ensure that residents of long-term care facilities in the service areas of the entity have regular, timely access to representatives of the program and timely responses to complaints and requests for assistance;

"(iii) identify, investigate, and resolve complaints made by or on behalf of residents of long-term care facilities that relate to action, inaction, or decisions that may adversely affect the health, safety, welfare, or rights of the residents;

"(iv) represent the interests of residents before government agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of the residents;

"(v)(I) review, and if necessary, comment on any existing and proposed laws, regulations, and other government policies and actions, that pertain to the rights and well-being of residents of long-term care facilities; and

"(II) facilitate the ability of the public to comment on the laws, regulations, policies, and actions;

"(vi) support the development of resident and family councils; and

"(vii) carry out other activities that the Ombudsman determines to be appropriate.

"(C) ELIGIBILITY FOR DESIGNATION.—Area or local entities eligible to be designated as Ombudsman entities, and persons eligible to be designated as representatives, shall—

"(i) have demonstrated capability to carry out the responsibilities of the Office;

"(ii) be free of conflicts of interest;

"(iii) in the case of the entities, be public or private not-for-profit entities; and

"(iv) meet such additional requirements as the Ombudsman may specify.

"(D) POLICIES AND PROCEDURES.—

"(i) IN GENERAL.—The State agency shall establish, in accordance with the Office, policies and procedures for monitoring area and local Ombudsman entities designated as subdivisions of the Office under subparagraph (A).

"(ii) POLICIES.—In a case in which the entities are grantees or employees of area agencies on aging, the State agency will develop the policies in consultation with the area agencies on

aging. The policies shall provide for participation and comment by the agencies and for resolution of concerns with respect to case activity.

"(iii) CONFIDENTIALITY AND DISCLOSURE.—The State agency shall develop the policies and procedures in accordance with all provisions of this title regarding confidentiality and conflict of interest.

"(b) PROCEDURES FOR ACCESS.—

"(1) IN GENERAL.—The State shall ensure that representatives of the Office shall have—

"(A) immediate access to long-term care facilities and the residents of the facilities;

"(B)(i) appropriate access to review the medical and social records of a resident, if—

"(I) the representative has the permission of a resident, or the legal representative of a resident; or

"(II) a resident is unable to consent to the review and has no legal representative; or

"(ii) such access to the records as is necessary to investigate a complaint, if—

"(I) a legal guardian of a resident refuses to give the permission;

"(II) a representative of the Office has reasonable cause to believe that the guardian is not acting in the best interests of the resident; and

"(III) the representative obtains the approval of the Ombudsman;

"(C) access to the administrative records, policies, and documents, to which all residents or the general public have access, of long-term care facilities; and

"(D) access to and, on request, copies of all licensing and certification records maintained by the State with respect to long-term care facilities.

"(2) PROCEDURES.—The State agency shall establish procedures to ensure the access described in paragraph (1).

"(c) REPORTING SYSTEM.—The State agency shall establish a statewide uniform reporting system to—

"(1) collect and analyze data relating to complaints and conditions in long-term care facilities or to residents of the facilities for the purpose of identifying and resolving significant problems; and

"(2) submit the data, on a regular basis, to—

"(A) the agency of the State responsible for licensing or certifying long-term care facilities in the State;

"(B) other State and Federal entities that the Ombudsman determines to be appropriate; and

"(C) the Commissioner.

"(d) DISCLOSURE.—

"(1) IN GENERAL.—The State agency shall establish procedures for the disclosure of program files, and of records described in subsection (b)(1), that are maintained by the program.

"(2) IDENTITY OF COMPLAINANT OR RESIDENT.—The procedures described in paragraph (1) shall—

"(A) provide that, subject to subparagraph (B), the files and records described in paragraph (1) may be disclosed only at the discretion of the Ombudsman (or the person designated by the Ombudsman to disclose the files and records); and

"(B) prohibit the disclosure of the identity of any complainant or resident of a long-term care facility with respect to whom the Office maintains such files or records unless—

"(i) the complainant or resident, or the legal representative of the complainant or resident, consents to the disclosure and the consent is given in writing;

"(ii) in a case in which the complainant or resident is mentally competent and unable to provide written consent due to physical infirmity or other extreme circumstance—

"(I) the complainant or resident gives consent orally; and

"(II) the consent is documented contemporaneously in a writing made by a representative of the Office and reported in writing to the Ombudsman as soon as practicable; or

"(iii) the disclosure is required by court order.

"(e) CONSULTATION.—In planning and operating the program, the State agency shall consider the views of area agencies on aging, older individuals, and provider entities.

"(f) CONFLICT OF INTEREST.—The State agency shall—

"(1) ensure that no individual, or member of the immediate family of an individual, involved in the designation of the Ombudsman (whether by appointment or otherwise) or the designation of an entity designated under subsection (a)(5), is subject to a conflict of interest;

"(2) ensure that no officer, employee, or other representative of the Office, or member of the immediate family of the officer, employee, or other representative of the Office, is subject to a conflict of interest; and

"(3) establish, and specify in writing, mechanisms to identify and remove conflicts of interest referred to in paragraphs (1) and (2), including such mechanisms as—

"(A) the methods by which the State agency will examine individuals, and immediate family members, to identify the conflicts; and

"(B) the actions that the State agency will require the individuals and such family members to take to remove such conflicts.

"(g) LEGAL COUNSEL.—The State agency shall ensure that—

"(1)(A) adequate legal counsel is available, and is able, without conflict of interest, to—

"(i) provide advice and consultation needed to protect the health, safety, welfare, and rights of residents of long-term care facilities; and

"(ii) assist the Ombudsman and representatives of the Office in the performance of the official duties of the Ombudsman and representatives; and

"(B) legal representation is provided to any representative of the Office against whom suit or other legal action is brought or threatened to be brought in connection with the performance of the official duties of the Ombudsman or such a representative; and

"(2) the Office pursues administrative, legal, and other appropriate remedies on behalf of residents of long-term care facilities.

"(h) ADMINISTRATION.—The State agency shall require the Office to—

"(1) prepare an annual report—

"(A) describing the activities carried out by the Office in the year for which the report is prepared;

"(B) containing and analyzing the data collected under subsection (c);

"(C) evaluating the problems experienced by, and the complaints made by or on behalf of, residents of long-term care facilities;

"(D) containing recommendations for—

"(i) improving quality of the care and life of the residents; and

"(ii) protecting the health, safety, welfare, and rights of the residents;

"(E)(i) analyzing the success of the program including success in providing services to residents of board and care facilities and other similar adult care homes; and

"(ii) identifying barriers that prevent the optimal operation of the program; and

"(F) providing policy, regulatory, and legislative recommendations to solve identified problems, to resolve the complaints, to improve the quality of care and life of the residents, to protect the health, safety, welfare, and rights of the residents, and to remove the barriers;

"(2) analyze, comment on, and monitor the development and implementation of Federal, State, and local laws, regulations, and other government policies and actions that pertain to long-term care facilities and services, and to the health, safety, welfare, and rights of the residents, in the State, and recommend any changes in such laws, regulations, and policies as the Office determines to be appropriate;

"(3)(A) provide such information as the Office determines to be necessary to public and private agencies, legislators, and other persons, regarding—

"(i) the problems and concerns of older individuals residing in long-term care facilities; and

"(ii) recommendations related to the problems and concerns; and

"(B) make available to the public, and submit to the Commissioner, the chief executive officer of the State, the State legislature, the State agency responsible for licensing or certifying long-term care facilities, and other appropriate governmental entities, each report prepared under paragraph (1);

"(4)(A) not later than January 1, 1993, establish procedures for the training of the representatives of the Office, including unpaid volunteers, based on model standards developed by the National Ombudsman Resource Center established under section 202(a)(21), in consultation with representatives of citizen groups, long-term care providers, and the Office, that—

"(i) specify a minimum number of hours of initial training;

"(ii) specify the content of the training, including training relating to—

"(I) Federal, State, and local laws, regulations, and policies, with respect to long-term care facilities in the State;

"(II) investigative techniques; and

"(III) such other matters as the State determines to be appropriate; and

"(iii) specify an annual number of hours of in-service training for all designated representatives; and

"(B) require implementation of the procedures effective October 1, 1993;

"(5) prohibit any representative of the Office (other than the Ombudsman) from carrying out any activity described in subparagraphs (A) through (G) of subsection (a)(3) unless the representative—

"(A) has received the training required under subsection (h)(4); and

"(B) has been approved by the Ombudsman as qualified to carry out the activity on behalf of the Office.

"(6) coordinate ombudsman services with the protection and advocacy systems for individuals with developmental disabilities and mental illnesses established under—

"(A) part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.); and

"(B) the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.);

"(7) coordinate, to the greatest extent possible, ombudsman services with legal assistance services provided under section 306(a)(2)(C), through adoption of memoranda of understanding and other means; and

"(8) include any area or local Ombudsman entity designated by the Ombudsman under subsection (a)(5) as a subdivision of the Office.

"(i) LIABILITY.—The State shall ensure that no representative of the Office will be liable under State law for the good faith performance of official duties.

"(j) NONINTERFERENCE.—The State shall—

"(1) ensure that willful interference with representatives of the Office in the performance of the official duties of the representatives (as defined by the Commissioner) shall be unlawful;

"(2) prohibit retaliation and reprisals by a long-term care facility or other entity with respect to any resident, employee, or other person for filing a complaint with, providing information to, or otherwise cooperating with any representative of, the Office; and

"(3) provide for appropriate sanctions with respect to the interference, retaliation, and reprisals.

"SEC. 713. REGULATIONS.

"The Commissioner shall issue and periodically update regulations respecting conflicts of interest by persons described in paragraphs (1) and (2) of section 712(f).".

SEC. 603. PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION.

(a) PURPOSE.—The purpose of this section is to assist States in the design, development, and coordination of comprehensive services of the State and local levels to prevent, treat, and remedy elder abuse, neglect, and exploitation.

(b) PROGRAMS.—Title VII (as added by section 601, and amended by section 602, of this Act) is amended by adding at the end the following new part:

"PART C—PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION

"SEC. 721. PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.

"(a) ESTABLISHMENT.—In order to be eligible to receive an allotment under section 703 from funds appropriated under section 702(b), a State agency shall, in accordance with this section, and in consultation with area agencies on aging, develop and enhance programs for the prevention of abuse, neglect, and exploitation of older individuals.

"(b) USE OF ALLOTMENTS.—The State agency shall use an allotment made under subsection (a) to carry out, through the programs described in subsection (a), activities to develop, strengthen, and carry out programs for the prevention and treatment of elder abuse, neglect, and exploitation, including—

"(1) providing for public education and outreach to identify and prevent abuse, neglect, and exploitation of older individuals;

"(2) ensuring the coordination of services provided by area agencies on aging with services instituted under the State adult protection service program;

"(3) promoting the development of information and data systems, including elder abuse reporting systems, to quantify the extent of elder abuse, neglect, and exploitation in the State;

"(4) conducting analysis of State information concerning elder abuse, neglect, and exploitation and identifying unmet service, enforcement, or intervention needs;

"(5) conducting training for individuals, professionals, and paraprofessionals, in relevant fields on the identification, prevention, and treatment of elder abuse, neglect, and exploitation, with particular focus on prevention and enhancement of self-determination and autonomy;

"(6) providing technical assistance to programs that provide or have the potential to provide services for victims of abuse, neglect, and exploitation and for family members of the victims;

"(7) conducting special and on-going training, for individuals involved in serving victims of abuse, neglect, and exploitation, on the topics of self-determination, individual rights, State and Federal requirements concerning confidentiality, and other topics determined to be a State agency to be appropriate; and

"(8) promoting the development of an elder abuse, neglect, and exploitation system—

"(A) that includes a State elder abuse, neglect, and exploitation law that includes provisions for immunity, for persons reporting instances of elder abuse, neglect, and exploitation, from prosecution arising out of such reporting, under any State or local law;

"(B) under which a State agency—

"(i) on receipt of a report of known or suspected instances of elder abuse, neglect, or exploitation, shall promptly initiate an investigation to substantiate the accuracy of the report; and

"(ii) on a finding of abuse, neglect, or exploitation, shall take steps, including appropriate referral, to protect the health and welfare of the abused, neglected, or exploited elder;

"(C) that includes, throughout the State, in connection with the enforcement of elder abuse, neglect, and exploitation laws and with the reporting of suspected instances of elder abuse, neglect, and exploitation—

"(i) such administrative procedures;

"(ii) such personnel trained in the special problems of elder abuse, neglect, and exploitation prevention and treatment;

"(iii) such training procedures;

"(iv) such institutional and other facilities (public and private); and

"(v) such related multidisciplinary programs and services,

as may be necessary or appropriate to ensure that the State will deal effectively with elder abuse, neglect, and exploitation cases in the State;

"(D) that preserves the confidentiality of records in order to protect the rights of elders;

"(E) that provides for the cooperation of law enforcement officials, courts of competent jurisdiction, and State agencies providing human services with respect to special problems of elder abuse, neglect, and exploitation;

"(F) that enables an elder to participate in decisions regarding the welfare of the elder, and makes the least restrictive alternatives available to an elder who is abused, neglected, or exploited; and

"(G) that includes a State clearinghouse for dissemination of information to the general public with respect to—

"(i) the problems of elder abuse, neglect, and exploitation;

"(ii) the facilities; and

"(iii) prevention and treatment methods available to combat instances of elder abuse, neglect, and exploitation.

"(c) APPROACH.—In developing and enhancing programs under subsection (a), the State agency shall use a comprehensive approach, in consultation with area agencies on aging, to identify and assist older individuals who are subject to abuse, neglect, and exploitation, including older individuals who live in State licensed facilities, unlicensed facilities, or domestic or community-based settings.

"(d) COORDINATION.—In developing and enhancing programs under subsection (a), the State agency shall coordinate the programs with other State and local programs and services for the protection of vulnerable adults, particularly vulnerable older individuals, including programs and services such as—

"(1) area agency on aging programs;

"(2) adult protective service programs;

"(3) the State Long-Term Care Ombudsman program established in part B;

"(4) protection and advocacy programs;

"(5) facility and other long-term care provider licensure and certification programs;

"(6) medicaid fraud and abuse services;

"(7) victim assistance programs; and

"(8) consumer protection and law enforcement programs, as well as other State and local programs that identify and assist vulnerable older individuals.

"(e) REQUIREMENTS.—In developing and enhancing programs under subsection (a), the State agency shall—

"(1) not permit involuntary or coerced participation in such programs by alleged victims, abusers, or members of their households;

"(2) require that all information gathered in the course of receiving a report described in subsection (b)(8)(B)(i), and making a referral described in subsection (b)(8)(B)(ii), shall remain confidential unless—

"(A) all parties to such complaint or report consent in writing to the release of such information; or

"(B) the release of such information is to a law enforcement agency, public protective service agency, licensing or certification agency, ombudsman program, or protection or advocacy system; and

"(3) make all reasonable efforts to resolve any conflicts with other public agencies with respect to confidentiality of the information described in paragraph (2) by entering into memoranda of understanding that narrowly limit disclosure of information, consistent with the requirements described in paragraph (2).".

SEC. 604. STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAMS.

Title VII (as added by section 601, and amended by sections 602 and 603(b), of this Act) is further amended by adding at the end the following new part:

"PART D—STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAM

"SEC. 731. STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—In order to be eligible to receive an allotment under section 703 from funds appropriated under section 702(c), a State agency shall, in accordance with this section and in consultation with area agencies on aging, establish a program to provide leadership for expanding the quality and quantity of legal and advocacy assistance as a means for ensuring a comprehensive elder rights system.

"(2) FOCUS.—In carrying out the program established under this part, the State agency shall coordinate area agencies on aging and other entities in the State that assist older individuals in—

"(A) understanding the rights of the individuals;

"(B) exercising choice;

"(C) benefiting from services and opportunities promised by law;

"(D) maintaining rights consistent with the capacity of the individuals; and

"(E) solving disputes using the most efficient and appropriate methods for representation and assistance.

"(b) FUNCTIONS.—In carrying out this part, the State agency shall—

"(1) establish a focal point for elder rights policy review, analysis, and advocacy at the State level, including such issues as guardianship, age discrimination, pension and health benefits, insurance, consumer protection, surrogate decisionmaking, protective services, public benefits, and dispute resolutions;

"(2) provide a State legal assistance developer and other personnel sufficient to ensure—

"(A) State leadership in securing and maintaining legal rights of older individuals;

"(B) capacity for coordinating the provision of legal assistance; and

"(C) capacity to provide technical assistance, training and other supportive functions to area agencies on aging, legal assistance providers, ombudsmen, and other persons as appropriate;

"(3)(A) develop, in conjunction with area agencies on aging and legal assistance providers, statewide standards for the delivery of legal assistance to older individuals; and

"(B) provide technical assistance to area agencies on aging and legal assistance providers to enhance and monitor the quality and quantity of legal assistance to older individuals, including technical assistance in developing plans for targeting services to reach the individuals with greatest economic and social need (with particular attention to low-income minority individuals);

"(4) provide consultation to, and ensure, the coordination of activities with the legal assistance services provided under title III, services provided by the Legal Service Corporation, and services provided under parts B, C, and E, as well as other State or Federal programs administered at the State and local levels that address the legal assistance needs of older individuals;

"(5) provide for the education and training of professionals, volunteers, and older individuals concerning elder rights, the requirements and benefits of specific laws, and methods for enhancing the coordination of services;

"(6) promote, and provide as appropriate, education and training for individuals who are or might become guardians or representative payees of older individuals, including information on—

"(A) the powers and duties of guardians or representative payees; and

"(B) alternatives to guardianship;

"(7) promote the development of, and provide technical assistance concerning, pro bono legal assistance programs, State and local bar committees on aging, legal hot lines, alternative dispute resolution, aging law curricula in law schools and other appropriate educational institutions, and other methods to expand access by older individuals to legal assistance and other advocacy and elder rights services;

"(8) provide for periodic assessments of the status of elder rights in the State, including analysis—

"(A) of the unmet need for assistance in resolving legal problems and benefits-related problems, methods for expanding advocacy services, the status of substitute decisionmaking systems and services (including systems and services regarding guardianship, representative payeeship, and advance directives), access to courts and the justice system, and the implementation of civil rights and age discrimination laws in the State; and

"(B) of problems and unmet needs identified in programs established under title III and other programs; and

"(9) develop working agreements with—

"(A) State entities, including the consumer protection agency, the court system, the attorney general, the State equal employment opportunity commission, and other appropriate State agencies and entities; and

"(B) Federal entities, including the Social Security Administration and the Veterans' Administration, and other appropriate entities, for the purpose of identifying elder rights services provided by the entities, and coordinating services with programs established under title III and parts B, C, and E of the title.".

SEC. 605. OUTREACH, COUNSELING, AND ASSISTANCE PROGRAMS.

(a) PURPOSE.—The purpose of this section is to provide outreach, counseling, and assistance in order to assist older individuals in obtaining benefits under—

(1) public and private health insurance, long-term care insurance, and life insurance programs; and

(2) public benefit programs to which the individuals are entitled, including benefits under the supplemental security income, medicaid, medicare, food stamp, and low-income home energy assistance programs.

(b) PROGRAM.—Title VII (as added by section 601, and amended by sections 602, 603(b), and 604, of this Act) is amended by adding at the end the following new part:

"PART E—OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM

"SEC. 741. STATE OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM FOR INSURANCE AND PUBLIC BENEFIT PROGRAMS.

"(a) DEFINITIONS.—As used in this section:

"(1) INSURANCE PROGRAM.—The term 'insurance program' means—

"(A) the medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.);

"(B) the medicaid program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

"(C) another public or private insurance program.

"(2) MEDICARE SUPPLEMENTAL POLICY.—The term 'medicare supplemental policy' has the meaning given the term in section 1882(g)(1) of the Social Security Act (42 U.S.C. 1395ss(g)(1)).

"(3) PENSION PLAN.—The term 'pension plan' means an employee pension benefit plan, as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2)).

"(4) PUBLIC BENEFIT PROGRAM.—The term 'public benefit program' means—

"(A) the Federal Old-Age, Survivors, and Disability Insurance Benefits programs under title II of the Social Security Act (42 U.S.C. 401 et seq.);

"(B) the medicare program established under title XVIII of the Social Security Act;

"(C) the medicaid program established under title XIX of the Social Security Act;

"(D) the program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

"(E) the program established under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.);

"(F) the supplemental security income program established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.);

"(G) with respect to a qualified medicare beneficiary, as defined in section 1905(p) of the Social Security Act (42 U.S.C. 1396d(p)), the medicare program described in title XVIII of the Social Security Act; or

"(H) another public benefit program.

"(5) STATE INSURANCE ASSISTANCE PROGRAM.—The term 'insurance assistance program' means the program established under subsection (b)(1).

"(6) STATE PUBLIC BENEFIT ASSISTANCE PROGRAM.—The term 'public benefit assistance program' means the program established under subsection (b)(2).

"(b) ESTABLISHMENT.—In order to receive an allotment under section 703 from funds appropriated under section 702(d), a State agency shall, in coordination with area agencies on aging and in accordance with this section, establish—

"(1) a program to provide to older individuals outreach, counseling, and assistance related to obtaining benefits under an insurance program; and

"(2) a program to provide outreach, counseling, and assistance to older individuals who may be eligible for, but who are not receiving, benefits under a public benefit program, including benefits as a qualified medicare beneficiary, as defined in section 1905(p) of the Social Security Act.

"(c) INSURANCE AND PUBLIC BENEFITS PROGRAMS.—The State agency shall—

"(1) in carrying out a State insurance assistance program—

"(A) provide information and counseling to assist older individuals—

"(i) in filing claims and obtaining benefits under title XVIII and title XIX of the Social Security Act;

"(ii) in comparing medicare supplemental policies and in filing claims and obtaining benefits under such policies;

"(iii) in comparing long-term care insurance policies and in filing claims and obtaining benefits under such policies;

"(iv) in comparing other types of health insurance policies not described in clause (iii) and in filing claims and obtaining benefits under such policies;

"(v) in comparing life insurance policies and in filing claims and obtaining benefits under such policies;

"(vi) in comparing other forms of insurance policies not described in clause (v) and in filing claims and obtaining benefits under such policies as determined necessary; and

"(vii) in comparing current and future health and post-retirement needs related to pension plans, and the relationship of such plans to insurance and public benefit programs;

"(B) establish a system of referrals to appropriate providers of legal assistance, and to appropriate agencies of the Federal or State government regarding the problems of older individuals related to health and other forms of insurance and public benefits programs;

"(C) give priority to providing assistance to older individuals with the greatest economic need;

"(D) ensure that services provided under the program will be coordinated with programs established under parts B, C, and D of this title, and under title III;

"(E) provide for adequate and trained staff (including volunteers) necessary to carry out the program;

"(F) ensure that staff (including volunteers) of the agency and of any agency or organization described in subsection (d) will not be subject to a conflict of interest in providing services under the program;

"(G) provide for the collection and dissemination of timely and accurate information to staff (including volunteers) related to insurance and public benefits programs;

"(H) provide for the coordination of information on insurance programs between the staff of departments and agencies of the State government and the staff (including volunteers) of the program; and

"(I) make recommendations related to consumer protection that may affect individuals eligible for, or receiving, health or other insurance; and

"(2) in carrying out a State public benefits assistance program—

"(A) carry out activities to identify older individuals with the greatest economic need who may be eligible for, but who are not receiving, benefits or assistance under a public benefits program;

"(B) conduct outreach activities to inform older individuals of the requirements for eligibility to receive such assistance and such benefits;

"(C) assist older individuals in applying for such assistance and such benefits;

"(D) establish a system of referrals to appropriate providers of legal assistance, or to appropriate agencies of the Federal or State government regarding the problems of older individuals related to public benefit programs;

"(E) comply with the requirements specified in subparagraphs (C) through (F) of paragraph (1) with respect to the State public benefits assistance program;

"(F) provide for the collection and dissemination of timely and accurate information to staff (including volunteers) related to public benefits programs;

"(G) provide for the coordination of information on public benefits programs between the staff of departments and agencies of the State government and the staff (including volunteers) of the State public benefits assistance program; and

"(H) make recommendations related to consumer protection that may affect individuals eligible for, or receiving, benefits under a public benefits program.

"(d) ADMINISTRATION.—The State agency may operate the State insurance and State public benefits assistance programs directly, in co-

operation with other State agencies, or under an agreement with a statewide nonprofit organization, area agency on aging, or another public, or nonprofit agency or organization.

"(e) MAINTENANCE OF EFFORT.—Any funds appropriated for the activities under this part shall supplement, and shall not supplant, funds that are expended for similar purposes under any Federal, State, or local insurance or public benefits program.

"(f) COORDINATION.—A State that receives an allotment under section 703 and receives a grant under section 4360 of the Omnibus Reconciliation Act of 1990 (42 U.S.C. 1395b–4) to provide services in accordance with the section shall coordinate the services with activities provided by the State agency through the programs described in paragraphs (1) and (2) of subsection (b).".

SEC. 606. TECHNICAL AND CONFORMING AMENDMENTS.

(a) OMBUDSMAN PROGRAM.—

(1) SOCIAL SECURITY ACT.—

(A) Section 1819 of the Social Security Act (42 U.S.C. 1395i–3) is amended in subsections (c)(2)(B)(iii)(II) and (g)(5)(B) by striking "established under section 307(a)(12) of the Older Americans Act of 1965" and inserting "established under title III or VII of the Older Americans Act of 1965 in accordance with section 712 of the Act".

(B) Section 1919 of the Social Security Act (42 U.S.C. 1396r) is amended in subsections (c)(2)(B)(iii)(II) and (g)(5)(B) by striking "established under section 307(a)(12) of the Older Americans Act of 1965" and inserting "established under title III or VII of the Older Americans Act of 1965 in accordance with section 712 of the Act".

(2) OLDER AMERICANS ACT OF 1965.—

(A) Section 207(b) (42 U.S.C 3018(b)) is amended—

(i) in paragraph (1)(A), by striking "by section 307(a)(12)(C)" and inserting "under titles III and VII in accordance with section 712(c)"; and

(ii) in paragraph (3)—

(I) by striking "by section 307(a)(12)(H)(i)" and inserting "under titles III and VII in accordance with section 712(h)(1)"; and

(II) by striking subparagraph (E) and inserting the following new subparagraph:

"(E) each public agency or private organization designated as an Office of the State Long-Term Care Ombudsman under title III or VII in accordance with section 712(a)(4)(A).".

(B) Section 301(c) (42 U.S.C. 3021(c)) is amended by striking "section 307(a)(12), and to individuals designated under such section" and inserting "section 307(a)(12) in accordance with section 712, and to individuals within such programs designated under section 712".

(C) Section 304(d)(1)(C) (42 U.S.C. 3024(d)(1)(C)) is amended by striking "(excluding any amount" and all that follows through "303(a)(3))".

(D) Section 351(4) (42 U.S.C. 3030l(4)) is amended by striking "under section 307(a)(12)" and inserting "under titles III and VII in accordance with section 712".

(b) PROGRAMS FOR PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION.—

(1) Section 321(15) (42 U.S.C. 3030d(15)) is amended by striking "clause (16) of section 307(a)" and inserting "part C of title VII".

(2) Section 431(b) (42 U.S.C. 3037(b)) is amended by striking "(other than sections 306(a)(6)(P), 307(a)(12), and 311, and parts E, F, and G)" and inserting "(other than sections 307(a)(12) and 311 and parts E and F)".

(c) OUTREACH PROGRAMS.—

(1) Section 202(a)(20) (42 U.S.C. 3012(a)(20)) is amended by striking "under section 307(a)(31)".

(2) Section 207(c) (42 U.S.C. 3018(c)) is amended—

(A) in the first sentence, by striking "on the evaluations required to be submitted under section 307(a)(31)(D)" and inserting "on the outreach activities supported under this Act"; and

(B) in paragraph (1), by striking "outreach activities supported under section 306(a)(6)(P)" and inserting "the activities".

(3) Section 303(a) (42 U.S.C. 3023(a)) is amended by striking "for purposes other than outreach activities and application assistance under section 307(a)(31)".

(4) Section 307(a)(20)(A) (42 U.S.C. 3027(a)(20)(A)) is amended by striking "sections 306(a)(2)(A) and 306(a)(6)(P)" and inserting "section 306(a)(2)(A)".

TITLE VII—PENSION PROGRAMS

SEC. 701. SHORT TITLE.

This title may be cited as the "Pension Restoration Act of 1991".

SEC. 702. DEFINITIONS.

For purposes of this title—

(1) STATE; UNITED STATES.—The terms "State" and "United States" have the meanings set forth in paragraph (10) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002).

(2) EMPLOYER; PARTICIPANT; BENEFICIARY; NONFORFEITABLE; DEFINED BENEFIT PLAN.—The terms "employer", "participant", "beneficiary", "nonforfeitable", and "defined benefit plan" shall have the same meanings as when used in title IV of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1301 et seq.).

(3) EARLY TERMINATED PLAN.—The term "early terminated plan" means a defined benefit plan with respect to which the Corporation would have been covered under title IV of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1301 et seq.) if the termination date of the plan (as determined by the Corporation) had not occurred before September 2, 1974.

(4) QUALIFIED PARTICIPANT.—The term "qualified participant" means an individual who—

(A) was a participant in an early terminated plan maintained by an employer of such individual,

(B) as of immediately before the termination of the plan had a nonforfeitable right to benefits under the plan, and

(C) has not (and will not) receive from the plan all of the benefits described in subparagraph (B).

(5) QUALIFIED SPOUSE.—The term "qualified spouse" means an individual who is the widow (within the meaning of section 216(c) of the Social Security Act (42 U.S.C. 416(c))) or the widower (within the meaning of section 216(g) of such Act (42 U.S.C. 416(g))) of a qualified participant.

(6) CORPORATION.—The term "Corporation" means the Pension Benefit Guaranty Corporation.

SEC. 703. ENTITLEMENT TO ANNUITY.

(a) ENTITLEMENT OF QUALIFIED PARTICIPANT.—

(1) IN GENERAL.—A qualified participant is entitled, upon approval under this title of an application therefor, to an annuity computed under section 704(a).

(2) COMMENCEMENT.—The annuity of a qualified participant commences on the day after the later of—

(A) the effective date set forth in section 712, or

(B) the date on which the qualified participant attains 65 years of age.

(3) TERMINATION.—The annuity of a qualified participant and the right thereto terminate at the end of the last calendar month preceding the date of the qualified participant's death.

(b) ENTITLEMENT OF QUALIFIED SPOUSE.—

(1) IN GENERAL.—A qualified spouse is entitled, upon approval under this title of an application therefor, to an annuity computed under section 704(b).

(2) COMMENCEMENT.—The annuity of a qualified spouse of a qualified participant commences on the latest of—

(A) the effective date set forth in section 712,

(B) the first day of the month in which the qualified participant dies, or

(C) if the qualified participant dies before attaining 65 years of age, the first day of the month in which the qualified participant would have attained such age but for the qualified participant's death.

(3) TERMINATION.—The annuity of a qualified spouse and the right thereto terminate at the end of the last calendar month preceding the date of the qualified spouse's death.

SEC. 704. COMPUTATION OF ANNUITY.

(a) QUALIFIED PARTICIPANT'S ANNUITY.—

(1) IN GENERAL.—The annuity computed under this subsection (relating to a qualified participant) in connection with any early terminated plan is equal to the excess (if any) of—

(A) the product derived by multiplying $75 by the number of years of service of the qualified participant credited under the plan, over

(B) the annual amount which would be necessary to amortize in level amounts over 10 years any pension benefits under the plan which the qualified participant had a nonforfeitable right to under the plan and which were received (or reasonably may be expected to be received) in connection with the plan.

(2) MAXIMUM ANNUAL AMOUNT.—The annuity computed under paragraph (1) shall in no event exceed $1,500 per year.

(b) QUALIFIED SPOUSE'S ANNUITY.—

(1) IN GENERAL.—The annuity computed under this subsection (relating to the qualified spouse of a qualified participant) in connection with an early terminated plan is equal to the excess (if any) of—

(A) 50 percent of the amount determined under subparagraph (A) of subsection (a)(1) in connection with such qualified participant, over

(B) the annual amount which would be necessary to amortize in level amounts over 10 years any pension benefits under the plan which the qualified spouse had a nonforfeitable right to under the plan and which were received (or reasonably may be expected to be received) in connection with the plan.

(2) MAXIMUM ANNUAL AMOUNT.—The annuity computed under paragraph (1) shall in no event exceed $750 per year.

(c) REDUCTION IN ANNUITIES.—

(1) IN GENERAL.—If this subsection applies for any fiscal year, the Corporation may provide for a pro rata reduction for such fiscal year in each annuity computed under subsections (a) and (b) in the amount the Corporation determines necessary.

(2) YEARS TO WHICH SUBSECTION APPLIES.—This subsection shall apply for any fiscal year if the Corporation determines that its long-range actuarial balance for single employer operations as of the close of the preceding fiscal year is not in close actuarial balance. Such determination shall be made in a manner similar to the determination under the Old-Age and Survivors Disability Insurance Trust Funds, except that such determination shall be for no less than 50 years and the actuarial balance shall be deemed not in close actuarial balance if the absolute value of the actuarial balance exceeds 20 percent of the present value of expected future premium receipts.

(3) ACTUARIAL BALANCE.—For purposes of this subsection, in calculating the actuarial balance for single employer operations, the Corporation—

(A) shall include all assets on hand, all assets to be received from terminated plans, all anticipated premium revenues, and all anticipated earnings of the Corporation, and

(B) shall be reduced by all current and future benefit liabilities and administrative expenses.

(4) REPORTING.—The Corporation shall report to the appropriate committees of Congress if it determines it is necessary to reduce the amount of the benefits under this section for any fiscal year, and shall include in such report the reasons for such determination.

SEC. 705. APPLICATIONS.

(a) APPLICATION AND EVIDENCE.—

(1) IN GENERAL.—Each individual seeking an annuity under this title in connection with an early terminated plan shall—

(A) file an application with the Corporation, and

(B) include with such application evidence sufficient to establish that the applicant is a qualified participant or qualified spouse in connection with such plan.

(2) APPROVAL.—The Corporation shall approve an application under paragraph (1) only if the evidence included with such application, together with such evidence as the applicant may request the Corporation to consider pursuant to subsection (c), establishes to the satisfaction of the Corporation that the applicant is a qualified participant or a qualified spouse in connection with such plan.

(b) APPLICATION FORMS.—The Corporation may by regulation prescribe application forms which may be used by applicants for purposes of subsection (a). Any such forms prescribed by the Corporation shall be made available to the public by the Corporation.

(c) SPECIFIC MATTERS.—In considering applications for annuities under this title, the Corporation shall consider, on the request of an applicant or the applicant's representative and in addition to any other relevant evidence—

(1) a comparison of employment and payroll records which were maintained under chapter 21 of the Internal Revenue Code of 1986 (relating to Federal Insurance Contributions Act) or under the Social Security Act (42 U.S.C. 301 et seq.) with records maintained by the Internal Revenue Service relating to the qualification status of trusts forming part of a stock bonus, pension, or profit-sharing plan under part I of subchapter D of chapter 1 of the Internal Revenue Code of 1986 (relating to pension, profit sharing, stock bonus plans, etc.), and

(2) records maintained under the Welfare and Pension Plans Disclosure Act of 1958.

(d) PROCEDURES FOR INITIAL DETERMINATIONS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, in making initial determinations regarding applications for annuities under this title, the Corporation shall follow the procedures prescribed by the Corporation for—

(A) initial determinations of benefit entitlement of participants and beneficiaries under plans to which section 4021 of the Employee Retirement Income Security Act of 1974 applies, and

(B) determinations of the amount of guaranteed benefits of such participants and beneficiaries under title IV of such Act.

(2) NOTICES OF DENIAL.—The Corporation shall send any individual whose application under this title is denied by the Corporation pursuant to an initial determination a written notice of the denial. Such notice shall include the reason for the denial and shall set forth the procedures required to be followed in order to obtain review under this title.

SEC. 706. ADMINISTRATIVE APPEALS.

(a) IN GENERAL.—Any individual whose application for an annuity under this title is denied pursuant to an initial determination by the Corporation is entitled to—

(1) a reasonable time, but not less than 60 days after receipt of the written notice of denial described in section 705(d)(2), to request a review by the Corporation and to furnish affidavits and other documentary evidence in support of the request, and

(2) a written decision and the specific reasons therefor at the earliest practicable date.

(b) PROCEDURES.—Except as otherwise provided in subsection (a), in reviewing initial determinations regarding applications for annuities under this title, the Corporation shall follow the procedures prescribed by the Corporation for requesting and obtaining administrative review by the Corporation of determinations described in subparagraphs (A) and (B) of section 705(d)(1).

SEC. 707. JUDICIAL REVIEW.

(a) IN GENERAL.—Any individual, after any final decision made under section 706, and irrespective of the amount in controversy, may obtain judicial review of the decision by a civil action commenced under this section within 180 days after the mailing to the individual of notice of such decision or within such further time as the Corporation may allow.

(b) VENUE.—Any action commenced under this section shall be brought in the district court of the United States for the judicial district in which the plaintiff resides or in the United States District Court for the District of Columbia.

(c) RECORD.—As part of any answer by the Corporation, the Corporation shall file a certified copy of the transcript of the record, including the evidence upon which the findings and decision complained of are based.

(d) JUDGMENT.—The court shall enter, upon the pleadings and transcript of the record a judgment affirming, modifying, or reversing the decision, with or without remanding the case for a rehearing.

(e) REMANDED CASES.—

(1) AUTHORITY TO REMAND TO THE CORPORATION.—The court shall, on the motion of the Corporation made before the Corporation files its answer, remand the case to the Corporation for further action by the Corporation. The court may, at any time, on good cause shown, order additional evidence to be taken before the Corporation.

(2) RECONSIDERATION ON REMAND.—The Corporation shall, after the case is remanded, and after hearing such additional evidence if so ordered—

(A) modify or affirm the earlier findings of fact or decision, or both, under section 706, and

(B) file with the court any such additional and modified findings of fact and decision, and a transcript of the additional record and testimony upon which the Corporation's action in modifying or affirming was based.

(f) FINAL JUDGMENT.—The judgment of the court shall be final except that it shall be subject to review in the same manner as a judgment in other civil actions.

SEC. 708. PAYMENT OF ANNUITIES.

(a) FORMS OF PAYMENT.—

(1) YEARLY PAYMENTS.—Each annuity payable under this title shall be payable as an annual amount.

(2) RETROACTIVE LUMP-SUM PAYMENTS.—Any individual whose claim for an annuity under this title is approved after the date on which the annuity commences under subsection (a)(2) or (b)(2) of section 703 shall be paid the total amount of the annuity payments for periods before the date on which the claim is approved in the form of a lump-sum payment.

(b) CASES OF INCOMPETENCY.—Payment due an individual mentally incompetent or under other legal disability may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of the claimant or is otherwise legally vested with the care of the claimant or the claimant's estate.

(c) DIVORCES, ETC.—

(1) ALTERNATIVE PAYEES.—Payments under this title which would otherwise be made to a person under this title shall be made (in whole or in part) to another person if and to the extent expressly provided for in the terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation. Any payment under this paragraph to a person bars recovery by any other person.

(2) NOTIFICATION REQUIREMENTS.—Paragraph (1) shall only apply to payments made by the Corporation under this title after the date of receipt by the Corporation of written notification of such decree, order, or agreement, and such additional information and documentation as the Corporation may prescribe.

(3) COURT.—As used in this subsection, the term "court" means any court of any State.

(d) INALIENABILITY.—Amounts payable under this title are not assignable, either in law or equity, or subject to execution, levy, attachment, garnishment, or other legal process, except as otherwise may be provided by Federal law.

(e) FORGIVENESS.—Recovery of payments under this title may not be made from an individual in any case in which the Corporation determines that the individual is without fault and recovery would be against equity and good conscience.

SEC. 709. INTERAGENCY COORDINATION AND COOPERATION.

(a) IN GENERAL.—The Corporation may make such arrangements or agreements with other departments, agencies, or establishments of the United States for cooperation or mutual assistance in the performance of their respective functions under this title as are necessary and appropriate to avoid unnecessary expense and duplication of functions.

(b) USE OF FACILITIES.—The Corporation may use, as appropriate, on a reimbursable or other basis, the facilities or services of any department, agency, or establishment of the United States or of any State or political subdivision thereof, including the services of any of its employees, with the lawful consent of such department, agency, or establishment.

(c) COOPERATION.—

(1) IN GENERAL.—Each department, agency, or establishment of the United States shall cooperate with the Corporation and, to the extent necessary and appropriate, provide such information and facilities as the Corporation may request for its assistance in the performance of the Corporation's functions under this title.

(2) AVAILABILITY OF RECORDS FROM THE SECRETARY OF HEALTH AND HUMAN SERVICES.—The Secretary of Health and Human Services shall provide the Corporation with such records, determined by the Corporation to be necessary to carry out the purposes of this title, as the Corporation may request.

(3) COORDINATION WITH DISCLOSURE REQUIREMENTS.—For purposes of administering any law relating to disclosure of confidential information, administration of this title shall be treated in the same manner as the administration of title IV of the Employee Retirement Income Security Act of 1974.

SEC. 710. REGULATIONS.

The Corporation shall, before the effective date set forth in section 712, prescribe the initial regulations necessary to carry out the provisions of this title. Regulations under this title shall be prescribed by the Corporation in consultation, as appropriate, with the Secretary of the Treasury and the Secretary of Health and Human Services.

SEC. 711. PROGRAM FUNDING.

(a) PAYMENT.—The Corporation shall use moneys from the appropriate revolving funds es-

tablished under section 4005 of the Employee Retirement Income Security Act of 1974 to carry out its functions under this title.

(b) TRANSFERS FROM TRUST FUNDS.—The Corporation shall transfer to the revolving funds described in subsection (a) from the trust funds consisting of assets of terminated plans and employer liability payments amounts equal to the amounts needed to carry out its functions under this title.

(c) AMOUNTS DISREGARDED FOR ALLOCATIONS.—Any amount paid by reason of this Act shall be disregarded in computing any ratio (including the proportional funding ratio) used by the Corporation in allocating amounts from any fund of the Corporation.

SEC. 712. EFFECTIVE DATE.

(a) GENERAL RULE.—Except as provided in subsection (b), the provisions of this title shall take effect 60 days after the date of the enactment of this Act.

(b) SPECIAL RULE.—The provisions of sections 710 and 711 shall take effect on the date of the enactment of this Act.

TITLE VIII—OTHER PROGRAMS

Subtitle A—Long-Term Health Care Workers

SEC. 801. DEFINITIONS.

As used in this subtitle:

(1) NURSING HOME NURSE AIDE.—The term "nursing home nurse aide" means an individual employed at a nursing or convalescent home who assists in the care of patients at such a home under the direction of nursing and medical staff.

(2) HOME HEALTH CARE AIDE.—The term "home health care aide" means an individual who—

(A) is employed by a government, charitable, nonprofit, or proprietary agency; and

(B) cares for elderly, convalescent, or handicapped individuals in the home of the individuals by performing routine home assistance (such as housecleaning, cooking, and laundry) and assisting in the health care of such individuals under the direction of a physician or home health nurse.

SEC. 802. INFORMATION REQUIREMENTS.

(a) NATIONAL CENTER FOR HEALTH STATISTICS.—The Director of the National Center for Health Statistics of the Centers for Disease Control shall collect, and prepare a report containing—

(1) demographic information on home health care aides and nursing home nurse aides, including information on the—

(A) age, race, marital status, education, number of children and other dependents, gender, and primary language, of the aides; and

(B) location of facilities at which the aides are employed in—

(i) rural communities; or

(ii) urban or suburban communities; and

(2) in particular, information on the role of the aides in providing home-based and community-based long-term care.

(b) DEPARTMENT OF LABOR.—The Secretary of Labor shall—

(1) collect, and prepare a report containing, information on home health care aides, including—

(A) information on conditions of employment, including—

(i) the length of employment of the aides with the current employer of the aides;

(ii) the type of employer of the aides (such as a for-profit, private nonprofit, charitable, or government employer, or an independent contractor);

(iii) the number of full-time, part-time, and temporary positions for the aides;

(iv) the ratio of aides to professional staff;

(v) the types of tasks performed by the aides, the level of skill needed to perform the tasks, and whether the tasks are completed in a home-based or community-based setting; and

(vi) the number of hours worked each week by the aides; and

(B) information on employment benefits for home health care aides, including—

(i) information on health insurance coverage;

(ii) the type of pension plan coverage;

(iii) the amount of vacation leave;

(iv) wage rates; and

(v) the extent of work-related training provided; and

(2) collect, and prepare a report containing, information on nursing home nurse aides, including—

(A) the information described in subparagraphs (A) and (B) of paragraph (1); and

(B) information on—

(i) the type of facility (such as a skilled care or intermediate care facility) of the employer of the aides;

(ii) the number of beds at the facility; and

(iii) the ratio of the aides to residents of the facility.

SEC. 803. REPORTS.

(a) REPORTS TO COMMISSIONER ON AGING.—

(1) TRANSMITTAL.—

(A) NATIONAL CENTER FOR HEALTH STATISTICS REPORT.—Not later than October 1, 1993, the Director of the National Center for Health Statistics of the Centers for Disease Control shall transmit to the Commissioner on Aging the report required by section 802(a).

(B) DEPARTMENT OF LABOR REPORTS.—

(i) HOME HEALTH CARE AIDES.—Not later than October 1, 1992, the Secretary of Labor shall transmit to the Commissioner on Aging a plan for the collection of the information described in section 802(b)(1). Not later than October 1, 1994, the Secretary of Labor shall transmit to the Commissioner on Aging the report required by section 802(b)(1).

(ii) NURSING HOME NURSE AIDES.—Not later than October 1, 1993, the Secretary of Labor shall transmit to the Commissioner on Aging the report required by section 802(b)(2).

(2) PREPARATION.—

(A) NATIONAL CENTER FOR HEALTH STATISTICS REPORT.—The report required by section 802(a) shall be prepared and organized in such a manner as the Director of the National Center for Health Statistics may determine to be appropriate.

(B) DEPARTMENT OF LABOR REPORTS.—The reports required by paragraphs (1) and (2) of section 802(b) shall be prepared and organized in such a manner as the Secretary of Labor may determine to be appropriate.

(3) PRESENTATION OF INFORMATION.—The reports required by section 802 shall not identify by name individuals supplying information for purposes of the reports. The reports shall present information collected in the aggregate.

(b) REPORT TO CONGRESS.—The Commissioner on Aging shall review the reports required by section 802 and shall submit to the appropriate committees of Congress a report containing—

(1) the reports required by section 802;

(2) the comments of the Commissioner on the reports; and

(3) additional information, regarding the roles of nursing home nurse aides and home health care aides in providing long-term care, obtained through the State Long-Term Care Ombudsman program established under sections 307(a)(12) and 712 of the Older Americans Act of 1965.

SEC. 804. OCCUPATIONAL CODE.

The Secretary of Labor shall include an occupational code covering nursing home nurse aides and an occupational code covering home health care aides in each wage survey of relevant industries conducted by the Department of Labor that begins after the date of enactment of this Act.

Subtitle B—National Student Lunch Act

SEC. 811. MEALS PROVIDED THROUGH ADULT DAY CARE CENTERS.

(a) IN GENERAL.—Section 17(o) of the National School Lunch Act (42 U.S.C. 1766(o)) is amended—

(1) in paragraph (2)(A)(i), by inserting ", or a group living arrangement," after "homes"; and

(2) in paragraph (3)(B), by inserting "or title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq. and 1396 et seq.)" after "1965".

(b) EFFECTIVE DATE.—The amendment made by—

(1) subsection (a)(1) shall take effect as if the amendment had been included in the Older Americans Act Amendments of 1987; and

(2) subsection (a)(2) shall take effect on the date of the enactment of this Act.

Subtitle C—White House Conference on Aging

SEC. 821. AUTHORIZATION OF THE CONFERENCE.

(a) AUTHORITY TO CALL CONFERENCE.—Section 202(a) of the Older Americans Act Amendments of 1987 (42 U.S.C. 3001 note) is amended by striking "1991" and inserting "1993".

(b) PURPOSE OF THE CONFERENCE.—Section 202(c) of the Act is amended by striking paragraphs (1) through (6) and inserting the following new paragraphs:

"(1) to increase the public awareness of the interdependence of generations and the essential contributions of older individuals to society for the well-being of all generations;

"(2) to identify the problems facing older individuals and the commonalities of the problems with problems of younger generations;

"(3) to examine the well-being of older individuals, including the impact the wellness of older individuals has on our aging society;

"(4) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and improving the well-being of the aging;

"(5) to develop recommendations for the coordination of Federal policy with State and local needs and the implementation of such recommendations; and

"(6) to review the status and intergenerational value of recommendations adopted at previous White House Conferences on Aging.".

SEC. 822. AUTHORIZATION OF APPROPRIATIONS.

Section 207 of the Older Americans Act Amendments of 1987 (42 U.S.C. 3001 note) is amended to read as follows:

"SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORIZATION.—There are authorized to be appropriated $5,000,000 for each of the fiscal years 1992 and 1993, to remain available until expended.

"(b) NEW AUTHORITY.—New spending authority or authority to enter into contracts as provided in this section shall be effective only to the extent and in such amounts as are provided in advance in appropriations Acts.".

TITLE IX—NATIVE AMERICAN PROGRAMS ACT

SEC. 901. SHORT TITLE.

This title may be cited as the "Native American Programs Act of 1974 Amendments Act".

SEC. 902. AMENDMENTS.

The Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.) is amended as follows:

(1) immediately after section 803A, insert the following new section:

"ESTABLISHMENT OF ADMINISTRATION FOR NATIVE AMERICANS

"SEC. 803B. (a) There is established in the Department of Health and Human Services the Administration for Native Americans (hereafter in this title referred to as the 'Administration'), which shall be headed by a Commissioner of the

Administration for Native Americans (hereafter in this title referred to as the 'Commissioner'). The Administration shall be the agency for carrying out the provisions of this title.

"(b) The Commissioner shall be appointed by the President, by and with the advice and consent of the Senate.

"(c) The Commissioner shall—

"(1) provide for financial assistance, loan funds, technical assistance, training, research and demonstration projects, and other activities described in this title;

"(2) serve as the effective and visible advocate in behalf of Native Americans within the Department, and with other departments and agencies of the Federal Government regarding all Federal policies affecting Native Americans;

"(3) with the assistance of the Intra-Departmental Council on Native American Affairs established by subsection (d)(1), coordinate activities within the Department leading to the development of policies, programs, and budgets, and their administration affecting Native Americans, and provide quarterly reports and recommendations to the Secretary; and

"(4) collect and disseminate information related to the social and economic conditions of Native Americans, and assist the Secretary in preparing an annual report to the Congress about such conditions.

"(d)(1) There is established in the Office of the Secretary the Intra-Departmental Council on Native American Affairs, which shall be headed by the Commissioner. The Director of the Indian Health Service shall serve as vice chairperson of the Council.

"(2) The membership of the Council shall be the heads of principal operating divisions within the Department and such persons in the Office of the Secretary as the Secretary may designate.

"(3) In addition to the duties defined in this section, the Council shall, within 180 days following the date of the enactment of the Native American Programs Act of 1974 Amendments Act, prepare a plan, including legislative recommendations, to allow tribal governments and other eligible Native American organizations to consolidate grants administered by the Department of Health and Human Services and to designate a single office to oversee and audit the grants. Such plan shall be submitted to the committees of the Senate and the House of Representatives having jurisdiction over the Administration for Native Americans.

"(e) ADMINISTRATION.—The Secretary shall assure that adequate staff and administrative support is provided to carry out the purposes of the Act. In determining the staffing levels of the Administration, the Secretary shall consider among other factors the unmet needs of the Native American population, the need to provide adequate oversight and technical assistance to grantees, the need to carry out the purposes of the Intra-Departmental Council on Native American Affairs, the additional reporting requirements established, and the staffing levels previously maintained in support of this program.";

(2) in section 803, delete "Secretary" each place it appears therein and insert in lieu thereof "Commissioner", and in the first sentence thereof, delete "Indian organizations" and insert in lieu thereof "Indian and Alaska Native organizations";

(3) in section 803A, delete "agency or organization to which a grant is awarded under subsection (a)(1) of this section" each place it appears therein and insert in lieu thereof "Office";

(4) in section 803A, delete "agency or organization" each place it appears therein and insert in lieu thereof "Office";

(5)(A) in section 803A, delete "Secretary" each place it appears therein and insert in lieu thereof "Commissioner";

(B) in section 803A(a)(1), delete "one agency of the State of Hawaii, or to one community-based Native Hawaiian organization" and insert in lieu thereof "the Office of Hawaiian Affairs of the State of Hawaii (hereafter in this section referred to as the 'Office')";

(6) in section 803A(a)(1), delete "5-year";

(7) in section 803A(a)(1)(A), delete "agency or Native Hawaiian organization" and insert in lieu thereof "Office";

(8) in section 803A(a)(2), insert the following immediately before the period at the end thereof: "and a requirement that the grantee contribute to the revolving loan fund an amount of non-Federal funds equal to the amount of such grant";

(9) section 803A(b)(6) is repealed;

(10) in section 803A(f)(1), delete "fiscal years 1988, 1989, and 1990 the aggregate amount of $3,000,000 for all such fiscal years" and insert in lieu thereof "each of the fiscal years 1992, 1993, and 1994, $1,000,000";

(11) section 803A(f)(3) is repealed;

(12) section 803A(g) is amended to read as follows:

"(g)(1) The Commissioner, in consultation with the Office, shall submit a report to the President pro tempore of the Senate and the Speaker of the House of Representatives not later than January 1 following the end of each fiscal year, regarding the administration of this section in such fiscal year.

"(2) Such report shall include the views and recommendations of the Commissioner with respect to the revolving loan fund established under subsection (a)(1) and with respect to loans made from such fund, and shall—

"(A) describe the effectiveness of the operation of such fund in improving the the economic and social self-sufficiency of Native Hawaiians;

"(B) specify the number of loans made in such fiscal year;

"(C) specify the number of loans outstanding as of the end of such fiscal year; and

"(D) specify the number of borrowers who fail in such fiscal year to repay loans in accordance with the agreements under which such loans are required to be repaid.";

(13) amend section 804 to read as follows:

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 804. The Commissioner shall provide, directly or through other arrangements (1) technical assistance to the public and private agencies in planning, developing, conducting, and administering projects under this title, (2) short-term in-service training for specialized or other personnel which is needed in connection with projects receiving financial assistance under this title, and (3) upon denial of a grant application, technical assistance to a potential grantee in revising a grant proposal.";

(14) in section 805, delete "Secretary" each place it appears therein and insert in lieu thereof "Commissioner";

(15) Immediately after section 805, insert the following new section:

"ANNUAL REPORT

"SEC. 805A. The Secretary shall prepare an annual report to the President pro tempore of the Senate and the Speaker of the House of Representatives on the social and economic conditions of Native Americans who are within the scope of this title, together with such recommendations to the Congress as are appropriate, and such report shall accompany the President's budget at such time as it is transmitted to the Congress.";

(16) in section 806, delete "Secretary" each place it appears therein and insert in lieu thereof "Commissioner";

(17) in section 807, delete "Secretary" each place it appears therein and insert in lieu thereof "Commissioner";

(18) in section 808, delete "Secretary" each place it appears therein and insert in lieu thereof "Commissioner";

(19) in section 809, delete "Secretary" and insert in lieu thereof "Commissioner";

(20) in section 810, delete "Secretary" and insert in lieu thereof "Commissioner", designate the existing text as subsection (a), and add at the end thereof the following new subsection:

"(b) An organization whose application is rejected on the grounds that it is an ineligible organization or that activities it proposes are ineligible for funding may appeal to the Commissioner for a review of such determinations, but must do so within 30 days of receipt of notification of such ineligibility. On appeal, if the Commissioner finds that an organization is eligible or that its proposed activities are eligible, such eligibility shall not be effective until the next cycle of grant proposals are considered by the Administration.";

(21) in section 811, delete "Secretary" each place it appears therein and insert in lieu thereof "Commissioner";

(22) immediately after section 812, insert the following:

"STAFF

"SEC. 812A. Professional staff employed by the Administration shall be required to have knowledge of social and economic conditions characteristic of the intended beneficiaries of this title. Consistent with this requirement, the Commissioner is authorized to extend employment preference to Native Americans.";

(23) section 813 is amended to read as follows:

"ADMINISTRATION

"SEC. 813. Nothing in this title shall be construed to prohibit interagency funding agreements made between the Administration and other agencies of the Federal Government for the development and implementation of specific grants or projects.";

(24) in section 816(a), delete "and 1991" and insert in lieu thereof "1991, 1992, 1993, 1994, 1995, and 1996";

(25) in subsection (a) of section 816, delete "and 803A" and insert in lieu thereof a comma and "803A, subsection (e) of this section, and such other programs as are identified by the Congress for specific funding";

(26) in subsection (b) of section 816, delete "and 803A" and insert in lieu thereof a comma and "803A, 804, subsection (e) of this section, and such other programs as are identified by the Congress for specific funding";

(27) in section 816(c)(1), delete "and 1991" and insert in lieu thereof "1991, 1992, 1993, 1994, 1995, and 1996"; and

(28) section 816 is amended by adding at the end thereof the following new subsection:

"(e) For fiscal year 1992, there are authorized to be appropriated such sums as may be necessary for the purpose of continuing the development of a detailed plan, including the conduct of contributory research demonstration projects, for the establishment of a National Center for Native American Studies and Indian Policy Development. Such plan shall be delivered to the Congress no later than 90 days after the convening of the Second Session of the One Hundred Second Congress.".

TITLE X—GENERAL PROVISIONS

SEC. 1001. EFFECTIVE DATES; APPLICATION OF AMENDMENTS.

(a) IN GENERAL.—Except as provided in subsection (b), and as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall not apply with respect to any plan that is—

(1)(A) an area plan submitted under section 306(a) of the Older Americans Act of 1965; or

(B) a State plan submitted under section 307(a) of such Act; and

(2) approved for any fiscal year beginning before the date of the enactment of this Act.

Mr. ADAMS. Before making an opening statement, I want to indicate what the modification is. It has been agreed upon by both sides, but I want those who have worked so long and hard on the modification to receive credit for the work they have done. This modification:

Authorizes resource centers on native American elders. Requires the National Aging Data Center to analyze data regarding older native Americans, by Senators CONRAD, DOLE, and BINGAMAN;

Establishes a National Resource Center for the neighborhood senior care demonstration project, by Senator DURENBERGER;

Adds counseling on osteoporosis and cardiovascular disease prevention, Alzheimer's awareness; also adds medication monitoring as optional health promotion services, by Senator GLENN;

Includes counseling on Social Security, pension plans, and postretirement counseling to elder rights title, by Senator GRAHAM;

Includes counseling on substance abuse reduction as a health promotion service; adds counseling on current and future health and retirement needs as an optional supportive service, by Senator GRAHAM;

Sets USDA per meal reimbursement rate at the amount appropriated divided by the number of meals served or at a rate of 61 cents per meal adjusted to changes in the CPI food-away-from-home series based on the prior July, whichever is greater, by Senators ADAMS, PRYOR, and KENNEDY;

Adopts current OAA regulation language—adopted by the House—stating intrastate funding formula should take into account: First, distribution of individuals 60-plus; and second, distribution of individuals with the greatest economic need and greatest social need with particular attention to low-income minorities, by Senator COCHRAN;

Requires States to document the additional costs of providing services to older individuals residing in rural areas, by Senators COCHRAN, ADAMS, and KENNEDY;

Authorizes a demonstration project to improve transportation for the elderly, by Senator PRYOR;

Directs Commissioner to study ways to improve targeting of low-income, minority, and rural elders, by Senators PRYOR and CONRAD;

Adds outreach to isolated elderly and those with Alzheimer's disease and related disorders, and uncompensated caretakers, by Senator GRASSLEY;

Provides that all national contractors receive an amount equal to at least 1.3 percent of national contractors portion of fiscal year 1991 appropriations for the Community Service Employment for Older Americans Program, phased in over time, by Senators INOUYE, DOMENICI and BINGAMAN;

Defines and adds case management as an optional supportive service, by Senator MIKULSKI;

Provides for States to use a uniform data collection method to identify unmet needs, by Senator MIKULSKI;

Authorizes a demonstration program for State and area agencies on aging to plan for and provide services for older persons with developmental disabilities by Senator HATCH;

Directs Commissioner on Aging to conduct study to examine ways Federal funds could better meet the needs of States with a disproportionate number of older individuals, by Senator PELL;

Authorizes a demonstration project to continue funding of a national telephone information system and improve State and local information and assistance programs, by Senator PRESSLER;

Clarifies ombudsman's role and access when dealing with guardians and representative payees; adds training for guardians and representative payees, by Senator GLENN;

Adds music, art, and dance/movement therapy as optional supportive and health promotion services; adds a demonstration project regarding music, art, and dance/movement therapies, by Senators REID and HATCH;

Allows as an optional service programs to promote students visiting residents of nursing homes and other senior living facilities, by Senator CHAFEE;

Provides for a uniform listing for area agencies on aging [AAA's] in telephone books to ease consumer access to AAA services and information, by Senator ADAMS;

Adds a criminal justice grant program to list of Federal programs that must coordinate and consult with the Commissioner, by Senator JOHNSTON;

Includes technical amendments clarifying provisions in the Pension Restoration Act, by Senator METZENBAUM; and

Reauthorizes administration for native Americans programs, as in the 1987 reauthorization, by Senator INOUYE.

Mr. President, I have read this list because it represents, in my opinion, an excellent effort by the staffs of many, many Senators, the committee staff, minority and majority, the ranking member, the ranking member on the subcommittee, to attempt to settle in advance all of the matters that they have had a special interest in pursuing.

This is very important for the Older Americans Act and for its many social services. I will describe those services in a moment. There are several committees on aging in both the House and the Senate. Many groups spend a good part of the entire session working on problems of the aging. There is the Select Committee on Aging for example and there are, on both sides, committees that take special interest in this the concerns of the elderly. There are, of course, Finance Committee hearings and work that is done on the massive payments that are made under the Social Security system, under Medicare, and in the Medicaid Program.

This program, however, is the social services program that was started in 1965 and it involves programs for seniors for which other committees do not have jurisdiction. Therefore, we do not deal with Finance Committee concerns but deal with the services that affect the day-to-day life of many older Americans such as Meals on Wheels and congregate meals, and so on.

Mr. President, today is a day of great pride for me. We take up S. 243 which reauthorizes and amends the Older Americans Act. It is essential that we do this today because the bill has passed the House, and the authorization ran out at the end of this last fiscal year. This bill will authorize the Older Americans Act for the next 4 years.

We have tried to bring together all of the various groups who were about the matters for which this committee has legislative jurisdiction; to examine their programs, and consider the additions and changes that they have been working on.

The committee held numerous hearings. As you can see from the list that I read, it has dealt with many individual aging groups and Senators to be certain that we have as comprehensive an approach to this as possible.

This is legislation that is critical to older Americans. And it really is critical for all Americans. Since the enactment of this bill in 1965, the Older Americans Act has proved to be popular and an increasingly vital source of services and health for our Nation's elderly.

It is the most significant source for nutritious meals for the elderly. It helps provide meals in congregate settings, and for home delivery for those who are ill or frail.

It promotes part-time employment for very low-income seniors.

It provides for transportation to the doctor, to meal sites, to the Social Security office.

Ombudsmen to help with the problems of nursing home residents: That will be mentioned, I am sure, in this debate quite often. As it has been a subject of much work by the committee in order to prevent abuse and harm to the frailelderly, be they in nursing homes or in their own home.

It provides legal assistance for SSI, Medicaid, consumer, and other legal problems because many of the programs have become too complex, unfortunately.

We have to give assistance to our seniors so they are able to work their way through the paperwork and also to protect themselves from other types of difficulties and sources of harm.

It provides for senior centers and in-home services for frail elders. We are particularly interested in this. I want to particularly thank Senator HATCH for the work he has done on this. In-home care for seniors is probably one of the most important things that we can do. It may be the eventual solution to long-term care of our elderly. Senator HATCH has done great work on this.

These are just some of the key services that are made available through the Older Americans Act in communities throughout the United States. For many older persons, these services are the only way that they make ends meet.

As chairman of the Subcommittee on Aging, I have been responsible for shepherding the reauthorization through the Labor Committee and to the floor. I am proud of our amendments to the landmark Older Americans Act. The task of responding to the mounting needs of an aging America is formidable, particularly under the severe constraints of our budget and economic problems. Yet, this reauthorization legislation represents both a thoughtful and realistic response to these conflicting demands.

I want to emphasize that demands are often in conflict.

S. 243 is a product of a tremendous amount of input and work by many individuals and organizations including many of our colleagues here in the Senate from both sides of the aisle.

My subcommittee held six hearings this year on the OAA. Other committees in the Senate and the House, as I mentioned before, have conducted numerous hearings and studies as well. I would like to express my gratitude to my colleagues, who have contributed so much to this legislation. S. 243 reflects the numerous bills and amendments that have been offered from Senators on both sides of the aisle.

I want to take a moment and mention some of the bills that we used portions of, as well as S. 243. Members cosponsoring bills that are included in S. 243 or portions thereof that were not listed in the modification that I indicated but were very helpful were Senators BRADLEY, BREAUX, BRYAN, BUMPERS, BURDICK, COHEN, FOWLER, GORE, GORTON, HATFIELD, HEFLIN, LEAHY, LIEBERMAN, KOHL, MCCAIN, RIEGLE, ROCKEFELLER, SANFORD, SARBANES, SHELBY, SIMON, STEVENS, WALLOP, and WOFFORD.

As you can see, Mr. President, this has been a product of the work over the past year by many Senators and their staffs, as well as the committee members and their staff.

I particularly want to note the contributions of the distinguished ranking member of the subcommittee, Senator COCHRAN, and those of our chairman, Senator KENNEDY.

Senator COCHRAN will be a little delayed this morning but I want to be certain that we protect his rights to offer any amendments that he may wish to offer, and he will probably wish to make an opening statement prior to our recessing at the usual time during the middle of the day today. If necessary, we may put in a quorum call in order that that happens. I will consult with Senator HATCH about that. We want to be certain that he has his opportunity.

Mr. President, I will finish by just taking a few minutes to outline some of the key elements of this legislation. It emphasizes and strengthens those parts of the OAA that protect and assist the most vulnerable among our senior elderly citizens. We put a new title in the bill. This is in response to requests from around the entire Nation. We have a new title that is called the Vulnerable Elder Rights title. It consolidates and strengthens programs already in the act—the long-term care ombudsman program, the elder abuse prevention and outreach programs, and these provisions will help us tackle the tragedy and disgrace of abuse of the elderly.

The elder rights title includes a new insurance and benefits counseling program. This will help seniors to sort out the extraordinary confusion and complexities associated with the growing health insurance sales business. It will help them deal with health insurance and public benefit programs, as Washington State and several other States have already done.

Disease prevention and health promotion efforts will be greatly improved. Several Senators have felt this is the most important thing that we can do—to try to prevent disease and to promote good health among seniors.

This will help prevent or delay many of the problems commonly associated with the aging process. To help capitalize on the time and abilities of older Americans, there is a new option to provide meal sites in our public schools. This will encourage intergenerational activities to benefit our kids. This program has worked exceptionally well in Seattle for the past 17 years. The bill will promote it nationally. It really sort of provides a grandchild for some people whose grandchildren are not with them, and a grandparent for children who need help because their families are in disarray.

S. 243 would also establish a new program to assist informal caregivers, usually family members. And I want to compliment Senator HATCH for his work on this. This is something that happens all the time that we do not give enough recognition to.

This is to assist informal caregivers, who are usually family members who provide extraordinary amounts of long-term care without compensation. These dedicated people are really the backbone of our long-term care system. They need help. The bill includes important long-term care demonstrations and resource centers.

I am very disappointed, Mr. President, that the President of the United States did not call for a 1991 White House conference on aging, as authorized in the OAA in 1987. But he has belatedly called for a 1993 conference. So S. 243 authorizes that conference and stresses an intergenerational theme for the conference.

The legislation provides greater emphasis on the ability and commitment of the aging programs to better serve those in the greatest need, particularly low-income minorities.

S. 243 will improve nutrition services. The reimbursement rate for the commodity meals program would be increased after 4 years without so much as a cost-of-living increase.

There are many, many other improvements in OAA programs in this legislation. They are all noncontroversial.

All of the major aging organizations have endorsed this legislation. If there is no objection, I would like to include in the RECORD a letter of support from the Leadership Council on Aging which has been signed by AARP, the National Council of Senior Citizens, the National Council on Aging, and many other organizations.

Mr. President, one provision in our bill is in controversy, however, as we all know. That is the provision to help those elderly retirees who lost their hard-earned pensions when their employers went out of business, often after 20 to 40 years of work. There is likely to be a separate vote on that provision. I will speak to the importance of that provision at that time.

Mr. President, this legislation will improve the lives and well-being of millions of older Americans. It will improve our ability to protect the rights of the frail and vulnerable. It will ensure better quality and targeted services.

The legislation is widely supported, Mr. President, and I urge our colleagues to move this legislation quickly, so that we can send it to the President and put these important amendments into action.

Mr. President, I ask unanimous consent that a letter from the National Council of Senior Citizens, a letter from the AARP, and a letter from the Leadership Council of Aging Organizations be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL
OF SENIOR CITIZENS,
Washington, DC, November 5, 1991.

DEAR SENATOR: The National Council of Senior Citizens (NCSC) urges you to support S. 243, the Reauthorization of the Older Americans Act, with the provisions approved by the Labor and Human Resources Committee. This legislation reauthorizes important programs for the elderly, including senior centers, nutrition programs, legal services, employment opportunities, research and care for the homebound. The Reauthorization legislation also contains many important improvements in the Older Americans Act, including elderights and preventive health care.

It is most critical that the Pension Losers' provision approved by the Labor and Human Resources Committee be maintained in the legislation.

This provision will ensure that retired workers who were promised pension benefits will receive at least a portion of the pension they had earned. The provision is a matter of simple justice for these 50,000 elderly Americans.

On behalf of the five million members and over 5,000 local clubs and Councils of NCSC, we thank you for your consideration of our views. If you have any further question, please feel free to call Kurt Vorndran of our legislation staff at 347-8800.

Sincerely,
LAWRENCE T. SMEDLEY,
Executive Director.

AARP,
Washington, DC, July 16, 1991.
Hon. HOWARD METZENBAUM,
Senate Russell Building, Washington, DC.

DEAR SENATOR METZENBAUM: The American Association of Retired Persons wishes to express its support for S. 351, the Pension Restoration Act, which you intend to offer as an amendment to the Older Americans Act Reauthorization Amendments of 1991. The Pension Restoration Act would restore a portion of pension benefits that were lost by individuals prior to the effective date of the Employee Retirement Income Security Act (ERISA).

Prior to ERISA, few federal laws protected workers and retirees from losing pension benefits as a result of plan failures. During the late 1960's, increased attention was paid to the plight of tens of thousands of individuals who found themselves without earned pension benefits because their company or plan had failed. Eventually these pension losses led to the passage of ERISA, but the new pension law did nothing to help individuals who had already lost benefits.

For years these individuals have sought relief from Congress. Now, only a small number of retirees and spouses remain. The ever-shrinking number of these "pension losers," estimated at about 40,000, now represent the remaining individuals who were fully vested in their pension plans—only to be denied their benefits. The time has come to finally provide relief to these retirees.

Both funding and administration of this relief would be provided by the Pension Benefit Guaranty Corporation (PBGC) out of current premium payments. No additional funding is needed, and the costs will diminish as the number of pension losers continues to decline. It is the purpose of ERISA and the PBGC to guarantee pensions and ensure the timely payment of benefits. This amendment will further these purposes and finally provide a measure of increased retirement activity to retirees who suffered a financial loss over two decades ago.

Sincerely,
JOHN ROTHER,
Director,
Legislation and Public Policy.

LEADERSHIP COUNCIL OF
AGING ORGANIZATIONS,
Washington, DC, November 8, 1991.

DEAR SENATOR: The undersigned members of the Leadership Council of Aging Organizations (LCAO) urge your support for S. 243, reauthorizing the Older Americans Act (OAA).

The Older Americans Act provides an array of programs on which millions of older citizens depend for vital services, including information, job opportunities, protection of basic rights and opportunities to serve in volunteer roles. It includes support for social and community services, senior centers, nutrition and health promotion programs, legal services, research activities and care for frail and homebound seniors. It will support a 1993 White House Conference on Aging.

The reauthorization legislation, which has already passed the House and the Labor and Human Resources Committee contains important improvements in the OAA, including enhanced elder rights, better targeting of services to lower-income seniors, the pension counseling demonstration project and assistance for Pension Losers, all of which await reauthorization for implementation.

The Pension Losers' provision will ensure that retired workers, who were promised pension benefits, will receive at least a portion of the pensions they had earned. We believe that this provision is a matter of simple justice for up to 50,000 elderly Americans

America's seniors depend on these important programs. This bill, along with its critical new provisions, need the prompt and positive action of the Senate.

Sincerely,
LAWRENCE T. SMEDLEY,
Chairman.

Attachment.

The following member organizations of the Leadership Council of Aging Organizations endorse the attached letter in support of S. 243:

American Association of Retired Persons;
AFSCME Retiree Program;
American Society on Aging;
Association for Gerontology in Higher Education;
Catholic Golden Age;
Families USA;
Gray Panthers;
Green Thumb, Inc.;
National Association of Area Agencies on Aging;
National Association of Foster Grandparents Program Directors;
National Association of Meal Programs;
National Association of Nutrition and Aging Services Programs;
National Association of Older Americans Volunteer Program Directors;
National Association of RSVP Directors, Inc.;
National Association of Retired Federal Employees;
National Association of Senior Companion Project Directors;
National Association of State Units on Aging;
National Caucus and Center on Black Aged, Inc.;
National Council of Senior Citizens;
National Council on the Aging, Inc;
National Hispanic Council on Aging;
Older Women's League; and
United Auto Workers Retired Members Department.

NOVEMBER 7, 1991.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have to say that I regret that I cannot speak today in full support of S. 243, the Older Americans Act Reauthorization Amendments of 1991, but only because of one controversial, unrelated amendment that was adopted in the committee.

Having said that, I would like to thank my distinguished colleague, Senator ADAMS, from Washington, for his kind remarks and his kind comments about me, and for the good work he has performed in getting this to the floor. He has provided leadership, and I appreciate it as the ranking member of the committee.

Before I go into this one aspect of the bill with which I disagree, and with which the administration disagrees, let me explain the good things about this legislation and the reasons why I sincerely hope that my colleagues will join me in voting to delete the pension proposal that is weighing down this particular bill.

The Older Americans Act of 1965, since its enactment, has been an effective organizational vehicle and an invaluable conduit for the delivery of supportive nutrition and other social services to millions of elderly citizens in this country. The Older Americans Act, which is now celebrating its 25th anniversary, is a good illustration of Federal dollars being spent wisely for a worthwhile purpose.

In fact, over 7 million senior citizens benefited from the OAA's supportive services during fiscal year 1989. Let me share a personal story about one elderly couple in my home State of Utah. Mr. and Mrs. Jones, as I will refer to them, are both in their seventies. Thirteen years ago, Mr. Jones was diagnosed with Alzheimer's disease. Mrs. Jones was able to take care of him for a while, but soon the constant care that he required was too much. She contacted the local area agency just to see if they would be eligible for the Meals on Wheels Program. The area agency sent an outreach worker who worked with the Jones' to obtain not only Meals on Wheels, but a number of other services including transportation, respite care, and even financial planning advice. This is just a sampling of the many worthwhile services offered through the Older Americans Act.

Mr. President, this legislation before us today does much to strengthen and streamline the existing programs in order to continue and improve these valuable services. I am particularly pleased that my colleagues have agreed to an amendment that I sponsored, which establishes demonstration projects to address the problems of the elderly with developmental disabilities are facing. Thus far, the programs in this legislation have done little to focus efforts on this group of senior citizens who are fighting to be part of the mainstream in communities across America. This is a small $5 million program; but, I hope that States will be able to use this money to creatively address a very serious problem.

If it were not for the so-called pension losers provisions, I would be an enthusiastic supporter of this legislation, and it would pass 100 to 0; I think everybody in the Congress would be for this legislation and would want to pass it.

Mr. President, we need to make one thing perfectly clear. All of the wonderful programs that are a part of the Older Americans Act are being jeopardized by the pension losers provisions of this bill. This component was added as an amendment to S. 243 by the Labor and Human Resources Committee.

The proponents of this amendment know that this proposal is highly controversial and highly problematic. They know it is a budget buster. They know it will put the retirement security of over 40 million workers and retirees who depend on the Pension Benefit Guaranty Corporation [PBGC] in peril. If the proponents had any confidence that this was truly a good idea—one that could stand on its own merits—they would not have appended it to the Older Americans Act.

The proponents, no doubt, thought that attaching this amendment to such a noncontroversial vehicle was a good legislative strategy, and I admit that this is not the first time I have seen such a strategy used in the Senate. The assumption underlying this move is simply that we who oppose the amendment would be too timid to oppose the Older Americans Act because of it.

Well, Mr. President, we are not. The so-called pension losers amendment is bad policy. It is irresponsible budgeting, and it is not fair to those workers who rely on the Pension Benefit Guaranty Corporation [PBGC] to protect their retirements. We must oppose it; we do not have a choice. But, let us be clear about this: The fight over this pension proposal is occurring at this time and place because 10 members of our committee voted to attach it to this bill.

What are the consequences of this not-so-little addition to the Older Americans Act? Let me answer as plainly as I can: If this component of the bill is not deleted from S. 243, the President will be compelled to veto the entire bill; that veto will be sustained; and, the Older Americans Act reauthorization goes down the drain. No one will be responsible for killing the Older Americans Act except those who will vote to retain these provisions in S. 243.

Mr. President, using the popular and effective Older Americans Act to carry the weight and controversy of this complex pension proposal is a sorry tactic. Even Senators inclined to support the provisions of the pension losers amendment—and I certainly hope they will rethink this position after considering the debate today—should support deleting these provisions from this bill so that this reauthorization can become law.

Some may argue that President Bush could sign S. 243 regardless of the pension losers provisions. He does not have to veto it. He must be against seniors and retired workers if he does not sign the bill.

The way I see it, Mr. President, there are two flaws in this assertion. First, I believe that the majority of America's senior citizens have seen right through this proposal. There is no across-the-board benefit here.

Moreover, current retirees whose pensions are insured through the PBGC are also vulnerable under this amendment. Most particularly endangered by the amendment are those retirees whose pensions are insured by the PBGC and whose plans were terminated. The monthly check for these retirees comes directly from the PBGC—the same entity whose liabilities would be increased and whose viability would be threatened if this amendment remains in the bill. What are we trying to do here? Create another opportunity for bailing out financial institutions? I can't believe my colleague from Ohio, Senator METZENBAUM, would want to do that.

Second, President Bush and Secretary Martin should be commended for standing up on this issue. We do not have unlimited resources—I am sorry if that is news to some of my colleagues. We have got to make some tough choices. We have got to say no to fiscally irresponsible legislation. I believe most Americans would put a new $500 million entitlement program into that category.

The American people, in poll after poll, have indicated that the budget deficit is among their principal concerns. The deficit affects the entire economy. It seems to me that if we are concerned about getting out of a recession, we ought to be more concerned with keeping the promises we made to cut spending. As I recall, last year, Congress promised spending restraint in exchange for so-called revenue enhancers. We are breaking our end of the deal; yet the taxpayers have no legal way of reneging on their particular end of the deal.

Mr. President, in due course I expect to be offering an amendment that will delete the so-called pension losers amendment from S. 243. I hope my colleagues will tune in to the debate. I will be setting out in much greater detail the risks we run if we impose this kind of new liability on the pension insurance system. If Senators support my amendment, we can ensure enactment of the Older Americans Act reauthorization. We can strike a blow for fairness. And, we can show that we can, as a body, act responsibly.

If my amendment is not accepted and we do not strike this irresponsible provision from this bill, then this bill will pass, probably. But it is certainly going to be vetoed, and I believe that veto will be sustained and that will be the end of the Older Americans Act for this year.

Mr. President, I suppose there will be some who will vote for it just on that basis, because then they can accuse the President of being against older Americans. I do not think the people in this country are so stupid that they do not realize what is going on here.

We have a perfectly wonderful bill, the Older Americans Act, that really reaches the needs of older Americans in our society, that really should have a 100-to-0 vote, which we would normally vote. That now has a provision added onto it that basically hurts older Americans, in the very act that we have, that will cost all order Americans and others who are in danger of losing their pensions if the Pension Benefit Guaranty Corporation goes broke. And it is going broke because it cannot stay up with the cost of demands on it just by defaulting companies who have been paying into it through the years but who will no longer be paying into it, leaving people high and dry.

If we keep that pension losers language in this bill, then we are in danger of hurting all older Americans throughout the country, especially those who rely on the Pension Benefit Guaranty Corporation which handles their pensions.

Mr. President, it is nice to be able to say that we have unlimited funds out here to do unlimited good. We do not have unlimited funds, nor could we do unlimited good. We have to do the best we can within our means and within our budgetary means, and right now that does not give us a lot of flexibility.

The language that has been put on this bill by the distinguished Senator from Ohio is offensive language. It is language that really will make this bill unworkable. It is language that will require honest and decent taxpayers to pay for the problems that they did not create, that they had no responsibility for, and that they should have no responsibility for.

Frankly, Mr. President, if we do that, then we deserve the irritation, the condemnation, and the criticisms that the general public out there are lodging against the Congress as a whole, because we would be irresponsible. And in the process, we would be adding to the budget deficit, while at the same time tending to break the Pension Benefit Guaranty Corporation that depends on honest people paying into it and should rely upon payments out of it being made to the same people who paid into it.

Mr. President, this is an important issue and I wish we did not have to get into it because if we did not, we would not even have to make anything but these opening statements, and the bill would pass. We would probably pass it by a voice vote unanimously. But if we wanted a vote, it would have 100 Senators voting for it. As it is, there has to be this stand taken. The President is right in raising these issues. The Secretary of Labor is right in raising these issues. The leaders of the Pension Benefit Guaranty Corporation are right in raising these issues. And we have to face them sooner or later, as people who want to be responsible with regard to the way we handle our budget matters and the way we handle pension matters in this country, as well.

Having said all that, I do want to thank the distinguished members of our committee, especially the distinguished Senator from Washington and his ranking Republican member on the subcommittee, Senator COCHRAN, for the work they have done on this particular bill.

I hope we can resolve this one problem, because then their work will not have been in vain, and their work will go on, I think, to the acclaim of everyone in our society, not just those who want to break the budget or those who are irresponsible, or those who do not care or those who are trying to make political points. I do not think we should make political points on the Older Americans Act. If somebody wants to make political points, wait until the right time to make them and make them straight up, and do it in a way responsible, not in a way that appends a totally irrelevant set of pension changes to a bill that is totally relevant to the needs of the older Americans in this country.

Mr. President, again, this is an important bill. I wish we were not in this type of argument. I wish we did not have this type of problem with it. Since we do, we have to face it. And before the end of the day, I intend to bring up this amendment to delete this offensive language from the bill. I hope my colleagues will support it, because those who really want an Older Americans Act, as I do, I think will want to support that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington [Mr. ADAMS].

Mr. ADAMS. Mr. President, I want to reply to the distinguished ranking member with regard to the pension-losers provision of this bill.

I am certain this will be debated at greater length by Senator METZENBAUM, who is the author of the amendment, to place it in the bill, and by Senator COCHRAN when he arrives on the floor, who is the ranking Republican member.

But I think it is time—and I agree with Senator HATCH—that we discuss what we really have done with these people, and whether or not they are deserving of some help from their Government, and whether or not the Pension Restoration Act is really the right thing to do.

I happen to think it is, and I am going to describe what has happened and why this is in the bill.

What it does—the Pension Restoration Act, which is a provision of the bill—is provide a very modest benefit to the pension losers. These are the people who had vested pension rights when their pension plans closed down in the sixties and the seventies. And by closed down, I mean they had paid in and the company had paid in, and they had a certain pension coming to them. And the company either went bankrupt, and the entire pension plan was thrown away, or the pension plan of that company had invested maybe in its own stock, and the stock of that company became worthless.

In other words, these people were relying on something they paid for and the company had paid for, and it was gone. Most of these people had worked 20 to 40 years, only to end up with no pension. And so, to protect future retirees from this, the Congress, in its wisdom—and I was in the Congress at that time—passed in 1974 the ERISA Act, and created the Pension Benefit Guaranty Corporation, which we refer to as the PBGC. This was in 1974, and it is in place now to prevent the very thing occurring in the future that had been going on in this country; to protect retirees when their pension plans were either being raided or were collapsing. To protect people who had worked for years and years, and had given their loyalty, often, to a company but because of a failed pension plan, would otherwise be left with nothing.

Unfortunately, ERISA did not help those who got it passed. In other words, these people worked to get it passed, but the provisions of the act do not protect this group of workers. All of the people that had worked for all those years to correct it were left with nothing.

So that is what this provision is for. It does not involve many people, as I will indicate in a moment, you see, because of the length of time since the enactment of the act—17 years ago. The best figures that we have is there are only about 38,000 people left. The rest have died, and they never got what they were entitled to and their survivors have died, and they did not get their pensions either. So there are only 38,000 people in the entire United States who qualify for this benefit, and the number will shrink every year.

It is not, as was portrayed, an entitlement program that will go on forever in the future because it goes only to the group of people who had lost their pension rights. They are much older now. That is why there is a reason for placing it in this act, the Older Americans Act. These are seniors now, who are dying each year. How long the 38,000 people will last none of us can say, but we all know that many more of them will soon be gone, and the amount to be paid is very small.

All it allows for these pension losers is $75 for every year they worked under a company or union plan. For example, a person who worked 20 years under the plan would receive $1,500 a year. That is the maximum anybody could get. That is not an exorbitant sum of money. They would at least have that sum of money, and that would come from the PBGC. And then, as they die the total amount paid will shrink even further.

It is really tragic we have to argue about this, Mr. President, in a country this wealthy. The surviving spouses would only receive 50 percent of that amount. So what we are talking about is an elderly woman getting a maximum of $750 a year under this plan from a trust fund that has the money in it to pay for it.

We are going to have some discussion, I am sure, later on today about whether this fund is well run or whether it is not. I will let the administration people defend whether or not they have handled the fund well or whether or not they have kept good track of the pension benefit sharers. But this would only cost less than $50 million in the first year. And that amount will go down because there are so few people and we are giving such a small benefit. The annual costs drop rapidly after that because this group of workers is shrinking because of death. In fact, the total top estimate, if everybody were to live the whole time—which they cannot—for the benefits to be paid for the remaining 20-year lifespan of these individuals will be $340 million. That would be paid out over 20 years at less than $50 million a year to begin and much less after that.

The CBO has determined there would be no budget implication because the program would be funded by transfers from the PBGC's trust fund to the revolving fund.

We have in this case a trust fund and a revolving fund. The revolving fund is amounts paid in each year by the various companies that have funded pension plans. In other words, regular pension plans. And we have a trust fund of assets of plans that have had to be taken over by the Government. And this trust fund pays into the revolving fund.

The legislation would require no additional revenue and the PBGC, an off-budget Federal program, would administer the program.

There have been concerns about the PBGC's solvency. But I do not think, and I have never thought, that individuals who have suffered and who should have a right, should have to suffer more because the bureaucracy in Washington, DC, does not function very well. That is one of the things people in this country are screaming about—and rightly so. They say, we set these trust funds, we pay money into them, but then when the time comes for the trust fund to pay out the money that we paid in, in order to have protection, why, it is not being paid.

The administration does not want to pay it. I can understand why. I was the first budget chairman. Every time you take one of these trust funds and not pay anything out of it, you can apply that money that is coming in from its investments, and instead of paying it out you can apply that to the figure you are using as a deficit. It makes you look good. But I do not think we want to try to make the deficit figure look good while we are hurting people in the real world.

The act's provisions relieve the PBGC of funding responsibility in the event the funds are not available. We even went so far—Senator METZENBAUM, when he drafted this—to say if they screwed this fund up so badly that it does not have enough money to pay everybody, then these people stand at the end of the line and not receive money. There have been criticisms of this fund and, I think, legitimate criticisms. Apparently PBGC's computers broke down. I was not administering it. Senator HATCH was not administering it. Both of us have reasons to be appalled at how this fund works, but it has a lot of money in it and it is taking in a lot of money. And the argument that these funds should not be used to pay benefits for pensions whose companies closed before the enactment of ERISA in 1974 is just not sound; it is just not fair. No other employers paid premiums before 1974 and yet their employees' pensions which were earned before 1974 are covered.

In other words, if you were paying into it and you had the good fortune to have your pension plan extend 3 months beyond the date of enactment in 1974, you are protected and all of your rights are protected. But if you were in that horrible situation that your plan collapsed 2 months before, you were not covered. It is just bitter irony to me that the many people who lobbied for the passage of the Employee Retirement Income Security Act, which we all call ERISA, were excluded from the benefits of this great pension reform because they worked for companies that closed before 1974.

I just want to mention one that I happen to know about. I see Senator METZENBAUM is on the floor. I am certain he will go into this in greater detail, about the Studebaker Corp. Here we have people who have worked for years and years. I am sure the President remembers, as I do, that, the Studebaker, coming out of World War II, was the car to have; everybody wanted it. The little company just did not survive and its pension plan crashed. People who worked there for their entire lifetime, they had a pension plan. It collapsed—went into bankruptcy. They got nothing.

I have not even talked about the abuses that have gone on with pension plans where people have raided them and taken the money out of them and used it for other purposes. They just went bankrupt. Their retirees lost everything. They did not get a pension. Yet they had worked for that pension and stayed with that company.

So the plight of the pension losers really is a serious one. There were hearings held. There were hearings held in 1984. The plight of the pension losers has not changed at all since that time except there are fewer of them—in other words there have been deaths—and their ability to make ends meet has further eroded.

I might say that non-Older Americans Act amendments have been included in past Older Americans Act reauthorizations. For example, the Age Discrimination Act was included in 1975; the Age Discrimination in Employment Act amendments were included in 1984; the Administration for Native Americans in 1987 and again this year.

To me this is a matter of basic fairness. These retirees were hurt through no fault of their own. They worked hard. These are the middle-class working people of America, and why is it that we always treat them so badly? I think we should be treating them well and that we should be saying we understand your plight and we will help you.

We have a chance to offer just a small bit of help really. One thousand five hundred dollars a year does not buy much now, but for these seniors, these 38,000 people, it means a lot to them, and that is why it is included.

I am going to let the experts from Labor discuss the status of the PBGC. I will just say this. I want to tell you that when Senator D'AMATO and Congressman WOLPE did their hearings on this and what is reported now, is that the PBGC has $3 billion in hand in assets with a positive cash flow of $300 million a year. It is expected to have a positive cash flow throughout the decade—which is the decade in which most of the payments will be made.

These people can be paid $50 million out of the PBGC's investments. I am simply stating that this is a time to help these people from a fund where it is available. It does not require any new taxes. It can come out of the investments that they have made, and the positive cash flow protects those who are presently paying in. If the PBGC has any problems, I think it is up to the committees in charge to deal with that because based on all the information we have, these people can be protected. At this time, Mr. President, I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I do not want to take long. I notice the distinguished Senator from Ohio is here and I am sure he is here to discuss his amendment to this particular bill. But I would just like to—and I will debate this at length later with my colleague from Ohio—but I would like to just put into the RECORD at this point some aspects of the statement of administration policy from the administration with regard to this one issue.

The pension provision, they say, is highly objectionable because it would create an ill-conceived, unfunded entitlement program to provide benefits for individuals whose pension plans terminated prior to then enactment of the Employee Retirement Income Security Act of 1974, commonly called ERISA, which created the Pension Benefit Guaranty Corporation.

The PBGC was established to insure benefits in plans terminating after its creation, and it is funded with premiums paid by companies with pension plans covered by ERISA.

It is objectionable because it violates the pay-as-you-go requirement of the Budget Enforcement Act by increasing direct spending without providing offsets.

The bill attempts to circumvent the Budget Enforcement Act by drawing down PBGC's trust funds and prescribing special accounting rules. The true effect would be to increase direct spending, which could trigger a sequester at the end of this session of Congress. The so-called trust funds are off budget and they are there for a reason because they are there to protect the rights of people who have been paying into the PBGC ever since 1974.

The administration also says that the pension provision is highly objectionable because it potentially adds $500 million, a half billion dollars, in liability to the PBGC, which already has a deficit of at least $2 billion that could grow still higher in light of recent increased fund liabilities.

They also object to it because it would create an administrative nightmare for the individuals who lost their pensions and for the PBGC. Those who lost their pensions could find it extremely difficult or impossible to supply the necessary documentation to support their claims. The PBGC would be burdened by a new, complex program that would add costly and dramatically due to recent large pension plan terminations, by plans that have been paying in.

It also is objectionable because it distorts the current Federal pension insurance system by requiring the PBGC and its premium payers to pay for a new program without a financing offset. If PBGC premiums were increased to pay for the cost of this provision, employers could be discouraged from sponsoring defined benefit plans insured by the PBGC.

In addition, the administration goes on to say, the provision currently includes a financial test that PBGC must meet before it can pay benefits. If the PBGC cannot meet the financial test, no benefits would be paid, thus making the provision a hollow promise to the elderly it purports to benefit.

Mr. President, the administration raises appropriate objections. Yes, there are some people who worked for companies who went bankrupt before the ERISA laws came into effect. Studebaker is a good illustration. Now what they want to do is raid the PBGC Treasury, admitted, up to $340 million. The real estimate is $500 million, and neither of those estimates, $340 million or $500 million, include all the administrative costs.

I have to tell you, in this Government, administrative costs eat us alive. So you can just add many, many more millions, if not hundreds of millions of dollars to the cost of maintaining this controversial provision of the distinguished Senator from Ohio.

All of us would like to do good. I wish I could give $30,000 to every person who has to live in a shelter. Probably if we cut out all the welfare programs of the Federal Government, we could give $30,000 to everybody in our society who is poor. Maybe that would be a lot better than some of the programs that we continue to foster and support. I do not know.

I would love to take care of everybody who has the slightest problem in America. The problem is we do not have the funds, and why rob the Pension Benefit Guaranty Corporation that has had nothing but problems over the last number of years, in order to pay moneys that have never been paid into it, to those who unfortunately suffered as a result of the bankruptcy of their companies before ERISA was put into effect? If there is some way of doing that and we have the moneys to burn, I am all for doing that. You could end up with complex problems with Medicaid. These people who are on Medicaid and receiving benefits from Medicaid, if all of a sudden this amendment is passed into law, may very well lose those benefits they currently have.

All I am trying to say is it is complex, it is difficult but we should not rob Peter to pay Paul. We should not rob the Pension Benefit Guaranty Corporation, which we have had to try to replenish over the last number of years, by increasing the premiums paid by businesses against their wishes in order to keep it alive for those who have legitimately paid into it all these years in order to help people who did not pay into it, who were unfortunate enough to belong to companies that did go bankrupt before the ERISA laws came into effect. That is one of the reasons the ERISA laws did come into effect, because we want to provide more security for those who pay into the central fund.

But it is no secret, the PBGC is in trouble. We cannot keep it going. Even though we have this off-budget trust fund, that is going to go quickly, too, because the PBGC on budget is $2 to $3 billion in deficit and that does not count all the administrative cost of managing the funds that would be added to the PBGC if this amendment is kept in this bill.

So the administration is right in opposing it. If this problem has to be solved, let us solve it straight up, not by fouling up the Older Americans Act so that the administration has to veto the bill. Let us do it separately and if it has that much support, let us see what happens. Maybe there are some moneys somewhere that we can find that will not break the budget, that would help these people.

The fact is that we have people in this body who never ask the question, where do the moneys come from? How do we prevent those who have been paying into this system for years from being robbed by the system? Why have another entitlement program when it is estimated that two-thirds of all programs in the Government are entitlement programs that go on regardless of what the authorizing committees decide?

It is nice for liberals to continue to think that the entitlement answer is the answer when, in fact, everybody else knows that is one reason why we are in the mess we are in. And to add another one on top of it to a program where real people have paid into it all these years hoping it will be solvent, another program that will reduce and decrease the solvency of the PBGC, it seems to me is not only unjustified, it is wrong, and the administration is right in saying they will veto this bill if that provision is in here.

I am willing to work with my colleague from Ohio and others to see if there is some way we can resolve the problems that they are concerned about for these people who antedated the PBGC and ERISA, but do not do it here on this bill by fouling up the PBGC and robbing it and robbing the people who have paid their hard-earned earnings into it in the hopes that they will have pensions there so we can help people who have not done so. It just is not the way to do it.

If we have to do this on a welfare pension basis, let us do it. Let us find some way to do it. But we are going to have to find it within the budget, and we are going to have to make priority choices and cut some aspect of the budget that is not as justified as this.

One problem with that is that the proponents of this particular measure know that the other aspects of the budget are probably priority choices over this one because the equities are with those other aspects of the budget. So that is why they do not want to face the responsibility of making a priority choice and cutting some other program so they can come up with this $340 million to $500 million, not counting the administrative costs, that this type of language is going to require by this bill.

I have to be off the floor, but I will pay attention by reading it and otherwise to what my distinguished colleague from Ohio has to say about this, and this afternoon we will debate this at length, certainly when I bring up the amendment to delete this particular provision from this bill. It does not deserve to be in this bill.

The Older Americans Act ought to be supported 100 to zero on this floor, and 435 to zero in the House. But with this provision included, it cannot be supported that much. I think that is a crying shame.

Having said all that, I yield the floor to my distinguished colleague from Ohio.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. KERRY). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I will speak at length on this subject after the distinguished Senator from Utah offers his amendment, but I rise to clarify some facts.

I heard the distinguished Senator from Utah talk about the impact on the taxpayers. Let me make it clear, the inclusion of this provision to provide for 40,000 pensioners who were left by the wayside by Congress a number of years ago will not have any taxpayer impact. The Congressional Budget Office agrees. Their statement is very clear on this subject.

Now there is some talk and the rumor mill has it that the Office of Management and Budget is going to send some letter here indicating that there may be some budget impact.

I want to ask something. This bill was due on the floor last week. It was ready to go forward. The Senator from Washington was prepared to handle it. There was no letter from OMB. There was no message from OMB.

The only reason it did not go forward is because the Senator who is now advocating taking this amendment out of the bill was not present for personal reasons, and understandable personal reasons. I have no quarrel about the delay and the accommodation to him, but what I am saying is where was the OMB, when this issue arose a week ago?

Now they tell me the OMB is typing up a letter to send down here. This amendment was offered by Senator D'AMATO in 1981, a member of the party of my colleague who previously spoke. This amendment was supported in the committee by Senators COATS and KASSEBAUM, members of the party of the Senator from Utah.

Now they say again, as we hear so often around here, if the amendment is included, the President will veto it. Come on. Do not kid us. The President of the United States is not going to veto the Older Americans Act for the very small amount of money that is involved in this bill that does not even violate any of the rules or regulations having to do with budgetary constraints.

The Office of Management and Budget may come forward with a letter, but I say to you that the Congressional Budget Office, which understands these issues and which indicates that it will not have a budgetary impact, has signed off and it is not a problem with them.

This amendment which is in the bill provides for people who were left by the wayside. It does not provide a lot of money. It provides a munificent sum of $1,500 a year—$1,500 a year for about 40,000 people.

I will address myself later to the ability of the PBGC, the funds that had a positive cash flow last year of $300 million to withstand the costs that are involved in connection with caring for these people. The people who were left by the wayside do not come from just one area.

My distinguished colleague and friend from Washington pointed out the Studebaker employees, and indeed they are one group of employees. But we will circulate to the Members of this body a list of companies whose employees were affected, and they come from States across the country.

This amendment is fair. This amendment is reasonable. This amendment is supported by the Leadership Council on Aging. It is supported by the AARP. It is supported by the National Council of Senior Citizens. It is supported by the AFL–CIO.

In order to cover one aspect of the speech already made by the Senator from Utah, let me make it clear it will not impact upon the Medicare or Medicaid benefits of the people of this country.

You can bring up a lot of hobgoblins. You can talk about a lot of issues. You can make believe some things might occur, but the facts are, the only funds affected by this amendment are in the Pension Benefit Guaranty Corporation, and there are adequate funds to pay it. I will address myself to that issue at a subsequent point.

This is a matter of fairness. This is a matter of equity. I remember when the distinguished Senator from Utah came to the floor with an amendment without any precedent and prevailed upon Congress—and I went along with it, and so did many other Members of this body. I think his amendment passed unanimously—to provide $50 million to those who had been affected downwind in Utah by reason of the atomic energy facilities, and we provided the $50 million. We took it out of the Treasury in this instance.

This is not an effort to take it out of the Treasury. This is an effort to take it out of the Pension Benefit Guaranty Corporation. No taxpayer impact. I hope my colleagues will see fit to keep the amendment in the bill as it is now. I hope my colleagues will recognize the fairness and equity of treating these 40,000 employees in a fair and equitable manner.

I yield the floor.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Reserving the right to object, and I shall not object, may I inquire what the Senator from North Carolina wishes to speak on?

Mr. HELMS. I will say to the Senator that I wish to speak as in morning business for 2 minutes.

Mr. ADAMS. I have no objection.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

OPPOSING $1 BILLION IN AID TO THE U.S.S.R. FROM THE U.S. DEFENSE BUDGET

Mr. HELMS. Mr. President, I find myself exceedingly concerned about increasing reports that the DOD conference report will contain extraneous language that was in neither the House nor the Senate bills. The provision in question is called Reduction in the Soviet Military Threat.

I strongly object to this provision being tacked in—in violation of the rules, incidentally—by the conference. Congress should not give the administration the go-ahead to send $1 billion in aid to the Soviet Union. Insofar as I know, the President has not asked for this authority and does not want it. He can speak for himself on that. But if he has requested this, it certainly is not known to this Senator. And I think I would know it, as ranking member of the Senate Foreign Relations Committee.

More importantly, Mr. President, the American people do not want Congress to "rob"—I use that word advisedly—the DOD budget to pay for aid to the Soviet Union. A poll from the August 30 edition of the Wall Street Journal said that 63 percent of the American people disapprove of taking DOD money to fund foreign aid, period.

The taxpayers should know that this is a Democratic initiative. That is why this provision was in neither the House nor the Senate bills. It was simply invented during the House-Senate conference. It was done through the back door. Too much of that is happening these days with important pieces of legislation.

I can go back to the Interior appropriations conference report, when an unseemly act was committed to do damage to an important provision that was approved overwhelmingly by both the House and the Senate. But that is neither here nor there.

With respect to the DOD conference report, I have it on good authority that some members of the conference who opposed this giveaway were pressured into accepting it. Creating such a provision out of thin air in a conference is not my idea of democracy. I have a hope that the fledgling Democrats in what used to be the Soviet Union will not perceive that this is the way to do things—by slick dealmaking—because that is foreign to the concept of democracy.

Because the legislative process was subverted, as it has been, there was no debate in committee. Moreover, Senators never had an opportunity to debate the so-called merits of this provision on the floor of the Senate. And I think the Congress owes it to the American people to think long and hard before it sends $1 billion of American taxpayers' dollars to the former Soviet Union.

At the very minimum, it deserves to be carefully considered.

Lest Senators misunderstand, neither I nor any other Senator opposes humanitarian relief, such as food and medical equipment, if that need is genuine. But let it be described as such, and demonstrated as such, before the relevant committees of Congress.

In short, Mr. President, this abuse of the legislative process is of major concern to me and should be to every other Senator. However, even more important is the logic of the entire proposal. If the Senate had debated this matter openly, such a giveaway proposal would have been demonstrated to be shortsighted and, in all likelihood, counterproductive.

If Congress really wants to help the Soviet people convert their socialist, command economy to a free market economy, it should not send the Soviet Union as it now stands one penny in economic assistance. America's foreign aid programs have a long and detailed record of failure. Let the Russian people and the people of the other Soviet republics make the transition to political and economic freedom on their own and in their own way. The American taxpayers should not and cannot bear the burden for them.

Mr. President, I thank the Chair, and I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate is to stand in recess.

Mr. ADAMS. Will the Presiding Officer be amenable to a unanimous-consent request so that Senator CONRAD might ask for a colloquy, and then we will recess?

I ask unanimous consent that we might have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

OLDER AMERICANS ACT REAUTHORIZATION AMENDMENTS OF 1991

The Senate continued with consideration of the bill.

Mr. CONRAD. Mr. President, today I rise to express my strong support for reauthorizing the Older Americans Act of 1965. The Older Americans Act provides indispensable assistance that enables countless Americans to remain independent in their golden years.

The Older Americans Act provides a variety of social and community services which daily add to the quality of life for countless seniors throughout our country. It enables many older Americans, at risk of losing their independence, to live their own lives rather than enter institutions at a fiscal and human cost to themselves and to society. The act is people-oriented. Through it, scores of older individuals receive home-delivered and congregate meals every day, as well as nursing home ombudsman services and valuable employment opportunities. The act is the source for many elder abuse prevention activities, and for vital transportation funding for older individuals.

Because the act provides such essential services to our Nation's seniors, I introduced S. 1481, the Rural Older Americans Act Amendments of 1991 in an effort to better target those services to rural areas. S. 1481 addressed the fundamental needs and concerns of older Americans—health, housing, transportation, nutrition, and elder rights—with special emphasis on the needs of those who reside in rural areas.

Rural older Americans have traditionally been underserved by the act. According to a recent report by the Federal Commission on Aging, the total per-capita Federal expenditure for rural areas is $9.04, while nonrural areas receive $19.18. This disparity is simply too large to ignore. Consequently, my bill focused on better targeting the transportation, housing, nutrition, health care needs of older Americans who reside in rural areas. It also proposed several significant additions to the act relating to native Americans.

I am pleased that so many concepts I set forth in my bill have been included in the bill Senator ADAMS has brought to the floor today. I am also pleased that the committee has seen fit to include in its package of amendments an additional four amendments which I have advocated—amendments addressing rural transportation needs; the potential service-delivery contributions of community action agencies; information gathering as it relates to funding disparities between urban and rural areas; and the creation of several resource centers on native American elders.

Mr. President, because I will address these amendments at other points during debate on the bill, I wish at this point to focus my attention on the committee-reported bill.

Among the most important functions of the Older Americans Act is its emphasis on enabling older individuals to retain their independence. Not only do we save the Federal Government money by keeping people out of institutions, but we also add to the happiness and quality of the lives of countless individuals.

For this reason, I proposed a series of demonstration projects to determine how best to improve housing options for older adults—options like congregate housing with supportive services, adult foster care services, inhome services, elder cottage opportunity programs, and home sharing services.

The committee product builds on my proposal. It calls upon area agencies on aging to assist housing authorities and other organizations that provide housing to older individuals in expanding and developing adequate housing, support services, and living arrangements for older individuals. The bill also calls for additional legal assistance for older individuals who have problems related to income, health care, long-term care, nutrition, housing and utilities, defense and guardianship, abuse and neglect, and age discrimination.

These are excellent additions to the bill which I believe will add to the act's effectiveness at helping older Americans maintain their independence, rather than be subject to premature or unnecessary institutionalization.

Mr. President, good nutrition is a second major concern of the act. Many seniors have special dietary needs arising from health conditions, religious requirements, or ethnic backgrounds. Congregate nutrition services are designed to meet these special dietary needs, but they can only serve those older individuals whose needs are known. Consequently, I proposed to fill this gap by encouraging health care providers to coordinate with nutrition service providers to ensure that the special dietary needs of their elderly patients are met.

The committee bill goes even further. It requires the Administration on Aging to employ at least one full-time national dietary professional. The dietary professional will have a variety of duties, not the least of which includes designing, implementing and evaluating nutrition programs, and developing model menus and other appropriate materials for serving special populations. In addition, it calls for the commission to work with the Secretary of Agriculture to establish guidelines to ensure the efficient delivery of high-quality congregate and home-delivered nutrition services.

A third essential function of the Older Americans Act is its protection of the legal rights of older Americans—both in urban and rural areas. And like my friend from Washington, I believe that elder rights are so important as to merit increased attention and emphasis within the act. Consequently, title I of my legislation proposed creating a new title for the Long-Term Care Ombudsman Program and the elder rights, legal assistance, outreach, and counseling programs under the act. And I am extremely pleased that the committee bill creates a separate elder rights title within the act, which includes the Long-Term Care Ombudsman Program.

The Ombudsman Program is designed to ensure that those who reside in long-term care facilities receive proper medical treatment and services. It provides for the swift elimination of poor conditions that jeopardize the health, safety, welfare, or legal rights of the facility residents, where they occur. And it has become a significant focus of the Older Americans Act.

I wish to commend Senator ADAMS for his commitment to elder rights, and for including the new elder rights title in the committee proposal. This new title will add immeasurably to the act, and the Senator from Washington deserves the lions share of the credit.

Finally, the committee bill contains changes that I proposed regarding Native American programs. First, it holds area agencies on aging accountable for providing adequate service to Indian people. Under the bill, any area agency on aging that does not fulfill its responsibilities to Native American elders faces losing a portion of its funds to an entity that will provide sufficient services. Second, it prevents existing tribal grantees under title VI of the act from having their funding reduced when new grantees enter the program.

The provisions in the committee-reported bill, together with the additional amendments that the committee is offering at my request, make S. 243 a bill that I am proud to support. I commend the Senator from Washington for his hard work on this important legislation, and urge my colleagues to support the bill.

I yield the floor.

Mr. President, earlier this year I introduced S. 1481, the Rural Older Americans Act Amendments of 1991. My bill proposed several changes in the Older Americans Act, including increased utilization of community action agencies to deliver services under this act.

Unfortunately, opposition by certain organizations that deliver various services under the act prevented the changes I advocated from being included in the bill.

Consequently, I am extremely pleased that the Senator from Washington finds acceptable my newest proposal regarding community action agencies. My amendment, which has been included in the committee package, provides for increased participation by community action agencies under the Older Americans Act. However, as the Senator knows, I would have preferred to place even more emphasis on the participation of these organizations. Community action agencies have a wealth of experience in providing assistance to the low-income population, and are particularly well-suited to target the act to individuals who most need its services.

While my amendment will help, I also believe it is important to make clear that community action agencies are eligible to participate under certain other aspects of the act. If I might have their attention of my colleague from Washington, it is my colleague's understanding that any reference in the act to nonprofit organizations would also refer to community action agencies. Is that correct?

Mr. ADAMS. My colleague from North Dakota is correct. Community action agencies are in excellent example of the nonprofit organizations referred to in the act.

Mr. CONRAD. So, for example, on page 138 of S. 243 as reported by the committee, the statement that a State agency on aging may carry our a program directly, or by contract or other arrangement with any public agency or other appropriate private nonprofit organization, would encompass community action agencies. Is that correct?

Mr. ADAMS. The Senator is correct.

Mr. CONRAD. Would my colleague agree that every effort should be made to coordinate service delivery under the Older Americans Act with community action agencies, given the fact that the agencies have such a wealth of experience working with low-income individuals? As my colleague from Washington knows, community action agencies have a long history of providing a variety of assistance to individuals in need—including low-income older Americans. It seems to me that the Federal Government could more efficiently target low-income individuals under the Older Americans Act by utilizing community action agencies more heavily.

Mr. ADAMS. As the Senator has stated, community action agencies do excellent work. I believe that community action agencies could—and do in many communities—provide an effective supplement to the fine work being done by other Older Americans Act service providers.

I also wish to take this opportunity to commend the Senator from North Dakota for his amendment. The Conrad amendment on community action agencies is an important addition to the Older American Act, and I am pleased to be able to support it.

Mr. CONRAD. Mr. President, I wish to thank my friend from Washington for his kind words, and for the invaluable assistance he and his staff have provided throughout this process.

If I may, I would like briefly to discuss another amendment that I proposed which has been included in the committee's package of amendments. That amendment involves the disparity in Older Americans Act funding provided to urban versus rural areas.

An important purpose of my bill, S. 1481, was to highlight the need to better target Older Americans Act services to rural America. Rural areas are notoriously underserved by many Federal programs, including the Older Americans Act.

Rural areas frequently lack the assortment of service-delivery mechanisms that tends to be available in urban areas. Consequently, services like those available under the Older Americans Act can cost more to deliver. This is one of the reasons why I am so disturbed by the more than 2 to 1 funding disparity in favor of urban areas.

The Federal Commission on Aging recently issued a report showing that the total per-capita Federal expenditure for rural areas is $9.04, while nonrural areas receive $19.18. This disparity is simply too large to ignore, and must be addressed. Consequently, I urged the committee to require, at a minimum, that the actual disparities in funding between urban and rural areas be identified.

I am pleased that the committee has now included language that will force State agencies to give more consideration to the needs of rural areas by requiring State agencies to identify in the State plan the actual and projected costs of providing services to older individuals residing in rural areas.

Mr. President, my goal throughout this process has been to focus additional attention on rural areas—a focus I believe is more than justified. This issue is not urban versus rural. It is a matter of fairness to older Americans who live in rural areas throughout our country. And it absolutely must be addressed.

Therefore, I am pleased that the compromise has been reached. It will enable us to document the additional cost of providing services to rural areas. I am also pleased that my friend from Washington plans to request a GAO study on the cost of delivering Older Americans Act services to those who reside in rural areas, and I plan to join him in that effort.

By determining exactly where the act falls short as it relates to serving rural areas, we will be better able to target services to rural areas in the future. This is an extremely important provision for rural America, and I thank Senator ADAMS for including it in the committee package.

I yield the floor.

Mr. ADAMS. Mr. President, I commend the Senator from North Dakota for his commitment to rural America. I believe the compromise adds an important element to the bill, and am pleased that we have been able to reach a compromise on this important issue. As the Senator knows, much of my own State of Washington is rural. And like the Senator from North Dakota, I want to ensure that my rural constituents receive an equitable share of the resources provided by the Older Americans Act.

Again, I thank the Senator for his efforts.

Mr. CONRAD. Mr. President, I thank the Senator from Washington. I am pleased that the Senator shares my concern about the fair allocation of funds to rural areas. And I appreciate the Senator's assistance with this issue.

Mr. President, today I rise to express my strong support for reauthorizing the Older Americans Act of 1965, and to recognize Senator ADAMS for his leadership role in drafting this legislation. This act guarantees that older Americans will continue to receive the many valuable services which the Federal Government first extended to them more than 25 years ago.

In my rural older Americans amendment, I proposed demonstration projects to address the transportation needs of rural elders. As a former Secretary of Transportation, Senator ADAMS was sensitive to and supportive of these issues. This laid the foundation for legislation that Senator PRYOR and I have formulated that takes a more comprehensive view of senior transportation needs. It will be of great benefit to seniors throughout my State of North Dakota and all of rural America.

Mr. President, rural America has traditionally been underserved by many Federal programs. The Older Americans Act has been no exception. A recent study by the Community Transportation Association of America found that while less than one out of every seven Americans is elderly, nearly 40 percent of all rural transit riders are 60 or older. Regrettably, that same study showed that over one-half of the Nation's rural residents live in areas with no federally assisted public transit services, and, in many areas, transit services are in danger of being eliminated.

Mr. President, millions of senior citizens depend on public transportation for access to health care facilities and meal centers, and in order to shop for food, clothing, and other necessities. We have a duty to make sure that reliable public transportation for rural older Americans exists.

The legislation accepted by the committee addresses this inequity. Under title IV of the Older Americans Act, it establishes a series of transportation demonstration programs, aimed at improving the mobility of—and transportation services available to—older individuals. These projects are innovative approaches to improving access to health care facilities and nutrition centers, developing comprehensive and coordinated senior transportation services, leveraging additional resources for senior transportation, and coordinating various transportation services. At least 50 percent of these grants will be designated to entities located in, or serving primarily, rural areas.

Mr. President, this legislation is important for all older Americans. I again wish to recognize Senator ADAMS for his efforts in drafting and guiding the Older Americans Act reauthorization through the Senate and to recognize Senator PRYOR for his assistance with the transportation initiative.

Mr. President, I rise to speak briefly about my amendment to the bill before us relating to the native American aging. At my request, the committee amendment includes language that will enable us for the first time to determine the specific needs of older native Americans.

S. 1481, which I introduced in July, proposed creating an Indian health data base in the National Institute on Aging. However, the Labor Committee chose to create a National Aging Data Center with no specific reference to native Americans.

I wholeheartedly support creating the new data center. However, the data collected by the Data Center should include information on issues of importance to native American elders. As things stand now, there is virtually no such information available from any source—public or private. And we will never be prepared to deliver the kinds of services that native American elders need unless we understand where the current system is falling short.

My amendment authorizes grants to create several resource centers on native American elders. The resource centers will gather information, perform and disseminate research, and provide technical assistance on issues and problems affecting older native Americans—issues like long-term and in-home care, elder abuse, health problems, and many others.

The grants will go to institutions of higher education that have experience dealing with such issues. In addition, the Commissioner on Aging is required to consult with organizations with special expertise in serving older native Americans, such as the National Indian Council on Aging and the Title VI Grantees Association, in determining the type of information to be sought from and activities to be performed by the resource centers.

The information collected by the resource centers will then be submitted both to the National Aging Data Center and to the appropriate committees of Congress. And the result will be a much better informed Federal policy relating to older native Americans.

At this point, Mr. President, I wish to recognize the contributions of several of my colleagues in this effort. I am pleased to have been able to work closely with the Republican leader, Senator DOLE, as well as with Senator BINGAMAN and Senator ADAMS on this amendment. All of their contributions have played an important part in bringing us to this point today.

Mr. President, if I might just conclude by saying I commend the Senator from Washington, Senator ADAMS, for his efforts in this regard. It has been very important, I think, to a constructive conclusion that he has been willing to negotiate on a whole series of amendments that are now included in this act that are important to the rural parts of this country.

As the Chair knows, rural areas have been slighted in the past, and we have put together a package of amendments to try to ensure that the rural areas are treated on a par with the more urban parts of this country. I sincerely thank the Senator from Washington for his excellent efforts in that regard.

I yield the floor.

Mr. ADAMS. Mr. President, I thank Senator CONRAD, and I thank the Chair for his indulgence.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order, as amended, the Senate will stand in recess until 2:15 p.m.

Thereupon, the Senate, at 12:34 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. AKAKA].

OLDER AMERICANS ACT REAUTHORIZATION AMENDMENTS OF 1991

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, before speaking on the subject of the Older Americans Act amendments. I ask unanimous consent that I may be permitted to yield to the distinguished Senator from Florida for the purpose of speaking for such time as he may consume as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

Mr. MACK. I thank the Chair.

[The remarks of Mr. MACK pertaining to the submission of Senate Resolution 218 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions."]

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I am pleased to join with my friend, Senator ADAMS, chairman of the Subcommittee on Aging, to urge that the Senate pass S. 243, the Older Americans Act Amendments of 1991.

This bill reauthorizes for another 4 years important programs to help meet the nutrition, health, and social needs of many older Americans.

While these older Americans may be eligible for services under a number of other Federal programs, since its enactment in 1965 the Older Americans Act has become the major vehicle by which federally supported nutrition and social services are organized and delivered to the elderly.

In the more than 25 years that the act has been in operation, it has been amended 12 times. With each amendment or reauthorization, Congress has attempted to improve the efficiency in delivery, as well as the variety of services, that are funded and made available for older Americans.

In the 1973 reauthorization, Congress established the area Agencies on Aging as the entities with primary responsibility for planning, coordinating, and advocating services for the elderly. In 1975, additional supportive services, including transportation, in-home services, and legal services were designated as priority services under the act.

The 1984 amendments reflected a growing recognition that the act should target resources to meet the special problems of low-income and minority elders. Those involved in the aging network and in the day-to-day effort to serve the growing population of older Americans realized that special efforts were needed to ensure that older Americans in the greatest economic and social need would be served by the programs under the act.

How to identify and better serve low-income minority elders has remained a critical concern as the subcommittee held hearings as part of this reauthorization legislation process and focused on the problem of targeting services to low-income minority elders.

Mr. President, consideration of the 1987 amendments provided us another opportunity to participate directly in all phases of the process of amending and reauthorizing this act. It was a pleasure to work with our former colleague from Hawaii, Senator Matsunaga, in the hearings and the markup that led to a number of important improvements to the act.

Those 1987 amendments gave additional emphasis to the delivery of services to low-income individuals and required that their needs be addressed in all aspects of the planning and delivery of services by area and State Agencies on Aging. The special needs of native American elders were also given more attention under the 1987 reauthorization, as the subcommittee recognized the unique and difficult circumstances confronting many native American elders.

Mr. President, as a member of the Subcommittee on Aging and the Senate Select Committee on Indian Affairs, I am very pleased that, as was done in 1987, the committee substitute amendment for reauthorization of the Older Americans Act includes the Native Americans Programs Act reauthorization legislation.

Among the purposes of the Native American Programs Act is the promotion of economic and social self-sufficiency for American Indians, Native Hawaiians, Alaska Natives, and Native American Pacific Islanders. The Administration for Native Americans awards grants on a competitive basis to Indian tribal governments and tribal organizations to strengthen governmental structures to allow greater control of tribal self-determination.

These social and economic grants enhance tribal capacity for stronger control of tribal resources, provide the flexibility for the development of diversified economies, and advance programs designed to protect the health and well-being of tribal members.

Last year, 215 financial assistance grants, 10 technical assistance grants, and 13 research projects were awarded. In my State of Mississippi, the Band of Choctaw Indians used grants provided under the program along with their own resources to develop the Choctaw Electronics Enterprise, the Choctaw Manufacturing Enterprise, two satellite Chata Enterprise plants, a shopping center, the completion of a reservation-wide demographic survey, a tribal tax commission, and the location of a volunteer fire station on the Pearl River Reservation. In addition, Native American Programs Act funding has established an Office of Cultural and Historic Preservation, the development of a Youth Council Program, and a Minority Marketing Program on the reservation.

Mr. President, I commend the leadership of Chairman INOUYE and Vice Chairman MCCAIN of the Senate Select Committee on Indian Affairs for their leadership in developing the reauthorization legislation for the Native American Programs Act, and I want to express my strong support for its reauthorization as part of the Older Americans Act Amendments of 1991.

The Older Americans Act Reauthorization Amendments of 1991 is the product of numerous subcommittee hearings held both here in Washington and throughout the country.

It has been my experience, Mr. President, that field hearings are often a better vehicle for obtaining information on the real problems and issues confronting older Americans, and more importantly, on whether the programs are operating as effectively as Congress intended.

The need for and the importance of in-home services to many older Americans and the problems confronted by family caregivers was the focus of one of our field hearings in Mississippi. At that hearing, witnesses provided some important insights based on their personal, day-to-day experiences in caring for older relatives who would otherwise have been placed in institutions. It has been estimated that as much as 80 percent of all long-term care may be provided in this manner by informal, unpaid caregivers.

In recognition of this trend, S. 243 authorizes more in-home services for the frail elderly. In fact, the largest increase in authorization levels in the bill is in title III, part D for in-home services for the frail elderly. In addition, some new support services will be provided for caregivers who care for frail elderly family members at home. These new services include training, counseling, technical assistance, and information on how to obtain in-home and respite services.

Mr. President, S. 243 is a good bill which recognizes the special problems and needs of older Americans and continues and improves upon a number of programs that make a significant difference in the quality of many of their lives, and I hope my colleagues will support its passage.

Because, however, the committee, during the markup of this bill, added a provision suggested by one of our committee members to add additional benefits under a pension benefit guarantee program, this bill is in trouble as it comes to the floor of the Senate, Mr. President. If we do not take the provision out of the bill which authorizes an additional $500 million of benefits that have not previously been authorized, which puts in question the consistency of this bill with the Budget Act and maybe lays a predicate for tax increases that have to be imposed upon employers and corporations to pay for these additional benefits, I am going to have to offer an amendment that strikes that provision from the bill.

AMENDMENT NO. 1312

Mr. COCHRAN. Accordingly, Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself, Mr. HATCH, Mr. DURENBERGER, and Mr. DOMENICI, proposes an amendment numbered 1312.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all of title VII and redesignate accordingly.

AMENDMENT NO. 1313 TO AMENDMENT NO. 1312

Mr. COCHRAN. Mr. President, I send an amendment to that amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself, Mr. HATCH, Mr. DURENBERGER, and Mr. DOMENICI, proposes an amendment numbered 1313 to amendment No. 1312.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike section 702 and all that follows through section 712.

Mr. METZENBAUM and Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi has the floor.

Mr. METZENBAUM. Parliamentary inquiry.

The PRESIDING OFFICER. Will the Senator from Mississippi yield for an inquiry?

Mr. COCHRAN. I will be happy to yield to my friend from Ohio for a parliamentary inquiry only.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, would the Chair be good enough to advise as to the right of a Member to send a second-degree amendment to his own amendment to the desk?

The PRESIDING OFFICER. The Senator does not have the right to offer a second amendment to his amendment unless some action has occurred on the first-degree amendment.

Mr. METZENBAUM. He has a right to?

The PRESIDING OFFICER. He does not.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I thank the Senator for raising the inquiry. Mr. President, I withdraw the amendment in the second degree that was previously sent to the desk.

The PRESIDING OFFICER. The Senator has that right.

Several Senators addressed the Chair.

Mr. DOMENICI. Will the Senator from Mississippi yield?

Mr. COCHRAN. Mr. President, I yield to the Senator from New Mexico.

Mr. METZENBAUM. Mr. President, parliamentary inquiry.

Mr. ADAMS. Parliamentary inquiry. Under the regular order, Mr. President, the Senator has proposed an amendment. At that point he loses his right to the floor. The Senator from Ohio was on his feet requesting that he make a parliamentary inquiry and be recognized. So a point of order: He cannot yield his time or position to another Member. And we are going to have plenty of time that others can speak, but at this point the Senator from Ohio has the right to the floor.

The PRESIDING OFFICER. The Senator from Mississippi was recognized, and there was a parliamentary inquiry. And he yielded for the inquiry. The inquiry was made and the Senator from Mississippi retains the floor.

Is there objection to the Senator from Mississippi yielding the floor to the Senator from New Mexico?

Mr. ADAMS. Reserving the right to object, Mr. President. The point is that the Senator from Mississippi is entitled to the floor and is entitled to continue his statement on his amendment, but the point of order that is being raised is that he is not entitled, without intervening business, to offer a second amendment. So that the second amendment, as I understand it, has now been withdrawn; is that correct?

The PRESIDING OFFICER. The Chair advises that no point of order has been made.

Mr. ADAMS. I reserve the right to make a point of order on that. The Senator from Ohio was making a parliamentary inquiry on a point of order.

Mr. DOMENICI. Mr. President, no one has the right to reserve the right to make a point of order. There is no such rule in the Senate.

Mr. ADAMS. I reserve the right to object to the unanimous-consent request.

Mr. DOMENICI. Mr. President, there was no unanimous-consent request.

The PRESIDING OFFICER. There was not a unanimous-consent request.

Is there objection to the Senator from Mississippi yielding to the Senator from Mexico?

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. Objection is heard. The Senator from Mississippi has the floor.

Mr. COCHRAN. Mr. President, as I understand the parliamentary situation, I do not know that there is any kind of chicanery or clever one-upmanship being attempted here, certainly not on the part of this Senator. If I could just explain what the purpose of the amendments are—the amendment that is now pending before the Senate—I think it will satisfy the curiosity of Senators about what we are trying to accomplish here.

As I pointed out in the closing of my remarks on the subject of this legislation, because of the inclusion of a provision in this bill dealing with pension guarantee benefit funds, which was offered in our committee markup by the distinguished Senator from Ohio, Senator METZENBAUM, very serious concerns have been raised about the impact of that legislation on the financial integrity of the Pension Guaranty Corporation and the entire administration of that fund.

The amendments that I am seeking to have considered by the Senate as the first order of business will deal with that provision of the bill. As far as I know, there is no real controversy about any other parts of the Older Americans Act. But this provision is very controversial, and it was our hope and our understanding when we came to the floor to bring this bill up that the first order of business would be an amendment to strike this provision.

It is important that we get a vote on that provision and that we not permit that amendment to be amended to prohibit us from getting a vote on that amendment. So the purpose of the second-degree amendment was to ensure that that would be the only issue before the Senate.

Now, I am prepared at this point and attempted to yield to the Senator from New Mexico for the purpose of offering a second-degree amendment that I sent to the desk and attempted to offer.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. COCHRAN. That is the only thing being attempted here, and I hope Senators will permit us to put the issue clearly before the Senate and let us deal with that issue. That is the purpose of the amendment.

Mr. METZENBAUM. Mr. President, will the Senator from Mississippi yield for a question?

Mr. COCHRAN. I will be happy to yield to the Senator from Ohio for the purpose of a question only.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. The Senator is not aware of the contents of either the first-degree amendment or the second-degree amendment, and I certainly respect my colleague from Mississippi and his representation of what they contain. The Senator from Ohio, who is the author of the amendment that is in the bill, has no problem—as the Senator from Mississippi knows. I said that to him the other day when we met each other in the hall.

Would the Senator from Mississippi be willing to agree—I gather that the language of the first-degree amendment and the second-degree amendment is to strike the language having to do with the 40,000 pensioners, is that correct?

Mr. COCHRAN. It is the provision—I will respond to the distinguished Senator. It is the provision offered by the Senator in the markup of the committee dealing with pension benefit funds.

Mr. METZENBAUM. That being the case, with or without a second-degree amendment, would the Senator from Mississippi be willing to agree after we get a chance to examine the amendment, to a time limit as to when we would vote upon the amendment of the Senator from Mississippi?

Mr. COCHRAN. Mr. President, I am happy to respond that I am not able to predict how long debate on this amendment will take. I do not intend to debate it that long, but a number of Senators have expressed to me a desire to speak on this issue. In a conversation I had with the distinguished chairman of the subcommittee a minute ago, I estimated that it would be at least 5 o'clock this afternoon before all time had been used by those who had expressed to me a desire to speak, and that is purely an estimate on my part. But I would not be able to agree that that time or any other time specifically would be a cutoff time for discussion of the amendment.

Mr. DOMENICI. Will the Senator yield to me for a question?

Mr. ADAMS. Will the Senator yield?

Mr. COCHRAN. I will be happy to yield to the Senator from New Mexico. I yield for an inquiry.

Mr. METZENBAUM. For a question only.

Mr. COCHRAN. After I yield to him, I will come to the Senator.

Mr. METZENBAUM. Without a second degree being offered.

Mr. COCHRAN. I am going to yield to him and then come back to the Senator from Ohio.

Mr. DOMENICI. That is correct. There will be no second degree.

The PRESIDING OFFICER. The Senator from Mississippi has the floor.

Mr. COCHRAN. I yield to the Senator from New Mexico.

Mr. DOMENICI. Let me say to my friend from Mississippi, I do not think we should be terribly worried about this. We are going to get a vote on the amendment or a motion, up or down. The Senator from Ohio is a brilliant strategist, but he cannot get a bill passed without us having that right.

Mr. METZENBAUM. I want the Senator to have a vote.

Mr. DOMENICI. Fine. Why not talk about the fact we are going to have an amendment, nothing fancy about it, to a piece of a bill to strike it out, is that correct? Is that what the Senator wants to do?

Mr. COCHRAN. The purpose of the amendment sent to the desk is to strike the provision offered by Senator METZENBAUM. The second-degree amendment simply filled the tree, in the parliamentary language of the Senate floor, to prevent someone on this side or someone on that side from offering an amendment that brought up a completely different subject, which any Senator would have the right to do. And so that was the purpose of the second-degree amendment, to guarantee that that would be the issue before the Senate this afternoon, we could debate it and vote on it. That is the purpose.

Mr. DOMENICI. I was just inquiring whether the Senator thought the Senator from New Mexico might be able to speak in a few moments. I have a conference and I will not be here.

Mr. ADAMS. Maybe we can do this by—will the Senator yield for a question?

Mr. COCHRAN. I will be happy to yield for a second.

Mr. ADAMS. Maybe we could do this by a unanimous-consent request which would state that the Senator's amendment shall not be subject to further amendment, and then, if he can estimate a time, we would agree to vote on it at that time. And that way the Senator will have his amendment up, it will be protected, the Senator from New Mexico can speak, and we will vote then.

We will vote on the amendment at a particular time. We will know we have the whole package together. I would be very happy to agree with the Senator on that.

Mr. COCHRAN. I would be happy to consider agreeing to that. I see no reason now why I could not agree to that.

Let me yield at this point to the Senator from Ohio who requested that I yield to him for a question only.

Mr. METZENBAUM. I wanted to be certain what the amendments were.

Mr. COCHRAN. I cannot understand why the Senator could not have a copy. I have a whole basketful.

Mr. METZENBAUM. I now have a copy.

It is my understanding that you actually cannot amend a motion to strike in this manner, but I frankly do not care because I know what the objective is. That is to strike the provisions of the bill that have to do with the Metzenbaum amendment having to do with the 40,000 pensioners.

I have no problem about going forward with that. I just would like to get a time agreement as to when we vote, whatever is the choice. Two hours?

Mr. COCHRAN. Let us take one step at a time. If we could get the amendment before the Senate in a way in which it will not be permitted to be amended any further, then we can debate that for a while and see how we go on the time. That is what I would hope.

Mr. ADAMS. Will the Senator allow me to propound a unanimous-consent request to the Chair and maybe we can do this?

Mr. COCHRAN. I think what we should do is discuss it first before we propound it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senator from Nevada be recognized for the purpose of addressing the issue in this bill, and that immediately thereafter the body return to the quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I extend my appreciation to the Senator from Ohio.

Mr. President, the Older Americans Act has improved the lives of our Nation's elderly in many ways over the past 25 years. It has created a variety of critical social services ranging from neighborhood senior centers and meals on wheels programs to long-term care ombudsman and legal assistance services. As a member of the Special Committee on Aging, I am deeply committed to reauthorizing the act so that it may continue to assist older Americans in maintaining their independence and dignity.

I want to take this opportunity to thank my colleague, Senator ADAMS, the chairman of the Committee on Labor and Human Resources Subcommittee on Aging, as well as the ranking minority member, Senator COCHRAN of Mississippi, for their fine work on this very vital legislation. I would also like to thank the distinguished chairman of the Labor and Human Resources Committee, Senator KENNEDY, and ranking Republican member, Senator HATCH, for all their efforts to ensure the success of this bill.

I am particularly pleased to see that the legislation before us today incorporates music therapy provisions based upon a bill that I introduced, S. 1723, the Music Therapy for Older Americans Act.

Specifically, the Labor and Human Resources Committee amendment authorizes each State to fund music therapy services under their individual plans. This is not a mandate, but an option for States which would benefit their elderly populations. The committee amendment also authorizes research, demonstration and training programs in music, art and dance therapies.

These amendments were expanded to include art and dance/movement therapy in a number of provisions requested by the ranking Republican on the full committee, Mr. HATCH. I want to commend the Senator from Utah for his leadership on this issue, and to express my full support for these provisions.

These amendments were developed based on testimony given at a hearing I chaired of the Special Committee on Aging in August. A number of expert witnesses testified that music can reach elderly people with diseases such as Alzheimer's, even when no other therapy was effective. Dr. Oliver Sacks, the author of "Awakening," and the man who is played by Robin Williams in the award winning movie "Awakening" testified that even the catatonic patients depicted in the movie based on his book would respond to music by singing and dancing. These patients were otherwise frozen in time.

Mr. President, the cases that we heard where people were helped by music therapy are innumerable. I learned about this in a very personal way. A former staffer of mine, one of my press people who helped me in my Nevada office, by the name of Dana Gentry, who now lives in Las Vegas, told me that using music is the only way to communicate with her grandmother, whose mind has been lost to Alzheimer's disease. I would like to read a portion of a letter I received from Dana about her grandmother.

> I love Grandma deeply and feel robbed by whatever demon has stolen her mind. Reaching back through the years I thought of the times when she held me in her arms and sang to me. Kneeling beside her wheelchair I sang our song directly into her ear. It was "True Love" from the musical "High Society."
>
> At first it was just a slight glimmer of recognition I noticed on her face. I was thrilled by that. And then she joined in. * * * She sang the entire song, every word, and in harmony. In the end as tears rolled down my cheeks, she cried too, as if for the moment she realized her accomplishment.
>
> We sing at every visit now. Sometimes when she sings I have her back, if only till the end of the song.

Mr. President, the reason this is so remarkable is that Dana's grandmother at no other time speaks a word. She cannot call her granddaughter by name.

She does not even recognize her own daughter, Dana's mother. Yet, she can sing a song and sing it well, word for word. Although we cannot now cure Alzheimer's patients, Dana's story illustrates that music remains one of the best tools we have to reach them, and understand them, and to understand the disease.

Another case, Mr. President, typical of many, that comes to mind was explained to the committee by Dr. Sacks. An older woman suffered trauma to her left leg, leaving it paralyzed and useless, even after the surgery.

Dr. Sacks—who is, in addition to being a noteworthy author, a renowned neurologist—asked her if her leg had ever moved since the injury. She thought and responded, yes, it had once involuntarily "kept time" at a Christmas concert when an Irish jig was being played.

As a result of that, Dr. Sacks, recognizing that her leg would move under certain situations, began a program of music therapy playing Irish music. Mr. President, it worked. Today, she has full use of that limb and walks with ease.

Even where physiotherapy had failed with this woman, the far less expensive use of music therapy succeeded in getting her out of a wheelchair. Given such extraordinary achievements in music therapy, I believe we should more fully explore its role in treating older Americans. A small Federal commitment to music therapy can be accomplished without breaking the budget, and it is likely to prove to be a cost-effective alternative to more expensive medical treatments and even institutionalization.

This, Mr. President, then is important legislation, and we need to understand how serious this legislation is. A number of my colleagues have joined as cosponsors of this bill, including the distinguished Republican leader, Mr. DOLE, the ranking minority member of the Special Committee on Aging, Mr. COHEN, and nine other Senators.

I urge all my colleagues, especially those who will serve on the conference committee of this bill, to join me in assuring that each of these provisions relating to music therapy remain in the final reauthorization package. I have spoken with my good friend, the chairman of the Subcommittee on Human Resources in the House, the Honorable MARTY MARTINEZ of California, who has assured me that he will look favorably upon these music therapy provisions.

Again, I commend the able chairman of the Aging Subcommittee, the Senator from Washington, for his exemplary work in preparing this bill to ensure the continued success of the Older Americans Act.

Mr. President, I ask unanimous consent that my name be added as a cosponsor of the pending bill, S. 243. And I again extend my appreciation to those involved in this parliamentary matter now on the floor for yielding so that I can make this statement, and I think Senator METZENBAUM.

The PRESIDING OFFICER. Without objection, the Senator's name will be added as a cosponsor.

Mr. COCHRAN. Mr. President, I ask unanimous consent that during the pendency of amendment No. 1312 no amendment be in order to the language proposed to be stricken.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I thank the distinguished chairman of the subcommittee, and also the Senator from Ohio, for agreeing that we can proceed to deal with this issue and this issue alone. It deals with the language in the Older Americans Act that was put in there by an amendment of the Senator from Ohio [Mr. METZENBAUM] during the full committee markup of the bill.

What concerns this Senator, and others as well, is the fact that this amendment jeopardizes the enactment of this bill that we are considering today, and it does so because of the threat to the integrity of the pension guaranty fund that protects pension benefits under the ERISA law that was enacted in 1974. It is such a serious threat, Mr. President, that the Secretary of Labor will recommend to the President of the United States that he veto this bill with that provision still in it.

So we need to confront that issue this afternoon and deal with it. The Senators who are going to be voting on this bill need to be advised that we have a bill that is fatally flawed. It cannot be enacted, unless we take out this provision that was put in by committee—with good intentions, I am sure—in an effort to deal with the problem that exists because of some shaky pension funds and some benefits that have been lost, but were never guaranteed or never protected by current Federal law. That is the issue.

Should we, on the Older Americans Act, provide a new authorization, which is in the nature of an entitlement, for pensioners to have benefits protected that have never before been protected by Federal law? The end result will be a necessity to pay for those protections, which could result in exposure for benefit payments by the corporation that has the responsibility under the law for administering this program.

Therefore, we could be writing into the law a tax increase on those employers that now have to pay into that fund to guarantee the protection of current beneficiaries, pensioners whose benefits are already protected by Federal law.

So everybody will understand one of the practical consequences of this, a table was given to me just a moment ago showing all of the States in the United States where there are already constituents in the thousands who are protected by the current pension law, whose benefits will be jeopardized if this amendment is kept in the bill, if the Metzenbaum amendment is not stricken.

At this point, I ask unanimous consent, Mr. President, that a copy of this estimate of active participants be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Estimate of active participants[1] IN PBGC INSURED PENSION PLANS BY STATE

State:	*Constituents (thousands)*
Maine	53
New Hampshire	188
Vermont	54
Massachusetts	538
Rhode Island	78
Connecticut	409
New York	1,549
New Jersey	862
Pennsylvania	1,259
Ohio	1,126
Indiana	601
Illinois	1,272
Michigan	1,049
Wisconsin	565
Minnesota	543
Iowa	378
Missouri	494
North Dakota	51
South Dakota	47
Nebraska	160
Kansas	226
Delaware	71
Maryland	380
Virginia	694
West Virginia	147
North Carolina	580
South Carolina	296
Georgia	361
Florida	774
Kentucky	338
Tennessee	436
Alabama	316
Mississippi	185
Arkansas	137
Louisiana	370
Oklahoma	206
Texas	1,165
Montana	47
Idaho	73
Wyoming	36
Colorado	261
New Mexico	74
Arizona	225
Utah	104
Nevada	83
Washington	480
Oregon	269
California	1,983
Alaska	28
Hawaii	116

[1] The estimates shown in this table only include persons covered by PBGC who are still in the workforce. In addition to active participants, the PBGC covers approximately 12 million retirees.

Source: Pension supplements to the May 1988, Current Population Survey.

Mr. COCHRAN. Mr. President, a number of Senators have suggested that they have serious concerns about this legislation. In addition to that, I have a letter which we received from the Secretary of Labor explaining the concerns of the administration, and that unless this legislation were amended to take out the Metzenbaum amendment, a recommendation would be made to the President to veto the bill.

Mr. President, I ask unanimous consent that a copy of this letter—addressed to the majority leader—dated October 15, from Lynn Martin, Secretary of Labor, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF LABOR,
Washington, DC, October 15, 1991.

Hon. GEORGE MITCHELL,
Majority Leader, U.S. Senate, Washington, DC.

DEAR MR. LEADER: The Administration wishes to express its strong opposition to the proposed Pension Restoration Act, which the Senate Labor and Human Resources Committee added during markup of S. 243, the reauthorization of the Older Americans Act. The provision would require the Pension Benefit Guaranty Corporation (PBGC) to compensate individuals who lost vested benefits from pension plans that terminated before the 1974 enactment of the Employee Retirement Income Security Act (ERISA).

The Administration opposes this ill-conceived legislation, which would substantially weaken PBGC and has not received the consideration of any hearings or debate, because:

The provision would add at least $500 million in liability to PBGC, which currently has at least a $2 billion deficit. This deficit will continue to grow due to recent large pension plan terminations and court decisions limiting PBGC's recoveries against bankrupt companies.

The provision's $500 million estimate may considerably understate its cost, because it appears to cover individuals who participated in terminated plans but have already received the full amount of pension benefits provided by their plans.

The provision would violate the pay-as-you-go requirements of the Budget Enforcement Act (BEA) by increasing direct spending without providing an offset. Despite the bill's attempt to circumvent the BEA by drawing down PBGC's Trust Fund and prescribing special accounting rules, the Office of Management and Budget would score a budget outlay effect. Accordingly, if the direct spending increase estimated by OMB were not offset by the end of the fiscal year, a corrective sequester would be triggered.

It would distort the current program by expanding federal pension insurance guarantees to individuals never covered by the program without a financing mechanism. This would threaten the security of the program that currently protects 40 million workers and retirees.

Administration of the proposal would be a nightmare. The provision would impose new and severe administrative burdens on the agency at a time in which its normal caseload is doubling and it is having to wrestle with a backlog of accounting and information systems problems. As a recent GAO audit showed, it is difficult to get good records on recently terminated plans. It could be impossible to get adequate records for plans terminated 20 to 30 years ago.

If PBGC premiums were increased to pay for the cost of this provision, employers would be discouraged from sponsoring defined benefit pension plans insured by PBGC.

A disastrous situation would be created if PBGC's guarantee were expanded, with no financing offset, at a time when PBGC's financial condition is deteriorating and more Americans than ever are relying on the Corporation's guarantees. In addition, the provision includes a financial test that PBGC must meet before it can pay benefits. If PBGC were not to meet the financial test, no benefits would be paid, thus making the provision a hollow promise to the elderly it purports to help.

Given the seriousness of these issues, the President's senior advisors will recommend that the President veto S. 243, unless the Pension Restoration Act is removed. The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program and that enactment of the Pension Restoration Act would not be in accord with the President's program.

Sincerely,

LYNN MARTIN,
Secretary of Labor.

Mr. COCHRAN. Mr. President, to illustrate the seriousness of this provision, I am going to read just one part of this letter. Senators may have copies of this letter, and I am sure that other copies are available. Here is the key paragraph, in my opinion:

> A disastrous situation would be created if PBGC's guarantee were expanded, with no financing offset, at a time when PBGC's financial condition is deteriorating and more Americans than ever are relying on the corporation's guarantees. In addition, the provision includes a financial test that PBGC must meet before it can pay benefits. If PBGC were not to meet the financial test, no benefits would be paid, thus making the provision a hollow promise to the elderly it purports to help.

Mr. President, I think that is a very strong and compelling argument for voting to strike this provision. It really has nothing to do with the reauthorization of the Older Americans Act. It is a side issue. It is an important issue.

But it is not relevant and not really a part of the administration of this program that we are seeking to reauthorize today.

So I hate to see us put in jeopardy a lot of the programs, and some of the improvements in these programs, that are made in this bill, by having attached to it a provision that threatens to sink the ship. We cannot get this Older Americans Act signed by the President if we have this provision in it.

So I hope the Senate will look carefully at the provision, the language we are talking about, and vote in favor of our amendment to strike the Metzenbaum language.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, might I ask a parliamentary inquiry? Is the pending matter an amendment to strike the provision, the pension loser provision, from the act? Is Senator COCHRAN's amendment pending?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Thank you very much.

I will address the amendment in a few moments. I will not take long—just give a view on it, and, hopefully, return it to those managing it.

First of all, Mr. President, the Older Americans Act is a very good piece of legislation. This is an authorizing bill. We have built upon it over the years from the adoption of the first Older Americans Act and many millions of American senior citizens have benefited from the funding that follows this act. Many programs, many hundreds of programs, have been adopted, such as Meals on Wheels, and the like, for our senior citizens.

Many of the seniors in very rural areas, where it is most difficult to find a place where they can get together and enjoy each other and do things together that make their life a bit more joyful, were impossible before this act. Now resources are allocated to the regions and, clearly, you can have transportation, you can remodel facilities, you can build up the resources so that you have senior citizens centers in very small communities around the country.

So, obviously, the Senator from New Mexico is for this bill.

When you add the new things that have come to the Indian elderly of America under this bill, and others that have been incorporated in it over time, it makes the Senator from New Mexico even more enamored with the bill and more willing to support it. But I hope the Senate understands that if we do not pass this bill because it goes to the President of the United States and he vetoes it, these programs are all going to be funded, they are already funded, they are in the appropriation law, and they are already on their way to the President.

So the programs are going to be funded for another year with or without this legislation, albeit, it is good to pass another multiyear extension. I hope no one thinks nor do I hope anyone runs around the country saying that all the senior citizens' programs are going to go by the board if this bill does not become law. If it does not become law, we have only one amendment to thank for its defeat and it is denial of legitimacy and that is the amendment by the distinguished Senator from Ohio on the pension program of our country and, frankly, I cannot believe, I cannot believe that the Senate will adopt it. I think unless it is a political issue that I do not quite understand, I do not know why Senator COCHRAN's amendment should not pass overwhelmingly, the amendment that takes out a Metzenbaum provision in this bill.

Let me first say for those who are concerned about farm price supports, for those who are concerned about Medicare, for those who are concerned about student loans, well, if we pass the bill with the amendment in it—and I will describe the amendment briefly shortly—but if we pass it with that amendment in it, then come the end of this fiscal year, the OMB Director is going to take a little known provision, the 5-year budget agreement. I guess we nicknamed it the minisequester of entitlements. Believe it or not, you have already voted fellow Senators to have entitlements, excepting for Social Security cut across the board, to pay for any new entitlement that is created that is not paid for.

So I cannot raise a point of order on this amendment because it has been doctored-up sufficiently that the Congressional Budget Office will not rule that this is a real entitlement. But interestingly enough, the Office of Management and Budget say it is. And for those who do not remember, the Budget Act said that when it comes time to decide whether you have an entitlement, new entitlement, that yields a sequester if you do not pay for it, what is conclusive?

Well, we decided that the OMB would be conclusive. They are the ones going to decide.

So all of you who support the Metzenbaum amendment and want to come down here and clamor for covering for pensioners who were not even—some pension people—who were not even part of the ERISA Program, whose pension had gone broke way before we ever had this law, and you want to come down and talk about equity, then I will submit the equity on our side is that we do not want to see Medicaid care cut 2 percent, we do not want to see student loans cut 2 percent, we do not want to see farm supports cut 2 percent, but you put a $500 million entitlement in for this program and that is about what you will get.

So, on the one hand, a little equity for those who say let us cover some pensioners who were not covered by their employers' plans years ago because the entire outfit went broke, let us put them in this plan anyway even though currently employers are paying for the current 40 million Americans covered, and it is a very fragile fund. I wish we could bring to the floor how fragile it really is. It, indeed, may be anywhere from $2 to $10 billion in the red itself. Just add some more to it, because we want to expand on a program you know we always expand on programs but this one does not even make any sense, when you start an insurance program at a certain time, and certain day, and covering certain companies to go back and say that really does not matter, even though it has been in existence 10 or 12 years we are going to go back and pick everyone else up and put them in.

It is sort of like an insurance program—you are covering everybody that has insurance, that has a certain risk, but then all of a sudden, let us cover them—5,000 or 6,000—that never were covered, and we do not know the risk—let us put them under the same kind of premium and you find out in a couple years the insurance company cannot pay its bills.

So, Mr. President, I do not think it is the right thing to do. I do not think we ought to take a very good senior citizens program, the Older Americans Act, I do not think we ought to put into that program a pension loser provision which will seek, as I understand it, to go back before ERISA was even created and add certain groups of pensioners who do not have a pension because their pension plan went broke—their company went broke—and say it really does not matter that we had a certain kind of collection, certain kind of fee paying going on to keep the trust fund solvent, we will just add these new people because it is, as some might say, a good thing to do.

I do not think this is a question of whether it is a good thing to do or not. The question is whether it is fair to 40 million people covered under the program, whether it is fair to Social Security Medicare recipients to have their program cut, whether it is fair to cut farm prices because of this, and even student loans, and the rest of the entitlement programs, save and except Social Security.

So I say to the senior Senator from Mississippi, I think you have a good amendment. I compliment the Senator on the bill which I think is a very good bill with few exciting new improvements which have come about because each multiyear authorization finds some other areas we can work in. But I do not believe we should expect the President of the United States to sign a bill with the provisions that I have been describing in it.

So I hope that the Senate will understand that probably will not happen and will agree with the Senator to strike that provision.

I yield the floor.

The PRESIDING OFFICER (Mr. DIXON). The distinguished senior Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the Senator from New Mexico for his fine statement in support of the amendment and also for his kind comments about this Senator.

Mr. President, I ask unanimous consent that the Senator from Vermont [Mr. JEFFORDS] be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I did not mention it when the amendment was sent to the desk, but the other cosponsors of the amendment include the distinguished Senator from Utah [Mr. HATCH]; the distinguished Senator from Minnesota [Mr. DURENBERGER]; and the distinguished Senator from New Mexico [Mr. DOMENICI].

The PRESIDING OFFICER. The distinguished senior Senator from Washington.

Mr. ADAMS. Mr. President, I would like to take just a few moments of time at this point to respond to the statements that were made by the Senator from New Mexico.

The question here is taking care of a very few people who suffered a great loss and who really helped create this program for the benefit of many others.

In the committee report, on page 111, it is set forth in great detail that this is not something that is going to cut Medicare or Medicaid or anything else for that matter.

I just want to read this one paragraph, which explains that you can pay for these 38,000 people—according to recent estimates by the committee that works with them, the Pension Losers Committee. These are older people. They are dying every day. That is one of the reasons that the Older Americans Act has a connection to them.

We are only talking of giving people who qualified after 20 years of service and whose pension plan went broke, $75 for each of those years. So the maximum anybody could get would be $1,500. If that person died, the spouse would get only half of that. And this is to be paid out of the pension fund that they created.

There are two funds, one which is paid by employees and employers as part of a pension fund into a trust fund that revolves. It is on-budget. And it revolves and it pays out to people.

There is another fund, the trust fund that is funded when the board itself takes over a pension plan. That is a trust fund. I want to read this paragraph:

> The committee is aware of concerns raised by the PBGC with respect to the agency's financial ability to provide these benefits. The committee believes that the PBGC has and will continue to have adequate resources to provide this benefit.

This benefit is only $51 million a year and I say "only" in terms of the enormous amounts that have been paid into this fund.

I will continue quoting from the report.

> According to the PBGC's 1990 annual report, the PBGC has over $3 billion on-hand assets and a positive cash flow of $300 million a year. The PBGC is expected to maintain a positive cash flow throughout the decade. The PBGC's average return on investment—

That is return on investment—

> exceeds $150 million a year.

Mr. President, we can pay for these people, their $51 million, out of the return on investment alone. It does not even require that you go into the trust fund. You can pay it from the income they are getting on the amounts they have invested.

So the idea that this would produce a sequester and attack Medicaid or Medicare, or attack anyone else, is just not true.

There have been questions raised about the PBGC. If those questions are real, then a committee of the Congress ought to be looking at them. It means bad administration because this Congress has raised the amount of the funded pension plans—that is where you have a pension plan where everyone is paid for—a certain amount each year. They pay in for each employee a certain amount each year. That amount has been raised during the last few years. If the PBGC does not have enough money, we ought to look to see what they have been doing. That is why the Office of Management and Budget has not come up here yet with a letter.

I will tell you this, if I am going to be required, and the other Members of the Senate, to sit around here all afternoon to wait for a letter Senator COCHRAN and I are going to strangle the messenger when he gets here.

We are very pleased to have people debate this amendment. I have asked Senator COCHRAN for a time agreement and I will ask again in a few moments. This is something he is entitled to have a vote on, to have a vote straight up or down. I will move to table it if he wants that. I want him to have a vote on it and I want the Senate to go on record and I want anyone who wants to come over and talk about it to talk about it. If anybody wants to come and criticize the Department of Labor for the way they run this fund, or bring up any GAO reports, I want that to happen, too.

If it is true, I want the committee of this Congress that oversees it to go after those people. There is an enormous amount of money flowing into this fund above and beyond what is expected, by the investments that they make.

All we are trying to do in this case is to give to the people whose funds went broke after they had paid into it, and the companies had paid into it, they did not get covered by the very thing that they created. All of these people went out, and through their effort ERISA was passed in 1974. Then the very people who had been hurt were left out. All we are trying to do is help them.

We are well aware, and the Congressional Budget Office was well aware, of all of these things. The bill was going to come up last week and we postponed it a week. Some are trying to find out a way to say this in some way hurts the budget. It is another one of those trust funds where we have a lot of money. Sure the administration would like to keep it. It makes the deficit look a little better. But here it is so small it does not even help them much with the deficit because we are paying so much out in interest each year you could take a tiny piece of that to pay the $51 million. And that is a top figure. That assumes all these people have 20 years in their fund, that they are all still alive, and that we will not have to be paying to survivors.

It is common decency we are talking about. $1,500 a year is not going to make any of these people rich. It will help them, maybe a little bit, if they are lucky enough to have Social Security.

But I ask you to look at some of the people I know in my hometown, some of the people in the hometown where Studebaker was.

I have a list here. Maybe that is something we should put in the RECORD at this point, a list of the companies that had failed. What it shows is that throughout this country we had a problem. The problem was that in every State of the union there were earned pension benefits. These were part of their wages. They took that instead of wages.

For example, I have Alabama, Arizona, California, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois. Let us take Illinois. Who went broke and who did not get their pension payments?

Allied Mills, American Store Co., American Zinc Co., Armour, Chicago Malleable Casting Co., Commerce Industrial Chemical, Crane Co., CWF Coal Co.—it goes on and on.

But there are not many of these people left. That is the whole point. There were not many that qualified under their plans. And out of that number, some have died. This is not any kind of an open-ended entitlement because each year there will be fewer of them.

We also have a provision in this bill that was put in by the Senator from Ohio that says if there is anything wrong with this fund—and if there is, I want somebody in this administration to pay for letting it happen, letting their computers go down, or having to pay out by hand and so on—these people come at the end of the line. So there is protection.

In other words, if there is not enough money, these people will not get the small amount that they would otherwise receive.

This is a good bill.

I want to pay my respects to the Senator from Mississippi, and give him my gratitude. He worked hard on this bill, as did the other members of the committee, to keep the good provisions that have been placed in this bill in the past, to try to protect people from the elderly abuse which was occurring. By elderly abuse we mean brutal things like the elderly being strapped into beds, or being given enormous amounts of drugs, just so they could be quiet and not live out their golden years in peace.

We have those provisions. I think everybody agrees on this bill. We have an argument about trying to help 38,000 people who got the ERISA bill passed originally with a limited benefit and with a protection of the people who are already in ERISA, if there is not enough money. They can pay it out of the investment money that they are receiving. They do not have to add any taxes. They do not have to add anything.

I think it is a good amendment and I hope we can get to a vote on it soon. If anybody wants to come over and talk on it, that is fine. Just come over and talk on it. I said to the Senator from Mississippi we are not going to sit around here in quorum calls all afternoon. If nobody wants to talk on this bill, we are going to go to a vote on it. And that is not to shut anybody off. I think everybody ought to be here and talk, and we ought to discuss everything possible on it. But we should not just wait and wait. We are past its authorization date. I am on the Appropriations Committee, as is the Senator from Mississippi. We do not like to be appropriating money for bills that are not authorized. So let us get this authorized and on its way.

I will yield the floor for now, but I see the Senator from Ohio is here. We are going to send out the word to all the offices, if you want to talk, come and talk because we want to go to a vote.

Thank you, Mr. President.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, first, I rise to commend the Senator from Washington for his distinguished leadership in bringing this bill to the floor. He has fought tenaciously and hard to make this a reality and have us at the point we are.

There has been some discussion about the pension provisions that are contained in the Older Americans Reauthorization Act. The pension restoration provisions in this bill seek to partially remedy an injustice committed many years ago. One of the most important pieces of legislation enacted by this body is the Employee Retirement Income Security Act of 1974, more easily known as ERISA. That is its commonly known name.

ERISA established Federal standards to protect the pension benefits promised to millions of American workers and their families. The need for Federal protection of pension benefits grew out of the hardships faced by tens of thousands of men and women. During the 1960's and 1970's, large numbers of workers, upon reaching retirement age, were being told that their companies had never set aside the money promised for their retirement benefits.

The most often cited case is that of the Studebaker workers of South Bend. When Studebaker went out of business, there was not enough money in the pension plan to pay everyone's pension benefits. The active workers who had earned a right to benefits sacrificed their rights so that the workers who had already retired could continue to get their pension benefits. As a result, 11,000 older workers were left without pension benefits that they had worked 20 or 30 or 40 years to earn.

It was the hardships faced by workers like the Studebaker workers that led Congress to enact Federal pension protection standards. The Studebaker workers were not the only workers who lost their pensions. Workers and retirees in 38 States lost benefits.

Let me give you an idea of the number of States involved. About eight companies from Alabama, two from Arizona, many more from California, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Maine, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Washington, Vermont, Virginia, West Virginia, and Wisconsin. Those workers are real people. They gave of themselves to their companies. It was not just one company in these States. In some of those States, there were 10 and 15 and 20 companies whose pension workers were left at the wayside.

ERISA did two things in response to what we learned from these workers. First, ERISA set standards for pension benefits, particular low, minimum funding requirements. And, second, ERISA created a Federal agency known as the Pension Benefit Guaranty Corporation to guarantee the pension benefits promised to workers. Unfortunately, this is where the irony begins. Although ERISA was created because of the hardships faced by thousands of workers, it did not cover all of those workers. ERISA was made slightly retroactive but not fully retroactive. It took care of some people retroactively, but it did not take care of some others, and those are the ones to which we address ourselves in this amendment.

At the time ERISA was enacted, Congress had no idea how many workers had lost their pension benefits. It was feared that millions of workers would be eligible to file claims with the new Federal agency, which might not be financially able to handle such a large pool of workers.

And so ERISA was made partially retroactive but not fully retroactive. The workers of approximately 30 companies were lucky enough to come under the retroactive coverage of the Federal Government, but others were not so lucky.

In 1979, the Department of Labor conducted a study to determine how many workers lost their pensions prior to ERISA. The numbers were far less than expected. According to the Department of Labor's study, 67,000 workers lost their vested right to pension benefits. Today, over 10 years later, the number of surviving workers is less than 40,000, as the distinguished chairman has pointed out, 38,000. The average age of these survivors is 67. These people worked hard for their pensions. They gave of themselves. They put in their hours. They were there for years with their companies and, through no fault of their own, they are being forced to survive solely on Social Security. It is purely a matter of equity. It is a matter of common decency that they be covered.

For 10 years there has been an effort to correct this situation. Senator D'AMATO introduced legislation to remedy this injustice in 1981. I agreed to join him in the fight. We, along with Senators COATS, ADAMS, and KENNEDY, believed this injustice needed to be corrected. The provision included in the Older Americans Act is small but very important to the affected retired workers. Under the bill, workers who had a vested right to pension benefits would receive a benefit of $75 a year for every year of service they worked up to a maximum of $1,500 a year. That is what we are talking about, $1,500 a year maximum for people who retired but cannot collect their pension; $1,500 a year is hardly a lot of money, but to these older Americans who are surviving on Social Security, it will provide extra money for groceries and medical expenses.

This small cushion of money also represents a symbol. It tells these hardworking individuals that Congress did not forget them. It recognizes that we made a mistake. We should have covered them under ERISA from the start. The bill provides some basic decency to 38,000 elderly Americans. The cost of these benefits is approximately $38 million a year. That amount will decline each year as the pensioners pass away and will be paid out of an off-budget—off budget—PBGC trust fund. Therefore, according to the CBO, the Congressional Budget Office, there are no budget effects from this provision. The PBGC retains $2 billion in off-budget funds. In addition, the PBGC earns annual investment returns averaging $150 million on its assets, which more than pays for this small benefit.

I would like to address the concerns raised by the bill's critics. First, there are some Senators who object to providing a benefit to workers whose employers never contributed to the PBGC. But that is the situation as it exists now. That is the fact as we meet here today. While the PBGC is financed by annual premiums paid by employers, the premiums are put into one pool of money and are not allocated to individual employers.

The point that I make about that being the situation as it is today is that there are some of those who did not get their pensions who did not get in before the cutoff point, back about 3 months from the time of enacting the legislation. In doing this, in providing for these people, we are only helping those people from whom PBGC was created. The PBGC was established to back up the pension promises made by employers. The retirees who would benefit from this amendment fit into this definition. They are workers whose employers defaulted on their pension promises. It is not true that PBGC has only paid benefits to workers whose employers have paid premiums to PBGC. As I stated earlier, ERISA was made partially retroactive. So prior to the establishment of PBGC premiums, thousands of workers from 30 companies were covered by PBGC even though their employers had never contributed to the fund.

In addition, in the early years of the PBGC, many workers were covered by PBGC even though their employers had paid little or no premiums to PBGC.

During the first 3 years of PBGC's existence, 160 pension plans terminated and received PBGC coverage.

The bill's critics also argue that PBGC is not financially able to pay these benefits. That is not true. As of the end of 1990, PBGC had $3 billion in assets, average investment returns of $150 million and incoming premiums of $700 million a year. The PBGC had a positive cash-flow of $300 million in 1990 and is expected to maintain a positive cash-flow indefinitely.

In 1990, the PBGC claimed to have an accumulated deficit of $1.8 billion. This figure has limited significance for several reasons. First, over half of the deficit was for pension plan terminations that had not yet occurred. Second, the PBGC's liabilities are longterm. Assuming PBGC does have net liabilities of $1.8 billion, this money will be paid out a little at a time over approximately 50 years. Furthermore, PBGC does not offset this liability against its incoming premiums. The PBGC has incoming premium revenue of over $700 million a year. At that rate the PBGC will write off its deficit around 1997. This is exactly what Congress intended. In 1987, Congress significantly increased PBGC's premiums and enacted other reforms to reduce PBGC's potential liabilities. At that time, Congress calculated PBGC's annual premium, based upon data supplied by PBGC, in order to write off its deficit around 1997. Therefore, PBGC is exactly on the schedule Congress intended for it in 1987.

Furthermore, Congress again increased PBGC's premiums in 1990, a premium increase that PBGC said it did not need.

The bill's critics also claim that PBGC faces enormous future liabilities. This is highly unlikely for several reasons. Most notably, just last week, PBGC reached a major refinancing agreement with the LTV Co. LTV's pension plans have represented the major liability hanging over PBGC's head. The recent agreement relieves PBGC of $3 billion in potential liabilities.

The PBGC did have to take over the Pan Am and Eastern pension plans, but their combined liability was less than that of LTV. These pension plans have been underfunded for a decade and Congress and PBGC have known for almost as long that they would have to be taken over.

Overall, pension plan funding levels continue to rise. In 15 years, pension plan funding has risen from 20 to 80 percent. The PBGC puts out a list each year of the 50 most underfunded pension plans. The overwhelming majority of these plans belong to financially healthy companies.

Only companies in bankruptcy can terminate their pension plans. Since the enactment of ERISA, there has existed a small group of troubled pension plans. We have always known these plans would one day terminate. But this group of troubled plans is not increasing. While no one can predict the future, PBGC's potential liabilities should continue to decline.

But in the event of a worst case scenario, the bill contains—and I emphasize this to my colleagues and particularly the manager of the amendment—a failsafe measure should PBGC's finances dramatically change. Under the bill, if in any year the PBGC's finances vary by more than 20 percent from its long-term financial balance, the PBGC may reduce the benefits under this bill.

I believe we have done everything possible to accommodate the concerns of the PBGC. This provision seeks to provide some basic humanitarian assistance to a small group of older workers who lost their hardearned pension benefits. The 38,000 elderly who would benefit from this bill worked hard their entire lives and deserve some basic decency.

The bill is supported by every major aging organization including the AARP, the National Council of Senior Citizens, and a host of other senior citizens groups.

Congress acts every day to provide money to alleviate suffering in this country and around the world. We can and should help this small group of older workers who lost their pension benefits. It will not have any impact on the budget. I urge my colleagues to support this basic pension provision.

The PRESIDING OFFICER. Has the Senator from Ohio concluded?

Mr. METZENBAUM. Not quite. Almost. Mr. President, I ask unanimous consent that a list of the companies that did not pay out earned pension benefits before 1974 and the States in which those companies are located be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

COMPANIES THAT DID NOT PAY OUT EARNED PENSION BENEFITS BEFORE 1974

ALABAMA

Bemis Mill Co., Continental Gin Co., Kroger Co., Mead Corp., Robbins Floor Tile Products, Star Provision Co., Textron Textile Mill, Woodward Iron Co.

ARIZONA

Miami Mines Copper Co., R.M. Houda Co.

CALIFORNIA

Axelson Mfg., Bosie Cascade, City of Paris Co., Display Mart, Dunham, Carrigan & Hayden, Frank, Tannery, Cannon Electric, Hazel Atlas Glass, Jackson Furniture, Krieg Clothing Co., Lennen & Newell, Long Beach Naval Shipyard, Motor Products Corp., Raymond Lumber, Schermerhorn Bros. Inc., Studebaker Pacific Corp, Wesco Merchandise Co., White House Department Stores,

CONNECTICUT

Adley Express Co., American Woolen Mill, Branford Malleable Iron Fittings Co., Conde Nast Press, Conn. Railway & Lighting, Edward & Hickey, Fitzgerald Mfg. Co., General Gilbert Factory, Goodyear Rubber Footwear Co., Hart Mfg and Oak Electric Co., Hendey Machine Co., Kasden & Sons, Landers, Frary & Clarke, Liggitt Drug Co., Majestic Laundry, Malbro Iron Co., New England Alloy Castings Co., Poneniah Mills Textile, Singer Mfg. Co., Underwood Olivetto Typewriter Co., Voos Industries, Wallace Silversmiths, Waterbury Mfg., Div. of Chase Brass, Watertown Mfg., Co., Whadoms & May Construction Co.

DELAWARE

Pusey & Jones Mfg. Corp.

FLORIDA

Aerodex Inc., Chase Brass & Copper Co., Everglades Fertilizer Co., Gibbs Shipyard Co.

GEORGIA

Claussen & Sons, Genesco

IDAHO

Railway Express Co.

ILLINOIS

Allied Mills, American Store Co., American Zinc Co., Armour, Chicago Malleable Casting Co., Commerce Industrial Chemical, Crane Co., CWF Coal Co., Diamond Match Co., Edgewater Laundery, Forest Oil Co., Fullerton Motor Truck Service, Gordon Bakery, Gubrauson Co., Houdoille-Hershey, Inland Banana Co., Mangus Metal Division of NL Industries, Maremont Corp., Maxwell Brothers, Inc., Mead Co., Mercantile Mortgage Co., Miller & Hart Meat Packing, Nachman Springs Corp., National Enameling Co., National Car Loading Corp., Packard Motor Car, Radio Condenser Co., Raymond Div. of Combustion Engineering, Rock Island Motor Transit, Roper Co., Roth Moor, Standard Forgings Co., Swift & Co., Weaver Division of the Dura Corp. Wilson & Co.

INDIANA

American Kitchens, Angell Mfg. Co., Chicago & Calumet District Transit Co., George J. Mayer Co., Hosier Cardinal, J.J. Newberry's, Kahn Tailoring Co., Pierce Governor, Pullman Standard Car Co., S.F. Bowser Co., Seluxe Products Corp., Shore Line Transit Co., Studebaker.

IOWA

American Cynamid, Armour & Co., Unger Baking Co.

KANSAS

Dixon Mfg. Co., Eagle News, Lehigh Portland Cement, Patterson Bakery Co., U.S. Gypsum Co., Patterson Bakery Co.

KENTUCKY

Electric Auto Lite, JW Ford Co., Louisville & Nashville Railroad Co., Louisville Textiles Inc., Purcell Dept. Store, Red Top Brewing, Sutcliffe Sporting Goods

LOUISIANA

Jackson Brewery

MARYLAND

Armour & Co., Balmar Corp., Continental Can, Corkran, Hill & Co., Crown Cork & Seal Co., Cumberland Brewery, Formica Corp., NY Central Iron Works, Owens Yacht Co., Peck & Peck Co., Revere Copper & Brass, Simkins Industries, Inc.

MAINE

Eastern Fine Paper Co., Standard Packaging Corp., The Lockwood Co.

MASSACHUSETTS

Columbia Precision Corp., Hyster Co., Lewis-Shepard Division, Perkins Machine & Gear Co., Staveley Machine Tool, Valley Paper Co.

MICHIGAN

American Broach, Central Specialty Co., Clark Equipment Co., Colonial Broach and Machine Co., Commonwealth Brass, Federal Mogul Corp., Gar Wood Industries, Georgia Pacific Co., Hayes Mfg. Co., Hillsdale Steel Products, Holley Carburetor Co., Hudson Motor Car Co., Hurde Locke Co., Jarecki Tool and Die, L.A. Young Spring & Wire, L.O. Goardan Mfg. Co., Lakey Foundry, Lufkin Rule Co., Maremont Corp., Michigan Brass Co., Michigan Express Co., Michigan Surety, Morton Mfg., Motor State Products, Murray Corp. of America, Muskegon Motor Specialty Camshaft, Norge Refrigerator Division, Borg Warner Corp., North Range Mining Co., Packard Motor Car Co., Peoples Outfitting Co., Pressed Metals of America, Inc., R.C. Mahon Co., Republic Steel, Sparks-Wirthington Co., Sparton Corp., Sunstrand American Broach & Machine, U.S. Register Co.

MINNESOTA

Abex Corp., Amsco Division, Cudahy Packing House, Franklin Creamery, Marshall Willis Hardware Co., Minneapolis-Moline, Peter's Meats, St. Paul Milk Co., Sunshine Biscuits, Swift & Co., W.H. Sweeney & Co., Walgreen Drug Company Warehouse, White Motor Company

MISSOURI

American Stores Co., Bemis Brothers Bag Co., Black, Sivalls, Bryson Co., Consolidated Underwriters Co., Elder Mfg. Co., Endicott Johnson Co., International Shoe Warehouse Co., Johnson, Stevens and Shinkle Shoe Co., Kearney Corp., Magic Chef Stove Co., Quick Meal Stove Co., Rice Stix Mfg. Co., Samuel Shoe Co., Shapleigh Hardware Co., Sterling Aluminum, Swift & Co., White Baking Co., Wolff Shoe Mfg. Co.

NEW HAMPSHIRE

Bates Shoe Co., Franconia Paper Coop., Marcalus Mfg. Co., Ware Knitters Co.

NEW JERSEY

American Hard Rubber Co., Botany Mills, Conklin Mfg., Dugan Bros., Emerson Radio and Television, Esterhook Pen Co., Kresge Dept. Stores, MW Kellogg, National Biscuit Co., Owens Glass Co., P. Ballentine Brewery, Raybestos-Manhattan Inc., Singer Co., Store Right Products, Tenneco Corp., The Welsbock Corp., Tube Reducing Corp.

NEW MEXICO

Riley Stoker Plant, U.S. Borax

NEW YORK

Anstice Foundry, Art Metal Corp., Baker Smith & Co., Bert & Co. Department Stores, Breakstone Foods, Buffalo Bolt Co., Dugan Bros., E & W Contracting, Easy Washing Machine Co. Edwards & Son, Inc., EW Edwards & Sons, Exeter Paper Co., Farmingdale Laundry, Inc., Gifford Wood Co., Goodbody & Co., Hazel Atlas Glass, Hoffman Beverage Corp., Horn & Hardart Retail Co., International Paper Co., Kimberly Clarke, Livingston & Co., Mallinckrodt Chemical, National Biscuit Co., Perry Smelting Co., Reeves Instrument Co., Div. of Dynamic Corp., RKO Radio Pictures, Rupperty Brewing, Sylvania Electric Co., Tandy Hickok Mfg., Vassar Bay Co., Whalen Drug Inc., Wollensak Optical Co.

OHIO

Electric Auto-Lite, Herbrand Division, Van Norman Industries, Hon Industries, Marion Power Shovel Co., National Casting Co., Standard Pipe Protection, Norris Industries, Fire & Safety Equipment, Textron Inc., Fanner Mfg. Co., W.J. Shoenberger Co., Warren Slag Co., Youngstown Steel Car, Youngstown Hard Chrome Plating & Grinding.

OKLAHOMA

Eagle-Pitcher Smelter.

OREGON

International Paper Co. Mill, Portland Woolen Mills, Timber Structures Inc.

PENNSYLVANIA

American Cynamid, American Manganese Bronze Co., Curtis Publishing Co., Duquesne Brewing Co., Elkland Tannery, Horn and Hardarts, Hudson Coal Co., Lee Rubber & Tire Co., Linear Rubber Inc., National Distillers Products Corp., U.S. Textile Corp., Westcott & Thomson Inc.

RHODE ISLAND

Coats Patrons Ltd., Crown Fastener Division, U.S. Phillips Trust Cryogenic Division, Uniroyal, Woonsocket Spinning Co.

SOUTH CAROLINA

Southern Coal & Coke Co., Waursutta Mills.

TENNESSEE

A. Grane Co., American Bemberg Corp., Louisville & Nashville Railroad Co., Southern Coal & Coke Co.

TEXAS

Alamo Iron Works, Houston Packing Co., Murray Company of Texas, Inc., Oak Cliff-Golman Baking Co., The Murray Gin Co., Walker-Neer.

UTAH

American Oil Co., S.H. Kress Co.

WASHINGTON

Simpson Lee Paper Co.

VERMONT

Wirthmore Feed & Grain.

VIRGINIA

Industrial Rayon Corp., Sikes Co. Furniture Mfg., Virginia Woolen Co., Viscose Silk Mill.

WEST VIRGINIA

Barium Reduction Chemical Plant, Burlington Mills, Continental Can Co., E.I. du Pont de Nemours & Co., Fletcher Enamel, Gravely Tractors Inc., Hazel Atlas Glass Co., Mattheissen & Hegeler Zinc Co., McNicol China Co., McNicol Potery Co., Owens Glass Co., Pittsburgh Plate Glass Co., Gilman Paper Co., Pittsburgh Plate Glass Co., Plate Chemical, Wilson Coal Co.

WISCONSIN

B.D. Eisendrath Tanning Co., Bowey's Inc., Climatrol Corp., Crane Co., Crosby Square Shoe Co., Fox Head Brewing Co., Geary Gorton Machine, George Gorton Machine Co., Gisholt Machine Co., Kearney Trecker Corp., La Crosse Trailer Corp., Le Roi Division, Lindemann & Haverson, Co., Lippmann Engineering, Mills Industries, Northern Casket Co., O'Henry Candy Co., Omar Bakeries, Plankington Packing Co., Rock River Woolen Mills, Schuster & Co., Shoe Company of America, Simmons Bedding Co., Simplex Shoe Co., Sivyer Steel Co., Standard Foundry, Standard Foundry, Sterling National Industries, Swift & Co., Warner & Lambert Pharmaceutical Co., Worden-Allen Co.

Mr. METZENBAUM. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio yields the floor. The distinguished Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I certainly rise in support of the bill which is before us. I have been working on the Older Americans Act in committee for some 17 years now, and I do not think there is any piece of legislation that has done more to help a group of citizens with least cost to the Government than the Older Americans Act. I am proud of many provisions in there which I have worked on, especially in the nutritional area. So I want it clearly understood before I start that I strongly support the reauthorization of the Older Americans Act.

Mr. President, I rise today in support of the reauthorization of the Older Americans Act. Since 1965, this act has helped older persons live as independently as possible by providing a variety of social services such as congregate and home delivered meals, funding for training, research and demonstration activities in the field of aging and job programs for low-income workers.

As the baby boom generation grows older and the average life span is longer than in the past, providing support services for this segment of the population is increasingly necessary. This reauthorization improves upon existing programs, employs new methods of treatment and continues to explore ways of improving services.

I am pleased that the act has authorized special demonstration and support projects for implementing the Pepper Commission recommendations for long-term care. Information made available from these projects will be disseminated through the existing aging network encouraging a seamless system to access long-term care. This information will make it easier and less expensive for older Americans to find and receive the specific type of care that they need.

Many Vermonters were concerned with a proposal to mandate cost sharing for meals in title III of the bill. I am pleased that the final bill does not include such a measure.

Over the past 10 years, voluntary individual contributions to these programs have risen from $79 million to $179 million. This outstanding voluntary support shows the importance of nutrition and companionship through this program to our older Americans. To have mandated cost sharing would have severly restricted low-income access to the program—the very purpose the title was designed to meet.

Vermonters participating in the meals program will also benefit from the increased USDA meal reimbursement rate. In an era of rising food costs, it is crucial to have food reimbursement rates closer reflect the cost to the States for providing such meals. A higher reimbursement rate will continue to assure the quality food service for our elder Americans with a more realistic reimbursement rate.

I am further pleased to see that the Music Therapy for Older Individuals Act has been added to the Older Americans Act to permit music therapy to be offered as an optional social service and preventative health service. This provision will authorize projects to provide music therapy in institutions, senior centers, and through programs for the elderly. Music therapy is a powerful tool in helping the elderly to remain strong, aware, and healthy and I am happy to support efforts to extend its availability.

Finally, Mr. President, I am pleased to see programs which address the needs of our country's elderly residing in rural communities. A number of my colleagues have worked diligently to enhance service delivery to our rural communities which will greatly improve outreach to some of our most indigent citizens.

Passage of the Older Americans Act restates this country's commitment to serve the needs of our elderly population. It is a small price to pay for the benefits and pleasures we all have shared from our older citizens. I am pleased to be a cosponsor of this critical legislation.

Mr. President, with regret I have to seriously oppose the provisions included in the bill which attempt to transfer money out of the PBGC. This money would go to a group of individuals, the number of which we do not know, the cost of which we do not know, to take part in a fund which has been paid for by others because, unfortunately, their pension plans terminated before the beginning of the PBGC.

There are a number of reasons why I think it is inappropriate to take this up at this time. Let me briefly summarize them and go into a little more detail.

First of all, there has not been a hearing on this provision since 1984, when a hearing was held in the House, not the Senate, and at that time it was decided that the bill would not go forward.

Second, it would set a precedent. Right now we are out of money. Our Treasury is bankrupt. We are borrowing funds. So if you do not have your own money, what do you do? What is the next best thing if you want to help people? You take somebody else's money and spend it.

That is essentially what we are doing here. We are going to take money out of PBGC, premiums which were paid for by others, to help people who unfortunately suffered a loss. There is no question about that. I hope and want to be sure this is clear to all.

Also, another thing I want to bring out is that we are talking about defined benefit plans. To very briefly tell you what that is, that is the kind we have. They are great plans. They are the plans which will give you an amount that you know. So when you retire, you know what you are going to get; you know what your spouse is going to get. They are not subject to the problems of the stock market, and matters like that. It is an agreement where you will get a set amount of your salary. That will be given to you and the PBGC was set up to make sure there were funds available to do that in case the corporation failed in its responsibility.

So it is a great plan. It is the best kind to have. But it has been fraught with many problems as you will see as I go forward. Because of these problems there is a declining use of the defined benefit plan. Now here we are with this amendment which has not had a hearing, the cost of which we do not know, the number of people that will be covered we do not know, to raid upon a fund which is in trouble itself.

It is well-intentioned certainly; to help the workers who lost vested pension benefits before the enactment of ERISA. However, the Metzenbaum amendment rewards these pension losers at the expense of integrity of our private system, which is already on shaky ground.

At the very time when we should be trying to expand the private pension system, especially the defined benefit plan, this amendment will help do the opposite. Employers, who are worried enough about joining the defined benefit plan system, with its increasing premiums, are going to start reading PBGC as Piggy Bank Guaranty Corporation.

The PBGC is not a charity organization for pension-related matters, and I do not think we should make it one.

I wish we would spend today debating how to strengthen the system rather than whether we should screw it up a little bit more. The problems within our current system are numerous, debilitating, and deserving of the serious attention of our colleagues here.

Although the tax expenditures for pensions is the largest tax expenditure in the country, only 48 percent of our full-time work force is covered by a pension plan right now. We should not do anything to make that smaller. This means that in spite of encouragement through the Tax Code, our Nation's current pension policies are failing in the effort to assure sufficient amounts are saved for retirement purposes.

It is ironic that we spend hours upon hours in the effort to understand and solve our Nation's health care crisis, yet do so little to improve our Nation's pension policies. Yet, our Nation's pension system is sicker than the health care system. Over 75 percent of all workers have health care in this country but only 48 percent are covered by a pension plan other than Social Security.

Social Security is not adequate for a secure retirement. Anyone that is on it already knows that. We need to help the private pension system. And defined benefit plans, which were once the cornerstone of pension savings, are considered the safest way for employees to be assured of adequate savings for retirement.

Yet defined benefit plans are going the way of the great white whale. Without changes to our current policy they will in all likelihood become extinct, or at least will not be the primary way to save for retirement.'

I would like you to take a look at the chart before me, to give you an idea what is going on. It shows exactly what is happening to defined benefit plans. The future for defined benefit plans does not look good.

Take a close look at this. You can see the defined contribution plans are in blue. Those are growing at a tremendous rate, whereas the defined benefit plans have peaked, and are headed downward. The problem with that, of course, is it is not anywhere near as good a pension plan. We should have that going up and perhaps the other one going down.

In a defined contribution plan the employee bears all of the investment risk, and the employer involvement in the plan is very limited. Also, there is no insurance protection provided to the defined contribution plan participants. So anything that we do to discourage the defined benefit plan ought to be looked at very, very carefully and certainly it should not be approved.

Unlike defined contribution plans, defined benefit plans offer workers the predictability of knowing how much they can expect to receive from the company pension plan. Because workers know how much of a supplement to Society Security to expect under this pension plan they are able to plan better for their retirement.

Let us take a look at chart No. 2 here and see what is happening to defined benefit plans. I think it is important to take a look at this. Because as you can see the terminations are headed up, more and more employers are getting out defined benefit plans like the ones we have which guarantee you an amount of pay percentage of your salary which will carry you forward without all the worries about having invested your own money or the pressures of cashing it out. The PBGC will be standing behind you if it has sufficient amount of money, and I will talk about that later.

Look at how they are going. They are headed down here. This was due to the high inflation. People were against it. Then they started back up again. And about the time they started to recover then we started heaping all the problems on and they are headed back down again. The terminations though have been a steady increase and rising.

As I mentioned, we in Congress are covered by a defined benefit plan. Our defined benefit plan pays out 2.5 percent, multiplied by our years of service at our highest 3 years' salary. This benefit amount is paid to us every year after we retire. The same is true for civil service. Also, our spouses are assured they will receive a predictable and fair benefit in the event of our death.

Regardless of what happens to the stock market, how good investment returns are, each of us can calculate what we are going to get. Each of the civil servants in our Federal system can calculate what they will get, and anyone else who has a defined benefit plan generally can find out and understand how much they are going to get.

If we look at this second chart, hardly any employers are starting new plans. The startups are going down, and almost down to zero, and the terminations are headed up. This is not what we would like to see.

There are a number of reasons that we should look at for this trend. The No. 1 reason I think the number of defined benefit plans are going down is the insecurity of the system, but the premiums also have an impact.

The Pension Benefit Guaranty Corporation, the agency that ensures pensions, is swamped by an increasing number of terminations of severely underfunded plans. Although premiums paid to the PBGC are adjusted somewhat to reflect variations in funding, they are not adjusted to provide any meaningful deterrent to underfunding.

Let us take a look at what we have done to the premiums. Because of the failings of underfunded pension plans, we have looked to the PBGC to pay for the employer's obligations to employees. Let us take a look.

From 1974 to 1978, the premium—this is the amount paid per participant per year—was at $1. In 1978, it jumped to $2.60, not much more than the inflationary increase for that period at all. Now 1986 to 1988, we had to have a jump because we began to get some bad terminations. It went up to $8.50. That is about an eightfold increase since 1974. In 8 years it went up about 800 percent.

Then it doubled between 1988–91, so that the normal premium for an employer who has a good responsible plan was $16 per participant. However, the variable rate went up, for those who were underfunded, so that there was in effect a 500-percent increase from what it was in 1988.

Then the flat rate went up again to $19 for those plans that were doing right in the sense that they were responsibly funded. For employers who were not so responsible, the premium increased to as much as $72 per participant. If you take a look, that is probably about a 7,000-percent increase since 1978.

In summary, we are looking for some money to help people who are not covered by the PBGC system and in doing so we will be putting another burden on plans which are already under pressures, some facing the pressure of a 7,000-percent premium increase.

Sure, it is fun to spend somebody else's money. It is great fun when you do not have your own. But my concern is that we are just putting the final nail in the PBGC coffin here, and nobody is going to sponsor defined benefit plans.

Let me go back again and point out what to me is the most serious problem we are faced with here. Should we be spending somebody else's money on a bill that is without a hearing. The last hearing was in 1984. At that time Congress decided it was not the appropriate thing to do. Then, all of a sudden, this amendment appears on the Older Americans Act. We don't know how many people are covered, or what the cost of the bill is. But, we will send the tab to the PBGC which is presently underfunded and which has a 7,000-percent increase in its premiums over the last 13 years.

Now, I say to you that, sure, let us have some hearings. Maybe it is a good idea. Maybe it can be afforded. But to me, to put this on the Older Americans Act right now is a bad idea. This is the time when we need to help defined benefit pension plans, we need to invite people to get into benefit plans, not to put another serious obstacle in the way of contributing to pension plans which are the best kind to have—the kind like we have.

I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I rise in support of the amendment of Senator COCHRAN, and I ask unanimous consent to be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I rise in support of Senator COCHRAN's amendment, which would delete the pension restoration provision, as discussed by my colleagues. I compliment Senator JEFFORDS, Senator COCHRAN, and Senator DOMENICI for their debate on the floor.

This amendment starts on page 173 of the bill and runs all the way over to page 189.

This provision it significantly changes pension law, and significantly expands the liability to the Pension Benefit Guaranty Corporation to pay for terminated pension plans which it was never originally intended to insure, and greatly jeopardizes an already overloaded fund. This pension restoration provision started to weigh on an already deeply troubled fund; the Pension Benefit Guaranty Corporation is already overfunded by over $2 billion.

By that, I mean it does not have enough annual revenue to fund the liabilities it has already incurred to the tune of $2 billion. The fund is in trouble, despite the fact that premiums going to the Pension Benefit Guaranty Corporation have risen dramatically since its inception in 1974. I remember very well when the pension benefit guarantee fund was created under the act called ERISA. In 1974, I was a businessman at the time and actually traveled to Washington, DC, to discuss this particular piece of legislation. I remember when the initial premium was announced. They said it is only $1 per participant.

In my company, we employed 100 people. My company's contribution to PBGC computed to only $100 a year. But I made the statement then that that $1 would not come close to covering the liabilities that would be thrown upon this quasi-Federal corporation called the Pension Benefit Guaranty Corporation. I projected then, as a businessman, that these premiums would rise dramatically, and they certainly have. The liability has risen even faster. The premiums have been chasing the liabilities, but they have not been able to catch up and, frankly, they will not be about to, because the law still somewhat encourages many employers to dump their liability on the rest of the employer. Many companies overpromised, could not afford a defined benefit pension plan and left their liabilities on the rest of the employers in the country.

Now we see unfunded liabilities in the billions. It would be much greater if the LTV case is decided adversely and could increase the liability an additional $3 billion. There are many other cases where we may see pension underfunding, pension plans filing for bankruptcy, and more potential liability for the Pension Benefit Guaranty Corporation. That means the rest of the employers in the country will have to pick it up and foot the bill.

The employer, writes out a check for so much per participant in their defined benefit plan. In 1974, it was $1 per participant. In 1978, it increased to $2.60, and in 1986, it went to $8.50. Only 2 years later, it went up to $16. And at the beginning of 1991, it went to $19. The $19 level is the contribution for the company with a well-funded plan; company that has done its homework, that has met its responsibilities, that made its annual contributions to make sure its funds are solvent and that the benefit will be there for its employees.

You might be aware of the fact that, in 1988, we put in a risk-related premium for underfunded plans. For the underfunded plans, the premiums go all the way up to $72. For the funds that are underfunded, even $72 is not covering the cost of the liability. The PBGC is still not raising enough money to cover all of the liabilities that are there. To add an additional $500 million in liability will only serve to continue to increase the liability on PBGC.

In other words, Congress created a guarantee but did not create a system that is working very well. We have greater liabilities than we have revenues coming into the system, and now my friend from Ohio, Senator METZENBAUM, would add to this unfunded liability over $500 million. Nobody ever paid premiums to cover this liability, it is going to be a gift. Who is going to pay for it? All the other employers that have defined benefit plans.

As Senator JEFFORDS showed, the number of people that have defined benefit plans has been declining. More and more employers are reading the writing on the wall. They are having a hard enough time paying for the obligations that they have incurred and promised under the defined benefit plan, and now they have to pick up all of the costs for a lot of employers that have not paid their fair share, that did not fund their plan, or that dumped their liability on Pension Benefit Guaranty Corporation. Many employers are saying, "I am not going to do it." They terminate their plan and create a defined contribution plan that does not have the same responsibilities.

The defined contribution plan allows an employer and employee to make a contribution to an individual account, somewhat like an individual retirement account. The account accumulates with interest, and whatever happens to be there, upon retirement, is the retiree's. If the account loses money with the market decline, that is the retiree's loss. More employers are going that route. Fewer are going the defined benefit route for a couple of reasons: one, they have enormous liabilities; and also, they are picking up the liabilities for other employers, who happen to be dumping those liabilities on the Pension Benefit Guaranty Corporation. Premiums will continue to rise as liability rises.

So what the provision which the Senator from Mississippi [Mr. COCHRAN] is attempting to delete jeopardizes the Pension Benefit Guaranty Corporation, which insures pensions for 40 million Americans.

Do we really want to jeopardize the health of the defined benefit pension community? I happen to think defined benefit plans are real assets. There are real costs incurred when we say we are going to extend this coverage and benefits, and make payments to thousands of people who did not pay into the system. We cannot stand up on the floor and say that it does not cost anything. That is ridiculous. If we are not successful in deleting this language, as Senator COCHRAN has proposed, we will jeopardize the very health and safety of 40 million pensioners. I do not think that is responsible.

Senator JEFFORDS mentioned that we have not had a hearing on this since 1984. When we did have a hearing on it in 1984, I was chairman of the Labor Committee. This approach, as advocated by the Senator from Ohio, made no sense in 1984, and we did not pass it in 1984. We should not pass it in 1991. It is at the height of fiscal irresponsibility. I do not think we are being responsible to the 40 million pensioners.

We need to delete this language from the bill, and I hope that my colleagues will join me in support of Senator COCHRAN in his motion to delete this language, which does not belong in this bill.

Mr. President, I ask unanimous consent to have this material regarding pension insurance premiums printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Facts—Pension Benefit Guaranty Corporation]

PENSION INSURANCE PREMIUM

New premium rates: Effective January 1, 1991, PBGC's annual premium for single-employer plans will be changed as follows:

The basic premium charge paid by all plans will increase from $16 to $19 per participant.

The additional variable-rate charge paid by underfunded plans will increase from $6 to $9 per $1,000 of unfunded vested benefits, and the cap on the variable-rate charge will increase from $34 to $53 per participant.

Therefore, the maximum premium will increase from $50 to $72 per participant.

Effect: By increasing the premium for underfunded plans, their sponsors will have a greater financial incentive to properly fund their plans. The total premium increase, which will provide an additional $120 million in revenues in fiscal year 1991 and $640 million over the next five years, also will help to reduce PBGC's deficit.

The underfunded plans paying the variable-rate charge will continue to pay 17 percent of PBGC's total premium revenues. The increase in the variable-rate cap is equivalent to an increase in labor cost of about 1 cent per hour. For well-funded plans, this effect is less than 2/10 cents per hour.

PBGC is looking at other measures to strengthen employers' funding incentives and its own financial position in such areas as the priority of the agency's bankruptcy claims, employer plan funding responsibility during bankruptcy, the handling of plant shutdown benefits, and minimum funding requirements.

Background: The 100,000 single-employer defined benefit pension plans insured by PBGC generally are well-funded, with about $820 billion in total benefit liabilities backed by more than $1.1 trillion in assets. However, PBGC still is exposed for about $20 billion to $30 billion in unfunded benefit promises and has a $1 billion deficit. Despite the introduction of an exposure-related premium in 1987, PBGC insurance had been grossly underpriced for those underfunded plans.

PBGC is one of several government insurance companies whose potential losses have not been fully reflected in the federal budget. President Bush had established four requirements for a successful budget agreement for fiscal year 1991, one of which was to "address the government's hidden liabilities." PBGC ranks as one of the larger hidden liabilities. The premium increase will help address PBGC's potential liabilities and improve the economic incentives for companies to properly fund their pension plans.

(Ms. MIKULSKI assumed the chair.)

Mr. DIXON. Madam President, may I inquire of the distinguished managers? I have listened for the last hour with great interest to this debate and am prepared to vote whenever the managers get to that time in the proceeding. It would occur to me there is nobody on the floor right now prepared to discuss the issue. I wonder whether I could get unanimous consent to talk on another subject for a few minutes.

Mr. ADAMS. Madam President, we have no other Senators on this side who have indicated to me that they wish to speak on this.

I will inquire of the Senator from Mississippi.

There is one other, Mr. HATCH.

Mr. COCHRAN. If the Senator will yield, I am told Senator HATCH would like to speak on this amendment before we vote on it. So I would hope that we would permit him that opportunity. I have no objection to the Senator from Illinois proceeding on some other issue if he wants to talk on another issue.

Mr. DIXON. I would be delighted to yield if any Senator comes to the floor prepared to talk on this issue.

Mr. ADAMS. Why does not the Senator take a specific amount of time; say 10 minutes?

Mr. DIXON. That would be delightful. I do not think I will use it all. The manager is very kind.

Mr. ADAMS. We have no objection on this side.

Mr. COCHRAN. No objection.

Mr. DIXON. Madam President, I ask unanimous consent that I be permitted to proceed as though in morning business for a period not in excess of 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NATIONAL CHILD PROTECTION ACT OF 1991

Mr. DIXON. Madam President, I am pleased to join the distinguished chairman of the Judiciary Committee, Senator BIDEN, and the ranking Republican member, Senator THURMOND, in introducing the National Child Protection Act of 1991 later this week. I applaud their leadership as well as the efforts of Oprah Winfrey, who has championed this legislation. Her personal commitment to dealing with child abuse deserves the thanks of a grateful nation. Her testimony this morning before the Senate Judiciary Committee was most compelling.

This legislation is needed to combat the problems associated with incidents of child abuse in day care and other nonhome settings. It is an extremely unfortunate fact that thousands of children are abused in such settings every day. Loopholes and inadequacies in current Federal law allow such tragedies to occur. The National Child Protection Act of 1991 seeks to remedy those inadequacies and close those loopholes.

The act would establish, for the first time, comprehensive national procedures to ensure that those working with children, either as employers, or employees, or volunteers in organized activities, do not have criminal records as child abusers or perpetrators of other serious crimes.

The bill will provide uniform guidelines for States to follow. While States are not required to follow the proposed guidelines, there are strong incentives for adopting the guidelines in the legislation. Such incentives have been successfully employed in the past, and would work in this case, without micromanaging the States.

Madam President, child care providers, and more importantly, the children they serve, have a right to know whether those charged with the care of children, from school bus drivers to school nurses, have been indicted or convicted of child abuse or other serious crimes.

It must be noted that there are a number of civil protections provided to those on whom a background check is conducted. First, an employer who requests from a designated State agency a background check of a job applicant, must have written permission from the applicant in order to conduct the check. Second, the information contained in the background check report can be challenged by the applicant, and automatically puts off a hiring decision on the applicant until the appeal has been decided.

In conclusion, Madam President, the children of the United States must be protected from those who prey upon their innocence. National guidelines ensure that some States do not become havens for child abusers. If we as a nation truly value the lives of our children, we must back up our words with deeds, and our promises with actions. The National Child Protection Act of 1991 puts our values into practice and, therefore, should be enacted swiftly by the Congress.

Madam President, may I make this brief observation before I yield the floor. I see the distinguished Senator from Arkansas here, and there may be others who want to speak.

The former Governor of our State, Governor Thompson, asked me this morning to accommodate him by giving an opportunity to Oprah Winfrey to be heard at a press conference after her testimony before the Judiciary Committee in support of this legislation that she has requested be passed in short order to protect children all over America.

I know and greatly admire Oprah Winfrey, and I was delighted to do that, and before I introduced her this morning I thought, "What do you say about a woman so well-known in the country?" I simply said, "Ladies and gentlemen, it is my great pleasure to introduce the pride of the city of Chicago, Oprah Winfrey, who is such a wonderful person and needs no other introduction." Then I sat there in the audience with others, Madam President, as this remarkable and wonderful woman told about her own experiences in her childhood, her own experiences of abuses by members of her own family.

It brought, I must say without shame, it brought tears to my eyes to me as a father of three and a grandfather of seven, to know and understand, Madam President, that in this country people every moment all over America are experiencing that kind of thing when love and support and tenderness are so important in the home.

It sort of made me humble, I must say, Madam President, to hear that wonderful woman, who in reality now has everything in the world she wants—I have heard estimates of her income so extraordinarily high that it staggers the imagination. Someone said $60 million a year. I do not know. But think of that wonderful woman, with everything that she has, coming here and baring her life's experience to us all because it matters so much. I tell you Madam President, it truly moved me. It truly moved me.

I guess when we are in politics awhile we get a little crusty and we do not get moved many times anymore. But that moved me. And I am proud to be a cosponsor of this bill.

I want to express my personal appreciation to the chairman of the Judiciary Committee, Senator BIDEN, for accepting this challenge. I am told he is going to try to expedite this legislation. I commend him for it.

If one innocent little child in America, Madam President, as a consequence of this bill would be protected from the terrible experiences that my friend Oprah Winfrey talked about this morning, it would be so wonderful and we would have done so much. She spent her time coming out here. She spent money. She hired expensive counsel to draw this legislation for her, I am sure at substantial expense, and given all her time for this.

I think you know that is a marvelous thing, and I do not know how to express it except the way I have just done. I did not write that down. I tried to say it from my heart. Oh, to say that once in awhile some good person comes along and tries to make a difference and when a good person comes along and tries to make a difference we are all greater for it and we are all indebted.

I thank from the bottom of my heart Oprah Winfrey for letting me be a part of it, just a little bitty small part of it this morning, Madam President, and having the privilege to be there and participate. I hope the bill passes soon. I congratulate her on what she has done.

The PRESIDING OFFICER. Speaking as a Senator from Maryland, Ms. Winfrey did an earlier stint in TV in Baltimore, and the Presiding Officer, again speaking as a Senator from Maryland, is with her generosity of spirit in that work, and the Senator is correct.

Mr. DIXON. I thank the Senator who is in the Chair, a friend I greatly admire, for her remarks as well. I thank her as well and I thank my friends, the managers.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. COCHRAN. Madam President, I rise to say Oprah Winfrey was born in Mississippi. I am proud to know they now claim our distinguished Mississippi citizen as their own. We are very proud of her as well in the State of Mississippi.

OLDER AMERICANS ACT REAUTHORIZATION AMENDMENTS OF 1991

The Senate continued with the consideration of the bill.

Mr. COCHRAN. Madam President, I am told that on our side of the aisle we have two other speakers who have indicated an interest in speaking on the older Americans bill, Senator DURENBERGER and Senator HATCH. I assume, and think, hope, and trust they will be coming to the floor soon to be offering their remarks to the Senate.

That is my report to the distinguished Senator from Washington, the manager of the bill.

Mr. ADAMS. Madam President, I state to the Senator from Mississippi I appreciate that very much. We have no others that we know wish to speak on this amendment. We wish the Senate to have a vote on this amendment as soon as possible. I was going to suggest I hope they will arrive soon and then we might be able to be looking at voting on this amendment at 5:15 or 5:30. If we have not been able to do something before then, maybe we can get a UC by then.

I am not trying to press anybody or keep them from voting, but I know we are about to go into a quorum call, and I am hopeful Senators who are listening will understand that that is for them to speak in.

Mr. COCHRAN. Madam President, if the Senator will yield, I commend him on the management of the bill and moving us ahead as he has. We have not had any quorum calls where we have had just nobody here on the floor. Senators have come to the floor and cooperated with the managers, and we appreciate that very much. I trust we will have a speaker on the floor shortly.

Mr. ADAMS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Madam President, Groucho Marx once humorously described politics as "the art of looking for trouble, finding it everywhere, diagnosing it incorrectly, and applying the wrong remedies." I am sure it was not hard for the Senator from Ohio to find a group of individuals in some sort of trouble in this country. Unfortunately, his diagnosis is a prescription for a new $500 million—one-half billion dollars—entitlement program tacked onto the otherwise noncontroversial Older Americans Act. This remedy, undoubtedly, will be far worse than the initial disease.

The so-called pension losers' bill was added to the Older Americans Act by Senator METZENBAUM when the Labor Committee marked that bill up in July. Just yesterday we received yet another version of this measure.

I am today engaged in an effort to remove that proposal from this bill because it represents an unprecedented and disastrous raid on the Federal fund that insures the pension benefits of 40 million workers and retirees. The purpose of this raid is to finance a new entitlement program created by this measure.

This proposal is intended, according to its proponents, to provide payments to those individuals, called "pension losers," who lost earned benefits when their pension plans terminated before the Employment Retirement Income Security Act [ERISA] was enacted in 1974. The question, of course, is: Who pays for this new and costly entitlement program? The answer, under this proposal, is that these benefit payments are to be financed with funds maintained by the Federal Government's Pension Benefit Guaranty Corporation [PBGC], an agency created by ERISA. The PBGC funds consist of insurance premiums paid by employers to cover their employees' pension benefit losses should their pension plans go under.

The proposal's beneficiaries are not currently covered by the PBGC insurance program and have never had insurance premiums paid to the PBGC to finance their coverage because Congress, when it enacted ERISA in 1974, did not apply that legislation retroactively to these individuals—and with good reason; there was not enough money. If you are interested in a little history, the reason that Congress did not include these so-called pension losers when it enacted ERISA in 1974 is explained by the majority in this bill's committee report. The majority stated that in 1974, the 93d Congress "could not determine whether the new PBGC Program could financially support these retirees." Congress then determined not apply ERISA retroactively to include these individuals. Seventeen years later, the Senate is now poised to undo Congress' 1974 determination and to pay out benefits that may have been lost 30 or 40 years ago; notwithstanding, the 102d Congress is certainly in no better position to make this determination.

In effect, this proposal provides for a retroactive insurance policy that makes annual payments to beneficiaries without their having to pay a dime in premiums at the expense of current beneficiaries under the ERISA program; 40 million people in this country who depend on ERISA to meet their needs from an insurance pension program.

Madam President, the goals of this proposal simply do not justify the means employed to achieve them. In other words, someone has to foot the bill. That someone—those someones—are, unfortunately, 40 million workers and retirees. The means employed by this measure consists of a raid on the pension insurance funds that have been collected and maintained to protect the pension benefits of these 40 million workers and retirees who are covered by ERISA and whose pensions are insured by the Pension Benefit Guaranty Corporation. A further objection, of course, is that diverting the Government's pension insurance funds for unrelated and unintended purposes would set a disastrous precedent for the PBGC and other Federal programs that aim to protect the workers and retirees of this country.

My concerns regarding a raid of this magnitude are reinforced by the fact that the Government's pension insurance fund is already operating with a deficit of nearly $2 billion. Now these people are going to add another half billion dollars to it. This deficit exists in spite of a 700-percent increase in the past 6 years in the amount of premiums that employers whose workers and retirees are covered by ERISA must pay annually to fund this insurance program. This is a classic case of robbing Peter to pay Paul. However, in this case, Peter is the Nation's pension insurance guarantor and if he goes bankrupt, so might the 40 million Americans that he insures.

Before discussing my concerns with what this measure purports to do in more detail, it is also important to point out that Senator METZENBAUM's proposal may actually make payments to far more individuals than just the pension losers, as the proponents' rhetoric has been claiming today. Specifically, the version voted out of Committee required the PBGC to pay benefits even to individuals who have already received payment in full for their benefits if their pension plans terminated before September 1, 1974. In contrast, at least one earlier version of the pension losers's bill, introduced in 1984, explicitly excluded such individuals. Thus, the committee bill remarkably put individuals who were never covered by ERISA in a better position than many of those who are covered by ERISA. Expanding coverage to include pre-ERISA retirees who have already received pension benefits would probably mean, conservatively speaking, that the proponents' estimate of 38,000 persons who would receive benefits under this measure, an estimate that is certainly debatable, could actually be as high as 100,000 individuals.

Mr. ADAMS. Will the Senator yield for a question at this point?

Mr. HATCH. Will the Senator allow me to finish my remarks?

Mr. ADAMS. I was going to discuss the modification which took out that provision.

Mr. HATCH. I am going to refer to that in just a minute if the Senator will withhold.

Madam President, the proposal's cost estimate of $340 million would thus be correspondingly understated.

I note, of course, that the latest revised version, to which Senator ADAMS referred which we received just yesterday apparently makes some effort to limit coverage. As I may have the opportunity to discuss in more detail at a later time, my preliminary review of this modification is that it is ambiguous and could result in coverage of a far broader class than just the so-called pension losers.

Having said that, however, let me also make clear that even if the proposal were modified to unambiguously exclude individuals who are not truly pension losers, this measure would still increase the PBGC's already significant and growing deficit by as much as half a billion dollars. And that does not count all the administrative costs of implementing this particular bill. So it could be a lot more than that in costs to the Federal Government and the taxpayers and to the 40 million workers who really should own the benefits out of the PBGC.

In order to justify this unprecedented siphoning off of pension insurance funds intended to protect current workers and retirees covered by ERISA, a facade has been created that the PBGC is flush with cash. The facts, however, clearly show otherwise. The PBGC, in 1990 alone, recorded losses of about $928 million, and the accumulated deficit in the single employer program almost doubled to nearly $2 billion. Although these 1990 figures took losses from the subsequent Pan Am and Eastern Airlines bankruptcies into account, the actual losses in these cases will be greater than initially estimated. The recent LTV case, which could cost the agency more than $1.5 billion was not included in the 1990 figures.

By the late 1990's, the insurance payments that the PBGC must make to workers whose pension plans have gone under will begin to exceed the combination of premiums paid to the PBGC and its investment income. Referring to the agency's precarious financial situation, James Lockhart, PBGC's Executive Director, recently stated in the Wall Street Journal that "without legislative changes, PBGC losses could mount to more than $11 billion in a decade." I do not think that the pension losers bill, now attached to the Older Americans Act, with its $500 million price tag, or one-half billion dollar price tag, is what Mr. Lockhart meant by "legislative changes."

Is it not ironic that if the PBGC were itself a pension plan, it would be severely underfunded? And if it were a private insurance company, it would be declared insolvent and be taken into receivership. Yet, these people talk as though it is flush with cash. Now that is total unmitigated bull corn.

More importantly, this proposal taps into the Government's pension insurance fund for purposes other than those ever intended at a time when concerns about the PBGC's ever-growing deficit are heightened due to the agency's obligation to assume the liabilities of major corporate pension plans. In the wake of these recently publicized pension plan terminations, including the LTV case, the PBGC's gross liabilities have more than doubled between 1990 and 1991 from $3.7 billion to $8.3 billion.

That does not sound like an agency flush with cash. It sounds like a potential S&L debacle. And now we are going to add another one-half billion dollars and do it in a phony way that looks like we have gotten around the budget agreement?

The Pan Am pension plans, which the PBGC initiated action to take over in July of this year, are short by $900 million. That is almost a billion dollars more. Eastern Airlines still has a pension shortfall of $700 million. In LTV's case, one pension plan alone is short $1.5 billion. Further, the PBGC's potential liability from underfunded plans is about $30 billion, $8 billion of which is from corporate pension plans that PBGC considers "seriously troubled companies."

Where is the justification for now, 40 years after the fact, putting people into this program who never paid a thin dime into it, at the expense of the 40 million workers who are currently paying into it? And raiding the program under the guise of compassion—it is easy to be compassionate when you are raiding other peoples' money. It is tough to be compassionate when you have to figure out in the budget and make priority choices and choose among competing programs and do it the right way without entitlements. And that is what they are not doing here.

It is pathetic what they are trying to do. If we allow it here, when does it stop? It has not stopped for 60 years around here as we have continued to run deficit after deficit.

The very people who are arguing for these additional costs are the very same people who are calling President Bush's programs an economic disaster. They are the people who have devised these programs. No President in the history of this country has ever appropriated a thin dime. Every dime that is appropriated comes from this Congress. And they have the gall to criticize the economic problems of this country as though they were solely President Bush's. Come on.

I get a little sick of the politics played around here. Here is another game being played in the interest of compassion as long as the people who sponsor this do not have to take it out of their own pockets, or do not have to make priority choices among competing Federal programs and cut others to make the payments.

I am willing to look at that. I am willing to take from some programs that may not be as valuable as these but I think you are going to have a rough time finding them. Almost every program we have in the Federal Government today has constituencies and has good reason for being in existence. Whether I like them or not, most of them have good reason for being in existence. We have tried, in the Reagan years, to strike programs that did not, and we found that many of them did have basically good reasons for their existence. But I am still willing to look among those competing programs, and if we find some that are less competitive than these pension losers, then I am willing to cut them out in order to pay for the pension losers.

But I am not willing, not in the name of fiscal restraint and responsibility, to sock it to the people who have been paying all their lives into the ERISA Program at their expense for people who have never paid a thin dime into the program at a time when PBGC may be in trouble itself, and order a 700-percent increase in mandatory premiums socked to employers in the country.

These Government pension plan takeovers obviously mean that many thousands of workers will be relying on Federal insurance funds to cover their pension benefits. These workers represent, of course, only a small percentage of the 40 million individuals protected by the Federal pension insurance safety net. This safety net is having enough difficulty supporting the pension benefits for those workers it was intended to protect and for whose coverage premiums have been paid. These people have not paid a thin dime in premiums. And to raid the Treasury, to raid the PBGC on their behalf is absolutely immoral and wrong.

The net just might break if Congress approves this open season on the Government's pension insurance funds for other, unintended purposes.

Proponents of this legislation claim that they are protecting the financial stability of the PBGC by adding a provision that would reduce benefit payments under this measure if the agency's liabilities increase to some artificial threshold. This trigger provision, at least in theory, is very crucial because it purports to be what will ensure that the financial integrity of the PBGC will be maintained. This trigger or threshold, however, has been a moving target ever since the proposal's first draft. In fact, yet another and substantially more complicated trigger formula was included in the revisions we received just yesterday. And through it all not 1 day of hearings on this, not 1 day.

Let me try to briefly describe what has been done here by comparing language in the committee version to that in the version now before us. The operative phrase in the committee version that served as the trigger for payment was as follows: "And the threshold for such determination shall be no less than 120 percent of the cost rate." In the view of many, the PBGC would never have met this threshold and would therefore never have been required to pay out benefits.

These three lines in the committee version have now grown to 14 lines in the latest version, the first five of which will give my colleagues some idea of what we are dealing with here. The new provision now before us begins as follows: "the actuarial balance shall be deemed in close actuarial balance if the absolute value of the actuarial balance exceeds 20 percent of the present value of the expected future premium receipts." The remainder of the new provision attempts to define the term "actuarial balance" and, among other things, is apparently misdrafted so as to state that "the corporations shall be reduced by all current and future benefit liabilities and administrative expenses." That just cannot be right, and yet that is what they want to enact into law today.

Far be it for me, after only 1 day, to review this revised version, without any hearings, without further discussion to define what this language means. It is ambiguous, poorly written, and will not do what it claims, and may cause tremendous problems in the future. The most I can say is that a preliminary analysis indicates that in contrast to the committee version whose trigger level virtually guaranteed that no benefits will be paid out, this provision will require the PBGC to pay out significant benefits for this new entitlement program.

Consequently, at least two questions are posed by this revised version. First, what on Earth does this new and confusing trigger formula have to do with the real financial ability of the pension insurance system to absorb this major financial hit?

Second, how is it that this bill can get away with paying out up to $500 million for a new entitlement program without raising taxes or reducing other benefits? I will try to explain that in a moment.

The bottom line is that the payment threshold or trigger contained in the measure before us will not preserve the financial integrity of the pension insurance funds of millions of American workers and retirees. At best, the Senate really does not know what it is voting for.

That is a pretty sad state of affairs given the potential impact of this measure on the pension security of 40 million Americans who have paid into this system and who will be ripped off by this amendment.

I know there are many unfortunate stories of impoverished pension losers who would greatly benefit from this proposal. I, too, empathize with these individuals. But let me add another equally tragic story. Joe and Jane Smith are a fictional couple that can be just about any family in America. Joe has worked for over 20 years. Jane has worked for about 10 years in order to meet the difficult financial demands of today. Joe and Jane will retire in 1995. When the Smiths go to pick up their first pension checks, they are sadly informed that since their retirement, the companies they both worked for have gone out of business. But, thought Joe, the Government has a pension insurance system that protects its citizens' pensions for just this case. This time their anxious questions receive the shameful answer that the money that was set aside for them, that they had paid into, that their employer paid into up to that point, and all the other intended beneficiaries of the Government's pension insurance program was used to pay for something called pension loser costs. When Joe desperately asks for the rationale of the pension loser law, he is told that in 1991 some of the Nation's lawmakers gambled that the Government's pension insurance system had plenty of funds to pay for both the unintended benefits to these pension losers as well as to pay benefits to the law's intended beneficiaries like Joe and Jane.

The lawmakers, it turns out, were wrong. Joe and Jane, after working for many years, will never see a dime of their pensions. Some of the country's politicians, Joe and Jane will undoubtedly exclaim, must be held accountable for their votes on the pension losers bill.

Of course, many of those who will vote to pass this will have gone out of the Senate by then or perhaps be in their last terms in the Senate by then. So they do not care one way or the other.

The citizens of this Nation, in order to avoid the above scenario, must realize that the drafters of the pension losers bill have gone to extraordinary lengths to try to avoid a technical budgetary impact on the very agency that protects their pensions. To circumvent the budget rules and to limit the budget impact on the PBGC's books, but not in real life, the proposal forces the PBGC to disregard a $400 to $500 million long-term liability in its normal accounting and allocation practices. The PBGC is somehow supposed to pretend that its resources, which will be spent if this measure passes, continue to exist in its savings account, referred to as the trust fund. Remarkably, the statutory language specifically orders the PBGC to disregard any amount paid by reason of this act in computing the ratio it uses.

This is the statutory language:

Section 711. Program Funding.

(c) Amounts disregarded for allocations. Any amount paid by reason of this act shall be disregarded in computing any ratio (including the proportional funding ratio) used by the corporation in allocating amounts from any fund of the corporation.

We have added the emphasis, "Any amount paid by the reason of this act shall be disregarded." In other words, they say this to try to get around the budget enforcement agreement. At some time, however, the agency will have to do what any debtor has to do and that is pay off its financial obligations.

To require the Government's pension insurance agency to disregard a debt that it has indisputably incurred is simply not honest to the Nation's taxpayers and encourages irresponsible fiscal policy.

These are the people criticizing President Bush? These are the people that promised at this point, not just because of this but the thousands of other programs they are insisting on having, to break the bank. With these kinds of practices being promoted here in Congress, it is no wonder how our Government has amassed such an exorbitant deficit.

It is smoke and mirrors. That is what this language is, smoke and mirrors, to the detriment of other budgetary consideration, to the detriment of the 40 million people who have worked so hard and paid into the fund to keep it alive to begin with.

The only reason for the proposals of creative bookkeeping is to avoid an onbudget effect and, therefore, to elude the pay-as-you-go rules of last year's budget agreement. The attempt is a clever one and the administration and the Office of Management and Budget see through the smoke screen and so should the entire Senate itself.

Secretary of Labor Lynn Martin made clear the administration's view of the budgetary impact of the pension losers bill. She wrote to us and she writes this:

> The provision would violate the pay-as-you-go requirements of the Budget Enforcement Act by increasing direct spending without providing an offset. Despite the bill's attempt to circumvent the Budget Enforcement Act by drawing down PBGC's trust fund and proscribing special accounting rules, the Office of Management and Budget would score a budget outlay effect. Accordingly, if the direct spending increase estimated by OMB were not offset by the end of the fiscal year, a corrective sequester would be triggered.

So this language for all of its cleverness might force us into a sequester at the end of the year. That would be a sequester cutting many programs, not just the pension program, across the board.

So in order to avoid a sequester, does the Senator from Ohio plan to raise taxes? I am sure he would be delighted if we did. Or is he going to reduce benefits? I doubt if he will ever push for that. It is too hard to choose among competing programs and choose the better over the lesser or, in this case, the lesser over the better.

But one or the other—you have to increase taxes, or you have to reduce benefits. One or the other must be done to comply with last year's Budget Enforcement Act.

The U.S. Senate must start acting in a fiscally responsible manner. We are not used to doing that around here, but I think we have to start. Even though $0.5 billion does not seem like much to some in a better than a trillion dollar budget, almost $1.5 trillion budget, $0.5 billion makes a difference. In this case, it really makes a difference. No one can ignore the $400 to $500 million increase that this measure imposes on the PBGC as well as on the Nation's retirees and workers.

Eventually when off-budget trust funds savings are squandered, the costs inevitably will be reflected in the program by higher future premiums, or tighter eligibility rules, both of which will discourage employers from sponsoring pension plans for their employees.

So what looks like such a wonderful thing today might wind up causing employers not to sponsor a pension plan at all in the future. Why should they when they see the plans being ripped off by Congress, an irresponsible Congress, that is unwilling to either increase taxes or cut benefits? Nobody wants to increase taxes, but we could cut benefits.

As a result, millions of workers will not receive pension benefits during their retirement. By attempting to hide its cost, the proposal only postpones those unpleasant choices and places a greater fiscal burden on some future Congress and, more importantly, on future workers and retirees. The measure is in violation of Federal budgetary requirement and, unfortunately, coupled with its failure to consider the potentially devastating and administrative costs and burdens associated with this proposal. Those are in addition to the $0.5 billion. This measure will be exceptionally difficult and costly to administer due primarily to the fact that the necessary documentations to verify claims may date back some 30, 40 years or may not exist at all.

In fact, in its testimony before the House Subcommittee on Employment and Housing on October 31 of this year, the General Accounting Office, the GAO, noted that "the administrative burden to the PBGC of their proposal could be substantial." I would underline that word "substantial."

The proposal specifies three sources of information that supposedly have the necessary documentation to verify pension loser benefit claims. The IRS, one of the proposals for information sources, states however that "records to evaluate applications for benefits under the Pension Restoration Act of 1991 are destroyed in the timeframe stated. In no case would they be kept longer than 10 years. Therefore, we would not be able to provide the PBGC with information filed before 1974."

Also the U.S. Department of Labor, another information source, states that "We can be sure that all the files would have been destroyed by now" that are needed to verify the pension losers claims.

The last information source which alluded to the proposal's text is an applicant's employment and payroll records. First, very few individuals who retired before 1974 will still have their payroll records. Second, these payroll records alone will not be sufficient to determine, for example, if an ERISA employee was already given a pension distribution when he or she retired.

Mr. President, the information to verify these claims just does not exist.

The administrative nightmare involved with this bill is described by the following scenario. The IRS is the only agency that keeps records on the distribution of pension benefits to employees which would be a key ingredient to a claim for pension loser benefits. However, the IRS only keeps these data on businesses that they have audited and would only have this information on the 25 employees who topped the list in the amount of lump sum distributions.

Consequently, it would be a mere coincidence if the PBGC would find a business that the IRS happened to audit in a given year and in which the claimant was an employee who received one of the highest 25 pension distributions.

In any circumstance, the proposal by the Senator from Ohio could at best only provide a retroactive pension placement to a few lucky individuals who happened to have for decades kept their employment records and for a few which appeared on these IRS audit reports. It is almost an impossibility.

I have mentioned a number of significant problems with this piece of legislation. Unfortunately, any analysis is necessarily hampered by the fact that no hearings were ever held on this proposal, and that we received the third and significantly revised version only yesterday.

Mr. President, here is what we are doing. We, the U.S. Senate, if we pass this today, and if the President vetoes it, and the veto is overridden, we are taking money from the 40 million American workers on November 12, 1991, and writing out a check pay to the order of the new entitlement program, another one on top of everything else. Heaven help us. And we are spending $500 million and a half plus, $0.5 billion, from the U.S. pension insurance fund. We are signing it, the U.S. Senate.

Mr. President, I am going to put a little overlay on this because this is what this check should be returned as "insufficient funds" because we do not have sufficient funds to do that.

If we do it on top of the $11 billion potential deficit in the PBGC over the next 10 years, we have to be crazy. No wonder the American people are so sick and tired of Congress. We have a new program every time we turn around that is going to sock it to them, and take it away from those that really earned it and paid into the fund. I do not understand that.

Instead of either increasing taxes or reducing benefits in some other program, why sock it to the people who have paid for these benefits—the 40 million American workers?

We do not have the funds to pay for this program. We just plain do not have the funds to pay for it, not without increased taxes. And I guarantee you when the $11 billion of deficit hits—somebody said we have $300 million in cash flow. Come on.

The PBGC is in real trouble. We all know that. We have been continually increasing the costs of running the PBGC. Business people are tired of it. Employees are tired of it. We are facing deficits like you cannot believe, and I have only listed a few of the large ones like LTV and the $1.5 billion, and Eastern Airlines, almost $1 billion, more than they already plan putting in. They are broke.

But there is no reason to be broke. Certainly, there is no reason to make it more broke by socking it to 40 million American workers who paid into this fund, and count on it for being solvent for them, but socking another half billion dollars, plus the administrative costs, to them and the other taxpayers of America to help those who have never paid a thin dime into this program. Right is right. It is time for us to start doing what is right.

Madam President, the Senate, in the next hour or so, is about to vote on whether it intends to write a blank check. It is going to be a blank check on an account labeled "pension and insurance fund for 40 million Americans." If and when that check bounces, it is not the Senators in this body who will have to pay the penalty or make good the financial obligations; the burden of all the costs are going to fall on these 40 million American workers—they are the ones who are going to get taken here—that the PBGC insures, people who have been paying in all these years.

I think it is better that the U.S. Senate act out of responsibility to all of its citizens than out of the popularity of its special interests. Fortunately, the proposal's affect on PBGC's ability to protect the Nation's workers and retirees is clearly understood by the administration. The administration, as well as several Senators, were very supportive of the unamended version of the Older Americans Act. It would pass 100 to zero. However, Senator METZENBAUM's provision has now put the entire act in jeopardy of the Presidential veto.

The Secretary of Labor wrote that "Given the seriousness of these issues, the President's senior advisers will recommend that the President veto S. 243, unless the pension restoration act is removed."

Madam President, we are now in the 26th or 27th year of high-level deficits in our budget. That is more years than most of us have served in this body. Some have served quite a bit longer, but not very many. It is time for us to start becoming fiscally responsible.

If we want to take care of the pension losers—and I myself would like to do so—let us not do it by robbing the pension funds of those who have paid into it since 1974. Let us not bankrupt that fund so that we can do a good turn for those who have never paid into it. Let us face that problem, and let us look at the Federal budget.

I know we do not have the guts to increase taxes. DANNY ROSTENKOWSKI's approach just is not going to fly, because he calls for increased taxes, without any opportunity to get incentives into the system.

Therefore, the only way we are going to be able to do this, for these pension losers—and I would be happy to sit down with the Senator from Ohio to see if we can define competing programs to take the moneys out.

There is always the answer by those on one side of the floor that they will always find it in the military. The problem is, even the military only has so much money to keep us safe and secure. You can only go to that well so many times. It is amazing that we have any military at all. It is going to continue, and we all know that the military is going to have to scale back. Secretary Cheney knows that, and he is doing it now. All of us understand that. But that is not where you are going to find this half billion dollars. We are going to have to find it in competing social programs.

I might add that the pension loser provision is not included in the House-passed version of the Older Americans Act. They have been fiscally responsible to the degree that they have kept it out. I am sure there are those over there that have the same desires as the very compassionate Senator from Ohio. But the fact of the matter is that they have kept it out, realizing that you cannot rob the 40 million workers who paid into this since 1974 to benefit those who have not paid into it, no matter how righteous or compassionate that act may be.

I think true compassion is when we dip into our own pockets and not those of our citizens, especially those who have earned those benefits, in order to do good for our men and women. I urge my colleagues to be fiscally responsible and oppose the pension losers provision. I think that unless we start doing that around here, we do not have a chance of keeping this country going the way it has gone for so many years in the past.

Madam President, it is time for us to be fiscally responsible. It is time for us to not rob Peter to pay Paul. It is time for us to not do what really amounts to dirty things to those who have been paying into this program. It is time for us to recognize that PBGC has been in trouble for better than a decade, and it is time for us to recognize that it is in trouble now. And with the bankruptcies that we have had, just the three that I have mentioned, all of the trust fund will be gone, and we will be in deficit with regard to the rest of the Pension Benefits Guaranty Corporation obligations. It is time to be responsible and I hope many of us—enough to defeat it—will vote against the approach of the distinguished Senator from Ohio.

I yield the floor.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Madam President, in a moment, I want to yield to the Senator from Ohio to answer some of the specific statements by the Senator from Utah. I might just state one thing before we go into the details, and I would state to the Senator from Ohio that comments were made about the LTV settlement that I feel were inaccurate and need to be corrected—the fact that it can be covered by the Pan Am and Eastern which will take such a period of time that the LTV alone would settle it.

I want to make one point before doing that, and then I will ask again if we cannot get a time period, maybe, where we can settle this amendment without further ado. But it is often said in this Chamber that the Congress appropriates all money that is spent. I have been in both the administration and the Congress, and the Congress may appropriate money, but this is a perfect example of the administration spending, or not spending, or misspending, or mismanaging the spending of money. This is an administration agency.

I do not think the distinguished Senator from Utah was on the floor when I made the comment to the Senator from Mississippi that if these people are as bad down there as is being indicated, the Congress and the appropriate committees should be doing something about them, because our information is that you could pay this benefit out of the investment money paid on their yearly income. In other words, it does not require any additional taxes; it does not even take money out of the fund, as has been indicated here by the Senator from Utah.

You have $151 million. In fact, you have $300 million of investment income, $151 million from investments on this trust fund, and you could pay the $51 million out of that and pay it over 20 years.

These are the people who created the program. So either this administration is managing correctly, or it is not. We do not like the idea that you keep gathering in all of these funds in the trust funds that have specific purposes to protect American middle-class workers, and then when the time comes to pay them, you do not pay them.

In this particular case, as has been so well stated by the Senator from Ohio, there is an equity for people who were the ones for which this fund was created, and they did not make it retroactive, because they did not know how many of them there would be.

Now there are so few of them left that we ought to try to create a little justice for them, $75 for each year you worked, 20 years of working. That is $1,500. And if your spouse dies, you get half, which is $750. That is $51 million a year out of this agency which it can pay out of its investments.

I want to state that again because this goes to a matter of basic trust to the families of America, and I am hopeful that we might—I do not know many more wish to speak. I know Senator DURENBERGER does. We have one more speaker. I was wondering if we might enter into a unanimous-consent request. Senator HATCH spoke now, Senator METZENBAUM spoke now, and I and others. Maybe we could agree to vote on this amendment at, say, 5:30 p.m.?

Mr. HATCH. I am not sure where we are. Let me do some checking on this side. I would like to vote on it, too.

Mr. ADAMS. I would like to vote on it, too.

Mr. HATCH. I understand Senator DURENBERGER would like to speak to this. He should be here shortly.

Mr. ADAMS. He is the last speaker we know of.

Mr. HATCH. I do not know how long he wants to speak. I will check and go from there, vote on it. Let me check on our side.

Mr. ADAMS. Senator METZENBAUM could proceed, and let me know. Say 5:30 for this amendment, if you could, please.

Mr. COCHRAN. We will try.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, there is a lot of misinformation going out on the floor here today and a lot of crocodile tears being cried. It is interesting to hear my colleague and friend from Utah talking about how the poor taxpayers of this country are going to be affected. I remember when all of us joined together to give $50 million to people who had no legal right to the money, but they were in Utah and they had been affected because they were downwind from an atomic facility, and we all agreed to give the $50 million out of the taxpayers's funds.

When it comes to these people, these pensioners, who are left by the wayside, nothing is called for from the taxpayer. There is not one penny coming out of the taxpayers' money in order to pay the pensions that were due these 38,000 people.

When we talk about the amount of money involved, the amount suggested at $500 million, the only thing wrong with that is it is only $300 million. I do not know where the $500 million figure came from, but the $300 million figure is much more accurate. That $300 million will be paid and caught up over a period of 20 years, and now the PBGC has a $300 million surplus each year. It has a surplus in part due to the fact that the rates for the employers were increased last year and nobody was asking for it. PBGC was not asking for it, but the money was there.

When this law was first enacted, ERISA was made 3 months retroactive covering the workers from 32 terminated pension plans, and during the first 3 years after the enactment. thousands or workers from 160 terminated plans received PBGC coverage even though their employer paid little or no premiums to the PBGC. These are not just a handful of employees from one particular State. These are employees that came from companies all over the country, and there will be at the desk a list of the States and the names of the companies where these employees worked. Look it over. They are your constituents, they are your neighbors, they are the senior citizens of your State who are entitled to some help.

This bill provides a pittance, $75 for each year of service up to $1,500 a year. The cost is $38 million a year and it goes down. It is paid for from a $32 billion off-budget PBGC fund. This fund has $3 billion in assets and receives $300 million a year in premiums and earns annual investment income of $150 million a year.

The claim is made that it is an improper use of PBGC funds to pay for these benefits. PBGC's mission is to provide pension benefits to individuals whose companies did not properly fund their pension plans. This bill is consistent with that intent. The PBGC was created for exactly this purpose and, in fact, was created because of the hardships faced by this group of people. We are only helping those people for whom the PBGC was created.

The only reason that these workers were not covered was due to PBGC's effective date. At that time, we in Congress had no idea as to how many workers had lost their pensions and feared that the PBGC would not have sufficient finances. ERISA was made 3 months retroactive. We are not breaking any new ground; ERISA itself was made retroactive, and what we are doing is going back and covering those 38,000 employees not picked up by the retroactive provision. During the first 3 years after ERISA's enactment, thousands of workers from 160 terminated plans received PBGC coverage even though their employers paid little or no premiums to PBGC. PBGC does not allocate employer contributions to specific accounts. All premiums are put into one fund that is to be used to pay out pension benefits.

One argument is that the PBGC does not have the money to pay for this bill. I want to emphasize something. There is no way the taxpayers are going to pay for it, notwithstanding the representations of the Senator from Utah. PBGC has the money to pay for it, $3 billion on hand earning $150 a year on its assets, positive cash flow of $300 million in 1990 and expected to maintain that positive cash flow throughout the decade. It just settled a possible claim for $3 billion. They worked that out with them. PBGC will not have to pay it.

While PBGC claims it has accumulated liabilities of $1.8 billion, that figure is misleading. The PBGC liabilities are long-term. They pay out retirement benefits over a 50-year period. And, in addition, PBGC does not offset that liability against incoming premiums. With premium income of over $700 million a year, PBGC will pay off its liabilities by 1997.

Congress has increased PBGC annual premiums significantly. It was increased from $2.60 to $8.50 in 1985. It was raised to $16 in 1987. It was raised to $19 in 1990. And the last increase, and I want to emphasize this, the last increase was one that the PBGC claimed not to need. Yet 1 year later they say they cannot afford this. Come on, who are they kidding? And they claim that the PBGC faces enormous future liabilities. The future is inherently speculative. But, it is unlikely that the PBGC will face growing liabilities.

The PBGC has recently, as I previously stated, been relieved of its major problem, the LTV problem. LTV shortly will put $1.8 billion into the plan and will contribute another $1.2 billion over the coming years. That settlement saves PBGC $3 billion in liabilities.

Mr. President, this amendment that is in the bill that was supported by Senators KASSEBAUM and COATS in the committee, that was proposed to the U.S. Senate by Senator D'AMATO in 1981—and I assume that he still is a major supporter over it; I saw him on the floor a moment ago—this amendment is right. This amendment is fair. This amendment is the only decent thing to do. The Congressional Budget Office has indicated that it will not have an adverse budgetary impact, and I urge my colleagues to agree to table the amendment when the Senator from Washington and myself join in offering that tabling motion.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, as the Senator from Ohio correctly noted just then, I voted for the Pension Losers Act in the committee. I did so because I thought it was important that this issue be brought to the attention of the full Senate. I think it is a very important issue.

But, Mr. President, since the July vote, the situation regarding the Pension Benefit Guaranty Corporation has changed considerably. Perhaps most important is the adverse court ruling regarding the LTV Corp. pension plan. At this time I do not think it is prudent for the Senate to pass a Pension Losers Act without a better examination of the financial vitality of the PBGC. The Senator from Ohio just spoke to the situation regarding LTV, and it might be that this will be resolved in such a way that at an appropriate time we can consider this again.

But our first and foremost attention must be to ensure that those pension beneficiaries who are explicitly insured by the PBGC are fully protected and that the PBGC has the capability to fulfill its mandate. This is an important task and one that should not be taken lightly.

Legislation, such as the Pension Loser Act, is important and should be considered. However, I believe it should be considered as part of a comprehensive examination regarding the PBGC and its future liabilities. Accordingly, I do not think the Pension Loser Act should be included as part of the Older Americans Act, and will express my vote accordingly.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I rise, too, as a member of the committee to say first that the Older Americans Act that we are considering today authorizes some of the most important programs that the Federal Government sponsors for the elderly population, certainly programs that to my State of Minnesota have been not only popular but have given rise to a lot of self help, donated service programs, and community service programs for the elderly.

The current reauthorization bill expands several Older American Act programs at a 5-year cost of $8.2 billion, and I think all of those dollars are very well spent.

I have been long involved and active in extending and expanding the programs authorized by the act. In my first year here, in 1979, I supported an increase in the 1980 budget authority by $100 million for nutritional programs for the elderly. Then, in 1980, I voted to set goals for States to expand their Older Americans Act funding of home-delivered meals. Further, I supported raising the total authorizations under the act for 1982 through 1984. These increases included funding for nutritional programs, legal services, transportation, and social centers.

In 1987, I supported the amendment of my late colleague, John Heinz, that raised $10 million for community service employment for older Americans under the Older Americans Act. In addition, I voted to increase funding for Meals on Wheels by $1.4 million that same year. Also, before the reauthorization bill went to conference, I supported a $100 million older Americans' allocation for States to provide home health care to low-income individuals.

So, Mr. President, this is by way of saying that we have worked with each other, colleagues on both sides of the aisle, to improve the Older Americans Act, and we have done that again this year. And I compliment both the majority and the minority for their contributions in this regard.

In this legislation we provide for increased spending for support services for older Americans and senior services. Over the next 5 years we are authorizing more than $4.5 billion for these services as well as for congregate nutrition services and home-delivered meals.

In addition, this legislation includes more than $16 million for a new Neighborhood Senior Care Demonstration Program. This program will promote changes in current health and long-term care delivery and payment systems. It will help communities develop the infrastructure to coordinate neighborhood-based formal health and informal support services that enable the elderly to remain in their homes.

I could go on and on. I could mention a particular program in the State of Minnesota, the Living at Home/Block Nurse Program, a unique program to serve the elderly, which is in this bill as national authorization because of experiments by and with the senior community in the State of Minnesota.

But, Mr. President, I come to the floor at this time, as I did during the course of the markup, to strongly object to injecting into the Older Americans Act the issue which we have before us, which is: What is it that we are going to do for those persons who were involuntarily retired from their employment prior to 1974 and the passage of the Employment Retirement Income Security Act.

I come from a State that suffered deeply, prior to the 1974 passage of ERISA. I am sure my colleagues then and my predecessors from the State of Minnesota were deeply moved at that time to help pass the ERISA provisions by Minneapolis Moline Corp., White Motor Co., St. Paul Milk Co., Franklin Creamery, Peters Meats, Swift & Co., Sunshine Biscuits, W.H. Sweeney & Co., Marshall Willis Hardware, Cutahy Packing House—I could name large, large Minnesota employers who went bankrupt, leaving people in my State without vested pension benefits prior to ERISA.

I have known many of those people. I lived with those people at the time.

But I rise today to support the amendment of my colleague from Mississippi because this is not the bill on which to take care of those people. Certainly, as all of my colleagues here have argued—other than the proponent of this amendment from Ohio—this is not the way in which to take care of the people who were involuntarily retired from Minneapolis Moline, White Motor, St. Paul Milk, Franklin Creamery, and Peters Meat.

If you want to do it, do it, but do not do it on the backs of people who have worked since 1974 for an even longer list of Minnesota companies that employ over half a million employees, because those companies are currently paying into the Pension Benefit Guarantee Corporation in order to ensure their employees' retirement.

It was just because of situations where individuals lost their pension benefits after working a lifetime for a company that Congress voted to adopt ERISA. But when Congress adopted ERISA in 1974, it specifically made the rules and protections of ERISA prospective. During floor debate in the Senate, Senators Gaylord Nelson, Henry Jackson, and LLOYD BENTSEN engaged in an extended colloquy over the timing of this bill. And it was clear to the authors of ERISA that employees who worked for companies that had gone bankrupt prior to ERISA would not benefit from ERISA.

Mr. President, under ERISA, employers that maintain defined benefit plans contribute premiums to the Pension Benefit Guaranty Corporation, a Government entity that insures the benefits of plan participants. Participants in plans are now guaranteed that they will not be left out in the cold when pension plans terminate in an underfunded State. However, let me reiterate, the authors of ERISA never intended to make the PBGC's coverage retroactive.

Mr. President, the pension rider in this bill jeopardizes the PBGC's fiscal integrity, thus endangering the safety net of the 40 million working men and women who are relying on PBGC to protect their pensions.

Moreover, the pension rider creates a dangerous precedent of raiding a designated trust fund to pay benefits unrelated to the purposes for which the trust fund was created. Passage of this bill can only serve to further erode the public's confidence in our ability to manage scarce resources.

The pension benefits rider attached to the Older Americans Act is financially irresponsible. The PBGC maintains a trust fund that contains terminated plan assets. If plans were fully funded at termination, PBGC would never take them over. So, by definition, PBGC's trust fund has more liabilities than assets.

In 1990, PBGC had $5.1 billion in liabilities and $3.3 billion in assets—

leaving a $1.8 billion deficit. Somewhere along the line, that money must be found. But the situation is getting worse.

PBGC projects its 1991 liability will grow to $8.3 billion and its assets will expand to $6 billion. Thus, PBGC's deficit will grow from $1.8 billion to $2.3 billion in one year. That deficit trend will only get worse, not better.

I am deeply troubled that the sponsors of this bill want to spend money that is already spoken for. We estimate the pension rider to the Older Americans Act will cost, in current value, one half billion dollars. That's a great deal of money. And adding to an already startling PBGC deficit endangers the financial integrity of our pension protection system.

The PBGC's precarious financial status is no secret. An article in the Washington Post last July highlighted our fiscal plight. That article stated:

> The federal agency that guarantees corporate retirement plans moved yesterday to take over two pension plans at bankrupt Pan Am Corp., warning that they were so underfunded they threatened the insurance safety net that protects the pensions of millions of American workers.

Yes, the PBGC has over $3 billion in assets right now. But that money is as good as spent. How can we in Congress raid the pension trust fund at the risk of bankrupting the pension protections guaranteed to 40 million current workers.

Mr. President, how am I to go back to Minnesota and tell the 70,000 participants in Dayton Hudson's pension plan that I just took $500 million out of their pension insurance fund? Will Pillsbury's 10,000 plan participants understand that when money is set aside in Washington for one purpose, Congress can simply shift those funds to another purpose?

The amendment creates a dangerous precedent of raiding a designated trust fund. I better refer to the amendment as the Pension Restoration Act as the pension rider which is already in this bill rather than the amendment which I am supporting—because in committee the Pension Restoration Act was in the form of an amendment, which I voted against, as did many of my colleagues. I ended up voting against the passage of the Older Americans Act. That was the first time in 13 years I voted against older Americans and certainly against this bill.

It was sort of an astounding thing for a Senator from Minnesota to do but I did it because of this so-called pension rider that jeopardizes the fiscal integrity of the PBGC.

As I said, I oppose this pension rider because it sets a dangerous precedent of spending money from a trust fund for purposes unrelated to the trust. Thus, even if PBGC could afford to pay the benefit described in the pension rider, I would oppose the bill.

Mr. President, I must say I have given this legislation careful consideration. Obviously, the political thing to do is to support the bill as presented to us, support the Older Americans Act, support giving benefits to persons who do not have them because they were involuntarily retired prior to 1974.

But, Mr. President, we need to be responsible. We certainly need to be responsible to the constituents who are already retired. We need to be responsible to those who are paying into the trust fund who are expecting there will be something there when they retire.

Today, I have approximately 600,000 of my constituents on whose behalf contributions are being made to a trust fund which is in deficit, and I cannot go back home and say that I lifted a half-a-billion dollars from that trust fund to pay for people who are not entitled to be paid from that trust fund.

Why should current plans subsidize, through premiums, those terminated plan participants that never contributed to the PBGC? We have raised the premiums on PBGC plans by 700 percent over the past 6 years, to the point where many employers are discontinuing their defined benefit plans. This bill simply reinforces the inclination of many employers to terminate their plans. Employers have a hard enough time justifying high premium costs to protect those who participate in the PBGC risk spreading pool—but subsidizing others not contributing to the insurance pool makes no sense at all.

The PBGC trust fund was created for a special purpose—a purpose different from what the sponsors intend with this legislation. Under the principles established by this bill, why not raid the Social Security trust fund to provide this benefit? I understand we currently have cash on hand in that fund, even though we know we need that money to finance the retirement of the baby boom generation.

In the alternative, let us use the highway trust fund, or our environmental accounts. Simply to suggest it is to reveal the absurdity of the position. We have many, many people who are hurting out there financially. But this is not the vehicle we should use to help them.

We should use our common sense and reject this invitation to bankrupt our retirement trust fund that we all rely upon. If we simply want to transfer wealth we should increase Social Security, benefits or change the tax code. But we should not undermine our pension security.

Mr. President, I have given this legislation careful consideration, and I believe it is fatally flawed. Even though some of my constituents in Minnesota would benefit from the bill, I have to keep in mind that an estimated 600,000 working Minnesotans are counting on the PBGC to protect their pensions. And I am unwilling to compromise their security in order to benefit a narrow class of individuals.

I urge my colleagues to take a close look at this legislation and to support the amendment of my colleague from Mississippi.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. KENNEDY. Mr. President, I fully support S. 243 and oppose the motion to strike the provision of modest pension benefits to workers who never received the pension benefits promised by employers because their plans were terminated prior to the enactment of ERISA.

A pension is a fixed amount paid regularly by a former employer to a retired, disabled, or deserving person or his dependents. The estimated 41,000 pension losers who are potential beneficiaries under the Older Americans Act reauthorization have not received a fixed amount on a regular basis since their retirements.

In fact, these older Americans have received nothing because their former employers terminated their pension plans before ERISA was enacted in 1974.

Even though these deserving older Americans relied on these promised pensions; even though their plight led to the enactment of ERISA so future retirees would not be so denied, these pension losers were left out in the cold because the retroactivity of ERISA was not extended far enough to cover them.

Pensions are not handouts granted to workers by the benevolence of employers. They are basic benefits earned by years of loyal service, and are often a retiree's most significant asset. The pension losers had their most significant asset taken from them on the brink of retirement. This would not happen to workers covered under plans today.

Because the pension losers lost their earned benefits, the PBGC was created by Congress to insure that a similar plight does not befall retirees of companies with pension plans. Today, if an employer is unable to meet its pension obligations, PBGC takes over the obligations and pays the benefits.

Paying $75 to eligible pension losers for every year they worked under their company's plan and paying surviving spouses half that much, will not recoup the significant benefits already lost; it will only restore a modicum of what the pension losers would be receiving today had their plans not been terminated.

The cost estimate of the pension losers provision is $50 million for the first year and less each year thereafter—a small price to pay to give a dwindling number of older Americans the pension benefits they worked long and hard for and which they have for too long been denied.

The cost to the Government for this bill will diminish each year as fewer beneficiaries survive, and the entire program is likely to phase out by the year 2000.

I appreciate concerns raised about adding to PBGC's existing contingent liability from insured pension funds—even this small and predictable amount.

But the pension losers provision as written addresses the concern over extending PBGC's liability. By making the pension losers liability secondary to new liabilities that may be incurred by PBGC for an insured plan's failure, payments to the pension losers would be reduced or even stopped—depending on the level of the new liability.

This would prevent the Pension Losers Program for bankrupting the PBGC, while fulfilling the promise to those whose misfortune made insured pensions a reality for millions of workers.

The Pension Losers' Committee, which has brought this issue to Congress' attention for years, was formed in Massachusetts by Ed Johnston, who lost his pension when the Perkins Machine & Gear Co. closed in 1971. Mr. Johnston was then 62 years old, and he dedicated the rest of his life until his death in 1989 to helping the thousands of workers at Perkins, Studebaker, and other companies whose pension plans were terminated pre-ERISA.

The work of the Pension Losers' Committee has been taken up by another Massachusetts man, Paul Edwards, who has continued to seek simple justice for elderly retirees and their spouses who have persevered for so long.

Their long and tireless efforts will finally be successful with passage of the Older Americans Act.

I commend Senator METZENBAUM for listening to their plea and Senator ADAMS for incorporating the pension losers provision into the Older Americas Act.

I also commend the aging groups for their support, and for their recognition of the unfairness that has been suffered by this small group of older Americans.

For many pension losers like Ed Johnston, passage of this program is too little too late.

But for thousands of others, like Paul Edwards, this program will restore some of the pension benefits they deserve and ensure that justice is finally done.

Mr. HATFIELD. Mr. President, I rise today in support of S. 243, the Older Americans Act Reauthorization Amendments of 1991. As a longtime advocate of services for the elderly, I am pleased with the success of the Older Americans Act, and I hope that through the reauthorization of this legislation we will continue to expand access to services and programs the elderly have come to depend on.

Over the past 26 years, the lives of millions of senior citizens and their caregivers have been improved due to services provided by the Older Americans Act. Through our actions today, the original act will remain essentially intact, and will be strengthened by provisions which will modify existing programs to increase legal and elder rights services, transportation services, long-term care ombudsman programs, in-home care, and congregate meals programs. In addition, the role of the Administration on Aging will be strengthened to increase the ability of the Commissioner to be an effective advocate for the programs included in this act.

As the ranking minority member of the Senate Appropriations Committee, I have long supported full funding for the programs authorized under the Older Americans Act. In the last year, we have seen funding levels increase by more than $111 million. For fiscal year 1992, the Labor/HHS/Education appropriations bill provides $1,225,541,000 for programs authorized under the Older Americans Act. Since 1982, we have increased funding for aging programs by $312 million.

Mr. President, today we have heard extensive debate on the pension provisions included in the Older Americans Act. I cosponsored S. 351, the Pension Restoration Act of 1991 because I believe that it is appropriate to compensate individuals for lost vested pension benefits. There remain approximately 40,000 people who are the victims of pension plans which terminated before the passage of the Employee Retirement Income Security Act of 1974. I would like to see Congress take action on a program which would pay these individuals at least part of their promised benefits.

However, I am now informed by the Pension Benefit Guarantee Corporation [PBGC] that S. 351, as included in the Older Americans Act, may not address the problem as I previously understood that it would when I decided to become a cosponsor. Because of bill language that would allow the PBGC to reduce benefits in certain circumstances, it is possible that the intended beneficiaries will not receive the benefits promised under this bill.

In addition, I am concerned about the solvency of the PBGC. Some estimates show the PBGC currently running a $2 billion deficit due to bankruptcies of companies with large pension liabilities. This agency is charged with the duty of protecting the retirement security of over 40 million Americans. We should not take hasty action which might jeopardize this security by adding another large liability to this fund. Therefore, I must reluctantly vote to delete the pension restoration provisions from the Older Americans Act. It is my hope that we will revisit this issue in the future.

Despite my concerns over the pension provisions of this legislation. I strongly urge my colleagues to carefully consider the benefits provided to the elderly and their caregivers by this legislation, and to vote accordingly. We must be prepared to provide adequate access to elder services as more and more Americans reach retirement age. The Older Americans Act is a successful building block that has met the needs of the elderly and will continue to do so for years to come.

• Mr. HARKIN. Mr. President, I rise in strong opposition to this attempt to delete important pension provisions in S. 243. These provisions would provide a modest measure of relief to thousands of workers and retirees who have have lost pension benefits because their pension plans were terminated prior to the enactment of the Employee Retirement Income Security Act [ERISA] in 1974. They right a long-standing injustice perpetrated against workers who, through no fault of their own, lost pension benefits they had worked for. Many of these Americans had worked a lifetime only to see their hard earned pension benefits stripped from them. We owe it to these 38,000 surviving Americans and their families to correct the shortcoming of the original ERISA legislation that excluded from protections workers whose pension plans were terminated prior to 1974. It is simple justice, simple fairness.

I know there are those who will argue that this provision will bankrupt the Pension Benefit Guarantee Corporation [PBGC]. Those arguments are completely without merit and would appear to represent an attempt to unfairly cloud this issue. The PBGC has and will continue to have adequate resources to provide the very modest additional benefits to the small number of Americans this bill requires. In addition, the Labor Committee carefully crafted S. 243 to protect PBGC if its financial status dramatically deteriorates.

I must say that I find it quite ironic that the Bush administration would threaten a veto of the entire Older Americans Act because they oppose providing these Americans pension relief. This is the same administration that has promoted increased economic assistance for people in so many other countries other than our own. Mr. President, it's time we start taking care of the needs of Americans. Our own people are hurting and they deserve our assistance. The provisions do just that, help our own people in need. And they do it in a way that we can certainly afford.

I urge that this attempt to strike the pension losers provisions be defeated and that we swiftly move to give S. 243 final approval. Older Americans deserve nothing less.•

Mr. RIEGLE. Mr. President, I want to reaffirm my support for S. 243, the reauthorization of the Older Americans

Act. This very important piece of legislation is the major instrument for delivering social and nutrition services to older persons. The programs under the Older Americans Act improve the lives of the Nation's elderly people by making it possible for them to live independently in their own homes. It removes individual and social barriers to economic independence and provides a full spectrum of care for vulnerable, elderly individuals. I am a staunch believer in the Older Americans Act and I support its reauthorization.

I do have some concerns, however, about the Pension Restoration Act provisions that was added to S. 243 by the Labor and Human Resources Committee. This Pension Restoration Act has highly laudable goals. It provides limited pension benefits to the people whose plight led to the establishment of the Employee Retirement Income Security Act of 1974 [ERISA], but who were arbitrarily excluded from ERISA's protection. These people, the so-called pension losers, had worked anywhere from 20 to 40 years for their employers, but lost their pensions, the retirement security that they had worked a lifetime to build, when their employers failed during the recessions of the 1960's and 1970's before the establishment of ERISA. Many of these companies such as Georgia Pacific, Borg Warner Corp.'s Norge Refrigerator Division, the Packard Motor Car Co., along with several others were located in my home State of Michigan. In the case of Georgia Pacific, its workers missed the eligibility for ERISA by 1 day. It seems unfair that the people whose misfortune led this Congress to establish ERISA were not covered by the act.

Now, at last, we have an opportunity to redress this unfortunate set of circumstances by passing the Pension Restoration Act as part of S. 243. Like many of my colleagues, I would rather consider this provision at another time, separate from the Older Americans Act programs, because of the possibility that restoring these pensions will lead to a Presidential veto of the entire bill. However, we need to act. For some of the pension losers it's too late; many are no longer with us. But there are still 40,000 people out there who need our help. The costs are relatively small, $50 million a year—just $50 million to correct an injustice. I do not think that is an unreasonable cost to pay.

I do have certain misgivings about the Pension Reform Act, however, namely the true financial condition and the management of the agency that would have primary responsibility for administering this program and distributing the lost benefits, the Pension Benefit Guaranty Corporation [PBGC]. The PBGC is also responsible for ERISA. The problem is that no one seems to know what kind of shape the PBGC is in. The PBGC claims it cannot afford this legislation; it's running a deficit of $1.9 billion. However, under its own forecast, based upon the average annual net claims over the most recent 9 fiscal years, the PBGC predicts that its deficit will be reduced to $1.5 billion through 1997. Furthermore, the PBGC has a positive cash-flow of $300 million; it takes in more money in premium income than it spends. The problem is that this kind of cash-flow analysis, the PBGC argues, does not take into account its future liabilities.

It's tough to get a handle on where the truth lies. And now, adding to the confusion surrounding the financial condition of the PBGC, the House Ways and Means Committee's Subcommittee on Oversight has discovered a whole new set of problems. Apparently, the PBGC's computer system for processing the collection of premium income was not operational for almost 2 years; as a result, its financial statements cannot be audited. And, to top it all off, the report indicates that the PBGC's system for monitoring the collection of premiums is inadequate—the PBGC can calculate the amount of premiums paid, but it is unable to determine if all premiums are being paid.

Is this what we want in a system that ensures working people against the complete loss of their benefits if their pension plans get terminated? I don't think so. Now, let me reiterate that I support the Pension Restoration Act and I think it should be passed. But there are big problems at the PBGC that go beyond whether it can afford to pay benefits to the pension losers. The management of the PBGC and its accounting methods all need to be reviewed. I know that many of my colleagues are going to argue that since there is this confusion about the PBGC, we should wait before considering the Pension Restoration Act. Well, I do not believe that the pension losers should be made to wait simply because the PBGC has management problems. Those problems should be corrected and I call on the administration to investigate what is going on at the PBGC and to get this important agency back on the right management track. This is only fair to the millions of workers who are relying on the PBGC to protect their hard-earned retirement pensions.

In conclusion, let me say that the Older Americans Act has been a successful program and has enjoyed strong bipartisan support for 25 years. It must be reauthorized. I urge my colleagues and the administration not to sacrifice the Older Americans Act over a provision that pays very modest benefits to people who need and deserve them.

Mr. GRASSLEY. Mr. President, I intend to support the motion to strike this provision.

I intend to do so primarily because the Pension Benefit Guaranty Corporation is an agency with potentially substantial funding shortfalls in the near future, and therefore now is not the time to be adding a new, $500 million obligation, no matter how well-intentioned, to its liabilities.

One of the major responsibilities of the PBGC is to protect the pension benefits of retired workers. The need for such protection arises when an employer experiences financial distress and is unable to fund those benefits. The PBGC protects the pension benefits of about 31 million participants in about 93,000 single-employer pension plans.

Although the PBGC is probably not very well know by most workers or by most retirees, it is clearly, by virture of its responsibility for protecting the pension benefits of 31 million people, one of the most important Federal agencies for millions of retired persons.

It seems to me that it follows that PBGC's financial health—its ability to pay for pension benefits in the event an employer cannot—is very important to all of us, but certainly to those workers and retirees who are dependent, or who will be dependent, on their pensions.

There does not appear to be an immediate risk to the PBGC's ability to pay benefits currently due and to meet its adminstrative expenses. As I understand it, just in the last 2 weeks, the GAO testified that the PBGC could meet its obligations for at least 10 years. However, my staff were told informally today by GAO staff responsible for financial audits of the PBGC that its financial condition is very fragile. Future bankruptcies could make its financial situation worse very quickly. It is not in particularly good financial health.

According to the General Accounting Office, in testimony presented before the Subcommittee on Oversight of the Committee on Ways and Means last August 1, the PBGC "* * * is experiencing financial Difficulties." The GAO stated further that the PBGC belongs on their list of high risk agencies and programs. The reasons for this were "the Corporation's longstanding control weaknesses, reported $1.8 billion accumulated deficit, and possible future losses for underfunded ongoing pensions plans. * * *"

The GAO also stressed in its statement, as PBGC representatives have stressed in recent briefings, that the Corporation faces considerable risk from possible plan teminations in the near future. At the present time, as I understand it, there is about $20 to $30 billion in underfunding of pension plans, concentrated largely in the airline, steel, and automotive industries.

According to the GAO, again in its august statement, there is about $8 billion in underfunding among financially troubled companies in bankruptcy or close to it. And, according to the GAO these figures do not include the effects of the current Economic downturn. The PBGC in briefings just last week, stated that the underfunding among such bankrupt or near bankrupt firms is around $14 billion.

The GAO argued that, in the event that many of these underfunded plans terminate in the near future, "there is a serious question as to whether the Corporation's premium structure could be adjusted to meet the resulting funding needs. Such events could raise the possibility of Federal assistance. * * *"

Mr. President, a number of other arguments could be advanced against this provision of the bill before us. I will just note them for the record here. They include Judge Duffy's recent decision, which deprives the PBGC of a priority standing in bankruptcy adjudication. This will have the effect of compromising PBGC's ability to recover in bankruptcy proceedings. They include the GAO's finding that PBGC's books are unauditable, thus making it difficult to know what, exactly, the financial status of the PBGC is. And they include the fact that none of the employers of the intended beneficiaries of this provision paid into PBGC's trust funds. Therefore, it is current employers who will be supporting the Beneficiaries of this legislation. Furthermore, it seems clear that if we send the Older Americans Act to the President with this provision in it, he will veto the bill, and we will probably have to wait until sometime next year to enact the reauthorization.

It seems to me, as I said earlier, that this is not the time to be adding a new group of beneficiaries to the PBGC's responsibility. We need to be giving our attention to helping the PBGC cope with what appear to be very heavy obligations just around the corner, and making sure that the very large numbers of current pension plan participants and retirees will have the pensions on which they are counting.

I have been a strong supporter of the Older Americans Act over the years, Mr. President. I was chairman of the Subcommittee on Aging in 1984 and was responsible in that capacity for leading the reauthorization of the act in 1984. I believe that the Older Americans Act does much good, and would prefer to see it go to the President unencumbered by this pension losers provision so it can be enacted.

Mr. COHEN. Mr. President, the Older Americans Act of 1965 contained a declaration of objectives for the development of new programs to help older Americans. One of these objectives above the others stands out in my mind: "Retirement in health, honor, dignity—after years of contribution to the economy."

The simplicity of this declaration belies the great responsibility of the Older Americans Act—health care, income support, social services, nutrition, transportation, housing, and community activities. In addition, it is a recognition that our senior citizens are and will continue to be a valuable, strong and colorful thread in the fabric of our society.

I am very pleased that the Older Americans Act Reauthorization Amendments of 1991 are now before the Senate for consideration. As the ranking minority member of the Special Committee on Aging, I have a particular interest in seeing that the needs of our senior citizen population are thoroughly considered and addressed.

I commend the Labor and Human Resources Committee for producing a bill that makes some significant changes in law that will allow seniors to be more effectively served by area agencies on aging and other support groups.

While the Older Americans Act is perhaps more widely associated with the Meals on Wheels Program, the act provides this and much more to senior citizens across the country. It supports a host of vital assistance and outreach programs for senior citizens, including legal services, in-home help for the frail elderly, services for those with special needs, adult day care, community education and transportation. These programs have served as a lifeline for thousands of senior citizens in my State of Maine, as well as countless senior citizens nationwide.

I want to take this opportunity to pay tribute to the 670 area agencies on aging around the country. During the time I have served on the Aging Committee, both in the Senate and the House of Representatives, I have been continually impressed by the dedication these agencies have to our senior population and to improving seniors' lives as they grow older. To cite one example, the Southern Maine Area Agency on Aging continues to expand its service of the elderly through advocacy and community outreach. Last year, it was successful in obtaining increased funds for the home based care program and operated a nationally recognized supplemental security income [SSI] outreach effort. It also secured the involvement of the U.S. Postal Service, the Portland Police Department, local town officials, and area hospital and health care organizations in programs to ensure that older people receive the support necessary to maintain their independence in the community.

The Nation's area agencies on aging are truly the backbone of the elderly support network—someone once called them "local angels"—and they provide us with invaluable information about the needs of the elderly. As my work on the Aging Committee continues, I will be seeking their advice and counsel as issues confronting our senior community arise.

As the population of elderly in this Nation grows, the work of the area agencies on aging and the services authorized in the act will become even more important.

This year's amendments include new programs that will help us meet the challenges of the future. Of particular interest to me are the nutrition and health promotion programs authorized in the bill.

It is becoming increasingly clear that the prevention of today's illnesses depend more upon the actions of the individual than the actions of the community. Many of our most serious health problems are directly related to unhealthy behaviors—smoking, overeating, poor diet, lack of exercise, and abuse of alcohol and drugs. Today, more than ever, the way we die is directly related to the way we live.

That is why it is essential that the elderly be targeted for assistance in obtaining nutritious meals and having access to programs that educate them about health promotion and disease prevention. As the report of the Senate Labor Committee accompanying this bill notes, participation in these kinds of programs can both increase the quality of life for older Americans and reduce the need for expensive medical treatment. As we ponder the problems of health care in this Nation, certainly health promotion and diseases prevention must be considered part of the solution.

Study after study has shown that as a nation we dismiss the notion that older Americans can improve their health. We equate the aging process with frailty. Yet these same studies demonstrate that older individuals not only benefit from health promotion programs, they are quite willing to participate in them.

I am very pleased that the bill before the Senate includes a clear directive that older Americans' access to good nutrition, health promotion and disease prevention programs must be increased. I believe it will make a difference.

There is another important provision in the bill that adjusts the USDA commodity reimbursement level to inflation. This will allow area agencies on aging to serve more seniors because the reimbursement payments will more accurately reflect the actual cost of meals.

I also want to express my support for the new title VII provisions in the bill relating to elder abuse and elder rights. By focusing these two important issues in a new title, the bill takes a much-needed step toward better protection of the rights of elderly citizens and better means of preventing the abuse directed at vulnerable older Americans. Grants to States under this new title will attempt to improve outreach with elderly citizens so that they are aware of their rights, informed of legal assistance that may be available, and are aware of benefits and services to which they are entitled under the law.

Unfortunately, many of the diseases of aging rob individuals of their mental capacity to make the right decisions. In addition, isolation, physical limitations and other factors make it difficult for many elderly people to gather all the information they need in order to make the most beneficial decision.

Title VII of this bill attempts to improve this situation not just by making us aware of it and highlighting it by incorporating existing programs into a new title, but also by developing new programs that will improve the elderly citizen's ability to protect his or her rights.

Once again, I want to express my strong support for the passage of this bill. In its 26 years of existence, the Older Americans Act has proven to be a lifeline for our elderly population. The work of the Aging Committee has demonstrated that there are enormous challenges facing older Americans and those organizations that support them.

I believe the improvements included in the 1991 reauthorization amendments will made the aging network an even more effective advocate for the elderly and allow it to meet the challenges of caring for our senior citizens.

I urge my colleagues to support passage of S. 243.

Mr. COCHRAN. Mr. President, let me commend and congratulate and thank the Senators who have spoken in support of my amendment to strike the Metzenbaum language from this bill. The arguments, I think, have been very compelling.

This is a raid on a fund that is designed to protect pensioners and their benefits. And they have come to rely on this ERISA program for that purpose.

This amendment, if it is not stricken from this bill, is going to put in jeopardy that guarantee program. It is also going to jeopardize the Older Americans Act amendments which will improve benefits and services that will be provided by this bill. Two wrongs make a big wrong; they certainly do not make a right. I hope that Senators will vote to support the Cochran amendment.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, this has been a long debate this afternoon on the amendment, which is basically an amendment originally by Senator METZENBAUM of Ohio to say that the people who created the ERISA, the people who had paid into pension plans and did not receive them, only less than 40,000 of them, might receive $75 for each year they worked up to 20 years. That is $1,500 for 38,000 people which could be paid out of this fund, out of the investment money earned on its cash flow. So no taxpayer money is involved. There is ample money to pay this. This is not an open-ended plan because these people are older people and they are rapidly dying out.

So this is a matter of common decency. It was first brought up by Senator D'AMATO in 1980. There have been hearings on it during the period of the eighties. There are ample funds to pay for this out of the reserve fund.

This is another case, Mr. President, where we have a trust fund set aside to help a group of people, middle-class working people who gave up part of their wages for a pension benefit and then the act was not retroactive enough to pick them up. So there are about 38,000 of them left. There will be fewer and fewer each year. The total amounts of $500 million will never be spent. The total amount we ever heard, highest estimate was $340 million over 20 years. That is $51 million a year. It will undoubtedly not amount to that amount.

If this agency is in trouble, it is not because of the Congress, it is because of the administration's manner of handling that agency. I think I agree if it is in trouble we should go after it, but it has sufficient funds and the Congress has provided additional funds during the year to see to it that this can be done.

So I hope that my motion to table will be agreed to and that we will table the amendment of the Senator from Mississippi [Mr. COCHRAN] and that the bill will stay as it came out of committee giving these people a maximum of $1,500, a surviving spouse $750 a year, to help them in the elderly years of their life for a pension fund that they had paid into, and their companies had paid into, on their working 20, some of them as many as 40 years, in the Studebaker Co. or other companies where the fund just went broke and they were left with nothing. This is a great country. We can do this, and we can do it with no taxes. We can do it with simply using the funds that were placed there for that purpose.

So, Mr. President, at this point, I move to table the amendment of the Senator from Mississippi [Mr. COCHRAN] and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 51, as follows:

[Rollcall Vote No. 248 Leg.]

YEAS—46

Adams
Akaka
Baucus
Biden
Bradley
Breaux
Bryan
Burdick
Byrd
Coats
Conrad
D'Amato
Daschle
DeConcini
Dixon
Dodd
Glenn
Gore
Graham
Inouye
Johnston
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—51

Bentsen
Bingaman
Bond
Boren
Brown
Bumpers
Burns
Chafee
Cochran
Cohen
Craig
Danforth
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Gorton
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Hollings
Jeffords
Kassebaum
Kohl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Pryor
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—3

Cranston
Harkin
Kerrey

So the motion to lay on the table the amendment (No. 1312) was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi.

The amendment (No. 1312) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Mr. President, could we have order so that we can determine how we proceed with this bill at this point, whether we can finish it now?

The PRESIDING OFFICER. The Senate is not in order.

Will the Senator from Washington suspend, please?

The Senate is not in order.

The Senator from Washington.

Mr. ADAMS. I am aware of only one amendment from our side by Senator BINGAMAN, which I believe that we would be able to accept. I do not know how many amendments there are on Senator COCHRAN's side, but I hope we could limit the amendments and the time right now because I do not know of any other controversy in this bill.

Mr. COCHRAN. If the Senator will yield, Mr. President, I am happy to advise the distinguished Senator from Washington that there are a couple of amendments we have been advised about on this side. Senator MCCAIN has an amendment on the Social Security earnings limitation. Senator Brown has an amendment dealing with the medicaid hot line issue. And I am not aware of any other amendments at this time. If there are Senators who do intend to offer other amendments, it would be helpful if we could be advised, so we could have an idea about how much longer the debate on the amendments would last, and when we could get a final vote on the bill tonight.

Mr. ADAMS. Mr. President, I might propose to the Senator from Mississippi, if there are only three amendments left, that we might be able to set a time. I do not know how much time Senator BINGAMAN wants, but he indicates he does not think it will take long. I think it will be accepted. I wonder if we might enter into a unanimous-consent agreement to vote on final passage of this bill at, say, 6:30.

Mr. McCAIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. COCHRAN. Mr. President, if the Senator will yield, let me suggest that if we do——

The PRESIDING OFFICER. The Senate is not in order. The Senate will be in order before we proceed.

Mr. COCHRAN. Mr. President, my suggestion is that we just go ahead and proceed to take up the amendments. I do not think it will take long. We will just try to wrap them up as soon as possible.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 1314

(Purpose: To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age)

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. McCain], for himself, Mr. Mack, Mr. Lott, Mr. Pressler, Mr. Nickles, Mr. Hatch, Mr. Kasten, Mr. Heflin, Mr. Graham, Mr. Reid, and Mr. Smith, proposes an amendment numbered 1314.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

TITLE —SOCIAL SECURITY EARNINGS TEST ELIMINATED

SEC. . SHORT TITLE.

This title may be cited as the "Older Americans' Freedom to Work Act of 1990".

SEC. . ELIMINATION OF EARNINGS TEST FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

Section 203 of the Social Security Act is amended—

(1) in paragraph (1) of subsection (c) and paragraphs (1)(A) and (2) of subsection (d), by striking "the age of seventy" and inserting "retirement age (as defined in section 216(l))";

(2) in subsection (f)(1)(B), by striking "was age seventy or over" and inserting "was at or above retirement age (as defined in section 216(l))";

(3) in subsection (f)(3), by striking "33⅓ percent" and all that follows through "any other individual," and inserting "50 percent of such individual's earnings for such year in excess of the product of the exempt amount as determined under paragraph (8)," and by striking "age 70" and inserting "retirement age (as defined in section 216(l))";

(4) in subsection (h)(1)(A), by striking "age 70" each place it appears and inserting "retirement age (as defined in section 216(l))"; and

(5) in subsection (j), by striking "Age Seventy" in the heading and inserting "Retirement Age", and by striking "seventy years of age" and inserting "having attained retirement age (as defined in section 216(l))".

SEC. . CONFORMING AMENDMENTS ELIMINATING THE SPECIAL EXEMPT AMOUNT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) Uniform Exempt Amount.—Section 203(f)(8)(A) of the Social Security Act is amended by striking "the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting "a new exempt amount which shall be applicable".

(b) Conforming Amendments.—Section 203(f)(8)(B) of such Act is amended—

(1) in the matter preceding clause (i), by striking "Except" and all that follows through "whichever" and inserting "The exempt amount which is applicable for each month of a particular taxable year shall be whichever";

(2) in clause (i), by striking "corresponding"; and

(3) in the last sentence, by striking "an exempt amount" and inserting "the exempt amount".

(c) Repeal of Basis for Computation of Special Exempt Amount.—Section 203(f)(8)(D) of such Act is repealed.

SEC. . ADDITIONAL CONFORMING AMENDMENTS.

(a) Elimination of Redundant References to Retirement Act.—Section 203 of the Social Security Act is amended—

(1) in the last sentence of subsection (c), by striking "nor shall any deduction" and all that follows and inserting "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60."; and

(2) in subsection (f)(1), by striking clause (D) and inserting the following: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60, or".

(b) Conforming Amendment to Provisions for Determining Amount of Increase on Account of Delayed Retirement.—Section 202(w)(2)(B)(ii) of such Act is amended—

(1) by striking "either"; and

(2) by striking "or suffered deductions under section 203(b) or 203(c) in amounts equal to the amount of such benefit".

(c) Continued Application of Rule Governing Entitlement of Blind Beneficiaries.—The second sentence of section 223(d)(4) of such Act is amended by inserting after "subparagraph (D) thereof" where it first appears the following: "(or would be applicable to such individuals but for the amendment made by the Older Americans' Freedom to Work Act of 1991)".

SEC. . EFFECTIVE DATE.

The amendments made by this Act shall apply only with respect to taxable years beginning after December 31, 1991.

Mr. McCAIN. Mr. President, I rise to offer an amendment that is very simple. It simply repeals the Social Security earnings test. This amendment is cosponsored by Senators MACK, LOTT, PRESSLER, BRYAN, NICKLES, HATCH, KASTEN, HEFLIN, GRAHAM, REID, and SMITH.

Mr. President, there is a terrible inequity that is being inflicted upon the senior citizens of this country. It is in the form of the Social Security earnings test. It is a disincentive to the ability of seniors in this Nation to work. It is the cause, in my view, of a decrease in revenues, which is very important at this time, when we are facing the largest deficit in the history of this country.

Mr. President, the seniors of this country deserve better than what they are receiving today, when they want to go out and engage in the free enterprise system, get a job, work, support themselves and their families. The greatest disincentive to seniors in America working today is the Social Security earnings test. It must be repealed.

I want to take the opening objection to this amendment head on to start with; that is, the objection which is voiced, or the statement that is made by the Office of Management and Budget that next year the Federal Government will lose $3.9 billion in revenue.

Mr. President, I have never seen a more classic example of a narrow and, frankly, myopic focus on an issue than that which OMB has taken on this one. This $3.9 billion that they say will be lost in revenues in no way takes into consideration that if this limitation on Social Security earnings were repealed, tens of thousands of seniors all over this country would be out seeking work. Do you know what they would be doing? They would be paying taxes. I am convinced that, over time, it would not be a $3.9 billion impact on the deficit in a negative fashion. It would mean billions of dollars of impact on the deficit in a positive fashion.

Mr. President, as you know, under the Social Security earnings test, for every $3 earned by a retiree over the $9,720 limit, he or she will lose $1 in Social Security benefits this year.

Most Americans, frankly, are shocked and amazed to discover that older Americans are actually penalized for their productivity. No American should be discouraged from working. Every individual's desire and ability to contribute to society should be encouraged. Yet, the earnings test arbitrarily mandates that a person retire at age 65 or face losing benefits. This is plainly age discrimination, and this is plainly wrong.

As we address this very important piece of legislation, in my view, if we are really deeply and sincerely interested in the welfare and benefit of older Americans, it is our obligation to remove this most major impediment to their ability to take care of themselves in their older years.

Mr. President, there is an enormous accumulation of knowledge and talent that exists in the senior citizen community today. Let us make use of it. Let us allow those people to go out and work. Let us go out and let them pay taxes. Let us go out and give them the opportunity that clearly they deserve. There is no compelling justification for denying economic opportunity to any individual on the basis of age. There are over 40 million Americans age 60 or older who have over 1 billion years of cumulative work experience. Three out of five of these people do not have any disability that precludes them from working. In my view, Mr. President, for demographic reasons, as well as fairness reasons, our Nation needs these individuals, their talents, and their knowledge.

Most important, many of them must work to meet even the most basic expenses. A significant portion of the elderly population has no private pension or liquid investments, which, by the way, are not counted as earnings from their working years. Low-income workers are particularly hard hit by the earnings test for this reason. They are much less likely to be eligible for employer pension benefits and to have saved enough for retirement.

Those who did put aside savings or investments for their retirement years often see these funds dissipated overnight as a result of unanticipated circumstances, such as their own or a spouse's illness. Health care costs, rising at an astronomical rate, are an expense all Americans are having trouble meeting.

Mr. President, the earnings test effectively prohibits our senior citizens from working to pay these costs, or indeed any others, such as food and shelter. The value of a $5-an-hour job subject to the earnings test, plummets to only $2.20 after taxes. The earnings test translates into an effective tax burden of 33 percent. I repeat, the earnings test translates into an effective tax burden of 33 percent. Combined with Federal, State, and other Social Security taxes, it can amount to a stunning tax bite of nearly 70 percent. That is Federal tax of 15 percent, a FICA of 15.3 percent, earnings test penalty of 33 percent, and State and local tax of 5 percent.

Mr. President, how in the world can we justify laying a 70-percent income tax burden on any portion of our population, much less our senior citizens?

This type of harsh penalty is obviously a tremendous disincentive to work. No one who is struggling along at $10,000 a year wants to face an effective marginal tax rate of almost 70 percent, and in fact, almost half a million elderly individuals who work earn annual incomes within 10 percent of the earnings limit. These people are desperately trying to get ahead and sustain a decent life in their retirement years, without hitting the limit.

On the contrary, studies have found that eliminating the earnings test could net $140 million in extra Federal revenue. Furthermore, the earnings test is costing us $15 billion a year in reduced production. Taxes on that lost production could help to reduce the massive Federal budget deficit.

Eliminating the earnings test would save additional dollars at the Social Security Administration—over $200 million a year in reduced compliance costs. The earnings test is its largest single administrative burden. Sixty percent of all overpayments and 45 percent of benefit underpayments are attributable to the earnings test. Those seniors who inadvertantly receive an overpayment are often faced with a nightmare in trying to repay Social Security and exist on limited incomes.

In addition, experts have predicted a labor shortage as the baby boom generation ages, and there is no doubt that as our birth rate in this country has declined, employers have had to develop new sources of employees.

Why are we discouraging our senior citizens from meeting that challenge? As the United States Chamber of Commerce has pointed out, "Retaining older workers already is a priority in labor-intensive industries, and will become even more critical as we approach the year 2000." It seems to me simply foolish, not to mention un-American, to maintain a policy that keeps people out of the work force. To tell people who are experienced and who desire to work, particularly at a time when we are facing the threat of economic recession and declining competitiveness, that they cannot work is just outrageous. Our country must pursue prowork, not prowelfare policies, if we are to survive.

Finally, this is basically an issue of fairness. We need the skill and experience of older Americans. The earnings test is outdated, unjust, and clearly discriminatory. Over and over again, I have heard my colleagues rail against discrimination, but I am baffled by the fact that these same individuals fight to preserve this most egregiously discriminatory policy.

We are punishing our senior citizens, we are punishing people who want to be productive, and I believe it sends a dangerous message to all Americans. It is time to eliminate this policy and endorse fairness. I strongly urge my colleagues to vote in favor of this amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCAIN. Thank you, Mr. President.

Finally, I would like to emphasize again I have heard proposals for gradually phasing out the earnings limitations, Social Security earnings test. I have heard proposals that we address that at some time in the future when economic conditions are better. I have heard proposals that, as OMB has said, this will cost $3.9 billion as far as the deficit is concerned without taking into consideration the fact that tens of thousands of senior citizens would be earning money and paying more taxes into the coffers. The fact is it boils down to fairness. We should not penalize any American citizen of this country for wanting to work and help himself, his family, and his or her community.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. McCAIN. I am just about finished. Then I will yield the floor, I say to my friend from Washington.

Mr. President, I emphasize again that it is time we addressed this issue, and it is time we gave our senior citizens breath.

I am glad to yield to my friend from the State of Washington.

Mr. ADAMS. Mr. President, there is more than a possibility this will be subject to a point of order. Rather than going to the point of order, if the Senator wishes to vitiate his request for the yeas and nays, the managers on both sides will accept the amendment by a voice vote and take care of the matter at a later time. I simply suggest that to the Senator so we will not get into a prolonged parliamentary discussion of whether or not this is subject to a point of order, the Finance Committee, and so on.

I simply offer that to the Senator as a way of moving the bill along and there will be another opportunity for the Senator at a later time.

Mr. McCAIN. I thank my friend from Washington.

Mr. THURMOND. Will the distinguished Senator yield?

Mr. McCAIN. Yes, I yield.

Mr. THURMOND. I advocated a similar measure some years ago. Will the Senator have my name added to his as a cosponsor of the amendment?

Mr. McCAIN. I ask unanimous consent that Senators D'AMATO and THURMOND be added as consponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. I say to the Senator from Washington could I consider his kind and generous offer while other colleagues speak on this issue. I am glad to respond to him within 5 minutes.

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes the Senator from Oklahoma.

Mr. NICKLES. I see my friend, Senator MACK from Florida. I will not be that long.

I wish to congratulate and compliment our colleague, Senator MCCAIN, for an outstanding amendment. I think it is high time we eliminate the most punitive and unfair tax we have on our books today, the penalty that we impose on senior citizens for working beyond the age of 65. We penalize them with a surtax, a 33-percent surtax on their earnings above $9,720. It makes their marginal tax bracket the highest of any American. No American pays a higher marginal tax bracket than a senior citizens who happens to have earned income above $9,720.

I think that is unfair. It needs to change and it needs to change tonight. I hope we will pass it, and I hope we will have a recorded rollcall vote and let people know where we stand on this most important issue. It is an issue whose time has long come.

I have heard a lot of people state they are generally supportive of the earnings limit repeal. But we really need to pass it. This amendment is talking about trying to help senior citizens. It is telling senior citizens who really need to work that we will not penalize you for doing so. The people who are really penalized are the people who have a job, who are working who have earned income above $9,720. These senior citizens are faced with a tax penalty or surcharge of 33 percent, giving them the highest marginal rate of any American.

I do not think that is right. I do not think we should tax them out of the marketplace with the idea that this is going to make room for other people. Frankly, we need their expertise. We need their experience. We need their productivity. And we should not be telling them no.

I think senior citizens who wish to work, or in most cases senior citizens who need to work, do not have unlimited unearned income so they need to earn income, they want to work, and most likely they need to work and we should not prohibit that by excessive taxation.

Any time you have marginal rates that exceeds 60 percent, you are making it impossible for seniors or anybody under that type of oppressive tax structure to work. You have taxed away their freedom. You have made them a slave of Government.

Any time someone is forced to work more than half the time for the Government instead of for themselves, they become somewhat of a slave of Government, and that is not right. It is unfair. And it so happens the group we really penalize in this category are senior citizens, senior citizens between the ages of 65 and 70 that are straddled with this penalty.

The earnings limit needs to be repealed, and the sooner the better. Again I compliment my colleague, the Senator MCCAIN from Arizona. He has been a leader in this battle for years. Many of us have been working to make it happen. I think it is high time that we vote to free senior citizens, to allow them to work more for themselves than they do for the Federal Government. Mr. President, I yield floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. MACK. Mr. President, I rise in support of the amendment offered by the Senator from Arizona.

Let me start by saying that from my perspective the earnings test is a threat to personal freedom. It is, in fact, discriminatory. It is irresponsible tax policy. And it does not meet today's realities.

Let me go back and touch on the point that was just made by the Senator from Oklahoma, talking about personal freedoms and the fact that tax policy really is forcing decisions on the part of our senior citizens. I believe that every American should have the right to work as long as they want to work, and some may argue in reality they do in America. But when you look at tax policy today, I think that you can make the opposite argument. Tax policy is so restrictive, it in fact takes so much of the earnings. that the conclusion that most would come to is that they are not going to work as a result of the cap on Social Security earnings.

The decision on when to retire should be made by an individual, not by the Federal Government. And again they are being coerced by tax policy.

It has been mentioned several times that the Social Security earnings test is discriminatory, and within the retirement community itself it is thought of as discriminatory. We have talked at length about a 33-percent marginal tax rate. The reality is that in the age group of 62 to 65, if you earn more than $7,080 then you give up $1 in Social Security benefits for every $2 that you earn over that $7,080. That is a 50-percent marginal tax rate.

Social Security beneficiaries between the ages of 65 and 69 who earn more than $9,720 have to give up $1 in benefits for every $3 that they earn. This was the point which was made by the Senator from Arizona about the 33-percent marginal tax rate.

But if you are over 70, you can earn as much as you are able to earn and there is no additional marginal tax rate.

I mentioned that I believe it is irresponsible tax policy. Some have mentioned a marginal tax rate of almost 70 percent. Let me give you this again, from my perspective. Because of the earnings test, a working American may end up paying a minimum marginal tax rate of 72 percent—that is the 50 from the earnings limit, a 15-percent income tax, and 7.65-percent FICA tax. Add those together and it totals a 72-percent marginal tax.

Some people might conclude that seniors do not have to work after age 65. I have received letters, and I have a feeling that probably every Member of the Senate has received letters from their constituents, making the case that they do, in fact, have to work. Many of the letters from my constituents say that their husband or their wife is ill and they need this extra income to provide the care that is necessary to take care of the husband or the wife.

It was mentioned by the Senator from Arizona that OMB estimates that $3.9 billion would be lost as a result of repealing the earnings cap. That is because the OMB analysis of the impact of tax policy on our economy is done from a static position. The assumption is everything else remains the same. That just does not work.

If in fact you lift the cap, it has been estimated by the National Center for Policy Analysis that 700,000 seniors would enter the work force creating about $15 billion worth of goods and paying approximately $4.5 billion in additional taxes. It only makes common sense that if more people are working there is going to be a greater revenue base for the Federal Government.

The earnings test just does not meet today's realities. We are going to debate in the years to come where America will find a large enough, skilled enough work force to carry out all the requirements of our economy.

Mind you, the earnings test was put into effect in the 1930's when the intent was to keep seniors out of the labor force in order to give young people the opportunity for employment. It has been suggested by many economists that over the next 10 years our difficulty is going to be trying to find enough skilled workers. Which brings me to my next point.

This group of Americans ages 65 and older probably are one of the most educated, skilled groups of people in the country, and for us to be sending them the message that they are not needed any longer is wrong.

I want to tell my colleagues about a meeting I had in Florida at the Johnson & Johnson Co. in Safety Harbor. They try to hire retirees because Johnson & Johnson has found them to be the most-productive, the best-trained, the best-skilled workers they can find.

After my discussion with a group of working seniors about whether they supported the repeal of the Social Security earnings cap, an individual came up to me and said, "Senator, we live in a throwaway society. Don't let them throw us away." And what he was saying was this country is giving those well-educated, well-trained, highly skilled individuals the message that we do not need them anymore, and that is a terribly wrong message to be sending.

On a personal note, my grandfather at the age of 66 was fortunate enough to manage one of our Nation's great baseball teams—the 1929 Philadelphia Athletics. Some people claim it was the best baseball team ever assembled. Suppose it was this Nation's message in 1929 that somebody age 65 or 66 was just too old, that we did not need them any longer? He might never have had his chance of achieving his dream of winning the 1929 World Series. And I might add he went on beyond that to win an additional World Series Championship.

We have to change the message that this Nation is delivering to senior citizens. Because they are needed. They are important. They do make a difference. They have a value that is in great need in our Nation.

The Social Security earnings test is in fact unfair and discriminatory. American seniors provide a wealth of skills, knowledge, and expertise. This is a policy that needs to be changed.

The repeal of the earnings test is supported by Members of both the House and the Senate, Democrats and Republicans, conservatives and liberals alike. The time for getting rid of the unfair and discriminatory earnings test is now, and I hope that we will be able to do so today.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. McCAIN. I yield to the Senator from Florida.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. GRAHAM. Thank you, Mr. President.

Mr. President, last August, I worked with Jim Young at a large supermarket in Pace, FL. I worked with Jim for a day as his coworker in his regular job as a bag boy. There is nothing particularly unusual about working as a bag boy except for Jim Young's age. Jim Young is a man who has already retired from one career in the military, is approaching 60, and is working in a supermarket.

Bag boys are jobs that we used to associate with teenagers. We also used to associate with teenagers many of the jobs around fast-food franchises. I do not know if you have been to one recently, Mr. President, but if you have, you may well have noted, as is an increasingly prevalent circumstances, that the people working behind the counter of the fast-food franchise were also persons approaching or beyond the age of normal retirement.

There has been a fundamental change in the nature of the American work force. It is being driven in part by demographic factors.

The fact is that beginning in the late 1960's and persisting through much of the decade of the seventies, we had a sharp decline in the birth rate in this country and therefore the pool of teenagers today is unusually small. We have a large and growing number of persons who are at or beyond retirement age and therefore that rich pool of talent is available to fill positions that we used to think of as age-denominated for teenagers.

Mr. President, the arguments for why to restrict the ability of the Jim Youngs and the millions of others like him in America from their full earnings potential has shifted over the 50 years of this debate. When the original earnings cap was imposed, it was done, as my colleague, Senator MACK has just stated, out of the belief that we needed to encourage people to leave the work force at older ages so that positions would be available for younger workers.

The reality is that that societal need has long since passed, and is particularly inappropriate to the work force that exists in the decade of the 1990's. But, frankly, Mr. President, it did not make a lot of difference because most people died not very long after they reached the age of 65 anyway, and so there was not a large pool of people after retirement who were available to take employment.

Today, that circumstance has dramatically shifted. We are now in a situation where, for every 7 days a person lives, it adds 2 days to his or her life expectancy. We have become a society which is reaching ages unknown in any society in the history of the world. We are a country which will soon have over 1.5 percent of its population beyond the age of 85, a level that has already been attained in my State. Not only are people reaching these advanced ages in large numbers, but they are reaching those ages in a high state of physical and mental health and energy and a desire to continue to be actively involved.

So the original reasons for this earnings cap limitation have now evaporated. A new reason has been presented and it is the reason that has been stated already by the sponsor of this amendment, and that is that the Office of Management and Budget has said it would impose a $3.9 billion additional charge on the Social Security fund. Accepting that statement as being correct, let us look at the state of the Social Security fund. Prior to 1983 there was a great deal of concern about where this important program was going. There was apprehension it was going to soon run into serious financial difficulties.

So a commission was convened. It was chaired by the current Chairman on the Federal Reserve Board, Mr. Alan Greenspan. It had on it distinguished Members such as our colleague, Senator MOYNIHAN of New York.

The commission that met in the early eighties had the charge of developing a three generational financial plan for Social Security. They made a series of projections of what would be necessary in terms of a Social Security budget surplus in order to be able to bridge from the current generation into that large group of retirees who would be entering Social Security eligibility early in the 21st century.

The projection made in 1983 was that by the end of the calendar year 1990—and Social Security is on a calendar year, not the Federal fiscal year—that there would be a budget surplus in Social Security of $123 billion. That was what the 1983 plan called for.

The reality at the end of calendar year 1990 was not a budget surplus in Social Security of $123 billion but a surplus of $225 billion, $100 billion more surplus than had been projected in 1983 when the basic plan for Social Security through the middle of the 21st century was laid in place.

The Social Security fund is now in a financial condition that it can accept this additional responsibility of the additional outlays that will flow by lifting this arbitrary, outdated earnings cap.

There are some very positive things that will happen to our Nation as a result of lifting this cap. One of those is that potentially thousands of people who today are constrained or limited in their work commitment will become available to the Nation—a rich pool of talented people. That rich pool of talented people will be paying taxes as employed persons that they are not now paying. I think they will substantially offset, in the overall accounting of the Federal Government, the $3.9 billion of additional Social Security benefits that they will be receiving.

We will also be making a very significant, positive impact on the quality of life of those thousands of Americans; thousands of people, like Jim Young, who will feel a new sense of economic security because they will know that they can augment their retirement and their Social Security by their own efforts; thousands of people who will feel a new sense of self-worth because they will be able to contribute to their own support to the extent that they wish and are able to do so.

We, with the assistance of our colleague from Arizona, have found a provision in the law which is outdated, which had a social objective in its inception which is no longer relevant to our times, and which is constricting the attainment of important goals for individuals and for our society.

I urge my colleagues to join in support to the amendment of the Senator from Arizona.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin.

Mr. KASTEN. Mr. President, I am pleased to join as a cosponsor of this amendment to eliminate the Social Security earnings test. The earnings test is one of the most antigrowth provisions in Federal law. It effectively forces many of our senior citizens into retirement long before they wish to go. By providing that seniors age 65 to 70 lose $1 in Social Security benefits for each $2 in earnings above the earnings limit, the law establishes an additional 50-percent marginal tax rate on seniors with limited resources.

It is estimated that over 700,000 elderly Americans would enter the labor market to work if the retirement earnings test were eliminated. This would increase the annual output of goods and services in this country by over $15 billion.

Repeal of the earnings limit is one of a number of progrowth tax incentives I have been supporting to help pull the economy out of recession and promote long-term economic growth.

In addition to being good economic policy, this amendment will restore fairness. After contributing to Social Security for decades and reaching age 65, seniors are told that they must either eliminate significant outside earnings or lose large amounts of their Social Security benefits. The earnings limit is particularly unfair because it applies only to earned income. Investment income does not trigger the earnings limit. Only work is punished. This is unfair to those Americans who wish to keep working and in fact need to keep working in order to meet their expenses.

This amendment would not cost the Government revenue. It would raise revenue. The hundreds of thousands of seniors who will work as a result of a repeal of the earnings test will pay taxes on their wages and they will contribute to the Treasury as well as to the economy.

I urge my colleagues to vote in favor of elimination of the Social Security earnings test.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Mr. President, Senators on this side are prepared to accept the amendment of the Senator from Arizona.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. MCCAIN. Mr. President, I would, first of all, like to thank my colleague and friend from Washington and from Mississippi for agreeing to accept this very important amendment.

I think they should also get great credit and appreciation from all of us for the hard work they have done on this bill. I understand their desire to reach a conclusion, a final vote, as soon as possible.

I am prepared to accept or to seek unanimous consent to vitiate the vote.

Mr. HATCH. Mr. President, I rise to urge my colleagues to carefully consider the looming disincentive many of our working senior citizens are facing in the form of the Social Security retirement earnings limitation. It is past time that we eliminated this restrictive policy. This limitation, which reduces the Social Security benefits of retirees under age 70, in effect sends a negative message to working recipients of Social Security. This message is that the Federal Government does not value their continued contribution to the work force. The reality of the situation, Mr. President, is that we need those contributions in the workplace now more than ever.

Many in our senior work force not only want to keep working after age 65, but because of their economic situations, these people may need to keep working. Do we want to discourage them?

The current system, which punishes seniors for working, was developed in the Great Depression years when jobs were scarce. It is foolish for our Government to now have such a restrictive policy, which results in effective marginal tax rates of 56 percent and higher. This is for a low-income retired worker, supposedly in the lowest tax bracket. This means that, should this worker exceed the earnings limitation, he or she keeps only 44 cents of each dollar earned. Subtract from this 44 cents the State tax on those earnings, and you can see the tremendous disincentive these retired workers face. After a lifetime of believing that hard work pays off, it is extremely frustrating to face an economic situation where more work leads to so little additional pay.

Many of our workers turning 65 are faced with a difficult dilemma. Either they must continue working full time and give up all or part of their well-earned Social Security benefits, or they must retire and accept a lower standard of living. Either choice leads to the feeling that one is being cheated.

It is ironic and unfair that those retirees with large amounts of unearned income from interest, dividends, and pensions do not face a reduction of Social Security benefits, no matter how much of this income they enjoy. Those retirees who struggle to get by on their Social Security, and would like to supplement their income by continuing to work, however, are discouraged from doing so. This is poor public policy and goes against American ideals.

Mr. President, our Nation is beginning to face shortages of skilled workers. While these shortages are presently more visible in some regions of the Nation than others, the lack of experienced labor will prove to be one of our biggest challenges as we enter the new century. One solution to this problem lies with our senior citizens. In many ways, this group represents the best America has to offer. They have the skills; they have the experience; they have the work ethic. We cannot afford to discourage members of this group who wish to continue working.

This amendment represents a turn in the right direction, a signal that we believe our work force between the ages of 62 and 70 are a much-needed and integral part of our economy. These individuals have much to contribute. We need their experience, and we need their wisdom. Let us not discourage them from making this contribution by taxing away most of their earnings.

I urge my colleagues to support the senior citizens of this country by supporting this amendment.

Mr. GRASSLEY. Mr. President, I intend to support the amendment to repeal the Social Security retirement earnings test offered by Senator MCCAIN. I have asked to be added as a cosponsor.

In the 101st Congress, I supported a proposal to liberalize the Social Security earnings limitation included in the act for better child care.

I have supported repeal of the Social Security earnings limitation for a long time, Mr. President.

Many older Americans want to work more than they do now, but find themselves penalized by taxes and lost Social Security benefits to the point at which it makes no sense to increase the hours they work. Many others may not want to work more than they do now, but desperately need the additional income. However, with very high marginal tax rates, it makes little sense for a Social Security retiree to increase her or his work effort.

I believe that this is unfortunate, Mr. President, not only because the individual would benefit financially as well as in personal satisfaction were he or she to continue to work, but the society at large would benefit as well. This will be particularly the case as the numbers of younger workers continues to decline and employers search desperately for qualified workers. The availability of a large group of skilled and motivated workers will certainly help fill the gaps created by the declining number of younger workers.

I have long thought that the resource constituted by older people could be better used by our society by not discouraging those who want to continue to work from doing so.

Mr. D'AMATO. Mr. President, I rise today to lend my strong support to the amendment offered by my colleague from Arizona, Senator MCCAIN, which calls for the total elimination of the Social Security earnings test.

The earnings test is a patently unfair provision of the Social Security Act, which denies workers age 65 to 69, $1 in Social Security benefits for every $3 they earn over $9,720 per year. This benefit reduction is a 33-percent effective tax, plain and simple, that when combined with Federal, State, and Social Security taxes, makes senior citizens the most heavily taxed group in our population.

Not only is this blatantly discriminatory against senior citizens; it also threatens our economy by discouraging vast numbers of senior citizens from remaining in the work force. At a time when our Nation faces a growing labor shortage, we cannot afford to let such an enormous pool of experienced and productive citizens simply fall by the wayside. We should be encouraging our seniors, not penalizing them.

Mr. President, opponents of this measure will argue that eliminating the earnings limit will cost too much. Frankly, I think this view is wrong—and overlooks the stimulative effects of unshackling senior citizens who would like to work, but do not because they know they will be penalized by the earnings limit. In fact, one recent study using dynamic revenue models projects that repealing the earnings test will actually net the Government $140 million in additional revenue.

Mr. President, this body has debated the earnings test extensively. Well, we have talked about the earnings limit long enough; the time has come to scrap it altogether.

I strongly encourage my colleagues to join me in support of the amendment by Senator McCAIN, and I urge its immediate adoption.

Thank you, Mr. President.

Mr. REID. Mr. President, as a Senator from the fastest growing State in the Nation, and a State that is becoming a haven for retirees, I rise to support the amendment offered by my colleague from Arizona, Senator McCAIN.

I commend him for his legislation to eliminate the Social Security earnings test. Senior citizens should not be penalized for working—I have always found it ironic that our national policy is one of discouraging older Americans from being active. This law is unfair and counterproductive. It deprives employers of highly skilled and motivated potential employees at a time when the younger labor force is shrinking due to low birth rates.

I support the repeal of this unneeded earnings test. I know the communities of Nevada need the talents and work ethic of our older Americans, and I know the entire United States needs this, too.

EARNINGS TEST REPEAL

Mr. DECONCINI. Mr. President, I rise today once again to support legislation to remove a blight upon our Nation's elderly—the Social Security earnings ceiling upon workers age 65 and older. While there may be a more flagrant example of an idea whose time has come and gone, I can honestly report I do not know what idea that would be. Over time, the earnings test has come to work against, not for, the very people the Social Security system was intended to protect. Worse yet, the earnings test works its injustice in the most regressive way imaginable.

The amendment I am supporting today itself is not a new idea; repealing or reforming the so-called retirement test has been proposed in nearly every Congress since passage of the original Social Security Act in 1939. Indeed, since I have been in the Senate, I have cosponsored or sponsored efforts every year to repeal the earnings test or reduce its impact.

Mr. President, I do not believe for a moment that any of my colleagues would describe an average social security retirement benefit of $569 per month as an exorbitant sum upon which to live. Even when one adds to that meager amount the sum of $9,720, the maximum earnings amount before which benefits are reduced, the total equals only $16,548 in pretax income. Even if we were to double the maximum earnings ceiling today, that sum still could not be reasonably described as a staggering sum upon which to live.

As our beloved colleague from Florida, an American who was unequaled in his commitment to the elderly, the late Representative Claude Pepper, once said:

> When the social security program was enacted in 1935, the earnings limitation attracted scant attention. Life expectancy and inflation were at much lower levels than at present. A worker was expected to retire at age 65, if not sooner.
>
> The current earnings test is predicated on the expectations of a bygone era. Today, Americans reaching the age of 65 can expect to live for 16 (and) ½ more years. The average individual monthly social security retirement benefit * * * will not allow one to retire for that length of time.
>
> In addition, fewer older people intend to spend 16 years in the rocking chair. Today, older Americans are demanding the right to stay on the job. With today's skyrocketing consumer prices, many older Americans have no choice but to stay on the job.
>
> Given today's realities, it is simply unfair * * * It is unfair and it is bad social policy.

Mr. President, nothing has changed since Representative Pepper challenged Congress to correct this inequity nearly 10 years ago. The reality today is that the choice to work or receive full benefits remains not a choice at all; financial or health-related financial considerations require that too many of our elderly give up all or most of the Social Security benefits which they have worked and paid for over several decades. I share our late friend's belief that limiting seniors' incomes in this way is unwise, unjust, and reflects poorly upon a nation who owes a great debt of gratitude to these same individuals for building the foundation of the bountiful economy we now enjoy.

Mr. President, an obligation that is readily assumed by most civilized societies is to care for its elderly. It is a principle rooted in the universal structure of the family, and expanded upon by many employers. Since the 1930's, and the advent of the Social Security system, the U.S. Government has also assumed part of that obligation.

But in administering that system, I believe, we have made some unfortunate errors. By merely establishing an eligibility age for Social Security recipients, we have to a certain extent implied that once an individual reaches that age he can be counted among the elderly or aged, and thus should no longer contribute to society. Also implicit is that he is no longer able to contribute to his own well-being. We have for all practical purposes taken the definition of "caring" to its literal extreme—we imply that once an individual requires care from the Social Security system, the care he receives should be limited to Social Security.

Neither of these assumptions is, of course, absolute or even intended. But they are both implied by the rule which limits the amount of outside income a 65-year-old Social Security recipient can earn to a meager $9,720 dollars, and then taxes any amount earned above that at an astonishing 33⅓-percent rate until the person reaches age 70.

The rule, of course, applies to all Social Security recipients, all of whom have spent most or all of their adult lives contributing to the system, fully and legitimately expecting the Government to hold up its end of the bargain when they retire. But consider the average American who reaches the eligibility age and finds he still possesses the skills or talents that have served and supported him throughout his working life. His choice is to quit working and draw Social Security only, or to continue working and also draw Social Security, and pay inordinately high taxes on the income he is still earning. Such a system clearly discourages the work ethic upon which this Nation was built. And by implying that a person should not contribute to the economy past a certain age, it conspires to strip an elderly person of that which he cherishes most: his dignity.

Mr. President, the major argument for repealing the ceiling is equity for older persons. The money older persons pay into Social Security is theirs. It does not belong to the Government and, for the most part, our Government should have no say in how it is paid back. Even if one does not accept that premise, one must acknowledge that the policy unfairly discriminates against the elderly who are still contributing to our national economy. Sadly, our national policy dictates that Social Security recipients only lose benefits because they work, not because they earn income. Nonworking seniors receiving equivalent sums of unearned income through passive investments or deferred compensation do not lose a single dollar. The same is true if a nonworking recipient earns millions per year in unearned income. Moreover, once the individual reaches age 70, they are also exempt from the earnings test.

It is hard to believe that such a regressive policy exists in our land. However, it is even harder to imagine that we maintain this outdated policy based upon some notion that its elimination is somehow inconsistent with the social insurance nature of the system. However, the Social Security system has never been a pure social insurance system; almost from the beginning, older recipients received an annuity and younger recipients received earnings replacement compensation. While I agree that Government should target its assistance to those most in need, the current income eligibility criteria must be considered to be ill conceived and unsuited to achieving its own stated intent—to promote social equity.

Not only does the worker pay tax premiums during his working lifetime but economists have clearly demonstrated that the tax on the employer is also a tax on labor. In effect, the employer passes on his share of the Social Security payroll tax to the workers in the form of lower wages.

By the time a worker reaches age 65, I believe he has earned his Social Security annuity. To require an older person to give up gainful employment is attaching a cruel penalty upon a pension which he has bought and earned.

There are two other reasons for repealing the wage ceiling. I remind my colleagues that the American Medical Association has reported that older persons suffer serious physical and mental harm by being induced to retire sooner than they would otherwise. The result, higher health care costs for the individual as well as Federal and State governments in the form of higher Medicare costs. In turn, the added, yet preventable, strain upon medical care facilities causes inflationary pressures upon medical care costs.

Lastly, another reason for repeal is the heavy drain upon the national economy caused by the loss of skills and production of older persons who withdraw from the labor force in order to collect their full Social Security checks. In a time of shortages in many sectors of the labor market, maintenance of a policy which encourages greater erosion of the labor market's pool of skilled and professional talent simply makes no sense at all.

The opponents of repeal of the earnings test argue the cost is too great for the relief granted to too few. They argue repeal, if it should ever be enacted, should occur only after the more pressing problem of the aged, poor, disabled, and such have been met. The opposition asserts it certainly should not come at a time when the deficit looms large and higher priority use of public funds than removal of the retirement test are casualties in the war against inflation.

Mr. President, of course I agree that the aged and infirmed should be provided a higher standard of living. This Senator has fought throughout my career in the Senate as hard as any of the opponents of repeal of the earnings test to assure that the twilight of our seniors' lives is not spent anguishing over very difficult decisions: Whether to eat or stay warm, or the choice between decent housing and vital health care. However, the legacy of neglect of the poor or infirmed elderly from the past decade is no reason to erect a barrier to progress in today's battle for equality for the working elderly.

I object most strenuously to the opposition to the resolution of a fundamental social equity issue solely on the grounds that the Congress has failed to satisfactorily address another compelling need. Such a tactic pits one inequity against another in competition for redress—whatever the result, both are diminished.

Moreover, I am troubled that the same cost arguments are offered against repeal legislation, and all assumptions are resolved against the proposal—that is, assuming the greatest cost. Again, I argue that the costs are exaggerated by the methodology which ignores how much the test costs the overall economy in terms of lost production. The problem simply exists that no reliable data exist upon which to calculate the offset—this does not mean that a significant loss in production does not occur. In addition, the lost income and payroll tax revenue to Federal, State, and local governments is also not included in the computation of the cost of earnings test repeal legislation. Some economists have estimated as much as 80 percent of the total repeal cost would be offset by increased income and payroll tax revenues alone.

Mr. President, I urge my fellow colleagues to join with me in support of this amendment to give back to older persons what they have earned and help the economy by regaining use of the talents of experienced workers.

Mr. McCAIN. Mr. President, I ask unanimous consent to add Senator GORTON as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, again, I want to express my appreciation to the Senators from Washington and Mississippi for accepting this amendment.

Let me just make a couple of comments.

I am very much afraid that this amendment will be dropped in conference. I believe that, not because of any lack of good faith on the part of our distinguished managers of the bill here, but because of the longstanding opposition that exists in the other body to removing this Social Security earnings limitation.

So, as much as I appreciate accepting this amendment, I am very much afraid we will not have resolved the issue.

So I would like to say to my friend from Washington and to my friend from Mississippi and other Members of this body, if, indeed, this amendment, this very important and vital amendment in my view, is dropped in conference, I intend to revisit this issue in the form of another amendment at a later time. I may have to do so on a piece of legislation which is less germane than the legislation that we are considering here today.

I say that in hopes that I will not have to do that. I say that in the deep and profound hope that it will be accepted in conference and will become part of law, the removal of this terrible inequity which has been inflicted upon our senior citizens for many years. At the same time I must give fair warning that if it is not, I intend to pursue this issue and this amendment until it is resolved in favor of fairness and decency.

With that, Mr. President, I ask unanimous consent to vitiate the yeas and nays.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered,

Mr. McCAIN. I thank the Chair.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Arizona.

The amendment (No. 1314) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. ADAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1315

(Purpose: To require the continued operation of certain Medicare telephone hotlines)

Mr. BROWN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN], for himself, Mr. McCAIN, Mr. COATS, and Mr. JEFFORDS, proposes an amendment numbered 1315.

Mr. BROWN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title VII, add the following new section:

SEC. . OPERATION OF MEDICARE HOTLINES.

From amounts appropriated for HCFA Medicare contracts, the Secretary of Health and Human Services shall continue to operate the beneficiaries toll free telephone lines under section 1889 of the Social Security Act (42 U.S.C. 1395zz) at the same level and in the same manner as such lines were operated prior to July 1, 1991, and shall reinstate reimbursement to carriers for the operation and maintenance of provider toll free telephone lines at the same level of service and in the same manner as such lines were operated prior to July 1, 1991.

Mr. BROWN. Mr. President, this amendment is a very straightforward matter. It simply requires that the 800 lines for Medicare servicing be maintained as they have been in the past. Without this legislation, at the end of this month we could well see the loss of those lines. It would be a devastating impact to people in rural districts around the entire Nation. Virtually everyone who lives outside of a metro center would have to make a long-distance call to find out the proper procedure for filing their claims or for finding out why their Medicare payment was not made. This represents less than 2 percent of the administrative costs of Medicare. Let me repeat it, less than 2 percent of the cost for Medicare. And yet it is probably the most important expenditure they have.

This measure had bipartisan support earlier in the year. We have 62 Senators, both Democratic and Republican Senators, signing a letter to the President urging this vital service be maintained. This amendment simply ensures that this service will continue.

This amendment directs the Secretary of Health and Human Services to maintain the toll free hotlines for Medicare beneficiaries and reinstate the provider toll free line reimbursement for carriers.

The toll free lines provide vital information for 34 million beneficiaries, including where they can find a Medicare participating physician who will accept assignment, ask questions regarding Medicare covered services, and recieve updated information on appeals on denied claims. Medicare beneficiaries also use the 800 lines to report instances of Medicare fraud.

The provider lines offered information on complex billing procedures, appeals on claims, and up-to-date information on covered services. This service was offered by 14 carriers until July 1, 1991, when the Department of Health and Human Services shut down reimbursement to these carriers for this service. This service was crucial to rural providers who cannot afford prime time long distance calls. With the advent of the new Medicare fee schedule, now is the wrong time to be limiting methods of communication with physicians.

Both the Senate appropriations committee report and the House-Senate conference report on H.R. 2707, the Departments of Labor, Health and Human Services, and Education appropriations for fiscal year 1992, include language directing the continuation of the hotlines. The administration, however, still plans to significantly reduce or eliminate services to Medicare beneficiaries under the hotlines and has suspended provider toll free line reimbursement.

On June 28, 1991, 10 Senators sent a letter to Secretary Sullivan asking him to review the decision to shut down the provider lines. As of this date, no reply has been issued by the Secretary to this letter. I submit a copy of our letter to the Secretary and ask that it be printed in the RECORD along with my statement.

On October 7, 1991, 62 Senators signed a letter to the President asking him to insure that the beneficiary lines will be continued at current services and asking that he review the decision to eliminate the provider lines. As of this date, we have not received a substantive reply on how the administration is going to proceed on this issue.

I ask unanimous consent that the letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 28, 1991.

Secretary LOUIS SULLIVAN,
Department of Health and Human Services, Washington, DC.

DEAR SECRETARY SULLIVAN: We are writing to express concern over recent action taken by the Health Care Financing Administration with regard to certain administrative costs incurred by the 37 Medicare contractors.

It has come to our attention that the Health Care Financing Administration has issued a notice to Medicare contractors informing them of impending administrative budget cuts for fiscal year 1992 based on the proposed levels of funding contained in the President's fiscal year 1992 budget. This notice, which instructs carriers that the toll free lines for providers will no longer be a reimbursable administrative cost, has created serious concerns and problems for Medicare participating physicians.

While we are all concerned about the fiscal year 1992 budget and its implications for funding public health care programs, there is also valid concern for containing administrative costs by encouraging accurate billing. Medicare participating providers purchase complex billing instructions from the various carriers. Providers have come to rely on the 800 lines to assist billing staff in correctly coding claim forms.

We are also aware that 14 Medicare contractors have replaced their toll free 800 lines with 900 lines, which add a profit margin to each call. Considering that providers have already paid hundreds of dollars to purchase claims filing books from each contractor, additional charges for answering questions on this same material may not be appropriate. We ask that your office review this situation as soon as possible.

The 800 lines have been an effective method of assisting providers in their interaction with Medicare. With the advent of Resource Based Relative Value Scale [RBRVS], Medicare providers will need contractors to be available to answer potential questions on implementation and changes in reimbursement policy during the next few years. We feel the 800 lines are an important tool in assuring continued participation of providers in the Medicare program.

We look forward to hearing from you on this important issue.

Sincerely,

Hank Brown, Dennis DeConcini, Larry Pressler, Alfonse D'Amato, John W. Warner, Larry E. Craig, Malcolm Wallop, J. James Exon, Steve Symms, James M. Jeffords,

U.S. Senators.

U.S. SENATE,
Washington, DC, October 3, 1991.

Hon. GEORGE BUSH,
The President, The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing to express our concern about actions by the Department of Health and Human Services [HHS] and the Office of Management and Budget to suspend toll-free telephone information services for Medicare beneficiaries and providers.

It is our understanding that toll-free information service for Medicare beneficiaries may be discontinued in coming weeks by HHS's Health Care Financing Administration. This follows on the heels of the July 1 suspension of toll-free lines for health care providers.

We are deeply concerned that the elimination of toll-free service for information on Medicare will adversely affect the ability of Medicare patients, particularly low-income senior citizens, to fully understand and obtain the benefits they are entitled to receive.

In fiscal year 1991, beneficiaries' toll-free lines handled 15.8 million calls from Medicare clients at a cost of $22 million, about $1.39 per call. The elimination of toll-free service will force Medicare patients on fixed incomes to pay for costly, prime time long-distance calls if they have questions about benefits or claims.

Similarly, the administration's earlier decision to no longer reimburse Medicare carriers for toll-free lines for health care providers eliminated one of the most cost-effective methods of meeting the needs of Medicare clients.

Medicare providers are required to submit all claims on behalf of their Medicare patients. With the anticipated changes in the Medicare fee schedule and the complexity of the program, health care providers need basic support services to help them comply with correct billing procedures.

Toll-free provider lines cost an estimated $3 million annually to maintain. In fiscal year 1990 they serviced 6.2 million calls, for about $.48 per call. Toll-free provider lines have been especially important to physicians in rural areas who have relied on them to assist in answering patient questions and concerns about Medicare. It now will be much more difficult for physicians' offices to provide the same level of information services to their patients because of the added time and expense of calling the Medicare carrier long-distance.

On June 28, 10 Senators sent a letter to HHS Secretary Louis Sullivan asking for a review of the Department's decision to shut down the toll-free lines, but never received a response. Last July, the Senate Appropriations Committee report on the fiscal year 1992 Labor-HHS-Education appropriation bill identified the continued operation of the toll-free lines as a priority.

We ask that you intervene to stop the elimination of Medicare beneficiaries' toll-free lines. We also ask that as soon as they become available, fiscal year 1992 HHS contingency funds be released to support this service and reinstatement of the reimbursement allowance for provider toll-free lines.

Sincerely,

Hank Brown, Dan Coats, J. James Exon, Charles E. Grassley, Larry Craig, Larry Pressler, Richard C. Shelby, Bob Smith.

Dennis DeConcini, Charles S. Robb, Herbert Kohl, Mark O. Hatfield, William S. Cohen, Thomas A. Daschle, James Jeffords, Bob Graham, Paul Wellstone, Joseph R. Biden, Jr., Trent Lott, Richard Bryan, Paul Simon, Connie Mack, Conrad Burns, Sam Nunn, Quentin N. Burdick, Timothy E. Wirth.

Tom Harkin, Alfonse M. D'Amato, John McCain, Ernest F. Hollings, Harris Wofford, Brock Adams, David Pryor, Howell Heflin, Kent Conrad, Malcolm Wallop, John Warner, Daniel K. Akaka, John Chafee, Richard Lugar, Patrick Leahy, Dale Bumpers, John B. Breaux, Wyche Fowler, Jr.

Donald W. Riegle, Jr., Barbara A. Mikulski, Max Baucus, Don Nickles, Bennett J. Johnston, Arlen Specter, William V. Roth, Jr., Joseph Lieberman, Christopher Bond, Robert W. Kasten, Jr., Daniel K. Inouye, John F. Kerry, Mitch McConnell, Nancy Landon Kassebaum, Carl M. Levin, John C. Danforth, David Boren, Jeff Bingaman,

U.S. Senators.

Mr. BROWN. Mr. President, these lines are cost effective. In fiscal year 1991, a total of 26.2 million calls were made to the beneficiary and providers lines at a cost of $25 million—or $.95 per call. Toll-free lines are the most cost efficient method the Government has of communicating complex information regarding Medicare policy and claims processing information.

Congress just appropriated more than $1.45 billion for administrative costs for Medicare carriers. The cost of operating these lines, which totals $25 million, can be met through existing appropriations available to the Department of Health and Human Services.

I hope my colleagues will join me in supporting the adoption of this directive language to S. 243.

I do not know of opposition either on the Democratic or Republican side.

Mr. ADAMS. Mr. President, on this side we are prepared to accept the amendment of the Senator from Colorado.

• Mr. HARKIN. Mr. President, will the senior Senator from Washington yield for a question?

Mr. ADAMS. I would be pleased to yield to the Senator from Iowa [Mr. HARKIN].

Mr. HARKIN. During the course of the appropriations proceedings, I received a letter from Senator BROWN which requested that the conference on H.R. 2707 include language regarding the maintenance of the 800 toll-free numbers to beneficiaries and providers. I am pleased to report that the conferees did agree to such language and it is included in the Conference Report on H.R. 2707.

The language included in the conference report assumed that the administration will, as it has in the past, release Medicare contractor contingency funds to fund these initiatives. In fact, my office has received informal assurances that these funds will indeed be released. The Medicare contractor funds including both the regular and the contingency funds increase 10 percent over the 1991 level. It is these funds that should be used to pay for the cost of toll-free lines.

The language offered by Senator BROWN would permit these moneys to be diverted from other HCFA accounts such as nursing home certification, rural hospital transition grants, medigap counseling, research and demonstrations, as well as Federal administration. Cuts in these programs are unnecessary by the approach already agreed to by the conferees on H.R. 2707. Not only are they unnecessary, the Appropriations Committee, after a great deliberation, feels that these several important programs cannot and should not be cut below the levels agreed to by the conference.

The difficulty however, with mandating this expense to come from Medicare contractors is that we do not, at this time, know how it would be scored by OMB. If OMB scores this at levels higher than H.R. 2707 has already been scored, it will cause a domestic sequester.

If between now and the time we go to conference it is determined that this matter will cause a sequester of all domestic programs, will the Senator from Washington agree to delete the matter in conference?

Mr. ADAMS. I want to thank the Senator for bringing this matter to my attention, and I certainly would not support this language if it would cause a sequester of domestic programs or would unduly harm other HCFA programs.•

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I commend the distinguished Senator from Colorado for his amendment and recommend to Senators on our side that the amendment be approved. I recommend it be adopted.

Mr. GRAHAM. Mr. President, I ask unanimous consent to be listed as a cosponsor of the amendment of the Senator from Colorado.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1315) was agreed to.

Mr. ADAMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1316

(Purpose: To establish grants for Native American elder rights protection activities)

Mr. ADAMS. Mr. President, I send an amendment to the desk that has been agreed to on both sides by Senator BINGAMAN to establish grants for Native American elder rights protection activities, I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS], for Mr. BINGAMAN, proposes an amendment numbered 1316.

Mr. ADAMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike section 601 of the amendment and insert the following:

SEC. 601. VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES.

The Act (42 U.S.C. 3001 et seq.) is amended by adding at the end the following new title:

"TITLE VII—GRANTS FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES

"PART A—GENERAL PROVISIONS

"SUBPART 1—GENERAL STATE PROVISIONS

"SEC. 701. ESTABLISHMENT.

"The Commissioner, acting through the Administration, shall establish and carry out a program for making allotments to States to pay for the Federal share of carrying out the elder rights activities described in parts B through E.

"SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

"(a) OMBUDSMAN PROGRAM.—There are authorized to be appropriated to carry out part B, in accordance with this subpart, $20,000,000 for fiscal year 1992, $21,000,000 for fiscal year 1993, $22,050,000 for fiscal year 1994, and $23,150,000 for fiscal year 1995.

"(b) PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.—There are authorized to be appropriated to carry out part C, in accordance with this subpart, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(c) STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAM.—There are authorized to be appropriated to carry out part D, in accordance with this subpart, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(d) OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM.—There are authorized to be appropriated to carry out part E, in accordance with this subpart, $15,000,000 for fiscal year 1992, $15,750,000 for fiscal year 1993, $16,540,000 for fiscal year 1994, and $17,360,000 for fiscal year 1995.

"SEC. 703. ALLOTMENT.

"(a) IN GENERAL.—

"(1) POPULATION.—In carrying out the program described in section 701, the Commissioner shall initially allot to each State, from the funds appropriated under section 702 for each fiscal year, an amount that bears the same ratio to the funds as the population age 60 and older in the State bears to the population age 60 and older in all States.

"(2) MINIMUM ALLOTMENTS.—

"(A) IN GENERAL.—After making the initial allotments described in paragraph (1), the Commissioner shall adjust the allotments in accordance with subparagraphs (B) and (C).

"(B) GENERAL MINIMUM ALLOTMENTS.—

"(i) MINIMUM ALLOTMENT FOR STATES.—No State shall be allotted less than one-half of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made.

"(ii) MINIMUM ALLOTMENT FOR TERRITORIES.—Guam, the Virgin Islands, and the Trust Territory of the Pacific Islands, shall each be allotted not less than one-fourth of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made. American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than one-sixteenth of 1 percent of the sum appropriated under section 702 for the fiscal year for which the determination is made.

"(C) MINIMUM ALLOTMENTS FOR OMBUDSMAN AND ELDER ABUSE PROGRAMS.—

"(i) OMBUDSMAN PROGRAM.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(a), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out the State Long-Term Care Ombudsman program under title III.

"(ii) ELDER ABUSE PROGRAMS.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(b), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out programs with respect to the prevention of abuse, neglect, and exploitation of older individuals under title III.

"(D) DEFINITION.—For the purposes of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(b) REALLOTMENT.—

"(1) IN GENERAL.—If the Commissioner determines that any amount allotted to a State for a fiscal year under this section will not be used by the State for carrying out the purpose for which the allotment was made, the Commissioner shall make the amount available to a State that the Commissioner determines will be able to use the amount for carrying out the purpose.

"(2) AVAILABILITY.—Any amount made available to a State from an appropriation for a fiscal year in accordance with paragraph (1) shall, for purposes of this subpart, be regarded as part of the allotment of the State (as determined under subsection (a)) for the year, but shall remain available until the end of the succeeding fiscal year.

"(c) WITHHOLDING.—If the Commissioner finds that any State has failed to qualify under the State plan requirements of section 705, the Commissioner shall withhold the allotment of funds to the State. The Commissioner shall disburse the funds withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of the State submitting an approved plan under section 705, which includes an agreement that any such payment shall be matched, in the proportion determined under subsection (d) for the State, by funds or in-kind resources from non-Federal sources.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the costs of carrying out the elder rights activities described in parts B through E is 85 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the costs shall be in cash or in kind. In determining the amount of the non-Federal share, the Commissioner may attribute fair market value to services and facilities contributed from non-Federal sources.

"SEC. 704. ORGANIZATION.

"In order for a State to be eligible to receive allotments under this subpart—

"(1) the State shall demonstrate eligibility under section 305;

"(2) the State agency designated by the State shall demonstrate compliance with the applicable requirements of section 305; and

"(3) any area agency on aging designated by the State agency and participating in such a program shall demonstrate compliance with the applicable requirements of section 305.

"SEC. 705. STATE PLAN.

"(a) ELIGIBILITY.—In order to be eligible to receive allotments under this subpart, a State shall submit a State plan to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require. At a minimum, the State plan shall contain—

"(1) an assurance that the State, in carrying out any part of this title for which the State receives funding under this subpart, will establish programs in accordance with the requirements of this title;

"(2) an assurance that the State will hold public hearings, and use other means, to obtain the views of older individuals, area agencies on aging, and other interested parties regarding programs carried out under this title;

"(3) an assurance that the State has submitted, or will submit, a State plan in accordance with section 307;

"(4) an assurance that the State, in consultation with area agencies on aging, will identify and prioritize statewide activities aimed at ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights;

"(5) an assurance that the State will use funds made available under this subpart for a part in addition to, and will not supplant, any funds that are expended under any Federal or State law in existence on the day before the date of the enactment of this title, to carry out the elder rights activities described in the part;

"(6) an assurance that the State agrees to pay, with non-Federal funds, 15 percent of the cost of the carrying out each part of this title; and

"(7) an assurance that the State will place no restrictions, other than the requirements specified in section 712(a)(5)(C), on the eligibility of agencies or organizations for designation as local Ombudsman entities under section 712(a)(5).

"(b) APPROVAL.—The Commissioner shall approve any State plan that the Commissioner finds fulfills the requirements of subsection (a).

"(c) NOTICE AND OPPORTUNITY FOR HEARING.—The Commissioner shall not make a final determination disapproving any State plan, or any modification of the plan, or make a final determination that a State is ineligible under section 704, without first affording the State reasonable notice and opportunity for a hearing.

"(d) NONELIGIBILITY OR NONCOMPLIANCE.—

"(1) FINDING.—The Commissioner shall take the action described in paragraph (2) if the Commissioner, after reasonable notice and opportunity for a hearing to the State agency, finds that—

"(A) the State is not eligible under section 704;

"(B) the State plan has been so changed that the plan no longer complies substantially with the provisions of subsection (a); or

"(C) in the administration of the plan there is a failure to comply substantially with a provision of subsection (a).

"(2) WITHHOLDING AND LIMITATION.—If the Commissioner makes the finding described in paragraph (1) with respect to a State agency, the Commissioner shall notify the State agency, and shall—

"(A) withhold further payments to the State from the allotments of the State under section 703; or

"(B) in the discretion of the Commissioner, limit further payments to the State to projects under or portions of the State plan not affected by the ineligibility or noncompliance, until the Commissioner is satisfied that the State will no longer be ineligible or fail to comply.

"(3) DISBURSEMENT.—The Commissioner shall, in accordance with regulations prescribed by the Commissioner, disburse funds withheld or limited under paragraph (2) directly to any public or nonprofit private organization or agency or political subdivision of the State that submits an approved plan in accordance with the provisions of this section. Any such payment shall be matched in the proportions specified in section 703(d).

"(e) APPEAL.—

"(1) FILING.—

"(A) IN GENERAL.—A State that is dissatisfied with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with the court not later than 30 days after the final action. A copy of the petition shall be transmitted by the clerk of the court to the Commissioner, or any officer designated by the Commissioner for the purpose.

"(B) RECORD.—On receipt of the petition, the Commissioner shall file in the court the record of the proceedings on which the action of the Commissioner is based, as provided in section 2112 of title 28, United States Code.

"(2) PROCEDURE.—

"(A) REMEDY.—On the filing of a petition under paragraph (1), the court described in paragraph (1) shall have jurisdiction to affirm the action of the Commissioner or to set the action aside, in whole or in part, temporarily or permanently. Until the filing of the record, the Commissioner may modify or set aside the order of the Commissioner.

"(B) SCOPE OF REVIEW.—The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence. If the court remands the case, the Commissioner shall, within 30 days, file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(C) FINALITY.—The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(3) STAY.—The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the action of the Commissioner.

"(f) PRIVILEGE.—Neither a State, nor a State agency, may require any provider of legal assistant under this title to reveal any information that is protected by the attorney-client privilege.

"Subpart 2—General Native American
Organization Provisions

"SEC. 706. NATIVE AMERICAN PROGRAM.

"(a) Establishment.—The Commissioners, acting through the Associate Commissioner on American Indian, Alaskan Native, and Native Hawaiian Aging, shall establish and carry out a program for—

"(1) assisting eligible entities in prioritizing, on a continuing basis, the elder rights needs of the service population of the entities; and

"(2) making grants to eligible entities to carry out the elder rights activities described in parts B through E that the entities have determined to be priorities.

"(b) Application.—In order to be eligible to receive assistance under this subpart, an entity shall submit an application to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require.

"(c) Eligible Entity.—An entity eligible to receive assistance under this section shall be—

"(1) an Indian tribe; or

"(2) a public agency, or a nonprofit organization, serving older Native Americans.

"(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $5,000,000 for fiscal year 1992, $5,250,000 for fiscal year 1993, $5,510,000 for fiscal year 1994, and $5,785,000 for fiscal year 1995.

"(e) Definition.—As used in parts B through E, with respect to an activity carried out with assistance made available under this section, the term State' or 'State agency' includes an eligible entity described in subsections (c).

"Subpart 3—Administrative Provisions

"SEC. 707. ADMINISTRATION.

"(a) Agreements.—In carrying out the elder rights activities described in parts B through E, a State agency, or an eligible entity described in section 706(c), may, either directly or through a contract or agreement, enter into agreements with public or private nonprofit agencies or organizations, such as—

"(1) other State agencies;

"(2) area agencies on aging;

"(3) county governments;

"(4) universities and colleges;

"(5) Indian tribes; and

"(6) other standards or local nonprofit service providers or volunteer organizations.

"(b) Technical Assistance.—

"(1) Other agencies.—In carrying out the provisions of this title, the Commissioner may request the technical assistance and cooperation of such agencies and departments of the Federal Government as may be appropriate.

"(2) Commissioner.—The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to programs established under this title and to individuals designated under the programs to be representatives of the programs.

"SEC. 708. AUDITS.

"(a) Access.—The Commissioner and the Comptroller General of the United States and any of the duly authorized representatives of the Commissioner or the Comptroller shall have access, for the purpose of conducting an audit or examination, to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"(b) Limitation.—State agencies, area agencies on aging, and eligible entities described in section 706(c) shall not request information or data from providers that is not pertinent to services furnished in accordance with this title or a payment made for the services.".

Mr. ADAMS. Mr. President, I have no further statement on the amendment.

Mr. COCHRAN. Mr. President, there is no objection to this amendment. We recommend its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1316) was agreed to.

AMENDMENT NO. 1317

(Purpose: To require that certain sums be used for a program regarding training for professional and service providers)

Mr. COCHRAN. Mr. President, on behalf of the distinguished Senator from Kansas [Mr. Dole] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. Cochran], for Mr. Dole, proposes an amendment numbered 1317.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 403 of the amendment, insert "(a) In General.—" before "Section 411(a)".

At the end of section 403 of the amendment, add the following new subsection:

(b) Training for Professional and Service Providers.—Section 411 is amended by adding at the end the following new subsection:

"(e) Of the amounts made available under section 431(a)(1) for each fiscal year, $450,000 shall be used for making grants and entering into contracts under this part to establish and carry out a program under which professional and service providers (including family physicians and clergy) will receive training—

"(1) comprised of—

"(A) intensive training regarding normal aging, recognition of problems of aging persons, and communication with the mental health network; and

"(B) advanced clinical training regarding means of assessing and treating the problems described in subparagraph (a);

"(2) provided by—

"(A) faculty and graduate students in programs of human development and family studies at a major university;

"(B) mental health professionals; and

"(C) nationally recognized consultants in the area of rural mental health; and

"(3) held in county hospital sites throughout the State in which the program is based."

Mr. DOLE. Mr. President, I rise today to offer an amendment that will authorize and provide the necessary funding to enhance the delivery of mental health care to our Nation's rural elderly. The mental health needs of people living in rural areas is not being met. Similarly, the mental health needs of the elderly are not being met. Consequently, elderly persons who live in small rural areas are at double jeopardy when faced with mental health problems. The lack of mental health services is not, however, the greatest issue among rural elderly—elderly people in general are often resistant to seeking and accepting formal mental health services.

The elderly are more willing to take their mental health problems to people they have regular contact with; people they know and trust. Professionals, that is, family physicians and clergy, and service providers; that is, senior center directors and staff members, county extension agents, have regular, trusted contact with rural elders. But, few service providers are trained to recognize warning signs of depression, suicide, alcoholism, complicated grief or Alzheimer's disease; many professionals were trained before gerontology was included in the curriculum. The reality is that professionals and service providers most likely to come into contact with an elder who has mental health concerns have little or no training in aging or mental health.

In Kansas, an innovative project is being developed to alleviate this rural health problem. Through the Enhancing Mental Health Services for Rural Elderly project, a core group of trusted professionals and service providers will be trained in gerontology and mental health issues of the elderly. As a result of this project the rural elderly will have trained people in their community to help them recognize and overcome problems of depression, suicide, alcoholism, complicated grief or Alzheimer's disease.

Mr. COCHRAN. Mr. President, this amendment has been cleared on this side. We recommend its adoption.

Mr. ADAMS. Mr. President, this amendment has been cleared on our side also, and we recommend its adoption and are in support of it.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1317) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ADAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1318

(Purpose: To make uniform the effective date for compliance with the Older Workers Benefit Protection Act by certain collectively bargained benefits)

Mr. LEVIN. Mr. President, I send an amendment to the desk, which I understand now has been cleared on both sides, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes an amendment numbered 1318.

Mr. LEVIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the appropriate place in the bill insert the following new section:

SEC. . Amend section 105 of the Older Workers Benefit Protection Act (Public Law 101-433) by striking the semicolon at the end of paragraph (b)(1) and inserting thereafter the following: "; or that is a result of pattern collective bargaining in an industry where the agreement setting the pattern was ratified after September 20, 1990, but prior to the date of enactment, and the final agreement in the industry adhering to the pattern was ratified after the date of enactment, but not later than November 20, 1990;".

Mr. LEVIN. Mr. President, the purpose of this amendment is to make clear that the Older Workers Benefit Protection Act applies equally in terms of effective dates to the collective bargaining agreements which have been negotiated between the United Automobile Workers and General Motors, Ford, and Chrysler in 1990.

In the automotive industry, collective bargaining agreements are reached through pattern bargaining, meaning wages, benefits and other basic terms of employment are first agreed between the UAW and one domestic auto company, and then bargained to substantially identical agreements with the remaining auto companies. This process has been the practice in effect in the auto industry for decades.

One of the provisions of OWBPA extended the effective date for compliance with the act to June 1, 1992, for certain collectively bargained benefits plans. The timing of pattern collective bargaining in 1990 placed Chrysler third in line after General Motors and Ford. Because of the timing of the collective bargaining involving Chrysler and the enactment of OWBPA, it is arguable that the contract negotiated between the UAW and Chrysler was not in effect at the time OWBPA was enacted and, as a result, is not covered by the provision for the delayed effective date. It is clear that General Motors and Ford are already covered by the provision for the delayed effective date.

This amendment makes clear that the delay in the effective date which applies to the General Motors and Ford contracts also applies to the contract negotiated between the UAW and Chrysler during that 1990 timeframe.

It is a rather technical amendment. I understand that the Senator from Mississippi, though, has cleared it. I am wondering. Before I proceed, I want to make sure of that. I was so informed of that. I want to make sure, before I proceed, that in fact is accurate, that my staff has accurately told me the amendment has been cleared on both sides.

Mr. COCHRAN. If the Senator will yield, I am advised the amendment is acceptable and has been cleared on this side.

Mr. LEVIN. I thank my friend.

Mr. ADAMS. I want to state to the Senator from Michigan that the amendment is acceptable on this side, and we recommend it be adopted.

Mr. LEVIN. I thank the Senator from Washington and the Senator from Mississippi both for clearing the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1318) was agreed to.

Mr. ADAMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, if I could advise the manager on the Democratic side that we have one other amendment that we understand has been cleared to be offered by the Senator from California [Mr. SEYMOUR]. He is prepared to offer the amendment. I know of no other amendments. So we are about to get to the point of final passage.

Mr. ADAMS. I know of no other amendments.

Mr. COCHRAN. Let me say I suggested to Senators on this side that we would be well advised to pass this bill on a voice vote. We have no request on our side for a record vote.

Mr. ADAMS. I have no request on our side for a record vote, either. Does the Senator wish to offer the amendment for Senator SEYMOUR?

Mr. COCHRAN. I am told he would like to offer it in his own behalf. Awaiting his further advice, maybe we should put in a quorum call.

Mr. ADAMS. We have no other request for amendments.

Mr. BUMPERS. Will the Senator yield? What is the parliamentary situation, Mr. President? Is there an amendment pending?

Mr. ADAMS. I say to the Senator that we have completed all of the amendments with the exception of the Seymour amendment which he wishes to offer himself. It has been accepted by both sides. We are prepared to move after that to final passage. I know of no request for a rollcall vote that has been made on this side, and Senator COCHRAN has indicated he has no request for a rollcall vote on the other side.

Mr. BUMPERS. There is no request for a rollcall vote?

Mr. ADAMS. No. We are waiting for Senator SEYMOUR at this point. He wishes to present his own amendment which we have indicated we would accept.

Mr. BUMPERS. Mr. President, pending the arrival of Senator SEYMOUR, I would like to take a couple minutes of the Senate's time to say, after the fact, why I voted against Senator Metzenbaum's amendment to the bill and voted against tabling the amendment of the Cochran motion to strike.

It has been, I guess, close to 2 years ago when we held hearings on the pension benefit guarantee fund before the HHS Subcommittee on Appropriations. At that time Elizabeth Dole, who was Secretary of Labor, testified. I had asked for those hearings because I was greatly concerned about the economic viability of the pension benefit guarantee fund and I was reading some rather alarming press reports about it. In addition to that, the Inspector General, whose name I believe was Raymond Maria had made serious accusations about the pension benefit guarantee fund's not being adequately audited.

One of the things that I asked Mrs. Dole. was how she felt about requiring that these pension funds be, not just actuarially sound, but have a 10 to 20 percent contingency fund in excess of actuarial soundness. Corporate raiders and other leveraged buyout artists were using the excess corporate pension funds to buy the company. For example, if you find $100 million in a pension fund in excess of the amount necessary to make that fund actuarially sound, and you are seeking a leveraged buyout of the company, or want to try to take it over, you can actually use that $100 million excess to buy it. And so any time a company pension fund in this country allowed its pension fund to accumulate excess funds, it could very well become the target of a takeover.

I asked Mrs. Dole why we do not pass a law requiring something in excess of actuarial soundness. She wrote back saying she did not think that was proper. I still think it is a good idea.

But the other things that came out in that hearing that caused me to support the Senator from Mississippi [Mr. COCHRAN], on his proposal was that in 1974 when ERISA was passed, 35 percent of the pension funds in this country were actuarially sound. In 1990, when this hearing was held, 80 percent of them were considered to be actuarially sound. But in that period of time, the number of pension funds guaranteed by the PBGC had risen to around 95,000. Originally, we only charged these companies $1 a year per employee. Today we charge them up to $72 per employee covered in the pension fund if it is underfunded, and the pension fund still has a deficit of $1.8 billion.

Mr. President, the way we spend money around here, if you say it real fast, $1.8 billion does not sound like very much. I consider it to be a lot. I want to say to my colleagues, if the roughly 40 million people of this country who are covered by these guaranteed private pension plans knew, just how shaky the pension benefit guarantee fund was, you would be getting a lot of mail.

Now, you can say that most plans are fully funded, but let me just give you an illustration of why we are facing a shaky situation regarding retirement funds in general. A company can say its fund is actuarially sound, but if you look through its portfolio, it may be that Executive Life in California was providing annuities. Do you know where Executive Life is now? Belly up. So there are other dangers to retirement funds. Pension funds currently contain $1.7 trillion in assets. But what if the stock market took another 500-point drop any day, just as it did in October 1987? Instead of 80 percent of the pension funds in this country being fully funded, you are likely to find 10 to 20 percent of them being fully funded.

Mr. President, I am telling you, we are playing with dynamite when we put another burden on the PBGC. The Senator from Ohio was, indeed, trying to go back and pick up all the employees who had worked for Studebaker and other companies that went under prior to 1974 when we passed ERISA. All those employees who had worked for companies that went under lost their coverage. I would love to cover them, and in a perfect world, I would have voted with the Senator from Ohio. But we are not in a perfect world. On the contrary, we are in a very imperfect economic environment in this country right now.

So as much as I wanted to help those 40,000 workers, I do not think anybody could tell us with any degree of accuracy how many workers would be covered by the amendment of the Senator from Ohio. It might be 40,000. It might be 60,000. No hearing has ever been held in the Senate. I heard figures bandied around here that it might cost 300 million or 500 million. Nobody knows how much it would cost. So at the very least, the Labor Committee ought to call a hearing and try to ferret out the best information they can get on what the numbers are on the Metzenbaum proposal before we are asked to vote on it. I have such immense compassion for people who lost their pensions because a company went belly up, and I would like to help.

Mr. President, there are 40,000 people out there who would like to have this amendment passed, but I submit to you there are 40 million people who are depending on the PBGC to insure their retirement funds. They are going to bed happy as clams at night thinking that this pension benefit guarantee fund is not in the same shape that FSLIC is in, the same shape FDIC is in, it is not broke and in fact $1.8 billion in debt.

You saw a story in the Washington Post last week that stated the PBGC has checks coming in from all over the country. But they do not know to whom to credit them. They are uncashed. They are not deposited. It is a terrible mess. I think they are doing their best to get it straightened out.

Finally, Mr. President, I voted against the Metzenbaum proposal because it would have caused a mini sequester. Let us assume his amendment was going to cost $300 million. Under the budget agreement of last year, we would have to sequester Medicare in order to pay for it. You cannot get it out of the pension benefit guarantee fund; it is broke, in debt almost $2 billion. So you would have a sequester of all the retirement plans, except Medicare. That is the one that would be exempt.

Mr. President, I go home every weekend. I have done so ever since I have been in the Senate. I stay in touch with my constituents. I talk with them. I can tell you, it is things like this about which they are most upset. So I was very pleased the Senate came to its senses and defeated the Metzenbaum amendment. There may be a time, as I say, when in a little more perfect world we can support that amendment and try to help those 40,000 people. But right now we have to worry about the solvency of the pension benefit guarantee fund and the $1.8 trillion in assets it guarantees. We must protect the people of this country who are depending on these pension funds in their old age. I am deeply concerned about those millions of people who are relying on those pension funds for their retirement, and so I had to reluctantly vote against that amendment.

Mr. President, I just had to get that off my chest.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. BUMPERS. I am happy to yield the floor.

Mr. FORD. No; I just want to have a colloquy with the Senator.

The Senator struck a nerve when he mentioned the surplus in the pension fund of the individual company or business. Is the Senator going to pursue that?

The reason I ask that, there is one company I can give you an example of where the surplus in the pension fund saved them from a reduction of employees and that sort of thing, and they were able to extend the time that they worked by 5 years, and with the 5 years of pension they could retire early. They liked it. The employees liked it. The surplus in the pension fund did it. But if they had just been even, they would never have been able to do it. I like the idea of asking them to have some surplus.

Mr. BUMPERS. Mr. President, perhaps we could hold a hearing on it. I am ranking member on the Labor-HHS appropriations subcommittee and I may call Senator HARKIN about that. The reason I think there ought to be a contingency fund in excess of actuarial soundness is, as I pointed out, if the stock market should go down 500 points again, they are going to wish they had a 20-percent cushion.

Mr. FORD. The Senator is on the right track. I want to compliment him. I am willing to help him in any way. I think he struck a nerve. I think we ought to help him.

Mr. BUMPERS. I thank the Senator for his kind words. Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Mississippi.

Mr. COCHRAN. Mr. President, we are trying to resolve the last few amendments that remain for consideration. We had indicated a little bit earlier that we had had no request for a rollcall vote on final passage of the bill. We still have had no request from this side of the aisle. I do not know if that means that there will not be a vote, but I am just reporting that to the Senate for its information. We are trying right now to resolve the last few amendments.

Mr. SEYMOUR. Has an amendment that the managers are recommending to the Senate been accepted? There are a couple of other amendments that are being considered right now which are not yet acceptable.

So we appear to be at the point of third reading on the bill. We are near this, for the information of Senators.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SEYMOUR addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 1319

Mr. SEYMOUR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California [Mr. SEYMOUR] proposes an amendment numbered 1319.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

An amendment to title VI, part D, section 731(b)(2), add (D) capacity to promote financial management services for older individuals at risk of conservatorship;

Mr. SEYMOUR. Mr. President, it is my understanding that we have an agreement on this amendment on both sides. I appreciate that. I very briefly would like to say why I believe this amendment is important.

Many times when a senior citizen reaches a certain position in age they are forced into a conservatorship. They are forced into a conservatorship that is expensive, and it creates great stress upon a senior citizen.

What my amendment would do very simply is for approximately 500,000 elderly Americans who are currently under a conservatorship, this amendment would offer hope that there is a more simple, less expensive alternative. That is to encourage States to offer financial management services providing those services that would normally accrue under a conservatorship, providing them to senior citizens with no cost to them.

This amendment will avoid the costly or inappropriate conservatorship process for senior citizens. It would do that by expanding financial and counseling services for the elderly.

Mr. President, I rise today to offer an amendment which provides financial management services for older individuals at risk of conservatorship.

Approximately 500,000 elderly Americans are currently under a conservatorship. A conservatorship transfers a senior's legal rights and decisionmaking to another person because a court has determined that the senior citizen is unable to handle his or her own affairs. In fact, individuals in the United States who are placed under these guardianships reserve fewer rights than are retained by convicted felons, such as the right to vote, own property, marry, and consent to medical treatment.

While conservatorships are necessary for individuals who are truly incapable of handling their own affairs, those who simply need financial assistance, should not be held to the restrictions of a conservatorship.

However, many of our senior citizens could maintain their independence if they could simply receive help in managing their personal affairs such as writing checks, paying bills, and budgeting.

Some financial management services are provided for those individuals under conservatorships, however, due to limited local resources, these services are generally not available to individuals who are not in need of guardianships or conservatorships.

While providing much needed financial management services my bill would also avoid costly or inappropriate conservatorship processes.

By expanding financial and counseling services for the elderly, my amendment would provide our seniors greater access to vital services in their own neighborhoods to helping them maintain their independence and dignity.

Mr. President, I urge adoption of the amendment.

Mr. COCHRAN. Mr. President, let me compliment the distinguished Senator from California for offering this amendment. It will promote financial management services being made available for older individuals who are at risk of conservatorship. I recommend—and it has been cleared on this side—adoption of this amendment.

Mr. ADAMS. I too want to compliment the Senator from California. This is a very important amendment at this point because seniors are faced with more and more complicated financial transactions. I compliment the Senator for having offered it, and I recommend the Senators on this side vote for it.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from California.

The amendment (No. 1319) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ADAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS. Mr. President, I ask unanimous consent that the amendment as adopted by Senator BINGAMAN be modified, by unanimous consent by agreement on both sides, as presented to the desk.

The PRESIDING OFFICER. Is there objection to the modification of the amendment?

If not, it is so ordered.

The amendment (No. 1316) as modified, is as follows:

Strike section 601 of the amendment and insert the following:

SEC. 601. VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES.

The Act (42 U.S.C. 3001 et seq.) is amended by adding at the end the following new title:

"TITLE VII—GRANTS FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES

"PART A—GENERAL PROVISIONS

"Subpart 1—General State Provisions

"SEC. 701. ESTABLISHMENT.

"The Commissioner, acting through the Administration, shall establish and carry out a program for making allotments to States to pay for the Federal share of carrying out the elder rights activities described in parts B through E.

"SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

"(a) OMBUDSMAN PROGRAM.—There are authorized to be appropriated to carry out part B, in accordance with this subpart, $20,000,000 for fiscal year 1992, $21,000,000 for fiscal year 1993, $22,050,000 for fiscal year 1994, and $23,150,000 for fiscal year 1995.

"(b) PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.—There are authorized to be appropriated to carry out part C, in accordance with this subpart, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(c) STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAM.—There are authorized to be appropriated to carry out part D, in accordance with this subpart, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(d) OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM.—There are authorized to be appropriated to carry out part E, in accordance with this subpart, $15,000,000 for fiscal year 1992, $15,750,000 for fiscal year 1993, $16,540,000 for fiscal year 1994, and $17,360,000 for fiscal year 1995.

"SEC. 703. ALLOTMENT.

"(a) IN GENERAL.—

"(1) POPULATION.—In carrying out the program described in section 701, the Commissioner shall initially allot to each State, from the funds appropriated under section 702 for each fiscal year, an amount that bears the same ratio to the funds as the population age 60 and older in the State bears to the population age 60 and older in all States.

"(2) MINIMUM ALLOTMENTS.—

"(A) IN GENERAL.—After making the initial allotments described in paragraph (1), the Commissioner shall adjust the allotments in accordance with subparagraphs (B) and (C).

"(B) GENERAL MINIMUM ALLOTMENTS.—

"(i) MINIMUM ALLOTMENT FOR STATES.—No State shall be allotted less than one-half of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made.

"(ii) MINIMUM ALLOTMENT FOR TERRITORIES.—Guam, the Virgin Islands, and the Trust Territory of the Pacific Islands, shall each be allotted not less than one-fourth of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made. American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than one-sixteenth of 1 percent of the sum appropriated under section 702 for the fiscal year for which the determination is made.

"(C) MINIMUM ALLOTMENTS FOR OMBUDSMAN AND ELDER ABUSE PROGRAMS.—

"(i) OMBUDSMAN PROGRAM.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(a), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out the State Long-Term Care Ombudsman program under title III.

"(ii) ELDER ABUSE PROGRAMS.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(b), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out programs with respect to the prevention of abuse, neglect, and exploitation of older individuals under title III.

"(D) DEFINITION.—For the purposes of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(b) REALLOTMENT.—

"(1) IN GENERAL.—If the Commissioner determines that any amount allotted to a State for a fiscal year under this section will not be used by the State for carrying out the purpose for which the allotment was made, the Commissioner shall make the amount available to a State that the Commissioner determines will be able to use the amount for carrying out the purpose.

"(2) AVAILABILITY.—Any amount made available to a State from an appropriation for a fiscal year in accordance with paragraph (1) shall, for purposes of this subpart, be regarded as part of the allotment of the State (as determined under subsection (a)) for the year, but shall remain available until the end of the succeeding fiscal year.

"(c) WITHHOLDING.—If the Commissioner finds that any State has failed to qualify under the State plan requirements of section 705, the Commissioner shall withhold the allotment of funds to a State. The Commissioner shall disburse the funds withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of the State submitting an approved plan under section 705, which includes an agreement that any such payment shall be matched, in the proportion determined under subsections (d) for the State, by funds or in-kind resources from non-Federal sources.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the costs of carrying out the elder rights activities described in parts B through E is 85 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the costs shall be in cash or in kind. In determining the amount of the non-Federal share, the Commissioner may attribute fair market value to services and facilities contributed from non-Federal sources.

"SEC. 704. ORGANIZATION.

"In order for a State to be eligible to receive allotments under this subpart—

"(1) the State shall demonstrate eligibility under section 305;

"(2) the State agency designated by the State shall demonstrate compliance with the applicable requirements of section 305; and

"(3) any area agency on aging designated by the State agency and participating in such a program shall demonstrate compliance with the applicable requirements of section 305.

"SEC. 705. STATE PLAN.

"(a) ELIGIBILITY.—In order to be eligible to receive allotments under this subpart, a State shall submit a State plan to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require. At a minimum, the State plan shall contain—

"(1) an assurance that the State, in carrying out any part of this title for which the State receives funding under this subpart, will establish programs in accordance with the requirements of this title;

"(2) an assurance that the State will hold public hearings, and use other means, to obtain the views of older individuals, area agencies on aging, and other interested parties regarding programs carried out under this title;

"(3) an assurance that the State has submitted, or will submit, a State plan in accordance with section 307;

"(4) an assurance that the State, in consultation with area agencies on aging, will identify and prioritize statewide activities aimed at ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights;

"(5) an assurance that the State will use funds made available under this subpart for a part in addition to, and will not supplant, any funds that are expended under any Federal or State law in existence on the day before the date of the enactment of this title, to carry out the elder rights activities described in the part;

"(6) an assurance that the State agrees to pay, with non-Federal funds, 15 percent of the cost of the carrying out each part of this title; and

"(7) an assurance that the State will place no restrictions, other than the requirements specified in section 712(a)(5)(C), on the eligibility of agencies or organizations for designation as local Ombudsman entities under section 712(a)(5).

"(b) APPROVAL.—The Commissioner shall approve any State plan that the Commissioner finds fulfills the requirements of subsection (a).

"(c) NOTICE AND OPPORTUNITY FOR HEARING.—The Commissioner shall not make a final determination disapproving any State plan, or any modification of the plan, or make a final determination that a State is ineligible under section 704, without first affording the State reasonable notice and opportunity for a hearing.

"(d) NONELIGIBILITY OR NONCOMPLIANCE.—

"(1) FINDING.—The Commissioner shall take the action described in paragraph (2) if the Commissioner, after reasonable notice and opportunity for a hearing to the State agency, finds that—

"(A) the State is not eligible under section 704;

"(B) the State plan has been so changed that the plan no longer complies substantially with the provisions of subsection (a); or

"(C) in the administration of the plan there is a failure to comply substantially with a provision of subsection (a).

"(2) WITHHOLDING AND LIMITATION.—If the Commissioner makes the finding described in paragraph (1) with respect to a State agency, the Commissioner shall notify the State agency, and shall—

"(A) withhold further payments to the State from the allotments of the State under section 703; or

"(B) in the discretion of the Commissioner, limit further payments to the State to projects under or portions of the State plan not affected by the ineligibility or noncompliance, until the Commissioner is satisfied that the State will no longer be ineligible or fail to comply.

"(3) DISBURSEMENT.—The Commissioner shall, in accordance with regulations prescribed by the Commissioner, disburse funds withheld or limited under paragraph (2) directly to any public or nonprofit private organization or agency or political subdivision of the State that submits an approved plan in accordance with the provisions of this section. Any such payment shall be matched in the proportions specified in section 703(d).

"(e) APPEAL.—

"(1) FILING.—

"(A) IN GENERAL.—A State that is dissatisfied with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with the court not later than 30 days after the final action. A copy of the petition shall be transmitted by the clerk of the court to the Commissioner, or any officer designated by the Commissioner for the purpose.

"(B) RECORD.—On receipt of the petition, the Commissioner shall file in the court the record of the proceedings on which the action of the Commissioner is based, as provided in section 2112 of title 28, United States Code.

"(2) PROCEDURE.—

"(A) REMEDY.—On the filing of a petition under paragraph (1), the court described in paragraph (1) shall have jurisdiction to affirm the action of the Commissioner or to set the action aside, in whole or in part, temporarily or permanently. Until the filing of the record, the Commissioner may modify or set aside the order of the Commissioner.

"(B) SCOPE OF REVIEW.—The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence. If the court remands the case, the Commissioner shall, within 30 days, file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(C) FINALITY.—The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(3) STAY.—The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the action of the Commissioner.

"(f) PRIVILEGE.—Neither a State, nor a State agency, may require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.

"Subpart 2—General Native American Organization Provisions

"SEC. 706. NATIVE AMERICAN PROGRAM.

"(a) ESTABLISHMENT.—The Commissioner, acting through the Associate Commissioner on American Indian, Alaskan Native, and Native Hawaiian Aging, shall establish and carry out a program for—

"(1) assisting eligible entities in prioritizing, on a continuing basis, the elder rights needs of the service population of the entities; and

"(2) making grants to eligible entities to carry out the elder rights activities described in parts B through E that the entities have determined to be priorities.

"(b) APPLICATION.—In order to be eligible to receive assistance under this subpart, an entity shall submit an application to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require.

"(c) ELIGIBLE ENTITY.—An entity eligible to receive assistance under this section shall be—

"(1) an Indian tribe; or

"(2) a public agency, or a nonprofit organization, serving older Native Americans.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $5,000,000 for fiscal year 1992, $5,250,000 for fiscal year 1993, $5,510,000 for fiscal year 1994, and $5,785,000 for fiscal year 1995.

"(e) DEFINITION.—As used in parts B through E, with respect to an activity carried out with assistance made available under this section, the term 'State' or 'State agency' includes an eligible entity described in subsection (c).

"Subpart 3—Administrative Provisions

"SEC. 707. ADMINISTRATION.

"(a) AGREEMENTS.—In carrying out the elder rights activities described in parts B through E, a State agency, or an eligible entity described in section 706(c), may, either directly or through a contract or agreement, enter into agreements with public or private nonprofit agencies or organizations, such as—

"(1) other State agencies;

"(2) area agencies on aging;

"(3) county governments;

"(4) universities and colleges;

"(5) Indian tribes; and

"(6) other statewide or local nonprofit service providers or volunteer organizations.

"(b) TECHNICAL ASSISTANCE.—

"(1) OTHER AGENCIES.—In carrying out the provisions of this title, the Commissioner may request the technical assistance and cooperation of such agencies and departments of the Federal Government as may be appropriate.

"(2) COMMISSIONER.—The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to programs established under this title and to individuals designated under the programs to be representatives of the programs.

"SEC. 708. AUDITS.

"(a) ACCESS.—The Commissioner and the Comptroller General of the United States and any of the duly authorized representatives of the Commissioner or the Comptroller shall have access, for the purpose of conducting an audit or examination, to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"(b) LIMITATION.—State agencies, area agencies on aging, and eligible entities described in section 706(c) shall not request information or data from providers that is not pertinent to services furnished in accordance with this title or a payment made for the services.".

Mr. COCHRAN. Mr. President, I know of no further amendments on this side of the aisle. I think all amendments that we have been advised of have been considered by the Senate and either adopted or voted down.

Mr. ADAMS. Mr. President, I know of no further amendments to be offered on this side.

Mr. KENNEDY. Mr. President, the Older Americans Act celebrated its 25th anniversary last year. Over the years, the act has provided millions of senior citizens with critically needed services such as the Meals on Wheels Program for the homebound elderly and the senior employment program for modest income senior citizens who need the security of a job. In addition, the network created under this act has been an advocate for senior citizens with programs such as the nursing home ombudsmen who provide a voice to individuals least able to speak for themselves.

In addition, the Older Americans Act has supported thousands of senior centers across the country. One of Massachusetts' largest senior centers, the Peabody Community Life Center, is opening next Sunday, it will offer comprehensive services, including an innovative adult day care center.

Senator ADAMS has done a remarkable job in crafting this bill. I commend him for his leadership in consolidating and improving the most important services under the act which protect the rights, and the independence of older persons.

Over the past decade, the aging of our population has brought new urgency to the programs of the Older Americans Act especially the need to address the serious problems of long-term care. The pending reauthorization bill maintains the Long-Term Care Resource Centers, which include the Brandeis Center in Massachusetts. It also authorizes a new demonstration project to improve the delivery of long-term care services, an initiative that Senator PRYOR and I have developed with the assistance of the Senate Special Committee on Aging.

I also commend Senator COCHRAN, the distinguished ranking minority member of the Aging Subcommittee, for his effective work on this important reauthorization bill. This measure contains many important and effective provisions that reaffirm our commitment to older Americans, and I urge the Senate to approve it.

Mr. BINGAMAN. Mr. President, I rise today in strong support of S. 243, the Older Americans Act Amendments of 1991, and I commend Senator ADAMS, the distinguished chairman of the Senate Labor and Human Resources Subcommittee on Aging, and his staff for their excellent work on this important legislation. The bill before us today reauthorizes a wide variety of programs important to millions of Americans, and strengthens the underlying structure of the Older Americans Act in a number of significant ways. It is a bill worthy of the support of every Member of the Senate.

For example, S. 243 creates a new coordinating title that will consolidate and strengthen several key services supported by the Administration on Aging and aimed at protecting the rights of older persons. The new "Elder Rights" title will strengthen the long-term care ombudsman programs at the Federal, State, and local levels; expand outreach services to include counseling and assistance to seniors on health and other insurance matters; and strengthen State and local efforts to provide legal assistance to the elderly.

As originally drafted, however, the new title VII did not address the unique needs—or status—of Native American elders, nor did it involve Indian tribal governments, which have their own set of laws governing activities on their lands and enjoy a sovereign relationship with the Federal Government, in implementing or improving elder rights programs. I am pleased that both floor managers have agreed to accept my amendment to ensure inclusion of Indian tribes—and the Native American elders they serve—within the newly expanded elder rights programs. Specifically, S. 243 directs the Associate Commissioner on Indian Aging to establish and carry out a program that will:

First, assist Indian tribes, public agencies, and nonprofit organizations serving older Native Americans in prioritizing, on a continuing basis, the unique elder rights needs of their service population; and

Second, make grants to Indian tribes, public agencies, and nonprofit organizations serving older Native Americans to help them carry out elder rights activities that the entity has determined to be a priority.

S. 243 also authorizes $5 million for fiscal year 1992 to carry out this program, with a slight increase in authorization over the following 3 years.

Mr. President, this is just one of the many important provisions of this act. The act contains many other titles and sections vital to my State's Hispanic and American Indian elders. I am pleased that S. 243 addresses many of the concerns raised by the National Indian Council on Aging, which is now headed by David Baldridge and based in Albuquerque, NM.

There is no question that the needs of these two groups—Hispanic and American Indian elders—are particularly great. For example, we know that older American Indians remain among our country's most impoverished and needy citizens. They have a life expectancy between 3 and 4 years less than the general population, they lack sufficient and accessible health care, they live in poverty at a rate estimated as high as 61 percent, they suffer from high unemployment, and they often live in substandard and overcrowded housing. The rural environment of most reservations adds to the already difficult way of life for many older Indians.

Mr. President, we must work to improve these statistics. We can rededicate ourselves to that work—and to the goal of improving the quality of life for all older Americans—through this legislation. Although we are not making great changes in the act's provisions, we are making some significant modifications:

INDIAN AGING RESEARCH

A new section will create up to four new research centers specifically focusing on Indian elderly issues. Universities and other research-oriented entities will be able to apply for 3-year grants aimed at addressing the unique health, long-term care, and social service needs of American Indian elders. The centers will gather information, conduct research and disseminate information on results of research, provide technical assistance and training to entities that provide services to older Native Americans.

For years, Indian elderly issues and research have been largely ignored by the Federal Government and national researchers. For example, in the University of Oklahoma's data base on elder issues, only 96 of 11,000 entries address Indian elderly issues.

This is a shameful statistic. We must work to improve it, and I am pleased that we will be laying the foundation for that work through this legislation. Through the research and training that will be conducted at these research centers, Indian tribes and organizations serving Indian elders finally will be able to access the data they need and develop the skills necessary to compete successfully for life-enriching grants and other vital funding opportunities.

RURAL ELDERLY

Several new provisions will help the Administration on Aging focus greater attention to the needs of elderly people living in rural areas. For example, the bill establishes a demonstration program to help States improve transportation for the elderly; requires States to document the additional costs of providing services to rural elderly; and directs the Commissioner on Aging to establish a plan to improve targeting of low-income, minority, and rural elders.

ALZHEIMER'S AWARENESS AND RESEARCH

S. 243 adds Alzheimer's awareness programs to the type of programs that can receive funding through the bill's disease prevention/health promotion section; adds outreach to isolated elderly and elders with Alzheimer's disease and related disorders and their uncompensated care-givers; and authorizes a demonstration program for States and area aging agencies to plan for and provide services for older persons with developmental disabilities.

FEDERAL AGENCY COORDINATION

Throughout this legislation, provisions are included to ensure greater interagency coordination and consolidation of services, programs, and policies. For example, the bill directs the Commissioner to collaborate with other Federal agencies, including the Department of Labor, on the impact of programs for the elderly and specifically establishes an interagency task force that will serve as the primary means for coordinating aging policies and programs. The bill takes this coordination one step further in a new State agency consultation section which directs the Commissioner to consult and collaborate with the State agencies on aging in the development of Federal goals, regulations, programs instructions, policies, and procedures.

HEALTH PROMOTION AND DISEASE PREVENTION

I am particularly pleased that S. 243 expands the Preventive Health Services Program to provide disease prevention and health promotion services and information through senior centers, congregate mealsites, home-delivered meals programs and other appropriate sites. In addition, the bill now includes music and dance therapy—provisions of a bill authored by Senator REID—in its list of authorized health promotion activities.

Mr. President, these are just some of the many important programs created, improved, or expanded under this act. I could list dozens more, from nutrition and transportation to home health care and advocacy. All are equally important. But I would be remiss if I did not draw the attention of my colleagues to a common thread woven through every program authorized under this legislation: funding.

Every single program authorized under this bill is underfunded. Some programs have never been funded. Mr. President, I know that we are living in tight budgetary times, but we simply cannot keep turning our backs on our parents and grandparents. We must rededicate ourselves to helping them.

I urge every one of my colleagues to work with me over the next year to increase appropriations for these vital programs. Unless we do that, this exercise of reauthorization really is insignificant.

Mr. DODD. Mr. President, the Older Americans Act embodies our Nation's commitment and sense of service to a population that is growing at a rapid pace. The rights of our elders need to be protected and secured. This act strengthen existing programs and creates new ones to meet the changing needs of our aging population.

Currently, people over age 65 comprise 12 percent of the U.S. population. By the year 2020, 20 percent of all Americans will be over 65 years old. As a result, we are seeing demographic, economic and social changes among this age group. Since its inception in 1965, the Older Americans Act has kept up with these changes. Programs like the National Nutrition Program, the Senior Community Service Employment Program, and the Aging Network continue to provide a number of invaluable services to the elderly.

As the number of people over 60 continues to grow, the importance of quality long-term care becomes critical. In my home State of Connecticut over 20,000 elderly reside in long-term care facilities. These residents should be assured that their rights are protected and their quality of care monitored. I am pleased to see that the reauthorization addresses this issue.

In the past, a long-term care facility was the only alternative for frail or immobile senior citizens. The Older Americans Act reauthorization provides in-home services for the elderly. The congregate and home-delivered meals and in-home respite care services allow people, who in the past would have been institutionalized, to remain in the comfort of home.

Provisions to improve disease prevention and health promotion also have been included S. 243 to alleviate the discomfort of growing older and increase the quality of life for older Americans. Home delivered service programs enable many seniors to receive nutrition screening and health care counseling that prevent future health problems and reduce health care costs.

Another problem that deserves attention is the increasing incidence of elder abuse. This age group is especially vulnerable to abuse, exploitation, abandonment and neglect. There were over 5,500 reports of elderly abuse investigated last year in Connecticut. The Long-term Care Ombudsman Program and Elder Abuse Prevention Programs are two of the programs in the reauthorization dedicated to maintain the rights and safety of the elderly and prevent future abuse.

The purpose of the Older Americans Act is to improve the lives of all older persons living in America. This year, two areas are given special attention: the low-income minority elderly and the rural elderly. Outreach programs and transportation services are targeted to provide these two groups with access to other needed services.

As chairman of the Subcommittee on Children, Family, Drugs and Alcoholism, I am pleased that the OAA encourages interaction between the young and the old. Elderly people are an invaluable resource to young children. The OAA establishes a school-based intergovernmental program for seniors and children. This program fosters mutually beneficial relationships between children and the elderly. Children, especially high at-risk youth, benefit from the love and experience the elderly have to offer. In return, the seniors are fulfilled and satisfied with the work they accomplish.

I commend Senator ADAMS for his fine work and dedication to the improvement and enhancement of the lives of older Americans. As an original cosponsor of the Older Americans Reauthorization Act, I look forward to the enactment of its outstanding services.

Mr. DECONCINI. Mr. President, I want to commend Senator ADAMS for the masterful job he has done in improving and expanding what is already a landmark piece of legislation—the watershed Older Americans Act, and I am pleased to be a cosponsor. I particularly want to compliment him in creating a new title VII in order to strengthen and protect the rights of older Americans and assist them in making independent decisions and leading independent lives. Specifically, this section seeks to protect the rights of residents in long-term care facilities; to meet the legal assistance needs of the elderly; and to ensure full access to resources and benefits to which older individuals are entitled under the law.

At a time when the number of elder abuse cases in America is soaring, title VII would also establish a coordinated national approach to protecting older individuals from abuse, neglect, and exploitation. These provisions, in large part, are based on legislation which I introduced earlier this year in the Senate and which Representative MARY ROSE OAKAR introduced in the House of Representatives. I am most pleased that Senator ADAMS has included them in this comprehensive bill.

As best we know today, an estimated 1.5 million older Americans are abused every year. This is a dramatic increase from a decade ago—a 50-percent rise in the last 10 years.

What this means is that one out of every 20 older Americans is abused every year, most by sons and daughters and many at the hands of nursing home caregivers or con artists. The abuse can range from theft of a Social Security check to violent physical abuse, including rape and murder. The situation is, as Claude Pepper has stated, "a national disgrace."

In California, a 76-year-old woman was held prisoner in her own home by her alcoholic husband. When she fell and broke her hip, her husband refused to provide any medical care at all. For an entire year, whenever she needed to use the bathroom, she was forced to drag her body from her bed across the floor. A year after she broke her hip she was found near death by State investigative authorities. She had rat bites to her leg, and those bites had become infected. She had a high fever and was covered with cockroaches. Her leg had to be amputated.

This is only one case, and the sad fact is that most of these cases of elder abuse go unreported. Ten years ago one out of every five cases of elder abuse was reported; today only one of every eight cases is, even though many States have mandatory reporting laws. Mr. President, we had a better track record a decade ago. And there is more. At a time when elder abuse cases are skyrocketing, Congress and the States are spending less money on adult protective services. Since 1980, for example, the social services block grant—the principal tool we have for protective services—has been cut by one-third.

Mr. President, there is an urgent need for a coordinated national effort to confront the disgrace of elder abuse. Among its provisions, this legislation would create a National Center on Elder Abuse under the auspices of the Administration on Aging within the Department of Health and Human Services. The center would compile, publish and disseminate a summary of recent research on elder abuse; develop an information clearinghouse on all programs showing promise of success in addressing the problem; and conduct demonstration projects regarding the causes, prevention, identification, and treatment of elder abuse, neglect, and exploitation. In addition, it would authorize grants to the States to build on existing elder abuse programs or to develop new programs for the prevention and treatment of elder abuse, neglect, and exploitation.

Mr. President, the Senate today is considering landmark legislation for millions of Americans throughout this country. This is a bill which invests in human dignity and self-fulfillment. I encourage my colleagues to join me in supporting reauthorization of the watershed Older Americans Act of 1965.

REAUTHORIZATION OF THE NATIVE AMERICAN PROGRAM ACT AS TITLE X OF S. 243

Mr. INOUYE. Mr. President, I thank the chairman of the Committee on Labor and Human Resources, Mr. KENNEDY, and the chairman of the Subcommittee on Aging, Mr. ADAMS, and members of their committees for agreeing to accept this bill to reauthorize the Native American Programs Act as an amendment to S. 243.

For 16 years the Native American Programs Act has been providing Indian tribal governments and native American organizations with the opportunity to pursue social and economic self-sufficiency for their tribes. The act is implemented through the Administration for Native Americans in the Department of Health and Social Services through provision of financial and technical assistance to tribal governments and native American organizations.

The budget for the Administration for Native Americans makes up but a tiny fraction of 1 percent of the budget of the Department, but the results of the expenditures are substantial. The matching grants have been used to establish small businesses, to develop environmental codes for reservations, to carry out community planning, to assist tribes to develop petitions for Federal acknowledgment, and for other purposes.

The goal of the act—promoting economic and social self-sufficiency—is purposely broad: It allows tribal governments to define for themselves what actions need to be taken for the economic growth of their communities. Tribal governments have used these funds to foster economic development initiatives and to establish incentives to attract business and industry to reservation lands. In pursuit of a strategy for social development, for instance, a tribal government may seek to establish a coordinating mechanism for social services; or it might propose less conventional but appropriate actions that foster social growth such as, for instance, employment of the media for education and understanding. Local definition of need is fundamental to success in the implementation of the Native American Programs Act.

The amendment now a part of S. 243 would, among other things, reauthorize the Native American Programs Act through 1996, establish an Intra-Departmental Council on Native American Affairs, enable the Administration for Native Americans to expand its program of technical assistance, and reauthorize the Native Hawaiian Revolving Loan Fund. This amendment, as an amendment in the nature of a substitute to S. 1717, was unanimously approved by the Select Committee on Indian Affairs on September 19.

Again, I thank my colleagues.

Mr. PRYOR. Mr. President, for the past 25 years the OAA has improved the lives of our Nation's elderly. The act has authorized a great number of diverse and important social services ranging from neighborhood senior centers and meals on wheels programs to long-term care ombudsman and legal assistance services. As chairman of the Special Committee on Aging, I am deeply committed to preserving and enhancing its ability to assist older Americans in maintaining their independence and dignity.

I want to take this opportunity to thank my esteemed colleague, Senator ADAMS, the chairman of the Committee on Labor and Human Resources Subcommittee on Aging, as well as the ranking minority member, Senator COCHRAN, for their fine work on this vital legislation. I would also like to thank the distinguished chairman of the Labor and Human Resources Committee, Senator KENNEDY, and ranking minority member, Senator HATCH, for all their efforts to ensure a successful reauthorization.

I am particularly pleased to see that the reauthorization legislation before us today incorporates long-term care provisions based upon proposals which I made as part of legislation which I introduced, S. 974, the Heinz Elder Life Program Act [HELP]. Specifically, the Labor and Human Resources Committee amendments authorize: First, grants to States for improving their delivery of long-term care services; and second, several long-term care resource centers including one devoted exclusively to long-term care issues affecting the rural elderly. In my view, this rural center will better enable our Nation to fully examine barriers to access to services faced by the most isolated of our Nation's elderly population.

I am also pleased to see that the legislation before us today incorporates provisions which recognize and highlight the importance of case management by including it as an optional service under the act. Senator MIKULSKI and I worked on separate pieces of legislation aimed at strengthening the role of the Aging Network in providing case management services. I know she shares my conviction that assessing the service needs of seniors and linking them to those services is one of the most vital functions of the OAA. Senator MIKULSKI is well known in the Senate for her undying commitment to vulnerable populations of Americans of all ages, and I am pleased that our individual efforts to achieve the mutual goal of providing important case management services has been achieved in the reauthorization bill before us today.

As the floor managers know, the HELP bill also sought to establish a separate subtitle for senior transportation. In addition, I have introduced legislation changing the act's current interstate funding formula so as to reflect each State's percentage of elderly population below poverty. Indeed, I was prepared today to offer amendments to the OAA that would have implemented these proposals. However, I have worked closely with my distinguished colleagues of the Labor and Human Resources Committee, Senator KENNEDY, Senator ADAMS and Senator COCHRAN to address concerns that have been voiced about these proposals. Our efforts have produced provisions incorporated in the chairman's amendments which address the critical importance of transportation and drew attention to the tremendous burden placed on States which have great numbers of low-income elderly.

These provisions: First, authorize grants to States for developing comprehensive and coordinated senior transportation systems; second, authorize grants to area agencies on aging for leveraging additional resources to deliver transportation services and coordinating the various funding sources available for such services; and third, direct the Commissioner on Aging to conduct a study of how Federal dollars might be targeted to low-income, rural, and minority elderly persons in an effort to examine how to better meet the needs of States with a disproportionate number of elderly individuals in greatest social and economic need.

I urge my colleagues to join me in assuring that each of these provisions remain in the final reauthorization package. Not only are they a high priority for myself and my State, but for representatives of the Aging Network and aging advocates alike.

Mr. ADAMS. I want to commend the chairman of the Special Committee on Aging for his exemplary work in preparation for this year's reauthorization of the Older Americans Act. The findings of the committee's workshop series, as well as your contributions to the debate were especially useful to the subcommittee as we engaged in this year's reauthorization deliberations.

I recognize the critical need for enhancing OAA long-term care services and improving transportation services. I want to thank the distinguished Senator from Arkansas for raising these important concerns.

I strongly support the long-term care provisions contained in section 406 of S. 243, in particular the establishment of a rural long-term care resource center, as well as the transportation demonstration projects. These provisions are the culmination of a great deal of work and compromise, and I believe they strengthen the reauthorization bill before us. Let me assure my full commitment to ensuring that each of these provisions are incorporated in the final reauthorization legislation that passes the Congress and is signed into law by President Bush.

Mr. COCHRAN. I, too, wish to thank the distinguished Senator from Arkansas for his many contributions to this reauthorization, and to offer my support for this amendment package. I am especially pleased to offer my support for a study to examine ways of addressing the inequity involved in the current allocation of Federal funds to the States. The Older Americans Act already mandates that services be targeted to low-income elderly individuals. Current budget constraints underscore the need to target Federal dollars in a similar manner.

Mr. KENNEDY. I also wish to offer my support for the distinguished chairman's contributions and to express my appreciation for the excellent work the Special Committee on Aging has provided for this year's reauthorization debate. I am very pleased to offer my full support for the provisions pertaining to long-term care. In fact, I pledge my full commitment to ensuring that these provisions are included in the OAA legislation that is enacted into law. It is imperative that we begin to plan for the inevitable future long-term care needs of our Nation's elderly population, particularly the most needy of this population.

Mr. BINGAMAN. Mr. President, I rise once again to comment on the legislation before us, S. 243, the Older Americans Act Amendments of 1991. I want to begin by commending Senator ADAMS for his fine leadership as chairman of the Senate Labor and Human Resources Subcommittee on Aging, and I want to express my gratitude to him for his outstanding efforts in crafting this important reauthorizing act.

Mr. President, I also feel compelled to express my concern and disappointment regarding one provision of S. 243, which I believe to be particularly inequitable. I would have fought harder to reverse this provision, but I have been encouraged not to do so, and I will—for today—bow to the wisdom of my colleagues. Nevertheless, I am compelled to speak out on this important matter.

The provision I am concerned about impacts title V of the Older Americans Act, which funds many important programs that provide our Nation's elderly with meaningful employment and other vital services. Indeed, this title is one of the most important sections of the bill to thousands, perhaps millions, of older Americans. Therefore, like many of my colleagues, I was distressed to learn in January that in his version of the fiscal year 1992 budget, the President had proposed a $47.5 million cut in title V funding. In my home State of New Mexico, such a drastic reduction in spending would have had a significant, detrimental impact on a number of programs and forced some to discontinue their services altogether.

To express my concern, I contacted members of the Senate Appropriations Committee and urged their immediate attention to this irrational proposal. While I am pleased that the committee heeded the advice of myself and others and rejected the President's illogical recommendation, I am troubled that, once again, the overall title V funding does not equitably recognize the needs of low-income, minority elders and does not remedy the huge disparity in funding levels for national title V contractors who operate title V Senior Community Service Employment Programs.

For years, the five largest sponsors of title V senior employment programs have received at least 88 percent of the total funding allocated. These programs are worthy ones and include: Green Thumb, the National Council of Senior Citizens, the American Association of Retired Persons, the National Council on Aging, and the United States Forest Service. I am aware that these entities are responsible for delivering services to millions of elderly people nationwide, and thus, I believe that they are worthy of receiving an adequate level of funding.

Nevertheless, given existing funding formulas, once money has been earmarked for these five organizations, little is left to support the other, and in my view, equally important, national title V contractors—predominately those who serve low-income, minority elders. For example, in 1992, Green Thumb will receive $93.8 million, while the National Indian Council on Aging will receive less than $3 million. I understand, Mr. President, that American Indians comprise only a small portion of our Nation's aging population. However, according to 1980 census, the Indian elderly population increased by 72 percent between 1970 and 1980—more than twice the rates of white or black populations—and since 1980, has increased by another 52 percent. And as their population grows, so do their problems and needs.

According to a 1987 congressional study, 61 percent of our Nation's Indian elderly live in poverty. More than 80 percent are unemployed, and on some reservations, unemployment rates reach 95 percent among elders in need. Recently, the National Indian Council on Aging released figures which indicate that 95 percent of this population is affected, directly or indirectly, by a family member's use of alcohol and that they are 10 times more likely to develop diabetes than their non-Indian counterparts. At the very least, these distressing figures evidence the fact that our Nation's American Indian elderly population is being woefully undeserved and neglected.

Likewise, Mr. President, the Federal Government is not doing its part to reach elderly Hispanics, blacks, and Pacific-Asians. According to the Commonwealth Fund Commission on Elderly People Living Alone, Hispanics represent the fastest growing segment of the population aged 65 and over. Conversely, according to the American Association of Retired People, the percentage of Hispanic elderly with incomes below the poverty level is twice as large as among elderly whites. This means that nearly one in four lives below the Federal poverty line. Among blacks elders, 35 percent live below the poverty level; and of the elder blacks living in rural areas, two in four live in poverty, contrasted with about one in four white rural elderly. Finally, the median income for elderly Asian/Pacific Islander men, 65 years or over, is less than that of white men in the same age group: $5,551 versus $7,408.

These statistics represent elderly populations whose living conditions and socioeconomic status most certainly warrant the attention of the Federal Government. Even a minor shift funding from the largest title V contractors to the smaller organizations would have a profound impact the ability of some contractors, like the National Indian Council on Aging and Association Nacional Pro Personas Mayores, to reach their members.

I realize that we must comply with strict spending limits and that available resources must be wisely and frugally distributed. But I do not understand, particularly given these tragic statistics, why we are continuing to support a funding formula that prevents certain title V contractors from reaching the most deprived segments of our elderly population. Simply put, the current funding distribution is a travesty.

To address this matter, I had planned to offer an amendment that would require a minimum funding floor, of $4 to $5 million dollars, to help ensure that all the national title V contractors would receive an amount of funding in future fiscal years that is at least arguably respectable. Yet, as I stated earlier, I was told repeatedly that my proposal would be soundly rejected. Therefore, rather than offer my amendment at this time, I will pursue separate legislation to remedy this policy and establish parity within the title V program, and I have agreed to cosponsor a provision of the modified version of S. 243 that ensures a slight increase in funding—a floor of 1.3 percent of all national contractor funding—for all title V contractors if the overall annual appropriation in future years exceeds by 5 percent the fiscal year 1991 appropriation. It is shamefully little, but at least it is a start.

Mr. President, the time has come for the administration and the Congress to acknowledge the hardships confronting the most neglected segments of our elderly population and to provide them with the resources they need to help improve their economic and social conditions—a just allocation of title V funding would be a dramatic step in the right direction.

• Mr. HARKIN. Mr. President, I rise in strong support of S. 243, the Older Americans Act Amendments of 1991. This is critical legislation and I want to especially commend Senator ADAMS, the chairman of the Subcommittee on Aging, for the excellent job he and his staff have done in putting together this bill. It was a great challenge to bring this legislation forward, and Senator ADAMS provided the leadership and skill necessary to get the job done.

The Older Americans Act provides critical services to Americans age 60 and over. From supportive services such as adult day care and home care, to hot, nutritious meals at congregate meal sites or through Meals on Wheels, to community service jobs for older Americans, this program has bettered the lives of millions of older citizens across the Nation. For many, Older Americans Act programs not only enhance the quality of life but really mean the difference between making it and not. These programs must, therefore, not only be preserved, but expanded and strengthened. This bill does that.

The bill's increased emphasis on protecting the rights of vulnerable elderly, particularly those who are the victims of abuse, neglect, or exploitation, is a much needed improvement to the Older Americans Act. Some 1.5 million older Americans are the victims of some form of elder abuse each year, and the problem is growing. Much more must be done to prevent this abuse and to assist those who suffer from it. When we reauthorized this program in 1987, the late great champion of our Nation's elderly, Congressman Claude Pepper, properly insisted that the Older Americans Act tackle what he termed as the "national disgrace" of elder abuse. Thanks to the work of Senator ADAMS, which I was pleased to have had a part in, the provisions in S. 243 further Claude Pepper's good efforts to assist the States and localities in this effort in a number of critical ways.

Mr. President, I am very pleased that the substitute we will adopt today contains the provisions of S. 510, the Older Americans Health Promotion and Disease Prevention Act of 1991. This bill, which I authored, is cosponsored by Chairman ADAMS and Senators SIMON, BURDICK, LIEBERMAN, INOUYE, HATFIELD, and GRAHAM, provides for an expansion of health promotion and disease prevention programs offered to older Americans at congregate meal sites, senior centers and through Meals on Wheels programs.

It is too often assumed that older Americans don't stand to benefit from health promotion or wellness programs. There is a commonly accepted stereotype that older people are set in their ways and unwilling to take steps to adopt healthier lifestyles or seek preventive services. These worn out presumptions are simply not true. Studies have shown that not only are older people generally as willing as others to change lifestyle habits such as diet and smoking, they are also just as likely as younger people to benefit from health promotion activities. In fact, a recent study found that older smokers who quit benefitted far more than younger quitters.

While Medicare has been expanded in the past several years to provide coverage for some preventive services—mammography screening, pap smears and peneumonia vaccines—many preventive services remain uncovered. Furthermore, Medicare covers no health promotion services which have been directly linked to reduced health care costs, for example, smoking cessation, nutrition counseling and weight reduction, alcohol control, and injury prevention.

There is a great need to increase older Americans' access to and participation in prevention and health promotion activities. Senior centers and congregate meal programs funded through the Older Americans Act are providing these services, but on a very limited and inconsistent basis. They, along with the meals-on-wheels programs are ideally suited for the provision of these types of programs because so many older people are reached by them each day. Thousands of seniors who come each day for a hot lunch or other activities or who are visited by meals-on-wheels could be screened for high blood pressure, participate in an exercise program or a smoking cessation or medication management class without having to make a trip to a health clinic or doctors office.

The Older Americans Health Promotion and Disease Prevention Act is designed to help meet this need by expanding part F of the Older Americans Act to include a full range of health promotion and disease prevention services, specifically authorize provision of these services at congregate meals sites and through meals-on-wheels programs, and increase authorization for the program from $5 million to $25 million in fiscal year 1992 and such sums as necessary in the next 3 fiscal years. The provisions included in S. 243 are intended to assure that each area agency on aging is able to develop and maintain a regular program of health promotion and disease prevention activities and services. Authorized funds are intended to supplement, and not replace, existing Federal, State, or local support for such programs. In my State of Iowa, for example, these funds will allow for an expansion of its well elderly clinics which has proven so successful, but has not had sufficient support to reach all those in need on a regular basis.

I am also pleased that another very important provision has been included in this legislation at my request. The bill clarifies that adults with severe disabilities who reside in group homes in the community are eligible to participate in the adult day care meals program authorized by the 1987 Older Americans Act amendments. The USDA has incorrectly interpreted those provisions to exclude community-based group living arrangements from the program because they classify these residences as institutions. This amendment will assure that a small number of adults with severe disabilities who participate in adult day care programs will receive nutritious meals supported by the the School Lunch Program. To these Americans it will mean a great deal.

Mr. President, I am privileged to serve as chairman of the Appropriations Subcommittee that funds the Older Americans Act programs. As you know, we just last week sent the President legislation providing funds for this program in fiscal year 1992. It was a very difficult year in that the total amount of funds allotted for all health, education and human services programs was $1 billion less than what was needed simply to maintain current services. Given this lack of funds it was not possible to fund many critical programs at adequate levels. Despite this, we were able to provide an increase of $41 million to Older Americans Act programs. This was $89 million more than recommended by President Bush, who called for a $47 million cut in the community service employment program. I hope that the President will concur that this funding increase in needed to meet the needs of older Americans and sign the appropriations bill promptly.

In closing, Mr. President, I again want to thank and commend all those who worked to bring this important legislation forward. I hope we move swiftly and unanimously to approve S. 243 without delay.●

Mr. GRAHAM. Mr. President, I commend the distinguished floor manager for his fine work on the 1991 Older Americans Act reauthorization.

For the past 25 years, the Older Americans Act had provided an important mandate for a system of community based nutrition and social services for the elderly.

In Florida, nearly 300,000 persons annually receive services through this program at a total cost of $65 million, of which half comes from Federal funds. The fact that local and State governments and personal contributions willingly fund the other half of Florida's program speaks to its vital nature. I want to add my name as a cosponsor to the committee passed version of S. 243.

Mr. President, I am pleased the committee amendment includes retirement planning language from a bill I introduced earlier this year.

First, the new Elder Rights title incorporates Social Security and pension plans as programs eligible for outreach and counseling. Seniors will be able to use information on available benefits to help plan financially for retirement.

Second, title III will expand the current Older American Act definition of retirement planning to include lifestyle changes, relocation issues, legal matters, leisure time, and other appropriate concerns.

These provisions are important as the public often fails to consider the financial, health, and social implications of retirement years.

The majority of Americans do not plan comprehensively for their retirement; potential outcomes of typical decisions made at or before retirement, such as relocating, utilizing Medicare and supplemental insurance, living solely on Social Security and/or a pension, and experiencing extended periods of leisure time effect individuals for the remainder of their retirement.

Research shows that Americans become aware of these issues as a reactive mechanism, often when it is too late to change major lifestyle decisions. Many folks expend more time and effort planning a 2-week vacation than planning the 20-plus years they could spend in retirement.

As the U.S. population ages more rapidly, persons will spend increasing years in retirement. According to the National Center for Health Statistics, average life expectancy for Americans in 1950 at 65 years was 13.9 years, while average life expectancy in 1989 at 65 years was 17.2 years.

As most retirees rely on Federal programs, such as Medicare and Social Security for health insurance and retirement income respectively, lack of health and retirement planning has substantial long-term costs for the Federal Government.

Lack of retirement planning also impacts quality of life.

Persons who anticipate retirement-related changes can plan socially and financially, relocating to areas with access social, community, and health services.

Retirees who do not evaluate retirement-related decisions could experience social dislocation and unanticipated financial and health needs, causing despair and dependence on Government health and social services' programs.

Mr. President, retirement planning endeavors can enhance the freedom and independence of retirees, offer retirees options and opportunities not previously anticipated, and prepare retirees more adequately for retirement changes. Through public education efforts, outreach, and direct counseling, Americans can prepare for fulfilling, vibrant, and active retirement years.

Mr. INOUYE. Mr. President, I would like to commend the committee on bringing to the floor legislation that represents an important step toward meeting the needs of older Americans. In my own State, which is on the forefront of the Nation in terms of demographics, those needs have already reached critical proportions, particularly in the complicated and costly area of long-term care.

Mr. ADAMS. Mr. President, I thank my colleague from Hawaii for his support. Since its original enactment over 20 years ago, the Older Americans Act has provided critical services to elderly Americans; I believe this year's reauthorization goes the furthest toward meeting the as yet unmet needs—especially for accessible and affordable long-term care—of this growing population.

Mr. INOUYE. I understand that the committee has placed special emphasis on the development of innovative approaches to long-term care, and has directed the Administration on Aging to award grants to State and local agencies on aging and others to support special projects to improve the delivery of long-term care services. I am pleased to see that the committee's report calls attention to the pioneering efforts of the State of Hawaii to develop a comprehensive long-term care financing program.

Mr. ADAMS. The committee has long been impressed with the State of Hawaii's vision in establishing one of the first State-operated contribution-based universal health care systems in the Nation, and is equally impressed with the efforts of its executive office on aging to develop a State-based comprehensive financing program for long-term care. As a reflection of its confidence in Hawaii's ability to develop a system for long-term care financing that may serve as a model to States across the Nation grappling with this difficult issue, the committee has recommended that the Commissioner give serious consideration to awarding the State one of the grants established under the act's special projects in comprehensive long-term care section, to assist it in this important demonstration.

Mr. INOUYE. Mr. President, the Hawaii State Legislature has established an advisory board to evaluate long-term care financing options and recommend that the State implement one of those options in 1992. In the interim, the State's executive office on aging is moving forward to complete the design of the legal, actuarial, and administrative framework for whatever financing option is finally chosen. I am pleased that the committee has recognized that appropriateness of providing funding for such a forward-looking proposal under this grant program.

Ms. MIKULSKI. Mr. President, I strongly support the Older Americans Act reauthorization bill that Senator ADAMS and Senator KENNEDY are bringing to the floor today. Our seniors deserve the best bill possible. We have worked to improve the programs authorized under the Older Americans Act to meet the needs of seniors in their own communities.

The Older Americans Act was first enacted in 1965. It is the primary Federal support for social services for seniors to give the boost they need to stay active in their community.

In Maryland these services include a variety of important programs. It means there is a long-term care ombudsman program, which investigates complaints about care provided in long-term care facilities. It means that there is assisted housing for frail elderly who need assistance with daily living, but don't need nursing home care. It means hot meals at over 300 sites throughout the State and in-home meals for those who cannot get to the sites.

This act also provides a range of home and community-based services, such as transportation, health promotion, chore services, and respite services that seniors can find in their community.

As I travel around the State of Maryland, I hear from seniors who need very basic things. Hot meals, companionship, transportation, and other services. I also know there are problems just finding what services exist and how seniors can use them.

That is why I have worked to include a provision in the Older Americans Act to help seniors find the services that are best for them through case management.

Case management is more comprehensive than an information and referral service. It pulls together services from the community—from formal medical services to informal housekeepers and grocery shoppers—that are available to make sure that the mix of services are the right ones for each senior, not some cookie cutter plan of care, the plan of care that leaves people frustrated and their needs unmet.

I have insisted that the case management provided should fit the needs of seniors, not the needs of any bureaucracy. Each senior, and their family if the senior wishes, has the final say on the plan of care developed by the case manager. Our point is to define and meet the needs of every senior served, not to create more bureaucracy.

I also have insisted that the people helping seniors, like case managers, legal services representatives, and referral people tell us not only what services people are getting, but what services they are not getting and desperately need. This feedback will let us know what seniors really need, not just what researchers or lobbyists say they need.

We worry that people are not getting services. We have documented the services they are getting. But we never ask the people in the community what they are missing.

This reporting program should help us define our priorities in our next reauthorization so that they reflect seniors needs, not the needs of researchers or lobbyists.

Again, I want to thank Senator ADAMS and Senator KENNEDY and their staffs for their work on this very important bill. I know that Senator PRYOR, chair of the Special Committee on Aging, and others have contributed to the success of this bill. I urge my colleagues to vote for it.

Mr. PRESSLER. Mr. President, I am pleased to join my colleagues Senator ADAMS and COCHRAN in cosponsoring the amendments that reauthorize the Older Americans Act. This is crucial for maintaining a quality standard of living for many older Americans.

There are nearly 120,000 senior citizens in my home State of South Dakota. The programs offered under the Older Americans Act have a direct impact on these individuals. The Meals on Wheels, Green Thumb, transportation and other programs have proven their merit.

The needs of senior citizens continue to change. I am pleased that the reauthorization package offered today addresses some of these changes. This package requires the Commissioner on Aging to study ways to improve services in rural areas. It adds additional outreach services to those afflicted with Alzheimer's disease and their caretakers and would provide counseling on Social Security and pension plans.

Senior citizens today face challenges and hardships they never before have had to address. These challenges certainly include health care and insurance costs. However, one often overlooked challenge is the fact that many senior citizens are forced to be on their own, without the day-to-day support of children or other family members who may all be living around the country. This makes it very difficult for seniors and their family members to make decisions about long-term care, or how to obtain help while remaining in their own homes or participate in some nutrition programs.

I have long been interested in improving access to information and services for older Americans. Our elderly population is rapidly increasing. Thus, it is essential to improve not only the number and quality of services for older Americans, but also access to these important services.

The Labor Committee accepted an amendment I authored which would establish a national toll-free informational service. Important new developments in communications technology, such as fiber optic technology have had a very positive impact on society. It is especially important to get this technology out to rural areas, where people, and particularly older individuals, have limited access to many important services.

The creation of a network of toll-free information service numbers under the Older Americans Act would greatly improve access to Older Americans Act programs. States should have the greatest possible amount of flexibility in distributing funding for information services. Joyce Berry, the U.S. Commissioner on Aging, recently initiated a project called Eldercare Locator. Eldercare Locator is a toll-free information hotline for senior citizens that provides callers with information on housing, transportation, elder abuse, legal questions, home-delivered meals, social activities, day care, and home health care services. This service can be utilized by either senior citizens or family members who are trying to obtain help and guidance.

Eldercare Locator is a 3-year demonstration project, which will be completed in 1993. This toll-free number has been used by both older individuals themselves and by family members who wish to arrange housing or other services for an elderly relative in another city or State.

As indicated by the Administration on Aging National Eldercare campaign, the Commissioner supports efforts to improve access in the area of information and referral services for older Americans. I also have letters in support of my amendment from the Alzheimer's Association and the National Association of Area Agencies on Aging, which is working with Commissioner Berry on the current demonstration project. I would like these letters to be printed in the RECORD following my remarks.

This amendment would ensure the continuation of a national toll-free number for information and referral services for older Americans.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION, INC.,
Washington, DC, October 8, 1991.

Hon. LARRY PRESSLER,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR PRESSLER: On behalf of the Alzheimer's Association I would like to express our support for your proposed amendment to the Older Americans Act to establish a nationwide telephone access service to link older persons, families and caregivers to services funded through the Act.

Currently, the Alzheimer's Association operates such a telephone service that links victims of Alzheimer's and their families to our extensive chapter network and to services in the communities in 49 states. This service has proven to be enormously beneficial to those affected by this devastating disease. There is every reason to believe, therefore, that such a system that links people to the broader range of aging services will also be successful.

The Alzheimer's Association stands ready to assist the Administration on Aging and the aging network in implementing this system. In particular, we offer our chapter network, through our nationwide telephone service, as a resource to which callers can be referred for the full range of information and assistance on Alzheimer's disease and related disorders.

Sincerely,

STEPHEN MCCONNELL,
Senior Vice President, Public Policy.

NATIONAL ASSOCIATION OF
AREA AGENCIES ON AGING,
October 7, 1991.

Hon. LARRY PRESSLER,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR PRESSLER: On behalf of the National Association of Area Agencies on Aging, I am writing to support your proposed amendment to Substitute Bill S. 243 to establish a new demonstration program under Title IV of the Older Americans Act. Specifically, the proposed amendment will address Information and Referral Systems Development Projects.

NAAAA is supporting this proposed amendment as Information and Referral services are often the key for older persons and their caregivers to access Older Americans Act and other community services. Information and Referral services are often the first contact between the older individual and the public and voluntary services and resources that help maintain them in their home and community.

NAAAA believes Information and Referral services are so crucial that it has started, with AoA support, a national toll-free telephone number such that, when fully implemented, any individual will be able to access services anywhere in the U.S. This will allow families to help their elderly members arrange services long distance or an older individual locate needed services locally. Your proposed amendment will help sustain this important telephone link beyond the initial grant period, as well as provide crucial technical assistance and training to state and area agencies on aging and service providers.

Senator PRESSLER, NAAAA strongly supports your proposed amendments to S. 243 and your effort on behalf of this nation's elders.

Sincerely,

SUE WARD,
President.

Mr. GRASSLEY. Mr. President, I want to thank Senators ADAMS and COCHRAN for supporting, and including in the bill, an amendment on the brokerage of Alzheimer's disease services on the part of area agencies on aging.

This amendment, which I introduced as S. 1488 earlier this year, is an outgrowth of work on Alzheimer's disease which I began in the 98th Congress as chairman of the Subcommittee on Aging of the Committee on Labor and Human Resources. In the 98th Congress, that subcommittee had one of the first hearings on Alzheimer's disease held by the Congress. In the following Congress, I sponsored two workshops on Alzheimer's disease which brought together national experts to discuss the financing of care for the disease's victims, and services for those victims and their families. Those workshops culminated in title IX, of Public Law 99-660, a title which established the national coordinating council on the disease, plus a services research program at relevant national institutes.

In the course of this work, it became apparent that one of the problems invariably encountered by families of those with the disease was finding appropriate services. Part of the difficulty, of course, is that in many communities appropriate services do not exist. However, a big part of the problem is that, when such services do exist they are hard to find and are hard to match up with the particular needs of the person with the disease.

In order to get a clearer picture of this problem, I asked the Office of Technology Assessment, which had been very helpful in organizing the workshops and consulting on the title IX legislation, to undertake a study of the problems families have in finding services.

The OTA published their final report for this project in August 1990.

On the basis of this analysis, I introduced in the Senate, and Representative OLYMPIA SNOWE introduced in the House of Representatives, a bill to require area agencies on aging to build into their information and referral services, which all triple-A's are required to furnish under this act, a focus on helping families find appropriate services for their family members with the disease. The legislation does not supplant current I and R services; rather, it simply asks the triple-A's to include in their I and R services a focus on the disease and on hooking up families with providers of service for those with it.

I am happy to see this bill included in this package of floor amendments, and once again thank Senators ADAMS and COCHRAN for their help with it.

Mr. President, I must also take a moment to comment on two other provisions which are being included in the legislation today. One is a provision adding counseling on osteoporosis and Alzheimer's disease introduced originally by Senator GLENN with my support. Osteoporosis is another debilitating disease of old age on which I have invested considerable time in my years in the Senate in the hopes that we could increase public attention on it and in hopes that the Federal research effort devoted to it could be made more substantial. I am pleased to see this provision added to the bill.

Finally, Mr. President, as many of my colleagues know, I have been working with several other Senators on a provision dealing with the additional costs which many of us believe are entailed by area agencies on aging and services providers in rural communities. The final version of that provision is not completely what I would have liked, but it does focus on the rural/urban cost differential by requiring State plans to identify actual and projected costs of providing services and access to services to older individuals in rural areas. It also asks the General Accounting Office to study the cost of providing services to older individuals in rural areas.

I want to thank Senators ADAMS, COCHRAN, and KENNEDY for the efforts of their staff in the negotiations on this issue.

Mr. HEFLIN. Mr. President I rise to voice my strong support in favor of S. 243, legislation to reauthorize the Older Americans Act.

The legislation we are voting on today authorizes an appropriation for continuation of the Older Americans Act which is our Nation's major program for the delivery of support and nutrition services for older Americans.

This bill authorizes a range of supportive, nutrition and social services programs which include in-home and congregate meal services, in-home services for frail individuals and disease prevention and health promotion services.

Today, we have an opportunity to expand and improve upon programs to protect elderly citizens from abuse, neglect, and exploitation. S. 243 contains a provision designated to improve programs to prevent and remedy elderly abuse and strengthen the long-term care ombudsman program, which responds to the needs of elderly citizens who have been placed in institutions. Under this provision, States would be authorized to establish programs to assist senior citizens with insurance programs and to provide more effective outreach to assist senior citizens in obtaining SSI, Medicaid, and other benefits which they are entitled to but are not receiving.

Mr. President, I strongly support the amendment to the bill offered by Senator MCCAIN, of which I am a cosponsor, which would repeal the Social Security earnings limit.

This amendment gives older Americans the freedom to work. Under the current law, individuals who retire at age 65 and reenter the work force have their Social Security earnings reduced by $1 for every $3 earned over the $9,720 limit. The earnings cap should be repealed because it is an antiquated provision of the Social Security Act and it actually penalizes the senior citizens of this Nation for being productive. Once a person reaches his 70th birthday, there is no benefit reduction for earnings. The average worker retires at age 65. Why should we penalize these individuals between the ages of 65 and 70 if they choose to take a part-time job, start a business, or for that matter return to the work force altogether. Certainly they can be productive individuals.

Repealing this provision is especially important to low-income senior citizens who are required in some instances to take second jobs to make ends meet. The last thing they need is to have their Social Security income reduced because they are making $5 an hour at an odd job. Older Americans deserve independence, dignity, and the opportunity to continue working past the age of 65 without penalty.

Mr. President, I ask the entire Congress to join me in supporting legislation to reauthorize the Older Americans Act. America's mature citizens play an important and special role in the lives of individuals throughout our country. Many of them have helped shape our careers. These dedicated men and women have worked hard all of their lives and many of them served our country nobly during World War II.

This is our opportunity to shine the spotlight squarely on our elderly Americans, illuminating their many selfless deeds and outstanding devotion and ensure the continued viability of the programs authorized under the Older Americans Act.

Mr. President, I have visited many of the senior citizens centers across Alabama and have seen this quotation by Robert Browning on the walls of these homes "Grow old along with me! The best is yet to be."

Mr. President, by voting to reauthorize the Older Americans Act we can help ensure that the best is yet to be.

Mr. CHAFEE. Mr. President, when President Johnson signed the Older Americans Act [OAA] into law in 1965, he characterized it as, "* * * providing a start on an orderly, intelligent, and constructive program to help us meet the new dimensions of responsibility which lie ahead in the remaining years of this century." The responsibility to which President Johnson referred was the need to ensure that the pressing social needs of our Nation's growing elderly population were met.

Over the last 25 years, this modest initiative has grown to include a wide array of programs that serve millions of older citizens. Senior centers, home-delivered meals, employment opportunities, and advocacy activities are just some of the services provided under the OAA. Through a number of reauthorizations, the OAA also has proven durable, yet flexible enough to respond to the changing needs of the elderly.

The bill before us today enhances the achievements of the programs under the act and includes new provisions to strengthen services for our elderly population. Among other items, S. 243 would create new authorizations for senior meal sites in public schools, for assistance to family members who are providing long-term care services to frail older individuals, and for counseling and assistance programs with respect to public benefits and private insurance matters.

I also am pleased that the committee accepted an amendment I authored to encourage and facilitate visiting programs involving young people and senior citizens in nursing homes and other senior living facilities.

Mr. President, our society today seems to be segregated by age through either geographic or emotional distances. Many elderly citizens living by themselves or in long-term care facilities have little contact with the outside world. Either they have no relatives, or their relatives visit rarely, if at all. Added to this is the negative perception toward the elderly held by the public.

This attitude, however, appears to be changing as a result of increased efforts to get children and elderly people involved in intergenerational activity programs—programs that bring young and old together to share skills, energy, and experiences. The Building Bridges Program administered by the Alliance for Better Nursing Home Care in Providence, RI, is just one example of how intergenerational programs make a positive difference.

About 6 years ago, Roberta Hawkins, executive director of the alliance, brought two of her grandchildren to visit a friend in a long-term care facility. Although the residents were always happy to greet her, when they saw the children, their faces lit up. Building Bridges began shortly thereafter, with 40 children regularly visiting the residents of two nursing homes. Today, the program has touched the lives of over 1,500 children and nursing home residents across Rhode Island.

From the beginning, the program sought to reduce the isolation of nursing home residents by establishing and supporting relationships between residents and school-aged children and their families, and to sensitize children to the special needs of the frail elderly and handicapped. Before any meetings take place, Building Bridges staff hold orientation sessions for the children and teachers involved in the program. These sessions include movies, discussions, and exercises that help the children understand what it's like to be old. During the visits the children and residents read together, solve puzzles, and work on arts and crafts projects. The children aren't there to be entertainers, they are there to develop friendships with the residents.

Studies have shown that children involved in intergenerational programs gain a better understanding of the aging process and develop more positive attitudes toward the elderly. Such programs also provide an opportunity to still the spirit of voluntarism early in life and to introduce young people to careers in health care. The elderly gain much needed contact with the community resulting in improved psychological well-being and reduced depression levels.

Although costs for programs like Building Bridges are minimal, they do exist. In addition to transportation and materials costs, project staff prepare curriculum, newsletters, and manuals for teachers and nursing home staffs. The amendment accepted by the committee draws attention to the efforts of groups like the Alliance for Better Nursing Home Care by encouraging State agencies on aging to provide funding under the OAA for intergenerational activity programs. Mr. President, the amendment is the true spirit of the OAA, and I am pleased that the committee has accepted it.

Mr. GLENN. Mr. President, I am pleased to join Senator ADAMS, Senator KENNEDY, and many of our colleagues as a cosponsor of S. 243, which reauthorizes the Older Americans Act for 4 more years.

The Older Americans Act was established in 1965 as the first Federal program specifically designed to meet the social service needs of older persons. It has been amended 12 times and has grown from an original program of small grants into one which now supports an organized network of 57 State units on aging and 670 area agencies on aging. As the number of valuable services under the act has multiplied, so has its funding—from $7.5 million in 1966 to $1.3 billion in fiscal year 1991.

The purpose of the Older Americans Act is to improve the lives of all older Americans. By having in-home and community-based services available to those 60 and over, many older adults are able to remain self-sufficient and independent. Unnecessary institutional care is avoided.

The best-known Older Americans Act Programs are senior centers, where older persons gather for social and recreational activities, and the nutrition programs—meals delivered to homebound elderly. In addition to providing for basic social and nutritional needs, the Older Americans Act also supports a number of other programs including in-home care, adult day care, transportation, information and referral, legal services, long-term care ombudsman, and employment.

The 1991 Older Americans Act reauthorization enhances many existing programs, and it contains several new provisions to benefit older Americans, their families, and their communities. I am very pleased that provisions contained in three bills I introduced earlier this year have been incorporated in S. 243. These provisions emphasize issues of particular concern to me—assistance for family caregivers, health promotion and disease prevention, and guardianship—and includes the following:

Supportive services to strengthen family caregivers, such as training, access to support groups, respite care, and information and referral for other services.

Services to prevent older individuals from falling in their homes, which often leads to fractures for people with osteoporosis;

Nutrition counseling for people with osteoporosis and cardiovascular disease;

Medication management screening and education to prevent incorrect medication and adverse drug reactions;

Protection, through the Long-term Care Ombudsman Program, of the welfare and rights of nursing home residents regarding the appointment and activities of guardians and representative payees; and

Services to provide information and training for individuals who are, or may become guardians and representative payees.

Mr. President, there has always been broad, bipartisan congressional support for the Older Americans Act Programs. By passing S. 243 we will reaffirm our support for the act and its primary goal of providing services to maintain the dignity and promote the independence of older Americans.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. ADAMS. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of H.R. 2967, the House companion, and that the Senate then proceed to its immediate consideration; that all after the enacting clause be stricken; that the text of S. 243, as amended, be inserted in lieu thereof, that the bill be advanced to third reading, and passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS. Mr. President, I ask unanimous consent that the Senate insist upon its amendments, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF COLLEAGUES AND STAFF

Mr. ADAMS. Mr. President, the bill having been passed through this effort, I want to thank my friend from Mississippi for both his good humor and intelligence, and for his assistance today. I mean that sincerely. It was a great pleasure to work with him.

Mr. COCHRAN. Mr. President, may I be permitted to respond. I want to thank the Senator from Washington for his leadership in guiding this bill to this point, bringing it to the Senate today.

We have had hearings here in Washington, and around the country. I think we have a good product, a good bill. The Senate has passed it.

I thank the Senator from Washington for his cooperation with me, and all Republican Senators in getting our suggestions considered, and some of them included in the bill in final form.

I also want to thank, Mr. President, my staff member, James Lofton, who is staff director of the Aging Subcommittee and the others who worked closely with us in the development of the bill on this side.

But I genuinely appreciate the courtesies and kind comments of my friend from Washington.

Mr. ADAMS. Mr. President, I want to thank Bill Benson, our staff director, and Carole Grunberg, my staff director, for working with us, and to all the Senators and their staffs.

This is a bill that is very important. It is very complicated, and we could not have moved it in the way it did today without the cooperation of a great many people. We appreciate that. We thank the President for his courtesy.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

MORNING BUSINESS

Mr. ADAMS. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURING THE COSTS AND BENEFITS OF ACID RAIN REGULATIONS—WITHER NAPAP?

Mr. MOYNIHAN. Mr. President, on October 30 we passed a milestone, an early one, on our way to cleaner air. Mr. Reilly, the able Administrator of the U.S. Environmental Protection Agency, announced rules proposed to reduce the amount of sulfur dioxide coming from power plants, eventually, by 10 million tons per year.

In the Clean Air Act Amendments of 1990, we agreed to try an experiment. We established a system of pollution allowances that can be treated among utilities. In theory, this means that the utilities that can reduce sulfur dioxide emissions most cheaply will do so. They will then be allowed to sell an excess allowances to the utilities for which reducing pollution is most expensive.

This system of pollution allowances is designed to limit sulfur dioxide emissions from all utilities—new ones, old ones, future ones—to 9 million tons per year. It is expected to do so for a lower overall cost than prescribing the same pollution-reducing technology for every utility. Economists tell that the savings may eventually be $1 billion per year. But what will it actually cost?

Mr. Reilly said that by the year 2000, even with the savings to be gained from the allowance system, the required reductions in sulfur dioxide emissions will cost $3.8 billion per year. He said that the average family may see their electric rates rise by between 1 and 1½ percent. But families are seldom average.

The costs will not be distributed evenly across the country. Families in Hawaii will pay less. So too, will consumers in the Pacific Northwest, the Colorado River Basin, and New England, who get their electricity from hydroelectric generation. Arithmetic dictates that others must therefore pay more. According to the Edison Electric Institute, rates for consumers could increase by over 20 percent in several industrial States. Mr. Reilly said these estimates are too high. How are we to know?

However much it costs, how much will we benefit? Data from the National Acid Precipitation Assessment Program—NAPAP is the acronym—allow us to estimate that under the proposed regulations, sulfur dioxide emissions between 1990 and 2030 will be reduced from 890 to 650 million tons. After 2030, sulfur dioxide emissions would have been reduced to about 9 million tons per year, even without new controls on sulfur dioxide. How will this one-quarter reduction in sulfur dioxide emissions over 40 years affect the environment.

Mr. Reilly said that the proposed regulations will help restore fish to hundreds of lakes and streams, thousands of acres of forests will begin to recover, historic buildings will age more slowly, and we will be able to see more stars at night. These are surely good things. But how many lakes and streams will actually have their fish restored? How many acres of forests will fully recover? How much money will we save in repairing aging structures? How many more stars?

When we passed the Clean Air Act Amendments of 1990, the bill contained a provision to extend the National Acid Precipitation Assessment Program. This program attempted to tell us how many lakes and streams had become acidic because of acid rain so far, and how many are expected to recover. It established a baseline of data against which the results of our efforts were predicted, and against which progress can now be measured. It was a multiagency program, representing the skills of the best scientists in academia, and government scientists with a wide range of experience managing energy, natural resources, environmental quality. NAPAP was to measure our success.

Unfortunately, all do not share enthusiasm for measuring results. Earlier this year, I told this body that administration support for NAPAP was inadequate. I offered an amendment to EPA's appropriation bill to identify $2.9 million, from an EPA account of more than $1 billion to make sure that we could know the actual costs and benefits of tens of billions of dollars that will be spent by consumers in the coming years to pay for acid rain controls. The amendment was accepted, but dropped during conference.

The result? NAPAP currently has no permanent director, one government scientist loaned from the Department of Agriculture, and a very pleasant secretary to answer the telephone.

But there is hope. Mr. Reilly has assured me that he shares my convictions about measuring results, and that he will find the required $2.9 million within EPA's fiscal 1992 appropriation to fund the Office of the NAPAP Director. And many of the distinguished members of the NAPAP Oversight Review Board have agreed to stay on to help maintain high standards. We will soon begin where we left off.

Why is this so important? Mr. President, we will reduce sulfur dioxide emissions by 240 million tons over the next four decades. We had better know how much it really costs. And we had better know what we have to show for it.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States, were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

NOTICE OF CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM-94

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency is to continue in effect beyond November 14, 1991, to the *Federal Register* for publication. Similar notices have been sent annually to the Congress and the *Federal Register* since November 12, 1980, most recently on November 9, 1990.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. The international tribunal established to adjudicate claims of U.S. nationals against Iran and of Iranian nationals against the United States continues to function, and normalization of commercial and diplomatic relations between the United States and Iran has not been achieved. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed in the process of implementing the January 1981 agreements with Iran and in the eventual normalization of relations with that country.

GEORGE BUSH.

THE WHITE HOUSE, *November 12, 1991*.

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on November 8, 1991, during the recess of the Senate, received a message from the House of Representatives announcing that the House has passed the bill (S. 1745) to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes; without amendment.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 2707. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

Under the authority of the order of the Senate of January 3, 1991, the enrolled bill was signed on November 8, 1991, during the recess of the Senate, by the Acting President pro tempore [Mr. SIMON].

MESSAGES FROM THE HOUSE

At 11:35 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1537. An act to revise, codify, and enact without substantive change certain general and permanent law, related to transportation, as subtitles II, III, and V-X of title 49, United States Code, "Transportation", and to make other technical improvements in the Code.

At 3:40 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1988) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control, and data communications, construction of facilities, research and program management, and Inspector General, and for other purposes; with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 374. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 3350. An act to extend the United States Commission on Civil Rights.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 1537. An act to revise, codify, and enact without substantive change certain general and permanent laws, related to transportation, as subtitles II, III, and V-X of title 49, United States Code, "Transportation", and to make other technical improvements in the Code; to the Committee on the Judiciary.

The following bill, received from the House of Representatives for concurrence on October 29, 1991, was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3401. An act to amend the Public Health Service Act to establish a program for the prevention of disabilities, and for other purposes; to the Committee on Labor and Human Resources.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time and placed on the calendar:

S. 1945. A bill to provide a program of emergency unemployment compensation, and or other purposes.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on November 8, 1991, he had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 36. Joint resolution to designate the months of November 1991, and November 1992, as "National Alzheimer's Disease Month";

S.J. Res. 145. Joint resolution designating the week beginning November 10, 1991, as "National Women Veterans Recognition Week"; and

S.J. Res. 188. Joint resolution designating November 1991 as "National Red Ribbon Month."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1150. A bill to reauthorize the Higher Education Act of 1965, and for other purposes (Rept. No. 102–204).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 807. A bill to permit Mount Olivet Cemetery Association of Salt Lake City, Utah, to lease a certain tract of land for a period of not more than 70 years (Rept. No. 102–205).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 1182. A bill to transfer jurisdiction of certain public lands in the State of Utah to the Forest Service, and for other purposes (Rept. No. 102–206).

S. 1184. A bill to direct the Secretary of the Interior to conduct a study to determine the nature and extent of the salt loss occurring at Bonneville Salt Flats, Utah, and how best to preserve the resources threatened by such salt loss (Rept. No. 102–207).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1183. A bill to reduce the restrictions on the lands conveyed by deed to the city of Kaysville, Utah, and for other purposes (Rept. No. 102–208).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 1707. A bill to authorize the establishment of the Fort Totten National Historic Site (Rept. No. 102–209).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

S. 1743. A bill to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes (Rept. No. 102–210).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

H.R. 3169. A bill to lengthen from five to seven years the expiration period applicable to legislative authority relating to construction of commemorative works on Federal land in the District of Columbia and its environs (Rept. No. 102–211).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. D'AMATO:

S. 1946. A bill to provide for the expedited approval of drugs or biologics for individuals in need of treatment for life threatening disease or seriously debilitating illness; to the Committee on Labor and Human Resources.

By Mr. GRAHAM:

S. 1947. A bill for the relief of Craig A. Klein; to the Committee on the Judiciary.

By Mr. DASCHLE:

S. 1948. A bill to amend the Internal Revenue Code of 1986 to provide special rules for certain gratuitous transfers of employer securities for the benefit of employees; to the Committee on Finance.

By Mr. FOWLER:

S. 1949. A bill to designate certain National Forest System lands in the State of Georgia as wilderness, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DANFORTH (for himself, Mr. Baucus, Mr. Packwood, Mr. Moynihan, Mr. Chafee, Mr. Pryor, Mr. Durenberger, Mr. Daschle, Mr. Hatch, Mr. Riegle, Mr. Grassley, Mr. Rockefeller, Mr. Breaux, Mr. Boren and Mr. Specter):

S. 1950. A bill to amend the Internal Revenue Code of 1986 to extend for 1 year certain expiring tax provisions; to the Committee on Finance.

By Mr. DASCHLE:

S. 1951. A bill to direct the Secretary of Health and Human Services to establish a demonstration project under which medicare beneficiaries may enter into agreements with suppliers of certain items of durable medical equipment to obtain items other than the standard version of the items for which payment may be made under part B of title XVIII of the Social Security Act; to the Committee on Finance.

By Mr. HOLLINGS (for himself and Mr. Lott):

S. 1952. A bill to amend the Internal Revenue Code of 1986 by repealing the provisions relating to limitations on passive activity losses and credits; to the Committee on Finance.

By Mr. LEAHY:

S. 1953. A bill to change requirements for the food stamp employment program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BINGAMAN:

S. 1954. A bill to encourage and strengthen a National Health Promotion Program by providing technical and financial support to Governor's Advisory Councils on Health Promotion, established to promote public-private health promotion partnerships, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GLENN:

S. 1955. A bill to extend the existing suspension of duty on certain diamond tool and drill blanks, and for other purposes; to the Committee on Finance.

By Mr. BYRD (for himself, Mr. Kerry, Mr. Akaka, Mr. Inouye, Mr. Lautenberg, Mr. Reid, Mr. Adams, Mr. Dodd, Mr. Cranston, Mr. Sanford, Mr. Riegle, Mr. Bradley, Mr. Simon, Mr. Wofford, Mr. Pell, Mr. Rockefeller, Mr. Hollings, Mr. Burdick, Mr. Lieberman, Mr. Stevens, Mr. Chafee, Mr. Jeffords, Mr. Symms, Mr. Warner, Mr. Murkowski, Mr. Brown, Mr. Cochran, Mr. Seymour, Mr. Burns, Mr. Grassley, Mr. Thurmond, and Mr. D'Amato):

S.J. Res. 229. A joint resolution designating the month of May, 1992, as "National Trauma Awareness Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MACK (for himself and Mr. McCain):

S. Res. 218. A resolution urging the Food and Drug Administration to review and revise the approval process for experimental drugs; to the Committee on Labor and Human Resources.

By Mr. LIEBERMAN (for himself, Mr. Pressler, and Mr. Simon):

S. Con. Res. 76. A concurrent resolution congratulating President Levon Ter-Petrosian for becoming the first democratically elected President of the Republic of Armenia, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. D'AMATO:

S. 1946. A bill to provide for the expedited approval of drugs or biologics for individuals in need of treatment for a life-threatening disease or seriously debilitating illness; to the Committee on Labor and Human Resources.

ACCESS TO LIFE-SAVING THERAPIES ACT

• Mr. D'AMATO. Mr. President, I rise today to introduce the Access to Life-Saving Therapies Act, legislation that will allow individuals who have been diagnosed as having a life-threatening or seriously debilitating illness to gain access to drugs and biologics once they have passed FDA's toxicity tests. This legislation, introduced in the House of Representatives by Representative Tom Campbell, is a humane and long overdue response to those whose lives depend on swift approval of new life-saving pharmaceuticals, and who can't afford to wait the 2 to 12 years it typically takes the FDA to approve most new drugs.

The need for this legislation is brought home vividly by the dramatic announcement last Thursday by basketball legend Magic Johnson that he has contracted the HIV virus, which causes AIDS. It is clear from Magic's positive, candid, and immediate public response to the news of his HIV status that he intends to fight, to live with, and to conquer, his disease. But if he, and the estimated 1 to 1.5 million Americans currently infected with HIV are to prevail in their struggle, they must have immediate access to promising new AIDS therapies.

This bill will grant these individuals greater access to such therapies by cutting unnecessary redtape from the FDA's drug approval process—permitting expedited approval of promising new drugs not only for persons with HIV or AIDS, but also for those suffering from Alzheimer's disease, cancer, Parkinson's disease, and other life-threatening or seriously debilitating illnesses. Under the bill, patients would be required to sign a disclosure that fully explains the experimental nature of the drug. Those individuals who wish to use only drugs that have passed all the FDA's tests could do so; but the desperately ill would not be precluded from taking greater responsibility and risk in battling their debilitating conditions.

The human cost of our current policies can be clearly seen by reviewing the history of misoprostol, the first drug to prevent gastric ulcers. This drug was approved in a relatively short time—only 9½ months. Yet, if we consider that gastric ulcers kill 10,000 to 20,000 people each year, we can estimate that 8,000 to 15,000 lives were lost during FDA's review period. This tragedy is magnified by the fact that by the time the drug was approved in the United States it was already available in 43 countries, in some of them 3 years earlier.

Mr. President, we must ask ourselves: How many additional lives are we needlessly sacrificing by denying our most desperately ill citizens speedy access to promising drugs? Certainly, if we owe our citizens anything, it's the chance for life—and this bill will give them that chance. I urge my colleagues to join as cosponsors of the Access to Life-Saving Therapies Act, and I urge its prompt passage.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1946

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) SHORT TITLE.—This Act may be cited as the "Access to Life-Saving Therapies Act".

(b) FINDINGS.—The Congress finds that—

(1) for many Americans with life-threatening or seriously debilitating diseases, new pharmaceutical products may offer the best, and sometimes the only hope of treatment;

(2) patients with life-threatening or seriously debilitating diseases are often denied the most advanced therapies because the drug approval process lacks flexibility;

(3) patients with life-threatening or seriously debilitating diseases are often willing to accept greater risks with respect to the safety and efficacy of drugs than our current drug approval system allows;

(4) the current mechanisms for expanded access to experimental therapies through Parallel Track, Group C Designation, and treatment INDs do not adequately meet the needs of patients with life-threatening or seriously debilitating diseases and may create disincentives for the development of drugs for patients with life-threatening or seriously debilitating diseases;

(5) health insurers now unfairly discriminate against experimental therapies, even when there is no alternative therapy;

(6) there is no more efficient way to expand access to a new drug than to permit it to be marketed; and

(7) the drug approval laws should be amended to permit the marketing of drugs for any life-threatening or seriously debilitating disease using similar criteria used to permit drugs for HIV infection to be distributed under Parallel Track.

SEC. 2. EXPEDITED APPROVAL.

Subchapter A of chapter V of the Federal Food, Drug, and Cosmetic Act is amended by adding after section 505 the following:

"SEC. 505A. EXPEDITED APPROVAL.

"At the request of the sponsor, the Secretary acting through the Food and Drug Administration, shall approve, on an expedited basis, a drug or biologic needed to treat or prevent a life-threatening or seriously debilitating illness (including AIDS, cancer, Alzheimer's disease, cardiovascular diseases and Parkinson's disease) if the drug or biologic meets the following conditions:

"(1) There is sufficient information, including surrogate markers, from preclinical and early clinical studies—

"(A) to show promising evidence that the drug is effective for the purpose for which it is indicated; and

"(B) to indicate that the drug is reasonably safe, taking into account the intended use and the patient population for which the drug is intended.

"(2) There is a lack of alternative satisfactory therapy for the patients for whom the drug is intended.

"(3) There is sufficient pharmacokinetic and dose-response information to recommend a reasonable dosing regimen (including information on dosage and the interval between doses) that meets the requirements of paragraph (1).

"(4) The applicant has made assurances that the manufacturer has begun one or more controlled clinical trials of the drug and that there will be sufficient quantities of the drug to conduct the trial or trials and satisfy the needs of the market.

"(5) The drug or biologic shall be dispensed only by or upon the prescription of a practitioner.

"(6) The applicant for the approval shall establish and maintain a system for collecting data and information on the use of and experience with the drug or biologic and for monitoring patients for adverse effects.

"(7) The applicant shall continue and complete adequate and well controlled investigations for the drug or biologic to provide additional data to confirm the initial conclusions on safety and efficacy which formed the basis for approval unless such investigations are not feasible.

"(8) The applicant shall submit reports on a periodic basis to the Secretary on findings resulting from systems established under paragraph (6) and investigations conducted under paragraph (7).

"(9) The applicant shall submit data on (A) the characterization of the drug or biologic which is prepared at a larger scale than those prepared for the studies and investigations under this section, and (B) the results of accelerated stability studies. In the absence of contradictory data, the data under this paragraph shall be considered sufficient for the approval of the drug or biologic prepared at such larger scale.

"SEC. 505B. APPLICATIONS.

"(a) The Secretary acting through the Food and Drug Administration, shall expedite and facilitate the review of applications for the approval of a drug or biologic under section 505A. The Secretary shall make a decision on such an application within 120 days of the submission of a completed application. If the Secretary does not make a decision within such days, the application shall be considered as approved under this subsection.

"(b) No health insurance policy or health plan, including—

"(1) any private health insurance policy, health maintenance organization, or other prepaid plan to provide or reimburse for health care services, and

"(2) any program established pursuant to title 18 or title 19 of the Social Security Act, or to any other law of the United States—

shall distinguish between a drug approved pursuant to subsection (a) and one approved pursuant to section 505 or 507 or section 351 of the Public Health Service Act for the purpose of determining whether a drug is eligible for coverage or reimbursement.

"(c) The Secretary, acting through the Food and Drug Administration, shall suspend the approval of an application under section 505A on the basis of new information from at least 2 post-approved studies that fail to confirm the initial conclusions on the safety and efficacy of the drug that formed the basis for approval.

"(d) A drug or biologic approved under section 505A shall be administered under the voluntary and informed consent of the patient or patient's representative who is so situated as to be able to exercise free power of choice without the intervention of any element of force, fraud, deceit, duress, or other form of constraint or coercion. Such consent shall be evidenced by an agreement signed by such a person or representative. The information given in the written agreement shall include—

"(1) a clear explanation that the drug has not conclusively been shown to be safe and effective but has been approved for marketing because preliminary studies showed promise of efficacy and it appeared reasonably safe in its intended population and there is no satisfactory alternative therapy,

"(2) a fair explanation of the procedures to be followed in connection with the drug or biologic, including an identification of any which are experimental,

"(3) a description of any attendant discomforts and risks reasonably to be expected from the use of the drug or biologic,

"(4) a description of any benefits reasonably to be expected from the drug or biologic, and

"(5) a disclosure of any appropriate alternative procedures that might be advantageous to the patient.".•

By Mr. FOWLER:

S. 1949. A bill to designate certain National Forest System lands in the State of Georgia as wilderness, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

CHATTAHOOCHEE NATIONAL FOREST PROTECTION ACT OF 1991

• Mr. FOWLER. Mr. President, it is an honor for me to rise to introduce the Chattahoochee Forest Protection Act of 1991.

This legislation creates two new wilderness areas in the mountains of north Georgia, the 7,800 acre Blood Mountain Wilderness and the 16,880 Mark Trail Wilderness. It adds 1,600 acres to the Brasstown Wilderness Area, adjacent to Georgia's highest peak.

It also creates the 7,100 acre Coosa Bald Scenic Area and the 23,330 acre Springer Mountain National Recreation Area.

Overall, this legislation would preserve 56,000 additional acres of the nearly million-acre Chattahoochee National Forest. These lands would be protected from future development and logging.

We know from experience, in Georgia, that mere inclusion in the National Forest System is not enough to protect our greatest natural treasures. They are not threatened only by encroaching development on private lands. Our most precious national forest lands have also been threatened by land swaps with developers, and by inappropriate uses that do not consider their value as undisturbed natural area—for recreation, scenic vistas, or pools for biodiversity.

In fact, lands within these parcels, marked for their outstanding natural features, have been scheduled for extensive logging by the U.S. Forest Service—to the chagrin, I think it is safe to say, of most Georgians, including most residents of the north Georgia mountains who treasure these as local and community resources.

Congressman ED JENKINS of Georgia, the author of this legislation, worked very hard, in developing this proposal, to get the input of the people in his district who are most directly affected. He publicized the bill before its introduction in the House and invited public response. He mailed copies of the bill to citizens 2 months ahead of time. He promised not to go forward without the support of the people of the Ninth Congressional District of Georgia, and some modifications were made in response to legitimate concerns which were raised.

As a result of this effort, support for this protection legislation has been overwhelming. More than 75 percent of the constituents who responded to Congressman JENKINS favored the bill. Opposition by scattered timber interests have gained no support in the industry. All nine of Georgia's remaining Representatives are cosponsors of this legislation.

I cannot say enough about my good friend, ED JENKINS, and I want to commend him for the tremendous job he has done in developing this legislation and building the consensus for passage throughout our state.

In the final analysis, I think it is inconceivable to most Georgians that an area like Blood Mountain needs protection from Government-subsidized logging operations.

Blood Mountain is the site of an ancient Indian battle between the Creeks and Cherokees. It is situated near by Neel's Gap and the southern terminus of the Appalachian Trail. Thus it stands at the gateway to the mountains for hundreds of thousands of sightseers and recreational users yearly. It also, without a doubt, forms part of one of the most breathtaking scenic vistas—not just in Georgia, but in the country.

Anyone who has ever made the trip from Dahlonega to Blairsville—rounding the hairpin curves with a sweeping panorama of fall leaves in the steep mountainsides opposite and the deep valleys below—will vouch for that.

Likewise, the proposed Mark Trail Wilderness has long been recognized for its rich splendor. It is named for Ed Dodd, creator of the Mark Trail comic strip, who made his home in these mountains and for decades taught our children an appreciation for nature and the values of conservation and environmental protection. This wilderness area would also protect the headwaters of the Chattahoochee, a river of increasingly vital importance for the entire southeastern region.

Clearly, we are not talking about assets that ought to be sacrificed to Forest Service timber sales that consistently lose money in the Chattahoochee National Forest. Truly this flies in the face of every measure of value and economic common sense. And I hope that what we have accomplished in Georgia can serve as a model for the rest of the nation.

We are proud of our natural heritage, and we mean to protect it and preserve it for future generations. I ask my colleagues to support this measure, on behalf of sound public lands policy, and in recognition of the clear will of the people of Georgia to preserve these natural treasures.•

By Mr. DANFORTH (for himself, Mr. BAUCUS, Mr. PACKWOOD, Mr. MOYNIHAN, Mr. CHAFEE, Mr. PRYOR, Mr. DURENBERGER, Mr. DASCHLE, Mr. HATCH, Mr. RIEGLE, Mr. GRASSLEY, Mr. ROCKEFELLER, Mr. BREAUX, Mr. BOREN, and Mr. SPECTER):

S. 1950. A bill to amend the Internal Revenue Code of 1986 to extend for 1 year certain expiring tax provisions; to the Committee on Finance.

EXTENSION OF CERTAIN EXPIRING TAX PROVISIONS

• Mr. DANFORTH. Mr. President, I am introducing today a bill for myself and Senators BAUCUS, PACKWOOD, MOYNIHAN, CHAFEE, PRYOR, DURENBERGER, DASCHLE, HATCH, RIEGLE, GRASSLEY, ROCKEFELLER, BREAUX, BOREN, and SPECTER—representing a majority of Members who serve on the Senate Finance Committee. The bill extends for 1 year a group of 12 tax provisions currently scheduled to expire by or before the end of 1991.

Each year taxpayers are forced to guess whether these important incentives referred to as the extenders will remain in Federal tax law. In a ritual that is almost institutionalized, Members annually proclaim support for their favorite extender provision(s), but fail to act in a timely manner to ensure they remain in force. This year is no different.

Given the current state of the economy, this legislation is absolutely vital. Many creative proposals have been circulated as of late with an aim to stimulate economic recovery. Consensus on these proposals remains far off. The economy and the citizens of this country can not afford to wait for Congress and the administration to agree on a grand long-term plan that will not have an effect on the economy until 2 years from now, assuming an agreement can be reached some time next year. None of the bills that might be of benefit to the economy by creating new jobs and stimulating economic activity is likely to be acted upon this year.

But Mr. President, we have it within our power to ensure that the economic benefits and jobs that are currently created by these 12 expiring provisions are not lost. We have the power and the responsibility.

The tax provisions that are the subject of the legislation that I am introducing today are currently adding economic benefit by, among other things, encouraging research and development activities, stimulating the construction of low-income housing, assisting first-time home buyers, and promoting employment of the structurally unemployed. These significant economic benefits will be lost if we allow the tax incentives designed to encourage such activities to expire.

HOUSING INCENTIVES

For example, the low-income housing tax credit is set to expire on December 31, 1991. Since its enactment in 1986, the program has become the principal Federal incentive for the production of low-income housing. More than 365,000 low-income rental units were produced nationwide through use of the credit. The credit is responsible for the production of 120,000 units per year. In 1989 and 1990, when new multifamily construction was declining across the board, the credit was responsible for approximately 25 percent of all multifamily rental starts. Moreover, credit-assisted production accounts for between 95 and 100 percent of low-income multifamily rental production units that rent for less than $450 per month. The National Association of Home Builders [NAHB] estimates that the credit will result in preservation of 620,000 low-income units in the next decade, and production of 640,000 new low-income rental units.

The low-income housing tax credit has benefits extending beyond providing housing for low-income individuals. Growth in housing stock also is a tool to revitalize local economies. NAHB estimates that the credit generates $140,000 of economic activity per housing unit. In addition, increased wages, property values, and tax revenues from increased activity add an estimated $16.8 billion to the economy and $1.2 billion in tax revenues annually.

The credit also translates into jobs. the NAHB estimates that the credit is responsible for close to 100,000 jobs per year, with approximately 40 percent in the construction industry.

Planning, structuring, and building a tax credit project is complicated, time consuming, and costly. A developer has little incentive to invest in such projects unless he or she is assured that the credit will exist throughout the life of the project. In addition, much of the money generated for tax credit projects is accumulated through pooled equity funds. The constant uncertainty surrounding the credit's extension stifles investment in these sources of capital. A lapse in the program will severely damage investor confidence.

A related provision to encourage housing for middle- and low-income taxpayers also is set to expire at the end of 1991. That provision provides for the issuance of qualified mortgage bonds, the proceeds of which are used to finance the purchase or qualifying rehabilitation of single-family, owner occupied homes within the jurisdiction of the bond issuer. Because the interest earned on these bonds is exempt from Federal income tax, the bonds provide mortgage money at lower than conventional rates.

What does it mean to the country if we let these provisions lapse? For low-income Americans it will mean the elimination of their best chance for a decent place to live. For State and local governments it will mean the total disruption of housing programs that feature the credit as a centerpiece. Moreover, the unprecedented private sector investment in low-income housing that the credit has fostered will dry up.

How can we afford to let these two invaluable housing incentives lapse? The answer is, we cannot—and a vast majority of the Members of this Senate realize the importance of these provisions. Over 80 Senators have cosponsored legislation that would make these provisions permanent.

JOBS FOR PEOPLE WITH SPECIAL NEEDS

Another important program that will lapse at the end of the year unless action is taken by this Congress is the targeted jobs tax credit [TJTC], which encourages employers to hire persons from targeted groups with special employment needs. Since its inception in 1979, TJTC has been directly responsible for encouraging employers to hire approximately 5 million structurally unemployed individuals. Expiration of this proven, cost-effective, jobs program will have a significant adverse impact on economically disadvantaged and disabled individuals. A recent General Accounting Office [GAO] study on TJTC confirmed that the credit has helped to change hiring practices and stimulate managers to seek out, recruit, hire, and retain employees of the targeted groups.

It is imperative that there be no lapse in the TJTC Program. TJTC requires an appropriation for the Labor Department so it can certify the targeted individuals who qualify for the program. In addition, Job Services will not process letters of request for certification if there is a lapse in the program. Moreover, absent a TJTC State agencies responsible for administering the credit will be idle, and perhaps closed.

Especially now, with current hiring levels making it more difficult for those with less skill and training to get jobs, TJTC offers disadvantaged people an opportunity to compete in the job market. Let's not take this opportunity away from them.

AMERICA'S COMPETITIVE EDGE: R&D

American business would be disadvantaged by a lapse of tax incentives to spur research and development [R&D]. International competition is a major challenge to the continued growth and vitality of domestic corporations. The quality and extent of domestic R&D is vital to the ability of U.S. businesses to remain competitive in international markets. Japan and Germany spend approximately one-third more of national income to develop commercially useful processes and technologies than does the United States.

The ability of America's science and technology community to develop new ideas, which are then incorporated into products and services, has long been recognized as a vital component of our national competitiveness strategy. Everyone—Congress, the administration, and the business community—agree that bolstering R&D is one key to bolstering U.S. competitiveness.

With the existence of the R&D tax credit and moratorium on section 861-8 being threatened, the time to act is now. We need to take action today that will improve the prospects for tomorrow.

It has been estimated that the R&D credit extension could increase spending on research and development by $25.7 billion between 1991 and 1995. The R&D credit is not a subsidy, but an incentive because only those companies that increase their spending on R&D could claim it. The projected increase in spending would have obvious benefits to technological research, but it would also have a ripple effect creating jobs, and stimulating local economies and businesses.

Section 861-8, as it applies to research, is an onerous provision requiring U.S. companies with foreign operations to allocate a percentage of their research expenditures to income earned abroad. In effect, the provision is a disincentive to conducting R&D here at home. Recognizing this, Congress has repeatedly prevented this regulation from taking effect by adopting a series of moratoria. Continuing the moratorium does not give American companies a tax break. Continuing the moratorium simply eliminates a penalty leveled against American companies—a number estimated to be over 300—for doing research and development in America. In 1988, these affected companies performed over $46 billion in R&D, almost 80 percent of all industry-funded U.S. R&D. Mr. President, if America is going to get back on its feet, we need to act now. Extending these two widely supported and important R&D tax provisions is a sound, logical step.

ENCOURAGING EDUCATION

Unless Congress acts before the end of this session the education assistance program found in section 127 of the Code will expire, leaving millions of low- and middle-income American workers without the only means they have to advance their education and increase their job skills.

Student assistance has been cut back dramatically since 1981, with more than $2.8 billion lost from Social Security benefits for students, as well as restrictions on grants and loans. This program is a proven one. Since 1978, more than 7 million Americans have been able to work and attend classes in order to improve their skills and qualify for better jobs. And this program benefits those underprivileged individuals that need it most. A recent study showed that nearly 71 percent of those who received section 127 payments earn less than $30,000 annually and nearly 99 percent earn less than $50,000 annually.

Retroactive extension of section 127 creates administrative nightmares for employees. Employers are uncertain whether or not to begin withholding taxes on the amount of educational assistance employees are receiving, or whether the section will be extended and withholding is unnecessary. In addition, the inability of employees to plan long-term educational strategies keeps thousands of employees from furthering their education. At a time when we should be encouraging employees to educate their work force, we should not let this provision expire, sending a sign that we do not care about the average worker.

HEALTH CARE

Also set to expire this year is an important health care provision. It allows self-employed individuals the ability to deduct 25 percent of amounts paid for health insurance on behalf of the self-employed individuals and his or her spouse and dependents.

While we will not be able to enact a comprehensive health care plan to keep down the cost of health care before the end of this year, we have the ability to make sure that the cost of health insurance for the self-employed and his or her family is not increased by our inaction.

CHARITABLE GIVING

For a number of charitable organizations, gifts of appreciated property have declined since 1986, when the unrealized appreciation of such gifts was made a tax preference item for purposes of the alternative minimum tax [AMT]. This change in law directly and negatively affected gifts given to colleges and universities, which use such gifts for scholarship funds, endowed chairs, construction and renovation of classrooms and laboratories.

In 1990, the unrealized appreciation with respect to charitable contributions of tangible personal property was excepted from the AMT calculation. This provision is set to expire at the end of 1991. At a time when the economy is sluggish and charitable giving is usually stifled, we should not be responsible for creating a further disincentive for charitable giving by allowing this provision to lapse.

Other important provisions set to expire at the end of the year—provisions that have proven their worth time and time again—include exemption from tax on qualified small issues of private activity bonds, tax credit for orphan drug chemical testing, business energy tax credit for solar and geothermal property and exclusion from income for employer-provided group services. I am attaching at the end of this statement a complete list of the 12 extenders. The bill I am introducing does not change any of the provisions; it simply follows current law.

In conclusion Mr. President, the time to act is now. Though some may argue that these provisions can be dealt with next year, retroactive legislation is not an adequate alternative. The fact is that, faced with the possibility that these provisions may not be extended, many businesses will have no alternative but to cut back dramatically and in some cases discontinue the activities encouraged by these tax incentives. This is bound to have an adverse impact on technological innovation, employment, and construction. Moreover, once business opportunities are lost, they are often never fully recaptured.

Though there may be no consensus on how best to stimulate the economy in the long term, there is broad bipartisan consensus as to the policy merits and practical effectiveness of these provisions. In addition, I fear that failure to renew these economic incentive measures may slow an already stagnating economy. Accordingly, extending these tax provisions is something that we can do now to benefit the economy.

Finally, although this legislation does not contain specific revenue proposals to pay for the 1-year extension of these expiring tax provisions, I am working on possible revenue measures and will come forward with suggestions at the appropriate time. I look forward to working with the tax-writing committees in acting on these measures immediately.

Mr. President, I ask unanimous consent that a list of the expiring tax provisions be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PROVISIONS SCHEDULED TO EXPIRE THIS YEAR

1. Employer-provided educational assistance (sec. 127).
2. Group legal services (secs. 120, 501(c)(20)).
3. Health insurance deduction for self-employed (sec. 162(1)).
4. Mortgage revenue bonds and mortgage credit certificates (sec. 143, 25).
5. Qualified small-issue manufacturing bonds (sec. 144(a)).
6. Foreign allocation of R&D (sec. 861(b), 862(b), 863(b), 864(b)).
7. Research and experimentation tax credit (sec. 41).
8. Low-income housing tax credit (sec. 42).
9. Targeted jobs tax credit (sec. 51).
10. Business energy tax credit for solar and geothermal property (sec. 48(a)).
11 Orphan drug tax credit (sec. 28).
12. Minimum tax exception for gifts of appreciated tangible property (sec. 57).●

● Mr. CHAFEE. Mr. President, I am pleased to join Senator DANFORTH and our other colleagues in the introduction of this bill to extend all of the expiring tax provisions for 1 year. These provisions are an important part of our efforts to maintain our competitive position in the world economy; encourage education; provide affordable housing, both to renters and for first time homebuyers; and to provide jobs for all Americans.

The Mortgage Revenue Bonds Program, which is scheduled to expire at the end of this year, is an important part of our efforts to reverse the declining home ownership trend that exists in this country. For many Americans, the dream of home ownership continues to become more and more difficult to achieve. The Nation's home ownership rate is at its lowest level in almost two decades.

In many States, such as Rhode Island, where housing is very expensive when compared to median incomes, we must provide tax incentives for programs that assist low-income Americans in acquiring their first home. The Mortgage Revenue Bond [MRB] Program authorizes States to issue tax-exempt mortgage revenue bonds to provide below market-rate financing for the purchase of homes by citizens in those States. This below market-rate financing allows first-time homebuyers to purchase a home, when they would not be able to buy a house with any of the conventional financing methods.

In 1986, we adopted a State volume cap which placed a limit on the total amount of private purpose tax-exempt bonds that could be issued by a State. The MRB Program expands the types of private-purpose bonds that can be issued by a State within its volume cap. I believe it is vitally important that we allow States to utilize the volume cap in the most beneficial way for each State's citizens.

The Mortgage Revenue Bond Program is an important part of the State housing program in my home State and its efforts to address the large affordability gap that exists in Rhode Island. Rhode Island Housing, the manager of our MRB Program, utilizes State resources to provide second mortgages and interest rate buydowns combined with the MRB Program to assist citizens of Rhode Island in the purchase of a home.

In the 17 years that Rhode Island Housing and Mortgage Finance Corporation [RIHMFC] has existed, over 38,400 families have been able to purchase a home utilizing mortgages from the MRB Program totaling almost $1.7 billion. The managers of the MRB Program have calculated that approximately 80 percent of the families served by the MRB Program would not have been able to qualify for a conventional mortgage.

In 1990, RIHMFC issued $220 million in mortgage revenue bonds and assisted over 2,000 Rhode Island families with the purchase of a first home by providing over $188 million in mortgages. The median family income of the participants in the Rhode Island MRB Program last year was $30,267—about 83 percent of Rhode Island's statewide median income for 1990. The average loan amount issued to these participants was $93,431 on an average purchase price of $105,583 compared to a statewide average sales price of $147,780 for all homes sold in Rhode Island during 1989.

The average age of all the recipients who have received mortgages provided by RIHMFC is 31.5 years, which indicates that the program is not assisting only young people right out of college. In fact, it is helping young families who may have been in the work force for 10 or more years before they could afford to buy a first home.

The experiences of Rhode Island Housing illustrate the vital importance of this program to fulfilling the home ownership dreams of low-income Americans. It is imperative for us to expand the authority of the States to issue tax-exempt bonds to provide mortgage revenue bond financing to our young families who would not otherwise be able to fulfill the American dream by purchasing a first home.

The extension of this program through the end of 1992 will allow States, such as Rhode Island, to continue to assist young families who may not otherwise have been able to purchase a home. I am hopeful that we will be able to maintain this program that is such an important part of our overall housing program.

The next provision I would like to discuss is the low-income housing tax credit that was created in the Tax Reform Act of 1986 to encourage construction and rehabilitation of housing for low-income Americans. The effectiveness of this credit in providing low-income housing has been proven during the 5 years since its enactment and we should not let it expire at the end of this year.

The credit provides a valuable tax incentive to both nonprofit and for-profit developers to fund the production and preservation of low-income rental housing. It is absolutely necessary to encourage the development and renovation of housing for the poor.

In my State the RIHMFC, the State housing agency, has used the tax credit to successfully address the needs of our citizens for safe and affordable housing. The loss of these credits would be devastating to their efforts. By combining the credit with bond financing and zero interest second mortgages, RIHFMC has been able to produce and preserve low-income housing in one of this country's most expensive housing markets. Our State was one of only nine States to use 100 percent of its credit allocation for both 1988 and 1989.

During the last 3 years, 25 Rhode Island developers have received tax credit financing for the production and preservation of a total of 851 units of low-income rental housing. Although only 10 of the 25 developers are nonprofit organizations, they have received 72 percent of the almost $3 million in tax credits that have been allocated by RIHFMC. According to the National Council of State Housing Agencies, Rhode Island allocated a higher percentage of 1988 low-income housing credits to nonprofit housing developers than any State in the country.

Providing an adequate supply of safe and affordable housing is a long-term job, for both State housing agencies and developers. State housing agencies that assist with these programs must invest a considerable amount of time and resources in the development of the necessary administrative capacity to operate the program. In addition, private housing developers must have considerable lead time for these undertakings. If they are to make the required investments in time and resources, these necessary participants in the program must know that it will be extended past this year.

The nations winning the competitiveness race are those that recognize the importance of advanced technology, and work to attract companies that will establish research and development facilities within their borders. To achieve greater economic competitiveness we must foster, not impede, U.S. investment in research and development. We must expand, not export, our technological base.

The current regulations under section 861 create an incentive for companies to move their R&E offshore. If R&E expenses incurred in the United States must be allocated to foreign sales, U.S. companies may move the R&E offshore to take advantage of beneficial tax treatment in other countries.

It has been alleged that reform is some type of tax break. I assure you that is not the case. Section 861 is a penalty on domestic R&E, in that it requires U.S. R&E performers to engage in an accounting fiction that leads to double taxation and increases their worldwide tax liability. Removal of this penalty simply allows American companies to be treated like their counterparts all over the world.

The R&E tax credit is also very important to encourage American companies to increase the level of research they are doing on new technologies and new products. This credit has served as a very effective incentive since it was first enacted in 1981.

I am sorry that we may only be able to extend these provisions for 1 year, since America needs a consistent and permanent R&E policy. Research projects often take years to complete and require businesses to make commitments of funds years in advance, therefore they need the assurance that a permanent R&E policy would provide.

These two provisions are vitally important to the international competitiveness of U.S. companies, an issue that has become one of the top concerns of Congress, and rightly so. Given the importance of this issue, government policies should be carefully scrutinized to ensure they enhance our ability to compete rather than hinder it. We cannot let these provisions lapse at this critical time when we should be encouraging new and increased research and development activities in the United States.

Each of the provisions in this bill are important to the Americans who utilize them and rely on them to fulfill their intended purpose. We must extend them this year, we cannot allow them to expire and expect people to rely on our ability to extend them retroactively next year. I urge my colleagues to join us in cosponsoring this legislation and to support our effort to extend these provisions this year.•

• Mr. MOYNIHAN. Mr. President, I am pleased today to join the distinguished senior Senator from Missouri, Senator DANFORTH, in introducing legislation to extend for 1 year several very important tax provisions, including employer-provided educational assistance, the low-income housing tax credit, the Mortgage Revenue Bond Program, the targeted jobs tax credit, the tax deduction for gifts of appreciated property, and the tax deduction for health insurance costs of self-employed individuals.

Currently, all of these provisions are scheduled to expire at the end of 1991. The bill we introduce today would keep them in effect for another year.

Congress has until now enacted these provisions for several temporary periods. It has repeatedly allowed them to lapse, only to reextend them on a retroactive basis for another temporary period. Take for example, the Employer-Provided Educational Assistance Program, covered under section 127 of the Tax Code. Since 1978, it has been extended five times. Most recently the Omnibus Budget Reconciliation Act of 1990 provided for a 15-month extension, retroactive from its September 30, 1990, expiration date through December 31, 1991.

Though I think it is time for this cliffhanger approach to stop, I join in sponsoring this legislation today in an effort to prevent the serious disruptions that will ensue if these provisions are allowed to expire at the end of this year.

These provisions represent worthwhile and effective tax policy, designed to encourage such important goals as education, housing, employment, the maintenance of our cultural heritage, and increased access to health care. To allow them to expire would be a mistake, and could seriously impair ongoing efforts to further the goals they are intended to foster.

These provisions work. Since being enacted in 1978, the Employer-Provided Educational Assistance Program has enabled over 7 million working men and women to advance their education and improve their job skills without incurring additional income tax liabilities. As of mid-1990, the low-income housing tax credit had been responsible for the construction or rehabilitation of over 235,000 low-income rental housing units; the targeted jobs tax credit had helped create jobs for some 4.5 million disadvantaged youths, veterans, and other needy citizens; and mortgage revenue bonds had financed over 1 million loans to low- and moderate-income homebuyers. The current 1-year window allowing a full deduction for donations of art and manuscripts to museums and universities has resulted in all manner of gifts—everything from rare Benin bronze sculptures to antique race cars.

Thus far in the 102d Congress, legislation has been introduced to extend each of these provisions. I have cosponsored several of these bills, and have sponsored S. 24, which would permanently extend section 127. I applaud the efforts of Senator DANFORTH in taking this comprehensive approach toward the extenders, and I am happy to join as a cosponsor of this legislation.•

By Mr. HOLLINGS (for himself and Mr. LOTT):

S. 1952. A bill to amend the Internal Revenue Code, of 1986 by repealing the provisions relating to limitations on passive activity losses and credits; to the Committee on Finance.

REPEAL OF PASSIVE LOSS LIMITATIONS

• Mr. HOLLINGS. Mr. President, I rise today for myself and Senator LOTT, to introduce legislation to repeal the passive loss restrictions in the 1986 Tax Act. The legislation will amend the 1986 Tax Reform Act to provide that the limitations on passive loss activities and credits will not apply to any real estate activity.

The 1986 Tax Act and the real estate provisions it contains are the unnamed coconspirators in the creation of the S&L and banking problems. The repeal of this restriction would supply the incentive to spur more investment in real estate and bring it out of its current slump. The losses we are seeing now are real losses, not passive losses, and the Government needs to take an active role, not a passive one, in rectifying the downward spiral of our economy. The idea that Government is supposed to be passive is a prescription for exactly what we've got—stagnant markets and areas of the country that are beyond recession and into depression. Mr. President, of course we should let businessmen run business, but it is the Government's responsibility to create an atmosphere where business can flourish. Repealing the restrictions on passive-loss provisions is a step in that direction and one our economy desperately needs.

I urge my colleagues to support this bill.•

By Mr. LEAHY:

S. 1953. A bill to change requirements for the Food Stamp Employment and Training Program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FOOD STAMP EMPLOYMENT AND TRAINING REFORM ACT

• Mr. LEAHY. Mr. President, the bill I am introducing addresses the failure of the Food Stamp Employment and Training Program. Despite funding of $500 million over recent years, the Employment and Training Program has proved to be neither.

The Employment and Training Program should be designed to help people find sustaining jobs and get off food stamps. Instead, the program ineffectively spends too little money on too many people, ensuring help for no one.

In times of high unemployment and big budget deficits, we should help those on food stamps who want to get back to work.

A Department of Agriculture study, however, conducted this year by Abt Associates, Inc., found that the Employment and Training Program has no significant effect on participants' employment or earnings.

I have worked closely with USDA on this bill, which will streamline the Employment and Training Program to ensure that participants are given a real chance to find work and get off food stamps. I look forward to continuing to work with USDA on the reform of this program.•

By Mr. BINGAMAN:

S. 1954. A bill to assist the United States in achieving certain reasonable health-related objectives, known as the Healthy People 2000 goals, through the development of a meaningful annual report concerning the health status of the United States, and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL HEALTH CHECKUP ACT

• Mr. BINGAMAN. Mr. President, over the past several days and weeks, we have heard a lot of talk in the Congress and around the country about the need to find real, lasting, and affordable solutions to our growing crisis in health care—a crisis that threatens to cripple our Nation and shatter our ability to compete effectively in the 21st century.

For too long, we have devoted all our resources to mending the cracks in the system. We have now reached a point where we cannot glue the system back together. We must examine its foundation—the underlying myths and beliefs about health care in America. And we must create a national strategy that will help build a healthy, competitive America in the 21st century.

I believe that individual empowerment, good health, and disease prevention are crucial elements of that national strategy. Mr. President, when I say "national strategy," I am not talking about a Federal strategy. I am talking about a strategy that includes everyone—all segments of society—from the Congress and the administration to State governments, community leaders, and individual family members.

The foundation for this strategy has already been laid by Dr. Louis Sullivan, the Secretary of Health and Human Services. As many of my colleagues know, Dr. Sullivan deserves tremendous credit for his leadership role in coordinating the 3-year development of a comprehensive set of health objectives for the Nation. Dr. Sullivan's developmental work culminated in the publication last year of a landmark report entitled "Healthy People 2000."

"Healthy People 2000" sets out three principal goals:

First, to increase the span of healthy life for Americans;

Second, to reduce health disparities among Americans;

Third, to achieve access to preventive services for all Americans.

To help meet these goals, Dr. Sullivan and his extensive working group developed nearly 300 specific objectives in 22 priority areas. These priority areas include: physical fitness, nutrition, tobacco use, alcohol and other drug use, family planning, mental health, violence, accidental injury at home and on the job, heart disease, cancer, HIV infection, and immunization.

To help ensure that these critical objectives are realized and that the American people understand and appreciate the importance of the objectives, I am today introducing two pieces of legislation based on the "Healthy People 2000" objectives and my work in New Mexico with an organization I helped establish several years ago, HealthNet New Mexico. I am particularly proud of HealthNet New Mexico, an annual statewide health promotion campaign that relies heavily on public-private partnerships and the media to get the message of good health, fitness, and better nutrition to people throughout New Mexico.

One of my bills—the Act for a Fit and Healthy America—will help States translate the "Healthy People 2000" objectives into statewide health promotion programs like HealthNet New Mexico and is similar to legislation I introduced in the 99th and 100th Congresses on this issue. My other bill will help keep us updated—through a short, easy-to-understand annual report and press conference-media event—on our progress, at the national, State, and individual levels, toward achieving the "Healthy People 2000" objectives.

THE NATIONAL HEALTH CHECK-UP ACT

The National Health Check-up Act is the result of a set of hearings I chaired last year under the auspices of the Senate Committee on Governmental Affairs. During those two hearings, it became clear to me that if we are to achieve the "Healthy People 2000" objectives, we need to popularize the goals and empower every American to become personally responsible for achieving the goals, both nationally and individually.

An effective way to do that, I believe, is to publicize an annual checkup on our progress, using the news media to the maximum extent possible. I'm not advocating publication of another lengthy, technical, annual report of complicated data and statistics. That kind of a report would probably be 3 inches thick and never read by the people who need to read it the most.

I am advocating a straightforward, down-to-earth checkup on our health status: a simple, short, easy-to-understand annual report prepared by the Secretary of Health and Human Services for all the American people.

If the checkup is to be as useful as I think it can be, it must be easy to understand. The health objectives to be checked must be simple, short, and relevant to individuals. The checkup should focus on a specific, or priority, set of the objectives.

I have drafted a simple bill that mandates such a checkup. My bill directs the Secretary to prepare a short annual report and convene an annual press conference-media event to address the American people on our individual and collective progress toward achieving key "Healthy People 2000" objectives.

In the report and during the press conference, the Secretary is to:

First, focus attention on an easily identifiable and understandable set of core health objectives, which he will determine;

Second, highlight national, State, and individual progress toward the objectives, using specific examples when possible;

Third, stress quality of life indicators, rather than vital statistics;

Fourth, specifically point out any of the priority areas where we need to devote additional effort if we are to achieve the objectives; and

Fifth, compare the current ranking of the United States with our international counterparts.

In my view, this type of checkup will bring home the "Healthy People 2000" objectives to all Americans in a way that technical, data-packed annual reports cannot.

ACT FOR A FIT AND HEALTHY AMERICA

The Act for a Fit and Healthy America is also intended to help us achieve the "Healthy People 2000" objectives. The bill encourages all States to establish HealthNet New Mexico-type organizations, which will foster statewide progress toward the objectives.

My bill focuses on public-private partnerships because I believe it is critical that the American people—individuals and business—feel an ownership for the objectives. Simply mandating that States, through their departments of health, establish and finance health promotion campaigns will not work any longer, in my opinion.

If we want health promotion campaigns to work, we need to make people feel a responsibility for their own health. That will involve a tremendous change in the American way of thinking, but it is a change we must start advocating now. The year 2000 is only 9 years away.

My bill authorizes Federal grants to help States establish Governor's Healthy People 2000 advisory councils. Each advisory council would be built on a firm foundation of public-private partnerships and would develop a set of health objectives similar to the national objectives, but specifically tailored to the needs of the State. The advisory councils would oversee Statewide health promotion campaigns similar to HealthNet New Mexico.

Specifically, the bill:

First, authorizes a grant program, to be administered by the Secretary of the Department of Health and Human Services, for the establishment of public-private partnerships—Governor's Healthy People 2000 advisory councils—that will lead statewide health promotion campaigns;

Second, requires the Secretary to document the effectiveness of the campaigns and progress toward the "Healthy People 2000" objectives through the collection of data on the health and fitness levels of participants, which will be available for the benefit of other advisory councils;

Third, stipulates that the campaigns must chiefly involve private businesses, media, schools, and nonprofit organizations; that an office within the State department of health must be designated to oversee and assist the advisory committee; and that the non-Federal share of the health promotion programs may come from private sector contributions of funding, services, and equipment.

If the new statewide health promotion programs that my bill envisions are to be successful, they must be supported in every State by strongly committed individuals. Health care providers, public officials, educators, business men and women, and people throughout the community must become personally committed to working in partnership if we are to improve our Nation's health care system and ensure its viability in the 21st century. If any of us fail to make that commitment, we all will lose.

And if we are serious about a commitment to creating a healthy America by the year 2000, we have a lot of work to do in the next 8 or 9 years. I believe my bill will help lay the foundation for our work.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Health Checkup Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the United States is on the verge of a health care crisis, spending more than $600,000,000,000 (12 percent of the gross national product) on health care each year;

(2) the United States spends 50 percent more of its gross national product on health care than does Canada (which ranks second in spending), more than twice as much as Japan, and almost three times more than Great Britain spends on health care;

(3) despite spending significantly more on health care than our international counterparts, Americans are not healthier than citizens of most industrialized countries, with citizens of Canada, Japan, and Great Britain living longer and having much lower infant mortality rates than citizens of the United States;

(4) chronic diseases such as coronary heart disease, stroke, atherosclerosis, diabetes, and cancer account for more than two-thirds of all deaths in the United States;

(5) accidental deaths at home, on the job, and in automobiles also account for a significant number of deaths in the United States;

(6) personal lifestyle choices, such as diet and exercise, have a significant impact on the health destiny of individual Americans and the economic security of the United States (smoking, for example, being the single most preventable cause of death and illness in the United States);

(7) alcohol abuse is the leading preventable cause of birth defects and is a major factor in thousands of preventable deaths, including motor vehicle fatalities, homicides and suicides;

(8) the Department of Health and Human Services report entitled "Healthy People 2000: National Health Promotion and Disease Prevention Objectives", outlines a comprehensive national strategy for improving the health of all Americans during this decade;

(9) "Healthy People 2000" is the product of a 3-year national effort, involving professionals, citizens, private organizations, and public agencies from all parts of the country;

(10) "Healthy People 2000" sets forth specific national objectives for reducing preventable deaths and disabilities, reducing disparities in health status among subpopulations of our society, and for enhancing the quality of American life;

(11) for the economic and social well-being of America, Congress should support and encourage progress toward achieving each of the Healthy People 2000 objectives; and

(12) to assist the Nation in measuring the progress made toward achieving, and ultimately reaching, each of the Healthy People 2000 objectives, the Secretary of Health and Human Services should publish a short annual report on key Healthy People 2000 objective indicators and call an annual press conference to report to the United States the progress made, on a national, State, and individual level, toward achieving the Healthy People 2000 objectives and to better educate the American public on the importance of such objectives.

(b) PURPOSE.—It is the purpose of this Act to require the Secretary of Health and Human Services to report to the American public, through—

(1) the publication of a short, easy-to-understand annual report on key Healthy People 2000 objective indicators; and

(2) the convening of an annual press conference, concerning the national and individual progress made toward achieving a representative set of the Healthy People 2000 goals, such as the National Health Priorities identified by the Secretary and mandated under the Year 2000 Health Objectives Planning Act (Public Law 101-582).

SEC. 3. DEFINITIONS.

As used in the Act:

(1) HEALTH PROMOTION.—The term "health promotion" includes—

(A) cessation of tobacco use;

(B) reduction in the abuse of alcohol and other drugs;

(C) improvement of nutrition;

(D) improvement of physical fitness;

(E) prevention of accidents related to lifestyle;

(F) improvement of mental health and well-being;

(G) family planning;

(H) control of violent and abusive behavior; and

(I) health education and community-based programs.

(2) HEALTHY PEOPLE 2000 OBJECTIVES.—The term "Healthy People 2000 objectives" means the 300 specific health objectives in 22 priority areas, such as fitness, nutrition, tobacco, maternal and infant health, cancer, cardio-

vascular disease, HIV disease, immunization, and environmental health, identified by the Secretary in the report entitled "Healthy People 2000: National Health Promotion and Disease Prevention Objectives".

(3) NATIONAL HEALTH PRIORITIES.—The term "national health priorities" means the priorities identified by the Secretary pursuant to the requirements of the Year 2000 Health Objectives Planning Act (Public Law 101-582).

(4) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(5) STATE.—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

SEC. 4. ANNUAL REPORT AND PRESS CONFERENCE.

The Secretary shall annually publish a short, easy-to-understand annual report and convene a national press conference to make the American people aware of progress made toward achieving the Healthy People 2000 objectives. The annual report and press conference shall be designed to—

(1) focus attention on an easily identifiable and understandable set of core health objective indicators;

(2) highlight national, State, and individual health status indicators and cite specific examples;

(3) stress quality of life indicators;

(4) maximize the use of the print and electronic media to promote the health status of the United States and the Healthy People 2000 objectives;

(5) highlight priority areas where additional efforts are needed, either at the national, State, or individual level, to attain specific Healthy People 2000 objectives; and

(6) report on the current ranking of the United States with respect to the infant mortality and life expectancy rates.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

SEC. 6. EFFECTIVE DATE.

This Act shall become effective on January 1, 1992.

By Mr. GLENN:

S. 1955. A bill to extend the existing suspension of duty on certain diamond tool and drill blanks, and for other purposes; to the Committee on Finance.

EXTENSION OF EXISTING SUSPENSION OF DUTY

• Mr. GLENN. Mr. President, I am pleased today to introduce a bill to extend the current duty suspension on imported polycrystalline diamond compact [PDC] tool and drill blanks. GE Superabrasives, located in Worthington, OH, is the predominant United States producer of these blanks, which are made at the Worthington facility and at a GE plant in Ireland. These PDC blanks are used in the manufacture of drill bits for oil and gas exploration, and various mining functions. GE urges favorable action on this extension, which has been in effect since 1984—but for an unintended 10-month interruption in 1988.

In section 160 of the Trade and Tariff Act of 1984, a new duty suspension provision was enacted on PDC tool and drill blanks, effective through December 31, 1987. The suspension was extended in 1988, to be effective through 1992. Through an inadvertent drafting error, the 1988 extension was made effective from the date of enactment, November 10, 1988, rather than January 1, 1988, the expiration of the previous suspension. My bill would continue the current duty suspension through December 31, 1995, and permit the refunding of duties paid on imports made in 1988 before the enactment of the Technical and Miscellaneous Revenue Act of that year. I am not aware of any opposition to the continuation of this duty suspension, rather the suspension has been beneficial to users of PDC blanks by keeping their costs down.•

By Mr. BYRD (for himself, Mr. KERRY, Mr. AKAKA, Mr. INOUYE, Mr. LAUTENBERG, Mr. REID, Mr. ADAMS, Mr. DODD, Mr. CRANSTON, Mr. SANFORD, Mr. RIEGLE, Mr. BRADLEY, Mr. SIMON, Mr. WOFFORD, Mr. PELL, Mr. ROCKEFELLER, Mr. HOLLINGS, Mr. BURDICK, Mr. LIEBERMAN, Mr. STEVENS, Mr. CHAFEE, Mr. JEFFORDS, Mr. SYMMS, Mr. WARNER, Mr. MURKOWSKI, Mr. BROWN, Mr. COCHRAN, Mr. SEYMOUR, Mr. BURNS, Mr. GRASSLEY, Mr. THURMOND, and Mr. D'AMATO):

S.J. Res. 229. Joint resolution designating the month of May, 1992, as "National Trauma Awareness Month;" to the Committee on the Judiciary.

NATIONAL TRAUMA AWARENESS MONTH

Mr. BYRD. Mr. President, since 1988, the Senate has passed joint resolutions I have introduced that designated the month of May as "National Trauma Awareness Month."

Today, I am introducing a joint resolution to designate May 1992 as "Trauma Awareness Month." The theme chosen by the American Trauma Society for 1992 is highway trauma. Half of all the incidents of trauma occur on our highways and each year more than 9 million people in the United States suffer some type of traumatic injury. In addition, more than $148 billion annually is spent on the problem of trauma—$70 billion of which is spent due to highway trauma.

The death rate from accidental injuries in most rural areas is over twice the rate for the largest cities, and almost two of every three deaths involving motor vehicles occur in rural areas. Factors commonly cited for the high injury death rate in rural areas include transportation difficulties, long response time for emergency personnel, and the lack of integrated trauma systems.

While much has been accomplished to prevent trauma, its incidence continues to rise. The public needs to be aware of the gravity of the traumatic injury problem in the United States. Trauma is the leading cause of death of persons between the ages of 1 and 40, and the third leading cause of death among people of all ages.

Throughout the country, Trauma Society members have mounted a variety of grassroots programs to heighten the public's awareness of trauma. Many States coordinate activities in conjunction with emergency medical centers.

During the month of May 1992, the American Trauma Society will emphasize seatbelt use, driver safety, and drunk-driving awareness. The American Trauma Society will be working with the National Highway Traffic Safety Administration, State and local government agencies, and private organizations to help in the awareness campaign.

I believe that we must continue to focus the public's attention on ways to prevent trauma and on improvements that can be made in trauma care. I hope that other Senators will join me in cosponsoring my joint resolution to designate May 1992 as "National Trauma Awareness Month."

ADDITIONAL COSPONSORS

S. 4

At the request of Mr. BENTSEN, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 4, a bill to amend titles IV, V, and XIX of the Social Security Act to establish innovative child welfare and family support services in order to strengthen families and avoid placement in foster care, to promote the development of comprehensive substance abuse programs for pregnant women and caretaker relatives with children, to provide improved delivery of health care services to low-income children, and for other purposes.

S. 194

At the request of Mr. MCCAIN, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 194, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 240

At the request of Mrs. KASSEBAUM, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 240, a bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans.

S. 243

At the request of Mr. DECONCINI, his name was added as a cosponsor of S. 243, a bill to revise and extend the Older Americans Act of 1965, and for other purposes.

At the request of Mr. ADAMS, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Minnesota [Mr. WELLSTONE], and the Senator from

South Dakota [Mr. PRESSLER] were added as cosponsors of S. 243, supra.

At the request of Mr. REID, his name was added as a cosponsor of S. 243, supra.

At the request of Mr. KASTEN, his name was added as a cosponsor of S. 243, supra.

S. 308

At the request of Mr. DANFORTH, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 308, a bill to amend the Internal Revenue Code of 1986 to permanently extend the low-income housing credit.

S. 316

At the request of Mr. CRAIG, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 316, a bill to provide for treatment of Federal pay in the same manner as non-Federal pay with respect to garnishment and similar legal process.

S. 392

At the request of Mr. LEVIN, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 392, a bill to amend chapter 23 of title 5, United States Code, to extend certain protection of the Whistleblower Protection Act of 1989 to personnel of Government corporations.

S. 664

At the request of Mr. THURMOND, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 664, a bill to require that health warnings be included in alcoholic beverage advertisements, and for other purposes.

S. 788

At the request of Mr. MCCAIN, his name was added as a cosponsor of S. 788, a bill to protect the integrity of the Social Security trust funds and reaffirm the firewall established to protect the trust funds by making technical corrections to the firewall procedures.

S. 1200

At the request of Mr. BURNS, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1200, a bill to advance the national interest by promoting and encouraging the more rapid development and deployment of a nationwide, advanced, interactive, interoperable, broadband communications infrastructure on or before 2015 and by ensuring the greater availability of, access to, investment in, and use of emerging communications technologies, and for other purposes.

S. 1219

At the request of Mr. BAUCUS, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1219, a bill to enhance the conservation of exotic wild birds.

S. 1372

At the request of Mr. GORE, the names of the Senator from California [Mr. CRANSTON], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1372, a bill to amend the Federal Communications Act of 1934 to prevent the loss of existing spectrum to Amateur Radio Service.

S. 1379

At the request of Mr. EXON, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1379, a bill to prohibit the payment of Federal benefits to illegal aliens.

S. 1482

At the request of Mr. DIXON, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1482, a bill to amend the Social Security Act to improve the notice of medicaid payment of medicare cost-sharing, and for other purposes.

S. 1498

At the request of Mr. BREAUX, the names of the Senator from Michigan [Mr. RIEGLE] and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 1498, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives for the establishment of businesses within Federal military installations which are closed or realigned and for the hiring of individuals laid off by reason of such closings or realignments, and for other purposes.

S. 1603

At the request of Mr. MCCAIN, his name was added as a cosponsor of S. 1603, a bill to provide incentives for work, savings, and investments in order to stimulate economic growth, job creation, and opportunity.

S. 1623

At the request of Mr. DECONCINI, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 1623, a bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes.

S. 1627

At the request of Mr. FORD, the names of the Senator from North Carolina [Mr. SANFORD] and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 1627, a bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products.

S. 1677

At the request of Mr. DASCHLE, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 1677, a bill to amend title XIX of the Social Security Act to provide for coverage of alcoholism and drug dependency residential treatment services for pregnant women and certain family members under the medicaid program, and for other purposes.

S. 1736

At the request of Mr. SASSER, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1736, a bill to amend title XVIII of the Social Security Act to provide for improved quality and cost control mechanisms to ensure the proper and prudent purchasing of durable medical equipment and supplies for which payment is made under the medicare program, and for other purposes.

S. 1738

At the request of Mr. DASCHLE, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 1738, a bill to prohibit imports into the United States of meat products from the European Community until certain unfair trade barriers are removed, and for other purposes.

S. 1810

At the request of Mr. DURENBERGER, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1810, a bill to amend title XVIII of the Social Security Act to provide for corrections with respect to the implementation of reform of payments to physicians under the medicare program, and for other purposes.

S. 1817

At the request of Mr. LAUTENBERG, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Illinois [Mr. SIMON], the Senator from New Mexico [Mr. DOMENICI], the Senator from New York [Mr. D'AMATO], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 1817, a bill to amend the Trade Act of 1974 to require the National Trade Estimate include information regarding the impact of Arab boycotts on certain United States businesses.

S. 1845

At the request of Mr. SIMON, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 1845, a bill to ensure that all Americans have the opportunity for a higher education.

S. 1894

At the request of Mr. ROTH, the names of the Senator from Minnesota [Mr. DURENBERGER] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 1894, a bill to amend the Trade Act of 1974 to provide trade adjustment assistance during the implementation and phase-in of the North American Free Trade Agreement, and for other purposes.

S. 1902

At the request of Mr. ADAMS, the name of the Senator from Illinois [Mr.

SIMON] was added as a cosponsor of S. 1902, a bill to amend title IV of the Public Health Service Act to require certain review and recommendations concerning applications for assistance to perform research and to permit certain research concerning the transplantation of human fetal tissue for therapeutic purposes, and for other purposes.

S. 1912

At the request of Mr. DOMENICI, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1912, a bill to amend the Public Health Service Act and the Social Security Act to increase the availability of primary and preventive health care, and for other purposes.

S. 1921

At the request of Mr. ROTH, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1921, a bill to amend the Internal Revenue Code of 1986 to allow a $300 tax credit for children, to expand the use of individual retirement accounts, and for other purposes.

S. 1932

At the request of Mr. BUMPERS, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 1932, a bill to amend the Internal Revenue Code of 1986 to provide a capital gains tax differential for individual and corporate taxpayers who make high-risk, long-term, growth-oriented venture and seed capital investments in start-up and other small enterprises.

S. 1943

At the request of Mr. RIEGLE, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1943, a bill to reform the Resolution Trust Corporation.

SENATE JOINT RESOLUTION 226

At the request of Mr. DODD, the names of the Senator from New York [Mr. D'AMATO], the Senator from Michigan [Mr. LEVIN], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. PELL], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 226, a joint resolution designating the week of January 4, 1992, through January 10, 1992, as "Braille Literacy Week."

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. DOMENICI, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Concurrent Resolution 57, a concurrent resolution to establish a Joint Committee on the Organization of Congress.

SENATE CONCURRENT RESOLUTION 65

At the request of Mr. DECONCINI, the names of the Senator from Wisconsin [Mr. KASTEN], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Concurrent Resolution 65, a concurrent resolution to express the sense of the Congress that the President should recognize Ukraine's independence.

SENATE RESOLUTION 184

At the request of Mr. DIXON, the names of the Senator from California [Mr. CRANSTON], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Indiana [Mr. COATS], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of Senate Resolution 184, a resolution to recommend that medical health insurance plans provide coverage for periodic mammography screening services.

SENATE RESOLUTION 196

At the request of Mr. HATCH, the names of the Senator from Washington [Mr. ADAMS] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Resolution 196, a resolution expressing the sense of the Senate that the Soviet Union should immediately begin a prompt withdrawal of Soviet Armed Forces from the Baltic States and undertake discussions with the governments of Lithuania, Latvia, and Estonia appropriate to facilitate that withdrawal.

SENATE RESOLUTION 213

At the request of Mr. GORE, the names of the Senator from Washington [Mr. ADAMS], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Resolution 213, a resolution expressing the sense of the Senate regarding United States policy toward Yugoslavia.

SENATE CONCURRENT RESOLUTION 76—RELATING TO DEMOCRACY IN ARMENIA

Mr. LIEBERMAN submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 76

Whereas, in February 1988, the Armenian people engaged in mass public protests against their oppressive communist government, thereby creating a model for other anti-communist protest movements throughout Eastern Europe and the Soviet Union;

Whereas the Armenian protests and similar protests throughout Eastern Europe and the Soviet Union have caused the communist system to collapse and led to the liberation of millions of people;

Whereas the Armenian people yearn for and are striving for the establishment of democracy and a free-market economic system in their country;

Whereas, on September 21, 1991, in a national referendum held in compliance with the Soviet constitution and monitored by international observers, the people of the Armenian republic voted overwhelmingly for independence from the Union of Soviet Socialist Republic;

Whereas, on October 16, 1991, the Republic of Armenia held its first multiparty presidential election selecting Levon Ter-Petrosian, a former political prisoner, as its first president; and

Whereas these elections have been recognized as being free and fair: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) congratulates President Levon Ter-Petrosian for becoming the first democratically elected president of the independent Republic of Armenia;

(2) commends the people of Armenia for successfully executing Armenia's first free, fair, and democratic presidential election and encourages them to continue their course towards democracy and free-market economics; and

(3) urges the President of the United States to recognize Armenia's declaration of independence, extend full diplomatic recognition to the independent Republic of Armenia, and support Armenia's application to join international organizations, including the United Nations and the Conference on Security and Cooperation in Europe.

• Mr. LIEBERMAN. Mr. President, historians may well say that the collapse of communism in the Soviet bloc began not in the heart of Russia or Central Europe, but in Armenia. In February 1988, the Armenian people engaged in a courageous protest against the corrupt Communist regime that had been imposed on them by the Kremlin. This revolt against Communist rule in the USSR served as a model and inspiration for the uprisings that took place in Central Europe later in the year.

Having inspired the people of Central Europe, the people of Armenia were emboldened in turn by the collapse of the Berlin Wall. In August, 1990, Armenia's democratically elected parliament passed a declaration of its intent to become independent; in September 1991, the Republic voted overwhelmingly to become independent; and on October 16, Levon Ter Petrossian was elected President with 83 percent of the vote. Observers from the Conference on Security and Cooperation in Europe praised these elections.

President Ter Petrossian deserves not only our admiration, but our support. He has adopted a path of moderation and cooperation with the Soviet authorities. Under his leadership, Armenia has been the only Republic to follow the complex procedure for secession that was set forth by President Gorbachev. Armenia has also decided recently to join the newly established Soviet economic community. As Ter-Petrossian stated before the Armenian parliament, Armenia will pursue "complete political independence," in addition to "the maximum participation in all constructive processes" going on in the former Soviet Union. President Ter Petrossian has also played a constructive role in the negotiations over the status of Nagorno-Karabakh.

At the same time, President Ter-Petrossian recognizes that the Soviet Union cannot be put back together again. If individual republics want full sovereignty, as Armenia does, neither the Soviet central authorities nor the international community should stand in its way.

Mr. President, given our belief in democracy and self-government, the manifest desire of the Armenian people to be independent, and the responsible policies of President Ter-Petrossian, I am introducing a resolution today, with Senator PRESSLER and Senator SIMON, which expresses the sense of the Senate that the U.S. Government should extend formal diplomatic recognition to the Republic of Armenia and support its application to join international organizations, including the United Nations and the Conference on Security and Cooperation in Europe.

The Armenian people deserve such recognition. Their march toward independence demonstrates that they are as dedicated to freedom as any of the peoples of the former Soviet Union. This dedication and sense of purpose has existed for centuries. It survived their long and lonely period of suffering as involuntary members of the Czarist, Ottoman, and Communist empires, including the horrors and genocide that were visited upon them during World War I. We owe this courageous people our support, admiration, and diplomatic recognition.●

SENATE RESOLUTION 218—RELATIVE TO THE APPROVAL PROCESS FOR EXPERIMENTAL DRUGS

Mr. MACK (for himself and Mr. MCCAIN) submitted the following resolution; which was referred to the Committee on Labor and Human Resources.

S. RES. 218

Whereas there are numerous experimental pharmaceutical therapies under review by the Food and Drug Administration [FDA] to treat Cancer, Acquired Immune Deficiency Syndrome [AIDS], Alzheimers' Disease, Parkinson's Disease, and other life-threatening illnesses;

Whereas many experimental new drugs will never be introduced into the market due, in part, to the process by which the Food and Drug Administration approves new drugs;

Whereas it takes an average of 10 years to bring a new drug from the laboratory to the pharmacy;

Whereas the National Commission on AIDS recently called of FDA to "aggressively pursue all options for permitting the use of promising new therapies for conditions which there is no standard therapy, or for patients who have failed or are intolerant of standard therapy";

Whereas the current process of clinical trials of new drugs is limited to small patient populations;

Whereas many Americans are so desperate for access to experimental drugs that the deplorable situation has arisen in the United States of America of underground networks copying and distributing drugs awaiting FDA approval;

Whereas a poll conducted by the Gallup Organization revealed an overwhelming 70 percent believe FDA should move more quickly in approving new drugs: Now, therefore, be it

Resolved by the Senate, It is the Sense of the Senate that—

The FDA is to be commended for its November 7, 1991 announcement of its intent to propose changes to the new drug approval process;

The FDA should continue to extensively review the process by which new drugs receive FDA approval;

The FDA should revise the new drug approval process to incorporate a means by which new drugs will receive FDA approval in a more timely, yet medically safe, manner;

The FDA should revise the approval process to incorporate a means by which all terminally ill patients, following consultation with and approval from their physicians, may have access to experimental drugs awaiting FDA approval.

Mr. MACK. Mr. President, the news that Earvin "Magic" Johnson has contracted the HIV virus has renewed concerns over the extensive Government regulation involved in approving lifesaving pharmaceutical drugs. Many advances have been made in recent years by America's pharmaceutical industry. However, the new drug approval process destroys the hopes of millions of Americans with life-threating diseases who must have the right to use drugs that could save their lives without government overregulation.

The American people are tired of placing their lives and the lives of loved ones on hold while the Federal Government decides for someone else whether a drug should be used. A recent poll conducted by the Gallup organization found that 70 percent of those surveyed believe the Federal Government should move more quickly in approving new drugs.

The elections last Tuesday sent a clear message that the American people are tired of business as usual—they're tired of being held down by Government regulation—they're tired of Government intervention in their lives. That includes the overregulated process of drug approval.

For terminally ill Americans—those with AIDS, Alzheimer's disease, or cancer—the drug approval process is cruel and should be an outrage to us all. Many new drugs have been developed to help treat life-threatening diseases, but many will never make it to the shelf of their neighborhood pharmacy partly because the Food and Drug Administration places layers and layers of bureaucracy on the approval process.

The hopes of terminally ill Americans are often tied to a chance that a new drug may be available to restore their health in some small way.

And on a personal note, in 1979, as I had mentioned on this floor before, a younger brother of mine died of cancer. It was a process that engulfed his life for a period of 12 years, and at many different stages during that process I must say, as a loving brother—and I can speak for the members of my family—of the pain and the anguish that we felt as a result of not being able to reach out and use different experimental drugs instead, we were told, in essence, that your terminally ill brother cannot use this particular medication because it might kill him. I think this is a message the people of this country just will not accept. They are really demanding the Government to make a change in the new drug approval process so those who are terminally ill will have the opportunity, and hope that this new drug might make a difference for them.

As a result of those feelings, I shall introduce legislation today, along with Senator MCCAIN. It is a sense-of-the-Senate resolution that:

First, the FDA is to be commended for its November 7, 1991, announcement of its intent to propose changes to the new drug approval process;

Second, the FDA should continue to extensively review the process by which new drugs receive FDA approval;

Third, the FDA should revise the new drug approval process to incorporate a means by which new drugs will receive FDA approval in a more timely, yet medically safe, manner;

Fourth, the FDA should revise the approval process to incorporate a means by which all terminally ill patients, following consultation with and approval from their physicians, may have access to experimental drugs awaiting FDA approval.

Mr. President, FDA Commissioner David Kessler has bypassed the lengthy process on some occasions. That is good. But the system is flawed and needs to be reworked.

Let us listen to the American people and find a system that works to restore the hopes of terminally ill Americans and get the Government to end this cold-hearted process that keeps potentially life-saving drugs away from those who have nothing to lose and maybe everything to gain.

AMENDMENTS SUBMITTED

OLDER AMERICANS ACT REAUTHORIZATION

COCHRAN (AND OTHERS) AMENDMENT NO. 1312

Mr. COCHRAN (for himself, Mr. HATCH, Mr. DURENBERGER, Mr. DOMENICI, Mr. JEFFORDS, and Mr. NICKLES) proposed an amendment to the bill (S. 243) to revise and extend the Older Americans Act of 1965, and for other purposes, as follows:

Strike all of title VII and redesignate accordingly.

COCHRAN (AND OTHERS) AMENDMENT NO. 1313

Mr. COCHRAN (for himself, Mr. HATCH, Mr. DURENBERGER, and Mr. DOMENICI) proposed an amendment to amendment No. 1312 proposed by Mr. COCHRAN (and others) to the bill S. 243, supra, as follows:

Strike section 702 and all that follows through section 712.

MCCAIN (AND OTHERS) AMENDMENT NO. 1314

Mr. MCCAIN (for himself, Mr. MACK, Mr. LOTT, Mr. PRESSLER, Mr. BRYAN, Mr. NICKLES, Mr. HATCH, Mr. KASTEN, Mr. HEFLIN, Mr. GRAHAM, Mr. REID, Mr. SMITH, Mr. WARNER, Mr. GRASSLEY, Mr. THURMOND, Mr. D'AMATO, and Mr. GORTON) proposed an amendment to the bill S. 243, supra, as follows:

At the appropriate place, add the following:

TITLE —SOCIAL SECURITY EARNINGS TEST ELIMINATED

SEC. . SHORT TITLE.

This title may be cited as the "Older Americans' Freedom to Work Act of 1990".

SEC. . ELIMINATION OF EARNINGS TEST FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

Section 203 of the Social Security Act is amended—

(1) in paragraph (1) of subsection (c) and paragraphs (1)(A) and (2) of subsection (d), by striking "the age of seventy" and inserting "retirement age (as defined in section 216(1))";

(2) in subsection (f)(1)(B), by striking "was age seventy or over" and inserting "was at or above retirement age (as defined in section 216(1))";

(3) in subsection (f)(3), by striking "33⅓ percent" and all that follows through "any other individual," and inserting "50 percent of such individual's earnings for such year in excess of the product of the exempt amount as determined under paragraph (8)," and by striking "age 70" and inserting "retirement age (as defined in section 216(1))";

(4) in subsection (h)(1)(A), by striking "age 70" each place it appears and inserting "retirement age (as defined in section 216(1))"; and

(5) in subsection (j), by striking "Age Seventy" in the heading and inserting "Retirement Age", and by striking "seventy years of age" and inserting "having attained retirement age (as defined in section 216(1))".

SEC. . CONFORMING AMENDMENTS ELIMINATING THE SPECIAL EXEMPT AMOUNT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) UNIFORM EXEMPT AMOUNT.—Section 203(f)(8)(A) of the Social Security Act is amended by striking "the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable" and inserting "a new exempt amount which shall be applicable".

(b) CONFORMING AMENDMENTS.—Section 203(f)(8)(B) of such Act is amended—

(1) in the matter preceding clause (i), by striking "Except" and all that follows through "whichever" and inserting "The exempt amount which is applicable for each month of a particular taxable year shall be whichever";

(2) in clause (i), by striking "corresponding"; and

(3) in the last sentence, by striking "an exempt amount" and inserting "the exempt amount".

(c) REPEAL OF BASIS FOR COMPUTATION OF SPECIAL EXEMPT AMOUNT.—Section 203(f)(8)(D) of such Act is repealed.

SEC. . ADDITIONAL CONFORMING AMENDMENTS.

(a) ELIMINATION OF REDUNDANT REFERENCES TO RETIREMENT ACT.—Section 203 of the Social Security Act is amended—

(1) in the last sentence of subsection (c), by striking "nor shall any deduction" and all that follows and inserting "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60."; and

(2) in subsection (f)(1), by striking clause (D) and inserting the following: "(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60, or".

(b) CONFORMING AMENDMENT TO PROVISIONS FOR DETERMINING AMOUNT OF INCREASE ON ACCOUNT OF DELAYED RETIREMENT.—Section 202(w)(2)(B)(ii) of such Act is amended—

(1) by striking "either"; and

(2) by striking "or suffered deductions under section 203(b) or 203(c) in amounts equal to the amount of such benefit".

(c) CONTINUED APPLICATION OF RULE GOVERNING ENTITLEMENT OF BLIND BENEFICIARIES.—The second sentence of section 223(d)(4) of such Act is amended by inserting after "subparagraph (D) thereof" where it first appears the following: "(or would be applicable to such individuals but for the amendment made by the Older Americans' Freedom to Work Act of 1991)".

SEC. . EFFECTIVE DATE.

The amendments made by this Act shall apply only with respect to taxable years beginning after December 31, 1991.

BROWN (AND OTHERS) AMENDMENT NO. 1315

Mr. BROWN (for himself, Mr. MCCAIN, Mr. COATS, Mr. JEFFORDS, Mr. PRYOR, Mr. LAUTENBERG, and Mr. GRAHAM) proposed an amendment to the bill S. 243, supra, as follows:

At the end of title VII, add the following new section:

SEC. . OPERATION OF MEDICARE HOTLINES.

From amounts appropriated for HCFA Medicare contractors the Secretary of Health and Human Services shall continue to operate the beneficiaries toll free telephone lines under section 1889 of the Social Security Act (42 U.S.C. 1395zz) at the same level and in the same manner as such lines were operated prior to July 1, 1991, and shall reinstate reimbursement to carriers for the operation and maintenance of provider toll free telephone lines at the same level of service and in the same manner as such lines were operated prior to July 1, 1991.

BINGAMAN (AND DOMENICI) AMENDMENT NO. 1316

Mr. ADAMS (for Mr. BINGAMAN, for himself and Mr. DOMENICI) proposed an amendment to the bill S. 243, supra, as follows:

Strike section 601 of the amendment and insert the following:

SEC. 601. VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES.

The Act (42 U.S.C. 3001 et seq.) is amended by adding at the end the following new title:

"TITLE VII—GRANTS FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES

"PART A—GENERAL PROVISIONS

"SUBPART 1—GENERAL STATE PROVISIONS

"SEC. 701. ESTABLISHMENT.

"The Commissioner, acting through the Administration, shall establish and carry out a program for making allotments to States to pay for the Federal share of carrying out the elder rights activities described in parts B through E.

"SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

"(a) OMBUDSMAN PROGRAM.—There are authorized to be appropriated to carry out part B, in accordance with this subpart, $20,000,000 for fiscal year 1992, $21,000,000 for fiscal year 1993, $22,050,000 for fiscal year 1994, and $23,150,000 for fiscal year 1995.

"(b) PREVENTION OF ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.—There are authorized to be appropriated to carry out part C, in accordance with this subpart, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(c) STATE ELDER RIGHTS AND LEGAL ASSISTANCE DEVELOPMENT PROGRAM.—There are authorized to be appropriated to carry out part D, in accordance with this subpart, $10,000,000 for fiscal year 1992, $10,500,000 for fiscal year 1993, $11,020,000 for fiscal year 1994, and $11,570,000 for fiscal year 1995.

"(d) OUTREACH, COUNSELING, AND ASSISTANCE PROGRAM.—There are authorized to be appropriated to carry out part E, in accordance with this subpart, $15,000,000 for fiscal year 1992, $15,750,000 for fiscal year 1993, $16,540,000 for fiscal year 1994, and $17,360,000 for fiscal year 1995.

"SEC. 703. ALLOTMENT.

"(a) IN GENERAL.—

"(1) POPULATION.—In carrying out the program described in section 701, the Commissioner shall initially allot to each State, from the funds appropriated under section 702 for each fiscal year, an amount that bears the same ratio to the funds as the population age 60 and older in the State bears to the population age 60 and older in all States.

"(2) MINIMUM ALLOTMENTS.—

"(A) IN GENERAL.—After making the initial allotments described in paragraph (1), the Commissioner shall adjust the allotments in accordance with subparagraphs (B) and (C).

"(B) GENERAL MINIMUM ALLOTMENTS.—

"(i) MINIMUM ALLOTMENT FOR STATES.—No State shall be allotted less than one-half of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made.

"(ii) MINIMUM ALLOTMENT FOR TERRITORIES.—Guam, the Virgin Islands, and the Trust Territory of the Pacific Islands, shall each be allotted not less than one-fourth of 1 percent of the funds appropriated under section 702 for the fiscal year for which the determination is made. American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than one-sixteenth of 1 percent of the sum appropriated under section 702 for the fiscal year for which the determination is made.

"(C) MINIMUM ALLOTMENTS FOR OMBUDSMAN AND ELDER ABUSE PROGRAMS.—

"(i) OMBUDSMAN PROGRAM.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(a), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out the State Long-Term Care Ombudsman program under title III.

"(ii) ELDER ABUSE PROGRAMS.—No State shall be allotted for a fiscal year, from the funds appropriated under section 702(b), less than the amount allotted to the State under section 304 in fiscal year 1991 to carry out programs with respect to the prevention of abuse, neglect, and exploitation of older individuals under title III.

"(D) DEFINITION.—For the purposes of this paragraph, the term 'State' does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(b) REALLOTMENT.—

"(1) IN GENERAL.—If the Commissioner determines that any amount allotted to a State for a fiscal year under this section will not be used by the State for carrying out the purpose for which the allotment was made, the Commissioner shall make the amount available to a State that the Commissioner determines will be able to use the amount for carrying out the purpose.

"(2) AVAILABILITY.—Any amount made available to a State from an appropriation for a fiscal year in accordance with paragraph (1) shall, for purposes of this subpart, be regarded as part of the allotment of the State (as determined under subsection (a)) for the year, but shall remain available until the end of the succeeding fiscal year.

"(c) WITHHOLDING.—If the Commissioner finds that any State has failed to qualify under the State plan requirements of section 705, the Commissioner shall withhold the allotment of funds to the State. The Commissioner shall disburse the funds withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of the State submitting an approved plan under section 705, which includes an agreement that any such payment shall be matched, in the proportion determined under subsection (d) for the State, by funds or in-kind resources from non-Federal sources.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the costs of carrying out the elder rights activities described in parts B through E is 85 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of the costs shall be in cash or in kind. In determining the amount of the non-Federal share, the Commissioner may attribute fair market value to services and facilities contributed from non-Federal sources.

"SEC. 704. ORGANIZATION.

"In order for a State to be eligible to receive allotments under this subpart—

"(1) the State shall demonstrate eligibility under section 305;

"(2) the State agency designated by the State shall demonstrate compliance with the applicable requirements of section 305; and

"(3) any area agency on aging designated by the State agency and participating in such a program shall demonstrate compliance with the applicable requirements of section 305.

"SEC. 705. STATE PLAN.

"(a) ELIGIBILITY.—In order to be eligible to receive allotments under this subpart, a State shall submit a State plan to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require. At a minimum, the State plan shall contain—

"(1) an assurance that the State, in carrying out any part of this title for which the State receives funding under this subpart, will establish programs in accordance with the requirements of this title;

"(2) an assurance that the State will hold public hearings, and use other means, to obtain the views of older individuals, area agencies on aging, and other interested parties regarding programs carried out under this title;

"(3) an assurance that the State has submitted, or will submit, a State plan in accordance with section 307;

"(4) an assurance that the State, in consultation with area agencies on aging, will identify and prioritize statewide activities aimed at ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights;

"(5) an assurance that the State will use funds made available under this subpart for a part in addition to, and will not supplant, any funds that are expended under any Federal or State law in existence on the day before the date of the enactment of this title, to carry out the elder rights activities described in the part;

"(6) an assurance that the State agrees to pay, with non-Federal funds, 15 percent of the cost of the carrying out each part of this title; and

"(7) an assurance that the State will place no restrictions, other than the requirements specified in section 712(a)(5)(C), on the eligibility of agencies or organizations for designation as local Ombudsman entities under section 712(a)(5).

"(b) APPROVAL.—The Commissioner shall approve any State plan that the Commissioner finds fulfills the requirements of subsection (a).

"(c) NOTICE AND OPPORTUNITY FOR HEARING.—The Commissioner shall not make a final determination disapproving any State plan, or any modification of the plan, or make a final determination that a State is ineligible under section 704, without first affording the State reasonable notice and opportunity for a hearing.

"(d) NONELIGIBILITY OR NONCOMPLIANCE.—

"(1) FINDING.—The Commissioner shall take the action described in paragraph (2) if the Commissioner, after reasonable notice and opportunity for a hearing to the State agency, finds that—

"(A) the State is not eligible under section 704;

"(B) the State plan has been so changed that the plan no longer complies substantially with the provisions of subsection (a); or

"(C) in the administration of the plan there is a failure to comply substantially with a provision of subsection (a).

"(2) WITHHOLDING AND LIMITATION.—If the Commissioner makes the finding described in paragraph (1) with respect to a State agency, the Commissioner shall notify the State agency, and shall—

"(A) withhold further payments to the State from the allotments of the State under section 703; or

"(B) in the discretion of the Commissioner, limit further payments to the State to projects under or portions of the State plan not affected by the ineligibility or noncompliance, until the Commissioner is satisfied that the State will no longer be ineligible or fail to comply.

"(3) DISBURSEMENT.—The Commissioner shall, in accordance with regulations prescribed by the Commissioner, disburse funds withheld or limited under paragraph (2) directly to any public or nonprofit private organization or agency or political subdivision of the State that submits an approved plan in accordance with the provisions of this section. Any such payment shall be matched in the proportions specified in section 703(d).

"(e) APPEAL.—

"(1) FILING.—

"(A) IN GENERAL.—A State that is dissatisfied with a final action of the Commissioner under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with the court not later than 30 days after the final action. A copy of the petition shall be transmitted by the clerk of the court to the Commissioner, or any officer designated by the Commissioner for the purpose.

"(B) RECORD.—On receipt of the petition, the Commissioner shall file in the court the record of the proceedings on which the action of the Commissioner is based, as provided in section 2112 of title 28, United States Code.

"(2) PROCEDURE.—

"(A) REMEDY.—On the filing of a petition under paragraph (1), the court described in paragraph (1) shall have jurisdiction to affirm the action of the Commissioner or to set the action aside, in whole or in part, temporarily or permanently. Until the filing of the record, the Commissioner may modify or set aside the order of the Commissioner.

"(B) SCOPE OF REVIEW.—The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence. If the court remands the case, the Commissioner shall, within 30 days, file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(C) FINALITY.—The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(3) STAY.—The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the action of the Commissioner.

"(f) PRIVILEGE.—Neither a State, nor a State agency, may require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.

"Subpart 2—General Native American Organization Provisions

"SEC. 706. NATIVE AMERICAN PROGRAM.

"(a) ESTABLISHMENT.—The Commissioner, acting through the Associate Commissioner on American Indian, Alaskan Native, and Native Hawaiian Aging, shall establish and carry out a program for—

"(1) assisting eligible entities in prioritizing, on a continuing basis, the elder rights needs of the service population of the entities; and

"(2) making grants to eligible entities to carry out the elder rights activities described in parts B through E that the entities have determined to be priorities.

"(b) APPLICATION.—In order to be eligible to receive assistance under this subpart, an entity shall submit an application to the Commissioner, at such time, in such manner, and containing such information as the Commissioner may require.

"(c) ELIGIBLE ENTITY.—An entity eligible to receive assistance under this section shall be—

"(1) an Indian tribe; or

"(2) a public agency, or a nonprofit organization, serving older Native Americans.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $5,000,000 for fiscal year 1992, $5,250,000 for fiscal year 1993, $5,510,000 for fiscal year 1994, and $5,785,000 for fiscal year 1995.

"(e) DEFINITION.—As used in parts B through E, with respect to an activity carried out with assistance made available under this section, the term 'State' or 'State agency' includes an eligible entity described in subsections (c).

"Subpart 3—Administrative Provisions

"SEC. 707. ADMINISTRATION.

"(a) AGREEMENTS.—In carrying out the elder rights activities described in parts B through E, a State agency, or an eligible entity described in section 706(c), may, either directly or through a contract or agreement, enter into agreements with public or private nonprofit agencies or organizations, such as—

"(1) other State agencies;

"(2) area agencies on aging;

"(3) county governments;

"(4) universities and colleges;

"(5) Indian tribes; and

"(6) other statewide or local nonprofit service providers or volunteer organizations.

"(b) TECHNICAL ASSISTANCE.—

"(1) OTHER AGENCIES.—In carrying out the provisions of this title, the Commissioner may request the technical assistance and cooperation of such agencies and departments of the Federal Government as may be appropriate.

"(2) COMMISSIONER.—The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to programs established under this title and to individuals designated under the programs to be representatives of the programs.

"SEC. 708. AUDITS.

"(a) ACCESS.—The Commissioner and the Comptroller General of the United States and any of the duly authorized representatives of the Commissioner or the Comptroller shall have access, for the purpose of conducting an audit or examination, to any books, documents, papers, and records that are pertinent to a grant or contract received under this title.

"(b) LIMITATION.—State agencies, area agencies on aging, and eligible entities described in section 706(c) shall not request information or data from providers that is not pertinent to services furnished in accordance with this title or a payment made for the services.".

DOLE AMENDMENT NO. 1317

Mr. COCHRAN (for Mr. DOLE) proposed an amendment to the bill S. 243, supra, as follows:

In section 403 of the amendment, insert "(a) IN GENERAL.—" before "Section 411(a)".

At the end of section 403 of the amendment, add the following new subsection:

(b) TRAINING FOR PROFESSIONAL AND SERVICE PROVIDERS.—Section 411 is amended by adding at the end the following new subsection:

"(e) Of the amounts made available under section 431(a)(1) for each fiscal year, $450,000 shall be used for making grants and entering into contracts under this part to establish and carry out a program under which professional and service providers (including family physicians and clergy) will receive training—

"(1) comprised of—

"(A) intensive training regarding normal aging, recognition of problems of aging persons, and communication with the mental health network; and

"(B) advanced clinical training regarding means of assessing and treating the problems described in subparagraph (a);

"(2) provided by—

"(A) faculty and graduate students in programs of human development and family studies at a major university;

"(B) mental health professionals; and

"(C) nationally recognized consultants in the area of rural mental health; and

"(3) held in county hospital sites throughout the State in which the program is based."

LEVIN AMENDMENT NO. 1318

Mr. LEVIN proposed an amendment to the bill S. 243, supra, as follows:

In the appropriate place in the bill insert the following new section:

SEC. Amend section 105 of the Older Workers Benefit Protection Act (P.L. 101-433) by striking the semicolon at the end of paragraph (b)(1) and inserting thereafter the following: "; or that is a result of pattern collective bargaining in an industry where the agreement setting the pattern was ratified after September 20, 1990, but prior to the date of enactment, and the final agreement in the industry adhering to the pattern was ratified after the date of enactment, but not later than November 20, 1990;".

SEYMOUR AMENDMENT NO. 1319

Mr. SEYMOUR proposed an amendment to the bill S. 243, supra, as follows:

An amendment to title VI, part D, section 731(b)(2), add (D) capacity to promote financial management services for older individuals at risk of conservatorship;

NOTICES OF HEARINGS

SUBCOMMITTEE ON CONSERVATION AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry's Subcommittee on Conservation and Forestry will hold a hearing on S. 767/H.R. 35 the Western North Carolina Wilderness Protection Act of 1991 and draft legislation entitled "the Chattachoochee Forest Protection Act of 1991." The hearing will be held on Thursday, November 14, 1991, at 9:30 a.m. in SR-332. Senator WYCHE FOWLER will preside.

For further information please contact Woody Vaughan at 224-5207.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I wish to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on Thursday, November 14, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building, on "Healthy Schools, Healthy Children, Healthy Futures: The Federal Government's Role in Promoting Child Health Through the Schools."

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry, hold a hearing on jobs and rural America, Wednesday, November 20, 1991, at 10 a.m., in SR-332.

For further information please call Suzanne Smith of the committee staff at 224-2035.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Tuesday, November 19, 1991, at 9:30 a.m., to receive testimony on Senate Concurrent Resolution 57, to establish a Joint Committee on the Organization of the Congress.

Senators and Congressmen wishing to testify or submit a statement for the hearing record are requested to have their staffs contact Carole Blessington of the Rules Committee staff on 224-0278. Individuals and organizations interested in providing testimony or a statement are also requested to contact Ms. Blessington.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, November 12, at 10 a.m. to hold a nomination hearing.

Nominees:

Mr. John Kenneth Blackwell, of Ohio, for the rank of Ambassador during his tenure of service as U.S. Representative on the Human Rights Commission of the Economic and Social Council of the United Nations;

Mr. A. Peter Burleigh, of California, for the rank of Ambassador during his tenure of service as Coordinator for Counter-Terrorism;

Mr. John Condayan, of Virginia, to be an Associate Director of the U.S. Information Agency; and

Mr. John Giffen Weinmann, of Louisiana, for the rank of Ambassador during his tenure of service as Chief of Protocol for the White House.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, November 12, at 4 p.m. to hold a nomination hearing.

Nominees:

Mr. Mark McCampbell Collins, Jr., of the District of Columbia, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development for a term of two years.

To be Assistant Administrators of the Agency for International Development:

Mr. Reginald J. Brown, of Virginia;

Mr. Andrew S. Natsios, of Massachusetts; and

Ms. Henrietta Holsman Fore, of California.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, November 12, at 2 p.m. to hold an ambassadorial nomination hearing.

Nominee:

Mr. William Caldwell Harrop, of New Jersey, to be Ambassador to Israel.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, November 12, 1991, at 10 a.m., to hold a hearing on "protecting children in day care".

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, November 12, 1991, at 3:30 p.m. to hold a closed conference with the House Intelligence Committee on the fiscal year 1992 intelligence authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, November 12, 1992, at 2 p.m., to hold a hearing on the nomination of William Barr to be Attorney General of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL FINANCE AND MONETARY POLICY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on International Finance and Monetary Policy of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Tuesday, November 12, 1991, at 10 a.m., to conduct a hearing on the Treasury report on exchange rates and international monetary policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, November 12, 1991, at 2:30 p.m., in open session, to consider the following nominees to be judges on the U.S. Court of Military Appeals: the Honorable Susan J. Crawford, Justice Herman F. Gierke, and Mr. Robert Wiss; and to consider the nomination of Maj. Gen. James R. Clapper, USAF, to be the Director of the Defense Intelligence Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for James M. Bodner, a member of the staff of Senator COHEN, to participate in a program in Germany sponsored by the Konrad Adenauer Foundation on November 9–16, 1991.

The committee had determined that participation by Mr. Bodner in this program, at the expense of the Konrad Adenauer Foundation is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Lori Nirenberg, a member of the staff of Senator WARNER, to participate in a program in Germany sponsored by the Konrad Adenauer Foundation on November 9–16, 1991.

The committee has determined that participation by Ms. Nirenberg in this program, at the expense of the Konrad Adenauer Foundation is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for John Trasvina, a member of the staff of Senator SIMON, to participate in a program in Mexico sponsored by the Mexican Business Coordinating Council, Consejo Coordinator Empresarial [CCE] on December 8–11, 1991.

The committee has determined that participation by Mr. Trasvina in this program, at the expense of the Mexican Business Coordinating Council is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Francesca Turchi, a member of the staff of Senator RIEGLE, to participate in a program in Germany sponsored by the Konrad Adenauer Foundation on November 9–16, 1991.

The committee has determined that participation by Ms. Turchi in this program, at the expense of the Konrad Adenauer Foundation is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Dr. Robert McArthur, a member of the staff of Senator COCHRAN, to participate in a program in China sponsored by the United States-Asia Institute and the Embassy of the People's Republic of China on November 30 to December 15, 1991.

The committee has determined that participation by Mr. McArthur in this program, at the expense of the United States-Asia Institute and the Embassy of the People's Republic of China is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Kevin V. Schieffer, a member of the staff of Senator PRESSLER, to participate in a program in Germany, sponsored by the Konrad Adenauer Foundation, from November 9–16, 1991.

The committee has determined that participation by Mr. Schieffer in this program, at the expense of the Konrad Adenauer Foundation, is in the interest of the Senate and the United States.•

SALUTE TO THE WILDWOOD GIRL SCOUT TROOP, PORTLAND, OR

• Mr. PACKWOOD. Mr. President, it gives me great pleasure to rise today to salute the Wildwood Girl Scout Troop of Portland, OR. I recently received the good news that this energetic and bright group of young adults have been awarded the President's 1991 Environment and Conservation Challenge Citation for their work to protect the environment.

This citation is awarded to individuals and organizations that strive to find solutions to the many environmental problems facing our Nation. However, this award is not merely given away routinely. Rather, it has to be earned with hard work and dedication.

In 1989, the Wildwood Girl Scouts decided something must be done about the polluted waters in their community. Rather than let someone else worry about the problem, they took it upon themselves to start a cleanup. By choosing polluted streams to adopt as their own, the Wildwood Girl Scouts planned to return the stream habitats to their natural state.

Not only has the Wildwood Group been successful in removing tons of polluted debris from the chosen sights, they also work hard to educate the community about the need to protect the environment. Continued stream monitoring helps to preserve the newly restored creeks.

In today's society, it is extremely inspiring to know there are young Americans like the Wildwood Girl Scouts doing more than their share to protect the environment. This is exactly the type of behavior necessary in bringing about positive changes in our world.

I would once again like to proudly extend congratulations to these girls for being awarded the President's 1991 Environment and Conservation Challenge Citation. They have helped their own community, as well as set an important example for the rest of us to follow. May we all learn by their remarkable leadership, caring, and initiative. To the Wildwood Girl Scouts, many thanks from all of us.•

VETERANS DAY 1991

• Mr. SYMMS. Mr. President, yesterday we celebrated Veterans Day, a day we have set aside to remember and honor the men and women who have served their country in the armed services.

The celebration came in the shadow of a great military victory in the Persian Gulf where America's finest, our highly trained and superbly led, men and women were deployed halfway around the globe to confront and defeat the forces of a tyrant.

But this day was not just for the heroes of Operation Desert Storm. It was not only for those brave Americans who risked, and often gave their lives in one of the many circumstances where American freedom and security were being threatened.

Veterans Day is for all Americans. It is a day to pause in commemoration of past sacrifices, but it is also time for all Americans to look to the future.

Operation Desert Storm is more than just a great victory, it is symbolic of future threats to peace and freedom. We have lived the last four decades in the shadow of nuclear holocaust, the major powers testing each other's will vicariously through conflicts of freedom in Southeast Asia, Africa and Latin America. We have preserved the peace because we prepared ourselves for war. Today the threat is changing, but it is not going away.

Today the threat from the Soviet Union is in a period of transition. We all hope that as the republics that once comprised the Soviet Union gain their footing they will seek the peace and freedom all Americans pray for, and our brave veterans have fought for.

But we will not have properly honored the men and women who have fought for freedom if we now abandon our readiness to defend all that they have won.

In "The American Crisis III," the great American patriot Thomas Paine wrote shortly before the Revolutionary War: "Nature, in the arrangement of mankind, has fitted some for every service in life: * * * were none soldiers, all would be slaves."

So on the day set aside to honor the current and past heroes of the Army, Navy, Air Force, Marines, and Coast Guard, we must remember to honor them by promising that we will not give up what they have won.•

MANATEE AWARENESS MONTH

• Mr. GRAHAM. Mr. President, I note with pride that November is Manatee Awareness Month, a tribute to a gentle marine mammal that has become a symbol in our effort to protect endangered species.

With as few as 1,500 manatees remaining in Florida's waterways, public awareness is fundamental to saving the species.

Mr. President, manatees have inhabited Florida waters for millions of years. But these sea creatures are now fighting extinction, making public awareness, and education all the more important.

Manatees help maintain biological diversity in sea grass beds that serve as a nursery for shrimp and a wide variety of marine life.

During this special month, our former colleague, Gov. Lawton Chiles, Sea World, Save the Manatee Club, the U.S. Fish and Wildlife Service, the Florida Game and Fresh Water Fish Commission, Florida Power & Light, and the Florida Department of Natural Resources are working to increase public awareness of the plight of the manatee.

We salute their efforts and we look to the day when this species is no longer threatened with extinctions.•

THE HEALTH EQUITY AND ACCESS IMPROVEMENT ACT OF 1991

• Mr. MCCONNELL. Mr. President, I rise today as a cosponsor and strong supporter of the Health Equity and Improvement Act of 1991. The Republican Health Care Task Force, led by Senator CHAFFEE, has worked tremendously hard over the past 2 years to develop legislation which would deal in a responsible and intelligent way with the health care challenges this country currently faces. As many people know, this is an extremely complicated issue and I want to commend Senator CHAFEE for the patient and diligent leadership he has provided the members of the task force, including myself. Mr. President, it comes as no surprise to me that Americans are concerned about the issue of health care. Earlier this Congress, I introduced my own health care bill to address many of the same issues the Health Equity and Access Improvement Act does. Not withstanding the skepticism most people in this country feel about the capability of the Government to do anything competently, it is clear that Americans want Congress to act on this issue.

The Republican Health Care Task Force thought carefully and deeply about the many factors involved in health care reform. The health equity and access bill is not the kind of panicked response that many in Congress are calling for, such as universal coverage, or employer mandates. Such ideas will do considerable bad and little good. Americans do not want to sacrifice the quality of health care currently available to expand access. It is true that everyone in Canada has health care coverage. It is also true that many Canadians are coming to America for treatment, either because they need care sooner than the Government has scheduled them to receive it, or the type of treatment they seek is not available. This bill also will not devastate the small business market with mandates which shift an undue amount of the burden onto employers' backs.

The Health Equity and Access Improvement Act of 1991 is a measured response to the health care challenges our country faces. It will not fix the entire system but it will do much to minimize some of the basic problems. Although this country provides the most advanced and effective health care available in the world, many of our citizens do not have access to it. Through a series of tax credits for individual and employers seeking coverage, insurance reform, and expanded public health programs, this legislation will expand access. The medical liability section will also help to bring down overall medical expenses.

Mr. President, the American people are crying out for Congress to act on the issue of health care. I believe this bill signals a readiness on the part of the Republicans in Congress to respond to that cry with reasonable and viable answers.•

HONORING 395TH ORDNANCE COMPANY

• Mr. KASTEN. Mr. President, all Americans have good reason to be proud of the performance of our Armed Forces in the Persian Gulf war. Every community in this country has welcomed its local heroes in a spirit of joy and thanksgiving.

The community of Appleton, WI, has welcomed back home an outstanding ordnance company, the 395th of Appleton.

The brave men and women of this company played a vital role in the United States victory over Iraq. The 395th Ordnance Company is the last Wisconsin unit to return home. With its return, we close a noble chapter in our Nation's history—and thank the 395th Ordnance Company for all it did to make our victory possible.•

MEASURE INDEFINITELY POSTPONED—S. 243

Mr. ADAMS. Mr. President, I ask unanimous consent that S. 243 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 102–62, appoints Mr. Glenn Walker, of Kansas, to the National Education Commission on Time and Learning.

SCHEDULE

Mr. MITCHELL. Mr. President, there will be no further rollcall votes today. There will be a rollcall vote on the cloture motion on the motion to proceed to S. 543, the banking bill, at 10:30 a.m. tomorrow. Senators should be aware of that in connection with their schedules.

INDIAN SELF-GOVERNANCE DEMONSTRATION PROJECT ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 301, S. 1287, regarding Indian self-determination; that the committee amendments be adopted, that the bill be read a third time and passed, and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1287) to amend the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Select Committee on Indian Affairs, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

S. 1287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tribal Self-Governance Demonstration Project Act".

SEC. 2. EXTENSION OF TIME FOR TRIBAL SELF-GOVERNANCE DEMONSTRATION PROJECT.

Section 301 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) (hereafter in this Act referred to as the "Act") is amended by deleting "five" and inserting in lieu thereof "eight".

SEC. 3. INCREASE IN NUMBER OF TRIBES PARTICIPATING IN PROJECT.

Section 302(a) of the Act is amended by deleting "twenty" and inserting in lieu thereof "thirty".

SEC. 4. COMPLETION OF GRANTS AS A PRECONDITION TO NEGOTIATION OF WRITTEN ANNUAL FUNDING AGREEMENTS.

Section 303(a) of the Act is amended by deleting "which—" and inserting in lieu thereof "that successfully completes its Self-Governance Planning Grant; such annual written funding agreement—".

SEC. 5. [ADDITIONAL FUNDING FOR SELF-GOVERNANCE PLANNING GRANTS.] *ADDITIONAL FUNDING FOR SELF-GOVERNANCE PLANNING AND NEGOTIATION GRANTS.*

Title III of the Act is amended by adding at the end thereof the following new section:

"SEC. 307. For the purpose of providing planning and negotiation grants to the ten tribes added by section 3 of the Tribal Self-Governance Demonstration Project Act to the number of tribes set forth by section 302 of this Act, there is authorized to be appropriated $700,000.".

SEC. 6. TECHNICAL AMENDMENTS.

(a) AMENDMENT.—Section 303(a)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) is amended by deleting "authorized under" and inserting in lieu thereof the following: "of the Department of the Interior that are otherwise available to Indian Tribes or Indians, including but not limited to,".

(b) STUDY.—The Secretary of the Interior shall conduct a study for the purpose of determining the feasibility of including in the demonstration project those programs and activities excluded under section 303(a)(3) of the Indian Self-Determination and Education Assistance Act. The Secretary of the Interior shall report the results of such study, together with his recommendations, to the Congress within the 12-month period following the date of the enactment of this Act.

(c) AUTHORIZED AGREEMENTS.—Section 303(d) of such Act is amended by inserting immediately before the period at the end thereof a semicolon and the following: "except that for the term of the authorized agreements under this title, the provisions of section 2103 of the Revised Statutes of the United States (25 U.S.C. 81), and section 16 of the Act of June 18, 1934 (25 U.S.C. 476), shall not apply to attorney and other professional contracts of participating Indian tribal governments operating under the provisions of this title".

(d) INTERPRETATION.—Section 303 of such Act is amended by adding at the end thereof the following:

"(f) To the extent feasible, the Secretary shall interpret Federal laws and regulations in a manner that will facilitate the inclusion of activities, programs, services, and functions in the agreements authorized by this title.".

(e) STUDY.—Title III of such Act is amended by adding at the end thereof the following new section:

"SEC. 308. The Secretary of Health and Human Services, in consultation with the Secretary of the Interior and Indian tribal governments participating in the demonstration project under this title, shall conduct a study for the purpose of determining the feasibility of extending the demonstration project under this title to the activities, programs, functions, and services of the Indian Health Service. The Secretary shall report the results of such study, together with his recommendations, to the Congress within the 12-month period following the date of the enactment of the Tribal Self-Governance Demonstration Project Act.".

The committee amendments were deemed agreed to.

The bill (S. 1287), as amended, was deemed read a third time and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session, and that the Committee on Governmental Affairs be discharged from the following nomination: David M. Nummy, to be an Assistant Secretary of the Treasury.

I further ask unanimous consent that the Senate proceed to the immediate consideration, and that the nominee be confirmed, that any statements appear in the RECORD as if read, that the motion to reconsider be laid upon the table, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The nomination, considered and confirmed, is as follows:

David M. Nummy, to be an Assistant Secretary of the Treasury.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

HEALTH INFORMATION, HEALTH PROMOTION, AND VACCINE INJURY COMPENSATION AMENDMENTS OF 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3402, a bill relating to health information and promotion, just received from the House.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 3402) to amend the Public Health Service Act to revise and extend certain programs regarding health information, health promotion, and vaccine injury compensation.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Are there amendments?

If there are no amendments, the bill is deemed read a third time and passed.

So the bill (H.R. 3402) was deemed read a third time and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL MILITARY FAMILIES RECOGNITION DAY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Judiciary

Committee be discharged from further consideration of Joint Resolution 215, designating "National Military Families Recognition Day," that the Senate proceed to its consideration, that the joint resolution be deemed read a third time and passed, and that the motion to reconsider be laid upon the table and that the preamble be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 215) was deemed read a third time and passed.

The preamble was agreed to.

THE CRIME BILL

Mr. MITCHELL. Mr. President, I will momentarily propound a unanimous-consent request with respect to the crime bill.

Mr. President, I might say that through the diligent and persistent efforts of Senator THURMOND, Senator BIDEN, and others, the Senate has passed a crime bill. We did so earlier this year. At the time we were considering it, the President was making statements around the country criticizing the Congress for not acting promptly on the bill, even while at that time efforts to move promptly on it were retarded, in part, by objections from Republican Senators.

A week ago yesterday, on November 4, we sought to have the conferees named so that the Senate could proceed to have a conference with the House, the House in the meantime having passed a different bill, and we have been prevented from doing so by Republican Senators. Meantime, the President continues his criticism of the Congress failing to act on this legislation. But the reason we have been unable to act is because of objections by Republican Senators, which have prevented us even from naming conferees to go to a conference.

This has happened over and over again this year, and I pointed it out on many occasions. This is one more example.

UNANIMOUS-CONSENT REQUEST

So, Mr. President, in an effort to get permission to proceed, I now ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3371, a bill to control and prevent crime, just received from the House; that all after the enacting clause be stricken; that the text of S. 1241, as passed in the Senate on July 11, 1991, be inserted in lieu thereof; that the bill be deemed read three times, passed, and the motion to reconsider be laid upon the table.

I further ask unanimous consent that the Senate insist upon its amendment, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Is there objection?

Mr. THURMOND. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. THURMOND. I want to say this: We want a better proportion of conferees on the committee. We have 8 and 6, and we have not worked out the conferee numbers yet. So I will have to object tonight.

Mr. MITCHELL. Mr. President, of course, I have the greatest respect for my distinguished colleague. I just simply want the record to show clearly, once again, that we have been trying now for over a week to have the conferees named. We have been prevented from doing so by objections by Republican Senators. That objection continues to this very moment.

So I again urge upon the President that, when he makes these statements criticizing the Congress for not acting on the crime bill, he make clear at the same time he makes that statement that the reason we are not able to proceed now is Republican objection to proceeding to conference. Otherwise, his statements are inaccurate and highly misleading.

And we are going to persist and try again tomorrow. I hope we can get an agreement to proceed on this bill. But, of course, with the looming adjournment of Congress, it is going to be very difficult. We have now lost 8 days in this process and every day that goes by without our being able to name a conferee make it difficult to accomplish that objective.

I have great respect for the Senator from South Carolina. I know how much he worked to bring this bill to reality. I hope we are going to be able to get that done as soon as possible because we do want to complete action on that important measure.

Mr. THURMOND. Mr. President, it is important to have the right ratio between Democrats and Republicans on the conference. I hope we can work it out. I will talk to Senator BIDEN again and see if we can work that out.

Mr. MITCHELL. Mr. President, my understanding—and I have not been involved in these discussions so I accept the statement by the distinguished Senator from South Carolina—is that the proposal was that Senators BIDEN, KENNEDY, METZENBAUM, LEAHY, DECONCINI, THURMOND, HATCH, and SIMPSON be named as conferees. Apparently, there is some disagreement by our Republican colleagues. But I do hope that Senator THURMOND and Senator BIDEN will talk and that we can get this objection dropped so we can overcome this obstacle and we can move as promptly as possible on this important matter.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 9:30 a.m., on Wednesday, November 13; and that, when the Senate reconvenes on Wednesday, November 13, the Journal of proceedings be deemed to have been approved to date; the call of the calendar be waived, and no motions or resolutions come over under the rule; that the morning hour be deemed to have expired; that the time for the two leaders be reserved for their use later in the day and that the time until 10:30 a.m. be for debate on the motion to proceed to S. 543, the banking bill, with the time equally divided and controlled between Senators RIEGLE and GARN, or their designees; that immediately upon the conclusion of the cloture vote, regardless of the outcome, there then be a period of 2 hours for morning business, with Senators permitted to speak therein, with the first 45 minutes under the control of the majority leader, or his designee; and the next 40 minutes under the control of Senator NUNN.

Mr. THURMOND. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

Mr. THURMOND. Mr. President, I inquire of the majority leader when he will take up the constitutional amendment to balance the budget. That has been on the calendar now for months and it seems to me it is time to take it up.

Mr. MITCHELL. Mr. President, the Senator has discussed that with me previously on many occasions. The only requests I receive more often are requests to adjourn by Thanksgiving. So I am weighing that request in context of the other requests. I will be pleased to consider it further with the Senator and others who are proponents of it.

Mr. THURMOND. Mr. President, I think we can finish it in 1 day. But if the Senator thinks we cannot, can we agree on a date when we come back?

Mr. MITCHELL. We will certainly consider that, I say to the Senator, as we do all of his requests.

Mr. THURMOND. I find the majority leader reasonable. I think that is also reasonable.

Mr. MITCHELL. I thank the chairman.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—HOUSE JOINT RESOLUTION 374

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate considers House Joint Resolution 374, the continuing resolution, that no amendments or motions be in order to the resolution; and that when the Senate considers the joint resolution, there be no time for debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. I also ask unanimous consent that it be in order now to order the yeas and nays.

Mr. THURMOND. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. I now ask for the yeas and nays on passage of the joint resolution.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the majority leader, after consultation with the Republican leader, may turn to the consideration of House Joint Resolution 374 at any time notwithstanding the provisions of rule XXII.

The PRESIDING OFFICER. Is there objection?

Mr. THURMOND. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MITCHELL. Mr. President, If there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand adjourned as previously ordered.

There being no objection, the Senate, at 7:22 p.m., adjourned until Wednesday, November 13, 1991, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 12, 1991:

DEPARTMENT OF STATE

RICHARD B. STONE, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO DENMARK.

STATE JUSTICE INSTITUTE

SANDRA A. O'CONNOR, OF MARYLAND, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 1992. (REAPPOINTMENT)

THE JUDICIARY

ANDREW P. O'ROURKE, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK VICE VINCENT L. BRODERICK, RETIRED.

DEPARTMENT OF JUSTICE

GEORGE L. O'CONNELL, OF CALIFORNIA, TO BE U.S. ATTORNEY FOR THE EASTERN DISTRICT OF CALIFORNIA FOR THE TERM OF 4 YEARS VICE DAVID F. LEVI, RESIGNED.

CONFIRMATION

Executive nomination confirmed by the Senate November 12, 1991:

DEPARTMENT OF THE TREASURY

DAVID M. NUMMY OF OKLAHOMA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Tuesday, November 12, 1991*

The House met at 12 noon.

Rev. W. Douglas Tanner, Jr., executive director, Faith and Politics Institute, Washington, DC, offered the following prayer:

Lord, we come before You this morning as leaders of a nation marked by both an exceptional capacity and a particular burden. The burden was borne by Thomas Jefferson who said, "I tremble for my country at the thought that God is just." The burden literally tore us apart a century later until we had spilled each other's blood in rivers. The burden is one that many of us dared to believe was finally being laid down on the steps of the Lincoln Memorial in August 1963, and in the legislation that soon followed. It is the burden of injustice and inequality, of insensitivity and intolerance, of anxiety and fear and hatred based on race.

It is a wound in the soul of our Nation, and its healing desperately needs the full and most creative attention of this body, and of all of the rest of us in this land.

We pray that You would move within us and among us, and that You would stir us to vision and commitment equal to our task. Grant us wisdom, grant us courage, for the facing of this hour and the living of these days. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. DELAY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. DELAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 247, nays 98, not voting 87, as follows:

[Roll No. 387]

YEAS—247

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Archer
Aspin
Atkins
AuCoin
Bacchus
Barnard
Bateman
Beilenson
Bennett
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brooks
Broomfield
Browder
Bruce
Bryant
Bustamante
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Clinger
Coleman (TX)
Collins (MI)
Combest
Costello
Cox (IL)
Cramer
Darden
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fazio
Feighan
Fish
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harris
Hayes (IL)
Hayes (LA)
Hefner
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Lehman (FL)
Levin (MI)
Lewis (GA)
Livingston
Long
Lowey (NY)
Luken
Manton
Markey
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morrison
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oberstar
Obey
Olver
Ortiz
Orton
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Payne (NJ)
Payne (VA)
Pease
Penny
Perkins
Pickett
Pickle
Poshard
Pursell
Quillen
Rahall
Ravenel
Reed
Richardson
Rinaldo
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Sarpalius
Savage
Serrano
Sharp
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
Stallings
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thomas (WY)
Thornton
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wolpe
Wyden
Yates
Yatron

NAYS—98

Allard
Armey
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bunning
Burton
Camp
Campbell (CA)
Clay
Coleman (MO)
Coughlin
Cox (CA)
Crane
Cunningham
DeLay
Doolittle
Dorgan (ND)
Fields
Franks (CT)
Gallegly
Gekas
Gilchrest
Gingrich
Goss
Grandy
Hancock
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Hyde
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
McCandless
McCrery
McDade
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Nussle
Paxon
Petri
Ramstad
Regula
Rhodes
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Santorum
Saxton
Schaefer
Sensenbrenner
Shays
Sikorski
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Upton
Vucanovich
Walker
Weldon
Wolf
Zeliff
Zimmer

NOT VOTING—87

Alexander
Anderson
Anthony
Berman
Brewster
Brown
Byron
Chandler
Coble
Collins (IL)
Condit
Conyers
Cooper
Coyne
Dannemeyer
DeFazio
DeLauro
Dickinson
Fawell
Flake
Gallo
Gaydos
Gibbons
Goodling
Gradison
Hammerschmidt
Hatcher
Hertel
Hoyer
Hunter
Jefferson
Johnston
Jones (GA)
Jones (NC)
Laughlin
Lehman (CA)
Lent
Levine (CA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Machtley
Marlenee
Martin
Martinez
McCollum
Mrazek
Murphy
Oakar
Olin
Owens (NY)
Pastor
Patterson
Pelosi
Peterson (FL)
Peterson (MN)
Porter
Price
Rangel
Ray
Riggs
Ritter
Roukema
Russo
Sabo
Sanders
Sangmeister
Sawyer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Shaw
Smith (FL)
Staggers
Stark
Torres
Torricelli
Waters
Weber
Wilson
Wise
Wylie
Young (AK)
Young (FL)

□ 1224

Mr. SKAGGS changed his vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, on Thursday, during rollcall vote numbered 387, I was unavoidably absent from the House floor. Had

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I been present I would have voted "no" on rollcall No. 387, a vote on the journal.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Virginia [Mr. BLILEY] please come forward and lead the House in the Pledge of Allegiance.

Mr. BLILEY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 838. An act to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such act, and for other purposes;

S. 1410. An act relating to the rights of consumers in connection with telephone advertising; and

S. 1462. An act to amend the Communications Act of 1934 to prohibit certain practices involving the use of telephone equipment.

LEGISLATIVE PROGRAM

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute.)

Mr. GEPHARDT. Mr. Speaker, I would say to the gentleman from Illinois [Mr. MICHEL], the distinguished minority leader, that I wanted to be able to tell Members that it is likely we will be voting late on tomorrow and Thursday for the purpose of trying to consider the unemployment compensation amendments and the FDIC Improvement Act and the Family Medical Leave Act and the Defense authorization conference.

I just wanted Members to know that we are likely to go into the evening both tomorrow and on Thursday, but there will not be votes on Friday.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, the distinguished majority leader anticipated my question, which was whether or not there would be votes on Friday or will that just be a perfunctory session Friday?

Mr. GEPHARDT. It will be a pro forma session. There will not be votes.

Mr. MICHEL. If the gentleman will continue to yield, I suspect that it is too early to project the following Monday?

Mr. GEPHARDT. Mr. Speaker, that is correct.

Mr. MICHEL. Might I pose this question, because it obviously has to be on everyone's mind here. If it is the majority's will that we still adjourn this Congress, say, the weekend of the 22d before Thanksgiving; is that still in the prospects?

Mr. GEPHARDT. That is still the intention. We have a lot of business to get done. Some of it is necessary and urgent and has to be completed, the FDIC bill, the RTC bill. We do want to get the highway conference finished and obviously all of the appropriations.

We are very close to doing that. That is why we are asking Members to be willing to meet into the evening tomorrow and the next day and obviously the next week will be very busy.

Mr. MICHEL. May I simply say, Mr. Speaker, that I appreciate being alerted to that. I would applaud the majority for scheduling the later sessions or at least alerting Members that we have got to really do our work in the next couple days. Friday there may be no work, if, as the gentleman indicated, some significant pieces of legislation are done before then.

Mr. GRANDY. Will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from Iowa.

Mr. GRANDY. Mr. Speaker, I thank the gentleman for yielding to me. I would like to inquire of the distinguished majority leader, we have heard on our side some rumors that there will be an interim report filed by the Committee on Standards of Official Conduct, namely the chairman, the gentleman from New York [Mr. MCHUGH], sometime this week, probably around Thursday, regarding the House banking situation.

Is it the majority leader's understanding that that report is in shape to come to the House floor?

Mr. GEPHARDT. Mr. Speaker, I do not know of that. I will try to determine what the facts are and respond to the gentleman. I do not know the answer to that.

Mr. GRANDY. If the gentleman will continue to yield, I appreciate the majority leader saying that because I think that has become a runaway rumor. And I can tell the gentleman that the subcommittee has not even met on that interim report and would appreciate the opportunity to do so before we bring it to the full House.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES AT ANY TIME ON THURSDAY, NOVEMBER 14, 1991

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, November 14, 1991, for the Speaker to declare recesses, subject to the call of the Chair, for the purpose of receiving in joint meeting His Excellency Carlos Saul Menem, President of the Republic of Argentina.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, NOVEMBER 13, 1991

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, November 12, 1991, it adjourn to meet at 11 a.m. on Wednesday, November 13, 1991.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

☐ 1230

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
November 12, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the unofficial results received from Michael G. Brown, Secretary of the State Board of Elections, Commonwealth of Virginia, indicating that, according to the unofficial returns of the Special Election held on November 5, 1991, the Honorable George Allen was elected to the Office of Representative in Congress, from the Seventh Congressional District, Commonwealth of Virginia.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

COMMONWEALTH OF VIRGINIA,
STATE BOARD OF ELECTIONS,
Richmond, VA, November 8, 1991.

Hon. DONNALD K. ANDERSON,
Clerk of the House of Representatives, U.S. Capitol, Washington, DC.

DEAR MR. ANDERSON: The unofficial results of the November 5, 1991 Special Election held in Virginia's 7th congressional district are:

K.E. "Kay" Slaughter (D), 59,284;
George F. Allen (R), 106,047;
John A. Torrice, Jr., 5,565.

The State Board of Elections will conduct its official canvass of the November 5, general and special elections on Monday, November 25, 1991 at 10:00 a.m.

Sincerely,
MICHAEL G. BROWN,
Secretary.

SWEARING IN OF HON. GEORGE F. ALLEN, OF VIRGINIA, AS A MEMBER OF THE HOUSE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that the gentleman from the Commonwealth of Virginia, Mr. GEORGE ALLEN, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. Will the gentleman from Virginia [Mr. BLILEY] and the Member-Elect, Mr. GEORGE ALLEN of the Seventh Congressional District of the Commonwealth of Virginia, come forward, escorted by the gentleman from Virginia [Mr. BLILEY] and the Members of the Virginia delegation. Will the Members and the guests in the gallery please rise.

Mr. ALLEN appeared at the bar of the House and took the oath of office, as follows:

> Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. Congratulations, you are now a Member of the U.S. House of Representatives.

WELCOMING THE HONORABLE GEORGE F. ALLEN

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, it is both an honor and a privilege today to welcome our newest colleague, GEORGE ALLEN. GEORGE'S father, as Members well know, was for years the great coach of the Washington Redskins. GEORGE himself graduated from high school here in northern Virginia, received his bachelor's degree from the University of Virginia, where he was a quarterback on the football team. He received his law degree from the university and entered private practice in Charlottesville, Albermarle County. He was first elected to the General Assembly of Virginia in 1982, has been reelected ever since, and this year, upon the untimely resignation of our great friend, French Slaughter, ran for the nomination and won the nomination, and subsequently ran a vigorous campaign and was elected overwhelmingly. He joins a long line of men such as Jack Marsh, Ken Robinson, and French Slaughter, with whom many of us have served. He will represent this body, this country, his district, and the Commonwealth of Virginia with distinction and I predict for a long time.

Mr. Speaker, the gentleman from Virginia, GEORGE ALLEN.

EXPRESSION OF HONOR AND DUTY UPON BEGINNING SERVICE IN THE HOUSE

(Mr. ALLEN asked and was given permission to address the House.)

Mr. ALLEN. Mr. Speaker, it is a great honor and with a tremendous sense of duty to the people of the Seventh District of Virginia that I stand before you today.

I come to this House with a mission and with goals. I have not come to be a member of a club, but rather to fight for the taxpayers of Virginia. We need to cease class warfare and petty partisan bickering to get this economy moving forward. We need to create new jobs, cut taxes for American families, adopt the balanced budget/tax limitation amendment to the Constitution, and give to the President the power that 43 Governors have—the line-item veto.

The Congress needs to show self-discipline and say no to excessive spending and incessant meddling into prerogatives of the States and the people.

I have previously had the privilege of serving 9 years in Thomas Jefferson's seat in the Virginia House of Delegates. I share Mr. Jefferson's view that the government which governs least governs best.

Further, we should be reminded of President Jefferson's 1801 inaugural address, when he said, "Government should not take from the mouths of labor the bread it has earned."

And I believe it is wise to remember the philosophy of Patrick Henry, who warned that the Federal Government would become overburdensome and oppressive. These have been, and will continue to be, my guiding principles.

Mr. Speaker, I will fight hard to represent the people of my district and to constructively improve and change the operation of Congress. My constituents did not elect me to be a stump. I look forward to rolling up my sleeves and going to work right away.

Mr. Speaker, I would like to invite my new colleagues to a reception in the Gold Room, 2186 Rayburn, beginning this afternoon at 1:00. And in case any of my friends here are worried—everything has already been paid for.

ELECTION OF MEMBER TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. MICHEL. Mr. Speaker, I offer a privileged resolution (H. Res. 274) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 274

Resolved, That Representative Allen of Virginia be, and he is hereby, elected to the following standing committees of the House of Representatives: the Committee on the Judiciary, the Committee on Small Business, and the Committee on Science, Space and Technology.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CELEBRATING VETERANS DAY

(Mr. HUTTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUTTO. Mr. Speaker, yesterday our Nation celebrated Veterans Day and like other Members I was in my district speaking and marching in Veterans Day parades. Yesterday morning I spoke at the high school stadium in Milton, FL, following a parade, and in the afternoon met with veterans and marched in a parade in Fort Walton Beach, FL. Also, in my district yesterday in Pensacola, FL, a groundbreaking ceremony was held for the construction of Wall South, a half-size replica of the Vietnam Veterans Memorial in Washington, DC. Despite our Nation's problems and the division that we find rampant in our Nation it is heartwarming to know that Americans are still patriotic and that they appreciate those who have served our Nation in the military services. Americans love freedom and we are willing to defend it. Every soldier, sailor, airman, marine, and coast guardsman that has served and is serving our Nation knows that freedom did not come without a price. Yesterday was a good day, when the Nation came together to honor our veterans, who mean so much to all of us.

□ 1240

OCTOBER SURPRISE INVESTIGATION POLITICALLY MOTIVATED

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, if Republicans were in charge of the House today, the American people would not have their tax dollars wasted on ridiculous investigations. The American people can see that the proposed investigation into October surprise is politically motivated.

The recent articles from the New Republic and Newsweek clearly indicate that the Democrat leadership is throwing American tax dollars into the wind. These articles point out there is absolutely no evidence to support the Democrats' attempt to smear President Bush's and President Reagan's names.

Mr. Speaker, in fact, the American public should be outraged at the Democrat leadership's actions. This is an excellent example of taxpayer-financed campaigns at its worst. The Democrat leadership has stonewalled every attempt the Republicans have made to ensure this investigation is fair, and the fact that the Democrat leadership has refused to include President Carter in this investigation is a clear sign that it is just a politically motivated campaign issue.

Mr. Speaker, the only surprise in October 1980 was that the Democrats were not going to win control of the White House again for a long time.

This investigation has reached such a ridiculous stage that I believe the Democrat leadership owes President Reagan and President Bush an apology. That is the only decent thing left to do.

WHETHER PERCEIVED AS CLOWNS OR NOT, OUR GOVERNMENT NEEDS TO ACT WISELY

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, my constituent, John W. Hancock, published in Saturday's Florida Times Union a piece titled "Clowns in Washington Can Be Stopped." It reads as follows:

> "CLOWNS" IN WASHINGTON CAN BE STOPPED
>
> Call in the clowns! The clowns in Washington are still at it, taking from wage earners and blowing it away.
>
> Now what? The clowns are now sending the Russians a billion dollars of our money. Forget that tens of thousands were killed in Korea, Afghanistan and Vietnam with Russian money? Forget that the Russians have salted away billions in foreign banks? Forget the Russians spent billions of their people's money on shot and shell to kill people around the world? Forget the shooting down of KAL 007 in September 1983?
>
> Then, while our economy is floundering and we are in debt over our heads because of our fun-loving clowns, forget?
>
> We can stop it if we care for our country and our children. We own the circus so exercise your option as an owner and call or write your hired clown.
>
> Charity begins at home. Remember the government earns no money. It takes from the wage earner and gives it away. Enough is enough!—JOHN W. HANCOCK, Jacksonville.

Mr. Speaker, last Friday in a speech on the floor I referred to an article, "Soviets Need Our Advice, Not Money." I then expressed the opinion that the United States should have been and should be now at the forefront of the nations of the world in bartering for Russian products the things we have available that Russia needs. France and Germany already have such procedures in place. We have been first in the world in free enterprise practices. Why hasn't leadership for free enterprise come from us today in the collapse of communism? It seems that instead we think that all that people want from America is our taxes and our checkbook in charity. Russia can help us in our need for imported oil and a host of important minerals for which we have no adequate supply but a great need.

The above quoted words of Mr. Hancock are apparently directed at Congress, but it is my opinion that Congress is not likely to do what he wisely decries, certainly not unless the President requests it. I introduced legislation earlier in August to sidetrack the charity proposal and put in place a free enterprise business proposal. The question remains as to why the President does not grasp the foreign affairs initiative that our western allies in Europe have already pursued. Legislation is not needed to do that. For instance, why not buy oil from the vast Russian reserves in return for money to them for medical and food supplies from us? The administration should not allow further delay in securing such agreements, which would be of benefit both to our country and to Russia and Eastern Europe.

SOVIET AID AND OCTOBER SURPRISE SPENDING

(Mr. MCEWEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCEWEN. Mr. Speaker, I rise to support the gentleman from Florida in his comments. That is exactly right.

The Soviet Union has a tremendous burden that they must carry in order to keep 30,000 nuclear warheads aimed at the United States. There is not much money left to feed the people, and so there are lots of lines around there.

Mr. Speaker, there are those in this House who propose to take a billion dollars, not just from American taxpayers, but from our defense fund and give it to the Soviet Union so that they can afford to keep those missiles aimed at American cities.

Most average taxpayers at any coffee shop at 6 o'clock in the morning and you ask them about that idea, they will tell you that it stinks. I think it does, too, and the gentleman from Florida [Mr. BENNETT] and I hope this week to be able to make sure that the efforts to give money to the Soviets to subsidize their warheads aimed at American cities would be discontinued.

Mr. Speaker, further, there is an infinite capacity of liberals to spend money. They have got a great one that just came up, and that is, as was mentioned by the gentleman from Louisiana, they now want to investigate the 1980 election. Nobody will accuse them of ever being ahead of time, so they are going to accuse, perhaps, the rumor that the 1980 election was unfair.

Let me describe what the New Republic said about that. It said:

> The truth is that the conspiracies that the Democrats are pursuing and as they are currently postulated is a total fabrication. None of the evidence cited to support the October surprise stands up to scrutiny. Key sources on whose word the story rests are documented frauds and impostors.

Mr. Speaker, I asked in the Committee on Rules that people that have reviewed this and the General Accounting Office if any thought of the charges had ever proven to be true, anything, the day, the time, the people, location, anything proven to be true. They said that everything they told us proved out to be a lie.

LET US JOIN FORCES WITH MAGIC

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the good news is that Magic has awakened America. And the doctors have found another drug to fight AIDS.

The bad news is that this new drug costs $21,000 a year; $21,000 a year.

Now, who can afford that, the Sultan of Brunei?

Meanwhile, Mr. Speaker, the pharmaceutical companies are saying that is a fair price.

Ladies and gentlemen, the truth of the matter is that the American taxpayer has paid for research on drugs, and now they cannot even afford to buy the drugs, and the truth is that if you are not a member of Fortune 500 you cannot even get treatment for AIDS.

I think it is time that Congress joined forces with Magic as a simplified program to help the American people afflicted with this dreaded disease.

THE OCTOBER SURPRISE: ELECTION YEAR POLITICS AT ITS WORST

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, remember back in 1988 when the Democrat Party was looking to take back the White House? They came up with the Iran/Contra investigation.

Thousands of man-hours, millions of tax dollars, and a couple of misdemeanors later, nothing much has turned up, but alas, another Presidential election year is looming and once again the Democrat platform is barren of new ideas, so this time they are going to go way back to 1980 looking for dirt. This time it is the October surprise.

No, they have not found anything in 11 years, but that is not going to stop them from rehashing the same old discredited allegations that they have been kicking around for so long.

And just to make sure that this is a partisan witch hunt, the Democrat majority on the Committee on Rules has rebuffed any attempt by Republican members to bring before the panel the already discredited witnesses who stirred up this pot in the first place.

Mr. Speaker, do the taxpayers a favor; call off the witch hunt. If you really want to do something for the American people, you might want to join your Republican colleagues in an effort to adopt the President's agenda and get this country moving forward again.

STRAIGHTEN OUT MISMANAGEMENT OF NATIONAL FORESTS

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, a front-page article in today's Washington Post describes the courageous action of Orville Daniels, who is supervisor of the Lolo National Forest in Montana.

He said he was not going to sacrifice the well-being of that forest for arbitrary timber production targets. Regrettably, the management of the Forest Service here in Washington has taken action to prevent other forest supervisors from reducing the cut in their forests as Daniels did. This makes it clear that it is up to the Congress to act if we are to reform the mismanagement of our national forests.

Mr. Speaker, the national forests belong to the people of our country. We need to restore proper balance in managing these forests, eliminate their clearcutting when it makes no economic or ecological sense, and insist that, as good stewards, these forests be passed on to our children unimpaired as a part of the heritage of all Americans.

THE FLAT-EARTH SURPRISE?

(Mr. McCRERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCRERY. Mr. Speaker, the Democrat majority in this House will proceed with the October surprise investigation. They base this inquiry on the allegations of former Carter staffer Gary Sick.

Confronted with the absence of credible evidence for such allegations, Sick responded in the New York Times:

> There are no smoking guns * * * because participants in political covert actions * * * take pains to cover their tracks. The chance of turning up incontrovertible evidence of wrongdoing * * * is slim.

Mr. Speaker, that is like saying because there is no evidence the Earth is flat, the Earth must be flat.

This logic employed by Mr. Sick and the Democrat majority would make Aristotle turn over in his grave.

The New Republic, Newsweek, even Mr. Sick himself, all conclude there is no evidence to proceed with the October surprise task force.

Mr. Speaker, when Republicans control the Congress, unfounded allegations that have no credible evidence will not lead to expensive and partisan investigations.

Unfortunately, the Democrats excel at these mindless exercises. What is next—the "flat Earth surprise?" I am certain the American people are eager to find out.

□ 1250

TRIBUTE TO REV. DR. BARBARA KING OF ATLANTA, GA

(Mrs. COLLINS of Michigan asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Michigan. Mr. Speaker, I take great honor in today acknowledging the work of Rev. Dr. Barbara King, the founder and minister of the Hillside Church in the Round in Atlanta, GA.

After 7 years of dedication, hard work and contributions by Reverend King and her parishioners, last Thursday evening we celebrated the ribbon cutting ceremony of the Hillside Church in the Round. Her parishioners contributed hundreds of thousands of dollars to build this magnificent church worth over a million dollars.

On Friday evening, Martha Jean "The Queen" Steinberg, founder of the Fisherman Ministry in Detroit was the honored guest minister at this event. The ceremonies also included numerous activities, including seminars and workshops dealing with women, men and parents, as well as a community forum with elected officials from Atlanta.

Our Nation is a better place because of people like Reverend King. I am pround to honor her.

STOP WASTING TIME ON OCTOBER SURPRISE

(Mr. PAXON. asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAXON. Mr. Speaker, if Republicans were in charge of this House, we would not waste at least one-half million dollars of the taxpayers' hard-earned money on the bogus investigation that the Democrats are pressing on the now discredited so-called October surprise.

It is obvious to the American people that this is just a waste of their taxpayer dollars for a politically motivated fishing expedition.

Both Newsweek and the New Republic wrote excellent articles on the October surprise. Newsweek found that:

> The key claims of the purported eyewitnesses and accusers simply do not hold up. What the evidence does show is the murky history of a conspiracy theory run wild.

Mr. Speaker, after such raving reviews in these two magazines, I would think that the Democrats would stop trying to push this sham on the Congress and the American people.

Mr. Speaker, Congress should halt the investigation of the October 1980 surprise and get moving with the November 1991 economy.

INTRODUCTION OF CAMPAIGN FINANCE REFORM LEGISLATION

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I am proud to announce today that a bill for reforming campaign finance was introduced today and on that bill I am an original cosponsor.

In future days I will discuss the elements of that bill, and among the elements which I will talk about are limits on campaign spending—how important that is when some races today now cost a million dollars to run—a limitation of the role that political action committees have, an elimination of bundling, and the elimination or the curtailing of so-called soft money.

Let me mention, Mr. Speaker, that I can think of no one single action taken by Congress that would more quickly restore public confidence in this system than passing a tough campaign reform bill. It seems to me that unless we take that opportunity, Mr. Speaker, we will forever forego the opportunity of recapturing the confidence of the American people. The evidence for their waning interest in the system: In Kentucky, my home State, only 30 percent of the people voted last Tuesday in the Governor's race.

Mr. Speaker, we need to move fast. We need to understand the message that people are sending us: Reform elections and reform them quickly.

CONGRESSIONAL COVERAGE

(Mr. DELAY asked and was given permission to address the House for 1 minute.)

Mr. DELAY. Mr. Speaker, the Wall Street Journal in an October 16, 1991, editorial reported that several national TV shows are preparing exposés on how the imperial Congress isn't covered by the civil rights bill and family-leave bill among other laws enacted over the past century.

The record of the Democrat-controlled Congress is so indefensible that top House leaders use back-door maneuvers to have the reforms demanded by voters, such as term limits, declared invalid. Regardless how any of us feel about the term-limit issue, and I am against term limits, such abuses of power by this Chamber must stop.

Mr. Speaker, just a few of the laws which Congress has enacted for the American people, but has not applied to itself include: Social Security Act of 1933, as amended; National Labor Relations Act, as amended; Civil Rights Act of 1964, as amended; Age Discrimination Act of 1967 as amended; and many more.

We had two opportunities within the last week to require Congress to live by the laws we impose on the rest of Americans. But the Democrat-controlled House refused to allow even a vote on the congressional coverage amendment to both the civil rights bill and the family leave bill.

Last week's elections showed that Democrat Members of Congress have yet again underestimated how angry people are with Congress.

JOHN SLOAN, TIRELESS FIGHTER FOR SMALL BUSINESS

(Mr. CLEMENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEMENT. Mr. Speaker, John Sloan, Jr., the president of the National Federation of Independent Business, died yesterday in Nashville.

John Sloan was a tireless fighter for small business men and women in our country, John was a friend and an effective advocate. He argued his views with passion and sincerity. And his effect on successfully modifying legislation here in the Congress was second to none. While John did not win every fight he made on behalf of his members, he assured that their voice and concerns were heard both here in the Congress and within the administration.

A native of Nashville, John Sloan, was a 1951 honors graduate of Vanderbilt University and the Stonier Graduate School of Banking at Rutgers University. His business experience and expertise continued to develop while he was a director of the National Alliance of Business, the National Legal Center for Public Interest, and the institute for Research on the Economics of Taxation. Prior to joining NFIB in 1983, he was president and CEO of First Tennessee Bank in Nashville.

John Sloan's voice is silent now. But his contribution to this country and to the policymaking process will be felt for many years to come.

Our prayers go to his family and to the millions of small business men and women whom he represented so well.

THE NEED FOR COST CONTAINMENT IN HEALTH CARE

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, I rise today to speak about the need for cost containment in health care.

Some of the media seems to imply that health care reform just started last Tuesday, but that is not the case. Many of us have been working on it for some time.

Mr. Speaker, the latest health care statistic just entered the race for reform. The $604 billion spent annually on health care is estimated to reach $756 billion by the end of 1991—an 11-percent increase over the previous year.

Mr. Speaker, we are well aware of what drives these costs—malpractice liability, duplication, Federal and State mandates, needless paperwork, inefficiency and the list goes on. I believe we must focus on the quality of our system and build from there. Compared to other systems, we lead in medical research, freedom of choice, and timeliness. Our shortcomings, however, fall in the area of cost, and this significantly limits people's access to health insurance.

Adopting nationalized health care is not the answer. It only adds to the cost through hidden income and payroll taxes financed by seniors and America's work force. Instead, real reform is possible tax incentives to employers and individuals.

Studies show small group health insurance reform is the No. 1 need, and we need to pursue it now.

THE TRUTH ABOUT THE ECONOMY

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, I hear a lot of Republicans coming up here talking about the October surprise, but I am going to tell you, I do not know about 1980, but there is going to be an October surprise next year in 1992, and it is going to be called the November elections.

I also get a big kick out of hearing them traipse up here to the microphone and say how much better Congress would be if the Republicans controlled the Congress.

Well, I am here to say that Republicans do control the Congress. I mean, you have got 10 years of veto power. We cannot pass anything here. Bush is 24 to 0 right now on vetoes. We cannot override anything.

They blame last year's tax increase in all the problems that we have, but the President did not veto that. I did not vote for it, but that is the argument that they are using to hide the truth, and the truth is that the Reagan-Bush supply-side tax cuts to the rich back in 1981, of 2½ trillion they gave them and a trillion and a half dollars of military increases brought of a result that we had big fat defense contractors, the President's friends, and yet we have American taxpayers who are very hungry and very lean.

I say that we had better wake up, my friends, and find out what the truth really is.

A WINTER OF DISCONTENT

(Mr. CLINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLINGER. Mr. Speaker, winter has come early to Pennsylvania and it promises to be a winter of discontent. That was certainly reflected in the election last week which saw HARRIS WOFFORD win a stunning upset victory over my old friend Dick Thornburgh. Democrats are ecstatic, Republicans depressed. Is this the start of a Democratic tide? Possibly, but I have my doubts. If anything, it reaffirms an antiincumbent tide. Senator WOFFORD campaigned against Dick Thornburgh as the incumbent—the Washington insider. Thornburgh lost because he represented the establishment—the Government in Washington.

So for me the message from the Pennsylvania election is that Pennsylvanians—and I suspect all Americans look at the Government in Washington and say—it is not working! They see gridlock and stalemates and impasse on tax reform, banking reform, unemployment compensation, and on and on. They are fed up with the lot of us—Republicans, Democrats, Congressmen, Senators, bureaucrats, Cabinet Secretaries, even the President. If any of us thinks that this continuous partisan warfare with no resolution endears us to the hearts and minds of the American people—it is time for a reality check. We are a nation adrift because we have a divided Government.

The plain truth is that a Republican President cannot implement domestic policy because a Democratic Congress will not let him. No wonder he prefers the foreign policy arena. And a Democratic Congress cannot implement policy because a Republican President will not let it. Result—paralysis and doubt. The Democrats yearn for a Democratic President next year and we Republicans yearn for a Republican Congress. The potential tragedy for the country is that we may both get our wish and thus preserve the status quo ante—a divided and paralyzed government.

The solution clearly is to stop trying to score political points off one another and seriously try to compromise on the issues that must be solved. Neither side may be satisfied with the end product, but it would have to be better than what we accomplish now—which is nothing.

□ 1300

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNULTY). The Chair would remind our guests in the gallery that we are delighted to have them here, but they should refrain from reacting either positively or negatively to any statements made by Members on the floor.

CONGRESS SHOULD NOT EXEMPT ITSELF FROM BURDENSOME LAWS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the smearing of Clarence Thomas may yet have one desirable outcome. It may once and for all alert Americans to the absurdity of allowing an imperial Congress to both put itself above the laws of other Americans and then sit in judgment of other Americans.

The Democrat-controlled Congress has exempted itself from most of the major labor and civil rights laws passed in this century. However, if any small business owners fail to comply with these laws, they must face the full weight of Federal litigation.

When the Democrat-controlled Congress exempts itself from often burdensome labor laws, it sets itself above the people it governs. It did this last week when it refused to allow a congressional coverage amendment to the civil rights bill to be voted on. This week, it refused to allow the same amendment to the Family and Medical Leave Act to be voted on. It is hypocritical and cynical to exempt Congress from such major legislation that we would impose on the American people and the private sector.

Mr. Speaker, now is the time that this double standard must stop. It is time we become accountable to the American people. It is time we ceased being hypocrites.

PRESIDENT BUSH AND VICE PRESIDENT QUAYLE EXEMPTED FROM POST-EMPLOYMENT ETHICS ACT

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. FRANK of Massachusetts. Mr. Speaker, I am delighted to have Republican interest in a cause that I previously found a lack of interest in.

A few years ago the issue arose as to whether or not employees of the restaurants here could become members of the labor union. There was a House policy that said that they could not be.

Along with the gentleman from Missouri [Mr. CLAY], the gentleman from California [Mr. EDWARDS], and myself, we pushed very hard for that. There was some opposition on the Democratic side. So we approached some Republican Members who were active in this effort to apply the law uniformly. We said, "How about some help in vindicating the right of these employees to join the union?" And we were told, "Well, you know, Republicans aren't that big on that. We don't think it would do very well on our side. So you had better not put it to a vote."

These are two of the Members whom I respected. But they said to me when some of us were trying to apply basic principles about the rights to join a union to the restaurant employees, we could not get much Republican help.

Then there was a time when we did the Post-Employment Ethics Act in the subcommittee I chaired, and we insisted on covering Members of Congress. Members of Congress cannot leave this place and go back and lobby their former colleagues.

Only two people can, President Bush and Vice President QUAYLE, because President Bush insisted on that as a price for signing the bill.

HEALTH EQUITY AND ACCESS REFORM TODAY

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, can we in good conscience allow the American people to wait while we quarrel among ourselves about our health care problems?

We need health care reform, we need it now, and we all know it.

Mr. Speaker, especially when there is so much need, and when there is a piece of the answer to the problem of the uninsured right under our noses? Mr. Speaker, the situation is now even more urgent than it was many months ago when my colleague NANCY JOHNSON introduced, and I enthusiastically cosponsored, the Health Equity and Access Reform Today Act—better known as the heart bill—legislation providing an affordable benefit package, that would touch many of the working uninsured, who make up a big part of our health care problem. Mr. Speaker, this proposal is doable and should not be controversial. As a matter of fact, the Democratic leadership has followed our lead just recently introducing very similar legislation. We have wasted enough time—this plan is a workable solution to a big part of our current crisis—let's not allow partisan pride of authorship stand in the way. People who are sick want good health care—not good politics.

AMERICANS SHOULD HAVE MORE ACCESS TO AFFORDABLE HEALTH CARE

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, America is angry, America is angry at this Congress. They do not need a half million dollars spent on an October surprise investigation, a purely partisan witch hunt. They need health care reform. Loud and clear they have said to us focus and act, provide universal access to health care, control costs.

Mr. Speaker, many months ago I proposed reforming the small group market so that millions more Americans could have access to affordable health care. Senator BENTSEN, Chairman ROSTENKOWSKI have proposed very thoughtful initiatives in the same area. We know enough; we could do it before Christmas; it would change lives; it would improve the quality of life in America.

Mr. Speaker, I urge my colleagues, let us do it.

INNOVATIVE COST-SAVING PLAN FEATURED AT HENNEPIN COUNTY MEDICAL CENTER

(Mr. RAMSTAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAMSTAD. Mr. Speaker, the American health care system is in critical condition.

Many constituents tell me they are frightened at the prospect of losing their health insurance due to rising costs. And they are looking to Congress for help.

In developing a health care reform plan, Congress should look at a number of innovative strategies being implemented in Minnesota.

For example, in Minneapolis, Hennepin County Medical Center uses a case management system which has reduced costs by as much as 20 percent.

Under this plan, known as the critical path, doctors and nurses work together to develop patient care guidelines for certain illnesses. Any variances from these guidelines due to error or delay are recorded in the patient's chart.

These variances are then examined by different departments to uncover any problems that unnecessarily increase the length and cost of the patient's stay.

By organizing patient treatment more efficiently, the critical path is providing better quality care for Hennepin County residents while lowering costs for the hospital and its patients.

I encourage others to follow the example of Hennepin County Medical Center by using the case management system as a tool to contain health care costs.

THE KILLING FIELDS IN YUGOSLAVIA MUST STOP

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, on the AP wire out of Zagreb, Yugoslavia, today is the heart-wrenching news that the Serb-dominated Federal army is accelerating its cruel aggression against the breakaway Republic of Croatia. It now appears they are going for the jugular.

According to AP reporter Tony Smith, the Serbs are mercilessly pounding the medieval city of Dubrovnik and the border city of Vukovar. Indiscriminate bombing and shelling is slaughtering the people and many civilians are dying.

Even the EC monitors who are in place narrowly escaped death.

As we sit on the sidelines, Mr. Speaker, an unprovoked war, an act of aggression against the Croat people is being waged.

About 12,000 civilians in Vukovar are right now holed up underground.

On August 31 Congressman FRANK WOLF and I slipped into this war-torn city and saw first hand the devastation wrought by the Federal army and the Serb irregulars.

□ 1310

It is unconscionable, and it must stop. The killing fields of Yugoslavia, Mr. Speaker, must stop. President Milosevic must pull back his army, and just like Iraq's initial plunder against Kuwait did not stand, this aggression, too, must not stand.

AMERICAN VOLUNTEERS—THE HEROES OF OUR TIME

(Mr. MACHTLEY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute and to say thank you to the many volunteers in this country. I think it is a curious thing for people around the world to see as they watch this great Nation and her people helping one another, often without pay, many times without notoriety, and many other times without even achieving success.

The volunteers across this country are making a difference. They are making a difference in Scouting, in schools, in literacy, in churches, in soup kitchens, in hospitals, in neighborhoods, and even in political organizations. These volunteers who serve without asking for anything but the chance to make someone's life easier or the political process better are the heroes of our time.

Mr. Speaker, let us never be so preoccupied with the problems in this country and this Chamber that we forget to say thank you to the volunteers of this country.

SANTE FE HEALTHCARE OFFERS SUCCESSFUL APPROACH TO HEALTH COST CONTAINMENT

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the pleas for health care reform are loud and clear throughout America. However, with election year closing in we must be careful to avoid politics before policy approaches.

Yesterday, I had the opportunity to meet with administrators of Sante Fe HealthCare, Inc., a nonprofit health care provider headquartered in central Florida. Sante Fe has had great success with its statewide managed care health plan which provides health and wellness services for more than 240,000 Floridians. Through its comprehensive, coordinated approach, Sante Fe has kept cost down and participants' satisfaction levels up.

The difference between Sante Fe's plan and so many other fee-for-service, plans is simple. Primary care providers participating in Sante Fe's plan have great incentives to keep patients healthy—thus keeping cost down. The plan is structured to ensure quality levels of care and the widespread use of preventive services.

Mr. Speaker, we must not continue to shift the costs of our Federal health care programs to others. As we consider health care reform, I hope this body can learn from the success of Sante Fe HealthCare.

OUR EMPTY-HEADED AMERICAN TRADE POLICY

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, on trade issues, Secretary of State Baker left Japan the way he arrived, empty handed—empty handed because the administration has no ideas about trade or about opening foreign markets or about helping American businesses export to Japan.

Despite a $40 billion deficit with Japan, the administration's approach has been one of talk, not action. We have $30 billion of our deficits in autos and auto parts, and all the administration is doing is to set up study groups with the Japanese. Japanese auto companies announced recently that they will buy more auto parts. Promises are fine, but the test will be performance.

Mr. Speaker, why should a competitor take us seriously if we do not act seriously? Secretary Baker left empty handed because American trade policy has been empty headed.

OCTOBER SURPRISE—THE LATEST IN FACT OR FICTION

(Mr. COX of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. COX of California. Mr. Speaker, the publishing industry has had difficulty lately classifying its new books into fiction and nonfiction. First we had Kitty Kelly's biographies of Frank Sinatra and Nancy Reagan which cleverly melded fact into fiction. Then we had Geraldo's description of his own sex life which he has been trying to pass on as his autobiography.

Now, Gary Sick is continuing this trend with his own book as he states as fact that Jimmy Carter did an arms-for-hostage deal, and that Ronald Reagan as a candidate tried to delay the release of the American hostages.

Now, if the Republicans were in charge of the Congress, I do not think we would be doing much about any of these books, but the entrenched Democrat majority that has controlled this Congress for nearly 4 decades is scheduling a full-blown show trial based on the Gary Sick book. The New Republic and Newsweek, neither of which is known as a partisan Republican organ, have both proclaimed this October surprise theory as high fiction. The General Accounting Office conducted a secret investigation that did not support Gary Sick's conclusions.

Unfortunately, the Democrats are looking for their own Clarence Thomas hearings. I think we ought to be very much more careful about how we classify "fact" and "fiction," and watch out for "you're next."

CONTINUATION OF IRAN EMERGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. McNULTY) laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs.

(For messsage, see proceedings of the Senate of today, Tuesday, November 12, 1991.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

□ 1320

JUDICIAL NATURALIZATION AMENDMENTS OF 1991

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3049) to amend the Immigration and Nationality Act to restore authority in courts to naturalize persons as citizens, as amended.

The Clerk read as follows:

H.R. 3049

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Judicial Naturalization Amendments of 1991".

SEC. 2. COURT AUTHORITY TO ADMINISTER OATHS OF ALLEGIANCE FOR NATURALIZATION.

(a) IN GENERAL.—Subsection (b) of section 310 of the Immigration and Nationality Act (8 U.S.C. 1421), as amended by section 401(a) of the Immigration Act of 1990, is amended to read as follows:

"(b) COURT AUTHORITY TO ADMINISTER OATHS.—

"(1) JURISDICTION.—Subject to section 337(c)—

"(A) GENERAL JURISDICTION.—Except as provided in subparagraph (B), each applicant for naturalization may choose to have the oath of allegiance under section 337(a) administered by the Attorney General or by an eligible court described in paragraph (5). Each such eligible court shall have authority to administer such oath of allegiance to persons residing within the jurisdiction of the court.

"(B) EXCLUSIVE AUTHORITY.—An eligible court described in paragraph (5) that wishes to have exclusive authority to administer the oath of allegiance under section 337(a) to persons residing within the jurisdiction of the court during the period described in paragraph (3)(A)(i) shall notify the Attorney General of such wish and, subject to this subsection, shall have such exclusive authority with respect to such persons during such period.

"(2) INFORMATION.—

"(A) GENERAL INFORMATION.—In the case of a court exercising authority under paragraph (1), in accordance with procedures established by the Attorney General—

"(i) the applicant for naturalization shall notify the Attorney General of the intent to have the oath of allegiance administered by the court, and

"(ii) the Attorney General—

"(I) shall forward to the court (not later than 10 days after the date of approval of an application for naturalization in the case of a court which has provided notice under paragraph (1)(B)) such information as may be necessary to administer the oath of allegiance under section 337(a), and

"(II) shall promptly forward to the court a certificate of naturalization (prepared by the Attorney General).

"(B) ASSIGNMENT OF INDIVIDUALS IN THE CASE OF EXCLUSIVE AUTHORITY.—If an eligible court has provided notice under paragraph (1)(B), the Attorney General shall inform each person (residing within the jurisdiction of the court), at the time of the approval of the person's application for naturalization, of—

"(i) the court's exclusive authority to administer the oath of allegiance under section 337(a) to such a person during the period specified in paragraph (3)(A)(i), and

"(ii) the date or dates (if any) under paragraph (3)(A)(ii) on which the court has scheduled oath administration ceremonies.

If more than one eligible court in an area has provided notice under paragraph (1)(B), the Attorney General shall permit the person, at the time of the approval, to choose the court to which the information and certificate will be forwarded under subparagraph (A)(ii).

"(3) SCOPE OF EXCLUSIVE AUTHORITY.—

"(A) LIMITED PERIOD AND ADVANCE NOTICE REQUIRED.—The exclusive authority of a court to administer the oath of allegiance under paragraph (1)(B) shall apply with respect to a person—

"(i) only during the 45-day period beginning on the date on which the Attorney General certifies to the court that an applicant is eligible for naturalization, and

"(ii) only if the court has notified the Attorney General, prior to the date of certification of eligibility, of the day or days (during such 45-day period) on which the court has scheduled oath administration ceremonies.

"(B) AUTHORITY OF ATTORNEY GENERAL.—Subject to subparagraph (C) and section 337(c), the Attorney General shall not administer the oath of allegiance to a person under subsection (a) during the period in which exclusive authority to administer the oath of allegiance may be exercised by an eligible court under this sub-section with respect to that person.

"(C) WAIVER OF EXCLUSIVE AUTHORITY.—Notwithstanding the previous provisions of this paragraph, a court may waive exclusive authority to administer the oath of allegiance under section 337(a) to a person under this subsection if the Attorney General has not provided the court with the certification described in subparagraph (A)(i) within a reasonable time before the date scheduled by the court for oath administration ceremonies.

"(4) ISSUANCE OF CERTIFICATES.—The Attorney General shall provide for the issuance of certificates of naturalization at the time of administration of the oath of allegiance.

"(5) ELIGIBLE COURTS.—For purpose of this section, the term 'eligible court' means—

"(A) a District Court of the United States in any State, or

"(B) any court of record in any State having a seal, a clerk, and jurisdiction in actions in law or equity, or law and equity, in which the amount in controversy is unlimited.".

(b) CONFORMING AMENDMENTS.—

(1) FUNCTIONS OF CLERKS.—Section 339(a) of such Act (8 U.S.C. 1450(a)) is amended—

(A) by striking paragraph (1) and inserting the following:

"(1) deliver to each person administered the oath of allegiance by the court pursuant to section 337(a) the certificate of naturalization prepared by the Attorney General and forwarded to the court under section 310(b)(2)(A)(ii)(II),",

(B) in paragraph (2), by inserting "a list of applicants actually taking the oath at each scheduled ceremony and" after "Attorney General",

(C) by striking paragraph (3),

(D) in paragraph (4), by striking the period at the end and inserting ", and" and by redesignating such paragraph as paragraph (3),

(E) by inserting after paragraph (3), as so redesignated, the following new paragraph:

"(4) be responsible for all blank certificates of naturalization received by them from time to time from the Attorney General and shall account to the Attorney General for them whenever required to do so.", and

(F) by adding at the end the following: "No certificate of naturalization received by any clerk of court which may be defaced or injured in such manner as to prevent its use as herein provided shall in any case be destroyed, but such certificates shall be returned to the Attorney General.".

(2) EXPEDITED ADMINISTRATION OF OATHS.—Subsection (c) of section 337 of such Act (8 U.S.C. 1448) is amended to read as follows:

"(c) Notwithstanding section 310(b), an individual may be granted an expedited judicial oath administration ceremony or administrative naturalization by the Attorney General upon demonstrating sufficient cause. In determining whether to grant an expedited judicial oath administration ceremony, a court shall consider special circumstances (such as serious illness of the applicant or a member of the applicant's immediate family, permanent disability sufficiently incapacitating as to prevent the applicant's personal appearance at the scheduled ceremony, developmental disability or advanced age, or exigent circumstances relating to travel or employment). If an expedited judicial oath administration ceremony is impracticable, the court shall refer such individual to the Attorney General who may provide for immediate administrative naturalization.".

(3) FEES.—Section 344 of such Act (8 U.S.C. 1455) is amended by adding at the end the following new subsection:

"(f) The Attorney General shall pay over to courts administering oaths of allegiance to persons under this title one-half of all fees, up to the sum of $40,000, described in subsection (a)(1) collected by the Attorney General with respect to persons administered the oath of allegiance by the respective courts during each fiscal year.".

(c) EFFECTIVE DATE.—The amendments made by this Act shall take effect 30 days after the date of the enactment of this Act.

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to the rule, the gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes, and the gentleman from Texas [Mr. SMITH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3049, the Judicial Naturalization Amendments of 1991.

H.R. 3049 addresses an issue created by provisions relating to naturalization in the Immigration Act of 1990. That legislation, in an effort to streamline the naturalization process, transferred many of the naturalization functions from the exclusive jurisdiction of the courts to an administrative agency, the Immigration and Naturalization Service.

While these changes may increase efficiency in processing aliens approved for naturalization, the provisions went too far in one important respect. The legislation took away from the courts, for the first time, the exclusive authority to conduct oath-taking ceremonies—the heart of the process of attaining citizenship.

Taking the solemn oath of citizenship is one of the most memorable events in the life of every naturalized American. In a sense, it is a moment when the social compact between all Americans is reaffirmed and extended to new citizens. Witnessing such a ceremony is both moving and uncompromisingly patriotic. As the Federal judges have recognized, there is no better place to accept the rights and obligations of citizenship than in a dignified courtroom before a judge—the keeper of the flame of justice which has distinguished America since its birth.

H.R. 3049 addresses this issue by restoring exclusive authority to courts to conduct oath-taking ceremonies during the 45-day period following INS approval of the application for naturalization. After the 45-day period, the court or the Immigration and Naturalization Service can give the oath.

Mr. MAZZOLI, chairman of the Subcommittee on International Law, Immigration, and Refugees, deserves congratulations for bringing this bill forward. I also wish to thank Mr. MCCOLLUM, ranking member of the subcommittee and Mr. SMITH of Texas, a distinguished member of the minority, for their good work in support of this legislation.

Adoption of this legislation will once again restore oath-taking ceremonies to the dignified stature which reflects the significance of attaining citizenship. I urge the Members to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

I would like to congratulate the subcommittee chairman, Mr. MAZZOLI, for the work he has done on this bill.

He has been very forthcoming in addressing two concerns.

One is the need for an expedited naturalization process under exigent circumstances, and the other is maintaining sole naturalization authority in the Attorney General while providing for judicial administration of the oath of allegiance.

By keeping the paperwork involved in naturalization centralized in the Immigration and Naturalization Service, H.R. 3049 provides for administrative efficiency.

By giving the courts an exclusive but limited jurisdiction over administering the oath of allegiance, it promotes a sense of momentousness for the naturalization of new citizens.

Under this bill, if an eligible court does not choose to exercise its jurisdiction, or if it cannot schedule an oath administering ceremony within 45 days, the court's authority will not be exclusive, and the applicant will be able to choose whether to wait for a judicial ceremony or participate in an administration ceremony.

Because there are instances where a 45-day delay in naturalization could work a hardship, H.R. 3049 also provides for an expedited process for administration of the oath in instances where the naturalization applicant can show exigent circumstances.

This bill expedites naturalization while maintaining the sense of solemnity that rightly should accompany such an important event in a person's life.

Both the Department of Justice and the Administrative Office of the United States Courts are generally supportive of H.R. 3049.

It is a fair compromise, and I encourage my colleagues to support it.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of H.R. 3049, the Judicial Naturalization Amendments of 1991, and I wish to commend the distinguished chairman of the subcommittee, the gentleman from Kentucky [Mr. MAZZOLI], and the gentleman from Florida, the ranking minority member [Mr. MCCOLLUM] for their timely work on this measure.

Mr. Speaker, H.R. 3049 would grant sole authority to courts of jurisdiction to hold swearing-in ceremonies for immigrants within 45 days after their naturalization applications have been approved. Under the Immigration Act of 1990, the Immigration and Naturalization Service was granted authority to administer the swearing-in ceremonies. While immigrants may now choose whether to be sworn in by the INS or the courts, the Judicial Conference of the United States has noted that swearing-in ceremonies administratively conducted by the INS are an inadequate substitute for the ceremonies traditionally held in the courts.

Over the years, naturalization swearing-in ceremonies have become an important aspect of local court duties, and have been an integral part of the immigration process. For several reasons, it is important that we work to retain the holding of naturaliation ceremonies in local courts.

First, when immigrants are naturalized in their local communities, it affords them an opportunity to become acquainted with the seat of their local government, and often provides them with an opportunity to meet and be welcomed by their local elected officials.

Second, it is easier for friends and family of immigrants to attend naturalization ceremonies held in local communities. This is important, as the taking of the oath of citizenship is often a joyous and emotional occasion in an applicant's life. It is only right that the relatives and friends be afforded every opportunity to share in this occasion. At the same time it enables loved ones to attend an immigrant's swearing-in ceremony, local naturalization also helps to make communities aware of the new citizens that are joining them.

Mr. Speaker, the rights and responsibilities of American citizenship should never be undertaken lightly. By giving the local courts sole authority to naturalize immigrants, we permit family, friends, and local officials to share in a joyous occasion, and we help to insure that the ceremony will be meaningful and be remembered by both the new citizens and their local communities.

Accordingly, I urge my colleagues to support this measure.

Mr. BROOKS. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from Kentucky [Mr. MAZZOLI], the chairman of the Subcommittee on International Law, Immigration, and Refugees of the Committee on the Judiciary.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MAZZOLI. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I confess to being less enthusiastic about this bill than some Members. This is based in part on experiences I have had.

Mr. Speaker, let me just begin with this. I received when I was on the Subcommittee on International Law, Immigration, and Refugees, very admirably chaired by the gentleman from Kentucky [Mr. MAZZOLI], a lot of complaints from people being sworn in about the delays and problems they encountered in the courts.

Mr. Speaker, I admire the willingness of the courts collectively to take this on, and I hope that all the judges will understand that on their behalf a very solemn promise has been made to treat fairly and quickly these people. We have had some stories about people having to wait long times and being somewhat rudely treated.

Mr. Speaker, now that the courts are going to be getting this back, I hope they will treat it very, very seriously, because I intend, and I know others do, to monitor this. If we have problems again, as idyllic as it is to have the ceremonies there, we may come back and say we have to go back to the current way.

Mr. Speaker, I would ask the gentleman from Kentucky [Mr. MAZZOLI]—and I appreciate his concern with trying to expedite the process—am I correct that there are some procedural things we are talking about involving the waiver of fees and elsewhere that will meet some of the concerns that have been raised?

Mr. MAZZOLI. Mr. Speaker, reclaiming my time, the gentleman is correct. The gentleman from Massachusetts [Mr. FRANK] and I have had conversations, and I have assured him, and I assure the House, who I hope will vote for this overwhelmingly, that the gentleman from Kentucky and the Subcommittee on International Law, Immigration, and Refugees will conduct vigorous oversight of this measure and how it performs in the future.

Mr. Speaker, I would suggest to my friend from Massachusetts [Mr. FRANK] that I believe this is the first time in the history of immigration law that we have ever put any limitations of time upon the Federal courts. I think the gentleman's concerns have been reflected in letters we have received and are certainly founded. There are times when the courts have been a little bit less on the move to get to this caseload.

□ 1330

We now put a limitation of 45 days and if they perform, and we think most will, then we would then have the trappings and the ceremonial aspect of the naturalization which we all feel is very important.

If, however, the court cannot adhere to the 45-day docket, then the applicant can go completely through the administrative procedure. And I would lastly suggest to my friend, there are certain elements in here which provide not only waivers but the exercise of exigent circumstances which would provide for expedition both in the court setting and in the administrative side.

Mr. FRANK of Massachusetts. If the gentleman will continue to yield, I acknowledge that my disdain for ceremony may be one of several peculiarities on my part. I do not expect to impose it on the whole body.

I would say to the chairman of the subcommittee that, as I understand it, there are some technical questions involving waivers and fees which I hoped we could work out even in this particular version.

Mr. MAZZOLI. Mr. Speaker, I would certainly suggest, definitely we shall. Some of these might be dealt with in the conference that would ensue on the bill with the Members of the other body. Some would come from the oversight which then would be reflected in legislation that would deal with waivers and deal with fees.

With the gentleman's help, we will have, next springtime, the first of a series of hearings and meetings on the question of the Immigration Service and its fee structure and its requests for money. I think in that setting the gentleman will have every opportunity to get into the fee structure.

Mr. FRANK of Massachusetts. Mr. Speaker, I know some of the Latino elected officials have some understandable concerns. I hope that we can address a couple of those issues on the waivers in terms of the way it works between now and passage.

I welcome, because I know the gentleman from Kentucky always carries out what he has promised, he has been very diligent in this work on immigration and oversight. I think Members can be assured that we will do everything we can to make sure this system works fully to the advantage of those being sworn in.

If anything should develop that inadvertently shows it was not working to their advantage, I am confident it will be addressed.

Mr. MAZZOLI. Mr. Speaker, the oversight will show it.

Mr. Speaker, the purpose of H.R. 3049 is simple: To ensure that Federal as well as State courts can continue their traditional roles in administering oaths of allegiance to new American citizens.

The bill reinstates the longstanding procedure under which—prior to 1990—immigrants who are eligible for naturalization as citizens of the United States participate in formal oath of allegiance ceremonies held in courtrooms and presided over by Federal or State judges. At the same time, the bill ensures that naturalization is accomplished in a timely manner.

The 1990 Immigration Act conferred exclusive naturalization authority on the Immigration and Naturalization Service [INS] even though it allows an applicant to take the oath of allegiance from a judge. H.R. 3049 changes in an appropriate way the 1990 act.

Under H.R. 3049, the authority to administer oaths of allegiance would repose in the courts for a 45-day period beginning when the INS has completed and approved an applicant's paperwork.

Under the bill, a court wishing to resume the historic role of courts in the naturalization process—a role limited by the 1990 act—would be required to provide to the applicant and to the INS a schedule of dates—within that 45-day period—on which the court will conduct naturalization ceremonies.

Under the bill, declining to submit or to comply with the 45-day timetable results in the automatic waiver of the court's jurisdiction.

And, whenever there is an automatic waiver the prospective citizen can elect to participate in an administrative naturalization ceremony conducted by and before an INS officer which includes the oath of allegiance.

The legislation also provides for an emergency oath-taking ceremony whenever the applicant can show special or exigent circumstances. Individuals who are seriously ill or disabled or who have illness in their families or who are old will be able to avail themselves of this procedure. Similarly, it is not uncommon for persons who work for companies which do business with the Federal Government to discover that U.S. citizenship is a prerequisite for continuing in their jobs. Again, the bill would take care of those people and other such difficult situations.

Under the bill, a person wishing an expedited procedure would ask for it from the appropriate court. If for whatever reason the court is unable to do it the court would refer the case to INS with a request that INS handle the case as quickly as possible.

The bill therefore continues the courts' traditional and historical role in naturalizations, while allowing courts the option to decline jurisdiction temporarily when their dockets cannot accommodate the timely scheduling of naturalizations.

The Federal courts strongly support the enactment of this legislation which assures them a role in the naturalization process so long as they wish to play such a role.

Under the bill, any time delay between the oath-taking ceremony and the award to the newly sworn citizen of the certificate of naturalization will be eliminated, such delays are inevitable in the 1990 act, which requires the newly sworn citizen to go back to the INS to pick up the certificate of naturalization.

Moreover, the bill eliminates unnecessary paperwork and streamlines procedures for completing the act of naturalization. This bill therefore addresses the intent of the 1990 act, which was to streamline the naturalization process by reducing paperwork and overlapping administrative responsibilities of the Federal courts and the INS.

I urge my colleagues to support H.R. 3049.

Mr. CUNNINGHAM. Mr. Speaker, I rise in strong support of H.R. 3049, the Judicial Naturalization Amendments of 1991. As a cosponsor of the bill, I would like to salute the gentleman from Kentucky for drafting this legislation and for bringing it to the floor.

Mr. Speaker, sometimes, despite our best intentions, Congress passes laws which have unintended and unfortunate consequences. This was the case with the immigration bill Congress passed in 1990.

On the surface, the move toward administrative naturalization included in the 1990 Immigration Act made sense. It was enacted in response to perceived delays in naturalization caused by a heavy workload in the courts.

This shift to administrative naturalization, however, had some unintended consequences. The simple, dignified citizenship ceremony, administered by a judge, had been replaced by a bureaucratic procedure. Becoming an American citizen is a momentous occasion. This moment deserves special recognition and attention as we welcome new Americans into the fold.

I received a letter from Chief Judge Judith N. Keep of the U.S. district court for the Southern District of California on this matter this summer. She stated that for many, the effort to become an American citizen is a long and difficult process and that the dignity and solemnity of the occasion merits the presence of a judge. As someone who has participated in citizenship ceremonies and witnessed the tremendous outpouring of emotions, I strongly agree with Judge Keep.

That is why I am so pleased with the form taken by the legislation before us. H.R. 3049 restores the option of judicial naturalization for new Americans. It also allows the applicant to select administrative naturalization and permits administrative naturalization if an overburdened court cannot schedule naturalization ceremonies. I believe that this balance is healthy and will be a tremendous improvement for the courts, the Immigration and Naturalization Service, and for the newest American citizens.

Mr. Speaker, once again, I congratulate my friend from Kentucky, Mr. Mazzoli, for his leadership and swift action to correct this oversight. I encourage my colleagues to join me in supporting H.R. 3049.

Mrs. LOWEY of New York. Mr. Speaker, I rise today to urge the passage of this bill, and to commend Chairman Mazzoli for bringing it forward. I had drafted and was prepared to introduce similar legislation earlier this year in response to the very compelling case made in this regard by my good friend, the Honorable Andy Spano, the county clerk of Westchester County, NY. In light of that, I was delighted to see that the chairman of the Immigration Subcommittee shared my desire to pass legislation returning the function of naturalization to its traditional home in our court system.

Talk to any naturalized American citizen, Mr. Speaker, and chances are good that you will hear the proudly told story of the day on which that person was sworn in as a citizen. Every week, all across America, in town halls and county courtrooms, new Americans take the oath of citizenship in the presence of their families and neighbors. In so doing, they not only satisfy the formal requirements of the law, they certify the choice that they have made for their lives—to adopt a new home, to become members of a new community. It is one of the most memorable moments in the life of a citizen.

Unfortunately, the immigration bill enacted in the last Congress cast a dark shadow over these moving ceremonies. The complexities of modern life gave rise to a situation where the stately and very personalized process of naturalization caused too many bureaucratic difficulties for the INS. The response to this situation was a provision in last year's immigration reform bill which made naturalization an administrative procedure.

While that move made bureaucratic sense to the INS, it sacrificed something special. An enduring moment was supplanted by a sterile action of the Federal bureaucracy.

The bill before us today will correct that flaw by restoring to new Americans the choice of obtaining their citizenship in a time-honored and dignified judicial ceremony. By doing so, it will provide new citizens with the opportunity to enter into the fullest kind of citizenship—not just of this great country, but of the towns, counties, and communities they have chosen as their own. It will provide them an opportunity to show their pride in their new citizenship as well.

The bill before us, Mr. Speaker, will not be written about in the history books. But it will enrich the personal histories of countless American families. I salute the chairman for moving this legislation, and urge my colleagues to give it their full support.

Mr. MICHEL. Mr. Speaker, I am pleased to support and cosponsor this important legislation, H.R. 3049, the Judicial Naturalization Amendments of 1991.

This legislation is a good compromise for judges who take pride and pleasure administering the oath to new citizens and for immigrants who want to take their oath of citizenship in a timely fashion.

I have heard from several judges, including the Honorable Michael Mihm, U.S. district judge in Peoria, who have expressed concern over the effects of last year's immigration bill. This legislation is a result of the efforts of such individuals like Judge Mihm.

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNulty). The question is on the motion offered by the gentleman from Texas [Mr. Brooks] that the House suspend the rules and pass the bill, H.R. 3049, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read:

A bill to amend the Immigration and Nationality Act to restore certain exclusive authority in courts to administer oaths of allegiance for naturalization.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ELIMINATING CERTAIN OBSOLETE REPORTING REQUIREMENTS FOR THE DISTRICT OF COLUMBIA

Mr. DELLUMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2626) to eliminate certain obsolete reporting requirements for the District of Columbia.

The Clerk read as follows:

H.R. 2626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIMINATION OF REPORTING REQUIREMENTS.

(a) Settlements of Claims Against District.—Section 3 of the Act of February 11, 1929 (Chapter 173; sec. 1-1204, D.C. Code) is amended by striking the first sentence.

(b) Washington Metropolitan Area Transit Commission.—Public Law 86-794 (sec. 1-2411 et seq., D.C. Code) is amended by striking subsection 7(b) and relettering (c) as (b).

(c) Public Defender Service.—The first sentence of section 306(a) of the District of Columbia Court Reform and Criminal Procedure Act of 1970 (sec. 1-2706(a), D.C. Code) is amended by striking "to the Congress of the United States,".

(d) Dwellings in Alleys.—Section 5 of the District of Columbia Alley Dwelling Act (sec. 5-106, D.C. Code), is amended by striking ", which he shall transmit to the Congress at the beginning of each regular session,".

(e) Office of Emergency Preparedness.—Section 6 of the Act of August 11, 1950 (sec. 6-1408, D.C. Code), is amended to read as follows:

"Sec. 6. The Office of Emergency Preparedness shall submit to the Mayor and the Council an annual report of its activities and expenditures under this Act.".

(f) Transfer of Jurisdiction Over Property Between United States and District of Columbia.—Section 1 of the Act entitled "An Act to authorize the transfer of jurisdiction over public land in the District of Columbia," approved May 20, 1932 (sec. 8-111, D.C. Code), is amended by striking the second proviso.

(g) Applications to Courts for Conducting Wiretaps.—Section 23-555(b), D.C. Code, is amended by striking "the Congress of the United States and".

(h) Administration of the District of Columbia Pretrial Services Agency.—(1) Section 23-1307, D.C. Code, is amended by striking "to the Congress of the United States, and".

(2) The heading of section 23-1307, D.C. Code, is amended by striking ", Congress,".

(3) The table of sections for chapter 13 of title 23, D.C. Code, is amended in the item relating to section 23-1307 by striking ", Congress,".

(i) Programs for Rehabilitation of Alcoholics.—Section 13(a), of the Act August 4, 1947 (Chapter 472; sec. 24-533(a), D.C. Code), is amended by striking "his program, and shall from time to time submit to the Congress such recommendations for".

(j) Charitable Institutions.—The Act of July 5, 1884 (Chapter 227; sec. 32-1201, D.C. Code) is amended in the matter under the heading "For Maintaining Institutions of Charity, Reformatories, and Prisons" by striking the last paragraph.

(k) Insurance Companies Doing Business in District.—The Act of May 18, 1910 (Chapter 248; sec. 35—107, D.C. Code) is amended in the matter under the heading "General Expenses" by striking the proviso in the paragraph entitled "Department of Insurance".

(l) Apprenticeship Council.—Section 4 of the Act entitled "An Act to provide for voluntary apprenticeship in the District of Columbia.", approved may 21, 1946 (sec. 36—404, D.C. Code) is amended by striking "to the Congress and".

(m) Accounts of Public Utilities.— Paragraph (14) of section 8 of the Act of March 4, 1913 (Chapter 150; sec. 43—513, D.C. Code), is amended by striking ", and a copy thereof transmitted to the Congress".

(n) Gas Companies Doing Business in District.—The Act of March 2, 1907 (Chapter 2510; sec. 43-1106, D.C. Code) is amended in the matter under the heading "Electrical Department" by striking the 4th provision and all that follows in the 6th paragraph.

(o) Status of Home Purchase Assistance Fund.—Section 6(b) of District of Columbia Law 2-103 (sec. 45-2205(b), D.C. Code) is amended by striking "to the Congress of the United States and".

(p) Unemployment Fund.—(1) Section 2 of the Act entitled "An Act to provide for unemployment compensation in the District of Columbia, authorize appropriations, and for other purposes.", approved August 28, 1935 (sec. 46-102, D.C. Code), is amended by striking "and shall include a statement of such status in its yearly report to Congress".

(2) Section 13(d) of such Act (sec. 46-114(d), D.C. Code) is amended by striking paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2).

(3) The 6th sentence of section 14(a) of such Act (46-115(a), D.C. Code) is amended by striking "in its annual report to Congress,

provided in section 13(c) of this Act," and inserting "in an annual report to the Mayor".

(q) USE OF TAX-EXEMPT PROPERTY.—Section 3(a) of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia.", approved December 24, 1942 (sec. 47–1007(a), D.C. Code), is amended by striking the third sentence.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. DELLUMS] will be recognized for 20 minutes, and the gentleman from Virginia [Mr. BLILEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2626 would eliminate 17 annual reports from various D.C. agencies and utilities to Congress that are no longer needed.

Sixteen of these reports predate the 1973 Home Rule Act. Such reports should now be made to the council of the District of Columbia, if at all.

The obsolete reporting requirements we are eliminating in this bill date back to 1884, 1907, 1913, et cetera.

The bill does not eliminate reports still useful to Congress—such as reports from the council of the District of Columbia on acts they have passed, reports from Metro, from the University of the District of Columbia, from the the D.C. Retirement Board, from the General Accounting Office, from Saint Elizabeth's Hospital and D.C. Armory Board.

Mr. Speaker, H.R. 2626 is noncontroversial in nature and is supported by my good friend from Virginia, the ranking Republican member of the District of Columbia Committee, Mr. THOMAS BLILEY.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I fully support H.R. 2626, a bill to eliminate obsolete reporting requirements currently imposed upon the District of Columbia.

Prior to the enactment of home rule, Congress necessarily required a variety of reports from the District concerning various city functions. These reports were meant to facilitate hands-on supervision of city affairs by the Congress or to allow Congress to better monitor the implementation of then recently enacted legislation pertaining to the District. The enactment of home rule and the passage of time have rendered such reports meaningless to the Congress and an unnecessary burden on both the local government and the Congress.

Mr. Speaker, this bill abolishes 17 different reports, including reports to Congress on claims and suits settled by the Mayor, annual reports from the local public defender service and the local pretrial services agency, as well as from other local government entities normally answerable to the Mayor or other local officials. There is little reason why the District should be bothered to prepare such reports or why the Congress should be bothered to read them.

Enacting H.R. 2626 is an act of good government that promotes the efficient operation of the local government and of the Congress. I support it fully.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DELLUMS. Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Speaker, I want to thank the distinguished chairman and the distinguished ranking member for the valuable time they have put in to eliminate these reporting requirements and particularly the staff that has had to go through the reports to see which were obsolete. The reports are now those which are still useful to be made to the council in appropriate recognition of home rule. Moreover, this bill will promote greater efficiency in the District because it will allow the District to eliminate those reporting requirements which are altogether obsolete.

I thank the two distinguished Members.

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Mr. DELLUMS. Mr. Speaker, I would conclude by simply stating that I urge all of my colleagues to support H.R. 2626, the bill before the House.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the motion offered by the gentleman from California [Mr. DELLUMS] that the House suspend the rules and pass the bill, H.R. 2626.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 2626, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

WAIVING THE PERIOD OF CONGRESSIONAL REVIEW FOR CERTAIN DISTRICT OF COLUMBIA ACTS

Mr. DELLUMS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3709) to waive the period of congressional review for certain District of Columbia acts and to permit the Council of the District of Columbia to enact laws relating to attorneys and the representation of indigents in criminal cases, as amended.

The Clerk read as follows:

H.R. 3709

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WAIVER OF CONGRESSIONAL REVIEW PERIOD FOR CERTAIN DISTRICT OF COLUMBIA ACTS.

(a) WAIVER.—Notwithstanding section 602(c) of the District of Columbia Self-Government and Governmental Reorganization Act, each of the District of Columbia acts described in subsection (b) shall take effect on the date of the enactment of this Act.

(b) ACTS DESCRIBED.—The District of Columbia acts referred to in subsection (a) are as follows:

(1) The District of Columbia Government Comprehensive Merit Personnel Act of 1978 Temporary Amendment Act of 1991 (D.C. Act 9–85).

(2) The District of Columbia Regional Airports Authority Act of 1985 Temporary Amendment Act of 1991 (D.C. Act 9–88).

(3) The Board of Education Special Election Act of 1991 (D.C. Act 9–89).

(4) The Closing of a Public Alley and Abandonment of an Easement in Square 488, S.O. 86–267, Act of 1988 Covenant Modification Temporary Act of 1991 (D.C. Act 9–90).

(5) The Closing of Glover Archbold Parkway N.W., Temporary Act of 1991 (D.C. Act 9–93).

(6) The Uniform Law on Notarial Acts Amendment Act of 1991 (D.C. Act 9–94).

(7) The Residential Property Tax Relief Act of 1977 Application Deadline and Free Clinic Assistance Program Act of 1986 Extension Temporary Amendment Act of 1991 (D.C. Act 9–95).

(8) The District of Columbia Commission on Baseball Act of 1991 (D.C. Act 9–96).

Amend the title so as to read: "A bill to waive the period of Congressional review for certain District of Columbia acts.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. DELLUMS] will be recognized for 20 minutes, and the gentleman from Virginia [Mr. BLILEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, H.R. 3709, as amended, is similar to bills brought by the Committee on the District of Columbia at the end of sessions of Congress in recent years. With Congress going on recess until 1992, many council acts adopted this fall would not take effect until February or March.

Mr. Speaker, H.R. 3709, as amended, is not a general waiver. I would like to underscore that. The council acts affected are all listed in this bill in very specific fashion.

Mr. Speaker, further, H.R. 3709 as amended has the full support of the entire Committee of the District of Columbia, including the distinguished gentleman from Virginia [Mr. BLILEY], the ranking minority member of the District of Columbia Committee.

The list in H.R. 3709 of legislative acts adopted by the Council of the District of Columbia and permitted to become law without the usual waiting period of Section 602 of the District of Columbia Home Rule Act includes:

First D.C. Act 9–85, the modified reduction in force [RIF] procedure that will allow 2,000 excess administrative positions in grades DS 11 and above in the D.C. government to be eliminated. One round of competition for positions in an employee's competitive level is permitted for affected employees. Appeal procedures are allowed before a temporary panel of the office of employee appeals. Severance pay and bonus creditable service years are permitted for employees with veteran's preferences or residency preferences.

Second, D.C. Act 9–88, the maximum civil penalty for noise violations at National and Dulles Airports is raised from the present $2,500 to $5,000. Conformity between District of Columbia and Virginia laws is also set.

Third, D.C. Act 9–89, requires special elections to fill vacancies on the board of education within about 16 weeks unless an election day is already planned within 60 days of that time.

Fourth, D.C. Act 9–90, permits Washington Properties, Inc. to make three instead of one curb cut into the Sixth Street side of their property in the southern portion of square 488 which is bound by F Street NW. on the north, E Street on the south, Fifth Street on the east and Sixth Street on the west. The closing of a 10-foot alley has already been approved, allowing the office building being built there to have 8,900 additional square feet of commercial space.

Fifth, D.C. Act 9–93, allows closing of the easement for Glover Archbold Parkway NW. between Upton and Van Ness Street NW.—reverting to the adjacent owners—and establishes a new street easement to the east, known as 40th Place NW.

Sixth, D.C. Act 9–94, requires that a certificate of notarial act include the official stamp or seal or office of the notary, and repeals a model short form for certifying copies of documents.

Seventh, D.C. Act 9–95, extends until September 30, 1991, the deadline for filing applications for the homestead deduction and senior citizen property tax relief which would be applicable to the tax year beginning July 1, 1991. Refunds would be made by January 15, 1992. A nongermane amendment corrects an enrollment error and extends the Free Clinic Assistance Program for 5 years.

Eighth, D.C. Act 9–96, reestablishes the 17-member commission on baseball for 2 years, to advise regarding a professional baseball team and citizen participation in amateur baseball.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support H.R. 3709, a bill to waive the 30 day congressional review period on certain acts passed by the District of Columbia Council. Failure to waive review could delay until next year the date upon which the council acts referenced in the bill take effect and create unnecessary further inefficiencies in the management of local affairs—most particularly with respect to the Mayor's efforts to downsize city government.

Although I support H.R. 3709 and will vote to approve it, I nevertheless have certain reservations about the wisdom of some of the measures that are referenced within it.

For example, Mr. Speaker, this bill will waive review on D.C. Act 9–89, which authorizes yet more special elections within the District of Columbia. According to the council report on that legislation, the costs of a special election in the District may range anywhere from $65,000 to $275,000. Those estimates are conservative. According the the D.C. Board of Elections, the special election held in the District on November 5 of this year cost the taxpayers almost $300,000.

I do not think that D.C. Act 9–89 is so unwise that it would prompt a Member to introduce a resolution of disapproval, nor do I see any purpose to delay its effective date until next year. But I cannot help but marvel that the District, currently in the throes of a fiscal crisis, would choose this time to impose new and potentially quite substantial economic burdens upon itself.

In closing, Mr. Speaker, let me say that I do support H.R. 3709 and the purpose of this legislation which is to allow council acts which do not meet the tests we have for requiring disapproval to become effective in a timely manner.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DELLUMS. Mr. Speaker, I yield 5 minutes to my distinguished colleague the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Speaker, I want to thank the gentleman from California [Mr. DELLUMS], the chairman of the committee, and the gentleman from Virginia [Mr. BLILEY], the ranking minority member, for allowing these bills to be waived so that they may go into effect immediately in the District of Columbia. Not only will this promote greater efficiency in our own process in the District of Columbia, but such a waiver bars hardship that is often entailed when the District must wait 30 days for a civil act and 60 days for a criminal act.

May I say, Mr. Speaker, that the distinguished chair and I have a bill in committee at this very moment that would permanently relieve this body and the committee of the chore, and it can only be called a chore, of looking at every single piece of legislation passed in the District of Columbia, from alley closings to downsizing. This is not a wise or appropriate use of Federal time and funds.

The Congress, under our bill, would retain the power to overturn any act of the District of Columbia, and I hope that that matter will be before this body at the appropriate time. Nevertheless, I do want to acknowledge and thank the chair and the distinguished ranking minority member, because in fact they have indeed been very gracious in allowing the District to waive when appropriate. We only hope that we can find it appropriate permanently to do so.

Mr. DELLUMS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank the gentlewoman from the District of Columbia for her kind and generous remarks, and thank my distinguished colleague, the gentleman from Virginia [Mr. BLILEY], for his continued support. It is very difficult to do business with respect to the District of Columbia unless it is done on a bipartisan basis. The gentleman from Virginia has made a concerted effort to work very diligently with this side of the aisle and we appreciate it.

Mr. Speaker, I might just say to the gentleman from Virginia the chair listened very carefully to the concluding remarks of my distinguished colleague, and I sense that we may be reaching common ground. I think on other matters that we have been discussing that I am led to believe that we may be able to reach some compromise, and as someone much wiser than this gentleman said, great legislation always occurs in an atmosphere of compromise. I welcome the comments of the distinguished gentleman.

Mr. BLILEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DELLUMS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DELLUMS] that the House suspend the rules and pass the bill, H.R. 3709, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to waive the period of Congressional review for certain District of Columbia acts.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DELLUMS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 3709, the legislation just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SENIOR EXECUTIVE SERVICE IMPROVEMENTS ACT

Mr. SIKORSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2270) amending certain provisions of title 5, United States Code, relating to the Senior Executive Service, as amended.

The Clerk read as follows:

H.R. 2270

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Senior Executive Service Improvements Act".

SEC. 2. PROTECTION AGAINST PAY REDUCTION UPON ENTERING THE SES.

Section 5383 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) This subsection applies to—

"(A) any individual who, after serving at least 5 years of current continuous service in 1 or more positions in the competitive service, is appointed, without any break in service, as a career appointee; and

"(B) any individual who—

"(i) holds a position which is converted from the competitive service to a career reserved position in the Senior Executive Service; and

"(ii) as of the conversion date, has at least 5 years of current continuous service in 1 or more positions in the competitive service.

"(2)(A) The initial rate of pay for a career appointee who is appointed under the circumstances described in paragraph (1)(A) may not be less than the rate of basic pay last payable to that individual immediately before being so appointed.

"(B) The initial rate of pay for a career appointee following the position's conversion (as described in paragraph (1)(B)) may not be less than the rate of basic pay last payable to that individual immediately before such position's conversion.".

SEC. 3. LIMITATION ON AUTHORITY TO REASSIGN.

Section 3395(e) of title 5, United States Code, is amended—

(1) by amending clause (ii) of paragraph (1)(B) to read as follows:

"(ii) has the authority to make an initial appraisal of the career appointee's performance under subchapter II of chapter 43."; and

(2) by adding at the end the following new paragraph:

"(3) For the purpose of applying paragraph (1) to a career appointee, any days (not to exceed a total of 60) during which such career appointee is serving pursuant a detail or other temporary assignment apart from such appointee's regular position shall not be counted in determining the number of days that have elapsed since an appointment referred to in subparagraph (A) or (B) of such paragraph.".

SEC. 4. ENCOURAGEMENT OF SABBATICALS AND OTHER FORMS OF PROFESSIONAL DEVELOPMENT BY CAREER APPOINTEES.

Section 3396(d) of title 5, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following new paragraph:

"(2) In order to promote the professional development of career appointees and to assist them in achieving their maximum levels of proficiency, the Office shall, in a manner consistent with the needs of the Government, provide appropriate informational services and otherwise encourage career appointees to take advantage of any opportunities relating to—

"(A) sabbaticals;

"(B) training; or

"(C) details or other temporary assignments in other agencies, State or local governments, or the private sector.".

SEC. 5. AUTHORITY TO MITIGATE.

Section 7701(b) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(3) With respect to an appeal from an adverse action covered by subchapter V of chapter 75, authority to mitigate the personnel action involved shall be available, subject to the same standards as would apply in an appeal involving an action covered by subchapter II of chapter 75 with respect to which mitigation authority under this section exists.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. SIKORSKI] will be recognized for 20 minutes, and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. SIKORSKI].

GENERAL LEAVE

Mr. SIKORSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 2270, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SIKORSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to compliment the gentlewoman from Maryland [Mrs. MORELLA] for her constant vigilance on behalf of Federal employees, civil servants, postal employees and others who work for the American citizens and taxpayers. Her help on this piece of legislation once again notes well her vigilance on behalf of civil servants, and I appreciate her assistance.

The Senior Executive Service was designed to be an elite corps of top Federal managers and administrators, to be the best and the brightest to run the Federal Government. It encompasses approximately 8,000 people, and over 90 percent of them are career Federal employees.

As amended, H.R. 2270 addresses some of the non-monetary concerns raised by the Senior Executive Service. The legislation first requires that the general schedule employees, when promoted to the SES, be placed in an SES pay level that is at least consistent with the pay they were receiving before promotion.

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Second, it encourages the use of sabbaticals and other forms of professional development for career appointees in the SES.

Third, it places limitations on the ability of a noncareer supervisor to reassign a senior career executive before the 120-day get-acquainted period ends.

And, fourth and finally, it grants the Merit System Protection Board jurisdiction to mitigate penalties in conduct cases involving Members of the SES, just as the Board has for actions against other Federal employees in the civil service.

I should note at this point that the subcommittee has worked with officials from the Office of Personnel Management [OPM] to make sure that this legislation is agreeable to all the parties involved. In fact, it is supported by the Office of Personnel Management.

Mr. Speaker, let me finish by saying that I will include my entire statement in the RECORD as well as an explanation of H.R. 2270, as amended.

Let me end by saying that as we rapidly approach the 21st century, the demands placed on senior executives will become greater and greater. The S&L bailout, banking regulation reform, the war on drugs, the mopping up of Operation Desert Storm, health care availability and affordability, the European Common Market 1992, Hong Kong 1997, reducing the budget deficit and tackling the recession, unemployment, other economic problems, all of these create a demand for an American Senior Executive Service that runs our Government, that is increasingly flexible, increasingly talented and knowledgeable.

As the members of the Committee on Post Office and Civil Service have seen and heard in reports and surveys and conferences and task forces, the original goal of the Civil Service Reform Act has not been met.

The SES Improvements Act before us today is a modest proposal intended to provide senior executives with some of the tools necessary to make the original promises of the Senior Executive Service a reality.

H.R. 2270, the Senior Executive Service Improvements Act, as amended, is intended to remedy some of the problems which have arisen over time and which have frustrated Congress in accomplishing its goal of developing an experienced, mobile, highly qualified, and motivated cadre of career executives throughout the Federal Government. As amended, the bill takes into account the various budgetary and political concerns raised by the administration over certain aspects of the introduced bill, and addresses certain issues which are of vital concern to the Senior Executive Service.

The first issue of concern to the SES is pay compression and the effect it has on the recruitment of potential senior executives from the rank and file under the General Schedule. Pay compression is cause by the overlap of the General Schedule and Senior Executive Service pay levels.

Although the Ethics Reform Act of 1989, Public Law 101–194, addressed the issue of compensation for senior executives, further changes are needed to ensure that the benefits of the SES—for example, mobility, performance bonuses, higher pay—substantially outweigh the risks. H.R. 2270 is intended to address this problem by requiring that certain competitive service employees, upon appointment to the SES, be placed in pay level that is at least equivalent to the pay they were receiving before appointment to the SES.

A second problem addressed by H.R. 2270, as amended, involves the so-called 120 day get-acquainted period. The Civil Service Reform Act of 1978 created the 120-day get-acquainted period to provide a reasonable period of time during which a career appointee may continue in a SES position after the installation of a new political appointee supervisor. Currently, however, an agency may place sole authority to remove and reassign senior executives in the head of the agency, so that when a new agency head is appointed, the 120 day get-acquainted period begins to run. Consequently, when the career appointee acquires a new supervisor, there may not be a protective get acquainted period.

To ensure an effective get-acquainted period, a career executive should be allowed 120 days to work with the executive's immediate noncareer supervisor who has the responsibility for appraising the career appointee's performance under chapter 43 of title 5, United States Code.

In addition, the 120-day rule is circumvented arbitrarily by some agencies by allowing a career executive to be detailed during the 120 days and then transferred without having had the opportunity to get acquainted with the new political appointee. Rather than prohibit details during the 120 days, which would unduly restrict the ability of supervisors to direct necessary, legitimate assignments, the bill requires that agencies deduct the time spent on details from the requisite 120-day get-acquainted period.

A third issue addressed by this bill involves the absence of sabbatical and training opportunities for the SES. There currently are no requirements for either career or noncareer SES members to keep up to date in the ever changing worlds of management, administration, or the technical requirements of their positions. Federal managers grow stale or suffer a loss of skills, often because the agency does not feel it can do without their expertise for even short periods of training. Further, executives bear sole responsibility for identifying appropriate professional development and training opportunities.

A long-term approach to investment in employee training appears to be lacking in the Federal Government. At the request of the Subcommittee on the Civil Service, the General Accounting Office has examined the issue of Federal employee training. GAO concluded that, although the Government spends a substantial amount of money on training, it does not have career development programs targeted to specific employees. Further, the GAO found that, annually, 52 percent of all executives and 43 percent of all managers and supervisors receive no training.

Section 4 of H.R. 2270, as amended, is intended to enhance the career development of senior executives. Section 4 encourages agencies and the Office of Personnel Management to make more use of sabbaticals during which senior executives can study, or work in State and local governments, or in the private sector. Since 1978, when agencies were first authorized to offer sabbaticals, only 15 agencies have done so and only 21 sabbaticals have been taken. Sabbaticals offer a unique opportunity for executives to gain expertise and exposure which will enhance their management skills.

Finally, H.R. 2270, as amended, extends to career appointees in the SES the same rights to Merit Systems Protection Board mitigation of unreasonable penalties in cases of removal for misconduct as other career employees have. The bill addresses a concern raised by members of the Senior Executive Association at the subcommittee hearing on September 25, 1990. In the early 1980's, the U.S. Federal Circuit Court of Appeals overturned a MSPB decision in the case of *Berube* v. *General Services Administration,* 820 F. 2d 396 (Fed. Cir. 1987), and in doing so set a new standard for evaluating SES removals in cases of misconduct. The court held that MSPB cannot review whether a particular penalty is appropriate in SES misconduct cases. Instead, MSPB must decide whether an agency's decision to impose any discipline on an SES member would stand even if some of the original charges were not upheld by the Board. It is the committee's intent to correct this anomaly and allow the MSPB to mitigate penalties in misconduct cases.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2270, the Senior Executive Service Improvements Act. The Subcommittee on Civil Service considered the bill in June and forwarded it to the Committee on Post Office and Civil Service where it was approved as amended by the subcommittee.

This legislation protects the pay level of employees who are promoted to the Senior Executive Service level. Those employees, who have had 5 years of current continuous service in one or more positions in competitive service, would not receive a lower salary at the SES level than they did when they were employed at the GS level.

H.R. 2270 would limit the reassignment of a career SES employee by a new noncareer supervisor or agency head during the 120-day trial period. However, in order to retain management flexibility, if the SES employee is detailed out of the position, the 120-day time period does not start to tick until after the first 60 days of the reassignment.

This legislation recommends that the Office of Personnel Management encourage professional development of career SES appointees to achieve maximum levels of proficiency in a manner which is consistent with the needs of the Government. It encourages OPM to provide information regarding sabbaticals, training, and temporary assignments with other agencies or the private sector to promote this expertise. This bill also extends the authority to mitigate an appeal from an adverse action.

Mr. Speaker, we are trying to retain the brightest minds in public service; the provisions addressed in this bill will encourage professional development of our high level career employees and protect them from arbitrary reassignments.

I commend the chairman of the Subcommittee on Civil Service, Mr. SIKORSKI, for introducing this significant legislation. I am pleased to be the original cosponsor of H.R. 2270. The Congressional Budget Office has determined that these provisions would not have an impact on the budget. Additionally, the minority and the administration have no objection to the bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], the ranking member of the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 2270, the Senior Executive Service Improvements Act. I want to commend the author of the legislation, the chairman of the Subcommittee on Civil Service, Mr. SIKORSKI, and the ranking Republican on that panel, the gentlewoman from Maryland [Mrs. MORELLA], for their diligent work in securing a legislative package that meets the needs of Federal employees and the administration.

Congress created the Senior Executive Service almost 13 years ago as part of the Civil Service Reform Act. This elite corps of Government executives was intended to provide needed motivational and leadership skills in directing and executing the diverse missions of the Federal Government. However, many of the objectives set forth for the Senior Executive Service have been hampered for lack of adequate protections for career appointees. H.R. 2270 addresses several of these objectives, and, I emphasize for my colleagues, in a budgetary neutral way.

This legislation provides protections for career SES members. Specifically, the bill provides protection against pay reductions for newly appointed employees entering the SES. Additionally, the legislation imposes limitations upon the authority to reassign SES members by political appointees. H.R. 2270 encourages the Office of Personnel Management to develop sabbatical programs and other career development programs for senior executives. This legislation also extends to the Merit Systems Protection Board the authority to mitigate in adverse actions taken against SES members.

Mr. Speaker, this is sound legislation. Accordingly, I urge our colleagues to support H.R. 2270.

Mrs. MORELLA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SIKORSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. SIKORSKI] that the House suspend the rules and pass the bill, H.R. 2270, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CITY OF LYNN HISTORICAL AND CULTURAL RESOURCES STUDY ACT OF 1991

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2859) to direct the Secretary of the Interior to conduct a study of the historical and cultural resources in the vicinity of the city of Lynn, MA, and make recommendations on the appropriate role of the Federal Government in preserving and interpreting such historical and cultural resources, as amended.

The Clerk read as follows:

H.R. 2859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LYNN, MASSACHUSETTS.

(a) STUDY OF POTENTIAL NATIONAL HISTORIC LANDMARKS.—The Secretary of the Interior (hereinafter in this section referred to as the "Secretary") shall conduct a study to identify potential National Historic Landmarks in Lynn, Massachusetts. The study shall emphasize the processes of industrialization, urbanization and immigration in order to identify resources significant and unique in the larger context of American History. As part of the study, the Secretary shall propose alternatives for cooperation in the preservation and interpretation of potential National Historic Landmarks identified in the study and for the preservation and interpretation of existing national historic landmarks in Lynn.

(b) CONGRESSIONAL REVIEW.—The Secretary shall transmit the study to the appropriate committees of Congress within 18 months after the enactment of this Act.

(c) CONSULTATION.—In preparing the study under this section, the Secretary shall consult with the public, with representatives of the city of Lynn and the Commonwealth of Massachusetts, with historians, planners and historic preservationists knowledgeable in American History, historic preservation, and architecture. The Secretary shall seek expertise from both local and national organizations.

(d) AUTHORIZATION.—There is authorized to be appropriated $200,000 to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2859, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2859 was introduced by our good friend and colleague, the gentleman from Massachusetts [Mr. MAVROULES], and directs the National Park Service to prepare a study of the historical and cultural resources of Lynn, MA.

Lynn was founded in 1629 and has seen the transition of an agrarian society to an industrialized one with its shoe factories and General Electric Co. plant successfully replacing the farms and the maritime industry. It is a case study of the effects of industrialization, immigration, and urbanization including strikes, various types of inventions, and the development of the use of electricity.

I know that the gentleman from Massachusetts is very proud of the fact that the first baseball game played under lights, played at night, was played in Lynn, MA, and without that game having been played at night, it probably would not have been possible to view the World Series game which the Minnesota Twins happened to win, Mr. Speaker, which was played under lights at night in the great State of Minnesota where the chairman happens to come from and represent.

Mr. Speaker, we are all very proud of the fact that Lynn, MA, led the way with electrified baseball, and that the Twins provided a different type of electricity in 1991.

□ 1400

Mr. Speaker, in any case, this proposal directs the Department of the Interior Parks Service to undertake a study to identify the potential natural historic landmarks in Lynn with particular emphasis on the process of industrialization, as I said, urbanization and immigration.

The Secretary is directed to propose alternatives for cooperation in the preservation and interpretation of landmarks so identified.

This approach will provide guidance on how best to structure partnerships to preserve and interpret these nationally significant properties. I know that the study is the responsible way to determine the future actions which would be appropriate.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to be recognized on H.R. 2859, a bill to provide for a study of structures in Lynn, MA, for national landmark status.

The bill has broad local support. I note that the bill reported by the Interior Committee is a substantial rewrite of the original bill and does address some of the concerns that were raised in the hearing.

Mr. Speaker, I support passage of the bill; however, I must point out that the administration does have problems with it, does oppose this measure, and I hope their objections can be addressed in the Senate.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. MAVROULES], the sponsor of this measure.

Mr. MAVROULES. Mr. Speaker, I would like to thank chairman VENTO, ranking member LAGOMARSINO and my colleagues who serve on this committee for their support in moving this measure through the committee process and presenting it to the full House today. I stand in support for House passage of H.R. 2859, legislation I sponsored which directs the Secretary of Interior to conduct a study of the historic resources in Lynn, and report on the appropriate role of the National Park Service within 18 months.

I wish to specifically address the worth, advisability, and necessity of conducting an in depth review of the assets in the city of Lynn, MA. I believe the assets there are valuable not only to the community itself, but also to the Nation. Therefore, we need to preserve the rich cultural heritage that they represent.

Lynn has been on the cutting edge of innovative development. The first jet engine during the second world war was developed here as well as the lasting machine which revolutionized the shoe industry in 1883. On September 15 the U.S. Postal Service issued a commemorative stamp honoring its inventor Jan E. Matzeliger who moved to Lynn in 1877.

Also records indicate that on June 1, 1892, Elihu Thomson's electrical Co., based in Lynn, merged with Thomas Edison's company, to form what has been continuously known as the General Electric Co. And the first professional baseball game played under electrical lights was in Lynn.

Located in Lynn, the Lydia Pinkham Co., producing vegetable compound, was particularly important in the history of advertising in America, for it was the first time a woman's image was used to advertise a product.

Noted for being the birthplace of Christian Science, it was in Lynn that Mary Baker Eddy concerned her philosophy and wrote her "Science and Health."

Several buildings are on the national register of historic places. Just to name a few, Stone Cottage, the home of the famous Hutchinson Family Singers; the Flat Iron Building which is a period shoe factory; the Grand Army of the Republic Building [GAR], and the Lynn Public Library, because of its unique design.

The GAR Building has artifacts from the Spanish-American, World War II, and the Civil War. Weapons, uniforms, period clothing, photographs, historic documents, and manuscript letters by various leaders of these wars, can be found here. Also, the last Confederate flag to hang over Richmond, VA, which was given to the city as a token of friendship, is kept here.

The history of the city also has been consistent in contributing to the evolution of social change with the abolitionist movement, workers' rights, and women in the workplace. It came through all of these experiences with positive results.

In 1981 and 1982, a major fire destroyed some very significant structures in the waterfront area and the historic shoe district. Nevertheless, some original buildings and structures remain.

Mr. Speaker, $9 million in State park funds have been spent to develop the Lynn Heritage Park and the waterfront park in an effort to educate tourists and preserve the history there. Some historical research and archeological inventory of Lynn's resources have been done locally as well.

In spite of its austere budget, the city has consistently tried to provide funds to keep this preservation effort going.

Organized groups, such as the Lynn public-private partnership, which is composed of executives of local manufacturers, utilities, financial institutions, professional services, and health care organizations have largely supported the mayor's initiatives.

A determination of the role of the Federal Government is greatly needed to assist the local public and private sectors in preserving our Nation's history in this region and to avert a loss of these assets for all times. Unfortunately, in spite of the many cultural and historical resources in Lynn, it is not included in the eight sites the Director of the National Park Service has identified as high priority candidates for study.

It is entirely appropriate for the National Park Service to comprehensively study this area and report on the appropriate role of the Federal Government. I would like to ask my colleagues to support the chairman and members of the Subcommittee on National Parks and Public Lands and myself in passing this legislation today.

Mr. LAGOMARSINO. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I think this is a good bill. I hope the House will act on it today favorably.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2859, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 2859, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

REVERE BEACH STUDY ACT OF 1991

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2109) to direct the Secretary of the Interior to conduct a study of the feasibility of including Revere Beach, located in the city of Revere, MA, in the National Park System, as amended.

The Clerk read as follows:

H.R. 2109

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REVERE BEACH, MASSACHUSETTS.

(a) FINDINGS.—The Congress finds that—

(1) Revere Beach played an important historic role as a public beach and park set aside for public leisure and recreation;

(2) Revere Beach represents a valuable example of the social and cultural aspects of early 20th century American working class history;

(3) original structures and public buildings of Revere Beach remain to be preserved and interpreted;

(4) Revere Beach is located within easy access of a large urban population center and within reach of tourists visiting the historic city of Boston; and

(5) given the interest by organized groups and local and State governments in the preservation of Revere Beach, a coordinated evaluation should be conducted to consider options for preserving the historical, cultural, natural and recreational resources of Revere Beach.

(b) STUDY.—The Secretary of the Interior (hereinafter in this section referred to as the "Secretary") shall conduct a study to identify potential means to preserve and interpret Revere Beach. As part of the study, the Secretary shall propose alternatives for cooperation in the preservation and interpretation of Revere Beach, including providing recommendations on the suitability and feasibility of establishing Revere Beach as a unit of the National Park System.

(c) CONTENTS OF STUDY.—The study of the Secretary shall contain, but not be limited to, findings with respect to—

(1) the role played by Revere Beach in the processes in industrialization, urbanization, and immigration;

(2) the historical, cultural, natural, and outdoor recreational values of Revere Beach;

(3) the types of Federal, State, and local programs that are available to preserve, develop, and make accessible Revere Beach for public use;

(4) the use of, and coordination with, Federal, State, and local programs to manage in the public interest the historical, cultural, natural, and recreational resources of Revere Beach; and

(5) the possible kinds of general intensities of development, including a visitor facility with sufficient space to accommodate exhibits and information regarding the history of Revere Beach, that would be associated with public enjoyment and use of Revere Beach, including general location and anticipated costs.

(d) CONGRESSIONAL REVIEW.—The Secretary shall transmit the study to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate within 12 months after the enactment of this Act.

(e) CONSULTATION.—In preparing the study under this section, the Secretary shall consult with the public, representatives of the city of Revere and the Commonwealth of Massachusetts, historians, planners, recreation specialists, and historic preservationists knowledgeable in American History, historic preservation, and architecture. The Secretary shall seek expertise from both local and national organizations.

(f) AUTHORIZATION.—There is authorized to be appropriated $200,000 to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 2109, the bill now under consideration.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. MARKEY], a member of the committee and sponsor of the bill.

Mr. MARKEY. Mr. Speaker, I thank the chairman of the subcommittee for yielding this time to me.

Mr. Speaker, the importance of this bill is that it is a study. It is a study of a very important part of American history, which is that for the first time in the 1890's a plot of land 3 miles long, a crescent-shaped beach, was created exclusively for the public. It was the first time it had ever happened in the history of our country, the first time that urban recreation had been designated as something which should be given the attention that allowed the millions then in the cities, the teeming slums of the east coast of the United States, access to recreation.

This bill which allows for a study of this will make it possible for the work of Charles Elliott who, working with Frederick Law Olmsted, Sr., helped to design and orchestrate the construction of this important project.

I recommend the study to the House. I think it is a very important statement for the urban recreational facilities of our country.

Mr. Speaker, I rise today in support of the Revere Beach Study Act of 1991—H.R. 2109. I would like to take this opportunity to thank my friend and colleague, Mr. VENTO of Minnesota, for his help, and that of his staff, in shaping this bill and bringing it to the floor today. I would particularly like to thank him for taking time out of his busy schedule to hold a hearing in Revere, MA, last July which enabled the subcommittee to hear extensive testimony about the historic importance of Revere Beach—the first public beach in the Nation.

I would also like to thank the cosponsors of the bill—from both sides of the aisle, 18 of my colleagues from the Committee on Interior and Insular Affairs including the chairman, Mr. MILLER, and the entire Massachusetts delegation which has lent unanimous support to this study in the House and the Senate.

Mr. Speaker, for 2 years, I have been working with local- and State-elected officials, historic preservation groups, environmental groups, and the public to find a way to recognize and preserve the first public beach in the Nation—Revere Beach. The bill today directs the Park Service to conduct a study of Revere Beach and to recommend options for restoring and preserving its historical and cultural resources. The results of this $200,000 study will be available for congressional review 1 year after enactment.

This project is very important to me because Revere Beach is not a beach for the rich and powerful. It is a site that played an historic role in the cultural and social development of this country, but it has never served the powerful or the wealthy and it does not have them as its advocates.

The National Park Service was established to preserve and protect our historical and cultural resources as well as our natural resources. In this role, the Park Service serves as the only national repository of American culture and history as it relates to the natural environment. I have proposed that the Park Service Study Revere Beach because it is a rare example of early landscape architecture and it played a unique role in the development of public park and recreation systems.

If we go back to the 19th century, along the east coast of the United States the early settlers who had come 200 years earlier passed laws from Maine to Massachusetts which prohibited trespass and entry by the new wave of immigrants—the Irish, Italians, Jews, Poles, and others who were hitting America's shores in the last quarter of the 19th century.

There were no recreational facilities for them. They lived in crowded city tenement buildings with no access to beaches and no access to recreational areas. When they arrived, there were already laws on the books limiting access to the coastline. Frederick Law Olmsted and his associate Charles Eliot conceived of an idea. They proposed a large metropolitan system of parks and recreation areas for the enjoyment of the urban, working-class population. The wealthy could afford to travel to the hills of Vermont or to their summer home on a private beach; the metropolitan park was to be designed for those city residents who had no place else to go.

As the crown jewel of this unprecedented metropolitan park system, Charles Eliot envisioned "a grant and refreshing sight of a natural sea beach, with its long simple curve and its open view of the ocean. Nothing in the world presents a more striking contrast to the jumbled, noisy scenery of a great town."

Revere Beach reservation was a 3-mile stretch of beach set aside with mass transit, bathhouses, a bandstand, and an ocean promenade. Bathing suits and other beach necessities could be rented by the hour. Hundreds of thousands from the inner city could go there to enjoy nature.

Revere Beach became the first beach in the United States designed and set aside for the use and enjoyment of an urban population. It set the standard for Jones Beach and other urban beach reservations which were later created in its image.

Revere Beach was considered by Frederick Law Olmsted, "* * * A point to date from in the history of landscape architecture." Think of the historic change in attitude toward ordinary people that this project represented back in the 1890's. It was a novel and unique idea to create a beautiful beach reservation for the use of hundreds of thousands of inner-city immigrants.

Today, the beach is used by Cambodians, Vietnamese, Hispanics, blacks, as well as the remainder of the Irish, Italians, and Jews who are still in the area. It also serves a wider population throughout the region through its easy access by subway to Boston. Revere Beach stands as an historic monument to the American commitment to public access to nature.

I recommend to my colleagues in the House that we pass this study bill and recognize the role that Revere Beach played in the history of landscape architecture, American cultural history, urban environmental protection, and in the memories of all the working-class families who have enjoyed it for over 100 years.

□ 1410

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise on H.R. 2109, a bill to provide for a study of Revere Beach for potential inclusion in the National Park System.

This bill has broad local support. I note that the bill reported by the Interior Committee does contain some improvements to the original bill which broaden the scope of the proposed study.

Mr. Speaker, while I support passage of the legislation, the administration opposes it, and I hope their objections can be addressed in the Senate.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2109, a bill introduced by my colleague on the Interior and Insular Affairs Committee, Congressman ED MARKEY, calls for a study of Revere Beach in Massachusetts. Revere Beach, located near Boston, has a rich history as a public beach available to the working men and women of this country at a time when so many beaches were closed to public access by their owners. It provided recreational opportunities for people who otherwise had little access to such opportunities.

H.R. 2109, as introduced, directed the Secretary of the Interior to prepare a study on whether Revere Beach should be a unit of the National Park System. At the hearings on Revere Beach witnesses testified to their affection for Revere Beach, its past and its resources. Based on those public comments I have worked with Representative MARKEY to refine this measure which was amended by the Interior Committee. As amended, the findings of H.R. 2109 were modified. The National Park Service is now directed to undertake a study to identify potential means to preserve and interpret Revere Beach. It is to propose alternative ways to do so cooperatively as well as to provide recommendations on the suitability and feasibility of establishing it as a unit of the National Park System. The bills, as amended, provides guidance for the contents of the study which is to be transmitted to the Congress within 12 months after enactment. It also directs the Secretary to consult with the public and appropriate professionals and authorizes appropriations of $200,000.

Mr. Speaker, I want to commend our colleague ED MARKEY for undertaking this approach of studying the potential means to preserve and interpret Revere Beach. Given that the National Park Service has no legislative program, that it has given the Congress no list of studies it plans to do, we are left with few options. Here we are openly and with deliberation directing the National Park Service to undertake this study as a way to determine the best way to proceed on this matter. It is a much better approach in my opinion. Mr. Speaker, I endorse this legislation and urge its passage.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2109, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

REVISING BOUNDARIES OF GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2444) to revise the boundaries of the George Washington Birthplace National Monument.

The Clerk read as follows:

H.R. 2444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BOUNDARIES OF GEORGE WASHINGTON BIRTHPLACE NATIONAL MONUMENT.

The boundaries of the George Washington Birthplace National Monument are hereby modified to include the area comprising approximately 125 acres as generally depicted as "National Monument Boundary" on the map entitled "George Washington Birthplace National Monument Boundary Map", numbered NPS 332/80011, and dated May 1991, which shall be on file and available for public inspection in the Office of the Director of the National Park Service, Department of the Interior.

SEC. 2. ACQUISITION OF LANDS.

The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") may acquire land or interests in land within the boundaries of the George Washington Birthplace National Monument by donation, purchase with donated or appropriated funds, or exchange.

SEC. 3. ADMINISTRATION OF NATIONAL MONUMENT.

In administering the George Washington Birthplace National Monument, the Secretary shall take such action as is necessary to preserve and interpret the history and resources associated with George Washington, the generations of the Washington family who lived in the vicinity and their contemporaries, as well as 18th century plantation life and society.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on H.R. 2444, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, next February marks the 260th anniversary of George Washington's birth. He was born on the banks of Popes Creek in Virginia, on land that still retains much of its historic character. H.R. 2444, a bill introduced by Congressman HERBERT BATEMAN of Virginia, expands the boundary of George Washington Birthplace National Monument to help preserve that historic scene for generations to come. With this legislation, one 12-acre property can be acquired and another 113-acre property can be protected within the monument's boundary. Both of these historic properties are located in the center of the monument. You must cross this private land to get to a part of the monument and must cross monument property to get to this private property. Both of the affected landowners want their land included within the monument's boundary. At the same time, development of either property would have a serious effect on the lands George Washington knew as a child. Today, the fields there continue to be farmed, and the land remains much as George Washington knew it. This National Park System unit, established as a memorial to George Washington, is also a cultural landscape that helps us understand the society Washington and his family knew. I know of no opposition to H.R. 2444 and urge its passage by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this measure to expand the existing 528-acre George Washington Birthplace National Monument by an additional 125 acres. The legislation as proposed would resolve management concerns with the current park boundary where Federal land ownership is divided into two noncontiguous areas. The proposal would also serve some resource protection goals by preserving important lands along Pope's Creek.

While I believe that park boundary expansion legislation should almost always be preceded by a detailed administration study evaluating the resource values of the proposal, in light of the noncontroversiality of the proposal, support of the administration, and landowners, and relatively low cost—about $500,000—I am supporting this measure and urge my colleagues to do likewise.

Mr. Speaker, I yield 4 minutes to the gentleman from Virginia [Mr. BATEMAN]

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for yielding this time to me. I want to commend him and his subcommittee for bringing this important piece of legislation to the floor in such an expeditious manner.

Mr. Speaker, I rise today in strong support of H.R. 2444, a bill to expand the boundaries of the George Washington Birthplace National Monument in the historic northern neck of Virginia, which I have the privilege to represent. I introduced this bill on May 22, 1991 at the request of my constituents, the Horner and Muse families, to help them preserve and protect their properties in cooperation with the Federal Government.

Mr. Speaker, I represent the First Congressional District of Virginia, which includes many points of historic significance. Although the origins of this great Nation are found and interpreted in Williamsburg, Jamestown, Yorktown, and other parts of my district, it is only in Westmoreland County on the northern neck of Virginia that one can trace the early footsteps of "the father of our country."

George Washington was born on his fathers Pope's Creek farm on February 22, 1732. Two hundred years later, Congress established the George Washington Birthplace National Monument to memorialize and commemorate the life of the foremost of our Founding Fathers. Bounded by the waters of Pope's Creek, Bridges Creek and the Potomac River, the national monument's landscape consists of fields, forest, and marshlands. The National Park Service makes full use of this beautiful landscape by maintaining a reconstructed homestead and operating a colonial farm which recreates 18th century plantation life.

Because of the park's current boundary, approximately 125 acres of privately held land outside the park is sandwiched between two units of the park and the Potomac River. Currently, these private lands are woods, wetlands and agricultural fields which compliment and enhance the monument's historic character and cultural setting. The boundary expansion I am advocating in my bill, therefore, is a logical extension and improvement of the monument's overall configuration and would ensure that no adverse alteration of the landscape would destroy or degrade the park's natural surroundings.

Geographic considerations notwithstanding, the 125 acres of land in question also possess considerable historic value because they are directly connected with the plantation once owned by George Washington's father. In addition, the Horner family property—about 12 acres—is one of the best examples of mature loblolly pine woodlands in the area and is within 400 yards of a bald eagle nesting site. The Muse family property, which constitutes the remaining private land in question, is historically significant because it was part of the first land patents issued for the northern neck of Virginia. In fact, the Muse family and their ancestors have been continuously farming and working their land for well over 200 years.

The Horners and the Muses have exercised excellent stewardship of their land. Because of the location of these lands relative to the park's current boundaries, however, the Horners, the

Muses, local officials, civic organizations and others are concerned with the potential for nonagricultural development near the park given the trend of waterfront development in Westmoreland County and the region. I share their concern.

Acting upon these concerns for the monument's and surrounding area's historic and scenic integrity. I introduced H.R. 2444 with the full support of the current property owners, local civic groups and the National Park Service. As mentioned earlier, this bill would authorize the National Park Service to purchase the Horners' 12 acres outright and preserve the Muses' lands within the park through an easement.

Mr. Speaker, let me say once again how delighted I am to have been able to introduce this bill on behalf of my constituents to help them protect a small, but important part of this Nation's natural and cultural heritage. I believe the passage of this bill will be a very important step in the continued preservation and commemoration of George Washington's birthplace. Accordingly, I would ask for my colleagues support.

Mr. LAGOMARSINO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

☐ 1420

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2444.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

LOS PADRES CONDOR RANGE AND RIVER PROTECTION ACT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2556) entitled the "Los Padres Condor Range and River Protection Act," as amended.

The Clerk read as follows:

H.R. 2556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) areas of undeveloped National Forest System land within Los Padres National Forest have outstanding natural characteristics which will, if properly preserved, contribute as an enduring resource of wilderness for the benefit of the American people; and

(2) it is in the national interest that certain of these areas be designated as components of the National Wilderness Preservation System and Wild and Scenic Rivers System or reserved from mineral entry in order to preserve such areas and their specific multiple values for watershed preservation, wildlife habitat protection, scenic and historic preservation, scientific research, educational use, primitive recreation, solitude, physical and mental challenge, and inspiration for the benefit of all of the American people of present and future generations.

SEC. 2. DESIGNATION OF WILDERNESS AREAS.

In furtherance of the purposes of the Wilderness Act, the following National Forest System lands are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) Certain lands in Los Padres National Forest and the Angeles National Forest, California, which comprise approximately 219,700 acres, which are generally depicted on a map entitled "Sespe Wilderness Area—Proposed" and dated September 1991, which shall be known as the Sespe Wilderness. In recognition of the significant role that Mr. Gene Marshall played in the development of this Act, the Secretary of Agriculture is authorized and directed to name the existing trail between Reyes Creek and Lion Campgrounds as the Gene Marshall-Piedra Blanca National Recreational Trail.

(2) Certain lands in Los Padres National Forest, California, which comprise approximately 29,600 acres, which are generally depicted on a map entitled "Matilija Wilderness Area—Proposed" and dated September 1991, which shall be known as the Matilija Wilderness.

(3) Certain lands in Los Padres National Forest, California, which comprise approximately 46,400 acres, which are generally depicted on a map entitled "San Rafael Wilderness Addition—Proposed" and dated September 1991, and which lands are hereby incorporated in, and shall be managed as part of, the San Rafael Wilderness.

(4) Certain lands in Los Padres National Forest, California, which comprise approximately 14,100 acres, which are generally depicted on a map entitled "Garcia Wilderness Area—Proposed" and dated September 1991, which shall be known as the Garcia Wilderness.

(5) Certain lands in Los Padres National Forest, California, which comprise approximately 38,150 acres, which are generally depicted on a map entitled "Chumash Wilderness—Proposed" and dated September 1991, which shall be known as the Chumash Wilderness and approximately 50 acres, which are generally depicted on the same map, which shall be designated as potential wilderness. The Toad Springs road corridor delineated as potential wilderness shall remain open to off road vehicle traffic until construction of an alternate route which bypasses this area is completed. These potential wilderness lands shall be automatically incorporated in and managed as part of the Chumash wilderness upon publication of a notice in the Federal Register.

(6) Certain lands in Los Padres National Forest, California, which comprise approximately 38,000 acres, which are generally depicted on a map entitled "Ventana Wilderness Addition—Proposed" and dated September 1991, and which lands are hereby incorporated in, and shall be managed as a part of, the Ventana Wilderness.

(7) Certain lands in Los Padres National Forest, California, which comprise approximately 14,500 acres, which are generally depicted on a map entitled "Silver Peak Wilderness Addition—Proposed" and dated September 1991, and which shall be known as the Silver Peak Wilderness. In recognition of Mr. Nathaniel Owings' efforts to preserve the Big Sur coastline, the area within the Silver Peak Wilderness area depicted as "Redwood Gulch" shall hereafter be known as the "Nathaniel Owings Redwood Grove." The Secretary is directed to place this name on all appropriate maps depicting the Silver Peak Wilderness Area of the Los Padres National Forest.

SEC. 3. ADMINISTRATION OF WILDERNESS AREAS.

(a) IN GENERAL.—Subject to valid existing rights, each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act.

(b) FIRE PREVENTION AND WATERSHED PROTECTION.—In order to guarantee the continued viability of the watersheds of the wilderness areas designated by this Act and to ensure the continued health and safety of the communities serviced by such watersheds, the Secretary of Agriculture may take such measures as are necessary for fire prevention and watershed protection including, but not limited to, acceptable fire presuppression and fire suppression measures and techniques.

(c) WILDLIFE MANAGEMENT.—In furtherance of the purposes and principles of the Wilderness Act, management activities to maintain or restore fish and wildlife populations, including the California condor, and the habitats to support such populations may be carried out within wilderness areas designated by this Act where consistent with relevant wilderness management plans in accordance with appropriate policies and guidelines such as those set forth in Policies and Guidelines for Fish and Wildlife Management in National Forests and Bureau of Land Management Wilderness, dated August 25, 1986.

(d) BUFFER ZONES.—The Congress does not intend for the designation of wilderness areas pursuant to this Act to lead to the creation of protective perimeters or buffer zones around such wilderness ares. The fact that nonwilderness activities or uses can be seen or heard from areas within a wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(e) WATER RIGHTS.—

(1) With respect to each wilderness area designated by this act, Congress hereby reserves a quantity of water sufficient to fulfill the purposes of this Act. The priority date of such reserved water rights shall be the date of enactment of this Act.

(2) The Secretary of Agriculture and all other officers of the United States shall take steps necessary to protect the rights reserved by this Act, including the filing by the Secretary of Agriculture of a claim for the quantification of such rights in any present or future appropriate stream adjudication in the courts of the State of California in which the United States is or may be joined and which is conducted in accordance with section 28 of the Act of July 10, 1952 (Ch. 651, 66 Stat. 560; 43 U.S.C. 666) (commonly referred to as the "McCarran Amendment").

(3) Nothing in this Act shall be construed as a relinquishment or reduction of any water rights reserved or appropriated by the United States in the State of California on or before the date of enactment of this Act.

(4) the Federal water rights reserved by this Act are specific to the wilderness areas located in the State of California designated by this Act. Nothing in this Act related to the reserved Federal water rights shall be construed as establishing a precedent with regard to any future designations, not shall it constitute an interpretation of any other Act or any designation made thereto.

SEC. 4. FILING OF MAPS AND DESCRIPTIONS.

As soon as practicable after enactment of this Act, a map and legal description of each wilderness area designated in section 2 shall be filed with the Committee on Energy and Natural Resources of the Senate and Committee in Interior and Insular Affairs of the House of Representatives, and each such map and description shall have the same force and effect as if included in this Act. Correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia and in the Office of the Forest Supervisor, Los Padres National Forest.

SEC. 5. RELEASE TO NONWILDERNESS USES.

The table contained in section 111(e) of the California Wilderness Act of 1984 (98 Stat. 1631) is amended by striking all lines pertaining to further planning areas on the Los Padres National Forest. Except for those areas designated as wilderness under Section 2 of this Act, these areas shall be released to nonwilderness uses in accordance with section 111 (except for subsection (e)) of such Act.

SEC. 6. DESIGNATION OF WILD AND SCENIC RIVERS.

In order to preserve and protect for present and future generations the outstandingly remarkable values of Sespe Creek, the Big Sur River, and the Sisquoc River, all in California, section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraphs at the end:

"( ) SESPE CREEK, CALIFORNIA.—The 4-mile segment of the main stem of the creek from its confluence with Rock Creek and Howard Creek downstream to its confluence with Trout Creek, to be administered by the Secretary of Agriculture as a scenic river; and the 27.5-mile segment of the main stem of the creek extending from its confluence with Trout Creek downstream to where it leaves section 26, township 5 north, range 20 west, to be administered by the Secretary of Agriculture as a wild river.

"( ) SISQUOC RIVER, CALIFORNIA.—The 33-mile segment of the main stem of the river extending from its origin downstream to the Los Padres Forest boundary, to be administered by the Secretary of Agriculture as a wild river.

"( ) BIG SUR RIVER, CALIFORNIA.—The main stems of the South Fork and North Fork of the Big Sur River from their headwaters to their confluence and the main stem of the river from the confluence of the South and North Forks downstream to the boundary of the Ventana Wilderness in Los Padres National Forest, for a total distance of approximately 19.5 miles, to be administered by the Secretary of Agriculture as a wild river.".

SEC. 7. STUDY RIVERS.

(a) DESIGNATION.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding the following new paragraphs at the end thereof:

"( ) PIRU CREEK, CALIFORNIA.—The segment of the main stem of the creek from its source downstream to the maximum pool of Pyramid Lake and the segment of the main stem of the creek beginning 300 feet below the dam at Pyramid Lake downstream to the maximum pool at Lake Piru, for a total distance of approximately 49 miles.

"( ) LITTLE SUR RIVER, CALIFORNIA.—The segment of the main stem of the river from its headwaters downstream to the Pacific Ocean, a distance of approximately 23 miles. The Secretary of Agriculture shall consult with the Big Sur Multiagency Advisory Council during the study of the river.

"( ) MATILIJA CREEK, CALIFORNIA.—The segment from its headwaters to its junction with Murietta Canyon, a distance of approximately 16 miles.

"( ) LOPEZ CREEK, CALIFORNIA.—The segments from its headwaters to Lopez Reservoir, a distance of approximately 11 miles.

"( ) SESPE CREEK, CALIFORNIA.—The segment from Chorro Grande Canyon downstream to its confluence with Rock Creek and Howard Creek, a distance of about 10.5 miles.".

(b) CONSULTATION.—Each study shall be conducted by the Secretary of Agriculture. The studies of the rivers and creeks named in subsection (a) shall be made in consultation with local authorities and appropriate local and state agencies.

SEC. 8. MINERAL WITHDRAWAL.

(a) IN GENERAL.—Subject to valid existing rights, Federally owned lands and interests therein that are depicted on a map entitled "Mineral Withdrawal Area, California Coastal Zone, Big Sur—Proposed" and dated September 1991 are withdrawn from entry, location, appropriation, leasing, sale, or disposition under the mining laws, mineral leasing and geothermal leasing laws of the United States.

(b) MINING CLAIMS.—Subject to valid existing rights, all mining claims located within the withdrawal area depicted on the map described in subsection (a) shall be subject to such regulations as the Secretary of Agriculture may prescribe to ensure that mining will, to the greatest practicable extent, be consistent with the protection of scenic, scientific, cultural, and other resources of the area. The Secretary of Agriculture shall not approve any plan of operation prior to a determination that the unpatented mining claim was valid prior to the mineral withdrawal created by this Act and remains valid. A patent for lands within the withdrawal area that is issued after the date of enactment of this Act shall convey title only to the minerals together with the right to use the surface of lands for mining purposes subject to such regulations.

SEC 9. ADDITIONAL USES OF CERTAIN LANDS IN CALIFORNIA.

(a) REMOVAL OF RESTRICTIONS.—Notwithstanding the restrictions otherwise applicable under the terms of conveyance by the United States of any of the lands described in subsection (b) to either the city of Pittsburg, California or Merced County, California, or under any agreement concerning any part of such lands between either such city or such county and the Secretary of the Interior or any other officer or agency of the United States, the lands described in subsection (b) may be used for the purposes specified in subsection (c) of this section.

(b) LANDS AFFECTED.—The lands referred to in subsection (a) of this section are—

(1) Any portion not exceeding 1.5 acres of the lands described in that certain Quitclaim Deed of the United States to the city of Pittsburg, California, bearing the date of March 25, 1960, and recorded in Record of Deeds of the County of Contra Costa, State of California, as document No. 79015, in Book 3759 at page 1 of Records; and

(2) the south 15 acres of the 40 acres located in the northwest quarter of the southwest quarter of section 20, township 7 south, range 13 east, Mount Diablo base line and Meridian in Merced County, California, conveyed to such county by deed recorded in volume 1941 at page 441 of the official records in Merced County, California.

(c) AUTHORIZED USES.—(1) The city of Pittsburg, California, may use the lands described in subsection (b)(1) of this section for a fire station or other public purpose, or may transfer such lands to another governmental entity on condition that such entity retain and use such lands for such purpose.

(2) Merced County, California, may authorize the use of the lands described in subsection (b)(2) of this section for an elementary school serving children without regard to their race, creed, color, national origin, physical or mental disability, or sex, operated by a nonsectarian organization on a nonprofit basis and in compliance with all applicable requirements of the laws of the United States and the State of California. If Merced County permits such lands to be used for such purposes, the county shall include information concerning such use in the periodic reports to the Secretary of the Interior required under the terms of the conveyance of such lands to the county by the United States. Any violation of the provisions of this paragraph shall be deemed to be a breach of the conditions and covenants under which such lands were conveyed to Merced County by the United States, and shall have the same effect as provided in the deed whereby the United States conveyed the lands to the county. Except as specified in this subsection, nothing in this act shall increase or diminish the authority or responsibility of the county with respect to the lands.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act and amendments made by this Act.

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2556.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2556, the Los Padres Condor Range and River Protection Act, was introduced by my colleague on the Interior Committee, Mr. LAGOMARSINO, who has worked diligently on this matter. It is an outstanding accomplishment by the ranking minority member on the Parks and Public Lands Subcommittee. This bill would designate 400,000 acres of wilderness in seven areas. It would also designate 84 miles of three rivers as components of the National Wild and Scenic Rivers System and provide for studies of 110 miles of five rivers for potential wild and scenic designation. All of these designations are in the Los Padres National Forest in California. The bill is very similar to one passed by the

House twice in the 101st Congress but for which action was not completed by the Senate prior to adjournment.

I had the opportunity to visit the Los Padres National Forest during the last Congress and saw firsthand that the wilderness areas designated by this bill contain natural, scenic, recreational, and wildlife resources of high value as wilderness. The areas include deer, mountain lion, bear, bobcat, fox, and bighorn sheep. They also include habitat for the near extinct California condor. The preservation of this habitat is critical to condor recovery efforts. Other unique features include unusual geological formations such as Topatopa Mountain and Sespe Hot Springs and diverse vegetation spanning an ecological range from grasslands to chaparral to conifer forests. Trees include big cone Douglas firs, live oaks, sycamores, and California junipers. Unlike conifers in other parts of southern California, many of which have been damaged by air pollution, the conifers of the Los Padres National Forest are particularly healthy and vigorous because of clean air blowing into the forest from the Pacific Ocean. The potential wilderness areas also include outstanding recreational opportunities for solitude, hiking, horseback riding, trout fishing, swimming, and camping. Cultural resources include ancient Chumash Indian villages.

The wild and scenic river designations in the bill are among the only free flowing streams left in southern California. They include dramatic gorges, deep pools, and small waterfalls. Some of the streams contain rainbow trout and one of them, Sespe Creek, has an anadromous population of Pacific lamprey. Sespe Creek also is one of the few streams in southern California with the potential for the reintroduction of an anadromous steelhead population.

The provisions of this bill have been carefully worked out in a bipartisan manner and I urge my colleagues to support this bill and these additions to the National Wilderness and Wild and Scenic River Systems.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in strong support of H.R. 2556, legislation which addresses wilderness and river protection issues in the Los Padres National Forest in southern California. This Los Padres Condor Range and River Protection Act represents the culmination of efforts of a number of parties over the last three Congresses and provides for comprehensive protection of resources within this heavily visited national forest. I want to express my strongest appreciation for the help and support of Congressmen ELTON GALLEGLY and BILL THOMAS. The chairman of the subcommittee, BRUCE VENTO, has been very helpful and cooperative, in fact, he has gone out of his way to do so. The same is true, also, of my good friend and colleague LEON PANETTA. Congressman HAROLD VOLKMER has been very helpful, too.

In all, this bill will provide for designation of almost 400,000 additional acres of wilderness in seven different management areas, designation of 85 river miles on three different rivers under the Wild and Scenic River Act, wild and scenic river studies totaling 110 miles on four other rivers, and withdrawal of over 100,000 acres of some of America's most beautiful coastal lands from mineral entry. With the designation of wilderness under this measure, almost 50 percent of the land within this forest will have been permanently protected as wilderness, providing the Los Padres National Forest with one of the greatest percentages of wilderness designation of any national forest in the country.

Throughout the development of this measure, I have been guided by two basic objectives. First, was to ensure that lands recognized under this act fully meet the criteria set forth under the 1964 Wilderness Act and 1968 Wild and Scenic River Act. As a longtime supporter of both of these important pieces of legislation, I could certainly not be an advocate for any measure which would assault the integrity of these laws.

Second, I have attempted to develop a balanced piece of legislation, one that recognizes the legitimate interests of all forest users. Due to conflicting interests, it was not possible to develop a bill which meets the full approval of all the various interest groups. Numerous difficult choices had to be made in crafting this measure. In order to guide me in these difficult choices, I have relied heavily upon the expertise of the Forest Service, the extensive public comment developed through the 1988 forest planning process, and guidance from my colleagues in the House and Senate.

The bill before us today is similar to my bill which passed the House twice last Congress. Major changes made from last year's measure which passed the House include: First, addition of 30,000 acres of wilderness; second, inclusion of water rights language; third, prohibition of directional drilling wilderness; fourth, rewrite of wildlife management and watershed protection sections of the bill, and fifth, deletion of a study of 16 miles of the Arroyo Seco River from wild and scenic river study.

The centerpiece of this legislation is the Sespe wilderness unit. This 220,500-acre wilderness unit surrounds the 31.5-mile segment of Sespe Creek which would be designated for protection under the Wild and Scenic River Act.

I must point out that in proposing portions of Sespe Creek for wild and scenic designation, great care has been taken to not foreclose the option for future water development projects at Cold Springs and Oat Mountain. On the other hand, this bill would prohibit construction of a water storage project at the Topatopa site, which is considered to be the best site for dam construction by water development interests.

It is important to recognize that this bill authorizes no dam construction on Sespe Creek or anywhere else. I have taken no position with respect to dam construction on Sespe Creek, because I believe that further study and a referendum of persons who would be affected by such a project are necessary prerequisites to any final decision. For Congress to make a decision at this point in time would be both premature and short sighted, especially in light of the drought conditions already facing southern California. I would also point out that until a final decision is made, this measure would ensure that all portions of the Sespe Creek within the forest would remain in their current, undeveloped state.

In addition to the Sespe Creek, my bill also provides for designation of 33 miles of the Sisquoc River within the forest and 19.5 miles of the Big Sur River. Other wilderness areas which would be designated under this bill are the 30,000-acre Matilija unit; 43,000-acre San Rafael unit; 14,600-acre Garcia unit; 38,200-acre Chumash unit; 38,000-acre Ventanna unit; and the 14,500-acre Silver Peak unit.

I have worked very closely with Senators SEYMOUR and CRANSTON in the development of this bill, and most of the difficult issues have been resolved among the three of us. I want to commend both Senators for their willingness to objectively evaluate and consider a full range of alternatives to address the issues contained in this bill. Their assistance and cooperative attitude will continue to be important as this measure proceeds through the legislative process. I would also like to recognize my cosponsors on this bill: Mr. GALLEGLY, Mr. THOMAS, and Mr. PANETTA. Between the four of us, we represent all of the land in Los Padres National Forest addressed by this measure.

Mr. Speaker, this legislation we are passing today represents a comprehensive and far-reaching addition to the National Wilderness System and the National Wild and Scenic River System. It will preserve and protect in perpetuity some of our most serene and secluded canyons, rivers, and peaks. In addition, by virtue of their close proximity to the urban areas of southern California, these resources will provide numerous diverse recreational opportunities to meet the demands of an ever increasing population. Therefore, I urge my colleagues to support this important legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I want to commend the other cosponsors and those Members who have worked with the gentleman from California [Mr. LAGOMARSINO], certainly including the gentlemen from California, Mr. GALLEGLY and Mr. THOMAS.

The gentleman from California [Mr. PANETTA] has made a special effort to be involved. This affects the area he represents, as well as areas represented by other Members. I want to commend him for his work and interest in this particular measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I want to express my thanks to the gentleman from Minnesota [Mr. VENTO] for his help and his leadership in bringing this legislation to the floor. I am proud to be a cosponsor of the legislation. It provides, I think, some vital Federal protection to some very sensitive resources in the Los Padres National Forest.

This has taken a great deal of work and cooperation from a number of Members, including Chairman MILLER. The subcommittee chairman, the gentleman from Minnesota [Mr. VENTO], has provided tremendous assistance, and Chairman DE LA GARZA and the subcommittee chairman, the gentleman from Missouri [Mr. VOLKMER], of the Committee on Agriculture, have also been very helpful in terms of this legislation.

In particular, I want to pay tribute to the gentleman from California [Mr. LAGOMARSINO] for his role in drafting this legislation and moving it toward its fruition. This is legislation that was passed by Congress twice in the last Congress, and it was, unfortunately, never considered by the Senate due to some unresolved differences. As a result of a great number of negotiations dealing with all the Senators and all those affected, we have now arrived at what I think is a very good balanced bill providing strong environmental protection and allowing for the multiple uses that we have with our forest resources.

The Los Padres National Forest is really, I think, one of the most ecologically sensitive resources of the central coast of California. It is home, as pointed out by Chairman VENTO, to a number of rare and endangered species, including in fact the bald eagle, the peregrine falcon, and the California condor. This is really the last stronghold to try to bring back what is, as I think everyone admits, one of the unique species that needs to be protected for the future.

The bill would add about 38,000 acres to the existing 167,700 acres of the Ventana Wilderness in the Los Padres National Forest, in particular in the district that I represent.

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It also would add about 14,500 acres in what is called the coastal Silver Peak Area as wilderness.

The legislation also provides for some very important additions to the Wild and Scenic River System. The ones in my district that I would refer to in particular are the Big Sur River, which is now established, would be established under this legislation as wild and scenic from its headwaters to the point where it emerges from the Ventura Wilderness.

Finally, I want to point out that there is a provision here that would set aside a redwood grove in the Silver Peak Area called the Nathaniel Owings Redwood Grove in honor of the late Nathaniel Owings, who was a renowned architect in the country, and actually was greatly involved in the restoration of Pennsylvania Avenue here in Washington. He was also a pioneer in efforts to protect and preserve the integrity of the Big Sur coastline. He lived there for many years and his wife, Margaret, continues to reside in that area. She, too, has been a great leader in terms of environmental issues in that area.

It is because of Mr. Owings' efforts and citizens like him that the Big Sur coastline has been able to remain in its pristine state. So dedicating this grove in his name is a fitting tribute to this man and his years of hard work on behalf of Big Sur.

In closing, Mr. Speaker, let me state that the Los Padres National Forest is a national treasure warranting strong and balanced protection, and this is exactly what is provided by this legislation.

Mr. Speaker, as a cosponsor of this bill, I rise in strong support of H.R. 2556, the Los Padres Condor Range and River Protection Act. This legislation will provide important new Federal protection to the sensitive resources of the Los Padres National Forest located along the central coast of California.

The House's consideration of this legislation has required a great deal of work and cooperation from a number of my colleagues and I would like to recognize these Members and thank them for their important contributions. Chairman MILLER and Chairman VENTO deserve special recognition for their assistance in having this legislation approved by the Interior and Insular Affairs Committee, as do Chairman DE LA GARZA and Chairman VOLKMER for facilitating the Agriculture Committee's timely consideration of H.R. 2556. I would also like to recognize the principal sponsor of this legislation, Mr. LAGOMARSINO, for his leadership role in drafting this legislation.

Legislation similar to H.R. 2556 was approved by the House two times in the last Congress, but was never considered by the Senate due to unresolved differences between the two Senators from California. I am pleased that after many months of negotiations between myself, Senators CRANSTON and SEYMOUR, Congressman LAGOMARSINO, Congressman THOMAS, and Congressman GALLEGLY, an agreement on the Los Padres legislation has been reached. Compromise and concessions were made by all parties involved and I believe that the legislation agreed to achieves a balance between the need to provide strong environmental protection and allow for multiple uses of the forest's resources.

The Los Padres National Forest is perhaps the most ecologically significant resource of central California. The forest is home to many rare and endangered species such as the bald eagle, peregrine falcon, and the California condor, and offers outstanding recreational opportunities for the residents of California as well.

In my own congressional district, the bill would add nearly 38,000 acres to the existing 167,700 acres Ventana Wilderness in the Los Padres National Forest. The areas in the Ventana addition include Bear Mountain, Black Butte, and Junipero Serra Peak. Furthermore, the bill would designate approximately 14,500 acres in the coastal Silver Peak Area as wilderness.

H.R. 2556 also makes additions to the wild and scenic rivers system within my congressional district. First, the legislation designates the Big Sur River as a wild and scenic river from its headwaters to the point at which it emerges from the Ventana Wilderness. Second, the bill directs the Secretary of Agriculture to study the Little Sur River, from its headwaters to the Pacific Ocean, for possible inclusion in the wild and scenic rivers systems. As was included in the Los Padres Wilderness bill which passed the House last Congress, this legislation specifically directs the Secretary to consult with the Big Sur Multi-Agency Council during this study to ensure that local interests and concerns are recognized and reflected in the Forest Service's study. The Big Sur Multi-Agency Council has played a vital role in ensuring the proper management of the Big Sur Area and I believe that its participation in this study will be a benefit to both the Forest Service and the local residents.

The legislation also includes a mineral withdrawal clause for the Big Sur region which would prohibit the issuance of new minerals claims in this area. The mineral withdrawal clause would apply to approximately 100,000 acres of coastline and is strongly supported by the Forest Service, the California Coastal Commission and the local Big Sur community. This provision would provide important new protection to this treasured area and I am very pleased that it has been included in this legislation.

Finally, the bill includes a provision to name a redwood grove in the Silver

Peak Wilderness Addition the "Nathaniel Owings Redwood Grove" in honor of the late Nathaniel Owings who was a renowned architect and a pioneer of efforts to preserve the integrity of the Big Sur coastline. It is largely because of Mr. Owings' efforts that the Big Sur coastline remains in a pristine state. Dedicating this coastal redwood grove in his name is a fitting tribute to this man and his years of hard work on behalf of Big Sur.

In closing, Mr. Speaker, let me state that the Los Padres National Forest is a national treasure warranting strong, yet balanced, protection. I encourage my colleagues to help us achieve that goal by supporting this legislation.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. PANETTA. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I did want to mention and recognize the contribution to this legislation of an environmentalist from Ventura County named Eugene Marshall who died not so long ago.

We, like the gentleman from California [Mr. PANETTA], were able to honor him by naming a trail after him as the gentleman from California [Mr. PANETTA] named a grove after Nathaniel Owings.

I want to rise today to again commend Mr. Marshall for his efforts on behalf of this legislation. He saw the need for balanced legislation. He did it, I might say at great personal cost, because his stand was not always that popular with some of his colleagues in some of the organizations to which he belonged.

Mr. Speaker, I just want his widow and others to know how much we appreciate what he did.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, of course I rose in support of this, and I would just point out that this is an exceptional measure, an important measure that has been worked on hard by the Members of the House, as well as the Committee on Interior and Insular Affairs, and others, including the gentleman from California [Mr. MILLER] and the gentleman from California [Mr. LEVINE].

Mr. Speaker, I think it is ironic that today I picked up one of the leading publications in the Nation and on the cover of it was questioning some of the problems that we are experiencing in the great State of California concerning the natural environment and other quality-of-life questions.

I must say I think this effort is a positive step forward, and we are doing a great deal here. Over half of the Los Padres National Forest will be declared wilderness with the passage of this act, as well as the preservation of various other parks.

Mr. Speaker, I know this is a State rich in natural and some cultural resources. I think we are taking a step here today, and I know there is much to do with regard to meeting the concerns that have arisen with regard to the resources of the State. But this is certainly a major step forward this week with regard to the House passage of this measure, and I would urge that action.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2556, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

HEALTH PROFESSIONS EDUCATION AMENDMENTS 1991

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3508) to amend the Public Health Service Act to revise and extend certain programs relating to the education of individuals as health professionals, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Professions Education Amendments of 1991".

SEC. 2. PROGRAMS REGARDING EXPANSION OF ACCESS TO PRIMARY HEALTH SERVICES.

Part A of title VII of the Public Health Service Act (42 U.S.C. 292a et seq.) is amended by adding at the end the following new section:

"PRIORITIES IN PROVISION OF GRANTS AND CONTRACTS

"SEC. 711. (a) PRIORITIES REGARDING PRIMARY HEALTH SERVICES.—

"(1) IN GENERAL.—In the case of any entity that is an applicant for financial assistance under any provision of this title (other than any provision specified in paragraph (2)), the Secretary shall in providing the assistance give priority to the applicant if, subject to subsections (b) and (c)—

"(A) a substantial percentage of the providers who have completed the programs of the applicant for training in the health or allied health professions are providing primary health services to a substantial number of medically underserved individuals; or

"(B) the applicant has established policies in such programs that may reasonably be expected to result in the circumstance that a substantial percentage of the participants in the programs will upon completion of the programs provide such services to a substantial number of such individuals.

"(2) EXEMPTED PROGRAMS.—The provisions specified in this paragraph are sections 708, 788(c), and 794.

"(b) ADDITIONAL REQUIREMENT FOR MEDICAL SCHOOLS.—In the case of any school of medicine or osteopathic medicine that is an applicant described in subsection (a), the Secretary shall in providing the assistance give priority under such subsection to the applicant only if, in addition to the requirement established in such subsection—

"(1) the applicant has a department, division, or other academic administrative unit to provide clinical instruction in family medicine; and

"(2) the applicant requires, as a condition of receiving a degree from the school, that each student of the school have had significant clinical training in family medicine by the end of the third year of the curriculum.

"(c) ADDITIONAL REQUIREMENT FOR RESIDENCY PROGRAMS.—In the case of any entity that has a residency program and that is an applicant described in subsection (a), the Secretary shall in providing the assistance give priority under such subsection to the applicant only if, in addition to the requirement established in such subsection, a substantial percentage of the individuals completing the residency program have had, through participation in the program—

"(1) significant experience in providing primary health services to medically underserved individuals; or

"(2) significant experience in providing such services in ambulatory health facilities.

"(d) RULE OF CONSTRUCTION.—In the case of the provision by the Secretary of financial assistance described in subsection (a)—

"(1) the requirements established in this section regarding receipt of the assistance are in addition to the requirements of the program authorizing the provision of the assistance; and

"(2) this section may not be construed as authorizing the Secretary to provide such assistance to any entity that would not have been eligible for the assistance had this section not been enacted.

"(e) DEFINITIONS.—For purposes of this section:

"(1) The term 'financial assistance' means a grant, cooperative agreement, or contract.

"(2) The term 'medically underserved individuals' means individuals who are members of a medically underserved population, as defined in section 330(b).

"(3) The term 'primary health services' has the meaning given such term in section 331(a).

"(4) The term 'providers' means individuals who are practitioners in the health or allied health professions.".

SEC. 3. FEDERAL PROGRAM OF INSURED LOANS TO GRADUATE STUDENTS IN HEALTH PROFESSIONS SCHOOLS.

(a) SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM.—Section 728(a) of the Public Health Service Act (42 U.S.C. 294a(a)) is amended—

(1) in the first sentence—

(A) by striking "and" after "1990;"; and

(B) by inserting before the period the following: "; $365,000,000 for fiscal year 1992; $425,000,000 for fiscal year 1993; and $475,000,000 for fiscal year 1994"; and

(2) in the third sentence, by striking "'1994," and inserting "1997,".

(b) ELIGIBILITY OF STUDENT BORROWERS AND TERMS OF FEDERALLY INSURED LOANS.—Section 731(a)(2)(B) of the Public Health Service Act (42 U.S.C. 294d(a)(2)(B)) is amended in the matter preceding clause (i) by striking "nor later than 12 months" and inserting "nor later than 21 months".

(c) CERTIFICATE OF FEDERAL LOAN INSURANCE.—Section 732(c)(1) of the Public Health Service Act (42 U.S.C. 294e(c)(1)) is amended—

(1) in the first sentence by striking "not to exceed 8 percent" and inserting "not to exceed 13 percent"; and

(2) by inserting after the first sentence the following new sentence: "In charging premiums pursuant to such regulations, the Secretary may charge a different percentage for each of the health professions specified in section 737(1), subject to the limitation established in the preceding sentence.".

(d) DEFAULT RATES REGARDING ELIGIBLE INSTITUTIONS, ELIGIBLE LENDERS, AND HOLDERS.—

(1) IN GENERAL.—Section 733(i) of the Public Health Service Act (42 U.S.C. 294f(i)) is amended to read as follows:

"(i)(1) In the case of any Federal insurance under this subpart for loans entering repayment status after April 7, 1987, the Secretary may impose on eligible institutions, eligible lenders, and holders reasonable limits on default rates for borrowers on the loans.

"(2)(A) If any limit under paragraph (1) for an eligible institution is exceeded, the Secretary may suspend, terminate, or otherwise restrict the authority established in this subpart for students of the institution to obtain insured loans.

"(B) If any limit under paragraph (1) for an eligible lender is exceeded, the Secretary may suspend, terminate, or otherwise restrict the authority established in this subpart for students to obtain insurance for loans made by the lender.

"(C) If any limit under paragraph (1) for a holder is exceeded, the Secretary may suspend, terminate, or otherwise restrict the authority established in this subpart for the holder to purchase loans that are insured under this subpart.

"(3)(A) In the case of eligible institutions, the limitation imposed under paragraph (1) shall be applied individually to the health professions specified in section 737(1). If the limit is exceeded by a health professions school of an eligible institution, the Secretary may take action under paragraph (2) against the institution only with respect to loans for attending such school.

"(B) Subparagraph (A) may not be construed to authorize the Secretary to establish different limits under paragraph (1) for each of the health professions specified in section 737(1). Only a single limitation may be in effect under such paragraph, and the limitation shall be uniformly applied.

"(4) As used in paragraph (1), the term 'default rate', in the case of an eligible entity, means the percentage constituted by the ratio of—

"(A) the principal amount of loans insured under this subpart—

"(i) that are made with respect to the entity and enter repayment status after April 7, 1987; and

"(ii) for which amounts have been paid under subsection (a) to insurance beneficiaries, exclusive of any loans for which amounts have been so paid as a result of the death or total and permanent disability of the borrowers on the loans, and exclusive of any loans for which amounts have been so paid and have been recovered or are being recovered by the Secretary pursuant to subsection (b) or may not be recovered by reason of the obligation under the loan being discharged in bankruptcy under title 11 of the United States Code; to

"(B) the total principal amount of loans insured under this subpart that are made with respect to the entity and enter repayment status after April 7, 1987.

"(5) For purposes of this subsection, a loan insured under this subpart shall be considered to have entered repayment status if the applicable period described in subparagraph (B) of section 731(a)(2) regarding the loan has expired (without regard to whether any period described in subparagraph (C) is applicable regarding the loan).

"(6)(A) As used in this subsection, the term 'eligible entity' means an eligible institution, an eligible lender, or a holder, as the case may be.

"(B) For purposes of paragraph (4), a loan is made with respect to an eligible entity if—

"(i) in the case of an eligible institution, the loan was made to students of the institution;

"(ii) in the case of an eligible lender, the loan was made by the lender; and

"(iii) in the case of a holder, the loan was purchased by the holder.

"(7) As used in this subsection, the term 'holder' means an entity that has purchased a loan insured under this subpart.".

(2) CONFORMING AMENDMENT.—Section 737 of the Public Health Service Act (42 U.S.C. 294f) is amended by adding at the end the following new paragraph:

"(5) The term 'default rate', with respect to loans under this subpart, has the meaning given such term in section 733(i).".

(e) ESTABLISHMENT OF OFFICE OF STUDENT LOAN DEBT COLLECTION.—Subpart I of part C of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended by inserting after section 733 the following new section:

"OFFICE OF STUDENT LOAN DEBT COLLECTION

"SEC. 733A. (a) IN GENERAL.—There is established within the Division of Student Assistance of the Health Resources and Services Administration an office to be known as the Office on Student Loan Debt Collections (hereafter in this section referred to as the 'Office'), which shall be headed by a director appointed by the Secretary. The Secretary shall carry out this section acting through the Director of the Office.

"(b) PURPOSES.—The Director of the Office shall—

"(1) coordinate efforts within the Department of Health and Human Services and the Department of Justice to recover, pursuant to section 733(b), payments from health professionals who have defaulted on loans that are insured under this subpart;

"(2) in cooperation with the Secretary of Education, develop a uniform deferral form or a process that will ensure coordination in deferment certification requirements for in-school, residency, and internship deferments;

"(3) provide advice to eligible lenders, eligible institutions, and holders on the availability under section 731(a)(2)(C) of deferrals of the obligation to make payments on loans that are insured under this subpart, and of the provisions of this subpart that relate to collection of the principal and interest due on the loans;

"(4) assist students in avoiding default by making information on loan deferments, forbearance, and correction of default readily available; and

"(5) directly or through the provision of grants or contracts to public or nonprofit entities, carry out projects designed to reduce the extent of defaults on loans insured under this subpart.

"(c) ANNUAL REPORT.—The Director of the Office shall annually submit to the Congress a report specifying—

"(1) the total amounts recovered pursuant to section 733(b) during the preceding fiscal year; and

"(2) a plan for improving the extent of such recoveries during the current fiscal year.".

SEC. 4. STUDENT LOAN AGREEMENTS REGARDING DISADVANTAGED INDIVIDUALS.

Section 742(b)(5) of the Public Health Service Act (42 U.S.C. 294o(b)(5)) is amended by adding at the end the following new sentence: "Funds described in the preceding sentence shall not be available for any purpose other than allotment under this subpart.".

SEC. 5. SCHOLARSHIPS FOR FIRST-YEAR STUDENTS OF EXCEPTIONAL NEED.

Section 758(d) of the Public Health Service Act (42 U.S.C. 294z(d)) is amended—

(1) by striking "and" after "1990,"; and

(2) by inserting before the period the following: ", $9,760,000 for fiscal year 1992, $11,000,000 for fiscal year 1993, and $13,000,000 for fiscal year 1994".

SEC. 6. LOAN REPAYMENT PROGRAM REGARDING SERVICE BY DISADVANTAGED STUDENTS ON FACULTIES OF CERTAIN HEALTH PROFESSIONS SCHOOLS.

(a) INELIGIBILITY OF CURRENT FACULTY.—Section 761(e)(1) of the Public Health Service Act (42 U.S.C. 294cc(e)(1)) is amended by inserting before the semicolon the following: ", and the individual has not been a member of the faculty of any school at any time during the 18-month period preceding the date on which the Secretary receives the request of the individual for a contract under subsection (a)".

(b) AMOUNT OF ANNUAL PAYMENTS.—Section 761(d) of the Public Health Service Act (42 U.S.C. 294cc(d)) is amended—

(1) by striking "Payments made by the Secretary under subsection (a)" and inserting "Payments made under this section"; and

(2) by striking "50 percent" and all that follows and inserting the following: "20 percent of the outstanding principal and interest on the loans.".

SEC. 7. ESTABLISHMENT OF DEPARTMENTS OF FAMILY MEDICINE.

Section 780(d) of the Public Health Service Act (42 U.S.C. 295g(d)) is amended to read as follows:

"(d)(1) For the purpose of carrying out this section, there is authorized to be appropriated $6,830,000 for fiscal year 1992.

"(2) Effective October 1, 1992, this section is repealed.".

SEC. 8. AREA HEALTH EDUCATION CENTERS.

(a) ESTABLISHMENT OF ADDITIONAL FUNDING AUTHORITY.—

(1) STATE-SUPPORTED AHECS.—Section 781(a) of the Public Health Service Act (42 U.S.C. 295g-1(a)) is amended by adding at the end the following new paragraph:

"(3)(A) In the case of any school of medicine or osteopathic medicine that is operating an area health education center program and that is not receiving assistance under paragraph (1), the Secretary may enter into a contract with the school for the costs of operating the program if—

"(i) the school makes the agreements described in subparagraphs (B) through (D); and

"(ii) the program meets the requirements of each of subsections (b) through (d).

"(B)(i) For purposes of subparagraph (A), the agreement described in this subparagraph for a school is that, with respect to the costs of operating the area health education center program of the school, the school will make available (directly or through donations from public or private entities) non-Federal contributions in cash toward such costs in an amount that—

"(I) for the first fiscal year for which a contract under subparagraph (A) is received, is not less than 30 percent of such costs;

"(II) for the second such year, is not less than 40 percent of such costs; and

"(III) for any subsequent such year, is not less than 50 percent of such costs.

"(ii) Amounts provided by the Federal Government may not be included in determining the amount of non-Federal contributions in cash made for purposes of the requirement established in clause (i).

"(C) For purposes of subparagraph (A), the agreement described in this subparagraph for a school is that, in operating the area health education program of the school, the school will—

"(i) coordinate the activities of the program with the activities of any office of rural health established by the State or States in which the program is operating;

"(ii) conduct health professions education and training activities consistent with national and State priorities in the area served by the program in coordination with the National Health Service Corps, entities receiving funds under section 329 or 330, and public health departments; and

"(iii) cooperate with any entities that are in operation in the area served by the program and that receive Federal or State funds to carry out activities regarding the recruitment and retention of health care providers.

"(D) For purposes of subparagraph (A), the agreement described in this subparagraph for a school is that, with respect to the costs of operating the area health education center program of the school, the school will maintain expenditures of non-Federal amounts for such costs at a level that is not less than the level of such expenditures maintained by the school for the fiscal year preceding the first fiscal year for which the school receives a contract under subparagraph (A).

"(E) In providing contracts under subparagraph (A), the Secretary may authorize the school involved to expend not more than 10 percent of the amounts provided in the contract for demonstration projects that the Secretary has determined are appropriate for the area health education center program operated by the school. Projects that may be authorized for purposes of the preceding sentence include—

"(i) the establishment of computer-based information programs or telecommunication networks that will link health science centers and service delivery sites;

"(ii) the provision of disease specific educational programs for health providers and students in areas of concern to the United States;

"(iii) the development of information dissemination models to make available new information and technologies emerging from biological research centers to the practicing medical community;

"(iv) the institution of new minority recruitment and retention programs, targeted to improved service delivery in areas the program determines to be medically underserved;

"(v) the establishment of State health service corps programs to place physicians from health manpower shortage areas into similar areas to encourage retention of physicians and to provide flexibility to States in filling positions in health professional shortage areas; and

"(vi) the establishment or improvement of education and training programs for State emergency medical systems.

"(F) The aggregate amount of contracts provided under subparagraph (A) to schools in a State for a fiscal year may not exceed the lesser of—

"(i) $2,000,000; and

"(ii) an amount equal to the product of $250,000 and the aggregate number of centers operated in the State by the schools.".

(2) CONFORMING AMENDMENT REGARDING MATCHING FUNDS UNDER ADDITIONAL AUTHORITY.—Section 781(e)(2) of the Public Health Service Act (42 U.S.C. 295g-1(e)(2)) is amended by inserting before "not more" the following: "except in the case of contracts under subsection (a)(3),".

(3) FUNDING FOR ADDITIONAL AUTHORITY.—Section 781(h) of the Public Health Service Act (42 U.S.C. 295g-1(h)) is amended by adding at the end the following new paragraph:

"(3) For the purpose of carrying out subsection (a)(3), there are authorized to be appropriated $800,000 for fiscal year 1992, $2,800,000 for fiscal year 1993, and $5,500,000 for fiscal year 1994.".

(b) GENERAL REQUIREMENTS FOR ADDITIONAL AUTHORITY AND FOR EXISTING AUTHORITIES OTHER THAN HEALTH EDUCATION AND TRAINING CENTERS.—

(1) CERTAIN REQUIREMENTS.—Section 781(b) of the Public Health Service Act (42 U.S.C. 295g-1(b)) is amended—

(A) by inserting "(1)" after the subsection designation; and

(B) by adding at the end the following new paragraph:

"(2) With respect to an area health education center program, a school may not receive a contract under paragraph (1) of subsection (a) for operational expenses, or a contract under paragraph (2) or (3) of such subsection, unless the program—

"(A) maintains preceptorship educational experiences for health science students;

"(B) maintains community-based primary care residency programs or is affiliated with such programs;

"(C) maintains continuing education programs for health professionals or coordinates with such programs;

"(D) maintains learning resource and dissemination systems for information identification and retrieval;

"(E) has agreements with community-based organizations for the delivery of education and training in the health professions;

"(F) is involved in the training of health professionals (including nurses and allied health professionals), except to the extent inconsistent with the law of the State in which the training is conducted; and

"(G) carries out recruitment programs for the health science professions, or programs for health-career awareness, among minority and other elementary or secondary students from areas the program has determined to be medically underserved.".

(2) AGREEMENTS REGARDING ALLOCATION OF FUNDS FOR CENTERS.—Section 781(e)(1) of the Public Health Service Act (42 U.S.C. 295g-1(e)(1)) is amended by inserting before the semicolon at the end the following: ", and the school shall enter into an agreement with each of such centers for purposes of specifying the allocation of such 75 percent".

(c) CERTAIN REQUIREMENTS REGARDING EXISTING AUTHORITY FOR DEVELOPMENT AND OPERATION OF PROGRAMS.—

(1) DURATION OF CONTRACT.—Section 781(a)(1) of the Public Health Service Act (42 U.S.C. 295g-1(h)(1)) is amended—

(A) by inserting "(A)" after the paragraph designation; and

(B) by adding at the end the following new subparagraph:

"(B)(i) Subject to clause (ii), the period during which payments are made under a contract under subparagraph (A) may not exceed 12 years. The provision of the payments shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments. The preceding sentence may not be construed to establish a limitation on the number of contracts under such subparagraph that may be made to the school involved.

"(ii) In the case of an area health education center developed or operated pursuant to a contract under subparagraph (A), the period during which the contract is expended for the center may not exceed 6 years.".

(2) ALTERNATIVE MATCHING REQUIREMENTS IN NEW PROGRAMS FOR CENTERS FOR CERTAIN YEARS.—Section 781(e) of the Public Health Service Act, as amended by subsections (a)(2) and (b)(2) of this section, is amended—

(A) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively;

(B) by striking "(e) In entering into contracts under this section" and inserting the following:

"(e)(1) Subject to paragraph (2), in entering into contracts under this section,"; and

(C) by adding at the end the following new paragraphs:

"(2) With respect to the period during which an area health education center is developed or operated pursuant to a contract under subsection (a)(1), not more than 55 percent of the total amounts expended for the development or operation of the center in any fifth or sixth year of such period may be provided by the Secretary, subject to paragraph (3).

"(3) Paragraph (2) shall apply only in the case of an area health education center program for which the intitial contract under subsection (a)(1) is provided on or after the date of the enactment of the Health Professions Education Amendments of 1991.".

(d) FUNDING FOR EXISTING AUTHORITIES OTHER THAN HEALTH EDUCATION AND TRAINING CENTERS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Section 781(h)(1) of the Public Health Service Act (42 U.S.C. 295g-1(h)(1)) is amended in the first sentence—

(A) by striking "and" after "1989,"; and

(B) by inserting before the period the following: ", $19,200,000 for fiscal year 1992, $19,200,000 for fiscal year 1993, and $18,500,000 for fiscal year 1994".

(2) ALLOCATION FOR CERTAIN PROJECTS.—Section 781(h)(1) of the Public Health Service Act (42 U.S.C. 295g-1(h)(1)) is amended in the second sentence by striking "10 percent" and inserting "20 percent".

(e) HEALTH EDUCATION AND TRAINING CENTERS.—

(1) PARTICIPATION WITH SCHOOLS OF PUBLIC HEALTH.—Section 781(f)(5) of the Public Health Service Act (42 U.S.C. 295g-1(f)(5)) is amended—

(A) in subparagraph (G), by striking "and" after the semicolon at the end;

(B) in subparagraph (F), by striking the period and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(I) in the case of any school of public health located in the service area of the health education and training center operated with the assistance, to permit any such school to participate in the program of the center if the school makes a request to so participate.".

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 781(h)(2) of the Public Health Service Act (42 U.S.C. 295g-1(h)(2)) is amended

(A) by striking "and" after "1990,"; and

(B) by inserting before the period the following: ", $4,000,000 for fiscal year 1992, $5,000,000 for fiscal year 1993, and $6,000,000 for fiscal year 1994".

SEC. 9. PROGRAMS OF EXCELLENCE IN HEALTH PROFESSIONS EDUCATION FOR MINORITIES.

(a) IN GENERAL.—Section 782(g)(1)(A) of the Public Health Service Act (42 U.S.C. 295g–2(g)(1)(A)) is amended by inserting "a school of osteopathic medicine," after "a school of medicine,".

(b) TECHNICAL CORRECTIONS.—Section 782 of the Public Health Service Act (42 U.S.C. 295g–2) is amended—

(1) in subsection (a), by striking "profession schools" and inserting "professions schools";

(2) in subsection (c)—

(A) in paragraph (3), in the matter preceding subparagraph (A), by striking "this subparagraph" and inserting "this paragraph"; and

(B) in paragraph (4)(C)(ii), by striking "subparagraph (A)," and inserting "clause (i),"; and

(3) in subsection (h)(2)(A), by striking "; and" at the end and inserting a period.

SEC. 10. TRAINING, TRAINEESHIPS, AND FELLOWSHIPS IN GENERAL INTERNAL MEDICINE, GENERAL PEDIATRICS, AND EMERGENCY MEDICINE.

(a) IN GENERAL.—Section 784(a) of the Public Health Service Act (42 U.S.C. 295g–4(a)) is amended by striking paragraphs (1) and (2) and inserting the following:

"(1) to plan, develop, and operate, or participate in, an approved professional training program (including an approved residency or internship program) in the field of internal medicine or pediatrics for medical (M.D. and D.O.) students, interns (including interns in internships in osteopathic medicine), residents, or practicing physicians, which training program emphasizes training for the practice of general internal medicine or general pediatrics (as defined by the Secretary in regulations);

"(2) to provide financial assistance (in the form of traineeships and fellowships) to medical (M.D. and D.O.) students, interns (including interns in internships in osteopathic medicine), residents, practicing physicians, or other medical personnel, who are in need thereof, who are participants in any such program training program, and who plan to specialize in or work in the practice of general internal medicine or general pediatrics;".

(b) EMERGENCY MEDICINE.—Section 784(a) of the Public Health Service Act (42 U.S.C. 295g–4(a)) is amended—

(1) in paragraph (3), by striking "and" after the semicolon at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) to plan and develop approved residency training programs in emergency medicine.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 784(c) of the Public Health Service Act (42 U.S.C. 295g–4(c)) is amended—

(1) by inserting "(1)" after the subsection designation;

(2) in paragraph (1) (as so designated)—

(A) by striking "this section," and inserting "this section (other than subsection (a)(5)),";

(B) by striking "and" after "1990,"; and

(C) by inserting before the period the following: ", $17,260,000 for fiscal year 1992, $18,500,000 for fiscal year 1993, and $20,000,000 for fiscal year 1994"; and

(3) by adding at the end the following new paragraph:

"(2) For the purpose of carrying out subsection (a)(5), there are authorized to be appropriated $300,000 for each of the fiscal years 1992 through 1994.".

SEC. 11. RESIDENCY PROGRAMS IN GENERAL PRACTICE OF DENTISTRY.

Section 785(b) of the Public Health Service Act (42 U.S.C. 295g–5(b)) is amended—

(1) by striking "and" after "1990,"; and

(2) by inserting before the period the following: ", $3,830,000 for fiscal year 1992, $4,500,000 for fiscal year 1993, and $6,000,000 for fiscal year 1994".

SEC. 12. FAMILY MEDICINE.

Section 786(c) of the Public Health Service Act (42 U.S.C. 295g–6(c)) is amended—

(1) by striking "and" after "1990,"; and

(2) by inserting before the period the following: ", $36,100,000 for fiscal year 1992, $45,000,000 for fiscal year 1993, and $47,000,000 for fiscal year 1994".

SEC. 13. EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.

(a) EQUITABLE DISTRIBUTION OF GRANTS AND ALLOCATION OF SERVICES AND ACTIVITIES.—Section 787(b) of the Public Health Service Act (42 U.S.C. 295g–7(b)) is amended by adding at the end the following new paragraph:

"(5) The Secretary shall ensure that grants and contracts under paragraph (1) of subsection (a) are equitably distributed geographically, and in the case of individuals who are individuals from disadvantaged backgrounds, that services and activities under paragraph (2) of such subsection are equitably allocated among the various racial and ethnic populations.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 787(c) of the Public Health Service Act (42 U.S.C. 295g–7(c)) is amended in the first sentence—

(1) by striking "and" after "1990,"; and

(2) by inserting before the period the following: ", $30,820,000 for fiscal year 1992, and $31,500,000 for fiscal year 1993".

SEC. 14. SPECIAL PROJECTS UNDER SECTION 788.

(a) TRAINING IN PREVENTIVE MEDICINE.—Part G of title VII of the Public Health Service Act (42 U.S.C. 295h et seq.) is amended—

(1) by striking subsections (a) through (c) of section 793;

(2) by transferring subsection (c) of section 788 to section 793 and—

(A) by redesignating the subsection as subsection (a);

(B) by striking "TRAINING IN PREVENTIVE MEDICINE" in the heading of the subsection and inserting "IN GENERAL"; and

(C) by striking "IN GENERAL" in the heading of paragraph (1) of the subsection and inserting "GRANTS AND CONTRACTS"; and

(3) by adding at the end of section 793 (as so amended) the following new subsection:

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $1,650,000 for fiscal year 1992, $2,000,000 for fiscal year 1993, and $2,000,000 for fiscal year 1994.".

(b) AUTHORIZED PROJECTS.—

(1) IN GENERAL.—Section 788 of the Public Health Service Act, as amended by subsection (a) of this section, is amended—

(A) by striking subsections (a), (b), and (f); and

(B) by redesignating subsections (d) and (e) as subsections (a) and (b), respectively.

(2) HEALTH PROFESSIONS RESEARCH.—Section 788 of the Public Health Service Act, as amended by paragraph (1) of this subsection, is amended by adding at the end the following new subsection:

"(c) HEALTH PROFESSIONS RESEARCH.—The Secretary may make grants to and enter into contracts with public and nonprofit private entities for the conduct of research on one or more of the following topics:

"(1) The impact of student indebtedness on speciality choice and practice location.

"(2) The impact of minority health professional programs in majority schools on recruitment, retention, and practice choices of minority health personnel.

"(3) The effects of graduate medical education payments on the distribution of physician specialities.

"(4) The effectiveness and variation of State licensing authorities in identifying problem providers and undertaking disciplinary actions.".

(3) FUNDING.—Section 788 of the Public Health Service Act, as amended by paragraph (2) of this subsection, is amended by adding at the end the following new subsection:

"(d) AUTHORIZATION OF APPROPRIATIONS.—

"(1) PHYSICIAN ASSISTANTS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated $7,000,000 for fiscal year 1992, $7,000,000 for fiscal year 1993, and $9,000,000 for fiscal year 1994.

"(2) PODIATRIC PHYSICIANS.—For the purpose of carrying out subsection (b), there are authorized to be appropriated $600,000 for fiscal year 1992, $750,000 for fiscal year 1993, and $750,000 for fiscal year 1994.

"(3) HEALTH PROFESSIONS RESEARCH.—For the purpose of carrying out subsection (c), there is authorized to be appropriated $1,020,000 for fiscal year 1992, $1,200,000 for fiscal year 1993, and $1,200,000 for fiscal year 1994.".

SEC. 15. AUTHORIZATION OF APPROPRIATIONS FOR TRAINING WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

(a) MARRIAGE AND FAMILY THERAPISTS.—Section 788A(a)(1) of the Public Health Service Act (42 U.S.C. 295g–8b(a)(1)) is amended by inserting "marriage and family therapy," after "psychology,".

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Section 788A(e) of the Public Health Service Act (42 U.S.C. 295g–8b(e)) is amended by striking "There are" and all that follows and inserting the following: "For the purpose of carrying out this section other than subsection (f), there are authorized to be appropriated $17,020,000 for fiscal year 1992, $19,000,000 for fiscal year 1993, and $21,000,000 for fiscal year 1994.".

(2) DENTAL SCHOOLS.—Section 788A(f)(5) of the Public Health Service Act (42 U.S.C. 295g–8b(f)(5)) is amended by striking "For the purpose" and all that follows and inserting the following: "For the purpose of carrying out this subsection, there are authorized to be appropriated $7,000,000 for fiscal year 1992, $8,000,000 for fiscal year 1993, and $10,000,000 for fiscal year 1994.".

SEC. 16. ESTABLISHMENT OF PROVISIONS REGARDING MEDICAL SOCIAL WORK.

(a) EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.—Section 787 of the Public Health Service Act (42 U.S.C. 295g–7) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "public and nonprofit private schools which offer graduate programs in clinical psychology," and inserting "graduate programs in clinical psychology or medical social work,"; and

(B) in paragraph (2)(A), by inserting "(including medical social work)" before the comma at the end; and

(2) in subsection (b)(1), by striking "public and nonprofit schools that offer graduate programs in clinical psychology" and inserting "graduate programs in clinical psychology or medical social work".

(b) TRAINING WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.—Section

788A(a)(1) of the Public Health Service Act, as amended by section 15(a) of this Act, is amended by striking "and allied health" and inserting "allied health, and medical social work".

(c) HEALTH PROFESSIONS DATA.—Section 708(a) of the Public Health Service Act (42 U.S.C. 292h) is amended in the second sentence by inserting "medical social workers," after "clinical psychologists,".

(d) DEFINITIONS.—Section 701 of the Public Health Service Act (42 U.S.C. 292h) is amended—

(1) in paragraph (4), by adding at the end the following new sentences: "The term 'graduate program in medical social work' means an accredited graduate program in a public or nonprofit private institution in a State which provides training leading to a graduate degree in social work and which in providing such training emphasizes the provision of social services related to health care or mental health care. The term 'medical social work' means the provision of such social services, and the term 'medical social worker' means an individual who provides such social services."; and

(2) in paragraph (5), by striking "in clinical psychology," and inserting "in clinical psychology or medical social work,'.

SEC. 17. GERIATRIC EDUCATION CENTERS AND GERIATRIC TRAINING.

(a) GERIATRIC TRAINING.—

(1) PHYSICIANS AND DENTISTS.—

(A) Section 789(b)(2)(A) of the Public Health Service Act (42 U.S.C. 295g–9(b)(2)(A)) is amended by inserting "or geriatric psychiatry" before the semicolon".

(B) Section 789(b)(3)(B) of the Public Health Service Act (42 U.S.C. 295g–9(b)(3)(B)) is amended—

(i) in the matter preceding clause (i), by striking "1-year or"; and

(ii) by amending clause (ii) to read as follows:

"(ii) dentists who have demonstrated a commitment to an academic career, and who have completed postdoctoral dental training programs, or who have relevant training or experience.".

(2) OPTOMETRISTS.—Section 789 of the Public Health Service Act (42 U.S.C. 295g–9) is amended—

(A) in subsection (b), in the heading for the subsection, by inserting before the period the following: "REGARDING PHYSICIANS AND DENTISTS";

(B) by redesignating subsection (c) as subsection (d); and

(C) by inserting after subsection (b) the following new subsection:

"(c) GERIATRIC TRAINING REGARDING OPTOMETRISTS.—The Secretary may make grants to, and enter into contracts with, schools and colleges of optometry for the purpose of providing support for geriatric training programs to improve the training of optometrists in geriatrics and to train optometrists who plan to teach geriatric optometry—

"(1) to plan, develop, and operate projects in geriatric care training for optometric residency programs;

"(2) to provide financial assistance (in the form of residencies, traineeships, and fellowships) to participants in such programs; and

"(3) to establish new affiliations with nursing homes, ambulatory care centers, senior centers, and other public or nonprofit private entities.".

(b) FUNDING.—Section 789(d) of the Public Health Service Act, as redesignated by subsection (a)(2) of this section, is amended to read as follows:

"(d) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—For grants and contracts under subsections (a) through (c), there are authorized to be appropriated $13,710,000 for fiscal year 1992, $14,000,000 for fiscal year 1993, and $15,000,000 for fiscal year 1994.

"(2) ALLOCATION.—With respect to the amounts appropriated under paragraph (1) for a fiscal year, of such amounts reserved by the Secretary to provide grants and contracts for geriatric training, the Secretary shall make available $400,000 for grants and contracts under subsection (c).".

SEC. 18. GENERAL PROVISIONS.

Section 790 of the Public Health Service Act (42 U.S.C. 295g–10) is amended—

(1) by moving each of paragraphs (1) through (3) 2 ems to the right; and

(2) in paragraph (5)(A), in the first sentence, by striking "evaluation" the second place such term appears and inserting "application".

SEC. 19. SPECIAL PROJECTS UNDER SECTION 790A.

(a) YEAR 2000 HEALTH OBJECTIVES.—Section 790A(a) of the Public Health Service Act (42 U.S.C. 295g–11(a)) is amended to read as follows:

"(a) IN GENERAL.—The Secretary may make grants to and enter into contracts with schools of public health for the costs of planning, developing, demonstrating, operating, and evaluating projects—

"(1) to establish comprehensive programs of education at the school that are appropriate with respect to meeting the objectives established by the Secretary for the health status of the population of the United States for the year 2000, which programs may include the provision of significant clinical training in identifying victims of domestic violence and in providing treatment for medical conditions arising from such violence;

"(2) to recruit individuals for education in health specialities in which an increased number of practitioners is necessary to meet such objectives; and

"(3) to improve access to community-based health programs, including programs providing preventive health services.".

(b) CONFORMING AMENDMENT.—Section 790A of the Public Health Service Act (42 U.S.C. 295g–11) is amended in the heading for the section by inserting before the period the following: "**REGARDING YEAR 2000 HEALTH OBJECTIVES**".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 790A(d) of the Public Health Service Act (42 U.S.C. 295g–11) is amended—

(1) by striking "and" after "1990,"; and

(2) by inserting before the period the following: ", $3,760,000 for fiscal year 1992, $4,000,000 for fiscal year 1993, and $4,000,000 for fiscal year 1994".

(d) TRANSFER OF SECTION.—Title VII of the Public Health Service Act (42 U.S.C. 292a et seq.), as amended by subsections (a) through (c) of this section, is amended—

(1) by transferring section 790A from the current placement of the section;

(2) by redesignating the section as section 792A; and

(3) by inserting the section after section 792.

SEC. 20. GRADUATE PROGRAMS IN HEALTH ADMINISTRATION.

Section 791(d) of the Public Health Service Act (42 U.S.C. 295h(d)) is amended to read as follows:

"(d)(1) For the purpose of making grants under this section, there is authorized to be appropriated $1,550,000 for fiscal year 1992.

"(2) Effective October 1, 1992, this section is repealed.".

SEC. 21. TRAINEESHIPS FOR STUDENTS IN OTHER GRADUATE PROGRAMS.

(a) PRIORITY REGARDING SERVICE WITH PUBLIC AND NONPROFIT PRIVATE ENTITIES.—Section 791A(b) of the Public Health Service Act (42 U.S.C. 295h–1a(b)) is amended by adding at the end the following new paragraph:

"(4) In providing for the award of traineeships under this section, the Secretary—

"(A) shall give priority to making grants under subsection (a) for programs described in such subsection that emphasize employment with public or nonprofit private entities in the fields with respect to which the traineeships are to be awarded; and

"(B) may make such grants only to entities that provide assurances satifactory to the Secretary that the entities will give priority to awarding the traineeships to students who demonstrate a commitment to employment in such fields with public or nonprofit private entities.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 791A(c) of the Public Health Service Act (42 U.S.C. 295h–1a(c)) is amended—

(1) by striking "and" after "two fiscal years;" the second place such term appears; and

(2) by inserting before the period the following: "; $480,000 for fiscal year 1992; $2,000,000 for fiscal year 1993; and $2,500,000 for fiscal year 1994".

SEC. 22. PUBLIC HEALTH TRAINEESHIPS.

(a) ELIGIBILITY FOR TRAINEESHIPS.—

(1) IN GENERAL.—Section 792(a) of the Public Health Service Act (42 U.S.C. 295h–1b(a)) is amended in the matter after and below paragraph (2) by inserting before the period the following: "to individuals described in subsection (b)(3)".

(2) ELIGIBLE INDIVIDUALS.—Section 792(b) of the Public Health Service Act (42 U.S.C. 295h–1b(b)) is amended—

(A) by striking paragraph (4); and

(B) by amending paragraph (3) to read as follows:

"(3) The individuals referred to in subsection (a) are individuals who—

"(A)(i)) have previously received a baccalaureate degree; or

"(ii) have three years of work experience in health services; and

"(B) are pursuing a course of study in a field the entry of individuals into which is appropriate with respect to meeting the objectives established by the Secretary for the health status of the population of the United States for the year 2000.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 792(c) of the Public Health Service Act (42 U.S.C. 295h–1b(c)) is amended—

(1) by striking "and" after "1990;"; and

(2) by inserting before the period the following: "; $3,420,000 for fiscal year 1992; $5,000,000 for fiscal year 1993; and $6,000,000 for fiscal year 1994".

SEC. 23. PROJECT GRANTS AND CONTRACTS REGARDING ALLIED HEALTH PERSONNEL.

(a) SPECIAL CONSIDERATIONS IN PROVIDING ASSISTANCE.—Section 796(b) of the Public Health Service Act (42 U.S.C. 295h–5(b)) is amended by adding at the end the following new paragraph:

"(3) In providing grants and contracts under subsection (a), the Secretary shall give special consideration to unique needs regarding the supply of physical therapists, occupational therapists, and clinical laboratory personnel.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 796(d) of the Public Health Service Act (42 U.S.C. 295h–5(d)) is amended by inserting before the period the following: ", $2,000,000 for fiscal year 1992, $2,500,000 for fiscal year 1993, and $3,000,000 for fiscal year 1994".

SEC. 24. TRAINEESHIPS FOR ADVANCED TRAINING OF ALLIED HEALTH PERSONNEL.

(a) IN GENERAL.—Section 797(a) of the Public Health Service Act (42 U.S.C. 295h-6(a)) is amended—

(1) in paragraph (1), by striking "doctoral programs" and inserting "postgraduate programs"; and

(2) in paragraph (2)—

(A) by striking "doctoral students" and inserting "postgraduate students"; and

(B) by striking "post doctoral students" and inserting "postgraduate students".

(b) SPECIAL CONSIDERATIONS IN PROVIDING ASSISTANCE.—Section 797 of the Public Health Service Act (42 U.S.C. 295h-6) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) SPECIAL CONSIDERATIONS IN PROVIDING ASSISTANCE.—In providing grants and contracts under subsection (a), the Secretary shall give special consideration to unique needs regarding the supply of physical therapists, occupational therapists, and clinical laboratory personnel.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 797(d) of the Public Health Service Act, as redesignated by subsection (b)(1) of this section, is amended by inserting before the period the following: ", $8,000,000 for fiscal year 1992, $8,000,000 for fiscal year 1993, and $8,000,000 for fiscal year 1994".

SEC. 25. HEALTH CARE FOR RURAL AREAS.

(a) MARRIAGE AND FAMILY THERAPISTS.—Section 799A(c) of the Public Health Service Act (42 U.S.C. 295j(c)) is amended by inserting "marriage and family therapy," after "psychology,".

(b) STUDY.—Section 799A(e) of the Public Health Service Act (42 U.S.C. 295j(e)) is amended—

(1) by striking paragraph (4); and

(2) by striking "(e) STUDY.—" and all that follows through "The Secretary shall evaluate" in paragraph (3) and inserting the following:

"(e) HEALTH CARE TRAINING AND SERVICE DELIVERY MODELS.—The Secretary shall evaluate".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 799A(h) of the Public Health Service Act (42 U.S.C. 295j(h)) is amended to read as follows:

"(h) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $4,390,000 for fiscal year 1992, $4,500,000 for fiscal year 1993, and $5,000,000 for fiscal year 1994.".

(d) TECHNICAL AMENDMENT.—Section 799A(e) of the Public Health Service Act, as amended by subsection (b) of this section, is amended by striking "the Public Health Service Act (42 U.S.C. 254d et seq.)" and inserting "title III".

SEC. 26. MISCELLANEOUS.

Title VII of the Public Health Service Act (42 U.S.C. 292a et seq.) is amended—

(1) by striking each of sections 751, 759, 787A, 796, and 799(k);

(2) in part C of title VII—

(A) by striking the subpart designation and the heading for each of subparts III and IV; and

(B) by redesignating subparts V and VI as subparts III and IV, respectively; and

(3) in section 791A, by amending the heading for the section to read as follows:

"TRAINEESHIPS IN CERTAIN GRADUATE PROGRAMS".

SEC. 27. NURSE EDUCATION.

(a) SPECIAL PROJECTS IN GENERAL.—

(1) STRIKING OF CERTAIN AUTHORITIES.—Section 820 of the Public Health Service Act (42 U.S.C. 296k) is amended—

(A) in subsection (a)—

(i) by striking paragraphs (1), (2), and (6);

(ii) by redesignating paragraphs (3) through (5) as paragraphs (1) through (3), respectively; and

(iii) in paragraph (2) (as so redesignated), by striking subparagraph (B) and inserting the following:

"(B) for nursing assistants and other paraprofessional nursing personnel to become licensed vocational or practical nurses for nursing facilities (as defined in section 1905 of the Social Security Act);";

(B) in subsection (a) (as amended by subparagraph (A) of this paragraph), by inserting after paragraph (3) the following new paragraph:

"(4) to provide to nurses significant clinical training in identifying victims of domestic violence and in providing treatment for medical conditions arising from such violence.";

(C) by striking subsections (b) and (c); and

(D) by redesignating subsections (d) through (g) as subsections (b) through (e), respectively.

(2) SAVINGS PROVISION FOR CURRENT PROJECTS.—In the case of any authority for providing grants or contracts that is terminated by any of the amendments made by paragraph (1), the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act, subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.

(3) AUTHORIZATION OF APPROPRIATIONS.—Section 820(e) of the Public Health Service Act, as redesignated by paragraph (1)(C) of this subsection, is amended—

(A) by striking "(1)" after the subsection designation;

(B) by striking paragraph (2);

(C) by striking "and" after "1990,"; and

(D) by inserting before the period the following: ", $8,000,000 for fiscal year 1992, $9,000,000 for fiscal year 1993, and $10,000,000 for fiscal year 1994".

(b) ADVANCED NURSE EDUCATION.—

(1) IN GENERAL.—Section 821(a) of the Public Health Service Act (42 U.S.C. 296l(a)) is amended—

(A)(i) in paragraph (1), by inserting "or" after the comma at the end;

(ii) in paragraph (2), by striking "or" after the comma at the end; and

(iii) by striking paragraph (3); and

(B) in the first sentence (as amended by subparagraph (A) of this paragraph), in the matter after and below paragraph (2), by striking "programs" and all that follows through "specialities" and inserting the following: "programs that lead to masters' or doctoral degrees that prepare nurses to serve in clinical nurse specialites".

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 821(b) of the Public Health Service Act (42 U.S.C. 296l(b)) is amended—

(A) by inserting "(1)" after the subsection designation;

(B) in paragraph (1) (as so designated)—

(i) by striking "and" after "1990,"; and

(ii) by inserting before the period the following: ", $8,000,000 for fiscal year 1992, $9,000,000 for fiscal year 1993, and $10,000,000 for fiscal year 1994"; and

(C) by adding at the end the following new paragraph:

"(2) Of the amounts appropriated under paragraph (1), the Secretary may not obligate more than 10 percent for providing grants or contracts under subsection (a) for programs leading to doctoral degrees.".

(c) NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS.—

(1) IN GENERAL.—Section 822 of the Public Health Service Act (42 U.S.C. 296m) is amended—

(A) in subsection (a)(1), in the matter after and below subparagraph (C), by striking "section 332)" and all that follows and inserting "section 332).";

(B) by striking subsection (b);

(C) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively;

(D) in subsection (b) (as so redesignated), by striking "subsection (a) or (b)" and inserting "subsection (a)"; and

(E) in subsection (c) (as so redesignated), by striking "subsections (a) and (b)" and inserting "subsection (a)".

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 822(c) of the Public Health Service Act, as redesignated by paragraph (1)(C) of this subsection, is amended—

(A) by striking "and" after "1990,"; and

(B) by inserting before the period the following: ", $17,000,000 for fiscal year 1992, $19,000,000 for fiscal year 1993, and $21,000,000 for fiscal year 1994".

(d) SPECIAL PROJECTS REGARDING DISADVANTAGED INDIVIDUALS.—Section 827(c) of the Public Health Service Act (42 U.S.C. 296r(c)) is amended

(1) by striking "and" after "1990,"; and

(2) by inserting before the period the following: ", $4,000,000 for fiscal year 1992, $5,000,000 for fiscal year 1993, and $6,000,000 for fiscal year 1994".

(e) TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES.—

(1) IN GENERAL.—Section 830 of the Public Health Service Act (42 U.S.C. 297) is amended—

(A) by striking subsection (b);

(B) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively;

(C) in subsection (a)(1)(A)—

(i) in clause (i), by adding "or" after the comma at the end;

(ii) by striking clause (ii); and

(iii) by redesignating clause (iii) as clause (ii); and

(D) in subsection (a)(2), by striking the period and adding at the end the following: "and which provide significant clinical experience in any of the following: An Indian Health Service health center; a Native Hawaiian health center; a public hospital; a migrant health center; a community health center or other nonprofit community clinic; a nursing facility; a rural health clinic or rural nurse midwifery service or practice; or a health facility located in a health professional shortage area and determined by the Secretary to have a critical shortage of nurses. For purposes of the preceding sentence, the terms 'migrant health center', 'community health center', 'nursing facility', and 'rural health clinic' have the meaning given such terms in section 836(h)(6), and the term 'health professional shortage area' has the meaning given such term in section 332(a)(1).".

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 830(c) of the Public Health Service Act, as redesignated by paragraph (1)(B) of this subsection, is amended to read as follows:

"(c)(1) For the purpose of carrying out this section, there are authorized to be appropriated $17,000,000 for fiscal year 1992, $19,000,000 for fiscal year 1993, and $21,000,000 for fiscal year 1994.

"(2) Of the amounts appropriated under paragraph (1), the Secretary shall make available not less than 25 for carrying out subsection (b).

"(3) Of the amounts appropriated under paragraph (1), the Secretary may not obligate more than 10 percent for providing traineeships under subsection (a) for individuals in doctoral degree programs.".

(f) NURSE ANESTHETISTS.—

(1) IN GENERAL.—Section 831(a) of the Public Health Service Act (42 U.S.C. 297-1(a)) is amended—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following new paragraph:

"(2) In making grants for traineeships under this subsection, the Secretary shall give special consideration to applications for traineeship programs whose participants gain significant experience in providing health services at rural hospitals or rural clinics.".

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 831(c) of the Public Health Service Act (42 U.S.C. 297-1(c)) is amended in the first sentence by inserting before the period the following: ", $3,000,000 for fiscal year 1992, $4,000,000 for fiscal year 1993, and $5,000,000 for fiscal year 1994".

(g) LOAN REPAYMENT PROGRAMS FOR SERVICE IN CERTAIN HEALTH FACILITIES.—Section 837A of the Public Health Service Act (42 U.S.C. 297j(f)) is amended—

(1) by striking "there is" and inserting "there are"; and

(2) by inserting before the period the following: ", $5,000,000 for fiscal year 1992, $6,000,000 for fiscal year 1993, and $7,000,000 for fiscal year 1994".

(h) STUDENT LOANS.—Section 838(a)(3)(B) of the Public Health Service Act (42 U.S.C. 297d(a)(3)(B)) is amended by striking "available to carry out section 843" and inserting "available for making payments under agreements entered into under section 836(h)".

(i) UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES.—Part B of title VIII of the Public Health Service Act (42 U.S.C. 297 et seq.) is amended—

(1) by striking section 843;

(2) by striking the subpart designation and the heading for subpart III; and

(3) by redesignating subpart IV as subpart III.

(j) GERIATRIC EDUCATION CENTERS.—Section 789(a)(1) of the Public Health Service Act (42 U.S.C. 295g-9(a)(1)) is amended in the matter preceding subparagraph (A) by striking "with accredited health professions schools" and all that follows and inserting the following: "with accredited health professions schools (including schools of nursing and schools of allied health) that are described in paragraph (4) or (10) of section 701 or in section 853(2), and programs described in section 701(8), to assist in meeting the costs of such schools or programs of projects to—".

SEC. 28. STUDY REGARDING SHORTAGE OF CLINICAL LABORATORY TECHNOLOGISTS.

(a) IN GENERAL.—With respect to the shortage of clinical laboratory technologists in the United States, the Secretary of Health and Human Services shall conduct a study for the purpose of—

(1) determining the extent of the shortage;

(2) determining the causes of the shortage; and

(3) developing recommendations on the manner in which the shortage can be alleviated.

(b) CONSIDERATIONS REGARDING RECOMMENDATIONS.—In developing the recommendations required in subsection (a), the Secretary shall—

(1) consider any special or unique factors affecting the supply of clinical laboratory technologists in rural areas or in urban areas; and

(2) consider the effectiveness of any mechanisms that are available for alleviating the shortage of such technologists in rural areas, in urban areas, or both, including competency-based examinations as an alternative route for certification of the competence of individuals to serve as such technologists, and consider the role of entities that provide such certifications.

(c) REPORT.—Not later than October 1, 1992, the Secretary shall complete the study required in subsection (a) and submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the findings made as a result of the study.

(d) DEFINITION.—For purposes of this section, the term "Secretary" means the Secretary of Health and Human Services.

SEC. 29. ESTABLISHMENT OF NATIONAL ADVISORY COUNCIL FOR MONITORING OF PRIVATE SYSTEM FOR VERIFICATION OF PHYSICIAN CREDENTIALS; PROVISIONS REGARDING INTERNATIONAL MEDICAL GRADUATES.

(a) ADVISORY COUNCIL REGARDING VERIFICATION OF CREDENTIALS OF PHYSICIANS.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall establish an advisory council to be known as the Advisory Council on Medical Licensure.

(2) DUTIES.—

(A) The Council shall provide to the Secretary advice regarding the establishment and operation of the system established by the American Medical Association for the purpose of verifying and maintaining information regarding the qualifications of individuals to practice medicine.

(B) In carrying out subparagraph (A), the Council shall—

(i) monitor the operation of the private verification system and develop recommendations regarding the manner in which the operation can be improved, including, as appropriate, making recommendations for the establishment of nondiscriminatory policies and practices for the operation of the system;

(ii) in the case of the medical licensing by 1 State of individuals who previously have been so licensed by another State (commonly known as licensure by endorsement), determine to what extent the system has expedited and otherwise improved the efficiency and equitable operation of the process in the States for such licensing;

(iii) review the policies and practices of the States (including any relevant laws) in licensing international medical graduates and in licensing domestic medical graduates, and determine the effects of the policies; and

(iv) in the case of organizations representing State authorities that license individuals to practice medicine, consult with such organizations regarding the establishment of nondiscriminatory policies and practices for the process of licensing individuals to so practice (including both the process for initial licensure and the process for licensure by endorsement), and review the efforts of such organizations regarding such policies and practices.

(3) COMPOSITION.—

(A) The Council shall consist of 14 members in accordance with subparagraphs (B) and (C), each of whom shall be a voting member.

(B) The Secretary shall designate 1 official or employee of the Health Resources and Services Administration to serve as a member of the Council. The official or employee so designated shall be a graduate of a medical school located in the United States.

(C) From among individuals who are not officers or employees of the Federal Government, the Secretary shall, subject to subparagraph (D), make appointments to the Council as follows:

(i) 1 individual from an organization representing State authorities that license individuals to practice medicine.

(ii) 1 individual from a national organization representing practicing physicians in the United States.

(iii) 1 individual representing the private verification system.

(iv) 1 individual representing medical schools in the United States.

(v) 1 individual from an organization in the United States that tests international medical graduates with respect to medical knowledge.

(vi) 1 individual from an organization in the United States that, with respect to medical knowledge, tests individuals who are graduates of medical schools located in the United States.

(vii) 1 individual who is a native of the United States and who graduated from a medical school located in the United States.

(viii) 1 international medical graduate from a coalition representing international medical graduates.

(ix) 1 international medical graduate who is a native of a country located in southern or eastern Asia (including southern or eastern Asian islands), and who attended a medical school located in such a country.

(x) 1 international medical graduate who is a native of a European country, of Australia, or of New Zealand, and who attended a medical school located in one of such countries.

(xi) 1 international medical graduate who is a native of a country located in a subsaharan African country and who attended a medical school located in such a country.

(xii) 1 international medical graduate who is a native of a country located in a Latin American or Caribbean country and who attended a medical school located in such a country.

(xiii) 1 international medical graduate who is a native of the United States.

(D) The Secretary may make the appointments described in clauses (viii) through (xiii) of subparagraph (C) only after consultation with organizations and coalitions representing international medical graduates.

(4) ANNUAL REPORT.—Subject to subsection (b)(3), the Council shall annually submit to the Secretary and the Congress a report describing the findings and recommendations of the Council pursuant to the duties established in paragraph (2). The Secretary shall provide a copy of each such report to the private verification system.

(b) Reports to Congress Regarding Establishment of National Verification Service.—

(1) Functioning of private system.—During fiscal year 1996, the Secretary, in consultation with the Council, shall make a determination of whether the private verification system is operating with a reasonable degree of efficiency and whether the policies and practices of the system are nondiscriminatory. Not later than December 31, 1996, the Secretary shall submit to the Congress a report describing the findings made through the determination.

(2) Plan for national system.—If through the determination required in paragraph (1) the Secretary finds that the private verfication system fails to meet either of the criteria with respect to which the determination is made, the Secretary, in consultation with the Council and with relevant organizations, shall develop a plan for the establishment of a national system for the purpose described in subsection (a)(2)(A). Not later than December 31, 1997, the Secretary shall submit the plan to the Congress.

(3) Termination of advisory council.—If through the determination required in paragraph (1) the Secretary finds that the private verfication system meets both of the criteria with respect to which the determination is made, the Council shall terminate upon the expiration of the 30-day period beginning on the date on which the report required in such paragraph is submittted to the Congress. The Council shall otherwise terminate upon the expiration of the 30-day period beginning on the date on which the plan required in paragraph (2) is submitted to the Congress.

(c) Reports on Licensure of International Medical Graduates.—

(1) In general.—With respect to the licensure by the States of individuals to practice medicine, the Secretary, in consultation with the Council, shall annually conduct a study of not less than 10 States for the purpose of determining—

(A) the average length of time required for the States involved to process the licensure applications of domestic medical graduates and the average length of time required for the States to process the licensure applications of international medical graduates, and the reasons underlying any significant differences in such times; and

(B) the percentage of licensure applications from domestic medical graduates that are approved and the percentage of licensure applications from international medical graduates schools that are approved, and the reasons underlying any significant differences in such percentages.

(2) Report.—The Secretary each fiscal year shall submit to the Congress a report describing the findings made as a result of the study required in paragraph (1) for the fiscal year.

(d) Admission of International Medical Graduates to Residency Programs.—It is the sense of the House of Representatives that any entity which operates a residency program for graduates of medical schools and which accepts applications by individuals for admission to the residency program should not refuse to consider such applications solely on the basis that the applications are from individuals who are international medical graduates.

(e) Definitions.—For purposes of this section:

(1) The term "Council" means the Advisory Council on Medical Licensure established in subsection (a)(1).

(2) The term "domestic medical graduate" means an individual who is a graduate of a medical school located in the United States or Canada.

(3) The term "international medical graduate" means an individual who is a graduate of an international medical school.

(4) The term "initial licensure" means the medical licensing of individuals who have not previously been so licensed by any State.

(5) The term "international medical school" means a medical school located in a country other than the United States or Canada.

(6) The term "licensing by endorsement" means the medical licensing by 1 State of individuals who previously have been so licensed by another State.

(7) The term "medical school" means a school of medicine or a school of osteopathic medicine, as such terms are defined in section 701(4) of the Public Health Service Act.

(8) The term "nondiscriminatory", with respect to policies and practices, means that the policies and practices do not discriminate on the basis that an individual is an international medical graduate and that the policies and practices do not constitute discrimination in violation of applicable law.

(9) The term "private verification system" means the system described in subsection (a)(2)(A) and established by the American Medical Association.

(10) The term "Secretary" means the Secretary of Health and Human Services.

(11) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Florida [Mr. BILIRAKIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous materials, on H.R. 3508.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present to the House H.R. 3508, the Health Professions Education Amendments of 1991.

This bill, which was passed out of committee with bipartisan support, amends and extends the programs of education of health professionals and nurses in titles VII and VIII of the Public Health Service Act.

I want to single out the extraordinary contributions of the gentleman from New Mexico [Mr. RICHARDSON], who has championed the concerns of the nursing profession. His legislative input is reflected throughout this legislation.

I would also like to recognize the contributions of the gentleman from Kansas [Mr. SLATTERY]. He has been active in addressing the needs of rural and underserved areas, especially with respect to shortages of clinical laboratory personnel, and his input has been most helpful in drafting this legislation.

Title VII of the Public Health Service Act provides support for health professions education. Support for students comes in the forms of loans, loan guarantees, and scholarships. Institutional support is provided through grants and contracts. Title VIII of the Public Health Service Act authorizes assistance for nursing education through direct assistance to students and institutional support for schools.

H.R. 3508 reflects a critical reassessment of the purpose and funding of these two programs. For many years, the authorization levels in titles VII and VIII have greatly exceeded actual appropriations. Any funding priorities that the authorization levels may have conveyed have been lost in the gap between authorization amounts and actual appropriations.

This reauthorization reflects a stronger emphasis on training in primary care delivery, especially that which takes place in underserved areas. Increases in authorization levels are targeted at programs that support training in, first, primary care medicine; second mid-level professions such as physician assistants, nurse practitioners, and nurse midwives; and third, those allied health professions experiencing critical shortages.

The legislation establishes several new authorities, including a residency program in emergency medicine, a geriatric training program in optometry, and a grant authority for health professions research. It also authorizes a study of the shortage of clinical lab technologists and establishes a council to address licensing issues affecting graduates of foreign medical schools.

The bill amends the Area health Education Centers and Border Health Centers Programs to make changes in program requirements and put in place requirements for State financial participation. The bill establishes an additional funding authority for making grants to existing AHEC programs. Eligibility for Federal assistance is contingent upon AHEC's obtaining State financial contributions. In addition, AHEC's participating in this new program are authorized to provide limited support of demonstration project to expand their ability to train health professionals in underserved areas.

The legislation also clarifies the program requirements for both the existing AHEC Program and for new State-supported AHEC's, particularly with regard to the provision of training for health professions students in community-based primary care settings. It requires additional State financial matching participation in the 5th and

6th years of funding for individual centers. It changes the allocation for special projects in the current AHEC program from a maximum of 10 to 20 percent of the funds allocated for the existing AHEC program. It also clarifies that the amount of time that an AHEC center may receive payments under contract may not exceed 6 years, and that the total time that any AHEC project receives funding may not exceed 12 years.

The legislation also amends the Health Education and Training Center [HETC] program to permit the participation of a school of public health located in the service area of the HETC if the school makes such a request.

At the urging of the administration and the House Appropriations Committee, the committee has proposed steps to reduce default rates in the HEAL loan program and improve the solvency of the student loan insurance fund. The bill would allow the Secretary of the Department of Health and Human Services to extend the current grace period before loan repayment begins to a total of 21 months. It would allow the Secretary to raise the ceiling on the insurance premium charged borrowers from 8 percent to 13 percent. The bill would also authorize the Secretary to charge insurance premiums based on the default history of each health profession, and establish a single limit on default rates that would apply equally to all health professions.

The legislation repeals programs that have not received funding in more than 2 years or have not achieved original expectations, including grants for 2-year medical programs, and four unfunded loan and scholarship authorities. The legislation also consolidates programs in family medicine and health administration with programs that are similar in purpose.

Mr. Speaker, I urge support for the legislation and I reserve the balance of my time.

Mr. BILIRAKIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3508, legislation to revise authorities for health progressions programs.

The health professions programs, through titles VII and VIII of the Public Health Service Act provide financial assistance to health professions students and schools. These programs enable some students to pursue health careers who otherwise would be unable to do so. Title VII of the Public Health Service [PHS] Act addresses the problems of inadequate physician supply and geographic and specialty distribution through, first, grants and contracts for special training programs in health professions schools and second, student financial aid. The program also targets funding for public health and administration, preventive medicine, primary care, geriatric care, AIDS initiatives, health education centers and assistance to disadvantaged individuals seeking health-care careers. Title VIII authorizes: First, institutional assistance to nursing schools; second, grants to nursing students; third, nursing student loans; and fourth, assistance for undergraduate nursing students. The focus of the program is on advanced nurse training.

H.R. 3508 represents an effort by the committee to revamp these programs and to establish priorities in light of existing budgetary restraints. Specifically, an effort has been made to emphasize training in primary care, particularly in underserved areas, and to encourage the training of allied health professionals.

In addition, H.R. 3508 substantially reforms the Health Education Assistance Loan Program in order to address the program's growing default rates. These reforms substantially reflect the suggestions of the Office of Management and Budget. Without these reforms, it has been estimated that 20 percent of each annual lending cohort would have eventually entered default and would have had to be financed by the Treasury.

I would also like to commend my colleagues on the Energy and Commerce Committee for their common sense and reasonableness in this reauthorization process. H.R. 3508 eliminates some programs which either have not received appropriations or are duplicative. And it reduces the reauthorization levels to reasonable amounts. The administration has no objection to passage of this bill.

I urge my colleagues to support this legislation.

□ 1440

Mr. WAXMAN. Mr. Speaker, in addressing these issues of manpower, the gentleman from Kansas [Mr. SLATTERY] has made an enormous contribution, not only emphasizing the need for rural areas for health care practitioners, but, in this particular bill, urging the clinical lab personnel be recognized as important in the delivery of health care services, and that there is an enormous shortage of personnel to do this work in the clinical labs in these rural areas.

Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas [Mr. SLATTERY] and thank him for his enormous contribution.

Mr. SLATTERY. Mr. Speaker, I thank the gentleman from California [Mr. WAXMAN], chairman of the subcommittee, for his kind comments and also for his leadership in dealing with these very important issues. I also deeply appreciate the work that he and his staff have done in bringing this legislation to the floor today. They have worked diligently on this bill and it contains some very important authorizations for many health education programs.

As a member of the House Rural Health Care Coalition, I am pleased and encouraged that many of these programs will encourage health professionals to serve in rural and underserved areas.

I support increased funding for allied health professionals in the title VII reauthorization.

Allied health personnel constitute more than 64 percent of the health care work force, excluding nurses, yet, there has been a glaring lack of Federal support for allied health education.

We must not continue to ignore the importance of many health care professionals who are not doctors and are not nurses, yet, play a crucial role in the health care network.

Allied health personnel are those individuals who do not have high visibility at the hospital but who are there every day making sure our health care services are complete. They are the ones who run our blood tests, take our x rays, and help in our rehabilitation.

We should also focus on the substantial shortage of clinical laboratory personnel, especially in light of the fact that the Clinical Laboratory Improvement Amendments of 1988, which have been called CLIA, will be implemented in the near future.

The proposed CLIA 1988 regulations have highlighted the need for qualified laboratory personnel. I am concerned, however, that a rural hospital will be unable to fully staff its laboratory and in turn, seriously threaten access to quality laboratory testing services in rural and underserved areas across the country.

I am pleased that included in this title VII reauthorization are provisions which reflect the intent of H.R. 2405, a bill which I introduced earlier this year to address the clinical laboratory personnel shortage issue.

The title VII language designates a $10 million authorization for allied health professions with priority and special consideration to be given to clinical laboratory personnel education programs.

In addition, the bill provides for a study regarding the shortage of clinical laboratory personnel which requires the Secretary of Health and Human Services to consider any special or unique factors affecting the supply of personnel in rural or underserved areas and issue recommendations.

The title VII language also requires the Secretary to consider the effectiveness of mechanisms which may be available to address shortages in rural or underserved areas including the use of a competency based examination as an alternative route of certification and the establishment of criteria for recognition of agencies which certify competency of clinical laboratory personnel.

The Secretary must report his recommendations and findings to Congress by October 1, 1992.

I believe these provisions will be very helpful as we attempt to deal with personnel shortage issues in rural areas and in all other underserved areas in this country.

Again, I thank the gentleman from California [Mr. WAXMAN] and also the gentleman from Illinois [Mr. BRUCE] for working with a number of us in the rural health care coalition in bringing this matter to the attention of the Congress. I appreciate their leadership and the leadership and dedicated work of the staff of the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I am pleased at this time to yield time to a very important member of the Committee on Energy and Commerce, the gentleman from Tennessee [Mr. COOPER]. I do want to point out in yielding to him that he has emphasized in his approach to these questions that we need more primary care, more family medicine practitioners, and there is a provision in this bill to urge medical schools to set up family practice medicine departments. This is an important contribution in this legislation, among others that the gentleman from Tennessee [Mr. COOPER] has been able to accomplish and I want to praise him for his fine work.

Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, I thank the gentleman for yielding time to me. I certainly thank the chairman of the subcommittee for his kind words. It is his outstanding leadership on these and other health care issues that has enabled our Nation to make such great progress.

Mr. Speaker, I rise in strong support of the Health Professions Education Amendments of 1991.

This bill reauthorizes Public Health Service programs which support the training of urgently needed health care providers. There are nearly 2,000 medical shortage areas in the country, with more than 33 million people. Almost 70 percent of those shortage areas are rural.

Mr. Speaker, both rural America and inner-city America are facing a severe shortage of family physicians and other primary care providers. More than half our family physicians, for example, are older than 55 and will soon be retiring, making the problem even worse. Among developed nations, the United States has the lowest ratio of primary care physicians to specialists.

I am especially pleased with provisions in the bill, based on my own legislation, H.R. 2231, which would target the scarce Public Health Service funds to the most deserving programs.

Under the new system, medical schools and other training programs would get priority for the grants if they have a strong track record of graduates practicing in underserved areas. Innovative programs to train medical professionals to serve in underserved areas would also be targeted for funding.

This bill gives priority to medical schools which have departments of family medicine and which have training programs in family medicine. The presence of a department of family medicine provides role models in primary care, and schools with those departments tend to have larger percentages of students entering family medicine.

Finally, this bill targets for funding resident training programs which send their students into underserved areas, and which focus on cost-effective ambulatory training, outside of the conventional hospital setting.

I commend the chairman of the subcommittee, Mr. WAXMAN, for including these important provisions in the Health Professions Education Amendments of 1991. This legislation will focus our scarce funds on the most deserving programs, and along with last year's National Health Service Corps Revitalization, will help us make real progress in reducing the shortage of primary care physicians.

Mr. RICHARDSON. Mr. Speaker, I rise in strong support of H.R. 3508, the Health Professions Education Amendments of 1991 reauthorizing the health professions titles of the Public Health Service Act. I am particularly pleased at the inclusion of legislation I sponsored—the Nursing Education Amendments of 1991—in H.R. 3508.

We are currently in the midst of a serious and sustained nursing shortage which is only rivaled by the nursing shortage of the 1950's. Reports on the nursing profession by the American Nurses Association indicate that one of every eight registered nurse positions in hospitals goes unfilled. The scenario is even worse in nursing homes where one in every five RN positions goes unfilled.

Who is hurt most by the ongoing nursing shortage? Precisely those who can least afford it—the medically underserved populations residing in frontier, rural, and inner-city areas of our Nation. Right now, over 1,300 rural areas alone have been designated as medically underserved. To meet the demand for health care in just these areas would require 4,224 physicians.

Physicians however, continue to have a difficult time maintaining viable practices in shortage areas. This, combined with the aging of the existing rural physician population necessitates that we look elsewhere to meet the needs of rural and urban underserved populations.

Nurses have always responded to the needs and concerns of our poorest citizens and I believe we must again turn to the nursing profession to respond to the Nation's rural and inner-city health care crisis. My legislation focuses our limited health care resources on training and educating those nursing professionals—clinical nurse specialists, nurse practitioners, nurse midwives, and nurse anesthetists—best equipped to meet the health care needs of undeserved areas and would increase funding for these programs by nearly $10 million over 3 years.

I believe our money will be well spent. The advanced training of nurse specialists and nurse practitioners allows them to provide up to 80 percent of adult primary care services and up to 90 percent of the pediatric primary care services usually performed by a physician.

Nurse midwives have traditionally and continue to direct their services toward women most at-risk for developing health care problems because of inadequate access to child bearing and health care services.

Mr. SMITH of Florida. Mr. Speaker, today I rise in support of H.R. 3508 the Health Professions Reauthorization Act. This important legislation will reauthorize the area health education center program for 10 years. Area health education centers serve as a bridge between medical school and disadvantaged communities, recruiting and training primary care providers and health professionals, and providing continuing education programs for existing health providers.

In my home State of Florida, I have witnessed tremendous and beneficial growth of area health education centers over the past 6 years. Florida's AHEC Program began in 1985 with a grant from the Department of Health and Human Services. Now, area health education centers proudly serve 45 Florida countries around the State.

In the past year alone, over 800 medical student and resident rotations and nearly 600 nursing rotations in Florida's most rural as well as inner-city areas have accounted for over 180,000 hours of training in underserved areas. Most of these rotations have been into community and migrant health centers, county public health units, community hospitals, and other indigent care settings, serving many of our State's most needy populations.

The area health education centers program works. With the help of the increased authorization, the AHEC Program will continue to link university health science centers with medically underserved communities in order to improve access to health care services. I commend the efforts of Representative STENHOLM and Chairman WAXMAN for their commitment and dedication to this meaningful issue.

Mr. ROYBAL. Mr. Speaker, I rise in support of H.R. 3508, the health professions training reauthorization bill. These training programs are just one facet of the Public Health Service Act, which provides vast opportunities and financial assistance for minorities and disadvantaged students who chose to study in the area of health care. The health professions act supports and promotes equity in access of health service and health careers for minorities and disadvantaged students by increasing the number of these students who become health or allied health professionals. As a member of the Labor, Health and Human Services and Education Appropriations Subcommittee, I have had the opportunity to become familiar with several of the programs being reauthorized by this bill through advocating for increased appropriations for these important programs.

One particularly wide reaching program, the area health education centers [AHEC's] is intended to attract and retain primary care professionals in underserved areas. Other programs within H.R. 3508, such as the public health special projects and traineeships, the disadvantaged minority health improvement program, and the nurse disadvantaged assistance programs, provide funding for both individual students from minority backgrounds, and schools which award scholarships to financially needy students.

I am pleased to see an increase in the authorization level for dental school AIDS reimbursement program. This program reimburses dental schools which provide much needed oral health care to AIDS and HIV positive patients. Oral health care services are not readily available through the community health centers, or through outreach programs, and can facilitate the early diagnosis of AIDS.

These programs, along with others authorized under the health professions training reauthorization, train minority and disadvantaged students to address a variety of health care concerns within needy communities. The reauthorization of the health professions training act will allow a greater number of disadvantaged communities to benefit from existing and expanded services. With such a critical shortage of qualified professional care givers in many areas, training programs aimed at minority students are essential in meeting the increased demands within the health care system.

I urge my colleagues to support this important piece of legislation to insure that these programs will continue to train and provide services to disadvantaged students and communities across our Nation.

Mr. BILIRAKIS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 3508, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO FILE REPORT ON H.R. 3595, MEDICAID MORATORIUM AMENDMENTS OF 1991

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce may have until midnight tonight, Tuesday, November 12, 1991, to file its report on H.R. 3595, the Medicaid Moratorium Amendments of 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

OBSERVING THE 100TH ANNIVERSARY OF MOVIEMAKING

Mr. SAWYER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 161) expressing the sense of the Congress that the American public should observe the 100th anniversary of moviemaking and recognize the contributions of the American Film Institute in advocating and preserving the art of film, as amended.

The Clerk read as follows:

H. CON. RES. 161

Concurrent resolution expressing the sense of the Congress that the American public should observe the 100th anniversary of moviemaking and recognize the contributions of the American Film Institute in advocating and preserving the art of film

Whereas in the late 19th century inventors around the world focused on discovering a means of artificially reproducing movement so that it appeared to viewers that they where actually seeing the movement as it occurred;

Whereas this discovery led to the emergence of the art and science of motion pictures through the work of many creators in the United States and other countries;

Whereas during this period the technology necessary to create motion pictures was perfected in a series of exciting American inventions, such included the development of the kinetograph and kinetoscope by Thomas Edison and W.K.L. Dickson, and the perfection of strip film by George Eastman;

Whereas the cycle of invention, innovation and improvement continued without pause during the 1890's with the construction of Thomas Edison's first film studio, dubbed the "Black Maria", and in 1893 a series of technological innovations marked a turning point in the development of the motion picture;

Whereas the first commercial presentation of Edison's kinetoscope by the Holland Brothers in New York City demonstrated the public's fascination with motion pictures, and as the demand for kinetoscope films grew, Edison's invention was marked internationally;

Whereas motion pictures have the power to touch our hearts, souls, and imaginations, and shape our hopes, dreams, and even our national consciousness;

Whereas the motion picture serves as America's ambassador to the world, conveying American values, beliefs, styles, and attitudes, transforming world culture with its potent images and making the global village a reality;

Whereas motion picture production is not only art but also one of America's most successful creative enterprises; and

Whereas the motion picture has entrenched our cultural heritage with unforgettable characters who have become American icons, from Harold Lloyd, Charlie Chaplain, and the Marx Brothers to the immortal Garbo and the eternal Lillian Gish, from Bogie and Bacall, John Wayne, Sidney Poitier and Cicely Tyson to Indiana Jones, E.T., and the thousands of other larger-than-life men and women who commanded the silver screen, and from these legends are precious film moments that are forever etched in our memories and imaginations: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) all Americans should have the opportunity to celebrate the 100th anniversary of film in 1993 with exhibitions, festivals, educational programs and other forms of observance; and

(2) the Nation's media art centers should be recognized as having a leadership role in implementing and coordinating national centennial celebrations and in organizing other events relating to the 100th anniversary of this great American art form.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. SAWYER] will be recognized for 20 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SAWYER].

☐ 1450

Mr. SAWYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, during this decade, the art of moviemaking will celebrate its 100th anniversary. On this landmark occasion, I am pleased to bring before the House today a resolution to honor America's indigenous art form.

Motion pictures came upon the world with an impact that has been felt in nearly every corner of the world. In a mere 100 years, the art of the motion picture has shaped everything from our language and customs to our hopes and dreams. Imagining a time without the motion picture is difficult. And the development of the motion picture without America's invaluable contribution, both artistically and technically, is unimaginable.

Film is widely acknowledged as the art form of the 20th century. Its combining of art, craft, and technology is the perfect reflection of this century's experience. Our individual and collective film experiences shape our language, create legends and heroes, frame our cultural context, and can both interpret and alter reality. For many people, film provides historical and nostalgic landmarks in life.

From the beginning, America has played a central role in the development of the motion picture. Moviemaking is a collaborative process, and the history of the motion picture is one marked by the collaboration of American creators, inventors, and visionaries, from Thomas Edison to George Eastman—individuals whose ingenuity and determination paved the way for the development of the art and science of the motion picture.

The motion picture is an integral part of American culture, creating larger than life images that have become part of our national consciousness. What would the world have been like without George Bailey, Rhett, and Scarlett, or the scarecrow, tin man, and the cowardly lion? As cultural indicators, motion pictures convey America's character, humor, customs, and ideas, giving international audiences of all ages a sense of our national dreams and fears.

This resolution recognizes the power of this truly American art form and calls for a national celebration of the motion picture centennial through exhibitions, festivals, educational programs, and other activities. This resolution recognizes our national and regional film centers whose activities provide education and appreciation about the richness and vitality of our American film heritage, ensuring that these gifts will be preserved forever for future generations, in this country and abroad.

Mr. SAWYER. Mr. Speaker, I reserve the balance of my time.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 1993 moviemaking will celebrate its 100th anniversary. I rise in support of House Concurrent Resolution 161, a resolution commemorating this occasion.

In 1993, we will celebrate the 100th anniversary of the invention of the art that has reported on our encounters with reality, developed a new language of images, projected our hopes and visions, and nurtured our dreams.

The first copyrighted film was only a few seconds long. In 1884, Thomas Edison filmed a sneeze. We can still see that soundless image almost 100 years later. The sneezer is dead but the sneeze remains a testimony to film's capacity to be our witness.

When Edwin S. Porter filmed "The Great Train Robbery" in 1903, he began the history of fiction film, which matured into such masterpieces as "Citizen Kane" and "Gone With the Wind." With Al Jolson in "The Jazz Singer" in 1927, sound was added to sight. When Walt Disney produced the first animated film, "Trees and Flowers," in 1932, we got our first technicolor film and a whole generation stopped dreaming in black and white.

From D.W. Griffith and Charlie Chaplin to Orson Welles and Martin Scorcese, we have produced the great tellers of storytellers in moving pictures. No art has become such an intimate presence, so reflects our social life and habits or so brokers our hopes and dreams.

We honor and preserve 100 years of film so that our children's children may know how we dressed, how we lived, what we thought and felt and why we laughed and wept. We hope that when a future generation celebrates the 200th anniversary of film in this Chamber, that the next 100 years will be as rich.

Mr. Speaker, I yield back the balance of my time.

Mr. SAWYER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the motion offered by the gentleman from Ohio [Mr. SAWYER] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 161, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The title of the concurrent resolution was amended so as to read: "Concurrent resolution expressing the sense of the Congress that the American public should observe the 100th anniversary of moviemaking.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1992

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that it shall be in order to consider in the House the joint resolution (H.J. Res. 374) making further continuing appropriations for fiscal year 1992; that the joint resolution be debatable for not to exceed 1 hour, to be equally divided and controlled by myself and the gentleman from Pennsylvania [Mr. McDADE]; that all points of order against the joint resolution and against its consideration be waived; and that the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion, except one motion to recommit.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, pursuant to the order of the House just agreed to, I call up the joint resolution (H.J. Res. 374) making further continuing appropriations for the fiscal year 1992, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The text of House Joint Resolution 374 is as follows:

H.J. RES. 374

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106(c) of Public Law 102-145 is amended by striking out "November 14, 1991" and inserting in lieu thereof "November 26, 1991."

The SPEAKER pro tempore. Pursuant to the order of the House of today, the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. McDADE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of House Joint Resolution 374, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution is for the further continuation of appropriations for programs in two bills—Defense; and Labor, Health and Human Services, and Education—until November 26, 1991, under fiscal year 1991 terms and conditions and at the House, Senate, or current rate, whichever is lower.

I expect these bills to be presented to the President in signable form before an expected adjournment date of November 22. Extending the expiration date to the 26th provides the President 2 to 3 days for review after receiving the bills. Last year, the final continuing resolution gave the President 5 days for such a review.

This expiration date is acceptable to the House leadership, the Senate, and OMB.

I know of no opposition to continued funding for the Department of Defense and the Departments of Labor, Health and Human Services, and Education bills under these circumstances.

I urge adoption of the resolution and I reserve the balance of my time.

Mr. McDADE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this joint resolution. It is my privilege after 29 years in this body to offer a joint resolution that is one page, one line long. That is what this is. It extends the continuing resolution from November 14 to November 16, in order that we can accommodate the Labor-HHS bill and the DOD bill which is now in conference.

I know of no objection to it. We have a statement of support from the administration and I urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to the order of the House of today, the previous question is ordered.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1500

AROOSTOOK BAND OF MICMACS SETTLEMENT ACT

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 269 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 269

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rules XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 932) to settle all claims of the Aroostook Bank of Micmacs resulting from the Band's omission from Maine Indian Claims Settlement Act of 1980, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Interior and Insular Affairs Committee, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After passage of H.R. 932, it shall be in order to take from the Speaker's table the bill S. 374 and consider said bill in the House. It shall then be in order to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions of H.R. 932 as passed by the House.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Tennessee [Mr. GORDON] is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only. I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 269 is an open rule providing for the consideration of H.R. 932, the Aroostook Band of Micmac Indians Settlement Act.

The rule provides 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Interior and Insular Affairs Committee. The rule also provides one motion to recommit.

Finally, the rule makes it in order, after passage of H.R. 932, to take S. 374 from the Speaker's table and consider it in the House. The rule makes in order a motion to strike all after the enacting clause in the Senate bill and insert the text of the House-passed bill.

Mr. Speaker, the Micmac Indians reside in the State of Maine. The Maine Indians Claims Settlement Act of 1980 was intended to settle the claims of all Maine Indian tribes for the taking of their land by the Federal Government.

The Aroostook Band of Micmacs is recognized by the State of Maine as one of four Indian tribes within the State's boundaries, but the tribe did not receive Federal recognition under the 1980 act. At the time of the Maine Indians Claims Settlement Act of 1980, conventional history described the Micmacs as a Canadian tribe with no aboriginal occupancy in the United States.

In the past decade, research efforts have uncovered documentation that there was a presence of the Micmac Indians in Maine dating back to the 16th century.

H.R. 932 grants the Micmac Indians Federal recognition as an Indian tribe and would recompensate them for the taking of their tribal lands in the State of Maine.

House Resolution 269 is an open rule and I encourage my colleagues to adopt the resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Tennessee [Mr. GORDON] has ably described this rule. It is an open rule, and I support it.

This bill extends Federal recognition to the Micmac Indians and makes them eligible for all benefits of a federally recognized tribe. It also allows this tribe to organize as a government and establishes rules for determining membership in the tribe.

Mr. Speaker, in order to compensate the Micmac for the taking of tribal lands in Maine, H.R. 932 authorizes $900,000 to be appropriated in fiscal year 1992 and deposited into a land acquisition fund in the U.S. Treasury which the Secretary of the Interior is authorized to use in purchasing land for the tribe.

I would like to note, Mr. Speaker, that the administration strongly opposes this bill. The Secretary of the Interior would recommend a veto if the bill is presented to the President because it would statutorily acknowledge the Micmac Indians as an Indian tribe.

The statement of administration policy points out that in 1978 the Department of the Interior established in regulation a Federal acknowledgment process to ensure that all petitions for acknowledgement as an Indian tribe would be evaluated in an objective and uniform manner. The administration believes H.R. 932 circumvents this process and may erroneously acknowledge a group as an Indian tribe, thereby entitling the group to numerous Federal programs and benefits afforded only federally recognized tribes.

The administration also states that recognition through legislation would be unfair to all other groups seeking Federal acknowledgment and would undermine the administrative process that was designed to eliminate the need for ad hoc determinations through legislation.

Mr. Speaker, the concerns of the administration and Members with this bill can be addressed under this open rule. I support the rule, and I urge its adoption.

Mr. Speaker, I Have no further requests for time, and I yield back the balance of my time.

Mr. GORDON. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 269 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the Senate of the Union for the consideration of the bill, H.R. 932.

The Chair designates the gentleman from West Virginia [Mr. WISE] as Chairman of the Committee of the Whole and requests the gentleman from Illinois [Mr. RUSSO] to assume the Chair temporarily.

□ 1509

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 932) to settle all claims of the Aroostook Band of Micmacs resulting from the band's omission from the Maine Indian Claims Settlement Act of 1980, and for other purposes, with Mr. RUSSO (Chairman pro tempore).

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. MILLER] will be recognized for 30 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. MILLER].

□ 1510

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to present to the House H.R. 932, the Aroostook Band of Micmacs Settlement Act. It is the final step in settling the claims of Indian tribes in the State of Maine.

The purpose of the bill is to settle all claims of the Aroostook Band of Micmac Indians resulting from the band's commission from the Maine Indian Settlement Act of 1980. The 1980 act resolved the claims of the Passamaquoddy and Penobscot Tribes and Houlton Band of Maliseet Indians.

Because of several factors, and especially because they had no legal counsel to represent their claims in 1980, the Micmac were not included in the Settlement Act in spite of the fact that they have lived in Maine for centuries. A tribe similar to the Micmac in many ways, the Houlton Band of Maliseet, reside in Maine near the Micmac and presented a claim prior to the 1980 act; consequently, the Maliseet were included in the Settlement Act and were granted Federal recognition.

In the past 10 years, the Aroostook Band of Micmac, with the assistance of several experts, have done extensive anthropological and historical research. They presented overwhelming evidence to the Interior Committee that they, too, has aboriginal lands in Maine which were taken and for which the Micmac were never compensated.

H.R. 932 extends to the Aroostook Band of Micmac Indians the same compensation, rights, and benefits as were provided to the Houlton Band of Maliseet Indians. It authorizes the appropriation of $900,000 in settlement funds to be used for land acquisition or economic development purposes, and authorizes the Aroostook Band to organize on the same basis as the Houlton Band of Maliseet.

The entire Masine delegation supports this legislation. Also, the Maine State Legislature, the State attorney general, the local surrounding communities, and the three recognized tribes in Maine support the measure.

However, again we have a faction saying that this tribe should go through the administrative recognition process. The Committee disagrees with that and we hope that the House will follow our lead in understanding why.

Mr. Chairman, the Federal acknowledgement process of the Bureau of Indian Affairs is an abomination. There are currently 126 groups with petitions waiting at the BIA. In 12 years, only eight groups have successfully made it through this process. The Interior and Insular Affairs Committee knows from the hearings we have held that the process does not work. In fact, my colleague, the gentleman from Arizona [Mr. RHODES] has introduced a bill that tries to improve the process. The BIA knows the process does not work. On September 18, they published new regulations in their attempt to improve the process.

We all know this process does not work. So what alternatives do tribes have? We are the only alternative. When the Congress makes a determination that a group is an Indian tribe, Congress clearly has the authority and the responsibility to grant Federal recognition.

The BIA seems to have made a sincere, if feeble, effort to improve their regulations. But the flaws in the system run so deep that this attempt is too little, too late. The basic flaw is a clear preference to not recognize any new tribes. It has been said that many existing recognized groups could not survive the Federal acknowledgement process.

The gentleman from Arizona [Mr. RHODES] has also made a sincere attempt to recognize petitioning groups within a 6-year period. We will explore this proposal in the committee.

But the point is this tribe deserves recognition today, and we have the power to grant their request. I hope that my colleagues will support this legislation.

Mr. RHODES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is with reluctance that I rise in opposition to this bill, reluctance basically because of the amount of time and work that my friend and colleague, the gentlewoman from Maine [Ms. SNOWE], has put in on this bill and also because of the time and effort that the chairman of the full committee, the gentleman from California [Mr. MILLER], has devoted to this matter. I recognize that their concerns are real, but I have concerns as well about the process that we are undertaking and that we have undertaken already once previously this year in regard to legislatively recognizing Indian tribes.

As the chairman has pointed out, there is an administrative process in place in the Department of the Interior for the purpose of determining whether or not a particular group of people should be recognized as an Indian tribe.

I must take reluctant issue with some of the statistics that were quoted by the committee chairman, the gentleman from California [Mr. MILLER]. The fact of the matter is that there are 126 groups that at some time or other over the past 13 years have petitioned the Bureau of Indian Affairs for recognition; however, there are not 126 completed applications before the Bureau in the Department of the Interior. In fact, there are only three that are completed and that are undergoing active consideration at this time.

Congress has increased the resources available to the organization and the Bureau for the purpose of expediting recognition applications. It is true there are problems, and I believe it is true there needs to be some fixing done. That is why I introduced the legislation that the gentleman from California [Mr. MILLER] referred to, and I would certainly hope that we can proceed to not only legislative oversight but hold hearings on this process.

But in the meantime, the process does exist. In the meantime, there are groups that have over the course of the past 13 years brought their applications to the Bureau of Indian Affairs, gone through the process, had a determination made.

Is it fair to them for us now to begin to legislatively resolve these issues as to what is a tribe?

Is it fair to those who are in the process now for us to proceed legislatively to make these determinations?

It is fair to us as Members of Congress to be asked to make determinations which are by their very nature difficult, technical, and very important, not only to those who are bringing the application but to the rest of us, because this determination, if made, creates a permanent nation-to-nation sovereign-to-sovereign relationship between the United States and the applying band or tribe of Indians.

Who among us, who among the 435 Members of this House, is prepared to say that he or she is qualified to make those determinations, is qualified to decide that a particular group of people does in fact historically and anthropologically constitute an Indian tribe?

Who among us is prepared to say that we have the necessary knowledge, training, and capability to determine that in fact that sovereign status between that Indian nation and this Nation should be established, with all that does with it, with all the benefits that flow from this Nation to a recognized sovereign Indian nation?

Who among us is prepared to step forward and say this body is qualified to make those determinations? I would say very few, if any.

It was for that reason that this Congress, the U.S. Congress, in consultation with Indian nations, determined, first, that an administrative process should be established, and second, what that process should be. If that process is in fact flawed, we should find out about it and we should do something about it, but we should not set up the Congress of the United States as the final arbiter of who and what constitutes an Indian tribe and who and what does not. We simply do not have that capability and we simply should not be in that business.

My opposition to this legislation is not based on the substantive question of is the Micmac Band in fact a tribe. For the reasons I have just stated, I do not know and I am not prepared or qualified to make that determination. My opposition is that we have established an administrative procedure. We have urged others to go through the administrative procedure. We have required others to go through the administrative procedure. We ought not now on an ad hoc basis begin to go around that process and set ourselves up as the final decisionmaking authority on what is a very, very important issue.

So my opposition here is not based upon whether or not this group of people deserves this recognition. They very well may, and if they do, then they should receive it. My opposition is that we are establishing a precedent. We are saying to those who either do not want to take the time or spend the money or run the risk of going through the administrative process, we are saying to them, "Come to Congress and we will take care of the issue for you." I do not think that is the message we wish to send.

In conclusion, Mr. Chairman, I shall point out that earlier in the month the administration indicated that if this bill does pass, it will be vetoed. That statement of administration policy was reissued today. It is as strong or stronger in terms of indicating that the Secretary of the Interior and the Attorney General will both recommend to the President that he veto the bill if it does pass.

Mr. MILLER of California. Mr. Chairman, I will yield further in a moment, but I want to recognize clearly the work done by our colleagues, the gentlewoman from Maine [Ms. SNOWE] and the gentleman from Maine [Mr. ANDREWS], on behalf of this legislation in getting our committee to address this settlement and to get it to the floor. I want to tell them how much I appreciate all the help they have been.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maine [Mr. ANDREWS].

□ 1520

Mr. ANDREWS of Maine. Mr. Chairman, I thank the chairman for yielding this time to me.

Mr. Chairman, I also thank the gentleman from California [Mr. MILLER] and his committee for the work they have done on this important issue.

I would also like to thank my colleague from the northern part of my State, the gentlewoman from Maine [Ms. SNOWE], for her outstanding work on this issue as well.

Mr. Chairman, I heard on the way over here a discussion among some Members of Congress. They were discussing this particular issue. I overheard one of them explain in kind of a tongue-in-cheek fashion that this is not the most pressing issue facing his constituents at home this session.

While that is probably very much the case, Mr. Chairman, for hundreds of Micmac Indians of Maine, what we do in this Chamber in the next few minutes is going to make a very great deal of difference indeed.

My first experience with the Micmac Indians, Mr. Chairman, occurred in the mid-1970's, when I did quite a bit of work with homeless Maine people.

Mr. Chairman, I saw first hand the poverty and the despair that was part of their daily lives. I am talking, Mr. Chairman, about poverty and despair.

To put this issue in perspective for the Members of this body, I would like you to think about how many times we in this House have talked about the recession and the great pain that it has caused our people and how we have to work vigorously to undo this pain that some are suffering by virtue of the great unemployment in this country, unemployment rates going as high as 6, 7, 8 percent or more.

Well, the unemployment rate for Micmac Indians of Maine is 75 percent. The dropout rate for Micmac young people from high school is 95 percent. Life expectancy of a Micmac Indian in Maine is 46 years.

Mr. Chairman, most Micmacs live well below the poverty level. Alcoholism is a very serious problem.

We heard in the comments of the gentleman from Arizona [Mr. RHODES] a reference to the issue of fairness, and he asked the question: Is this process fair?

Mr. Chairman, I am here to say yes, it is fair, and that is exactly what the Micmac Indians of Maine are asking this Congress for, fairness, for justice, and for the opportunity and the hope to rebuild their communities, to rebuild their traditions, and to rebuild their lives.

In 1980, fairness and justice was served when the Congress of the United States and the President signed into law the Maine Indian Claims Act, using precisely the process we are using here today. The claims were made, the process and those claims were reviewed, extensive work was conducted through the committee process. A bill was passed on the floor of this body and the other body and signed into law.

Mr. Chairman, it awarded a land trust to the Penobscot, the Passamaquoddy, and the Maliseet Indians of Maine. The Micmacs were left out because funds were scarce in the late 1970's to complete the research necessary to establish that they were part of the State at the time in question. And the Micmacs had no lawyer, no representation, at the time.

Now we know that, from the research that was conducted, that they have lived in the State since that time without any question at all. I have not heard any refutation of these facts from anyone that the tribe lived in the State of Maine since the 1600's. As a matter of fact, they signed a friendship treaty with the Governor of Massachusetts just 15 days after we signed our Declaration of Independence.

It is clear by those closest to the status of the case that because they were left out and because of the process that the chairman of the committee called an abomination, the Micmacs are now caught in a classic Catch-22 bureaucratic knot.

Mr. Chairman, that knot has been strangling them. This bill undoes that knot. This bill establishes fairness. It has broad bipartisan support among the Maine delegation and among Maine people, and includes broad bipartisan support by the legislature through legislation passed in 1989 that implements the law that we will, hopefully, pass in this Chamber.

Most eloquent statements of support came from people from throughout the State of Maine. I think probably the most eloquent came last year from two Winthrop, ME, students from my district from the community of Winthrop. And I would like to quote them, the testimony that they provided this Congress:

> When we learned about the Micmacs plight, we knew that we had to do something, for their deplorable situation is not a concern just to the Micmacs, not a concern just to the Government, but a concern to all of us.
>
> As the Rev. Martin Luther King, Jr. once said, "An injustice anywhere, is a threat to justice everywhere." Today you have an opportunity to make sure that this injustice committed 10 years ago is rectified. We realize that this bill may seem insignificant and unimportant when compared to many other important issues of today, but it is not.
>
> Over the last year, we at Winthrop High School have grown very close to the Micmacs. We have had them in our homes and classrooms. We have learned about their basket making techniques and heard their stories. They are our friends. But we fear that unless this bill is passed, their great pride, history, and culture will be lost forever.

I ask, Mr. Chairman, that we heed the words, those eloquent words, of the high school students from Winthrop, that we support this bipartisan initiative, and I ask this Chamber to join me in taking a stand for fairness and justice for the Micmac Indians of Maine.

Mr. RHODES. Mr. Chairman, I yield such time as she may consume to my friend, the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Chairman, I thank the gentleman for yielding this time to me. I also thank the gentleman for his assistance in getting this bill to the floor.

I also would like to thank my colleague, the gentleman from Maine [Mr. ANDREWS], for his statement on behalf of this legislation for the Micmac Indians.

Mr. Chairman, I also thank the gentleman from California [Mr. MILLER], the chairman of the committee, for his assistance in getting this bill to the floor.

Mr. Chairman, the legislation before you, which has the support of the entire Maine congressional delegation, has been 3 years in the making. The decision to seek a legislative remedy to the Micmacs' omission from the 1980 Maine Indian Claims Settlement Act was not taken lightly and resulted only after a very careful review of the options and the issues involved. If we did not believe that the Micmacs had a just cause for legislative recourse, we would not have introduced this bill.

In 1986, the Maine congressional delegation was first approached by the Micmacs on this issue, 6 years after the enactment of the original Settlement Act. After exhaustive research, I introduced identical legislation in the last Congress which was brought before this body under suspension of the rules. The bill received a majority vote, but was short of the necessary two-thirds.

As I noted, the delegation's decision to seek legislative recognition was reached only after a careful review of the facts. It was also reached because the band asked for—and deserves—equitable treatment.

It was not the purpose of the 1980 Settlement Act to omit any tribe. The purpose was to settle all Indian claims in Maine.

In 1980 Congress did just that when it settled the claims of the other Indians tribes in Maine—the Penobscot Indian Nation, the Passamaquoddy Tribe, and the Houlton Band of Malisetts—through the passage of the 1980 Maine Indian Claims Settlement Act—Public Law 96-420.

At that time, after 8 years of legal wrangling, the Congress, the administration, and the State of Maine negotiated a settlement with these three tribes to end their claims on two-thirds of the land in the State. The issues encompassed by the settlement were summoned up by the Justice Department as "potentially the most complex litigation ever brought in the Federal courts with social and economic impacts without precedent. * * *."

The settlement provided Federal recognition for the three tribes and funding for land acquisition. Its purpose was to provide for the settlement of all Indian claims in the State of Maine.

The Micmac Band admits it was poorly organized and poorly financed in the 1970's. During that time they were partners with the Houlton Band of Maliseets in the Association of Aroostook Indians. They believed that the association's resources were being used to research and present evidence to show that both bands belonged in the settlement. The limited resources of the association, however, were used to ensure the inclusion of the Maliseets, not the Micmacs.

And, in fact, the Maliseets were included in the settlement at the last minute as the result of the Penobscot and Passamaquoddys willingness to share the settlement figure being discussed. The Micmacs were excluded.

It has been 11 years since the enactment of the Settlement Act. The Micmacs have spent those years working to gain recognition, the services it would provide, and the monetary ability to purchase a land base.

With funding assistance received from the Administration for Native Americans, the band hired anthropologists to help document their historical presence in Maine, including references to their presence by Champlain in the 16th century; to prove their continuing relationship with the U.S. Government, which goes back to the signing of the Treaty of Watertown in 1776; and to show their continued existence as a tribal entity.

They have also recognized their tribal structure and assembled a tribal roll. The tribal council has been serving as a community action program offering housing improvements, child and foster care assistance, and substance abuse prevention services to band members. It has also fostered the continuation of the band's culture and traditions among the band's youth as well as sharing it with area groups and schools.

One of the key criteria a group must be able to document in order to receive Federal recognition is their historical presence in the United States. The Micmacs and their anthropologists have carefully documented the band's history in Maine dating back to the early 1600's by the early European explorers.

In the 17th century the Micmacs helped form the Wabanaki Confederacy, through which they were signatories to 10 treaties with the Colony of Massachusetts in the years between 1678 and the start of the American Revolutionary War. The tribes of the confederacy continued to gather at regular intervals late in the 19th century, and Micmacs were present at the final gathering, held in Old Town, ME, in 1861.

The Micmacs signed a treaty of friendship with the fledgling U.S. Government in 1777, the Treaty of Watertown, and by the spring of 1778 Micmac warriors were assisting the war effort.

Throughout the 1800's the Micmacs continued their migratory patterns and were driven away from much of their traditional lands by the growing white population. At that time the State of Maine began enacting laws recognizing the presence of off-reservation Indians, such as the Micmacs and Maliseets, as well as the Penobscots and Passamaquoddy on their reservations. These laws fell into four distinct categories: hunting, gaming, and fishing; laws relating to migratory movements; tax exemptions; and general assistance.

In 1925, the State began providing general assistance to off-reservation Indians. This assistance, along with that provided by an Office of Indian Assistance opened in Aroostook County during the 1970's, was withdrawn after passage of the 1980 act.

Today, 75 percent of the adult members of the band live in a 79-mile-long corridor along the Maine-Canada border in Aroostook County. The estimated 200 households fall into the seven major kin groups which have intermarried since at least the early 19th century.

The tribal council includes members from these seven kin groups. Almost half the households contain at least one family member who still understands or speaks the Micmac language.

Many of the band members continue to follow the seasonal employment patterns for their ancestors, going from fiddlehead harvesting in the spring to blueberry harvests in summer, the potato harvest in the fall, and traditional Micmac basket-making during the winter months.

A 1990 survey of band households found that 68 percent of the Micmac families are living on less than $10,000 a year, with over 32 percent of these families surviving on less the $5,000 annually. Only 24 percent of the households surveyed had heads of households who had full-time employment.

The opponents of the bill will dispute the Micmacs' claims, call for fairness and a strict adherence to the process. When the band came to me in 1986, I asked many of the same questions.

But the band has answered my questions and concerns and those raised by the Interior Committee. I believe that the goal of the 1980 act, which was to provide "a fair and equitable settlement * * *" extends to the band and that the bill before us provides that fairness.

Some have argued, understandably, that the band go through the Federal acknowledgement process [FAP] like other tribes. Under normal circumstances, I would agree. But the 1980 Settlement Act makes that impossible.

Section 4 of the 1980 Settlement Act extinguishes "all claims against the United States, any State or any subdivision thereof, or any other person or entity, by the Passamaquoddy Tribe, the Penobscot Nation, the Houlton Band of Maliseet Indians, or any of their members or by any other Indian, Indian nation, tribe or band of Indians * * *."

FAP requires a group to establish that it has not been the subject of congressional legislation which expressly terminates or forbids a relationship with the Federal Government. Section 4 of Public Law 96-420 does just that. So the band could spend years with a petition before the Department only to be turned down, because of something they had no control over—Congress.

Further, the Micmacs would hardly be the first tribe to receive legislative recognition since FAP was established in 1978. Thirteen bills granting recognition or restoration of benefits have been adopted since 1978 when FAP was established. These bills provided recognition to 20 tribes. Three of those tribes were from Maine. So we are not setting some new precedent.

Fundamentally, this bill treats the Micmacs just as Congress treated Maine's other three tribes. It uses the same process and provides them with the same benefits. So if precedent is the concern, you should support this precedent-adhering bill.

Mr. Chairman, H.R. 932 is supported by the entire Maine congressional delegation, the Governor of Maine, the Maine State Legislature, Maine's attorney general, the three recognized tribes in Maine, and numerous cities and towns throughout northern Maine.

Passage of the bill before us today will provide the 475 members of the

Aroostook Band of Micmacs with the ability to determine their future. Richard Silliboy, a member of the Aroostook band of Micmacs, explained its importance in a recent newspaper article: "A government settlement won't give us our culture back, but it will give us an opportunity. Whether we do something with that chance is up to us."

If the Micmacs had been capable of producing the evidence which sits before us today in 1980, we wouldn't be debating this issue. That information is before us now, though, and on behalf of the band, I am asking for your support for passage of the committee bill so that the band can begin their future.

□ 1530

Mr. MILLER of California. Mr. Chairman, I yield 3 minutes to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Chairman, I certainly would like to commend the gentlewoman from Maine [Ms. SNOWE], also my good friend and colleague, the gentleman from Maine [Mr. ANDREWS], for bringing this legislation for consideration on the House floor; certainly the gentleman from California [Mr. MILLER] and members of the committee, and certainly the gentleman from Arizona [Mr. RHODES], my friend who has always been an active participant when we discuss issues involving native Americans.

Mr. Chairman, we have discussed the issue of process before, and for your information, Mr. Chairman, the process did not begin until 1978 initially. And yet the Micmacs, as a tribe, have existed long before the founding of our country, and I would like to say that in fairness to these people, the 475 members of the Micmac Tribe, this legislation is past overdue. We need favorable consideration for the Members, not only from the committee that has been expressed, but, as well, from the Members of this body.

Mr. Chairman, I would urgently ask my colleagues in the House to favorably vote this bill out of this Chamber and that we give the Micmacs what they surely deserve, and I want to commend again my good friends, the gentleman from Maine [Mr. ANDREWS] and the gentlewoman from Maine [Ms. SNOWE], for bringing this legislation to the fore.

Mr. MILLER of California. Mr. Chairman, I yield myself such time as I may consume, and I just want to state a couple of things, and that is it has been suggested here that the administration had said that they will veto the bill, and I believe that probably accurately reflects their position. But I think the House has got to work its will. There really is no other forum for the Micmacs. This is it.

This is the exact same process that this House overwhelmingly approved with respect to the Maine Indian settlement. This tribe was left out of that settlement by an oversight, by a lack of resources.

Mr. Chairman, we have listened to our colleague, the gentleman from Maine [Mr. ANDREWS], describe the plight of the Micmacs, their economic situation, their health situation, their unemployment situation, and to now suggest that this tribe would have to engage in a process that has cost other tribes hundreds and thousands of dollars and many, many years, as the gentlewoman from Maine [Ms. SNOWE] has pointed out, to take another decade to prove what they have already proven, is to, in fact, deny them justice and to deny them this forum that should be readily available to them.

Let us remember that the process that the BIA is using is not there by virtue of statute. It is there by virtue of leave of Congress, and to continue to throw up that process to deny tribes that have a proper claim, a fair claim and a just claim, we cannot continue to tolerate.

Some have suggested that that would make more work for the Congress. So be it. That is our job. That is we spend much of our time here weighing the equities, weighing the truth and the veracity of claims that are made on behalf of individuals against the U.S. Government. That is our task.

Today we are here, after hearings, after scrutiny of the claim with Micmacs, and it is our belief that this Congress should find on their behalf and not suggest to them that they should be shuttled off to a process that is essentially designed for an unsuccessful conclusion.

Mr. Chairman, I am fully prepared to review that process along the lines suggested by the gentleman from Arizona [Mr. RHODES], my colleague, because I think its criticisms are made in good faith and are well intentioned.

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But I am also here to say that if the process cannot be corrected, we cannot continue to take the limited amount of resources available to the Bureau of Indian Affairs and have them gobbled up in a process that has simply ceased to function. That may make the work of our committee and the work of this Congress, somewhat more difficult, but it is also a tribute to this Congress that our colleagues from Maine can get our attention, with all the completing claims we get, and we could pause for a moment to talk about providing a claim for people for their aboriginal lands, for their cultural heritage, and for the wrongful termination of those lands and what was taken from them. It is significant that this Congress can pause for a moment to deal with those issues that so many people believe are not part of the American culture or American history, and that that is a bygone era.

One of the tributes to this Congress and this body is that we constantly try to rectify those injustices when they become apparent to us and clear on their face. Clearly that is what the Micmacs have provided to the Congress, and I would ask my colleagues to vote in favor of this settlement claim and to support our colleagues from Maine.

Mr. RHODES. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MILLER of California. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill shall be considered under the 5-minute rule by sections, and each section shall be considered as having been read.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of H.R. 932 is as follows:

H.R. 932

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Aroostook Band of Micmacs Settlement Act".

SEC. 2. CONGRESSIONAL FINDINGS AND DECLARATION OF POLICY.

(a) FINDINGS AND POLICY.—Congress hereby finds and declares that:

(1) The Aroostook Band of Micmacs, as represented as of the time of passage of this Act by the Aroostook Micmac Council, is the sole successor in interest, as to lands within the United States, to the aboriginal entity generally known as the Micmac Nation which years ago claimed aboriginal title to certain lands in the State of Maine.

(2) The Band was not referred to in the Maine Indian Claims Settlement Act of 1980 because historical documentation of the Micmac presence in Maine was not available at that time.

(3) This documentation does establish the historical presence of Micmacs in Maine and the existence of aboriginal lands in Maine jointly used by the Micmacs and other tribes to which the Micmacs could have asserted aboriginal title but for the extinguishment of all such claims by the Maine Indian Claims Settlement Act of 1980.

(4) The Aroostook Band of Micmacs, in both its history and its presence in Maine, is similar to the Houlton Band of Maliseet Indians and would have received similar treatment under the Maine Indian Claims Settlement Act of 1980 if the information available today had been available to Congress and the parties at that time.

(5) It is now fair and just to afford the Aroostook Band of Micmacs the same settlement provided to the Houlton Band of Maliseet Indians for the settlement of that Band's claims, to the extent they would have benefited from inclusion in the Maine Indian Claims Settlement Act of 1980.

(6) Since 1820, the State of Maine has provided special services to the Indians residing within its borders, including the members of

the Aroostook Band of Micmacs. During this same period, the United States provided few special services to the Band and repeatedly denied that it had jurisdiction over or responsibility for the Indian groups in Maine. In view of this provision of special services by the State of Maine, requiring substantial expenditures by the State of Maine and made by the State of Maine without being required to do so by Federal law, it is the intent of Congress that the State of Maine not be required further to contribute directly to this settlement.

(b) PURPOSE.—It is the purpose of this Act to—

(1) provide Federal recognition of the Band;

(2) provide to the members of the Band the services which the United States provides to Indians because of their status as Indians; and

(3) place $900,000 in a land acquisition fund and property tax fund for the future use of the Aroostook Band of Micmacs.

SEC. 3. DEFINITIONS.

For the purposes of this Act:

(1) The term "Band" means the Aroostook Band of Micmacs, the sole successor to the Micmac Nation as constituted in aboriginal times in what is now the State of Maine, and all its predecessors and successors in interest. The Aroostook Band of Micmacs is represented, as of the date of enactment of this Act, as to lands within the United States, by the Aroostook Micmac Council.

(2) The term "Band Tax Fund" means the fund established under section 4(b) of this Act.

(3) The term "Band Trust Land" means land or natural resources acquired by the Secretary of the Interior and held in trust by the United States for the benefit of the Band.

(4) The term "land or natural resources" means any real property or natural resources, or any interest in or right involving any real property or natural resources, including (but not limited to) minerals and mineral rights, timber and timber rights, water and water rights, and hunting and fishing rights.

(5) The term "Land Acquisition Fund" means the fund established under section 4(a) of this Act.

(6) The term "laws of the State" means the constitution, and all statutes, regulations, and common laws of the State of Maine and its political subdivisions and all subsequent amendments thereto or judicial interpretations thereof.

(7) The term "Maine Implementing Act" means the Act entitled "Act to Implement the Maine Indian Claims Settlement" that was enacted by the State of Maine in chapter 732 of the Maine Public Laws of 1979, as amended by chapter 675 of the Maine Public Laws of 1981 and chapter 672 of the Maine Public Laws of 1985, and all subsequent amendments thereto.

(8) The term "Secretary" means the Secretary of the Interior.

SEC. 4. AROOSTOOK BAND OF MICMACS LAND ACQUISITION AND PROPERTY TAX FUNDS.

(a) LAND ACQUISITION FUND.—There is hereby established in the Treasury of the United States a fund to be known as the Aroostook Band of Micmacs Land Acquisition Fund, into which $900,000 shall be deposited by the Secretary following the appropriation of sums authorized by section 10.

(b) BAND TAX FUND.—(1) There is hereby established in the Treasury of the United States a fund to be known as the Aroostook Band of Micmacs Tax Fund, into which shall be deposited $50,000 in accordance with the provisions of this Act.

(2) Income accrued on the Land Acquisition Fund shall be transferred to the Band Tax Fund until a total of $50,000 has been transferred to the Band Tax Fund under this paragraph. No transfer shall be made under this subsection if such transfer would diminish the Land Acquisition Fund to a balance of less than $900,000.

(3) Whenever funds are transferred to the Band Tax Fund under paragraph (2), the Secretary shall publish notice of such transfer in the Federal Register. Such notice shall specify when the total amount of $50,000 has been transferred to the Band Tax Fund.

(4) The Secretary shall manage the Band Tax Fund in accordance with section 1 of the Act of June 24, 1938 (52 Stat. 1037; 25 U.S.C. 162a), and shall utilize the principal and interest of the Band Tax Fund only as provided in paragraph (5) and section 5(d) and for no other purpose.

(5) Notwithstanding the provisions of title 31, United States Code, the Secretary shall pay out of the Band Tax Fund, all valid claims for taxes, payments in lieu of property taxes, and fees, together with any interest and penalties thereon—

(A) for which the Band is determined to be liable;

(B) which are final and not subject to further administrative or judicial review; and

(C) which have been certified by the Commissioner of Finance in the State of Maine as valid claims that meet the requirements of this paragraph.

(c) SOURCE FOR CERTAIN PAYMENTS.—Notwithstanding any other provision of law, if—

(1) the Band is liable to the State of Maine or any county, district, municipality, city, town, village, plantation, or any other political subdivision thereof for any tax, payment in lieu of property tax, or fees, together with any interest and penalties thereon, and

(2) there are insufficient funds in the Band Tax Fund to pay such tax, payment, or fee (together with any interest or penalties thereon) in full,

the deficiency shall be paid by the Band only from income-producing property owned by the Band which is not held in trust for the Band by the United States and the Band shall not be required to pay such tax, payment, or fee (or any interest or penalty thereon) from any other source.

(d) PROCEDURE FOR FILING AND PAYMENT OF CLAIMS.—The Secretary shall, after consultation with the Commissioner of Finance of the State of Maine, and the Band, prescribe written procedures governing the filing and payment of claims under this section.

SEC. 5. AROOSTOOK BAND TRUST LANDS.

(a) IN GENERAL.—Subject to the provisions of section 4, the Secretary is authorized and directed to expend, at the request of the Band, the principal of, and income accruing on, the Land Acquisition Fund for the purposes of acquiring land or natural resources for the Band and for no other purposes. Land or natural resources acquired within the State of Maine with funds expended under the authority of this subsection shall be held in trust by the United States for the benefit of the Band.

(b) ALIENATION.—(1) Land or natural resources acquired with funds expended under the authority of subsection (a) and held in trust for the benefit of the Band may be alienated only by—

(A) takings for public use pursuant to the laws of the State of Maine as provided in subsection (c);

(B) takings for public use pursuant to the laws of the United States; or

(C) transfers made pursuant to an Act or joint resolution of Congress.

All other transfers of land or natural resources acquired with funds expended under the authority of subsection (a) and held in trust for the benefit of such Band shall be void ab initio and without any validity in law or equity.

(2) The provisions of paragraph (1) shall not prohibit or limit transfers of individual use assignments of land or natural resources from one member of the Band to another member of such Band.

(3) Land or natural resources held in trust for the benefit of the Band may, at the request of the Band, be—

(A) leased in accordance with the Act of August 9, 1955 (25 U.S.C. 415 et seq.);

(B) leased in accordance with the Act of May 11, 1938 (25 U.S.C. 396a et seq.);

(C) sold in accordance with section 7 of the Act of June 25, 1910 (25 U.S.C. 407);

(D) subjected to rights-of-way in accordance with the Act of February 5, 1948 (25 U.S.C. 323 et seq.);

(E) exchanged for other land or natural resources of equal value, or if they are not equal, the values shall be equalized by the payment of money to the grantor or to the Secretary for deposit in the land acquisition fund for the benefit of the Band, as the circumstances require, so long as payment does not exceed 25 percent of the total value of the interests in land to be transferred by the Band; and

(F) sold, only if at the time of sale the Secretary has entered into an option agreement or contract of sale to purchase other lands of approximate equal value.

(c) CONDEMNATION BY STATE OF MAINE AND POLITICAL SUBDIVISIONS THEREOF.—(1) Land or natural resources acquired with funds expended under the authority of subsection (a) and held in trust for the benefit of the Band may be condemned for public purposes by the State of Maine, or any political subdivision thereof, only upon such terms and conditions as shall be agreed upon in writing between the State and such Band after the date of enactment of this Act.

(2) The consent of the United States is hereby given to the State of Maine to further amend the Maine Implementing Act for the purpose of embodying the agreement described in paragraph (1).

(d) ACQUISITION.—(1) Lands and natural resources may be acquired by the Secretary for the Band only if the Secretary has, at any time prior to such acquisition—

(A) transmitted a letter to the Secretary of State of the State of Maine stating that the Band Tax Fund contains $50,000; and

(B) provided the Secretary of State of the State of Maine with a copy of the procedures for filing and payment of claims prescribed under section 4(d).

(2)(A) No land or natural resources may be acquired by the Secretary for the Band until the Secretary files with the Secretary of State of the State of Maine a certified copy of the deed, contract, or other conveyance setting forth the location and boundaries of the land or natural resources to be acquired.

(B) For purposes of subparagraph (A), a filing with the Secretary of State of the State of Maine may be made by mail and, if such method of filing is used, shall be considered to be completed on the date on which the document is properly mailed to the Secretary of State of the State of Maine.

(3) Notwithstanding the provisions of the first section of the Act of August 1, 1888 (40

U.S.C. 257) and the first section of the Act of February 26, 1931 (40 U.S.C. 258a), the Secretary may acquire land or natural resources under this section from the ostensible owner of the land or natural resources only if the Secretary and the ostensible owner of the land or natural resources have agreed upon the identity of the land or natural resources to be sold and upon the purchase price and other terms of sale. Subject to the agreement required by the preceding sentence, the Secretary may institute condemnation proceedings in order to perfect title, satisfactory to the Attorney General of the United States, in the United States and condemn interests adverse to the ostensible owner.

(4)(A) When trust or restricted land or natural resources of the Band are condemned pursuant to any law of the United States other than this Act, the proceeds paid in compensation for such condemnation shall be deposited into the Land Acquisition Fund and shall be reinvested in acreage within unorganized or unincorporated areas of the State of Maine. When the proceeds are reinvested in land whose acreage does not exceed that of the land taken, all the land shall be acquired in trust. When the proceeds are invested in land whose acreage exceeds the acreage of the land taken, the Band shall designate, with the approval of the United States, and within 30 days of such reinvestment, that portion of the land acquired by the reinvestment, not to exceed the area taken, which shall be acquired in trust. The land acquired from the proceeds that is not acquired in trust shall be held in fee by the Band. The Secretary shall certify, in writing, to the Secretary of State of the State of Maine the location, boundaries, and status of the land acquired from the proceeds.

(B) The State of Maine shall have initial jurisdiction over condemnation proceedings brought under this section. The United States shall be a necessary party to any such condemnation proceedings. After exhaustion of all State administrative remedies, the United States is authorized to seek judicial review of all relevant matters involved in such condemnation proceedings in the courts of the United States and shall have an absolute right of removal, at its discretion, over any action commenced in the courts of the State.

(5) Land or natural resources acquired by the Secretary in trust for the Band shall be managed and administered in accordance with terms established by the Band and agreed to by the Secretary in accordance with section 102 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f) or other applicable law.

SEC. 6. LAWS APPLICABLE.

(a) FEDERAL RECOGNITION.—Federal recognition is hereby extended to the Aroostook Band of Micmacs. The Band shall be eligible to receive all of the financial benefits which the United States provides to Indians and Indian tribes to the same extent, and subject to the same eligibility criteria, generally applicable to other federally recognized Indians and Indian tribes.

(b) APPLICATION OF FEDERAL LAW.—For the purposes of application of Federal law, the Band and its lands shall have the same status as other tribes and their lands accorded Federal recognition under the terms of the Maine Indian Claims Settlement Act of 1980.

(c) ELIGIBILITY FOR SPECIAL SERVICES.—Notwithstanding any other provision of law authorizing the provision of special programs and services by the United States to Indians because of their status as Indians, any member of the Band in Aroostook County, Maine, shall be eligible for such services without regard to the existence of a reservation or the residence of members of the Band on or near a reservation.

(d) AGREEMENTS WITH STATE REGARDING JURISDICTION.—The State of Maine and the Band are authorized to execute agreements regarding the jurisdiction of the State of Maine over lands owned by, or held in trust for the benefit of, the Band or any member of the Band.

SEC. 7. TRIBAL ORGANIZATION.

(a) IN GENERAL.—The Band may organize for its common welfare and adopt an appropriate instrument in writing to govern the affairs of the Band when acting in its governmental capacity. Such instrument and any amendments thereto must be consistent with the terms of this Act. The Band shall file with the Secretary a copy of its organic governing document and any amendments thereto.

(b) MEMBERS.—For purposes of benefits provided by reason of this Act, only persons who are citizens of the United States may be considered members of the Band except persons who, as of the date of enactment of this Act, are enrolled members on the Band's existing membership roll, and direct lineal descendants of such members. Membership in the Band shall be subject to such further qualifications as may be provided by the Band in its organic governing document, or amendments thereto, subject to approval by the Secretary.

SEC. 8. IMPLEMENTATION OF THE INDIAN CHILD WELFARE ACT.

For the purposes of this section, the Band is an "Indian tribe" within the meaning of section 4(8) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(8)), except that nothing in this section shall alter or affect the jurisdiction of the State of Maine over child welfare matters as provided by the Maine Indian Claims Settlement Act of 1980.

SEC. 9. FEDERAL FINANCIAL AID PROGRAMS UNAFFECTED BY PAYMENTS UNDER THIS ACT.

(a) STATE OF MAINE.—No payments to be made for the benefit of the Band pursuant to this Act shall be considered by any agency or department of the United States in determining or computing the eligibility of the State of Maine for participation in any financial aid program of the United States.

(b) BAND AND MEMBERS OF THE BAND.—(1) The eligibility for, or receipt of, payments from the State of Maine by the Band or any of its members shall not be considered by any department or agency of the United States in determining the eligibility of, or computing payments to, the Band or any of the members of the Band under any Federal financial aid program.

(2) To the extent that eligibility for the benefits of any Federal financial aid program is dependent upon a showing of need by the applicant, the administering agency shall not be barred by this subsection from considering the actual financial situation of the applicant.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $900,000 for the fiscal year 1992 for transfer to the Aroostook Band of Micmacs Land Acquisition Fund.

SEC. 11. INTERPRETATION.

In the event of a conflict of interpretation between the provisions of the Maine Implementing Act or the Maine Indian Claims Settlement Act of 1980 and this Act, the provisions of this Act shall govern.

SEC. 12. LIMITATION OF ACTIONS.

No provision of this Act may be construed to confer jurisdiction to sue, or to grant implied consent to the Band to sue, the United States or any of its officers with respect to the claims extinguished by the Maine Indian Claims Settlement Act of 1980.

The CHAIRMAN. Are there any amendments to the bill?

Mr. MILLER of California. Mr. Chairman, there are no amendments to the bill.

The CHAIRMAN. If not, under the rule, the Committee rises.

Accordingly, the Committee rose, and the Speaker pro tempore (Mr. HAYES of Illinois) having assumed the chair, Mr. WISE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 932) to settle all claims of the Aroostook Band of Micmacs resulting from the band's omission from the Maine Indian Claims Settlement Act of 1980, and for other purposes, pursuant to House Resolution 269, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLER of California. Mr. Speaker, pursuant to the provisions of House Resolution 269, I call up from the Speaker's table the Senate bill (S. 374) to settle all claims of the Aroostook Band of Micmacs resulting from the band's omission from the Maine Indian Claims Settlement Act of 1980, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Does the gentleman from California [Mr. MILLER] seek time on the Senate bill?

Mr. MILLER of California. Yes, Mr. Speaker, I do.

The SPEAKER pro tempore. The gentleman from California [Mr. MILLER] is recognized.

Mr. MILLER of California. Mr. Speaker, if I may just make a quick explanation, I would inform the Members that the Senate bill, S. 374, is identical to the language contained in the bill just passed.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 932) was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

VACATION OF SPECIAL ORDER AND AUTHORIZATION FOR A NEW SPECIAL ORDER

Mr. ROEMER. Mr. Speaker, I ask unanimous consent that the special order requested by the gentleman from New York [Mr. OWENS] be vacated, and that I be recognized for a special order for 60 minutes in its place.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

UNITED STATES TRADE POLICIES VIS A VIS ASIA/PACIFIC REGION

(Mr. FALEOMAVAEGA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FALEOMAVAEGA. Mr. Speaker, with all the controversies surrounding regional trade blocks, and the concerns expressed by some relative to free trade policies of our own country, I want to share with my colleagues a very perceptive article written by Mr. Richard Fisher, Jr., which appeared on the Sunday edition of the Washington Times newspaper. This is with reference to U.S. trade policies toward the Asia-Pacific region.

Mr. Speaker, last year our country conducted a $310 billion trade relationship with the Asia-Pacific region. Out of that, our country exported in excess of $310 billion to the Asia-Pacific area. What this simply means is that we better give more attention to this region of the world.

Mr. Speaker, there is movement by certain Asian countries to initiate an Asian-Pacific regional trade bloc, since there is a perceived notion that the European Economic Community is definitely ridden with trade barrier policies, and it appears the same is true with the North American Free Trade Zone.

Mr. Speaker, today several Asian and Pacific countries are meeting in Seoul, Korea, to continue the dialog to establish a forum for Asia-Pacific economic cooperation. It is imperative that our country is an active participant in these talks, and that our economic interests in the Pacific region should not be considered passively by both the Congress and the administration.

[From the Washington Times, Nov. 10, 1991]

(By Richard Fisher, Jr.)

ASIAN TRADE BLOC WHISPERS

Among the most serious challenges to the United States in Asian is the growing possibility that Japan and its neighbors will form their own trading bloc.

The idea has gained some currency among Asians who fear being squeezed between the European Community (EC) and the North American bloc they see emerging from the North American Free Trade Area talks between the United States, Mexico and Canada.

Late last year for example, Malaysia proposed an East Asian Economic Group (EAEG), which would be led by Japan and specifically exclude the United States.

So far, the idea has not gained much support. South Korea and the United States have openly opposed it. And Japanese Prime Minister Kiichi Miyazawa has said he prefers building closer economic ties with the United States rather than creating a regional trade bloc. However, some Japanese officials warn privately that while there is now only lukewarm interest in the Malaysian proposal, it could heat up if the North American compact becomes a barrier to Japanese exports.

The United States needs to use its influence to disarm such talk. Trade between the United States and Asia amounted to $310 billion last year. Any hint of protectionist fever coming from Asia would only fuel similar resentments in the U.S. Congress. And in the long run, all of us—Americans and Asians alike—would suffer.

Currently, there isn't much support for Malaysia's proposal anywhere in Asia, including among the six-member Association of Southeast Asian Nations (ASEAN), whose trade ministers see ASEAN forming its own free trade area (FTA). However, this seeming lack of support for an Asian trade bloc should not lull the United States into complacency. Out of the $310 billion total in two way trade in 1990, the United States exported $110 billion to Asia. To ensure that U.S. trade with Asia continues to grow, the Bush administration must begin to outline a free trade strategy for the region.

It will have a chance to do so at the Nov. 12 meeting in Seoul, South Korea, which will bring together the 12 members of the forum for Asia Pacific Economic Cooperation (APEC), including ASEAN countries, Japan, Korea, Canada, Australia, New Zealand and the United States. An American strategy to promote free trade in Asia should have at least three elements. First, the United States must assure Asians that the North American FTA will not mimic the EC in creating barriers to their exports—and, indeed, Washington can suggest that APEC could eventually form a free trade alliance with North America. This would create the world's largest free trade zone, and put pressure on the EC to lower its barriers as well. Second, the United States should state its unequivocal preference for APEC as the principal arena for lowering trade barriers in Asia. Third, Washington needs to develop free trade alliances with Asia that could serve as a foundation for an eventual trans-Pacific trade alliance. For example, the United States should respond positively to New Zealand Prime Minister Jim Bolger's suggestion in early October that New Zealand join the North American FTA. The United States also should publicly praise ASEAN's intention to form a free trade alliance, and suggest an eventual ASEAN-North American free trade pact. Lastly, Washington could encourage bilateral agreements with allies like Singapore, Taiwan, Korea and the Philippines.

Critics of free trade have warned for years that it is likely to spread like a virus. Let's hope it does, and that the Bush administration is wise enough to help spread it. Free trade is in everyone's best interest, just as protectionism is in no one's.

MAGIC JOHNSON AND THE AIDS EPIDEMIC

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. DORNAN of California. Mr. Speaker, since 1985 there have only been about three Members of this Chamber, four at the outside, who have constantly and regularly sounded the clarion call about the dangers of AIDS and the public conduct of this country and Western Europe, and again what was happening in Asia and now Russia. Finally comes this not-so-magic moment of this tall, handsome, powerful athlete, Magic Johnson, being struck by the HIV virus that is probably in such an advanced stage that he probably will have to start AZT this week.

There was an editorial in the Orange County Register that I think sets it right, not to go too far, although I am vigorously supporting Earvin "Magic" Johnson for the replacement seat on the AIDS Commission of President Bush.

Mr. Speaker, let us listen to these few words from the editorial, and then I will submit the whole editorial:

The first thing to be said about Magic Johnson's awful news is this. The man has awesome poise . . .

Then it goes on for four paragraphs talking about his courage, his manliness, and what he can do to help his country. Then the editorial closes in this way:

Still, in the emotionalism of the moment, many of us haven't quite got our approach to AIDS right. Magic Johnson's plight does not mean more tax dollars need be spent. Nor does it follow that what passes for "safe sex"—i.e., unusual sex practices "protected" by a thin layer of latex—will be safe; nor that more people should be encouraged to abandon the ancient taboos if sufficiently condomized.

Manfully, Magic Johnson announced that he would take the message of personal responsibility to his young fans.

The closing line, Mr. Speaker, is this:

That message is direct and compelling enough. His tragedy will be infinitely worsened if he buys into the trendy, politicized ideology of the AIDS lobby.

Mr. Speaker, that is well said. I submit the whole article for the record, as follows:

[From the Orange County Register, Nov. 11, 1991]

MAGIC'S MOMENT

The first thing to be said about Magic Johnson's awful news is this. The man has awesome poise, the sort of inspiring characteristic that automatically nominates him for Positive Thinking Poster Boy of the year. No self-pity here, not a dribble of it.

In an era that accentuates victimhood, even victimology, we cannot have enough of Magic's unerring self-responsibility.

It is a pity, a paradoxical pity, that we should feel such a lift from Earvin Johnson's demise both as a star basketball player and as a healthy human being. If there is anything consoling about his situation it is that he gave us his refreshing honesty and positive attitude selflessly, much as he gave his teammates so many chances to score (indeed, a record number of assists) when he might well have dunked the ball himself.

Enough obit-like past tense. Magic Johnson commences a new life as a self-appointed spokesman for AIDS research and as, potentially, the owner of a professional basketball team himself. He might well even serve, it has been suggested, as coach of the US Olympic basketball squad. Magic's wonderful attitude virtually assures an exemplary life ahead.

The next thing to be remarked has to do with the culturally peculiar manner in which the news has been received. People frozen in front of TV screens as if it were Pearl Harbor II. The mayor of Los Angeles telling the world that Magic's HIV virus was the most devastating news since JFK's assassination. The orgy of bathos, much of it media-generated. The manifold leaps to illogical public-policy conclusions.

Why, we are even unable to tell our kids about Magic's ill-fortune, if you pay attention to our media brethren, unless we have guidance from university-trained psychologists. Just once we should like to hear one of those credentialed counselors telling us, "Get a grip! You don't need me."

To be sure, there is something perversely salutary in all this attention given, not to a political figure, but to an inspiring sports star. Too many Americans are overaddicted to the spectacles offered in our major cities' sports stadia, but that kind of habit is vastly less dangerous than the kind associated with politics, which is based on social coercion. That so many people love Magic Johnson, and do so voluntarily, proves the man's authenticity.

Still, in the emotionalism of the moment, many of us haven't quite got our approach to AIDS right. Magic Johnson's plight does not mean more tax dollars need be spent. Nor does it follow that what passes for "safe sex"—i.e., unusual sex practices "protected" by a thin layer of latex—will be safe; nor that more people should be encouraged to abandon the ancient taboos if sufficiently condomized.

Manfully, Magic Johnson announced that he would take the message of personal responsibility to his young fans. That message is direct and compelling enough. His tragedy will be infinitely worsened if he buys into the trendy, politicized ideology of the AIDS lobby.

ORDER OF BUSINESS

Mr. WOLPE. Mr. Speaker, I ask unanimous consent that immediately following the special order of the gentleman from Virginia [Mr. BLILEY] that I be allowed to proceed with my special order.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Michigan?

There was no objection.

□ 1550

OCTOBER SURPRISE VERSUS REALITY: COME HOME, DEMOCRATS, TO YOUR OWN HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SOLOMON] is recognized for 5 minutes.

Mr. SOLOMON. Mr. Speaker, I find it highly ironic that the same Democrats who are criticizing the President for successfully exercising his role as leader of the free world—these same Democrats—are now asking us to spend millions of dollars so they can chase decade-old rumors around the hotels of Paris, Madrid, and who knows where else?

And yet that is exactly what we are being asked to do in House Resolution 258 which would create a so-called October surprise task force to look into these wild allegations that the Reagan campaign in 1980, somehow cut a deal with the Iranians over American hostages in that country.

Last Thursday the Rules Committee reported that resolution after rejecting on party-line votes all of our Republican amendments to bring some sense of balance, fairness and reason to the inquiry. Not only did the majority reject our attempt to include the Carter administration's arms-for-hostages offer as part of the inquiry; it even turned down amendments to bring the task force under House rules and save money by sharing staff and information with the Senate counterpart inquiry.

In short, Mr. Speaker, the Democrats on the Rules Committee only confirmed rather than allayed our suspicions that this is nothing more than a partisan witch-hunt designed to coincide with the 1992 Presidential election.

Never mind, Mr. Speaker, that the Congressional Budget Office estimates that the House inquiry alone could cost $2.5 million, and maybe more, just for the remainder of this Congress.

Our Democrat colleagues casually brush this aside by saying, "You can't put a price tag on the truth."

I would submit, Mr. Speaker, that since it is difficult, if not impossible to prove the negative, especially 11 years after the fact, the Democrats' elusive quest for the truth could take years to conduct at a cost of millions more to the American taxpayers. And even then, the task force's findings are likely to be inconclusive.

Let me suggest in the alternative, Mr. Speaker, to the globetrotting conspiracy buffs on the other side of the aisle, that you "Come home, Democrats, to your own House." Take a reality check and wake up to the reality of declining public confidence in this institution and the need to clean up this House so that it is better equipped to address the real problems and the real needs of this country.

Our same Democratic colleague who introduced the October surprise task force resolution, Mr. HAMILTON, at the behest of his leadership, has also introduced a far more sensible and necessary resolution (H. Con. Res. 192) with our Republican colleague from Ohio, Mr. GRADISON, to create a joint committee on congressional reform. A similar resolution has been introduced in the other body, again on a bipartisan basis, by Senators BOREN and DOMENICI.

There is no dearth of constructive congressional reform proposals pending for this joint committee to consider, including our own package of Republican House rules reforms offered on the first day of this Congress and since introduced as House Resolution 127 by the gentleman from Oklahoma [Mr. EDWARDS], the chairman of the House Republican Policy Committee.

Unfortunately, all of these reform proposals have been languishing in the Rules Committee ever since with nary a hearing, let alone any action.

Mr. Speaker, the time has come for us to face the reality that this House is in shambles and badly in need of repair before it comes crashing down on us. Let's move now on this bipartisan proposal for a congressional reform committee before it is too late. Let's recognize reality instead of spending millions of dollars chasing conspiracy myths for partisan purposes.

At this point in the RECORD, Mr. Speaker, I ask unanimous consent to insert several matters relating to my remarks.

These include the CBO cost estimate of the October Surprise Task Force; articles on the current state of the Congress and the need for congressional reform from the Washington Post, the New York Times, and Roll Call; some remarks I made last Sunday before a GOP/AC panel on Republican reform proposals; and the "Republican Reform Manifesto for a New House Revolution" offered on the opening day of this Congress. The items follow:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 8, 1991.

Hon. JOHN JOSEPH MOAKLEY,
Chairman, Committee on Rules,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H. Res. 258, a resolution creating a task force of members of the Foreign Affairs Committee to investigate certain allegations concerning the holding of Americans as hostages by Iran in 1980, as ordered reported by the House Committee on Rules on November 7, 1991. We estimate that implementation of this resolution would cost between $1.2 million and $2.5 million, which would be paid from appropriated accounts over fiscal years 1992 and 1993. Of this amount, $750,000 to $1.5 million would be the cost of staff currently working elsewhere in the federal government that would be detailed to the task force. The remaining $500,000 to $1 million would be spent by the task force and would come from the funds that would otherwise be available for other House committee expenses. This resolution does not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

H. Res. 258 would create a task force to investigate the timing of the release of American hostages in Iran in 1980. The task force would be authorized to hold hearings, take depositions, conduct interviews, and request assistance of any federal agency. The chairman could hire the necessary staff to conduct the task force's operations. Finally, the resolution would authorize the expenses of the task force, including the procurement of services for consultants and training of staff, to be paid from the contingent fund of the House. The task force would have to provide an interim report by July 1, 1992, and would expire at the end of the 102nd Congress.

Because the nature and extent of the task force's work is still uncertain at this time, it is difficult to estimate its costs with any precision. One way to gauge the potential magnitude of the cost is to examine a recent temporary Congressional investigation with similar responsibilities—the House Select

Committee to Investigate Covert Arms Transactions with Iran—which operated in 1987 and 1988. Information from the select committee's report and from the Clerk of the House shows that the select committee has about 80 employees and spent a total of $2.2 million over its life.

However, about half of the committee's staff consisted of personnel detailed from other committees, members' personal staffs, or federal agencies. The committee did not record costs for those employees because they continued to receive salaries from their original employers and either stopped working temporarily at their original agency or had to work more hours to provide services to the committee.

Based on information from the Committee on Foreign Affairs, which would set up the task force, it appears that the task force is unlikely to cost more than the House's Iran/Contra investigation. Preliminary indications are that the task force would require less staff—probably 10 to 20 detailed from other assignments, and perhaps 10 new employees requiring salaries that are not already being paid. If the task force produces information necessitating intensive investigation, personnel costs could increase. The magnitude of the cost would depend largely on whether the task force hires outside counsel, and whether such counsel receives a salary from the House or is paid by the hour. The task force's use of consultants also could increase costs. CBO estimates that the task force would spend between $500,000 and $1 million, mostly in fiscal year 1992. Some costs would be incurred in 1993 for finishing up the task force's work. In addition, the 10 to 20 employees detailed to the task force would represent another $750,000 to $1.5 million of resources applied to the task force's work rather than the work of the employing agency.

The task force would have to request its funds from the Committee on House Administration, which would allocate funds from amounts already appropriated for committee expenses of the House in 1992. The salaries of personnel detailed to the task force from other House offices and federal agencies would be paid from amounts already appropriated for 1992. In both cases, the expenses of the task force would represent a reallocation of funds that otherwise would have been spent on other activities in 1992 unless a supplemental appropriation is provided.

Enactment of this resolution would not affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is James Hearn, who can be reached at 226-2860.

Sincerely,

ROBERT F. HALE,
(For Robert D. Reischauer, Director).

[From the Washington Post, Nov. 10, 1991]

"NOW IS THE TIME FOR CHANGE" ON CAPITOL HILL—REFORM-MINDED MEMBERS OF CONGRESS SEE OPPORTUNITY IN CURRENT PUBLIC DISGUST WITH INSTITUTION

(By Guy Gugliotta)

For many senators and members of Congress, the scandals of autumn are merely the most obvious symptoms of a much deeper, and more serious, illness.

Congress, say would-be reformers, is in a state of semi-permanent gridlock: grossly overburdened and suffering from a proliferation of committees, an overpopulation of staff and a set of hallowed but outdated rules that waste enormous amounts of time.

They say the institution needs structural overhaul, and they hope their colleagues will create a proposed Joint Committee on the Reform of Congress to do the job.

Congressional leaders are warily eyeing the legislation, lukewarm about an idea that may add further turmoil to an already troubled atmosphere. But Rep. Lee H. Hamilton (D-Ind.), one of the chief advocates of reform, thinks turmoil is both inevitable and desirable: "There's no doubt a reform shakes up the institution. That's what we want to do."

The turmoil of the past six weeks has given the reformers an opening to push their cause as never before. First came the bounced-check scandal in the House, followed by reports of unpaid tabs in the members' dining room. A few days later, after the leak of an FBI report, the Senate subjected a Supreme Court nominee and his accuser to a hearing on sexual harassment that led to cries of outrage from nearly every quarter.

The public's opinion of Congress plunged. President Bush delivered a lengthy diatribe against what he called "a privileged class of rulers." This month, anti-incumbent and anti-establishment fever dominated the electorate, bestowing victory on virtually unknown Sen. Harris Wofford (D-Pa.) and bringing former Ku Klux Klansman David Duke within one step of the Louisiana governorship.

Scandals and public disillusionment, acknowledged reformer Rep. Willis D. Gradison Jr. (R-Ohio), have "absolutely nothing to do" with the type of structural change that he thinks Congress needs. But "to the extent that these other things focus attention on Congress, it is helpful and useful to us."

Adds David L. Boren (D-Okla.), the Senate's leading reformer: "Now is the time for change. The public is focused on it in a grass-roots way. The gunpowder was out there; this [the check-writing scandal and the sexual harassment hearing] was the match."

For the last three weeks, Boren, a third-term senator and former Oklahoma governor, has conducted twice-a-week "vigils" on the Senate floor delivering short speeches decrying the "cancer eating away at this institution" and demanding that "we . . . treat it now before it does damage that can never be repaired."

In the House, Hamilton recently joined 18 freshman members to demand reform. "I do not recall a time when Congress stood in lower public esteem than it does today," Hamilton said at a news conference. Reform may not fix everything, he added, "but we can do it better."

The reform movement began late last year when Boren asked Sen. Pete V. Domenici (R-N.M.) to cosponsor a resolution to create a joint Senate-House committee to look at the possibility of general overhaul.

Boren reached out to Hamilton, a close associate on foreign affairs issues, while Domenici spoke with Gradison, the ranking Republican member of the House Budget Committee, a position Domenici holds in the Senate.

In July the four men presented the resolution and outlined some of the problems they hoped the committee would address: congressional staff has grown from 2,000 to 12,000 since 1947, enough to populate a small town; the number of congressional committees and subcommittees has grown from 38 in 1947 to 301 today; the average length of bills has gone from four pages to 20 pages in the past 20 years; only 3 percent of bills introduced are ever enacted; the Senate spends 25 percent of its time calling the roll.

But there's much more. In a recent interview, Boren spoke of "repeat amendments" that resurface again and again and "red herring amendments" unrelated to the matter at hand that tie up Senate debate.

As he talked, Sen. Jesse Helms (R-N.C) was on the Senate floor using most of an afternoon in a failed attempt to amend the Interior Department appropriations bill so the National Endowment for the Arts would not be allowed to fund projects that show "in a patently offensive way, sexual or excretory activities or organs." It was, according to Sen. Howard M. Metzenbaum (D-Ohio), the ninth time in two years Helms had offered the amendment.

It was also, as Boren pointed out, fully in keeping with ancient Senate prerogatives: any senator can try to amend almost any bill any way he or she wants to, and take whatever time possible to present the case.

All of the reformers speak of a work day fragmented into countless meetings in countless committees, subcommittees, caucuses and study groups. Boren once attended a Senate-House conference with participation from "eight to nine committees," with "70 to 80 people in the same room, and none of them had ever worked together."

Boren said senators are forced to rely on staff, "who are always more hardline than the senator because they have to protect their boss." He said he seldom can find time for substantive conversations with colleagues, and often finds himself asking "Who's your staffer on this?" or simply explaining himself directly to the staff member.

It is a world of overlapping jurisdictions, conflicting appointments and repeat appearances by the same witnesses at a half-dozen different committee hearings, none of which is particularly well attended because the panel members are running off to do something else.

Domenici, who joined Boren in the reform "vigil" last week, said he had as many as eight formal meetings each day, "plus New Mexicans who come up to visit, plus staffers who have been working on something and need 10 minutes . . . every one of us is a little [king] with tentacles reaching out to hundreds of people.

"The system," Domenici said, "is an invitation to do less of everything, because you are always doing something." The solution, he added, is for senators and members of Congress to shed committee assignments, shed staff and shed responsibilities.

This is something nobody will volunteer to do. Loss of assignments means loss of power, and power is what politicians are all about. "We all want everything we can get," Domenici said. "And we all think we can make the difference." It is no accident that freshmen make up such a high percentage of the House reformers—they have little to lose.

Boren and Domenici have gathered 16 cosponsors for the Senate resolution and have the informal blessing of Minority Leader Robert J. Dole (R-Kan), Majority Leader George J. Mitchell (D-Maine) has commended the effort but has not reviewed the specifics.

Hamilton and Gradison are in similar shape in the House. They have 63 cosponsors but no enthusiasm from Speaker Thomas S. Foley (D-Wash.), who readily acknowledged the Senate's "serious problems" in scheduling and procedure, but thought the House "perhaps" and only "in [the] future" may have to review its own activities.

Committee reorganization, Foley warned, "takes great energy away from the substantive legislation."

Hamilton put a brave face on this putdown: "Reform is coming from the bottom up and the middle up," he said. Once more members join the movement, he said, "my guess is the leadership will respond."

Perhaps. But action soon is unlikely because the resolution is a product of the system that produced it—the resolution creates another committee, taking more time, more staff and more meetings.

From July to October the resolution languished, stuck in the queue behind other legislation. In the House, getting to the head of the line means persuading Foley, apparently an uphill battle.

In the Senate, the resolution must be reviewed by the Committee on Rules and Administration. Chairman Sen. Wendell H. Ford (D-Ky.), Boren said, is "very receptive" but very likely unable to get to it before the Thanksgiving recess.

This means the measure will not be discussed until 1992 and probably not enacted until the end of next year—if at all. The reform committee probably would not start work until the next Congress, in 1993.

Meanwhile, Boren says, Congress-bashing will not dissipate: "Members are fooling themselves if they think it's going to go away."

[From Roll Call, Nov. 11, 1991]

CONGRESSIONAL REFORM RANKS KEEP ON SWELLING—LATEST TO JOIN: REPUBLICAN SENATOR DAN COATS, WHO FACES TOUGH RE-ELECTION BATTLE IN INDIANA IN 1992

(By Craig Winneker)

In the latest in a series of reform proposals offered by Members in the wake of harsh public criticism of Congress, first term Sen. Dan Coats (R-Ind.) on Thursday introduced legislation that would eliminate the Senate Ethics Committee, set 12-year term limits, and bring Congress under the laws it imposes on others.

Coats also introduced a measure that would require pay raise votes to be considered as separate legislation.

"Congress is rapidly losing the confidence of the American people," Coats, who is running for re-election next year, said at a press conference in the Capitol. "They see an institution can't be trusted to govern itself, and therefore doubt whether it can govern the nation."

Coats said he had not yet lined up any support from other Senators for his proposals.

Specifically, Coats's legislation would require that:

The Senate Ethics Committee would be replaced by an independent counsel. Administrative functions of the Ethics Committee, such as handling of financial disclosure reports and mailing regulations, would be transferred to the Senate Rules Committee.

Disciplinary functions would be handled by an independent commission made up of two judges, two retired Senators, and four prominent citizens appointed equally by the Majority and Minority Leaders.

The commission would act as a grand jury to determine if further investigation is warranted, in which case the independent counsel would be appointed. The independent counsel would report findings to the full Senate, and every Senator would have the right to bring up a report for action.

Pay raise votes would be held in the "light of day" and be considered as freestanding legislation. All Congressional pay legislation would have to be held at the desk for a period of at least seven days. (Actually, it's doubtful that the Coats bill will have any significant effect since current law provides for cost-of-living adjustment already, and it's doubtful the Senate will ever again seek to raise its own pay beyond the COLA.)

Congressional tenure would be limited to two full six-year terms for Senators, and six full two-year terms of Representatives. (Many other Members have introduced similar bills over the years.).

Congress would be subject to the Civil Rights Act of 1964; Americans with Disabilities Act of 1990; Age Discrimination in Employment Act of 1967; Rehabilitation Act of 1973; National Labor Relations Act; Fair Labor Standards Act; Equal Pay Act of 1963; Occupational Safety and Health Act of 1970; Privacy Act of 1974; and the Ethics in Government Act of 1978.

The strictures of many of these laws already apply to Congress, but the enforcement mechanism is internal, rather than involving the executive and judiciary. The Senate recently voted to allow its employees to take civil rights complaints to a federal appeals court.

Coats, who was appointed to the Senate in 1989 to replace Vice President Dan Quayle, won an election last year to fill the remainder of Quayle's term, which expires in 1992. Coats claims his reform proposals are not designed to enhance his 1992 re-election effort.

The Indiana Senator joins a chorus of calls for reform, including proposals by Sens. David Boren (D-Okla) and Pete Domenici (R-NM) and Reps. Lee Hamilton (D-Ind) and Willis Gradison (R-Ohio) to create a Joint Committee on the Organization of Congress, to look at the proliferation of staff and committees.

The Committee on Congress proposal now has 26 co-sponsors in the Senate and more than 100 in the House, according to Boren, who has been making frequent speeches on the Senate floor to push for reform. Coats said he had not signed onto the Committee on Congress resolution.

SOME REFORMERS AND THE REFORMS THEY PROPOSE

Boren, Domenici, Hamilton, Gradison: Create a Committee on Congress to study scheduling and possible reductions in staff, committees, and complexity of legislation.

Kerrey: Reduce number of committees and subcommittees by 75 percent, reduce staff by 30 percent.

Grassley: Create Senate Office of Fair Employment Practices, bring Senate under provisions of civil rights laws, with employees able to appeal to courts.

Riggs: Bring House under provisions of civil rights laws, with employees able to appeal to courts.

Dannemeyer: Ditto, plus privacy, Freedom of Information, Social Security, and labor laws.

Crane, et al.: Study (and presumably eliminate) media perks, like parking privileges, subsidized meals in cafeteria, office space, computers, and so on.

Nussle: Impose term limits on Members; eliminate Congressional frank; dock Members' pay for every day Congress is in session past Sept. 30; get rid of Members' gym, parking lot at National Airport, barber and beauty shops, health insurance, and free prescription drugs.

Kassebaum: Replace Budget Committee with panel composed of leadership and other top committee chairs, set new guidelines for authorization and appropriation of funds, adopt two-year budget cycle.

[From the New York Times, Nov. 10, 1991]

AN INSTITUTION UNDER DURESS—CONGRESS'S COMMITTEES STUMBLE, AND CHANGE

(By Adam Clymer)

WASHINGTON, Nov. 9.—It has been a tough few weeks for Congressional committees.

First, the Senate Judiciary Committee's hearings on Judge Clarence Thomas provided material for late-night comedians. These, two major, complicated bills—energy in the Senate and banking in the House—suffered embarrassing defeats on the floor.

And for the last two weeks, the House Ways and Means Committee has been struggling to steer to the floor a bill on extended unemployment benefits that can pass. Members' technical wrangling has failed so far, even though there is something very close to a bipartisan consensus that the time has come to stop arguing and scoring political points and find a way to send checks to the jobless.

The first three problems produced complaints that the committees were failing the Congress. Republicans complained bitterly about the banking bill that the Rules Committee put before the House, and then they helped to kill it. Environmentalists assailed the Arctic drilling provisions in the energy bill that they successfully filibustered. Almost everybody complained at one point or another about the Thomas hearings.

And while Ways and Means has escaped much public criticism over the delays on the unemployment measure, that is probably because the differences among party leaders, the two Houses of Congress and the Bush Administration are at least as much at fault and more prominent.

DEFENSE OF THE SYSTEM

Democratic leaders insist that these difficulties do not represent a pattern. Asked about the problems with the energy bill and the Thomas hearings, Senator George J. Mitchell of Maine, the majority leader, said they were just a pair of exceptions. "It's as if a pitcher gave up two home runs and struck out the other 27 batters and you said he pitched a bad game," he said.

Representative Richard A. Gephardt of Missouri, the House Democratic leader, argued that Congress was simply "not a place where it is simple to get clear, crisp, clean solutions."

It seems less simple than it used to be. Committees and their bills are treated with less deference on the floor than in the past. Junior members now act is if their votes and opinions count for as much as those of elderly chairmen. Representative Barney Frank, Democrat of Massachusetts, said that was nothing for the Congress to apologize for; "people want their members to be more independent," he said.

But sometimes the independence suggests fragmentation, or "a series of independent baronies," in the view of Representative Newt Gingrich of Georgia, the House Republican whip. He also complained that as committee members stay with an issue for years and become expert on it they lose touch with their colleagues and even the country and "start talking about some arcane thing as if it was real."

RISING USE OF FILIBUSTER

The Senate has to contend with another institutional change that makes a committee's task of forging a coalition much harder than it once was. The increased use of filibuster means it takes 60 votes—the number required to shut off debate—even to take up a controversial issue. Once reserved for matters of fundamental principle, the filibuster is now a routine tool of legislative harassment.

Divided government is another hurdle for committees. They must either shape policies so President Bush will agree with them, or find the two-thirds majorities needed to override a Presidential veto. Since he became President in 1989, all of Mr. Bush's vetoes have been upheld.

BYPASSING COMMITTEES

Committees were given no chance to fail when it came to the two biggest legislative issues of the year. They had little to do with the vote to go to war over Kuwait and the compromise civil rights bill. The first was played out on the floor; the second was negotiated in Capitol offices.

To Thomas E. Mann, a Congressional scholar at the Brookings Institution, a research organization, decisions like that are not a reflection of committees but a realistic understanding of their limitations. "There are times when they simply can't manage enormous political conflicts," he said.

But, Mr. Mann added, he has less sympathy when different kinds of sensitivities, approaching political panic, led the Senate to rewrite its procedures for protecting its employees from discrimination and allow them to go to court.

The Senate should have sent the issue to its Rules Committee to examine the scope of the problem and consider how to solve it, he said. But as Senator Warren B. Rudman, Republican of New Hampshire, complained, "the frightened may prevail," and the political imperatives created by the Thomas hearings would not allow anything but a quick vote on the floor.

The war, the civil rights bill and the treatment of Senate staff remain an exception, though. There are more checks on committee influence than there used to be, of course, but as Woodrow Wilson wrote in 1885, "It is not far from the truth to say that Congress in session is Congress on public exhibition, whilst Congress in its committee rooms is Congress at work."

A REPUBLICAN REFORM MANIFESTO FOR A NEW HOUSE

THE DEMOCRAT HOUSE

The main problem with the House today is that it has been under the control of the same party, the Democrats, for 56 of the last 60 years.

And it is the tendency for any institution that is under the control of the same people for an extended period to become a bloated and muscle-bound bureaucracy that loses sight of its real mission and loses touch with those it is supposed to serve.

That description fits the House perfectly today. While the number of standing legislative committees has remained relatively constant over the years and now stands at 22, the number of subcommittees has risen from 136 to 158 over the last 20 years, and the number of committee and subcommittee staff has risen from 738 to 2,100 over that same period—a 186% increase!

And yet, despite that great increase in subcommittees and staff, the last Congress produced 44% fewer laws than the 91st Congress 20 years ago. Perhaps we should be grateful for that fact!

But what all this points to is that we long ago reach a point of diminishing returns. One of the reasons there is less legislative output is that ever since 1974, the same bill can be referred to a multiplicity of committees—two, three, six or more. In other words, we are spending our time duplicating the efforts of others, spinning our wheels, working at cross purposes.

The House today is a jumble of tangled jurisdictions and turf fights where House turf has become more important than the home turf Members are supposed to be representing.

And to make matters worse, the Democrat leadership, in trying to bring order out of this chaos, is engaging in the most blatant arrogance of power and dictatorship by increasingly limiting the rights of Members to offer amendments to bills.

Back in 1977, only 15% of the bills brought under special rules restricted the amendment process. Today, that percentage is around 55%. That means that on only 45% of the major bills brought before the House does your Representative have the full and free right to represent you! In the majority of major bills, that right is severely limited by the Democrat leadership, acting through its Democrat lieutenants on the Rules Committee.

This has gotten so bad that just last week, the chairman of the Rules Committee announced on the House floor that from now until this session adjourns, all legislation will be considered under a restrictive amendment process. I have termed this, "Gagging your way to Turkey Day."

THE REPUBLICAN HOUSE

How will Republicans change all this when we take control of the House in 1993? How will we make the House more stream-lined, efficient and effective, yet at the same time more open, accountable and truly representative?

We have laid out our agenda for House reform over the last two decades and presented it as a new set of House Rules at the beginning of each Congress. The Democrats, in their arrogant way, have confined consideration of our package and theirs to just one-hour, without even the opportunity for amending their package. The one procedural vote we have on opening their resolution to amendment always goes down to defeat on a straight party-line vote.

Here's what we would do:

We would change committee jurisdictions to eliminate duplication;

We would eliminate the referral of bills to more than one committee;

We would limit all committees except appropriations to no more than six subcommittees, resulting in about a 30% reduction;

We would reduce committee staffs by 30% over the next three Congresses;

We would eliminate proxy-voting and one-third quorums so Members would be required to be present in voting on amendments in committees;

We would limit all Members to a total of no more than four subcommittee assignments so that they would not be spread so thinly and could be more conscientious and accountable for their legislative assignments; and

We would require that record votes on reporting measures from committees be printed in the committee reports so that the public will know how their Representatives voted at this vital stage of the legislation.

These are just a few of the detailed 36-point package of House reforms we have recommended.

Others go to the important areas of the budget process, authorizations and appropriations reforms, oversight of Federal agencies and programs, and floor scheduling and consideration of legislation. We would, for instance, be committed to restoring an open amendment process for most, if not all, legislation.

In summary, I think Republicans are eager and prepared to take the reins in the House and restore it as the people's body, and eliminate the bureaucracy and arrogance that has marked the House for a good part of this century.

A REPUBLICAN REFORM MANIFESTO FOR NEW HOUSE REVOLUTION: HIGHLIGHTS OF RECOMMENDATIONS

(Republican House Rules Substitute, 102d Congress)

CAMPAIGN REFORM

The House Administration Committee would be directed to report a campaign reform bill no later than June 30, 1991, other committees no later than July 31st, and the Rules Committee would be required to report an open rule on the package no later than three legislative days after the latter deadline. If a rule is not reported, the package would be privileged for consideration on any day thereafter.

COMMITTEE REFORMS

The Rules Committee would be required to report recommendations no later than Dec. 31, 1991, to realign House committee jurisdictions along more rational and functional lines.

The joint referral of bills to more than one committee would be abolished (while retaining sequential and split referrals).

Committees (other than Appropriations) would be limited to no more than six subcommittees, and Members to no more than four subcommittee assignments.

Proxy voting and one-third quorums would be abolished;

Party ratios on committees must reflect the party ratio of the House.

Committee staff ceilings would be established and committee staff would be reduced by 10% from previous Congress.

Committees would be required to adopt oversight agendas at the beginning of a Congress and report on implementation of the agenda at the end of each Congress.

Roll call votes on reporting bills would be required in committee reports.

Foreign travel reports by Members and staff must include listing of official functions by country and date in addition to expense reporting, and made available for public inspection.

HOUSE ORGANIZATION, SCHEDULING AND FLOOR ACTION

Committees must be elected within seven legislative days of a new Congress and hold organizational meetings not later than three legislative days after their election.

The Speaker would be required to announce a legislative schedule at the beginning of each session including target dates for major legislation and move to more five-day work weeks.

Authorization bills must be reported by May 15th prior to the beginning of the fiscal year in which they are to take effect.

New limits would be placed on the consideration of bills under suspension of the rules and on the consideration of commemorative legislation.

Strict new limits would be placed on special rules from the Rules Committee relating to amendment restrictions, budget and blanket waivers, and self-executing rules, and the right to recommit bills with instructions would be guaranteed.

The names of Members signing discharge petitions would be made public after 100 signatures had been secured.

BUDGETARY REFORMS

The Committees on Rules and Government Operations would be required to report legislation by May 31, 1991, giving the President special rescission authority (subject to congressional disapproval) over appropriated items for which authorizing legislation has not been enacted.

The Rules Committee would be required to report by Dec. 31, 1991, its recommendations on the feasibility and advisability of converting to a biennial budget-appropriations process, with multi-year authorizations.

Automatic rollcall votes would be required in the House on the final passage of all appropriations, tax and pay raise bills and conference reports, and on the final adoption of budget resolutions and conference reports containing debt limit increases.

Limitation amendments would be permitted on appropriations bills.

Short-term continuing appropriations bills would be subject to the lesser of the House or Senate passed bills or the previous year's appropriations.

Any long-term continuing appropriations would be required to contain the full text of all matters being enacted and would be subject to the same points of order as regular appropriations bills regarding unauthorized and legislative provisions, subject to waiver only by a three-fifths vote.

Extraneous matters in reconciliation bills would be subject to deletion by points of order.

A REPUBLICAN REFORM MANIFESTO FOR A NEW HOUSE REVOLUTION

(Republican Conference House Rules Amendments, 102d Congress)

A house divided against itself cannot stand.—A. Lincoln.

INTRODUCTION

Nothing was more clear to the American people in the final chaotic weeks of the 101st Congress than that their system of government had broken down and was in need of a complete overhaul.

While some attribute this governmental breakdown to the divided party control of the Presidency and Congress, the main sources of paralysis can be found within the Congress itself. The Democrats' control of the House for 56 of the last 60 years has produced a bloated and muscle-bound bureaucracy characterized by a multiplicity of 158 semi-autonomous subcommittees with overlapping and tangled jurisdictions, competing interests and fierce turf fights.

Democratic leadership attempts to cut-through or circumvent this muddled maze by resort to ad hoc task forces and restrictive amendment procedures often compound the problem by moving the legislative process to smoke-filled back rooms—far from the public eye and even majority membership participation.

A direct result of this decline in the committee system is the bankruptcy of the congressional budget, authorization, and appropriation processes. Missed budget deadlines and deficit targets, the failure to consider authorization bills in a timely manner (if at all), and the increased use of appropriations and reconciliation measures for authorization purposes all contribute to this confused blur of authority, accountability and openness.

The disintegration of a deliberative legislative, budgetary and oversight process exacerbates internal divisions within the leadership and committees. This spectacle of disarray, in turn, accelerates the erosion of public confidence in Congress.

With public policy-making beyond the influence of most Members it's little wonder they are consumed instead by constituent concerns and reelection efforts. If the House had been successful at anything, it is getting its Members reelected—well over a 95% return rate in recent years. At one time it was asserted that the first job of a congressman was to get reelected. Now it seems to be the exclusive occupation of many Members.

All this has not been lost on the American people, 73% of whom express disapproval for the job Congress is doing. This mood of discontent is a growing tide that will not recede until Congress gets serious about reforming itself and its campaign practices.

This House divided against itself cannot stand unless it immediately undertakes a radical rennovation effort. To this end the House Republican Conference pledges itself in this "Republican Reform Manifesto for a New House Revolution."

THE COMMITTEE SYSTEM

Congressional committees have existed from the First Congress as agents of the House in fashioning legislation and conducting investigations. Woodrow Wilson, in his 1885 treatise *Congressional Government*, wrote that, "Congress in session is Congress on public exhibition, whilst Congress in its committee rooms is Congress at work." Congressional committees truly are the workshops of the national legislature in which the details of legislation are hammered-out on the anvil of compromise.

And yet, in recent years, the House committee system has deteriorated, and the quality of legislation and oversight has suffered accordingly. The reasons for this decline of the committee system are fairly evident. While the reforms of the seventies to make committee chairmen more accountable to their party caucuses have been laudable in intent, their effect has been to foster a proliferation of semi-autonomous subcommittees.

With this explosion of subcommittees and staff, Members have been saddled with more subcommittee assignments, making it nearly impossible to conscientiously perform any assignment. Committees and subcommittees have attempted to counter poor attendance with rules that permit business to be conducted with only one-third of the Members present and the liberal use of proxy votes. This phantom legislating has produced legislation that is less representative and well conceived then if more Members had actually been present.

Compounding the problem of legislative accountability is the practice of referring legislation to more than one committee. The House approved this procedure in 1974 but rejected an attempt to rationalize committee jurisdictions. The result has been a maze of tangled lines of responsibility among 22 committees and 158 subcommittees that is strangling the legislative process.

The authorizing committees are also falling prey to budgetary squeeze-out—sandwiched in time as they are between the adoption of a budget resolution and the beginning of appropriations process. With less and less time in which to enact authorizations, fewer authorizations are being properly considered if at all. In fiscal year 1990, for instance, $55.5 billion was appropriated for 49 program which had not been reauthorized.

In an attempt to bring some order out of this committee chaos, the majority leadership has resorted to a variety of devices that have rendered authorizing committees nearly obsolete. These include devising special rules making an order authorizing language not considered at the committee level and even appointing ad hoc leadership task forces to draft bills in secret, away from public committee hearings and meetings. Unreported authorizations are also leaded onto such omnibus bills as reconciliation, appropriations measures and even debt limit measures. It is not unusual for Members to have no report or information on such entire bills which have been developed outside the regular committee process. In summary, committees are becoming less and less relevant to the legislative process.

THE FLOOR SITUATION

Given the shambles in which the House committee system finds itself today, it perhaps should not seem surprising that autocratic procedures are increasingly being used in an attempt to restore a measure of "efficiency" to the House. Unfortunately, "efficiency" has become a euphemism for political expediency and advantage, and has again come at the expense of deliberation and representation.

Whereas only 15% of the bills coming through the Rules Committee 12 years ago were brought to the floor under "restrictive rules" which limit the amendments Members may offer, this percentage has increased with each succeeding Congress until it stands at 55% today. Just as the American people have been disenfranchised at the committee level with phantom legislative devices, they are being silenced on the House floor as well by such "gag" rules.

To further limit the amendment process, the majority leadership has increasingly been restricting the minority party's right since 1909 to recommit a bill with instructions in the form of a final amendment. Whereas a decade ago this right was limited less than 4% of the time, in the 101st Congress it has been circumscribed on 20% of the bills brought through the Rules Committee.

Another way to avoid proper deliberation, amendments, and votes is the "suspension of the rules" procedure. Under this device bills can be brought-up without being reported from committee, are subject to only 40-minutes of debate, cannot be amended, and must receive a two-thirds vote to pass. Votes on suspension bills can be "clustered" on the day after the bills were actually debated. Whereas just a decade ago only around 37% of the measures passed by the House were considered under the suspension of rules procedure, today the number of suspension bills passed comprises nearly 50% of all bills passed.

If the American people watching the House in action from the visitors' galleries or on TV are confused by all these goings on, they aren't too-far removed from their own Representatives who must often scramble to find out what it is they are voting on.

If, as Wilson observed, the "Congress in session is Congress on public exhibition," then today it is a poor exhibition of the representative and deliberative democracy the Founders intended. Much of this is traceable to the breakdown in the committee workshops. But the floor devices used to compensate for this breakdown have only made things worse both in terms of representation and the quality of legislation.

CONCLUSION

The paradox of the modern House is that while its Members are, by all measures, smarter, more dedicated and harder working than their predecessors, the House as a whole does not begin to equal the sum of its parts. The reason is easy to discern in the way the House is organized, or, more accurately, disorganized to promote the interests of its individual components—Members and subcommittees, over institutional and national interests. It is therefore little wonder that while 57% of the American people may approve of their own congressman, only 23% approve of the job the Congress is doing.

A REPUBLICAN REFORM MANIFESTO FOR A NEW HOUSE REVOLUTION

(A Summary of the Republican House Rules Substitute for H. Res. 5, 102nd Congress, January 3, 1991)

The rules of the House of the 101st Congress would be adopted as the rules of the 102nd Congress with the following amendments:

(1) Campaign Reform.—The House Administration Committee would be directed to adopt a campaign reform bill no later than June 30, 1991, other committees no later than July 31, 1991, and the Rules Committee would be directed to bring the bill to the floor under an open amendment process not later than three legislative days thereafter.

(2) Committee Jurisdiction Realignment.—The Rules Committee would be directed to study and report not later than Dec. 31, 1991, recommendations for realigning committee jurisdictions along more rational and functional lines to eliminate duplication, overlap and inefficiencies in the present system.

(3) Veto Message.—Immediately after the reading of a veto message, the Speaker would be required to state the question on the reconsideration of the vetoed bill, without intervening motion, thereby giving the House a chance to vote immediately on overriding the veto.

(4) Broadcast Coverage.—The Speaker would be required to provide uniform visual broadcast coverage of the House throughout the day which could include periodic views of the entire Chamber if they do not detract from the person speaking.

(5) House Scheduling Reform.—The Speaker would be required at the beginning of each session to announce a legislative program for the session that would include target dates for the consideration of major legislation, weeks in which the House would be in session (with full, five-day work weeks assumed unless otherwise indicated), district work periods, and the target date for adjournment. The Speaker would also be required to consult with the minority leader in developing each week's legislative program.

(6) Oversight Reform.—Committees would be required to formally adopt and submit to the House Administration Committee by March 1st of the first session their oversight plans for that Congress. It would not be in order to consider the funding resolution for any committee which does not submit its oversight plans as required. The House Administration Committee, after consultation with the majority and minority leaders, would report the plans to the House by March 15th together with its recommendations, and those of the joint leadership group to assure coordination between committees. The Speaker would be authorized to appoint ad hoc oversight committees for specific tasks from he membership of committees with shared jurisdiction. Committees would be required to include an oversight section in their final activity report at the end of a Congress.

(7) Multiple Referrals of Legislation.—The joint referral of bills to two or more committees would be abolished, while split and sequential referrals would be retained, subject to time limits and designation by the Speaker of a committee of principal jurisdictions.

(8) Early Committee Organization.—Committees must be elected within seven legislative days of the convening of a new Congress and must hold their organization meeting not later than three legislative days after their election.

(9) Committee Ratios.—The party ratios on committees would be required to reflect that of the full House (except for the Standards Committee which is bipartisan). The requirement would extend to select and conference committees as well.

(10) Subcommittee Limits.—No committee (except Appropriations) could have more than six subcommittees, and no Member could have more than four subcommittee assignments.

(11) Proxy Voting Ban.—All proxy voting on committees would be prohibited.

(12) Open Committee Meetings.—Committee meetings, which can now be closed for any reason, could only be closed for national security, personal privacy or personnel reasons.

(13) Majority Quorums.—A majority of the membership of a committee would be required for the transaction of any business.

(14) Report Accountability.—Committee reports on bills would be required to include the names of those members voting for and against reporting a bill or, in the case of a nonrecord vote, the names of those members actually present when the bill is ordered reported.

(15) Committee Documents.—Any committee prints or documents to be made available to the public which have not been approved by the committee must contain a disclaimer to that effect on their cover, may not contain the names of committee members other than the chairman authorizing the printing, and may not be made public until at least three days after they have been circulated to committee members.

(16) Foreign Travel Reports.—All Members and staff taking part in foreign travel at House expense would be required to disclose their official itinerary (including meetings, interviews, functions, inspections) by country and date in addition to currently required expense disclosure, and such reports would be available for public inspection in the offices of each committee not later than 60-days after the completion of travel.

(17) Same Day Consideration of Rules Committee Reports.—An order of business resolution from the Committee on Rules could not be considered on the same calendar day as reported, or the subsequent calendar day of the same legislation day, except by a two-thirds vote of the House.

(18) Permitting Instruction in Motion to Recommit.—The Rules Committee could not report an order of business resolution which prevented a motion to recommit, including one with amendatory instructions.

(19) Restrictive Rule Limitation.—It would not be in order to consider any order of business resolution from the Rules Committee restricting the right of Members to offer germane amendments unless the chairman of the Committee orally announces to the House, at least four legislative days before the Rules Committee meeting on the matter, that less than an open rule might be recommended by the committee.

(20) Limitation on Self-Executing Rules.—It would not be in order to consider any order of business resolution from the Rules Committee that provides for the automatic passage of any bill, joint resolution or conference report, or adoption of any motion, amendment, or resolution, except by a two-thirds House vote on agreeing to such consideration.

(21) Budget Waivers.—Any report from the Committee on Rules on a resolution waiving any provisions of the Budget Act against any bill would be required to include an explanation and justification of the waiver together with a summary or text of any comments received from the Budget Committee regarding the waiver. A separate vote could be demanded on any such waiver in a rule, subject to requisite votes required by the Budget Act for such a waiver. Blanket waiver rules would require a two-thirds vote for consideration.

(22) Committee Staffing.—Committee funding resolution could not be considered until the House has first adopted a resolution from the House Administration Committee setting an overall limit on committee staffing for the session. The minority would be entitled to up to one-third of the investigative staff funds, on request. The overall committee staff limit for the 102nd Congress could not be more than 90% of the total at the end of the 101st Congress.

(23) Commemorative Calendar.—A Commemorative Calendar would be created on which unreported commemoratives would be placed at the written request of the chairman and ranking minority member of the Post Office Committee. The Calendar would be called twice a month and any two objections would cause a commemorative to be removed from the Calendar.

(24) Automatic Roll Call Votes.—Automatic roll call votes would be required on final passage of appropriations, tax and Member pay raise bills and conference reports, and on final adoption of budget resolutions and conference reports containing debt limit increases.

(25) Appropriation Reforms.—The present restrictions on offering limitation amendments to appropriations bills would be abolished. Short-term continuing appropriations (30-days or less) could only provide for the lesser spending amounts and more restrictive authority as provided in either the House or Senate passed bills, the conference agreement, or the previous year's Act, and a three-fifths House vote would be required to waive this requirement. Long-term continuing appropriations measures (more than 30-days) would be required to contain the full text of the provisions to be enacted; the present prohibition on legislative language and unauthorized matters in appropriations measures would be extended to longterm CRs. Points of order and amendments to provisions in long-term CRs not previously agreed to by the House could only be denied by a three-fifths vote. Cost estimates would be required in reports on long-term CRs. Reports on all general appropriations bills, including long-term CRs would be required to include not only a listing of legislative provisions contained in the measures (as presently required), but of all unauthorized activities being funded by the measure.

(26) Reconciliation Limitation.—It would not be in order to report in a reconciliation bill, or consider as an amendment thereto, a provision which is not related to a committee's reconciliation institutions to either reduce spending or raise revenues. Determination would be made by the Budget Committee.

(27) Authorization Reporting Deadline—It would not be in order to consider any bill authorizing budget authority for a fiscal year if reported after May 15 preceding the beginning of the fiscal year (former Budget Act requirement).

(28) Pledge of Allegiance.—The Pledge of Allegiance would be required as the third order of business each day.

(29) Suspension of the Rules.—Measures could not be considered under the suspension

of the rules procedure except by direction of the committee(s) of jurisdiction or on the request of the chairman and ranking minority member of such committee(s). No measure could be considered under suspension which authorizes or appropriates more than $50 million for any fiscal year. Notice of any suspension must be placed in the CONGRESSIONAL RECORD at least one day in advance of its consideration together with the text of any amendment to be offered to it. No constitutional amendment could be considered under suspension.

(30) Discharge Motions.—The Clerk of the House would be required to publish in the CONGRESSIONAL RECORD the names of those Members signing a discharge petition once a threshold of 100 signatures has been reached, and to publish an updated list of names at the end of each succeeding week.

(31) Inclusion of Views With Conference Reports.—Members of conference committees would be permitted three calendar days in which to file supplemental, minority, or additional views to be published with conference reports.

(32) Intelligence Committee Oath.—Members and staff of the Select Committee on Intelligence would be required to take an oath that they will not directly or indirectly disclose to any unauthorized person any classified information received in the course of their duties except by the approval of the committee or of the House.

(33) Accuracy of CONGRESSIONAL RECORD.—A new rule would be added to include the recommendations of the bipartisan Task Force on the Congressional Record of the House Administration Committee in the 101st Congress. The rule would require that the Record be a verbatim account of proceedings subject only to technical, grammatical or typographical corrections by the Member speaking. Unparliamentary remarks could only be deleted from the Record by unanimous consent or order of the House. Violations of the rule would be subject to the authority of the Committee on Standards of Official Conduct.

(34) Special Rescission Authority.—The Committees on Rules and Government Operations would be directed to report by May 30, 1991, legislation giving the President authority to rescind budget authority for which an authorization has not been enacted, unless Congress enacts a joint resolution disapproving the rescission within 45-days. If the committees do not report, automatic discharge of the first such bill introduced is provided.

(35) Biennial Budget-Appropriations Process.—The Rules Committee would be required to study and report its recommendations no later than Dec. 31, 1991, on the advisability and feasibility of converting to a biennial budget/appropriations process, together with multi-year authorizations.

(36) Applicability of Certain Laws of Congress.—The appropriate committees of Congress would be required to report, not later than June 30, 1991, legislation applying certain Federal health, safety, labor and civil rights laws to Congress. Automatic discharge is provided for the first such comprehensive bill if they do not all report.

DEVRY INSTITUTE OF CHICAGO CELEBRATES ITS 60TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, during the week of December 8, students, staffers, and friends of the DeVry Institute of Technology in Chicago will celebrate the 60th birthday of that institution.

We in Congress regularly hear about the problems facing our schools and colleges. It is said that too often they fail to prepare young men and women for the high-technology jobs that are so vital to maintaining our competitiveness in world markets.

I'm happy to say that the DeVry Institute, located at 3300 North Campbell Avenue, now offers an outstanding program of technical training in electronics and other fields. Herman DeVry, who founded the Institute in 1931, instilled his own creative impulse as the driving force behind the school. Mr. DeVry is remembered as the Father of Visual Education for his work as an inventor and manufacturer of motion picture projecting equipment.

Today, the nearly 3,260 students enrolled at the DeVry Institute are the heirs of Mr. DeVry's legacy. These people are preparing themselves for careers in fields such as electronics, computer science, accounting and business management. They are working to complete bachelor's or associate degree programs tailored to the needs of today's employers. DeVry Institute classes feature an ideal mix of hands-on training and classroom study.

The programs offered by the DeVry Institute are fully accredited by the North Central Association and the Accreditation Board for Engineering & Technology. Many DeVry students attend night classes, which give unskilled workers an opportunity to improve themselves and their communities.

The challenge of maintaining the high standards of the DeVry Institute increases yearly as the pace of technological change continues its advance. That's why I'm glad Chicago's DeVry Institute has reliable leaders such as Board Chairman Dennis Keller, President E. Arthur Stunard and Ron Taylor, the president of DeVry, Inc. Prof. Susann V. Kyriazopoulos deserves a special thank you for chairing the institute's 60th anniversary committee in addition to her regular duties. Like other members of the DeVry Institute' dedicated faculty, Professor Kyriazopoulos is helping her students to keep pace with new technologies.

Finally, as the students and staffers of the DeVry Institute of Technology look to the future, I want to offer my congratulations on the many successes they have achieved over the past 60 years. I look forward to the many triumphs to come.

NOTRE DAME'S 150TH ANNIVERSARY

The SPEAKER pro tempore (Mr. COOPER). Under a previous order of the House, the gentleman from Indiana [Mr. ROEMER], is recognized for 60 minutes.

Mr. ROEMER. Mr. Speaker, it is with a great deal of pride that I come to the floor today. On September 7, 1991, this day marked the start of a 12-month observance of the 150th anniversary of the founding of the University of Notre Dame. With this in mind, as a Representative of the Third District of Indiana where Notre Dame is located, and as a graduate of Notre Dame's graduate school, and hopefully reflecting many of the connections to Notre Dame, I thought it would be important to come to the floor and talk about this 150 years that Notre Dame is celebrating.

Not only do I have the connection to the University of Notre Dame of graduate school, but my great-grandfather attended a grade school at the university, my grandfather taught at the university, and my mom and dad now currently work at the University of Notre Dame.

I have a great deal of respect and admiration for this university, and am excited to do this special order. I have asked for some of my colleagues, both graduates of the University of Notre Dame as well as people that have and share that same respect, to join me today in commending the university's accomplishments over these 150 years.

Some of my colleagues will join me today on the floor of the House. Others, such as Speaker FOLEY, will join me by submitting a statement. Some Members such as LEE HAMILTON, the dean of the Indiana delegation, will also be submitting a statement joining in recognizing the university's accomplishments to this country and to the world over this 150 years.

Mr. Speaker, it has been said that the history of a place does not really begin in any one place. As I said before in my opening remarks, as a Representative from the Third District of Indiana representing Notre Dame, people often tell me of their visits to campus, to the famous grotto, to a football game, to the bookstore, to the library, to now what has opened as a commendation to Father Hesburgh, the president emeritus of Notre Dame, an International Center of Peace and Study of International Relations. But they also have a consistent theme and thread when they tell me about these experiences, Mr. Speaker, and that is an overwhelming sense of purpose connected with this place at Notre Dame.

People's impressions vary from having attended one of the greatest sporting events, although that is not what the university's greatest accomplishments are, to talking about research they have conducted on campus in a research laboratory, having taught at the university, or even encountered the unique and special spirit and dedication to academics of the student body, with this unique character, Mr. Speaker, in the student body of the University of Notre Dame.

Mr. Speaker, I will submit for the RECORD a speech concerning the founding of the University of Notre Dame. Let me read for one instance, Mr. Speaker.

The university's establishment coincided with the great opening of midwest railroads, canals, and with the immigration of many Catholics from across Europe.

> The university's second and even greater advantage was the character and dedication of its founder, Father Edward Sorin, whose vision of a great American university has inspired Notre Dame's growth over its entire history.

Mr. Speaker, you can say from what history has said about the University of Notre Dame, about the confluence of different variables and people, spirit and dedication and innovation, and if you can say genius that came together to found this university, founded by the Congregation of the Holy Cross, it came together for many reasons. One of the reasons was an attempt in a special way to solve some of the problems through education, through involvement in the community with problems that we encounter as a people, problems in the community, of the State, of the Nation, people caring about other people, people caring about their future together.

The best way to reflect that, Mr. Speaker, is to read a passage from Father Hesburgh's recently completed book called "God, Country and Notre Dame," where he talks not only about the changes that we saw reflected back when Notre Dame was founded in the 1840's, but the changes that we can continue to see in the world. Let me read.

> We are all seeing in amazement the vast changes now sweeping the Soviet Union and the Eastern European bloc of nations. For years Andrei Gromyko walked out of meetings every time the problem of human rights was raised in the Soviet Union. Now it is a top priority item on the agenda of reform in the Soviet Union. Last year the top legal establishment in Moscow asked me, Father Hesburgh, as a Catholic priest to give them a lecture in the conference room of the Soviet Central Committee on the provision for religious freedom in the first amendment to our Constitution.

He goes on:

> Looking back over the years of my life, I can see clearly what we needed most and need now: faith, vision, courage, imagination, and ingenuity. Education should lift personal expectations, not debase them. Our universities can and should help in search of solutions to these problems. They can and should inspire students to participate in the great causes of our day. One person can make a difference, and no one knows what he or she is capable of until he or she tries.

Mr. Speaker, it is with this kind of commitment, this kind of faith in our young people, this kind of coming together to attempt to solve problems, that makes Notre Dame special and unique.

As I said, this university was founded by the congregation of the Holy Cross from Father Edward Sorin, now to Father Edward Monk Molloy.

□ 1600

Let me talk for a brief instant, before recognizing one of my colleagues, about a couple things that make Notre Dame unique to me, the ethics and values that are espoused by Notre Dame.

In a personal story, when I was at the university in graduate school and in charge of one of the halls, Grace Hall, we were welcoming freshmen students onto the campus. It was one of the most hectic days that we encountered, and I was an assistant rector for 2½ years.

I remember greeting four freshmen, and they were all in the same room, one single room. And I remember a father of one of the young students came up to me and said to me, he said, "Tim, I want you to please step out of the room for a second and I want to tell you about my concern for my son."

And many people say that, and there was a special look in this father's eye, so I walked out of the room and went into the hallway. And he looked at me in the eye, about 2 feet away from me, directly into my eyes, and I will never forget it, and he said, "Tim, I want you to take good care of my son. He has been diagnosed with cancer. He wanted to spend his time here at Notre Dame. We are not sure how long he has to live."

This sense of the community, of commitment, of what Notre Dame might provide to this young boy, this young student, young man, was conveyed very, very strongly and emotionally from this father's words to me about what Notre Dame meant to this son and to the father.

Second, Mr. Speaker, the sense of service and voluntarism that Notre Dame is committed to. Over 2,000 students volunteer both in the local community and nationally every year through 30 different organizations. This sense of commitment to improve the community is also something that is very unique and special, not just to Notre Dame but, I think and hope, to many young people across this country, when given the chance in our universities.

Third, having been a graduate school student there, the dedication that I have seen on the part of the administration, faculty, students, but especially on the part of the faculty and administration to speaking, to original research. This growth in original research has been impressively displayed in the growing endowments, in the number of endowed chairs in the university and also, Mr. Speaker, in the number of minority scholarships that have been committed not only through the university in its academic program but through the football program and the money raised in revenue there as well.

Two other things that embody the spirit, the dedication, the academic prowess of Notre Dame are two things that they are doing in the local community, Mr. Speaker. One is a program called Christmas in April, where it is a coming together, a sharing of a number of interests in the community, business and labor, students and teachers, local community people from Mishawaka, from South Bend, from across the Third District of Indiana coming together with the University of Notre Dame to help rebuild handicapped and low-income housing in the community.

This is a real symbol of what universities working together at the local level, putting their own resources, both money and human resources toward problems that a community confronts and faces.

Second, and I would just name two of these examples, is the Center for the Homeless, about 5 minutes from the university campus, where again this private university has decided to extend its resources, both people and money, into the local community to help in a holistic fashion address the problems of the homeless, not just merely to say we need to help people with shelter but to give people the ability to get themselves out of the situation that they find themselves in, to get themselves out of this homeless situation by helping these young people or families, we are seeing increasing amounts of families in these situations, to provide education skills, GED's, to provide them with the knowledge and the awareness of how to go about getting a job, looking for employment, paying for bills at the end of the month and, once they find employment, to work together, again, with the private sector, the university and the private sector, seeking to solve these problems.

Finally, Mr. Speaker, I just want to conclude by saying that in my encounters, not only with people like Father Hesburgh, Father Monk Malloy, who has just been renewed in his commitment for 5 more years to be president of the University of Notre Dame, something I know everyone shares our joy of having the kind of example of Father Malloy, his commitment not only to voluntarism but his involvement in a number of things, fighting drugs in the local community, the Points of Light Program, to see him get another 5 years to help bring Notre Dame into this next century and into the 155th year. But I want to conclude by saluting what Notre Dame's purpose and spirit are all about. And I think that is the sense of the commitment, the sense of hope and vision that it attempts indelibly to press on people that come in contact with the school.

I would like to read just quickly a couple lines from Alfred Lord Tennyson: "The lights begin to twinkle from the rocks. The long day wanes. The slow moon climbs. The deep moans round with many voices. My friends, 'tis not too late to seek a newer world."

I think we all are looking, Mr. Speaker, for a newer world, for the vision, the hope and the courage of saying that we can seek to solve some of the problems nationally and internationally and hopefully through people, through education, through institutions that come together with local communities in the 1990's, we can delve into questions, into problems, and find answers working together with people.

I think that is one of the very, very valuable assets that Notre Dame brings, not only to a local community, not only to the Nation, but hopefully to the world.

The Hesburgh era saw Notre Dame's enrollment double, its physical facilities grow from 48 to 88 buildings, and its endowment rise from $10 million to more than $400 million. Two defining moments in Notre Dame's history occurred at Father Hesburgh's direction: the transference of governance in 1967 from congregation of Holy Cross to a predominantly lay board of trustees, and the admission of women to undergraduate studies in 1972.

Since 1987, the university has continued to grow in prominence under the leadership of Father Edward Malloy. Endowed faculty positions now number more than 100, and the student body has become one of the most selective in the Nation. There are a total of 47 bachelor's degree programs within four colleges in the undergraduate department, while the graduate department embraces 22 doctoral and 40 master's programs in and among 33 university departments. Notre Dame is proud of the cultural diversity of its student body, being drawn from all over the United States and some 60 foreign countries. During the Malloy years, Notre Dame's minority population has more than doubled. The presence of women at all levels in the university—students, faculty, staff, and officers—has expanded significantly, and a major effort in international outreach is under way.

Academic life has always been of foremost importance to both the faculty and student body of the university. Notre Dame remains among the top 50 U.S. universities in the awarding of doctorates and ranks 18th among the country's private institutions of high learning in the number of doctorates earned by undergraduate alumni.

The South Bend campus is not the only site for academic programs to thrive. Overseas study programs have been broadening the horizon of university students offering liberal arts programs in Mexico City, Jerusalem, Innsbruck, Angers, Rome, China, and Japan. The law school has developed special programs to provide a global perspective for students of law in London. Notre Dame is also a pioneer in preparing business students for leadership roles in the world economy. The university's London Centre offers business students the opportunity of exposure to economic thinking in the changing European community. The London program was the first of its kind and remains one of the only such programs offered by an academic institution. The university developed these special programs in order for individuals, other than traditional liberal arts students, to expose themselves to diverse ways of life and thinking.

The university is hardly an intellectual institution alone. Social, recreational, and governing bodies have created a dedicated spirit of service and voluntarism, an integral part of Notre Dame's original intentions. Father Malloy has played a prominent role in the national campaign to curb drug abuse as well as efforts to encourage volunteerism. He serves as a member of President Bush's Advisory Council on Drugs and, at the state level, of Governor Bayh's Commission for a Drug-Free Indiana. He also is a founding director of the Points of Light Initiative, a newly created foundation to promote ideas of community service.

In 1989 and 1990, more than 2,500 Notre Dame students volunteered for the local Christmas in April housing rehabilitation program which makes repairs in low-income neighborhoods.

The students also participate in the following community projects: helping former prison inmates reenter society, providing legal services for low-income clients in the community and delivering meals for the poor and the homeless. In 1988, the university assumed the lead in fueling and establishing a new Center for the Homeless in South Bend.

Upward Bound, a program for 2,000 bright but disadvantaged students, marked its 25th anniversary last summer. The program was established to enhance the experience of minority students in the collegiate setting. They are students who might not otherwise have the chance to progress to the university level and are successfully graduated at a rate of 99 percent.

Notre Dame opens up its doors to welcome the elderly community in the summer months with an international program entitled Elderhostel. Students partake in training programs prior to the summer semester and teach adults over the age of 60 a variety of subjects ranging from topics in Christian philosophy to water aerobics. There are 1,600 Elderhostel programs internationally, mostly in the United States and Canada. Notre Dame's program is 1 of 10 in the State of Indiana.

Mr. Speaker, September 7, 1991, marked the start of a 12-month observance of the 150th anniversary of the founding of the University of Notre Dame. As the university prepares to celebrate is sesquicentennial, I would like to share some of Notre Dame's history and outstanding accomplishments with my colleagues.

The University of Notre Dame was founded in late November 1842, by a priest of the Congregation of Holy Cross, Reverend Edward Sorin. His original land grant, which consisted of 899 acres and served as the site of an early mission to native Americans, included only three small buildings in need of repair. Father Sorin and his companion Brothers of St. Joseph—later Holy Cross Brothers—called the fledgling school, in their mother tongue, "L'Universite de Notre Dame du Lac."

The early Notre Dame was a university in name only. It encompassed religious novitiates, preparatory and grade schools and a manual labor school, but its classical collegiate curriculum never attracted more than a dozen students a year in the early decades. Despite these humble beginnings, however, Notre Dame from its founding enjoyed two significant advantages. First, its establishment coincided with the great opening of the Midwest by railroads and canals and with the immigration of many Catholics from Europe. The university's second, and even greater advantage, was the character and perseverance of its founder, Father Sorin, whose vision of a great American university has inspired Notre Dame's growth over its entire history.

In 1869, Rev. William Corby established the Nation's first Catholic law school at the university and in 1873 the first Catholic college of engineering was founded. Father Sorin's death in 1893 brought to an end the founding era, but not the tradition of visionary leadership. Father John A. Zahm, a brilliant scholar, became the builder of the science departments at Notre Dame and inspired the university's growth in research. Today, Notre Dame's college of engineering is an internationally recognized leader in systems and control research, which has aided such great achievements as putting men on the moon, advancing studies of radiation technology which could point the way to future energy sources, and allowing economists to understand more accurately the workings of the monetary system.

Father James A. Burns, Notre Dame's great theorist of education, revolutionized the university in the 1920's. He eliminated the preparatory school and dramatically upgraded the law school, and established the university's first endowment totaling $1 million with a board of lay advisors to oversee it. Father Burns made it clear that Notre Dame was committed to nothing less than preeminence in American higher education.

Notre Dame's dramatic post-World War II flourishing began under Father John J. Cavanaugh, who raised entrance requirements, increased faculty hiring and established the Notre Dame Foundation to expand the university's development capabilities. Father Cavanaugh reorganized the university administration, created vice-presidents of all departments and one head vice-president to oversee the whole. His executive-vice president was Father Theodore M. Hesburgh. The explosive growth of the university in size and stature gained national prominence during the 35-year tenure of Father Hesburgh, who became an internationally known figure for his work in education and civil and human rights, as well as serving as a major contributor to the establishment of the Peace Corps.

I would be remiss if I did not mention the success of Notre Dame's varsity sports programs over the last century. Legendary coaches in the varsity football program boast famous names such as Knute Rockne, Ara Parseghian, and Lou Holtz. Not only has Notre Dame produced eight national championship football teams but the talent of seven Heisman trophy winners have graced the fields of Notre Dame's legendary football stadium. Notre Dame's football program prides itself not only on its outstanding athletic ability, but also enjoys a graduation rate of over 99 percent of its players. National titles have also been won by varsity teams in tennis, golf, cross-country, fencing, and club sports and intramural activities abound throughout the entire year.

The traditions of the University of Notre Dame have become deep and abiding over the years since Father Sorin founded the institution. I am fortunate to have had the opportunity to pursue my graduate education at Notre Dame, and even more fortunate to have this institution in the Third Congressional District of Indiana, which I represent. It is an honor to pay tribute to their outstanding accomplishments and achievements and all of us in the Third District wish the university continued success in the next 150 years and beyond.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr ROEMER. I yield to the gentleman from New York.

Mr. MARTIN. Mr. Speaker, I do want to say, particularly to the gentleman from Kentucky, when I first came here as part of the Notre Dame family, I certainly appreciate his at that time seeking me out. I received some very special attention from the gentleman as to the does and don'ts and how to do what here. But it is interesting to note, as part of that extended Notre Dame family, that my brother graduated from Notre Dame in 1949, and it was pretty much conceded by everybody in the family that that is where I was going to go.

Somewhere about the time I was 18 years of age, I found out that this rule of being in with the doors locked at 10 o'clock at night is something that was not going to happen to me, and I applied to a number of other institutions of higher learning.

My brother took me to a football game in South Bend in 1961. They were playing a school from upstate New York called Syracuse, and Notre Dame kicked a field goal somewhat late in the game. The people in Syracuse say it was 20 minutes after the game was over, but the gentleman might remember that round. I wrote the other institutions and told them if I did not go to Notre Dame, I was not going to school at all.

□ 1610

My dad in the meantime had also explained to me that that is where I was going, and that helped a lot. So one reflects on all the experiences one has in one's life, I think back to Notre Dame and think back to those people like Father Tom Brennan, who took such a personal interest in me as a person. That is pretty much a tradition of the Notre Dame faculty. I think that is why no matter where you go you meet Notre Dame graduates and they have something extra in the collegiality of things, in understanding and looking out for each other and for the betterment not only of the community but of the church.

Father Brennan is a person who probably had more impact on my life than anybody else in sending me at those crisis times in the rights direction, and it is a reflection on Notre Dame and on their education. While they became famous back in the 1920's, 1930's, 1940's, 1950's, 1960's, 1970's, 1980's, and now the 1990's for football, that is just a small part of it. The Father Newlans who helped us win the Second World War with the invention of synthetic rubber and those kinds of people are found everywhere on the campus today, as they were years before.

While I wish I had more time to reminisce and to salute the people who are there now turning out another generation of fine Notre Dame men and women, it is most appropriate, and I thank the gentleman from Indiana [Mr. ROEMER] for taking out this special order. I just wish I could stay longer. I thank the gentleman for yielding to me.

Mr. MAZZOLI. Mr. Speaker, would the gentleman yield?

Mr. ROEMER. I am happy to yield to the gentleman from Kentucky.

Mr. Speaker, I thank the gentleman from New York [Mr. MARTIN] for his kind remarks.

Mr. MAZZOLI. Mr. Speaker, I appreciate the kind comments of my friend from New York [Mr. MARTIN]. It is true that I made a special effort to extend a warm collegial congressional/Notre Dame welcome to the gentleman when he came to this body 10 years ago, and I am happy I did. He has served very well in his committee position, and he is a proud Member of this body, and I am proud to be his colleague.

Mr. Speaker, I would like to thank the gentleman from Indiana [Mr. ROEMER], who happens to be the one who represents the Notre Dame campus, for taking this special order. Notre Dame means very much to me, and in a few minutes with the gentleman's permission, I would like to reflect on how it does and why it does.

I cannot let this moment pass without remembering the gentleman's father, Dean Roemer, who was here so proudly a few months ago when you were sworn in, TIM, and I remember your dad. And I remember your dad from my days on the alumni board in the early 1980's. I remember vividly his coming to our meetings and telling us about Notre Dame and what was going on, because our visits to campus three times a year were, among other things, to update us on just exactly what was happening. Dean Roemer performed that task wonderfully. I would ask the gentleman to extend good wishes to him as soon as he sees him again.

Let me go back if I might many years ago, 50 years ago to the early 1940's when my father was still alive and was a great Notre Dame fan, although he was what we call a subway alumnus. My father not only did not go to college, he did not even go to high school. He was indentured, if you want to call it that, to the trades while he was still in grade school. But my father developed a great affiliation for Notre Dame, and as we know, it was a college which somehow embodied the hopes and the aspirations of a great group of people who came to this country, the immigrants to the country, along with native born. For those people it was especially a kind of repository for their love and affection and for their great admiration for this Nation. So from the early 1940's I can remember vividly sitting with dad before television, and before VCR's. Our children have a hard time remembering there was an era before TV. I would listen to the old staticky radio with my father, listening to the football games and remembering those great clubs of Frank Leahy in the early 1940's and some of the great football players of those eras. It happened that my cousin, Otto Miletti, was a student there at the time, and so Otto would come home at Christmas and bring me little mementos of those great Irish teams. I was sort of brought into Notre Dame via that vision, which we find even today where the Notre Dame fighting Irish football teams are among the best in the land, and they do it the right way.

As a result of that I would tell the gentleman from Indiana [Mr. ROEMER] that I really applied to only one college. When it came time for me to think in terms of matriculating to a college, I applied to one university and that was Notre Dame, and thankfully I was accepted. So I entered Notre Dame in the autumn of 1950, barely after World War II had ended, and very much in a time when Father John J. Cavanaugh was then president; when over in what is now part of the campus complex was what we called Vetville. The gentleman's father would remember Vetville, with the veterans coming back from the Second World War, returning to campus, married, and it happened that the gentleman you referred to, Father Hesburgh, was the chaplain to the veterans in Vetville, where Father Hesburgh more or less got connected with a lot of those people.

The year 1950, I need not remind my colleagues, was a very different era than 1992. In 1950 we had no opportunity to go out on weekends. We had no automobiles. We had lights out, much as a monastery would turn lights out. They would turn the lights out on us. We had to make certain checks in the morning at Mass and in the evening when we came back. In 1952, in the middle of my sophomore year, Father Hesburgh became president of Notre Dame, and that began his 35-year tenure, the longest in the history of the university, as president. This was an era of remarkable growth, intellectually and physically, at the Notre Dame campus, an era in which Father Hesburgh and Father Joyce, his loyal and hard-working notable companion in that effort, really brought Notre Dame into the new era of universities.

I remember among other people, Father Cady, who was my first rector at St. Edward's Hall, which was my hall then. I remember Father Jerome Wilson, who was the treasurer, and sort of took care of the business work for Notre Dame.

That was an era that was very important to me. I found that Notre Dame provided me the intellectual stimulus, the social structure, the religious formation that I needed as a person to handle what life brought me soon afterwards when I was drafted into the army. Notre Dame also made the transition from the era of the 1950's. Then it was just for men; it is now a coed university, but then just for men, and it transited and, as they say today, segued very wonderfully and very smoothly into the new era.

In that new era, in the 1960's and the 1970's, it suited the purpose of those people very well. It did especially for our son Michael, who entered Notre Dame in the autumn of 1979 and graduated in May 1983, and our daughter Andrea, who entered a few years thereafter. She graduated in May 1985, and at a very wonderful moment for the Mazzoli family, because it happened to be that very graduation ceremony in which I was honored with an honorary degree from Notre Dame, in the company of President Duarte and many other remarkably great people, far outstripping me in accomplishment. But I was honored at that time to have my daughter in the audience being given her degree, and there I was on the stage.

So our two children, a 1983 graduate, and a 1985 graduate, and then to put the sort of maraschino cherry on the whipped cream, our son-in-law, Andrea's husband, is also a Notre Dame graduate, class of 1985. He happens to be an Irishman by the name of Doyle. So here we have the Italian-Irish combination which has been so popular over the years at Notre Dame.

Even today I would tell the gentleman from Indiana [Mr. ROEMER], who was nice enough to take this special order, that on my staff I have had many Notre Dame graduates. I currently have two: My administrative assistant, Jane Kirby, class of 1980, and Martin Rodgers, the class of 1988.

☐ 1620

I can attest not only are they professionally very talented, but they are personally able to handle the stresses and strains, and I think that gets back to exactly what the gentleman said.

I will conclude, after making just a couple of remarks, but what the gentleman said is Notre Dame with its structure, and deep roots, and ethnics and principles, and values and service, is able to produce graduates who not only can take care of all the academic demands of today's society, but also to take care of making sure that they have safe anchorage. They have that. They have proper guidance, and that they have a certain aim and a goal. I think that is so important for Notre Dame.

I would lastly like to mention the class of 1954, of which I am a member. It is a wonderful class, and I would like to remind the gentleman from Indiana that among my classmates is Richard Rosenthal, who is the athletic director at Notre Dame today, and Roger Valdiserri, whom the gentleman knows was for so many years, the head of the sports information department and constantly would win awards nationally for his productions and publications at the sports department, and Joe Sassano, who runs the athletic and convocation center, now called the Joyce Center. And I have members on the faculty, Father Dave Burrell, one of the Holy Cross fathers. Dave was in my class. John Poirier, who is the physics department, and at least, among others, Dick Pilger, who is also in South Bend.

So I thank the gentleman for taking his special order. It allows us to celebrate the 150th year of Notre Dame's remarkable service from a little log cabin at the edge of St. Mary's and St. Joseph's Lake in 1842, to the very sophisticated university that it is today and soon to be in 1992.

I would like to suggest to the gentleman that Notre Dame has given me a lot, and I hope I have endeavored to give back to Notre Dame some of what it gave me over the years.

But I certainly take great pride in celebrating with him and our other colleagues from Notre Dame this wonderful mark in the history of that great university.

Mr. ROEMER. I thank the gentleman, Mr. Speaker. I would just like to thank the gentleman from Kentucky for those eloquent and right-on-the-mark remarks about his experience at Notre Dame and also salute him for the recognition that Notre Dame has bestowed upon him for his public service, for his accomplishments here in this body, and encourage him to continue in that stead. He is somebody many Notre Dame graduates look up to, including myself, for his accomplishments here.

Mr. Speaker, I yield to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Speaker, I am particularly happy to hear the remarks of our colleague from Kentucky about Notre Dame which, as he says, was a great benefactor in his life, which gave him the opportunity to leave Kentucky and come to Indiana, which I am sure was a very enriching experience. I do not say that in any condescending fashion, since my mother did the same thing just before marrying my father.

Notre Dame will always be heard from in the halls of Congress of the United States.

One thinks of remarks made by the great John Brademas, the predecessor to the gentleman from Indiana, and Jack Hiler found many opportunities to mention Notre Dame, and now the gentleman from Indiana [Mr. ROEMER] does great honor to that great institution among institutions on this Earth.

One thinks of such names going back into antiquity as Leon Hart, who came from nowhere to take Notre Dame all the way to the west coast. One thinks of the name Ara Parseghian, who opposed the Vietnam war, and, of course, the latter edition of the Gipper, who favored the Vietnam war, and obviously freedom of thought is very much alive at Notre Dame. I do not believe that President Reagan actually went there, but he played one on TV or in the movies, I think. One thinks of Father Hesburgh, who was an enormous inspiration to this institution.

I had the privilege of serving on the Committee on the Judiciary on many occasions, many occasions when Father Hesburgh came here to testify in favor of civilizing America with the 1965 Voting Rights Act and other matters where his erudition was a guiding light, or one of the guiding lights for this body in those turbulent transitional and triumphant years.

So this opportunity to salute Notre Dame on its sesquicentennial is warmly accepted, I think, by almost every American, and in a larger sense the whole world.

God surely smiles on this institution, this Nation, and God's children all over this Earth who, in one way or another, in many instances, have had better lives because of the learning experience at Notre Dame of many leading citizens of the Earth.

Somerset Maugham wrote that education is valuable only to the extent that it ennobles. Notre Dame could be the very institution he was talking about.

Mr. ROEMER. Mr. Speaker, I would like to thank the gentleman from Indiana for taking time to come down to the floor and make those remarks.

Mr. Speaker, I yield to the gentleman from Puerto Rico [Mr. FUSTER].

Mr. FUSTER. Mr. Speaker, it is a privilege for me to join my colleagues today in celebrating the 150th anniversary of the founding of the University of Notre Dame, of which I am a proud alumnus. Many of us in this chamber retain vivid and positive impressions of our undergraduate years. This is certainly my case with Notre Dame.

I will never forget that time over 30 years ago when I left the sunny shores of my native Puerto Rico to embark upon an exhilarating 4 years in the cold climes of South Bend, IN. It was certainly a challenge, but Notre Dame lived up to my expectations. I went on to postgraduate legal studies at Harvard and Columbia, but when I think of my alma mater, I think first of Notre Dame.

Notre Dame is the premier Catholic university in America, the flagship of all such universities. When I say this about Notre Dame, I am saying it not only as a proud alumnus but also from the vantage point of having been president of Catholic University of Puerto Rico for 4 years and having spent a lot of time working in Catholic higher education. Many Americans equate Notre Dame with its remarkable and highly successful football teams over the years; indeed, there is an underground alumni throughout the country, who never went to Notre Dame, but who identify with the university and its football teams to an extent not found at any other college.

But Notre Dame is more than football, much more so. Academically, it is a top university, ranking among the very best in the Nation. When, for example, you look at the special criteria that reflect in a fine way the strengths of academia—such as the number of Rhodes scholars—Notre Dame is right up there in the big leagues. And Notre Dame has something else—the amazing spirit of its students and faculty, a spirit that manifests itself in the different educational and personal values that permeate the campus.

Of particular significance to me is the way faith and reason are blended at Notre Dame. At the intellectual level, Notre Dame explores the spiritual and metaphysical underpinnings of very important human problems, and at the personal level it provides a context for a true living faith. I will never forget, for example, the experience of seeing hundreds of grown-up and very macho men going to the Grotto to pray before important events. Coming from a Catholic culture as I do, that was a lasting impression. In this day and age when people struggle to find answers to very important social problems, Notre Dame's view is that the secular approach is not enough—that those social problems have to be analyzed and solved within the context of Christian values—is particularly pertinent.

Indeed, throughout the many years of its existence, Notre Dame has been a civilizing force in American higher education and in America itself, from the earliest times of these United States. My hope and expectation is that Notre Dame will continue on this illustrious path. Notre Dame stands for the very best in American educational values, and I join with my colleagues in saluting our alma mater on the 150th anniversary of its founding.

☐ 1630

Mr. ROEMER. Again, Mr. Speaker, I would like to thank the gentleman from Puerto Rico for his remarks. We are all lucky that the cold weather in South Bend did not scare him away from the university and that he did get his degree and that he is now associated with that university. I am sure the university is very proud of that as well.

Mr. MAZZOLI. Mr. Speaker, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman from Kentucky.

Mr. MAZZOLI. Mr. Speaker, I was not aware until just a moment ago what the gentleman mentioned, and that is that Father Malloy has been granted by the board of trustees an additional term of 5 years as president; is that correct?

Mr. ROEMER. That is correct. He has been awarded an additional 5 years and they have just replaced the outgoing chairman, Donald Keough, with Coca-Cola, with Andy McKenna, the incoming chairman from Chicago, and we are lucky to have had and will have his continued knowledge to help run the university.

Mr. MAZZOLI. Mr. Speaker, if the gentleman will yield further, the gentleman's special order comes at a very propitious moment, because it is really on the eve of new things, because it does give Father Malloy a chance for at least another 5 years to continue to put his own hallmark and stamp on Notre Dame, which is what any president does, and of course, gives us a chance to welcome Andy McKenna, whom I know from my years on the board, as chairman and to say good-bye, but with thanks, to Don Keough, who was a great chairman of the board of trustees. It is wonderful and I am sure we all wish Father Malloy continued good luck and good performance.

Mr. ROEMER. Mr. Speaker, I yield to the distinguished gentleman from Ohio [Mr. LUKEN], who is also a graduate of the University of Notre Dame.

Mr. LUKEN. Mr. Speaker, I thank the gentleman from Indiana for yielding me this time, and I congratulate the gentleman for this special order.

Mr. Speaker, this weekend I took my family back to the University of Notre Dame, and congratulations, parenthetically, to the people from Tennessee on their victory over the weekend; but th good news is that the university of looking forward to a real good next 150 years. If you have been to the university lately, you have seen the new buildings that are going up there. You have seen the enthusiasm that the people have for the university.

I should also add that the hall in which I spent 3 years, Pangborn Hall, looks a heck of a lot better today than it did when I was there, so things are looking up at the University of Notre Dame.

Mr. Speaker, I went to the university in the early seventies. It was an odd time by most accounts at the University of Notre Dame. The gentleman from Kentucky recalled a time a little earlier and the gentleman from Indiana is a lot younger than I am, but I went there in the early seventies during the Vietnam war. The invasion of Cambodia was something I remember at the university.

I remember Father Hesburgh addressing the students on the campus in a very moving and eloquent way. It was a difficult time for college campuses across this country, but it was also a time, I think, more than ever when the spirit of Notre Dame really came to the fore, the spirit, the family of Notre Dame.

I do remember the conversations that we had about that conflict that went long into the night and somehow I think sometimes if the night would have been just a little longer, we could have solved the problems, but we never did.

But those friendships that you develop, those people I still talk to today.

As the gentleman from Indiana indicated, it is a place where they focus on the total person, the intellectual, the academic, and I see where their standards continue to go through the roof in terms of getting in. I wonder sometimes how I would fare in 1992, but they focused on the complete individual. Anybody who went there, whenever you talk about Notre Dame, you get a reaction. Some people like it or they do not like it; but I think everybody respects the University of Notre Dame because it stands for excellence. It stands for the development of young men, and now thankfully, young women.

The good news is that the future is very, very bright.

So Mr. Speaker, I congratulate the gentleman from Indiana on this special order and I thank him for allowing me to participate and just be part of this cheer for old Notre Dame.

Mr. ROEMER. Mr. Speaker, I would like to thank the gentleman from Ohio for those humorous and very fine comments.

Mr. Speaker, I yield to one of our distinguished Members in Congress, the gentleman from Pennsylvania, to also join in our special order in commending the university's 150th year.

Mr. GAYDOS. Mr. Speaker, I want to thank my colleague for yielding to me.

Mr. Speaker, before I forget, I want to thank the gentleman for having the foresight to take this special order.

Many graduates leave the university and they forget about the university, what it has meant to them, how important it is in their lives and where they would have been if they had not attended.

I feel personally honored. I happen to be at Notre Dame when the original concept of natural law came into being. We had the first natural law symposium. That was under Dean Manion at the time. Dean Manion at that time was the dean of the Notre Dame Law School. Dean Manion is the individual who fought so hard over the years to make sure in our Pledge of Allegiance that we had the words "under God" incorporated and inculcated into that pledge which we give every day here in the House of Representatives. He was a very, very influential man.

I remember at that time President Romulus, right after World War II, was the first speaker at the First Natural Law Institute to be held on the campus at the old Notre Dame Law School, before it became modernized with all these raised seats and the new structure. It was the old law school.

So to me Notre Dame has a special connotation. I remember we had also at that time what we called a great books seminar. Judge Collier would come down from Chicago, along with Mortimer Adler, a well-known philosopher at the University of Chicago, who is making a great reputation today. In fact, not very long ago I turned on one of the special programs on TV and who was there but my old friend, Mortimer Adler, making again a good presentation, as usual.

In that seminar, we discussed all the great books, and what they meant, and how they could be used, and how they involved every day living—a study itself in its entirety—so important to me and to other graduates at the time.

Natural law might be a concept that some people think has no real being and that someone devised this concept, but let me tell you, it was mentioned nationwide in the recent Judge Thomas hearings.

The question came as to what comes first and which should govern, a higher authority or the Constitution of the United States. We all know what the answer is, but just to show you that Dean Manion back 40 years ago when I was in law school—back in 1947, and 1948, and 1949—at that time he had this concept of natural law, and he thought it was a subject matter to be debated and projected in the future, and here I am in this institution listening to a very important interrogation on national TV and they bring up the old concept of natural law.

In fact, I think the only library in this country on natural law, at the least the original library, is at the University of Notre Dame Law School today. I think I am accurate in saying that.

So, the point I am probably trying to make by just going back and reminiscing a little bit as to what I experienced—yes, I was there when they had three undefeated football teams, under Coach Leahy at the time. Of course, that spoils you as a student, but I just want everybody to know that Notre Dame is not just a football university. Yes, it does have a good athletic program. They have basketball, football, and other things, but that is not what it stands for.

I think Notre Dame in my concept, after looking back and analyzing what the school stands for and what it does, I think very basically and fundamentally it says that in your future endeavors and as you live your life, that you have a duty to do unto others as they do unto you and you have a right to compare what we call physical law, manmade law and natural law, natural law that does govern in some instances in the absence of other types of manmade law.

So just reciting those few items to my colleagues and also hopefully for the RECORD, I want to conclude by saying this. I never regretted the fact that I went to Notre Dame. I think Notre Dame has developed within the students a very great closeness. I have noticed and am probably guilty myself, there is a slight favoritism when you have individuals applying for a position with you, or if you have someone asking you for some advice, or some direction—you just have that faint type of feeling that this is a Notre Dame man or a woman.

□ 1640

I am very glad to help. I thank the gentleman for yielding to me.

Mr. Speaker, it is with great pride that I join my colleagues in congratulating the University of Notre Dame on its 150th anniversary. As a graduate of Notre Dame's law school, I am honored that the university has never wavered from its commitment to provide a quality, well-rounded education for young adults that is preparing them for the challenges of life.

In 1842, when Father Edward Sorin was granted 300 acres of land in northern Indiana to start a university, few realized what his "University of Notre Dame du Lac" would become—a nationally recognized university of 10,000 students from every State and many foreign countries.

Many people around the world know about Notre Dame because of its success on the football field. And, while alumni are rightfully proud of the football team, Notre Dame is much, much more.

Students at Notre Dame get a first-rate education that focuses on the tools they need to be successful at their chosen professions as well as the knowledge to be active participants in American life. Each student is required to take classes in mathematics, natural sciences, literature, the fine arts, and the social sciences.

Under the leadership of President Monk Malloy, the university blends a quality education with pride for institution itself to create what is called the Notre Dame family, a family which has grown considerably in recent years and now consists of the student body and over 210 alumni clubs around the world with chapters in Moscow, Tokyo, and Australia.

The theme for Notre Dame's 150th anniversary celebration is community service, something I personally have been preaching for most of my years in Congress.

Serving our fellow citizens is one of the great characteristics of our society today, and I would encourage everybody to take part in some form of community service, whether it is joining the Salvation Army, working at the local community center, or volunteering to work in an underdeveloped area in this country through VISTA or in another country through the Peace Corps.

Community services offered through Notre Dame provide various opportunities for students to work with the poor, help the mentally challenged, or be a Big Brother or Big Sister. A testament to the university's emphasis on community service is the large number of students and alumni who give of their time and energy.

Over the last decade, we have been bombarded with reports concerning the dismal state of education in our country today. Some complain, and rightly so, that some college and high school graduates are not being adequately educated and our national economy is suffering as a result. But there is hope, however. Institutions all over the country such as Notre Dame are providing its students with quality education and with ideals that will translate into better lives for those touched by their graduates.

Father Sorin would be extremely proud to see how Notre Dame has flourished, and I congratulate the university as it celebrates its 150th anniversary.

Mr. ROEMER. I thank the gentleman from Pennsylvania for his remarks, and I thank him also for reiterating what many of us have said, that Notre Dame is and should be known for so many other things other than football, basketball, and sports prowess, such as its dedication to teaching, original research, so many fundamentally important things such as service, community, and the ethics and values that they teach indelibly to their students.

Mr. Speaker, I yield to the gentleman from New Jersey [Mr. ANDREWS], my friend, and I know that he probably brings a certain perspective to his comments on the university, having attended a field hearing at the Hesburgh International Center this past summer when we brought the Committee on Education and Labor there to listen to their local concerns.

Mr. ANDREWS of New Jersey. I thank my friend from Indiana for yielding.

Mr. Speaker, I want to commend the gentleman for calling this occasion to our attention. I want to offer a slightly different perspective on the university, as one who visited it for the first time at the field hearing we had several months ago.

Mr. Speaker, I knew of Notre Dame as many of us in the country know Notre Dame, which is its reputation; I have known many of its graduates, many of whom are residents of my district in New Jersey. I have known its teachers, its graduates, and their distinction.

Of course, I have known the school through its fame in athletics, arts, and other fields as well.

The impression that I received upon the gentleman's very kind invitation to go to the university was two things: One, as Father Hesburgh said in his testimony before our committee that I thought defined not only the hearing but a lot of what we tried to do in our work with the Committee on Education and Labor, which is that as education goes, so goes America. There is no individual that I am aware of whom I have met who personifies that value more than Father Hesburgh. I cannot think of any institution in America that personifies it any better than Notre Dame.

Mr. Speaker, it is a place where education is very clearly the center of its mission. I was pleased to note that. I was also pleased to note the concept that everywhere on campus, the people that I met, the concept of the family was evident.

I know that the members of the family of the gentleman from Indiana [Mr. ROEMER] are very much associated with the university as he has been. It is clear that the Notre Dame family is more than just an expression, more than just a phrase; that the family is the center of the university experience much as we would hope the family would be the center of our society and our community.

So as one who has a very fresh perspective of the university from just a few months ago, I enjoyed meeting many of its administrators, faculty, students. I thank the gentleman for today's special order, and I look forward to his special order on Bucknell University, which is where I went, and I commend the gentleman for this opportunity.

Mr. ROEMER. I am sure as intelligent and articulate as the gentleman from New Jersey is, he probably will have one tomorrow on Bucknell.

I would like to further comment that if the gentleman from New Jersey is angling for an honorary degree from North Dakota, he may have gotten it just now with these kind remarks that he made after having visited the university.

I thank the gentleman from New Jersey for those comments.

Mr. Speaker, I would just like to conclude finally by saying that the traditions of the University of Notre Dame have become deep and pronounced over the last 150 years of this great institution's commitment, not just to South Bend, IN, and the Third District of Indiana, but to America and to the world, as we see the university going into China and Japan and Ireland and even Australia.

I think we are all fortunate, not just people associated with Notre Dame, not just subway alumni of the university, but I think we all are, as Americans, in this respect. But I think Notre Dame, the young people of Notre Dame, Mr. Speaker, are taught not just about bottom lines, not just about profits, or how to make money, they are taught about ethics and about values and about working hard in the community, for the community, and about seeking to enrich the lives of others and improve local communities.

I think other Representatives who have served the Third District, Mr. Hiler, the gentleman from Indiana, and Mr. Brademas, who is now president emeritus of New York and who is on the board of trustees at the University of Notre Dame, have also shared in this commitment and this pride in Notre Dame as I have today, being the Representative of that institution.

I would just like to wish the university, the administration, Father Malloy, Andy McKenna, the faculty, the student body: During the next 150 years may you bring the same kind of dedication and principle and ethics and values not only to our local community, not only to America but to the world in helping us solve many of the problems that we face as a country in the future.

Mr. FOLEY. Mr. Speaker, for years the University of Notre Dame has represented a model for values and a commitment to excellence in both religion and scholarship. It is truly a national institution, with international respect and admiration. The year 1992 marks the sesquicentennial of that hallowed institution, and stands as a milestone for the examples set by Notre Dame in education, community service, and concern for the underprivileged.

What began as three neglected buildings and a priest with a vision has become one of America's leading universities with over 80 dormitories and academic buildings and over 10,000 students. Rev. Edward Sorin, a brother of the Congregation of Holy Cross, christened Notre Dame's mission and generations of dedicated individuals have sought to perpetuate carrying out that mission with equal determination.

The University of Notre Dame's belief in service to the community has not been confined to the limits of its South Bend campus. With extensive representation from foreign countries, the university's student body projects that message to the far reaches of the world at each year's commencement. Similarly, numerous international study programs in Europe, Central America, and the Far and Middle East promote a similar attitude and awareness for undergraduates and postgraduate alike.

As one of America's foremost independent Catholic universities, Notre Dame accepts a great deal of responsibility for the needs of the impoverished, the homeless, and the hungry. For Notre Dame, dedication to higher education does not stop in the classroom, but extends to direct involvement with and service to the community.

The University of Notre Dame deserves to be proud of many things. Her accomplishments are many and celebrated. The spirit of her students and alumni are a testament to the school's excellence, and I salute the university, its spirit, and its students both past and present.

Mr. HAMILTON. Mr. Speaker, I would like to take this opportunity to recognize the 150th anniversary of the founding of the University of Notre Dame in South Bend, IN.

Notre Dame is one of the most famous and respected universities in this country and the world. Many Americans know Notre Dame for its legendary football teams. It is much more than that. Notre Dame is a leading center for higher education. It ranks 10th in the Nation in the number of doctorates earned by its undergraduate alumni.

Notre Dame has in the past and will continue to play a significant role in enhancing our competitiveness in the global economy. It has produced generations of scientists, engineers, and business leaders, who have contributed so greatly to our economic success in Indiana and in the country. Future graduates will, I am sure, make similar contributions in science, technology, and business innovation.

The university has, of course, also made its mark in the humanities and in religious education. The greatness of this country rests in large part on the character of its people—on their sense of justice and tolerance, in their compassion for the disadvantaged and dispossessed, in their respect for individual liberty. Notre Dame has nurtured those virtues in the hearts and minds of its students and the American public, and has always put a premium on voluntarism and community service.

September 7, 1991, marked the beginning of a year-long celebration of the sesquicentennial of Notre Dame. I think it is fitting and proper that Congress take this time to recognize this great institution and its many achievements, and look forward to a future of continued accomplishment and excellence.

Mr. McDADE. Mr. Speaker, it is my pleasure to join my colleagues in this special order commemorating the sesquicentennial year of an institution that holds a special place in my heart—the University of Notre Dame.

On a snowy November day 150 years ago, 28-year-old Father Edward Sorin arrived on the banks of St. Mary's Lake with the dream of building a college. L'Universite de Notre Dame du Lac enrolled 200 boys in its inaugural year, a frontier school stressing discipline, religious training, and basic academic skills. Father Sorin, a missionary from France who quickly embraced his new homeland, devoted himself to the survival of his school. Almost 80 percent of the colleges founded before the Civil War were to fail, and fire was a chief culprit.

After the great fire of 1879 destroyed the main building and four other buildings at Notre Dame, Father Sorin, then 65 years old, called the crowd of students and faculty walking among the ruins into Sacred Heart Church. He inspired the Notre Dame community with his words: "If it were all gone, I should not give up!" Father Sorin led his college back, crowning the new main building with a goldleaf dome modeled after the one at St. Peter's Basilica in Rome in tribute to Our Lady, despite the objections of the Holy Cross Order and the university's officers to this extravagance.

By the time I first set foot on the Notre Dame campus—107 years after Father Sorin launched his dream—the university was nationally renowned, albeit more for its football teams than its academic reputation. Knute Rockne and his Fighting Irish became a part of the Nation's folklore, and Frank Leahy continued Rockne's tradition of excellence on the gridiron. Although sons of Notre Dame had made important contributions to education and science in early 20th century America, the football team captured the headlines and the imaginations of boys across the land. As Father John O'Hara wrote in the "Religious Bulletin" in the 1920's, "Notre Dame football has done more than any one thing to spread devotion to frequent Communion among the school boys of America."

Father O'Hara, who would become president of the university in 1934, and later cardinal archbishop of Philadelphia, recognized the public relations value of the football team's success. From his predecessors, Father James A. Burns, Father Matthew Walsh, and

Father Charles O'Donnell, Father O'Hara learned that he had to raise money to attract the faculty and build the facilities to bring academic excellence to the university. O'Hara was president when young Theodore Hesburgh enrolled at Notre Dame's Holy Cross Seminary.

When I arrived in 1949, Notre Dame had long passed the days of being a frontier school. The university boasted a law school, a graduate school, and full offerings in the undergraduate courses of the day. Notre Dame was recognized for its strong programs in philosophy and theology, arts and letters, and the physical sciences. Father Sorin's commitment to discipline, regimentation, and religious training remained hallmarks of the university, but intellectual and scholarly pursuits had replaced Sorin's little boarding school of 1842. I was immediately impressed with the beauty of the campus—the golden dome, the stunning Sacred Heart Church, and the splendor of the south quadrangle during autumn. Notre Dame stadium sat perched on the edge of campus, the red brick bowl holding the promise of many Saturday afternoons of excitement.

I entered Notre Dame a boy, and I left a better person. Away from home for the first time, I missed my family those first few weeks. But at the same time, I was becoming a part of another family, the Notre Dame family. My new family reinforced and expanded upon the lessons I learned in the McDade home in Pennsylvania. My professors challenged me to learn, to think, and to grow. The Fathers of the Holy Cross Order encouraged me to grow in my faith, and did not hesitate to offer—indeed to proclaim—the proper code of conduct for a young man.

My professors were dedicated to the art of teaching. They challenged, they inspired, and they instilled a sense of discipline that would enable me to complete tasks that I thought impossible to do. It is indeed a dangerous business to single out one professor as the best from such a talented group, but I would like to say a few words about my favorite—Father Peter Hebert.

I arrived at Notre Dame having graduated from a Jesuit preparatory school in Scranton, where they worked their usual miracles in drilling young minds with the complexities of Latin, Greek, and French. When I matriculated at Notre Dame, I thought I might take a course in Latin, not knowing I would be introduced to one of the most brilliant men I have ever encountered in the person of Father Hebert. Father Hebert was into neither declining nouns nor conjugating verbs—he was into the minds of the great classical thinkers whose philosophies and writings shaped the great civilizations of this world. His classes were an intellectual tour de force, second to none. That first course was titled Latin 101, but my first exposure to a great books program was in this class my freshman year. I signed up for summer classes at the University of Scranton near my home to make room on my schedule to take 4 years of Father Hebert's courses at Notre Dame.

Father Hebert used to joke that the world was divided into two groups: Classicists and engineers, also known as plumbers. He meant not to deride the contributions of science or of the working man; this joke was his way to challenge everyone to think, and to learn from the great thinkers. Everything was of interest to Father Hebert, even the words of science, engineering, and plumbing. One day, Father Hebert picked a flower, and then another of the same species. He commented on the similar structure, the order in the two flowers. He noted the order in our universe; this order, he said, is proof of the existence of God. Father Hebert, my Latin teacher, was one of the leading botanists at the university. Students marveled at his one-man campaign to identify and categorize the species and variety of every single tree of the 1,250-acre campus.

Father Hebert was an inspiration and a role model for students and professors on the Notre Dame campus. He was an incredible force in the lives of his students, and his influence on my young mind will remain with me for the rest of my life. Notre Dame boasted a host of great teachers during my years there, and each of them left students with a wealth of knowledge. But without a doubt, my most unforgettable professor was Father Peter Hebert.

As is true with most every class at any school, a special bond developed among the members of the class of 1953. We made friendships that have a lasted a lifetime, united in our devotion to the Fighting Irish and our youthful rebellion against the decrees of a faceless administration. In my senior year we organized the milk riot, after the administration decided we left too much milk in the 8-ounce glasses. When smaller glasses were introduced, we held full glasses out and dropped them to the floor, amidst shouts of "Fire One," "Fire Two," and "Fire Three." We made sure that our shots were fired out of reach of the discipline monitor, who was clearly overmatched in this battle, and the 8-ounce glasses soon returned. In the spring, we celebrated the return of Father Sorin, actually a statue of him, who had disappeared in winter and sent us correspondences from President Eisenhower's inaugural ball, Queen Elizabeth's coronation, and an audience with the Pope. Father Sorin magically came back, and his traveling companions escaped being identified by the crowd or the prefect of discipline, Father Charles McCarragher, Black Mac, who was not amused.

The Reverend Theodore M. Hesburgh, C.S.C. became university president in 1952, and we students did not realize what this would mean to Notre Dame until well after we joined the ranks of the alumni. Father Hesburgh served until 1987, and he transformed Notre Dame from a small midwestern Catholic institution with a famous football team to a university with an international academic reputation. Building upon the knowledge and example of his predecessor, Father John Cavanaugh, the 35-year-old Hesburgh set out that first year to follow what he described in his autobiography as a "* * * kind of vision. I envisioned Notre Dame as a great Catholic university, the greatest in the world! There were many distinguished universities in our country and in Europe, but not since the Middle Ages had there been a great Catholic university." Father Hesburgh led Notre Dame through its greatest period of growth—academically, physically and financially—as he tirelessly pursued his lofty goal and instilled his vision in others.

Father Hesburgh brought greatness to Notre Dame. He inherited the strong, cohesive sense of spirit that has existed within the Notre Dame community since Father Sorin's time, and he used this spirit to bring Notre Dame to new heights. Numbers do not do justice to the academic, social and spiritual growth fostered by the leadership of Father Hesburgh, but they help to illustrate the magnitude of his accomplishments.

During Father Hesburgh's 35 years as president, Notre Dame's annual operating budget grew from $6 million to $230 million, and the endowment rose from $6 million to more than $500 million. The student population has doubled, and the faculty has tripled. Notre Dame first admitted women in 1972, and today women make up 40 percent of the undergraduate student body. There are twice as many buildings on the campus today than when I was graduated, including the Hesburgh Library, perhaps more famous for "Touchdown Jesus" than the more than 1 million volumes it contains.

Father Hesburgh gave of himself not only to Notre Dame, but to the people of this Nation and the world. He accepted 14 special appointments from seven Presidents through the years, serving with distinction for 15 years on the U.S. Civil Rights Commission. He was involved with the formation and early missions of the Peace Corps, and has been a leading voice on a wide range of social issues, including peaceful uses of atomic energy, immigration reform, discrimination, human rights, Third World development, world peace, the environment, ecumenism, and of course, education.

Under the able leadership of Father Edward Malloy, the University of Notre Dame continues to grow, always setting higher goals as it fulfills old ones. Notre Dame has realized Father Hesburgh's vision of becoming a great Catholic university. It is a great American university. It is recognized internationally for its contributions to our world. I thank my colleagues for indulging me as I spoke about Notre Dame, for it is with pride that I count myself among the nearly 100,000 alumni of the university. I am grateful for everything that Notre Dame has given me, and proud of the university's achievements nationally and internationally.

Mr. Speaker, I am sure my colleagues join me in saluting the University of Notre Dame du Lac on its 150th anniversary.

GENERAL LEAVE

Mr. ROEMER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the occasion of the University of Notre Dame's 150th anniversary of its founding and its celebration of improving higher education in America.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

TRIBUTE TO THE HONORABLE D. FRENCH SLAUGHTER, JR.

The SPEAKER pro tempore (Mr. BOUCHER). Under a previous order of the House, the gentleman from Virginia [Mr. BLILEY] is recognized for 30 minutes.

Mr. BLILEY. Mr. Speaker, today one of this body's most esteemed and well-respected Members, my good friend and colleague D. French Slaughter, Jr., is retiring after representing the people of Virginia's Seventh District for 7 years. Seventh District constituents are extremely fortunate to have been able to call French Slaughter Congressman because he provided them with the finest possible representation in Washington. The Richmond Times-Dispatch said it best—"If Washington were dominated by political leaders who shared Representative Slaughter's values, the Federal Government would be far more responsible, effective and economical than it is." Mr. Speaker, at this time I would like to insert that Richmond Times-Dispatch editorial into the RECORD.

French has devoted a great part of his life to serving the people of Virginia. He served two decades in the Virginia House before coming to Congress. During those many years of public service, French has remained true to his conservative beliefs. He never sought the limelight, but quietly worked behind the scenes to help steer his colleagues toward enacting sound, fiscally conservative policy.

Although the name D. French Slaughter, Jr., may not be well-known beyond the borders of the Commonwealth of Virginia or outside of the Halls of Congress, the Slaughter legacy is renowned throughout the beautiful country of the Seventh District. That is because French never forgot that a Member of Congress' most important responsibility is always constituent service. He never failed to put first the interests of the people who sent him to Washington.

I feel very fortunate to have had the opportunity to serve with such a fine Member of Congress. I also feel very fortunate to be able to call this Virginia gentleman a loyal friend. This body, and especially this Member, will miss French's friendship and guidance very much.

On November 5, the people of the Seventh District paid a great tribute to French Slaughter's legacy by electing GEORGE ALLEN to follow in his footsteps. When the voters elected ALLEN they affirmed the great degree of respect they have for their former Representative. They chose to send someone to represent them who will continue to be a conservative voice in Washington in the finest French Slaughter tradition.

The article referred to follows:

[From the Richmond Times-Dispatch, July 2, 1991]

THE PEOPLE LOSE

With the resignation of Republican Representative D. French Slaughter, Jr. of the 7th Congressional District, the American people will lose the services of one of the most highly principled conservatives in public office. If Washington were dominated by political leaders who shared his values, the federal government would be far more responsible, effective and economical than it is.

Throughout his political career, first as a Virginia legislator and then as a congressman, Representative Slaughter has been guided by the belief that government has a limited function to serve in the affairs of men. But whatever the government needs to do, it should do well and at a reasonable cost. Isn't this the essence of responsible government?

French Slaughter is not a showman. When he went to Congress he did not assume that he had mounted a stage, there to emote for the media. A quiet and modest man, he went about his duties so unostentatiously that he attracted little notice. But his constituents knew about his good work and rewarded him appropriately on every congressional Election Day.

They knew, too, about his moral and philosophical steadfastness, which he dramatically demonstrated a year ago when Congress invited Nelson Mandela, leader of the black African National Congress in South Africa, to address a joint session. Honoring a man whose organization has been trying to murder and torture its way into political power was something Representative Slaughter could not condone. He boycotted the speech.

It is profoundly distressing that failing health is forcing this uncommon congressman to resign. He deserves our gratitude for his many years of service, and our best wishes for the future.

Mr. Speaker, at this time I yield to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. I thank the gentleman for yielding. I want to thank the gentleman for taking out this special order for our friend, D. French Slaughter.

Mr. Speaker, all of us who represent the Commonwealth of Virginia in the House of Representatives are saddened by the untimely resignation of our good friend, D. French Slaughter. All of us who know French and had the honor of working closely with him know that he is an honest and hardworking and very capable Virginia gentleman. He has served the Seventh District of Virginia in Congress for nearly 7 years, and he took special pride in the quality of services that he provided for all of his constituents. No problem was ever too small or too insignificant for him to look into and take care of, and he solved many problems for his constituents back home.

□ 1650

Mr. Speaker, Congressman Slaughter was a champion for the need to balance our Federal budget. He recognized that this was the greatest need that we in this country and we in this Congress have, and we in Virginia will continue to work to achieve this goal of a balanced budget for this country, just as we currently do in the State of Virginia.

Mr. Speaker, he also authored major legislation to preserve Civil War battlefields that are important to us in Virginia and important to our history in America.

Congressman Slaughter had a long and distinguished career in Virginia before coming to Congress in 1985. He served in the Virginia House of Delegates from 1958 to 1978, where he had numerous achievements, but his greatest achievement perhaps was the crafting and guiding of the legislation that gave us our Virginia community college system, and for that all Virginians are grateful.

Mr. Speaker, I arrived in Congress a few years after French Slaughter, and though we sometimes differed in our votes, I always thought we shared a great deal in common. We both love Virginia and consider it a great honor to serve the Commonwealth in Congress. We are both alumni of the Virginia Military Institute and, as well, alumni of the University of Virginia, and I was privileged to share a platform with French Slaughter in 1989, at the Tomb of the Unknown Soldier in a ceremony commemorating VMI's 150th anniversary. It was a very memorable day for me. It is one that I will always treasure the memory of, especially the memory of sharing that with French Slaughter.

Mr. Speaker, Congressman Slaughter represented a rural congressional district, just as I do, and he was always mindful of the special needs and the concerns of those who chose to live in rural America. I consider Congressman Slaughter a friend, and like many of us in this Chamber I will certainly miss him. We all wish him well as he enters retirement from the rigors of the long public life that he led and loved, and we all thank him for being such a fine public servant.

Mr. BLILEY. Mr. Speaker, I yield to the gentleman from the Fourth District of Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Speaker, I thank the gentleman from Virginia [Mr. BLILEY].

Mr. Speaker, I rise today to join in this most appropriate tribute to our colleague and friend D. French Slaughter, Jr. who recently retired from this body after four terms of service in behalf of the citizens of Virginia's Seventh District.

Not only have I had the pleasure of serving with Congressman French Slaughter, I also fondly recall serving with him in the Virginia General Assembly when we both had the title "Delegate" in front of our names. But whether in the general assembly or in Congress, some fundamental things about French have remained unchanged. I am referring to his kindness, his deep commitment to good government, and his thoughtful approach to fulfilling his responsibilities as a public servant.

Although soft-spoken and deliberate, there's never been any doubt about French's depth of conviction. That explains why his constituents in their wisdom saw fit to return him to office time and time again with overwhelming margins of victory. In short, French was one of those rare breeds: A politician that voters actually liked.

As French moves on to what I hope will be a satisfying retirement, I just want to wish him well and congratulate him on a distinguished career.

Mr. BLILEY. Mr. Speaker, I yield to the gentleman from the First District of Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Speaker, I rise to pay tribute to a Virginia colleague and a dear friend, French Slaughter, who has just stepped down because of ill health after 7 years of distinguished service in this Chamber.

French and I have twice been colleagues. He was first elected to the Virginia General Assembly in 1958, and during 10 of my 14 years in the Senate of Virginia, French was on duty in the house of delegates, serving on some of its most important committees. In the Congress, he joined our ranks in 1985, just 2 years after I came to Capitol Hill.

In each of his terms of office, French has served with a quite dignity and integrity which have been his hallmarks. Never one to waste words, French always observes carefully, thinks clearly, and speaks with conviction. As a result, he has commanded the respect of all who have known him.

French served in the U.S. Army with honor and distinction in Europe in World War II, receiving the Bronze Star and the Purple Heart. After the war he completed his college education and earned his law degree at the University of Virginia. He retained close ties to the university throughout his life, serving as president of the alumni association and as a member of the board of visitors, and finally representing the university community in Congress for 7 years.

Here in the House, French was an able member of the committees on Science, Space, and Technology; Judiciary; and Small Business.

In everything that he has undertaken, French has been a dedicated and thoughtful servant of the people of his area of Virginia. Both they and he can take pride in the work that he has done.

French will be missed by all who have had the privilege of knowing him here, and by no one more than this representative of a neighboring district. I know my colleagues join me in wishing our friend improved health and a long and fruitful retirement.

Mr. Speaker, I also welcome to our ranks French Slaughter's successor, the gentleman from Virginia [Mr. ALLEN], who will serve in the very distinguished tradition of the Burr Harrisons, the Jack Marshes, the Ken Robinsons, and now the French Slaughters. We welcome him to our ranks, and look forward to serving with him in a distinguished career.

Mr. BLILEY. Mr. Speaker, I thank the gentleman from Virginia [Mr. BATEMAN] for his eloquent remarks, and at this time I yield to the gentleman from Virginia [Mr. ALLEN] who has succeeded so ably, Mr. Slaughter.

Mr. ALLEN. Mr. Speaker, I thank the gentleman from Virginia [Mr. BLILEY], my friend from the Third District, for yielding.

Mr. Speaker, I appreciate the gentleman from Virginia [Mr. BLILEY] holding this special order to honor my predecessor from the Seventh District of Virginia, Congressman D. French Slaughter, Jr. He is a friend of mine. I had the honor of nominating Congressman Slaughter in 1984, to serve in the Seventh District in Congress. Other Members have talked about his legacy and his work. He did serve 20 years in the General Assembly of Virginia in the house of delegates. He is known as a founder of the Virginia community college system, and since I have his office right now, we have pictures of all the community colleges in Virginia in the Seventh District of which he was a founder. Also at the University of Virginia he was rector of the University of Virginia, and of course he served 7 years in the House of Representatives here where he stood for strong conservative principles and good ideas, such as the health care IRA's.

Mr. Speaker, Congressman Slaughter's legacy will be his uncompromising integrity, his honesty, his uncommon character and devotion to duty and to principle. He is indeed a model for me, and for everyone and all people who would want to serve as public servants.

Mr. BLILEY. Mr. Speaker, I yield to the gentleman from the Tenth District of Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I want to thank the gentleman from Virginia [Mr. BLILEY] for yielding.

Mr. Speaker, I want to rise and say farewell and good-bye to French Slaughter. French is a Virginia gentleman. As the gentleman from Virginia [Mr. ALLEN] said, he is a fiscal conservative.

Mr. Speaker, Politics in America, I think, sums it up very much when they said that French Slaughter is an experienced student of the legislative process. Having served two decades in the Virginia House before coming to Congress, he has been known to spend some time in the House Chamber observing floor debate and then offering insights to harried colleagues who arrive on the floor and need an update on matters being considered. French is one of the most honest, decent, ethical, moral men that has served in this body.

Mr. Speaker, I think it truly can be said that he was a gentleman and a scholar who has served in a fine tradition of J. Kenneth Robinson, and before that, Jack Marsh, who went on to be the Secretary of Army, and I just want to say, if French is watching, two things:

"French, we just wish you well, pray for you and ask that the Lord bless you and keep you, and know that you will be missed in this body by so many. God bless you, French."

□ 1700

Mr. BLILEY. Mr. Speaker, I yield to the gentleman from the Second District of Virginia [Mr. PICKETT].

Mr. PICKETT. Mr. Speaker, I want to thank the gentleman from Virginia [Mr. BLILEY] for organizing this special order to honor our retiring friend and colleague, French Slaughter.

This institution will certainly miss French Slaughter. Ever since his election to Congress in 1984, French served the people of Virginia's Seventh Congressional District with integrity, with intelligence, and with the force of someone who holds deep convictions and high ideals.

French Slaughter will be remembered for his work on the Science and Technology Committee and Judiciary Committee. He was a friend to the elderly, and committed to a Medicare Program that is fair and more efficient. I remember him coming to this floor many times to warn of the need for reform of our Medicare and Medicaid Programs.

And in the very best traditions of Virginia, French Slaughter was a great fiscal conservative. He understood that government cannot be all things to all people and that it should not try.

Yet, French Slaughter is someone who does understand that government can play a positive role in people's lives. As a member of the Virginia General Assembly in the mid 1960's, he was a major force in helping move through the General Assembly legislation that established Virginia's outstanding program of community colleges.

Although we were longtime friends, French and I did not always agree on every issue. But even in disagreement, French was always a gentleman. He was always willing to listen to the views of others and to treat their views with respect and dignity.

French was a good lawyer, a fine legislator, and I wish him well in his retirement.

Mr. Speaker, Virginia's Seventh Congressional District includes Charlottesville, which was the home of Thomas Jefferson. It is certainly appropriate that this area was represented for so long by a Virginia gentleman like French Slaughter.

Again, I thank the gentleman from Virginia [Mr. BLILEY] for taking out this special order.

Mr. BLILEY. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, I yield to the gentleman from the Eighth Congressional District, the Honorable JIM MORAN.

Mr. MORAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise to recognize my colleague Frank "French" Slaughter, on his retirement from the House of Representatives and for the 34 years of service he has given to the Commonwealth of Virginia and to the United States of America.

Representative Slaughter was first elected to the Virginia State House in 1957 and since then has watched Virginia grow into the progressive, effective, and fiscally responsible Commonwealth it is today. Representative Slaughter was an important part of that development and played a large role in both establishing Virginia's outstanding modern education system and in the creation of Virginia's model community college program.

A man of principle and a long time bulwark of Virginia conservatism, Representative Slaughter will always be a respected figure in State and national politics. He will be missed by his colleagues here in the House and by the citizens of Virginia.

Mr. BLILEY. Mr. Speaker, I thank the gentleman.

In conclusion, I want to thank all of my colleagues from Virginia for participating in this special order, and also particularly want to thank the patience and understanding of the gentleman from Michigan [Mr. WOLPE], who allowed us to precede him in his tribute to French Slaughter.

Mr. MICHEL. Mr. Speaker, I'm honored to be able to join with our colleagues in paying tribute to a fine gentleman of the House, our colleague French Slaughter. French decided not to run for reelection, and we are going to miss him around here.

"Politics in America," edited by Alan Ehrenhalt, had this to say about French Slaughter:

> He is an experienced legislator given to serious thought, and he likes proposing answers to tough public questions—always maintaining the fiscal conservatism that is the hallmark of Virginia politics.

Those of us who have worked with French recognize his virtues in that summation.

He came to the House after long and distinguished service as a member of the Virginia Legislature.

Like so many of our colleagues who come to us from a similar legislative background, French did not have to go through the initial period of adjustment when he became a Member of the House of Representatives.

He knew, from experience, the difficult work of a legislature. He was off to a running start and able to serve his constituents, the House, and the country immediately.

His committee assignments, on Judiciary, Science, Space, and Technology, and Small Business, showed the range of his interests.

He has been willing to ask those tough public questions about everything from health care savings accounts to helping small business escape what he correctly sees as senseless paperwork requirements.

Amidst the usual sound and fury of the House, there are always a few members whose quiet, dignified, patient dedication to duty mark them as someone special. French Slaughter is one of these Congressmen.

He is content to work rather than talk, and to maintain high standards instead of a high profile.

French, your decision to retire was carried out with the grace, the courtesy, and the concern for others that have marked your political career from the beginning.

We are delighted to have GEORGE ALLEN as a new Congressman from the Virginia Seventh. But I just want French to know that I join with so many Members, on both sides of the aisle, in bidding farewell to a true Virginia gentleman.

Mr. DREIER of California. Mr. Speaker, it is often said that history will be our final judge here on earth. As Members of Congress, we can be sure that academicians and students of our political system will one day review the work we have done here, and we all hope that they will approve of our efforts. If my experience is any judge, I believe that history will find that French was ahead of his time in advocating policies that the American public strongly support.

One of French's primary contributions was his work on the Health Care Savings Account Act, which could have a profound impact on the way Americans finance their health care needs upon retirement. It could potentially have solved the long-term funding crisis projected for the Medicare trust fund while, at the same time, providing alternative investment strategies and improved competition and efficiency for goods and services in the health care markets.

French's goal was to see that workers would be allowed to establish a special tax-free savings account—similar to an individual retirement account. Workers would be allowed to contribute each year to this account an amount equal to 2.9 percent of their taxable Social Security income. Workers would also receive a 60-percent income tax credit incentive for such contributions to these new accounts. Funds would continue to accumulate tax-free investment returns during retirement years.

Workers would use the funds accumulated in their health care savings account to purchase private medical insurance and/or pay for health expenses during retirement years. Workers who exercised the health care savings account option to specified minimum levels would also receive catastrophic coverage under Medicare, with day limits and increasing coinsurance fees under Medicare eliminated, and the SMI coinsurance fee capped.

The health care savings account option could potentially solve both the short-term and long-term financing problems of Medicare hospital insurance [HI] without tax increase, freezes on providers or benefit cuts. This is because payroll revenues earmarked for Medicare would be maintained in full, but Medicare expenditures would be reduced as more and more workers exercise the health care savings account option and use these funds for their medical expenses during retirement years rather than Medicare.

French was a strong proponent of measures which would improve the efficiency of our Government and Congress. He worked tirelessly to convince the House to approve a balanced budget amendment to the Constitution. His object was to control spending and introduce some accountability into the House and Senate budgetary process.

French also was a proponent of our small business community. As a colleague of mine on the House Small Business Committee, I saw first hand his efforts to improve the competitiveness of the backbone of the American economy. French served as the chairman of the Subcommittee on Procurement, Tourism and Rural Development, and won more than a half-dozen Golden Bulldog awards for his economic record. He was always cited by the chamber of commerce, the National Federation of Independent Businessmen, and other pro-free-market groups around the country as a friend of our small businessmen.

The bottom line is simple. During his time in Congress, French was a true fiscal conservative who continued to enunciate the policies of his predecessor Thomas Jefferson. He believed that the Government had no right to take away the hard earned income from ordinary Americans. He believed that the average citizen could make better decisions than the Government when it came to fiscal responsibility. And French believes, as I believe most Americans do, that the government which governs best, governs least. I can only hope that my colleagues in this House will follow the example of our friend French Slaughter, and we all wish him well in his retirement.

Mr. CRANE. Mr. Speaker, it is unfortunate, indeed, for the House of Representatives and for the country that out colleague, D. French Slaughter, Jr., has decided to step down and retire from this Chamber. We certainly want to congratulate him for caring more for his constituents and his country than for his own interests in voluntarily taking leave of office for health reasons over a full year ahead of the conclusion of his 2-year term of office. Many a person would have held on tenaciously to the office and title until the last minute, allowing their ego to lead the best interest of their country.

Congressman Slaughter was a symbol of dignity as he served so very well in the House of Representatives. His constituents were ever uppermost in his deliberations and votes. He fought the good fight to hold down the waste of taxpayer dollars. And the residents of the Seventh District of Virginia whom he served must be well aware of his struggle in opposition to tax increases. He was a fiscal conservative in the tradition of the Commonwealth of Virginia. And he fought to protect the rights of the individual.

French Slaughter leaves behind him a record each of us can envy.

Mr. GALLO. Mr. Speaker, a good friend and colleague recently retired after a distinguished career as a Member of this body and it is fitting that we should honor him for his commitment to good government and for his tireless efforts on behalf of his constituents—which is, after all is said and done, the highest calling for each of us who hold elective office.

I am pleased to join with the Republican whip, Mr. GINGRICH, and my colleague from Virginia, Mr. BLILEY, in recognizing D. French Slaughter for his years of service to the people of the Seventh District and the Commonwealth of Virginia.

D. French Slaughter is truly a Virginia gentleman and his kind words will be greatly missed in the Halls of Congress.

French and I arrived in Congress on the same day, January 3, 1985, during the stormy first days of the 99th Congress, when a disputed House race in Indiana divided this body over the question of who should decide the outcome.

During the later-night sessions caused by this dispute, French and I had occasion to spend our dinner break in conversation—the first of many dinner conversations that we shared in the years since.

Because we each served in State government before coming to Congress, we shared a similar perspective on the legislative process. French always had a keen eye for the nuances of the floor debate and his insights were valuable.

He has always been a student of the process—a valuable skill to have as a member of the minority party in Congress.

His career of public service spans more than three decades but his commitment to the principles of democracy will go on with him in the time to come.

Mr. Speaker, I am proud to join with my colleagues in recognizing a quiet mover for good government; a good friend, and above all else, a real gentleman—the Honorable D. French Slaughter of Virginia.

Mr. SCHULZE. Mr. Speaker, I am pleased to pay tribute to my recently retired colleague French Slaughter, but at the same time, I am sorrowful over his untimely departure from this forum of governance. He is an unassuming champion of candid leadership, fiscal responsibility, and constituent responsiveness in every regard.

French's voice was silent except by devoted example when, as a Virginia Military Institute graduate, he shipped out to battle during World War II in the European theater. His service there merited the Bronze Star and a Purple Heart.

French's voice on critical issues is replete with the heritage of liberty. The Virginia Commonwealth's Seventh Congressional District encompasses the countryside called home by the sage of Monticello—Thomas Jefferson. In the best traditions of this founding patriarch, French Slaughter expanded this region's contributions to the establishment of individual liberties; his track record earns respect to the occupation of public representation.

French was a voice against the big-spending shenanigans which often plague this assembly. He knows that when you spend more than you take in that there is a day of reckoning. The only hope our country has of getting out of debt is by having the kind of leadership French demonstrated during his 7-year tenure in the House and his 20 years in the Virginia House of Delegates.

It is a sad day to lose the precious talents and sterling character embodied in French Slaughter to faltering health. My consolation is in the hope for his speedy recovery and in my confidence in his successor, Congressman GEORGE ALLEN. As did the retired sage of Monticello, I am certain that the sage of Culpeper is actively pursuing the finer intrinsic occupations life has to offer. I shall miss French Slaughter's insightful and on-target leadership.

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to an esteemed colleague and Virginia gentleman, D. French Slaughter, Jr., on his retirement.

Representative Slaughter was elected to Congress after having served 20 years in the General Assembly of Virginia. He was the architect of Virginia's outstanding community college program. As a former college professor with an abiding interest in education, I am grateful for this major contribution to our Nation's education system.

Representative Slaughter devoted his life to serving his constituents. He was hard-working and took great pride in the quality of his service. He unostentatiously performed his duties, and the electorate rewarded him by repeatedly returning him to office.

Throughout his four terms of service in behalf of the citizens of Virginia's Seventh District, he exhibited a thoughtful approach and a deep commitment to good government. He believed that an effective government was both responsible and economical. He confronted difficult issues such as health care and small business, working to establish health care savings accounts and eliminate needless paperwork. I am privileged to have been his colleague on the Science, Space and Technology Committee.

I wish French Slaughter well on his retirement, and I thank him for his years of devoted public service. As a friend and colleague, he provided quiet counsel and a dignified example as a concerned and effective legislator.

Mr. BALLENGER. Mr. Speaker, I would like to take a moment to express a few words about one of the finest gentlemen I have come to know: my former colleague, French Slaughter.

During the 5 years I have been in Congress I have met and gotten to know a number of fine individuals. French, however, by far is one of the finest. He is the embodiment of a southern gentleman. Highly respected and admired, French is a man of his word. Never did the highly partisan political games played on Capitol Hill taint French Slaughter. He always maintained his dignity and integrity. The term "Honorable" truly describes French Slaughter.

French aptly represented his constituents, and while his successor, I'm sure, will also represent well the people of the Seventh District of Virginia, he will find French's shoes difficult to fill.

I miss French Slaughter. I value his friendship and wish him all the best in the future.

Mr. BUNNING. Mr. Speaker, I would just like to say a few words to honor and pay tribute to our colleague, French Slaughter who retired this year.

French Slaughter is going to be missed in this body. A true gentleman, a quiet, patient, yet thorough and thoughtful legislator and a genuinely nice person—that is French Slaughter.

Showboating and 1 minute sound bites have become a way of life for many participants on the political scene today but French Slaughter never subscribed to that particular volume of our changing times. When he left here, as when he came here, he was content to rely on quiet, dignified dedication to duty to get the job done. And we are going to miss that.

I would like to thank French for what he has contributed and it has been significant, and I wish him all the best in his well-deserved retirement.

Mr. SPENCE. Mr. Speaker, the retirement of our distinguished colleague, French Slaughter, takes from our midst here in the House a statesman and honorable colleague of the first order. Of course, declining health precipitated his decision to retire, but I feel that in the months and years ahead he will continue to be a strong voice of reason and soundness of matters affecting our Nation.

Like so many of our colleagues, I am going to miss French Slaughter and the wise counsel that he brought to the legislative process. Throughout his career, the interests and well-being of the American taxpayer and his constituents were first and foremost in his mind. Like so many brave and wise Virginians who preceded him, like Howard Smith, Harry Byrd, and Harry Byrd, Jr., French believed that government was created to serve, not to reward those who refuse to return something back into society.

During his career, including outstanding service in defense of America during World War II, French has always put America first. He is an unselfish patriot in the finest tradition of our country and the sovereign State of Virginia, which he so nobly served for many years.

Mr. Speaker, I will miss French Slaughter. All of us will miss the gentlemanly manner in which he approached matters before the Congress. I wish him well in all of his future endeavors and can only say, French, well done and Godspeed.

Mr. MCMILLAN of North Carolina. Mr. Speaker, I rise to pay tribute to my friend and colleague, D. French Slaughter, who has been forced into retirement by ill health.

I spent 6 years of my life in French's district. I know he is a natural product of the solid long-standing values of the northern Piedmont of Virginia. Values that produced Jefferson, Madison, Monroe, and contributed so importantly to this Nation.

French derives from the same roots. A true gentleman with a high sense of duty, respect for his fellows and an unswerving belief in the rights and obligations of the individual. Historically, these values have been widely accepted in Piedmont, Virginia. They don't need promotion; they are inate in the gentleman from Virginia.

French has always held true to those values without fanfare, quietly serving his country in World War II, in the Virginia Assembly, and the U.S. House of Representatives. His conservatism was based on deeply felt beliefs, not political opportunism.

We will miss him and we wish him Godspeed.

Mr. COBLE. Mr. Speaker, French Slaughter and I came to Congress in the same year,

1985. I am from North Carolina and he is from Virginia. There is about 5-years difference in our age. We are both lawyers. We both served in our State legislatures prior to coming to Washington. We were both appointed to the Committee on the Judiciary. As you can see, there is a lot of similarity between HOWARD COBLE and my good friend, D. French Slaughter, Jr. I will miss my colleague from Virginia.

Upon our arrival on Capitol Hill, we immediately became good friends and dependable allies. Perhaps it was our similar backgrounds and interests. Whatever the reason, I relied on French Slaughter for advice and counsel. We worked together on issues of importance to our States and region. I particularly enjoyed the working relationship we forged on the Judiciary Committee. We were seatmates on that panel, and it was comforting to have French next to me as we battled some tough issues which came before the committee. I will miss having him seated next to me.

The people of the Seventh District of Virginia can be proud of the performance of their Congressman. French Slaughter was an asset to his district, State and Nation. We wish him all the best in his retirement years. Thanks, French, for all that you did for me.

Mr. DICKINSON. Mr. Speaker, I would like to use this occasion to add my words to those of my colleagues honoring Representative French Slaughter. I know that others in this chamber will miss his quiet, considered judgment. French Slaughter is a workhorse, not a showhorse. Many of us have come to rely on his knowledge of the legislative process acquired during 20 years in the Virginia House and his 7 years in Congress.

French Slaughter, who, like me, found his home in the Republican party, has always attacked the tough questions, guided by his conservative principles. He has provided leadership on several issues about which he cares deeply, especially in the area of education, where his interest is well known to the people of Virginia. He has chaired the Virginia Community College Commission. Another of his priorities has been health care, particularly from a private sector approach.

He is a classic conservative and has represented the values of the people of his district, from the apple farmers of Winchester, the residents of the Blue Ridge Mountains, and the people of Richmond's suburbs.

French Slaughter is a true Virginia gentlemen, one who has earned the respect of other Members and of his staff. He will be missed by this body and by those he has so ably served.

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

LEGISLATION PROVIDING RELIEF FOR RESIDENTS OF LORTON, VA, REGARDING I-95 LANDFILL

The SPEAKER pro tempore (Mr. COOPER). Under a previous order of the House, the gentleman from Virginia [Mr. MORAN] is recognized for 5 minutes.

Mr. MORAN. Mr. Speaker, I have recently introduced legislation regarding the I-95 landfill located in Lorton, VA, some 20 miles south of the Capital. This important bill will provide desperately needed relief for those residents of Lorton who have had to live with a continually expanding dumpsite in their backyards.

The 101st Congress passed legislation that would have required an environmental impact statement [EIS] before the Lorton dumpsite could be enlarged. This language was dropped in conference with the Senate because the Fairfax County Board of Supervisors assured the Congress that Fairfax County would conduct its own study. For a variety of reasons, this study was never completed. Therefore, this legislation simply reinstates the requirements that an environmental impact study must be completed before any further expansion of this solid waste landfill.

There have been concerns for many years that the I-95 sanitary landfill in Lorton, VA, may be discharging leachate into the surface water of Mills Branch, a tributary of the Potomac River. Not only does this affect the citizens of Lorton who are concerned with the continued viability of their neighborhoods, but it also affects the health of the Chesapeake Bay. According to the Chesapeake Bay Protection Act, any possible source of pollution affecting the bay must be prevented to the fullest extent possible.

Much of the waste generated by Federal facilities in the Washington metropolitan area is disposed of at the I-95 sanitary landfill and other municipal landfills in the same area. Few Federal facilities in the Washington metropolitan area have waste management plans, and the plans that do exist are not coordinated among agencies of the Federal Government or with the local governments in which they are situated. It is incumbent upon the Federal Government, which contributes much of the waste filling the landfill, to have a much better recycling and waste disposal program.

This measure will help the Government establish more cohesive and effective waste management plans. It requires that the General Services Administration conduct a study on the feasibility of a centrally administered solid waste management plan for Federal facilities in the Washington metropolitan area. I doubt that any Member of this Congress would question the need and desirability of such a study. I would urge my colleagues to cosponsor this important legislation that addressed both a problem in my own district, and the much greater difficulty of disposing of the Federal Government's waste in a responsible manner.

TRIBUTE TO EARVIN "MAGIC" JOHNSON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. WOLPE] is recognized for 60 minutes.

Mr. WOLPE. Mr. Speaker, for more than a decade, Americans everywhere have thrilled to the legendary basketball exploits of Earvin Johnson. And we have all recognized that it is not Magic's athletic abilities alone that have made him stand out as a superstar among superstars—but his character, his incredible zest for life, his wonderful enveloping smile, both on and off the basketball court. Magic has a very special way of making all of us feel good about ourselves and about life. His joy is contagious.

But nowhere have these characteristics of Magic been more deeply appreciated than in his hometown of Lansing, MI. For, as Fred Stolby, Jr., a former Lansing State Journal sportswriter who nicknamed Magic in 1975, put in the other day, "Earvin is Lansing. He belongs to his parents, but he belongs to Lansing, too."

Magic is Lansing's own special ambassador, and it is difficult to express in words the enormous pride all of Lansing feels for this remarkable individual. The Lansing State Journal perhaps expressed this best when last Friday it devoted its entire front page to the stunning announcement of Magic's HIV infection and his retirement from professional basketball.

As you might imagine, in a community of Lansing's size, there is hardly anyone who has not been entertained by Magic's artistry on the basketball court, or been the beneficiary of his countless acts of kindness and generosity. Everyone has his or her own Magic anecdote:

Magic's taking a seat in the balcony of his church to avoid distracting the congregation, and then after the service, engaging in fellowship with the youngsters;

Magic's helping to establish the Magic Ride, a local bicycle tour that over 9 years has raised $1 million for child abuse prevention;

Magic's public service announcements and participation in antidrug events;

Magic's recent appearances in a film promoting citizen involvement in government;

Magic's summer youth basketball camps; and

Magic's dedicating his 1990 NBA Most Valuable Player Award to Greta and Jim Dart, who were his fifth grade teacher and his first basketball coach.

But what we in Lansing most appreciate is Magic's very special way with children. This last weekend a friend of mine recalled the day she encountered Magic at a shopping mall. Magic had returned to Lansing to attend the funeral of a close family member, and was taking a few moments to do some shopping with his mother. A couple of children approached him with the usual awe, and wanted to engage him in conversation. Magic kneeled down and said, in a confiding way, "Kids, you know how sometimes your mother wants you to do something, and you may not want to do it at that moment, but you know you should. You know how mothers are! Well, today I'm spending some time with my mother—so I really can't take time out to talk with you now. But let me give you an autograph. How's that?" And the kids went off, beaming feeling now a part of Magic's own family.

So we in Lansing have long recognized Magic's great gift of joy and zest for life. And we have felt enormous pride in his accomplishments and the national acclaim he has won. But I think it is fair to say that never have we felt greater pride in our local hero than this past week. The headline in the State Journal said it all: "Magic Finesses Greatest Assist in his Life." Jack Ebling, Lansing sports writer, put it this way:

> For the first time since 1974, the men and women who know him wouldn't want to switch places with him. Not that any of us could have. There's not that much magic in the world.
>
> There was just enough for a contemporary hero to conduct another clinic Thursday—this time, on composure and courage.
>
> He decided to do what he'd always done best—lead the way and make others better.
>
> Smiling when others were crying, he said he'd be around a long time, long enough to own an NBA team, in addition to the hearts of millions of admirers.
>
> And reaching out when others were striking out, Johnson said he'd be an international spokesman for safe sexual practices.
>
> In ancient times, they shot the messenger when the news was bad. Today, it's time to save him, along with an untold number of long-ignored victims.
>
> In Johnson, AIDS patients present and future, had their prayer for attention and research-funding answered from the heavens—in perhaps his greatest assist.

Mr. Speaker, just as we draw inspiration from Magic's resilience and spirit, from—in Tony Kornheiser's words—Magic's joie de vivre, so should we draw new understanding of just what it means to be afflicted with the AIDS virus, new sensitivity to the pain and anguish suffered by all carriers of the AIDS virus and their families and friends. Surely the suffering, and the need for love and support, are no less if those who are victimized are homosexual rather than heterosexual. Surely now we understand that none of us is invulnerable. In Magic's words, "It can happen to anybody, even me, Magic Johnson." AIDS respects no boundaries—be they of gender, race, or sexual preference. We are all potentially at risk, and it is time that we Americans put aside our fears and prejudices and hatreds, and join together in battling this terrible disease. It is my deepest hope that a new sense of national unity and common purpose will emerge from Magic's ordeal, and from the inspiration and encouragement he continues to provide to us all.

□ 1710

Mr. MCMILLEN of Maryland. Mr. Speaker, will the gentleman yield?

Mr. WOLPE. I am pleased to yield to the gentleman from Maryland.

Mr. MCMILLEN of Maryland. Mr. Speaker, I commend the gentleman from Michigan [Mr. WOLPE] for recognizing one of the true American heroes. Likewise, I was privileged to write an op ed in the New York Times on Saturday about Magic Johnson. It is called "Magic Now and Forever."

Mr. Speaker, I would like to insert it in the RECORD.

[From the New York Times, November 9, 1991]

MAGIC, NOW AND FOREVER

(By Tom McMillen)

WASHINGTON.—I first met Earvin Johnson as he was racing me down a basketball court. Magic had the ball, and I was running backward on defense—not an appropriate time for an introduction. As he faked one way and passed another I saw both the ball and my ego pass by me on the basketball court.

After his teammate scored Magic flashed that signature smile that told me there was something special in this player.

It is easy to beam confidence in the world when you're on top of it. It is truly remarkable to show that kind of poise when you're telling the world you have the AIDS virus.

Magic has given America many memorable performances, but his comments this week demonstrated that he is more than just a gifted athlete; he is an extraordinary, courageous individual.

America is always transfixed when a story like this jumps from the sports pages into a major news event. I remember the night that Len Bias, the University of Maryland's basketball star, died of a cocaine overdose. I was expecting to meet him at a political event in Washington; he never arrived.

There are certain events in sports and in our lives that seize the attention of the nation and change the way we view the world. They remind us that these stars of the court and field who seem to perform superhuman feats are sometimes all too human.

The tragedy of Magic Johnson's contracting the AIDS virus is difficult for America to face for a lot of reasons. America does not want to see flaws in its heroes—only clean, simple perfection. We have also been reluctant to admit some of the grim facts associated with AIDS.

The news of Magic's infection is also reaching corners of our society that have either shunned the danger of AIDS or have written it off as "their" problem—meaning gays or drug users. This brings AIDS into every home in a way never dreamed possible. How many people did we see on television Thursday night saying, "I just can't believe it happened to Magic"?

But just as Len Bias's death sparked a new awareness among our nation's youth about the dangers of cocaine, Magic's personal ordeal will have a significant impact on the debate. Magic can reach the people who are among the highest risk groups to contract the AIDS virus: teen-agers. The safe-sex lectures will now be more than just an abstract message to young people, whose sense of invulnerability has made "safe sex" seem a hollow catch-phrase. For them, the face of AIDS is changed forever.

It is very hard to admit that some benefit can come from this adversity But as the shock of Magic's tragedy begins to wear off, the analyzing will begin. Serious questions of public policy have yet to be resolved in our nation.

There are forces in America opposed to increased financing for education about the disease, opposed to candid talk about how it spreads, opposed to any discussion of AIDS among young people. One person even testified before Congress that all people with the disease should be placed on an island somewhere in the Pacific Ocean. All that will change now. America responds to symbols and Magic will be impossible to ignore.

It's sad that it takes a celebrity's misfortune to raise the awareness of the public and Congress to such a severe health crisis. It is not a time to eulogize Magic, but to support and pray for him. But I also have a feeling that he will have a profound effect not only on the public but lawmakers as well.

I've seen him work his magic on the court and look forward to the day when that smile makes its way to Capitol Hill. It is incredibly rare when an honest-to-goodness hero comes to Washington to tell his tale. The most formidable and heroic advocate for AIDS education in America has just stepped forward.

Mr. WOLPE. Mr. Speaker, let me express my appreciation to the gentleman from Maryland [Mr. MCMILLEN] for taking this time to join me in this special order and to share the op ed that has appeared already in the New York Times. I think it is a very eloquently stated piece, and I hope it enjoys a very widespread readership.

CONGRESS-BASHING AND THE STATE OF POLITICS IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. MCCLOSKEY] is recognized for 60 minutes.

Mr. MCCLOSKEY. Mr. Speaker, one of the most popular avocations in America, if not the planet, is Congress bashing. Columnists, talk show hosts, cabdrivers, and the proverbial man on the street, in fact, nearly everyone is having laughs at the expense of Congress. Maybe this is not so bad. We all need some laughter. And many of the concerns expressed humorously are real and must be addressed. I find it particularly intriguing that some of the most energetic Congress bashers are ourselves. Many of our own Members of Congress are leaping on the bandwagon and leading the charge against themselves. Also making strong efforts in the Congress-bashing sweepstakes interestingly enough are our two top elected officials.

There is much that needs to be improved upon in our public and private lives and in the collective workings of this institution.

Strong and even severe criticism which is cogent and constructive is immensely justified and needs to be encouraged.

There are many challenges we must face as a people and for which we must hold our Government accountable:

Why is so much of our health care system in shambles and so many Americans unable to afford basic health care?

Why are so many skilled American workers and family breadwinners suddenly unemployed and pounding the pavement looking for new jobs?

Why are all major indications showing our economy is losing its competitive edge worldwide?

Why are too many of us preoccupied with reelection and fundraising?

Much needs to be reformed and improved upon, but in doing that let us not destroy one of the most noble institutions ever known to mankind.

To serve in the U.S. Congress, is one of the most singular honors a human being can achieve.

To demean this institution is to demean our history. It is to demean ourselves. But, more importantly, it is to diminish our Nation's future hopes as thousands of young leaders vitally needed for future challenges are turned forever from serving.

□ 1720

Most of our lives and futures are to some degree or another set. But that is not the case with our children and more importantly our Nation's need for future leadership.

Though periodically vilified and criticized due to policy failures or excess, the House and Senate, in full and equal partnership with the administration, has led the country through war and peace, prosperity and adversity. The American experiment with democracy admired around the world, allows each and every American a voice, a vote, in determining the governance of this Nation.

Today we are witnesses to the organized wholesale demolition of the integrity of the American governmental system.

Criticism and demagoguery is not directed toward improvement and growth but toward the denigration of the institution of the Congress. This is an irresponsible sowing of the seeds of disenfranchisement which could well be reaped in the not too distant future.

A prime example of this overly simplistic Congress bashing is the recent mania for term limits.

Even with the slow down of the term limit movement in Washington State, the concept of term limits still has massive appeal.

In talking recently with a Member from the State of California, I was told that voters of California have no regrets at all over the recently enacted State legislature term limitations.

California may reflect and possibly a different consensus may be reached after the wisdom of 5 or 10 years accumulates.

I am not here today to lambast California but like anything else, the cure of term limitation may be worse, far worse, than the evils it seeks to counteract.

I do believe that the voters of Washington State realized the precarious position term limitations would place them in. I am not even referring to Washington's averted short-term disadvantage of being the only State with term limitations.

Even with national term limitations, small States, including Washington and Indiana would be dominated by more populous States. The rights of small states, including such issues as water rights and equitable access to Federal funds are enhanced by the seniority system and would be placed utterly at risk by nationwide term limitations.

Term limitations would also have severe anti-democratic effects. Reportedly, the power of staff and lobbyists are already of concern to the general public. Term limitations would increase the power of the nonelected.

In addition, personal economic concerns would be more pressing to term-limited Members of Congress. What about the situation of term-limited members? Surely there would be a strong temptation for them to begin to focus on future job opportunities, rather than congressional business, as this arbitrary deadline approaches.

I might say, if there is ever a negative case, one that I am not all that happy with as to term limitations, it was the demonstration of the great people of New Jersey the other day that resulted in two-thirds of both houses of the New Jersey General Assembly being controlled by the Republican Party, a massive turnaround that was surely a message that the voters of the great State of New Jersey very forthrightly, simplistically and forcefully gave to my own collegial Democratic friends.

If middle income and working class individuals can't hope for some security, why would they run for office? How could they run for office and take a considerable slice out of their highest wage earning years when they are seeking to support families and save for their children's education.

In addition, if people wish to increase the power of the executive branch, term limitation would certainly be one way.

I for one, and I believe most Americans, believe in the constitutional checks and balances. The edicts and directives of the executive branch are not usually formed after the average citizen has been given access at a grass-roots level. Congress, with town hall meetings, our receipt of massive amounts of mail from our constituents, and constant personal contact every week is directly in contact with the grass-roots constituencies every day.

Norman Ornstein has written a very thoughtful editorial, "Term Limits Would Just Make Things Worse," in the October 20 Washington Post which I commend to all my colleagues.

Mr. Speaker, I include for the RECORD a copy of the editorial to which I just referred.

As I have said, Congress bashing is exceedingly popular. I, for one, can understand and accept it from a worker in Evansville or a laborer in Bloomington who has been laid off from a $20,000 job or even a $30,000 job with no new employment in sight, as the recent tragic case in my own home-town of Bloomington, where some 325 employees of Otis Elevator have been laid off probably to some degree permanently with no immediate employment in sight, at least for numerous counties. However, I have great difficulty accepting it from the President and the Vice President.

If anyone lives in conditions of imperial splendor, it would be our two leading executives and their families in their publicly financed housing with scores to hundreds of servants. And we all know that they do not wait in line at airports.

I am not decrying these benefits of the executive branch. However, the economy, health care, the environment, and education would appear to be much more vital priorities than bashing the Congress, which compared to them are the merest pikers of privilege.

I also wish to address this institution's reaction to the House bank.

Regardless of where you stand on the issue of the so-called House bank, obviously one of the saddest aspects is the time and energy which will consume months of legislative and investigative time as literally scores of Members will be under review by the Committee on Standards of Official Conduct.

The simple truth is that this is not a House bank, it was more properly termed a congressional cooperative. No taxpayer money was involved or at stake, accounts paid no interest and were not covered by the Federal Deposit Insurance Corporation.

It was not the soundest financial wisdom in the world for a Member seeking to optimize financial status to keep money in the bank, and for that reason, various did not.

Obviously some Members of this body will have more severe problems with the results of this investigation than others. Indeed unfortunately, there does appear to be some gross misjudgment but even for the worse offenders, the problematic practices were implicitly—if not explicitly—authorized.

Now all Members will be reviewed for one-time mistakes of $11.05 on up to much more massively problematic behavior and amounts.

But there was neither notice nor sanctions in the system. During the 200-year existence of the bank there was no public statement or policy that overdrafts would not be covered—probably at least to the limits of the next paycheck.

It is very interesting to me that the investigation will only focus from July 1, 1988, to October 3, 1991. Should it not also include probes of all Members and former Members who currently hold elected or appointed positions anywhere?

Particularly, should our recent colleagues who now serve in the Senate—or the administration—also be investigated?

I am not per se saying that the scope of the Committee on Standards of Official Conduct's examination of this matter should include former Members.

However, any line drawing will result in those in the shadow of the line, those just narrowly within the border, to feel particularly aggrieved.

Obviously, the members of the Ethics Committee have a massive challenge in front of them.

Perhaps in hindsight it may have been better to give ultimate notice that the procedures of covering overdrawn accounts would be ended on a certain date and that any subsequent offenders would be punished.

Any constitutional system seeks to guarantee notice to people as to what prohibited behavior is.

Our constitution prohibits bills of attainder and ex post facto laws.

I realize in the Ethics Committee investigation that I am not talking about the criminal legal system, just the destruction of a couple of dozen of noteworthy careers. I do happen to hold the radical view that even Members of Congress are entitled to the same rights as other citizens.

Some better standard of notice should have been applied before we all rushed to investigate and pillory scores and perhaps ultimately hundreds of Members in what will ultimately be a prolonged and bitter season in Congress.

I am very honored to have been chosen by the voters of the Indiana Eighth District to represent them in Congress.

We are facing huge demands for a Government reinvestment in education, infrastructure, health care, and many other issues. Yet the merest notion of tax increases is anathema in Washington.

My colleagues know the tension we all face. No one wants taxes but every one wants expansive—and expensive—Government support when it comes to health care, education, senior assistance, or their own particular concern.

All of these issues are legitimate and must be addressed. Government revenues will apparently not be increased and the deficit continues to grow making borrowing increasingly expensive to future generations. In fiscal year 1991, the deficit is $269 billion and in fiscal year 1992, it is projected to be $362. These figures don't include the savings and loans and FDIC bailouts—which have nothing to do with the House bank.

We need leadership now. On the domestic front, the Nation is clamoring for reinvestment.

Internationally, we are experiencing perhaps the greatest global restructuring of the century.

Federally, we must address the Federal deficit.

Let us put away the soap boxes and paper bags. Let us stop undermining the institutional foundations of the greatest democracy on Earth.

Let us consider the real issues. Let us tackle the hard problems. Let us work to provide a better future for our children. Let us lead. And let us govern.

□ 1730

TERM LIMITS WOULD JUST MAKE THINGS WORSE

(By Norman Ornstein)

Term limit proponents can't believe their good luck. They have been handed two gifts on a platter, with "Rubbergate" and the Clarence Thomas spectacle, the California term limit initiative has been upheld by the state Supreme Court, and they have gained a new and influential adherent in George F. Will. Furious over unchecked government spending and checks bouncing in the Capitol, Will succumbed to emotion and joined the clamorous calls for term limits for legislators.

Public fury about legislative crassness, greed and ineptitude will no doubt be exploited by the term limit movement. Momentum is clearly on its side. But before letting emotion rule over reason, we should take careful stock of the consequences. One doesn't have to defend House check bouncers or Senate bozos to realize that these and other problems won't be solved by a nuclear attack on politicians.

George Will's argument for term limits is not a simple "throw the bums out" approach. But it is still based on the idea that there is a cheap and easy way to take arrogance and excessive ambition out of politics, bring enlightened amateurism back to governance (as if it were ever there in the first place), and restore competition to the political marketplace.

Will says term limits for legislators will remove the virus of professionalism that has unnecessarily complicated government to make lucrative careers for lobbyists, lawyers, think tankers and journalists in Washington. It would be nice to have simplified government and policy. But even over many decades, it is impossible to imagine government getting less complicated, given the dizzying pace and complexity of the world economy, and the nature of governance in a $6 trillion domestic economy.

Does anyone really believe that immigration laws, environmental regulations, trade rules, budget decisions, health policy and stock market regulation are complex because professional lawmakers conspire to make them so for their own advantage? They are complex because the world is complex and because a modern society of 250 million people requires a difficult balance among huge numbers of interests. If we had amateurs writing Medicare provisions, drafting laws for food and drug inspection or deciding clean air provisions, it might give us simpler laws. But that would mean not better governance, but clumsier governance, with more likelihood of fouling up the economy, inadvertently shafting some legitimate interest and creating more, not fewer, openings for sharks to fleece the system.

Chances are that if the legislature consisted of junior amateurs, the real policy decisions and the oversight of financial markets and international affairs would be taken away from an overwhelmed Congress out of its league and made instead by seasoned bureaucrats, presidential appointees, judges and the crafty and experienced people now being regulated—those we sometimes call the "special interests."

Weaken the legislature by taking away its expertise and experience, and we strengthen the other arms of government who now compete with Congress along with the various experienced interests in Washington. Some may favor that approach—clearly, it is the main reason that President Bush and Vice President Quayle have eagerly embraced term limits for Congress—but I see no reason to expect more enlightened, less corrupting policy with an unchecked executive branch or a newly unleashed judiciary taking over, or by weakening Congress' oversight over Salomon Brothers, AT&T or other forces in the private sector.

I am not surprised that most "special interests" oppose term limits; they have invested a lot in learning how to take advantage of the current system, and any change would involve heavy transition costs. But I have absolutely no doubt that they would have more leverage, not less, over a Congress consisting of inexperienced newcomers.

One rejoinder to that argument is that we will get enlightened amateurs with term limits—noble and seasoned citizen-legislators who leave their top careers in commerce, industry and the professions not for political ambition but to spend a few years in Washington before returning to their homes and jobs. Well, look at what it takes to run for office in a congressional district with 550,000 people in the modern telecommunication age. Look at the web of conflict-of-interest and disclosure requirements. Look at the adversarial press. Look at the costs of uprooting one's family and living the nomadic, two-household existence built into Congress.

Are we really going to have a surge in the quality of candidates? Look for comparison to the top political appointments in the executive branch, which are term-limited, prestigious opportunities for enlightened service in Washington without the costs of elective office. We have no surplus of high-quality people clamoring for these posts—instead we have increasing difficulty getting and keeping anybody of quality.

Wouldn't it be worth it if we could check the arrogance and ambition of the current class of career politicians? Maybe it would—but term limits won't have that effect. Instead, they will bring with them even more corrupting ambition. People willing to suffer the upheaval of running for Congress and coming to Washington will be just as ambitious as those here now—but they will channel their ambitions in different ways.

Congressional service will be a stepping stone to the next post, not a place to serve in and of itself. Instead of making any commitment to their institutions or to long-term policy, term-limited members will start on day one thinking about the next step. They will be running for the Senate from the time they enter the House, or cozying up to lawyers and lobbyists to prepare for the next stage of their careers. Some will go back home, to be sure—but the experience of executive political appointees would suggest that they will be in the minority.

As for policy, if you are limited in your service, your incentive to build long-term policy will be gone; instead, you might as well hit and run, do something splashy for effect now—including spending more, not fewer, federal dollars—and and let your successors clean up the mess when you've moved on up the ladder.

To be sure, there are serious problems now in governance and standards for politicians. There are ways to solve those problems, through campaign finance reform, disclosure, stiff enforcement of ethical standards and good old-fashioned political leadership. Dramatic and irreversible constitutional change is not the answer.

We tried that with term limits on the presidency and they have failed miserably as a way to bring more competition to presidential elections or bolder leadership to the White House. Did we get presidential leadership on the deficit from the term-limited Ronald Reagan? Did we get more and better leadership from him in his second term, when he was freed from the shackles of reelection? The answer is clearly no. Instead of seeking a nonexistent panacea and moving to limit the terms of lawmakers, we should devote our efforts to repealing the 22nd Amendment and to removing the term limits that now exist for governors—and rolling up our sleeves to accomplish the reforms that would make a positive difference. George Will is right about one thing—term limits would stick it to the lawmakers. The would stick it to the rest of us too.

CONGRESS CONFIDENTIAL—THE UNSENSATIONAL TRUTH ABOUT RUBBER CHECKS AND UNPAID BALANCES

(By Norman Ornstein)

Congress-bashing has become America's favorite indoor sport. Newspapers, news magazines and television news shows have been filled with stories decrying check-bouncing, restaurant tab-avoidance and sundry outrages from the Thomas/Hill Senate hearings. The story of the week now is the dozen or so laws from which Congress exempts itself while the rest of the country suffers under their weight. President Bush has taken up the sport too, bashing Congress as "a privileged class of rulers."

Filled with windbags, clumsy in its operations, Congress is an unimaginably easy target. The public responds avidly, many members of Congress join in the attack on their own and the rest of the institution responds meekly or not at all. But something has been lost in the shuffle. Most of the charges are wildly distorted, patently unfair and hypocritical. Consider some of the recent targets of attack:

Rubbergate. Nothing has tapped into public outrage more than the House check-bouncing fiasco. One poll showed that 78 percent of Americans believe that most members of Congress did not simply make some bookkeeping mistakes but deliberately kited check after check. That's not surprising; the news stories said as much, and Congress acted as if guilty as charged.

But look at the reality: The House "bank" was not a bank but a cooperative in existence for over 100 years. Its only money consisted of lawmakers' paychecks, which automatically went to the Sergeant-at-Arms Office. There they sat, earning no interest, until members sent them to their own accounts at commercial banks—often two or three weeks later. But the House bank provided no sophisticated monthly statements or computerized records, making it difficult for members to know exactly when their paychecks were credited and when transfers were debited.

Moreover, the House bank had no money machines or automatic overdraft protection—routine services of true banks. Members got cash for daily needs by writing checks against their paychecks to the sergeant-at-arms. Many, perhaps most ended up inadvertently writing checks not covered by their current balance—generally for small amounts—$20 or $30. But there was no chance of losing the money; the next paycheck, and all future ones, were an automatic safety net. How were the checks covered when there was no money in the individuals' accounts? Not by taxpayers money but by their colleagues' money—the only funds in this so-called bank.

To be sure, a small number of miscreants regularly abused this system, often for very large sums of money. They ought to be publicly identified for their constituents to judge them. But voters weren't their victims here—their colleagues were. It was their money, earning no interest, that was used as a no penalty loan by the handful of chronic abusers. Most members, in other words, were victims, not perpetrators!

One other point: This story emerged because an enterprising reporter for Roll Call read a General Accounting Office audit of the House bank. Who ordered the audit? Congress.

Lunchgate. This story—that members of Congress has stiffed the House catering service for hundreds of thousands of dollars by not paying their tabs for lunch in the Capitol dining room—confirmed, with a vengeance, the low public opinion of Congress.

Now the facts: More than two-thirds of the money owed to Service America (not to taxpayers, by the way) by members of Congress actually came from tabs run up by constituents and others. Day in and day out, dozens of outside groups—from 4-H clubs to university alumni groups to professional associations—hold meetings or seminars or receptions in the Capitol complex. Under the rules, a member of Congress must act as sponsor; if the organization does not pay its food or drink bill, the House caterer can dun the sponsoring lawmaker.

So this accounts for two-thirds of the money owed to the House caterer; what about the rest? There are indeed unpaid tabs, but most are relatively small—$100 to $200, not unlike the typical tab at any executive dining room. Here too, ironically, most members are victims, not perpetrators. Members of Congress eat lunch in the restaurant not because the meals are lavish or cheap—they're neither—but because they have little choice—votes are occurring on the House floor all the time. Most breakfasts or lunches are with friends or constituents, and because it's awkward to split the check or expect someone else to pick up the tab, the members usually end up signing for the meal. Some perk!

Exemptions from the laws. The charge here is that Congress lives by its own privileged rules, apart from the rest of us. President Bush made it the centerpiece of his attack on Capitol Hill: "When Congress exempts itself from the very laws it writes for others," the president charged, "it strikes at its own reputation and shatters public confidence in government."

Interestingly, Bush failed to mention that the White House—at its own insistance—is itself exempt from some of the laws that exempt Congress. Indeed, the president came close to dissembling when he claimed that only Congress, not the executive, has these exemptions, when in fact they apply directly to his and the vice president's staffs as well. But the president needn't worry; the White House press corps was not about to call him on his hypocrisy. The White House exemption, after all, has been ignored in nearly every recent press account of congressional perks and outrages.

Two wrongs, of course, do not make a right. But the wrong is not what it appears to be. Most of the laws in question—like Title VII of the Civil Rights Act, the Americans for Disabilities Act and the minimum wage—do not exempt Congress from coverage. Its exemption is from enforcement by executive branch agencies, such as the EEOC and the Labor Department, that can assess civil sanctions or penalties against private citizens or businesses. The reason? Separation of powers. It would be at worst unconstitutional, at best unwise, to let an executive branch agency embarrass, harass or sanction members of Congress over their employment practices or other on-the-job performance.

Instead, Congress has created its own enforcement mechanism; in the House, it is the Office of Fair Employment Practices. It is far from perfect, but even most female members—who are acutely sensitive to questions of sex discrimination and sexual harassment—believe that the House agency is more effective than the EEOC itself. The Senate has lagged behind, using its Ethics Committee for enforcement, but has just voted to create its own tough enforcement procedures. The White House, by contrast, not only has no comparable enforcement office but, until the Senate acted to include them last week, the staffs of the president and vice president have been specifically exempt from the provisons of the Americans with Disabilities Act, the Age Discrimination in Employment Act and Title VII of the Civil Rights Act.

None of this suggests that we should ignore congressional misconduct in these areas or forego reform. Miscreants should be identified and punished by Congress and left to the judgment of voters. The processes should be changed by creating ethics and employment review panels consisting of former members and staffs, not current law-makers and their employees. The campaign-finance system needs real and meaningful change. Indeed, the entire structure and function of Congress, including staffs, the committee system and the budget process, should be reviewed and overhauled. So should the perquisites available to lawmakers. But one can strongly support punishment for wrongdoers and change in procedures and rules without taking cheap shots or being demagogic and histrionic.

Defending Congress these days is like volunteering as a character witness for Saddam Hussein. I stepped forward because more than hypocrisy is at stake here. We have gone so far beyond the usual jabs at Congress that have been a part of our historical fabric that we are being truly destructive—to Congress, public service and the whole political process.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2, FAMILY AND MEDICAL LEAVE ACT OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-303) on the resolution (H. Res. 275) providing for the consideration of the bill (H.R. 2) to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition and to temporary medical leave in certain cases involving a serious health condition, with adequate protection of the employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON H.R. 2094, FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight, November 12, 1991, to file a privileged report on H.R. 2094, Federal Deposit Insurance Corporation Improvement Act of 1991.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMERICA'S NEEDS FOR ECONOMIC GROWTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. GEPHARDT] is recognized for 60 minutes.

Mr. GEPHARDT. Mr. Speaker, joined by several of the key Democratic legislators in the House who are committed to change, new ideas, economic growth, and economic justice, I would like to speak today about our economy, about the problems being visited upon our people due to this administration's mismanagement, about America's place in the world, and about our ideas for making America grow again.

Mr. Speaker, I would like to start this evening by yielding to my good friend, the gentleman from North Dakota [Mr. DORGAN] so that he can make a short statement here as we begin the special order.

Mr. DORGAN of North Dakota. I thank very much the gentleman from Missouri [Mr. GEPHARDT], the majority leader, for yielding to me.

Mr. Speaker, I know that this evening's discussion is about economic and trade policy, America's economic future, as the tough international competition and we face ahead of us. When we discuss these areas, we often talk in terms of graphs, charts, numbers, and abstract statistics. I would like to frame this discussion by talking about a couple of young people.

A young native American in my State comes from a family of unemployed, chronic alcoholism, welfare, a family that has had a lot of trouble. He decides that he wants to go to a school in North Dakota to become trained, and he is trained as a food service worker at the United Tribes Technical Center. After receiving his diploma, he very proudly decides that it is time now to take his place in the work force. He walks from the United Tribes Technical Center into town every day to look for work. In the winter he walks several miles in snowstorms to find work in Bismarck. Three months went by searching for work and he could not find a job. In despair, this young man went back to the reservation, out of hope and with no work. It is a shame that that sort of thing happens in this country.

Another young boy named David from New York offered testimony to this Congress. He is a 10-year-old who lives in a homeless shelter in New York City. He described life in a homeless shelter and then said something I shall not soon forget. He said, "No 10-year-old boy like me should have to lay his head down on this desk in the afternoon in school because it hurts to be hungry." A young boy in New York and a young man in North Dakota face the same fate from an economy that does not work, a fate of helplessness, hopelessness, joblessness and hunger.

The fact is we can and must do better in this country to remedy these kinds of problems. When we talk about America and America's future, I think it will be a bright future if we have the guts to do the right things for this country.

Mr. Majority Leader, if I might mention a couple of things that I think we can and should do. We have the twin failures of deficits, deficits in fiscal policy that have been reckless and dangerous for a decade, and deficits in a trade policy that is virtually bankrupt.

I know it does not help to point fingers, but we must understand what happened. The fiscal policy came from the White House. It is the White House that had a party in 1981, celebrating the victory on the floor of this Congress. They won. "We won," they partied, and it was their fiscal policy. It promised balanced budgets, but it didn't give this country balanced budgets. It gave us increasingly reckless and dangerous trillions of dollars of deficits. In trade policy we were told the mantra beginning in 1981 is free trade. Free trade, that is what will solve America's problems. Yet, during the same period of enormously crushing fiscal policy deficits, we also saw trade deficits mounting year after year in the eighties that have been very dangerous to this country.

Now, the President, as he catches his breath from his new world order trips, occasionally stops and points the blame at Congress. He said, "It is your fault, Congress. It is not my fault. I am not in charge of fiscal policy. I did not cause this trade problem. It is your fault."

Well, the President does not understand. His veto is worth two-thirds of all the votes here and in the Senate, and we have never overturned a veto. It is his fiscal policy, the Reagan-Bush administration in the eighties that led us to this dangerous economic situation we are in today.

Again, it is important to understand how all of this happened but it is much more important for all of us to try to understand how to set it right. How do you put this country back on track and help America grow again? It seems to me that the recipe or the menu here is not some exotic, mysterious new idea. It is old virtues and timeless truths.

How do you put America back on track? America has to pay its bills. Is that hard to do? You bet it is. Is it necessary? Of course. We have got to pay our bills. That is a fiscal policy that reconciles the money we have with the needs for expenditures.

Trade? That is not very complex. As a country, we cannot say, "We open our markets to all of you and God bless you. You can bring all your products in and sell them in America, but it is fine if you close your markets to American workers and American producers. We will accept that." We simply cannot do that any longer. We did that for a decade and it did not work.

Our message ought to be a golden rule of trade in which we say, "We want to open our markets to all of you. We want to be the leader in open markets, but we want you to understand at the same time that you had better treat us as well as we treat you. That's going to be our motto. Our markets are open to you, but your markets must then, we expect, be open to American goods produced by American workers in American companies."

When we decide to impose our will on a trade policy that stands up for the interests of this country's businesses and this country's workers, this country can compete and succeed anywhere in the world.

The future for this country I think is a bright and wonderful future if a President who leads and a Congress with the courage to follow, decide now to do what is necessary to put America back on track. And again, it is not very complicated.

The people that work and live in this country, the kids that go to our schools and the people that work in our factories can compete now and in the future with anybody else in this world. But it has to be fair competition. We cannot compete in a trade competition that is unfair. We cannot compete in economic competition in which the rules are stacked against us. We must insist in this country to have fiscal policies and trade policies that are fair to America.

It is important, Mr. President, for us to decide that we have to take care of things here in this country. Yes, what goes on in the rest of the world is important too, and no, we are not saying we should be isolationists. We are simply saying that this country has a set of economic interests that must be dealt with promptly, because it is off track.

Now, the majority leader has a series of trade initiatives, and I might say that about the only evidence of sensible trade policy in the eighties came from Congressman GEPHARDT, who is now the majority leader. In the 1980's, against the whims of the Reagan administration, against the wishes of the Bush administration, Congressman GEPHARDT has led the fight not to be protectionist, as all of those who oppose these trade policies are wont to charge; not to be protectionist, but simply to say, "We want trade policies to be fair to America."

□ 1740

If they are fair, they are fine with us, because we can compete. If they are unfair, we are not going to accept them. That is the kind of leadership the majority leader has demonstrated on international trade.

I am delighted that he has introduced once again another trade initiative, which I think is exactly the kind of thing this country ought to be talking about and supporting in order to put this country back on track again.

I appreciate very much the majority leader yielding to me and look forward to working with him on these issues.

Mr. GEPHARDT. I thank the gentleman very much.

I think his story of the two individuals that he has talked to in recent days is really what all of this is all about and what all of us seek, which is economic success for our people, and I think that the sooner we get to some of these very obvious but important solutions, the better off we will be.

Mr. Speaker, I want to again reiterate what the gentleman from North Dakota was saying about his constituents, the people with whom he has met, not only from his constituency, but from around the country.

On this last Sunday, I was in my own district and met with my constituents, and I met a husband and wife who told me of their anxieties about our economy. The husband was an over-the-road truck driver, and he had been working for the same company for 28 continuous years, but right now in November of 1991 for the first time in his career he is worried that he is going to lose his job. In fact, he said he was petrified that he was going to lose his job.

In order to make sure that they have income if he loses his job, his wife who had brought up their three children, who has never worked, decided that she would take in children during the day, in day care, in order to make some extra income, and then she decided that that was not sufficient, so she got a job on the weekends being a cashier at K Mart earning the minimum wage. Then the husband said that he had become so concerned about how hard his wife was working in order to make sure they would have an income stream to keep their house if he lost his job, he has now taken a job on the weekends frying hamburgers at McDonald's.

This is where many American families are today. The economy is not working. People are losing good jobs. They are losing pay; good-paying jobs are leaving the United States.

The President, I think, has clearly decided that he would coast through the end of his term by focusing almost exclusively on foreign policy and treating what some call the domestic agenda with a mixture of neglect and disdain, and upon winning the Persian Gulf war and occupying the oval office during the end of the cold war, he was obviously lulled into a sense of complacency by world events.

The President can ill afford to be complacent, and the country will no longer tolerate being neglected. It is not only because the economy has seriously deteriorated and Americans are being hurt, although both happen to be true, it is also because the world has changed, even though the President clearly prefers to operate as if cold-war containment and the go-go eighties were still the order of today.

But today the principal threats to our security arise not from traditional military or political challenges, although they still exist, but from a changing global economy and distribution of national power. In this new environment, foreign and domestic policy cannot be treated like separate in baskets on the national desk. They are inextricably linked. They are one.

The President said last week that he understands this concept; his actions suggest that he does not. This is the problem. President George Bush does not get it.

In a revolutionary world, America cannot afford a status quo President who has Rolodex relationships with foreign leaders who do not share our interests.

He makes a perfunctory trip to NATO, but cancels his trip to Japan when he receives political criticism. He canceled the wrong trip. He should have gone to Tokyo and said to the Prime Minister of Japan, "You have got to stop ignoring our trade treaties; open your markets and treat American goods and American workers fairly." But that is not what this President does with foreign policy.

We should not measure the success of our foreign policy by how many alliances we maintain, how many treaties we sign, or how many negotiations we moderate. Instead, we Democrats say that national economic strength is a prerequisite for an outwardly directed foreign policy if it is to merit the support of our people.

And national economic strength is exactly what has been depleted by the Reagan and Bush economic policies. In the 1980's, unfair tax and budget policies quadrupled the national debt and doubled the incomes of the top 1 percent of earners at the expense of the middle class. Outmoded trade policies passively permitted textile, consumer electronics, steel, automobile, automobile parts, and semiconductor industries to be lost, damaged, or threatened by foreign domination.

Two successive administrations looked upon the growing wreckage with indifference, and maybe even satisfaction. Their principal constituencies, the wealthy and the powerful, were doing just fine.

But now we find ourselves broke, in a recession, and socially divided just as the President calls us to a broader international commitment. As the United States compiles its worst record for economic growth in the postwar era, all of our major competitors are seeing an exciting rise in their national income and aspirations. While we protected Europe and Japan militarily, our allies made commercial decisions and government investments that have far-ranging implications for their future growth. They have industrial policies. They protect their industries, their firms, and their market shares. They repeatedly ignore the norms of international trading behavior. They target our industries. They adequately fund research and develop education and training, public works, and private enterprises, and now they are so strong, and as their strength gathers still, America is just a little less independent than we want to be, a little less secure than we ought to be, and substantially less prosperous than the winners of the cold war should be.

The President seems to think all that is holding America back is our failure to pass his capital-gains tax cut for the rich. The President is mistaken. What is holding us back are his foreign policies which failed to represent America's economic interest, and his failure to lead on a domestic agenda that would strengthen us.

We believe we can do better, a lot better. I believe America can be strong again. I believe America can be competitive with anyone in the world, but we must accept as an article of faith that economic strength means as much in the 1990's as political determination and military strength meant in winning the cold war.

☐ 1750

If we reach this understanding, we know where to begin.

Many ideas have been put in front of the Congress by Democrats this year. We have introduced trade legislation that demands reciprocal treatment, that demands fair play, that demands that other countries open up their markets to us as we have opened our markets to them, the much asked for two-way street.

We presented bills on education, taking the cap off income for college loans, to be eligible for college loans.

We are developing legislation to open up the so-called Pell grants for disadvantaged youngsters so they can be able to go to college.

We have legislation coming forward to put more of the youngsters that are eligible to Head Start into Head Start so they can get ready to go to school.

We are bringing forward ideas in the area of taxation, middle income tax relief. Senator BENTSEN from the other body has a bill that would give young families with dependents tax relief through a credit for having dependents.

Chairman ROSTENKOWSKI on this side of the Capitol has brought up legislation that would give our people a Social Security tax credit for their payment of Social Security taxes.

Congressman DOWNEY and Senator GORE have a proposal to give again young families and families with dependents tax relief.

Democrats are coming forward with ideas on health care. All the really progressive and important ideas for health care are coming from this side of the aisle.

We have the Stark proposal for single-payer national health care. We have the so-called Stark plan that would be giving Medicare to everybody in the country so at least everybody would have minimally a Medicare type package.

We have other proposals for reforming the present system so that everyone in the country would have access to health care and there would be health care cost containment.

We have proposals for stopping plants from leaving the United States and going to other countries to seek cheap wages.

Congressman DORGAN of North Dakota who was here a moment ago has a proposal that would take away tax advantages from companies that want to go abroad to find cheap labor.

I am working on a proposal to try to induce companies to not leave the United States and try to find cheap labor, in fact to reward companies that stay here and try to make American workers as productive as we know they can be.

There are other ideas. We need to put the Secretary of Commerce and the Trade Representative on the National Security Council. As I said a moment ago, national security is economic strength in 1991 and beyond. For too long have we allowed the State Department and the Defense Department to decide our trade policy, instead of having the advice of the Secretary of Commerce and the Trade Representative who should be listened to first before we decide that keeping a military base in a particular country is more important than getting fair trade.

We have legislation that has been presented to stop foreign purchases of domestic companies that have special importance for our defense effort. Too many of our important companies have been purchased by our competitors that we really need to keep our defense effort strong.

Well, there are many ideas that have been presented on the Democratic side of the aisle to renew America's economic strength. These are the issues that we have to face over the next 5, 10, and 20 years.

Our economy is in trouble, but the trouble can be fixed. Our people are good. Our people are strong. Our people work hard and they want to work hard.

What we need now is leadership, leadership from the President, and if he will exert that leadership, Democrats will be there to follow. If he will not, we will try to lead, as we are doing today with unemployment compensation, with middle-income tax relief, with health care proposals and trade proposals, all of which I have mentioned.

I would end with one statistic to which I think attention has to be paid. When I presented my Trade bill the other day, I added up our cumulative trade deficit with the world and then with Japan, our largest trade creditor, over the last 10 years. I knew that each year it has been growing. I had never added it up. When you add it up, it comes to $1 trillion that we owe other countries today for just what has happened in the last 10 years, and of that we owe $400 billion to Japan alone. I think anybody in the country knows what it means to owe somebody else an awful lot of money. It means they gain leverage over you. It means they begin to own you. It means you begin to lose your basic independence. That is what we face today.

Carla Hills, our trade negotiator, likes to say that for every billion dollars we get our trade deficit down, it means we create 25,000 jobs in the United States.

The trade numbers I just read mean that we have lost 25 million jobs in the last 10 years because of this gosh awful trade deficit that we face. It is not getting a lot better. We have got to turn it around, and the only way I know to do it is through fundamental changes in law and in policy and in attitude that I have mentioned here tonight, and that the Democrats are championing in the U.S. Congress.

Mr. Speaker, I would like now to yield to my friend, the gentlewoman from Ohio [Ms. KAPTUR] who has been the leading proponent on a whole range of trade issues and in particular the issue of auto parts, which is so important to the future success of our economy.

Ms. KAPTUR. Mr. Speaker, I thank the majority leader and before this House and this Nation I thank him for his leadership over this decade as a strong voice for people across this country whose voices without the help of the gentleman could never be heard and for the perseverance and intelligence of the gentleman and for continuing to fight for what the gentleman knows is right and in the interests of the United States of America as well as the rest of the world ultimately. I think other men and women would have been dejected and would have given up at this point, but I think the gentleman gives encouragement not just to the people in this House and the gentleman's district, but to people throughout the country, I say to our leader, and we thank the gentleman for this special order tonight and for his great leadership on this and so many other issues of importance to our people.

Mr. Speaker, it is an honor for me to be here this evening and to have this opportunity to reinforce some of the points that the gentleman has made.

I think one of the most disturbing facts of the 1980's is that the Republican philosophy of borrow, borrow, borrow from everybody else, including foreign creditors, has put this Nation on the verge of not being independent any longer, and in fact, one of the toughest parts of trying to negotiate a trade agreement with Japan is through much of the 1980's the excess capital and money in Japan really financed this economy, and on the threat of Japan not buying our Treasury securities, the Reagan administration and the Bush administration were not able to be strong in negotiating trade agreements that we all know are so very necessary.

I think that to let America fall into that trap of not earning her way goes against the fiber of what built this country. Whether one is a farmer or a factory worker, people fundamentally believe in paying their bills and not relying on some magic force out there that is going to supply all this money and then not ask for anything in return.

I remember some of the Reagan and Bush people that I met with, they argued with me when I said it is wrong to sell the securities of the Government of the United States and the people of the United States to foreign creditors.

Their answer to me was, "Oh, money is fungible. What difference does it make?"

The difference is that this year and last year we will have taken $50 billion of the taxpayers' money of this country and sent it abroad to pay on the borrowings that over the decade of the 1980's the Reagan and Bush administration led us down that road, and it still continues today.

□ 1800

The American people know that the jig is up, and that was not the way the country should be directed. For some months I have had a bill sitting in one of the committees here to create a super savings bond drive for the United States of America. It is a bipartisan bill. Basically, what it says is why just sell our treasury securities to foreign creditors; why not allow those bonds to be sold at decent interest rates to citizens and make them available at banks, at savings-and-loans, at post offices and invite the American people to help buy our way out of the debt that we have accumulated?

Why not take that $50 billion that is now going offshore and let our own people buy it?

Alan Greenspan said to me in a private meeting, "Gosh, you know, that is a really good idea, but it might create too much paperwork for the Federal Reserve." In this age of computers, I can't imagine—well, I can imagine why this particular administration would want to take care of its bond houses on Wall Street but not the average household in the United States of America.

But I really believe if we invited the American people to help solve this problem, I know we would do it.

In the measure of the gentleman from Missouri is promoting to try to lessen the tax burden on middle-income taxpayers, I hope at the same time as we pass that bill there will be an opportunity for the American public to take some of those dollars and to buy U.S. savings bonds to help turn that outflow of money around so it begins to work here in our own economy, because I think along with the gentleman from Missouri the American public believes in earning your way, not borrowing your way.

It seems to me like we have been borrowing a lot under the Reagan and Bush years. We borrowed money but we also borrowed labor. We made it easier for our companies to go abroad and borrow cheap labor, whether it was from Mexico or Taiwan or whatever, to try to make our companies in this country competitive by the cheap way out, not by really raising the standard of living of Mexico but by exploiting her work force. It goes on as we stand on this floor tonight.

I found it interesting that some of the press in the country—we have been talking about this now for about 8 years—that finally some connections are being made. In my hometown newspaper over the weekend I found the juxtaposition of these stories rather interesting. On Monday there was a story, "Deaf Ears in Japan Over Trade Gap," when the Secretary of State of our country went over to Tokyo and said to the foreign minister there that, "You know, we ought to do something about the trade deficit that the majority leader is talking about. We ought to try to find a way out." Of course it fell on deaf ears over there.

Japan not only does not want to open its market to automotive vehicles, cars, trucks from any country, not just the United States—they do not even import Yugos, which are at the bottom end of the line—but they will accept rice. They do not even want to talk. They have us over a barrel because they control so much of the money that comes into this country in the interest that we owe them out of our tax dollars.

But when I talk about Japan not willing to deal on trade, right underneath that story is another story, starting with the word "Jeep." Jeep is the biggest employer in my district, it employs about 5,000 people, they make the Cherokee Jeep.

Now, in January they will put on indefinite layoff another 620 workers, another 620, at a plant that is the lodestar industry of all of Chrysler's plants. It is the Q–1 supplier. Labor and management have done everything they could do to put out a quality product.

That story is right next to the story about Japan not allowing goods into its market.

Then underneath that there is a picture of one of the candidates for the Governor's race down there in Louisiana. And even though the purpose of this special order is not to talk about that, I would just say that the voters of Louisiana do not believe the candidate who tries to blame the person standing next to you in the unemployment line for your problem. I think whether you are in that unemployment line, whether you are white, whether you are black or you are a man or a woman or a blue-collar worker or a white-collar worker, the fact is you are all out of work. It is not your fault. The fault lies at 1600 Pennsylvania Avenue. It lies here in Washington, with the mismanagement of this economy. And do not take it out of the hides of your neighbors because that is not where the solution lies.

In Sunday's local paper they have another article, "Mexico Pact on Ice," President Bush's idea for what is called a free-trade pact with Mexico. I find it hard to understand how you can have a free-trade agreement with a country whose elections are not free and where there are scandals and where the police force is rife with corruption at every level. How can one really have a free-trade agreement first? Should you not have democratic freedoms first and then be concerned about what is happening in the economy?

But, again, the Bush administration chooses to borrow labor, not to let the Mexican workers earn enough money by the fruits of their own hands in order to buy what they are making, but, no, for these companies to go in there and exploit the workers for 50 cents to $1 an hour and to borrow that labor for the profits of these corporations.

So this headline says, "But, oops, maybe the Bush administration won't actually negotiate the Mexico Trade Agreement before the election because of what happened with the election of Senator Wofford in Pennsylvania." They are a little bit worried because he talked about the fact that jobs from Pennsylvania, from Ohio, from throughout this country would be moving down to Mexico and again borrowing the cheap labor of those workers, not on behalf of all of America, Canada, United States, and Mexico, raising the standard of living of all of our people.

So it was politics, not principle, that caused the Bush administration to put that on the sidelines.

Now, one of the other points I wanted to make this evening, and I know I wanted to say a few words about the automotive industry because I come from a part of the country where this industry employs 1 out of every 7 workers in our country and in my community. Earlier we heard some stories about individuals that Members of this House had seen in their community and how they have been affected. Well, I may be one of the few people here who lives in the same house I was born in.

I know every neighbor, I live in a blue-collar neighborhood of my community, I know their kids, I know their grandkids, and I have seen what has happened to them. And I am proud to be a Democrat because I know that if it were not for the programs that the Democratic Party fought for in this Congress during this recession, most of my neighbors would be in the poor house.

Senior citizens in my neighborhood that are benefiting from Social Security and Medicare, I know it was the Democrats who fought for them. My neighbors, who are unemployed right now, if it were not for unemployment compensation, they would be down at the homeless shelter getting food in bags, too, from the St. Vincent dePaul Society. I see my neighbors who are going to fall off their benefits, and if it were not for the leadership of the Democrats in this Congress fighting for extending unemployment benefits, and George Bush has closed the door in our face two times already and he is about to do it again if we do not get exactly the right agreement just the way he wants it, but he is willing to give a lot of our tax dollars to foreign countries but does not seem to be willing to give to workers who are out of work and farmers who suffered from drought and different types of disasters this summer.

I have seen what has happened to my neighbors. I see couples where the husband and the wife have to work.

I have watched my neighbor, a construction worker, get up, he has three kids. This morning he left the house about 7:15 in the morning. Then his wife leaves about 7:35. They take the three kids, put them on the bus, take the other one to the babysitter, and both of them have to work in order to make enough money to have the same standard of living that their parents had when one could be at home and the other in the workplace.

I see my neighbor across the street whose husband is now deceased, who worked at one of those auto parts plants; those jobs are not there any longer for her children and her grandchildren. We have grandmothers on our street who are raising their grandchildren because the parents cannot afford to raise these kids.

Now, next door to me—they always say retraining is the answer. One of my neighbors worked at K-Mart until she was 31 years old. She heard the message "Get retraining." She graduated No. 1 in her class in computer engineering. Guess what? No jobs. She has been looking for 2 years for a job.

So I do not believe all this hocus-pocus about if you just have training, everything will be solved.

In terms of the automotive industry, there is an article I would like to reference and hope that the audience will look at it. This week's Business Week talks about Honda. The majority leader talked about how different business practices of these countries, Japan and some others, really are not like our own. Why is it so hard for the President of our country to stand up for the United States in trade negotiations with Japan? Why is he like a feather, you just have to push him over, rather than making access to our marketplace a quid pro quo for access to their marketplace, so that we can begin to move American goods into Japan?

The automotive industry, and I am sure succeeding speakers will cover this in more detail, is one of America's lodestar industries. Without this industry, our standard of living will go down even more than it has already and the people who live on my street will not have any jobs in that industry. Company after company after company has closed in Toledo, OH, related to the automotive industry. Japan has opened over 300 supply companies in Ohio and Michigan, and they supply into Japanese production.

This article in Business Week, called "Honda: Is It an American Car?", encourages people to take their cars apart. If you own a foreign car, see where the parts come from, because the fact is they are not made in the United States of America by domestically owned firms but they are brought over in those big ships out of Japan, they land on the west coast. Or they bring their little companies over here and create colonies around the assembly plants and they only buy from their own.

□ 1810

If I did not have quality producers in my community who were capable of selling into these companies, it would not bother me an iota. There should be good competition in this country, but the fact is they are taking advantage of us, and the President of the United States, whose job it is to stand up for our workers and our people, is not doing his job.

So, I thank the majority leader so much for allowing me to share in his special order this evening, and I encourage him on in his efforts.

Mr. GEPHARDT. Mr. Speaker, I thank the gentlewoman from Ohio [Ms. KAPTUR] and thank her for her immense contribution to these many efforts to try to get free trade and to try to strengthen our economy.

I yield to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, it is a pleasure to join with the gentleman from Missouri [Mr. GEPHARDT].

Here it is 6:10 standard time on the east coast. Most people are eating their dinner. Perhaps our families would like us to be doing that likewise. But the gentleman from Missouri [Mr. GEPHARDT] is here. He probably has one of the four or five busiest schedules in this town. He is here standing and making a case to the American people.

Mr. Speaker, if I had a hat, and we cannot wear one in the House Chamber, I would take it off to the gentleman from Missouri [Mr. GEPHARDT] for his dedication, his commitment, because he is determined to have his voice heard, and many are privileged to join with him in this effort.

Was it yesterday I sat around a table in my office in Southfield with three unemployed workers? Two had exhausted their benefits. One was 4 weeks away from exhaustion. I wish the whole country could have sat in or watched if we could have taken the roof off. These three people, one in his sixties, one in his fifties I would guess, and one in her late forties, together they have been in the work force, as I remember it, 20, 50, 90 years. Two of them are graduates of college; one of a community college. Among the three of them I think they said they had been in an unemployment comp office five times in the 90 years. That is the three of them combined. They had been unhappy about having to go to an unemployment comp office this time around. Two are in sales or marketing, and one is an engineer.

Their message was this: Something is happening in this country. This is a basic transformation going on. In the past, if they were thrown out of work, and that was not very often, they would find another job. This time résumé after résumé, résumé after résumé; no, no, no.

They heard the President from Rome. Two of them had voted for him. We did not talk politics; they volunteered that. They heard the President from Rome say there is no recession, and they sat around the table, and they said, "Who is he talking about, and what is he really talking about?" For them this is not a recession but a depression.

The gentleman from Missouri [Mr. GEPHARDT] in his statement touched on a lot of the reasons for the predicament we are in. Trade is just one of them. I think it is a metaphor for a lot of other things, as well as for trade itself, because, as the gentleman has been saying through the years, if a government will not stand up for its businesses and workers having a fair crack at it, what will it do? It does not take tax dollars to stand up for your businesses and your workers.

So, here we are. Mr. Baker was in Japan. He left emptyhanded on trade. No surprise because he went with a weak hand. Our great country, a weak hand, because there is no credibility. The Japanese do not believe that this administration will stand up and fight because they have not.

The gentlewoman from Ohio [Ms. KAPTUR] quoted the article from Business Week, "Honda: Is It an American Car?" and there is a statement in there, and this was in quotes: "The nameplate doesn't matter."

Mr. Speaker, it was said by our Trade Representative. She works hard as a gifted public servant. I often disagree with her. Maybe it is not quite in full context to say the nameplate does not matter. She was referring to trade policy, but I think that is an accurate description of the administration's trade policy.

Mr. Speaker, the nameplate does not matter to them. "Made in America" does not get their juices working, and that is what we have to change.

I will just end by referring to our trade deficit. As my colleagues know, it is a bit like a patient that is quite seriously ill and has pneumonia. Then he gets influenza, the flu, and everyone says, "Well, you're healthy."

Our trade deficit is a little better now than it used to be, but it is still astronomical, and I just read on the wires a prediction by the Treasury Under Secretary that once again it is going to go back up, and, when it went down, it did not go down very much with Japan—$40 to $50 billion, as my colleagues know, two-thirds of it in the auto sector, and when it comes to automobiles, it has been a one-way street. That is a tragedy for this country, and the gentleman from Missouri [Mr. GEPHARDT] and I and others will never be satisfied until that tragedy is reversed.

Mr. Speaker, I am privileged to join with the gentleman from Missouri [Mr. GEPHARDT] tonight, as I have been on so many other nights, in the bill we introduced a few days ago. Our voices will be raised until the problems are diminished, indeed, until they are resolved.

Mr. GEPHARDT. Mr. Speaker, I thank the gentleman from Michigan [Mr. LEVIN] for his invaluable and immense contribution to all these efforts, especially in explaining and working on the issue of trade. It has been a real pleasure to work with him, and I look forward to continuing that.

Mr. Speaker, I yield now to the gentleman from Michigan [Mr. BONIOR], the distinguished majority whip.

Mr. BONIOR. Mr. Speaker, I thank my friend, the gentleman from Missouri [Mr. GEPHARDT], for yielding, and while my colleague, the gentleman from Michigan [Mr. LEVIN], is here, let me thank him for his leadership on this issue, as well as the majority leader and my colleague to my right, the gentleman from Ohio [Mr. PEASE], who over the years have shared our common concern on the trade policy.

Mr. Speaker, if I could just take a couple of minutes. I know the hour is late, and I just want to reiterate a lot of the things that were mentioned earlier in this discussion.

Since 1980, we have accumulated more than $1 trillion in trade deficit, and of course we know for every $1 billion in lost sales, we lose about 25,000—25,800 jobs exactly. So, during the Bush-Reagan era or decade we have lost a substantial number of manufacturing jobs.

☐ 1820

These are good jobs. These are jobs that made places like St. Louis, and Lawrence, OH, and Cleveland, OH, and Detroit, MI, great metropolitan areas, and provided sustenance and hope for the future for families.

If we look at what has happened during the 1980's, it is obvious, and it is clear a large part of this problem is focused in one country: Japan. Nearly 50 percent of that deficit is with Japan, and it has been consistently that way for the past 7 years. The companies there have violated our tax laws. Toyota is alleged to have recently violated voluntary restraint agreements. We have a whole series of questions now on dumping. The Commerce Department is investigating charges that Toyota, Mazda Motor Corp., and Nissan Motors are dumping minivans in the United States, gaining market share by selling their vehicles at below cost, and U.S. Customs officials are considering whether Honda's Canadian-built Accords have sufficient American-made parts to qualify as domestic and thus avoid a tariff.

Everyone knows the tragic situation, and it is tragic, of our inability to penetrate those showrooms and their markets. They have a $60 billion parts industry in Japan. We get 1 percent of that; 1 percent of Americans get any of that. Things are out of whack on a variety of different fronts with our trade relations with the Japanese and with some other countries as well.

What we need is a tough trade policy. I believe it is important to be strong and to be tough, especially when dealing with the Japanese, because they are very competent, they are very good, they produce good products. But they trade in a way that I do not think is in keeping with what we would like to see in the international trade area.

I often tell a story, and I will ask the indulgence of my colleagues for a second because I think it typifies that when we are tough with them we get their respect, and when we get their respect we get results. About a year and a half ago I had an amendment pending in the well on the defense bill. The amendment was listed before we broke for the August recess. This was about a year and a half ago, and the amendment was basically very simple. We have 50,000 troops that are stationed in Japan defending the Japanese, defending our interests there as well, but primarily to defend the Japanese. It costs the taxpayers of this country $5 billion a year to send those troops there. We had a $45 billion trade deficit with them at that time. Yet we are spending $5 billion to defend them against God knows who any more, but nonetheless, maybe it is the Red Chinese, I do not know, but anyway, we have all of these troops over there. My amendment was very simple. The Japanese were picking up about a third of the cost of that. We said to the Japanese, increase your burden sharing, increase it and help us. We have this deficit. We are paying for the cost for your defense and you are spending maybe 1 percent of your GNP on defense. Help us out. If you do not, we are going to bring our troops back.

I offered this amendment just to get the attention of my colleagues. I got a recorded vote and it passed 370 to 53, or something like that.

But about a day and a half later I am sitting at home about 9:30 at night and I get a call from the Japanese Ambassador here in the United States. He tells me, and this is August, remember, he tells me that the Cabinet has just met, and they have decided to increase, increase the amount of money that they are going to share in helping fight the Persian Gulf war. The war had just broken out over this summer.

I learned later from some of our officials, American officials, that the amendment on the floor that was adopted by my colleagues here by such an overwhelming margin made them reevaluate what was happening in the U.S. Congress. They were concerned because they had not received a defeat of that magnitude in such a long time. They are well represented in this town, as people know.

When you are tough with them, you get their respect and you get results. As a result, not only the amendment has become law now and they are paying an increased share of the burden, but as a result of that amendment, I think, at least I am led to believe, and I certainly do not want to take credit for it because it was everyone here that did it, and I did not expect, quite frankly, that it would pass by that margin, but the Japanese in negotiations with our people over there increased their share of the cost of the war from $1 billion to $4 billion. And as a result, as the war went on, and as we all know, they have increased that share up to $13 billion.

So my point is, we need tough leadership with these people, and it has to come on the trade front.

The bill that my distinguished colleague, the majority leader and the gentleman from Michigan [Mr. LEVIN] and others have introduced to strengthen Super 301 I think will really help us, if nothing else, to push this administration forward, to give them the backbone they need to negotiate in good faith and to be tough.

As we know, Secretary Baker is over in Japan now, and the President eventually is going to go. I would hope that we could set some standards, not unrealistic standards, realistic standards for the President and his entourage and our Trade Representative, Mrs. Hills, and others to meet so that when they go they know what they can expect from us with respect to future trade with the Japanese.

When that happens, I think we are going to see a different attitude on the part of the American people with respect to this administration in terms of international relations and especially as it reflects on trade.

So I just want to commend my colleague. We are in a deep and very prolonged recession, 300,000 people a month exhausting their unemployment benefits. I could go on and on, and I am not going to do that because I am convinced that we can get out of this recession. I do not want to be accused of overly playing the fiddle and engaging in a malaise, but I think we can get out of this problem that we are in in this country.

But we have to be tough on trade. We have to produce better products here. We have to have an educational system that trains people for the right jobs, the right jobs when they get out of high school, or for the right jobs after their postsecondary education. We have to make sure that we expand the opportunity for trade in the areas of the world that can now or will be in a position to receive our trade. And to the extent that this administration is tough on those issues, they can have the support of those of us on this side of the aisle. We will be behind them.

But to the extent we are going to get this wishy-washy response that we have gotten now for 12 years—and I must say that it preceded 12 years, to be very frank—then we are not going to get anywhere. We are going to continue to lose good jobs, thousands of manufacturing jobs, high-paying, quality jobs lost over this last decade.

It is such a tragedy, such a tragedy, and what we are seeing now as a result of that is two people working in a family where there used to be one, barely making the same amount that the one good manufacturing job wage brought into that family. And now we are finding that one of those two people is being laid off, or they are being cut back, or their health care benefits are being yanked from them.

So we have this real dilemma now. The chickens, as they say, are coming home to roost. The American people understand the dire economic straits we find ourselves in as a result of lax policies in the 1980's regarding trade and other things. And we want some action.

I am pleased to join with my distinguished colleague in talking about the fact that we will do things in this Congress in the next 2 or 3 weeks before we get out, a major transportation bill, 6 years, 2 million jobs; unemployment extension benefits covering literally millions of workers in this country and pumping maybe $5 billion or $5.5 billion through the economy; a major bill on middle-class tax relief introduced, hearings held, and we will move on that as soon as we get back. And, of course, one of the toughest jobs we will have, but one of the most important jobs that any legislative body could have, is to provide decent, affordable health care for people at a cost they can afford, and that of course will be at the top of the agenda as well.

I thank my colleague for his indulgence and for allowing me to share part of his time, and for his leadership on all of these issues.

Mr. GEPHARDT. I thank the gentleman for his statement, which was eloquent, and as usual, right on the point. I thank him for his work, and I look forward to working with him and other members of our caucus as we complete this agenda in these last weeks, and I look forward to the next year when we will address frontally and directly the issue of middle-income tax relief and health care for our people.

I so much agree with him that we can get out of this recession and we can have a strong and vibrant economy, one which is fully competitive with any economy in the world, and that we can get our trade laws to be fair, so that our people who want to compete really can compete.

□ 1830

We will work as hard as we know how in the days ahead to make sure that these policies we need to be changed are changed.

MERRILL LYNCH'S IRRESPONSIBLE AD CAMPAIGN TRUMPETING BENEFITS OF IRA'S

The SPEAKER pro tempore (Mr. COOPER). Under a previous order of the House, the gentleman from Ohio [Mr. PEASE], is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, over the past few months we have been bombarded by advertisements from Merrill Lynch touting the virtues of Senator BENTSEN'S super IRA proposal. Full page ads have run in several newspapers exhorting Congress to "bring this saving vehicle out of retirement." Frankly, I have been troubled by what I have read. The Merrill Lynch campaign has been filled with so many misleading statements and false assertions that I felt it was time to set the record straight.

First, it is important to recognize Merrill Lynch's motivation for pushing so hard to open up this loophole. In 1989, 27 percent of all IRA assets were invested in mutual funds and another 20 percent were invested in stock brokerage self-directed accounts. These are investments that Merrill Lynch markets, so it should come as no surprise to see the firm wanting IRA's expanded.

Now let me turn to the substance of their advertisements. Merrill Lynch claims that as a result of liberalizing IRA's in 1981, $138 billion in new savings were created between 1982 and 1986. If that were true, it would represent a substantial increase in Americans' personal savings. Unfortunately, it is not true.

A CRS review of this matter concluded that the "evidence is ambiguous and contradictory." Other economists have also noted that determining whether IRA's were successful in creating additional savings is difficult, if not impossible.

Yet the statistical evidence makes an even stronger case against Merrill Lynch's statement. Department of Commerce statistics show that gross personal private saving—the only component of savings that the IRA could have directly affected—decreased by $34.5 billion from 1981 to 1986. That's quite a bit different from an increase of $138 billion. Given this evidence, it seems to me that Merrill Lynch is trying to deceive the American pubic about whether IRA's will improve saving.

Instinctively, the Commerce Department's data make sense, if you think back to how IRA's were marketed by firms such as Merrill Lynch. First, they encouraged taxpayers who couldn't afford to save to shift whatever savings they had to IRA accounts in order to get the tax benefits. Obviously, that didn't increase overall savings, it just shifted assets to IRA sponsors.

A second tactic was to encourage taxpayers to contribute to IRA's before making any other investment in order to take advantage of the tax break. In essence what they told taxpayers was, "If you have already decided to save, you ought to put it in an IRA because of the tax advantage." Most of these families had already decided to save, so again this did not create new savings, it simply redirected money to IRA sponsors.

Finally, the most egregious marketing ploy practiced by IRA sponsors such as Merrill Lynch was encouraging families who didn't have enough money to contribute to an IRA to borrow the money. By doing this, families were able to take advantage of two tax breaks: Deductibility of the IRA contribution and deductibility of the interest on the borrowed funds. As with the other examples, this practice did nothing to increase overall savings. All it did was increase the funds that Merrill Lynch and others received.

Merrill Lynch has also expressed concern in their advertisements for the relatively low level of savings the average family has as they head toward retirement. I agree that most Americans need to plan better for the future. What I disagree with is whether the super IRA proposal will do anything to improve this situation. One benefit of the existing structure of IRA's is that the savings are specifically targeted for retirement. They cannot be accessed before age 59½ without incurring a penalty. That provides a strong discipline for families to leave this money for its intended purpose—retirement.

The super IRA proposal eliminates this discipline. The holding period for money contributed to a super IRA account is only 5 years. After that period, the money can be withdrawn, tax-free. While I agree that encouraging Americans to save for even 5 years would be an improvement, it cannot realistically be described as a retirement plan. After 5 years this money can be withdrawn and used for any purpose. With such easy access to these funds, is it reasonable to assume that this money will be there when retirement comes?

Furthermore, the super IRA proposal provides for even earlier access to purchase a first home or pay for a college education. These are worthwhile pursuits, but they will not alleviate the problem of Americans reaching retirement age without the resources necessary to maintain their standard of living.

Finally, Merrill Lynch argues that IRA's should not be considered the savings vehicle of the rich. Yet, after their use was liberalized in 1981, 75 percent of taxpayers with income over $75,000 contributed to them, while only 2.3 percent of taxpayers with income under $10,000 used them. In their own ads, Merrill Lynch states that IRA contributions have dropped by 67 percent since the deductibility was curtailed in 1987. Yet, eligibility for deductible contributions was curtailed only for upper income families. These families represent only 13 percent of all taxpayers with earned income. If these taxpayers accounted for 67 percent of the contributions, that is pretty good proof of who will benefit from their return.

The fact remains that the benefits of the super IRA proposal fall predominantly to upper income families. The super IRA is nothing more than a Federal giveaway to these families. This giveaway will total about $26 billion just in the first 5 years. Yet Merrill Lynch doesn't mention this cost in their ads or begin to talk about how we are going to pay for it. I think that is irresponsible.

AMERICAN TAXPAYERS SHOULD NOT BAIL OUT SOVIET UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 1 hour.

GENERAL LEAVE

Mr. DREIER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this special order I am about to present here.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DREIER of California. Mr. Speaker, I have taken out this time to discuss an issue which, believe it or not, relates closely to some of the things that have been said by my colleagues on the other side of the aisle. The distinguished majority leader, Mr. GEPHARDT, and the majority whip, Mr. BONIOR, were talking about the problems of job creation over not just the past 12 years, but even the preceding years, and some of the challenges that we face.

Mr. Speaker, I am one who very clearly believes that many of the problems that we have as they relate to job creation have to do in large part with the tremendous spending patterns that have gone on in this Congress. That is why I have taken this special order out, because one proposal that came forward just a few weeks ago was to me literally incomprehensible. It is one which is designed to take one billion U.S. taxpayer dollars and provide it to the Soviet Union.

Now, it is very clear that over the past at least four decades it has been the policy of the U.S. Government to do everything that we can to try and contain communism. Mr. Speaker, as we all know, based on the developments that really started with the revolution of 1989, we have not only succeeded at containing communism, but we have dramatically rolled it back. So, Mr. Speaker, it seems to me that it would be very foolish for us, having expended trillions of dollars to achieve that, to today do absolutely nothing. But to think of the $3.8 trillion national debt which we have here in the United States, coupled with the economic challenges which Americans are facing all across this country, to think of expanding $1 billion in direct aid to the Soviet Union is I think a real disservice to our goal of trying to help the Soviet Union.

Mr. Speaker, as it gets rather cold in Washington, DC, one of the things that comes to the forefront is we look at the prospect of a very cold and rough winter in the Soviet Union.

By the way, I still refer to it as the Soviet Union. We are all at a loss as to exactly what we should call it. The acronym U.S.S.R. [Union of Soviet Socialist Republics] is one that I have sort of renamed from U.S.S.R. to U.F.F.R. the Union of Fewer and Fewer Republics.

What we have seen is of the 15 republics, we have already seen the Baltics, Estonia, Latvia, and Lithuania declare their independence. So we are seeing independence movements all the way across the board, the Ukraine, over the Fertile Crescent. We are seeing these republics declare their independence.

So the question comes, do we, if we are going to provide $1 billion in taxpayer dollars, send those to the Union of Fewer and Fewer Republics, or the former Union of Soviet Socialist Republics? Exactly who is to be the beneficiary of U.S. taxpayer largesse?

□ 1840

Again, it seems to me that it would be a real mistake for us to in any way provide that kind of aid package.

My main reason is not simply that we as Americans are faced with the challenges at home, but it is also that we have got to do what we can to really help the people of the Soviet Union. And as we look again at this tough winter, we do not want to see anyone starve. Obviously, there will be humanitarian aid which will come from the West to try and deal with the potential problems created by starvation in the Soviet Union. But to see basically a package that would just throw dollars at the problem, I think, would be a real disservice. Why?

Well, there are several very important reasons, Mr. Speaker. I would say that the first reason is that we have witnessed very little change in the bureaucracy, the so-called nomenclature in the Soviet Union. We have seen those high-level bureaucrats remain in power and we have got a chart that has been put together here. And the second item on this chart, Mr. Speaker, if we could take a look at that, where it has Mikhail Gorbachev saying, "I have no idea." That statement was made in response to a question that was posed to him by Gorbachev's former Foreign Minister, Eduard Shevardnadze.

Shevardnadze said to President Gorbachev, "Mr. President, can you tell me exactly what happened to the $2.9 billion which we have received in aid from the Western world?" And Gorbachev responded by saying, "I have no idea."

Now, when we hear that kind of statement made, one cannot help but wonder about the vision of leaders in this country who would call for a $1 billion aid package to the Soviet Union.

There are other reasons we should not be providing this aid package. If we truly want to help the Soviet Union, Mr. Speaker, what we should be doing is we should be trying to think of creative ways in which we can take Western values and provide them to the Soviet Union. And by Western values, what do I mean?

Well, probably the greatest example is the dynamism of the marketplace. As we are going through economic difficulties here in the United States, some may question the value of the marketplace. But when one looks at another emerging democracy, that of Poland, I cannot help but be reminded of statements that were made by people who have been going through very difficult times under the radical economic reforms taking place in Poland and, when asked about how difficult it is, they say, "Yes, it is very difficult now, but it would have been much worse if we had continued down the road of totalitarianism."

It seems to me that this is another great example of that. So we need to do what we can to encourage the expansion of the free market process. After all, the people of the Soviet Union have overwhelmingly voted and protested and marched and made their statements in behalf of the movement in the direction of a free market. So rather than sending hard-earned U.S. taxpayer dollars to that already corrupt bureaucratic rathole, what we should be doing is looking at creative ways in which we can provide assistance.

The best way in the world is to encourage United States investment and United States economic dynamism to in some way take advantage of the opportunities which exist in the Soviet Union, and they will clearly help both American business and the Soviet people. So I think that really is the best route for us to take.

Another example as to why we should not be providing this kind of assistance came from an article that was in the Washington Times not too long ago. Mr. Fodornov, who is the Justice Minister, in fact, had discussed the prospect of actually calling to task President Gorbachev because there have been literally billions of dollars, dollars that have come from the West, that have been funneled to Communist Party apparatus within different countries. The Communist Party in France, for example, reportedly has received a great deal of this assistance. Other Communist Party organizations throughout the world, in Third World countries and in developed nations, have been receiving the Western dollars which had gone into the Soviet Union, according to these reports that Mr. Fodornov has brought forward.

So again, it seems to me that it would be a great mistake for us to go down the road of providing what truly are nonexistent taxpayer dollars to the Soviet Union.

I have a couple of other charts here and some things that I think need to be pointed out about the structure of things today in the Soviet Union. Ninety-eight percent of Soviet farmland is run by collectives, and only 2 percent is run by private farmers. I had the opportunity, when I was in August 1989 in the Soviet Union, to look at the agricultural structure. Many of us have seen on the evening news, and I actually saw in person piles and piles of food which, because of the corrupt, antiquated, inept distribution process, has literally rotted because it cannot get to the people. And we have also seen under the bureaucratic Communist structure of farming very little of the food, when it has been able to be distributed, actually produced to get to the people because, while 98 percent of the farms are run by collectives under the Communist system, only 2 percent under private farming structure, 25 percent of all food that is consumed in the Soviet Union comes from those 2 percent of farms which are actually run with the private marketplace as its base.

Then when we look at the fact that one-fifth of this year's grain harvest in the Soviet Union is likely to rot in the fields, still awaiting, as I was saying earlier, the very antiquated and often corrupt transportation system that is there. One of the things that I found in 1989, when I was there, is that many items could not get to the consumer because on virtually every step of the distribution process, what we witnessed was people who were ripping off those items every step of the way. So when something finally got to the consumer, it was literally minuscule juxtaposed to what was originally intended to be distributed to the consumer in the Soviet Union.

Based on the reports that I have heard, and I know that President Bush very wisely sent a team of agricultural experts to the Soviet Union several months ago, based on the many reports which I have seen, we still have similar problems on this whole distribution process within the Soviet Union.

Many people have wondered what kind of major events developed to bring about this crumbling of the Soviet Bloc that we have seen. Clearly the crumbling economy was an important aspect of it. But also the defeat, which the Soviets suffered in Afghanistan, I believe, is a very important part of the Revolution of 1989 and the tremendous developments that we have seen over the past couple of years.

So Mr. Speaker, when we look at that, we do owe a tremendous debt of gratitude, and I have gotten off on a little tangent here, to the mujahadeen, those who fought for freedom, and this Congress. It was our package of support at the encouragement of Ronald Reagan and George Bush that provided the only real bipartisan consensus on military assistance, which is what it was, to the mujahadeen in Afghanistan. And they still are dealing with more than a few problems there, but they played a role in ensuring that the Soviets would not, as they had for decades, rolled over virtually every Third World client state that they attempted to absorb.

So that defeat that the Soviets suffered in Afghanistan was a very important part of the changes that we have seen. Nevertheless, it seems to me that for us to provide nonexistent U.S. Taxpayer dollars to the tune of $1 billion would be a great disservice, not just to Americans but, Mr. Speaker, also to the people who are literally clawing to break the shackles of totalitarianism which they have lived under for 74 years this past week as the Bolshevik Revolution was marked just this last week, the 74th anniversary.

□ 1850

I am very pleased, Mr. Speaker, that a number of my colleagues have joined us on the floor.

Mr. Speaker, I am happy to yield at this time to the gentleman from Ohio [Mr. McEWEN], my distinguished friend, a very hardworking member of the Committee on Rules; in fact, so hardworking I know that he has just, as I have, come down from the Committee on Rules now to participate in this, having I hope extended my regards to that great American, James Dobson, before he came over. I am happy to yield now to my friend from Ohio, Mr. McEWEN.

Mr. McEWEN. Mr. Speaker, I thank the gentleman for yielding. I express my appreciation for his holding the special order to try to convey to the world that many of us in the Congress hear what the average American hears, and that is that it is the height of lunacy to think that we should now burden the American taxpayer with the responsibility of bailing out the Soviet Union.

The American people are the people that have held the torch of freedom for the last 45 years. You mentioned just now about the anniversary of the fall of the freedom government of Kerensky in the Soviet Union when it was overrun by the Bolsheviks, not against the czar, but against instituting a democratic republic, and they celebrated that on November 7 of every year. Also it has just been this past week the 1-year anniversary of the falling of the Berlin Wall.

Now, from 1945, when the Soviet godless atheist Communists confiscated most of eastern Germany and Eastern Europe, from that day until a year ago last Saturday, every inch of the border between East and West Germany was flown by an American helicopter paid for by American taxpayers. Every inch of that border was walked by an American GI wearing an American uniform, paid for by American tax dollars. The American people have borne the price of freedom for all these 45 years, having purchased it in the Second World War, maintained it, and brought us to the point to which you were referring until now. For the first time in the history of man there has been a total collapse of the intellectual debate as to the superiority of one political idea over any other political idea.

As we stand here today we can rejoice. We can stand here with our children and with our grandparents and say this, that if we were to stop a woman standing in line for bread in Moscow at this very moment, or if we were to stop a cab driver in Prague or Warsaw, or if we were to go to the Camposino in El Salvador or Nicaragua, they would all tell you the very same thing, that free elections and free markets are superior to any other political or economic system. Now, that is a joyous, joyous occasion.

That was not the case 5 years ago. That was not the case 50 years ago. It was not the case 500 years ago. The reason the American idea, conceived by 56 men, that because God had made them that they were entitled by that fact alone, endowed by their Creator with certain unalienable rights, life, liberty, and the pursuit of happiness, that was the American idea and that American idea has now become the premier political thought on the planet. I stand here to rejoice.

Mr. DREIER of California. Mr. Speaker, would the gentleman yield?

Mr. McEWEN. I am pleased to yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I think that is a very good and important point my friend makes. I would underscore it by saying that, yes, there is a great sense of joy that people feel throughout the world which they were not able to experience 5 years ago, as my friend says.

One of the things we have found since the revolution of 1989 when we saw the Berlin Wall fall on November 9, and we saw the great changes in the Eastern bloc, and really in other parts of the world, is that it has not been an easy transition, and it is not going to be an easy transition. I will never forget when, in Poland, again, I had the opportunity to meet with the Harvard professor, Jeffrey Sachs, who helped put together what is known as the Bolzarovich plan. He had been the Minister of Finance who played a role in putting together these dynamic reforms. Now we have seen many people in Poland talk about throwing them out, and we are going through very rough times. But I think the point my friend makes is an important one, because we absolutely have to help people stay on the road to freedom and democracy and election.

Now, we all know that one election does not automatically create the perfect democracy. We all remember Winston Churchill's famous quote that, "Democracy is the worst form of government of all. It is just better than all the rest." That constantly comes to mind when we think about the challenges that we will be faced with.

So my friend is absolutely right, that there is a great sense of happiness that we see in people throughout the world.

Mr. McEWEN. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to the gentleman from Ohio.

Mr. McEWEN. Mr. Speaker, as I say, our American taxpayer citizen resident has borne the cost of freedom for the world. Right at the moment that we are about to reap the benefits of that investment, of that risk, of that burden, now comes along the liberal spenders to say this of all things; "You spent all that time and effort trying to keep yourself free and make your friends free. Now we want to begin to burden you with the responsibility of bailing out your adversary."

Now, that is phenomenal, at least. We recognize it was not Germany, it was not Japan, it was not France that bore the burden of freedom, it was the Americans that bore the burden of freedom. Now we have the audacity, or someone in Congress, to suggest not only that the American taxpayers shell out $1 billion to give to our adversary, but just to add insult in injury, to suggest as an additional little step of contempt, we will reach into the defense budget, which is now within the next 2 fiscal years the lowest since 1939 as a percentage of our GNP, the lowest since we invited aggression at Pearl Harbor, we will even reach in there and confiscate what limited funds are left and take that money and send it to the Soviet Union.

Let me just give these figures. In just the last 12 months alone, just the last 12 months, the Soviet Union has piled up an additional 125 new ICBM's targeted at American cities. They have floated 10 additional attack submarines, new ballistic missile submarines, 1,300 new tanks, 4,400 new armored fighting vehicles, 575 new fighters, 13,000 new surface-to-air missiles.

If the Members can comprehend this, I am just talking about in the last 12 months. We are talking about all the people standing in line for bread, we are talking about all of the starvation going on in the Soviet Union, and as we speak here they are continuing to crank out 4,400 armored fighting vehicles a year, 1,300 new tanks, more attack submarines than the United States has gotten in the last 20 years combined.

Of course, as you know we have only built 100 new bombers in our lifetime. The B-52, built in 1952, after its production, from that day until this we have built 100 new bombers. They have produced 40 new bombers in just the last 12 months.

Before we even think about it, before anyone ever gets the harebrained scheme or the daydream that the United States should begin to finance this operation, the very least we can do is use the common sense that God gave us and the average American supposedly possesses to say, "when you discontinue this sort of activity, when you take one of your attack submarines and turn that sword into a plowshare, not going back through the last 10 or 15 years but just the last 12 months, just continue what you are doing, then we will think about sending you aid." But in the short run it mitigates against any logical sense at all that when they are doing this that the U.S. taxpayer should be asked to finance it.

Of course there are going to be shortages. Of course they cannot afford to put food on the table when they are doing this ridiculous activity that the United States could never afford. We could not even dream of producing these kinds of weapons at this magnitude except maybe in wartime.

Mr. DREIER of California. Mr. Speaker, would the gentleman yield?

Mr. McEWEN. I am pleased to yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, the gentleman makes a very important point about the tremendous buildup which we have witnessed just in the past 12 months, juxtaposed to the economic plight of the Soviet people. But it seems to me that to underscore that I have this picture on the front of the Washington Post Weekly, which was carried just about a week ago. It has a picture of Mikhail Gorbachev and Boris Yeltsin. The question is posed, "Is anyone running the Soviet Union?" So we not only have this tremendous weapons system buildup and the starvation and the economic plight of the people in the Soviet Union, but we have this question, "Is anybody in charge?"

Alexander Yakovelev, who is the chief adviser to Boris Yeltsin, I have it right in this chart and I have attempted to tell you the truth, no one is in charge. So it seems to me that as we witness the breakup of the 15 republics, and we know that there are 2,000 warheads in the Ukraine and Byelorussia, and in Kazakhstan we know there is nuclear capability there and we know it is spread throughout the Soviet Union. So if you couple that with the challenges that my friend has raised, the idea of sending $1 billion in taxpayer dollars to the Soviet Union is obviously reprehensible.

Mr. McEWEN. Mr. Speaker, would the gentleman yield?

Mr. DREIER. I am happy to further yield to my friend, the gentleman from Ohio [Mr. McEWEN].

Mr. McEWEN. Mr. Speaker, I thank my friend for yielding to me. Our colleague, the gentleman from Arizona [Mr. KYL], is here. I must go. I will be late for a meeting that began an hour ago.

I do want to commend the gentleman from California for doing this special order.

Let me just say this final point. The Soviet Union was never involved in the fight in the Pacific. When it was apparent that Hitler had surrendered and the United States was going to mop up in Japan, then just about 5 days before the end of the war Stalin declared war on Japan and then moved in and stole the Kuril Islands, and that was the sum of their contribution.

□ 1900

Now, Japan has said to the Soviet Union, "If you want any aid from us, if you want investment from us, give us our islands back."

Let me just tell you this: I have no doubt in my mind, none whatsoever, and I firmly believe, that the Soviet Union will return the islands in order to get Japanese investment. You see, common sense says that, to the average person, if you want something, I get something.

Only the United States of America would think about sending money to the Soviet Union and never even asking, "How about if you point some of those missiles another direction? How about if you move some of your submarines off our coast? How about if you quit giving aid to Cuba and to Hanoi and to North Korea for its development of its nuclear weapons?" Only the United States.

I submit that no other nation in the United Nations would even think about sending money to an enemy and not even have the backbone or gumption to first ask why do we not get a little bit in response. That is what the American people are saying that before we do that, No. 1, and my final point is this, I have introduced legislation that says that since they have the second largest oil reserves in the world, since they stole $30 billion from every East European country in gold which they have kept, in gold bullion, since they have the largest strategic metals reserves in the entire world, they do not need anything from us.

If we want to send them food, they can give us oil. If they do not want to starve, then they can sell us strategic metals, seven of which are necessary for military defense fighters, that we purchase from them on the open market.

Unless we get a little quid pro quo, that is, you give us your strategic metals and then we give you some grain, and everybody in America can understand that, and only the U.S. Congress, only the U.S. Government would think about saying why do we not just tax the taxpayer, add the burden and send it to them. "If you do not want to pay, if you do not want to even cooperate with us, then fine." Common sense says tear down your missiles, shut down your submarine line, quit building your tanks, and then you will have money to do other things, and in the process of it, the U.S. taxpayer will have a little more freedom for his investment after 45 years.

Mr. DREIER of California. Mr. Speaker, I thank my friend for his very important contribution. It sounds like one of the most brilliant pieces of legislation to have ever been introduced in this House. I think there is so much common sense to it that it will be a challenge for us when we finally get it up in the Committee on Rules to ensure that the opportunity to offer that amendment is in there. But I believe that that is the kind of thing that the American people would overwhelmingly support.

The Washington Post did a survey that came out, the Washington Post-ABC News poll, which had an overwhelming majority of people, 75–80 percent, in different polls stating that we should not be providing this kind of direct assistance to the Soviet Union. I think that the gentleman's legislation would be an excellent way for us to try and address this problem. I thank him for his contribution.

Mr. Speaker, I am very pleased to have been joined by one of the greatest leaders when it comes to the strategic defense challenges, my good friend from Phoenix, AZ, the gentleman from Arizona [Mr. KYL]. I yield to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, I appreciate the gentleman yielding. I want to compliment him for conducting this special order and also to say a special word of thanks to our colleague, the gentleman from Ohio [Mr. MCEWEN], who, as the gentleman knows, was instrumental in attaching conditions on any aid that might be provided to the Soviet Union when the foreign aid bill came before this body. It was the gentleman from Ohio [Mr. MCEWEN] who came up with the idea that if there were to be any kind of an aid bill, then at a minimum the United States ought to make certain that the aid would do some good, in other words, that the Soviet Union would transform its system into one that could actually use the aid and have a free-market, free-enterprise system or free-market economy, and second, the defense expenditures should be reduced dramatically before we considered giving any aid.

Mr. DREIER of California. If I might say very humbly, I think that was the McEwen-Dreier amendment, was it not?

Mr. MCEWEN. If I may say boldly, it actually has long been a Kyl amendment which I was pleased to sponsor on behalf of both of us. We did it together. But the gentleman from Arizona [Mr. KYL] has led the way on this, and that is that the reduced defense expenditures, the discontinued support for client states, that they point their targeted missiles in another direction than the United States, and that they reduce their percentage of the GNP going to that.

Mr. KYL. And we had one other general set of conditions which have been satisfied, and that is to grant freedom to the Baltic States and improve their record on human rights and provide for self-determination for people in the former Soviet Union. It should come as no surprise, Mr. Speaker, to you or other colleagues here, that the three of us were all involved in that effort. But the reason that I bring that up, and in further embellishing on the point that the gentleman from California has been making here is that things have changed a little bit since this body adopted the Kyl amendment, 371 to 43, and that amendment was also adopted overwhelmingly in the Senate. So both bodies are on record as attaching very strict conditions on any aid to be supplied to the Soviet Union.

Since that time, some things have changed. Some people in this body and in the other body believed that they could, in effect, whiz one by us, that they could find a bill to provide aid to the Soviet Union that these conditions would not have to apply to, and the chairmen of the House and Senate Armed Services Committees, therefore, without ever having any hearings, without proposing it to their colleagues in any sense or in any form in which we could provide our own sense of Congress or have a vote, let alone a debate, they put it in the defense authorization bill, and that is what my colleague, the gentleman from California, has been referring to here about this billion dollars in aid to the Soviet Union coming right out of the defense bill. It came out of the account that provides, among other things, for health care for American servicemen and servicewomen.

It seems quite strange that this is what happens to the defense bill in this country when tensions are eased. We hurt our own servicemen and servicewomen and send the money to the Soviet Union.

But back to my original point, it seems odd that after the Congress going on record very firmly for strong conditions to be applied to any aid to the Soviet Union, some of the insiders in this body would decide that they could whiz it by us, put it in the defense authorization bill, and that nobody would be able to amend it, because, of course, that is a bill that has to pass, and the President has to sign it if we are going to have a defense for this country.

But, of course, it was discovered, and when it was discovered, people on both sides of the aisle, Republican and Democrat, rose up and said, "No way. Our constituents will not stand for this. The American taxpayers will not stand for this." And as a result, I believe that as of this evening we can at least be somewhat assured that that billion dollars will be removed from the bill when it comes before us for a final vote, and that the will of the American taxpayer will have again succeeded in this body.

But it demonstrates that you always have to be vigilant here, because it seems that some of our Members are just bound and determined to give American taxpayer dollars away to the Soviet Union before they have achieved the major conditions that they have to achieve.

Now, going back to another point that the gentleman from California was making as well as the gentleman from Ohio.

Mr. DREIER of California. On that, I think the gentleman makes an excellent point, and it came, and was best stated by, Pavel Bunich, who is one of the top economic advisers to Mikhail Gorbachev, who said very simply there has been no economic progress at all, and that seems to say best what my friend was referring to.

Mr. KYL. I appreciate the gentleman yielding further, and that is exactly the point. You do not want to throw good money after bad.

Certainly if the Soviets have a system which can use our money productively, which can actually assist them to reform their economy to a free-market economy where they can begin to have the same kind of opportunities that we have in this country to own private property, to be in business, to have employees, to make a profit, to invest that money in some kind of enterprise, if they can develop that kind of system and we can help them do that, it will not only help to develop markets that the United States could then supply goods to, but also would undoubtedly make a more peaceful world. That is the condition that has to exist first.

Otherwise, whatever we send to them could well either, first, be wasted, or second, go right into the hands of the people who plotted the coup just a couple of months ago, the people who very, very much would like to regain power that they have lost, and that is why it does not make any sense to be just sending money directly over to the central government until we know that they have reformed and until we know that they have a system that can accommodate that aid.

Just a final point that I wanted to make on this question of the money coming from the defense budget: as my colleague, our colleague from Ohio, pointed out, during the last 5 years really that Gorbachev has been in power in the Soviet Union, it has continued in cookie cutter fashion to churn out tanks, planes, personnel carriers, artillery, weapons of all kinds, ballistic missiles, while the United States has been cutting back on our defense for the last 5 years, and the next fiscal year will be the sixth straight year American defense spending has declined as a percentage of our GNP and as a percent of our budget in real dollar terms, in other words, not even accounting for inflation. We are talking about a 25-percent cut in defense, and no other part of the American Federal budget here has declined that dramatically to the point, as the gentleman said, that in a couple of years we will be spending less money than we did on defense prior to World War II, less than 4 percent of our GNP.

The Soviets, on the other hand, are spending somewhere in the neighborhood of 25 percent of their gross national product on defense, and it does not seem too much to ask that before we ask American taxpayers to spend their money to help people in the Soviet Union that the Soviets engage in a little self-help of their own to cut their defense expenditures and apply that money to more peaceful means.

Mr. DREIER of California. I would like to ask the gentleman if I could. I thank him again very much for his very excellent contribution here.

□ 1910

You know, 2 years ago I remember seeing that $17 billion a year was provided in direct assistance from the Soviet Union, $6 billion a year to Cuba, $4 billion to Afghanistan, $2½ billion to Vietnam, $1½ billion to Syria, and a billion each to Angola, Yemen, Ethiopia, and North Korea. You can go through this litany.

Now, I remember seeing in the news not too long ago that President Gorbachev indicated that they would be cutting off Cuba and that $6 billion package would obviously not be going there and Fidel Castro would have to stand on his own.

Without disclosing any great secrets, is there evidence that we have seen a diminution of that flow of assistance from the Soviet Union to Third World puppet dictators of theirs?

Mr. KYL. Well, I think the gentleman knows the answer to the question, and that is we have seen the Cubans get very nervous because they believe it just might happen. We have not seen any direct evidence, at least that I am aware of yet. What we have seen is some indication that the military forces of the Soviet Union might be withdrawn from Cuba, but I think it is something like 60,000 technical advisers who keep the radars tuned to all the United States frequencies, in other words, all their intelligence gathering apparatus will continue. Is that the information the gentleman has?

Mr. DREIER of California. I think that is it partially.

The gentleman raises another very important point that my friend, the gentleman from Ohio, also did, and that is the potential nuclear threat. We know 2,000 nuclear warheads in the Ukraine, several hundred in Byelorussia, Kazakhstan, as I was referring earlier, and now we are aware of the fact that the Soviets are playing a role in the move toward nuclear warmaking capability in North Korea. It would seem to me that as we look at the aid package that that would be one of the keys to reduce if we really are on the road toward ensuring world peace.

Mr. KYL. Well, the gentleman is absolutely on target on this one. One of the biggest threats that we are going to be facing in the next decade or two is the threat from Third World countries that are not friendly to us, countries like Iraq in the past, Syria and Iran and North Korea and Libya and countries like this. When the Soviets are sending them missiles and nuclear capability, you have to wonder whether we should be sending aid to the Soviet Union.

Scud missiles came from the Soviet Union. Scud is the Soviet term. These others countries then through their expertise have modified them and sent the on for use.

Mr. DREIER of California. Does the gentleman mean that Saddam Hussein did not actually develop the Scud missile? I am sure there are many people who think it is a product of Iraq.

Mr. KYL. Well, as my colleague well knows, Saddam Hussein took that Soviet missile and modified it to suit his own needs, but it was a Soviet missile, and that is the point that the gentleman was making, and that is that one of the minimum requirements that we should have of the Soviets before we send them aid to stop this proliferation of missile technology and nuclear technology.

There is a very important point here that Secretary Cheney has made recently. There is only so much of this that can be discussed, but I hope that people will read a little between the lines here. Secretary Cheney is saying that one of the biggest concerns that he has in the future is the technology that is going to come out of the Soviet Union as it breaks up. You have thousands literally of very educated and highly trained Soviet scientists, physicists, people who have been working on ballistic missile technology, nuclear technology.

Now, where are all these people going to find work? To whom are they going to sell what they know? It does not take a genius to figure out that in a country that is breaking apart and may not be able to employ all these people in its centrally controlled missile and nuclear systems in the universities and in the governmentally sponsored programs that exist there, that these people are going to find work elsewhere, and it will not take much to buy off some of these people.

Let us remember where the United States got the brain power to develop our atomic capability. It was not from the shores of the United States. It was from people who came here from Europe.

Secretary Cheney is very concerned that people within the Soviet Union today will end up providing what is in their heads to Third World countries who will pay a very high price for that kind of technology and who may well use it in the future against the interests of the United States. I think that is the point the gentleman was making.

Mr. DREIER of California. Absolutely. I think something we need to look to again as we try to focus on this billion dollars which I feel confident, as my friend does, that will not be provided, but when one thinks of the reasoning behind it and the great intentions, we do want to help them. We want to insure that the Soviet people do not starve to death this winter, but when one looks at the challenges that we face here at home, and people on both sides of the aisle here wanting to insure that we create jobs and opportunities here in the United States, that these nonexistent—and I say nonexistent because of our $3.8 trillion national debt—that we have nonexistent taxpayer dollars to send to the Soviet Union would be a real mistake.

There are other reasons it would be a great mistake. I have this chart right here which shows that $62.87 billion has already been pledged or given to the Soviet Union throughout the world. You can see $38 billion has gone from Germany. A large part of this has come from the banking industry. So if we were to provide a billion dollars, what our billion dollars would be probably doing as a priority would be repaying the banks of Japan and Germany and other countries throughout the world. So it is incomprehensible again that we would think of expending U.S. taxpayer dollars to repay those debts which have been exacerbated through an extraordinary corrupt system which to this day exists in the Soviet Union.

Mr. KYL. Mr. Speaker, if the gentleman will yield on just that point, humanitarian aid, no one is going to oppose that to those who really need it, assuming we have a delivery system and a means of getting it to the people who need it, whether it is in the Soviet Union or anyplace else in the world. The United states has always prided itself on that; but the point the gentleman just made is one that needs some reiteration and further explanation. The gentleman knows this better than I.

What has occurred in the past is that European banks, and particularly German banks, cozying up to the Soviet Union for their own reasons, lent billions and billions of dollars to the Soviet Union.

Now, how will the Soviet Union repay that? Would the gentleman explain to all of us here what would happen if the Soviet Union is granted membership in the International Monetary Fund and the World Bank with respect to the repayment of that money and who would in effect be repaying those German banks?

Mr. DREIER of California. Well, as my friend knows, first of all, there are not too many of us here. My great friend, the delegate from the American Samoa, Mr. FALEOMAVAEGA, is very patiently waiting here and my friend, the gentleman from Arizona; but I will say, addressing it to the Speaker, that when one looks at the potential for membership in the International Monetary Fund, the World Bank and all, who is the largest contributor to these international organizations? The American taxpayer.

So it is very apparent that as we look at the challenge of trying to see the Soviets repay these debt obligations to Japan and Germany, utilization of dollars from these international financial entities which have as their largest contributor the American taxpayer, what it means is that the American taxpayer will be providing the capability for the Soviets to repay these loans.

Mr. KYL. So if I could ask the gentleman just to yield further, just to put it into terms that all of us would understand, if you have a home mortgage with bank A and you owe that bank a lot of money and you want to refinance and take the loan out with bank B, bank B in effect pays bank A off. Now you owe bank B. Is that not exactly what would be happening here?

Mr. DREIER of California. The gentleman has put it very clearly here. Obviously, utilization of the American taxpayer supported international banking organizations, which are frankly not all bad, but to incorporate now this Soviet Union which lacks leadership, leaders in that country have said it, lacks the kind of direction that is necessary to move toward a free market, that entity would be utilizing American taxpayer dollars to pay off these debt obligations which are outlined on this chart.

Mr. KYL. I think the chart the gentleman shows is very important, if the gentleman will yield further, because it clearly shows that Italy and France have lent a lot of money, by far and away Germany has lent the most money. Part of that was for political purposes in trying to accommodate the Soviet Union, trying to effect the merger of East and Western Germany together, but also a large part of that I think was an opportunity that was taken by German bankers to get involved in the markets before anybody else did, to get there first. That is why they wanted to invest so heavily in the Soviet Union. Of course, if the Soviet Union then is allowed to get into these international funds, which the gentleman correctly pointed out, the United States is the major contributor, in effect we would be taking over the debt position for the German banks, which then would be paid off with guarantees from the American taxpayers. It does not make a lot of sense to me.

The other thing that does not make a lot of sense to me, if I could just make this a little partisan for a second——

Mr. DREIER of California. It never happens on the House floor here, but if the gentleman would like to go ahead to a sense of partisanship, the gentleman is welcome to do that.

Mr. KYL. It is a rare thing, and I hope the Speaker will forgive me for this.

☐ 1920

But it has certainly been the case that people on the other side of the aisle have been, shall we say, critical of the President of the United States for not caring enough about things here at home. "No, Mr. President," they say, "you care more about the people in Europe, Africa or Asia, and you ought to come home and be concerned about the people here who need an education, need a job, need health care. Our economy here is not in the best shape. American taxpayers deserve your attention,' they say.

Well, who is it that is proposing aid to the Soviet Union? It is certainly not those of us on this side of the aisle who have been critical of this kind of aid proposal, but it has been ideas generated on the other side of the aisle to provide all of that aid. I would say to them, if you are going to be critical of the administration for not caring enough about the taxpayer, why are you proposing this massive giveaway of American tax dollars to the Soviet Union?

It seems to me you cannot have it both ways. If you are going to criticize the President, then you should not be proposing these massive aid packages. Perhaps you ought not to criticize the President, but acknowledge the fact that we have requirements in the international arena. No President in recent history has done a better job than President Bush when it comes to handling international affairs, and perhaps we ought to focus a little bit on the domestic agenda, saving American taxpayer dollars, not sending them to countries like the Soviet Union.

Mr. DREIER of California. The gentleman makes a very good point. The fact of the matter is that this ill-conceived idea which did, in fact, emanate from the other side of the aisle, calling for a billion dollars in aid, will not only create even greater economic problems at home but that kind of direct aid will exacerbate and prolong the economic plight of the people we are trying to assist.

Our goal, of course, is to do what we can. That is why I say what we need to do is to look at these creative ways in which we can encourage Western investment, not just direct loans to this already corrupt bureaucratic rathole, but investment to try to help move toward a free market as the people in the Soviet Union said they really want.

So the idea of extending a billion dollars in aid to the Soviets will make things worse rather than make them better, because we have seen $62.87 billion coming from nations throughout the world in loans. And we see the statement made in response to Eduard Shevardnadze's question to Mikhail Gorbachev, "What has happened to the billions of dollars?" And his response was, "I have no idea."

We do know what has happened to those dollars. What has happened is they have fallen within the nomenclature of the bureaucratic maze, which is corrupt, rife with all kinds of abuse. So what happens is, rather than helping the Soviets move in the direction that they all seem to seek, we would be making things worse for them if we would even consider providing this.

Mr. KYL. If the gentleman would yield for a question on that: Foreign aid has been criticized by our constituents for years because we keep giving it to some dictator who simply pockets the money for himself and his cronies, and it never gets to the people who really need help. That has been the criticism, and, to a large extent, that criticism is valid.

I would ask the gentleman, do you think that that same kind of situation would exist today and is that not what we are trying to say when we ask the Soviets to reform their system so that it would not go back to the same people but actually it would get into the hands of the real people?

Mr. DREIER of California. I would respond to the gentleman by saying, interestingly enough, I believe this would be, believe it or not, even worse. At least in the past when we have tragically seen hard-earned U.S. taxpayer dollars go into the hands of maybe some corrupt dictator, we at least know that they are there. If we see this billion-dollar aid package go to the Soviet Union, it would end and we would have absolutely no accountability for it whatsoever. So, from my perspective, it would be even worse than what we have seen before.

So the gentleman is absolutely right in that assertion.

Mr. Speaker, I yield further to the gentleman from Arizona.

Mr. KYL. Just on another point: The Soviet Union now does not exist When we talk of the Soviet Union, we are talking about a country that used to exist, an empire that used to exist.

Mr. DREIER of California. Before my friend arrived, I used something that Doug Riggs, my very able staff member who is here, provided me. He has renamed the Union of Soviet Socialist Republics, U.S.S.R., to the U.F.F.R. [the Union of Fewer and Fewer Republics]. So that is the way we now refer to that part of the world.

Mr. KYL. Just to continue on this point, it seems to me to be a mistake to refer to the Soviet Union as if it still existed as one empire of 15 republics joined together with a central government.

The central government, to be sure, still does conduct a foreign policy that applies to maybe 10, 11, 12 republics, depending upon who signs on at any given time; it still conducts the defense policy for maybe 10 or 11 republics, depending upon the moment; but with respect to the economics, the system that actually applies, the market system that applies to each of those republics now, it seems to me that is basically broken apart. What we ought to be talking about now is assisting the people in the individual republics to the extent that they need the help, that they can use the help, and if they have reformed their system so as to accommodate any assistance that is provided from the West, be it in the form of technical advice or some kind of entry into markets that the West has or even maybe some monetary assistance under certain circumstances. But we really should be talking about these individual republics, some of whom have indicated a real desire and intent to try to reform, the Russian Republic being one of those, under President Yeltsin. Others ruled by some of the bad guys, the nomenclature that the gentleman referred to a moment ago, who really have not reformed yet. They have not given us any idea that they want to reform.

So when we talk about an aid package like this, also we have got to be discriminating about who exactly it is we are sending it to; not just the government versus the people, but which government. That depends largely on which ones have made the commitment to change their system so that the money that is given to them has some possibility of assisting in the creation of a free market economy and advancing democratic reforms. If they cannot demonstrate that kind of commitment, then apart from all of these issues relating to defense expenditures, here too this would be an impediment to that aid doing any good and therefore it should be a brake on any aid that is supplied by the United States.

Mr. DREIER of California. I thank my dear friend from Arizona. We are rapidly running out of time on this special order. I would say simply that those of us on this side of the aisle are trying to send on overwhelming message: "Do not send hard-earned taxpayer dollars to the corrupt Soviet system which is in existence. It would do nothing but hurt those whom we are trying most to help."

Mr. Speaker, I thank again my friend from Arizona [Mr. KYL] for making this very helpful contribution. I thank again my friend from American Samoa, Mr. FALEOMAVAEGA, for his patience and endurance which he has demonstrated here.

Mr. Speaker, I yield to my friend, the gentleman from American Samoa.

Mr. FALEOMAVAEGA. I thank the gentleman for yielding.

Mr. Speaker, I have been listening here with great interest to the dialog that has transpired. I certainly want to commend the gentleman from California. I think the questions that he raised were very constructive in terms of the issue now before the Congress on whether or not we should provide a billion dollars assistance to the people of the Soviet Union.

I do not believe there is anyone here in this body that would love to give this billion dollars in order to allow the Soviet Union to construct or build more Scud missiles. I would think that the gist and the primary purpose of this humanitarian aid is to provide for what has been known, I think, in the past several weeks—there have been testimonies on both sides, in both bodies, to the effect that if we do not provide some assistance to feed the people of the Soviet Union, they are going to starve this winter.

I think if that is not the purpose of this whole effort to provide this kind of assistance, then I think the gentleman's concerns are very well taken.

Mr. DREIER of California. If my friend would yield on that very important point that was made, we have been saying here that we want to ensure that necessary humanitarian aid to prevent starvation, so that starvation does not take place there. Our concern is with this proposal which was to provide $1 billion in direct aid when we have seen this litany of other contributions from throughout the world, which I believe would jeopardize it. I appreciate the gentleman's making this point.

Mr. Speaker, we all look forward to hearing from the gentleman from American Samoa, Mr. FALEOMAVAEGA.

Mr. ARMEY. Mr. Speaker, at this critical moment in world history, there is a grave danger that the United States will try to do the right thing in the wrong way.

I feel strongly that we do have a role to play in helping the Soviet Union make a transition to democratic capitalism. The prestige of our way of life has never been higher. From Mongolia to Nicaragua and all points in between, people are embracing free markets and free government as the way to peace and prosperity. Should the Soviet Union attempt the transition and fail, collapsing instead into near permanent economic ruin, this entire world movement to democratic capitalism could falter and a unique opportunity to spread the ideals of Thomas Jefferson will be lost. All who care about limited government and free enterprise—especially American conservatives—should recognize that we have an immediate and urgent interest in the success of the Soviet reformers.

But trying to help the Soviet Union and actually doing so are two very different things. Some of the proposals that have been tossed about in the wake of the August coup suggest that we should be sending billions of dollars in cash to the Government in Moscow and trusting Soviet bureaucrats to spend it as they see fit. This would be a serious mistake.

First, any aid to the Central Government tends to strengthen it against the Republics desperately seeking independence. We are committed to the freedom of the Republics, and we should design any American aid program accordingly.

Equally important, most forms of government-to-government assistance would likely lead to the mass squandering of aid money and blank the difficult reforms that need to be made. We tried such an approach in Poland in the 1970's by arranging for billions of dollars in international loans to the Polish Governments. No significant reforms were made, the money disappeared through the cracks of the broken Polish economy, and that country had nothing to show for our good intentions but a crushing foreign debt. Government-to-government aid tends to be distributed by central planners and inefficient bureaucrats, and it is rarely help to build a dynamic economy. Africa and India and other places in which international assistance agencies have tried such an approach are littered with rusting steel mills and broken hydroelectric plants that stand as monuments to this form of misguided international charity.

The American aid program to the Soviets should instead contain a number of measures that will help develop the Soviet private sector, both within Russia and the other Republics. Such a program will require the best efforts of conservatives to devise. Let me suggest some ideas:

First, we should enact tax changes to help encourage American investment in the former Soviet bloc. The Institute for Research on the Economics of Taxation has suggested tax policies that would be effective without micromanaging economic decisions. For example, we could adopt "tax sparing," a policy under which U.S. firms could benefit from a low foreign tax rate. Current law forces U.S. firms to pay the difference between the U.S. tax rate and the foreign tax rate to the U.S. Treasury. That way, even if the foreign country offers a generous tax incentive to foreign investors, our firms cannot benefit. We could spare United States firms the additional United States tax on top of the low foreign rate, and allow them to take advantage of whatever favorable tax incentives the Soviets may wish to offer. There are other provisions we could enact as well.

Second, we could continue to liberalize our trade laws with the constituent parts of the Soviet Union. Most-favored-nation status should be extended to all the Republics meeting relatively relaxed conditions. There is no doubt that income earned through foreign trade does far more to strengthen an economy than any amount of foreign aid checks.

Third, in a number of ways, we could encourage American managers to spend time in the Soviet Union teaching its people the workings of the free market. After years of being taught that capitalism is an exploitative system, many Soviet citizens have difficulty understanding that under capitalism, one man's good fortune is usually the good fortune of all. They have difficulty learning to look for new opportunities, to deal with uncertainties, and to make the decisions required. No one can better help them with these hurdles than men and women who have lived and worked in the American economy.

There are many other possibilities. The point is that we must help develop capitalism in the Soviet Union, not merely perpetuate central planning. Any aid program that fails to do so will be worse than no aid program at all.

The Soviet attempt to build a free economy on the ruins of the world's largest command economy is the most critical issue of the 1990's. We need the best wisdom of American conservatives to devise an aid program that will truly help the Soviets succeed.

NUCLEAR TESTING IN THE SOUTH PACIFIC

The SPEAKER pro tempore (Mr. COOPER). Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 60 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, once again, I come before by colleagues in the United States Congress and before the American people to make an appeal on behalf of the inhabitants of the Pacific region, to do what we can to stop the senseless and destructive testing of nuclear weapons in French Polynesia.

Arguments in favor of nuclear testing usually evolve around fighting and deterring war. The rationale goes something like this: Design, build, and test weapons with long-term nightmarish destructive capabilities, and everyone will be too scared to use them. Both conservatives and liberals have been debating the logic of this nuclear deterrence theory for decades.

But there is a growing constituency that is largely ignored in the arms debate. Over the four-decade span that makes up the nuclear age, thousands of people have seen their communities destroyed and their health jeopardized by weapons production and testing itself—from the extraction of uranium in underground mines, to the refinement of nuclear fuels in the factory, to the explosion of nuclear bombs in the atmosphere, under ground, or under water. One such group inhabits the islands claimed by the French in the Pacific, where France continues to conduct underwater nuclear tests.

Going through an article written by Judy Christrup of the Greenpeace Organization, I came across several testimonies from residents of French Polynesia island group—the largest of these islands known throughout the world is the island of Tahiti. Other well-known islands, also in French Polynesia, include Moorea, Raiatea, Huahine, and Bora Bora.

Mr. Speaker, I want to share with my colleagues the oral testimonies of French Polynesians who were subjected to nuclear contamination. Mr. Manutahi, a welder who worked at the test site in Mururoa from 1965 to 1980, when he became too sick to work, testified:

> It was during drilling work that I got contaminated. I was working in a little hole trying to dismantle an old pipe. I wasn't careful enough and got splashed by some water that had been left in the hole. It was mainly my hair that got wet as I wasn't wearing any protective gear on my head. I tried to wash it but it was difficult to get the stuff out. When I went into the decontamination chamber all the alarms went off. I washed my hair three times it was still radioactive * * * so a specialist had to use some special product to de-contaminate me.

It may be argued that the lives lost over the past 45 years are a small price to pay for nuclear deterrence. A full-blown nuclear war would undoubtedly be far more deadly. Unfortunately, those suffering the consequences of radiation poisoning do not do so as willing martyrs for the greater good. They are simply not told.

The pattern of secrecy, arrogance, and neglect of workers and residents has been repeated around the world, from certain miners of Utah to the irradiated Australian aborigines of Maralinga.

Mr. Hiro, who lived on Tureia, 78 miles from the testing site of Moruroa, testified:

> When the French military first arrived and explained what was going to happen, lots of very important people came to the atoll to talk to us. The admiral came and told us that there was no danger and that nuclear bombs were good. He came with a man who was said to be a professor and was introduced to us as one of the greatest scientists in the world. This man's knowledge could not be argued with. The admiral compared him to a fabulous pearl. This man also said there were no dangers for us.
>
> The casualties of the French nuclear testing program are French citizens of Polynesian ancestry. Our ancestors who inhabited the 130 islands and atolls—called Te Ao Maohi—remained free of European influence until the late 18th century, when traders, whalers, and missionaries settled on the islands bringing fatal diseases and paving the way for colonization. Those who resisted colonization, like Tahitian Queen Pomare, were subdued by threats of bombardment and deportation to New Caledonia—another French Pacific colony fighting to free themselves from French administration.
>
> When France chose its Polynesian colonies as nuclear test sites in 1962, the islanders resisted. The 30-man elected territorial assembly objected to the plan, but was ignored. The Governor of French Polynesia wrote to the head of the island assembly, saying, "I should like to repeat my assurance here, in the name of the republic, that all necessary measures are being taken to guarantee that the population will not suffer in the slightest degree from the scheduled experiments."

France finally decided to conduct the bulk of its testing program on the tiny atoll of Moruroa, which means "the great secret" in our Polynesian language.

France's Prime Minister at the time, General Charles De Gaulle was enthusiastic and single-minded about his country's nuclear testing program. When France exploded its first nuclear bomb in Algeria, his cable message read, "Hurrah for France! Since this morning she is stronger and more proud than ever!" After one successful atmospheric test on Moruroa, De Gaulle was scheduled to witness the next explosion on September 10, 1966, from the cruiser *De Grasse*. The test was postponed because the wind was blowing toward inhabited islands to the west. After a day of waiting, De Gaulle's patience wore thin, and he ordered the bomb to be detonated—the French President ordered the bomb to be detonated with the full knowledge that the winds were heading toward inhabited islands. Monitoring stations operated by the New Zealand's national radiation laboratory detected heavy radioactive fallout in the Cook Islands, Niue, Samoa, Tonga, Fiji, and Tuvalu.

Mr. Edwin Haoa, who was a leader of a team monitoring radioactive levels after the tests, has testified that:

> Instead of drifting away, the mushroom cloud drifted over the boats. It started to rain and everyone was ordered below deck. However, a group of Polynesians who were playing the guitar on deck did not understand and stayed on deck.
>
> De Gaulle's enthusiasm for nuclear testing reflected both the French elite's embarrassment over the rapid defeat in World War II and their vision of a militarily independent nation that could act as a counterweight to the belligerent superpowers. As Paris-based journalist Diana Johnstone said, 'it could be argued that what all post-1940 French leaders have striven to restore the power to master the nation's fate and keep it from falling to pieces.'

But France's desire for power and to be a member of the nuclear club is obviously more important than the lives of its own citizens who happen to live 10,000 miles away from France, and who have suffered enough from nuclear testings.

Even the most simple aspect of Polynesian life, a meal with fresh fish, has become dangerous because of ciguatera fish poisoning. An article appearing in the January 28, 1989, issue of the scientific journal the Lancet reports that increased incidents of ciguatera "are related largely to military activities that disturb coral reef ecology." The researcher, Dr. Tilman Ruff, concluded that ciguatera outbreaks in Micronesia, Melanesia, and Polynesia occurred after World War II battles and nuclear testings in the Pacific region.

Mr. Tehiura, who as a dock worker at Moruroa from 1963 to 1968, testified:

> What I saw was no longer recognizable as a human being. Basinas could not talk and his whole body was black and suppurating. He had pains in his joints and he was still scratching and pulling his skin off. Usually, patients who arrived at the hospital sick from eating fish go straight to Tahiti and dismissed, but it was probably not possible with Basinas because he was so sick.

France has always maintained that its nuclear tests are perfectly safe. Yet the French Government stopped publishing health statistics of French Polynesians in 1963—just after the testing began.

As time went on, it became increasingly difficult to keep unflattering news about the testing program from the public. News of two accidents in 1979 and a typhoon in 1981 leaked out. The first accident—the explosion of a plutonium-contaminated bunker—killed two workers and injured three. The second accident occurred when a bomb got stuck halfway down a test shaft and—was detonated anyway. The explosion, measuring 6.3 on the richter scale, caused a million cubic-meter piece of the atoll to drop into the ocean, and which in turn caused a tidal wave. The French authorities denied any connection between the tidal wave and the explosion.

Mr. Tama, who was an office worker in Moruroa during the 1960's, testified:

> After the explosion, people with special protective gear had to enter the bunker and pour cement over the whole container. They were only allowed to stay in there for a short time as the whole place was full of plutonium and other radioactive substances. Rene Vilette's remains—or what were thought to be his remains—were found three days later and sent to France in the form of a concrete block.

A typhoon hit Moruroa on the night of March 11–12, 1981. Fearing for their safety, civilian technicians leaked the news to the French press that the storm swept radioactive waste, including 10 to 20 kilograms of plutonium, off the north beach of the Atoll. According to the technicians, the plutonium had been spilled on the beach during security tests from 1966 to 1974, then covered in asphalt. The powerful winds peeled off the asphalt and flung the plutonium into the lagoon.

Mr. Ruta, who has worked in Morurua since 1976, testified in 1987:

> After each explosion, when the specialists and their counters had gone, we had to go round the island and clean up the dead fish and other rubbish off the beaches. It was usually two to three days after the explosion. Depending on which way the wind was blowing, the fish would be swept ashore at different places—several tons of dead fish at a time. Once, not very long after a test, three dead whales were swept ashore. They were very big, and we had to get cranes to move them away.

Finally, Mr. Speaker, the testimony of Mr. Tamatoa, who was interviewed on an airplane enroute to Papeete where his son was receiving medical treatment. Mr. Tamatoa said:

> I don't want to give my name because I'm scared there might be repercussions. My son is eight. He is the jewel of my life. He is handicapped. Before the testing started, there were no handicapped children on my island of Mangareva. In the beginning, the nuclear tests brought money, but now all they bring is illness. I am a farmer. I've seen how the animals also seem to be sick now, and the banana trees no longer bear their usual crop. The bananas fall off before they ripen. I think they should stop testing—now!

Mr. Speaker, these are the voices borne out of desperation. The voices of those who do not have the means to protect themselves from a major power such as France. These are the voices of reason—but they are a cry in the dark, for no one seems to be listening.

Mr. Speaker, I will soon be proposing a resolution condemning these nuclear tests and I ask for support from my colleagues. I also ask the American people to support the efforts of those who are trying to stop the destructive and inhumane acts perpetuated by a powerful democratic country upon the defenseless people of French Polynesia.

Mr. Speaker, our own country's policy of conducting nuclear detonations under water, as well as in the atmosphere, during the 1950's and 1960's, should be noted with the fact that hundreds of Micronesian men, women, and children were unintentionally, but severely, subjected to nuclear contamination as a result of perhaps the most powerful hydrogen bomb explosion—commonly known as the Bravo test—that took place in 1954 in the Bikini Atoll. Mr. Speaker, I thank my good friend and colleague, Chairman SID YATES of the Interior Appropriations subcommittee for his sensitivity and keen interest to compensate the residents of Rougelap Island in Micronesia for the great harm that our nuclear testing program has imposed upon these innocent human beings.

Mr. Speaker, despite the fact that our country's efforts now are to continue nuclear testings under ground in the desert areas of Nevada, I wonder if we might not ask ourselves, our leaders, and our Nation—isn't the most logical thing to do now is to call a moratorium to stop nuclear testings altogether?

Mr. Speaker, many countries throughout the world—and I believe our own country as well—have a spiritual perception of our planet, or fondly referred to as our "Mother Earth." Our planet is literally a mother to us all, because it provides life and sustenance to humanity, all forms of animal and plant life, and especially the entire global marine environment.

Mr. Speaker, I submit our country has taken the lead to limit the number of nuclear bombs in our military arsenal, and I commend President Bush for this initiative as he called upon the Soviet Union to do the same. But this is not enough, Mr. Speaker. Our country should also take the lead by calling for an international moratorium to stop nuclear testings altogether for 1 or 2 years, so that we could all reassess the implications of nuclear detonations throughout the world.

Mr. Speaker, I can fully appreciate French opposition to discontinue its own nuclear testing program, while our own country continues to explode nuclear devices in Nevada. The question that follows, Mr. Speaker—do we need to continue nuclear testings? If our country's method of nuclear testing is environmentally the safest around, why don't we share such a technology with members of the nuclear club?

Mr. Speaker, I yield the balance of my time.

☐ 1740

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. SNOWE) to revise and extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes each day, on November 25, 26, and 27.

Mr. BLILEY, for 60 minutes, today.

Mr. RIGGS, for 60 minutes each day, on November 12, 13, and 14.

Mr. SOLOMON, for 5 minutes, today.

Mr. LIVINGSTON, for 60 minutes, today.

(The following Members (at the request of Mr. ROEMER) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes each day, today and on November 13, 14, and 15.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GEPHARDT, for 60 minutes each day, today and on November 13.

Mr. WOLPE, for 60 minutes each day, today and on November 13 and 14.

Mr. FALEOMAVAEGA, for 60 minutes, today.

Mr. MCHUGH, for 5 minutes, on November 14.

Mr. CARDIN, for 5 minutes, on November 14.

(The following Member (at the request of Mr. MAZZOLI) to revise and extend his remarks and include extraneous material:)

Mr. MORAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. SNOWE) and to include extraneous matter:)

Mrs. ROUKEMA.
Mr. MACHTLEY.
Mr. FISH.
Mr. BEREUTER.
Mr. CUNNINGHAM in two instances.
Ms. ROS-LEHTINEN in 10 instances.
Mr. BROOMFIELD in two instances.

(The following Members (at the request of Mr. ROEMER) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mr. BROWN in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. TALLON.
Mr. RANGEL in two instances.
Mr. MRAZEK.
Mr. MAZZOLI.
Mr. TORRES.
Mr. MCMILLEN of Maryland.
Mr. FOGLIETTA.
Mrs. COLLINS of Illinois.
Mr. KANJORSKI.
Mr. ACKERMAN.
Mr. JACOBS.
Mr. WOLPE in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 838. An act to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such act, and for other purposes; to the Committee on Education and Labor.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3350. An act to extend the U.S. Commission on Civil Rights.

A BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill and joint resolutions of the House of the following titles:

On November 8, 1991:

H.J. Res. 177. Joint resolution to designate November 16, 1991, as "Dutch-American Heritage Day";

H.J. Res. 140. Joint resolution designating November 19, 1991, as "National Philanthropy Day";

H.J. Res. 280. Joint resolution to designate the week beginning November 10, 1991, as "Hire a Veteran Week";

H.J. Res. 175. Joint resolution to designate the weeks beginning December 1, 1991, and November 29, 1992, as "National Home Care Week"; and

H.R. 2707. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1992, and for other purposes.

ADJOURNMENT

Mr. FALEOMAVAEGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 45 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, November 13, 1991, at 11 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 2109. A bill to direct the Secretary of the Interior to conduct a study of the feasibility of including Revere Beach, located in the city of Revere, MA, in the National Park System; with an amendment (Rept. 102-299). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 2444. A bill to revise the boundaries of the George Washington Birthplace National Monument (Rept. 102-300). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 2859. A bill to direct the Secretary of the Interior to conduct a study of the historical and cultural resources in the vicinity of the city of Lynn, MA, and make recommendations on the appropriate role of the Federal Government in preserving and interpreting such historical and cultural resources; with an amendment (Rept. 102-301). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 33. A bill to amend the Public Health Service Act to establish standards for the certification of laboratories engaged in urine drug testing, and for other purposes; with an amendment (Rept. 102-302). Referred to the Committee of the Whole House on the State of the Union.

Mr. GORDON: Committee on Rules. H. Res. 275. Resolution providing for the consideration of the bill H.R. 2, a bill to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition and to temporary medical leave in certain cases involving a serious health condition, with adequate protection of the employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave (Rept. 102-303). Referred to the House Calendar.

Mr. BROOKS: Committee on the Judiciary. H.R. 3294. A bill to delay until April 1, 1992, the implementation of provisions relating to O and P nonimmigrants (Rept. 102-304). Referred to the Committee of the Whole House on the State of the Union.

Mr. FROST. Committee on Rules. House Resolution 277. Resolution providing for the consideration of H.R. 2094, a bill to require the least-cost resolution of insured depository institutions, to improve supervision and examinations, to provide additional resources to the Bank Insurance Fund, and for other purposes (Rept. 102-309). Referred to the House Calendar.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3595. A bill to delay until September 30, 1992, the issuance of any regulations by the Secretary of Health and Human Services changing the treatment of voluntary contributions and provider-specific taxes by States as a source of a State's expenditures for which Federal financial participation is available under the Medicaid program and to maintain the treatment of intergovernmental transfers as such a source; with amendments (Rept. 102-310). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 458. A bill for the relief of Pilar Mejia Weiss; with an amendment (Rept. 102-305). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 635. A bill for the relief of Abby Cooke (Rept. 102-306). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 1917. A bill for the relief of Michael Wu. (Rept. 102-307). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. Report on S. 159. For the relief of Maria Erica Bartski (Rept. 102-308). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MCDERMOTT (for himself, Mrs. MINK, Mr. MINETA, Mr. MATSUI, Mr. ABERCROMBIE, Mr. WASHINGTON, Mr. FALEOMAVAEGA, Mr. EDWARDS of California, Ms. PELOSI, Mrs. UNSOELD, Mr. ATKINS, Mr. AUCOIN, Mr. STARK, Mrs. SCHROEDER, Mr. TRAFICANT, Mr. BERMAN, Mr. STUDDS, Mr. SANDERS, Mr. TORRES, Mr. LEVINE of California, Mr. MILLER of California, Mr. DICKS, Ms. SLAUGHTER of New York, Mr. KOPETSKI, Mr. MOODY, Mr. SWIFT, Mr. WHEAT, Mr. TOWNS, and Mr. SYNAR):

H.R. 3748. A bill to amend the Civil Rights Act of 1991 with respect to the application of such act; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. HERTEL (for himself, Mr. Jones of North Carolina, Mr. Hughes, Mr. Saxton, and Mr. Pallone):

H.R. 3749. A bill to reauthorize title I of the Marine Protection Research, and Sanctuaries Act of 1972; to the Committee on Merchant Marine and Fisheries.

By Mr. GEJDENSON (for himself, Mr. Gephardt, Mr. Bonior, Mr. Derrick, Mrs. Kennelly, Mr. Lewis of Georgia, Mr. Hoyer, Mr. Fazio, Mr. Rose, Mr. Kleczka, Mr. Panetta, Mr. Synar, Mr. Abercrombie, Mr. Andrews of Maine, Mr. Atkins, Mr. Bacchus, Mrs. Boxer, Mr. Cardin, Mr. Carper, Mr. Conyers, Mr. Coyne, Mr. Cox of Illinois, Ms. DeLauro, Mr. Dellums, Mr. Dixon, Mr. Dwyer of New Jersey, Mr. Eckart, Mr. Edwards of California, Mr. Fascell, Mr. Feighan, Mr. Glickman, Mr. Guarini, Mr. Hamilton, Mr. Hoagland, Ms. Horn, Mr. Johnson of South Dakota, Mr. Johnston of Florida, Mr. Kanjorski, Ms. Kaptur, Mr. Kolter, Mr. Lehman of Florida, Mr. Markey, Mr. Mazzoli, Mr. McDermott, Mr. McHugh, Mr. McMillen of Maryland, Mr. Miller of California, Mr. Mrazek, Ms. Oakar, Mr. Olver, Mr. Owens of New York, Mr. Owens of Utah, Ms. Pelosi, Mr. Penny, Mr. Rahall, Mr. Richardson, Mr. Sanders, Mr. Scheuer, Mrs. Schroeder, Mr. Sikorski, Mr. Stark, Mr. Studds, Mr. Swift, Mr. Vento, Mr. Weiss, and Mr. Yates):

H.R. 3750. A bill to amend the Federal Election Campaign Act of 1971 and related provisions of law to provide for a voluntary system of spending limits and benefits for House of Representatives election campaigns, and for other purposes; jointly, to the Committees on House Administration, Post Office and Civil Service, and Energy and Commerce.

By Mr. BOUCHER:

H.R. 3751. A bill to amend the Appalachian Regional Development Act of 1965 to include Montgomery County, VA, as part of the Appalachian region; to the Committee on Public Works and Transportation.

By Mr. GUARINI (for himself, Mr. Vander Jagt, Mr. Rangel, Mr. Jacobs, Mr. Moody, Mr. Jenkins, Mr. Ford of Tennessee, Mr. Matsui, Mr. Shaw, Mrs. Kennelly, Mrs. Johnson of Connecticut, and Mr. Anthony):

H.R. 3752. A bill to amend the Internal Revenue Code of 1986 to extend for 1 year certain expiring tax provisions; to the Committee on Ways and Means.

By Mr. SHAW (for himself, Mr. Bennett, Mr. Ireland, Mr. Goss, Mr. Fascell, Ms. Ros-Lehtinen, Mr. Hutto, Mr. Bilirakis, Mr. Gibbons, Mr. Lehman of Florida, Mr. Smith of Florida, Mr. Lewis of Florida, Mr. Peterson of Florida, Mr. Johnston of Florida, Mr. McCollum, Mr. James, Mr. Bacchus, Mr. Horton, Mr. Evans, Mr. Nowak, and Mr. Lagomarsino):

H.R. 3753. A bill to include Melaleuca quinquenervia as a noxious weed for purposes of the Federal Noxious Weed Act of 1974 and to require the Secretary of Agriculture to consider several other invasive plants growing in the State of Florida for identification under that act as noxious weeds; to the Committee on Agriculture.

By Mr. SISISKY:

H.R. 3754. A bill to extend the time for submission of the final statement of community development block grant activities by Petersburg, VA; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WISE:

H.R. 3755. A bill to provide a program of emergency unemployment compensation, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, Government Operations, and Foreign Affairs.

By Mr. WHITTEN:

H.J. Res. 374. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes; considered and agreed to.

By Mr. RUSSO (for himself, Mr. Sarpalius, Mr. Kolter, Mr. Annunzio, Mr. Serrano, Mr. Ritter, Mr. Durbin, Mr. Eckart, Ms. Long, Mr. Hyde, Mr. Neal of Massachusetts, Mr. Coyne, Mr. Dwyer of New Jersey, Mr. Vander Jagt, Mr. Richardson, Mr. Klug, and Mr. McGrath):

H. Con. Res. 239. Concurrent resolution congratulating the people of Lithuania for their successful peaceful revolution and their continuing commitment to the ideals of democracy; to the Committee on Foreign Affairs.

By Mr. MICHEL:

H. Res. 274. Resolution electing Representative Allen to the Committees on the Judiciary, Small Business, and Science, Space, and Technology; considered and agreed to.

By Mr. ROBERTS (for himself, Mr. Michel, Mr. Gingrich, Mr. Boehner, Mr. Edwards of Oklahoma, Mr. Livingston, Mrs. Vucanovich, and Mr. Walker):

H. Res. 276. Resolution prohibiting the use of appropriated funds for acquisition of voter registration lists for the House of Representatives; to the Committee on House Administration.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mr. Mfume and Mr. Stearns.

H.R. 127: Mr. Mollohan, Mr. Sensenbrenner, and Mr. Oberstar.

H.R. 187: Mr. Wise, Mr. Dingell, Mr. Conyers, and Mr. Evans.

H.R. 191: Mr. Dwyer of New Jersey and Mr. Roe.

H.R. 299: Mr. McCandless.

H.R. 330: Mr. Andrews of Maine.

H.R. 413: Ms. Molinari, Mr. Chapman, and Mr. McCrery.

H.R. 565: Mr. Weldon.

H.R. 608: Mr. Reed, Mr. Skelton, and Ms. Norton.

H.R. 786: Mr. Staggers.

H.R. 886: Mr. Johnson of South Dakota.

H.R. 962: Mr. Hunter.

H.R. 1106: Mr. Doolittle.

H.R. 1304: Mr. Downey and Mr. Roe.

H.R. 1664: Mr. Torres.

H.R. 1733: Mr. Rhodes.

H.R. 1820: Mr. Andrews of Maine.

H.R. 2185: Mrs. Lloyd.

H.R. 2327: Mr. Gillmor, Mr. Moran, Mr. Hammerschmidt, Mr. Hayes of Louisiana, Mr. Goodling, Mr. Conyers, Mr. Kopetski, and Mr. Quillen.

H.R. 2363: Mr. Guarini, Mr. Boucher, Mr. Neal of Massachusetts, Mr. Visclosky, Mr. Wolf, Mr. Bryant, Mr. Kolter, Mr. Roe, and Mr. Erdreich.

H.R. 2385: Mr. Traxler and Mr. Vander Jagt.

H.R. 2493: Mr. Luken.

H.R. 2501: Mr. Berman and Mr. Stark.

H.R. 2579: Mr. Boucher.

H.R. 2643: Mr. Hunter.

H.R. 2763: Mrs. Lloyd and Mr. Fascell.

H.R. 2766: Mr. Taylor of North Carolina and Mr. Riggs.

H.R. 2819: Mr. Towns, Mr. Campbell of Colorado, Mr. Peterson of Minnesota, Mr. DeFazio, Mr. Dorgan of North Dakota, Mr. Johnson of South Dakota, Mr. Nagle, Mr. Hayes of Illinois, Mr. Olver, Mr. Sikorski, Mr. Miller of California, and Mr. Huckaby.

H.R. 2866: Mr. Yates, Mr. Owens of New York, Mr. Beilenson, Mr. Hughes, Mr. Spratt, Mr. Dellums, Mr. Stallings, Mr. Martinez, and Mr. Lancaster.

H.R. 2880: Mr. Gaydos, Mr. Hayes of Illinois, Mr. Jones of Georgia, Mr. Abercrombie, and Mr. Weiss.

H.R. 2915: Mr. Ramstad and Mr. Cunningham.

H.R. 3146: Mr. Baker and Mr. Petri.

H.R. 3209: Mr. Moody and Mr. Andrews of Maine.

H.R. 3299: Mr. Abercrombie, Mr. Feighan, Mr. McGrath, Mr. Mrazek, Ms. Slaughter of New York, and Mr. Traficant.

H.R. 3373: Mr. Bilbray, Mr. Bateman, Mr. Taylor of North Carolina, Mrs. Patterson, Mr. Stearns, Mr. Chapman, Mr. Gillmor, and Mr. Sundquist.

H.R. 3407: Mr. Atkins.

H.R. 3423: Mr. Bilbray, Mr. Edwards of California, Ms. Norton, Ms. Kaptur, and Mr. Dwyer of New Jersey.

H.R. 3424: Mr. Bilbray, Mr. Edwards of California, Ms. Norton, Ms. Kaptur, and Mr. Dwyer of New Jersey.

H.R. 3463: Ms. Molinari.

H.R. 3553: Mr. Poshard, Mr. Markey, Mr. Kopetski, and Mr. Dingell.

H.R. 3595: Mr. Moody, Mr. Dooley, Mr. Solarz, Mr. Slattery, Mr. Gillmor, Mr. Ramstad, and Mr. Berman.

H.R. 3633: Mrs. Mink, Mr. Berman, Mr. Frank of Massachusetts, Mr. Beilenson, Mr. Neal of Massachusetts, Mrs. Kennelly, and Mr. Evans.

H.J. Res. 287: Mr. Orton.

H.J. Res. 343: Mr. Blaz, Mr. Boehlert, Mr. Brewster, Mr. Callahan, Mr. Cox of Illinois, Mr. Evans, Mr. Fish, Mr. Gejdenson, Mr. Goodling, Mr. Hamilton, Mr. Hochbrueckner, Mr. Johnson of South Dakota, Mr. Johnston of Florida, Mr. Jones of North Carolina, Mr. Klug, Mr. Kostmayer, Mr. Lehman of Florida, Mr. Mavroules, Mr. Miller of California, Mr. Montgomery, Mrs. Patterson, Mr. Sisisky, Mr. Solomon, Mr. Stenholm, and Mr. Valentine.

H.J. Res. 354: Mr. de Lugo, Ms. Pelosi, Mr. Jefferson, Mrs. Vucanovich, Mr. Ramstad, Mr. Fascell, Mr. Vento, and Mrs. Johnson of Connecticut.

H. Con. Res. 211: Mr. Green of New York, Mr. Conyers, Mr. Torricelli, and Mr. Borski.

H. Con. Res. 212: Mr. Nowak, Mr. Pallone, Mr. Green of New York, Mr. Rinaldo, and Mr. McNulty.

H. Con Res. 224: Mr. Rhodes, Mr. Lantos, and Mr. Bryant.

H. Con. Res. 231: Mr. Rahall.

H. Res. 257: Mr. Gillmor and Mr. McCandless.

EXTENSIONS OF REMARKS

TRIBUTE TO WILLIAM H. GRAY III

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. RANGEL. Mr. Speaker, I rise to pay tribute to the many years of distinguished service of Mr. William H. Gray III. Mr. Gray spent 12 years as a Member of the House of Representatives. In that time, he made an invaluable contribution to our body. At the time of his departure, last September, Mr. Gray was the majority whip of the House of Representatives.

Mr. Gray has always been deeply interested in issues concerning education. Last month, he became the president of the United Negro College Fund, a position which will enable him to continue working to improve educational opportunities for college students, particularly African-Americans. In addition, Mr. Gray will continue to serve as pastor of the Bright Hope Baptist Church in Philadelphia.

We wish him luck and pledge our continued support to him in the future.

An article from the New York Times, October 9, 1991, follows:

PREACHER AND EX-HOUSE WHIP ENJOYS NEW PULPIT

(By Anthony DePalma)

Since he formally took over as president of the United Negro College Fund last month, William H. Gray 3d, the former majority whip of the House of Representatives and the highest-ranking elected black official in the country, has made it clear that he intends to raise issues about education along with raising money for historically black colleges.

While his predecessors were careful to stay above the political fray for fear of offending donors, Mr. Gray has waded right in criticizing current educational policies and suggesting remedies. At a national education conference in Atlanta this week he accused the Bush Administration of applying a double standard to historically black colleges. He has met with dozens of corporate leaders and foundation heads, challenging them to do more to improve the nation's educational system.

"Whether I'm talking to somebody on welfare or talking to the C.E.O. of a major corporation, people are concerned that they're hearing a lot about education but they're seeing very little action," Mr. Gray said. "It's as if people believe we can have major educational change without committing any major resources. There's tremendous frustration building up."

For Mr. Gray, the United Negro College Fund is more than a respected, 47-year-old organization that raises money for black colleges and universities. It is a pulpit from which to fire debate about the enormous consequences of educating the young, especially those from minorities who, by the year 2000, will make up one-third of the work force in the United States.

PREACHING AND PRODDING

Speaking from the pulpit comes naturally for Mr. Gray, who has been pastor of the Bright Hope Baptist Church in Philadelphia since 1972. He intends to continue serving as pastor, the same position filled by his father and, before that, his grandfather, and prodding what he sees as a sometimes reluctant America to return to higher ideals.

"Nobody likes ideals better than this preacher," Mr. Gray said in an interview in his office. "I look forward to the day when the lion and the lamb will lie together. But until that day comes, we as a society better try to do something to make sure that we've got lions and lambs left."

Mr. Gray's career move still puzzles many people. Now 49 years old, he was the third most powerful member of the House, and was in line to become Speaker. His decision to forfeit that power prompted speculation that he was leaving to make more money or that he was the target of a Justice Department investigation.

He vigorously denied such speculation. His salary at the fund is $175,000, a healthy increase over the $130,000 he earned as majority whip but substantially less than the $300,000 to $500,000 his new salary was said to be in some news accounts. He also will be free to join corporate boards, which would add to his income.

Mr. Gray said there was nothing behind his move except a desire to help young people, especially the 50,000 minority students enrolled in black colleges.

"My concept of power is different from other people's," he said. "I come from a background of ministry and education in which power is the ability to impact on people's lives."

Education has been the Gray family business. Mr. Gray's father was president at two historically black colleges, and his mother was dean of students at another. He said that, to him, running the United Negro College Fund was more important than serving in a Congress that, in his eyes, has been enfeebled by spending cuts and conservative social views.

"With the changing scene in America," he said, "education might be the only equalizer for the disadvantaged."

Mr. Gray's biggest and most immediate challenge will be completing the drive to raise $250 million in capital funds. Walter H. Annenberg, the former publisher and Ambassador to Britain, has pledged $50 million if the organization can raise $200 million more before the end of next year.

CONFIDENCE AND VIGOR

Doing so will mean raising $8 million a month between now and December 1992, a daunting task, but one that Mr. Gray expects to complete.

The presidents of the historically black colleges, who met with Mr. Gray recently, share his confidence. "We were excited by the manner in which he is actively jumping into the fray," said Robert L. Albright, president of Johnson C. Smith University in Charlotte, N.C.

While raising money is taking up half his time, Mr. Gray continues to speak out on education issues. His 12 years in Congress and his ministerial background amplify his voice in a way that makes him difficult to ignore.

"He brings a lot of clout," said Ed Wiley 3d, assistant managing editor of Black Issues in Higher Education, a journal published in Washington. "Everybody is going to expect Bill Gray to be the one who comes right out there and says, 'This is what the implications are going to be on this thing.'"

Mr. Gray is not shy about offering opinions. At several public conferences he criticized officials in the Bush Administration for pressing a Justice Department case opposing separate money for black public colleges in the South. But he also noted that President Bush has supported the United Negro College Fund since 1948.

Some think Mr. Gray's switch from a position of power in Congress to one of limited power in a not-for-profit organization may present some difficulties for him.

"He commanded unusual respect as a Congressman, and now he is in a situation where he in effect works for the presidents of the colleges," said Dr. Albright of Johnson C. Smith University.

But others think the job Mr. Gray has now suits him well.

"He is a very religious man," said Donald M. Stewart, president of the College Board and former president of Spelman College in Atlanta. "He'll continue his role as pastor of the Bright Hope Baptist Church in Philadelphia, and he'll use that pulpit and the U.N.C.F. pulpit as places to speak out on the same issues of social justice and equal opportunity that he raised before in Congress."

IS THE OCTOBER SURPRISE INVESTIGATION LEGITIMATE?

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. BEREUTER. Mr. Speaker, the House in considering the creation of a task force to investigate the so-called October surprise should consider the following editorial from the November 8, 1991, edition of the Omaha World-Herald which in turn cites recent articles in Newsweek and the New Republic which refute the allegations of improper conduct by the 1980 Reagan for President campaign. My colleagues are urged to read this editorial and the November 11, 1991, and November 18, 1991, editions, respectively, of the two magazines mentioned above:

CONGRESS GETS A WAY OUT; CRAZY RUMOR SHOT DOWN

Congressional leaders should be thankful. They have been handed an opportunity to avoid looking silly. Two national magazines have shot down a crazy rumor that Congress has been preparing to investigate.

Unfortunately, there's no guarantee that the leadership will have the good sense to call off the investigation.

The crazy rumor has to do with what some people call the October surprise. The allega-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tion is that emissaries of the Reagan presidential campaign in 1980 conspired with Iran to keep American hostages in captivity. The alleged purpose was to hurt Jimmy Carter's re-election chances by keeping the embassy hostage crisis going until after the election.

Newsweek and The New Republic investigated the rumor. Their findings leave little to be done by congressional investigators.

Newsweek said: "Newsweek has found, after a long investigation, including interviews with government officials and other knowledgeable sources around the world, that the key claims of the purported eyewitnesses and accusers simply do not hold up. What the evidence does show is the murky history of a conspiracy theory run wild."

The New Republic said: "The conspiracy as currently postulated is a total fabrication. None of the evidence cited to support the October surprise stands up to scrutiny. The keys sources on whose word the story rests are documented frauds and impostors . . . they have concocted allegations that are demonstrably false, and their stories, full of internal inconsistencies, are also contradictory."

Secret Service logs and campaign schedules show indisputably that George Bush did not attend secret 1980 meetings in Paris, as former Iranian President Abolhassan Bani-Sadr once alleged. Evidence of such meetings is lacking. Bani-Sadr has distanced himself from his earlier stories.

Further evidence shows that William Casey, the Reagan campaign manager who later became CIA director, could not have been in Madrid when he would have had to have been there if the October surprise story were true.

One man who identified himself as a go-between was discredited when someone looked at the man's credit cards and diaries and determined that he could not have seen what he claimed to have seen. Senate investigators said that "nothing he said was the truth—he had made it up based on what he had read in the newspaper and what he was told."

Nonetheless, the man became one of the sources of Gary Sick, a former Carter administration official whose article in The New York Times this year revived the interest of conspiracy theorists, some members of the press and some members of Congress.

Another self-described witness failed a lie-detector test. Still another was convicted of perjury. And a number of others told stories that collapsed when seriously questioned.

"By any measure of honest reporting, the October surprise conspiracy should have died long ago," The New Republic writers said.

One of the more disturbing revelations came in the Newsweek story. The magazine, in trying to trace the rumors back to their origins, encountered the tracks of political extremist Lyndon LaRouche.

The LaRouche organization, which uses bizarre conspiracy theories to frighten gullible people and solicit funds, published a story in 1980 alleging that Henry Kissinger had tried to make a secret deal with Iran. The LaRouche people gave the story, without the Kissinger angle, another push in 1983 when almost no one else was talking about an October surprise.

Eventually the rumors worked their way into other publications, and the likes of Bani-Sadr and others began to tell ever more fanciful stories.

Some people, regrettably, are so gullible or mean-spirited that they will swallow any allegation about a public figure, no matter how cruel or improbable. The fact that such people exist places a greater duty on responsible public officials and journalists to stand up for what is true and right. Newsweek and The New Republic have done so, to their credit. The next step is up to Congress.

SALVADOR DIAZ-VERSON, JR.: TURNING HIS "CASTLES IN THE AIR" INTO REALITY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize, Salvador Diaz-Verson, Jr., who recently was featured in the Columbus, GA, Ledger-Enquirer after his resignation as president of one of America's fastest growing insurance companies, the American Family Corp., to begin his own global financial and investment firm. The article, "Diaz-Verson Is Following His Dreams" by Delane Chappell tells his story:

Salvador Diaz-Verson Jr. is following his dreams, turning his "castles in the air" into reality, much the way the late John Amos, his mentor and brother-in-law, did when he founded American Family Corp. in 1955.

"I've had those dreams up there—as John used to say, 'those castles in the air.' Now, I've got to put something together and go with it," he said.

That's one of the reasons Cuban-born Diaz-Verson gives for resigning his posts Aug. 16 as American Family Corp. president and first executive vice president of American Family Life Assurance Co.

Now his "castle" is to develop a global financial and investment firm of his own.

The resignation ended a 17-year career with Columbus-based American Family, a career that spanned a period of the company's most rapid growth, when invested assets rose from $45 million to $6.5 billion and the company became the first American insurance company granted a license to operate in the Japanese market since World War II.

Not a bad track record for a man who fled from the Fidel Castro regime in Cuba with his family in 1959, an eight-year-old with only the clothes on his back.

Despite his success at American Family, Diaz-Verson said it was time to move on, a decision he thinks John Amos would have approved. "John always told me, 'When you stop having fun, then it's time to leave,'" Diaz-Verson said. "I think he'd say, 'When you stop having fun, Sal, then go do something else.'"

The fun had ended for Diaz-Verson.

"My true loves are investments and politics. I was getting further and further away from investments and more and more involved in the administrative and political sides of the business," he said. "I don't think it was my decision. I think it just evolved. A problem comes in and you just handle it.

"Somebody said 'life is not a matter of chance, but choice.' I had a choice. I couldn't just sit here and wait forever. There are two things I really love and I couldn't do them while I still had the office (because of conflicts of interests.)"

Diaz-Verson said rumors that a rift between him and American Family Chief Executive Officer Dan Amos contributed to his leaving are not true. "Dan and I have a very close relationship. We've had what I think was a good relationship all along—and we still do."

Dan Amos, nephew of John Amos and son of American Family Chairman Paul Amos, is godfather to Diaz-Verson's 4-year-old daughter, Elizabeth.

"I told Danny, 'There are very few people I really trust in this world. I'd like for you to be her godfather.'"

Dan Amos, who said the company will miss Diaz-Verson, describes the relationship as good. "If we weren't getting along, I don't think he'd still be across the hall. If it's a hostile environment, you don't stick around."

Diaz-Verson will remain on the board of directors of American Family Corp. and AFLAC, and has signed an agreement to be a consultant for American Family for three years.

American Family also offered him an office at the company as long as he needed it, Diaz-Verson said.

Both Diaz-Verson and Dan Amos say they are aware of a community perception that there has been rivalry and friction between them. Both deny it.

"Danny and I have always gotten along," Diaz-Verson said. "We both have our own fortes. We've got different styles of management. That's what's made it interesting through the years."

John Amos never wanted a wedge placed between the two men, Diaz-Verson said. "John always said 'Sal, you and Danny stay together and make sure nobody gets in between you. You can't allow anybody to do that.' That's a promise we made to each other and we've never let anybody come between us," Diaz-Verson said.

Another reason he wants to leave is that the company is not the same without John Amos, Diaz-Verson said. "It's really been a change without John. He kept the fun in it. You never knew what he was going to do or what kind of trick he was going to play on you. And you could sit down and talk to him about anything.

"I've grown up with him. I traveled with him. John took me on every business trip. Most of the politicians I know, I met through John. He'd tell them, 'If you can't find me, call Sal.' I really miss that," Diaz-Verson said.

While Amos may have considered Diaz-Verson his right-hand man, it was Dan Amos who was handpicked by John Amos before his death to run the company after he was gone. Diaz-Verson said he was not upset when he was not chosen. "We had discussed it. We had talked about the fact that you can't run the company as a committee. Even though Dan and I were both together at the same level, sooner or later somebody had to be the one that made the final decisions.

"John said I would be the financial person and I would be the chief financial officer of all non-insurance operations. I felt very comfortable with that in that I liked the financial side and I enjoyed the non-insurance side," he said.

Family responsibilities also helped him make the decision to leave American Family. "I've been here almost 18 years. I've gotten up every morning at 5:30 to be here before the London market opened. I've never gotten my kids off to school or taken them to school. I haven't been home on Father's Day for the last three years because I've been in Japan on business," he said.

The hardest part of his decision to leave American Family was deciding when to do it, he said.

"I think it's better to leave when you're on top—and we are. We've got one of the best portfolios in the industry and I've built it. It's the cleanest portfolio of any insurance company in the United States. The company is doing well. It was a good time."

As Diaz-Verson's reputation as a financial whiz has grown, other companies have tried to steal him away from American Family, but he wouldn't leave. "If I had to work for anyone, I'd stay with American Family," he said, without hesitation.

But, the dream of his own investment firm prevailed, he said.

Already his attorneys are incorporating his new business, Diaz-Verson Capital Investments (DVC), and he's closing a deal for 3,000-square-feet of office space in Brookstone Centre in Columbus that is expected to open in two to three weeks.

The business will make international investments for individuals and institutions and will probably launch one or two investment funds of its own, he said.

After he gets DVC in gear, Diaz-Verson hopes to form an investment network with some associates in New York and Washington, D.C. He'll also continue as financial adviser to the John Amos estate.

Diaz-Verson admits that he's a little nervous about starting up a new company. But he said he's experienced in international investing. He's done it for the company.

"I think I'm good. I think I can do well in the investment field. It's something you've really got to have a feel for and I think I've been able to do it well. I'm very sure of myself and what I can do," he said.

"I think there will be tremendous growth in the next 10 years in the emerging markets, especially in . . . Spain, Portugal and Italy, and in the Americas. With my Hispanic roots I think I could do very well in the Americas," he said.

Diaz-Verson said he is looking for a reemergence of the Americas as the world refocuses in 1992, and he's planning to be there to welcome them back, maybe with the development of an Americas Fund, he said.

So, fired by enthusiasm and the realization that he's recognized professionally as something of a financial genius, Diaz-Verson sets off at age 39 to put substance in his "castle in the air."

I am happy to pay tribute to Mr. Diaz-Verson by reprinting this article. Mr. Diaz-Verson's story is typical of the many successful immigrants who have helped make America what it is today.

TRIBUTE TO ALBERT H. SALEY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mrs. ROUKEMA. Mr. Speaker, I rise today to pay tribute to Albert H. Saley, a gentleman dedicated to promoting quality education through the school library. Al Saley died of cancer in 1990 and left behind a lifetime of extraordinary accomplishments which may never be surpassed.

Throughout his years at the Mountain Lakes School District and the Manville Public Library in New Jersey, Al Saley touched many lives. He enabled the school library to become a friend of the student. The true testimony of Al's effectiveness, was demonstrated with the enthusiasm of young people, attracted to the library during their free time. Al was always available to address their questions and guide the students in locating information. Al always stressed that a library is for learning, not just for quiet studytime. For 26 years, Al brought enthusiasm and the desire to learn and access information to the school library.

Al Saley was an educational leader on the local, State, national and international level. He served on the standards committee of the American Library Association, held a committee post in the Association for Educational Communications and Technology, and was a prominent figure in the American Association of School Librarians. In addition, he served on the New Jersey Library Network Review Board, the New Jersey Library Association and the Educational Media Association of New Jersey. Of the many awards Al received, the 1989 New Jersey State Library Leadership Award truely honored his "* * * dedication to the highest standards of librarianship, for an exuberance for the profession, for his determination to keep current with new technologies, and for his willingness to be a risk taker * * *".

Al served on many more committees, associations and boards, but most notably in my minds was his service to the Society of School Librarians International [SSLI]. As a founding member and former president of SSLI, Al traveled to Washington many times to meet with Members of Congress to assist in enabling Congress to understand the need to stay ahead of the information curve. As we hurtle headlong toward the global information age, we must continue to utilize our most valuable source of knowledge and training—the school library. I am proud to have had the opportunity to work and learn from Al Saley.

Mr. Speaker, Al Saley cared enough to dedicate his life to promoting school libraries and help others gather knowledge and information. With new technologies and the demand for instant information, Al was always there to ensure our young people had access to an ever expanding information age. Al noted many times that without proper skills, our young people could become information poor. I join the many friends and colleagues of Al Saley in mourning his loss and continuing his dreams for a better school library where everyone can continue to learn. Al will be missed but his work will never be forgotton. I ask my colleagues to join me in remembering Albert H. Saley; a man who represents the very best of our educators.

HOUSE OF REPRESENTATIVES SPENDING LIMIT AND ELECTION REFORM ACT OF 1991

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. GEJDENSON. Mr. Speaker, campaigns should be a clash of ideas, not bank accounts. Elections are not supposed to be a participatory process for only the wealthy and privileged; they are the cornerstone of this democracy, in which every citizen should not only participate, but should be eager to do so.

How do we return to a feeling of meaningful participation by every citizen, including the demoralized, the disadvantaged, the poor, and the middle class? In addition, how do we demonstrate to all Americans that the Members of this institution do care. One giant step we can take immediately is to reform our campaign finance laws which place entirely too much emphasis on the finance and too little on the campaign.

The most important and long-lasting campaign finance reform we can make is the reduction of campaign expenditures. Ever since the Supreme Court, in Buckley versus Valeo, singlehandedly destroyed the carefully crafted and balanced reform system designed in the wake of the Watergate scandal, we have been trying to fix the damage and pass campaign finance reform. Others have contributed much thought, energy and effort to this task over the years, and they did so again this year. The road has been long, just in the last 10 months alone.

Last February, the Speaker appointed a task force of eight members of the House Administration Committee to report a comprehensive election-financing proposal to the House. I want to thank my colleagues on the task force for all of the hard work they have put in over the last year. We jumped right into this effort in March by holding two field hearings: one in Minnesota and one in Wisconsin. Those two States have probably the most progressive campaign finance statutes in the country. They have had for over 15 years what we are just trying to do now at the Federal level. We learned a lot in those two States, but primarily what we learned is that reform has worked and worked well, except for the increased activity of independent expenditures. This is one area where today's proposal makes striking improvements on curbing the influence of independent expenditures.

In addition to our field hearings, we held seven other hearings here in Washington. We invited all Members to come and share any concerns, comments or opinions. Who better to guide us than those who are truly the experts in campaigns, and anyone who has been successful in a campaign even once, surely qualifies as an expert. We heard from 51 Members. Their testimony was invaluable. We listened, and we studied. Next we heard from those outside groups with an interest in this area. Organizations and individuals from all vantage points came and testified, and we learned from each one of them.

After our study, it came time to craft the legislation. As chairman of the task force, I proposed that a bipartisan core bill be negotiated, with the differences to be voted on in the committee and on the floor. This invitation was declined. Instead, the minority intends to offer an advantage package.

The objectives underlying the House of Representatives Campaign Spending Limit and Election Reform Act of 1991 are threefold: First, cap the ever escalating costs of campaigns; second, protect the ability of all individuals, and of modest means, to participate in competitive Federal campaigns; and third, reduce the amount of time and energy spent in soliciting campaign funds.

The first and by far the most important aspect of this bill is that it controls campaign costs. The legislation establishes a voluntary spending limit of $600,000 for every 2 years or election cycle. A candidate may spend as much as he or she wants in primary, but not more than $500,000 in general election. Candidates who win contested primaries by a margin of 10 percent or less may spend an additional $150,000 on the general election. Candidates who have a runoff may spend an additional $100,000.

These numbers are the product of our detailed analysis of House races for the past 10 years. In 1990, $600,000 is about the average spent by winners in open seat closely contested races. Additionally, $600,000 would have covered about 80 percent of all races in the 1990 election cycle. No meaningful campaign finance reform can accommodate $1 million races, and those races will always be outside any system designed to control spending. However, we do protect candidates who voluntarily enter the system, whose opponents do not: if the opponent raises $250,000, the $600,000 limit comes off for the candidate in the system, and that participant may receive unlimited matching funds, to make up for the money his or her opponent has raised.

Second, this bill creates a balance in candidate contribution pools. All candidates may raise up to one-third of the overall limit, or $200,000, in PAC contributions and another one-third or $200,000 in large individual contributions, which are those from $200 to $1,000. This parity between PAC's and large donors is absolutely essential. By limiting only PAC's, the system would become skewed toward the wealthy individual donors. By limiting both, we are saying that no one type of contribution is better or worse than another; it is the imbalance of PAC contributions and the imbalance of large donors that we are eliminating.

Third, this legislation reduces the time spent raising money. A candidate may voluntarily apply for up to $200,000 in matching funds and receive discounted postage. The first $200 of individual contributions are matched. Thus, every $400 contribution from a husband and wife means $800 in receipts to a candidate. In addition, the entire surplus leftover at the end of election cycle may be transferred to next cycle. We are not here to increase the time that officeholders must devote to chasing money. We are here to reduce that drain on energy. Too many talented individuals either decline to run in the first place, or call it quits in the middle of distinguished careers, directly due to the distasteful and inordinate time which must be spent chasing money for the next election.

Fourth, even though this package provides matching funds, it does not throw money at nonviable candidates. A candidate must have raised $60,000 in individual contributions to be eligible for matching funds. Only the first $200 of a contribution is matched. Real challengers will be able to qualify for matching funds, but fringe challengers, without a proven fundraising base, will be unable to qualify.

The matching funds are not funded through tax increases, increasing the deficit, or taking money from other programs. Funding must be from three sources to be disbursed from the "Make Democracy Work Fund:" First, reducing tax deductibility of business lobbying expenses; second, establishing PAC registration fees; or third, allowing voluntary contributions from individuals and organizations. Because the bill has been drafted in compliance with the pay-as-you-go provisions of the Deficit Control Act, the provisions limiting the tax deductibility of business lobbying expenses, establishing a FEC registration fee on political committees, and allowing voluntary contributions from individuals or organizations must be enacted by January 1, 1993, to fully offset the net costs of the legislation.

The major source of revenue is the proposed limitation on the tax deductibility of business lobbying expenses. This proposal is a sense-of-the-Senate amendment proposed by Senator BOREN during the Senate's consideration of S. 3, the Senate Election Ethics Act. The amendment was adopted by the Senate by a 50-to-44 vote on May 16, 1991. The Joint Committee on Taxation has estimated that this proposal would raise Federal budget receipts by $500 million over 5 years. That is more than triple the amount necessary to fund matching payments during the next 5 years.

Fifth, this bill cracks down on independent expenditures. If we want to squeeze money out of the system, we must be sure that there will be no unintended consequences, including an increase in pervasive independent expenditures. Although such expenditures receive strict constitutional protection, we can assist candidates who are faced with them, in effectively combating them. A participating candidate faced with $60,000 independent expenditures has his or her overall spending limit lifted. A candidate faced with $10,000 in independent expenditures may receive matching funds to combat them. New reporting requirements require that anyone making independent expenditure of at least $5,000 must immediately notify FEC, and anyone intending to make independent expenditures just before an election, must notify FEC at least 20 days before the election. The FEC must then notify the other candidates involved.

Finally, the legislation tackles the issues of bundling and soft money. Bundling is prohibited except by commercial fundraisers, individuals holding house parties, and individuals representing the candidate's campaign committee. Soft money spending by State parties for generic political activity on behalf of Federal candidates is capped by a State-by-State population formula. During Presidential election years, at least 50 percent of the amount spent by State parties must come from federally raised dollars.

This is the essence of my campaign finance reform proposal. Some critics would observe that the system is not broken, so why embark on this long, arduous and difficult task of repairing something that does not need fixing. Low voter participation, low voter turnout, and low voter esteem of the Congress are all clear and unmistakable symptoms of an ailing campaign finance system.

To be meaningful, campaign reform must not turn back the clock. This proposal ensures that the interests of average Americans are represented in the Congress.

To be meaningful, campaign reform cannot set off a domino effect of unintended consequences. This proposal limits the capability to intentionally abuse the electoral process for opportunistic advantage.

To be meaningful, campaign reform must refocus the political debate on policy differences and issues of substance. This proposal is one step in addressing voter disillusionment—to reconnect the relationship of voting to outcome.

No action that this institution might take could be more important or more critical to the health of the electoral process, the reputation of this institution, and the confidence of the American public, then the passage of this legislation. This legislation will deliver a message that is long overdue, that this institution is serious about campaign finance reform. I urge your full support for this bill.

SECTION-BY-SECTION ANALYSIS OF THE HOUSE OF REPRESENTATIVES CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1991

Section 1—This Act may be cited as the House of Representatives Campaign Spending Limit and Election Reform Act of 1991.

TITLE I—EXPENDITURE LIMITATIONS, CONTRIBUTION LIMITATIONS AND MATCHING FUNDS FOR ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES

Expenditure Limitations

Sec. 101—Amends the Federal Election Campaign Act of 1971 to add the following new title:

"TITLE V—EXPENDITURE LIMITATIONS, CONTRIBUTION LIMITATIONS AND MATCHING FUNDS FOR ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES"

"Expenditure Limitations"

"Section 501(a)" limits an eligible House candidate from spending more than $600,000 per election cycle, of which not more than $500,000 may be spent in the general election period.

"Section 501(b)" permits an eligible candidate with a runoff election to spend an additional $100,000. This subsection also limits an eligible House candidate in a special election to spending no more than $500,000 in the special election.

"Section 501(c)" permits an eligible candidate who wins a contested primary by a margin of 10 percent or less to make additional expenditures in the general election period of not more than $150,000, subject to the $500,000 general election limit.

"Section 501(d)" removes the limits placed upon an eligible House candidate by "section 501(a)" and "section 501(b)," if that candidate has an opponent who is not an eligible candidate and the opponent receives contributions or makes expenditures in excess of $250,000 in that election cycle. The eligible candidate may receive all benefits under this title and may receive matching funds without regard to the $200,000 ceiling under "section 504." Candidates who are not eligible must report to the Federal Election Commission within 48 hours of receiving contributions or making expenditures in excess of $250,000, and the FEC must transmit a copy of that report to all other eligible candidates in that election within 48 hours.

"Section 501(e)" removes the limit placed upon an eligible candidate by subsection (a), if independent expenditures totaling $60,000 are made in the election in favor of another candidate or against the eligible candidate.

"Section 501(f)" excludes payments for legal and accounting compliance costs and federal and state taxes from the limits of this section.

"Section 501(g)" provides for civil penalties for exceeding the limits of this section. If an eligible candidate exceeds a limitation under this section by 5 percent or less, the excess shall be paid into the Make Democracy Work Fund. If the excess exceeds a limitation by an amount between 5 and 10 percent, an amount equal to three times the limit shall be paid into the Fund. If the excess exceeds a limitation by more than 10 percent, the eligible candidate must return all matching funds received, and pay an amount equal to three times the excess plus an amount to be determined by the FEC.

"Section 501(h)" provides for indexing by the rate of inflation.

"Statement of Participation"

"Section 502" requires that the FEC determine whether a candidate is eligible to receive benefits under this title, based on an initial statement of participation filed by the candidate. The statement must be filed on January 31 of election or when the candidate files a statement of candidacy, whichever is later.

"Contribution Limitations"

"Section 503(a)" limits an eligible House candidate from accepting contributions aggregating in excess of $600,000 per election cycle.

"Section 503(b)" provides that an eligible House candidate may transfer amounts from one election cycle to the next, however, the amount of contributions that may be accepted under subsection (a) must be reduced by the amount of the transfer. When calculating the limitation on contributions from political committees and large donors under section 201, the aggregate amount which may be accepted from political committees and large donors shall be one-third of the amount calculated under this subsection.

"Section 503(c)" permits eligible House candidates with a runoff to accept an additional $100,000 in contributions for the runoff. Of such contributions, one-half may be from political committees and one-half may be from large donors.

"Section 503(d)" prohibits eligible House candidates from making contributions of personal funds to his or her own campaign in excess of $60,000 per election cycle. Personal contributions from the candidate reduce the amounts which may be accepted from large donors. Personal funds of the candidate may not be matched under "section 504." The limitation on personal contributions by an eligible House candidate does not apply when the opponent of an eligible House candidate is not an eligible candidate and receives contributions or makes expenditures in excess of $250,000.

"Section 503(e)" provides for civil penalties for exceeding the limits of this section. If an eligible candidate exceeds a limitation under this section by 5 percent or less, the excess shall be refunded to the contributors. If the excess exceeds a limitation by an amount between 5 and 10 percent, an amount equal to three times the limit shall be paid into the Fund. If the excess exceeds a limitation by more than 10 percent, the eligible candidate must return all matching funds received, and pay an amount equal to three times the excess plus an amount to be determined by the FEC.

"Section 503(f)" excludes payments for legal and accounting compliance costs and federal and state taxes from the limits of this section.

"Section 503(g)" removes the limit placed upon an eligible candidate by subsection (a), if independent expenditures totaling $60,000 are made in the election in favor of another candidate or against the eligible candidate.

"Section 503(h)" permits an eligible candidate who wins a contested primary by a margin of 10 percent or less to accept additional contributions in the general election period of not more than $150,000. Of such contributions, one-third may be from political committees and one-third may be from large donors.

"Section 503(i)" provides for indexing by the rate of inflation.

"Matching Funds"

"Section 504(a)" provides that an eligible House candidate shall be entitled to receive payments matching the amounts of small individual contributions raised, up to a total of $200,000, for the general election only.

"Section 504(b)" provides that an eligible House candidate is entitled to receive payments equal to the total amount of independent expenditures, if in excess of $10,000, made by one or more persons against the eligible candidate or for his or her opponent.

"Section 504(c)" permits an eligible House candidate to receive matching funds only if the candidate has received $60,000 in contributions from individuals during the election cycle, with only the first $200 from each contribution taken into account. In addition, the eligible candidate must have qualified for the general election ballot, must have an opponent in the general election, and filed a statement of participation. In the statement of participation, the eligible candidate must agree to comply with the expenditure and contribution limitations, cooperate in the case of an FEC audit by furnishing campaign records and other information, and comply with any repayment requirement.

"Section 504(d)" No contribution in any form other than a gift of money made by a written instrument that identifies the contributor will be matched under this section.

"Section 504(e)" establishes the "Make Democracy Work Fund."

"Section 504(f)" requires that the FEC, not later than 5 days after receiving a request for matching funds, submit a certification to the Secretary of Treasury for payment. All payments must be made not later than 48 hours after certification. If the balance in the Make Democracy Work Fund is insufficient, payments are subject to proportional reductions.

"Section 504(g)" permits an eligible House candidate who wins a contested primary by a margin of ten percent or less to receive an additional $50,000 in matching funds.

"Section 504(h)" provides for indexing by the rate of inflation.

"Examinations and Audits; Repayments"

"Section 505(a)" requires that the FEC audit 10% of all eligible House candidates, based on a random sample, after the general election. Audits may be conducted of any eligible House candidate on a reason to believe that the candidate may have violated any provision of this title.

"Section 505(b)" provides that if the FEC determines that any payments were made to a candidate in excess of the candidate's entitlement, the candidate will be required to repay to the Secretary an equal amount.

"Section 505(c)" provides that repayments be deposited into the Make Democracy Work Fund.

"Judicial Review"

"Section 506" provides that agency actions made by the FEC are reviewable by the Court of Appeals for the District of Columbia and shall be given expedited review.

"Judicial Proceedings"

"Section 507" authorizes the FEC to appear in and defend any action; institute proceedings to seek repayment determinations; and to make appeals.

"Reports to Congress; Certifications; Regulations"

"Section 508" requires the FEC to submit reports after each election to Congress containing expenditures of eligible House candidates, the amount of matching funds paid each eligible House candidate, the amounts repaid, and the balance in the Make Democracy Work Fund. Such reports are to be printed as House documents. In addition, the FEC is authorized to prescribe rules and regulations (after submitting its proposals to the House and Senate for 30 days).

"Close Captioning of Television Commercials of Eligible Candidates"

"Section 509" provides that no eligible House candidate may receive amounts from the Make Democracy Work Fund unless such candidate certifies that any television commercial prepared or distributed by the candidate will be prepared in a manner containing or permitting close captioning.

Definitions

Section 102 defines the terms "eligible House of Representatives candidate," general election period," and "election cycle."

Reduced Third-Class Mailing Rates

Section 103 provides that eligible House candidates may receive the same reduced third-class mailing rate that political parties receive. That rate is available to eligible candidates during the general election period only and is limited in number of pieces of mail to three times the voting age population of the congressional district.

TITLE II—LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS AND OTHER PROVISIONS RELATING TO THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

Limitations on political committee and large donor contributions

Section 201 limits the aggregate amount of contributions that any House candidate may accept from all political committees to $200,000 per election cycle. This section also limits the aggregate amount of contributions that any House candidate may accept from other persons whose contributions total more than $200 per election cycle, to $200,000.

Candidates who have runoffs may accept an additional $50,000 from political committees and $50,000 from large donors for the runoff. Candidates who win their primaries by a margin of ten percent or less may accept an additional $50,000 from political committees and $50,000 from large donors for the general election.

Candidates may raise amounts for legal and accounting compliance costs and federal and state taxes without regard for the limits of this section.

Contributions by dependents not of voting age

Section 202 amends the Federal Election Campaign Act of 1971 to count contributions by non-voting age dependents of another individual as contributions by that individual, and allocates the amounts between that individual and his or her spouse, if applicable.

Contributions aggregated from State and local committees of political parties

Section 203 provides that a candidate may not accept a contribution from the state or local committee of a political party, if, when aggregated with all contributions from all committees of that political party, the amount exceeds a limitation in the Federal Election Campaign Act.

Advances by campaign workers or volunteers

Section 204 exempts advances made by volunteers or employees of a candidate's au from the definition of "contribution" under the Federal Election Campaign Act of 1971, if reimbursed within 60 days and the advance does not exceed $1,000 with respect to an election.

Multicandidate political committee contributions to national political party

Section 205 increases the limitation of multicandidate political committee contributions to a national party committee from $15,000 per year to $20,000 per year.

Corporate and labor union expenditures for candidate appearances, candidate debates or voter guides

Section 206 provides that corporate or labor union expenditures for candidate appearances, candidate debates or voter guides are contributions to candidates if the corporation or union expressly advocates the election or defeat of a candidate in connection with the appearance, debate or guide, or if the appearance, debate or guide favors one candidate over another.

TITLE III—REQUIREMENT OF BUDGET NEUTRALITY

Budget Neutrality

Section 301 provides that, in order to comply with the Balanced Budget and Emergency Deficit Control Act of 1985, Title VII, sections 503 through 509 of Title I, and section 201 of Title II do not become effective unless certain conditions are met. Provisions must be enacted into law, by January 1, 1993, that limit the business tax deductibility of amounts spent lobbying the federal government or that allow the Make Democracy Work Fund to receive funds voluntarily contributed by individuals and organizations. These provisions must fully offset the net costs of this Act, as estimated.

TITLE IV—INDEPENDENT EXPENDITURES

Clarification of definitions relating to independent expenditures

Section 401 amends the definition of independent expenditure to include communications which contains express advocacy and are made without the participation or cooperation of a candidate. The definition excludes expenditures by political parties, political committees established, maintained or controlled by persons or organizations required to register as lobbyists or foreign agents, persons who communicate or receive information regarding activities that have a purpose of influencing the candidate's election, may not be considered independent expenditures. This section also defines "express advocacy."

Reporting requirements for independent expenditures

Section 402 requires those who make independent expenditures comply with new reporting requirements. Any independent expenditure aggregating $5,000 shall be reported within 48 hours after such independent expenditure is made. Each additional $5,000 in independent expenditures triggers a report. Within 48 hours after receipt, the FEC must transmit a copy of the report to the candidate involved.

This section also requires any person intending to make independent expenditures in the 20 days before an election must file a statement on the 20th day before the election. The statement must identify the candidate involved. Within 48 hours after receipt, the FEC must transmit a copy of the report to the candidate identified.

TITLE V—BUNDLING AND SOFT MONEY

Restrictions on bundling

Section 501 prohibits any person from acting as a conduit or intermediary for contributions to a candidate. "Conduit or intermediary" is defined as collecting and transmitting checks to a candidate, except that representatives of a candidate, commercial fundraisers, volunteers holding house parties, and individuals who forward their spouses' contributions are not considered conduits or intermediaries. Representatives of a candidate may not include political committees with a connected organization, political parties, partnerships, sole proprietorships, or any organization which is prohibited from contributing to a candidate under the Federal Election Campaign Act, including corporations, labor unions, National banks, and trade associations.

Any person who is prohibited from being a conduit or intermediary may not conduct joint fundraising activities with a candidate. Joint fundraising conducted by two or more candidates is permitted.

Limitations on combined political activities of political parties

Section 502 limits the amounts which may be spent by political parties on combined Federal and non-Federal political activities in any state to 50 cents times the voting age population of the state, whichever is greater. This limit applies to the aggregate party expenditures made by all party committees of any national party which received convention financing under the Internal Revenue Code of 1986 during the preceding presidential election. The state party committee in each state is responsible for ensuring that the state limitation is not exceeded.

Political party committees that make payments for combined Federal and non-Federal political activity must allocate a portion of such payments to Federal accounts containing contributions subject to the prohibitions and limitations of the Federal Election Campaign Act of 1971.

National party committees must allocate at least 65 percent of voter drives and administrative costs to Federal accounts during presidential election years, and at least 60 percent in all other years. The costs of fundraising activities are allocated based on the amount of Federal funds raised from each activity.

State and local party committees must allocate at least 50 percent of voter drives and administrative costs to Federal accounts during presidential election years. In other years, the amounts of such costs to be allocated to a Federal account are determined by the ballot composition for the election cycle, but, in no event, shall less than 33 percent be allocated to a Federal account. The costs of fundraising activities are allocated based on the amount of Federal funds raised from each activity. Other costs exempt from the definitions of "contribution" or "expenditure," under the Federal Election Campaign Act of 1971, such as slate cards or sample ballots, are to be allocated according to the time or space devoted to Federal candidates.

This section defines the term "combined political activity." Combined political activity means activity that is both in connection with a Federal election and in connection with a non-Federal election. Combined political activity includes activities exempt from the definitions of "contribution" or "expenditure" under the Federal Election Campaign Act of 1971, such as the printing of slate cards or sample ballots, voter registration drives, voter identification drives, get-out-the-vote drives, fundraising activities where both Federal and non-Federal funds are raised, and administrative expenses. Administrative expenses are not subject to the state-by-state expenditure limitation. Combined political activity does not include amounts accepted for building funds or payments for legal or accounting compliance costs. This section also defines the terms "ballot composition" and "time or space devoted to Federal candidates."

Prohibition of solicitations by candidates for tax-exempt organizations

Section 503 prohibits any candidate for Federal office from soliciting contributions for an organization described in section 501(c) of the Internal Revenue Code of 1986, if a substantial part of the activities of the organization include voter registration or get-out-the-vote campaigns.

Reporting requirements

Section 504(a) requires national party committees to report all receipts and disbursements, whether or not in connection with a Federal election. A political committee, other than a national party committee, shall report all receipts and disbursements in connection with a Federal election. Any other political committee which maintains a non-Federal account must report all activity in connection with a Federal election. Reports must include itemization or receipts and disbursements in excess of $200.

Section 504(b)–(c) requires that contributions and expenditures over $200 to or by national or state party committees for building funds and state or local party committees for sample ballots and slate cards must be reported and disclosed.

Mailing no longer exempt

Section 505 provides that mailings of campaign materials as volunteer activities and mailings by state and local party committees of slate cards and sample ballots, previously exempt from the definition of "contribution" and "expenditure" under the Federal Election Campaign Act of 1971, are no longer exempt from those definitions.

TITLE VI—PROHIBITIONS RELATING TO POLITICAL COMMITTEES AND FOREIGN NATIONALS

Prohibition of leadership committees

Section 601 prohibits a candidate for Federal office from establishing, maintaining or controlling any political committee other than a principal campaign committee, authorized committee, party committee, or joint fundraising committee. One year after the effective date of this Act, leadership committees must have disposed of their funds by giving them to charity, to the Treasury, to political parties, or to candidates subject to a $1,000 limitation per candidate.

Prohibition of use of candidate name by political committees

Section 602 requires au to include the candidate's name in the committee's name. Unau may not use candidate name in committee name or in any context so as to suggest that committee is an authorized committee.

Prohibition of activities of foreign nationals

Section 603 prohibits any foreign national from directing, controlling, influencing or participating in another person's election-related activities.

TITLE VII—CAMPAIGN SURPLUS

Excess funds of incumbents

Section 701 provides that, for the initial election cycle for which the new limitations of Title V of the Federal Election Campaign Act of 1971 applies, any incumbent who is a candidate for re-election, must deposit any campaign funds in excess of $600,000 into a separate account by the date he or she files a statement of participation under new section 502. This separate account must comply with the reporting requirements of the Federal Election Campaign Act of 1971. The amounts so deposited are available for any lawful use, other than for a campaign for the office of Representative, unless the provisions of new section 501(d)(1) apply.

TITLE VIII—CAMPAIGN ADVERTISING

Additional disclaimer requirements

Section 801 amends the disclaimer requirements of the Federal Election Campaign Act of 1971. Disclaimers attached to printed communications must be of sufficient type size to be clearly readable, contained in a printed box apart from the other text, and consist of a reasonable degree of color contrast between the background and the printed statement. Disclaimers attached to televised communications must appear for at lest four seconds, be clearly readable with a reasonable degree of color contrast between the background and the printed statement, and, if paid for by the candidate, be accompanied by a clearly identifiable photograph or other image of the candidate. The payor of the advertisement must indicate in a statement that the payor is responsible for its content.

Guaranteed lowest non-preemptible rate

Section 802 provides that any House candidate is entitled to the non-preemptible lowest unit rate charged by a licensee for the same amount of time for the same period on the same date, during the 30 days prior to the primary election and the 45 days prior to the general election.

TITLE IX—CONTRIBUTION SOLICITATION

Prohibition of false representation

Section 901 prohibits any person from soliciting contributions by falsely representing himself or herself as a candidate or a representative of a candidate, political committee or political party.

TITLE X—REPORTING REQUIREMENTS

Reporting requirements

Section 1001 amends the reporting requirements of the Federal Election Campaign Act of 1971 to require candidates to itemize all contributions in excess of $50.

Section 1002 requires that authorized committee operating expenditures be reported by categories, as specified by the FEC.

Section 1003 amends the reporting requirements of the Federal Election Campaign Act of 1971 to change the reporting periods for au from a calendar year to an election cycle basis.

Section 1004 requires the FEC to maintain computerized indices of contributions exceed $50.

TITLE XI—EFFECTIVE DATE

Effective Date

Section 1102 provides that the provisions and amendments of this Act shall take effect on the date of enactment, but shall not apply with respect to any election occurring before January 1, 1993.

MAMARONECK VETERANS: AT THEIR COUNTRY'S SERVICE

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mrs. LOWEY of New York. Mr. Speaker, I rise today to express my deep gratitude to the veterans of Mamaroneck, NY, who have stood up for their Nation at the most difficult of times and who join together again on this Veterans Day to reflect on the nature of their service, to recommit themselves to the freedoms and liberties that make this Nation great, and to remember those who made the ultimate sacrifice for our Nation while fighting at their sides.

The 212 members of Mamaroneck's American Legion Post 90 this Veterans' Day are gathering to reaffirm their patriotism and their dedication to the defense of liberty. These individuals are rightly proud of being veterans of our Armed Forces, They literally put their lives on the line so that we could today enjoy the rich rewards of being American citizens. They have risked everything on behalf of what most Americans take for granted: our rights, our liberties, our heritage of freedom.

Today, I call on all Americans to stand with our veterans, to convey to them our very deep appreciation for all they have done for our Nation and for us as American citizens, and to speak up in their behalf. For far too long, this Nation's veterans have not received the benefits they deserve. All too many of those who have fought for this Nation suffer the pain of ill health, financial difficulties, and other problems without the support we all want them to receive.

It is a tragedy that our veterans confront the inadequate conditions which exist at veterans' health facilities around this Nation. It is a tragedy when a veteran in need of medication is turned away because of budgetary constraints. It is a tragedy that veterans have been denied financial assistance and are left homeless.

Today, I recommit myself to the veterans of Westchester County and the Nation. I will continue my fight to ensure that the resources are made available to respond to their most basic needs. Yes, these are difficult times, but if we cannot, as a Nation, ensure a decent life to those who have risked everything for us, I am afraid that we have lost the sight of the values of fairness, justice, and equity for which men and women have fought over the years.

America's veterans deserve our respect, but they need much more. They need our commitment to ensure that they have the opportunity to live the American dream.

LA SOCIEDAD AMERICANA CONTRA LA LEUCEMIA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, on November 3, 1991, the Sociedad Americana Contra La Leucemia, the Spanish branch of the southern Florida chapter of the Leukemia Society of America, held a luncheon to raise funds for research and education in fighting leukemia.

Leukemia is an illness that forms in the blood-forming tissues—bone marrow, lymph nodes, and spleen. Leukemia causes a large number of white blood cells to accumulate in these tissues which prevents the production of red blood cells. The shortage of red blood cells means that oxygen will not be delivered to vital organs. If untreated, leukemia will result in death.

Thanks to the work of volunteer groups like the sociedad, the survival rate has improved from 15 percent 20 years ago to 77 percent today. Thanks to volunteers, the Leukemia Society of America this year was also able to fund 204 researchers working at 78 institutions in the United States and abroad.

I wish to recognize Jackie Bravo, the Latin coordinator for the southern Florida chapter of the society, for assisting in planning the November 3 fundraising luncheon. I wish also to recognize Marcia Tonda, of Tonda & Associates, and Irela Diaz, of Coalition of Hispanic American Woman, for coordinating this event and Aleida Leal, of WQBA radio, for being the mistress of ceremonies.

The board of trustees of the southern Florida chapter of the society also deserve recognition for the time they dedicate toward fighting this terrible disease. Their names follow: Katie Anderson, Mercedes Antonell, Carlos Arboleya, Alexis Arguello, Robert W. Bauchman, David Beru, John Bernard, R. Kenneth Bluh, John Byrnes, Patricia Caballero, Chris W. Charouhis, Carrie Corral, Irela Diaz, Michael G. Disney, Ronald E. Dobeistein, Carlos A. Enriquez, Luis Fernandez, Dr. Luis Fernandez, Jim Ferraro, Victor Findura, Rebecca Fisher, Johnathan Fisher, Jerry Flacks, Lewis Fraser, Coach Ron Fraser, Howard I. Garson, Carol P. George, Judy Gilbert, Hank Goldberg, Mr. and Mrs. Mitch Gordon, Allen L. Greenberg, William Harvey, Laura J. Herndon, Alan B. Ives, Sam Janowitz, Margaret Kaminer, Ken Kepner, Dr. Howard S. Koch, Dr. Michael A. Kutell, Aleida Leal, Larry Lehr, Lucy O. Leon, Dr. Rafael Leon, Susan Lichtman, Dr. Martin E. Liebling, Bonnie Lundouist, Carmen Lunetta, Dr. Antonio Marquez, Robert H. McCammon, Edward J. McCarthy, Julio E. Mendez, Neil Mergler, Emilio Milian, Sylvia Minchew, Scott Modist, Judge Robert H. Newman, Joanie Nielson, Dominic Pino, Dr. Judith Ratzan, Edward J. Reilly, Dr. Manolo Reyes, Ralph J. Rossi, Carter Saxon, Alex Schreer, Tony Segreto, Paul Shaver, Elaine Simes, J. Jay Simons, W. Blake Smith, Richard Sox, Judge Richard H.M. Swann, Dr. Jack Donald Temple, Arne Themmen, Marcia Tonda, Barton S. Udell, Laura Wright, John R. Wurster, and the executive director of the chapter, Ritchie Sonner.

EXTENDING CERTAIN EXPIRING TAX PROVISIONS

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. GUARINI. Mr. Speaker, today I am introducing a bill to extend for 1 year a group of 12 tax provisions scheduled to expire by or before the end of 1991.

I am pleased to have several members of the Committee on Ways and Means join with me in this effort, including Mr. VANDER JAGT, Mr. RANGEL, Mr. JACOBS, Mr. MOODY, Mr. JENKINS, Mr. FORD, Mr. MATSUI, Mr. SHAW, Ms. KENNELLY, Ms. JOHNSON, and Mr. ANTHONY. I also want to thank Senator DANFORTH and many of his colleagues on the Senate Finance Committee who are introducing identical legislation today.

Given the current state of the economy, this legislation is crucial. Although legislation designed to stimulate economic activity has been introduced by the administration and by various Members of Congress, there is as yet no consensus—beyond agreement on a much-needed extension of unemployment benefits—on how to bring the country out of this lingering recession. As a result, none of the bills that might be of benefit to the economy in creating new jobs and growth are likely to be acted on this year.

At the same time, the tax provisions that are the subject of the legislation that I am introducing today are currently adding economic benefit by, among other things, encouraging research and development activities, stimulating the construction of low-income housing, assisting first-time homebuyers, educating our workforce, and promoting the employment of the structurally unemployed. These significant economic benefits will be lost if we allow the tax incentives to expire.

One provision that is particularly dear to me is employee educational assistance. Right now, literally thousands of American workers are waiting to learn whether or not they can take classes that will enable them to improve their ability to support themselves and their families. These are not "high rollers," but are hard working, average Americans, most of whom earn less than $30,000 per year; over one-third of whom earn less than $20,000.

One such worker that the Ways and Means Committee heard testimony from this year was Debbie Ireland of Hewlett-Packard. Ms. Ireland was a single mother earning about $15,000 a year as an assembly line worker. With no training and no job skills, she couldn't find a higher paying job. Luckily, she worked for an employer who provided educational assistance under section 127. She will graduate from college next May and now makes about $20,000. This is what educational assistance can mean to average Americans.

The time to act is now. Though some may argue that these provisions can be dealt with next year, retroactive legislation is not an adequate alternative. Faced with the possibility that these provisions may not be extended, many businesses will have no alternative but to cut back dramatically and in some cases discontinue the activities encouraged by these tax incentives. Moreover, with a Presidential election looming, with all the partisanship that this entails, there is no guarantee that these tax incentives will not become a casualty of election-year politics. These circumstances are bound to have an adverse impact on technological innovation, employment, and construction. Once business opportunities are lost, they are often never fully recaptured.

Though there may be no consensus on how best to stimulate the economy in the long term, there is broad bipartisan consensus as to the policy merits and practical effectiveness of these provisions. In addition, I fear that failure to renew these economic incentive measures may slow an already stagnating economy. Accordingly, extending these tax provisions is something that we can do now to benefit the economy.

Finally, although this legislation does not contain specific revenue proposals to pay for the 1-year extension of these provisions, I am working on possible revenue measures and will come forward with suggestions at the appropriate time.

One such possibility which I have introduced is legislation to end a practice known as "double-dipping" by those S&L operators involved in the 1988 yearend FSLIC deals. Simply put, these S&L operators are taking loss deductions even though they aren't losing any money. The result is billions in profits for these operators and a huge drain on the Federal Treasury. This perverse tax situation is also slowing down the pace of the RTC bailout and contributing to the decline in real estate prices in affected areas.

Fourteen members of the Ways and Means Committee have sponsored this legislation. The administration, via Secretary of the Treasury Brady, has endorsed this legislation, calling its passage "essential." Treasury has also estimated that double-dipping is costing the taxpayers $4.2 billion. I do not know whether this legislation will generate sufficient revenue to pay for the expiring provisions, but surely it can contribute substantially to this effort. Only a narrow group of special interests oppose it. It is a clear example that ways can be found to pay for these expiring provisions if there is just the will to do so.

DESCRIPTION OF PROVISIONS

1. EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE

Under present law, employers can offer their workers tax-free tuition reimbursements for education outside of the workplace through qualified educational assistance programs, thus helping to maintain an educated workforce.

Under a qualified educational assistance program, an employee's gross income, for both income and employment tax purposes, does not include amounts paid or incurred by the employer for educational assistance. To qualify, the program must meet certain requirements, including the requirement that the program may not discriminate in favor of highly compensated employees. This exclusion is limited to $5,250 of educational assistance with respect to an individual during a calendar year.

2. TARGETED JOBS TAX CREDIT

Since its inception in 1979, TJTC has been directly responsible for encouraging employers to hire approximately 5,000,000 structurally unemployed individuals—individuals who have little, if any, work history. Expiration of this proven, cost effective, jobs program will have a significant adverse impact on economically disadvantaged and disabled individuals.

A recent GAO study confirmed that today TJTC is an effective incentive (a 40 percent credit on the first $6,000 in wages) for private business to hire individuals who experience severe obstacles to employment. The targeted groups are (1) vocational rehabilitation referrals; (2) economically disadvantaged youths aged 18 to 22; (3) economically disadvantaged Vietnam-era veterans; (4) Supplemental Social Security Income recipients; (5) general assistance recipients; (6) economically disadvantaged cooperative education students aged 16 to 19; (7) economically disadvantaged former convicts; (8) Aid to Families with Dependent Children recipients; and (9) economically disadvantaged summer youth employees aged 16 to 17 receive a 40 percent credit on the first $3,000 of wages.

Past experience has proven that despite the best efforts of the job service, employers will never receive certifications for the vast majority of people hired during any hiatus. Thus they will have no choice, but to abandon their costly efforts to seek out, identify, and file with the job service for the TJTC eligible workers.

3. TAX CREDIT FOR QUALIFIED RESEARCH EXPENDITURES

To encourage research and development [R&D] by U.S. companies, a 20-percent tax credit is allowed to the extent that a taxpayer's qualified research expenditures for the current year exceed its base amount for that year. Qualified research expenditures include (1) in-house expenses of the taxpayer for research wages and supplies used in research; (2) certain time-sharing costs for computer use in research; and (3) 65 percent of amounts paid by the taxpayer for contract research conducted on the taxpayer's behalf. Only expenses incurred within the United States qualify for the credit computation.

4. ALLOCATION AND APPORTIONMENT OF RESEARCH EXPENSES

The research and experimental expenses incurred by a multinational corporation generally will benefit that company in more than one of the countries in which it does business. Thus, even if all of a company's R&D expenses are incurred in the United States, present law requires the company to allocate those expenses between the United States and foreign countries in order to compute its U.S. and foreign source income.

Under Treasury Regulations first issued in 1977, after separating out expenses which are of benefit only in one country, a taxpayer next allocates 30 percent of its deductible R&D expenses to the country where over half of the taxpayer's total deductible R&D expenses are incurred (the "place of performance"). A taxpayer can allocate more than 30 percent of its R&D expenses to the place of performance only if it can establish that a significantly higher percentage is warranted because the R&D reasonably can be expected to have a very limited or long-delayed application outside of that country. After making this "place of performance" allocation, the taxpayer must apportion its remaining R&D deduction on the basis of the relative amounts of its domestic and foreign sales receipts.

Because these regulations do not create a sufficient incentive for businesses to conduct their R&D within the United States, their effective date has been postponed through a series of statutory provisions. Under the most recent of these provisions—which expired on August 1, 1991—64 percent of all U.S.-incurred R&D expenses may be allocated to U.S.-source income, 64 percent of foreign-incurred R&D expenses may be allocated to foreign-source income, and the remainder is allocated on the basis of sales or gross income.

5. TAX CREDIT FOR LOW-INCOME RENTAL HOUSING

The low-income rental housing tax credit is designed to encourage the construction of rental housing for low-income tenants. The tax credit is allowed over a 10-year period for newly constructed, substantially rehabilitated, or newly acquired existing residential rental housing for low-income tenants. For most newly constructed and rehabilitated housing, the amount of the credit is adjusted so that the credit equals 70 percent of the present value of the total qualified expenditures. With respect to existing housing that is acquired and converted to low-income use and newly constructed or substantially rehabilitated property receiving other Federal subsidies, the amount of the credit is equal to 30 percent of the present value of the total qualified expenditures.

A residential rental project qualifies for the low-income housing credit only if (1) 20 percent or more of the rental units are occupied by tenants whose income is 50 percent or less of area median income, or (2) 40 percent or more of the rental units are occupied by tenants whose income is 60 percent or less of area median income. Low-income housing tax credit projects must be maintained as low-income properties for at least 30 years.

6. QUALIFIED MORTGAGE BONDS AND MORTGAGE CREDIT CERTIFICATES

The Qualified Mortgage Bond [QMB] provisions of present law allow State and local governments to issue tax-exempt bonds to finance mortgage loans on single-family owner-occupied residences. These bonds may be used to finance the purchase, or qualifying rehabilitation or improvement, of residences located within the jurisdiction of the issuer of the bonds. At least 95 percent of the net proceeds of the issue must be used to finance residences for first-time buyers who have had no present ownership interest in their principal residence during the 3-year period before their mortgage is executed. This limitation does not apply to mortgagors who receive qualified home improvement or rehabilitation loans. QMB financing is available only to mortgagors whose family incomes do not exceed 115 percent (100 percent for families of fewer than three persons of the higher of (1) the median gross income for the area in which the residence is located, or (2) the Statewide median gross income.)

Different rules apply in "targeted areas," which are defined as (1) a census tract in which at least 70 percent of the families have incomes that are 80 percent or less of the statewide median family income, or (2) an area of chronic economic distress designated by the Secretary of the Treasury and the Secretary of Housing and Urban Development.

7. QUALIFIED SMALL-ISSUE MANUFACTURING BONDS

Interest on certain small issues of private activity bonds is exempt from tax if at least 95 percent of the bond proceeds is used to finance manufacturing facilities or certain land or property for first-time farmers. For this purpose, manufacturing is defined as the production of tangible personal property.

Qualified small-issue bonds are issues having an aggregate authorized face amount of $1 million or less. Alternatively, the aggregate face amount of the issue, together with the aggregate amount of certain related capital expenditures during the 6-year period beginning 3 years before the date of the issue and ending 3 years after that date, may not exceed $10 million.

8. DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS

Individuals who work as employees often receive subsidized health insurance coverage from their employers. Self-employed individuals receive no such benefits. Accordingly, present law provides a deduction for 25 percent of amount paid for health insurance for a taxable year on behalf of a self-employed individual and the individual's spouse and dependents. No deduction is allowable to the extent that the deduction exceeds the self-employed individual's earned income for the taxable year for the trade or business with respect to which the plan providing the medical care coverage is established.

The 25-percent deduction is also available to a more than 2 percent shareholder of an S corporation. For purposes of the deduction, the shareholder's wages from the S corporation are treated as his or her earned income.

No deduction is allowable for any taxable year in which the self-employed individual or eligible shareholder is eligible to participate (on a subsidized basis) in a health plan of an employer of the self employed individual (or such individual's spouse).

9. EXCLUSION FOR EMPLOYER-PROVIDED GROUP LEGAL SERVICES; TAX EXEMPTION FOR QUALIFIED GROUP LEGAL SERVICES ORGANIZATIONS

Present law also allows the exclusion from an employee's income of amounts contributed by an employer to a qualified group legal service plan on behalf of the employee (or the employee's spouse or dependents). The exclusion also applies to any services received by an employee (or the employee's spouse or dependents) and any amounts paid to an employee under a plan as reimbursement for the cost of qualifying legal services. The exclusion is limited to an annual premium value of $70. In order to be a plan under which employees are entitled to tax-free benefits, a group legal services plan is required to fulfill certain requirements. One such requirement is that group legal services benefits may not discriminate in favor of highly compensated employees.

Current law also provides tax-exempt status for an organization the exclusive function of which is to provide legal services or indemnification against the cost of legal services as part of a qualified group legal services plan.

10. TAX CREDIT FOR ORPHAN CLINICAL DRUG TESTING EXPENSES

To encourage companies to develop drugs to treat rate diseases or conditions, a 5 percent nonrefundable tax credit is allowed for a taxpayer's qualified clinical testing expenses for such "orphan drugs." Qualified testing expenses include costs incurred to test an orphan drug after the drug has been approved for human testing by the Food and Drug Administration [FDA], but before the drug has been approved for sale by the FDA. Present law defines a rare disease or condition as one that (1) affects fewer than 200,000 persons in the U.S., or (2) affects more than 200,000 persons if there is no reasonable expectation that businesses could recoup the costs of developing a drug for that condition from U.S. sales of the drug. Rare diseases and conditions include Huntington's disease, myoclonus, ALS (Lou Gehrig's disease), Tourette's Syndrome, and Duchenne's dystrophy (a form of muscular dystrophy).

11. BUSINESS ENERGY TAX CREDITS FOR SOLAR AND GEOTHERMAL PROPERTY

Under present law, a nonrefundable business energy tax credit is allowed for 10 percent of the cost of certain qualified solar and geothermal energy property. Solar energy property that qualifies for the credit includes any equipment which uses solar energy to generate electricity, to heat or cool (or provide hot water for use in) a structure, or to provide solar process heat. Qualifying geothermal property includes equipment which produces, distributes, or uses energy derived from geothermal deposits, but, in the case of electricity generated by geothermal power, only up to (but not including) the electrical transmission stage.

12. MINIMUM TAX EXCEPTION FOR GIFTS OF APPRECIATED TANGIBLE PROPERTY

For purposes of computing alternative minimum taxable income, present law provides that the deduction for charitable contributions of capital gain property—whether real, personal, or intangible—is disallowed to the extent that the fair market value of the property exceeds its adjusted basis. However, a special rule provides that, in the case of any tax year beginning in 1991, this disallowance will not apply to charitable contributions of tangible personal property.

THE LEGACY OF WILLIAM HUDNUT

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. JACOBS. Mr. Speaker, the following article written by David Rohn and published by the Indianapolis News, speaks for itself.

As it indicates, the mayor of Indianapolis and I are good friends. I am among his strongest admirers.

THE LEGACY OF WILLIAM HUDNUT

(By David Rohn)

Sixteen years ago this election day, William Hudnut III was elected mayor of Indianapolis over banker Robert V. Welch by a vote of 124,100 to 109,761.

That same day, Squeaky Fromme was being tried for a recent assassination attempt on President Gerald Ford. The House Intelligence Committee was investigating reports former President Nixon had directed the CIA to secretly supply arms to Kurdish rebels in Iraq.

On television, you could watch "The Waltons," "Streets of San Francisco," "Hawaii Five-O" or "The Mary Tyler Moore Show" and none of them were reruns. At local theaters you could catch first-run showings of "Mahogany," "Jaws," "Benji" or "Rooster Cogburn."

There were no VCR rental places.

The Indiana National Bank Building was the tallest building in the city and the Indiana Pacers, coached by Bobby Leonard, were leading the American Basketball Association. Indianapolis had no NFL football team.

Well, it's still debatable whether professional football has come to Indianapolis. Otherwise this city has undergone a tremedous change in the 16 years that Hudnut has led it.

It is hard to believe after 24 years of unbroken Republican leadership that Hudnut was sweating out that election 16 years ago. He admitted to a reporter that he had been taking tranquilizers to help him get to sleep the previous month because of the stress of the election. On Election Day, Republican officials sent him out to shake hands in the precincts because he was making everyone so nervous fretting about the vote returns.

But, nationally Watergate was still a viable issue that hurt Republican candidates. Inflation was heating up. Locally, some voters were still upset about the passage of Unigov. Others were dubious Hudnut could ever hope to fill the shoes of his predecessor, Richard Lugar.

That would be the last mayoral election when Hudnut would lose sleep.

Being mayor of Indianapolis has come so comfortably and naturally to Hudnut, it is easy to take what he has accomplished here for granted.

Ross K. Baker, a political speech writer, once remarked, "Public life is increasingly an environment where to be a 'quick study' is the standard of intellectual excellence. Politicans tend not to write their own words because they do not think their own thoughts. Speech writers become necessary when public officials are too busy to think."

Hudnut did his own thinking and, for the most part, his own speech writing.

He took the blueprint of Lugar's design, turned it into a reality and then built upon that. Hudnut did this at a time when this community was rent by the most divisive issue any community can expect to encounter—school desegregation. And he survived in an era when most big city mayors were being crushed by the burdens of urban America.

It is a testament to what he has accomplished that most people—especially outsiders—tend to look puzzled when one refers to Indianapolis as "Naptown." It is also a sign of this community's maturity, as well as what Hudnut accomplished in the face of what has beset other cities, that no one any longer feels compelled to point out that apple is our middle name.

In the best sense, Hudnut viewed the mayor's office as pulpit from which to conduct an outreach program. During his four terms in office, there are few hands in this city he has not touched.

He has always campaigned fairly and honestly. It says a lot about this style that one of the people he considers his close friend is Rep. Andrew Jacobs, Jr., against whom he fought two of his toughest political contests.

Today Indianapolis is selecting a new mayor. It may take a while for it to sink in that it's not William Hudnut.

STANLEY WHITMAN

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. LEHMAN of Florida. Mr. Speaker, Stanley Whitman has been a dear friend of mine for many years. Stan Whitman is a man of great insight, integrity, and vision. This vision and determination is reflected in his creation, the Bal Harbour Shops. He has proven that he has economic foresight and a strong business acumen.

In spite of his many achievements, Stanley Whitman maintains his same down-to-earth values. His success, it seems, has impressed everyone but Stan himself.

I would like to share with my colleagues an article that recently appeared in the Miami Herald about Stan's extraordinary achievements.

UPSCALE MALL FORGES AHEAD IN TRYING TIMES

(By Susana Barciela)

Like the Iowa farmer in Field of Dreams, Stanley Whitman has a simple belief: If you build the right mix of shops and mystique, the shoppers will come. It's a credo he has used to develop Bal Harbour Shops, South Florida's mall for the upper crust.

In the midst of a retail slump that has seen venerable chains such as Jordan Marsh close, Bal Harbour tenants are renovating, expanding and opening new stores. The mall itself is spending $2 million this year on improved landscaping, lighting and entrances.

"You either get better or die," said Whitman, 72. "We get better."

The formula has proven successful for a mall that has weathered bad economic times with the good since it opened without any anchors in 1965 at 9700 Collins Ave. Today Bal Harbour has about 100 shops, including anchors Saks Fifth Avenue and Neiman Marcus. Space for a third anchor, 60,000 square feet, has been empty since Bonwit Teller closed in May 1990. That's one of only a handful of vacancies in the 450,000-square-foot mall, which is more than 80 percent occupied.

UPPER ECHELON STORES

Bal Harbour's list of stores reads like a travelogue from Lifestyles of the Rich and Famous: Cartier, Gucci, Louis Vuitton, Gianni Versace and Chanel, among others. If you can't pronounce the name, you probably can't afford the label. And at $3 per hour for parking, window shopping is not for the thrifty. Who it is for are the same people who shop on Madison Avenue in New York, Rodeo Drive in Beverly Hills and Worth Avenue in Palm Beach, according to Whitman.

Last week at Mark Cross, an exclusive leather shop, a woman was interested in buying a luggage set made of American alligator. Shiny black on the outside, the three suitcases come with calfskin covers to protect them from scuffing. The one-of-a-kind set, on sale only at the Bal Harbour store, goes for more than $60,000.

Though jet-setters figure significantly among the customers, what keeps the stores alive are the area's 35- to 55-year-old shoppers with large disposable incomes, said Cynthia Cohen Turk, president of Marketplace 2000, a Coral Gables retail consulting firm.

The mall, not near convenient expressways, is not easy to get to from South Dade or West Broward. But unlike most malls that pull customers because of their location, Bal Harbour draws people to its image. It's not unusual for out-of-town visitors to go shopping there as if it were a tourist attraction.

"Call it a destination. It becomes a shopping experience, an outing for an afternoon or a day," said Stephen Friedman, a broker with CB Commercial Real Estate Group. "Bal Harbour has a name. They've created a tradition over the years."

CONSTANT RENOVATION

Continual refinement of that image has allowed Bal Harbour to maintain its supply of exclusive shops, and the wealthy customers who shop there, Friedman said. Meanwhile, other malls, such as Mayfair Shops, Bakery Centre and The Falls, have tried to create the same formula. None has succeeded.

That formula requires constant renovation to stay competitive, so it's not unusual to see the level of activity that's going on at Bal Harbour, said Turk, the retail consultant. "A mall needs to look fresh. So do its stores," she said. "[Bal Harbour] is not like a regional mall that looks like the last regional mall you went to."

LURING RETAILERS

Bal Harbour's ability to recruit leading retailers, even in down years, has been "superior," Turk said. Many retailers follow stores such as Williams-Sonoma, the upscale kitchen and housewares store that opened at Bal Harbor about five years ago, and The Gap, scheduled to open at the end of this month, she said. Considering The Gap's advertising and clientele, it's the kind of store that brings in the younger, affluent crowd the mall needs.

Another new tenant, Hugo Boss, is scheduled to open in early November. Featuring a German menswear line, this store is owned by race car driver Emerson Fittipaldi. Martine Dailly, store manager, said it'll be the first Hugo Boss shop in the United States. It will sell tuxedoes for $1,200 to $1,500 and suits beginning at $700. That won't faze shoppers at Bal Harbour, where "you have all the best names of Europe and best clients," Dailly said.

Banana Republic, owned by the same parent company as The Gap, is among the shops undergoing major renovation at Bal Harbour. Last week, workers were adding finishing touches to the brightly lit store. Empty wood shelves lined the walls, waiting for merchandise. The store layout, which had been in place for a year, was no longer working, Turk said. The new design is one planned for other stores in the chain.

Mark Cross, the store with the alligator luggage, reopened this month after a two-month renovation that cost upwards of $500,000. Jane Rossi, the chain's regional manager, said all 20 U.S. locations are being redone in the same manner, including stores on Worth Avenue and in Town Center mall in Boca Raton. A Bal Harbour tenant since 1968, Mark Cross had record-breaking sales in 1990 and is doing better than projected this year, Rossi said.

IMAGE IMPROVEMENTS

While new tenants and renovated stores open, the mall is upgrading landscaping and lighting. Whitman said, at a cost of $2 million this year. The goal, he said, is to create a "tropical garden" for shoppers. Pink bougainvillea hang from concrete planters that ring the second floor. Ceiling fans, which line the open-air walkways, provide a constant breeze. About 60 coconut trees have been added to the already lush parking lot. Fountains have been enlarged, and facades facing Collins Avenue are better illuminated.

But constant evolution is not fail-proof. Years ago, Christian Dior opened "the most elegant, European-designed store you've ever seen," Whitman said. But it bombed with Americans.

Today, there's no one in the anchor spot vacated by Bonwit. Randy Whitman, the mall's leasing agent and Stanley Whitman's son, said he has talked to many people about that space. But few specialty department stores have the prestige image that would fit the mall.

Despite the loss of an anchor, the elder Whitman said, overall mall sales are healthy. The number of cars parking to shop at Bal Harbour keeps climbing, up about 9 percent over last year. Even with Bonwit closed for six months, he said, total store sales increased in 1990 to $164 million from $162 million in 1989. This year through August, sales are running about 1 percent below last year.

That isn't enough to worry Stanley Whitman, a Miami Beach native who owns the mall with two brothers. "We own this free and clear. How can we be hurt?" Whitman said.

CAPITAL BANK HONORED AS ONE OF TOP 10 HISPANIC BUSINESSES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize Capital Bank which was recently selected as one of the 10 most important Hispanic businesses in Dade County by the Greater Miami Chamber of Commerce and the Hispanic Heritage Council.

Along with the other businesses, Capital Bank was presented with this award at the Omni International Hotel at a luncheon honoring these distinguished firms. The businesses were selected from a list of the 100 most important Hispanic firms in the United States which was published in Hispanic Business magazine.

Greater Miami Chamber of Commerce president-elect Carlos Arboleya said that these firms were selected for their efforts for the Hispanic community and for their contribution to the economic development of Dade County.

Accepting the award for Capital Bank was director Abel Holtz, who said he was proud to accept the award and be associated with one of the 10 most important Hispanic businesses in Dade County.

I would like to take this opportunity to thank Capital Bank for the contributions it has made to the economy of south Florida, providing economic opportunity, economic development, and employment for the people of the Miami area.

KENTUCKY'S STATE OF THE ART EDUCATIONAL TECHNOLOGY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. MAZZOLI. Mr. Speaker, I wish to commend to the attention of my colleagues the following article from the New York Times of October 30, 1991. This piece illustrates an innovative educational technique that has been adopted by the Kentucky Educational Television Network [KET].

KET uses satellites to beam educational programs originating from Lexington to students in remote areas of the State. While educational programs broadcast via satellite are not uncommon or new, what is new is the key pad system that KET uses in order to provide instant feedback for students. In the key pad system, students are told immediately by video display whether their answers to questions are right or wrong.

This state-of-the-art technology is especially important for Kentucky since large numbers of its students are not able to take classes at advanced levels because, in many cases, the number of students needing this level of instruction is too small to justify hiring teachers.

Thus, the interactive satellite system is especially necessary for the teaching of foreign languages, physics, calculus, and other high level science and math classes. The interactive technology is designed to meet the needs of this day and age—and has the capacity to improve instruction in these vital subjects.

There are 91 Kentucky high schools currently receiving instruction via this satellite system. It is most encouraging to see this kind of innovative and forward-looking educational tool being provided to students in the Commonwealth, and I commend the Kentucky Educational Television Network for its efforts.

TO TEACH DISTANT PUPILS, EDUCATORS IN KENTUCKY TURN ON INTERACTIVE TV

(By Kathleen Teltsch)

Four years ago, educators in Kentucky were already using television sets to connect teachers and students separated by hundreds of miles, but they were casting about for a way to improve that way of teaching by making it interactive.

They found their answer in a sports bar in downtown Lexington.

If patrons watching televised sports could simply push a key pad to predict a football play, they decided, why not equip students in a math, physics or foreign language class with key pads, so they could respond instantly to their distant instructors?

Since then, the key pad technology has been adopted by the Kentucky Educational Television network. The network, a state agency, uses satellites to beam its Star Channels educational programs to students in remote rural areas of the state, and to students in at least 18 other states. In the key pad system, students are told immediately, on a tiny video display, whether their answers are correct and if not, what was wrong.

Distant learning programs broadcast via satellite are not uncommon, but the innovative element in the Kentucky system is the key pad that permits instant feedback. And Kentucky educators say they see a multitude of additional uses down the road.

LOOKING TO THE FUTURE

"We look ahead to broadcasting adult literacy classes, training work forces and teaching about the arts," said Virginia Gaines Fox, chief executive officer of the Kentucky network. "Why, five years from now, our current key pad technique likely will look as primitive to us as the manual typewriter or the Model T."

The network's Star Channels programs already are attracting widespread attention, having drawn visitors from China, Kuwait and other Persian Gulf states interested in sending educational programs to distant locations. The network was also among 10 winners of $100,000 Innovation Awards, given jointly last month by the Ford Foundation and the John F. Kennedy School of Government at Harvard University.

Kentucky's interactive technique was inspired by need, Mrs. Fox said. The state has a large population of students who otherwise would not be able to take some advanced courses, either because their school districts have been unable to find qualified teachers or because the number of students seeking instruction is too small to justify hiring teachers.

Now 91 Kentucky high schools are receiving network classes via satellite, studying physics, calculus, German and Latin. Another 120 schools in other states also are participating. All 1,300 public schools in Kentucky already have the dish antennae needed for remote broadcasting because the Legislature provided $11.4 million in 1987 for a closed-circuit satellite system connected to each school.

STATE INVESTS $30 MILLION

Since 1988, the state has invested $30 million in the program to insure that each school is equipped also with computers, telephone links and key pads. The special key pad was developed with a $500,000 Federal grant.

Typically, classes are made up of 12 students, although some of the more complex instruction may be offered in smaller groups. Students gather in a classroom, a library or some other location equipped with a console, a television set, telephone and the key pads; the outfit costs about $6,000 and schools are expected to raise about half the cost.

The system's instructors broadcast each class, commonly to 50 or 60 schools, from studios in Lexington. During the classes, which last about 50 minutes, they pose frequent questions that students are expected to answer by pushing the appropriate keys on five-by-seven-inch pads.

ERRORS ARE EXPLAINED

For now students are limited to yes-no or multiple-choice responses, but engineers are working on more intricate key pads. The key pads transmit to a computer in the classroom and the computer transmits the data to the network. The data are displayed almost instantly for the instructor.

The students' key pads are equipped with small visual displays, which tell the student if the reply is correct or briefly explain the error. The responses are also tabulated by computer in the studios, so the instructor knows instantly if students are absorbing the lesson. Pupils can also telephone instructors during the lesson to ask added questions. Each class also has a monitor, usually a student teacher but sometimes a parent, who assists the students.

The response from instructors so far is enthusiastic. Chuck Duncan, a physics teacher, said the frequent questioning and feedback had become a strong motivator for students and had enhanced their learning.

"I hesitate to say it, but I think that I have more success in this area with my television students than I did with my face-to-face students," he said.

Another teacher, Ruth Styles, said many students in her German language classes were faring well. But she cautioned that the system worked best with pupils who were highly motivated and independent learners, a conclusion other teachers shared.

NO TWO-WAY VIDEO

The Star Channels system is not without flaws. There is no provision, for example, for two-way video so the teacher can observe the students and respond more easily. In an Ohio experiment, the Ohio Bell Telephone Company and the GTE Corporation are installing a network that will link three elementary schools with Ohio University's School of Education. People at all four locations will be able to see and talk with one another over the network.

Still, supporters tout Kentucky's system as a partial answer to the nationwide clamour for improving instruction in math and science.

"We designed Star Channels not only to meet the needs of students in Kentucky, but to allow other states to copy the model and so provide equality in education across their states," said John Gorman, director of integrated technologies at the network. "Systems such as these are not meant to replace the teachers in the classroom; their purpose is to provide instruction when a teacher is not available."

INTRODUCTION OF THE MELALEUCA CONTROL ACT OF 1991

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. SHAW. Mr. Speaker, today I am introducing the Melaleuca Control Act of 1991. As many of my colleagues are aware, the Florida Everglades is a fragile ecosystem, unique to North America, that is under tremendous environmental pressures. Currently, a weed, called Melaleuca, is invading unchecked into the Everglades, turning the Everglades' wetlands into a monospecific Melaleuca forest. The purpose of my legislation is to control the spread of this noxious weed before the native ecosystems of the Everglades are merely a memory.

Local and State governments in Florida, as well as the Federal Government have spent millions to control this insidious pest. To assist their efforts, my legislation would first, place Melaleuca on the Federal Noxious Weed List [FNWL]; second, direct the Secretary of Agriculture to propose regulations to add the Brazilian pepper and the Australian pine, two other exotic plant pests, to the FNWL; and third, authorize appropriations for construction of a research and quarantine facility for Melaleuca and other noxious weeds that plague Florida.

Melaleuca was introduced to Florida from Australia in the year 1906. It was originally brought in as a potential lumber tree, and to help dry up the Everglades, which was then considered a wasteland. Since then, Melaleuca has spread so rapidly throughout south Florida's native Everglades that it has become a serious pest. It now threatens to permanently replace and eliminate Florida natural plant communities and the animals that live in them. Surveys of Melaleuca show that it infests 400,000 to 600,000 acres of the Everglades, with over 80,000 acres being dense, pure stands of Melaleuca. These pure, monospecific forests of Melaleuca are often so dense that neither animals nor people can move through them.

Melaleuca constitutes a severe problem in south Florida that is literally growing every day. The weed already infests significant parts of the ecosystem in and around the Everglades National Park. The Everglades itself is on the brink of ecological collapse—so sick it might soon be the first national park to be considered environmentally dead. According to the many experts I have consulted with concerning the future of the Everglades, exotic plants, specifically Melaleuca, are the second greatest threat to the park, second only to the continual replenishment of the water supply for the park.

Melaleuca already infests both the Big Cypress National Preserve and the Loxahatchee National Wildlife Refuge. The rest of Florida, as well as all the States which border the Gulf of Mexico, are potentially at risk for Melaleuca to invade their ecosystems.

In brief, Melaleuca is a biological disaster for south Florida. Rampant, uncontrolled growth of the weed drains the Everglades' water without playing any significant positive role in the food chain. The prolific Melaleuca crowds out indigenous plants and wreaks havoc on the food chain. Like kudzu in the South and purple loosestrife in the upper Midwest, Melaleuca is an exotic foreign plant that has no natural enemies here. It is turning a unique environment teeming with life, into a dry, monospecific forest.

Predictions of the spread of Melaleuca indicated that over 50 percent of the Everglades' wetlands would be infested by the end of the century. In many areas, these infestations are well ahead of predictions. Intense and extensive wildfires which have recently plagued the Everglades have only helped to increase their spread.

Another serious problem with Melaleuca is that Melaleuca forests use four to five times more water per acre than do the sawgrass prairies which are usually found before Melaleuca takes over. The Everglades provides all of the water that supplies the Biscayne Aquifer, which is the primary water source for south Florida. With an already overburdened water supply, the addition of Melaleuca to the water recharge system of the Everglades has further lowered our regional water tables. This has strained these already overused water supplies even more.

Luckily, there is a solution to this problem. According to experts most acquainted with the Melaleuca problem, the best, long-range hope for control and suppression of serious, widespread pest plants like Melaleuca is an approach called classical bio-control. What is entailed with classical bio-control is a careful survey of insects, and sometimes pathogens, in the pest plant's native habitat, which in this case is Australia. Once it is determined that such insects exist, the ones deemed most promising are tested in their native habitat to be sure they only feed on the one species of plant you wish to control. It is then tested on native horticultural and ornamental plants that occur in the area where control is desired, in this case, south Florida.

Once the Australian testing is completed, the best insect species would be brought into strict quarantine in specially designed USDA facilities and tested again using strict criteria to again ensure that these insects only eat Melaleuca. Only after this thorough testing are any of the insects released to begin their work. This approach comes from an understanding of the natural history of biology of a species and does not rely on a high-technology quick fix. While chemical control methods can be very useful and quite successful, they are only short-term, stop-gap methods designed to minimize the further spread of Melaleuca until the biological control agents are able to bring it under control.

Although classical bio-control is not widely known to the general public, it is being used on an ever-widening basis to control exotic plant pests. For example, the Corps recently released a biological control agent for waterlettuce, a floating aquatic plant which severely infests Florida. Waterlettuce interferes with recreation, navigation, irrigation, impedes water flow, interferes with water control structures, and acts as a detriment to the public health by providing harborage to certain mosquito larvae. The Corps already spends millions of dollars each year on the removal of exotic aquatic plants in Florida, such as waterlettuce. Hopefully this expenditure can someday safely be reduced when bio-control agents fully take effect.

Currently a Melaleuca bio-control project is under way at the Fort Lauderdale Research and Education Center in Broward County, FL, called the Aquatic Plant Management Lab, which is under the direction of the Agriculture Research Service, an arm of the USDA. Testing in Australia has begun, and over 200 potential insects have been identified. Funding and support for this project is provided by the USDA, the Army Corps of Engineers, the National Park Service, Everglades National Park, the Florida Department of Natural Resources, the South Florida Water Management District, the Dade County Department of Environmental Resources, the Lee County Division of Resource Management, and the Florida Department of Environmental Regulation.

Unfortunately, the major factor that is impeding progress to find a suitable insect to control Melaleuca is the lack of quarantine space. Currently, the Aquatic Plant Management Lab shares a quarantine facility at Gainesville, FL, with the Florida Department of Agriculture and the University of Florida at Gainesville. However, the Gainesville facility is far from the main infestations of Melaleuca and facility space specifically to quarantine insects to control Melaleuca is limited.

Last year, Congress passed at my request as part of the energy and water appropriations bill (P.L. 101–514) a $250,000 appropriation to devise a plan to build a modest quarantine facility in Broward County, FL. To finish this vital project, I have included language in my bill that would authorize a $3 million appropriation. I believe this money will be wisely spent as the Corps has adopted a cost-effective approach to this project; most quarantine facilities cost between $500 to $1,000 per square foot, while this project would only cost $300 per foot for a 6,000 square foot facility.

Additionally, the University of Florida has signaled its intention to donate the land where this quarantine facility will be located. The south Florida Water Management District currently has also committed to give $75,000 annually for a period of 5 years to support Melaleuca research overseas.

Although this facility will be primarily used to battle Melaleuca, it can also be used to quarantine insects for other exotic plants. Among these would be hydrilla and water hyacinth, which both clog and choke Florida's numerous waterways and canals. The Brazilian Pepper and the Australian Pine, two other exotic plant species which threaten the Everglades' natural ecosystems, could also be studied there.

On a different front, I have been trying for over 2 years to have the USDA list Melaleuca on the FNWL. I am pleased to report that after long negotiations, the USDA finally agreed on October 16, 1991, to propose regulations that would list Melaleuca on the FNWL.

The base of local support for listing Melaleuca as a noxious weed is very diverse. In the past, absence of a more concentrated Federal effort to control Melaleuca infestation by the USDA, numerous Florida counties, communities, and groups as well as the State itself have taken their own initiatives. Florida has already declared Melaleuca a noxious weed, making the growth and sale of the plant illegal in the State. Both Broward and Dade, Florida's two largest counties, have passed resolutions asking for Melaleuca to be added to the list of noxious weeds. Furthermore, the counties of Broward, Dade, Martin, Collier, Lee, Palm Beach, and Charlotte have passed legislation designed to help control the spread of Melaleuca.

Communities such as Hollywood, St. Lucie, and Sanibel Island have passed ordinances that restrict the use of Melaleuca or require its removal from public lands. Finally, the entire Florida congressional delegation, the State of Florida Department of Natural Resources, Friends of the Everglades, Everglades National Park, and the Exotic Pest Plant Council have also asked USDA to list Melaleuca.

The reason most often given by the USDA in the past for not listing Melaleuca has been that Melaleuca is not new—it was introduced in 1906 and it is widely prevalent, and therefore not eligible for inclusion on the Federal Noxious Weed List. However, there are a number of plant species that were listed as Federal noxious weeds in the 1970's and early 1980's that were first collected in the late 1800's or early 1900's in the United States—Imperata brasiliensis, 1905; Ipoema triloba, 1916; Galega officinalis, 1981. Hence, the USDA's position, prior to its decision to hold this public hearing, had been inconsistent with its past actions.

Regarding the "widely prevalent" clause, the USDA defines "widely prevalent" as finding the plants in two or more States. Since Melaleuca is found in at least four states, it is, by this definition, not eligible. However, witchweed, which is found in North and South Carolina, was listed in 1976. Additionally, what if a newly introduced noxious weed inhabits only a 20-acre area, but that area happens to cross Florida, Georgia, and Alabama State lines? Nature does not respect political boundaries.

In view of the USDA's past actions with other weeds, some of which I detailed above, Melaleuca can be, and should be, added to the noxious weed list. Although I am happy that the USDA has finally taken action on this matter, I have nevertheless, because of bureaucratic delays, felt compelled to include in my bill language that would add Melaleuca to the FNWL regardless.

Allow me to also address one of the main reasons the USDA has been hesitant to list Melaleuca because of the supposed negative economic effect such an action would have on Florida's honey industry. It is estimated that 25 percent of Florida's $12 million a year honey harvest is derived from Melaleuca, and another noxious weed, the Brazilian pepper. Is giving up the Everglades, which is priceless, worth the comparatively little sum made from Melaleuca-derived honey, which cannot even be sold as a table honey because of its foul and rancid taste? Cannot the bees instead pollinate native plant species, which presumably would take the place of Melaleuca?

A 1989 Miami Herald editorial, in support of adding Melaleuca to the State noxious weed list, states,

> In the years that it will take to eradicate these invaders, beekeepers will have ample opportunity to find new sources of pollen. Years ago, after all, Florida beekeepers relied on native palmettos.

In my opinion, keeping Melaleuca off the Federal Noxious Weed List because of its damage to the honey industry is patently ridiculous, and everybody knows it.

I am fully cognizant of the fact that adding Melaleuca to the Federal Noxious Weed List in itself will not solve the Melaleuca problem. It will, however, be yet another useful weapon to use against this insidious pest. Listing this weed will give Melaleuca the Federal recognition it deserves, and it will heighten public awareness of the problem.

In conclusion, let me state that experts have told me that the second greatest threat to the Everglades is posed by the invasion of exotic plants, and Melaleuca is the number one invasive plant—water quality and quantity problems are the first. Finally, almost a century after Melaleuca's introduction to Florida, a remarkable coalition including Congress, Federal agencies, State agencies, county agencies, concerned scientists, and environmentalists have coalesced to fight this threat head-on, instead of piecemeal. Congressional support last year was the catalyst in giving the Corps the resources it needed to demonstrate that the Federal Government was indeed serious about this threat. Continued support from the Congress is crucial if we are to finish the job and check this problem once and for all.

Mr. Speaker, I am pleased that a majority of my colleagues from Florida have joined me in introducing this important legislation. I am also gratified that Congressman EVANS, NOWAK, LAGOMARSINO, and HORTON have agreed to become original cosponsors of this bill. Although Melaleuca is not a problem in either Illinois, California, or New York, those Members have their own biological pollution problems, and obviously can sympathize with Florida's plight. I thank them for their support.

ANNAPOLIS CHAPTER NO. 286 OF THE AMERICAN HELLENIC EDUCATIONAL PROGRESSIVE ASSOCIATION CELEBRATES 60TH ANNIVERSARY

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to congratulate and pay tribute to the Annapolis Chapter No. 286 of the American Hellenic Educational Progressive Association [AHEPA] which is celebrating its 60th anniversary this year on November 16, 1991. I am a proud member of the Silver Spring, MD, chapter of this fraternity which promotes the principles of education, sports, and good government.

AHEPA was founded in Atlanta, GA, on July 26, 1922, to provide education and principles of American government to Greek immigrants entering the United States. Throughout its existence, AHEPA has evolved to being active in community civic programs and raising money and providing scholarships for students going to college.

I am sure I speak on behalf of all the members of this fine association who are proud of the work they have accomplished for their communities and fulfilling the dreams of students upon entering college. In celebrating AHEPA's 60th anniversary, I am looking forward to continuing to work with our members to inform young Americans on the virtues of a good education, involvement in sports, and active participation in our democratic system.

DR. H. LEWIS BATTS, JR.

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. WOLPE. Mr. Speaker, I rise to pay tribute to a constituent and very special friend of mine, Dr. H. Lewis Batts, Jr., professor of biology emeritus at Kalamazoo College and executive director emeritus of the Kalamazoo Nature Center. On Thursday, November 21, 1991, Lew will be presented with the E. Earl Wright Community Achievement Award. The award is presented annually to an individual who has made a significant impact on the quality of life in Kalamazoo County.

An ecologist of international reputation, Lew Batts has throughout his life combined the roles of a distinguished academic and committed citizen-activist. And his environmental teachings and advocacy have made their mark on a wide variety of institutions and individuals.

I have felt enormously privileged to have been one beneficiary of Lew's insights and ecological wisdom. Indeed, no individual was more responsible for my own environmental awakening. It was Lew that helped me, as he has helped so many others, to understand that the survival of all humankind is dependent upon our taking steps now to protect that very fragile ecosystem of ours. For over 20 years, Lew Batts has been both a friend and a mentor and I am delighted that he is to be this year's recipient of Kalamazoo's most prestigious community service award.

Lew first came to Kalamazoo in 1950, having accepted an appointment as a biology instructor at Kalamazoo College, where he taught for 30 years. When a secluded nature preserve in Kalamazoo was threatened by development, Lew took a year's leave of absence from the college to organize a group of concerned citizens to protect the endangered area. Two million dollars were raised to purchase the property that was to become the site of the pioneering Kalamazoo Nature Center, a remarkable institution devoted to environmental preservation and education.

Lewis Batts' commitment to community service reaches far beyond his creation of the Nature Center. Over many years, he has invested both time and seemingly endless energy to a vast array of community and professional organizations: The American Association of University Professors, the American Association for the Advancement of Science, the Association of Interpretive Naturalists, the Boy Scouts of America, the Ecological Society of America, the National Audubon Society, the National Park Association, the Sierra Club, the Rotary Club, Lake Michigan Federation, the Nature Conservancy, the Wilderness Society, and many others. Lew has often been called upon to lend his environmental expertise to public policymakers at State and national levels as well as in the local community. He was, in addition, a founding trustee of the important Environmental Defense Fund—an organization which has grown to include over 50,000 members nationwide since its inception in 1967. And I was privileged a few years ago to recruit Lew Batts to the board of the Congressional Environmental and Energy Institute.

Lew's sensitive and caring leadership has been repeatedly recognized by his friends and colleagues. He has been the recipient of the Kalamazoo Sertoma Club Service to Mankind Award; the Malta VIII Golden Knight International Amateur Film Festival Bronze Knight Award for his documentary, "Birds in New Zealand"; the Four Star Nature Photographer Award by the Photographer Society of America; and, most recently, the 1991 Michigan Alliance for Environmental and Outdoor Education Julian W. Smith Award.

Mr. Speaker, I am certain that my colleagues will want to join with me in saluting Dr. H. Lewis Batts, Jr., for his outstanding contributions to his community and to the Nation. No matter how many awards and tributes we bestow upon him, we will never be able to adequately acknowledge the tremendous debt we owe to this very special individual. His multiple contributions to the cause of environmental stewardship make him truly deserving of the E. Earl Wright Community Achievement Award.

STANLEY WHITMAN FORGES AHEAD DESPITE RECESSION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Stanley Whitman, the owner of Bal Harbour Shops, who was recently featured in the Miami Herald. The article "Upscale Mall Forges Ahead in Trying Times," by Susana Barciela, tells how Stanley Whitman continues to renovate and expand his mall despite a retail slump:

Like the Iowa farmer in Field of Dreams, Stanley Whitman has a simple belief: If you build the right mix of shops and mystique, the shoppers will come. It's a credo he has used to develop Bal Harbour Shops, South Florida's mall for the upper crust.

In the midst of a retail slump that has seen venerable chains such as Jordan Marsh close, Bal Harbour tenants are renovating, expanding and opening new stores. The mall itself is spending $2 million this year on improved landscaping, lighting and entrances.

"You either get better or die," said Whitman, 72, "We get better."

The formula has proven successful for a mall that has weathered bad economic times with the good since it opened without any anchors in 1965 at 9700 Collins Ave. Today, Bal Harbour has about 100 shops, including anchors Saks Fifth Avenue and Neiman Marcus. Space for a third anchor, 60,000 square feet, has been empty since Bonwit Teller closed in May 1990. That's one of only a handful of vacancies in the 450,000-square-foot mall, which is more than 80 percent occupied.

Bal Harbour's list of stores reads like a travelogue from Lifestyles of the Rich and Famous: Cartier, Gucci, Louis Vuitton, Gianni Versace and Chanel, among others. If you can't pronounce the name, you probably can't afford the label. And at $3 per hour for parking, window shopping is not for the thrifty. Who it is for are the same people who shop on Madison Avenue in New York, Rodeo Drive in Beverly Hills and Worth Avenue in Palm Beach, according to Whitman.

Last week at Mark Cross, an exclusive leather shop, a woman was interested in buying a luggage set made of American alligator. Shiny black on the outside, the three suitcases come with calfskin covers to protect them from scuffing. The one-of-a-kind set, on sale only at the Bal Harbour store, goes for more than $60,000.

Though jet-setters figure significantly among the customers, what keeps the stores alive are the area's 35- to 55-year-old shoppers with large disposable incomes, said Cynthia Cohen Turk, president of Marketplace 2000, a Coral Gables retail consulting firm.

The mall, not near convenient expressways, is not easy to get to from South Dade or West Broward. But unlike most malls that pull customers because of their location, Bal Harbour draws people to its image. It's not unusual for out-of-town visitors to go shopping there as if it were a tourist attraction.

"Call it a destination. It becomes a shopping experience, an outing for an afternoon or a day," said Stephen Friedman, a broker with CB Commercial Real Estate Group. "Bal Harbour has a name. They've created a tradition over the years."

Continual refinement of that image has allowed Bal Harbour to maintain its supply of exclusive shops, and the wealthy customers who shop there, Friedman said. Meanwhile, other malls, such as Mayfair Shops, Bakery Centre and The Falls, have tried to create the same formula. None has succeeded.

That formula requires constant renovation to stay competitive, so it's not unusual to see the level of activity that's going on at Bal Harbour, said Turk, the retail consultant. "A mall needs to look fresh. So do its stores," she said. "[Bal Harbour] is not like a regional mall that looks like the last regional mall you went to."

Bal Harbour's ability to recruit leading retailers, even in down years, has been "superior," Turk said. Many retailers follow stores such as Williams-Sonoma, the upscale kitchen and housewares store that opened at Bal Harbour about five years ago, and The Gap, scheduled to open at the end of this month, she said. Considering The Gap's advertising and clientele, it's the kind of store that brings in the younger, affluent crowd the mall needs.

Another new tenant, Hugo Boss, is scheduled to open in early November. Featuring a German menswear line, this store is owned by race car driver Emerson Fitipaldi. Martine Dailly, store manager, said it'll be the first Hugo Boss shop in the United States. It will sell tuxedos for $1,200 to $1,500 and suits beginning at $700. That won't faze shoppers at Bal Harbour, where "you have all the best names of Europe and best clients," Dailly said.

Banana Republic, owned by the same parent company as The Gap, is among the shops undergoing major renovation at Bal Harbour. Last week, workers were adding finishing touches to the brightly lit store. Empty wood shelves lined the walls, waiting for merchandise. The store layout, which had been in place for a year, was no longer working, Turk said. The new design is one planned for other stores in the chain.

Mark Cross, the store with the alligator luggage, reopened this month after a two-month renovation that cost upwards of $500,000. Jane Rossi, the chain's regional manager, said all 20 U.S. locations are being redone in the same manner, including stores on Worth Avenue and in Town Center mall in Boca Raton. A Bal Harhour tenant since 1968, Mark Cross had record-breaking sales in 1990 and is doing better than projected this year, Rossi said.

While new tenants and renovated stores open, the mall is upgrading landscaping and lighting. Whitman said, at a cost of $2 million this year. The goal, he said, is to create a "tropical garden" for shoppers. Pink bougainvillea hang from concrete planters that ring the second floor. Ceiling fans, which line the open-air walkways, provide a constant breeze. About 60 coconut trees have been added to the already lush parking lot. Fountains have been enlarged, and facades facing Collins Avenue are better illuminated.

But constant evolution is not fail-proof. Years ago, Christian Dior opened "the most elegant, European-designed store you've ever seen," Whitman said. But it bombed with Americans.

Today, there's no one in the anchor spot vacated by Bonwit. Randy Whitman, the mall's leasing agent and Stanley Whitman's son, said he has talked to many people about that space. But few specialty department stores have the prestige image that would fit the mall.

Despite the loss of an anchor, the elder Whitman said, overall mall sales are healthy. The number of cars parking to shop at Bal Harbour keeps climbing, up about 9 percent over last year. Even with Bonwit closed for six months, he said, total store sales increased in 1990 to $164 million from $162 million in 1989. This year through August, sales are running about 1 percent below last year.

That isn't enough to worry Stanley Whitman, a Miami Beach native who owns the mall with two brothers. "We own this free and clear. How can we be hurt?" Whitman said.

I am happy to pay tribute to Stanley Whitman by reprinting this article from the Miami Herald. I am proud that his mall, Bal Harbour Shops, is located in my district, and has continued to grow and prosper since 1965.

NEW ROCHELLE VETERANS DEDICATE MEMORIAL

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mrs. LOWEY of New York. Mr. Speaker, after 2 years of dedicated work, New Rochelle's United Veterans Memorial and Patriotic Association this year marks Veterans Day by dedicating a memorial to 20th century veterans of that community. That memorial is the product of constant commitment to this very appropriate recognition for those who have served this Nation without reservation over the years.

It is my privilege to be part of the ceremonies which pay tribute to thousands of brave individuals who have stood up for this great Nation in the most difficult of times. Veterans Day is a time to remember the sacrifices that individual Americans have made for all of us. But it is also a time for all Americans to commit ourselves to those who have served in our Armed Forces. The sad reality is that, for too long, this Nation's response to the needs of American veterans has been woefully inadequate. Today, I rise to state without equivocation that I will fight with every ounce of my strength to see that, at long last, programs designed to meet the most basic needs of our veterans: health care, education, housing, receive the resources that they need.

I can think of few inequities more self-evident and more unjust than for an individual who has served our Nation in time of war to then be turned away when he or she is in need of help. I cannot comprehend how we, as a nation, can allow that to happen, but it does all too often. As the veterans of New Rochelle dedicate this memorial, I dedicate myself to ensuring that our veterans are not forgotten by their fellow citizens. I dedicate myself to ensuring that America's veterans have the honor and respect they deserve and that they are able to lead lives of dignity.

New Rochelle's veterans memorial is a reflection of the commitment and dedication of many in our community, but special recognition goes to New Rochelle's American Legion Post 8 and its commander, Bill Kummerer, who have led the effort to make this tribute a reality. I commend them for that work and for all that they do, day in and day out, on behalf of their fellow veterans.

THE ARCHBISHOP OF ZAGREB CALLS FOR AN END TO SERBIAN AGGRESSION IN CROATIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. BROOMFIELD. Mr. Speaker, all of us are deeply disturbed by the ongoing conflict in Croatia. Since June, over 3,000 people have been killed, thousands more wounded and nearly 400,000 displaced. Property damage is massive, with historic churches and cultural sites destroyed. At this moment, the historic old city of Dubrovnik may be under fire from the guns of the Serbian-led Yugoslav National Army. All of this is the work of Slobodan Milosevic, a Serbian nationalist, who is destroying Yugoslavia in an effort to build a greater Serbia. Meeting with the European Community in The Hague last week, President Bush concluded that further actions were needed "to hold accountable those who place their narrow ambitions above the well-being of their people" in Yugoslavia.

I recently met with His Eminence Franjo Cardinal Kuharic, the Archbishop of Zagreb, and share his great distress over the suffering of the Croatian people and the destruction of that beautiful land. Addressing the National Conference of Catholic Bishops in Washington recently, the archbishop shared his thoughts on how the world community can end the terrible war of aggression in Croatia.

In an official statement at the conference, the organization's president, Archbishop Daniel E. Pilarczyk, condemned the pernicious, unjust war being waged against the people of Croatia. He further stated that "the continuing assault on Dubrovnik represents a particularly blatant attack on innocent civilians and a disregard for the cultural heritage of not only the Croatian people but of the entire world. These acts of indiscriminate and disproportionate violence clearly violate the most fundamental legal and moral norms governing the use of force."

I join Archbishop Franjo Cardinal Kuharic in hoping that justice and peace will soon come to his troubled country and want to share with my collegues in the Congress the full text of his address.

ADDRESS TO NATIONAL CONFERENCE OF CATHOLIC BISHOPS

(By Franjo Cardinal Kuharic, Archbishop of Zagreb, President of the Bishops' Conference, November 11, 1991)

Your Eminences, Most Reverend Cardinals, Your Excellencies, Most Reverend Archbishops and Bishops:

It is indeed a great honor and joy for me to greet you as you gather for the Fall meeting of the American Conference of Bishops.

I express thanks to Almighty God and to all of you for this opportunity. I join with you in prayer that the Holy Spirit guide your deliberations and aid in the decisions which you will make that the Church may even more effectively serve the moral and spiritual needs of the people in your great country, the United States of America. Numbered among the citizens of your land there are more than two million Croatians who through their work and honest endeavors contribute to the well-being of America. They have come to this blessed land from Croatia bringing with them their identity, culture and language, which springs from a glorious history of more than thirteen centuries. United with the Catholic Church, the thought and culture of the Croatian people is firmly linked to that of Western Europe.

Today as I come to your midst from Croatia, it is a land which is being torn apart by a horrible war that is being waged upon it from the outside. This war is attempting to destroy all freedom and democracy and is striking at the culture as well as history of the Croatian people, so their very existence is now in jeopardy. This is a war of aggression being waged by the federal army under the leadership of Serbian generals who are in league with the extremist movement which seeks now to create a greater Serbia. This war is further fueled by the communist ideology which they are holding on to, confident they can maintain to revive the fallen socialist system. War is a horrible catastrophe, expecially in the devastation it heaps upon people and nations.

After the fall of communism, under which the Church was very persecuted and oppressed and peoples and nations were brutally maltreated because of their beliefs, there now came a ray of hope that this new movement to democracy would bring about the long-awaited peace, justice and freedom. Alas, instead we have war!

Many of our Croatian cities and countless more villages are under constant attack by heavy artillery, tanks, missiles, and planes. Many villages have been totally wiped away and the people driven into exile. A large number of towns and cities are threatened with total annihilation, among them Dubrovnik and Slunj, which are now encircled. Vukovar is entirely demolished. More than 2,000 persons, including small children, are living in the most inhumane conditions in cellars among the ruins. The number of Croatian refugees exceeds 400,000. Those who fled to Dubrovnik for safety in the tourist hotels now are being bombarded and these places destroyed.

The war is bringing severe suffering and hardship to the Church as well as the people. It is a concerted attack on the Church as Church. More than 200 church buildings, monasteries and rectories have been completely destroyed or severely damaged. More than 180 parishes in Croatia have been totally obliterated because the priests and people have been forced out and into exile. Their homes were looted and pillaged, then destroyed. There are known incidences where older persons refused to leave their homes and were massacred and set on fire in their own dwellings. The wounded or those taken captive are treated in the most brutal way. Eye-witness accounts which have reached us from those who returned home told shocking stories of the actions of the terrorists, including their methods of torture. They utterly disregard any international laws or conventions which forbid such actions. These same aggressors do not spare public or private residences, hospitals, cultural monuments, or factories. The territories which they occupy are sealed off so there can be no outside observation or control.

This is the situation in which we find ourselves! The church, however, still continues to work for peace, for the respect of legitimate borders as well as respect for the rights of all people, so that with freedom and justice they can all live together in peace and security. It is for this reason that the highest representatives of the Catholic and Serbian churches held meetings twice this year, in May and then again in August. Each time we issued a joint resolution appealing for peace and dialogue. We firmly expressed our opposition to violence.

Unfortunately, those who are determined to achieve their goals by force do not heed any appeals, but rather continue their violent and destructive deeds of murder and war, bringing about untold sufferings to the civilian population, including hundreds of children.

This war is a shame to a democratic and free world!

The greatest step towards bringing this war to an end would be the recognition of a free Croatia and Slovenia where the people voted by a 95% majority in favor of freedom and independence. The same holds true for others who desire this same freedom. The Church considers this a matter of justice. With this in mind, we appeal for the support of the Catholic Church in the United States. We will always be grateful to the Church in America for its help and support given us during the period of great trial under communist oppression. The Church as well as the Croatian people were the beneficiaries of your magnanimous help and support. An extraordinary example of this, among the countless other things you did, was your outstanding defense of the innocence of the great champion and defender of the rights of the people and the freedom of the Church, the late and beloved Archbishop of Zagreb, Aloysius Cardinal Stepinac.

My beloved brother Bishops, we are asking your solidarity with those who are suffering. We seek your support for those in my homeland who now struggle for peace and freedom. I thank the Church in this great land of freedom for your prayers for peace in our land. The several statements of solidarity and support for Croatian self-determination which have been made by this Conference of bishops and so many of its members individually, have been a source of great encouragement at a most difficult time for us. I am most grateful for the aid of Catholic Relief Services and to your other charitable organizations, in which a great number of people of Croatian descent participated, to provide medicines, food, clothing and other necessities of life for our refugees who have been driven from their homes without any of their possessions. In these most tragic days, we place our trust in the Holy Mother of God, Our Lady, Queen of Peace. We wish to live in peace and harmony with everyone, and pray that all people in our area have that same peace and freedom! "Peace is the first fruit of justice!" (Isaiah). With my deepest sentiments of esteem, fraternal love and gratitude, I join my prayers with yours today asking God's blessing upon the Church in your beloved America which is so dear to all of you.

God Bless you!

RECREATIONAL BOAT FEE SHOULD BE REPEALED

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. TALLON. Mr. Speaker, I rise today to urge my colleagues, as they consider any tax relief package, to start out by first repealing the recreational boat fee which was inflicted on the public as part of the budget agreement. Recently, we have finally started talking about ways in which we can use the Tax Code to stimulate the economy via forward thinking measures to encourage retirement savings, reduce the tax burden on working families, and reduce the payroll tax. Before we embark on these ventures, let's send a signal that we are willing to break with the past and discard some of the bad ideas which have a lot of my constituents wondering what we're doing here.

A prime example of the old approach is the recreational boat user fee. It's called a fee, but most people's idea of a fee is a charge for which you get some kind of service in return. Here, however, the fee goes straight into the general Treasury, with no assurance that any of the money will go into improving services which these boaters use. In addition, the implementation of this fee has left honest citizens who are trying to comply with this new tax confused and frustrated.

My constituents are left seeing a Congress which is slow to respond to vital problems, lax in its duties to locate and cut out Government waste, yet willing to spend energy in an effort to squeeze every new dime it can from the taxpayer. Now the people in my district cannot even find solace on a Saturday afternoon in their fishing boat; they have to pay for this privilege as well.

I know a lot of you agree that this fee is a bad idea; 412 of you voted in support of a resolution urging repeal of the boat fee. I want to solicit your help again, as we consider other tax measures, to support H.R. 534, which would repeal the recreational boat fee.

As we consider bold and innovative ways to get much needed relief to the American taxpayer and stimulate the economy, let's as a first order of business, let's pull the plug on this unwise tax.

A TRIBUTE TO LAWRENCE BRITT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. HUBBARD. Mr. Speaker, I take this opportunity to pay tribute to Lawrence Britt, a longtime, dear friend of mine who died November 10 at Community Hospital in my hometown of Mayfield, KY.

Lawrence Britt, age 78, was a resident of Route 2, Wingo, KY, a dedicated Christian who was a deacon and leader at Wingo Baptist Church, chairman of the commissioners of South Graves County Water District, and a former employee of the Kentucky Highway Department.

Again, Lawrence Britt was my dear friend—one I admired. He was one of the most admired and best liked men in my home county of Graves.

In 1967, when I first sought public office as a State senator, Lawrence Britt was my Graves County co-chairman.

In 1974, when I was seeking to become a U.S. Representative, Lawrence Britt again was my Graves County cochairman.

Many people in south Graves County realize that Lawrence Britt—more than anyone else—was responsible for the South Graves County Water District.

Last night, as I discussed the accomplishments of Lawrence Britt with his lovely and talented wife, Lucille Britt, we talked about the many ways Lawrence Britt helped others and worked toward progress for western Kentucky.

Understandably, a large crowd visited Brown Funeral Home in Wingo last night to pay tribute to Lawrence Britt. And today, a large crowd attended his funeral service in Wingo.

Other survivors of Lawrence Britt include three daughters, Barbara N. Suthard, Brooksville, FL; Annetta (Butch) Tucker and Lana K. Pate, both of Wingo; one son, Robert Gregory Britt, Louisville; two sisters, Ivern Waggoner and Olene Myatt, both of Wingo; four grandchildren and four great-grandchildren.

My wife Carol joins me in extending our sympathy to the family of this outstanding man, Lawrence Britt.

TRAGEDY IN THE PHILIPPINES

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. CUNNINGHAM. Mr. Speaker, the people of the Philippines wonder what could possibly happen next.

First, the eruption of Mount Pinatubo wiped a tribal village off the map, sending mudslides where crops once grew. The city of Olangapo is still digging out. And our Nation's own Clark Air Base is damaged beyond repair.

Then, last Tuesday, Tropical Storm Thelma struck the islands of Leyte and Negros, killing thousands, and leaving tens of thousands homeless. The news today suggests that another killer typhoon is on the way.

For generations, the United States has maintained a special relationship with the people of the Philippines. The Filipino people have served our Nation with distinction in the U.S. Armed Forces, most recently in Operation Desert Storm. And even though we are now in the process of turning over Subic Bay Naval Station to the Philippines, the close ties between our two nations will surely continue.

The Government of the United States, in association with private charitable organizations, should work to relieve the unimaginable human suffering of the Filipino people who are so burdened by successive natural disasters. These hurting people have families in America, many of whom live in my home town of San Diego.

In the name of humanity, we who have been blessed with good fortune ought to reach out a helping hand to the people of the Philippines.

For the RECORD, I enclose an article from the Associated Press which summarizes the tragic situation in the Philippines:

BULLDOZERS SPEED MASS BURIALS; AID RUSHED TO SURVIVORS

(By Oliver Teves)

ORMOC, PHILIPPINES.—Workers used dump trucks and earth movers to speed the mass burials of bodies today, fearing a spread of disease after more than 3,400 people died in floods and landslides in the central Philippines.

Roman Catholic priests offered prayers and sprinkled holy water as bulldozers covered the graves. More than 2,000 people were still missing after Tropical Storm Thelma inundated Leyte and Negros islands on Tuesday.

President Corazon Aquino rushed emergency food and medicine to Leyte, 350 miles southeast of Manila.

Officials said 3,009 people were killed in Ormoc, a once-thriving port and agricultural center of about 160,000 people. The city was hardest hit by the storm, which dumped 6 inches of rain on steep mountainsides left barren by unchecked logging, triggering huge mudslides.

At least 435 deaths were reported elsewhere on Leyte and Negros, according to the Office of Civil Defense.

The mayor of Ormoc, Maria Victoria Locsin, said 700 unclaimed bodies had been buried in mass graves and about 600 others would be covered up as soon as possible to prevent disease. Dump trucks today carried bodies to the grave sites.

Elsewhere, families could be seen burying their dead.

U.S. officials said the military would fly two C-130's with food and other supplies Saturday from Subic Bay naval base to Tacloban, 45 miles northeast. The supplies include 55,000 combat meals, Subic deputy spokesman Bob Coble said.

The government estimated damage at $14.6 million and said it would ask U.N. General Assembly members for relief.

Japan said it will donate $1 million in relief aid.

Pope John Paul II said he hoped the world would help the Philippines. It is Asia's only predominately Roman Catholic country.

Ormoc city health officer Dr. Celso Adolfo said it was difficult to make an accurate death count because many people were finding and burying their kin without notifying authorities.

Most of the bodies lying in the streets have been collected. But others are washing up on the shore, and residents believe some are submerged under tons of debris in the harbor.

Mrs. Locsin said the city urgently needed food, medicine, drinking water and fuel. Although Ormoc is an agricultural center, thousands of sacks of rice were destroyed. Residents dried mud-covered rice in the air.

"I was on my way home when I was met by water neck-deep," said Shirley Erlado, a 34-year-old market vendor who lost her husband and six of her seven children. "When I got there, we no longer had a house."

Representative Carmelo Locsin, the mayor's husband, blamed the devastation on illegal logging which had depleted vegetation, nature's protection against landslides in the nearby mountains. Freshly cut logs were amid the debris in Ormoc.

Elsewhere, former First Lady Imelda Marcos visited areas ravaged by June's eruption of the Mount Pinatubo volcano and handed out money and sacks of rice to refugees. Huge crowds lined the roadways in central Luzon to welcome Mrs. Marcos, who returned to the Philippines this week after six years in exile to face embezzlement and fraud charges.

Mrs. Marcos was accompanied by 50 Filipino-American doctors she brought from New York to help treat diseases that have claimed more than 570 lives since the eruptions began.

IN RECOGNITION OF CLYDE FOLLEY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mrs. ROUKEMA. Mr. Speaker, the Boy Scouts of America are a unique organization. When most think of the Boy Scouts, the image that immediately comes to mind is the young man, dressed in his khaki uniform, escorting the elderly woman across the street. While I'm sure no Scout would pass up that chance to lend a helping hand, for Clyde H. Folley and the Bergen Council of the Boy Scouts of America, Scouting has meant so much more. It is for that reason that on Tuesday, November 12, 1911, the Bergen County, New Jersey Council of the Boy Scouts of America will gather to recognize this native son of New Jersey with the Good Scout Award.

The Good Scout Award is presented to an individual who has been extremely supportive of Scouting through his good works in his community and who has distinguished himself in his life work. Few meet these criteria as fully as Clyde Folley. Few more perfectly fit the definition of role model for young Americans. His career as a successful leader of the business community mirrors his dedication to our youth and the quality of life in New Jersey.

A lifelong resident of New Jersey, Clyde Folley was born in Fort Lee in 1927 and now resides in Oradell, NJ. He graduated from Pace University in 1950 with a B.B.A. degree.

Clyde H. Folley joined Ingersoll-Rand Co. in 1981 as senior vice president and chief financial officer. In 1986 he was named vice chairman and was elected to the board of directors of the company. He continues to serve as chief financial officer. Under his guidance, Ingersoll-Rand has become a solid, world-renowned Fortune 500 company.

Prior to his association with Ingersoll-Rand, Mr. Folley has been a partner of Price Waterhouse and a member of its policy board. A leader in his field of corporate finance, Mr. Folley serves as a director of United Jersey Bank, Giddings & Lewis, Inc., and Faber-Castell Corp. He is the current chairman and a director of the New Jersey State Chamber of Commerce. In addition, Mr. Folley is a past chairman of the Commerce and Industry Association of New Jersey.

Mr. Folley joined the executive board of the Bergen Council of Boy Scouts in 1988. He served as president from 1988 to 1990 and continues to be a member of the executive board. Under his leadership, the council was able to expand in many ways, not only in growth of number of youth served but, more importantly, in the quality of programs serving the youth of Bergen County. A kind word, an optimistic attitude, and a winning smile exemplify the way Clyde Folley looks at the world and his impact on today's youth. His enthusiasm, respect for his fellow man, and creative ideas have led the youth of Bergen County to great heights.

Finally, Mr. Speaker, Clyde Folley has not forgotten the Scout lessons of community and to help other people at all times. In that effort, Mr. Folley has served as a trustee of the United Way of Essex and West Hudson for 8 years. He was president of the Newark Day Center and served on the organizations' board of trustees for 14 years.

Mr. Speaker, scouting brings boys of common interests together and provides a camaraderie that builds freindships and nurtures character. I can think of few who are better role models for our youths than Clyde Folley. That is why I urge my colleagues in the U.S. House of Representatives to join with the Bergen County Council of the Boy Scouts of America and me in congratulating Clyde H. Folley as he receives the Good Scout Award.

LITTLE HAVANA ACTIVITIES AND NUTRITION CENTER KEEPS AIDING THE ELDERLY DESPITE BUDGET CUTS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Miami's Little Havana Activities and Nutrition Center for the way it has handled a recent cut in their State funding. Josefina Carbonell, the center's director, has continued to provide services to the needy by taking some commonsense steps to reduce its budget.

Despite losing $300,000 in State funding for hot meals and transportation for the elderly, the center still feeds 1,400 people at home, and 2,400 at 16 locations throughout Dade County on a daily basis.

The center has also been able to keep its new clinic on track for a scheduled opening later this year, even though $50,000 in State funds for the clinic is threatened by possible budget cuts. The center did this by delaying the clinic's opening from late September to November, using private donations and volunteer retired doctors, and delaying the purchase of some equipment.

The clinic will be the only publicly supported health center serving the neighborhood's aging populations, including many who suffer from chronic health problems.

I am happy to pay tribute to the hardworking members of the staff of the Little Havana Activities and Nutrition Center for their dedication and perseverance in the face of recent budget cuts. They have set an example for other public agencies by using private donations and volunteers to continue providing services to the needy.

RECOGNIZING THE SACRIFICE OF THE AMERICAN AND PHILIPPINE TROOPS AT BATAAN

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. CUNNINGHAM. Mr. Speaker, on November 4, 1991, I introduced legislation which would recognize the sacrifice of the bataan survivors. I am joined in this effort with 42 original cosponsors from both sides of the aisle.

Gen. Douglas MacArthur designated the Bataan Peninsula the center point for American-Philippine resistance to the Japanese invasion of the Philippines. On Christmas Eve 1941, General MacArthur ordered his forces to withdraw to Bataan, where supplies would be stockpiled for a last stand. Because of the jungle it would be difficult for the Japanese to penetrate, but also hard to supply the American troops. For this reason, shortages of food and medicine plagued the Bataan defense force throughout the siege.

On January 9, 1942, Japanese troops forced the American and Philippine troops deeper into the jungle, but at a great cost in Japanese lives. In March, when the United States and Philippine troops seemed to be holding the line, the War Department ordered MacArthur to leave the Philippines. However, shortages in supplies weakened the 100,000 troops that remained.

During this time, the Japanese cut off the possibility of any reinforcements and the new commander, Gen. Jonathan Wainwright, predicted starvation. General MacArthur insisted that Bataan could hold out until May. Unfortunately, this was not the case.

During the week of April 3, 1942, the Japanese renewed their attack on Bataan and within a week Bataan surrendered. The starved survivors were forced to a 60-mile "death march" to prison camp. After fighting valiantly against better-armed Japanese forces, these brave men became the first POW's of the Second World War.

What is so unique about the battles of Corregidor and Bataan is that Navy sailors and Marines fought side by side with Army soldiers. Their ships and aircraft destroyed, these men fought gallantly, hoping that the rest of the Navy would cross the Pacific to their rescue. Little did they know that their hopes were drowning in Pearl Harbor.

Because of their heroism, all U.S. Army personnel at Bataan were awarded the Bronze Star. However, over 3,000 sailors and marines who fought along with the Army, suffering the same hardships and capture were not awarded the Bronze Star due to a Navy policy against awarding medals to units as a whole. Regardless of the differences in particular policies and procedures between the Services, those sailors and marines who gave so much at Bataan should not be overlooked.

The 600 to 800 Bataan death march veterans should not be deprived of the Bronze Star.

As we approach the Christmas holidays, what better gift could we give to those brave men who so long ago during Christmas risked their lives for their country? I urge my colleagues to join me in supporting House Joint Resolution 367.

BATTLE CREEK ADVENTIST HOSPITAL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. WOLPE. Mr. Speaker, I rise to pay tribute to the Battle Creek Adventist Hospital located in Battle Creek, MI, on the occasion of its 125th anniversary.

The Battle Creek Adventist Hospital has a long and rich history, beginning in 1866 when a group of Seventh-Day Adventists founded the Western Health Reform Institute, later to become known as the Battle Creek Sanitarium. The institute emphasized a nutritious diet and outdoor exercise as essential components of "wellness in wholeness," and in due course became a world renown health spa. The Seventh-Day Adventist goal has been to meet the health care needs of the whole person—reflecting the Adventist dedication to wellness by healthful living through the teaching and administering of a preventative, holistic lifecare system focusing on the individual and the family.

Dr. John Harvey Kellogg, a well-known surgeon, inventor, and author, became proprietor of the sanitarium in 1903 where he remained medical director for 67 years while his brother, W.K. Kellogg, served as the sanitarium's business manager. During this period, the American Dietetic Association was founded, emerging out of the search for more wholesome and nutritious foods. The sanitarium, where wheat flakes were developed as a nonmeat breakfast option for patients, also can be credited with the origin of the cereal industry. W.K. Kellogg later left the sanitarium to establish the world-class cereal company that still bears his name. In 1970, the sanitarium became the Battle Creek Adventist Hospital. Today, it is the largest combined mental health and addiction treatment facility in west Michigan.

The Battle Creek Adventist Hospital has over 60 professionals—including psychiatrists, psychologists, and occupational, recreational, music and art therapists—who work together as a team to provide quality and comprehensive health care. The Battle Creek Adventist Hospital is known particularly for its strong mental health programs for children and adolescents, and for its full range of inpatient and outpatient addiction treatment services. Specialized programs include dual diagnosis for those with concurrent psychiatric and substance abuse disorders; an addiction treatment program created for women; partial hospitalization for seniors; and special programs for eating disorders and for the treatment of cocaine addiction.

Mr. Speaker, the Battle Creek Adventist Hospital has helped countless individuals and families grow and gain in self-confidence and in the development of coping skills needed to lead productive lives. We are all in debt to the dedicated hospital administration, staff, and volunteers. I am certain my colleagues will want to join me in wishing the Battle Creek Adventist Hospital a very happy 125th anniversary.

YUGOSLAVIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. BROOMFIELD. Mr. Speaker, I commend President Bush for joining the European Community in taking a firm stand against aggression in Yugoslavia. Although his decision is a good start, our President should continue to speak out on the ongoing tragedy in that country.

While in The Hague, President Bush announced that he would join that 12-nation European organization which recently imposed wide-ranging trade sanctions, essentially on Serbia, in an effort to halt the ongoing fighting in Croatia.

The administration will also apply sanctions on Serbia, end aid programs there and cosponsor a resolution in the United Nations that will impose an oil embargo on that republic.

The Serbian leader, Mr. Milosevic, is destroying Croatia as he builds his Greater Serbia. He has used the Serbian-led army for political purposes, killing over 2,000 Croatians, and displacing over 300,000 innocent human beings.

Mr. President, you have played a historic role in building the new world order. You should continue to speak out on this ongoing crisis and play a more active role in halting the terrible conflict there.

Americans are outraged by the aggression of the Serbian dictator. Mr. Speaker, it is time for this body and the administration to get tough with Mr. Milosevic.

MY PHARMACY CELEBRATES 25TH ANNIVERSARY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the My Pharmacy drug store chain which will be celebrating its 25th anniversary on November 17. The south Florida firm has enjoyed a 600-percent growth rate over the last 4 years.

My Pharmacy owners credit this incredible growth to their decision in 1986 to rent and sell home medical equipment [HME], along with prescription and nonprescription medicines. Their three stores carry a complete selection of wheelchairs, hospital beds, traction paraphernalia, walkers, braces, and oxygen devices.

The firm initially tested the HME venture in one of the stores 5 years ago, before aggressively pursuing it in the others. The idea originated with a New York City area drug store which like many other Empire State concepts was transplanted to Florida.

Jerry Warshofsky and Bert Smith started My Pharmacy 25 years ago. The name was chosen so that people could easily remember it. It was originally intended to be a buying group which would pool resources for buying television time and get volume discounts on drugs and other merchandise. My Pharmacy would look for stores to buy, put the My Pharmacy name on it, and bring in a pharmacist to manage the store. Because the manager had a vested interest in the success of his store, My Pharmacy was able to deliver a higher level of personalized service to its customers.

Just when the firm was entering the HME business, it began selling off most of its stores to national chains who were willing to pay high prices to enter the fast-growing south Florida market. Profits from the sale of these stores were used to add two new retail stores in Homestead and Coral Gables with HME departments. There is also a south Miami store, The Diabetes Resource Center, with a display of HME.

I would like to take this opportunity to commend the staff of My Pharmacy for the years they have devoted to providing medical supplies to the people of south Florida. They include cofounder and managing partner Jerry Warshofsky, cofounding partner Bert Smith, coowner, and manager Allen Collazo, and vice president Maria Collazo.

CARIBBEAN DEBT

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. TOWNS. Mr. Speaker, the Third World debt problem is one which continues to plague economies throughout the globe. The problem is particularly acute in Latin America and the Caribbean. The Congress considered numerous plans to alleviate this debt burden and has sought to promote legislation for programs designed to lessen Latin American and Caribbean indebtedness while promoting growth and market reform.

Jamaica's Ambassador to the United States, Dr. Richard Bernal, has written an op-ed piece, "A Way Out of the Caribbean Debt Trap," which appeared in the Washington Post on Tuesday, November 5, that addresses the debt problem in the Caribbean and offers possible solutions. I would like to insert that article into the RECORD and I recommend it as sound reading for my colleagues in the House.

A WAY OUT OF THE CARIBBEAN DEBT TRAP

(By Richard Bernal)

The 20-odd countries of the Caribbean are trapped in a debt crisis that is unique for two important reasons. Because such a large chunk consists of loans by government—unlike the commercial debt owed by most of Latin America—the U.S. government can act quickly to alleviate the crunch. And because of the region's close economic and other ties to the United States, easing the Caribbean debt stranglehold directly benefits Americans—so the United States should reduce the debt burden for reasons of self-interest.

Total debt servicing for the Caribbean is approximately $1 billion annually, while debt payments to the United States alone come to more than $100 million. The Enterprise for the Americas Initiative now before Congress would reduce the bilateral debt owed by those Caribbean and Latin American countries diligently trying to restructure their economies. It acknowledges that the debt of some Caribbean nations can only be paid at the detriment of both the debtor and creditor country.

The economic plight of the region has reflected and will reflect itself in declining markets for U.S. exports, fewer investment opportunities, increasing susceptibility to involvement in drug trafficking, burgeoning migration, the necessity for increased development assistance and political instability. Obviously, none of this is in America's interest.

Conversely, taking Jamaica as an example, the restoration of our import capacity through debt relief is to the mutual benefit of both our countries because 50 cents of every dollar we spend on imports is used to purchase goods and services from the United States. If our private sector grows, it will certainly increase its need for raw materials from America—our largest trading partner—and will develop the capacity to increase significantly its contribution to trade between our nations.

The trade of our Caribbean neighbors is similarly concentrated with the U.S. economy. Overall, debt relief to the Caribbean would translate into $50 million to $60 million annually in increased demand for U.S. exports, creating thousands of jobs and aiding the U.S. trade balance. In this context, "debt relief" is actually a misnomer, because it implies an altruistic transfer of resources with no return to the United States. In fact, debt relief stimulates trade.

Thus debt relief should be viewed as the recycling of resources that would have been used to service the intergovernment debt into funding trade between the private sectors of two economies. The latter is more dynamic and has a greater multiplier effect on employment, trade and growth. Debt relief creates or maintains jobs in the Caribbean and the United States. In addition, the resuscitation of economic growth in the Caribbean is imperative if these countries are to extricate themselves from the poverty that engulfs most of our citizens and threatens the social stability and peace in which democracy can flourish.

If the stranglehold of debt on development is not broken, it could expose those small countries to the risk of political instability and even the cancer of a drug culture.

Given the global operation of drug cartels, it is conceivable that this international scourge could subordinate the economies of these developing countries and destabilize their governments. The vulnerability of democracy in the Caribbean is evident in Haiti, in last year's attempted coup in Trinidad and Tobago, following the disastrous events in Grenada.

Bilateral debt owed to the United States represents a substantial share in the debt of some countries, especially the smaller economies of the Dominican Republic, Jamaica (where it's about 40 percent), Haiti, Guyana, Honduras and Costa Rica. Most became heavily indebted during the last decade.

The servicing of external debt has become the single most sustained impediment to economic growth. The debt-service ratio—that is, the share of foreign exchange earnings from exports of goods and services required for debt repayment—is high. In Jamaica, for example, it is 30 percent, which means that a third of every dollar in foreign exchange earned is not available to the economy to purchase essential imports—most of which could come from the United States.

The cancellation of bilateral debt is neither new nor unprecedented. At the end of World War I, the Allies owed the United States more than $12 billion. These debts were rescheduled, repayment periods were extended, principal sums were reduced or canceled, and the interest rate was reduced. Only $2.6 billion was repaid between 1918 and 1931, less than a quarter of the original sum. And after World War II, the United States reduced Germany's debt by two-thirds and rescheduled the remaining debt over 35 years at 3 percent.

The United States cannot be an oasis of well-being in a sea of poverty. The debt crisis of Caribbean countries has adverse implications for both the United States and the Caribbean. Given the relatively small size of the debt and given that debt reduction for reconstruction and development is not unprecedented, the United States could afford bilateral debt, relief as proposed by the Enterprise for the Americas Initiative.

MOTHERS AGAINST DRUNK DRIVING DADE COUNTY CHAPTER'S RED RIBBON CAMPAIGN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, on November 13, the Dade County Chapter of Mothers Against Drunk Driving kicks off its red-ribbon campaign to draw attention to the most frequently committed crime in America—drunk driving. Mothers Against Drunk Driving, known as MADD, has had a major impact on reducing death on the highways of the United States.

The red ribbon campaign brings together with MADD, the Metro-Dade Police Department and Office of Substance Abuse Control to continue to focus public awareness on the problem of drunk driving. More than 45,000 people lose their lives each year on the highways of the United States due to automobile accidents, and approximately half of the accidents involve alcohol. More than 345,000 people in the United States are injured in alcohol-related automobile accidents each year. The terrible irony is that the death and suffering caused by drunk driving is so very preventable.

Nationwide, MADD, and other concerned organizations will distribute more than 90 million red ribbons across the country to create greater awareness about the dangers of combining drinking and driving. Mr. Speaker, I commend the leadership of the Dade County Chapter of Mothers Against Drunk Driving for working to make south Florida safe from drunk drivers. Dade County MADD has helped direct community frustration into a constructive campaign to stomp out this danger in our neighborhoods and highways. I want to recognize the leadership of: Susan Isenberg, Valerie Jameson, Debbie Craig, Tom Jones, Mary Montero, and Mary Ann Jones for making possible the good work of the Dade County Chapter of MADD.

ALFRED J. BRYAN, JR., RETIRES AS HOSPITAL HEAD

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to congratulate and honor Mr. Alfred J. Bryan, Jr., for his many years of distinguished service as president and chief executive officer of North Arundel Hospital. Alfred is retiring from the North Arundel Hospital as of December 31, 1991.

Alfred holds the distinction of being the only chief executive officer North Arundel Hospital has ever had in its 26-year history. In 1962, Alfred came to North Arundel when the hospital was beginning its original construction.

During his tenure, North Arundel Hospital has gone through two major expansion programs and one is currently being completed. The current expansion program is a $22 million project that added a three-story building to the hospital and renovated the existing facility.

Alfred's many years of commitment and dedication have been an invaluable service to the community. I speak on behalf of all of the hospital's patients and administrators, as well as the residents of Anne Arundel County, who are grateful to him for the work he has done.

Thank you Alfred for going beyond the call of duty for North Arundel Hospital, and for the people of Anne Arundel County. We all will miss you very much and wish you the very best for the future.

A BILL TO CUT MEDICAL BILLS: COMMENTS OF THE HONORABLE JAMES H. SCHEUER ON A NATIONAL HEALTH PLAN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. RANGEL. Mr. Speaker, I would like to provide to my colleagues the opportunity to consider the well thought comments of our esteemed colleague JAMES SCHEUER on the need for a national health plan. If anything is clear from the recent election in Pennsylvania, it is that the people believe that reform of our health care financing system is an imperative. In this light I ask you to consider the following comments of our colleague:

A BILL TO CUT MEDICAL BILLS

(By James H. Scheuer)

In providing treatment, a physician follows an established and proven procedure, first analyzing symptoms, then diagnosing the illness and finally recommending treatment. This process can and should be applied to our critically ill health care system itself.

As a nation, we spend nearly $700 billion a year on health care, over 12 percent of our gross national product. Other industrialized nations average less than 8 percent.

The cost can be measured not only in direct payments by government, employers, employees and the retired, but in expenses passed along in the prices we pay for products and services. Lee Iaccoca told me that $700 of the cost of every new Chrysler car went to pay health insurance benefits for Chrysler employees.

Despite this staggering cost, 37 million people, about 13 percent of our population, are uncovered by health insurance; the elderly do not receive long-term care; 10 percent of our children do not have regular access to medical care of any kind, and no one is protected against the cost of catastrophic care.

The United States ranks 18th in life expectancy, 22nd in infant mortality and 26th in low birthweight—an indicator that a child will suffer illnesses throughout his or her life. In New York State, only 56 percent of preschoolers receive vaccinations on schedule, compared to 70 percent of Mexicans, 76 percent of El Salvadorans, 77 percent of Ugandans and 89 percent of Algerians.

These statistics make us look like a developing or impoverished nation, not one of the leading industrialized countries in the world. Our health care system is obviously and seriously ill.

The cause of the illness is an insurance system with 1,500 different companies and government agencies now receiving, reviewing and paying for health care. Add the cost of setting rates, classifying treatment, determining rules and going through other duplicate exercises, and we end up with a tremendous amount of money wasted in pushing paper, rather than treating patients. The General Accounting Office found $67 billion a year is lost to administration. A recent article in the New England Journal of Medicine put the figure at $132 billion.

The diagnosis is that our health care system is woefully wasteful, chaotic and costineffective. But there is a cure, and it has already been fully tested. The required treatment is a national health care program administered through a single-payer system, by state or nation.

Canada has such a program and it is working, cutting costs and permitting expanded care for all legitimate health needs. When a Canadian visits a doctor, dentist, optician, pharmacy or hospital, he or she presents one and the same insurance card; all costs and payments are recorded, processed and paid by one agency.

The Canadian system of universal comprehensive care also is well accepted by the people. A Louis Harris survey found 56 percent of Canadians said their system worked "pretty well," while only 10 percent of Americans offered this rating for their own system. Eighty-nine percent felt our system needed fundamental changes or complete restructuring.

The best available prescription is a bill I and more than 50 of my House colleagues are co-sponsoring called the Universal Health Care Act of 1991, introduced by U.S. Rep. Martin Russo (D-Ill.). It would establish a public single-payer system, eliminating the wasteful practices of 1,500 agencies and insurance companies, and reallocating the savings where they should go—providing comprehensive health care for all Americans.

All of us know of someone who was ill, did not take or delayed appropriate treatment, and then succumbed to the disease. As a nation, we are recognizing the severity of the illness affecting our health care system, its toll in financial and personal terms, and how it is preventing us from affording adequate health care for all. Now we must give this system the life-saving treatment it needs.

FISCAL YEAR 1992 LABOR-HHS-EDUCATION APPROPRIATIONS

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. HAYES of Illinois. Mr. Speaker, today I take this opportunity to express my gratitude to Mr. NATCHER, chairman of the Appropriations Subcommittee on Labor-HHS-Education, as well as all of the members of the conference committee, for appropriating fiscal year 1992 moneys for the National Center for Research in Vocational Education that was in existence as of October 1, 1991.

Last year the Congress enacted the Carl D. Perkins vocational and applied technology education amendments (Perkins II) with moneys distributed to local school districts by formula. It is my hope that the National Center will create a network of urban high schools to prepare disadvantaged youth for middle-skill and high-skill jobs.

One of the gravest problems for inner-city youth is that they leave school ill-equipped to pursue the middle-skill, much less the higher-skill, jobs that pay wages high enough to give them or their families financial security. The National Center for Research in Vocational Education proposes to confront this reality directly by designing and creating a gradually expanding network of urban comprehensive high schools that:

Accept the economic futures of their students as a serious responsibility of the school;

Define middle-skill and high-skill jobs as the only acceptable economic option for their students;

Restructure learning environments within the school to reflect what a century of thought, research, and trials has shown to be effective; and

Commit to making the organizational changes within the school, and between the school and other community institutions and groups that are required to create and maintain those environments.

Behind the words "integrating academic and vocational education" in Perkins II stands a powerful knowledge base about how individuals learn most effectively, and how they remain in the lifelong learning process. These principles are especially important for low-income youth enrolled in urban high schools. To implement these concepts requires a dramatic change in the way schools operate.

The National Center will establish a vocational-academic network linking teachers and administrators who already have had strong experience in integrating academic and vocational education, with teachers and administrators in urban schools who are interested in and committed to change. The purpose of this network is to establish a gradually expanding array of urban comprehensive high schools dedicated to becoming high performing schools by implementing the principles and practices of integrating academic and vocational education. Phase one of the project will entail the identification of exemplary practices and curriculum and identification of appropriate technical assistance activities. In phase two the project will be fully operational, and eventually a national network of urban schools will be established, with four or five schools being added each year. Over time, the National Center envisions that the network will eventually include schools in all of the major cities in the United States.

Thank you, Mr. Speaker for allowing me to share my thoughts on this very important issue.

PEOPLE VISION OF SOUTH MIAMI BRINGS MANNEQUINS TO LIFE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize People Vision, an interactive technology South Miami firm which was recently featured in the Miami Herald. The article "Technology Yields Humanoid Hucksters," by Traci L. Dyer, tells how the firm has developed a mannequin-monitor called the SpokesMannequin which can protect property or pitch a product:

> Future shock is coming to a shopping or business center near you, thanks to the interactive technology of a South Miami firm that makes talking mannequins to pitch a product or protect a property.
>
> Among the inventory: An office security guard that can greet workers by name and warn of pending thunderstorms and models of movie stars.
>
> Since March, People Vision of South Miami, 700 SW 59th Pl., has made a mannequin-monitor it calls the SpokesMannequin. Using a system called dimensional rear screen animation, the firm's three-dimensional humanoid talks, moves and is quickly bridging the gap between computers and technology.
>
> "People are still afraid of computers but the mannequins are so real looking, people walk right up to them," said Bob Berkowtiz, one of three partners at People Vision.
>
> After a character video is made and loaded, a signal is fed to a projector behind the mannequin's head. "The face mold on the mannequin acts as a video screen and the mouth moves in sync with the voice. Until you see these things you can't believe it. They are so life-like," Berkowitz said.
>
> Jeff Machtig, who invented the mannequins, formed a partnership with Berkowitz, owner of another South Miami company called MultiVision, and Richard Rockwell, president of Professional Security Bureau in New Jersey. The three manufacture the mannequins in Hollywood, and are selling them worldwide.
>
> Clients include security business owners, museum exhibit builders, business owners who want to promote their products in malls, company presidents adding a new twist to the annual sales meetings and recruiters on college campuses.
>
> "A company that regularly participates in job fairs was averaging 200 applications over an eight-hour period," said Wayne Sullivant, general manager of PeopleVision. "They added a SpokesMannequin and in one hour they received 500 applications."
>
> Not all the company's clients buy the mannequins, which cost about $20,000. Some opt to rent at a weekly rate of $8,500.
>
> A bath and kitchen designer in North Hollywood, Calif., bought a mannequin of Leslie

Pallotta, the 1990 Mrs. Florida, to promote his business. The mannequin gives a five-minute promotional tape for patrons of the Buenos Park Mall.

"It stops people in their tracks," said Robert Light, chief executive officer of Signature Bath and Kitchens.

"It's not a gimmick. Nowadays, it is a necessity to sell products; an innovative way to create the impulse purchase," Machtig said.

"Just think about all the jobs people don't appreciate. The jobs you pay someone just to stand there. You could have a mannequin do that," Berkowitz said.

I am happy to pay tribute to the three owners of PeopleVision, Bob Berkowitz, Jeff Machtig, and Richard Rockwell, by reprinting this article from the Miami Herald.

IN COMMEMORATION OF VETERANS DAY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. LIPINSKI. Mr. Speaker, on this day, November 11, we pause here in this great deliberative body to honor the brave men and women, living and dead, who have fought to preserve our freedoms.

Throughout our history, sacrifices have been made by almost every generation of Americans to maintain our freedoms and way of life. Our veterans have come forward and defended the principles that we—as a nation—hold so dear. Veterans Day is a day to honor those veterans sacrificed in struggle; it is a day to respect those who survive.

I also would like to congratulate those involved in the Fourth Annual American Flag Run that began on October 27. This 1,000-mile run honored our veterans, the U.S. Armed Forces, and the American flag. Volunteers carried the flag by a series of relays through the States of Virginia, North Carolina, South Carolina, Georgia, and Alabama. The flag, donated by Congressman GLEN BROWDER of Alabama, was presented to the National Guard 900th Maintenance Group of Phenix City, AL, which served in Operations Desert Shield and Desert Storm.

We must look to the flag for the true meaning of our national heritage. Under our glorious flag, we are a nation which stands firmly behind our veterans and the members of our Armed Forces. We must continue to give them our support and praise for their difficult and often life-threatening work. If it were not for the veterans of this country, there would be no United States of America. There would be no free world. God bless them and their families.

JUSTICE FOR WARDS COVE WORKERS ACT

HON. JAMES A. McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. McDERMOTT. Mr. Speaker, we must resume our efforts to provide justice to 2,000 workers for whom justice was coldly denied in the civil rights bill passed last week.

Twenty-six of my colleagues and I have introduced H.R. 3748, the Justice for Wards Cove Workers Act. This legislation is very simple: It would strike section 402(b), the special interest provision in the civil rights bill that exempts the Wards Cove Packing Co. from this new law. Our bill would restore the spirit and meaning of civil rights to these workers, who have fought 17 years for justice and deserved better than they got from their Government. This is an unfair and unseemly exemption that applies to one company only in the entire United States, a company that has fought relentlessly to avoid a court case on the merits.

Frank Atonio, one of the plaintiffs in this case, is my constituent. Let me tell you a little bit about his long struggle. In 1974, he and other seasonal cannery workers at the Wards Cove Packing Co. in Alaska filed suit charging discrimination in hiring for skilled noncannery jobs. Three years before, in 1971, the Supreme Court had ruled in the landmark decision, Griggs versus Duke Power, that employment practices which had a "disparate impact" on minorities violated the Civil Rights Act of 1964 if an employer could not justify them in terms of business necessity.

When the Federal district court failed to apply the Griggs standard to most of Wards Cove's discriminatory practices, the Court of Appeals reversed the decision and ordered the District Court to require the company to justify them. Those practices included hiring for cannery and noncannery jobs through separate channels, while maintaining segregated housing and eating facilities at the canneries. If the company had shown adequate justification, the case would have been finished, and we would not be here today. But, instead of trying to justify its practices, the company appealed the case to the Supreme Court. The Supreme Court's 1989 ruling in favor of Wards Cove changed the standards for disparate-impact cases, and led to a national effort to restore our civil rights laws.

The Civil Rights Act of 1991 was intended to reverse that decision, and others that have restricted the ability of workers to fight against discrimination in the workplace. The act was meant to protect workers just like those at Wards Cove, and it does so. But a last-minute amendment, added to the Senate bill, excludes the very workers who brought this case and who have fought so long for justice. It protects the Wards Cove Packing Co. instead of the workers, and that is wrong.

There is no justification for this exemption. The lawyers for Wards Cove argue that they should be exempt because otherwise their case will be tried under a new legal standard. But the fact is, their case would be tried under the original Griggs standard that they have tried so hard and so long, and spent so much money, to evade. Their case would be tried under the standard that applied in 1974, when the case began, the standard that applies again in 1991 because of the Civil Rights Act. The lawyers for Wards Cove do not want this case tried under that standard, because they know what Justice Stevens said about conditions at the cannery—that they "bear an unsettling resemblance to aspects of a plantation economy."

Others will argue that exemption of this one case demonstrates congressional intent that the Civil Rights Act apply to other pending cases. We agree that it should apply to all pending cases, but that intent should not and need not be established by sacrificing the rights of 2,000 workers.

If we do not remove this exemption, the message we send to Frank Atonio and all workers throughout this country is that we believe in civil rights, but not if you work for a company that is rich enough and powerful enough to keep your case tied up for 17 years, to persuade Senators to give you special exemptions, to hire lobbyists and PR men to argue your cause here in Washington, DC.

Frank Atonio and his fellow workers have hoped and waited 17 years for justice. They heard a lot of excuses last week about why the U.S. Congress would not help them get it. But there are no more excuses now. We must enact the Justice for Wards Cove Workers Act, to show them that their faith in their Government and their country is not misplaced. We must do everything we can to right this egregious wrong.

H.R. 3748

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Justice for Wards Cove Workers Act".

SEC. 2. AMENDMENTS.

Section 402 of the Civil Rights Act of 1991 is amended—

(1) in subsection (a) by striking "(a) IN GENERAL.—", and

(2) by striking subsection (b).

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall take effect on the effective date of the Civil Rights Act of 1991.

LIST OF COSPONSORS

Mrs. Mink, Mr. Mineta, Mr. Matsui, Mr. Abercrombie, Mr. Washington, Mr. Faleomavaega, Mr. Edwards of California, Ms. Pelosi, Mrs. Unsoeld, Mr. Atkins, Mr. AuCoin, Mr. Stark, Mrs. Schroeder, Mr. Traficant, Mr. Berman, Mr. Studds, Mr. Sanders, Mr. Torres, Mr. Levine of California, Mr. Miller of California, Mr. Dicks, Ms. Slaughter of New York, Mr. Kopetski, Mr. Moody, Mr. Swift, Mr. Wheat, Mr. Towns, and Mr. Synar.

TEXT OF SECTION 402(b), CIVIL RIGHTS ACT OF 1991

(Would be repealed by H.R. 3748)

Notwithstanding any other provision of this Act, nothing in this Act shall apply to any disparate impact case for which a complaint was filed before March 1, 1975, and for which an initial decision was rendered after October 30, 1983.

MIAMI BOOK FAIR INTERNATIONAL CELEBRATES 1991 AS THE YEAR OF THE LIFETIME READER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Miami Book Fair

International which will be holding its eighth annual fair on November 10 through 17. The main theme of this year's fair will be celebrating 1991 as the year of the lifetime reader. The fair, which attracts 500,000 visitors from all over the world, has been described as Miami's "most important cultural event" by the Miami Herald.

A major feature of the fair is the congress of authors, which features over 175 authors who will read from and discuss their works. Among the authors who will be present at this year's book fair are: Muhammad Ali, humorist Dave Barry, novelist E.L. Doctorow, Miami Herald columnist Carl Hiassen, Joe McGinnis, political cartoonist Jim Morin, and novelist Roxanne Pulitzer.

Each year, more than 300 national and international book publishers bring a wide variety of books to exhibit at the fair. Representatives from the major publishing houses in the United States, as well as publishers from Argentina, Brazil, Canada, Colombia, France, India, Israel, Japan, Mexico, the Soviet Union, the United Kingdom, and Venezuela display books from all over the world.

The fair also features a number of other special attractions. The International Program presents prominent authors from Latin America and Spain who give presentations in Spanish to a multicultural audience. The Antiquarian Annex permits book collectors to browse through rare first editions, out-of-print books, scholarly editions, and collectibles. Epicure Row features famous chefs who prepare their favorite recipes and discuss their cookbooks. Children's Alley offers exhibitions, workshops, storytelling, puppet shows, and children's theater.

The final 3 days of the fair combine these many elements in the celebration of books and readers in a street fair. This takes place at the Wolfson Campus of Miami-Dade Community College and surrounding streets in downtown Miami.

I would like to take this opportunity to salute the board of directors, the staff, and many volunteers of Miami Book Fair International who make this outstanding cultural event possible each year. They include honorary chairman Dr. Eduardo J. Padron, chairman Craig A. Pollock, cochairman Mitchell Kaplan, secretary Barbara E. Skigen, treasurer Juanita Johnson, Patricia Allen, Espe Avalos, Leonore G. Block, Mae D. Bryant, Mikki Canton, Elizabeth Habbegger Beach, Frank Lopez, Valorie Schifflinger, Eugenia B. Thomas, executive director Alina Interian, and administrative assistant Anabel Farinas-Pelaez.

HONORING RIO HONDO COMMUNITY COLLEGE ON THE OCCASION OF ITS 30TH ANNIVERSARY, 1960–90

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. TORRES. Mr. Speaker, I rise today to give special recognition to Rio Hondo Community College of Whittier, CA, on the occasion of its 30th anniversary celebration on November 15, 1991.

In 1960, a motion was passed by the local school board to form a community college and in 1962 the first board of trustees was elected. In 1963, under the direction of the first superintendent-president, Dr. Phil Putnam, classes began on the premises of Sierra and El Rancho High Schools. In 1966, classes opened in Whittier on the permanent campus site—the former Pellisier Ranch—with 97 faculty members and 5,000 students. Today, the college is home to over 200 full-time faculty members and 15,000 students.

The name "Rio Hondo," meaning "Deep River," identifies the college with the area around the Rio Hondo River in the southeast Los Angeles County. The college district encompasses a 65.5-square-mile area which includes the cities of Whittier, Pico Rivera, Santa Fe Springs, South El Monte and portions of Norwalk, La Mirada, Downey, La Puente and the city of Industry.

The college offers 2-year degree programs, transfer education, career preparation, basic skills education, and continuing education. It is one of the most comprehensive institutions among California community colleges. Further, Rio Hondo College enjoys a special partnership with the business community, industry and government and provides a window of economic opportunity for all, making it an important asset to the local economy.

In keeping with its distinction as an innovative leading force, under the direction of Dr. Alex Sanchez, Rio Hondo's current superintendent-president, the college continues to bridge the gap between the local elementary and high schools in the area. The college has fostered excellent quality of instruction at all levels of education. It has been a creative and vital resource for community services, which include cultural programs, educational and career counseling and special events for families.

Mr. Speaker, it is with honor and pride that I rise to recognize Rio Hondo Community College on its 30th anniversary. I ask my colleagues in the House of Representatives to join me in extending best wishes and congratulations to this distinguished institution of higher learning.

AXIOS WOMAN OF THE YEAR

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. LOWERY of California. Mr. Speaker, I rise today to congratulate a constituent of mine, Prof. Marianne McDonald, who has been named "Woman of the Year" by the Greek-American charitable organization AXIOS, and will receive their "Diogenes Award." Past honorees have included Archbishop Lakovos, Senator PAUL SARBANES, John Brademas, Mayor George Christopher, and Alex Spanos. Dr. McDonald is doubly honored as the first woman and the first non-Greek to receive this award.

A well-known philanthropist and philhellene, Dr. McDonald is being honored for her contributions to society and her efforts in preserving and advancing the Hellenic culture and traditions. AXIOS is an organization of Greek-American leaders based in southern California. Among its objectives are encouraging good government and quality leadership and promoting and preserving the Hellenic cultural heritage.

Professor McDonald did her undergraduate work at Bryn Mawr College and received an M.A. in classics from the University of Chicago and a Ph.D. in classics from the University of California at Irvine. While at Irvine, she began a research project to computerize all the Greek texts of antiquity called Thesaurus Linguae Graecae. The project is now being expanded to include Byzantium and modern times. Dr. McDonald was awarded a medal this year for this project by the mayor of Athens and the mayor of Piraeus in Greece.

She has been called the greatest philhellane since Lord Byron, because Greece and Hellenism have always been her special love. She is president of the Society for the Preservation of the Greek Heritage, vice president of the American College of Greece, and on the board of the American School of Classical Studies. Dr. McDonald travels to Greece often, lecturing either in Athens, or at the yearly festival on ancient Greek drama at Delphi. She is an author who has written several books on Greek tragedy including "Ancient Sun Modern Light: Greek Drama on the Modern Stage," just out this fall.

As a linguist, Professor McDonald has not limited herself to Greek, she speaks eight languages and often lectures in those languages worldwide, at Cambridge in England, the Sorbonne in France, in Germany, Spain, and Japan. She has translated a book from the Japanese by Hoshi Shinichi called "The Cost of Kindness and Other Fabulous Tales," and presently is spearheading a project in Ireland with the Royal Irish Academy called Thesaurus Linguarum Hibernae to computerize old Gaelic texts using the Thesaurus Linguae Graecae as a model.

Presently, Dr. McDonald is an adjunct professor at the University of California at San Diego in the department of theatre, and her specialty is the modern performance of ancient Greek drama. At home in San Diego, she has initiated and worked with many charitable and educational projects throughout her life, including the McDonald Center for Alcohol and Substance Abuse at Scripps Memorial Hospital.

This scholar and philanthropist is also the mother of six children—one deceased—and has three grandchildren. She plays the Irish harp, is a trophy winning skier and has a black belt in karate.

According to AXIOS, this woman for the world shares Euripides' philosophy as expressed at the end of Euripides' Heracles when Heracles said, "He who prefers power and wealth to good friends thinks badly." Friendship and philia, the root of philanthrophy, is the act of concern for others which she believes is being constituent to happiness.

I hope my colleagues will join me in congratulating Dr. Marianne McDonald for her astounding level of accomplishments, and in saluting her as AXIOS' Woman of the Year.

THE FDA PUBLIC FORUM ON BREAST IMPLANTS

HON. CHARLES H. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. TAYLOR. Mr. Speaker, the Food and Drug Administration has recently decided to investigate the safety and effectiveness of breast implants. I submitted the following statement at the recent FDA public forum held on November 12–14.

> DEAR DR. KESSLER AND PANEL MEMBERS: I am Congressman Charles Taylor, Representative of the 11th District in North Carolina. I appreciate the opportunity to speak on behalf of the many women in my district who will be adversely affected if the FDA moves to ban silicone breast implants.
>
> The fact that the FDA is holding a forum on breast implants and may remove them from the market is of great concern to a number of women in my district, many of whom have contacted me to voice their apprehensions. It was very difficult for some to share their experiences, but their strong opposition to the FDA's actions prompted them to speak out.
>
> The message I wish to convey to you on their behalf is very simple: Silicone breast implants should not be banned from the market.
>
> It is estimated that two million women have had breast implants. Because the FDA did not regulate medical devices until 1976, breast implants were "grandfathered," meaning that they were not required to prove their safety and effectiveness to the FDA.
>
> Although there are known side effects from receiving these implants, they generally result in discomfort to the patient and are not life-threatening. It is not unusual for some to reject these implants; in fact, it would be more unusual if there were a 100 percent success rate for this surgery.
>
> If the FDA wishes to conduct a study on the suspected risks of silicone breast implants, I support such a move. However, I do not feel that these products must be removed from the market while a review is being conducted. I am also concerned that the FDA has apparently taken a negative position on those companies which have submitted information on the safety and effectiveness of their implants.
>
> I agree that better information should be made available for potential patients. If women are to make an informed decision about implants, they must be aware of all the risks involved in the breast implantation. However, I feel that removing these products from the market immediately leaves many women at risk.
>
> I have two specific concerns about the proposed removal of breast implants. First, women who have undergone silicone breast implant surgery may desire or require replacements in the future and would be unable to get them. In addition, it is unclear whether this procedure would continue to be covered by their health insurance.
>
> I feel that removing these breast implants from the market would have a negative impact on their prospects of recovery as well as their feelings of well-being. Many of the women in my district have told me that these implants are psychologically important for many women. By undergoing implant surgery, they felt more self-confident and were better equipped mentally to handle their cancer treatments.
>
> Again, I support the need for providing full, accurate information on breast implants to prospective patients. However, with no evidence of any life-threatening effects from breast-implant procedures, I cannot understand the move to make these products unavailable.
>
> Thank you for your time and consideration.

CAMPAIGN FINANCE REFORM BILL

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. WALSH. Mr. Speaker, it is with sadness I note this House will now have the Democrat leadership bill dealing with campaign finance reform brought before us. As a member of the bipartisan task force on campaign reform, I find this to be an affront to the entire process of open government.

Recently the chairman of the task force brought forth his plan on this subject. This proposal did not reflect my views or those of the minority on the committee. In fact, much of the language in the bill ran contrary to the months of hearings we held across this country.

Everywhere the committee went, one theme sounded like a drumbeat—the American public strongly opposes the use of its tax dollars, better known as public financing, for political campaigns. To therefore introduce legislation including such a provision could only be described as political arrogance. The leadership also ignores the wish of the people to drastically reduce, if not entirely eliminate, the use of political action committees [PAC's]. There is no attempt to limit the use of so-called leadership PAC's used extensively by the majority to intervene in House elections. They are still talking about spending $500,000 in the general election alone for a House seat, with up to $600,000 allowed with a contested primary.

It is no wonder the American public remains disgusted with the workings of Congress. The House leadership establishes a task force on campaign reform and the liberal Democrat caucus writes the bill to be considered. What a waste of time and money. This is an example of why people have no faith in this institution. We are sent out to hold hearings and listen to the people, only to have the House Democrats totally ignore what they say to us. It is the classic example of the "we know best" syndrome. Well, I'd like to assure the leadership you don't. The public wants shorter campaigns with less money spent. I proposed a very simple but workable bill many months ago to solve the problem. Obviously the leadership rejected the measure because it was so simple and workable they feared the positive reaction of the public should it become known.

Imagine limiting any contribution to no more than $200 per person and requiring that individual to live in the congressional district involved. A PAC could contribute $200, but only if it was domiciled in the contested district. No leadership PAC's allowed, forcing candidates to rely on the people they hope to represent for their funds. This idea creates havoc in the minds of the long-term incumbent Members of Congress. They would have to go back on the campaign trail and work hard to get elected. It would mean knocking on doors and going to shopping centers to talk about issues with the voters. Less media-related and more people-intensified campaigns. Horror to those who fear having to go before the public to get elected. Time for open debates between the candidates would become a requirement, but of course those in power fear such thoughts. Their motto is let's leave things the way they are because we control the Congress. Translated, it really means we don't care what the people want—we will do it our way.

The House of Representatives had the perfect opportunity to remedy a serious illness; namely, campaign reform. The institution failed miserably, and those who are left holding the bag are the people we represent. They asked for campaign reform, but received only more politics as usual. What a disgrace.

DEANNA ALBURY-DECARIO, FLORIDA'S ROOKIE TEACHER OF THE YEAR

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Deanna Albury-DeCario who was recently featured in the Miami Herald after being selected as Florida's Rookie Teacher of the Year by the State Council for Exceptional Children. The article "School Is Right Place, Right Time for Rookie," by Jon O'Neill, tells about her success as a teacher of emotionally disabled kids in kindergarten through second grade at Miami's Gloria Floyd Elementary School:

> There were times when Deanna Albury-DeCario wasn't sure she would survive her first year as a teacher—let alone get an award for it.
>
> But she did both. Last Saturday, Albury-DeCario was selected as Florida's Rookie Teacher of the Year by the state Council for Exceptional Children. Albury-DeCario, 23, teaches emotionally disabled kids in kindergarten through second grade at Gloria Floyd Elementary.
>
> "I was so happy," she said. "A lot of teachers work for years to get recognized, and for me it happened in the first year. It's really an honor."
>
> Albury-DeCario started teaching in August 1990 at Rockway Middle School, which had just started a class for emotionally disabled students. Put simply, she recalled, it was a nightmare.
>
> "I had fires in my class, I was threatened and pushed down," Albury-DeCario said. "Some of the kids were bigger than I was. It was too much stress."
>
> She ended up in the hospital with severe stomach pains, an illness diagnosed as stress-related.
>
> "At first I thought it was appendicitis," she said. "It's strange when you know something is psychosomatic, but the pain is still very real."
>
> At mid-year, Albury-DeCario transfered to Gloria Floyd. As soon as she walked into her new class, she felt right at home.
>
> "I just knew this was it, the right place for me," she said. "I felt so lucky I got to start over."

Albury-DeCario has a special rapport with her class of 12 kids. They seem to hang on her every word.

"She's nice and she's pretty," said Chris Callan, 8. "She even took us to the circus."

"I love working with them, they're just great people," Albury-DeCario said. "They need special attention and that's what I try to give them. I gain their trust and find what works for each of them, because they don't all learn the same way."

She goes even further, said Andrea Rosenblatt, principal of the school at 12650 SW 109th Ave.

"She's an advocate for her students. She always makes sure they have what they need," said Rosenblatt, who taught Albury-DeCario in the sixth grade at Winston Park Elementary. "She also involves the parents and the other faculty in what she's doing. She's wonderful because she really cares."

I am happy to pay tribute to Deanna Albury-DeCario by reprinting this article from the Miami Herald. She has set an example for others through her dedication and perseverance.

VETERANS DAY

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. ANDREWS of Texas. Mr. Speaker, yesterday, I spoke at the National Cemetery in Houston to commemorate Veterans Day. That cemetery is a special place—special because of those Americans who are buried there—many who gave their lives for our country's freedom. Veterans Day is a day to celebrate their sacrifice and to celebrate the resulting peace of their sacrifice.

In September 1862, great armies of Union and Confederate troops converged on a small town in Maryland called Sharpsburg and in 1 day, along the banks of Antietam Creek, over 17,000 Americans were killed—the bloodiest day in American history. Within minutes, regiments lost half their numbers fighting over a cornfield. Men and boys from Ohio and New York struck at young men from Virginia and Texas. One participant said after the battle that the cornfield could be walked across without touching the ground because of the bodies that so thoroughly covered it.

But the dead did not die for a few feet of farmland. They died that their great country might move forward, a nation of free people. Because of that conflict and those that have followed, our freedom today is not in peril. In truth, we have never had more freedom to speak out, to read what we choose, to worship as we please, to make choices in our lives. That is also what we celebrated yesterday.

Heroes are important to a nation and we have many, living and dead. Those who fought at Antietam or San Juan Hill, at Iwo Jima or Pork Chop Hill, in Vietnam or in the Persian Gulf—we celebrate on Veterans Day not only what they have contributed to our security but what they mean to our future.

We face today great challenges and opportunities at home and abroad. Never have world events changed so rapidly without a great war. History books are being rewritten—here, in the Soviet Union, throughout the entire world—all of us trying to comprehend what these great windshifts of history mean to us. It is an exciting and proud time to be an American.

Decisions we make as a nation in this decade will have an impact on our country's security well into the next century. While we are hopeful that our military challenges and tasks are behind us, we have proven that, if necessary, America will use its strength. Yet we still face other difficult choices on a variety of hard issues, hoping to continue the legacy won by those who have fought for our Nation—guaranteeing a better life, a better standard of living, a more prosperous, and free society for the next generation.

We face the challenge of providing health care to the 37 million uninsured Americans, of seeing that our children are educated properly and affordably, of ensuring the safety of our neighborhoods. These are the challenges we face today—no less serious or difficult than those faced by the men and women buried here. And so as we reflect upon the past, let us also think about our future.

On another cold November day in 1863, Abraham Lincoln traveled by train from Washington to Gettysburg to dedicate a cemetery. He noted that he had come to dedicate that field "as a final resting place for those who here gave their lives that that nation might live." The rest of Lincoln's words still ring true. He said: "But in a larger sense, we cannot dedicate—we cannot consecrate—we cannot hallow—this ground. The brave men, living and dead, who struggled here, have consecrated it far above our poor power to add or detract."

And so it was for us yesterday throughout this great Nation to rededicate ourselves to ensuring our country's blessings for future generations. Because of men and women, like those buried at Houston's National Cemetery, who fought so bravely for our Nation, I am optimistic that our generation will meet these challenges and live up to our responsibilities.

TRIBUTE TO TERRI THOMSON

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. ACKERMAN. Mr. Speaker, I wish to pay tribute to a woman who I consider to be a lifelong friend and associate who is being honored tomorrow by the Flushing Council on Culture and the Arts.

Terri Thomson began her illustrious career as a community activist in Electchester, Queens. She became an integral part of my legislative staff when I served as a New York State senator. In 1983, when I was elected to the House of Representatives, Ms. Thomson became my district administrator. She served in this capacity with a rare combination of administrative capability and sensitivity to the needs and concerns of my constituents.

As a result of her broad and successful experience in working with the people of Queens, she moved on to the position of vice president and Queens director of government and community affairs for Citibank. Her unique talents have brought her into the mainstream of public service where she currently is a board member of the Queens Symphony Orchestra, Queens Overall Economic Corp., the Greater Jamaica Development Corp., the Queens Chamber of Commerce, the Queens Library Foundation, the Flushing Council on Culture and the Arts, and the Long Island City Business Development Corp. and Outreach project.

On a personal note, Terri was and is among my closest of friends, confidants, advisers and sounding boards. She is presently working on getting her degree from my alma mater, Queens College. She volunteers regularly at the homeless shelter and at the shelter for battered spouses, and is an active member of St. Nicholas of Tolentine Roman Catholic Church.

And to balance all this out, Terri is the wife of my friend, Eddie Thomson, and the mother of Trisha and Maryellen.

Queens County has deeply benefited from her involvement and dedication. It is, therefore, most fitting she be honored by the Flushing Council on Culture and the Arts as a recipient of the "Eighth Annual COCA Award."

As one who considers her a dear friend, I wish her congratulations and continued success for all she has and will achieve.

TRIBUTE TO THE SOUTH COBB HIGH SCHOOL SHOW CHOIR, ELECTRICITY

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. DARDEN. Mr. Speaker, today I rise to recognize a talented group of young people from Cobb County who will make all Georgians proud at the 1992 "Musical Salute to the Discovery of America" event here in Washington, DC, next year.

The South Cobb High School Show Choir, Electricity, from Cobb County, GA, has been selected to represent the State at this program to commemorate the 500th anniversary of the discovery of America. Electricity is under the direction of Ms. Virginia Wheeler, and was selected by the First American Music Encounters [FAME] on the basis of superior performance ratings, recommendations from judges and peers, and past competition results. Only choirs in the top 10 percent in the State are considered for an invitation. The invitation was extended to Electricity by Washington, DC, Mayor Sharon Pratt Dixon.

Electricity is a select ensemble of vocalists and dancers specializing in choreographed production of contemporary music. Electricity members are: Patricia Baker, Julie Barton, Aimee Bolstein, Chrissy Bolstein, Sean Byers, Amy Cofer, Michelle Davis, Chris Dodd, Maia Fountain, Scott Grantham, Lindsey Green, Joy Griffith, Kellie Jenkins, Randy Jones, Kelly Meacham, Amy Tardo, and Cristin Thomason.

The ensemble has been described by Connie Cunningham, staff writer for the Atlanta Journal-Constitution, "to have all the sparkle and shine of a theme-park show and the enthusiasm of hot young talent." The shows are written by Ms. Wheeler, and choreographed by Lisa McCormick, coordinator of dance for Roswell Parks and Recreation Department, and Jodi Rhodes, performer at Six Flags Over Georgia.

The group has performed for art festivals and conventions including Kaleidoscope, the Jubilee Fine Arts Festival, the North Georgia Fair, Cobb Leadership Conference, the Atlanta Insurance Woman's International Convention, the Georgia Music Educators In-Service Conference, the Marble House Summer Candlelite Concert, Georgia Medical Convention, National Catholic Women's Convention, Cobb County Teacher of the Year Banquet, American Business Women's Convention, and at local school, church, and civic events.

The ensemble has won first place in the following national competitions: The Heritage Music Festival, Florida Music Fantasy, Manhattan Skyline Choral Festival.

The dancers have won first place in the Regency Talent Competition, the Regional and National Showstoppers Dance Competitions. Individual dancers have won the following national competitions: Gregory Hines Tap Competition, Rising Star, Tremain, Dance Educators of America and Star Systems.

Individual vocalists have won the Kiwanis Talent Showcase, National Teen Talent Competition, National Outstanding Young American Award, and the Georgia Music Teachers Association. They all have been selected to the Georgia All-State Choruses, finalists of the world chorus for the Olympics and appeared as soloists in the Rich's/Arrive Alive/Classic Images Video Yearbook "Sing-Off."

Mr. Speaker, I commend these young people on this outstanding achievement. This honor is a reflection of the hard work and sincere dedication on behalf of each of these talented youngsters, their teachers, and parents. Through Electricity, they have learned the meaning of success, and I have no doubt that this experience will help them throughout their lives.

I would like to invite my colleagues to attend the Musical Salute to the Discovery of America event in May and watch Georgia's best high school show choir in action—Electricity.

BAPTIST HOSPITAL OF MIAMI'S 12TH ANNUAL ARTISTS' SHOWCASE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Baptist Hospital of Miami's 12th Annual Artists' Showcase. It is sponsored by the Baptist Hospital of Miami Foundation, a volunteer group which acts in the interests of the hospital. The intent of the showcase is to raise money for hospital programs by receiving a portion of the proceeds from each piece of art sold.

This exhibition shows the works of over 135 select artists from across the country, and is expected to draw over 30,000 people over the 2-day show on November 30 and December 1. The artwork represented will include oil painting, ceramics, photography, jewelry, watercolor, mixed media, and sculpture.

The work of these volunteers is going to help Baptist Hospital of Miami, a hospital with a history of commitment to the community it serves. The high quality of care Baptist Hospital provides for its clients has been recognized numerous times within the Miami community.

Mr. Speaker, I would like to commend Pat Marx, the chairman of the Patron Purchase Certificate Committee, the committee which supervises fundraising for the showcase, and coworkers Frances Glick, Sue Jaffee, Cindy Lewin, Maria Morales-Gonzalez, Shelly Stamler, and Glenda Weiss for their hard work. Once again, I am glad to acknowledge the work of the Baptist Hospital of Miami Foundation and its efforts to charitably raise funds for the hospital through the Artists' Showcase. I wish the Baptist Hospital Artists' Showcase much success in its 12th year of fundraising activities.

TRIBUTE TO BRIAN GEISER

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to an outstanding young man, Brian Geiser, of Sunbury, PA, on attaining the rank of Eagle Scout. Brian, the son of Janet and Patric Geiser, has been involved with scouting for several years as part of Troop 333 in Sunbury.

To earn the honor of being an Eagle Scout, Brian organized an American Red Cross blood drive in Sunbury. Brian and several members of his troop mailed letters to former blood donors and called them to urge participation in the blood drive. They also placed pamphlets on car windows to alert the local populace about this important event. Brian and his group helped set up the drive, showed donors the appropriate places to go, assisted them from the tables after they had donated blood, and helped pack up the equipment and cleanup afterwards. I know that the Red Cross and the local community are grateful to Brian for his work in making this blood drive a success, because events like this one helps save lives.

I am also very gratified to hear of Brian's priorities for the future, as he has stated that his purpose in life is to improve life for future generations. He has acknowledged the importance of recycling our garbage, of obtaining a good education and getting a job, stating that he should "not depend on society to take care of me. I have many hopes and dreams and know that the knowledge and experiences I have gained in scouting will help me attain them all." To hear such wisdom at such a young age is, indeed, refreshing.

Mr. Speaker, I ask all of my colleagues to join me in congratulating Brian Geiser on becoming an Eagle Scout. I know that his family, friends, and fellow scouts are all very proud of his accomplishments and know that he will be a success in whatever he does.

SUPPORT FOR SELF-DETERMINATION IN CROATIA

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. SENSENBRENNER. Mr. Speaker, a war of territorial conquest is being waged in Europe and self-determination for the country of Croatia lies in the balance. Serbia fights to revise international boundaries in order to accommodate the Serbian minority in Croatia, based on concerns over the treatment of Serbians under a Croatian majority. Croatia fights to legitimize its free democratic elections which ushered in a non-Communist government last year.

The 2 percent of Yugoslavia's Serbian population living in the contested areas of Croatia must be guaranteed equal rights and protection under the law, as must all minorities. However, Serbia's anxieties cannot justify the violence inflicted in its war against Croatian independence. Croatia's secession from Yugoslavia is intractable, leaving no end in sight to the bloodshed should Serbia continue its aggression. It is time for the United Nations to enforce a cease-fire and for the Yugoslav Federal Forces to return to the barracks. The United States should send a clear gesture in support of U.N. participation and enforcement of a cease-fire.

I support self-determination for Croatia because it is consistent with democratic ideals. Expectations of a settlement that falls short of Croatia's desire for complete autonomy would be impossible without the militarily imposed submission of the Croatian people to authoritarian rule. The institution available to enforce an end to the fighting and arbitrate the status of the various minority groups in Croatia is the United Nations. The unconscionable alternative is a protracted war in the heart of Europe, emerging in the wake of communism's demise and the promise of renewed European prosperity. The community of democratic nations has an obligation to prevent the historical animosities between Croats and Serbs from translating into human rights abuses. We should also be pragmatic enough to recognize the futility of efforts to reverse the movement toward self-determination in Croatia and elsewhere in Eastern Europe and the Soviet Union.

EVERY DAY SHOULD BE VETERANS DAY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. HOYER. Mr. Speaker, today, I rise to pay tribute to our Nation's veterans. On Monday, November 11, our country honored the millions of American men and women who risked their lives to protect the ideals of democracy and freedom.

The past year has been an extraordinary tribute to the sacrifices made by all of our veterans. Europe for which our veterans fought so hard in World War I and World War II has not only enjoyed almost 50 years of peace, but is well on its way to establishing a common economic market: a move to further unify its diverse interests. Everyone is familiar with the economic success of South Korea, and this year even North Korea has begun to open up to their successful sister to the south. Also during the last year, Indonesia has been slowly turning its back on the Communist institutions which have bled its economy dry, and sapped the energy and creativity out of its citizenry. And finally, in the Middle East, our newest veterans have neutralized a threat to the sovereignty of many independent nations.

We should not only recognize these incredible accomplishments on Veterans Day, but on every day. If our forces had not succeeded overseas, Europe, Indonesia, and the Middle East would be very different places than they are today. America, itself, would likely have been threatened and irrevocably changed had the threats overseas not been stopped or contained.

Even though the parades and the celebrations have passed, let's remember why we set aside a day to honor our veterans. And let's remember they deserve our respect and gratitude every day of the year we enjoy the freedoms that our country has to give.

IN HONOR OF VETERANS DAY, 1991

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. COLEMAN of Texas. Mr. Speaker, November 11 was originally the day commemorating the 1918 armistice that ended World War I. In 1954, however, this body saw fit to honor all the men and women who served the United States in its many conflicts. This year, 1991, is doubly important to the men and women of the U.S. armed services, and all citizens of our Nation, because it marks the 50th anniversary of the attack on Pearl Harbor and recognizes those Americans who served in the Persian Gulf.

The original Armistice Day celebrated the signing of the armistice between the Allies and the Central Powers at the 11th hour of the 11th day of the 11th month. The first commemorative ceremony was held 70 years ago when an American soldier was buried in the Arlington National Cemetery at the same time as a British soldier was buried in Westminster Abbey and a French soldier was buried at the Arc de Triomphe. In 1938, the holiday was dedicated to the soldiers who fought in "the War to end all wars." However, the United States has participated in other conflicts, and today we remember the men and women who took part in those.

Shortly after the holiday was officially created by Congress, Pearl Harbor was attacked and World War II began. Since that time, the citizens of the United States have assembled to honor all of our war veterans on November 11.

This year many communities are gathering to honor the veterans of our most recent conflict in the Middle East. The timing could not be more appropriate; last week the final oil fire in Kuwait was put out. As this flame was extinguished, we know that one flame that will never go out is the support of the United States and the spirit of the men and women who have chosen to serve their Nation.

Today, as Americans pay their respects to the men and women of the U.S. Armed Forces, just as they have done every year since 1921, we remember those who have given their lives for freedom and democracy throughout the globe.

BANKING BILL AUTHORIZES UNLIMITED TAXPAYER BAILOUT

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. KANJORSKI. Mr. Speaker, as currently drafted the latest version of the banking bill (H.R. 2094) authorizes an unlimited taxpayer bailout of too-big-to-fail banks.

This bailout, which is hidden in section 142(b)(2) on pages 92 and 93, could cost taxpayers tens of billions of dollars.

It authorizes the Secretary of the Treasury, in consultation with the Federal Reserve, to make advances to undercapitalized banks whenever there might be a "severe adverse effect" on "a regional or the national economy." Despite the fact that this loophole could cost us tens of billions of dollars, the bill does not define either "severe adverse effect" or "a regional economy."

The bill explicitly states that these advances will be "obligations of the U.S. Government." As a result, when too-big-to-fail banks fail, U.S. taxpayers, not the FDIC fund or the banks, will pay the tab.

Members should be aware that many of the largest money center banks have tens of billions of dollars in uninsured and foreign deposits. Even though the Federal Government has no legal or moral obligation to bailout those deposits, section 142(b)(2) authorizes the Treasury to bail them out.

If this section of the bill is not changed, as I have asked the Rules Committee to allow me to do, unelected bureaucrats could, in one fell swoop, spend more money to bail out uninsured and foreign deposits than either the Commerce Department, the Energy Department, the Interior Department, the Justice Department, the State Department, the EPA, NASA, or the entire legislative or judicial branches spend in an entire year.

This blank check approach is irresponsible and must be opposed.

TRIBUTE TO BILLY CARMICHAEL

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. TALLON. Mr. Speaker, on Sunday, November 10, I had the honor of taking part in a ceremony in my hometown of Dillon, SC, dedicating our fire station and unveiling a portrait in memory of a legend in that town, Billy Carmichael.

I would probably be underestimating Billy's contributions to Dillon by calling him a legend, though. He personified Dillon. Growing up, I couldn't imagine how this town would survive without Billy at the helm. He was elected mayor of Dillon in 1963 and held that office until his death last September. As a matter of fact, town lore has it that Billy served as mayor longer than anyone else has served any city in this country.

As mayor, Billy was involved in every facet of life in Dillon. Aside from the expected contributions that a responsible public servant would make to his community, Billy made his job as mayor his life—from his involvement in local restoration projects to philanthropic activities to economic development initiatives. Throughout his many years of public service, he was personally involved in the lives of the people in the community—their problems were his problems—and he made it his first priority to make certain that everyone was taken care of.

I hate to believe that the day of public servants like Billy Carmichael may be a thing of the past, but I think generations to come will be hard pressed to find a public servant who would give so unselfishly for so many years to make his community a better place to live.

Throughout my childhood and growing up years, Billy gave me insight and inspiration along my road to public service. I grew up admiring and respecting this man who so ably led my hometown for 27 years. He and his wife, Virginia, were two of my first supporters when I threw my hat in the ring to run for public office more than 10 years ago. Their support meant the world to me then, and his encouragement and wisdom guide me still today.

On Sunday, we celebrated the dedication of our town fire station in Billy's memory. Celebrating an event such as this is a very joyous occasion, but this is doubly gratifying because we are saluting someone as well as something. This dedication to this fine man is our way of saying thanks to Billy for a job well done. From now on, every time any of us walk by that building, we'll think fondly of this generous and giving man to whom it is dedicated.

A CONGRESSIONAL SALUTE TO JACK DAMERON—1991 DISTINGUISHED CITIZEN AWARD

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to a man who embodies the American dream, Mr. Jack Dameron. On Thursday, November 7, 1991, Mr. Dameron will be the recipient of the 1991 Distinguished Citizen Award from the Long Beach Area Council, Boy Scouts of America. This award is presented each year to an individual who has contributed significantly to the betterment of the Greater Long Beach Community and its youth. It is an honor to bring Mr. Jack Dameron to your attention.

Born on January 18, 1917, near Pueblo, CO, Jack spent his childhood attending small one room schools and working on his family's farm. After graduation from Centennial High School in Pueblo, he was drafted into the U.S. Army in the country's first draft. Following his discharge, Jack moved to Venice, CA, in 1941, where he began his career working for Mir-O-Col Alloy Co. His hard work and engineering skills quickly paid off, when 4 short years later he left Mir-O-Col to form Dameron Metal Sales, which was the forerunner of the current Dameron Alloy Foundries. His strong business sense and expertise are in evidence today. Dameron Alloy Foundries employs 185 people and it is recognized as one of the premier casting companies in the world.

Jack's touch can be felt in a broad spectrum of community organizations as well. He has served on the Long Beach City College Foundation, advisory board of the Long Beach State Engineering Department, St. Mary's Board of Trustees, Memorial Medical Center and Foundation, and is a Paul Harris "Fellow" in Rotary. In addition, he is on the advisory board of the Long Beach Day Nursery, the California Heights United Methodist Church board of trustees, board of directors of Virginia Country Club, and the Boys and Girls Clubs of Long Beach.

Jack has been president of the California Cast Metals Association and was honored with the "Tetzlaff Award" for outstanding achievement and service to the cast metals industry. For over 45 years, he has been a member of the American Foundry Society and a member of the Elks for over 53 years. Jack was also the recipient of a Presidential Citation for serving 10 years as the chairman of a local draft board.

A tribute to Jack Dameron would not be complete without mention of the organization that has received his most ardent support, the Boy Scouts of America. Jack has been a Cub Master, Webelo leader, Patrol Dad, Scout Master, Dan Beard District Chairman, SME Chairman, Vice President of Operations, and President of the Long Beach Area Council for the past 2 years and was honored with the Silver Beaver Award.

It is not often an individual with such a wide range and depth of community service comes to my attention. Jack Dameron is truly a remarkable person. Therefore, on this most special and deserving occasion, my wife, Lee, joins me in expressing the gratitude he is due. We wish Jack, his wife Dorothy Lee, their three children, John, Darlene, and Mark, and their four grandchildren all the best in the years to come.

END THE MONEY GAME

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. MRAZEK. Mr. Speaker, during the 1990 election cycle, congressional candidates raised and spent $445 million. This figure represents the continuation of the political money game and exacerbates public opinion that Congress is full of arrogant Members who can be bought. Congress must begin to dispel the eroding confidence of the public.

Certainly, no single reform can eradicate our tarnished images, but I believe that it is prudent for Congress to pass meaningful campaign finance reform before adjournment. It is for this reason that I have cosponsored Representative GEJDENSON's legislative proposal, and I strongly urge my colleagues to do the same. While I personally do not believe that the Gejdenson proposal goes far enough in reforming campaign finance laws, it is necessary for Members to take concrete steps toward restoring Congress' integrity.

The Gejdenson proposal offers hope for a fundamental overhaul of the campaign financing system. Unfortunately, it will not solve the problem of soft money contributions, and in my opinion, it does not limit political action committee donations enough; however, it does make an attempt to establish sensible spending limits and slow the endless search for money. Further, not only will GEJDENSON's proposal reduce the amount of time spent in the money chase, but it will also help to eradicate special interests associated with campaigning.

But perhaps more importantly, the Gejdenson proposal will eliminate the financial advantages of incumbents and provide viable challengers with the mechanisms to compete. Challengers will be assured of an equitable political debate, and not one in which "he with the most money wins."

Again, Mr. Speaker, I encourage my colleagues to lend their support to Representative GEJDENSON's campaign finance proposal. It takes the necessary first steps toward credible reform, and it provides us with the perfect opportunity to show Americans that we in Congress are willingly to remove the fat-cat influence and place challengers on a more even keel financially.

HELEN AND ERNEST CAMBIO CELEBRATE 50TH WEDDING ANNIVERSARY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Helen and Ernest Cambio, Sr., in celebration of their 50th wedding anniversary on November 29. Let their dedication to each other set an example to others who wish to share in the special bond of marriage.

Helen Veronica Cambio and Ernest Henry Cambio, Sr., currently reside in East Providence, RI. Their son, Ernest Henry Cambio, Jr., lives in Florida. In addition, Mr. and Mrs. Cambio have three grandsons, two great-granddaughters, and one great-grandson.

Ernest Cambio, Sr., was an assembler for Wordwell Brading Co. in Central Falls, RI, for 15 years. Helen Cambio was a supervisor at Hasbro Toys for 28 years. Both are now retired, enjoying time with friends, family, and most importantly, each other.

I ask my colleagues to join me in wishing Helen and Ernest Cambio and their family continued health and happiness.

THANKS FOR KENYON'S COMMUNITY SERVICE

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 12, 1991

Mr. FISH. Mr. Speaker, I offer appreciation and praise to the many fine people I know who over the years of severe government funding reductions have selflessly volunteered for community service.

One of these individuals, who is a resident of New York City and part-time resident of my district, is Nigel Kenyon. Mr. Kenyon has generously devoted his time and efforts to the establishment of a citywide program to assist less fortunate young people. The program is designed to collect donated sporting equipment and distribute it to youth groups throughout the city. Mr. Kenyon's endeavor has received tremendous support from local organizations and government agencies, as well as acclaim from Mayor Dinkins.

I applaud Mr. Kenyon for his contribution to his community. It is well deserved. His zeal and enthusiasm for community service is an inspiration to all.

SENATE—*Wednesday, November 13, 1991*

The Senate met at 9:30 a.m. and was called to order by the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii.

PRAYER

The guest chaplain, the Reverend Charles Stock, of Word Fellowship, Harrisburg, PA, offered the following prayer:

Join me, please:

Lord God, we honor You and thank You for the greatness of what You have done for us. You have given us life and we draw our breath because of You. You have ordained the nations to act out Your purposes. You have placed us at this moment in history to do Your will.

All that is good, just, and loving comes from You. Order and structure come from You. Wisdom and law come from You.

I pray that You will grant discernment and integrity to every Senator today. I pray that You will strengthen and give clarity to those who are seeking just and beneficial solutions to staggering and complex issues. I pray that You will give grace to the family and personal life of each Senator, the strength to persist and outlast the intense pressures of political life. Rest Your hand upon each life here, and turn us to righteousness.

Father, today we ask that justice, integrity, and compassion be released through the process of government. We ask for the exposure and removal of corruption and conspired evil and all that opposes Your will in order that peace and prosperity may dwell in this Nation. Heal our land; our hope is in You.

We ask these things in great confidence and faith in the name of Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 13, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. AKAKA thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, and Members of the Senate, there will now be 1 hour for debate on the motion to invoke cloture on the motion to proceed to the banking bill. A vote will occur on the motion to invoke cloture at 10:30 this morning.

If cloture is invoked, there will be a period for morning business of approximately 2 hours, following which we will be back on the motion to proceed, and I hope we will then be able to proceed promptly to the bill.

If cloture is not invoked, the period for morning business will occur, in any event, and we will at that time make a determination on how best to proceed with respect to the banking bill and to other legislation which may be appropriate for the Senate's consideration.

So there will be a rollcall vote on the banking bill on the motion to invoke cloture on the motion to proceed to that bill. There will be at least one other rollcall vote today, which was ordered yesterday, and with respect to which I will make an announcement as to timing after I have a chance to consult with the Republican leader, and that is on the continuing resolution. That will be voted on today.

I will announce the time of that vote as soon as I have had the opportunity to consult with the Republican leader.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. The time until 10:30 a.m. shall be for debate on the motion to proceed to S. 543, which the clerk will report.

The legislative clerk read as follows:

> A motion to proceed to S. 543, a bill to reform Federal deposit insurance, protect the deposit insurance funds, and improve supervision and regulation of and disclosure relating to federally insured depository institutions.

The ACTING PRESIDENT pro tempore. The time for debate shall be equally divided and controlled by the Senator from Michigan [Mr. RIEGLE] and the Senator from Utah [Mr. GARN] or their designees.

The Chair recognizes the Senator from Michigan.

Mr. RIEGLE. I thank the presiding officer. I am sure Senator GARN will arrive shortly. I think in light of the fact that the cloture vote is scheduled for 10:30, I should begin and will do so at this time.

I want to urge all colleagues to support the cloture motion that we will be voting on just a little bit later so that we can proceed to consideration of S. 543, which is the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991.

Essentially, this is a banking reform proposal and in conjunction with the banking reforms that we have laid out in this legislation, there is also a requirement to refinance the bank insurance fund. The bank insurance fund has run out of money due to the spectacular number of banking failures. I want to just take a moment now and depict that with a couple of charts that will illustrate the nature of the problem.

This particular chart shows the volume of bank failures in the United States going all the way back to the early 1930's. This period right here during the thirties represents the pattern of bank failures during the Great Depression. And you can see by these red lines year by year coming forward from about 1933 the buildup of the pattern of bank failures at that time. Then as we come forward in the decades to follow through the forties, fifties, sixties, seventies, we had very few bank failures. You can see down here in relationship to the pattern of the Great Depression a small number of bank failures, until we get into the 1980's, and in the 1980's, a combination of economic factors gathered in such a way as to cause an enormous number of bank failures. Those failures are continuing at the present time. But you can see the extraordinary increase starting in the early 1980's. By 1985, we were up to this level, and in the 6 years since, you can see the extraordinary patterns of bank failures since that time, and out here you see the projections for the 2 years just ahead of us.

If the economy does not improve, we can see this pattern of bank failures go even higher. We need to do everything we can to prevent that from happening. But you can see the pattern of recent bank failures is truly extraordinary. It is beyond anything within the scope of the history of banking in our country and dwarfs what we saw back in the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

days of the Great Depression. This is an urgent problem. It is of utmost seriousness to our country and has to be dealt with. It has to be dealt with in a variety of ways which we attempt to do in this banking reform bill.

As this pattern of bank failures has increased so dramatically in the last few years, it has depleted the deposit insurance fund that stands behind the banking system and which protects all of the federally insured deposits of savers in the country. If people put money in a federally insured institution up to the level of $100,000, that money is insured by the Government. But the money that protects the deposit insurance fund has been going down. The money in that fund comes from insurance premiums paid by the banking industry. Because of the high level of bank failures, however, the balance in the bank insurance fund has been drawn down steadily to the point where it is now virtually empty and by the end of this year will be empty. And this chart depicts that. Back in 1987, for example, we had an $18 billion positive balance in the bank insurance fund. That dropped to $14 billion in 1988, to $13 billion in 1989, dropped very sharply in 1990 to only $5 billion, and is about to move this year into a negative position.

So, again, I cannot overemphasize the extreme seriousness of this problem. We cannot allow a situation to persist where the bank insurance fund has exhausted all of its reserves. You have prospective bank failures still out ahead of us that are going to have to be dealt with. When they are dealt with, the insured deposits of savers are going to have to be redeemed and there has to be money in the bank insurance fund to cover that. So part of this legislation is to accept a recommendation by the administration to propose a loan of $70 billion to the bank insurance fund to create a positive balance to withstand the pattern of future bank failures that are anticipated over the next 2 or 3 years.

The administration has asked for that $70 billion. Part of it is to cover direct bank losses that are expected, a figure of $25 billion, and the remainder is to be used for working capital to handle the assets of repossessed banks as they are shut down and, as the assets are sold off, to liquidate all of the activities of that particular bank.

So the centerpiece of this legislation today is to provide that assistance to the bank insurance fund to make sure that it is solvent, to make sure that it is able to be stable, and that we preserve confidence in our banking system and in our deposit insurance system.

In return for that, we have written into this legislation a number of very significant banking reforms. We have done that in order to protect the fund in the future and prevent a replay of what we see in the data that I have just shown. So, for example, we greatly strengthen the regulatory supervision of banks. We provide that the regulators must conduct annual onsite examinations in banks. They have to intervene early when banks begin to get in trouble. Past investment practices of banks that have been very costly and very damaging are stopped in the future. We put very severe limitations on a host of activities that have helped create this problem, by limiting in the future the overinvestment in real estate, by limiting the use of brokered deposits, and a variety of other changes and standards which we think will strengthen and stabilize the system and prevent some of the abuses that we have seen in the past. We crack down very hard on insider lending. We institute a new policy of risk-based insurance premiums so that banks that have a higher profile of risk in their lending patterns will, in turn, pay a higher level of deposit insurance into the system. That has been an area that Senator DIXON has worked particularly hard on. And we also move against a policy called "too big to fail." We have had a situation in place where some banks have become so large and nevertheless have engaged, in many cases, in poor lending practices, got themselves in difficulty and are not shut down in the name of the notion that somehow or another they are so big they cannot be allowed to fail and undergo the normal market discipline. And that has been a very costly policy. We bring that policy to an end. We cannot do it overnight because of the nature of the quandary we are in, but we bring an end to that policy over a 5-year period, and it is very important that we do so.

Also, we move very directly on the problem of potential abuse by foreign banking interests here in the United States. We all know of the stories of the BCCI case. We have an aspect of this bill that deals directly with the issue of the BCCI-type situation and puts much tighter supervision in place with respect to foreign banks to prevent future BCCI-type scandals. We also put in here very tough money laundering provisions, which is something else that has come out of that case and which needs to be dealt with.

There are some important consumer provisions of this bill. We provide what is called "lifeline checking," low-cost accounts for people at low-income levels, who today oftentimes cannot even participate in the banking system, to write the few number of checks each month that they need to write to pay their bills. We provide an account for them. The banks can earn a reasonable profit on that account. But it brings banking services out to a group of people in our society that have had great difficulty doing that and otherwise have to turn to other kinds of ways of getting money orders and such that are very expensive in areas where they are often exploited.

And so in that area, as well as in the area of truth in lending, we have provisions in this bill that are very important and that go to improving the system, strengthening the system, making it work better, making it work more fairly for the future.

Now, this is not a bill without controversy. Everyone knows that. There are very powerful competing interest groups here that have a direct financial stake in this legislation. So you see out there not just the commercial banking industry but the investment banking industry, the insurance industry, others, who have a key interest in the specific provisions of this bill. In addition, just within the banking industry itself, there are a range of kinds of banks from very large money center banks that play on an international playing field—they have one kind of an orientation and one set of operational priorities for themselves as they see the future—and then you come down the scale of banks in size to smaller sized banks, regional banks, down finally to even smaller independent banks in the communities out across the country. They practice a quite different kind of banking in many respects and they have a different set of orientations and priorities. And all of these issues are in play in this legislation. That is nothing new. That has been the case now going back for some time.

But what the Banking Committee has done here with this legislation is that we have endeavored to strike a fair and a solid balance that deals directly with the problem of the insurance fund having exhausted its reserves, an urgent problem that has to be dealt with, and at the same time puts in place a series of banking reforms that we think will strengthen the system, safeguard the system, better prevent losses like this in the future, and we also address some of the questions of the scope of the banking business charter.

In that area, there are really three issues that I think have drawn the most attention and are the most contentious issues. One has to do with the issue of interstate banking and a proposal by the administration was adopted in a form within this bill of allowing banks that are well capitalized and that are strong to be able to diversify geographically across the country in the years ahead and to allow a kind of movement toward interstate banking so that individual banks will not have all of their resources concentrated simply in one region of the country and, if that region gets into great economic difficulty, create a major problem for the banking industry in that section of the country. So by allowing an orderly way in which banks can diversify geographically and can begin to operate in different States around the country, we think we can get a kind of geographic diversification into the banking industry, we can also get some economies of scale. We have some prohibitions against overconcentration because we do not want a handful of banks to end up having a dominating influence in the banking and credit availability in the country, so we have safeguards built into the bill in that way. I frankly do not see that as a problem. We have a vast number of banks in the country. We are a nation with a very diverse banking system across the 50 States, and this is preserved in this legislation.

A second area of some controversy has had to do with the degree to which there would be adjustments in the Glass-Steagall law to allow commercial banks to get into the area of investment banking and to get into the securities business. This has been an issue that we have tried to deal with many times before. It is contentious. It is controversial. We have in this bill presented a provision that was debated in the committee. It was a closely decided issue with respect to what would be allowed in this area and the firewalls that would be established between the commercial bank and its investment banking affiliate to prevent the kinds of abuses or cross-dealing problems that might otherwise arise. That area continues to be an area of contention. We are discussing that now with the administration, with colleagues on the Banking Committee on both sides of the aisle to decide exactly where we are going to net out on that issue. But the provision that is in the bill, I think, is sound. I think it is a proper one, although there is division within the committee on that issue.

I think that provision was upheld in the face of an amendment by the committee by a one-vote margin so that is probably the area where opinion was most closely divided in the committee, and that is the issue of firewalls that would exist between the commercial bank and its affiliated holding company arrangement and investment banking operation.

And, finally, the other area of contentiousness has to do with insurance. The banks would like to get more fully into the insurance business. I see my friend from Delaware here. He has a keen interest in that because his State particularly has a role in what has already taken place there.

But there has been a great tension between the insurance industry on the one hand that wants to keep banking out of their business and the banking business on the other hand that would like to get into the insurance business.

That essentially breaks into two parts; one part has to do with insurance underwriting. Not too many people think banks ought to get into insurance underwriting because there are real risks involved there. I for one do not think that is an area where we want to see the banks crossing over into a new line of activity which brings new risk into the picture.

But the second area of insurance has to do with the kind of agency insurance, the selling of insurance products, insurance policy products and so forth. Here again there is a tension that exists. We have tried to deal with that within the bill. We are continuing discussions in that area to try to make sure that all points of view have been heard and accommodated as well as they can be in a situation of this kind.

But it is fair to say that in the end these issues and interests collide. There have to be decisions in terms of setting boundary lines, setting a strategic balance in our financial system as to what activities are going to go on and in what sector and under what ground rules.

I want to say a couple of other things, and I will reserve the remainder of my time.

Banking is a regulated industry. The reason it is in deep trouble today, in my view, is that it was not sufficiently regulated in the past. There are a lot of things that have contributed to that including the economic conditions in the country, abrupt changes in tax laws, overconcentration in commercial real estate investment by banks particularly in the recent years, and now a great fall in commercial real estate values. So we have major problems that have accumulated out in the banking system.

Frankly, in my view our regulatory system was not adequate and did not perform adequately in terms of seeing those problems early, acting aggressively on them, getting them under control prior to a situation developing where the insurance fund would be driven into bankruptcy, which is where we find it today.

So we have endeavored in this legislation to meet that problem head on, and to take the corrective steps that are needed. I would not bring a bill to the floor that would provide a loan to refinance the bank insurance fund that did not have connected to it a series of basic banking reforms that tightens up the system, strengthens regulation, prevents abuses, and protects that money better in the future than we have seen in the past. So these things have to go in tandem. The loan to the deposit insurance fund and the basic reforms in the banking system have to be connected and remain connected, and any other kind of legislation that anybody wants to propose that breaks that connection would not be acceptable to me. I think that would be very bad public policy.

The final issue is this: how serious is our banking problem? Where is it likely to go in the years just ahead? We have asked the principal regulators and authorities in the executive branch of Government to give us their best up-to-date assessments of how serious this financial problem is. They have just come back with revised estimates.

The FDIC for its part has said to us that they feel, under the likely worst-case scenario that they see coming down the track, the amount of money being sought here by the administration of $70 billion will be sufficient to cover all of the bank losses that they see out in the future. Bear in mind that that loan is to be paid back in full by the banking industry over the next 15 years in terms of bank insurance deposit premiums.

So it is supposed to be truly a loan and a loan which is repaid so that the taxpayers are not the ones who are making that expenditure but in fact advancing a loan which will be paid off by the banking system over time.

So in any event, the FDIC has told us that in their best professional opinion this amount of money will be sufficient to cover the losses, the future bank losses that they foresee. I have asked the Treasury Department also for an updated assessment on that issue in light of changed economic conditions to see if they still hold to that view. I have not yet received a letter in response to that. But I am anticipating getting one because I think we have to have an assertion on the record that addresses that question directly. Let me correct the record, we have received the Treasury Department response and they stand by their original statement.

I cannot say as I stand here on this Senate floor today that the amount of money the administration has requested will under all circumstances be sufficient to this task. There is no one that I know—I have talked with virtually every banking expert in the country that I can find to address that question to them—who can give an absolute, iron-clad assurance as to what the pattern of future bank failures may look like.

If we go into a double-dip recession, if we find that economic conditions worsen, if there is more structural weakness in the economy, if the banking system experiences a higher level of losses in the future, then the outlook will clearly change. As we come to that issue today I think we have to make the best judgment we can based on the best professional advice available to us at the moment. That is what this bill is based upon.

So there is no one that can give a certification that this problem in fact may not, under extreme conditions, be even worse than we are now told that it is. It may be. I hope not. I hope not. But I cannot make a certification here with respect to what the future picture may look like any more than anyone else can in terms of the information that we have to rely on. This constitutes the best professional assessment of the outside experts that we can put together at this time.

Let me yield the floor. I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. ROBB). Who yields time?

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah [Mr. GARN].

Mr. GARN. Mr. President, I yield myself such time as necessary.

ORDER OF PROCEDURE

Mr. RIEGLE. Mr. President, will the Senator yield for one moment for a unanimous-consent request from the majority leader?

On behalf of the majority leader, I ask unanimous consent that, immediately following the cloture vote at 10:30 a.m. this morning, the Senate vote on final passage of House Joint Resolution 374, the continuing resolution. I am told this has been cleared by the Republican leader.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Utah [Mr. GARN] is recognized.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

The Senate continued with the consideration of the motion to proceed.

Mr. GARN. Mr. President, earlier this year the President sent to Congress a bold and comprehensive proposal for addressing the severe problems confronting the bank insurance fund and our Nation's commercial banks.

While there are many facets of the administration's proposal, two were critical. Under the proposal the banking industry itself, not taxpayers, was to be responsible for providing needed funding for BIF and equally important, under the proposal the banking industry was to be strengthened in order to avoid future crisis for the BIF.

This strengthening of the banking system was to be accomplished through removal of legislative impediments to commercial bank competitiveness in the rapidly evolving financial-services marketplace.

As Congress sought to respond to the administration's bold initiative much has been said about the importance of providing BIF with the resources needed to meet its commitments to insured depositors.

Support also has been widespread for the administration's proposal that regulators use prompt corrective action when handling troubled banks.

I agree that both of these parts should be in any legislation enacted.

But in the debate on the Administration's legislative package, sufficient emphasis has not been given to the critical importance of the provisions needed to ensure that the commercial banks will be viable competitors in the financial services industry.

This is absolutely essential if we are to avoid a future BIF crisis that will necessitate the use of taxpayer funds to resolve. As Treasury Secretary Nicholas Brady told the Banking Committee in testimony last February:

> If we leave the job half done—if we tinker with the problem—then we'll probably be back again, sooner or later, recapitalizing BIF, perhaps the next time with taxpayer money.

I would add, in listening to what the Chairman said, that he could not guarantee there was enough money. I agree. As a matter of fact, I think because it appears we are going to fail to enact comprehensive legislation, that we will be back asking for more and this will not be sufficient because for 15 years, 17 years, the entire time I have been in the U.S. Senate, Congress has over and over again failed to address the problem of modernizing the banking system in this country, and it has become less and less competitive.

So unless we make meaningful structural changes in the system, I think we are guaranteed to be coming back for additional money in the future.

I do not think it is possible just to continue to put Band-aids and tourniquets on the problem. It is very much like if you have a bankrupt corporation, you just keep pouring more money into it, without structural changes, and changing some of the management, changing the reasons and the procedures for why that institution went bankrupt. For 17 years, we have seen these problems progressing in the S&L and banking industry, and Congress' response has been to put more money into it, but let us not change the structure and the fundamental problems that have created the losses.

Because of the House action of a few weeks ago, apparently, no matter what we do here in the Senate, we are going to end up with a watered-down bill. Then a couple of years from now we will be back here saying: I wonder what happened, and we will be criticizing whoever the next administration is for asking for more money.

Well, I hope people remember a Congress that has fiddled and has not been willing to address these problems in Congress for 15 years. I probably will not be here when the next request comes; I am not running for reelection next year. But I hope a few people remember that this Senator spent 17 years on the floor of this Senate, and in the Banking Committee, saying we needed basic structural change, comprehensive banking legislation.

Once again, because of the gutlessness of Congress, and the selfishness of all of the special interest groups, who want their way—the hell with the country—whatever happens, as long as their self-interest is preserved, apparently we are going to fail to do that one more time.

Former FDIC Chairman Seidman was making the same point as was made by Treasury Secretary Brady when he told the committee in April:

> Reform of the deposit insurance system must include reform of the antiquated legal structure burdening the financial industry in general and the banking industry in particular. A healthy deposit insurance system depends ultimately on the existence of a healthy banking system.

Federal Reserve Board Chairman Alan Greenspan echoed the same theme:

> The best protection for the insurance fund is to be certain that we have strong banking organizations. Authorizing wider activities for holding companies with well-capitalized bank subsidiaries would increase the efficiency of our financial system by permitting such organizations to respond more flexibly to the new competitive environment in banking here and abroad.

Simply put, outdated laws relating to financial structure bear much of the blame for today's BIF crisis.

Bad as the situation is, we nevertheless are fortunate that the banking industry still appears to possess the resources needed to recapitalize its own insurance fund without the use of taxpayer money.

But if Congress fails to follow the administration's leadership in seeking to reverse the industry's deterioration, there inevitably will be another BIF crisis in the future; and by then, the industry may be too weak to recapitalize the BIF without taxpayer's assistance.

The weakened condition of the U.S. banking industry is reflected in the dramatic decline of its international competitive position in recent years.

As Secretary Brady told the Banking Committee:

> Today, the United States does not have a single bank among the world's 25 largest. Twenty years ago we had 7. * * * Against the backdrop of an economy that is twice the size of our nearest competitor's, I wonder if anyone can explain the complete absence of U.S. banks from the list of world leaders. * * * Would we be comfortable with no aerospace companies in the world's top 25?

How about pharmaceutical companies? How about computer manufacturers?

Given the contribution of outdated financial structure laws to the current problems in the banking industry, it is hard to understand the logic of those individuals who argue that Congress should do nothing this year but provide funding for the BIF.

Even harder to understand is the logic of those individuals who argue that Congress should not only fail to enhance the ability of banking organizations to compete in today's financial services marketplace, but that Congress should actually roll back the steps toward enhanced competitiveness achieved by the banking industry in State legislatures, in the courts, and through the regulators.

Mr. President, in its response to the administration's legislative initiative, thus far, Congress once again has been slow to act; more intent on finding a scapegoat for the problems in the banking industry than on resolving those problems; unable or unwilling to be as bold or as comprehensive in its approach to the problems as the administration; and, in repeated instances, unable or unwilling to resist protectionist pleadings of the special interest groups.

Congress received the President's proposal 10 months ago. In July, Chairman RIEGLE and I agreed on compromise language relating to Glass-Steagall, to commercial/industrial firm ownership of diversified financial services holding companies, as well as to other important parts of the administration's proposal.

The full Banking Committee subsequently endorsed our compromise. I was not completely happy with the compromise, nor was Senator RIEGLE.

I believe that legislation reported by the Banking Committee is not as comprehensive as the administration's proposal, and does not provide true equality of competitive opportunity for all competitors. It continues to protect certain special interest groups—insurance agents in particular—at the expense of consumers.

Nevertheless, the compromise language that Senator RIEGLE and I agreed upon—language that we both committed ourselves to defend here on the Senate floor—is sufficiently important to merit our continuing to pursue this legislative initiative.

If Congress fails to respond to the administration's request on the Senate bill, or if Congress is unable to respond adequately, then the financial services sector of our economy will continue to deteriorate.

Adequate credit will not be available to fuel economic growth, bank failures will continue unabated and, ultimately, taxpayers will be called upon to provide the funds to pay off insured depositors in banks whose failure was foreordained by congressional foot-dragging and inaction.

I have given this speech several times on this floor over the years. The last time was in 1986. I hate to keep bringing it up. Senator RIEGLE and I both stood on the floor of this Senate in October 1986, 5 years ago, and gave essentially the same speeches about the need for modernization, but at that late date, at the close of a session, we at least needed to recapitalize FSLIC in the S&L situation. The Senate acted responsibly that night and appropriated $15 billion, not of taxpayers' money, to be paid for by the S&L industry, who should have paid for it at that time. The House of Representatives refused to act.

Here we are again—deja vu—5 years later, still saying we need comprehensive banking legislation, structural reform to improve the competitiveness and profitability of the system.

But I want everybody to remember that this Senator said one more time, this is our last chance to provide money and let the banking system pay for their own problems. It may be the last time we have an opportunity to fix the system. Otherwise, history will repeat itself, and a future Congress will be back here asking for taxpayer bailout like we had to in the S&L crisis because we refused to act in 1986.

I hope this Congress is not irresponsible enough to do it again. When they do not need to do it from foresight, they can do it from hindsight.

It is not a matter of this Senator's recollection or opinion. It is a matter of fact. It is in the CONGRESSIONAL RECORD.

We have failed to act over and over and over again. If we did not do it at the end of this session, and let the banks pay for their own problems and do some structural reform, I hope the wrath of the American people will come down on Congress for their inaction when they come back for a BIF bailout by the taxpayers, as we have seen on the S&L side of it, which is entirely the responsibility of the Congress of the United States for not acting in the early 1980's and even as late as 1986.

So I suggest that it may be obvious to those who hear me speaking today that I ask that we vote cloture today, so we can, at least in the Senate, try to pass a responsible bill before this session is over.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. Who yields to the Senator from Delaware?

Mr. ROTH. Mr. President, will the Senator yield me time?

Mr. GARN. I am happy to yield to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for up to 14 minutes and 15 seconds.

THE CLOTURE VOTE AND BANKING REFORM

Mr. ROTH. Mr. President, this morning we will have a very important vote on cloture with respect to banking reform. In caucus, the hallways, and the cloakroom I hear other Senators wish that the banking bill we are to consider would be a narrow bill limited to recapitalizing the bank insurance fund and providing some regulatory reform. They want a bill generally limited to titles I and II of S. 543. They wish to avoid reliving the experience of the House.

The broad committee bill comes brimming with concerns. There are many contentious and divisive issues, issues, that have defied accommodation for years, issues that do not pit one party against the other but rather divide both. These are issues about interstate branching, issues, about independent regulation, issues about banking services for noncustomers, issues about banking powers, issues about superfund liability, and issues about securities fraud litigation, to name just a few. Each one of these issues in normal times is a bill unto itself. Each one of these issues is itself more volatile than most bills we consider. Each one of these issues raises different coalitions for and against.

Now, Mr. President, there is nothing wrong with controversy. But time is growing short and we have yet to begin floor action on this legislation. We cannot afford to fail in our purpose. We must in this short time send to the President a bill to recapitalize the bank insurance fund so that depositors at failed banks may be protected and the failed banks closed before a very costly problem becomes even more costly. I do not believe that we should jeopardize the success of recapitalization, at this time and under these circumstances, by taking up a bill as broad as S. 543.

Originally, when the process began I hoped the comprehensive reform could be achieved, reform that would put U.S. banks on par with foreign competitors, reform that would make banks more profitable so that taxpayer money would not be used, reform that would advance the cause of financial modernization. I fully supported the administration's proposal. But, in my opinion, that proposal is not possible in this Congress. As the New York Times editorialized, banking reform has been transformed into "banking deform."

For those who, in these circumstances, want a narrow bill rather than a broad bill, the question is how do you get from here to there. There is no clear roadmap. We must chart our own course. It appears that we have these alternatives:

First, we might vote against cloture on the motion to proceed because it is a motion to proceed, after all, to S. 543, a broad bill. In that way we might signal our opposition to a broad bill at this late stage and our desire for a narrow bill. Having no bill, as I said before, is not an option. We have a moral commitment to depositors to enact BIF recapitalization.

Alternatively, we might vote for cloture, proceed to S. 543, get mired in issues that are emotionally charged, upset a lot of Members any one of whom could stall our progress, and end in gridlock.

Mr. President, we can either follow the House's example or we can learn from it. If we take up a narrow bill with a view toward enacting a narrow bill, we can achieve a narrow bill and fulfill our responsibility to depositors. But if we collectively try to outgame each other, so that one interest group wins an advantage over another, we may end up with no bill at all. In my opinion, the only solution is to take all the contentious issues off the table. In these circumstances, the only successful approach is neutrality—no special advantages for any special group.

When this bill was ordered reported from committee, the senior Senator from Maryland stated that "this bill is contaminated with the seeds of its own destruction." The bill was reported by a vote of 12 to 9, with 6 of the 12 Democrat members voting "no." Today, S. 543 would not fare as well as 12 to 9. It is important to note there are many problems from both sides of the aisle. The Senator from Maryland was correct. There are forces at work destined to bring the broad bill down.

That leads me to my last point. The committee vote did not settle any one of the contentious issues in the bill. Rather, that vote represented a single frame, an instant of time, in a moving picture of continuously warring factions. That is the reason why this legislation has yet to come to the floor. The problem with S. 543 is not the objection of any Senator. Rather, it is a bill "contaminated with the seeds of its own destruction," as the Senator from Maryland eloquently said. The bill is replete with problems.

It is time that we move forward. This Senator's strong preference—in these circumstances—is to proceed directly to a narrow bill. It is the safe course—safer for depositors and safer for the taxpayer. Proceeding to a narrow bill would not be killing an opportunity for financial modernization. While this Senator continues to believe in that cause, that cause has already died for this year. But if it is the will of the Senate to proceed to the broad bill, so be it. In my opinion, however, no broad bill like the one before us will become law.

Senators who are not on the Banking Committee should recognize that it is primarily the competitors of the banks—perhaps I should say the opponents of the banks—who at this stage want a broad bill. I would just point out that the Independent Bankers Association of America, representing small banks, and the Association of Bank Holding Companies, representing large banks, seldom agree on anything. But they do agree here: in the present circumstances, they both want a narrow bill. The National Council of State Legislators and the Council of State Bank Supervisors, who speak for the States on banking matters, want a narrow bill. The Financial Services Council, the organization that spearheaded the drive for real banking reform, now wants a narrow bill. So does the Consumer Federation of America.

The American Bankers Association has fought hard and long for comprehensive reform—for interstate branching, for securities powers, and for insurance powers. But even the ABA now believes that the current effort for broad reform is dead. Having reviewed developments in the House and the Senate, the ABA now believes that the better course is to proceed to a narrow bill.

So that leaves the administration, ever hopeful but now alone, pressing for a bill with interstate branching. But the constellation of forces in the banking galaxy will not allow disequilibrium. Every action produces a countervailing reaction. It is a strategy that all the other interests oppose. To me, it is a high-risk strategy that puts in jeopardy our commitment to federally insured depositors.

The only strategy for me is no special advantages for anybody. For two Congresses I have sought to rewrite the qualified thrift lender test. The fruits of my labor are there in title XI and frankly, I am quite pleased. But in the present circumstances, it is better to yield that victory back and pass a narrow bill.

I look forward to the vote today. It is an important vote. I encourage every Senator to reflect on its significance. A narrow bill is absolutely necessary. S. 543 is not.

Mr. President, I yield the remainder of my time back to Senator GARN.

The PRESIDING OFFICER. Who yields time?

Mr. RIEGLE. Mr. President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I yield myself 2 minutes of my remaining time.

The PRESIDING OFFICER. The Senator is recognized.

Mr. RIEGLE. Mr. President, in discussions that I have been having with Senator GARN, the ranking member, as I mentioned earlier, there are three points particularly that I think are the most difficult issues in this broad comprehensive reform bill: the insurance area, the Glass-Steagall area, and also interstate banking.

I can report at this time that on the basis of discussions that have been ongoing yesterday and through most of the night that I think in the area of the insurance issue we may be very close to having some revised language that can be generally accepted that will in a sense settle that issue.

Second, with respect to the interstate banking issue, we have been working with Senator FORD on this issue; Senator BUMPERS also has a position in that area. I think we have made great progress in working our way toward an answer as well in that area that will be generally acceptable, with one exception, and that is we have an outstanding issue with respect to foreign banks and the whole way in which American banking law would then fit and interface with international banking law. So that issue is still up in the air and needs additional work.

With respect to Glass-Steagall, let me just say that we have been talking about that as well. We are waiting now for a confirmation from the Treasury Department, but there is some indication that they may have reached a point where they will propose to us and suggest to us that issue be resolved by taking that section out of the bill. So I cannot at this moment make that full representation. But we are in the midst of conversations off the floor right now on that matter, and it may well be that will be the situation here.

Let me just yield to my colleague from Utah.

The PRESIDING OFFICER. Who yields time?

Mr. GARN. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized accordingly.

Mr. GARN. Mr. President, as disappointed as I am at what is going to take place over the next few days in not achieving comprehensive banking legislation, I would agree with the chairman that, after what has taken place in the House of Representatives, no law would be better than the House Banking Committee or the House of Representatives bill that has been passed. It goes backward. So the status quo is better than what they have done.

Therefore, I would agree, if we could work out an insurance compromise and on the interstate issue. I feel very strongly, however, that we cannot yield to the changes in international banking. Some of us worked very hard in 1978 on the International Banking Act. Some of the provisions that are being proposed in that area certainly would be in the category of going backward.

But the one issue that I have worked on, as I mentioned, for a decade and a half, is Glass-Steagall reform. My own personal opinion is that we should abandon that at this point in the bill, as much as I regret to say that, because then I will not be in the Senate long enough after retiring next year to see those changes take place that I have worked so hard and so long on.

But I think we have to recognize the reality of the situation, that with the House provision, that if we do not remove that particular section we could end up with certainly something that is much, much worse than current law. So it would be my recommendation that as managers we agree to remove the Glass-Steagall section of the bill to avoid an even worse situation in current law.

Mr. RIEGLE. Mr. President, let me yield myself 1 minute if I may.

The PRESIDING OFFICER. The Senator is recognized for up to 1 minute.

Mr. RIEGLE. Mr. President, I like the bill, too, as the bill has come out of the committee. And I know there are other Senators on my side, Senator DIXON feels strongly, and others, about provisions in the bill. My clear sense is, from our discussions with the administration, that while they would prefer our provisions in our bill, that for reasons of jurisdiction and the need to move this legislation through that they are of the view that section ought to come out of the Senate bill.

So I want to put everyone on notice now, those Senators not on the floor, that when cloture is invoked—as I clearly hope that it will be here in the vote to come just in a matter of minutes—that we will then undertake to craft a managers' amendment that we will discuss with others here that will attempt to deal with those issues: the Glass-Steagall issue, along the lines that Senator GARN has said, where that section, with the support and concurrence of the administration, would come out of the bill; the insurance section would be modified in a fashion that I think will be found generally acceptable to people on both sides of that issue; and that there will be modifications in the area of interstate banking to accommodate some of the views expressed by Senator FORD, with the outstanding issues still of the international banking question which at this point remains a sticking point and is going to have to be dealt with.

But other Senators, as they come to the floor, I will be interested in hearing their thoughts on these issues and others.

Let me just use the remaining part of the time I have just given myself to say that it is essential, given the timing pressures and the urgency and the pressure on the bank insurance fund, that we move ahead today on this legislation. It is essential that we vote cloture, that we get the bill up.

We can work it through here in the hours and days just ahead. We have to get to conference. We have to then bring it back to the Senate. And there are other issues behind that. With the adjournment schedule that is now tentatively in place prior to the Thanksgiving holiday, we cannot afford to wait another minute to move ahead on this legislation because we have not only got to get it enacted, but it has to be done properly and carefully in the sense that everything has to be done in a fashion that will strengthen the banking system and strengthen confidence in the country.

So I strongly urge my colleagues to vote for cloture so that we can proceed with this bill and with these discussions along the lines that we have just laid out.

I yield the floor.

The PRESIDING OFFICER. All time controlled by the Senator from Michigan has expired.

Who yields time?

Mr. GARN. Mr. President, in the closing minute, I would simply echo the chairman's statement that whatever our colleagues' feelings are on various portions of this bill, it should be evident to them that we are not going to be able to pass, in the final analysis, after conference, a comprehensive bill. And so I think it would be a very big mistake for them to vote against cloture. That stops the process and does not allow us to proceed with some of the negotiations that we have been talking about so that we can provide necessary funding paid for by the banks for the BIF, the bank insurance fund.

So I urge my colleagues to vote for cloture.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion.

The clerk will report the motion to invoke cloture.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of S. 543, the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991:

Richard H. Bryan, Claiborne Pell, Alan J. Dixon, Carl Levin, Don Riegle, Timothy E. Wirth, Jim Sasser, J. Lieberman, George Mitchell, Pete Domenici, Thomas Daschle, D. Inouye, Albert Gore, Christopher Dodd, Jay Rockefeller, and Harry Reid.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 543, the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Ohio [Mr. GLENN], the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Pennsylvania [Mr. WOFFORD] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 76, nays 19, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—76

Adams
Akaka
Baucus
Bentsen
Bingaman
Bond
Bradley
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Exon
Ford
Garn
Gore
Gorton
Graham
Gramm
Hatch
Hatfield
Inouye
Jeffords
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth

NAYS—19

Biden
Boren
Breaux
Brown
Craig
Durenberger
Fowler
Grassley
Heflin
Helms
Hollings
Johnston
Kasten
Kohl
Mack
Nickles
Nunn
Roth
Seymour

NOT VOTING—5

Cranston
Glenn
Harkin
Kerrey
Wofford

The PRESIDING OFFICER. On the motion to invoke cloture on S. 543, the yeas are 76, the nays are 19. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

FURTHER CONTINUING APPROPRIATIONS—1992

The PRESIDING OFFICER. Under the previous order, the Senate will now vote on passage of House Joint Resolution 374, which the clerk will report.

The assistant bill clerk read as follows:

A joint resolution (H.J. Res. 374) making further continuing appropriations for the fiscal year 1992, and for other purposes.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The assistant bill clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Ohio [Mr. GLENN], the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr. KERREY], and the Senator from Pennsylvania [Mr. WOFFORD] are necessarily absent.

The PRESIDING OFFICER (Mr. SHELBY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 4, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—91

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Danforth
Daschle
DeConcini
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth

NAYS—4

Brown
Dixon
Helms
Smith

NOT VOTING—5

Cranston
Glenn
Harkin
Kerrey
Wofford

So the joint resolution (H.J. Res. 374) was passed.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business for not to exceed 2 hours, with 45 minutes under the control of the majority leader or his designee, and with 40 minutes under the control of the Senator from Georgia [Mr. NUNN].

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, following my remarks, I designate the distinguished Senator from South Dakota to allocate the time under the order previously stated.

HEALTH CARE REFORM HEARINGS

Mr. MITCHELL. Mr. President, as I have said many times, I believe that all Americans have a right to quality health care. At the same time, our Nation's soaring health care costs must be brought under control with serious, meaningful, cost containment strategies.

I am greatly heartened by yesterday's announcement of a comprehensive health care reform proposal by the National Leadership Coalition for Health Care Reform. That coalition, which includes major U.S. corporations, labor unions, consumer groups, and health care providers, has developed and supports a plan very similar to legislation introduced earlier this year.

It provides new and important support for the proposal introduced earlier this year.

I am committed to enactment in this Congress of comprehensive health care reform legislation which will accomplish the two goals of universal access to care and meaningful cost containment.

As we continue our efforts to develop and refine proposals for comprehensive health care reform, including long-term care for the elderly and disabled, it is important that we reach out across the Nation to learn more about the problems facing Americans with no health insurance, or with insurance coverage that is inadequate to meet the costs of serious illness.

In December I will hold a series of field hearings across the country, with a number of Democratic Senators, to hear the concerns of citizens from all walks of life about the problems with our Nation's health care system. During the week of December 9 we will hold hearings in Tampa, Atlanta, Detroit, Cleveland, and Denver.

We want to look at the problems facing American families who cannot purchase health insurance policies. Some of these families have a child with a chronic illness and are denied health insurance because of a preexisting condition. Other families have lost their health insurance because one or both parents lost a job as a result of the recession. Still other families work for employers who do not offer health benefits to their employees—often because the spiriling cost of insurance is prohibitive.

It is critical that we understand the problems of our current health care system. We must also look for viable solutions. As we look for comprehensive national solutions it is important that we learn from the experiences of the States.

Recently, I met with several Governors to discuss how we can work together to enact comprehensive health care reform. Many States, including Maine, Hawaii, and Washington, have already begun to implement health care reform programs. These State demonstrations must be encouraged. But the States cannot accomplish the goals of universal and cost containment without leadership and assistance from the Federal Government.

It is not enough that some citizens in some States have access to quality health care at a cost they can afford. Every American must be able to exercise his or her right to affordable, quality health care. That is our objective. Nothing less will do.

The Democratic Party has a long tradition of commitment to health care for all Americans. It was the Democratic Party that worked to enact the Medicare and Medicaid Programs in the 1960's to provide access to care for our most vulnerable citizens—the elderly and the poor. These landmark programs were enacted in spite of the overwhelming opposition to their passage by the Republicans.

I have been working with a number of my Democratic colleagues in the House and Senate for nearly 2 years to develop a proposal for meaningful health care reform. While not all Democrats agree upon the design of a comprehensive health care reform bill, we are all committed to the fundamental principle that affordable health care is a right of all Americans. We are committed to the goal of meaningful cost containment in the health care system.

Democrats are united in their commitment to reforms in the health care system which will guarantee that every American, regardless of his or her income, age, or place of employment, has health care coverage that is affordable.

By contrast, the Bush administration has no proposal for comprehensive health care reform.

Two years ago in his State of the Union Address, President Bush announced the formation of a Commission to develop a plan to address the health care crisis in America. But today, 2 years later, there has been no proposal.

Where is this Commission? What is this Commission doing?

Many Members of the House and Senate of both parties have begun to talk about the health care problem facing our Nation. Many proposals have been made, but these proposals do not and cannot, by their designs, assure that every American family will have access to an affordable health insurance policy.

It is not enough to call for malpractice reform and managed care incentives. While these and other provisions contained in a number of Republican proposals may have merit, they do not get to the heart of the problem.

To assure that every American can exercise his or her right to affordable health care, we must require that health insurance is provided.

The heart of this problem is in two aspects: The first is to make sure that every American has health insurance. The second is to have effective cost containment. This is what our bill does.

Our goal is a difficult one. Yet it is one that has been met by nearly every industrialized nation in the world. Surely, the United States can find a way to provide health care benefits to all of its people, as have Germany, Japan, Austrialia, Canada, Great Britian, and virtually every other industrialized nation.

It is unacceptable that American families cannot provide health care for themselves and especially for their children.

We are committed to provide affordable health care for all and to control the soaring costs of health care in our society.

I challenge the administration to join with us in developing a meaningful proposal for such reform, a proposal which will assure that every American can exercise the fundamental right to affordable health care, and I hope that our Republican colleagues in the Senate will work with us in this effort.

We cannot wait any longer. The time to act is now.

Mr. President, I yield the floor and, as previously stated, I designate the Senator from South Dakota to allocate the remainder of the time.

The PRESIDING OFFICER. The Senator from South Dakota controls the time.

Mr. DASCHLE. Mr. President, I yield 6 minutes to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 6 minutes.

Mr. FOWLER. Mr. President, I thank the majority leader and my colleague from South Dakota, Mr. DASCHLE, for this time to join with them to send a message to the people of my State and the people of our country that our Democratic leaders in the Congress are committed to the fundamental principle that affordable health care is an absolute right for all Americans.

As you heard the majority leader say, in the early part of next month when the Congress has adjourned my colleagues and I will travel throughout the United States to hear directly from the American people, employers, employees, manufacturing workers, and officer personnel, health care providers, State government officials, ordinary citizens, listening to them about how we address the problems with our Nation's health care system.

In my State we will explore the link between employment and health care coverage, asking Georgia workers and business owners about how they are coping with these spiraling costs and dwindling protections of a health care system that simply is not working for all Americans.

This hearing will allow us to examine real life consequences of the failure to establish health care policies that meet the needs of working Americans, particularly in time of recession, economic hardship.

Mr. President, even before these hearings begin, I fear that I know all too well the stories of human suffering and neglect that Senators are likely to hear in Georgia. Since I was elected to the Senate in 1986, I have returned to all 159 counties in Georgia. It troubles me to have to report to my colleagues that 145 of these counties have higher infant mortality rates than the Nation as a whole, that 81 of my counties have been designated health professional shortage areas by State health officials, and that 92 out of 159 counties in my State have not a single obstetrician. In fact, more than two-thirds, overall, of Georgia physicians are found in the nine urban areas of our State. These are the realities of a health care system which particularly in the rural areas is falling far short of the mark.

I am sad to report that 20 percent of Georgians under the age of 65 have no way of paying for even the most basic health care plan. That means that one out of five Georgians under the age of 65 is among the 37 million Americans who have no health insurance.

In spite of all the progress that we, in Georgia, have made in improving their quality of life over the last few decades, we still, in Georgia, rank 49 out of the 50 States in access to health care and 46 out of the 50 States in life expectancy.

Too often, small businesses all across the Nation, as well as Georgia, are crippled by the skyrocketing health care costs that stifle competitiveness and leave working families unprotected. At the same time, countless citizens live in fear of being just one pink slip away from losing all health care coverage that they so desperately need.

I am pleased to say that my colleagues on this side of the aisle have led the charge to reform our Nation's health care system. It was only last week when the voters of Pennsylvania rocked the White House with their resounding plea for affordable health care for every American that now health care proposals before this body are appearing. Until that time there were only Democratic proposals. Now our colleagues on the other side have joined in commitment to move a health care reform package through the Congress in the coming year.

I certainly welcome my Republican colleagues and their newfound interest in this important issue. But I warn the American people that most of the proposals now coming from the White House fall far short on two key and essential goals of the Democratic plan. First, they fail to initiate serious efforts to contain health care costs and, second, those proposals lack the promise of guaranteed affordable health care for everyone, everyone in our country.

I would say also to the American people today that, despite our best efforts, the Democratic leaders of this legislative body do not have the power to reform our Nation's health care system alone or unilaterally. To reach that goal we must have the cooperation and commitment of the President of the United States.

Through 8 years of the Reagan administration and now 3 years under President Bush the White House has failed to even propose a plan for health care reform, much less to push or promote or to prioritize such a plan.

The inaction of President Bush should tell the American people one thing loud and clear: Finding a solution to runaway health care costs that threaten the well-being of so many Americans is not a priority of our President or his party. We hope that will change in the upcoming debate, but until now it has not been a priority.

In the coming weeks Senator DASCHLE, Senator MITCHELL, and others will crisscross this Nation to involve the American people in addressing our Nation's health care crisis. We will share their stories. They already feel their pain. We will elicit their opinions and we will heed their words. We will identify their problems and we are going to discuss solutions. And we will do all this, Mr. President, not out of any desire for any partisan gain, but out of an enduring sense of human compassion and necessity as we reform our health care system. And when we get the guidance of our citizens, both in Georgia and across our country, we will establish a system that makes the right to affordable health care in America as inalienable as our right to life, liberty, and the pursuit of happiness.

I thank our colleague from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota controls the time.

Mr. DASCHLE. Mr. President, I commend the distinguished Senator from Georgia in his remarks. I associate myself with him completely and applaud his leadership and certainly the effort he demonstrated in his commitment to adequate health care in this country.

Mr. President, I ask unanimous consent that following my remarks the Senator from Minnesota be given 10 minutes, the Senator from Florida follow that by an additional 10 minutes, and the Senator from Colorado be given 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

DEMOCRATIC AGENDA FOR HEALTH CARE REFORM

Mr. DASCHLE. Mr. President, last week my colleagues and I stood here and congratulated Senator WOFFORD for his victory in Pennsylvania. Let us not waste any time in turning his achievement into a victory for every American by implementing the national health care plan he advocated.

Pennsylvanians are no different than South Dakotans, Kentuckians, or Oregonians. They know our health care system needs radical surgery, not more Band-aids.

They are tired of tinkering when we need a complete overhaul.

HARRIS WOFFORD's experience helped to focus attention on the agenda that

Democrats have been talking about for a long time: Comprehensive health care reform. Clearly, Americans everywhere are crying out for this type of reform. We in Washington should heed this wake-up call.

For a reform proposal to be viable, as the distinguished majority leader indicated this morning, it must lower health care costs, guarantee affordable care to everyone, and give Americans the security that an illness or switch to a more challenging job will not result in a loss of their health benefits. It must provide less hassle and more health care, and certainly emphasize prevention.

Incremental reforms that tinker at the margin cannot achieve these goals.

Unfortunately, many of the health care proposals being circulated in Washington fail because they are too little, too late. For example, the incremental reform plan introduced by 17 Republicans last week is yet another piecemeal plan that acts like a crutch to allow our system to limp along a little longer. This Band-aid approach to reform has led to year-after-year of added complexity to our already fragmented health care system.

Winston Churchill, perhaps, said it best. Winston Churchill once said, "You can count on Americans to do the right thing, but only after they have exhausted all other possibilities." I hope we can "do the right thing" with our health care system before we exhaust all other possibilities.

However, to be successful, we must dispel the myths that inhibit consideration of fundamental reform.

For example, there is the myth that any new approach that guarantees health care coverage to all Americans will require rationing. But we know that the current system already limits access to health care for millions of Americans. The issue is really one of allocation, not rationing—allocating medical procedures according to a professional assessment of a patient's need rather than according to their insurance status, as we do today.

Another myth is that American business is doing the job of providing our citizens with health benefits, and will be able to do even better in the future. After all, 63 percent of all Americans have employer-based coverage.

But business calls health care spending one of its biggest problems. And they are right. The amount spent by American businesses on health services in 1989, $173 billion, was about the same as total U.S. corporate after-tax profits. And over half of all American firms with fewer than 10 employees offered no health benefits by 1988.

Finally, many believe that Americans simply are not prepared for fundamental change. But Americans are clamoring for change. A 1989 Louis Harris poll showed that 89 percent of the participants believe the system needs fundamental change. Only 10 percent said it works pretty well.

With so many people demanding health care reform, we have a rare opportunity to address some of the deep-rooted problems in our health care system. But, despite the public outcry, the response has ranged from piecemeal solutions from Republicans in Congress, to deafening silence from the Bush administration.

The administration has limited its efforts in health care reform to telling us what they do not like: They do not like the present system; they do not like mandated benefits; and they despise national health insurance.

Dr. Sullivan, who was asked by President Bush last year in his State of the Union Address to propose solutions to our health care problems, says he is still waiting for officials in his department to report their findings before he presents a plan to the White House.

As the majority leader indicated just this morning, again, Mr. President, the White House has no plan. They have shown no leadership on health care. They have given us no opportunities for the American people to hold out any hope that we as a Nation can deal in a comprehensive way with perhaps the single most pressing problem facing Americans today.

How much longer can we wait? The call for healthy lifestyles and more competition simply is not enough.

To reform our health-care system, we in Washington need to listen to our people—those who must grapple with our health-care system's shortcomings each and every day. They are imploring us to take action.

If we do not listen to them, we will continue to devise narrow inside-the-Beltway remedies to our health-care problems and it will be a long time before we do the right thing when it comes to improving our system.

Under the unanimous consent agreement, now, Mr. President, I yield to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 10 minutes.

Mr. WELLSTONE. I thank the Senator from South Dakota. I have a special appreciation for his eloquence. What we heard was not just a speech, but words that were meant, and I think they are very, very important.

Mr. President, health care has become a very popular issue. Polls show it; commentators are talking about it. The electrifying victory of HARRIS WOFFORD in Pennsylvania last week proved it. Now everyone wants to talk about health care. Let me emphasize those words: talk about health care; talk about health care.

But we need more than talk. We need to act. We need legislation which fundamentally changes the way we finance and deliver health care in the United States of America. And the fundamental change will only come and make a difference when we address two crises: the crisis of access, and the crisis of costs. These two fundamental issues have to be dealt with in any piece of legislation if that legislation is to pass the test.

Two questions, Mr. President: First of all, does the proposed legislation guarantee full access for citizens in our country to health care? Will there be health care for all citizens? We must start with that premise, that each and every citizen in the United States of America deserves dignified, affordable, high-quality health care regardless of income, regardless of age, regardless of employment status, and regardless of prior or current health-care condition.

The second question: Does the proposed legislation control rising health-care costs? Because if we do not control the costs, then we are not going to be able to provide access to all citizens within our country. We cannot lose sight of these two issues, and no amount of rhetoric, no amount of speeches should be able to obscure the fact that these are the two fundamental questions that have to be addressed.

Mr. President, the Democrats have introduced—and we will be introducing more—proposals which at the very minimum guarantee access to health care for every citizen, and which control health-care costs. Those are the two issues that have to be dealt with. We may differ on details, but we are united in our commitment to the fundamental principle that every American deserves—every American deserves—health care.

Meanwhile, from the White House, the silence is deafening. Meanwhile, we get a proposal from the Republicans which does not address the question of whether or not there will be access to health care for every citizen, which does not address the fundamental question of cost control. I am afraid, Mr. President, that the proposal that we have received from the Republicans on the other side of the aisle does not represent a step forward, but represents a great leap sideways. That is what we have so far.

Mr. President, speaking for myself, I believe the ultimate answer to the question of access and to cost is a single-payer system of national health insurance. It is the simplest, it is the most efficient, and it is, I think, the most equitable reform. What we do is we have one insurer, and therefore we simplify the administration of the program.

By the same token, we make the system simpler: not all sorts of different forms and rules and regulations, but we enhance and preserve consumer choice. The delivery of the health care has to be State and local, it has to be through a pluralistic framework, and consumers should choose from a range of different options.

Mr. President, I want to point out on the floor of the Senate today that if we are serious about cost control, and that will drive any reform, we have to understand that there are two reports to pay attention to: GAO, the General Accounting Office—I did not say Democrat or Republican—GAO, in June, with a report that said with single payer, we could save $67 billion in 1 year just in administration, not in deliver of services to people; and the New England Journal of Medicine, with an article that said with single payer, we could save up to $137 billion in 1 year, just from administration.

Now, Mr. President, we have a model just a little bit to the north. It is the Canadian health-care plan. I did not say it was Heaven on Earth. I did not say it was perfect. I think we have to study that plan and draw from its strengths, and then, of course, add to our own American experience. We will do more with HMO's; we will do more with centers of excellence; we will do more with technology.

But that single payer, that notion of cutting out the bureaucracy and getting right to the administration and financing of health care is an extremely important proposal. That, Mr. President, will be, at the national level, what I would be pushing very hard.

But I want to conclude by emphasizing something that I think several other Senators have said on the floor—I am not quite sure what the Senator from Florida is going to be saying; I am very interested in what he is going to have to say—which is there are a lot of dynamic people and a lot of dynamic ideas at the State level.

And, as a matter of fact, State officials there, right down there with people, are close to the crisis. So I have developed legislation in the form of a proposed amendment to the HealthAmerica bill that the leader talked about with such eloquence, that encourages States, if they want to—it does not require it—to set up their own single-payer systems as demonstration models. In other words, what we would provide would be Federal waivers on Medicare and Medicaid and ERISA along with planning grants to enable those States who want to move forward with a single-payer system—with very successful delivery and financing of health care—to do so.

I think that is the best of all worlds. We move nationally and we also provide maximum flexibility to State governments to move forward with their own proposals with help from the Federal Government.

The final point, Mr. President, let us make sure we do not just talk. I really think talking about health care these days has become the functional equivalent of politicians kissing babies. Everybody is going to do it. But let us look for the substantive proposals, let us be willing to offer our proposals, let us be willing to offer our legislation, and then let those proposals be scrutinized and let us have the debate and let us move forward with fundamental reform that will make a real difference in the lives of Americans all across this country.

There are lots of powerful, I mean really powerful, economic interests who are going to oppose the national health insurance plan. But I think at this point we can concern ourselves, first and foremost, with the national interest, and the national interest is to move forward with a national health insurance program that, once again, will provide dignified, humane, affordable care for every citizen within this country.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Florida is recognized for 10 minutes.

Mr. GRAHAM. Mr. President, I am pleased to join with the distinguished majority leader and my other colleagues in announcing the undertaking of a series of hearings across the United States on the issue of the Nation's health-care system. The first of those hearings will take place on December 9 in Tampa, FL, and will focus on the issue of cost containment. Senator MITCHELL and I will be joined by Senator ROCKEFELLER and Gov. Lawton Chiles as well as many Floridians who have compelling health-related stories to tell.

It is imperative, now more than ever, that we get out the message; health-care reform is the issue of the 1990's. In order to move forward, however, we need to have the active involvement, the leadership, of President Bush. Without the administration's involvement, comprehensive health-care reform has not and is not likely to occur.

As a Presidential candidate in 1988, George Bush had a health-care reform program. On many occasions, candidate George Bush proposed a Medicaid buy-in approach. If I could quote from the debate which took place on September 25, 1988, as reported in the September 26 New York Times, a question was asked by Ms. Annie Groer, a reporter for the Orlando Sentinel. Ms. Groer asked this question:

> Mr. Vice President, you said you want a kinder, gentler Presidency, one that helps the less fortunate. Today, 37 million Americans, including many working families with aging parents and young children, cannot afford any health insurance but earn too much to qualify for Medicaid. What will you do to provide protection for them and how will you pay for it?

The Vice President answered:

> One thing I will not do is sock every business in the country and thus throw some people out of work. I want to keep this economic recovery going—more Americans at work today than at any time in history, a greater percentage of the work force.
>
> What I will do is permit people to buy into Medicaid. I believe that's the answer. I am proud to have been part of an administration that passed the first catastrophic health bill. And in that there is some Medicaid—some provisions that will be very helpful to the kind of people we're talking about here. But we've got to keep going forward without killing off the engine and throwing people out of work. So the answer lies, it seems to me, in full enforcement of the catastrophic program. It lies, to me, in flexibility in Medicaid so people at the lowest end can buy in there and get their needs covered.

Mr. President, an analysis was done the next day in the Washington Post of this proposal, and various experts calculated the cost at a low end of $5 billion to a high of $20 billion. So the President did two things in September of 1988. One, he recognized the importance of health care as an issue of concern to this Nation; and two, he committed himself to a specific program with a not insignificant price tag.

Mr. President, I ask unanimous consent that a full copy of the portions of the Presidential debate relevant to this issue, and an analysis which appeared in the Washington Post, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 29, 1988]

BUSH'S MYSTERIOUS MEDICAID PLAN; LOW-INCOME 'BUY-IN,' NOTED IN DEBATE, POINTS TO COSTLY EXPANSION

(By Paul Blustein)

Call it the Stealth Health plan.

It first appeared on political radar screens during Sunday night's presidential debate, when Republican presidential nominee George Bush was asked what he would do for the 37 million Americans who lack health insurance. Bush replied that he would allow them to "buy into Medicaid."

The statement has aroused intense curiosity among health-policy and budget experts, who say that such an idea would represent a major expansion of the government's medical program for the poor and could cost upwards of $10 billion a year. They wonder whether Bush intended to go as far as his statement implied.

The answers from the Bush campaign are contradictory, and the manner in which the proposal was introduced deepens the mystery surrounding it. Bush had never publicly mentioned the idea until Sunday's debate. His surrounding it. Bush had never publicly mentioned the idea until Sunday's debate. His campaign first endorsed the idea by tucking it into a 3½-page position paper dated Sept. 22. That part of the paper said, in full: "George Bush supports allowing low-income workers to purchase Medicaid coverage."

The proposal is designed to show that Bush has an alternative to the health-insurance plan put forward by Democratic nominee Michael S. Dukakis, who recently signed a similar universal health insurance program into law for Massachusetts. The Bush forces have denounced the governor's national plan, which would require most employers to provide health insurance to their employees, as a $30 billion to $40 billion burden on business that would result in lost jobs and higher prices.

But if Bush's proposal was meant as a counter to Dukakis, the low-key way in which it was released has caused puzzlement among politicians and health care experts. It may reflect the fact that the vice president does not want to call attention to a big-government scheme at a time he is trying to paint Dukakis as a liberal. Bush is sensitive to charges that he has made several expensive promises in areas such as child care and education while failing to put forward a specific deficit-reduction plan. The cost of the Medicaid "buy-in" could dwarf the price tag of the other Bush proposals.

Another possible explanation is that Bush embraced the proposal in haste. One senior Bush adviser implied as much, dismissing the proposal as unformed and sketchy. "It still has to be staffed out," he said.

But Deborah Steelman, Bush's domestic policy adviser, said that while the proposal has not been fully fleshed out, the vice president has discussed the concept several times and favors using Medicaid as the best way to offer protection to people most in need. Many conservatives acknowledge that the program is so riddled with gaps that it is failing to provide the poor with adequate care, and Steelman said Bush wants to fill some of those gaps, including extending coverage to many low-income children who do not currently qualify.

Medicaid serves 24 million people—low-income families with children, and low-income aged, blind and disabled people. Eligibility requirements vary by state. Overall, about 41 percent of the people below the poverty line are eligible.

"For low-income workers, let's arrange a Medicaid buy-in, so they can get the subsidized care that they need," Steelman said, adding that Bush favors extending such a program to families with incomes up to 185 percent of the poverty level—in other words, about $20,000 a year for a family of four. The cost of such a proposal is uncertain and would depend on a number of factors, notably the share of the expense that beneficiaries would be required to absorb. Steelman said she estimates the price tag at a bit less than $200 million.

Other health-care experts scoffed at that figure. One congressional budget expert said that unless the government were to charge low-income workers extremely high prices for Medicaid coverage, "you'd get numbers in the $10 billion to $20 billion range. It wouldn't cost less than $10 billion."

Jack Meyer, a health care expert who favors the Bush proposal, said that if it were restricted to people at the poverty level or below, the cost to the federal government would be in the $3 billion to $6 billion range. The combined federal-state cost would be $5 billion to $10 billion, said Meyer, who is president of New Directions for Policy, a research firm. Like other analysts, Meyer emphasized that it is difficult to estimate costs without more details about how Bush's plan would work.

Told of these estimates, Steelman said that the people making them "have no idea of the policy we're going to institute. We are going to target this neediest populations first, which Dukakis isn't." (The Dukakis proposal would cover only people with jobs.) "Obviously George Bush is not going to break the bank," she continued, "but we have to do this—bearing in mind budget pressures." She noted that a plan offering coverage only for catastrophic illness would be much cheaper than a plan offering more comprehensive care.

We've run up more debt in the last eight years than under all of the Presidents from George Washington and Jimmy Carter combined. It's time for a Chief Executive who can make tough choices, can work with the Congress, can get that deficit down and begin to build a strong fiscal foundation under this country.

Q. All right, the next question will be asked by Ann Groer and it'll go to the Vice President. You have two minutes to answer, Sir.

HEALTH INSURANCE

Q. Mr. Vice President, you said you want a kinder, gentler Presidency, one that helps the less fortunate. Today, 37 million Americans, including many working families with aging parents and young children, cannot afford any health insurance but earn too much to qualify for Medicaid. What will you do to provide protection for them and how will you pay for it?

Bush: One thing I will not do is sock every business in the country and thus throw some people out of work. I want to keep this economic recovery going—more Americans at work today than at any time in history, a greater percentage of the workforce.

What I will do is permit people to buy into Medicaid. I believe that is the answer. I am proud to have been part of an Administration that passed the first catastrophic health bill. And in that there's some Medicaid—some provisions—that will be very helpful to the kind of people we're talking about here. But we've got to keep going forward without killing off the engine and throwing people out of work. So the answer lies, it seems to me, in full enforcement of the catastrophic program. It lies, to me, in flexibility in Medicaid so people at the lowest end can buy in there and get their needs covered.

Mr. GRAHAM. Mr. President, over the past several weeks, my staff and I have spent a number of hours attempting to obtain more information on the President's Medicaid buy-in proposal. I believe that it has much to recommend it. We were told repeatedly that the President has convened two commissions to study the health care issue and that the Medicaid buy-in approach is one of many proposals being considered. I have to conclude from a record that starts with such a firm commitment to a specific program, and recognizing that the President in addition to endorsing the Medicaid buy-in program also spoke very positively about catastrophic health care—a program which he subsequently signed the legislation to repeal—that we are now further behind than the President had felt us to be in September 1988. Almost 3 years into his Presidency, we have yet to receive a proposal to implement the plan that he committed himself to in September 1988.

It seems that President Bush thinks that health care reform can wait until after the next Presidential election. America cannot wait. That message was conveyed last Tuesday in Pennsylvania where the citizens of that State said we cannot wait. That message is also being conveyed in my State.

In August of this year I worked at a large supermarket in Pace, FL, in northwest Florida. While I was there I had a family that asked me this question: "Last month, in July, my husband's firm canceled its health insurance. What are we going to do if one of our kids gets sick?"

That is the question we are being asked to answer. On Monday of this week in Weston, FL, in Broward County, I met with a group of small business people. These are very hardworking, economically conservative men and women. They said:

> Senator, we have always been opposed to too much government involvement and specifically opposed to a Federal Government health care system. But, Senator, things have gotten so desperate, 20 percent of the firms in our arena having gone out of business in the last 12 months, that we have to have some relief. And health care is one of the major economic issues which are driving our businesses into bankruptcy.

Mr. President, we cannot wait until it is convenient on the electoral calendar to begin to deal with this issue. Those children in Pace, FL, are not going to wait for 1992 to get sick. Businesses cannot wait until November 1992 to see some relief.

The Democrats have long been involved in this issue. As our leader stated earlier, it was a Democratic initiative which created the Medicare Program and Medicaid Program which have provided assistance to tens of millions of Americans. Democratic proposals may differ in details, but they are uniform in their commitment to access to affordable quality health care services.

Our system cannot keep up with the rising costs which are being imposed on the business community of America.

For example, in the November 8, Orlando Sentinel, an article appeared which stated that the cost of health insurance has jumped 13 percent so far this year for employers in Florida, a gain that far exceeds the inflationary rate, according to a statewide survey of more than 400 companies. Florida employers surveyed said the average cost of health care coverage for each worker this year is $3,425 compared to $3,040 in 1990.

Mr. President, I ask unanimous consent that a copy of that news account be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Orlando Sentinel, Nov. 8, 1991]

EMPLOYERS' HEALTH COSTS SURGE 13 PERCENT

(By Oscar Suris)

The cost of health insurance has jumped 13 percent so far this year for employers in Florida, a gain that far exceeds the inflation rate, according to a statewide survey of more than 400 companies released Thursday.

Florida employers surveyed said the average cost of health-care coverage for each worker this year is $3,425, compared with $3,040 in 1990, according to the survey conducted by William M. Mercer Inc., an employee benefits consulting company based in New York.

"We are hoping that people see how serious the rate of increase is now and that it is time for some sort of national, concerted effort to control health-care costs," said Jan Chorvat, principal for the consulting company's Florida office in Tampa.

The survey's respondents—employer's that together provide health-care coverage to more than 1 million workers—painted a somewhat brighter picture than in 1990, when average employer health-care costs jumped 24 percent. Forty percent of those surveyed employed fewer than 100.

This year's increases, however, prompted the costs of providing health care as they coped with the rising costs of indemnity plans, health maintenance organizations and preferred provider organizations.

"The costs for individual consumers is going up too because their premiums are going up," said Marilyn Bell, executive director of the Central Florida Health Care Coalition. The group tracks health-care issues for major employers such as Walt Disney Co., General Mills Restaurants Inc., and Martin Marietta Corp.

In the latest survey more than half of the employers said they had passed on costs to workers by increasing deductibles and copayments. Thirty-seven percent of the respondents said they limited mental-health and substance-abuse benefits.

Employers raised deductibles by 73 percent over the past two years to an average of $260 in 1991, the survey showed. An employee's annual out-of-pocket costs have jumped 69 percent during the same period to a ceiling of $1,685.

"I think you can always make adjustments to the costs going up. I think it is important to be able to offer these plans to employees," said John Holloway, president of ABC Liquors Inc., a chain of liquor stores based in Orlando that has about 2,200 employees statewide.

South Florida proved to be the state's most expensive region for the health-care coverage, the survey found. The average monthly cost of providing health insurance for an employee was $170 in that region, up from $150 in 1990. In Central and Southwest Florida, the monthly average was $145, in North Florida $148.

Bell said the smaller increase in health-care costs this year could be attributed to more aggressive efforts by employers to rein in costs.

"A lot of it has involved employee education so they become better health-care consumers." Bell said. "They are being encouraged to do the things that will help control costs, such as eating right, stopping smoking, getting blood pressure screenings and exercising."

Mr. GRAHAM. Mr. President, we are affected by the rising health care costs through systemwide cost shifting, family members with preexisting conditions, and the large number of Americans who work for small businesses which cannot afford health insurance.

Americans are also experiencing job lock; stagnation from fear of losing health insurance when they switch jobs. And rising costs and decreasing access hurts the ability of our Nation to be competitive in the global marketplace.

Mr. President, it is my belief that Congress must consider realistic approaches to health care reform which are consistent with any comprehensive approach that we can take, while the administration waits to come to the bargaining table.

As I have indicated I believe comprehensive reform is going to require the involvement and the leadership of the President. I do believe that we ought to be looking now for those initiatives which will help build a foundation for such a comprehensive plan. Let me mention three suggestions which I believe would contribute to such a foundation.

One of those, which is very similar to the approach recommended in September 1988 by the President, is an optional Medicaid expansion for all individuals up to the age of 65 up to the Federal poverty level, and then a buy-in based on a sliding fee income based scale for those between 100 and 200 percent of the poverty level. This would at least give the working poor some assured access to an insurance program.

The second is increased Medicare prevention screening and immunization coverage. One of the principal problems that is driving the cost of health care is the fact that we do not have a health care system. What we have, in fact, is a crisis intervention system. All of the panoply of services come into play only after you are sick enough or injured enough to have to go to a doctor or to a hospital. Relatively few efforts are expended on keeping people healthy.

Mr. President, we know a great deal about what some of those initiatives can mean as Congress has already passed the extension of Medicare for mammography because we were convinced that an investment now in early screening and diagnosis and effective intervention would not only assist the quality of lives of thousands of American women, but also would save the taxpayers future expenses.

A third component is a cost-containment bill which utilizes outcomes research for prevention and health promotion procedures to cut costs in the future through a centralized database system run by the Federal Government. One of the things we do not know very much about, Mr. President, is the precise relationship between cost avoidance and particular forms of early intervention and preventive measures. This legislation would contribute to that.

All three of these proposals are not submitted as panaceas, they are not submitted as an alternative to a comprehensive plan. They are submitted as foundation blocks that will enable us to support whatever structure of comprehensive health care reform we eventually enact.

Mr. President, I ask unanimous consent that a summary of the three bills that I just referred to be printed in the RECORD.

There being no objection, the summaries were ordered to be printed in the RECORD, as follows:

GLIDESLOPE SUMMARY

GOALS

To provide access to health care for the uninsured.

To eliminate the cliff effect whereby eligibility ends by phasing out coverage with individual financial participation.

To allow participants to contribute to the program.

To decouple Medicaid eligibility from categorical programs and to allow states flexibility in expanding Medicaid coverage.

To provide Medicaid, which emphasizes primary care, to previously uninsured persons with the need for non-acute care.

SUMMARY

States could optionally expand Medicaid coverage to a level to be determined by the state for all individuals up to age 65 and not exceeding 100% of the federal poverty level.

Once states determine that level, states could establish a Medicaid sliding fee scale based on income for a subsequent 100% increase for all individuals wishing to buy coverage and not exceeding 200 percent of the poverty level.

For the buy in portion, individuals would pay 10% of national program costs per person for each 10% of income. This percentage of premium costs would increase by each additional 10% of the poverty level.

States could permit individuals up to 65 and small businesses to buy Medicaid coverage at 100 percent of program costs up to 300 percent of the poverty level.

Persons from 150-300 percent of poverty would pay a copayment to be determined by each State.

Total premiums can not exceed 5% of individual/family income.

Persons would receive the current minimum benefits available under Medicaid. States could opt to provide additional services.

The premium, which is determined per average national Medicaid program costs, would not include nursing home costs.

The bill continues the current federal/state funding formula.

MEDICARE PREVENTION BILL

GOALS

As the American population ages, older Americans can increase their healthy years and avoid early incapacitation if we shift our emphasis from medical crisis to prevention.

Increased Medicare coverage of preventive services could eliminate the long term costs of diagnosis and treatment.

SUMMARY

The bill creates an optional Medicare immunization and screening benefit (blood pressure, visual acuity, hearing, blood cholesterol, fecal blood testing, certain procedures for high risk persons, exercise, smoking, substance abuse counseling services, tetanus, diphtheria, influenza, and pneumonia immunizations.)

Individuals would pay a $5.10 premium with no copays, deductibles or premiums.

The optional premium would be reduced by $1.00 if an individual is certified by a physician as maintaining a healthy lifestyle (no tobacco, no illegal drug use, maintaining a medically appropriate weight, and limited alcohol abuse.)

Bill would be effective on December 31, 1992.

CDC EVALUATION OF PREVENTION PROGRAMS BILL

GOALS

To provide a national, well-publicized, comprehensive evaluation of the health improvement, cost efficacy, and cost benefit components of health promotion and prevention programs.

To utilize this information in policy making and in creating insurance benefit packages through a clearinghouse at CDC.

To encourage the federal government and employers to begin health promotion activities which in turn reduce long term health care costs and premature disease and mortality.

SUMMARY

The Centers for Disease Control (CDC) would make grants to public, nonprofit, and private entities to evaluate which preventive screenings and health promotion activities achieve the highest cost-benefit, cost-efficacy, and health improvement.

The data will be utilized to consider and rank certain procedures and activities in terms of quality, cost, short and long term improvement and to set practice guidelines.

50 percent of evaluations will occur in the work place, the others will occur in state, county, and local health departments, and other appropriate entities.

Evaluations would run for 3-5 years, with yearly reports to CDC. Between 3-5 communities could be utilized for evaluation purposes. In a community, contractors may operate up to 5 evaluations.

$500,000 per site would be authorized for FY 92 and $1 million would be authorized for administrative costs. Such sums as necessary would be authorized for FY 93-96.

Once the study is completed, the information would be made available by the Federal government through a clearinghouse established within CDC.

The clearinghouse will be required to disseminate information and a model insurance package to insurance companies, state, county, and local public health units, and other appropriate entities. States and insurance companies would be encouraged to utilize the available information on health promotion and prevention activities.

Mr. GRAHAM. Mr. President, we have a challenging assignment before us. Our Nation has gone in 25 years from spending approximately 5 percent of its gross national product in 1965 to today almost 13 percent of our gross national product on health care. Clearly, we cannot continue that level of expenditure without further exacerbation of our economic competitive position and of the deterioration of the quality of life of Americans and their families. It is critical that we accept the urgency of this issue and not succumb to the temptation that because it is controversial, because it is complex, that it can be put off until after November of 1992.

I am pleased that the Senate leadership has taken such a strong, forceful position on this matter. I urge the President to recommit himself, as he did in September of 1988, to be an active partner in finding a solution to what all Americans seek: Access to affordable quality health care.

Thank you, Mr. President.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

HEALTH CARE REFORM

Mr. WIRTH. Mr. President, I am pleased to join with my colleagues this morning in this extraordinarily important discussion of health care and the fact that we as a nation have a major responsibility to move ahead. We are being asked in the Congress, by every group we address, to focus on this issue. I hope that we do, Mr. President. That is our obligation. That is what the American people are asking us to do, and I hope that the administration is getting the message.

Our country is simply being tied up in a knot, one that is getting so tight that millions of Americans are being cut off from the possibility of a healthy life. Every time I am in Colorado, I hear the request for action. I hear people who are in business for themselves but who no longer are able to afford health insurance for themselves or their employees. I hear from people who spend more time, more on out-of-pocket expenses caring for their infant than they earn each day. I hear those forced from the workplace by ill health and fighting to get back to work but have lost everything in the interim. I hear from my employees, Mr. President, who do not want to move in their job because they are fearful of losing health care, and that provides for our society a great deal of inflexibility in our labor force.

The citizenry of this country is asking for our leadership, asking us to find solutions to this crisis. Democrats have taken the lead in developing a reformed health care system. We want to make it now a reality. Others have shied away because they know that the kind of upheaval needed to bring our system under control requires tough decisions and real action.

For the last decade, we have been tinkering around the edges, but that has gotten us very little. We will all benefit when we are able to build a better health care system. A healthy nation is a more productive nation. Access to primary care allows individuals to treat illnesses before they become worse and take them from their jobs. Healthy kids learn more, both in and out of school, and just as nutrition plays a key role in alert minds, kids' minds just will not click in if they are feeling sick and know that they do not have any way to feel better.

I am proud to be part of the majority leader's effort to properly assess the problems before us and, more important, to outline and develop this solution. In December, Senator MITCHELL and others will be conducting a series of field hearings to help make sure that the legislation that we move through the Senate meets our country's needs, and we will be hosting one of those hearings in Colorado.

We will have the opportunity to describe problems faced in Western, urban, and rural areas and to look at some of the innovative solutions that are in place. For example, we will be investigating the large number of low-birthweight babies born in the State as well as both private and public efforts to give women access to prenatal care. We will also be hearing from urban and rural providers and the systems they have developed to reduce the administrative overhead and enhance the comprehensive services in public health systems.

We will have the opportunity to learn a great deal from the experience of professional providers. Their experience can serve as a roadmap of both what and what not to do.

We will hear about the growing gap between rural and urban services—we know about the reimbursement gap for rural communities; rural institutions are reimbursed significantly less than their urban counterparts—and about the decline, therefore, of many rural institutions, the decline of rural hospitals, the closing of those hospitals, the decline of the rural nursing service and public health services, a whole pattern that is invading rural America in a very dangerous way.

Perhaps the most important facet of the hearing will be what we learn from our citizens, regular working-class citizens whose lives have been changed because our health care system does not work.

These are working people in America, the ones who pay the taxes, the ones who pull the wagon. This is how we connect with real-life America to learn from them what it is they want us to do. They are saying loud and clear, at every public meeting, every town meeting the issue of health care comes up.

I look forward to moving forward. It will be a proud day when we enact broad-based reform with access to all.

In my own view as well, Mr. President, there are a number of principles we should adhere to. First and foremost, as we establish a health care system, priority must be given to children.

We must start with prenatal care. It must move right through immunization programs, very early childhood health care. Almost 50 percent of the children in this country, Mr. President, who should be immunized are not receiving the whole package of immunizations that you and I probably would take for granted. That is an appalling disinvestment.

We know nutrition programs for kids are absolutely imperative, and we know that early childhood education programs are probably as important as anything that a young child can receive intellectually. We know that if a child is literate by the end of the second grade, that child's opportunities and possibilities of graduating from high school, going on in school, going on to good employment, that basic literacy by the second grade is probably as important a predictor and importantly a sense of accomplishment for that child as anything that will happen in his life. A package that we must emphasize is children: Where are we going to place our priorities first.

Second, obviously any kind of a package has to put a major emphasis on preventive medicine, on ambulatory care, on people taking care of themselves before they get sick. That ranges all the way from nutrition to basic public health programs, basic screening programs, the whole gambit that we know about; we just must know how to do it. That is the best health investment we can make.

I am not sure we will be able to change this payment mechanism. We have to do it. It is now estimated that up to 25 percent of our total health care budget is going to inflated costs. That has to change. The system, the bureaucracy, the paperwork has become unbelievable. It has become such a huge bottleneck and such a huge cost—about 3 percent of our health care cost. That is absolutely scandalous.

Fourth, we are going to have to return to what we learned in the 1960's and 1970's on peer review. Former Secretary Califano estimates that up to 40 percent of the procedures that are carried out are unnecessary.

We have to have increasing numbers of peer review in this process to make sure that unnecessary procedures are not being done, because doctors are ordering them, ordering them in many cases in hospitals for their own benefit, or because of insurance problems that they have. They are doing a lot of things that are not necessary. That is very costly.

And finally, Mr. President, I believe that we can do this without excessive cost to the country. As has been pointed out over and over and over again, we are now spending about 13 percent of our gross national product on health care. That is 50 percent more than the Germans spend, the Canadians spend, and the Japanese spend—50 percent more, and they are covering all of their population.

We have 35 to 40 million Americans, more than one-half million people in my own small State alone, who have no health insurance at all. We are spending 13 percent of our gross national product and still have almost 40 million people who are not covered by any health insurance.

We are spending an enormous amount of money. We have to reallocate that money, and I think the kind of tough decisions that have to be made can be made so we end up not costing more but making sure that the money we are spending is being much more efficiently spent.

A final note, Mr. President. Last night on NBC, the "Maria Shriver Show" had an extraordinarily moving and important segment. Interviewed there was Marilyn Van Derbur Atler, a citizen of Denver, a former Miss America, who has come forth in the last 4 or 5 months and talked about her own very moving, very troubling, and very important experience as a young woman who was abused sexually by her father.

The importance of the statement that Marilyn Van Derbur Atler has made, the importance of the emotion and power of this remarkably talented woman, Phi Beta Kappa, student at the University of Colorado, Miss America, very successful business person, going all across the country talking in a motivational way to one group after another, the enormous importance of her coming out and talking about this problem from her own experience is as important, I believe, Mr. President, as the dramatic statements made by Magic Johnson about his experience and his exposure, his being HIV positive.

Marilyn Van Derbur Atler has pointed out to the country in a clear and extremely important way the importance of our getting to come to understand child abuse and the abuse of children sexually. This is a pervasive phenomenon in our society, Mr. President.

We are finding out now more and more and more about the numbers of children who have been abused. We are finding out more and more and more about how that is causing later problems related to alcoholism, related to drug abuse, related to then adults behaving as their parents behaved before, and the cycle continues.

We are finding out that dealing with the issue of child abuse is a way in which adults also can come to integrate the experience of their own lives. I was at the Denver homeless shelter, a major health care facility in the homeless program in downtown Denver, not long ago, and at that program it is becoming clearer and clearer to the health professionals there that a very large percentage of the homeless who were there were abused as children, and the inability of those individuals to understand the experience that happened to them and integrate that in their own lives, to move away from the often dual personalities that children assume as being one person by day, another by night, that kind of behavior is deeply ingrained in much of the homeless syndrome.

And we are also learning, finally, Mr. President, ways in which we can cope with this, ways in which we can intervene earlier, ways in which children and parents can have a companion early on that is part of a preventive activity for child abuse.

The Kemp Center in Denver has been the national leader on this subject. People at the Kemp Center that my wife and I spent a good part of this last weekend with do a very moving and impressive job.

We have learned a great deal. We have to continue to be much more forthcoming about this. Part of any overall program of health care must deal with the problems of children and child abuse. That has to become a first priority. Again, if we are going to be concerned about prevention and concerned about children, this issue has to be loud and clear.

And once again that program last night of Maria Shriver with Marilyn Van Derbur Atler was enormously moving and important.

Mr. President, I am pleased to be a part of this effort. I will continue to do everything I can to help us focus our resources as a country, as a Congress, on this extremely important problem.

Mr. President, I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER (Mr. GORE). The Senator from Michigan.

Mr. RIEGLE. Mr. President, I ask unanimous consent to speak for 5 minutes, and then resume the normal schedule where Senator NUNN was otherwise to be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. I thank the Chair and I thank Senator NUNN very much.

COMPREHENSIVE HEALTH INSURANCE PLAN

Mr. RIEGLE. Mr. President, I wanted to add my voice to the others with respect to the health care issue today. We have an urgent need in America to develop a comprehensive health insurance plan.

It is significant today that in the Washington Post the lead story has this headline: "Health Plan Wins Major Support. Big Companies, Labor, Ex-Presidents Endorse 'Pay or Play' Overhaul."

I want to read just a few paragraphs into the RECORD:

> The movement for an overhaul of the Nation's health care system gained an important endorsement yesterday from an alliance of unions, major U.S. corporations, and two former Presidents.
>
> The National Leadership Coalition for Health Care Reform, unveiling a plan for a broad restructuring of health care, brought together support from Chrysler Corp., Bethlehem Steel Corp., food, utility, and paper companies, as well as former Presidents Gerald R. Ford and Jimmy Carter and some of the country's biggest unions.
>
> "I believe we all recognize the fact that our nation's fragmented health care system is simply not working," Bethlehem's chairman and chief executive officer, Walter F. Williams, told a news conference.
>
> The coalition's plan is similar to one advanced by Senate Democratic leaders. It would require all employers to provide private health insurance to their workers or pay a payroll tax of 7 percent, matched by an employee tax of 1.75 percent, to help the government provide insurance.

Dropping down a bit:

> To cut costs, a paramount concern to many businesses, a government board would set an annual target ceiling for national health spending and set payment rates for all doctors and hospitals.

This is a very significant development and it points to the urgency of the need to move.

Mr. President, I ask unanimous consent to have this article printed in the

RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIEGLE. Mr. President, the administration has been unwilling to move on the health care issue. The Reagan-Bush administration was in power for 8 long years. Now the Bush-Quayle administration has extended that now for another 3 years. That is 11 years this administration has had to come up with a health care plan—still no health care plan. They are saying maybe they will have one next year or sometime after the next election. I think 11 years is long enough.

I want to acknowledge and thank these bipartisan leaders in the private sector—President Ford, President Carter—for coming forward and supporting a comprehensive health insurance plan which is good for people, good for America, and good for our economy.

Mr. President, I ask unanimous consent to have printed in the RECORD a story that ran in the Detroit News on November 7, just a couple of days ago. Headline: "Many Americans Cross the Border for Cheaper Health Care in Canada."

It tells the story about a woman in Sault Ste. Marie, MI, who was having a baby and went to Canada to have the baby because the costs there for prenatal care and delivery was $629, and for comparable service in the United States, an estimated $1,600.

More and more people are doing that. That is not to say that the Canadian system is precisely what we should adopt here, but they have found ways to control costs and provide quality care that is missing in many instances here in this country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Detroit News, Nov. 7, 1991]

MANY AMERICANS CROSS THE BORDER FOR CHEAPER HEALTH CARE IN CANADA

(By Sherry Jacobson)

SAULT STE. MARIE, MI.—In her ninth month of pregnancy, Julie Wileman moved into a campground about 90 miles from her home in this remote area of the Upper Peninsula to be close to an obstetrician.

"My mother stayed at the campsite next to us to help out with the children," Wileman recalled of the two weeks she spent in a pop-up camper with her two older children two years ago. "It was not a lot of fun."

When she became pregnant again a year ago, Wileman decided not to take the camping route to the hospital. She shunned American medicine and found a Canadian obstetrician about 15 minutes from her home. With the first signs of labor on June 18, Wileman crossed the border and gave birth to a daughter in a Canadian hospital.

She was not alone in her journey. Seventeen babies were born to American women in the same Canadian hospital last year.

Every year, thousands of Americans cross the border to visit Canadian doctors and hospitals, drawn by availability, lower cost and quality care.

"We're good Americans," said Wileman, 32, whose husband is a U.S. border guard. "But when it's a matter of getting the best medical care for the family, we go to Canada."

It also is cheaper. Wileman paid $629 for prenatal care and delivery in Canada compared to more than $1,600 for the same services in a U.S. hospital.

An informal telephone survey by Gannett News Service found that several dozen Canadian hospitals, clinics and private physicians regularly serve American patients.

"There is no Berlin Wall between Canada and the United States for medical purposes," said Doug Geekie, spokesman for the Canadian Medical Association, which represents 46,000 Canadian doctors.

As American lawmakers work to overhaul the country's medical system to lower costs and make quality health care available to all, they have debated the merits of Canada's health system.

Canada has a nationalized system: Residents pay for health care through their taxes rather than through private insurance and doctor bills. Americans treated in Canada must pay with private insurance or out-of-pocket—still, it is often cheaper than at home.

U.S. medical leaders have long criticized Canadian health care as secondary to what Americans get, but some Americans clearly want Canadian care.

"It's cheaper, quicker than driving 100 miles to a major medical center in the U.S. and the quality of care is the same or better," said Joe Ditre, spokesman for the Maine People's Alliance, a consumer advocacy group that monitors Maine residents traveling to New Brunswick for cure.

Americans are drawn by an abundance of Canadian specialists near the border and doctors who are willing to take patients without health insurance.

In the mid-1980s, Dr. Robert Stevenson, an Ontario ophthalmologist, served so many American patients that he opened an office across the border in Sault Ste. Marie—which has 14,000 residents and no ophthalmologist.

"Americans are finding surgeons and physicians are equally well-trained on the other side of the border. I can't say which system is better. There are warts and advantages in both," said Stevenson, who handles mostly U.S. Patients now but continues to live in Canada.

Canadian health-care providers say they do not advertise for American business and don't even list their telephone numbers in U.S. directories.

"They just come," said Rita Moorhouse, administrator of the Ft. Francis (Ontario) Clinic, a 12-member physician group that draws 5 percent to 10 percent of its patients from International Falls, Minn.

Dr. Clifford Rosen, an endocrinologist in Bangor, Maine, said the Canadian system is more open to uninsured Americans, who pay with their own money.

"The uninsured can't get into the American system for something other than emergency care," Rosen said. "And if they need a specialist there aren't enough of them outside the major U.S. cities. We have a six-month waiting list to see an endocrinologist in northern Maine. It's like we're in Zimbabwe."

John Harwood, administrator of the Algoma District Group Health Center in Sault Ste. Marie, Ontario, which has about 1,000 American patients, said: "We have a lot of American patients who've been paying $10 a month on a several thousand-dollar bill.

"We don't turn them away unless they are flagrantly abusing the system and not making any attempt to pay us. We have a commitment to the health of the patient, whether it's a Canadian or an American."

Studies show that Canadian doctors charge about half of what American doctors do for many of the same services. A report this year by the U.S. General Accounting Office concluded that Canadians have been more successful than the United States in holding down doctors' fees.

Mothers in Sault Ste. Marie regularly take their children to pediatricians across the border, paying about $18 for a visit rather than $30 per visit to a general practitioner at home, where there are no pediatricians.

Mr. RIEGLE. Mr. President, I want to say as well that we are going to be having a field hearing on this issue in Detroit on December 12. We are going out to take testimony from business, large and small, from workers, and from families on the impact of the recession on health care, including the number of people that have either been laid off and have lost their health-care coverage or have had their health-care coverage otherwise scaled back or had it taken away under the tremendous economic pressure that we are seeing in this recession.

So at that particular time, we will have the opportunity to take that firsthand testimony and to let people put their personal stories on the public record.

I want to say, too, that the other day a group of Republicans here—after the Pennsylvania election results came in, and the very strong voice from the people of Pennsylvania calling for a comprehensive health-insurance plan in their support of Senator WOFFORD's campaign—the Republicans the other day, a group came forward with a partial plan. I applaud them for doing it. They were led by Senator CHAFEE.

But there are two things that are missing. There is not a serious cost containment program in that package. There needs to be one. Nor is there a guarantee of affordable quality health care for all citizens in our country. That is the other critical goal that has to be met. We have to have the comprehensive cost-control effort. We have to have coverage that, in stages, will pick up and cover everybody in the country with a health insurance plan.

So I hope they will continue to press forward. We have a plan. I have a copy of it here. We introduced it back in June—Senator MITCHELL, Senator KENNEDY who is on the floor, myself, Senator ROCKEFELLER. It is a good plan. It has tougher comprehensive cost controls. It has universal coverage. It is what America needs. It is what other nations around the world have adopted for themselves.

Now we have two former Presidents—President Ford and President Carter—today calling for, together with this coalition of business and labor leaders, a plan exactly along these lines.

It is time to move. It is time to get it done. I call on the administration now. They have had 11 years to fashion a plan. Eleven years is long enough. Let us see your plan. We will take that plan. We will take our plan. We will sit down. We will work it out, and we will get something in place that can provide comprehensive health insurance to all the people of this country.

I thank my colleagues.

I yield the floor.

EXHIBIT 1

[From the Washington Post, Nov. 13, 1991]

HEALTH PLAN WINS MAJOR SUPPORT: BIG COMPANIES, LABOR, EX-PRESIDENTS ENDORSE "PAY OR PLAY" OVERHAUL

(By Spencer Rich and Frank Swoboda)

The movement for an overhaul of the nation's health care system gained an important endorsement yesterday from an alliance of unions, major U.S. corporations and two former presidents.

The National Leadership Coalition for Health Care Reform, unveiling a plan for a broad restructuring of health care, brought together support from Chrysler Corp., Bethlehem Steel Corp., food, utility and paper companies, as well as former presidents Gerald R. Ford and Jimmy Carter and some of the country's biggest unions.

"I believe we all recognize the fact that our nation's fragmented health care system is simply not working," Bethlehem's chairman and chief executive officer, Walter F. Williams, told a news conference.

The coalition's plan is similar to one advanced by Senate Democratic leaders. It would require all employers to provide private health insurance to their workers or pay a payroll tax of 7 percent, matched by an employee tax of 1.75 percent, to help the government provide insurance. Such approaches are called "pay or play" in the language of the health care debate. Workers not covered on the job and the unemployed would receive private insurance policies purchased for them by the states, using funds from the 7 percent tax and related taxes.

To cut costs, a paramount concern to many businesses, a government board would set an annual target ceiling for national health spending and set payment rates for all doctors and hospitals.

Senate Majority Leader George J. Mitchell (D-Maine) and other Democrats have proposed "pay or play" bills to help provide insurance to 34 million Americans who lack it and to cut costs. The administration has opposed such a plan, as have small businesses that fear its costs.

Few large businesses had endorsed the idea, which made yesterday's announcement so significant. Large businesses, which generally provide health insurance to most of their workers, have long complained that health costs are crippling their ability to compete—both with smaller U.S. companies that do not provide insurance and with firms from countries where health costs are not such a burden.

In addition, they say they are being damaged by cost-shifting—in which doctors and hospitals make up their losses on patients who have no insurance by increasing the bills of insured patients.

Because most large businesses already provide health insurance, they would be little damaged by "pay or play" requirements.

The list of business endorsements includes six steel companies besides Bethlehem, Cincinnati Bell, the Dayton Hudson Corp., Georgia-Pacific Corp., International Paper Co., Lockheed Corp., Northern Telecom Inc., Pacific Gas & Electric, Safeway Inc., Rochester Telephone, Southern California Edison Co., Westinghouse Electric Corp. and Xerox Corp. Nursing and teacher groups and labor unions also endorsed the plan.

The coalition is headed by former Iowa governor Robert D. Ray (R), former House member Paul G. Rogers (D) and health policy specialist Henry Simmons.

Secretary of Health and Human Services Louis W. Sullivan, charged by President Bush with developing a national health care strategy, repeated his "most serious reservations" about the kind of plan offered by the coalition. "We must address the problems that are preventing so many smaller businesses from offering health insurance," Sullivan said. "An immediate objective should be to take steps to make insurance affordable for all businesses, and indeed all Americans."

In the current debate, Democratic leaders and many labor unions have favored "pay or play," though some have supported a Canadian-style single-insurer national health insurance system. An "incremental" approach, filling in gaps in the current system but not mandating coverage, has been endorsed by many businesses and Republicans and praised by Sullivan.

In Detroit, Sen. Edward M. Kennedy (D-Mass.) urged organized labor to make the health care issue a priority. "Surely, when so much is riding on what we do, we can learn to act together," he told delegates to the AFL-CIO convention.

Immediately after Kennedy's speech, the AFL-CIO convention adopted a health care resolution that sets a Canadian-style plans as a goal but would work for "pay or play" as a first step to that goal.

The PRESIDING OFFICER. Under the previous order, the senior Senator from Georgia [Mr. NUNN] is recognized for 40 minutes.

Mr. NUNN. Mr. President, I yield 3 minutes to Senator KENNEDY.

Mr. KENNEDY. I thank the Senator from Georgia.

Mr. President, I, too, want to join my colleagues in commending the majority leader and those that have been involved on our side in attempting to shape and fashion a health care program that is going to provide accessibility, effective cost controls that will reach out to the 30 million Americans who are not covered, of whom some 24 million of those are working Americans, and will cover the 10 million Americans who are children in our society.

What is very evident, Mr. President, is that over a period of years, we, in the Congress, have been listening to the experts. There have been opportunities when members of the various committees have gone out into the rural and urban areas of this country and listened to the consumers, the families across this Nation.

I believe that is enormously important, worthwhile, and valuable that the majority leader, and interested Senators in those particular communities will give the opportunity to hear firsthand from the American people on what the failure of an effective health care program means in terms of their lives, what it means to their children, what it means to their parents, and what it means to them.

I think that this nationwide effort to visit the broadest geographical areas and certainly to reach into the broadest different communities that are affected by the failure of development of a national health care program is enormously valuable and worthwhile.

All of us are very hopeful that we will have the opportunity to have the kind of debate here on the floor of the U.S. Senate, that is taking place across the country, and that we will be able to send legislation to the President and, hopefully, he will respond in a positive way to it.

This is an issue, Mr. President, that represents the unfinished business of President Roosevelt when he fashioned and shaped the Social Security Program. It represents the unfinished agenda of the early sixties of Presidents Kennedy and Lyndon Johnson when we saw this country enact the Medicare Program. We have studied this issue enough. Now is the time for action.

I believe that this particular effort by the majority leaders and others to take the final sounding from our fellow citizens is enormously valuable and worthwhile. I look forward to participating in that program.

Again, I commend the leader for the initiative in developing it.

Mr. President, a week ago Tuesday, HARRIS WOFFORD electrified the Nation with his stunning upset victory in his Senate race in Pennsylvania. In his campaign he argued strongly for comprehensive health care reform and the voters responded.

This week, the National Leadership Coalition for Health Care Reform, a group of major corporations, unions, and two former Presidents (Ford and Carter) announced their endorsement for major changes in our health care system along the lines of those proposed in the HealthAmerica legislation.

This legislation I have sponsored along with the majority leader, Senator RIEGLE, and Senator ROCKEFELLER.

I believe that the time for reports and studies is over. The time for action is now.

In this rich land of ours, 34 million people have no health insurance whatsoever, and two-thirds of those uninsured people are full-time workers and their families.

But this tragic denial of the basic human right to health care to so many of our fellow citizens is only the tip of the iceberg.

Sixty million more have some insurance, but even the Reagan administration said it was inadequate.

Most of all, as employers cut back or drop coverage, as insurance companies increasingly refuse to insure any one but the healthy, and as costs continue to spiral out of control, no American family can be sure that the insurance that protects them today will be there for them tomorrow.

For the first time in our history, three of the most important interest groups involved with this issue—business, labor, and the doctors and hospitals—are agreed that the current system is intolerable and that fundamental reforms are needed.

Most important of all the American people want a solution. They want it now—not in the next Congress or after the next election.

They certainly will not tolerate the lame excuse that a national solution is impossible until experiments are completed at the State level—experiments that will take years or decades to complete.

Every other industrialized nation in the world assures basic health insurance coverage to all its people.

The problem is not lack of knowledge, it is lack of will.

Some people say that we cannot have a solution until a consensus emerges. If we had waited for a consensus, we would not have Social Security, Medicare, the minimum wage, or the civil rights bill we are going to pass into law this year.

And we certainly will never achieve comprehensive health care reform if we wait for a solution that costs nothing and displeases no one.

Some people say that we cannot proceed without Presidential leadership. On this issue, there will be no Presidential leadership unless there is congressional action.

The Democrats have historically been out front on this issue. Not until recently have the Republicans responded to the need for change, which falls short in guaranteeing the basic right to health care for all Americans and bringing health care costs under control.

And there is still no call to action from the White House.

The tour that the majority leader and other Democrats in the Senate will take in December will demonstrate how the health care crisis is not isolated to one area of the country, or to a subgroup of the population.

Nor does the crisis represent problems that left unaddressed will eventually go away.

We face a crisis in health care. The American people know that Band-Aids are not enough. It's about time the politicians act to secure for all our people the health care system America needs and deserves.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, how much time was set aside?

The PRESIDING OFFICER. The Senator has 37 minutes remaining.

Mr. NUNN. I thank the Chair.

SOVIET DEFENSE CONVERSION AND DEMILITARIZATION

Mr. NUNN. Mr. President, at this unique juncture in the history of mankind, we have the potential for the greatest reduction in a former adversary's weaponry since the destruction of German and Japanese weapons that followed World War II.

Unlike then, however, the Soviet armaments whose destruction is within reach today include large inventories of nuclear weapons and other instruments of mass destruction.

I am not talking about the START Treaty. That agreement, while important, requires only modest reductions in the Soviet strategic nuclear arsenal. Indeed, by some estimates the Soviet Union will be able to retain on the order of 8,000 strategic nuclear warheads under START—and that does not include a lot of warheads that are nonstrategic.

What I am talking about is the declared willingness of Soviet and republic leaders to destroy thousands of strategic and tactical nuclear weapons whose elimination is not required by any arms control agreement.

In his October 6 speech—responding to President Bush's recent strategic initiative—President Gorbachev announced that the Soviet Union would destroy all of its nuclear artillery shells, nuclear mines, and nuclear warheads for tactical surface-to-surface missiles as well as part of its stockpiles of nuclear antiaircraft missile warheads, tactical nuclear weapons on board ships, and nuclear bombs carried by land-based naval aircraft.

President Gorbachev also declared that the Soviet Union would unilaterally observe a ceiling that is 1,000 weapons below that established in START and called on the United States to negotiate a START II agreement that would cut the START levels by half.

In the Ukraine, officials have called for the destruction in place of strategic nuclear weapons that otherwise could be retained legally under START, and Russian President Yeltsin has urged the central government to eliminate strategic weapons permitted under START rather than move them to Russian soil. According to Soviet officials who recently visited Washington, if you add all those categories up you get a figure on the order of 15,000—15,000 nuclear weapons the Soviet Union is asking us to help them destroy.

The reason Soviet and republic leaders have expressed their willingness to undertake such draconian cuts in nuclear stockpiles is clear: they regard these nuclear weapons as a greater threat to themselves than to anybody else.

Listen to what Soviet leaders have said about the dangers posed by these instruments of mass destruction.

In a speech to the U.S.S.R., Supreme Soviet last year, the late Marshall Akhromeyev, former military chief of staff, said: "We must not forget that we possess nuclear weapons, which in times of instability may become a great source of danger both for the world and for ourselves."

Before resigning as Foreign Minister last year, Edward Shevardnadze warned of the dangers of a civil war in the Soviet Union: "No one can calculate the consequences of a societal explosion capable of igniting not only befogged minds but also the giant stockpiles of nuclear and chemical weapons."

The United States Director of Central Intelligence, William Webster, revealed in an interview before he resigned earlier this year that the United States has learned that the Soviet central government had begun "looking at what they need to do to be sure that the missiles do not fall into unfriendly hands, that they are moved if necessary, that the systems that they have in place to prevent someone from engaging in unauthorized fire are intact and protected." He added that this new Soviet concern "of course lowers the level of our confidence."

In a letter to General Powell, one week before the failed coup in August, Soviet Chief of Staff Moiseyev proposed that the security and safety of nuclear weapons be added to the agenda of United States/Soviet military-to-military talks.

And, in an op-ed in the New York Times last month, Igor Malashenko, a senior aide to President Gorbachev, candidly confirmed that domestic anxieties lay behind the Soviet Union's recent arms cutback proposals:

> For decades, the Soviet Union has been preoccupied with a threat of war with the West. Thousands of nuclear weapons were intended to deter such a war or to prevail in war if deterrence failed. These days, war is more likely to start between overly nationalistic republics. Some experts have already voiced concern that a civil war may become nuclear.

That is a direct quotation from a top Soviet aide.

Unfortunately, nuclear weapons do not just go away when they are no longer wanted. Like an unwelcome house guest, they remain with you until they are decisively removed. Dismantling and destroying nuclear weapons requires two things that are in short supply now in the Soviet Union: No. 1, technology and No. 2, resources. In addition to technical know-how, the Soviets desperately need centralized nuclear storage facilities, transportation networks, dismantlement plants, and radioactive materials handling equipment—all backed up by a vast pool of scientific and security manpower. Eliminating nuclear weapons is also not cheap. We will find that out in the months and years to come. Last month, the deputy director of atomic energy in the Soviet Union told the Senate Arms Control Observer

Group that if the Soviet Union was to destroy the 15,000 or so excess nuclear weapons it has marked for dismantlement over the next 7 to 9 years, it would require $2 billion just for new storage facilities.

In a little noted but extremely significant letter to the leaders of the G–7 nations meeting in London last July before the coup, President Gorbachev proposed joint activities involving "technologies and procedures for the dismantling of nuclear explosive devices." Here then was the Soviet President imploring the West to help him eliminate Soviet nuclear arms. Twenty years ago, 10 years ago, or even 5 years ago, such a proposal to the West from a Soviet President would have been considered heresy.

Today, though, we face an entirely different situation—a situation in which offers such as President Gorbachev's letter to the G–7 are taken virtually in stride. Indeed, the Gorbachev G–7 letter was not even mentioned in the press. Nonetheless, in response to Gorbachev's suggestion of joint nuclear warhead dismantlement efforts, President Bush included in his September 27 speech a proposal for discussions to explore cooperation in three areas:

No. 1, the safe and environmentally responsible storage, transportation, dismantling, and destruction of nuclear weapons; No. 2, enhancing existing arrangements for the physical security and safety of nuclear weapons; and No. 3, improving nuclear command and control arrangements to provide more protection against unauthorized or accidental launches.

In my view, President Bush is right on the mark with these proposals. The question for the President is—what does he intend to do in terms of cooperation and how does he intend to pay for it?

The questions confronting Congress are simple:

Do we recognize the opportunity we have today during this period in history and the great danger we have of proliferation, or do we sit on our hands and cater to what we think people want to hear in this country?

Do we act now—when the demand is real and pressing—to establish some modest programs of technical assistance to help the Soviet Union destroy thousands and thousands of nuclear weapons that used to be aimed at our country and our Armed Forces, or do we trust that the Soviets will get their act together and do this job on their own?

Having demonstrated the superiority of our market economy system over their centrally planned system, do we simply watch the Soviet economic situation disintegrate, or do we assist them in converting their huge military sector to civilian production?

Having won the cold war, do we now join with our former adversary in developing technology to help both our nations clean up the residue of that era and avoid proliferation of weapons throughout the world? Or, do we sit on our hands and do nothing, knowing full well that by so doing we will not do anything to help keep Soviet scientists from selling their services to the highest Third World bidder, thereby greatly magnifying the threats against which future United States defense budgets and defense postures will have to respond for years to come?

Mr. President, the fiscal year 1992 Defense authorization bill provides our country with a clear opportunity to invest wisely in a modest program that could produce dramatic dividends—a carefully targeted program of cooperation in Soviet defense conversion and demilitarization that could help the Soviet Union and Republics build down their excessive military capabilities—capabilities which, however benign current Soviet and republic intentions may be, could prospectively constitute a clear and present threat to our Nation and the free world.

The provision authorizing this program specifies that no United States assistance can be provided to any nation, Soviet republic or former Soviet republic that fails to demonstrate a commitment to: First, significant demilitarization; second, full compliance with all relevant arms control agreements; and third, internationally recognized human rights, including the protection of minorities; or that conducts any military modernization program that exceeds legitimate defense requirements, and this would be a matter of judgment for the Secretary of Defense.

Mr. President, this proposal also includes Eastern Europe. Sometimes we go on a wave around here. About a year ago, we were going through all sorts of efforts to get money from the Defense budget to provide to Eastern Europe. There was a popular demand to assist Eastern Europe, and in fact we did so. We are now proposing that we assist the new democracies of Eastern Europe in a way that reduces a military threat. And, of course, I find that the mood has now changed.

Let me explain, for the benefit of our colleagues, what our proposal is and what it is not. Unfortunately, much of the public comment by some critics of this program has distorted rather than clarified its contents.

For example, it has been claimed that this provision forces the United States to send $1 billion to the Soviet Union. What are the facts?

In fact, the provision authorizes no direct financial assistance to the U.S.S.R. It mandates no funding for the Soviet Union.

It does provide, however, President Bush with the option of using this funding for the transport of emergency food and medicine. It does provide President Bush the option of using this funding for cooperation in weapons destruction and in demilitarizing the Soviet economy. It does so because in a country possessing some 30,000 nuclear weapons, these dismantling programs are in our national security interests.

It does provide the administration with flexibility in proposed funding levels for these programs, because no one can foresee how events will unfold in the U.S.S.R. in the next few months. There may be things we cannot anticipate now that will happen long before we get back in session next year; we should make allowance for this possibility now.

At the same time, this legislation requires continuous, detailed reports to Congress on all funding and all program execution.

Another claim that we have heard in recent days by people opposing this provision is that it would assist the Soviet defense industry and Soviet military personnel at a time when American defense industries and American military personnel need assistance.

What are the facts? In fact, this legislation provides no direct financial aid to the Soviet military establishment.

It does foresee limited economic incentives for United States firms to invest in Soviet and Eastern European military conversion, but only if a blue-ribbon panel recommends such a program to the Secretary of Defense, and only if the Congress then agrees to a subsequent act to create such a fund and to create such a program by specific additional legislation.

In other words, the media reports that this provides an incentive plan for American businesses to invest in the Soviet defense industry are not accurate because they do not put the conditions precedent there, and that is, first, a report by a blue-ribbon commission, and, second, a subsequent act of Congress.

The legislation provides no benefits of any sort to individuals involuntarily separated from the Soviet military, another error that continues to pop up in story after story and in critic after critic's speeches here on the floor.

It does foresee limited technical assistance to the Soviets in setting up a program comparable to our GI bill, while specifically prohibiting U.S. funding for actual retraining or reemployment.

That has been in the legislation from the time we voted on it in our committee about a week and half ago.

Some media coverage of the provision has been totally inaccurate and misleading. This morning, for instance, a New York Times article implies that this legislation would pay to retrain Soviet officers, when in fact, it involves only United States technical advice to Soviet authorities on setting up a retraining program at Soviet expense.

The article also indicates the legislation would pay to clean up environmental damage to the Soviet Union when, in fact it involves only technical cooperation on military-related environmental cleanup that would assist all countries plagued with this problem, including the United States and also including the new democracies of Eastern Europe.

In other words, what we are talking about is technical assistance; we are talking about technological cooperation. We are not talking about the United States going over and cleaning up an environmental mess in the Soviet Union. That would be preposterous. There has never been anything in this proposal to indicate that, and anyone saying so is simply not reading the legislation.

Finally, the New York Times article notes that the proponents of this provision did not demonstrate that it would lead to direct financial savings for the United States. This is a charge that defies all common sense. Surely it is clear that programs to assist in the destruction of thousands of Soviet nuclear weapons, programs to demilitarize the Soviet economy, and to help reduce the danger of weapons proliferation around the world will make possible substantially lower United States defense spending in years ahead.

If helping them destroy 15,000 weapons is not a reduction in the Soviet military threat, why have we been worrying about these 15,000 weapons for the last 30 years? I do not see any logic here at all. It defies my own ability to understand.

I ask that this morning's article be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NUNN. The United States has spent over $4 trillion—not billion; $4 trillion—since World War II to defend Europe and protect other U.S. national security interests. I am confident that the American people are perceptive enough and smart enough to realize that taking $1 billion—up to $1 billion, at the administration's discretion—out of the Defense budget would not be too high a price to pay to help destroy thousands and thousands of Soviet nuclear weapons.

I am confident the American people are perceptive enough and smart enough to realize that using a small share of the defense budget to distribute humanitarian relief in order to prevent civil unrest or a military coup that could install a hostile military regime is a very small price to pay when we are at this critical juncture in our history.

Mr. President, notwithstanding President Bush's September 27 proposal for joint programs of cooperation along these lines, the White House has been frozen into inaction by demands from some of its more partisan supporters to exploit this issue for political purposes. The tepid and ineffectual support from the White House has provided those who worked with the Defense authorization conference to fashion appropriate legislative authority that would permit President Bush to move forward in these directions is, to say the least, discouraging. We have an opportunity to get out in front of a problem, which left unattended could become a crisis.

Mr. President, if this provision is dropped from the conference report, which may very well be the case—we have to make that decision this afternoon—what is the alternative? What are the consequences of doing nothing?

The simple truth is at this unique juncture in history there is a great opportunity, but there is also great danger. We have the opportunity for an unprecedented destruction of the weapons of war. We also have the potential for the greatest proliferation in history of weapons from the world's largest military arsenal to Third World countries, including those ruled by the Saddam Husseins of the future. This unsettling and extremely destabilizing danger could well include the transfer or sale or even theft of nuclear weapons and other weapons of mass destruction, ballistic missiles and ballistic missile technology, and highly sophisticated conventional weapons.

Mr. President, we are spending, as part of the U.N. force, a large amount of money and time and effort, worthwhile effort, to search in Iraq right now, to make sure we get rid of all their nuclear materials. We are spending our part of it as a member of the United Nations. We need to continue that.

But at the same time, we are going to sleep—to sleep—about a country that is coming apart at the seams economically, that wants to destroy nuclear weapons at this juncture, but may not in the months and years ahead. And that is a potential source for the greatest proliferation of weapons that we have seen in the history of mankind. I cannot really believe that we are going to continue to sleep through both this opportunity and this danger.

But so far, the snores are being heard. In addition, we may witness an equally threatening proliferation of scientific know-how in each of these areas, a bidding war, if you will, by Third World regimes for Soviet weapons experts that would dwarf United States-Soviet cooperation to recruit Germany's V-2 scientists after World War II, in one of the first real contests of the cold war.

This was a contest to see which side, the East or West, was going to have access to the knowledge of the German scientists. Fortunately, we, I think, did better than the Soviets in that respect, and we recruited some of those scientists to help us develop programs that helped preserve the peace and deter war all of these years.

Right now, what people are not stopping to think about is the tens of thousands of scientists and technicians in the Soviet Union that have spent a lifetime building nuclear weapons, building missiles, building chemical weapons, even in some cases biological weapons, and weapons of mass destruction. And here we are, debating whether this is just another foreign aid provision in the context of domestic politics.

Mr. President, I have a lot more confidence in the intelligence of the American people than some of my colleagues do.

Mr. President, one need not look very far to see evidence of the reality we face. Indeed, one need look no farther than last Thursday's New York Times or last Sunday's Los Angeles Times. The New York Times headline reads as follows: "A Soviet Company Offers Nuclear Blasts for Sale to Anyone With the Cash." The story describes the marketing efforts of a Soviet company, called CHETEK, whose shareholders include the Soviet ministry responsible for nuclear weapons production, offering to use so-called peaceful nuclear explosions to destroy toxic wastes, including chemical weapons.

How is that? We are going to get rid of our waste disposal problem by blowing it up with nuclear weapons?

One U.S. nonproliferation expert, quoting from that story said:

> Soviet weapons scientists are faced with tremendous economic hardships and are going to be tempted to sell their services to anyone who is prepared to provide hard currency.

A Canadian expert says—quoted in the same article—"Everybody in Moscow wants to make a deal; these people are not really concerned about the consequences of the sale—they only want the dollars."

Mr. President, Sunday's Los Angeles Times features the following headline. "U.S. Fears Sale of Soviet A-Arms and Technology." The article goes on to quote at length from comments Secretary Cheney made in a CNN interview on Saturday morning expressing concern about the proliferation of Soviet nuclear expertise and know-how to the Third World.

I think the Secretary is exactly right. The question is, What is this administration and what is this Congress going to do about it? Are we going to continue to sit on our hands?

Mr. President, I ask unanimous consent that the two articles, as well as the transcript of the Secretary's interview, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NUNN. Mr. President, I have heard this from several of my colleagues in explaining their opposition to this proposal that Congressman ASPIN and I have put forth. "Your proposal makes sense, but I cannot explain it to my constituents in 1 minute. Therefore, it does not meet the 1-minute political test." I have heard that from several different sources and, I must say, on both sides of the aisle. I have also heard this: "Yes, we need to take this step now, but all my constituents are telling me—take care of our own needs; help the people of America for a change." I have heard that. I have heard it back home.

Mr. President, I do not know of any better way to help the people of America than by reducing the potential military threat that not only faces our Nation in the months and years to come but faces our Nation for, really, generations to come. I do not know of any better way—which so many people want to do, and I would like to do it myself—I do not know of any better way to shift large amounts of money from the military side of the ledger in the years to come to the domestic side than by reducing the military threat that we will inevitably have to face in years ahead unless we get off our hands and do something about it.

To those who say, "Oh, we think you have a good idea, but we are worried about public reaction," I pose the following questions:

How will we explain to our constituents when they read that Soviet weapons experts, including those engaged in missile technology and weapons of mass destruction, are showing up in North Korea or Libya or Iran or Iraq? How are we going to explain that, in 1 minute?

How will we explain it to our constituents if they read that we suspect certain chemical and biological and nuclear materials or weapons are being sold to terrorist groups? What will we say when they ask, "Why didn't you get out in front of this problem? And I think the American people would have every right to ask that.

I also pose this question: How will our constituents feel if 15,000 Soviet nuclear weapons that the Soviets at this juncture are pleading with us to help them destroy, how will we and our constituents feel if these weapons remain in the Soviet inventory because a modest program of cooperation that would have led to their elimination on an expedited time frame was blocked—was blocked—by the Congress and by the inactivity on the part of the executive branch?

How will we explain to our constituents that thousands of Soviet chemical weapons that could have been destroyed were not destroyed because United States technical assistance to the Soviets in this area was blocked, and the Soviet side lacked the technology to destroy these weapons that we have been worrying about for the last 45 years? How are we going to explain that?

How do we explain it to our constituents if a civil war breaks out in the Soviet Union similar to the conflict in Yugoslavia—and I pray it will not—but how will we explain it if they are sitting over there with huge nuclear and chemical weapons stockpiles spread throughout the region, when we could have cooperated in helping bring about the destruction of these stockpiles?

Try explaining those questions, which the constituents that we represent will have every right to ask if these events transpire, try explaining that in 1 minute.

Mr. President, I will leave it to my colleagues who have denounced this provision as a "billion dollar giveaway" or as "foreign aid" to explain their position to their constituents as events unfolding in the months and years ahead. Deleting this provision may cater to the immediate mood of the public—although I doubt it—but sitting on our hands at this critical juncture does not cater to the long-term interests of the American people.

Mr. President, the people of this country are frustrated. They are frustrated with Congress. They are frustrated with the economy. But I do not believe it is difficult to explain to the people of this country that what they have sacrificed for for 45 years in terms of tax dollars, and what our young American military people have sacrificed over the years, those who served in Europe, those even who died in Korea and Vietnam, what they sacrificed for we have now achieved in terms of a moment in history, and yet we are sitting on our hands waiting for great public demand to take steps that anyone with common sense would understand should be taken now.

Mr. President, I have the fear that we are watching a script play out in the last few days—in terms of this proposal and the way it has been described, criticized by some, distorted by others—I have a feeling we are watching a script play out that could haunt us for years to come.

Mr. President, I ask unanimous consent that a copy of the legislative provision I have described, as prepared for inclusion in the conference report, be printed in the RECORD immediately following my remarks. Let me make clear, Mr. President, that while the provision contains all of the programs I have outlined, it does not provide $1 billion for the purchase of humanitarian aid as initially proposed in the House version of this provision.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. NUNN. I thank the Chair.

EXHIBIT 1

[From the New York Times, Nov. 13, 1991]

MOSCOW AID PLAN DYING IN CONGRESS—MISCALCULATIONS SINK MEASURE TO DIVERT PENTAGON FUNDS

(By Eric Schmitt)

WASHINGTON.—A plan to divert $1 billion from the Pentagon budget to aid the Soviet Union appeared all but dead today, the victim of political miscalculations by two of the most powerful lawmakers in Congress and a growing public perception that Washington is putting foreign aid ahead of domestic problems.

Efforts to salvage the Soviet proposal which seemed headed for approval two weeks ago, were virtually exhausted today as the Bush Administration failed to offer a public endorsement of the plan. Democratic leaders in Congress had said that without that public support from the White House, they would drop the proposal rather than bear the political heat alone.

The House Speaker, Thomas S. Foley, said today that he expected the proposal to be "postponed," clearing the way for final passage of the Pentagon's $291 billion budget bill for the fiscal year that began Oct. 1.

COLLEAGUES NOT FULLY CONSULTED

Usually among the most astute deal makers and power brokers in Washington, Representative Les Aspin of Wisconsin and Senator Sam Nunn of Georgia, the plan's main architects, did not fully consult with Democratic colleagues until the last minute. More important, they evidently failed to anticipate the storm of bipartisan criticism against retraining Soviet officers, among other things, when Americans were homeless and out of work.

The demise of the Soviet aid plan is a rare political embarrassment for Mr. Nunn and Mr. Aspin, both Democrats. Mr. Nunn is chairman of the Senate Armed Services Committee; Mr. Aspin leads the corresponding committee in the House.

Although both contended that United States security would be enhanced by using $1 billion to help the Soviet Union avoid further political instability and keep control of its 30,000 nuclear weapons, they never showed that the plan could lead to direct financial savings for Washington.

"I look at this as a down payment on greater savings, but those savings are only really possible if the reform elements stay in power in the Soviet Union and continue to unwind their military-industrial complex," Mr. Aspin said.

The idea was condemned, and eventually undone, by Senate and House colleagues from both parties who argued that any money the Pentagon could spare should be invested in the United States. Opposition to the plan gained strength after last week's elections, particularly the Pennsylvania Senate race in which the Republican candidate and heavy favorite, former Attorney General Dick Thornburgh, was upset by a Democratic candidate.

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"It was very unfortunately caught up in a very, very bad time," Mr. Aspin said in an interview. "It was at a time when Democrats saw a nice opening to take on Bush for having too much priority on foreign policy and not enough domestic policy, but the Republicans did not want to be caught up in that."

In a desperation move last Thursday, Democratic supporters in the House and the Senate frantically tried to shift responsibility for the plan's fate to the Administration, with Senator Nunn complaining that the proposal had received "tepid and ineffectual White House support."

"It's too bad we can't get out in front of problems for a change," Mr. Nunn said in an interview today, warning against the spread of Soviet weapons around the world. "We're facing the breakout of the largest arsenal in the world, and people in economic distress will be selling things."

But the effort to defuse Republican opposition in Congress and give Democrats political cover to support the measure failed. Democrats ended up singed by the same fire they have used to brand Mr. Bush as a leader more interested in global summit meetings than unemployment.

* * * Representative Aspin's idea initially appeared to have some appeal: Transfer up to a $1 billion from the Pentagon budget for humanitarian aid to the Soviet Union, and help avert chaos in a splintering nation that possesses more than 30,000 nuclear weapons.

Beginning in early September, Mr. Aspin and Mr. Nunn quietly worked with a small group of staff members to build on Mr. Aspin's original idea to forge a relief package that would also clean up environmental damage caused by Soviet weapons plants and subsidize American businesses that invested in Soviet military conversion to civilian industries.

The two lawmakers also consulted with senior Administration officials, including Mr. Bush's national security adviser, Brent Scowcroft, who privately endorsed the proposal.

Supporters of the measure sought to include the Soviet aid plan in a compromise military budget bill that House and Senate negotiators had been working on since early September. Since the House and the Senate had approved conflicting military budgets before the abortive coup, the aid plan was not considered in the normal budget authorizing process. * * *

Initially, Senate Republicans balked, but the uproar quickly spread to Democrats in both chambers.

"I was not consulted and I felt I should have been," said Representative Earl Hutto, a Florida Democrat who heads the House Armed Services subcommittee on military readiness.

Mr. Aspin said today it was "hard to have full consultation" when the measure was included in neither House or Senate version.

By early last week, the measure had also drawn criticism that it infringed on the prerogatives of the Congressional committees normally responsible for foreign aid.

"It ought to run through the regular authorization process," Representative Dante B. Fascell, a Florida Democrat who heads the House Foreign Affairs Committee, said in an interview.

By late last week, voices like those of Senator Carl Levin, Democrat of Michigan, were rare. "An opportunity comes along every few decades to reduce the threats to our security interests," Mr. Levin said in an interview. * * *

EXHIBIT 2

[From the New York Times, Nov. 7, 1991]

A SOVIET COMPANY OFFERS NUCLEAR BLASTS FOR SALE TO ANYONE WITH THE CASH

(By William J. Broad)

A new Soviet trading company is trying to market the power of underground nuclear explosions for commercial application to anyone in the world who has the cash.

It is the first time that nuclear blasts are known to have been put up for sale, but the venture is surrounded by great uncertainty given the political turbulence in the Soviet Union and rising opposition around the world to nuclear blasts.

The atomic explosions are being marketed by the International Chetek Corporation of Moscow, a private trading company tied to the Soviet arms complex. Its initial goal is to carry out blasts in the Soviet Union for the incineration of toxic waste. But the company says it will eventually try to do whatever the customer wants, as long as it is commercial and peaceful in nature, including conducting nuclear explosions in other nations.

DANGERS CITED

The move has startled Western exports, who say nuclear blasts could damage the environment and that the nuclear devices would be at risk of falling into unfriendly hands. Other experts, however, say the Soviet ideas may have technical merit and should be evaluated.

There apparently are no international accords that bar one country from selling nuclear devices to another for peaceful purposes.

The nascent marketing effort shows the lengths to which the crumbling Soviet bloc will go to acquire hard currency by converting military industries to civilian ones.

"We're willing to entertain all ideas," said Danny Wolfson, an agent for Chetek at Ph.D. International Trading Inc., a small concern in Montreal, Quebec. "It doesn't matter who, where or when. We have all the technologies and they're going to be used."

Mr. Wolfson said Chetek is owned by shareholders that include company officers, private Soviet enterprises, a scientific center, and most importantly, the Soviet ministry charged with production of nuclear weapons.

HAS MANY USES

Of the world's nuclear nations, only the Soviets have an extensive record of using underground nuclear blasts for civil ventures. Applications have included the creation of underground storage vaults, seismic exploration of geologic formations and the stimulation of gas and oil production.

Opposition to the fledging effort at commercializing the blasts is widespread among environmentalists and arms-control experts who know it.

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"Chetek is representative of a general danger," Dr. Potter said in an interview. "Soviet weapons scientists are faced with tremendous economic hardships and are going to be tempted to sell their services to anyone who is prepared to provide hard currency."

Tariq Rauf, a senior associate with the Canadian Center for Arms Control and Disarmament, in Ottawa, has also investigated and publicized Chetek and similar Soviet ventures that are getting under way.

"Everybody in Moscow wants to make a deal," he said. "These people are not really concerned about the consequences of the sales. They only want the dollars."

Dr. Ray E. Kidder, a weapons expert at the Lawrence Livermore National Laboratory in California, said the notion of using nuclear blasts to incinerate hazardous wastes and even nuclear warheads had technical merit.

"It would be the cheapest way to dispose of them, by far," Dr. Kidder said. "But lots of environmental questions would have to be settled. You'd also have to find ways to make sure the blasts would not be used covertly for the further development of nuclear arms."

Underground detonations are essential for perfecting new warheads. Thus, their cessation is often seen as a way to halt the nuclear arms race.

The Non-Proliferation Treaty, ratified in 1970 has no apparent prohibitions against commercial sales, as long as the blasts are for peaceful purposes. Its only conditions are that transfers from a nuclear power to a nonnuclear one occur "under appropriate international observation and through appropriate international procedures," and that the price be fair.

For decades the Soviets have led the world in applying nuclear detonations to civilian efforts, conducting more than 120 blasts. The United States also investigated such peaceful applications of the atom, but dropped the effort in the 1970's as fears arose about the contamination of the environment with radioactive residue from the work.

The Soviet Union used the blasts to create underground cavities for storing fuels and disposing of chemical wastes such as the brine produced by oil fields. Another use was to stimulate the production of gas and oil fields by shattering rock and releasing trapped pockets. They also used blasts to extinguish stubborn fires in gas wells, and to generate powerful shock waves that helped geologists learn more about the earth's crust and mantle.

Chetek, an acronym formed from the Russian words for man, technology and capital, was formed late last year to try to sell these and other nuclear technologies to the world. In particular, it has promoted the novel idea of using nuclear blasts to vaporize all kinds of extremely dangerous wastes. The destruction would occur a little more than a half mile beneath the earth's surface, where a nuclear bomb was surrounded by waste and then exploded.

MARKETING CAMPAIGN

The company's president, Vladimir B. Dmitriev, began a quiet marketing blitz in early April, hailing the process at an international scientific conference in Moscow on the elimination of chemical arms. "It will be possible to export services," Mr. Dmitriev told the conference. "The problem of chemical weapons and highly toxic waste products destruction is urgent for many countries of the world."

Later in April, Mr. Dmitriev traveled to Ottawa for a scientific meeting on the environmental consequences of underground nuclear testing, sponsored by the Canadian Center for Arms Control and Disarmament, a private group. There he startled the audience by detailing his company's plans and suggesting that a trial waste-elimination blast be conducted in the Soviet Union under international supervision.

Also at the meeting and backing the waste plan was Dr. Alexander K. Chernyshev, a department head at Arzamas 16, the principle Soviet bomb-design laboratory.

"Everybody in the room thought they were nuts," recalled John M. Lamb, executive director of the Canadian center and the meeting's chairman. Later Mr. Lamb objected strongly when Chetek sought to say in a promotional brochure that the Canadian meeting had "discussed and approved" the nuclear technology.

MOSCOW BACKED PLAN

The commercial effort did, however, soon get a boost from Viktor N. Mikhailov, the Soviet deputy minister of atomic energy and industry. He wrote the United Nations to endorse Chetek and the notion of using nuclear weapons to incinerate all kinds of wastes.

On Oct. 7, Mr. Dmitriev of Chetek signed an agreement with Ph.D. International Trading to have the exclusive rights in North America for any waste destruction, and the international rights, excluding Europe, for all other nuclear services or technologies. "This process will be carried out by the company together with the ministry of nuclear energy of the U.S.S.R.," said the agreement.

Mr. Wolfson said that he has had preliminary discussions with companies in the United States and Canada about the destruction of chemical wastes as well as other peaceful applications of nuclear blasts.

Mr. Wolfson played down the idea that bombs would be traveling between countries, saying there would probably be strong political objections to such transfers. Even though such exports are envisioned by Chetek, he said, they might never materialize.

For the waste-incineration plan, he said, the initial strategy is for waste material to be shipped to the Soviet Union for destruction there. He said his company has already made arrangements for special canisters, trucks and ships that could safely transport even radioactive wastes.

PRICE RANGE

The cost for waste destruction, he said, ranged between $300 and $1,200 per kilogram, or 2.2 pounds. "It goes by the danger," he said. "We just can't take a back loader and go after it. You need specialized equipment. The actual transport is done at night because you don't want to bother anybody.

"People may not like it," he added, "but it's the cheapest, easiest way to get rid of really dangerous wastes."

Opposition to such blasts is great and growing, however, even in the Soviet Union. Last month, President Mikhail S. Gorbachev announced a unilateral one-year moratorium on underground nuclear tests and urged other nuclear powers to follow suit.

Mr. Wolfson, without being specific, said the moratorium posed no difficulty. Private arms experts say that Chetek and the Soviet Defense Ministry are pushing to have the moratorium interpreted as applying only to blasts for arms development.

Christopher E. Paine, a senior research associate with the Natural Resources Defense Council, a private group in Washington, said the whole idea of marketing nuclear blasts was dangerous.

"It's 'Have bomb, Will travel,'" he said. "It's serious and has huge implications for weapons proliferation. The largest nuclear establishment in the world is undergoing a process of financial and political disintegration."

[CNN's "Evans & Novak," Nov. 9, 1991]

CNN'S EVANS AND NOVAK WITH ROWLAND EVANS AND ROBERT NOVAK—GUEST: DICK CHENEY, SECRETARY OF DEFENSE

The following is a transcript of CNN's "Evans and Novak." This program is copyrighted by the Cable News Network. The program material is the property of the Cable News Network, and it is therefore MANDATORY that any excerpts and quotes taken from this program or any references made to this program's content include attribution to CNN and the above program title.

Mr. EVANS. Mr. Cheney, with 27,000 warheads floating around what used to be an integrated country, the Soviet Union, are we entering a really dangerous period with these weapons?

Sec. CHENEY. We're reasonably convinced at present, Rollie, that they retain tight central control over their nuclear systems in the Soviet Union. The question we can't answer is what that arrangement will look like a year or two from now; that is, the question of who will control the Soviet nuclear stockpile down the road. Whether there'll be a center-left, whether it'll be some collection of republics, or whether republics individually will control those nuclear weapons is something we simply can't know at this point.

Mr. EVANS. Well, when you talk about whether there'll be a center-left, it seems to me you're repeating what I would call the mythology of President Bush, who keeps talking about the center and the Soviet Union and Mikhail Gorbachev as though they were entities and serious bodies that you can do business with. There is no Soviet Union anymore, is there, sir? Haven't all the ministries been stripped of their people and their functions?

Sec. CHENEY. Not completely. Clearly, the center is radically different than anything it's been before. The republics have become extraordinarily important, some would argue perhaps more important than the center, but there still is an effort even on the part of some of the republics who've opted for a much more independent stance to try to agree that there'll be some sort of central mechanism. Now, whether or nor they'll pull it off, I simply don't know.

Mr. EVANS. Do you think hostility, latent as of today, between the Ukraine and Russia, which is according to my informants going to get much hotter, is the kind of thing that could breed real trouble on the nuclear front?

Sec. CHENEY. Clearly, if you look at the Soviet empire as it breaks up, we're concerned about all of them, but of special importance is Russia and the Ukraine because of their size and because of their economic contribution, because of their military power, and so we watch that relationship very closely. At this point, though, we don't have any reason to believe that there will be conflict between the two. They have recently negotiated republic-to-republic level arrangements on military forces, on economic trade. There's no reason at this point to believe that that has to end up in violent conflict between the two.

Mr. NOVAK. Mr. Secretary, tell me if I'm wrong, but I get the impression you're a little bit more worried about this Soviet nuclear question than you were, say, the last time we interviewed you in August.

Sec. CHENEY. No. I think I still have the same concerns, Bob. If you go back and look at a speech I gave right after the coup collapsed, I listed a whole series of questions. You know, will there be a center? How large will the military forces be? And will there be central control of the military? Will the republics have their own forces? Who will own the Soviet nuclear stockpile two or three years from now? That's exactly the same set of concerns I still have today.

Again, as I say, as we meet today, they've retained tight control over those systems. What no one can answer, though, is what the circumstances will be inside the Soviet Union, and especially with respect to the control of those weapons, in the future.

Mr. NOVAK. What's your concern, that the Ukrainians and the Russians start shooting at each other or that somehow they start shooting at us, at the West?

Sec. CHENEY. No. I think, if you were to rank order the priorities, the possibility that someone would get their hands on or consciously use a strategic weapon to shoot at the United States is very remote. It doesn't make any sense. Above that and slightly more likely would be the possibility of some conflict among republics. The thing I'm really concerned about would be the possibility that the fact that the Soviets have 27 [thousand] to 30 thousand nuclear warheads and that the Soviet Union is coming apart literally, that that will result in dissemination of knowledge, about weapons of mass destruction, nuclear weapons in the form of individual's who've got technical expertise going to work for other countries, and possibly even the flow of some of those weapons themselves to third parties.

Mr. NOVAK. Sales?

Sec. CHENEY. Possibly sales. You have to be concerned about the size of that stockpile and what happens to it over time.

Mr. EVANS. How about theft? Is that possible?

Sec. CHENEY. I don't have any—again, Bob, talking about the general proposition that you have to be concerned that, as the Soviet Union breaks up, that there will be impetus given to the proliferation of knowledge of weapons of mass destruction to third parties.

Mr. NOVAK. Specifically, I have read reports that you are concerned, or there is some concern, about the sale of weapons to Iraq or nuclear weapons know-how to Iraq and to North Korea. Is that true or false?

Sec. CHENEY. Again, what do you mean by "sale"? If you're talking about a government-to-government transaction, no——

Mr. NOVAK. No, but by somebody who has control of the weapons in——

Sec. CHENEY. Someone who has worked in the Soviet nuclear program now hiring themselves out to work for Pyongyang or Baghdad——

Mr. NOVAK. That's possible?

Sec. CHENEY [continuing]. Is certainly a possibility.

Mr. EVANS. What can we do about that?

Sec. CHENEY. Well, remember how we started our space program after World War II with Werner von Braun and his German——

Mr. NOVAK. What can we do about that, though?

Sec. CHENEY [continuing]. In the United States. Well, you have to prepare, if you're Defense Secretary, for a world in which more nations are going to have weapons of mass destruction in the future than have them now.

Mr. EVANS. Wouldn't you say, considering the fact that so many people over there in the Soviet—what used to be the Soviet Union are desperate people—they haven't got two nickles to rub together; they haven't even got enough food to eat—that this kind of possibility is much more reason, much more dangerous today than it was a year ago?

Sec. CHENEY. I think the fact that they have not made any progress in terms of economic reform enhances the possibility that the kind of chaotic situation may develop where there'll be an even greater incentive for people to allow the spread of that capability than has been true before.

Mr. EVANS. Now, I want to ask you, Mr. Secretary—the NATO meeting has just been held in Rome with President Bush making a great show of unity among the NATO nations, the Atlantic Council, which will bring in some of the Eastern European states. But I want to ask you this: Do you really think—are you happy with the French-German force which will now, as I understand it, go from about 5,000, which they have had kind of in the backwoods for the last years, up to 50,000 troops? That's a formidable force, is it not? Does that not conflict with some of the basic ideas of NATO?

Sec. CHENEY. It depends, Rollie. It depends, for example, on whether or not the German forces that would be committed to that Franco-German brigade are assigned there in a secondary fashion, as to say that their main mission would still be part of the NATO integrated command structure. It depends on whether or not it would be operated in such a way that it undermined or detracted from the NATO effort. We don't have any reason to believe at this point that it will, but it's obviously a development to watch.

Mr. EVANS. Well——

Sec. CHENEY. We've encouraged them not to do anything that would undermine NATO.

Mr. EVANS. But, Mr. Secretary, you say "we don't have any reason to believe." You mean we don't have absolute, airtight, ironclad assurances that the German force——

Sec. CHENEY. When have there ever been absolute, ironclad, airtight assurances? I mean, this is an alliance of democratic states, but I'm confident that the Germans will, in fact, conduct themselves as they always have since NATO was founded, in a way that is fully consistent with maintaining the integrity of the North Atlantic Alliance.

Mr. EVANS. One more on that. Despite what President Mitterrand understandably is reported to have said, and I believe that he did say it, to President Bush about wanting the United States to stay, do you have a little bit of a doubt in the back of your mind that the French are all that eager to have the United States keep 150 [thousand], 200 thousand troops in Europe?

Sec. CHENEY. I think they're ambivalent in a sense, but the French are good allies. We fought together in the Gulf. They have, I think, as a result of the revision in NATO strategy, drawn closer to NATO now than has been true in the past. The only thing they don't do is to participate as part of the integrated command structure. There are, from time to time, differences of opinion between us and the French or between us and other members of the Alliance. The point is that it is an alliance of democratic states. We've got a common set of values, a common set of interests, and the Alliance has worked enormously well for 40 years and we think ought to be preserved and will be preserved.

Mr. NOVAK. Mr. Secretary, are you implying that you suspect that maybe the French and/or the Germans want us out of Europe militarily? Not——

Sec. CHENEY. I'm not at all. They've made it very clear to us that they want us to stay. They want NATO to stay, and the United States to continue to be a major part of that.

Mr. NOVAK. You know, there's a lot of good, ordinary, hard-working Americans who may—I hope are listening, and they may be wondering, you know, if there are some people in Europe, not the governments, but some people who don't want our troops there, we've got a lot of budgetary problems in this country. Communism is dead. The Soviet Union, you said yourself the chances of them being a military threat to us is not very much. Why do we want to impose ourselves on Europe? Why do we want to continue this?

Sec. CHENEY. Well, first of all, we haven't imposed ourselves on Europe. We're there as part of an alliance of democratic states, and we're there because it's in our interest to be there. We're there because twice previously in this century we've had to go back to Europe when the United States wasn't involved. We're there because they very much want us to be a part of that process.

Now, we've cutting back on the size of the deployment because of the collapse of the Warsaw Pact and the Soviet withdrawal. We're getting—bringing home more than 200,000 people roughly. We've got over 200 bases and installations that I've already identified for closure. There's a major reduction in terms of the U.S. presence in Europe, major reduction in the costs.

But Europe's very important to us for another reason, not only because of NATO. It's also important, I think, in making certain that those Eastern European nations successfully make the transition to democracy, the former Warsaw Pact states, and Europe and NATO give us a great forward basing area when it's time, for example, to send a corps to the Persian Gulf to defeat Saddam Hussein. Those forces, a lot of them, came right out of Europe.

Mr. NOVAK. As—from the question of the Eastern European states, as the President—President Bush said in Rome on Friday that it was premature to think of membership for them in NATO, why is that premature to consider them? If NATO's such a good organization and these people have abandoned communism, why shouldn't they be members of NATO?

Sec. CHENEY. I think they may eventually end up as members of NATO.

Mr. NOVAK. Why is it premature?

Sec. CHENEY. But I—well, because you've still got a lot of work to do to make the transition from where they are to successful, well-established democracies. You've still got, I think, the kinds of questions that have risen with respect to Czechoslovakia, where there's debate, for example, between the Czechs and the Slovaks over exactly what kind of arrangements they're going to have long-term.

I think, though, at the heart of what we're talking about with Eastern Europe is a closer set of relationships than we've ever had before in the security arena. We've strengthened the liaison relationship between Czechoslovakia, Poland, Hungary, and the other former Warsaw Pact states and NATO. That's part of the new strategy that's just been announced in Rome. And what we're seeing is an evolution of a much closer relationship here than we've had in the past.

Mr. EVANS. Mr. Secretary, one very quick question on Iraq. I understand they're raising the dickens with us for overflying Iraq with our aircraft. Have they protested? And what's our response?

Sec. CHENEY. They periodically protest our overflights over Iraq. I don't think anybody takes those protests very seriously. We're there because of the UN resolutions. We're there in an effort to enforce the UN resolutions that the Iraqis signed up to. And we'll continue to function there and to operate over Iraq as long as——

Mr. EVANS. So we don't buy that line that pregnant mothers are losing their babies because of American overflights?

Sec. CHENEY. That's goofy.

Mr. EVANS. Now, on the budget, Mr. Secretary, you've had a pretty good—pretty fair success on the budget, although you didn't get a single—you got one B-2. You also got money to start—restart the [F]-117, the F-117, which was the great war horse and the winner, the stealthy aircraft that won the war. Why is the Air Force against the [F]-117?

Sec. CHENEY. They aren't against it at all. They're——

Mr. EVANS. Yes, sir, I think they are.

Sec. CHENEY, But they're the ones that started the program. They operate now a full-up wing of aircraft. The question is: do you want to buy any more? And the Air Force, like all the other parts of the services, are under tight budget constraints and having to make difficult choices, and they had a certain package of aircraft they wanted to buy. The F-117 was not one of those, not because they're against it, just a feeling that we've already got enough.

Mr. EVANS. What about SDI? Do you think that finally the Democrats in Congress have come around to the view that this is an absolutely essential defensive program?

Sec. CHENEY. I think there has been a sea change in attitudes toward SDI——

Mr. EVANS. Why?

Sec. CHENEY. In the Congress. I think primarily because of the perception that's growing that there is a threat from ballistic missiles against the United States and our friends and allies. The experience in the Gulf War, where our largest loss came about as a result of a SCUD attack on a barracks in the rear areas—it emphasized the importance of developing and deploying defenses against ballistic missiles. And Congress now appears to be coming around to that point of view.

Mr. NOVAK. But, Mr. Secretary, there is a big nuclear power out there. The government is not broken up. It's still communist. Aren't you worried about China?

Sec. CHENEY, No more than I've ever been worried about China.

Mr. NOVAK. They're building up their nuclear power, are they not?

Sec. CHENEY, Well, the Chinese do have nuclear capability. They have some ballistic missiles. I don't perceive the Chinese as a direct threat to the United States in terms of the numbers of systems. There's no sensible rationale in which they would want to attack the United States, but I think of even greater concern is the possibility that China becomes again a source of the spread of knowledge of these kinds of systems to others.

Mr. NOVAK. And they're selling them all over the place, aren't they?

Sec. CHENEY. Well, we're concerned that they need to conduct themselves in such a way so that they don't contribute to the spread of weapons of mass destruction. That's a point we push with them consistently.

Mr. NOVAK. Is Korea a nuclear flashpoint?

Sec. CHENEY. We're very concerned about the fact that the North Koreans have never signed up for the inspection regime that they're required to sign up to under the Non-Proliferation Treaty, very concerned that the North Koreans are, indeed, pursuing a nuclear capability.

Mr. EVANS. Mr. Secretary, just before we break, is there any substance to reports that Communist China is feeding nuclear stuff to Iran that might be useful in making a bomb?

Sec. CHENEY. If we had knowledge like that, Rollie, it wouldn't be the kind of thing I could discuss——

Mr. EVANS. Well, suspicion? Could you tell us that? I mean, it's all over town.

Sec. CHENEY. If we had knowledge of something like that, Rollie, I couldn't discuss it.

Mr. EVANS. (Laughs.) I think you've just confirmed it.

Mr. NOVAK. All right. Let me give you another thing you can't discuss. Are you interested in a covert operation against Iraq? There's been published reports in the Los Angeles Times that the Pentagon wants covert action to get rid of Saddam Hussein.

Sec. CHENEY. And if I announced it on "Evans and Novak," it wouldn't be a covert operation, would it?

Mr. EVANS. We wouldn't mind.

Mr. NOVAK. You don't deny it, though, do you?

Sec. CHENEY. I have—don't believe everything you read in the newspapers.

Mr. NOVAK. Okay. We're going to have to take a break, and when we return, we'll be back with the "Big Question" for Dick Cheney.

(Commercial break.)

Mr. NOVAK. The "Big Question" for Dick Cheney. Mr. Secretary, although you're a defense expert now, you used to be chief of staff for a president, Republican whip in the House. Put on your political hat and tell me, do you think a tax cut is going to be necessary to ensure George Bush's election?

Sec. CHENEY. I think that the President needs to steer, as he is, a steady course on the economic front, to insist that the budget agreement ought to hold, and to encourage the kind of long-term growth that'll promote opportunities for all Americans in the future. I don't think he wants to panic from month to month, change policies, suddenly call for a tax cut with a notion that that'll provide short-term stimulus to the economy. It won't. We need long-term growth packages, not the kind of short-term on again/off again policy that some of my friends on Capitol Hill have recommended.

Mr. NOVAK. So I put you then in the divided Bush Cabinet in the anti-tax cut faction. Is that correct?

Sec. CHENEY. Well, first of all, Bob, it's important to remember I don't make tax policy in the administration.

Mr. NOVAK. But you're in the Cabinet.

Sec. CHENEY. I make defense policy.

Mr. EVANS. Now——

Sec. CHENEY. And as I say, I think the President's got it about right.

Mr. EVANS. Mr. Secretary, with that political hat still on, please don't duck this. It's important for the Republican Party. If you were in Louisiana, would you vote for Duke as a Republican, or would you not vote for Duke as a Republican and maybe even vote for the Democrat to keep Duke from getting elected governor?

Sec. CHENEY. Boy, I——

Mr. EVANS. Give us an honest answer, because you're a——

Sec. CHENEY [continuing]. I don't like what David Duke stands for at all. I also, though, am not a big fan of Edwin Edwards, and I suppose this is one of those elections that an awful lot of people looking at the two choices they have, which are neither one of them very good, may stay home.

Mr. EVANS. So you would not vote?

Sec. CHENEY. I certainly would not vote for David Duke.

Mr. EVANS. How did Harris Wofford win such a whopping big victory in Pennsylvania after all the 45-point lead that Dick Thornburgh took in? Can you—do you have an explanation for that, Mr. Secretary?

Sec. CHENEY. No. I really don't, Rollie. I was in Philadelphia on election day, talked to a lot of people up there. I wasn't politicking or campaigning at all. But I sensed that the Thornburgh campaign never really got started, never really got off the ground.

Mr. EVANS. Does it tell you anything about 1992?

Sec. CHENEY. Well, everybody looks at the '91 elections trying to figure out what that means for '92. I think there were great Republican victories in New Jersey, in Virginia, in Mississippi. There was the defeat in Pennsylvania. As with most elections, politicians can find ways to read those tea leaves any way they want.

Mr. NOVAK. Can the hero of Desert Storm be a one-term president? Do you think it's possible?

Sec. CHENEY. No. I think George Bush is going to be reelected overwhelmingly.

Mr. EVANS. Mr. Secretary, unfortunately, we've run out of time. Thanks for being with us.

[From the Los Angeles Times, Nov. 10, 1991]

UNITED STATES FEARS SALE OF SOVIET ARMS AND TECHNOLOGY

(By Norman Kempster and Stanley Meisler)

WASHINGTON.—U.S. officials are expressing increasing concern that the Soviet Union's extensive inventory of defense technology—including nuclear weapons hardware and expertise—may soon go on the world market as a new class of opportunistic capitalists try to turn a fast profit from superpower disintegration.

Echoing a theme that has been discussed privately among U.S. officials for some time. Defense Secretary Dick Cheney said Saturday that he is seriously worried that the breakup of the Soviet Union "will result in dissemination of knowledge about weapons of mass destruction."

Cheney, addressing potential Soviet arms proliferation on a Cable News Network television program, warned of "individuals who've got technical expertise going to work for other countries, and possibly even the flow of some of those weapons themselves to third parties."

Noting that the Soviet Union still has 27,000 to 30,000 nuclear warheads, Cheney said the experts who work on the Soviet nuclear program might be tempted by high salaries to join the nuclear programs of Third World countries. And he said that Iraq and North Korea are two countries that would probably be interested in hiring Soviet nuclear scientists.

"Remember how we started our space program after World War II with Werner von Braun and his German [scientists]," Cheney said.

Other Bush Administration officials have expressed concern about potential sales of Soviet chemical warfare weapons or, even worse, about a Soviet economic collapse that could spawn black market sales of all kinds of weapons during the chaos.

These officials said that Washington has made it clear to the central Soviet government and to leaders of the increasingly independent republics that they must prevent clandestine weapons sales if they hope to obtain economic aid from the United States and Western Europe.

That will probably be enough to stop government-level sales, said one senior Administration official who requested anonymity. But there is no guarantee that the authorities will be able to prevent individual hustlers from getting their hands on weapons or other technology that might find a ready market in the Third World.

"If things go to hell in a handbag, if there are outbreaks of domestic violence, then all of the reservations which local leaders might have about entering into unsavory arms deals might disappear," the Administration official said.

He said that in the "nightmare scenario," hard-pressed Soviet troops might start to sell their weapons to the highest bidder.

The way Administration officials and some American businessmen see it, weapons and other military technology are the only things produced by the Soviet Union that measure up to world standards. With the economy starved for hard currency, the temptation to sell that equipment may prove irresistible.

"I think the fact that they have not made any progress in terms of economic reform," Cheney said, "enhances the possibility that the kind of chaotic situation may develop where there'll be an even greater incentive for people to allow the spread of that [military] capability than has been true before."

Not all potential sales of Soviet military equipment would have a nefarious impact on the Third World. Some top-secret Soviet defense technology can be adapted to produce new and valuable civilian products.

For instance, Philip S. Myers, president of Montecito Trading Co. of Santa Barbara, said that Soviet rocket scientists have developed a chemical spray that could revolutionize the cleanup of oil spills at sea. That is, it could if Moscow had the manufacturing and distribution capacity to put it on the market.

Myers, who hopes to put together seed-capital funds to market Soviet technology, said the spray hardens petroleum into a solid mass. Applied to a leaking oil tanker, the chemical could turn the leaking oil into a patch that would stop the leak and harden oil already in the water into a glob that could be easily removed.

"They can bring out their beakers and show what it does," Myers said. "This is a breakthrough. But first they have to patent it and prove it. The Russians don't know how to pick up the ball from the point where they have the nifty little spray in the laboratory."

The senior Administration official said the United States would have no objection to the sale of military technology for clearly civilian uses. But he agreed with Myers that Soviet companies are ill-equipped to exploit scientific developments.

The Soviet Union has been able to sell military equipment for many years. The armies of Iraq and Syria, to name just two, use Soviet weaponry almost exclusively. But the market for legitimate government-to-government sales may be drying up. Soviet arms, at least in Iraqi hands, did not perform well against high-tech American weaponry during the Gulf War.

U.S. officials are concerned that if the Soviet Union is unable to sell its arms to legitimate buyers, the temptation may increase to unload the weaponry to terrorist groups or other purchasers who are shut out of the legal market.

Moreover, there is a growing concern in the West that the Soviet army will begin to unravel, leaving behind unemployed and increasingly desperate soldiers and arms makers who might try to support themselves by selling their equipment or skills to anyone willing to buy.

In his television interview, Cheney made it clear that the Soviet Union and its breakaway republics are not his only concern as a source of the technology of mass destruction. He also is worried that China may be in the business of spreading nuclear know-how and weapons.

"We're concerned that they [the Chinese] need to conduct themselves in such a way that they don't contribute to the spread of weapons of mass destruction," he said. "That's a point that we push with them consistently."

EXHIBIT 3

TITLE XII—REDUCTION IN THE SOVIET MILITARY THREAT

PART A—EMERGENCY ASSISTANCE TO SOVIET PEOPLE

SEC. 1201. NATIONAL DEFENSE AND EMERGENCY ASSISTANCE TO THE PEOPLE OF THE SOVIET UNION.

(a) FINDINGS.—The Congress finds—

(1) that social unrest, instability, and chaos in the territory of the Soviet Union, particularly during the winter of 1991-1992, is a real possibility;

(2) that such conditions would impair the control and physical security of nuclear weapons in the Soviet Union;

(3) that the provision of emergency humanitarian assistance to the people of the Soviet Union to reduce the possibility of social unrest, instability, and chaos in the territory of the Soviet Union, would respond to this new danger and would, therefore, be in the national security interests of the United States as a means of reducing the threat to the United States and its allies posed by nuclear weapons in the Soviet Union.

(b) EXCLUSIONS.—United States assistance under this part may not be provided to any nation, Soviet republic, or former Soviet republic that—

(1) does not demonstrate a commitment to (A) significant demilitarization, (B) full compliance with all relevant arms control agreements, and (C) internationally recognized human rights, including the protection of minorities; or

(2) conducts any military modernization program that exceeds legitimate defense requirements.

SEC. 1202. AUTHORITY TO PROVIDE EMERGENCY ASSISTANCE TO THE PEOPLE OF THE SOVIET UNION.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President, consistent with the findings stated in section 1201, may use the logistical and related resources of the Department of Defense to transport and deliver emergency humanitarian assistance described in subsection (b) to the people of the republics incorporated in the Soviet Union as it existed on August 1, 1991, if he determines that emergency circumstances require such use of those resources in the national security interests of the United States. The President may also use those resources to transport such humanitarian assistance to the people of Latvia, Lithuania, and Estonia upon such a determination by the President in the case of those countries.

(b) FORMS OF ASSISTANCE.—Emergency humanitarian assistance under this section shall be limited to the following:

(1) United States Government assistance authorized under other applicable law.

(2) Emergency relief supplies, such as food and medical supplies, from inventories of the Department of Defense.

(3) Private donations of humanitarian assistance.

(4) Donations of humanitarian assistance from international relief organizations and from other nations.

PART B—SOVIET DEFENSE CONVERSION AND DEMILITARIZATION

SEC. 1211. NATIONAL DEFENSE AND SOVIET DEFENSE CONVERSION AND DEMILITARIZATION.

(a) FINDINGS.—The Congress finds—

(1) that the decisions of the Soviet Union to reduce tactical nuclear weapons and to take certain strategic nuclear systems off of alert status are commendable steps that will reduce the Soviet military threat to the United States and its allies;

(2) that the continued Soviet weapons modernization program and the production capacity of the Soviet military-industrial complex nonetheless still pose a significant danger and should be greatly reduced;

(3) that both Soviet President Gorbachev and Russian President Yeltsin have called for deep reductions in the Soviet military establishment;

(4) that as the Soviet and Eastern European military-industrial complexes are being dismantled, there will be a danger of proliferation of nuclear weapons and other weapons of mass destruction, as well as of conventional weapons and scientific and technical knowledge associated with nuclear weapons, other weapons of mass destruction, and conventional weapons;

(5) that it is in the national security interests of the United States (A) to facilitate on a priority basis a far-reaching reduction of the military-industrial complex of the Soviet Union and its remnants in the countries of Eastern Europe, and (B) to assist the Soviet Union and the countries of Eastern Europe to prevent weapons proliferation; and

(6) that the expenditure of national defense funds for programs that promote the goals referred to in paragraph (5) would be in the national security interests of the United States.

(b) EXCLUSIONS.—United States assistance under this part may not be provided to any nation, Soviet republic, or former Soviet republic that—

(1) does not demonstrate a commitment to (A) significant demilitarization, (B) full compliance with all relevant arms control agreements, and (C) internationally recognized human rights, including the protection of minorities; or

(2) conducts any military modernization program that exceeds legitimate defense requirements.

SEC. 1212. AUTHORITY FOR PROGRAMS TO PROMOTE SOVIET AND EASTERN EUROPEAN DEFENSE CONVERSION AND DEMILITARIZATION.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President, consistent with the findings stated in section 1211, may establish programs as authorized in subsection (b) to promote Soviet and Eastern European defense conversion and demilitarization. Funds for carrying out such programs shall be provided as specified in section 1222 using funds appropriated for the Department of Defense for fiscal year 1992.

(b) TYPES OF PROGRAMS.—Programs under this section may include the following:

(1) A blue-ribbon panel, consisting of government, business, and academic experts, that would be established to make recommendations to the President and Congress regarding—

(A) establishment and promotion of contacts with Soviet authorities involved in military conversion at the central, republic, and local levels, and with appropriate Eastern European authorities, regarding (i) removal of impediments to United States private-sector investment, and (ii) development of information on investment opportunities;

(B) cooperation between the United States, the Soviet Union and its republics (including those which may gain independence after the enactment of this Act), and, where applicable, the countries of Eastern Europe (i) to destroy nuclear weapons, chemical weapons, and other weapons, (ii) to establish verifiable safeguards against the proliferation of such weapons, and (iii) to provide technical assistance regarding the clean up of environmental pollution resulting from military-related activities; and

(C) provision by the United States Government of limited economic incentives to United States private sector entities to invest in Soviet and Eastern European military conversion.

(2) If recommended by the panel described in paragraph (1), and pursuant to the panel's recommendations, cooperation between the United States, the Soviet Union and its republics (including those which may gain independence after the enactment of this Act), and, where applicable, the countries of Eastern Europe (A) to destroy nuclear weapons, chemical weapons, and other weapons, (B) to establish verifiable safeguards against the proliferation of such weapons, and (C) to provide technical assistance regarding the clean up of environmental pollution resulting from military-related activities. However, before commencing a program under this paragraph, the President shall obtain the assurances of the appropriate Soviet authorities that the fissionable materials and other components of nuclear weapons destroyed pursuant to such a program will not be reused in new nuclear weapons.

(3) If recommended by the panel described in paragraph (1), and pursuant to the panel's recommendations, provision by the United States Government of limited economic incentives to United States private sector entities to invest on Soviet and Eastern European conversion. No funds available to the Department of Defense may be obligated to carry out a program under this paragraph unless such a program is specifically authorized by an Act enacted subsequent to the enactment of this Act.

(4) Exchanges of students between United States professional military education institutions and comparable institutions of the Soviet Union and the countries of Eastern Europe.

(5) Provision only of advice and technical assistance to appropriate central, republic, and local Soviet authorities and other organizations and, where applicable, to appropriate Eastern European authorities, for establishing retraining programs and programs designed to create suitable employment opportunities for commissioned and noncommissioned military officers of the Soviet Union and countries of Eastern Europe who are involuntarily separated from active military service. However, assistance under this paragraph may not include the provision of retraining services or the creation of employment opportunities for Soviet and Eastern European military personnel. Funds available to the Department of Defense for conducting a program under this paragraph may not be used for any activity prohibited by the preceding sentence.

PART C—ADMINISTRATIVE AND FUNDING AUTHORITIES

SEC. 1221. ADMINISTRATION OF ASSISTANCE AND CONVERSION PROGRAMS.

(a) FUNDING SOURCE.—Funds for reducing the Soviet threat under sections 1202 and 1212 may be provided through the Defense Fund for Reduction of the Soviet Military Threat established in section 1222.

(b) DEPARTMENT OF DEFENSE.—Notwithstanding any other provision of law, the Department of Defense shall serve as the executive agent for programs established under sections 1202 and 1212.

(c) REIMBURSEMENT OF OTHER AGENCIES.—The Secretary of Defense may reimburse other departments and agencies of the United States under this subsection for costs of participation, as directed by the President, only in the programs established under sections 1202 and 1212. However, no such reimbursement may be made for the costs of any humanitarian assistance made available by any department or agency other than the Department of Defense. Reimbursements under this subsection shall be made from the Defense Fund for Reduction of the Soviet Military Threat established in section 1222.

SEC. 1222. DEFENSE FUND FOR REDUCTION OF THE SOVIET MILITARY THREAT.

(a) ESTABLISHMENT AND PURPOSE OF FUND.—There is hereby established on the books of the Treasury a fund to be known as the "Defense Fund for Reduction of the Soviet Military Threat". No amounts are authorized to be appropriated directly to the Fund. Amounts transferred to the Fund are available for carrying out the programs under sections 1202 and 1212.

(b) TRANSFERS INTO FUND.—(1) The President may, to the extent provided in appropriation Acts, transfer to the Defense Fund for Reduction of the Soviet Military Threat, from amounts appropriated pursuant to this Act for the Department of Defense for fiscal year 1992 for operation and maintenance, or from balances in working capital accounts established under section 2208 of title 10, United States Code, such amounts as may be provided in appropriation Acts, not to exceed a total amount of $1,000,000,000.

(2) Amounts for transfers under paragraph (1) may not be derived from amounts appropriated for any activity of the Department of Defense that the Secretary of Defense determines essential for the readiness of the Armed Forces, including amounts for—

(A) training activities; and

(B) depot maintenance activities.

(3) The limitation in paragraph (2) does not apply to funds available for training activities if the funds transferred are used for an activity under section 1202 or 1212 that also is a training activity.

(c) CHARGES AGAINST FUND.—(1) All [incremental] costs of the Department of Defense associated with the provision of assistance or the implementation of a program under sections 1202 and 1212 (including reimbursement of other departments and agencies under section 1221) shall be charged against the Fund.

(2) Notwithstanding paragraph (1), the value of assistance from existing stocks and inventories of the Department of Defense may not be charged against the Fund to the extent that the material contributed is as directed by the President to be contributed without subsequent replacement.

(d) PROHIBITION OF ALTERNATIVE USES.—Amounts transferred to the Fund may only be used for programs to reduce the Soviet military threat under sections 1202 and 1212.

(e) DETERMINATION BY DIRECTOR OF OMB.—No amount may be obligated from the Fund unless expenditures from the Fund have been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1992 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(f) ADDITIONAL TRANSFER AUTHORITY.—The authority to transfer amounts under this section is in addition to any other transfer authority provided in this Act or any other provision of law.

PART D—REPORTING REQUIREMENTS

SEC. 1231. PRIOR NOTICE TO CONGRESS OF TRANSFERS.

Not less than 15 days before making a transfer to the Defense Fund for Reduction of the Soviet Military Threat as authorized by section 1222, the President shall transmit to Congress a report on the transfer. Each such report shall specify—

(1) the account, budget activity, and particular program or programs from which the transfer is planned to be made and the amount of the planned transfer; and

(2) the activities and forms of assistance under sections 1202 and 1212 for which the President plans to use the funds to be transferred.

SEC. 1232. QUARTERLY REPORTS ON PROGRAM.

Not later than 30 days after the end of each quarter of fiscal year 1992, the President shall transmit to Congress a report on programs to reduce the Soviet military threat under sections 1202 and 1212. Each such report shall set forth, for the preceding quarter and cumulatively, the following:

(1) Amounts spent for such assistance and the purposes for which spent.

(2) The source of funds transferred to the Defense Fund for Reduction of the Soviet Military Threat, stated specifically by program.

(3) A description of the participation in the program of departments and agencies other than the Department of Defense.

(4) A description of the activities carried out under the program and the forms of assistance provided.

(5) Such other material as the President considers appropriate to fully inform the Congress concerning the operation of the program.

Mr. NUNN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. NUNN. Mr. President, I yield to the Senator from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. President, first let me congratulate the Senator from Georgia for the tremendous effort that he has put into this language which he has described, along with Congressman ASPIN. The Aspin-Nunn language is not a gift to the Soviets; it is a gift to the American people, if we are only wise enough to accept it.

We have a very short window problem. If Russian history tells us anything, it tells us that democracy is unlikely to prevail in the Soviet Union. There is a history of dictatorship in Russia and the Soviet Union, which is a long history, and the seeds of democracy are fragile. The soil is not fertile, and right now, every day, we read articles of chaos in the Soviet Union. And that chaos can lead to the dispersal of thousands of nuclear weapons into the hands of people who can threaten us with them.

The Senator from Georgia is wise enough and has enough common sense and has the vision to see that if we can invest in the reduction of the number of weapons on Soviet soil, if we can invest in the dismantlement of nuclear weapons on Soviet soil, if we can reduce the likelihood that those engineers that produced those nuclear weapons will now move over to Libya or travel to Iraq or go to North Korea and help them with nuclear weapons programs, if we can invest defense dollars in those causes, we have made a major contribution to the security of the United States.

And that is the 1-minute test. It is the 1-minute test which the language of Senator NUNN and Congressman ASPIN meets. This program, this discretionary authority to the Secretary of Defense, adds to the security of America. It reduces or could reduce the number of nuclear weapons that will threaten us.

Mr. President, as I said, every day we see these headlines as to what is going on in the Soviet Union and, frankly, there are few leaders in the Congress who are willing to respond to them with the kind of visionary language which Senator NUNN and Congressman ASPIN have put together.

Let me just read you a couple of those stories, because behind the headlines are human stories. These human stories are of desperate human beings. And when human beings get desperate, they do things which threaten their neighbors and threaten even former allies. Chaos in the Soviet Union is not just a concept; it is a very real security threat to us.

And, by the way, that has been acknowledged just this week by NATO formally. NATO has adopted the new strategy which says that the biggest risks for the alliance—that includes us—now come "from the adverse consequences of instabilities that may arise from the serious economic, social and political difficulties, including ethnic rivalries and territorial disputes," in the Soviet Union. That is NATO's new strategic doctrine and it is also the reality on the Soviet streets.

Here is what one woman in Moscow says, standing in line for boots in the snow: "My optimism is running out. It is down to zero. * * * I have no future."

An 80-year-old woman says, "Now you think only of survival."

A woman who was waiting in line with her 6-year-old daughter says, "My kitchen is empty, my kids are hungry." And then she asks this very chilling question, "Have we made a mistake?"

We all ought to think about that, because if the people in the Soviet Union ask that question they are going to want to go back to normalcy, and normalcy is a cold war.

Listen to Valentin Petrenko, 63 years old. He is waiting in the snow to buy bread. "We are not living * * * we are dying from within."

A Moscow engineer says, "We just want to live our normal lives." Let us all remember what normal was in the Soviet Union and what that meant to us in terms of threats. But here is what this engineer says. She says, "We just want to lead our normal lives, to be able to buy food and clothes. Yet we go to the stores and we see that the shelves are empty. People at my job," she says, "say the Government gave us freedom of speech and took away the food."

Mr. President, desperate means losing hope. And people who have no hope act rashly as a result. And the fear is that this desperation, in a land that has thousands of nuclear weapons and tens of thousands of KGB agents and military officers who are suddenly unemployed, will turn the people, desperate people, to another dictator in a long line of dictators in the Soviet

Union; a dictator who will promise them food. And then those cash-starved republics will start threatening to sell, or may be selling, tactical nuclear weapons to a Saddam Hussein or to a China or to an Iran. And then maybe some of those unemployed Soviet weapons designers and scientists will be wooed by North Korea to build a nuclear or chemical arsenal for them. That is the threat which we must try to avoid.

A recent KGB report said that emerging social conditions are ripe for "fast development of movements or political forces of a populist or even fascist hue." That is what the KGB is now looking to as a real prospect in the Soviet Union.

It also found indications that control over nuclear weapons is weakening. The President of Kazakhstan is trying to use the 100 missiles on his soil as a bargaining chip with Moscow. And nationalists even in the Ukraine may overwhelm the nuclear abolitionists there.

So Soviet unrest has become a new kind of direct threat to United States security. The Chairman of our Joint Chiefs has said that. He has told the Armed Services Committee that it is in our national security interest that democracy prevail in the Soviet Union and that the causes of civil unrest be addressed in order to make that possible.

So the conference report attempts to take a wise step. The so-called Nunn-Aspin language recognizes the real threat to us which is posed by Soviet unrest, and it lays out an approach for responding to that threat. It provides, as Senator NUNN has said, for assistance transporting and distributing humanitarian food and medical aid to the Soviet people this winter. It authorizes a program of technical assistance—technical assistance for the destruction of Soviet nuclear, chemical, and other weapons, with the implementation of verifiable safeguards against weapons proliferation.

This is our security we are talking about. We are not talking about giveaways, as some have wrongly charged. We are trying to protect America from a new threat, a threat of the proliferation of thousands of weapons that are not on Soviet soil.

Secretary Cheney said he would welcome this authority. He told the press that he thinks "circumstances may arise in the Soviet Union where we would want to use some of that authority." Yet the support of the White House is not strong, and it is divided, and it is muted. And I am afraid, mainly because of that, this language could be deleted.

We are investing hundreds of millions of dollars as a downpayment on brilliant pebbles, a system which someday may allow us to defend against a nuclear missile aimed at us by some rogue commander of a Soviet submarine. The supporters of brilliant pebbles want us to invest tens of billions of dollars against that remote possibility. Yet we are now faced with the reality—not the possibility—the reality that chaos and disorder in the Soviet Union will lead to the dispersal of an exiting inventory of nuclear weapons and that they will end up in the hands of people who will threaten us with them.

Mr. President, it would be tragic for us as well as for the people in the Soviet Union—but tragic for the American people if, in this first winter of democracy in the Soviet republics, hunger and suffering descend before they even had a chance to make their new society work. It is winter now. We need to get Soviet nuclear weapons under central control now. People need food.

The United States military has performed with distinction in numerous humanitarian efforts over the years, most recently in helping the Kurds after the war in Iraq. Our expertise in secure control and environmentally safe storage and dismantlement of Soviet weapons is miles ahead of the Soviets. And we have a real potential of providing technical assistance to them so they can do what is in our interests as well as their own, which is to secure those nuclear weapons against the possibility of proliferation.

Our technical assistance to them assists us to become more secure. I think the American people understand this. We must, first and foremost in this country, get our economic house in order and put our energies into the health and well-being of our citizens. But this renewal at home which we so desperately need will not happen if we have to counter a new aggressive totalitarian adversary in the Soviet Union.

The Nunn-Aspin language gives us a chance to put that future adversary in the old Soviet Union out of business before they ever have a chance to exploit misery in Russia or in any of the Republics. The Nunn-Aspin language is a chance to bury the new Hitlers and Stalins of that region before they ever have a chance to take root in the climate of an Asian winter, in the soil of human despair.

Under the leadership of Senator NUNN and Representative ASPIN we have tried to provide an initial program in the defense bill to do just that. America will be less secure if this language is dropped. I hope we can find a way to retain it. Again, I commend Senator NUNN on his tremendous leadership and his vision in this area, which has permitted us to take a very critical step in the security of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, parliamentary inquiry. Under the order for morning business, how much time is allotted to each Senator?

The PRESIDING OFFICER. The time allocated under the previous order to the Senator from Georgia has now expired. The period for morning business is scheduled to continue until 1:13. There is no time limitation on the length of speeches made by individual Senators during the remaining period for morning business. The Senator from New Mexico is recognized.

HELPING THE SOVIET UNION

Mr. DOMENICI. I thank the Chair. My remarks will be limited by the fact that the lunch period is running out.

A DIFFICULT SOVIET TRANSITION

Mr. President, I came to the floor because I was listening to my good friend, the very distinguished Senator from Georgia, speak about the issue of what are we going to do, if anything, to help the Soviet Union. I use that term, meaning all of the various countries there, perhaps led by Russia. What are we going to do, if anything, to help them through some very, very difficult and probably unmanageable times? Why is that important for Americans?

Frankly, what I heard the Senator from Georgia say, and that was about the last half of his message, I agree with wholeheartedly.

I do not see how we can avoid telling the American people the truth. The truth of this matter is that we Americans spent an inordinate amount of our resources, a huge amount of our best and most brilliant minds over the part four decades on one purpose. We spent millions and millions of dollars, the time of our young men and women in the military. We spent the better part of our science and technology for one single purpose, and that was to see to it that the Soviet Union under its previous ideology did not succeed in moving against our friends and did not succeed in getting itself implanted in America.

Frankly, while we were doing that, we also sent tremendous messages to all countries that they ought to become democratically governed, and they ought to seek the maximum amount of freedom, and that they ought to try to do their best under that democratic system to protect human rights. Frankly, our message to all those countries was very, very simple. It was merely this: Get rid of your dictators, permit your people to vote, and get a system that can produce legitimate leaders recognized by all.

DEMOCRACY STRUGGLES IN THE WESTERN HEMISPHERE

It is amazing that countries of the world are reaching out for just that ray of hope. And many of the countries all over Central America and South America that are moving from the dictatorships they were to the fragile democracies they are now previously had some semblance of democracy and private property ownership, some notion of a capitalist economy, and the process is underway. But even there, it is extremely difficult.

Just last Saturday, we watched in Nicaragua—a country that in the 1980's we worried about, fretted over, spent money on—as the people got rid of its dictatorship and said let us go another way. They are struggling through just the very, very basic idea of who controls the police. Are they part of one party or the real government? And in it comes the seed of disruption, the seeds of all kinds of problems. Everywhere that democracy is beginning to set its feet in place, that is happening.

RUSSIA'S HISTORY DOESN'T HELP

Should we not tell the American people honestly that the Soviet Union and its millions of people have less of a chance of succeeding at democracy and self-governance and capitalism than those Latin American countries that had some semblance of it during the past 70 to 80 years while in the Soviet Union there was none? In fact, there were no people left in that society who even understood the concept of running a business when this last August revolution occurred, this rather quiet revolution which Mikhail Gorbachev set in motion some 4½, 5 years ago.

None of the Soviets had any idea of what an economy built around private property, and around ownership, and around profits from which you pay workers is. Anyone who knew about that had been eliminated from the scene. But my history lessons tell me there were not many anyway because the form of Russian Government that preceded communism did not have many aspects of the system we are talking about. There was not a lot of large private property owned by individual people under the czars that preceded the 1917 revolutions. There was not a well-established system of private property ownership and business, even then.

How do we expect that country to move from where it is to where we and its citizens would like that former Soviet Union to be, moving in a direct path of orderliness, aimed at: some kind of government that is civil; some kind of orderly build-down of their military that shows they do not need all of it; and, yes indeed, some reeducation of their leaders and their people so they can establish businesses, large and small, to employ their people and contribute assets to the wealth of the country.

A CRITICAL TIME

That transition is not going to be easy. In fact, I do not know whether my friend from Georgia had any ominous predictions in his remarks. I do not know how ominous his predictions were, but I think things are dire in the Soviet Union. I do not believe they will make it through this winter without civil strife, without many, many, problems, probably without some civil disorder.

Yet, there are some who sit around and say, well, we will work with the Soviet Union later, just as soon as they get everything in place, their governance, a nice healthy democracy, and just as soon as they have capitalism going, we will work with them.

I regret to say that this Senator believes that long before that date will come, there will be absolute chaos in that country, if not starvation, and who knows where all those nuclear weapons are going to be? And who is going to control them?

NUCLEAR WEAPONS CONTINUE TO CONCERN US

We have taken it for granted, as I see it—and it is really an interesting observation as this observation works its way through my brain—but everybody says the nuclear bombs are all right in the Soviet Union.

I have heard those in America who talk to me from the military say, oh, they are all right. And then we ask a few Soviet generals and they say, "Oh, they are all right, they are very much under control." I just do not see how that is possible for long with a country that is as close to chaos as that disintegrating empire. I do not see how it is possible. And if it is, without being precipitous in my thinking, I believe it will not last for too long because, frankly, they are as smart as we are, and in many cases smarter.

They have one major, major asset. Frankly, we usually would say it is their people. Sometimes we would say it is mineral resources, but I regret to tell you the major Soviet asset is its weapons of destruction. The nuclear bombs are their assets, and they are going to find that out pretty soon. They know they are very powerful so long as they have them.

But they are going to find out that the free world will be very, very concerned and maybe that concern will be the only way for them to get Western help in this transition. We keep saying they are going to take care of the nuclear weapons. They may indeed say, look, we would like somebody, some country, including the big country, America, to help us in some way through this crisis.

NEW AMERICAN INSTITUTIONAL PRESENCE NEEDED

Frankly, I am not totally familiar with all of the details of the Senate Armed Services authorization bill as it came out of conference. When it first came out of conference, I am not certain how the contingent moneys that were provided there would have been used. I talked with Senator NUNN about some concerns we had on the Budget Committee, and I understand they were fixed. But I submit the sooner we build some kind of broad institutional relationship with the former Soviet Union, the better off we are.

I do not think the institutional relationship can be just between the United States State Department and the former Soviet Union. I do not think it can be fragmented AID programs in Russia and the Ukraine. We have to recognize that a free world presence, a physical presence, both in buildings and of people, have to be put in place sooner or later in several areas of the former Soviet Union. Only in that way will we get the facts. Only that way can we remain in contact with developments there, and they remain in contact with the United States. Only through an extended American presence can they get the notion that we are working with them and are concerned about them as people, and as citizens of new democracies. They need to know that.

COMMENDATION OF SENATOR NUNN'S APPROACH

I am very supportive of what the Senator from Georgia said here, and I compliment him for saying it and for acting on it. The easiest political thing to do is to be totally negative and to say the American people are not for it, so we are not going to do anything about reducing chaos in the Soviet Union. Frankly, I do not think that is the case. I think our people would support some significant and orderly assistance during this transition. For some of us to stand up and say it is precisely what is needed, in my opinion.

Mr. NUNN. I thank my friend from New Mexico.

Mr. DOMENICI. I thank the Senator from Georgia, and I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I ask unanimous consent that Laura Simone, who is a fellow on my staff, be permitted access to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

If the Senator from New York wishes to ask unanimous consent, the Chair will be glad to rule.

Mr. D'AMATO. Mr. President, I ask unanimous consent that I might be permitted to extend morning business for another 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CREDIT CARD INTEREST

Mr. D'AMATO. Mr. President, I rise today to speak about an issue that strikes all Americans where it counts, and that is in the pocketbook. I am deeply concerned that what we see taking place today when there is need for access to credit, when we talk about the troubled economy, is at the very least a silent conspiracy on the part of the larger institutions, financial institutions, the banks, as it relates to the interest which they are charging on credit cards. They are gouging; they are making huge profits that have no correlation as it relates to the risk involved. Indeed, there is no competition. Banks are not advertising "Come here, because we provide a lower rate." And so when my friends say let the free marketplace determine, I say, amen, if there was truly a free marketplace. There is none.

Mr. President, this is an area that I have been involved in for quite a period of time. As a matter of fact, I introduced legislation on December 9, 1985, a bill to amend the Truth-in-Lending Act to impose a ceiling on credit card interest rates.

Mr. President, back in 1985, we had a similar situation. Credit card rates were 18, 19, 20, 21 percent—no competition.

I offered legislation. We held hearings. We held hearings in January. We held a number of them. We actively promoted alternatives where people could get cheaper credit cards, where they could avail themselves of interest rates that were in some cases 6 and 7 and 8 percent lower. It seemed that there was some competition that resulted.

Yesterday, the President of the United States at a luncheon in New York talked about the issue of getting the credit card interest rates down. And maybe some of the banks will say, "Oh, they are stirring in Washington. We don't have the usual sanctity of those who say no regulation, no supervision. My gosh, even the President is speaking about this."

I would suggest that probably as a result of the President's using the office and speaking as he did, interest rates will come down 1 point or 2 points.

Mr. President, even if they were to come down 1 or 2 points, to coin a vernacular, "that is chicken feed" in terms of the billions of dollars that are being gouged—billions and billions—and that is money that could be generated, put into the economy in buying goods and services. Those kinds of interest rates are precluding people from going forward. It certainly does not provide any confidence in the system and certainly does suggest that they are charging whatever the market will bear, and particularly when it is a market that is not competitive, particularly when it is a market that does not have the money center banks competing, saying "Come on over and use us because we have the best rates in town."

That is true competition. You cannot show us one advertisement in any of the major newspapers that says that, that has the large banks competing, because they do not want to compete. It is a conspiracy of silence by the large money center banks. Others fall in line.

You have to look hard and wide and maybe you can find some bank that has a 14.9-percent rate—14.9. By the way, they can make money at 14.9, and let me tell you why—because they are paying as little as 4.5 to 5 percent for money. And if you cannot make money with a 300-percent return over and above, if you can charge 15 percent for money that you are borrowing at 4.5 and 5, then you should not be in the business. But they are not happy with that. They are charging an average rate nationally of 18.9 percent.

How much money are we talking about? Consumers Union indicates that today there is approximately $230 billion in consumer credit out there—$230 billion. So 1 percent, if there is an outstanding balance of $230 billion, is $2.3 billion. Certainly, if people pay that off—and some of these charge no interest at all—say, $30 billion, $40 billion, people are not going to be charged anything, we are talking in the area of $2 billion for 1 percentage point of interest—$2 billion.

Now, fair profits, yes. Profit attached to some degree of risk, yes, but not indiscriminate, not usurious.

My amendment would have a floating cap. It would be tied to the rate which the Treasury Department charges those people who owe them money. We call it the underpayment rate. The Federal short-term rate is established, first of all, and that is what the Feds pay. And on the basis of that, there is 3 percentage points placed on top of that, and that gives us the underpayment rate, which today is 10 percent.

The legislation which I am going to offer when the banking bill comes to the floor says we will permit 4 percent over and above the current underpayment rate. And that rate is established quarterly. That would mean the banks could charge up to 14 percent for credit. If the underpayment rate on a quarterly basis goes up, if it went to 11 percent in the next quarter starting January, well, then they would charge 15 percent. If it went down a point to 9, then they could charge 13 percent. It is tied to some fixed instrument that demonstrates what the cost of money is. And it provides for them a very healthy profit margin, a margin that you might say would guarantee them at least 7 percent over and above what they have to pay for money.

Now, if you cannot make money with 7 percent, then you should not be in the business.

Mr. President, I intend to introduce this legislation as an amendment to the banking bill when it comes up. I intend to see to it that the people of this country have a vote, and once and for all, we determine whether or not we care about the people or we are going to go through some exercise in a frivolous debate where people say that would be an impingement on the free market system. We do not have a free market system the way it is operating now. Something has to be done.

Mr. President, I thank the Chair, and I yield the floor.

THE VIETNAM VETERANS AWARENESS COUNCIL

Mr. WELLSTONE. Mr. President, I rise today to honor a man who a short time ago came to Washington to fulfill his dream of many years. His name is Ronald Skau and he is a Vietnam veteran. Ron was diagnosed with lung cancer in June of this year. The cancer spread rapidly to his liver, brain, bones, and lymph system. Later in June, Ron was given 3 months to live. He came to Washington to see the Vietnam Veterans Memorial while still alive.

Ron started his career in the Army on January 31, 1962. On July 14, 1966, he left for Vietnam as part of the 75th Ranger Battalion. He served for 366 days in the Tay Nin Province in the Iron Triangle with the 75th as well as with the 196th Light Infantry Brigade. During this time Ron was injured twice in the line of duty. He has received a Purple Heart, the Vietnam Service and Campaign Medals, an Occupation Medal, and two Good Conduct Medals.

Ron returned from Vietnam on July 15, 1967. Upon his return, Ron went through the problems of readjusting that so many veterans faced then and still face today. After 14 years of drifting from city to city and job to job, Ron was diagnosed as having posttraumatic stress disorder [PTSD] and was hospitalized for 3 months to deal with his severe emotional and psychological problems.

It is an accomplishment for anyone to face and overcome PTSD. Many people who become plagued with PTSD retreat into themselves. The severe emotional and psychological problems associated with PTSD can ruin a life as easily as the worst of physical diseases. What has attracted me most to Ron is the way he has dealt with having PTSD.

While he was still in the hospital in 1981, Ron turned his energies toward helping other veterans who suffer from PTSD. Along with his friend George Buck, Ron founded the Vietnam Veterans Awareness Council to help other veterans suffering from PTSD. The council was based in Minneapolis and offered a wide range of services including counseling, information and referral, crisis intervention and emergency food and shelter for up to 6 months.

The Awareness Council was the first in a series of examples of Ron's devotion to helping others. The most recent was his willingness to allow a photojournalist to accompany him and his wife on their trip to Washington. The journalist is working on a project that will be a study of the dying process. She will be a constant companion of the Skau's until Ron's death and will continue to meet with Ron's wife Roseanne after Ron dies to study the grief process.

When Ron came to my office with his wife Roseanne and son Nathan, he did not come to complain about his life and he did not use his health as a crutch. Instead, he came to my office to tell his story and ask me to help him revive the Vietnam Veterans Awareness Council and specifically to help him start a shelter for homeless veterans. Even in a wheelchair and on oxygen, Ron wants to continue helping other veterans experiencing hardship. I told him it was the absolute least I could do for him.

I asked Ron if I could use his story and our conversation in my speeches and actions on behalf of veterans. His story should be held up as an example to us all. The desire to give of himself to help others has spanned his entire life and will affect others even after he is gone.

I would like to take this opportunity to thank Ron on behalf of myself and my family and on behalf of the State of Minnesota and the U.S. Senate for this service to his country and to his fellow veterans.

As Ron and his family were leaving my office, he gave me a copy of a poem he wrote in a hospital bed in Yang Tau, Vietnam about the pain of being injured then helplessly watching his best friend die. I would like to read this poem now.

I remember walking down that blood strewn trail,
In a jungle far from home,
Thinking of my Minnesota white,
And thanking God I'm not alone.

Minnesota snow so cool and white,
Where a body can forget his fright,
A good warm land to live and love,
God please help this warrior dove, with Minnesota white.

A flash of red screams from the dark,
An angry bee strikes my best friend's heart,
I slam some rounds into the night and make my mind think of
Minnesota white, Oh Lord, Minnesota White!

I scream and cry, get made as hell,
For there is no one I can tell,
Of how I felt from where I lie,
And watched as my best friend died!
Minnesota white, God please give me Minnesota white.

The night explodes into fire and hate,
I take my gun, don't hesitate,
Sweat streaming into my eyes, Lord I know quite well,
Tonight I die in this burning hell,
Minnesota white, Oh please, Minnesota white.

I force myself to stand and fight,
My body shaking from it's fright,
I look around, I've got four men down,
Come on mind with Minnesota white,
Beautiful Minnesota white.

The warrior dove counts his kill,
He feels his body growing cold and still,
He fights as a tuned machine throughout the night,
He's psyched his mind with Minnesota white,
Thank God and Minnesota white.

The new dawn breaks calm and bright,
The warrior dove seems all right,
He checks his gun and cleans his wounds as he sits,
All alone, with a soul that's dead and a mind of
Minnesota white and back home.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,433d day that Terry Anderson has been held captive in Lebanon.

THE CASE FOR CFE

Mr. McCAIN. Mr. President, the Armed Services Committee has recently begun hearings on the CFE Treaty, and it is the administration's intent that the Senate should ratify this treaty before we go out of session. I would like to announce my support for that ratification today. At the same time, I would like to announce that I believe that this body must seriously consider several declarations and policies that should govern the ratification of the Treaty.

THE MILITARY CASE FOR THE TREATY

The military value of the CFE Treaty is clear. It will establish a formal parity between the Western and Eastern conventional forces in Europe from the Atlantic to the Urals. Where the Warsaw Pact once had a 3:1 lead in most measures of conventional land force strength, and East and West spent billions to compete in deploying new weapons and technology, the CFE Treaty will establish a series of limits on battle tanks, armored combat vehicles, artillery, combat aircraft, and attack helicopters.

In broad terms, it will reduce the level of military confrontation in Europe to a point that has not existed since the Congress of Vienna. It will establish limits on both stationed and indigenous forces in each country, and limit East and West to a respective total of 20,000 tanks, 30,000 armored combat vehicles, 20,000 pieces of artillery, 6,800 combat aircraft, and 2,000 attack helicopters.

It includes a frank and forthright commitment by the Soviet Union that it will never again seek to dominate the military balance in Europe. The treaty prevents any one nation from having more than one-third of the total forces on each side, and establishes an unparalled set of criteria for verification. Further, it establishes firm limits on force concentration and movement that will prevent sudden shifts in the balance of remaining forces that do not act as a clear warning to the other signators of the treaty.

Perhaps the most important symbol of the importance of the treaty is that 40 months after it has gone into force, the former Warsaw Pact nations will have had to destroy or remove 54,000 items of treaty limited equipment while NATO will only have had to destroy, remove, or transfer 16,000.

The Soviet Union will have reduced its total forces in the area from Eastern Europe to the Urals by roughly 7,575 tanks, 9,890 other armored combat vehicles, 763 artillery pieces, and 1,461 combat aircraft. The Soviet Union will destroy additional equipment east of the Urals. Coupled to its withdrawal from Eastern Europe, this redraws the map of European security.

These cuts will be a material reflection of the new political realities in Europe. Equally importantly, it will ensure that some sudden shift in these political realities does not take the form of military opportunism or a new threat to Europe.

In the long run, however, it is the mix of limits on the forces of all 22 signators which may well be more important. The treaty establishes a wide range of limits on the military activities and forces of each individual country: All 16 members of NATO and the six nations of what was once the Warsaw Pact.

Every major power in Europe will know the limits on its neighbor's forces. Each nation will have regular reporting on the compliance of each other country in terms of its exercises, force movements, destruction of surplus equipment, and total force numbers.

I would hope that such military limits will not be important, and that new tensions will not arise in Europe to replace the conflict between East and West. We all know, however, that there is only one end to history: The death of fools.

There are vestigial tensions between the nations of NATO, and the former nations of the Warsaw Pact must often still work out the legacy of tensions and ethnic rivalries that dominated the 19th century and the first half of the 20th. We have only to look at the ghastly tragedy of Yugoslavia to know that fools still die.

THE POLITICAL MERITS OF THE TREATY

This brings me to what I believe will ultimately be the more important merits of the CFE Treaty. The nature of arms control has changed fundamentally since the CFE Treaty negotiations began. The issue is no longer one of averting a war between East and West, or capping an arms race between superpowers. It is rather to establish a politico-military climate that will prevent future miniconflicts in Europe.

Ratifying the CFE Treaty does not simply conform the fact that arms control has caught up with politics. It supports the democratic and economic reformers in the Soviet Union with the certainty that the United States is firmly committed to ending the arms race. It deprives the hardliners and extremists of the argument that the United States is exploiting the weakness of the Soviet Union.

It also sends a powerful message to Eastern Europe that any differences must be worked out peacefully, and that the nations of Eastern Europe can concentrate on economic issues rather than military ones. It cannot prevent ethnic violence or border skirmishes, but as long as it is observed, it offers broad military stability of a kind that has never existed before.

Further, it allows the United States and its NATO allies to move forward toward a new concept of Atlantic security that will allow NATO to reach out to the former Warsaw Pact countries and to simultaneously have the European nations assume a broader responsibility for their own defense.

All this might be possible without a CFE Treaty, but the fact remains that we will be ratifying a broad structure of security measures that are the foundation for military stability and political progress. We also will be setting the precedent for more formal agreements, for broadening NATO while reforming it, and for ensuring that the end of the cold war does not separate the United States from Europe.

More generally, we will be making progress at a time when such progress sends an essential signal in other areas. It will enhance our ability to move forward to START and the much deeper cuts in theater and strategic nuclear weapons advocated by President Bush. It will support and increase the momentum behind the suppliers conference on conventional arms, the Chemical Weapons Convention, the improvement of the Biological Weapons Convention, and the renegotiation of the Nuclear Nonproliferation Treaty.

This interlocking web of six major arms control efforts is the key to creating both a new world order, and expanding any peace dividend we can take from the end of the cold war. Rapid progress in ratifying the CFR Treaty will play a critical role in tightening this web around the threats to world peace.

THE PROBLEM OF THE SOVIET REPUBLICS

In saying this, I do not mean that we can ignore the reality that the break up of the Soviet Union—and possibly of some East European states—does not create legal and practical problems. We cannot sign a treaty for a treaty's sake. The lessons of the 1920's and 1930's must not be forgotten.

We should, however, remember that the worst case we face is essentially that the non-Russian Republics would fail to accept the terms of the CFE Treaty while the Russian Republic should fully comply. This would confront us with the dilemma of a kind of noncompliance that would not automatically lead us to invoke article 19 and withdraw from the treaty.

This worst case, however, would not threaten the security of the United States or our NATO allies. It would threaten the security of the other Soviet Republics and possibly Eastern Europe.

The largest republic involved is the Ukraine. There are now some 1.5 million Soviet troops and 6,000 tanks in areas inside and immediately adjacent to the Ukraine. There are 116 to 200 nuclear missiles on its soil, and far larger numbers of air and other theater nuclear weapons as well. The government of the Ukraine has, however, already indicated that it intends to abide by the CFE Treaty, and that it will maintain forces of 420,000 to 450,000 men.

It is possible that the Ukraine might change its leadership and or its positions. It is possible that it could retreat into 19th century nationalism. Indeed, it would be a great tragedy if the Ukrain, Armenia, and any other Soviet Republics followed this course and did so in ways that violate CFE. If it did so, however, it would only be the nuclear dimension of such actions—not the conventional forces covered by CFE—that would be a threat to the West.

We also need to take account of the fact that any successor states to the Soviet Union are far more likely to comply with a fully ratified CFE than to smoothly negotiate individual limits at a time when the passions of nationalism are at their highest. The Baltic States have already set the precedent for compliance. If we ratify, other former members of the Soviet Union will have no excuse not to follow.

DECLARATIONS AND POLICIES

We should not, however, ratify this treaty without making it clear that no nation whose territory is covered by the treaty can ignore the CFR Treaty or bargain for force levels higher than the treaty permits. Freedom and self-determination are not, and never can be, justification for militarism and an arms race. Nationalism is not a justification for stupidity, even when that stupidity has ample historical precedents.

This is why I believe that as the Senate Foreign Relations Committee and Armed Services Committee consider ratification, they should consider declarations that will make the following policies clear:

First, we are not going to rely on legalisms and negotiation to enforce the CFE Treaty. It is the intent of Congress that any successor state to the Soviet Union and state in Eastern Europe that significantly violate the CFE Treaty will not receive any American aid, will be denied access to the American market, and will not receive American technology. We should encourage our European allies to follow this course, and identify such violators and noncompliers as pariah states. We should make it clear that Congress will not allow the United States to contribute to any international aid organization that provides aid to such violators and noncompliers.

Second, we should declare that ratification is taking place with the assurance that the testimony of administration witnesses provide the correct interpretation of the Treaty, so no later doubts will arise as to how the United States should intepret its terms or enforce it.

Third, we should formally urge any new states that come into being in the Atlantic to the Urals area to accede to the treaty and to comply fully.

Fourth, we should declare our concern with the fact that SS-23 missiles, forbidden by the INF Treaty still exist in Bulgaria, Czechoslovakia, and the territory of the former GDR, and with the fact that while the radar at Krasnayorsk is no longer functional, it has not been destroyed in compliance with START.

Fifth, we should declare that ratification is contingent on adherence to all three binding statements associated with the CFE Treaty.

Sixth, we should declare the urgency of resolving the remaining data discrepancies between the reports of the U.S.S.R. and our estimates, and establish detailed and legally binding reporting requirements on the administration so that all future data discrepancies and potential violations of the treaty are fully and immediately reported to Congress.

Seventh, we should declare that the CFE Treaty should not apply to peace keeping forces when approved by the United Nations or signators.

Finally, we should note that the treaty only allows former Warsaw Pact nations like Czechoslovakia and Poland comparatively few land weapons because of their former alignment with the Soviet Union, and that some renegotiation of the treaty limits may eventually be necessary to deal with local security issues.

Let me note, that I have deliberately used the phrase "declarations and policies." I know that there are some who favor formal conditions to the CFR Treaty because these appear to have more force. I do not believe, however, that any of the problems with the CFR Treaty merit any form of renegotiation, nor do I believe that the Congress needs to reassert its authority by complicating its vote to ratify.

The issue is not one of fine details in the law. It is one of commitment to policies that will penalize those who do not accede and do not comply. We also need to understand that no one can wait to move forward with arms control for the magic day when there is stability in Eastern Europe, the territory of the Soviet Union, or the rest of the world. For the decade to come, there is almost certainly going to be some problem with some state or regime that affects every treaty brought before this body.

Unless we face a situation where the risk of noncompliance is a material risk to the United States, its allies, or its friends, we should ratify those agreements that encourage arms reductions, an end to proliferation, and regional and global stability.

THE IMPACT OF THE CFR TREATY ON U.S. STRATEGY

Let me conclude, Mr. President, by saying that I urge ratification because I believe the CFR Treaty is a watershed in Atlantic relations that should affect the strategy of the United States. Once this treaty is ratified, we need to make it clear to our European allies that the Atlantic partnership must rapidly be restructured on the basis of far more limited U.S. commitments to keep troops in Europe and for the reinforcement of Europe.

We have long assumed virtually all the burdens of out of area operations and securing the West's strategic interests outside the NATO area. In a post cold war era where our allies have massive economic strength, we should not abandon Europe, but Europe should assume the role of defending its territory against what will become a far smaller threat. We should concentrate our resources on power projection and other areas of the world.

It will be much harder to create this new strategic partnership, and to alter U.S. Forces and defense expenditures accordingly, if we lack the formal structure provided by the CFR Treaty. The terms of the treaty, for example, allow the transfer of some 4,000 pieces of treaty limited equipment out of the central zone to our less well equipped allies on the flanks, 2,900 items of which will come from U.S. Forces.

More broadly, CFE will establish a framework for restructuring U.S. strategy and deployments. Even though we plan to withdraw 150,000 men and women from Europe during the next 5 years, our current force plans still call for nearly 60 percent of our force structure to still be committed to the Atlantic mission in fiscal year 1997.

Ratification of CFR will be a sign that we can shift this force structure to deal with the new threats of the post cold war era. It will also help ensure that we can take a larger peace dividend with adequate security.

OLDER AMERICANS ACT

Mr. **BURDICK**. Mr. President, I am pleased to be a cosponsor of S. 243, the Older Americans Act Reauthorization Amendments of 1991, which the Senate approved last night.

For the past quarter century, America's seniors have relied on the services provided under the Older Americans Act to meet many of their basic, social needs. Congregate and home-delivered meal services provide seniors with a hot, nutritious meal each day. In-home services help keep frail elderly in their own homes for as long as possible. Transportation services allow otherwise homebound seniors to make necessary trips to the doctor or to the grocery store. As cochair of the Senate Rural Health Caucus, I am well aware of the importance of transportation to the many seniors who reside in isolated, rural communities.

The Older Americans Reauthorization Amendments Act enhances some important provisions of the original legislation. Title VII, the vulnerable elder rights title, expands the longterm care ombudsman program to address the grievances of long-term care facility residents on a much broader basis. The State Elder Rights and Legal Assistance Development Program will strengthen legal services already furnished to the elderly. The Outreach, Counseling, and Assistance Program will help the elderly purchase private health, long-term care, and other forms of insurance. It will also help vulnerable seniors receive public assistance to which they are entitled.

As the graying of America continues, the challenges facing America's seniors take on increased importance. The Older Americans Reauthorization Amendments Act will go a long way in helping the original legislation meet these changing needs. I am proud to be a cosponsor of this bill.

WORLD POPULATION WEEK

Mr. **LEAHY**. Mr. President, the Congress designated the week of October 20–26, 1991, as World Population Awareness Week. We observe World Population Week to focus attention on the exploding population growth in the developing countries. Every year, the world's population is increasing by as much as the entire population of Mexico. Over 90 percent of those new births are in the poorest countries, like India, Ethiopia, and Nigeria, that cannot even feed their own people today. It is now virtually certain that the Earth's population will double to 10 billion by the year 2030. The only question is whether through family planning we can prevent it from reaching 13 or 14 billion before it stabilizes. That would almost certainly mean catastrophe for the Earth's environment on which we depend for our survival.

Unchecked, the population explosion threatens to overwhelm whole regions of the world. The Earth is facing its greatest challenge. As Pogo said, "We have met the enemy, and he is us." Drastic action is needed and valuable time is being lost. Yet, there is reason for hope. Dramatic successes have been achieved through vigorous, well-funded family planning programs in nations like Bangladesh and Indonesia. With leadership, resources and commitment, family planning can make an enormous difference.

Time and again the Congress has urged the administration to show leadership on this urgent issue, to no avail. Each year the administration refuses to budget adequate funds for international family planning programs, and Congress is left to scrape together what money it can from other needy programs to increase the population budget. Each year a growing majority of Congress has voted to provide a U.S. contribution to the U.N. Population Fund, the world's largest and most important family planning organization, and to reverse the misguided Mexico City policy, only to be met with veto threats by the White House.

Only the President can put the United States back on top as the global leader to control population growth. Instead, he has let the antiabortion lobby rule the day, even though family planning is the most effective means to reduce demand for abortions. In a statement to commemorate Population Awareness Week, rather than stress the need for vigorous U.S. leadership and decisive action, he said "population growth, in and of itself, is a neutral phenomenon * * * every human being represents hands to work, and not just another mouth to feed. * * *" In a world which will soon reach 10 billion people, the vast majority desperately poor, this is a remarkable statement. It helps explain the frame of mind of this administration, and its predecessor. It helps explain why the United States has lost the leadership it exercised in the 1960's and 1970's, when strong American population policies laid the foundation for notable success attained in the 1980's.

The President's dry statement in an otherwise bland proclamation about Population Awareness Week should not go unnoticed. It demonstrates a profound and disturbing lack of awareness about the indisputable link between unchecked population growth, deep poverty, political instability, lack of social justice, and degradation of the Earth's environment. It deflects attention from the urgency and enormity of the problem, rather than focusing attention on it. It suggests there is no limit to the number of people this planet can support, as long as there is economic growth. It is either extraordinarily simplistic and naive or a clever obfuscation. Either one is dangerous.

Population is not a neutral phenomenon for the billions of people in Asia, Africa and our own hemisphere who live in squalor. They are already overburdening the available land, food, water, shelter, jobs and other basic services in the countries they inhabit, countries whose birth rates are far outpacing the growth of their economies or the capacity of their governments to solve their problems. Nor is it a neutral phenomenon for the billions more who are being born in those same countries.

Mr. President, Population Awareness Week is a time to look beyond this fiscal year, or next fiscal year, and reflect on the kind of world we want to leave our children and our children's children. It is a time to put politics aside and face the facts. Today, hundreds of millions of people endure lives of misery. Tens of thousands die every day of hunger and diseases brought on by malnutrition. Does anyone honestly believe that life for those people's children and grandchildren will be better 40 years from now when there are twice as many people all competing for the world's finite resources? The world's population is going to double in the next 25 years. The parents of those children have already been born. The only question is whether we will have the sense to act today to keep it from going above that. It is our choice.

Mr. President, I ask unanimous consent that the President's full statement on Population Awareness Week be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[A proclamation by the President of the United States of America, Oct. 25, 1991]

WORLD POPULATION AWARENESS WEEK, 1991

Demographic trends among the world's population, which now surpasses 5.4 billion, cannot be overlooked as a factor when we examine important global issues such as economic development and environmental degradation. That is why we do well to observe World Population Awareness Week.

The United States has long recognized that population growth, in and of itself, is a neutral phenomenon. Indeed, as we stated during the 1984 International Conference on Population, because every human being represents hands to work, and not just "another mouth to feed," population growth may be an asset or a liability depending on such factors as government economic policies, agricultural practices, and a nation's ability to put men and women to work. Rapid population growth is often occurring in those nations where economic stagnation, attributable in large part to the failure to adopt market-oriented policies, makes them less able to cope with economic and environmental challenges. For example, population growth may be viewed as a threat in countries where excessive government controls eliminate incentives for farmers and other workers to produce, where housing and health care facilities do not keep pace, or where precious natural resources are used without regard to future needs. Demographic change can also become problematic when a nation fails to anticipate or to respond to such trends as massive urban migration. However, because people are producers as well as consumers, population growth can also be a sign and a source of strength.

The United States has been a leader in efforts to focus attention on population issues—particularly in less developed nations where population growth and related demands for land, public services, and other resources have exceeded their availability. At the Houston Economic Summit, the G-7 leaders stated that 'In a number of countries, sustainable development requires that population growth remain in some reasonable balance with expanding resources * * *. Improved educational opportunities for women and their greater integration into the economy can make important contributions to population stabilization programs." Currently, the United States, cognizant of the rights and responsibilities of individuals and families and respectful of religious and cultural values, provides nearly half of all international assistance that supports effective, safe, and voluntary family planning programs. This aid is but one part of a comprehensive economic development assistance program. We have also taken a strong position in the global community to address problems such as illiteracy, poverty, and environmental degradation. Indeed, recognizing the need to use precious natural resources wisely, we have worked to promote sustainable development. We have also consistently advocated the political and economic freedom vital to the advancement of individuals and nations.

Of course, no nation can achieve acceptable levels of productivity and progress without a healthy population. Thus, the United States will continue to support and to promote programs that are designed to improve maternal and child health. We will continue to support education and disease prevention, as well as programs that target the specific health problems of the poor—problems that are often aggravated by such factors as poor sanitation and the lack of safe drinking water.

During World Population Awareness Week, we reflect on the importance of every one of these efforts and reaffirm our commitment to them. After all, by promoting the health of individuals and the strength and stability of families, we can enhance the well-being of entire nations.

The Congress, by Senate Joint Resolution 160, has designated the week beginning October 20, 1991 as "World Population Awareness Week" and has authorized and requested the President to issue a proclamation in observance of this week.

Now, therefore, I, George Bush, President of the United States of America, do hereby proclaim the week of October 20 through October 26, 1991, as World Population Awareness Week. I invite all Americans to observe this week with appropriate programs and activities.

In witness whereof, I have hereunto set my hand this twenty-fifth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

GEORGE BUSH.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business now has expired.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

MOTION TO PROCEED

The PRESIDING OFFICER. The Senate returns to the pending business, which is the motion to proceed to the banking bill.

Does the Senator from New York note the absence of a quorum?

Mr. D'AMATO. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. ROCKEFELLER). Without objection, it is so ordered.

Mr. DOLE. Mr. President, was leader time reserved?

The PRESIDING OFFICER. Leader time has been reserved.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991 AMENDMENTS

Mr. DOLE. Mr. President, on behalf of myself and Senators DOMENICI, THURMOND, WALLOP, LUGAR, DANFORTH, and SIMPSON, I send to the desk 13 amendments to S. 1945, the Emergency Unemployment Compensation Act of 1991. These amendments are critical to our economy and, more important, are critical to many Americans. We offer to our colleagues the ability to help put workers back to work. By using the savings from the Mitchell foreign aid freeze, we can beef up the economy. I cannot tell you the number of calls and letters we received concerning the loss of jobs over the so-called luxury tax. We also continued to receive calls and letters concerning the so-called extenders, provisions that expire at the end of this year. There is no doubt in our minds that without congressional action on the extenders and the repeal of the luxury tax, we will jeopardize jobs and middle-class fairness. Our amendments provide for a 1-year extension of the expiring provisions and repeal of the luxury tax.

I personally do not support some of the extenders. In my view, they ought to be eliminated, like we ought to eliminate a lot of spending programs to help the overburdened taxpayers. But I believe, as we consider the unemployment bill and as we try to sort out which ones we will offer if that bill is called up by the leadership, I think we have to take a look at all these different expiring provisions and see what effect it will have on our economy.

And we definitely need to repeal the luxury tax. After all, it, too, is an employment issue and it is a jobs issue. Those who try to keep this country competitive through technological innovation should not be discouraged from their work.

A 1-year extension of the research and experimentation tax credit is critical to competitiveness, and that is a very important one of the extenders. I think if I had to pick out a priority, that would be No. 1.

In addition, those who are running their own businesses should be relieved to know their current health care deductions will not expire. That is one that is very important, another very high priority. These and other provisions are likely to expire unless we consider them now. And we should consider the low-income housing tax credits, mortgage revenue bonds, small business manufacturing bonds, employer-provided educational assistance, group legal service, targeted jobs tax credits, business energy credits, and orphan drug tax credit, and, as I said, the luxury tax. And that, in my view, has been one of the reasons we have a lot of people out of work now, a lot of people waiting for unemployment checks, is because of the luxury tax which was insisted upon by some of my colleagues in the budget agreement a year ago.

The boating industry, for example, is just about shut down; 24 plants have over 19,000 jobs that have been lost. The auto, aircraft, jewelry, and fur industries also are affected, a lot of layoffs, a lot of jobs lost, and that is going to be very important. I say, it is not handouts that Americans want, it is jobs and economic stability. Our amendments are a step in the right direction.

We are going to continue to look at this package and continue to refine it. We may have additional amendments tomorrow. I mean, if we suddenly discovered this big pot of gold, this $5-plus billion in foreign aid savings, then it seems to me that, in addition, if part of it is going to be used to tend to unemployment benefits, we ought to use the rest of it, not fence any of it off, not to save $2.3 billion for certain countries, whoever they may be. If we are really concerned about Americans and do not want first-rate countries and second-rate countries and have to select who gets what, then I believe any money that is left over in the so-called Mitchell-Bentsen proposal ought to be used to help Americans, if that is what the name of the game is, helping Americans, as it should be. Let us do not fence any of it off. Let us not save $2.3 billion for some future foreign aid recipient. Let us just put all the cards on the table. Let us say to the American people, if we have one dime left in this big savings, which is somewhat illusory, I might add, then we are going to spend it for American jobs and American projects, and try to get people back to work.

I know that the President of the United States shares this concern. We have had a lot of people here bashing President Bush. "If you want to get help, just move to some other country." "If you live in anywhere else in the world, they will help you, but if you live in America forget it." And we know that is not the case.

That is why some of us were surprised to see an authorization bill with a billion-dollar golden parachute in it to help retrain Russian pilots and lots of other things. It did not come from this side of the aisle. It did not come from President Bush. It came from the other side of the aisle.

So if we are going to play this little game of pointing the finger of blame, then let us get it all out on the table. When we start cutting foreign aid, let us cut out everybody. Let us freeze everybody. Let us not exempt countries that might have political action committees that are making big contributions. Let us put it all out there. Let us tell the American people it is going to be America first; we are not going to have first-rate countries and second-rate countries and third-rate countries. And I think the American people would understand that.

If we are going to do anything to foreign aid, freeze it, cut it, whatever, it ought to be done responsibly, fairly, and equitably. We should not use the approach that is being used by my colleagues on the other side which says that well, some foreign aid is just as important as helping our unemployed, that certain foreign aid can be frozen, notwithstanding the fact that it eats up about half of the foreign aid budget, but the rest goes on the chopping block. Because, as I said, this sets the world up in first-class and second-class countries, an approach which says that a couple of countries are so special they should be fenced, but the rest of the world just is not in their league.

Now a lot of Americans have a special interest in Greece, or Poland or black Africa or Latin America. A lot of people are concerned about the Croatians that are suffering in Yugoslavia. A lot of people are concerned about Southeast Asia. A lot of people are concerned about Czechoslovakia and Hungary and Lithuania, Estonia, Latvia. A lot of these people and their relatives live in the United States of America in States all over this country They are going to be second class.

So I just suggest that if we get into this debate on cutting foreign aid to help unemployed American workers, let us go all the way. Let us tear down the fences, let us tear down the barriers, let us go all the way.

I think most Americans agree we ought to cut foreign aid. I recall this Senator tried to suggest we cut it 5 percent a year and a half ago and I was criticized all over this place for touching foreign aid.

Now this is only a freeze. And I know my colleagues on the other side are responding to the popular demand of the American people that we take care of Americans first. And they are also trying to gig President Bush. And we are all fair game. We are in politics. We can take care of each other.

But, I do not think, if we start down that road, we ought to have exceptions. I do not think any other country thinks we ought to have exceptions. I would not want to be the country singled out and say well, we are going to take care of you, or maybe two countries, Camp David countries, whatever they are called. I would not want to be in the position of those countries. Why should they be treated differently than other foreign aid recipients? And I think above all why should we say that well, it is all right to freeze foreign aid to help some unemployed workers, but we should not freeze it all because some foreign aid is more important than the American interests.

So if there is going to be any surplus in the Mitchell-Bentsen-Riegle-others package, whatever it is, then I have 13 amendments to sop it up. We will take care of it. We will help Americans first. We will do all the things my colleagues have been talking about that have been bashing President Bush every Friday afternoon the last two or three Fridays for a couple of hours.

So I send the amendments to the desk and ask that they be printed.

(The text of the amendments are printed in today's RECORD under "Amendments Submitted.")

Mr. DOLE. I reserve the remainder of my time.

Mr. President, I suggest the absence of a quorum.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENDING TAX CODE PROVISIONS

Mr. RIEGLE. Mr. President, as we are awaiting to proceed on other matters, I thought I would comment just briefly on some of the points raised by the minority leader a moment ago when he was on the floor.

He talked, I thought importantly, about the fact that some of the provisions in the Tax Code are about to expire at the end of this year. And some of those tax provisions I think are very important to the country. They help the country, and we ought to find a way to maintain them and continue them into the future.

He spoke on some that he had one feeling on, and others that he had a different feeling on. I want to mention two that I feel very strongly about. One is the low-income housing tax credit, which affords some opportunity for housing to take place for low-income people that otherwise would not happen.

And we know from stories that are coming in around the country that there has been a sharp rise in the number of homeless people, the number of people with low income who cannot find housing now in the winter months. Certainly we are facing that problem in Michigan and in the city of Detroit particularly, which has been in the news. But increasingly across the country that has been the case.

I was in Grand Rapids, MI, Monday and we broke ground on a low-income housing project there that is being carried out by a local nonprofit organization. But that project was only made possible by virtue of the low-income tax credit.

Another one I would like to mention is the research and development tax credit, because we know that we need to stimulate productive investment in our economy to a greater extent than is now the case. Today at an earlier press conference we were pointing to a major analysis and study done by the Office of Technology Assessment saying that the United States is lagging behind other countries. We need to develop a strategy to create an economic surge in this country to get more investment going, create more jobs, improve our productivity. They laid out a number of suggestions in that area.

But, importantly, additional investments in research and development to bring on-line new technologies that can convert themselves to new products we can sell and that can strengthen our economic competitive performance internationally is a very important area to concentrate on. That tax provision will expire unless some means is found to extend it. There are others I will not mention just now, but those two particularly I think deserve emphasis.

I want to make one other comment and then I will yield the floor.

The minority leader also mentioned the problem he sees with respect to the luxury tax on boats particularly. Of course, the luxury tax on boats starts to kick in if you buy a boat that costs $100,000 or more. Yes, part of the budget agreement last year was to put a special tax, an excise tax on purchase of boats or yachts that cost more than $100,000.

If you look out across the country to companies that build those particular kinds of boats—and I have some in my home State of Michigan because we are a boating State, being on the Great Lakes as we are—I find that unemployment today in the boat-making companies is quite high, whether they are building expensive boats, $100,000 or more, or whether they are building boats that sell for $50,000 or $30,000, or $20,000, or $5,000, or $2,000.

Today the recession has cut in so deeply that many people who otherwise might have been in the market to buy a boat somewhere along that broad price range are finding they do not feel they can afford to do it. So they have drawn back and boat sales are down at all price levels.

But think just in theory for a minute about the philosophy of the issue of boats, say, above a certain price. The law that has been established says "boats above $100,000." We saw a picture of a big boat in the paper the other day—this fellow Maxwell who drowned, sadly. He was out and toppled off a yacht that I gather cost $4 million or $5 million, so yachts can become very expensive and way above the $100,000 figure.

But I hope, when we take it over into the unemployment area and we talk about workers who have been laid off because boat sales are off, we do not just worry about the workers who build boats that sell for more than $100,000. I hope we are also going to look at what is happening to workers who build boats that sell for $2,000, or $5,000, or any other price, as well as other workers in our society who have nothing to do with boat making but may be making cars or trucks or producing the other things in our society that we need.

There is a lot of unemployment in the country. So I hope when we devise a strategy we look at this question in its broad dimensions. In other words, we look at unemployment as it cuts across the whole society and that we not just zero in on one classification of workers or one narrow part of the problem—however one may feel about that part of it.

We have people who are in the boat market who, today, are feeling the great pressures of just the slack economy and the difficulty of coming up with any extra income to go out and buy—whether a new boat or a used boat.

But just again in the area of theory, when you think about it, if somebody is going to buy, say, a $100,000 boat—just thinking about it from the broad point of view of how things work in our country—in my mind a $100,000 boat is sort of the equivalent of 20 boats at $5,000. You can spend $100,000 and you can either get 20 boats that cost $5,000 or you can have one that costs $100,000.

I do not know how many workers are employed if you do it one way rather than the other; if you build 20 boats, smaller size obviously, 20 people get to buy boats at $5,000, or you get to buy one bigger boat that one person gets who would pay $200,000. My guess would probably be that maybe you have more workers involved if you build the 20 boats. I do not know. I have never seen an analysis done like that. I do think you probably have more happy boat owners. Because if you have 20 people who can have boats instead of just one person who has a very expensive boat, that is a little different, too.

But I hope we would never get to the point where we would just look at a part of the problem. I realize people at the high-income level, who are in a position, maybe to buy a $100,000 boat, or a $250,000 boat, or a $1 million boat, or a $2 million boat, they do not like the luxury tax. Nobody likes taxes very much, no matter what form they take. And I think an argument can be made that taxes of that kind are arbitrary. They get put one place and not another and there is not always necessarily a clear reason as to where the line begins or ends as to where the taxes go.

But I hope when we look at the impact of how our economic system is working on people whose jobs are being cut back, or who are being laid off, that we would not just take one group. I do not think we can just worry about one group. I think we have to worry about the whole group, all the workers across the country.

I suspect the worker who has been laid off because he builds a boat that sells for $1,500, or $2,000, or $10,000 probably is suffering just as much and has just as much difficulty as somebody who is building the high-end boat that sells for $100,000 or above.

Tax policy is never a simple issue. I hope we can get to these extenders. I hope we can find a way on the research and development tax credit and the low-income tax credit particularly, and there are others I feel strongly about I will not mention now. But we have to have a vehicle. And the way things stand now there does not appear to be a tax vehicle available to us to which these kinds of items could be attached. Maybe one will materialize.

I realize this is out of order with respect to the other legislation that is on the track but I wanted to make those comments to adjoin those made by the minority leader.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Utah, the ranking minority member on the Banking Committee.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

MOTION TO PROCEED

The Senate continued with the consideration of the motion.

Mr. GARN. Madam President, we are in a situation now postcloture 30 hours under the rules. I certainly hope we do not have to burn up all of those 30 hours. It certainly will not make any difference in the outcome of the banking bill.

Both the chairman and I, in our opening statements, outlined where we were versus the House of Representatives and our own intentions as far as this bill, recognizing we will have to make it a narrower bill than either one of us would want at this late date in order to get it through.

I recognize there are still some controversial provisions left in the bill. But the only way we can resolve those is with those who intend to offer amendments, and amendments cannot be offered until the bill is before us.

I think most people in the House and the Senate would like to adjourn before Thanksgiving, but at this late date with other important legislation, to take up 30 hours—and I certainly do not intend to talk 15 of it, and I am sure the chairman does not, and we will just end up in quorum calls, burning time under the rules.

So I hope we would be allowed to proceed and take amendments and let the Senate work its will. The House will vote later today on their version of the bill, so we could get to conference, because it is necessary before we leave that we provide the loan authority to the bank insurance fund or we simply cannot leave this session. If that takes until Christmas eve, so be it.

We cannot be irresponsible like we were in 1986 with the S&L's where we failed as a Congress—the Senate did not—to pass a $15 billion FSLIC recapitalization to be totally paid for by the S&L industry. If we had done that, the taxpayers would not be bearing nearly as big a burden today. It would be a fraction of what the taxpayers are now having to pay for the S&L bailout. I hope everybody recognizes that while we play games with the bank bill, we cannot leave without giving the bank insurance fund the ability, paid for by the banks themselves, to resolve failing institutions while we are out of session.

Thirty hours is just wasted. It makes the problem more difficult, and those who would like to offer amendments, obviously, cannot under the rules until we have the bill actually before us.

Having said that, I will only make a couple of comments. I do not disagree with the chairman on his comments on unemployment. The whole problem does have to be looked at. But I would expand on part of that problem.

The luxury tax, I think, was one of those popular things done last year because it sounded good: Let us tax the rich. It has proved to be a failure. In fact, my guess, if an analysis were done, that it not only has not raised money, despite what CBO and others might say, I think it is logical to assume that with all those additional unemployed, in addition to those who make the best of any situation, because of the recession, that the added unemployment in the higher end, those people had they been working would have paid more tax revenue than we are gaining from any luxury tax. It is not just boats. It also happens to be in airplanes. There is another one. It only applies in airplanes over $250,000. But now a single-engine Beechcraft Bonanza, like one that my father bought in 1947 for $6,250, now costs $375,000—single-engine, six-place airplane for $375,000.

Twenty years ago, we had the dominant general aviation manufacturing in the world. We produced over 20,000 new airplanes. Last year, we produced 1,100. Piper is in its second bankruptcy, one of the old-line companies with thousands of people unemployed as a result of that. The only aircraft manufacturers, two of them, that still make single-engine aircrafts in this country is Beechcraft and Mooney, and that is it. Cessna, the biggest manufacturer of single-engine airplanes in the world, just quit. They said we are not going to do it any more. That gets into another area.

Certainly, that is not a result of the luxury tax because Cessna ceased to make single engines prior to the luxury tax being enacted. But it happens to be the greed and selfishness of the Trial Lawyers Association, something known as product liability.

As long as we are burning time, we might as well talk a little bit about product liability. I can give you an example of some of the ridiculous extents that it has been carried to and why Cessna does not make single-engine airplanes anymore. They had one suit over a Cessna 182 that ran out of gas. You say "How can you possibly blame the manufacturer because some stupid pilot ran out of gas?" They could have won in court but it was just cheaper to pay $250,000 to settle it rather than the attorney's fees that would have cost them to win.

There is another example that happened in a court not too long ago in Salt Lake City where the owner of a Piper Cub—and everybody knows the Piper Cub is one of the most famous airplanes, as far as single engine. It is like a DC-3. Most everybody who has ever flown—at least we older ones flew Piper Cubs at one time or another. A guy modified against FAA regulations. A Piper Cub, if you fly it solo, you fly it from the rear seat and leave the front seat open. He modified the front seat, took it out and put a wooden seat in so a photographer could sit backwards, facing backwards in the airplane. He mounted a camera illegally, a movie camera, to take pictures of his facial expressions while he did acrobatics. He took off, ran into a truck, killed the photographer, and was brain damaged because he was hit in the face with the camera. He sued Piper and was successful. A jury gave him a million bucks because Piper should have designed that airplane in the late 1930's with shoulder harnesses and seat belts that would have prevented him from being injured.

I tell these stories and you think, come on, that cannot be true; a court would not do that. I can give example after example of the most ludicrous decisions. That is one of the major reasons why Piper Aircraft does not make airplanes anymore and why thousands of former Piper technicians do not have jobs. They cannot go to Cessna because Cessna does not make single-engine airplanes anymore and they are not going to until there are some limits placed on these ridiculous nuisance lawsuits.

Another example with Cessna is a 15-year-old Cessna 182. The pilot takes off. The seat latch does fail, no doubt about it. The pilot slides back, cannot reach the controls anymore and crashes. There was a multimillion dollar suit because the seat latch failed.

There have been tens of thousands of them, and the fact is the seat latch can fail. But is the manufacturer responsible 15 years later—no control over maintenance, over preflight checks, or anything else and they pay for that on a 15-year-old airplane? I wonder how we would like that in automobiles, if we drive a car for 15 years and something goes wrong through normal wear and tear, but, boy, you get General Motors or Ford.

I am not capable of understanding how year after year we talk about unemployment, we talk about not being competitive, we talk about our declining industrial base and this body and the House of Representatives will not deal with that problem. We will not place reasonable limits on product liability. It goes beyond airplanes. It goes to cities who cannot afford to have playground equipment in their parks anymore because of the potential for lawsuits—if some parents will not watch their kids and they fall off a swing. It is, obviously, somebody else's fault.

Maybe I am just getting too old, and I was brought up wrong and taught about individual responsibility by my parents, taught that as a father and a grandfather that maybe I have some responsibility for unsafe conditions. But, no, the Trial Lawyers Association do so well at these fishing expeditions, ambulance chasers. You see the advertisements on TV all the time: Boy, if your neck hurts, give me a call. Your attorney is only as far away as your telephone, and you do not have to pay anything unless we rip somebody off.

I wonder who these juries think are paying for this? We are paying in our insurance premiums. More importantly, we are paying for it in other ways when they take the playground equipment out of the city parks. The kids cannot play there anymore. It extends to the ski resorts in Utah and other places. I happen to think if I am going down a hill at 80 or 90 miles an hour and happen to run into a tree, maybe it was my fault. Oh, no. A cost of a lift ticket, a big part of it, is liability insurance. Somehow, they should not have let that tree grow there.

We had one in Utah a couple of years ago when the guy went far beyond the lifts and fell 15, 16 feet down into a stream. I guess they should have moved the stream, too. He skied too fast, out of control, and fell in the creek.

So there are a lot of reasons for this unemployment. We could correct a lot of them. I think we have to. As the chairman said, we need to address the entire problem. But when for political purposes we pass luxury taxes that do not produce revenue but sound good to the ordinary person, let us get those people who can afford a $250,000 airplane, let us get those who can afford a $100,000 boat. You do not produce revenue, you just put people out of work.

Another one we do all the time is ask why should rich people be allowed to deduct the interest on a second home?

That sounds good, too, for those of us who cannot afford second homes except the carpenters and the plumbers, electricians, sheet metal people, roofers, concrete people, and all the suppliers of the wallboard and the roofing material and concrete and the carpet and everything that goes into it, the furniture, all those people who work and make a living building those second homes, I do not think they really care whether it is somebody who gets a second home deduction because it produces work for them and it produces income for the Government because of the taxes they pay.

I begin to wonder around this body, after 17 years, if there is any common sense left at all, if there is any common sense; that the solution to the unemployment problem is not just passing more benefits, which obviously sometimes are necessary, and I hope before a week or so is over we have taken care of that. But it seems to me the fundamental thing we need to do about the economy is provide jobs. We ought to be providing growth and stimulus for people to invest, to provide capital to build new plant and equipment. We certainly should not let the attorneys run away with product liability so that they can make their ridiculous fees, millions and millions of dollars on product liability suits and class action suits and put all these people out of work, whether it is ski lift operators, airplane manufacturers, or whatever.

There are a lot of things if this debate goes on about what we are going to do about the economy and how fun it is to blame the President, whoever he is. It happens to be President Bush right now. It is all his fault. He is the President. Congress, a coequal branch of Government, has nothing to do with it. We are just so clean and nice. We give speeches out here on the floor with no responsibility for what we say at all.

There are 535 of us. We can hide and say, "Well, if they had done it my way * * *." "The majority does not do it right, but if they listened to me or voted the way I have, this country would be humming along, we would have no problems, everybody would be working."

It is really easy to pass the buck someplace else.

But we could look at a few of these things: luxury taxes, populist approach, product liability. It would be amazing how many jobs we could produce in this country if we had a little common sense around here rather than wondering what looks good because there is an election coming up next year, so I have to appeal to this group or that group; it does not matter whether it is good public policy or not.

The chairman is right. We have a serious unemployment problem in this country. A luxury tax adds to it, even though it sounds good. Product liability adds to it, puts people out of work, puts companies out of business, denies people work—whether it is boats, airplanes, jewelry, whatever. It also drives up dramatically the cost of the used airplanes and parts, and then there becomes a safety factor involved because if you cannot buy new airplanes because they are not making them, then you keep old airplanes in service a lot longer than they should be.

I happen to have found out about what product liability costs rather personally, being an old pilot. I bought an airplane in 1969, a single-engine, four-place Navion—beautiful airplane, sliding canopy. It makes me feel like a fighter pilot again—getting a silk scarf, leather helmet, and letting it blow out in the wind.

Do you know what I paid for that airplane in April of 1969? It was big at that time, but I scraped up $5,000 for the whole airplane. I have been flying it for 21½ years. Again, $5,000 for the whole airplane. A year ago I decided that, well, I would totally restore it; I would simply strip it back to an airframe, take out the interior, the wiring, the control cables, the instruments, the instrument panel, and put an overhauled engine in it. Listen to this contrast: $5,000 for the whole airplane; flew it for 22 years. Do you know what they wanted to overhaul my own engine? $12,000 to overhaul it. Do you know why? Because that mechanic has to pay liability insurance—$5,000 for the entire airplane, $12,000 to overhaul it.

Well, I decided that makes no sense. It was always underpowered. It had a 205-horsepower engine. So I will get a bigger one, 285 horse, as long as I am going to pay that much. I looked around for crashed airplanes, for an engine, and gave that up after about 6 months. I bought a factory remanufactured engine, not a new one; factory remake, $19,997, for a rebuilt engine. Product liability.

Then the amazing thing. I was talking to the man who was selling it to me, and he said, "You realize, of course, this does not include a dipstick." And I said, "Oh, come on, almost $20,000 bucks and I have to buy a dipstick separately?" Absolutely; $52 for a dipstick. It is not any different than a dipstick in your car, but it goes to an airplane and there is liability. Fifty-two bucks for a dipstick, yellow cap on the top, and piece of metal that goes down there and it says full or empty. You know; you have seen them. Fifty-two bucks.

Well, you start getting into control cables—and I hope my wife is not watching TV today, somebody will tell her anyway, but I am not through yet.

After 14 months of doing all the labor myself—because I am cheap and I do not have to put liability on my own labor. So doing most of the labor on that $5,000 airplane in 1969, I am already into it $55,000 because of the product liability on new aircraft, what that does to the price of used aircraft and parts. And I do not know where it is going to end.

I hope I am flying again in 3 or 4 months. Maybe I will not dare fly it, with it being that valuable. I will have forgotten how to fly before I get it put back together. But in any event, $55,000.

I bought tip tanks, 40 gallons of additional fuel capacity, $5,300 bucks, $300 more than I paid for the entire airplane, all because something might happen to those tanks. They are just about 10 pounds of aluminum each with some tubes running into the central mixer fuel tank before it goes to the engine. I bet you there is not 200 dollars' worth of material in them. But 5,300 bucks for two 20-gallon fuel tanks because you have to make sure if something happens to them, they cause a problem, they have covered themselves from the potential lawsuits.

It does not make any difference whether I say, "Hey, I will sign something; I will not sue you."

So anyway, it is a combination of poor public policy that, without spending additional money, without trying to prime the pump, there are a lot of things this Congress could do that would stimulate employment, provide jobs, put people back to work, provide revenue for Government programs, but we just do not seem to have enough common sense to do some of the things that could be done quick and easily and would not cost the taxpayers any more money but would stimulate the economy and put people back to work.

I am sure the chairman is sorry he even started on this subject when we are supposed to be talking about a banking bill. I would only close at this point, before calling for a quorum call, to encourage those who are not allowing us to proceed on the banking bill to let us bring the bill up and start addressing amendments so that we can go to conference with the House and provide the necessary funding to the bank insurance fund before we adjourn for the year.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RIEGLE. Madam President, I ask unanimous consent that the order for the quorum calendar be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. I thank the Chair.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

MOTION TO PROCEED

Mr. RIEGLE. Let me indicate to my colleague from Utah and to others that I have checked on this side of the aisle. There are no Senators who wish to speak during the period of time now that occurs after the motion to proceed has been initiated.

So we have no time requests on this side. We are at least to that extent ready and prepared to go to the bill itself. I know there was previously an objection, I think, on the other side. I do not know whether there is still an objection or whether there is anyone on the other side who wants to come and talk.

But I hope maybe we can indicate that if there is anyone who wants to avail themselves of this time to speak they will come and do so, and then we can have that discussion. If not, perhaps we should not just run the clock out because it would be awfully good to be able to go to the bill so we get into the substance.

Mr. GARN. If the chairman will yield, I certainly agree. If we cannot proceed to the bill and process amendments, I would certainly expect that there are people on both sides of the aisle who have opinions about the bill, and this would certainly be a good time for them to come over and at least express their opinions for or against the bill.

So I hope people will do that rather than just burning time in the quorum calls.

Mr. RIEGLE. Let me just say, I have been informed that Senator GRAHAM of Florida may have an interest in wanting to come over and speak. I spoke with him a minute ago on the phone on a subject unrelated to that point.

But I would say if there are any Senators from either party who want to come and speak during this period of time, now would be an appropriate point in which to do that. If not, I hope if another 15, 20 minutes elapses, and if there are no Senators seeking to engage in discussion, I hope we can endeavor to move to the bill itself so that we get into the substance of the bill, and for those who have amendments, have those amendments offered, debate them, vote them up or down, and move ahead.

Madam President, with that thought in mind, with that general appeal out there to Members to avail themselves of this time, if they wish to speak, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

MOTION TO PROCEED

Ms. MIKULSKI. Mr. President, right now the U.S. Senate is operating under a cloture rule on the banking bill. I would like to just speak a few minutes about the banking bill and our economy.

First of all, in order to have a banking bill, you need banks. And in order to have banks, you need depositors, and then you also need lenders. But in order to have depositors and in order to have lenders, you need to have an economy. And I am not so sure that we are focusing on having a robust economy in the United States of America. So that while we talk about what should the framework for banking be, we need to talk about how we can create depositors. Depositors need to be out there working and earning and having enough where they break even to be able to even save.

Mr. President, I do not think we have many middle-Americans or not-so-middle-Americans who are in that situation. We need to focus on the economy.

I am not a country club Senator. I am certainly not a special interest Senator. And I think it is time the U.S. Senate, the U.S. House of Representatives, and the White House put aside party interests, special interests, and let us go for the American interests for a change.

We could take many specific, immediate and realizable steps before Thanksgiving to be able to move this economy. The first would be to pass the unemployment compensation legislation pending in the U.S. Senate.

I have many men and women who work in the State of Maryland who thought that they were absolutely secure in their jobs, only to be laid off because of the economic situation that we are facing now. They have exhausted their benefits. They are now on the verge of losing their homes, or being evicted from their apartments, falling behind in their car payments, not because they are laggards, not because they are ne'er-do-wells, but because there are very few places that are hiring that will take them on now. Mr. President, if we could extend the unemployment package, we would certainly be able to give them a breather.

The other thing we need to do, I believe, is to make sure that when we talk about people having jobs in our society, we have to reexamine our trade policies. We have been sending too many jobs overseas, whether that has been on a fast track to Mexico or a slow boat to China. And I think we have to take another look at that.

There are other things that we could be doing with Federal dollars. We could be making public investments that generate private-sector jobs. What would those public investments be? Construction jobs. And I am not talking about public jobs where people rake leaves or make work.

We have highways that are crumbling, bridges that are shaky, subways that need to be built, and a whole transportation network. If the U.S. Congress would move quickly on the Surface Transportation Act, I believe that would be a significant public investment that would create private-sector jobs in every State in this Union, and also we would have something to show for it at the end. Because, you know, Mr. President, the American taxpayer believes that if you give us a dollar, meaning the Federal Government a dollar, we will spend two, and at the end of the week not have anything to show for it. But construction, transportation, would certainly be public assets and private-sector jobs.

The other thing I think we need to do is focus on a middle-class tax cut. That is why I am a strong supporter of Senator BENTSEN's initiative to give families a $300 deduction so that they can be able to have that in their family checkbooks. Three hundred dollars might not sound like a lot of money. But when you are out there right now cruising the beltway looking for bargains, $300 would mean an awful lot to be able to buy little Buster Brown shoes, kids' coats for winter, and maybe being able to buy that needed clothing, that is so important.

Mr. President, I know that there will be those who will say, well, what we need is capital gains—capital gains. Which means, let us lower the tax rate for those who have investments.

Well, you know, I think that is a good idea. However, I think that we need to have a capital gains framework that rewards the saver, rewards the investor, rewards the good guy, the ordinary people, and does not reward the go-go boys. We have had so much of excess this last decade of go, go, go economics. That is why our financial institutions are teeter-tottering. That is part of what this banking bill is about. Lower the firewalls and what all we can get into. We will debate the aspects of that bill.

But, Mr. President, if you want to have a capital gains tax reduction, then give it to the good guys who buy an asset and hold it because they want to have something to send their kid to college or to save for their old age to build their own safety net. If we are going to have a capital gains cut, then let us give it to people who have held an asset for more than 5 years. That way, the longer you hold it, the less you pay.

Right now if you are a mom or a dad and you are saving for a student loan when Johnny or Jane gets ready for college, the longer you have held that investment the less tax you pay. When you go to sell your home, if you had it more than 5 years, you would be able to have a lower capital gains.

I think we need to start rewarding the good guys in our society. I think we have to start rewarding the savers. And maybe if we had more savers, the banks would not have some of their problems. Maybe if we had an economy, they would start getting more lenders, and maybe they would get their act together to deal with this national credit crunch.

Mr. President, these are just some ideas that we could be talking about and debating right now. We are now going to spend 30 hours with less happening in the U.S. Senate because of a parliamentary process, when people are saying to us, "What are you doing in the U.S. Congress?"

It is very frustrating to me, Mr. President, that, when all is said and done, more gets said than gets done. I hope we start taking a look at those aspects that are specific, immediate, and realizable to jump start this economy.

I hope I have offered a few suggestions. I am happy to yield back the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SEYMOUR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SEYMOUR. Mr. President, I request I be permitted to speak as in morning business for a period not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

STAY UNTIL WE FINISH OUR JOB

Mr. SEYMOUR. Mr. President, I am absolutely pleased to hear what the distinguished Senator from Maryland has had to say relative to the impotency, the inactivity of this body and Congress. I am absolutely supportive.

In fact, if one Democrat from Maryland and this Republican from California can agree—and I think we are in agreement—as to what action needs to be taken, then I would put a call to every Member of this House, and a very simple call. That is, we do not go home, as we are currently scheduled to adjourn before Thanksgiving or at Thanksgiving; that, in fact, we stay here and we stay here until we have done the job, the job our constituents realize and expect that we should do—and they have every right to expect that.

That does not mean the jump-start program—to use the description of the distinguished Senator—the jump-start for our economy—and I agree with her—is an all Republican plan or an all Democratic plan. It means it is an American plan that will put people back to work.

I have only been here but about 10 months, but I would share with you, Mr. President, I find myself in great disdain of the inability of this Congress and this U.S. Senate to address problems. The public has begun to lose their faith and their confidence in our ability to solve problems, and I think we owe it to them to give it our very best to demonstrate we can.

Let me be more specific. Last week I spoke on this floor. I raised a number of questions as to why this body had not addressed the national energy bill, why we refused to invoke cloture to move ahead with debate on that bill. No matter how that bill ended up, at least we would have a national energy policy.

This week I asked the same question, why do we not have a transportation bill? Why did this body pass a bill months back—July, I believe—only to see the bill languish in the House of Representatives? Yes, it is in conference committee now and I am hopeful that that conference committee can report a bill out. But I also hear that maybe they will not. That is a jobs bill, too. I will tell you, it is a jobs bill for California.

Why have we not passed a crime bill? This House passed a crime bill last summer. It, too, has languished in the House.

And why have we not addressed the unemployment benefits?

Some Democrats would say, "Well, the reason we have not is because the President vetoed the unemployment compensation benefits bill, the extension of benefits."

And the White House would say, "If you would give me a bill that did not raise taxes, that did not add to the deficit, I would sign it in a minute."

So there we are, in our partisan battle, again being unresponsive to our constituents and the people who sent us here to work.

I was told yesterday by the Secretary of Labor that had we passed an unemployment compensation bill, there would be over 900,000 unemployed who would have already received $1,000 in benefits. They are the ones who get hurt as this bitter partisan politics takes place in this body.

So, I along with Senator MIKULSKI, call for this body to stay here and do the job that needs to be done. If that means we are here through Christmas, so be it. If that means a final compromise package that, yes, does have capital gains which I think should be a component, but, yes, has the tax benefits that Senator MIKULSKI talked about—and I support what she talked about—if it is a bipartisan plan that will jump start this economy and begin to put people back to work, then, by God, we have a responsibility to do just that.

I hope that we really get serious about these problems. Serious means in fact we will take action. Yes, I have learned politics is the art of compromise. Compromise means give and take on the part of both for the interests of all. I think we have gone long past the time where we have delivered a compromise position, either on unemployment benefits, or particularly on the economic growth package.

Let me say on the economic growth package that, too, should be a compromise. But one component must be capital gains. For those who would say, "Oh, no, capital gains is nothing but a tax break for the rich," let me suggest that history tells us differently. It was President John Kennedy who came into office faced with a recession. He reduced the capital gains tax rate and we recovered from a recession. It was President Ronald Reagan who did exactly the same and we recovered from a recession.

So history tells us—whether it is a Democrat or a Republican—a reduction in the capital gains rate is not a tax break for the rich. It is a jobs program for America. And it is a homes program for first-time homebuyers.

I read in the Wall Street Journal just yesterday a very interesting editorial on the capital gains tax.

Mr. President, I ask unanimous consent the article from the Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE SMALL CAPITAL GAIN—ONE BIG TAX

(By George W. Walker III)

I had heard the arguments in favor of a reduction in the capital-gains tax. But why should people like me, who work in education; or people like my neighbor the plumber; or the electrician I know; or the guy who runs the local carpet store; or that nice young kid who works as a clerk at the home improvement center—why should any of us be in favor of a "trickle down" tax reform to benefit "the rich"?

I, for one, couldn't make up my mind. Then my wife and I bought a house, a weathered and abandoned old domicile in a nice neighborhood. We didn't want to live there; we just saw an opportunity to refurbish a run-down home and sell it for a modest profit. Theoretically, we took one of the greatest risks of all. We secured a home-equity loan on our family residence and used the money to purchase a "handyman's special."

I was convinced that it would be a great lesson for our four children. Even the 10-year-old worked right alongside us: washing, cleaning, scraping wallpaper, priming, sanding, painting, sawing wood, knocking out walls, climbing ladders, installing siding, tacking down carpets. And more.

We didn't do our own plumbing or electrical work. We hired that neighbor who's a plumber, and that fine man who had done some electrical work around our own home a couple of years ago. We were on a first-name basis with all the folks at the lumber store and the home improvement center. We were there two or three times a week for month after month, spending money to turn this neglected old structure into a gracious, inviting home.

We frequented the fabric store (my wife sewed all the curtains) and the building store (vinyl siding). We spent more money at the pizza shop (no time to cook), and they even began to recognize us at the drug store (bandages and liniment).

"But," I said confidently to my wife, "it will all be worth it after the house is sold, when we take the kids into one of those private rooms at the bank and I count out our profit for them to see in real cash, before we deposit it. 'This,' I will tell them, 'is what America's economic system is all about. If you're willing to take a reasonable risk and work hard, you may reap a financial reward that makes the whole adventure worthwhile!'"

A funny thing happened on the way to the bank. I stopped in to see our accountant. "Congratulations on your profit," he said. "But remember that today's capital gains tax is the same as your 28% personal income tax. And as a resident of New York state, you'll need to add on 7% in state taxes. So whatever your gross profit, be sure to set aside 35% for taxes."

We'd found a buyer willing to pay $60,000. We'd thought that would let us reach our goal of making about $6,000 on this venture. But deducting 35% of that would leave us with a net profit of $3,900. Our very conservative estimate is that the combined labor of all the family members who worked on this project totaled 1,200 hours. That means that after the capital gains tax is paid, we netted about $3.25 per hour. We would have earned more standing at a cash register repeating the words "Paper or plastic?"

Will we try a venture like this again? I doubt it. And if the capital-gains tax bite discourages us from trying it again, that means we won't be hiring the plumber and electrician; we won't be visiting the carpet stores; we won't be making home equity loan payments to our hungry local bank; we won't be writing checks that help pay the salary of that nice young man at the home improvement center.

I'm not rich. But what if I were? Then, instead of fixing up one old relic, maybe I'd be building an entire housing development. Maybe I'd be buying tens of thousands of yards of carpet. Maybe I'd be hiring scores of skilled laborers. Maybe I'd be pumping more money into more corners of my community and the economy than I can even imagine.

A tax break for the rich? So what? Scrooge McDuck, my children tell me, puts his money in a bin and swims in it. But there's evidence that most rich people don't do that. They spend their money. They invest it, risk it, try to get it to work for them so that it will grow. But that's hard to do without hiring people, buying materials and supplies, and spending in a multitude of other ways and places.

There's talk that a cut in the capital gains tax just might make it through Congress before long. That'll be too late for us. We're tired and a little discouraged right now. But maybe something good will come out of it. Maybe a few people who aren't "rich" will read this article and then tell their legislators that we want that capital gains tax cut.

It's not that we care about "the rich." We promise that we'll continue to envy them and resent them. Still, let that tax cut go through. We could use the jobs . . . and the prosperity.

Mr. SEYMOUR. What the article talks about is a small family. We are not talking about the rich here. We are talking about people like this gentleman who is in education. That is where he earned his living. In fact, he said, "Why should people like me who work in education, or people like my neighbor the plumber, or the electrician I know, or the guy who runs the local carpet store, or that nice young kid who works as a clerk at the home improvement center—why should any of us be in favor of a trickle-down tax reform to benefit the rich, a reduction of the capital gains tax?"

And then he goes on to cite his personal example of he and his wife and his children going out and buying an old home so they might fix it up, rehabilitate it, put it back on the market, and make a reasonable profit. He goes on to say that, yes, he hired a carpenter, he hired a plumber, he hired a roofer, he hired somebody who knew something about heating, and he put them to work in the process of rehabilitating this home.

Then they put it on the market, and they found a buyer for $60,000. But when they sat down and they pushed the pencil to figure out what their profit would be for taking all that risk, putting those people to work, they realized that a 35-percent capital gains tax would reduce their $6,000 profit to $3,900.

Conclusion? Why should the little guy take that risk if Government is going to take a bite of 35 percent out of the profit?

So I agree totally with the distinguished Senator from Maryland. The fact is that the reduction in capital gains tax is going to help the little guy and it is going to do one other thing: It is going to provide positive tax flows to the Federal Treasury—in addition to creating these jobs. Positive tax flows to the Treasury which we then, in turn—and this is where the compromise can take place if we are willing to stay here and do our job—with that positive flow of tax revenues, we can then turn around and provide it in the way of tax credits, whether to middle-income taxpayers if that is the best idea, or whether it is—an idea that I embrace—the Super IRA bill introduced by Senator BENTSEN. I was an original cosponsor of that. That would provide the ability through an IRA account to take the proceeds out without any tax consequences if the proceeds were going to be used to help a first-time home buyer, to pay for a youngster's college education, or perhaps a senior to pay for catastrophic health care.

By reducing the capital gains tax, we then have the revenues to, in fact, support other tax credits and plans.

So, all I wanted to pass on is I am hopeful that we do not walk away from the problem, that we do not walk away from the mess that sits here, that in fact we stay here. I hope we continue to work until we have performed in a responsible fashion, serving those we swore in our oath in taking office we would serve.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SIMON). Without objection, it is so ordered.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

MOTON TO PROCEED

The PRESIDING OFFICER. Is there further debate on the motion to proceed? If not, the question is on agreeing to the motion.

The motion was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote.

Mr. RIEGLE. I move to lay that motion on the table.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 543) to reform Federal deposit insurance, protect the deposit insurance funds, and improve supervision and regulation of and disclosure relating to federally insured depository institutions.

The Senate proceeded to consider the bill which had been reported from the Committee on Banking, Housing, and Urban Affairs with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—BANK INSURANCE FUND RECAPITALIZATION

Sec. 101. FDIC borrowing authority.
Sec. 102. Recapitalizing the Bank Insurance Fund.
Sec. 103. GAO audit of recapitalization schedule.
Sec. 104. Emergency guarantee.

TITLE II—DEPOSIT INSURANCE REFORM

Sec. 201. Full faith and credit.
Sec. 202. Improving capital standards.
Sec. 203. Accounting and auditing reform.
Sec. 204. Annual examinations.
Sec. 205. Prompt corrective action.
Sec. 206. Standards for safety and soundness.
Sec. 207. Conservatorship and receivership amendments to facilitate prompt corrective action.
Sec. 208. Backup enforcement authority of FDIC.
Sec. 209. Capital maintenance commitments.
Sec. 210. Pass-through insurance coverage.
Sec. 211. Brokered deposits.
Sec. 212. Risk-based assessments.

Sec. 213. Risk-based reinsurance.
Sec. 214. Real estate lending standards.
Sec. 215. Restricting risky bank activities.
Sec. 216. Safeguards against insider abuse.
Sec. 217. Protecting depository institutions from abusive transactions with affiliates.
Sec. 218. Interbank liabilities.
Sec. 219. Reducing risk to payment system.
Sec. 220. Least-cost resolution.
Sec. 221. Early resolution.
Sec. 222. Federal Reserve discount window advances.
Sec. 223. Cross-guarantee liability.
Sec. 224. Granting deposit insurance.
Sec. 225. Disclosure by insured depository institutions and the Federal banking agencies.
Sec. 226. Consent to be bound by the Federal Deposit Insurance Act.
Sec. 227. Disclosure by uninsured depository institutions.
Sec. 228. Uninsured wholesale banks.
Sec. 229. Study and report on core banking.
Sec. 230. Priority of claims.

TITLE III—INTERSTATE BANKING AND BRANCHING

Sec. 301. Interstate banking.
Sec. 302. Interstate branching by national banks.
Sec. 303. Interstate branching by State banks.
Sec. 304. Community Reinvestment Act evaluation of banks with interstate branches.
Sec. 305. Branching by foreign banks.
Sec. 306. State tax compliance.
Sec. 307. Use of names in host State.

TITLE IV—REGULATORY RESTRUCTURING

Subtitle A—Restructuring Board of Directors of FDIC

Sec. 401. Restructuring the Board of Directors of the Federal Deposit Insurance Corporation.

Subtitle B—Depository Institutions Coordination

Sec. 411. Improving coordination among Federal banking agencies.

Subtitle C—Bank Securities Registration

Sec. 421. Bank-issued securities.
Sec. 422. Savings association-issued securities.
Sec. 423. Exemption for securities in certain corporate transactions.
Sec. 424. Transferring administration of the Securities Exchange Act.
Sec. 425. Trust Indenture Act technical amendment.
Sec. 426. Technical amendments.
Sec. 427. Effective date.

TITLE V—CONSUMER PROTECTION

Subtitle A—Truth in Savings and Investments

Sec. 501. Short title.
Sec. 502. Findings and purpose.
Sec. 503. Definitions.
Sec. 504. Disclosure of yields and terms of accounts.
Sec. 505. Account schedule.
Sec. 506. Disclosure requirements for certain accounts.
Sec. 507. Distribution of schedules.
Sec. 508. Periodic statements.
Sec. 509. Payment of interest.
Sec. 510. Regulations.
Sec. 511. Administrative enforcement.
Sec. 512. Civil liability.
Sec. 513. Credit unions.
Sec. 514. Review of disclosure requirements for open-end management investment companies.
Sec. 515. Effect on State law.
Sec. 516. Effective date of regulations.

Subtitle B—Fair Lending Enforcement

Sec. 521. Short title.
Sec. 522. Appraisals.
Sec. 523. Consumer compliance programs.
Sec. 524. Enforcement of Equal Credit Opportunity Act.
Sec. 525. Home Mortgage Disclosure Act.

Subtitle C—Basic Financial Services Accounts

Sec. 531. Short title.
Sec. 532. Basic financial services accounts required.
Sec. 533. Account applications.
Sec. 534. Basic transaction services account requirements.
Sec. 535. Government check cashing services account requirements.
Sec. 536. Information on accounts.
Sec. 537. Special rules for credit unions.
Sec. 538. Special rules for certain depository institutions.
Sec. 539. Preventing fraud losses.
Sec. 540. Administrative enforcement.
Sec. 541. Civil liability.
Sec. 542. Definitions.
Sec. 543. Study and report on incidence of fraud in connection with government check cashing.
Sec. 544. Study and report on the staggering of Federal recurring payments.
Sec. 545. Study and report on utilizing the United States Postal Service to provide Government check cashing services.
Sec. 546. Study and report on direct deposit program for Federal recurring payments.
Sec. 547. Study and report on community lending.
Sec. 548. Government return of electronic payments.
Sec. 549. Effective date.

Subtitle D—Miscellaneous

Sec. 551. Home Equity Loan Consumer Protection Act amendments.
Sec. 552. Directive to relieve regulatory burden.
Sec. 553. Expedited Funds Availability Act amendments.
Sec. 554. Truth in Lending Act amendment.
Sec. 555. Homeownership amendments.
Sec. 556. Discussion of lending data.
Sec. 557. GAO report on data collection under interstate branching.
Sec. 558. Notice of branch closing.

TITLE VI—FOREIGN BANK SUPERVISION AND REGULATION

Subtitle A—Foreign Bank Supervision Act

Sec. 601. Short title.
Sec. 602. Regulation of foreign bank operations.
Sec. 603. Conduct and coordination of examinations.
Sec. 604. Supervision of foreign banks' representative offices.
Sec. 605. Reporting stock loans.
Sec. 606. Cooperation with foreign supervisors.
Sec. 607. Penalties.
Sec. 608. Powers of agencies respecting applications, examinations, and other proceedings.
Sec. 609. Penalties for failure to comply with agency subpoena.
Sec. 610. Clarifying managerial standards in the Bank Holding Company Act of 1956.
Sec. 611. Authority of Federal banking agencies to enforce consumer statutes.
Sec. 612. Criminal penalty for violating the International Banking Act of 1978.

Subtitle B—Regulation of Foreign Banks and Subsidiaries Seeking Expanded Securities Powers

Sec. 621. Amendments to the International Banking Act of 1978.
Sec. 622. Study and report on subsidiary requirements for foreign banks.

Subtitle C—Fair Trade in Financial Services

Sec. 631. Short title.
Sec. 632. Effectuating the principle of national treatment for banks and bank holding companies.
Sec. 633. Effectuating the principle of national treatment for securities brokers and dealers.
Sec. 634. Effectuating the principle of national treatment for investment advisers.
Sec. 635. Investigation and report on financial interdependence.
Sec. 636. Conforming amendments specifying that national treatment includes effective market access.

TITLE VII—BANK POWERS AND AFFILIATIONS

Sec. 701. Short title.

Subtitle A—Securities Activities

Sec. 711. Anti-affiliation provision of Glass-Steagall Act repealed.
Sec. 712. Bank holding companies authorized to have securities affiliates.
Sec. 713. Securities affiliate defined.
Sec. 714. Insured depository institution defined.
Sec. 715. Establishment and operations of securities affiliates.
Sec. 716. Bank securities and investment activities.
Sec. 717. Securities affiliations of FDIC-insured banks.
Sec. 718. Effect on State laws prohibiting the affiliation of banks and securities companies.
Sec. 719. Diversified financial holding companies.
Sec. 720. Effective date.

Subtitle B—Brokers and Dealers

Sec. 731. Definition of broker.
Sec. 732. Definition of dealer.
Sec. 733. Power to exempt from the definitions of broker and dealer.
Sec. 734. Effective date.

Subtitle C—Bank Investment Company Activities

Sec. 741. Custody of investment company assets by affiliated bank.
Sec. 742. Affiliated transactions.
Sec. 743. Borrowing from an affiliated bank.
Sec. 744. Independent directors.
Sec. 745. Additional SEC disclosure authority.
Sec. 746. Definition of broker under the Investment Company Act of 1940.
Sec. 747. Definition of dealer under the Investment Company Act of 1940.
Sec. 748. Removal of the exclusion from the definition of investment adviser for banks that advise investment companies.
Sec. 749. Definition of broker under the Investment Advisers Act of 1940.
Sec. 750. Definition of dealer under the Investment Advisers Act of 1940.
Sec. 751. Interagency notification and consultation.
Sec. 752. Treatment of bank common trust funds.
Sec. 753. Securities and Exchange Commission study and report on bank and insurance pooled investment vehicles.
Sec. 754. Investment advisers prohibited from having controlling interest in registered investment company.
Sec. 755. Purchase of investment company securities as fiduciary.
Sec. 756. Conforming change in definition.
Sec. 757. Effective date.

Subtitle D—Depositor Protection and Anti-Fraud

Sec. 761. Short title.

Sec. 762. Limitations on certain nondeposit marketing activities in retail branches of FDIC-insured depository institutions.
Sec. 763. Limitations on certain nondeposit marketing activities in retail branches of federally insured credit unions.

Subtitle E—Insurance Activities

Sec. 771. Insurance agency activities of national banks.
Sec. 772. Insurance underwriting in bank restricted.
Sec. 773. Customer protection.
Sec. 774. Interstate insurance agency activities.

TITLE VIII—THRIFT-TO-BANK CONVERSIONS

Sec. 801. Short title.
Sec. 802. Streamlining conversion procedures.
Sec. 803. Retention of existing in-State branches by savings associations that convert to national banks.
Sec. 804. No recapture of thrift reserves on conversion.

TITLE IX—FINANCIAL INSTITUTIONS ENFORCEMENT IMPROVEMENTS ACT

Sec. 901. Short title.

Subtitle A—Termination of Charters, Insurance, and Offices

Sec. 911. Revoking charter of Federal depository institutions convicted of money laundering or cash transaction reporting offenses.
Sec. 912. Terminating insurance of State depository institutions convicted of money laundering or cash transaction reporting offenses.
Sec. 913. Removing parties involved in currency reporting violations.
Sec. 914. Unauthorized participation.
Sec. 915. Access by State financial institution supervisors to currency transactions reports.
Sec. 916. Restricting State branches and agencies of foreign banks convicted of money laundering offenses.

Subtitle B—Nonbank Financial Institutions and General Provisions

Sec. 921. Identification of financial institutions.
Sec. 922. Prohibition of illegal money transmitting businesses.
Sec. 923. Compliance procedures.
Sec. 924. Nondisclosure of orders.
Sec. 925. Improved recordkeeping with respect to certain international funds transfers.
Sec. 926. Use of certain records.
Sec. 927. Suspicious transactions and financial institution anti-money laundering programs.
Sec. 928. Report on currency changes.
Sec. 929. Report on bank prosecutions.
Sec. 930. Anti-money laundering training team.
Sec. 931. Money laundering reporting requirements.

TITLE X—ASSET CONSERVATION AND DEPOSIT INSURANCE PROTECTION

Sec. 1001. Short title.
Sec. 1002. Amendment to the Federal Deposit Insurance Act.

TITLE XI—MISCELLANEOUS

Subtitle A—Presidential Insurance Commission

Sec. 1101. Short title.
Sec. 1102. Findings.
Sec. 1103. Establishment.
Sec. 1104. Duties of the Commission.
Sec. 1105. Membership and compensation.
Sec. 1106. Powers of Commission.
Sec. 1107. Staff of Commission; experts and consultants.
Sec. 1108. Report.
Sec. 1109. Termination.
Sec. 1110. Authorization of appropriations.

Subtitle B—General Provisions

Sec. 1121. Credit unions.
Sec. 1122. Strengthening Federal banking agencies' authority to remove persons guilty of misconduct.
Sec. 1123. Emergency liquidity.
Sec. 1124. Disclosure of Securities Investor Protection Act coverage.
Sec. 1125. Hiring and compensation authority of Securities and Exchange Commission.
Sec. 1126. Time limitation on private rights of action under the Securities Exchange Act of 1934.
Sec. 1127. Conversions during moratorium.
Sec. 1128. Qualified thrift lender test.
Sec. 1129. Consumer lending by Federal savings associations.
Sec. 1130. Noncontrolling investments in banks and bank holding companies by certain investment funds.
Sec. 1131. Limiting liability for foreign deposits.
Sec. 1132. Certain wrongfully withdrawn deposits treated as insured deposits.
Sec. 1133. Providing services to insured depository institutions.
Sec. 1134. Study and report on reimbursing financial institutions and others for providing financial records.
Sec. 1135. Removing cost limitation on construction of Federal Reserve bank buildings.
Sec. 1136. $1 coins.
Sec. 1137. Purchased mortgage servicing rights.

TITLE I—BANK INSURANCE FUND RECAPITALIZATION

SEC. 101. FDIC BORROWING AUTHORITY.

(a) TREASURY LOANS.—Section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824) is amended—

(1) by striking subsection (b); and

(2) by striking all that precedes the last sentence of subsection (a) and inserting the following:

"SEC. 14. BORROWING AUTHORITY.

"(a) TREASURY LOANS.—

"(1) AUTHORITY TO BORROW FOR INSURANCE COSTS.—The Corporation is authorized to borrow from the Treasury, and the Secretary of the Treasury (hereafter referred to as the 'Secretary') is authorized and directed to make loans to the Corporation, in accordance with this section and subject to the limitations contained in section 15(c).

"(2) LOAN PURPOSES.—The Corporation may borrow from the Secretary under paragraph (1) only such amounts as are necessary, in the judgment of the Board of Directors—

"(A) to cover losses to the Corporation incurred in protecting depositors; or

"(B) to cover administrative costs associated with resolving insured depository institutions.

"(3) PRIORITY FOR REPAYMENT OF LOSS BORROWING.—

"(A) IN GENERAL.—The Corporation shall apply amounts raised by semiannual assessments on members of a deposit insurance fund in the following order of priority:

"(i) Repaying as scheduled any borrowings under this subsection by that fund.

"(ii) Providing for the fund's expected operating expenses and any losses incurred by the fund in protecting depositors.

"(iii) Accumulating a cash reserve for the fund (which shall consist of cash and other liquid assets), except as provided in subparagraph (B).

"(B) ACCELERATED REPAYMENT REQUIRED.—After a fund's cash reserve reaches $5,000,000,000, all of the fund's assessment income in excess of amounts required under clauses (i) and (ii) of subparagraph (A) for that fund shall be used for accelerated repayment of borrowings under this subsection consistent with minimizing costs to that fund.

"(4) INTERIM RULE.—Until a risk-based assessment system becomes effective, if the Corporation has borrowings outstanding under this subsection on behalf of any deposit insurance fund or the reserve ratio of that fund remains below the designated reserve ratio, the semiannual assessment rate for that fund shall be not less than that in effect on July 15, 1991.

"(5) TERMS.—The Secretary shall make a loan under paragraph (1) only—

"(A) in accordance with a written agreement between the Secretary and the Corporation that—

"(i) sets forth a schedule for repaying the loan over a period not to exceed 15 years from the date of the loan; and

"(ii) provides that the loan shall bear interest at the current market yield (as of the date of the loan) on outstanding marketable obligations of the United States of comparable maturities; and

"(B) if the Secretary determines in writing that income to the fund on behalf of which the loan will be made will be sufficient to repay the loan in accordance with the agreement.

"(6) LIMIT ON TOTAL BORROWING FOR INSURANCE COSTS.—In no case shall the Corporation's aggregate outstanding loans under paragraph (1) exceed—

"(A) $30,000,000,000 at any time before the date on which the Bank Insurance Fund has first achieved the designated reserve ratio, as determined under section 7(b)(1), for any complete semiannual assessment period after December 31, 1991;

"(B) $10,000,000,000 at any time after the date described in subparagraph (A); and

"(C) $5,000,000,000 on behalf of the Savings Association Insurance Fund at any time.

"(7) PUBLIC DEBT STATUS.—All loans and repayments made under this subsection shall be treated as public debt transactions of the United States.

"(8) APPORTIONMENT OF LIABILITY.—A loan to the Corporation under paragraph (1) is a liability of a deposit insurance fund to the extent that the loan is used on behalf of that fund.

"(b) FEDERAL FINANCING BANK LOANS.—

"(1) AUTHORITY TO BORROW FOR WORKING CAPITAL.—The Corporation is authorized to borrow, and the Federal Financing Bank is authorized and directed to make loans in accordance with this subsection to the Corporation on behalf of the Bank Insurance Fund or the Savings Association Insurance Fund on terms prescribed by the Federal Financing Bank.

"(2) PURPOSES.—The Corporation, in any capacity, may borrow from the Federal Financing Bank under paragraph (1) only to—

"(A) directly or indirectly acquire, retain, maintain, liquidate, dispose of, or improve the assets of an insured depository institution, in the course of the Corporation's resolution activities; or

"(B) provide temporary liquidity to insured depository institutions, to the extent otherwise authorized by statute.

"(3) LIMITATION ON BORROWING FOR WORKING CAPITAL.—Aggregate loans to the Corporation under paragraph (1) may not exceed $45,000,000,000 at any one time on behalf of the Bank Insurance Fund.

"(4) EFFECT ON OTHER ENTITIES.—This subsection does not affect the eligibility of any other entity to borrow from the Federal Financing Bank.

"(c) APPROPRIATIONS.—".

(b) LIMITATION ON TOTAL OUTSTANDING OBLIGATIONS.—Section 15(c) of the Federal Deposit Insurance Act (12 U.S.C. 1825(c)) is amended by

striking paragraphs (5), (6), and (7) and inserting the following:

"(5) MAXIMUM AMOUNT LIMITATION ON OUTSTANDING OBLIGATIONS.—The Corporation may not issue any note or similar obligation, and may not incur any liability under a guarantee or similar obligation, if the aggregate amount of the Corporation's outstanding obligations on behalf of either the Bank Insurance Fund or the Savings Association Insurance Fund would exceed the sum of—

"(A) the amount of cash held by the Corporation for that fund;

"(B) 90 percent of the Corporation's estimate of the fair market value of assets held by the Corporation for that fund (other than assets described in subparagraph (A)); and

"(C) the aggregate amount of outstanding loans to the Corporation under section 14(a) on behalf of that fund.

The Corporation's estimate of fair market value under subparagraph (B) shall be based on the most recent audit of the Corporation by the Comptroller General, subject to any adjustments described in paragraph (3) or (4), and taking into account any transaction occurring since the date of the audit.

"(6) OBLIGATION DEFINED.—For purposes of paragraph (5), the term 'obligation' means—

"(A) any guarantee issued by the Corporation, other than deposit guarantees;

"(B) any loans made to or notes issued by the Corporation under section 14; and

"(C) any other note, bond, or contract for which the Corporation has a direct or contingent liability for any amount.".

(c) CONFORMING AMENDMENT DEFINING DEPOSIT INSURANCE FUND.—Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended by adding at the end the following:

"(y) DEPOSIT INSURANCE FUND.—The term 'deposit insurance fund' means the Bank Insurance Fund or the Savings Association Insurance Fund, as the case may be.".

SEC. 102. RECAPITALIZING THE BANK INSURANCE FUND.

Section 7(b)(1)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)(C)) is amended to read as follows:

"(C) ASSESSMENT RATES FOR BANK INSURANCE FUND MEMBERS.—

"(i) IN GENERAL.—If the reserve ratio of the Bank Insurance Fund equals or exceeds the fund's designated reserve ratio under subparagraph (B), the Board of Directors shall set semiannual assessment rates for members of that fund as appropriate to maintain the reserve ratio at the designated reserve ratio.

"(ii) SPECIAL RULES FOR RECAPITALIZING UNDERCAPITALIZED FUNDS.—If the reserve ratio of the Bank Insurance Fund is less than the designated reserve ratio under subparagraph (B), the Board of Directors shall set semiannual assessment rates for members of that fund—

"(I) that are sufficient to increase the reserve ratio for that fund to the designated reserve ratio not later than 1 year after such rates are set; or

"(II) in accordance with a schedule promulgated by the Corporation under clause (iii).

"(iii) RECAPITALIZATION SCHEDULES.—For purposes of clause (ii)(II), the Corporation shall by regulation promulgate a schedule that specifies, at semiannual intervals, target reserve ratios for the Bank Insurance Fund, culminating by the end of the period determined under clause (iv) in a reserve ratio that is equal to the designated reserve ratio.

"(iv) DATE FOR ACHIEVING DESIGNATED RATIO.—A schedule promulgated under clause (iii) shall provide for achieving the designated reserve ratio by the end of the period beginning on the date on which the schedule becomes effective and ending not later than the earlier of—

"(I) 15 years after that effective date, or

"(II) the number of years (rounded to the nearest whole number) after that effective date, determined as follows:

$$15 \times \left(1 - \frac{\text{reserve ratio}}{\text{designated reserve ratio}} \right)$$

"(v) AMENDING SCHEDULE.—The Corporation may, by regulation, amend a schedule promulgated under clause (iii), but such amendments may not extend the period determined under clause (iv).

"(vi) PROCEDURE FOR EXTENDING SCHEDULE.—If, during the period determined in clause (iv), when the Bank Insurance Fund's reserve ratio is being restored to the designated reserve ratio, the Corporation determines that maintaining assessments at levels sufficient to achieve the designated reserve ratio by the end of that period would significantly increase losses to the fund or would significantly impair the availability of credit, the following procedures shall apply:

"(I) REPORT REQUIRED.—The Corporation shall submit a report to the Congress that—

"(aa) sets forth a revised schedule of semiannual target reserve ratios for that fund, culminating in the achievement of the designated reserve ratio; and

"(bb) provides a detailed justification for the revision.

"(II) REQUIREMENT FOR CONGRESSIONAL CONSIDERATION.—The proposed revised schedule of semiannual target reserve ratios shall not be implemented unless the Congress, not later than 60 calendar days after receiving the report, enacts a joint resolution approving the proposed revision.

"(vii) PROCEDURES FOR EXPEDITED CONGRESSIONAL CONSIDERATION.—

"(I) JOINT RESOLUTION DEFINED.—For purposes of this clause, the term 'joint resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 7(b)(1)(C) of the Federal Deposit Insurance Act, the Corporation may implement revisions to the schedule of semiannual target reserve ratios, culminating in the achievement of the designated reserve ratio for the Bank Insurance Fund, as proposed in the report submitted to the Congress on ________________.', with the blank space being filled with the appropriate date.

"(II) INTRODUCTION.—On the day on which a report is submitted to the House of Representatives and the Senate under clause (vi)(I), a joint resolution with respect to the revised schedule specified in such report shall be introduced (by request) in the House of Representatives by the chairman of the Committee on Banking, Finance and Urban Affairs, for himself and the ranking minority member of the Committee, or by the Members of the House designated by the chairman and ranking minority member; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(III) REFERRAL TO COMMITTEE.—Any joint resolutions introduced in the House of Representatives shall be referred to the appropriate committee and any joint resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(IV) DISCHARGE FROM COMMITTEE.—If the committee of either House to which a joint resolution has been referred has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the joint resolution and of any other joint resolution introduced with respect to the same matter.

"(V) EXPEDITED FLOOR CONSIDERATION.—Any such joint resolution shall be considered in the Senate in accordance with section 601(b) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and enactment of joint resolutions under this subsection, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(VI) JOINT RESOLUTION RECEIVED FROM OTHER HOUSE.—In the case of a joint resolution described in this clause, if, before the passage by one House of a joint resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(aa) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

"(bb) the vote on final passage shall be on the joint resolution of the other House.

"(VII) COMPUTING TIME PERIODS.—In computing the 60-day period referred to in clause (vi)(II) and the 30-day period referred to in subclause (IV), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.

"(viii) SPECIAL ASSESSMENT TO RECOVER LOSSES ON FOREIGN DEPOSITS.—

"(I) IN GENERAL.—If the Corporation makes any payment with respect to foreign deposits, it shall recover the amount of that payment as soon as practicable by imposing special assessments on foreign deposits held by all members of that deposit insurance fund, beginning in the next semiannual period.

"(II) PAYMENT WITH RESPECT TO FOREIGN DEPOSITS DEFINED.—As used in this clause, the term 'payment with respect to foreign deposits' means the amount, as determined by the Corporation in its sole discretion, obtained by—

"(aa) dividing a depository institution's foreign deposits by that institution's total liabilities; and

"(bb) multiplying the resulting quotient by the estimated total loss incurred by the deposit insurance fund with respect to the institution.

"(III) CALCULATION BEFORE JANUARY 1, 1995.—Until January 1, 1995, the calculation under subclause (II)(aa) shall be based on whichever of the following amounts of foreign deposits and total liabilities yields the greater quotient under subclause (II)(aa):

"(aa) The amount of foreign deposits and total liabilities on the date on which a receiver was appointed for the institution or the Corporation initiated assistance under section 13(c) with respect to the institution.

"(bb) The average for the period from the date on which the institution was significantly undercapitalized and first received an advance from a Federal Reserve bank and ending on the date described in item (aa).

"(IV) CALCULATION AFTER JANUARY 1, 1995.—After January 1, 1995, the calculation under subclause (III)(bb) shall be based on the amounts of foreign deposits and total liabilities on the date described in subclause (III)(aa).

"(V) FOREIGN DEPOSITS DEFINED.—For purposes of this clause, the term 'foreign deposit' means any deposit described in subparagraph (A) or (B) of section 3(l)(5).".

SEC. 103. GAO AUDIT OF RECAPITALIZATION SCHEDULE.

Section 17(d)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1827(d)(1)) is amended—

(1) by inserting "(A) FUNDS AUDIT.—" before "The Comptroller General" and appropriately indenting that subparagraph; and

(2) by adding at the end the following:

"(B) RECAPITALIZATION AUDIT.—As part of the audit required by subparagraph (A), the Comptroller General shall perform an audit of the Corporation's compliance with any recapitalization schedule promulgated under section 7(b)(1)(C) that is in effect at the time of the audit.".

SEC. 104. EMERGENCY GUARANTEE.

(a) GUARANTEE AUTHORITY FOR REPAYMENT OF STATE BORROWINGS.—Upon the written request of the State of Rhode Island and the Providence Plantations (hereafter referred to as the "State of Rhode Island") or the Depositors Economic Protection Corporation (hereafter referred to as the "Corporation"), established by the State of Rhode Island, the Secretary of the Treasury (hereafter referred to as the "Secretary") may guarantee the repayment of borrowing by the Corporation in an amount not to exceed $180,000,000, to assist in the repayment of depositors at certain State-chartered banks and credit unions in the State of Rhode Island that are in receivership and that were not federally insured at the time they were placed in receivership.

(b) LIMITATIONS ON GUARANTEE AUTHORITY.—The Secretary may only guarantee Corporation borrowing under this section if the guarantee provided under subsection (a) has no cost to the United States Government, taking into account the guarantee fees assessed and collected under subsection (e).

(c) BORROWING ELIGIBLE FOR GUARANTEE.—The Secretary may guarantee only Corporation borrowing under this section that—

(1) occurs not more than 1 year after the date of enactment of this Act;

(2) will mature not later than 10 years after the date of such borrowing; and

(3) is scheduled to be repaid in equal installments of principal during the last 5 years of the repayment term of such borrowing.

(d) SECURITY AND RATING REQUIREMENTS FOR GUARANTEE.—

(1) IN GENERAL.—The Secretary may not guarantee the repayment of any Corporation borrowing under this section unless the amount of the borrowing for which the guarantee is requested is fully secured—

(A) by the Corporation's grant in favor of the United States, as collateral for such borrowing, of a first mortgage lien on, and prior perfected security interest in, sufficient performing assets held or controlled by the Corporation, and any proceeds from the sale of such assets, so that the appraised market value of such pledged assets is equal to an amount that is not less than 2½ times the principal amount of such borrowing at the time of such borrowing; and

(B) by an irrevocable pledge by the Corporation of any revenue from the State of Rhode Island's sales tax which is dedicated to the Corporation under the laws of the State of Rhode Island in excess of the amount necessary to pay principal and interest on any obligation of the State of Rhode Island or the Corporation issued before the date of enactment of this Act for the purpose described in subsection (a), to the payment of the principal of, and interest on, such borrowing.

(2) INVESTMENT GRADE RATING.—The Secretary may not guarantee the repayment of any Corporation borrowing under this section unless each proposed borrowing has received the highest investment grade rating by a nationally recognized statistical rating organization.

(e) ADDITIONAL TERMS AND CONDITIONS.—In addition to security requirements under subsection (d), the Corporation shall be required to agree to the following terms and conditions in connection with the guarantee by the Secretary provided under this section:

(1) PLEDGE OF CERTAIN INCOME FOR REPAYMENT.—For each fiscal year of the Corporation, all rents, issues, profits, products, proceeds, revenues, and other income (including insurance proceeds and condemnation awards) received by the Corporation from or attributable to the assets pledged to the United States under subsection (d)(1), in excess of the amount necessary to pay the interest or principal and interest on any Corporation borrowings guaranteed under subsection (a) that is payable in such fiscal year, shall be deposited into a sinking fund or defeasance fund maintained by the Corporation irrevocably pledged and dedicated to the repayment of the principal of such guaranteed borrowings in the inverse order of the maturity of such principal installments.

(2) ASSESSMENTS AND COLLECTION.—The Secretary shall assess and collect from the Corporation, in connection with the guarantee provided under subsection (a), not less frequently than annually, a guarantee fee computed daily at a rate that is not less than one-half of 1 percent per year on the outstanding principal amount of the guaranteed borrowing. All funds received by the Secretary in payment of such fees shall be paid into the general fund of the Treasury.

(f) AUTHORITY TO PRESCRIBE ADDITIONAL TERMS AND CONDITIONS.—The Secretary may establish such additional terms and conditions in connection with the provision of a guarantee under this section as the Secretary may deem appropriate.

(g) BUDGET STATUS.—Notwithstanding the emergency need for the guarantee provided under this section, this section is subject to the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Budget Enforcement Act of 1990).

TITLE II—DEPOSIT INSURANCE REFORM

SEC. 201. FULL FAITH AND CREDIT.

Section 1 of the Federal Deposit Insurance Act (12 U.S.C. 1811) is amended to read as follows:

"SECTION 1. ESTABLISHMENT.

"(a) IN GENERAL.—There is hereby created a Federal Deposit Insurance Corporation (hereinafter referred to as the 'Corporation'), which shall insure the deposits of banks and savings associations in accordance with this Act.

"(b) FULL FAITH AND CREDIT OF THE UNITED STATES.—The full faith and credit of the United States is pledged to pay insured deposits under this Act.".

SEC. 202. IMPROVING CAPITAL STANDARDS.

(a) PERIODIC REVIEW OF CAPITAL STANDARDS GENERALLY.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(o) PERIODIC REVIEW OF CAPITAL STANDARDS.—Each Federal banking agency shall, in consultation with the other Federal banking agencies, biennially review its capital standards for insured depository institutions to determine whether those standards require sufficient capital to facilitate prompt corrective action to prevent or minimize loss to the deposit insurance funds, consistent with section 37.".

(b) REVIEW OF RISK-BASED CAPITAL STANDARDS.—

(1) IN GENERAL.—Each Federal banking agency shall revise its risk-based capital standards for insured depository institutions to ensure that those standards take adequate account of—

(A) interest-rate risk;

(B) concentration of credit risk; and

(C) the risks of nontraditional activities.

(2) INTERNATIONAL DISCUSSIONS.—The Federal banking agencies shall discuss the development of comparable standards with members of the supervisory committee of the Bank for International Settlements.

(3) DEADLINE FOR PRESCRIBING REVISED STANDARDS.—Each Federal banking agency shall—

(A) publish final regulations in the Federal Register to implement paragraph (1) not later than 18 months after the date of enactment of this Act; and

(B) establish reasonable transition rules to facilitate compliance with those regulations.

(4) DEFINITIONS.—For purposes of this subsection, the terms "Federal banking agency" and "insured depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

(c) CONFORMING AMENDMENT DEFINING FEDERAL BANKING AGENCIES.—Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) is amended by adding at the end the following:

"(z) FEDERAL BANKING AGENCIES.—The term 'Federal banking agencies' means the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation.".

SEC. 203. ACCOUNTING AND AUDITING REFORM.

(a) ACCOUNTING REFORM.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(p) ACCOUNTING REFORM.—

"(1) OBJECTIVES.—Accounting principles applicable to insured depository institutions should—

"(A) result in financial statements and reports of condition that accurately reflect the economic condition of those institutions; and

"(B) facilitate effective supervision of insured depository institutions, including prompt corrective action to resolve troubled institutions' problems with no loss or minimal loss to the deposit insurance fund.

"(2) IMPROVING ACCOUNTING PRINCIPLES APPLICABLE TO INSURED DEPOSITORY INSTITUTIONS.—The Federal Financial Institutions Coordination Council, in consultation with the Securities and Exchange Commission, shall facilitate the development of accounting principles for insured depository institutions that meet the objectives set forth in paragraph (1).

"(3) STRINGENCY.—Each appropriate Federal banking agency—

"(A) shall prescribe accounting principles applicable to insured depository institutions that are no less conservative than generally accepted accounting principles; and

"(B) may prescribe accounting principles that are more conservative than generally accepted accounting principles as appropriate to facilitate effective supervision of insured depository institutions, including prompt corrective action to resolve troubled institutions' problems with no loss or minimal loss to the deposit insurance fund.".

(b) IMPROVEMENTS IN FINANCIAL MANAGEMENT.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 36. EARLY IDENTIFICATION OF NEEDED IMPROVEMENTS IN FINANCIAL MANAGEMENT.

"(a) ANNUAL REPORT ON FINANCIAL CONDITION AND MANAGEMENT.—

"(1) REPORT REQUIRED.—Each insured depository institution shall annually submit to the Corporation, the appropriate Federal banking agency, and any appropriate State bank supervisor (including any State bank supervisor of a host State) a report that contains—

"(A) the information required to be provided by the institution's management under subsection (b);

"(B) the information required to be provided by an independent public accountant under subsections (c) and (d); and

"(C) such other information as the Corporation and the appropriate Federal banking agency may determine to be necessary to assess the institution's financial condition and management.

"(2) REPORT TO BE PUBLICLY AVAILABLE.—Annual reports required under paragraph (1) shall be made available for public inspection.

"(b) MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS AND INTERNAL CONTROLS.—Each insured depository institution shall prepare—

"(1) annual financial statements in accordance with generally accepted accounting principles and such other disclosure requirements as the Corporation and the appropriate Federal banking agency may prescribe; and

"(2) a report signed by the institution's chief executive officer and chief accounting or financial officer, that—

"(A) states the management's responsibility for—

"(i) preparing financial statements;

"(ii) establishing and maintaining an adequate internal control structure and procedures for financial reporting; and

"(iii) complying with designated safety-and-soundness laws; and

"(B) assesses, as of the end of the institution's most recent fiscal year—

"(i) the effectiveness of such internal control structure and procedures; and

"(ii) the institution's compliance with designated safety-and-soundness laws.

"(c) INTERNAL CONTROL EVALUATION AND REPORTING REQUIREMENTS FOR INDEPENDENT PUBLIC ACCOUNTANTS.—

"(1) IN GENERAL.—An insured depository institution's independent public accountant shall attest to, and report separately on, the assertions of the institution's management contained in the internal control report required under subsection (b)(2).

"(2) ATTESTATION REQUIREMENTS.—Any attestation under paragraph (1) shall be made in accordance with generally accepted standards for attestation engagements.

"(d) ANNUAL INDEPENDENT AUDITS OF FINANCIAL STATEMENTS.—

"(1) AUDITS REQUIRED.—The Corporation, in consultation with the Federal banking agencies, shall prescribe regulations requiring each insured depository institution to have an annual independent audit made of the institution's financial statements by an independent public accountant in accordance with generally accepted auditing standards.

"(2) SCOPE OF AUDIT.—In auditing any insured depository institution under this subsection, an independent public accountant shall determine and report on whether the institution's financial statements—

"(A) are presented fairly in accordance with generally accepted accounting principles; and

"(B) comply with such other disclosure requirements as the Corporation and the appropriate Federal banking agency may prescribe.

"(3) DEPOSITORY INSTITUTION SUBSIDIARIES OF HOLDING COMPANIES.—The requirements for an independent audit under paragraph (1) may be satisfied for an insured depository institution that is a subsidiary of a holding company by an independent audit of the holding company.

"(e) DETECTING AND REPORTING VIOLATIONS OF DESIGNATED SAFETY-AND-SOUNDNESS LAWS.—

"(1) IN GENERAL.—An independent public accountant shall apply procedures agreed upon by the Corporation to determine objectively the extent to which any insured depository institution or depository institution holding company has complied with designated safety-and-soundness laws.

"(2) ATTESTATION REQUIREMENTS.—Any attestation required under paragraph (1) shall be made in accordance with generally accepted standards for attestation engagements.

"(f) FORM AND CONTENT OF REPORTS AND AUDITING STANDARDS.—

"(1) IN GENERAL.—The scope of each report by an independent public accountant under this section, and the procedures followed in preparing such report, shall satisfy generally accepted auditing standards and other applicable standards recognized by the Corporation.

"(2) CONSULTATION.—In implementing this subsection, the Corporation shall consult with the other Federal banking agencies.

"(g) IMPROVED ACCOUNTABILITY.—

"(1) INDEPENDENT AUDIT COMMITTEE.—

"(A) ESTABLISHMENT.—Each insured depository institution shall establish an independent audit committee consisting only of members of the board of directors of the institution who—

"(i) are not officers, employees, or major shareholders of the institution; and

"(ii) meet any additional requirements established by the Corporation.

"(B) DUTIES.—The independent audit committee's duties shall include reviewing with management and the independent public accountant the basis for reports issued and audits made under subsections (b)(2), (c), and (d).

"(C) CRITERIA APPLICABLE TO COMMITTEES OF LARGE INSURED DEPOSITORY INSTITUTIONS.—The audit committee of each insured depository institution that the Corporation determines to be a large institution shall—

"(i) include members with banking or related financial management expertise;

"(ii) have discretion to retain independent legal counsel, at the institution's expense; and

"(iii) not include any large customers of the institution, as determined by the Corporation.

"(2) REVIEW OF QUARTERLY REPORTS OF LARGE INSURED DEPOSITORY INSTITUTIONS.—

"(A) IN GENERAL.—The Corporation may require an independent public accountant retained by any insured depository institution that the Corporation determines is a large institution to conduct a review of the institution's quarterly financial reports in accordance with procedures agreed upon by the Corporation.

"(B) REPORT TO AUDIT COMMITTEE.—The independent public accountant shall provide to the audit committee of the insured depository institution a report on any review conducted under subparagraph (A). The audit committee shall provide copies of any such reports to the Corporation, the appropriate Federal banking agency, and (in the case of a State depository institution) the appropriate State bank supervisor.

"(C) LIMITATION ON NOTICE.—Any reports under subparagraph (B) shall be made only for the information and use of the insured depository institution, the Corporation, the appropriate Federal banking agency, and any State bank supervisor that received the report.

"(3) QUALIFICATIONS OF INDEPENDENT PUBLIC ACCOUNTANTS.—

"(A) IN GENERAL.—No insured depository institution shall retain an independent public accountant to perform services under this section unless the independent public accountant—

"(i) has agreed to provide related working papers, policies, and procedures to the Corporation, the appropriate Federal banking agency, and (in the case of a State depository institution) the appropriate State bank supervisor, if requested; and

"(ii) has received a peer review that meets guidelines acceptable to the Corporation.

"(B) REPORTS ON PEER REVIEWS.—Reports on peer reviews shall be filed with the Corporation and made available for public inspection.

"(4) ENFORCEMENT ACTIONS.—

"(A) IN GENERAL.—In addition to any authority contained in section 8, the Corporation or an appropriate Federal banking agency may, upon a showing of good cause, remove, suspend, or bar an independent public accountant from performing audit services under this section.

"(B) JOINT RULEMAKING.—The Federal banking agencies shall jointly issue rules of practice to implement this paragraph.

"(5) NOTICE IF ACCOUNTANT'S SERVICES TERMINATE.—An independent public accountant who ceases to perform services for an insured depository institution under this section shall promptly notify the Corporation in accordance with such rules as the Corporation shall prescribe.

"(h) EXCHANGE OF REPORTS AND INFORMATION.—

"(1) REPORT TO THE INDEPENDENT AUDITOR.—

"(A) IN GENERAL.—Each insured depository institution that has retained an independent auditor to conduct an audit of the institution under this section shall provide the auditor a copy of the institution's most recent report of condition and most recent report of examination.

"(B) ADDITIONAL INFORMATION.—In addition to the copies of the reports required to be provided under paragraph (1), each insured depository institution shall provide the auditor with—

"(i) a copy of any supervisory memorandum of understanding with the institution and any written agreement between the institution and any appropriate Federal banking agency or any appropriate State supervisor which is in effect during the period covered by the audit; and

"(ii) a report of—

"(I) any action initiated or taken by the appropriate Federal banking agency or the Corporation during such period under subsection (a), (b), (c), (e), (g), (i), (s), or (t) of section 8;

"(II) any action taken by any appropriate State bank supervisor under State law which is similar to any action referred to in subclause (I); or

"(III) any assessment of a civil money penalty under any other provision of law with respect to the institution or any institution-affiliated party.

"(2) REPORTS TO BANKING AGENCIES.—

"(A) INDEPENDENT AUDITOR REPORTS.—Each insured depository institution shall provide to the Corporation, the appropriate Federal banking agency, and (in the case of a State depository institution) the appropriate State bank supervisor, a copy of each audit report and any qualification to such report, any management letter, and any other report not more than 15 days after receiving any such report, qualification, or letter from the institution's independent auditors.

"(B) NOTICE OF CHANGE OF AUDITOR.—Each insured depository institution shall notify the Corporation, the appropriate Federal banking agency, and (in the case of a State depository institution) the appropriate State bank supervisor if the institution's independent auditor resigns or is dismissed, or if the institution engages a new independent auditor. Such notice shall—

"(i) state the reasons for the change; and

"(ii) be provided not more than 15 calendar days after the change occurs.

"(i) REQUIREMENTS FOR INSURED SUBSIDIARIES OF HOLDING COMPANIES.—Any insured depository institution that is a subsidiary of a holding company may satisfy the requirements of this section, other than any audit requirements established under subsection (d), if—

"(1) services and functions comparable to those required under this section are provided at the holding company level; and

"(2) either—

"(A) the institution's total assets, at the beginning of the fiscal year, are less than $5,000,000,000; or

"(B) the institution—

"(i) had total assets, at the beginning of the fiscal year, of not less than $5,000,000,000, nor more than $9,000,000,000; and

"(ii) when most recently examined by the Corporation or the appropriate Federal banking agency, had a CAMEL composite rating of 1 or 2 under the Uniform Financial Institutions Rating System (or an equivalent rating under a comparable rating system).

"(j) EXEMPTION FOR SMALL DEPOSITORY INSTITUTIONS.—If an insured depository institution's total assets at the beginning of a fiscal year do not exceed the greater of $150,000,000 or such amount (exceeding $150,000,000) as the Corporation may prescribe by regulation, this section shall not apply with respect to that institution during that fiscal year.

"(k) DESIGNATED SAFETY-AND-SOUNDNESS LAWS DEFINED.—For purposes of this section, the term 'designated safety-and-soundness laws' means statutes and regulations relating to safety and soundness that are designated under this section by the Corporation or the appropriate Federal banking agency.".

(c) EFFECTIVE DATE.—The requirements established by the amendment made by subsection (b) shall apply with respect to fiscal years of insured depository institutions that begin after December 31, 1992.

SEC. 204. ANNUAL EXAMINATIONS.

(a) IN GENERAL.—Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by inserting after subsection (c) the following new subsection:

"(d) ANNUAL ON-SITE EXAMINATIONS OF ALL INSURED DEPOSITORY INSTITUTIONS REQUIRED.—

"(1) IN GENERAL.—The appropriate Federal banking agency shall, not less than once during each 12-month period, conduct a full-scope, on-site examination of each insured depository institution.

"(2) EXAMINATIONS BY CORPORATION.—Paragraph (1) shall not apply during any 12-month period in which the Corporation has conducted a full-scope, on-site examination of the insured depository institution.

"(3) STATE EXAMINATIONS ACCEPTABLE.—The examinations required by paragraph (1) may be conducted in alternate 12-month periods, as appropriate, if the appropriate Federal banking agency determines that an examination of the insured depository institution conducted by the State during the intervening 12-month period carries out the purpose of this subsection.

"(4) 18-MONTH RULE FOR CERTAIN SMALL INSTITUTIONS.—Paragraphs (1), (2), and (3) shall apply with '18-month' substituted for '12-month' if—

"(A) the insured depository institution has total assets of less than $100,000,000;

"(B) the institution is well capitalized, as defined in section 37;

"(C) when the institution was most recently examined, it was found to be well managed, and its composite condition was found to be outstanding; and

"(D) no person acquired control of the institution during the 12-month period in which a full-scope, on-site examination would be required but for this paragraph.

"(5) CERTAIN GOVERNMENT-CONTROLLED INSTITUTIONS EXEMPTED.—Paragraph (1) does not apply to—

"(A) any institution for which the Corporation is conservator; or

"(B) any bridge bank none of the voting securities of which is owned by a person or agency other than the Corporation.

"(6) CONSUMER COMPLIANCE EXAMINATIONS EXCLUDED.—For purposes of this subsection, the term 'full-scope, on-site examination' does not include a consumer compliance examination, as defined in section 41(b).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 1 year after the date of enactment of this Act.

(c) TRANSITION RULE.—Notwithstanding section 10(d) of the Federal Deposit Insurance Act (as added by subsection (a)), during the period beginning on the date of enactment of this Act and ending on December 31, 1993, a full-scope, on-site examination of an insured depository institution is not required more often than once during every 18-month period, unless—

(1) the institution, when most recently examined, was found to be in a less than satisfactory condition; or

(2) 1 or more persons acquired control of the institution.

SEC. 205. PROMPT CORRECTIVE ACTION.

(a) ESTABLISHING SYSTEM OF PROMPT CORRECTIVE ACTION.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 37. PROMPT CORRECTIVE ACTION.

"(a) RESOLVING PROBLEMS TO PROTECT DEPOSIT INSURANCE FUNDS.—

"(1) PURPOSE.—The purpose of this section is to resolve the problems of insured depository institutions—

"(A) with no loss or minimal loss to the deposit insurance fund; and

"(B) when loss cannot be avoided, at the least possible long-term loss to the deposit insurance fund.

"(2) PROMPT CORRECTIVE ACTION REQUIRED.—Each appropriate Federal banking agency shall carry out the purpose of this section by taking prompt corrective action to resolve the problems of insured depository institutions.

"(b) DEFINITIONS.—For purposes of this section:

"(1) CAPITAL CATEGORIES.—

"(A) WELL CAPITALIZED.—An insured depository institution is 'well capitalized' if it significantly exceeds the required minimum level for each relevant capital measure.

"(B) ADEQUATELY CAPITALIZED.—An insured depository institution is 'adequately capitalized' if it meets the required minimum level for each relevant capital measure.

"(C) UNDERCAPITALIZED.—An insured depository institution is 'undercapitalized' if it fails to meet the required minimum level for any relevant capital measure.

"(D) SIGNIFICANTLY UNDERCAPITALIZED.—An insured depository institution is 'significantly undercapitalized' if it is significantly below the required minimum level for any relevant capital measure.

"(E) CRITICALLY UNDERCAPITALIZED.—An insured depository institution is 'critically undercapitalized' if it fails to meet any level specified under subsection (c)(3)(A).

"(2) OTHER DEFINITIONS.—

"(A) AVERAGE.—

"(i) IN GENERAL.—The 'average' of an accounting item (such as total assets or tangible equity) during a given period means the sum of that item at the close of business on each business day during that period divided by the total number of business days in that period.

"(ii) AGENCY MAY PERMIT WEEKLY AVERAGING FOR CERTAIN INSTITUTIONS.—In the case of insured depository institutions that have total assets of less than $300,000,000 and normally file reports of condition reflecting weekly (rather than daily) averages of accounting items, the appropriate Federal banking agency may provide that the 'average' of an accounting item during a given period means the sum of that item at the close of business on the relevant business day each week during that period divided by the total number of weeks in that period.

"(B) CAPITAL DISTRIBUTION.—The term 'capital distribution' means—

"(i) a distribution of cash or other property by any insured depository institution or company to its owners made on account of that ownership, but not including—

"(I) any dividend consisting only of shares of the institution or company or rights to purchase such shares; or

"(II) any amount paid on the deposits of a mutual or cooperative institution that the appropriate Federal banking agency determines is not a distribution for purposes of this section;

"(ii) a payment by an insured depository institution or company to repurchase, redeem, retire, or otherwise acquire any of its shares or other ownership interests, including any extension of credit by the insured depository institution to finance an affiliated company's acquisition of those shares or interests; or

"(iii) a transaction that the appropriate Federal banking agency determines, by order or regulation, to be in substance a distribution of capital to the owners of the insured depository institution or company.

"(C) CAPITAL RESTORATION PLAN.—The term 'capital restoration plan' means a plan submitted under subsection (e)(2).

"(D) COMPANY.—The term 'company' has the same meaning as in section 2 of the Bank Holding Company Act of 1956.

"(E) COMPENSATION.—The term 'compensation' includes any payment of money or provision of any other thing of value in consideration of employment.

"(F) RELEVANT CAPITAL MEASURE.—The term 'relevant capital measure' means the measures described in subsection (c).

"(G) REQUIRED MINIMUM LEVEL.—The term 'required minimum level' means, with respect to each relevant capital measure, the minimum acceptable capital level specified by the appropriate Federal banking agency by regulation.

"(H) SENIOR EXECUTIVE OFFICER.—The term 'senior executive officer' has the same meaning as the term 'executive officer' in section 22(h) of the Federal Reserve Act.

"(I) SUBORDINATED DEBT.—The term 'subordinated debt' means debt subordinated to the claims of general creditors.

"(c) CAPITAL STANDARDS.—

"(1) RELEVANT CAPITAL MEASURES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B)(ii), the capital standards prescribed by each appropriate Federal banking agency shall include—

"(i) a leverage limit; and

"(ii) a risk-based capital requirement.

"(B) OTHER CAPITAL MEASURES.—An appropriate Federal banking agency may, by regulation—

"(i) establish any additional relevant capital measures to carry out the purpose of this section; or

"(ii) rescind any relevant capital measure required under subparagraph (A) upon determining (with the concurrence of the other Federal banking agencies) that the measure is no longer an appropriate means for carrying out the purpose of this section.

"(2) CAPITAL CATEGORIES GENERALLY.—Each Federal banking agency shall, by regulation, specify for each relevant capital measure the levels at which an insured depository institution is well capitalized, adequately capitalized, undercapitalized, and significantly undercapitalized.

"(3) CRITICAL CAPITAL.—

"(A) AGENCY TO SPECIFY LEVEL.—

"(i) LEVERAGE LIMIT.—Each Federal banking agency shall, by regulation, specify the ratio of tangible equity to total assets at which an insured depository institution is critically undercapitalized.

"(ii) OTHER RELEVANT CAPITAL MEASURES.—The agency may, by regulation, specify for 1 or more other relevant capital measures, the level at which an insured depository institution is critically undercapitalized.

"(B) CRITERIA FOR SPECIFYING LEVEL.—

"(i) IN GENERAL.—The level specified under subparagraph (A)(i) shall be high enough so that the problems of insured depository institutions can be resolved with no loss or minimal loss to the deposit insurance fund by carrying out subsection (h) when the institution's capital falls below that level.

"(ii) LIMITS.—The level specified under subparagraph (A)(i) shall require tangible equity in an amount—

"(I) not less than 2 percent of total assets; and

"(II) except as provided in subclause (I), not more than 65 percent of the required minimum level of capital under the leverage limit.

"(C) FDIC'S CONCURRENCE REQUIRED.—The appropriate Federal banking agency shall not, without the concurrence of the Corporation, specify a level under subparagraph (A)(i) lower than that specified by the Corporation for State nonmember insured banks.

"(d) PROVISIONS APPLICABLE TO ALL INSTITUTIONS.—

"(1) CAPITAL DISTRIBUTIONS RESTRICTED.—An insured depository institution shall make no capital distribution if, after making the distribution, the institution would be undercapitalized.

"(2) MANAGEMENT FEES RESTRICTED.—An insured depository institution shall pay no management fee to any person having control of that institution if, after making the payment, the institution would be undercapitalized.

"(e) PROVISIONS APPLICABLE TO UNDERCAPITALIZED INSTITUTIONS.—

"(1) MONITORING REQUIRED.—Each appropriate Federal banking agency shall—

"(A) closely monitor the condition of any undercapitalized insured depository institution;

"(B) closely monitor compliance with capital restoration plans, restrictions, and requirements imposed under this section; and

"(C) periodically review the plan, restrictions, and requirements applicable to any undercapitalized insured depository institution to determine whether the plan, restrictions, and requirements are achieving the purpose of this section.

"(2) CAPITAL RESTORATION PLAN REQUIRED.—

"(A) IN GENERAL.—Any undercapitalized insured depository institution shall submit an acceptable capital restoration plan to the appropriate Federal banking agency within the time allowed by the agency under subparagraph (D).

"(B) CONTENTS OF PLAN.—The capital restoration plan shall—

"(i) specify—

"(I) the steps the insured depository institution will take to become adequately capitalized;

"(II) the levels of capital to be attained during each year in which the plan will be in effect;

"(III) how the institution will comply with the restrictions or requirements then in effect under this section; and

"(IV) the types and levels of activities in which the institution will engage; and

"(ii) contain such other information as the appropriate Federal banking agency may require.

"(C) CRITERIA FOR ACCEPTING PLAN.—The appropriate Federal banking agency shall not accept a capital restoration plan unless the agency determines that—

"(i) the plan—

"(I) complies with subparagraph (B);

"(II) is based on realistic assumptions, and is likely to succeed in restoring the institution's capital; and

"(III) would not appreciably increase the risk (including credit risk, interest-rate risk, and other types of risk) to which the institution is exposed; and

"(ii) if the insured depository institution is undercapitalized, each company having control of the institution has—

"(I) guaranteed that the institution will comply with the plan until the institution has been adequately capitalized on average during each of 4 consecutive calendar quarters; and

"(II) provided appropriate assurances of performance.

"(D) DEADLINES FOR SUBMISSION AND REVIEW OF PLANS.—The appropriate Federal banking agency shall by regulation establish deadlines that—

"(i) provide insured depository institutions with reasonable time to submit capital restoration plans, and generally require an institution to submit a plan not later than 30 days after the institution becomes undercapitalized; and

"(ii) require the agency to act on capital restoration plans expeditiously, and generally not later than 30 days after the plan is submitted.

"(E) GUARANTEE LIABILITY LIMITED.—

"(i) IN GENERAL.—The aggregate liability under subparagraph (C)(ii) of all companies having control of an insured depository institution shall not exceed an amount equal to 5 percent of the institution's total assets at the time the institution became undercapitalized.

"(ii) CERTAIN AFFILIATES NOT AFFECTED.—This paragraph does not require—

"(I) any company not having control of an undercapitalized insured depository institution to guarantee, or otherwise be liable on, a capital restoration plan; or

"(II) any person other than an insured depository institution to submit a capital restoration plan.

"(3) ASSET GROWTH RESTRICTED.—An undercapitalized insured depository institution shall not permit its average total assets during any calendar quarter to exceed its average total assets during the preceding calendar quarter unless—

"(A) the appropriate Federal banking agency has accepted the institution's capital restoration plan;

"(B) any increase in total assets is consistent with the plan; and

"(C) the institution's ratio of tangible equity to assets increases during the calendar quarter at a rate sufficient to enable the institution to become adequately capitalized within a reasonable time.

"(4) PRIOR APPROVAL REQUIRED FOR ACQUISITIONS, BRANCHING, AND NEW LINES OF BUSINESS.—An insured depository institution that is undercapitalized shall not, directly or indirectly, acquire any interest in any company or insured depository institution, establish or acquire any additional branch offices, or engage in any new line of business unless—

"(A) the appropriate Federal banking agency has accepted the insured depository institution's capital restoration plan, the institution is implementing the plan, and the agency determines that the proposed action is consistent with and will further the achievement of the plan; or

"(B) the Board of Directors determines, upon a vote of three-fourths of all members, that the proposed action will further the purpose of this section.

"(5) DISCRETIONARY SAFEGUARDS.—The appropriate Federal banking agency may, with respect to any undercapitalized insured depository institution, take actions described in any subparagraph of subsection (f)(2) if the agency determines that those actions are necessary to carry out the purpose of this section.

"(f) PROVISIONS APPLICABLE TO SIGNIFICANTLY UNDERCAPITALIZED INSTITUTIONS AND UNDERCAPITALIZED INSTITUTIONS THAT FAIL TO SUBMIT AND IMPLEMENT CAPITAL RESTORATION PLANS.—

"(1) IN GENERAL.—This subsection shall apply with respect to any insured depository institution that—

"(A) is significantly undercapitalized; or

"(B) is undercapitalized and—

"(i) fails to submit an acceptable capital restoration plan within the time allowed by the appropriate Federal banking agency under subsection (e)(2)(D); or

"(ii) fails in any material respect to implement a plan accepted by the agency.

"(2) SPECIFIC ACTIONS AUTHORIZED.—The appropriate Federal banking agency shall carry out this section by taking 1 or more of the following actions:

"(A) REQUIRING SALE OF SHARES OR OBLIGATIONS.—

"(i) Requiring the institution to sell enough shares or obligations of the institution so that the institution will be adequately capitalized after the sale.

"(ii) Further requiring that instruments sold under clause (i) be voting shares.

"(B) RESTRICTING TRANSACTIONS WITH AFFILIATES.—

"(i) Requiring the institution to comply with section 23A of the Federal Reserve Act as if subsection (d)(1) of that section (exempting transactions with certain affiliated institutions) did not apply.

"(ii) Further restricting the institution's transactions with affiliates.

"(C) RESTRICTING INTEREST RATES PAID.—

"(i) IN GENERAL.—Restricting the interest rates that the institution pays on deposits to the prevailing rates of interest on deposits of comparable amounts and maturities in the region where the institution is located, as determined by the agency.

"(ii) RETROACTIVE RESTRICTIONS PROHIBITED.—This subparagraph does not authorize the agency to restrict interest rates paid on time deposits made before (and not renewed or renegotiated after) the agency acted under this subparagraph.

"(D) RESTRICTING ASSET GROWTH.—Restricting the institution's asset growth more stringently than subsection (e)(3), or requiring the institution to reduce its total assets.

"(E) RESTRICTING ACTIVITIES.—Requiring the institution or any of its subsidiaries to alter, reduce, or terminate any activity that the agency determines poses excessive risk to the institution.

"(F) IMPROVING MANAGEMENT.—Doing 1 or more of the following:

"(i) NEW ELECTION OF DIRECTORS.—Ordering a new election for the institution's board of directors.

"(ii) DISMISSING DIRECTORS OR SENIOR EXECUTIVE OFFICERS.—Requiring the institution to dismiss from office any director or senior executive officer who had held office for more than 180 days immediately before the institution became undercapitalized. Dismissal under this clause shall not be construed to be a removal under section 8.

"(iii) EMPLOYING QUALIFIED SENIOR EXECUTIVE OFFICERS.—Requiring the institution to employ qualified senior executive officers (who, if the agency so specifies, shall be subject to approval by the agency).

"(G) REQUIRING CHANGE OF AUDITOR.—Requiring the institution to retain a new independent auditor.

"(H) REQUIRING PRIOR APPROVAL FOR CAPITAL DISTRIBUTIONS BY BANK HOLDING COMPANY.—Prohibiting any bank holding company having control of the insured depository institution from making any capital distribution without the prior approval of the Board of Governors of the Federal Reserve System.

"(I) REQUIRING DIVESTITURE.—Doing one or more of the following:

"(i) DIVESTITURE BY THE INSTITUTION.—Requiring the institution to divest itself of or liquidate any subsidiary if the appropriate Federal banking agency for that company determines *that the subsidiary is in danger of becoming insolvent and poses a significant risk to the institution, or is likely to cause a significant dissipation of the institution's assets or earnings.*

"(ii) DIVESTITURE BY PARENT COMPANY OF NONDEPOSITORY AFFILIATE.—Requiring any company that controls the institution to divest itself of or liquidate any affiliate other than an insured depository institution if the appropriate Federal banking agency for that company determines that the affiliate is in danger of becoming insolvent and poses a significant risk to the institution, or is likely to cause a significant dissipation of the institution's assets or earnings.

"(iii) DIVESTITURE OF INSTITUTION.—Requiring any company that controls the institution to divest itself of the institution if the appropriate Federal banking agency for that company determines that divestiture would improve the institution's financial condition and future prospects.

"(J) REQUIRING OTHER ACTION.—Requiring the institution to take any other action that the agency determines will better carry out the purpose of this section than any of the actions described in this paragraph.

"(3) PRESUMPTION IN FAVOR OF CERTAIN ACTIONS.—In complying with paragraph (2), the agency shall take the actions described in subparagraphs (A)(i) (relating to requiring the sale of shares or obligations), (B)(i) (relating to restricting transactions with affiliates), and (C) (relating to restricting interest rates) of paragraph (2), unless the agency determines that such action would not further the purpose of this section.

"(4) SENIOR EXECUTIVE OFFICERS' COMPENSATION RESTRICTED.—

"(A) IN GENERAL.—The insured depository institution shall not do any of the following without the prior written approval of the appropriate Federal banking agency:

"(i) Pay any bonus to any senior executive officer.

"(ii) Provide compensation to any senior executive officer at a rate exceeding that officer's average rate of compensation (excluding bonuses, stock options, and profit-sharing) during the 12 calendar months preceding the calendar month in which the institution ceased to comply with capital standards.

"(B) FAILING TO SUBMIT PLAN.—The appropriate Federal banking agency shall not grant any approval under subparagraph (A) with respect to an institution that has failed to submit an acceptable capital restoration plan.

"(5) DISCRETION TO IMPOSE CERTAIN ADDITIONAL RESTRICTIONS.—The agency may impose 1 or more of the restrictions prescribed by regulation under subsection (i) if the agency determines that those restrictions are necessary to carry out the purpose of this section.

"(g) MORE STRINGENT TREATMENT BASED ON OTHER SUPERVISORY CRITERIA.—

"(1) IN GENERAL.—If the appropriate Federal banking agency determines (after notice and an opportunity for hearing) that an insured depository institution is in an unsafe or unsound condition or, pursuant to section 8(b)(8), deems the institution to be engaging in an unsafe or unsound practice, the agency may—

"(A) if the institution is well capitalized, reclassify the institution as adequately capitalized;

"(B) if the institution is adequately capitalized, require the institution to comply with 1 or more provisions of subsections (d) and (e), as if the institution were undercapitalized; or

"(C) if the institution is undercapitalized, take any action authorized under subsection (f)(2) as if the institution were significantly undercapitalized.

"(2) CONTENTS OF PLAN.—Any plan required under paragraph (1) shall specify the steps that the insured depository institution will take to correct the unsafe or unsound condition or practice. Capital restoration plans shall not be required under paragraph (1)(B).

"(h) PROVISIONS APPLICABLE TO CRITICALLY UNDERCAPITALIZED INSTITUTIONS.—

"(1) ACTIVITIES RESTRICTED.—Any critically undercapitalized insured depository institution shall comply with restrictions prescribed by the appropriate Federal banking agency under subsection (i).

"(2) PAYMENTS ON SUBORDINATED DEBT PROHIBITED.—

"(A) IN GENERAL.—A critically undercapitalized insured depository institution shall not, beginning 30 days after becoming critically undercapitalized, make any payment of principal or interest on the institution's subordinated debt.

"(B) EXCEPTIONS.—The Corporation may make exceptions to subparagraph (A) if—

"(i) the appropriate Federal banking agency has taken action with respect to the insured depository institution under paragraph (3)(A)(ii); and

"(ii) the Corporation determines that the exception would further the purpose of this section.

"(C) LIMITED EXEMPTION FOR CERTAIN SUBORDINATED DEBT.—Until July 15, 1996, subparagraph (A) shall not apply with respect to any subordinated debt outstanding on July 15, 1991, and not extended or otherwise renegotiated after July 15, 1991.

"(D) ACCRUAL OF INTEREST.—Subparagraph (A) does not prevent unpaid interest from accruing on subordinated debt under the terms of that debt, to the extent otherwise permitted by law.

"(3) CONSERVATORSHIP, RECEIVERSHIP, OR OTHER ACTION REQUIRED.—

"(A) IN GENERAL.—The appropriate Federal banking agency shall, not later than 30 days after an insured depository institution becomes critically undercapitalized—

"(i) appoint a receiver (or, with the concurrence of the Corporation, a conservator) for the institution; or

"(ii) take such other action as the agency determines, with the concurrence of the Corporation, would better achieve the purpose of this section, after documenting why the action would better achieve that purpose.

"(B) REVIEW OF OTHER ACTION.—If a conservator or receiver is not appointed for the insured depository institution, the agency shall review its action under subparagraph (A)(ii) not less often than every 90 days and determine (with the concurrence of the Corporation) whether that action better achieves the purpose of this section than the appointment of a conservator or receiver.

"(C) APPOINTMENT OF RECEIVER REQUIRED IF OTHER ACTION FAILS TO RESTORE CAPITAL.—

"(i) IN GENERAL.—Notwithstanding subparagraphs (A) and (B), the appropriate Federal banking agency shall appoint a receiver for the insured depository institution if the institution is critically undercapitalized on average during the calendar quarter beginning 270 days after the date on which the institution became critically undercapitalized.

"(ii) EXCEPTION.—Clause (i) does not require the appropriate Federal banking agency to appoint a receiver for an insured depository institution if—

"(I) on average during the calendar quarter described in clause (i), the institution has tangible equity in an amount not less than 80 percent of the level specified under subsection (c)(3)(A)(i);

"(II) the institution had significant operating earnings during that calendar quarter and the preceding calendar quarter;

"(III) the institution has made significant progress in correcting other deficiencies; and

"(IV) the Corporation determines that the appointment of a receiver would not further the purpose of this section.

"(i) RESTRICTING ACTIVITIES OF CRITICALLY UNDERCAPITALIZED INSTITUTIONS.—To carry out the purpose of this section, each appropriate Federal banking agency shall, by regulation or order—

"(1) restrict the activities of any critically undercapitalized insured depository institution; and

"(2) at a minimum, prohibit any such institution from doing any of the following without the appropriate Federal banking agency's prior written approval:

"(A) Entering into any material transaction other than in the usual course of business, including any investment, expansion, acquisition, sale of assets, or other similar action with respect to which the depository institution is required to provide notice to the appropriate Federal banking agency.

"(B) Extending credit for any highly leveraged transaction.

"(C) Amending the institution's charter or bylaws, except to the extent necessary to carry out any other requirement of any law, regulation, or order.

"(D) Making any material change in accounting methods.

"(E) Engaging in any covered transaction (as defined in section 23A(b) of the Federal Reserve Act).

"(F) Paying excessive compensation or bonuses.

"(G) Paying interest on new or renewed liabilities at a rate that would increase the institution's weighted average cost of funds.

"(j) CERTAIN GOVERNMENT-CONTROLLED INSTITUTIONS EXEMPTED.—Subsections (e) through (i) (other than paragraph (3) of subsection (e)) shall not apply—

"(1) to an insured depository institution for which the Corporation or the Resolution Trust Corporation is conservator; or

"(2) to a bridge bank, none of the voting securities of which are owned by a person or agency other than the Corporation.

"(k) REVIEW REQUIRED WHEN DEPOSIT INSURANCE FUND INCURS MATERIAL LOSS.—

"(1) IN GENERAL.—If a deposit insurance fund incurs a material loss with respect to an insured depository institution on or after July 1, 1993, the inspector general of the appropriate Federal banking agency shall—

"(A) make a written report to that agency reviewing the agency's supervision of the institution (including the agency's implementation of this section), which shall—

"(i) ascertain why the institution's problems resulted in a material loss to the deposit insurance fund; and

"(ii) make recommendations for preventing any such loss in the future; and

"(B) provide a copy of the report to—

"(i) the Comptroller General of the United States;

"(ii) the Corporation (if the agency is not the Corporation);

"(iii) in the case of a State depository institution, the appropriate State banking supervisor; and

"(iv) upon request by any Member of Congress, to that Member.

"(2) MATERIAL LOSS INCURRED.—For purposes of this subsection:

"(A) LOSS INCURRED.—A deposit insurance fund incurs a loss with respect to an insured depository institution—

"(i) if the Corporation provides any assistance under section 13(c) with respect to that institution; and—

"(I) it is not substantially certain that the assistance will be fully repaid not later than 24 months after the date on which the Corporation initiated the assistance; or

"(II) the institution ceases to repay the assistance in accordance with its terms; or

"(ii) if the Corporation is appointed receiver of the institution, and it is or becomes apparent that the present value of the deposit insurance fund's outlays with respect to that institution will exceed the present value of receivership dividends or other payments on the claims held by the Corporation.

"(B) MATERIAL LOSS.—A loss is material if it exceeds the greater of—

"(i) $25,000,000; or

"(ii) 2 percent of the institution's total assets at the time the Corporation initiated assistance under section 13(c) or was appointed receiver.

"(3) DEADLINE FOR REPORT.—The inspector general of the appropriate Federal banking agency shall comply with paragraph (1) expeditiously, and in any event (except with respect to paragraph (1)(B)(iv)) as follows:

"(A) If the institution is described in paragraph (2)(A)(i), during the 6-month period beginning on the earlier of—

"(i) the date on which the institution ceases to repay assistance under section 13(c) in accordance with its terms, or

"(ii) the date on which it becomes apparent that the assistance will not be fully repaid during the 24-month period described in paragraph (2)(A)(i).

"(B) If the institution is described in paragraph (2)(A)(ii), during the 6-month period beginning on the date on which it becomes apparent that the present value of the deposit insurance fund's outlays with respect to that institution will exceed the present value of receivership dividends or other payments on the claims held by the Corporation.

"(4) PUBLIC DISCLOSURE REQUIRED.—

"(A) IN GENERAL.—The appropriate Federal banking agency shall disclose the report upon request under section 552 of title 5, United States Code, without excising—

"(i) any portion under section 552(b)(5); or

"(ii) any information about the insured depository institution under paragraph (4) (other than trade secrets) or paragraph (8) of section 552(b).

"(B) EXCEPTION.—Subparagraph (A) does not require the agency to disclose the name of any customer of the insured depository institution (other than an institution-affiliated party), or information from which such a person's identity could reasonably be ascertained.

"(5) GAO REVIEW.—The General Accounting Office shall annually—

"(A) review reports made under paragraph (1) and recommend improvements in the supervision of insured depository institutions (including the implementation of this section); and

"(B) verify the accuracy of 1 or more of those reports.

"(6) TRANSITION RULE.—During the period beginning on July 1, 1993, and ending on June 30, 1997, a loss incurred by the Corporation with respect to an insured depository institution—

"(A) with respect to which the Corporation initiates assistance under section 13(c) during the period in question, or

"(B) for which the Corporation was appointed receiver during the period in question,

is material for purposes of this subsection only if that loss exceeds the greater of $25,000,000 or the applicable percentage of the institution's total assets at that time, set forth in the following table:

"For the following period:	**The applicable percentage is:**
July 1, 1993–June 30, 1994	7 percent
July 1, 1994–June 30, 1995	5 percent
July 1, 1995–June 30, 1996	4 percent
July 1, 1996–June 30, 1997	3 percent.

"(l) IMPLEMENTATION.—

"(1) REGULATIONS AND OTHER ACTIONS.—Each appropriate Federal banking agency shall prescribe such regulations (in consultation with the other Federal banking agencies), issue such orders, and take such other actions as are necessary to carry out this section.

"(2) WRITTEN DETERMINATION AND CONCURRENCE REQUIRED.—Any determination or concurrence by a Federal banking agency required under this section shall be written.

"(m) OTHER AUTHORITY NOT AFFECTED.—This section does not limit the authority of any Federal banking agency or a State to take action in addition to (but not in derogation of) that required under this section.

"(n) JUDICIAL REVIEW.—

"(1) JURISDICTION AND VENUE.—

"(A) FILING OF PETITION.—A person aggrieved by an action of an appropriate Federal banking agency under this section may obtain review of that action by filing, not later than 10 days after receiving notice of the agency action, a written petition requesting that the action be modified, terminated, or set aside.

"(B) PLACE FOR FILING.—A petition filed pursuant to this subsection shall be filed in the United States Court of Appeals for the District of Columbia Circuit or the United States court of appeals for the circuit containing the home office of the insured depository institution whose condition is the basis for the agency action.

"(2) PERSON AGGRIEVED DEFINED.—For purposes of this subsection, a 'person aggrieved' by the action of an appropriate Federal banking agency under this section—

"(A) in the case of an action taken under this section with respect to an insured depository institution or company having control of such an institution, means the institution or company and any company having control of that institution or company; and

"(B) in the case of an order under this section requiring an insured depository institution to dismiss a director or senior executive officer, includes the person dismissed.

"(3) SCOPE OF REVIEW.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), action taken by an appropriate Federal banking agency under this section shall be modified, terminated, or set aside only if the court finds on the record on which the agency acted that the agency's action was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(B) ALTERNATIVE REVIEW OF CERTAIN AGENCY ACTIONS.—This subsection does not prohibit a person aggrieved by an order of an appropriate Federal banking agency appointing a conservator or receiver for an insured depository institution from pursuing any judicial review of the order that is otherwise available.

"(4) EXPEDITED REVIEW REQUIRED.—The United States courts of appeals shall expedite the review of petitions complaining of agency action under this section.

"(5) INJUNCTIVE RELIEF NOT AVAILABLE.—The commencement of proceedings for judicial review under this subsection shall not operate as a stay of any action taken by the appropriate Federal banking agency. No court shall have jurisdiction to stay, enjoin, or otherwise delay agency action taken under this section.

"(6) JURISDICTION WITHDRAWN.—Except as provided in this subsection, no court shall have jurisdiction over action taken by an appropriate Federal banking agency under this section.

"(o) TRANSITION RULES FOR SAVINGS ASSOCIATIONS.—

"(1) RTC'S ROLE DOES NOT DIMINISH CARE REQUIRED OF OTS.—

"(A) IN GENERAL.—In implementing this section, the appropriate Federal banking agency (and, to the extent applicable, the Corporation) shall exercise the same care as if the Savings Association Insurance Fund (rather than the Resolution Trust Corporation) bore the cost of resolving the problems of insured savings associations described in clauses (i) and (ii)(II) of section 21A(b)(3)(A) of the Federal Home Loan Bank Act.

"(B) REPORTS.—Subparagraph (A) does not require reports under subsection (k).

"(2) NEW CAPITAL PLAN NOT REQUIRED FOR CERTAIN SAVINGS ASSOCIATIONS.—Subsections (e)(2) and (f) shall not apply before July 1, 1994, to any insured savings association if—

"(A) before the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991—

"(i) the savings association had submitted a plan meeting the requirements of section 5(t)(6)(A)(ii) of the Home Owners' Loan Act; and

"(ii) the Director of the Office of Thrift Supervision had accepted the plan;

"(B) the plan remains in effect; and

"(C) the savings association remains in compliance with the plan.".

(b) DEADLINE FOR REGULATIONS.—Each appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) shall, after notice and opportunity for comment, promulgate final regulations under section 37 of the Federal Deposit Insurance Act (as added by subsection (a)) not later than 240 days after the date of enactment of this Act, and those regulations shall become effective not later than 270 days after that date of enactment.

(c) OTHER AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—

(1) ENFORCEMENT ACTION BASED ON UNSATISFACTORY ASSET QUALITY, MANAGEMENT, EARNINGS, OR LIQUIDITY.—Section 8(b) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)) is amended by redesignating paragraph (8) as paragraph (9) and inserting after paragraph (7) the following:

"(8) UNSATISFACTORY ASSET QUALITY, MANAGEMENT, EARNINGS, OR LIQUIDITY AS UNSAFE OR UNSOUND PRACTICE.—If an insured depository institution receives, in its most recent report of examination, a less-than-satisfactory rating for asset quality, management, earnings, or liquidity, the appropriate Federal banking agency may (if the deficiency is not corrected) deem the institution to be engaging in an unsafe or unsound practice for purposes of this subsection.".

(2) CONFORMING AMENDMENTS RELATING TO FEDERAL BANKING AGENCIES' ENFORCEMENT AUTHORITY.—Section 8(i) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)) is amended—

(A) in the first sentence of paragraph (1), by inserting "or under section 37" after "section"; and

(B) in paragraph (2)(A)(ii), by inserting ", or final order under section 37" after "section".

(d) CONFORMING AMENDMENT TO SECTION 5(t)(7) OF THE HOME OWNERS' LOAN ACT.—Section 5(t)(7) of the Home Owners' Loan Act (12 U.S.C. 1464(t)(7)) is amended—

(1) in subsection (A), by inserting "under this Act" before the period; and

(2) in subsection (B), by inserting "under this Act" after "imposed by the Director".

(e) TRANSITION RULE REGARDING CURRENT DIRECTORS AND SENIOR EXECUTIVE OFFICERS.—

(1) DISMISSAL FROM OFFICE.—Section 37(f)(2)(F)(ii) of the Federal Deposit Insurance Act (as added by subsection (a)) shall not apply with respect to—

(A) any director whose current term as a director commenced on or before the date of enactment of this Act and has not been extended—

(i) after that date of enactment, or

(ii) to evade section 37(f)(2)(F)(ii); or

(B) any senior executive officer who accepted employment in his or her current position on or before the date of enactment of this Act and whose contract of employment has not been renewed or renegotiated—

(i) after that date of enactment, or

(ii) to evade section 37(f)(2)(F)(ii).

(2) RESTRICTING COMPENSATION.—Section 37(f)(4) of the Federal Deposit Insurance Act (as added by subsection (a)) shall not apply with respect to any senior executive officer who accepted employment in his or her current position on or before the date of enactment of this Act and whose contract of employment has not been renewed or renegotiated—

(A) after that date of enactment, or

(B) to evade section 37(f)(4).

(f) EFFECTIVE DATE.—The amendments made by this section shall become effective 270 days after the date of enactment of this Act.

SEC. 206. STANDARDS FOR SAFETY AND SOUNDNESS.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 38. STANDARDS FOR SAFETY AND SOUNDNESS.

"(a) OPERATIONAL AND MANAGERIAL STANDARDS.—Each appropriate Federal banking agency shall, for all insured depository institutions and depository institution holding companies, prescribe—

"(1) standards relating to—

"(A) internal controls, information systems, and internal audit systems, in accordance with section 36;

"(B) loan documentation;

"(C) credit underwriting;

"(D) interest rate exposure; and

"(E) asset growth; and

"(2) such other operational and managerial standards as the agency determines to be appropriate.

"(b) ASSET QUALITY, EARNINGS, AND STOCK VALUATION STANDARDS.—Each appropriate Federal banking agency shall, for all insured depository institutions and depository institution holding companies, prescribe—

"(1) standards specifying—

"(A) a maximum ratio of classified assets to capital;

"(B) minimum earnings sufficient to absorb losses without impairing capital; and

"(C) a minimum ratio of market value to book value for publicly traded shares of the institution or company; and

"(2) such other standards relating to asset quality, earnings, and valuation as the agency determines to be appropriate.

"(c) STANDARDS TO BE PRESCRIBED BY REGULATION.—Standards under subsections (a) and (b) shall be prescribed by regulation.

"(d) FAILURE TO MEET STANDARDS.—

"(1) PLAN REQUIRED.—

"(A) IN GENERAL.—If the appropriate Federal banking agency determines that an insured depository institution or depository institution holding company fails to meet any standard prescribed under subsection (a) or (b), the agency shall require the institution or company to submit an acceptable plan to the agency within the time allowed by the agency under subparagraph (C).

"(B) CONTENTS OF PLAN.—Any plan required under subparagraph (A) shall specify the steps that the institution or company will take to correct the deficiency. If the institution is undercapitalized, the plan may be part of a capital restoration plan.

"(C) DEADLINES FOR SUBMISSION AND REVIEW OF PLANS.—The appropriate Federal banking agency shall by regulation establish deadlines that—

"(i) provide institutions and companies with reasonable time to submit plans required under subparagraph (A), and generally require the institution or company to submit a plan not later than 30 days after the agency determines that the institution or company fails to meet any standard prescribed under subsection (a) or (b); and

"(ii) require the agency to act on plans expeditiously, and generally not later than 30 days after the plan is submitted.

"(2) ORDER REQUIRED IF INSTITUTION FAILS TO SUBMIT OR IMPLEMENT PLAN.—If an insured depository institution or depository institution holding company fails to submit an acceptable plan within the time allowed under paragraph (1)(C), or fails in any material respect to implement a plan accepted by the appropriate Federal banking agency, the agency, by order—

"(A) shall require the institution or company to correct the deficiency; and

"(B) may do 1 or more of the following until the deficiency has been corrected:

"(i) Prohibit the institution or company from permitting its average total assets during any calendar quarter to exceed its average total assets during the preceding calendar quarter, or restrict the rate at which the average total assets of the institution or company may increase from one calendar quarter to another.

"(ii) Require the institution or company to increase its ratio of tangible equity to assets.

"(iii) Take the action described in section 37(f)(2)(C).

"(iv) Require the institution to take any other action that the agency determines will better carry out the purpose of section 37 than any of the actions described in this subparagraph.

"(3) RESTRICTIONS MANDATORY FOR CERTAIN INSTITUTIONS.—In complying with paragraph (2), the appropriate Federal banking agency shall take 1 or more of the actions described in clauses (i) through (iii) of paragraph (2)(B) if—

"(A) the agency determines that the insured depository institution fails to meet any standard prescribed under subsection (a)(1) or (b)(1);

"(B) the institution has not corrected the deficiency; and

"(C) either—

"(i) during the 24-month period before the date on which the institution first failed to meet the standard—

"(I) the institution commenced operations; or

"(II) 1 or more persons acquired control of the institution; or

"(ii) during the 18-month period before the date on which the institution first failed to meet the standard, the institution underwent extraordinary growth, as defined by the agency.

"(e) DEFINITIONS.—For purposes of this section, the terms 'average' and 'capital restoration plan' have the same meanings as in section 37.

"(f) OTHER AUTHORITY NOT AFFECTED.—The authority granted by this section is in addition to any other authority of the Federal banking agencies.".

(b) REGULATIONS REQUIRED.—Each appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) shall promulgate final regulations under section 38 of the Federal Deposit Insurance Act (as added by subsection (a) of this section) not later than March 1, 1993.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on the earlier of—

(1) the date on which final regulations promulgated in accordance with subsection (b) become effective; or

(2) July 1, 1993.

SEC. 207. CONSERVATORSHIP AND RECEIVERSHIP AMENDMENTS TO FACILITATE PROMPT CORRECTIVE ACTION.

(a) ADDITIONAL GROUNDS FOR APPOINTING CONSERVATOR OR RECEIVER; CONSISTENT STANDARDS FOR NATIONAL, STATE MEMBER, AND STATE NONMEMBER BANKS.—Section 11(c)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1821(c)(5)) is amended to read as follows:

"(5) GROUNDS FOR APPOINTING CONSERVATOR OR RECEIVER.—The grounds for appointing a conservator or receiver (which may be the Corporation) for any insured depository institution are as follows:

"(A) The institution's assets are less than the institution's obligations to its creditors and others, including members of the institution.

"(B) Substantial dissipation of assets or earnings due to—

"(i) any violation of any law or regulation; or

"(ii) any unsafe or unsound practice.

"(C) An unsafe or unsound condition to transact business.

"(D) Any willful violation of a cease-and-desist order which has become final.

"(E) Any concealment of the institution's books, papers, records, or assets, or any refusal to submit the institution's books, papers, records, or affairs for inspection to any examiner or to any lawful agent of the appropriate Federal banking agency or State bank or savings association supervisor.

"(F) The institution is likely to be unable to pay its obligations or meet its depositors' demands in the normal course of business.

"(G) The institution has incurred or is likely to incur losses that will deplete all or substantially all of its capital, and there is no reasonable prospect for replenishment of the institution's capital without Federal assistance.

"(H) Any violation of any law or regulation, or any unsafe or unsound practice or condition that is likely to cause insolvency or substantial dissipation of assets or earnings, or is likely to weaken the institution's condition or otherwise seriously prejudice the interests of the institution's depositors.

"(I) The institution, by resolution of its board of directors or its members, consents to the appointment.

"(J) The institution ceases to be an insured institution.

"(K) The institution is undercapitalized (as defined in section 37(b)), and—

"(i) has no reasonable prospect of becoming adequately capitalized (as defined in that section);

"(ii) fails to become adequately capitalized when required to do so under section 37(f)(2)(A);

"(iii) fails to submit a capital restoration plan acceptable to that agency within the time prescribed under section 37(e)(2)(D); or

"(iv) materially fails to implement a capital restoration plan submitted and accepted under section 37(e)(2).

"(L) The institution—

"(i) is critically undercapitalized, as defined in section 37(b); or

"(ii) otherwise has substantially insufficient capital.".

(b) CONFORMING AMENDMENT TO AUTHORITY TO APPOINT RECEIVER FOR NATIONAL BANK.—Section 1 of the Act of June 30, 1876 (12 U.S.C. 191) is amended to read as follows:

"SECTION 1. The Comptroller of the Currency may, without prior notice or hearings, appoint the Federal Deposit Insurance Corporation as receiver for any national banking association if the Comptroller determines, in the Comptroller's discretion, that—

"(1) 1 or more of the grounds specified in section 11(c)(5) of the Federal Deposit Insurance Act exist; or

"(2) the association's board of directors consists of fewer than 5 members.".

(c) CONFORMING AMENDMENT TO THE BANK CONSERVATION ACT.—Section 203(a) of the Bank Conservation Act (12 U.S.C. 203(a)) is amended to read as follows:

"(a) APPOINTMENT.—The Comptroller of the Currency may, without prior notice or hearings, appoint a conservator (which may be the Federal Deposit Insurance Corporation) to the possession and control of a bank whenever the Comptroller of the Currency determines that 1 or more of the grounds specified in section 11(c)(5) of the Federal Deposit Insurance Act exist.".

(d) CONFORMING AMENDMENTS TO THE HOME OWNERS' LOAN ACT.—Section 5(d)(2) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)) is amended—

(1) by striking subparagraphs (A) through (D) and inserting the following:

"(A) GROUNDS FOR APPOINTING CONSERVATOR OR RECEIVER FOR INSURED SAVINGS ASSOCIATION.—The Director of the Office of Thrift Supervision may appoint a conservator or receiver for any insured savings association if the Director determines, in the Director's discretion, that 1 or more of the grounds specified in section 11(c)(5) of the Federal Deposit Insurance Act exists"; and

(2) by redesignating subparagraphs (E) through (I) as subparagraphs (B) through (F), respectively.

(e) ADDITIONAL PROVISIONS RELATING TO APPOINTMENT OF CONSERVATOR OR RECEIVER.—Section 11(c)(9) of the Federal Deposit Insurance Act (12 U.S.C. 1821(c)(9)) (as amended by subsection (a)) is amended to read as follows:

"(9) APPROPRIATE FEDERAL BANKING AGENCY MAY APPOINT CORPORATION AS CONSERVATOR OR RECEIVER FOR INSURED STATE DEPOSITORY INSTITUTION TO CARRY OUT SECTION 37.—

"(A) IN GENERAL.—The appropriate Federal banking agency may appoint the Corporation as sole receiver (or, subject to paragraph (11), sole conservator) of any insured State depository institution, after consultation with the appropriate State supervisor, if the appropriate Federal banking agency determines that—

"(i) 1 or more of the grounds specified in subparagraphs (K) and (L) of paragraph (5) exist with respect to that institution; and

"(ii) the appointment is necessary to carry out the purpose of section 37.

"(B) NONDELEGATION.—The appropriate Federal banking agency shall not delegate any action under subparagraph (A).

"(10) CORPORATION MAY APPOINT ITSELF AS CONSERVATOR OR RECEIVER FOR INSURED DEPOSITORY INSTITUTION TO PREVENT LOSS TO DEPOSIT INSURANCE FUND.—The Board of Directors may appoint the Corporation as sole conservator or receiver of an insured depository institution, after consultation with the appropriate Federal banking agency and the appropriate State supervisor (if any), if the Board of Directors determines that—

"(A) 1 or more of the grounds specified in any subparagraph of paragraph (5) exist with respect to the institution; and

"(B) the appointment is necessary to reduce—

"(i) the risk that the affected deposit insurance fund would incur a loss with respect to the insured depository institution, or

"(ii) any loss that the affected deposit insurance fund is expected to incur with respect to that institution.

"(11) APPROPRIATE FEDERAL BANKING AGENCY SHALL NOT APPOINT CONSERVATOR UNDER CERTAIN PROVISIONS WITHOUT GIVING CORPORATION OPPORTUNITY TO APPOINT RECEIVER.—The appropriate Federal banking agency shall not appoint a conservator for an insured depository institution under subparagraph (K) or (L) of paragraph (5) without the Corporation's consent unless the agency has given the Corporation 48 hours notice of the agency's intention to appoint the conservator and the grounds for the appointment.

"(12) DIRECTORS NOT LIABLE FOR ACQUIESCING IN APPOINTMENT OF CONSERVATOR OR RECEIVER.—The members of the board of directors of an insured depository institution shall not be liable to the institution's shareholders or creditors for acquiescing in or consenting in good faith to the appointment of the Corporation or Resolution Trust Corporation as conservator or receiver for that institution.

"(13) ADDITIONAL POWERS.—In any case in which the Corporation is appointed conservator or receiver under paragraph (4), (6), (9), or (10) for any insured State depository institution—

"(A) subject to subparagraph (B), this section shall apply to the Corporation as conservator or receiver in the same manner and to the same extent as if that institution were a Federal depository institution for which the Corporation had been appointed conservator or receiver;

"(B) the Corporation shall apply the law of the State in which the institution is chartered insofar as that law gives the claims of depositors priority over those of other creditors or claimants; and

"(C) the Corporation as receiver of the institution may—

"(i) liquidate the institution in an orderly manner; and

"(ii) make any other disposition of any matter concerning the institution, as the Corporation determines is in the best interests of the institution, the depositors of the institution, and the Corporation.".

(f) CONFORMING AMENDMENT TO THE FEDERAL RESERVE ACT.—Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by adding at the end the following new subsection:

"(p) AUTHORITY TO APPOINT CONSERVATOR OR RECEIVER.—The Board may appoint the Federal Deposit Insurance Corporation as conservator or receiver for a State member bank under section 11(c)(9) of the Federal Deposit Insurance Act.".

(g) EFFECTIVE DATE.—The amendments made by this section shall become effective 270 days after the date of enactment of this Act.

SEC. 208. BACKUP ENFORCEMENT AUTHORITY OF FDIC.

Section 8(t) of the Federal Deposit Insurance Act (12 U.S.C. 1818(t)) is amended to read as follows:

"(t) AUTHORITY OF FDIC TO TAKE ENFORCEMENT ACTION AGAINST INSURED DEPOSITORY INSTITUTIONS AND INSTITUTION-AFFILIATED PARTIES.—

"(1) RECOMMENDING ACTION BY APPROPRIATE FEDERAL BANKING AGENCY.—The Corporation, based on an examination of an insured depository institution by the Corporation or by the appropriate Federal banking agency or on other information, may recommend in writing to the appropriate Federal banking agency that the agency take any enforcement action authorized under section 7(j), this section, or section 18(j) with respect to any insured depository institution or any institution-affiliated party. The recommendation shall be accompanied by an explanation of the concerns giving rise to the recommendation.

"(2) FDIC'S AUTHORITY TO ACT IF APPROPRIATE FEDERAL BANKING AGENCY FAILS TO FOLLOW RECOMMENDATION.—If the appropriate Federal banking agency does not, before the end of the 60-day period beginning on the date on which the agency receives the recommendation under paragraph (1), take the enforcement action recommended by the Corporation or provide a plan acceptable to the Corporation for responding to the Corporation's concerns, the Corporation may take the recommended enforcement action if the Board of Directors determines, upon a vote of its members, that—

"(A) the insured depository institution is in an unsafe or unsound condition;

"(B) the institution is engaging in unsafe or unsound practices, and the recommended enforcement action will prevent the institution from continuing such practices; or

"(C) the institution's conduct or threatened conduct (including any acts or omissions) poses a risk to the deposit insurance fund, or may prejudice the interests of the institution's depositors.

"(3) EFFECT OF EXIGENT CIRCUMSTANCES.—

"(A) AUTHORITY TO ACT.—The Corporation may, upon a vote of the Board of Directors, and after notice to the appropriate Federal banking agency, exercise its authority under paragraph (2) in exigent circumstances without regard to the time period set forth in paragraph (2).

"(B) AGREEMENT ON EXIGENT CIRCUMSTANCES.—The Corporation shall, by agreement with the appropriate Federal banking agency, set forth those exigent circumstances in which the Corporation may act under subparagraph (A).

"(4) CORPORATION'S POWERS; INSTITUTION'S DUTIES.—For purposes of this subsection—

"(A) the Corporation shall have the same powers with respect to any insured depository institution and its affiliates as the appropriate Federal banking agency has with respect to the institution and its affiliates; and

"(B) the institution and its affiliates shall have the same duties and obligations with respect to the Corporation as the institution and its affiliates have with respect to the appropriate Federal banking agency.

"(5) REQUESTS FOR FORMAL ACTIONS AND INVESTIGATIONS.—

"(A) SUBMISSION OF REQUESTS.—A regional office of a Federal banking agency (including a Federal Reserve bank) that requests a formal investigation of or civil enforcement action against an insured depository institution shall submit the request concurrently to the chief officer of the appropriate Federal banking agency and to the Corporation.

"(B) AGENCIES REQUIRED TO REPORT ON REQUESTS.—Each Federal banking agency shall report semiannually to the Corporation on the status or disposition of all requests under subparagraph (A), including the reasons for any decision by the agency to approve or deny such requests.".

SEC. 209. CAPITAL MAINTENANCE COMMITMENTS.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(q) COMMITMENTS TO MAINTAIN THE CAPITAL OF INSURED DEPOSITORY INSTITUTIONS.—

"(1) IN GENERAL.—Any commitment made to a Federal banking agency to maintain the capital of an insured depository institution may be enforced under this Act.

"(2) OTHER AUTHORITY NOT AFFECTED.—The authority granted by paragraph (1) is in addition to any other authority of the Federal banking agencies.".

SEC. 210. PASS-THROUGH INSURANCE COVERAGE.

(a) RESTRICTING CERTAIN PASS-THROUGH INSURANCE COVERAGE.—Section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m)) is amended—

(1) by striking "(m)(1)" and inserting the following:

"(m) INSURED DEPOSIT.—

"(1) IN GENERAL.—";

(2) in paragraph (1), by striking "except trust funds which shall be insured as provided in subsection (i) of section 7 of this Act";

(3) in the last sentence of paragraph (1), by striking "and subsection (i) of section 7 of this Act"; and

(4) in paragraph (2), by inserting "DEPOSIT IN BRANCH OF FOREIGN BANK.—" after "(2)".

(b) INSURANCE OF DEPOSITS.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended—

(1) by amending subsection (a)(1) to read as follows:

"(a) INSURANCE OF DEPOSITS.—

"(1) IN GENERAL.—

"(A) DEPOSITS INSURED.—The Corporation shall insure the deposits in all insured depository institutions as provided in this Act.

"(B) AMOUNT INSURED.—The net amount of any depositor's insured deposits at any insured depository institution shall be $100,000."; and

(2) in subsection (a), by adding at the end the following new paragraphs:

"(8) PASS-THROUGH INSURANCE RESTRICTED TO INTERESTS IN TAX-QUALIFIED RETIREMENT PLANS AND CERTAIN IRREVOCABLE TRUSTS.—

"(A) IN GENERAL.—Deposits may not be insured on a pro rata or pass-through basis except that—

"(i) in the case of a plan meeting the requirements of section 401(a) or 403(b)(9) of the Internal Revenue Code of 1986 that includes a trust exempt from tax under section 501(a) of that Code and that was eligible to receive pro rata or pass-through insurance coverage as of July 15, 1991, or a plan meeting the requirements of section 457 of that Code that was eligible to receive such coverage as of July 15, 1991, deposits may be insured on a pass-through basis with respect to each participant in the plan in an amount equal to the lesser of the present value of the vested accrued benefit of such individual participant or $100,000, unless such deposit arises under a contract between an insured depository institution and an employee benefit plan, and the contract expressly permits benefit-responsive withdrawals or transfers;

"(ii) in the case of deposits of an irrevocable trust established pursuant to a statute or written trust agreement (other than a tax-qualified retirement plan or irrevocable trust described in clause (i)), the deposits may be insured on a pass through basis with respect to each known beneficiary of the trust whose interest is noncontingent in an amount not to exceed the lesser of the present value of the beneficiary's noncontingent interest or $100,000;

"(iii) in the case of a custodial account held on deposit in an insured depository institution if—

"(I) the principal or beneficiary does not control where the funds are deposited;

"(II) the account is not maintained for investment purposes; and

"(III) the account is not maintained principally for the purpose of increasing insurance coverage,

the custodial funds shall be insured in an amount not to exceed $100,000 for each principal or beneficiary represented; and

"(iv) in the case of a custodial account maintained by a deposit broker at an insured depository institution, the custodial funds shall be insured in an amount not to exceed $100,000 for each principal or beneficiary represented in each capacity in which the principal or beneficiary places the deposit through the deposit broker.

"(B) SPECIAL RULES.—For purposes of this section—

"(i) amounts described in clauses (i), (iii), and (iv) of subparagraph (A) shall not be taken into account in determining the net amount due any participant, principal, or beneficiary, as appropriate, but

"(ii) amounts described in subparagraph (A)(ii) shall be taken into account in determining the net amount due any beneficiary.

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) BENEFIT-RESPONSIVE WITHDRAWALS OR TRANSFERS.—The term 'benefit responsive withdrawal or transfer' means any withdrawal or transfer of funds deposited at an insured depository institution that—

"(I) occurs during a period for which the institution has guaranteed by contract to pay the plan 1 or more rates of interest; and

"(II) is made to pay benefits provided by an employee benefit plan or to permit a plan participant or beneficiary to redirect the investment of his or her account balance without substantial penalty or adjustment.

"(ii) EMPLOYEE BENEFIT PLAN.—The term 'employee benefit plan' has the same meaning as in section 3(3) of the Employee Retirement Income Security Act of 1974 and includes any plan described in section 401(d) of the Internal Revenue Code of 1986.

"(9) RESTRICTIONS ON PASS-THROUGH INSURANCE FOR DEPOSITS OF TRUSTS.—Notwithstanding paragraph (8)(A)(ii), deposits described in that paragraph may not be insured on a pro rata or pass-through basis—

"(A) if the trustee or an organizer of the trust solicits persons to transfer funds into the trust;

"(B) if interests in the trust are sold to beneficiaries;

"(C) if there are more than 10 settlors or grantors of the trust; or

"(D) in such other circumstances as the Board of Directors may prescribe.".

(c) CONFORMING AMENDMENT.—Section 7(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(i)) is amended to read as follows:

"(i) [Reserved].".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1993, except that such amendments shall not apply to any specific time deposit made before July 15, 1991, until the stated maturity of the time deposit.

SEC. 211. BROKERED DEPOSITS.

(a) IN GENERAL.—Section 29 of the Federal Deposit Insurance Act (12 U.S.C. 1831f) is amended—

(1) in subsection (a), by striking "troubled institution" and inserting "insured depository institution that is not well capitalized and does not have a CAMEL rating of 1 or 2";

(2) in subsection (c)—

(A) by inserting "which is adequately capitalized and has a CAMEL rating of 1 or 2" after "insured depository institution"; and

(B) by adding at the end "Any waiver granted under this subsection shall be effective for not more than 90 days. Any application for renewal of the waiver for an additional 90-day period shall be deemed to be granted unless the Corporation denies the application not more than 15 days after receiving the application.";

(3) in subsection (d), by striking all after "unsound practice;" and inserting the following:

"(2) is necessary to enable the institution to meet the demands of its depositors or pay its obligations in the ordinary course of business; and

"(3) is consistent with the conservator's fiduciary duty to minimize the institution's losses.

Effective 90 days after the date on which the institution was placed in conservatorship, the institution may not accept such deposits.";

(4) by redesignating subsections (e) through (g) as subsections (f) through (h), respectively, and inserting after subsection (d) the following:

"(e) RESTRICTION ON INTEREST RATE PAID.—Any insured depository institution which, under subsection (c) or (d), accepts funds obtained, directly or indirectly, by or through a deposit broker, may not pay a rate of interest on such funds which, at the time that such funds are accepted, significantly exceeds—

"(1) the rate paid on deposits of similar maturity in such institution's normal market area for deposits accepted in the institution's normal market area; or

"(2) the national rate paid on deposits of comparable maturity, as established by the Corporation, for deposits accepted outside the institution's normal market area.";

(5) in subsection (f), as redesignated, by striking "troubled"; and

(6) by striking subsection (h), as redesignated.

(b) NOTIFICATION AND RECORDKEEPING.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 29 the following:

"SEC. 29A. DEPOSIT BROKER NOTIFICATION AND RECORDKEEPING.

"(a) NOTIFICATION.—

"(1) IN GENERAL.—A deposit broker, as defined in section 29(g), shall not solicit or place any deposit with an insured depository institution, unless such deposit broker has provided the Corporation with written notice that it is a deposit broker.

"(2) TERMINATION OF DEPOSIT BROKER STATUS.—When a deposit broker referred to in paragraph (1) ceases to act as a deposit broker it shall provide the Corporation with a written notice that it is no longer acting as a deposit broker.

"(3) FORM AND CONTENT.—The notices required by paragraphs (1) and (2) shall be in such form and contain such information concerning the deposit solicitation and placement activities of a deposit broker as the Corporation may prescribe as necessary or appropriate to carry out the purposes of this subsection.

"(b) RECORDS.—The Corporation may prescribe regulations requiring each deposit broker that has filed a notice under subsection (a)(1) to maintain separate records relating to the total amounts and maturities of the deposits placed by such broker for each insured depository institution during specified time periods. Such regulations shall specify the format in which and the period for which such records shall be preserved, as well as the time period within which the deposit broker shall furnish to the Corporation copies of such records (or designated portions thereof) as the Corporation may request.

"(c) PERIODIC REPORTS.—

"(1) IN GENERAL.—The Corporation may prescribe regulations requiring each deposit broker that has filed a notice under subsection (a)(1) to file with the Corporation separate quarterly reports relating to the total amounts and maturities of the deposits placed by such broker for each depository institution during the applicable quarter. Such regulations shall specify the form and content of such reports, as well as the applicable reporting period.

"(2) DESIGNATED AGENT.—The Corporation may designate another entity as its agent for the purpose of receiving and maintaining reports under this subsection. If the Corporation designates such an agent the Corporation may, through its agent, prescribe and collect an appropriate quarterly fee from each deposit broker that filed reports with the agent during the applicable quarter, in an amount sufficient to defray the Corporation's cost of retaining the agent and to reflect the proportionate amount of the deposits placed with insured depository institutions by each broker during the applicable quarter.".

(c) DEPOSIT SOLICITATION RESTRICTED.—Section 29 of the Federal Deposit Insurance Act (12 U.S.C. 1831f) is amended by adding at the end the following:

"(h) DEPOSIT SOLICITATION RESTRICTED.—An insured depository institution that is undercapitalized, as defined in section 37, shall not solicit deposits by offering rates of interest that are significantly higher than the prevailing rates of interest on insured deposits—

"(1) in such institution's normal market areas; or

"(2) in the market area in which such deposits would otherwise be accepted.".

(d) DEADLINE FOR REGULATIONS.—The Corporation shall promulgate final regulations to carry out the amendments made under subsections (a), (b), and (c) not later than 150 days after the date of enactment of this Act, and those regulations shall become effective not later than 180 days after that date of enactment, except that such regulations shall not apply to any specific time deposit made before July 15, 1991, until the stated maturity of the time deposit.

SEC. 212. RISK-BASED ASSESSMENTS.

(a) RISK-BASED ASSESSMENT SYSTEM.—Section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)), as amended by section 102, is amended to read as follows:

"(b) ASSESSMENTS.—

"(1) RISK-BASED ASSESSMENT SYSTEM.—

"(A) RISK-BASED ASSESSMENT SYSTEM REQUIRED.—The Board of Directors shall, by regulation, establish a risk-based assessment system for insured depository institutions.

"(B) PRIVATE REINSURANCE AUTHORIZED.—In carrying out this paragraph, the Corporation may—

"(i) obtain private reinsurance covering not more than 10 percent of any loss the Corporation incurs with respect to an insured depository institution; and

"(ii) base that institution's semiannual assessment (in whole or in part) on the cost of the reinsurance.

"(C) RISK-BASED ASSESSMENT SYSTEM DEFINED.—For purposes of this paragraph, the term 'risk-based assessment system' means a system for calculating a depository institution's semiannual assessment based on—

"(i) the probability that the deposit insurance fund will incur a loss with respect to the institution, taking into consideration the risks attributable to—

"(I) different categories and concentrations of assets;

"(II) different categories and concentrations of liabilities, both insured and uninsured, contingent and noncontingent; and

"(III) any other factors the Corporation determines are relevant to assessing such probability;

"(ii) the likely amount of any such loss; and

"(iii) the revenue needs of the deposit insurance fund.

"(D) SEPARATE ASSESSMENT SYSTEMS.—The Board of Directors may establish separate risk-based assessment systems for large and small members of each deposit insurance fund.

"(E) FOREIGN DEPOSITS.—In carrying out this paragraph, the Corporation shall take into account the special assessment procedure for foreign deposits under paragraph (6).

"(2) SETTING ASSESSMENTS.—

"(A) ACHIEVING AND MAINTAINING DESIGNATED RESERVE RATIO.—

"(i) IN GENERAL.—The Board of Directors shall set semiannual assessments for insured depository institutions—

"(I) to maintain the reserve ratio of each deposit insurance fund at the designated reserve ratio; or

"(II) if the reserve ratio is less than the designated reserve ratio, to increase the reserve ratio to the designated reserve ratio as provided in paragraph (3).

"(ii) FACTORS TO BE CONSIDERED.—In carrying out clause (i), the Board of Directors shall consider the deposit insurance fund's—

"(I) expected operating expenses,

"(II) case resolution expenditures and income,

"(III) the effect of assessments on members' earnings and capital, and

"(IV) any other factors that the Board of Directors may deem appropriate.

"(iii) MINIMUM ASSESSMENT.—The semiannual assessment for each member of a deposit insurance fund shall be not less than $1,000.

"(iv) DESIGNATED RESERVE RATIO DEFINED.—The designated reserve ratio of each deposit insurance fund for each year shall be—

"(I) 1.25 percent of estimated insured deposits; or

"(II) a higher percentage of estimated insured deposits that the Board of Directors determines to be justified for that year by circumstances raising a significant risk of substantial future losses to the fund.

"(B) INDEPENDENT TREATMENT OF FUNDS.—The Board of Directors shall—

"(i) set semiannual assessments for members of each deposit insurance fund independently from semiannual assessments for members of any other deposit insurance fund; and

"(ii) set the designated reserve ratio of each deposit insurance fund independently from the designated reserve ratio of any other deposit insurance fund.

"(C) NOTICE OF ASSESSMENTS.—The Corporation shall notify each insured depository institution of that institution's semiannual assessment not less than 60 days before the beginning of each semiannual period.

"(D) PRIORITY OF FINANCING CORPORATION AND FUNDING CORPORATION ASSESSMENTS.—Notwithstanding any other provision of this paragraph, amounts assessed by the Financing Corporation and the Resolution Funding Corporation under sections 21 and 21B of the Federal Home Loan Bank Act, respectively, against Savings Association Insurance Fund members, shall be subtracted from the amounts authorized to be assessed by the Corporation under this paragraph.

"(E) MINIMUM ASSESSMENTS.—The Corporation shall design the risk-based assessment system for any deposit insurance fund so that, if the Corporation has borrowings outstanding under section 14 on behalf of that fund or the reserve ratio of that fund remains below the designated reserve ratio, the total amount raised by semiannual assessments on members of that fund shall be not less than the total amount that would have been raised if—

"(i) section 7(b) as in effect on July 15, 1991 remained in effect; and

"(ii) the assessment rate in effect on July 15, 1991 remained in effect.

"(F) TRANSITION RULE FOR SAVINGS ASSOCIATION INSURANCE FUND.—With respect to the Savings Association Insurance Fund, during the period beginning on the effective date of the amendments made by section 212(a) of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991 and ending on December 31, 1997—

"(i) subparagraph (A)(i)(II) shall apply with 'as provided in paragraph (3)' omitted; and

"(ii) subparagraph (E) shall apply with 'if section 7(b) as in effect on July 15, 1991 remained in effect.' substituted for 'if—' and clauses (i) and (ii).

"(G) SPECIAL RULE UNTIL THE INSURANCE FUNDS ACHIEVE THE DESIGNATED RESERVE RATIO.—Until a deposit insurance fund achieves the designated reserve ratio, the Corporation may limit the maximum assessment on insured depository institutions under the risk-based assessment system authorized under paragraph (1) to not less than 10 basis points above the average assessment on insured depository institutions under that system.

"(3) SPECIAL RULE FOR RECAPITALIZING UNDERCAPITALIZED FUNDS.—

"(A) IN GENERAL.—Except as provided in paragraph (4), if the reserve ratio of any deposit insurance fund is less than the designated reserve ratio under paragraph (2)(A)(iv), the Board of Directors shall set semiannual assessment rates for members of that fund—

"(i) that are sufficient to increase the reserve ratio for that fund to the designated reserve ratio not later than 1 year after such rates are set; or

"(ii) in accordance with a schedule promulgated by the Corporation under subparagraph (B).

"(B) RECAPITALIZATION SCHEDULES.—For purposes of subparagraph (A)(ii), the Corporation shall by regulation promulgate a schedule that specifies, at semiannual intervals, target reserve ratios for that fund, culminating by the close of the period determined under subparagraph (C) in a reserve ratio that is equal to the designated reserve ratio.

"(C) DATE FOR ACHIEVING DESIGNATED RATIO.—A schedule promulgated under subparagraph (B) shall provide for achieving the designated reserve ratio not later than the earlier of—

"(i) 15 years after the date on which the schedule is implemented, or

"(ii) that number of years (rounded to the nearest whole number) after the date the schedule is implemented, determined as follows:

$$15 \times \left(1 - \frac{\text{reserve ratio}}{\text{designated reserve ratio}} \right)$$

"(D) AMENDING SCHEDULE.—The Corporation may, by regulation, amend a schedule promulgated under subparagraph (B), but such amendments may not extend the date specified in subparagraph (C).

"(E) APPLICATION TO SAIF MEMBERS.—This paragraph shall become applicable to Savings Association Insurance Fund members on January 1, 1998.

"(F) EXPEDITED PROCEDURE FOR EXTENDING SCHEDULE.—

"(i) IN GENERAL.—If, during the period, determined in subparagraph (C), when a fund's reserve ratio is being restored to the designated reserve ratio, the Corporation determines that maintaining assessments at levels sufficient to achieve the designated reserve ratio by the end of that period would significantly increase losses to the fund or would significantly impair the availability of credit, the following procedures shall apply:

"(I) REPORT REQUIRED.—The Corporation shall submit a report to the Congress that—

"(aa) sets forth a revised schedule of semiannual target reserve ratios for that fund, culminating in the achievement of the designated reserve ratio; and

"(bb) provides a detailed justification for the revision.

"(II) REQUIREMENT FOR CONGRESSIONAL CONSIDERATION.—The proposed revised schedule of semiannual target reserve ratios shall not be implemented unless the Congress, not later than 60 calendar days after receiving the report, enacts a joint resolution approving the proposed revision.

"(ii) PROCEDURES FOR EXPEDITED CONGRESSIONAL CONSIDERATION.—

"(I) JOINT RESOLUTION DEFINED.—For purposes of this clause, the term 'joint resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 7(b)(3)(F) of the Federal Deposit Insurance Act, the Corporation may implement revisions to the schedule of semiannual target reserve ratios, culminating in the achievement of the designated reserve ratio for the ________________ Fund, as proposed in the report submitted to the Congress on ________________.', with the first blank space being filled with the name of the Bank Insurance Fund or the Savings Association Insurance Fund, as appropriate, and the second blank being filled with the appropriate date.

"(II) INTRODUCTION.—On the day on which a report is submitted to the House of Representatives and the Senate under clause (i)(I), a joint resolution with respect to the revised schedule specified in such report shall be introduced (by request) in the House of Representatives by the chairman of the Committee on Banking, Fi-

nance and Urban Affairs, for himself and the ranking minority member of the Committee, or by the Members of the House designated by the chairman and ranking minority member; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session.

"(III) REFERRAL TO COMMITTEE.—Any joint resolutions introduced in the House of Representatives shall be referred to the appropriate committee and all joint resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(IV) DISCHARGE FROM COMMITTEE.—If the committee of either House to which a joint resolution has been referred has not reported the joint resolution at the end of 30 days after its referral, the committee shall be discharged from further consideration of the joint resolution and of any other joint resolution introduced with respect to the same matter.

"(V) EXPEDITED FLOOR CONSIDERATION.—Any such joint resolution shall be considered in the Senate in accordance with section 601(b) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and enactment of joint resolutions under this subsection, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee shall be treated as highly privileged in the House of Representatives.

"(VI) JOINT RESOLUTION RECEIVED FROM OTHER HOUSE.—In the case of a joint resolution described in this clause, if, before the passage by one House of a joint resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(aa) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

"(bb) the vote on final passage shall be on the joint resolution of the other House.

"(VII) COMPUTING TIME PERIODS.—In computing the 60-day period referred to in clause (i)(II) and the 30-day period referred to in subclause (IV), there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of adjournment of the Congress sine die.

"(4) SEMIANNUAL PERIOD DEFINED.—For purposes of this section, the term 'semiannual period' means a period beginning on January 1 of any calendar year and ending on June 30 of the same year, or a period beginning on July 1 of any calendar year and ending on December 31 of the same year.

"(5) RECORDS TO BE MAINTAINED.—Each insured depository institution shall maintain all records that the Corporation may require for verifying the correctness of the institution's semiannual assessments. No insured depository institution shall be required to retain those records for that purpose for a period of more than 5 years from the date of the filing of any certified statement, except that when there is a dispute between the insured depository institution and the Corporation over the amount of any assessment, the depository institution shall retain the records until final determination of the issue.

"(6) SPECIAL ASSESSMENT TO RECOVER LOSSES ON FOREIGN DEPOSITS.—

"(A) IN GENERAL.—If the Corporation makes any payment with respect to foreign deposits, it shall recover the amount of that payment as soon as practicable by imposing special assessments on foreign deposits held by all members of that deposit insurance fund, beginning in the next semiannual period.

"(B) PAYMENT WITH RESPECT TO FOREIGN DEPOSITS DEFINED.—As used in this paragraph, the term 'payment with respect to foreign deposits' means the amount, as determined by the Corporation in its sole discretion, obtained by—

"(i) dividing a depository institution's foreign deposits by that institution's total liabilities; and

"(ii) multiplying the resulting quotient by the estimated total loss incurred by the deposit insurance fund with respect to the institution.

"(C) CALCULATION.—

"(i) BEFORE JANUARY 1, 1995.—Until January 1, 1995, the calculation under subparagraph (B)(i) shall be based on whichever of the following amounts of foreign deposits and total liabilities yields the greater quotient under subparagraph (B)(i):

"(I) The amount of foreign deposits and total liabilities on the date on which a receiver was appointed for the institution or the Corporation initiated assistance under section 13(c) with respect to the institution.

"(II) The average for the period from the date on which the institution was significantly undercapitalized and first received an advance from a Federal Reserve bank and ending on the date described in subclause (I).

"(ii) AFTER JANUARY 1, 1995.—After January 1, 1995, the calculation under subparagraph (B)(i) shall be based on the amount of foreign deposits and total liabilities on the date on which a receiver was appointed for the institution or the Corporation initiated assistance under section 13(c) with respect to the institution.

"(D) FOREIGN DEPOSITS DEFINED.—For purposes of this paragraph, the term 'foreign deposit' means any deposit described in subparagraph (A) or (B) of section 3(l)(5).".

(b) CERTIFIED STATEMENTS AND PAYMENT PROCEDURES.—Section 7(c) of the Federal Deposit Insurance Act (12 U.S.C. 1817(c)) is amended to read as follows:

"(c) CERTIFIED STATEMENTS; PAYMENTS.—

"(1) CERTIFIED STATEMENTS REQUIRED.—

"(A) IN GENERAL.—Each insured depository institution shall file with the Corporation a certified statement containing such information as the Corporation may require for determining the institution's semiannual assessment.

"(B) FORM OF CERTIFICATION.—The certified statement required under subparagraph (A) shall—

"(i) be in such form and set forth such supporting information as the Board of Directors shall prescribe; and

"(ii) be certified by the president of the depository institution or any other officer designated by its board of directors or trustees that to the best of his or her knowledge and belief, the statement is true, correct and complete, and in accordance with this Act and regulations issued hereunder.

"(2) PAYMENTS REQUIRED.—

"(A) IN GENERAL.—Each insured depository institution shall pay to the Corporation the semiannual assessment imposed under subsection (b).

"(B) FORM OF PAYMENT.—The payments required under subparagraph (A) shall be made in such manner and at such time or times as the Board of Directors shall prescribe by regulation.

"(3) NEWLY INSURED INSTITUTIONS.—To facilitate the administration of this section, the Board of Directors may waive the requirements of paragraphs (1) and (2) for the semiannual period in which a depository institution becomes insured.".

(c) REGULATIONS.—To implement the risk-based assessment system required under section 7(b) of the Federal Deposit Insurance Act (as amended by subsection (a)), the Federal Deposit Insurance Corporation shall—

(1) provide notice of proposed regulations in the Federal Register, not later than December 31, 1992, with an opportunity for comment on the proposal of not less than 120 days; and

(2) promulgate final regulations not later than July 1, 1993.

(d) AUTHORITY TO PRESCRIBE REGULATIONS AND DEFINITIONS.—Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by adding at the end the following:

"(f) AUTHORITY TO PRESCRIBE REGULATIONS AND DEFINITIONS.—Except to the extent that authority under this Act is conferred on a Federal banking agency other than the Corporation, the Corporation may—

"(1) prescribe regulations to carry out this Act; and

"(2) by regulation define terms as necessary to carry out this Act.".

(e) CONFORMING AMENDMENTS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 5(d)(3)(B)—

(A) by striking "average assessment base" and inserting "deposits"; and

(B) by striking "shall—" and all that follows through "(iii) shall be treated" and inserting "shall be treated";

(2) in section 7(a)(5) by striking "and for the computation of assessments provided in subsection (b) of this section";

(3) in section 7 by amending subsection (d) to read as follows:

"(d) CORPORATION EXEMPT FROM APPORTIONMENT.—Notwithstanding any other provision of law, amounts received pursuant to any assessment under this section and any other amounts received by the Corporation shall not be subject to apportionment for the purposes of chapter 15 of title 31, United States Code, or under any other authority."; and

(4) in the last sentence of section 8(q) by striking "upon" and inserting "with respect to".

(f) TRANSITION TO NEW ASSESSMENT SYSTEM.—To carry out the amendments made by this section, the Corporation may promulgate regulations governing the transition from the assessment system in effect on the date of enactment of this Act to the assessment system required under the amendments made by this section.

(g) EFFECTIVE DATE OF AMENDMENTS.—The amendments made by this section shall become effective on the earlier of—

(1) the date on which final regulations promulgated in accordance with subsection (c) become effective; or

(2) January 1, 1994.

SEC. 213. RISK-BASED REINSURANCE.

(a) RISK-BASED REINSURANCE PILOT PROGRAM.—

(1) ESTABLISHMENT.—The Federal Deposit Insurance Corporation (hereafter referred to as the "Corporation") shall establish a pilot program to assess the viability of using a system of reinsurance to assist the Corporation in establishing risk-based assessment rates.

(2) PROGRAM DESCRIPTION.—Under the pilot program established in accordance with paragraph (1) the Corporation shall be required to obtain reinsurance from eligible reinsurers, which shall provide reinsurance to the Corporation for a percentage of the insured risks, not to exceed 10 percent, posed by the participating banks to the Corporation.

(3) PROGRAM PARTICIPATION.—

(A) IN GENERAL.—The Corporation shall select not more than 50 bank holding companies that have not less than $1,000,000,000 each in aggregate assets at the time of selection for participation, the banking affiliates of which would be the participating banks in the pilot program.

(B) ADDITIONAL REQUIREMENTS.—The Corporation shall establish any additional criteria for the selection of participating banks that it determines appropriate for the protection of the insurance funds and the public interest.

(4) ELIGIBLE REINSURERS.—

(A) IN GENERAL.—For purposes of this section, an eligible reinsurer shall include any qualified insurer that—

(i) meets appropriate criteria (including capital standards that, in the Corporation's judgment, will ensure that the reinsurer will be able to pay claims when called upon to do so) prescribed by the Corporation, subject to the requirements of any applicable State laws, for the qualification of reinsurers to offer risk-based reinsurance; and

(ii) meets any other criteria that the Corporation determines appropriate for the protection of the insurance funds and the public interest.

(B) INSTITUTION AFFILIATION.—Notwithstanding any other provision of law, a reinsurer may be an affiliate of a bank holding company or a savings and loan holding company, except that an insurance affiliate of such holding company may not offer reinsurance coverage for an affiliated bank.

(5) REINSURANCE ASSESSMENTS.—Under the pilot program, the Corporation shall be solely responsible for paying reinsurance charges to participating reinsurers on behalf of each participating bank from each such bank's overall assessment under section 7(b) of the Federal Deposit Insurance Act.

(6) ANNUAL REPORT TO CONGRESS.—The Corporation shall submit a report to the Congress annually on the progress of the pilot program established under paragraph (1).

(7) CORPORATION'S DISCRETION TO IMPLEMENT NATIONAL REINSURANCE SYSTEM.—Upon the termination of the pilot program established under this section, the Corporation may, by vote of the Board of Directors of the Corporation, implement a reinsurance system for all insured depository institutions under section 7A of the Federal Deposit Insurance Act, if the Corporation determines, and reports in writing to the Congress, that—

(A) a reinsurance system would be viable for insured depository institutions;

(B) reinsurance rates established under a reinsurance system can be at least as effective in measuring the relative risk to the deposit insurance funds posed by the insured depository institutions which would be covered by the system as any risk-based assessment system established under section 7(b) of the Federal Deposit Insurance Act, particularly the risks posed by profitable institutions that meet applicable capital standards;

(C) the Corporation can adequately measure and monitor the financial health of reinsurers; and

(D) it is in the public interest to implement a reinsurance system to assist the Corporation in establishing deposit insurance assessments for large insured depository institutions.

(8) IMPLEMENTATION DATE; DURATION.—The pilot program established under paragraph (1) shall be implemented not later than the effective date of the risk-based assessment system established by the Corporation under section 7(b) of the Federal Deposit Insurance Act, and shall terminate 3 years after such effective date.

(b) RISK-BASED REINSURANCE FOR LARGE INSTITUTIONS.—

(1) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 7 the following new section:

"SEC. 7A. RISK-BASED INSURANCE FOR LARGE INSTITUTIONS.

"(a) PURPOSE.—The purpose of this section is to establish a risk-based deposit insurance assessment rate system through reinsurance coverage for a percentage of the insured risk of large bank or large savings association failures, not to exceed 10 percent.

"(b) COVERED INSTITUTIONS.—For purposes of this section, the term 'covered institution' means a member of a deposit insurance fund that the Corporation finds, in accordance with regulations implementing this subsection—

"(1) has total assets of more than $1,000,000,000 on December 31, 1991, or thereafter; or

"(2) is owned by a bank holding company or a savings and loan holding company, respectively, that has total assets of more than $1,000,000,000 on December 31, 1991.

"(c) RISK-BASED ASSESSMENTS.—

"(1) TRANSITION PERIOD ASSESSMENTS.—After a covered institution enters into a reinsurance agreement under subsection (g), but prior to the date determination described in paragraph (2), each covered institution shall pay a deposit insurance assessment that is—

"(A) equal to the assessment determined under section 7(b); or

"(B) determined by scaling up the premium established by a reinsurance agreement under subsection (g) and applying that scaled-up rate to the institution's average assessment base,

whichever, in the judgment of the Corporation, better reflects the inherent risks of the institution, subject to adjustments authorized by subsection (d).

"(2) RISK-BASED REINSURANCE ASSESSMENTS.—After the Corporation determines that—

"(A) a sufficient number of covered institutions, as determined by the Corporation, are covered by reinsurance agreements; and

"(B) the risk-based premium based on scaling up the assessments charged under a reinsurance agreement, subject to adjustments under subsection (d), provides risk assessments that differentiate between banks according to risk at least as effectively as under the risk-based formula in section 7(b),

each covered institution, except for those that are not yet required to obtain a reinsurance agreement under the phase-in schedule established under subsection (e)(1), shall pay a deposit insurance assessment that is determined by scaling up the premium rate established by the reinsurance agreement under subsection (g) and applying that scaled-up rate to the institution's average assessment base, subject to adjustments authorized by subsection (d). A covered institution that fails to obtain a reinsurance agreement in a timely manner under the phase-in schedule established under subsection (e)(1) shall have its insurance assessments determined under the provisions of subsection (j)(1).

"(d) BANK INSURANCE FUND ADJUSTMENTS.—The Corporation shall make proportionate adjustments, under procedures established by regulation, to each covered institution's total deposit insurance assessment upwards or downwards, as necessary to ensure to the extent practicable and consistent with the public interest that all such assessments, in the aggregate, are sufficient to maintain the deposit insurance fund at or above the designated reserve ratio required by section 7(b)(1)(B), or to restore the deposit insurance fund to the designated reserve ratio within a reasonable period of time.

"(e) PHASE-IN SCHEDULE AND AMOUNT OF REINSURANCE.—

"(1) PHASE-IN SCHEDULE FOR OBTAINING REINSURANCE AGREEMENTS.—

"(A) ESTABLISHMENT; PUBLICATION.—The Corporation shall—

"(i) establish a timetable designed to ensure that, by the end of the phase-in period and to the maximum extent practicable, all covered institutions have obtained reinsurance under this section; and

"(ii) publish such timetable in the Federal Register.

"(B) CRITERIA.—The timetable established under subparagraph (A) shall—

"(i) require some covered institutions to begin to obtain reinsurance not later than 1 year following the end of the reinsurance pilot program established under section 213(a) of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, if the Corporation recommends establishing a reinsurance system for setting risk-based premiums for certain institutions under the provisions of section 7A of the Federal Deposit Insurance Act;

"(ii) require all covered institutions to obtain reinsurance contracts over a period of not less than 5 years or not more than 10 years after such date, unless the Corporation determines that a shorter or longer period would be in the public interest; and

"(iii) provide ample opportunity for the development of a competitive reinsurance market.

"(C) NOTIFICATION.—The Corporation shall notify each covered institution not less than 1 year before the institution will be required to obtain reinsurance.

"(2) LEVEL OF REINSURANCE.—The Corporation shall, in accordance with paragraph (3), establish a uniform reinsurance level that is not less than 3 percent nor more than 10 percent of the insured deposits of each covered institution.

"(3) CRITERIA FOR SETTING LEVEL OF COVERAGE.—For purposes of paragraph (2), the Corporation shall establish a level of reinsurance coverage that is sufficient to ensure—

"(A) that the assessment rates charged by reinsurers can be accurately scaled up to reasonably reflect the total insured risk of failure presented by each covered institution; and

"(B) that, over the transition period, there is a reasonable likelihood that enough reinsurance capacity is available to support a competitive reinsurance market.

"(4) PHASE-IN.—

"(A) IN GENERAL.—The Corporation shall—

"(i) require reinsurers to provide the level of reinsurance established under paragraph (2) not later than 5 years after the phase-in period under subsection (d)(1) begins; and

"(ii) establish interim reinsurance levels applicable during the 5-year transition period described in clause (i).

"(B) VARIATIONS.—The Corporation may permit variations from the phase-in schedules established under paragraph (1) and this paragraph if—

"(i) a substantial change in a covered institution's circumstances hinders the institution from complying with the phase-in schedule established under paragraph (1); or

"(ii) a covered institution cannot obtain reinsurance coverage at the specified time due to lack of market availability.

"(f) ELIGIBLE REINSURERS AND REINSURANCE CONTRACTS.—

"(1) IN GENERAL.—For purposes of this section, an 'eligible reinsurer' shall include any qualified insurer that—

"(A) meets appropriate criteria (including capital criteria that, in the Corporation's judgment, will ensure that the reinsurer will be able to pay claims when called upon to do so) prescribed by the Corporation, subject to the requirements of any applicable State laws, for the qualification of reinsurers to offer risk-based reinsurance to covered institutions;

"(B) offers reinsurance terms that reflect a risk-based approach to pricing; and

"(C) meets any other criteria that the Corporation determines appropriate for the protection of the insurance funds and the public interest.

"(2) INSTITUTION AFFILIATION.—An eligible reinsurer may be an affiliate of a bank holding

company or a savings association holding company, except that an insurance affiliate may not offer reinsurance to an affiliated bank or savings association.

"(3) TERMS OF REINSURANCE CONTRACTS.—

"(A) The Corporation is authorized to establish general terms and conditions for reinsurance contracts, including, but not limited to, the length of such contracts, the amount of information pertaining to the reinsured institution held by the Corporation that the reinsurer will have access to, the frequency of price changes permitted, and the conditions for termination; and

"(B) The Corporation must approve all reinsurance agreements negotiated pursuant to subsection (g).

"(g) REINSURANCE AGREEMENTS.—

"(1) NEGOTIATIONS.—Eligible reinsurers shall negotiate directly with covered institutions to establish—

"(A) the price of reinsurance for that portion of the insured risk covered by the reinsurer; and

"(B) the rights of the reinsurer to review documents maintained by the covered institution in order to assess risk and determine the price.

Any agreements negotiated under this paragraph are subject to the approval of the Corporation under subsection (e)(3)(B) of this section.

"(2) INSURANCE FOR UNINSURED DEPOSITS.—An eligible reinsurer may offer insurance coverage for deposits that are not federally insured to any bank or savings association, whether or not it is covered by reinsurance with this section.

"(h) REINSURANCE REQUIREMENTS.—

"(1) COMPLIANCE EXTENSIONS.—If the Corporation finds that—

"(A) there is a substantial shortage of private sector reinsurance capacity at any time after the end of the phase-in schedule established under subsection (e)(1); or

"(B) because of a significant period of financial stress, it is required in the public interest;

the Corporation is authorized to suspend the requirement for a covered institution to obtain reinsurance for periods of 6 months. During such 6-month periods, deposit insurance assessments for all covered institutions shall be made in accordance with section 7(b). The Corporation shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate, and to the Committee on Banking, Finance and Urban Affairs of the House of Representatives each time it uses its authority under this subsection, setting forth the reasons for such use.

"(2) REINSURANCE PREMIUMS.—If the Corporation—

"(A) finds that the risk-based premium based on a reinsurance agreement charged a covered institution is significantly less than the premium that would be charged under the section 7(b) risk-based formula; and

"(B) believes that the reinsurance agreement-based assessment does not with reasonable accuracy reflect the inherent insured risks of the covered institution,

the premium for such institution shall be assessed under the section 7(b) risk-based formula. The Corporation shall give a covered institution whose premium would be changed under this paragraph and the reinsurer involved an opportunity to comment on the Corporation's findings not less than 30 days before changing the premium assessment for such covered institution. The Corporation shall return the premium charged any covered institution to the level based on scaling up the assessment charged under the reinsurance agreement, subject to adjustments authorized by subsection (d), if the Corporation finds that subparagraph (B) no longer applies.

"(i) PAYMENTS.—The premium negotiated between a covered institution and a reinsurer in accordance with subsection (g) shall be paid by the Corporation to the reinsurer on a payment schedule established by the Corporation. Such schedule shall provide that covered institutions shall promptly pay, and reinsurers will promptly be paid for, any premium increases during the term of a reinsurance agreement. Assessments under this section shall be paid by the institution to the Corporation in accordance with subsections (b)(2) and (c) through (h) of section 7.

"(j) FAILURE TO OBTAIN REINSURANCE.—

"(1) ASSESSMENT PENALTY.—Except as provided in subsection (k), upon the failure of a covered institution to obtain reinsurance or renew a reinsurance agreement as required under this section, the Corporation shall make a deposit insurance assessment on the institution that is at least 8 basis points higher than the deposit insurance assessment rate that would be charged that institution under the section 7(b) risk-based formula, or equal to the highest assessment rate charged any covered institution with reinsurance having the same rating under the Uniform Financial Institutions Rating System (hereafter 'CAMEL rating') derived from an evaluation of an institution's capital adequacy, asset quality, management, earnings, and liquidity, whichever is higher.

"(2) SPECIAL EXAMINATION.—For a covered institution that is subject to treatment under paragraph (1), the Corporation shall—

"(A) conduct an immediate full-scope examination of the institution; and

"(B) make adjustments to the institution's CAMEL rating, if appropriate.

"(3) TERMINATION OF INSURANCE.—After the transition period in subsection (e)(1) has ended, the Corporation shall not provide deposit insurance to any covered institution that is unable to obtain reinsurance for more than 2 consecutive years, unless reinsurance requirements are suspended under subsection (h)(1).

"(k) EFFECTIVE DATE.—This section shall become effective on the date the Corporation, under the procedures established in section 213(a)(7) of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, reports to the Congress that it is prepared to begin implementing a national reinsurance system.".

(2) AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956.—Section 4(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)) is amended—

(A) by redesignating paragraphs (9) through (14) as paragraphs (10) through (15), respectively; and

(B) by inserting after paragraph (8) a new paragraph as follows:

"(9) shares of any company, the activities of which are limited solely to providing reinsurance in accordance with the requirements of section 7A of the Federal Deposit Insurance Act;".

SEC. 214. REAL ESTATE LENDING STANDARDS.

(a) IN GENERAL.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(u) REAL ESTATE LENDING.—

"(1) UNIFORM REGULATIONS.—Not more than 9 months after the date of enactment of the Comprehensive Deposit Insurance and Taxpayer Protection Act of 1991, each appropriate Federal banking agency shall adopt uniform regulations prescribing standards for extensions of credit that are—

"(A) secured by liens on interests in real estate; or

"(B) made for the purpose of financing the construction of a building or other improvements to real estate.

"(2) STANDARDS.—

"(A) CRITERIA.—In prescribing standards under paragraph (1), the agencies shall consider—

"(i) the risk posed to the deposit insurance funds by such extensions of credit;

"(ii) the need for safe and sound operation of insured depository institutions; and

"(iii) the availability of credit.

"(B) VARIATIONS PERMITTED.—In prescribing standards under paragraph (1), the appropriate Federal banking agencies may differentiate among types of loans—

"(i) as may be required by Federal statute;

"(ii) as may be warranted, based on the risk to the deposit insurance fund; or

"(iii) as may be warranted, based on the safety and soundness of the institutions.

"(3) EFFECTIVE DATE.—The regulations adopted under paragraph (1) shall become effective not later than 15 months after the date of enactment of the Comprehensive Deposit Insurance and Taxpayer Protection Act of 1991. Such regulations shall continue in effect except as uniformly amended by the appropriate Federal banking agencies, acting in concert.

"(4) LOAN-TO-VALUE RATIOS APPLICABLE IF REGULATIONS NOT ADOPTED AS REQUIRED.—The following provisions shall become effective 15 months after the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991 if the Federal banking agencies fail to adopt uniform regulations under paragraph (1) within the period specified in that paragraph:

"(A) IN GENERAL.—An insured depository institution shall not extend credit secured by real property if the extension of credit would exceed the following percentage of the appraised value of that property:

"(i) 1- TO 4-FAMILY DWELLING.—95 percent, if the extension of credit is to finance the purchase of, or to refinance outstanding indebtedness on, property improved by a completed 1- to 4-family dwelling.

"(ii) COMPLETED STRUCTURE.—80 percent, if the property is improved by 1 or more completed structures and—

"(I) none of the structures is a completed 1- to 4-family dwelling; or

"(II) the extension of credit is not described in clause (i).

"(iii) IMPROVED PROPERTY.—70 percent, if the property is improved but has no completed structure.

"(iv) UNDEVELOPED PROPERTY.—65 percent, if—

"(I) the property is undeveloped; and

"(II) the extension of credit is not an extension of credit to an active farming operation secured by agricultural land.

"(B) EXCEPTIONS.—Subparagraph (A) does not apply to any extension of credit on which the principal and interest are insured or guaranteed by a Federal agency, a federally related entity, or a State or local housing finance agency, as defined in regulations of the appropriate Federal banking agency.

"(C) REGULATORY AUTHORITY.—The appropriate Federal banking agency may adjust the limitations in subparagraph (A) if the agency determines that the limitation that would otherwise apply—

"(i) is unreasonable and limits safe and sound extensions of credit; or

"(ii) does not sufficiently curtail unsafe and unsound practices.".

(b) CONFORMING AMENDMENT.—Section 24(a) of the Federal Reserve Act (12 U.S.C. 371(a)) is amended by striking "such terms," and all that follows through the period and inserting "section 18(u) of the Federal Deposit Insurance Act and such restrictions and requirements as the Comptroller of the Currency may prescribe by regulation or order.".

SEC. 215. RESTRICTING RISKY BANK ACTIVITIES.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by

inserting after section 23 the following new section:

"SEC. 24. BANK ACTIVITIES.

"(a) FDIC May Restrict Risky Bank Activities.—The Corporation may, by regulation or order—

"(1) restrict any activity of an insured bank that poses a significant risk to the deposit insurance fund;

"(2) require that activities not prohibited under this section be conducted through a subsidiary; and

"(3) impose such other restrictions and requirements as the Corporation determines to be necessary to prevent a significant risk to the deposit insurance fund.

"(b) Exercise of State-Authorized Powers Exceeding the Powers of a National Bank.—

"(1) In general.—An insured State bank shall not, directly or indirectly, engage as principal in any activity that is not permissible for a national bank unless—

"(A) the State bank is adequately capitalized, as defined in section 37; and

"(B) the Corporation has, by regulation or order, determined that engaging in that activity—

"(i) would pose no significant risk to the deposit insurance fund; and

"(ii) would be consistent with the purposes of this Act.

"(2) Exception for well-capitalized banks.—Paragraph (1) does not prohibit an insured State bank from engaging as principal, directly or indirectly, in an activity not permissible for a national bank if—

"(A) the bank is well-capitalized, as defined in section 37;

"(B) the bank has filed with the Corporation a notice describing the activity;

"(C) the Corporation has not, before the expiration of the 90-day period beginning on the date on which the notice is filed, determined that engaging in that activity—

"(i) would pose a significant risk to the deposit insurance fund; or

"(ii) would be inconsistent with the purposes of this Act.

"(3) Exception for subsidiaries.—Paragraph (1) does not prohibit a subsidiary of an insured State bank from engaging as principal in an activity that is not permissible for a national bank if—

"(A) the State bank is adequately capitalized, as defined in section 37; and

"(B) the Corporation has, by regulation or order, determined that engaging in the activity in an insured bank or a subsidiary of an insured bank—

"(i) would pose no significant risk to the deposit insurance fund; and

"(ii) would be consistent with the purposes of this Act.

"(c) Equity Investments by State Banks.—

"(1) In general.—An insured State bank shall not, directly or indirectly, acquire or retain any equity investment of a type or in an amount that is not permissible for a national bank.

"(2) Exceptions.—Paragraph (1) does not prohibit an insured State bank from doing any of the following:

"(A) Community development investments by subsidiaries.—Acquiring or retaining shares of a subsidiary, if the subsidiary engages primarily in the promotion of community welfare (such as the economic rehabilitation and development of low-income areas by providing housing, services, or jobs for residents).

"(B) Investments through separately capitalized subsidiaries.—Acquiring an equity investment of a type or in an amount that is not permissible for a national bank if all of the State bank's investments in and extensions of credit to the subsidiary are deducted from the bank's capital.

"(C) Risk retention.—Acquiring or retaining not more than 10 percent of a corporation that only—

"(i) provides directors', trustees', and officers' liability insurance coverage, or bankers' blanket bond group insurance coverage for insured depository institutions; or

"(ii) reinsures such policies.

"(D) Savings bank life insurance.—Acquiring or retaining shares of a savings bank life insurance company, if the insured State bank is organized under the laws of Connecticut, Massachusetts, or New York.

"(3) Transition rule.—The Corporation shall require any insured State bank to divest itself of any equity investment the retention of which is not permissible under paragraph (1) as quickly as can be prudently done, and in any event not later than August 1, 1996.

"(d) Corporate Debt Securities Not of Investment Grade.—

"(1) In general.—An insured bank shall not, directly or indirectly, acquire any corporate debt security not of investment grade.

"(2) Accounting.—An insured bank retaining any corporate debt security not of investment grade shall account for that security as if the security were held for sale.

"(3) Definition.—The term 'corporate debt security not of investment grade' has the same meaning as in section 28(d)(4).

"(e) Other Authority Not Affected.—This section does not limit any authority of a Federal banking agency or a State to impose more stringent restrictions.".

(b) Effective Date.—Section 24 of the Federal Deposit Insurance Act (as added by subsection (a)) shall become effective upon the date of enactment of this Act, except that subsections (b) and (c) of section 24 shall become effective 2 years after that date of enactment.

(c) Transition Rule for Investments in Corporate Equity Securities.—

(1) In general.—Notwithstanding section 24(c) of the Federal Deposit Insurance Act (as added by subsection (a))—

(A) during the 2 years following the date of enactment of this Act, an insured State bank or subsidiary of an insured State bank may acquire or retain corporate equity securities to the extent permitted by State law on May 14, 1991;

(B) during each of the 3 years following the effective date of section 24(c), each insured State bank and each subsidiary of an insured State bank shall reduce by not less than one-third the corporate equity securities that—

(i) it held on that effective date; and

(ii) are of a type or in an amount not permissible under section 24(c); and

(C) during the first 5 years following the effective date of section 24(c), an insured State bank or subsidiary of an insured State bank may acquire or retain any investment in any publicly traded index of corporate equity securities, to the extent permitted by State law on May 14, 1991.

(2) Accounting treatment.—In calculating compliance with paragraph (1)(B), corporate equity securities held for investment by insured State banks and subsidiaries of insured State banks shall not be required to be marked to market.

(3) Study and report.—

(A) Study required.—The Comptroller General shall conduct a study regarding investments in corporate equity securities by insured State banks and their subsidiaries. Such study shall examine—

(i) the extent to which insured State banks and their subsidiaries have invested in corporate equity securities;

(ii) the risks and returns on those investments;

(iii) their contribution to profitability;

(iv) the extent to which States limit the types and amounts of such investments; and

(v) whether such investments are consistent with the purposes of this Act.

(B) Report required.—Not later than 18 months after the date of enactment of this section, the Comptroller General shall transmit to the Congress a report regarding the results of the study described in subparagraph (A), along with recommendations for such legislative or administrative actions as the Comptroller General deems appropriate.

SEC. 216. SAFEGUARDS AGAINST INSIDER ABUSE.

(a) Recodification of Current Law Restricting Extensions of Credit to Insiders.—Section 22(h) of the Federal Reserve Act (12 U.S.C. 375b) is amended to read as follows:

"(h) Extensions of Credit to Executive Officers, Directors, and Principal Shareholders of Member Banks.—

"(1) In general.—No member bank may extend credit to any of its executive officers, directors, or principal shareholders, or to any related interest of such a person, except to the extent permitted under paragraphs (2), (3), (4), and (6).

"(2) Preferential terms prohibited.—A member bank may extend credit to its executive officers, directors, or principal shareholders, or to any related interest of such a person, only if the extension of credit—

"(A) is made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions by the bank with persons who are not executive officers, directors, principal shareholders, or employees of the bank; and

"(B) does not involve more than the normal risk of repayment or present other unfavorable features.

"(3) Prior approval required.—A member bank may extend credit to a person described in paragraph (1) in an amount that, when aggregated with the amount of all other outstanding extensions of credit by that bank to each such person and that person's related interests, would exceed an amount prescribed by regulation of the appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) only if—

"(A) the extension of credit has been approved in advance by a majority vote of that bank's entire board of directors; and

"(B) the interested party has abstained from participating, directly or indirectly, in the deliberations or voting on the extension of credit.

"(4) Aggregate limit on extensions of credit to any executive officer or principal shareholder.—A member bank may extend credit to any executive officer or principal shareholder, or to any related interest of such a person, only if the extension of credit is in an amount that, when aggregated with the amount of all outstanding extensions of credit by that bank to that person and that person's related interests, would not exceed the limits on loans to a single borrower established by section 5200 of the Revised Statutes. For purposes of this paragraph, section 5200 of the Revised Statutes shall be deemed to apply to a State member bank as if the State member bank were a national banking association.

"(5) [Reserved.]

"(6) Overdrafts by executive officers and directors prohibited.—

"(A) In general.—If any executive officer or director has an account at the member bank, the bank may not pay on behalf of that person an amount exceeding the funds on deposit in the account.

"(B) Exceptions.—Subparagraph (A) does not prohibit a member bank from paying funds in accordance with—

"(i) a written preauthorized, interest-bearing extension of credit specifying a method of repayment; and

"(ii) a written preauthorized transfer of funds from another account of the executive officer or director at that bank.

"(7) [Reserved.]

"(8) EXECUTIVE OFFICER, DIRECTOR, OR PRINCIPAL SHAREHOLDER OF CERTAIN AFFILIATES TREATED AS EXECUTIVE OFFICER, DIRECTOR, OR PRINCIPAL SHAREHOLDER OF MEMBER BANK.—For purposes of this subsection, any executive officer, director, or principal shareholder (as the case may be) of any bank holding company of which the member bank is a subsidiary, or of any other subsidiary of that company, shall be deemed to be an executive officer, director, or principal shareholder (as the case may be) of the member bank.

"(9) DEFINITIONS.—For purposes of this subsection:

"(A) COMPANY.—

"(i) IN GENERAL.—Except as provided in clause (ii), the term 'company' means any corporation, partnership, business or other trust, association, joint venture, pool syndicate, sole proprietorship, unincorporated organization, or other business entity.

"(ii) EXCEPTIONS.—The term 'company' does not include—

"(I) an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act); or

"(II) a corporation the majority of the shares of which are owned by the United States or by any State.

"(B) CONTROL.—A person controls a company or bank if that person, directly or indirectly, or acting through or in concert with 1 or more persons—

"(i) owns, controls, or has the power to vote 25 percent or more of any class of the company's voting securities;

"(ii) controls in any manner the election of a majority of the company's directors; or

"(iii) has the power to exercise a controlling influence over the company's management or policies.

"(C) EXECUTIVE OFFICER.—A person is an 'executive officer' of a company or bank if that person participates or has authority to participate (other than as a director) in major policymaking functions of the company or bank.

"(D) EXTENSION OF CREDIT.—A member bank extends credit by making or renewing any loan, granting a line of credit, or entering into any similar transaction as a result of which a person becomes obligated (directly or indirectly, or by any means whatsoever) to pay money or its equivalent to the bank.

"(E) [Reserved.]

"(F) PRINCIPAL SHAREHOLDER.—The term 'principal shareholder' means any person that directly or indirectly, or acting through or in concert with one or more persons, owns, controls, or has the power to vote more than 10 percent of any class of voting securities of a member bank or company. For purposes of paragraph (4), if a member bank has its main banking office in a city, town, or village with a population of less than 30,000, the preceding sentence shall apply with '18 percent' substituted for '10 percent'.

"(G) RELATED INTEREST.—A 'related interest' of a person is—

"(i) any company controlled by that person; and

"(ii) any political or campaign committee that is controlled by that person or the funds or services of which will benefit that person.

"(H) SUBSIDIARY.—The term 'subsidiary' has the same meaning as in section 2 of the Bank Holding Company Act of 1956.

"(10) BOARD'S RULEMAKING AUTHORITY.—The Board of Governors of the Federal Reserve System may prescribe such regulations, including definitions of terms, as it determines to be necessary to effectuate the purposes and prevent evasions of this subsection.".

(b) REQUIRING DEPOSITORY INSTITUTIONS TO FOLLOW NORMAL CREDIT UNDERWRITING PROCEDURES WHEN EXTENDING CREDIT TO INSIDERS.—Section 22(h)(2) of the Federal Reserve Act (12 U.S.C. 375b(2)), as amended by subsection (a), is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) the bank follows credit underwriting procedures that are not less stringent than those applicable to comparable transactions by the bank with persons who are not executive officers, directors, principal shareholders, or employees of the bank.".

(c) APPLYING TO DIRECTORS THE LIMIT ON LOANS TO ONE BORROWER.—Section 22(h)(4) of the Federal Reserve Act (12 U.S.C. 375b(4)), as amended by subsection (a), is amended—

(1) by inserting ", DIRECTOR," after "AGGREGATE LIMIT ON EXTENSIONS OF CREDIT TO ANY EXECUTIVE OFFICER"; and

(2) by inserting ", director," after "A member bank may extend credit to any executive officer".

(d) LIMITING DEPOSITORY INSTITUTION'S AGGREGATE EXTENSIONS OF CREDIT TO INSIDERS.—

(1) IN GENERAL.—Section 22(h)(5) of the Federal Reserve Act (12 U.S.C. 375b(5)), as amended by subsection (a), is amended to read as follows:

"(5) AGGREGATE LIMIT ON EXTENSIONS OF CREDIT TO ALL EXECUTIVE OFFICERS, DIRECTORS, AND PRINCIPAL SHAREHOLDERS.—

"(A) IN GENERAL.—A member bank may extend credit to any executive officer, director, or principal shareholder, or to any related interest of such a person, if the extension of credit is in an amount that, when aggregated with the amount of all outstanding extensions of credit by that bank to its executive officers, directors, principal shareholders, and those persons' related interests would not exceed the bank's unimpaired capital and unimpaired surplus.

"(B) MORE STRINGENT LIMIT AUTHORIZED.—The Board may, by regulation, prescribe a limit that is more stringent than that contained in subparagraph (A).

"(C) BOARD MAY MAKE EXCEPTIONS FOR CERTAIN BANKS.—The Board may, by regulation, make exceptions to subparagraph (A) for member banks with less than $100,000,000 in deposits if the Board determines that the exceptions are important to avoid constricting the availability of credit in small communities or to attract directors to such banks. In no case may the aggregate amount of all outstanding extensions of credit to a bank's executive officers, directors, principal shareholders, and those persons' related interests be more than 2 times the bank's unimpaired capital and unimpaired surplus.".

(2) CONFORMING AMENDMENT.—Section 22(h)(1) of the Federal Reserve Act (12 U.S.C. 375b(1)), as amended by subsection (a), is amended by inserting "(5)," after "(4),".

(e) PROHIBITING INSIDERS FROM ACCEPTING UNAUTHORIZED EXTENSIONS OF CREDIT.—Section 22(h)(7) of the Federal Reserve Act (12 U.S.C. 375b(7)), as amended by subsection (a), is amended to read as follows:

"(7) PROHIBITION ON KNOWINGLY RECEIVING UNAUTHORIZED EXTENSION OF CREDIT.—No executive officer, director, or principal shareholder shall knowingly receive (or knowingly permit any of that person's related interests to receive) from a member bank, directly or indirectly, any extension of credit not authorized under this subsection.".

(f) APPLYING UNIFORM RULES TO ALL COMPANIES CONTROLLING DEPOSITORY INSTITUTIONS.—Section 22(h)(8) of the Federal Reserve Act (12 U.S.C. 375b(8)), as amended by subsection (a), is amended by striking "bank holding".

(g) APPLYING SAFEGUARDS TO INSIDER TRANSACTIONS WITH DEPOSITORY INSTITUTION'S SUBSIDIARIES.—Section 22(h)(9)(E) of the Federal Reserve Act (12 U.S.C. 375b(9)(E)), as amended by subsection (a), is amended to read as follows:

"(E) MEMBER BANK.—The term 'member bank' includes any subsidiary of a member bank.".

(h) APPLYING UNIFORM RULES TO ALL PRINCIPAL SHAREHOLDERS.—Section 22(h)(9)(F) of the Federal Reserve Act (12 U.S.C. 375b(9)(F)), as amended by subsection (a), is amended by striking the last sentence.

(i) LIMITING SAVINGS ASSOCIATIONS' EXTENSIONS OF CREDIT TO EXECUTIVE OFFICERS.—Section 11(b)(1) of the Home Owners' Loan Act (12 U.S.C. 1468(b)(1)) is amended by striking "Section 22(h)" and inserting "Subsections (g) and (h) of section 22".

(j) PREVENTING SAVINGS ASSOCIATIONS FROM MAKING PREFERENTIAL EXTENSIONS OF CREDIT THROUGH CORRESPONDENT INSTITUTIONS.—Section 106(b)(2)(H)(i) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(2)(H)(i)) is amended by inserting ", a savings bank, and a savings association (as those terms are defined in section 3 of the Federal Deposit Insurance Act)" after "mutual savings bank".

(k) LIMITING STATE NONMEMBER BANK'S EXTENSIONS OF CREDIT TO EXECUTIVE OFFICERS; CLARIFYING THE PROHIBITION ON PREFERENTIAL EXTENSIONS OF CREDIT TO INSIDERS.—Section 18(j) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)) is amended to read as follows:

"(j) RESTRICTIONS ON TRANSACTIONS WITH AFFILIATES AND INSIDERS.—

"(1) TRANSACTIONS WITH AFFILIATES.—

"(A) IN GENERAL.—Sections 23A and 23B of the Federal Reserve Act shall apply with respect to every nonmember insured bank in the same manner and to the same extent as if the nonmember insured bank were a member bank.

"(B) AFFILIATE DEFINED.—For the purpose of subparagraph (A), any company that would be an affiliate (as defined in sections 23A and 23B) of a nonmember insured bank if the nonmember insured bank were a member bank shall be deemed to be an affiliate of that nonmember insured bank.

"(2) EXTENSIONS OF CREDIT TO OFFICERS, DIRECTORS, AND PRINCIPAL SHAREHOLDERS.—Subsections (g) and (h) of section 22 of the Federal Reserve Act shall apply with respect to every nonmember insured bank in the same manner and to the same extent as if the nonmember insured bank were a member bank.

"(3) AVOIDING EXTRATERRITORIAL APPLICATION TO FOREIGN BANKS.—

"(A) TRANSACTIONS WITH AFFILIATES.—Paragraph (1) shall not apply with respect to a foreign bank solely because the foreign bank has an insured branch.

"(B) EXTENSIONS OF CREDIT TO OFFICERS, DIRECTORS, AND PRINCIPAL SHAREHOLDERS.—Paragraph (2) shall not apply with respect to a foreign bank solely because the foreign bank has an insured branch, but shall apply with respect to the insured branch.

"(C) FOREIGN BANK DEFINED.—For purposes of this paragraph, the term 'foreign bank' has the same meaning as in section 1(b)(7) of the International Banking Act of 1978.".

(l) EFFECTIVE DATE.—The amendments made by this section shall become effective upon the earlier of—

(1) the date on which final regulations under subsection (m)(1) become effective; or

(2) 150 days after the date of enactment of this Act.

(m) REGULATIONS.—

(1) IN GENERAL.—The Board of Governors of the Federal Reserve System shall, not later than

120 days after the date of enactment of this Act, promulgate final regulations to implement the amendments made by this section, other than the amendments made by subsections (i) and (k).

(2) LIMITING EXTENSIONS OF CREDIT TO EXECUTIVE OFFICERS.—The Federal Deposit Insurance Corporation and Director of the Office of Thrift Supervision shall each, not later than 120 days after the date of enactment of this Act, promulgate final regulations prescribing the maximum amount that a nonmember insured bank or insured savings association (as the case may be) may lend under section 22(g)(4) of the Federal Reserve Act, as made applicable to those institutions by subsections (k) and (i), respectively.

(n) EXISTING TRANSACTIONS NOT AFFECTED.—The amendments made by this section do not affect the validity of any extension of credit or other transaction lawfully entered into on or before the effective date of those amendments.

SEC. 217. PROTECTING DEPOSITORY INSTITUTIONS FROM ABUSIVE TRANSACTIONS WITH AFFILIATES.

(a) AMENDMENTS TO SECTION 23A OF THE FEDERAL RESERVE ACT.—Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(1) by striking "per centum" each place it appears and inserting "percent";

(2) by adding at the end of subsection (a) the following new paragraph:

"(5) No bank holding company shall permit an insured depository institution that it controls to engage in any covered transaction if the amount of the covered transaction exceeds 5 percent of the institution's capital stock and surplus, unless not less than 5 days prior notice is provided to the Board and the appropriate Federal banking agency, as defined in section 3 of the Federal Deposit Insurance Act, if different.";

(3) in subsection (b)(1)(D), by amending clause (ii) to read as follows:

"(ii) any investment company, commodity pool, or other company engaged in substantially the same activities as an investment company or commodity pool for which a member bank or any affiliate is an investment adviser as defined in section 2(a)(20) of the Investment Company Act of 1940, or a commodity trading adviser as defined in section 2(a)(1)(A) of the Commodity Exchange Act, or performs activities substantially equivalent to those of an investment adviser or commodity trading adviser; and";

(4) in subsection (b)(2)(A), by inserting "and of which the member bank owns at least 80 percent of the voting stock" after "member bank";

(5) in subsection (b)(5), by inserting "that is principally engaged in deposit taking or lending activities" after "trust company";

(6) in subsection (b)(7)—

(A) in subparagraph (D), by striking "or" at the end thereof;

(B) in subparagraph (E) by inserting "to, or" after "standby letter of credit,"; and

(C) by inserting after subparagraph (E) the following new subparagraphs:

"(F) the assumption by a member bank of a liability of any affiliate, whether directly or through the transfer of the affiliate to the member bank;

"(G) except to the extent permitted under section 10(f)(2) of the Bank Holding Company Act of 1956, a loan or extension of credit to any company, or the issuance of or participation in a standby letter of credit, asset purchase agreement, indemnification, guarantee, insurance, or other facility with any company, for the purpose of enhancing the marketability of securities or other obligations or assets that are underwritten or distributed by the affiliate; or

"(H) any other financial arrangement that the Board by regulation determines to be substantially equivalent to a transaction described in this paragraph;";

(7) in subsection (c)(1)—

(A) by inserting "to, or" after "letter of credit issued"; and

(B) by striking "at the time of the transaction";

(8) in subsection (c)(4)—

(A) by inserting "the member bank or" after "issued by"; and

(B) by inserting "to, or" after "letter of credit issued"; and

(9) in subsection (d)(5), by inserting ", if the company provides services solely to affiliated member banks" before the semicolon.

(b) AMENDMENTS TO SECTION 23B OF THE FEDERAL RESERVE ACT.—Section 23B(b)(2) of the Federal Reserve Act (12 U.S.C. 371c–1(b)(2)) is amended by inserting "officers, directors, or employees of" after "of the bank or".

SEC. 218. INTERBANK LIABILITIES.

(a) REDUCING SYSTEMIC RISKS POSED BY LARGE BANK FAILURES.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 22 the following new section:

"INTERBANK LIABILITIES

"SEC. 23. (a) PURPOSE.—The purpose of this section is to limit the risks that the failure of a large depository institution (whether or not that institution is an insured depository institution) would pose to insured depository institutions.

"(b) AGGREGATE LIMITS ON INSURED DEPOSITORY INSTITUTIONS' EXPOSURE TO OTHER DEPOSITORY INSTITUTIONS.—The Board shall, by regulation or order, prescribe standards that have the effect of limiting the risks posed by an insured depository institution's exposure to any other depository institution.

"(c) EXPOSURE DEFINED.—

"(1) IN GENERAL.—For purposes of subsection (b), an insured depository institution's 'exposure' to another depository institution means—

"(A) all extensions of credit to the other depository institution, regardless of name or description, including—

"(i) all deposits at the other depository institution;

"(ii) all purchases of securities or other assets from the other depository institution subject to an agreement to repurchase; and

"(iii) all guarantees, acceptances, or letters of credit (including endorsements or standby letters of credit) on behalf of the other depository institution;

"(B) all purchases of or investments in securities issued by the other depository institution;

"(C) all securities issued by the other depository institution accepted as collateral for an extension of credit to any person; and

"(D) all similar transactions that the Board by regulation determines to be exposure for purposes of this section.

"(2) EXEMPTIONS.—The Board may, at its discretion, by regulation or order, exempt transactions from the definition of 'exposure' if it finds the exemptions to be in the public interest and consistent with the purpose of this section.

"(3) ATTRIBUTION RULE.—For purposes of this section, any transaction by an insured depository institution with any person is a transaction with another depository institution to the extent that the proceeds of the transaction are used for the benefit of, or transferred to, that other depository institution.

"(d) INSURED DEPOSITORY INSTITUTION.—For purposes of this section, the term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

"(e) RULEMAKING AUTHORITY; ENFORCEMENT.—The Board may issue such regulations and orders, including definitions consistent with this section, as may be necessary to administer and carry out the purpose of this section. The appropriate Federal banking agency shall enforce compliance with those regulations under section 8 of the Federal Deposit Insurance Act.".

(b) TRANSITION RULES.—The Board shall prescribe reasonable transition rules to facilitate compliance with section 23 of the Federal Reserve Act (as added by subsection (a)).

(c) EFFECTIVE DATE.—The amendment made by this section shall become effective 1 year after the date of enactment of this Act.

SEC. 219. REDUCING RISK TO PAYMENT SYSTEM.

(a) FINDINGS AND PURPOSE.—The Congress finds that—

(1) many financial institutions engage daily in thousands of transactions with other financial institutions, directly and through clearing organizations;

(2) the efficient processing of those transactions is important to a smoothly functioning economy;

(3) those transactions can be processed most efficiently by netting obligations among financial institutions, consistent with applicable contracts;

(4) netting procedures would reduce the systemic risk within the banking system and financial markets; and

(5) to ensure that those netting procedures are effective, they must be recognized as valid and legally binding even if a financial institution participating in the procedures is closed.

(b) BILATERAL NETTING.—

(1) NETTING CONTRACT TO BE ENFORCED.—Notwithstanding any other provision of law, the covered contractual payment obligations and the covered contractual payment entitlements between any 2 financial institutions shall be netted under any applicable netting contract.

(2) LIMIT ON OBLIGATION TO MAKE PAYMENT.—The only obligation, if any, of a financial institution to make payment with respect to covered contractual payment obligations to another financial institution arising under a single netting contract shall be equal to its net obligation under that contract to that other financial institution (and no such obligation shall exist if there is no net obligation).

(3) LIMIT ON ENTITLEMENT TO RECEIVE PAYMENT.—The only right, if any, of a financial institution to receive payments with respect to covered contractual payment entitlements from another financial institution arising under a single netting contract shall be equal to its net entitlement under that contract with respect to that other financial institution (and no such right shall exist if there is no net entitlement).

(4) FAILED FINANCIAL INSTITUTION IS ENTITLED ONLY TO ITS NET ENTITLEMENT.—Any net entitlement of a failed financial institution shall be paid to the failed financial institution under the applicable netting contract.

(c) CLEARING ORGANIZATION NETTING.—

(1) NETTING CONTRACT TO BE ENFORCED.—Notwithstanding any other provision of law, the covered contractual payment obligations and covered contractual payment entitlements of a member of a clearing organization to and from all other members of a clearing organization shall be netted under any applicable netting contract.

(2) LIMIT ON OBLIGATION TO MAKE PAYMENT.—The only obligation, if any, of a member of a clearing organization to make payment with respect to covered contractual payment obligations arising under a single netting contract to any other member of a clearing organization shall be equal to its net obligation arising under that netting contract.

(3) LIMIT ON ENTITLEMENT TO RECEIVE PAYMENT.—The only right, if any, of a member of a clearing organization to receive payment with respect to a covered contractual payment entitlement arising under a single netting contract from other members of a clearing organization shall be equal to its net entitlement arising under that netting contract.

(4) FAILED FINANCIAL INSTITUTION IS ENTITLED ONLY TO ITS NET ENTITLEMENT.—Any net entitle-

ment of a failed member shall be paid to the failed member under the applicable netting contract. The failed member shall have no recognizable claim against any member of the clearing organization for any amount based on the covered contractual payment entitlements other than the failed member's net entitlement.

(d) PREEMPTION.—No stay, injunction, avoidance, moratorium, or similar proceeding or order, whether issued or granted by a court, administrative agency, or otherwise, and no other provision of Federal or State law shall limit or delay application of the netting provisions of an otherwise enforceable netting contract under subsections (b) and (c).

(e) DEFINITIONS.—For purposes of this section:

(1) BROKER-DEALER.—The term "broker-dealer" means a company that is registered or licensed under Federal or State law to act as a securities broker or dealer.

(2) CLEARING ORGANIZATION.—The term "clearing organization" means a clearinghouse, clearing association, clearing corporation, or similar organization that provides clearing, netting, or settlement services for its members, and—

(A) that is registered as a clearing agency under the Securities Exchange Act of 1934 (12 U.S.C. 78q–1(b));

(B) that performs clearing functions for a contract market designated under the Commodity Exchange Act (7 U.S.C. 1); or

(C) in which all members other than the clearing organization are financial institutions or other clearing organizations.

(3) COVERED CLEARING OBLIGATION.—The term "covered clearing obligation" means an obligation, subject to a netting contract, of a member of a clearing organization to make a payment to another member of a clearing organization.

(4) COVERED CONTRACTUAL PAYMENT ENTITLEMENT.—The term "covered contractual payment entitlement" means—

(A) an entitlement of a financial institution to receive a payment, subject to a netting contract, from another financial institution; and

(B) an entitlement of a member of a clearing organization to receive payment, subject to a netting contract, from another member of that clearing organization.

(5) COVERED CONTRACTUAL PAYMENT OBLIGATION.—The term "covered contractual payment obligation" means—

(A) an obligation of a financial institution to make payment, subject to a netting contract, to another financial institution; and

(B) a covered clearing obligation.

(6) DEPOSITORY INSTITUTION.—The term "depository institution" means—

(A) a depository institution as defined in section 19(b)(1)(A) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A));

(B) a branch or agency as defined in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101(b));

(C) a corporation chartered under section 25(a) of the Federal Reserve Act (12 U.S.C. 611 et seq.); or

(D) a corporation having an agreement or undertaking with the Board of Governors of the Federal Reserve System under section 25 of the Federal Reserve Act (12 U.S.C. 601 et seq.).

(7) FAILED FINANCIAL INSTITUTION.—The term "failed financial institution" means a financial institution that—

(A) has failed to satisfy a covered contractual payment obligation when due;

(B) is the subject of insolvency, liquidation, bankruptcy, reorganization, receivership (including the appointment of a receiver), conservatorship, or similar proceedings; or

(C) has generally ceased to meet its obligations when due.

(8) FAILED MEMBER.—The term "failed member" means any member that—

(A) has failed to satisfy a covered contractual payment obligation when due;

(B) is the subject of insolvency, liquidation, bankruptcy, reorganization, receivership (including the appointment of a receiver), conservatorship, or similar proceedings; or

(C) has generally ceased to meet its obligations when due.

(9) FINANCIAL INSTITUTION.—The term "financial institution" means a broker-dealer, a depository institution, a futures commission merchant, or any other institution as determined by the Board of Governors of the Federal Reserve System.

(10) FUTURES COMMISSION MERCHANT.—The term "futures commission merchant" means a company that is registered or licensed under Federal or State law to engage in the business of selling futures or options in commodities.

(11) MEMBER.—The term "member" means a member of or participant in a clearing organization, and includes the clearing organization.

(12) NET ENTITLEMENT.—The term "net entitlement" means the amount by which a financial institution's or member's covered contractual payment entitlements exceed its covered contractual payment obligations after netting under a netting contract.

(13) NET OBLIGATION.—The term "net obligation" means the amount by which a financial institution's or member's covered contractual payment obligations exceed its covered contractual payment entitlements after netting under a netting contract.

(14) NETTING CONTRACT.—The term "netting contract" means an agreement (including the rules of a clearing organization) between 2 or more financial institutions or members that—

(A) is governed by the laws of the United States or any subdivision thereof or any State;

(B) provides for netting present or future payment obligations or payment entitlements (including liquidation or closeout values relating to those obligations or entitlements) among the parties to the agreement; and

(C) is not precluded by Federal banking, securities, or commodities laws.

(15) PAYMENT.—The term "payment" means a payment of United States dollars, another currency, or a composite currency, including a payment to liquidate an unmatured obligation.

(f) OTHER PAYMENT SYSTEMS NOT AFFECTED.—This section shall not affect the enforceability of a netting arrangement of any payment system not subject to this section.

SEC. 220. LEAST-COST RESOLUTION.

Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end the following new subsection:

"(l) LEAST-COST RESOLUTION REQUIRED.—

"(1) IN GENERAL.—The Corporation shall not, directly or indirectly, do any of the following with respect to any insured depository institution except to satisfy the Corporation's obligations to that institution's insured depositors at the least possible long-term cost to the deposit insurance fund:

"(A) Take any action under subsection (f)(1), (i)(3), (m), or (n) of section 11.

"(B) Take any action under subsection (c) or (k).

"(C) Expend any money from a deposit insurance fund, other than to pay for examination, supervision, and administration costs.

"(D) Assume or guarantee any liability.

"(2) DETERMINING LEAST-COSTLY APPROACH.—In determining how to satisfy the Corporation's obligations to an institution's insured depositors at the least possible long-term cost to the deposit insurance fund, the Corporation shall comply with the following provisions:

"(A) PRESENT-VALUE ANALYSIS; DOCUMENTATION REQUIRED.—The Corporation shall—

"(i) evaluate alternatives on a present-value basis, using a realistic discount rate;

"(ii) document that evaluation; and

"(iii) retain the documentation for not less than 5 years.

"(B) ECONOMIC CONDITIONS AND FINANCIAL STABILITY.—The Corporation shall not consider how the transaction would affect economic conditions or financial stability except insofar as the effects would result in quantifiable costs to the deposit insurance fund.

"(3) SYSTEMIC RISK.—

"(A) EMERGENCY ADVANCES BY TREASURY.—If, upon the written recommendation of the Board of Governors of the Federal Reserve System (upon a vote of not less than two-thirds of its members), the Secretary of the Treasury (in consultation with the President) determines in writing that—

"(i) the Corporation's compliance with paragraph (1) with respect to an insured depository institution would have serious adverse effects on economic conditions or financial stability; and

"(ii) an advance under this subparagraph would avoid or mitigate such adverse effects,

the Secretary may advance to the Corporation the amount necessary to avoid or mitigate those effects.

"(B) FUNDS ADVANCED ARE NOT RESTRICTED BY PARAGRAPH (1).—Any action taken using funds advanced by the Secretary of the Treasury under subparagraph (A) is not an action taken under any subparagraph of paragraph (1).

"(C) REPAYMENT OF ADVANCES.—The Corporation shall repay advances under subparagraph (A) expeditiously from 1 or more special assessments on the members of the deposit insurance fund of which the insured depository institution is a member, equal to the product of—

"(i) an assessment rate established by the Corporation; and

"(ii) the amount of each member's average total assets during the semiannual period, minus the sum of—

"(I) the amount of the member's average total tangible equity;

"(II) the amount of the member's average total subordinated debt; and

"(III) the amount of the member's average total deposits that are deposits described in subparagraph (A) or (B) of section 3(l)(5).

"(D) INTEREST ON ADVANCES.—Advances under subparagraph (A) shall bear interest at a rate to be determined by the Secretary of the Treasury.

"(E) DOCUMENTATION REQUIRED.—The Secretary of the Treasury shall—

"(i) document any determination under subparagraph (A); and

"(ii) retain the documentation for review under subparagraph (F).

"(F) GAO REVIEW.—The Comptroller General of the United States shall review and report to the Congress on any determination under subparagraph (A), including—

"(i) the basis for the determination;

"(ii) the purpose for which the advance was used; and

"(iii) the likely effect of the determination and advance on the incentives and conduct of insured depository institutions and uninsured depositors.

"(G) NOTICE.—The Secretary of the Treasury shall provide written notice of any determination under subparagraph (A) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and each notice shall describe the basis for the determination.

"(H) EMERGENCY REQUIREMENT.—An advance under subparagraph (A) shall be deemed to be designated by the President and the Congress as emergency requirements.

"(4) RULE OF CONSTRUCTION.—No provision of law shall be construed as permitting the Cor-

poration to do anything prohibited by paragraph (1) or (2), unless the provision of law expressly amends this subsection.

"(5) PUBLIC DISCLOSURE REQUIRED.—

"(A) IN GENERAL.—The Corporation shall disclose documents referred to in paragraph (2)(A)(ii) upon request under section 552 of title 5, United States Code, without excising—

"(i) any portion under section 552(b)(5); or

"(ii) any information about the insured depository institution under paragraph (4) of section 552(b), other than trade secrets, or paragraph (8) of that section.

"(B) EXCEPTION.—Subparagraph (A) does not require the Corporation to disclose the name of any customer of the insured depository institution (other than an institution-affiliated party), or information from which such a person's identity could be reasonably ascertained.

"(6) CLAIMS SETTLEMENT PROCEDURES.—The Corporation, in consultation with the other Federal banking agencies, shall establish procedures for resolving the claims of uninsured depositors and creditors other than depositors against a depository institution for which the Corporation has been appointed receiver. Such procedures shall—

"(A) ensure that insured depositors will have access to all insured funds as expeditiously as possible;

"(B) provide uninsured depositors and creditors other than depositors with early access to not more than 90 percent of the value of that portion of their claims that the Corporation determines is supported by the assets of the institution;

"(C) maintain the safety and effectiveness of the payments system; and

"(D) protect the stability of the deposit insurance system.".

SEC. 221. EARLY RESOLUTION.

(a) IN GENERAL.—It is the sense of the Senate that the Federal banking agencies should facilitate early resolution of troubled insured depository institutions whenever feasible if early resolution would have the least possible long-term cost to the deposit insurance fund, consistent with section 13(l) of the Federal Deposit Insurance Act (as added by section 220).

(b) GENERAL PRINCIPLES.—In encouraging the Federal banking agencies to pursue early resolution strategies, the Senate contemplates that any resolution transaction under section 13(c) of that Act would observe the following general principles:

(1) COMPETITIVE NEGOTIATION.—The transaction should be negotiated competitively, taking into account the value of expediting the process.

(2) RESULTING INSTITUTION ADEQUATELY CAPITALIZED.—Any insured depository institution created or assisted in the transaction (hereafter the "resulting institution") and any institution acquiring the troubled institution should be adequately capitalized, as defined in section 37 of the Federal Deposit Insurance Act (as added by section 205).

(3) SUBSTANTIAL PRIVATE INVESTMENT.—The transaction should involve substantial private investment.

(4) CONSOLIDATION.—The transaction should involve consolidation to the maximum extent consistent with section 13(l).

(5) CONCESSIONS.—Preexisting owners and debtholders of any troubled institution or its holding company should make substantial concessions.

(6) QUALIFIED MANAGEMENT.—Directors and senior management of the resulting institution should be qualified to perform their duties, and should not include individuals substantially responsible for the troubled institution's problems.

(7) FDIC'S PARTICIPATION.—The transaction should give the Federal Deposit Insurance Corporation an opportunity to participate in the success of the resulting institution.

(8) STRUCTURE OF TRANSACTION.—The transaction should, insofar as practical, be structured so that—

(A) the Federal Deposit Insurance Corporation—

(i) does not acquire a significant proportion of the troubled institution's problem assets;

(ii) succeeds to the interests of the troubled institution's preexisting owners and debtholders in proportion to the assistance the Corporation provides; and

(iii) limits the Corporation's assistance in term and amount; and

(B) new investors share risk with the Corporation.

(c) REPORT.—Two years after the date of enactment of this Act, the Federal Deposit Insurance Corporation shall submit a report to Congress analyzing the effect of early resolution on the deposit insurance funds.

SEC. 222. FEDERAL RESERVE DISCOUNT WINDOW ADVANCES.

(a) REDESIGNATING SECTIONS 10(a) AND 10(b) OF THE FEDERAL RESERVE ACT.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended—

(1) by redesignating section 10(a) (12 U.S.C. 347a) as section 10A; and

(2) by redesignating section 10(b) (12 U.S.C. 347b) as section 10B.

(b) LIMITATION ON LIQUIDITY LENDING FOR DEPOSIT INSURANCE PURPOSES.—Section 10B of the Federal Reserve Act (as redesignated by subsection (a)) is amended—

(1) by striking "Any Federal Reserve bank" and inserting "(a) IN GENERAL.—Any Federal Reserve bank"; and

(2) by adding at the end the following:

"(b) LIMITATIONS ON ADVANCES.—

"(1) LIMITATION ON EXTENDED PERIODS.—Except as provided in paragraph (2), no advances to any undercapitalized depository institution by any Federal Reserve bank under this section may be outstanding for more than 60 days in any 120-day period.

"(2) VIABILITY EXCEPTION.—

"(A) IN GENERAL.—If—

"(i) the head of the appropriate Federal banking agency certifies in advance in writing to the Federal Reserve bank that any depository institution is viable; or

"(ii) the Board conducts an examination of any depository institution and the Chairman of the Board certifies in writing to the Federal Reserve bank that the institution is viable,

the limitation contained in paragraph (1) shall not apply during the 60-day period beginning on the date such certification is received.

"(B) EXTENSIONS OF PERIOD.—The 60-day period may be extended for additional 60-day periods upon receipt by the Federal Reserve bank of additional written certifications under subparagraph (A) with respect to each such additional period.

"(C) AUTHORITY TO ISSUE A CERTIFICATE OF VIABILITY MAY NOT BE DELEGATED.—The authority of the head of any agency to issue a written certification of viability under this paragraph may not be delegated to any other person.

"(D) EXTENDED ADVANCES SUBJECT TO PARAGRAPH (3).—Notwithstanding paragraph (1), an undercapitalized depository institution which does not have a certificate of viability in effect under this paragraph may have advances outstanding for more than 60 days in any 120-day period if the Board elects to treat—

"(i) such institution as critically undercapitalized under paragraph (3); and

"(ii) any such advance as an advance described in subparagraph (A)(i) of paragraph (3).

"(3) ADVANCES TO CRITICALLY UNDERCAPITALIZED DEPOSITORY INSTITUTIONS.—

"(A) LIABILITY FOR INCREASED LOSS.—Notwithstanding any other provision of this section, if—

"(i) in the case of any critically undercapitalized depository institution—

"(I) any advance under this section to such institution is outstanding without payment having been demanded as of the end of the 5-day period beginning on the date the institution becomes a critically undercapitalized depository institution; or

"(II) any new advance is made to such institution under this section after the end of such period; and

"(ii) after the end of that 5-day period, any deposit insurance fund in the Federal Deposit Insurance Corporation incurs a loss exceeding the loss that the Corporation would have incurred if it had liquidated that institution as of the end of that period,

the Board shall, subject to the limitations in subparagraph (B), be liable to the Federal Deposit Insurance Corporation for the excess loss, without regard to the terms of the advance or any collateral pledged to secure the advance.

"(B) LIMITATION ON EXCESS LOSS.—The liability of the Board under subparagraph (A) shall not exceed the lesser of the following:

"(i) The amount of the loss the Board or any Federal Reserve bank would have incurred on the increases in the amount of advances made after the 5-day period referred to in subparagraph (A) if those increased advances had been unsecured.

"(ii) The interest received on the increases in the amount of advances made after the 5-day period referred to in subparagraph (A).

"(C) FEDERAL RESERVE TO PAY OBLIGATION.—The Board shall pay the Federal Deposit Insurance Corporation the amount of any liability of the Board under subparagraph (A).

"(D) REPORT.—The Board shall report to the Congress on any excess loss liability it incurs under subparagraph (A), as limited by subparagraph (B)(i), and the reasons therefore, not later than 6 months after incurring the liability.

"(4) NO OBLIGATION TO MAKE ADVANCES.—A Federal Reserve bank shall have no obligation to make, increase, renew, or extend any advance or discount under this Act to any depository institution.

"(5) DEFINITIONS.—

"(A) APPROPRIATE FEDERAL BANKING AGENCY.—The term 'appropriate Federal banking agency' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

"(B) CRITICALLY UNDERCAPITALIZED.—The term 'critically undercapitalized' has the same meaning as in section 37 of the Federal Deposit Insurance Act.

"(C) DEPOSITORY INSTITUTION.—The term 'depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

"(D) UNDERCAPITALIZED DEPOSITORY INSTITUTION.—The term 'undercapitalized depository institution' means any depository institution which—

"(i) is undercapitalized, as defined in section 37 of the Federal Deposit Insurance Act; or

"(ii) has a composite CAMEL rating of 5 under the Uniform Financial Institutions Rating System (or an equivalent rating by any such agency under a comparable rating system) as of the most recent examination of such institution.

"(E) VIABLE.—A depository institution is 'viable' if the Board or the appropriate Federal banking agency determines, giving due regard to the economic conditions and circumstances in the market in which the institution operates, that the institution—

"(i) is not critically undercapitalized;

"(ii) is not expected to become critically undercapitalized; and

"(iii) is not expected to be placed in conservatorship or receivership.".

(c) BOARD'S AUTHORITY TO EXAMINE DEPOSITORY INSTITUTIONS AND AFFILIATES.—Section 11 of the Federal Reserve Act is amended by adding at the end the following:

"(n) To examine, at the Board's discretion, any depository institution, and any affiliate of such depository institution, in connection with any advance to, any discount of any instrument for, or any request for any such advance or discount by, such depository institution under this Act.".

(d) EFFECTIVE DATE.—The amendment made by subsection (b) shall take effect at the end of the 2-year period beginning on the date of enactment of this Act.

(e) CONFORMING AMENDMENTS REDESIGNATING SECTIONS 13a, 25(a), AND 25(b) OF THE FEDERAL RESERVE ACT.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended—

(1) by redesignating section 13a (12 U.S.C. 348–52) as section 13A;

(2) by redesignating section 25(a) (12 U.S.C. 611–31) as section 25A; and

(3) by redesignating section 25(b) (12 U.S.C. 632) as section 25B.

SEC. 223. CROSS-GUARANTEE LIABILITY.

(a) IN GENERAL.—Section 5(e) of the Federal Deposit Insurance Act (12 U.S.C. 1815(e)) is amended—

(1) by amending the caption of the subsection to read as follows:

"(e) LIABILITY OF COMMONLY CONTROLLED DEPOSITORY INSTITUTIONS AND CONTROLLING COMPANIES FOR LOSSES TO CORPORATION.—";

(2) by amending subparagraph (A) of paragraph (1) to read as follows:

"(A) LIABILITY ESTABLISHED.—Any insured depository institution, any subsidiaries of that insured depository institution, and any controlling company shall be liable for any loss incurred by the Corporation, or any loss that the Corporation reasonably anticipates incurring, after the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991—

"(i) in the case of an insured depository institution or any subsidiaries of that insured depository institution, in connection with—

"(I) the default of a commonly controlled insured depository institution; or

"(II) any assistance provided by the Corporation to a commonly controlled insured depository institution in danger of default; and

"(ii) in the case of a controlling company, in connection with—

"(I) the default of an insured depository institution controlled by such controlling company; or

"(II) any assistance provided by the Corporation to an insured depository institution in danger of default controlled by such controlling company.";

(3) by redesignating subparagraphs (B) and (C) of paragraph (1) as subparagraphs (C) and (D), respectively, and inserting the following after subparagraph (A):

"(B) LIMIT ON LIABILITY.—The aggregate liability of all controlling companies of an insured depository institution, other than insured depository institutions and subsidiaries of insured depository institutions, shall be not more than 5 percent of the insured depository institution's total assets at the time of the default or assistance described in subparagraph (A)."; and

(4) by adding at the end the following:

"(10) NO LIABILITY FOR CERTAIN AFFILIATES.—No affiliate of an insured depository institution, other than a controlling company or a commonly controlled depository institution (and any subsidiary of such insured depository institution), shall be liable, directly or indirectly, under this subsection.

"(11) LIABILITY NOT TO BE CONSTRUED AS CAPITAL MAINTENANCE COMMITMENT UNDER TITLE XI.—No liability under this subsection shall be deemed to be a commitment to maintain the capital of an insured depository institution under any provision of title 11, United States Code.

"(12) TRANSFER WITHIN ONE YEAR OF DEFAULT OR ASSISTANCE.—

"(A) PRESUMPTION.—Any transfer by a controlling company of an insured depository institution of assets to any affiliate that is not an insured depository institution, not more than 1 year before the insured depository institution controlled by such company defaults or receives assistance, shall be presumed to be an attempt to evade liability under this subsection and shall be invalid.

"(B) REBUTTABILITY.—If a controlling company described in subparagraph (A) transferred such assets on terms and under circumstances that would satisfy the standards of section 23B of the Federal Reserve Act as if the controlling company were a member bank, such transfer shall not be invalid under subparagraph (A).

"(C) REGULATIONS.—The Corporation may prescribe regulations to administer and carry out this paragraph."; and

(5) in paragraph (9)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by striking "COMMONLY CONTROLLED DEFINED.—" and inserting "DEFINITIONS.—

"(A) 'COMMONLY CONTROLLED'.—"; and

(C) by inserting at the end the following:

"(B) 'CONTROLLING COMPANY'.—For purposes of this subsection, the term 'controlling company' means any company having control of an insured depository institution.".

(b) CONFORMING AMENDMENTS.—Section 5(e) of the Federal Deposit Insurance Act (12 U.S.C. 1815(e)) is amended—

(1) in subparagraph (D) of paragraph (1), as redesignated, by inserting "and controlling company" after "insured depository institution";

(2) in subparagraph (E) of paragraph (1), as redesignated—

(A) by inserting "or controlling company" after "insured depository institution"; and

(B) by striking "institution" and inserting "insured depository institution or controlling company";

(3) in paragraph (2)(A)(ii)—

(A) by striking "commonly controlled insured depository institution" and inserting "insured depository institution or controlling company"; and

(B) by striking "commonly controlled depository institution's" and inserting "insured depository institution or controlling company's";

(4) in paragraph (2)(A)(iii) by striking "commonly controlled depository institution" and inserting "insured depository institution or controlling company";

(5) in paragraph (2)(B)(i)—

(A) by inserting "or controlling company" after "insured depository institution";

(B) by striking "such institution's" and inserting "such insured depository institution's or controlling company's"; and

(C) by inserting "controlled or" before "commonly controlled";

(6) in paragraph (2)(B)(ii)—

(A) by inserting "or controlling company" after "insured depository institution";

(B) by striking "such institution's" and inserting "such insured institution's or controlling company's"; and

(C) by inserting "controlled or" before "commonly controlled";

(7) in paragraph (2)(C)—

(A) by inserting "or controlling company" after "insured depository institution"; and

(B) by inserting "or controlling company" after "the depository institution" each place such term appears;

(8) in paragraph (2)(D)—

(A) by inserting "or controlling companies" after "depository institutions" each place such term appears; and

(B) by inserting "or controlling company" after "depository institution" each place such term appears;

(9) in paragraph (3)(B), by inserting "or controlling companies" after "commonly controlled depository institutions" each place such term appears in clauses (ii) and (iii);

(10) in paragraph (4)—

(A) by inserting "or controlling company" after "insured depository institution" each place such term appears;

(B) by inserting "or company's" after "institution's"; and

(C) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively;

(11) in paragraph (5), by striking the catchline and inserting "(5) EXEMPTIONS.—";

(12) in paragraph (5)(A) by inserting "or controlling company" after "insured depository institution";

(13) in paragraph (5)(B)—

(A) by striking "and all other" and inserting ", all other";

(B) by inserting "and all affiliated controlling companies" after "such depository institution"; and

(C) by striking "regard to" and inserting "using the exemption contained in";

(14) in paragraph (7), by striking "Any depository institution shall not be treated as commonly controlled" and inserting "An affiliate shall have no liability";

(15) in paragraph (7)(A), by striking "1 depository institution controls another" and inserting "control was acquired";

(16) in paragraph (7)(B)—

(A) by striking "the controlling bank and all other insured depository institution affiliates of such controlling bank" and inserting "all insured depository institution affiliates"; and

(B) by striking "regard to" and inserting "using the exemption contained in"; and

(17) in paragraph (8), by inserting "or controlling company" after "depository institution" the first place such term appears.

(c) EXISTING LIABILITY NOT AFFECTED.—The amendments made by this section do not affect any liability to the Corporation under section 5(e) of the Federal Deposit Insurance Act, as in effect on the day before the date of enactment of this Act.

SEC. 224. GRANTING DEPOSIT INSURANCE.

Section 4 of the Federal Deposit Insurance Act (12 U.S.C. 1814) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) CERTIFICATION BY OTHER BANKING AGENCIES.—

"(1) IN GENERAL.—Every national bank that is authorized to commence or resume the business of banking, and that is engaged in the business of receiving deposits other than trust funds, as herein defined, and every noninsured national nonmember bank that becomes a member of the Federal Reserve System, and every noninsured State bank that is converted into a national member bank or that becomes a member of the Federal Reserve System (except pursuant to section 9B of the Federal Reserve Act), and that is engaged in the business of receiving deposits other than trust funds as herein defined, shall be an insured depository institution, unless insurance is denied by the Board of Directors.

"(2) INSURED STATUS.—A depository institution shall be insured under paragraph (1) upon—

"(A) application to the Corporation; and

"(B) receipt by the Corporation of a certificate that is issued—

"(i) by the Office of the Comptroller of the Currency in the case of a national member bank that is authorized to commence or resume the business of banking or a State bank that is converted into a national member bank, and that meets the requirements of subsection (d); or "(ii) by the Board of Governors of the Federal Reserve System in the case of a national nonmember bank or a State bank that becomes a member of the Federal Reserve System, and that meets the requirements of subsection (d).";

(2) by redesignating subsections (c) and (d) as subsections (i) and (j), respectively; and

(3) by inserting after subsection (b) the following new subsections:

"(c) INTERIM NATIONAL BANKING ASSOCIATIONS.—In the case of any interim national bank that is chartered by the Office of the Comptroller of the Currency and will not open for business, the bank shall be an insured depository institution upon the issuance of the bank's charter by the Office of the Comptroller of the Currency.

"(d) CERTIFICATE REQUIREMENTS.—Any certificate issued to the Corporation under subsection (b) shall state—

"(1) that the bank—

"(A) is authorized to transact the business of banking in the case of a national member bank; or

"(B) is a member of the Federal Reserve System in the case of a State bank that is converted into a national member bank, or a national nonmember bank or a State bank that becomes a member of the Federal Reserve System; and

"(2) that consideration has been given to the factors enumerated in section 6.

"(e) REVIEW REQUIREMENTS.—In reviewing any certificate and application referred to in subsection (b), the Board of Directors shall consider the factors described in paragraphs (1), (2), (3), (4), (5), and (7) of section 6 in determining whether to deny insurance.

"(f) NOTICE OF DENIAL OF APPLICATION.—If the Board of Directors, after giving due deference to the determination of the Comptroller of the Currency or the Board of Governors of the Federal Reserve System, as appropriate, with respect to the factors referred to in subsection (e), does not concur in the determination of the Comptroller or the Board of Governors, as appropriate, the Board of Directors shall promptly notify the Comptroller or the Board of Governors that insurance has been denied, giving specific reasons in writing for the Corporation's determination with reference to those factors, and no insurance shall be granted.

"(g) VOTING REQUIREMENTS.—The authority of the Board of Directors to make any determination to deny insurance under this subsection may not be delegated by the Board of Directors and any such determination may be made only upon a vote of not less than 3 members of the Board of Directors.

"(h) CONTINUATION OF INSURANCE UPON BECOMING A MEMBER BANK.—In the case of an insured bank that is admitted to membership in the Federal Reserve System or an insured State bank that is converted into a national member bank, the application and certificate referred to in subsection (b) shall not be required, and the bank shall continue as an insured bank.".

SEC. 225. DISCLOSURE BY INSURED DEPOSITORY INSTITUTIONS AND THE FEDERAL BANKING AGENCIES.

(a) REPORTS OF FINANCIAL CONDITION BY INSURED DEPOSITORY INSTITUTIONS.—

(1) IN GENERAL.—Section 7(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(3)) is amended—

(A) by striking "(3)" and inserting the following:

"(3) QUARTERLY REPORTS.—

"(A) IN GENERAL.—"; and

(B) by inserting after subparagraph (A) the following:

"(B) ADDITIONAL INFORMATION.—In accordance with regulations prescribed by the appropriate Federal banking agency, the report of condition required by subparagraph (A) shall, in the case of banks with total assets of more than $1,000,000,000, also contain—

"(i) to the extent feasible, estimates of the aggregate market value of assets and liabilities and the resulting estimated net worth and supporting data and assumptions used in preparing the estimates; and

"(ii) disaggregated reports of assets, including participation in highly-leveraged transactions, holdings of noninvestment grade securities, commercial and industrial loans by sector, and other assets as specified by the appropriate Federal banking agency.

"(C) REPORT ON SECURITIES HOLDERS AND NONBANKING ACTIVITIES.—Each depository institution shall submit to the appropriate Federal banking agency, concurrently with the report required by subparagraph (A), a report containing—

"(i) the names of the holders of more than 5 percent of the insured institution's equity securities and the maximum amount of securities held by each such holder during the preceding quarter; and

"(ii) a description of activities conducted by the institution and its subsidiaries that are not permitted for national banks, with data on the magnitude of the activity.

"(D) PUBLIC ACCESS TO REPORTS.—Each appropriate Federal banking agency shall make reports required pursuant to this subsection available to the public upon request pursuant to section 552 of title 5, United States Code. The provisions of paragraphs (4) and (8) of section 552(b) of such title shall not apply to any such request. For the purpose of this subparagraph, beginning 75 days after the reporting date for such reports, section 552(a)(6)(A) of such title shall apply with respect to statistical information contained in those reports by substituting 'five' for 'ten' and section 552(a)(6)(B) shall not apply.".

(2) EFFECTIVE DATES.—The appropriate Federal banking agency shall promulgate final regulations requiring insured depository institutions to submit quarterly reports containing the information described in the amendments made by paragraph (1) effective for quarterly reports submitted for the quarter ending March 31, 1993.

(b) DISCLOSURE GUIDELINES.—The Federal Financial Institutions Coordination Council, in consultation with the Securities and Exchange Commission, shall facilitate the development of disclosure guidelines to carry out section 7(a)(3) of the Federal Deposit Insurance Act, as amended by subsection (a).

(c) REPORTS BY FEDERAL BANKING AGENCIES.—

(1) IN GENERAL.—Section 17 of the Federal Deposit Insurance Act (12 U.S.C. 1827) is amended by—

(A) redesignating subsections (b) through (g) as subsections (c) through (h); and

(B) inserting after subsection (a) the following new subsection:

"(b) REPORTS TO CONGRESS.—

"(1) IN GENERAL.—Each Federal banking agency shall submit an annual report to the Congress which shall contain, for all insured depository institutions for which the agency is the appropriate Federal banking agency—

"(A) estimates of the number and aggregate assets of institutions likely to fail during each of the 2 years following submission of the report and of the costs to the deposit insurance funds as a result of such failures, and supporting data and assumptions used in preparing the estimates;

"(B) a report on the conduct by institutions and their subsidiaries of activities not permitted for national banks or for bank holding companies, by State and Federal charter status;

"(C) a list of all cease-and-desist orders, supervisory agreements, and capital restoration plans entered into in the previous 12 months, and an analysis of the extent of compliance with outstanding orders, agreements, and plans; and

"(D) a report on the number and aggregate assets of institutions that are insolvent and insured depository institutions that are—

"(i) critically undercapitalized;

"(ii) significantly undercapitalized;

"(iii) undercapitalized;

"(iv) adequately capitalized; and

"(v) well capitalized,

assigning each institution to the single capital category that best describes the institution in accordance with the definitions established under section 37(b).

"(2) METHOD OF FILING.—Reports required by this subsection shall be submitted to the Congress in accordance with the requirements of subsection (a)(2) and shall be made available to the public.".

(2) EFFECTIVE DATE.—The reports required pursuant to the amendments made by paragraph (1) shall be filed annually, not later than March 1 of the following year.

(d) INSURANCE FUND REPORTS.—Section 17(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1827(a)(1)) is amended by—

(1) striking "and" at the end of subparagraph (E);

(2) striking the period at the end of subparagraph (F), and inserting a semicolon; and

(3) inserting after subparagraph (F) the following:

"(G) information pertaining to failed depository institutions, including—

"(i) the name and total assets of each insured depository institution that failed during the 12-month period preceding submission of the report, including those that received assistance under section 13(c), and the actual or estimated cost of resolution or assistance to each such depository institution;

"(ii) for each failed institution, the location by State, the State or Federal charter status, and Federal Reserve System membership status;

"(iii) a breakdown of the number and aggregate assets of all failed institutions by region, State or Federal charter status, and Federal Reserve System membership status; and

"(iv) a description of concentrations of liabilities and assets of failed institutions, including a breakdown by State or Federal charter status;

"(H) the number and aggregate assets of depository institutions on the problem bank list or any similar list that identifies institutions that may fail or require assistance or resolution within the foreseeable future, by State or Federal charter status and Federal Reserve System membership status, at the time of submission of the report;

"(I) an estimate of the number and aggregate assets of banks that are likely to be included on the problem bank list or other list described in subparagraph (H) in each of the 2 years following submission of the report, by State or Federal charter status and Federal Reserve System membership status, and supporting data and assumptions used in preparing the estimate; and

"(J) the estimated resolution and assistance costs which are likely to be expended in each of the 2 years following submission of the report, including an explanation of all data and assumptions used in developing estimates required by this paragraph.".

(e) CONFIDENTIAL ACCESS TO INFORMATION BY CBO; GAO AND CBO REVIEWS AND REPORTS.—

(1) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following:

"SEC. 39. REVIEW OF ESTIMATES; CONFIDENTIAL ACCESS TO CERTAIN INFORMATION.

"(a) IN GENERAL.—The Comptroller General and the Congressional Budget Office shall re-

view the estimates by the Corporation under subparagraphs (I) and (J) of section 17(a)(1) and by the appropriate Federal banking agencies under section 17(b)(1)(A).

"(b) ACCESS TO INFORMATION.—To carry out subsection (a), each appropriate Federal banking agency shall, upon request, provide the Director of the Congressional Budget Office—

"(1) the agency's internal rating system and each institution's rating; and

"(2) a list, identifying individual insured institutions, of those institutions which the agency believes may fail within the foreseeable future or which the agency believes may require assistance or resolution.

"(c) SAFEGUARDS AGAINST DISCLOSURE.—The provisions of subsections (c) and (d) of section 714 of title 31, United States Code, shall apply to any information provided in response to a request made by the Director of the Congressional Budget Office under subsection (b), except that for the purpose of this section any reference in such subsections to the Comptroller General or the General Accounting Office shall be deemed to be a reference to the Director of the Congressional Budget Office.".

(2) CRIMINAL PENALTIES FOR DISCLOSURE BY CBO EMPLOYEES.—Section 1906 of title 18, United States Code, is amended—

(A) by inserting "or a Congressional Budget Office employee with access to information obtained under section 39 of the Federal Deposit Insurance Act" after "title 31" the first place it appears; and

(B) by inserting "or to which information obtained under such section 37 pertains" after "title 31" the second place it appears.

(3) REVIEWS AND REPORTS.—Section 17(g) of the Federal Deposit Insurance Act (12 U.S.C. 1827(g)), as redesignated by subsection (b)(1)(A), is amended—

(A) by inserting "(1)" after "(g)"; and

(B) by adding at the end the following:

"(2) The Comptroller General shall review the oversight by the Federal banking agencies to determine whether reports of condition under section 7(a) require information to reasonably reflect the condition of depository institutions. The Comptroller General shall include in each report under paragraph (1) the results of such review and any recommendations to improve the reports so that—

"(A) the information required reasonably reflects the condition of depository institutions; and

"(B) the information provided facilitates regulatory actions, including prompt corrective action.

"(3) Each report under paragraph (1) shall also contain—

"(A) an audit of the failure estimates contained in the most recent reports under subparagraphs (I) and (J) of subsection (a)(1); and

"(B) an audit of the failure estimates contained in the most recent reports under subsection (b)(1).".

(f) THRIFT CALL REPORTS.—Section 5(v) of the Home Owners' Loan Act (12 U.S.C. 1464(v)) is amended—

(1) by amending paragraph (2) to read as follows:

"(2) PUBLIC DISCLOSURE.—Reports required under paragraph (1) and all information contained therein shall be available to the public upon request.";

(2) by striking paragraph (3); and

(3) by redesignating paragraphs (4) through (8) as paragraphs (3) through (7), respectively.

(g) FDIC ANNUAL AUDIT.—Section 17 of the Federal Deposit Insurance Act (12 U.S.C. 1827) is amended by striking subsections (e) through (h), as redesignated under section 219(b), and inserting the following:

"(e) AUDIT.—

"(1) IN GENERAL.—An annual audit of the financial transactions of the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund, administered and maintained by the Corporation, shall be conducted, and reports on such audit shall be issued, in accordance with sections 9105 and 9106 of title 31, United States Code.

"(2) RECAPITALIZATION AUDIT.—An audit of the Corporation's compliance with any recapitalization schedule promulgated under subsection (b)(1)(C) that is in effect at the time of the audit required under paragraph (1) shall be made as part of such audit.

"(f) REPORT OF AUDIT.—A copy of the report on each audit conducted under subsection (d) shall be provided to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at the time that it is provided to the Corporation.".

(h) GOVERNMENT CORPORATION TREATMENT.—Section 21A(b)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(2)) is amended by striking "9105, 9107," and inserting "9107".

(i) RTC AUDIT COSTS.—Section 21A(k)(1)(A) of the Federal Home Loan Bank Act (12 U.S.C. 1441(k)(1)(A)) is amended by adding at the end the following: "The Corporation shall reimburse the Comptroller General for the full cost of any audit conducted under this paragraph, as determined by the Comptroller General. All reimbursements received under this paragraph by the Comptroller General shall be deposited in the Treasury as miscellaneous receipts.".

(j) RESOLUTION FUNDING CORPORATION AUDIT.—Section 21B(i)(2)(C) of the Federal Home Loan Bank Act (12 1441b(i)(2)(C)) is amended by inserting "or an independent external auditor" after "Comptroller General".

SEC. 226. CONSENT TO BE BOUND BY THE FEDERAL DEPOSIT INSURANCE ACT.

Section 1 of the Federal Deposit Insurance Act (12 U.S.C. 1811) (as amended by section 201) is amended by adding at the end the following new subsection:

"(c) INSURED DEPOSITORY INSTITUTIONS CONSENT TO BE BOUND BY THIS ACT.—By becoming or remaining insured under this Act, an insured depository institution consents to be bound by this Act and by other Federal statutes relating to the safety and soundness of insured depository institutions.".

SEC. 227. DISCLOSURE BY UNINSURED DEPOSITORY INSTITUTIONS.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 40. DISCLOSURE BY UNINSURED DEPOSITORY INSTITUTIONS.

"(a) DISCLOSURE REQUIRED.—Any depository institution the deposits of which are not insured by the Corporation under this Act or by the National Credit Union Share Insurance Fund shall, within the United States, do the following:

"(1) PERIODIC STATEMENTS; ACCOUNT RECORDS.—Include conspicuously in all periodic statements of account, on each signature card, and on each passbook, certificate of deposit, or similar instrument evidencing a deposit notice substantially as follows:

" '[NAME OF INSTITUTION] IS NOT FEDERALLY INSURED

" 'If [name of institution] fails, the Federal Government does not guarantee that you will be able to get back any of your money.'

"(2) ADVERTISING; PREMISES.—Include conspicuously in all advertising and at each place where deposits are normally received a notice substantially as follows:

" '[NAME OF INSTITUTION] IS NOT FEDERALLY INSURED'.

"(3) ACKNOWLEDGMENT OF RISK.—Receive deposits only for the account of persons who have signed an acknowledgment of risk providing substantially as follows:

" 'ACKNOWLEDGMENT OF RISK

" 'I have been warned that [name of institution] is not federally insured.

" 'I understand that if [name of institution] fails, the Federal Government does not guarantee that I will get back any of my money.'

"(b) MANNER AND CONTENT OF DISCLOSURE.—To ensure that current and prospective customers understand the risks involved in foregoing Federal deposit insurance, the Corporation, by regulation or order, shall prescribe the manner and content of disclosure required under subsection (a).

"(c) EXCEPTIONS FOR INSTITUTIONS NOT RECEIVING RETAIL DEPOSITS.—The Corporation may, by regulation or order, make exceptions to subsection (a) for any depository institution that, within the United States, does not receive initial deposits of less than $100,000 from individuals who are citizens or residents of the United States, other than money received in connection with any draft or similar instrument issued to transmit money.

"(d) DEPOSITORY INSTITUTION DEFINED.—For purposes of this section, the term 'depository institution' includes any entity described in section 19(b)(1)(A)(iv) of the Federal Reserve Act, or any entity that, as determined by the Board of Directors—

"(1) is engaged in the business of receiving deposits; and

"(2) could reasonably be mistaken for a depository institution by the entity's current or prospective customers.

"(e) ENFORCEMENT.—Compliance with the requirements of this section, and any regulation prescribed or order issued under this section, shall be enforced under section 8 in the same manner and to the same extent as if the depository institution were an insured State nonmember bank.".

(b) CONFORMING AMENDMENTS.—Section 28 of the Federal Deposit Insurance Act (12 U.S.C. 1831e) is amended—

(1) by striking subsection (h); and

(2) by redesignating subsection (i) as subsection (h).

(c) NATIONAL CREDIT UNION ADMINISTRATION'S AUTHORITY TO ENFORCE DISCLOSURE BY UNINSURED CREDIT UNIONS.—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended by adding at the end the following:

"(t) ENFORCING CERTAIN DISCLOSURE BY UNINSURED CREDIT UNIONS.—Compliance with the requirements of section 39 of the Federal Deposit Insurance Act, and any regulation prescribed or order issued under that section, may be enforced under section 206 in the case of a credit union in the same manner and to the same extent as if the credit union were an insured credit union.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 120 days after the date of enactment of this Act.

SEC. 228. UNINSURED WHOLESALE BANKS.

(a) VOLUNTARILY TERMINATING INSURED STATUS.—

(1) SECTION 8 DESIGNATIONS.—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended—

*(A) in the section heading, by inserting "**INVOLUNTARY**" after "**SEC 8.**"; and*

(B) in subsection (a)—

(i) by striking paragraph (1); and

(ii) by redesignating paragraphs (2) through (9) as paragraphs (1) through (8), respectively.

(2) VOLUNTARILY TERMINATING INSURED STATUS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 8 the following new section:

"SEC. 8A. VOLUNTARILY TERMINATING STATUS AS INSURED DEPOSITORY INSTITUTION.

"(a) IN GENERAL.—Except as provided in subsection (b), an insured bank may, in accordance with regulations of the Corporation, voluntarily terminate its status as an insured depository institution if the institution provides written notice of its intent to terminate its insured status—

"(1) to the Corporation, not less than 6 months before the effective date of the termination; and

"(2) to its depositors, not less than 6 months before the effective date of the termination.

"(b) EXCEPTION.—The option to terminate insured status under subsection (a) shall not be available to—

"(1) an insured savings association;

"(2) an insured branch that is required to be insured under subsection (a) or (b) of section 6 of the International Banking Act of 1978; or

"(3) any institution described in section 2(c)(2) of the Bank Holding Company Act of 1956.

"(c) ELIGIBILITY FOR INSURANCE TERMINATED.—A depository institution that voluntarily elects to terminate its insured status under subsection (a) shall not receive insurance any of its deposits or any other assistance authorized under this Act after the period specified in subsection (e)(1).

"(d) INSTITUTION MUST BECOME UNINSURED STATE MEMBER BANK OR TERMINATE DEPOSIT-TAKING ACTIVITIES.—Any institution that voluntarily terminates its status as an insured depository institution under this section may not, upon termination of insurance, accept any deposits unless the institution is an uninsured State member bank under section 9B of the Federal Reserve Act.

"(e) EXIT FEES.—

"(1) IN GENERAL.—Any institution that voluntarily terminates its status as an insured depository institution under this section shall pay an exit fee in an amount that the Corporation determines is sufficient to account for the institution's pro rata share of contingent and other liabilities of the relevant deposit insurance fund.

"(2) PROCEDURES.—The Corporation shall, by regulation, prescribe procedures for assessing any exit fee under this subsection.

"(f) TEMPORARY INSURANCE OF DEPOSITS INSURED AS OF TERMINATION.—

"(1) TRANSITION PERIOD.—The insured deposits of each depositor in an insured bank on the effective date of the voluntary termination of the institution's insured status, less all subsequent withdrawals from any deposits of such depositor, shall continue to be insured for a period of not less than 6 months nor more than 2 years, within the discretion of the Corporation. During that period, no additions to any such deposits, and no new deposits in the depository institution made after the effective date of the termination, shall be insured by the Corporation, and no early withdrawal penalties shall be charged on insured deposits with a term that exceeds the transition period provided by the Corporation under this paragraph.

"(2) TEMPORARY ASSESSMENTS; OBLIGATIONS AND DUTIES.—During the period specified in paragraph (1), a depository institution shall—

"(A) continue to pay assessments required under this Act as if it were an insured depository institution;

"(B) be subject to the authority of the Corporation and the duties and obligations of an insured depository institution under this Act; and

"(C) if the depository institution is closed due to an inability to meet the demands of its depositors, be subject to the same powers and rights of the Corporation with respect to the institution as in the case of an insured depository institution.

"(g) ADVERTISING.—

"(1) IN GENERAL.—An insured bank that voluntarily terminates its insured status under this section shall not advertise or hold itself out as having insured deposits, except that it may advertise the temporary insurance of deposits under subsection (f) if in the same connection, it shall also state with equal prominence—

"(A) that additions to deposits and new deposits made after the effective date of the termination are not insured; and

"(B) the date on which all insurance will terminate, as determined under subsection (f)(1).

"(2) CERTIFICATES OF DEPOSIT, OBLIGATIONS, AND SECURITIES.—Any certificate of deposit or other obligation or security issued by an insured bank after the effective date of the voluntary termination of its insured status under this section shall include a conspicuous notice that the instrument is not insured under this Act.

"(h) NOTICE REQUIREMENTS.—

"(1) NOTICE TO THE CORPORATION.—The notice to the Corporation of an institution's intent to terminate its insured status required under subsection (a) shall be in such form as the Corporation may require.

"(2) NOTICE TO DEPOSITORS.—The notice to depositors of an institution's intent to terminate its insured status required under subsection (a) shall be—

"(A) at such depositor's last address of record with the institution; and

"(B) in such manner and form as the Corporation finds to be necessary and appropriate to protect depositors.".

(3) APPROPRIATE FEDERAL BANKING AGENCY.—Section 3(q)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)(2)(A)) is amended by inserting "and any uninsured State member bank" before the comma.

(b) AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956.—

(1) EXEMPTION.—Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following new subsection:

"(j) SPECIAL EXEMPTION FOR HOLDING COMPANIES OF UNINSURED BANKS.—

"(1) EXEMPTION.—Except as provided in paragraph (2), if all of a bank holding company's subsidiary depository institutions are uninsured State member banks, as provided in section 9B of the Federal Reserve Act, that bank holding company may, notwithstanding subsection (a), acquire or retain direct or indirect ownership or control of—

"(A) shares of securities firms;

"(B) shares described in paragraphs (1) through (7) and (9) through (14) of subsection (c); and

"(C) shares of any company, the activities of which the Board, by regulation or order, has determined to be—

"(i) closely related to banking under subsection (c)(8); or

"(ii) financial, and appropriate for a bank holding company that is subject to this subsection.

"(2) SAVINGS PROVISION.—In the case of a bank holding company having control of any bank that voluntarily terminates its insured status under section 8A of the Federal Deposit Insurance Act, paragraph (1) shall not apply before the date on which all of the deposits of such bank cease to be insured in accordance with the transition period described in section 8A(f)(1) of the Federal Deposit Insurance Act.

"(3) APPROVAL REQUIRED.—

"(A) IN GENERAL.—The acquisition or retention of shares referred to in paragraph (1)(B) shall be subject to the same requirements, including any applicable Board approval or review, as would be applicable to a bank holding company that does not own any uninsured State member banks;

"(B) NONBANKING ACTIVITIES.—

"(i) PRIOR NOTICE REQUIRED.—No acquisition may be made under subparagraph (A) or (C) of paragraph (1) unless the company has provided the Board not less than 60 days prior written notice of the transaction, and during that period, the Board has not disapproved the transaction.

"(ii) EXTENSION FOR NEW ACTIVITIES.—Notwithstanding clause (i), in any case involving an activity for which the Board has not yet made a determination under paragraph (1)(C), the Board may extend the disapproval period for not more than an additional 90 days.

"(4) LIMITATION ON AFFILIATION OF UNINSURED STATE MEMBER BANKS AND OTHER DEPOSIT-TAKING INSTITUTIONS.—No uninsured State member bank may be an affiliate of—

"(A) any bank, other than an uninsured State member bank;

"(B) any savings association;

"(C) any institution described in section 2(c)(2); or

"(D) any institution that accepts initial deposits of $100,000 or less, other than—

"(i) on an incidental basis; and

"(ii) if the deposits—

"(I) are not insured under the Federal Deposit Insurance Act; and

"(ii) are not more than 5 percent of the institution's total deposits.".

(2) DEFINITIONS.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 184) is amended—

(A) by adding at the end the following:

"(n) UNINSURED STATE MEMBER BANK.—For purposes of this Act, the term 'uninsured State member bank' means any institution that is an uninsured State member bank in accordance with section 9B of the Federal Reserve Act."; and

(B) in subsection (c)(1), by adding at the end the following:

"(C) An uninsured State member bank.".

(c) EXEMPTIONS FOR NONINSURED BANKS AND THEIR AFFILIATES.—

(1) MCFADDEN ACT.—Section 5155(h) of the Revised Statutes (12 U.S.C. 36(h)) is amended by adding at the end the following: "For purposes of this section, such terms shall not include banks that have voluntarily terminated their insured status under section 8A of the Federal Deposit Insurance Act, effective upon the expiration of the transition period provided for in subsection (f)(1) of such section.".

(2) BANKING ACT OF 1933.—Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is amended by adding at the end the following: "This section does not prohibit any officer, director, partner, employee, or individual described in the preceding sentence from serving at the same time as an officer, director, or employee of an uninsured State member bank, as defined in section 9B of the Federal Reserve Act.".

(3) INSURED BANKS.—Section 3(e) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(e)) is amended by adding at the end the following: "This subsection does not apply to an uninsured State member bank that is controlled by a company that controls no banks other than uninsured State member banks.".

(d) UNINSURED STATE MEMBER BANKS.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 9A the following new section:

"SEC. 9B. UNINSURED STATE MEMBER BANKS.

"(a) APPLICATION FOR MEMBERSHIP AS UNINSURED STATE MEMBER BANK.—

"(1) APPLICATION REQUIRED.—Any bank organized under the general laws of any State, or incorporated by special law of any State, may apply to the Board of Governors of the Federal Reserve System to subscribe to the stock of the Federal Reserve bank organized within the dis-

trict where the applying bank is located as an uninsured State member bank. Such application shall be treated as an application under, and shall be subject to, section 9.

"(2) APPROVAL OF MEMBERSHIP.—No bank may become an uninsured State member bank unless—

"(A) the Board has approved an application by the bank, under such regulations and subject to such restrictions or requirements as the Board may prescribe, to be an uninsured State member bank; and

"(B) in the case of a bank that is insured under the Federal Deposit Insurance Act, the bank has met all requirements under that Act for voluntary termination of deposit insurance.

"(b) GENERAL REQUIREMENTS APPLICABLE TO UNINSURED STATE MEMBER BANKS.—

"(1) FEDERAL RESERVE ACT.—Except as otherwise provided in this section, uninsured State member banks shall be member banks and shall be subject to the provisions of this Act that apply to member banks to the same extent and in the same manner as State member insured banks, except that an uninsured State member bank may terminate membership under this Act only with the Board's prior written approval, and on terms and conditions that the Board determines are appropriate to carry out this Act.

"(2) PROMPT CORRECTIVE ACTION.—An uninsured State member bank shall be deemed to be an insured depository institution for purposes of section 37 of the Federal Deposit Insurance Act except that—

"(A) the relevant capital levels and capital measures for each capital category shall be those specified by the Board for uninsured State member banks under subsection (c);

"(B) the provisions applicable to well-capitalized insured depository institutions shall be inapplicable to uninsured State member banks;

"(C) the provisions authorizing or requiring a receiver to be appointed for an institution shall not apply to an uninsured State member bank, and the Board is authorized or required (as the case may be) to terminate the uninsured State member bank's membership in the Federal Reserve System; and

"(D) for purposes of applying section 37 of the Federal Deposit Insurance Act to uninsured State member banks, all references in that section to the appropriate Federal banking agency or to the Corporation shall be deemed to be references to the Board.

"(3) ENFORCEMENT AUTHORITY.—Subsections (j) and (k) of section 7, subsections (b) through (n), (s), (u), and (v) of section 8, and section 19 of the Federal Deposit Insurance Act shall apply to an uninsured State member bank in the same manner and to the same extent as they apply to State member insured banks.

"(4) INTERNATIONAL LENDING SUPERVISION ACT.—For purposes of the International Lending Supervision Act, an uninsured State member bank shall be deemed to be a banking institution and the Board shall be the appropriate Federal banking agency for the bank and all of its affiliates.

"(5) BANK MERGER ACT.—An uninsured State member bank shall be subject to the Bank Merger Act in the same manner and to the same extent as if the uninsured State member bank were a State member insured bank.

"(c) SPECIFIC REQUIREMENTS APPLICABLE TO UNINSURED STATE MEMBER BANKS.—

"(1) LIMITATIONS ON DEPOSITS.—

"(A) MINIMUM AMOUNT.—Pursuant to regulations of the Board, no uninsured State member bank shall receive initial deposits of $100,000 or less, other than—

"(i) on an incidental basis; and

"(ii) if such deposits are not more than 5 percent of the institution's total deposits.

"(B) NO DEPOSIT INSURANCE.—Deposits at an uninsured State member bank are not insured deposits under the Federal Deposit Insurance Act.

"(C) ADVERTISING AND DISCLOSURE.—The Board shall prescribe regulations pertaining to advertising and disclosure by uninsured State member banks to ensure that such a bank notifies each depositor that deposits at the uninsured State member bank are not insured or otherwise guaranteed by the United States Government.

"(2) SPECIAL CAPITAL REQUIREMENTS APPLICABLE TO UNINSURED STATE MEMBER BANKS.—

"(A) MINIMUM CAPITAL LEVELS.—

"(i) IN GENERAL.—The Board shall, by regulation, adopt capital requirements for uninsured State member banks. The capital levels for uninsured State member banks shall be sufficiently higher than the capital levels for State member insured banks—

"(I) to account for the status of uninsured State member banks as institutions that accept deposits that are not insured under the Federal Deposit Insurance Act; and

"(II) to provide for the safe and sound operation of the uninsured State member bank without undue risk to creditors or other persons, including Federal Reserve banks, engaged in transactions with the bank.

"(ii) RELEVANT CAPITAL MEASURES.—The relevant capital measures for uninsured State member banks shall be the relevant capital measures described in section 37(c) of the Federal Deposit Insurance Act, except that the Board may specify different relevant capital measures applicable to uninsured State member banks than those applicable to insured depository institutions, as the Board determines appropriate to carry out this Act.

"(iii) MINIMUM LEVERAGE RATIO.—The minimum ratio of tangible equity to total assets of uninsured State member banks shall be not less than 150 percent of the corresponding ratio for insured State member banks.

"(B) CAPITAL CATEGORIES FOR PROMPT CORRECTIVE ACTION.—

"(i) IN GENERAL.—For purposes of applying section 37 of the Federal Deposit Insurance Act, the Board shall, by regulation, establish, for each relevant capital measure specified by the Board under subparagraph (A)(ii), the levels at which an uninsured State member bank is adequately capitalized, undercapitalized, and significantly undercapitalized by reference to the relevant minimum capital levels established for uninsured State member banks.

"(ii) CRITICAL CAPITAL LEVEL.—The Board shall, by regulation, establish the critical capital level for uninsured State member banks for purposes of section 37 of the Federal Deposit Insurance Act. The ratio shall not be less than 150 percent of the corresponding ratio for insured State member banks.

"(3) NONINTEREST-BEARING DEPOSIT.—Each uninsured State member bank shall maintain on deposit at the Federal Reserve bank in the district in which the member bank is located, a noninterest-bearing deposit in such amount of the uninsured State member bank's total deposits as the Board may prescribe. That deposit shall be in addition to any reserve, clearing balance, or liquidity requirements otherwise applicable to the uninsured State member bank.

"(4) ADDITIONAL REQUIREMENTS APPLICABLE TO UNINSURED STATE MEMBER BANKS.—In addition to any requirements otherwise applicable to State member banks or otherwise applicable under this section, the Board may, by regulation or order, for uninsured State member banks—

"(A) establish a special discount rate above the rate applicable to insured depository institutions;

"(B) limit transactions with affiliates to prevent an affiliate from gaining access to, or the benefits of, credit (including overdrafts) from a Federal Reserve bank;

"(C) establish special clearing balance requirements;

"(D) limit the availability and use of credit, and on the frequency of borrowing, from a Federal Reserve bank, including limitations or prohibitions on overdrafts at a Federal Reserve bank;

"(E) limit or condition the use of payment or payment-related services obtained from any Federal Reserve bank; and

"(F) establish any additional requirements that the Board determines to be appropriate or necessary to—

"(i) promote the safety and soundness of the uninsured State member bank, or

"(ii) protect creditors and other persons, including Federal Reserve banks, engaged in transactions with the uninsured State member bank.

"(5) EXEMPTIONS FOR UNINSURED STATE MEMBER BANKS.—The Board may, by regulation or order, exempt any uninsured State member bank from any provision applicable to a State member bank that is not an uninsured State member bank, provided that the Board finds that such exemption is not inconsistent with—

"(i) promoting the safety and soundness of the uninsured State member bank, and

"(ii) protecting creditors and other persons, including Federal Reserve banks, engaged in transactions with the uninsured State member bank.

"(6) NO EFFECT ON OTHER PROVISIONS.—This section shall not be construed to limit the Board's authority over member banks under any other provision of law, or to create any obligation for any Federal Reserve bank to make, increase, renew, or extend any advance or discount under this Act to any member bank or other depository institution.

"(d) CONSERVATORSHIP AUTHORITY.—The Board may appoint a conservator to take possession and control of an uninsured State member bank to the same extent and in the same manner as the Comptroller of the Currency is authorized to appoint a conservator for a national bank under section 203 of the Bank Conservation Act.

"(e) DEFINITIONS.—For purposes of this section—

"(1) the term 'uninsured State member bank' means a bank whose application to become an uninsured State member bank has been approved by the Board of Governors of the Federal Reserve System under this section; and

"(2) the term 'State member insured bank' means a State member bank, the deposits of which are insured under the Federal Deposit Insurance Act.".

SEC. 229. STUDY AND REPORT ON CORE BANKING.

(a) CONGRESSIONAL COMMISSION ON CORE BANKING.—The Speaker of the House of Representatives and the Majority Leader of the Senate, in consultation with the Minority Leaders of the House and the Senate, shall appoint a Congressional Commission on Core Banking (hereinafter referred to as the "Commission") to review all major policy issues regarding core banking in order to assist the Congress in evaluating the potential effect of core banking proposals.

(b) MEMBERSHIP.—The Commission shall consist of 9 members, 5 to be appointed by the Speaker of the House of Representatives, and 4 to be appointed by the Majority Leader of the Senate. The Commission shall include—

(1) 1 representative each from the Department of the Treasury, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation;

(2) 1 representative of organizations whose members consist of depository institutions in-

sured by the Federal Deposit Insurance Corporation;

(3) 1 representative of consumer and public interest groups whose members are customers of such institutions;

(4) 3 independent banking experts; and

(5) 1 representative of the private sector who shall be designated Chairman of the Commission.

(c) PURPOSE OF THE COMMISSION.—The Commission shall evaluate the potential effect of core banking proposals on—

(1) the health and profitability of banks;

(2) limiting the scope of deposit insurance;

(3) the Bank Insurance Fund;

(4) credit availability;

(5) risk-taking;

(6) the flow of funds through banks, lending and loan losses, and deposit and loan spreads;

(7) industry consolidation; and

(8) institution size.

(d) CORE BANKING PROPOSALS DEFINED.—For purposes of this section, the Commission shall examine core banking proposals that include—

(1) limits on the interest rates that may be paid on deposits;

(2) limits on loans to 1 borrower that are more stringent than the limits under current law;

(3) net exposure limits; and

(4) changes in the bank holding company structure necessary to implement core banking.

(e) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit a report to the President and the Congress with recommendations regarding core banking proposals.

(f) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 230. PRIORITY OF CLAIMS.

(a) IN GENERAL.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by adding at the end the following:

"(s) PRIORITY OF CERTAIN CLAIMS.—

"(1) IN GENERAL.—Subject to paragraph (2), in any proceeding brought by the Corporation, any claim acquired under this section or section 12 or 13 against an insured depository institution's director, officer, employee, agent, attorney, accountant, appraiser, or any other person employed by or providing services to an insured depository institution shall have priority over any claim against that person by a depositor, creditor, or shareholder of the insured depository institution other than a claim by another Federal agency or the United States.

"(2) NOTIFICATION.—

"(A) IN GENERAL.—If the Corporation receives written notice that a depositor, creditor, or shareholder of an insured depository institution has asserted a claim in a proceeding described in paragraph (1), a claim of the Corporation shall not have priority under paragraph (1) unless the Corporation—

"(i) not later than 180 days after receiving the notice (or if the Corporation acquires its claim after receipt of the notice, not later than 180 days after acquiring the claim)—

"(I) files with the court a statement that the Corporation intends to pursue its claim; and

"(II) diligently pursues that claim; and

"(ii) files suit not later than 1 year after receiving the notice (or, if the Corporation acquires its claim after receiving the notice, not later than 1 year after acquiring the claim), unless the court extends that period in accordance with subparagraph (B).

"(B) REQUESTS FOR EXTENSIONS.—

"(i) IN GENERAL.—At the Corporation's request, the court shall extend the period for the Corporation to file suit, unless the court finds that granting the extension would result in prejudice to a person's ability to prove the person's claim that would outweigh any harm to the Government resulting from denial of the extension.

"(ii) CONSIDERATION OF CORPORATION'S DILIGENCE.—In making a finding under clause (i), the court shall consider the Corporation's diligence in investigating its claim.

"(3) EFFECT OF PRIORITY.—

"(A) IN GENERAL.—The Corporation's priority shall apply to—

"(i) the prosecution of any suit, claim, or cause of action; and

"(ii) the execution of any judgment resulting from that claim.

"(B) LIMITATION.—Paragraph (1) does not give the Corporation priority as to an asset adjudicated to be unavailable to satisfy any judgment resulting from the Corporation's claim.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall not apply to any claim of a depositor, creditor, or shareholder commenced before the date of enactment of this Act.

TITLE III—INTERSTATE BANKING AND BRANCHING

SEC. 301. INTERSTATE BANKING.

(a) IN GENERAL.—Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended—

(1) by striking "(d) Notwithstanding any other provision of this section, no" and inserting the following:

"(d) STATE BOUNDARIES.—

"(1) IN GENERAL.—Except as provided in paragraph (1), no"; and

(2) by adding at the end the following:

"(2) APPROVALS AUTHORIZED.—

"(A) ACQUISITION OF EXISTING BANKS.—Beginning 1 year after the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, the Board may approve an application under this section which will permit a bank holding company that is adequately capitalized and adequately managed, or a subsidiary thereof, to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of a bank located outside the State in which the operations of such bank holding company's banking subsidiaries were principally conducted on July 1, 1966, or the date on which such company became a bank holding company, whichever is later.

"(B) ESTABLISHMENT OF NEW BANKS.—Beginning 2 years after the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, the Board may approve an application under this section which will permit a bank holding company that is adequately capitalized and adequately managed, or a subsidiary thereof, to charter and acquire any voting shares of, interest in, or all or substantially all of the assets of any new bank to be located outside the State in which the operations of such bank holding company's banking subsidiaries were principally conducted on July 1, 1966, or the date on which such company became a bank holding company, whichever is later.

"(C) 'NEW BANK' EXCEPTION.—For purposes of this paragraph, a bank that does not open for business and has been chartered solely for the purpose of acquiring all or substantially all of the assets of an existing bank shall not be deemed to be a new bank.

"(3) CONCENTRATION LIMITS.—The Board may not approve an application under paragraph (2)(A) if—

"(A) the applicant controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution assets of the United States, as determined under regulations of the Board; or

"(B) the applicant controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the bank to be acquired is located, as determined under regulations of the Board, except that a State may waive the applicability of this subparagraph.

Nothing in this paragraph affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State bank holding companies.

"(4) DEFINITIONS.—For the purposes of this subsection, the term 'adequately capitalized' has the same meaning as in section 37 of the Federal Deposit Insurance Act, and the term 'insured depository institution' has the same meaning as in section 3 of that Act.".

(b) CONVERSION OF BANKS TO BRANCHES.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by adding at the end the following subsection:

"(h) INTERSTATE COMBINATION.—

"(1) IN GENERAL.—A bank holding company having subsidiary banks located in more than one State may combine two or more of such banks into a single bank by means of merger, consolidation, or other transaction on or after June 1, 1993, except that a bank may not be so combined or remain so combined if it is located in a State that has elected to prohibit out-of-State banks from establishing and acquiring branches in that State. Notwithstanding the exception in the preceding sentence, a bank holding company may engage in such a combination on or after the date of enactment of this subsection if the holding company is undercapitalized and the transaction is approved as part of a capital restoration plan described in paragraph (2)(B).

"(2) APPLICABILITY.—Paragraph (1) applies only in the case of a merger, consolidation, or other transaction that is undertaken—

"(A) by a bank holding company that is adequately capitalized, as defined in section 37 of the Federal Deposit Insurance Act; or

"(B) in connection with a comprehensive capital restoration plan under section 37 of the Federal Deposit Insurance Act that contains at least 1 element in addition to the merger, consolidation, or other transaction described in paragraph (1).

"(3) INTRASTATE BRANCHING.—Nothing in paragraph (1) shall be deemed to authorize—

"(A) a national bank to operate branches at locations in a State unless a national bank having offices only in such State could operate its main office or branches at such locations; or

"(B) a State bank to operate branches at locations in a State unless a State bank having branches only in such State could operate its main office or branches at such locations.".

SEC. 302. INTERSTATE BRANCHING BY NATIONAL BANKS.

Section 5155 of the Revised Statutes (12 U.S.C. 36) is amended—

(1) by redesignating subsections (d) through (h) as subsections (e) through (i), respectively; and

(2) by inserting after subsection (c) the following:

"(d) INTERSTATE BRANCHING BY NATIONAL BANKS.—

"(1) IN GENERAL.—

"(A) APPROVALS AUTHORIZED.—Beginning 3 years after the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, the Comptroller of the Currency may approve an application under this section which will permit a national bank that is adequately capitalized and adequately managed to establish or acquire, and operate, a branch located outside the State in which the main office of such bank is located.

"(B) CONDITIONS.—In determining whether to grant approval under subparagraph (A), the Comptroller of the Currency shall consider the bank's rating under the Community Reinvestment Act of 1977 and the views of the appro-

priate State bank officials regarding the bank's compliance with applicable State community reinvestment laws.

"(C) APPLICABLE LAW.—

"(i) IN GENERAL.—Any branch established or acquired under subparagraph (A) shall be subject to the laws of the host State with respect to intrastate branching, consumer protection, fair lending, and community reinvestment as if it were a branch of a bank chartered by that State, unless such State law is preempted by Federal law regarding the same subject. Such State laws shall be enforced, with respect to branches of national banks, by the Comptroller of the Currency. The tax laws of the host State shall apply and may be enforced by that State as if the branch were a national bank located in that State. However, the authority for a bank to branch interstate under this subsection shall not provide a basis for, nor affect the authority of, a State where a branch is located to impose taxes upon the income or capital of any State or national bank, or an affiliate thereof, located in or chartered by any other State. Nothing contained in this subsection in any way affects, limits, impairs, or precludes the right of any State or political subdivision of a State to impose a nondiscriminatory franchise tax or other nonproperty tax instead of a franchise tax as provided by section 3124 of title 31, United States Code.

"(ii) FILING REQUIREMENT.—A host State may require any national bank that has its main office in another State that wishes to establish a branch within the host State to comply with filing requirements that are not discriminatory in nature and that are similar in their effect to those that are imposed on a corporation from another State that is not engaged in the business of banking and that seeks to engage in business in the host State. The host State may preclude any national bank the main office of which is located in another State from establishing or operating a branch within the host State if that national bank or its branch materially fails to comply with the filing requirements.

"(2) STATE ELECTION TO PROHIBIT INTERSTATE BRANCHING.—

"(A) IN GENERAL.—The provisions of paragraph (1) shall not apply to branches to be located in a State which has enacted, during the period beginning on January 1, 1990, and ending on the expiration of 3 years after the date of enactment of this subsection, a law that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State.

"(B) EFFECT OF PROHIBITION.—A national bank that has its main office in a State that has in effect a prohibition under subparagraph (A) may not acquire or establish a branch located in any other State under the provisions of this subsection.

"(3) STATE ELECTION TO PERMIT INTERSTATE BRANCHING.—

"(A) DURING THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—The Comptroller of the Currency may approve an application under paragraph (1)(A) before the expiration of the 3-year period described in paragraph (1)(A), if the State in which the branch will be located enacts a law during that period expressly permitting interstate branching by all out-of-State national and State banks before the expiration of the time period described in paragraph (1)(A). A State that enacts a law described in the preceding sentence—

"(i) may prohibit interstate de novo branching during the 5-year period after the date of enactment of the Comprehensive Deposit Insurance and Taxpayer Protection Act of 1991;

"(ii) may require a copy of an application submitted under this section to be filed with the host State banking authority in a timely manner (and the Comptroller of the Currency shall consider any timely comments of the host State prior to approving that application); and

"(iii) may impose other conditions on an incoming branch if—

"(I) the conditions do not discriminate against out of State banks or bank holding companies; and

"(II) the imposition of the conditions is not preempted by Federal law regarding the same subject.

"(B) AFTER THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—A State that originally elected, pursuant to paragraph (2), to prohibit interstate branching may nonetheless elect at any later time to permit interstate branching if such State enacts a law expressly permitting interstate branching by all out-of-State national and State banks.

"(4) CONCENTRATION LIMITS.—

"(A) IN GENERAL.—The Comptroller may not approve an acquisition under paragraph (1)(A) by a bank of a branch located in another State if—

"(i) the bank controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution assets of the United States, as determined under regulations of the Board of Governors of the Federal Reserve System; or

"(ii) the bank controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the branch to be acquired is located, as determined under regulations of the Board of Governors of the Federal Reserve System, except that a State may waive the applicability of this subparagraph.

"(B) LIMITATIONS.—Nothing in subparagraph (A)—

"(i) affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State banks or bank holding companies, or

"(ii) applies to the establishment of new branches located outside the State where the main office of the bank is located.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) ADEQUATELY CAPITALIZED.—The term 'adequately capitalized' has the meaning given such term by section 37 of the Federal Deposit Insurance Act.

"(B) HOST STATE.—The term 'host State' means the State in which a national bank establishes or maintains a branch other than the State in which the bank has its main office and is engaging in banking business.

"(C) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act.".

SEC. 303. INTERSTATE BRANCHING BY STATE BANKS.

Section 18(d) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)) is amended by adding at the end the following:

"(3) INTERSTATE BRANCHING BY STATE BANKS.—Beginning 3 years after the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, an insured State bank that is adequately capitalized and adequately managed may establish or acquire, and operate, a branch located outside the State in which the bank is chartered if authorized by the law of the State in which the bank is chartered, subject to paragraphs (5) and (7).

"(4) APPLICABLE LAW.—

"(A) IN GENERAL.—Any branch of an out-of-State bank shall be subject to the laws of the host State with respect to intrastate branching, consumer protection, fair lending, and community reinvestment as if it were a branch of a bank chartered by that State. The tax laws of the host State shall apply and may be enforced by that State as if the branch were a bank chartered by that State. However, the authority for a bank to branch interstate under this subsection shall not provide a basis for, nor affect the authority of, a State where a branch is located to impose taxes upon the income or capital of any State or national bank, or an affiliate thereof, located in or chartered by any other State. Nothing contained in this subsection in any way affects, limits, impairs, or precludes the right of any State or political subdivision of a State to impose a nondiscriminatory franchise tax or other nonproperty tax instead of a franchise tax as provided by section 3124 of title 31, United States Code.

"(B) ACTIVITIES OF BRANCHES.—An insured State bank that establishes a branch or branches pursuant to paragraph (3) may not conduct any activity at such branch that is not permissible for a bank chartered by the host State.

"(C) FILING REQUIREMENT.—A host State may require any bank chartered by another State that wishes to establish a branch within the host State to comply with filing requirements that are not discriminatory in nature and that are similar in their effect to those that are imposed on a corporation from another State that is not engaged in the business of banking and that seeks to engage in business in the host State. The host State may preclude any State bank chartered by another State from establishing or operating a branch within the host State if that State bank or its branch materially fails to comply with the filing requirements.

"(D) RESERVATION OF CERTAIN RIGHTS TO STATES.—Nothing in this subsection limits in any way the right of a State to—

"(i) determine the authority of State banks chartered in that State to establish and maintain branches; or

"(ii) supervise, regulate, and examine State banks chartered by that State.

"(5) STATE ELECTION TO PROHIBIT INTERSTATE BRANCHING.—

"(A) IN GENERAL.—The provisions of paragraph (3) shall not apply to branches to be located in a State which has enacted, during the period beginning on January 1, 1990, and ending on the expiration of 3 years after the date of enactment of this subsection, a law that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State.

"(B) EFFECT OF PROHIBITION.—A State bank that is chartered by a State that has in effect a prohibition under subparagraph (A) may not acquire or establish a branch located in any other State.

"(6) STATE ELECTION TO PERMIT INTERSTATE BRANCHING.—

"(A) DURING THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—A State bank may establish or acquire, and operate, a branch outside the State in which the main office of the bank is located, subject to the provisions of this subsection, before the expiration of the 3-year period described in paragraph (3), if the State in which the branch will be located enacts a law during that period expressly permitting interstate branching by all national and State banks before the expiration of the time period described in paragraph (3). A State that enacts such a law—

"(i) may prohibit interstate de novo branching during the 5-year period beginning on the date of enactment of the Comprehensive Deposit Insurance and Taxpayer Protection Act of 1991;

"(ii) may require a copy of an application submitted under this section to be filed with the

host State banking authority in a timely manner (and the home State banking authority and the appropriate Federal banking agency shall consider any timely comments of the host State prior to approving that application); and

"(iii) may impose other conditions on an incoming branch if—

"(I) the conditions do not discriminate against out of State banks or bank holding companies; and

"(II) the imposition of the conditions is not preempted by Federal law regarding the same subject.

"(B) AFTER THE THREE-YEAR PERIOD FOLLOWING ENACTMENT.—A State that originally elected, pursuant to paragraph (5), to prohibit interstate branching may nonetheless elect at any later time to permit interstate branching if such State enacts a law expressly permitting interstate branching by all national and State banks.

"(7) CONCENTRATION LIMITS.—

"(A) IN GENERAL.—Notwithstanding the provisions of this subsection, a State bank may not acquire an existing branch located in another State if—

"(i) the bank controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution assets of the United States, as determined under regulations of the Board of Governors of the Federal Reserve System; or

"(ii) the bank controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the branch to be acquired is located, as determined under regulations of the Board of Governors of the Federal Reserve System, except that a State may waive the applicability of this subparagraph.

"(B) LIMITATIONS.—Nothing in subparagraph (A)—

"(i) affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State bank holding companies, or

"(ii) applies to the establishment of new branches located outside the State where the main office of the bank is located.

"(8) COORDINATION OF EXAMINATION AUTHORITY.—

"(A) IN GENERAL.—A host State bank supervisory or regulatory authority may examine a branch established in the host State by banks chartered by another State for the purpose of determining compliance with host State laws regarding banking, taxation, community reinvestment, fair lending, consumer protection, and permissible activities and to ensure that the activities of the branch are conducted in a manner consistent with sound banking principles and do not constitute a serious risk to the safety and sound operation of the branch.

"(B) ENFORCEMENT.—In the event that a host State bank authority as described in subparagraph (A) determines that there is a violation of host State law concerning the activities being conducted by the branch or that the branch is being operated in a manner not consistent with sound banking principles or in an unsafe and unsound manner, such host State bank authority may undertake such enforcement actions or proceedings as would be permitted under host State law if the branch in question were a bank chartered by that host State.

"(C) COOPERATIVE AGREEMENT.—The State bank authorities from one or more States are authorized to enter into cooperative agreements to facilitate State regulatory supervision of State banks, including cooperative agreements relating to the coordination of examinations and joint participation in examinations.

"(D) FEDERAL REGULATORY AUTHORITY.—

"(i) IN GENERAL.—Nothing in this subsection limits in any way the authority of the appropriate Federal banking agency to examine any bank or branch of a bank for which the agency is the appropriate Federal banking agency.

"(ii) REVIEW OF INTERSTATE AGREEMENTS.—If the appropriate Federal banking agency determines that the States have failed to reach an agreement under subparagraph (C), or that such an agreement fails to adequately protect the Federal Deposit Insurance Fund, the appropriate Federal banking agency shall not defer to State examinations of the out-of-State branches.

"(9) DEFINITIONS.—For purposes of this subsection—

"(A) HOST STATE—The term 'host State' means the State in which a bank establishes or maintains a branch other than the State in which the bank is chartered and engaging in banking business.

"(B) ADEQUATELY CAPITALIZED.—For the purposes of this subsection, the term 'adequately capitalized' has the meaning given such term by section 37 of the Federal Deposit Insurance Act.".

SEC. 304. COMMUNITY REINVESTMENT ACT EVALUATION OF BANKS WITH INTERSTATE BRANCHES.

(a) IN GENERAL.—Section 807 of the Community Reinvestment Act of 1977 (12 U.S.C. 2906) is amended by adding the following subsections:

"(d) INSTITUTIONS WITH INTERSTATE BRANCHES.—

"(1) STATE-BY-STATE EVALUATION.—In the case of a regulated financial institution that maintains domestic branches in 2 or more States, the appropriate Federal financial supervisory agency shall prepare—

"(A) a written evaluation of the entire institution's record of performance under this title, as required by subsections (a), (b), and (c) of this section; and

"(B) for each State in which the institution maintains 1 or more domestic branches, a separate written evaluation of the institution's record of performance within such State under this title, as required by subsections (a), (b), and (c) of this section.

"(2) MULTISTATE METROPOLITAN AREAS.—In the case of a regulated financial institution that maintains domestic branches in 2 or more States within a multistate metropolitan area, the appropriate Federal financial supervisory agency may prepare a separate written evaluation of the institution's record of performance within such metropolitan area under this title, as required by subsections (a), (b), and (c) of this section. If the agency prepares a written evaluation pursuant to this paragraph, the scope of the written evaluation required under paragraph (1)(B) shall be adjusted accordingly.

"(3) CONTENT OF STATE LEVEL EVALUATION.—A written evaluation prepared pursuant to paragraph (1)(B) of this subsection shall—

"(A) present the information required by subparagraphs (A) and (B) of subsection (b)(1) of this section separately for each metropolitan area in which the institution maintains 1 or more domestic branch offices and separately for the remainder of the nonmetropolitan area of the State if the institution maintains 1 or more domestic branch offices in such area; and

"(B) describe how the Federal financial supervisory agency has performed the examination of the institution, including a list of the individual branches examined.

"(4) DEFINITIONS.—For purposes of this section:

"(A) DOMESTIC BRANCH.—The term 'domestic branch' means any branch office or other facility of a regulated financial institution with the ability to accept deposits located in any State.

"(B) METROPOLITAN AREA.—The term 'metropolitan area' means any primary metropolitan statistical area, metropolitan statistical area, or consolidated metropolitan statistical area as defined by the Director of the Office of Management and Budget, with a population of 250,000 or more, and any other area identified by the appropriate Federal financial supervisory agency.

"(C) STATE.—The term 'State' has the same meaning as provided in section 3(a) of the Federal Deposit Insurance Act.".

(b) SEPARATE PRESENTATION.—Section 807(b)(1) of the Community Reinvestment Act of 1977 (12 U.S.C. 2906(b)(1)) is amended by adding at the end the following sentence:

"A written evaluation shall contain the information required by subparagraphs (A) and (B) presented separately for each metropolitan area in which an insured depository institution maintains one or more domestic branch offices.".

SEC. 305. BRANCHING BY FOREIGN BANKS.

(a) IN GENERAL.—Section 5(a) of the International Banking Act of 1978 (12 U.S.C. 3103(a)) is amended to read as follows:

"(a) INTERSTATE BANKING OPERATIONS.—

"(1) IN GENERAL.—A foreign bank may establish and operate—

"(A) a Federal branch or agency, with the approval of the Board and the Comptroller of the Currency, in any State outside its home State to the extent that such establishment and operation would be permitted under section 5155 of the Revised Statutes for a national bank; or

"(B) a State branch or agency, with the approval of the Board and the appropriate regulatory authority of the State, in any State outside its home State to the extent that such establishment and operation would be permitted under section 18(d) of the Federal Deposit Insurance Act for a State bank,

as if the foreign bank were a national bank having its main office, or a State bank chartered, in the home State of the foreign bank.

"(2) CRITERIA FOR DETERMINATION.—In approving an application under paragraph (1), the Board and the Comptroller of the Currency—

"(A) shall apply the standards for establishment of a foreign bank office in the United States under section 7(e); and

"(B) may not approve an application unless it determines that the foreign bank's financial resources, including the capital level, are equivalent to those required for a domestic bank to be approved for branching under section 5155 of the Revised Statutes and section 18(d) of the Federal Deposit Insurance Act and, in the case of the first branching application by such foreign bank, after consultation with the Secretary of the Treasury regarding capital equivalency.

"(3) REQUIREMENT FOR A SEPARATE SUBSIDIARY.—If the Comptroller of the Currency or the Board, taking into account differing regulatory or accounting standards, finds that adherence to capital requirements equivalent to those imposed under section 5155 of the Revised Statutes and by section 18(d) of the Federal Deposit Insurance Act can be verified only if banking activities are carried out in a domestic banking subsidiary within the United States, it may approve an application under paragraph (1) subject to a requirement that the foreign bank or company controlling the foreign bank establish a domestic banking subsidiary in the United States.".

(b) TREATMENT OF UNITED STATES BANKING SUBSIDIARIES.—Section 5 of the International Banking Act of 1978 (12 U.S.C. 3103) is amended by adding at the end the following:

"(d) TREATMENT OF UNITED STATES SUBSIDIARY OF A FOREIGN BANK.—A foreign bank that has a domestic subsidiary within the United States may establish Federal and State branches and agencies outside its home State to the extent permitted under section 5155(d) of the Revised Statutes and section 18(d) of the Federal Deposit Insurance Act.".

(c) DEPOSIT INSURANCE REQUIREMENT.—

(1) IN GENERAL.—Section 6 of the International Banking Act of 1978 (12 U.S.C. 3104) is amended—

(A) by designating subsection (b) as subsection (b)(1);

(B) by redesignating the last undesignated paragraph as paragraph (2); and

(C) by adding at the end the following subsection:

"(c) DEPOSIT INSURANCE REQUIREMENT.—Notwithstanding subsections (a) and (b), if any branch of a foreign bank maintains retail deposit accounts with balances of less than $100,000 or is or becomes an insured branch, all branches of such foreign bank shall be subject to the requirements of section 7 of the Federal Deposit Insurance Act, and the deposits of such branch shall be insured to the same extent as an insured branch in accordance with that Act. Any foreign bank that has 1 or more insured branches shall establish 1 or more banking subsidiaries in the United States to conduct all of its insured deposit-taking activities.".

(2) APPLICABILITY.—The requirement contained in section 6(c) of the International Banking Act of 1978, as amended by paragraph (1), shall apply to a branch of a foreign bank that was established before the date of enactment of this Act upon the expiration of 1 year after the date of enactment.

(d) HOME STATE.—

(1) METHOD OF DETERMINING.—Section 4(h) of the International Banking Act of 1978 (12 U.S.C. 3102(h)) is amended—

(A) by striking the phrase "in the State in which such branch or agency is located"; and

(B) by adding at the end the following sentence: "For the purposes of section 5155(c) of the Revised Statutes (12 U.S.C. 36(c)), the home State of a foreign bank shall be its home State as determined under section 5(c).".

(2) SINGLE STATE DETERMINATIONS.—Section 5(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 3103(c)) is amended to read as follows:

"(c) DETERMINATION OF HOME STATE OF FOREIGN BANK.—For the purposes of this section—

"(1) the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in more than one State, is the 1 of those States elected of the foreign bank, or, in default of such election, by the Board; and

"(2) the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in only one State, is that State.".

SEC. 306. STATE TAX COMPLIANCE.

Section 5240 of the Revised Statutes (12 U.S.C. 484) is amended by adding at the end the following:

"(c) Notwithstanding subsection (a), lawfully authorized auditors, examiners, and other representatives acting on behalf of the State agency or agencies charged with the administration and collection of taxes imposed by a State or political subdivision thereof, may, at reasonable times, review the books, records, and accounts of a depository institution, chartered under Federal law, to determine any tax liability and to ensure compliance with the tax laws of a State or political subdivision thereof.".

SEC. 307. USE OF NAMES IN HOST STATE.

(a) BANK HOLDING COMPANY ACT OF 1956.—Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842), as amended by section 301, is amended by adding at the end the following:

"(i) USE OF NAMES IN HOST STATE.—

"(1) IN GENERAL.—A bank holding company that seeks, directly or indirectly, to acquire or establish a bank in a host State shall provide the Board with the name or names under which the bank will operate in the host State.

"(2) PROHIBITION AGAINST SAME OR SIMILAR NAMES.—A bank holding company may not operate a bank in a host State if the proposed name of the bank is—

"(A) identical or deceptively similar to a name being used by an existing bank or bank holding company in the host State; or

"(B) is likely to cause the public to be confused, deceived, or mistaken, due to a similarity or identity of names.

"(3) SUBSEQUENT USE OF SAME OR SIMILAR NAME.—Upon application by any person or institution that is adversely affected, the Board shall revoke permission of a bank holding company to operate a bank in a host State if the bank holding company uses or changes the name of, or uses an additional name for any of its banks in the host State, and the new or additional name is described in subparagraph (A) or (B) of paragraph (2). The preceding sentence does not preclude any adversely affected person from pursuing any available legal or administrative remedies.

"(4) DEFINITION.—For purposes of this subsection, the term 'host State' means the State in which a bank holding company establishes or acquires a bank other than the State in which the operations of the bank holding company's banking subsidiaries were principally conducted on July 1, 1996, or the date on which the company became a bank holding company, whichever is later.".

(b) NATIONAL BANKS.—Section 5155(d) of the Revised Statutes (12 U.S.C. 36(d)), as added by section 302, is amended by adding at the end the following:

"(6) USE OF NAMES IN HOST STATE.—

"(A) IN GENERAL.—A bank that seeks, directly or indirectly, to acquire or establish a branch in a host State shall provide the Comptroller of the Currency with the name or names under which the branch will operate in the host State.

"(B) PROHIBITION AGAINST SAME OR SIMILAR NAMES.—A bank may not operate a branch in a host State if the proposed name of the branch is—

"(i) identical or deceptively similar to a name being used by an existing bank or bank holding company in the host State; or

"(ii) is likely to cause the public to be confused, deceived, or mistaken, due to a similarity or identity of names.

"(C) SUBSEQUENT USE OF SAME OR SIMILAR NAME.—Upon application by any person or institution that is adversely affected, the Comptroller of the Currency shall revoke permission of a bank to operate a branch in a host State if the bank uses or changes the name of, or uses an additional name for any such branch in the host State, and the new or additional name is described in clause (i) or (ii) of subparagraph (B). The preceding sentence does not preclude any adversely affected person from pursuing any available legal or administrative remedies.

"(D) DEFINITION.—For purposes of this paragraph, the term 'host State' means the State in which a bank establishes or acquires a branch other than the State in which the bank has its main office and is engaging in the business of banking.".

(c) FEDERAL DEPOSIT INSURANCE ACT.—Section 18(d) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)), as amended by section 303, is amended by adding at the end the following:

"(10) USE OF NAMES IN HOST STATE.—

"(A) IN GENERAL.—A bank that seeks, directly or indirectly, to acquire or establish a branch in a host State shall provide the appropriate State regulatory authority with the name or names under which the branch will operate in the host State.

"(B) PROHIBITION AGAINST SAME OR SIMILAR NAMES.—A bank may not operate a branch in a host State if the proposed name of the branch is—

"(i) identical or deceptively similar to a name being used by an existing bank or bank holding company in the host State; or

"(ii) is likely to cause the public to be confused, deceived, or mistaken, due to a similarity or identity of names.

"(C) SUBSEQUENT USE OF SAME OR SIMILAR NAME.—Upon application by any person or institution that is adversely affected, the appropriate State regulatory authority may revoke permission of a bank to operate a branch in a host State if the bank uses or changes the name of, or uses an additional name for any such branch in the host State, and the new or additional name is described in clause (i) or (ii) of subparagraph (B). The preceding sentence does not preclude any adversely affected person from pursuing any available legal or administrative remedies.

"(D) DEFINITION.—For purposes of this paragraph, the term 'host State' means the State in which a bank establishes or acquires a branch other than the State in which the bank has its main office and is engaging in the business of banking.".

TITLE IV—REGULATORY RESTRUCTURING

Subtitle A—Restructuring Board of Directors of FDIC

SEC. 401. RESTRUCTURING THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION.

(a) MEMBERSHIP.—Section 2(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1812(a)(1)) is amended to read as follows:

"(1) IN GENERAL.—The management of the Corporation shall be vested in a Board of Directors consisting of 5 members—

"(A) 3 of whom shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States;

"(B) 1 of whom shall be the Chairman of the Board of Governors of the Federal Reserve System; and

"(C) [RESERVED].".

(b) TERMS.—Section 2(c) of the Federal Deposit Insurance Act (12 U.S.C. 1812(c)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by striking paragraph (1) and inserting the following:

"(1) APPOINTED MEMBERS.—Except as provided in paragraph (2), each appointed member of the Board of Directors shall be appointed for a term of 6 years.

"(2) STAGGERED APPOINTMENTS.—Of the first members of the Board of Directors to be appointed under subsection (a)(1)(A) after the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991—

"(A) 1 shall be appointed for a term to expire on February 28, 1993;

"(B) 1 shall be appointed for a term to expire on February 28, 1995; and

"(C) 1 shall be appointed for a term to expire on February 28, 1997,

as designated by the President at the time of the appointment.".

Subtitle B—Depository Institutions Coordination

SEC. 411. IMPROVING COORDINATION AMONG FEDERAL BANKING AGENCIES.

(a) IN GENERAL.—The Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.) is amended by striking sections 1001 through 1006 and inserting the following:

"SEC. 1001. SHORT TITLE.

"This title may be cited as the 'Federal Financial Institutions Coordination Council Act of 1991'.

"SEC. 1002. PURPOSES.

"The purposes of this title are—

"(1) to establish a Federal Financial Institutions Coordination Council which shall establish uniform supervisory and examination policies, procedures, and report forms for the Federal examination and supervision of depository institutions by the Federal banking agencies; and

"(2) to ensure consistency and progressive and vigilant supervision in such examination and supervision.

"SEC. 1003. DEFINITIONS.

"As used in this title—

"(1) the term 'appropriate Federal banking agency' has the same meaning as in section 3 of the Federal Deposit Insurance Act;

"(2) the term 'Council' means the Federal Financial Institutions Coordination Council, as established under section 1004(a);

"(3) the term 'Federal banking agencies' has the same meaning as in section 3 of the Federal Deposit Insurance Act;

"(4) the term 'depository institution' means a bank, a savings bank, a trust company, a savings association, a building and loan association, a homestead association, a cooperative bank, a bank holding company, or a savings and loan holding company; and

"(5) the term 'depository institution organization' means a depository institution and its affiliates, as that term is defined in section 2(k) of the Bank Holding Act of 1956.

"SEC. 1004. FEDERAL FINANCIAL INSTITUTIONS COORDINATION COUNCIL.

"(a) ESTABLISHMENT; COMPOSITION.—There is established the Federal Financial Institutions Coordination Council, which shall consist of—

"(1) the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation;

"(2) the Chairman of the Board of Governors of the Federal Reserve System; and

"(3) [RESERVED].

"(b) DELEGATION OF AUTHORITY.—A member of the Council described in paragraph (1), (2), or (3) of subsection (a) may delegate his or her authority or responsibilities as a member of the Council to a member of the Board of Directors of the Federal Deposit Insurance Corporation or the Board of Governors of the Federal Reserve System, respectively, if such delegatee is not otherwise a member of the Council.

"(c) CHAIRMAN.—The members of the Council shall select the first Chairman of the Council. Thereafter the chairmanship shall rotate among the members of the Council.

"(d) TERM.—The term of the Chairman of the Council shall be 2 years.

"(e) MAJORITY VOTE.—Actions taken and reports filed by the Council shall be approved by a majority vote of the Council members.

"(f) COMPENSATION AND EXPENSES.—Each member of the Council shall serve without compensation but shall be entitled to reasonable expenses incurred in carrying out his official duties as such a member.

"SEC. 1005. EXPENSES OF THE COUNCIL.

"The costs and expenses of the Council, including the salaries of its employees, shall be shared equally by each of the Federal banking agencies. Annual assessments for such share shall be levied by the Council, based upon its projected budget for the year, and additional assessments may be made during the year, if necessary to meet such costs and expenses.

"SEC. 1006. FUNCTIONS OF COUNCIL.

"(a) UNIFORM POLICIES AND PROCEDURES.—

"(1) IN GENERAL.—The Council shall—

"(A) establish uniform policies and procedures to be used by the Federal banking agencies as minimum standards in the examination of depository institutions; and

"(B) coordinate supervisory policies and procedures among such agencies.

"(2) CONSOLIDATED SUPERVISORY EFFORT.—In establishing the policies and procedures referred to in paragraph (1), the Council shall ensure a consolidated supervisory effort for a depository institution organization for which there is more than one appropriate Federal banking agency.

"(3) SUPERVISION OF INTERSTATE BRANCHES.—In establishing the policies and procedures referred to in paragraph (1), the Council shall ensure that interstate activities and branches of depository institutions are subject to the same level of examination and supervision as if those interstate activities and branches were conducted solely intrastate.

"(4) IMPLEMENTATION.—The Council shall take such steps as are necessary to ensure that consolidated supervisory efforts are implemented for depository institution organizations by January 1, 1993.

"(b) UNIFORM REPORTING SYSTEMS AND PROCEDURES.—

"(1) IN GENERAL.—The Council shall establish uniform reporting systems and procedures to be used by the Federal banking agencies in carrying out their examination and supervisory functions.

"(2) IMPLEMENTATION.—The Council shall take such steps as are necessary to ensure that uniform reporting systems and procedures used by the Federal banking agencies by January 1, 1993.

"(c) PAPERWORK REDUCTION.—The Council shall seek to simplify and reduce duplicative or unnecessary report and filing requirements for depository institutions, consistent with ensuring that the Federal banking agencies have sufficient information to fully examine, supervise, and regulate depository institutions, in accordance with the respective authority of each such agency.

"(d) EFFECT ON RESEARCH AND DEVELOPMENT.—Nothing in this title shall be construed to limit or discourage Federal banking agency research and development of new depository institutions supervisory methods and tools, nor to preclude the field testing of any innovation devised by any Federal banking agency.".

(b) EXAMINATION IMPROVEMENT.—The Federal Financial Institutions Coordination Council Act of 1991 (12 U.S.C. 3301, et seq.), as amended by subsection (a), is amended by adding at the end the following:

"SEC. 1012. TRAINING PROGRAM FOR EXAMINERS.

"(a) ESTABLISHMENT.—The Council, in consultation with the Federal banking agencies, shall—

"(1) develop a program, including an appropriate course of studies, for initial and continuing training of bank examiners hired by those agencies; and

"(2) carry out the training program for all examiners of those agencies.

"(b) PARTICIPATION IN PROGRAM.—

"(1) IN GENERAL.—Any examiner hired on or after January 1, 1993, by a Federal banking agency shall be required to attend and satisfactorily complete the training program established pursuant to subsection (a).

"(2) EXPERIENCE CREDIT.—The Council may, in its discretion, allow previous work or education experience to substitute for the requirement of paragraph (1) if the examiner has clearly demonstrated thorough knowledge of the content of the training program established pursuant to paragraph (1).

"(c) ADDITIONAL TRAINING.—The Federal banking agencies may each develop and carry out supplemental training programs for examiners to develop particular examination capabilities appropriate to each agency's own regulatory needs. Each such agency may require examiners employed by it to attend and satisfactorily complete such programs.

"(d) ENROLLMENT.—The training program established under paragraph (1) shall be open to enrollment by employees of the National Credit Union Administration, the Federal Housing Finance Board, and State financial institutions supervisory agencies. Such agencies shall reimburse the Council for the Council's costs incurred in providing training to their employees.

"SEC. 1013. EXAMINATION IMPROVEMENT PROGRAM.

"(a) UNIFORM EXAMINATION IMPROVEMENT PROGRAM.—Each Federal banking agency, in consultation with the Council, shall establish a comparable examination improvement program that meets the requirements of subsection (b).

"(b) PROGRAM CRITERIA.—An examination improvement program shall meet the requirements of this subsection if under such program the Federal banking agency—

"(1) reviews the organization of its staff responsible for conducting examinations of depository institutions and makes such improvements in the organization of its staff as it determines to be appropriate to ensure frequent, objective, and thorough examinations of depository institutions;

"(2) increases, to the extent necessary, the number of examiners, supervisors, and other individuals it employs in connection with conducting or supervising the examination of depository institutions, to ensure frequent, objective, and thorough examinations of depository institutions;

"(3) reviews the training of its staff responsible for conducting examinations of depository institutions and makes such improvements in the training of its staff as it determines to be appropriate to ensure frequent, objective, and thorough examinations of depository institutions; and

"(4) supervises and develops career paths for its staff responsible for conducting examinations of depository institutions to reduce turnover among such staff.

"SEC. 1014. EXAMINATION COORDINATION PROGRAM.

"(a) IN GENERAL.—Each appropriate Federal banking agency shall—

"(1) establish a schedule of examinations of each depository institution for which it is the appropriate Federal banking agency; and

"(2) notify any other Federal banking agency with examination responsibility for that depository institution of the schedule.

In scheduling examinations under this subsection, the appropriate Federal banking agency shall consult other Federal banking agencies and attempt to arrive at a schedule that is mutually acceptable.

"(b) COORDINATION.—Each appropriate Federal banking agency shall coordinate the examination of each depository institution for which it is the appropriate Federal banking agency with other Federal banking agencies that have examination responsibilities for the institution. An agency that fails to participate in the examination schedule under subsection (a)(1) shall use the results of such examination until the next examination is scheduled.

"(c) STATE AGENCY PARTICIPATION.—The appropriate Federal banking agency for each depository institution shall notify the State banking supervisory agency, if any, of examinations scheduled under subsection (a)(1), and shall invite its participation in the coordinated examination under this section.

"(d) MULTIAGENCY EXAMINATION TEAMS PERMISSIBLE.—In order to carry out subsection (a), the Federal banking agencies may formulate joint examination teams consisting of not less than 1 member from each such agency for the purpose of examining 1 or more depository institutions.

"(e) EMERGENCY EXAMINATION AUTHORITY.—Notwithstanding subsection (a) or (b), each Federal banking agency may conduct an examina-

tion of any depository institution under its own authority at any time and not in coordination with other agencies if such agency, in its sole discretion, has reason to believe that—

"(1) the condition of the depository institution may be deteriorating;

"(2) an institution-affiliated party or depository institution, directly or indirectly, has or is about to violate—

"(A) a law or regulation within the agency's jurisdiction;

"(B) a cease and desist order issued by the agency that has become final;

"(C) a condition imposed in writing by the agency; or

"(D) a written agreement between such depository institution and such agency; or

"(3) the depository institution may have engaged or participated in an unsafe or unsound practice.

"(f) EMERGENCY SPECIAL EXAMINATION AUTHORITY.—Notwithstanding subsection (a) or (b), each Federal banking agency may conduct a special examination of any depository institution at any time and not in coordination with other agencies if such agency, in its sole discretion, has reason to believe it is necessary to obtain information—

"(1) regarding any violation of law or unsafe or unsound banking practice by any institution or institution-affiliated party within its jurisdiction;

"(2) not contained in the most current examination report; or

"(3) otherwise necessary to carry out the agency's supervisory, regulatory, or lending responsibilities.

"SEC. 1015. REPORTS TO THE CONGRESS.

"Not later than April 1 of each year, the Council shall prepare and publish an annual report that discusses its activities during the preceding year concerning its establishment under section 1006 of uniform policies and procedures to be used by Federal banking agencies in the examination and supervision of depository institutions, including efforts made by the Council to develop consolidated supervision for depository institution organizations.".

(c) COUNCIL ADMINISTRATION AMENDMENTS.—The Federal Financial Institutions Coordination Council Act of 1991 (12 U.S.C. 3301 et seq.), as amended by subsections (a) and (b), is amended in section 1008—

(1) in subsection (b), by striking "in addition" and inserting "In addition"; and

(2) in paragraph (1) of subsection (c), by striking "subject to the provisions of title 5, United States Code, relating to the competitive service, classification, and General Schedule pay rates,".

Subtitle C—Bank Securities Registration

SEC. 421. BANK-ISSUED SECURITIES.

Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended—

(1) by striking "or any security issued or guaranteed by any bank;" and

(2) by striking "For purposes of this paragraph, a security issued or guaranteed by a bank shall not include any interest or participation in any collective trust fund maintained by a bank; and" and inserting "For purposes of this title,".

SEC. 422. SAVINGS ASSOCIATION-ISSUED SECURITIES.

Section 3(a)(5) of the Securities Act of 1933 (15 U.S.C. 77c(a)(5)) is amended to read as follows:

"(5) Any security—

"(A) issued by a farmer's cooperative organization exempt from tax under section 521 of the Internal Revenue Code of 1986;

"(B) issued by a corporation described in section 501(c)(16) of such Code and exempt from tax under section 501(a) of such Code;

"(C) issued by a corporation described in section 501(c)(2) of such Code which is exempt from tax under section 501(a) of such Code and is organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization or corporation described in subparagraph (A) or (B); or

"(D) issued or exchanged by a savings association or Federal savings association (as such terms are defined in section 3(b) of the Federal Deposit Insurance Act) in connection with a transaction pursuant to which such institution converts from the mutual stock form of ownership under section 5 of the Home Owners' Loan Act.".

SEC. 423. EXEMPTION FOR SECURITIES IN CERTAIN CORPORATE TRANSACTIONS.

Section 3(a)(9) of the Securities Act of 1933 (15 U.S.C. 77c(a)(9)) is amended to read as follows:

"(9) Except with respect to a security exchanged in a case under title 11, United States Code—

"(A) any security exchanged by the issuer with its existing security holders exclusively where no commission or other remuneration is paid or given directly or indirectly for soliciting such exchange; or

"(B) any security issued or exchanged in connection with a transaction solely involving exchanges or substitutions of securities as part of a reorganization of a corporation into a holding company, if—

"(i) as part of the reorganization, the security holders—

"(I) exchange their securities of the corporation for securities of a newly-formed holding company with no significant assets other than securities of the corporation and its existing subsidiaries; and

"(II) receive securities of the same class evidencing the same proportional share or debt interests in the holding company as they held in the corporation prior to the transaction, except for changes resulting from lawful elimination of fractional interests and the exercise of dissenting shareholder rights under applicable law;

"(ii) the rights and interests of security holders in the holding company are substantially the same as those in the corporation prior to the transaction other than as may be required by law; and

"(iii) the holding company has substantially the same assets and liabilities as the corporation had prior to the transaction;".

SEC. 424. TRANSFERRING ADMINISTRATION OF THE SECURITIES EXCHANGE ACT.

Section 3 of the Securities Act of 1933 (15 U.S.C. 77c) is amended by adding at the end the following:

"(d)(1) Notwithstanding section 2(1), the following interests shall not be considered to be securities for purposes of this title, except as otherwise specifically provided:

"(A) A deposit account, savings account, certificate of deposit, or other deposit instrument issued by a bank or savings association.

"(B) A share account issued by a savings association if such account is insured by the Federal Deposit Insurance Corporation.

"(C) A banker's acceptance.

"(D) A letter of credit issued by a bank or savings association.

"(E) A debit account at a bank or savings association arising from a credit card or similar arrangement.

The exemption provided by this paragraph shall apply only to a participation in an interest, account, certificate, instrument, acceptance, or letter that is a direct obligation of a bank or savings association.

"(2) For purposes of this subsection, the term 'deposit' means the unpaid balance of money or its equivalent received or held by a bank or savings association in the usual course of business, and

"(A) for which it has given or is obligated to give credit, either conditionally or unconditionally, to a commercial, checking, savings, time, or thrift account,

"(B) which is evidenced by its certificate of deposit, a check or draft drawn against a deposit account and certified by a bank or savings association, a letter of credit or a traveler's check, or by any other similar instrument on which a bank or savings association is liable,

"(C) which consists of nonpooled assets of individual trust funds received or held by a bank or savings association whether held in the trust department or deposited in any other department of such bank or savings association,

"(D) which is received or held by a bank or savings association for a special or specific noninvestment purpose, including, without being limited to, escrow funds, funds held as security for any obligation due to the bank or savings association or others (including funds held as dealers' reserves) or for securities loaned by the bank or savings association, funds deposited by a debtor to meet maturing subscriptions to United States Government securities, funds held for distribution or purchase of securities, funds held to meet its acceptances or letters of credit, and withheld taxes; or

"(E) which is—

"(i) insured by the Federal Deposit Insurance Corporation;

"(ii) subject to deposit reserve requirements adopted by the Board of Governors of the Federal Reserve System; or

"(iii) is regulated as a deposit by the Office of Thrift Supervision, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or the Board of Governors of the Federal Reserve System.

"(3) For purposes of this subsection, the term 'savings association' shall have the same meaning as in section 3 of the Federal Deposit Insurance Act.".

SEC. 425. TRUST INDENTURE ACT TECHNICAL AMENDMENT.

Section 304(a)(4)(A) of the Trust Indenture Act of 1939 (15 U.S.C. 77ddd(a)(4)(A)) is amended by striking "subsection 3(a)" and inserting "section 3(a) or by section 3(d)".

SEC. 426. TECHNICAL AMENDMENTS.

Section 12(2) of the Securities Act of 1933 (15 U.S.C. 77l(2)) is amended by inserting "or subsection (d)" after "subsection (a)" within the parenthetical.

SEC. 427. EFFECTIVE DATE.

This subtitle shall become effective 270 days after the date of enactment of this Act.

TITLE V—CONSUMER PROTECTION

Subtitle A—Truth in Savings and Investments

SEC. 501. SHORT TITLE.

This subtitle may be cited as the "Truth in Savings and Investments Act".

SEC. 502. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that uniformity in calculating and disclosing the yields and basic terms of savings accounts and investment accounts would—

(1) better enable consumers to make informed decisions among savings and investment options; and

(2) increase competition among depository institutions and investment companies.

(b) PURPOSE.—The purpose of this subtitle is to require—

(1) standardization of the method of calculating yields which are payable on accounts and investments; and

(2) the clear and uniform disclosure of the key costs associated with such accounts and investments,

so that consumers can make meaningful comparisons among the competing claims of depository institutions and investment companies.

SEC. 503. DEFINITIONS.

For the purposes of this subtitle—

(1) ACCOUNT.—The term "account" means an account offered other than for a business purpose to 1 or more individuals or an unincorporated nonbusiness association of individuals by a depository institution into which a customer deposits funds. Such term includes a demand account, time account, negotiable order of withdrawal account, credit union share, share certificate, and share draft account.

(2) ANNUAL PERCENTAGE YIELD.—The term "annual percentage yield" means the total amount of interest that would be received on a $100 deposit, based on the annual rate of simple interest and the frequency of compounding for a 365-day period, expressed as a percentage calculated by a method that the Board shall prescribe by regulation.

(3) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(4) DEPOSITORY INSTITUTION.—The term "depository institution" has the same meaning as in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(5) INTEREST.—The term "interest" includes a dividend paid with respect to a credit union share, share certificate, or share draft account which is an account under paragraph (1).

(6) MULTIPLE RATE ACCOUNT.—The term "multiple rate account" means an account that has 2 or more annual rates of simple interest which take effect in succeeding periods and which are known at the time of disclosure.

SEC. 504. DISCLOSURE OF YIELDS AND TERMS OF ACCOUNTS.

(a) IN GENERAL.—Except as provided in subsection (c), an advertisement, announcement, or solicitation initiated by any depository institution, or by any other entity, relating to any account—

(1) may not include a reference to a specific rate of interest payable on amounts held in such account, or to a specific yield or rate of earnings on amounts so held, other than a reference to the annual percentage yield; and

(2) shall, if it contains a reference to the annual percentage yield, state the information described in subsection (b) in a clear and conspicuous manner.

(b) INFORMATION REQUIRED TO BE DISCLOSED IF ANNUAL PERCENTAGE YIELD IS USED.—The information required to be disclosed by subsection (a)(2), to the extent applicable, is the following:

(1) The period during which such annual percentage yield is in effect.

(2) All minimum account balance and time requirements which must be met in order to earn the advertised yield (and, in the case of accounts for which more than 1 yield is stated, each annual percentage yield and the account minimum balance requirement associated with each such yield shall be in close proximity and have equal prominence).

(3) The minimum amount of the initial deposit which is required to open the account in order to obtain the yield advertised, if such minimum amount is greater than the minimum balance necessary to earn the advertised yield.

(4) A statement that regular fees or other conditions could reduce the yield.

(5) A statement that a penalty shall be imposed for early withdrawal.

(c) BROADCAST AND ELECTRONIC MEDIA AND OUTDOOR ADVERTISING EXCEPTION.—The Board may, by regulation, exempt—

(1) advertisements, announcements, or solicitations made by any broadcast or electronic medium,

(2) any outdoor advertising display not on the premises of the depository institution, or

(3) any advertising display on the premises of the depository institution or other entity offering the account or investment,

from any disclosure requirements described in paragraph (3) or (4) of subsection (b) if the Board finds that any such disclosure would be unnecessarily burdensome.

(d) MISLEADING DESCRIPTIONS OF FREE OR NO-COST ACCOUNTS PROHIBITED.—No advertisement, announcement, or solicitation made by any depository institution or by any other entity may refer to or describe an account as a free or no-cost account if—

(1) in order to avoid fees or service charges for any period—

(A) a minimum balance must be maintained in the account during such period; or

(B) the number of transactions are limited during such period; or

(2) any regular service or transaction fee is imposed.

(e) MISLEADING OR INACCURATE ADVERTISEMENTS PROHIBITED.—No depository institution or other entity shall make any advertisement, announcement, or solicitation relating to an account that is inaccurate or misleading or that misrepresents its deposit contracts.

SEC. 505. ACCOUNT SCHEDULE.

(a) IN GENERAL.—Each depository institution shall maintain a schedule of fees, charges, yields, and other terms applicable to each class of accounts offered by the depository institution, in accordance with the requirements of this section and regulations which the Board shall prescribe. The schedule for each class may be in the form of separate schedules or one comprehensive document. The Board shall specify, by regulation, which fees, charges, penalties, terms, conditions, and account restrictions must be included in a schedule required under this subsection. A depository institution need not include in such schedule any information not specified in such regulation.

(b) INFORMATION ON FEES AND CHARGES.—The schedule required under subsection (a) with respect to any account shall contain the following information:

(1) A description of all fees, periodic service charges, and penalties which may be charged or assessed against the account (or against the account holder in connection with such account), the amount of any such fees, charges, or penalties (or the method by which such amounts will be calculated), and the circumstances under which any such amounts will be assessed.

(2) All minimum balance requirements that affect fees, charges, and penalties, including a clear description of how each minimum balance is calculated.

(3) Any minimum amount required with respect to the initial deposit in order to open the account.

(c) INFORMATION ON YIELDS.—The schedule required under subsection (a) with respect to any account shall include the following information:

(1) Any annual percentage yield.

(2) The period during which any annual percentage yield will be in effect.

(3) Any annual rate of simple interest.

(4) The frequency with which interest will be compounded and credited.

(5) Any minimum balance which must be maintained to earn the rates and obtain the yields disclosed pursuant to this subsection and a clear description of how such minimum balance is calculated.

(6) A clear description of any minimum time requirement which must be met in order to obtain the yields disclosed pursuant to this subsection and any information described in paragraph (1), (2), (3), or (4) that will apply if any time requirement is not met.

(7) A statement, if applicable, that any interest which has accrued but has not been credited to an account at the time of a withdrawal from, or the closing of, the account will not be paid by the depository institution or credited to the account by reason of such withdrawal or closing.

(8) Any provision or requirement relating to nonpayment of interest, including any charge or penalty for early withdrawal, and the conditions under which any such charge or penalty may be assessed.

The information described in paragraphs (1), (3), and (4) shall be provided for each period during which a different annual rate of simple interest is in effect (or, if applicable, the method for computing such information).

(d) OTHER INFORMATION.—The schedule required under subsection (a) shall include such other disclosures as the Board may determine to be necessary to allow consumers to understand and compare accounts, including frequency of interest rate adjustments, account restrictions, and renewal policies for time accounts.

(e) STYLE AND FORMAT.—Schedules required under subsection (a) shall be written in clear and plain language and be presented in a format designed to give consumers the ability to readily understand the terms of the accounts offered.

SEC. 506. DISCLOSURE REQUIREMENTS FOR CERTAIN ACCOUNTS.

The Board shall by regulation prescribe such modifications in the disclosure requirements under this subtitle relating to annual percentage yields as may be necessary to carry out the purposes of this subtitle in the case of—

(1) accounts with respect to which the determination of annual percentage yield is based on an annual rate of interest that is guaranteed for a period of less than 1 year;

(2) variable rate accounts;

(3) accounts which, pursuant to law, do not guarantee payment of a stated rate; and

(4) multiple rate accounts.

SEC. 507. DISTRIBUTION OF SCHEDULES.

(a) IN GENERAL.—Any schedule required under section 505 shall be—

(1) made available to any person upon request; and

(2) provided to any potential customer before an account is opened or a service is rendered,

beginning not more than 6 months after the regulations issued by the Board take effect.

(b) NOTICE TO CURRENT ACCOUNT HOLDERS.—For any account for which the depository institution delivers an account statement on a quarterly or more frequent basis, the depository institution shall include on or with any regularly scheduled mailing posted or delivered within 6 months after the regulations issued by the Board take effect, a statement that the account holder has the right to request an account schedule containing the terms, charges, and interest rates of the account, and that the account holder may wish to request such an account schedule.

(c) DISTRIBUTION IN CASE OF CERTAIN INITIAL DEPOSITS.—If—

(1) a depositor is not physically present at an office of a depository institution at the time an initial deposit is accepted with respect to an account established by or for such person; and

(2) the schedule required under section 505(a) has not been furnished previously to such depositor,

the depository institution shall mail the schedule to the depositor at the address shown on the records of the depository institution for such account not later than 10 days after the date of the initial deposit.

(d) DISTRIBUTION OF NOTICE OF CERTAIN CHANGES.—If—

(1) any change is made in any term or condition which is required to be disclosed in the schedule required under section 505(a) with respect to any account; and

(2) the change may reduce the yield or adversely affect any holder of the account,

all account holders who may be affected by such change shall be notified and provided with a description of the change by mail at least 30 days before the change takes effect. This subsection does not apply to changes in annual percentage yields of variable rate accounts.

(e) DISTRIBUTION IN CASE OF ACCOUNTS ESTABLISHED BY MORE THAN 1 INDIVIDUAL OR BY A GROUP.—If an account is established by more than 1 individual or for a person other than an individual, any distribution described in this section with respect to such account meets the requirements of this section if the distribution is made to 1 of the individuals who established the account or 1 individual representative of the person on whose behalf such account was established.

SEC. 508. PERIODIC STATEMENTS.

For any account for which a depository institution provides a periodic statement, the depository institution shall provide to each of its account holders on or accompanying each periodic statement a clear and conspicuous disclosure of—

(1) the annual percentage yield;

(2) the amount of interest earned; and

(3) any fees or charges imposed.

SEC. 509. PAYMENT OF INTEREST.

(a) DETERMINATION OF BALANCE ON WHICH INTEREST IS CALCULATED.—Except as provided in subsection (c), interest shall be calculated on the principal balance in an interest-bearing account at a depository institution by using—

(1) the average daily balance method, which is the sum of each day's closing balance divided by the number of days in the period, or

(2) the day of deposit to day of withdrawal method, as defined by the Board.

Each agency referred to in section 511 shall, in connection with its examination functions, examine the accuracy of depository institutions' balance calculations.

(b) DATE BY WHICH INTEREST MUST ACCRUE.—Interest on accounts that are subject to this Act shall begin to accrue not later than the business day specified for interest-bearing accounts in section 606 of the Expedited Funds Availability Act, subject to subsections (b) and (c) of such section.

(c) SPECIAL RULE FOR CREDIT UNIONS.—Subsection (a) shall not apply to an account at a depository institution described in section 19(b)(1)(A)(iv) of the Federal Reserve Act if the depository institution—

(1) calculates the accrual of interest or dividends by a method other than the method described in subsection (a) with respect to all funds, including cash, deposited in such account; and

(2) provides notice of interest payment policy in the manner required by section 605(e) of the Expedited Funds Availability Act.

(d) CALCULATED ON FULL AMOUNT OF PRINCIPAL.—Interest on an interest-bearing account at any depository institution shall be calculated by such institution on the full amount of principal in the account for each day of the stated calculation period at the rate or rates of interest disclosed pursuant to this subtitle.

(e) NO PARTICULAR METHOD OF COMPOUNDING INTEREST REQUIRED.—Subsection (d) shall not be construed as prohibiting or requiring the use of any particular method of compounding or crediting interest.

SEC. 510. REGULATIONS.

(a) IN GENERAL.—The Board, after consultation with each agency referred to in section 511(a) and after providing public notice and opportunity for comment, shall prescribe regulations to carry out the purpose and provisions of this subtitle. The regulations may contain any classification, differentiation, or other provision, and may provide an exception for any class of accounts which, in the judgment of the Board, may be necessary or proper to carry out the purposes of this subtitle, to prevent circumvention or evasion of the requirements of this subtitle, or to facilitate compliance with the requirements of this subtitle.

(b) MODEL FORMS AND CLAUSES.—

(1) IN GENERAL.—The Board shall publish model forms and clauses for common disclosures to facilitate compliance with this subtitle. In devising such forms, the Board shall consider the use by depository institutions of data processing or similar automated machines.

(2) USE OF FORMS AND CLAUSES DEEMED IN COMPLIANCE.—Nothing in this subtitle may be construed to require a depository institution to use any such model form or clause prescribed by the Board under this subsection. A depository institution shall be deemed to be in compliance with the disclosure provisions of this subtitle if the depository institution—

(A) uses any appropriate model form or clause published by the Board; or

(B) uses any such model form or clause and changes it by—

(i) deleting any information which is not required by this subtitle; or

(ii) rearranging the format,

if in making such deletion or rearranging the format, the depository institution does not affect the substance, clarity, or meaningful sequence of the disclosure.

(3) PUBLIC NOTICE AND OPPORTUNITY FOR COMMENT.—The Board shall adopt model disclosure forms and clauses after giving appropriate notice and opportunity for public comment in accordance with section 553 of title 5, United States Code.

SEC. 511. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—Compliance with the requirements imposed under this subtitle shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), and offices, branches, and agencies of foreign banks located in the United States (other than Federal branches, Federal agencies, and insured State branches of foreign banks), by the Board of Governors of the Federal Reserve System;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act (other than member banks of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act, by the Office of Thrift Supervision in the case of depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of the Federal Reserve Act;

(3) the Federal Credit Union Act, by the National Credit Union Administration Board in the case of Federal credit unions; and

(4) the Federal Trade Commission Act, by the Federal Trade Commission in the case of State-chartered credit unions.

The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).

(b) ADDITIONAL ENFORCEMENT POWERS.—

(1) VIOLATION OF THIS SUBTITLE TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by any agency referred to in subsection (a) of such agency's powers under any Act referred to in such subsection, a violation of a requirement imposed under this subtitle shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to the powers of any agency referred to in subsection (a) under any provision of law specifically referred to in such subsection, each agency may exercise, for purposes of enforcing compliance with any requirement imposed under this subtitle, any other authority conferred on such agency by law.

(c) REGULATIONS BY AGENCIES OTHER THAN THE BOARD.—The authority of the Board to issue regulations under this subtitle does not impair the authority of any other agency referred to in subsection (a) to make rules regarding its own procedures in enforcing compliance with the requirements imposed under this subtitle.

SEC. 512. CIVIL LIABILITY.

(a) CIVIL LIABILITY.—Except as otherwise provided in this section, any depository institution or other entity offering an account that fails to comply with any requirement imposed under this subtitle or any regulation prescribed under this subtitle with respect to any person who is an account holder is liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of the failure;

(2)(A) in the case of an individual action, such additional amount as the court may allow, except that the liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

(B) in the case of a class action, such amount as the court may allow, except that—

(i) as to each member of the class, no minimum recovery shall be applicable; and

(ii) the total recovery under this subparagraph in any class action or series of class actions arising out of the same failure to comply by the same depository institution shall not be more than the lesser of $500,000 or 1 percent of the net worth of the depository institution involved; and

(3) in the case of any successful action to enforce any liability under paragraph (1) or (2), the costs of the action, together with a reasonable attorney's fee as determined by the court.

(b) CLASS ACTION AWARDS.—In determining the total amount of an award in a class action, the court shall consider, among other relevant factors—

(1) the amount of any actual damages awarded;

(2) the frequency and persistence of failures of compliance;

(3) the resources of the depository institution;

(4) the number of persons adversely affected; and

(5) the extent to which the failure of compliance was intentional.

(c) BONA FIDE ERRORS.—

(1) GENERAL RULE.—A depository institution may not be held liable in any action brought under this section for a violation of this subtitle if the depository institution demonstrates by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(2) EXAMPLES.—Examples of a bona fide error include clerical, calculation, computer malfunction and programming, and printing errors. An error of legal judgment with respect to a depository institution's obligation under this subtitle is not a bona fide error.

(d) JURISDICTION.—Any action under this section may be brought in any United States dis-

trict court, or in any other court of competent jurisdiction, within one year after the date of the occurrence of the violation involved.

(e) Reliance on Board Rulings.—No provision of this section imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board, or in conformity with any interpretation or approval by an official or employee of the Federal Reserve System duly authorized by the Board to issue such interpretation or approval under procedures prescribed by the Board, notwithstanding the fact that after such act or omission has occurred, such rule, regulation, interpretation, or approval is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(f) Notification of and Adjustment for Errors.—A depository institution shall not be liable under this section or section 511 for any failure to comply with any requirement imposed under this subtitle with respect to any account if—

(1) before—

(A) the end of the 60-day period beginning on the date on which the depository institution discovered the failure to comply;

(B) any action is instituted against the depository institution by the account holder under this section with respect to such failure to comply; and

(C) any written notice of such failure to comply is received by the depository institution from the account holder,

the depository institution notifies the account holder of the failure of such institution to comply with such requirement; and

(2) the depository institution makes such adjustments as may be necessary with respect to such account to ensure that—

(A) the account holder will not be liable for any amount in excess of the amount actually disclosed with respect to any fee or charge;

(B) the account holder will not be liable for any fee or charge imposed under any condition not actually disclosed; and

(C) interest on amounts in such account will accrue at the annual percentage yield, and under the conditions actually disclosed (and credit will be provided for interest already accrued at a different annual percentage yield and under different conditions than the yield or conditions disclosed).

(g) Multiple Interests in 1 Account.—If more than 1 person holds an interest in any account—

(1) the minimum and maximum amounts of liability under subsection (a)(2)(A) for any failure to comply with the requirements of this subtitle shall apply with respect to such account; and

(2) the court shall determine the manner in which the amount of any such liability with respect to such account shall be distributed among such persons.

(h) Continuing Failure To Disclose.—

(1) Certain continuing failures treated as 1 violation.—Except as provided in paragraph (2), the continuing failure of any depository institution to disclose any particular term required to be disclosed under this subtitle with respect to a particular account shall be treated as a single violation for purposes of determining the amount of any liability of such institution under subsection (a) for such failure to disclose.

(2) Subsequent failure to disclose.—The continuing failure of any depository institution to disclose any particular term required to be disclosed under this subtitle with respect to a particular account after judgment has been rendered in favor of the account holder in connection with a prior failure to disclose such term shall be treated as a subsequent violation for purposes of determining liability under subsection (a).

(3) Coordination with section 511.—This subsection shall not limit or otherwise affect the enforcement power under section 511 of any agency referred to in subsection (a) of such section.

SEC. 513. CREDIT UNIONS.

(a) In General.—No regulation prescribed by the Board under this subtitle shall apply directly with respect to any depository institution described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(b) Regulations Prescribed by the NCUA.—Within 90 days of the effective date of any regulation prescribed by the Board under this subtitle, the National Credit Union Administration Board shall prescribe a regulation substantially similar to the regulation prescribed by the Board taking into account the unique nature of credit unions and the limitations under which they may pay dividends on member accounts.

SEC. 514. REVIEW OF DISCLOSURE REQUIREMENTS FOR OPEN-END MANAGEMENT INVESTMENT COMPANIES.

The Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 66. REVIEW OF DISCLOSURE REQUIREMENTS FOR YIELDS AND TERMS.

"Not later than January 1, 1993, and annually thereafter, the Commission and the Board of Governors of the Federal Reserve System shall consult with each other (and with any other agency they deem appropriate) to review the regulations prescribed under this Act and the Securities Act of 1933 and the regulations prescribed under the Truth in Savings and Investments Act to assure that such regulations are providing consumers the ability to compare savings and investments options effectively. If at any time as a result of such review, either the Commission or the Board finds that its regulations are not providing consumers the ability to compare savings and investments options effectively, the Commission or the Board, as the case may be, shall modify its regulations to assure that consumers have such ability.".

SEC. 515. EFFECT ON STATE LAW.

(a) In General.—The provisions of this subtitle do not supersede any provisions of the law of any State relating to the disclosure of yields payable or terms for accounts to the extent such State law requires the disclosure of such yields or terms for accounts, except to the extent that those laws are inconsistent with the provisions of this subtitle, and then only to the extent of the inconsistency. The Board is authorized to determine whether such inconsistencies exist.

(b) Balance on Which Interest Is Calculated.—The provisions of this subtitle shall supersede any provisions of any State law relating to the determination of the balance on which interest is calculated to the extent such State law specifies the manner for determining the balance on which interest is calculated.

SEC. 516. EFFECTIVE DATE OF REGULATIONS.

The Board shall issue regulations to carry out this subtitle in final form not later than 9 months after the date of enactment of this Act. Such regulations shall take effect not later than 6 months after publication in final form.

Subtitle B—Fair Lending Enforcement

SEC. 521. SHORT TITLE.

This subtitle may be cited as the "Fair Lending Enforcement Act of 1991".

SEC. 522. APPRAISALS.

Section 701 of the Equal Credit Opportunity Act (15 U.S.C. 1691) is amended by adding at the end the following:

"(e) Each creditor shall promptly furnish an applicant, upon written request by the applicant made within a reasonable period of time of the application, a copy of the appraisal report used in connection with the applicant's application for a loan that is or would have been secured by a lien on residential real property. The creditor may require the applicant to reimburse the creditor for the cost of the appraisal.".

SEC. 523. CONSUMER COMPLIANCE PROGRAMS.

(a) FDIC.—The Federal Deposit Insurance Act is amended by adding at the end the following:

"SEC. 41. CONSUMER COMPLIANCE PROGRAM.

"(a) Establishment Required.—Each appropriate Federal banking agency shall establish a separate consumer compliance program. The head of the consumer compliance program shall report directly to the head of the agency.

"(b) Definitions.—For purposes of this section—

"(1) Consumer compliance examination.—The term 'consumer compliance examination' means an examination of an insured depository institution to determine the extent to which such institution is in compliance with all applicable laws and regulations relating to consumer protection, including fair lending and community reinvestment laws.

"(2) Consumer compliance examiner.—The term 'consumer compliance examiner' means an examiner who specializes in assessing compliance with all applicable laws and regulations relating to consumer protection, including fair lending and community reinvestment laws.

"(c) Consumer Compliance Examinations.—

"(1) Frequency.—The appropriate Federal banking agency shall conduct on-site consumer compliance examinations of each insured depository institution. Beginning not later than January 1, 1995, the agency shall conduct such an examination of each institution not less than once every 2 years, or as frequently as the agency conducts a regular on-site safety and soundness examination of each institution, whichever is less frequent.

"(2) Conducted by consumer compliance examiners.—Consumer compliance examinations shall be conducted by consumer compliance examiners under the supervision or oversight of the head of the consumer compliance program. Each appropriate Federal banking agency may consider the size of the depository institution and the complexity of the consumer compliance examination issues presented in determining whether to assign to a particular examination a consumer compliance examiner who exclusively conducts consumer compliance examinations or an examiner who has only received specialized training in consumer compliance examinations. In making this determination each appropriate Federal banking agency shall also consider whether substantive questions of compliance have been raised in previous examinations or in comments or complaints from the public.

"(3) Examination upon request under certain circumstances.—Any bank holding company or savings and loan holding company which controls an insured depository institution which determines that a consumer examination of such depository institution may be appropriate to expedite an application or notice for a deposit facility described in section 803(3) of the Community Reinvestment Act of 1977 may request in writing the appropriate consumer compliance program to conduct an examination of the depository institution pursuant to paragraph (1).

"(d) Additional Responsibilities.—In addition to the responsibilities established by subsection (c), the head of each consumer compliance program shall—

"(1) develop procedures for consumer compliance examinations and other procedures necessary to implement all applicable laws relating to consumer protection, including fair lending and community reinvestment laws;

"(2) train and supervise or oversee consumer compliance examiners;

"(3) develop career opportunities for consumer compliance examiners comparable to those for safety and soundness examiners;

"(4) respond to consumer complaints and inquiries;

"(5) undertake supervisory action and initiate enforcement proceedings with respect to all applicable laws and regulations relating to consumer protection, including fair lending and community reinvestment laws;

"(6) make recommendations to its agency concerning policies and adopt policies with respect to all applicable laws and regulations relating to consumer protection, including fair lending and community reinvestment laws; and

"(7) perform any other duties and functions related to the consumer compliance program.

"(e) EFFECTIVE DATE.—The establishment of separate consumer compliance programs in each of the agencies shall be completed no later than January 1, 1993.

"(f) REPORTS.—Each consumer compliance program shall prepare a description of its activities which shall be included in the agency's annual report to the Congress.".

(b) NATIONAL CREDIT UNION ADMINISTRATION.—Title I of the Federal Credit Union Act is amended by adding at the end the following:

"SEC. 130. CONSUMER COMPLIANCE PROGRAM.

"(a) ESTABLISHMENT REQUIRED.—The Board shall establish a separate consumer compliance program. The head of the consumer compliance program shall report directly to the Board.

"(b) DEFINITIONS.—For purposes of this section—

"(1) CONSUMER COMPLIANCE EXAMINATION.—The term 'consumer compliance examination' means an examination of an insured credit union to determine the extent to which such credit union is in compliance with all applicable laws and regulations relating to consumer protection, including fair lending laws.

"(2) CONSUMER COMPLIANCE EXAMINER.—The term 'consumer compliance examiner' means an examiner who specializes in assessing compliance with all applicable laws and regulations relating to consumer protection, including fair lending laws.

"(c) CONSUMER COMPLIANCE EXAMINATIONS.—

"(1) FREQUENCY.—The Board shall conduct on-site consumer compliance examinations of each insured credit union. Beginning not later than January 1, 1995, the Board shall conduct such an examination of each insured credit union not less than once every 2 years, or as frequently as the Board conducts a regular on-site safety and soundness examination of the institution, whichever is less frequent.

"(2) CONDUCTED BY CONSUMER COMPLIANCE EXAMINERS.—Consumer compliance examinations shall be conducted by consumer compliance examiners under the supervision or oversight of the head of the consumer compliance program. The Board may consider the size of the institution and the complexity of the consumer compliance examination issues presented in determining whether to assign to a particular examination a consumer compliance examiner who exclusively conducts consumer compliance examinations or an examiner who has only received specialized training in consumer compliance examinations. In making this determination the Board shall also consider whether substantive questions of compliance have been raised in previous examinations or in comments or complaints from members or the public.

"(d) ADDITIONAL RESPONSIBILITIES.—In addition to the responsibilities established by subsection (c), the head of the consumer compliance program shall—

"(1) develop procedures for consumer compliance examinations and other procedures necessary to implement all applicable laws relating to consumer protection, including fair lending laws;

"(2) train and supervise or oversee consumer compliance examiners;

"(3) develop career opportunities for consumer compliance examiners comparable to those for safety and soundness examiners;

"(4) respond to consumer complaints and inquiries;

"(5) undertake supervisory action and initiate enforcement proceedings with respect to all applicable laws and regulations relating to consumer protection, including fair lending laws;

"(6) make recommendations to the Board concerning policies and adopt policies with respect to all applicable laws and regulations relating to consumer protection, including fair lending laws; and

"(7) perform any other duties and functions related to the consumer compliance program.

"(e) EFFECTIVE DATE.—The establishment of a separate consumer compliance program shall be completed no later than January 1, 1993.

"(f) REPORTS.—The consumer compliance program shall prepare a description of its activities which shall be included in the Board's annual report to the Congress.".

(c) STATE CREDIT UNIONS.—Section 204 of the Federal Credit Union Act is amended by adding after the second sentence a new sentence to read: "The Board shall conduct consumer compliance examinations as set forth in section 130 of State chartered insured credit unions only if the appropriate State supervisory agency has not established an examination program similar to that described in section 130.

SEC. 524. ENFORCEMENT OF EQUAL CREDIT OPPORTUNITY ACT.

(a) PATTERN OR PRACTICE.—Section 706(g) of the Equal Credit Opportunity Act (15 U.S.C. 1691e(g)) is amended by adding at the end the following: "Each of the agencies referred to in paragraphs (1), (2), and (3) of section 704(a) shall refer the matter to the Attorney General whenever it has reason to believe that 1 or more creditors has engaged in a pattern or practice of discouraging or denying applications for credit in violation of section 701(a) of this title. Each of such agencies is authorized to refer the matter to the Attorney General whenever it has reason to believe that 1 or more creditors has violated section 701(a) of this title.".

(b) DAMAGES.—Section 706(h) of the Equal Credit Opportunity Act (15 U.S.C. 1691e(h)) is amended by inserting "actual and punitive damages and" after "including".

(c) NOTICE TO HUD.—Section 706 of the Equal Credit Opportunity Act (15 U.S.C. 1691e) is amended by adding at the end the following:

"(k) Whenever an agency referred to in paragraph (1), (2), or (3) of section 704(a) has reason to believe that a violation of this title has occurred, as a result of receiving a consumer complaint, conducting a consumer compliance examination, or otherwise, and that the alleged violation would be a violation of the Fair Housing Act, and the agency does not refer the matter to the Attorney General pursuant to subsection (g), it shall—

"(1) notify the Secretary of Housing and Urban Development of the violation; and

"(2) notify the applicant that the Secretary of Housing and Urban Development has been notified of the alleged violation and that remedies for the violation may be available under the Fair Housing Act.".

SEC. 525. HOME MORTGAGE DISCLOSURE ACT.

(a) IN GENERAL.—Section 309 of the Home Mortgage Disclosure Act (12 U.S.C. 2808) is amended—

(1) by striking "depository" before "institution";

(2) by inserting "specified in section 303(2)(A)" after "institution"; and

(3) by adding at the end the following: "The Board, in consultation with the Secretary, may exempt institutions described in section 303(2)(B) that are comparable within their respective industries to institutions that are exempt under the preceding sentence.".

(b) EFFECTIVE DATE.—This section shall become effective on January 1, 1992.

Subtitle C—Basic Financial Services Accounts

SEC. 531. SHORT TITLE.

This subtitle may be cited as the "Financial Services Access Act of 1991".

SEC. 532. BASIC FINANCIAL SERVICES ACCOUNTS REQUIRED.

(a) IN GENERAL.—Each depository institution shall offer a basic financial services account which, at the election of the account holder, may be used to obtain—

(1) basic transaction account services; or

(2) government check cashing account services.

(b) REQUIREMENTS FOR BASIC FINANCIAL SERVICES ACCOUNTS.—A basic financial services account shall meet the requirements of this subtitle. A basic financial services account does not meet the requirements of this subtitle if it—

(1) requires any other relationship with the depository institution, except as provided in section 537;

(2) allows a depository institution to discriminate against low-income individuals on the basis of race, color, national origin, sex, age, marital status, receipt of public assistance, source of income, exercise of any rights under consumer protection statutes, employment status, or access to credit in order to use such basic financial services account; or

(3) requires the account holder exclusively to use direct deposit services, automated teller machines, or other nonteller services for such basic financial services account.

(c) EXEMPTION FOR CERTAIN INDIVIDUALS.—

(1) IN GENERAL.—A depository institution is not required to provide a basic financial services account to any individual who—

(A) has a deposit account relationship at the depository institution or any other depository institution;

(B) has a government check cashing relationship at the depository institution or any other depository institution; or

(C) has an annual household income exceeding $20,000.

(2) SELF-CERTIFICATION.—In carrying out paragraph (1)(C), a depository institution may—

(A) require the individual to certify on an application form that the individual's annual household income is less than $20,000; and

(B) not require any other proof of annual household income.

(d) EXEMPTION FROM BASIC TRANSACTION SERVICES REQUIREMENTS.—Any depository institution that on the effective date of this subtitle offers basic transaction services that are, from an account holder's perspective, comparable to or more favorable than those services prescribed in subsection (a)(1), shall be exempt from section 534 for as long as it continues to offer comparable or more favorable basic transaction services.

(e) EXEMPTION FROM CHECK CASHING SERVICES REQUIREMENTS.—Any depository institution that on the effective date of this subtitle offers government check cashing services that, from an account holder's perspective, are comparable to or more favorable than those services prescribed in section 535, shall be exempt from subsection (a)(2) for as long as it continues to offer comparable or more favorable government check cashing services.

SEC. 533. ACCOUNT APPLICATIONS.

(a) IN GENERAL.—The Board shall develop a model application form for the use of depository institutions in offering a basic financial services account.

(b) MINIMUM REQUIREMENTS.—The application form developed by the Board, or a comparable form developed by a depository institution in lieu thereof, shall—

(1) be available at all the depository institution's deposit taking offices that—

(A) open new accounts; and

(B) are staffed by individuals employed by such depository institutions; and

(2) contain—

(A) the name, address, date of birth, handwritten signature, and the taxpayer identification number or other identification number of the applicant;

(B) other information the Board reasonably determines to be necessary to provide basic transaction account services and government check cashing account services pursuant to this section; and

(C) a certification that the applicant's annual household income is less than $20,000.

(c) IDENTIFICATION OF APPLICANT.—At the time of application, an applicant may be required to present 2 forms of identification, 1 of which includes the signature of the applicant and 1 of which either includes a photograph or is the birth certificate of the applicant.

(d) OTHER SERVICES.—At the time of application, an applicant may be required by the depository institution to sign a document in which the applicant states whether he or she has, or has applied for, any other basic transaction services or government check cashing services.

(e) COPY PROVIDED.—The depository institution shall provide the applicant a copy of the completed application form demonstrating the fact that the application has been received and filed with the depository institution within 15 calendar days after filing.

(f) REJECTION FOR FRAUD OR INTENTIONAL MATERIAL MISREPRESENTATION.—

(1) IN GENERAL.—If, after review in good faith of the application, a depository institution has reason to believe that an applicant has committed or attempted to commit fraud against a depository institution, has made an intentional material misrepresentation in applying for a basic financial services account, has a record of writing checks for insufficient funds, has a credit record of delinquent accounts or unpaid judgments, or has had an account closed pursuant to section 534(a)(10), the depository institution may deny service to the applicant.

(2) REQUIREMENTS.—A depository institution which denies service to an applicant shall—

(A) provide the applicant with timely written notice setting forth the reasons supporting the depository institution's denial of service and the procedures available to the applicant for filing a complaint, as provided in section 540; and

(B) maintain records and files with regard to each denial made pursuant to this subsection for a minimum period of 1 year from the date of denial.

(3) FORM.—The Board shall develop a model form for the use of depository institutions in notifying applicants of a denial of service pursuant to this subsection.

(g) INITIAL WAITING PERIOD.—The depository institution may impose a waiting period of not more than 15 calendar days from the date of application before providing an applicant with a basic transaction services account or a government check cashing services account.

(h) IDENTIFICATION CARD.—If a depository institution issues an identification card to approved applicants, it may assess a reasonable, cost-based charge for replacement of a lost or stolen card.

SEC. 534. BASIC TRANSACTION SERVICES ACCOUNT REQUIREMENTS.

(a) IN GENERAL.—An account is a basic transaction services account for the purpose of section 532 if it is a transaction account that—

(1) is available to account holders who maintain an average balance of not more than $750 during each monthly period;

(2) does not require a minimum initial deposit or minimum balance requirement of more than $25;

(3) does not provide for the imposition of fees other than—

(A) a monthly maintenance fee or service charge that does not exceed the real, direct, and demonstrable costs of providing the account (including fraud losses and deposit insurance premiums), as certified by the depository institution, plus a modest profit not to exceed 10 percent of such costs;

(B) a reasonable, cost-based fee for check printing;

(C) a reasonable, cost-based fee for processing checks returned for lack of sufficient funds; and

(D) a reasonable, cost-based fee for transactions in excess of the minimum number of allowable transactions described in paragraph (5), if the depository institution permits transactions in excess of the minimum;

(4) permits checks, share drafts, electronic, or other debit instruments to be drawn on the account for purposes of making payments or other transfers to third parties;

(5) permits at least 10 withdrawals per month, including withdrawals described in paragraph (4), whether by check, share draft, in person, proprietary automatic teller machines, or other means;

(6) provides the account holder with—

(A) a detailed periodic statement listing all transactions for the period involved; or

(B) a passbook in which the depository institution enters all transactions for such account;

(7) does not require the depository institution to pay interest on deposited funds;

(8) at the election of the account holder, allows regularly recurring payments to the account holder to be made by a payor directly to the depository institution for direct deposit into the account of the account holder, if the depository institution offers direct deposit services to account holders;

(9) allows the depository institution—

(A) to market direct deposit services aggressively;

(B) to offer cost-based discounts to account holders who elect to rely wholly or partially on direct deposit or automatic teller machines in conjunction with the account; and

(C) to structure the account so as to require the use of direct deposit or automatic teller machines if—

(i) at the time of establishing the account, the account holder receives a clear and conspicuous written notice, through a disclosure form developed by the Board, stating that the account holder may decline to use direct deposit or automatic teller machines; and

(ii) the account holder does not decline to use direct deposit or automatic teller machines; and

(10) is subject to closure upon notice to the account holder due to—

(A) overdrafts, returned checks, or rejected electronic debits with respect to an account on 3 distinct occasions within any 6-month period;

(B) fraudulent activity involving the account of such account holder; or

(C) failure by the account holder to abide by the terms of the account, as provided in paragraphs (1) through (3) of subsection (a).

(b) COST ANALYSIS.—For the purpose of subsection (a)(3)(A), the depository institution shall base the monthly maintenance fee or service charge either on its own study of costs or on functional cost analysis (actual time and actual net processing cost) studies of various types of depository institutions performed by the Board.

SEC. 535. GOVERNMENT CHECK CASHING SERVICES ACCOUNT REQUIREMENTS.

(a) IN GENERAL.—An account is a government check cashing services account for the purpose of section 532 if it—

(1) permits the account holder to cash government checks in amounts of as much as $1,500, if—

(A) the account holder presents the check and is the person to whom the check has been issued; and

(B) the individual has applied to the depository institution for government check cashing services under section 533;

(2) does not require the account holder to pay a monthly service charge or maintenance fee for check cashing services;

(3) does not require the account holder to pay a fee for the establishment of a check cashing account;

(4) does not have check cashing fees that exceed the real, direct, and demonstrable costs of providing check cashing account services (including fraud losses), as certified by the depository institution, plus a modest profit not to exceed 10 percent of such costs;

(5) allows the account holder to designate at least 3 offices of the depository institution at which to cash government checks, if such offices—

(A) take deposits;

(B) open new accounts; and

(C) are staffed by individuals employed by such depository institution;

unless the depository institution has fewer than 3 offices which meet the requirements of subparagraphs (A), (B), and (C); and

(6) permits the depository institution to require, prior to cashing any government check, the account holder to present—

(A) any identification described in section 533(c) or section 533(h); and

(B) the account holder's government check cashing services account number.

(b) COST ANALYSIS.—For the purpose of subsection (a)(4), the depository institution shall base such check cashing fees either on its own study of costs or on functional analysis (actual time and actual net processing cost) studies of various types of depository institutions performed by the Board.

SEC. 536. INFORMATION ON ACCOUNTS.

(a) DISPLAY.—A depository institution shall conspicuously display in its lobby and other public areas of the institution brochures, pamphlets, or other written information that inform account holders and potential account holders that basic financial services accounts are available.

(b) INFORMATION.—Such brochures, pamphlets, or other written information shall—

(1) clearly explain the material features and limitations of basic transaction and government check cashing services;

(2) state that further information concerning such services is available from the depository institution upon request; and

(3) include information concerning an account holder's right to complain regarding noncompliance with this subtitle.

(c) AVAILABILITY.—A depository institution shall provide the information described in subsection (b) to any individual upon request.

SEC. 537. SPECIAL RULES FOR CREDIT UNIONS.

(a) BASIC TRANSACTION SERVICES.—Any credit union which, in the ordinary course of business, offers share draft accounts to its own members shall provide basic transaction services pursuant to this subtitle to any individual who is or becomes a member of such credit union if the individual complies with the requirements of this subtitle.

(b) GOVERNMENT CHECK CASHING SERVICES.—Any credit union which, in the ordinary course of business, cashes share drafts or government checks for its own members shall provide government check cashing services pursuant to this subtitle to any individual who is or becomes a member of such credit union if the individual complies with the requirements of this subtitle.

SEC. 538. SPECIAL RULES FOR CERTAIN DEPOSITORY INSTITUTIONS.

(a) INSTITUTIONS THAT DO NOT OFFER TRANSACTION ACCOUNTS.—A depository institution, other than a credit union, which does not, in the ordinary course of business, offer transaction accounts to the general public, is not required to provide basic transaction services.

(b) INSTITUTIONS THAT DO NOT CASH CHECKS.—A depository institution which does not, in the ordinary course of business, cash checks is not required to provide government check cashing services.

SEC. 539. PREVENTING FRAUD LOSSES.

(a) IN GENERAL.—The Board may, upon petition by any individual depository institution, suspend, by regulation or order, any government check cashing services account requirement under this subtitle if the Board determines that the depository institution is experiencing an unacceptable level of losses due to check-related fraud in providing such account services.

(b) SUSPENSION OF REQUIREMENTS.—The Board may, by regulation or order, suspend any government check cashing services account requirement imposed by this subtitle for any class of checks if the Board determines that—

(1) depository institutions are experiencing an unacceptable level of losses due to check-related fraud with respect to such class of checks; or

(2) there is reasonable cause to believe that such class of checks is being used in a scheme to defraud.

(c) REPORT.—Within 10 days of issuing any order or prescribing any regulation under subsections (a) and (b) of this section, the Board shall submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, explaining the reason for the order or regulation and the evidence considered in making the determination to issue an order or prescribe a regulation.

(d) EXEMPTIONS.—This subtitle does not apply with respect to any government check presented for cashing to a depository institution if the depository institution has reason to believe that—

(1) such check is fraudulent, is being fraudulently presented, or has been altered or forged;

(2) the individual presenting the check is misrepresenting or has misrepresented his or her identity;

(3) any form of identification that is presented in connection with cashing such check has been altered or forged; or

(4) the check will not be honored by the check-issuing governmental authority.

For purposes of this subsection, a reasonable belief requires the existence of facts which would give rise to a well-grounded belief in the mind of a reasonable person.

SEC. 540. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—Compliance with the requirements imposed under this subtitle shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act—

(A) by the Office of the Comptroller of the Currency with respect to national banks, and Federal branches and Federal agencies of foreign banks;

(B) by the Board of Governors of the Federal Reserve System with respect to member banks of the Federal Reserve System (other than national banks), and offices, branches, and agencies of foreign banks located in the United States (other than Federal branches, Federal agencies, and insured State branches of foreign banks);

(C) by the Board of Directors of the Federal Deposit Insurance Corporation with respect to banks the deposits of which are insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks; and

(D) by the Office of Thrift Supervision with respect to Federal savings associations and Federal savings banks; and

(2) section 206 of the Federal Credit Union Act, by the National Credit Union Administration Board, with respect to any insured credit union.

The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).

(b) ADDITIONAL ENFORCEMENT POWERS.—

(1) VIOLATION OF THIS SUBTITLE TREATED AS VIOLATION OF OTHER ACTS.—For purposes of the exercise by the appropriate Federal banking agency of any such agency's powers under any Act referred to in subsection (a), a violation of a requirement imposed under this subtitle shall be deemed to be a violation of a requirement imposed under that Act.

(2) ENFORCEMENT AUTHORITY UNDER OTHER ACTS.—In addition to the appropriate Federal banking agency's powers under any provision of law referred to in subsection (a), each such agency may exercise, for purposes of enforcing this subtitle, any other authority conferred on such agency by any other law.

(c) FINING AUTHORITY.—No administrative monetary penalty shall be imposed pursuant to this subtitle.

(d) COMPLAINTS BY INDIVIDUALS.—

(1) IN GENERAL.—The Board shall develop a complaint form for individuals to use to report possible violations of this subtitle. Each appropriate Federal banking agency that receives a complaint shall conduct an investigation as such agency deems necessary. If such complaint is verified by an investigation, the agency shall carry out proper enforcement actions according to the authority conferred by this subtitle. The agency shall provide the results of such investigation and any enforcement actions in writing to the complainant and the depository institution that was investigated.

(2) TIME LIMIT ON FILING OF CERTAIN COMPLAINTS.—An agency shall not consider any complaint that alleges the denial of an application for a basic financial services account in violation of this subtitle, if the complaint is filed more than 1 year after the institution's denial of the application.

SEC. 541. CIVIL LIABILITY.

This subtitle does not create or imply any private cause of action for damages, including individual or class action causes of action.

SEC. 542. DEFINITIONS.

For the purposes of this subtitle—

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term "appropriate Federal banking agency" has the same meaning given such term by section 3 of the Federal Deposit Insurance Act.

(2) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) DEPOSITORY INSTITUTION.—The term "depository institution" means any federally insured depository institution described in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(4) GOVERNMENT CHECK.—

(A) IN GENERAL.—The term "government check" means any check that is issued by—

(i) the United States or any agency of the United States;

(ii) any State or any agency of any State, and that is presented for cashing purposes within the State in which the check was issued; or

(iii) any unit of local government or any agency of any unit of local government, including, but not limited to, local government public assistance payments, and that is presented for cashing purposes within the unit of local government in which the check was issued.

(B) EXCEPTIONS.—The term "government check" does not include—

(i) State-issued payment warrants; or

(ii) checks issued by local government special purpose districts or units.

(5) GOVERNMENT CHECK CASHING RELATIONSHIP.—The term "government check cashing relationship" means an account relationship between an individual and a depository institution under which a government check cashing services account is provided pursuant to section 535 of this subtitle.

(6) STATE.—The term "State" has the meaning given to such term in section 3(a) of the Federal Deposit Insurance Act.

(7) TRANSACTION ACCOUNT.—The term "transaction account" has the meaning given such term by section 19(b)(1)(C) of the Federal Reserve Act.

SEC. 543. STUDY AND REPORT ON INCIDENCE OF FRAUD IN CONNECTION WITH GOVERNMENT CHECK CASHING.

(a) STUDY REQUIRED.—After the end of the 1-year period beginning on the effective date of this subtitle, the Board shall conduct a study of the check cashing services provided pursuant to this subtitle to determine whether, in any case, losses due to fraud in connection with providing such services are causing the costs incurred by various types of depository institutions to exceed revenues from the service fees collected or other income earned in connection with providing such services.

(b) REPORTED REQUIRED.—Before the end of a 6-month period beginning at the end of the period referred to in subsection (a), the Board shall submit a report to the Congress containing the findings and conclusions of the Board with respect to the study, along with such recommendations for legislative and administrative action as the Board determines to be appropriate.

SEC. 544. STUDY AND REPORT ON THE STAGGERING OF FEDERAL RECURRING PAYMENTS.

(a) STUDY REQUIRED.—The Secretary of the Treasury, in consultation with affected agencies and the public, shall conduct a study to examine the feasibility and desirability of staggering payment of Social Security and other Federal recurring government benefit and payroll payments, on the basis of birth date or other appropriate methods, so that such payments do not all occur on the 1st and 15th days of the month.

(b) REPORT REQUIRED.—Not later than 6 months after the date of enactment of this Act, the Secretary of the Treasury shall transmit to the Congress a report regarding the results of the study described in subsection (a), along with any recommendations for legislative and administrative actions, including assessments of any administrative impact, costs to the government, impacts on depository institutions and beneficiaries (including any potential lost or increased interest earnings), convenience to beneficiaries and the government, methods of implementation, and transition mechanisms that should be taken. The Secretary shall consult with the public in preparing the report.

SEC. 545. STUDY AND REPORT ON UTILIZING THE UNITED STATES POSTAL SERVICE TO PROVIDE GOVERNMENT CHECK CASHING SERVICES.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study examining current fees and practices of check cashing outlets and the potential for enhancing the access of low-income individuals to government check cashing services through the United States Postal Service.

(b) REPORT REQUIRED.—Not later than 1 year after the date of enactment of this Act, the

Comptroller General shall provide the Congress with a report regarding the results of the study described in subsection (a), along with any recommendations for Federal or State legislative or administrative action.

SEC. 546. STUDY AND REPORT ON DIRECT DEPOSIT PROGRAM FOR FEDERAL RECURRING PAYMENTS.

(a) Study Required.—The Comptroller General of the United States shall conduct a study to assess the benefits and costs to the Federal Government of utilizing direct deposit versus paper checks to accomplish government payments. In conducting the study, the Comptroller General shall—

(1) consider the administrative cost savings, if any, to be accomplished through the utilization of direct deposit, such as reduced paperwork and personnel involvement, streamlined and cost-effective operations, and reduced postage expenses;

(2) consider the loss in interest earnings to the Federal Government as the result of the earlier relinquishment by the Government of directly deposited funds, using data on major beneficiary programs that utilize recurring Federal benefits payments;

(3) compare the relative costs and benefits to the Federal Government of direct deposit versus paper check payments of Government benefits; and

(4) identify societal costs and benefits of direct deposit with respect to safety, risk of loss to the individual and the Government, convenience, reliability, and timeliness of payments.

(b) Report Required.—Not later than 6 months after the date of enactment of this Act, the Comptroller General shall transmit to the Congress a report containing the results of the study described in subsection (a), along with any recommendations for legislative and administrative action that should be taken.

SEC. 547. STUDY AND REPORT ON COMMUNITY LENDING.

(a) In General.—The Comptroller General of the United States shall conduct a study to—

(1) determine whether there are regulatory impediments to sound bank lending in low- and moderate-income neighborhoods and inner cities;

(2) assess whether the risk-based capital standards discourage sound lending for multifamily housing;

(3) evaluate the policy implications of giving banks direct incentives for sound lending in low- and moderate-income neighborhoods and inner cities, through Bank Insurance Fund assessments, risk-based capital standards, other bank regulatory policies, lending from the Federal Home Loan Bank System, or tax policy incentives;

(4) determine whether the underwriting policies of the secondary market agencies could be revised to encourage bank lending in low- and moderate-income neighborhoods and inner cities; and

(5) recommend legislative or regulatory changes to encourage sound, profitable lending in low- and moderate-income neighborhoods and inner cities.

(b) Consultation.—The Comptroller General shall consult with State and local governments, nonprofit developers, community groups, financial institutions with experience in community lending, State housing finance agencies, and others with expertise in community lending.

(c) Report.—Not later than 1 year after the date of enactment of this Act, the Comptroller General shall transmit to the Congress a report containing the findings from the study under subsection (a).

SEC. 548. GOVERNMENT RETURN OF ELECTRONIC PAYMENTS.

Section 3712(a) of title 31, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting "or that an electronic funds transfer has been acquired by an authorized party" after "If the Secretary of the Treasury determines that a Treasury check has been paid over a forged or unauthorized endorsement";

(B) by inserting "or may reclaim the amount of such electronic funds transfer from the receiving institution or the unauthorized party that acquired the benefits" after "guarantee of endorsements";

(C) by inserting "for payments issued before January 1, 1995" after "date of payment" in subparagraph (A);

(D) by striking "or" at the end of subparagraph (A);

(E) by redesignating subparagraph (B) as subparagraph (C); and

(F) by inserting after subparagraph (A) the following:

"(B) the expiration of the 180-day period beginning on the date of payment for payments issued on or after January 1, 1995; or";

(2) in paragraph (2)—

(A) by striking the following:

"(2) Civil Actions.—(A) Except as provided in subparagraph (B), the United States may bring a civil action to enforce" and inserting the following:

"(2) Civil Actions.—

"(A) 1 Year Limit.—Except as provided in subparagraph (B), the United States may bring a civil action—

"(i) to enforce";

(B) by striking the period at the end of subparagraph (A) and inserting "; or

"(ii) against the institution receiving an electronic funds transfer of a Government benefit that has been acquired by an unauthorized party or against the unauthorized party that acquired the benefit, not later than 1 year after the electronic funds transfer is received by the receiving institution.";

(C) in subparagraph (B)—

(i) by striking "(B)" and inserting the following:

"(B) 3-Year Extension.—";

(ii) by striking "an endorser"; and

(iii) by striking "against the endorser" and inserting "to the party against which it may bring a civil action under subparagraph (A)".

SEC. 549. EFFECTIVE DATE.

This subtitle shall become effective 180 days after the date of publication of the studies required by sections 534(b) and 535(b) (but in no case later than 12 months after the date of enactment of this Act), except that sections 544 through 546 shall become effective on the date of enactment of this Act.

Subtitle D—Miscellaneous

SEC. 551. HOME EQUITY LOAN CONSUMER PROTECTION ACT AMENDMENTS.

(a) Margin Disclosure Requirement.—Section 127A(a)(2)(A) of the Truth in Lending Act (15 U.S.C. 1637a(a)(2)(A)) is amended by inserting after "rate will be computed" the following: ", including a statement of any margin that applies under the plan,".

(b) Term Changed After Application.—Section 137(d) of the Truth in Lending Act (15 U.S.C. 1647(d)) is amended by inserting after the first sentence the following new sentence: "If a creditor discloses different margins tied to the creditor's criteria for determining the consumer's creditworthiness, the failure to offer the consumer the lowest margin disclosed in connection with creditworthiness constitutes a changed term.".

(c) Effective Date.—Regulations implementing the amendments made by subsections (a) and (b) shall become effective on October 1, 1992.

SEC. 552. DIRECTIVE TO RELIEVE REGULATORY BURDEN.

(a) In General.—Not later than 1 year after the date of enactment of this Act, each appropriate Federal banking agency, in consultation with individuals representing depository institutions, consumers, community groups, and other interested parties, shall—

(1) review the policies, procedures, and recordkeeping and documentation requirements used by the agency to monitor and enforce compliance with designated consumer laws;

(2) determine whether those policies, procedures (including examination procedures), and requirements are unnecessarily burdensome for insured depository institutions;

(3) identify any revisions of those policies, procedures (including examination procedures), and requirements that could reduce burdens on insured depository institutions without in any respect diminishing either compliance with or enforcement of designated consumer laws; and

(4) implement any such revisions.

(b) Innovative Arrangements.—Each appropriate Federal banking agency, in consultation with individuals representing depository institutions, consumers, community groups, and other interested parties, shall identify, and disseminate information regarding, innovative arrangements that can assist insured depository institutions in meeting their obligations under the Community Reinvestment Act of 1977 and other consumer laws, including the use of centralized loan pools to serve the credit needs of low- and moderate-income neighborhoods and families.

(c) Report.—Each appropriate Federal banking agency shall submit to the Congress a report describing the actions taken under subsections (a) and (b) not later than 1 year after the date of enactment of this Act.

(d) Definitions.—For purposes of this section—

(1) the terms "insured depository institution" and "appropriate Federal banking agency" have the same meanings as in section 3 of the Federal Deposit Insurance Act; and

(2) the term "designated consumer laws" means the Community Reinvestment Act of 1977, the Electronic Fund Transfer Act, the Equal Credit Opportunity Act, the Expedited Fund Availability Act, the Fair Housing Act, the Home Mortgage Disclosure Act of 1975, the National Flood Insurance Act of 1968, the Real Estate Settlement Procedures Act of 1974, the Right to Financial Privacy Act of 1978, and the Truth-in-Lending Act.

SEC. 553. EXPEDITED FUNDS AVAILABILITY ACT AMENDMENTS.

(a) Availability of Cash Deposits.—Section 603(a) of the Expedited Funds Availability Act (12 U.S.C. 4002(a)) is amended—

(1) in paragraph (1)(A), by striking "staffed by individuals employed by such institution";

(2) in paragraphs (2)(B)(ii) and (2)(C)(ii), by striking "and is staffed by individuals employed by such institution";

(3) in paragraph (2)(F)—

(A) by striking clause (i); and

(B) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(4) by adding at the end the following:

"(3) Extensions.—In the case of a deposit subject to paragraph (1)(A) or (2) of this subsection that is deposited in a facility that is not staffed by individuals employed by such institution, the Board may, by regulation or order, extend the time by which such funds must be available for withdrawal by 1 business day if the Board determines that, operational constraints imposed by the location of the facility make it unreasonable to expect the receiving depository institution to make the funds available for withdrawal as provided in paragraph (1)(A) or (2).".

(b) ATM Deposits.—Section 603(e) of the Expedited Funds Availability Act (12 U.S.C. 4002(e)) is amended—

(1) in paragraph (1)(C), by striking "the expiration of the 2-year period beginning on the

date of enactment of the Cranston-Gonzalez National Affordable Housing Act" and inserting "September 1, 1994"; and

(2) in paragraph (2)(D), by striking "the expiration of the 2-year period beginning on the date of enactment of the Cranston-Gonzalez National Affordable Housing Act" and inserting "September 1, 1994".

(c) SAFEGUARD EXCEPTIONS.—Section 604 of the Expedited Funds Availability Act (12 U.S.C. 4003) is amended—

(1) in subsection (b), by inserting "(a)(2)," after "subsection";

(2) in subsection (c)(1), by striking "(F)" after "subsections (a)(2)";

(3) in subsection (d), by inserting "(a)(2)," after "subsections";

(4) in subsection (f)(1)(A)(i), by striking "day" and inserting "time period within which"; and

(5) in subsection (f), by adding at the end of paragraph (2) the following:

"(D) In the case of a deposit to which subsection (b)(1) or (b)(2) applies, the depository institution may, for nonconsumer accounts and other classes of accounts, as defined by the Board, that generally have a large number of such deposits, provide notice at or before the time it first determines that the subsection applies.

"(E) In the case of a deposit to which subsection (b)(3) applies, the depository institution may, subject to regulations of the Board, provide notice at the beginning of each time period it determines that the subsection applies. In addition to the requirements contained in paragraph (1)(A), the notice shall specify the time period for which the exception will apply.".

(d) LOSS ALLOCATION.—Section 611(f) of the Expedited Funds Availability Act (21 U.S.C. 4010(f)) is amended—

(1) by inserting "or other entities participating in the payments system, including the States and political subdivisions thereof on which checks are drawn," after "depository institutions"; and

(2) by inserting "finance charges, reasonable attorneys' fees, and other expenses related to the check," after "amount of the check giving rise to loss or liability,".

SEC. 554. TRUTH IN LENDING ACT AMENDMENT.

Section 104 of the Truth in Lending Act (15 U.S.C. 1603) is amended by adding at the end the following:

"(7) Credit transactions involving a consumer whose average annual income is more than $200,000 or whose net assets exceed $1,000,000 at the time of such transaction if the consumer—

"(A) receives an oral explanation and a clear and conspicuous written explanation of the consumer's right to disclosure under this title; and

"(B) signs a waiver of his or her right to such disclosure.

The Board shall prescribe the form and content of explanations and waivers required by this paragraph.".

SEC. 555. HOMEOWNERSHIP AMENDMENTS.

(a) ESTIMATES OF REAL ESTATE SETTLEMENT COSTS.—Section 5(d) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2604(d)) is amended by striking the last sentence and inserting "Such booklet shall be provided by delivering it or placing it in the mail not later than 3 business days after the lender receives the application, but no booklet need be provided if the lender denies the application for credit before the end of the 3-day period.".

(b) ADJUSTABLE RATE MORTGAGE CAPS.—Section 1204(d)(2) of the Competitive Equality Banking Act of 1987 (12 U.S.C. 3806(d)(2)) is amended by striking "any loan" and inserting "any consumer loan".

SEC. 556. DISCUSSION OF LENDING DATA.

(a) PUBLIC SECTIONS OF COMMUNITY REINVESTMENT ACT REPORTS.—Section 807(b)(1)(B) of the Community Reinvestment Act of 1977 (12 U.S.C. 2906(b)(1)(B)) is amended by inserting "and data" after "facts".

(b) OTHER COMMUNITY REINVESTMENT ACT AMENDMENTS.—Section 807 of the Community Reinvestment Act of 1977 (12 U.S.C. 2906) is amended—

(1) in subsection (a)(1), by striking "depository institutions regulatory agency" and inserting "financial supervisory agency";

(2) in subsection (b)(1)(A)—

(A) by striking "depository institutions regulatory agency's" and inserting "financial supervisory agency's"; and

(B) by striking "depository institutions regulatory agencies" and inserting "financial supervisory agencies"; and

(3) in subsection (c), by striking "depository institutions regulatory agency" each place such term appears and inserting "financial supervisory agency".

SEC. 557. GAO REPORT ON DATA COLLECTION UNDER INTERSTATE BRANCHING.

(a) IN GENERAL.—The Comptroller General shall submit to the Congress, not later than 9 months after the date of enactment of this Act, a report that—

(1) examines statutory and regulatory requirements for insured depository institutions to collect and report deposit and lending data; and

(2) determines what modifications to such requirements are needed, so that implementing the interstate branching provisions contained in title III of this Act results in no material loss of information important to regulatory or congressional oversight of insured depository institutions.

(b) CONSULTATION.—The Comptroller General, in preparing the report required by this section, shall consult with individuals representing the appropriate Federal banking agencies, insured depository institutions, consumers, community groups, and other interested parties.

(c) DEFINITIONS.—For purposes of this section, the terms "appropriate Federal banking agency" and "insured depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

SEC. 558. NOTICE OF BRANCH CLOSING.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(r) NOTICE TO CUSTOMERS OF BRANCH CLOSING.—

"(1) IN GENERAL.—An insured depository institution that proposes to close a branch shall provide notice of the proposed closing to its customers.

"(2) CONTENTS OF NOTICE.—Notice under paragraph (1) shall consist of—

"(A) posting of a notice in a conspicuous manner on the premises of the branch proposed to be closed during not less than the 30-day period ending on the date proposed for that closing; and

"(B) including a notice in—

"(i) at least 1 of any regular account statements mailed to customers of the branch proposed to be closed, or

"(ii) in a separate mailing,

by not later than the beginning of the 90-day period ending on the date proposed for that closing.".

TITLE VI—FOREIGN BANK SUPERVISION AND REGULATION

Subtitle A—Foreign Bank Supervision Act

SEC. 601. SHORT TITLE.

This subtitle may be cited as the "Foreign Bank Supervision Act of 1991".

SEC. 602. REGULATION OF FOREIGN BANK OPERATIONS.

(a) ESTABLISHMENT AND TERMINATION OF FOREIGN BANK OFFICES IN THE UNITED STATES.—Section 7 of the International Banking Act of 1978 (12 U.S.C. 3105) is amended by adding at the end the following new subsections:

"(e) ESTABLISHMENT OF FOREIGN BANK OFFICES IN THE UNITED STATES.—

"(1) PRIOR APPROVAL REQUIRED.—No foreign bank may establish a branch or an agency, or acquire ownership or control of a commercial lending company, without obtaining the prior approval of the Board.

"(2) POLICY CONSIDERATIONS.—In acting on an application under paragraph (1), the Board shall not make the size of the foreign bank the sole determinant factor and may take into account the needs of the community as well as the length of operation of the foreign bank and its relative size in its home country.

"(3) REQUIRED STANDARDS FOR APPROVAL.—The Board may not approve an application under paragraph (1) unless it determines that—

"(A) the foreign bank engages directly in the business of banking outside the United States and is subject to comprehensive supervision or regulation on a consolidated basis by the appropriate authorities in its home country; and

"(B) the foreign bank has furnished to the Board the information it needs to adequately assess the application.

"(4) ADDITIONAL STANDARDS.—In acting on any application under paragraph (1), the Board may consider—

"(A) whether the appropriate authorities in the home country of the foreign bank have consented to the proposed establishment of a branch, agency or commercial lending company in the United States by the foreign bank;

"(B) the financial and managerial resources of the foreign bank, including its experience and capacity to engage in international banking and the competence, experience, and integrity of the officers, directors, and principal shareholders of the company or bank;

"(C) whether the foreign bank has provided the Board with adequate assurances that it will make available to the Board such information on the operations or activities of the foreign bank and any of its affiliates that the Board deems necessary to determine and enforce compliance with this Act, the Bank Holding Company Act of 1956, and other applicable Federal banking statutes; and

"(D) whether the foreign bank and its United States affiliates are in compliance with applicable United States law.

"(5) ESTABLISHMENT OF CONDITIONS.—Consistent with the standards for approval in paragraphs (2), (3), and (4), the Board may impose such conditions on its approval under this subsection as it deems necessary.

"(f) TERMINATION OF FOREIGN BANK OFFICES IN THE UNITED STATES.—

"(1) STANDARDS FOR TERMINATION.—The Board, after notice and opportunity for hearing and notice to any appropriate State supervisory agency or the Office of the Comptroller of the Currency, may order a foreign bank that operates a branch or agency or commercial lending company subsidiary in the United States to terminate the activities of such branch, agency or subsidiary if the Board finds that—

"(A) the foreign bank is not subject to comprehensive supervision or regulation on a consolidated basis by the appropriate authorities in its home country; or

"(B)(i) there is reasonable cause to believe that such foreign bank, or any affiliate of such foreign bank, has committed a violation of law or engaged in an unsafe or unsound banking practice in the United States; and

"(ii) as a result of such violation or practice, the continued operation of the foreign bank's branch, agency or commercial lending company subsidiary in the United States would not be consistent with the public interest or with the

purposes of this Act, the Bank Holding Company Act of 1956, or the Financial Institutions Supervisory Act of 1966.

However, in making its findings under this paragraph, the Board shall not make size the sole determinant factor and may take into account the needs of the community as well as the length of operation of the foreign bank and its relative size in its home country.

"(2) DISCRETION TO DENY HEARING.—The Board may take the action described in paragraph (1) without providing an opportunity for a hearing if it determines that expeditious action is necessary in order to protect the public interest.

"(3) EFFECTIVE DATE OF TERMINATION ORDER.—An order issued under paragraph (1) shall become effective within 120 days of its issuance or such longer time period as the Board may direct.

"(4) COMPLIANCE WITH STATE AND FEDERAL LAW.—Any foreign bank required to terminate activities conducted at offices or commercial lending company subsidiaries in the United States pursuant to this subsection shall comply with the requirements of applicable Federal and State law with respect to procedures for the closure or dissolution of such offices or subsidiaries.

"(5) ENFORCEMENT OF ORDERS.—The Board may in its discretion apply to any United States district court within a jurisdiction in which any office or subsidiary of the foreign bank against which the Board has issued an order under paragraph (1) is located, for the enforcement of any effective and outstanding order issued under this section, and the United States district courts shall have jurisdiction and power to order and require compliance therewith.

"(g) JUDICIAL REVIEW.—

"(1) JURISDICTION OF UNITED STATES COURTS OF APPEALS.—Any foreign bank against which the Board has issued an order under subsection (e) or (f) may obtain a review of such order in the United States Court of Appeals within any circuit wherein such foreign bank operates a branch, agency, or commercial lending company that has been required by such order to terminate its activities, or in the United States Court of Appeals for the District of Columbia Circuit, by filing in the court, within 30 days after the entry of the order of the Board, a petition praying that the order be modified or set aside.

"(2) PROCEDURES FOR JUDICIAL REVIEW.—A copy of such petition shall be forthwith transmitted to the Board by the clerk of the court, as appropriate, and thereupon the Board shall file in the court the record made before the Board, as provided in section 2112 of title 28.

"(3) SCOPE OF JUDICIAL REVIEW.—Upon the filing of such petition, the court shall have jurisdiction to affirm, modify or set aside the order of the Board and to require the Board to take such action with regard to the matter under review as the court deems proper. The findings of the Board as to the facts, if supported by substantial evidence, shall be conclusive.

"(4) EXCLUSIVE JURISDICTION.—Judicial review of any order issued under subsection (e) or (f) shall be exclusively as provided for in this subsection. No other court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any order under this section, or to review, modify, suspend, terminate, or set aside any such order.

"(h) CONSULTATION WITH STATE BANK LICENSING AUTHORITY.—The Board shall request and consider any views of the appropriate State bank licensing authority or the Comptroller of the Currency with respect to an application or action under subsection (e) or (f).

"(i) LIMITATIONS ON POWERS OF STATE BRANCHES AND AGENCIES.—

"(1) IN GENERAL.—After the end of the 1-year period beginning on the date of enactment of the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991, a State branch or State agency may not engage in any type of activity that is not permissible for a Federal branch unless—

"(A) the Board has determined that such activity is consistent with sound banking practice; and

"(B) in the case of an insured branch, the Federal Deposit Insurance Corporation has determined that the activity would pose no significant risk to the deposit insurance fund.

"(2) OTHER AUTHORITY NOT AFFECTED.—This section does not limit the authority of the Board or any State supervisory authority to impose more stringent restrictions.".

(b) STANDARDS FOR APPROVAL OF FEDERAL BRANCHES AND AGENCIES.—Section 4(a) of the International Banking Act of 1978 (12 U.S.C. 3102(a)) is amended—

(1) by striking "(a) Except as provided in section 5," and inserting "(a) PRIOR APPROVAL REQUIRED.—

"(1) APPROVAL OF AGENCY.—Except as provided in section 5,"; and

(2) by adding at the end the following new paragraph:

"(2) BOARD CONDITIONS REQUIRED TO BE INCLUDED.—In considering any application for approval under this subsection, the Board and the Comptroller of the Currency shall include any condition imposed by the Board under section 7(e)(1) as a condition for the approval of such application by the agency.".

(c) STANDARDS FOR APPROVAL OF ADDITIONAL FEDERAL BRANCHES AND AGENCIES.—Section 4(h) of the International Banking Act of 1978 (12 U.S.C. 3102(h)) is amended—

(1) by striking "(h) A foreign bank" and inserting the following:

"(h) ADDITIONAL BRANCHES OR AGENCIES.—

"(1) APPROVAL OF AGENCY REQUIRED.—A foreign bank"; and

(2) by adding at the end the following new paragraph:

"(2) NOTICE TO AND COMMENT BY BOARD.—The appropriate Federal banking agency shall provide the Board with notice and an opportunity for comment on any application to establish an additional Federal branch or Federal agency under this subsection.".

(d) DISAPPROVAL FOR FAILURE TO AGREE TO PROVIDE NECESSARY INFORMATION.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);

(2) by inserting "(1) COMPETITIVE FACTORS.—" before "The Board shall" the first time it appears;

(3) by inserting "(2) BANKING AND CONVENIENCE AND NEEDS FACTORS.—" before "In every case";

(4) by inserting "(4) TREATMENT OF CERTAIN BANK STOCK LOANS.—" before "Notwithstanding"; and

(5) by inserting after paragraph (2) the following new paragraph:

"(3) SUPERVISORY FACTORS.—The Board may disapprove any application under this section if the company or companies fail to provide the Board with adequate assurances that they will make available to the Board such information on the operations or activities of such company or companies and any affiliate of such company or companies that the Board deems necessary to determine and enforce compliance with this Act, or, in the case of an application involving a foreign bank, the foreign bank is not subject to comprehensive supervision or regulation on a consolidated basis by the appropriate authorities in its home country.".

(e) CONFORMING AMENDMENTS.—

(1) AFFILIATE DEFINED.—Section 1(b)(13) of the International Banking Act of 1978 (12 U.S.C. 3101(13)) is amended—

(A) by inserting "affiliate," after "the terms" the first time it appears; and

(B) by inserting " 'securities affiliate'," before "and 'subsidiary' ".

(2) REPRESENTATIVE OFFICE DEFINED.—Section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101) is amended by inserting at the end of the following new paragraph:

"(15) 'representative office' means any office of a foreign bank located in any State of the United States that is not a Federal branch, Federal agency, State branch, State agency or subsidiary of a foreign bank.".

SEC. 603. CONDUCT AND COORDINATION OF EXAMINATIONS.

(a) AUTHORITY OF BOARD TO CONDUCT AND COORDINATE EXAMINATIONS.—Section 7(c) of the International Bank Act of 1978 (12 U.S.C. 3105(b)) is amended—

(1) by striking paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1) EXAMINATION OF BRANCHES, AGENCIES AND AFFILIATES.—

"(A) IN GENERAL.—The Board may make examinations of each branch or agency of a foreign bank, of each commercial lending company or bank controlled by one or more foreign banks or by one or more foreign companies that control a foreign bank, and of any other office or affiliate of a foreign bank conducting business in the United States or any territory or dependency of the United States. The cost of such examinations shall be assessed against and paid by such foreign bank or company, as the case may be.

"(B) COORDINATION OF EXAMINATIONS.—The Board shall seek to coordinate its examinations under this paragraph with the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and appropriate State supervisory authorities, including requesting, when the Board deems appropriate simultaneous examinations of all offices of a foreign bank and its affiliates operating in the United States. Nothing in this subparagraph shall be construed to prevent the Board from conducting any examination under subparagraph (A) that it deems appropriate.

"(C) ANNUAL ON-SITE EXAMINATION.—Each branch or agency of a foreign bank shall be examined at least once during each 12-month period (beginning on the date the most recent examination of such branch or agency ended) in an on-site examination. In connection with such examination, the Board shall review the worldwide capital level of the foreign bank in order to determine whether the financial resources of such bank or company, including the capital level, are equivalent to those of a domestic bank holding company that would be permitted to engage in the activities the foreign bank conducts in the United States. Any determination that the foreign bank meets the capital equivalency requirement shall be made after consultation with the Secretary of the Treasury. An examination by the Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or the appropriate State supervisory authority may be used to satisfy the requirements of this subparagraph.

"(D) EFFECT OF FAILURE TO MAINTAIN EQUIVALENT CAPITAL.—If the Board finds at any time that any foreign bank does not have the required level of capital—

"(i) to engage in securities activities, the foreign branch or agency shall be treated as an insured depository institution under section 10(d) of the Bank Holding Company Act of 1956 in the same manner as an affiliated insured depository institution that becomes undercapitalized; and

"(ii) to engage in interstate banking operations, the Board shall—

"(I) review the operations of the foreign bank in the United States to determine whether the conditions for termination in subsection (f)(1)(C) *are met or requirements for increasing capital or improving management should be imposed; and*

"(II) to the extent that requirements imposed under subclause (I) can only be adequately verified if banking activities are carried out in a domestic banking subsidiary, require the foreign bank or company controlling the foreign bank to conduct all its banking activities in the United States through such a subsidiary."; and

(2) in paragraph (2), by inserting "REPORTING REQUIREMENTS.—" before "Each branch".

(b) COORDINATION OF EXAMINATIONS.—Section 4(b) of the International Banking Act of 1978 (12 U.S.C. 3102(b)) is amended by adding at the end thereof the following new sentence: "The Office of the Comptroller of the Currency shall coordinate examinations of the Federal branches and agencies of foreign banks with examinations conducted by the Board under section 7(c)(1) of this Act and, to the extent possible, shall participate in any simultaneous examination of the United States operations of a foreign bank requested by the Board under section 7(c)(1) of that Act.".

(c) PARTICIPATION IN COORDINATED EXAMINATIONS.—Section 10(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)(2)) is amended by adding at the end the following new sentence: "The Board of Directors shall coordinate examinations of insured State branches of foreign banks with examinations conducted by the Board of Governors of the Federal Reserve System under section 7(c)(1) of the International Banking Act of 1978 and, to the extent possible, shall participate in any simultaneous examinations of the United States operations of a foreign bank requested by the Board of Governors under that section.".

SEC. 604. SUPERVISION OF FOREIGN BANKS' REPRESENTATIVE OFFICES.

Section 10 of the International Banking Act of 1978 (12 U.S.C. 3107) is amended by striking subsections (a) and (b) and inserting the following new subsections:

"(a) PRIOR APPROVAL TO ESTABLISH REPRESENTATIVE OFFICES.—

"(1) IN GENERAL.—No foreign bank may establish a representative office without the prior approval of the Board.

"(2) STANDARDS FOR APPROVAL.—In acting on any application under this paragraph to establish a representative office, the Board shall take into account the standards for approval set forth in section 7(e) and may impose any additional requirements that are necessary to carry out the purposes of this Act.

"(b) TERMINATION OF REPRESENTATIVE OFFICES.—The Board may order the termination of the activities of a representative office of a foreign bank on the basis of the same standards, procedures, and requirements as apply under, and subject to judicial review as provided in, section 7(f).

"(c) EXAMINATIONS.—The Board may make examinations of each representative office of a foreign bank, the cost of which shall be assessed against and paid by such foreign bank.

"(d) COMPLIANCE WITH STATE LAW.—This Act does not authorize the establishment of a representative office in any State in contravention of State law.".

SEC. 605. REPORTING STOCK LOANS.

Section 7(j)(9) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)(9)) is amended to read as follows:

"(9) REPORTING OF STOCK LOANS.—

"(A) REPORT REQUIRED.—Any financial institution and any affiliate thereof that has credit outstanding to any person or group of persons secured or to be secured by shares of an insured depository institution shall file a consolidated report with the appropriate Federal banking agency for the insured depository institution if such extensions of credit by the financial institution and its affiliates, in the aggregate, are secured or to be secured by 25 percent or more of any class of shares of the same insured depository institution.

"(B) DEFINITIONS.—For purposes of this paragraph—

"(i) FINANCIAL INSTITUTION.—The term 'financial institution' means any insured depository institution and any foreign bank that is subject to the provisions of the Bank Holding Company Act of 1956 by virtue of section 8(a) of the International Banking Act of 1978.

"(ii) CREDIT OUTSTANDING.—The term 'credit outstanding' shall include—

"(I) any loan or extension of credit,

"(II) the issuance of a guarantee, acceptance, or letter of credit, including an endorsement or standby letter of credit, and

"(III) any other type of transaction that provides credit or financing to the person or group of persons.

"(iii) GROUP OF PERSONS.—The term 'group of persons' shall include any number of persons that the financial institution reasonably believes—

"(I) are acting together, in concert, or with one another to acquire or control shares of the same insured depository institution, including an acquisition of shares of the same insured depository institution at approximately the same time under substantially the same terms; or

"(II) have made, or propose to make, a joint filing under section 13 of the Securities Exchange Act of 1934 regarding ownership of the shares of the same insured depository institution.

"(C) INCLUSION OF SHARES HELD BY THE FINANCIAL INSTITUTION.—Any shares of the insured depository institution held by the financial institution or any of its affiliates as principal shall be included in the calculation of the number of shares in which the financial institution or its affiliates has a security interest for purposes of subparagraph (A).

"(D) TIMING AND CONTENT OF REPORT; COPY TO APPROPRIATE AGENCY FOR THE LENDING FINANCIAL INSTITUTION.—The report required by this paragraph shall be a consolidated report on behalf of the financial institution and all of its affiliates, and shall be filed in writing within 30 days of the time the financial institution or any of its affiliates believes that the 25 percent level referred to in subparagraph (A) has been met or exceeded. The report shall indicate the number and percentage of shares securing each relevant extension of credit, the identity of the borrower, and the number of shares held as principal by the financial institution and any of its affiliates. A copy of the report shall be filed with the appropriate Federal banking agency for the financial institution. Each appropriate Federal banking agency may require any additional information necessary to carry out its supervisory responsibilities.

"(E) EXCEPTIONS.—

"(i) EXCEPTION WHERE INFORMATION PROVIDED BY BORROWER.—Notwithstanding subparagraph (A), a financial institution and its affiliates shall not be required to report a transaction under this paragraph if the person or group of persons has disclosed the amount borrowed from the financial institution and its affiliates and the security interest of the financial institution and its affiliates to the appropriate Federal banking agency for the insured depository institution in connection with a notice filed under this subsection, an application filed under the Bank Holding Company Act of 1956 or the Savings and Loan Holding Company Act, or any other formal application that is filed with the appropriate Federal banking agency for the insured depository institution as a substitute for a notice under this subsection, such as an application for deposit insurance, membership in the Federal Reserve System, or a national bank charter.

"(ii) EXCEPTION FOR SHARES OWNED FOR MORE THAN 1 YEAR.—Notwithstanding subparagraph (A), a financial institution and its affiliates shall not be required to report a transaction involving a person or group of persons that has been the owner or owners of record of the stock for a period of 1 year or more or where the stock is that of a newly chartered bank prior to its opening.".

SEC. 606. COOPERATION WITH FOREIGN SUPERVISORS.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by adding at the end the following new section:

"SEC. 15. COOPERATION WITH FOREIGN SUPERVISORS.

"(a) DISCLOSURE OF SUPERVISORY INFORMATION TO FOREIGN SUPERVISORS.—Notwithstanding any other provision of law, the Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency may disclose information obtained in the course of exercising supervisory or examination authority to any foreign bank regulatory or supervisory authority if such disclosure—

"(1) is determined to be necessary or appropriate by such agency; and

"(2) would not prejudice the interests of the United States.

"(b) REQUIREMENT OF CONFIDENTIALITY.—Prior to disclosure of any information to a foreign authority, the United States agency shall obtain as necessary the agreement of such foreign authority to maintain the confidentiality of such information to the extent possible under applicable law.

"(c) INFORMATION OBTAINED FROM FOREIGN SUPERVISORS.—Except as provided in subsection (d), the Board, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency shall not be compelled to disclose information obtained from a foreign supervisor if—

"(1) the foreign supervisor has in good faith determined and represented to such United States agency that public disclosure of such information would violate the laws applicable to that supervisor, and

"(2) the United States agency obtains such information pursuant to—

"(A) such procedure as the United States agency may authorize for use in connection with the administration or enforcement of the banking laws; or

"(B) a memorandum of understanding.

For purposes of section 552 of title 5, United States Code, this subsection shall be considered a statute described in subsection (b)(3)(B) of such section 552.

"(d) SAVINGS PROVISION.—Nothing in this section shall authorize the Board, the Federal Deposit Insurance Corporation, or the Office of the Comptroller of the Currency to withhold information from the Congress or prevent such United States agency from complying with an order of a court of the United States in an action commenced by the United States or by such United States agency.".

SEC. 607. PENALTIES.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.), as amended by section 606, is amended by adding at the end the following new section:

"SEC. 16. PENALTIES.

"(a) CIVIL MONEY PENALTY.—

"(1) IN GENERAL.—Any foreign bank, and any branch, agency, other office, or subsidiary of a foreign bank that violates, and any individual who participates in a violation of, any provision of this Act, or any regulation or order issued pursuant thereto, shall forfeit and pay a civil

penalty of not more than $25,000 for each day during which such violation continues.

"(2) Assessment procedures.—Any penalty imposed under paragraph (1) may be assessed and collected by the appropriate Federal banking agency in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(i)(2)) for penalties imposed (under such section), and any such assessments shall be subject to the provisions of such section.

"(3) Hearing.—The foreign bank, branch, agency, other office, or subsidiary of a foreign bank, or other person against whom any penalty is assessed under this section shall be afforded an agency hearing if such foreign bank, branch, agency, other office, or subsidiary, or person submits a request for a hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act (12 U.S.C. 1818(h)) shall apply to any proceeding under this section.

"(4) Disbursement.—All penalties collected under authority of this section shall be deposited into the Treasury.

"(5) Violate defined.—For purposes of this section, the term 'violate' includes taking any action (alone or with others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(6) Regulations.—The appropriate Federal banking agency shall prescribe regulations establishing such procedures as may be necessary to carry out this section.

"(b) Notice Under This Section After Separation From Service.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act (12 U.S.C. 1813(u)) with respect to a foreign bank, or branch, agency, other office, or subsidiary of a foreign bank (including a separation caused by the termination of a location in the United States) shall not affect the jurisdiction or authority of the appropriate Federal banking agency to issue any notice or to proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be such a party with respect to such foreign bank or branch, agency, other office, or subsidiary of a foreign bank (whether such date occurs before, on, or after the date of enactment of this section).

"(c) Penalty for Failure To Make Reports.—

"(1) First tier.—Any foreign bank, or branch, agency, other office, or subsidiary of a foreign bank, that—

"(A) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such error—

"(i) fails to make, submit, or publish such reports or information as may be required under this Act or under regulations prescribed by the appropriate Federal banking agency under this Act, within the period of time specified by the agency; or

"(ii) submits or publishes any false or misleading report or information; or

"(B) inadvertently transmits or publishes any report that is minimally late, shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. The foreign bank, or branch, agency, other office, or subsidiary of a foreign bank, shall have the burden of proving that an error was inadvertent and that a report was inadvertently transmitted or published late.

"(2) Second tier.—Any foreign bank, or branch, agency, other office, or subsidiary of a foreign bank, that—

"(A) fails to make, submit, or publish such reports or information as may be required under this Act or under regulations prescribed by the appropriate Federal banking agency pursuant to this Act, within the time period specified by the agency; or

"(B) submits or publishes any false or misleading report or information,

in a manner not described in paragraph (1) shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected.

"(3) Third tier.—Notwithstanding paragraph (2), if any company knowingly or with reckless disregard for the accuracy of any information or report described in paragraph (2) submits or publishes any false or misleading report or information, the appropriate Federal banking agency may, in its discretion, assess a penalty of not more than $1,000,000 or 1 percent of total assets of such foreign bank, or branch, agency, other office, or subsidiary of a foreign bank, whichever is less, for each day during which such failure continues or such false or misleading information is not corrected.

"(4) Assessment of penalties.—Any penalty imposed under paragraphs (1), (2), or (3) shall be assessed and collected by the appropriate Federal banking agency in the manner provided in subsection (a) of this section (for penalties imposed under such subsection) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such subsection.

"(5) Hearing.—Any foreign bank, or branch, agency, other office, or subsidiary of a foreign bank, against which any penalty is assessed under this subsection shall be afforded an agency hearing if such foreign bank, or branch, agency, other office, or subsidiary of a foreign bank, submits a request for such hearing within 20 days after the issuance of the notice of assessment. Section 8(h) of the Federal Deposit Insurance Act (12 U.S.C. 1818(h)) shall apply to any proceeding under this subsection.".

SEC. 608. POWERS OF AGENCIES RESPECTING APPLICATIONS, EXAMINATIONS, AND OTHER PROCEEDINGS.

Section 13(b) of the International Banking Act of 1978 (12 U.S.C. 3108(b)) is amended—

(1) by striking the heading and replacing it with "Enforcement.—";

(2) by inserting "(1)" before "In"; and

(3) by adding at the end the following new paragraph:

"(2) Powers respecting applications, examinations, and other proceedings.—

"(A) In general.—In the course of or in connection with an application, examination, investigation, or other proceeding under this Act, the Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, as appropriate, or any member or designated representative thereof, including any person designated to conduct any hearing under this Act, shall have the power to administer oaths and affirmations, to take or to cause to be taken depositions, and to issue, revoke, quash, or modify subpoenas and subpoenas duces tecum.

"(B) Rulemaking authority.—The Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation shall have the authority to issue rules and regulations to effectuate the purposes of section 13(b)(2)(A).

"(C) Subpoena power.—The attendance of witnesses and the production of documents provided for in this subsection may be required by subpoena or subpoena duces tecum from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place where such proceeding is being conducted.

"(D) Judicial review.—Any party to proceedings under this Act may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for the enforcement of any subpoena or subpoena duces tecum issued pursuant to this subsection, and such courts shall have jurisdiction and power to require compliance therewith.

"(E) Witness fees.—Witnesses subpoenaed under this subsection shall be paid the same fees and mileage that are paid to witnesses in the district courts of the United States.

"(F) Service of process.—Any service required under this subsection may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the agency may by regulation or otherwise provide.

"(G) Attorneys' fees.—Any court having jurisdiction of any proceeding instituted under this Act may allow to any party that succeeds in having an agency order modified or set aside such reasonable expenses and attorneys' fees as it deems just and proper.

"(H) Penalties for not complying for each day that such failure or refusal continues.—Any person who willfully shall fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records, if in such person's power so to do, in obedience to the subpoena of the agency, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than $10,000 for each day that such failure or refusal continues, or to imprisonment for a term of not more than 1 year, or both.".

SEC. 609. PENALTIES FOR FAILURE TO COMPLY WITH AGENCY SUBPOENA.

(a) Bank Holding Company Act.—Section 5(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(f)) is amended in the last sentence by striking "$1000" and inserting "$10,000 for each day that such failure or refusal continues".

(b) Federal Deposit Insurance Act.—Section 8(n) of the Federal Deposit Insurance Act (12 U.S.C. 1818(n)) is amended in the last sentence by striking "$1,000" and inserting "$10,000 for each day that such failure or refusal continues".

SEC. 610. CLARIFYING MANAGERIAL STANDARDS IN THE BANK HOLDING COMPANY ACT OF 1956.

Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended by adding at the end of paragraph (2) (as redesignated by section 602(d)) the following new sentence: "Consideration of the managerial resources of a company or bank shall include consideration of the competence, experience, and integrity of the officers, directors, and principal shareholders of the company or bank.".

SEC. 611. AUTHORITY OF FEDERAL BANKING AGENCIES TO ENFORCE CONSUMER STATUTES.

(a) Amendments to the Home Mortgage Disclosure Act.—

(1) Maintenance of records and public disclosure.—Section 304(h) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803(h)) is amended—

(A) by striking paragraph (1) and inserting the following new paragraph:

"(1) the Office of the Comptroller of the Currency for national banks and Federal branches and Federal agencies of foreign banks;"; and

(B) by striking paragraph (3) and inserting the following new paragraph:

"(3) the Federal Deposit Insurance Corporation for banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), mutual savings banks, insured State branches of foreign banks,

and any other depository institution described in section 303(2)(A) which is not otherwise referred to in this paragraph;".

(2) ENFORCEMENT.—Section 305(b) of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2804(b)) is amended—

(A) by striking paragraph (1) and inserting the following new paragraph:

"(1) section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act, by the Board; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), mutual savings banks as defined in section 3(f) of the Federal Deposit Insurance Act (12 U.S.C. 1813(f)), insured State branches of foreign banks, and any other depository institution not referred to in this paragraph or paragraph (2) or (3) of this subsection, by the Board of Directors of the Federal Deposit Insurance Corporation;"; and

(B) by adding at the end the following:

"The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

(b) AMENDMENT TO THE TRUTH IN LENDING ACT.—Section 108(a) of the Truth in Lending Act (15 U.S.C. 1607(a)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act, by the Board; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation."; and

(2) by adding at the end the following:

"The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

(c) AMENDMENT TO THE FAIR CREDIT REPORTING ACT.—Section 621(b) of the Fair Credit Reporting Act (15 U.S.C. 1681s(b)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act, by the Board of Governors of the Federal Reserve System; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation."; and

(2) by adding at the end the following:

"The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

(d) AMENDMENT TO THE EQUAL CREDIT OPPORTUNITY ACT.—Section 704(a) of the Equal Credit Opportunity Act (15 U.S.C. 1691c(a)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act, by the Board; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation."; and

(2) by adding at the end the following:

"The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

(e) AMENDMENT TO THE FAIR DEBT COLLECTION PRACTICES ACT.—Section 814(b) of the Fair Debt Collection Practices Act (15 U.S.C. 1692l(b)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act, by the Board of Governors of the Federal Reserve System; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation."; and

(2) by adding at the end the following:

"The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

(f) AMENDMENT TO THE ELECTRONIC FUND TRANSFER ACT.—Section 917(a) of the Electronic Fund Transfer Act (15 U.S.C. 1693o(a)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act, by the Board; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation;"; and

(2) by adding at the end the following:

"The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

(g) AMENDMENT TO THE FEDERAL TRADE COMMISSION ACT.—

(1) DEFINITIONS.—Section 4 of the Federal Trade Commission Act (15 U.S.C. 44) is amended by adding at the end the following new paragraph:

"'Banks' means the types of banks and other financial institutions referred to in section 18(f)(2)."

(2) ENFORCEMENT.—Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended—

(A) by striking paragraph (2) and inserting the following:

"(2) ENFORCEMENT.—Compliance with regulations prescribed under this subsection shall be enforced under section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, banks operating under the code of law for the District of Columbia, and Federal branches and Federal agencies of foreign banks, by the divisions of consumer affairs established by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks and banks operating under the code of law for the District of Columbia), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act, by the division of consumer affairs established by the Board of Governors of the Federal Reserve System; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other banks referred to in subparagraph (A) or (B)) and insured State branches of foreign banks, by the division of consumer affairs established by the Board of Directors of the Federal Deposit Insurance Corporation."; and

(B) by adding at the end the following:

"The terms used in this paragraph that are not defined in the Federal Trade Commission Act or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall

have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

(h) Amendment to the Expedited Funds Availability Act.—Section 610(a) of the Expedited Funds Availability Act (12 U.S.C. 4009(a)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) section 8 of the Federal Deposit Insurance Act in the case of—

"(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than national banks), and offices, branches, and agencies of foreign banks located in the United States (other than Federal branches, Federal agencies, and insured State branches of foreign banks), by the Board of Governors of the Federal Reserve System; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation;"; and

(2) by adding at the end the following:

"The terms used in paragraph (1) that are not defined in this title or otherwise defined in section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101).".

SEC. 612. CRIMINAL PENALTY FOR VIOLATING THE INTERNATIONAL BANKING ACT OF 1978.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.), as amended by sections 606 and 607, is amended by adding at the end the following:

"SEC. 17. CRIMINAL PENALTY.

"Whoever, with the intent to deceive, to gain financially, or to cause financial gain or loss to any person, knowingly violates any provision of this Act or any regulation or order issued by the appropriate Federal banking agency under this Act shall be imprisoned not more than 5 years or fined not more than $1,000,000 for each day during which a violation continues, or both.".

Subtitle B—Regulation of Foreign Banks and Subsidiaries Seeking Expanded Securities Powers

SEC. 621. AMENDMENTS TO THE INTERNATIONAL BANKING ACT OF 1978.

(a) Treatment of Foreign Banks.—Section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a)) is amended to read as follows:

"(a) Treatment of Foreign Banks as Holding Companies.—

"(1) In general.—Except as otherwise provided in this section, any foreign bank which—

"(A) maintains a branch or agency in the United States; or

"(B) directly or indirectly owns or controls a commercial lending company organized under State law,

shall be subject to the Bank Holding Company Act of 1956 and sections 105 and 106 of the Bank Holding Company Act Amendments of 1970 in the same manner and to the same extent as a bank holding company.

"(2) Treatment of foreign bank holding companies.—Any company that directly or indirectly owns or controls a foreign bank described in paragraph (1) shall be subject to the Bank Holding Company Act of 1956 in the same manner and to the same extent as a company that owns or controls a bank holding company.

"(3) Equivalent capital and other financial requirements.—

"(A) Determination required.—In reviewing any notice under section 4 of the Bank Holding Company Act of 1956 by any foreign bank or company controlling a foreign bank to which this section applies, the Board shall disapprove the notice unless it determines that the financial resources of such bank or company, including the capital level, are equivalent to those of a domestic bank holding company that would be permitted to engage in such activities, after consultation with the Secretary of the Treasury regarding capital equivalency.

"(B) Criteria for determination.—In making the determination in subparagraph (A), the Board shall—

"(i) take into account differences in domestic and foreign accounting standards; and

"(ii) assure that competitive equivalence between domestic and foreign banks is maintained.

"(C) Requirement for a separate subsidiary.—If the Board, pursuant to subparagraph (A), finds that adherence to capital requirements equivalent to those required of a domestic bank holding company that would be permitted to engage in securities activities can only be verified if banking activities are carried out in a domestic banking subsidiary, it may require that—

"(i) the foreign bank or company controlling a foreign bank may, as a condition of approval, engage in banking in the United States only indirectly through direct or indirect subsidiaries of a single bank holding company; and

"(ii) all activities of the foreign bank or company in the United States conducted under the authority of the Bank Holding Company Act of 1956, other than those authorized by section 2(h) or 4(c)(9) of such Act, shall be carried out directly or indirectly by that bank holding company.

"(4) Firewall restrictions applicable.—A foreign bank and any securities affiliate of a foreign bank shall be subject to the safeguards contained in section 10(f) of the Bank Holding Company Act of 1956 in the same manner and to the same extent as an insured depository institution and its securities affiliate.".

(b) Authority To Terminate Grandfather Rights Under International Banking Act of 1978.—Section 8(c)(1) of the International Banking Act of 1978 (12 U.S.C. 3106(c)(1)) is amended by adding at the end the following new sentence: "Notwithstanding any other provision of this paragraph or any other provision of law, the Board shall terminate any authority conferred under this subsection on any foreign bank or company with respect to an affiliate engaged in the business of underwriting, distributing, or otherwise buying or selling stocks, bonds, and other securities in the United States, when such activities are authorized for bank holding companies in the United States.".

(c) Guidelines on Equivalence of Foreign Bank Capital.—Section 7 of The International Banking Act of 1978 (12 U.S.C. 3105) is amended by adding at the end the following new subsection:

"(e) Guidelines on Equivalence of Foreign Bank Capital.—Within 180 days after enactment of this subsection, the Board and the Secretary of the Treasury shall jointly publish in the Federal Register and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a report—

"(1) analyzing the capital standards contained in the framework for measurement of capital adequacy established by the Basle Committee on Banking Supervision, foreign regulatory capital standards that apply to foreign banks conducting banking operations in the United States, and the relationship of the Basle and foreign standards to risk-based capital and leverage requirements for United States banks; and

"(2) establishing guidelines for the adjustments to be used by the Board in converting data on the capital of such foreign banks to the equivalent risk-based capital and leverage requirements for United States banks for purposes of determining whether a foreign bank's capital level is equivalent to that imposed on United States banks for purposes of determinations under sections 5(a), 7(c), and 8(a).

An update shall be prepared annually explaining any changes in the analysis under paragraph (1) and resulting changes in the guidelines pursuant to paragraph (2).".

SEC. 622. STUDY AND REPORT ON SUBSIDIARY REQUIREMENTS FOR FOREIGN BANKS.

(a) In General.—The Secretary of the Treasury (hereafter referred to as the "Secretary"), in consultation with the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General, shall conduct a study of whether foreign banks should be required, as a general rule, to conduct banking operations in the United States through subsidiaries rather than branches. In conducting the study, the Secretary shall take into account—

(1) differences in accounting and regulatory practices abroad and the difficulty of assuring that the foreign bank meets United States capital and management standards and is adequately supervised;

(2) implications for the deposit insurance system;

(3) competitive equity considerations;

(4) national treatment of foreign financial institutions;

(5) the need to prohibit money laundering and illegal payments;

(6) safety and soundness considerations;

(7) implications for international negotiations for liberalized trade in financial services; and

(8) the tax liability of foreign banks.

(b) Report Required.—Not later than 1 year after the date of enactment of this Act, the Secretary shall transmit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a report on the results of the study under subsection (a). Any additional or dissenting views of participating agencies shall be included in the report.

(c) Change in Policy.—If the participants in the study under subsection (a) agree that, in furtherance of the objectives set out in the study, foreign banks should be required to conduct their activities in the United States through a domestic banking subsidiary, the Board of Governors of the Federal Reserve System is authorized to implement the requirement by regulation. If individual participants expressing additional or dissenting views under subsection (b) conclude that changes in law or policy are needed to further the objectives set out in the study, those participants shall submit legislative proposals to the Congress within 30 days of the submission of the report under subsection (b).

Subtitle C—Fair Trade in Financial Services

SEC. 631. SHORT TITLE.

This title may be cited as the "Fair Trade in Financial Services Act of 1991".

SEC. 632. EFFECTUATING THE PRINCIPLE OF NATIONAL TREATMENT FOR BANKS AND BANK HOLDING COMPANIES.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by adding at the end the following:

"SEC. 18. NATIONAL TREATMENT.

"(a) Purpose.—This section is intended to encourage foreign countries to accord national *treatment to United States banks and bank holding companies that operate or seek to operate in those countries, and thereby end discrimination against United States banks and bank holding companies.*

"(b) REPORTS REQUIRED.—

"(1) CONTENTS OF REPORT.—The Secretary of the Treasury shall, not later than December 1, 1992, and biennially thereafter, submit to the Congress a report—

"(A) identifying any foreign country—

"(i) that does not accord national treatment to United States banks and bank holding companies—

"(I) according to the most recent report under section 3602 of the Omnibus Trade and Competitiveness Act of 1988; or

"(II) on the basis of more recent information that the Secretary deems appropriate indicating a failure to accord national treatment; and

"(ii) with respect to which no determination under subsection (d)(1) is in effect;

"(B) explaining why the Secretary has not made, or has rescinded, such a determination with respect to that country; and

"(C) describing the results of any negotiations conducted pursuant to subsection (c)(1) with respect to that country.

"(2) SUBMISSION OF REPORT.—

"(A) IN GENERAL.—The report required by paragraph (1) may be submitted as part of a report submitted under section 3602 of the Omnibus Trade and Competition Act of 1988.

"(B) MOST RECENT REPORT DEFINED.—If the report required by paragraph (1) is submitted as part of a report under such section 3602, that report under section 3602 shall be the 'most recent report' for purposes of paragraph (1)(A)(i)(I).

"(c) NEGOTIATIONS REQUIRED.—

"(1) IN GENERAL.—The Secretary of the Treasury shall initiate negotiations with any foreign country—

"(A) in which, according to the most recent report under section 3602 of the Omnibus Trade and Competitiveness Act of 1988, there is a significant failure to accord national treatment to United States banks and bank holding companies; and

"(B) with respect to which no determination under subsection (d)(1) is in effect,

to ensure that such country accords national treatment to United States banks and holding companies.

"(2) NEGOTIATIONS NOT REQUIRED.—Paragraph (1) does not require the Secretary of the Treasury to initiate negotiations with a foreign country if the Secretary—

"(A) determines that such negotiations would be fruitless or would impair national economic interests; and

"(B) gives written notice of that determination to the chairman and ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

"(d) DISCRETIONARY SANCTIONS.—

"(1) SECRETARY'S DETERMINATION.—The Secretary of the Treasury may, at any time, publish in the Federal Register a determination that a foreign country does not accord national treatment to United States banks or bank holding companies.

"(2) ACTION BY AGENCY.—If the Secretary of the Treasury has published in the Federal Register (and has not rescinded) a determination under paragraph (1) with respect to a foreign country, any Federal banking agency—

"(A) may include that determination and the conclusions of the reports under section 3602 of the Omnibus Trade and Competitiveness Act of 1988 and other reports under subsection (b)(1) among the factors the agency considers in evaluating any application or notice filed by a person of that foreign country; and

"(B) may, in consultation with the Secretary, deny the application or disapprove the notice.

"(3) REVIEW.—The Secretary of the Treasury may, at any time, and shall, annually, review any determination under paragraph (1) and decide whether that determination should be rescinded.

"(e) PREVENTING EXISTING ENTITIES FROM BEING USED TO EVADE THIS SECTION.—

"(1) IN GENERAL.—If a determination under subsection (d)(1) is in effect with respect to a foreign country, no bank, foreign bank described in section 8(a), branch, agency, commercial lending company, or other affiliated entity that is a person of that country shall, without prior approval pursuant to paragraph (3) or (4), directly or indirectly, in the United States—

"(A) commence any line of business in which it was not engaged as of the date on which that determination was published in the Federal Register; or

"(B) conduct business from any location at which it did not conduct business as of that date.

"(2) EXCEPTION.—Paragraph (1) shall not apply with respect to transactions under section 2(h)(2) of the Bank Holding Company Act of 1956.

"(3) STATE-SUPERVISED ENTITIES.—

"(A) This paragraph shall apply if—

"(i) the entity in question is an uninsured State bank or branch, a State agency, or a commercial lending company;

"(ii) the State requires the entity to obtain the prior approval of the State bank supervisor before engaging in the activity described in subparagraph (A) or (B) of paragraph (1); and

"(iii) no other provision of Federal law requires the entity to obtain the prior approval of a Federal banking agency before engaging in that activity.

"(B) The State bank supervisor shall consult about the application with the appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act). If the State bank supervisor approves the application, the supervisor shall notify the appropriate Federal banking agency and provide the agency with a copy of the record of the application. During the 45-day period beginning on the date on which the appropriate Federal banking agency receives the record, the agency, after consultation with the State bank supervisor—

"(i) may include the determination under subsection (d)(1) and the conclusions of the reports under section 3602 of the Omnibus Trade and Competitiveness Act of 1988 and other reports under subsection (b)(1) of this section among the factors the agency considers in evaluating the application; and

"(ii) may issue an order disapproving the activity in question based upon that determination and in consultation with the Secretary of the Treasury.

The period for disapproval under clause (ii) may, in the agency's discretion, be extended for not more than 45 days.

"(4) FEDERAL APPROVAL.—If the transaction is not described in paragraph (3)(A), the entity in question shall obtain the prior approval of the appropriate Federal banking agency.

"(5) INFORMING STATE SUPERVISORS.—The Secretary of the Treasury shall inform State bank supervisors of any determination under subsection (d)(1).

"(6) EFFECT ON OTHER LAW.—Nothing in this subsection shall be construed to relieve the entity in question from any otherwise applicable requirement of Federal law.

"(f) NATIONAL TREATMENT DEFINED.—A foreign country accords national treatment to United States banks and bank holding companies if it offers them the same competitive opportunities (including effective market access) as are available to its domestic banks and bank holding companies.

"(g) PERSON OF A FOREIGN COUNTRY DEFINED.—A person of a foreign country is a person that—

"(1) is organized under the laws of that country;

"(2) has its principal place of business in that country;

"(3) in the case of an individual—

"(A) is a citizen of that country, or

"(B) is domiciled in that country; or

"(4) is directly or indirectly controlled by a person described in paragraph (1), (2), or (3).

"(h) EXERCISE OF DISCRETION.—In exercising discretion under this section—

"(1) the Secretary of the Treasury and the Federal banking agencies shall act in a manner consistent with the obligations of the United States under a bilateral or multilateral agreement governing financial services entered into by the President and approved and implemented by the Congress; and

"(2) the Federal banking agencies, in consultation with the Secretary of the Treasury—

"(A) shall consider, with respect to a bank, foreign bank, branch, agency, commercial lending company, or other affiliated entity that is a person of a foreign country and is already operating in the United States—

"(i) the extent to which that foreign country has a record of according national treatment to United States banks and bank holding companies; and

"(ii) whether that country would permit United States banks and bank holding companies already operating in that country to expand their activities in that country even if that country determined that the United States did not accord national treatment to that country's banks and bank holding companies; and

"(B) may further differentiate between entities already operating in the United States and entities that are not already operating in the United States, insofar as such differentiation is consistent with achieving the purpose of this section.".

SEC. 633. EFFECTUATING THE PRINCIPLE OF NATIONAL TREATMENT FOR SECURITIES BROKERS AND DEALERS.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by adding at the end the following new section:

"SEC. 36. NATIONAL TREATMENT.

"(a) PURPOSE.—This section is intended to encourage foreign countries to accord national treatment to United States brokers and dealers that operate or seek to operate in those countries, and thereby end discrimination against United States brokers and dealers.

"(b) REPORTS REQUIRED.—

"(1) CONTENTS OF REPORT.—The Secretary of the Treasury shall, not later than December 1, 1992, and biennially thereafter, submit to the Congress a report—

"(A) identifying any foreign country—

"(i) that does not accord national treatment to United States brokers and dealers—

"(I) according to the most recent report under section 3602 of the Omnibus Trade and Competitiveness Act of 1988; or

"(II) on the basis of more recent information that the Secretary deems appropriate indicating a failure to accord national treatment; and

"(ii) with respect to which no determination under subsection (d)(1) is in effect;

"(B) explaining why the Secretary has not made, or has rescinded, such a determination with respect to that country; and

"(C) describing the results of any negotiations conducted pursuant to subsection (c)(1) with respect to that country.

"(2) SUBMISSION OF REPORT.—

"(A) IN GENERAL.—The report required by paragraph (1) may be submitted as part of a re-

port submitted under section 3602 of the Omnibus Trade and Competition Act of 1988.

"(B) MOST RECENT REPORT DEFINED.—If the report required by paragraph (1) is submitted as part of a report under such section 3602, that report under section 3602 shall be the 'most recent report' for purposes of paragraph (1)(A)(i)(I).

"(c) NEGOTIATIONS REQUIRED.—

"(1) IN GENERAL.—The Secretary of the Treasury shall initiate negotiations with any foreign country—

"(A) in which, according to the most recent report under section 3602 of the Omnibus Trade and Competitiveness Act of 1988, there is a significant failure to accord national treatment to United States brokers or dealers; and

"(B) with respect to which no determination under subsection (d)(1) is in effect,

to ensure that such country accords national treatment to United States brokers and dealers.

"(2) NEGOTIATIONS NOT REQUIRED.—Paragraph (1) does not require the Secretary of the Treasury to initiate negotiations with a foreign country if the Secretary—

"(A) determines that such negotiations would be fruitless or would impair national economic interests; and

"(B) gives written notice of that determination to the chairman and ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Energy and Commerce of the House of Representatives.

"(d) DISCRETIONARY SANCTIONS.—

"(1) SECRETARY'S DETERMINATION.—The Secretary of the Treasury may, at any time, publish in the Federal Register a determination that a foreign country does not accord national treatment to United States brokers or dealers.

"(2) ACTIONS BY COMMISSION.—If the Secretary of the Treasury has published in the Federal Register (and has not rescinded) a determination under paragraph (1) with respect to a foreign country, the Commission—

"(A) may include that determination and the conclusions of the reports under section 3602 of the Omnibus Trade and Competitiveness Act of 1988 and paragraph (1) of this subsection among the factors the Commission considers (i) in evaluating any application filed by a person of that foreign country, or (ii) in determining whether to prohibit an acquisition for which a notice is required under paragraph (3) by a person of that foreign country; and

"(B) may, in consultation with the Secretary, deny the application or prohibit the acquisition.

"(3) NOTICE REQUIRED TO ACQUIRE BROKER OR DEALER.—

"(A) IN GENERAL.—If the Secretary of the Treasury has published in the Federal Register (and has not rescinded) a determination under paragraph (1) with respect to a foreign country, no person of that foreign country, acting directly or indirectly, shall acquire control of any registered broker or dealer unless—

"(i) the Commission has been given notice 60 days in advance of the acquisition, in such form as the Commission shall prescribe by rule and containing such information as the Commission requires by rule or order; and

"(ii) the Commission has not prohibited the acquisition.

"(B) COMMISSION MAY EXTEND 60-DAY PERIOD.—The Commission may, by order, extend the notice period during which an acquisition may be prohibited under subparagraph (A) for an additional 180 days.

"(C) EFFECTIVE DATE.—The requirements of subparagraph (A) shall apply to any acquisition of control that is completed on or after the date on which the determination under paragraph (1) is published, irrespective of when the acquisition was initiated.

"(4) REVIEW.—The Secretary of the Treasury may, at any time, and shall, annually, review any determination under paragraph (1) and decide whether that determination should be rescinded.

"(e) NATIONAL TREATMENT DEFINED.—A foreign country accords national treatment to United States brokers and dealers if it offers them the same competitive opportunities (including effective market access) as are available to its domestic brokers and dealers.

"(f) PERSONS OF A FOREIGN COUNTRY DEFINED.—A person of a foreign country is a person that—

"(1) is organized under the laws of that country;

"(2) has its principal place of business in that country;

"(3) in the case of an individual—

"(A) is a citizen of that country; or

"(B) is domiciled in that country; or

"(4) is directly or indirectly controlled by a person described in paragraph (1), (2), or (3).

"(g) EXERCISE OF DISCRETION.—In exercising discretion under this section—

"(1) the Secretary of the Treasury and the Commission shall act in a manner consistent with the obligations of the United States under a bilateral or multilateral agreement governing financial services entered into by the President and approved and implemented by the Congress; and

"(2) the Commission, in consultation with the Secretary of the Treasury—

"(A) shall consider, with respect to a broker or dealer that is a person of a foreign country and is already operating in the United States—

"(i) the extent to which that foreign country has a record of according national treatment to United States brokers and dealers; and

"(ii) whether that country would permit United States brokers or dealers already operating in that country to expand their activities in that country even if that country determined that the United States did not accord national treatment to that country's brokers or dealers; and

"(B) may further differentiate between entities already operating in the United States and entities that are not already operating in the United States, insofar as such differentiation is consistent with achieving the purpose of this section.".

SEC. 634. EFFECTUATING THE PRINCIPLE OF NATIONAL TREATMENT FOR INVESTMENT ADVISERS.

The Investment Advisers Act of 1940 (12 U.S.C. 80b-1 et seq.) is amended by adding at the end the following new section:

"SEC. 223. NATIONAL TREATMENT.

"(a) PURPOSE.—This section is intended to encourage foreign countries to accord national treatment to United States investment advisers that operate or seek to operate in those countries, and thereby end discrimination against United States investment advisers.

"(b) REPORTS REQUIRED.—

"(1) CONTENTS OF REPORT.—The Secretary of the Treasury shall, not later than December 1, 1992, and biennially thereafter, submit to the Congress a report—

"(A) identifying any foreign country—

"(i) that does not accord national treatment to United States investment advisers—

"(I) according to the most recent report under section 3602 of the Omnibus Trade and Competitiveness Act of 1988; or

"(II) on the basis of more recent information that the Secretary deems appropriate indicating a failure to accord national treatment; and

"(ii) with respect to which no determination under subsection (d)(1) is in effect;

"(B) explaining why the Secretary has not made, or has rescinded, such a determination with respect to that country; and

"(C) describing the results of any negotiations conducted pursuant to subsection (c)(1) with respect to that country.

"(2) SUBMISSION OF REPORT.—

"(A) IN GENERAL.—The report required by paragraph (1) may be submitted as part of a report submitted under section 3602 of the Omnibus Trade and Competition Act of 1988.

"(B) MOST RECENT REPORT DEFINED.—If the report required by paragraph (1) is submitted as part of a report under such section 3602, that report under section 3602 shall be the 'most recent report' for purposes of paragraph (1)(A)(i)(I).

"(c) NEGOTIATIONS REQUIRED.—

"(1) IN GENERAL.—The Secretary of the Treasury shall initiate negotiations with any foreign country—

"(A) in which, according to the most recent report under section 3602 of the Omnibus Trade and Competitiveness Act of 1988, there is a significant failure to accord national treatment to United States investment advisers; and

"(B) with respect to which no determination under subsection (d)(1) is in effect, to ensure that such country accords national treatment to United States investment advisers.

"(2) NEGOTIATIONS NOT REQUIRED.—Paragraph (1) does not require the Secretary of the Treasury to initiate negotiations with a foreign country if the Secretary—

"(A) determines that such negotiations would be fruitless or would impair national economic interests; and

"(B) gives written notice of that determination to the chairman and ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Energy and Commerce of the House of Representatives.

"(d) DISCRETIONARY SANCTIONS.—

"(1) SECRETARY'S DETERMINATION.—The Secretary of the Treasury may, at any time, publish in the Federal Register a determination that a foreign country does not accord national treatment to United States investment advisers.

"(2) ACTIONS BY COMMISSION.—If the Secretary of the Treasury has published in the Federal Register (and has not rescinded) a determination under paragraph (1) with respect to a foreign country, the Commission—

"(A) may include that determination and the conclusions of the reports under section 3602 of the Omnibus Trade and Competitiveness Act of 1988 and paragraph (1) of this subsection among the factors the Commission considers (i) in evaluating any application filed by a person of that foreign country, or (ii) in determining whether to prohibit an acquisition for which a notice is required under paragraph (3) by a person of that foreign country; and

"(B) may, in consultation with the Secretary, deny the application or prohibit the acquisition.

"(3) NOTICE REQUIRED TO ACQUIRE INVESTMENT ADVISER.—

"(A) IN GENERAL.—If the Secretary of the Treasury has published in the Federal Register (and has not rescinded) a determination under paragraph (1) with respect to a foreign country, no person of that foreign country, acting directly or indirectly, shall acquire control of any registered investment adviser unless—

"(i) the Commission has been given notice 60 days in advance of the acquisition, in such form as the Commission shall prescribe by rule and containing such information as the Commission requires by rule or order; and

"(ii) the Commission has not prohibited the acquisition.

"(B) COMMISSION MAY EXTEND 60-DAY PERIOD.—The Commission may, by order, extend the notice period during which an acquisition may be prohibited under subparagraph (A) for an additional 180 days.

"(C) EFFECTIVE DATE.—The requirements of subparagraph (A) shall apply to any acquisition of control that is completed on or after the date on which the determination under paragraph

(1) is published, irrespective of when the acquisition was initiated.

"(4) REVIEW.—The Secretary of the Treasury may, at any time, and shall, annually, review any determination under paragraph (1) and decide whether that determination should be rescinded.

"(e) NATIONAL TREATMENT DEFINED.—A foreign country accords national treatment to United States investment advisers if it offers them the same competitive opportunities (including effective market access) as are available to its domestic investment advisers.

"(f) PERSONS OF A FOREIGN COUNTRY DEFINED.—A person of a foreign country is a person that—

"(1) is organized under the laws of that country;

"(2) has its principal place of business in that country;

"(3) in the case of an individual—

"(A) is a citizen of that country; or

"(B) is domiciled in that country; or

"(4) is directly or indirectly controlled by a person described in paragraph (1), (2), or (3).

"(g) EXERCISE OF DISCRETION.—In exercising discretion under this section—

"(1) the Secretary of the Treasury and the Commission shall act in a manner consistent with the obligations of the United States under a bilateral or multilateral agreement governing financial services entered into by the President and approved and implemented by the Congress; and

"(2) the Commission, in consultation with the Secretary of the Treasury—

"(A) shall consider, with respect to an investment adviser that is a person of a foreign country and is already operating in the United States—

"(i) the extent to which that foreign country has a record of according national treatment to United States investment advisers; and

"(ii) whether that country would permit United States investment advisers already operating in that country to expand their activities in that country even if that country determined that the United States did not accord national treatment to that country's investment advisers; and

"(B) may further differentiate between entities already operating in the United States and entities that are not already operating in the United States, insofar as such differentiation is consistent with achieving the purpose of this section.".

SEC. 635. INVESTIGATION AND REPORT ON FINANCIAL INTERDEPENDENCE.

Subtitle G of title III of the Omnibus Trade and Competitiveness Act of 1988 (22 U.S.C. 5341 et seq.) is amended by adding at the end the following new section:

"SEC. 3605. INVESTIGATION AND REPORT ON FINANCIAL INTERDEPENDENCE.

"(a) INVESTIGATION REQUIRED.—The Secretary of the Treasury, in consultation and coordination with the Securities and Exchange Commission, the Commodity Futures Trading Commission, the Board of Governors of the Federal Reserve System, the appropriate Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), and any other appropriate Federal agency or department to be designated by the Secretary of the Treasury, shall conduct an investigation to determine the extent of the interdependence of the financial services sectors of the United States and foreign countries whose financial services institutions provide financial services in the United States, or whose persons have substantial ownership interests in United States financial services institutions, and the economic, strategic, and other consequences of that interdependence for the United States.

"(b) REPORT.—The Secretary of the Treasury shall transmit a report on the results of the investigation under subsection (a) within 2 years after the date of enactment of this section to the President, the Congress, the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System, the appropriate Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act) and any other appropriate Federal agency or department as designated by the Secretary of the Treasury. The report shall—

"(1) describe the activities and estimate the scope of financial services activities conducted by United States financial services institutions in foreign markets (differentiated according to major foreign markets);

"(2) describe the activities and estimate the scope of financial services activities conducted by foreign financial services institutions in the United States (differentiated according to the most significant home countries or groups of home countries);

"(3) estimate the number of jobs created in the United States by financial services activities conducted by foreign financial services institutions and the number of jobs created in foreign countries by financial services activities conducted by United States financial services institutions;

"(4) estimate the additional jobs and revenues (both foreign and domestic) that would be created by the activities of United States financial services institutions in foreign countries if those countries offered such institutions the same competitive opportunities (including effective market access) as are available to those countries' domestic financial services institutions;

"(5) describe the extent to which foreign financial services institutions discriminate against United States persons in procurement, employment, providing credit or other financial services, or otherwise;

"(6) describe the extent to which foreign financial services institutions and other persons from foreign countries purchase or otherwise facilitate the marketing from the United States of government and private debt instruments and private equity instruments;

"(7) describe how the interdependence of the financial services sectors of the United States and foreign countries affects the autonomy and effectiveness of United States monetary policy;

"(8) describe the extent to which United States companies rely on financing by or through foreign financial services institutions, and the consequences of such reliance (including disclosure of proprietary information) for the industrial competitiveness and national security of the United States;

"(9) describe the extent to which foreign financial services institutions, in purchasing high technology products such as computers and telecommunications equipment, favor manufacturers from their home countries over United States manufacturers; and

"(10) contain other appropriate information relating to the results of the investigation under subsection (a).

"(c) DEFINITIONS.—As used in this section, the term 'financial services institution' means—

"(1) a broker, dealer, underwriter, clearing agency, transfer agent, or information processor with respect to securities, including government and municipal securities;

"(2) an investment company, investment manager, investment adviser, indenture trustee, or any depository institution, insurance company, or other organization operating as a fiduciary, trustee, underwriter, or other financial services provider;

"(3) any depository institution or depository institution holding company (as such terms are defined in section 3 of the Federal Deposit Insurance Act); and

"(4) any other entity providing financial services.".

SEC. 636. CONFORMING AMENDMENTS SPECIFYING THAT NATIONAL TREATMENT INCLUDES EFFECTIVE MARKET ACCESS.

(a) QUADRENNIAL REPORTS ON FOREIGN TREATMENT OF UNITED STATES FINANCIAL INSTITUTIONS.—Section 3602 of the Omnibus Trade and Competitiveness Act of 1988 (22 U.S.C. 5352) is amended—

(1) in paragraph (3), by striking "and securities companies" and inserting ", securities companies, and investment advisers"; and

(2) by adding at the end the following: "For purposes of this section, a foreign country denies national treatment to United States entities unless it offers them the same competitive opportunities (including effective market access) as are available to its domestic entities.".

(b) NEGOTIATIONS TO PROMOTE FAIR TRADE IN FINANCIAL SERVICES.—Section 3603(a)(1) of the Omnibus Trade and Competitiveness Act of 1988 (22 U.S.C. 5353(a)(1)) is amended by inserting "effective" after "banking organizations and securities companies have".

(c) PRIMARY DEALERS IN GOVERNMENT DEBT INSTRUMENTS.—Section 3502(b)(1) of the Omnibus Trade and Competitiveness Act of 1988 (22 U.S.C. 5342) is amended—

(1) by striking "does not accord to" and inserting "does not offer";

(2) by inserting "(including effective market access)" after "the same competitive opportunities in the underwriting and distribution of government debt instruments issued by such country"; and

(3) by striking "as such country accords to" and inserting "as are available to".

TITLE VII—BANK POWERS AND AFFILIATIONS

SEC. 701. SHORT TITLE.

This title may be cited as the "Proxmire Financial Modernization Act of 1991".

Subtitle A—Securities Activities

SEC. 711. ANTI-AFFILIATION PROVISION OF GLASS-STEAGALL ACT REPEALED.

(a) SECTION 20 REPEALED.—Section 20 (12 U.S.C. 377) of the Banking Act of 1933 is repealed.

(b) CONFORMING AMENDMENT TO SECTION 32.—Section 32 (12 U.S.C. 78) of the Banking Act of 1933 is amended by adding at the end the following sentence: "This section does not prohibit officers, directors, or employees of a securities affiliate (as defined in section 2 of the Bank Holding Company Act of 1956) from serving at the same time as officers, directors, or employees of a member bank affiliated with that securities affiliate under section 10 of the Bank Holding Company Act of 1956.".

SEC. 712. BANK HOLDING COMPANIES AUTHORIZED TO HAVE SECURITIES AFFILIATES.

Section 4(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)) is amended—

(1) by striking "or" at the end of paragraph (13);

(2) by striking the period at the end of paragraph (14) and inserting "; or"; and

(3) by adding after paragraph (14) the following new paragraph:

"(15) shares of a securities affiliate.".

SEC. 713. SECURITIES AFFILIATE DEFINED.

Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end the following new subsection:

"(n) SECURITIES AFFILIATE.—The term 'securities affiliate' means any company—

"(1) that—

"(A) is a subsidiary of a bank holding company;

"(B) is not an insured depository institution or a subsidiary of an insured depository institution;

"(C) engages in the United States in 1 or more of the activities described in paragraph (1) or (2) of section 10(a); and

"(D) is (or is required to be) registered under the Securities Exchange Act of 1934 as a broker or dealer, government securities broker or government securities dealer, or municipal securities dealer; and

"(2) the acquisition or retention of the shares or assets of which the Board has approved under section 10.".

SEC. 714. INSURED DEPOSITORY INSTITUTION DEFINED.

Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end the following new subsection:

"(o) INSURED DEPOSITORY INSTITUTION.—The term insured depository institution has the meaning given to that term in section 3 of the Federal Deposit Insurance Act.".

SEC. 715. ESTABLISHMENT AND OPERATIONS OF SECURITIES AFFILIATES.

(a) IN GENERAL.—Section 10 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended to read as follows:

"SEC. 10. SECURITIES ACTIVITIES.

"(a) ACTIVITIES PERMISSIBLE FOR SECURITIES AFFILIATES.—A securities affiliate may do 1 or more of the following:

"(1) Engage in securities activities permissible for brokers or dealers registered under the Securities Exchange Act of 1934, including underwriting or dealing in securities of any type.

"(2) Engage in securities activities permissible for investment advisers registered under the Investment Advisers Act of 1940, including sponsoring, organizing, controlling, managing, and acting as investment adviser to an investment company.

"(3) Engage in, or acquire the shares of a company engaged in, any activity if—

"(A) a provision of section 4(c) permits bank holding companies generally to engage in that activity or acquire those shares; and—

"(B) either—

"(i) the Board permits the bank holding company to engage in that activity or acquire those shares through the securities affiliate; or

"(ii) that provision permits the bank holding company to engage in that activity or acquire those shares without the Board's approval.

"(b) ACQUIRING INTEREST IN SECURITIES AFFILIATE.—

"(1) BOARD'S APPROVAL REQUIRED.—A bank holding company shall not, without the Board's prior written approval, directly or indirectly acquire or retain—

"(A) shares of a securities affiliate; or

"(B) all or substantially all of the assets of a securities affiliate (or a company that would be a securities affiliate if the Board permitted the bank holding company to acquire that company).

"(2) CRITERIA FOR APPROVAL.—The Board shall not approve an application under paragraph (1) unless the Board, after notice and opportunity for hearing, determines that all of the following are satisfied:

"(A) CAPITAL.—

"(i) INSURED DEPOSITORY INSTITUTIONS.—Each of the bank holding company's subsidiary insured depository institutions is well capitalized.

"(ii) BANK HOLDING COMPANY.—The bank holding company is (and immediately after the acquisition would continue to be) adequately capitalized.

"(B) MANAGERIAL RESOURCES.—

"(i) IN GENERAL.—The bank holding company and each of its insured depository institution subsidiaries—

"(I) are well managed; and

"(II) were well managed during the preceding 12-month period (but for purposes of this subparagraph the Board may disregard any insured depository institution acquired by the bank holding company during that period).

"(ii) SECURITIES ACTIVITIES.—The bank holding company has the managerial resources to conduct the proposed securities activities safely and soundly.

"(C) INTERNAL CONTROLS.—The bank holding company has established adequate policies and procedures to manage financial and operational risks and to provide reasonable assurance of compliance with this section.

"(D) NO DETRIMENTAL EFFECT ON BANK HOLDING COMPANY OR ITS INSURED DEPOSITORY INSTITUTION SUBSIDIARIES.—The acquisition would not adversely affect the safety and soundness of—

"(i) the bank holding company; or

"(ii) any insured depository institution subsidiary of the bank holding company.

"(E) CONCENTRATION OF RESOURCES.—

"(i) IN GENERAL.—The acquisition would not result, directly or indirectly, in the affiliation of—

"(A) a bank holding company that has, or had on average during any of the 8 calendar quarters preceding the date of the application, total assets of more than $35,000,000,000, with

"(B) an investment banking organization that has, or had on average during any of the 8 calendar quarters preceding the date of the application, total assets of more than $15,000,000,000.

"(ii) INFLATION ADJUSTMENT.—The dollar limitations in clause (i) shall be adjusted annually after December 31, 1991, by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics.

"(F) PUBLIC BENEFIT.—The bank holding company's acquisition and operation of the securities affiliate can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices.

"(3) 91-DAY DEADLINE.—An application under this subsection shall be deemed to be approved if the Board fails to act on the application within the 91-day period beginning on the date on which the complete record of the application is submitted to the Board.

"(c) ADDITIONAL INVESTMENT IN SECURITIES AFFILIATE.—

"(1) PRIOR NOTICE REQUIRED.—A bank holding company that has acquired control of a securities affiliate under this section shall not, directly or indirectly, make any additional investment in the securities affiliate that is considered capital for purposes of any capital requirement imposed on the securities affiliate under the Securities Exchange Act of 1934 (other than an extension of credit under a revolving credit agreement approved by the Board), unless the bank holding company gives the Board prior written notice of the proposed investment and—

"(A) the Board issues a written statement of its intent not to disapprove the notice; or

"(B) the Board does not disapprove the notice within 30 days after the notice is filed.

"(2) 3-DAY RULE FOR CERTAIN BANK HOLDING COMPANIES.—If, after making any investment described in paragraph (1), the bank holding company would be adequately capitalized and each of the bank holding company's subsidiary insured depository institutions would be well capitalized, the bank holding company may make the investment if—

"(A) the Board issues a written statement of its intent not to disapprove the notice; or

"(B) the Board does not—

"(i) disapprove the notice within 3 business days after the notice is filed; or

"(ii) extend the period for considering the notice (not to exceed 30 days after the notice is filed).

"(3) CRITERIA FOR DISAPPROVING NOTICE.—The Board may disapprove a notice filed under paragraph (1) if any insured depository institution affiliate of the securities affiliate is undercapitalized, or if the Board determines that the bank holding company would be undercapitalized after making the investment or that the investment would otherwise be unsafe or unsound.

"(d) PROVISIONS APPLICABLE IF AFFILIATED INSURED DEPOSITORY INSTITUTION CEASES TO BE WELL CAPITALIZED.—

"(1) CERTAIN SECURITIES ACTIVITIES RESTRICTED UNLESS AFFILIATED INSTITUTIONS ARE WELL CAPITALIZED.—

"(A) APPLICABILITY.—This paragraph shall apply to a securities affiliate if any of the securities affiliate's insured depository institution affiliates is not well capitalized.

"(B) IN GENERAL.—Except as provided in subparagraph (C), the securities affiliate shall not, beginning 60 days after the insured depository institution ceased to be well capitalized, agree to underwrite any securities other than—

"(i) securities that subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite;

"(ii) securities backed by or representing interests in notes, drafts, acceptances, loans, leases, receivables, other obligations, or pools of any such obligations; or

"(iii) securities issued by an open-end investment company registered under the Investment Company Act of 1940.

"(C) EXCEPTION.—The Board may permit the securities affiliate to underwrite or deal in securities not described in clauses (i) through (iii) of subparagraph (B) for a period not exceeding 1 year from the date on which the affiliated insured depository institution ceased to be well capitalized, if—

"(i) the insured depository institution submits a capital restoration plan to the appropriate Federal banking agency specifying the steps the institution will take to become well capitalized and containing such other information as the agency may require; and

"(ii) the agency accepts the plan.

"(2) DIVESTITURE.—

"(A) IN GENERAL.—The bank holding company shall divest itself of the securities affiliate if any of the bank holding company's subsidiary insured depository institutions has been undercapitalized for more than 24 months.

"(B) EXTENDING TIME.—The Board may provide additional time for divestiture not exceeding 12 months if the appropriate Federal banking agency has accepted the undercapitalized institution's capital restoration plan under section 37(e) of the Federal Deposit Insurance Act, and the Board determines that—

"(i) the bank holding company has attempted in good faith to sell the securities affiliate at a realistic price; and

"(ii) the securities affiliate poses no significant risk to any affiliated insured depository institution.

"(e) SECURITIES AFFILIATE EXCLUDED IN DETERMINING WHETHER BANK HOLDING COMPANY IS ADEQUATELY CAPITALIZED.—

"(1) IN GENERAL.—In determining whether a bank holding company is adequately capitalized—

"(A) the bank holding company's capital and total assets shall each be reduced by—

"(i) an amount equal to the amount of the bank holding company's equity investment in any securities affiliate; and

"(ii) an amount equal to the amount of any extensions of credit by the bank holding company to any securities affiliate that are considered capital for purposes of any capital requirement imposed on the securities affiliate under section 15(c)(3) of the Securities Exchange Act of 1934; and

"(B) the securities affiliate's assets and liabilities shall not be consolidated with those of the bank holding company.

"(2) EXCEPTION FOR NONSECURITIES ACTIVITIES.—Paragraph (1) does not apply to the extent that the Board determines by order that an item described in that paragraph relates to activities that are not described in paragraph (1) or (2) of subsection (a).

"(f) SAFEGUARDS RELATING TO SECURITIES AFFILIATES.—

"(1) EXTENSIONS OF CREDIT AND ASSET PURCHASES RESTRICTED.—

"(A) IN GENERAL.—No insured depository institution affiliated with a securities affiliate shall, directly or indirectly, do any of the following:

"(i) Extend credit in any manner to the securities affiliate.

"(ii) Issue a guarantee, acceptance, or letter of credit, including an endorsement or a standby letter of credit, for the benefit of the securities affiliate.

"(iii) Purchase for its own account financial assets of the securities affiliate, except to the extent permitted by the Board with respect to purchasing at the current market value (based on reliable and continuously available price quotations)—

"(I) securities of the United States or its agencies or securities the payment of principal and interest on which are fully guaranteed by the United States or its agencies; or

"(II) securities that—

"(aa) the securities affiliate has been marking to market daily; and

"(bb) are rated investment grade by at least 1 nationally recognized statistical rating organization.

"(B) EXCEPTION FOR CLEARING SECURITIES.—Subparagraph (A)(i) does not prohibit an extension of credit by a well capitalized insured depository institution made to acquire or sell securities if—

"(i) the extension of credit is incidental to clearing transactions in those securities through that insured depository institution;

"(ii) both the principal of and the interest on the extension of credit are fully secured by those securities;

"(iii) either—

"(I) the extension of credit is to be repaid on the same calendar day; or

"(II) all of the following conditions are satisfied:

"(aa) the securities cannot, in the ordinary course of business, be cleared on that calendar day;

"(bb) the extension of credit is to be repaid before the close of business on the next calendar day; and

"(cc) extensions of credit under this subclause, when aggregated with all other covered transactions of the institution and all affiliated securities affiliates do not exceed 10 percent of the institution's capital stock and surplus; and

"(iv) either—

"(I) the securities are securities of the United States or its agencies, or on which the principal and interest are fully guaranteed by the United States or its agencies; or

"(II) to the extent that the Board permits transactions under this paragraph in securities not described in subclause (I), the securities affiliate provides the insured depository institution such additional security or other assurance of performance as the Board shall require to prevent such transactions from posing any appreciable risk to the institution.

"(C) OTHER EXCEPTIONS.—The Board may make exceptions to subparagraph (A) for well capitalized insured depository institutions if—

"(i) the transaction is fully secured in accordance with section 23A(c) of the Federal Reserve Act; and

"(ii) the aggregate amount of covered transactions of the institution and all securities affiliates of the bank holding company, excluding transactions permitted under subparagraph (A)(iii)(I) or (B)(iii)(I), does not exceed 5 percent of the institution's capital stock and surplus.

"(2) CREDIT ENHANCEMENT RESTRICTED.—

"(A) IN GENERAL.—No insured depository institution affiliated with a securities affiliate shall, directly or indirectly, extend credit, or issue or enter into a standby letter of credit, asset purchase agreement, indemnity, guarantee, insurance, or other facility, for the purpose of enhancing the marketability of a securities issue underwritten by the securities affiliate.

"(B) EXCEPTIONS.—

"(i) IN GENERAL.—The Board may make exceptions to subparagraph (A) for well capitalized insured depository institutions if the amount of the extension of credit, standby letter of credit, asset purchase agreement, indemnity, guarantee, insurance, or other facility does not exceed the greater of—

"(I) 25 percent of the total amount of the facility; or

"(II) the amount of the facility provided by any 1 unaffiliated lender.

"(ii) LIMIT.—An insured depository institution shall not engage in any transaction that would be impermissible but for clause (i) if, after the transaction, the aggregate amount of all transactions permitted under clause (i) would exceed 40 percent of the institution's capital stock and surplus.

"(iii) SPECIAL RULE FOR ELIGIBLE SECURITIES.—In calculating compliance with the limit imposed by clause (ii), there shall be excluded one-half of the amount of any extension of credit, standby letter of credit, asset purchase agreement, indemnity, guarantee, insurance, or other facility with respect to securities that subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite or deal in.

"(3) PROHIBITION ON FINANCING PURCHASE OF SECURITY BEING UNDERWRITTEN.—

"(A) IN GENERAL.—No bank holding company or subsidiary of a bank holding company (other than a securities affiliate) shall knowingly extend or arrange for the extension of credit, directly or indirectly, secured by or for the purpose of purchasing any security while, or for 30 days after, that security is the subject of a distribution in which a securities affiliate of that bank holding company participates as an underwriter or a member of a selling group.

"(B) EXCEPTIONS.—The Board may make exceptions to subparagraph (A) for extensions of credit—

"(i) by the bank holding company or any subsidiary of the bank holding company, other than an insured depository institution or subsidiary of such an institution, if the bank holding company is adequately capitalized and each of the bank holding company's subsidiary insured depository institutions is well capitalized;

"(ii) by an insured depository institution or subsidiary of such an institution if—

"(I) the securities affiliate is not a principal underwriter or a principal member of a selling group; and

"(II) all of the bank holding company's securities affiliates in the aggregate have less than a 15 percent interest in the distribution;

"(iii) if subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite or deal in the securities; or

"(iv) if the extension of credit is secured by securities of a registered open-end investment company.

"(4) RESTRICTION ON EXTENDING CREDIT TO MAKE PAYMENTS ON SECURITIES.—

"(A) IN GENERAL.—No insured depository institution affiliated with a securities affiliate shall, directly or indirectly, extend credit to an issuer of securities underwritten by the securities affiliate for the purpose of paying the principal of those securities or interest or dividends on those securities. This subparagraph does not apply to an extension of credit for a documented purpose (other than paying principal, interest, or dividends) if the timing, maturity, and other terms of the credit, taken as a whole, are substantially different from those of the underwritten securities.

"(B) EXCEPTIONS.—The Board may make exceptions to subparagraph (A) if the insured depository institution is well capitalized, and—

"(i) subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite and deal in those securities; or

"(ii) the amount of credit extended by the institution does not exceed the greater of—

"(I) 25 percent of the total extension of credit; or

"(II) the amount of credit extended by any 1 unaffiliated lender.

"(5) DIRECTOR AND SENIOR EXECUTIVE OFFICER INTERLOCKS RESTRICTED.—

"(A) IN GENERAL.—No director or senior executive officer of a securities affiliate shall serve at the same time as a director or senior executive officer of any affiliated insured depository institution.

"(B) EXCEPTION FOR SMALL BANK HOLDING COMPANIES.—Notwithstanding subparagraph (A), a director or senior executive officer of a securities affiliate may serve at the same time as a director or senior executive officer of an affiliated insured depository institution if that institution and all affiliated insured depository institutions have, in the aggregate, total assets of not more than $500,000,000. The dollar limitation in the preceding sentence shall be adjusted annually after December 31, 1991, by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics.

"(C) BOARD'S AUTHORITY TO MAKE EXCEPTIONS.—

"(i) IN GENERAL.—The Board may, by regulation or order, make exceptions to subparagraph (A).

"(ii) STANDARDS.—The Board—

"(I) shall, in determining whether to make such exceptions, consider the size of the bank holding companies, insured depository institutions, and securities affiliates involved, any burdens that may be imposed by subparagraph (A), the safety and soundness of the insured depository institutions and securities affiliates, and other appropriate factors, including unfair competition in securities activities or the improper exchange of nonpublic customer information; and

"(II) shall not permit—

"(aa) more than half of the insured depository institution's directors to be directors or senior executive officers of the securities affiliate; or

"(bb) more than half of the securities affiliate's directors to be directors or senior executive officers of the insured depository institution.

"(D) SENIOR EXECUTIVE OFFICER DEFINED.—For purposes of this paragraph, the term 'senior executive officer' has the same meaning as the term 'executive officer' has in section 22(h) of the Federal Reserve Act.

"(6) DISCLOSURE REQUIRED.—Pursuant to regulations issued by the Securities and Exchange Commission, a securities affiliate shall conspicuously disclose in writing to each of its customers that securities sold, offered, or recommended by the securities affiliate are not deposits, are not insured by the Federal Deposit Insurance Corporation, are not guaranteed by an affiliated insured depository institution, and are not otherwise an obligation of an insured depository institution (unless such is the case).

"(7) INVESTMENT ADVICE RESTRICTED.—No insured depository institution subsidiary of a bank holding company shall express any opinion on the value of, or the advisability of purchasing or selling, securities underwritten or dealt in by a securities affiliate of that bank holding company unless the insured depository institution discloses to the customer that the securities affiliate is underwriting or dealing in the securities.

"(8) IMPROPER DISCLOSURE OF CONFIDENTIAL CUSTOMER INFORMATION PROHIBITED.—

"(A) IN GENERAL.—No insured depository institution subsidiary of a bank holding company shall disclose to a securities affiliate of that bank holding company, nor shall a securities affiliate disclose to any affiliated insured depository institution or subsidiary of such an institution, any nonpublic customer information (including an evaluation of the creditworthiness of an issuer or other customer of that institution or securities affiliate) without that customer's consent.

"(B) DEFINITION.—For purposes of subparagraph (A), the term 'nonpublic customer information' does not include—

"(i) customers' names and addresses (unless a customer has specified otherwise);

"(ii) information that could be obtained from unaffiliated credit bureaus or similar companies in the ordinary course of business; or

"(iii) information that is customarily provided to unaffiliated credit bureaus or similar companies in the ordinary course of business by—

"(I) insured depository institutions not affiliated with securities affiliates; or

"(II) brokers and dealers not affiliated with insured depository institutions.

"(9) UNDERWRITING SECURITIES REPRESENTING OBLIGATIONS ORIGINATED BY AFFILIATE RESTRICTED.—A securities affiliate shall not underwrite securities secured by or representing an interest in mortgages or other obligations originated or purchased by an affiliated insured depository institution or subsidiary of such an institution—

"(A) unless those securities—

"(i) are rated by at least 1 unaffiliated, nationally recognized statistical rating organization;

"(ii) are issued or guaranteed by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, or the Government National Mortgage Association; or

"(iii) represent interests in securities described in clause (ii); or

"(B) except as permitted by the Board.

"(10) RECIPROCAL ARRANGEMENTS PROHIBITED.—No bank holding company and no subsidiary of a bank holding company may enter into any agreement, understanding, or other arrangement under which—

"(A) one bank holding company (or subsidiary of that bank holding company) agrees to engage in a transaction with, or on behalf of, another bank holding company (or subsidiary of that bank holding company), in exchange for

"(B) the agreement of the second bank holding company referred to in subparagraph (A) (or a subsidiary of that bank holding company) to engage in any transaction with, or on behalf of, the first bank holding company referred to in that subparagraph (or any subsidiary of that bank holding company),

for the purpose of evading any requirement or restriction of Federal law on transactions between, or for the benefit of, affiliates of bank holding companies.

"(11) SAFEGUARDS APPLY TO CERTAIN SUBSIDIARIES.—Except as provided in this subsection:

"(A) SECURITIES AFFILIATE.—No subsidiary of a securities affiliate may do anything that this subsection prohibits the securities affiliate from doing.

"(B) INSURED DEPOSITORY INSTITUTION.—No subsidiary of an insured depository institution may do anything that this subsection prohibits the insured depository institution from doing. Except as otherwise provided by the Board, this subparagraph shall not apply to a subsidiary that engages in securities activities only outside the United States.

"(12) ADDITIONAL RESTRICTIONS.—The Board shall, by regulation or order, prescribe such additional restrictions and requirements as may be necessary or appropriate to avoid any significant risk to insured depository institutions, protect customers, prevent insured depository institutions from subsidizing securities affiliates, and avoid conflicts of interest or other abuses.

"(13) EXCEPTIONS.—In exercising any authority to make exceptions granted by another provision of this subsection (other than paragraph (5)), the Board shall—

"(A) act by regulation or order;

"(B) act only after notice and opportunity for comment; and

"(C) avoid any significant risk to insured depository institutions, protect customers, prevent insured depository institutions from subsidizing securities affiliates, and avoid conflicts of interest or other abuses.

"(14) APPLICATION TO ALL INSURED DEPOSITORY INSTITUTIONS.—If any insured depository institution is an affiliate of any company engaged in underwriting or dealing in any security (except to the extent that subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite or deal in that security), this subsection shall apply in the same manner and to the same extent as if—

"(A) that company were a securities affiliate; and

"(B) any company having control of the insured depository institution were a bank holding company.

"(15) COMPLIANCE PROGRAMS REQUIRED.—Each appropriate Federal banking agency and the Securities and Exchange Commission shall establish a program for—

"(A) enforcing compliance with this subsection by entities under its supervision; and

"(B) responding to any complaints from customers about inappropriate cross-marketing of securities products or inadequate disclosure.

"(g) ACTIVITIES NOT PERMISSIBLE FOR AFFILIATED DEPOSITORY INSTITUTIONS.—A bank holding company that acquires control of a securities affiliate shall not, beginning 1 year after the date of that acquisition, permit any insured depository institution of which it has control or any subsidiary of that institution to engage, directly or indirectly, in the United States—

"(1) in underwriting securities backed by or representing interests in notes, drafts, acceptances, loans, leases, receivables, other obligations, or pools of any such obligations, originated or purchased by the insured depository institution or its affiliates; or

"(2) in underwriting or dealing in any other securities, except to the extent that subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite or deal in those securities.

"(h) APPROVAL OF SECURITIES ACTIVITIES UNDER SECTION 4(c)(8) RESTRICTED.—The Board shall deny any application by a bank holding company under any provision of section 4(c) other than paragraph (13), to engage in, or acquire the shares of a company engaged in, underwriting or dealing in securities, unless subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite or deal in those securities.

"(i) BANKERS' BANKS.—For purposes of this section, each shareholder of or participant in a company that controls a depository institution described in section 5169(b)(1) of the Revised Statutes or in a similar statute of any State, and each subsidiary of such a shareholder or participant, shall be treated as if it were a subsidiary of that company. This subsection shall not apply to a shareholder or participant in that company (or subsidiary of that shareholder or participant) if the shareholder or participant and its affiliates do not, in the aggregate, control more than 5 percent of any class of voting shares of that company.

"(j) NO LIMITATION ON OTHER AUTHORITY OR DUTIES.—Nothing in this section limits—

"(1) any authority of an appropriate Federal banking agency or the Securities and Exchange Commission to impose more stringent restrictions or requirements; or

"(2) any disclosure or registration requirements under the securities laws, as defined in section 3(a)(47) of the Securities Exchange Act of 1934.

"(k) DEFINITIONS.—For purposes of this section:

"(1) CAPITAL CATEGORIES.—

"(A) INSURED DEPOSITORY INSTITUTIONS.—With respect to insured depository institutions, the terms 'well capitalized', 'adequately capitalized', and 'undercapitalized' have the meaning given to those terms in section 37(b) of the Federal Deposit Insurance Act.

"(B) BANK HOLDING COMPANIES.—A bank holding company is 'adequately capitalized' if it meets the required minimum level for each relevant capital measure established by the Board for bank holding companies, and 'undercapitalized' if it fails to meet the required minimum level for any such relevant capital measure.

"(2) CAPITAL STOCK AND SURPLUS.—The term 'capital stock and surplus' has the same meaning as in section 23A of the Federal Reserve Act.".

"(3) COVERED TRANSACTION.—The term 'covered transaction' has the same meaning as in section 23A(b)(7) of the Federal Reserve Act, without regard to any exemption under subsection (e).

"(4) DEALING.—The terms 'dealing' and 'deal in' mean acting as a 'dealer' as defined in section 3(a)(5) of the Securities Exchange Act of 1934, but does not include purchasing or selling securities solely for the account of another person.

"(5) EQUITY SECURITIES.—The term 'equity securities' does not include mortgage-related securities.

"(6) FOREIGN BANKS.—A branch or agency of a foreign bank or a commercial lending company controlled by a foreign bank (as the terms 'agency', 'branch', 'commercial lending company', and 'foreign bank' are defined in section 1 of the International Banking Act of 1978), shall be deemed to be a bank.

"(7) SECURITY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) or (C), the term 'security' has the meaning given to that term in section 3(a)(10) of the Securities Exchange Act of 1934.

"(B) EXCEPTIONS.—The term 'security' does not include any of the following:

"(i) A contract of insurance.

"(ii) A deposit account, savings account, certificate of deposit, or other deposit instrument issued by a depository institution.

"(iii) A share account issued by a savings association if the account is insured by the Federal Deposit Insurance Corporation.

"(iv) A banker's acceptance.

"(v) A letter of credit issued by a depository institution.

"(vi) A debit account at a depository institution arising from a credit card or similar arrangement.

"(C) BOARD'S AUTHORITY TO EXEMPT TRADITIONAL BANKING PRODUCTS.—The Board may by

regulation exempt from the definition of 'security' a banking product that national banks have traditionally and customarily originated or handled (such as loan participations or mortgage notes) if the exemption is consistent with the purposes of this section.

"(8) UNDERWRITING.—The term 'underwriting' means acting as an 'underwriter' as defined in section 2(11) of the Securities Act of 1933, but does not include effecting sales—

"(A) as part of a primary offering of securities by an issuer, not involving a public offering, under section 3(b), 4(2), or 4(6) of the Securities Act of 1933 and the Securities and Exchange Commission's regulations under that Act; and

"(B) exclusively to accredited investors as defined in section 2 of the Securities Act of 1933 and the Commission's regulations under that Act.

(b) TRANSITION RULE REGARDING EXEMPTIONS TO SECTION 10(f).—The Board may make exceptions to the following provisions of section 10(f) of the Bank Holding Company Act of 1956 (as amended by subsection (a)) only as follows:

(1) Under subsection (f)(1)(A)(iii)(II) (relating to purchasing certain securities from a securities affiliate for an insured depository institution's own account), beginning 1 year after the date of enactment of this Act.

(2) Under subsection (f)(1)(B)(iii)(II) (relating to extending credit overnight to clear securities), beginning 3 years after that date of enactment.

(3) Under subsection (f)(2)(B) (relating to credit enhancement for securities underwritten by the securities affiliate), beginning 1 year after that date of enactment.

(4) Under subsection (f)(3)(B) (relating to financing the purchase of securities being underwritten by the securities affiliate), beginning 1 year after that date of enactment.

(5) Under subsection (f)(9)(B) (relating to underwriting securities secured by or representing an interest in certain obligations originated by affiliated insured depository institutions), beginning 1 year after that date of enactment.

(c) TRANSITION RULE FOR SECURITIES AFFILIATES APPROVED UNDER SECTION 4(c)(8).—

(1) IN GENERAL.—Effective 18 months after the date of enactment of this Act, no bank holding company may engage in, or retain the shares of any company engaged in, underwriting or dealing in securities based on the approval of an application under section 4(c)(8) of the Bank Holding Company Act of 1956—

(A) unless the bank holding company has obtained the Board's approval to retain the shares of that company under section 10; or

(B) except to the extent that subsection (b) or (c) of section 5136 of the Revised Statutes (12 U.S.C. 24) expressly authorizes a national bank to underwrite or deal in those securities.

(2) EXTENDING TIME.—

(A) IN GENERAL.—The Board may, for good cause shown, extend the time provided under paragraph (1) for not more than 18 months.

(B) PENDING APPLICATIONS.—If a bank holding company has filed an application under section 10(b) of the Bank Holding Company Act of 1956 not later than 180 days after the date of enactment of this Act, paragraph (1) shall not apply with respect to the company engaged in such underwriting or dealing until 180 days after the Board has acted on the application.

(d) CONFORMING AMENDMENT REGARDING CONDITIONAL APPROVAL OF APPLICATIONS.—Section 4(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(a)(2)) is amended by striking "paragraph (8)" and all that follows through "issued by the Board under such paragraph" and inserting "section 10 or subsection (c)(8), subject to all the conditions specified in those provisions or in any order or regulation issued by the Board under those provisions".

(e) AMENDMENT TO THE FEDERAL RESERVE ACT.—Section 23B(b)(1)(B) of the Federal Reserve Act (12 U.S.C. 371c–1(b)(1)(B)) is amended by inserting "and for 30 days thereafter" after "during the existence of any underwriting or selling syndicate".

(f) EXEMPTION FROM SECTION 305(b) OF THE FEDERAL POWER ACT.—Section 305(b) of the Federal Power Act (16 U.S.C. 825d(b)) shall not apply to any person now holding or proposing to hold the position of officer or director of a public utility and officer or director of a bank, trust company, banking association, or firm permitted by section 10 of the Bank Holding Company Act of 1956 (as amended by subsection (a)) or section 5136(b) of the Revised Statutes (12 U.S.C. 24(b)) (as amended by section 716) to underwrite or participate in the marketing of securities (including commercial paper) of a public utility, if that bank, trust company, banking association, or firm does not underwrite or participate in the marketing of securities of the public utility for which the person serves or proposes to serve as an officer or director.

SEC. 716. BANK SECURITIES AND INVESTMENT ACTIVITIES.

(a) RESTATEMENT AND REORGANIZATION OF SECTION 5136 OF THE REVISED STATUTES.—

(1) IN GENERAL.—Section 5136 of the Revised Statutes (12 U.S.C. 24) is amended to read as follows:

"SEC. 5136. CORPORATE POWERS OF NATIONAL BANKS.

"(a) GENERAL POWERS.—Upon filing articles of association and an organization certificate, a national bank shall become, as of the date of the execution of the organization certificate, a corporation which shall have, in the name designated in that certificate, the following powers:

"(1) CORPORATE SEAL.—To adopt and use a corporate seal.

"(2) SUCCESSION.—To have succession from February 25, 1927, or from the date of the execution of the organization certificate (if that date is later than February 25, 1927) until—

"(A) such time as the bank is dissolved by an act of shareholders owning not less than ⅔ of the stock of such bank;

"(B) the franchise is forfeited—

"(i) by reason of violation of law; or

"(ii) by a general or special Act of Congress; or

"(C) the bank's affairs are placed in the control of the Federal Deposit Insurance Corporation, as receiver, and finally wound up by that Corporation.

"(3) CONTRACTS.—To enter into contracts.

"(4) LITIGATION.—To sue and be sued in its corporate capacity, and to complain and defend in any action brought by or against the national bank in any court of competent jurisdiction.

"(5) OFFICERS.—To elect or appoint directors to the bank's board of directors and, by that board of directors, to—

"(A) appoint a president, vice president, cashier, and other officers;

"(B) define the duties of officers;

"(C) require bonds of those officers and fix the penalty of those bonds; and

"(D) dismiss any officer at the pleasure of the directors and appoint another to fill the position.

"(6) BYLAWS.—To prescribe, by the board of directors, bylaws not inconsistent with law regulating the manner in which—

"(A) stock of the bank may be transferred;

"(B) the directors of the bank are appointed or elected;

"(C) the officers of the bank may be appointed;

"(D) the property of the bank may be transferred;

"(E) the general business of the bank may be conducted; and

"(F) the privileges granted to the bank by law may be exercised and enjoyed.

"(7) BANKING POWERS.—To exercise, by the board of directors or officers or agents authorized by that board and subject to any other provision of law, all such incidental powers as shall be necessary to carry on the business of banking, including the following:

"(A) Discounting and negotiating promissory notes, drafts, bills of exchange, and other evidence of debt.

"(B) Receiving deposits.

"(C) Buying and selling exchange, coin, and bullion.

"(D) Loaning money on personal security.

"(E) Obtaining, issuing, and circulating notes according to the provisions of this title.

"(8) CONTRIBUTIONS.—To contribute to community funds or charitable, philanthropic, or benevolent instrumentalities conducive to the public welfare, such sums as the board of directors may determine to be expedient and in the interests of the national bank if that bank is located in a State the laws of which do not expressly prohibit State banking institutions from contributing to such funds or instrumentalities.

"(9) INVESTMENT IN TANGIBLE PERSONAL PROPERTY.—To invest in tangible personal property, including, without limitation, vehicles, manufactured homes, machinery, equipment, or furniture, for lease financing transactions on a net lease basis. The investment may not exceed 10 percent of the national bank's assets.

"(b) BANKING POWERS RELATED TO SECURITIES ACTIVITIES AND COMMERCIAL PAPER.—

"(1) SECURITIES UNDERWRITING PROHIBITED.—Except as otherwise provided in this subsection or any other provision of law, no national bank may underwrite any issue of securities.

"(2) BUYING AND SELLING SECURITIES AS AGENT FOR CUSTOMER.—Except as otherwise provided in this section or any other provision of law, no national bank may purchase or sell any security unless the purchase or sale is made—

"(A) for the account of a customer;

"(B) by the bank—

"(i) upon the order of the customer; or

"(ii) in the bank's capacity as trustee, executor, administrator, custodian, managing agent, or guardian of estates with respect to the account of the customer; and

"(C) without recourse.

"(3) EXCEPTIONS.—

"(A) BANK SECURITIES AND BANK INVESTMENTS FOR THE BANK'S OWN ACCOUNT.—Paragraph (2) shall not apply to the purchase or sale by a national bank of—

"(i) any security of which the national bank is the issuer; or

"(ii) any investment security or other security which the bank is purchasing or has purchased in accordance with subsection (c).

"(B) ISSUANCE AND SALE OF CERTAIN GNMA GUARANTEED SECURITIES.—Notwithstanding paragraph (2) or any other provision of this section, a national bank may issue and sell securities that are guaranteed by the Government National Mortgage Association under section 306(g) of the National Housing Act.

"(C) BANK-ELIGIBLE SECURITIES.—Paragraphs (1) and (2) shall not apply with respect to any bank-eligible security, subject to the limitations contained in subsection (c)(3)(B).

"(c) BANKING POWERS RELATED TO PURCHASING INVESTMENT SECURITIES FOR THE BANK'S OWN ACCOUNT.—

"(1) LIMITED AUTHORITY TO BUY FOR BANK'S OWN ACCOUNT FOR INVESTMENT.—Except as provided in paragraphs (2) through (10), a national bank's authority to purchase investment securities or other securities for the bank's own account under this section shall be subject to the following limitations:

"(A) CORPORATE STOCK.—Except as hereinafter provided or otherwise permitted by law, nothing herein contained shall authorize the

purchase by the association for its own account of any shares of stock of any corporation.

"(B) MAXIMUM INVESTMENT AMOUNT FOR SECURITIES ISSUED BY ANY SINGLE ISSUER.—The total amount of investment securities held by the bank (for the bank's own account) which were issued by any 1 person, or for which such person is the obligor, may not exceed at any time the amount which is equal to the sum of—

"(i) 10 percent of the capital stock of the bank which is actually paid in and unimpaired; and

"(ii) 10 percent of the bank's unimpaired surplus fund,

except that this subparagraph shall not require any bank to dispose of investment securities lawfully held by the bank on August 23, 1935.

"(2) BANKERS' BANKS.—

"(A) ACQUISITION OF SHARES ALLOWED.—Notwithstanding paragraph (1), a national bank may purchase for the bank's own account shares of an insured bank (as defined in section 3(h) of the Federal Deposit Insurance Act) or a bank holding company (as defined in section 2(a) of the Bank Holding Company Act of 1956), if—

"(i) the outstanding shares of the bank or company are owned exclusively (except to the extent of directors' qualifying shares required by law) by depository institutions (as defined in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act) or depository institution holding companies; and

"(ii) the bank or company, and all subsidiaries of the bank or company, are engaged exclusively in providing services for other depository institutions and officers, directors, and employees of those depository institutions.

"(B) MAXIMUM INVESTMENT AMOUNT.—The total amount of stock held by any national bank in any bank or holding company referred to in subparagraph (A)—

"(i) may not exceed, at any time, the sum of—

"(I) 10 percent of the national bank's capital stock; and

"(II) 10 percent of the national bank's paid in and unimpaired surplus fund; and

"(ii) may not include more than 5 percent of any class of voting securities of that bank or company.

"(3) BANK-ELIGIBLE SECURITIES.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a national bank may purchase or sell bank-eligible securities for the bank's own account.

"(B) MAXIMUM INVESTMENT AMOUNT IN THE CASE OF CERTAIN SECURITIES.—The total amount of bank-eligible securities described in subparagraph (N), (O), (P), or (Q) of subsection (d)(2) that may be held by a national bank at any time—

"(i) in connection with being an underwriter of those securities or buying and selling, as principal, those securities under subsection (b); or

"(ii) for the bank's own account,

shall not exceed an amount equal to the sum of 10 percent of the capital stock of the national bank actually paid in and unimpaired and 10 percent of the bank's unimpaired surplus fund.

"(C) SPECIAL RULE FOR CERTAIN COMMITMENTS.—For purposes of subparagraph (B), any bank-eligible securities referred to in that subparagraph as to which any national bank is under a commitment shall be deemed to be held by the national bank.

"(4) MORTGAGE RELATED SECURITIES.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a national bank may purchase for the bank's own account—

"(i) securities offered and sold pursuant to section 4(5) of the Securities Act of 1933; or

"(ii) mortgage related securities (as defined in section 3(a)(41) of the Securities Exchange Act of 1934).

"(B) REGULATIONS.—Any purchase by a national bank of securities under subparagraph (A) shall be subject to such limitations and restrictions as the Comptroller of the Currency may prescribe by regulation, including regulations concerning—

"(i) the minimum size of the issue (at the time of initial distribution) with respect to any such security; and

"(ii) a minimum aggregate sales price with respect to any such security.

"(5) SAFE-DEPOSIT BUSINESS.—

"(A) ACQUISITION OF SHARES ALLOWED.—Notwithstanding paragraph (1), a national bank may, in connection with the bank's carrying on the business commonly known as the 'safe-deposit business', purchase the capital stock of a corporation organized under the law of any State to conduct a safe-deposit business.

"(B) MAXIMUM INVESTMENT AMOUNT.—The total amount of stock held by any national bank in any corporation referred to in subparagraph (A) shall not exceed an amount equal to the sum of—

"(i) 15 percent of the capital stock of the national bank actually paid in and unimpaired; and

"(ii) 15 percent of the bank's unimpaired surplus fund.

"(6) NATIONAL HOUSING CORPORATIONS.—Notwithstanding paragraph (1), a national bank may—

"(A) purchase for the bank's own account shares of stock issued by a corporation authorized to be created pursuant to title IX of the Housing and Urban Development Act of 1968; and

"(B) invest in a partnership, limited partnership, or joint venture formed pursuant to section 907(a) or 907(c) of that Act.

"(7) STATE HOUSING CORPORATIONS.—

"(A) ACQUISITION OF SHARES AND OTHER INVESTMENTS ALLOWED.—Notwithstanding paragraph (1), a national bank may—

"(i) purchase for the bank's own account shares of stock issued by any State housing corporation incorporated in the State in which the national bank is located; and

"(ii) invest in loans and commitments for loans to any such corporation.

"(B) MAXIMUM INVESTMENT AMOUNT.—The total amount of stock held by a national bank in any corporation referred to in subparagraph (A) and the amount of investments in loans and commitments for loans to such corporation by the bank shall not exceed an amount equal to the sum of—

"(i) 5 percent of the national bank's capital stock actually paid in and unimpaired; and

"(ii) 5 percent of the bank's unimpaired surplus fund.

"(8) AGRICULTURAL CREDIT CORPORATIONS.—

"(A) ACQUISITION OF SHARES AND OTHER INVESTMENTS ALLOWED.—Notwithstanding paragraph (1), a national bank may purchase for the bank's own account shares of stock issued by a corporation organized solely for the purpose of making loans to farmers and ranchers for agricultural purposes, including breeding, raising, fattening, or marketing livestock.

"(B) MAXIMUM INVESTMENT AMOUNT.—Unless the national bank owns at least 80 percent of the stock of an agricultural credit corporation described in subparagraph (A), the total amount of stock held by the national bank in any such corporation shall not exceed an amount equal to 20 percent of the unimpaired capital and surplus of the national bank.

"(9) QUALIFIED CANADIAN GOVERNMENT OBLIGATIONS.—

"(A) IN GENERAL.—A national bank may deal in, underwrite, and purchase for its own account qualified Canadian Government obligations, to the same extent that it may deal in, underwrite, and purchase for its own account obligations of the United States or general obligations of any State or of any political subdivision thereof.

"(B) DEFINITIONS.—

"(i) QUALIFIED CANADIAN GOVERNMENT OBLIGATIONS.—For purposes of this paragraph, the term 'qualified Canadian Government obligations' means any debt obligation which is backed by Canada, any Province of Canada, or any political subdivision of any such Province to a degree which is comparable to the liability of the United States, any State, or any political subdivision thereof for any obligation which is backed by the full faith and credit of the United States, the State, or the political subdivision. The term includes any debt obligation of any agent of Canada or any such Province or any political subdivision of such Province if—

"(I) the obligation of the agent is assumed in the agent's capacity as agent for Canada or the Province or the political subdivision; and

"(II) Canada, the Province, or the political subdivision on whose behalf the agent is acting with respect to the obligation is ultimately and unconditionally liable for the obligation.

"(ii) PROVINCE OF CANADA.—For purposes of this paragraph, the term 'Province of Canada' means a Province of Canada and includes the Yukon Territory and the Northwest Territories and their successors.

"(10) ADDITIONAL LIMITATIONS PRESCRIBED IN REGULATIONS.—The authority of a national bank under this section to purchase investment securities for the bank's own account shall be subject to such additional limitations and restrictions as the Comptroller of the Currency may prescribe by regulation.

"(d) DEFINITIONS.—

"(1) INVESTMENT SECURITIES.—For purposes of this section, the term 'investment securities' means marketable obligations, evidencing indebtedness of any person, copartnership, association, or corporation in the form of bonds, notes, and/or debentures commonly known as investment securities under such further definition of the term 'investment securities' as may by regulation be prescribed by the Comptroller of the Currency.

"(2) BANK ELIGIBLE SECURITY.—For purposes of this section, the term 'bank-eligible security' means any of the following investment securities:

"(A) Obligations of the United States.

"(B) General obligations of any State or any political subdivision of any State.

"(C) Obligations of the Washington Metropolitan Area Transit Authority which are guaranteed by the Secretary of Transportation under section 9 of the National Capital Transportation Act of 1969.

"(D) Obligations issued—

"(i) under authority of the Federal Farm Loan Act; or

"(ii) by the thirteen banks for cooperatives, any bank for cooperatives, or the Federal Home Loan Banks.

"(E) Obligations insured by the Secretary of Housing and Urban Development under title XI of the National Housing Act.

"(F) Obligations insured by the Secretary of Housing and Urban Development pursuant to section 207 of the National Housing Act, if the debentures to be issued in payment of those insured obligations are guaranteed as to principal and interest by the United States.

"(G) Obligations, participations, or other instruments of or issued by the Federal National Mortgage Association or the Government National Mortgage Association.

"(H) Mortgages, obligations, or other securities which are or ever have been sold by the Federal Home Loan Mortgage Corporation pursuant to section 305 or section 306 of the Federal Home Loan Mortgage Corporation Act.

"(I) Obligations of the Federal Financing Bank.

"(J) Obligations of the Environmental Financing Authority.

"(K) Obligations or other instruments or securities of the Student Loan Marketing Association.

"(L) Such obligations of any local public agency (as defined in section 110(h) of the Housing Act of 1949) as are secured by an agreement between the local public agency and the Secretary of Housing and Urban Development in which the local public agency agrees to borrow from the Secretary, and the Secretary agrees to lend to that local public agency, moneys in an aggregate amount which (together with any other moneys irrevocably committed to the payment of interest on those obligations) will suffice to pay, when due, the interest on and all installments (including the final installment) of the principal of those obligations, which moneys under the terms of the agreement are required to be used for those payments.

"(M) Such obligations of a public housing agency (as defined in the United States Housing Act of 1937) as are secured—

"(i) by an agreement between that agency and the Secretary of Housing and Urban Development in which the agency agrees to borrow from the Secretary, and the Secretary agrees to lend to the agency, prior to the maturity of those obligations, moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on those obligations) will suffice to pay the principal of those obligations with interest to maturity thereon, which moneys under the terms of that agreement are required to be used for the purpose of paying the principal of and the interest on those obligations at their maturity;

"(ii) by a pledge of annual contributions under an annual contributions contract between that agency and the Secretary of Housing and Urban Development if that contract contains the covenant by the Secretary which is authorized by section 6(g) of the United States Housing Act of 1937, and if the maximum sum and the maximum period specified in that contract pursuant to such section 6(g), shall not be less than the annual amount and the period for payment which are requisite to provide for the payment when due of all installments of principal and interest on those obligations; or

"(iii) by a pledge of both annual contributions under an annual contributions contract containing the covenant by the Secretary of Housing and Urban Development which is authorized by section 6(g) of the United States Housing Act of 1937, and a loan under an agreement between that agency and the Secretary in which the agency agrees to borrow from the Secretary and the Secretary agrees to lend to the agency, prior to the maturity of the obligations involved, moneys in an amount that (together with any other moneys irrevocably committed under the annual contributions contract to the payment of principal and interest on those obligations) will suffice to provide for the payment when due of all installments of principal and interest on those obligations, which moneys under the terms of the agreement are required to be used for the purpose of paying the principal and interest on those obligations at their maturity.

"(N) Obligations issued by the International Bank for Reconstruction and Development, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the Inter-American Investment Corporation, or the International Finance Corporation.

"(O) Obligations issued by any State or political subdivision or any agency of a State or political subdivision for housing, university, or dormitory purposes, which are at the time eligible for purchase by a national bank for its own account.

"(P) Obligations issued by the Tennessee Valley Authority.

"(Q) Obligations issued by the United States Postal Service.".

(2) RULE OF CONSTRUCTION.—The amendment made by paragraph (1)—

(A) may not be construed to make any substantive change in the meaning of any provision of section 5136 of the Revised Statutes (as in effect on the day before the effective date of the amendment); and

(B) shall not affect any regulation prescribed, any order issued, any interpretation provided, or any action taken before the effective date of the amendment under or pursuant to that section (as in effect on the day before that date).

(b) ADDITIONAL AMENDMENTS TO SECTION 5136 OF THE REVISED STATUTES.—Section 5136 of the Revised Statutes (as amended by subsection (a)(1)) is amended—

(1) in subsection (b), by adding at the end the following new paragraphs:

"(4) UNDERWRITING AND DEALING IN COMMERCIAL PAPER ALLOWED.—A national bank may underwrite and deal in any short-term security of prime quality and large dollar amounts that is exempt from registration requirements under section 3(a)(3) of the Securities Act of 1933 (hereafter referred to as 'commercial paper').

"(5) CERTAIN INFORMATION PROCESSING AND CLEARING FUNCTIONS.—No provision of this subsection shall be construed as prohibiting a national bank from performing the functions described in the second sentence of paragraph (22)(A) or paragraph (23)(B)(iii) of section 3(a) of the Securities Exchange Act of 1934 to the extent allowed under any such paragraph.";

(2) in subsection (d)(2), insert after subparagraph (Q) the following new subparagraphs:

"(R) Shares issued by and securities guaranteed by the Federal Agricultural Mortgage Corporation.

"(S) Obligations of the Financing Corporation.

"(T) Obligations of the Resolution Funding Corporation.";

(3) in subsection (c)(2)(A)(ii), by inserting "or depository institution holding companies" after "depository institutions" each place that term appears; and

(4) by adding at the end the following new subsection:

"(e) RESTRICTION ON SECURITIES POWERS.—Notwithstanding any provision of subsection (b), a national bank that is affiliated with a securities affiliate, as provided under section 10 of the Bank Holding Company Act of 1956, may not purchase or sell, as principal or agent, nor underwrite municipal securities or commercial paper, beginning 1 year after the date that the bank becomes affiliated with a securities affiliate.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) FEDERAL RESERVE ACT.—The 20th paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 335) is amended by striking "paragraph 'Seventh' of" and inserting "subsections (b), (c), and (d) of".

(2) NATIONAL HOUSING ACT.—Section 514 of the National Housing Act (12 U.S.C. 1733) is amended by striking "paragraph seventh of" and inserting "subsections (b) and (c) of".

(3) INTERNATIONAL BANKING ACT.—Section 4(g)(1) of the International Banking Act of 1978 (12 U.S.C. 3102(g)(1)) is amended by striking "paragraph 'Seventh' of" and inserting "subsection (c) of".

SEC. 717. SECURITIES AFFILIATIONS OF FDIC-INSURED BANKS.

(a) SECURITIES AFFILIATIONS.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

"(s) SECURITIES AFFILIATIONS OF INSURED BANKS.—

"(1) IN GENERAL.—An insured bank shall not be an affiliate of any company that, directly or indirectly, acts in the United States as an underwriter or dealer of any security, except—

"(A) as provided in section 10 of the Bank Holding Company Act of 1956; or

"(B) to the extent that subsection (b) or (c) of section 5136 of the Revised Statutes expressly authorizes a national bank to underwrite or deal in that security.

"(2) EXCEPTION.—This subsection does not apply to an insured bank described in subparagraph (D), (F), or (H) of section 2(c)(2) of the Bank Holding Company Act of 1956.

"(3) GRANDFATHER PROVISION.—This paragraph does not prohibit—

"(A) the continuation of an affiliation that existed on July 15, 1991; or

"(B) any new affiliation by an insured bank that has an affiliation that would be prohibited if the affiliation were not covered by subparagraph (A).

"(4) TRANSITION RULE.—An affiliation that became unlawful as a result of the enactment of the Proxmire Financial Modernization Act of 1991, may continue until 2 years after the date of enactment of that Act.

"(5) DEFINITIONS.—For purposes of this subsection:

"(A) AFFILIATE.—The term 'affiliate' has the meaning given to that term in section 2(k) of the Bank Holding Company Act of 1956.

"(B) COMPANY.—The term 'company' has the meaning given to that term in section 2(b) of the Bank Holding Company Act of 1956.

"(C) DEALER.—The term 'dealer' has the meaning given to that term in section 3(a)(5) of the Securities Exchange Act of 1934.

"(D) SECURITY.—

"(i) IN GENERAL.—Except as provided in clause (ii) or (iii), the term 'security' has the meaning given to that term in section 3(a)(10) of the Securities Exchange Act of 1934.

"(ii) EXCEPTIONS.—The term 'security' does not include any of the following:

"(I) A contract of insurance.

"(II) A deposit account, savings account, certificate of deposit, or other deposit instrument issued by a depository institution.

"(III) A share account issued by a savings association if the account is insured under the Federal Deposit Insurance Act.

"(IV) A banker's acceptance.

"(V) A letter of credit issued by a depository institution.

"(VI) A debit account at a depository institution arising from a credit card or similar arrangement.

"(iii) FEDERAL RESERVE BOARD'S AUTHORITY TO EXEMPT TRADITIONAL BANKING PRODUCTS.—The Board of Governors of the Federal Reserve System may by regulation exempt from the definition of 'security' a banking product that national banks have traditionally and customarily originated or handled (such as loan participations or mortgage notes) if the exemption is consistent with the purposes of this subsection.

"(E) UNDERWRITER.—The term 'underwriter' has the meaning given to that term in section 2(11) of the Securities Act of 1933.".

(b) CONFORMING AMENDMENTS.—

(1) PENALTIES.—Section 18(j)(4)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)(4)(A)) is amended by striking "any provision of section 20 of the Banking Act of 1933" and inserting "any provision of subsection (s)".

(2) REPEAL OF SUPERSEDED PROVISION.—Section 18(j)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1828(j)(3)) is amended to read as follows:

"(3) Reserved.—".

SEC. 718. EFFECT ON STATE LAWS PROHIBITING THE AFFILIATION OF BANKS AND SECURITIES COMPANIES.

Section 7 of the Bank Holding Company Act of 1956 (12 U.S.C. 1846) is amended by inserting before the final period the following: ", except that no State may prohibit the affiliation of a bank or bank holding company with a securities affiliate solely because the securities affiliate is engaged in activities described in paragraph (1) or (2) of section 10(a) of this Act.".

SEC. 719. DIVERSIFIED FINANCIAL HOLDING COMPANIES.

(a) In General.—Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) is amended by adding at the end the following new subsection:

"(k) Diversified Financial Holding Companies.—

"(1) In general.—Notwithstanding subsection (a), a diversified financial holding company may engage in, or acquire or retain direct or indirect ownership or control of shares of any company engaged in, any of the following activities in which the diversified financial holding company was lawfully engaged in the United States, directly or through a subsidiary, as of July 1, 1991:

"(A) insurance underwriting activities;

"(B) insurance agency activities; and

"(C) any other activities that the Board, after notice and opportunity for hearing, has determined to be financial.

"(2) Restrictions on joint marketing.—No subsidiary bank of a diversified financial holding company shall—

"(A) offer or market products or services of an affiliate that are not permissible for bank holding companies to provide under section 10 or subsection (c)(8) of this section; or

"(B) permit its products or services to be offered or marketed in connection with products or services of an affiliate, unless—

"(i) the Board, by regulation, has determined that such products and services are permissible for bank holding companies to provide under section 10 or subsection (c)(8) of this section; or

"(ii) such products and services were being so offered or marketed as of March 5, 1987, and then only in the same manner as they were being offered or marketed as of that date.".

(b) Definition.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end the following new subsection:

"(p) Diversified Financial Holding Company.—For purposes of this Act, the term 'diversified financial holding company' means a bank holding company that is described in each of the following paragraphs:

"(1) Engages only in financial activities.—The company engages only in activities—

"(A) permissible for bank holding companies under section 4 of this Act; or

"(B) permissible under section 4(i)(1).

"(2) 80-percent test.—On average during the preceding calendar year, the company devoted 80 percent or more of its consolidated assets to activities permissible under section 10 or paragraph (8), (13), or (14) of section 4(c), excluding—

"(A) activities conducted by any insured depository institution or subsidiary of an insured depository institution; and

"(B) insurance activities that are permissible under section 4(c)(13) but not permissible under section 4(c)(8), to the extent that those activities exceed 10 percent of the company's consolidated assets.

"(3) Limit on insured depository institutions and their subsidiaries as percentage of assets.—On average during the preceding calendar year, insured depository institutions and their subsidiaries constituted 20 percent or less of the company's consolidated assets.

"(4) Global limit on depository institutions and their subsidiaries as percentage of assets.—On average during the preceding calendar year, the following entities in aggregate constituted 40 percent or less of the company's consolidated assets:

"(A) insured depository institutions and their subsidiaries;

"(B) uninsured depository institutions and their subsidiaries;

"(C) foreign banks (as defined in section 1(b)(7) of the International Banking Act of 1978) and their subsidiaries; and

"(D) other depository institutions, whether or not in the United States, and their subsidiaries.

"(5) Election.—The company has filed with the Board a written notice of its intent to be treated as a diversified financial holding company.".

SEC. 720. EFFECTIVE DATE.

The amendments made by this subtitle shall become effective 90 days after the date of enactment of this Act.

Subtitle B—Brokers and Dealers

SEC. 731. DEFINITION OF BROKER.

Section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)) is amended to read as follows:

"(4) 'Broker'.—

"(A) In general.—The term 'broker' means any person engaged in the business of effecting transactions in securities for the account of others.

"(B) Exclusion of banks.—The term 'broker' does not include a bank unless such bank publicly solicits the business of effecting securities transactions for the account of others or is compensated for such business by the payment of commissions or similar remuneration based on effecting transactions in securities (other than fees calculated as a percentage of assets under management) in excess of the bank's incremental costs directly attributable to effecting such transactions (hereafter referred to as 'incentive compensation').

"(C) Exemption for certain bank activities.—A bank shall not be deemed to be a 'broker' because it engages in any of the following activities:

"(i) Third party brokerage arrangements.—The bank enters into a contractual or other arrangement with a broker or dealer registered under this title under which the broker or dealer offers brokerage services on or off the premises of the bank if—

"(I) such broker or dealer is clearly identified as the person performing the brokerage services;

"(II) bank employees perform only clerical or ministerial functions in connection with brokerage transactions, unless such employees are qualified as registered representatives pursuant to the requirements of a self-regulatory organization;

"(III) bank employees do not receive incentive compensation for any brokerage activities unless such employees are qualified as registered representatives pursuant to the requirements of a self-regulatory organization; and

"(IV) such services are provided by the broker or dealer on a basis in which all customers are fully disclosed.

"(ii) Trust activities.—The bank engages in trust activities (including effecting transactions in the course of such trust activities) permissible for national banks under the first section of the Act of September 28, 1962 or for State banks under relevant State trust statutes or law (including securities safekeeping, self-directed individual retirement accounts, or managed agency accounts or other functionally equivalent accounts of a bank) unless the bank—

"(I) publicly solicits brokerage business, other than by advertising that it effects transactions in securities in conjunction with advertising its other trust activities; or

"(II) receives incentive compensation for such activities.

"(iii) Permissible securities transactions.—The bank effects transactions in exempted securities, other than municipal securities, or in commercial paper, banker's acceptances, or commercial bills.

"(iv) Municipal securities.—The bank effects transactions in municipal securities, and has not been affiliated with a securities affiliate under section 10 of the Bank Holding Company Act of 1956 for more than 1 year.

"(v) Employee and shareholder benefit plans.—The bank effects transactions as part of any bonus, profit-sharing, pension, retirement, thrift, savings, incentive, stock purchase, stock ownership, stock appreciation, stock option, dividend reinvestment, or similar plan for employees or shareholders of an issuer or its subsidiaries;

"(vi) Sweep accounts.—The bank effects transactions as part of a program for the investment or reinvestment of bank deposit funds into any no-load, open-end investment company registered under the Investment Company Act of 1940 that holds itself out as a money market fund.

"(vii) Affiliate transactions.—The bank effects transactions for the account of any affiliate of the bank, as defined in section 2 of the Bank Holding Company Act of 1956.

"(viii) Private securities offerings.—The bank—

"(I) effects sales as part of a primary offering of securities by an issuer, not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 and the rules and regulations issued thereunder;

"(II) effects such sales exclusively to an accredited investor, as defined in section 3 of the Securities Act of 1933; and

"(III) if affiliated with a securities affiliate, as provided under section 10 of the Bank Holding Company Act of 1956, has not been so affiliated for more than 1 year.

"(ix) De minimus exemption.—The bank effects not more than 1,000 transactions in any calendar year in securities, other than transactions referenced in clauses (i) through (viii), if the bank does not have a subsidiary or affiliate registered as a broker or dealer under section 15.

"(D) Exemption for entities subject to section 15(e).—The term 'broker' does not include a bank that is subject to—

"(i) section 15(e); and

"(ii) such restrictions and requirements as the Commission deems appropriate.".

SEC. 732. DEFINITION OF DEALER.

Section 3(a)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(5)) is amended to read as follows:

"(5) 'Dealer'.—

"(A) In general.—The term 'dealer' means any person engaged in the business of buying and selling securities for his own account through a broker or otherwise.

"(B) Exceptions.—Such term does not include—

"(i) a person that buys or sells securities for his or her own account, either individually or in a fiduciary capacity, but not as a part of a regular business; or

"(ii) a bank, to the extent that the bank—

"(I) buys and sells commercial paper, banker's acceptances, or commercial bills, or exempted securities, other than municipal securities;

"(II) buys and sells municipal securities and has not been affiliated with a securities affiliate, as provided under section 10 of the Bank Holding Company Act of 1956 for more than 1 year;

"(III) buys and sells securities for investment purposes for the bank or for accounts for which the bank acts as a trustee or fiduciary; or

"(IV) engages in the issuance or sale through a grantor trust or otherwise of securities backed by or representing an interest in obligations (other than securities of which the bank is not the issuer) originated or purchased by the bank, its affiliates, or its subsidiaries, and the bank has not been affiliated with a securities affiliate under section 10 of the Bank Holding Company Act of 1956 for more than 1 year.".

SEC. 733. POWER TO EXEMPT FROM THE DEFINITIONS OF BROKER AND DEALER.

Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c) is amended by adding at the end the following:

"(e) EXEMPTION FROM DEFINITION OF BROKER OR DEALER.—The Commission, by regulation or order, upon its own motion or upon application, may conditionally or unconditionally exclude any person or class of persons from the definitions of 'broker' or 'dealer', if the Commission finds that such exclusion is consistent with the public interest, the protection of investors, and the purposes of this title.".

SEC. 734. EFFECTIVE DATE.

This subtitle shall become effective 270 days after the date of enactment of this Act.

Subtitle C—Bank Investment Company Activities

SEC. 741. CUSTODY OF INVESTMENT COMPANY ASSETS BY AFFILIATED BANK.

(a) MANAGEMENT COMPANIES.—Section 17(f) of the Investment Company Act of 1940 (15 U.S.C. 80a–17(f)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by designating the five sentences of such subsection as paragraphs (1) through (5), respectively, and by indenting those paragraphs appropriately; and

(3) by adding at the end the following new paragraph:

"(6) Notwithstanding paragraph (1)(A), if a bank described in paragraph (1) or an affiliated person of such bank is an affiliated person, promoter, organizer, or sponsor of, or principal underwriter for the registered company, such bank may only serve as custodian under this subsection in accordance with such rules, regulations, or orders as the Commission may prescribe, consistent with the protection of investors, after consulting in writing with the appropriate Federal banking agency, as defined in section 3 of the Federal Deposit Insurance Act.".

(b) UNIT INVESTMENT TRUSTS.—Section 26(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a–26(a)(1)) is amended by inserting after "bank" the following: "not affiliated with such underwriter or depositor, or if such bank is so affiliated, only in accordance with such regulations or orders as the Commission may prescribe, consistent with the protection of investors, after consulting in writing with the appropriate Federal banking agency, as defined in section 3 of the Federal Deposit Insurance Act".

(c) FIDUCIARY DUTY OF CUSTODIAN.—Section 36(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–35(a)) is amended—

(1) in paragraph (1), by striking "or" at the end;

(2) in paragraph (2), by striking the period at the end and inserting "; or"; and

(3) by inserting after paragraph (2) the following:

"(3) as custodian.".

SEC. 742. AFFILIATED TRANSACTIONS.

(a) INDEBTEDNESS TO AFFILIATED PERSON.—Section 10(f) of the Investment Company Act of 1940 (15 U.S.C. 80a–10(f)) is amended in the first sentence—

(1) by inserting "(1)" before "a principal underwriter"; and

(2) by inserting before the period ", or (2) the proceeds of which will be used to retire an indebtedness owed to an affiliated person of such registered company".

(b) AFFILIATED PERSON OF INVESTMENT COMPANY.—Section 10(f) of the Investment Company Act of 1940 is amended by adding at the end the following: "For purposes of this subsection, a person that is under common control with an investment adviser shall be deemed to be an affiliated person of the registered investment company advised by such investment adviser.

SEC. 743. BORROWING FROM AN AFFILIATED BANK.

Section 18(f) of the Investment Company Act of 1940 (15 U.S.C. 80a–18(f)) is amended by adding at the end the following:

"(3) Notwithstanding the provisions of paragraph (1), it shall be unlawful for any registered investment company to borrow from any bank if such bank or any affiliated person thereof is an affiliated person, promoter, organizer, or sponsor of, or principal underwriter for, such company, except that the Commission may, by rule, regulation, or order, permit such borrowing that the Commission finds to be in the public interest and consistent with the protection of investors.".

SEC. 744. INDEPENDENT DIRECTORS.

(a) INTERESTED PERSON.—Section 2(a)(19)(A)(v) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(19)(A)(v)) is amended by striking "1934 or any affiliated person of such a broker or dealer, and" and inserting "1934 or any person that, at any time during the preceding 6 months, has acted as custodian or transfer agent or has executed any portfolio transactions for, engaged in any principal transactions with, or loaned money to, the investment company, or any other investment company having the same investment adviser, principal underwriter, sponsor, or promoter, or any affiliated person of such a broker, dealer, or person, and".

(b) AFFILIATION OF DIRECTORS.—Section 10(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–10(c)) is amended by striking "bank, except" and inserting "bank (and its subsidiaries) or any one bank holding company (and its affiliates and subsidiaries), as those terms are defined in the Bank Holding Company Act of 1956, except".

(c) EFFECTIVE DATE.—The provisions of subsection (a) of this section shall become effective 1 year after the date of enactment of this subtitle.

SEC. 745. ADDITIONAL SEC DISCLOSURE AUTHORITY.

(a) MISREPRESENTATION.—Section 35(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–34(a)) is amended to read as follows:

"SEC. 35. MISREPRESENTATIONS.

"(a) MISREPRESENTATION OF GUARANTEES.—

"(1) IN GENERAL.—It shall be unlawful for any person, in issuing or selling any security of which a registered investment company is the issuer, to represent or imply in any manner whatsoever that such security or company—

"(A) has been guaranteed, sponsored, recommended, or approved by the United States or any agency or officer thereof;

"(B) has been insured by the Federal Deposit Insurance Corporation; or

"(C) is guaranteed by or is otherwise an obligation of any bank or insured institution.

"(2) DISCLOSURES.—The Commission shall require the person issuing or selling the securities of a registered investment company to prominently disclose, in writing or orally, as appropriate, that the investment company or any security issued by it is not insured by the Federal Deposit Insurance Corporation and is not guaranteed by an affiliated bank or insured institution, and is not otherwise an obligation of such a bank or insured institution, in any case where—

"(A) a bank holding company, bank, or separately identifiable division or department of a bank, or any affiliate or subsidiary thereof is an investment adviser, organizer, sponsor, promoter, principal underwriter, or an affiliated person of the investment company; or

"(B) a bank or an affiliated person of a bank is offering or selling securities of the investment company.

The requirement of any disclosures referred to above shall be subject to regulations adopted by the Commission, after consultation with the appropriate Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act).".

(b) DECEPTIVE USE OF NAMES.—Section 35(d) of the Investment Company Act of 1940 (15 U.S.C. 80a–34(d)) is amended by inserting after the first sentence the following: "It shall be deceptive and misleading for any registered investment company which has an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act) or any affiliated person thereof as an affiliated person, promoter, or principal underwriter, to adopt, as part of the name, title, or logo of such company, or of any security of which it is the issuer, any word or design which is the same as or similar to, or a variation of, the name, title, or logo of such insured depository institution or affiliate thereof. The Commission, by rules or regulations upon its own motion or by order upon application, may conditionally or unconditionally exempt an investment company from the preceding sentence if the Commission finds that such exemption is consistent with the public interest, the protection of investors, and the purposes of this title.".

SEC. 746. DEFINITION OF BROKER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(6) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(6)) is amended to read as follows:

"(6) 'Broker' has the same meaning as in the Securities Exchange Act of 1934, except that it does not include any person solely by reason of the fact that such person is an underwriter for 1 or more investment companies.".

SEC. 747. DEFINITION OF DEALER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(11)) is amended to read as follows:

"(11) 'Dealer' has the same meaning as in the Securities Exchange Act of 1934, but does not include an insurance company or investment company.".

SEC. 748. REMOVAL OF THE EXCLUSION FROM THE DEFINITION OF INVESTMENT ADVISER FOR BANKS THAT ADVISE INVESTMENT COMPANIES.

(a) INVESTMENT ADVISER.—Section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)(11)) is amended in subparagraph (A), by striking "investment company" and inserting "investment company, except that the term 'investment adviser' includes any bank or bank holding company to the extent that such bank or bank holding company acts as an investment adviser to a registered investment company, or if, in the case of a bank, such services are performed through a separately identifiable department or division, the department or division, and not the bank itself shall be deemed to be the 'investment adviser'"; and

(b) SEPARATELY IDENTIFIABLE DEPARTMENT OR DIVISION.—Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)) is amended by adding at the end the following:

"(25) 'Separately identifiable department or division' of a bank means a unit—

"(A) that is under the direct supervision of an officer or officers designated by the board of directors of the bank as responsible for the day-to-

day conduct of the bank's investment adviser activities for 1 or more investment companies, including the supervision of all bank employees engaged in the performance of such activities; and

"(B) for which all of the records relating to its investment adviser activities, are separately maintained in or extractable from such unit's own facilities or the facilities of the bank, and such records are so maintained or otherwise accessible as to permit independent examination and enforcement of this Act and rules and regulations promulgated under this Act.".

SEC. 749. DEFINITION OF BROKER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(3) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(3)) is amended to read as follows:

"(3) 'Broker' has the same meaning as in the Securities Exchange Act of 1934.".

SEC. 750. DEFINITION OF DEALER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(7) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(7)) is amended to read as follows:

"(7) 'Dealer' has the same meaning as in the Securities Exchange Act of 1934, but does not include an insurance company or investment company.".

SEC. 751. INTERAGENCY NOTIFICATION AND CONSULTATION.

The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) is amended by inserting after section 210 the following new section:

"SEC. 210A. NOTIFICATION AND CONSULTATION.

"(a) IN GENERAL.—

"(1) NOTICE.—Prior to the examination of, the entry of an order of investigation of, or the commencement of any disciplinary or law enforcement proceedings against, any bank holding company, bank, or department or division of a bank that is a registered investment adviser, the Commission shall give notice to the appropriate Federal banking agency, of the identity of such bank holding company, bank, or department or division and the nature of such proposed action.

"(2) EXTENSION.—If the Commission determines that the protection of investors requires immediate action by the Commission and prior notice under paragraph (1) is not practical under the circumstances, the appropriate Federal banking agency shall be notified as promptly as possible after action by the Commission.

"(b) EXAMINATION RESULTS.—The Commission and the appropriate Federal banking agency shall exchange the results of any examination of any bank holding company, bank, or department or division of a bank that is a registered investment adviser, to the extent necessary for the Commission or agency to carry out its statutory responsibilities.

"(c) EFFECT ON OTHER AUTHORITY.—Nothing herein shall limit in any respect the authority of the appropriate Federal banking agency with respect to such bank holding company, bank, or department or division under any provision of law.

"(d) DEFINITION.—For purposes of this section, the term 'appropriate Federal banking agency' shall have the same meaning as in section 3 of the Federal Deposit Insurance Act.".

SEC. 752. TREATMENT OF BANK COMMON TRUST FUNDS.

(a) SECURITIES ACT OF 1933.—Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended by striking "or any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by a bank in its capacity as trustee, executor, administrator, or guardian" and inserting "or any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940".

(b) SECURITIES EXCHANGE ACT OF 1934.—Section 3(a)(12)(A)(iii) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)(A)(iii)) is amended to read as follows:

"(iii) any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940.".

(c) INVESTMENT COMPANY ACT OF 1940.—Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(3)) is amended by inserting before the period the following: ", if—

"(A) such fund is employed by the bank solely as an aid to the administration of trusts, estates, or other accounts created and maintained for a fiduciary purpose; and

"(B) except in connection with the ordinary advertising of the bank's fiduciary services, interests in such fund are not—

"(i) advertised; or

"(ii) offered for sale to the general public.".

(d) TAX EFFECT.—It is the sense of the Congress that the public interest would be furthered by enacting legislation to amend section 584 of the Internal Revenue Code of 1986 by inserting after subsection (g) the following new subsection:

"(h) CONVERSION, MERGERS, OR REORGANIZATION OF COMMON TRUST FUNDS.—Notwithstanding any other provision of the Internal Revenue Code, any transfer of all or substantially all of the assets of a common trust fund taxable under this section to a registered investment company taxable under subchapter M shall not result in a gain or loss to the participants in such common trust fund where the transfer is a result of a merger, conversion, reorganization, transfer, or other similar transaction or series of transactions.".

SEC. 753. SECURITIES AND EXCHANGE COMMISSION STUDY AND REPORT ON BANK AND INSURANCE POOLED INVESTMENT VEHICLES.

(a) IN GENERAL.—The Securities and Exchange Commission, in consultation with the Secretary of Labor and the Office of the Comptroller of the Currency, shall examine—

(1) the appropriate treatment of bank collective investment funds and separate accounts under the securities laws and the Employee Retirement Income Security Act; and

(2) the appropriate treatment of common trust funds under the securities laws.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Securities and Exchange Commission shall transmit to the Congress a final report which shall contain a detailed statement of findings and conclusions, including recommendations for such administrative and legislative action as the Commission deems advisable.

SEC. 754. INVESTMENT ADVISERS PROHIBITED FROM HAVING CONTROLLING INTEREST IN REGISTERED INVESTMENT COMPANY.

Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a-15) is amended by adding at the end the following new subsection:

"(g) CONTROLLING INTEREST IN INVESTMENT COMPANY PROHIBITED.—

"(1) IN GENERAL.—If any investment adviser to a registered investment company, or an affiliated person of that investment adviser, also holds shares of the investment company in a trustee or fiduciary capacity, that investment adviser or affiliated person may own, directly or indirectly, a controlling interest in that registered investment company only—

"(A) if it passes the power to vote the shares of the investment company through to—

"(i) the beneficial owners of the shares;

"(ii) any person acting in a fiduciary capacity who is not an affiliated person of that investment adviser or any affiliated person thereof; or

"(iii) any person authorized to receive statements and information with respect to the trust who is not an affiliated person of that investment adviser or any affiliated person thereof;

"(B) if it votes the shares of the investment company held by it in the same proportion as shares held by all other shareholders of the investment company; or

"(C) as otherwise permitted under such rules, regulations, or orders as the Commission may prescribe for the protection of investors.

"(2) EXEMPTION.—Paragraph (1) shall not apply to any investment adviser to a registered investment company, or an affiliated person of that investment adviser, holding shares of the investment company in a trustee or fiduciary capacity if that registered investment company consists solely of assets of—

"(A) any common trust fund or similar fund described in section 3(c)(3) of the Investment Company Act of 1940;

"(B) any employees' stock bonus, pension, or profit-sharing trust that qualifies under section 401 of the Internal Revenue Code of 1986;

"(C) any governmental plan described in section 3(a)(2)(C) of the Securities Act of 1933; or

"(D) any collective trust fund maintained by a bank and consisting solely of assets of trusts or governmental plans described in subparagraph (B) or (C).".

SEC. 755. PURCHASE OF INVESTMENT COMPANY SECURITIES AS FIDUCIARY.

(a) IN GENERAL.—Section 17 of the Investment Company Act of 1940 (15 U.S.C. 80a-17) is amended by adding at the end the following:

"(k) PURCHASE OF INVESTMENT COMPANY SECURITIES AS FIDUCIARY.—

"(1) IN GENERAL.—An investment adviser to a registered investment company, or an affiliated person of the investment adviser, promoter, organizer, or sponsor of the registered investment company, or principal underwriter for the registered company may purchase securities issued by such investment company for the account of a beneficiary as fiduciary, only if the beneficiary of the fiduciary account has received disclosure of such information as the Commission shall prescribe under paragraph (2).

"(2) DISCLOSURE RULES.—The Commission shall prescribe, by rule, regulation, or order, the manner, form, and content of the information required to be disclosed under paragraph (1), as the Commission determines necessary or appropriate in the public interest and for the protection of investors.".

(b) EXAMINATION OF TRUST DEPARTMENT SECURITIES PURCHASES.—Section 10(d) of the Federal Deposit Insurance Act (12 U.S.C. 1820(d)), as added by section 204, is amended by adding at the end the following:

"(5) TRUST DEPARTMENT EXAMINATION.—In performing an examination under this subsection, the appropriate Federal banking agency shall examine purchases by an insured depository institution's trust department or division of the securities of an affiliated investment company, or an investment company that is an affiliated person of an affiliated person of the institution (as those terms are defined in sections 2 and 3 of the Investment Company Act of 1940), to assure compliance with applicable Federal and State trust laws.".

SEC. 756. CONFORMING CHANGE IN DEFINITION.

Section 2(a)(5) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(5)) is amended by striking "(A) a banking organization organized under the laws of the United States" and inserting "(A) a depository institution, as that term is defined in section 3 of the Federal Deposit Insurance Act".

SEC. 757. EFFECTIVE DATE.

This subtitle shall become effective 270 days after the date of enactment of this Act, except that section 753 shall become effective on such date of enactment.

Subtitle D—Depositor Protection and Anti-Fraud

SEC. 761. SHORT TITLE.

This subtitle may be cited as the "Depositor Protection and Anti-Fraud Act of 1991".

SEC. 762. LIMITATIONS ON CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF FDIC-INSURED DEPOSITORY INSTITUTIONS.

(a) IN GENERAL.—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following new subsection:

"(h) REGULATION OF CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF INSURED DEPOSITORY INSTITUTIONS.—

"(1) PROHIBITION ON SELLING CERTAIN INSTRUMENTS.—No financial institution may permit any evidence of indebtedness of, or ownership interest in, that institution or any affiliate to be sold or offered for sale in any of the following:

"(A) A domestic branch of that institution at which insured deposits are accepted.

"(B) That institution's head office, if it accepts insured deposits and is located in the United States.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to any of the following:

"(A) A deposit in a financial institution.

"(B) A means of payment to a third party, such as a traveler's check, cashier's check, teller's check, or money order, or other similar negotiable instrument typically sold by financial institutions in the ordinary course of business.

"(C) An interest in an investment company registered under the Investment Company Act of 1940.

"(D) A sale of instruments in large dollar amounts to a sophisticated investor.

"(E) A sale of instruments pursuant to converting a financial institution from mutual to stock ownership if that conversion has been approved by the appropriate Federal banking agency and, where applicable, any appropriate State agency.

"(3) REGULATORY EXEMPTIONS.—The Commission may by regulation provide exemptions from paragraph (1) if it finds at a minimum—

"(A) the exemption is in the public interest;

"(B) the purchasers would not be likely to confuse the evidence of indebtedness or ownership interest with an insured deposit because of the manner in which it is sold or offered for sale, or for any other reason; and

"(C) sales of the evidence of indebtedness or ownership interest would be subject to the sales practices rules or standards of self-regulatory organization.".

(b) REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Commission shall promulgate final regulations to administer and carry out the amendment made by this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective immediately upon the effective date of final regulations promulgated by the Commission under subsection (b), but in no event later than 270 days after the date of enactment of this Act.

SEC. 763. LIMITATIONS ON CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF FEDERALLY INSURED CREDIT UNIONS.

(a) IN GENERAL.—Section 205 of the Federal Credit Union Act (12 U.S.C. 1785) is amended by adding at the end the following new subsection:

"(j) REGULATION OF CERTAIN NONDEPOSIT MARKETING ACTIVITIES IN RETAIL BRANCHES OF INSURED CREDIT UNIONS.—

"(1) PROHIBITION ON SELLING CERTAIN INSTRUMENTS.—No insured credit union may permit any evidence of indebtedness of that credit union or any evidence of indebtedness of, or ownership interest in, any affiliate of that credit union to be sold or offered for sale in any of the following:

"(A) A domestic branch of that credit union at which insured shares are accepted.

"(B) That credit union's head office, if it accepts insured deposits and is located in the United States.

"(2) EXCEPTIONS.—Paragraph (1) shall not apply with respect to any of the following:

"(A) An insured share in an insured credit union.

"(B) A means of payment to a third party, such as a traveler's check, cashier's check, teller's check, or money order, or other similar negotiable instrument typically sold by federally insured depository institutions in the ordinary course of business.

"(C) An interest in an investment company registered under the Investment Company Act of 1940.

"(D) A sale of instruments in large dollar amounts to a sophisticated investor.

"(3) REGULATORY EXEMPTIONS.—The Board shall by regulation provide exemptions from paragraph (1) if it finds at a minimum:

"(A) the exemption is in the public interest;

"(B) the purchasers would not be likely to confuse the evidence of indebtedness or ownership interest with an insured share because of the manner in which it is sold or offered for sale, or for any other reason;

"(C) the evidence of indebtedness or ownership interest would be sold or offered for sale on terms (including price) no less favorable for shareholders than for persons similarly situated who are not shareholders;

"(D) the seller or offeror institutes and follows procedures to determine before selling or offering to sell the instrument whether the instrument is appropriate for the purchaser;

"(E) no broker or a dealer registered under the Securities Exchange Act of 1934 (or any associated person) receives a greater commission in connection with a sale described in paragraph (1) than for a sale not described in paragraph (1) of like kind or similar principal amount; and

"(F) none of the following persons (other than a broker or dealer registered under the Securities Exchange Act of 1934, or an associated person) receives what is in substance a sales commission which is greater than the amount typical for the industry or that exceeds the amount that could have been received by a person subject to subparagraph (E) in connection with the sale or offer to sell described in paragraph (1):

"(i) The insured credit union.

"(ii) An affiliate of the insured credit union.

"(iii) An employee of the insured credit union or any of its affiliates, or any person under the direction or control of the insured credit union or any of its affiliates.

"(4) AFFILIATE DEFINED.—For the purposes of this subsection, the term 'affiliate' means any company that controls, is controlled by, or is under common control with another company.

"(5) ANNUAL REPORTS REQUIRED.—The Board shall report annually to the Chairman and the ranking minority member of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and the ranking minority member of the Committee on Banking, Finance and Urban Affairs of the House of Representatives on any differences between the Board's regulations under this subsection and the regulations adopted by the Securities and Exchange Commission under section 15(f) of the Securities Exchange Act of 1934. The report shall explain the reasons for any such differences, and shall be published in the Federal Register.

"(6) EFFECT ON SEC AUTHORITY.—Nothing contained in this subsection supersedes or limits the jurisdiction or authority conferred on the Securities and Exchange Commission, and no exemption from the provisions of this subsection shall affect the applicability of any of the securities laws, as that term is defined in section 3(a)(47) of the Securities Exchange Act, or the rules and regulations thereunder.".

(b) REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the National Credit Union Administration Board shall promulgate final regulations to administer and carry out the purposes of this section.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective immediately upon the effective date of final regulations promulgated under subsection (b), but in no event later than 270 days after the date of enactment of this Act.

Subtitle E—Insurance Activities

SEC. 771. INSURANCE AGENCY ACTIVITIES OF NATIONAL BANKS.

(a) CONFORMING NATIONAL BANK INSURANCE AGENCY POWERS TO STATE LAW.—Except as otherwise provided in subsection (b), in each State in which a national bank or any of its branches is located, the bank may, as agent, solicit and sell insurance to and collect premiums from residents of the State and individuals employed in the State, to the extent (but only to the extent) that the State permits banks chartered under the laws of the State to engage in those activities in that State.

(b) INSURANCE AGENCY POWERS OF NATIONAL BANKS LOCATED IN RURAL AREAS.—

(1) IN GENERAL.—A national bank may, in any place with a population not exceeding 5,000 (as shown by the preceding decennial census) in which the bank or any of its branches is located, solicit and sell insurance to and collect premiums from residents of the place and individuals employed in the place and other such places within the State.

(2) GUARANTEES PROHIBITED.—In exercising the powers granted by paragraph (1), a national bank shall not—

(A) assume or guarantee the payment of any premium on insurance policies issued through the bank's agency by the insurance company for which the bank is acting as agent; or

(B) guarantee the truth of any statement made by an assured in filing that person's application for insurance.

(c) RESIDENT COMPANIES.—For purposes of this section, the term "residents of the State" includes—

(1) companies incorporated in, or organized under the laws of, the State;

(2) companies licensed to do business in the State; and

(3) companies having an office in the State.

(d) STATE DEFINED.—For purposes of this section, the term "State" has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(e) CONFORMING AMENDMENT.—Chapter 461 of the Act of September 7, 1916 (39 Stat. 753; 12 U.S.C. 92 note), as amended, is further amended by striking "That in addition to the powers now vested by law in national banking associations" and all that follows through "filing his application for insurance.".

(f) EFFECTIVE DATE.—This section shall take effect 120 days after the date of enactment of this Act.

SEC. 772. INSURANCE UNDERWRITING IN BANK RESTRICTED.

(a) IN GENERAL.—Section 24 of the Federal Deposit Insurance Act (as added by section 211(a) of this Act) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

"(f) INSURANCE UNDERWRITING.—

"(1) IN GENERAL.—An insured State bank shall not, directly or indirectly, provide insur-

ance as principal except to the extent permissible for a national bank.

"(2) EXCEPTIONS.—

"(A) IN GENERAL.—An insured State bank or subsidiary of such a bank that was lawfully providing insurance as principal in that State on July 15, 1991, may continue to provide, as principal, insurance of the same type to residents of the State (including residents described in subparagraph (B), but only on behalf of their employees resident in the State), individuals employed in the State, and any other person to whom the bank or subsidiary has provided insurance as principal, without interruption, since such person resided in or was employed in such State.

"(B) RESIDENT COMPANIES.—For purposes of subparagraph (A), the term 'residents of the State' includes—

"(i) companies incorporated in, or organized under the laws of, the State;

"(ii) companies licensed to do business in the State; and

"(iii) companies having an office in the State.

"(C) TITLE INSURANCE.—An insured State bank that was providing title insurance as principal through a subsidiary on or before July 1, 1991 may continue to provide such insurance through a subsidiary if the bank was required to be empowered to provide title insurance as a condition of its initial chartering under State law.".

(b) EFFECTIVE DATE; TRANSITION RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall take effect 90 days after the date of enactment of this Act.

(2) TRANSITION RULE.—An insured State bank or subsidiary of an insured State bank that, as of the date of enactment of this Act, was lawfully engaged in any activity prohibited by the amendment made by this section may continue to engage in that activity during the period ending 1 year after that date of enactment.

SEC. 773. CUSTOMER PROTECTION.

(a) CONFIDENTIAL CUSTOMER INFORMATION.—

(1) IN GENERAL.—No bank holding company or subsidiary of a bank holding company may use, directly or indirectly, any confidential customer information for the purpose of engaging in any insurance activity without the prior written consent of the customer.

(2) DEFINITION.—For the purposes of this subsection, the term "confidential customer information" means information that is proprietary to a bank and—

(A) includes an evaluation of creditworthiness; demographic information concerning the customer and the customer's family; the type or amount of any loans outstanding; the amount of money held on deposit with an insured depository institution; and the expiration date, coverage, and history of any policy of insurance; but

(B) does not include the name or address of any customer.

(b) FAVORING CAPTIVE AGENTS.—

(1) IN GENERAL.—No bank holding company or subsidiary of a bank holding company may directly or indirectly—

(A) require, as a condition of providing any product or service to any customer, or any renewal of any contract for providing such product or service, that the customer acquire, finance, or negotiate any policy or contract of insurance through a particular insurer, agent, or broker; or

(B) solicit the sale of any insurance required under the terms of any proposed loan or extension of credit from the bank holding company or subsidiary to a customer before the customer has received a written commitment with respect to such loan or extension of credit.

(2) EXCEPTION FOR INSURANCE REQUIRED FOR CREDIT AGREEMENT.—Nothing in this subsection shall prevent a bank holding company or subsidiary from placing insurance on real or personal property if a customer has failed to provide reasonable evidence of required insurance in accordance with the terms of a loan or credit document.

SEC. 774. INTERSTATE INSURANCE AGENCY ACTIVITIES.

Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following:

"(l) INTERSTATE INSURANCE AGENCY ACTIVITIES.—

"(1) IN GENERAL.—No bank holding company may permit any subsidiary bank, or any subsidiary of that bank, to sell insurance as an agent or broker beyond the borders of the State in which the subsidiary bank is chartered unless the statutory laws of the nonchartering State expressly authorize such insurance activities in that State, by language to that effect and not merely by implication.

"(2) CONTINUATION OF CERTAIN ACTIVITIES.—A bank holding company may permit any subsidiary bank, or any subsidiary of that bank, to continue to sell insurance as an agent or broker beyond the borders of the State in which the subsidiary bank is chartered—

"(A) if that insurance insures against the same types of risks as, or is otherwise functionally equivalent to, insurance that the bank or subsidiary was lawfully selling, as agent or broker, on June 1, 1991; and

"(B) subject to the regulation and control of the State in which the insurance is sold.".

TITLE VIII—THRIFT-TO-BANK CONVERSIONS

SEC. 801. SHORT TITLE.

This title may be cited as the "Thrift-To-Bank Conversion Act of 1991".

SEC. 802. STREAMLINING CONVERSION PROCEDURES.

(a) AMENDMENT TO THE NATIONAL BANK ACT.—Section 5154 of the Revised Statutes (12 U.S.C. 35) is amended to read as follows:

"SEC. 5154. ORGANIZATION OF SAVINGS ASSOCIATIONS OR STATE BANKS AS NATIONAL BANKS.

"(a) CONVERSION AUTHORITY.—A savings association or State bank, as defined in section 3 of the Federal Deposit Insurance Act, including a bank or savings association owned in mutual form, may be converted into a national bank if—

"(1) the institution has capital sufficient to entitle it to become a national bank under applicable provisions of law; and

"(2) such conversion—

"(A) is approved by the vote of not less than 51 percent of the total outstanding votes of the institution's shareholders or members;

"(B) would not be in contravention of any applicable Federal or State law; and

"(C) is approved by the Comptroller of the Currency (hereafter in this section referred to as the 'Comptroller').

"(b) POST-CONVERSION RIGHTS, DUTIES, AND AUTHORITIES.—After the conversion of a depository institution into a national bank in accordance with subsection (a)—

"(1) the directors of the depository institution may continue to be directors of the national bank until others are elected or appointed in accordance with applicable Federal law;

"(2) the directors of the institution may execute the articles of association and organization certificate by a majority of the directors of the depository institution, and such certificate shall declare that the owners of 51 percent of the capital stock or 51 percent of the total outstanding votes, as the case may be, have authorized the directors to make such certificate and to convert the depository institution into a national bank; and

"(3) a majority of the directors, after executing the articles of association and the organization certificate, shall have power to execute all other papers and to do whatever may be required to make its organization perfect and complete as a national bank.

"(c) SHARE AMOUNTS AFTER CONVERSION.—The shares of a depository institution that converts to a national bank in accordance with this section may continue to be for the same amount each as they were before the conversion.

"(d) STOCKHOLDER AND EMPLOYEE RIGHTS.—When the Commission has given to a converting depository institution a certificate that the provisions of this title have been complied with, the converted depository institution, and all of its stockholders, officers, and employees shall have the same powers and privileges, and shall be subject to the same duties, liabilities, and regulations, in all respects, as have been prescribed under Federal law for institutions originally organized as national banks.

"(e) RETENTION OF ASSETS.—The Commission may, in its discretion and subject to such conditions as it may prescribe, permit a depository institution that converts to a national bank under this section to retain and carry, at a value determined by the Commission, such of the assets of the converting depository institution that do not conform to the legal requirements relative to assets acquired and held by national banks.

"(f) INCLUSION OF 'NATIONAL' IN INSTITUTION'S NAME.—The name of an institution resulting from a conversion under this section shall include the word 'national'.".

(b) AMENDMENT TO THE HOME OWNERS' LOAN ACT.—Section 5(i) of the Home Owners' Loan Act (12 U.S.C. 1464(i)) is amended—

(1) by redesignating paragraph (4) as paragraph (8); and

(2) by inserting after paragraph (3) the following new paragraphs:

"(4) CONVERSION OF FEDERAL OR STATE SAVINGS ASSOCIATION TO NATIONAL BANK.—

"(A) IN GENERAL.—A Federal savings association or a State savings association may convert into a national bank if such conversion—

"(i) is agreed to by a vote of members or security holders, in person or by proxy, at a special meeting called to consider such action, as specified by section 5154 of the Revised Statutes; and

"(ii) complies in all other respects with the requirements of section 5154 of the Revised Statutes and any regulations issued thereunder.

"(B) NOTICE.—Notice of the meeting referred to in subparagraph (A)(i) shall be given in accordance with paragraph (3)(A)(iii).

"(C) EFFECTIVE DATE.—A conversion under this paragraph shall be effective on the date that all the provisions of this Act and section5154 of the Revised Statutes are fully complied with, and upon the issuance of a certificate of authority to commence banking by the Comptroller of the Currency in accordance with section 5169 of the Revised Statutes.

"(D) REGULATORY AUTHORITY.—The Comptroller of the Currency may prescribe such rules or regulations applicable to a national bank that results from the conversion of a Federal savings association or a State savings association under this paragraph, including any requirement that the resulting national bank assume and maintain any liquidation account obligations of the converting institution, that the Comptroller of the Currency determines to be appropriate.

"(E) APPROVAL REQUIREMENTS.—

"(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), no approval is required under this section for the conversion of any savings association into a national bank, other than the approval of the Comptroller of the Currency, as prescribed by section 5154 of the Revised Statutes.

"(ii) EXCEPTION.—If a mutual savings association converts into a national bank, approval by the Comptroller of the Currency shall be required for that aspect of the conversion which relates to the conversion of the institution to the stock form of ownership.

"(iii) STATE SAVINGS ASSOCIATION CONVERSIONS.—Approval of a State savings association conversion to a national bank under this paragraph, shall be subject to any applicable laws of the State in which the home office of the State savings association is located.

"(5) CONVERSION OF FEDERAL SAVINGS ASSOCIATION TO STATE BANK.—

"(A) IN GENERAL.—A Federal savings association may convert into a State bank organized pursuant to the laws of the State in which the home office of such Federal savings association is located if—

"(i) the State permits the conversion of a Federal savings association into a State bank; and

"(ii) such conversion—

"(I) is determined upon the vote in favor of such conversion cast in person or by proxy at a special meeting of members or stockholders called to consider such action, as specified by the law of the State in which the home office of the Federal savings association is located, and

"(II) complies in all other respects with the requirements of such State law for the conversion of a Federal savings association into a State bank.

"(B) NOTICE.—Notice of the meeting referred to in subparagraph (A)(i) shall be given in accordance with paragraph (3)(A)(iii).

"(C) EFFECTIVE DATE.—A conversion under this paragraph shall be effective upon the date that all the provisions of this Act shall have been fully complied with, and upon the issuance of a new charter by the State in which the savings association is located.

"(D) REGULATORY AUTHORITY.—The appropriate State regulatory authority may prescribe such rules or regulations applicable to a bank that results from the conversion of a Federal savings association, including any requirement that the resulting bank assume and maintain any liquidation account obligations of the converting institution, that such regulatory authority determines to be appropriate.

"(E) APPROVAL REQUIREMENTS.—

"(i) IN GENERAL.—Except as provided in clause (ii), no approval shall be required for the conversion of any Federal savings association into a State bank other than the approval of the appropriate State regulatory authority of the State in which the home office of the Federal savings association is located.

"(ii) EXCEPTION.—If a Federal mutual savings association converts into a State bank, approval by the Office of Thrift Supervision shall be required for that aspect of the conversion which relates to the conversion of the institution to the stock form of ownership.

"(6) CONVERSIONS BY STATE SAVINGS ASSOCIATIONS TO STATE BANKS.—

"(A) NO APPROVAL FOR CONVERSION.—Except as provided in subparagraph (B), no approval shall be required under this subsection for the conversion of a State savings association, as defined in section 3(b)(3) of the Federal Deposit Insurance Act, into a State bank other than the approval of the appropriate State regulatory authority of the State in which the home office of the State savings association is located.

"(B) CONVERSION TO STOCK FORM OF OWNERSHIP.—If a State mutual savings association converts to a State bank under this paragraph, approval by the Comptroller of the Currency shall be required for that aspect of the conversion which relates to the conversion of the institution to the stock form of ownership.

"(7) DEFINITION OF STATE BANK.—For purposes of paragraphs (5) and (6), the term 'State bank' shall have the same meaning as in section 3(a)(2) of the Federal Deposit Insurance Act, exclusive of a savings bank.".

SEC. 803. RETENTION OF EXISTING IN-STATE BRANCHES BY SAVINGS ASSOCIATIONS THAT CONVERT TO NATIONAL BANKS.

Section 5155(b) of the Revised Statutes (12 U.S.C. 36(b)) is amended—

(1) by redesignating paragraph (2) as paragraph (4); and

(2) by inserting after paragraph (1) the following:

"(2) A national bank resulting from the conversion of a Federal or State savings association (as such terms are defined in section 3 of the Federal Deposit Insurance Act) may retain and operate as a branch any office that was a branch of the savings association immediately prior to conversion if such office—

"(A) is located in the same State in which the national bank has its main office; and

"(B) was lawfully and continuously operated by the savings association as a branch for a period of not less than 2 years prior to such conversion.

"(3) Notwithstanding paragraph (2), a national bank resulting from the conversion of a Federal or State savings association that was, prior to such conversion, a subsidiary of a bank holding company (as defined in section 2 of the Bank Holding Company Act of 1956), may not retain and operate as a branch any office that would otherwise not be permitted for a national bank.".

SEC. 804. NO RECAPTURE OF THRIFT RESERVES ON CONVERSION.

(a) IN GENERAL.—It is the sense of the Congress that it would be in the public interest to enact legislation as follows: Notwithstanding any other provision of law to the contrary, a domestic building and loan association, mutual savings bank, or cooperative bank to which section 593 of the Internal Revenue Code of 1986 applies which becomes a bank within the meaning of section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) and continues to meet the requirements of section 7701(a)(19)(C) of the Internal Revenue Code of 1986 shall not be required to treat as income for Federal income tax purposes any amounts previously deducted by such institutions under section 593 of such Code because it ceases to meet any other requirement of section 7701(a)(19) of such Code.

(b) CONFORMING TAX LEGISLATION.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Treasury shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, a draft of amendments to the Internal Revenue Code of 1986 necessary to reflect the provisions of subsection (a).

TITLE IX—FINANCIAL INSTITUTIONS ENFORCEMENT IMPROVEMENTS ACT

SEC. 901. SHORT TITLE.

This title may be cited as the "Financial Institutions Enforcement Improvements Act".

Subtitle A—Termination of Charters, Insurance, and Offices

SEC. 911. REVOKING CHARTER OF FEDERAL DEPOSITORY INSTITUTIONS CONVICTED OF MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.

(a) NATIONAL BANKS.—Section 5239 of the Revised Statutes (12 U.S.C. 93) is amended by adding at the end the following:

"(c) FORFEITURE OF FRANCHISE FOR MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.—

"(1) IN GENERAL.—

"(A)(i) CONVICTION OF TITLE 18 OFFENSES.—If a national bank has been convicted of any criminal offense described in section 1956 or 1957 of title 18, United States Code, the Attorney General shall provide to the Office of the Comptroller of the Currency a written notification of the conviction and shall include a certified copy of the order of conviction from the court rendering the decision.

"(ii) NOTICE OF TERMINATION; PRETERMINATION HEARING.—After receiving written notification from the Attorney General of such a conviction, the Office of the Comptroller of the Currency shall issue to the national bank a notice of the Comptroller's intention to terminate all rights, privileges, and franchises of the bank and schedule a pretermination hearing.

"(B) CONVICTION OF TITLE 31 OFFENSES.—If a national bank is convicted of any offense punishable under section 5322 of title 31, United States Code, after receiving written notification from the Attorney General, the Office of the Comptroller of the Currency may issue to the national bank a notice of the Comptroller's intention to terminate all rights, privileges, and franchises of the bank and schedule a pretermination hearing.

"(C) JUDICIAL REVIEW.—Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.

"(2) FACTORS TO BE CONSIDERED.—In determining whether a franchise shall be forfeited under paragraph (1), the Comptroller of the Currency shall consider—

"(A) the degree to which senior management officials knew of, or were involved in, the solicitation of illegally derived funds or the money laundering operation;

"(B) whether the interest of the local community in adequate depository and credit services would be threatened by the forfeiture of the franchise;

"(C) whether the bank has fully cooperated with law enforcement authorities with respect to the conviction;

"(D) whether there will be any losses to any Federal deposit insurance fund or the Resolution Trust Corporation; and

"(E) whether the bank maintained at the time of the conviction, according to the review of the Comptroller of the Currency, a program of money laundering deterrence and compliance that clearly exceeded federally required deterrence and compliance measures; adequately monitored the activities of its officers, employees, and agents to ensure compliance; and promptly reported suspected violations to law enforcement authorities.

"(3) SUCCESSOR LIABILITY.—This subsection does not apply to a successor to the interests of, or a person who acquires, a bank that violated a provision of law described in paragraph (1), if the successor succeeds to the interests of the violator, or the acquisition is made, in good faith and not for purposes of evading this subsection or regulations prescribed under this subsection.

"(4) DEFINITION.—For purposes of this subsection, the term 'senior management officials' means those individuals who exercise major supervisory control within a national bank, including members of the board of directors and individuals who own or control 10 percent or more of the outstanding voting stock of the bank or its holding company. If the institution is a Federal branch of a foreign institution, the term 'senior management officials' means those individuals who exercise major supervisory control within any branch of that foreign institution located within the United States. The Comptroller of the Currency shall by regulation specify which officials of a national bank shall be treated as senior management officials for the purpose of this subsection.".

(b) FEDERAL SAVINGS ASSOCIATIONS.—Section 5 of the Home Owners' Loan Act (12 U.S.C. 1464) is amended by adding at the end the following:

"(w) FORFEITURE OF FRANCHISE FOR MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.—

"(1) IN GENERAL.—

"(A)(i) CONVICTION OF TITLE 18 OFFENSES.—If a Federal savings association has been convicted of any criminal offense described in section 1956 or 1957 of title 18, United States Code, the Attorney General shall provide to the Director of the Office of Thrift Supervision a written notification of the conviction and shall include a certified copy of the order of conviction from the court rendering the decision.

"(ii) NOTICE OF TERMINATION; PRETERMINATION HEARING.—After receiving written notification from the Attorney General of such a conviction, the Director of the Office of Thrift Supervision shall issue to the savings association a notice of the Director's intention to terminate all rights, privileges, and franchises of the savings association and schedule a pretermination hearing.

"(B) CONVICTION OF TITLE 31 OFFENSES.—If a Federal savings association is convicted of any offense punishable under section 5322 of title 31, United States Code, after receiving written notification from the Attorney General, the Director of the Office of Thrift Supervision may issue to the savings association a notice of the Director's intention to terminate all rights, privileges, and franchises of the savings association and schedule a pretermination hearing.

"(C) JUDICIAL REVIEW.—Subsection (d)(1)(B)(vii) shall apply to any proceeding under this subsection.

"(2) FACTORS TO BE CONSIDERED.—In determining whether a franchise shall be forfeited under paragraph (1), the Office of Thrift Supervision shall consider—

"(A) the degree to which senior management officials knew of, or were involved in, the solicitation of illegally derived funds or the money laundering operation;

"(B) whether the interest of the local community in adequate depository and credit services would be threatened by the forfeiture of the franchise;

"(C) whether the association has fully cooperated with law enforcement authorities with respect to the conviction;

"(D) whether there will be any losses to any Federal deposit insurance fund or the Resolution Trust Corporation; and

"(E) whether the association maintained at the time of the conviction, according to the review of the Director of the Office of Thrift Supervision, a program of money laundering deterrence and compliance that clearly exceeded federally required deterrence and compliance measures; adequately monitored the activities of its officers, employees, and agents to ensure compliance; and promptly reported suspected violations to law enforcement authorities.

"(3) SUCCESSOR LIABILITY.—This subsection does not apply to a successor to the interests of, or a person who acquires, a savings association that violated a provision of law described in paragraph (1), if the successor succeeds to the interests of the violator, or the acquisition is made, in good faith and not for purposes of evading this subsection or regulations prescribed under this subsection.

"(4) DEFINITION.—For purposes of this subsection, the term 'senior management officials' means those individuals who exercise major supervisory control within a savings association, including members of the board of directors and individuals who own or control 10 percent or more of the outstanding voting stock of the savings association or its holding company. If the savings association is a United States branch of a foreign institution, the term 'senior management officials' means those individuals who exercise major supervisory control within any branch of that foreign institution located within the United States. The Office of Thrift Supervision shall by regulation specify which officials of a savings association shall be treated as senior management officials for the purpose of this subsection.".

(c) FEDERAL CREDIT UNIONS.—Title I of the Federal Credit Union Act (12 U.S.C. 1752 et seq.) is amended by adding at the end the following new section:

"SEC. 131. FORFEITURE OF ORGANIZATION CERTIFICATE FOR MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.

"(a) FORFEITURE OF FRANCHISE FOR MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.—

"(1)(A) CONVICTION OF TITLE 18 OFFENSES.—If a credit union has been convicted of any criminal offense described in section 1956 or 1957 of title 18, United States Code, the Attorney General shall provide to the Board a written notification of the conviction and shall include a certified copy of the order of conviction from the court rendering the decision.

"(B) NOTICE OF TERMINATION; PRETERMINATION HEARING.—After receiving written notification from the Attorney General of such a conviction, the Board shall issue to such credit union a notice of its intention to terminate all rights, privileges, and franchises of the credit union and schedule a pretermination hearing.

"(2) CONVICTION OF TITLE 31 OFFENSES.—If a credit union is convicted of any offense punishable under section 5322 of title 31, United States Code, after receiving written notification from the Attorney General, the Board may issue to such credit union a notice of its intention to terminate all rights, privileges, and franchises of the credit union and schedule a pretermination hearing.

"(3) JUDICIAL REVIEW.—Section 206(j) shall apply to any proceeding under this section.

"(b) FACTORS TO BE CONSIDERED.—In determining whether a franchise shall be forfeited under subsection (a), the Board shall consider—

"(1) the degree to which senior management officials knew of, or were involved in, the solicitation of illegally derived funds or the money laundering operation;

"(2) whether the interest of the local community in adequate depository and credit services would be threatened by the forfeiture of the franchise;

"(3) whether the credit union has fully cooperated with law enforcement authorities with respect to the conviction;

"(4) whether there will be any losses to the credit union share insurance fund; and

"(5) whether the credit union maintained at the time of the conviction, according to the review of the Board, a program of money laundering deterrence and compliance that clearly exceeded federally required deterrence and compliance measures; adequately monitored the activities of its officers, employees, and agents to ensure compliance; and promptly reported suspected violations to law enforcement authorities.

"(c) SUCCESSOR LIABILITY.—This section does not apply to a successor to the interests of, or a person who acquires, a credit union that violated a provision of law described in subsection (a), if the successor succeeds to the interests of the violator, or the acquisition is made, in good faith and not for purposes of evading this section or regulations prescribed under this section.

"(d) DEFINITION.—For purposes of this section, the term 'senior management officials' means those individuals who exercise major supervisory control within a credit union, including members of the board of directors. The Board shall by regulation specify which officials of a credit union shall be treated as senior management officials for the purpose of this section.".

SEC. 912. TERMINATING INSURANCE OF STATE DEPOSITORY INSTITUTIONS CONVICTED OF MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.

(a) STATE BANKS AND SAVINGS ASSOCIATIONS.—

(1) IN GENERAL.—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended by adding at the end the following new subsection:

"(v) TERMINATION OF INSURANCE FOR MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.—

"(1) IN GENERAL.—

"(A)(i) CONVICTION OF TITLE 18 OFFENSES.—If an insured State depository institution, including a State branch of a foreign institution, has been convicted of any criminal offense described in section 1956 or 1957 of title 18, United States Code, the Attorney General shall provide to the Corporation a written notification of the conviction and shall include a certified copy of the order of conviction from the court rendering the decision.

"(ii) NOTICE OF TERMINATION; TERMINATION HEARING.—After receipt of written notification from the Attorney General by the Corporation of such a conviction, the Board of Directors shall issue to the insured depository institution a notice of its intention to terminate the insured status of the insured depository institution and schedule a hearing on the matter, which shall be conducted in all respects as a termination hearing pursuant to paragraphs (3) through (5) of subsection (a).

"(B) CONVICTION OF TITLE 31 OFFENSES.—If an insured State depository institution, including a State branch of a foreign institution, is convicted of any offense punishable under section 5322 of title 31, United States Code, after receipt of written notification from the Attorney General by the Corporation, the Board of Directors may initiate proceedings to terminate the insured status of the insured depository institution in the manner described in subparagraph (A).

"(C) NOTICE TO STATE SUPERVISOR.—The Corporation shall simultaneously transmit a copy of any notice issued under this paragraph to the appropriate State financial institutions supervisor.

"(2) FACTORS TO BE CONSIDERED.—In determining whether to terminate insurance under paragraph (1), the Board of Directors shall consider—

"(A) the degree to which senior management officials knew of, or were involved in, the solicitation of illegally derived funds or the money laundering operation;

"(B) whether the interest of the local community in adequate depository and credit services would be threatened by the forfeiture of the franchise;

"(C) whether the institution has fully cooperated with law enforcement authorities with respect to the conviction;

"(D) whether there will be any losses to the Federal deposit insurance funds or the Resolution Trust Corporation; and

"(E) whether the institution maintained at the time of the conviction, according to the review of the Corporation, a program of money laundering deterrence and compliance that clearly exceeded federally required deterrence and compliance measures; adequately monitored the activities of its officers, employees, and agents to ensure compliance; and promptly reported suspected violations to law enforcement authorities.

"(3) NOTICE TO STATE BANKING SUPERVISOR AND PUBLIC.—When the order to terminate insured status initiated pursuant to this subsection is final, the Board of Directors shall—

"(A) notify the State banking supervisor of any State depository institution described in *paragraph (1) and the Office of the Comptroller of the Currency or the Office of Thrift Supervision, where appropriate, at least 10 days prior to the effective date of the order of termination of the insured status of such depository institution, including a State branch of a foreign bank; and*

"(B) publish notice of the termination of the insured status of the depository institution in the Federal Register.

"(4) DEPOSITS UNINSURED.—Upon termination of the insured status of any State depository institution pursuant to paragraph (1), the deposits of such depository institution shall be treated in accordance with section 8(a)(7).

"(5) SUCCESSOR LIABILITY.—This subsection does not apply to a successor to the interests of, or a person who acquires, an insured depository institution that violated a provision of law described in paragraph (1), if the successor succeeds to the interests of the violator, or the acquisition is made, in good faith and not for purposes of evading this subsection or regulations prescribed under this subsection.

"(6) DEFINITION.—For purposes of this subsection, the term 'senior management officials' means those individuals who exercise major supervisory control within an insured depository institution, including members of the board of directors and individuals who own or control 10 percent or more of the outstanding voting stock of such institution or its holding company. If the institution is a State branch of a foreign institution, the term 'senior management officials' means those individuals who exercise major supervisory control within any branch of that foreign institution located within the United States. The Board of Directors shall by regulation specify which officials of an insured State depository institution shall be treated as senior management officials for the purpose of this subsection.".

(2) TECHNICAL AMENDMENT.—Section 8(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(3)) is amended by inserting "of this subsection or subsection (v)" after "subparagraph (B)".

(b) STATE CREDIT UNIONS.—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended by adding at the end the following new subsection:

"(u) TERMINATION OF INSURANCE FOR MONEY LAUNDERING OR CASH TRANSACTION REPORTING OFFENSES.—

"(1) IN GENERAL.—(A)(i) If an insured State credit union has been convicted of any criminal offense described in section 1956 or 1957 of title 18, United States Code, the Attorney General shall provide to the Board a written notification of the conviction and shall include a certified copy of the order of conviction from the court rendering the decision.

"(ii) After written notification from the Attorney General to the Board of Directors of such a conviction, the Board shall issue to such insured credit union a notice of its intention to terminate the insured status of the insured credit union and schedule a hearing on the matter, which shall be conducted as a termination hearing pursuant to subsection (b) of this section, except that no period for correction shall apply to a notice issued under this subparagraph.

"(B) If a credit union is convicted of any offense punishable under section 5322 of title 31, United States Code, after prior written notification from the Attorney General, the Board may initiate proceedings to terminate the insured status of such credit union in the manner described in subparagraph (A).

"(C) The Board shall simultaneously transmit a copy of any notice under this paragraph to the appropriate State financial institutions supervisor.

"(2) FACTORS TO BE CONSIDERED.—In determining whether to terminate insurance under paragraph (1), the Board shall consider—

"(A) the degree to which senior management officials knew of, or were involved in, the solicitation of illegally derived funds or the money laundering operation;

"(B) whether the interest of the local community in adequate depository and credit services would be threatened by the forfeiture of the franchise;

"(C) whether the credit union has fully cooperated with law enforcement authorities with respect to the conviction;

"(D) whether there will be any losses to the credit union share insurance fund; and

"(E) whether the credit union maintained at the time of the conviction, according to the review of the Board, a program of money laundering deterrence and compliance that clearly exceeded federally required deterrence and compliance measures; adequately monitored the activities of its officers, employees, and agents to ensure compliance; and promptly reported suspected violations to law enforcement authorities.

"(3) NOTICE TO STATE CREDIT UNION SUPERVISOR AND PUBLIC.—When the order to terminate insured status initiated pursuant to this subsection is final, the Board shall—

"(A) notify the commission, board, or authority (if any) having supervision of the credit union described in paragraph (1) at least 10 days prior to the effective date of the order of the termination of the insured status of such credit union; and

"(B) publish notice of the termination of the insured status of the credit union.

"(4) DEPOSITS UNINSURED.—Upon termination of the insured status of any State credit union pursuant to paragraph (1), the deposits of such credit union shall be treated in accordance with section 206(d)(2).

"(5) SUCCESSOR LIABILITY.—This subsection does not apply to a successor to the interests of, or a person who acquires, an insured credit union that violated a provision of law described in paragraph (1), if the successor succeeds to the interests of the violator, or the acquisition is made, in good faith and not for purposes of evading this subsection or regulations prescribed under this subsection.

"(6) DEFINITION.—For purposes of this subsection, the term 'senior management officials' means those individuals who exercise major supervisory control within an insured credit union, including members of the board of directors. The Board shall by regulation specify which officials of an insured State credit union shall be treated as senior management officials for the purpose of this subsection.".

SEC. 913. REMOVING PARTIES INVOLVED IN CURRENCY REPORTING VIOLATIONS.

(a) FDIC-INSURED INSTITUTIONS.—

(1) VIOLATION OF REPORTING REQUIREMENTS.—Section 8(e)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(2)) is amended to read as follows:

"(2) SPECIFIC VIOLATIONS.—Whenever the appropriate Federal banking agency determines that—

"(A) an institution-affiliated party committed a violation of any provision of subchapter II of chapter 53 of title 31, United States Code, unless such violation was inadvertent or unintentional;

"(B) an officer or director of an insured depository institution knew that an institution-affiliated party of the insured depository institution violated any such provision or any provision of law referred to in subsection (g)(1)(A)(ii); or

"(C) an officer or director of an insured depository institution committed any violation of the Depository Institution Management Interlocks Act,

the agency may serve upon such party, officer, or director a written notice of its intention to remove such party from office. In determining whether an officer or director should be removed as a result of the application of subparagraph (B), the agency shall consider whether the officer or director took appropriate action to stop, or to prevent the recurrence of, a violation described in such subparagraph.".

(2) FELONY CHARGES.—Section 8(g)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1818(g)(1)) is amended to read as follows:

"(1)(A) Whenever any institution-affiliated party is charged in any information, indictment, or complaint, with the commission of or participation in—

"(i) a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding one year under State or Federal law, or

"(ii) a criminal violation of section 1956 or 1957 of title 18, United States Code, or an offense punishable under section 5322 of title 31, United States Code,

the appropriate Federal banking agency may, if continued service or participation by such party may pose a threat to the interests of the depository institution's depositors or may threaten to impair public confidence in the depository institution, by written notice served upon such party, suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the depository institution. A copy of such notice shall also be served upon the depository institution.

"(B) A suspension or prohibition under subparagraph (A) shall remain in effect until such information, indictment, or complaint is finally disposed of or until terminated by the agency.

"(C)(i) In the event that a judgment of conviction or an agreement to enter a pretrial diversion or other similar program is entered against such party in connection with a crime described in subparagraph (A)(i), and at such time as such judgment is not subject to further appellate review, the agency may, if continued service or participation by such party may pose a threat to the interests of the depository institution's depositors or may threaten to impair public confidence in the depository institution, issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the depository institution except with the consent of the appropriate agency.

"(ii) In the event of such a judgment of conviction or agreement in connection with a violation described in subparagraph (A)(ii), the agency shall issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the depository institution except with the consent of the appropriate agency.

"(D) A copy of such order shall also be served upon such depository institution, whereupon such party (if a director or an officer) shall cease to be a director or officer of such depository institution. A finding of not guilty or other disposition of the charge shall not preclude the agency from thereafter instituting proceedings to remove such party from office or to prohibit further participation in depository institution affairs, pursuant to paragraph (1), (2), or (3) of subsection (e) of this section. Any notice of suspension or order of removal issued under this paragraph shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (3) unless terminated by the agency.".

(b) CREDIT UNIONS.—

(1) VIOLATION OF REPORTING REQUIREMENTS.—Section 206(g)(2) of the Federal Credit Union Act (12 U.S.C. 1786(g)(2)) is amended to read as follows:

"(2) SPECIFIC VIOLATIONS.—Whenever the Board determines that—

"(A) an institution-affiliated party committed a violation of any provision of subchapter II of chapter 53 of title 31, United States Code, unless such violation was inadvertent or unintentional;

"(B) an officer or director of an insured credit union knew that an institution-affiliated party of the insured credit union violated any such provision or any provision of law referred to in subsection (i)(1)(A)(ii); or

"(C) an officer or director of an insured credit union committed any violation of the Depository Institution Management Interlocks Act,

the Board may serve upon such party, officer, or director a written notice of its intention to remove him from office. In determining whether an officer or director should be removed as a result of the application of subparagraph (B), the Board shall consider whether the officer or director took appropriate action to stop, or to prevent the recurrence of, a violation described in such subparagraph.".

(2) FELONY CHARGES.—Section 206(i)(1) of the Federal Credit Union Act (12 U.S.C. 1786(i)(1)) is amended to read as follows:

"(1)(A) Whenever any institution-affiliated party is charged in any information, indictment, or complaint, with the commission of or participation in—

"(i) a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding one year under State or Federal law, or

"(ii) a criminal violation of section 1956 or 1957 of title 18, United States Code, or an offense punishable under section 5322 of title 31, United States Code,

the Board may, if continued service or participation by such party may pose a threat to the interests of the credit union's members or may threaten to impair public confidence in the credit union, by written notice served upon such party, suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the credit union. A copy of such notice shall also be served upon the credit union.

"(B) A suspension or prohibition under subparagraph (A) shall remain in effect until such information, indictment, or complaint is finally disposed of or until terminated by the Board.

"(C)(i) In the event that a judgment of conviction or an agreement to enter a pretrial diversion or other similar program is entered against such party in connection with a crime described in subparagraph (A)(i), and at such time as such judgment is not subject to further appellate review, the Board may, if continued service or participation by such party may pose a threat to the interests of the credit union's members or may threaten to impair public confidence in the credit union, issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the credit union except with the consent of the Board.

"(ii) In the event of such a judgment of conviction or agreement in connection with a violation described in subparagraph (A)(ii), the Board shall issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the credit union except with the consent of the Board.

"(D) A copy of such order shall also be served upon such credit union, whereupon such party (if a director or an officer) shall cease to be a director or officer of such credit union. A finding of not guilty or other disposition of the charge shall not preclude the Board from thereafter instituting proceedings to remove such party from office or to prohibit further participation in credit union affairs, pursuant to paragraph (1), (2), or (3) of subsection (g) of this section. Any notice of suspension or order of removal issued under this paragraph shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (3) unless terminated by the Board.".

SEC. 914. UNAUTHORIZED PARTICIPATION.

Section 19(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1829(a)(1)) is amended by inserting "or money laundering" after "breach of trust".

SEC. 915. ACCESS BY STATE FINANCIAL INSTITUTION SUPERVISORS TO CURRENCY TRANSACTIONS REPORTS.

Section 5319 of title 31, United States Code, is amended—

(1) in the first sentence, by striking "to an agency" and inserting "to an agency, including any State financial institutions supervisory agency,"; and

(2) by inserting after the second sentence the following new sentence: "The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes.".

SEC. 916. RESTRICTING STATE BRANCHES AND AGENCIES OF FOREIGN BANKS CONVICTED OF MONEY LAUNDERING OFFENSES.

Section 7(d) of the International Banking Act of 1978 (12 U.S.C. 3105(d)) is amended to read as follows:

"(d) PROCEEDINGS RELATED TO CONVICTION FOR MONEY LAUNDERING OFFENSES.—

"(1) NOTICE OF INTENTION TO ISSUE ORDER.—If the Board finds or receives written notice from the Attorney General that—

"(A) any foreign bank which operates a State agency, a State branch which is not an insured branch, or a State commercial lending company subsidiary,

"(B) any State agency,

"(C) any State branch which is not an insured branch,

"(D) any State commercial lending subsidiary, or

"(E) any director or senior executive officer of any such foreign bank, agency, branch, or subsidiary,

has been found guilty of any money laundering offense, the Board shall issue a notice to the agency, branch, or subsidiary of the Board's intention to commence a termination proceeding under subsection (e).

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) INSURED BRANCH.—The term 'insured branch' has the meaning given such term in section 3(s) of the Federal Deposit Insurance Act.

"(B) MONEY LAUNDERING OFFENSE DEFINED.—The term 'money laundering offense' means any offense under section 1956, 1957, or 1960 of title 18, United States Code, or section 5322 of title 31, United States Code.

"(C) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board pursuant to section 32(f) of the Federal Deposit Insurance Act.".

Subtitle B—Nonbank Financial Institutions and General Provisions

SEC. 921. IDENTIFICATION OF FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—Chapter 53 of title 31, United States Code, is amended by inserting after section 5326 the following:

"§5327. Identification of financial institutions

"By January 1, 1992, the Secretary shall prescribe regulations providing that each depository institution identify its customers which are financial institutions as defined in subparagraphs (H) through (Y) of section 5312(a)(2) and the regulations thereunder and which hold accounts with the depository institution. Each depository institution shall report the names of and other information about these financial institution customers to the Secretary at such times and in such manner as the Secretary shall prescribe by regulation. No person shall cause or attempt to cause a depository institution not to file a report required by this section or to file a report containing a material omission or misstatement of fact. The Secretary shall provide these reports to appropriate State financial institution supervisory agencies for supervisory purposes.".

(b) CIVIL PENALTY.—Section 5321(a) of title 31, United States Code, is amended by adding at the end the following paragraph:

"(7)(A) The Secretary may impose a civil penalty on any person or depository institution, within the meaning of section 5327, that willfully violates any provision of section 5327 or a regulation prescribed thereunder.

"(B) The amount of any civil money penalty imposed under subparagraph (A) shall not exceed $10,000 for each day a report is not filed or a report containing a material omission or misstatement of fact remains on file with the Secretary.".

(c) CHAPTER ANALYSIS.—The chapter analysis for chapter 53 of title 31, United States Code, is amended by adding at the end the following new item:

"5327. Identification of financial institutions.".

SEC. 922. PROHIBITION OF ILLEGAL MONEY TRANSMITTING BUSINESSES.

(a) IN GENERAL.—Chapter 95 of title 18, United States Code, is amended by adding at the end the following section:

"§1960. Prohibition of illegal money transmitting businesses

"(a) Whoever conducts, controls, manages, supervises, directs, or owns all or part of a business, knowing the business is an illegal money transmitting business, shall be fined in accordance with this title or imprisoned not more than 5 years, or both.

"(b) Any property, including money, used in violation of the provisions of this section may be seized and forfeited to the United States. All provisions of law relating to—

"(1) the seizure, summary, and judicial forfeiture procedures, and condemnation of vessels, vehicles, merchandise, and baggage for violation of the customs laws;

"(2) the disposition of such vessels, vehicles, merchandise, and baggage or the proceeds from such sale;

"(3) the remission or mitigation of such forfeitures; and

"(4) the compromise of claims and the award of compensation to informers with respect to such forfeitures;

shall apply to seizures and forfeitures incurred or alleged to have been incurred under the provisions of this section, insofar as applicable and not inconsistent with such provisions. Such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels, vehicles, merchandise, and baggage under the customs laws shall be performed with respect to seizures and forfeitures of property used or intended for use in violation of this section by such officers, agents, or other persons as may be designated for that purpose by the Attorney General.

"(c) As used in this section—

"(1) the term 'illegal money transmitting business' means a money transmitting business that affects interstate or foreign commerce in any manner or degree and which is knowingly operated in a State—

"(A) without the appropriate money transmitting State license; and

"(B) where such operation is punishable as a misdemeanor or a felony under State law;

"(2) the term 'money transmitting' includes but is not limited to transferring funds on behalf of the public by any and all means including but not limited to transfers within this country or to locations abroad by wire, check, draft, facsimile, or courier; and

"(3) the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.".

(b) CHAPTER ANALYSIS.—The chapter analysis for chapter 95 of title 18, United States Code, is amended by adding at the end the following item:

"1960. Prohibition of illegal money transmitting businesses.".

SEC. 923. COMPLIANCE PROCEDURES.

Section 5318(a)(2) of title 31, United States Code, is amended by inserting "or to guard against money laundering" before the semicolon.

SEC. 924. NONDISCLOSURE OF ORDERS.

Section 5326 of title 31, United States Code, is amended by adding at the end the following:

"(c) NONDISCLOSURE OF ORDERS.—No financial institution or officer, director, employee or agent of a financial institution subject to an order under this section may disclose the existence of, or terms of, the order to any person except as prescribed by the Secretary.".

SEC. 925. IMPROVED RECORDKEEPING WITH RESPECT TO CERTAIN INTERNATIONAL FUNDS TRANSFERS.

(a) IN GENERAL.—Section 21(b) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(b)) is amended—

(1) by striking "(b) Where" and inserting "(b)(1) Where"; and

(2) by adding at the end the following paragraph:

"(2) TRANSFERS OF FUNDS.—

"(A) IN GENERAL.—Before October 1, 1991, the Secretary and the Board of Governors of the Federal Reserve System (hereafter in this section referred to as the 'Board') in consultation with State banking departments shall jointly prescribe such final regulations as may be appropriate to require insured depository institutions, businesses that provide check cashing services, money transmitting businesses, and businesses that issue or redeem money orders, travelers' checks, or other similar instruments to maintain records of payment orders which—

"(i) involve international transactions; and

"(ii) direct transfers of funds over wholesale funds transfer systems or on the books of any insured depository institution, or on the books of any business that provides check cashing services, any money transmitting business, and any business that issues or redeems money orders, travelers' checks, or similar instruments;

that will have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

"(B) FACTORS FOR CONSIDERATION.—In prescribing the regulations required under subparagraph (A), the Secretary and the Board shall consider—

"(i) the usefulness in criminal, tax, or regulatory investigations or proceedings of any record required to be maintained pursuant to the proposed regulations; and

"(ii) the effect the recordkeeping required pursuant to such proposed regulations will have on the cost and efficiency of the payment system.

"(C) AVAILABILITY OF RECORDS.—Any records required to be maintained pursuant to the regulations prescribed under subparagraph (A) shall be submitted or made available to the Secretary upon request.".

(b) CONFORMING AMENDMENTS.—Section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b) is amended—

(1) in the first sentence of subsection (c), by striking "the Secretary shall" and inserting "the regulations prescribed under subsection (b) shall";

(2) in subsection (d), by striking "regulations of the Secretary" and inserting "regulations issued under subsection (b)";

(3) in subsection (e), by striking "Secretary may prescribe" and inserting "regulations issued under subsection (b) may require";

(4) in subsection (f), by striking "Secretary may prescribe" and inserting "regulations issued under subsection (b) may require"; and

(5) in subsection (g), by striking "Secretary may prescribe" and inserting "regulations issued under subsection (b) may require".

SEC. 926. USE OF CERTAIN RECORDS.

Section 1112(f) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(f)) is amended—

(1) in paragraph (1), by inserting "or the Secretary of the Treasury" after "the Attorney General"; and

(2) in paragraph (2), by inserting "and only for criminal investigative or prosecutive purposes relating to money laundering by the Department of the Treasury" after "the Department of Justice".

SEC. 927. SUSPICIOUS TRANSACTIONS AND FINANCIAL INSTITUTION ANTI-MONEY LAUNDERING PROGRAMS.

(a) REPORTING REQUIREMENT.—Section 5324 of title 31, United States Code, is amended by inserting "or section 5325 or the regulations thereunder" after "section 5313(a)" each place it appears.

(b) SUSPICIOUS TRANSACTIONS AND ENFORCEMENT PROGRAMS.—Section 5318 of title 31, United States Code, is amended by adding at the end the following:

"(g) REPORTING OF SUSPICIOUS TRANSACTIONS.—

"(1) IN GENERAL.—The Secretary may require financial institutions to report suspicious transactions relevant to possible violation of law or regulation.

"(2) NOTIFICATION PROHIBITED.—A financial institution that voluntarily reports a suspicious transaction, or that reports a suspicious transaction pursuant to this section or any other authority, may not notify any person involved in the transaction that the transaction has been reported.

"(h) ANTI-MONEY LAUNDERING PROGRAMS.—In order to guard against money laundering through financial institutions, the Secretary may require financial institutions to carry out anti-money laundering programs, including at a minimum—

"(1) the development of internal policies, procedures, and controls,

"(2) the designation of a compliance officer,

"(3) an ongoing employee training program, and

"(4) an independent audit function to test programs.

The Secretary may promulgate minimum standards for such programs.".

SEC. 928. REPORT ON CURRENCY CHANGES.

The Secretary of the Treasury, in consultation with the Attorney General and the Administrator of Drug Enforcement, shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, not later than 90 days after the date of enactment of this Act, on the advantages for money laundering enforcement, and any disadvantages, of—

(1) changing the size, denominations, or color of United States currency; or

(2) providing that the color of United States currency in circulation in countries outside the United States will be of a different color than currency circulating in the United States.

SEC. 929. REPORT ON BANK PROSECUTIONS.

(a) IN GENERAL.—The Attorney General, after obtaining the views of all interested agencies, shall determine to what extent compliance with the Money Laundering Control Act (18 U.S.C. 1956 and 1957), the Bank Secrecy Act (31 U.S.C. 5322), criminal referral reporting obligations, and cooperation with law enforcement authorities generally, would be enhanced by the issuance of guidelines for the prosecution of financial institutions for violations of such Acts. Such guidelines, if issued, shall reflect the standards for anti-money laundering programs issued under section 5318(h) of title 31, United States Code.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, the Attorney General shall transmit to the Congress a report on such determination.

SEC. 930. ANTI-MONEY LAUNDERING TRAINING TEAM.

(a) IN GENERAL.—The Secretary of the Treasury shall establish a team of experts to assist and provide training to foreign governments and agencies thereof in developing and expanding their capabilities for investigating and prosecuting violations of money laundering and related laws.

(b) AUTHORIZATION.—There are authorized to be appropriated not more than $1,000,000 to carry out this section.

SEC. 931. MONEY LAUNDERING REPORTING REQUIREMENTS.

(a) OBJECTIVE.—The objective of the United States in dealing with the problem of international money laundering is to ensure that countries adopt comprehensive domestic measures against money laundering and cooperate with each other in narcotics money laundering investigations, prosecutions, and related forfeiture actions. The President shall report annually to Congress on bilateral and multilateral efforts to meet this objective. This report shall be submitted with the report required under section 481(e) of the Foreign Assistance Act of 1961.

(b) CONTENTS OF REPORT.—The report shall include—

(1) information on bilateral and multilateral initiatives pursued by the Department of State, the Department of Justice, and the Department of the Treasury, and other Government agencies, individually or collectively, to achieve the anti-money laundering objective of the United States;

(2) information on relevant bilateral agreements and on the actions of international organizations and groups;

(3) information on the countries which have ratified the United Nations Convention on Illicit Traffic in Narcotic Drugs and Other Psychotropic Substances and on measures adopted by governments and organizations to implement the money laundering provisions of the United Nations Convention, the recommendations of the Financial Action Task Force, the policy directive of the European Community, the legislative guidelines of the Organization of American States, and similar declarations;

(4) information on the extent to which each major drug producing and drug transit country, as specified in section 481 of the Foreign Assistance Act of 1961, and each additional country that has been determined by the Department of the Treasury, the Department of Justice, the Department of State, and the Office of National Drug Control Policy, in consultation, to be significant in the fight against money laundering—

(A) has adequate mechanisms to exchange financial records in narcotics money laundering and narcotics-related investigations and proceedings; and

(B) has adopted laws, regulations, and administrative measures considered necessary to prevent and detect narcotics-related money laundering, including whether a country has—

(i) criminalized narcotics money laundering;

(ii) required banks and other financial institutions to know and record the identity of customers engaging in significant transactions, including large currency transactions;

(iii) required banks and other financial institutions to maintain, for an adequate time, records necessary to reconstruct significant transactions through financial institutions in order to be able to respond quickly to information requests from appropriate government authorities in narcotics-related money laundering cases;

(iv) required or allowed financial institutions to report suspicious transactions;

(v) established systems for identifying, tracing, freezing, seizing, and forfeiting narcotics-related assets; and

(vi) addressed the problem of international transportation of illegal-source currency and monetary instruments;

(5) details of significant instances of noncooperation with the United States in narcotics-related money laundering and other narcotics-related cases; and

(6) a summary of initiatives taken by the United States or any international organization, including the imposition of sanctions, with respect to any country based on that country's actions with respect to narcotics-related money laundering matters.

(c) SPECIFICITY OF REPORT.—The report should be in sufficient detail to assure the Congress that concerned agencies—

(1) are pursuing a common strategy with respect to achieving international cooperation against money laundering which includes a summary of United States objectives on a country-by-country basis; and

(2) have agreed upon approaches and responsibilities for implementation of the strategy, not limited to the conduct of negotiations to achieve treaties and agreements.

TITLE X—ASSET CONSERVATION AND DEPOSIT INSURANCE PROTECTION

SEC. 1001. SHORT TITLE.

This title may be cited as the "Asset Conservation and Deposit Insurance Protection Act of 1991".

SEC. 1002. AMENDMENT TO THE FEDERAL DEPOSIT INSURANCE ACT.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 42. ASSET CONSERVATION.

"(a) LIABILITY LIMITATIONS.—

"(1) INSURED DEPOSITORY INSTITUTIONS.—The liability of an insured depository institution under any Federal law imposing strict liability for the release or threatened release of a hazardous substance at, from, or in connection with property—

"(A) acquired through foreclosure;

"(B) held, directly or indirectly, in a fiduciary capacity;

"(C) held by a lessor pursuant to the terms of an extension of credit; or

"(D) subject to financial control or financial oversight pursuant to the terms of an extension of credit,

shall be limited to the actual benefit conferred on such institution (in its corporate capacity) by a removal, remedial, or other response action undertaken by another party.

"(2) MORTGAGE LENDERS.—The liability of a mortgage lender under Federal law imposing strict liability for the release or threatened release of a hazardous substance at or from property—

"(A) acquired through foreclosure; or

"(B) subject to financial control or financial oversight pursuant to the terms of an extension of credit,

shall be limited to the actual benefit conferred on such lender by a removal, remedial, or other response action undertaken by another party.

"(3) SAFE HARBORS.—Notwithstanding paragraphs (1) and (2), an insured depository institution or mortgage lender shall not be liable under any Federal law described in paragraph (1) or (2) based solely on the fact that the institution or lender—

"(A) holds a security interest only as a depository institution or mortgage lender, or abandons or releases its security interest in the collateral before foreclosure;

"(B) has the unexercised capacity to influence operations at or on property in which it has a security interest;

"(C) includes in the terms of its extension of credit covenants, warranties, or other terms and conditions that relate to the borrower's compliance with environmental laws;

"(D) monitors or enforces the terms and conditions of the extension of credit;

"(E) monitors or undertakes one or more inspections of the property;

"(F) requires the borrower to cleanup the property prior to or during the term of the extension of credit;

"(G) provides financial or other advice or counseling in an effort to mitigate, prevent, or cure default or diminution in the value of the property;

"(H) restructures, renegotiates, or otherwise agrees to alter the terms and conditions of the extension of credit;

"(I) acquires the property through foreclosure;

"(J) exercises whatever other remedies at law or in equity may be available under applicable law for the borrower's breach of any term or condition of the extension of credit; or

"(K) declines to take any of the actions described in this paragraph.

"(b) ACTUAL BENEFIT.—For the purpose of this section, the actual benefit conferred on an institution or lender by a removal, remedial, or other response action shall be equal to the net gain, if any, realized by such institution or lender due to such action. In no event may the actual benefit exceed the full fair market value of the property following such removal, remedial, or other response action.

"(c) EXCLUSION.—The limitations on liability provided under subsection (a) shall not apply to—

"(1) any person that has caused the release of a hazardous substance that forms the basis for liability described in subsection (a);

"(2) any person that, following the acquisition of property through foreclosure, failed to exercise due care to protect the public health and safety with respect to identified releases of hazardous substances that form the basis for liability described in subsection (a); or

"(3) any person that actively directs or conducts business operations that result in the release of a hazardous substance that forms the basis for liability described in subsection (a).

"(d) GOVERNMENTAL ENTITIES.—

"(1) BANKING AND LENDING AGENCIES.—A Federal banking or lending agency shall not be liable under any law imposing strict liability for the release or threatened release of a hazardous substance at or from property (including any right or interest therein) acquired—

"(A) in connection with the exercise of receivership or conservatorship authority, or the liquidation or winding up of the affairs of an insured depository institution, including any of its subsidiaries;

"(B) in connection with the provision of loans, discounts, advances, guarantees, insurance or other financial assistance; or

"(C) in connection with property received in any civil or criminal proceeding, or administrative enforcement action, whether by settlement or order.

"(2) LIMITATION.—The immunity provided by paragraph (1) shall not apply to—

"(A) any entity that has caused the release of a hazardous substance that forms the basis for liability described in paragraph (1); or

"(B) any entity that, following the acquisition of property through foreclosure, failed to exercise due care to protect the public health and safety with respect to identified releases of hazardous substances that form the basis for liability described in paragraph (1).

"(3) SUBSEQUENT PURCHASER.—The immunity provided by paragraph (1) shall extend to the first subsequent purchaser of property described in such paragraph from a Federal banking or lending agency, unless such purchaser—

"(A) would otherwise be liable or potentially liable for all or part of the costs of the removal, remedial, or other response action due to a prior relationship with the property;

"(B) is or was affiliated with or related to a party described in subparagraph (A); or

"(C) fails to exercise due care to protect the public health and safety with respect to identified releases of hazardous substances that give rise to a removal, remedial, or other response action.

"(4) LIMITED LIABILITY FOR EMERGENCY RESPONSE ACTIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), a Federal banking or lending agency shall not be liable for costs or damages in connection with actions taken in response to an emergency created by the release or threatened release of a hazardous substance at or from a property described in paragraph (1).

"(B) GROSS NEGLIGENCE STANDARD.—This paragraph does not preclude liability for costs or damages resulting from the gross negligence or intentional misconduct by a Federal banking or lending agency in responding to an emergency created by the release or threatened release of a hazardous substance in connection with a property described in paragraph (1).

"(C) DEFINITION.—For the purpose of this paragraph, the term 'gross negligence' means reckless, willful, or wanton misconduct.

"(e) LIEN EXEMPTION.—Any property transferred pursuant to subsection (d) or held by a Federal banking or lending agency shall not be subject to any lien for costs or damages associated with the release or threatened release of a hazardous substance known to exist at the time of the transfer.

"(f) EXEMPTION FROM COVENANTS TO REMEDIATE.—A Federal banking or lending agency shall be exempt from any law requiring such agency to grant covenants warranting that a removal, remedial, or other response action has been, or will in the future be, taken with respect to property acquired in the manner described in subsection (d)(1).

"(g) ENVIRONMENTAL ASSESSMENTS.—

"(1) DEPOSITORY INSTITUTIONS.—The appropriate Federal financial institutions regulatory agencies shall, after consulting with the Administrator of the Environmental Protection Agency and the Secretary of Housing and Urban Development, promulgate regulations that require insured depository institutions to develop and implement adequate procedures to evaluate actual and potential environmental risks that may arise from or at property prior to making an extension of credit that involves a security interest in such property. The regulations may provide for different types of environmental assessments in order to account for different levels of risk that may be posed by different classes of collateral.

"(2) MORTGAGE LENDERS.—The Secretary of Housing and Urban Development shall, after

consultation with the Administrator of the Environmental Protection Agency and the appropriate Federal financial institutions regulatory agencies, promulgate regulations to assure that mortgage lenders develop and implement procedures to evaluate actual and potential environmental risks that may arise from or at property prior to making an extension of credit secured by such property. The regulations may provide for different types of environmental assessments in order to take into account the level of risk that may be posed by particular classes of collateral.

"(3) FINAL REGULATIONS.—Final regulations required to be promulgated pursuant to paragraph (1) shall be issued within 180 days after the date of enactment of this section.

"(h) DEFINITIONS.—For the purposes of this section:

"(1) The term 'property acquired through foreclosure' or 'acquires property through foreclosure' means property acquired, or the act of acquiring property, from a nonaffiliated party by an insured depository institution or mortgage lender—

"(A) through purchase at sales under judgment or decree, power of sales, nonjudicial foreclosure sales, or from a trustee, deed in lieu of foreclosure, or similar conveyance, or through repossession, if such property was security for an extension of credit previously contracted;

"(B) through conveyance pursuant to an extension of credit previously contracted, including the termination of a lease agreement; or

"(C) through any other formal or informal manner by which the insured depository institution or mortgage lender temporarily acquires, for subsequent disposition, possession of collateral in order to protect its security interest.

Property is not acquired through foreclosure if the insured depository institution or mortgage lender does not seek to sell or otherwise divest such property at the earliest practical time, taking into account market conditions and legal and regulatory requirements.

"(2) The term 'mortgage lender' means—

"(A) a company (other than an insured depository institution) that—

"(i) is regularly engaged in the business of making extensions of credit secured, in whole or in part, by real property to nonaffiliated parties, and

"(ii) substantially complies with the environmental assessment requirements imposed under subsection (g), after final regulations under that subsection become effective;

"(B) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Agricultural Mortgage Corporation, if such Association or Corporation requires institutions from which it purchases mortgages (or other obligations) to comply with the requirements of subsection (g), after final regulations under that subsection become effective; and

"(C) any person regularly engaged in the business of insuring or guaranteeing against a default in the payment of an extension of credit to nonaffiliated parties, secured in whole or in part by real property, and extended by a mortgage lender (as such term is defined in subparagraph (A) of this paragraph), or an insured depository institution.

"(3) The term 'fiduciary capacity' means acting for the benefit of a nonaffiliated person as a trustee, executor, administrator, custodian, guardian of estates, receiver, conservator, committee of estates of lunatics, or any similar capacity.

"(4) The term 'extension of credit' includes lease transactions that are functionally equivalent to a secured loan and that comply with regulations issued by the appropriate Federal banking agency or State banking authority.

"(5) The term 'insured depository institution' has the same meaning as in section 3(c), and shall also include—

"(A) a federally insured credit union;

"(B) a bank or association chartered under the Farm Credit Act of 1971; and

"(C) a leasing company that is an affiliate of an insured depository institution (as such term is defined in this paragraph).

"(6) The term 'Federal banking or lending agency' means the Federal Deposit Insurance Corporation, the Resolution Trust Corporation, the Board of Governors of the Federal Reserve System, a Federal Reserve Bank, a Federal Home Loan Bank, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the National Credit Union Administration Board, the Farm Credit Administration, the Farm Credit System Insurance Corporation, the Farm Credit System Assistance Board, the Farmers Home Administration, the Rural Electrification Administration, and the Small Business Administration, in any of their capacities, and their agents.

"(7) The term 'appropriate Federal financial institutions regulatory agency' has the same meaning given such term in section 8(e), except that it does not include the Secretary of the Treasury or the Oversight Board.

"(8) The term 'release' has the meaning given such term in section 101(22) of Public Law 96-510, and also includes the use, storage, disposal, treatment, generation, or transportation of a hazardous substance.

"(9) The term 'hazardous substance' includes any substance or material that is subject to regulation or response under Federal or State environmental laws or regulations.

"(10) The term 'security interest' includes rights under a mortgage, deed of trust, assignment, judgment lien, pledge, security agreement, factoring agreement, lease, or any other right accruing to a creditor under the terms of an extension of credit to secure the repayment of money, the performance of a duty or some other obligation.

"(i) SAVINGS CLAUSE.—Nothing in this section shall affect the rights or immunities or other defenses that are available under other applicable law to any party subject to the provisions of this section. Nothing in this section shall be construed to create any liability for any party.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective upon the date of enactment of this title, except that it shall not affect any administrative or judicial claims that have been formally filed as of such date.

TITLE XI—MISCELLANEOUS

Subtitle A—Presidential Insurance Commission

SEC. 1101. SHORT TITLE.

This subtitle may be cited as the "Presidential Insurance Commission Act of 1991".

SEC. 1102. FINDINGS.

The Congress finds that—

(1) the property and casualty insurance, life insurance, health insurance, and reinsurance industries play a major and vital role in the capital formation and lending in the United States economy;

(2) at the end of 1989, life and health and property and casualty insurers combined controlled just under $1,800,000,000,000 in assets invested in the United States;

(3) these insurer assets represented slightly less than 18 percent of the financial assets of all non-governmental financial intermediaries in the United States;

(4) of total United States assets, insurers controlled—

(A) 50.7 percent of all United States held corporate and foreign bonds;

(B) 32.1 percent of all tax-exempt bonds;

(C) 13.8 percent of United States Treasury securities;

(D) 18.2 percent of Federal agency securities;

(E) 12.2 percent of mortgages;

(F) 14.7 percent of corporate equities;

(G) 10.3 percent of open market paper; and

(H) 12 percent of all other United States assets; and

(5) a Presidential commission should be established—

(A) to assess the condition of the insurance industry;

(B) to make recommendations to improve the financial health and competitiveness of the insurance industry; and

(C) to assure the availability of insurance to consumers at competitive prices.

SEC. 1103. ESTABLISHMENT.

There is established a Presidential Commission on Insurance (hereafter in this subtitle referred to as the "Commission").

SEC. 1104. DUTIES OF THE COMMISSION.

The Commission shall—

(1) assess the condition of the property and casualty insurance, life insurance, health insurance, and reinsurance industries, including consideration of—

(A) the present and projected long-term financial health of such industries;

(B) the adequacy of assured payout to policyholders, including an assessment of the sufficiency of existing State guaranty funds, the likely effect of proposed changes in these funds by the National Association of Insurance Commissioners, and the need and shape of any Federal role in assuring insurer solvency;

(C) the appropriateness of the extent of solvency protection provided to individual policyholders and corporate policyholders;

(D) the impact of changes in the State and Federal liability systems, particularly with respect to long-term liability, on insurance industry solvency;

(E) the effect of the McCarran-Ferguson Act and State regulation on consumer protection and competition, including pricing, product development, and solvency, in these industries;

(F) the appropriateness of the present allocation of Federal and State responsibilities in regulating insurance and the underlying liability systems; and

(G) whether there are some forms of catastrophic risks, such as earthquakes, that deserve special insurance treatment; and

(2) recommend, on the basis of the Commission's findings under paragraph (1), any necessary legislative and regulatory changes that will improve the domestic and international financial health and competitiveness of such industries, and thereby assure consumers of the availability of adequate insurance coverage when an insured event occurs, and of the best possible range of products at competitive prices.

SEC. 1105. MEMBERSHIP AND COMPENSATION.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 15 members, including—

(1) the Secretary of the Treasury;

(2) the Attorney General of the United States;

(3) the Secretary of Transportation;

(4) the Secretary of Commerce;

(5) the Chairman of the Federal Trade Commission; and

(6) 10 members from the private sector having expertise in insurance, financial services, antitrust, liability law, and consumer issues, at least 1 of whom has expertise in State regulation of insurance, and at least 2 of whom have expertise in consumer issues, to be appointed by the President.

(b) DESIGNEES.—An appropriate designee of any member described in paragraphs (1) through (5) of subsection (a) may serve on the Commission in the place of such member and under the same terms and conditions as such member.

(c) CONSULTATION BY THE SECRETARY OF THE TREASURY.—The Secretary of the Treasury shall consult with—

(1) the Chairman of the Board of Governors of the Federal Reserve System;

(2) the Chairperson of the Federal Deposit Insurance Corporation; and

(3) the Chairman of the Securities and Exchange Commission,

with respect to all financial and other matters within their respective jurisdictions that are under consideration by the Commission.

(d) ELIGIBILITY.—No member or officer of the Congress, or other member or officer of the Executive Branch of the United States Government or any State government may be appointed to be a member of the Commission pursuant to paragraph (6) of subsection (a).

(e) TERMS.—

(1) IN GENERAL.—Each member shall be appointed for the life of the Commission.

(2) VACANCY.—A vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(f) COMPENSATION.—

(1) IN GENERAL.—Members of the Commission appointed pursuant to subsection (a)(6) shall be compensated at a rate equal to the annual rate of basic pay for GS–18 of the General Schedule.

(2) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(g) QUORUM.—

(1) MAJORITY.—A majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(2) APPROVAL OF ACTIONS.—All recommendations and reports of the Commission required by this subtitle shall be approved only by a majority vote of a quorum of the Commission.

(h) CHAIRPERSON.—The President shall select 1 member appointed pursuant to subsection (a)(6) to serve as the Chairperson of the Commission.

(i) MEETINGS.—The Commission shall meet at the call of the Chairperson or a majority of the members.

SEC. 1106. POWERS OF COMMISSION.

(a) HEARINGS AND SESSIONS.—The Commission may—

(1) hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate; and

(2) administer oaths or affirmations to witnesses appearing before the Commission, for the purpose of carrying out this subtitle.

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this subtitle.

(c) SUBPOENA POWER.—

(1) IN GENERAL.—The Commission may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any matter under investigation by the Commission.

(2) ADMINISTRATIVE ASPECTS OF SUBPOENA.—

(A) ATTENDANCE OR PRODUCTION AT DESIGNATED SITE.—The attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the United States.

(B) FEES AND TRAVEL EXPENSES.—Persons served with a subpoena under this subsection shall be paid the same fees and mileage for travel within the United States that are paid witnesses in Federal courts.

(C) NO LIABILITY FOR OTHER EXPENSES.—The Commission and the United States shall not be liable for any expense, other than an expense described in subparagraph (B), incurred in connection with the production of any evidence under this subsection.

(3) CONFIDENTIALITY.—Information obtained under this section which is deemed confidential, or with reference to which a request for confidential treatment is made by the person furnishing such information, shall be exempt from disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed unless the Commission determines that the withholding thereof is contrary to the national interest. The provisions of the preceding sentence shall not apply to the publication or disclosure of data that are aggregated in a manner that ensures protection of the identity of the person furnishing such data.

(4) FAILURE TO OBEY A SUBPOENA.—

(A) APPLICATION TO COURT.—If a person refuses to obey a subpoena issued under paragraph (1), the Commission may apply to a district court of the United States for an order requiring that person to appear before the Commission to give testimony or produce evidence, as the case may be, relating to the matter under investigation.

(B) JURISDICTION OF COURT.—The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business.

(C) FAILURE TO COMPLY WITH ORDER.—Any failure to obey the order of the court may be punished by the court as civil contempt.

(5) SERVICE OF SUBPOENAS.—The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(6) SERVICE OF PROCESS.—All process of any court to which application is to be made under paragraph (3) may be served in the judicial district in which the person required to be served resides or may be found.

(d) OBTAINING OFFICIAL DATA.—

(1) AUTHORITY.—Notwithstanding any provision of section 552a of title 5, United States Code, the Commission may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out this subtitle.

(2) PROCEDURE.—Upon request of the Chairperson of the Commission, the head of that department or agency shall furnish the information requested to the Commission.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this subtitle.

SEC. 1107. STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.

(a) STAFF.—Subject to such regulations as the Commission may prescribe, the Chairperson may appoint and fix the pay of such personnel as the Chairperson considers appropriate.

(b) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—Subject to rules prescribed by the Commission, the Chairperson may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the annual rate of basic pay payable for GS–18 of the General Schedule.

(d) STAFF OF FEDERAL AGENCIES.—Upon request of the Chairperson, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this subtitle.

SEC. 1108. REPORT.

Not later than January 31, 1993, the Commission shall submit to the President and the Congress a final report containing a detailed statement of its findings, together with any recommendations for legislation or administrative action that the Commission considers appropriate, in accordance with the requirements of section 1124.

SEC. 1109. TERMINATION.

The Commission shall terminate not later than 60 days following submission of the report required by section 1128.

SEC. 1110. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $3,000,000 to carry out the purposes of this subtitle.

Subtitle B—General Provisions

SEC. 1121. CREDIT UNIONS.

(a) FULL FAITH AND CREDIT.—Section 201 of the Federal Credit Union Act (12 U.S.C. 1781) (hereafter referred to in this section as the "Act") is amended—

(1) by redesignating subsections (b) through (d) as subsections (c) through (e), respectively; and

(2) by inserting after subsection (a) the following:

"(b) FULL FAITH AND CREDIT OF THE UNITED STATES.—The full faith and credit of the United States is pledged to pay insured accounts under this title.".

(b) INVESTMENT IN OTHER FINANCIAL INSTITUTIONS.—

(1) CENTRAL CREDIT UNIONS.—

(A) IN GENERAL.—Section 107(7) of the Act (12 U.S.C. 1757(7)) is amended—

(i) by striking subparagraph (G); and

(ii) by redesignating subparagraphs (H) through (K) as subparagraphs (G) through (J), respectively.

(B) EFFECTIVE DATE.—This amendment shall take effect 1 year from the date of enactment of this section.

(2) DEPOSITS.—Section 107(8) of the Act (12 U.S.C. 1757(8)) is amended to read as follows:

"(8) to make or maintain—

"(A) deposits in national banks, or in banks or institutions the accounts of which are insured by the Federal Deposit Insurance Corporation, and

"(B) in the case of Federal credit unions or credit unions authorized by the Department of Defense operating suboffices on American military installations in foreign countries or trust territories of the United States, demand deposit accounts in banks located in those countries or trust territories, if such banks are correspondents of banks described in subparagraph (A) subject to such regulations as may be issued by the Board;".

(3) CORPORATE CREDIT UNIONS.—Section 120(a) of the Act (12 U.S.C. 1766(a)) is amended—

(A) in the second sentence by striking "central credit union chartered by the Board" and inserting "Corporate credit union as defined by the Board"; and

(B) by adding the following sentence at the end: "The Board shall by regulation establish

(i) limits on loans and investments by a corporate credit union to a single obligor, and (ii) minimum capital requirements for corporate credit unions.".

(c) STRENGTHENING NATIONAL CREDIT UNION SHARE INSURANCE FUND.—Section 202 of the Act (12 U.S.C. 1782) is amended—

(1) in subsection (c)(1)(A), by striking clause (ii) and redesignating clause (iii) as clause (ii);

(2) by amending subsection (c)(2) to read as follows:

"(2)(A) At such times as the Board prescribes (but not more than twice in any calendar year), each insured credit union shall pay to the fund a premium charge for insurance in an amount stated as a percentage of insured shares. The percentage shall be the same for all insured credit unions.

"(B) Premium charges assessed during a calendar year shall not, in the aggregate, exceed one-twelfth of 1 percent of insured shares, except upon a unanimous vote of the Board members.

"(C) The Board may assess a premium charge only if—

"(i) the equity level of the fund is less than 1.3 percent of the aggregate amount of the insured shares in all insured credit unions; and

"(ii) the premium charge does not exceed the amount necessary to restore the fund to that level.

"(D) If the equity level of the fund is less than 1.2 percent of the aggregate amount of the insured shares in all insured credit unions, the Board shall, subject to subparagraph (B), assess a premium charge in such an amount as the Board determines to be necessary to restore the fund to and maintain the fund at that level.

"(E) If the equity level of the fund is not less than 1.2 percent of the aggregate amount of the insured shares in all insured credit unions, the Board may assess a premium charge only—

"(i) upon a unanimous vote of the Board members; and

"(ii) in an amount not exceeding one-twelfth of 1 percent of insured shares.";

(3) by striking subsection (c)(3) and inserting the following:

"(3) If any loans to the fund from the Federal Government and the interest thereon have been repaid and the fund exceeds the normal operating level at the end of an insurance year, the Board shall effect for that insurance year a pro rata distribution to insured credit unions of the maximum possible amount that does not reduce the fund below the normal operating level.";

(4) in subsection (h)—

(A) by amending paragraph (2) to read as follows:

"(2) the term 'normal operating level' when applied to the fund, means an amount of fund equity as established by the Board and equal to not less than 1.2 percent and not more than 1.5 percent of the aggregate amount of the insured shares in all insured credit unions;";

(B) by redesignating paragraph (3) as paragraph (5); and

(C) by inserting after paragraph (2) the following:

"(3) the term 'available assets level', when applied to the fund, means an amount, determined as the sum of cash and unencumbered investments (as authorized pursuant to section 203(c) and carried at market value) minus direct liabilities of the fund and contingent liabilities for which no provision for losses has been made, stated as a percentage of the aggregate amount of the insured shares in all insured credit unions;

"(4) the term 'equity level' means the amount of fund capitalization (including insured credit unions' 1 percent capitalization deposits and the fund's retained earnings balance) stated as a percentage of the aggregate amount of the insured shares in all insured credit unions; and"; and

(5) by adding at the end the following:

"(i) MONITORING AND PUBLISHING ASSET LEVEL.—The Board shall closely monitor, and publish at least semiannually, the available asset level of the fund.".

(d) MINIMUM CAPITAL REQUIREMENT.—

(1) IN GENERAL.—Section 116(a) of the Act (12 U.S.C. 1762(a)) is amended—

(A) in paragraph (1), by inserting before the period at the end the following: ", then (C) 3.5 percent of gross income until the regular reserve is equal to 7 percent of the total outstanding loans and risk assets"; and

(B) by adding at the end the following new paragraph:

"(4) A credit union in existence for more than 5 years and holding reserves and undivided earnings equal to less than a minimum capital level stated as a percentage of total assets and established by regulation of the Board, shall be subject to a formal written supervisory agreement with the Board. Such agreement shall include an operating plan to reach the minimum capital level within a period established by the Board. In establishing minimum capital levels under this paragraph, the Board shall consider the differences among credit unions, and shall give recently formed credit unions a reasonable time in which to build capital through retained earnings.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall become effective on January 1, 1993.

(e) LOAN TO ONE BORROWER LIMIT.—

(1) IN GENERAL.—Section 107(5)(A) of the Act (12 U.S.C. 1757(5)(A)) is amended—

(A) in clause (viii), by inserting "and" after the semicolon; and

(B) in clause (ix), by striking the semicolon and all that follows through the end of clause (x) and inserting a period.

(2) LOAN PROVISIONS.—Section 107(5) of the Act (12 U.S.C. 1757(5)) is amended by adding at the end the following new subparagraph:

"(F)(i) Loans must be approved by the credit committee or a loan officer, but no loan may be made to any member if, upon the making of that loan, the member would be indebted to the Federal credit union upon loans made to such member in an aggregate amount exceeding the greater of—

"(I) $100,000,

"(II) 20 percent of the credit union's reserves and undivided earnings, or

"(III) 1.5 percent of the credit union's assets.

"(ii) In calculating compliance with the limits in subclauses (I) through (III) of clause (i), any loan on which the United States, its agencies, or any State has fully guaranteed the principal and interest shall be disregarded, and with respect to any other loan guaranteed by the United States, its agencies, or any State, one-half of the portion guaranteed shall be disregarded.

"(iii) In the case of loans by a credit union for farming or fishing purposes to persons deriving their livelihood primarily from farming or fishing, where the membership of the credit union substantially consists of such persons, clause (i)(III) shall apply with '3 percent' substituted for '1.5 percent'.".

"(iv) The Board may, by regulation, establish other limits for certain credit unions or classes of loans, consistent with protecting the share insurance fund.".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall become effective 180 days after the date of enactment of this Act.

(f) AMENDMENT TO AUTHORIZE NCUA BOARD TO PLACE FEDERALLY INSURED, STATE-CHARTERED CREDIT UNIONS INTO LIQUIDATION.—Section 207(a)(1) of the Act (12 U.S.C. 1787(a)(1)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (D); and

(2) by inserting the following after subparagraph (A):

"(B) Notwithstanding any other provision of this Act or other law, the Board shall have power and jurisdiction to appoint itself as liquidating agent of any State-chartered credit union insured under this title, and close such credit union, if it determines that the credit union is insolvent or bankrupt. In such cases, the Board shall have the power and duties specified in this section applicable to liquidations of Federal credit unions.

"(C)(i) Except as provided in clause (ii), the authority conferred by subparagraph (B) shall not be exercised without the written approval of the State official having jurisdiction over the State-chartered credit union that the grounds specified for such exercise exist.

"(ii) If such approval has not been received within 30 days of receipt of notice by the State that the Board has determined such grounds exist, and the Board has responded in writing to the State's written reasons, if any, for withholding approval, then the Board may proceed without State approval only by unanimous vote of the Board.".

(g) CENTRAL LIQUIDITY FACILITY; REDUCED BORROWING AUTHORITY AND PROHIBITIONS ON LOANS OR GUARANTEES TO PRIVATE SHARE INSURERS.—Section 307(a) of the Act (12 U.S.C. 1795f(a)) is amended—

(1) in paragraph (4)(A) by striking "twelve" and inserting "2";

(2) by striking paragraph (16); and

(3) by redesignating paragraphs (17) and (18) as paragraphs (16) and (17), respectively.

(h) STRENGTHENING REMOVAL AND PROHIBITION AUTHORITY.—Section 206(g)(1) of the Federal Credit Union Act (12 U.S.C. 1786(g)(1)) is amended to read as follows:

"(g) REMOVAL AND PROHIBITION AUTHORITY.—

"(1) AUTHORITY TO ISSUE ORDER.—The Board may serve upon an institution-affiliated party a written notice of the Board's intention to remove such party from office or to prohibit any further participation by such party, in any manner, in the conduct of the affairs of any insured credit union, if the Board determines that—

"(A) the institution-affiliated party has, directly or indirectly—

"(i) violated—

"(I) any law or regulation;

"(II) any cease-and-desist order which has become final;

"(III) any condition imposed in writing by the Board in connection with the grant of any application or other request by such credit union; or

"(IV) any written agreement between such credit union and the Board;

"(ii) engaged or participated in any unsafe or unsound practice in connection with any insured credit union or business institution; or

"(iii) committee or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty; and

"(B)(i) by reason of the violation, practice, or breach described in any clause of subparagraph (A)—

"(I) such insured credit union or business institution has suffered or is likely to suffer financial loss or other damage that may have a significant effect on the financial condition of that credit union;

"(II) the interests of the credit union's members have been or could be prejudiced in a manner that may have a significant effect on the financial condition of that credit union; or

"(III) such party has received financial gain or other benefit by reason of such violation, practice, or breach; or *"(ii) such violation, practice, or breach—*

"(I) involves personal dishonesty on the part of such party; or

"(II) demonstrates willful or continuing disregard by such party for the safety or soundness of such insured credit union or business institution.".

(i) REPEAL OF AUTHORITY TO BORROW FROM FARM CREDIT BANKS.—Section 107(9) of the Act (12 U.S.C. 1757(9)) is amended—

(1) by inserting a semicolon after "paid-in and unimpaired capital and surplus"; and

(2) by striking all that follows the semicolon.

(j) EFFECTIVE DATE.—The amendment made by subsection (c)(2) shall become effective on July 1, 1992.

SEC. 1122. STRENGTHENING FEDERAL BANKING AGENCIES' AUTHORITY TO REMOVE PERSONS GUILTY OF MISCONDUCT.

Section 8(e)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(1)) is amended to read as follows:

"(e) REMOVAL AND PROHIBITION AUTHORITY.—

"(1) AUTHORITY TO ISSUE ORDER.—The appropriate Federal banking agency may serve upon an institution-affiliated party a written notice of the agency's intention to remove such party from office or to prohibit any further participation by such party, in any manner, in the conduct of the affairs of any insured depository institution, if the agency determines that—

"(A) the institution-affiliated party has, directly or indirectly—

"(i) violated—

"(I) any law or regulation;

"(II) any cease-and-desist order which has become final;

"(III) any condition imposed in writing by the appropriate Federal banking agency in connection with the grant of any application or other request by such depository institution; or

"(IV) any written agreement between such depository institution and such agency;

"(ii) engaged or participated in any unsafe or unsound practice in connection with any insured depository institution or business institution; or

"(iii) committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty; and

"(B)(i) by reason of the violation, practice, or breach described in any clause of subparagraph (A)—

"(I) such insured institution or business institution has suffered or is likely to suffer financial loss or other damage that may have a significant effect on the financial condition of that institution;

"(II) the interest of the insured depository institution's depositors have been or could be prejudiced in a manner that may have a significant effect on the financial condition of that institution; or

"(III) such party has received financial gain or other benefit by reason of such violation, practice, or breach; or

"(ii) such violation, practice, or breach—

"(I) involves personal dishonesty on the part of such party; or

"(II) demonstrates willful or continuing disregard by such party for the safety or soundness of such insured depository institution or business institution.".

SEC. 1123. EMERGENCY LIQUIDITY.

Section 13 of the Federal Reserve Act (12 U.S.C. 343) is amended in the third paragraph by striking "of the kinds and maturities made eligible for discount for member banks under other provisions of this Act".

SEC. 1124. DISCLOSURE OF SECURITIES INVESTOR PROTECTION ACT COVERAGE.

(a) DISCLOSURE OF PROTECTIONS.—Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following:

"(i) DISCLOSURE OF SECURITIES INVESTOR PROTECTION ACT COVERAGE.—

"(1) IN GENERAL.—

"(A) BROKERS AND DEALERS.—It shall be unlawful for any broker or dealer to make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security by any customer except in accordance with the requirements of this subsection and the rules and regulations prescribed under this subsection.

"(B) PERSONS ASSOCIATED WITH A BROKER OR DEALER.—It shall be unlawful for any person associated with a broker or dealer (other than a natural person) to make use of the mails or any means or instrumentality of interstate commerce to participate in effecting, to purport to effect, to induce or attempt to induce a securities transaction by any customer except in accordance with the requirements of this subsection and the rules and regulations prescribed under this subsection.

"(2) DISCLOSURE RULES.—The Commission shall, by rule, set forth standards for the disclosure by brokers and dealers and persons associated with a broker or dealer (other than a natural person) to customers of information concerning coverage under the Securities Investor Protection Act of 1970 (hereafter referred to as 'SIPA'). The rules of the Commission—

"(A) shall require every broker or dealer effecting, and every person associated with a broker or dealer (other than a natural person) participating in effecting, purporting to effect, inducing, or attempting to induce a securities transaction with or for the account of a customer—

"(i) to provide such customer with written notification of SIPA coverage that discloses—

"(I) the current Securities Investor Protection Corporation (hereafter referred to as 'SIPC') membership status of such person; and

"(II) a general description, prescribed by SIPC, of the operation of SIPA, the method and extent of customer protection provided under SIPA, the transactions or instruments that are not protected under SIPA, and a statement indicating that SIPA does not protect against a decline in the market value of securities;

"(ii) in the case of a person associated with a broker or dealer (other than a natural person) that is not a member of SIPC or a broker or dealer that is not a member of SIPC, to obtain the customer's signature acknowledging receipt of the notification required by subsection (h)(2)(A)(i) on a form prescribed by the Commission;

"(iii) to provide the notification required by clause (i) of subsection (h)(2)(A) and, when required by clause (ii) of that provision, obtain a customer's signature—

"(I) in connection with establishing a new account for such customer with such broker, dealer, or person associated with a broker or dealer; and

"(II) not later than 6 months after the effective date of the Commission's rules, in the case of an account that was established for such customer prior to that effective date; and

"(iv) to include conspicuously in any periodic statement sent to a customer regarding a securities transaction, the following:

"'[NAME OF SIPC MEMBER, BROKER, DEALER, OR PERSON ASSOCIATED WITH A BROKER OR DEALER] IS [NOT] A MEMBER OF THE SECURITIES INVESTOR PROTECTION CORPORATION',

the bracketed portions to be filled in as appropriate; and

"(B) may, as the Commission finds necessary or appropriate in the public interest or for the protection of investors, require brokers, dealers, and persons associated with a broker or dealer (other than a natural person) to disclose to customers additional information concerning SIPA coverage.

"(3) DEFINITION.—For purposes of this subsection, the Commission shall, by rule, define the term 'customer'. Such definition shall not include a broker, dealer, municipal securities dealer, or such other persons as the Commission shall provide in such rule.

"(4) EXEMPTIONS.—The Commission, as it determines consistent with the public interest and the protection of investors, may exempt, by rule or order, any person or class of persons, or any transaction or class of transactions from the requirements of this subsection.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective 1 year after the date of enactment of this Act.

SEC. 1125. HIRING AND COMPENSATION AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION.

(a) AMENDMENT TO THE SECURITIES EXCHANGE ACT OF 1934.—Section 4(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(b)) is amended to read as follows:

"(b) APPOINTMENT AND COMPENSATION OF STAFF.—

"(1) APPOINTMENT AND COMPENSATION.—The Commission shall fix the compensation and number of, and appoint and direct, employees of the Commission. Rates of basic pay for all employees of the Commission may be set and adjusted by the Commission without regard to the provisions of chapter 51, subchapters III and VIII of chapter 53, and chapter 54 of title 5, United States Code.

"(2) ADDITIONAL COMPENSATION AND BENEFITS.—The Commission may provide additional compensation and benefits to employees of the Commission if the same type of compensation or benefits are then being provided by any Federal bank regulatory agency or, if not then being provided, could be provided by such an agency under applicable provisions of law, rule, or regulation. In setting and adjusting the total amount of compensation and benefits for employees of the Commission, the Commission shall seek to maintain comparability with the Federal bank regulatory agencies. For the purpose of this paragraph, the term 'Federal bank regulatory agency' means the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision, and the National Credit Union Administration Board.".

(b) CONFORMING AMENDMENTS TO TITLE 5, UNITED STATES CODE.—

(1) Section 3132(a)(1) of title 5, United States Code, is amended—

(A) in subparagraph (C), by striking "or" after the semicolon;

(B) in subparagraph (D), by inserting "or" after the semicolon; and

(C) by adding at the end the following:

"(E) the Securities and Exchange Commission;".

(2) Section 5373 of title 5, United States Code, is amended—

(A) in paragraph (3), by striking "or" after the semicolon;

(B) in paragraph (4), by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(5) section 4(b) of the Securities Exchange Act of 1934.".

SEC. 1126. TIME LIMITATION ON PRIVATE RIGHTS OF ACTION UNDER THE SECURITIES EXCHANGE ACT OF 1934.

(a) DEADLINE FOR PRIVATE RIGHTS OF ACTION.—The Securities Exchange Act of 1934 (15 U.S.C. 78a, et seq.) is amended by adding at the end the following new section:

"SEC. 36. LIMITATION ON PRIVATE RIGHTS OF ACTION.

"Except as otherwise provided in this Act, any private right of action arising from a violation of this Act shall be brought not later than the earlier of—

"(1) 5 years after the date on which such violation occurred; or

"(2) 2 years after the date on which the violation was discovered.".

(b) Effective Date.—The limitation provided in section 36 of the Securities Exchange Act of 1934, as added by subsection (a), shall apply to all proceedings pending on or commenced after June 19, 1991.

(c) Effect on Dismissed Causes of Action.—Except as otherwise provided in the Securities Exchange Act of 1934, any private civil action arising from a violation of such Act—

(1) which was dismissed as time barred subsequent to June 19, 1991;

(2) which would have been timely filed under the laws applicable in the jurisdiction as they existed on June 19, 1991; and

(3) which would have been timely filed pursuant to section 36 of the Securities Exchange Act of 1934, as added by subsection (a),

may be refiled not later than 60 days after the date of enactment of this Act.

SEC. 1127. CONVERSIONS DURING MORATORIUM.

(a) In General.—Section 5(d)(2)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1815(d)(2)(C)) is amended—

(1) by striking "or" at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting "; or" and

(3) by adding at the end the following:

"(iv) in the case of a transaction described in clause (ii), (iii), or (iv) of subparagraph (B), the resulting or assuming bank or savings association agrees to make pro rata insurance premium payments to both the Bank Insurance Fund and the Savings Association Insurance Fund at the applicable assessment rates in effect for each Fund, with—

"(I) the percentage of deposits subject to assessment by each Fund equal to the percentage of the combined deposits assessable by such Fund at the time of the conversion transaction, as determined by the Corporation, and

"(II) the same percentage used to apportion any losses between the 2 funds arising from any failure of the combined institution.".

(b) Fees.—Section 5(d)(2)(E) of the Federal Deposit Insurance Act (12 U.S.C. 1815(d)(2)(E)) is amended by inserting ", other than a conversion described in subparagraph (C)(iv)," before "shall pay".

SEC. 1128. QUALIFIED THRIFT LENDER TEST.

(a) Reducing Test From 70 Percent to 65 Percent.—Section 10(m)(1)(B) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(1)(B)) is amended by striking "70" and inserting "65".

(b) Increasing Amount of Liquid Assets Excludable From Portfolio Assets.—Section 10(m)(4)(B)(iii) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(B)(iii)) is amended by striking "10 percent" and inserting "20 percent".

(c) Increasing the Percentage of Qualifying Consumer Loans.—Section 10(m)(4)(C)(iii)(VI) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(C)(iii)(VI)) is amended by striking "5 percent" and inserting "10 percent".

(d) Federal Home Loan Bank Stock.—

(1) In General.—Section 10(m)(4)(C)(ii) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(C)(ii)) is amended by adding at the end the following:

"(VI) Shares of stock issued by any Federal home loan bank.".

(2) Double-counting Not Permitted.—Section 10(m)(5) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(5)) is amended by adding at the end the following:

"(C) In determining the amount of a savings association's qualified thrift investments, the same asset shall not, directly or indirectly, be counted more than once.".

(e) Monthly Averaging Permissible for Certain Savings Associations.—Section 10(m) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)) is amended by adding at the end the following:

"(8) Monthly Averaging Permissible for Certain Savings Associations.—If a savings association has total assets of less than $1,000,000,000, paragraph (1)(B) shall apply with 'monthly' substituted for 'daily or weekly'.".

SEC. 1129. CONSUMER LENDING BY FEDERAL SAVINGS ASSOCIATIONS.

Section 5(c)(2)(D) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(2)(D)) is amended in the second sentence by striking "30 percent" and inserting "35 percent".

SEC. 1130. NONCONTROLLING INVESTMENTS IN BANKS AND BANK HOLDING COMPANIES BY CERTAIN INVESTMENT FUNDS.

(a) In General.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end the following new subsections:

"(q) Qualified Investor.—The term 'qualified investor' means an investment company (whether or not registered under the Investment Company Act of 1940), investment partnership, endowment, pension fund, or any other company that the Board determines by order or regulation to be principally engaged in investing, that is not controlled by any company other than a qualified investor or a limited adviser as permitted in this Act.

"(r) Limited Adviser.—The term 'limited adviser' means a company that—

"(1) has been determined by the Board, by order or regulation, to be principally engaged in investing and providing investment advice;

"(2) acts an adviser to one or more qualified investors in connection with any investment by such qualified investor or investors in a bank or bank holding company;

"(3) does not, directly or indirectly, own or control for its own account 10 percent or more of any class of voting shares of the bank or bank holding company and does not, directly or indirectly, have power to vote, in any capacity, 25 percent or more of the voting shares of the bank or bank holding company;

"(4) does not have a direct or indirect economic interest in the bank or bank holding company equal to 25 percent or more of the profits of the bank or bank holding company or of the profits due to one or more qualified investors in connection with an investment in the bank or bank holding company;

"(5) does not have any director, officer, partner or employee in common with the bank or bank holding company and does not have any representative serving in any such capacity at the bank or bank holding company;

"(6) does not advise the bank or bank holding company regarding any management or policy decision, whether on behalf of a qualified investor or otherwise; and

"(7) does not have any significant business relationship with the bank or bank holding company, and no other company that is an affiliate of the adviser has any significant business relationship with the bank or bank holding company.".

(b) Exception for Investments by Qualified Investors.—Paragraph (5) of section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)) is amended by adding at the end the following new subparagraph—

"(G) Qualified Investors.—

"(i) Except as provided in clause (ii), no qualified investor is a bank holding company solely by virtue of its ownership or control of voting shares of a bank or bank holding company if the qualified investor—

"(I) directly or indirectly, owns, controls or has power to vote less than 25 percent of the shares of any class of voting securities of the bank or bank holding company, and less than 25 percent of the total equity of the bank or bank holding company;

"(II) is and remains at all times a passive investor in the bank or bank holding company, and does not participate in the management or operations of the bank or bank holding company, except that a qualified investor that is permitted under subclause (IV) to have director representation at a bank or bank holding company shall not be in violation of this subclause by virtue of having a representative serve as a director of the bank or bank holding company;

"(III) does not have any significant business relationship with the bank or bank holding company, and no other company that is an affiliate of the qualified investor has any significant business relationship with the bank or bank holding company; and

"(IV) does not have any director, officer, partner or employee in common with the bank or bank holding company and does not have any representative serving in any such capacity at the bank or bank holding company, except that a qualified investor that owns or controls less than 15 percent of the voting shares of a bank or bank holding company may have no more than one representative serving as a director of the bank or bank holding company.

"(ii) Notwithstanding clause (i), a qualified investor is a bank holding company if the Board determines, after notice and opportunity for hearing, that the qualified investor exercises a controlling influence over the management or policies of a bank or bank holding company.

"(H) Limited Advisers.—

"(i) Except as provided in clause (ii), no company is a bank holding company solely by virtue of its role as adviser to one or more qualified investors in connection with the acquisition of shares of a bank or bank holding company if—

"(I) the company is and remains a limited adviser with respect to the investment;

"(II) the qualified investors advised by the adviser, and the limited adviser, do not, directly or indirectly, own, control, or have power to vote, in the aggregate, 25 percent or more of any class of voting shares of the same bank or bank holding company of 25 percent or more of the total equity of such bank or bank holding company; and

"(III) in the case of a limited adviser that advises any number of qualified investors that, including the limited adviser, seek to own, control, or have power to vote, in the aggregate, 25 percent or more of any class of voting shares of the same bank or bank holding company or 25 percent or more of the total equity of such bank or bank holding company—

"(aa) each qualified investor advised by the adviser retains the right to vote and dispose of the shares the investor acquires in the bank or bank holding company;

"(bb) the limited adviser does not communicate in any way with the management or other shareholders of the bank or bank holding company regarding the management or policies of the bank or bank holding company;

"(cc) following the acquisition of shares by the qualified investors, the limited adviser does not provide any advice to, or communicate in any manner with, the qualified investors, or any person that holds an interest in any of the qualified investors, regarding any matter related to the shares or the management or policies of the bank or bank holding company; and

"(dd) following the acquisition of shares by the qualified investors, the limited adviser does not, directly or indirectly, own, control or have power to vote 5 percent or more of any class of voting securities of the bank, bank holding company or any qualified investor in the bank or bank holding company.

"(ii) Notwithstanding clause (i), a limited adviser is a bank holding company if the Board determines, after notice and opportunity for hearing, that the limited adviser, or any investor advised by the adviser, exercises a controlling influence over the management or policies of a bank or bank holding company.".

SEC. 1131. LIMITING LIABILITY FOR FOREIGN DEPOSITS.

(a) AMENDMENT TO THE FEDERAL RESERVE ACT.—Section 25 of the Federal Reserve Act (12 U.S.C. 601) is amended by adding at the end the following:

"11. Limitations on liability.

"A member bank shall not be required to repay any deposit made at a foreign branch of the bank if the branch cannot repay the deposit due to—

"(i) an act of war, insurrection, or civil strife, or

"(ii) an action by a foreign government or instrumentality (whether de jure or de facto) in the country in which the branch is located,

unless the member bank has expressly agreed in writing to repay the deposit under those circumstances. The Board is authorized to prescribe such regulations as it deems necessary to implement this paragraph.".

(b) AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—

(1) SOVEREIGN RISK.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following:

"(t) SOVEREIGN RISK.—Section 25(11) of the Federal Reserve Act shall apply to every nonmember insured bank in the same manner and to the same extent as if the nonmember insured bank were a member bank.".

(2) CONFORMING AMENDMENT.—Subparagraph (A) of section 3(l)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1813(l)(5)) is amended to read as follows:

"(A) any obligation of a depository institution which is carried on the books and records of an office of such bank or savings association located outside of any State unless—

"(i) such obligation would be a deposit if it were carried on the books and records of the depository institution, and payable at, an office located in any State; and

"(ii) the contract evidencing the obligation provides by express terms, and not by implication, for payment at an office of the depository institution located in any State.".

(c) EXISTING CLAIMS NOT AFFECTED.—The amendments made by this section shall not be construed to affect any claim regarding action taken by a foreign government before the date of enactment of this Act.

SEC. 1132. CERTAIN WRONGFULLY WITHDRAWN DEPOSITS TREATED AS INSURED DEPOSITS.

(a) IN GENERAL.—Section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m)) is amended by adding at the end the following:

"(3) WRONGFULLY WITHDRAWN DEPOSITS.—In its capacity as conservator or receiver of a depository institution, the Corporation shall treat as an 'insured deposit' any deposit at the institution at any time prior to the Corporation's appointment as conservator or receiver—

"(A) which was, through the negligence or misconduct of the institution or any of its employees, permitted to be wrongfully or fraudulently withdrawn by a person other than the depositor, without the knowledge or consent of the depositor; and

"(B) for the recovery of which the depositor has diligently sought private relief against the perpetrator of the wrongful withdrawal, and would have received relief from the institution that had permitted the wrongful withdrawal, but due to acquisition of the institution by the Corporation, the institution is unable to satisfy the judgment.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any wrongful or fraudulent withdrawal of deposits occurring after January 1, 1987.

SEC. 1133. PROVIDING SERVICES TO INSURED DEPOSITORY INSTITUTIONS.

Section 21A of the Home Owners' Loan Act (12 U.S.C. 1441a) is amended by adding at the end the following:

"(q) CONTINUATION OF OBLIGATION TO PROVIDE SERVICES.—No person obligated to provide services to an insured depository institution at the time the Resolution Trust Corporation is appointed conservator or receiver for the institution, shall fail to provide those services to any person to whom the right to receive those services was transferred by the Resolution Trust Corporation after August 9, 1989, unless the refusal is based on the transferee's failure to comply with any material term or condition of the original obligation. This subsection does not limit any authority of the Resolution Trust Corporation as conservator or receiver under section 11(e) of the Federal Deposit Insurance Act.".

SEC. 1134. STUDY AND REPORT ON REIMBURSING FINANCIAL INSTITUTIONS AND OTHERS FOR PROVIDING FINANCIAL RECORDS.

(a) STUDY REQUIRED.—The Attorney General, in consultation with the Secretary of the Treasury and the Board of Governors of the Federal Reserve System and other appropriate banking regulatory agencies, shall conduct a study of the effect of amending the Right to Financial Privacy Act by allowing reimbursement to financial institutions for assembling or providing financial records on corporations and other entities not currently covered under section 1115(a) of such Act (12 U.S.C. 3415). The study shall also include analysis of the effect of allowing nondepository licensed transmitters of funds to be reimbursed to the same extent as financial institutions under that section.

(b) REPORT.—Before the end of the 180-day period beginning on the date of enactment of this Act, the Attorney General shall submit a report to the Congress on the results of the study conducted pursuant to subsection (a).

SEC. 1135. REMOVING COST LIMITATION ON CONSTRUCTION OF FEDERAL RESERVE BANK BUILDINGS.

The ninth paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 522) is amended to read as follows:

"No Federal Reserve bank shall have the authority hereafter to enter into any contract or contracts for the erection of any building of any kind or character, or to authorize the erection of any building without the prior approval of the Board of Governors.".

SEC. 1136. $1 COINS.

(a) COLOR AND CONTENT.—Section 5112(b) of title 31, United States Code, is amended—

(1) in the first sentence by striking "dollar,"; and

(2) by inserting after the fourth sentence, the following: "The $1 coins authorized under subsection (a)(1) shall be golden in color, shall have an unreeded edge, shall have tactile features on the surface that aid the visually handicapped to differentiate the $1 coin from other circulating coins, and shall be minted and fabricated in the United States. The $1 coin should have similar metallic anticounterfeiting properties as existing United States clad coinage.".

(b) CHRISTOPHER COLUMBUS $1 COIN.—Section 5112(d)(1) of title 31, United States Code, is amended by striking the sixth sentence and inserting the following: "The obverse side of the $1 coin shall have a design symbolizing the 500th anniversary of the discovery of the New World by Christopher Columbus.".

(c) CIRCULATION DATE.—Not later than 18 months after the date of enactment of this Act, the Secretary of the Treasury shall place into circulation $1 coins authorized by section 5112(a)(1) of title 31, United States Code, in accordance with the amendments made by subsections (a) and (b).

(d) SEIGNIORAGE.—Seigniorage from production of $1 coins referred to in subsection (a) shall be used to offset the reverse seigniorage resulting from the destruction of Susan B. Anthony $1 coins in Government storage. Additional seigniorage from production of $1 coins referred to in subsection (a) shall be used to retire the national debt.

SEC. 1137. PURCHASED MORTGAGE SERVICING RIGHTS.

(a) IN GENERAL.—Notwithstanding section 5(t)(4) of the Home Owners' Loan Act, each appropriate Federal banking agency shall determine, with respect to insured depository institutions for which it is the appropriate Federal regulator, the amount of readily marketable purchased mortgage servicing rights that may be included in calculating such institution's tangible capital, risk-based capital, or leverage limit, if—

(1) such servicing rights are valued at not more than 90 percent of their fair market value; and

(2) the fair market value of such servicing rights is determined not less often than quarterly.

(b) DEFINITION.—For purposes of this section, the terms "appropriate Federal banking agency" and "insured depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act.

Amend the title so as to read: "A bill to reform Federal deposit insurance, protect the deposit insurance funds, recapitalize the Bank Insurance Fund, improve supervision and regulation of insured depository institutions, and for other purposes.".

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. I thank the Chair.

Mr. President, we have now proceeded to the bill itself, and I want to make sure that all Senators are so advised. I will in due course make an opening statement, and then others who may wish to make statements at this time would certainly be welcome to do so.

I rise at this time, Mr. President, as chairman of the Banking Committee, on behalf of S. 543, known as the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991.

For the second time in 2 years, the Senate today takes up a piece of major reform legislation that has been occasioned by problems threatening America's deposit insurance system. In 1989, the Senate considered and adopted by an overwhelming margin the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. That legislation comprehensively addressed the problems of the savings and loan industry. That legislation ended the abuses which had plagued the savings and loan industry during the 1980's, and in turn stabilized and I think strengthened the healthy portion of the savings and loan industry.

Today we face a new deposit insurance crisis, and that is a crisis in the deposit insurance system for commercial banks. In recent years, banks have failed at such rates not since—we would have to go back to the Great Depression to find anything comparable.

America's banking crisis is not yet—and may never be—as severe as the savings and loan crisis. Our banking industry today still has over $200 billion in capital. But the bank insurance fund, like the insurance fund for the savings and loans before it, is now at the point of insolvency and many of our largest banks are perilously undercapitalized.

We do not know precisely how big the bank problem is, but one thing is clear, and that is if we delay addressing that problem, if we fail to provide the resources to the bank insurance fund needed to close failed banks, if we do not make the reforms necessary to correct the deficiencies of the deposit insurance system, then the problem will only grow.

That, too, I think is the lesson of the thrift crisis. According to the Congressional Budget Office, the delay in closing failed savings and loans cost this country over $66 billion. That is more than half the total cost of the savings and loan crisis.

If we have learned anything from that problem, we will pass the legislation we have brought to the floor today. This bill will provide urgently needed financial resources to the deposit insurance system. It will also make important, long overdue changes in America's system of regulating insured depository institutions, and it will also make necessary reforms in the bank charter to help stabilize the banking industry and ensure its survival and prosperity into the next century.

There are a few aspects of this bill that are controversial. A few are unpopular. I want my colleagues to know that I share the sensitivity expressed by others about those aspects of this legislation. During the past several days, in fact right through the Veterans Day weekend, my staff and I have been working with Senator GARN, the administration, and concerned Senators to try to reach accommodations on some of the most controversial aspects of this legislation, namely Glass-Steagall repeal and appropriate safeguards attaching to that, and interstate branching, and bank insurance activities.

I am pleased to report as I stand here at the moment that we have made progress in these discussions, and I think we have a good prospect of making further progress on all.

In the securities powers area, the administration, Senator GARN, and I have come to the conclusion with some reluctance to jointly support striking Glass-Steagall repeal provisions reported by the committee. We anticipate doing this through a managers' amendment that we will jointly present at an appropriate time. This amendment was not my preference, but in the interest of moving the process forward I believe it is an appropriate step.

In the interstate branching area and the insurance powers area, we have had numerous discussions, and I believe those, too, have been fruitful. I appreciate the hard work and good faith all parties have demonstrated throughout these talks. We have not yet reached final agreement, but we are continuing to negotiate, and I hope to present my colleagues with a positive report before many more hours go by.

My colleagues should also be aware that these recent negotiations are only the latest step in a long and very careful process. Twenty-three months ago, in December 1989, the Banking Committee began planning its first round of hearings on deposit insurance reform and financial modernization. And then 14 months ago, in September 1990, I introduced S. 3103, a forerunner to this legislation. Then on March 5, I reintroduced S. 3103 with amendments, and the new legislation was designated S. 543.

Beginning in the spring of 1990 and continuing through the early summer of 1991, the Banking Committee held 39 hearings on deposit insurance reform, financial modernization, and related issues, receiving testimony from nearly 100 witnesses. Before reporting this full package of legislation to the Senate floor, the committee devoted 3 full days of intensive consideration in the markup phase to this legislation.

There are several Banking Committee members who have made very important contributions to this legislation. Senator GARN, the committee's ranking member, deserves special praise in this regard. He and I have maintained a bipartisan and cooperative relationship throughout the course of this legislation. Virtually every section of this bill has benefited from his input. Other Senators also made important contributions. The interstate banking and branching provisions benefited from the thoughtful work of Senators DODD and SANFORD. Senators DIXON and GRAHAM, of Florida, made important contributions to the risk-based deposit insurance premium provisions. Senator WIRTH developed reform measures to improve internal controls and auditing procedures. Senators DODD, DIXON, BOND, CRANSTON, and SARBANES all played important roles in developing the consumer protection provisions of the bill. Senator BRYAN played a vital role in developing provisions of the bills that protect bank depositors and ensure that victims of securities law fraud have an adequate period in which to file suit. And I will single out other specific contributors a bit later as I go through areas of the bill in which they worked.

There are some incorrect things that have been said about this bill, and I want to tackle two of those things head on. First, this is not a deregulation bill. It is a safety and soundness bill and a taxpayer protection bill. It is in no way a deregulation bill. If I have any colleagues who question that assertion, I hope they will give the bill a very careful reading and discuss their concerns directly with me.

Second, as I noted, some provisions of this bill are controversial. The bill as a whole is not. So there is no need to adopt a narrow bill for the sake of avoiding controversy. Large portions of the bill have previously passed the Senate and much of the remainder has occasioned little, if any, controversy.

True, this is a large and complex piece of legislation. But even without the controversial provisions, it would still be a large and complex piece of legislation. That is because it responds to a very large and very complex problem, one of the most difficult problems that any of us are likely to face during our Senate careers. These problems necessarily require a comprehensive solution, and that is what we have brought to the floor.

Let me briefly highlight for colleagues some of the most significant features of this legislation. First, there are new resources for the bank insurance fund.

Since the current wave of bank failures began in the mid 1980's, the reserves of the bank insurance fund have fallen from approximately 1.25 percent of all insured deposits back in 1985 to approximately only .13 percent today. The Federal Deposit Insurance Corporation's most recent projections indicate that between now and year end 1993—looking ahead now—over 400 additional banks may fail and the fund's reserves could fall as low as a minus 1.38 percent of insured deposits. Such a level would leave the fund approximately $60 billion short of its required reserve level with a deficit net worth of nearly $29 billion.

These numbers are so big that, in fact, they are very hard to come to grips with, and we have no guarantee, as I said earlier, that the actual costs will not be even higher than that. I believe that the FDIC's projections may not go at this time as far as we may find the problem to be at a later time. I certainly hope not.

We certainly have a very weak economy on our hands. There is an uncertain aspect to the degree to which the economy will recover, and so those items have to be taken into account. And what we have to work with are the best estimates that the authorities are able to provide for us at this time.

That is the basis upon which we have brought the bill to the floor.

The bill provides the FDIC with the enhanced borrowing authority requested by the administration. It would allow the FDIC to borrow from the Treasury and the Federal financing bank on behalf of the bank insurance fund. From the Treasury, the bill permits the FDIC to borrow $30 billion to pay for deposit insurance losses. The FDIC would have to repay these borrowings from deposit insurance premium income in the future.

From the Federal financing bank, the bill permits the FDIC to borrow up to $45 billion to use as working capital. These borrowings would be repaid from the proceeds of assets sales.

To protect the taxpayers from the risks that go with the perpetually insolvent deposit insurance system, this bill requires the FDIC to establish and to stick to a definite schedule for repaying borrowings from the Treasury and rebuild the bank insurance fund back up to an adequate reserve level within 15 years at the outside.

As I say, I cannot guarantee that this legislation will provide enough money to handle the banking industry's current problems. I do not want to mislead any of our colleagues on that score. Personally, I have my own doubts. So I have written both to the FDIC and to Secretary Brady in the past several weeks to ask whether they feel the need to recommend any increase in the funding amount they previously asked for. They have responded, both in writing—I have made both letters a part of the RECORD—and they have declined to recommend any increase in the amount originally sought.

I ask unanimous consent that those letters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC, October 9, 1991.
NICHOLAS BRADY,
Secretary, Department of the Treasury, Washington, DC.

DEAR SECRETARY BRADY: On August 2, 1991, this Committee voted to report to the Senate the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991 (S. 543). Among other things, this legislation would permit the FDIC to borrow up to $25 billion from the Treasury to meet losses of the Bank Insurance Fund (BIF).

The borrowing authority provisions of S. 543 are consistent with the Administration's own legislative proposals. As Undersecretary Glauber noted in his testimony before this Committee on March 21, 1991, however, the $25 billion borrowing authority relied on projections by the Office of Management and Budget showing a decline in the BIF's net worth to $−22.1 billion by the end of FY 1996.

According to Undersecretary Glauber, the OMB's projections for the BIF assumed a mild recession of six months duration. Whether or not the recession has ended, it now seems certain that its duration significantly exceed six months. Even so, I am advised that the OMB's Midsession Budget Review continues to rely upon a forecast for the BIF culminating in a net worth of $−22.1 billion by the end of FY 1996.

I am concerned that the borrowing authority sought by the Administration—and reported by this Committee at the Administration's request—may prove insufficient, resulting in the need for Congressional action to authorize further borrowing by the FDIC in 1992 or 1993.

In the spring of 1989, I wrote to you expressing similar concerns about the Administration's then-pending request for $50 billion in funding for the Resolution Trust Corporation. In response, you offered assurance that $50 billion would in fact suffice. Just two years later, however, Congress is considering the Administration's *third* request for funding for the RTC—a request that would bring the total funding provided thus far to some $160 billion.

I do not want to repeat with the BIF the unfortunate experience with funding for the RTC. I urge you to consider carefully the adequacy of the Administration's $25 billion request for FDIC borrowing authority and advise me whether you continue to believe that that request will prove sufficient. Time is short: S. 543 will go to the Senate floor soon. Please give me your reply within 10 days.

Sincerely,
DONALD W. RIEGLE, Jr.,
Chairman.

THE SECRETARY OF THE TREASURY,
Washington, DC, November 5, 1991.
Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am pleased to respond to your letter of October 9, 1991, regarding the adequacy of the Administration's request to give the FDIC up to $30 billion in borrowing authority to recapitalize the Bank Insurance Fund.

As you know, the Administration's 1992 mid-season review, as well as the CBO's August update, indicated that under baseline assumptions a $30 billion FDIC recap proposal would appear adequate to meet projected insurance losses. The FDIC indicated in its October 23rd letter to you that the proposed $30 billion Treasury borrowing cap should be sufficient to meet projected insurance losses under the FDIC current baseline scenario. However, as the FDIC also indicated, and as the Administration's high range forecast in the mid-session review suggested, $30 billion may not be sufficient under more pessimistic assumptions. We will, of course, inform you if future estimates call into question the adequacy of the recapitalization plan.

We have said on numerous occasions that it is very difficult to predict with confidence the future condition of BIF, particularly beyond a year or two. Any estimate of the condition of the fund is dependent upon projected bank failures, which are themselves dependent upon future economic conditions. Of course, the uncertainty regarding the outcome of the comprehensive banking legislation now being considered in Congress will also have a great effect. As you know, the Administration believes that there are fundamental problems in the banking industry which demand real reform. A piecemeal approach such as merely recapitalizing BIF will not work because it cannot eliminate the massive taxpayer exposure we could potentially face. With over $2 trillion in insured deposits, there is no deposit insurance fund large enough to cover the losses inherent in a banking system that is allowed to become weak, inefficient, and uncompetitive. We believe that a failure to pass true reform will decrease the likelihood that a $30 billion BIF recapitalization will be sufficient.

We appreciate having the opportunity to address this important issue.

Sincerely,
NICHOLAS F. BRADY.

U.S. SENATE, COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC, October 9, 1991.
L. WILLIAM SEIDMAN,
Chairman, Federal Deposit Insurance Corporation, Washington, DC.

DEAR CHAIRMAN SEIDMAN: On August 2, 1991, this Committee voted to report to the Senate the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991 (S. 543). Among other things, this legislation would permit the FDIC to borrow up to $25 billion from the Treasury to meet losses of the Bank Insurance Fund (BIF).

The borrowing authority provisions of S. 543 are consistent with the Administration's own legislative proposals. As Undersecretary Glauber noted in his testimony before this Committee on March 21, 1991, however, the $25 billion borrowing authority relied on projections by the Office of Management and Budget showing a decline in the BIF's net worth to $−22.1 billion by the end of FY 1996.

According to Undersecretary Glauber, the OMB's projections for the BIF assumed a mild recession of six months duration. Whether or not the recession has ended, it now seems certain that its duration significantly exceeded six months. Even so, I am advised that the OMB's Midsession Budget Review continues to rely upon a forecast for the BIF culminating in a net worth of $−22.1 billion by the end of FY 1996.

I am concerned that the borrowing authority sought by the Administration—and reported by this Committee at the Administration's request—may prove insufficient, resulting in the need for Congressional action to authorize further borrowing by the FDIC in 1992 or 1993.

In the spring of 1989, I wrote to you expressing similar concerns about the Administration's then-pending request for $50 billion in funding for the Resolution Trust Corporation. In response, you offered assurance that $50 billion would in fact suffice. Just two years later, however, Congress is considering the Administration's third request for funding for the RTC—a request that would bring the total funding provided thus far to some $160 billion.

I do not want to repeat with the BIF the unfortunate experience with funding for the RTC. I urge you to consider carefully the adequacy of the Administration's $25 billion request for FDIC borrowing authority and advise me whether you continue to believe that that request will prove sufficient. Time is short: S. 543 will go to the Senate floor soon. Please give me your reply within 10 days.

Sincerely,
DONALD W. RIEGLE, Jr.,
Chairman.

FEDERAL DEPOSIT
INSURANCE CORPORATION,
Washington, DC, October 16, 1991.
Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter regarding the sufficiency of the Bank Insurance Fund (BIF) borrowing provisions in S. 543, the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991.

The Federal Deposit Insurance Corporation is in the process of completing a review of our baseline and pessimistic forecasts for 1993 and will report to you very soon on those results. As your letter indicated, the uncertainty of the timing and strength of the economic recovery could bring the sufficiency of the proposed recapitalization into question.

While this review is being completed, it is incumbent upon me before leaving office today to emphasize that it would be very unwise to go beyond this session of Congress (due, I understand, to adjourn about December 1) without a recapitalization of the Fund. The BIF, including the results of the General Accounting Office's 1990 audit, currently has a net worth of $2.4 billion and continues to decline. As a result, failed bank resolutions may be curtailed should Congress not complete action on a recapitalization as suggested.

With best wishes.
Sincerely,
L. WILLIAM SEIDMAN,
Chairman.

FEDERAL DEPOSITION
INSURANCE CORPORATION,
Washington, DC, October 23, 1991.
Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC

DEAR MR. CHAIRMAN: This letter is in further response to your letter of October 9, 1991 inquiring about the adequacy of the proposed Bank Insurance Fund recapitalization legislation. The Federal Deposit Insurance Corporation remains convinced that the need for recapitalization of the BIF is urgent. The BIF will reach its debt limitation in the very near future.

The FDIC periodically revises its projections for future insurance losses based on newly available bank data, changing economic conditions and the assessments of the examiners in the field. The FDIC's revised projections indicate that under a baseline scenario, which assumes that economic conditions affecting the value of bank assets (particularly real-estate markets) neither deteriorate further nor dramatically improve, the BIF deficit would reach about $18 billion by year-end 1993.

Under this baseline scenario the FDIC believes that the currently proposed $30 billion Treasury borrowing cap to cover insurance losses would prove adequate, although the margin for error is smaller than previously anticipated. It should be recognized, however, that under a more pessimistic set of assumptions, a $30 billion cap on loss borrowings could ultimately prove insufficient. For your information, a summary of the FDIC's baseline and pessimistic projections through 1993 is attached, along with a comparison with previous projections. These projections represent neither best case nor worst case scenarios.

Given the many uncertainties surrounding the macro-economy and, perhaps more importantly, regional economies, I believe it is premature to attempt to specify an amount sufficient to cover all possible contingencies. Based on what is reasonably estimable and probable at this time, $30 billion in loss borrowing authority should be sufficient; if the banking industry deteriorates further, $30 billion will probably not be sufficient. Attempting to be more specific at this time would be speculative at best.

The FDIC will be pleased to review these matters in greater detail with you or your staff.

With best wishes.
Sincerely,
ANDREW C. HOVE,
Acting Chairman.

FEDERAL DEPOSIT INSURANCE CORPORATION BANK INSURANCE FUND—FUND ANALYSIS AND PROJECTIONS

[Dollars in billions]

	January 1991 projection				June 1991 projections				October 1991 projection					
	Baseline		Pessimistic		Baseline		Pessimistic		Baseline			Pessimistic		
	1991	1992	1991	1992	1991	1992	1991	1992	1991	1992	1993	1991	1992	1993
Number of bank failures	180	160	230	210	160	180	180	220	137	200		137	239	
Failed bank assets	$65	$30	$90	$70	$60	$80	$70	$130	$73	$56	$82	$73	$118	$120
Projected fund balance[1]	$4.1	$3.6	$0.2	($4.6)	$3.2	($3.0)	$1.7	($11.0)	$2.6	($9.6)	($18.3)	$2.6	($14.1)	($28.9)

[1] Based on 23 basic point requirement rate.

Mr. RIEGLE. What I can guarantee is that, without this legislation, there will be no money at all. Without money, the FDIC will not have the resources to close failed banks. As long as these failed banks stay open, their losses will grow. As their losses grow, so will losses to the deposit insurance system, and so will the risk to the taxpayers who will ultimately have to pay for these losses.

Let me now talk about reducing the risk of future bailouts. To enact a bill that just gave the FDIC money without addressing the flaws in the deposit insurance system would be pouring money down the drain. This bill does not pour money down the drain. We have had enough of "business as usual" in the regulation of our banks and management of our deposit insurance system.

So this legislation establishes tough, new rules for both the FDIC itself and for troubled banks. The purpose of these rules is simple and common sense; namely, to get troubled institutions to act prudently to conserve their capital and to turn themselves around.

Under this bill, when a bank or thrift's capital begins to fall short of minimum requirements, it must stop paying dividends to its shareholders; it must limit its asset growth; and must stop paying interest on subordinated debt.

If the institution keeps sliding into difficulty, its regulator must impose additional restrictions designed to conserve the institution's capital, keep it away from high-risk investment strategies, prevent insider abuses, and ensure that it has competent management.

And if even these efforts do not halt an institution's slide, this bill requires the FDIC to close it promptly when there is still little or no cost to the deposit insurance fund.

Numerous witnesses before the committee have endorsed S. 543's approach to what we call prompt corrective action. They included Paul Volcker, Gerald Corrigan, and the CEO's of major financial institutions like Bank One and First Wachovia.

We also provide for accounting reform, annual audits, and annual examinations. The view of the bill is that regulators will only be able to take prompt corrective action if they have adequate information about the condition of the institutions they oversee. They do not have such information today. But three important reforms in this legislation will change that.

First, the bill establishes a process for approving the accounting principles applicable to insured depository institutions. These provisions are not intended to affect the exclusive statutory responsibility of the Securities and Exchange Commission to define the content of financial statements required to be prepared under the Federal securities laws and the accounting principles pursuant to which they are prepared.

Second, the bill requires each institution to have an annual audit by an independent auditor, not only of its financial statements, but also of its internal control systems and its compliance with safety and soundness laws. These provisions owe a great deal to the efforts of Senator WIRTH.

Finally, each regulator will have to conduct an annual, full-scope, on-site examination of each insured depository institution under its jurisdiction.

These reforms are vital. With effective, prompt regulatory action to turn troubled institutions around, a lot of major institutions, like Bank of New England or MCorp, might still be with us today still lending into their local economies, and still employing thousands of people.

Let me address the issue of foreign deposits because foreign deposits have been a source of major controversy in the banking system. Right now, most of our money center banks hold large volumes of foreign deposits. These deposits are not insured by law, and, accordingly, no deposit insurance premium is now assessed on these deposits. But, in actual practice, under what is called the "too-big-to-fail" policy, the FDIC has been making sure that foreign depositors do not suffer a loss when a bank that holds foreign deposits runs into trouble and is closed.

This system gives the banks that take foreign deposits an unfair competitive advantage, and this bill is going to put a stop to that.

First, the bill requires that if a bank with foreign deposits causes a loss to the FDIC, the FDIC must recover the amount of that loss through a special assessment on all other banks with foreign deposits.

Second, the bill requires bank regulators to adopt the least-cost resolution strategy in resolving institutions. This should help prevent the FDIC from protecting foreign depositors for the simple reason that, as a general rule, it is hard to imagine how paying money to someone you don't owe can be the least cost approach to settling your debts.

Third, I want to note that the system of prompt corrective action this legislation establishes will help get the FDIC out of the business of protecting foreign depositors. If it succeeds in getting banks closed before they run out of capital, the problem of using the deposit insurance fund to protect foreign depositors will not even arise.

Finally, as part of the move to risk-based premiums, which I will get to in a moment, the bill directs the FDIC to assess banks that hold foreign deposits to compensate the deposit insurance fund for the risk such deposits pose to it. Under current law, the FDIC has no discretion to impose such assessments.

RISK-BASED PREMIUMS

The way we charge banks for deposit insurance makes no sense. Right now, every bank and thrift in the country pays a flat rate for its insurance coverage. Currently, the rate is 23 cents for every $100 of domestic deposits at the institution.

This system fails to distinguish between healthy and unhealthy institutions. As one witness told the Banking Committee, "[t]oday, the drunk drivers of the banking and thrift world pay no more for their deposit insurance than do their sober siblings." Any insurance company that priced its auto insurance on this basis would quickly fail.

This bill will require the FDIC to implement a system of risk-based premiums for deposit insurance coverage, and gives the FDIC broad discretion over how to design such a system. It instructs the FDIC, in setting risk-based premium levels, to consider all risks that might cause deposit insurance losses—including risks posed by all different categories of assets and liabilities, risks posed by uninsured and foreign deposits, and risks posed by off-balance sheet activities.

In addition, the bill authorizes the FDIC to use private reinsurance as a basis for pricing risk-based deposit insurance, and instructs the FDIC to implement a pilot program relying on the private reinsurance approach. If that pilot program proves successful, the FDIC may adopt the private reinsurance approach nationwide.

The risk-based premium provisons of this bill reflect the considerable efforts of Senators DIXON of Illinois and GRAHAM of Florida. I thank them both now publicly for their efforts in that area.

ELIMINATING ABUSIVE PRACTICES AND RESTRICTING RISKY ACTIVITIES

This legislation also contains several provisions that seek to eliminate abusive practices and risky activities at insured banks and thrifts.

First, insider lending.

It will place tight controls on insider lending.

In one institution that recently failed here in Washington—Madison National Bank—nearly one-quarter of the bank's problem loans reportedly consisted of loans to the bank's directors and executive officers.

This bill will make that kind of abuse impossible. It will prohibit any institution from lending more than 100 percent of its capital to insiders, or more than 15 percent of its capital to any one director.

With respect to insurance powers, the bill closes several loopholes in current law that opened the door for banks to jump into risky insurance activities.

It closes the so-called town of 5,000 loophole. Under a recent court decision, a national bank with a branch in a town whose population is 5,000 or less can use that branch to sell insurance nationwide. This bill does not eliminate the power of national banks to sell insurance in small towns, but it limits the scope of that power to the small town and its environs.

Second, the bill restricts insurance underwriting by State-chartered banks. A second recent court decision upheld a State statute permitting federally insured, State-chartered banks to underwrite and sell any kind of insurance. This bill will eliminate the threat to the deposit insurance system such underwriting poses by restricting State-chartered banks to insurance underwriting activities permissible for national banks—a very limited range of activities.

Finally, the bill restricts interstate insurance sales. It allows banks to sell insurance across State lines only if the laws of the State in which the insurance is sold permit such sales by out-of-State banks.

In terms of other risky activities, too many institutions have failed because their junk bond portfolios took a nosedive. Or because their speculations in raw land didn't pan out. This bill sets careful limits on risky activities that imperil the deposit insurance system—and the taxpayers. Four such limits deserve special mention.

First, the bill prohibits junk bond investments.

Second, it phases out investments in the stock market.

Third, it sharply curtails equity investments by State-chartered banks, including direct investments in real estate.

Fourth, it allows State-chartered banks to engage in activities that are not permissible for national banks only if the FDIC determines the activity is safe for the deposit insurance fund.

Concerning brokered deposits, this bill also prohibits weak banks from accepting brokered deposits. Brokered deposits have been implicated in major frauds perpetrated on several failed financial institutions at substantial cost to the deposit insurance system. This bill flatly prohibits weak institutions from taking brokered deposits. No institution will be able to take brokered deposits unless it satisfies or exceeds all its capital requirements, and received one of the two highest possible ratings in its most recent examination. These restrictions are significantly tougher than current law.

REGULATIONS OF FOREIGN BANKS

This bill will require aggressive regulation of foreign banks doing business in this country.

One BCCI scandal is enough. But without appropriate reforms, a second BCCI-type scandal, sooner or later, is inevitable. This bill includes the reforms that will prevent another BCCI from happening. Among other things, the bill requires a foreign bank to obtain Federal Government approval before opening an office in this country; requires a foreign bank seeking to enter this country to demonstrate to the Federal Reserve Board's satisfaction that it is subject to comprehensive supervision in its home country; and enhances the Federal Reserve Board's authority to examine and close foreign bank operations in this country.

MONEY LAUNDERING

This bill takes direct aim at the problem of money laundering. It incorporates the depository institution money laundering amendments, authored by Senator KERRY, and the Money Laundering Enforcement Act of 1990, authored by Senator D'AMATO—both of which passed the Senate last year.

This legislation gives Federal bank regulators clear authority—subject to due process protections—to revoke charters, terminate deposit insurance, and remove employees when a bank or its employee is convicted of money laundering.

In addition, the Federal Reserve may terminate the operations of foreign bank branches and agencies operating in the United States when those entities or their employees are convicted of money laundering.

Also, the bill strengthens money-laundering enforcement by making it a crime to operate an illegal money-transmitting business.

There are also important consumer protections in this bill.

In reforming the banking system, we must not lose sight of the reason we have a banking system in the first place: To finance our economy, to spur economic growth, to make America a better place for the people who live here.

This bill includes important reform measures that will protect consumers against deceptive advertising by insured depository institutions, help combat mortgage discrimination, and ensure that low-income individuals have access to basic financial services. These measures have been carefully crafted to impose minimal regulatory burden on insured institutions.

In the area of truth in savings, as banks come under increasing financial pressure, the practice of misleading customers by advertising one rate of interest on deposits but, in effect, paying a lower rate is becoming increasingly common.

The motive is understandable, but the result is not acceptable. So this bill includes legislation drafted by Senator DODD to address this problem.

The Truth in Savings Act, which passed the Senate in 1988, and again in 1990, will require uniformity in the ways depository institutions calculate the interest rate payable on deposits—and prohibit certain calculation methods currently in use that have the effect of misleading consumers.

The bill will also help to stamp out mortgage discrimination.

(Mr. CONRAD assumed the chair.)

Mr. RIEGLE. It is actually extraordinary that, in 1991, we find that some of the largest and most reputable banks in the country are still rejecting equally qualified minority mortgage applicants four times as often as they are nonminority applicants. Just last month the Fed issued its most comprehensive report on nationwide mortgage lending. The report showed that, even when you take income differences into account, minority applicants are 2 to 4 times less likely to get mortgages than nonminority applicants. And at the same time, the regulators are giving virtually every bank an outstanding rating for compliance with the Community Reinvestment Act.

This bill includes the Fair Lending Enforcement Act—legislation authored by Senator DIXON, that passed the Senate last year. This act will make it easier for rejected loan applicants to find out if they are being discriminated against by requiring the rejecting lender to provide them with a copy of any appraisal done on the house that they want to purchase.

According to testimony before the Consumer Subcommittee run by Senator DIXON, mortgage discrimination often masquerades as an inadequate appraisal. And the bill also requires legislators to refer suspected mortgage discrimination violations to the Department of Justice.

This bill also includes legislation that will help ensure that low-income consumers retain access to basic financial services.

Too many low-income consumers—some 16 percent of American households, according to the GAO—lack bank accounts. Low-income people, elderly citizens, often inner-city residents who transact business in cash are at much higher risk of fraud and theft than people who are able to use bank accounts.

This bill would require banks to offer low-cost checking accounts and Government check-cashing services to low-income individuals.

Contrary to some reports, this legislation does not require that these services be provided for free. In fact, to the contrary, it expressly permits banks to charge a fee sufficient to recover their costs and make a 10-percent profit.

Contrary to some reports, this legislation includes extensive antifraud safeguards. For example, it does not require banks to cash checks for strangers. Individuals who seek this check-cashing ability with the bank must preregister for these services and present proper identification. Banks can deny any application that appears fraudulent. They can refuse to cash any check that they have reason to believe is fraudulent. The Federal Reserve can suspend check-cashing services for any class of check. If all these safeguards should fail, the legislation expressly permits banks to recover any fraud losses through the use of the fees charged for the check-cashing services.

Let me take this opportunity to clarify questions that have been raised concerning the applicability of the Expedited Funds Availability Act to Government check-cashing accounts.

First, contrary to what some have said, the committee's report on S. 543 contains no statement on the applicability of the Expedited Funds Availability Act to Government check-cashing accounts. And, specifically, the report does not say that those accounts will be somehow exempt from that act.

Second, and again contrary to what some have said, the committee report does state that individuals who select Government check cashing accounts will have an account relationship with the institution providing those services. They will have to apply in advance for a Government check cashing account. They will have to provide identification as part of the application process. They can have their account application denied if the institution believes it to be in any way fraudulent or suspect. So if anybody tells you that banks are being required to cash checks for perfect strangers, that is simply and flatly a false statement. They only cash checks for account holders.

Finally, let me clarify what I think is the source of the confusion. The committee's report does say, and I quote:

> [i]ndividuals who apply to a depository institution for a basic transaction services account, whose applications are not denied, and who elect to receive government check cashing services, do not establish a demand deposit or transaction account with the institution. In this context, the term "account," as used in subtitle C, has a meaning often associated with it outside of the universe of financial services: an established business relationship between an institution and a customer—specifically, a relationship in which the institution cashes government checks for the customer.

Now it is true that, under the Expedited Funds Availability Act, the term "account" is defined to mean "a demand deposit account or other similar transaction account at a depository institution." And I think the fact that the same terms occur in that act and then again in the language of the report is what misled some people into believing the report was indicating that the Expedited Funds Availability Act does not apply to check cashing services.

The fact of the matter is, that is not what the report indicates. I do not understand the terms "account," "demand deposit account," and "transaction account," as they are used in the report to have the same technical meaning as in the statutory language of the Expedited Funds Act. As they are used in the report, the terms should be taken at face value. Account holders who opt to open government check cashing accounts under title V will establish an account relationship with the depository institution providing those services. Obviously, a Government check cashing account is different in some respects from other types of accounts an individual might establish at a given depository institution. The logic of establishing an umbrella account relationship was to incorporate all applicable laws. This language in the report just elaborates on account differences in a nontechnical manner and is intended to reflect this understanding.

These requirements have very generous grandfather provisions. Institutions that offer comparable services on the effective date of these provisions would be grandfathered. A large percentage of American depository institutions offer these services already, and because these provisions will not take effect for at least 6 months after enactment, those that do not already offer the services will be able to self-grandfather by developing comparable service offerings before the effective date of this subtitle.

This legislation also includes important measures intended to restore stability to the banking system. These measures will facilitate the trend already well underway in the banking system toward full interstate banking and branching. As I mentioned earlier, I am well aware of the fact that some of these measures are controversial. And I am continuing to talk with the administration, with Senator GARN, Senator Ford, Senator BUMPERS, and others, in hopes that we will be able to narrow and finally settle differences in that area.

The case for the bill's interstate banking and branching reforms is simple.

First, these reforms are good public policy. Branch banks, banks with geographically diversified portfolios of assets and liabilities, are less likely to fail. That is a statistical fact. And therefore they pose less of a risk to the deposit insurance system and ultimately the taxpayers.

Second, interstate branching is more efficient than interstate banking because branch networks entail less duplication of administrative expenses than do bank networks. More efficient banks are more profitable and less likely to fail and in turn become a taxpayer liability. Interstate branches will also be more convenient for consumers.

Third, interstate banking and branching is already happening. Thirty-four of the fifty States already permit nationwide interstate banking, and 14 of the remaining 16 States permit some form of interstate banking. So this is a matter that has already developed very fully on its own prior to this bill coming to the floor.

Finally, I think it is important to understand that the Senate's provisions in this area differ from what the administration proposed in four significant respects.

First, unlike the administration's original proposal, the bill allows States to decide whether to participate in interstate branching. I know that has been the subject of considerable concern to many of our colleagues. The bill allows any State to opt out of interstate branching at any time during the first 3 years after enactment. And it ensures that out-of-State banks branching into a given State will have to observe that State's banking, consumer protection, and community reinvestment laws. So, we maintain a strong role for individual States in that respect.

A second significant difference is that this bill permits only banks that are well managed and that fully satisfy their capital requirements to be able to bank and branch interstate. So there is an important qualification test in terms of only strong, well-capitalized banks being able to do that.

A third difference is that this bill sets forth concentration limits that bar any merger across State lines that would result in a single institution having more than 10 percent of all insured depository institution assets in the entire United States, or more than 30 percent of insured depository institution deposits in the State in which the bank to be acquired is located.

So those become the outer bounds in terms of the size that a single bank entity could grow to. And I would not envision that we would find many or any cases where we would find people bumping up against those limits. We have got lots of competition out in our banking system. I think it serves us well, and for one want to see that competition maintained.

Finally, this bill modernizes the Community Reinvestment Act to ensure that it remains enforceable with respect to banks that branch interstate. This reform will help ensure that interstate branching does not create a kind of vacuum cleaner effect where money deposits from savers would be collected in one region of the country and then, having been collected, would be sent out to some other distant place in the country, or even out of the country. So, we are very sensitive in this legislation to seeing to it that banks carry out their community reinvestment function and that savings collected in a given area in substantial measure be taken back out and reinvested and made available in the form of credit in that very same area.

And I might say that the administration's bill I think had a major deficiency in that area, and that has been turned aside in favor of the proposal which I just outlined.

In summary, then, this legislation I think is very strong. It is sensible. And it is urgently needed to protect the taxpayers. It takes a no-nonsense approach to dealing with failing banks and thrifts. It permits geographic diversification with safeguards and makes sense out of bank security powers in ways that will protect the deposit insurance system. And it also includes long-awaited reforms to protect taxpayers, consumers, and communities from abusive practices, from rising costs, and changes in the banking industry that otherwise might work to their disadvantage. So I can recommend this legislation to the Senate.

I just finally say that enormous time and effort has gone into this by the members of the committee, by the professional staff, by the best experts that we could find throughout the country. We have not hurried this process in the sense of insisting that we take the time to go out and gather the body of expert opinion that we felt we had to have in order to pin down these issues and to be able to formulate a legislative package that was solid in every respect.

This bill has been crafted to that standard.

There is symmetry to the bill that is also important. While each section of the bill, by itself, freestanding, is designed to meet very specific and very tight criteria, you must also look at each of these sections in combination with all the other sections, because we designed this bill to work in a comprehensive way, in an overall fashion, so that each section reinforces and works with each other section. And that is very important.

This kind of legislation, in a regulated industry of the importance that banking is to this country, without that kind of careful engineering design of the legislation, we could end up with unintended consequences that we would not in any way want to have happen and which otherwise could cause great harm. And so we have invested great effort to be sure that that is not the case.

And so on that basis, I recommend this package to the Senate.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, first, I ask unanimous consent that privileges of the floor be granted to Ruth Amberg, Barbara Matthews, and Joel Miller of my staff during the pendency of S. 543 today and each day the measure is pending, and for rollcall votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I want to briefly recap the provisions included in S. 543.

BIF RECAPITALIZATION

As recommended in the legislative package sent to Congress early this year by the administration, S. 543 provides for recapitalizing the BIF with banking-industry funds.

Because the immediate need for funds exceeds the immediate ability of the industry to provide those funds, S. 543 authorized the Treasury to lend up to $30 billion to BIF. Loans from the Treasury to cover BIF losses would be repaid through future BIF premiums on insured deposits.

To meet the increased working capital needs of BIF, S. 543 would authorize BIF to borrow up to $45 billion from the Federal Financing Bank. These funds would be repaid from the proceeds of sales of bank assets taken over by BIF.

In addition to repaying the borrowings over a 15-year period, the FDIC would be required to rebuild BIF reserves to a target level of 1.25 percent of insured deposits.

The 15-year timeframe could be extended but only if approved by Congress under expedited procedures set out in the legislation.

DEPOSIT INSURANCE REFORM

Title II of the bill contains provisions that are euphemistically entitled "deposit insurance reform." While all of these are well intended, and several of them are constructive amendments to the banking laws, unfortunately others are counterproductive.

For example, title II requires several layers of duplicative examinations conducted both by Federal bank regulators and privately hired auditors. There is no justification for mandating that our financial institutions expend valuable resources on these duplicative examinations which will have the primary effect of increasing profits for the Nation's accounting firms. At a time when our banks are suffering declining profits, making these institutions spend unnecessary capital that could otherwise be used for lending, only exacerbates the credit crunch. To my knowledge, none of the regulatory agencies supported the adoption of this provision.

Title II also contains provisions requiring the agencies to take specified enforcement actions with respect to ailing financial institutions. Thus, the regulators must follow the same regulatory regime, with little discretionary authority to tailor their approach to specific institutions. Unfortunately, this cookbook approach lack of regulatory discretion is a recipe for disaster. Even former FDIC Chairman Seidman opposed the legislation of mandatory supervisory actions, that are found in this bill.

INTERSTATE BANKING

An essential piece of the administration's legislative package was a proposal to allow interstate branching after 3 years. Recent experience in Texas and New England has demonstrated just how risky it is for a depository institution to concentrate its' loans in a small geographic area.

This should come as no surprise to anyone who has even an elementary knowledge of finance. The first lesson in the first course in finance is that you reduce risk through diversification.

The Banking Committee modified the administration's interstate proposal by giving the individual States 3 years during which they could opt out of interstate banking. The committee also subjected future interstate branches to tighter CRA requirements and imposed concentration limits for acquisitions.

I understand an amendment may be offered here on the Senate floor to require that an initial interstate movement by a bank must be done by acquisition of an existing bank rather than through de novo branching.

Such an extortion amendment would clearly reduce the contribution of an interstate provision to the health of the banking system.

There may even be an amendment offered here on the floor to require that individual States opt in to interstate banking. This would be a serious blow to efforts to strengthen the banking system.

If our objective is to strengthen the banking system in order to protect taxpayers from having to pay for a future BIF recap, then I think that we have a duty to provide more incentive for risk-reducing measures like diversification through interstate branching.

GLASS-STEAGALL

The current state of our banking system points to the overwhelming need to modernize our banking laws. The rigid rules and legal walls built in the 1930's have not withstood the rapid changes that have taken place in our financial services industry in the 1990's.

That is why, it is essential that Congress fashion new laws that provide some flexibility to enable the industry and the regulators to respond to the dramatic changes that will occur in the future.

Although the Senate voted overwhelmingly (94–2) in 1988 to repeal the 60-year-old restrictions on bank affiliations with securities firms, some Senators have insisted that 1991 is not the time to modernize our banking laws.

They want to delay replacing a structure that makes no sense in today's financial services industry.

However, Congress cannot turn back the clock. Does Congress want to prohibit securities firms from offering money market accounts with checkwriting features that compete with today's banks? Is Congress prepared to close the commercial paper market which supplies short-term credit for a bank's most creditworthy companies?

Do we want to prohibit retail firms, telephone companies and other nonbank companies from offering credit cards to their customers?

In today's reality, there is little difference between certain banking and securities activities.

If some Senators do not want to tear down the artificial wall that separates these industries, then at least they should be willing to rebuild it so that securities firms cannot offer services traditionally provided by banks.

In 1988, the Senate realized that it was time to repeal Glass-Steagall. Congress is now 3 more years behind in modernizing our banking laws. I am deeply concerned that if we fail to act now, the next time may be too late.

INSURANCE

The administration's bill proposed to allow diversified-financial-services holding companies to own insurance companies. S. 543 does not include such a provision and even goes so far as to restrict the existing ability of banks to sell insurance.

Proponents of restrictions on commercial-bank insurance activities claim that the restrictions are designed to protect consumers. Consumers, however, do not want such protection.

Consumers know that more competition for their business will lower the price they pay for insurance. Consumers know that the best insurance buy in the country is savings bank life insurance, a product offered by federally insured depository institutions.

I believe that State governments are better attuned to the true wishes of citizens on domestic issues than is the Federal Government. If I am correct, then before Congress acts to restrict banks' insurance activities, Congress should note that 34 States now permit banks and/or bank subsidiaries to sell insurance.

If you doubt whether State legislatures are reflecting true consumer sentiment on this issue, I urge you to look at the 1988 referendum in California where the citizens of the Nation's largest State voted overwhelmingly to let banks compete for their insurance business.

An amendment adopted by the Banking Committee would discriminate against sales of insurance by an out-of-State insurance company if it were owned by a bank. But why should Congress adopt such a discriminatory amendment when no State has seen fit to discriminate against out-of-State companies just because they are owned by banks.

As far as I am concerned, restrictions on the insurance activities of banks are either consumer protections that consumers, themselves, do not want, or they are purely special-interest provisions to protect the profits of insurance companies and agents.

SPECIAL INTEREST

My characterization of the insurance provisions in S. 543 as being special interest is countered by representatives of the insurance industry's alleging that the administration's proposal itself was a special interest bill for the banking industry.

Thus, representatives of the insurance industry charge that it would be special-interest legislation for banks to allow them to have insurance affiliates. Similarly, representatives of the securities industry charge that it would be special-interest legislation for banks to allow them to have securities affiliates.

While this allegation seems plausible at first glance, further analysis shows it to be grossly misleading.

First of all, the Treasury proposal calls for a two-way street. Banks would be allowed to affiliate with insurance and securities firms, but insurance and securities firms would also be authorized to establish bank affiliates. This does not sound like special interest legislation to me.

Moreover, the list of expert, impartial supporters of affiliations between banks, insurance firms and securities firms is long.

Does anyone really believe that public servants like Paul Volcker and Alan Greenspan, the former and current Chairmen of the Federal Reserve's Board of Governors; Bill Seidman and Bill Taylor, the former and current Chairmen of the Federal Deposit Insurance Corporation; and Robert D. Reischauer, Director of the Congressional Budget Office are tools of a special interest group?

Does anyone really believe that academics like Jim Barth at Auburn, Bob Eisenbeis at the University of North Carolina, and Bob Litan at Brookings are special-interest pleaders?

CONSUMER TITLE

The stated purpose of this bill is to recapitalize BIF and improve the competitiveness of the banking industry in order to minimize losses to the BIF. Imposing a series of expensive consumer mandates on a struggling industry does not help in achieving this goal.

Truth in savings and fair lending enforcement have worthy purposes and have passed the Senate before. Nevertheless, they do not do anything to protect the insurance fund or to strengthen the banking system.

They should not be attached to this legislation.

This argument is even more compelling with regard to the government check cashing/lifeline banking provisions in title V. I can see no reason why this costly and unjustified burden should be imposed on the banking industry at this time.

The benefits of title V are dubious, but the costs to the banking industry are certain.

COMMERCE-FINANCE

The legislative proposal sent to Congress early this year by the administration would allow commercial and/or industrial firms to own financial-services holding companies. Pursuant to the compromise Senator RIEGLE and I reached in July, there is no such provision in S. 543, and I obviously will abide by my commitment to Senator RIEGLE to oppose a commerce/finance amendment on the Senate floor.

I do, however, want to state my reasons for wishing that such an amendment were in the legislation.

Ford Motor Co.'s 1985 purchase of the federally insured savings and loan association known as First Nationwide may be costing Ford money, but it saved money for taxpayers and provided an important source of capital for the S&L.

Just as commercial-enterprise investments in S&L's have protected taxpayers and provided important sources of capital for those insured depositories, so too—I believe—would commercial investments in commercial banks protect taxpayers and provide an important source of capital for another group of insured depositories.

If we had been able to repeal Glass-Steagall in this legislation, a less-obvious consequence of not allowing commercial or industrial firms to invest in financial-services holding companies is that the prohibition would have denied some of our Nation's most important financial institutions, an equality of competitive opportunity vis-a-vis some of their direct competitors.

Suppose S. 543 allowed commercial banks to affiliate with securities firms. A commercial-banking organization would be able to offer both banking and securities services to a customer.

Similarly, a free-standing securities firm like Salomon would be able to affiliate with a bank and offer both banking and securities services to a customer.

But Dean Witter would not be able to affiliate with a full-service bank because Dean Witter is owned by Sears and a bank would not be allowed to affiliate with a commercial firm like Sears.

Similarly, Kidder Peabody would not be able to affiliate with a bank because Kidder's parent, General Electric, is an industrial firm and industrial firms would not be allowed to be affiliated with banks.

I do not understand the public policy purpose of denying firms like Dean Witter and Kidder Peabody an equality of competitive opportunity vis-a-vis their direct competitors.

LENDER LIABILITY

Mr. President, the bill reported by the Banking Committee also contains important provisions designed to protect the resources of the FDIC and the RTC, and to permit banks and other lending institutions to continue lending to small businesses and other sectors of our economy that may be subject to environmental liability.

This liability was never intended by the Congress. To the contrary, we specifically tried to limit the environmental liability of secured lenders and Federal agencies that acquire property when Superfund was first enacted in 1980. Nevertheless, these limitations have been severely undermined by court decisions.

When agencies come into the possession of property after an institution fails, or when they kick out the management of fraudulently run banks and savings and loans, they run the risk of incurring enormous liability for environmental problems they did not cause.

The FDIC, RTC and other banking agencies are performing vitally important functions for the health of our Nation's economy. If they are shackled in their ability to operate, the functioning of our financial system and our Nation's economy is placed at risk.

The RTC told the Banking Committee that:

> If the RTC is not successful in avoiding (environmental) liabilities. * * * The very resources dedicated by Congress to the rescue of savings & loans could be imperiled.

The FDIC, testified that:

> The environmental laws, as presently interpreted. * * * Pose significant risks to the FDIC's goal of protecting depositors. * * *

Mr. President, overreaching by the courts in interpreting environmental laws also threatens the deposit insurance funds by imposing liability on private lenders who are not responsible for the contamination.

The imposition of this liability on financial institutions has had significant detrimental affects—not only on these institutions, but throughout our economy, particularly small businesses.

Evidence was presented to the Banking and Small Business Committees that this problem has greatly exacerbated credit problems for the small business community. On October 8 of this year, President Bush noted the impact of environmental liability as a significant contributing factor to the credit crunch, and urged that Congress address this issue.

The plain fact is that many lenders have stopped making secured loans to businesses that use hazardous materials or are located in areas of possible hazardous waste contamination. The result is that thousands of well-run, credit-worthy small businesses cannot obtain the financing they need to survive.

Who is affected? The problem is particularly acute in rural areas serviced by smaller community banks, but the problem is nationwide. Businesses that are especially affected include: gas stations, auto repair shops, dry cleaners, tool and die shops, wood preserving facilities, scrapyards, railroad facilities, utilities, bottling and canning facilities, metal fabricating facilities, semiconductor plants, chemical manufacturers and distributors, and fertilizer or pesticide producers and distributors. Farmers are vitally affected as well. Even prospective homebuyers are affected when the houses they want to buy are near known contaminated sites.

Mr. President, I certainly believe that environmental problems are serious and should be taken care of. This Nation should and must take care of our pollution problem.

Title X of the banking bill provides a balanced solution for the serious problems faced by innocent government agencies and lenders. It is the result of a deliberative, painstaking process, including 2 years of hearings and countless discussions with, and comments from, a wide range of affected parties.

This title does not relieve polluters of liability. It provides economic and regulatory incentives for lenders to conduct environmental risk assessments and to monitor environmental factors. It provides practical relief that is essential for the stability and continued operation of our deposit insurance system, and encourages private lending institutions to continue to provide credit to all segments of our economy. To the extent that these loans will provide funds to modernize plants and operations, they will also directly contribute to a cleaner environment.

Polluters will not benefit from this legislation—but the taxpayers, the environment, and the economy will.

Let me point out in just a little more detail what we are talking about.

In the Superfund Act of 1980—and I was in the Senate at that time—we specifically carved out a lender liability exemption. And it was certainly the intent of Congress, and it was very clear even to a nonattorney, the exemption that we placed in that. But some of these misguided Federal judges have interpreted it differently. There have been some cases, the Fleet Factors case and others, where they have held innocent lenders libel. The cases across the country are almost without number.

And as we talk about the credit crunch and how we solve it and get more money, particularly for small businesses, to get this economy going again, it is not talked about how much of a factor loaning policies are influenced by the potential for liability for polluted property of which the financial institutions or the Federal regulatory agencies had nothing to do with.

So I want to be very clear. Despite the fact that environmental groups, who labeled this an antienvironment bill and vigorously opposed it, said that it would create more Love Canals, I do not even understand that kind of blind opposition when it is simply not true. People are entitled to their own opinions. They are not entitled to their own facts.

I will give you an example. At one bank that repossessed a piece of property in Texas in 1948, they only held it for 3 months. Again, they did not own it, they did not have anything to do with it, they repossessed it for 3 months in 1948. And a couple of years ago, they were the only one that could be found to clean up the pollution of this site in the long list of owners over more than 40 years.

Now what sense does that make? Forty years later, you go back and you say you held a loan on this and you are going to pay for the cleanup. This is in no way to get away from liability for those who cause pollution. It is an amendment that says those who caused the pollution will pay. And if they cannot, that is what we created the Superfund legislation for, not to find innocent lenders and say they are to be held responsible.

Another example, in my own city, in Salt Lake City, a Toyota dealership went bankrupt. And I find it very difficult to believe that a Toyota dealership could be managed so poorly that it would go bankrupt. But, nevertheless, it did. One of our local banks just simply held the mortgage on the building. They loaned them the money to build the building when it was new. There was obviously no pollution. They had nothing to do with the management of that institution. When they went bankrupt, they simply repossessed the property.

Then found out that the gasoline tanks from the dealership had leaked and the ground underneath the building was polluted. Who had to clean it up? Not the bankrupt dealership, not the Superfund. The bank. And they had to clean it up before they could sell it.

After they had spent over $400,000 cleaning it up and not getting the money back that was owed them on the mortgage, then they put it up for auction and sold it at a very large loss, not recouping anywhere near what they were owed by the dealership or for any of the cleanup.

How anyone can oppose this amendment, I do not understand. I do not understand how the environmental community can say we want this cleaned up—and I understand that. I do, too. That is not the point. But to make people who had nothing to do with it pay for it is about as un-American a thing as I can believe. That is why I want to emphasize it is not just the past costs that are being imposed on innocent lenders.

We complain about the credit crunch and give speeches about how we get banks to make money available. If you are a banker, are you going to loan to any of the businesses that I outlined with a high potential for pollution? I do not think so. In fact, we had plenty of testimony to that effect; that, no, they just say no. It does not matter how creditworthy the business is. It does not matter how profitable. No, you are not going to get the money.

Every day on this floor we hear about the recession and who is responsible. There are some factors that are never discussed that have something to do with the lack of capital and the lack of business expansion and creation of jobs. And this is one of them: a ridiculous interpretation of the Superfund law by an arrogant, dictatorial Federal judge.

If I had my way there is something we would do about judges. They would not be given lifetime terms. They would have to be more accountable for some of their decisions.

But, nevertheless, this is what has taken place, and this legislation attempts to solve that problem. Again, it would absolve no one of any blame who had done this, but it would certainly limit the liability of innocent lenders. And I want to emphasize limit because originally my amendment would exempt. So, in order to be more reasonable in the eyes of some of the environmentalists, we said we would limit the liability.

There is some exposure and a lot of the financial institutions wish that it went back to say: This is not fair, just exempt. If I had my choice, I would clearly and completely exempt innocent lenders or the Federal Regulatory agencies, the RTC, FDIC, and so on, who did not cause the pollution. They simply should not have to pay onerous burdens for something they did not do.

I have been taught all my life in this country that you are innocent until you are proven guilty and you are not responsible for other people's actions; you are responsible for your own.

But here we are saying innocent people who had nothing to do with pollution are going to pay for somebody else's pollution. That is not right. It is not fair. It is costly. It is causing part of the credit crunch, and it is causing the costs of products and services to go up, to individuals, and it is putting a lot of small businessmen out of business and their employees out of jobs.

So I hope when we get through this there is not an attempt to take this out, that the U.S. Senate will recognize the equity. We hear a lot of speeches on this floor about fairness. If there was ever an opportunity to be fair and reasonable, it is on this amendment.

MISCELLANEOUS

S. 543 would strengthen supervision of foreign banks as recommended by the Federal Reserve in response to the BCCI scandal. Federal oversight, access to information and authority to approve and terminate activities of foreign banks would all be strengthened. At the same time, the bill would maintain our policy of national treatment for foreign banks by permitting them to engage in interstate banking and securities activities to the same extent provided for U.S. banks. This is a small but critical component of the bill since we cannot have internationally competitive banks without encouraging free and fair international competition.

The bill also includes the fair trade in financial services provisions that require the Secretary of the Treasury to negotiate an end to market barriers in foreign financial markets. We must be as aggressive in our pursuit of fair treatment abroad as we are vigilant in maintaining an open market at home. While I strongly support these international banking provisions, there are a few minor instances in which foreign bank activities in our market and activities of U.S. banks abroad would be unduly restricted. I am hopeful that these drafting problems will be resolved as the bill moves forward.

CONCLUSION

Mr. President. This legislation is comprehensive, but not as comprehensive as it should be. Amendments that will undoubtedly be offered here on the floor will reduce the scope further.

Nevertheless, this is important legislation and we should proceed to produce the best bill we can.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT NO. 1333

(Purpose: To amend the Truth in Lending Act to impose a ceiling on credit card interest rates)

Mr. D'AMATO. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The bill clerk read as follows:

The Senator from New York [Mr. D'AMATO], for himself, Mr. LIEBERMAN, Mr. SEYMOUR, Mr. SPECTER, and Mr. STEVENS, proposes an amendment numbered 1333.

At the appropriate place in the amendment, insert the following new section:

SEC. 1138. CREDIT CARD INTEREST RATES.

SEC. 2. Section 107 of the Truth in Lending Act (15 U.S.C. 1606), is amended by adding at the end thereof the following:

"(f) The annual percentage rate applicable to an extension of credit obtained by use of a credit card may not exceed by more than 4 percentage points the rate established under section 6621(a)(2) of the Internal Revenue Code of 1954, as determined by the Board."

SEC. 3. Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) A card issuer shall clearly and conspicuously disclose on initial applications for a credit card—

"(1) the annual percentage rate applicable to extensions of credit by means of that credit card or means for determining that rate; and

"(2) any annual or other fee imposed for the issuance or use of that credit card."

Mr. D'AMATO. Mr. President, as generally is the case, or more often than not, we ask for the introduction of an amendment, ask that it be considered, and then generally waive the full reading of the amendment.

In this particular case I did not choose to do so because it is a short amendment, but it is a very important one. It is an amendment that answers the calls of millions of Americans, tens of thousands who have written to this Senator, many who at town hall meetings have raised to me the issue of how is it that while interest rates on deposits and interest being paid to depositors are going down, interest rates on loans being charged to the American consumer, vis-a-vis the credit cards, are going up. Certainly they are not coming down.

I am deeply concerned about the ridiculously high interest rates that banks are charging their credit card customers. Banks are making windfall profits off of a huge interest rate spread and consumers are paying.

My amendment, cosponsored by my distinguished colleagues, Senators LIEBERMAN, SPECTER, and STEVENS, will put an end to the practice of issuers charging interest rates for credit cards that have no correlation to economic reality.

My amendment imposes a floating ceiling on credit card issuers of four points above the rate charged by the Internal Revenue Service for underpayment of taxes.

Section 6621 of the Internal Revenue Code provides for the calculation of the underpayment rate of interest. This rate is set by Treasury and published on a quarterly basis. Treasury determines the rate by adding 3 percentage points to the Federal short-term rate.

On September 3, 1991, the underpayment rate set for the period October 1, 1991, through December 31, 1991, was 10 percent. Today, my amendment would add an additional 4 percentage points to the underpayment rate to establish a ceiling rate of 14 percent.

Putting a floating ceiling on credit card rates would ensure that credit card issuers make a fair profit on their credit card operations rather than an excessive profit.

Fourteen percent is certainly a reasonable rate of interest for banks to charge customers for credit card debt. It allows a comfortable profit margin but keeps banks in line so that interest rates rise and fall with the health of the economy. Not only will consumers be protected from banks taking advantage of across-the-board high interest rates, but it may actually spur spending when the economy needs it most. As President Bush remarked in New York yesterday, increased consumer spending resulting from interest rates could help strengthen the economy.

Consumers are being gouged by the banks. Banks can borrow from the Federal Reserve at 4½ percent and banks can borrow overnight funds from other banks at slightly less than 5 percent, but banks are charging consumers sometimes more than four times this rate of interest on their credit card balances.

The prime rate is now down to 7½ percent—the lowest it has been since 1977—yet banks are still charging their credit card customers an average of 18-percent interest. Banks have got a captive audience, particularly given the present state of the economy. Consumers are so happy to have a source of credit, any source of credit, that they pay up and shut up.

I think this is wrong. Banks should not be allowed to take advantage of consumers' need for credit. Banks argue that credit card operations are their only source of profit these days. Why should consumers bear the burden of being the profit source for large, money-center banks?

I was concerned about credit card interest rates back in 1985 when I introduced S. 1922, the Credit Cardholder Protection Act. S. 1922 provided for the same interest rate ceiling I seek today. In addition, S. 1922 provided for credit card issuers to disclose interest rates on credit card applications and to report rate and term information to the Federal Reserve.

At that time, I believed that enhanced disclosure of high interest rates would promote more competitive rates. In fact, the rates have remained constant. In addition to interest rates, other hidden costs such as membership fees and the trigger date for terms of repayment should be taken into account in determining the cost of credit card debt.

It is time to take more drastic measures to make credit card interest rates more competitive.

I urge the rest of my distinguished colleagues to support my amendment to protect the consumers from profit-hungry credit card issuers and put into place a check on usurious credit card interest rates.

While the cost of money in borrowing to the banks has gone down to historic lows—discount rate 4.5 percent, rate at the overnight window 5 percent, prime interest rate to the best customer that we loan to, 7.5 percent—what is it to the American consumer? An average of almost 19 percent.

It is shocking. It is wrong. It is gouging the American consumer, nothing more.

Is it because we have to pay for the mistakes of the big banks because of their fallacious investment policies that once more we go to the working middle-class taxpayer, the person who needs credit, who is not in a position to pay off his or her charges, particularly during the holiday season, as we move into it, without having to hold open that account for a month or two or three or four and incur interest charges on those purchases?

Interest charges that are as high as 20 percent per annum? Mr. President, the amendment I offered I introduced once before on December 9, 1985. It is the same bill. I heard the charges then that this flew in the face of the free economic market system; that we should let competition work its way. And I gave that an opportunity. Indeed, I loaned myself to consumerism as it related to letting people know where the best charges were, where they could get interest rates that were 7, 8, 9 percent below.

I have to tell you, Mr. President, that is not working. Oh, yes, there are some who only charge 13 or 14 percent, but the national average is almost 19 percent and the large money center banks in the metropolitan areas have no competition. There are no advertisements that say: Bank with us because we will give you the best interest rates. There is no competition. Indeed, there is a conspiracy of silence, of acquiescence.

Why should they compete? After all, they are gouging, they are ripping off, they are making 400 and 500 percent markup on the money that they are borrowing—400 and 500 percent.

Some people have said: Oh, my gosh, you know what? You will disenfranchise people; they will not be able—unless the banks charge 18, 19, 20 percent. Let me tell you something. Your dog could get a credit card. They mail credit cards to everything and everybody that moves. They mailed credit cards to two of my sons last year. Neither of them had a job. Heck, if they were going to give them credit, who would they give them credit on? On me? I am one of the worst credit risks. Incredible. It is wrong.

Let me tell you conservatively what it is costing the taxpayers over and above what they should be paying. People should be asking, who should determine what the rate should be? Should it be competition? Yes, if it is fair and equitable competition, I say let the marketplace determine. But it is not. It is a conspiracy of silence, and the banks have decided they are not going to have that competition, they are not going to advertise who is going to get the lowest rates.

Visa card and MasterCard last year accounted for $554.1 billion outstanding. Sixty-five percent of that was financed. In other words, people did pay—that is over $100 billion. The average rate on that $100 billion was 18.9 percent. That is a lot of money, almost $19 billion in interest that was paid.

If those people had to pay at an interest rate that we suggest here as a result of a floating cap, they would have paid no more than 14 percent. That is a lot of money those people would have saved. That is almost $5 billion that consumers would have saved; $5 billion that they could have put into actual goods, services, purchases, investment, savings; $5 billion less that they would have owed. Nationwide, we are talking about the area of about $7.5 billion-plus that would be saved by the consumer.

If we are talking about stimulating the economy, and the President yesterday said to the banks lower the interest rates on credit cards, oh, I think tomorrow you might see advertisements. Right now, they are scurrying around: Let us show them we are advertising; let us drop the rate. Citicorp might drop the rate a point or a point and a half. Someone else, Manufacturers Hanover, may drop it a point or so. Does that make it all better? Of course not. Not when they are borrowing money at 4.5, 5, and 5.5 percent and charging 20 percent, 19 percent, 18 percent. That is wrong. It is usurious.

I do not want to try to allocate credit. I am not in that business. But I have to tell you something: There are certain benchmarks that we can look at, certain benchmarks that should determine what is fair and what is reasonable, what is a more than adequate return, and still let the business climate operate well within confines and guidelines to say you cannot go above a certain amount because then you are ripping the people off. Then it is usurious and it is wrong and it approaches those areas that the Bible has said you should not charge interest.

What does it mean? It does not mean people could not make a profit. But when you generated income because people had no other choice—and that is the fact; people do not have the choices. They do not have access to all kinds of alternatives. They do not read the Consumer Reports down in North Carolina where there is a bank that is making available credit cards and interest rates at 12 or 13 percent. So they are basically stuck in that local circumstance, the local environment where they do not seek competition.

So we say take a measurable standard. What is that standard? That standard is called the underpayment rate of interest charged by the Internal Revenue Service; the underpayment rate charged by the Internal Revenue Service. It means that if you have not paid your taxes as you should have and you receive a bill from the IRS, they charge you a certain percent of interest. That underpayment is determined every quarter, every 3 months, and currently it is 10 percent.

We say, on top of that rate—not the prime rate, which would be 7.5, but 10 percent—what would be a margin that would give any banker more than enough latitude to make a very substantial profit, a very substantial return? How much should he or she make? One percent on top of that? After all, the prime is 7.5, but the prime is only for the best. We are already up to 10. Two percent? Three percent? We permit them to go as high as 4 percent over and above that 10 percent rate, which is called the underpayment rate charged by the IRS. That means that they would be capped at 14 percent and they could charge anywhere from that prime rate, for their best customers, up to 14 percent.

Mr. President, that would still, in a $230 billion a year industry, generate billions of dollars worth of profit—billions of dollars worth of profit—and save the consumer in the United States in the area of $7.5 billion.

I hope this Congress will have the courage to stand up to the special interests. I hope that we will have the courage to stand up for the little guy, the working middle class, the guy who is being squeezed, the guy who is being taxed, the guy who is being told, oh, shop around for credit. You try and shop around for credit.

This legislation is long overdue. If we are going to wait for voluntary methods and the banks to voluntarily bring their house in order, we will be waiting a long, long time. I hope we have the courage to pass this very necessary legislation.

Mr. President, I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 1334 TO AMENDMENT NO 1333

(Purpose: To amend the Truth in Lending Act to impose a ceiling on credit card interest rates)

Mr. LIEBERMAN. Mr. President, I have an amendment in the second degree which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. LIEBERMAN] for himself, Mr. D'AMATO, Mr. SEYMOUR, Mr. SPECTER, and Mr. STEVENS, proposes an amendment numbered 1334 to amendment No. 1333.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the word "SEC. in the pending amendment and insert the following:

"1138. CREDIT CARD INTEREST RATES.

"SEC. 2. Section 107 of the Truth in Lending Act (15 U.S.C. 1606) is amended by adding at the end thereof the following:

"'(f) The annual percentage rate applicable to an extension of credit obtained by use of a credit card may not exceed by more than 4 percentage points the rate established under section 6621(a)(2) of the Internal Revenue Code of 1954, as determined by the Board.'

"SEC. 3. Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) A card issuer shall clearly and conspicuously disclose on initial applications for a credit card—

"(1) the annual percentage rate applicable to extensions of credit by means of that credit card or means for determining that rate; and

"'(2) any annual or other fee imposed for the issuance or use of that credit card.

"SEC. 4. This section shall have an effective date of January 1, 1992."

Mr. LIEBERMAN. Mr. President, I am delighted to join with my friend and colleague from New York, Senator AMATO, in offering this amendment. The second-degree amendment I have offered merely makes clear the effective date will be January 1, 1992.

As the Senator from New York has made clear, what we are trying to do is to lead a charge to lower interest rates that American consumers are paying on credit card bills, which is unfair to the consumer and very hurtful to the American economy, which obviously is still in recession and desperately needs the kind of increased consumption that these interest rates retard.

Mr. President, interest rates have fallen all around the banking system except when it comes to credit cards. There is a story in the New York Times which reports yields on deposit accounts have plummeted to the lowest point in nearly a decade. And yet, interest rates being charged to consumers on credit card balances, for the most part, remain way up here where they have been for too long.

The New York Times also reports in a front-page story today that banks are beginning to reduce interest rates they charge on credit cards, but only for some favored customers. And, as the article says, many bankers would just as soon not advertise it.

So I continue to read from this article by Michael Quint:

> Rates are going down as the banks try to keep their best customers, many of whom have wondered why interest rates on their bank cards had not fallen along with the prime rate, mortgage rates or the interest rates they receive on their deposits. Frustrated by the stubbornly high rates, card holders have been doing comparison shopping for the best credit card deals. * * *

Mr. President, let us not limit this small break that some of the banks are giving to their favored customers—just to the favored customers. Who is out there to help Mr. and Mrs. America, average, middle-class, hardworking, who has built up some kind of backlog in payments on the credit card? No one is there to offer them a special deal. They are still paying 18, 19 percent on those credit card balances. That is why we need a law, to make sure that a situation that is unconscionable, is unfair, is outrageous is not allowed to exist.

Let me give you an example. Citibank, which is the largest issuer of credit cards in this country, the most common rate that Citibank charges, interest rate on balances on their credit card, 19.8 percent. But compare that to the rate that Citibank is paying for a 6-month CD—4.2 percent. So you pay almost five times as much to borrow money from this bank as this bank pays you when they borrow money from you. And, again, that is patently unfair.

In the midst of what is clearly a recession, many consumers have obviously had to use their credit cards to make necessary purchases and so are forced to build up more and more debt. For the credit card companies to keep their interest rates on that debt so high in times like these, even while the cost of borrowing continues to drop for them, is, I can only put it in one word, cruel. A year ago, Mr. President, the oil companies were taking advantage of the American consumer in the midst of the Persian Gulf crisis. Today, I suggest the credit card companies are taking advantage of the American consumer in the midst of a recession. This Congress cannot allow that to continue to happen.

With the holiday season upon us and consumers really needing to use those credit cards the most, the credit card companies are quite literally going to be playing the part of Scrooge for too many American consumers. They are going to be making it much harder for the economy to get out of this recession.

Mr. President, it is time to send the banks a message: You are charging us too much to charge our purchases, so we are going to put a cap on those interest rates. It is a very reasonable, fair, flexible cap that in no way will keep the banks and credit card companies from making a reasonable profit.

Let me cite for you, Mr. President, a few of the rates that are being charged. Citibank 19.8 percent—these are the most common rates charged—Discover/Sears, 19.8; Chase Manhattan, 19.8; MBNA America, 19.8; Bank of America, 19.8; First Chicago, 19.8, Optima/American Express, 16.25; Bank of New York, 16.98; Manufacturers Hanover, 19.8; and Household Bank, 21.0. These are the top issuers of credit cards in this country.

Those numbers give two messages to us. One is that the rates remain incredibly high for consumers at a time when every other interest rate has dropped. Second, look at these top 2, 4, 6, 8, 10 credit card companies. Most of them are charging exactly the same amount. There is a little variance in two of them. What that says to me is that there is not really much competition in this market, that the market is actually not working to the benefit of the consumer. It is hard enough for the consumer to try to figure out who is charging what based on the jibberish that they receive from these credit card companies, but the reality is that even if they find out, there is not much choice for them out there, and, beyond that, most of them are already tied so closely and deeply to the bank in which they have built up some personal debt that they really do not have the mobility to move. If there ever was a situation that cried out for the law to intervene, to protect the consumer, to offer only fairness, not to treat the lender unfairly, this is it.

Mr. President, there has been a lot of talk, and quite appropriate talk, in this Chamber over the last couple of months about the plight of middle-class America. Real income has not risen over the last decade. Taxes have gone up. Education costs are sky-high. Health care costs are frighteningly high. What can we do to help them? There are a lot of things we can do. But one thing right now, through this amendment which I am privileged to cosponsor with the Senator from New York [Mr. D'AMATO] is to put a cap on the outrageous interest rates that banks are charging for consumer credit. Mr. President, the credit card interest rate cap that we are proposing today is essential for protection for America's shoppers. If I may coin a much-used phrase, "I hope we do not leave Washington without it."

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LIEBERMAN. Mr. President, I thank the Chair and I yield the floor.

Mr. GARN. Mr. President, though we agreed to ask for the yeas and nays, the managers of the bill did have an agreement with Senator D'AMATO that, because we had not yet presented the managers' amendment, he would agree to defer the vote until tomorrow. So we have to ask unanimous consent to vitiate the yeas and nays. I wondered if the Senator would be willing to do that with the assurance that there is no attempt to deny him a vote but, by mutual agreement, we would not have the vote today. I certainly would be willing to ask for the yeas and nays at the time that the vote would come along, if that would be agreeable, so that we can proceed in a proper manner.

Mr. D'AMATO. First of all, let me say I am going to certainly agree to that. But I hope that my friend and colleague will see to it that we are protected as it relates to having an early vote or bringing this back up for further discussion early on as opposed to getting on the end of an endless line of amendments that would bring us, Lord knows when, to the floor.

Mr. GARN. I suggest to my colleague from New York, in all the years that we have served together, he has never known me not to keep my word exactly as I said that I would. So certainly that will be the case.

Mr. D'AMATO. Certainly. I have no objection to vitiating the yeas and nays.

Mr. GARN. I ask unanimous consent the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, let me respond, if I could, to the Senator from New York.

When I first came to this body, I was told that the Senate was the greatest deliberative body on the Earth. Seventeen years of being a Member have disabused me of that idea, because it seems more and more we are like that water bug on top of smooth water where we dart here, there, and every place and there is no consistent policy on anything.

Maybe I have been here too long, but this is not a new argument. I do not know how many times it has come up over the years I have been here. The last time was 1988 when we passed the Fair Credit and Charge Card Disclosure Act of 1988.

So the arguments have not changed. I understand. I am sympathetic with what my colleagues outlined. It is not that I disagree with their intent. There is no doubt that the facts are correct. Interest rates are high on credit cards, and they have not responded by coming down the way the prime has and the discount rate and others.

But I have to be absolutely, as a matter of principle, opposed to the Federal Government sticking their nose in credit allocation. That is exactly what this is. I am not unsympathetic to the problem, but sometimes we cause more harm than we solve.

This debate has gone on many times as I have said over 17 years. We finally had in many States, at the request of some, to remove usury rates because there was no credit available. Arkansas was one of them that had a constitutional limit that you could not charge more than 10 percent on anything. So there was not any credit in Arkansas. They came to us and said would you please override us because our people do not have any money. We did.

There was no doubt that usury rates in States around the country caused credit to go here, there, and everyplace else and greatly upset the free flow of money. So we are back into this debate again because it is obviously very politically popular to talk about.

Nobody likes to pay that kind of interest rate but you also have to recognize some of the reasons why. Credit cards do not have secured backing. They are floated to most everybody. And the default rates are much higher. It is much more costly to administer credit cards and the attendant administration that goes with it, and the default rate, than it is a home-improvement loan, a mortgage, or secure credit on an automobile where there is some means. So there is an obvious reason why credit card interest is higher.

I am not here to debate whether it is too high. It probably is in many instances. But I will guarantee you that we are getting back into credit allocation that we in our great wisdom are going to decide how the best flow of credit should be. We will get back into this as another usury limit although it floats. Nevertheless, it will have that impact.

I do not think there is any doubt that if we impose this that there will be a lot of people who will simply be denied credit cards. So all we are saying is we want to make more credit available. We have a credit crunch going on. What we are going to do is say some people will not get credit.

If I were a banker, I would eliminate those that did not appear to have good credit. I would cut some of them off who had not paid, because if I am going to earn less on it, I have to cover those losses by cutting some people out of credit.

If that is what we want to do, that is what we are going to have happen. I do not think there is any doubt, too, that it is like punching the pillow—that if we cap rates, banks will increase other fees. They will find a way to make that up. Credit will dry up. Only the most creditworthy will have access.

We did pass a credit card disclosure bill in 1988 because of the fear that a cap would dry up credit. I think that law has been helpful. I think the more important point that I would make is that this is an example of where we ought to let the market work.

If every bank in the country were charging 18 or 19 percent, fine. But there are lists that are circulating—you see them all the time, you see them in the papers—of banks where you can get a credit card that charges as low as 10 percent, which is far less than any limit we are going to impose. I happen to have a credit card with a bank that charges 12½. That is the good old free market.

I mean there are a lot of retail stores in this country that are overly expensive. But there is a way to handle that. People can go to shop Kmart, they can go to the discount houses. There are ways to find lower prices for the same product, and there are for credit cards. For us to mess in the credit allocation of this country—I recognize this is not a popular speech to give, but good public policy does not have much to do with what we do around this body.

I expect that this amendment will pass overwhelmingly because there will not be too many people in this body in either party to have the courage not to jump on that bandwagon and then put out a press release, and say look how great I am to all you people in this country with 150 million credit cards out there, and say I am going to save you money.

We are kidding ourselves. It will not happen. Banks will find other ways to make that up. As I have said, eliminating people who have credit cards, less credit available, when there is a way to solve that—the free market.

I will be happy to go get the lists and read them here on the floor of banks around the country that are 7 or 8 or 9 percent less than the banks that have been quoted, just like in retail stores, just like in gas stations. I go to a gas station in Salt Lake that is 3 cents a gallon cheaper than one that is closer to my home. I do not happen to have a law that tells that other one they have to come down and lower their price for gasoline. I just do not think we are dealing in any common sense here at all.

Beyond that issue, we simply have a situation where, if we impose this, we start down that track of other issues that I will not take the time and will ignore—they are going to be all very politically popular—that are going to hamper the flow of credit.

Last of all, what are we trying to do with this bill? What are we trying to do on this floor? We are having, as the chairman outlined, a safety and soundness bill. We have a hemorrhage in the banking industry. We have the FDIC or the bank insurance fund that is running out of money. So here we say what we are going to do is we are going to cut the profits of some banks and further exacerbate the safety and soundness problem so they can come back and ask for more money for the BIF fund.

I am sorry. I do not understand the logic of this as long as there are banks around that charge 10, 11, 12, 13 percent, and there are. So what happens if you use the good old free market and if we start advertising this, and all the banks that are charging 18 or 19 percent, their credit card sales drop off dramatically. Let us start that kind of a movement. Let us start advertising. Let us put them here on the floor. Let us send out flyers and tell people if they do not like the rates being charged at their banks, they can get a card from a bank that only charges, 10, 11 or 12. That is the way to solve this problem, not have the great, wise, wonderful, wizard of the Potomac, Congress of the United States, put caps.

Mr. President, obviously, I hate to be on the opposite side of a politically popular issue. But I think once in a while somebody has to stand up for good public policy on this floor. I obviously will oppose this amendment. But I have no delusions about what will happen. I am sure it will be agreed to.

Mr. BIDEN. I supported Senator D'AMATO's amendment solely to serve as a signal to banks that Congress and the American public are concerned about their interest rate policies on credit cards.

But let us not delude ourselves or the public. A reputable economist could not be found who would argue that a legislative mandate capping interest rates is a good policy. Legislative caps of this sort are neither proper nor workable. But there should be no doubt that our vote today will be noticed by banking leaders. While I fully expect that this amendment will be dropped in conference, I also fully expect that the industry will understand that it is time to give the middle class a break. On this count, the Senate's vote will serve a purpose.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

VISIT TO THE SENATE BY MANI SHANKAR AIYAR, FROM TAMIL NADO, INDIA

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Senate might stand in recess for 30 seconds so that Members might meet a guest from Tamil Nado, India, the Honorable Mani Shankar Aiyar.

RECESS

There being no objection, the Senate, at 4:58 p.m. recessed until 5 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. CONRAD]

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT OF 1991

The Senate continued with the consideration of the bill.

Mr. RIEGLE. Mr. President, in order to attempt to move now on the amendment of Senator D'AMATO and Senator LIEBERMAN, I am going to make a unanimous-consent request to establish our ability to offer the committee modification that Senator GARN and I are working on, to be able to offer that tomorrow morning, when we think it will be completed, and to preserve that right, at the same time being able to move ahead on other amendments that want to be offered now, as long as the amendments adopted by the Senate this evening would not cut into the area envisioned to be within the committee modification that we would offer in the morning.

Having said that, I ask unanimous consent that it still be in order to modify the committee substitute, notwithstanding any action taken today, providing that any such modification not affect any language that is agreed to today.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield the floor?

Mr. RIEGLE. I do. And I am wondering if we are at a point where we might try to act upon the matter of the Senators of New York and Connecticut. I know the Senator from Rhode Island wishes to go next.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. LIEBERMAN. I renew my request for the yeas and nays on my amendment.

Mr. CHAFEE. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. As I understand it, the committee amendment is coming tomorrow. It was my understanding that this amendment of the Senator from New York was also coming tomorrow. Am I mistaken on that?

Mr. RIEGLE. We are going to vote on it now. If I may reply to the Senator, the plan is now to vote on the amendment of the Senators from New York and Connecticut, and handle that issue now, and be ready for any further amendment that anyone wishes to offer next, and then we preserved our right to offer the committee modification tomorrow morning. We think it will be ready.

Mr. CHAFEE. We are going immediately to a rollcall vote now?

Mr. RIEGLE. That is the intention, yes.

The PRESIDING OFFICER. Is the Senator from Connecticut asking for the yeas and nays on the second-degree amendment?

Mr. LIEBERMAN. That is correct.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. D'AMATO. Mr. President, before we proceed to the yeas and nays—and I have no intention of prolonging the debate—let me say this: I introduced this legislation with the same cap provision 6 years ago. I have tried to use the jawbone to lower interest rates.

Not it is time to pass a legislation that has some teeth. We can talk about a free economic system, but it has not worked. It has been inadequate. We have run into a conspiracy of silence insofar as credit allocation. That is the issue we are dealing with here. Now we have an opportunity, as Senator LIEBERMAN has indicated, to do something about it.

Mr. President, I ask unanimous consent that Senator CONRAD be added as an original cosponsor, along with Senator LAUTENBERG.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. May I suggest, Mr. President, that perhaps the second-degree amendment, which as I understand it, is acceptable to the Senator from New York, could be handled on voice vote, and then the vote could occur on the amendment of the Senator from New York, as modified by the Senator from Connecticut.

Mr. D'AMATO. I have no objection.

Mr. RIEGLE. Mr. President, I ask unanimous consent that we vitiate the order for the yeas and nays on the second-degree amendment and handle that by voice vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Is there further debate on the second-degree amendment?

The question is on agreeing to the amendment.

The amendment (No. 1334) was agreed to.

Mr. D'AMATO. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER (Mr. BINGAMAN). The Senator from Rhode Island is recognized.

Mr. CHAFEE. I would like to address a couple of questions, if I might, and discuss this with the Senator who presented the amendment. I am not sure I am going to vote on this and, indeed, I am not sure how I voted 6 years ago.

My question is this: The Senator from New York used some pretty strong language when he said there is a conspiracy involving those who extend credit on credit cards. That is strong talk.

Mr. D'AMATO. The Senator from New York indicated that there was no real competition. If you look at the large money-center banks in the communities, there is no real attempt by the banks to solicit customers by cutting rates and advertising competitive rates. There simply is no such attempt.

And so the Senator's point is that by acquiescence they allow the practice of little or no differential in interest rates to continue. One tries to attract money. One tries to tell you we will give a toaster or this or that. When one tries to get people to use their services, they generally say how people can save money by using the services. That is not the case with credit cards.

So that is what the Senator is referring to. So it may be rather strong language.

I am not suggesting that the banks came together to specifically say this is what we will do. I do not believe they did. But it is the course of conduct. It is more the impact of what they have failed to do. That is, to compete for this business by competition, better service, dropping interest rates, and calling to their attention that there are differentials.

In fact, the Senator from Connecticut very aptly indicated that if one looks at the largest banks, the interest rates are all the same: Bank of America, 19.8; Chase Manhattan Bank, 19.8; Chemical Bank, 19.8; Citibank, 19.8. So what we have, in effect, in the large metropolitan areas is little, if any, competition as it relates to the interest differentials.

Mr. CHAFEE. I wonder if what the Senator is not indicating is that there is a lack of vigorous antitrust enforcement? Is the Senator suggesting they are collaborating?

I must say that when I listened to the Senator's listing of the money-center banks, and the interest they are charging on credit cards, it makes a pretty persuasive case. I do not know whether the so-called national credit cards like American Express, for example, are offering lower interest rates. I have noted that American Express themselves seem to be in some trouble as a result of their credit card operations. Does the Senator——

Mr. D'AMATO. I am not going to suggest that the actions of the banks meet the threshold for antitrust legislation. As I said before—I know that Teddy Roosevelt is not here. If he were here, we would not need Senator LIEBERMAN and Senator D'AMATO. That is why it takes two of us.

The fact is that when, historically, we have seen the lowest discount rates and Federal funds rates, which generally determine what the rate of interest will be as it relates to the various money products and services offered by the financial institutions, there is no current relationship between the two. Historically, there has been. It has always been. This lack of competition has been a situation that is not new to the credit card industry. It has been a situation we have seen for at least 6 years.

So, although there should be a correlation between the prime interest rate and what ordinary borrowers who are not of that first class receive, we do not see any of that. As a matter of fact, the prime rate is at historical lows. The Federal funds rates that banks borrow from each other is at historical lows.

When we look at mortgages, we find that mortgages have responded to the change in base rates. When we look to the other areas that are measurable, we find that they too have responded. But when we look to credit cards, they have not.

Let me suggest it is because people do not have a choice. It is because they have been denied a choice, particularly in the larger areas. That does not mean there are not some banks that offer 12, 13, and 14 percent. But if they are down in some little town and that bank basically is giving that credit card allocation and interest to people that they know and they deal with, they have not nor will they make it available to the rest of the country.

So, effectively huge masses of people are being denied credit cards and interest rates on reasonable, appropriate terms.

My colleague from Utah mentioned that this amendment may deny people the opportunity to use credit cards. Maybe credit should not be so readily available. We do not do people a service by failing, sufficiently, to check out their background but letting them run up the tab and saying, well, we have the rest of working middle-class Americans who are going to pick up the tab by paying extra credit. That is wrong and that is inappropriate allocation.

Maybe these guys have gotten too fat and sloppy because they are charging 20 percent. If X does not pay, they have Y, Z, and the rest of the public to pay.

It is absolutely unconscionable that credit card issues be allowed to put this burden on the American people, while we sit back on the altar of what has become a political sloganeer. We say let the free-market system work. The free-market system is obviously not working.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I do not want to prolong this debate, but when my good friend, the Senator from New York, says there is a conspiracy, I do not know if there is a conspiracy or not. But I would say it is passingly strange when bank after bank, these big money-center banks, all happen to be charging—strictly a coincidence, of course—the exact same rate, 19.8 percent.

I would be interested if the Senator from New York could tell the Senator from North Dakota if these rates have come down that are being charged by these big money-center banks in the midst of all other interest rates coming down sharply. Have these rates been reduced over the last 3 months; does the Senator from New York know?

Mr. D'AMATO. They have not. They have, basically, stayed at or about the 19-percent rate. Their average as of November was 18.9 percent while the discount rate has come down, the prime rate has come down, and mortgages on both fixed terms and adjustable, have come down.

Mr. CONRAD. I think that says something, in answer to our friend from the State of Utah who makes a very good argument academically. Academically, his is exactly right. The only problem is the market is not working. And the fact is if there are other companies that can make it at 14 percent—but these big money-center banks are charging 19.8 percent, and they are not responding to a dramatic change in the market, that tells you something. It tells how the market is not working.

Mr. D'AMATO. Mr. President, will the Senator yield?

Mr. CONRAD. I am happy to yield.

Mr. D'AMATO. Just for this observation, that, indeed, as of 1990 the average interest rate nationwide was 18.8 percent. As of November 1991, it is 18.9 percent.

Mr. CONRAD. The rates have gone up.

Mr. D'AMATO. Credit card rates have gone up a tenth of a point, while other interest rates have dropped dramatically. This is an area where we have the American consumer and he cannot move and there is no place where he can really go. There is maybe a little outlet here or there. And they are really giving him the business.

Mr. CONRAD. Mr. President, it just strikes me that what is happening here is that the market is not working, and the fact is that many of these credit card customers are captives, and they are captives because they owe money—and they owe money—and now they are stuck with that credit card company and they cannot shift if they wanted to shift. They cannot shift to a 14-percent company. They cannot shift to a 12-percent interest rate company. They are stuck, and these companies know they are stock, and they are going to keep them stuck at 19.8 percent. They are not reducing these rates.

Mr. President, these are ripoff rates. They are ripoff rates. And there is not a person in the country that cannot recognize that when you are charging 19.8 percent interest and the prime rate is 7½ percent, that is not right. It is not fair, and it ought to be changed. And the academic argument that is advanced makes a good deal of sense if we are operating on an Ivy League campus, if we are operating in isolation, if we are operating in a situation in which we did not have to face the reality that these people are captives.

So, Mr. President, I am pleased to join the Senator from New York and the Senator from Connecticut to cosponsor this measure, to send our friends in the banking industry a message. That message ought to be loud and clear: that this has gone too far, simply gone too far.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. LIEBERMAN. Mr. President, I thank the Senator from North Dakota for joining us as an original cosponsor of this amendment.

If I may just respond to what he said by pointing again to the story in the newspapers today which adds insult to injury. He is right. Of the 10 major credit card issuing banks in this country, 7 of them are charging 19.8 percent—not 19.4, 19.9—19.8 percent. One is charging 21 percent and two are around 16 percent.

So, obviously, the market is not working. But to make it even more aggravating, what this article on the front page of today's New York Times says is that some of these banks are actually offering slightly reduced interest rates to special customers of theirs. But what about the average consumer, the average man or woman in this country who, as you rightly say, cannot break the debt, the tie that he or she is bound to that bank by debt and has to pay 19.8 percent when the very same bank is offering only 4.2-percent interest for a 6-month CD when we give them our money?

Mr. President, I just want to respond to a few of the points very briefly that were made here.

One suggestion made by the Senator from Utah went to the matter of the bank's solvency question—and I am sure this will be on people's minds. This happens. Some bankers will say this: Credit card interest rates happen to be a moneymaker for the banks now. But is that fair? Is it really fair when they are paying so much less for money than they are charging consumers for that—once again we ask the middle-class Americans to bail out the banks because of poor judgments that the banks have made about investments?

The American taxpayers are already paying a lot of money for the errors of people in the banking business. They ought not to be asked to pay this extra premium on interest on credit card debt as a further way to try to take care and cover up the errors that have been made.

Finally, people talk about the free market on credit. And as my colleagues from New York and North Dakota have suggested, the market is not working. But let us not describe this cap as if it was an unprecedented intrusion into the historic free market on credit. There is a long and a proud history of usury statutes. My God, it goes back really to the Bible—to the prohibition on charging unfair interest, in some cases, prohibition on charging interest at all.

There is a tradition in the common law coming from England of the state intervening to provide fairness in interest rates and here in State after State in the United States of America, there are usury statutes which say it is unfair and, therefore, illegal to charge more than a set amount of interest.

And basically, all the Senator from New York and the rest of us who are joining him in this amendment are trying to do is to take that proud, well-established principle of fairness and apply it to this amendment, to the charging of interest on consumer credit cards.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Mr. President, I will be very brief.

I join the Senator from New York, the Senator from Connecticut, the Senator from North Dakota, and the others in this amendment.

I become so outraged with what the banks do when they send us these letters that say we have just cited that we are going to raise the charge for your credit card—which they used to give to you just to have one, and then raise the interest rate and then lower the amount they pay you on your own money, and then they charge you on your own money that they are holding in there if you have less than a certain balance. It is just a lot of bad, bad practices.

A lot of it is from bad and big banking that has simply gone wild. But this particular amendment, I like. I like the idea that we are trying to help middle-class families that have gotten trapped in this. And I hope that this amendment will send a clear message to banks to change their practices and reduce this credit.

Mr. RIEGLE. Mr. President, the issue that has arisen at the initiative of the Senator from New York and the Senator from Connecticut, the second-degree amendment, was not an issue the bill had originally dealt with, but I think it has merit, speaking for myself, and I am going to be voting for it.

If I am not mistaken, have I not seen in the national press within the last day or so where the President himself, President Bush, has spoken out on this issue and has argued, at least from his point of view, that that is one area where the banks presumably have some flexibility where they can help with the consumer credit costs and help get a little more life into the economy, and properly so with the banks' cost of funds having gone down so substantially because of reductions in interest rates by the Federal Reserve? Did I not see where he commented to that effect?

Mr. D'AMATO. The Senator from Michigan is absolutely right. In fact, it was at a luncheon in New York City yesterday, and I was there when the President called upon the banks to lower the interest rates on credit card charges in particular. I think that should be an acknowledgment, when the President of the United States has to call out that something is not right, that they are not allowing the free marketplace and competition in the general sense which, as the distinguished Senator from Utah brought up, usually works. It does work when it is allowed to.

Maybe the Justice Department should have been here. I was not aware that seven out of the top 10 banks, the largest issuers, had the exact same rate, 19.8. And so when my colleague from Rhode Island raised the point and we began looking at these rates, it is striking. How is it, if you have free market competition, that these seven banks hit at that exact same number, 19.8—7 out of 10, with one of them charging even more than 19.8 percent.

Mr. CONRAD. Will the Senator yield on that point?

Mr. D'AMATO. Certainly.

Mr. CONRAD. Is it not possible that the reason that they are stuck at 19.8 is because there is no market competition, because those credit cardholders are captives, because they have an outstanding balance and until they get rid of it they are stuck with that credit card?

Mr. D'AMATO. I would say to my good friend, he and I have not talked about that. But in my statement, I point out exactly that. If I might just read this. And we have not talked about this nor was the Senator aware that we were going to introduce this until he was presiding. I said just exactly what the Senator said.

"Banks have a captive audience, particularly given the present state of the economy. Consumers are so happy to have a source of credit, any source of credit, that they pay up and shut up."

You have a guy with a 19.8-percent rate and he owes $2,000, $1,800, where is he going to go? He cannot move. So if everybody keeps that same rate, he cannot get down to that other bank that has a 14-percent rate.

Mr. CONRAD. I will tell you the real tragedy, if the Senator would yield.

Mr. RIEGLE. I think I have the time. I am happy to yield to the Senator from North Dakota.

Mr. CONRAD. I thank the Senator from Michigan.

I just make the point to the Senator from New York, I am aware of people that have five credit cards and they have the maximum on every one of them, $2,000. They have $10,000 in credit, and those people are stuck. They are paying 19.8-percent rates. Every other rate comes down. Those rates have not. That is a ripoff. That is a ripoff rate in this environment.

If the market is not working, we have some obligation to do something.

I commend the Senator from New York and the Senator from Connecticut for coming forward on this. I know it is not easy. There are going to be some people, pretty powerful, who are going to be very upset with what we have done here today. We know that. Well, somebody else is upset and that is the people who are getting ripped off. They deserve to be represented too.

Mr. GARN. Will the distinguished chairman yield?

Mr. RIEGLE. Yes; I yield to the Senator.

Mr. GARN. I would like to make a comment on your question about what the President said. Yes, he did say that, absolutely, and I did, at the outset of my remarks, as well. But there is a big difference between jawboning and putting pressure on for the free market to do something, and it is something else rather than jawboning to use a meat cleaver.

I recognize that it does not make any difference what I say. There might be one or two other people who will have the courage to vote against this. It is politically popular out in the country. But we will pay. We will find some other way and we will add it to the bank failures.

To say there is a conspiracy going around, that cannot be left standing. There are plenty of banks with lots of advertising, if you can read—maybe for those who are illiterate, maybe we ought to send somebody out to talk to them about interest rates of 12 or 13 percent. I said earlier I changed myself. I got rid of a 19.8-percent card and got a 12.5-percent card, even though I never charge enough that I pay any interest. No bank is going to get a dime out of me.

I was brought up by a very conservative father who never even bought a house on time. But I use the float. I milk the banks and I do not charge any more than I can afford to pay off at the end of the month. So it really does not make any difference except as a matter of principle. I thought 19.8 was too high and 12.5 percent made more sense.

But to use this meat cleaver is bad public policy. And the President was right yesterday in trying to use the authority of his office. But I wanted to clarify that he did not ask for caps. He did not ask for credit allocation. He did not ask for usury ceilings. And he did not ask for the problems that this amendment that will be adopted will cause.

Mr. RIEGLE. You know, it is interesting. I recall reading not long ago that one of the major credit card companies had to make substantial write-offs of bad debt losses in their credit card operations. And so I think it is important that the record show as well that sometimes the extensions of credit that are done by these credit card companies, they reach too far. In an effort to try to broaden their customer base, they sometimes offer a line of credit to a borrower who is not going to be able to repay it. And then what happens is at some point that borrower not only incurs debt that they cannot pay off, but at some point then the bank or the credit card institution itself is going to have to write off that account as a bad debt.

So sometimes the rates, the effective interest rates charged I think are higher in part because some credit card companies reach for a group of customers that are going to have a much higher default rate. And those default rates and the writeoffs of those bills in a sense have to get factored back through into the rate of interest that is being charged to all of the accounts.

Now, one might argue that what ought to happen is that those credit card companies ought to be more discerning in terms of who they offer credit to and not in a sense drive up the profile of bad debt losses that in turn then, in part, justify the higher interest rates that are being charged to everybody. I think to creditworthy customers like Senator GARN, who pays his account off each month, as many people do—many people who have credit cards do not build up large balances and carry them over month after month. They pay them off each month. Although there are many people who do carry balances.

I think the Senator from North Dakota makes a very important point. If someone is in a situation where they have used a credit card to accumulate a balance, an outstanding balance, that they now cannot pay off, and so they are paying the monthly services fee until such time as they are able to pay it off, they are paying at a very high rate. They cannot take that account and go down the street to another institution that might have a lower interest rate, because, in effect, they are locked in.

So, I think that problem does occur in a certain number of cases. But with all these points having been made, I will support the amendment offered by the Senator from New York and modified by the Senator from Connecticut.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, briefly, my economic philosophy has been opposed to arbitrary interest rate limitations, allowing the marketplace to set interest rates. And, second, it has been oriented toward State prerogatives, to allow individual States to make most of the economic regulatory determinations.

This amendment appears to fly in the face of both of those principles and, therefore, I shall make a brief statement of explanation as to why I am going to vote for the amendment of the Senator from New York.

A pernicious circumstance has developed. That circumstance is that credit card companies, which operate large, highly automated, sophisticated credit card clearing systems, are now competing among the States to see where they will locate. And their competition is, increasingly, based on States' willingness to make available to them the highest possible interest rates on their cards.

My State of Florida has been involved in some of that type of what I would consider predatory economic location activity. So I believe it is important in this area that we have some national consistency, which will be provided by the amendment of the Senator from New York so that States are not induced to take actions that might in the long run put their own citizens at increased risk and increased economic exposure in order to make themselves competitive, to be the central clearinghouse for one of these operations. These are operations which are very economically attractive and create good jobs within a State.

Mr. President, for that additional reason, the reason that I think we need to have a level and even playing field across the Nation on credit card interest and remove this element of competition placing our citizens at increased risk of high interest rates, I will support the amendment of the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I thank my colleague from Florida for bringing that additional reason to our attention for support of this amendment.

At this time, I simply ask unanimous consent the Senator from New Mexico [Mr. DOMENICI] be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, might I ask the managers, were they in a hurry to get a vote? Could the Senator from New Mexico, without interrupting what they planned, take 3 or 4 minutes? I came here late, and I am sorry. Is that all right? Senator GARN?

Mr. GARN. Sure.

Mr. DOMENICI. Mr. President, I have a detailed statement that explains the credit situation in the United States, and in particular discusses in detail what has happened to credit as it pertains to credit cards in the United States.

I only rose tonight to talk about that because I think almost everyone assumes that, short term, we must have more consumer activity in the American economy to get this recession turned around. There are a lot of long-term approaches that people have in mind—to change the thrust of our tax policies, to enact capital gains, and middle class tax cuts the like. There are also under consideration new incentives for investing more money in the equity side of American business.

But, frankly, when you look at the fact that credit card purchases are just enormous in terms of the amount of money that Americans are spending with the help of credit cards, and then when you understand the extremely high interest rate compared to anything around—all of us have been directing attention at trying to get interest rates down. The 5-year $500 billion budget agreement package that was put into effect last year, was enacted because we wanted to instill some fiscal responsibility which would keep interest rates under control and short-term and long-term bond rates under control. Our goal was to keep rates from jumping all over, as they frequently have, in various times in America's economic history. We have even urged the Federal Reserve to lower rates, and they have. The discount rate is now one of the lowest we have had for a long time. I think right now we have a rate of 4.5 percent. I do not think it has been lower since 1973.

Yet, the one area where credit continues to grow rapidly is in the credit card use area. I think the Senator from New York is right in sending not only a message to the credit card companies, but actually suggesting that if issues are going to lend to American consumers, they ought to be a little more careful as to what kind of people they give credit cards to. I think one of the credit card issuers excuses for such high, high interest rates is that they lose a lot of money. And they will try to convince us they do not make as much as that huge interest rate disparity might indicate.

If that is the case, and I do not know if it is or not—the only reason could be that they are giving too many people credit cards, and therefore their loss ratios are totally disproportionate to anyone else extending credit in the retail markets of America. I think that happens to be the case. But I am willing to listen if it is not.

If it is not, I would like to know why rates are so high and why, in an economy such as this, rates cannot come down substantially more than any of them have. The prime rate is around 7.5 percent but despite the decreased rates the average credit card rate is still 18.9 percent and is higher than the 18.5 percent rate of 1981 when the prime rate was 19 percent. I ask, why haven't credit card issuers been willing to lower their interest rates in the last year and a half, or the last few months, when the recession has lingered beyond the time that anybody thought it should still be with us.

Mr. President, the Senate Banking Committee, the Congress, and the American people have heard a lot about the economy and the credit crunch, lately.

To alleviate credit clamp downs, initiatives on a host of policy fronts have been proposed. Last year, the Congress passed a 5-year, $500 billion, deficit reduction package designed to restore fiscal health to the American economy and reduce interest rates. And in the last several months, the Federal Reserve has lowered the discount rate twice. It now stands at a low 4.5 percent. The discount rate has not been this low since 1973.

However, despite the trend to lower rates, interest on credit cards is conspicuously high. At the same time, more Americans than ever are taking advantage of the convenience and efficiency of credit card purchases.

In 1990, Americans charged 563 billion dollars' worth of goods and services. Of that, $218 billion was rolled over on outstanding balances. These Americans are paying up to 24.5 percent in interest on top of numerous additional fees charged by credit card issuers.

The high interest charge on credit cards is especially startling in light of current economic factors that should be pressuring interest rates down. New technologies have greatly enhanced the efficiency and outreach of credit card financing. Additionally, competition has never been greater among credit card companies.

In virtually every other arena, interest rates have lowered. In addition to drops in the Federal Reserve's discount rate, the interest rate offered on money markets, certificates of deposit, and passbook savings accounts have all fallen. The prime rate, at 19 percent in 1981, has fallen to 7.5 percent today. Yet, credit card interest rates remain at an average of 19 percent. It may be that consumers simply are not informed about credit cards and consumer choices. These options include transferring inflated rate credit card balances to more competitive rates. A 1-800 number has even been established to assist consumers in the credit card market.

Leader DOLE and I have authored a sense-of-the-Senate resolution that would have encouraged consumers to take advantage of these services. It also would encourage credit card issuers to make every effort to reduce the burden of high credit card interest rates on consumers. We are not offering this resolution today but are instead voting on an interest rate cap—a Government mandate. I would have preferred that credit card issuers voluntarily examine the interest rates they charge and give every consideration to lowering them. In addition, I hope consumers would carefully evaluate the terms and conditions of their current credit cards to determine if the fees and interest rates they are paying are competitive when compared to alternatives available in the marketplace.

The health of the American economy does not lie at the hands of elected policymakers, exclusively. Our economic machine depends on the contributions of every business, and of every American.

I thank the Senator from New York for his effort in this matter, and I hope the Senate adopts his amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I thank my colleague from New Mexico. I simply would indicate he really puts his finger on a point that has been the source of terrible abuse by the credit card companies who just mail these credit cards out, willy-nilly, to anybody and everybody that moves. They do not check whether these individuals should or should not have credit. Just: Here, you have the credit. Lots of people who never have the ability to pay back get involved in this situation, and other working-class Americans are paying the burden. It is just simply unfair. If my amendment means they are going to have to run a more cost-efficient, cost-effective operation—everyone should benefit.

Mr. President, the distinguished Senator from Florida would like to be added as a cosponsor. I ask unanimous consent Senator GRAHAM of Florida be included as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut is recognized.

Mr. LIEBERMAN. Mr. President, we spoke about the fairness of this amendment to America's consumers. But I just want to say very briefly, responding to the Senator from New Mexico, understandably talking about the recession, this is also an antirecession amendment—to this extent. Consumer confidence in this country is obviously way down; consumption is not where it should be to help us out of the recession.

Yesterday, there was a story in the Wall Street Journal that the president of Macy's is lobbying as hard as he can for a middle-class tax cut so the middle class will have some more money they can use to spend in places like Macy's to get the economy moving again.

I believe one of the reasons why people are not spending is because of their concern about the outrageous interest rates they are paying on consumer debt. I think we have in this amendment an opportunity to strike one blow against the recession.

I hope my colleagues will support the amendment.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the amendment of the Senator from New York, as amended.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Iowa [Mr. HARKIN], and the Senator from Nebraska [Mr. KERREY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], Senator from Missouri [Mr. DANFORTH], and Senator from Delaware [Mr. ROTH] are necessarily absent.

The PRESIDING OFFICER (Mr. WELLSTONE). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 74, nays 19, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—74

Adams
Akaka
Baucus
Bentsen
Biden
Boren
Breaux
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Cochran
Cohen
Conrad
Craig
D'Amato
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Gore
Gorton
Graham
Grassley
Hatfield
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Thurmond
Warner
Wellstone
Wirth
Wofford

NAYS—19

Bingaman
Brown
Coats
Daschle
Garn
Glenn
Gramm
Hatch
Heflin
Helms
Lugar
Mack
McConnell
Nunn
Pressler
Rudman
Smith
Symms
Wallop

NOT VOTING—7

Bond
Bradley
Cranston
Danforth
Harkin
Kerrey
Roth

So the amendment (No. 1333), as amended was agreed to.

Mr. RIEGLE. Mr. President, I move to reconsider the vote by which the amendment, as amended, was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIEGLE. Mr. President, could we have order?

The PRESIDING OFFICER. There will be order in the Senate.

The Senator from Michigan.

Mr. RIEGLE. May I indicate to colleagues? Many have asked what will come next this evening. The bill is open to amendment. If there are any Senators who have an amendment to the banking bill this would be the perfect time to offer that amendment.

I know the Senator from Rhode Island [Mr. CHAFEE] has some comments he wants to make in a moment.

Tomorrow morning there will be a foreign head of State that will be speaking over in the House Chamber. That will interfere with the early morning schedule tomorrow.

So with the effort and the intention to want to try to complete this bill this week, I want to make sure that all Senators are on notice that if they have amendments that they want to offer they should bring them forward so we can take them up and debate them and settle them.

So let me again indicate, I know the Senator from Utah, the ranking member, wants to make a comment as well.

The PRESIDING OFFICER. Will the Senator yield? The Senate will be in order.

The Senator from Utah is recognized.

Mr. GARN. Mr. President, I would only add to what the Chairman said. We are certainly willing to process amendments, and I see no reason for delay.

I do not know of particular amendments on my side of the aisle, but if there are any I would just encourage those to come over. If they are not ready to offer them tonight, at least I would like them to list them so I am aware of what we will have to deal with before we can complete this bill.

Both the chairman and I are willing to entertain any amendments. We are not encouraging them. But certainly, Senators have a right to offer them.

And for those who continue to come up and ask me when we are going to finish this bill, I cannot answer that question unless they tell me what amendments are available. To those who ask me when we are going to adjourn for the year, I would suggest Senators who are so anxious, including this one, who want to leave here before Thanksgiving, that holding out on amendments will not further that purpose of adjourning.

So we are here. We are ready to continue with any amendments that Senators wish to offer.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I wanted to say to the managers of the bill that I have three or four amendments. They are essentially in the area that pertains to excessive litigation under rule 10(b), and the other group of amendments have to do with the requirement for appraisal of both residential property and commercial property.

I am not prepared tonight to offer an amendment but I am prepared to speak about the first series of amendments that I choose to give a new name. They pertain themselves to "hyperlexia," which I think is a new serious disease that is caused by excessive reliance on law and lawyers. I will discuss that for a while here this evening.

But I think the Senator from Rhode Island desires to speak on another issue. I will yield the floor at this point.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I have some comments on the bill. If somebody has an amendment and wants to go ahead of me, I would be glad to defer to that individual, or if somebody wants to announce they have some amendments to help out the floor managers of the bill, I will step aside. If not, I would like to proceed with the comments that I might have.

So I say to the distinguished floor manager, if he has somebody he wants to go ahead, that is fine by me.

Mr. RIEGLE. If the Senator will yield, let me just again sound the announcement. If there are any Senators who want to offer amendments tonight, or have any intention of offering amendments to this bill, it would be very helpful to us to have knowledge of that now so that we can anticipate and plan for that. We prefer to take it up right at this time. If anyone has an amendment that is ready to go, we are going to be pressed for time through the remainder of this week, we are in the best position to accommodate amendments literally at this moment.

I thank the Senator for yielding.

Mr. CHAFEE. Mr. President, why don't we do it this way: If somebody comes in with an amendment and they want to go ahead, let me know.

Mr. President, the bill under consideration today is a monumental piece of legislation which I have had the privilege of being part of as a member of the Banking Committee. So it has 11 titles and 800 pages. Certainly, it is the most sweeping banking reform proposal since the 1930's. After more than 50 years, the time has clearly come to modify our Nation's banking laws.

Mr. President, I believe Chairman RIEGLE and Senator GARN deserve a lot of credit for bringing this bill to the Senate floor. Both have been working for months, and indeed, in the case of Senator GARN, for years to craft a workable banking modernization plan.

Without the steadfast devotion to banking reform displayed by the floor managers, we would not be debating this measure here today. I applaud their efforts.

Some may be wondering why we need a comprehensive banking bill. The industry seems to be going through a shaking-out period. Banks are collapsing in record numbers, and mergers are occurring around the country. Maybe Congress should just sit on the sidelines and let this process continue to unfold.

It seems to me, however, that recent events in the industry suggest that prompt legislative action is more important than ever.

First, the bank insurance fund, the BIF, is nearly without funds. A record number of bank failures—more than 600 banks have collapsed since 1990—has left the fund at its lowest level in history. This bill sets forth an emergency plan to recapitalize and restructure the bank insurance fund without resorting to an outright taxpayer bailout. This bill proposes a $70 billion loan to the bank insurance fund—a loan that will be wholly repaid by the banking industry through premiums over a 15-year period. That is one of the driving elements of this legislation.

Clearly, a strong bank insurance fund is absolutely critical to the public's confidence in our banking system. We need to put a stop to dangerous rumors that the FDIC, which is, of course, funded by the BIF, is running out of money. It is essential that Congress approve this BIF recapitalization program before Congress adjourns in the next several weeks.

Second, the committee has recognized that it would be unwise, and perhaps even foolhardy, to fix this bank insurance fund without addressing the problems that are presently faced by the industry. This legislation includes a number of reforms to safeguard depositor accounts. The bill adopts a General Accounting Office suggestion for improved accounting practices and for annual on-site bank examinations by Federal regulators. Some might say these exams are onerous. I call them sound banking policy. We certainly need thorough, impartial examinations to ensure safety and soundness at our federally insured banks.

Third, the bill would allow national banks to engage—after a several-year delay—in interstate branch banking. More than two dozen States currently allow some form of interstate branch banking. As perhaps the Presiding Officer knows, limitations on branching was prudent 60 years ago when Congress approved the McFadden Act, but advancements in technology have made that legislation incompatible with current banking needs. In 1927, the year that the McFadden Act was approved, who could have imagined the advent of ATM machines, or the speed and efficiency of computers and electronic transfers?

So the sooner banks can engage in interstate banking, the better, in my judgment. I prefer that they could do this immediately under this legislation. Many of the problems that we faced in my section of the Nation, namely, New England's financial institutions, relate to the struggling regional economy. Diversification might have helped our banks that have heavy concentrations in one geographic area such as real estate. If they were able to branch interstate, the risk might have been spread.

In addition to providing new opportunities for banks, this legislation also includes in title V an important number of consumer protection provisions.

I believe in these. I believe that an individual with a modest bank account should be able to take advantage of deposit and withdrawal services and be able to cash government checks.

The GAO estimates that nearly one in five American families—some 16 million households—do not have bank accounts. Most of these families are unable to open accounts because of the costly service fees. And some resorted to nearly extortion-like charges from these check cashing stores. This bill provides low-cost banking opportunities to these individuals.

Perhaps the most contentious part of this bill has to do with title VII, which I understand might be withdrawn. I am sorry that that is taking place. What this title VII does is grant banks new security powers. Unfortunately, going back to the 1930's—I should not say unfortunately—rightfully so, that was taken from the banks. I believe it is time to restore these powers with what we call "firewalls."

Just 3 years ago, right in the Senate, by a vote of 94 to 2, the Proxmire Financial Modernization Act was passed. I voted for that enthusiastically—94 to 2. That legislation was passed which gave the banks new security powers.

Some have said that this is a dangerous bank giveaway. I do not think so. I believe that the firewalls that have been set up in title VII are sufficient, just like the firewalls that were provided in the Proxmire legislation some 3 years ago.

So I think our banks should have these security powers.

I might point out, Mr. President, that 20 years ago, American banks dominated the world financial market. Today, not a single United States bank is in the top 25 in the world of the 25 largest banks in the world, not one is an American bank. European banks—and to a lesser extent, Japanese banks—have tightened their grip on the world markets by eliminating the divisions between banking and securities. If American banks are expected to compete successfully in a sophisticated world market, they must be able to offer services that are provided by their international rivals.

Mr. President, there is also in this legislation, a provision that is very important in my home State. As many know, in Rhode Island, on New Year's Day of 1991, the Governor closed down, rightfully so, some 45 privately insured financial institutions. This was necessary because the private deposit insurer had become insolvent.

What this legislation does is permit our State to take advantage of $180 million Federal loan guarantee. The State would be able to borrow funding from a private lender at lower interest rates—perhaps 300 basis points lower than the going market rate—thereby reducing the overall cost to the State, in attempting to resolve this problem that is now affecting 150,000 Rhode Island depositors.

This provision is not a handout. It is budget neutral. I am hopeful this bill can be approved and the genuine banking reform bill can be signed into law.

I hope that this bill will not suffer the same fate that the legislation did 3 years ago. the mood around here is that approval of a broad banking bill is an uphill battle. I believe the taxpayers deserve a comprehensive bill that will make our banks more secure, more competitive, and more responsive to the needs of consumers.

So I urge my colleagues to support this legislation.

I thank the Chair, and I thank the distinguished Senator from New Mexico for permitting me to proceed.

Mr. DOMENICI. Mr. President, I, too, want to talk about the bill that is pending.

First of all, we all know that the BIF fund is in serious jeopardy, that we have to put provisions in it for the working capital. We need about $45 billion. It seems to me that the way it is structured in this bill is something we could support.

It is financed over a long enough period of time that our banks in this country, which are already in somewhat of a stressful situation, will be able to afford the additional costs. It will not be so heavy that additional banks will go broke just by paying into the insurance fund. Banks need to have the kind of assurance that sends the right message to the depositors.

I might also, while I am on the subject, comment that I think the chairman and ranking member have done a good job on this bill. It is very difficult. For some reason or another, it is hard to be enthusiastic about a bank bill, a bill that reforms the banking rules and regulations and laws of our Nation. People can get kind of excited here in the Senate about many other things, but this one, it seems, takes a back seat. And yet we all know that you cannot have capitalism and cannot have growth and businesses making money and paying workers unless their is a banking system that meets the needs and is safe and sound enough to raise capital so needs are met. And that raises the issue of the Resolution Trust Corporation [RTC].

I am hopeful that the leadership will accommodate the chairman and ranking member and bring the RTC bill to the floor quickly. It is also in desperate need of additional financing so that the remainder of the work of the RTC can be accomplished. That is somewhere in the neighborhood of $80 billion that I think is necessary to keep the RTC going. There will be Senators who will take the floor and indicate that they would not vote for one additional cent of money for the RTC as if such a position was really a sound fiscal policy. As a matter of fact, if we do not fund the activities of the Resolution Trust Corporation we end up costing our taxpayers more, and there is no doubt about that. Delay costs money. It costs lots of it.

It sort of reminds me of someone who at Christmas time buys a huge number of presents with credit cards and then, when the bills arrive in February, he indicates that he does not want to pay the bills because obviously they are not getting anything right then.

My Christmas presents purchased on credit analogy is like the RTC. We created it to some extent. Plenty of blame to go around. The problem was created by Congress, administration officials, and everyone combined. And we set it in motion. The way to save money is get the work done. The way to lose money is to refuse to fund the Resolution Trust Corporation so they do not have the working capital and the flexibility to do their work.

I see the distinguished ranking member sitting here and I am sure he agrees with that one, just as he agrees with reference to the bank insurance fund, commonly called BIF.

HYPERLEXIA

Mr. DOMENICI. Mr. President, I am going to proceed for a few moments to talk about something that I think we are suffering from in America now, and I am going to call it "hyperlexia," a serious disease caused by an excessive reliance on law and lawyers. It is pervasive throughout our society but has reached epidemic dimensions in the court-created private actions brought under section 10(b) of the Securities and Exchange Act of 1934. This litigiousness is killing entrepreneurship, and with it, significant growth potential for our economy.

These lawsuits are making it harder for American companies to raise capital, and to attract experienced board members. At the same time these lawsuits distract entrepreneurs and make it more difficult for them to focus on the business of being competitive.

We have professional plaintiffs who benefit from secret fee splitting arrangements. As one scholarly commentator has noted, plaintiff's attorneys in this field have made "the ambulance-chaser by comparison a paragon of propriety." Often a lawsuit is filed within 1 day to a week after a stock's price drops. The Wall Street Journal has called it "a class action shakedown racket."

Since many of you are not an officer, director or other professional involved in securities public offerings and disclosure, I will briefly explain how a bad stock market investment decision can be transformed into a nifty legal settlement.

As one Virginia law firm advertised: "Losses in the financial or stock markets? You may have a legal remedy."

There is no mention of the need to prove whether false or misleading statements were made or whether there were material omissions of fact. The ad doesn't mention the requirement that the plaintiff must prove he justifiably relied on the factual misrepresentations. The ad leaves out the need to prove that the defendant intended to defraud the investor and potential client. The ad makes it sound simple: If you lost money, you sue.

If a stock goes up, the officers, directors and anyone else incidentally involved are sued by people who sold too soon. If the stock goes down, speculators who bought and held stock sue. If the stock doesn't move other lawsuits are filed.

And plenty of lawsuits are filed. In the last 3 years 1 out of every 14 stocks traded on the New York Stock Exchange have been sued.

In reviewing the settlements of recent lawsuits, studies confirm that there is little difference between meritorious and meritless lawsuits. In 10(b) hyperlexia, the plaintiff with a meritless placebo suit typically recovers as much as the plaintiff with a meritorious claim.

Making matters worse, there appears to be a formula. Class action firms do not find it profitable to sue companies if the market loss was not at least $20 million, regardless of the merits of the claims against such companies. Merits don't matter. A strong case is worth no more than a weak one.

According to a recent Stanford Law Review article, we now have, in essence, a nonmerits-based legal system triggered by formula. It effectively transfers wealth from plaintiffs with strong cases to those with weak cases.

Securities and Exchange Commissioner Richard Breeden has summed up the situation with the statement, "heads I win, tails I sue."

The 10(b) cases are opportunities for speculators and a few predatory law firms to coerce large settlements from American businesses, especially new and emerging companies whose stock is particularly susceptible to stock price swings.

Computers are programmed to alert lawyers to volatile stock price swings; they find their professional plaintiff; they print out their pro forma pleadings on their word processors and race to the courthouse.

From the board room to the stock room people know that these lawsuits are hurting the American economy. The burden of frivolous litigation does more than impose additional costs on new companies. It erects tremendous obstacles to developing and marketing successful future products by:

Making the experienced investment bankers and accounting firms whose assistance is important for accessing capital markets less willing to work with new ventures because of the higher risk of litigation associated with them.

Making prestigious individuals reluctant to serve on the boards of such companies for the same reason. This reduces the company's credibility to investors and lenders.

Diverting management's attention from expanding the business to managing the litigation.

The impact on new companies is very serious because these companies frequently have large unanticipated swings in earnings that plaintiffs and their lawyers seize upon as the basis for a lawsuit. For example every computer-related company in northern California that made an initial public offering between 1983 and the 1987 market collapse was named in a securities action.

So, obviously, you surely did not want to be part of starting up a computer-related company in northern California during that period of time. So in fact it is hindsight. So you already did. And every single one was sued under rule 10(b) class action for some kind of claimed malfeasance regarding the stock that is part of the company's equity achievement.

Seagate Technology, a California disk drive manufacturer, has been subjected to 13 securities class actions. Twelve were triggered when their stock price dropped.

The 13th was triggered by an increase in earnings. The claim in that lawsuit was that the company failed to disclose that it expected to do better than it had in the previous quarter and were sued for that.

Seagate spent millions defending these cases. This does not include time that the company's executives have had to spend on litigation. This is time and attention that could be more productively spent on their business.

An officer of Seagate Technologies stated, "When I spend mind share on these suits, it cheats my company. These suits are not just nonproductive. They are counterproductive."

Apple Computer was found liable for $100 million. The judge later threw out the case on the ground that there was "no substantial evidence" of a violation.

Paul Wythes, a Palo Alto venture capitalist said, "These high-technology companies are trying to compete in a world market. They ought to be out trying to do a better job designing products. You don't see these suits happening in Japan."

Securities laws are supposed to help investors by ensuring a flow of accurate information about public companies. The present system actually reduces the amount of available information.

Oracle Systems Corp. which was the target of 19 class actions last year has adopted a policy of refusing to speak to analysts about its expected revenues and earnings.

The threat of litigation has deprived American business of the services available in other countries.

A traditional audit is only a retrospective look at a company's financial condition: It describes the company's position as of a certain date. Accounting firms could, in addition audit a company's projections of future earnings trends.

This service isn't available in the United States because of the accountants' fear that they will be sued anytime the projections turn out to be wrong.

This service is available in other countries with more rational liability systems.

An investor choosing between an innovative U.S. company with unverified projects and a foreign venture with audited projects of an equal, or even slightly lower return on investment might be more inclined to put his money in the foreign venture.

The present system is hurting the accounting profession. Between 1981 and 1990, the six largest accounting firms have seen a fourfold increase in the number of claims filed against them; most of these cases included 10(b)-5 claims.

One accounting firm—the seventh largest in the country—filed for bankruptcy in 1990 due in large part to the burden of securities fraud claims.

Independent outside directors who perform the critical role of watching over corporate managers are another casualty of these lawsuits.

These independent directors are always sued when their company is sued. As a result, there is a shrinking pool of qualified persons willing to serve on corporate boards.

A recent study done by the National Association of Corporate Directors and Arthur Young reports that 17 percent of the CEO's of the Fortune 1,000 companies no longer serve as independent directors on boards of companies other than their own.

The chairman of one Silicon Valley company sits only on his own company's board: "I'm not a member of any other board. I do that because securities class actions are a distraction. Most executives are avoiding boards. Who could blame them?" Another says, "We can't attract good directors. Why should they put their whole net worth on the line?"

Some companies try to protect their outside directors through insurance, but the cost of coverage has skyrocketed in recent years so that even that option may not be available.

Armada Corp., a Detroit-based manufacturer of alloys and exhaust systems, was faced 7 years ago with a premium increase from $47,000 to $720,000 for $10 million coverage; the deductible also increased from $125,000 to $750,000. In response, Armada eliminated its insurance coverage and 8 of its 10 directors resigned.

The company's president stated that it had "decided we could only afford to have low-net-worth individuals to replace the directors who left. So we found well-qualified individuals who are a little younger, whose net worth is low enough so we don't have a problem." Is this how companies should be forced to select directors?

The withdrawal of qualified individuals from the pool of potential outside directors hurts startup and emerging companies, who can prosper under the guidance of experienced managers and who frequently are asked by investors and lenders, "Who is on your board?" in order to gauge the quality of the business.

If inexperienced individuals are the only ones willing to take the risk, the quality of decision-making and the company's ability to obtain financing will necessarily suffer. This hurts America's competitiveness.

The shareholders who need these experienced outside director watchdogs to make sure management acts in their best interest are also hurt.

As one Silicon Valley executive stated, "Shareholders get hurt by these suits over the long term because companies lose the quality of their boards."

Fewer companies will be formed and few products will be brought to market. Everyone says they care about competitiveness. Yet if we do not stop this destructive trend, the only manufacturing preeminence the United States may enjoy in the future is its world renowned ability to manufacture lawsuits.

As we extend the statute of limitations for bringing implied private actions from 2 years from date of discovery of the fraud or 5 years from the time the fraud was committed we should also enact a reasonable package of reform disincentives for lawyers to file the type of suits I have been describing.

Mr. President, I think it should be obvious to the Senators here that there is something wrong with this process, and actually the degree that these suits have now reached permeates every company of any type that is publicly traded. If you are its accountants, you get sued. If you are its financial advisers, you get sued. If you are the bank that did some financing and participated in something that made them able to bring products to the market and provide jobs, you get sued.

And in all of those, there is no proration of liability. So they are all sued jointly and severally for the big amount, and lawyers reap a big gain because their insurance is pooled or their money is pooled and they get a good settlement. But in the meantime, everyone suffers.

I yield the floor.

Mr. RIEGLE. Mr. President, maybe I can inquire of the Senator from New Mexico: Are any of the amendments that he envisions offering likely to be ready to go tonight? Could we take one up tonight?

Mr. DOMENICI. Mr. President, let me say to the chairman, I do not think I can. But if the Senator wants to give me a specific time tomorrow, I will even tell him that I will be here and take two or three of them right in order, with a minimal time to explain them.

Mr. RIEGLE. I appreciate that. I was endeavoring to find if we have any amendments that are set that we can still take up this evening. We will be out for a period of time tomorrow morning because we have the leader of Argentina speaking on the House side.

Mr. DOMENICI. When will we be back?

Mr. RIEGLE. Maybe by 12:30 we will be back on the bill. My hope is that we will have a managers' amendment prepared that will probably be the first order, but shortly after that we can do it then.

Mr. DOMENICI. I should be ready shortly after the managers' amendment. And I will have my staff go through the amendments with your staff so everybody knows what we are doing, and see if we cannot expedite it.

Mr. RIEGLE. Very good.

Mr. DOMENICI. I thank the chairman.

Mr. RIEGLE. Mr. President, let me also indicate that I know there are other Senators who have indicated they have amendments. I know the Senator from Ohio [Mr. METZENBAUM] indicated he may have an amendment. I understand that Senator KERRY of Massachusetts may have an amendment having to do with financing the replenishment of the BIF fund.

I understand that there may be an effort made by the Senator from Hawaii and the Senator from Mississippi, Senator INOUYE and Senator COCHRAN, to address some part of the bill in the consumer area. There is a possibility that Senator LEVIN may have an amendment having to do with executive compensation. And of course we know we have two Senators concerned about the interstate banking area, Senator FORD of Kentucky and Senator BUMPERS of Arkansas, who both are anticipating raising that issue. And, of course, then the issues that Senator DOMENICI from New Mexico has just raised.

I am wondering if we know of any others at this time. I might inquire of the ranking minority member if he knows of any others that he has heard about that perhaps we ought to see if we could take up tonight.

Mr. GARN. Mr. President, I would reply to the chairman that I cannot answer his question at the moment. The reason I left the floor was to start compiling the list and making some phone calls to try and determine that. I am sure we will by morning.

Mr. RIEGLE. I would also indicate to each Senate office now, by means of this statement, that if any Senator has an intention to offer an amendment, it would be very important that we know that now. If we could receive a call in either the Democratic or Republican cloakrooms stating that intention to us and the subject matter, it would be enormously helpful. And in turn, I think we will be able to facilitate that Senator being able to have the best possible opportunity to bring that particular item forward sometime, hopefully, tomorrow.

It is clearly going to be our intention to finish this bill as quickly as we can. And so with the joint meeting tomorrow morning taking up the time in the morning, and with the likelihood that we will go back on the bill at about 12:30, or in that timeframe, it will mean that there will be pressure during the course of the afternoon, then, to try to accommodate all Senators. And that will become more difficult as the hours go by simply in terms of the pressure on time.

So again I want to invite any Senator that has an amendment that is ready to go tonight to come and take this opportunity. We are here. We will take it up. If it is an amendment that we can accept, we will do so. If not, if it is one that requires debate and a vote, we will proceed in that fashion. But this is a time that is available, and we certainly welcome any amendment that anybody is prepared to offer at this time. And anyone else that has an amendment that they want to notify us about so that we can understand it, that would be very helpful.

I just received a note that Senator LEVIN will be offering his amendment tonight on bank and thrift compensation, and should be coming to the floor shortly to do that. I welcome the fact that he will be here and will be offering that. I would think that may well also then be an amendment that will require a vote. And so I cannot fully judge that until we see the amendment and until I have had a chance to talk to my colleague from Utah, but I would say that that is an issue that is likely to require a vote. So Members ought to be on notice that another rollcall may well be required on the Levin amendment.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, let me indicate that Senator LEVIN, who has an amendment that he intends to offer, will not be offering that amendment tonight. We had been expecting that it might be offered this evening, so that will not be done this evening.

At this moment, I am not aware of any other amendments that are ready to go this evening. We are here awaiting them and we are ready to handle them, but I have had no indication that any Senator is prepared to offer an amendment tonight.

I want to emphasize again that we are going to run into a problem with extreme time pressure tomorrow because we have the joint meeting with the President of Argentina in the morning, which will eat up legislative floor time and we will not be back on this bill, I would not think, until about 12:30.

At that time, in discussions I have just been having with the ranking minority member, it will be my intention to offer first a managers' amendment, something he and I and others have been working on and hope to have ready to go first thing tomorrow. That would then, I hope, be followed by taking up the interstate branching issue. Senator FORD and Senator BUMPERS both have amendments they want to offer in that area. It would be my hope that we could perhaps take that as the first item after the managers' amendment.

I know Senator DOMENICI of New Mexico has indicated tonight he has amendments. So those would be coming forward. And then anyone else who has amendments to offer will have to come into that timeframe tomorrow, going into tomorrow evening. I do not know what the remainder of the work schedule will be through the remainder of this week, but it is essential that this bill be completed, be passed so that it can go to conference and we can undertake to get the conference moving and get a conference report worked out that we can bring back again to the Senate.

Everyone is aware that we are up against the planned and anticipated adjournment schedule in advance of Thanksgiving. So with the other items that are on the work schedule in addition to this bill, which is an urgent bill that must be passed, I think the time pressures will become very extreme. I want to be as accommodating as we possibly can to every amendment that anyone wishes to offer to this bill. And so, again, I want to make it clear it is important we know who has an amendment to offer and we will make every effort to accommodate them. Our preference would be to take it tonight. If none are forthcoming tonight, I will in short order so inform the majority leader so we are not keeping Members on the hook in terms of possible votes this evening if we are not going to have amendments offered that will require votes.

Mr. GARN. Will the chairman yield?

Mr. RIEGLE. Yes, I yield to the Senator from Utah.

Mr. GARN. Mr. President, I would certainly like to echo what the chairman has said. In the 17 years I have been around here, I have never seen delay produce a difference in a vote. Yet we never seem to learn that lesson.

We spent nearly a couple of hours on an amendment that had only 19 negative votes, and I think everybody knew that would be the outcome. Some amendments that are more controversial I understand may need more explanation. But, again, as I have stood here this evening and everybody asking when are we going to finish this bill, the chairman and I cannot answer that question if our colleagues will not be cooperative in offering their amendments. Most of the amendments that are going to be offered I oppose, but that is the way the Senate should work.

It is a simple matter of coming over here, offering their amendments and not asking me if we are going to finish this and if we are going to delay adjournment or are they going to be home for Thanksgiving, can they make their reservations? The chairman and I do not happen to have control over that schedule. We are not the leaders. We are only managing this bill.

So if some Senator comes up to the ranking minority member tomorrow night about 11 o'clock and says what are we doing here; why have we not left; are you going to finish this bill; are you going to endanger the recess, I am not going to have any sympathy if we continue to sit in quorum calls.

I have spent 17 years waiting for Senators to come out of their offices or their holes or wherever they hide. I do not know. But this bill has been well known for a couple of months and it is good that there are leaders like Senator MITCHELL and Senator DOLE who are patient. If I were the leader, I would go to third reading right now. It would make everybody mad but we certainly would get them out of the woodwork and out of their holes. I will never be leader, so my colleagues do not need to worry about that. But there really is a much more expeditious way to run this and they can come over. We will be here. Amendments can be offered. We will talk about them and we will vote and let the Senate work its will.

We can actually do this by late tomorrow afternoon easily and process every one of those if our colleagues will come over and understand that their rhetoric will not change the outcome of votes. On almost all of these issues, the minds are already made up. I would be happy to certify that each one of them gave a great speech, write letters to their constituents and say how wonderful and articulate they were on the floor if we will be a little more expeditious and courteous.

It also amazes me how everybody gripes about the Senate's schedule and others who will not come over and offer amendments until it is them who have to do, and then suddenly they are not concerned about all of their colleagues. Now again after 17 years, I do not expect to change the behavior of the Senate, but I would certainly like to encourage it to move just a little bit faster considering the deadlines and the important things that we have to do before adjournment.

I have made this speech many times before when I have been managing a bill, and I am smart enough to recognize it will not do any good, but it makes me feel better to encourage the Senate to operate in a more efficient manner. So I probably please no one but myself, but nevertheless I appeal to my colleagues to come over from wherever they are.

Mr. RIEGLE. Let me make one other comment and that is to add to the list of possible or prospective amendments that I cited earlier. Apparently, Senator SEYMOUR of California may have two sense-of-the-Senate resolution-type amendments that he is considering offering.

The only other item that is outstanding that I am aware of, in addition to those previously mentioned, is the fact that Senator LAUTENBERG of New Jersey has expressed his interest in the lender liability section, and I know discussions have been going on between he and the ranking member on that issue.

I know of no other amendments beyond those that I have cited or Senators who have expressed an intention to possibly offer an amendment. It would be very helpful to us to know if there are others and if, in fact, the ones I have cited are ones that will be taken up.

So with that, I invite as much information from those Senators as they can provide us. I am going to put the quorum call back in in a moment and will report to the majority leader that insofar as I am able to judge that we will have no other amendments being offered tonight that will come forward and, therefore, require votes. I am sensitive to the fact that colleagues are waiting for an announcement as to whether or not there will be votes tonight. There has been no way to know that until we are clear as to whether amendments would be forthcoming. There is no such indication now. Hopefully, we will have some further word shortly.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. KOHL). Without objection, it is so ordered.

Mr. RIEGLE. Let me now add some additional information with respect to other Members that I think will be offering amendments so that again there is notice given and we maintain some listing of the intentions.

I am informed that Senator MURKOWSKI of Alaska is intending to offer an amendment to strike title V. I have talked with Senator MACK of Florida, who is here now, who is considering whether or not he may offer an amendment with respect to the CRA section. Senator ROTH, I think it is fair to say, will have an amendment because of his strong feeling about one part of the bill. I am told that he was called away today to a family emergency, and I am very sorry to hear that, so he has not been available on the floor. But I think we have to assume that if he is back tomorrow, he is likely to have an amendment.

And then Senator KOHL has indicated he will have an amendment. I do not know the subject matter of that as I stand here. I understand it may be an assessment on foreign deposits issue. Senator CONRAD has indicated he may offer an amendment on highly leveraged financing. Senator WIRTH has indicated that he may have two amendments, the subject matter unknown. I will list those as mystery amendments. Senator MOYNIHAN has indicated that unless it can be worked out with the managers, he may offer an amendment to exempt banks from section 215 requirements, so we will have to take a look at that.

I appreciate, by the way, Members sending in this information. It helps us a great deal to be able to have a sense as to what is likely to be coming tomorrow.

So without going back and putting all of these in a single list, they are now in the RECORD in terms of my remarks over the last 30 minutes or so, but so far as I know that does constitute a complete listing of the stated intention of Senators with respect to amendments that they either will offer or may offer.

I am going to now indicate again to the majority leader that I am not aware of any of these amendments that will be coming to the floor tonight. We have sought several times to have amendments brought to the floor tonight. There is no indication that any of these will be brought to the floor tonight.

Mr. MACK. Will the Senator yield?

Mr. RIEGLE. Yes, I yield to the Senator from Florida.

Mr. MACK. I wanted to make a statement with regard to my amendments with reference to CRA. We are still analyzing the situation, trying to determine whether it is an amendment that I will offer.

As I have indicated to the Senator in the past, I have a great deal of concern about the micromanagement of the financial system, and especially after the vote that occurred here a little earlier today with placing a cap on interest to be charged on credit cards. One has to wonder at one point is someone going to get up and suggest there ought to be a cap placed on the price of a single-family residence in this country, or the price that ought to be charged for, let us say, beef at the retail level.

There is a point at which the Congress of the United States has to let the market work, and I am concerned and have very strong feelings, while I understand the intentions that people have with respect to CRA, that we are really getting into the process of credit allocation, and it is only a matter of time before we see specific figures related to, or percentage related to financial institutions with respect to CRA; that is, that you must put *X* number of dollars or a certain percentage of your deposits in that particular market. I think that is a dangerous thing to be doing.

But I just again wanted to mention to the Senator that I am quite serious about this proposal that I have been talking about, which is in essence to exempt commercial banks of $100 million or less in assets, and that would not then exempt the larger banks in the country and would in effect still control the greatest number of deposits.

So what I am trying to do is target this exemption on CRA to the smallest banks in the country that will have the least impact in the areas that raise a concern and still yet cover the great majority of deposits in our banking system.

So we will decide early tomorrow whether we are going to offer that amendment or not.

Mr. RIEGLE. I thank the Senator from Florida. I know this is a matter of great interest to him and one that he spoke about and addressed when we were marking the bill up in committee. So we will await his final judgment on that question.

Mr. President, I again suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I am told now further that Senator MCCAIN intends to offer an amendment that would limit the number of accounts that receive deposit insurance in a given institution, and also I stated earlier that Senator SEYMOUR had two sense-of-the-Senate resolutions. I understand one is a sense-of-the-Senate resolution. The other actually would be a change of law. So there is that distinction to be made with two that he is offering.

Also, I am informed that Senator BRYAN has two amendments that he will be offering—one on real estate powers and one on interstate banking.

I must say, to add a little lightness in this advancing hour of the evening, that I did not know when I threw the net out there that I was going to bring in these many fish in the net. So I am not sure I am going to continue to make the request because I am getting too great a response here.

But I appreciate—I say that in jest—the fact very much that Senators are indicating what their intentions are so that we can develop a list and be able to work from it tomorrow.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, in talking with the ranking minority member and looking at the list of the prospective amendments that I have just been citing in the last few minutes, it would be my guess that starting about 12:30 tomorrow with the bill—this will be, of course, after the joint meeting with the President of Argentina—that we will be running very late into the evening tomorrow night.

I am going to indicate that to the majority leader when we talk about this momentarily. I am going to indicate to him that my expectation would now be that we will need a very late session tomorrow night to work our way through this list and dispose of all of these amendments, one way or the other.

So I want to now—which is the earliest point in time that it has been cleared to me—pass my assessment along to other Senators. It would be my guess, if it is the intention of the leader to work late tomorrow night, that we will in all likelihood go quite late. I can see us going into the very late evening or even later than that in order to finish this list if all of these amendments, in fact, materialize and are offered.

So I think Members may want to know that just in terms of their own planning.

I again suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I am advised by the managers, the distinguished Senators from Michigan and Utah, that despite their best efforts, no Senator has been willing to come forward this evening to offer an amendment on the bill, even though many Senators have stated an intention to offer amendments.

This is, of course, an unfortunately all too common situation in the Senate. What it means is that the Senate will be in session late tomorrow. We had an opportunity to complete more business on this bill at a reasonable hour this evening, but the unwillingness of Senators to present themselves to offer amendments has made it impossible to proceed any further this evening. The managers have been here ready, willing, and anxious to proceed. Senators, therefore, should be aware that there will be a late session tomorrow.

We have to make progress on this bill. This is a very important bill. The administration has sought Senate action this year on bank reform legislation. It is our view that legislation is necessary. Senators may disagree on what ought or ought not to be in the legislation. But we hope to proceed to complete action. I am advised by the managers that they are prepared to remain in session tomorrow for as long as it takes. So Senators should be aware that the Senate will be in session late tomorrow, as we attempt to make substantial progress on this bill.

It is my hope that we can complete action on this bill in the next day or so. Not offering amendments today simply means we will be here later tomorrow. That is not a decision made individually and collectively by Senators, but that is the inevitable consequence. Senators should be on notice in that regard and make their plans for tomorrow accordingly.

Mr. President, in that circumstance, there is no possibility of further rollcall votes. So I now announce that there will be no further rollcall votes this evening.

MORNING BUSINESS

SALUTE TO STEPHANIE TUBBS JONES, THE CUYAHOGA COUNTY PROSECUTOR

Mr. GLENN. Mr. President, today I rise to pay tribute to an outstanding Ohioan—Stephanie Tubbs Jones, the Cuyahoga County prosecutor. It is with regret that, because of the legislative tasks we must complete in Washington, I am unable to personally attend the gala salute to prosecutor Jones. The salute is scheduled to take place on Friday, November 15, 1991, in Cleveland, OH. I am honored to have been asked to participate in such an important event.

The special tribute is well-deserved, as Stephanie Tubbs Jones is an accomplished and hard-working prosecutor. The first woman and the first African-American to hold the position, prosecutor Jones was appointed the Cuyahoga County prosecutor in January 1991, by a vote of the precinct committee persons of the Cuyahoga County Democratic Party. She has managed her office in a professional, fair, and impartial manner and has performed her duties admirably, regardless of the challenge or the difficulty. A former jurist on both the common pleas and municipal courts of Cuyahoga County, Stephanie Tubbs Jones has solid legal credentials to guide her in her duties as the Cuyahoga County prosecutor.

A native Clevelander, prosecutor Jones has devoted a significant part of her adult life to public service. She received her early training from Collingwood High School of the Cleveland public school system and received her undergraduate and law degrees from Case Western Reserve University in Cleveland, OH.

Subsequent to her graduation from law school, Ms. Jones worked as assistant general counsel and equal employment opportunity administrator for the Northeast Ohio Regional Sewer District. For 3 years, she worked as an assistant Cuyahoga County prosecutor and later as a trial attorney for the Equal Employment Opportunity Commission, Cleveland district office—before Gov. Richard F. Celeste appointed her as a municipal court judge. Judge Stephanie Tubbs Jones was subsequently elevated to the common please court bench.

Stephanie Tubbs Jones brings a wealth of experience to her position of Cuyahoga County prosecutor. For a decade, she proved herself an able and experienced judge of both the Cuyahoga County Court of Common Pleas and the Cuyahoga County Municipal Court. Upon her appointment to the common pleas bench in 1983, Stephanie Tubbs Jones was the first African-American woman to serve on that court in Ohio. In 1984, she was elected to the position and re-elected in 1988. She was appointed by the chief justice of the Ohio Supreme Court to sit by assignment on cases in the Eleventh District Court of Appeals, which serves Portage and Geauga Counties; the Court of Claims of the State of Ohio; and the Franklin County Common Pleas Court.

In 1990, she was asked by a cross-section of the Democratic Party to substitute for a candidate who had withdrawn from the Ohio Supreme Court election. With only 4 months in which to campaign in her first statewide race, Stephanie Tubbs Jones surprised political prognosticators and amassed 1,300,000 votes and came within 3 percentage points of unseating an incumbent justice.

Mr. President, as chairman of the Governmental Affairs Committee, I have first-hand knowledge of the plight facing our cities. Drugs and other substance abuse, poverty, violent crime, and other issues all interact to plague our cities and our suburban areas. As the Cuyahoga County prosecutor, Stephanie Tubbs Jones confronts these issues and their consequences every day. As a member of Cuyahoga County's task force on violent crime and the substance abuse initiative, she spends extra hours trying to find a solution to these growing challenges. A good prosecutor must lead the battle. And Stephanie Tubbs Jones is a very good prosecutor.

Tributes, honors, and awards are not new to prosecutor Jones. Earlier this year, the Young Women's Christian Association [YWCA] bestowed its "Career Women of Achievement" Award upon her. In 1982, she was selected as an "Outstanding Woman of America." In 1986 she was touted for her outstanding volunteer services in law and justice by the Urban League of Greater Cleveland; in 1987, the Cleveland chapter of the Negro Business and professional Women's Clubs, Inc., named her its "Woman of the Year;" in 1988, her alma maters, Collinwood High School and Case Western Reserve University, each recognized her for her achievements and dedication; and the list goes on.

Prosecutor Jones has served her community well. She has served on the board of trustees of numerous organizations, including the following: The regional council on alcoholism, the undergraduate colleges of the Case Western Reserve University, the Cleveland Hearing and Speech Center, the Cleveland Public Library, and the Urban Library Council. She has served as past Treasurer of the Norman S. Minor Bar Association, as well as maintaining her current membership in the local, state, and national bar associations and prosecutorial associations.

Well-acquainted with the Cuyahoga County legal system, prosecutor Jones possesses all of the qualities and legal abilities of one of the best prosecutors in the Nation. She demonstrates her abilities daily and tackles the tough problems of the day. Her dedication to public service has been legendary and I predict that her star will shine brightly for some time. It is very good news for Ohioans and the Nation.

Therefore, Mr. President, I extend my heartfelt congratulations to an outstanding Ohioan—the Cuyahoga County prosecutor, Stephanie Tubbs Jones—with best wishes for her special evening, "A Salute to Stephanie Tubbs Jones."

PASSAGE OF H.R. 3402

Mr. KENNEDY. Mr. President, H.R. 3402, the Health Information, Health Promotion, and Vaccine Injury Compensation Amendments of 1991 includes two important sections: The first section reauthorizes programs of health information and health promotion and the Centers for Research and Demonstration of Health Promotion and Disease Prevention. These programs have made enormous contributions to Federal efforts to improve the health status of the citizens of our country.

The second section makes necessary changes in the National Vaccine Injury Compensation Program. Vaccines are one of the most effective means of protection against a number of illnesses that commonly strike children. In those rare cases where an injury results from vaccination, the program is there to help children and their families. The program has been credited with stabilizing vaccine prices and compensating children who are injured by childhood vaccinations.

This set of changes to the program has been worked out by the majority and the minority. I ask unanimous consent that a brief explanation regarding these amendments be printed in the RECORD. This summary represents the views of the majority and the minority of the committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF VACCINE INJURY COMPENSATION AMENDMENTS

SUBSECTION (A)

Subsection (a) repeals subsection (b) of Section 323 of the National Childhood Vaccine Injury Act of 1986 (P.L. 99-660). Under the terms of the Vaccine Compensation Program ("the Program"), claims for compensation for injuries associated with vaccines administered before the effective date of the Program ("pre-enactment cases") are treated differently from claims for compensation for injuries associated with vaccines administered after the effective date of the Program ("post-enactment cases"). Among other differences, awards for pre-enactment cases are paid from general revenues; awards for post-enactment cases are paid from the Vaccine Injury Compensation Trust Fund.

Section 323(b) of the 1986 Act provides for the termination of the Program for both pre-enactment cases and post-enactment cases if either source of funding is insufficient to pay awards. Thus, although the Trust Fund for post-enactment cases is solvent and projected to remain so, a failure to make payments for pre-enactment cases could result in the closure of the Program.

Section 2134 of the Public Health Service Act provides for a review and reporting method to ensure that the post-enactment system remains adequate and to suspend the Program if a schedule of awards is exceeded. This provision remains in place. The process for termination of the Program for pre-enactment cases, if necessary, is not resolved by this legislation. The managers of the legislation are, however, aware of proposals for increased appropriations as well as arguments that the U.S. remains liable for claims regardless of the availability of sufficient specific appropriations.

SUBSECTION (B)

Subsection (b) changes the date of the required evaluation of the Program, requiring that the evaluation be submitted in 1993 rather than 1992.

SUBSECTION (C)

Under the Program, in reviewing proceedings on pre-enactment cases, the chief special master may suspend proceedings on any petition for up to 180 days. Subsection (c) extends that period to 540 days.

SUBSECTION (D)

Under the Program as currently in force, if a special master or the court does not enter a decision on a petition for compensation within specified time limits, the master or the court no longer has jurisdiction to continue consideration of the petition. Subsection (c) eliminates the provisions automatically withdrawing jurisdiction and, instead, allows the petitioner to elect to continue or withdraw the petition.

SUBSECTION (E)

Under the statutory provisions of the Program, payments for compensation for pre-enactment cases are to be made in four equal installments. The administration of the Program has, however, required that all funds sufficient to pay the full award be reserved, even if the petitioner receives only one-quarter of these funds at a time. The result has been administratively cumbersome and expensive for both the Program and petitioners, with no cash-flow advantages for the Program. Subsection (e) allows for such compensation to be paid in one lump-sum.

SUBSECTION (F)

Under current law, an annuity may be purchased to provide all or part of compensation received under the Program. Subsection (f) allows the Secretary to take such additional actions as may be necessary to safeguard the interests of the Program in these annuities, such as the purchase of a guarantee (under which, if an annuitant dies, all or part of the value of the annuity is repaid to the Program) or the "lock-in" of rates or purchase prices for the annuity. Subsection (f) provides that any funds recouped under this provision are to be paid to the Program (the Trust Fund or the appropriations account, as appropriate) for use by the Program.

SUBSECTION (G)

Subsection (g) allows the Advisory Commission on Childhood Vaccines to make decisions by a majority of the voting members present at a meeting.

SUBSECTION (H)

Subsection (h) makes technical changes in the Act.

SUBSECTION (I)

Subsection (i) provides effective dates of the amendments made by this Section. In the case of Subsections (d) and (f), the amendments made by this Section are to be applied as if they were in force on October 1, 1988.

CLOTURE VOTE ON THE MOTION TO PROCEED TO THE BILL

Mr. ADAMS. Mr. President, I rise today to give my qualified support to the motion to proceed to S. 543, the Comprehensive Banking Reform and Taxpayer Protection Act of 1991.

I do believe we need to debate these issues. But I have strong reservations about the direction this legislation takes. We are being asked today to reform and restructure the banking industry and its regulatory oversight. We are also being asked to extend a $70 billion line to credit to the FDIC; $70 billion of taxpayer insured money to help the banking industry work out their problems.

I understand that this legislation seeks to put the banking industry on a timetable for paying back the loans. But, I also understand that our economy is not turning around. Banks are continuing to fail. There are some, including departing FDIC Chairman Seidman, who argue that $70 billion provided in this bill may not be enough. There is a lot of uncertainty out there.

With consumer confidence in the financial services industry at an all-time low, it is imperative that we act responsibly on this bill.

All Congress will do if this legislation passes in its current form is to add uncertainty to chaos. I would suggest this is a recipe for another expensive taxpayer bailout.

In this environment, I believe the only prudent action Congress should be undertaking this year is to authorize the $70 billion line of credit to the bank insurance fund and implement strong regulatory reforms. Then take a step back. Allow adequate time for the implementation of those reforms. Restore shattered consumer confidence. And revisit the dramatic expansion of bank powers envisioned in this legislation after the banking industry is back on solid ground.

However, that is not the bill we are debating today.

Some argue the only way to return the banking industry to its previous stability is to allow dramatic and risky expansion of bank powers. I do not buy it.

This argument flies in the face of common sense. We have banks failing in record numbers because of a combination of bad luck, bad management and bad advice. Banks have not proven their ability to manage their activities under current law. Regulators have not proven their ability to stop the hemorrhaging in the banking industry. Yet, here we are on the Senate floor, possibly giving away the kitchen sink.

Banks are at this point today because of the slow response by Federal regulators to recognize problems in failing institutions. Because tax incentives enacted in the early eighties and bad investment decisions led to highly speculative investment in the real estate industry. Because banks rushed to lend to the Third World, without an adequate understanding of the risk involved. Because the deep recession gripping our economy has exacerbated the problems in the banking industry.

Mr. President, it seems to me that we are beginning the debate on this bill from the wrong premise, that banks are just like any other company. That free market principles should apply to banks just as they apply to any other company. Banks are different. They have a different charter, a different role to play in our society. In return for Federal deposit insurance, in return for the taxpayers of this country insuring deposits, banks have a responsibility unlike any other company. A responsibility to lend wisely, invest wisely and always remember that they are ultimately accountable to the taxpayers for their actions.

This has not been the case.

Mr. President, at a time when regulatory oversight seems to have failed us, we are giving affected Federal regulatory agencies new marching orders. Get your house in order. Implement new safety and soundness reforms. Break new regulatory ground in areas where no one can reasonably expect you to know what the outcome will be. In short, we are asking regulators to do the impossible. We are asking regulators to cover our political hides until the next election.

I urge my colleagues to join me in being a voice of reason. Recognize that the solution to the ills of the banking industry does not lie in opening new doors to risky activities.

Mr. President, I commend my colleague, the chairman of the Senate Banking Committee for his skill and fortitude in bringing us to this point. I know it has not been easy. But I simply cannot agree with him that this bill in its present form, is the best we can do.

I agree that the debate should commence. But this Senator and a few of my colleagues will have a say about where we go on this bill.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON DEVELOPMENTS CONCERNING THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 95

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

I hereby report to the Congress on developments since the last Presidential report on May 30, 1991, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report covers events through September 30, 1991. My last report, dated May 30, 1991, covered events through March 31, 1991.

1. No amendments have been made to the Iranian Transactions Regulations ("ITRs"), 31 CFR Part 560, or the Iranian Assets Control Regulations ("IACRs"), 31 CFR Part 535, since my last report.

2. The Office of Foreign Assets Control ("FAC") of the Department of the Treasury continues to process applications for import licenses under the ITRs. The great majority of licenses issued by FAC involve the importation of nonfungible Iranian-origin goods, principally carpets, which were located outside of Iran prior to the imposition of the embargo and that did not result in any payment of benefit accruing to Iran after the effective date of the embargo.

During the reporting period, the Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, mostly carpets, for violation of the import prohibitions of the ITRs. FAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Numerous additional forfeiture and civil penalty actions are under review.

FAC worked closely with the Customs Service during the reporting period to develop procedures to more expeditiously dispose of cases involving the seizure of noncommercial importations of nonfungible Iranian goods by certain first-time importers. The opportunity for immediate reexportation of such goods, under Customs supervision and upon payment of a mitigated forfeiture amount, has been made available in appropriate cases to reduce the total cost of the violation to those importers.

3. The Iran-United States Claims Tribunal ("the Tribunal"), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 14 awards, for a total of 521 awards. Of that total, 354 have been awards in favor of American claimants: 216 of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 138 were decisions adjudicated on the merits. The Tribunal has issued 34 decisions dismissing claims on the merits and 78 decisions dismissing claims for jurisdictional reasons. Of the 55 remaining awards, three approved the withdrawal of cases and 52 were in favor of Iranian claimants. As of September 30, 1991, payments on awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at $2,040,683,379.21.

The Security Account has fallen below the required balance of $500 million 34 times. Iran has periodically replenished the account, as required by the Algiers Accords, by transferring funds from the separate account held by the NV Settlement Bank in which interest on the Security Account is deposited. Iran has also replenished the account twice when it was not required to do so by the Accords. Iran has not, however, replenished the Security Account to the required balance of $500 million since the November 29, 1990, report. In order to facilitate Iran's compliance with this obligation, the United States amended the ITRs to authorize the case-by-case licensing of Iranian oil imports, provided that the importer certifies that the oil to be imported is in settlement of an outstanding claim against Iran, or the proceeds from the sale of the oil are otherwise to be deposited into the Security Account. FAC has licensed eight such transactions, of which seven have been completed, resulting in a transfer to the Security Account of $220,492,464.96. As of September 30, 1991, the total amount in the Security Account was $426,278,225.26, and the total amount in the interest account was $14,331,443.56. The aggregate amount that has been transferred from the interest account to the Security Account is $832,872,986.47.

4. The Tribunal continues to make progress in the arbitration of claims of U.S. nationals for $250,000.00 or more. Since the last report, 13 large claims have been decided. Over 80 percent of the nonbank claims have now been disposed of through adjudication, settlement, or voluntary withdrawal, leaving 95 such claims on the docket. The largest of the large claims, the progress of which has been slowed by their complexity, are finally being resolved, sometimes with sizable damage awards to the U.S. claimant.

5. As anticipated by the May 13, 1990, agreement settling the claims of U.S. nationals against Iran for less than $250,000.00, the Foreign Claims Settlement Commission ("FCSC") has begun its review of 3,112 claims. The FCSC has issued decisions in 212 claims and expects to complete its adjudication of the remaining claims by September 1993.

6. In coordination with concerned Government agencies, the Department of State continues to present United States Government claims against Iran, as well as responses by the United

States Government to claims brought against it by Iran. Since the last report, the United States Government has settled two cases with Iran, resulting in a payment to Iran of $416,000.00. Additionally, the Department of State has represented the United States before the full Tribunal in a case involving an interpretive dispute.

7. Only two bank syndicates remain with claims against Dollar Account No. 1 at the Federal Reserve Bank of New York. One of the syndicates has reached a settlement that will be paid soon. The other syndicate has not expressed an intention to pursue its claim against Iran. Appropriate steps will be taken to return the account balance to Iran following payment pursuant to the settlement.

8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The IACRs issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the ITRs issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

GEORGE BUSH.

THE WHITE HOUSE, *November 13, 1991.*

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 1:15 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1745. An act to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes.

The enrolled bill was subsequently signed by the Vice President.

At 7:36 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the bill (S. 374) to settle all claims of the Aroostook Band of Micmacs resulting from the band's omission from the Maine Indian Claims Settlement Act of 1980, and for other purposes; without amendment.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2109. An act to direct the Secretary of the Interior to conduct a study of the feasibility of including Revere Beach, located in the city of Revere, Massachusetts, in the National Park System;

H.R. 2270. An act amending certain provisions of title 5, United States Code, relating to the Senior Executive Service;

H.R. 2444. An act to revise the boundaries of the George Washington Birthplace National Monument;

H.R. 2556. An act entitled the "Los Padres Condor Range and River Protection Act;

H.R. 2626. An act to eliminate certain obsolete reporting requirements for the District of Columbia;

H.R. 2859. An act to direct the Secretary of the Interior to conduct a study of the historical and cultural resources in the vicinity of the city of Lynn, Massachusetts, and make recommendations on the appropriate role of the Federal Government in preserving and interpreting such historical and cultural resources; and

H.R. 3049. An act to amend the Immigration and Nationality Act to restore certain exclusive authority in courts to administer oaths of allegiance for naturalization.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2109. An act to direct the Secretary of the Interior to conduct a study of the feasibility of including Revere Beach, located in the city of Revere, Massachusetts, in the National Park System; to the Committee on Energy and Natural Resources.

H.R. 2444. An act to revise the boundaries of the George Washington Birthplace National Monument; to the Committee on Energy and Natural Resources.

H.R. 2556. An act entitled the Los Padres Condor Range and River Protection Act; to the Committee on Energy and Natural Resources.

H.R. 2626. An act to eliminate certain obsolete reporting requirements for the District of Columbia; to the Committee on Governmental Affairs.

H.R. 2859. An act to direct the Secretary of the Interior to conduct a study of the historical and cultural resources in the vicinity of the city of Lynn, Massachusetts, and make recommendations on the appropriate role of the Federal Government in preserving and interpreting such historical and cultural resources; to the Committee on Energy and Natural Resources.

H.R. 3049. An act to amend the Immigration and Nationality Act to restore certain exclusive authority in courts to administer oaths of allegiance for naturalization; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, November 13, 1991, he had presented to the President of the United States the following enrolled bill:

S. 1745. An act to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes.

ENROLLED BILL SIGNED

The VICE PRESIDENT announced that he had signed the following enrolled bill previously signed by the Speaker of the House:

H.R. 3350. An act to extend the United States Commission on Civil Rights.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment:

S. 140. A bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes (Rept. No. 102–212).

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1595. A bill to preserve and enhance the ability of Alaska Natives to speak and understand their native languages (Rept. No. 102–213).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

James G. Randolph, of Oklahoma, to be an Assistant Secretary of Energy (Fossil Energy); and

Gregg Ward, of Virginia, to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs).

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. NUNN, from the Committee on Armed Services:

Maj. Gen. James R. Clapper, for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. DIXON, from the Committee on Armed Services:

Robert E. Wiss, of Illinois, to be a judge of the U.S. Court of Military Appeals for the term of 7 years from the date prescribed by law; and

Herman F. Gierke, of North Dakota, to be a judge of the U.S. Court of Military Appeals for the term of 13 years from the date prescribed by law.

By Mr. NUNN, from the Committee on Armed Services:

Susan J. Crawford, of Maryland, to be a judge of the U.S. Court of Military Appeals for the term of 15 years to expire on the date prescribed by law.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MITCHELL (for himself, Mr. REID, Mr. LIEBERMAN, and Mr. METZENBAUM):

S. 1956. A bill to establish a national program to monitor and assess human exposure to toxic substances, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DECONCINI:

S. 1957. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on indebtedness incurred to acquire an automobile during a 1-year period; to the Committee on Finance.

By Mr. GLENN (for himself and Mr. AKAKA):

S. 1958. A bill to authorize functions and activities under the Federal Property and Administrative Services Act of 1949, to amend laws relating to Federal procurement, and for other purposes; to the Committee on Governmental Affairs.

By Ms. MIKULSKI:

S. 1959. A bill to amend the Small Business Act to assist the development of small business concerns owned and controlled by women, and for other purposes; to the Committee on Small Business.

By Mr. MCCAIN:

S. 1960. A bill to indemnify States, political subdivisions of States, and certain other entities from liability relating to the release of hazardous substances at military installations that are closed pursuant to a base closure law; to the Committee on Armed Services.

By Mr. MCCAIN:

S. 1961. A bill to amend the National Labor Relations Act to remove the requirement that individual employees join and pay dues and fees to labor organizations and for other purposes; to the Committee on Labor and Human Resources.

By Mr. ADAMS (for himself, Mr. SIMON, Mr. AKAKA, Mr. INOUYE, and Mr. HARKIN):

S. 1962. A bill to amend the Civil Rights Act of 1991 to apply the Act to certain workers, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BIDEN (for himself and Mr. THURMOND):

S. 1963. A bill to amend section 992 of title 28, United States Code, to provide a member of the United States Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of Congress; to the Committee on the Judiciary.

By Mr. REID:

S.J. Res. 230. A joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DECONCINI:

S. Res. 219. A resolution calling on the President and the Congress to begin negotiations to fashion a new and flexible budget agreement; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports the other committee have thirty days to report or be discharged.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MITCHELL (for himself, Mr. REID, Mr. LIEBERMAN, and Mr. METZENBAUM):

S. 1956. A bill to establish a national program to monitor and assess human exposure to toxic substances, and for other purposes; to the Committee on Environment and Public Works.

TOXIC EXPOSURE EVALUATION AND MONITORING ACT OF 1991

Mr. MITCHELL. Mr. President, today I am introducing legislation to authorize a national program of long-term monitoring of human exposure to toxic chemicals and other substances.

This legislation implements the recommendations of the National Research Council [NRC] study of toxic monitoring completed in May of this year.

The chairman of the committee which prepared the study wrote in the introduction:

> We are exposed continually to a wide range of chemical substances. Some are known to be toxic at common exposure levels, and others might be toxic. We have special concern about man-made chemicals, which often move readily from place to place—for example, from factory smokestack to air to rain to groundwater to household water supply—and can enter our food supply, air and soil.

The NRC study strongly supports the need for a national toxic monitoring program stating that such a program "could generate data of great value to numerous and diverse users." The report concludes that such a program "should be implemented forthwith."

The NRC study suggests several major uses of toxic monitoring data. The data can be used to:

> Identify new or previously unrecognized hazards * * *;
>
> Establish trends in body burdens of toxicants * * * and monitor the results of programs intended to control specific chemical hazards * * *;
>
> Identify population groups (age, geographic location) * * * at risk * * *; and
>
> Allow assessment of past exposure to newly identified toxicants.

The Environmental Protection Agency is presently implementing a program to monitor human exposure to a range of toxic pollutants. This program was developed by the EPA in response to the need for toxic monitoring data and is not formally authorized by law.

The NRC identified several problems with the existing program and has recommended that the program be substantially revised and upgraded. For example, the report recommends refocusing the program on monitoring blood samples, rather than adipose tissue. In addition, the study calls for substantially upgrading sampling methods.

The NRC considered several different funding levels and recommended that the program be funded at the $5 million per year level.

This legislation serves two general purposes. It provides a statutory authorization for a toxic monitoring program and thereby better establishes the program. It also revises the existing program to bring it directly in line with the recommendations of the NRC study, including the recommendation for an authorization of $5 million per year.

In addition to the general program of toxic exposure monitoring, the bill authorizes special studies, including studies of exposure to specific substances, specific geographic regions, and subpopulations of concern.

The bill establishes a Toxic Exposure Evaluation and Monitoring Board to oversee implementation of the program. The Board is made up of representatives of the scientific community and appropriate Federal agencies. The Board helps assure that the program meets the highest scientific standards and is coordinated with the activities of other Federal agencies.

The bill also provides for those using data collected by the program to pay a fee to help offset the costs of the program. Parties using this information may include other Federal agencies, research organizations, and other interested parties.

Finally, the Administrator of the EPA is to prepare a report to Congress on the activities and findings of the program on a biennial basis. This report is to provide the Congress with regular, coordinated findings on the success or failure of our many efforts to control toxic pollutants.

Mr. President, I ask unanimous consent that the bill and a section-by-section description of the bill be printed at an appropriate place in the RECORD.

I look forward to working with my colleagues to advance this important legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1956

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Toxic Exposure Evaluation and Monitoring Act of 1991".

FINDINGS

SEC. 2. The Congress finds that—

(1) Americans are exposed to a wide range of toxic and other harmful chemical substances, including organic and inorganic chemicals and elements;

(2) human exposure to toxic chemicals and other harmful chemical substances can occur through inhalation, ingestion, or dermal contact, and can occur in occupational, residential, and other environments;

(3) human exposure to toxic and other harmful chemical substances can cause ad-

verse human health effects, including carcinogenesis, mutagenesis, teratogenesis, developmental, reproductive, behavioral disorders, and related illnesses;

(4) development of effective programs to reduce human exposure to toxic and other harmful chemical substances requires accurate data on the extent and characteristics of exposure to such substances;

(5) existing programs for assessment and monitoring of human exposure to toxic and other harmful chemical substances are not adequate to assure a reliable and sufficient exposure assessment for the general population, to monitor significant subpopulations, or to assess a range of exposure measures;

(6) existing programs for assessment and monitoring of human exposure to toxic and other harmful chemical substances lack sufficient oversight by the scientific community, requirements for reporting to the Congress and other interested parties, and development of long-range plans;

(7) an effective program for monitoring human exposure to toxic and related harmful chemical substances must be operated on a long-term basis and must be assured of reliable and sustained funding; and

(8) The National Research Council has published a report, entitled "Monitoring Human Tissues for Toxic Substances", that identifies the need for national monitoring of human exposure to toxic substances and recommends the appropriate form of such assessment.

PURPOSES

SEC. 3. The purposes of this Act are to—

(1) establish within the Environmental Protection Agency a comprehensive and coordinated program to monitor and assess human exposure to toxic chemicals and other harmful chemical substances;

(2) provide for periodic reporting of the results of human toxic exposure monitoring and evaluation to the scientific community and the Congress;

(3) provide for the effective oversight of the toxic exposure monitoring program by a board of highly qualified and experienced scientists and representatives of appropriate Federal agencies; and

(4) assure sufficient and sustained funding of the human exposure evaluation and monitoring program on a long-term basis.

DEFINITIONS

SEC. 4. For the purposes of this Act, the term—

(1) "Agency" means the Environmental Protection Agency;

(2) "Administrator" means the Administrator of the Environmental Protection Agency;

(3) "harmful chemical substance" means any organic or inorganic substance that the Administrator determines could have an adverse effect on human health, including any combination of such substances, any mixture of such substances, any pesticide as defined by the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 136 et seq.), or any metals, dioxins, furans, drugs, food additives, or cosmetics;

(4) "Board" means the Toxic Exposure Evaluation and Monitoring Board established pursuant to section 6 of this Act;

(5) "person" means an individual, trust, firm, joint stock company, corporation, partnership, association, consortium or joint venture;

(6) "Federal agency" means any department, agency or other instrumentality of the Federal Government, any independent agency or establishment of the Federal Government, including any government corporation;

(7) "State or other governments" means any of the several States or any agency thereof, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any regional agency or commission of any county or local government; and

(8) "nonprofit organization" means any organization, association, or institution described in section 501(c)(3) of the Internal Revenue Code of 1986 which is exempt from taxation pursuant to the provisions of section 501(a) of such Code.

PROGRAM AUTHORITIES AND REQUIREMENTS

SEC. 5. (a)(1) The Administrator shall, in cooperation with the heads of other Federal agencies, establish a National Toxic Evaluation and Monitoring Program to monitor and assess the extent and characteristics of human exposure to harmful chemical substances.

(2) In carrying out the program described in paragraph (1), the Administrator is authorized to—

(A) conduct research, monitoring, assessment, and demonstration activities and cooperate with other Federal agencies, State or other governments, nonprofit organizations, and other persons in the preparation and conduct of such research, assessment and development activities;

(B) collect human toxic body burden samples and such related demographic exposure, and other data as are necessary to evaluate and assess the samples;

(C) collect and make available to the scientific community and the public through reports, publications, and other methods the results of monitoring, assessment and related activities conducted pursuant to this section;

(D) enter into contracts or cooperative agreements with Federal agencies, State or other governments, nonprofit organizations, and other persons;

(E) develop and demonstrate effective and scientifically sound processes, methods, technologies and techniques for the collection, monitoring, long-term storage, and evaluation of toxic body burden samples;

(F) provide such facilities, staff and equipment as may be necessary to carry out the provisions of this Act;

(G) use Federal laboratories and research centers and provide for the reimbursement to other Federal agencies for the use of any such laboratories and research centers of such agencies;

(H) acquire, construct and operate such additional facilities as are necessary to provide for effective, long-term storage of toxic body burden samples and related materials;

(I) convene conferences concerning the methods of exposure monitoring and the results of exposure assessments, and give opportunity for interested persons to be heard and present papers at such conferences; and

(J) provide data to other Federal agencies, universities, or other interested persons and charge a fee for such data.

(b)(1) The Administrator shall conduct or assist research, investigations, studies, surveys, or demonstrations, including—

(A) long-term assessment of the exposure of the human population to harmful chemical substances, including assessment of the distribution of such substances in the environment and determination of human uptake, metabolism, and storage of such substances;

(B) the establishment of baseline human exposure levels sufficient to identify long-term trends in exposure or significant changes in the characteristics of exposure of the general population to harmful chemical substances;

(C) long-term monitoring of the toxic body burden of the general population with respect to the cumulative effect of various harmful chemical substances and assessment of changes in exposure to such substances over time;

(D) long-term monitoring of the toxic body burden of populations of individuals exposed to a specific harmful chemical substance and assessment of the effect of such exposure over time;

(E) long-term monitoring of certain measures of human exposure, including assessment of levels of harmful chemical substances in blood, adipose, or other tissues;

(F) long-term monitoring of the toxic body burden of harmful chemical substances of individuals in a specific geographic region and assessment of the characteristics of such exposure over time;

(G) general surveillance monitoring to identify a wide range of harmful chemical substances that may pose a threat to human health;

(H) evaluation of changes in human exposure or toxic body burden of harmful chemical substances as a result of Federal, State or other governmental statutory, regulatory, or administrative action;

(I) collection and analysis of demographic exposure and related data concerning individuals providing samples;

(J) development of quality assurance methods and techniques to assure the reliability and accuracy of exposure monitoring and evaluation; and

(K) development of such data management and storage facilities as are necessary to assure a long-term record of monitoring data and provide access to such data by other Federal agencies, State or other governments, nonprofit organizations, and other persons.

(2) In the implementation of program activities, the Administrator shall give priority to those harmful chemical substances identified in the management plan required pursuant to subsection (c) of this section as having a high priority for long-term exposure monitoring.

(3) The Administrator shall, in accordance with section 8(a), provide summaries of data generated by human monitoring activities to the heads of the Agency for Toxic Substances and Disease Registry, and the Food and Drug Administration of the Department of Health and Human Services, and other Federal agencies, for the purposes of selecting and prioritizing chemicals and other substances for toxicity testing and other health assessment activities.

(c)(1) The Administrator shall develop and publish a management plan for the Toxic Exposure Assessment and Monitoring Program.

(2) The plan described in paragraph (1) shall—

(A) provide a general statement of the existing facilities, resources, data, and projects of the program;

(B) provide a statement of the activities to be conducted over the 24-month period following such statement pursuant to subsection (b) of this section;

(C) identify those harmful chemical substances that the Administrator, in consultation with the Board, identifies as a high priority for long-term monitoring and the basis for this assessment;

(D) identify the parameters for general surveillance of exposure samples to identify harmful chemical substances not identified pursuant to subparagraph (C) of this paragraph;

(E) identify specific projects to be conducted pursuant to subparagraphs (F) through (K) of paragraph (1) of subsection (b);

(F) identify the resources to be allocated to activities provided for in subsection (b), including the proposed allocation of resources among the exposure media identified pursuant to subparagraph (E) of paragraph (1) of such subsection;

(G) identify anticipated projects to be conducted jointly with other Federal agencies, universities, or persons, including projects with respect to which the agency will provide data to other agencies, nonprofit organizations, or persons; and

(H) provide a statement of anticipated activities, projects, equipment or facility needs over the 48-month period following the date of the development of the plan and an assessment of the resources needed to implement the program over that period.

(3) The plan described in paragraph (1) shall be developed within one year after the date of enactment of this Act and revised biennially thereafter. Such plan shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(4) The Administrator shall provide for public review and comment of the plan not less than 90 days prior to submitting the plan to Congress, including review and comment by the Board.

(5) Upon the request of the Administrator, the Commissioner of the Food and Drug Administration of the Department of Health and Human Services shall provide any human monitoring and exposure information collected or maintained by the Food and Drug Administration.

TOXIC EXPOSURE EVALUATION AND MONITORING BOARD

SEC. 6. (a) The Administrator shall, within 180 days after the date of the enactment of this section, establish a Toxic Exposure Evaluation and Monitoring Board (hereafter in this Act referred to as the "Board") to oversee the implementation of the National Toxic Exposure Evaluation and Monitoring Program.

(b) The Board shall—

(1) advise the Administrator concerning the implementation of the National Toxic Exposure Evaluation and Monitoring Program;

(2) advise the Administrator concerning the selection of harmful chemical substances that are a high priority for long-term monitoring under this Act;

(3) review and comment on the management plan prepared pursuant to section 5(c) of this Act;

(4) review and comment on the reports required under section 7 of this Act;

(5) make recommendations to the Administrator for the development and publication of special reports under section 7(b) of this Act; and

(6) meet at the call of the Chair, but not less than quarterly, for the 2-year period following the date of the establishment of the Board and semiannually thereafter, to review the implementation of the program and provide general guidance to assure effective program implementation.

(c)(1) The Board shall be composed of representatives of the scientific community and appropriate Federal agencies and shall include—

(A) four representatives of the scientific community selected by the Administrator in consultation with the Administrator of the Agency for Toxic Substances and Disease Registry;

(B) a representative of the Science Advisory Board of the Environmental Protection Agency, selected by the Administrator;

(C) the Assistant Administrator for Pesticides and Toxic Substances of the Environmental Protection Agency;

(D) the Assistant Administrator for Research and Development of the Environmental Protection Agency;

(E) a representative of the Agency for Toxic Substances and Disease Registry;

(F) a representative of the National Toxicology Program;

(G) a representative of the Food and Drug Administration;

(H) a representative of the National Institute for Occupational Safety and Health;

(I) a representative of the Board on Environmental Studies and Toxicology of the National Academy of Sciences; and

(J) two qualified scientists representing public interest groups selected by the Administrator.

(2) The Administrator shall serve as the chairman of the Board, unless the Administrator delegates the chairmanship to another member of the Board.

(3) Each member of the Board (except for any member appointed pursuant to subparagraphs (C) and (D) of paragraph (1)) shall serve for a term of not to exceed three years and may be reappointed to serve for an additional term of three years.

(4) Each member of the Board shall be prohibited from consulting for, or receiving any direct or indirect financial benefit from, any person with any financial interest in a harmful chemical substance that is the subject of activities under this Act.

(5) Each member of the Board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5316 of title 5, United States Code, for each day during which such member is engaged in the performance of the duties of the Board. All members of the Board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(6) The members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Board.

REPORTS

SEC. 7. (a)(1) The Administrator shall develop and publish a report describing the findings, assessments, and conclusions of the National Toxic Exposure Evaluation and Monitoring Program.

(2) The report described in paragraph (1) shall provide—

(A) a general statement of current human exposure to harmful chemical substances;

(B) a general statement of trends in human exposure to harmful chemical substances and anticipated levels of exposure;

(C) a description of the data providing the basis for assessments contained in the report;

(D) a summary of findings related to sensitive subpopulations or employment categories;

(E) a summary of evaluation of the association of exposure and statutory or regulatory actions related to specific chemical substances; and

(F) recommendations to improve the program established under section 5 of this Act, including legislative proposals and proposed regulations that improve laws with respect to the regulation of harmful chemical substances for which data under this Act is available.

(3) The Administrator shall prepare the report required by this subsection within the 2-year period following the date of the enactment of this Act, and biennially thereafter.

(4) The Administrator shall provide for review of the report by the Board and shall submit the report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(b)(1) The Administrator shall prepare and publish special reports as needed to describe the findings and conclusions of studies and investigations conducted pursuant to this Act.

(2) Any report prepared pursuant to this section shall be reviewed by the Board and shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(c) Any review of reports required under this section by the Board shall be deemed to constitute peer review required under section 104(i)(13) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(i)(13)).

PROGRAM SUPPORT

SEC. 8. (a) The Administrator may, by regulation, assess and collect from any Federal agency or other entity or person making use of data, records, files or related materials (other than materials published pursuant to section 7) fees and charges for the reasonable costs of developing, preparing, organizing, and transmitting such material. An amount equal to an amount collected pursuant to this subsection shall be transferred to Toxic Monitoring and Assessment Fund under subsection (b).

(b) There is established in the Treasury of the United States a trust fund, to be known as the "Toxic Monitoring and Assessment Fund" (hereafter in this section referred to as the "Fund"), consisting of such amounts as—

(1) may be appropriated to the Fund; and

(2) are credited to the Fund pursuant to subsection (a) of this section.

(c)(1) The Secretary of the Treasury, in consultation with the Administrator of the Environmental Protection Agency, is authorized, as provided in this section, and appropriation Acts, to make payments from the Fund.

(2) Moneys in the Fund shall be available for appropriation to the Environmental Protection Agency to carry out the activities of the Agency relating to collecting, producing, and making available the materials or information described in subsection (a).

AUTHORIZATION

SEC. 9. There are authorized to be appropriated to the Environmental Protection Agency to carry out this Act, an amount equal to $5,000,000 for each of the fiscal years 1993 through 1998.

TOXIC EXPOSURE EVALUATION AND MONITORING ACT—SECTION-BY-SECTION DESCRIPTION

Section 1—Short Title.—This Act may be cited as the Toxic Exposure Evaluation and Monitoring Act of 1991.

Section 2—Findings.—The Congress finds that Americans are exposed to a wide range of toxic substances and these substances can cause adverse human health effects. In addition, a recent study by the National Research Council found that existing programs monitoring human exposure to toxic substances are inadequate and underfunded.

Section 3—Purposes.—The primary purpose of this Act is to establish at the Environmental Protection Agency a comprehensive and coordinated program to monitor and assess human exposure to toxic chemicals and other harmful substances.

Section 4—Definitions.—Key terms are defined.

Section 5—Program Authorities and Requirements.—The Administrator of the EPA is to establish a national program to monitor human exposure to toxic chemicals.

A range of research authorities are specified, including long-term monitoring of exposure to toxic substances, general surveillance monitoring to identify harmful substances and special studies of geographic areas or subpopulations.

In addition, the Administrator is to prepare a management plan for the program every two years, specifying the activities and studies to be conducted and the funding needs over the planning period.

Section 6—Toxic Exposure Evaluation and Monitoring Board.—A Board consisting of representatives of the scientific community and Federal agencies is established to advise the Administrator in the implementation of this Act.

Section 7—Reports.—The Administrator is to prepare a report to Congress on the findings of the toxic monitoring program within two years of the date of enactment of the Act and biennially thereafter.

Section 8—Program Support.—The Administrator is authorized to charge a fee for the preparation and transmission of data to other Federal agencies and to other parties.

Section 9—Authorization.—There is authorized to be appropriated to support this Act $5 million for each of the fiscal years 1993–1998.

Mr. REID. Mr. President, I rise today to join the distinguished Senator from Maine [Mr. MITCHELL] in introducing The Toxic Exposure Evaluation and Monitoring Act of 1991. This legislation establishes a much needed nationwide, comprehensive program to monitor human exposure to toxic chemicals. I commend Senator MITCHELL for his work on this important bill.

Americans are exposed to some 60,000 chemicals on a daily basis. We know very little about the exposure levels people face from all these chemicals, and we know even less about the health risks they pose to people, plants, and animals. Monitoring of the environment alone, through the testing of air, soil, and water, does not indicate how much of these toxic substances people actually absorb. We need to measure specific concentration levels of toxic chemicals in human blood and tissue. By monitoring toxin levels in humans, combined with other health and demographic information, we can start to fill the huge gaps in our medical knowledge of the effects of these chemicals on human health.

This legislation directs the EPA to create a new research program to meet the need for human exposure information. The program includes several components. First, it calls for general surveillance to reveal exposure, patterns of known hazardous chemicals and identify new harmful chemicals that will appear over time. Second, it calls for specialized studies to identify high risk groups by geographic area, occupational exposure, or other demographic subpopulations. Third, it allows for long-term monitoring programs to establish long range environmental trends and evaluate the effectiveness of exposure prevention programs.

The Toxic Exposure Evaluation and Monitoring Act will benefit more than just the regulatory programs of the EPA. It will be a multiuser program, making its findings available to the scientific community, the public and any other Federal agencies interested in health and environmental issues. This information exchange will contribute to the worldwide data base on environmental toxicant information and help to solve our chemical exposure problems.

I am happy to join Senator MITCHELL as a cosponsor of the Toxic Exposure Evaluation and Monitoring Act.

By Mr. DECONCINI:

S. 1957. A bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on indebtedness incurred to acquire an automobile during a 1-year period; to the Committee on the Finance.

DEDUCTION FOR INTEREST ON AUTOMOBILE LOANS

• Mr. DECONCINI. Mr. President, today I am introducing another opportunity for us to return control of this economy to the people who should have it, who can handle it and, in my opinion, are most capable of controlling it. Mr. President, I am speaking of the American people. This bill will, if enacted, allow a tax credit on the first year of loan interest paid for the purchase of a new automobile in 1992. This bill is quite simply an incentive to invest in this Nation's fiscal vitality. There is an elementary factor at work in today's world, if the consumer is fearful of what tomorrow will bring and has no incentive to spend, the result is stagnation. Stagnation, as we all know, is just another term for decline. This is exactly the state of the economy today.

Another undeniable fact is that the automobile industry and its subsidiaries in this country are inextricably linked to our economic health. Allow me to give you a glimpse of just how frail this particular sector is; automobile sales are 15 percent below what they were last July and almost 11 percent below what they were last year at this time. The gross value of motor vehicle output fell by $23.1 billion from last year. The motor vehicle and parts manufacturing capacity is at 71 percent—its lowest point since the early 1980's. Motor vehicle manufacturers experienced a $1.7 billion loss in the most recent reporting quarter—their fifth consecutive quarterly loss. Let me share with you what this means for my State of Arizona. In this calendar year, 10 large Arizona new car dealerships have closed. The last 2 years have seen a 33-percent decline in new car sales.

Automobile dealerships in small towns are often a major employer. Closure means only one thing to these people, further economic hardship.

The current situation translates into some very disturbing unemployment statistics. Sixteen million Americans are either unemployed or underemployed in this country, 1 out of every 10 families today has experienced some form of unemployment in the last year. This is an intolerable situation that this body can and should address. One in seven Americans is in some way employed by the automobile industry, continuing failure of this segment, will only exacerbate America's unemployment statistics.

I will say it again, we were sent here to lead this country and to enable its citizenry to realize the full utilization of their talents and resources. A depressed economy, a growing unemployment rate, record losses in a vital American industry have the potential instead to lead all of us. Let us put a little of our collective trust in the taxpayer, in the consumer and help them when they need it most. In providing an incentive for consumers to purchase an automobile, we most assuredly will be building a more secure future.

I ask my colleagues to consider cosponsoring this pro-growth, pro-jobs, pro-America bill. I ask unanimous consent that the full text of my bill be included in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1957

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEDUCTION FOR INTEREST ON AUTOMOBILE LOANS.

(a) IN GENERAL.—Paragraph (2) of section 163(h) of the Internal Revenue Code of 1986 (defining personal interest) is amended by striking "and" at the end of subparagraph (D), by redesignating subparagraph (E) as subparagraph (F), and by inserting after subparagraph (D) the following new subparagraph:

"(E) any interest paid or incurred on an automobile loan (as defined in paragraph (5)), and".

(b) DEFINITION.—Paragraph (5) of section 163(h) of such Code (relating to phase-in of limitations) is amended to read as follows:

"(5) AUTOMOBILE LOAN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'automobile loan' means any indebtedness incurred in acquiring an automobile after December 31, 1991, and before January 1, 1993, if the original use of such automobile begins with the taxpayer.

"(B) AUTOMOBILE.—For purposes of subparagraph (A), the term 'automobile' has the meaning given to such term by section 4064(b)(1) without regard to subparagraphs (B) and (C) thereof."•

By Mr. GLENN (for himself and Mr. AKAKA):

S. 1958. A bill to authorize functions and activities under the Federal Property and Administrative Services Act of 1949, to amend laws relating to Federal procurement, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES AUTHORIZATION ACT OF 1991

• Mr. GLENN. Mr. President, today I am introducing the Federal Property and Administrative Services Authorization Act of 1991. This bill will authorize the activities requiring direct appropriations existing under the Federal Property and Administrative Services Act [FPASA] through the end of fiscal year 1993 and sets forth reforms for the Nation's procurement system. A companion bill, H.R. 3161, containing similar provisions, was introduced recently in the House by my colleague, Representative JOHN CONYERS, chairman of the House Government Operations Committee. I look forward to working closely with him on this matter.

Section 2 of the bill authorizes those functions and activities requiring direct appropriations under the Federal Property and Administrative Services Act. This amendment replaces the current permanent authorization and will provide for a cyclical authorization of the General Services Administration [GSA]. I want to emphasize that the intent of this provision is to address those activities requiring annual funds and to leave undisturbed, for periodic authorization purposes, revolving fund activities. While the bill provides Congress the opportunity to choose, as part of the authorization process for activities involving direct appropriations, to exercise oversight over one or more of the revolving fund activities, the bill does not require authorization of those revolving fund activities, and thus maintains their stability. Should Congress seek to address problems associated with those revolving fund activities, it can do so through this new authorization.

This cyclical authorization will accomplish two goals. First, it will elevate the importance of GSA to its proper status. As the central procurer for the Government, GSA's activities warrant such periodic public consideration. Second, cyclical authorization provides a mechanism for congressional oversight to address problems before they become too complex. The recent experience of the committee which I chair, the Committee on Governmental Affairs, the GSA's administration of the FTS 2000 contracts provided the most evident illustration for the need of periodic oversight of GSA. Overall, problems identified so far have prompted many to question what could have been done earlier to avoid the cost and administration problems GSA is encountering.

Title I contains changes to certain procurement provisions of the Federal Property and Administrative Services Act.

The title begins by calling for the clear establishment of factors and subfactors in competitive solicitations. It also requires that the procuring agency clearly establish the relative importance of factors and subfactors, including the quality of the products or services to be provided. It is hoped that this provision will assist agencies in their quest for best value procurement by requiring them to identify the actual value of subfactors.

Title I also raises the cost and pricing data submission requirements of the Truth in Negotiations Act [TINA] to $500,000 on a temporary basis. This change is in response to vendor concerns that the provision of such data may be an obstacle to vendor entry into the Federal market. By making this provision temporary, we permit a period in which the Government may test the new threshold to determine whether abuse occurs. In this regard, GAO will study agency experience under the new threshold and report to the House Committee on Government Operations and the Senate Committee on Governmental Affairs 6 months prior to the sunset of the threshold. Congress thereby may determine whether this change may be made permanent.

Title II contains several amendments to the Brooks Act. At the outset, it clarifies two different sets of provisions identified as the Brooks Act—those provisions related to automatic data processing and those concerning architects and engineers.

Title II also clarifies to a significant extent the responsibilities of the GSA Board of Contract Appeals [Board]. This clarification is necessary to counteract the effect of several recent decisions of the Federal circuit. Title II provides, among other things:

Clarification of the provisions already granting jurisdiction of the Board to hear cases involving procurements conducted on behalf of the Federal Government.

Clarification that the Board may dismiss frivolous protests, protests brought in bad faith, or protests that do not state a valid basis.

The award of the cost of one part to seek compliance of another party to a Board order when that other party fails to so comply.

Clarification of remedies and relief at the Board, including:

Suspension, revocation, or revision of the Administrator's procurement authority or delegation of procurement authority;

Cancellation of contract award or contract termination;

Resolicitation;

Direction of contract award;

Publication of settlement agreements; and

Clarification of definitions relating to "interested party" and "protest."

Title III of this bill addresses miscellaneous procurement provisions. First, it amends current law relating to the authority of the Comptroller General to award costs and fees to successful procurement protesters. The bill makes those fees payable as a matter of law rather than as a consequence of the Comptroller General's discretion. This change should render moot the suit for a declaratory judgment regarding the constitutionality of these provisions recently filed by the Justice Department.

Title III also directs that agencies debrief vendors after contract award. Such a debriefing would satisfy losing vendors of the legitimacy of contract award, or in the alternative, crystallize the points of dispute for administrative action. The intent of this provision is to reduce the need for vendors to protest contract awards to obtain the information necessary to determine whether or not award was proper.

Mr. President, I would like to take a few minutes to explain the impetus for the amendments to the Competition in Contracting Act of 1984, known as CICA. The 1984 Contracting Act significantly strengthened the ability of the Comptroller General to monitor the Federal Government's adherence to procurement laws and ensure cost-effective and competitive procurement practices.

Under the authority spelled out in CICA, the Comptroller General has been issuing opinions for some 7 years providing guidance whether bidders who challenge Government procurement actions on legal grounds have a legitimate basis for protest. While recommendatory in nature, the persuasive force of the Comptroller's opinions has caused Government agencies over these years to remedy countless unfair and unlawful actions and provided a neutral forum in which potential Government contractors who have been mistreated in their dealings with the Federal Government have been able to get real relief. The courts have upheld the Comptroller General's role in the bid protest process, and the system is working well.

One aspect of the bid protest law, however, merits the Congress' attention. The original law included a provision authorizing the Comptroller General to award bid protest and bid and proposal preparation costs to successful protesters. The President and the Department of Justice objected to this provision when it was enacted but did not seek legislative change in the years that followed.

Earlier this year, former Attorney General Thornburgh advised the Congress of his view that this provision unconstitutionally conferred executive power upon the Comptroller General, who is an officer of the legislative branch. The Department of Justice has also initiated unusual litigation, currently pending in the U.S. district court, in which the Department is challenging the constitutionality of this provision. The bid prep and protest costs provision of the Contracting Act, in the form in which it is presently drafted, is not necessary to the operation of the bid protest system. Indeed, the costs provision diverges from the central thrust of the act, which is elsewhere careful not to vest binding authority in the Comptroller, but instead to use a mix of self-enforcing rights automatically binding upon the Government and expressions of recommendatory views of the Comptroller General.

At the same time, inclusion of a tough and clear provision ensuring that agencies are obliged to reimburse bidders for all harms wrongly inflicted upon them is important both for fairness and for the efficient operation of the system.

For these reasons, in July of this year, I cosponsored an amendment that Senator LEVIN and Senator COHEN offered to the defense authorization bill, and which the Senate agreed to, to amend the bid preparation and protest costs feature of the Contracting Act. At that time, the House of Representatives joined us in useful discussions exploring a variety of alternative means of amending the Contracting Act to solidify the costs provision. The judgment was made ultimately that the conference on the defense authorization bill, the House version of which did not deal with CICA at all, was not the appropriate vehicle to take care of this matter.

I have continued to work with Senator LEVIN and Senator COHEN to find a workable solution to this concern. Cognizant of the House's concerns, we have fashioned in this bill a new approach that blends features of the Senate amendment and ideas offered by the House to address the issue of costs in bid protest cases. Most importantly, the proposal we have developed returns to the central conception of the original act, by carefully combining judicially enforceable rights for aggrieved contractors and bidders with the persuasive force of recommendatory opinions by the Government's procurement law expert, the Comptroller General.

What this proposal does, more specifically, is to provide a statutory framework, as did the original act, to give the force of law to the Comptroller General's existing practices and policies in awarding bid protest costs under the current law. The proposal separates the treatment of the initial costs of bid and proposal preparation from subsequent costs of protesting challenged procurement action through GAO.

The Comptroller General has, since CICA was enacted, treated the costs of bid preparation as a category of costs that bidders should be awarded when their protest was valid but circumstances precluded recommending granting them full relief they sought, for example, by recompeting or awarding a contract. In such cases, the Comptroller General has awarded reimbursement for the costs of preparing the bid or proposal in order, at a minimum, to make the bidder whole.

Taking a lead from the Comptroller General's analysis, this bill proposes to add bid preparation costs to the category of stipulated remedies that the Comptroller General may recommend be awarded whenever more complete relief is not practicable. In this area, we track the earlier Levin-Cohen amendment, which used the recommendation format for the Comptroller's opinions.

For the costs that a protester incurs in filing and pursuing a protest at the GAO, however, the bill proposes a different tack. The strength of the entire bid protest system legislated in CICA depends upon protesters' having a robust incentive to report unlawful procurement activities to the GAO. At a very minimum, we should ensure that protesters who have legitimate grievances are reimbursed for the expense of bringing those grievances to the attention of the Government's procurement watchdog. The unlawfully acting agency, rather than the company that exposed the wrongdoing, should bear the costs incurred in presenting the matter to the GAO.

Because of the importance of not deterring use of this system, and in consideration of the past practice of the Comptroller, title III establishes in this bill an absolute right to reimbursement for bid protest costs by bidders whose protests prove out. In such a case, reimbursement of protest costs should not be a mere recommendation and should not depend upon a discretionary decision by the Comptroller General. Reimbursement of costs should be automatic, and agencies should pay these costs as a matter of right. In order to ensure that there is prompt compliance, we are creating a right for the protester to go to court to obtain these fees if an agency refuses to pay legitimate GAO bid protest costs it owes to a protester under this amendment.

Mr. President, while these amendments do not alter any of the provisions at the heart of the CICA bid protest system, they are important changes. They will strengthen the process and remove whatever doubt the Justice Department's position has cast over the law. Equally important, these changes are entirely consistent with the original thrust of CICA and they are designed to accommodate fully the way in which the Comptroller General has implemented the law over the past 7 years.

Overall, the changes proposed by this bill, Mr. President, will provide a routinized oversight for GSA which is much needed. In addition, it will prompt the inclusion of clearly defined agency needs in a solicitation, and thereby allow vendors to bid on a level playing field and the Government to maximize the benefits of full and open competition. Further, the bill will provide a fix to GAO's bid protests function without undermining its incentives for compliance. Finally, the bill opens the door to the debriefing of vendors, hopefully reducing procurement protests for the purposes of a meaningful debriefing.

I recommend enactment of this legislation and look forward to working with my colleagues toward that end.

Mr. President, I ask unanimous consent that a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the section-by-section analysis was ordered to be printed in the RECORD, as follows:

THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES AUTHORIZATION ACT OF 1991—SECTION-BY-SECTION ANALYSIS

The purpose of this bill is to authorize the functions and activities of the General Services Administration (GSA) under the Federal Property and Administrative Services Act (FPASA) which require direct appropriations through the end of fiscal year 1993. This amendment to the FPASA will replace the current permanent authorization with a normal cyclical authorization process. Additionally, this bill sets forth certain reforms to the procurement system.

Section 1 states the short title of the Act.

Section 2 would amend the existing permanent authorization of functions and activities of the GSA under the FPASA which are carried out under direct appropriations. This amendment will place GSA on a normal cyclical authorization basis for those functions and activities. While permanent authorization of non-appropriated functions and activities of GSA are not affected by this amendment, and thus, the stability of GSA's various revolving fund activities is maintained, it is the intent of the Committee to continue vigorous oversight of those functions and activities.

Title I of the bill contains several amendments to the FPASA. These amendments are intended to include requirements pertaining to the manner in which evaluation factors and subfactors are to be described in solicitation, and the basis for awarding on initial proposals or after discussions. The title also addresses the requirement for cost or pricing data.

Section 101 amends the FPASA to clarify an agency's requirements regarding stating evaluation factors and subfactors in solicitations. The provision specifically requires, for example, that the identification and relative importance of all factors and subfactors be stated. Also, the provision allows for the award of a contract on the basis of initial proposals so long as the solicitation included a statement advising offerors that such an award might be made and it can be demonstrated that award on an initial proposal would result in the lowest overall cost to the government.

Section 102 amends the FPASA to increase the cost or pricing data threshold under the Truth in Negotiations Act to $500,000 until December 31, 1995. In the meantime, GAO will study agency experience under this threshold and report to Congress so a decision may be made to make such a change permanent.

These amendments conform the provisions of the FPASA with section 2305 of Title 10 as amended by section 802 of Public Law 101-510.

Title II of the bill contains several amendments to section 111 of the FPASA, commonly referred to as the Brooks Act. Most of these amendments are intended to clarify the powers and jurisdiction of the GSA Board of Contract Appeals (Board) regarding the administration of protests of ADPE procurements.

Section 201 provides that section 111 of the Federal Property and Administrative Services Act may be cited as the "Brooks Automatic Data Processing Act" and that Title IX of the Federal Property and Administrative Services Act may be cited as the "Brooks Architect-Engineers Act." These amendments reflect the wide spread colloquial reference to these provisions today.

Section 202 amends subsection (a) of the Brooks Act to clarify that the Administrator's authority under the Act extends to procurements of ADPE conducted "by or on behalf of" a Federal agency. It has always been the understanding and intent of Congress that acquisitions of ADPE conducted for the government's benefit by private contractors, such as under "management and operating" contracts, are subject to the Brooks Act since these contractors, in virtually every way, stand in the shoes of the government while conducting procurements.

Section 203 amends subsection (b)(3) of the Brooks Act to clarify that the Administrator is empowered to revoke a delegation of procurement authority either before or after contract award.

Section 204 amends subsection (f)(1) of the Brooks Act to provide that the Board's jurisdiction extends to protests against procurements conducted "on behalf of" a Federal agency such as those procurements conducted by private contractors under "management and operating" contracts.

Section 205 amends paragraph (f)(4)(c) of the Brooks Act to emphasize the intent of the Congress that the Board be able to dismiss protests which have been brought "in bad faith." Also, this amendment adds a new subparagraph (D) authorizing the Board to impose costs including attorneys fees against any party which violates or fails to comply in good faith, or causes a violation of or failure to comply in good faith, with an order or decision on the Board. It is the Committee's intent that the Board be vested with the authority necessary to ably manage its docket, prevent the abuse of its procedures by parties to protest, and avoid the abusive or unnecessary delay of agency procurement actions by meritless cases.

Section 206 amends paragraph (f)(5)(B) of the Brooks Act to specify that, among other remedies, the Board may order resolicitation, cancellation or termination of an awarded contract where a protest is granted. This amendment is intended to confirm that the Board is authorized to fashion the relief which, in its discretion, is considered appropriate to effectuate the underlying purposes of the Board's protest jurisdiction. It remains the view of the Committee that the Board's authority in protest cases should be broadly construed.

Section 207 amends section (f)(5)(c) of the Brooks Act to provide that a "prevailing" party may be entitled to the award of protest costs. This amendment, together with the amendment made by section 309(c) of this bill, is intended to make an appropriate intervenor on the side of the government in "reverse protests" entitled to the recovery of protest costs where such intervenor was the original protester in the case. A "reverse protest" typically occurs where a protester and the government settle a protest, the terms of which include either cancellation or termination of the awarded contract, and the awardee of the contract protests that action. In such a "reverse protest," the original protester may intervene on the side of the government for the purpose of demonstrating that the cancellation or termination was properly based upon a violation of statute, regulation or delegation of procurement authority during the award. Where such an intervenor is successful, the Committee believes it should be entitled to recovery of its protest costs.

Section 208 adds new paragraphs (D) and (E) to subsection (f)(5) of the Brooks Act. New paragraph (D) provides for publication of settlement agreements. Any agreement that contemplates dismissal of a case must be submitted to the Board and, subject to Board protective order, made part of the record before the protest is dismissed. Where the agency is a party to such agreement, a memorandum from the contracting officer must be submitted describing the agreement and why it is in the government's best interest. New paragraph (E) requires that payment of amounts due from an agency as a result of either a successful protest or settlement agreement shall be made from the appropriations made by section 1304 of title 31, United States Code, for the payment of judgements, and that the agency shall reimburse that account out of agency funds available for the protested procurement.

These provisions of section 208 are intended to address the "fedmail" situation where agencies may settle protests without correcting any defects in the procurement. By requiring publication of settlements and justification by agencies, the Committee believes that "fedmail" will be eliminated.

Section 209 amends paragraph (f)(9)(A) of the Brooks Act to clarify the definition of the terms "protest" to include challenges to procurements conducted "on behalf of" a Federal agency. Also, this amendment makes clear that the term "protest" includes a challenge to a termination or cancellation of a contract to the extent that such termination or cancellation was based in whole or in part upon actual or alleged improprieties concerning the award of the contract.

Subsection 209(b) amends paragraph (f)(9)(B) of the Brooks Act to clarify the term "interested party." The amendment deletes the requirement that a party have a "direct economic interest" in order to qualify as an "interested party" and substitutes a purposely less restrictive requirement that the party have an "economic interest" to so qualify. The amendment further provides the Board with the discretion to determine whether a party has the requisite "economic interest" by taking into consideration the action which is the subject of the protest and the relief which the Board is apt to order if the protest is successful. For purposes of protesting an award or proposed award of a contract, the amendment further provides that an "interested party" must have been an actual bidder or offeror for that procurement. This particular provision is intended to disallow subcontractor protests of awards or proposed awards.

The definition of "interested party," however, for purposes of objecting to a solicitation as being unduly restrictive, is intended to allow for protests by prospective subcontractors or suppliers with the requisite "economic interest" as determined by the Board.

Subsection 209(c) amends paragraph (f)(9)(B) of the Brooks Act to add a new subparagraph (c) which defines the term "prevailing party." This amendment is intended to provide for the award of protest costs to an appropriate party, even if not a protestor such as an intervenor on the side of the agency in a "reverse protest," where that party succeeds in demonstrating a violation of statute, regulation or delegation of procurement authority.

Section 210 amends the Brooks Act to add a new subsection (h) to implement a procedure requiring GSA to collect and compile data regarding agency procurements under the Brooks Act. A corresponding requirement on the part of agencies to provide such data to GSA is also imposed.

Section 211 provides that the amendments made by this Title shall be effective 90 days after its enactment. This is intended to allow time for the appropriate revision of pertinent regulations and rules.

Title III of the bill includes miscellaneous provisions regarding the recovery of bid and proposed and protests costs in cases decided by the Comptroller General, and the amount of information to be provided unsuccessful offerors in debreifings.

Section 301 amends the Section 3554 of title 31, United States Code to add a new section (b)(1)(F) to authorize the Comptroller General to recommend that an agency reimburse an interested party for the reasonable and adequately documented costs of bid and proposal preparation. Under current law, the Comptroller General orders such relief when recommending more complete relief under the other options of section 3554(b)(1) is impractical or inadvisable from the government's economic or other interest.

Under the amendment, the Comptroller General would continue to apply the same standard for this option, but this option is made recommendatory to place it on a comparable level with the other recommendatory options available to the Comptroller General in section 3554(b)(1). By making the reimbursement provision recommendatory only, the constitutional concern of the Department of Justice is eliminated.

The requirement of reasonable and adequately documented costs is intended to codify the standard that the Comptroller General has applied in decisions awarding bid and proposal preparation costs to date.

Section 3554(c) is amended to require Federal agencies responsible for a procuring activity to pay an interested party who has filed a protest with the Comptroller General under CICA the reasonable and adequately documented costs of filing and pursuing the protest with GAO, including reasonable (and adequately documented) attorneys' fees, whenever the procurement action that is the subject of the protest was unlawful or contrary to regulation. Under this amendment, a protester's entitlement to bid protests costs would not depend upon a determination of the Comptroller General's, but would become an automatic right, contingent only upon the objective question whether the procurement action that is the subject of protest was, in fact, contrary to Federal statute or regulation. Thus, in effect, valid protests create an entitlement to cost reimbursement, while invalid protests create no entitlement.

This standard is similar (but not identical) to the rule of decision utilized to date by the Comptroller General in awarding bid protest costs under current law, but under the amendment the entitlement will be objectively determined, not left dependent upon a judgment of the Comptroller General. By eliminating from the bid protest cost provision the dependency upon the Comptroller General's judgment and making the right to costs dependent upon only an objective issue of fact and law, the constitutional concern of the Department of Justice is eliminated.

The requirement of reasonable and adequately documented costs is intended to codify the standard that the Comptroller General has applied in decisions awarding bid protest costs to date.

As amended, section 3554(c) would direct a GAO protester claiming an entitlement to bid protest fees and the affected agency to attempt to reach agreement on the costs to be paid, both as to the question of entitlement and as to the proper amount. If they are unable to agree on either or both issues, the amendment provides that the protester may request the Comptroller General to recommend, but not order, the costs to be paid. An agency must not unreasonably withhold payment of costs that it owes and is expected to pay all bid protest costs unless it has a good-faith belief that it did not violate a statute or regulation in its procurement action or that the costs submitted are not reasonable or adequately documented under the standards previously applied by the Comptroller General.

Section 3554(e) is amended to place a sixty-day time limit on the interval between the Comptroller General's issuance of a recommendation under CICA and the report that the head of the procuring activity must submit to the Comptroller General if that recommendation has not been fully implemented by the agency. This reporting requirement is made applicable to recommendation by the Comptroller General about disputes over bid protest costs under the newly amended section 3554(c), as well as the substantive recommendations under section 3554(b). The sixty-day deadline is worded to require an agency either to have implemented the recommendation or to have reported by the end of sixty days. This may mean, as a practical matter, that an agency will have a few days less than sixty days to decide on its course of action so that it will be in compliance at the end of the sixtieth day by having either implemented or reported by that time.

Section 301(b) makes the following changes to 31 U.S.C. S 3556:

Section 3556 is amended to establish the right of a protester to obtain judicial review of an agency's failure to pay bid protest costs that the protester believes are owed to it under section 3554(c). The section cross-references 5 U.S.C. 702, the section providing a right of review under the Administrative Procedure Act, to ensure that a right of judicial review will be recognized by the courts.

The section provides for the possibility of a protester combining in one legal action a claim for substantive relief from an agency's procurement action brought under either CICA or other federal procurement or other statutes or regulations and a claim for bid protest costs under section 3554(c). If a protester combines such claims, the protester may do so in an action filed in any court that would have had jurisdiction over the balance of the action if no bid protest costs were being sought, whether it is a United States district court or the United States Claims Court. In such an action, general statutory limitations on seeking money damages are made inapplicable to ensure that there will be no barrier to a particular court's awarding proper bid protest costs.

If a protester files a legal action seeking only bid protest costs (and, possibly, attorneys' fees and court costs for going to court to obtain that reimbursement for bid protest costs), then the protester must file the action in the appropriate court, either the United States district court or the United States Claims Court, according to general statutory requirements, depending upon the amount of the costs sought.

This section expressly waives the sovereign immunity of the United States to ensure that courts have authority to order agencies to pay properly due bid protest costs.

Section 301(c) describes the effective date of the changes made in sections 301 (a) and (b):

These amendments would be made generally effective on the date this bill is enacted into law and would be made applicable to protests pending on the date of enactment.

However, section 301(c) provides two special additional provisions. First, all declarations made by the Comptroller General, before the date of enactment of these amendments, under the prior law, relating to bid protest costs or bid and proposal preparation costs are expressly made valid. Hence, by virtue of this statutory ratification, all agencies are required to pay promptly all such costs to which any protestor has been declared to be entitled by the Comptroller General before the date of enactment of the amendments. Second, if the Comptroller General has declared a protestor's entitlement to costs as of the date of enactment, such that the declaration is statutorily ratified, but the Comptroller General has not, as of the date of enactment, declared the specific amount to be paid, then the new procedures provided by these amendments for resolution of disputes over costs are to be utilized to resolve the amount of the entitlement.

It is the purpose of these effective date provisions to eliminate all possible constitutional disputes about the resolution of cost entitlement issues, by converting to the new system immediately for pending and new controversies, while ratifying all past declarations by statutory action.

Section 304 adds a new section to the Office of Federal Procurement Policy Act to provide for detailed post-award briefings in procurements. Under the new section, an agency, at the request of any offeror, would be required to provide a comprehensive, detailed debriefing at which certain minimum information would be provided. The failure of an agency to provide a debriefing meeting minimum requirements would be subject to protest. This new section will be effective 270 days after enactment of the Act.

The goal of this section is to reduce the number of procurement protests filed to obtain a reason for rejection of a bid or offeror. The intent is to provide vendors an opportunity to obtain meaningful information regarding the evaluation of their bids or proposals.●

By Ms. MIKULSKI:

S. 1959. A bill to amend the Small Business Act to assist the development of small business concerns owned and controlled by women, and for other purposes; to the Committee on Small Business.

WOMEN'S BUSINESS PROCUREMENT ASSISTANCE ACT

● Ms. MIKULSKI. Mr. President, I am introducing the Women in Business Procurement Act of 1991. This bill will amend the Small Business Act to provide women entrepreneurs with greater access to Federal contracts.

One of the major obstacles women businessowners face is their lack of access to the world's largest buyer of goods and services, the U.S. Government.

Each year, the Federal Government contracts billions of dollars out to businesses, but rarely do these contracts go to women. In 1988, only nine-tenths of 1 percent of Federal prime contracts were awarded to women-owned firms.

Women businessowners need to have information and an understanding about the procurement process within Federal agencies. Women can also benefit from having access to temporary financing, and being included under the Small Business Administration's [SBA] section 8(a) program.

This bill will require that Federal agencies provide outreach to women businessowners and solicit women businessowners for competitive procurement. This will help to eliminate the inherent biases that exist in the Federal procurement process.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1959

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Women's Business Procurement Assistance Act of 1991".

SEC. 2. GOAL SETTING.

Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended—

(1) in paragraph (1) by inserting ", small business concerns owned and controlled by women," after "small business concerns" the first place it appears in the first sentence and the first place it appears in the fourth sentence;

(2) in the first sentence of paragraph (2) by inserting "by small business concerns owned and controlled by women," after "small business concerns,";

(3) in the second sentence of paragraph (2) by inserting ", small business concerns owned and controlled by women," after "small business concerns" the first place it appears; and

(4) in the fourth sentence of paragraph (2) by inserting "small business concerns owned and controlled by women and" after "including participation by".

SEC. 3. REPORTING.

Section 15(h) of the Small Business Act (15 U.S.C. 644(h)) is amended—

(1) by inserting ", small business concerns owned and controlled by women," after "small business concerns" the first place it appears in paragraph (1), the first place it appears in paragraph (2)(A), and the first place it appears in paragraph (2)(D);

(2) in paragraph (1) by inserting "and subcontracts" after "contracts";

(3) by adding at the end of paragraph (1) the following new sentence: "The Administration shall submit to the Committee on Small Business of the Senate and the Committee on Small Business of the House of Representatives information obtained from such reports, together with appropriate comments."; and

(4) in paragraph (2)(F) by striking "women-owned small business enterprises" and inserting "small business concerns owned and controlled by women".

SEC. 4. SUBCONTRACTING.

(a) Statement of Policy.—Section 8(d)(1) of the Small Business Act (15 U.S.C. 637(d)(1)) is amended—

(1) in the first sentence by inserting "small business concerns owned and controlled by women," after "small business concerns,"; and

(2) in the second sentence by inserting ", small business concerns owned and controlled by women," after "small business concerns" the first place it appears.

(b) Contract Clause.—The contract clause specified in section 8(d)(3) of the Small Business Act (15 U.S.C. 637(d)(3)) is amended as follows:

(1) Subparagraph (A) of such clause is amended by inserting ", small business concerns owned and controlled by women," after "small business concerns" the first place it appears in the first sentence and the first place it appears in the second sentence.

(2) Subparagraph (C) of such clause is amended to read as follows:

"(C)(i) As used in this contract, the term 'small business concern' means a small business concern as defined pursuant to section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto.

"(ii) As used in this contract, the term 'small business concern owned and controlled by socially and economically disadvantaged individuals' means a small business concern—

"(I) which is at least 51 percent owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals; and

"(II) whose management and daily business operations are controlled by one or more of such individuals.

The contractor shall presume that socially and economically disadvantaged include Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and other minorities, or any other individual found to be disadvantaged by the Administration pursuant to section 8(a) of the Small Business Act.

"(iii) As used in this contract, the term 'small business concern owned and controlled by women' means a small business concern—

"(I) which is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

"(II) whose management and daily business operations are controlled by such women.

The contractor shall presume that women have been subjected to gender based discrimination and may determine whether a small business concern meets the percentage requirements under subclause (I) without regard to the community property laws of any jurisdiction.".

(c) Conforming Amendments.—Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by inserting ", small business concerns owned and controlled by women," after "small business concerns" the first place it appears in paragraphs (3)(D), (4)(D), (4)(E), (6)(A), (6)(C), (6)(F), (10)(B), and (11).

(d) Exclusion.—No business concern shall be deemed eligible for any contract or other assistance pursuant to section 1207 of Public Law 99-661 due solely to the provisions of this section.

SEC. 5. WOMEN-IN-BUSINESS SPECIALISTS.

Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended—

(1) by striking "and" at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting "; and"; and

(3) by inserting after paragraph (9) the following new paragraph:

"(10) designate an employee of such office to be a women-in-business specialist responsible for the implementation and execution of programs designed to assist small business concerns owned and controlled by women.".

SEC. 6. OUTREACH.

Section 15 the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following new subsection:

"(p) Each Federal agency having procurement powers shall engage in affirmative efforts to identify and solicit offers from small business concerns owned and controlled by women and small business concerns owned and controlled by socially and economically disadvantaged individuals. To the maximum extent practicable, a representative number of such concerns shall receive solicitation packages for each proposed acquisition for which such concerns may be eligible to compete.".

SEC. 7. ESTABLISHMENT OF THE OFFICE OF WOMEN'S BUSINESS OWNERSHIP.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by adding at the end the following new section:

"SEC. 28. OFFICE OF WOMEN'S BUSINESS OWNERSHIP.

"(a) Establishment.—There is established in the Small Business Administration the Office of Women's Business Ownership (hereinafter in this section referred to as the 'Office').

"(b) Director.—The Director of the Office (hereinafter in this section referred to as the 'Director') shall be appointed by the Administrator not later than 60 days after the date of the enactment of this section.

"(c) Functions.—The Director shall perform the following functions:

"(1) Promote, coordinate, and monitor the plans, programs, and operations of Federal departments and agencies which may contribute to the establishment, preservation, and strengthening of small business concerns owned and controlled by women. The Director may, as appropriate, develop comprehensive interagency plans and specific program goals for small business concerns owned and controlled by women with the cooperation of the departments and agencies.

"(2) Establish policies, definitions, procedures, and guidelines to govern the implementation, interpretation, and application of this section, and generally perform such functions and take such steps as the Director may consider to be necessary or appropriate to carry out this section.

"(3) Promote the mobilization of activities and resources of State and local governments, business and trade associations, private industry, colleges and universities, foundations, professional organizations, and volunteer and other groups toward the growth of small business concerns owned and controlled by women, and facilitate the coordination of the efforts of such groups with those of Federal departments and agencies.

"(4) Make an annual assessment of the progress made in the Federal Government toward assisting small business concerns owned and controlled by women to enter the mainstream of business ownership and provide recommendations for future actions to the Administrator.

"(5) Convene and consult (as necessary) with persons inside and outside government to develop and promote new ideas concerning the development of small business concerns owned and controlled by women.

"(6) Consider the findings and recommendations of government and private sector investigations and studies of the problems of women entrepreneurs, and promote further research into such problems.

"(7) Monitor the contracting and subcontracting performance of each department, agency, and business enterprise participating under this section.

"(8) Promote access and participation for small business concerns owned and controlled by women to a fair proportion of the broad array of purchases and contracts for property and services for the Federal Government.".●

By Mr. McCAIN:

S. 1960. A bill to indemnify States, political subdivisions of States, and certain other entities from liability relating to the release of hazardous substances at military installations that are closed pursuant to a base closure law; to the Committee on Armed Services.

HAZARDOUS SUBSTANCES LIABILITY AT MILITARY INSTALLATIONS

● Mr. McCAIN. Mr. President, today, I'm introducing the Base Closure Transition Promotion Act of 1991.

As my colleagues are aware, 129 military bases are due to be closed or realigned within the next several years, including Williams Air Force Base in Arizona.

Base closings can be a traumatic period for local economies which have grown dependent on the employment and economic activity provided by defense installations.

Certainly, we have a Federal obligation to help facilitate a safe and timely transfer of base property to other productive uses. This transition can and should be a time of opportunity rather than economic displacement.

Arizona, and the many other States affected by base closures are working diligently to identify alternative uses for base property and to attract industry to fill the void. Mr. President, two factors are critical in that effort.

First, the Federal Government must remedy environmental problems at closed bases in a thorough and timely manner so that the property can be transferred for other purposes without undue and costly delay. Out of the bases to be closed under the Defense Base Closure and Realignment Act, 17 are on the national priorities list for Superfund cleanup, and 32 more closing installations have significant environmental problems which must be addressed. Clearly, there is much work to be done.

As a member of the Senate Armed Services Committee, I have worked to ensure the funding necessary to remediate hazardous waste problems in an efficient and expeditious fashion. The Defense authorization bill, which will return from conference committee shortly, includes a provision I offered to provide full Federal funding for base cleanups.

Second, States, localities and private industry which may lease or acquire title to the land must be assured that they will not be held liable for the cleanup of preexisting environmental problems. Under the Comprehensive Environmental Response, Compensation, and Liability Act, entities which acquire title to contaminated Federal land may be liable for remedial costs. This is not equitable and must be changed.

The legislation I'm introducing today will effectively address the liability question. It will do so by statutorily clarifying that the Federal Government retains complete liability for the cleanup of hazardous releases resulting from Defense Department operations.

The Federal Facilities Environmental Compliance Act which recently passed the Senate symbolized our desire to ensure that the Federal Government fully complies with environmental protection statutes. During the debate, we talked about the need for the Government not only to obey these laws but to be a symbol of environmental responsibility.

Mr. President, it would not be responsible to make innocent entities liable for hazards created by the Federal Government. We must remove the cloud of liability which if left unaddressed could complicate and discourage the transfer and productive use of closed base property. The bill I'm introducing will remove that cloud.

Mr. President, this legislation is not a precedent. The Department of Defense Appropriations Act of 1991 included similar indemnification provisions related to Pease Air Force Base in New Hampshire.

The Pease provisions required the United States to hold harmless, defend, and indemnify in full the State of New Hampshire; any political subdivision of the State or its agents from liability resulting from pollution caused by Defense Department activities at the base.

As you can see, the measure ensures that innocent parties will not be threatened by legal action or judgments for conditions they did not create. As a matter of fairness and good public policy, this indemnification language should be extended to any entity which may acquire title to the land and cover all installations which will be realigned or closed, not just those in the State of New Hampshire. The Base Closure Transition Promotion Act of 1991 will provide the blanket national coverage we need.

Mr. President, I hope my colleagues will see the fairness of this protection and I urge the rapid approval of this legislation.•

By Mr. McCAIN:

S. 1961. A bill to amend the National Labor Relations Act to remove the requirement that individual employees join and pay dues and fees to labor organizations, and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL LABOR RELATIONS ACT AMENDMENT

• Mr. McCAIN. Mr. President, today I am introducing a bill to protect the rights of individual workers. My bill would amend the National Labor Relations Act by removing the requirement that individual employees join and pay dues and fees to labor organizations. Simply, my bill would make it a violation of the law to force any individual to join a union or participate in union activity.

The National Labor Relations Act was created to protect the rights of workers to join or form labor organizations. The intent of the NLRA has, unfortunately in many instances, become convoluted. In certain cases, national and State law have had the effect of tacitly allowing closed shop hiring: If you take the job, you must join the union.

Mr. President, the right to work concept is very basic, and so is my legislation. It protects individual rights. One of the principles on which our Nation was founded is the preservation of individual rights.

As I stated, the NLRA was enacted to protect the rights of workers. However, Mr. President, we must ensure that the NLRA does not serve to simultaneously violate the rights of laborers. The terms of an individual's employment should be based on merit alone; it should never be based on membership in a labor organization.

Mr. President, I urge my colleagues to support this simple individual rights protection legislation. I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1961

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS.

(a) EMPLOYEE RIGHTS.—Section 7 of the National Labor Relations Act is amended by striking "except to" and all that follows through "authorized in section 8(a)(3)".

(b) UNFAIR LABOR PRACTICE FOR EMPLOYER.—Section 8(a)(3) of the National Labor Relations Act (29 U.S.C. 158(a)(3)) is amended by striking ": Provided, That" and all that follows through "retaining membership".

(c) UNFAIR LABOR PRACTICE FOR LABOR ORGANIZATION.—Section 8(b)(2) of the National Labor Relations Act (29 U.S.C. 158(b)(2)) is amended by striking "or to discriminate" and all that follows through "retaining membership".

(d) EXCEPTION TO UNFAIR LABOR PRACTICE.—Section 9(g) of the National Labor Relations Act (29 U.S.C. 158(f)) is amended—

(1) by striking clause (2);

(2) by redesignating clauses (3) and (4) as clauses (2) and (3), respectively; and

(3) by striking "That nothing" and all that follows through "further,".

(e) INDIVIDUAL CONTRACT.—Section 9(a) of the National Labor Relations Act (29 U.S.C. 159(a)) is amended—

(1) by striking "Representatives" and inserting "(1) Except as provided in paragraph (2), representatives"; and

(2) by inserting at the end of subsection (a) the following:

"(2) Notwithstanding any other provision of this Act or any collective-bargaining contract or agreement, an individual employee may elect to enter into an individual contract of employment with an employer, and administer such contract, without the intervention of the bargaining representative.".

(f) SECRET BALLOT RESCISSION.—Section 9 of the National Labor Relations Act (29 U.S.C. 159) is amended by striking subsection (e).

(g) CONFORMING AMENDMENTS.—

(1) Section 3(b) of the National Labor Relations Act (29 U.S.C. 153) is amended by striking "or (e)" in the second sentence; and

(2) Section 8(f) of the National Labor Relations Act is amended by striking "or 9(e)".•

By Mr. ADAMS (for himself, Mr. SIMON, Mr. AKAKA, Mr. INOUYE, and Mr. HARKIN):

S. 1962. A bill to amend the Civil Rights Act of 1991 to apply the act to certain workers, and for other purposes; to the Committee on Labor and Human Resources.

JUSTICE FOR WARDS COVE WORKERS ACT

Mr. ADAMS. Mr. President, today I am introducing on behalf of myself, Senator SIMON, and Senator AKAKA, legislation entitled, "The Justice for Wards Cove Workers Act." This is companion legislation to H.R. 3748 introduced yesterday in the House of Representatives by Congressman JIM McDERMOTT and 28 cosponsors.

The purpose of this legislation is simple: to repeal the blatant special interest amendment to the Civil Rights Act of 1991 that would exempt the Wards

Cove Packing Co. from coverage under that landmark legislation. Last week, the interests of all Americans were held hostage to the special interests of one corporate entity.

With this bill, I intend to ask my colleagues to examine the validity of Wards Cove's exemption on its own merits. I am convinced that given that scrutiny, the Wards Cove amendment will fall. I hope my colleagues will consider the irony of our having passed legislation that makes the Senate itself culpable under the law, while carving out a special exemption for just one company in the Nation from the effects of the Civil Rights Act of 1991. Over the last 2 years, a great deal of lobbying and persuasion has been offered on behalf of the Wards Cove Packing Co. Until last week, little or nothing was heard from, or on behalf of the other side in that dispute. Frank Atonio and 2,000 other past and present cannery workers—who are the plaintiffs in this case—deserve to have this matter settled in our court system, not on the floor of the U.S. Senate in the rush to pass a civil rights bill President Bush is willing to sign. Mr. President, the great American poet Langston Hughes once asked:

What happens to a dream deferred?
Does it dry up,
  Like a raisin in the sun?
Or fester like a sore—
  And then run?
Does it stink like rotten meat?
Or crust and sugar over,
Like a syrupy sweet?
Maybe it just sags,
Like a heavy lead.
Or does it explode?

For the cannery workers at the Wards Cove Packing Co., the dream deferred is one of hope for the future in an industry whose employment practices Supreme Court Justice Stevens said, "bear an unsettling resemblance to aspects of a plantation economy." Our duty is to see that their dream deferred is not crushed under the weight of a special interest amendment that stands as an insult to the very civil rights we sought to restore in the Civil Rights Act of 1991.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1962

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Justice for Wards Cove Workers Act".

SEC. 2. APPLICATION TO WARDS COVE WORKERS.

Section 402 of the Civil Rights Act of 1991, if enacted, is amended—

(1) in subsection (a), by striking "(a) IN GENERAL.—"; and

(2) by striking subsection (b).

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall take effect as if the amendments had been included in the Civil Rights Act of 1991.

By Mr. BIDEN (for himself and Mr. THURMOND):

S. 1963. A bill to amend section 992 of title 28, United States Code, to provide a member of the U.S. Sentencing Commission whose term has expired may continue to serve until a successor is appointed or until the expiration of the next session of Congress; to the Committee on the Judiciary.

SERVICE OF MEMBERS OF THE U.S. SENTENCING COMMISSION

Mr. BIDEN. Mr. President, today I am introducing a bill aimed at improving the operation of the U.S. Sentencing Commission by ensuring a smooth transition after a Commissioner's term in office expires.

The Sentencing Commission, which sets U.S. sentencing policy for all Federal crimes, may soon be crippled unless Congress passes this bill. This bill, cosponsored by Senator THURMOND, will enable a Commissioner whose term has expired to continue in office until a successor is chosen, for a period up to about 1 year.

Urgent action on this bill is necessary because at the end of this month three of the seven commissioners on the Sentencing Commission will see their terms expire. These upcoming vacancies present two problems:

First, they make it more difficult for the Sentencing Commission to accomplish its tasks because the Commission can take action only if there is unanimity among the four remaining members. As of November 1, any Commissioner who disagrees with the majority can block Commission initiatives. In the past this kind of situation delayed and made more difficult the Commission's work. This rigidity impedes the efficient and effective operation of the Commission.

Second, at least three Commissioners must also be Federal judges. Starting November 1, only two of the remaining Commissioners will be judges. Some will argue that Commission action will be null and void because of the absence of a third judge. I disagree with this view, and believe that this argument ultimately will be rejected by the courts. But in the meantime, some lawyers will argue that new sentences are invalid, which will produce uncertainty in sentencing and needless litigation.

This bill will allow the Commission the flexibility it needs and will avert unnecessary and wasteful litigation.

I ask unanimous consent that a copy of the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENDED SERVICE OF MEMBERS OF THE SENTENCING COMMISSION.

Section 992(b) of title 28, United States Code, is amended to read as follows:

"(b)(1) Subject to paragraph (2)—

"(A) no voting member of the Commission may serve more than two full terms; and

"(B) a voting member appointed to fill a vacancy that occurs before the expiration of the term for which a predecessor was appointed shall be appointed only for the remainder of such term.

"(2) A voting member of the Commission whose term has expired may continue to serve until the earlier of—

"(A) the date on which a successor has taken office; or

"(B) the date on which the Congress adjourns sine die to end the session of Congress that commences after the date on which the member's term expired.".

SEC. 2. EXTENSION OF TERMS OF PRESENT MEMBERS OF THE COMMISSION.

The amendment to Section 992(b) of title 28, United States Code, contained in section 1 of this Act shall apply to the term of any voting member of the Commission whose term expires on October 31, 1991.

Mr. THURMOND. Mr. President, today, I am pleased to join my distinguished colleague from Delaware, Senator BIDEN, in introducing legislation which will ensure the continued productivity of the U.S. Sentencing Commission. This legislation, although very important to the Commission, is noncontroversial. It amends the statute which sets forth the terms of the voting members of the Sentencing Commission to permit a Commissioner to serve until his or her successor is appointed. However, the legislation provides that this continued service may not last longer than the expiration of the following session of Congress.

Mr. President, this legislation corrects a technical problem in the Commission's enabling legislation. Other Federal Commissions, such as the Federal Communications Commission and the Consumer Product Safety Commission, authorize Commissioners whose terms have expired to continue to serve pending the qualification of a successor. The U.S. Sentencing Commission needs similar authority because the urgent and necessary work of the Commission will be impaired if Commissioners' terms expire and their successors have not been confirmed by the Senate. There are only seven voting members of the Commission and the law requires that any amendment to the sentencing guidelines be supported by at least four members. Consequently, whenever there is less than a full complement of Commissioners, the work of the Commission cannot be carried out. In fact, at the end of this week, three Commissioners terms will expire. As a result, for any guideline or amendment to pass, it will require unanimity among the four remaining Commissioners. That is why this legislation is so urgent.

Prompt enactment on this measure is essential because, at a time when Congress is preparing to enact another major crime bill necessitating numerous amendments to the guidelines, nearly half of the Commissioners terms are expiring. There is the very real possibility, should these Commissioners not be permitted to serve pending the nomination and confirmation of their successors, that the Commission's important work will come to a halt. Such a situation occurred previously in 1989 when the Commission was forced to work seven months with only four voting members. During that period, a number of proposed guidelines and amendments had to be deferred either because complete unanimity could not be achieved or because active members felt that it would be inappropriate to act on major new proposals in the absence of a full complement of Commissioners.

Mr. President, this legislation is noncontroversial and improves the efficiency of government. I join with Senator BIDEN in urging my colleagues to move swiftly to pass this legislation. At a time when the Commission is doing so much to improve our criminal justice system and it so desperately wants to continue its vital work, it should not be hindered when vacancies are not filled.

For these reasons, I urge my colleagues to support this important bill.

By Mr. REID:

S.J. Res. 230. Joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps; to the Committee on Governmental Affairs.

WOMEN'S ARMY CORPS COMMEMORATIVE STAMP

Mr. REID. Mr. President, I rise today in honor of a group of women who served their country during the Second World War. I am referring to the Women's Army Corps—the WAC's.

As we all know, the United States entered the war somewhat unprepared for the task at hand. Millions of soldiers were needed to fight the battles, and millions of workers were needed to build the instruments of war. It was soon realized, however, that women could play an important role in the military, and the WAC's was created.

On July 1, 1943, the WAC's officially became a part of the U.S. Army. Women between the ages of 20 and 50 were eligible for service. Qualified recruits were given basic military training and were then given specialized training in many areas. WAC's were not intended to be glorified secretaries to their male counterparts. These women were trained in operating advanced communications and signals equipment, instructed in repairing and maintaining weapons, and given responsibility for organizing the vital supply lines to overseas forces. In fact, WAC members were allowed to perform every military task except actual combat. Without these brave and sacrificing women, the American war effort would certainly have lost efficiency and effectiveness.

This year we celebrate the 50th anniversary of America's entry into World War II, and I believe the WAC's deserve special recognition for their service. I am sending to the desk a joint resolution for consideration by the entire Senate. If passed, this joint resolution would require the Postal Service to commission a stamp in honor of the Women's Army Corps. A special stamp would not only express this Government's appreciation to the WAC's, it would also allow many young Americans to learn about this group's tremendous contribution to the war effort.

It is my hope that the Senate will pass this resolution without delay. The former WAC's deserve this official recognition.

I ask unanimous consent that this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 230

Whereas during World War II the talents, skills, and intellect of American women were employed to defend the United States through the creation of the Women's Army Corps, the members of which were also known as the Wacs;

Whereas the important role that women could play in the military became evident during the war, and on July 1, 1943, the Wacs officially became part of the United States Army;

Whereas the Wacs were held to the highest standards of performance, intelligence, and integrity;

Whereas the Wacs were trained in operating advanced communications equipment, instructed in repairing and maintaining weapons, and given responsibility for organizing vital supply lines to overseas forces;

Whereas the Wacs were allowed to perform every military task that their male counterparts were allowed to perform, except actual combat, and they were present at many of the historic moments of World War II;

Whereas at their peak, the Wacs numbered 100,000, of whom approximately 18,000 served overseas in 21 countries;

Whereas without the brave and sacrificing women who served as Wacs, the American war effort would have lost efficiency and effectiveness; and

Whereas 1991 marks the fiftieth anniversary of America's entry into World War II and it is appropriate that the Wacs be recognized for their service at this time: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DIRECTION TO THE UNITED STATES POSTAL SERVICE.

The United States Postal Service is authorized and directed to issue, during calendar year 1992, a commemorative postage stamp to honor the Women's Army Corps.

SEC. 2. CHARACTERISTICS OF STAMP.

The stamp authorized under section 1 shall—

(1) be issued in the denomination applicable to first-class mail up to 1 ounce in weight; and

(2) bear a design that the United States Postal Service considers appropriate.

SEC. 3. ISSUANCE AND SALE OF STAMP.

The stamp authorized under section 1 shall be issued and placed on sale July 1, 1992 to commemorate the anniversary of the date on which the Women's Army Corps officially became part of the United States Army.

ADDITIONAL COSPONSORS

S. 10

At the request of Mr. DOLE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 10, a bill to amend title II of the Social Security Act to phase out the earnings test over a 5-year period for individuals who have attained retirement age, and for other purposes.

S. 15

At the request of Mr. BIDEN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 15, a bill to combat violence and crimes against women on the streets and in homes.

S. 39

At the request of Mr. ROTH, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 39, a bill to amend the National Wildlife Refuge Administration Act.

S. 55

At the request of Mr. METZENBAUM, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 55, a bill to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

S. 196

At the request of Mr. HATCH, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 196, a bill to grant the power to the President to reduce budget authority.

S. 447

At the request of Mr. THURMOND, the names of the Senator from California [Mr. SEYMOUR], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Mississippi [Mr. LOTT], and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 447, a bill to recognize the organization known as The Retired Enlisted Association, Incorporated.

S. 474

At the request of Mr. HATCH, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 474, a bill to prohibit sports gambling under State law.

S. 614

At the request of Mr. DASCHLE, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 614, a bill to amend title XVIII of the Social Security Act to provide coverage under such title for certain chiropractic services authorized to be performed under State law, and for other purposes.

S. 765

At the request of Mr. BREAUX, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 765, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer social security taxes on cash tips.

S. 843

At the request of Mr. BREAUX, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 1088

At the request of Mr. KENNEDY, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1088, a bill to amend the Public Health Service Act to establish a center for tobacco products, to inform the public concerning the hazards of tobacco use, to provide for disclosure of additives to such products, and to require that information be provided concerning such products to the public, and for other purposes.

S. 1159

At the request of Mr. GORE, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1159, a bill to provide for the labeling or marking of tropical wood and tropical wood products sold in the United States.

S. 1381

At the request of Mr. GRAHAM, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1381, a bill to amend chapter 71 of title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with disability compensation.

S. 1423

At the request of Mr. DODD, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1578

At the request of Mr. THURMOND, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1627

At the request of Mr. FORD, the names of the Senator from Virginia [Mr. WARNER] and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of S. 1627, a bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products.

S. 1698

At the request of Mr. SARBANES, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Georgia [Mr. FOWLER], the Senator from Utah [Mr. HATCH], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1698, a bill to establish a National Fallen Firefighters Foundation.

S. 1810

At the request of Mr. DURENBERGER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1810, a bill to amend title XVIII of the Social Security Act to provide for corrections with respect to the implementation of reform of payments to physicians under the Medicare Program, and for other purposes.

S. 1843

At the request of Mr. LAUTENBERG, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Connecticut [Mr. DODD], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of S. 1843, a bill to amend the Federal Water Pollution Control Act to improve and enforce compliance programs.

S. 1884

At the request of Mr. D'AMATO, the names of the Senator from Pennsylvania [Mr. SPECTER] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1884, a bill to require the Secretary of Agriculture to conduct inspections of garbage from Canada and to assess fees for such inspections.

S. 1886

At the request of Mr. MCCONNELL, the names of the Senator from Vermont [Mr. LEAHY], the Senator from Illinois [Mr. SIMON], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1886, a bill to delay until September 30, 1992, the issuance of any regulations by the Secretary of Health and Human Services changing the treatment of voluntary contributions and provider-specific taxes by States as a source of a State's expenditures for which Federal financial participation is available under the Medicaid Program and to maintain the treatment of intergovernmental transfers as such a source.

S. 1936

At the request of Mr. CHAFEE, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 1936, a bill to provide improved access to health care, and for other purposes.

SENATE JOINT RESOLUTION 38

At the request of Mr. THURMOND, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of Senate Joint Resolution 38, a joint resolution to recognize the "Bill of Responsibilities" of the Freedoms Foundation at Valley Forge.

SENATE JOINT RESOLUTION 100

At the request of Mr. KOHL, the names of the Senator from Washington [Mr. ADAMS], the Senator from Florida [Mr. GRAHAM], the Senator from Arkansas [Mr. PRYOR], the Senator from Michigan [Mr. RIEGLE], the Senator from Georgia [Mr. FOWLER], the Senator from Nevada [Mr. BRYAN], the Senator from Alabama [Mr. SHELBY], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Nebraska [Mr. EXON], the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. LEVIN], the Senator from Ohio [Mr. GLENN], the Senator from Florida [Mr. MACK], the Senator from Wyoming [Mr. SIMPSON], the Senator from Utah [Mr. GARN], the Senator from Mississippi [Mr. LOTT], the Senator from Indiana [Mr. LUGAR], the Senator from New York [Mr. D'AMATO], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of Senate Joint Resolution 100, a joint resolution designating January 5, 1992 through January 11, 1992 as "National Law Enforcement Training Week."

SENATE JOINT RESOLUTION 139

At the request of Mr. THURMOND, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Indiana [Mr. COATS], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate October 1991, as "National Lock-In-Safety Month."

SENATE JOINT RESOLUTION 190

At the request of Mr. MOYNIHAN, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from New Jersey [Mr. BRADLEY], the Senator from Hawaii [Mr. INOUYE], the Senator from Michigan [Mr. LEVIN], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Tennessee [Mr. SASSER], the Senator from Georgia [Mr. FOWLER], the Senator from South Carolina [Mr. THURMOND], the Senator from South Dakota [Mr. DASCHLE], the Senator from Illinois [Mr. DIXON], the Senator from North Carolina [Mr. SANFORD], the Senator from Michigan [Mr. RIEGLE], the Senator from Nevada [Mr. BRYAN], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from California [Mr. CRANSTON], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 190, a joint resolution to designate January 1, 1992, as "National Ellis Island Day."

SENATE JOINT RESOLUTION 200

At the request of Mr. THURMOND, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of Senate Joint Resolution 200, a joint resolution designating the week of October 27 to November 2, 1991 as "National Pornography Victims Awareness Week."

SENATE CONCURRENT RESOLUTION 62

At the request of Mr. SEYMOUR, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of Senate Concurrent Resolution 62, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Martha Raye.

SENATE RESOLUTION 213

At the request of Mr. GORE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Colorado [Mr. WIRTH], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Pennsylvania [Mr. WOFFORD], and the Senator from New York [Mr. D'AMATO] were added as cosponsors of Senate Resolution 213, a resolution expressing the sense of the Senate regarding United States policy toward Yugoslavia.

AMENDMENT NO. 1315

At the request of Mr. BROWN the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of amendment No. 1315 proposed to S. 243, a bill to revise and extend the Older Americans Act of 1965, and for other purposes.

SENATE RESOLUTION 219—RELATIVE TO NEGOTIATIONS ON A NEW AND FLEXIBLE BUDGET AGREEMENT

Mr. DECONCINI submitted the following resolution; which, pursuant to the order of August 4, 1977, was referred jointly to the Committee on the Budget and the Committee on Governmental Affairs:

S. RES. 219

Whereas the Budget Enforcement Act of 1990 did not, nor could it have, envisioned the dramatic changes which have taken place in the Soviet Union, Eastern Europe and elsewhere around the world since its enactment;

Whereas communism has collapsed the world over and the need for huge defense expenditures to thwart the spread of totalitarian and communist regimes has greatly diminished;

Whereas defense expenditures could be better used to provide technical and humanitarian assistance to the fledgling democracies in the Soviet Union and Eastern Europe;

Whereas the Budget Enforcement Act of 1990 did not envision the continuing stagnation of the domestic economy and the accompanying rise in unemployment which currently stands at 6.8 percent (8.7 million Americans), up from 5.7 percent just a year ago;

Whereas if you add to the unemployed those Americans who are underemployed or who have simply given up looking for work, you have an effective unemployment rate of more than 10 percent;

Whereas one in ten families has experienced unemployment in the last year and one in ten families is currently on food stamps (24 million people);

Whereas the real per capita gross national product growth rate in the United States has actually declined for the first time in over 150 years;

Whereas most economic indicators provide a discouraging outlook for economic recovery in the near term;

Whereas too many families and businesses need assistance now to survive the current recession;

Whereas only $1.14 billion has been designated as emergency funding for domestic programs while $43.9 billion has been exempted as emergency for defense spending under the Budget Enforcement Act of 1990 to date;

Whereas, many domestic needs have gone unmet in the areas of health care, drugs and crime, infrastructure and the environment due to the strictures of the Budget Enforcement Act of 1990;

Whereas the Budget Enforcement Act of 1990 does not contain the flexibility to allow discretionary spending to be transferred from one budget category to another making it difficult for Congress to address changing international and domestic needs and priorities; and

Whereas the people of the United States want and expect their government to be able to respond to the problems it is facing: Now, therefore, be it

Resolved, That the President and the leadership of Congress should begin negotiations at the earliest possible date to fashion a new budget agreement which is more flexible and allows monies to be transferred from one discretionary budget category to another so that both the legislative and executive branches will be better able to respond to the needs of the people of the United States and peoples around the world.

• Mr. DECONCINI. Mr. President, I am submitting today a sense-of-the-Senate resolution urging the President and congressional leadership to scrap the current budget summit agreement and renegotiate a new one—one which is more flexible and which will allow us to better respond to the needs and problems of today's world, both at home and abroad.

Not much more than 1 year ago, I took the Senate floor to speak out against the budget summit agreement. While I applauded the honest and heroic efforts of the summiteers, I concluded that the agreement was unrealistic, inflexible and unfair. There was no question in my mind that OMB's economic forecasts of a 1.3 and 4.1 percent increase in GNP for 1991 and 1993 respectively were pure fantasy, making projections of a balanced budget in 1995 a sham. I was also concerned about the inflexibility of the spending caps. By prohibiting the transfer of money from one domestic budget category to another for the first 3 years of the agreement, we tied our hands and made it impossible for Government to respond to the changing realities of the world, both domestic and foreign. Finally, I was concerned about the emergency designations which I was certain would become a gigantic loophole.

Sadly, my worst fears about the budget summit agreement have been realized. Let's take a look at what has transpired over the past year. Rather than moving toward a balanced budget, our deficit has, predictably, increased—by more than $60 billion—and OMB now estimates our cumulative deficit during the 5-year period of the agreement will be $555 billion higher than what was anticipated at the time this deal was consummated little more than a year ago. Of one thing you can be certain, Mr. President, those deficits will be reestimated and revised upward throughout the period of this agreement.

Already the inflexibility of the agreement has already come home to roost. Since the agreement was signed, the world has changed dramatically. Communism has collapsed and our former adversaries in the Soviet Union and Eastern Europe are now moving toward democracy and free market economies. Yet we are locked into cold war defense expenditures which make it impossible to respond to these momentous changes. Under the agreement, we can't transfer money for nuclear weapons to extend unemployment benefits. We can't transfer money for the stealth bomber to tax cuts for middle America. We simply have no flexibility under this budget agreement to respond to the realities of a changed world. Mr. President, it is unfair to the American people to stick with an agreement that is counterproductive—an agreement which makes it impossible to address the problems Americans are grappling with each and every day of their lives—how to pay for day care, health insurance, mortgages, and the education of their children.

Mr. President, even those of us who foresaw the pitfalls of this budget agreement could not have predicted the freefall in our economy over the past year. Rather than turning the corner on the economy, as many predicted, we have sunk deeper into a recession. Our unemployment rate, up to 6.8 percent, with 1 in 10 Americans now on food stamps. The deficit, up almost $60 billion higher than last year. Poverty levels, up, with 1 in 5 children now living in poverty, an increase of 840,000 children since 1989. And most of our economic indicators are down: orders for new durable goods, down; housing starts, down; sales of existing homes, down; merchandise exports, down; consumer confidence, way down.

Finally, the emergency funding mechanism contained in the budget agreement which exempts emergency designations from the spending caps has become a giant loophole, as I had feared. To be fair, we did fight a war after the budget agreement was signed. What is unfair is that all but $1.14 billion out of a total of $44.04 billion in emergency spending has been targeted to defense. Mr. President, we have had domestic emergencies as well. We've had floods; we've had hurricanes; we've had droughts. Yet, there appears to be no balance between defense emergencies and domestic emergencies. Clearly, Mr. President, we need to carefully scrutinize the provisions of the budget agreement to assess both its need and the process used in implementing its date. If it is necessary, then its implementation must be fair.

With all due respect to the summiteers, Mr. President, let us admit that this budget agreement needs to be scrapped. We must have the flexibility to respond to our very real domestic problems. We need to be able to transfer money from defense to meet our escalating domestic needs. We need to be able to transfer money from foreign aid and defense to address our deficit problems. This budget agreement will not allow us to do that. It simply makes no sense to tie ourselves to an agreement that is literally strangling our ability to address our economic problems.

Mr. President, there should be a peace dividend, and, Mr. President, we should be able to reallocate unnecessary defense expenditures to other areas of the budget. On February 8, 1990, I introduced a resolution (S. Res. 243), explaining how I would allocate a peace dividend: 50 percent for deficit reduction; 25 percent for high priority domestic needs; 20 percent for antidrug programs, and 5 percent to support the continued democratization in the nations of Eastern Europe. Despite the dramatic changes that have occurred internationally and domestically in the more than a year and half since I introduced that measure, the fundamental principle embodied in the resolution remains sound. We must be given the ability to transfer unnecessary defense expenditures to other areas of the budget—both to reduce the deficit and to address high priority domestic needs.

I hope my colleagues will join me in urging the President and the congressional leadership to go back to the drawing board and renegotiate the budget package that will allow us to do what needs to be done. I want to make it perfectly clear that I am not urging us to bust the budget; rather, I am urging that we work within existing spending caps but with the ability to target overall domestic spending to the areas of greatest need. In poll after poll, the American people are sending us a message: Address our problems at home, not those half a world away.●

AMENDMENTS SUBMITTED

EMERGENCY UNEMPLOYMENT COMPENSATION

DOLE (AND OTHERS) AMENDMENT NOS. 1320 THROUGH 1332

(Ordered to lie on the table.)

Mr. DOLE (for himself, Mr. DOMENICI, Mr. THURMOND, Mr. WALLOP, Mr. LUGAR, Mr. DANFORTH, and Mr. SIMPSON) submitted 13 amendments intended to be proposed by them to the bill (S. 1945) to provide a program of emergency unemployment compensation, and for other purposes, as follows:

AMENDMENT NO. 1320

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, of the Internal Revenue Code of 1986.

EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

Subsection (d) of section 127 (relating to educational assistance programs) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

AMENDMENT NO. 1321

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

GROUP LEGAL SERVICES PLANS.

Subsection (e) of section 120 (relating to amounts received under qualified group legal services plans) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

AMENDMENT NO. 1322

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.

(a) IN GENERAL.—Paragraph (5) of section 864(f) (relating to allocation of research and experimental expenditures) is amended—

(1) by striking "2 taxable years" and inserting "3 taxable years", and

(2) by striking "August 1, 1991" and inserting "August 1, 1992".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after August 1, 1991.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

AMENDMENT NO. 1323

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

ENERGY INVESTMENT CREDIT FOR SOLAR AND GEOTHERMAL PROPERTY.

(a) IN GENERAL.—Subparagraph (B) of section 48(a)(2) (relating to termination of energy credit) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to periods after December 31, 1991.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

AMENDMENT NO. 1324

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

EXPENSES FOR DRUGS FOR RARE CONDITIONS.

Subsection (e) of section 28 (relating to clinical testing expenses for certain drugs for rare diseases or conditions) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

AMENDMENT NO. 1325

At the appropriate place, add the following:

SECTON 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section of other provision of the Internal Revenue Code of 1986.

MINIMUM TAX EXCEPTION FOR GIFTS OF APPRECIATED TANGIBLE PROPERTY.

Subparagraph (B) of section 57(a)(6) (relating to appreciated property charitable deduction) is amended by inserting "or 1992" after "1991".

SEC 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

AMENDMENT NO. 1326

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

RESEARCH CREDIT.

Subsection (h) of section 41 (relating to credit for increasing research activities) is amended—

(1) by striking "December 31, 1991" each place it appears and inserting "December 31, 1992", and

(2) by striking "January 1, 1992" each place it appears and inserting "January 1, 1993".

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

Amendment No. 1327

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

LOW-INCOME HOUSING CREDIT.

(a) In General.—Subsection (O) of section 42 (relating to low-income housing credit) is amended—

(1) by striking "1991" each place it appears and inserting "1992",

(2) by striking "1992" each place it appears in paragraph (2) and inserting "1993",

(3) by striking "1993" in paragraph (2)(B) and inserting "1994", and

(4) by striking "1994" in paragraph (2)(C) and inserting "1955".

(b) Effective Date.—The amendments made by this section shall apply to calendar years after 1991.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

Amendment No. 1328

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

QUALIFIED SMALL ISSUE BONDS.

(A) In General.—Subparagraph (B) of section 144(a)(12) (relating to termination dates) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

(b) Effective Date.—The amendment made by this section shall apply to bonds issued after December 31, 1991.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

Amendment No. 1329

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

Paragraph (6) of section 162(l) (relating to special rules for health insurance costs of self-employed individuals) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

Amendment No. 1330

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 5. QUALIFIED MORTGAGE BONDS.

(a) In General.—Subparagraph (B) of section 143(a)(1) (defining qualified mortgage bond) is amended by striking "December 31, 1991" each place it appears and inserting "December 31, 1992".

(b) Mortgage Credit Certificates.—Subsection (h) of section 25 (relating to interest on certain home mortgages) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

(c) Effective Dates.—

(1) Bonds.—The amendments made by subsection (a) shall apply to bonds issued after December 31, 1991.

(2) Certificates.—The amendment made by subsection (b) shall apply to elections for periods after December 31, 1991.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

Amendment No. 1331

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision; the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

REPEAL OF LUXURY EXCISE TAX.

(a) In General.—Chapter 31 of the Internal Revenue Code 1986 (relating to retail excise taxes) is amended by striking subchapter A and by redesignating subchapters B and C as subchapters A and B, respectively.

(6) Conforming Amendments.—

(1) The material preceding paragraph (1) of section 4221(a) of the Internal Revenue Code of 1986 is amended by striking "subchapter A or C of chapter 31" and inserting "section 4051".

(2) Subsection (a) of section 4221 of such Code is amended by striking the last sentence.

(3) Subsection (c) of section 4221 of such Code is amended by striking "section 4001(c), 4002(b), 4003(c), 4004(a), or 4053(a)(6)" and inserting "section 4053(a)(6)".

(4) Paragraph (1) of section 4221(d) of such Code is amended by striking "taxes imposed by subchapter A or C of chapter 31" and inserting "the tax imposed by section 4051".

(5) Subsection (d) of section 4222 of such Code is amended by striking "sections 4001(c), 4002(b), 4003(c), 4004(a), 4053(a)(6)" and inserting "sections 4053(a)(6)".

(6) Section 4293 of such Code is amended by striking "subchapter A of chapter 31,".

(7) The table of subchapters for chapter 31 of such Code is amended to read as follows:

"Subchapter A. Special fuels.
"Subchapter B. Heavy trucks
and trailers.".

(c) Effective Date.—The amendments made by this section shall take effect on June 11, 1991.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

Amendment No. 1332

At the appropriate place, add the following:

SECTION 1. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TARGETED JOBS CREDIT.

(a) In General.—Paragraph (4) of section 51(c) is amended by striking "December 31, 1991" and inserting "December 31, 1992".

(b) Effective Date.—The amendment made by this section shall apply to individuals who begin work for the employer after December 31, 1991.

SEC. 14. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall apply to taxable years beginning after December 31, 1991.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT

D'AMATO (AND OTHERS) AMENDMENT NO. 1333

Mr. D'AMATO (for himself, Mr. Lieberman, Mr. Seymour, Mr. Specter, Mr. Stevens, Mr. Conrad, Mr. Domenici, Mr. Graham, Mr. Dole, and Mr. Bryan) proposed an amendment to the bill (S. 543) to reform Federal deposit insurance, protect the deposit insurance funds, and improve supervision and regulation of a disclosure relating to federally insured depository institutions, as follows:

At the appropriate place in the amendment insert the following new section:

SEC. 1138. CREDIT CARD INTEREST RATES.

Sec. 2. Section 107 of the Truth in Lending Act (15 U.S.C. 1606) is amended by adding at the end thereof the following:

"(f) The annual percentage rate applicable to an extension of credit obtained by use of a credit card may not exceed by more than 4 percentage points the rate established under section 6621(a)(2) of the Internal Revenue Code of 1954, as determined by the Board."

Sec. 3. Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) A card issuer shall clearly and conspicuously disclose on initial applications for a credit card—

"(1) the annual percentage rate applicable to extensions of credit by means of that credit card or means for determining that rate; and

"(2) any annual or other fee imposed for the issuance or use of that credit card."

LIEBERMAN (AND OTHERS) AMENDMENT NO. 1334

Mr. LIEBERMAN (for himself, Mr. D'Amato, Mr. Seymour, Mr. Specter, Mr. Stevens, and Mr. Conrad) proposed an amendment to amendment

No. 1333 proposed by Mr. AMATO (and others) to the bill S. 543, supra, as follows:

Strike all after the word "SEC." in the pending amendment and insert the following:

1138. CREDIT CARD INTEREST RATES.

SEC. 2. Section 107 of the Truth in Lending Act (15 U.S.C. 1606) is amended by adding at the end thereof the following:

"(f) The annual percentage rate applicable to an extension of credit obtained by use of a credit card may not exceed by more than 4 percentage points the rate established under section 6621(a)(2) of the Internal Revenue Code of 1954, as determined by the Board."

SEC. 3. Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) A card issuer shall clearly and conspicuously disclose on initial applications for a credit card—

"(1) the annual percentage rate applicable to extensions of credit by means of that credit card or means for determining that rate; and

"(2) any annual or other fee imposed for the issuance or use of that credit card."

SEC. 4. This section shall have an effective date of January 1, 1992.

KASTEN (AND MACK) AMENDMENT NO. 1335

(Ordered to lie on the table.)

Mr. KASTEN (for himself and Mr. MACK) submitted an amendment intended to be proposed by them to the bill S. 543, supra, as follows:

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Real Estate and Homeownership Revitalization Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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TITLE I—REDUCING THE COST OF CAPITAL BY REDUCING CAPITAL GAINS TAX RATES, INDEXING THE BASIS OF CERTAIN ASSETS, AND EXCLUDING GAIN FROM SALES OF PRINCIPAL RESIDENCES

SEC. 101. REDUCTION IN INDIVIDUAL CAPITAL GAINS RATE.

(a) GENERAL RULE.—Subsection (h) of section 1 (relating to maximum capital gains rate) is amended to read as follows:

"(h) MAXIMUM CAPITAL GAINS RATE.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

"(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the taxable income reduced by the net capital gain, plus

"(B) a tax equal to the sum of—

"(i) 7.5 percent of so much of the net capital gain as does not exceed—

"(I) the maximum amount of taxable income to which the 15-percent rate applies under the table applicable to the taxpayer, reduced by

"(II) the taxable income to which subparagraph (A) applies, plus

"(ii) 15 percent of the net capital gain in excess of the net capital gain to which clause (i) applies."

(b) PHASEOUT OF PERSONAL EXEMPTIONS AND LIMITATION ON DEDUCTION OF ITEMIZED DEDUCTIONS NOT TO RESULT FROM NET CAPITAL GAIN.—

(1)(A) Subparagraphs (A) and (B) of section 151(d)(3) (relating to phaseout of exemption amount) are each amended by inserting "modified" before "adjusted gross income".

(B) Paragraph (3) of section 151(d) of such Code is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'modified adjusted gross income' means adjusted gross income reduced by net capital gain."

(2) Subsection (a) of section 68 (relating to overall limitation on itemized deductions) is amended by inserting "(reduced by net capital gain (determined in accordance with the last sentence of section 151(d)(3)(D)))" after "adjusted gross income".

(c) TECHNICAL AMENDMENTS.—

(1) Paragraph (1) of section 170(e) is amended by striking "the amount of gain" in the material following subparagraph (B)(ii) and inserting "13/28 (19/34 in the case of a corporation) of the amount of gain".

(2)(A) The second sentence of section 7518(g)(6)(A) is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

SEC. 102. REDUCTION IN CORPORATE CAPITAL GAINS RATE.

(a) GENERAL RULE.—Section 1201 (relating to alternative tax for corporations) is amended by redesignating subsection (b) as subsection (c), and by striking subsection (a) and inserting the following:

"(a) GENERAL RULE.—If for any taxable year a corporation has a net capital gain, then, in lieu of the tax imposed by sections 11, 511, or 831(a) (whichever applies), there is hereby imposed a tax (if such tax is less than the tax imposed by such section) which shall consist of the sum of—

"(1) a tax computed on the taxable income reduced by the net capital gain, at the same rates and in the same manner as if this subsection had not been enacted, plus

"(2) a tax of 15 percent of the net capital gain.

"(b) TRANSITIONAL RULE.—In the case of a taxable year which includes December 31, 1991, the amount of the net capital gain for purposes of subsection (a) shall not exceed the net capital gain determined by only taking into account gains and losses properly taken into account for the portion of the taxable year on or after such date."

(b) TECHNICAL AMENDMENTS.—

(1) Clause (iii) of section 852(b)(3)(D) is amended by striking "66 percent" and inserting "85 percent".

(2) Paragraphs (1) and (2) of section 1445(e) are each amended by striking "34 percent" and inserting "15 percent".

SEC. 103. REDUCTION OF MINIMUM TAX RATE ON CAPITAL GAINS.

Subparagraph (A) of section 55(b)(1) (relating to tentative minimum tax) is amended to read as follows:

"(A) the sum of—

"(i) 15 percent of the lesser of—

"(I) the net capital gain (determined with the adjustments provided in this part and (to the extent applicable) the limitations of sections 1(h)(2) and 1201(b)), or

"(II) so much of the alternative minimum taxable income for the taxable year as exceeds the exemption amount, plus

"(ii) 20 percent (24 percent in the case of a taxpayer other than a corporation) of the amount (if any) by which the excess referred to in clause (i)(II) exceeds the net capital gain (as so determined), reduced by".

SEC. 104. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) stock in a corporation, and

"(B) tangible property (or any interest therein), which is a capital asset of property used in the trade or business (as defined in section 1231(b)).

"(2) CERTAIN PROPERTY EXCLUDED.—Any interest in property which is in the nature of a creditor's interest.

"(B) OPTIONS.—Any option or other right to acquire an interest in property.

"(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

"(i) an S corporation (within the meaning of section 1361),

"(ii) a personal holding company (as defined in section 542), and

"(iii) a foreign corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (iii) of paragraph (e)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

"(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1991).

the applicable inflation ration shall not be taken into account unless it is grater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-tenth of 1 percent.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(4) SECRETARY TO PUBLISH TABLES.—The Secretary shall publish tables specifying the applicable inflation ratios for each calendar quarter.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) a substantial improvement to property,

"(B) in the case of stock of a corporation, a substantial contribution to capital, and

"(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

"(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (A)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

"(e) CERTAIN CONDUIT ENTITIES.—

"(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for the subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term 'qualified investment entity' means—

"(i) a regulated investment company (within the meaning of section 851),

"(ii) a real estate investment trust (within the meaning of section 856), and

"(iii) a common trust fund (within the meaning of section 584).

"(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

"(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(h) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common fund (as defined in section 584(a)).

"(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain or loss."

(c) ADJUSTMENT TO APPLY FOR PURPOSES OF DETERMINING EARNINGS AND PROFITS.—Subsection (f) of section 312 (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

"(3) EFFECT ON EARNINGS AND PROFITS OF INDEXED BASIS.—

For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets after December 31, 1991, see section 1022(a)(1).

SEC. 105. INDEXING OF LIMITATION ON CAPITAL LOSSES OF INDIVIDUALS.

Section 1211 (relating to limitation on capital losses) is amended by adding at the end thereof the following new subsection:

"(c) INDEXATION OF LIMITATION ON NONCORPORATE TAXPAYERS.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1991, the $3,000 and $1,500 amounts under subsection (b)(1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the applicable inflation adjustment for the calendar year in which the taxable year begins.

"(2) APPLICABLE INFLATION ADJUSTMENT.—For purposes of paragraph (1), the applicable inflation adjustment for any calendar year is the percentage (if any) by which—

"(A) the gross national product deflator for the last calendar quarter of the preceding calendar year, exceeds

"(B) the gross national product deflator for the last calendar quarter of 1990.

For purposes of this paragraph, the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3)."

SEC. 106. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Section 121 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended to read as follows:

"SEC. 121. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

"(a) GENERAL RULE.—Gross income does not include gain from the sale or exchange of property if such property has been owned and used by the taxpayer as the taxpayer's principal residence.

"(b) SPECIAL RULES.—

"(1) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—For purposes of this section, if the taxpayer holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), then the use requirements of subsection (a) shall be applied to the house or apartment which the taxpayer was entitled to occupy as such stockholder.

"(2) INVOLUNTARY CONVERSIONS.—For purposes of this section, the destruction, theft, seizure, requisition, or condemnation of property shall be treated as the sale of such property.

"(3) PROPERTY USED IN PART AS PRINCIPAL RESIDENCE.—In the case of property only a portion of which has been owned and used by the taxpayer as the taxpayer's principal residence, this section shall apply with respect to so much of the gain from sale or exchange of such property as is determined, under regulations prescribed by the Secretary, to be attributable to the portion of the property so owned and used by the taxpayer."

(b) CONFORMING AMENDMENTS.—

(1) paragraph (3) of section 1033(h) is amended to read as follows:

"(3) For exclusion from gross income of gain from involuntary conversion of principal residence, see section 121."

(2) Subsection (l) of section 1034 is amended to read as follows:

"(l) TERMINATION.—This section shall not apply to any sale or exchange occurring after December 31, 1991, in taxable years ending after such date."

(3) Section 1038 is amended by striking subsection (e) and redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(4) Paragraph (7) of section 1250(d) is amended to read as follows:

"(7) DISPOSITION OF PRINCIPAL RESIDENCE.—Subsection (a) shall not apply to a disposition of property to the extent used by the taxpayer as the taxpayer's principal residence (within the meaning of section 121)."

(5) Subsection (c) of section 6012 is amended by striking "one-time exclusion of gain from sale of principal residence by individual who has attained age 55" and inserting "exclusion of gain from sale of principal residence".

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 121 and inserting the following new item:

"Sec. 121. Exclusion of gain from sale of principal residence."

SEC. 107. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title shall apply to sales or exchanges occurring after December 31, 1991, in taxable years ending after such date.

(b) INDEXING OF LOSS LIMITATION.—The amendments made by section 205 shall apply to taxable years beginning after December 31, 1991.

TITLE II—SAVINGS INCENTIVES

SEC. 201. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term "individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(I) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) DISTRIBUTION WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) In general.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) Time for inclusion.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) Rollover Contributions.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) Determinations.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins.".

(b) Conforming Amendment.—The table of sections for subpart A of part 1 of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE III—HOMEOWNERSHIP INCENTIVES

Subtitle A—First-Time Homebuyers Tax Credit

SEC. 301. CREDIT FOR PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) General Rule.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) Allowance of Credit.—If an individual who is a first-time homebuyer purchases a principal residence during the taxable year, there shall be allowed to such individual as a credit against the tax imposed by this subtitle for such taxable year an amount equal to $1,000.

"(b) Income Limitations.—

"(1) In general.—No credit shall be allowed under subsection (a) to any individual whose adjusted gross income for the taxable year exceeds $41,000.

"(2) Phase-down of credit.—The $1,000 amount set forth in subsection (a) shall be reduced by $10 for each $100 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $31,000.

"(c) Definitions and Special Rules.—For purposes of this section—

"(1) First-time homebuyers.—The term 'first-time homebuyer' has the meaning given to such term by section 408A(e)(3)(E)(ii).

"(2) Principal residence.—The term 'principal residence' has the same meaning as when used in section 1034.

"(3) Purchase.—The term 'purchase' means any acquisition of property, but only if the basis of such property in the hands of the person acquiring it is not determined—

"(A) in whole or in part by the reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(B) under section 1014(a) (relating to property acquired from a decedent).

"(4) Treatment of married individuals.—The adjusted gross income of any individual for any taxable year shall include the adjusted gross income of such individual's spouse for such spouse's taxable year corresponding to the taxable year of the individual. For purposes of the preceding sentence, marital status shall be determined under section 7703; except that an individual shall not be treated as being married if such individual would not be treated as being married under section 21(e)(4).

"(5) Joint purchases.—If a residence is purchased together by 2 or more individuals for use as their principal residence—

"(A) such individuals shall be limited to 1 credit under this section for such purchase and the amount of such credit shall be allocated among such individuals in the manner prescribed by the Secretary.

"(B) no credit shall be allowed under this section for such purchase unless all of such individuals are first-time homebuyers, and

"(C) the aggregate adjusted gross income of all of such individuals shall be taken into account in determining the amount of the credit allowable under this section for such purchase."

(b) Clerical Amendments.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Purchase of principal residence by first-time homebuyer.

"Sec. 36. Overpayments of tax."

(c) Effective Date.—The amendments made by this section shall apply to principal residences purchased after July 31, 1991.

Subtitle B—Penalty-Free IRA Plus Withdrawal for Home Purchase, Higher Education, and Health Costs

SEC. 302. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) General Rule.—Subparagraph (A) of section 408A(d)(3) (as added by section 401) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is qualified special purpose distribution (within the meaning of subsection (e)).

(b) Qualified Special Purpose Distribution Defined.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) Qualified Special Purpose Distribution From IRA Accounts.—For purposes of this section—

"(1) In general.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 percent account limit.—

"(A) In general.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) Limitation not to apply for purposes of section 72(t).—Section 72(t) shall not apply to any distribution which would be a qualified distribution but for the limitations of subparagraph (A).

"(3) Distributions from IRA plus accounts used to purchase a home by first-time homebuyer.—For purposes of paragraph (1)—

"(A) In general.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) Basis reduction.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) Recognition of gain as ordinary income.—

"(i) In general.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) Exception.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) Coordination with other provisions.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) Special rule where delay in acquisition.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided I subparagraph (A), and

"(ii) by reason for a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) Definitions.—For purposes of this paragraph—

"(i) Qualified acquisition costs.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 121.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS FROM IRA PLUS ACCOUNTS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE IV—TREATMENT OF PASSIVE LOSSES

SEC. 501. TREATMENT OF CERTAIN REAL ESTATE ACTIVITIES UNDER LIMITATIONS ON LOSSES FROM PASSIVE ACTIVITIES.

(a) IN GENERAL.—Subsection (c) of section 469 (relating to passive activity losses and credits limited) is amended by adding at the end the following new paragraphs:

"(7) TAXPAYERS ENGAGED IN THE REAL PROPERTY BUSINESS.—In the case of a taxpayer engaged in the real property business, the determination of what constitutes an activity and whether an activity is a passive activity shall be made by treating the taxpayer's rental real property operations, undertakings, and activities in the same manner as nonrental trade or business operations, undertakings, and activities.

"(8) INDIVIDUALS ENGAGED IN THE REAL PROPERTY BUSINESS.—For purposes of paragraph (7), an individual is engaged in the real property business if—

"(A) such individual spends at least 50 percent of such individual's working time in real property operations; and

"(B) such individual spends more than 500 hours during the taxable year in real property operations.

"(9) REAL PROPERTY OPERATIONS.—For purposes of paragraph (8), the term 'real property operations' means any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, brokerage, appraisal, and finance operations.

"(10) WORKING TIME.—For purposes of paragraph (8), the term 'working time' means any time spent as an employee, sole proprietor, S corporation shareholder, partner in a partnership, or beneficiary of a trust or estate.

"(11) CLOSELY HELD C CORPORATIONS ENGAGED IN THE REAL PROPERTY BUSINESS.—For purposes of paragraph (7), a closely held C corporation is engaged in the real property business if—

"(A) 1 or more shareholders owning stock representing more than 50 percent (by value) of the outstanding stock of such corporation materially participate in the aggregate real property activities of such corporation; or

"(B) such corporation meets the requirements of section 465(c)(7)(C) (without regard to clause (iv)) with respect to the aggregate real property activities of such corporation."

(b) PASSIVE ACTIVITY INCLUDES CERTAIN RENTAL ACTIVITIES.—

(1) IN GENERAL.—Paragraph (2) of section 469(c) is amended to read as follows:

"(2) PASSIVE ACTIVITY INCLUDES CERTAIN RENTAL ACTIVITIES.—Except for rental activities treated in the same manner as nonrental trade or business activities pursuant to paragraph (7), each rental activity is a passive activity without regard to whether or not the taxpayer materially participates in the rental activity."

(2) CONFORMING AMENDMENT.—Paragraph (4) of such section 469(c) is amended to read as follows:

"(4) MATERIAL PARTICIPATION NOT REQUIRED FOR PARAGRAPH (3).—Paragraph (3) shall be applied without regard to whether or not the taxpayer materially participates in the activity."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE V—PERMANENT EXTENSION OF LOW-INCOME HOUSING CREDIT

SECTION 1. PERMANENT EXTENSION OF LOW-INCOME HOUSING CREDIT.

(a) PERMANENT EXTENSION.—Section 42 of the Internal Revenue Code of 1986 (relating to low-income housing credit) is amended by striking subsection (o).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to calendar years after 1991.

TITLE VI—PERMANENT EXTENSION OF QUALIFIED MORTGAGE BONDS

SECTION 1. PERMANENT EXTENSION OF QUALIFIED MORTGAGE BONDS.

(a) PERMANENT EXTENSION.—

(1) MORTGAGE BONDS.—Paragraph (1) of section 143(a) of the Internal Revenue Code of 1986 (relating to qualified mortgage bonds) is amended to read as follows:

"(1) QUALIFIED MORTGAGE BOND DEFINED.—For purposes of this title, the term 'qualified mortgage bond' means a bond which is issued as a part of a qualified mortgage issue.".

(2) MORTGAGE CREDIT CERTIFICATES.—Section 25 of such Code (relating to interest on certain home mortgages) is amended by striking subsection (h) and redesignating subsection (i) as subsection (h).

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by subsection (a)(1) shall apply to bonds issued after December 31, 1991.

(2) CERTIFICATES.—The amendment made by subsection (a)(2) shall apply to elections for periods after December 31, 1991.

EMERGENCY UNEMPLOYMENT COMPENSATION

KASTEN AMENDMENT NO. 1336

(Ordered to lie on the table.)

Mr. KASTEN submitted an amendment intended to be proposed by him to the bill S. 1945, supra; as follows:

At the appropriate place, insert:

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Economic Growth and Family Tax Freedom Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of 2 contents.

TITLE I—NONREFUNDABLE TAX CREDIT FOR CHILDREN

Sec. 101. Nonrefundable tax credit for children.

TITLE II—REDUCING THE COST OF CAPITAL BY REDUCING CAPITAL GAINS TAX RATES, INDEXING THE BASIS OF CERTAIN ASSETS, AND EXCLUDING GAIN FROM SALES OF PRINCIPAL RESIDENCES

Sec. 201. Reduction in individual capital gains rate.

Sec. 202. Reduction in corporate capital gains rate.

Sec. 203. Reduction of minimum tax rate on capital gains.

Sec. 204. Indexing of certain assets for purposes of determining gain or loss.

Sec. 205. Indexing of limitation on capital losses of individuals.

Sec. 206. Exclusion of gain from sale of principal residence.

Sec. 207. Effective dates.

TITLE III—ADJUSTING DEPRECIATION RATES TO REFLECT INFLATION

Sec. 301. Depreciation adjustment for certain property placed in service in taxable years beginning after December 31, 1991.

Sec. 302. Phase-in of expensing for property placed in service in taxable years beginning after December 31, 1996.

TITLE IV—SAVINGS INCENTIVES

Sec. 401. Establishment of individual retirement plus accounts.

Sec. 402. Penalty-free IRA plus withdrawal for home purchase, higher education, and health costs.

TITLE V—TREATMENT OF PASSIVE LOSSES

Sec. 501. Treatment of certain real estate activities under limitations on losses from passive activities.

TITLE VI—ENTERPRISE ZONES

Sec. 600. Purpose.

Subtitle A—Designation of Enterprise Zones

Sec. 601. Designation of zones.
Sec. 602. Reporting requirements.
Sec. 603. Interaction with other Federal programs.

Subtitle B—Federal Income Tax Incentives

Sec. 611. Definitions and regulations; employee credit; capital gain exclusion; stock expensing.
Sec. 612. Alternative minimum tax.
Sec. 613. Adjusted gross income defined.
Sec. 614. Effective date.

Subtitle C—Regulatory Flexibility

Sec. 621. Definition of small entities in enterprise zone for purposes of analysis of regulatory functions.
Sec. 622. Waiver or modification of agency rules in enterprise zones.
Sec. 623. Federal agency support of enterprise zones.

Subtitle D—Establishment of Foreign-Trade Zones in Enterprise Zones

Sec. 631. Foreign-trade zone preferences.

Subtitle E—Repeal of Title VII of the Housing and Community Development Act of 1987

Sec. 641. Repeal.

TITLE I—NONREFUNDABLE TAX CREDIT FOR CHILDREN

SEC. 101. NONREFUNDABLE TAX CREDIT FOR CHILDREN.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by inserting after section 29 the following new section:

"SEC. 30. CREDIT FOR CHILDREN.

"(a) General Rule.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this chapter and chapter 21 for the taxable year an amount equal to the sum of—

"(1) $1,000 multiplied by the number of qualifying children of the taxpayer who have not attained the age of 6 as of the close of the calendar year in which the taxable year of the taxpayer begins, and

"(2) $300 multiplied by the number of qualifying children of the taxable year who have attained the age of 6 but have not attained the age of 19 as of the close of such calendar year.

"(b) Limitation Based on Amount of Tax.—The credit allowed by subsection (a) for a taxable year shall not exceed the excess (if any) of—

"(1) the sum of the regular tax (reduced by the sum of the credits allowable under subpart A and section 32) and the tax imposed by chapter 21, over

"(2) the tentative minimum tax,

for the taxable year.

"(c) Definitions and Special Rules.—For purposes of this section—

"(1) Eligible individual.—The term 'eligible individual' has the meaning given to such term by section 32(c)(1) (determined without regard to subparagraph (B) thereof).

"(2) Qualifying child.—The term 'qualifying child' has the meaning given to such term by section 32(c)(3) (determined without regard to subparagraphs (C) and (E) thereof).

"(3) Certain other rules apply.—Subsections (d) and (e) of section 32 shall apply."

(b) Dependent Care Credit Not Available for Children Under Age 6.—Subparagraph (A) of section 21(b)(1) (defining qualifying individual) is amended by inserting "(other than an individual described in section 30(a)(1))" after "taxpayer".

(c) Conforming Amendment.—The table of sections for such subpart B is amended by inserting after the item relating to section 25 the following new item:

"Sec. 30. Credit for children."

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

TITLE II—REDUCING THE COST OF CAPITAL BY REDUCING CAPITAL GAINS TAX RATES, INDEXING THE BASIS OF CERTAIN ASSETS, AND EXCLUDING GAIN FROM SALES OF PRINCIPAL RESIDENCES

SEC. 201. REDUCTION IN INDIVIDUAL CAPITAL GAINS RATE.

(a) General Rule.—Subsection (h) of section 1 (relating to maximum capital gains rate) is amended to read as follows:

"(h) Maximum Capital Gains Rate.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

"(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the taxable income reduced by the net capital gain, plus

"(B) a tax equal to the sum of—

"(i) 7.5 percent of so much of the net capital gain as does not exceed—

"(I) the maximum amount of taxable income to which the 15-percent rate applies under the table applicable to the taxpayer, reduced by

"(II) the taxable income to which subparagraph (A) applies, plus

"(ii) 15 percent of the net capital gain in excess of the net capital gain to which clause (i) applies."

(b) Phaseout of Personal Exemptions and Limitation on Deduction of Itemized Deductions Not To Result From Net Capital Gain.—

(1)(A) Subparagraphs (A) and (B) of section 151(d)(3) (relating to phaseout of exemption amount) are each amended by inserting "modified" before "adjusted gross income".

(B) Paragraph (3) of section 151(d) of such Code is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) Modified adjusted gross income.—For purposes of this paragraph, the term 'modified adjusted gross income' means adjusted gross income reduced by net capital gain."

(2) Subsection (a) of section 68 (relating to overall limitation on itemized deductions) is amended by inserting "(reduced by net capital gain (determined in accordance with the last sentence of section 151(d)(3)(D)))" after "adjusted gross income".

(c) Technical Amendments.—

(1) Paragraph (1) of section 170(e) is amended by striking "the amount of gain" in the material following subparagraph (B)(ii) and inserting "13/28 (19/34 in the case of a corporation) of the amount of gain".

(2)(A) The second sentence of section 7518(g)(6)(A) is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936, is amended by striking "28 percent (34 percent in the case of a corporation)" and inserting "15 percent".

SEC. 202. REDUCTION IN CORPORATE CAPITAL GAINS RATE.

(a) General Rule.—Section 1201 (relating to alternative tax for corporations) is amended by redesignating subsection (b) as subsection (c), and by striking subsection (a) and inserting the following:

"(a) General Rule.—If for any taxable year a corporation has a net capital gain, then, in lieu of the tax imposed by sections 11, 511, or 831(a) (whichever applies), there is hereby imposed a tax (if such tax is less than the tax imposed by such section) which shall consist of the sum of—

"(1) a tax computed on the taxable income reduced by the net capital gain, at the same rates and in the same manner as if this subsection had not been enacted, plus

"(2) a tax of 15 percent of the net capital gain.

"(b) Transitional Rule.—In the case of a taxable year which includes December 31, 1991, the amount of the net capital gain for purposes of subsection (a) shall not exceed the net capital gain determined by only taking into account gains and losses properly taken into account for the portion of the taxable year on or after such date."

(b) Technical Amendments.—

(1) Clause (iii) of section 852(b)(3)(D) is amended by striking "66 percent" and inserting "85 percent".

(2) Paragraphs (1) and (2) of section 1445(e) are each amended by striking "34 percent" and inserting "15 percent".

SEC. 203. REDUCTION OF MINIMUM TAX RATE ON CAPITAL GAINS.

Subparagraph (A) of section 55(b)(1) (relating to tentative minimum tax) is amended to read as follows:

"(A) the sum of—

"(i) 15 percent of the lesser of—

"(I) the net capital gain (determined with the adjustments provided in this part and (to the extent applicable) the limitations of sections 1(h)(2) and 1201(b)), or

"(II) so much of the alternative minimum taxable income for the taxable year as exceeds the exemption amount, plus

"(ii) 20 percent (24 percent in the case of a taxpayer other than a corporation) of the amount (if any) by which the excess referred to in clause (i)(II) exceeds the net capital gain (as so determined), reduced by".

SEC. 204. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

(a) In General.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) General Rule.—

"(1) Indexed basis substituted for adjusted basis.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) Exception for depreciation, etc.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) Indexed Asset.—

"(1) In general.—For purposes of this section, the term 'indexed asset' means—

"(A) stock in a corporation, and

"(B) tangible property (or any interest therein), which is a capital asset of property used in the trade or business (as defined in section 1231(b)).

"(2) Certain property excluded.—For purposes of this section, the term 'indexed asset' does not include—

"(A) Creditor's interest.—Any interest in property which is in the nature of a creditor's interest.

"(B) Options.—Any option or other right to acquire an interest in property.

"(C) Net lease property.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) Certain preferred stock.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) Stock in certain corporations.—Stock in—

"(i) an S corporation (within the meaning of section 1361),

"(ii) a personal holding company (as defined in section 542), and

"(iii) a foreign corporation.

"(3) Exception for stock in foreign corporation which is regularly traded on national or regional exchange.—Clause (iii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) Indexed Basis.—For purposes of this section—

"(1) Indexed basis.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) Applicable inflation ratio.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

"(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1991).

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-tenth of 1 percent.

"(3) Gross national product deflator.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(4) Secretary to publish tables.—The Secretary shall publish tables specifying the applicable inflation ratios for each calendar quarter.

"(d) Special Rules.—For purposes of this section—

"(1) Treatment as separate asset.—In the case of any asset, the following shall be treated as a separate asset:

"(A) a substantial improvement to property,

"(B) in the case of stock of a corporation, a substantial contribution to capital, and

"(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) Assets which are not indexed assets throughout holding period.—

"(A) In general.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) Certain short sales.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) Treatment of certain distributions.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

"(4) Section cannot increase ordinary loss.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(5) Acquisition date where there has been prior application of subsection (a)(1) with respect to the taxpayer.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(6) Collapsible corporations.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

"(e) Certain Conduit Entities.—

"(1) Regulated investment companies; real estate investment trusts; common trust funds.—

"(A) In general.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) Ratio of 90 percent or more.—If the ratio for any calendar month determined under subparagraph (A) would (but for the subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) Ratio of 10 percent or less.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) Valuation of assets in case of real estate investment trusts.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(E) Qualified investment entity.—For purposes of this paragraph, the term 'qualified investment entity' means—

"(i) a regulated investment company (within the meaning of section 851),

"(ii) a real estate investment trust (within the meaning of section 856), and

"(iii) a common trust fund (within the meaning of section 584).

"(2) Partnerships.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(3) Subchapter S corporations.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) Dispositions Between Related Persons.—

"(1) In general.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) Related persons defined.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) Transfers To Increase Indexing Adjustment or Depreciation Allowance.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(h) Definitions.—For purposes of this section—

"(1) Net lease property defined.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) Stock includes interest in common trust fund.—The term 'stock in a corporation' includes any interest in a common fund (as defined in section 584(a)).

"(i) Regulations.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) Clerical Amendment.—This table of sections for part II of subchapter O of such chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain or loss."

(c) Adjustment To Apply for Purposes of Determining Earnings and Profits.—Subsection (f) of section 312 (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

"(3) Effect on earnings and profits of indexed basis.—

For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets after June 30, 1991, see section 1022(a)(1)."

SEC. 205. INDEXING OF LIMITATION ON CAPITAL LOSSES OF INDIVIDUALS.

Section 1211 (relating to limitation on capital losses) is amended by adding at the end thereof the following new subsection:

"(c) Indexation of Limitation on Noncorporate Taxpayers.—

"(1) In general.—In the case of any taxable year beginning in a calendar year after 1991, the $3,000 and $1,500 amounts under subsection (b)(1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the applicable inflation adjustment for the calendar year in which the taxable year begins.

"(2) Applicable inflation adjustment.—For purposes of paragraph (1), the applicable inflation adjustment for any calendar year is the percentage (if any) by which—

"(A) the gross national product deflator for the last calendar quarter of the preceding calendar year, exceeds

"(B) the gross national product deflator for the last calendar quarter of 1990.

For purposes of this paragraph, the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3)."

SEC. 206. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

(a) In General.—Section 121 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended to read as follows:

"SEC. 121. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

"(a) General Rule.—Gross income does not include gain from the sale or exchange of property if such property has been owned and used by the taxpayer as the taxpayer's principal residence.

"(b) Special Rules.—

"(1) Tenant-stockholder in cooperative housing corporation.—For purposes of this section, if the taxpayer holds stock as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), then the use requirements of subsection (a) shall be applied to the house or apartment which the taxpayer was entitled to occupy as such stockholder.

"(2) Involuntary conversions.—For purposes of this section, the destruction, theft, seizure, requisition, or condemnation of property shall be treated as the sale of such property.

"(3) Property used in part as principal residence.—In the case of property only a portion of which has been owned and used by the taxpayer as the taxpayer's principal residence, this section shall apply with respect to so much of the gain from sale or exchange of such property as is determined, under regulations prescribed by the Secretary, to be attributable to the portion of the property so owned and used by the taxpayer."

(b) Conforming Amendments.—

(1) Paragraph (3) of section 1033(h) is amended to read as follows:

"(3) For exclusion from gross income of gain from involuntary conversion of principal residence, see section 121."

(2) Subsection (l) of section 1034 is amended to read as follows:

"(l) Termination.—This section shall not apply to any sale or exchange occurring after December 31, 1991, in taxable years ending after such date."

(3) Section 1038 is amended by striking subsection (e) and redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(4) Paragraph (7) of section 1250(d) is amended to read as follows:

"(7) Disposition of principal residence.—Subsection (a) shall not apply to a disposition of property to the extent used by the taxpayer as the taxpayer's principal residence (within the meaning of section 121)."

(5) Subsection (c) of section 6012 is amended by striking "one-time exclusion of gain from sale of principal residence by individual who has attained age 55" and inserting "exclusion of gain from sale of principal residence".

(c) Clerical Amendment.—The table of sections for part III of subchapter B of chapter 1 is amended by striking the item relating to section 121 and inserting the following new item:

"Sec. 121. Exclusion of gain from sale of principal residence."

SEC. 207. EFFECTIVE DATES.

(a) In General.—Except as provided in subsection (b), the amendments made by this title shall apply to sales or exchanges occurring after December 31, 1991, in taxable years ending after such date.

(b) Indexing of Loss Limitation.—The amendments made by section 205 shall apply to taxable years beginning after December 31, 1991.

TITLE III—ADJUSTING DEPRECIATION RATES TO REFLECT INFLATION

SEC. 301. DEPRECIATION ADJUSTMENT FOR CERTAIN PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1991.

(a) In General.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end thereof the following new subsection:

"(j) Deduction Adjustment To Allow Equivalent of Expensing For Certain Property Placed in Service in Taxable Years Beginning After December 31, 1991.—

"(1) In general.—In the case of tangible property (other than residential rental property and nonresidential real property) placed in service in a taxable year beginning after December 31, 1991, the deduction allowable under this section with respect to such property for any taxable year (after the taxable year during which the property is placed in service) shall be—

"(A) the amount so allowable for such taxable year without regard to this subsection, multiplied by

"(B) the applicable neutral cost recovery adjustment.

"(2) Applicable neutral cost recovery adjustment.—For purposes of paragraph (1), the applicable neutral cost recovery adjustment for any calendar year is the number determined by—

"(A) dividing—

"(i) the gross national product deflator for the calendar quarter of the preceding calendar year which corresponds to the calendar quarter during which the property was placed in service by the taxpayer, by

"(ii) the gross national product deflator for the calendar quarter during which the property was placed in service by the taxpayer, and

"(B) then multiplying the number determined under subparagraph (A) by the number equal to 1.035 to the nth power where 'n' is the number of calendar years after the calendar year in which the property was placed in service by the taxpayer and before the 1st calendar year beginning with or within the taxable year for which the deduction under this subsection is being determined.

"(3) Gross national product deflator.—For purposes of paragraph (2), the term 'gross national product deflator' has the meaning given such term by section 1022(c)(3)."

(b) Corresponding Modification to Depreciation Schedules.—Paragraphs (1)(A) and (2) of section 168(b) (relating to applicable depreciation method) are each amended by striking "200 percent" and inserting "125 percent".

(c) Amendments to Alternative Minimum Taxable Income.—

(1) No increase due to indexing.—Subsections (a)(1)(A)(i) and (g)(4)(A) of section 56 (relating to adjustments in computing alternative minimum taxable income) are each amended by inserting "(as adjusted by section 168(j))" after "section 168(g)" each place it appears.

(2) Phase-out of alternative minimum tax depreciation deduction.—Section 56 is amended by adding at the end thereof the following new subsection:

"(i) Phase-In of Full Depreciation Deduction.—

"(1) In general.—The depreciation deduction with respect to any property determined under subsections (a)(1) and (g)(4) for each taxable year shall be increased by the applicable percentage of the depreciation differential for such taxable year.

"(2) Applicable percentage.—The applicable percentage for any taxable year shall be determined in accordance with the following table:

"In the case of a taxable year which begins:		**The applicable percentage is:**
After January 1 of:	And on or before January 1 of:	
1992	1993	20
1993	1994	30
1994	1995	40
1995	1996	50
1996	1997	60
1997	1998	70
1998	1999	80
1999	2000	90
2000		100.

"(3) Depreciation deduction differential.—With respect to any property, the depreciation deduction differential for any taxable year is equal to the excess of—

"(A) the depreciation deduction applicable for purposes of computing the regular tax for such taxable year, over

"(B) the depreciation deduction determined under subsections (a)(1) and (g)(4) for such taxable year."

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 302. PHASE-IN OF EXPENSING FOR PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1996.

(a) In General.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end thereof the following new subsection:

"(k) Phase-in of expensing.—

"(1) In general.—In the case of tangible property placed in service in a taxable year beginning after December 31, 1996—

"(A) the phase-in deductions with respect to such property shall be allowable under this section for the taxable year in which such property is placed in service, and

"(B) the applicable recovery period with respect to such property shall be reduced by the phase-in number of years.

"(2) Phase-in deductions and years.—For purposes of this subsection—

"(A) IN GENERAL.—The phase-in deductions with respect to any property are the aggregate deductions allowable under this section (determined without regard to this subsection and subsection (j)) for the first phase-in number of years in the applicable recovery period.

"(B) PHASE-IN NUMBER OF YEARS.—The phase-in number of years with respect to any property is the number of calendar years after 1996 and before the calendar year in which the property is placed in service.

"(3) ELECTION.—This subsection shall not apply to any property if the taxpayer elects not to apply this subsection to such property. Such an election, once made, shall be irrevocable."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE IV—SAVINGS INCENTIVES

SEC. 401. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins."

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 402. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) GENERAL RULE.—Subparagraph (A) of section 408A(d)(3) (as added by section 401) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

(b) QUALIFIED SPECIAL PURPOSE DISTRIBUTION DEFINED.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION FROM IRA PLUS ACCOUNTS.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—

"(A) IN GENERAL.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) LIMITATION NOT TO APPLY FOR PURPOSES OF SECTION 72(t).—Section 72(t) shall not apply to any distribution which would be a qualified distribution but for the limitations of subparagraph (A).

"(3) DISTRIBUTIONS FROM IRA PLUS ACCOUNTS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 121.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS FROM IRA PLUS ACCOUNTS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE V—TREATMENT OF PASSIVE LOSSES

SEC. 501. TREATMENT OF CERTAIN REAL ESTATE ACTIVITIES UNDER LIMITATIONS ON LOSSES FROM PASSIVE ACTIVITIES.

(a) IN GENERAL.—Subsection (c) of section 469 (relating to passive activity losses and credits limited) is amended by adding at the end the following new paragraphs:

"(7) TAXPAYERS ENGAGED IN THE REAL PROPERTY BUSINESS.—In the case of a taxpayer engaged in the real property business, the determination of what constitutes an activity and whether an activity is a passive activity shall be made by treating the taxpayer's rental real property operations, undertakings, and activities in the same manner as nonrental trade or business operations, undertakings, and activities.

"(8) INDIVIDUALS ENGAGED IN THE REAL PROPERTY BUSINESS.—For purposes of paragraph (7), an individual is engaged in the real property business if—

"(A) such individual spends at least 50 percent of such individual's working time in real property operations; and

"(B) such individual spends more than 500 hours during the taxable year in real property operations.

"(9) REAL PROPERTY OPERATIONS.—For purposes of paragraph (8), the term 'real property operations' means any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, brokerage, appraisal, and finance operations.

"(10) WORKING TIME.—For purposes of paragraph (8), the term 'working time' means any time spent as an employee, sole proprietor, S corporation shareholder, partner in a partnership, or beneficiary of a trust or estate.

"(11) CLOSELY HELD C CORPORATIONS ENGAGED IN THE REAL PROPERTY BUSINESS.—For purposes of paragraph (7), a closely held C corporation is engaged in the real property business if—

"(A) 1 or more shareholders owning stock representing more than 50 percent (by value) of the outstanding stock of such corporation materially participate in the aggregate real property activities of such corporation; or

"(B) such corporation meets the requirements of section 465(c)(7)(C) (without regard to clause (iv)) with respect to the aggregate real property activities of such corporation."

(b) PASSIVE ACTIVITY INCLUDES CERTAIN RENTAL ACTIVITIES.—

(1) IN GENERAL.—Paragraph (2) of section 469(c) is amended to read as follows:

"(2) PASSIVE ACTIVITY INCLUDES CERTAIN RENTAL ACTIVITIES.—Except for rental activities treated in the same manner as nonrental trade or business activities pursuant to paragraph (7), each rental activity is a passive activity without regard to whether or not the taxpayer materially participates in the rental activity."

(2) CONFORMING AMENDMENT.—Paragraph (4) of such section 469(c) is amended to read as follows:

"(4) MATERIAL PARTICIPATION NOT REQUIRED FOR PARAGRAPH (3).—Paragraph (3) shall be applied without regard to whether or not the taxpayer materially participates in the activity."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE VI—ENTERPRISE ZONES

SEC. 600. PURPOSE.

It is the purpose of this title to provide for the establishment of enterprise zones in order to stimulate entrepreneurship, particularly by zone residents, the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and to promote revitalization of economically distressed areas primarily by providing or encouraging—

(1) tax relief at the Federal, State, and local levels;

(2) regulatory relief at the Federal, State, and local levels; and

(3) improved local services and an increase in the economic stake of enterprise zone residents in their own community and its development, particularly through the increased involvement of private, local, and neighborhood organizations.

Subtitle A—Designation of Enterprise Zones

SEC. 601. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7880. Designation.

"SEC. 7880. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITION.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior, designates as an enterprise zone.

"(2) AUTHORITY TO DESIGNATE.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e)

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) June 30, 1992.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section and

"(II) not more than 15 nominated areas as enterprise zones during the first 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the second 12-month period, not more than 45 by the end of the third 12-month period, and not more than 50 by the end of the fourth 12-month period.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available);

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)); or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the local government and the State in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) TIME PERIOD FOR WHICH DESIGNATION IS IN EFFECT—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the State or a local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) AREA AND ELIGIBILITY REQUIREMENTS—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government;

"(B) the boundary of the area is continuous; and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

"(II) 1,000 in any other case; or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State or local governments in which the nominated area is located certifies, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress;

"(B) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period;

"(C) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 1.5 times the national poverty rate for the period to which such data relate; and

"(D) the area meets at least one of the following criteria:

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the State and the local government or governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention, and drug enforcement prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship; and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) LATER MODIFICATION OF A COURSE OF ACTION.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, as are consistent with the intent of the enterprise zone program and have the greatest likelihood of success.

"(f) GEOGRAPHIC DISTRIBUTION.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia."

"(h) CROSS REFERENCES FOR—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394."

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"SUBCHAPTER D. Designation of enterprise zones."

SEC. 602. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this title.

SEC. 603. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 (as added by this title) shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such title.

(b) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

Subtitle B—Federal Income Tax Incentives

SEC. 611. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) GENERAL RULE.—Chapter 1 (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"Subchapter U—Enterprise Zones

"Sec. 1391. Definitions and regulatory authority.

"Sec. 1392. Credit for enterprise zone employees.

"Sec. 1393. Enterprise zone capital gain.

"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) ENTERPRISE ZONE.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone' means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) TERMINATION OF ENTERPRISE ZONE.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

"(b) ENTERPRISE ZONE BUSINESS.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprise zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) less than 10 percent of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) RELATED ACTIVITIES TAKEN INTO ACCOUNT.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) SPECIAL RULES.—

"(A) RENTAL REAL PROPERTY.—For purposes of paragraph (1), real property located within an enterprise zone and held for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and as not subject to paragraph (1)(B).

"(B) TERMINATION OF ENTERPRISE ZONE BUSINESS.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b);

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses; or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) ENTERPRISE ZONE PROPERTY.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone property' means any property used in the active conduct of an enterprise zone business.

"(2) TERMINATION OF ENTERPRISE ZONE.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) RELATED PERSONS.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of title VI of the Economic Growth and Family Tax Freedom Act of 1991, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) GENERAL RULE.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE EMPLOYEE.—The term 'enterprise zone employee' means an individual—

"(A) performing services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal government, any State government or subdivision thereof, or any local government.

"(2) WAGES.—The term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) QUALIFIED WAGES.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) LIMITATIONS.—

"(1) PHASE-OUT OF CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (c)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) CREDIT TREATED AS SUBPART C CREDIT.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of this chapter.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) DEFINITION.—For purposes of this section—

"(1) IN GENERAL.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to periods of use in an enterprise zone business.

"(2) LIMITATIONS.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collectibles (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) BASIS.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) GENERAL RULE.—At the election of any individual, the aggregate amount paid by such taxpayer during the taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) LIMITATIONS.—

"(1) CEILING.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $100,000 for any taxable year, nor $500,000 during the taxpayer's lifetime.

"(A) EXCESS AMOUNTS.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) RELATED PERSON.—

"(A) IN GENERAL.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in subsection (b)(1).

"(B) EXCESS AMOUNTS.—The limitations described in subsection (b)(1) shall be allocated among the taxpayer and related persons in accordance with their respective purchases of enterprise zone stock.

"(3) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (b)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(c) DISPOSITIONS OF STOCK.—

"(1) GAIN TREATED AS ORDINARY INCOME.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 5 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined under subparagraph (B).

"(B) ADDITIONAL AMOUNT.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disposed of.

"(d) DISQUALIFICATION.—

"(1) ISSUER OR STOCK CEASES TO QUALIFY.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle other than paragraph (2) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) SPECIAL RULES.—

"(A) LIQUIDATION.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) TERMINATION OF ENTERPRISE ZONE.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) PARTIAL DISQUALIFICATION.—Where some, but not all, of the property acquired by the issuer with the proceeds of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated among enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) ADDITIONAL AMOUNT.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disqualified.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE STOCK.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months followed issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any subchapter C corporation which—

"(i) does not have more than one class of stock,

"(ii) is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) does not own or lease more than $50,000,000 of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of such corporation is owned by individuals, partnerships, estates or trusts.

"(B) LIMITATION ON TOTAL ISSUANCES.—A qualified issuer may issue no more than an aggregate of $50,000,000 of enterprise zone stock.

"(C) AGGREGATION.—For purposes of applying the limitations under paragraph (2), the issuer and all related persons shall be treated as one person.

"(3) AMOUNT PAID.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidences of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) ISSUANCES IN EXCHANGE FOR PROPERTY.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchapter C of this chapter to the contrary—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) LIMITATIONS ON ASSESSMENT AND COLLECTION.—If a taxpayer elects the deduction under subsection (a) for any taxable year, then—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCE.—

For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56."

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (23); by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a)."

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"SUBCHAPTER U. Enterprise zones."

SEC. 612. CORPORATE ALTERNATIVE MINIMUM TAX.

Section 56(g)(4)(B) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISE ZONE CAPITAL GAIN.—Clause (i) shall not apply in the case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income."

SEC. 613. ADJUSTED GROSS INCOME DEFINED.

Section 62(a) (relating to the definition of adjusted gross income) is amended by inserting after paragraph (13) the following new paragraph:

"(14) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394."

SEC. 614. EFFECTIVE DATE.

The amendments made by this subtitle shall apply to taxable years ending after December 31, 1991.

Subtitle C—Regulatory Flexibility

SEC. 621. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 1392(b)(1) of such Code)."

SEC. 622. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirements of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title."

(b) The analysis for chapter 6 of title 5, United States Code, is amended by redesignating the items relating to sections 611 and 612 as items relating to sections 612 and 613, respectively, and by inserting after the item relating to section 610 the following new item:

"611. Waiver or modification of agency rules in enterprise zones."

(c) Section 601(2) of such title 5 is amended by inserting "(except for purposes of section 611" immediately before "means".

(d) Section 613 of such title 5, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter"; and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. 623. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local coordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue Code of 1986.

Subtitle D—Establishment of Foreign-Trade Zones in Enterprise Zones

SEC. 631. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

Subtitle E—Repeal of Title VII of the Housing and Community Development Act of 1987

SEC. 641. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

COMPREHENSIVE DEPOSIT INSURANCE REFORM AND TAXPAYER PROTECTION ACT

D'AMATO AMENDMENT NO. 1337

(Ordered to lie on the table.)

Mr. D'AMATO submitted an amendment intended to be proposed by him to the bill, S. 543, supra, as follows:

At the appropriate place in the bill, insert the following:

TITLE I—FORFEITURE PROCEDURES IN MONEY LAUNDERING CASES

SEC. 101. JURISDICTION IN CIVIL FORFEITURE CASES.

(A) IN GENERAL.—Section 1355 of title 28, United States Code, is amended by designating the existing matter as subsection (a), and by adding the following new subsections:

"(b)(1) A forfeiture action or proceeding may be brought in the district court for the district in which any of the acts or omissions giving rise to the forfeiture occurred, or in any other district where venue for the forfeiture action or proceeding is specifically provided by section 1395 of this title or any other statute.

"(2) Whenever property subject to forfeiture under the laws of the United States is located in a foreign country, or has been detained or seized pursuant to legal process or competent authority of a foreign government, an action or proceeding for forfeiture may be brought as provided in paragraph (1), or in the United States District Court for the District of Columbia.

"(c) In any case in which a final order disposing of property in a civil forfeiture action on proceeding is appealed, removal of the property by the prevailing party shall not deprive the court of jurisdiction. Upon motion of the appealing party, the district court or the court of appeals shall issue any order necessary to preserve the right of the appealing party to the full value of the property at issue, including a stay of the judgment of the district court pending appeal or requiring the prevailing party to post an appeal bond.".

SEC. 102. CIVIL FORFEITURE OF FUNGIBLE PROPERTY.

(a). Chapter 46 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 984. Civil Forfeiture of Fungible Property.

"(a) This section shall apply to any action for forfeiture brought by the United States.

"(b) In any forfeiture action *in rem* in which the subject property is cash, monetary instruments in bearer form, funds deposited in an account in a financial institution, or other fungible property, it shall not be necessary for the government to identify the specific property involved in the offense that is the basis for the forfeiture, nor shall it be a defense that the property involved in such an offense has been removed and replaced by identical property. Except as provided in subsection (c), any identical property found in the same place or account as the property involved in the offense that is the basis for the forfeiture shall be subject to forfeiture under this section.

"(c) No action pursuant to this section to forfeit property not traceable directly to the offense that is the basis for the forfeiture may be commenced more than two years from the date of the offense.

"(d) No action pursuant to this section to forfeit property not traceable directly to the offense that is the basis for the forfeiture may be taken against funds deposited by a financial institution (as defined in section 20 of this title) into an account with another financial institution unless the depositing institution knowingly engaged in the offense that is the basis for the forfeiture.".

(b) The amendments made by this section shall apply retroactively.

(c) The chapter analysis for chapter 46 of title 18, United States Code, is amended by adding at the end the following:

"984. Civil forfeiture of fungible property.".

SEC. 103. ADMINISTRATIVE SUBPOENAS.

(a) IN GENERAL.—Chapter 46 of title 18, United States Code, is amended by adding at the end the following new section:

"985. Administrative Subpoenas

"(a) (1) For the purpose of conducting a civil investigation in contemplation of a civil forfeiture proceeding under this title or the Controlled Substances Act, the Attorney General may—

"(A) administer oaths and affirmations;

"(B) take evidence; and

"(C) by subpoena, summon witnesses and require the production of any books, papers, correspondence, memoranda, or other records which the Attorney General deems relevant or material to the inquiry. Such subpoena may require the attendance of witnesses and the production of any such records from any place in the United States at any place in the United States designated by the Attorney General.

"(2) The same procedures and limitations as are provided with respect to civil investigative demands in subsections (g), (h), and (j) of section 1968 of title 18, United States Code, apply with respect to a subpoena issued under this subsection. Process required by such subsections to be served upon the custodian shall be served on the Attorney General. Failure to comply with an order of the court to enforce such subpoena shall be punishable as contempt.

"(3) In the case of a subpoena for which the return date is less than 5 days after the date of service, no person shall be found in contempt for failure to comply by the return date if such person files a petition under paragraph (2) not later than 5 days after the date of service.

"(4) a subpoena may be issued pursuant to this subsection at any time up to the commencement of a judicial proceeding under this section."

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 46 of title 18, United States Code is amended by adding the following:

"985. Administrative Subpoenas."

SEC. 104. PROCEDURE FOR SUBPOENAING BANK RECORDS

(a) IN GENERAL.—Chapter 46 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 986. Subpoenas for Bank Records.

"(a) At any time after the commencement of any action for forfeiture brought by the United States under this title or the Controlled Substances Act, any party may request the Clerk of the Court in the district in which the proceeding is pending to issue a subpoena duces tecum to any financial institution, as defined in 31 U.S.C. 5312(a), to produce books, records and any other documents at any place designated by the requesting party. All parties to the proceeding shall be notified of the issuance of any such subpoena. The procedures and limitations set forth in section 985 of this title shall apply to subpoenas issued under this section.

"(b) Service of a subpoena issued pursuant to this section shall be by certified mail. Records produced in response to such a subpoena may be produced in person or by mail, common carrier, or such other method as may be agreed upon by the party requesting the subpoena and the custodian of records. The party requesting the subpoena may require the custodian of records to submit an affidavit certifying the authenticity and completeness of the records and explaining the omission of any records called for in the subpoena.

"(c) Nothing in this section shall preclude any party from pursuing any form of discovery pursuant to the Federal Rules of Civil Procedure."

(b) Conforming Amendment.—The chapter analysis for chapter 46 of title 18, United States Code, is amended by adding at the end the following:

"986. Subpoena for Bank Records."

TITLE II—MONEY LAUNDERING

SEC. 201. DELETION OF REDUNDANT AND INADVERTENTLY LIMITING PROVISIONS IN 18 U.S.C. 1956.

Section 1956(c)(7)(D) of title 18, United States Code, is amended—

(1) by striking "section 1341 relating to mail fraud) or section 1343 (relating to wire fraud) affecting a financial institution, section 1433 (relating to bank fraud),"; and

(2) by striking "section 1822 of the Mail Order Drug Paraphernalia Control Act (100 Stat. 3207–51; 21 U.S.C. 857)" and inserting "section 422 of the Controlled Substances Act".

SEC. 202. USE OF GRAND JURY INFORMATION FOR BANK FRAUD AND MONEY LAUNDERING FORFEITURES.

Section 3322(a) of title 18, United States Code, is amended—

(1) by striking "section 981(a)(1)(C)" and inserting "section 981(a)(1)"; and

(2) by inserting "or money laundering" after "concerning a banking law".

SEC. 203. STRUCTURING TRANSACTIONS TO EVADE CMIR REQUIREMENTS.

(a) Section 5324 of title 31, United States Code, is amended—

(1) by designating the existing provisions as subsection (a);

(2) by adding at the end the following new subsection:

"(b) No person shall for the purpose of evading the reporting requirements of section 5316—

"(1) fail to file a report required by section 5316, or cause or attempt to cause a person to fail to file such a report;

"(2) file or cause or attempt to cause a person to file a report required under section 5316 that contains a material omission or misstatement of fact; or

"(3) structure or assist in structuring, or attempt to structure or assist in structuring, any importation or exportation of monetary instruments.".

(b) Conforming Amendment.—Section 5321(a)(4)(C) of title 31, United States Code, is amended by striking "under section 5317(d)".

(c) Forfeiture.—(1) Section 981(a) of title 18, United States Code, is amended by striking "5324" and inserting "5324(a)"; and

(2) Section 5317(c) of title 31, United States Code, is amended by inserting after the first sentence the following: "Any property, real or personal, involved in a transaction or attempted transaction in violation of section 5324(b), or any property traceable to such property, may be seized and forfeited to the United States Government."

SEC. 204. DISCLOSURE OF GEOGRAPHIC TARGETING ORDER.

Section 5326 of title 31, United States Code, is amended by adding the following new subsection:

"(c) No financial institution or officer, director, employee or agent of a financial institution subject to an order under this section may disclose the existence of our terms of the order to any person except as prescribed by the Secretary."

SEC. 205. CLARIFICATION OF DEFINITION OF FINANCIAL INSTITUTION IN 18 U.S.C. 1956 AND 1957.

(a) Section 1957(f)(1) of title 18, United States Code, is amended by striking "financial institution (as defined in section 5312 of title 31)" and inserting in lieu thereof "financial institution (as defined in section 1956)".

(b) Section 1956(c)(6) of title 18, United States Code, is amended by striking "and the regulations" and inserting in lieu thereof "or the regulations".

SEC. 206. DEFINITION OF FINANCIAL TRANSACTION IN 18 U.S.C. 1956 AND 1957.

(a) Definition of Financial Transaction.—Section 1956(c)(4)(A) of title 18, United States Code, is amended—

(1) by inserting after "monetary instruments" the following: "; or (iii) involving the transfer of title to any real property, vehicle, vessel, or aircraft,"; and

(2) by striking ", which in any way or degree affects interstate or foreign commerce," and inserting that same stricken language after "a transaction".

(b) Definition of Transaction.—Section 1956(c)(3) of title 18, United States Code, is amended by inserting "use of a safe deposit box," before "or any other payment".

(c) Definition of Monetary Transaction.—Section 1957(f)(1) of title 18, United States Code, is amended by inserting ", including any transaction that would be a financial transaction under section 1956(c)(4)(B)," before "but such term does not include".

SEC. 207. OBSTRUCTING A MONEY LAUNDERING INVESTIGATION.

Section 1510(b)(3)(B)(i) is amended by striking "or 1344" and inserting in lieu thereof ", 1344, 1956, 1957, or chapter 53 of title 31 (31 U.S.C. 5311 et seq.)".

SEC. 208. AWARDS IN MONEY LAUNDERING CASES.

Section 524(c)(1)(B) of title 28, United States Code, is amended by inserting "or of sections 1956 and 1957 of title 18, sections 5313, and 5324 of title 31, and section 6050I of title 26, United States Code" after "criminal drug laws of the United States".

SEC. 209. PENALTY FOR MONEY LAUNDERING CONSPIRACIES.

Section 1956 of title 18, United States Code, is amended by inserting at the end the following new subsection:

"(g) Any person who conspires to commit any offense defined in this section or section 1957 shall be subject to the same penalties as those prescribed for the offense the commission of which was the object of the conspiracy.".

SEC. 210. TECHNICAL AND CONFORMING AMENDMENTS TO MONEY LAUNDERING PROVISION.

(a) Paragraph (a)(2) and subsection (b) of section 1956 of title 18, United States Code, are amended by striking "transportation" each place it appears and inserting in lieu thereof "transportation, transmission, or transfer";

(b) Subsection (a)(3) of section 1956 of title 18, United States Code, is amended by striking "represented by a law enforcement officer" and inserting in lieu thereof "represented".

SEC. 211. PRECLUSION OF NOTICE TO POSSIBLE SUSPECTS OF EXISTENCE OF A GRAND JURY SUBPOENA FOR BANK RECORDS IN MONEY LAUNDERING AND CONTROLLED SUBSTANCE INVESTIGATIONS.

Section 1120(b)(1)(A) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3420(b)(1)(A)) is amended by inserting before the semicolon "or crime involving a violation of the Controlled Substance Act, the Controlled Substance Import and Export Act, sections 1956 or 1957 of title 18, sections 5313, 5316 and 5324 of title 31, or section 6050I of title 26, United States Code".

SEC. 212. DEFINITION OF PROPERTY FOR CRIMINAL FORFEITURE

Section 982(b)(1)(A) of title 18, United States Code, is amended by striking "(c)" and inserting "(b), (c)".

SEC. 213. EXPANSION OF MONEY LAUNDERING AND FORFEITURE LAWS TO COVER PROCEEDS OF CERTAIN FOREIGN CRIMES.

(a) Sections 981(a)(1)(B) and 1956(c)(7)(B) of title 18, United States Code, are each amended by—

(1) inserting "(i)" after "against a foreign nation involving"; and

(2) inserting "(ii) kidnapping, robbery, or extortion, or (iii) fraud, or any scheme or attempt to defraud, by or against a foreign bank (as defined in paragraph 7 of section 1(b) of the International Banking Act (12 U.S.C. §3101(7)))" after "Controlled Substances Act)".

(b) All amendments to the civil forfeiture statute, section 981 of title 18, United States Code, in this section and elsewhere in this Act shall apply retroactively.

SEC. 214. ELIMINATION OF RESTRICTION ON DISPOSAL OF JUDICIALLY FORFEITED PROPERTY BY THE TREASURY DEPARTMENT AND THE POSTAL SERVICE.

Section 981(e) of title 18, United States Code, is amended by striking "The authority granted to the Secretary of the Treasury and the Postal Service pursuant to this subsection shall apply only to property that has been administratively forfeited."

SEC. 215. NEW MONEY LAUNDERING PREDICATE OFFENSES.

Section 1956(c)(7)(D) of title 18, United States Code, is amended—

(1) by deleting "or" before "section 16" and inserting the following before the semicolon: ", any felony violation of section 9(c) (relating to food stamp fraud) of the Food Stamp Act of 1977 (7 U.S.C. § 2018(c)) involving a quantity of coupons having a value of not less than $5,000, or any felony violation of the Foreign Corrupt Practices Act (15 U.S.C. § 78dd–1 et seq.)"; and

(2) by inserting "section 1708 (theft from the mail)," before "section 2113".

TITLE III—BANK SECRECY AND RIGHT TO FINANCIAL PRIVACY AMENDMENTS

SEC. 301. AMENDMENTS TO THE BANK SECRECY ACT.

(a) Section 5324 of title 31, United States Code, is amended by adding the words "or section 5325 or the regulations thereunder" after the words "section 5318(a)," each time they appear.

(b) Section 5318 of title 31, United States Code is amended by adding new subsections (g) and (h), as follows:

"(g)(1) the Secretary may prescribe that financial institutions report suspicious transactions relevant to possible violation of law or regulation.

"(2) A financial institution may not notify any person involved in the transaction that the transaction has been reported.

"(3) Any financial institution, or officer, employee, or agent thereof, making a voluntary disclosure of any possible violation of law or regulation or a disclosure pursuant to this subsection or any other authority, shall not be liable to any person under any law or regulation of the United States or any constitution, law or regulation of any state or political subdivision thereof, for such disclosure or for any failure to notify the customer or any person of such disclosure or for refusal to do business with any person before or after disclosure of a possible violation of law or regulation made in good faith to a Government authority. This subsection shall not apply to financial institutions subject to the provisions of section 1103(c) of the Right to Financial Privacy Act of 1978, 12 U.S.C. 3403(c)."

"(h) In order to guard against money laundering through financial institutions, the Secretary may require financial institutions to have anti-money laundering programs, including at a minimum, the development of internal policies, procedures and controls, designation of a compliance officer, an ongoing employee training program, and an independent audit function to test the program. The Secretary may promulgate minimum standards for such procedures.".

(c) Section 5321(a)(5)(A) of title 31, United States Code, is amended by adding "or any person willfully causing" after "willfully violates".

(d) Section 5322 of title 31, United States Code, is amended adding "or section 5318(g)(1)" after "under section 5315," each time it appears.

(e) Section 1829b(j)(1) of title 12, United States Code, is amended by adding "or any person who willfully causes such a violation" after "gross negligence violates".

(f) Section 1955 of title 12, United States Code, is amended by adding "or any person willfully causing a violation of the regulation" after "applies".

(g) Section 1957 of title 12, United States Code, is amended by adding "or willfully causes a violation" after "whoever willfully violates".

SEC. 302. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT.

(a) Section 1103(a) of the Right to Financial Privacy Act of 1978, (Title XI of Public Law 95-630, as amended, 12 U.S.C. 3403 (c)), is amended—

(1) by deleting the words "in this chapter"; and

(2) adding the words "With respect to a customer" at the beginning of the second sentence.

(b) Section 1112 of the Right to Financial Privacy Act of 1978 (Title XI of Public Law 95-630, as amended, 12 U.S.C. 3412) is amended—

(1) in paragraph (f)(1), by adding the words "or Secretary of the Treasury" after words "Attorney General";

(2) in paragraph (f)(1)(A) by adding the words "and in the case of the Secretary of the Treasury, a money laundering violation or violation of Chapter 53 of title 31, United States Code" after the word "law";

(3) in paragraph (f)(2) adding the words "Department of the Treasury" after the words "Department of Justice"; and

(4) by adding a new subsection (g) as follows: "(g) Financial records originally obtained by an agency in accordance with this chapter may be transferred to the Secretary of the Treasury for analysis and use by the Financial Crimes Enforcement Network ("FinCEN") for criminal law enforcement purposes without customer notices."

Mr. D'AMATO. Mr. President, I am today submitting an amendment relative to money laundering and I ask unanimous consent that an analysis of the amendment be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION ANALYSIS OF MONEY LAUNDERING IMPROVEMENTS ACT OF 1991

SECTION 101

Title 28, Section 1355, gives the district courts subject matter jurisdiction over civil forfeiture cases. The venue statutes for forfeiture actions provide for venue in the district in which the subject property is located, 28 U.S.C. §1395, or in the district where a related criminal action is pending, 18 U.S.C. §981(h). But no statute defines when a court has jurisdiction over the property that is the subject of the suit. *See United States v. 23,481*, 740 F. Supp. 950 (E.D.N.Y. 1990). This omission has resulted in unnecessary confusion and repetitive litigation of jurisdictional issues, *see, e.g., United States v. 10,000 in U.S. Currency*, 860 F. 2d 1511 (9th Cir. 1988); *United States v. Premises Known as Lots 50 & 51*, 681 F. Supp. 309 (E.D.N.C. 1988), and results in the government's having to file multiple forfeiture actions in different districts in the same case in order to satisfy jurisdictional requirements.

This provision, styled as an amendment to 28 U.S.C. §1355, resolves these issues for all forfeiture actions brought by the government.

Subsection (b)(1) sets forth as a general rule that jurisdiction for an *in rem* action lies in the district in which the acts giving rise to the forfeiture were committed. This would be a great improvement over current law which requires the government to file separate forfeiture actions in each district in which the subject property is found, even if all of the property represents the proceeds of criminal activity committed in the same place. (For example, if a Miami-based drug dealer launders his money by placing it in bank accounts in six states, the government would have to institute six separate forfeiture actions under §981 to recover the money.)

Under the early *in rem* cases, jurisdiction was proper only in the district where the property was "located." *See Pennington v. Fourth National Bank*, 243 U.S. 269, 272 (1917). This doctrine has been substantially eroded in recent years; and at least one court has speculated that the "minimum contacts" test of *International Shoe* may have completely replaced the territoriality question as a basis for the court's *in rem* jurisdiction. *See United States v. $10,000 in U.S. Currency, supra.* In any event, to the extent that the doctrine remains viable, it has generated litigation over various issues, such as the "location" of money seized in one district and deposited in an account in another district during the pendency of the forfeiture action. *See United States v. $23,481*, 740 F. Supp. 950.

Subsection (b)(1) resolves these issues by providing that the court in the district where the acts giving rise to the forfeiture occurred has jurisdiction over the forfeiture action. The subsection also makes clear this provision is not intended to affect jurisdiction based on the venue-for-forfeiture statutes that Congress has previously enacted or may enact in the future. For example, 28 U.S.C. §1395 provides for venue wherever the property is located, and 18 U.S.C. §981(h) and 21 U.S.C. §881(j) provide for venue in a civil forfeiture case in the district where a related criminal prosecution is pending. Although they do not say so explicitly, those statutes apply not only to venue but also to jurisdiction, since it would make no sense for Congress to provide for venue in a district without intending to give the court in that district jurisdiction as well. *See* 130 Cong. Rec., daily ed., January 26, 1984, at S267 (statement of Senator Laxalt explaining venue-for-forfeiture provision in 21 U.S.C. §881(j)).

Subsection (b)(1) thus makes clear that these venue-for-forfeiture statutes also give the court in the relevant district jurisdiction over the defendant property even if the property was not seized in that district and is not located there. *See Premises Known as Lots 50 & 51*, 681 F. Supp. at 311–13 (discussing constitutionality of this approach under 21 U.S.C. §881(j)).

Subsection (b)(2) addresses a problem that arises whenever property subject to forfeiture under the laws of the United States is located in a foreign country. As mentioned, under current law, it is probably no longer necessary to base *in rem* jurisdiction on the location of the property if there have been sufficient contacts with the district in which the suit is filed. *See United States v. $10,000 in U.S. Currency, supra.* No statute, however, says this, and the issue has to be repeatedly litigated whenever a foreign government is willing to give effect to a forfeiture order issued by a United States court and turn over seized property to the United States if only the United States is able to obtain such an order.

Subsection (b)(2) resolves this problem by providing for jurisdiction over such property in the United States District Court for the District of Columbia, in the district court for the district in which any of the acts giving rise to the forfeiture occurred, or in any other district where venue would be appropriate under a venue-for-forfeiture statute. If the acts giving rise to the forfeiture occurred in more than one district, as would commonly occur in a money laundering case, for example, jurisdiction would lie in any of those districts or in the District of Columbia.

Finally, subsection (c) addresses a recurring problem involving appeals in civil forfeiture actions. The question has two parts: (1) whether the removal of the *res* from the jurisdiction of the court following the entry of the district court order deprives the appellant court of jurisdiction over the appeal; and (2) whether the appellate court should take steps to ensure that the property is not diminished in value, taken out of the country, or otherwise made unavailable to the appellant in the event the appeal results in the reversal of the district court's judgment. *See United States v. Parcel of Land (Woburn City Athletic Club, Inc.),* F2d , No. 90-1752 (1st Cir. Mar. 12, 1991), slip op. 6-9 (discussing but not deciding whether appellate court retains jurisdiction when district court does not stay forfeiture order and no longer has control over *res*).

The first sentence in subsection (c) resolves the first issue by providing without exception that an appellate court is not deprived of jurisdiction over an otherwise proper appeal simply because the *res* has been removed from the jurisdiction. This will allow successful claimants the use of their property pending appeal, and will allow the government to move the property for storage or investment purposes, without depriving the losing party of his appellate rights. The second sentence provides, however, that the appellate court is obliged to take whatever steps it deems necessary, including ordering the stay of the district court order or requiring the appellant to post an appeal bond, to ensure that while the appeal is pending, the party exercising control over the property does not take any action that would deprive the appellant of the full value of the property should the district court's judgment be reversed. The types of actions that the appellant court must seek to protect against are those listed in 21 U.S.C. §853(p).

SECTION 102

In 1986, Congress amended the criminal forfeiture statute, 21 U.S.C. §853, to authorize the forfeiture of substitute assets. *See* Section 1153(b), Anti-Drug Abuse Act of 1986, Pub. L. 99-570, 100 Stat. 3207-13. This provision, added as a new subsection (p), applies whenever property otherwise subject to forfeiture is unavailable because it cannot be located, has been sold to a third party, has been placed beyond the jurisdiction of the court, has been diminished in value, or has been commingled with other assets. In such a case, the court is authorized to order the forfeiture of any other property of equal value. In 1988, an identical provision was added to the criminal forfeiture statute that governs forfeitures in money laundering cases, 18 U.S.C. 982(b). *See* Sections 6463-64, Anti-Drug Abuse Act of 1988, Pub. L. 100-690, 102 Stat. 4374-75.

In a criminal case, the purpose of forfeiture is to punish the defendant. It is an *in personam* action directed at the defendant personally to punish him for his criminal acts. The scope of the punishment is circumscribed by the value of the property involved in or acquired through the commission of the criminal acts, but there is no reason why the punishment can be imposed only through the forfeiture of a specific piece of property. The forfeiture of any property of equal value imposes the same punishment fairly and effectively. If this were not the rule, a defendant could escape the punishment of forfeiture merely by, for example, placing certain property out of the reach of the court or commingling it with other property so that it could not easily be identified. Under the 1986 and 1988 amendments, the court can insure that the appropriate punishment is imposed irrespective of such attempts to avoid the consequences of criminal wrongdoing by ordering the forfeiture of some other property the defendant owns.

Forfeiture in a civil case is based on a different premise: It is intended not to punish a defendant; nor is it directed at any property owner personally. Rather it is an *in rem* action directed at a specific piece of property involved in criminal wrongdoing. In a civil forfeiture case, the property involved in a criminal offense is itself considered "guilty" and is forfeitable to the government regardless of the guilt or innocence of its owner. Thus it normally would be inconsistent with the theory of civil forfeiture to allow a court to order forfeiture of a substitute asset. In other words, if the theory underlying the forfeiture is that a specific piece of property is "guilty" and therefore forfeitable regardless of who its owner may be, it would make no sense for the government to order the forfeiture of another "innocent" asset when the guilty one is unavailable.

For this reason, the 1986 and 1988 substitute asset amendments applied only to the criminal forfeiture statutes, and not to the civil forfeiture statutes. That distinction should be maintained; but there are instances where strict adherence to the notion of forfeiture in civil cases only of identifiable "guilty" property makes no sense.

In the case of discrete tangible property, such as a car or a boat or piece of real estate, the government should be limited in a civil case only to the forfeiture of the property actually involved in the criminal offense. If that property is unavailable, or is diminished in value, the government is simply "out of luck" since it is title to the property, not punishment of its owner, that the government has a right to pursue.

But in cases where the property is fungible, the government should be able to pursue title to the property without having to identify the specific item or items actually involved in an offense. In a case involving a quantity of cash, for example, that had been commingled with other cash, or kept in a place where identical quantities of cash were constantly being added and subtracted, the government could no more identify the specific dollar bills subject to forfeiture than it could identify a specific ton of grain in a grain elevator or a specific pile of bricks in a brickyard. In such a case, the government should be able to obtain title through civil forfeiture to the identical property found in the place where the "guilty" property had been kept.

The courts have recognized the soundness of this argument. In *United States v. Banco Cafetero Panama*, 797 F.2d 1154 (2d Cir. 1986), For example, the Second Circuit held that where funds deposited in a certain bank account were subject to civil forfeiture, the government could assume that the "guilty" property remained in the account, notwithstanding subsequent deposits and withdrawals, as long as the balance in the account always remained greater than or equal to the sum subject to forfeiture. *Id.* at 1160. In that case, however, the court based its holding on accepted accounting principles—such as the theory of "first in, last out"—rather than on any statutory authority that would be applicable to all cases involving fungible property. Experience has shown that this approach is inadequate to protect the property rights of the government in such cases.

Consider, for example, the case of a bank account involved in a money laundering scheme. Under 18 U.S.C. §981, all property involved in money laundering is forfeitable to the United States. *United States v. All Monies*, 754 F. Supp. 1467 (D. Haw. 1991.) Thus if a money laundering offense involving a million dollars occurs on January 1, and the laundered money is deposited into a given bank account on that date, the government may seize the million dollars from the account as soon as it is deposited. Under *Banco Cafetero*, the government may still seize the million dollars a month later even if it can be shown that during the month of January there were numerous other deposits and withdrawals as long as the balance never fell below one million dollars. This is because the government is entitled to assume that the first deposit—the million dollars in laundered money—remains in the account until the last withdrawal is made.

The clever money launderer, however, being aware of the limitations of the accounting theories underlying cases such as *Banco Cafetero*, will choose to place his laundered funds in accounts where the balance is highly volatile. For example, he may place the laundered funds in an account held by a money exchanger where, because of the nature of the business, the balance may vary from zero to a million dollars several times a week; yet in that case, the launderer may be assured that his money will still be available when he wants it because the balance in the account is sure to rise again to the million dollar level. Thus, to continue the above example, if a million dollars in laundered drug money is deposited into a volatile bank account on January 1, and the balance in facts dips to zero several times during the month but returns to one million dollars by the first day of February, the million dollars is still available to the criminal money launderer, but it is not forfeitable to the government.

The above scenario illustrates a weakness in the *Banco Cafetero* holding that can easily be exploited by money launderers, drug traffickers, and others whose criminal proceeds are subject to civil forfeiture. There is no reason why fungible property, such as the balance in a bank account, should escape forfeiture simply because the property is capable of being moved in and out of the government's view with great rapidity. If despite the apparent disbursement of the property it remains, by its fungible nature, capable of being replaced or reconstituted in identical form at any time, it should remain subject to forfeiture. Any other rule merely rewards those who contrive sophisticated shell games to hide the whereabouts of criminally derived property.

The proposed amendment adds a new section 984 to the forfeiture chapter in title 18 that is applicable to any civil forfeiture action brought under title 18 or title 21, including violations of the Bank Secrecy Act punishable by 31 U.S.C. §5322 for which forfeiture actions are undertaken pursuant to 18 U.S.C. §981. Sec 984 provides that in cases involving fungible property, property is subject to forfeiture if it is identical to otherwise forfeitable property, is located or maintained in the same way as the original forfeitable property, and not more than one year has passed between the time the original property subject to forfeiture was so located or maintained and the time the forfeiture action was initiated by seizing the property or filing the complaint, regardless of whether or not the fungible property was continuously present or available between the time it became forfeitable and the time it was seized. (The time limitation is considered necessary to ensure that the property forfeited has a reasonable nexus to the offense giving rise to the original action for forfeiture.)

Thus under the amendment, a million dollars in laundered drug money that is deposited into a bank account on January 1, would be forfeitable from that account any time within the ensuing year that the balance in the account was at least one million dollars, even if, at various times in the interim, the balance fluctuated above and below the million dollar levels. Once a year had passed, however, the government could no longer reasonably claim that the million dollars in the account was the same money that was originally forfeitable, and the forfeiture action could not be maintained.

The provision in subsection (d) carves out a very narrow exception that precludes use of section 984 to forfeit assets held in a clearing account that one bank maintains at another bank. This exception would not apply, however, where the depositing bank itself was engaged in the offense giving rise to the forfeiture action. As is the case with other affirmative defenses available to third parties in forfeiture law, the claimant would bear the burden of proof in establishing the applicability of this provision. *See* 18 U.S.C. §981(a)(2) & (d).

The retroactive application of these amendments, as set forth in subsection (b), is in keeping with the normal rule for construing amendments to civil statutes. *See United States v. $5,644,540*, 799 F.2d 1357, 1364 n.8 (9th Cir. 1986) (*ex post facto* clause does not apply to civil forfeiture case).

SECTION 103

This gives the Attorney General the means, by way of an administrative subpoena, to acquire evidence in contemplation of a civil forfeiture action brought under title 18 or title 21. Its provisions are taken verbatim from Section 951 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") (12 U.S.C. 1833a), Pub. L. 101–73, and it is intended to give the Attorney General the means to gather evidence in contemplation of a civil forfeiture action in a money laundering case in the same way that he may presently gather evidence in contemplation of civil enforcement action in a FIRREA case.

As Congress recognized in enacting Section 951 of FIRREA two years ago, such subpoena authority is necessary because in the context of a civil law enforcement action there is no procedure analogous to the issuance of a grand jury subpoena that allows the government to gather evidence before the filing of a complaint.

There is a ample precedent for this proposal In RICO, for example, 18 U.S.C. §1968 provides for the issuance of a civil investigative demand to allow the government to gather evidence in contemplation of bringing a civil RICO suit. That provision was drawn from the Anti-Trust Civil Process Act, 15 U.S.C. §§1311–1314,[1] and was in turn the basis for §951 in FIRREA. Because the language of the present section is taken directly from FIRREA, the same limitations would apply to subpoenas issued in civil forfeiture investigations in money laundering cases as apply to civil enforcement of the bank fraud statutes.

SECTION 104

This provision simplifies the procedure for gathering bank records once a complaint is filed in any civil forfeiture case.

In a typical case, a wrongdoer such as a money launderer or drug trafficker, will place his illegally obtained property in bank accounts in numerous locations, often in a number of different states or districts. Presently, once a civil forfeiture complaint is filed, records pertaining to such accounts, or any other accounts that might be relevant to the forfeiture action, can be obtained only through the discovery process under the Federal Rules of Civil Procedure which requires the government to obtain a separate subpoena for the records in each and every one of the judicial districts in which the banks holding the records are located.

Thus if a forfeiture action is filed in Texas, but records relevant to the case are held by banks in Miami, New York, and Los Angeles, the United States Attorney in Texas has to seek the issuance of subpoenas *duces tecum* by courts in Florida, New York, and California in order to obtain the records needed in the Texas action. This is because Rule 45, Fed. R. Civ. Pro., contemplates the issuance of a subpoena *duces tecum* only in the context of the taking of a deposition, and it requires that the subpoena be issued in the district where the deposition is to be taken.

In most civil forfeiture cases, there is no need to take the deposition of the custodian of bank records, and it is unnecessarily burdensome to have the subpoena issued by the court in the district where the bank is located when the forfeiture action is pending in some other district.

The proposed amendment would provide for the issuance of a subpoena *duces tecum* for bank records by the Clerk of the Court in the district where the forfeiture action was pending. Any party to the action could request the issuance of such a subpoena and would be required to give notice to all other parties. The final subsection makes clear that this section is intended to complement the discovery rules set forth in the Federal Rules of Civil Procedure and does not preclude any party from pursuing discovery under those Rules.

SECTION 201

Section 2706 of the Crime Control Act of 1990 added several bank fraud offenses to the definition of specified unlawful activity in §1956(c)(7)(D). The additions included 18 U.S.C. §§1005–07 and 1014. Unfortunately, this amendment contained another provision that could cause major problems in money laundering cases involving the proceeds of mail and wire fraud offenses.

Currently, under §1956(c)(7)(A), all RICO predicates are included in the definition of "specified unlawful activity". Because mail and wire fraud and RICO predicates, the laundering of the proceeds of *any* mail or wire fraud offense is currently prosecutable under §§1956 and 1957.

The 1990 amendment, however, added mail and wire fraud offenses "affecting a financial institution" to the definition of specified unlawful activity. The context of the amendment makes clear that it was the intent of Congress to *expand* the money laundering statute to cover banking crimes. *See Congressional Record*, daily ed., July 31, 1990, at H6005 (explaining section 106 of H.R. 5401 and indicating that new predicate offenses were being *added*, not limited). Unfortunately, the wording of the amendment will allow some defendants to argue that Congress could not have intended to pass a meaningless statute and that it therefore must have intended to *restrict* the money laundering statute only to those fraud offenses affecting financial institutions. If that interpretation were to be accepted by a court, the result would be to exempt the laundering of the proceeds of many white collar crimes and public corruption offenses from prosecution under the money laundering statute.

This amendment makes clear that Congress' clear intent in enacting the savings and loan provisions in the 1990 Crime Control Act was to *enhance* prosecutorial authority, not restrict it, and that therefore the amendment to §1956(c)(7)(D) was a drafting error that was not intended to affect the inclusion of all mail and wire fraud offenses as money laundering predicates under §1956(c)(7)(A). The amendment also strikes the duplicate reference to 18 U.S.C. §1344 as that section is also already a money laundering predicate under §1956(c)(7)(A).

Finally, this section amends the reference to the drug paraphernalia statute to conform to the redesignation of that statute as part of the controlled Substances Act by section 2401 of the Crime Control Act of 1990.

SECTION 202

This section amends a provision in the FIRREA Act of 1989 to conform to forfeiture amendments relating to bank fraud and money laundering that were included in the Crime control Act of 1990.

Under current law, enacted in FIRREA in 1989, a person in lawful possession of grand jury information concerning a banking law violation may disclose that information to an attorney for the government for use inconnection with a civil forfeiture action under 18 U.S.C. §981(a)(1)(C). The purpose of this provision is to make it possible for the government to use grand jury information to forfeit property involved in a bank fraud violation; it does not permit disclosure to persons outside of the government, nor does it permit government attorneys to use the information for any other purpose. Rather, it merely recognizes civil forfeiture actions under §981 as part of any law enforcement action arising out of a criminal investigation.

The limitation to forfeiture under "§981(a)(1)(C)," however, is obsolete. At the time FIRREA was enacted, all forfeitures relating to bank fraud violations were brought under §981(a)(1)(C). In the Crime Control Act of 1990, however, Congress added paragraphs (D) and (E) to section 981(a)(1), relating to other bank fraud violations involving the Resolution Trust Corporation. The amendment strikes the reference to paragraph (C) so that disclosure under 18 U.S.C. §3322(a) will be permitted in regard to any forfeiture under any part of §981(a)(1) including money laundering forfeitures.

SECTION 203

This amendment is identical to the provision that passed both the House and Senate in the 101st Congress. *See* §810 of S. 3037, §32 of H.R. 5889.

In the Anti-Drug Abuse Act of 1986, Congress created 31 U.S.C. 5324, which made it a crime to structure a transaction for the purpose of evading a currency transaction reporting requirement. The amendment creates a parallel provision regarding the monetary instrument reports (commonly called "CMIRs") that must be filed whenever instruments having a value of more than $10,000 are imported or exported.

Under the new provision, codified as subsection (b) of §5324, it would be illegal to structure the importation or exportation of monetary instruments with the intent to evade the CMIR reporting requirement. As is the case presently for structuring cases involving currency transaction reports, the government would have to provide that the defendant knew of the existence of the CMIR reporting requirement, but it would not have to provide that the defendant knew that structuring itself had been made illegal. *United States v. Hoyland*, 903 F.2d 1288 (9th Cir. 1990).

The amendment made in subsection (b) is technical in nature and is intended to avoid a double penalty when forfeiture and other civil sanctions are applied to the same case.

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[1] *See* S. Rep. No. 91–617, 91st Cong., 1st Sess. 161 (1969). For a list of other statutes that authorize the gathering of evidence by means of an administrative subpoena, *see* H. Rep. No. 94–1343, 94th Cong., 2nd Sess. 22 n.2 reprinted in 1970 U.S. CODE & ADMIN. NEWS 2617.

The amendment in subsection (c) makes clear that civil forfeitures for CTR structuring offenses will continue to be covered by §981 of title 18, while civil forfeitures for CMIR offenses, including the new structuring offense, will continue to be covered by §5317 of title 31.

SECTION 204

This amendment passed the House and Senate in 1990 as §13 of H.R. 5889 and §204 of S. 3037. It corrects an oversight in §6185(c) the Anti-Drug Abuse Act of 1988, which authorized the Secretary of the Treasury to issue orders directing financial institutions in certain geographic areas to collect additional information regarding cash transactions, by providing a penalty for the disclosure of such orders.

SECTION 205

Currently, sections 1956 and 1957, the two principal money laundering statutes, contain different and possibly inconsistent definitions of the term "financial institution." Under §1957, a financial institution is any entity listed in 31 U.S.C. 5312. Under §1956, however, a financial institution is any entity listed in §5312 and the regulations promulgated by the Secretary of the Treasury pursuant to that statute. *See* 31 CFR §103.11(i) (1990). Moreover, it is unclear whether the reference to the regulations in §1956 is meant to limit the definition of "financial institution" to those entities that are listed in *both* the statute (i.e. 31 U.S.C. §5312) *and* the regulations, or whether Congress intended to include any entity referred to in *either* the statute *or* the regulations.

The amendment eliminates this confusion first by using the same definition of "financial institution" for both §1956 and §1957, and second by making clear that the definition includes any entity referred to in either 31 U.S.C. §5312 or the regulations promulgated thereunder.

SECTION 206

Section 1402 of the Crime Control Act of 1990 made several purely technical corrections to the definition of "financial transaction" in 18 U.S.C. §1956(c)(4). The present amendment makes several additional minor changes to clarify the scope of the statute.

Subsection (a) expands the definition of "financial transaction" to cover the transfer of title to real property, automobiles, boats, airplanes and other conveyances. This closes a loophole in section 1956 which allows someone to escape prosecution under the money laundering statute if he or she conceals or disguises the proceeds of unlawful activity by transferring title to property without receiving any funds or monetary instruments in return. The subsection also makes a conforming technical amendment, relocating the reference to interstate or foreign commerce to ensure grammatical clarity in light of the substantive amendment.

Subsection (b) makes a minor addition to the definition of "transaction" in §1956(c)(3). The phrase "use of a safe deposit box" is added to the portion of the definition relating to transactions affecting financial institutions to close a possible loophole in the law identified by the Seventh Circuit Court of Appeals in *United States v. Bell, F.2d* , 1991 WL 122386 (7th Cir. 7/10/91) (placing criminal proceeds in safe deposit box is not a financial transaction covered by the money laundering statute).

Finally, subsection (c) inserts a cross-reference in the definition of monetary transaction in §1957 to ensure that the amendment to the definition of financial transaction in §1956 with respect to transactions involving the use of financial institutions applies to §1957 as well.

SECTION 207

Under current law, 18 U.S.C. 1510(b), it is a crime for any employee of a financial institution to disclose the contents of a grand jury subpoena for bank records where the subpoena is issued in the course of an investigation of certain crimes. The crimes covered by this obstruction of justice statute are listed in 18 U.S.C. 1510(b)(3)(B). The amendment expands the list of covered offenses to include the federal money laundering statutes.

SECTION 208

This section is virtually identical to a provision that passed the Senate twice in the 101st Congress. *See* §701(a)(5) of S.1711; §1901(a)(5) of S.1970. It allows the Asset Forfeiture Fund to be used to pay awards for information relating to violations of the criminal money laundering laws. This amendment differs from the version that passed the Senate previously only in that in includes violations of 31 U.S.C. §5316 (relating to CMIR reports) and 26 U.S.C. §6050I (relating to Form 8300 reports) within the list of money laundering offenses.

SECTION 209

This amendment is virtually identical to an amendment introduced by Senator Biden that passed the Senate as §2437 of S.1970 in 1990. The amendment, which is modeled on the penalty provision for drug conspiracies in 21 U.S.C. §846, would make the penalty for money laundering conspiracy equivalent to the penalty for the substantive money laundering offense. The only difference between this provision and the Biden amendment is that this amendment would apply only to conspiracies and not to attempt offenses.

SECTION 210

This section includes two technical amendments passed by the Senate in 1990 as section 3722 of S.1970. The first amendment conforms the language in sections 1956(a)(2) and (b) to amendments made by section 6471 of the Anti-Drug Abuse Act of 1988, Pub. L. 100-690. That amendment clarified the scope of section (a)(2) to make clear that it covered not only physical "transportation" of property, but also the "transmission or transfer" of property, such as the transmission of funds by wire. The present amendment inserts "transmission or transfer" at the appropriate places in subsections (a)(2) and (b) so that they conform grammatically to the statute as amended in 1988.

The second amendment strikes redundant language in the "sting" provision enacted by section 6465 of the Anti-Drug Abuse Act of 1988.

SECTION 211

In the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Congress amended 12 U.S.C. 3420 to prohibit a financial institution from notifying a customer of the existence of a grand jury subpoena for records naming such customer (or any information furnished in response to the subpoena) in any case involving a crime against any financial institution or supervisory agency. Other provisions of the Right to Financial Privacy Act exempt grand jury subpoenas from the Act's mandatory notice-to-customer provisions (12 U.S.C. 3413(i)), but except for the limited FIRREA amendment described above, the statute fails to prohibit a financial institution from voluntarily notifying a customer of the existence of a grand jury subpoena pertaining to his or her account. Such notification, of course, may alert a potential suspect of an investigation and permit the suspect to flee or conceal evidence. For that reason, the Act permits a prosecutor to obtain an order precluding such notification, upon certain showings, but the order is effective only for up to ninety days (see 12 U.S.C. 3409).

In drug and money laundering cases, the grand jury investigation is likely to be protracted and may involve numerous subpoenas for bank records. The administrative burdens in such cases imposed by the Act on overworked federal prosecutors to prepare the court papers necessary first to obtain, and then to secure extensions of, such preclusion-of-notice orders are unduly severe and unjustified. Accordingly, the amendment would expand the FIRREA addition of an *automatic* preclusion of notice to cover not only grand jury subpoenas for records relating to crimes against the financial institution, but also grand jury subpoenas for records relating to criminal investigations of the controlled substances and money laundering laws.

SECTION 212

This minor amendment merely incorporates the definition of property from 21 U.S.C. §853(b) (the drug forfeiture statute) into statute that governs money laundering forfeitures. Section 982 already incorporates virtually all of the other procedural and definitional sections of §853. The definition of property was left out of the statute as originally enacted in 1986 because at that time §982 only permitted forfeiture of commissions and fees paid to money launderers. In 1988, however §982 forfeitures were expanded to include the property being laundered, proceeds traceable to that property, and property used to facilitate the laundering offense. *See United States* v. *All Monies*, 754 F. Supp. 1467 (D. Haw. 1991). In light of the 1988 amendment, the definition of property in §853(b) should be incorporated into §982. This conforms to the FIRREA forfeiture amendments of 1989 which incorporated the definition of property from §853(b) into §982(b)(1)(B) for FIRREA forfeitures.

The definition of property in §853(b) is as follows: "real property, including things growing on, affixed to, and found in land; and tangible and intangible personal property, including rights, privileges, interests, claims, and securities."

SECTION 213

At present, 18 U.S.C. §§1956(c)(7)(B) and 981 (a)(1)(B) are co-extensive. The former makes foreign drug crimes in which a financial transaction occurs within the United States predicates for money laundering, while the latter provides for civil forfeiture of the proceeds of such crimes if found in the United States. (Criminal forfeiture authority is automatically established under 18 U.S.C. §982(a)(1) for any offense under §1956.)

The proposal would expand the money laundering and civil forfeiture provisions described above so that they would also include the proceeds of foreign kidnappings, robberies, and extortions and fraud offenses committed by or against foreign banks. The purpose is to make it more difficult for terrorists and other violent offenders and perpetrators of international bank fraud schemes to use the United States as a haven for the profit from their crimes.

As is the case for the existing provision relating to foreign drug crimes, the forfeiture provision in §981 would only apply where the foreign offense was punishable by at least one year in prison in the foreign country, and would be recognized as a felony under federal law if committed within the jurisdiction of the United States. The money laundering statute would apply only where the proceeds of the foreign crime were involved in a transaction occurring at least in part in the United States.

The retroactive application of these amendments, as set forth in subsection (b), is in keeping with the normal rule for construing amendments to civil statutes. *See United States* v. *$5,644,540 in U.S. Currency*, 799 F.2d 1357, 1364 n. 8 (9th Cir. 1986) (*ex post facto* clause does not apply to civil forfeiture case); *United States* v. *D.K.G. Appaloosas, Inc.*, 829 F.2d 532, 544–45 (5th Cir. 1987).

SECTION 214

18 U.S.C. 981(e) governs the disposal of property forfeited by the Attorney General, the Secretary of the Treasury, or the Postal Service. The subsection provides, among other things, that the property may be retained, may be transferred to another federal agency, or may be transferred to a State or local law enforcement agency which participated directly in any of the acts which led to the forfeiture. The three federal departments or agencies are directed equitably to share the proceeds of forfeitures with such participating State and local law enforcement authorities.

Section 6469(b) of the Anti-Drug Abuse Act of 1988 added a sentence to 18 U.S.C. 981(e) which limited the authority of the Treasury Department and the Postal Service under that subsection to "property that has been administratively forfeited." No rationale for this limitation is stated and none is apparent. Prior to the 1988 Act, Treasury enjoyed the authority to dispose of property it seized irrespective of whether the property was later judicially forfeited in a proceeding conducted by the Attorney General. Possibly, the last sentence of subsection 981(e) was inserted because in some manner it was believed necessary to protect the litigating authority of the Attorney General. However, such litigating authority is not implicated by subsection 981(e), nor is there any other reasons why Treasury and the Postal Service should not be able to dispose of property seized within their respective jurisdictions, as to which a judicial forfeiture proceeding is later brought. Accordingly, the amendment (which passed the Senate last year as §1911 of S. 1970) would repeal the last sentence of 18 U.S.C. 981(e) to give those agencies that authority.

SECTION 215

This section merely adds three additional criminal offenses to the list of "specified unlawful activity" in section 1956. The additions include postal theft, felony violations of the Foreign Corrupt Practices Act, and felony violations of the Food Stamp Act involving quantities of coupons having a value of at least $5,000. The latter provision was part of the Senate version of the Crime Control Act of 1990. *See* §2903 of S. 1970, 101st Cong., 2d Sess.

TITLE III

SECTION 301. AMENDMENTS TO THE BANK SECRECY ACT

Section (a). This technical amendment makes a change to the anti-structuring provision of the Bank Secrecy Act, 31 U.S.C. 5324, to specify that structuring transactions to avoid the $3,000 identification requirement of 31 U.S.C. 5325 is prohibited.

By way of background, the anti-structuring provision of the Bank Secrecy Act, 31 U.S.C. 5424, prohibits structuring of transactions to avoid the currency reporting requirements of section 5313, *i.e.*, the $10,000 Currency Transaction Report requirement under 31 C.F.R. 103.22. In section 6185(b) of the Anti-Drug Abuse Act of 1988, Congress added section 5325 to further guard against the practice of "smurfing" drug proceeds by cash purchases of monetary instruments at amounts below the $10,000 reporting threshold. Section 5325 prohibits the cash purchase of certain monetary instruments—bank checks, cashier's checks, traveler's checks, money orders—in amounts greater than $3000 to non-account holders unless the financial institution verifies the identification of the purchaser. Treasury has issued regulations under section 5325, 31 C.F.R. 103.29, which require that financial institutions maintain a log of cash purchases of these instruments over $3000 which included a notation of the identification exacted for non-account holders.

Nevertheless, section 5324 only refers to structuring to avoid the Currency Transaction Report requirement. Therefore, the proposed amendment is needed because under the current law it could be argued that customer structuring of transactions or smurfing to avoid the $3000 identification requirement would not be a violation of the Bank Secrecy Act.

Section (b). This section contains provisions necessary to bring the financial enforcement program in the United States in conformity with the recommendations of the Financial Action Task Force ("FATF") on money laundering.

The FATF was convened by the 1989 G–7 Summit to study the state of international cooperation on money laundering and measures to improve cooperation in international money laundering cases. The group was composed of fifteen financial center countries and the European Community. After several meetings of experts from law enforcement, Justice and Finance Ministries, and bank supervisory authorities, in April 1990, the group issued a comprehensive report with 40 action recommendations for comprehensive domestic anti-money laundering programs and improved international cooperation in money laundering investigations, prosecutions, and forfeiture actions. The recommendations of the group have become the world model for effective anti-money laundering measures.

President Bush and the other heads of state and government endorsed the report of the Financial Action Task Force at the Houston Economic Summit in summer 1990, and the financial ministries of non-G–7 participants also endorsed the report. The Houston Summit reconvened the Task Force for another year. The mandate of the reconvened Task Force is to study possible complements to the original recommendations, to assess implementation of the recommendations, and to study how to expand the number of countries that subscribe to the recommendations. The reconvened Task Force is currently meeting. The original members have been joined by six other European countries and Hong Kong and the Gulf Cooperative Council.

By their endorsement, the Task Force members are committed to take necessary legislative and regulatory measures to implement the recommendations. Most of the countries are in the process of developing the necessary legislation. As can be expected, most of the recommendations reflect measures already in place in the United States because the United States was among the first countries to recognize the need for a comprehensive regulatory and legislative response to money laundering. Nevertheless, to fully measure up to the recommendations, our program requires some refinements which the amendments in this section address.

First, the Task Force recommendations (recommendation 9) provide that the same anti-money laundering measures recommended for banks be put in place for non-bank financial institutions, such as the requirement to report suspicious transactions possibly indicative of money laundering (recommendation 16) and to create anti-money laundering programs (recommendation 20). Our collective experience in the United States and abroad reflects that as banks become more effective in guarding against money laundering, money launderers turn to non-bank financial institutions, such as casas de cambio and telegraph companies. Many of these institutions are subject to the recordkeeping and reporting requirements of the Bank Secrecy Act, but unlike banks are not required to report suspicious transactions nor to have compliance programs to guard against money laundering. *See e.g.*, 12 C.F.R. 12.11 (relating to reports of suspected crimes by national banks); 12 C.F.R. 21.21 (relating to procedures for monitoring Bank Secrecy Act compliance by national banks).

Proposed section 31 U.S.C. 5318(g)(1) authorizes the Secretary to require by regulation the reporting of suspicious transactions by any financial institution subject to the Bank Secrecy Act. Failure to report a suspicious transaction would subject the institution to the civil penalties of 31 U.S.C. 5321. It is anticipated that the Secretary would issue guidelines to assist financial institutions in identifying suspicious transactions.

Also in furtherance of the FATF recommendations, a financial institution, bank or non-bank, would be prohibited under §5318(g)(2) from warning its customer if it made a suspicious transaction report (recommendation 17). Under the Right to Financial Privacy Act ("RFPA"), 12 U.S.C. 3403(c), a financial institution may report a suspicious transaction free from civil liability for not notifying its customer, but is not specifically prohibited from warning the customer. The FATF concluded that in order for suspicious transactions reporting to be effective there must be a prohibition from notifying the persons involved in the suspicious transaction.

Subsection (g)(3) provides non-bank financial institutions that file suspicious transaction reports with protection from customer liability lawsuits arising out of the filing of such a report or the institution's refusal to do business with a customer who is the subject of such a report. This protection is similar to, but somewhat broader than, the existing protection from lawsuits available to banks under §1103(c) of the Right to Financial Privacy Act (12 U.S.C. 3404(c)).

Under the RFPA, financial institutions are able to report, in good faith, possible violations of law or regulation to federal authorities without notice to the suspected customer and free from civil liability. At the Administration's request in the Anti-Drug Abuse Acts of 1986 and 1988, Congress further clarified this provision to specify what information a financial institution could give regarding the customer and the suspicious activity, and that the protection preempted any state law requiring notice to the customer. These changes were added to ensure that financial institutions would not be inhibited from reporting suspected violations, especially money laundering and Bank Secrecy Act reporting violations.

The protection provided by §1103(c), however, applies only to liability based on the disclosures in the suspicious transaction report and not to liability for refusal to do business with customers named in such reports. Moreover, because it appears in the RFPA, it applies only to financial institutions otherwise subject to the RFPA and not to the wide variety of other institutions that also file suspicious transaction reports.

The financial institutions that would be expected to file suspicious transaction reports under §5318(g)(1) justifiably fear liability under the Fair Credit Reporting Act, 15 U.S.C. 1691, *et seq.*, or for breach of contract, if they sever relations with a customer. *See Ricci v. Key Bancshares of Maine*, 768 F.2d 456 (1st Cir. 1985). If they continue relations with the customers, however, they fear that they may be implicated in any illegal activity.

In many cases, after a suspicion has been reported, Federal authorities will encourage financial institutions to continue dealing with a suspicious customer so his activities may be monitored. Unfortunately, in other cases, law enforcement authorities do not always follow-up with financial institutions on the disposition of suspicious activity reports. In any event, financial institutions should be free to sever relations with the customer based on their suspicions or on information about a customer received from law enforcement.

Subsection (g)(3) addresses these concerns by extending the protection of section 1103(c) to a non-bank financial institution that severs relations with a customer or refuses to do business because of activities underlying a suspicious transaction report. Thus a non-bank financial institution that acts in good faith in reporting a suspicious transaction would be protected from civil liability to the customer under any theory of state or Federal law.

This protection would apply to the wide range of non-bank institutions subject to the Bank Secrecy Act under 31 U.S.C. 5312. Currently, the protection from civil liability set forth in the RFPA applies only to financial institutions described in section 101 of the Act (12 U.S.C. 3401) such as banks, credit unions, and savings associations. Non-bank institutions, which would be required to file suspicious transaction reports under regulations promulgated under §5318(g)(1), are not covered by the RFPA or any of its protections for civil liability for defamation or breach of contract or under financial or consumer privacy laws.

Therefore, under this proposal, the protection from civil liability would apply to any institution enumerated in 31 U.S.C. 5312 not covered by the RFPA that files a suspicious transaction report, whether it does so voluntarily or in response to regulations promulgated under §5318(g)(1). Thus, an institution such as check casher, securities broker, or foreign currency exchange, which is not categorized as a "financial institution" under the RFPA, but is categorized as such under 31 U.S.C. 5312, will be free from customer liability based on the suspicious transaction report made in good faith.

Proposed section 31 U.S.C. 5318(h), which tracks the language of FATF recommendation 20, would authorize the Secretary to require financial institutions subject to the Bank Secrecy Act to have anti-money laundering programs which include, at a minimum, development of internal policies, procedures, and controls, designation of a compliance officer, an ongoing employee training program, and an independent audit function to test the program. The Secretary would be able to promulgate minimum standards for such procedures.

This recommendation was based on the regulations the U.S. bank regulators have in place pursuant to 12 U.S.C. 1818 to ensure Bank Secrecy Act compliance. *See e.g.*, 12 C.F.R. 21.21. The Secretary already has authority under 31 U.S.C. 5318 to promulgate procedures to issue procedures to ensure compliance with requirements of the Bank Secrecy Act. This amendment would eliminate the requirement that the procedures be linked to a Bank Secrecy Act requirement, *i.e.*, currency transaction reporting. The procedures would be geared at money laundering generally whether or not a customer dealt in cash. For instance, this authority could be used to require that anti-money laundering programs include "know your customer" procedures.

The Department of the Treasury envisions that the authority of proposed section 5318(g) and (h) could be used with respect to any institution subject to the Bank Secrecy Act under 31 U.S.C. 5312 whether or not that institution is required to report currency transactions under the Bank Secrecy Act.

The amendments in sections (d) through (h) specify that persons who cause financial institutions to maintain false or incomplete records in contravention of the Bank Secrecy Act recordkeeper requirement would themselves be subject to civil sanctions. Currently, the Bank Secrecy Act recordkeeping civil penalties apply only to the financial institution required to maintain the record. (Criminal penalties already apply to persons causing such violations pursuant to 31 U.S.C. §§5322 and 5324 (1) and (2), and 18 U.S.C. §2.) The penalties do not apply to a customer who caused a financial institution to maintain a false or incomplete record. As Treasury refines its recordkeeping requirements, *e.g.*, the proposal for enhanced funds transfer records, this may become a loophole in the statutory framework. The amendments in section 1 (d) through (h) would cure this problem for records required under the general recordkeeping authority for insured financial institutions (12 U.S.C. 1829b), non-bank financial institutions (12 U.S.C. 1951–1959), and requirements promulgated pursuant to 31 U.S.C. 5314 (foreign financial agency records).

SECTION 302. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT

Section (a).

Section (b). Section 1112 of the RFPA, 12 U.S.C. 3412, provides that agencies that obtain financial records in accordance with the RFPA (either after customer notice or pursuant to an authorized notice exception) notify a customer if it transfers the records to another agency.

The amendment in section (b) is necessary to facilitate the work of Treasury's new Financial Crimes Enforcement Network (FinCEN). FinCEN plans not only to analyze financial records, including records subject to the RFPA, *e.g.*, records received by administrative subpoena, to facilitate investigations and prosecution by non-Treasury agencies, but to integrate such records with other available records for further analysis to identify new targets for criminal investigation. Treasury is concerned that this further use, independent of the needs of the agency that originally received the records in accordance with the RFPA, could be considered as a transfer of the records to Treasury necessitating customer notice under section 1112 of the RFPA.

The amendment adds a new subsection 1112(g) to provide that an agency can transfer records obtained in accordance with the RFPA to FinCEN for criminal law enforcement purposes without customer notice. FinCEN also would be able to disseminate the results of its analysis, whether based in whole or in part on records obtained subject to the RFPA, to the appropriate agency for criminal investigation without customer notice.

No section of this legislation is intended to override existing bilateral or multi-lateral treaties or Memorandum of Understanding. Likewise, it is not intended to have any extraterritorial impact, for example, by requiring the provision of records or materials which are located outside of the United States.

SEYMOUR AMENDMENTS NOS. 1338 AND 1339

(Ordered to lie on the table.)

Mr. SEYMOUR submitted two amendments intended to be proposed by him to the bill, S. 543, supra, as follows:

AMENDMENT NO. 1338

In the appropriate section insert the following:

No Federal financial regulatory agency shall adversely evaluate an investment or a loan made by a federally insured depository institution or consider the loan to be nonperforming solely because the loan is made to or the investment is in commercial, residential, or industrial property.

AMENDMENT NO. 1339

In the appropriate section insert the following:

(A) FINDINGS.—The Congress finds that—

(1) during the past year and a half a credit crunch of crisis proportions has taken hold of the economy and grown increasingly severe, particularly for real estate;

(2) to date the credit crisis has shown no sign of improvement with its effects being felt broadly throughout the Nation as business failures soar, financial institutions weaken, real estate values decline, and State and local property tax bases further erode;

(3) approximately $200,000,000,000 of the nearly $400,000,000,000 in commercial real estate loans now held by commercial banks are coming due within the next 2 years;

(4) banks for a variety of reasons, are reluctant to renew these maturing real estate loans;

(5) both pension funds in the United States, with assets of nearly $2,000,000,000,000, and a stronger and more active secondary market for commercial real estate debt and equity could play a more significant role in providing liquidity and credit to the real estate and banking sectors of the economy;

(6) many regulatory practices encourage banks to reduce their real estate lending without regard to long-term historical risk; and

(7) the stability of real estate has suffered during the past decade first from tax rules that in 1981 stimulated excessive investment in real estate, and then in 1986 when rules were adopted that discouraged capital investment in real estate, artificially eroding real estate values.

Sense of the Senate.—It is the sense of the Senate that—

(1) immediate and carefully-coordinated action should be taken by the Congress and the President to arrest the credit crisis referred to in subsection (a) and provide a healthy and efficient marketplace that works for owners, lenders, and investors, and

(2) that efforts should be undertaken to explore measures that—

(3) modernize and simplify the rules that apply to pension investment in real estate to remove unnecessary barriers to pension funds seeking to invest in real estate;

(4) strengthen the secondary market for commercial real estate debt and equity by removing arbitrary obstacles to private forms of credit enhancement;

(5) restore balance to the regulatory environment by considering the impact of risk-based capital standards on commercial, multifamily and single-family real estate; ending mark-to-market, liquidation-based, appraisals; encouraging loan renewals; and, fully communicating the supervisory policy to bank examiners in the field; and

(6) rationalize the tax system for real estate owners and operators by modifying the passive loss rules and encouraging loan restructures.

NOTICES OF HEARINGS

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. KERRY. Mr. President, the Select Committee on POW/MIA Affairs, pursuant to our initial hearings on November 5, 6, and 7, has scheduled a followup hearing on Friday, November 15, 1991, to continue the examination of the Government's process of investigation of POW/MIA's. The hearings will begin at 9:30 a.m., and will take place in SH-216.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that an oversight hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, November 21, 1991, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the effect of Forest Service plan and timber sale appeals on timber supply.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact Erica Rosenberg of the subcommittee staff at (202) 224-7933.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Friday, November 15, 1991, beginning at 9:30 a.m., in 485 Russell Senate Office Building on S. 1869, the San Carlos Indian Irrigation Project Divestiture Act of 1991, to be followed immediately by a hearing on S. 1607, the northern Cheyenne reserved water rights.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Tuesday, November 19, 1991, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony from Leo Duffy, nominee to be Assistant Secretary for Environmental Restoration and Waste Management, Department of Energy.

For further information, please contact Rebecca Murphy at (202) 224-7562.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, November 13, 1991 at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on November 13, 1991, at 10 a.m. on competitiveness of the software industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON GOVERNMENT INFORMATION AND REGULATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Government Information and Regulation be authorized to meet on Wednesday, November 13, 1991, at 9 a.m. on the subject: Dividing the Dollars: Federal Funding and the 1990 Census.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, November 13, 1991, at 2 p.m., in executive session, to discuss the conference report on H.R. 2100, the National Defense Authorization Act for Fiscal Years 1992 and 1993; to act on the following nominees to be judges on the U.S. Court of Military Appeals: the Honorable Susan J. Crawford, Justice Herman F. Gierke, and Mr. Robert E. Wiss; and to act on the nomination of Maj. Gen. James R. Clapper, Jr., USAF, to be the Director of the Defense Intelligence Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 13, at 10 a.m. to hold a hearing entitled, "After the Cold War: Relations in a Multipolar World."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, November 13, 1991, at 10 a.m., to hold a hearing on the nomination of William Barr to be Attorney General of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., November 13, 1991, to receive testimony from James Randolph, nominee for Assistant Secretary for Fossil Energy, and Gregg Ward, nominee for Assistant Secretary for Congressional and Intergovernmental Affairs, Department of Energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in open session on Wednesday, November 13, 1991, at 10:30 a.m., to receive testimony on the Conventional Forces in Europe [CFE] Treaty.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Wednesday, November 13, 1991, at 10 a.m., to conduct a hearing on S. 1611, the Monetary Policy Reform Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

HUMAN RIGHTS FOR THE CHILDREN OF GUATEMALA

• Mr. DECONCINI. Mr. President, I rise today to praise the efforts of Amnesty

International to protect the homeless children of Guatemala, orphaned and forced to live in the streets.

Over the past 18 months, Amnesty International has received numerous reports of human rights violations against the street children of Guatemala City, including torture, disappearances, and extrajudicial executions, reportedly carried out by official Guatemalan security agents. Children witnessing or giving information about these unconscionable acts are subject to the same treatment they report.

Amnesty is also working to protect the workers and children at Covenant House, or Casa Alianza, which is a refuge for the street children in Guatemala City. According to Amnesty, at approximately 1 a.m. on July 18, 1991, four unidentified gunmen drove up to Covenant House's crisis center and shouted threats to shoot Bruce Harris, director of the crisis center, for his effort to investigate police abuses against the street children. The gunmen opened fire on Covenant House. Fortunately, no one was injured in this one of many such incidents.

Mr. President, these human rights abuses must cease. I have consistently supported efforts to improve the basic rights of people around the globe. I commend the workers of Casa Alianza for their courage and dedication in taking a stand against the ruthless actions by certain Guatemalan officials. I also applaud the efforts of Amnesty International for its persistence in bringing the abuses against the street children to light and refusing to allow the plight of these children to go unnoticed.•

BROWN AMENDMENT—MEDICARE TOLL-FREE LINES

• Mr. COHEN. Mr. President, last night, the Senate approved an amendment to the Older Americans Act which called for the preservation of Medicare's toll-free hotlines. I am pleased that the full Senate has taken action to maintain this important service for our Nation's Medicare beneficiaries.

As the ranking Republican on the Senate Special Committee on Aging, I have been extremely concerned that the administration is considering discontinuing Medicare's toll-free telephone lines for beneficiaries. Not only would suspension of these lines severely inhibit Medicare beneficiaries' ability to fully understand and obtain the benefits they are entitled to under law, but it would also severely impede our efforts to eliminate fraud and abuse in the Medicare Program.

In fiscal year 1991, these toll-free lines handled 15.8 million calls from Medicare recipients at a cost of $22 million, or approximately $1.39 a call. The elimination of toll-free service would force Medicare patients to pay for costly, prime time long-distance calls if they had any questions about their benefits or claims. For beneficiaries on fixed incomes, the suspension of this service would probably mean that their questions would go unanswered and their problems unresolved.

Further, elimination of these toll-free lines may ultimately wind up costing the Medicare Program billions of dollars in undetected cases of fraud, billing errors, and erroneous payments. In testimony before the Senate Special Committee on Aging last month, both the General Accounting Office and the HHS inspector general identified Medicare's 33 million beneficiaries as the best source of information on fraud and abuse in the Medicare Program. Not only are they in the best position to identify payments for services or medical equipment that were not received or that they believe were unnecessary, but they also have the greatest stake in maintaining the integrity of the program. The suspension of the toll-free lines would therefore virtually eliminate our first line of defense in preventing Medicare fraud and abuse.

The Medicare toll-free lines are therefore essential not only to ensure that beneficiaries have access to quality care and services, but also to maintain the integrity of the Medicare Program, and, again, I am pleased that the full Senate has taken action to preserve them.•

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 of Suzanne Ramos, a member of the staff of Senator KENNEDY, to participate in a program in Mexico sponsored by the Mexican Business Coordinating Council, Consejo Coordinador Empresarial [CCE] on December 8–11, 1991.

The committee has determined that participation by Ms. Ramos in this program, at the expense of CCE, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Sharon Waxman, a member of the staff of Senator LAUTENBERG, to participate in a program in China sponsored by the Chinese People's Institute of Foreign Affairs on November 30 to December 15, 1991.

The committee has determined that participation by Ms. Waxman in this program, at the expense of the Chinese People's Institute of Foreign Affairs is in the interest of the Senate and the United States.•

HEALTH CARE FOR ALL—REFLECTIONS ON HEALTH CARE IN CANADA AND UNITED STATES

• Mr. SIMON. Mr. President, Congressman NEIL ABERCROMBIE hosted a breakfast at which Audrey McLaughlin, leader of the New Democratic Party in Canada, spoke.

It is a speech about the health care benefits in Canada and the Canadian system.

She makes clear that there are flaws to the Canadian system, and I am not here advocating that we duplicate precisely the Canadian system.

But I believe it is clear that the Canadian system protects people who are unprotected in the system.

We have the best health delivery system in the world—for those who can afford it.

The difficulty is not only those who cannot now afford it, but many others who are now covered by some form of health insurance can lose their job and suddenly find themselves without health insurance.

The comments of Audrey McLaughlin are well worth reading for Members of the House and Senate, and I urge them and their staffs to do so.

Mr. President, I ask to insert these comments into the RECORD at this point.

The remarks follow:

REMARKS OF HON. AUDREY MCLAUGHLIN

Thank You. I'm delighted to be here.

I want to take this opportunity today to speak to you about national health care in Canada and the United States.

I know that you in this room have an interest in reforming the American health care system and you are considering, some advocating, the adoption of a Canadian style system.

So what I would like to do today is to talk about the Canadian experience. About how our system developed and whether our history can provide any insights in your own efforts at reform. About the quality of health care in Canada—comparing the Canadian and American systems—to look at whether or not it would be advantageous for you to adopt some elements of our system. And finally, I want to look at the political efforts and rewards that all of this could mean for you as advocates of change.

Let me say at the outset that it would be arrogant for me to stand here and tell you what to do. That is not my intention. Let me also say that I am not an expert on the American system of government. I recognize, however, that the relevance of the Canadian experience is somewhat limited by the fact that we are two nations with very different political cultures and very different institutional arrangements.

In many ways the move to government-sponsored public health care was a more natural one in Canada than it would be in the United States. Canada has both a strong social democratic and Tory element in its political culture which are relatively absent from the mainstream in America. With these elements comes a much greater confidence in government, in the belief that government has a significant role to play in promoting the common good. We have a tradition of government involvement and ownership in the economy—we have government owned telephone companies, bus companies, oil companies, liquor stores, television and radio networks. The list goes on.

Canada and the United States have very different constitutions, and consequently, very different histories. Canada's constitution speaks of the promotion of "peace, order, and good government". The emphasis is clearly on collective good. Your constitution speaks of life, liberty, and the pursuit of happiness. Emphasis is on the individuals, individuals rights and freedoms.

Canada also differs markedly from the States in that we have a parliamentary system of government with tight party/caucus discipline. This can, of course, be a plus or a minus for democracy depending on the situation or party in power. What is indisputable, however, is that the caucus, party, or leader become the focal point of lobbying efforts. Because individual members vote along party lines, they do not have to worry, I don't think, as much as you do about lobbies and the pressures these lobbies bring to bear.

So Canada and the United States are different. Having said that, however, there is certainly much that we share in terms of values and democratic institutions. Each others' experiences are relevant and can prove useful as we look at changing the way we do things in our respective nations.

Let's turn then to health care. Since 1968 Canada has had a national health care program. That program is called Medicare, and I will be referring to it as such throughout this speech. Medicare in Canada is not to be confused with your program called Medicare, which affects only senior citizens.

Canadian Medicare ensures that each and every citizen has free health care. It is comprehensive, universal, publicly administered, and funded through the tax system. It covers a full range of medical services—from visits to the doctor, to tests and treatments, to hospital stay and long-term care.

Today, no politician would dare advocate dismantling Medicare. It is enormously popular among Canadians. And it has come to represent something much more than a health care system—it is a point of shared pride, a pillar of national unity, an integral part of our national identity. It is seen as a fundamental right of citizenship.

That has not always been the case. The struggle to gain a national health care program was a long one. Gains were incremental. They began with the introduction of hospital insurance in a single province in the late 1940's and culminated with the establishment of the comprehensive nation-wide Medicare program in 1968.

I remember Canada before hospital insurance or medicare. I know personally how much it means. When I was born, it was discovered that my mother had breast cancer. She spent the next year in and out of hospitals. And I remember that we didn't finish paying the hospital bills until I was about 10 or 11. But we were lucky. We could pay. Many of our neighbours couldn't and they lost their farms and livelihoods.

Those kinds of experiences shaped my views and those of a generation.

In 1944, North America's first social democratic government was elected—in the province of Saskatchewan. The premier was Tommy Douglas—known in Canada as the father of Medicare. Tommy Douglas was not an economist, nor was he a doctor or a lawyer. He was a preacher, a Protestant minister, who'd seen a lot of unnecessary pain and poverty in his life and wanted to do something about it.

His government moved quickly to establish the first provincial hospital insurance program. Free hospital care for all. The program was embraced by the population, by other provincial governments, and so the federal government introduced a national program in 1958.

Establishing the much more encompassing system known as Medicare proved more complicated. Again, it was the Saskatchewan government under Tommy Douglas that took the initiative, announcing their intention in 1959. But over the next three years, they faced a powerful and brutal attack from the insurance industry and organized medicine—two groups which you would certainly have to contend with if you made a similar move. Getting into these things is certainly not for the faint of heart.

Doctors and insurers in Saskatchewan framed their arguments in ideological terms—it was free enterprise versus socialized medicine. It wasn't just about professional autonomy, public freedom of choice, it was about the slippery slope towards Soviet-style socialism.

The doctors and insurance companies were joined in their campaign by all of the private media in the province. They had business on their side. They had some leading church figures on their side. They organized a lobby called the Keep Our Doctors Committee which succeeded in instilling fear into many ordinary people that Medicare would mean a mass exodus of doctors from the province.

But many Saskatchewan residents remained on the side of the government. So too did organized labour, many churches, and groups representing teachers and farmers.

The whole episode reached a climax when the doctors went on strike in July 1962.

Ads ran in papers such as "You are going to lose your doctors * * * it will be too late when the pain comes in the middle of the night. when the baby suddenly starts choking, * * * when the car plunges off the road * * *".

Doctors' kits were produced with pamphlets suggesting that under state medicine menopausal women would be referred to psychiatric clinics or mental hospitals.

A leading priest caused a sensation when he said at a rally, "There have been deaths, there will be violence, and there could be bloodshed . . . . tell those bloody commies to go to hell when it comes to Canada".

The strike polarized Saskatchewan. It was watched both nationally and internationally. After a month, the government prevailed. They made some concessions, but essentially Canada's first medicare legislation was intact.

Saskatchewan served as a showcase for medicare. It showed medicare was feasible, effective, and desirable. Citing the Saskatchewan example, a Royal Commission on Health Care recommended in 1964 that a national medicare program be established. In a minority government situation, with the New Democratic Party holding the balance of power, the Liberal government instituted nation-wide Medicare in 1968.

During this period, the Canadian Medical Association and the insurance companies were opposed to national public health care in much the same way the American Medical Association and American insurance sector is today. They advocated a voluntary, private system, with the government either subsidizing or sponsoring insurance for the poor.

This was rejected in Canada because, quite simply, it didn't work. A large number of Canadians remained uninsured. Others were underinsured. Any system subsidizing the poor would involve demonstrating need. That would involve means tests. That would prove to be an administrative nightmare. That would be an attack on people's privacy.

As Tommy Douglas put it, means tests "mean probing into people's affairs . . . the time is surely past when people should have to depend on proving need in order to get services that should be the inalienable right of every citizen of a good society".

Since 1968, Medicare has for the most part come to be accepted by the medical profession and CMA. That is not to say that there haven't been controversies. There was the issue of extra-billing where some doctors billed patients over and beyond what they received in fee payments from public insurance. If such a practice had been allowed to continue it would have led to a two-tier system—one for rich and one for the poor. Extra-billing was forbidden by the Canada Health Act of 1984. Ontario doctors went out on strike over the issue and received underwhelming public support.

Some provinces have sought to impose user fees and deterrent fees to discourage over use of the system and compensate for funding lost through cuts made by the federal government. Again, these run against the principles of universal access and equal health care for all. They discourage the poor from seeking needed care. They are forbidden by law. But there is continuing pressure to implement user fees. And I assure you there will be continuing resistance.

As you know, the American Medical Association, fearing the establishment of a Canadian-style health care system, has sought to discredit the Canadian system. I recall a series of full page ads placed in major American newspapers attacking our system. In their campaign, the AMA has suggested that adopting our system would mean rationing of medical services, income caps and reduction of autonomy for doctors, reduced access to high-technology and long waiting lines for urgent surgery for patients.

It's important to separate myth for reality. The Canadian system is not without its flaws. We do have waiting lines for elective surgery. But this has much less to do with Medicare itself than with poor organization, coordination, and commitment of resources. We do not have people waiting for months for urgent surgeries or treatments. No-one facing life-threatening circumstances is forced to wait. That is quite simply false.

The real problems in Canada's health care are not inherent to a public system. As in other countries, including the United States, our system is too institution-focused, too doctor-centered. We need to move towards an orientation that emphasizes community-based clinics, health promotion, preventive care, an orientation where all health professionals including nurses have a say.

The American health care system also has its strengths and weaknesses. There are many world-class health facilities in the United States. There is more research. There is an abundance of high-technology. There are fewer waiting lines. Many Americans receive the highest quality health care.

But if the American system provides quality care for many, it does so at a price many others can't afford. The reality is that 35 million Americans, mostly working poor, are without any kind of health insurance whatsoever.

If the AMA wants to speak about the rationing of medical services, I would suggest to them that leaving people unable to afford those services is the most brutal form of rationing there is.

Beyond those without any insurance, another 30 million Americans are underinsured. And there are so many other issues related to private insurance—the often exorbitant price, the fact that many people are refused coverage, the fact that loss of a job means loss of coverage meaning financial ruin is just an illness away.

At the most fundamental level, in Canada when you are confronted with a health issue—you are pregnant, you've twisted an ankle, you have chest pains, your child has a serious fever—cost is not an issue to you. You go and get care.

But as you know, for many Americans these decisions have real budgetary considerations. Can you afford pre-natal care? Can you afford to visit a doctor? Can you afford getting that ankle x-rayed or that heart checked?

Then there is the amount of attention Americans are forced to devote to this issue at the societal level. I remember attending a Child Welfare of America conference in the United States in 1983. Almost the whole time was spent talking about how to get a child an operation, appealing to service clubs for funds and so on. This isn't even an issue in Canada. Sure we have other issues, like you do. But instead of worrying about bake sales to get kids heart operations, we're able to more fully devote our time to those other issues.

Despite the lack of universal coverage, the United States spends considerably more on health care than Canada or other nations. In 1990 you spent 2,660 dollars per capita per year compared to 1,940 dollars per capita per year in Canada. This has not translated into better health—indicators such as infant mortality rates and death statistics indicate that you trail most of the industrialized world.

Why are your costs higher? For the most part—and this is well-documented—it's due to excessive administrative costs related to the complexity of a private insurance system. These unnecessary costs, which contribute absolutely nothing to the quality of care, run into the tens of billions of dollars each year.

As politicians we make decisions based upon a number of criteria: cost-effectiveness, desirability, who's interests are being served. Looking at these criteria, the strengths of the Canadian system are obvious. By taking those strengths and combining them with your own, you can decide to have a health care system that is the envy of the world.

How do you go about doing that, politically? As an outsider, I don't profess to know. But perhaps through looking at the Canadian experience we can gain a few insights.

As in Canada, there will be major confrontation here with a powerful medical and insurance lobby. Indeed, that confrontation will be much more fierce given the importance, the financial clout, and sophisticated behaviour of lobbies in Washington in the 1990's.

It's essential therefore that advocates of change mobilize widespread support both within and outside the medical community. And this looks increasingly favourable.

I understand that within the health care community, you have the Physicians for a National Health Program calling for a Canadian-style system. I understand also that the American College of Physicians, Nurses for National Health Care, the National Association of Social Workers are all advocating major reforms.

It is comforting to know that the AMA is not omnipresent.

One AMA argument that these other health care organizations are beginning to refute is that public health care means dramatically reduced physician earnings and dramatically reduced physician autonomy. There is a growing acknowledgement that adopting a Canadian-style system would mean a significant reduction in an individual doctor's administrative costs. And instead of having a plethora of insurers monitoring physician's activities they would have only one.

In addition to support from the health care community, there will also be need of support from labour and business. I know that there is already a great deal of support from labour. But if labour is to fully embrace the move to a public insurance system, I would guess that there would have to be in place a program to assist those workers who are dislocated by the transition. And that is only just.

On the business side, if I'm not mistaken, many major companies are complaining these days that health care is their fastest-rising and most intractable cost. Perhaps they would like to be relieved of the responsibility of providing insurance to employees and turning that over to the government. Who knows, anything can happen.

There will also, of course, be need of support within government. I understand such support * * * important support * * * has been gained in the form of the General Accounting Office's endorsement of a Canadian-style system.

Finally, you will need widespread public support in your efforts. Polling indicates that that is there. But in the face of a strong scare campaign from the AMA and insurance sector that support could diminish.

It is the job of those advocating a national public health plan, therefore, to counter the arguments made by the two lobbies.

It is important to emphasize that given the resources devoted to health care in this country, there is no reason why a move to a public system would involve fewer high technology resources or waiting lists for major surgery.

It's important to emphasize that rather than meaning a reduction of consumer choice, publicly funded health care would mean an expansion of choice. First and foremost for those who had no choice at all before because of costs. Second, for those presently on private plans. Only 28 percent of all U.S. health insurance plans allow people to see any doctor they choose. In Canada, there is complete freedom of choice.

Let me close by saying that "freedom", I think, is a key word in this debate.

When Medicare became law on the Canadian prairies, one newspaper's headline described it as "The Day Freedom Died in Saskatchewan". Nothing, of course, could be further from the truth.

As in Saskatchewan and Canada, the battle waged against reforms here will be an ideological one. The AMA and the insurance lobby will, as their actions already indicate, argue that a public system like Canada's will involve government interference in the lives of both doctors and citizens. And that such interference is an attack on the freedom of Americans.

Nothing, of course, could be further from the truth. I believe we in this room share the view that government can and should be used not to restrict freedom but to create it. And that is exactly what a national health care program would do for Americans.

Because there is no freedom for the 12 million children who have no medical coverage.

There is no freedom for the family that loses their home because of expensive cancer treatments.

There is no freedom for the senior citizen who has to think about what it will cost before visiting a doctor.

There is no freedom for the newborn infant who entered this world lacking proper prenatal care.

Americans believe in freedom like few other peoples. You in this room have the power and potential to increase their freedom. It will be an enormous challenge. It will be a difficult battle. You will face powerful opposition. You will require political courage beyond what I could imagine.

But what an achievement it would be. And that is what it is all about.

We often ask ourselves, why are we in politics? It's because we want to leave a legacy of a better society. In our careers there will be self-doubts, there will be questioning about how to create that better society, but surely none of us in this room can have any doubt about the right of those we represent to the fundamental freedom of health.

Thank you. I wish you well.●

GUNNAR GUDDAL

● **Mr. GORTON.** Mr. President, today I address the all-important subject of fishing vessel safety. This body passed the Commercial Fishing Industry Vessel Regulations in September of this year to ensure the safety of our men and women who make their livelihood at sea. This legislation was especially important to the State of Washington whose fishing community has been stricken, not unlike other coastal States, with the devastating loss of members of the fishing community as a result of nonmandatory safety practices. Integral to this legislation is the requirement for fishing vessels to have survival suits on board for every crewmember. Mr. President, certainly this requirement is a safety milestone for the fishing industry, but without the genius of Gunnar Guddal, a resident of Washington State, it would be nonexistent.

Gunnar Guddal immigrated from Norway over 40 years ago; it is fitting that eventually he would settle in a Seattle-area community known as Ballard, whose Scandinavian influence and marine lifestyle are well-known throughout most of Washington. It seems that most of Mr. Guddal's life has been spent dedicated to the fishing industry. As an industry insider, when

Gunnar Guddal invented the first neoprene orange survival suit over 20 years ago the industry and U.S. Coast Guard took notice. It is estimated that Mr. Guddal's invention has saved over 500 lives thus far; when the U.S. Coast Guard implements this regulation on November 15 it is safe to predict that it will save even more in the years to come.

Mr. President, I appreciate the opportunity to thank Gunnar Guddal today for his inspired work in the area of fishing safety. I know I speak for those parents, spouses and children who sleep easier knowing that the law now mandates survival suits on fishing vessels. I commend Gunnar Guddal's dedication to safety in an industry which is fraught with peril for its personnel; that peril has been reduced by his efforts.●

FORGIVE MANKIND'S ATROCITIES

Mr. SIMON. Mr. President, recently, I was in the airport at Dubuque, IA, on my way across the river to Galena, IL. I picked up a copy of the Dubuque Telegraph Herald and read about a Jewish-Christian dialog that was taking place at the First Congregational United Church of Christ in Dubuque, IA, under the leadership of Rev. Kenneth R. Bickel.

Magda Herzberger, a survivor of Auschwitz, was the guest for the day. She spoke about her experiences, and then the choir of the church sang a tribute to those who died in the Holocaust.

I have sent a letter to Pastor Bickel commending him and his congregation for their leadership and received from him a copy of his remarks on that day.

What I appreciate is people reaching out to one another. We have to do that much more. It is not simply that Eastern Europe is divided ethnically. We have some of the same division in our country. And just as it is irrational for people to hate others on the basis of ethnic division in Eastern Europe, it is equally irrational in our country.

I appreciate the leadership of Pastor Bickel, and I ask to insert his statement into the RECORD at this point.

The statement follows:

[First Congregational United Church of Christ—Lamentations 3:19–25, Psalm 61:1–5 and Luke 6:27–36, Oct. 27, 1991]

"FORGIVE MANKIND'S ATROCITIES"

I received a letter in the mail this week detailing some of the planned remembrances of that terrible day at Pearl Harbor in December of 1941. What American does not have the date of December 7, 1941, etched into their memory, a day of the terror of the Japanese bombing of an unsuspecting American fleet stationed in Hawaii, a day that FDR proclaimed would Live in Infamy. And now we're getting ready to remember the pain and the heroes of that day fifty years later.

Today within our worship we are recalling another awful part of our collective history that occurred during World War II, we are recalling the Holocaust. We have invited the Jewish community of Dubuque to join with us in our laments and in our tears. Magda Herzberger has already shared part of her story and you have already heard the Chancel Choir sing Magda's "Requiem." We gather together today as Jews and Christians to remind ourselves what happens when there is racial and religious persecution, we gather together today as Jews and Christians to say to the world that we will work together to prevent such hatred from filling the world again, we gather together today as Jews and Christians because we worship the same God, because we are all children of Abraham, because we have faith and we have hope.

Many people shy away from talking about the Holocaust because of our collective shame and because of the enormity of this atrocity. It is hard for us to comprehend the killing of six million Jews by the Nazis under the leadership of Adolf Hitler. Human beings killing unarmed other human beings, killing men, women, and children in gruesome ways. In Hitler's *Mein Kampf* he had portrayed the Jew as the defiler of German purity, as the defiler of the Aryan race. He echoed the medieval stereotype of the Jew as a criminal, a money-lender, and as Christ-killer. Hitler used the Jews as his scapegoat, he used the Jews to rally the people around him. There seemed to be no Nazi ideology apart from their anti-Jewish ideology. Hitler and the Nazis around him were obsessed with their hatred of the Jew. Some Christians within Germany, like Detrich Bonhoeffer, raised strong voices of protest against this hateful passion. But very few joined the protest and the few voices were muffled as they were thrown into jail or executed. When word of the atrocities at Ravensbruck and Dachau and Auschwitz reached the western world and the United States, most leaders had trouble believing the validity and the vastness of the reports. It took years for some to comprehend the vastness of this horror, and some have refused to think or talk about this blackest period in human history.

But we are talking about it today. We are hearing about the terror through the eyes of one who was there. Her journey, her strength, her faith, and her hope need to be remembered. Magda was born in Transylvania. She endured ever increasing rules and harassment under the occupying forces of Hungary and Germany. She was forced to wear the yellow star of David at all times on her clothing. And then was treated harshly each time she went out on the streets. Eventually the SS soldiers smashed or stole all her family's property. Her family was transported in cattle wagons to a place called Auschwitz.

You've heard of Auschwitz. Auschwitz with it's three million dead! Auschwitz with its warehouses crammed with eye glasses! Auschwitz with its warehouses crammed with boots and clothing and pitiful rag dolls! Auschwitz with its warehouses of human hair for the manufacture of mattresses! Auschwitz, where the gold teeth of the dead were methodically pulled and melted down for shipment to Himmler's Science Institute! Hitler was outraged that only 300 Jews could be killed a day at Triblinka, but killing was perfected at Auschwitz, 30,000 human beings a day.

Into this murder zone came one 18 year old named Magda and most of her family. As she arrived she was greeted by the infamous Dr. Josef Mengele, the chief SS physician of the concentration camp and the architect of torturous human experiments. She walked in a single file line of women before Mengele and the rest of the selection committee. He was young, tall and well built, dressed in immaculate uniform, wearing leather boots polished to a high sheen. He was holding a stick in his hand. He looked at each woman personally, and then made a decision as to her fate. He directed many to the left, and some young, stronger women to the right. Left meant death in the gas chambers and right signified life. The cold, callous and composed expression on his face and the sharp piercing look in his eyes terrified Magda and everyone in line. Most of her family went to the left and the gas chamber, but Magda went to the right and became a slave laborer in the camp. She was allowed to live, but her job was to drag the corpses of innocent victims from the gas chambers to the crematory, and to dig death pits for the bodies that could not be shoved into the camps four crematory units.

She was beaten and for food she was given just thin soup and 6 oz. of hard black bread a day. The women in the work brigade dressed in rags, slept on hard wooden floors, and had to somehow escape the typhus and scarlet fever that were raging in the camp. Magda's faith in God sustained her in the midst of humankind's worst atrocity. While others committed suicide, she wanted to live beyond the camps so that she could tell us and others about these awful events. Magda and a detail of 500 other women were taken to Bremen to work there on clearing bodies and debris in the midst of the heaviest Allied bombings. When her strength failed in Bremen, she was sent to Bergen-Belsen to be exterminated by starvation. With no room in the barracks, Magda was forced to sleep outside on the ground next to unburied corpses. She was reduced to 75 pounds of skin and bone and was ready to die when her camp was liberated by the British.

Let me read the poem "Liberation" from Magda's book "The Waltz of the Shadows":

The putrid and sickening odor
Of decaying bodies
Fills my nostrils—
I lie on the bare ground
Next to the high piles
Of stripped naked
Decomposing corpses
In the midst of the German
Extermination camps
Of Berger-Belsen,
Waiting to die—
I watch the walking skeletons
Passing me by;
They are my fellow prisoners—
I listen to their cries,
Their sunken eyes
Resemble mine.
We are the innocent victims
Of the mad demons
Of history.
I feel the cold touch
Of the gaping earth below,
And I know
That soon I will go
To join my dead companions
And all those I loved and lost—
Soon, into eternal darkness,
I will be tossed.
I look up to the blue sky,
Saying, "Goodbye" to life,
Asking in desperation
"Why are we condemned unjustly
To torture, to death,
To starvation?"
We are punished
For our faith in God
And for being part
Of the Hebrew generation.
The old birch tree

Next to me
Is witnessing my agony.
With my thin shriveled arms
I struggle to embrace
The wrinkled trunk
Of my silent friend,
Whispering faintly:
"Come death, and take me."

But suddenly a warm current
Is passing through my body,
I see the bright light of Life
Chasing away the dark of night
Of oblivion,
Saving me from death's pavilion.
A loud voice hits my ears:
"Drop your frights and fears,
We defeated Germany!
We are British fighting soldiers
Bringing you the news of victory!
You are free!"

I see the advancing
Heavy British tanks,
And to God I say my thanks—
Then I look around,
My eyes follow
The sick, the dying, and the dead
Stretched out on the hard ground.
My heart fills up
With awe and sorrow—
Many of us were struck and crushed
By the unkind hand of fate.
For them, the bells of Victory
Ring too late.
And others, like me,
Who survived,
Will mourn forever
All those left behind.

With Magda Herzberger and the Jewish community of Dubuque we here at First Congregational United Church of Christ are remembering. Let us remember with sorrow humankind's atrocities. I know that in the midst of this incredible horror, Magda called to our God, probably in similar words to those of David in Psalm 61 where he cried "Lead me to the rock that is higher than I; you are my refuge, a strong tower against the enemy." Magda's only refuge from the Nazis was in her moments of prayer with her creator. Her thoughts were similar to those of Jeremiah, who knew that his only hope at the time of the Babylonian captivity was in God. Jeremiah writes: "The steadfast love of the Lord never ceases, his mercies never come to an end; they are new every morning; great is your faithfulness. 'The Lord is my portion,' says my soul, 'therefore I will hope in him.'"

Magda is a survivor. But she is more than that, she is also a woman who is filled with forgiveness. She forgives those who tortured her, she holds no grudge with the German people. In our Christian worship, we often read these words of Jesus from the Sermon on the Plain in Luke's Gospel: "But I say to you that hear, Love your enemies, do good to those who hate you, bless those who curse you, pray for those who abuse you. * * * Do to others as you would have them do to you." Magda Herzberger has lived these words as she has loved her enemies, as she has offered forgiveness to those who ruthlessly killed most of her family because they were Jewish. She believes that it is absurd to blame all Germans for the death of six million Jews, just as it is absurd to blame all Jews across 2,000 years for the death of Jesus. Those who have done that within the Christian Church and without across the centuries have done the world a great disservice, they have caused pain and suffering. They have forgotten that all of Jesus' disciples were Jews, that Mary and Joseph were Jews, that Jesus himself was a Jewish carpenter from Nazareth. They have forgotten our common heritage and they have also forgotten the words of Jesus concerning forgiveness and love.

In a city plagued by cross burnings and repeated racial incidents, I hope that our worshipping here together will be a symbol of peace and brotherhood for the community. We are all children of Abraham, we worship an ominpotent, loving and sustaining God together. We have come together today asking God's forgiveness for humankind's atrocities, and asking God's help for peace in the Middle East, around the world, and in the city of Dubuque so that no one ever again in the history of the world will be a silent soldier in an army of hate and killing. Oh God, forgive us for our past and lead us with thy love this day!•

HONORING 432D CIVIL AFFAIRS COMPANY

• Mr. **KASTEN.** Mr. President, all Americans have good reason to be proud of the performance of our Armed Forces in the Persian Gulf war. Every community in this country has welcomed its local heroes in a spirit of joy and thanksgiving.

Nowhere is this more true than in the community of Green Bay, WI—which has welcomed back home an outstanding company, the 432d of Green Bay.

The brave men and women of this company played a vital role in the United States victory over Iraq. The 432d also performed a humanitarian mission in northern Iraq and southern Turkey, setting up tent cities for Kurdish refugees.

We are now closing a truly noble chapter in our Nation's history—and thank the 432d civil affairs company for all it did to make our victory possible.•

A MESSAGE TO DEATH ROW

• Mr. **SIMON.** Mr. President, recently, Stefanie McArdle, a law school student at New York University, had a column in the Washington Post following the execution of Warren McCleskey in the State of Georgia.

Why the United States continues this inhumane, barbaric custom of executing prisoners when most civilized nations do not simply baffles me.

I urge my colleagues and staff members to read Stefanie McArdle's eloquent column.

I ask to insert it into the RECORD at this point.

The article follows:

A MESSAGE TO DEATH ROW

(By Stefanie McArdle)

I am a law student, and it is in that capacity that I met Warren McCleskey at a Georgia prison four months ago. He had been living on Georgia's death row since 1978, sentenced to die for his involvement in the shooting death of an Atlanta police officer.

Warren McCleskey was perhaps the most well known of Georgia's death row inmates. His appeals to the U.S. Supreme Court were twice denied. In 1987 he presented a constitutional challenge based on racial disparities in capital sentencing. This past term, the U.S. Supreme Court heard a second appeal based on information the police had withheld at the trial. The key witness against McCleskey had struck a secret deal in which his jail sentence was reduced in exchange for testimony. This informant testified that McCleskey had confessed to having pulled the trigger. This was the strongest piece of evidence presented; it was enough to sentence Warren McCleskey to death.

This summer, as McCleskey's defense team worked to gather testimony and records for a clemency hearing before the Georgia Board of Pardons and Parole, two jurors from the 1978 trial came forward to say that they would never have sentenced Warren McCleskey to die had they known the chief witness was a paid informant. Surely a board of appointed officials, insulated from politics and free from legal precedent, principle and pomp, would find no alternative but to spare this man's life. That did not happen. McCleskey was executed by the state of Georgia in the early hours of Sept. 25.

Warren McCleskey presented the perfect case for the abolition of the death penalty. There was serious doubt about the facts as presented at trial. The conviction was secured through government misconduct. There was a bold admission by the federal judiciary that it values the smooth efficiency of the courtroom more than it does human life. Further, there was no way to justify the punishment Warren McCleskey suffered in relation to sentences imposed on persons convicted of far worse crimes.

I knew Warren McCleskey only briefly, but I found him an eloquent, insightful and courageous man. He told me this summer that he hoped his struggle and the loss of his life would help people realize the pure barbarism of capital punishment. In denying relief to McCleskey this spring, our highest court issued a warning to the 2,500 people on death row in the United States: No longer will the Supreme Court tolerate claims that were not raised at trial, even in cases where the trial lawyer might be an imbecile or the state's evidence is doctored or distorted. The court in this era will not stand for sloppy pleadings.

I have been told that the coming decades will bring a number of defeats, that this will be a long, tough and lonely fight. On one level I have come to terms with this bleak forecast. In an odd way, it provides a grim conviction. But nothing could have prepared me for the sadness I felt at Warren McCleskey's death. The pain was not really like that felt at the loss of a friend, for I only knew him briefly. It was not despair at the state of humanity, for I believe that if we were all aware of the gross inequities of our criminal justice system, we would not allow our government to execute our fellow citizens so nonchalantly. My despair lay in the realization that our legal system, which vaunts itself as one of precedent in reality discards precedent at will.

Warren McCleskey's death heralds a new era for all involved with capital defense work. Congress is currently considering the strictest capital punishment legislation in this country's history, greatly expanding the number of crimes punishable by death and severely restricting access to federal appellate review. Under it, people will be put to death with increasing frequency, and as a result of fundamentally unfair trials.

What offers hope in the face of an uncertain future is that the Supreme Court with its high-handed, arbitrary actions will strengthen the voices of dissent in this country. Perhaps one day we will recognize the case of Warren McCleskey as another episode in our country's long progress toward civilization.•

THE REAUTHORIZATION OF THE OLDER AMERICANS ACT

• Mr. ROTH. Mr. President, I am pleased that the Senate voted last night in favor of the reauthorization of the Older Americans Act. The many different social services, nutrition plans, and employment opportunities included under the Older Americans Act are crucial to the well-being of many frail elderly. Last year, over 7 million elderly individuals benefited from programs sponsored by the Older Americans Act. The public-private partnerships fostered between State agencies and businesses and the many volunteers contributing toward service delivery together introduce a tremendous vitality to the program.

I am also delighted that the bill included an amendment to repeal the Social Security earnings test. I continue to believe that seniors who choose to remain productive, contributing members of the work force should not have to lose one-third of their income from Social Security. The earnings test is a disincentive for seniors desiring to remain active and shortsightedly ignores our country's changing demographics. With a shrinking labor pool of skilled, younger workers, companies are going to become increasingly more dependent on seniors to lend them a hand. Eliminating the earnings test is a positive step forward. It lets seniors know we value their knowledge and experience and appreciate their willingness to continue to share their skills.

I have been a longstanding supporter of the Older Americans Act. There are many good things the law does. The most important is its ability to help keep millions of seniors active in the community who would otherwise require institutional care. Home delivered meals, one of the many programs under the act, plays a key role in helping frail seniors no longer able to prepare meals to still stay at home. In Delaware, over 403,000 balanced meals were served to over 4,000 homebound Delawareans age 60 and over. Almost all meals were delivered by volunteers and local businesses raised over $100,000 to boost the program. The many volunteers helping to foster the public-private partnership demonstrates that private citizens see the government as a tool to assist in providing services rather than as the provider itself.

The beauty of the program is many elderly seniors who tell me "I don't want a free ride—I've always paid my way," will enroll in an Older Americans Act Program like meals on wheels because there is no welfare stigma. Seniors are eligible based on their age and frailty, and they can contribute toward the cost of the meals. From those involved in providing the meals, I have heard that compliance is not a problem and, from the elderly enrolled, I have heard they want to be able to pay. The dignity in the program is worthy of continued support.

Within the next few decades the proportion of our population over 65 will double, and the proportion over 85 will quadruple. In fact, my home State of Delaware had one of the highest increases in the 65-plus population in the past decade with a 34-percent growth rate. This increase shows just how important the reauthorization of the Older Americans Act is. About 30 percent of the elderly live alone in the community, with the phenomenon of the greying of America, the Older Americans Act will help to continue to meet seniors' needs. I am very glad to once again be able to lend my full support to the programs.•

WATER PROBLEMS ON CYPRUS

• Mr. SIMON. Mr. President, recently the magazine Cyprus View had an article about the water problems on Cyprus.

The legislation that I have introduced that will shortly be emerging from the Environment and Public Works Committee will move us ahead in this area that is so vital to California, Florida, and many States here but also to the Middle East, North Africa, and many areas of the world.

The article on Cyprus simply is illustrative of the need for research to find less expensive ways of converting salt water to fresh water.

If less expensive ways can be found, it would be a remarkable breakthrough for the future of Cyprus.

I ask to insert the article from Cyprus View in the RECORD at this point.

The article follows:

[From Cyprus View, August 1991]

THE SALINE SOLUTION

For a country surrounded by the stuff, there is precious little available. The old adage "water, water, everywhere, nor any drop to drink" rings true in Cyprus as the island enters the long and thirsty summer period which is traditionally drain on the island's most precious resource. But the salt water which surrounds it could also eventually provide a solution to the problem.

In the short term there are plans to ship in fresh water from the Greek island of Crete—50,000 cubic metres at a time, but in the long term, a permanent solution to the water shortage could lie in converting the inexhaustible supply of salt water into the fresh a variety by desalination. It is a method tried and tested by countries like Saudi Arabia and Gulf States.

In the meantime there's a problem—and it is a problem that will not go away if it is ignored. In a normal year the population of 650,000 more than doubles, as sun-seekers from all over the world flock to Cyprus for their holidays. They all use a lot of water—both Cypriots and visitors alike.

Available resources will last until the end of December, provided the stringent water restrictions imposed this year are still being enforced.

Water supply has been limited to 71.32 per cent of normal needs and there has been a ban on the use of hoses. The capital, Nicosia, has been worst hit by the shortage.

Water resources in mid-May stood at 53,415,000 cubic metres or 19.9 per cent of total dam storage capacity compared with 129,417,000 cubic metres or 48.3 per cent the year before, water department statistics indicate. Underground water resources at the beginning of the year were 70,130,000 cubic metres whereas water stored in the island's dams reached a mere 58,000,000 cubic metres at the end of April.

It is estimated that the total water needs for the rest of 1991 will reach 89,000,000 cubic metres—53,000,000 cubic metres would go for domestic drinking water, 36,000,000 cubic metres for irrigation. There haven't been any real irrigation problems, in general, even though in certain cases such as Lymbia, Pahiamos and Prodromos available resources could not satisfy the needs of these areas.

Cyprus has 22 major dams, 18 minor dams and 24 ponds spread all over the island.

The biggest dam is Kourris, in the southwest, which forms part of the southern conveyor plan, described as the most ambitious development project ever undertaken in Cyprus. The second largest is the Vassilikos-Pentaskinos project, which includes Kalavassos Dam in the south.

The two projects account for more than half the underground water resources, to be exact 63.30 per cent of the available total capacity at the end of April.

Cyprus relies solely on rainfall to supplement its meagre natural resources. The rainy season is limited annually to four to five months, from November to March. The island's rivers do not flow throughout the year, except for a few streams on higher ground in the Troodos mountains. A good rainy season significantly enriches the underground natural water layers and eases the heavy burden on the island's reservoirs.

This year Cyprus has suffered one of its worst shortages of water since records began. The drought has affected agriculture and the situation might worsen with the hot season and the regular influx of tourists.

To combat the acute shortage, the government decided to import water from the Greek island of Crete. More than three million pounds will be allocated to several infrastructure projects and other installations, including unloading equipment, storage tankers and machinery to enable the transfer of the precious liquid from vessels to the main water supply network.

Some 50,000 cubic metres of water will be shipped to Cyprus on each trip. Exchange visits to water department officials will take place to provide information and advice on handling water resources, a common islandwide agricultural policy and other water-related issues, like the use of urban sewage—after treatment—for irrigation.

Desalination, a costly but apparently effective method, could provide the answer to the chronic water shortage, says Lakis Christodoulou, principal water engineer. Preliminary plans are underway and the whole plant will soon go out to tender.

The sea forms an inexhaustible supply of water, which, if treated properly and processed through various methods approved by the world health organization, could be the only sustainable and long-term answer to the problem, he adds.

The most likely area to build such a plant is probably the south-eastern region of Kokkinohoria, though no final decision has been taken.

According to the water department, desalination will cost 1.35 cents per cubic metre of water. Water from the southern conveyor project costs between 0.30 and .035 cents per cubic metre.

People have shown a reasonable attitude towards this matter and the measures the government has taken are bearing fruit, according to Mr. Chirstodoulou. Posters are everywhere urging people to save water, television advertisements remind viewers about it constantly, and leaflets are distributed to warn and to ask everyone to do their bit.

The tourist sector, the major money-making industry on the island, is treating the water shortage problem very seriously. A Paphos hotel has recently introduced a "Save Water" card, which gives tips to guests and visitors on how to save as much water as possible.

The hotel has achieved a 12 per cent drop in water consumption.•

DEMOCRACY IN ZAIRE

• Mr. **LEAHY**. Mr. President, during the 1980's when the United States and the Soviet Union were supporting opposite sides of the Angolan civil war, the United States turned a blind eye to kleptocracy in neighboring Zaire. We gave military aid to President Mobutu, and ignored his blatant trampling on human rights. We supported a rebel army in the name of democracy in Angola at the same time we were supporting a ruthless dictator who suppressed all voices for democratic change in Zaire and stole millions from his own people. Zaire remains one of the very poorest countries in the world.

Now that sorry past has caught up with us. Zaire is engulfed in violence, as opposition forces try to wrest control from President Mobutu who has resisted every effort for a peaceful transition to a multiparty system. They are looking to the United States for a clear signal that we support their struggle for democracy.

According to recent press reports, the administration continues to call for power-sharing between Mobutu and the opposition. That might have been possible a few months ago, but no longer. Mobutu has lost all credibility. He has forfeited the right to any role in Zaire's future government. Democracy means respecting the will of the people. The United States should show the Zairian people that we stand for democracy. We should give our unequivocal support for a broad-based, provisional government that can pave the way for free elections and new democratic leadership. Mobutu must go, and we should say so.•

DEMOCRATIC PROCESS AT WORK IN TURKEY

• Mr. **DECONCINI**. Mr. President, on October 20, 1991, for the third time since a military regime relinquished power in 1983, Turkish voters went to the polls to elect new leaders. Six parties will be represented in the new 450-member parliament, and others which successfully placed candidated on major party lists, including a Kurdish Party, will also participate in the new government. The closely contested race, with its flamboyant political campaigns, makes it abundantly clear that the democratic process is alive and well in Turkey. As one leading Turkish newspaper editor stated, "The clock cannot be turned back. The multiparty system is here to stay."

Suleyman Demirel, whose True Path Party won a slim plurality of votes, will lead Turkey's new government. He has been Prime Minister on six previous occasions and was twice ousted by the military. President Ozal, whose Motherland Party will not have a majority in Parliament for the first time since 1983, has meet with Demirel to discuss the formation of a new government. Both men share a love of their nation and a commitment to democratic principles, modernization, and a free market economy. Each has stressed the need for a smooth transition, despite what could be a difficult search for a coalition government.

Mustafa Kemal Ataturk, modern Turkey's founder and first president, once said that "the voice of the government must speak the words of its people." Today, more than ever before, Turkey has achieved this goal. Mr. President, I believe that Turkish democracy, which incorporates the interests of numerous ethnic and socioeconomic groups, can serve as a model for its less democratically inclined neighbors. Indeed, peoples throughout the Middle East would benefit if their leaders adapted the principle on which the Turkish political system is based.•

HOW VAST THE WASTELAND NOW

• Mr. **SIMON**. Mr. President, one of the more stimulating people in this country and a public servant in a great many ways over these years is Newton N. Minow, who served as the Chairman of the Federal Communications Commission under John F. Kennedy. I'm proud to have him as a citizen of Illinois, and all of us should be proud to have him as one of America's leaders.

On May 9, 1961, he made a talk about television, calling it "The 'Vast Wasteland.'" That speech stimulated a huge amount of discussion and is referred to frequently yet to this day.

Thirty years later, he gave a talk at the Gannett Foundation Media Center at Columbia University, a talk that didn't get as much attention as his "Vast Wasteland" speech, but which contains just as much common sense.

At one point in his remarks he says "I think the most troubling change over the past 30 years is the rise in the quantity and quality of violence on television. In 1961 I worried that my children would not benefit much from television, but in 1991 I worry that my grandchildren will actually be harmed by it."

I mention this because the television industry now has an exemption from the antitrust laws signed into law by the President, for which I had the honor to be the chief sponsor. Both the broadcasting side of television and the cable side of television have had meetings on the question of violence, but I would be fooling my colleagues if I sense that very much was happening in a positive direction. I hope I am wrong. We should not have to have the heavy club of Government to make sensible changes that would serve the public well. In Newton Minow's speech he quotes Bill Baker, president of thirteen/WNET, who has been in both commercial and public television, who said: "To aim only at the bottom line is to aim too low. Our country deserves better." I urge television executives to note that.

A point that Newt Minow makes is that public television deserves more support than it now receives. Perhaps I am the only member of the Senate who does not like the fact that public television has to rely on commercial sponsors in order to survive. That has, in my opinion, had a harmful effect on public television.

Mr. Minow calls on this Nation to provide free air time to political candidates and parties. The abuses that are taking place because of raising money for television commercials are all too widely known to every Member of the Senate, yet we fail to do anything about it.

There is more good sense in the Newt Minow address, and I urge my colleagues to read it. I ask to insert Newton Minow's address into the RECORD at this point.

The address follows:

HOW VAST THE WASTELAND NOW?

(Address by Newton N. Minow, Director, the Annenberg Washington Program in Communications Policy Studies of Northwestern University, delivered at the Gannett Foundation Media Center, Columbia University, New York City, May 9, 1991)

After finishing that speech to the National Association of Broadcasters (NAB) thirty years ago today, I remained near the podium talking with LeRoy Collins, a former governor of Florida who was serving as NAB president.[1] A man from the audience approached us and said to me, "I didn't particularly like your speech." A few moments later the same man returned with, "The more I thought about it, your speech was really awful." A few minutes later he was back a third time to say, "Mr. Minow, that was the worst speech I ever heard in my whole life!"

Governor Collins gently put his arm around me and said, "Don't let him upset you, Newt. That man has no mind of his own. He just repeats everything he hears."

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[1] Governor Collins died several months ago—after an exceptionally distinguished career of public service of the highest quality.

Thirty years later I still hear about that speech. My daughters threaten to engrave on my tombstone "On to a Vaster Wasteland."

My old law partner, Adlai E. Stevenson, loved to tell a favorite story about the relationship between a fan and a fan dancer: There is really no intent to cover the subject—only to call attention to it. Like a fan dancer, it is not my intent today to cover every part of that speech, but rather to use its anniversary to examine, with thirty years' perspective, what television has been doing to our society and what television can do for our society.

Thirty years cannot be covered fully in thirty minutes, but let us begin by reminding ourselves of the times, circumstances and optimistic spirit of the Kennedy administration in the early '60s. What was broadcasting like at that stage of development?

President Kennedy started off with a dream of a New Frontier, but made a major blunder on April 17, 1961, at the Bay of Pigs. A few weeks later, on May 5, there was a great triumph: the successful launch of the first American to fly in space, Commander Alan Shepard. Commander Shepard returned from his flight to meet President Kennedy and Congress on May 8. On the same day, President Kennedy was to speak to the National Association of Broadcasters and invited me to accompany him when he gave his speech. I was to meet him outside the Oval Office in the morning and to ride with him to the Sheraton Park Hotel.

As I waited there, President Kennedy emerged and said, "Newt, how about taking the Shepards with us to the broadcasters?" Of course, I said, and the president went back into his office to make the arrangements. He returned to say, "It's all set. Now come with me, I want to change my shirt. And what do you think I should say to the broadcasters?"

Although I had known Jack Kennedy before he was president, it was the first time that I was in the bedroom of the president of the United States watching him change shirts and being asked to advise him on what to say. Nervously, I mumbled something about the difference between the way we handled our space launches compared to the Soviets: that we invited radio and television to cover the events live, not knowing whether success or failure would follow. On the other hand, the Soviets operated behind locked doors. President Kennedy nodded, took no notes, and led me back to his office, where Commander and Mrs. Shepard and Vice President Lyndon Johnson were waiting. We went out to the cars. The vice president and I ended up on the two jump seats in the presidential limousine, with the president and the Shepards in the back seat in an ebullient mood as we rode through Rock Creek Park. After we arrived, President Kennedy gave a graceful, witty, thoughtful talk about the value of an open, free society, exemplified by the live radio and television coverage of Commander Shepard's flight. The broadcasters responded with a standing ovation.

The next day I returned to that same platform for my first speech as chairman of the Federal Communications Commission. Many people think I should have asked President Kennedy to watch me change my shirt and give me advice on my speech because, as you know, the audience did not like what I had to say.

In that speech, I asked the nation's television broadcasters "to sit down in front of your television set when your station goes on the air and stay there without a book, magazine, newspaper, profit-and-loss sheet or rating book to distract you—and keep your eyes glued to that set until the station signs off. I can assure you that you will observe a vast wasteland. . . .

"Is there one person in this room who claims that broadcasting can't do better? . . . Your trust accounting with your beneficiaries is overdue."

That night, at home, there were two phone calls. The first was from president Kennedy's father, Joseph Kennedy. When I heard who was calling I anticipated sharp criticism; instead Ambassador Kennedy said "Newt, I just finished talking to Jack and I told him your speech was the best one since his inaugural address on January 20th. Keep it up; if anyone gives you any trouble, call me!" The second call was from Edward R. Murrow, then director of the U.S. Information Agency. He said, "You gave the same speech I gave two years ago. Good for you—you'll get a lot of heat and criticism, but don't lose your courage!"

Those two calls gave me the backbone I needed.

What was the situation at the time? In the late '50s, scandals damaged both the FCC and the television industry. President Eisenhower had to replace an FCC chairman who had accepted lavish entertainment by industry licensees. Broadcasters had to explain quiz show and payola scandals in congressional hearings. Television was still new—in its first generation of programming. The word "television" did not yet appear in the Federal Communications Act.

While at the FCC, we followed two fundamental policies: (1) to require that broadcasters serve the public interest as well as their private interest, and (2) to increase choice for the American home viewer. In the long run, we believed that competition was preferable to governmental regulation, especially where a medium of expression was involved. So we worked to open markets to new technologies, to help build a noncommercial television alternative and to provide educational opportunities through television. Satellites, UHF, cable—we encouraged them all.

Today that 1961 speech is remembered for two words—but not the two I intended to be remembered. The words we tried to advance were "public interest." To me, the public interest meant, and still means, that we should constantly ask: What can television do for our country?—for the common good?—for the American people?

Alexis de Tocqueville observed in 1835: "No sooner do you set foot on American soil than you find yourself in a sort of tumult . . . all around you everything is on the move." What would Tocqueville have said about the explosive expansion of telecommunications—particularly the electronic media—during the thirty years between 1961 and 1991?

In 1961 there were 47.2 million television sets in American homes; by 1990 that number had more than tripled, to 172 million. Fewer than 5 percent of the television sets in 1961 were color; in 1990, 98 percent of American homes receive television in color. Cable television, which started by bringing television to people who could not receive signals over the air, now brings even more television to people who already receive it. In 1961, cable television served just over a million homes; now it reaches more than 55 million. Between 1961 and 1991, the number of commercial television stations in America doubled, from 543 to 1,102. Noncommercial—now called public—television stations quintupled from 62 to 350.

Americans spend more time than ever watching television. Since 1961 the U.S. population has risen from 150 million to 245 million, and the amount of time Americans spend watching television has skyrocketed from 2.175 hours a day to a staggering 7.3 hours per day. In 1961, television viewers spent more than 90 percent of their viewing time watching the three commercial networks; today that figure is around 62 percent.

While the U.S. government slipped from a $3 billion surplus in 1960 to a deficit of more than $161 billion today, total advertising revenues for the television industry rose twentyfold in the same period, from $1.2 billion to $24 billion. In 1961 cable advertising revenues were zero; in 1988 cable advertising revenues were $1.16 billion. And cable subscribers, who paid an average of $4 per month in 1961, today pay around $25 for cable service. Cable subscriptions accounted for revenues of $51 million in 1961; now they amount to almost $20 billion.

Video revenue in the movie industry, which was zero thirty years ago, is now $2.9 billion—more than $700 million larger than current movie theater receipts. VCRs—unavailable commercially in 1961—are now in more than 58 million American homes.

Children today grow up with a remote control clicker, cable and a VCR. Former NBC President Bob Mulholland, who now teaches at Northwestern University's Medill School of Journalism, says that these children don't remember the days when television signals came to the home through the air to an antenna on the roof as God and General Sarnoff intended. My own children used to say, "Is it time for the 'Mickey Mouse Club' yet?" My grandchildren say, "Can I watch the tape of Peter Pan again?"

Today, new program services like CNN, C-SPAN, HBO, Showtime, Disney, Nickelodeon, Discovery, Lifetime, Arts and Entertainment, ESPN, USA, TNT, Black Entertainment TV, Bravo, Cinemax, TBS, Home Shopping, Weather Channel, Univision, CNBC, Galavision, Nashville, MTV, FNN, American Movie Channel—and even more—enter the home by wire for those who can pay the monthly cable bill. Choice has skyrocketed. The VCR means you can watch a program when you want to see it, not just when the broadcaster puts it on the schedule. If you are a sports fan, a news junkie, a stock market follower, a rock music devotee, a person who speaks Spanish, a nostalgic old-movie buff, a congressional-hearing observer, a weather watcher—you now have your own choice. The FCC objective in the early '60s to expand choice has been fulfilled—beyond all expectations.

Yet, to many of us, this enlarged choice is not enough to satisfy the public interest. There are several reasons. Although some viewers have gone from a vast emptiness to a vast fullness, others have been excluded. Choice through cable comes at a price not all can afford, and cable is still not available to the entire nation. (Where I live in Chicago, we did not receive cable service until last year, and of course many parts of New York City and Washington, D.C., do not have cable either.) And as CBS President Howard Stringer said in a speech at the Royal Institution in London last year, "We see a vast media-jaded audience that wanders restlessly from one channel to another in search of that endangered species—originality . . . more choices may not necessarily mean better choices."

One evening as I watched, with my remote control in hand, I flipped through the channels and saw a man loading his gun on one channel, a different man aiming a gun on a second, and another man shooting a gun on a third. And if you don't believe me, try it yourself. Remember Groucho Marx's advice: "Do you believe me or your own eyes?" I think the most troubling change over the past 30 years is the rise in the quantity and quality of violence on television. In 1961 I worried that my children would not benefit much from television but in 1991 I worry that my grandchildren will actually be harmed by it. One recent study shows that by the time a child is 18 he has seen 25,000 murders on television. In 1961 they didn't make PG-13 movies, much less NC-17. Now a 6-year-old can watch them on cable.

Can this be changed where television is concerned? My own answer is yes. If we want to, we can provide the American people with a full choice, even if the marketplace does not meet the demands of the public interest. I reject the view of an FCC chairman in the early '80s who said that "a television set is merely a toaster with pictures." I reject this ideological view that the marketplace will regulate itself and that the television marketplace will give us perfection. The absolute free market approach to public good has been gospel in our country in the case of the savings and loan industry, the airline industry, the junk bond financing industry, and in many other spheres of commerce and common interest. If television is to change, the men and women in television will have to make it a leading institution in American life rather than merely a reactive mirror of the lowest common denominator in the marketplace. Based on the last thirty years, the record gives the television marketplace an A+ for technology, but only a C for using that technology to serve human and humane goals.

Bill Baker, president of Thirteen/WNET here in New York (and like me a veteran of both commercial and public television) said it all in two short sentences: "To aim only at the bottom line is to aim too low. Our country deserves better." Flex Rohatyn, a star of the marketplace, was on target when he said, "Though I believe the marketplace knows best most of the time, I am skeptical that it should always be the ultimate arbiter of economic action, and I am more than willing to interfere with it when it becomes a distorting rather than a benign influence."

In the last thirty years, the television marketplace has become a severely distorting influence in at least four important public areas. We have failed (1) to use television for education; (2) to use television for children; (3) to finance public television properly; and (4) to use television properly in political campaigns.

First, education. Suppose you were asked this multiple-choice question: Which of the following is the most important educational institution in America? (a) Harvard, (b) Yale, (c) Columbia, (d) the University of California, (e) none of the above. The correct answer is e. The most important educational institution in America is television. More people learn more each day, each year, each lifetime from television than from any other source. All of television is education; the question is, what are we teaching and what are we learning? Sometimes, as in the case of the splendid Annenberg/CPB-sponsored educational course on the Constitution (created here at Columbia by Professor Fred Friendly), we see what television can do to stretch the mind and the spirit. In Ken Burns' brilliant programs about the Civil War, millions of Americans learned more about that terrible period in American history than they ever learned in school. We are slowly doing better each year in using television for education, but too much of the time we waste television's potential to teach—and viewers' to learn.

Second, television for children. Bob Keeshan, our Captain Kangaroo for life, has seen how television for children all over the world is designed to be part of the nurturing and educational system. But "in America," he says, "television is not a tool for nurturing. It is a tool for selling." True, there are glorious exceptions like Joan Cooney's work, starting with "Sesame Street." But far too often television fails our children. And it fails them for more hours each day than they spend with a teacher in a classroom.

Competition, it is said, brings out the best in products and the worst in people. In children's television, competition seems to bring out the worst in programs and the worst in children. Children lack purchasing power and voting power, and the television marketplace and the political process have failed them. Cooperation instead of competition—among broadcasters and cable operators—could do wonders for children. Congress last year and the FCC this year have finally started to address these issues, and the attention is long overdue. If they would give the same time and attention to policies for children's television as they give to industry fights about the financial interest and syndication rules, our children would begin to receive the priority concern they deserve.

Third, public television should become just as much a public commitment as our public libraries, hospitals, parks, schools, and universities. Yet it is a stepchild, struggling to provide outstanding public service while remaining in the role of a perpetual beggar in the richest country in the world. We have failed to fund a strong independent alternative to commercial television and thus failed, in Larry Grossman's words, to "travel the high road of education, information, culture and the arts."

There are many ways to establish a sound economic base for public broadcasting. For example, Congress could create a spectrum-use or franchise fee for all commercial broadcast and cable operators to fund public broadcasting on a permanent basis. If this were set in the range of a 2 percent annual fee on broadcasting and cable's $50 billion total annual revenues, it would produce about $1 billion a year. Even at that figure, we'd still be behind Japan. If we added $5 as a tax on the sale of new television sets and VCRs and earmarked the funds to match private contributions to public broadcasting, we could catch up to Japan—which now spends twenty times as much per person for public broadcasting as we do!

Finally, the use of television in political campaigns. Studies of the 1988 campaign show that the average block of uninterrupted speech by a presidential candidate on network newscasts was 9.8 seconds; in 1968 it was 42.3 seconds. As Walter Cronkite observed, this means that "issues can be avoided rather than confronted." And David Halberstam adds, "Once the politicians begin to talk in such brief bites . . . they begin to think in them."

A United States senator must now raise $12,000 to $16,000 every week to pay for a political campaign, mostly to buy time for television commercials. A recent United Nations study revealed that only two countries, Norway and Sri Lanka (in addition to the United States) do not provide free airtime to their political parties. If we are to preserve the democratic process without corrupting, unhealthy influences, we must find a bipartisan way to provide free time for our candidates and stop them from getting deeply in hock to special interests in order to pay for television commercials.

More than twenty years ago, I served on a bipartisan commission for the Twentieth Century Fund which recommended the concept of "voters' time" for presidential candidates. Voters' time would be television time purchased with public funds at half the commercial-time rates and given to candidates. In exchange, we would prohibit by law the purchase of time by the candidates. And while we're at it, we should institutionalize the presidential debates—make them real debates by eliminating the panels of journalists. And we should clean up our political campaigns—once and for all.

In these four areas, the television marketplace has not fulfilled our needs and will not do so in the next thirty years. These four needs can be met only if we—as a nation—make the decision that to aim only at the bottom line is to aim too low. If we still believe in the concept of the public interest, we can use television to educate, we can stop shortchanging our children, we can fund public broadcasting properly, and we can provide free television time for our political candidates. My generation began these tasks, and the time has now come to pass the responsibility on to the next generation—the first generation to grow up with television.

What will happen in television in the next thirty years—from now until 2021? As Woody Allen says, "More than any other time in history mankind faces a crossroads. One path leads to despair and hopelessness. The other to total extinction. Let us pray we have the wisdom to choose correctly."

In the next thirty years, four main forces—globalization, optical fiber, computers and satellite technology will illuminate the crossroads.

Today's able FCC chairman, Al Sikes, is wisely trying to keep public policy in pace with rapidly changing technologies. As Al observes, "Today we can see the new world . . . in it, tomorrow's communications networks will be dramatically improved. Copper and coaxial cables are giving way to glass fibers, and wavelengths are being replaced by digits. . . ."

Well before 2021, I believe there will be convergence of the technologies now used in telephones, computers, publishing, satellites, cable, movie studios and television networks. Already we see tests of optical fiber demonstrating the future. In Montreal tonight, a home viewer watching the hockey game on television can use his remote control to order his own instant replay, order different camera angles—and become his own studio director. In Cerritos, California, a viewer today can participate in an experiment to summon any recorded show at any time, day or night; and he can stop it, rewind it, or fast forward it.

Here in New York City, Time Warner is building a two-way, interactive cable system with 150 channels. People will be able to order any movie or record album ever produced and see and hear it when they themselves want to see and hear it. We see 400- and 500-channel systems on the horizon, fragmenting viewership into smaller and smaller niches, and we need to remember that for all their presumed benefits these developments undermine the simultaneous, shared national experiences that comprise the nation's social glue.

At the Annenberg Washington Program of Northwestern University, we are developing a blueprint for the future of optical fiber. As this new technological world unfolds, the risk remains that we will create information overload without information substance or analysis, of more media with fewer messages, of tiny sound bites without large thoughts, of concentrating on pictures of dead bodies instead of thinking human beings. Henry Thoreau warned us more than 125 years ago: "We are in great haste to construct a magnetic telegraph from Maine to Texas; but Maine and Texas, it may be, have nothing important to communicate."

When we launched the first communications satellite in 1962, we knew it was important—but we had little understanding of its future use. I did tell President Kennedy that the communications satellite was more important than launching a man into space, because the satellite launched an idea, and ideas last longer than human beings. The last thirty years have taught us that satellites have no respect for political boundaries. Satellites cannot be stopped by Berlin Walls, by tanks in Tiananmen Square or by dictators in Baghdad. In Manila, Warsaw and Bucharest, we saw the television station become today's Electronic Bastille.

Thirty years is but a nanosecond in history. If President Kennedy were alive today, he would celebrate his 74th birthday later this month. He would be seven years older than President Bush. He would be astonished by the technological changes of the past thirty years, but he would be confident that the next thirty years will be even more advanced.

Before he was elected president, John F. Kennedy once compared broadcasters and politicians in these words, "Will Gresham's law operate in the broadcasting and political worlds, wherein the bad inevitably drives out the good? Will the politician's desire for reelection—and the broadcaster's desire for ratings—cause both to flatter every public whim and prejudice—to seek the lowest common denominator of appeal—to put public opinion at all times ahead of the public interest? For myself, I reject that view of politics, and I urge you to reject that view of broadcasting."

I went to the FCC because I agreed then and agree now with President Kennedy's philosophy of broadcasting. As I think back about him, and also think of our future, I propose today to the television and cable industries: Join together to produce a unique program to be on all channels that will have enduring importance to history. Seldom in history have we had five living American presidents at the same time: Right now, Presidents Reagan, Carter, Ford and Nixon are with us, in addition to President Bush. You can bring all of them to the Oval Office in the White House to discuss their dreams of America in the 21st century, and you can give every American the opportunity to see and hear this program and to share a vision of our future.

The '60s started with high hopes, confronted tragedy and ended in disillusion. Tragically, our leaders—President John F. Kennedy, Reverend Martin Luther King Jr. and Pope John XXIII, left too soon. We cannot go back in history, but the new generation can draw upon the great creative energy of that era, on its sense of national kinship and purpose, and on its passion and compassion. These qualities have not left us—we have left them, and it is time to return.

As we return, I commend some extraordinary words to the new generation. E.B. White sat in a darkened room in 1938 to see the beginning of television—an experimental electronic box that projected images into the room. Once he saw it, Mr. White wrote: "We shall stand or fall by television—of that I am sure. . . . I believe television is going to be the test of the modern world, and that in this new opportunity to see beyond the range of our vision, we shall discover either a new and unbearable disturbance to the general peace, or a saving radiance in the sky."

That radiance falls unevenly today. It is still a dim light in education. It has not fulfilled its potential for children. It has neglected the needs of public television. And in the electoral process it has cast a dark shadow.

This year, television enabled us to see Patriot missiles destroy Scud missiles above the Persian Gulf. Will television in the next thirty years be a Scud or a Patriot? A new generation now has the chance to put the vision back into television, to travel from the wasteland to the promised land, and to make television a saving radiance in the sky.●

AUTHORITY FOR THE PRESIDENT PRO TEMPORE TO APPOINT A COMMITTEE TO ESCORT PRESIDENT OF ARGENTINA TO HOUSE CHAMBER

Mr. MITCHELL. Mr. President, I ask unanimous consent that the President pro tempore be authorized to appoint a committee of Senators to join with a like committee on the part of the House of Representatives to escort the President of the Republic of Argentina into the House Chamber for the joint meeting to be held at 11:30 a.m. on Thursday, November 14, 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I would like to make a statement.

Mr. MITCHELL. Certainly. How long would the chairman like?

Mr. THURMOND. About 5 minutes.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senator from South Carolina be recognized to address the Senate for 5 minutes.

The PRESIDING OFFICER. Without objection, the Chair recognizes the Senator from South Carolina.

OBJECTION TO MAKEUP OF CONFEREES ON THE CRIME BILL CONFERENCE

Mr. THURMOND. Mr. President, I must state publicly that I am distressed to hear my colleagues on the other side of the aisle accuse the Republicans on the Judiciary Committee of delaying the conference on the crime bill. As every Member of the Senate knows, I worked closely with Senator BIDEN to ensure that the Senate passed a tough crime bill. The Senate did so when it passed the Biden-Thurmond Violent Crime Control Act of 1991 on July 11, 1991, by a vote of 71 to 26. The House recently passed their crime bill by a vote of 305 to 118 on October 22 only 3 weeks ago.

To imply that Republicans do not want to conference on a crime bill is not accurate. I worked very hard to get a tough bill through the Senate. My objection has nothing to do with whether the Senate proceed to a crime bill conference with the House. In fact, I want to promptly proceed to conference. Nevertheless, I just object to the unfair proposal before the Senate.

Mr. President, the Democrats have proposed that the conference be made up of five Democrats and three Republicans. A fair and proportionate proposal would be four Democrats and three Republicans, each of which would be chosen in order of seniority of the committee. This accurately represents the 14 members of the Judiciary Committee which has eight Democrats and six Republicans. I find this to be a fair balance as half of the Democrats and half of the Republicans on the committee would be appointed to attend the conference, this is both fair and reasonable.

Mr. President, I must note that my proposal is nothing new to the Democrats. On November 1, I wrote the distinguished chairman of the Judiciary Committee and stated that the conference should be comprised of four Democrats and three Republicans. My letter followed preliminary discussions on the crime bill at which time it was made clear that I planned to proceed to conference this session.

Frankly, I fear the Democrats may be trying to stack the deck in their favor. For the record, a majority of the proposed Democratic conferees—I repeat that—a majority of the proposed Democratic conferees voted against the Senate crime bill. I fear there is an effort underway to strip all of the tough, major reform contained in both the House and Senate bills. Last year, when the Senate informally conferenced with the House on a crime bill, I found that many conferees worked to strip both the House and the Senate crime bills of every tough reform proposal. The Federal death penalty was removed. Habeas corpus reform was removed. Exclusionary rule reform was stripped out. The drug kingpin death penalty was removed. All of these provisions are once again the subject of a crime bill conference. The Senate must not allow this to happen again.

It has been argued that there is precedent for having a 5-to-3 conference appointed. Yet, last year there was no formal conference. The reason we did not formally conference was because there was insufficient time to do so. Nevertheless, an informal 5-to-3 conference brought about the very result I fear will happen again this year if we do not have a balanced conference. Let us not forget what a 5-to-3 conference got the country in terms of a tough crime bill last year—a minicrime bill. Both the House and

Senate crime bills were gutted and the major tough provisions were removed.

Mr. President, my colleagues on the other side of the aisle are mistaken. I remain truly committed to resolving the differences with the House and sending the President a tough crime bill he can sign into law. However, I refuse to enter into a situation which will lead to the removal of the true, effective reform proposals contained in the Senate crime bill. I remain hopeful that my colleagues will work to ensure that a fair and balanced conference is appointed.

For these reasons, I must regretfully object to this proposal and hope that the Democrats will agree to a 4-to-3 balance on this conference.

Mr. MITCHELL. Mr. President, in the absence of the chairman of the Senate Judiciary Committee, Senator BIDEN, who has been conducting these discussions with Senator THURMOND, I simply feel constrained to say that the ratios purposed by Senator BIDEN are consistent with the ratios of the Senate, that we have eight conferees; the breakdown of the Senate applies accurately that there will be five Democrats and three Republicans.

Now, I understand the chairman's argument that if we apply those ratios to seven, you come out to 4-to-3, but to suggest that one is mathematically correct and the other mathematically incorrect is, I submit, an erroneous statement. So I think it is regrettable. But the reality is that we have been delayed from naming conferees now for 8 days because of Republican objections to the proposal. All it means is that the prospect of getting a crime bill passed into law signed by the President becomes less and less likely with the passage of each day with these continuing objections by Republican colleagues. I regret that, but that is the reality.

I hope that the chairman, Senator BIDEN, and the distinguished ranking member can compose and work out their differences. But in the meantime, the reality is we do not have the conference on the crime bill. We do not have a conference because the Republicans object to naming the conferees as proposed by the chairman of the committee. That is unfortunate, but it is the reality.

Mr. President, if the chairman would like to say anything more, I am pleased to invite him or, if not——

Mr. THURMOND. Mr. President, I just want to say we are ready to go to conference tonight if you will make it four and three. That is the same ratio on the committee. We have eight Democrats and six Republicans. Take half of each. That is four Democrats and three Republicans. We stand ready now, here and now this day, and say we are ready to go to conference if you will give that proportion as shown in the committee, that same ratio.

Mr. MITCHELL. Mr. President, I thank the Senator for his comments. I merely point out if you had eight conferees, 57 percent of eight is five, and 43 percent of eight is three. And so the same can be said of the mathematical ratio there. It is just a question of rounding out. I accept the chairman's argument. I accept Senator BIDEN'S position. And the reality is that we are being prevented from doing so because of the Republican objection to naming the conferees.

I guess we both stated our position, Mr. President, and we disagree. But I certainly respect the chairman's point of view.

Mr. THURMOND. As far as I am concerned you can take all on the committee, all eight Democrats and all six Republicans for the conference. I suggest that that is unwieldy, though, and we take half of each, half of each. Is not that fair—half of the Republicans and half of the Democrats?

Mr. MITCHELL. I think, Mr. President, that no matter how long this goes, I am not going to get the last word. So, I am prepared to let it rest where it is and conclude for the evening. And I think both sides have made their position clear.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. on Thursday, November 14; that following the prayer, the Journal of the proceedings be deemed approved to date, and the time for the two leaders be reserved for their use later in the day; that there be a period for morning business not to extend beyond 11:15 a.m., and that the following Senators be recognized for the following times:

Senator WOFFORD, up to 10 minutes; Senator GLENN, up to 10 minutes; Senator LEAHY, up to 10 minutes; Senator REID, up to 15 minutes; Senator MITCHELL, or his designee, to control the remaining time prior to 11:15 a.m.; that the Senate stand in recess at 11:15 a.m., subject to the call of the Chair, in order to attend a joint meeting with the House to hear an address from the President of Argentina.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess as under the previous order.

There being no objection, the Senate, at 7:39 p.m., recessed until Thursday, November 14, 1991, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 13, 1991:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ARNOLD R. TOMPKINS, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES, VICE MARY SHEILA GALL.

ARNOLD R. TOMPKINS, OF MARYLAND, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF HEALTH AND HUMAN SERVICES. (NEW POSITION)

NATIONAL FOUNDATION FOR THE ARTS AND THE HUMANITIES

GEORGE C. WHITE, OF CONNECTICUT, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 1996, VICE LLOYD GEORGE RICHARDS, TERM EXPIRED.

HOUSE OF REPRESENTATIVES—*Wednesday, November 13, 1991*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

You have told us, O God, that it is more blessed to give than to receive. Remind us again and again of our responsibility to share with others of the bounty we have received—with the lonely, the hungry, the needy from every place. We pray, gracious God, that we will be able to ease the pain and increase the hope in families and in communities through our gifts of word and deed. Bless us, O God, this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GEPHARDT. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GEPHARDT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 296, nays 121, not voting 16, as follows:

[Roll No. 388]

YEAS—296

Abercrombie
Ackerman
Alexander
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Evans
Fascell
Fazio
Feighan
Fish
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hayes (IL)
Hayes (LA)
Hefner
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Hughes
Hutto
Hyde
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morrison
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Reed
Richardson
Rinaldo
Ritter
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schumer
Serrano
Sharp
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron

NAYS—121

Allard
Armey
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Bunning
Burton
Camp
Campbell (CA)
Chandler
Clay
Coble
Coleman (MO)
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Duncan
Edwards (OK)
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goodling
Goss
Gradison
Hancock
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Hunter
Inhofe
Ireland
Jacobs
James
Kolbe
Kyl
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCrery
McDade
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Murphy
Nussle
Paxon
Ramstad
Regula
Rhodes
Ridge
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schroeder
Sensenbrenner
Shays
Sikorski
Smith (OR)
Smith (TX)
Solomon
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Towns
Upton
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—16

Bateman
Dingell
Emerson
Espy
Flake
Hatcher
Hertel
Houghton
Huckaby
Jones (NC)
Lloyd
McCollum
Miller (CA)
Schulze
Washington
Young (AK)

☐ 1123

Mr. BURTON of Indiana changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. DYMALLY] please come forward and lead the House in the Pledge of Allegiance.

Mr. DYMALLY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H.R. 3402. An act to amend the Public Health Service Act to revise and extend certain programs regarding health information, health promotion, and vaccine injury compensation;

☐This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

H.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 25, 1991, as "National Military Families Recognition Day"; and

H.J. Res. 374. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1287. An act to amend the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
November 7, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the unofficial results received from William P. Boehm, Commissioner, Bureau of Elections, Commonwealth of Pennsylvania, indicating that, according to the unofficial returns of the Special Election held on November 5, 1991, the Honorable Lucien E. Blackwell was elected to the Office of Representative in Congress, from the second Congressional District, Commonwealth of Pennsylvania.

With great respect, I am
Sincerely yours,
DONNALD K. ANDERSON
Clerk, House of Representatives.

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF STATE,
Harrisburg, PA, November 6, 1991.

Hon. DONNALD K. ANDERSON,
Clerk, U.S. House of Representatives, The Capitol, Washington, DC.

DEAR MR. ANDERSON: As per the request of Mr. W. Raymond Colley, Deputy Clerk of the U.S. House of Representatives, I am sending to you the unofficial returns for the Special Election for Representative in Congress in the Second Congressional District as obtained from the Philadelphia County Board of Elections. I must emphasize the fact that these returns cannot be considered official since, pursuant to Pennsylvania law, the Return Board of Philadelphia County will not meet until Friday, November 8, to publicly compute and canvass the election returns. This notification, therefore, cannot be construed as an official certification as required by Section 1413 of the Pennsylvania Election Code (25 P.S. §3163).

Sincerely,
WILLIAM P. BOEHM,
Commissioner.

SWEARING IN OF HON. LUCIEN E. BLACKWELL, OF PENNSYLVANIA, AS A MEMBER OF THE HOUSE

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the gentleman from the Commonwealth of Pennsylvania, Mr. LUCIEN E. BLACKWELL, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. Will the Member-elect, Mr. LUCIEN E. BLACKWELL, come forward with the members of the Pennsylvania delegation. Will the Members and the visitors in the Gallery please stand.

Mr. BLACKWELL appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. Congratulations, you are now a Member of the U.S. House of Representatives.

THE PENNSYLVANIA ELECTION RESULTS

(Mr. GAYDOS asked and was given permission to address the House for 1 minute.)

Mr. GAYDOS. Mr. Speaker, I think every Member in the House agrees that the Pennsylvania elections were very important and will have ramifications in the future. But regarding the one election in the other body, let me say that the delegation has specifically, instructed me to convey to those Members and our colleagues in the House who assisted in that election that the delegation is very pleased and very thankful and that it could not have happened without their help.

Regarding the election in Philadelphia, that election is probably more important to use because it involves one of our own and also it fills a seat vacated by our former majority whip.

At this time I think it is only proper that I yield to the senior member of the Philadelphia delegation, the gentleman from Pennsylvania [Mr. FOGLIETTA], who will officially welcome our new colleague.

WELCOMING HON. LUCIEN E. BLACKWELL

(Mr. FOGLIETTA asked and was given permission to address the House for 1 minute.)

Mr. FOGLIETTA. Mr. Speaker, I am proud—and happy—to introduce to the Members of the House of Representatives, and welcome our newest colleague, Mr. LUCIEN BLACKWELL of the city of Philadelphia and the Commonwealth of Pennsylvania.

I have known LOU BLACKWELL for 20 years.

I have known him as the president of the Philadelphia chapter of the International Longshoreman's Association, where he fought hard for workers on the Delaware River waterfront.

I have known LOU BLACKWELL as the chairman of the Philadelphia Gas Commission, where he fought for consumers and senior citizens. Three times, LOU beat gas rate increase requests, saving consumers more than $100 million.

I have known LOU BLACKWELL, who was majority whip of Philadelphia City Council—where I used to serve as minority leader. There, LOU fought on every important issue affecting the citizens of Philadelphia. Whether it was health care or housing, whether it was workers' rights or jobs, whether it was a counseling center in west Philly or a skating rink in Cobbs Creek, LOU was always in there fighting.

And let me tell you something about our new colleague: He is not shy about fighting for his constituents and for issues in which he believes.

Now is the time to talk about LUCIEN BLACKWELL the Congressman. As chairman of the Congressional Urban Caucus, I know that LOU BLACKWELL's experience will make him a major asset to the urban caucus and this institution. The people who live in America's cities are hurting, and we need a strong voice like LUCIEN BLACKWELL's here in Congress, to help change our Government's priorities.

I look forward to working with this tireless champion of urban causes here in the Congress of the United States of America.

□ 1130

I take great pride and great pleasure in introducing him to the Members of the House.

EXPRESSION OF APPRECIATION FOR A WARM WELCOME TO THE HOUSE OF REPRESENTATIVES

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute.)

Mr. BLACKWELL. Mr. Speaker, I would like to just take this opportunity to thank the Speaker for the warm welcome that he gave me upon my arrival, and I would like to thank you, Mr. Speaker, for what you have indicated to me. I would like to thank first my constituents who sent me here.

I come here not in a braggadocio way. I come here with Democratic philosophy from the top of my head to the bottom of my feet.

I come here not with might, not with power, but by God's grace, and I want you to know that I am for all of those who are for working people, who are for poor people, who are for turning this country around. I will be right with you.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TODAY DURING 5-MINUTE RULE

Mr. WISE. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be permitted to sit during proceedings under the 5-minute rule on today, November 13, 1991.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

A REAL RECESSION REQUIRES REAL ACTION

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, a recession is a recession is a recession. This recession, by any other name, is causing intense pain and suffering to millions of Americans.

Ask Ralph Damiano from Yonkers, NY. He is a proud man, a father of three.

Mr. Damiano has never asked his Government for anything, he never wanted to.

He has worked hard to provide his family a home, food, clothing, education, and medical care. But after 38 years of hard work operating heavy equipment, this recession took Ralph's job. He says, in all those years, he has never seen it so bad. It has been months since he has been able to find work.

Unemployment benefits and savings have held them together. But those benefits ran out October 1. On top of that, he is worrying about losing health benefits in a matter of weeks.

Ralph still does not have work. He needs help to care for his family, help he has paid for through payroll taxes for 38 years.

Over 3 months ago we sent the President the first of three unemployment bills to help Ralph Damiano and millions of others who are at the end of their rope. Time is running out.

LEGISLATION TO CREATE JOBS WILL CORRECT DEMOCRATIC RECESSION

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, if Republicans were in charge of the House today we would pass legislation to stimulate the economy and create jobs for all Americans. What is wrong with the economy?

In my district, a true example, a self-employed individual with two children earning $25,000 a year, after he pays State, Federal, local taxes, and a hospital plan, ends up with a little over $11,000 in spendable income. Next door to him is a welfare family of four. They have a spendable income of nearly $15,000. That is what is wrong with our economy, and Americans are starting to wake up to that.

Why has the Democratic leadership led us into this unnecessary Democratic recession? It is quite simple. Since 1954, when I was a sophomore in high school, the Democrats had control of this place. They have been able to purchase power by giving away other people's money.

Mr. Speaker, what the American people want are jobs, not unemployment checks. They want legislation passed to prevent our economy from falling more into the Democratic recession. The American people want us to pass legislation to stimulate the economy, not to hinder its growth. It is time to stop having an agenda that is politically motivated. Let us get moving on legislation that will save our country.

GOVERNMENT BY VETO, PASSPORT AND PHOTO OPPORTUNITY

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker, the President brings the bash Congress bandwagon to Missouri this afternoon, so a little refresher course in history seems appropriate.

Harry Truman was an activist President who ran against a Republican Congress that rejected his progressive ideas.

Today, a Democratic Congress battles a Republican President with no domestic agenda, one who has defined his administration by what he has vetoed, not what he's proposed.

Shades of 1948? Not exactly.

This is Harry Truman in reverse. This is Government by veto, passport, and photo opportunity.

This is a do-nothing presidency. This is not leadership.

It is the Democratic Congress that is fighting for health care, middle class tax relief, guaranteed loans for qualified students, and a growing economy for all—not just capital gains for the fortunate.

Mr. Speaker, I would urge the President, don't misread history. Get down to the serious business of getting America out of this Republican recession.

REPEAL OF SOCIAL SECURITY EARNINGS TEST

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, do we really want to help the economy? Do we really want to help the working man? Do we really want to help the middle class, or are we going to stand here and have partisan bickering day after day after day?

Mr. Speaker, maybe it is time we reach hands across the aisle and work in a bipartisan way to bring about the results in this Congress instead of bash each other time after time in 1 minute after 1 minute.

Mr. Speaker, I want to commend the other body for the vision and economic sense it demonstrated yesterday when it adopted an amendment to the Older Americans Act that would repeal the discriminatory Social Security earnings test on our Nation's working seniors.

As we all know too well, the earnings test, a Depression era fossil, takes away a dollar in Social Security benefits for every $3 seniors earn over the paltry some of only $9,720. For a senior earning only $10,000 a year, that amounts to a 56 percent effective marginal tax rate, nearly twice the rate millionaires pay, and it is just not fair. Mr. Speaker, it is age discrimination, pure and simple.

It is time this Congress acts and puts its money where its mouth is.

REPUBLICAN TRICKLE DOWN TAX BREAKS FOR THE RICH DO NOT WORK

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, night after night I am sure Members are all happy to know that the rich in America are not home alone. No, the rich in America are spending thousands of dollars in all parts of this country night after night to have dinner and to help reelect one of their own: President Bush.

He always shows up at the dinner, and he says the trouble with this economy is the Democrats will not give you more tax breaks. The trouble with the economy was he gave too many tax breaks. Remember, Reagan/Bush said, "Give my rich friends tax breaks and they will trickle on you."

We have been waiting for 10 years and no one in the economy is even damp. The Democrats have got to try and get this back together, but let us not forget who has been in charge, who has been negotiating trade agreements and who has been the one to put this master plan together.

□ 1140

Mr. Speaker, I hope they are all enjoying their rubber chicken, and I hope we bounce them all out when 1992 comes.

PROBLEM IS AT THIS END OF PENNSYLVANIA AVENUE

(Mr. BOEHLERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Speaker, I used to think that baseball was America's favorite sport, but alas, that apparently is not so with the majority of the majority in this House.

No, the new favorite sport is Bush bashing; blame the President for all of the Nation's ills. To hear some tell it, Congress is Robin Hood and the President is Sheriff of Nottingham with the Republicans as his henchmen.

As one famous commentator likes to say, "And now for the rest of the story." In my lifetime, and I am now a proud grandfather, the Democrats have controlled Congress for all but 4 years. Does that not reveal something about the source of so many of our Nation's problems?

In the House and Senate, there are 38 standing committees, 9 select committees, 7 joint committees, 231 subcommittees with overlapping jurisdiction, obstacles to progress, impediments to meaningful action to solve people's problems.

The American people cannot be hoodwinked. The problem is at this end of Pennsylvania Avenue.

THE TRUTH ABOUT THE ECONOMY

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, is the President suffering from jet lag? Sagging polls? Or simple euphoria from raising $2 million at the Hilton Hotel from rich New Yorkers or previously in Dallas from rich Texans?

Whatever the cause, the President gave a deeply defensive speech about the economy yesterday which included just about everything—except the facts.

He complained about being "mugged" by a Congress that refuses to pass his domestic program. The truth is quite the reverse: He has no domestic program. It is taxpayers and unemployed workers who have been mugged. And it is the President lurking behind the mask.

George Bush can spend all the time he wants at $1,000-a-plate fundraisers, at 6th Avenue and 53rd Street, or viewing America at 30,000 feet through those oval windows on Air Force One. But he does it too far removed from the lives and concerns of average Americans.

And the hallmarks of his Presidency will be the frequent flyer coupon and the capital gains tax cut, not a growing economy, jobs for Americans.

REPUBLICAN CONGRESS WOULD SPUR ECONOMY

(Mrs. MEYERS of Kansas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Mr. Speaker, I am sure all my colleagues share my concern for our Nation's sluggish economy. We are all disheartened by the recession and its effect on millions of hard-working Americans.

While the plight of many working Americans worsens, Democrats are eager to blame the President for the recession. The Democrats need only to look in the mirror to realize their failure to enact policies to help jump start the economy has prolonged the recession and imposed hardships on working families.

If Republicans were in the majority, creating economic growth would be the primary business of Congress.

Working with the President, instead of against him, a Republican Congress would have succeeded months ago in getting jobless benefits to the unemployed, enacting a highway reauthorization jobs bill, and passing tax relief measures to assist the middle class and ensure economic investment.

A Republican Congress would long ago have approved product liability reform to enhance the competitiveness of American businesses, established enterprise zones in urban-blighted areas, and provided incentives for first-time home buyers.

Mr. Speaker, a Republican majority in Congress, working with the President, would be able to get the economy moving again.

UNEMPLOYMENT

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Mr. Speaker, Texas unemployment currently stands at 7.9 percent—the highest rate in 3½ years.

That figure is even higher in my northeast Texas district. We have been struggling through economic stagnation and recession for 6 years.

President Bush, however, does not seem to share the almost universal view of our current economy—which may be understandable after his trips to Houston, Dallas, and New York.

The President needs spend more time with Americans fighting to feed their families and less time with Americans who can pony up a grand for one meal with him.

Middle-class Americans know that we are in a recession and they are waiting for the White House to respond.

The first step to help millions of jobless workers and their families is to extend unemployment benefits.

The Congress has delivered two unemployment packages for middle-class Americans to the President.

Mr. Speaker, for our Nation's economy and the American family, I hope "the third time is the charm." Let us send 20 weeks of extended benefits to the American people and then let us get to work and get this country moving again.

ECONOMIC GROWTH LEGISLATION NEEDED

(Mr. GALLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GALLO. Mr. Speaker, a number of my colleagues have been speculating recently about what would happen if the Republicans were in charge of this Congress.

I am here this morning to tell you at least one thing that would not be happening: We would not be heading home for the holidays without passing meaningful economic growth legislation.

Our economy needs a boost. Many parts of the country, like the State of New Jersey, are facing an uncertain economic future. Yet the Democratic leadership of this Congress intends to adjourn for the year without even holding a hearing on any kind of economic growth measure.

Republicans are ready, Mr. Speaker. A number of us, including me, have introduced progrowth bills. The majority has had plenty of time to study them. We are ready to hold hearings today. We are ready to bring economic growth legislation to the floor before we adjourn for the year.

Mr. Speaker, the stakes are high. The American people are watching. Let us not rush off for the holidays until we can show the American people that we are doing our job here in Washington. Let us bring an economic growth bill to the floor immediately.

THE MARSHALL PLAN TO REBUILD THE UNITED STATES

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, recent elections in New Jersey and Pennsylvania are being analyzed to death. But I think the message is loud and clear to both Republicans and to Democrats.

The status quo will not do, and it will not be tolerated, and change needs to come from us here in Washington, DC.

Mr. Speaker, if you will also notice, recent protests from Maryland to San Diego, CA, about education cuts, cutting faculty, and classes for our young people, that status quo will not do.

What we need is a Marshall plan to rebuild not Moscow, not the Middle East, not even Eastern Europe, Mr. Speaker, but the United States of America, our infrastructure, our economy, and our education.

The gentleman from Arkansas [Mr. THORNTON], Mrs. COLLINS, and I are circulating a resolution on this Marshall plan, and we hope to get your help to get this economy and this country moving again.

TOO MANY TAX INCREASES

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, if the Republicans were in charge of Congress, we would not be debating a banking bailout bill today or an unemployment compensation bill tomorrow, and we would not be listening to all these 1 minutes about the economy, because if the Republicans were in charge of this Congress, in 1989, when President Bush submitted an economic growth package to this Congress, we would have passed it.

In 1990, when the President submitted an economic growth package to this Congress, we would have passed it.

In 1991, when the President submitted an economic growth package to this Congress, we would have passed it.

The reality is, the unfortunate reality, we have people here on Capitol Hill who absolutely want a recession so that they can make Government assistance programs bigger, and they can somehow justify the role of Congress in passing those kinds of programs.

Our good friend and colleague from Colorado said that the trouble with the economy is the Democrats will not give you more tax breaks, quoting George Bush.

I would say that the trouble with the economy is the Democrats continue to give us too much in tax increases.

□ 1050

SHELDON BEYCHOK AND THE POLITICS OF RACE

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Mr. Speaker, Sheldon Beychok, chairman of the Louisiana Security Political Action Committee [LASPAC], has written Members of the Congressional Black Caucus stating that he is frightened because of the nomination of David Duke for Governor of Louisiana. Beychok has every reason to be frightened, for in 1986 Beychok sowed the seeds of racial divisiveness which bore the fruit of David Duke.

It was Sheldon Beychok who led a racist, bigoted, and sexist campaign against Faye Williams, an African-American woman, running for Congress in the Eighth District of Louisiana, as the Democratic nominee.

Two weeks before the final campaign, Beychok, with his vast financial resources, communicated with every elected official, the media—radio, television, newspaper—and leader in Louisiana, stating that Williams had a PLO terrorist in her campaign.

What was this woman's crime? She hired her law schoolmate, who was from Jordan, as her campaign manager.

What Beychok did, after having agreed to meet with attorney Williams and the AFL-CIO to work on a statement in support of Israel, was to proceed, 2 days earlier, to fund the campaign of the Republican nominee. Beychok now claims he is a frightened Democrat. He should be.

CONGRESSIONAL REFORM

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, a resolution has been introduced that I think may be just the ticket Congress needs to pull itself out of the rut it is in. The resolution calls for a temporary joint committee to take a closer look at how Congress works and offer some suggestions on how the process can be improved.

Twice over the past 50 years Congress has set up a bipartisan group to do some fine tuning on itself. The result of their efforts was positive legislation to clean up the process and make the Members of this body more accountable to the people they serve.

Let us face it—Congress has not been a pretty sight over the past few months. Starting with the check-bouncing scandal and ending with the despicable performance by the other body over the Clarence Thomas confirmation hearings, the American people are clearly fed up with the inexcusable behavior.

In light of all the Congress bashing that has been going on and ethics questions that have been raised, I think it is time for Congress to check itself in for a tuneup. Our credibility rating with the American people is at an all time low. Before it gets any worse, let us take some initiative and turn the process around. I urge my colleagues to sign on in support of the resolution and take seriously the reforms suggested by the bipartisan, bicameral group.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MAZZOLI). The Chair would remind Members that actions of the other body should not be characterized in debate.

STOP THE RHETORIC AND PASS THE FAMILY AND MEDICAL LEAVE ACT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the President talks profamily, good old-fashioned values, on and on and on; but the truth is the President vetoes the American family.

The policies are quite clear, Mr. Speaker. You can have a minimum wage job in America, but you will lose your medical card.

You can raise a family in America, but you will lose your job and your benefits. It is as simple as that. The proof is in the pudding, Mr. Speaker.

America is the only industrialized Nation of the world that does not have a family medical leave program.

I think it is time for Congress to stop this antifamily business and start putting some legislation where the rhetoric is and pass the Family and Medical Leave Act.

MINNESOTA CHEMICAL HEALTH WEEK

(Mr. RAMSTAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAMSTAD. Mr. Speaker, on this Chemical Health Awareness Day, let us renew our commitment to dealing with the national epidemic of alcohol and other drug abuse.

I am proud of our State of Minnesota for its leadership in the substance abuse area. This week, throughout Minnesota, concerned citizens are observing Minnesota Chemical Health Week to heighten education and prevention efforts. Schoolchildren throughout Minnesota are wearing red ribbons, like the one I am wearing today, as a symbol of our commitment to reduce and prevent drug and alcohol abuse.

Mr. Speaker, this red ribbon should also remind us of the need for a comprehensive approach to this deadly disease.

Treatment is a crucial component. With 5.5 million chemically dependent Americans presently unable to obtain treatment, Congress and the President must put politics aside and address this tragic reality of the drug and alcohol abuse problem.

Mr. Speaker, based on my own recovery from alcohol abuse and my experiences of the past 10 years working with alcoholics and addicts, I can tell you that treatment does work.

This Chemical Health Week, let us redouble our efforts to provide more treatment opportunities for Americans who want and need help.

TRIBUTE TO EARVIN "MAGIC" JOHNSON

(Mr. DIXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIXON. Mr. Speaker, I represent the community which is the home of the Los Angeles Lakers and it has been my privilege to witness their domination of the NBA for the past 12 years. They called their brand of basketball showtime, Earvin "Magic" Johnson was their leader. He led the attack. He set the pace. He rallied the troops. When they were 20 points behind and the going was tough, they gave the ball to Magic. And being the legendary hero he is, he would lead his team to victory.

Last week, Magic stepped forward and shook the world with the news that he is HIV positive. One of the greatest basketball players of this era explained that he would have to give up the game and go 1 on 1 against a very different, and very tough opponent. He did not complain about his fate. Nor did he ask for sympathy.

No, his concern was for society as a whole. Concern that unless we educate ourselves, and change our behavior, the same fate may befall a larger and larger number.

It is no secret that now more people—especially younger people—are at risk. We have been losing the battle. Magic Johnson has committed his best effort to lead the campaign to educate our citizens about AIDS.

He will not be able to do it alone. He will need the rest of us to join him in a "full court press" against AIDS and the ignorance and bigotry associated with this disease.

Mr. Speaker, Magic Johnson is putting together a team to fight against AIDS. There is a role for all of us to play, and it's time for all of us to sign up.

CONGRESSIONAL COVERAGE AMENDMENT

(Mr. RIGGS asked and was given permission to address the House for 1 minute and to revise and revise his remarks.)

Mr. RIGGS. Mr. Speaker, first of all, I would like to associate myself with the remarks of the gentleman from California, which I think were very poignant and moving.

Mr. Speaker, Congress in recent weeks has been described by the media as "Perk City," a place out of touch with the real world, and most damming of all, as the "Imperial Congress."

It is no wonder then that the American people react with boiling anger when stories such as the House bank and the House dining room fiascoes become public knowledge. The real problem is that many Members of Congress cannot seem to understand why the public is so aroused. We simply desensitize ourselves, and in so doing we have forsaken the creed of this institution and are in real danger of abandoning what is left of the good will of the American people.

The reason for this public frustration is simple. We are not living by the laws we pass on our fellow Americans. For 50 years we have exempted ourselves from every major employment and civil rights law which has passed this Congress.

Regrettably, today I rise to report this trend still continues. With unabashed arrogance and displaying a complete lack of forethought and good sense, the Rules Committee yesterday voted against the Fawell-Riggs-Boehner amendment, which would have allowed a vote on a congressional coverage amendment to the Family and Medical Leave Act.

If Americans who run businesses, great and small, must comply with the burdensome regulations of these laws, it is unconscionable why the Congress should be exempt.

Mr. Speaker, this routine arrogance and double standard must end.

REJECT THE BANKING BILL—SON OF TOO BIG TO FAIL

(Mr. DeFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DeFAZIO. Too big to fail. It is an obscure policy pursued in secret by the seven Presidential appointees of the Federal Reserve Board, yet it has cost the American taxpayers tens of billions of dollars.

The banking bill before us today purports to end this outrageous practice, to end the extension of benefits only to the wealthiest of the wealthy, those who can afford more than $100,000 in one bank account, to end the bailout of the foreign speculators.

Well, the bill does end too big to fail, but on page 92, lines 5 to 13, it gives us son of too big to fail, unlimited access to taxpayers funds at the whim of the secretive Federal Reserve Board bureaucrats.

The middle class has paid too long for the champagne and caviar party of a select few.

Mr. Speaker, I urge my colleagues to reject this so-called banking reform bill, reject son of too big to fail. Let us send the bill back to the drawing board and get real banking reform in the 102d Congress.

□ 1200

MANDATED LEAVE

(Mr. JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHNSON of Texas. Mr. Speaker, Americans do not want, do not need, and do not deserve mandated leave. The Government has no place mandating what fringe benefits Americans do or do not need.

A recent survey asked people to choose between Government-mandated benefits or leaving the decision up to employers and employees. Eighty-nine percent of respondents said they preferred benefits be decided through negotiation—not Government mandate.

Polls also show 94 percent of small businesses granted leave to employees on request. But, with Government mandates, 55 percent of those same businesses would be forced to cut back health benefits and entry-level jobs.

Mr. Speaker, mandated leave is an unprecedented and unwanted intrusion into America's workplace. I say the Federal Government should stay out of an area where we obviously do not belong.

SECRETARY BAKER SHOULD REQUEST SIGNIFICANT CONCESSIONS FROM CHINA

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, as you know, Secretary Baker is in Asia this weekend, and in a few days he will be visiting China.

Mr. Speaker, following the massacre in Tiananmen Square, there was a suspension of high-level exchanges between the United States and China. It is hard to understand what China has done to deserve the high honor of the Secretary's visit. Nonetheless, he is going, and we wish him success.

Mr. Speaker, I rise today to urge my colleagues to join a bipartisan group of Members who are sending a letter to Secretary Baker asking for significant concessions from the Chinese in the area of human rights, nuclear proliferation, and trade.

Mr. Speaker, in terms of human rights, since Tiananmen Square, the repression has continued, and there has been even denial that Tiananmen Square even happened.

As far as trade is concerned, the Chinese are clobbering American workers with transshipments, use of prison labor, barriers to our products and violations of our copyright and intellectual property agreements with them.

In terms of nuclear proliferation, in this very year that we went to war because of the capability that Hussein might have down the road in terms of nuclear technology and capability, the Chinese are now transferring technology to Iran, Algeria, Pakistan, and Syria.

Mr. Speaker, I urge my colleagues to join us in signing this letter and sending a very clear message to the Chinese nation.

LIBERAL DEMOCRATS ARE FRIGHTENED OF THE TRUTH

(Mr. DeLAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, the majority leader is upset because the President does not support the policies of the Democrat-controlled Congress. The Democrat leadership is upset that the President does not support more taxes, more spending, and more deficits.

I for one am very proud of my President. He is out in the real world reminding that real world that this Congress is controlled by liberal Democrats. The President is reminding the real world that the Democrat-controlled Congress, through its incompetence, is destroying this institution; that the Democrat-controlled Congress wants socialized medicine, socialized employment, and socialized economy; that the Democrat-controlled Congress is for more taxes, more spending, and higher deficits.

Listening to the rheotric on this floor this morning, Mr. Speaker, one thing is certain; the liberal Democrats are frightened of the truth.

PRESIDENT SHOULD SEND A SIGNAL TO BIG BANKS THAT HE SUPPORTS TOUGH CREDIT CARD INTEREST RATE LEGISLATION

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUMER. Mr. Speaker, it seem only when President Bush drops in the polls does he wake up to the concerns of average Americans. Yesterday, he suddenly gazed into the heavens and saw the stratospheric rates on our credit cards. That is no big surprise.

Some of us in Congress, cardholders, stuck with 19.8 percent interest rates, have realized for years that the banks are ripping us off. Yet Presidents Reagan and Bush and their banker friends have greeted this effort with ambivalence and outright opposition.

Mr. Speaker, I introduced a bill in May to make cardholders aware of the high interest rates they are paying. The White House still has no position on this bill.

Mr. Speaker, speeches by the President will do little good to reduce credit card interest rates; leadership by perception is not enough. The President should send a signal to the big banks by pledging his support and recruiting our Republican colleagues to help pass tough credit card interest rate legislation into law.

THE DEMOCRAT RECESSION

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, in 1989, 64 Democrats in this House voted to cut the capital gains tax rate. Now, Mr. Speaker, the issue of capital gains is a Republican give away to the rich. This just does not make sense. Where are those 64 Democrats now?

Also back in 1989, the Democrat-controlled other body blocked the bipartisan capital gains plan approved by the House, despite the fact that leading economists were saying the tax cut would create jobs and boost GNP. Now, Mr. Speaker, the Democrats who still control Congress, blame the Republican President for our sluggish economy. This does not make sense either, Mr. Speaker.

It may strain the memory, but also back in 1989, the Wall Street Journal ran a series of very unflattering editorials saying that in blocking the capital gains cut, the Democrats were setting the stage for an economic recession.

Well, Mr. Speaker, the Democrat recession is upon us, and, as is now a characteristic of the Democratic Party, legislation to create jobs and stimulate economic growth is not in sight.

It is beyond belief that the very same leaders of the Democratic Party: Who blocked the capital gains tax cut in 1989; who blocked the President's economic growth package in 1990; and who blocked the President's growth package in 1991, now blame the President for the sluggish economy.

Mr. Speaker, is it not time the Democrats in Congress answer for their antijob record.

THE RECESSION IS NOT OVER

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, in last Saturday's Atlanta Journal-Constitution, there was a headline across the front page that read "Bush Denies U.S. Is In Recession." In the story, President Bush was quoted as saying that he was "not prepared to say we are in recession."

The President made his comment while he was in Rome, thousands of miles away from the sobering realities of America.

Mr. Speaker, I am distressed to see that our President is out of touch and out of tune with the people of this Nation. This country is in trouble. Millions and millions of Americans cannot find a decent job. Some of our senior citizens will have to choose between eating and heating this winter.

Mr. Speaker, the reality of our Nation is clear. We must start taking care of our own. There is a sense of desperation, a sense of urgency. The American people are crying out and demanding leadership.

It is very sad that our President has refused to provide that leadership. His failure to show leadership can only result in further misery and despair.

THE UNITED STATES MUST RECOGNIZE THE SOVEREIGNTY OF CROATIA AND SLOVENIA

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, the time has come for the United States to officially recognize the sovereignty of the former Yugoslavian republics of Slovenia and Croatia. The people of Slovenia and Croatia have spoken clearly in their respective referenda, which were overwhelmingly proindependence, and have since paid very dearly with their blood.

Mr. Speaker, we had hoped that a political resolution could have been negotiated peacefully among the various republics. While paying lip service to cease-fires and negotiations however, the Serbian-controlled military is slaughtering civilians. MiGs, tanks, mortars are methodically leveling cities all over Croatia from Vukovar to Dubrovnik. Thousands are dead, most of them civilians, and many thousands more have been wounded and are left homeless.

Mr. Speaker, the United States must immediately join the EC-led sanctions against Serbia and at the same time the United States should recognize the sovereignty of Slovenia and Croatia.

The Milosevic government, which is one of the last Stalinist dictatorships in Europe, has not pursued a peaceful resolution of these issues. Milosevic is intent on establishing what is known as a greater Serbia. It is clear he wants to expand communism to the breakaway republics.

Mr. Speaker, in the cause of peace, in the cause of democracy, the time has come for the United States to recognize in law the sovereignty of Croatia and Slovenia.

SUPPORT THE FAMILY AND MEDICAL LEAVE ACT

(Mr. SANDERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANDERS. Mr. Speaker, I rise today in support of the Family and Medical Leave Act, which, for the first time in our Nation's history, gives an employee the right to take 12 weeks unpaid leave for:

First, the birth or adoption of a child.

Second, caring for a seriously ill child, parent, or spouse.

Third, dealing with one's own illness.

The critics of this legislation will tell us that even this modest first step is onerous and destructive, that family and medical leave will harm our international competitiveness. Does it harm Germany and Japan, the most successful postwar economies, who offer their employees 3 months of paid maternal leave? Perhaps our lack of competitiveness is more a result of our lack of compassion toward our workers and their families.

I have deep concerns that the standard of living of most Americans is declining, while at the same time the benefits accorded our citizens are falling further and further behind other nations. Every industrialized nation, with the exception of the United States and South Africa, provides universal health care to its citizens. Almost every nation in Europe guarantees more paid vacation time to their workers than American workers receive. Every industrialized nation, except the United States and South Africa, offers parental leave and, more importantly, they offer it with pay. Just a glance at our competitors' benefits, shows how this Nation, with all its resources, is failing its workers and their families.

Austria: 20 weeks at 100 percent pay.
Canada: 15 weeks at 60 percent pay.
France: 16 weeks at 90 percent pay.
Germany: 14 to 19 weeks at 100 percent pay.
Japan: 16 weeks at 60 percent pay.
Italy: 22 weeks at 80 percent pay.

And what are we asking for today? Twelve weeks of unpaid leave. Not a lot to ask in the late 20th century—a first step toward a fair, supportive, and humane system of family leave.

□ 1210

THE BACKGROUND OF THE CURRENT RECESSION

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. ROHRABACHER. Well, Mr. Speaker, we have heard it again: "The rich in America are benefiting from tax breaks, and it's a Republican recession." We hear this from the same people who blamed Ronald Reagan for the S&L crisis. We hear that from a party which received trainloads of cash from the S&L industry back in the 1980's, from the same party whose leadership used its prestige to pressure regulators to get off the backs of their S&L benefactors in Texas and California.

Let us ask who passed the so-called S&L reform that started us down this road to disaster? That was in 1980, before Ronald Reagan became President, when the Democrats controlled both Houses of Congress. Who passed the tax laws which supposedly helped the rich?

Tax laws begin in this body, and this body has been controlled by the Democrats since the Korean War.

More importantly, who passed the tax increase last year that pushed our economy over the cliff and into a recession and put our people out of work? It was the majority, the Members on this side of the aisle. They forced that tax increase on the American people and forced the American people out of work.

FLOOR CONSIDERATION OF H.R. 3508, HEALTH PROFESSIONS EDUCATION AMENDMENTS OF 1991

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

RICHARDSON. Mr. Speaker, we are currently in the midst of a serious and sustained nursing shortage which is only rivaled by the nursing shortage of the 1950's. Reports on the nursing profession by the American Nurses Association indicate that one of every eight registered nurse positions in hospitals goes unfilled. The scenario is even worse in nursing homes where one in every five RN positions goes unfilled.

Who is hurt most by the ongoing nursing shortage? Precisely those who can least afford it—the medically underserved populations residing in frontier, rural, and inner-city areas of our Nation. Right now, over 1,300 rural areas alone have been designated as medically underserved. To meet the demand for health care in just these areas would require 4,224 physicians.

Physicians however, continue to have a difficult time maintaining viable practices in shortage areas. This, combined with the aging of the existing rural physician population, necessitates that we look elsewhere to meet the needs of rural and urban underserved populations.

Nurses have always responded to the needs and concerns of our poorest citizens and I believe we must again turn to the nursing profession to respond to the Nation's rural and inner-city health care crisis. My legislation focuses our limited health care resources on training and educating those nursing professionals—clinical nurse-specialists, nurse-practitioners, nurse-midwives, and nurse-anesthetists—best equipped to meet the health care needs of underserved areas and would increase funding for these programs by nearly $10 million over 3 years.

I believe our money will be well spent. The advanced training of nurse-specialists and nurse-practitioners allows them to provide up to 80 percent of adult primary care services and up to 90 percent of the pediatric primary care services usually performed by a physician.

Nurse midwives have traditionally and continue to direct their services toward women most at risk for developing health care problems because of inadequate access to child bearing and health care services. A trained nurse-midwife can provide a comprehensive package of preventive prenatal care and education to a pregnant woman for as little as $600. Compare this to the thousands that will be spent on intensive care, hospitalization, and rehabilitative services for low-birthweight babies at risk for being developmentally disabled.

Finally, certified registered nurse-anesthetists [CRNAS] play a unique role in the provision of health care in rural areas. CRNAS are the sole anesthesia providers in 85 percent of rural hospitals, enabling these facilities to provide surgical, obstetrical, and trauma stabilization services that they would otherwise be unable to provide.

In short, the nursing specialties provide high quality, cost-effective care and provide millions of Americans with access to health care they would otherwise not receive. I ask my colleagues strong support for this legislation.

POTOMAC FEVER RAGES ON UNABATED

(Mr. CUNNINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Speaker, we have all have heard of Potomac fever. It is that highly contagious disease that transforms normal Americans into beltway bandits grown fat from feeding at the congressional pork barrel.

But a week ago Monday, the gentlewoman from Colorado, my Armed Services Committee colleague, Mrs. SCHROEDER, suggested that President George Bush is the carrier of Potomac fever.

Mr. Speaker, it is not that end of Pennsylvania Avenue that requires a quarantine.

To study the most advanced symptoms of Potomac fever Americans need look no farther than this House.

The seven most senior Members of this body—all Democrats—have amassed 287 years moored along the Potomac.

They are all honorable gentlemen.

They remember when the Republicans controlled this House.

That was back when we were fighting in Korea.

When Dwight Eisenhower was President.

The last time Republicans controlled this House, my friend and freshman colleague, Mr. NUSSLE, of Iowa wasn't even a gleam in his momma's eye.

Mr. Speaker, my home town of San Diego serves as the headquarters of dozens of biotech firms.

That qualifies me to say one thing in conclusion.

And it is that this Democrat-controlled, Democrat-run House of Representatives is where America finds the culture of Potomac fever.

SUPPORT URGED FOR STREAMLINED BANKING BILL

(Mr. CARPER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. CARPER. Mr. Speaker, the chance for real bank reform this year has faded with the leaves of autumn. On the heels of last week's overwhelming rejection of a misguided bank reform measure, the Banking Committee has now reported out a very narrow bill for our consideration later today. That very narrow bill deserves our consideration and, I believe, our support.

The bill would do roughly five things. Let me mention those.

First, it would replenish the FDIC to ensure that there is money to pay off depositors if their institutions fail;

Second, it would end this policy of some institutions being too big to fail;

Third, it would mandate early intervention by regulators in those institutions where the capital levels fall below certain points;

Fourth, it says to the Federal Reserve, "We are tired of your keeping afloat, through the discount window, weak institutions which should be permitted to fail, and we want you to stop it;" and

Fifth, finally, it would require yearly examinations for institutions, many of which do not receive those yearly examinations now.

We need to keep this bill clean. The Banking Committee has reported out a good bill, albeit a narrow one. The amendments that some would offer to it, I think, invite a legislative food fight, a food fight among special interests, not unlike that which defeated H.R. 6 a week ago. We do not need to go down that road again. There is precious little in the Wylie amendment for consumers, there is precious little for competition, and there is precious little to enable the banks to raise the capital requirements we are requiring them to reach.

Again, Mr. Speaker, I urge support for the very narrow approach embodied in H.R. 2094 and opposition to amendments thereto.

HOUSE NOW MUST REPEAL SOCIAL SECURITY EARNINGS LIMIT—SENATE DID

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the U.S. Senate made an important decision for older Americans last night. It voted to repeal the unfair and outdated Social Security earnings limit.

The earnings limit repeal came during debate on the Older Americans Act which the House passed on September 12. This body should take note of the Senate's action and how important it is to the welfare of older Americans.

Currently, senior citizens between the ages of 65 and 70 who earn more than $9,700 a year are penalized $1 in Social Security for every $3 earned. This means that a senior citizen who works and is in the 15-percent tax bracket is being told by the Federal Government, "We are going to take 33 percent away from your Social Security, then we are going to tax 15 percent of your income."

We should be encouraging our senior citizens to work if they want, not discouraging them.

Currently, 266 Members of the House are cosponsors of legislation introduced by my friend Congressman DENNIS HASTERT to repeal the earnings limit. This is an overwhelming majority of the House, yet the bill remains buried in committee.

I commend the U.S. Senate for voting to repeal the Social Security earnings limit and urge this body to have the foresight and compassion to do likewise.

FOCUS SHOULD BE ON PROBLEM-SOLVING, NOT POLITICS

(Mr. SUNDQUIST asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SUNDQUIST. Mr. Speaker, I was not going to give a 1-minute today until I heard my friend and colleague, the gentleman from Georgia, stand up and continue to pummel the President. It may be good politics to beat up on the President, but I think it is time we started beating up on the problems.

It is bad for the country when we continue what we have been doing, trying to find fault. Too many on his side of the aisle, I say to the gentleman from Georgia, are trying to create an issue for politics and for campaigns, as opposed to a solution. Too many on his side of the aisle are trying to pass legislation that they know the President is going to veto so they can have a campaign issue.

Today, shortly, we are going to be looking at the unemployment extension. I think it is time we put politics aside and have a compromise. We could have done that on the civil rights bill much earlier. We could have done it on jobs creation, and we still need to do something about jobs creation. But instead of trying to find a veto, let us try to find a solution. We did that on the American Disabilities Act, I say to the gentleman from Georgia, and it may just be that if we stop beating up on the President and start beating up on the problems, that would be good politics for all of us and maybe some people in this country will think a little bit more of this Congress.

□ 1220

SOME DEMOCRATS ADVOCATING COVERUP OF HOUSE BANK SCANDAL

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, there was a disturbing article in the papers in my home district over the weekend which indicated that the Democrats are about to engage in a coverup of the House bank scandal. The article referred to a memo that was evidently taken in a leadership meeting of some kind on the Democratic side in which one Member recorded in his notes that the Democrats should be more concerned about privacy issues of the Members involved than they should be about exposing the real character of the House bank scandal.

The American people are disturbed enough that we have pulled the bank scandal into the Committee on Ethics and buried it there. They do not want it permanently buried. They are hoping that the Committee on Ethics will in fact identify the people who abused the House bank and begin to do something about disciplining those Members.

It appears as though the Democrats, having pulled the issue into the Committee on Ethics, are now prepared to cover it up, and that would be very disturbing. It is something which should not be permitted to happen, and it is something that will cause a great deal of dissension in this House if it does happen.

Mr. HEFNER. Mr. Speaker, if the gentleman will yield, I would ask if the gentleman from Pennsylvania [Mr. WALKER] would produce for the RECORD those articles from the paper? I think they would make interesting reading for all of the Members.

Mr. WALKER. Mr. Speaker, I would be glad to.

AMERICANS NEED JOBS AS WELL AS UNEMPLOYMENT BENEFITS

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, I have sat and listened to 1-minute speeches this morning coming from the Democrat side of the aisle, and I have continued to hear their general proposition with regard to the economy that if we shut down or burn down the factories, somehow that is going to help the workers. They continue to resist the Republican idea that we need to have a progrowth, projobs package before we leave for the end of the year.

A number of letters have been read and people who presently need unemployment benefits have been alluded to by Democrat Members. They mentioned them by name and said they need to have a check.

Mr. Speaker, they not only want an unemployment benefit check, they really want a job. Blue collar workers cannot hire each other. They need factories and businesses to hire them.

Mr. Speaker, we need to have a progrowth, projobs bill passed before this Congress goes home for the year or we will not have done our job for the American people. Cooperate with President Bush, swallow your pride, and let us pass a progrowth bill before we leave.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

PROVIDING FOR CONSIDERATION OF H.R. 2, FAMILY AND MEDICAL LEAVE ACT OF 1991

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 275 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 275

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2) to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition and to temporary medical leave in certain cases involving a serious health condition, with adequate protection of the employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave, and the first reading of this bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendments made in order by this resolution and which shall not exceed one hour and twenty minutes, with one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, and with twenty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill, as modified by the amendments printed in part 1 of the report of the Committee on Rules accompanying this resolution, as an original bill for the purpose of amendment under the five-minute rule. Said substitute, as modified, shall be considered as having been read, and all points of order against said substitute, as modified, are hereby waived. No amendment to said substitute, as modified, shall be in order except those printed in part 2 of the report of the Committee on Rules. Said amendments shall be considered in the order and manner specified in the report and shall be considered as having been read. Said amendments shall be debatable for the period specified in the report, equally divided and controlled by the proponent and a Member opposed thereto. Said amendments shall not be subject to amendment. If more than one amendment is adopted, only the latter amendment which is adopted shall be considered as finally adopted and reported back to the House. All points of order against the amendments in the report of the Committee on Rules are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After passage of H.R. 2, it shall be in order to take from the Speaker's table the bill S. 5 and consider said bill in the House. It shall then be in order to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions of H.R. 2 as passed by the House. It shall then be in order to move to insist on the House amendment to S. 5 and request a conference with the Senate.

The SPEAKER pro tempore (Mr. MAZZOLI). The gentleman from Tennessee [Mr. GORDON] is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only. At this time I yield the customary 30 minutes for the purpose of debate only to the gentleman from Tennessee [Mr. QUILLEN] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 275 provides for the consideration of H.R. 2, the Family and Medical Leave Act of 1991. The rule provides 80 minutes of general debate; 60 minutes allotted to the Education and Labor Committee and 20 minutes to the Post Office and Civil Service Committee. All time on general debate is to be equally divided and controlled by the chairman and ranking minority member of each committee.

The rule makes in order as an original bill for purposes of amendment the bill as reported by the Committee on Education and Labor and as modified by the Committee on Post Office and Civil Service. Part 1 of the report contains the changes reported by the Post Office and Civil Service Committee. The rule waives all points of order against the substitute as modified.

House Resolution 275 makes in order two amendments in the nature of a substitute printed in part 2 of the report. Under the rule, the Stenholm amendment in the nature of a substitute will be considered first followed by the Gordon-Hyde substitute amendment. If both amendments should pass, the last amendment adopted will be reported back to the House. Each amendment is debatable for 30 minutes. All points of order are waived against the two substitutes and the amendments are not subject to amendment.

The rule provides one motion to recommit with or without instructions.

Finally, the rule provides that after passage of H.R. 2, the House shall consider the Senate companion bill, S. 5, and makes in order, first, a motion to strike all after the enacting clause and insert the House-passed language, and, then, provides for a motion to insist on the House amendment and request a conference.

Mr. Speaker, Americans are frustrated because they feel that Congress isn't dealing with the problems that face them every day. Out there, working men and women are no longer confident that much of what we do here is relevant to their lives.

Today, Mr. Speaker, we have a special opportunity to take a step forward on an issue that is very real to American workers—the issue of how to balance the needs of their families with the responsibilities of their jobs.

As much as some people may like to, there is no way for us to turn back the clock to a day when single income, two-parent families were the norm.

That doesn't describe the American work force anymore.

Today, one out of every four children is raised by a single parent.

Two-thirds of women with school-aged children work.

And one out of every five American workers has some responsibility for an older parent or relative.

What we are talking about today are the options we offer these working Americans when they are faced with a family crisis.

It is right to ask the mother of a child in the hospital to choose between leaving her son or daughter and going to work or losing her job just at the moment she needs security the most?

And what about the elderly. We know that our country hasn't figured out how to care for senior citizens with debilitating health problems. Do we tell Americans that when their widowed father is bedridden, needing constant medical supervision, they can't stay at home for a few weeks to take care of him without worrying that they will be out of work.

These are not choices we should be asking American workers to make, especially if at the same time we are pushing them to once again be the most productive work force in the world.

Family and medical leave is not some fancy fringe benefit. It is not a vacation or holiday or gift from the Government. It is an option to be used when workers are facing a family emergency, when they are up against the wall. And believe me, these situations exist.

Neither is family and medical leave breaking new ground. As a matter of fact, the United States is the only industrialized country in the world that doesn't offer this type of policy.

Eight States have also decided to offer family and medical leave with few resulting problems.

The family and medical leave bill is not a magic wand that will take these competing pressures away, but it is a way for Congress to respond to the reality of what it is like to raise a family, care for parents while spending 5 days a week on the job.

Mr. Speaker, as we consider this bill, let's not forget the message that we time and again give our young: "Work hard, raise a family, always care for your parents."

Work and family. These are the values that hold this country together.

On this very day, thousands of Americans, in each of our districts, are choosing between beginning a family and staying on the job.

They're choosing between work and caring for an older parent.

They're doing their best to reach a balance between the values they believe are important—work and family.

These are not easy choices. Twelve weeks of unpaid leave spent with a new baby or a hospitalized parent is not a vacation, but it is an option that every working American deserves.

I encourage my colleagues to adopt this rule. It is time Congress addressed the needs of the American worker.

□ 1230

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to this rule and the bill it makes in order.

This rule is wrong because it unnecessarily restricts amendments. There is no reason that this legislation should require a restrictive rule. In the Rules Committee I offered an open rule as a substitute for this rule and it was turned down by the majority.

Mr. Speaker, believe it or not, the problems with H.R. 2 are even worse than the problems with the rule. Although I am not active now, I was in business for many years, and I understand the need to treat employees fairly in cases where there is sickness or where a new baby is born. I found that by being fair with my employees, they would respond with appreciation and loyalty. In the long run, this builds a better business.

H.R. 2, however, is structured in such a way that it will weaken many businesses without providing offsetting benefits. Employees as well as the businesses will suffer from this lack of flexibility. For example, in recent years there has been a trend away from providing a single benefit program to which all employees must subscribe. There has been a move toward cafeterial style benefits. Since a business can allocate only a certain dollar amount per employee for benefits, a cafeteria plan offers a range of choices from which each employee can select those benefits which best meet his or her needs.

Mr. Speaker, this bill will legislate against such flexible benefits. Why should an employee without children be forced to accept a benefit that will never be needed while at the same time giving up another benefit which may be needed? The bottom line is that mandated benefits help, if anyone, only the few employees who fall within the designated criteria, while benefits available to other employees diminish.

I believe H.R. 2 will create numerous problems for businesses. It will add to the cost of doing business. For example, even though the leave is unpaid, the employer will have to continue to provide health benefits. During the time the employee is gone, the employer may have to recruit and train a temporary replacement, all the while suffering a loss in productivity because it will take time for the new worker to learn the job. If existing workers have to pick up the load, extra work may have to be paid for at overtime rates.

H.R. 2 also has the potential for discrimination in two ways. First, the mandated leave provisions may result in hiring and promotion discrimination against women in their child bearing years because the women may be viewed as a potential liability. Second, the bill has the potential of discriminating against the lower class by taking away from them a benefit such as child care or continued education that might be valuable to them and in return giving them a benefit which they likely would not be able to take advantage.

As a former businessman, it is clear to me that H.R. 2 will do serious damage to many small- and medium-size businesses in this country. Business provides the jobs and pays the taxes that make this Nation function. Just because a bill has a popular title, we should not blindly accept legislation which can do serious damage in the long run.

Mr. Speaker, I oppose this closed rule and the bill it makes in order.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I appreciate the gentleman's position with regard to the open rule and the necessity for open processes in the House, and I certainly intend to support his position on that.

Mr. Speaker, a few moments ago on the House floor the gentleman from North Carolina expressed a concern about the fact that I was quoting from newspaper material that I did not have with me for the RECORD.

I do, in fact, have two articles now on the Democratic coverup of the House check-bouncing scandal. One of those is from the New York Times in which it is headlined "Democrats Worry About Scope of Checks Inquiry," in which there is a quote that says, "We need to protect our privacy and wrap up the investigation quickly. One answer is that we will not put canceled checks into the hands of Republicans."

Another comes from the Harrisburg Patriot-News, and it is headlined "Check Bouncing Backlash Worries House Democrats." It also goes into some detail about how this coverup is about to take place.

I am very happy, in compliance with the request of the gentleman from North Carolina, to enter both of these matters in the RECORD at this point.

The SPEAKER pro tempore (Mr. MAZZOLI). Without objection, the material referred to will be included in the RECORD.

There was no objection.

The articles referred to are as follows:

[From the New York Times, Nov. 10, 1991]

DEMOCRATS WORRY ABOUT SCOPE OF CHECKS INQUIRY

WASHINGTON, Nov. 9—Democratic lawmakers are worried that the House ethics committee's investigation of bad checks written against accounts at the Capitol Hill bank serving House members will invade their privacy.

And they are insistent that the investigation be concluded quickly and that damaging material related to it be kept from Republicans.

Those are among the elements of a Democratic Congressman's written account of a meeting among party lawmakers on Thursday. The memorandum, written by Representative Terry L. Bruce of Illinois, was obtained by The Associated Press, and its authenticity was confirmed by Mr. Bruce in a telephone interview.

Mr. Bruce would not say where the comments had been made, but a House official, speaking on condition of anonymity, said they were from last Thursday's meeting of the House Democratic whip organization. The House whip meets weekly with the whips from each state's delegation to discuss party positions and strategies, then pass the information to rank-and-file lawmakers.

"We need to protect our privacy and wrap up the investigation quickly," the memorandum said.

And reflecting the concern for privacy, it said, "One answer is that we will not put canceled checks into the hands of the Republicans."

The memorandum also reflected a worry that lawmakers would be judged by ethical standards that did not prevail before the extent of bad-check writing at the bank became public knowledge.

Addressing that concern, it cited comments at the meeting to the effect that the report resulting from the ethics committee's inquiry "will very likely be critical of the bank and its practices, not of individual members," and that "bounced checks will not be an ethical violation."

The investigation was begun last month by a subcommittee of the ethics panel, the Committee on Standards of Official Conduct. It was ordered by a House resolution that will also shut down the bank by year's end.

SEEKING ROUTINE VIOLATORS

The subcommittee, three Democrats and three Republicans, is to investigate several issues related to the bank, among them whether lawmakers, officers or employees of the House "routinely and repeatedly" wrote checks against insufficient funds.

The inquiry follows a furor over findings by the General Accounting Office, Congress's investigative and auditing arm, that from July 1989 through June 1990, there were 8,331 bad checks written on accounts at the bank. The G.A.O. said 134 account holders had written a total of 581 bad checks of $1,000 or more.

The bank imposed none of the financial penalties that other banks charge depositors who write bad checks. Instead, it covered the deficiencies by taking money from other accounts.

In an interview, Mr. Bruce said his memorandum's reference to privacy had nothing to do with any effort to keep the names of chronic bad-check writers from becoming public knowledge. The lawmakers' concern, he said, was only that their private transactions not become public.

And the assessment that writing a bad check would not be judged an ethical violation, he said, was a shorthand way of saying that a person who had written such checks for only $10 or $15, and who had done so only rarely, would not be found at fault.

A Democratic leadership aide who attended the meeting said, "In part, what they were looking for was to be reassured that there would be differentiation between those who occasionally wrote a check for insufficient funds, as opposed to those who repeatedly and systematically abused the system."

Representative Matthew F. McHugh, the New York Democrat who will head the investigation, said in an interview that "the political climate is so negative" that members worry that the subcommittee will be pressured to recommend punishment, even by applying ethical standards retroactively.

"That's not going to be the approach," Mr. McHugh said. "We will make judgments about standards people had reason to know about at the time."

[From the Harrisburg Patriot-News, Nov. 10, 1991]

CHECK-BOUNCING BACKLASH WORRIES HOUSE DEMOCRATS

(By Larry Margasak)

WASHINGTON.—House Democrats are worried that an investigation of rubber-check writing will invade "our privacy" and are insistent that damaging material be kept from Republicans, according to a congressman's written account of a party meeting.

"We need to protect our privacy, and wrap up the investigation quickly," the memo said of the ethics committee probe into operations of the House members' bank.

The account by Rep. Terry L. Bruce, D-Ill., obtained by The Associated Press, also reports Democrats' anxiety that members will be judged by standards that did not exist when the bad checks were written.

Bruce confirmed the authenticity of the memo, which he wrote Thursday, in a telephone interview from his district.

He would not say where the comments on the bank investigation were made, but a House source, speaking only on condition of anonymity, said the notes were from last Thursday's weekly meeting of the House Democratic whip organization.

The whips discuss party positions and strategies and pass the information along to rank-and-file lawmakers. They also line up votes on partisan issues.

The memo said Democrats were concerned "that the standard and crimes will be defined after the fact."

Reflecting privacy concerns, the memo said, "One answer is that we will not put canceled checks into the hands of the Republicans."

The memo cited comments that the ethics report "will very likely be critical of the bank and [its] practices, not of individual members" and that "bounced checks will not be an ethical violation."

The investigation was begun last month by an ethics subcommittee of three Democrats and three Republicans. The Investigation was ordered by a House-approved resolution that also will shut down the bank by year's end.

The panel is to investigate:

Whether lawmakers, officers or employees of the House "routinely and repeatedly" wrote rubber checks;

The bank's practices with respect to non-account holders;

The general operation of the bank, which is run by the sergeant-at-arms.

The investigation followed a furor over findings by the General Accounting Office that from July 1989 through June 1990, there were 8,331 checks written on insufficient funds at the members' bank.

The bank imposed none of the financial penalties charged average consumers who write bad checks, covering the deficiencies instead from other members' accounts.

There were 124 account holders who wrote 581 bad checks that totaled $1,000 or more, the GAO said.

The rubber checks had their first political impact last week in the Kentucky governor's race. Rep. Larry Hopkins, the Republican candidate, appeared to be gaining on his Democratic opponent when it was revealed that he had written 32 rubber checks at the House bank. Hopkins was trounced.

Bruce said in an interview, "This whole episode has gotten some members very concerned about what this would mean for everybody."

He said his memo's reference to privacy was not an attempt to keep names of chronic rubber check writers from becoming public. The concern, he said, was that members didn't want to make their private transactions public.

The memo's comment that bounced checks would not be violation, he said, "was shorthand that members who write an occasional $10 or $15 [over-drawn] check; and do that once in a few years * * * is not going to be an ethics violation."

Mr QUILLEN. Mr. Speaker, I reserve the balance of my time.

Mr. GORDON. Mr. Speaker, For the purposes of debate only, I yield 5 minutes to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I rise in support of House Resolution 275. House Resolution 275 provides for the consideration of H.R. 2, the Family and Medical Leave Act. It makes in order an amendment in the nature of a substitute that will be offered by Mr. HYDE. That amendment is essentially the provisions of the bond compromise, the bill as passed by the Senate, with some changes in those provisions relating to Federal employees to conform to existing law and policy. While this amendment makes substantial changes in H.R. 2, particularly as that legislation affects Federal workers, it is my intention to support the amendment when it is offered and I urge my colleagues to as well.

House Resolution 275 also makes in order an amendment in the nature of a substitute to be offered by Mr. STENHOLM. Mr. STENHOLM'S amendment is essentially identical to an amendment offered by Senator HATCH and rejected by the other body. The Stenholm amendment is even more burdensome on business. It offers no protection to employees. Though I support this rule making the Stenholm amendment in order, I urge my colleagues to reject the Stenholm amendment when it is offered.

Finally, the rule makes in order a motion to recommit with or without instructions, to be offered by Mr. GOODLING, the ranking Republican on the Education and Labor Committee.

This rule, by making in order both the Stenholm amendment and a motion to recommit, fully protects the rights of the minority and ensures a full and fair debate. This rule deserves the support of the House.

Mr. Speaker, our society has undergone a profound transformation since the end of World War II. The so-called traditional family, in which the father went to work while the wife stayed home to raise the kids, now reflects the circumstances of less than 7 percent of the families in America. Single-parent families now constitute almost one-quarter of all families in America. Two-thirds of the women in the work force are either single parents or have husbands who earn less than $18,000 per year. Two-thirds of all mothers are now working outside the home. Yet, despite the reality that families increasingly depend upon two incomes for their economic solvency, the need to care for children, spouses, and parents has not diminished. Too often, workers are faced with an irreconcilable dilemma of choosing between risking the family's economic livelihood or denying necessary care for a dependent loved one. While all other industrialized nations in the world have adopted policies that allow workers necessary family leave without risking their jobs, this country has yet to do so. The emotional and financial costs that are being imposed on workers and their families as a result are crippling to individuals and society alike. There is a better way. The Family and Medical Leave Act generally provides that employees, upon proof of need, may take up to 12 weeks unpaid leave in the event of a family emergency. This legislation balances the need of workers to maintain financial security while also providing necessary care to loved ones. It does so in a way that mitigates the unnecessary and horrendous costs presently imposed on workers and their families to the benefit of all our society. I urge the adoption of this rule so that the House may proceed to consideration of this vital legislation.

□ 1240

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to this rule for a number of reasons, but I would like to specifically refer to an amendment which I presented to the Rules Committee, along with the gentleman from Ohio [Mr. BOEHNER] and the gentleman from California [Mr. RIGGS]. This amendment would grant to some 12,000 employees of this House the right to a Federal court remedy to perfect their rights and protections under the proposed Family and Medical Leave Act. This is the same judicial remedy granted to all of the employees of the many, many businesses all across America, private or public, eleemosynary or whatever, under this proposed new act. All businesses under that act are subject to being sued in Federal court by any of their employees who feel aggrieved by alleged employer violations of employees' rights under this bill. But there happen to be some exceptions that are made; actually only two.

When we get to the remedies where an employee that feels aggrieved in regard to the myriad potential violations that are involved in this act that can affect employees, we find that the employees of the House have only a remedy to appeal to the House fair employment practices office. There, they are able to go through a mediation process and then ultimately a hearing. But they are denied the right to an ultimate trial de novo appeal to the Federal courts.

As a practical matter, Mr. Speaker, what we are talking about is that the House, which is the employer, of course, and is therefore also prosecutor, judge, and jury will be the only source of an appeal by House employees under this bill.

How is it for the rest of the employees of this Nation? There is a Department of Labor administrative hearing, and of course we are not suggesting that that be the case insofar as the House employees are concerned because that would be constitutionally invalid. But what we are saying is OK, let us go with the fair employment practices office. But employees of this House should have the right, the opportunity, if they feel that they have not gotten a fair hearing from the House fair employment practices office, to go into Federal court, ask for a jury trial, and therefore have their rights protected.

I think we have to take this seriously. This Congress, this House ought to be setting an example for the Nation. We ought to be saying that we are not going to exempt ourselves from being subject to suit in Federal court. We ought to be saying, look, we really think these rights and protections for the employees are important and we are therefore willing to say that yes, we will take the same remedies that we are asking that all the employers of this Nation will take, and we are unwilling to give to our employees a second-class status. We give ourselves first-class status. We exempt ourselves from being subject to a suit in Federal court. We shouldn't do that. Then we turn around and we say, our employees are second class and shall have no right to appeal to the Federal court.

This, Mr. Speaker, is another example of Congress demanding a perk. We just cannot give up such practices. We expect to be treated as something special and we are just ordinary citizens, too, in terms of employment processes. I am not talking about legislating, but employment practices. Mr. Speaker, I urge that the rule therefore be defeated.

Mr. GORDON. Mr. Speaker, I yield myself such time as I may consume.

Unfortunately, Mr. Speaker, there are some Members of this body who just do not want to give the American worker the right to have some unpaid time off for emergencies at home and because of that they are looking for a variety of excuses to throw up a red herring to be against this bill.

Let us make it clear today, so that everybody in this body knows and that everyone across this country knows that this amendment and this bill does provide rights and protections for all the eligible employees of the House of Representatives under rule LI and the fair employment practice resolution.

Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise today to express my strong support for the Family and Medical Leave Act.

This bill addresses one of the most critical issues facing our society today—the breakdown of the nuclear family. As women continue to enter the work force in unprecedented numbers and the number of two-income or single parent households continues to grow, we are faced with unprecedented pressures on working families.

It is time to do something for American families, particularly in this period of recession. We cannot allow our laws to discriminate against working Americans during their time of greatest need—when they are ill, when they are developing lifelong bonds with a newborn or adopted child, or when an immediate family member is ill. This bill will set a minimum labor standard for millions of workers who are currently unprotected when family emergencies strike.

By passing this legislation, we are, in effect, catching up with standards that have already been adopted by the rest of the industrialized world. Sadly, the United States is currently the only Western industrialized nation without some form of family leave policy.

The language we are considering today provides a fair balance between the interests of families and business. Under this law, employees would be allowed up to 12 weeks of unpaid leave to care for a newborn, an adopted child, or a sick relative. Companies with fewer than 50 employees are excluded, and workers in the top 10 percent of their company's salaries are not eligible for this leave. While I prefer the original House language, my overriding concern is to provide real, immediate relief to American families.

Mr. Speaker, today Congress has the opportunity to enact a family leave policy that will provide a minimum standard of decency, compassion, and recognition of the importance of strong families. I urge my colleagues to join me in supporting this bill.

□ 1250

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. MCGRATH].

Mr. MCGRATH. Mr. Speaker, I thank the gentleman for yielding time to me. I rise in support of the rule and of the Gordon-Hyde substitute to the family leave bill.

Mr. Speaker, I want to take this opportunity to express my support for the Gordon-Hyde substitute amendment to H.R. 2, offered by one of the most bipartisan group of Members I have seen in my 10 years of service in this House.

Perhaps the most significant change in our society in the last half century has been the increasing participation of women in the work force. In 1970, less than 30 percent of the married women with children under 2 years old were also working outside the home. Today, almost 50 percent of women in that category are working outside the home, and the percentage is growing.

Despite this revolution in the structure of the family, the United States alone among industrial societies has no national policy regarding parental leave. Too many workers are forced to make choices between the need to provide necessary physical and emotional care for new children and the need to maintain gainful employment.

It is also important to realize that the bill's provisions do not end when a child matures and becomes independent. This legislation allows for siblings to take time out to care for sick parents, who in the autumn of their years may become dependent on the very people they themselves have raised. I encountered this situation with my mother, who was discharged from a hospital and sent home needing around-the-clock care. Had this legislation been in effect, one of my brothers or sisters could have taken time to pay my mother the proper attention; however, my family was forced to hire a live-in nurse at a substantial cost.

The substitute offered today will alleviate the burden of choice placed on employees who must decide whether to care for a sick parent, or put their job and seniority in jeopardy. Many employers claim that they already have standards similar to the legislation in place; however, at the same time we have all heard the horror stories from women who were fired after telling their boss that they are pregnant. The substitute is aimed at keeping family values and responsibilities intact while at the same time not placing an overbearing mandate on employers.

Many of the arguments that have evolved during the debate of family and medical leave focus on the pressures faced by small business. Productivity should not be affected by the substitute, since the measure permits employers to exempt key personnel. Additionally, by limiting potential employer liability for damages in half and requiring employees to provide 30 days' advance notice in cases of foreseeable leave and by permitting employers to recoup health premiums paid on behalf of employees who do not return from leave. I believe the amendment answers much of criticism levied by small businesses.

In short, the compromise is a uniform measure designed to bring the United States in line with other industrialized nations and simply give employees peace of mind should they be encountered by a medical emergency or blessed with the birth of a child. I urge my colleagues to support this bipartisan effort and vote for passage of the compromise.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DREIER], a valuable member of the Committee on Rules.

Mr. DREIER of California. Mr. Speaker, I thank the distinguished Republican chairman emeritus, the gentleman from Tennessee [Mr. QUILLEN], for yielding me this time.

Mr. Speaker, I rise in support of what he has said here in opposition to the rule. I do so because although this bill does, in fact, address some of the concerns of employees who may have a case against employers here in the House, it does not go far enough.

The fact of the matter is our goal is very simply to be able to have a chance to offer this amendment, which would say, as based on the hard work of the gentleman from Ohio [Mr. BOEHNER], my friend from Santa Rosa, CA, the gentleman from California [Mr. RIGGS], and the gentleman from Illinois [Mr. FAWELL], that we will, in fact, bring about a degree of equity here.

Now, one of the criticisms is, "Gosh, if we in the House have the same kind of basis of complaint as the private sector does, what would happen? We could have some frivolous lawsuits that would come forward."

Mr. Speaker, it seems to me that we ought to think about whether or not we want to create frivolous lawsuits not just on this House but also on the private sector of our economy. That is one of the major concerns we have here.

Why not say that if frivolous lawsuits are going to be created on the private sector of the economy, let us face that kind of potential challenge ourselves? All we are asking for in opposing this rule is to have a chance for the Riggs-Boehner-Fawell amendment to be incorporated in this rule so that we can consider it here on the floor of the House so that we will, in fact, move in the direction of having ourselves treated the way people in the private sector are.

Now, I have a litany of laws here that I would like to share with our colleagues, Mr. Speaker, where we have continued to exempt ourselves: the Social Security Act, the National Labor Relations Act, the Fair Labor Standards Act of 1936, the Civil Rights Act of 1964, the Age Discrimination Employment Act of 1967, Occupational Safety and Health Act of 1970, title IX of the Educational Amendments of 1970, Rehabilitation Act of 1973, the Privacy Act of 1974, the Age Discrimination Act of 1975, the Ethics in Government Act, Freedom of Information Act, independent-counsel provisions of title 28, United States Code.

Mr. HEFNER. Mr. Speaker, will the gentleman yield? Will the gentleman yield?

Mr. DREIER of California. Mr. Speaker, I do not have time to yield. I am trying to get through this litany here which would probably fill up my entire time.

Mr. HEFNER. Mr. Speaker, I am pretty sure the gentleman would want to correct the mistake he had in his statement on Social Security.

Mr. DREIER of California. Yes, sir.

Mr. HEFNER. If the gentleman had not checked his paycheck lately, I think he will find where he definitely pays Social Security, and to say that to the American people, that is just not accurate.

Mr. DREIER of California. We are, in fact, exempted from the laws that relate to Social Security, even though we do have withdrawal.

Mr. HEFNER. No, we are not, sir. I feel sure that you would want to correct that.

Mr. DREIER of California. Mr. Speaker, I was happy to yield to my friend, and I would like to clarify that Congress exempted its employees from paying into the Social Security System up until 1984, and we continue to exempt those employees who have been employed on a continuous basis since December 31, 1983. Therefore, an exemption does exist that is not available to the private sector.

Let me say that underscores that there is one aspect in which we are not totally exempted, but there still are a litany of areas where we are exempted, as noted in the attached Wall Street Journal editorial:

[From the Wall Street Journal, Oct. 16, 1991]

A NEW POLITICAL BALL GAME

The first political fallout from the Thomas nomination is likely to be an end to Congress's tradition of exempting itself from laws against discrimination and sexual harassment, along with others listed nearby. Iowa Senator Charles Grassley wants Members to join him in forcing Congress to live by the same laws that apply to everyone else. National TV shows are preparing exposes on how the Imperial Congress isn't covered by pending bills on family-leave and civil rights. Some Members are urging the White House to veto any future legislation that exempts Congress.

Neil Newhouse, a GOP pollster with Public Opinion Strategies, says that 70% of Americans are now willing to go beyond criticizing Congress and vote against their own Congressman. Re-election numbers for incumbents are now at their lowest level since Watergate. Former Democratic analyst Charles Cook says entrenched Members in both parties are at risk: "They are clearly seen as being part of the problem." And for once, minority voters may not be in the pockets of liberal incumbents.

The twin scandals of Kitegate and the Thomas smear have already had an immediate political fallout. Speaker Tom Foley and the rest of Washington State's congressional delegation have decided not to fund a major campaign to defeat a retroactive term-limit initiative on next month's ballot. If it wins, Mr. Foley and most of the other Members will have to leave office in 1994. The delegation decided that fighting term limits was a lost cause now; they are saving their money to have term limits declared unconstitutional.

Congress's record is so indefensible that top House leaders will use back-door courtroom maneuvers to have the reforms demanded by voters and declared invalid. They may have underestimated how angry people are now with Congress.

All we are saying in our opposition to this rule is that we simply want to have a chance to offer an amendment which these people have come before the Committee on Rules requesting, so that we can allow the House to work its will as to whether or not we would be incorporated under the provisions of this leave act that we have before us.

Mr. GORDON. Mr. Speaker, for the purposes of debate only, I yield 4 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I stand before this body once again to speak in support of the Gordon-Hyde substitute amendment to the Family and Medical Leave Act. My colleagues know that I am seldom at a loss for words. But frankly, today, I wonder what more we can do, what more we can say, that will convince those of you who remain undecided of how much American families need and want this legislation. Without it, we run the risk of losing our competitive edge in the world market.

Mr. Speaker, in the past 8 years, the Select Committee on Children, Youth, and Families has held nine hearings, the most recent one this past June, that documented how families are struggling to meet their work and family obligations. The select committee heard from all of the child development experts, from the business community, from child care providers, and most importantly, from families, about how important it is to get children off to a good start in life. We know that often the best infant care is parental care and we need to encourage and help families to provide care during the critical first few months of life.

Gordon Rothman, a producer at CBS News who testified before the select committee while on family leave to care for his infant daughter, told us how much his leave meant for him and his family.

The select committee also has heard from families in the squeeze generation, working parents who have responsibility for the care of their elderly parents as well as their own children. We've heard from fathers who told us how important it is to change the corporate culture that prevents fathers from acknowledging their family obligations in the workplace.

And we have heard from families who are struggling to care for their chronically ill children at home, people like Patricia Brady from Mahopac, NY, with a disabled child and a chronically ill grandmother.

If we do not pass the Family and Medical Leave Act, we will be turning our backs on all of these families—millions of American families. In fact, there are probably no families in America who have not faced one of these situations in the past or who will not confront it in the future.

If we do not pass this legislation, we will be asking America's families to choose between their jobs and their children, to choose between taking care of a sick child or losing the health insurance that pays for a child's medical treatment.

Mr. Speaker, I have read many of the arguments that have been circulating in the past week against the Family and Medical Leave Act. I was particularly struck by one "Dear Colleague" that suggested this legislation provides more benefits than existing State laws.

But in many ways, the struggle to pass this legislation is not new. In the historic effort to prohibit child labor in the early part of this century, many States had laws limiting child labor to those over the age of 14. Yet when Congress passed the Fair Labor Standards Act in 1938, setting the national minimum age at 16 for working in factories and mines, and permitting the exclusion of minors under the age of 18 from hazardous occupations, only 11 States had set the minimum working age at 16.

I think the question we need to ask is why shouldn't the Federal Government show leadership in setting family policy for all Americans? Why should the United States only concern itself with leading the way in resolving international crises? Isn't it long past time for us to take responsibility for protecting families here at home?

Congress has already taken steps to help America's unemployed families by voting to extend unemployment benefits. But many middle-class families are teetering on the brink of economic devastation, concerned that the recession will hit them as well. Without family and medical leave, these families are just one baby or one medical emergency away from falling onto the economic hard times that have hit so many families.

Don't we want to keep America's families working and self-sufficient? In these difficult economic times, with nearly 2 million more unemployed workers last month than there were in July 1990, when this recession officially began, it's nearly impossible to find another job. The Family and Medical Leave Act will keep Americans employed. In these difficult times the Stenholm amendment, by providing a rehiring preference rather than a job guarantee, cannot assure a worker a job will be there when she or he is ready to return to work.

This is a bare bones piece of legislation. Most employers and many workers are exempt from coverage. But the legislation sets a minimum standard that American workers shouldn't have to balance their families against their jobs. It recognizes the reality of today's world, a world where most parents—whether they are single parents or married—must work to keep their families out of poverty. This is the United States of America today, not the United States of 30 years ago.

Opponents of family and medical leave have continuously harped on the economic cost to employers. They never talk about the economic cost to families of not having family and medical leave. According to a study published by the Institute for Women's Policy Research, "Unnecessary Losses: Costs to Americans of the Lack of Family and Medical Leave," employed women without family leave lost nearly $607 million—in 1986 dollars—in additional earnings when they returned to work after childbirth or adoption, compared to women who had leave. In contrast, supporters of the Family and Medical Leave Act have carefully crafted legislation that exempts small employers who are concerned about the costs they would face. The legislation allows exemptions for certain key employees in covered businesses.

Two recently published studies examined the impact of State family and medical leave laws and their impact on small businesses. In both cases, the studies found that employers were able to adjust to new requirements with minimal cost and minimal disruption.

I want to commend my colleagues, the crafters of this compromise, who took great pains to address the economic concerns of both employers and employees.

We can no longer afford to stick our collective heads in the sand, as President Bush seems to have done, and ignore the realities families face today. Economic concerns are the No. 1 issue that Americans want their government to deal with. That's the message we got loud and clear from voters on Tuesday. It's time that we started paying attention.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would advise our guests in the gallery that the rules of the House do not permit them to take part in any way in the floor activities. We appreciate their being here and hope they enjoy their visit, but they are not to demonstrate their approval or disapproval of any action taken here on the floor.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

☐ 1300

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong opposition to the rule.

I think if you really care about time for parents to bond with children and a family-friendly policy, you will oppose the rule. I say to my friend and colleague, the gentlewoman from Colorado, that as a cosponsor of the Family and Medical Leave Act, H.R. 2, and of the Stenholm Act, I believe her use of the poster of the movie "Home Alone" to imply the President has no concerns in this area is the kind of rhetoric and politics that has resulted in the majority party decision to prevent amendments like mine from being considered.

Good family policy is a bipartisan issue, I am a Republican who wants to see a broader, much more supportive policy passed. We could do that here on this floor and it is indeed unfortunate that the majority party has refused to allow people like me to propose amendments that would enlarge the scope of this leave policy in a way that would support many millions more families.

We talked on this floor for 2 years about day care policy. We built up hopes in the private sector that everyone would benefit, and we helped only a few.

H.R. 2 will help only a few. My amendment would expand that help to support women who choose to stay at home for those crucial first 4, 5, or 6 years. But who need to return to work, reenter the work force, thereafter.

Talking about bonding, talk about family-friendly policy, this is family-friendly policy for people who insist on a college education, who move part way up through the corporate career ladder and then make the tough decision to stay home 5 years with their kids until they get started in school.

That policy embodied in the Stenholm bill which I support, but as an add-on to H.R. 2, not a substitute for it, would help those women get back onto the career ladder at their last level of achievement and move forward again.

It would reduce the price they pay for staying home with their children 5 years, and it would be both better, more comprehensive family policy and better work force policy.

Mr. Speaker, I oppose this rule because the Rules Committee did not have the courage to let Members participate in the leave debate.

I support H.R. 2. I support the Stenholm amendment. Women, and men as well, who have parenting responsibilities must have better support from our Nation in carrying out their economic and parenting responsibilities, but we need Republican thought and Republican amendments to make this a comprehensive policy. Because crucial amendments are not allowed, I urge a no vote on the rule.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I want to support the rule.

Let me just clarify something, because I think there is a lot of misinformation that has been given.

All House employees are afforded the same rights and protections relative to coverage under this bill. They are entitled to 12 weeks of job-protected unpaid leave over 1 year for the birth, adoption, or placement for foster care of a child or in the case of serious illness of the employee's child or parent and for unpaid leave in the case of his or her own incapacitating illness.

This policy would be in force through the Office of Fair Employment Practices, established by the House in 1988.

Now, most House Members do not have employees that number over 50; however, we do exempt in this bill small businesses that have 50 or less employees, so we go a step beyond because we do include House Members.

In addition, we also include Federal employees in this bill and have them covered for 12 weeks as well. Their vehicle for grievance would be the EEOC. The vehicle for grievance would be the Office of Fair Employment Practices.

I would suggest that that office, which is a combination, yes, of Members and staff people throughout the Hill, is in operation and has indeed heard a number of grievances by people who work in and around the Hill.

So I think to give the impression that we do not cover our employees is false.

I think that the Fair Employment Practices Office is in good stead and does a fine job, and I am proud of the fact that we do include our employees and every other Federal employee in the Nation.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Speaker, I thank my colleague, the distinguished gentleman from Tennessee, for yielding me this time.

I am going to ask my colleagues to vote against this rule today. Whether you are for the bill or you are against the bill, the fact remains that the gentleman from Illinois [Mr. FAWELL], the gentleman from California [Mr. RIGGS], and I, went to the Rules Committee and asked for an amendment that would clarify the congressional coverage issues that was just discussed by my good friend and colleague, the gentlewoman from Ohio [Ms. OAKAR].

The fact of the matter is that there are significant differences if there is a dispute arising out of the fact of whether you want to take leave.

Yes, we did in fact cover our employees, just like the private sector is covered, but there are significant differences if there is a problem that comes up.

The first place is in the area of damages. In the private sector, if there is a disagreement over the leave issue, the employee is entitled to double backpay and double damages. If it is an employee of the U.S. Congress, they are entitled to backpay only.

The second difference is in the appeal rights. In the private sector——

Ms. OAKAR. Mr. Speaker, will the gentleman yield on that point?

Mr. BOEHNER. Yes, I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, that is absolutely inaccurate. When an employee goes to the Fair Employment Practices Commission, that employee not only can receive backpay, but that employee also can receive compensatory damages; so I would suggest that the gentleman read over the code of internally how we protect employees on the Hill.

The gentleman was not here in 1988 when we passed that bill, but that is not accurate.

As a matter of fact, if the gentleman would yield further, it would be more than double if the Commission sees that is the case, and as a matter of fact, we go a step further because Members of Congress do not have 50 or more staff people for the most part. Most have much less than 50, and we cover Members of Congress, but we do not cover small businesses in this bill.

Mr. BOEHNER. They are covered in the bill, and I granted that; but the fact of the matter is that in the private sector you get double backpay and double damages.

If you look at this bill, all our employees get is backpay.

In the appeal area, if you are in the private sector you can appeal to the Department of Labor. If you are not happy with the decision of the Department of Labor, you go to the Federal court.

But what happens if you are an employee of this Congress? You are strictly held to the Fair Labor Practices Board, and that is it.

The voters of our country and our constituents are sick and tired of Congress putting itself on a pedestal above the American people. They have got a gun pointed at our heads, and we wonder why.

Our employees deserve the same protections and the same rights as every other working American in this country.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 2½ minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Speaker, why should a working woman lose her job because she has a baby? Why should a company be allowed to fire a parent of a newly adopted child? Why should a working man lose his job because his father may be dying?

These are real problems for real people in America in the 1990's, but these are not problems that are faced by workers in Japan, or in Germany, or even in Kuwait. In those countries, the Government protects job security at such critical moments in the lives of their workers. Why not America?

You know, Americans love this country, but this unfairness is one of the reasons why they are asking what has gone wrong here.

Do not tell me this bill hurts business. I heard that said today. It does not hurt business. In Oregon we have a family leave act that surpasses the one we are debating here on the floor and it works for business and it works for families. In an independent Oregon study it showed that over 88 percent of Oregon businesses support parental leave. They know what the SBA knows. It is cheaper for a boss to grant leave than it is to hire a new employee.

So why then is the Bush administration hellbent to veto this bill once again? I think the reason is simple. The globetrotting White House is simply out of touch with working Americans.

In the 1960's when Barbara Bush was raising her children, mothers could afford to stay home. Up in Kennebunkport they must be thinking that is the America of the 1990's, but they are very wrong. Today in the 1990's fewer than 10 percent of today's Americans fit that Ozzie-and-Harriet mode.

Without two incomes, many families cannot keep their heads above water. So let us stop forcing America's workers today to choose between the baby or the boiler room, or a sick parent and a sales floor. Let us do something for our own in this country. Let us pass this rule and then let us pass this bill.

☐ 1310

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. I thank the gentleman for yielding this time to me, and I rise, first of all, to say to my colleagues on this side of the aisle that I for one resent the argument being made here that we are seizing upon some sort of red-herring issue to urge a "no" vote against the rule when we suggest there just might be a double standard inherent in some of the legislation we have been considering.

I say to you just take the bills, take rule LI and look at the difference in how we treat private sector employees and our own employees, and forget about that argument that somehow we are small employers, because in reality there are over 30,000 employees employed on Capitol Hill in the House and Senate offices.

Furthermore, go the added step and let us just entertain the idea perhaps of surveying our employees, put the question to them, because I know what they would say. They would say that they want and expect the same rights and the same legal remedies, which includes the ability to appeal to a court for judicial review, as their private counterparts.

Furthermore, there is no hypocrisy more cynical than saying that somehow we are not going to apply to ourselves the same responsibilities that we impose on private sector employers because we are concerned about frivolous lawsuits or we are concerned that somehow some way we will be violating the separation of powers between the judicial branch and the legislative branch—more nonsense, because I do not think anyone would question the impartiality and objectivity of the judicial branch in reviewing any appeals that our employees might make.

Mr. FORD of Michigan. Mr. Speaker, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from Michigan [Mr. FORD], the chairman of the committee.

Mr. FORD of Michigan. I thank the gentleman for yielding.

Mr. Speaker, I rise to point out to the gentleman—I know that he is new—but he has the same powers as all the rest of us to govern the conditions of employment, wages, hours, and other conditions for his employees.

I have had a policy for over 26 years of giving a woman who has a child up to 90 days with pay if she needs it. Rarely do they take the full 90 days, even with pay, because they are anxious to come back to work.

I am responsible as a committee chairman for well over 100 people on the Committee on Education and Labor, one-third of whom are Republican selected and appointed employees.

Now, the employees who work on the Democratic side get that 90 days off to have a baby.

Whatever the ranking Republican on my committee wants to give them is perfectly all right with me. I suggest to the gentleman if you are really concerned about your employees, the ones that you control, and each Member does control his own staff, establish a policy now before they are ready to have their baby, tell your employees what is going to happen when they leave their job.

Mr. RIGGS. Reclaiming my time from the chairman——

Mr. FORD of Michigan. You have the right to do that. Do it.

Mr. RIGGS. Reclaiming my time from the distinguished chairman, I appreciate his advice, particularly as an employer of someone who has just had a new baby. In fact, my AA just recently informed me that he and his wife are expecting their first child. But I wonder if the chairman can see the wonderful irony—I wonder if the distinguished chairman of the Committee on Education and Labor can see the wonderful irony in his statements.

Mr. FORD of Michigan. There is no irony at all, because if I was in small business—

Mr. RIGGS. I will not yield.

Mr. FORD of Michigan. I thought the gentleman asked me a question.

Mr. RIGGS. I will yield to the gentleman in just a moment.

The SPEAKER pro tempore (Mr. MAZZOLI). The gentleman from California [Mr. RIGGS] controls the time; the gentleman declines to yield.

Mr. RIGGS. I will yield to the chairman if he will let me complete my statement.

The chairman—and I hope this irony is not lost on our colleagues here on the floor and back in their offices—the chairman just made the very argument that the opponents to H.R. 2 make, which is let us leave it to enlightened employers to adopt progressive personnel policies in their own operation rather than mandate a national law on private sector employers, which we in the Congress exempt ourselves from.

Mr. Speaker, I yield to the gentleman from Michigan.

Mr. FORD of Michigan. The gentleman should recognize that any employer can exempt themselves from this act the same way we do. If I was a small businessman, instead of a committee chairman, I would be exempt because the policy I have is far more generous than this bill would provide, and we specifically say we do not want to interfere with what an employer is already doing.

So I would not be covered in any event even if I was a small businessman instead of a committee chairman of the Congress.

The gentleman ought to understand he is talking about something that does not exist. He is trying to construct a strawman and knock it down, and you have not got enough straw nor enough cloth to do that.

Mr. RIGGS. Well, I appreciate the chairman's comments. I will conclude simply by saying that we are and continue to put ourselves above the law. We do subscribe to a very real double standard. What is good for the ordinary citizen in this country is certainly good for our employees, whether we are talking about protection against employment discrimination and sexual harassment, as we were last week on the civil rights bill, or family leave, as we are today.

Mr. Speaker, I urge a "no" vote on the rule.

The SPEAKER pro tempore. The Chair would advise that the gentleman from Tennessee [Mr. GORDON] has 9 minutes remaining, and the gentleman from Tennessee [Mr. QUILLEN] has 8 minutes remaining.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. I thank the gentleman for yielding this time to me.

Mr. Speaker, we ought to be certain, my colleagues, that all of us, as well as the American people, understand that this bill has had a long journey and that Members on both sides—including, of course, members of the relevant committees in both the House and the Senate—have taken seriously the need to compromise and build a consensus.

We have, as best we could, listened to the ideas and suggestions of both workers and their employers. In 7 years that this bill has been under consideration, or a bill just like it, there have been 17 days of hearings before three committees of the House. The hearings have taken place not just here in Washington but around the country. Eleven times this bill, or one like it, has been marked up before a committee or a subcommittee of the Congress.

Last year the Congress passed H.R. 2 by a substantial margin, a bill very similar to this, which was tragically vetoed by President Bush.

Each and every time this bill has traveled through committee and through Congress, significant changes have been made.

The original bill, as introduced, did not exempt small employers; this bill does. This bill has changed and included extensive notification requirements, scheduling and certification requirements.

Definitions have been tightened in this bill. The number of weeks that an employee may take in leave has been reduced and reduced, and finally before you is a bill to where the number of weeks of leave have been cut in half.

A key employee exemption has been added to the bill.

Finally, in the Senate just a few weeks ago, other changes were made and the bill was significantly modified again. Part-time employees working less than 25 hours a week are excluded from coverage. Penalties on employers were reduced again a few weeks ago in the Senate.

The enforcement provisions, at the request of Business in America, were changed to conform with the Fair Labor Standards Act.

Mr. Speaker, this bill has had a long journey; many changes have been made in it. I support this bill because it allows this House once again, hopefully for the final time, to make additional changes which will bring this bill even closer to the kind of compromise that, hopefully, will not only pass the House but will be signed by the President.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, last year, the House considered family and medical leave legislation under a narrow rule which allowed only an underlying bill and a substitute to be offered. Today, we are again debating important changes in Federal legislative policy under a similarly restrictive rule. As Yogi Berra once said, "It's deja vu over again."

When this matter was considered last year, I joined many of my colleagues in objecting to the closed rule. Why, on a matter as important as the American family, must we virtually strangle all debate? Why only one substitute last year and two this year? Why can't we debate and amend family and medical leave in the open?

Like many other Members, I had several problems with last year's bill. While I felt there was a real need to assist workers and their families, I considered the family leave legislation and the alternative we considered last year to be inflexible and unduly restrictive. The bill provided a single defined benefit—unpaid leave—which was of dubious value to many individuals. Specifically, I questioned how beneficial the legislation would be for workers who could not afford to lose a paycheck for several weeks, and for older workers who might have legitimate need for other employee benefits, such as expanded health care.

In response to these concern, during the present Congress I introduced the Employee Benefits and Job Security Act and appeared before the Rules Committee to offer the bill or amendments as complements to H.R. 2. My concept adopts an approach similar to the American Family Protection Act introduced by Representative STENHOLM but includes additional tax incentive provisions designed to encourage employers to contribute toward the costs of leave-related expenses, and provide greater flexibility for employers and employees in selecting benefit packages through a type of plan.

In my opinion, the tax incentive and waiver provisions of my bill are key parts of any effective family and medical leave plan, and I also offered each of these provisions separately as individual amendments to H.R. 2. The first provision would grant employers an important tax incentive in the form of an additional 50-percent tax deduction for the cost of providing certain benefits during leave. These benefits could include health care, educational benefits, child care, salary, or pension benefits. This additional deduction would supplement existing business deductions and is designed to motivate employers to provide leave-related benefits to their employees.

The second provision would permit an employer and employee to agree in writing to vary the requirements and conditions of reemployment rights, or to substitute another employment benefit or package of benefits for the rights created under this legislation. Thus, employers and employees would be granted greater flexibility in defining the terms of employment benefit packages—effectively creating a cafeteria plan. I believe that such an approach is the most effective way to account for individual needs and family emergencies.

I testified before the Rules Committee in an attempt to have my amendments made in order. Unfortunately, I was not successful. Thus, while I am pleased that the House will be able to consider the legislation introduced by my colleague, Mr. STENHOLM, I am sincerely disappointed that we will not have the opportunity to consider the amendments which I have offered. I believe that these amendments would provide a more flexible approach to family and medical leave and a better means of satisfying both the personal needs of employees and the legitimate business concerns of employers.

I recognize the need for this House to proceed with some semblance of order, and I certainly respect the prerogatives of the Rules Committee, which refused to make my amendments in order. But we must ask ourselves: How much of our procedure is a political exercise versus an exercise in democracy? How is it possible for individual Members to address the concerns of their constituents when the process itself excludes their concerns from consideration?

Perhaps my amendments were flawed—fine—let the House vote them down. Perhaps my amendments could be improved—fine—let others offer amendments. But we should not in this body delude ourselves. We should not proclaim democracy and then stiffle debate and alternatives with restrictive rules. In the end, we do disservice to ourselves and the Institution. We create a situation where family and medical leave becomes a single entry on some interest group's voting index. We do not do what the people want. We do what politics dictates.

□ 1320

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, I rise today to support the rule. It is time we eliminate embarrassing rhetoric, the rhetoric of the past, and move forward in support of the American family.

I support the Gordon-Hyde substitute and oppose the Stenholm substitute. America has reached out to every sector of the globe, offering support and financial assistance to other nations. We are generous in Turkey, Bangladesh, even Iraq. Yet America's giving is inadequate within its own shores. This legislation gives us the chance to address one of our moral responsibilities. It is a chance to do something real for American families.

The Gordon-Hyde substitute requires employers to provide their employees with minimal amounts of unpaid leave each year. It would allow time off to care for a new child, a seriously ill child or family member. The substitute provides job protection to an employee while on leave and requires employers to continue health insurance benefits during that period. These are not excessive employee benefits but rather fundamental needs for every working person.

We've all heard the rhetoric from the business sector about the financial strain to private industry and the potential for abuse caused by this legislation. This is pure nonsense. Our recent recession and the stagnation of household income has financially strapped the working class. The likelihood of anyone taking any form of unpaid leave, especially extended unpaid leave, except under serious circumstances is ridiculous.

The Family and Medical Leave Act is not a threat to the business community. On the contrary, many in corporate America have come to understand that a family leave policy encourages competent, loyal employees, committed to giving their best.

America's families are not the families of the 1950's. The image of two parents, two children, and one income supporting an entire household is no longer accurate. America's families are diverse in structure and struggling to make ends meet. A large percentage of American families are headed by a single, female parent. People cannot afford the threat of job loss simply because they may choose to have and support a family.

Mr. Speaker, I ask for support for this rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I said in the beginning, I oppose this rule. I offered in the Committee on Rules an amendment to make it an open rule. But that was turned down on the Democrat side. I think this controversial measure should be fully discussed on the floor of the House. People should have the opportunity to offer amendments, vote them up or down, because I think, when you ramrod something in haste, it makes waste.

Mr. Speaker, I urge that this rule be defeated and urge the membership to vote "no" on the rule.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I rise, and I am opposed to the rule. Not one single Republican amendment was allowed under the Committee on Rules, and I have said one of the things we can do to improve Congress is eliminate the Committee on Rules. Not one single amendment.

When the Democrats say that the President has no domestic agenda, this is 1 in 10,000 ways in which he is prevented from bringing his domestic agenda forward.

We also say that the House staff is protected under the rules. Let me go through, and let me bring my colleagues up to date.

During the Thomas hearings there was an intentional leak of information. A captain of a ship, if there is a problem on that ship, he gets fired. Well, then maybe the chairman in those hearings should be fired, and not only that, but the person that leaked it.

We had Members on this House floor that went before the Committee on Standards of Official Conduct in which there was sexual harassment of three separate cases. The women were not even allowed to testify. They had to submit it in writing. They could not testify. And what happened? The man got a letter of reproval. If it was in the military, if it was in the private sector, he would have been fired. It was a disgrace.

We had Members in this House that ran a prostitute ring in the basement, and they just were hand-slapped. We had another one that abused a male page, and it was just overlooked, and nothing really happened. In the private sector they would have been fired, and that is disgraceful.

We have Members; every single day we have Members in this House, that supported directly the Sandinistas against this Government, and they are being protected by the majority in the Democrat House.

Mr. Speaker, I oppose this rule because no Republican amendments have been allowed forward.

Mr. GORDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I feel required to set the record straight.

The gentleman from Illinois [Mr. HYDE], a distinguished member of the Republican Party, is someone we would gladly welcome into our ranks, but I know he is proud to be a Republican, and his amendment, the Gordon-Hyde amendment, is on this floor. It is before this House, and the record should be so corrected.

Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise to urge my colleagues to support the rule and the bill on family and medical leave.

As the President wanders around the world in between vetoing human rights interest bills from Congress, he preaches the glories of the American dream. I have some news for the President: When you come down from the friendly skies, when you touch down on Earth, you will learn that for many people in this country the American dream is becoming something which they and their children will never experience.

Our country cannot provide the laws necessary for them to raise a healthy family. We can not guarantee adequate child care, national health insurance, or unemployment insurance. We can find billions of dollars to fight wars, but only pennies to fight poverty, ignorance, or disease.

Family and medical leave offers us a chance to make our country a better place in which to raise a family. Too often women experience the nightmare of going in to their employer with the news that they are pregnant. They are offered an unacceptable choice: Have a job or raise a family. Yesterday they were a valued employee; today, despite years of loyal service, they are unwanted. Their only crime is to want a family.

I support this bill because I believe that family and medical care is a minimum labor standard akin to minimum wage and child-labor laws.

For my colleagues who contend that working men and women will not benefit because it is unpaid, I challenge them to support this bill with paid leave. For my colleagues who love to proclaim they are profamily, I challenge them to support this profamily bill.

Mr. Speaker, too many profamily Members protect unborn infants, but desert them after birth.

Mr. QUILLEN. Mr. Speaker, I yield the balance of our time to the gentleman from California [Mr. RIGGS].

□ 1330

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Tennessee [Mr. QUILLEN] once again.

Hopefully, Mr. Speaker, we can shed a little bit more light on why those of us on our side feel so strongly about the idea of congressional coverage for our employees.

I want to make it clear that we see this amendment truly as a matter of equity for our employees. While H.R. 2, as the gentleman from Ohio [Mr. BOEHNER] pointed out, does contain congressional coverage language, congressional employees are denied the basic right to their day in court. When I speak of judicial review, I am talking about a jury trial, if need be, providing the same right their private sector counterparts have.

The congressional coverage language contained in H.R. 2 would allow House employees who feel they have been wrongly denied leave under this bill to take their complaints to our Office of Fair Employment Practices. But what if an employee of the House is not satisfied with the decision of that office? What right does he or she then have? The answer is: None. They have exhausted all their rights, all their rights to further appeal or redress under the bill.

This is where H.R. 2 differs from the private noncongressional public sector. All other covered employees can, if they feel leave has been wrongly denied, obtain relief from the Department of Labor. Even Senate employees, thanks to Senator GRASSLEY's amendment, can take their claims to a Federal appellate court. Under H.R. 2, the only employees, some 12,000 of them, who could not take their claims to court would be employees of the House.

This is patently unfair. It continues the double standard, the arrogance, the hypocrisy, where we place ourselves above the law. Our congressional coverage amendment had the strong support of the congressional coverage coalition, which included, among other groups, the National Federation of Independent Business and the U.S. Chamber of Commerce. If H.R. 2 is indeed to be considered, as several speakers on the rule on this side of the aisle have said earlier, with minimal protection for working Americans, then it seems to us on this side of the aisle that working Americans by definition includes the thousands of our employees.

Let us demonstrate to the American people that we are taking a positive step to improve our image, that we are really sensitive to those concerns out there across the land, and let us defeat this rule.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. RIGGS. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, would the gentleman vote for the bill if his amendment passed? I ask the question because the people that he cited who support his amendment are diametrically opposed to family and medical leave.

Mr. RIGGS. Just so I could go on record, let me say that quite possibly I would.

Ms. OAKAR. No. Would the gentleman vote for the bill?

Mr. RIGGS. Mr. Speaker, if the gentlewoman wants an unequivocal answer from me, yes; I would. It is a shame, then, that the Rules Committee would not give us who are of that persuasion the opportunity to vote in that way.

The SPEAKER pro tempore (Mr. MAZZOLI). All time of the gentleman from Tennessee [Mr. QUILLEN] has expired.

The gentleman from Tennessee [Mr. GORDON] has 3 minutes remaining.

Mr. GORDON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, today we have heard from a few members of the minority who would come before us and say, "I just can't be for this bill because I want a little more of this" or "I want a little less of that. If only I had exactly the bill that I wanted, then I could be for it."

Well, Mr. Speaker, let us make the record very clear. This bill has been before this body for 6 years. There have been a number of hearings, with hours of debate. Certainly Members have had the chance to have input.

So let me say to those few Members who keep trying to wiggle and to dodge from this issue, "You can run, but you can't hide."

The question today is very clear. The question before us is: Do we support the American workers' right to both care for their families and to hold down a job? That is the question before us today. That is the question we will have a chance to vote on very soon.

Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RIGGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 269, nays 156, not voting 9, as follows:

[Roll No. 389]

YEAS—269

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Cardin
Carper
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Green
Guarini
Hall (OH)
Hamilton
Harris
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ravenel
Ray
Reed
Richardson
Rinaldo
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—156

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carr
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goss
Gradison
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Lancaster
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Regula
Rhodes
Ridge
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Williams
Wolf
Wylie
Young (FL)
Zeliff
Zimmer

NOT VOTING—9

AuCoin
Bateman
Dingell
Gillmor
Hatcher
Kaptur
Schulze
Stallings
Young (AK)

□ 1354

Mr. TAYLOR of Mississippi and Mr. SKELTON changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2872

Mr. CAMPBELL of California. Mr. Speaker, I ask unanimous consent that the name of the gentleman from North Carolina [Mr. PRICE] be withdrawn as a cosponsor of H.R. 2872.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from California?

There was no objection.

FAMILY AND MEDICAL LEAVE ACT OF 1991

The SPEAKER pro tempore. Pursuant to House Resolution 275 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2.

□ 1355

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2) to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition and to temporary medical leave in certain cases involving a serious health condition, with adequate protection of the employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave, with Mrs. KENNELLY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Michigan [Mr. FORD] will be recognized for 30 minutes; the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes; the gentleman from Missouri [Mr. CLAY] will be recognized for 10 minutes; and the gentleman from New York [Mr. GILMAN] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Madam Chairman, I yield myself 1 minute.

Madam Chairman, H.R. 2, the Family and Medical Leave Act, deserves the support of every Member of this House. I have supported and worked for this bill for 6 years—first while chairman of the Committee on Post Office and Civil Service and now as chairman of the Committee on Education and Labor.

The process has been a long and torturous journey filled with argument and compromise. We have worked very hard to bring you a bill that not only reflects the fundamental needs of today's families who must struggle to balance work and family but also reflects, through the process of compromise, the very legitimate needs of business to manage their personnel.

Some of us believe we have given too much, others not enough. However, as you consider H.R. 2 today, I want each of you to take a few minutes to focus on the reality of everyday life for the American family and why this bill is so desperately needed.

This reality, Madam Chairman, is not based on Donna Reed, white picket fences, and warm cookies waiting after school. Rather, we have to look beyond our own circumstances, talk about conflict, stress, and economic demands—we have to look beyond our own circumstances and put ourselves in these people's lives.

The line worker in the factory does not have the flexibility that you and I have to adjust our schedules to accommodate family needs—whether emergencies or everyday demands. She and her husband work not for enjoyment or self-fulfillment but because of basic economic necessity—the need to provide housing, food, and clothing for their children—some even dare dream of providing their children with a college education. These are hard-working people who need two incomes just to pay for the very basics of life.

These are also people who hold a second full-time job—they are parents. Many are also caregivers to their own elderly parents or spouses. Many are suffering with their own serious illnesses. They have children who need them, and being there is what counts, but it takes a lot of time and an incredible amount of energy. They are people who have schedules which conflict, needs which go unmet, who are exhausted, guilt-ridden, and stressed-out, who nevertheless in normal times, through self-sacrifice and unbelievable effort, simply make it work.

It is one thing to feel pain and guilt when you must tell your child that, "No, I can't come to the school assembly or to your game because I have to work"; but can you imagine telling your child, who is facing a serious illness or even surgery, that "No, I can't be there to hold your hand and assure you that everything will be all right because I have to work or I will lose my job." How would you feel? How would you tell your child? Why should anyone have to make such a choice?

Can you imagine wanting children so desperately, unable to have your own and yet unable to adopt because you are denied the time off needed to receive the child into your home? Can you feel the loss and the depth of pain of that not-to-be parent?

Imagine your elderly mom or dad facing a life-threatening illness or surgery and you are miles away at work unable to take leave without loss of your job. You think of the years of love and support they had given to you, and now, if only you could take a few days, you could be there when they needed you. But no, your family needs your income, and you can't risk losing your job.

You would have to be an inanimate object not to feel the pain of these people. You would have to be blind not to see the stress and disruption that these real and everyday choices are having on our families and in our society. And please, don't tell me that private businesses will do these things voluntarily if only we would leave them alone—they haven't and they won't. If business had on its own notion provided this minimum leave, we would not have been here in 1985, and every year since, attempting to pass the family and medical leave bill.

Even today, we know that 82 percent of firms provide no leave to care for sick children, that 56 percent of U.S. production workers have no sick leave at all, and only 37 percent of all female workers in companies with 100 or more workers are covered by unpaid maternity leave.

We have given voluntarism a sufficient amount of time to work. Now we need to care for our families as a matter of national policy. Minimum labor standards have always been developed this way. When the private sector fails to do voluntarily what the Nation believes is essential to its well-being, then we enforce minimum standards. It is time that our families and our children can be assured that in time of crisis this Nation believes they are entitled to fundamental fairness in the workplace. H.R. 2 ensures this fairness to families and I would like to close, Madam Chairman, by quoting from one of the witnesses at our hearing, Bishop James W. Malone:

> In summary, the Catholic bishops' conference supports this legislation as an affirmation of human dignity and family life. Family and medical leave is good for families. It helps them fulfill their roles as protectors of children and elderly people. We think family and medical leave is good for business. We think it promotes a more productive work environment. We think family and medical leave is good for America. All of society benefits when family life is enhanced.

Madam Chairman, I reserve the balance of my time.

Mr. GOODLING. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I am only laughing because I was wondering whether we will have to come back and do this one more time.

Madam Chairman, here we are again. Not much has changed. I do not know whether the vote count has changed, but if it has not, then I think we are probably leveling the most serious misunderstanding, as far as the public is concerned, that we possibly could level in relationship to a piece of legislation.

Because if the vote count has not changed, it means we will go through this procedure a couple more times. Because basically what we are saying in this bill is that if one happens to be wealthy enough, we are going to give that person some leave. But we have made sure that because one is wealthy, one cannot take leave because one will be exempted from the legislation.

As I have said over and over again, that 10 percent that they talk about, which are the highest wages in an organization, are exempted from the bill.

□ 1400

It is that 10 percent that probably could afford to take 8, 10, 12 weeks of unpaid leave. But we are somehow or otherwise relaying a message to the public that low- and middle-income Americans somehow or the other are going to get some benefit from this legislation. There is no way. They cannot possibly take that leave, as indicated by the attached study.

So again, we are going to go through the same procedure. We are not going to provide anything at all for the public for whom we wish to provide something, but we are simply doing something for two reasons, probably. I say probably because I am not sure what the reasons are.

The two reasons are very simple. One, it either has to be something political and someone is trying to get a political gain for what it is that we are trying to do; or probably, more importantly, we are setting the stage for something that would probably help low- and middle-income workers, and that would be paid leave. So I think after we pass and get beyond this and get it vetoed and come back again a year from now, if we ever have a bill in place of unpaid leave, a year from now we will be faced with a real issue and that will be paid leave, as indicated by the attached study.

Madam Chairman, I also rise in opposition to H.R. 2 and the substitute to be offered by Mr. GORDON and Mr. HYDE. I have not made this decision easily, as I have long been troubled by this issue. Nevertheless, Madam Chairman, I am convinced that the legislation before us simply goes too far too fast.

Perhaps it bears repeating—for those of us who have not followed this legislation year after year—that we are not here talking about legislation which would simply require parental leave for the birth or adoption of a child. The bill goes much further—providing leave for an ill child, spouse, or parent, and for employee disability leave. Ironically, last year's substitute, much advertised as a compromise, added spousal leave. If the legislation provided leave only for birth or adoption, I would support it and my guess is that the legislation would pass overwhelmingly, with enough votes to override a veto.

But it is clear that the proponent's are now more interested in a political issue than in passing a bill that could become law. Indeed, they have barely moved from where we were last year when the bill was passed with 187 votes in opposition and the President's veto was ultimately upheld by 195 votes. Yes, I know we will be hearing much about the Gordon-Hyde substitute later, but, unfortunately, nothing much has been changed. The coverage of part-time employees has been raised somewhat and the damages have been reduced to double lost backpay and benefits. There are, unquestionably, improvements—and there are a few others—but the guts of the bill remain unchanged. The same employers are covered, the so-called key employee exemption remains so limited as to be meaningless, the employee still has the right to the same amount of leave—12 weeks per year—as before, and health benefit coverage must still be continued. Finally, the bill still retains Department of Labor enforcement and independent private court actions, with jury trials. Tinkering at the edges doesn't amount to a compromise. And indeed in some ways the substitute is worse than H.R. 2.

But there will be time enough later to go into the substitute. My basic point, Madam Chairman, is that we are going down the exact same road as last year. The President will veto the legislation—make no mistake about that—and that veto will be sustained. What is the point of all this—to get an issue or to get a law? The answer is pretty obvious.

Madam Chairman, I would like to note at this juncture that I will be offering a motion to recomit with instructions before the final vote today and will be proposing a simple requirement that employers provide 8 weeks of maternity and paternity leave for the birth or adoption of a child. I will describe the proposal in some detail at that time and I hope other Members will join me in supporting the motion.

The attached studies compare the Gordon-Hyde substitute to the Senate bill. You will see there is little real difference.

PAID FAMILY LEAVE IS ESSENTIAL TO MEET CURRENT NEEDS, REPORT SAYS [BNA 10/11/91]

Paid leave for family and medical purposes is essential to meet the needs of today's employees who must balance work demands and family responsibilities, the National Research Council said Oct. 10.

The report urged employers, unions, and government policy-makers to encourage development of the following employee benefits:

Paid family leave to care for infants and ill family members;

Paid sick leave, including leave for disabilities related to pregnancy and childbirth;

More opportunities for flexible schedules, part-time work, and alternative work locations;

Resource and referral programs, employee assistance programs, and other forms of direct and indirect help; and

Greater access to health insurance and health care services.

The report noted that "there are various ways of financing required programs." How ever, "in the absence of clear evidence pointing toward a best option" the panel declined to make any specific recommendations on financing.

The panel commented that employer mandates should be instituted "only when uniform coverage is viewed as crucial. Ultimately, if society believes that every worker should receive some minimum benefit, such as workers' compensation, society must be willing to pay for that benefit, if necessary by providing subsidies to some firms and workers."

Financial support for the study was provided by the Women's Bureau of the Labor Department, the Ford Foundation, the Russell Sage Foundation, the German Marshall Fund, Aetna Life and Casualty, IBM Corp., and the National Research Council Fund.

THE "GORDON-HYDE" SUBSTITUTE TO H.R. 2. THE FAMILY AND MEDICAL LEAVE ACT: WHERE'S THE COMPROMISE?

On October 2, 1991, the Senate adopted, 65–32, a substitute offered by Sen. Bond to S. 5, the Family and Medical Leave Act (FMLA). The "Gordon-Hyde" Substitute to H.R. 2 is the same as the "Bond" Substitute,[1] except for some modifications expanding leave for federal employees. The Substitute is being advertised as a major compromise, but it actually contains only a few significant changes—none of which resolve fundamental problems with the legislation. Ironically, the new bill is worse in some ways than the H.R. 2. A discussion of these points follows.

1. Mandated leave: The House and Senate bills still mandate 12 weeks of unpaid leave per year, in total: (a) for the birth, adoption, and foster care of a child; (b) for the care of a child, spouse, or parent with a "serious health condition"; and (c) for an employee with a "serious health condition." Hence, the mandate remains the same as before, and the President will veto the legislation. (S. 5, sec. 102; H.R. 2, sec. 102)

2. Covered employers/eligible employees: The coverage threshold for employers is the same (50 or more employees) in the House and Senate bills; however, the number of hours an eligible employee must work per year was raised in the Senate version from 1000 hours (as is contained in H.R. 2) to 1,250 hours. (S. 5, sec. 101(2); H.R. 2, sec. 101(3)(A))

3. Definition of "serious health condition": The critical definition of "serious health condition," which determines eligibility for much of the leave provided, was improved, on one hand, but worsened—at least when compared to H.R. 2—on the other: Improved because "continuing supervision;" by a "health care provider" is now not enough to qualify as a serious health condition; worsened because the Senate bill defines "health care provider" (the key individual empowered by the legislation to certify medical conditions as qualifying for leave) as including "any person determined by the Secretary [of Labor] to the capable of providing health care services." One may wonder what expertise the Secretary of Labor has to bring to bear on this issue and who will be approved under this remarkably broad authority—authority previously dropped from the House bill. (S. 5, sec. 101(12); H.R. 2, sec. 101(7))

Continued concerns over the broad scope of the definition are also confirmed by accompanying legislation history in which Sen. Durenberger notes during a colloquy with Sen. Dodd that the definition could cover "a minor allergy condition" or "on-going arthritis"; Sen. Dodd did not take issue with this description. (See, Cong. Record. Oct. 2, 1991, p. S14193.)

4. Reinstatement/Health benefits: As before, under the Senate and House bills, health insurance would have to continued during leave and the employee would have the right to reinstatement to the same or equivalent position. However, under the Senate bill, an employer could now recover—through a law-suit—lost medical premiums paid for continuing health insurance during leave for an employee who does not return to work. However, this "right" is effectively meaningless: Rarely will lost premiums justify the expense of litigation. Further, even this "right" is subject to exceptions, such as "circumstances beyond the control of the employee." (S. 5, sec. 104; H.R. 2, sec. 104)

5. Damages/Enforcement: Damages permitted under the Senate bill have been reduced from potentially quadruple lost backpay and benefits to double lost backpay and benefits, with interest, plus attorneys' fees and expert witness fees. Further, the enforcement structure of the Senate bill has been simplified; however, it still retains the same two enforcement pillars of H.R. 2 and the previous version of S. 5—that is, enforcement by the U.S. Department of Labor and through private law suits, with jury trials. Proponents will claim that the Fair Labor Standards Act (FLSA) is simply being followed, but the FLSA does not typically allow for recovery of lost benefits, nor does it allow for expert witness fees or interest where double lost backpay is awarded. Indeed, that these changes in damages and enforcement procedures are being viewed as an "improvement" at all suggests more about the extreme nature of the original legislation than about the merits of the new version. (S. 5, sec. 107; H.R. 2, secs, 106–109). An accompanying colloquy does indicate that no damages for pain and suffering would be permitted.

Although rarely discussed, it should be noted that the Senate bill also would now allow recovery of "monetary" losses, such as expenses for hiring a professional care attendant, if the employee is improperly denied leave and remains on the job, up to a sum equal to 12 weeks of wages. (S. 5, sec. 107(a)(1)(i)(II))

6. "Key" employee exemption: A so-called "key" employee exemption was added to the Senate bill. This addition represents no improvement over the House bill, as the House bill already contains the same exemption. Further, it is worth noting that this exception is limited to an employee of the highest

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[1] The one change made clarified that leave for the birth or adoption of a child had to be, not only "because" of such birth or adoption, but also "in order to care for" such child.

paid (top 10%) of the workforce when the denial of "restoration" to the job "is necessary to prevent substantial and grievous economic harm." This exception is, obviously, extremely limited and ignores, in any case, the fact many workers critical to an employer's day-to-day operations are not necessarily the highest paid. (S. 5, sec. 104(b); H.R. 2, sec. 104(b))

7. 30-day notice of leave: The Senate bill now requires that employees give 30 days' notice of intent to take leave. This is an improvement over the House bill, which simply requires "reasonable" notification efforts, but its impact is limited through vague qualifying language which renders the 30-day requirement "subject to" the actual date of the event for which the leave is taken. While the accompanying legislative history (see, Cong. Record, Oct. 2, 1991, p. S14191) explains that the 30-day requirement should apply except when "emergency medical conditions or unforeseen schedule changes" occur, these limitations are not reflected in the statute itself. (S. 5, sec. 102(e); H.R. 2, sec. 102(e))

Further, it is worth emphasizing that neither bill requires that an employee give advance notice of when he or she intends to return to work. Obviously, this makes workforce planning extremely difficult.

8. Intermittent medical leave: The Senate bill would now allow an employer to temporarily transfer an employee to another position, for which he or she is qualified, which would better accommodate medical treatment scheduling. (Sec. 102(a)(3)(B)). But the alternative position must both be available and have "equivalent pay and benefits." Rarely is this limited option going to be available.

9. Substitution of Leave: Paid medical/sick leave may be used to offset leave required under the Act for care of child, spouse, or parent with "serious health condition." Previously, as currently under H.R. 2, such leave could be used only to offset leave for the employee's "serious health condition."

10. The accompanying legislative history raises new, major concerns:

—ERISA preemption: A colloquy between Senators KOHL and DODD make clear that the intent of this bill is to modify the preemption provisions of ERISA, noting that the FMLA should be interpreted to protect benefit-related provisions of state family leave laws from preemption by ERISA. This discussion is expressly targeted at reversing a New Jersey case which found that provisions of New Jersey's leave law requiring continuation of health benefits during leave was preempted by ERISA and a similar Wisconsin case which found that provisions of Wisconsin's leave law relating to substitution of leave was preempted by ERISA (see, Cong. Record, Oct. 2 1991, pp. S14190–91). However, the reasoning would also appear to preclude preemption by ERISA of state remedies (such as punitive and compensatory damages) applicable to enforcement of the benefit portions of state leave laws, implicitly also reversing, in part, the Supreme Court's Pilot Life decision. Is the FMLA the place to resolve these difficult, controversial issues?

COMPARISON OF H.R. 2 (AS REPORTED) AND THE GORDON-HYDE SUBSTITUTE

Issue	H.R. 2	Gordon-Hyde substitute	Comments
Mandated leave.	Same	Same	Mandate equals Veto.
Amount of unpaid leave.	12 weeks of leave per year, total, for (a) birth of child or for adoption or placement in foster care, (b) care of child, spouse, or parent who has a "serious health condition," and (c) a "serious health condition" which renders employee unable to do job [i.e., disability leave].	Same, but substitute does clarify that leave for birth/adoption/foster care must also be "in order to care" for the child.	Where is the compromise? Same mandated leave.
Employers covered.	Employers with 50 or more employees are covered; sites with less than 50 (counting employees at site and within 75 miles) are not covered.	Same	Site test helps big companies but not small employers.
Employees covered.	Employees who have worked for the employer for at least 12 months and have performed 1000 hours of service during 12 months previous to leave (about 19 hours a week).	Same, except hourly threshold is raised to 1250 hours (about 24 hours a week).	An improvement, but part-time employees are still covered.
Intermittent leave.	Can't be taken for birth, adoption, foster care. May be taken for "serious health condition" leave.	Same conditions; however, the employer may also transfer an employee temporarily to another available position—for which the employee is qualified—that provides "equivalent pay and benefits" if it would better accommodate medical scheduling.	Intermittent leave (subject to abuse) is allowed on theory that time is needed for medical checkups, etc. Still a potential bookkeeping nightmare. Further, rarely will transfer "option" to another position be available.
"Serious health condition" definition.	The term means "an illness, injury, impairment, or physical or mental conditions which involves (A) inpatient care in a hospital, hospice, or residential health care facility, or (B) continuing treatment or continuing supervision by a health care provider".	Same, but drops "continuing supervision" and expands definition of "health care provider".	The very broad definition was improved, on one hand, but worsened, on the other, because definition of "health care provider" (discussed below) was expanded to include anyone certified by the Secretary of Labor. Definitions of "health care provider" and "serious health condition" are both critical to determining when an employee would be eligible for much of the leave provided.
"Health care provider".	The term means "a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the State in which the doctor performs such function or action".	The term is expanded to also include any person determined by the Department of Labor (DOL) to be capable of providing health care services.	Worse. What expertise does DOL have to apply under this remarkably broad authority? Who will be approved?
"Parent"	The term means the biological parent or the individual who stood in loco parentis when the child was under 18 or incapable of self care.	Same	Who would be in loco parentis? Gives leave to biological parent who never raised child and to loco parentis (e.g., grandmother, aunt, etc.) who raised the child.

COMPARISON OF H.R. 2 (AS REPORTED) AND THE GORDON-HYDE SUBSTITUTE—Continued

Issue	H.R. 2	Gordon-Hyde substitute	Comments
Medical certifications.	Employer may require employee's "health care provider" to certify the existence of a "serious health condition" for employee, child, parent, or spouse. If employer has reason to doubt validity, employer may require, at own expense, a second opinion. Conflicting opinions are to be resolved by third "health care provider" at employer's expense.	Same, except clarifies that "health care provider" certification may be required to state that leave is actually "needed to care" for child, spouse, or parent with a "serious health condition".	Marginal improvement. "Health care provider" retains broad powers, in effect, to determine eligibility for leave. What does "need to care" mean? Would availability of professional attendant eliminate "need"? Cumbersome process.
Reinstatement rights.	Restoration to same or "equivalent" position.	Same	Must be equivalent in all terms and conditions of employment. Little flexibility.
Key employee exemption.	Must be among the highest paid 10 percent of the employer's workforce at or within 75 miles of facility and if "restoration" to job would lead to "substantial and grievous economic harm".	Adds same exemption	Incredibly limited. Focuses only on employees who are the highest paid when reinstatement to job would cause grievous harm. Further, many employees who are not the highest paid are nevertheless critical to ongoing operations of an employer.
Health benefit coverage.	Continued coverage during leave	Same. However, the employer may also initiate legal action to recover premiums from an employee who does not return to work (subject to exceptions including "circumstances beyond the control of the employee").	New cause of action is meaningless, as rarely will recovery of premiums justify the costs of litigation. Further, even this right is subject to exceptions.
Notice of intent to use leave; duty to avoid undue disruption.	Employee must give "reasonable and practicable" notice of intent to use leave. For "serious health condition" leave, employee must also make "reasonable effort" not to "disrupt unduly" the operations of the employer. Need for leave must be foreseeable in either case.	Instead of "reasonable and practicable" notice, employee must give 30-day advance notice when leave is "foreseeable," "subject to the actual date" of the event for which leave is to be taken.	Improvement, but "subject to" language is extremely vague. Further, still no provision for employee to give notice of intent to return to work. Employer has absolutely no discretion as to when to reinstate; employee could use leave (with health coverage) and choose not to return or could return with no notice and expect immediate reinstatement.
Leave offset	Employee may elect, or employer may require, that "paid vacation leave, personal leave or family leave" be substituted for any part of unpaid leave for (a) birth/adoption/foster care or (b) care of child, spouse, or parent with a serious health condition. Paid vacation leave, personal leave, medical/sick leave may be substituted for unpaid leave when employee with a serious health condition is unable to work. Balance of 12 weeks' leave must be provided.	Same, but adds that paid medical/sick leave may also be substituted for unpaid leave for the care of child, spouse, or parent with a serious health condition.	Marginal improvement.
Enforcement	Independent private cause of action in court with jury trial, or through filing charge with DOL. DOL must process through expedited timetable, replete with Administrative Law Judge (ALJ) hearings and appeals to court. DOL could also separately enforce. Plaintiff may remove to court any time DOL fails to comply with "any obligation".	Modeled after Fair Labor Standards Act (FLSA): private cause of action and DOL enforcement, with jury trials, but no ALJ process.	Improvement in that process is simplified; however, the two key enforcement pillars—private cause of action and DOL enforcement, with jury trials—remain basically the same.
Damages	Lost backpay and benefits, with interest, plus compensatory damages up to 3 times this amount with attorneys' fees. The court or an ALJ could reduce compensatory damages upon a showing of "good faith".	Reduced to double lost backpay and benefits, with interest, plus attorneys' fees and expert witness fees. If leave improperly denied and not taken, can be liable for monetary losses (such as cost of hired care) up to 12 weeks' wages. The court could reduce damages upon showing of "good faith".	Improvement. Proponents will allege that bill now simply follows FLSA; however, the FLSA does not typically allow for recovery of lost benefits, nor does it allow for recovery of expert witness fees or interest when double lost backpay is awarded.
State/laws/ERISA preemption.	Any "provision of any 'State and local law which provides greater employee leave rights" than the Act is not preempted.	Same, except that colloquies accompanying the Bond Substitute now make clear the proponents' intent that the FMLA prevents ERISA from preempting the benefit provisions of state family and medical leave laws, reversing case law.	Invitation to chaos. Will often be unclear whether state law provides greater or lesser rights than federal law. Employers will be uncertain as to which law applies in any given case. Further controversial ERISA preemption issues should not be resolved through the FMLA.

Madam Chairman, I reserve the balance of my time.

Mr. CLAY. Madam Chairman, I yield myself 2 minutes.

Madam Chairman, as reported by the Committee on Post Office and Civil

Service, title II of H.R. 2 provides 18 weeks of family leave over a 24-month period and 26 weeks of medical leave over a 12-month period for Federal employees. As passed by the Senate, the Bond compromise made greater reductions in the protections afforded to Federal workers than any other class of employee. The private sector provisions of this legislation merely establish a floor that employers may exceed. The Federal provisions establish actual terms and conditions that may not be exceeded. Despite this crucial difference, the Bond compromise generally treats Federal employees exactly like private sector employees and provides that they may take no more than 12 weeks leave for any purpose.

Despite the severe reductions imposed upon Federal employees by the Bond substitute, title II of the Gordon-Hyde amendment in the nature of a substitute contains substantially the same provisions as adopted by the Senate. Under the Gordon-Hyde substitute, Federal employees would be entitled to no more than 12 weeks of unpaid leave for the birth or adoption of a child, or for the care of one's self, spouse, child, or parent.

The Gordon-Hyde substitute has modified the Senate-passed provisions to conform to existing law and policy affecting Federal workers. I want to outline for my colleagues the more significant changes that we propose to title II of the Senate passed bill. The Gordon-Hyde substitute eliminates the Bond requirement that Federal employees work 1,250 hours before qualifying for leave. That requirement is inconsistent with present Federal leave policy and disqualifies employees who are otherwise eligible for paid leave. The Gordon-Hyde substitute eliminates the authority of agencies to require employees to substitute paid leave for unpaid leave. Providing agency discretion would allow agencies to discriminate among similarly situated employees. In addition, many employees have accumulated paid leave provided in this bill. Requiring employees to use paid leave for the purposes of this legislation denies such employees any benefit from enactment of this legislation.

Finally, the Gordon-Hyde substitute specifies that while employees must pay their share of health benefit costs while on unpaid leave, an agency may not seek to recapture its share of the health benefit premiums if employees do not return to work. While the Bond bill does permit agencies to recover their health insurance contributions, such authority violates existing policies regarding the treatment of Federal employees who are granted leave without pay.

The debate regarding the Family and Medical Leave Act has centered on the impact of this legislation on workers and employees in the private sector. Title II imposes no requirements on any private employer or any other employer outside of the Federal Government. The provisions of title II are extremely modest, have virtually no budget impact, and deserve the support of every Member of this body regardless of your position on private sector coverage.

I reserve the balance of my time.

Mr. GOODLING. Madam Chairman, I yield 5 minutes to the distinguished gentlewoman from New Jersey [Mrs. ROUKEMA].

Mr. FORD of Michigan. Madam Chairman, I would like to announce that Members over here on this side should listen to the important statement that our Republican colleague is making on the floor. Listen to this gentlewoman. She knows what she is talking about.

Madam Chairman, I yield 30 additional seconds to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Madam Chairman, I rise in support of the Family and Medical Leave Act. As the Ranking Republican on the Labor-Management Subcommittee and the architects of many of the compromises to accommodate the needs of the small business community, I rise in support of H.R. 2, and in support of the Hyde-Gordon amendment.

To each and every one of my colleagues I wish to pose this question: In these times of economic uncertainty for working people, who among you would say to the mother of a terminally ill child, or an employee who needs time to care for a seriously ill parent, go find another job?

My colleagues, that is the perception of what you are saying if you vote against this bill.

Madam Chairman, our consideration of this bill is long overdue.

As the architect of the compromise embodied in H.R. 2, I believe that the bill is a modest minimum Federal labor standard that simply responds to demographic changes in the American work force. At the same time, the Family and Medical Leave Act provides unpaid leave with continued health insurance and job security during a family medical crisis. That's it in a nutshell, plain and simple. It strikes a careful balance between the need for working families for unpaid leave and job security with the legitimate concerns of business. Let me outline those provisions which are of particular benefit to employers:

The bill only covers businesses with 50 or more employees. Small businesses won't be covered—only 5 percent of all firms in the United States have over 50 employees. Only 39 percent of the American labor force will have family and medical leave. While opponents have painted a false picture of this bill as injurious to small business, the fact is that a small minority of firms will be covered, and a minority of working Americans will in fact have family and medical leave.

I fought very long and hard for a key employee exemption for all employers covered by this bill. An employer may deny reinstatement to the highest paid five employees or top 10 percent, whichever is greater, to avoid serious economic harm from an employee's being out on leave. Let me illustrate how this provision works:

A highly compensated engineer at an architectural firm needs medical leave as a result of having a heart attack. However, at the time the engineer is taken ill, she is working on an important project that means a tremendous fee to the firm and any cessation of work on this project may result in the business losing its contract. The employer in this instance may allow the employee to go out on leave, but will not keep the job open for her return at the end of the leave period. Instead, the employer will hire another engineer to continue the work.

Employees, in order to be eligible to take family and medical leave, must have at least 1 year of service to the employer with 1,250 hours of work. That translates into working at least 25 hours per week for 1 year. An employee must demonstrate a commitment to the employer in the form of longevity, before being eligible for leave. This is the same standard as required for vesting in ERISA. Seasonal and part-time employees are thus not covered by the Family and Medical Leave Act.

An employee must give reasonable notice of the intent to take family or medical leave so as not to unduly disrupt the operations of the employer. Moreover, either the employer or the employee may elect to substitute accrued paid leave for part of the unpaid leave allowance. Paid leave counts toward total leave available under the Family and Medical Leave Act.

An employee must obtain medical certification of serious illness and present such certification to the employer when requesting family or medical leave. This certification must include the nature of the illness and the need for hospital and home care and the expected duration of such medical care. If an employer has reason to doubt the veracity of the first certification, she can require a second opinion. Any conflict between first and second certifications may be resolved by a third, binding opinion.

Other flexible provisions to adjust to the business requirements are: First no requirement in case of downsizing or restructuring for reinstatement; second, separate divisions of fewer than 50 employees are not covered. A company with geographically separate divisions of fewer than 50 workers are not covered.

Why is this bill needed? Because the growing number of women in the work force—they make up fully 50 percent of all workers—has dramatically changed the structure of the family. Childbirth or serious illness in a family can mean the loss of a job which can plunge an entire family into financial uncertainty. This is not merely an abstract theory—it happens day after day all over the country. The sad truth is that business has not responded voluntarily by creating family and medical leave policies. It is for this reason that we are here today—to create a minimum Federal labor standard, just like the minimum wage, laws on worker health and safety, and child labor laws—that give job security and unpaid leave for a modest period of time to workers who experience a family medical crisis.

And by family medical crisis I don't mean a child with the sniffles or the flu—but an illness serious enough to require hospitalization or extended home convalescence. I mean a child or employee who has cancer and needs time for chemotherapy treatments. Serious illness means an elderly parent who suffers a broken hip and whose employed child needs time from work to assist their parent with home care. Serious illness means the employee who is in a car accident and requires hospitalization beyond the standard 2 weeks of paid sick leave typically given to employees. Serious illness means a newborn child with heart deficiencies that threaten the child's life.

Under the Family and Medical Leave Act, that child's father will not lose his job for keeping vigil beside the crib of his dying child. What we are talking about here are severe medical emergencies involving an employee or their parent or child. What we are saying is that under limited circumstances, working Americans shall not lose their jobs and their health insurance. In the name of human decency we have got to muster the courage and the political will necessary to provide this minimum protection for working families.

Opponents of family and medical leave are fond of saying that moderate- and lower-income workers can't afford to take unpaid leave. This is a red herring argument. In fact, it is lower- and moderate-income workers who have no family and medical leave policy. It is these workers who, in the event of a family medical crisis, are put in the position of having to choose between their jobs and taking care of a sick child or parent. What these employees cannot afford is to lose their jobs.

Opponents of this bill also state that the Family and Medical Leave Act will result in a decrease of other employee benefits. First of all, what other benefit can be purchased for $6 or $7 per covered worker per year? In every State with generous family and medical leave laws, States such as Oregon, Connecticut, New Jersey, Wisconsin, and Rhode Island, not one Governor, not one business has come before the House Education and Labor Committee and said, "Family and medical leave standards are bankrupting my business, destroying jobs, and eroding productivity, causing me to cancel other benefits." Not one business in a State with family and medical leave laws has come to us and complained. The arguments against this bill simply are not supported by the facts.

Critics also talk against mandates. Let me remind them that the minimum wage is a mandate. Overtime restrictions are mandated. Child labor laws are mandates. OSHA regulations are mandates. Social Security is a mandate. Indeed, virtually every bill signed into law is a mandate of one form or another. And, some of the same people who will stand before us today and argue against the Family and Medical Leave Act are key supporters of the Americans With Disabilities Act—a bill with universal employer coverage that will impose compliance costs on business that no one even has had the courage to estimate. It is time to get behind something to help working American families in a meaningful, realistic fashion. If we can ask them to foot the bill for the S&L bailout; we can give them genuine help in the form of job security during a family medical crisis.

This bill is opposed by the beltway crowd, a cadre of paid special interest lobbyists for the business community who are out of touch with what is going on in the real world. In contrast, the bill is supported by a tremendous coalition of church organizations, medical groups, women's groups, and educational organizations—the types of people who are closely in touch with the effects of dire illness on family life, and who see firsthand what the loss of a job during a medical crisis means to a struggling family.

The time has come to pass a strong, bipartisan Family and Medical Leave Act. The support for this bill is considerable, and it is bipartisan.

This is a debate not about mandates but about values, about human decency, about hard-working, taxpaying Americans who want to hold on to the American dream. Don't throw those good people in to the unemployment lines.

Mr. GILMAN. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, as the ranking Republican on the Post Office and Civil Service Committee, I rise in support of H.R. 2, the Family and Medical Leave Act of 1991. I commend the sponsor of the legislation, the gentleman from Missouri [Mr. CLAY], who also serves as chairman of our Committee on Post Office and Civil Service, for his efforts in reaching a consensus on this important issue.

I have been a supporter of this legislation since it was first introduced in 1986. While it was changed significantly in the intervening years, H.R. 2 signals congressional support for creating a positive environment for today's working families, who should not be forced to choose between starting and maintaining a family, and their career.

H.R. 2 not only favors working mothers who must take time off from work for childbearing purposes, but all workers who must take leave in cases involving a birth, adoption, or a serious health condition of a close family member. This statutory provision replaces administrative guidelines for agencies to follow in cases of employees seeking leave for pregnancy or other medical reasons.

Specifically, title II of H.R. 2 provides for an employee to be entitled to a total of 12 administrative workweeks of leave during any 12-month period for family and medical leave. Where the need for such leave is foreseeable, the employee is required to notify his or her employing agency 30 days in advance. Upon return to the work force, the employee is entitled to his or her former position, or an equivalent position. Any family or medical leave granted under this legislation will be leave without pay, although an employee may elect to substitute any accrued or accumulated sick or annual leave in lieu of leave without pay.

An agency may require an employee requesting such leave to provide a medical certification for taking leave. If the agency doubts the validity of this certification, it can request a second opinion of a second health care provider to be paid at the agency's expense. Title II of H.R. 2 contains prohibitions on coercion of employees from attempting to exercise their rights under this legislation. Also important to note is the fact that an employee is entitled to health care coverage during the duration of any family and medical leave taken.

Madam Chairman, working families across our Nation will all benefit from this legislation. However, it is important to recognize that while both titles I and II of H.R. 2 grant 12 weeks of unpaid leave for employees, private sector and Federal employees will be treated differently under this compromise. Private sector employees are granted a minimum of 12 weeks of unpaid leave. The intention is to establish a floor which an employer has the discretion to increase. With the Federal sector, however, Federal agencies do not have the discretion to increase the amount of unpaid leave granted to employees.

I recognize the political need for conforming the two sections. However, I would like to join the chairman of the Committee on Post Office and Civil Service in working together to seek solutions to allow more administration flexibility in the area of granting additional leave.

H.R. 2 is fair legislation which should be enacted promptly. As more women enter the work force the need for such leave becomes even greater. We should establish a national policy encouraging responsibility in caring for close family members. Because of the complexities of today's society, the Federal Government has an obligation to see that workers should not be penalized when serious family responsibilities compete with job demands.

H.R. 2 creates no burden for the Federal Government in its role as an employer. The legislation goes to great lengths to see that any disruptions in the workplace associated with an employee taking unpaid leave are minimal at best. In fact, worker morale, productivity, and retention should be enhanced by a clear stated policy not subject to arbitrary changes and discretionary grants of leave. Accordingly, Madam Chairman, I urge our colleagues to join today in supporting this legislation.

Madam Chairman, I reserve the balance of my time.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Madam Chairman, I rise to support passage of the Family and Medical Leave Act. The gentlewoman from New Jersey [Mrs. ROUKEMA] very ably outlined the provisions and the reasons why this afternoon's debate is long overdue.

It is comforting to know that the President is now showing renewed interest in the daily lives of average Americans, but it is a travesty to realize that it took a combination of sinking poll ratings and negative economic indicators to finally get his attention.

This issue, probably more than any other, highlights the new makeup of our Nation's character. The changing role of men and women in the work force as well as in family life are rapidly transforming America. It is our responsibility as Members of Congress to shape policy to suit these changing times. America cannot consider itself to be a superpower, promoting human rights and dignity abroad, if we continue to ignore these basic humanitarian obligations to our own citizens.

America's toughest competitors—Germany and Japan—actually guarantee their workers at least 3 months of paid family leave; most countries in the European Economic Community guarantee at least unpaid leave. The Family and Medical Leave Act, designed to meet the special needs of the U.S. economy, will prepare our work force for the year 2000. It makes sense, in human and economic terms, for working families, for businesses, and for all Americans.

Losing your job because you have taken time to care for a sick child or elderly parent is both unfair and cruel. The time has arrived for the Federal Government to put an end to this practice, and enact meaningful and effective legislation supportive of American families. Having a large family myself, I know that the comforting presence of a parent is just as important to a sick child as any medicine a doctor can prescribe.

Our goal today should be to enact legislation beneficial to all Americans. Obviously, achieving this goal can be very difficult at times but the Congress has repeatedly shown its willingness to persevere on this issue. I encourage the President to join us in this difficult effort to reconcile different views and objectives of both individuals and organizations often with competing or even conflicting interests. We are not asking for compensation, merely unpaid absence during a brief family emergency with the right to return to your job. Few people can afford to miss a paycheck and will only do so for a real emergency—when their family needs them more than they need a paycheck.

Mr. GOODLING. Madam Chairman, I yield 1 minute to the distinguished gentleman from Wisconsin. [Mr. KLUG].

Mr. KLUG. Madam Chairman, about 5 weeks from now the Klug's will welcome No. 3 into the world. My wife, Tess, is expecting our baby around Christmas. When I look back at the birth of my first son 7 years ago, most of my memories are fond. One is not—the battle over family leave.

My wife was then working for a PBS affiliate television station. We always found it ironic that a station which prided itself on airing hours of progressive programming had a maternity policy that lingered in the dark ages. After long talks and a few well-placed tantrums, we prevailed. Tess got the time off we requested, and my son, Keefe, was born into a world with far less frazzled parents. But even today I am puzzled why the fight was necessary, and perhaps that's why I have a difficult time understanding opposition to this bill.

My home State of Wisconsin has had family and medical leave laws on the books for several years. My State's businesses recognize the changing demographics in the work force and the need to blend job security and flexibility. In fact, when the State bill was in front of our legislature, it was ultimately endorsed by the State chamber of commerce.

The Wisconsin law has worked. And similar family and medical leave bills already work well in a half dozen other States. Companies report few complaints. Workers for the most part never exercise their right to take the unpaid leave. But for many of my constituents, it is a comfort simply knowing under the law they can take time off to care for a newborn, or comfort a seriously ill toddler or heal a critically ill parent.

Under the Family and Medical Leave Act, companies win. They get employees who are more focused on work and less stressed out. Employees win. They know in an emergency they can take time off—without pay—and have a job waiting for them when the crisis passes.

And Members of Congress win because this bill balances the needs of business with the very real needs of American families.

Mr. CLAY. Madam Chairman, I yield 1 minute to the gentleman from Virginia [Mr. MORAN].

□ 1420

Mr. MORAN. Madam Chairman, I rise in very strong support of the Family and Medical Leave Act.

I represent a district which dramatically illustrates the need for this pro-family legislation. Because of the high cost-of-living necessities and housing, over 70 percent of the mothers in my district are forced to work fulltime to help their families make ends meet. Every day in northern Virginia and in communities across the country, these working women are being forced to choose their priorities between the demands of the job and the demands of their families. Often women are forced to use all their leave, all their vacation time, any compensatory leave they may have accrued, to tend to the birth of a child or an ailing family member. If they are fortunate, they can return to their jobs without the loss of benefits or interruption of health insurance. If, however, the newborn is not ready for daycare, or if there is a prolonged illness, an individual can be forced to choose between sacrificing their careers and incomes or compromising their family responsibilities.

Working Americans should not be forced to make this type of sacrifice. They deserve greater job security and the opportunity to care for a loved one during a time of personal crisis. The Family and Medical Leave Act we are debating today would provide this sense of security for over 64 percent of America's employees, while impacting only 5 percent of America's businesses, and it will cost only $7.10 per covered employee per year. Every other industrialized nation in the world but South Africa has more generous benefits already in place than this legislation would provide.

I strongly urge my colleagues to join me in supporting the Family and Medical Leave Act.

Mr. GILMAN. Madam Chairman, I am pleased to yield 3 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I am very pleased to stand in strong support of H.R. 2. This is a bill that I have cosponsored since I was elected to the 100th Congress.

The United States is the only industrialized nation without a family leave policy. South Africa does have one. We are the only one that does not.

The bill is a modest program of job-guaranteed leave for new parents and for employees who need the time to care for a seriously ill parent, child, or for their own serious illness.

As a matter of fact, we on the Post Office and Civil Service Committee came up with a bill that was going to be far more generous and appropriate, with 18 weeks and then 26 weeks for illness. It has all come down to the very modest compromise of 12 weeks. We are willing to accept it. We feel it is so critically important, there should be no opposition.

Every effort has been made to address the concerns of the business community. As a matter of fact, only 5 percent of the businesses are actually going to be part of this bill, because the other 95 percent have fewer than 50 employees.

Over the past several Congresses, the Family and Medical Leave Act has undergone many modifications, as I have mentioned. After a decisive Senate approval of the substitute, it is clear that these concerns certainly have been addressed.

Many opponents of the bill argue that most large businesses already provide job guaranteed family and medical leave. In fact, this is not the case.

A 1990 study by the Bureau of Labor Statistics indicates that only 37 percent of all female workers and 18 percent of male employees in companies with 100 or more workers are covered by unpaid family leave.

There was a study that was made by the Families and Work Institute which looked at family and medical leave in the four States that have a program. My colleague, the gentleman from Wisconsin, alluded to it. They are Minnesota, Oregon, Rhode Island, and Wisconsin, and the employers—91 percent of them—said that they had no problem with family and medical leave. As a matter of fact, they pointed out in terms of morale and productivity the great advantages of it.

A 1990 study by the Small Business Administration found that 30 to 40 percent of employers with more than 50 workers do not offer job-guaranteed sick leave and only 33 percent of businesses with 100 or more employees provide leave to care for seriously ill family members. In a 1990 survey, 62 percent of the participating employers without a family leave policy indicated that they would offer such a policy only if the Federal or State government required them to do so.

Too many American employees have been forced to choose between their families and their jobs. These choices have had devastating consequences in many cases.

The Women's Legal Defense Fund has compiled case studies of Americans who needed family and medical leave. There are countless examples of employees who were fired as they or their family members were preparing to undergo surgery, leaving them without health insurance and with full financial responsibility for the medical costs, despite the fact that their employers had granted the leave beforehand.

Families have lost their life savings in an effort to care for a dying child, even though they had made prior arrangements with their employer for the leave and had worked long hours to make up the time. Parents have been terminated after having a baby, despite earlier arrangements for leave, and have been unable to find other employment or have been forced to accept jobs for which they were overqualified.

Families in this country already face tremendous stress, and the stress is having a serious effect on our children. Every Member in this House professes to be deeply concerned with the breakdown of the family in this country and the plight of our children. Anyone who is truly concerned will vote for this bill. It is profamily legislation that is desperately needed. It is long overdue; we must not delay any longer.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Madam Chairman, we are a caring nation that values its children and its families. But when the President vetoed the Family and Medical Leave Act last year, he sent a clear message that he was not willing to reinforce our values by signing meaningful legislation to protect them.

GAO statistics show that the legislation we proposed would not be a great burden on our employers—in fact it would cost only about $5.30 per year per eligible employee. Eighty-eight percent of the employers in Oregon, which has the most comprehensive parental leave policy in the Nation, have said their law is easy to comply with.

Lawrence Perlman—CEO of Control Data, which has offices in my district—has written in favor of this legislation saying, "Employer support of the family is as important as safety and a minimum wage." He's absolutely right. It is unconscionable that every other industrialized nation has a national family and medical leave policy, yet we do not.

Madam Chairman, 12 weeks of unpaid leave is the least this great Nation can do to support employees who are balancing work with caring for a newborn or a seriously ill family member, or who are recovering from a serious illness themselves. Today, we have an opportunity to tell hard-working Americans that their Government really does care about them and their families. This time, I hope the President will join us.

Mr. GOODLING. Madam Chairman, I yield 4 minutes to the distinguished gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise to oppose this legislation, not on behalf of business or employers, but on behalf of the working men and women of this country.

If this bill were not so tragic, Madam Chairman, it would be comical. I am not a tragic person. I am not a bitter person, so the only way I can treat this bill is by satire.

Madam Chairman, there has been a dramatic changing world of work throughout my lifetime.

This has been marked most notably by increased participation in the world of work outside the home by American women, either as single mothers or as a part of a two-income family. These single mothers and these working mothers and fathers, like the rest of us, Madam Chairman, as we are so often reminded by my friends on the left, work because they must. That is why they call it work. It is not something we like to do. It is something we must do. It is a financial and economic necessity.

And because they must work and they work so hard to coordinate that job outside the home with that more important and more demanding job at home rearing children, working men and women in this country in free and voluntary negotiations with their employers have exhibited enormous creativity in the past 40 years in restructuring the terms of employment with such things as flextime, share time, paid maternity leave, cafeteria benefits programs, day care, and on and on, and never was it required that there be a mandate of a benefit from the Government. They have done a good job and it should be respected, but it is not.

No, it is not good enough for this Government. This Government, that only speaks to the people inside the beltway, has been spurred on by a militant minority of malcontents that never get out of Washington, DC, and never go to work in the real America to give these people by a mandate, each and every working person in this country, whether they want it or not, something that in fact they cannot use because in fact they work because they must work to provide for their families.

Unpaid leave, nobody outside of the beltway has asked for that. Only the beltway bandits that would raid this Congress for the special interest politics of greed have asked for it, and this Congress is responding.

Now, what will be the effect on the real workers in the real families in the real country?

□ 1430

There will be diminished choice available to those workers to choose for themselves that benefit package that best fits the needs of their family. Whether they want it or need it or not, they must take this mandated benefit. We have testimony that tells us that other benefits, more desired, more asked for by real people will be forcefully dropped from the packages.

There will be increased labor costs, and that will be largely due to litigation. When my good friend, CASS BALLENGER, offered an amendment in committee that said that any employer that had in effect and kept in effect leave benefits that were superior to these would be exempted from the mandate, it was voted down. Why? Because the lawyers want to file lawsuits. That will raise the cost of labor and take the people's right to work under conditions they choose for themselves away.

Madam Chairman, I say vote "no" on this travesty.

Mr. CLAY. Madam Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Madam Chairman, I thank the chairman for yielding time to me and I rise in support of this bill. I think it is very necessary to relieve the stress of the American family.

Madam Chairman, I rise in strong support of the Family and Medical Leave Act, and I want to thank my colleagues on both sides of the aisle, and on both sides of the Capitol, for their hard work in bringing this bipartisan measure to the floor.

This compromise bill is good for America's families, and it is good for America's businesses.

It allows millions of fathers and mothers to take care of the legitimate medical needs of their families, without worrying about losing their jobs, or their insurance.

And it mandates that those businesses with over 50 employees grant 12 weeks of unpaid leave with a minimum of disruptions, a minimum of liability, and without worrying about paying health benefits for employees who may not return.

Madam Chairman, these are stressful times for America's businesses and families. This legislation will help relieve some of the stress.

I urge all of my colleagues to vote for this bipartisan compromise.

Mr. CLAY. Madam Chairman, I yield such time as she may consume to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, understanding that "Home Alone" was a good story for the movies but a bad story for America's children, I rise in support of the Family and Medical Leave Act.

Madam Chairman, in Austria parents get 20 weeks parental leave at 100 percent pay; Canada, 15 weeks at 60 percent pay; France, 16 weeks at 90 percent pay; Germany, 18 weeks at 100 percent pay; Italy, 22 weeks at 80 percent pay; Japan, 12 weeks at 60 percent pay; 128 countries have parental leave. What about America?

We have no parental leave. We can fix that today. We can guarantee 12 weeks off with no pay but a continuation of health insurance.

Many families will be helped by this. "Home Alone" may have been a good story for the movies but "Home Alone" is a bad story for a newborn child or a sick child or a seriously ill family member. Its a bad story with an unhappy ending.

You'll hear every excuse in the book for a "no" vote but make no mistake—a "no" vote is a backward vote—a callous vote, an antichild vote, an antifamily vote.

Let us do something to help our children and families. Vote "yes" on family leave.

If the kinder, gentler man vetoes it, America will learn he is not kinder or gentler.

Mr. CLAY. Madam Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. ACKERMAN], chairman of the Subcommittee on Compensation and Employee Benefits of the Committee on Post Office and Civil Service.

Mr. ACKERMAN. Madam Chairman, I rise today in support of H.R. 2 and in support of American families.

H.R. 2, the Family and Medical Leave Act of 1991, responds to the fundamental shifts in the demographics of the American work force.

According to the Bureau of Labor Statistics, 96 percent of fathers and 60 percent of mothers work outside the home. The participation of women in the work force has risen from 19 percent in 1900 to 52 percent today. Between 1950 and 1980, the labor force participation of mothers has tripled.

The fastest growing segment of this group is comprised of women with children under the age of 3.

Another demographic change profoundly affecting the American family is the number of elderly in our society. Currently, more than 2.2 million family members provide support to ailing relatives.

About 38 percent of those caring for elderly relatives are adults caring for their own parents.

Madam Chairman, these social changes often force Americans to choose between their jobs and their families.

The Family and Medical Leave Act will help by providing workers with 12 weeks of unpaid, job-protected leave to balance their work with their family responsibilities.

Madam Chairman, I hope the President understands. We are not talking about leave to go fishing for a month. I hope the President understands we are not talking about leave to play golf for a few weeks.

We are talking about leave to care for families, for sick children or spouses, for elderly parents, to comfort loved ones who may be dying, or for employees to take care of themselves.

Madam Chairman, we spend a lot of time lamenting the state of the American family.

Let's stop talking about it and let's do something good for families. Let's vote for family and medical leave.

Mr. GILMAN. Madam Chairman, I am pleased to yield 2 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. I thank the gentleman for yielding this time to me.

Madam Chairman, I rise in strong support of legislation that recognizes the realities of today's work force and the everyday needs of the American family.

Quite frankly, I think the opposition to this legislation is knee-jerk and reactionary. Let me cite some of the arguments against it and shoot them down quickly.

First of all, we are told it is going to present an unfair burden to American business, particular small business. Yet the legislation exempts 95 percent of the American businesses, those businesses with 50 or fewer employees.

We do recognize the needs of small business.

Then we are told it is going to have a big burden on the bottom line, it is going to be so costly. So costly? It is unpaid leave we are talking about, ladies and gentlemen, no compensation, unpaid. As a matter of fact, some of the experts in the business tell us it will be less expensive to reinstate workers who have taken the family leave than it would be to train their replacements and go through all of that.

Then we are told, and this one is most offensive, particularly to American women, we are told that the American women will take advantage of this, that they will have a child and they will stay home and treat it as a vacation, just take time off and disrupt the entire work force.

Well, Madam Chairman, let me tell you, ladies and gentlemen, American women work for the very same reasons that American men do, they like to eat, they want a roof over their heads, they want to educate their children.

Madam Chairman, that is a spurious argument.

Then we are told it is the foot in the door. You know that old argument; back in 1938, the Fair Labor Standards Act was passed, and business said it is a foot in the door, 40 hours a week today, tomorrow it will be 30 hours a week and then 20 hours and pretty soon the workers will stay home and expect us to send them their checks.

That was 1938 that we heard those arguments, and I was still a babe, just past my first birthday. Today I stand in the well of this House as a proud grandfather, and it has not changed. We still have the 40-hour work week.

Madam Chairman, this legislation addresses very sensitive family needs, and it is about time we matched our deeds with our words. We talk about family values, let us do something to encourage them.

Madam Chairman, I urge strong support for this very meaningful legislation.

Mr. FORD of Michigan. Madam Chairman, I yield 1 minute to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Madam Chairman, I rise in strong support of H.R. 2, the Family and Medical Leave Act, and of American families.

This legislation, which would establish in Federal law the right of working men and women to take leave from their jobs in order to care for a newborn or newly adopted infant, or for an ill family member, is a long overdue and an exceptionally moderate response to the radical changes that have occurred in America's work force. With the real wages of American workers declining, and the economic pressures on middle-income Americans increasing, it now takes two breadwinners just to make ends meet. In addition, single-parent households have substantially increased in their number and proportion of all households. Moreover, independent of both of these factors, more and more women are pursuing new occupational and career paths. The bottom line is that American workers today are under very new and very difficult pressures as they attempt to reconcile their jobs with their obligations to their families.

The principle of this legislation is very simple: It affirms, as a matter of national policy, that American workers, men as well as women, should not be forced to choose between caring for their loved ones—be it their children or their aging parents—and their jobs.

The bill before us is limited in its scope. The parental and medical leave mandated would be unpaid, and would extend for only 12 weeks. Moreover, inasmuch as the legislation would apply only to firms with 50 or more employees, 95 percent of all employers would be wholly exempt from its application. Finally, even with respect to covered businesses, the employer would be permitted to exclude from the leave standard up to 10 percent of the firm's employees who have managerial or supervisory responsibilities.

So what is the fuss about? The administration's continued opposition to this very modest initiative reflects the same insensitivity to the urgent needs of America's working men and women and their families that has been evident in President Bush's resistance to the extension of unemployment compensation benefits. At long last, the President—apparently reading the tea leaves of Pennsylvania—has signaled his willingness to sign an unemployment compensation bill. I hope he will show the same flexibility when this parental and Medical Leave Act arrives on his desk.

Madam Chairman, the need is great. The time is late. I urge immediate passage of this important legislation.

Mr. CLAY. Madam Chairman, I yield 2 minutes to the distinguished delegate, the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Madam Chairman, I rise in support of the Gordon-Hyde substitute to H.R. 2, the Family and Medical Leave Act. This 12-week no-pay family leave bill is nothing to shout about in the streets, but it is important to hear it for a bill that finally lays down a floor where today there is only an empty lot. And at least the Federal Government is returning to a tradition I thought had been lost—setting a higher standard for private employers to imitate. All Federal employees will be covered, and Federal employers will not seek to recapture health premiums if the employee does not return.

But, Madam Chairman, there is also an unspoken issue in this debate. We are in the midst of a baby bust. Employers need the Family and Medical Leave Act as much as their employees need it. We no longer have the scrumptious oversupply of the baby boom years. When employees are forced to leave their jobs, the employer's investment evaporates, and a replacement that is as good will be hard to come by these days.

We have only to look at our most successful allies to see what benefits our country will reap from this legislation. Japan and Germany maintain far better economic health than we while providing paid family and medical leave to their citizens. Our 1990 growth rate was 0.2 percent. Japan's was 5.5 percent; Germany grew at 4.2 percent. These successful capitalists long ago came upon a market principle that has too little appeal to our business and political leaders—that paying for education, health care, job training—and family and medical leave—is like plowing your profits back into the business. It is the constant reinvestment that increases the yield.

This bill is the place to start if we are serious about our human capital in a global economy where that is the capital that counts most. This bill is the place to start to reduce the heavy lifting that has taken a shocking toll on American family life. This bill is the place to start to convert family values into something that is valuable to families.

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Mr. GILMAN. Madam Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Madam Chairman, I rise in support of the Family and Medical Leave Act.

Mr. GILMAN. Madam Chairman, I yield 1 minute to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Madam Chairman, some Members of Congress keep saying "This country is mired deep in a recession."

It is funny that they say that but don't act like it. In fact, they insist on enacting policies that heap taxes and regulations on the back of small business.

It is lunacy to enact this legislation, placing a further burden on business, when the economy is already flat on its back.

The Democrat majority must be proud of its recession because they have caused it by raising taxes and now keep the downward drag on our economy by enacting antigrowth legislation such as:

A so-called civil rights bill, a lawyers bonanza, bad news for struggling businesses,

Striker replacement legislation, an incentive for strikes.

This Family and Medical Leave Act is something for nothing,

The universal health care act to make the businessman pay.

This Democrat majority has passed the second largest tax increase in history last year. It pushed a teetering economy right over the cliff. Now our unemployed citizens lay scattered and shattered on the rocks below.

In an effort to save this economy the President has proposed a reduction in the capital gains tax. It has fallen on the deaf ears of the proud parents of this recession, the liberal Democrats who control this body.

We have heard that our country is the only Western democracy that doesn't give our workers mandated leave. We are told that Germany and Japan have mandated leave. German entrepreneurs also don't pay any capital gains tax, the Japanese pay only 5 percent. While America's small business entrepreneurs pay 31 percent. If you want to compare our economies, look at the whole picture.

The liberal Democrat machine that controls this body is the most efficient job destroying, business-closing, economy-sapping technology in the world.

We have heard repeatedly how this bill is good for business, that firing employees and training new workers is more expensive than offering unpaid leave. To the Democrat majority I say "Don't do small business any favors." We've seen your help and frankly it stinks of reams of redtape, tax audits, and anticompetitive regulations.

The Democrat Party is destroying our economy with promises of something for nothing. And that's what this bill is all about: Something for nothing.

Republicans offer more jobs and lower taxes.

The American people know that they aren't getting something for nothing. What they are getting from the liberal Democrats tax, spend, and regulate policies: unemployment, business decline, shattered hopes, and America's slow, steady decline.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON].

Mr. CLAY. Madam Chairman, I yield 1 minute to the gentleman from Pennsylvania.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WELDON] is recognized for 3 minutes.

Mr. WELDON. Madam Chairman, I thank the gentlemen for yielding, and I rise in strong support of the Gordon-Hyde compromise. Similar legislation that we offered last year is a compromise on family leave.

Madam Chairman, I want to speak to two important points. I want to speak to those more conservative Members in this institution who are being told to vote no. The first deals with mandates, and the second deals with costs.

To all of those purists in this body who believe there is no role for the Government to involve itself with the private sector, let me say, "I respect you, but I think your numbers are rather small. If you voted against minimum wage, you voted against worker safety, you voted against the child labor laws. If you voted against the recent Americans With Disabilities Act, if you voted against the recent civil rights legislation, then in fact you can say that you are against mandates on the corporate community." And for those who say it is mandated leave, I simply say, "If you oppose jury duty leave, and if you oppose leave of absence from military duty for our Guard and Reserves, then you also can be consistent."

However, Madam chairman, there are very few of us in this institution who are conservative purists when it comes to mandates in terms of the business community. This, in fact, in my opinion, support for the American family, is as important as any of those other issues.

The second item is cost. Madam Chairman, this bill will save the taxpayers money. Let me repeat that a second time. This bill will save the taxpayers money. That is not rhetoric.

Let me give my colleagues the facts. One of the most rapidly accelerating costs for our health care problem in this country is the terminally ill patients, people who are dying. But there is an option to being confined to a hospital. That option is called a hospice program. Last year there were 113,000 patients who were qualified for full medical care funding of hospice care in the home at a cost of $91 per day. Guess what that cost would have been if they were in a hospital? It would have been in excess of $400 a day. Savings to the American taxpayer: over $1 billion per year.

The national hospice organization in Washington, DC, has told me, as recently as today, that there are an additional 25,000 patients today who are covered by Medicare who could qualify for the hospice program. But guess what, Madam Chairman? There is no one in the home to be that primary care provider. There is no family member there to take care of their needs, to watch over them in their dying days, and an additional savings could be realized of $500 million if we were to lose those people to be cared for in their home by their loving relatives, their brothers, their fathers, their sons, and their daughters.

That is what we are talking about, Madam Chairman, so I say to my conservative friends in this institution:

"Don't buy the rhetoric. This is not a Democrat versus Republican issue. This is not a big labor versus business issue. This issue is right for America, and it's right for our families."

I say to everyone, "Let's support family leave legislation."

Mr. GOODLING. Madam Chairman, I yield 2 minutes to the gentleman from Florida [Mr. IRELAND].

Mr. IRELAND. Madam Chairman, today we are being asked to vote to mandate that businesses grant 12 weeks of leave to employees each year to care for a newborn child or a sick family member.

Now on the face of it, this sounds like a great idea.

How could anyone be against giving new parents precious time at home with their babies?

How could anyone deny an employee the right to stay home with their sick child or ailing parent?

But that's not what this debate is all about.

The vast majority of businesses in this country do provide maternity or paternity leave to new parents.

They do try to accommodate the needs of employees who need to care for a sick family member.

In fact, a 1985 survey found that almost 75 percent of small-business owners offer leave to new parents or sick employees.

But not all businesses are the same, and not all situations are the same.

You can't throw them into a cookie cutter and come up with one perfect policy for dealing with every employee in every business.

That's why leave policies have traditionally been a subject for negotiation between employer and employee.

My colleagues, we are not debating the merits of parents spending time with their children.

No one is questioning whether a critically ill person should have the comfort and solace of a family member by their side. Of course they should.

The question we are facing today is whether the Federal Government ought to impose a one-size-fits-all leave policy on American businesses, or whether employers and employees ought to be free to negotiate terms that best suit their individual needs.

Eighty-nine percent of American workers polled say that leave policies should not be mandated by the Federal Government—they should be negotiated by employer and employee.

So what we are really talking about doing here today is imposing on American workers a solution that they don't really want us to provide.

In doing so, we are risking the one benefit that no employee can afford to do without—a decent, full-time job.

It's no wonder that most American workers don't think that's much of a deal.

Mr. GILMAN. Madam Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. RAMSTAD].

Mr. RAMSTAD. Madam Chairman, I rise today in strong support of the Family and Medical Leave Act.

Why should any woman in 20th-century America be forced to choose between having a baby or a career? In every other industrialized nation, parenthood and job security are compatible, not competitive. Why should any parent of a terminally ill child be told to find another job? Every other industrialized nation empowers working families to help their own when medical emergencies strike.

Madam Chairman, Minnesota's Third Congressional District, which I am proud to represent, has the highest percentage of two-wage-earner families in this Nation. I support the family leave bill, just as I did as a Minnesota State senator, and we have a comparable bill in Minnesota because of the many parents who work for companies that do not have family leave policies, and, by the way, I never received one call, card, or letter from any businessperson after that vote who objected.

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Madam Chairman, as a son and grandson of small-business owners and a strong supporter of small business, I understand their concerns, but I believe this bill addresses those business concerns. It is well balanced, and it deserves our support.

Mr. CLAY. Madam Chairman, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Madam Chairman, I want to congratulate the two chairmen and the Members who worked so hard on this bill. It is long overdue.

The bill provides unpaid leave of 12 weeks for individuals who have a critical need and for their families, whether it is for their child or their loving parent, et cetera.

But I do want to address one thing that has come up in the dialog relative to the rule, because I think there was a tremendous misimpression given about Federal employees and House employees in particular. There is an argument that says the House does not cover its employees in this bill. Nothing could be further from the truth. All House employees are covered for 12 weeks.

The bill, as a matter of fact, is more generous to the private sector. I know that some were not necessarily for this, but the bill exempts the top 10 percent of paid employees for the private sector. That is not true here. The House goes further. All House employees are covered.

The bill exempts businesses with fewer than 50 employees. The House covers all offices, all employees, and that would be true also of the Senate. On the House side there are 12,500 employees, from the cafeteria workers to people who work in our parking lots and to people who work in our offices, et cetera. We cover all of them. So we go a step beyond what the bill would do for the private sector.

Madam Chairman, we are the only industrialized country in the world that does not provide national health insurance and family leave for every single citizen. When are we going to start thinking of our own people and the quality of life of our own people?

That is why I support this bill. I think it is long overdue. While it does not go as far as I would like, it is a real major step in the right direction to say that we respect the families of this country.

Mr. GILMAN. Madam Chairman, I am pleased to yield the balance of my time to the gentlewoman from New York [Ms. MOLINARI], who is a staunch supporter of women's rights.

The CHAIRMAN. The gentlewoman from New York [Ms. MOLINARI] is recognized for 1 minute.

Ms. MOLINARI. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, I rise in strong support of family and medical leave. It is so desperately needed in America today, for today is a very different day. Yesterday's work force was composed primarily of men. Today 57 percent of women are in the work force.

Yesterday most could count on assistance in supporting their families. Today two out of three women working outside the home are the sole providers to their families. Tomorrow company board rooms will be filled with women at management levels, so government may be able to say to corporate America, "Devise your own policies."

Today the glass ceiling has prevented women from reaching positions of impacting their internal company policies. Today's families need our help and understanding if tomorrow will be a better day for all American families.

Madam Chairman, I urge my colleagues in that spirit to support the Family and Medical Leave Act.

Mr. FORD of Michigan. Madam Chairman, I yield 1 minute to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Madam Chairman, we are here today not just discussing family and medical leave but what series of actions we can take as a nation to make our work force more productive.

All of us have, to a certain extent, work force rules in our own offices. I am sure that Members have found, as I have found, that if we treat workers with dignity and respect, expect them to be responsible and they are more likely to work harder for us.

What the committee is attempting to do with family and medical leave is to provide some level of nurturing to the American work force that would allow them to treat their families with respect.

As has been mentioned over and over again, all across the world this is part of workplace rules, whether it is Germany, Japan, France, or England, and it works there it will work here. In fact, if we take a look at the German model specifically, we will find that German workers have been more productive despite the fact that they pay higher taxes, in part because workplace democracy in Germany works because workers are treated with respect.

Madam Chairman, if we treat American workers with respect, they will work harder. Family medical leave is one of the tools we need to help create a responsive and responsible work force.

Mr. GOODLING. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, a central issue in the debate today on H.R. 2, the Family and Medical Leave Act, is whether the Federal Government should mandate any employee benefits like family and medical leave. Since this issue surfaced on the Federal level, I have closely monitored State action on the issue of family and medical leave. In fact, my own State of Wisconsin was in the forefront of developing a family and medical leave law and enacted such a law in April 1988. This law was a compromise between a Democrat-controlled legislature and a Republican Governor.

Currently, 33 States and the District of Columbia have decided to provide some form of family and medical leave under State law or regulation. These laws and regulations range from strictly maternity coverage to comprehensive family and medical leave coverage. However, analysis shows that no State has a family and medical leave law as broad in scope and coverage as the legislation we are considering here today.

I have always believed that one of our Federal system's greatest values is that the States serve as the laboratory of democracy. States often experiment with policy changes before Congress enacts Federal legislation. Since very few States have approved family and medical leave laws anywhere close to H.R. 2 in range and coverage, it seems premature for the Federal Government to be jumping out in front of the States and mandating a broad family and medical leave requirement for the entire country.

Instead of considering a reasonable consensus standard based on the considered judgment of our State legislatures, we have chosen on the Federal level to listen to interest groups and so-called expert witnesses who support H.R. 2.

I believe it is time for Congress to learn from the experience of the States on this issue and enact a reasonable, consensus approach based upon what our States have actually put into practice.

I tried to move in that direction, but the rule prevents me from offering amendments based on the Wisconsin family and medical leave law. It seems to me that there is more interest in ramming through a particular bill on the issue of family and medical leave than in a fair and open process. Until there is movement toward such a process, I urge my colleagues to vote against H.R. 2 and the Gordon substitute.

Mr. FORD of Michigan. Madam Chairman, I yield 1½ minutes to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Madam Chairman, if you were a working parent with a sick child, would you want to choose between caring for your child and keeping your job?

Normally I subscribe to the view that government is best which governs least.

But I also feel that our Nation's future depends on the strength of the family.

In the case of family leave, Congress should make an exception to the general rule that government not interfere in the workings of the free enterprise system.

It's not so much that there are millions of women who need to work and also want to have children, though it is true.

It's not so much that parental leave will save money over time because we will have healthier or more emotionally stable children, though such a result is sure.

It is simply a case of my wanting to put the interests of children first.

To me, the early weeks that a parent—mother or father—spends at home with a new babe are so vital, the need to nurture the parent-child relationship so important, that I am willing to set aside competing interests and give children priority.

I cannot think of a more worthy goal than strengthening the family in America.

☐ 1500

Mr. FORD of Michigan. Madam Chairman, I yield such time as he may consume to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, I rise in strong support of the Family Medical Leave Act.

I am disturbed at what is happening to the American family of the 1990's. American lifestyles, institutions, and policies maintain a notion about America's family life based on fantasy and contradiction.

On the other hand, we cannot escape the 1950's image of American family life in which women stayed home and raised the children even though less than 25 percent of today's families fit this description.

On the other hand, we are so absorbed in exerting and protecting our individual independence that we have the view that nothing should hold an individual back, especially the extra baggage of a family.

But the biggest tragedy of our distorted view of the American family equation is that children no longer seem to be a factor in the equation.

We are not focusing on our children and they are suffering.

Almost 30 percent of children who enter high school do not graduate. One-fifth of our children in high school carry some type of weapon to class. One in seven teens in America has a sexually transmitted disease. One-third of American teenagers are classified as heavy alcohol drinkers. And, suicide is the second leading cause of death for American teenagers. Our future generation is wasting away.

It is no wonder that our children are rapidly becoming a lost generation. Just consider the strong messages they are getting from the adult world.

The adult world tells them that divorce is a commonplace fact of American family life. Whereas Americans used to stay married for the sake of the children, they are now getting divorced at a record rate because of partner incompatibility.

We view a man who is divorced with children as an eligible bachelor and we consider that he has done a good job as a parent if he just pays child support. A woman who is divorced with children is viewed as if carrying excess baggage.

The adult world tells them that the demands of the 1990's workplace conflict with the needs of the family. A child in America will spend a large proportion of the most crucial days of its life, the first 5 months, away from the nurturing arms of its parents.

Most industrialized nations have business and government policies to protect this vital stage in a child's development. Yet, fewer than 40 percent of children and mothers in this country have maternity leave.

Over the course of the past decade, the term "latch-key kids" has become an accepted term in the American lexicon referring to the children who we leave at home without any supervision or companionship except from the boob tube.

The adult world also tells them that government must address short-term political and budgetary needs without considering the welfare of children as an investment in the future.

For example, the Federal Government spends five times as much on senior citizens trying to ensure that they are adequately compensated for a life of hard work than it spends in preparing our youth for the challenges of life.

If you are over 65 in America, you are automatically entitled to Government health care coverage through Medicare. If you are under 18, you are lucky if you can get medicaid, even if you are poor.

Local, State, and Federal governments sacrifice education budgets for our children in order to ensure that we have no new taxes for our adults.

And the only way a needy child can receive immediate food, clothing, and shelter from the Government is to break the law and to end up in a Federal youth penitentiary.

The message is clear—we are neglecting our children more than ever before. There have been revolutionary changes in the American family over the past two decades and we need to recognize these new realities.

Two wage earner families and single parent households are, indeed, real American families. And this is today's reality. I am still worried, however, that the American child is not surviving the revolution.

Every institution of the adult world must be responsible for saving our children. Families, schools, churches, and businesses need to respond to the reality of the American family and to focus on children.

The Federal Government plays an integral role in this change. While government cannot step into each home to ensure that each child is properly nurtured, government leadership can and must facilitate a climate in which American parent's can properly care for their young.

While government should not micromanage the personnel policy of the American workplace, it can and must set achievable objectives for employers to meet in ensuring that the needs of America's children are met.

I urge my colleagues to vote "yes" on the Family Medical Leave Act.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS of New Jersey. Madam Chairman, I thank the gentleman for yielding and thank the chairman and members on the committee for their leadership on H.R. 2, which I am proud to rise in support of this afternoon.

Madam Chairman, H.R. 2 speaks to not only our colleagues, but it speaks to a lot of people around our country. It speaks to those who are bereaved from the loss of a loved one and says we will help you. It says to those who are overjoyed with the birth of a new arrival that we will help you. It says to those who are in a time of family need or crisis that your needs count as well.

But, Madam Chairman, I believe that H.R. 2 also speaks to our bankers, speaks to those on the unemployment line, and speaks to those who are looking for training and economic growth in our country today. Because our major economic resource is not steel, it is not our natural resources, it is not our rivers and our land, it is our people. If we are prepared to step forward and take a vote of confidence in our people and say they are worth it, that their needs are worth it, then our companies will prosper, our people will be employed, and our economy will grow.

Madam Chairman, H.R. 2 not only makes sense because of what it does for America's families, it makes sense for what it does to help America grow again and provide jobs and wealth and prosperity.

Madam Chairman, I am proud to be a supporter of this legislation. I commend Members on both sides of the aisle for supporting it, and thank the leaders of our committee for bringing this forward today.

Mr. GOODLING. Madam Chairman, I yield 3 minutes to the distinguished gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, the Gordon-Hyde substitute, like others considered and debated, only makes cosmetic changes to legislation that is fundamentally flawed. The central problem remains a federally directed and controlled mandate that micromanages the workplace. American workers want flexibility, not rigid rules and a blanket government mandate.

I believe the Federal Government should continue to allow companies the opportunity to provide their workers with the leave benefits they desire. As over 90 percent presently do. As a small businessman in North Carolina, many of my colleagues have heard me discuss my company in Hickory, NC, and the adverse effects mandates will have on my company. We presently have four different methods from which an employee can choose for any type of leave. After this mandate will those choices remain?

Mr. Edward Wulkopf from St. Louis MO, offers another small business perspective on the adverse effects the mandated leave proposal. I will insert the letter in its entirety in the RECORD. In addition, I would like to bring one relevant paragraph to the attention of my colleagues.

Mr. Wulkopf writes:

> * * * I think it is one step closer to a "Big Brother Society" where the government is their collective wisdom convince themselves that they know better how to run a business and that employees must be inherently anti-family and anti-society. If an employee is valuable to a company, the company will work with that employee. * * * If I as the owner run into financial problems I am on my own. When I was sick in the hospital there were no government law providing me with anything, nor should there be. This is America and we are suppose to have a free enterprise system.

Mandating benefits for employees is an intrusion into the private relationship between employers and employees.

Benefits should continue to be tailored to suit the needs of both employers and employees. Involvement by the Federal Government hinders this flexibility. Employee leave is good policy; federally mandated employee leave is not.

I submit for the RECORD the letter from Mr. Wulkopf to Senator BOND.

BECKNER PAINTING MIDWEST INC.,
St. Louis, MO, October 7, 1991.

U.S. Senator BOND,
U.S. Senate, Washington, DC.

DEAR SENATOR BOND: I read with interest your letter dated September 26, 1991 concerning the Family & Medical Leave Bill. As the owner of a small painting company I can attest to the correctness of your statement ". . . small businesses cannot shoulder any more red-tape and mandates from the Federal Government". Unfortunately you left out state and local governments. Add to this the mess created with providing insurance, one has to wonder if the hassle of owning and operating a small business is worth it.

When I purchased the business, everything I owned and everything my parents owned was held as collateral. Fortunately one year ago I was able to have my parents possessions released as collateral, but mine are still on the line. Two years ago I was hospitalized in intensive care with a bleeding ulcer. My family life has suffered as a result of the pressures of dealing with the day to day operation of the business. I mention this brief background so you have some idea of my commitment to the business.

To say I was disappointed in your letter is an understatement. Your letter strikes me as one written by an extremely naive person, which I have never believed you to be. Even though small business are exempt (50 employee or less), once the bill would become law there is a Democratic controlled congress that will "improve the bill". My company employs 80 to 90 people during our busy season, but will get down to 30 to 40 employees during the slow times. A lot of our competition comes from 2 to 5 man painting companies who either are exempt from many government regulations or because of their small size are able to successfully ignore them. Any more government laws puts a severe strain on small and large businesses and in my opinion is not needed.

"Recapturing benefits used by an employee during an unpaid leave if the employee does not return to work" is good in theory but in the real world is not very practical. That an item like this is made part of the bill indicates that congress is aware that abuses will take place. If an employee has abused the process I assume I must file suit or at the very least appeal through some bureaucratic process which adds more government redtape. I shuffle too many papers as it is now and I do not want more.

"Requiring 30 days notice for foreseeable leaves" is at best a nebulous statement. Attorneys would have a field day defining this and any decent attorney could take either side of the argument and do equally well.

"Redefining 'serious health conditions' to require that the employee be unable to perform his or her job duties, which would be certified by a health provider to qualify" is a joke. From this statement I infer you have never dealt with Workman Compensation claims. We have had medical providers certify an employee is unable to work and must visit him three (3) times a week. When we insist the employee get a second opinion he/she seems to make a miraculous recovery. The moral turpitude of many health providers is no greater than that of other opportunistic seeking money grabbers. If a second opinion is needed it generates more paper work and responsibilities for the employer.

As far as transferring employees to a less disruptive position there are none in my business. During the busy season everyone is working and most of the time we can not get enough qualified painters. This provision would be useless to me.

After reading your letter over and over again, I am appalled that you consider this rendition of the Family & Medical Leave Bill "far superior". I think it is one step closer to a "Big Brother Society" where the government in their collective wisdom convince themselves that they know better how to run a business and that employees must be inherently anti-family and anti-society. If an employee is valuable to a company, the company will work with that employee. If the employee is marginal, why should a company be forced to grant him/her privileges. If I as the owner run into financial problems I am on my own. When I was sick in the hospital there were no government laws providing me with anything, nor should there be. This is America and we are supposed to have a free enterprise system.

I am getting seriously worried and upset when a Senator such as yourself, who is supposed to help and defend small businesses, ends up supporting a bill that will further hinder businesses. Senator Bond, I am truly disappointed in your stand on this issue.

Sincerely,

H. EDWARD WULKOPF.

Mr. FORD of Michigan. Madam Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Mr. CLAY. Madam Chairman, I yield 1 minute to the gentlewoman from California.

The CHAIRMAN. The gentlewoman from California [Ms. PELOSI] is recognized for 2 minutes.

Ms. PELOSI. Madam Chairman, I thank the gentleman from Michigan [Mr. FORD] and the gentleman from Missouri [Mr. CLAY] for yielding.

Madam Chairman, I rise in strong support of H.R. 2, the Family and Medical Leave Act. I am pleased to support this long awaited legislation and commend the sponsors for their good work and dedication to giving American workers job protection. I am pleased to commend the gentleman from Michigan [Mr. FORD] and the gentleman from Missouri [Mr. CLAY], as well as the gentleman from Pennsylvania [Mr. GOODLING], for their hard work in bringing this to the floor.

Madam Chairman, this bill is good for American families. Other Members today have pointed out the difficult choices faced by parents and others who have to tend to children or sick family members.

However, I would like to also state that in addition to this being pro-family, this legislation is important to our country because it increases productivity.

Madam Chairman, I join with those Members who have said that respect for our individual workers and their family needs and their personal needs is crucial to a productive work force. Therefore, I would like to emphasize that I support this bill. I see it as a good compromise. I would have liked it to have come to the floor without any weakening amendments, but I support it because it recognizes the need for family medical leave, and I think that is a step in the right direction.

Madam Chairman, I urge members to join in supporting this bill and, in so doing, supporting and promoting family in our country and strengthening our work force.

Madam Chairman, this bill is not only good for American families, it is good for our country.

Mr. GOODLING. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, once again we are caught between a President who wants to do absolutely nothing, even though 34 States have already passed some sort of family medical leave policy, and interest groups who want to do everything, even though no State has passed a law as broad as the one we are asked to pass today.

The result, I am afraid, will be a veto, a stalemate, inaction, absolutely no help for the people we are trying to help.

Madam Chairman, I think there is a better way, a way that is at least tried out in a few of the States already. The Stenholm compromise is one short step in that direction of higher preference. I feel the Tennessee law which involves paternity and maternity leave is a positive step in that direction.

Madam Chairman, I predict that President Bush would not dare veto such an approach, and, if he did, we could override that veto easily, which would be the first time in the Bush Presidency we have been able to do that. In that way we would accomplish something for people. Instead of several years of talk we could finally get some action. Many people would say, with some justification, that it is not enough, we need to do more. We do need to do more. Let us come back next year and complete the process. Let us accomplish what we can do this year.

The Wall Street Journal pointed out today that new mothers in the workplace are more than 10 times likely to lose their jobs after medical leave for childbirth than employees seeking medical leave of any other type. You are 10 times more likely to be fired if you are a woman in childbirth than for any other medical reason.

Madam Chairman, we can help solve this dilemma. We can act on a more moderate bill. I wish we would have been given a chance by the Committee on Rules. The practical effect of what we are doing today, not the intention, but the practical effect, will be to deny help to expecting parents all over this country. I wish we could have a more moderate approach.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Madam Chairman, I thank the gentleman for yielding.

Madam Chairman, we are today facing a very important issue, the issue of family leave. I have heard arguments against this particular legislation. I have heard such arguments today on this floor, but I have heard them before. I have heard them in the Rhode Island Assembly before we passed a family leave bill.

Madam Chairman, all of those arguments are baseless, the family leave legislation that we have in effect in Rhode Island now is a positive measure that is helping working families and is not encountering resistance by small businessmen, businesswomen, nor business of any kind. It is positive legislation that is helping families meet the needs of caring for young people and caring for older people.

In fact, what we are hearing from Rhode Island is not complaint, but stories of people who are forced to deal with illness in their family. Because of family leave, they are able to care for their loved ones efficiently, humanely, and at a lower cost, benefiting not only their own family, but all of our citizens. So it is high time that we here in the Congress recognize that fact and make this a national priority.

□ 1510

Indeed, this country is the only major industrial country in the world without a family policy let alone a family leave policy.

Today we can take a very strong step forward to starting a family policy, recognizing the needs of working families, recognizing the need to have time off from work that is secure so that they can return to their jobs when the family crisis is over.

If we do this, if we do this we will be advancing the concerns of all working Americans without harming business. This is an important measure today. I stand here in support of it, as I did in the Rhode Island General assembly, and I wish that we will now today have a national policy recognizing families, recognizing their value and their importance to this country.

Madam Chairman, I rise in support of H.R. 2, the Family and Medical Leave Act.

Right now, American workers have no job protection under Federal law when they have a family or medical emergency. Recently, I met with a constituent, Judy Furtado, the president of the Rhode Island PTA. Judy told me she now was forced to quit her job to care for her son when he contracted viral pneumonia at the age of 7.

Fortunately, Rhode Island now has State family leave legislation in place, legislation that I worked to pass there and am proud to support here.

In Rhode Island, we've found that leave statutes are not difficult to implement, especially for companies that have experience in managing leave; that companies do not reduce other benefits; and that formal leave statutes help all companies introduce formal, written policies.

It is time to extend this policy nationwide.

Family and medical leave is not a privilege, it's a right for the citizens of every industrialized country except the United States and South Africa. Working Americans should not be forced to choose between keeping their jobs and caring for a baby, sick child, or parent in failing health.

This bill will not make our industry less competitive: Japan and Western Europe provide paid leaves—often several months long—to their employees.

In comparison, the bill before us is a very modest measure. Many workers who need this protection will be unable to take this leave because they cannot afford to be without pay.

But I support H.R. 2 because we have a national obligation to protect the jobs of the men and women who at present must choose between their families and their jobs and to protect the future health and prosperity of their children.

An editorial from the Rhode Island Kent County Daily Times says it best: This bill despite its flaws would be a major step toward addressing the root of our Nation's domestic problems—the breakdown of the family.

We all call ourselves profamily—especially at election time. I can't think of legislation that is more profamily than this bill and a lot of families will be watching what we do here today.

[From Kent County Daily Times, Sept. 20, 1991]

THE NEW FAMILY BILL IS BETTER THAN NOTHING

Sens. Kit Bond (R-MO) and Chris Dodd (D-CT) unveiled a compromise Family and Medical Leave Act Wednesday—a compromise which provides a glimmer of hope for those with small children, aging parents, sick spouses.

Although the country's families are still reeling from the blow President Bush issued when he refused to sign last year's version of the Family and Medical Leave Act, members of the Senate—particularly Dodd, Bond and Sen. Wendell H. Ford (D-KY)—have worked diligently to make the bill more business-friendly. A little too business-friendly.

While businesses cannot and should not be ignored—especially in such a devastating economy—the focus of the bill must continue to prioritize family relationships and the bonding of parents with children. Although the new bill rightly provides greater safeguards for employers and requires greater accountability for the employees who use the benefits, it also calls for certain exemptions, many of which will affect employees right here in the Pawtuxet Valley.

The new amendment to the bill exempts small businesses (firms employing 50 or less) from the law. It also permits employers to exempt "key employees" from coverage under the new act. This is discrimination. Why shouldn't a department manager be allowed a leave of absence under the Family and Medical Leave Act to give birth or care for an adopted child? Why shouldn't an employee of a smaller firm be allowed to care for a dying parent without the worry that he might lose his job?

But despite these objections and despite the tough restrictions to which employees must adhere, the Family and Medical Leave Bill as it reads now is better than nothing. Responsible employees will not mind the addendum if it means they'll be able to spend 12 weeks of care-giver time with a sick, newborn or adopted family member.

We have evolved into a workaholic society—a society which spends less and less time with its children, its elderly and its sick. This bill—despite its flaws—would be a major step toward reversing that trend. The bill would be a major step toward addressing the root of our nation's domestic problems—the breakdown of the family unit—which is largely responsible for the high suicide rates, drug and alcohol abuse, the soaring crime rate, and the loneliness elderly people suffer. The family and Medical Leave Act might help arrest society's downward spiral and force our nation to focus on what's really important: each other.

Mr. GOODLING. Madam Chairman, I yield 4 minutes to the distinguished gentleman from Illinois [Mr. MICHEL], the minority leader of the House.

Mr. MICHEL. Madam Chairman, I rise in opposition to H.R. 2. I do so because this legislation exemplifies the fatal error of congressional action, good intentions leading to unintended consequences. Parental and medical leave can be highly valued benefits for workers. I happen to favor them. You favor them. That much we would agree on.

But using the coercive power of the Federal Government to mandate such benefits will have an unintended side effect. It will limit and perhaps foreclose the choice of employers and employers concerning different benefits they might otherwise agree upon.

The problems faced by American workers and employers are varied and complex, differing from industry to industry or from town to town, from employer to employer and from year to year. And with the changing labor force of the 1990's, some workers just may prefer a shorter paid leave rather than the longer unpaid leave which is mandated in this legislation.

Innovative benefit plans or cafeteria benefits such as child care assistance, pregnancy and parental leave, tuition assistance and flexible schedules ought to be encouraged. They allow employers to attract and keep skilled workers.

□ 1520

Innovation, flexibility, choice, diversity: Surely these are the tools with which to approach such a fast changing and complex universe of labor-related issues.

But, H.R. 2, in my judgment, is the very opposite of those virtues. It is rigid and simplistic. It is a clumsy, lumbering big government dinosaur out of the past, totally unsuited to the flexibility needed in the 1990's.

What Congress does with one hand—mandated leave—it takes away with the other—the chance to choose other benefits. What good does it do a worker to have mandated leave if what he or she really needs is more medical benefits? And if one's employer says that mandated leave has in effect taken away money that could have gone for improved medical benefits, I would have to ask: Is the employee better off? I doubt it.

Mr. GOODLING. Madam Chairman, I yield 4 minutes to the distinguished gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Madam Chairman, I thank the gentleman for yielding time to me. I think the issue of family and medical leave is a serious issue in our society today. With parents living longer, they need our help. With both spouses working, the needs of our children continue to grow. I know that those who brought this legislation to this floor today are serious, serious that this is what America needs and this will help. But from my standpoint, I think the serious question that needs to be addressed today is whether the Federal Government should mandate this one size fits all formula for every employer over 50 employees in America.

A 1991 Penn & Schoen Associates polling firm found that 89 percent of Americans believed that the Government should not mandate benefits out of Washington, DC. A 1989 Harris poll indicated that 74 percent of America's employees believed that their employer was providing adequate benefits to them.

So I ask, who is in the best position to determine benefits for our working Americans? I would suggest it is not the 535 Members of Congress that have a one size fits all approach to solving this problem. Employees working with their employers are in the best position to work out the needs of our families in America.

With flexible benefit plans growing, cafeteria plans growing, why should Washington step in and mandate that this benefit must be given to all employees whether they need it or want it or not?

Let us let employees and employers work out these benefits. With worldwide competition as it is in America, employers must have a well-trained work force. It is in the employer's best interest to provide leave policies, parental-family leave policies that will meet the needs of his workers.

The proponents of this legislation also want to call this profamily legislation, but all the witnesses that came before us in the Committee on Education and Labor, every witness stated that most employees in America will not take advantage of this benefit because for economic reasons they have to go back to work. That is why I call this the Yuppie Empowerment Act of 1991, because the only employees in America that can take advantage of this benefit that is being mandated are two-income professional couples that have ample income to be able to take off as they please.

Families in America do have problems, and families in America do have needs. They need tax relief.

Think about this. Think of 100 middle-income Americans in a district and ask them, "Do you want family and medical leave or would you rather have tax relief?"

I would suggest that 99 out of 100 would say, "Give me my taxes back."

If this issue, Madam Chairman, is so important, why are we not getting letters from all over America? Why are the only letters we are getting, from right here in Washington? If it is such a big important issue, why are not the Members of Congress sitting here listening to this debate?

Madam Chairman, our economy today is in trouble. Economists are calling this the first truly regulatory recession in America. The liberals in Congress have succeeded in strangling our free enterprise system. Regulations are destroying our economic growth; regulations are destroying jobs in America.

This is the wrong prescription for America, as we stand here today.

Mr. FORD of Michigan. Madam Chairman, I yield 30 seconds to the gentleman from Ohio [Mr. BOEHNER].

Madam Chairman, will the gentleman yield?

Mr. BOEHNER. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Madam Chairman, I know the gentleman may have misspoken himself. He is a member of the committee, and I would remind him that Bishop Malone testified on behalf of the Catholic Bishops of America that this vote would be the single most important right to life or family vote that anybody would cast in this Congress.

Mr. BOEHNER. Madam Chairman, the bishop himself admitted that employees in America would not take advantage of this because they have to go back to work for economic reasons. That is exactly the point that I was making.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Madam Chairman, I thank the gentleman for yielding time to me.

The Family and Medical Leave Act is no new issue on Capitol Hill. It has been here for several years. During that period of time literally dozens of businesses from my district in Illinois and across the State have come to lobby me against the Family and Medical Leave Act.

I have asked each person who came to my office the same question: "If you had an employee working for you who had been a reliable, dependable employee for a year, who faced a medical emergency at home because of a critically ill spouse or a dying parent or who was about to give birth to a child or had a child born with a medical problem, and that employee came to you, Mr. Businessman, and asked for time off without pay, would you fire that employee?"

They looked at me incredulously and said, "Of course not. You wouldn't fire a good employee faced with an emergency at home."

I said that is what this bill does. This bill gives protection to employees that good businesses already extend. So why then are these good businesses lobbying against it?

They are coming to protect the businesses without a conscience, their competitors who gladly fire their employees and look for someone else to replace them. They are coming to protect those businesses who do not stand up for their employees. That is what this is all about. Good businesses, businesses with a conscience will not be affected at all about this.

This is the policy they already follow. But the bad businessmen who do not have a conscience are the ones who will pay a price under this bill, and they should. It was their predecessors in history who brought us working conditions which led to labor reforms throughout America's history, and this is a significant reform.

Why are we debating this today? We are debating it because over the last 10 years under Reagan-Bush economic policy, working families in America have seen burdens heaped on their shoulders to the point that both husband and wife have had to go to work. This bill offers some protection. Vote "yes" for the Family and Medical Leave Act.

Mr. Chairman, we in the House are often afraid of being accused of doing nothing to solve problems. But voting against this measure will not be doing nothing. It will be doing something positive, in my opinion. It will allow us to retain freedom of choice, diversity, ingenuity and creativity to help American workers shape their future as they see fit, not necessarily as we see fit to do for them.

Mr. Chairman, we are in the microchip age of speed and complexity, of innovation and choice. This bill, it seems to me, is too blunt an instrument to deal with the complexity of employee benefits issues at such a time, and I obviously would urge my colleagues to vote against the pending legislation.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. PAYNE], a member of the committee.

Mr. PAYNE of New Jersey. Mr. Chairman, the passage of the Family Medical Leave Act is an issue of vital importance to the American work force. New Jersey is 1 of only 26 States that have laws guaranteeing jobs for employees who take a temporary family or medical leave.

Yet, the majority of Americans risk losing their job if they are forced to take a leave to care for a new or ill child, for their parents or even for themselves.

According to the Institute for Women's Policy Research:

Nationally 1.2 million employees care for an elderly relative. They miss an average of 35 hours of work a year to give this care, but actually spend 15.9 hours per week caring for this relative.

In the United States 72,000 workers lose 50 or more hours of work a year because of a child's illness that lasts more than 31 days;

In 1986, 1.4 million employed women gave birth and returned to work. It is estimated that over 2.1 million employed women gave birth that year, and at least some of these women would have returned to work if they had the job guarantee of family leave.

It is evident that women especially, carry an unequal share of this care giving, often forcing them to choose between work and their families. Today most women do not choose to work; they must work in order for their families to survive.

We need to adopt policies that support families, especially during their times of crisis, such as a serious illness of a child.

One New Jersey single mother was finally forced to quit her job after her son was diagnosed with a malignant brain tumor. She was allowed to take 2 weeks vacation off for the surgery but she was not allowed to take time off even without pay to accompany her son to 6 weeks of radiation therapy.

If she needed any time off she would have to make other arrangements or lose her job and health benefits. She worked from 4 p.m. to 12:30 p.m. just to make up for the time she was away from work.

Finally, she was forced to quit her job as a nurse and lost all of her benefits because she could not take a leave from her job.

This is only one example of the many experiences that Americans have had when they have come face to face with a family illness.

Mr. Chairman, we must provide some basic relief for these families. The average American low-wage and working-class employees, especially need this coverage as they are least likely to be covered by family medical leave policies provided by some employers for their professional and more well-paid workers.

Mr. Chairman, I urge my colleagues to support all of America's families and vote for the passage of the Family Medical Leave Act.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, our economy is hurting. People are out of work. We should be talking about what we can do to create jobs, to create opportunities. What are we doing? We are placing a new Federal mandate on the great American job-producing machine. Add this to the Democrats' majority mandate madness, whether it is mandated national health care, where the small businessman gets socked; whether it is mandated striker protection; whether it is civil rights or mandated leave. We cannot afford to strap the great American job-producing machine, small businesses, with mandate after mandate. We should be lifting some of the burdens on small business, the tax, the regulatory, the paperwork burden so they can go to work and employ our people and help this ailing economy.

Mr. FORD of Michigan. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Madam Chairman, I rise, once again, in support of the Family and Medical Leave Act. The time has come to pass this bill.

Madam Chairman, sometimes, the marketplace lags behind what the public wants and occasionally, government should be a catalyst in moving things along. That is how we came to have minimum wage laws, child labor laws and OSHA—not excessive regulation, just sound public policy. Now we must add the Family and Medical Leave Act which is needed to accommodate our changing families.

This is what the American people are saying. A CBS News poll found that 74 percent of those questioned feel "* * * it is the responsibility of government to require employers to allow parents to take time off to be with their children when they are born or when they are ill." Seventy-four percent.

Eighty-three percent said, "* * * parental leave of up to 10 weeks must be given legal status so that parents do not get penalized on their job as a result of having children and taking time off to care for them." Eighty-three percent.

Now let's hear what business is saying. According to the Chamber of Commerce, 82 percent of employers provide no leave for caring for sick children. A 1990 study commissioned by the Small Business Administration found that 30 to 40 percent of firms provided for no sick leave for their employees.

Such a vast disparity between what people want and what business provides must not continue indefinitely. When business says it will get around to providing a decent amount of leave time, it just does not want to be coerced, we should be a bit skeptical. It is unlikely that any of us or our children will live long enough to see business voluntarily provide such leave time.

On the other hand, we have to be mindful of the needs of business. After all, what sense does it make to secure generous leave policies from companies that have been driven out of business?

And that's just what the Family and Medical Leave Act does—it balances what families need with what business can afford. This bill is the product of numerous compromises and revisions. It acknowledges that granting leave to employees costs money. Accordingly, the leave is unpaid. Employers continue to pay only health benefits during that time. It exempts firms with fewer than 50 employees. It permits firms to exclude their highest paid executives from coverage. In total, only about 5 percent of the U.S. employers would be affected.

This bill holds a great deal of promise for business. Companies will benefit when employees are not agonizing over a choice between their job and their family. This bill will encourage a stronger bond between firms and their employees. Higher morale means greater productivity. That is good business.

The Family and Medical Leave Act is one of the most significant profamily bills to come before Congress in recent memory. By making it possible to keep one's job and care for an ailing family member, we help families maintain their economic security and their family values and dignity. What kind of society demands that people make a choice between the job they need for economic survival and the newborn infant, sick child, or parent who needs their care? It is not right for us to allow families to face economic and emotional ruin because the marketplace has lagged behind in meeting the needs of the contemporary American family.

We have debated, we have made concessions, we have compromised and we have passed an almost identical bill before. Let's pass this bill today and do what America wants us to do.

Mr. FORD of Michigan. Madam Chairman, I yield 1 minute to the gentleman from Indiana [Mr. SHARP].

Mr. SHARP. Madam Chairman, I rise in strong support of this legislation. We make a lot of speeches in this Chamber and around this country about the importance of the family, and this is a time that we can prove it. The fact is the responsibility for the family rests with us as individuals to care for ourselves and for our family members and to strengthen that unit. But the truth is the Government can help in some specific ways, and this is one of them today. We should take advantage of it. We should be strongly for this. We should reject the excuses that are being made right and left on this issue.

People are asking, "Who will get the benefit of this?" At least some of the critics are asking that, as if it is some yuppie or deadbeat or somebody that is not real. I will tell you who will get a benefit from this and that is the young man in my district who is in his thirties, whose factory would not let him off work when his wife was dying of leukemia, and he had two children and a wife to try to care for. He wishes we had that for the next person on his assembly line who may need it, and he asked me to vote for it for that reason.

There are lots of men and women in this country who want and need it, and this is an important step we can take to help preserve the family. Let us not buy into excuses that this Nation cannot compete with this. That is asking the American families to settle for less. Let us be for the family today.

Mr. FORD of Michigan. Madam Chairman, I yield 1½ minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Madam Chairman, I rise in support of the Family and Medical Leave Act, but without any great satisfaction.

I support the principle and I commend the chairman and my colleague from New Jersey for fighting so hard for the principle that we have the right to mandate that business and employees deal responsibly with the inevitable tension between parenting and economic responsibilities.

I regret that this bill fails to address the majority of our working people. It excludes all who work for employers with less than 50 employees. It excludes all who are unable to take advantage of unpaid leave. Further, I regret that it fails to provide reentry support to those who choose to stay home for 3, 4, or 5 years, to people who need to be able to resume careers after getting their children well established. I regret that it is not sufficiently flexible so that if a person wants to negotiate half-time employment for 6 months rather than leave for 3 months, they cannot do so.

Madam Chairman, this bill is an important step forward. It recognizes the need for employees to have the right to address both their economic and their family responsibilities with dignity and support.

However, should this bill not become law this year, I hope, we will be able to broaden it to provide support for those who are reentering after a period of family care and provide much greater flexibility for employees needing short-term leave. Only such policy can provide more specific and appropriate solutions for both employers and employees.

Mr. GOODLING. Madam Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. STUMP].

Mr. STUMP. Madam Chairman, I thank the gentleman for yielding time.

Madam Chairman, I rise in strong opposition to H.R. 2, the Family and Medical Leave Act. While the title suggests that the bill is a great benefit for working families, upon closer inspection, the bill is nothing more than another bureaucratic mandate on business, especially small business.

Benefits, such as those mandated in H.R. 2, should come as a result of freely bargained employment agreements, and not as a result of government mandates. Further, I believe it is inappropriate for the Federal Government to dictate uniform national benefits to private sector employers.

Employer and employee should be able to negotiate a suitable benefit package without government interference. Allowing employer and employee to custom make a benefit package to meet their prospective needs not only is good for business, but also good for morale and retention of good employees.

The Small Business Administration has stated that employers now provide an increased array of benefits to employees. Approximately 60 to 70 percent of those firms that employ 16 or more workers offer job-guaranteed sick leave. Between 74 and 90 percent of all small-to-medium businesses provide some type of leave to employees, which can be used to meet family and medical needs.

Madam Chairman, I am not opposed to the benefits that the bill offers, I am opposed to the fact that it is a Federal mandate. The Federal Government has no business dictating personnel policies to private enterprise.

I urge my colleagues to join me in opposing H.R. 2, the Family and Medical Leave Act.

Mr. GOODLING. Madam Chairman, I yield myself the remainder of my time.

First of all, I think it is always interesting that when things are going well, somehow or other the majority is responsible for things going well, but every time things do not seem to be going too well, it is always amazing that the 2-to-1 minority is blamed for that or the leadership in the White House is blamed. There is no policy except the policy that the majority decides will be the policy, and they control that because they have that 2-to-1 majority.

Let me just talk briefly about the gentleman from Pennsylvania, a very fine gentleman from my State, and he was talking about how much money the bill would save taxpayers.

First of all, I would remind him that Medicare does not pay for custodial care. Second, I would remind him that apparently he does not visit as many nursing homes, veterans' homes, and hospitals as I do each month, because an awful lot of people are there, and the only persons who are visiting them in many instances are myself or my staff. They are not looking for any kind of hospice care. They are not looking to give up any of the Medicare of Medicaid or any other kind of coverage they might have. They are in those institutions and will remain there, and hospice care will not be used in place thereof, because for hospice care, first of all, you must make sure you get somebody that you can trust. You must get somebody, period, and then you must get somebody you can trust. And, second, an awful lot of time is your time, not the person supplied by hospice care.

So, again, I would hope that we would not confuse the public, because we again are trying to give something to those who cannot afford to take advantage of it. We exempted the highly paid who are in a position to afford that.

Mr. FORD of Michigan. Madam Chairman, I yield the remainder of my time, 5 minutes, to the gentleman from Montana [Mr. WILLIAMS], the chairman of the committee that has done all of the hard work that has brought us to this point on the floor today. I do that with the deepest gratitude on behalf of the committee and all others supporting the concept of this legislation, and I thank the gentleman for his patience in working through a lot of the difficulties.

Mr. WILLIAMS. Madam Chairman, I thank the chairman for his kind words on behalf of myself and the members of our committee.

My colleagues, there has been an evolution in the American work force. Sixty-five percent of families now have both husband and wife in the work force. More than one-half of working women have a child 3 years or younger at home and, by the way, 65 percent of those women work full time.

There has been an evolution in the American work force. I suppose if we ask our constituents to name the largest, or a very large, American employer, they might say, oh, Bethlehem Steel or perhaps they would say Chrysler. Very few of them would say Beverly. Yet, Beverly hires more people than does Lee Iacocca, because Beverly runs nursing homes. If we asked our constituents to name a company that led America in sales, they might say Bethlehem Steel. They probably would not say McDonald's, and yet McDonald's has more in sales than Bethlehem Steel, Sears, and more than Mobil Oil.

There has been an evolution in the American work force and workplace. Not only has corporate structure changed, but there has been dramatic change in jobs.

Today the vast majority of men and women work in offices and hospitals and hotels and motels and restaurants. They work in nursing homes. They work in stores.

Industrial factory employment in America, as critically important as it was and perhaps one day again will be, accounts for only 20 percent of America's jobs. During the past decade and a half, U.S. manufacturing corporations made decisions to diversify into the service economy, and they also made decisions to locate their plants and factories overseas. Prior to those decisions and before the economic difficulties that middle-class Americans felt in the 1980's, America's workers, a large percentage of them, were protected by contracts for which they bargained collectively.

Today's service economy finds little, if any, contractual protection for either the salaries or the working conditions of today's employees. Having a job today is no longer the doorway to a piece of America's dream. Today's job seldom guarantees the decent standard of American living that it once did.

There has been an evolution in the American work force. Throughout history this Congress has always, without exception, responded to such a change. We responded with child labor laws, we met America's need when we created minimum-wage laws, Walsh-Healey, Davis-Bacon. We met America's changing job needs when we protected the victims of black lung disease, when we assured safety with the OSHA Act.

When the needs of America's workers have changed and the private sector was unable or unwilling to respond, Congress has always moved to make the necessary changes to appropriately meet those needs of that new work force.

In the last Congress, we moved to meet the needs of the Nation's changing work force by passing a bill very much like this one. President George Bush vetoed it. Today we try again.

Unfortunately, tragically, America is no longer in the forefront of all the nations as we once were in caring about its workers. We stand here today as Americans, citizens of the only industrialized Nation in the world without legislation like this on its national laws. Second and Third World countries have a law like this. Let me name some of them for you: Fiji, Nepal, Brazil, Mexico, the Congo, Zaire, Togo, Poland, Kuwait, Iran, Iraq.

It is time for this Nation to join a new world order and change as America's work force demands.

Mr. FAZIO. Madam Chairman, I rise in support of final passage of H.R. 2, the Family and Medical Leave Act. This bill will give working American families choices that they can live with when they must balance their home and job responsibilities. American workers will no longer have to choose between two of their most important values: family and work.

H.R. 2 gives American workers job protection for family emergencies. It is based on the belief that employees should not risk losing their jobs when they are confronted by family responsibilities or a serious illness. H.R. 2 requires employers—with 50 or more employees—to provide their employees with up to 12 weeks of unpaid, job-protected leave each year for the birth or adoption of a child, to care for a seriously ill spouse, child or parent, or to take medical leave for a serious health condition. Although it only affects 5 percent of all businesses, H.R 2 will cover 50 percent of all employees.

The entrance of large numbers of women into the American work force has drastically changed the workplace and the American family. In 1965, less than 40 percent of women were in the work force, whereas today, nearly 60 percent of women work outside of the home. Full-time working mothers increased by 52 percent from 1970 to 1988, and one out of four children is being raised by a single parent, usually the mother. And, even when both parents are in the home, they both work. This means that less than 10 percent of American families fit the traditional mold of the father working and the mother staying at home to care for their children.

But, in spite of these increasing pressures on families trying to juggle the responsibilities of work and family, most employers have failed to adapt their policies to these new circumstances. American workers are entitled to a certain amount of job security when they have family and health needs that must be met. They should not have to lose their jobs in order to take care of home.

Workers who do not have parental and medical leave, and need it, end up receiving a greater share of public assistance, resulting in costs to taxpayers and other workers alike. These costs amount to well over $4 billion annually in unemployment compensation and other public benefits.

These costs to workers and taxpayers are far greater than what it will cost employers to implement leave programs. In fact, a standard for family and medical leave can provide significant benefits to business at a low cost. The General Accounting Office estimates that the cost of providing leave time to be only $5.30 per employee per year. Providing this leave often leads to gains in productivity and retention of a loyal and experienced work force which, in turn, lowers the cost that businesses must assume to train new employees.

H.R. 2 is the product of many years of negotiations. The drafters of this legislation have taken great care to provide much needed relief for American families while, at the same time, not overly burdening America's small businesses. I feel that the Family and Medical Leave Act strikes a fair balance.

The American people want and support this bill. They overwhelmingly support the notion that they should be with their children during the first weeks of life, and should care for their family members during illnesses, without having to risk losing their jobs. The Family and Medical Leave Act is good for our workers, our families, our businesses and for America. I urge my colleagues on both sides of the asile to support its final passage.

Mr. MINETA. Madam Chairman, I rise in strong support of the Family and Medical Leave Act of 1991 and the substitute language offered by Representatives GORDON and HYDE.

Madam Chairman, the American family has come under attack in recent years—not from abroad, but from here at home.

Parents no longer fear the cold war—but they do fear their children being left out in the cold.

Today, our world and its challenges are changing for the better. But in that world, Madam Chairman, our basic American family values must remain intact.

First, no American should have to choose between having a family and having a job.

Second, parents must be afforded the time to care for their children.

Many of us have worked long and hard in the last, few years to ensure that the health and well-being of our Nation's families is preserved and enhanced.

But President Bush has repeatedly demonstrated his lack of concern for American workers and families. Madam Chairman, it is now time for the Congress to act in his continued absence of concern.

The Gordon-Hyde substitute is good, veto-proof legislation. It is fair legislation that improves employers' ability to manage their workforces. But at the same time, it provides employees with adequate job protection in terms of family need.

Some have been concerned that small businesses would be overburdened by this bill. But that concern has been met by limiting the bill's coverage to firms with 50 or more employees. This would exclude more than 95 percent of American employers.

But, more importantly, 50 percent of American workers would be assured that they will be provided with up to 12 weeks of unpaid leave per year to meet their own needs or those of their families. They will be assured of an equivalent job to the one that they had to leave upon their return to work, as well as the health insurance benefits they will need.

Madam Chairman, I had hoped to give America's families even more protection.

Yes, this is a compromise. But we know that it is a veto-proof compromise in the Senate. I now hope that the House will do as much for American families.

Mr. HOLLOWAY. Madam Chairman, there is no question that more needs to be done to encourage companies to provide family leave and similar benefits for their workers but I strongly oppose the idea of a government mandate, which eliminates employee choice. Business clearly opposes mandates. There is good reason to oppose government mandates. If there is anything which we have learned, the hard way, over the past 20 years, it is that the Federal Government doesn't do many things well.

Most employees say they prefer a flexible benefit arrangement with their employer. A recent survey showed that out of a 1,000 people questioned, 89 percent said they preferred that benefits be determined by employees and employers. It is clear that health benefits packages should be tailored to meet the needs of workers. The best way to do that is through private employer-employee bargaining. If we want something to work, let's keep the Government out of the way.

I am further opposed to such a proposal because of its cost to American business. Madam Chairman, I own and manage a small business. Most people in this body do not. I'm not a lawyer, I'm not an account, I'm a realistic businessman who has built what I have from the ground up. The cost to small business could be as much as $7.9 billion a year. Make no mistake about it: this would ultimately be paid for through lost jobs and higher consumer prices. It would certainly hurt U.S. competitiveness.

I am very concerned that most families do not want the Federal Government telling them that 12 weeks is all the time they need with their newborn child. Face the facts: Having Uncle Sam mandate something new will only convince the business community and the general public that Washington is as out of touch as ever.

Madam Chairman, I am strongly opposed to government mandates. The business community is opposed, the general public is opposed, regular people are opposed: they want less government, not more; they want fewer mandates, not more; they want a government which gets out of the way, not a government which is in the way.

Madam Chairman, I urge my colleagues to wake up. Join the real world. Defeat this measure.

Mr. DINGELL. Madam Chairman, I rise in support of H.R. 2, the Family and Medical Leave Act. Over the last few decades, the nature of the American work force has changed at an ever-quickening pace. Largely through economic necessity, there has been a significant increase in the number of working women, single parent families, and those caring for elderly relatives. The passage of family and medical leave legislation is of vital importance to preserve the traditional bonds of family life and strengthen the protections afforded to our working men and women.

This legislation will require that employers provide a maximum of 12 weeks a year of unpaid leave for childbirth, adoption, or the serious illness of a family member. Companies with less than 50 employees will be exempt. As two-income families have become increasingly important to American families' economic survival, the need for the Federal Government to set a minimum leave standard has grown.

Since the industrial revolution, our Government has improved the standards and environment of the American work force by establishing employment standards to safeguard, protect, and assist our Nation's working men and women. Child labor, occupational safety and health, and minimum wage and maximum hours standards, have arisen out of a need for greater flexibility and pragmatism. They have helped to balance the economic needs of corporate America against the framework of a humane and democratic society.

Today we are the only industrialized Nation which does not have a family and medical leave policy. As a result, too many American working men and women are forced—in cases of medical emergency and the dire needs of loved ones—to make an impossible choice between their families and their jobs.

In many States and local governments the success of family and medical leave policies is already well established. In 1988, Wayne County, MI, initiated its own Family and Medical Leave Program expanding the civil service rule providing for leave without pay to include the concept of parental leave for all county employees. Wayne County's 6-month unpaid leave period has received widespread support and proved extremely beneficial to the employee's family, and particularly to young children.

While many enlightened employers like Wayne County voluntarily provide this type of leave to their employees, this is, unfortunately, not always the case. The very purpose of a Federal mandate is to protect those individuals who would not otherwise be protected. The benefits of this legislation are great, and the relative costs small. A new study commissioned by the Small Business Administration affirmed that the net cost to employers of placing workers on leave is substantially smaller than the cost of terminating their employment.

Responding to the needs of our children and their families should not, and cannot be a partisan issue. We must come together and recognize the importance of this initiative in strengthening family bonds, providing a foundation for our children's emotional and physical development, and relieving the needs of desperately ill family members. In so doing, we can provide a measure of security and comfort to families in their time of greatest need.

I urge my colleagues to vote for this important bill.

Mr. STOKES. Madam Chairman, I rise today in support of H.R. 2, the Family and Medical Leave Act of 1991, and I urge all my colleagues to support this bipartisan legislation. I also want to take this opportunity to express my appreciation for those Members who have worked so long and so hard to see this bill enacted, especially my good friend from Missouri [Mr. CLAY] and the gentlewoman from New Jersey [Mrs. ROUKEMA] who have worked together for many years to enact parental leave legislation.

Over the last three decades, major changes have taken place in the composition of the U.S. work force and in the economics of the family. Greater numbers of women with young children are now wage earners, and many families are dependent on these wages.

According to recent census data, in 1988, the labor force was 44 percent female, with married women with young children comprising the majority of new entrants. Currently, more than 80 percent of working women are in their prime childbearing years, and 65 percent of all American women in this age group are in the labor force. Less than 10 percent of families are made up of a married couple with children where the husband is the sole provider. In addition, the proportion of single-parent households has been increasing, where 23 percent of all families with children in 1988 were headed by a single parent. At the same time, the number of working Americans who are the primary caregivers for elderly relatives is increasing. An article in the Washington Post this morning outlines some of the programs being developed to aid employees in caring for elderly relatives.

Madam Chairman, with these changes, it is becoming increasingly difficult for working parents to perform the functions of a traditional family, including caring for young children, family members who are seriously ill, or a seriously ill parent. Too many American workers are being forced to choose between maintaining their economic livelihood and meeting their family responsibilities. The Family and Medical Leave Act would enable workers to take short leaves for family and medical reasons with the security of knowing they can return to their jobs.

Legislation passed in the 101st Congress, but vetoed by the President, would have required employers to grant leave to parents to care for a newborn or newly adopted child, or a seriously ill child or parent. The legislation would also have granted leave to temporarily disabled workers, including those disabled because of pregnancy. Although varying leave benefits applicable to parental and temporary disability needs are commonly available to many American workers through public and private employment benefit plans, the United States is the only major industrialized country that does not have a national policy standardizing parental and medical leave benefits.

While many U.S. employers offer employment-related leave benefits which are applicable to pregnancy and childcare—in the form of annual leave, temporary disability or sick leave, or leave without pay—no national policy mandates specific family-related benefits for all workers. By contrast, at least 75 other countries, including all other Western industrialized nations and Japan, Singapore, and Hong Kong, have policies requiring various standard family-related benefits. These benefits typically include maternity leave for a specified time before and after the birth of a child, job protection during maternity leave, and wage replacement or a cash benefit.

H.R. 2 will fill the void left by employers in addressing the legitimate needs of their employees for parental leave, and medical leave for serious medical conditions, while providing job protection for workers who use these benefits. Small business would not be burdened by this act, since employers with less than 50 employees would be exempted from the act. This permanent exemption for small businesses would mean that 95 percent of all employers, and 44 percent of workers, would not be covered by the act at all.

In addition, only workers employed for 1 year, and for at least 25 hours per week, would be eligible for benefits. H.R. 2 requires continuation of an employee's health insurance benefits and reinstatement in the same or a similar job at the end of leave. The General Accounting Office has estimated that complying with the act would cost employers about $4.50 annually per employee. Certainly, this act is a modest response to the dramatic changes underway in the American work force.

Madam Chairman, I strongly urge all my colleagues to support this legislation. We need to show the American people that we believe in the family, and that we believe family obligations should never have to be sacrificed in order to keep one's job. I also urge the President to sign this bill, and keep the promise he made to America's working families to support family leave legislation.

Mr. ATKINS. Madam Chairman, I rise today to support the Family and Medical Leave Act. The issue has long been before Congress: How can we help American families help themselves. One of the best things I can think of is to provide families with a sense of security—to let families know that their jobs will be there if they need to take time off from work for family or medical reasons. No one should be forced to make the agonizing decision between caring for their family and keeping their job. Without a Federal family and medical leave policy, however, countless numbers of Americans must confront this dilemma each year.

Many more women work outside the home today than ever before. These women don't always choose to work. They go to work often because their earnings are the only or a very important source of income for their families. In more and more instances, no adult can afford to lose a job when called upon to care for his or her family. We've got to face the facts; the work force has been irrevocably changed by women going to work. I believe it's time to change the law to reflect the reality of the work force.

But the sad reality is that unless this bill is enacted, employees cannot take a short, unpaid leave from work to deal with pressing family needs and know that their job will be waiting for them. The Bureau of Labor Statistics found that less than 40 percent of female employees have maternity leave available to them. Another study done for the Small Business Administration showed that 30 to 40 percent of American employers do not even provide sick leave for the employees themselves, let alone for the illness of an employee's family member. Without this bill, employees must decide between the family they love and the job they depend on. What seems so basic—caring for one's family—is made so much more difficult because our laws don't recognize the value of family life.

Madam Chairman, America is the last industrialized country in the world not to offer its workers family and medical leave. Each of our competitors offer far more extensive benefits than we do. Just last week, the European Community agreed on a policy to offer women 14 weeks paid maternity leave. Family and medical leave isn't some fancy new expensive benefit. The fact is, if enacted, the Family and Medical Leave Act will only begin to provide American workers the same sort of job security enjoyed by workers in many other countries throughout the world.

The great irony in all of this is that the current and past administrations professed to be profamily. Yet here we are debating a profamily bill which the President is threatening to veto. The family and medical leave bill should have been enacted last year. I was terribly disappointed when the President decided to veto last year's bill. I hope he doesn't make that same mistake again. For while we debate the technical issues of family and medical leave here in Washington, the needs of families haven't gone away and the importance of this legislation hasn't diminished.

Clearly, family and medical leave legislation is long overdue. I hope my colleagues will join with me in supporting the Family and Medical Leave Act today, and support it by a wide margin, so we can send a message both to the President and to the American public—that Congress cares about families.

Mr. BORSKI. Madam Chairman, I rise in support of H.R. 2, the Family and Medical Leave Act, and what it will mean for the American working family.

This bill recognizes what many Americans already know. The traditional family has undergone dramatic changes over the past few decades. These changes are literally reshaping U.S. society as we know it.

Now, more than any other time in our history, the American family is made up of two adults who work outside the home and juggle child-raising and family care responsibilities around work obligations.

No longer are men the traditional sole supporters of the family. Almost half of all mothers with children under the age of 1 are now working outside the home.

The time has come to establish a minimum leave standard to provide relief for some of these workers so they can meet the needs of their homes with the necessity to work away from the home.

This bill, of which I am a proud cosponsor, is a much-needed response to the changes taking place in the workplace.

H.R. 2 would require companies with 50 or more workers to grant up to 12 weeks of job-protected, unpaid leave annually to workers. This leave could be used to care for a new child or sick spouse, child or parent, or for the employee's own medical treatment.

Imagine what this would mean to people trying to cope with the extremes of life.

On the joyful side, what could be more emotionally uplifting to a parent than the birth of a child? Think of those precious, first days and weeks when you watch that youngster bond with you and discover new surroundings.

On the somber side, what could be more heartwrenching than the realization that a loved one is nearing his or her last weeks or days of life because of a terminal illness? Think of those precious, last moments that could be spent with that person.

These most exhilarating and exhausting times in life are difficult to survive when you are worried about losing your job in the process.

H.R. 2 would allow hard-working Americans valuable time to cope with a personal crisis, get through it, and return to work in a much more positive state of mind.

Under this bill, employees' jobs would be protected while on unpaid leave and employers would be required to continue health insurance benefits during the leave period.

Think of what a relief that would be to workers coping with a crisis to know that they could devote their complete energies toward getting through their ordeal.

Critics have said this measure would be too costly for the employer. I disagree. Salaries and benefits for temporary replacements would, in some cases, be lower than those of the permanent employee. Replacements wouldn't even have to be hired for some employees on leave, which would save even more funds.

Madam Chairman, it's safe to say the American family as we see it now is with us for many years to come. We need to react to the changing face of the family instead of trying to hide behind masks and pretending that the traditional family will make an about-face and come forward.

The days of one wage-earner and one caregiver are gone.

H.R. 2 clearly rises to the needs of both adult members in a working family and I urge its passage.

Mr. KILDEE. Madam Chairman, I rise in strong support of H.R. 2, the Family and Medical Leave Act, and I urge my colleagues to join me in voting in favor of this important piece of legislation.

Madam Chairman, for the last several sessions of Congress, I have been an original cosponsor of the Family and Medical Leave Act. I continue to support this bill because I deeply believe it will strengthen the family which, in turn, will strengthen our society.

The Family and Medical Leave Act of 1991 simply requires private employers with 50 or more employees, and State and local governments, to provide their employees with up to 12 weeks of unpaid leave per year to care for a new child or sick child, parent, or spouse, or for the employees' own medical treatment. This legislation is only asking that American workers have their jobs protected—without pay—when they have to cope with urgent family needs.

It is unfortunate that a vast majority of employers in the United States do not provide this type of leave for their employees. It is equally unfortunate that our country is one of only a few in the industrialized world that still has no public policy ensuring family leave.

The fact is, Mr. Speaker, we live in a county where two-thirds of all mothers, and more than 70 percent of women with school-age children, work outside the home. Our society must adapt to the changing nature of the work force. With the reality of working parenthood, new employment policies need to be fostered to allow working parents to fulfill their family and work obligations. As legislators in the U.S. Congress, we do not pass laws based on how our society functioned in the 1950's. We must enact legislation for a society dealing with problems in the 1990's and beyond.

Furthermore, I strongly believe that all American workers, whether they are rich or poor, blue collar or white collar, should have their jobs protected when they are forced to cope with family or medical emergencies. Under no circumstances should a family member be forced to choose between caring for a sick relative and losing their job.

The House of Representatives has a moral obligation to pass this bill, and the President has the moral duty to sign it into law. I am outraged that the President has vetoed this bill in the past—as he has threatened to do again. If the President, who is so preoccupied by foreign affairs, would just treat the American worker with the same respect they receive from the countries he so enjoys dealing with, we would have a family and medical leave policy in this country today.

Let us not waste any more time, Madam Chairman. Let's pass this long overdue bill.

Mr. LEVINE of California. Madam Chairman, I rise today to support the Gordon-Hyde substitute on family and medical leave, and to encourage my colleagues to do so as well.

The United States is the only industrialized nation in the world which does not currently have a national policy requiring parental leave. It is unconscionable that the President remains opposed to providing this minimal assistance to working Americans and their families.

The President claims to be profamily. In fact, his opposition to this very modest bill and his lack of compassion for those who would be affected by this legislation demonstrates that he is no friend of either families or the middle class. If he really cared about families he would support this long overdue legislation.

The fact is that the majority of women in this country work outside the home. Their income is often critical to keeping their families out of poverty, so they cannot afford to quit their jobs in order to care for a sick child or to have an operation.

In addition, families cannot afford to lose the health insurance coverage that often accompanies a job. Workers who are unprotected by job-guaranteed medical leave suffer an additional $12.2 billion in lost earnings annually.

I am sure that President Bush's wealthy friends can hire someone to take care of their children or care for a seriously ill parent. Unfortunately, most Americans cannot. They are faced with the choices of jeopardizing their jobs or taking care of their loved ones. No one in this country should have to make such a choice.

Madam Chairman, this bill is also resoundingly pro-business. Arnold Hiatt, chairman of the Stride Rite Corp., states that employees who are allowed time off to tend to the care of a newborn or to tend to a medical emergency, return to their jobs with a stronger morale and sense of commitment. As well, the GAO estimates that this bill, because the leave is not paid, will cost businesses an average of about $7 per employee per year. This amount is approximately $393 less than the average vacation package costs employers.

Finally, Madam Chairman, this bill is pro-economy at a time when our economy needs every boost it can get. The Small Business Administration found that the costs of permanently replacing an employee are significantly greater than those of granting requests for leave. Terminations due to illness, disabilities, pregnancy, or childbirth cost employers an average of $2,000 per termination while the cost of providing unpaid leave is on the average $50 per week.

We simply cannot afford not to pass this legislation this time around. American taxpayers have been paying an additional $4.3 billion annually in payments for public benefits programs such as AFDC, unemployment compensation, food stamps, and Medicaid to support workers who have lost their jobs due to lack of guaranteed leave. This substitute is a fair one and I urge my colleagues to join me in support of it.

Mrs. COLLINS of Illinois. Madam Chairman, the American work force is being transformed by two things. First, the number of working women with children has increased exponentially, and second, the rapidly aging population is going to require more and more attention be paid to the needs of seniors, many of whom will develop some form of chronic debilitating illness.

One of the most significant changes in our society over the past 30 years has been the increasing participation of women in the work force. Today, less than 10 percent of the population fits the classic daily model headed by a single male breadwinner. The majority of American families are comprised of two-earner couples working outside the home. Despite this drastic change in the family structure from what it was several decades ago, there have been few corresponding changes in the familial and medical leave policies of businesses across the Nation. In addition, it is estimated that 80 to 90 percent of nonprofessional caregivers for older, chronically ill, or disabled persons are working women. In light of these undeniable facts, still, far too many workers are forced to make impossible choices between the need to provide necessary physical and emotional care for themselves, their parents, or children and the need to maintain gainful employment. We must ensure that our social policies reflect the economic realities in which we live.

The array of child care benefits that do exist—or the lack thereof—varies dramatically between companies. Some businesses have paid maternity leave, others have no maternity leave. Some companies allow unpaid leave to deal with family emergencies, others provide none. In many instances, these variances can be found within the same company, where the discretion to grant leave is left to individual managers. The time for us to act is now. The many different laws and policies regarding maternity, adoption, family, and medical leave are strikingly inconsistent and a more uniform national standard is desperately needed.

Though we may not like to think of this prospect, in all of our lives, there will come at least one time of personal or family crisis and no matter how much we may want to be in two places at one time, we all know that this is simply not possible. Plain and simple, it is wrong to make working individuals of this Nation choose between employment and caring for a child, parent, spouse, or themselves. Studies have shown that companies that have family and medical leave policies have a lower employee turnover rate, more employee loyalty, and heightened employee morale. You ask any employer and he or she will tell you that these are important factors in making any office or company run more efficiently and effectively.

I have a letter from a small business association which says that small businesses "will provide the benefits necessary to attract and keep employees." Well, my question is, "When, and why is it taking so long?" Either American businesses are blind to the needs of their employees or blind to the realities of today's families. But I guess we shouldn't lay all of the blame at the feet of business since Congress has not done its part to help workers. And why is it so hard to get this Congress and the administration to do anything for American workers? We had acrimonious debate over increasing the minimum wage. Then we went back and forth with the administration over plant closing notification. And look at how difficult it was to finally get passed—not yet signed—a civil rights bill to restore employee's rights to challenge job discrimination. And just how many times have we sent the President a bill to extend unemployment benefits, only to see each one returned stamped, "Veto"? And poor family and medical leave legislation has been tossed back and forth between the House and the White House, but has never been agreed to.

We can very easily espouse the virtues of family and the contributions of American workers. Well, now is the time to put these convictions to the test. The list of groups supporting this measure is impressive and includes business, professional, medical, educational, religious, labor, child advocacy, seniors, and political associations. They are all urging us to enact family and medical leave legislation. And why not? This bill is good for business, employees, families, and children. If you are truly pro-family, you should also be pro-family and medical leave. And if you are really concerned about American workers, then you must be for family and medical leave. If you are in favor of improving our economic posture and the stability of business, you are for family and medical leave. I urge my colleagues to support the Gordon-Hyde compromise.

Mr. GEJDENSON. Madam Chairman, I would like to take this opportunity to express my strong support for the Family Medical Leave Act (H.R. 2).

Madam Chairman, passing this legislation is a long overdue attempt to address the needs of a new generation of workers. When I was growing up, it was a different time and a different era. I had the advantage of not only having both parents at home, but having grandparents around as well. But times have changed and we must now address the changing lifestyles of the American people. In 85 percent of families both parents work outside the home. One out of every five American children live with a single parent. Additionally, an estimated 25 million Americans have the responsibility of caring for older relatives. America remains the only major industrial nation without a national policy to provide leave time, paid or unpaid, to hard-working employees who are faced with serious family commitments and have to grapple with situations in which work has to come second to our families and loved ones. America's two toughest economic competitors, Japan and West Germany, already guarantee 3 months of paid family leave to their employees.

Each year, American workers lose $12.2 billion in earnings because they cannot return to their jobs after taking time off for illness. The Family Medical Leave Act was designed to correct this injustice.

Madam Chairman, as a nation we all lose something when Americans can't return to their jobs because of illness or to care for a newborn. The rest of us pay the price in lost tax revenues and higher payments for social programs, such as unemployment compensation, Medicaid, and food stamps.

The Family Medical Leave Act is pro-family legislation. Four years ago, George Bush made campaign promises to help families with sensible programs like family medical leave. Now, if President Bush really is pro-family, he will not veto this long overdue legislation that reflects the realities of today's work force.

Ms. HORN. Madam Chairman, I rise in support of final passage of H.R. 2, the Family and Medical Leave Act, because we must, as a nation, put children and families back at the top of our priority list.

Every day, in millions of households across this country, difficult choices are forced on hard-working mothers and fathers who must work and care for children or aging parents at the same time. Today we are dealing with new definitions of "family" and new economic circumstances for families. Still, workplace rules do not recognize these new realities.

Madam Chairman, we have seen a substantial increase in the number of single parent households and women in the work force. We know that a growing elderly population turns to their adult children to care for them in their remaining, fragile years. At the same time, the rising cost of living and stagnant wages for middle-income families often requires two incomes.

Although women are not singled out in this legislation, they are still the primary caregivers in our society. Women represent over 50 percent of the U.S. population, and today, 60 percent of these women work. Two-thirds of all women in the labor force are heads of households or in families with less than $15,000 income.

While some of the larger U.S. corporations have implemented policies that allow their employees time off for a serious family illness, childbirth, or adoption, most employers have not. Single parents, caregivers, and families are thereby denied access to jobs if they place family above work. This is discrimination, Madam Chairman.

This legislation does not ask U.S. companies to enter into unchartered territory. In 1978, the Pregnancy Discrimination Act amended the Civil Rights Act to prohibit employers from discriminating in providing benefits on the basis of pregnancy. In addition, five States and Puerto Rico require paid maternity leave for private sector employees under temporary disability plans. Eight other States require various amounts of unpaid parental leave and guarantee reinstatement in the same or similar job. Finally, the United States is the only major industrialized nation that does not have a national policy to require family and medical leave benefits.

The two main arguments used against mandated benefits are that: First, extended leave is too costly because the employer has to hold the job and hire a replacement worker, as well as provide interim benefits for the employee on leave; and second, federally mandated leave interferes with employers' negotiating benefits in individual circumstances.

However, a number of U.S. corporations disagree with these arguments and they base these disagreements on experience. For example, Lawrence Perlman, president and chief executive officer of Control Data, Inc., has found that the family leave policy they have initiated is good business. It "empower(s) the employee" and enhances "basic human values." The McDonnell Douglas Corp. which employs over 35,000 workers in St. Louis, in my district, began offering a family and medical leave policy this past February. They initiated this policy to support "* * * the needs of [a] changing, diverse workforce." I commend these major corporations—and all who support family policies in the workplace—for recognizing that people issues are business issues.

Keep in mind that cost estimates for family leave often focus on temporary replacement of an employee and on lower productivity if the position remains unfilled. Rarely do such estimates take into account the costs of hiring and retraining new workers compared to the benefits of retaining loyal, experienced, and productive workers. Nor do they reflect the fact that most women return to work out of necessity within a year of having a child. The Census Bureau has reported that only 43 percent of women without leave return to work, while 71 percent of women with benefits returned within 6 months. And finally, it would be remembered that 70 percent of large companies say they were able to reroute the work of employees on leave.

Today, in seeking to pass the Family and Medical Leave Act, Madam Chairman, we are negotiating fairness for families. We should not be forcing America's workers to decide between their job and their new baby or caring for a seriously ill relative. The first weeks of life for an infant are crucial in forming the bonds that contribute to the development of healthy, well-adjusted babies. Parents need to be with their babies during these times. No less important are situations of serious illness for children and family members. These are extreme, traumatic times and do not occur repeatedly.

I strongly support passage of this legislation, and urge my colleagues to join me in casting a vote for a family supportive work policy.

Mr. ANNUNZIO. Madam Chairman, this is the fifth Congress that has taken up family leave legislation. I hope that this time we can go back to our districts at Thanksgiving secure in the knowledge that working men and women across this great Nation will no longer have to live with the fear of losing their jobs, if they must stay home to cope with an illness or to care for a child.

Think about it. So often we hear people in government and the media bewail the decline of the American family: The skyrocketing divorce rates, the high incidence of single-parent households, the scourge of spouse abuse and abuse of senior citizens, and the rise in juvenile crime and gang violence. The list goes on and on, but here, in this bill, we have an opportunity to affirm our support for American families at a time when thousands are struggling in the face of a recession.

And because this bill will provide positive relief for American families, I believe it will benefit our Nation's businesses as well. Workers will gain in productivity when they know that they can take up to 12 weeks' unpaid leave for legitimate purposes without risking their jobs or their health benefits. Therefore, in the name of American families, American workers and American businesses, I urge my colleagues to support the Family and Medical Leave Act.

Mr. PERKINS. Madame Chairman, I rise today to express my strong support for H.R. 2, the Family Medical Leave Act of 1991. As we review this legislation today we need to be mindful of the many changes that have occurred in our society and the needs that have arisen as a result of these changes.

Families are the core to our society and we as a Federal legislating body should see it as a priority in our work to support and strengthen them. We see activities and stresses of everyday pulling at the fabric of families. This legislation is a compassionate attempt at reaching out and saying that we sympathize with the challenges confronting America's families.

Time after time we take the floor and point a finger of blame at the breakdown of the family for the problems in our schools, for the rising divorce rate, for delinquent youth, for drug abuse, for latchkey children. Now is an opportunity for us to give back a gift of love to the families of our Nation. The strength of our families does not come from the label but from the caring and nurturing that takes place between a new mother or father or the commitment one has for a sick family member.

I agree that we do not want to harm the economic vitality of our Nation and if I thought that the burden on the employer was greater than the good that we will be able to receive I would not be supporting this legislation. But we must take the blinders off and acknowledge the fact that we cannot afford to lose each and every generation and hope to continue to compete on the international level. Our youth and promise of tomorrow are being sold away as a business necessity as we witness the crumbling of this societal building block.

The fact that we will be impacting on only 5 percent of the employers and 50 percent of the workers with the targeting of the legislation minimizes the national negative impact that could flow from the passage of H.R. 2.

I call for an overwhelming showing of support for our families and mark today as a beginning of a renewed commitment to the reestablishment of the family as a central focus. Vote "yes" for our future and vote "yes" for H.R. 2, the Family Medical Leave Act of 1991.

Ms. SNOWE. Madam Chairman, I rise in strong support of the Gordon-Hyde compromise Family and Medical Leave Act. I also want to thank the leadership for finally freeing family leave from the limbo in which it has been suspended since March, when it was reported out of committee. I would just note that we brought our troops back from the Persian Gulf faster than this bill was brought to the floor.

I also hope that this is the final time that we have to prevail upon the Congress and the President to do what is right for American families.

Madam Chairman, this body must ask itself one fundamental question today: What are we saying if family leave doesn't pass? What is the message?

We would be saying that you should lose your job if you're sick. We would be saying that pregnancy and childbirth are legitimate reasons for dismissal. We would be saying that the demands placed on workers by ailing parents or sick children are of no concern to this Congress. We would be saying that workers must choose between a seriously ill family member and work.

If family leave does not pass, we would be saying, simply and bluntly, that Congress and the Nation could care less; that we do not have an interest in helping families.

Is that the message this body wants to send to the American people?

Of course it's not. That's why this family leave legislation is so important. With it, the Congress is recognizing the enormous pressures placed on American families in the 1990's. This is an age where women have to work, yet also have to provide care—for their children and for ailing elder relatives. The pressures are enormous, and are exacerbated in a recession. Keeping the family together, which all of us desire to see, is an all-consuming struggle.

Current policies reflect an age when most households had a single earner. Current reality is that both husbands and wives work. It's time for policy to catch up. It is intolerable, as two studies cited in today's Wall Street Journal show, that new mothers are 10 times more likely to lose their jobs after childbirth leave than are employees taking other kinds of leave; or that there are still significant compliance problems with pregnancy antidiscrimination laws.

Can family leave legislation help families cope? Well, the experience in my own State of Maine proves that they can. We are predominantly a small business State. And we have a family leave policy in Maine, one that applies to smaller businesses than the bill before us—

employers with 25 or more employees. Yet the experience with family leave in Maine has been overwhelmingly positive.

When a bill extending the family leave policy moved through the State legislature this year, there was no dissent. The State official who oversees this legislation stated that the original concerns with the bill simply never materialized. Further, when I actively solicited from businesses their comments on problems they had with family leave, none emerged—not one.

Apparently, the family leave ogre was much tamer than previews had claimed.

So my plea today is for working families in Maine and America: Let's pass legislation that can make a difference in their lives. Don't leave families to founder in the 1990's: Pass family leave, and support the Gordon-Hyde compromise.

Mr. LEWIS of Georgia. Madam Chairman, I rise today in support of a piece of legislation whose time has come. It is time to give American families a chance. We have a mandate and a mission to stand up for the American people. As this Nation wallows in the pain of an economic recession, we have an obligation to put the needs of the American people above anything else.

Opponents of this bill—wake up. Today's economy requires that both parents work. Today parents must work to make ends meet. Today many households are run by single parents. This country has changed. The American family has changed. This Congress has the opportunity to be sensitive to these changes. We have an obligation to help the American family adapt to these changes. If we don't—our economy will suffer. The fabric of our society will unravel.

South Africa and the United States are the only two industrialized countries without national family leave policies. Our competitors know there is a national interest in helping families balance work and family responsibilities. They are beating us on this issue.

Again, I say this is the least we can do. This legislation does not cost the Federal Government anything. This bill will cost American business less than 2 cents a day for each covered worker.

Some say that the Federal Government should not legislate how employers treat their employees. Some say this is an intrusion of government into private business. I say, I have heard this before. I feel as if I am watching a 26-year-old television rerun. I feel as if I am watching the congressional debates of the Civil Rights Act of 1964.

Back then, civil rights opponents argued that the legislation would stifle business. They said the bill would go a long way toward destroying free enterprise in the United States. They are saying the same things today.

They were wrong then. And they are dead wrong today. The Family and Medical Leave Act will not stifle business. It will not mean the end of private enterprise.

I have one more very important thing to say. I cannot say it loudly enough. Our society cannot afford for us to defeat this legislation. We cannot neglect our children. We cannot ask our constituents to choose between the jobs they need and the family they love. Our families will suffer. And, our economy will suffer.

I know, my colleagues, that you want a kinder and gentler nation. Passing this legislation would send a message of hope to all working Americans. The family and medical leave bill would lift a tremendous burden off the shoulders of working people. We must pass this bill.

Mr. WEISS. Madam Chairman, I rise in strong support of H.R. 2, the Family and Medical Leave Act. This measure gives the administration and my colleagues who consider themselves champions of family values the opportunity to substitute action for rhetoric by putting their votes where their mouths are. The time has come for a minimum leave standard and concrete job protection so that American workers will no longer be forced to choose between maintaining their economic livelihood and meeting their family responsibilities.

The role of the family as primary nurturer and caregiver has been fundamentally affected by new economic realities. Often families must struggle to fulfill the traditional role of bearing and caring for children and providing emotional and physical support to their ailing members. These responsibilities are complicated by the fact that today most families are working families. According to the Bureau of Labor Statistics, 96 percent of fathers and 66 percent of mothers with school-age children are in the paid labor force. In addition, 56 percent of women with children under the age of six are in the labor force, and 51 percent of mothers with infants work outside the home. These trends will only increase as we see more women entering the labor force. Indeed, estimates indicate that by the year 2000, as many as two out of every three new workers will be women.

Another demographic shift affecting our workforce is the steady graying of America. Seniors, who are now 32 million strong, constitute the fastest growing segment of the country. Working families provide much of the care for these individuals. According to the National Council on Aging, as many as 25 percent of the more than 100 million American workers provide some care-giving to an older relative. We have also seen a consistent increase in the care of mentally and physically disabled family members by working adults. Due to cost considerations, more and more individuals find themselves caring for a disabled relative at home rather than yielding to institutionalized care.

The Family and Medical Leave Act responds to these monumental changes by establishing a minimum standard that ensures employees the availability of job-protected, unpaid leave. H.R. 2 requires private employers with 50 or more employees, as well as State and local governments, to provide employees with up to 12 weeks of unpaid leave per year in order for those workers to care for a newborn or adopted child, a seriously ill family member, or if the employee is temporarily unable to perform their job due to a serious health condition.

These benefits are not unprecedented or unproven. Family and medical leave policies are a standard the world over. In fact, the United States is the only major industrial nation without any such policy. Moreover, many of these countries offer more generous leave provisions than those which our kinder and gentler President has found worthy of his ubiquitous veto.

For years the citizens of this country have been making the case for this measure. The Congress has responded by overwhelmingly approving family and medical leave legislation in the past. We are back today, making the same arguments and proving the same points because the President is more concerned with the pockets of big business than the survival of the American working family. I urge my colleagues, let's pass this bill and let's put it on the President's desk. Then, we must hope he finds enough time in his hectic foreign travel and fundraising schedule to sign it into law.

Mr. MCMILLEN of Maryland. Madam Chairman, I rise in support of H.R. 2, the Family and Medical Leave Act. The Family and Medical Leave Act provides job security and health insurance coverage for workers who need to take leave to care for a newborn, newly adopted, or seriously ill child, or to care for a seriously ill parent or spouse. H.R. 2 also provides job security to workers who need to take leave in order to recover from their own medical difficulties.

As we all know, legislation similar to this bill was vetoed by the President after it was passed by the Congress in 1990. Prior to last year, similar legislation had been before the House of Representatives for 5 years. The Congress has persisted in its efforts to draft a bill that can be enacted into law for the simple reason that this country needs a policy to ensure a minimum level of job security for circumstances where an employee must take extended leave.

The face of the work force is changing; there are more women in the labor force than ever before. Sixty-six percent of mothers with school-age children are in the labor force and women have accounted for more than 62 percent of the increase in the civilian labor force since 1979. In the future, two out of three new entrants into the work force will be women. How can the United States have a healthy, prosperous economy and society without providing for medical and parental leave to address these changes in our work force? Who will take care of sick children and elderly parents with both parents working, neither of whom is entitled to medical leave? How will dual-income households remain above the poverty line if a women must give up her job in order to have a child?

The concept of parental or maternity leave is not new. Every industrialized country in the world, except the United States, has a policy in this area. Japan, Canada, France, Italy, Sweden, West Germany, the list goes on. All of these countries have minimum government standards for parental or maternity leave. The United States, as a country, has no policy. However, in the vacuum which exists because of lack of Federal action in this area, individual States have begun to pass laws to provide for family and medical leave.

The people who object to the bill call themselves probusiness. Does being antifamily equate with being probusiness? I don't think so. I cannot understand why the business community prefers to have a different law in every State rather than support passage of this legislation which will reduce the pressure on individual States to enact more far-reaching legislation.

Repeatedly, I hear from the small business community who say that the mandates proposed in this bill will be impossible to meet. I am told that they cannot afford to offer these kinds of benefits. These concerns have not gone unheard. Ninety-five percent of all employers are exempt from these mandates. Employers with less than 50 employees are exempt from the mandates of the bill. In addition, the Gordon-Hyde substitute to the committee bill which I plan to support and which I am hopeful will be adopted, goes a long way in helping to address the concerns of small business.

The Gordon-Hyde amendment will increase the minimum hours that an employee must work before becoming eligible for leave. It will require that damages awarded because of violation of this law be capped at twice the actual damages with a clause allowing for employers to have damages reduced if they can show good faith. This amendment will make the definition of "serious illness" more clearly defined, it will require more stringent certification, and earlier notification of leave. The business community comes to me each year with the same refrain, "no mandated benefits." My response is that it is too late—we cannot put the genie back in the bottle. The States are already mandating benefits. Personally, I would prefer a bill which would require a national standard, but I believe that at least this legislation will stem the tide of individual State laws. H.R. 2, as modified by the Gordon-Hyde amendment, does address the concerns of the business community while accomplishing this important goal.

I support this legislation because I believe that a women should not have to choose between having a job and having a baby. I also support this bill because I believe a family should not have to go into poverty to have a child, or to take care of a sick parent. This has been a long, long fight for those of us who support family and medical leave. We have compromised in order to secure some minimum benefits; now it is time for the other side to compromise as well. I urge my colleagues to support the Gordon-Hyde amendment and to vote for final passage of H.R. 2.

Mrs. MINK. Madam Chairman, I rise today in strong support of H.R. 2, the Family and Medical Leave Act. Over the last 25 years the American family and the American workplace have undergone unprecedented changes. The need for a national family and medical leave policy which addresses the changing demographics of our work force can no longer be ignored.

As one of the few industrialized countries without a national policy, American workers are forced to make the intolerable choice between work or their parenting and family responsibilities.

Economic pressures and social reform have resulted in large numbers of women entering the work force—as contributors to family income or as sole heads of households. In 1965, less than 40 percent of American women were in the work force; today that figure is nearly 60 percent.

The days of the one income family are over. The rising cost of living has made two incomes a necessity in many areas of the country. And for families with children, the double income couple is now the norm. Both parents work in 49 percent, or nearly half, of all families with children in the United States.

Single parent families have also grown rapidly, from 11 percent of all families with children in 1975 to 19 percent in 1988. The tragedy of this situation is that the one and only parent in these households is the only wage earner as well.

These working men and women should not be forced to sacrifice a career to care for children or elderly parents. American workers must be assured the right to take leave from their jobs to have a family, to care for that family, and return to a job that will allow them to provide for that family.

But current law and current business practice often does not allow parents this flexibility. It still operates under the quaint but outdated notion that one of the parents, the mother, will stay home to raise children full time.

American businesses have failed to adopt flexible policies to accommodate the dual parent/worker role most employees play today. Nearly 55 percent of all medium or large employers provide no medical leave for workers with serious illness. Nearly 2 out of 3 large businesses failed to allow their employees family leave to care for very sick children. Only 3 percent of employers permit workers uncompensated time off to care for elderly parents. And even among the 1,500 largest corporations of this country, only about half of them grant job-protected leave to new mothers.

Now is the time to make our policies congruent with reality by enacting H.R. 2. Simply, H.R. 2 provides job protected, unpaid time off for parents to meet their familial responsibilities and for workers to deal with serious health conditions for themselves and their family members. It is a sound, modest, and necessary piece of legislation.

Madam Chairman, I recently received a letter from a constituent, which described the arduous, exhausting task of taking care of two ailing parents. Up before sunrise and into the late hours beyond midnight, the burden on this woman to balance the responsibility of taking care of her parents with the responsibility of her job has been intolerable. However, she cannot take time off without the guarantee that she will be able to return to her job.

These are the people that the family and medical leave bill will help. Relief for such people is needed now. I ask my colleagues to recognize the very real and sometimes desperate situations of too many of the people of our country, and to vote for a national family and medical leave policy that is long overdue.

Mr. SERRANO. Madam Chairman, I rise in strong support of the Family and Medical Leave Act, H.R. 2. This bill is a step in the right direction to help keep families together and parents on the job.

Madam Chairman, we find ourselves again before this body debating this common-sense proposal that independent studies have shown will cost few additional dollars, if any at all, to the employer, under $10 per worker according to the General Accounting Office. Moreover, this legislation would affect only 5 percent of all employers, yet 50 percent of all employees.

Why should working adults be forced to choose between their jobs, parenting, and serious family illness?

This Nation continues to lead developed, and some Third World nations in low-birth rates, infant mortality, domestic violence, all other crimes, divorce, and a variety of other statistics that we as a nation, so rich and powerful, should be ashamed of.

Madam Chairman, I believe that we can spend a few additional dollars today per employer on prevention, or we can continue to watch family structures crumble under the mounting pressures of keeping a home and food on the table. We can watch as the welfare rolls swell larger and requests for unemployment compensation benefits soar. These are the programs workers depend on when they lose their jobs.

Madam Chairman, I urge my colleagues to vote for H.R. 2. This Nation must make an investment in America's working families.

Mr. MOODY. Madam Chairman, I would like to urge my colleagues to vote against the Stenholm substitute and for the Gordon-Hyde substitute to the Family and Medical Leave Act. The Gordon-Hyde substitute is a profamily bill. By enacting this legislation we can put the United States on the same level as every industrialized country by providing some guarantee of family and medical leave.

The Gordon-Hyde substitute, which the Senate recently passed, is a carefully crafted bipartisan piece of legislation. Since family and medical leave was first introduced, there have been many years of negotiation and compromise. This bill includes strong efforts to address the concerns of the business community.

Family and medical leave is a compassionate and practical idea whose time in this country is long overdue. Passing this legislation would allow women and men to make choices in the interests of their family without jeopardizing their career.

It makes good business sense to offer employees leave. A study done by the U.S. Small Business Administration found that the costs to employer of termination due to pregnancy, childbirth, illness or disability can vary from $1,131 to $3,125 per termination, compared to granting workers' requests for leave which costs between 97 cents to $97.78 per week. I have an even stronger family and medical leave policy in my own office and I know that both my employees and the operation of my office benefits from this policy.

As an economist, I can endorse this bill because it is cost effective and it is not anticompetitive.

Women are largely affected by the lack of a family and medical leave policy because of childbirth. Studies have shown that the average annual earnings of female employees without leave was much lower than female employees with leave. It is more likely that a poor woman's income is essential to her family's survival. About 25 percent of today's working mothers are the sole providers for their children, and about 65 percent of them are single, or have husbands who earn less than $15,000 per year. If these women lose their jobs they and their families will become more likely to go on welfare. No one should have to choose between their jobs and their family.

All workers with low incomes are vulnerable if they lose their jobs or have to quit because of illness or childbirth. This can also be expensive for society since many of these displaced workers will have to rely on unemployment compensation or welfare.

The United States will not lose its competitive edge because of a family and medical leave law. Over 100 countries, our trading competitors, have some form of family and medical leave. In fact, many countries have longer and more comprehensive leave than this bill. Our two biggest competitors Japan and Germany both have paid leave, as do many other countries. We cannot possibly be at a competitive disadvantage if our biggest competitors have stronger policies.

Again, I urge all of you to vote for this vital legislation. It is long overdue. This is unpaid leave and there is no cost to taxpayers and the only cost to employers is maintaining health insurance, which studies have indicated would be only about $7.10 a year per covered employee. I have seen the successes of a family leave policy in my home State of Wisconsin. Wisonsin's policy has not had an adverse impact on its businesses, but instead it has helped the hard working families in our State. This bill will help even the playing field among the States that have a family leave policy with the ones that do not. I hope that we can now guarantee a family and medical leave policy for the whole country.

Mr. SCHEUER. Madam Chairman, I rise today in support of the Gordon-Hyde substitute to the Family and Medical Leave Act of 1991. It is time for Congress to recognize the enormous change that has taken place in the structure of the American family and the American work force.

In just 20 years, the number of women in the work force has increased from 40 to nearly 60 percent. Of these women, an overwhelming 70 percent are of childbearing years, between the ages of 18 and 44.

Women work out of economic necessity, and despite their entry into the work force, they still continue to bear the primary responsibility for caring for their children. In addition, women are increasingly care givers for elderly parents and relatives. Women can now expect to spend 17 years of their lives caring for children and 18 years caring for an elderly relative.

Currently there is no Federal policy that guarantees job-protected family or medical leave for workers. The Federal Pregnancy Discrimination Act of 1978 requires employers to treat pregnancy-related disabilities just as they would any other temporary disability, but outside of this many employers do not provide their workers with leave for any temporary disability.

Each year, many workers lose their jobs because of temporary medical conditions, such as pregnancy, childbirth, heart attacks, and cancer.

As a result, American workers lose $607 million in earnings each year when they lose their job because they were denied parental leave.

We stand alone in our failure to offer family and medical leave for our workers. Every other industrialized nation provides some form of family leave and even pays for this leave—Japan and West Germany, two of our greatest competitors, provide a guaranteed 3 months of family leave, and this Nation is still struggling to create legislation for this basic necessity.

Congress has an opportunity to follow the lead of these industrialized nations and provide up to 12 weeks of job-protected, unpaid leave to workers needing time off for the birth of a new child or for serious family illness.

We have an obligation to protect the welfare and the existing structure of our families, and I hope that my colleagues will join me in support of this legislation.

Mr. DELAY. Madam Chairman, the hottest topic of conversation these days is how we can spur the growth of our anemic economy and create jobs. But what are we doing here today? We're pushing American business and our economy deeper into the quagmire of inefficiency, uncompetitiveness and recession.

For all its noble intent, the Family and Medical Leave Act is an unwieldy, burdensome, regulatory nightmare that will slow productivity, reduce efficiency, lessen flexibility and increase costs.

I am a strong supporter of encouraging family leave policies but this illogical legislation would impose across the board requirements and thereby refuse business owners flexibility in structuring benefits to best suit the needs of their individual employees. It denies employees the right to choose from a mix of wages, salaries and benefits that they feel are most appropriate. By mandating benefits, this bill fails to recognize that employers and employees stand the most to gain when they have the flexibility to tailor benefits to individual employees. This bill penalizes the employee who does not need maternal leave as well as the employee who cannot afford to take unpaid leave.

Mandating family and medical leave will backfire on those its proponents are trying to help. This bill is a threat to the employment of young women. It is a fact that women are much more likely to take maternal leave than men. This will inevitably result in the subtle discrimination of women who are of child bearing age. In a study done by the National Federation of Independent Business, 45 percent of small business owners would be less likely to hire young women if a Federal mandate were enacted. Additionally, employers will be less likely to promote women to key positions if they fear that they will hire and train an employee and then have to keep the position open for 12 weeks while she takes leave. For similar reasons, older workers and workers with handicaps and histories of health problems will be discriminated against.

It has been well documented that family and medical leave is not a priority and a Federal mandate is not needed. The truth is that the majority of businesses in this country do try to accommodate the needs of their employees and do provide family and medical leave benefits. A study done by the Small Business Administration found that between 74 and 90 percent of the firms studied provide some type of family and medical leave to their employees. In a Penn & Schoen Associates survey of 1,000 adults, 89 percent said they preferred that employee benefits be a matter decided by employers and employees. Additionally, an ABC/Post survey found that parental leave ranked dead last of three employer-provided benefits considered by respondents.

Contrary to the claims of the proponents of this bill, mandated leave will be very expensive. This bill is one more example of how government mandated benefits hurts productivity, impedes competitiveness and fails characteristically to assess the cost-benefit analysis. An employer must bear the cost to find, interview, employ and train a new worker or the cost to hire a temporary service to provide temporary workers. The employer must also pay the salary of the temporary worker. At the same time, the employer must pay health insurance for the employee on leave. Further, this mandate may be for unpaid leave but its proponents constantly praise paid leave given in foreign countries. Passing this bill puts us on a slippery slope to closing exemptions and mandating paid leave.

Madam Chairman, mandating family and medical leave is bad public policy. The fact is, we in Congress have no business, no right and no ability to legislate how the American family should apportion the burden of caring for its own. Not only does this bill demonstrates mind numbing illogic of setting social norms through paternalistic Federal mandates, it is one more example of the increasing burden and expense placed on the backs of businesses in order to avoid the most inane and illogical ramifications of policy.

I urge my colleagues to vote against mandating family and medical leave.

Mr. FRANKS of Connecticut. Madam Chairman, I rise in opposition to H.R. 2. I stand here today in opposition to this inflexible, extensive, federally mandated piece of legislation, a piece of legislation which is not representative of the American family and the American worker. To me, H.R. 2 makes many incorrect assumptions of the American people and American workplaces. The underlying assumption being that only the Federal Government can provide working America with the most effective and responsive leave policy. It cannot.

H.R. 2 assumes that businesses are not and will not react to the changing demographics of the American work force. This assumption is wrong. The business community is not standing on the outskirts of society, ignoring women and families. It is reacting to the increasing number of women entering the work force and the increasing number of two career families. A New York business research group, the Conference Board, conducted a study that found since 1982, the number of businesses offering a form of maternity leave had increased fourfold. In addition, nearly 75 percent of all small businesses offered some form of leave policy for sick employees or new parents. Businesses are involved in their employees' lives. H.R. 2 assumes businesses will not pay the price if they do not react to the changing demographics of the American work force. This, too, is a false assumption. Businesses must react to these changes in order to survive. According to the Bureau of Labor statistics, women make up over 45 percent of the labor force today. By the year 2000, two out of three new entrants into the job market will be women. Benefit packages will have to be tailored to meet the expectations of these workers. If businesses want to attract the best, they will have to offer the best.

H.R. 2 assumes that all workplaces are similar, and will be affected in the same way by mandated leave. Can we really compare a hospital to a small business, a factory to a Fortune 500 company? Can we even say that people in one State have the exact same needs as people in another State? No we can't, and we shouldn't. A Federal Government mandate of employee benefits has to assume that we are all so similar. We don't need this type of blanket government involvement. Employees and employers are better able to negotiate their own benefit packages, packages that work best for them.

Finally, H.R. 2 assumes that all people are easily interchaneable without cost. If that were true, maybe we should focus our scientists to quickly develop machines to take the place of human beings. H.R. 2 states an employee can leave his or her job for up to 12 weeks. That is clear. But what is not clear to the proponents of H.R. 2 are the indirect costs resulting from that leave. What about the loss of productivity when an employee prepares to leave? What about the precious time taken by an employer to recruit a temporary employee, and the period of training and adjustment of the new employee, or the adjustment of other workers to taking on an extra work load? If we were all simply machines, there would be no additional monetary costs to replacing an employee, or personal costs as a result of the adjustment. I think we all want a healthy, happy work environment. This happens through the interaction of employer and employee, not be the stick of a Federal mandate.

At first glance H.R. 2 seems like a beautiful piece of legislation, a family friendly bill. I disagree. I believe the facts behind H.R. 2, the facts that say we must pay more attention to the needs of families, especially families where both parents are working, or single families headed by a working mother, are facts that must be addressed. However, H.R. 2 reacts to these facts in the wrong way. Establishing a Federal mandate assumes that we are all so similar, that our communities are similar, that our workplaces are similar. Yes, we do need to address our changing society and focus more on the family. So let's do it in our States, in our communities and in our workplaces. Let's do it by looking at our individual needs. In the end we will realize a more friendly, beneficial policy, one that reflects the needs of all American families, workers and businesses.

Mr. PENNY. Madam Chairman, I rise in support of the Gordon-Hyde substitute to H.R. 2, the Family and Medical Leave Act. The substitute incorporates all of the provisions of the Bond-Ford amendment that was agreed to by the Senate earlier this year. The Gordon-Hyde amendment is a step in the right direction on this legislation.

The amendment simplifies the enforcement provisions to conform with the Fair Labor Standards Act, it reduces potential liability on employers, includes provisions allowing an employer to recoup health insurance premiums from workers who do not return to work as agreed, requires 30 days prior notice in cases in which the leave is foreseeable, and makes other moderating changes to the committee-passed bill.

While I will support Gordon-Hyde as a improving amendment, I will oppose final passage of H.R. 2 because we clearly need to go further in addressing the very real problems this legislation presents. I feel strongly that a family leave labor standard must be workable if it is to serve the needs of American Workers and their employers. The amendment before us is a good first step, but only takes us part of the way.

While I will oppose the bill on final passage, I must add for the record that the proponents of this measure, have gone a long way to try to accommodate my concerns. We were very close to reaching agreement on a compromise which would have improved the bill and might have secured enough votes to override a veto.

To the President and the administration, let me suggest in the strongest terms possible that some rethinking of their position is in order. President Bush promised American workers during the 1988 campaign that no one should lose their job because of a family illness or emergency, yet he refuses to even sit down and discuss compromise. The position of the administration is rigid: No leaves, under any circumstances.

In the coming months, let us work for a compromise that can become the law of the land so the very real needs of working families for job protection can be met in a way that is also sensitive to the employer community.

Mr. MCCANDLESS. Madam Chairman, I don't view the concept of work and family as totally incompatible. In fact, I think family and medical leave is a good idea. Allowing a loved one to take care of an ill relative or giving a new mother a chance to bond with her newborn baby is an idea I certainly support and a practice I allow in my own congressional office.

We merely have to find some common ground where the interests of the employer can be satisfied without harming the needs of the family. We need a bill that will offer flexibility to both workers and employers in deciding how much time to spend with the family. We need the Stenholm amendment.

This amendment would allow up to 6 years off for a parent to spend time with a newborn child. It also gives 2 years off for a worker to take care of his or her seriously ill relative. This is far better than 12 weeks allowed in H.R. 2.

For example, if Jane Doe wants to take time off for her new child, she is free to spend up to 6 years with her baby. When she wants to return, she informs her employer and if the same or similar job is available, she must be rehired. If her position is not open, the employer must notify and offer her another position if one subsequently opens up. This is called a preferential rehire and has been successfully used by veterans entering the civilian sector.

There is a difference between providing leave to families and mandating leave for all workers. H.R. 2 would force additional bureaucratic burdens and complex regulations into the businesses of America. It would force all employees, regardless of their differing family needs, to accept this benefit at the cost of another program they might prefer. The Stenholm amendment gives the flexibility that is needed by businesses to continue their operations without unnecessarily infringing on a workers desire to care for his or her family.

I hope my colleagues will join me in support of the Stenholm amendment and pass a family and medical leave bill that will work for all.

Mr. CHANDLER. Madam Chairman, I rise in opposition to H.R. 2 the Gordon-Hyde substitute, because it will do more to hurt American workers than it will to help them.

Madam Chairman, I know what it's like to try and make it in the business world. Before I was elected to Congress, I operated a small communications company. It's tough to get started and stay in business. Sacrifices often have to be made just to keep the doors open.

Almost every business owner I've met wants to provide the best possible working conditions for their workers. When you hire good employees, you want to keep them so you provide the best benefits possible and do whatever it takes to accommodate their needs. You don't need the Government telling you what to do.

Madam Chairman, today we're in a recession. A recession that has closed thousands of small businesses, caused thousands of bigger businesses to cut back, and put thousands of people out of work. In the next day or two we'll be considering unemployment legislation. This is not the time to be creating more unemployment. Placing additional mandated burdens on business only forces more people into the unemployment line.

We must not stifle the growth of business. In these tough economic times, we should be focusing our energies on legislation that will provide more jobs for Americans and keep those with jobs employed.

Mandating employee benefits could be the final blow for many employers. This could be the straw that breaks many employers backs and leads to even higher unemployment. When the choice is between keeping the doors of business open or providing a new Government mandate, the choice is clear, the doors must stay open.

Mr. OWENS of New York. Madam Chairman, over the past several years Congress has been debating the family and medical leave bill. Today we have the opportunity to break this impasse and enact this important and long-overdue piece of legislation.

The Family and Medical Leave Act would require employers with 50 or more employees to provide up to 12 weeks unpaid leave to care for newborn children and seriously ill family members. Nintey-five percent of all businesses would not be affected by this legislation.

Our country is the only industrialized country in the world that does not offer family and medical leave. We are the only industrialized country that has not adequately responded to the needs of the changing work force. Madam Chairman, enactment of the Family and Medical Leave Act would be a positive investment in our work force—an investment we can no longer afford to lose.

I am particularly pleased with the Gordon-Hyde substitute which addresses some of the concerns of the business community. This substitute requires that employees work an average of 25 hours a week, exempts essential employees, and requires workers to give 30 days advance notice for foreseeable leave.

Numerous studies have shown that family and medical leave legislation can be implemented easily and inexpensively, without placing an undue burden on the business community.

Let's pass this legislation and show that we are committed to working families throughout our country.

Mr. BERMAN. Madam Chairman, I rise today in support of the Family and Medical Leave Act because a civilized society demands such flexibility and support for its families.

When a family emergency arises or a child is born, workers need to know that they can take time off to cope with the situation and not lose their job. Without leave, they are forced into extremely difficult choices: They may have to keep their loved ones in the hospital rather than care for them at home. They may have to choose between caring for a newborn or sacrificing their job along with seniority and adequate health care for the child.

Dedicated workers who have toiled to better the welfare of their employer are due the respect manifest in a humane leave policy. It is in our national interest to help people care for their families while not compelling experienced, dedicated employees to quit or be fired in lieu of permission to take unpaid leave. We only exacerbate the pressures on families and foster employee discontent when we ignore the need for leave.

The need for unpaid leave is all the more urgent because of changes in society and the workplace. The labor of women is now essential to the present and future success of our economy. As a result, men are taking on more of the responsibilities in caring for family members. As both men and women are employed outside the home, it is the family as a whole which benefits from leave, whether taken by the husband or wife.

Further, we have more single parents working today. These working parents and their families are often the most dependent on the consistent receipt of a paycheck and the fruits of an uninterrupted career. Humane leave policies enable single working parents on the margins of our economy to continue providing for their children and to advance in the workplace, ultimately benefiting the family's standard of living. In other words, they help people stay off welfare.

Many businesses have realized the benefits of providing family leave. In fact, recent studies demonstrate that it costs less to provide leave to an employee than to replace that worker. In my home State of California, the Pregnancy Leave Act which I authored has been implemented without being an undue burden on employers.

Still, many employers in this country have not instituted leave policies. Frankly, I am irked by the protest that the Family and Medical Leave Act is not flexible enough for employers. Instead, we need to focus on the flexibility afforded families as they deal with childbirth and illness. Surely, a couple dealing with the severe illness of their child should have the option to have one parent take leave and care for the child without endangering their economic security.

Opponents of this bill, like the President, say that they support unpaid leave policies, but argue that individual employers and their employees should be left to tailor plans to their own situations. However, this offers no help to the millions of Americans employed by firms with no intention of implementing leave policies. In truth, every workplace improvement achieved in this country has depended on a legal mandate. The minimum wage, workplace and safety standards protect all American workers precisely because our Government mandated them.

This bill is a moderate, reasoned approach to mandating unpaid leave policies. It sets a minimum standard of 12 weeks of unpaid, job-protected leave for all employees while addressing the concerns that business raised in good faith. For instance, firms with less than 50 employees are exempt.

The President's policy does nothing but leave the welfare of working families to chance by depending on the mercy of employers. It also hurts those enlightened businesses who have introduced leave policies.

More importantly, the lack of mandated family and medical leave means that American families suffer. Hospitalized children do not recover as quickly and soundly without the constant care of their parents. Elderly parents do not benefit from the care of their children when struck by illness. Single parents are forced to choose between working and welfare. Working parents cannot earn as much to provide for their families because they must interrupt their careers.

Just as our Nation depends on the health of our family structure, so do families depend on a certain amount of flexibility and choice when it comes to caring for their members. I am proud to be an original cosponsor of the Family and Medical Leave Act and urge my colleagues to support the Gordon-Hyde substitute. This bill provides the concrete relief our families need when balancing the needs of work and home.

Mr. VENTO. Madam Chairman, I rise in support of the H.R. 2, the Family and Medical Leave Act and in opposition to any weakening amendments.

Madam Chairman, we like to talk in the House about promoting and preserving families and family values. The Family and Medical Leave Act is essential for people attempting to care for their families and themselves.

Working men and women want to be able to support themselves. They do not want to be dependent upon others. They certainly do not want to be dependent on the Government. Today Congress has before it the opportunity to provide certain positive protections which would help people maintain their self-sufficiency. Working women and men seek only a fair opportunity to care for their families. American workers need the ability to care for their children when they are ill, they need to know that if an elderly parent has broken a hip or has had a stroke, that they will have the choice to care for their mother or father and very importantly without the fear of losing their job. What can happen today in such cases? Workers are forced to quit their jobs or too often forgo the responsibility to care for a family member. The employment option prevails because few can afford to lose their job. Ailing parents or children are left alone when they cannot care for themselves or ironically, the Government steps in to provide necessary services. The Family and Medical Leave Act will help relieve the growing pressure on working families who are torn between caring for family members and keeping their jobs. Today that working family has both parents working to meet their needs or increasingly a single parent who needs the modest relief and consideration that the Family and Medical Leave Act provides.

Meanwhile, President Bush is continuing the family values rhetoric on one hand, while promoting policies which prevent people from caring for family members in their time of need on the other hand. The administration's policies promote the idea of indifference, one generation oblivious to the needs of other generations, looking out for themselves and never looking back. Well, the American people, because of the Reagan/Bush adminstrations have signaled their disgust and said enough to this selective amnesia concerning the past and ignorance of our present circumstance. The successful enactment of this measure will enable workers to take care of the parents who shaped their lives and Nation and the children who will shape our Nation's future.

In passing major child care legislation in the last session, Congress took a big step in enabling Americans to balance the needs of their families with the need to work. Family leave is just one more important step in breaking a cycle of poverty and dependence by providing a level of job security. Life has changed for many American families. President Bush may condemn the changes he perceives but his fondness for the past will not turn back the clock nor should we allow his policies to take us on a detour from the future.

President Bush appeals to Congress, to leave such policies at the discretion of employers. These policies, left to employers will never be addressed. What we would have is a patchwork which provides no security for employees. The flexibility the President muses about simply does not exist. An insightful recent Wall Street Journal article, stated "that leave policies not only vary from one employer to another but from one employee to another within a company." Other news reports accurately point out that men are often strongly discouraged from taking leave. The result is employees who do not feel loyal to or valued by their employers.

Some employers do not see their workers total role as members of a family, who have significant responsibilities outside of their places of business. Historically, this lack of employer understanding was regrettable. Today, with the single parent or two working parent families, it is a tragedy. The Family and Medical Leave Act would assist people in fulfilling their many responsibilities. The administration simply expects employers and employees to work these policies out between themselves. That is unrealistic based on past and current experience. This solution has not worked to the benefit of workers. It is time that America join most other industrialized nations in providing family and medical leave to American workers and their families. It makes good business sense and is good for American workers and families.

Mr. POSHARD. Madam Chairman, I rise in strong support of H.R. 2, the Family and Medical Leave Act.

This is vitally important legislation for the working men and women of this country. It allows them to fulfill the basic mission of any working person, which is to care for and provide for their families.

I feel strongly about this legislation, and as a former member of the Education and Labor Committee, I thank my colleagues for bringing this issue to the floor today.

We do nothing more important in public service than make it possible for families to survive and prosper in these trying times. We have made every effort to recognize the concerns of business owners and operators. We have crafted legislation which recognizes the realities of the marketplace and the homefront. We have before us today reasoned and thoughtful legislation that answers a very pressing need.

Employers have a tremendous stake in keeping valuable, trained, and motivated employees. Employees want to keep their jobs, contribute to the viability of their companies, and to be thought of as dependable. They have a shared interest. And I believe that both sides benefit when we adopt policies that encourage families and offer alternatives at the workplace for those who choose to exercise them. A few weeks to spend precious time with a newborn or ailing family member will pay generous dividends.

Until we have a society that recognizes these fundamental needs, we must resort to this sort of approach. I am hopeful that in the future, workers and management will come to see this as nothing more than a natural part of the employment and parenting process of this country.

I am pleased to support legislation to encourage family values and humane employment practices in this country.

Mr. COLEMAN of Texas. Madam Chairman, I rise today in support of H.R. 2, the Family and Medical Leave Act of 1991. It is time for the Congress to stand up to President Bush and settle this issue once and for all—we insist on providing this important benefit to American workers. We insist that new mothers and new fathers be given the right to spend time with their children without fear of losing their jobs. We insist that workers be given the right to take care of a sick child, parent, or spouse without fear of losing their jobs.

Is this a radical idea dreamed up by the Congress to hurt American business? No, it is not. This is a basic right that workers in every other industrialized nation take for granted. This is a well-considered, moderate response to the realities of the modern American family, in which both parents work but children still get sick, elderly parents still get sick, and new children still come into the family.

We have bent over backwards to make sure that this bill will not hurt small businesses. Now it is time for the President to bend a little to make sure that business is not hurting the American family.

The CHAIRMAN (Mrs. KENNELLY). All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Education and Labor, now printed in the reported bill, as modified by the amendments printed in part 1 of House Report 102-303, shall be considered as an original bill for the purpose of amendment and is considered as read.

The text of the amendment in the nature of a substitute, as modified by House Report 102-303, is as follows:

H.R. 2

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family and Medical Leave Act of 1991".

(b) TABLE OF CONTENTS.

Section 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

Sec. 101. Definitions.
Sec. 102. Leave requirement.
Sec. 103. Certification.
Sec. 104. Employment and benefits protection.
Sec. 105. Prohibited acts.
Sec. 106. Administrative enforcement.
Sec. 107. Enforcement by civil action.
Sec. 108. Investigative authority.
Sec. 109. Relief.
Sec. 110. Special rules concerning employees of local educational agencies and private elementary and secondary schools.
Sec. 111. Notice.
Sec. 112. Regulations.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental and temporary medical leave.

TITLE III—COMMISSION ON LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave policies.
Sec. 404. Effective dates.

TITLE V—COVERAGE OF CONGRESSIONAL EMPLOYEES

Sec. 501. Leave for certain congressional employees.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the number of single-parent households and two-parent households in which the single parent or both parents work is increasing significantly;

(2) it is important to the development of the child and to the family unit that fathers and mothers be able to participate in early childrearing and the care of their family members who have serious health conditions;

(3) the lack of employment opportunities to accommodate working parents can force individuals to choose between job security and parenting;

(4) there is inadequate job security for some employees who have serious health conditions that prevent them from working for temporary periods;

(5) due to the nature of women's and men's roles in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—The Congress therefore declares that the purposes of this Act are—

(1) to balance the demands of the workplace with the needs of families, to promote stability and economic security in families, and to promote Federal interests in preserving family integrity;

(2) to entitle employees to take reasonable leave for medical reasons associated with a serious health condition (as defined in section 101(10)), for the birth or adoption of a child, and for the care of a child, spouse, or parent who has a serious health condition;

(3) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(4) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(5) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

SEC. 101. DEFINITIONS.

For purposes of this title:

(1) The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C. 141 et seq.).

(2) The terms "employ" and "State" have the meanings given such terms in sections 3(g) and 3(c), respectively, of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g), 203(c)).

(3)(A) The term "eligible employee" means any employee as defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed (i) for at least 12 months by the employer with respect to whom leave is sought under section 102, and (ii) for at least 1,000 hours of service by such employer during the previous 12-month period.

(B) Such term does not include—

(i) any Federal officer or employee covered under subchapter V of chapter 63 of title 5, United States Code (as added by title II of this Act), or

(ii) any employee of an employer employed at a worksite at which such employer employs less than 50 employees if the total number of employees employed by that employer within 75 miles of that worksite is less than 50.

(4) The term "employee" means any individual employed by an employer.

(5)(A) The term "employer" means any person engaged in commerce or any activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more workweeks in the current or preceding calendar year.

(B) For purposes of subparagraph (A), the term "person" includes—

(i) any person who acts, directly or indirectly, in the interest of an employer to any of the employer's employees;

(ii) any successor in interest of an employer; and

(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(C) For purposes of subparagraph (A), a public agency shall be deemed to be a person engaged in commerce or in an activity affecting commerce.

(6) The term "employment benefits" means all benefits provided or made available to employees by an employer, and include group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a policy or practice of an employer or through an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(7) The term "health care provider" means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the State in which the doctor performs such function or action.

(8) The term "reduced leave schedule" means leave that reduces an employee's usual number of hours per workweek or hours per workday.

(9) The term "Secretary" means the Secretary of Labor.

(10) The term "serious health condition" means an illness, impairment, or physical or mental conditions which involves—

(A) inpatient care in a hospital, hospice, or residential health care facility, or

(B) continuing treatment or continuing supervision by a health care provider.

(11) The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age, or

(B) 18 years of age or older and incapable of self-care because of mental or physical disability.

(12) The term "parent" means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

SEC. 102. LEAVE REQUIREMENT.

(a) IN GENERAL.—(1) An eligible employee shall be entitled, subject to section 103, to a total of 12 workweeks of leave during any 12-month period for 1 or more of the following:

(A) Because of the birth of a son or daughter of the employee.

(B) Because of the placement of a son or daughter with the employee for adoption or foster care.

(C) In order to care for the employee's son, daughter, spouse, or parent who has a serious health condition.

(D) Because of a serious health condition which makes the employee unable to perform the functions of such employee's position.

(2)(A) The entitlement to leave under paragraphs (1)(A) and (1)(B) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement. If one parent of a son or daughter takes leave under paragraph (1)(A), the other parent of such son or daughter may not take leave under such paragraph at the same time.

(B) Leave under paragraph (1)(A) or (1)(B) may not be taken by an employee intermittently unless the employee and the employee's employer agree otherwise. Leave under paragraph (1)(C) or (1)(D) may be taken intermittently when medically necessary, subject to subsection (e).

(b) REDUCED LEAVE.—Upon agreement between the employer and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) UNPAID LEAVE PERMITTED.—Leave under subsection (a) may consist of unpaid leave, except as provided in subsection (d).

(d) RELATIONSHIP TO PAID LEAVE.—(1)(A) An eligible employee may elect, or an employer may require the employee, to substitute any of the employee's paid vacation leave, personal leave, or family leave for any part of the 12-week period of leave under paragraph (1)(A), (1)(B), or (1)(C) of subsection (a).

(B) An eligible employee may elect, or an employer may require the employee, to substitute any of the employee's paid vacation leave, personal leave, or medical or sick leave for any part of the 12-week period of leave under paragraph (1)(D) of subsection (a), except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(2) If an eligible employee is entitled to leave under subsection (a), if under paragraph (1) the employee elects to substitute or is required by the employee's employer to substitute paid leave for such leave, and if such paid leave is less than the 12 weeks leave under subsection (a), the employee's employer shall provide the employee such additional weeks of leave as may be necessary to attain such 12 weeks.

(e) FORESEEABLE LEAVE.—(1) In any case in which the necessity for leave under paragraph (1)(A) or (1)(B) of subsection (a) is foreseeable based on an expected birth or adoption, the eligible employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) In any case in which the necessity for leave under paragraph (1)(C) or (1)(D) of subsection (a) is foreseeable based on planned medical treatment or supervision, the employee—

(A) shall make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider or the health care provider of the employee's son, daughter, spouse, or parent; and

(B) shall provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to leave under subsection (a) are employed by the same employer, the aggregate number of workweeks of leave to which both may be entitled may be limited to 12 workweeks during any 12-month period, if such leave is taken—

(1) under subparagraph (A) or (B) of subsection (a)(1); or

(2) to care for a sick parent under subparagraph (C) of such subsection.

SEC. 103. CERTIFICATION.

(A) IN GENERAL.—An employer may require that a claim for leave under section 102(a)(1)(C) or 102(a)(1)(D) be supported by certification issued by the health care provider of the eligible employee or of the employee's son, daughter, spouse, or parent, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) SUFFICIENT CERTIFICATION.—Such certification shall be sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the provider's knowledge regarding the condition; and

(4)(A) for purposes of leave under section 102(a)(1)(C), an estimate of the amount of time that the eligible employee is needed to care for the son, daughter, spouse, or parent; and

(B) for purposes of leave under section 102(a)(1)(D), a statement that the employee is unable to perform the functions of the employee's position.

(c) SECOND OPINION.—(1) In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a) for leave under paragraph (1)(C) or (1)(D) of section 102(a), the employer may require, at its own expense, that the eligible employee obtain the opinion of a second health care provider designated or approved by the employer concerning any information certified under subsection (a) for such leave.

(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) RESOLUTION OF CONFLICTING OPINIONS.—In any case in which the second opinion described in subsection (d) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (a). The opinion of the third health care provider concerning the information certified under subsection (a) shall be considered to be final and shall be binding on the employer and the employee.

(e) SUBSEQUENT RECERTIFICATION.—The employer may require that the eligible employee obtain subsequent recertifications on a reasonable basis.

SEC. 104. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—(1) Any eligible employee who takes leave under section 102 for its intended purpose shall be entitled, upon return from such leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) The taking of leave under section 102 shall not result in the loss of any employment benefit earned before the date on which the leave commenced.

(3) Nothing in this subsection shall be construed to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(4) As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work, except that nothing in this paragraph shall supersede a valid State or local law or a collective bargaining agreement that governs the return to work of employees taking leave under section 102(a)(1)(D).

(b) EXEMPTION CONCERNING CERTAIN HIGHLY COMPENSATED EMPLOYEES.—(1) An employer may deny restoration under subsection (a) to any eligible employee described in paragraph (2) if—

(A) such denial is necessary to prevent substantial and grevious economic injury to the employer's operations;

(B) the employer notifies the employee of its intent to deny restoration on such basis at the time the employer determines that such injury would occur; and

(C) in any case in which the leave has commenced, the employee elects not to return to employment after receiving such notice.

(2) An eligible employee described in this paragraph is a salaried eligible employee who is among the highest paid 10 percent of the employees employed by the employer within 75 miles of the facility at which the employee is employed.

(c) Maintenance of Health Benefits.—During any period an eligible employee takes leave under section 102, the employer shall maintain coverage under any group health plan (as designed in section 162(i)(2) of the Internal Revenue Code of 1986) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

(d) No Bar to Agreement Concerning Alternative Employment.—(1) Nothing in this title shall be construed to prohibit an employer and an eligible employee from mutually agreeing to alternative employment of the employee throughout the period during which the employee would be entitled to leave under section 102. Any such period of alternative employment shall not cause a reduction in the period of temporary leave to which the employee is entitled under section 102(a)(1)(D).

(2) The employer may request that, for purposes of paragraph (1), certification under section 103(a) that is issued in any case involving leave under section 102(a)(1)(D) include an explanation of the extent to which the eligible employee is unable to perform the functions of the employee's position.

SEC. 105. PROHIBITED ACTS.

(a) Interference With Rights.—(1) It shall be unlawful for any employer to interfere with, returns, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because such individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified, or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 106. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such regulations as are necessary to carry out this section, including regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—(1) Any person (or person, including a class or organization, on behalf of any person) alleging an Act which violates section 105 may file a charge respecting such violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) Not more than 10 days after the Secretary receives notice of the charge, the Secretary—

(A) shall serve a notice of the charge on the person charged with the violation; and

(B) shall inform such person and the charging party as to the rights and procedures provided under this title.

(3) A charge may not be filed more than 1 year after the date of the last event constituting the alleged violation.

(4) The charging party and the person charged with the violation may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under subsection (c). Such an agreement shall be effective unless the Secretary determines, within 30 days after notice of the proposed agreement, that the agreement is not generally consistent with the purposes of this title.

(c) Investigation; Complaint.—(1) Within the 60-day period after the Secretary receives any charge respecting a violation of section 105, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(3) If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(4) Upon the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement shall not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not made a determination under paragraph (2) or (3),

(B) has dismissed the charge under paragraph (2), or

(C) has disapproved a settlement agreement under subsection (b)(4) or has not entered into a settlement agreement under paragraph (4) of this subsection,

the charging party may elect to bring a civil action under section 107. An election under subparagraph (C) shall bar further administrative action by the Secretary with respect to the violation alleged in the charge.

(6) The Secretary may issue and serve a complaint alleging a violation of section 105 on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 108.

(7) The Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or restraining order. Upon the filing of any such petition, the court shall cause notice of the petition to be served upon the respondent, and the court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as it deems just and proper.

(d) Rights of Parties.—(1) In any case in which a complaint is issued under subsection (c), the Secretary shall, not more than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Any person filing a charge alleging a violation of section 105 may elect to be a party to any complaint filed by the Secretary alleging such violation. Such election must be made before the commencement of the hearing.

(3) The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 107.

(e) Conduct of Hearing.—(1) The Secretary shall have the duty to prosecute any complaint issued under subsection (b).

(2) An administrative law judge shall conduct a hearing on the record with respect to any complaint issued under this title. The hearing shall be commenced within 60 days after the issuance of such complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) Findings and Conclusions.—(1) After the hearing conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, upon a finding of a violation, shall issue an order for relief as provided in section 109.

(2) The administrative law judge shall inform the parties, in writing, of the reason for any delay in making such findings and conclusions if such findings and conclusions are not made within 60 days after the conclusion of such hearing.

(g) Finality of Decision; Review.—(1) The decision and order of the administrative law judge shall become the final decision and order of the agency unless, upon appeal by an aggrieved party taken not more than 30 days after such action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision and the order of the agency.

(2) Not later than 60 days after the entry of such final order, any person aggrieved by such final order may seek a review of such order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—(1) If an order of the agency is not appealed under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in such court a written petition praying that such order be enforced.

(2) Upon the filing of such petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In such a proceeding, the order of the Secretary shall not be subject to review.

(3) If, upon appeal of an order under subsection (g)(2), the United States court of appeals does not reverse such order, such court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 107. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—(1) Subject to the limitations in this section, an eligible employee, any person, including a class or organization on behalf of any eligible employee, or the Secretary may bring a civil action against any employer (including any State employer) to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 106(b).

(3) If the Secretary—

(A) has approved a settlement agreement or has failed to disapprove a settlement agreement under section 106(b)(4), no civil action may be filed under paragraph (1) if such action is based upon a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 106(c)(3) or 106(c)(6), no civil action may be filed under paragraph (1) if such action is based upon a violation alleged in the complaint.

(4) Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5)(A) Except as provided in subparagraph (B), no civil action may be commenced for a violation of section 105 more than 1 year after the date of the last event constituting such violation.

(B) In any case in which—

(i) a timely charge is filed under section 106(b), and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 106(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the charging party may commence a civil action not more than 60 days after the day of such failure.

(6) The Secretary may not bring a civil action against any agency of the United States.

(7) Upon the filing of the complaint with the court, the jurisdiction of the court shall be exclusive.

(b) VENUE.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code, or

(2) in the judicial district in the State in which—

(A) the employment records relevant to such violation are maintained and administered, or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) NOTIFICATION OF THE SECRETARY; RIGHT TO INTERVENE.—A copy of the complaint in any action by an eligible employee under subsection (a) shall be served upon the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) ATTORNEYS FOR THE SECRETARY.—In any civil action under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 108. INVESTIGATION AUTHORITY.

(a) IN GENERAL.—To ensure compliance with this title, or any regulation or order issued under this title, the Secretary shall have, subject to subsection (c), the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—Any employer shall keep and preserve records in accordance with section 11(c) of such Act and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary may not under the authority of this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once during any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of section 105 or any regulation or order issued pursuant to this title, or is investigating a charge pursuant to section 106.

(d) SUBPOENA POWERS, ETC.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938.

SEC. 109. RELIEF.

(a) INJUNCTIVE.—(1) Upon finding a violation under section 106, the administrative law judge shall issue on order requiring such person to cease and desist from any act or practice which violates this title.

(2) In any civil action brought under section 107, the court may grant as relief against any employer (including any State employer) any permanent or temporary injunction, temporary restraining order, and other equitable relief as the court deems appropriate.

(b) MONETARY.—(1) Any employer (including any State employer) that violates any provision of section 105 shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to such eligible employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of (i) the amount determined under subparagraph (A), or (ii) consequential damages, not to exceed 3 times the amount determined under such subparagraph.

(2) If an employer who has violated section 105 proves to the satisfaction of the administrative law judge or the court that the act or omission which violated section 105 was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of section 105, such judge or the court may, in its discretion, reduce the amount of the liability provided for under this subsection to the amount determined under paragraph (1)(A).

(c) ATTORNEYS' FEES.—The prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs the same as a private person.

(d) LIMITATION.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 106(b) or a civil action is brought under section 107.

SEC. 110. SPECIAL RULES CONCERNING EMPLOYEES OF LOCAL EDUCATIONAL AGENCIES.

(a) IN GENERAL.—Except as otherwise provided in this section, the rights, remedies, and procedures under this Act, including the rights under section 104, shall apply to—

(1) any local educational agency (as defined in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12))) and its employees, and

(2) any private elementary and secondary school and its employees,

and shall extend throughout the period of any employee's leave under this section.

(b) LEAVE DOES NOT VIOLATE CERTAIN OTHER FEDERAL LAWS.—A local educational agency and a private elementary and secondary school shall not be in violation of the Education of the Handicapped Act (20 U.S.C. 1400 et seq.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), solely as a result of an eligible employee of such agency or school exercising such employee's rights under this Act.

(c) INTERMITTENT LEAVE FOR INSTRUCTIONAL EMPLOYEES.—(1) Subject to paragraph (2), in any case in which an employee employed principally in an instructional capacity by any such educational agency or school seeks to take leave under section 102(a)(1)(C) or 102(a)(1)(D) which is foreseeable based on planned medical treatment or supervision and the employee would be on leave for greater than 20 percent of the total number of working days in the period during which the leave would extend, the agency or school may require such employee to elect either—

(A) to take leave for periods of a particular duration, not to exceed the planned medical treatment or supervision; or

(B) to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified, and which—

(i) has equivalent pay and benefits, and

(ii) better accommodates recurring periods of leave than the employee's regular employment position.

(2) The elections described in subparagraphs (A) and (B) of paragraph (1) shall apply only with respect to an employee who complies with section 102(e)(2).

(d) RULES APPLICABLE TO PERIODS NEAR THE CONCLUSION OF AN ACADEMIC TERM.—The following rules shall apply with respect to periods of leave near the conclusion of an academic term in the case of any employee employed principally in an instructional capacity by any such educational agency or school:

(1) If the employee begins leave under section 102 more than 5 weeks before the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of at least 3 weeks duration; and

(B) the return to employment would occur during the 3-week period before the end of such term.

(2) If the employee begins leave under paragraph (1)(A), (1)(B), or (1)(C) of section 102(a)(1) during the period that commences 5 weeks before the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of greater than 2 weeks' duration; and

(B) the return to employment would occur during the 2-week period before the end of such term.

(3) If the employee begins leave under paragraph (1)(A), (1)(B), or (1)(C) of section 102 during the period that commences 3 weeks before the end of the academic term and the duration of the leave is greater than 5 working days, the agency or school may require the employee to continue to take leave until the end of such term.

(e) RESTORATION TO EQUIVALENT EMPLOYMENT POSITION.—For purposes of determinations under section 104(a)(1)(B) (relating to an employee's restoration to an equivalent position) in the case of a local educational agency or a private elementary and secondary school, such determination shall be made on the basis of established school board policies and practices, private school policies and practices, and collective bargaining agreements.

(f) REDUCTION OF THE AMOUNT OF LIABILITY.—If a local educational agency or a private elementary and secondary school which has violated title I proves to the satisfaction of the administrative law judge or the court that the agency, school, or department had reasonable grounds for believing that the underlying act or omission was not a violation of such title, such judge or court may, in its discretion, reduce the amount of the liability provided for under section 109(b)(1) to the amount determined under subparagraph (A) of such section.

SEC. 111. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places upon its premises where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer that willfully violates this section shall be assessed a civil money penalty not to exceed $100 for each separate offense.

SEC. 112. REGULATIONS.

The Secretary shall prescribe such regulations as are necessary to carry out this title (including regulations under section 106(a)) within 60 days after the date of the enactment of this Act.

TITLE II—FAMILY LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. FAMILY AND TEMPORARY MEDICAL LEAVE.

(a) IN GENERAL.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER V—FAMILY AND TEMPORARY MEDICAL LEAVE

"§6381. Definitions.

"For purposes of this subchapter—

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

whose employment is other than on a temporary or intermittent basis;

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition which involves—

"(A) inpatient care in a hospital, hospice, or residential health care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider;

"(3) 'child' means an individual who is—

"(A) a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, and

"(B)(i) under 18 years of age, or

"(ii) 18 years of age or older and incapable of self-care because of mental or physical disability; and

"(4) 'parent' means a biological, foster, or adoptive parent, a parent-in-law, a stepparent, or a legal guardian.

"§6382. Family leave

"(a) Leave under this section shall be granted on the request of an employee if such leave is requested—

"(1) because of the birth of a child of the employee;

"(2) because of the placement for adoption or foster care of a child with the employee; or

"(3) in order to care for the employee's child, spouse, or parent who has a serious health condition.

"(b) Leave under this section—

"(1) shall be leave without pay;

"(2) may not, in the aggregate, exceed the equivalent of 18 administrative workweeks of the employee during any 24-month period; and

"(3) shall be in addition to any annual leave, sick leave, temporary medical leave, or other leave or compensatory time off otherwise available to the employee.

"(c) An employee may elect to use leave under this section—

"(1) immediately before or after (or otherwise in coordination with) any period of annual leave, or compensatory time off, otherwise available to the employee;

"(2) under a method involving a reduced workday, a reduced workweek, or other alternative work schedule;

"(3) on either a continuing or intermittent basis; or

"(4) any combination thereof

"(d) Notwithstanding any other provision of this section—

"(1) a request for leave under this section based on the birth of a child may not be granted if, or to the extent that, such leave would be used after the end of the 12-month period beginning on the date of such child's birth; and

"(2) a request for leave under this section based on the placement for adoption or foster care of a child may not be granted if, or to the extent that, such leave would be used after the end of the 12-month period beginning on the date on which such child is so placed.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee—

"(A) shall make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's child, spouse, or parent; and

"(B) shall provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"§6383. Temporary medical leave

"(a) An employee who, because of a serious health condition, becomes unable to perform the functions of such employee's position shall, on request of the employee, be entitled to leave under this section.

"(b) Leave under this section—

"(1) shall be leave without pay;

"(2) shall be available for the duration of the serious health condition of the employee involved, but may not, in the aggregate, exceed the equivalent of 26 administative workweeks of the employee during any 12-month period; and

"(3) shall be in addition to any annual leave, sick leave, family leave, or other leave or compensatory time off otherwise available to the employee.

"(c) An employee may elect to use leave under this section—

"(1) immediately before or after (or otherwise in coordination with) any period of annual leave, sick leave, or compensatory time off otherwise available to the employee;

"(2) under a method involving a reduced workday, a reduced workweek, or other alternative work schedule;

"(3) on either a continuing or intermittent basis; or

"(4) any combination thereof.

"(d) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee—

"(1) shall make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider; and

"(2) shall provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"§6384. Certification

"(a) An employing agency may require that a request for family leave under section 6382(a)(3) or temporary medical leave under section 6383 be supported by certification issued by the health care provider of the employee or of the employee's child, spouse, or parent, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) Such certification shall be sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the medical facts within the provider's knowledge regarding the condition; and

"(4) for purposes of section 6383, a statement that the employee is unable to perform the functions of the employee's position.

"§6385. Job protection

"An employee who uses leave under section 6382 or 6383 of this title is entitled to be restored to the position held by such employee immediately before the commencement of such leave.

"§6386. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with such employee's rights under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or effecting or threatening to effect any reprisal (such as deprivation or appointment, promotion, or compensation).

"§6387. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6382 or 6383 of this title may elect to continue the employee's health benefits enrollment while in such leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through that individual's employing agency, the appropriate employee contributions.

"§6388. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Family and Medical Leave Act of 1991.".

(2) The table of sections for chapter 63 of title 5, United States Code, is amended by adding at the end the following:

"SUBCHAPTER V—FAMILY AND TEMPORARY MEDICAL LEAVE

"6381. Definitions.
"6382. Family leave.
"6383. Temporary medical leave.
"6384. Certification.
"6385. Job protection.
"6386. Prohibition of coercion.
"6387. Health insurance.
"6388. Regulations."

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (C); and

(2) by adding after subparagraph (D) the following:

"(E) subchapter V of chapter 63; or".

TITLE III—COMMISSION ON LEAVE

SEC. 301. ESTABLISHMENT.

There is established a commission to be known as the Commission on Leave (hereinafter in this Act referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to leave,

(B) the potential costs, benefits, and impact on productivity of such policies on businesses which employ fewer than 50 employees, and

(C) alternative and equivalent State enforcement of this Act with respect to employees described in section 110; and

(2) within 2 years after the date on which the Commission first meets, submit a report to the Congress, which may include legislative recommendations concerning coverage of businesses which employ fewer than 50 employees and alternative and equivalent State enforcement of this Act with respect to employees described in section 110.

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—The Commission shall be composed of 12 voting members and 2 ex-officio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(1) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(2) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one Member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(3)(A) Two members each shall be appointed by—

(i) the Speaker of the House of Representatives,

(ii) the majority leader of the Senate,

(iii) the minority leader of the House of Representatives, and

(iv) the minority leader of the Senate.

(B) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of small business.

(4) The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among its members.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not more than 30 days after the date on which members are appointed, and the Commission shall meet thereafter upon the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this Act. Upon the request of the chairperson or vice chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out its duties.

(e) USE OF FACILITIES AND SERVICES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(f) PERSONNEL FROM OTHER AGENCIES.—Upon the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out its duties.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of its report to the Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTIDISCRIMINATION LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) STATE AND LOCAL LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to supersede any provision of any State and local law which provides greater employee leave rights than the rights established under this Act or any amendment made by this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act or any amendment made by this Act shall be construed to diminish an employer's obligation to comply with any collective-bargaining agreement or any employment benefit program or plan which provides greater family and medical leave rights to employees than the rights provided under this Act or any amendment made by this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act or any amendment made by this Act may not be diminished by any collective bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act or any amendment made by this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies which comply with the requirements under this Act or any amendment made by this Act.

SEC. 404. EFFECTIVE DATES.

(a) TITLE III.—Title III shall take effect on the date of the enactment of this Act.

(b) OTHER TITLES.—(1) Except as provided in paragraph (2), titles I and II and this title shall take effect 6 months after the date of the enactment of this Act.

(2) In the case of a collective bargaining agreement in effect on the effective date prescribed by paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement; or

(B) the date which occurs 12 months after the date of the enactment of this Act.

SEC. 405. REGULATIONS.

The Secretary shall prescribe such regulations as are necessary to carry out this title within 60 days after the date of the enactment of this Act.

TITLE V—COVERAGE OF CONGRESSIONAL EMPLOYEES

SEC. 501. LEAVE FOR CERTAIN CONGRESSIONAL EMPLOYEES.

(a) IN GENERAL.—The rights and protections under sections 102 through 105 (other than section 104(b)) shall apply to any employee in an employment position and any employing authority of the House of Representatives.

(b) ADMINISTRATION.—In the administration of this section, the remedies and procedures under the Fair Employment Practices Resolution shall be applied.

(c) DEFINITION.—As use in this section, the term "Fair Employment Practices Resolution" means the resolution in rule LI of the Rules of the House of Representatives.

The CHAIRMAN. No amendment to said substitute, as modified, shall be in order except those amendments printed in part 2 of House Report 102–303. Said amendments shall be considered in the order and manner specified in said report, shall be considered as having been read, and shall not be subject to amendment. Debate time specified for each amendment shall be equally divided and controlled by the proponent of the amendment and a Member opposed thereto. If more than one amendment is adopted, only the latter amendment adopted will be considered as finally adopted and reported back to the House.

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AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STENHOLM

Mr. STENHOLM. Madam Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. STENHOLM: Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "American Family Protection Act of 1991".

SEC. 2. PURPOSE.

The purpose of this Act is to facilitate stability in United States families by providing reemployment opportunities for eligible individuals who leave employment for legitimate family purposes.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" have the meaning given the terms in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE INDIVIDUAL.—The term "eligible individual" means an individual who meets the criteria established in paragraphs (1) through (5) of section 4(a).

(3) EMPLOYEE.—The term "employee" has the meaning given the term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)).

(4) EMPLOYER.—The term "employer" means any person engaged in commerce or in any industry or activity affecting commerce.

(5) IMMEDIATE FAMILY MEMBER.—The term "immediate family member" means—

(A) a child of a parent;

(B) a current, legally recognized spouse; or

(C) a parent.

(6) LEGITIMATE FAMILY PURPOSE.—The term "legitimate family purpose" means a purpose described in paragraph (1)(B), (2), or (3) of section 4(c).

(7) ORIGINAL POSITION.—The term "original position" means the position described in section 4(a)(2).

(8) PARENT.—The term "parent" means a biological, foster, or adoptive parent, a parent-in-law, a stepparent, or a legal guardian.

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) SERIOUS HEALTH CONDITION.—The term "serious health condition" means—

(A) a condition caused by an accident, a disease, or another physical condition that—

(i) poses an imminent danger of death; or

(ii) requires hospice care or hospitalization; or

(B) a mental or physical condition that requires constant in-home care.

(11) SIMILAR POSITION.—The term "similar position" means a position at the same loca-

tion as the original position and with like duties and responsibilities and equivalent pay.

SEC. 4. REEMPLOYMENT RIGHTS FOR ELIGIBLE INDIVIDUALS LEAVING EMPLOYMENT FOR LEGITIMATE FAMILY PURPOSES.

(a) Reemployment Rights.—An individual shall be entitled to reemployment as described in subsection (b) if the individual—

(1) was an employee of the employer from whom reemployment is sought for not less than 2,000 hours of continuous employment during the 14-month period preceding the provision of notice under subsection (d);

(2) left a currently held position with the employer for a period of time for a legitimate family purpose, as described in subsection (c);

(3) did not accept intervening employment exceeding 17.5 hours per week with any employer during the period unless the individual has applied for reemployment under subsection (e) and has been notified under paragraph (2) of this subsection that the original or a similar position is not currently available;

(4) has provided the notice and documentation described in subsection (d); and

(5) has applied for reemployment as described in subsection (e).

(b) Reemployment.—

(1) Available employment.—Except as provided in subsections (f) through (h), an employer shall restore an eligible individual to employment in the original or a similar position, if available at the time the individual applies for reemployment under subsection (e).

(2) Subsequently available employment.—

(A) Notification by employer to employee.—Except as provided in subsections (f) through (h), if the original or a similar position is not available when an eligible individual applies for reemployment under subsection (e), an employer shall so notify the individual and subsequently shall notify the individual of the availability of a similar position that becomes available not later than 1 year after the date the individual applies for reemployment under subsection (e) and restore the individual to employment.

(B) Manner of notification.—

(i) Provision of address by employee to employer.—An eligible individual who changes address prior to the date described in subparagraph (A) shall submit the new address to the employer by certified letter.

(ii) Delivery of notification by employer to employee.—An employer shall make the notification described in subparagraph (A) by a certified letter delivered to the last address provided to the employer by an eligible individual.

(C) Timing of notification.—

(i) In general.—Except as provided in clause (ii), an employer shall allow an eligible individual, in order to respond to the notification described in subparagraph (A), not fewer than 15 days after the date that the employer relinquishes formal control of the certified letter described in subparagraph (B)(ii) to the postal service or other bona fide delivery system.

(ii) Economic reasons.—If economic necessity requires an employer to fill a similar position earlier than 15 days after the date described in clause (i), the employer shall—

(I) allow an eligible individual not fewer than 5 days after the date to respond to the notification described in subparagraph (A); and

(II) notify the individual of reasonable time limitations within which the individual must accept the offer contained in the notification and commence performance of the duties of the position.

(iii) Available alternative employment.—Notwithstanding any other provision of this section, if the same or a similar position is not available when an eligible individual applies for reemployment under subsection (e), the employer and eligible individual may agree that the eligible individual shall be employed in any available position of lesser status, benefits, or pay until the same or similar position becomes available."

(c) Period of Time for a Legitimate Family Purpose.—For the purposes of this section, a period of time for a legitimate family purpose shall include a period of time—

(1) that precedes the birth of a child—

(A) because of a serious health condition or on the advice of a physician; and

(B) for purposes directly related to the birth of the child;

(2) not to exceed 6 years and taken by a parent following the birth of a child for the purpose of caring for and nurturing the child;

(3) after adoption of a child and ending no later than 6 years after the birth of the child; or

(4) not to exceed 2 years and taken by an individual because of a serious health condition of an immediate family member for the purpose of providing necessary medical and personal care to the family member.

(d) Notice and Documentation.—In order to be eligible for reemployment under this section, an individual shall—

(1) provide to the employer a minimum of 30 days written notice that the individual desires, or finds it necessary, to leave the position for a legitimate family purpose, unless under the totality of the circumstances it is impossible for the individual to provide such notice; and

(2) promptly furnish such reasonable documentation as the employer may request of the legitimate family purpose that prompted the provision of notice under paragraph (1), unless under the totality of the circumstances it is impossible for the individual to promptly furnish the documentation.

(e) Application.—In order to be eligible for reemployment under this section, an individual shall submit a written application to the employer that demonstrates that the individual remains qualified to perform the duties and responsiblities of the original position that existed at the time the individual gave the notice described in subsection (d)(1).

(f) Prior Right of Reemployment.—If two or more eligible individuals seek to exercise reemployment rights established under this section in conflict, the individual who first made application for reemployment shall have the prior right to be restored to employment. Restoration of an eligible individual to employment shall not otherwise affect the reemployment rights of other eligible individuals wishing to be similarly restored.

(g) Exemption.—An employer shall not be subject to this section with respect to an eligible individual if—

(1) circumstances have so changed, between the time that the employer received the notice described in subsection (d)(1) and the time the individual applies for reemployment under subsection (e), as to make reemployment unreasonable; or

(2) the employer instituted formal or informal disciplinary action against the individual prior to delivery by the individual of the notice described in subsection (d)(1).

(h) Waiver.—

(1) Availability.—Absent coercion by either party, an employer and an employee of the employer may jointly agree, in writing, to vary the requirements and conditions of the reemployment rights provided under this section or substitute another arrangement or employment benefit or package of benefits for the reemployment rights provided under this section.

(2) Explanation.—

(A) Requirement of receipt.—In order for the agreement described in paragraph (1) to have effect, the employee described in paragraph (1) must receive a written explanation of the rights and remedies provided under this section before signing the agreement and must enter the agreement knowingly.

(B) Model explanation.—The Secretary shall prepare and publish in the Federal Register a model written explanation of the rights and remedies provided under this section. An employer may legibly reproduce the model explanation and generally distribute the explanation annually, or post the explanation permanently in a conspicuous place in the workplace in order to satisy the requirement described in subparagraph (A).

SEC. 5. ENFORCEMENT.

(a) Enforcement by the Secretary.—

(1) Charge.—In order to obtain enforcement of section 4 any eligible individual who believes that an employer has failed or has refused to comply with the provisions of such section shall file a charge with the Secretary within 180 days of the failure or refusal. Upon receipt, the Secretary shall investigate the charge to determine if a reasonable basis exists for the charge.

(2) Dismissal of charge.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the eligible individual and the employer named in the charge of the dismissal.

(3) Issuance of complaint.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based upon the charge and shall promptly notify the eligible individual of the issuance.

(4) Action.—If the Secretary issues a complaint under paragraph (3), the Secretary shall attempt to resolve the complaint with the employer through an informal conference. If the Secretary is unable to resolve the complaint as a result of such informal conference the Secretary may—

(A) file a civil action in the United States district court for the district in which the eligible individual described in paragraph (1) sought reemployment; or

(B) dismiss the complaint with notice to the individual and the employer named in the charge.

(5) Burden of persuasion.—In any civil action brought under paragraph (4) with respect to an eligible individual, the Secretary shall have the burden of persuasion that the individual—

(A) has satisfied the requirements in paragraphs (1) through (5) of section 4(a); and

(B) is qualified to perform the duties and responsibilities described in section 4(e).

(6) Remedy.—If a court finds, in an action brought under this subsection, that the employer has failed to comply with section 4 with respect to an eligible individual, the court may order an employer to comply with the provisions of such section and to compensate the individual for any loss of wages or benefits caused by the failure of the employer to comply with such section.

(b) Enforcement by an Eligible Individual.—

(1) ACTION.—If the Secretary issues a notice of dismissal to an eligible individual under subsection (a)(4)(B), the individual may bring a civil action in the United States district court for the district in which the individual sought reemployment.

(2) BURDEN OF PERSUASION.—An eligible individual who brings a civil action under this subsection shall have the burden of persuasion regarding the elements described in subparagraphs (A) and (B) of subsection (a)(5).

(3) REMEDY.—

(A) COMPLIANCE OR COMPENSATION.—If a court finds, in an action brought under this subsection, that an employer has failed to comply with section 4, the court may order the employer to comply with the provisions of such section and to compensate the individual for any loss of wages or benefits caused by the failure of the employer to comply with such section.

(B) ATTORNEY'S FEES.—A court may award attorney's fees to the prevailing party in an action brought under this subsection, if the court determines that the award is appropriate.

SEC. 6. CONSTRUCTION.

Section 4 shall not be construed—

(1) to grant an eligible individual any rights to seniority, status, benefits, or rates of pay beyond the rights possessed by the individual at the time the individual presented a notice to an employer under section 4(d)(1); or

(2) to impose on an employer any nonvoluntary obligation to provide training of any type, or to offer reemployment in any position, or at any other location, than that specifically stated in this Act.

SEC. 7. COVERAGE OF CONGRESSIONAL EMPLOYEES.

The rights, protections, and requirements contained in this Act shall apply to any employee in an employment position in any agency of the Congress or in the House of Representatives and shall apply to any employing authority of any agency of Congress or of the House of Representatives.

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. STENHOLM] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

Mr. FORD of Michigan. Madam Chairman, I am in opposition.

The CHAIRMAN. The gentleman from Michigan [Mr. FORD] will be recognized for 15 minutes.

The Chair now recognizes the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Madam Chairman, I yield myself 6 minutes.

Madam Chairman, my substitute is based on the American Family Protection Act, H.R. 1270, which I introduced on March 5 of this year. This bill, which has 20 cosponsors, is a flexible alternative to the inflexible mandate in H.R. 2.

Under my substitute, an employee may leave the work force for up to 6 years to care for a new child, and for up to 2 years to care for a seriously ill family member. When the former employee notifies the employer of the desire to return to the work force, he/she would be entitled to his/her old job, or a job of similar pay, seniority, and status, if such a job is available and provided he/she is qualified to perform the functions of the job. If such a job is not available at the time the employee wishes to return, he/she will be granted preferred rehire status. Preferred rehire status means that the employer would have to notify the employee of subsequently available positions, and reinstate him/her to the first available position of similar pay, status, and benefits that the employee is qualified to fill. An employer would not be required to fire a replacement worker in order to reinstate the employee returning to the work force.

My substitute allows the employee and employer even further flexibility with a waiver provision. If the employee and employer agree that a different leave arrangement or an employment benefit would be in the best interest of both, they may substitute such an agreement for the preferred rehire right. This would encourage employers to work with employees to best meet their mutual needs.

FLEXIBILITY

One of the most positive trends in the workplace has been the growth of creative work force policies and flexible benefit plans. Employers and employees have responded to the growing demands that they both face by working together to develop flexible, creative benefit packages to include benefits such as flextime, job sharing, child care, paid leave, and cafeteria plans.

I will oppose any mandated leave legislation because a federally mandated benefit can never be flexible enough to adapt to the diverse needs of employers and employees across the country.

My substitute provides the flexibility for employers and employees to work together to meet their mutual concerns. Since my substitute does not mandate an employment benefit, employers will not be forced to make offsetting cuts in other benefits. The waiver provision provides even further flexibility.

With the challenges that businesses are facing today, employers need flexibility in order to adapt to the diverse situations they face in the workplace. H.R. 2 does not provide the flexibility needed for work force planning. It forces employers to reinstate an employee immediately after the leave, regardless of the nature of the job, regardless of how serious the employer's need to plan operations with certainty. The preferential rehire approach in our substitute recognizes that employers cannot always hold jobs open for extended periods of time. Employees are given first-in-line status for the next available job for which he or she can demonstrate qualifications.

WHAT FAMILIES WANT

Those of us who have the privilege of being parents realize that we have responsibilities that extend beyond 12 weeks. A growing number of parents want to spend a year or more at home raising their children. In fact, according to the U.S. Census Bureau, 46 percent of all new mothers have not returned to the paid work force by their child's first birthday. Unlike H.R. 2, my substitute allows parents to leave the work force for the extended periods of time they want and need.

H.R. 2 WILL HURT FAMILIES

I will concede that H.R. 2 may provide assistance to some employees in meeting family responsibilities. However, I believe that it will harm many more employees than it helps. Mandating this benefit will reduce the ability of employers to offer other family-friendly benefits. The assertion that Congress can legislate a free lunch—a benefit without a cost—defies common sense. The problem with all the studies that claim that this bill will have a small cost is that they ignore the fact that not all businesses are identical. For some businesses, the cost of this bill is minimal—most of these businesses already provide the benefit in H.R. 2. However, for other businesses, the costs associated with recruiting and training a replacement employee will be tremendous.

Passage of H.R. 2 will not expand the benefit pie, it simply locks in one benefit and reduces the flexibility of employees and employers to negotiate a benefit package that is best for both.

According to a study by the Families and Work Institute, 67 percent of employers compensated for employees taking leave by reassigning their workload to other employees. In essence, this means that the employees who do not take family leave—usually low-income employees—these employees are forced to work extra hours and have less time to spend with their families while other employees are on leave.

PREFERRED REHIRE IS NOT A MANDATE

I know that some of my colleagues who agree with me on the problems of mandate may be concerned that support for this bill would be inconsistent with their opposition to mandates. This bill does not mandate an employment benefit. It provides an employment preference loosely modeled after current laws that provide for the rehire of veterans after the completion of active duty. My substitute completely eliminates the biggest flaw in H.R. 2: Mandated reinstatement after leave, regardless of the nature of the job, regardless of how serious the employer's need to plan his or her operations with certainty. Unlike H.R. 2, it does not lead down the slippery slope toward paid leave and other new categories of mandated benefits.

THIS BILL PROVIDES REAL ASSISTANCE TO FAMILIES

Preferred rehire is not an empty promise. Employees are given a guaranteed promise—a promise that prior employment will be recognized when they seek reemployment after taking extended time off to care for young children. Most employers will rehire former employees if they have a position available. My substitute sets out guidelines for employers and employees. It also requires that employers notify employees when a position becomes available.

It is important to keep in mind that H.R. 2 does nothing for the half of the work force who work for businesses with less than 50 employees. My substitute extends preferred rehire guarantees to 100 percent of the work force.

CONCLUSION

In conclusion, let me just state that I reject the assumption that assistance to families can only come at the cost of harming businesses. By supporting my substitute, Members will be able to support the principle that the workplace should be flexible; that the needs and the agreements of individual entrepreneurs and workers are more important than a Federal fiat; and more importantly, the principle that families need more than 12 weeks in order to bond.

It is my hope that this legislation encouraging employers and employees to continue the trend of cooperation in addressing family needs will further strengthen American families.

PARLIAMENTARY INQUIRY

Mr. FORD of Michigan. Madam Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. FORD of Michigan. Madam Chairman, when one looks at the amendment presented, if I were to make a point of order against the amendment on the ground of germaneness, since we are debating family medical leave and there is no family medical leave in the alleged substitute, am I correct that the Chair would have to rule that my point of order was out of order because the Rules Committee made this unique amendment in order?

The CHAIRMAN. Under the rule, all points of order are waived.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Madam Chairman, I rise in opposition to the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. STENHOLM].

The intent of the Family and Medical Leave Act is to enable workers to take care of their families during medical emergencies without jeopardizing the economic livelihood of the family.

The amendment before us provides workers with no such guarantee.

The Stenholm amendment does not entitle the worker to his or her job back. It only promises something called preferred reemployment status—something as nebulous as that, whatever it is.

Supporters of this amendment would trade off a worker's guarantee or reemployment for a longer leave period.

The real consequence of this amendment is to eliminate the basic protection that working men and women desperately need and that the Family and Medical Leave Act is intended to confer.

We must address the reality of today's world—individuals must act as both care givers and bread winners. Their jobs are crucial to the financial well-being of their families, and their presence at home may be crucial to the medical well-being of their families. It is for this reason that the guarantee of reemployment is crucial to this legislation. It enables workers to meet their responsibilities to their families, both as care givers and bread winners.

The Stenholm amendment may impose burdens on American business as great or greater than those in H.R. 2. It also fails to protect employees. For these reasons, I urge that the amendment be defeated.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chair, I rise today in opposition to H.R. 2 as reported by the committee and in support of the Stenholm substitute. The proposed mandated leave bill, H.R. 2 will significantly increase discrimination against women in the workplace. A recent Gallup survey of 1,000 members of the National Federation of Independent Business reveals that employers would be less likely to hire young women as a result of the passage of mandated leave legislation.

Workers who have no need for this type of leave will be denied some other benefit they may prefer, such as health insurance, dental plans, tuition reimbursement, or prescription drugs, because employers will have to find some way to pay for the family and medical leave mandated in the proposed legislation.

We have seen over 14 million net new jobs created in the past decade alone—more than 70 percent of these jobs were created by America's small businesses. An increasing percentage of these jobs are held by women. In fact, 65 percent of American women are currently working, more than ever before. It has been stated over and over again that one of the main purposes of the proposed mandated leave bill is to bring more women into the work force and to allow more women to remain in the work force. Do we want to roll back the clock of time and support a mandate which will have the effect of discriminating against women—those individuals that this legislation seeks to protect?

On the other hand, the Stenholm substitute does not require mandated benefits. Rather than mandating a benefit, the substitute provides an employment preference that is similar to—and actually less burdensome than—the existing veterans preference.

The Stenholm substitute permits employees to take up to 6 years of unpaid leave for the birth or adoption of a child, or up to 2 years to care for a seriously ill member of the immediate family, and be reinstated into their previous job or a similar one, provided such a position is available. If no such position is available, the substitute provides that the employer must offer the employee the first equivalent position that becomes available the next year.

This substitute allows the employee to care for family and at the same time gives an employer the flexibility to keep their business running economically. It allows for aid to families without harming business.

The substitute covers employees at all firms, regardless of the size of the firm. The concept of preferred rehire is based on the notion that the Federal Government should not tell a business how long to keep a position open. Employers will want to keep positions open as long as possible so they can reinstate an employee whom they know and who does not require training to do the job.

Madam Chair, I urge my colleagues to vote for the Stenholm substitute and against the committee bill, as well as the Gordon-Hyde substitute.

□ 1550

Mr. FORD of Michigan. Madam Chair, I yield myself 10 seconds and rise in opposition to the Stenholm amendment.

Madam Chairman, I strongly oppose the Stenholm amendment. This ought to be called the B-2 or stealth family leave amendment, because no matter how hard you look you can't find the family leave in it.

It seems the author has somehow missed the point of the bill—that parents need their jobs, even when their kids are born or get sick. The Stenholm amendment says it's OK to fire them when they're forced to take a week off from work to help their child recover from cancer surgery, as long as you put them at the top of the rehire list. If they never get their job back, that's OK, too.

Curiously, the amendment has been described as providing the right to a 6-year leave. In fact, however, if a new mother applies for her old job after 6 months, but a replacement has taken it, her right to even so little as the rehire right expires in 12 months.

This amendment is so hollow you could look for years and never find any help in it for working parents.

POINTS AGAINST STENHOLM SUBSTITUTE TO H.R. 2

First, it does not provide any job-guaranteed leave.

Second, the employment preference it provides is extremely limited: If the employer fills the leave-taker's job, her right to return expires 1 year after she applies; to be eligible, the employee has the burden of demonstrating, in writing, that she "remains qualified to perform the duties and responsibilities of the original position." (p. 7, lines 22, et seq.); the employer is exempt if "circumstances have so changed as to make reemployment unreasonable." (p. 8, lines 14—18); the employer is exempt if he "instituted formal or informal disciplinary action against the individual." (p. 8, lines 19-22); and the employer is exempt if he can get the employee to agree in writing to waive her rights, with or without compensation. (p. 8, line 24).

Third, part-time employees, two-thirds of whom are women, are excluded from coverage.

Madam Chairman, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Madam Chairman, I rise in opposition to the Stenholm substitute to the Family and Medical Leave Act.

While I certainly respect the gentleman from Texas for taking that initial step to recognize some need for job security for family medical emergencies, his substitute offers nothing in the way of real reinstatement rights, and does not provide for any continuation of health insurance during a period of leave. In that regard, Madam Chairman, the Stenholm substitute is a distinction without a difference, in that it sorely fails to create a labor standard for Family and Medical Leave and would pretty much leave employees where they are now—out in the cold when they need job protection.

This substitute provides a transparent veil of protection for families who are experiencing a dire medical emergency. If it were an addition to H.R. 2, as Congresswoman JOHNSON has proposed, it could be supported as an extended right of preferential rehire. Standing alone, the Stenholm substitute is inadequate; an empty promise to hard-working Americans, in the form of a Trojan Horse which purports to be beneficial to families but in fact delivers little or nothing.

I urge my colleagues to reject the Stenholm amendment. It is so full of loopholes for employers to deny job reinstatement that it makes a mockery of the genuine needs for working families.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Madam Chairman, I thank the gentleman for yielding this time to me.

Madam Chairman, I rise today in support of the Stenholm amendment as an original cosponsor. More accurately, however, I rise in support of the family.

Whether it be raising a young child or caring for a seriously ill family member, often Americans are forced to choose between their jobs and their families needs at home. This is a sad commentary upon our times.

What makes our Nation great, however, is our ability to change that which it sees as wrong.

Unfortunately, there are many proposed solutions that, while well intentioned, add further burdens and heavy cost to small business. Especially in these days of high unemployment, Washington cannot keep enacting feel-good legislation that hurts so bad once our businesses have to deal with it. We cannot afford to put businesses out of business as a result of complying with more costly Federal mandates.

Fortunately, we can do something to help families without hurting businesses—we can pass the Stenholm amendment.

This family protection act will allow a family member to take unpaid leave for up to 6 years to care for a new child or up to 2 years to be with a sick family member.

This would allow a family member to have the flexibility to raise his or her child until that child goes off to school, or be with an ill family member through the many months it may take to recover. When the employee is ready to go back to work, he/she would be entitled to the next available job of similar pay and status.

Madam Chairman, the Stenholm amendment offers a practical approach which strikes a balance between the true needs of the family and the needs of the employer.

All of us want to be at home with our kids, especially during those early years. Also, many of us have had serious illness in our families so we know what that is like, too.

It is time we took some practical steps toward helping Americans put their families ahead of their jobs. I urge all of my colleagues to support the American family by supporting the Stenholm amendment. Real compassion and understanding—not costly mandates.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Madam Chairman, I rise in strong support of H.R. 2, the Family and Medical Leave Act.

We have done precious little for the average American worker so far in this Congress and this bill gives us an opportunity to do something—not much, but something—for the people who elected and sent us here in the first place.

It would be hard to weaken and water down this bill any more than it has been during the past 6 years it has been under consideration in the Congress. Yet here again today we will be voting on still another compromise substitute which will pare away still more of the protections this bill would provide workers in order to make it more palatable to more Members of this body.

I want to remind my colleagues that most businesses are not even covered by this bill anymore. Small businesses with fewer than 50 employees are now completely exempted. This bill will have no effect at all on 95 percent of the businesses and 44 percent of the employees in this country. Let me repeat that: 95 percent of American businesses are completely exempt from this legislation.

The sponsors of the bill have also dramatically reduced the amount of leave that would be available to employees. When we started this process we were talking about providing 18 weeks of family leave and 26 weeks of disability leave. What we are down to now is a total of just 12 weeks of leave for any reason.

And, as from the beginning, we are only talking here about unpaid leave. Unpaid. That means that workers who are not independently wealthy are not going to be able to take the leave provided by this bill unless they absolutely have to. Unless there is a crisis, an emergency or an important family event like the birth or adoption of a child that requires them to be home for a while.

In other words, this bill is not—or should not be—a big deal.

Workers in 135 other countries—including nearly every industrialized nation and some Third World nations—already have the kind of job-protected family leave H.R. 2 would provide to Americans. In 127 nations—including some of our chief economic competitors like Japan and Germany—workers even get paid family leave. And workers in some of these countries have had these basic rights since before World War I.

Unpaid family leave is not going to be too expensive for business to bear. The General Accounting Office estimates that H.R. 2 will cost the 5 percent of businesses covered by the bill about $5 per year per employee. That amounts to a little more than a penny per day per worker. You do not get much cheaper than that. In the last Congress, George Bush and the big business PAC's said $4.35 an hour was too much to pay minimum wage workers at the bottom of our society. This week they are telling us that even a penny a day more is too much for working people. A penny a day.

So it is not a big deal. It is not a radical concept. Most American workers will not be covered by this bill. Many of those who are covered will not take the leave because they cannot afford it or do not need it. And for the few who are covered and do take the leave, H.R. 2 will not provide any great windfall or benefit—just one less problem to worry about at a time of family stress and turmoil. That is not much to ask.

Big business, however, says it is. The sponsors of this bill have worked for 6 years to come up with some kind of compromise that would be acceptable to the big business PAC's who are fighting this bill tooth and nail. But big business opposes any bill and any family and medical leave standard—no matter how short it is or how few workers it applies to. This is nothing new; 50 years ago they opposed any restrictions on child labor, and 20 years ago they said we did not need any workplace health and safety protections. And now here they are fighting for the unfettered right to fire a worker for having a baby.

That is an outrageous position that only the most fanatical advocate of shark-tank capitalism could support. This is a modest bipartisan compromise which should receive the overwhelming support of this body.

Vote for H.R. 2 and do something good for your constituents. Vote against it and you just might find your constituents giving you 52 weeks of unpaid leave come election day next November.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Madam Chairman, America has a new workplace, and America's workplace demands flexibility so that workers can meet their family responsibilities without losing their jobs.

The Gordon-Hyde substitute gives families the flexibility they need, but the Stenholm substitute does not.

Like the snake oil hucksters of old, the Stenholm substitute promises a lot, but delivers nothing.

Let us make one thing perfectly clear in this debate: The Stenholm substitute provides no guarantee whatsoever that workers will get their jobs back.

The substitute calls for 6 years leave for birth or adoption, and 2 years leave for family illness.

That sounds like a godsend, until you read the fine print.

Because that leave is not a guarantee that you will be rehired, it's only a preference.

And this preference is so riddled with exemptions that it is practically meaningless.

You only get your job back if the same or a similar job is open.

You only get your job back if the employer decides that it is "reasonable" to give it to you.

Part-time employees—two-thirds of whom are women—are not covered at all.

And let me make clear one of the most glaring omissions. In this day and age, as we are fighting hard to ensure access to health care, the Stenholm substitute would allow health insurance to lapse immediately if an employee takes leave.

Madam Chairman, if they offered you a guarantee like this in a store, you would report them to the Better Business Bureau.

If you are shopping for a quality leave bill, with a real guarantee, vote for the Gordon-Hyde substitute, which sets an essential minimum standard to aid America's families.

In the future, we will look back on this debate with amazement—wondering how Members of Congress could oppose something as commonsense as the minimum wage or child labor laws.

Let us make that day sooner, rather than later.

I urge my colleagues, do not look back with Stenholm, look forward with Gordon-Hyde.

□ 1600

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Madam Chairman, I would just like to first say my deep and sincere thanks for the great job that the gentleman from Michigan [Mr. FORD] and the gentleman from Montana [Mr. WILLIAMS] have done on this bill, and I would also like to start off by saying that, if this bill were heinous, if it were evil, if it were rigid to business, I would not be supporting it.

Madam Chairman, this bill is not bad for business. This bill is good for three reasons:

First, it is good for our middle class, and I am recently elected on this type of legislation from the Third District of Indiana. This bill benefits middle-class working people in Indiana, in Ohio, and throughout this country. Working Americans.

Second, as we hear all the clamoring and concern about health care, this is about addressing the need for health care in our country, delivery of health care in our country. The concern for newborn babies, the concern for sick grandparents, the concern for sick parents and being of a generation which I will be looking out for newborn babies and my sick parents when that day comes, I think legislation should help all of us deal with those problems.

Third, Madam Chairman, this bill is about values that we deeply care about in this country, that we speak about a lot of the floor, but do not practice sometimes.

This bill is a good vote for everybody, Madam Chairman, and I urge this body to vote for this proposal in a veto-proof margin.

Madam Chairman, I rise in support of H.R. 2, the Family and Medical Leave Act. I believe that this bill addresses profound changes in the workplace which have occurred in the last few decades. This bill provides a logical approach in resolving potential conflicts between family needs and work responsibilities by enabling employees to take up to 12 weeks of unpaid leave per year to care for a newborn child, an adopted child, or a seriously ill child, parent, or spouse. Employees may also use up to 12 weeks of unpaid leave as medical leave if they are temporarily unable to perform their jobs due to a serious health condition.

No values are more important to Americans than family and their work ethic. Working Americans should not be forced to choose between keeping their jobs and caring for a newborn or newly adopted child, a sick child, or a parent in failing health.

Demographics show that the composition of the work force has changed dramatically in the past decade. Women have entered the work force in increasing numbers and now comprise 45 percent of the U.S. labor force. Today, two-thirds of the women in the United States are forced to hold jobs outside the home due to economic necessity. Thus, the typical American family, where the father worked outside the home and the mother stayed at home to care for the children, has nearly vanished. Today, less than 10 percent of the population fits this description of a family headed by a single male breadwinner. In addition to child care responsibilities, many working families must provide care for elderly parents who are seriously ill. As society changes, we must adjust our policies to help workers fulfill their family responsibilities while maintaining their jobs.

Working mothers are not the only ones who suffer from the lack of comprehensive leave benefits. Low-income workers, part-time employees, and younger workers are among those who are part of the large group of people who will suffer from the lack of these benefits. They are hard-working Americans who are forced to choose between their jobs and their families in times of medical emergencies. Family and medical leave policies will benefit workers and employers alike by ensuring that experienced workers will return to their jobs, secure in the knowledge that their families will be cared for in times of need. Providing American workers with this sense of security will result in an increase in productivity and competitiveness in the workplace.

I believe that this legislation represents a reasonable compromise that best meets the needs of working Americans while at the same time accommodating the legitimate concerns of employers. By limiting the coverage to firms with 50 or more employees, the bill excludes more than 95 percent of all employees from coverage. The measure also requires employees to give 30 days advance notice when the need for such leave is foreseeable. Finally, the bill would not disrupt business operations since it permits employers to exempt essential personnel.

Recent surveys show that more than four-fifths of all Americans believe that employees should have the right to be with their newborn children or to care for their family members in times of emergencies or crisis without risking their jobs.

Madam Chairman, I believe that this legislation promotes fairness, stability, and economic security for American families in times of need, and addresses the legitimate concerns of the business community. By passing this bill, we can send a message to the people of America: Work and family are still important values in this country. I urge my colleagues to support this legislation.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Madam Chairman, I rise in support of the Stenholm amendment to H.R. 2. As I mentioned earlier today, in the current session I introduced my own version of this legislation which included tax incentives for employers. While I would have preferred this approach, I strongly support the flexible concept of family and medical leave which Mr. STENHOLM has developed.

The Stenholm substitute will provide job security for employees who take leave from work for a legitimate personal reason and provide greater flexibility for employers and employees in selecting benefit packages. In addition, unlike H.R. 2, the Stenholm bill would apply to all employees, regardless of the size of the company.

While expanding coverage for employees, this bill also contains important provisions designed to protect small businesses. Most importantly, this bill provides greater flexibility for employers and employees in defining the terms of employment benefit packages through an approach similar to the cafeteria plan which I have promoted.

Under the bill, absent coercion, an employer and employee may agree in writing to change the conditions of reemployment or substitute an alternative employment benefit. Thus, this legislation avoids the one-size-fits-all approach of H.R. 2, and allows employers and employees to decide for themselves which benefits best suit their individual needs.

Madam Chairman if we truly want to make available family and medical leave—if we truly want legislation which would be signed into law and not merely create fodder for a political issue at the expense of those we want to help—then we must support the Stenholm amendment.

Mr. FORD of Michigan. Madam Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Madam Chairman, I rise in strong support of H.R. 2 and in opposition to the amendment offered by the gentleman from Texas [Mr. STENHOLM], which I do not believe will accomplish the objectives that I seek, and I think this Congress seeks, and I rise in support of the Gordon-Hyde amendment that will come.

Madam Chairman, Congress has debated this bill for too long; now, we must act and act decisively for the future of American families.

This legislation is the result of uncounted hours of work by committee staff, family advocates, and the business community. The compromise agreement before us has accommodated many legitimate concerns of the business community: limiting both the companies and the number of workers which must comply with the mandated benefits. This bill has the best interests of the business community and the American family in mind. Aside from making family and medical leave voluntary, Congress could do little else, and still have a bill which adequately addressed the needs of the modern American family.

Let's finally recognize family and medical leave for what it is: the most important profamily piece of legislation in the 102d Congress. I strongly believe that many of the most serious problems facing our country today result directly from the social and economic forces pulling our families apart. How can we expect our children to learn to be responsible citizens, if we are not even responsible enough to give them 12 weeks of our time? How many of our elderly parents will be forced to suffer through illnesses alone, because we can't spare the time to help nuture those who nurtured us?

If we want to ease the terrible social ills burdening our society today, the most effective way we can do that is by supporting the American family. Vote for passage of H.R. 2, and help American families take control of their lives.

Madam Chairman, I urge support of H.R. 2, and I hope that we defeat the very well-meaning amendment offered by the distinguished gentleman form Texas [Mr. STENHOLM] .

Mr. STENHOLM, Madam Chairman, I yield 30 Texas seconds to the gentleman from Georgia [Mr. RAY].

Mr. RAY. Madam Chairman, I rise in support of the Stenholm amendment to H.R. 2, the Family and Medical Leave Act.

This amendment will put into law a hiring preference for workers who have left their jobs to care for a new born child or an ill spouse or parent. The amendment allows workers to leave the work force for up to 6 years to care for a new child and to leave for up to 2 years to care for a seriously ill family member.

The amendment would require businesses to rehire such employees at their old jobs with comparable seniority and pay, provided that such a job is available. If such a position is not immediately available, the employee would be guaranteed to be rehired for the next equivalent position that opens up.

I believe very strongly in allowing adequate time away from the job for parents of newborn or seriously ill children. I also understand that an illness can strike at any time which may prevent an employee from working for weeks, or even months. In the past, I have, personally, held jobs open for employees who have been seriously ill or wanted to be with their young children. In my opinion, enlightened employers are offering these types of benefits their workers. However, I do not believe the Federal Government should mandate the stringent requirements of H.R. 2 on businesses of different sizes in different industries.

The Federal Government, if it enacts anything, should enact a minimum requirement and allow individual employees and employers to reach a consensus on a more far-reaching policy if they desire.

The Stenholm proposal provides protection for employees and gives businesses the flexibility they need to keep their businesses running in a cost-effective manner. It is a wise amendment which deserves our support.

Madam Chairman, I strongly encourage my colleagues to support this amendment.

Mr. FORD of Michigan. Madam Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Madam Chairman, I rise in opposition to the amendment of the gentleman from Texas [Mr. STENHOLM] and in strong support of the Gordon-Hyde amendment.

Mr. FORD of Michigan. Madam Chairman, I yield the balance of my time to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Madam Chairman, I know you know this, and I know many know this: how wonderful it is to be acting on this bill.

Madam Chairman, I started with a family medical leave bill with the gentleman from Missouri [Mr. CLAY]; was it 6 years ago? Six years ago. And it is wonderful to now see one on the floor.

Let me tell my colleagues, "Do not believe the Stenholm amendment. It sounds wonderful, except unless you came to this Congress on a turnip truck and you are really, really easily spun around."

Explain to me why the gentleman from Texas would be against giving people 12 weeks leave without pay but is going to give them years without pay.

☐ 1610

Hey, come on. What they are really giving them is nothing but a preference, and that preference is not something you can put in the bank and that preference is not something you can get from a court and that preference is really nothing but a "thank you very much" and you are done. So it is a fig leaf that people can hide behind. I am honored that we have this fig leaf, because I think what it really means is that during the last 6 years most Members have understood it is very dangerous to take this well and say they are against family and medical leave, because the work place has changed so radically. It is dangerous. So they have got to be for something, so they come up with this something that is really a nothing, but they make it look like a something, and that is one of the great things that we do around here. We say, "Here's something, but it's really nothing, but maybe we can convince you with something because it's really better than the one we are pushing." But then, no, no, no. And please do not be misled by this, and please do not misconstrue it.

I also think it is terribly important that we are having a second go-around on this because I remember after President Nixon vetoed child care, it was 18 years before we got a child care bill out of here. Well, we did not override the last veto on family and medical leave, but it is an idea whose time has come so far that we are now getting another crack at it. I think people at home are going to want job-protected leave, not the preference, pie-in-the-sky idea that maybe if there is still a job years and years from now, all right. Come on, you have got to believe in the tooth fairy to believe that. And if we in the Congress believe in the tooth fairy, it is not going to work. There is no tooth fairy, and there is no Easter bunny. This is not going to work. I know that I am breaking the heart of the gentleman from Texas, but let us be honest.

We are talking about minimus things. The gentlewoman from New Jersey has gone over it, and over it, and over it. It is about job-protected, unpaid leave so parents can do their care-giver role.

I am so pleased that the gentleman from Illinois [Mr. HYDE] is going to be carrying this with the gentleman from Tennessee, and I think that is where we all ought to be. That is what it is. We should give people the right to get their job back. I ask all those Members who are toying with voting for the Stenholm amendment to please read the Wall Street Journal today.

The Wall Street Journal is not a fan of family medical leave, but it points out that in the newest survey, in America if you are a woman and have a baby and take maternity leave, you are 10 times more likely to lose your job after your medical leave than any other employee in the work place. There is a family-friendly country for you.

Madam Chairman, let us change it and let us change it with reality and not fantasy.

The CHAIRMAN. The gentleman from Texas [Mr. STENHOLM] has 2½ minutes remaining.

Mr. STENHOLM. Madam Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Madam Chairman, we are offering an alternative today, H.R. 2 and the Stenholm substitute.

When Americans were asked about this issue, 89 percent of them in a recent Penn & Schoen poll said they wanted to negotiate their own family benefits, but we in Congress are about to mandate them. When they were questioned in the Gallup poll, only 1 percent said that family leave benefits was the most important part of that package, but we in Congress are about to mandate that upon the businesses of America.

We are in a recession. When they announced the recession in Louisiana, we cheered. We felt a recession would be better than what we have been experiencing in the last 10 years. I heard the gentlewoman from Colorado speak of the President's policy as "Home Alone"—no help for families. Let me tell the Members about not two-earner families in trouble but no-earner income families in trouble in America. We have businesses that cannot hire anybody any more, and yet we are about to mandate an expensive policy on some of the businesses in America.

Here is our choice. Here is an alternative. The major bill, H.R. 2, says we have a great family leave package here, and it is going to cost somebody some money. We know it is expensive, we know it is tough, so we will only apply it to 5 percent of the businesses in America.

If it is so good, if it is so reasonable, why only 5 percent of the businesses? The answer is that you could not and you would not even dare to promote that kind of a policy for 100 percent of the businesses in America, because you would put too many small businesses out of work.

The Stenholm substitute, on the other hand, applies to 100 percent of the businesses in America. They call it snake oil, they say it is nothing, that it is a gimmick or it is a trick. Let me suggest this: If it is snake oil or a gimmick or a trick, why did we make it apply to the veterans of America?

The Stenholm amendment is patterned after the veterans' preferential rehire bill. And, yes, it works after 4 years, and it works after 8 years. It works whenever veterans come back looking for a job, and it will work for the families of America, too.

Madam Chairman, I submit the attached letter form the Family Research Council regarding the Stenholm substitute to H.R. 2.

MANDATED BENEFITS: NO; STENHOLM ALTERNATIVE: YES!

Public policymakers concerned about federal mandates on private employers should give serious consideration to a family-friendly alternative to the Family and Medical Leave Act sponsored by Congressman Charlie Stenholm (D–TX).

The Stenholm proposal, like any binding legislation passed by Congress, is a federal mandate. Unlike the much-discussed Schroeder bill, however, the Stenholm proposal is not a mandated benefit bill.

The Stenholm proposal does not duplicate the legitimate threats to business posed by the Family and Medical Leave Act. It does not require employers to hold open or create jobs, does not require businesses to continue health benefits (beyond existing COBRA requirements), and does not infringe upon an employer's firing freedom (the Stenholm proposal only affects the re-hiring of previous employees; it does not affect the review process for initial employment).

This does not mean the preferred-rehire legislation is void of substance. The Stenholm alternative gives preference in rehiring for up to six years to workers who cease employment to attend to family responsibilities. As such, the legislation strikes a balance between offering employees guaranteed job security (at a cost to time with children) and no job security (at a cost to future employability). It offers employees a binding promise that their prior employment will be recognized when they seek to be rehired after leaving the labor force to care for children.

Thus, for employed women interested in devoting more than just 12 weeks of full-time care to their young children, the Stenholm proposal offers considerable promise. Congress should not delay in adopting this pro-family alternative to the mandated benefits called for in the Family and Medical Leave Act.

Mr. STENHOLM. Madam Chairman, I yield myself the remaining 30 seconds.

Madam Chairman, I feel honored to have the opportunity to deny the snake oil and huckster charges, but I will own up to coming in on a turnip truck.

The Wall Street Journal was quoted, but I ask the Members to read the Washington Post today. It says, "Employees caring for children need more work options, study says." That is what my amendment says, work options, not Federal mandates. On September 18, "despite slump, family perks are up."

Businesses will do what is right if we give them a chance. Employees will get the family care they need if we give them the flexibility.

Mrs. LLOYD. Madam Chairman, I rise in support of the Stenholm amendment to H.R. 2. As a cosponsor to the American Family Protection Act, I feel that this plan represents a workable, reasonable and flexible approach to the family and medical leave issue.

The Stenholm amendment would provide preferential rehire status to an individual for up to 2 years to care for a seriously ill family member and up to 6 years upon the birth or adoption of a child. The bill would apply to every American worker, regardless of company size, and every American family.

By granting preferential rehire status to employees after a leave or absence due to family obligations, workers are given the opportunity to return to their old job, or to one of equal value, when it becomes available. This allows the employees who qualify to take ample time to meet their personal requirements, and allows their employers to continue to operate as efficiently and productively as possible throughout their absence.

This type of flexibility is essential given the changing dynamics of the workplace and the workforce. During these tough economic times, more women are entering the workforce out of economic necessity. In many instances, one paycheck is no longer adequate to meet a mortgage payment, feed and clothe children and put food on the table. More and more single parents are now the sole breadwinners and caretakers of their family as well.

Moreover, many individuals in the workplace have assumed primary care for the elderly parents who may be ailing or infirm and are no longer able to function independently. For those caught in the middle, the so-called sandwich generation, caring for both children and elderly parents is an immense responsibility which has taken its toll. They need some measure of relief, and responsive workplace policies are essential.

We speak often of American competitiveness, but we will never be truly competitive in the global economy until we have a strong and capable work force who can meet their family and medical needs and their workplace responsibilities. The Stenholm approach recognizes the importance of both and should be adopted. It provides employers and employees the flexibility to work together to meet their mutual concerns.

I urge my colleagues to join with me in supporting the American Family Protection Act.

Mr. CHAIRMAN, All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. STENHOLM].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECODED VOTE

Mr. STENHOLM. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 138, noes 291, not voting 5, as follows:

[Roll No. 390]

AYES—138

Allard
Archer
Baker
Barnard
Barrett
Barton
Bentley
Bilirakis
Bliley
Brewster
Broomfield
Browder
Bunning
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carr
Chandler
Clinger
Coble
Coleman (MO)
Combest
Condit
Cooper
Coughlin
Cramer
Crane
Cunningham
Dannemeyer
DeLay
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Edwards (TX)
Emerson
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goss
Gradison
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Hopkins
Houghton
Hunter
Hutto
Inhofe
Ireland
Kasich
Kolbe
Lagomarsino
Lancaster
Laughlin
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Luken
Marlenee
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Myers
Nagle
Neal (NC)
Nussle
Orton
Oxley
Parker
Paxon
Payne (VA)
Petri
Porter
Pursell
Quillen
Ray
Rhodes
Ridge
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Roth
Rowland
Santorum
Sarpalius
Saxton
Sensenbrenner
Shaw
Shuster
Smith (OR)
Smith (TX)
Solomon
Stearns
Stenholm
Stump
Sundquist
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Wolf
Wylie

NOES—291

Abercrombie
Ackerman
Alexander
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Armey
Aspin
Atkins
AuCoin
Bacchus
Ballenger
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Blackwell
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brooks
Brown
Bruce
Bryant
Burton
Bustamante
Cardin
Carper
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Costello
Cox (CA)
Cox (IL)
Coyne
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grandy
Green
Guarini
Hall (OH)
Hamilton
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Holloway
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hyde
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lantos
LaRocco
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Morrison
Murphy
Murtha
Natcher
Neal (MA)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Packard
Pallone
Panetta
Pastor
Patterson
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Richardson
Rinaldo
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Schaefer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (FL)
Zeliff
Zimmer

NOT VOTING—5

Bateman
Hatcher
Mrazek
Schulze
Young (AK)

Messrs. SKEEN, MILLER of Washington, and BURTON of Indiana changed their vote from "aye" to "no."

Messrs. MOORHEAD, BUNNING, COUGHLIN, and SARPALIUS changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider amendment No. 2, printed in House Report 102-303.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GORDON

Mr. GORDON. Madam Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. GORDON: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family and Medical Leave Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

Sec. 101. Definitions.
Sec. 102. Leave requirement.
Sec. 103. Certification.
Sec. 104. Employment and benefits protection.
Sec. 105. Prohibited acts.
Sec. 106. Investigative authority.
Sec. 107. Enforcement.
Sec. 108. Special rules concerning employees of local educational agencies.
Sec. 109. Notice.
Sec. 110. Regulations.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Leave requirement.

TITLE III—COMMISSION ON LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave policies.
Sec. 404. Regulations.
Sec. 405. Effective dates.

TITLE V—COVERAGE OF CONGRESSIONAL EMPLOYEES

Sec. 501. Coverage of the Senate.
Sec. 502. Leave for certain congressional employees.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of single-parent households and two-parent households in which the sin-

gle parent or both parents work is increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early childrearing and the care of family members who have serious health conditions;

(3) the lack of employment policies to accommodate working parents can force individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent them from working for temporary periods;

(5) due to the nature of the roles of men and womens in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects the working lives of women more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity;

(2) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child, spouse, or parent who has a serious health condition;

(3) to accomplish the purpose described in paragraphs (1) and (2) in a manner that accommodates the legitimate interests of employers;

(4) to accomplish the purposes described in paragraphs (1) and (2) in a manner that, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(5) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

SEC. 101. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" means any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any "industry affecting commerce", as defined in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE EMPLOYEE.—

(A) IN GENERAL.—The term "eligible employee" means any "employee", as defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)), who has been employed—

(i) for at least 12 months by the employer with respect to whom leave is sought under section 102; and

(ii) for at least 1,250 hours of service with such employer during the previous 12-month period.

(B) EXCLUSIONS.—The term "eligible employee" does not include—

(i) any Federal officer or employee covered under subchapter V of chapter 63 of title 5, United States Code (as added by title II of this Act); or

(ii) any employee of an employer who is employed at a worksite at which such employer employs less than 50 employees if the total number of employees employed by that employer within 75 miles of that worksite is less than 50.

(C) DETERMINATION.—For purposes of determining whether an employee meets the hours of service requirement specified in subparagraph (A)(ii), the legal standards established under section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) shall apply.

(3) EMPLOY; STATE.—The terms "employ" and "State" have the same meanings given such terms in subsections (g) and (c), respectively, of section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203 (g) and (c)).

(4) EMPLOYEE.—The term "employee" means any individual employed by an employer.

(5) EMPLOYER.—

(A) IN GENERAL.—The term "employer"—

(i) means any person engaged in commerce or in any industry or activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(ii) includes—

(I) any person who acts, directly or indirectly, in the interest of an employer to any of the employees of such employer; and

(II) any successor in interest of an employer; and

(iii) includes any "public agency", as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(B) PUBLIC AGENCY.—For purposes of subparagraph (A)(iii), a public agency shall be considered to be a person engaged in commerce or in an industry or activity affecting commerce.

(6) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a practice or written policy of an employer or through an "employee benefit plan", as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)).

(7) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine or surgery by the State in which the doctor performs such function or action; or

(B) any other person determined by the Secretary to be capable of providing health care services.

(8) PARENT.—The term "parent" means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

(9) PERSON.—The term "person" has the same meaning given such term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(10) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee.

(11) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(12) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment by a health care provider.

(13) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

SEC. 102. LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—Subject to section 103, an eligible employee shall be entitled to a total of 12 workweeks of leave during any 12-month period—

(A) because of the birth of a son or daughter of the employee and in order to care for such son or daughter;

(B) because of the placement of a son or daughter with the employee for adoption or foster care;

(C) in order to care for a son, daughter, spouse, or parent of the employee who has a serious health condition; or

(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) INTERMITTENT LEAVE.—

(A) IN GENERAL.—Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employer of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 103(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

(B) ALTERNATIVE POSITION.—If an employee seeks intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employer may require such employee to transfer temporarily to an available alternative position offered by the employer for which the employer is qualified and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(b) REDUCED LEAVE.—On agreement between the employer and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which such employee is entitled under subsection (a).

(c) UNPAID LEAVE PERMITTED.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) RELATIONSHIP TO PAID LEAVE.—

(1) UNPAID LEAVE.—If an employer provides paid leave for fewer than 12 workweeks, the additional weeks of leave necessary to attain the 12 workweeks of leave required under this title may be provided without compensation.

(2) SUBSTITUTION OF PAID LEAVE.—

(A) IN GENERAL.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or family leave of the employee for leave provided under subparagraph (A), (B), or (C) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection.

(B) SERIOUS HEALTH CONDITION.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or medical or sick leave of the employee for leave provided under subparagraph (C) or (D) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(e) FORESEEABLE LEAVE.—

(1) REQUIREMENT OF NOTICE.—In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the eligible employee shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the birth or adoption for which the leave is to be taken.

(2) DUTIES OF EMPLOYEE.—In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment, the employee—

(A) shall make a reasonable effort to schedule the treatment so as not to disrupt 'unduly the operations of the employer, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse, or parent of the employee; and

(B) shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the treatment for which the leave is to be taken.

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to leave under subsection (a) are employed by the same employer, the aggregate number of workweeks of leave to which both may be entitled may be limited to 12 workweeks during any 12-month period, if such leave is taken—

(1) under subparagraph (A) or (B) of subsection (a)(1); or

(2) to care for a sick parent under subparagraph (C) of such subsection.

SEC. 103. CERTIFICATION.

(a) IN GENERAL.—An employer may require that a claim for leave under subparagraph (C) or (D) of section 102(a)(1) be supported by a certification issued by the health care provider of the eligible employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employer.

(b) SUFFICIENT CERTIFICATION.—Certification provided under subsection (a) shall be sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

(4)(A) for purposes of leave under section 102(a)(1)(C), a statement that the eligible employee is needed to care for the son, daughter, spouse, or parent and an estimate of the amount of time that such employee is needed to care for the son, daughter, spouse, or parent; and

(B) for purposes of leave under section 102(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee; and

(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

(c) SECOND OPINION.—

(1) IN GENERAL.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 102(a)(1), the employer may require, at the expense of the employer, that the eligible employee obtain the opinion of a second health care provider designated or approved by the employer concerning any information certified under subsection (b) for such leave.

(2) LIMITATION.—A health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employer.

(d) RESOLUTION OF CONFLICTING OPINIONS.—

(1) IN GENERAL.—In any case in which the second opinion described in subsection (c) differs from the opinion in the original certification provided under subsection (a), the employer may require, at the expense of the employer, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) FINALITY.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) SUBSEQUENT RECERTIFICATION.—The employer may require that the eligible employee obtain subsequent recertifications on a reasonable basis.

SEC. 104. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—

(1) IN GENERAL.—Any eligible employee who takes leave under section 102 for the intended purpose of the leave shall be entitled, on return from such leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) LOSS OF BENEFITS.—The taking of leave under section 102 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

(3) LIMITATIONS.—Nothing in this section shall be construed to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(4) CERTIFICATION.—As a condition of restoration under paragraph (1), the employer may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work, except that nothing in this paragraph shall supersede a valid State or local law or a collective bargaining agreement that governs the return to work of employees taking leave under section 102(a)(1)(D).

(5) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 102 to periodically report to the employer on the statues and intention of the employee to return to work.

(b) EXEMPTION CONCERNING CERTAIN HIGHLY COMPENSATED EMPLOYEES.—

(1) DENIAL OF RESTORATION.—An employer may deny restoration under subsection (a) to any eligible employee described in paragraph (2) if—

(A) such denial is necessary to prevent substantial and grievous economic injury to the operations of the employer;

(B) the employer notifies the employee of the intent of the employer to deny restoration of such basis at the time the employer determines that such injury would occur; and

(C) in any case in which the leave has commenced, the employee elects not to return to employment after receiving such notice.

(2) AFFECTED EMPLOYEES.—An eligible employee described in paragraph (1) is a salaried eligible employee who is among the highest paid 10 percent of the employees employed by the employer within 75 miles of the facility at which the employee is employed.

(c) MAINTENACE OF HEALTH BENEFITS.—

(1) COVERAGE.—Except as provided in paragraph (2), during any period that an eligible employee takes leave under section 102, the employer shall maintain coverage under any "group health plan" (as defined in section 5000(b)(1) of the Internal Revenue Code of 1986) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

(2) FAILURE TO RETURN FROM LEAVE—The employer may recover the premium that the employer paid for maintaining coverage for the employee under such group health plan during any period of unpaid leave under section 102 if—

(A) the employee fails to return from leave under section 102 after the period of leave to which the employee is entitled has expired; and

(B) the employee fails to return to work for a reason other than—

(i) the continuation, recurrence, or onset of a serious health condition that entitles the employee to leave under subparagraph (C) or (D) of section 102(a)(1); or

(ii) other circumstances beyond the control of the employee.

(3) CERTIFICATION.—

(A) ISSUANCE.—An employer may require that a claim that an employee is unable to return to work because of the continuation, recurrence, or onset of the serious health condition described in paragraph (2)(B)(i) be supported by—

(i) a certification issued by the health care provider of the eligible employee, in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(D); or

(ii) a certification issued by the health care provider of the son, daughter, spouse, or parent of the employee in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(C).

(B) COPY.—The employee shall provide, in a timely manner, a copy of such certification to the employer.

(C) SUFFICIENCY OF CERTIFICATION.—

(i) LEAVE DUE TO SERIOUS HEALTH CONDITION OF EMPLOYEE.—The certification described in subparagraph (A)(i) shall be sufficient if the certification states that a serious health condition prevented the employee from being able to perform the functions of the position of the employee on the date that the leave of the employee expired.

(ii) LEAVE DUE TO SERIOUS HEALTH CONDITION OF FAMILY MEMBER.—The certification described in subparagraph (A)(ii) shall be sufficient if the certification states that the employee is needed to care for the son, daughter, spouse, or parent who has a serious health condition on the date that the leave of the employee expired.

SEC. 105. PROHIBITED RIGHTS.—

(a) INTERFERENCE WITH RIGHTS.—

(1) EXERCISE OF RIGHTS.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) DISCRIMINATION.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because such individual—

(1) Has filed any charge, or has instituted or caused to be instituted any proceedings, under or related to this title;

(2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified, or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 106. INVESTIGATIVE AUTHORITY.

(a) IN GENERAL.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, the Secretary shall have, subject to subsection (c), the investigative authority provider under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—Any employer shall keep and preserve records in accordance with section 11(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(c)) and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary shall not under the authority of this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once during any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge pursuant to section 107(b).

(d) SUBPOENA POWERS.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided for under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

SEC. 107. ENFORCEMENT.

(a) CIVIL ACTION BY EMPLOYEES.—

(1) LIABILITY.—Any employer who violates section 105 shall be liable to any eligible employee affected—

(A) for damages equal to—

(i) the amount of—

(I) any wages, salary, employment benefits, or other compensation denied or lost to such employee by reason of the violation; or

(II) in a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the employee, any actual monetary losses sustained by the employee as a direct result of the violation, such as the cost of providing care, up to a sum equal to 12 weeks of wages or salary for the employee;

(ii) the interest on the amount described in clause (i) calculated at the prevailing rate; and

(iii) an additional amount as liquidated damages equal to the sum of the amount described in clause (i) and the interest described in clause (ii), except that if an employer who has violated section 105 proves to the satisfaction of the court that the act or omission which violated section 105 was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of section 105, such court may, in the discretion of the court, reduce the amount of the liability to the amount and interest determined under clauses (i) and (ii), respectively; and

(B) for such equitable relief as may be appropriate, including, without limitation, employment, reinstatement, and promotion.

(2) STANDING.—An action to recover the damages or equitable relief prescribed in paragraph (1) may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of—

(A) the employees; or

(B) the employees and other employees similarly situated.

(3) FEES AND COSTS.—The court in such an action shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

(4) LIMITATIONS.—The right provided by paragraph (1) to bring an action by or on behalf of any employee shall terminate, unless such action is dismissed without prejudice on motion of the Secretary, on—

(A) the filing of a complaint by the Secretary of Labor in an action under subsection (d) in which—

"(i) restraint is sought of any further delay in the payment of the damages described in paragraph (1)(A) to such employee by an employer liable under paragraph (1) for the damages; or

"(ii) equitable relief is sought as a result of alleged violations of section 105; or

(B) the filing of a complaint by the Secretary in an action under subsection (b) in which a recovery is sought of the damages described in paragraph (1)(A) owing to an eligible employee by an employer liable under paragraph (1).

(b) ACTION BY THE SECRETARY.—

(1) ADMINISTRATIVE ACTION.—The Secretary shall receive, investigate, and attempt to resolve complaints of violations of section 105 in the same manner that the Secretary receives, investigates, and attempts to resolve complaints of violations of sections 6 and 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 and 207).

(2) CIVIL ACTION.—The Secretary may bring an action in any court of competent jurisdiction to recover on behalf of an eligible employee the damages described in subsection (a)(1)(A).

(3) SUMS RECOVERED.—Any sums recovered by the Secretary on behalf of an employee pursuant to paragraph (2) shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to each employee affected. Any such sums not paid to an employee because of inability to do so within a period of 3 years shall be deposited into the Treasury of the United States as miscellaneous receipts.

(c) LIMITATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), an action may be brought under subsection (a) or (b) not later than 2 years after the date of the last event constituting the alleged violation for which the action is brought.

(2) WILLFUL VIOLATION.—In the case of such action brought for a willful violation of section 105, such action may be brought within 3 years of the date of the last event constituting the alleged violation for which such action is brought.

(3) COMMENCEMENT.—In determining when an action is commenced by the Secretary under subsection (b) for the purposes of this subsection, it shall be considered to be commenced on the date when the complaint is filed.

(d) ACTION FOR INJUNCTION BY SECRETARY.—The district courts of the United States shall have jurisdiction, for cause shown, over an action brought by the Secretary to restrain violations of section 105, including actions to restrain the withholding of payment of wages, salary, employment benefits, or other compensation, plus interest, found by the court to be due to eligible employees.

SEC. 108. SPECIAL RULES CONCERNING EMPLOYEES OF LOCAL EDUCATIONAL AGENCIES.

(a) APPLICATION.—

(1) IN GENERAL.—Except as otherwise provided in this section, the rights (including the rights under section 104, which shall extend throughout the period of leave of any employee under this section), remedies, and procedures under this Act shall apply to—

(A) any "local educational agency" (as defined in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12))) and an eligible employee of the agency; and

(B) any private elementary and secondary school and an eligible employee of the school.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1):

(a) ELIGIBLE EMPLOYEE.—The term "eligible employee" means an eligible employee of an agency or school described in paragraph (1); and

(B) EMPLOYER.—the term "employer" means an agency or school described in paragraph (1).

(b) LEAVE DOES NOT VIOLATE CERTAIN OTHER FEDERAL LAWS.—A local educational agency and a private elementary and secondary school shall not be in violation of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), solely as a result of an eligible employee of such agency or school exercising the rights of such employee under this Act.

(c) INTERMITTENT LEAVE FOR INSTRUCTIONAL EMPLOYEES.

(1) IN GENERAL.—Subject to paragraph (2), in any case in which an eligible employee employed principally in an instructional capacity by any such educational agency or school seeks to take leave under subparagraph (C) or (D) of section 102(a)(1) that is foreseeable based on planned medical treatment and the employee would be on leave for greater than 20 percent of the total number of working days in the period during which the leave would extend, the agency or school may require that such employee elect either—

(A) to take leave for periods of a particular duration, not to exceed the duration of the planned medical treatment; or

(B) to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified, and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(2) APPLICATION.—The elections described in subparagraphs (A) and (B) of paragraph (1) shall apply only with respect to an eligible employee who complies with section 102(e)(2).

(d) RULES APPLICABLE TO PERIODS NEAR THE CONCLUSION OF AN ACADEMIC TERM.—The following rules shall apply with resect to periods of leave near the conclusion of an academic term in the case of any eligible employee employed principally in an instructional capacity by any such educational agency or school:

(1) LEAVE MORE THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under section 102 more than 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of at least 3 weeks duration; and

(B) the return to employment would occur during the 3-week period before the end of such term.

(2) LEAVE LESS THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under subparagraph (A), (B), or (C) of section 102(a)(1) during the period that commences 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of greater than 2 weeks duration; and

(B) the return to employment would occur during the 2-week period before the end of such term.

(3) LEAVE LESS THAN 3 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under paragraph (A), (B), or (C) of section 102(a)(1) during the period that commences 3 weeks prior to the end of the academic term and the duration of the leave is greater than 5 working days, the agency or school may require that employee to continue to take leave until the end of such term.

(e) RESTORATION TO EQUIVALENT EMPLOYMENT POSITION.—For purposes of determinations under section 104(a)(1)(B) (relating to the restoration of an eligible employee to an equivalent position), in any case of a local educational agency or a private elementary and secondary school, such determination shall be made on the basis of established school board policies and practices, private school policies and practices, and collective bargaining agreements.

(f) REDUCTION OF THE AMOUNT OF LIABILITY.—If a local educational agency or a private elementary and secondary school that has violated title I proves to the satisfaction of the administrative law judge or the court that the agency, school, or department had reasonable grounds for believing that the underlying act or omission was not a violation of such title, such judge or court may, in the discretion of the judge or court, reduce the amount of the liability provided for under section 107(a)(1)(A) to the amount and interest determined under clauses (i) and (ii), respectively, of such section.

SEC. 109. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer that willfully violates this section shall be assessed a civil money penalty not to exceed $100 for each separate offense.

SEC. 110. REGULATIONS.

Not later than 60 days after the date of enactment of this title, the Secretary shall prescribe such regulations as are necessary to carry out this title.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. LEAVE REQUIREMENT.

(a) CIVIL SERVICE EMPLOYEES.—

(1) IN GENERAL.—Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"Subchapter V—Family and Medical Leave

"§ 6381. Definitions

"For the purpose of this subchapter—

"(1) the term 'employee' means—

"(A) an employee as defined by section 6301(2) (excluding an individual employed by the Government of the District of Columbia); and

"(B) an individual described in clause (v) or (ix) of such section;

who has been employed for at least 12 months on other than a temporary or intermittent basis;

"(2) the term 'health care provider' means—

"(A) a doctor of medicine or osteopathy who is authorized to practice medicine or surgery (as appropriate) by the State in which the doctor practices; and

"(B) any other person determined by the Director of the Office of Personnel Management to be capable of providing health care services;

"(3) the term 'parent' means the biological parent of an employee or an individual who stood in loco parentis to an employee when the employee was—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability;

"(4) the term 'reduced leave schedule' means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee;

"(5) the term 'serious health condition' means a disabling illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment by a health care provider; and

"(6) the term 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6382. Leave requirement

"(a)(1) An employee shall be entitled subject to section 6383, to a total of 12 administrative workweeks of leave during any 12-month period—

"(A) because of the birth of a son or daughter of the employee and in order to care for such son or daughter;

"(B) because of the placement of a son or daughter with the employee for adoption or foster care;

"(C) in order to care for the spouse, or a son, daughter, or parent, of the employee, if such spouse, son, daughter, or parent has a serious health condition; or

"(D) because of a serious health condition that makes the employee unable to perform the functions of the employee's position.

"(2) The entitlement to leave under subparagraph (A) or (B) of paragraph (1) based on the birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3)(A) Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employing agency of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 6383(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

"(B) If an employee requests intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employing agency may require such employee to transfer temporarily to an available alternative position offered by the employing agency for which the employee is qualified and that—

"(i) has equivalent pay and benefits; and

"(ii) better accommodates recurring periods of leave than the regular position of the employee.

"(b) On agreement between the employing agency and the employee, leave under subsection (a) may be taken on a reduced leave schedule. In the case of an employee on a reduced leave schedule, any hours of leave taken by such employee under such schedule shall be subtracted from the total amount of leave remaining available to such employee under subsection (a), for purposes of the 12-month period involved, on an hour-for-hour basis.

"(c) Except as provided in subsection (d), leave granted under subsection (a) shall be leave without pay.

"(d) An employee may elect to substitute for leave under subparagraph (A), (B), (C), or (D) of subsection (a)(1) any of the employee's accrued or accumulated annual or sick leave under subchapter I for any part of the 12-week period of leave under such subparagraph, except that nothing in this subchapter shall require an employing agency to provide paid sick leave in any situation in which such employing agency would not normally provide any such paid leave.

"(e)(1) In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or placement, the employee shall provide the employing agency with not less than 30 days' notice, before the date the leave is to begin, of the employee's intention to take leave under such subparagraph, except that if the date of the birth or adoption requires a change in the date the leave is to begin and makes the notice less than 30 days, the employee shall provide such notice as is practicable.

"(2) In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on any planned medical treatment, the employee—

"(A) shall make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse, or parent of the employee; and

"(B) shall provide the employing agency with not less than 30 days' notice, before the date the leave is to begin, of the employee's intention to take leave under such subparagraph, except that if the date of the treatment requires a change in the date the leave is to begin and makes the notice less than 30 days, the employee shall provide such notice as is practicable.

"§ 6383. Certification

"(a) An employing agency may require that a request for leave under subparagraph (C) or (D) of section 6382(a)(1) be supported by certification issued by the health care provider of the employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employing agency.

"(b) A certification provided under subsection (a) shall be sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

"(4)(A) for purposes of leave under section 6382(a)(1)(C), a statement that the employee is needed to care for the son, daughter, spouse, or parent, and an estimate of the amount of time that such employee is needed to care for such son, daughter, spouse, or parent; and

"(B) for purposes of leave under section 6382(a)(1)(D), a statement that the employee is unable to perform the functions of the employee's position; and

"(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 6382(a)(1), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning any information certified under subsection (b) for such leave.

"(2) Any health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require, at the expense of the agency, that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6384. Employment and benefits protection

"(a) Any employee who takes leave under section 6382 for the intended purpose of the leave shall be entitled, upon return from such leave—

"(1) to be restored by the employing agency to the position held by the employee when the leave commenced; or

"(2) to be restored to a position with equivalent benefits, pay, status, and other terms and conditions of employment.

"(b) The taking of leave under section 6382 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

"(c) Except as otherwise provided by or under law, nothing in this section shall be construed to entitle any restored employee to—

"(1) the accrual of any seniority or employment benefits during any period of leave; or

"(2) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

"(d) As a condition to restoration under subsection (a), the employing agency may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work.

"(e) Nothing in this section shall be construed to prohibit an employing agency from requiring an employee on leave under section 6382 to report periodically to the employing agency on the status and intention of the employee to return to work.

"§ 6385. Prohibition of coercion

"(a) An employee shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6386. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 who is placed in a leave-without-pay status under section 6382 may elect to continue the health benefits enrollment of the employee while in such leave status and arrange to pay currently into the Employees Health Benefits Fund (described in section 8909), through the employing agency of the employee, the appropriate employee contributions.

"§ 6387. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Family and Medical Leave Act of 1991.".

"(2) TABLE OF CONTENTS.—The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER V—FAMILY AND MEDICAL LEAVE

"6381. Definitions.
"6382. Leave requirement.
"6383. Certification.
"6384. Employment and benefits protection.
"6385. Prohibition of coercion.
"6386. Health insurance.
"6387. Regulations.".

"(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(C)(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (C); and

(2) by adding at the end thereof the following new subparagraph:

"(E) subchapter V of chapter 63, which shall be applied so as to construe references to benefit programs to refer to applicable programs for employees paid from nonappropriated funds; or".

TITLE III—COMMISSION ON LEAVE

SEC. 301. ESTABLISHMENT.

There is established a commission to be known as the Commission on Leave (hereinafter referred to in this title as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to leave;

(B) the potential costs, benefits, and impact on productivity of such policies on employers; and

(C) alternative and equivalent State enforcement of this Act with respect to employees described in section 108(a); and

(2) not later than 2 years after the date on which the Commission first meets, prepare and submit, to the appropriate Committees of Congress, a report concerning the subjects listed in paragraph (1).

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex officio members to be appointed not later than 60 days after the date of the enactment of this Act as follows:

(A) SENATORS.—One Senator shall be appointed by the Majority Leader of the Senate, and one Senator shall be appointed by the Minority Leader of the Senate.

(B) MEMBERS OF HOUSE OF REPRESENTATIVES.—One Member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one Member of the House of Representatives shall be appointed by the Minority Leader of the House of Representatives.

(C) ADDITIONAL MEMBERS.—

(i) APPOINTMENT.—Two Members each shall be appointed by—

(I) the Speaker of the House of Representatives;

(II) the Majority Leader of the Senate;

(III) the Majority Leader of the House of Representatives; and

(IV) the Minority Leader of the Senate.

(ii) EXPERTISE.—Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purposes of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not later than 30 days after the date on which all members are appointed, and the Commission shall meet thereafter on the call of chairperson or a majority of the members.

(B) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this Act, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the chairperson or vice chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission. Any appoint shall not interrupt or otherwise affect the civil service status or privileges of the employee appointed.

(e) USE OF FACILITIES AND SERVICES.—Upon the request of the Commission, the head of any Federal agency may made available to the Commission any of the facilities and services of such agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out the duties of the Commission. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICER.—Notwithstanding section 1342 of title 31, United States Code, the chairperson of the Commission may accept for the Commission voluntary services provided by a member of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTI-DISCRIMINATION LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religious, color, national origin, sex, age, or disability.

(b) STATE AND LOCAL LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to supersede any provision of any State and local law that provides greater employee leave rights than the rights established under this Act or any amendment made by this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act or any amendment made by this Act shall be construed to diminish the obligations of an employer to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater family and medical leave rights to employees than the rights provided under this Act or any amendment made by this Act.

(b) LESS PROTECTION.—The rights provided to employees under this Act or any amendment made by this Act shall not be diminished by any collective bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act or any amendment made by this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act or any amendment made by this Act.

SEC. 404. REGULATIONS.

The Secretary of Labor shall prescribe such regulations as are necessary to carry out sections 401 through 403 not later than 60 days after the date of the enactment of this Act.

SEC. 405. EFFECTIVE DATES.

(a) TITLE III.—Title III shall take effect on the date of the enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I, II, V and this title shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date prescribed by paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement; or

(B) the date that occurs 12 months after the date of the enactment of this Act.

TITLE V—COVERAGE OF CONGRESSIONAL EMPLOYEES

SEC. 501. COVERAGE OF THE SENATE.

(a) COVERAGE.—

(1) APPLICATION.—The rights and protections established under sections 101 through 105 shall apply with respect to a Senate employee and an employing authority of the Senate.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1)—

(A) the term "eligible employee" means a Senate employee; and

(B) the term "employer" means an employing authority of the Senate.

(b) INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment, pursuant to sections 101 through 105, shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(c) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under sections 101 through 105.

(d) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under sections 101 through 105, the Select Committee on Ethics, or such other entity as the Senate may designate, should to the extent practicable apply the same remedies applicable to all other employees covered by such sections. Such remedies shall apply exclusively.

(e) EXERCISE OF RULEMAKING POWER.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in subsection (a) shall be within the exclusive jurisdiction of the United States Senate. The provisions of subsections (b), (c), and (d) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

SEC. 502. LEAVE FOR CERTAIN CONGRESSIONAL EMPLOYEES.

(A) IN GENERAL.—The rights and protections under sections 102 through 105 (other than section 104(b)) shall apply to any employee in an employment position and any employing authority of the House of Representatives.

(b) ADMINISTRATION.—In the administration of this section, the remedies and procedures under the Fair Employment Practices Resolution shall be applied.

(c) DEFINITION.—As used in this section, the term "Fair Employment Practices Resolution" means the resolution in rule LI of the Rules of the House of Representatives.

The CHAIRMAN. Pursuant to the rule, the gentleman from Tennessee [Mr. GORDON] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

Mr. GOODLING. Madam Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Tennessee [Mr. GORDON].

Mr. GORDON. Madam Chairman, I yield 7½ minutes to the gentleman from Illinois [Mr. HYDE], pending which I yield myself such time as I may consume, and I ask unanimous consent that the gentleman from Illinois [Mr. HYDE] be allowed to yield blocks of time.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

□ 1640

Mr. GORDON. Madam Chairman, earlier in the day I talked about why I think family and medical leave is necessary to allow American workers to be both productive on the job and responsive to their families.

I know my colleagues have heard from many distinguished Members on this topic, and I will leave that debate where it stands and turn straight to this amendment that Mr. HYDE and I are bringing to the floor.

The Gordon-Hyde amendment is modeled on the bipartisan compromise bill that passed overwhelmingly in the other body last month.

At its core is the language of last year's House-passed family and medical leave bill: 12 weeks of unpaid, job-protected leave for the birth or adoption of a child, for the employees own serious illness, or for the illness of a child, parent, or spouse; small businesses with less than 50 employees are exempt; and key employees are exempt.

The Gordon-Hyde language has taken some extra steps to meet the remaining concerns of business. Among these: it raises the minimum hours needed to qualify from 20 to 25 per week; it cuts employer liability in half; it requires employees to give 30 days notice when the leave is foreseeable; and finally, it further tightens the definition of a serious health condition.

This is not a perfect bill. It is not necessarily the bill I would choose to put before you.

But it is a bill that is the product of much work and thought, and a result of bipartisan compromise.

Every effort has been made to meet the legitimate concerns of both business and the American worker. Strong conservative family advocates like HENRY HYDE in the House and KIT BOND in the Senate have joined with the committee to fine tune this bill.

So let there not be any misunderstanding in this Chamber, or in the homes of our constituents across the country, about the question before us now.

The question is simply this: Do you support the American worker's right to both care for their family and hold a job?

Either you support the concept or you don't.

If you believe in giving American workers the flexibility to care for their families in a time of crisis without risking the loss of their jobs, then vote for this amendment.

If you believe that the parent who has just gotten a call saying that their child's leukemia test has come back positive should have the right to go to that child and still keep their job, then vote for this amendment.

If you believe that the worker whose mother is in intensive care should be able to sit by her bedside without the additional worry that their job may be taken away, then vote for this amendment.

But if you choose to vote against this amendment, then be prepared to tell the parent of that child with leukemia, the worker whose mother is in ICU, that you do think family and medical leave is a good idea but you voted against it because it just should not be voluntary, or maybe it should be 12 weeks instead of 11, or maybe someone else should be covered.

You can run from this issue but you can't hide. It's too late for excuses.

For 7 years now this bill has been before us. There have been hours and hours of debate and hearings, all to try and work out the best compromise possible, all to bring this compromise before you so that the United States will no longer be the only industrialized country in the world with no family medical leave policy.

So if you believe that American workers should have this option, then voting for this amendment is your chance to make it a reality.

Because realistically, this amendment is the only chance we have to enact a real family and medical leave bill. It is veto proof in the other body. Now you can make it veto proof in the House.

Madam Chairman, section 107(a)(3) of the substitute states that a court shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, among other fees and costs, to be paid by the defendant. This particular provision is modeled after section 216(b) of the Fair Labor Standards Act [FLSA], and therefore should be interpreted in the same way as the FLSA. According to the Federal courts, the award of attorney's fees under the FLSA is mandatory and unconditional. A court has no discretion to deny fees to a prevailing plaintiff; its discretion extends only to the amount allowed. *Christiansburg Garment Co.* v. *E.E.O.C.*, 434 U.S. 412, 415 n.5 (1978); *Shelton* v. *Ervin*, 830 F.2d 182, 184 (11th cir. 1987); *United Slate, Tile and Composition Roofers* v. *G & M Roofing*, 732 F.2d 495, 501 (6th cir. 1984); *Hagelthorn* v. *Kennecott Corp.*, 710 F.2d 76, 86 (2d cir. 1983); *Graham* v. *Henegar*, 640 F.2d 732, 736 (5th cir. 1981) (en banc). The intent of the language is that the award of a reasonable attorney's fee is governed by the FLSA standard as enunciated by the Federal courts.

Although rule 11 of the Federal Rules of Civil Procedure also permits the award of fees against a plaintiff who files a frivolous action, such a sanction is available against a plaintiff only when, according to the words of the U.S. Supreme Court in *Christiansburg Garment Co.* v. *E.E.O.C.*, 98 S.Ct. at 701, "A court finds that his claim was frivolous unreasonable, or groundless, or that the plaintiff continued to litigate after it clearly became so."

The substitute also provides for reasonable expert witness fees, in addition to any judgment awarded to the plaintiff, to be paid by the defendant. This provision comes in direct response to the Supreme Court's holding in *West Virginia University Hospitals, Inc.* v. *Casey*, 111 S.Ct. 1138 (1991). In that case the Court made clear that expert witness fees will be awarded as part of attorney's fees only if explicitly authorized by statute. While we do not necessarily agree with the Court's holding in that case, in this substitute it is clear that there is explicit authorization for the award of fees for services in litigation rendered by experts.

The purpose of section 101(2)(c) is to require use of legal standards and principles applicable to section 7 of the Fair Labor Standards Act, as developed in relevant judicial precedent—and where needed for clarification, Department of Labor regulations—to determine whether an employee has worked the minimum number of hours required for eligibility in this subsection even for employees otherwise excluded or exempt from Fair Labor Standards Act coverage. This provision is further intended to incorporate, for the purpose of measuring employee family leave eligibility, the longstanding section 7 Work Measurement Rule that "hours of service" include all hours "controlled or required by the employer and pursued necessarily and primarily for the benefit of the employer," including "all the time during which an employee is necessarily required to be on the employer's premises, on duty or at a prescribed work place." Applying section 7 standards and principles to the legislation under consideration here will clarify any uncertainty about employee eligibility regarding the latter. I refer my colleagues to the U.S. Supreme Court cases cited in Labor Department section 7 Rules at 29 C.F.R. sec. 785.7, since these precedents and rules have been used successfully for well over 40 years in measuring employee eligibility for other Federal labor law benefits like overtime pay which are linked to hours of service.

Certain airline industry employees such as flight attendants are exempted from coverage by section 7 and other Fair Labor Standards Act provisions. Defining and measuring hours of service for such employees varies greatly among the carriers for compensation purposes, especially since many of these employees are paid according to the amount of time they are in the air even though their work also requires them to perform ground duties. Section 7 Work Measurement Principles shall apply to these and other employees for the limited purpose of deciding family and medical leave eligibility notwithstanding such employees' exclusion or exemption from section 7 or other FLSA provisions. Section 7 principles would apply to employees such as airline flight attendants for all time they must be on duty, in-flight or otherwise, without regard to their exemption or exclusion from section 7 itself or any other Fair Labor Standards Act provisions.

Section 102(a)(1)(A) of the substitute provides that an employee may take up to 12 workweeks of leave for the birth of a son or daughter of an employee and in order to care for such son or daughter. This provision is intended to ensure that only those parents that actually tend to their newborn children are entitled to leave. For example, a rapist who impregnates his victim would not be entitled to leave for the birth of the child just because he is its biological father. Section 102(a)(1)(A) is intended to provide leave to enable parents to bond with and develop attachments to their newborn children. Only those parents who actually provide some care for or tend to their newborn child are entitled to leave under section 102(a)(1)(A).

It is the intent of the sponsors of this bill that ERISA shall not prevent the substitution of paid leave for unpaid family leave, regardless of the source of funding for the paid leave. Thus we disagree with a recent ruling by a Wisconsin Administrative law judge that the provision of Wisconsin's State FMLA that enables employees to substitute accrued paid leave for unpaid family leave is preempted by ERISA as to an employer's ERISA plan that paid out sick leave. Passage of this legislation will further make our intent clear.

The substitute provides that either an employer or an employee may elect to substitute accrued paid leave for unpaid family or medical leave. The provisions of this Federal Family and Medical Leave Act are not preempted by ERISA.

Another recent ruling by a New Jersey lower court held that the provision of New Jersey's State family leave legislation requiring that employers continue their contributions to workers' medical coverage during leave is also preempted by ERISA. It is The intent of the sponsors of this bill that ERISA shall not prevent the continuation of employers' contributions to workers' health insurance coverage during family and medical leave.

The Family and Medical Leave Act also requires that employers continue their contributions to workers' medical coverage during leave. The provisions of this Federal FMLA quite obviously are not preempted by ERISA.

It is the intent of the sponsors of this bill that the provisions of the Employee Retirement Income Security Act of 1974, as amended, would not preempt any provisions of State family and medical leave legislation. As Federal legislation enacted subsequent to ERISA, the Family and Medical Leave Act supersedes ERISA to the extent that ERISA might be held to preempt State leave law provisions. Enactment of the Federal Family and Medical Leave Act will still allow States to provide even more generous leave protections for workers. The FMLA makes clear that State family and medical leave laws that are at least as generous as the Federal legislation are not preempted by ERISA or any other Federal law.

It is also clear that in the Gordon-Hyde substitute that when a woman is physically unable to work because of pregnancy, childbirth, or related medical conditions, she is entitled to leave for her serious health condition under section 102(a)(1)(D) of the substitute. Thus, while she is on leave for these reasons, she is entitled to any temporary disability or other compensation as the employer or other insurance may provide for these purposes.

Under the substitute once a woman is physically able to work after recuperating from childbirth and related medical conditions, she is then eligible for leave to care for her newborn child under section 102(a)(1)((A) to the extent that she has not exhausted her 12-week leave period.

The substitute adds a provision permitting employers temporarily to transfer employees taking intermittent leave for planned medical treatment to an equivalent alternative position that better accommodates intermittent leave. It is our intention that this transfer is to last only for the period that the employee is taking intermittent leave. Upon the employee's return from leave, the employee is entitled to be restored to the position held by the employee when the leave commenced or to an equivalent position.

The substitute also requires that an eligible employee provide the employer with at least 30 days' notice of the need for leave for birth, adoption, or planned medical treatment when the need for such leave is foreseeable. Such 30-day advance notice is not required in cases of medical emergency of other unforeseen events—for example, a premature birth, or sudden changes in a patient's condition that require a change in scheduled medical treatment. Similarly, parents who are waiting to adopt a child are often given very little notice of the availability of a child for placement. In these situations, it is often impossible for an employee to give 30 days' advance notice. It is the intent of the substitute that such notice will not be required in cases of emergency or unforeseen changes in the dates of birth, adoption, or planned medical treatment.

The substitute is intended to require 30 days' advance notice of the need for leave to the extent possible and practical. Employees who encounter emergency medical conditions or unforeseen schedule changes will not be precluded from taking leave if they are unable to give 30 days' advance notice.

Finally the substitute limits the definition of "serious health condition" that triggers an eligible employee's entitlement to medical leave or family leave to care for an immediate family member to include only those conditions that require inpatient care in a medical care facility or continuing treatment by a health care provider.

This definition is intended to cover conditions that affect an employee's health to the extent that he or she must be absent from work, as well as conditions that affect the health of an employee's family member such that he or she is similarly unable to participate in school or in his or her regular daily activities. Examples of such serious health conditions include but are not limited to heart attacks, most cancers, back conditions requiring extensive therapy, strokes, appendicitis, pneumonia, severe nervous disorders, and injuries caused by serious accidents on or off the job.

This definition of "serious health condition" is also intended to include emergency health conditions that require immediate short-term treatment to prevent serious aggravation of the condition or to minimize the likelihood of longer term illness, injury, or disability. Severe concussions, which often require brief but immediate medical treatment to ensure against long-term damage, provide an example of such conditions. It is the intent of the substitute to cover all such conditions.

The definition of serious health condition under the substitute also includes conditions that require intermittent visits to a health care provider for treatment, such as periodic chemotherapy treatments for a cancer patient or periodic speech therapy treatments for a child with a hearing disorder.

The definition of "serious health condition" under the substitute also includes serious, chronic physical or mental conditions that require long-term care. Examples include a worker's family member—typically an older worker's spouse or an aging parent—who has had a stroke or who suffers from Alzheimer's disease. When a worker's immediate family member suffers from such a condition, the worker may need time off to make arrangements for long-term care—such as arranging for regular home care or to arrange for a move to a nursing home—or to provide care while those arrangements are being made.

Finally the definition of "serious health condition" under the substitute includes pregnancy and childbirth. For example, a pregnant patient generally receives prenatal medical treatment on an ongoing basis and may be temporarily incapacitated due to severe morning sickness or other complications. She later receives inpatient care for the actual period of childbirth, and receives ongoing medical treatment while she recovers from childbirth—a period of about 6 to 8 weeks for a normal delivery, with longer periods necessary if complications arise.

Mr. HYDE. Madam Chairman, I yield myself such time as I may consume.

Mr. HYDE. Madam Chairman, as one who shares a conservative vision for our society, I don't think my support for family leave is aberrational, but rather that it's consistent with traditional family values.

The family supplies the moral glue that holds society together; it is the central institution that stands between us and social disintegration. And yet, if there is one overpowering reality today, it is the assault on the family from every direction.

Does anyone really doubt that the tidal wave of crime, drugs, and violence stems from the dissolution of the family?

Divorce and marital separation; children having children; an abortion culture that rides roughshod over parental rights; and a culture war where we are forced to subsidize the trashing of our most cherished sensibilities by "art" that insults and inflames rather than challenges and stimulates.

These are realities that we dare not sleepwalk through. And so, what to do?

Well, here is legislation that in a small way helps reinforce the family by humanizing the relationship between the employer and employee. Capitalism with a human face is an imperative, not an imposition.

Oh, yes, it is an intrusion—and that government truly does govern best that governs least—but the law is also a teacher, and the lesson that family leave teaches is that children and parents aren't always the last consideration as we try to fashion a caring and humane society in which to live and work. Capital formation and entrepreneurship are important to our economy, but so are the people who do the work.

We conservatives know that the struggle for freedom is the struggle against big government, but I don't trust human nature enough to be a libertarian, and I believe that, at minimum, government exists to protect the weak from the strong, and that's why, whether it's a defenseless preborn baby whose mother is using crack cocaine or a pregnant woman who needs her job, there are human values at stake that government ought to protect.

Blind adherence to an abstract principle of nonintervention has spawned isolationism in the world and isolation in the workplace. The people who need this law are the least likely to abuse it, because they need their paycheck.

This legislation ameliorates the "Sophie's Choice" a working pregnant woman must face—her job or her child.

The amendment Mr. Gordon and I are offering provides: Safeguards from abuse; a 30-day notice in nonemergency cases; 1,250 hours of minimum service plus at least 1 year of work; employers can recover the costs of an employee's share of health insurance should the employee choose not to return to work; the definition of serious health condition is tightened; and medical certification is required.

In this era of leveraged buyouts, of an impersonal labor-management structure, what's wrong with nurturing some loyalty between plant and worker? And loyalty, need I say, is always a two-way street.

Madam Chairman, this is profamily legislation. I say it's proconservative, and I hope that my colleagues will say yes to family and medical leave.

□ 1650

Mr. GOODLING. Madam Chairman, I yield myself 1 minute.

Madam Chairman, to spare everyone a lot of confusion, I want to emphasize that this substitute is simply the bill as passed by the Senate incorporating the so-called Bond substitute.

The only changes which have been made are in the sections covering Federal workers, and there the bill goes backward. The Bond and Gordon substitute does not really accomplish much, a couple of improvements covering part-time employees and imposing damages, but still it remains basically H.R. 2.

Indeed, the substitute is worse in some ways than H.R. 2 in that it expands the definition of health care provider, that key individual authorized by the bill to approve medical leave to include anyone, anyone approved by the Department of Labor.

Legislative history on the Senate side, in the other body, will follow the Gordon substitute in the form of colloquies, and that makes it clear that the bill is intended to reverse several cases which found the benefit portions of State leave laws were preempted by ERISA. This is entirely a new wrinkle in the legislation. It is highly controversial, and we certainly should not resolve it through an 11th-hour back door method.

Mr. HYDE. Madam Chairman, I yield 3 minutes, the balance of my time, to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise in support of the Hyde-Gordon substitute to H.R. 2, the Family and Medical Leave Act.

I would like to begin by expressing my admiration for the distinguished gentleman from Illinois for bringing this substitute to the floor. He brings to the issue of family and medical leave tremendous personal conviction backed up by a profound concern for the American family, which he has demonstrated time after time. He does more than give lip service to family values. And Mr. GORDON of Tennessee has been a long-time champion of this issue, giving his energy and leadership to family issues with commitment and consistency.

The Hyde-Gordon substitute is a further refinement of existing provisions in H.R. 2 that eliminate any potential for abuse of leave by employees and actually limits the number of employees who will be eligible for leave by raising the number of hours worked by part-time employees to obtain coverage by the legislation. Many of the refinements contained in the Hyde-Gordon substitute, which I will outline for the record, set a higher standard of serious illness, stricter medical certification standards, specific notice requirements of the intent to take family or medical leave, and permit employers greater flexibility in managing the employment duties of a worker who needs intermittent leave.

In total, the Hyde-Gordon substitute makes the Family and Medical Leave Act fully business friendly legislation. Because I have always attempted to find ways to ease legitimate business concerns about H.R. 2, I am pleased that this substitute is being offered, and it advances the cause of this legislation considerably. Every Member of this House should support this substitute.

The Hyde-Gordon substitute adopts the language contained in the Senate-passed version of the Family and Medical Leave Act as to title I of the legislation covering private employers, while is makes several changes to title II in the jurisdiction of the Committee on Post Office and Civil Service.

In adopting the Bond-Coats language into the substitute for H.R. 2, the House is including the following changes to this legislation.

Any potential for abuse of leave has been reduced or eliminated by restricting the definition of serious health condition to that which requires continuing treatment by a health care provider. Further, employees requesting leave to care for a seriously ill family member are required to obtain a health care provider's certification of the need for the leave. For those requesting intermittent leave, certification of the dates and duration of treatment is required. And employees must give 30 days notice of need for leave for planned medical treatment.

Employers may temporarily transfer employees taking intermittent leave for planned medical treatment to an equivalent alternative position that better accommodates intermittent leave. This helps both the employer and employee by allowing job performance rather than placing the employee on consecutive leave if they cannot perform their usual job functions. If an employee may avail of intermittent leave and still fulfill a productive role for an employer, they may do so.

An employer may substitute an employee's accrued paid sick leave for any part of the 12-week period to care for the serious health condition of a family member.

In addition, the substitute retains the key employee exemption, where the top 10 percent or highest paid five employees may be denied reinstatement if their absence would cause substantial and grevious harm to an employer's operations. This provision is designed to ensure that employers do not experience financial difficulties when highly specialized or compensated essential workers request family or medical leave.

Employers may recapture health insurance premiums paid during leave to employees who abuse the FMLA by failing to return to work after leave. There is an exception for employees who are unable to return to work because they are unable to perform the functions of the job or for other circumstances beyond the employee's control.

The minimum hours of service requirement has been raised from 1,000 to 1,259 hours per year. Employees must now work for their employer for at least 1 year and for at least 1,250 hours over the past 12 months. This works out to be about 25 hours per week before they are eligible for coverage under H.R. 2.

The enforcement provisions are parallel to those of the Fair Labor Standards Act. Damages are capped at double actual losses for employers who establish that they acted in good faith.

Additionally, Madam Chairman, there have been a number of serious arguments used in this debate. I would attempt to address two of them now.

First, it is asserted that most cannot afford to take unpaid leave. Not so. What they can't afford is to lose their jobs. And also, people will only take this leave in desperate medical emergencies. We can do no less than to give them job security.

Second, somehow, it is asserted that giving this benefit will restrict choices for other benefits. Nonsense. Studies have shown the cost of leave time is approximately $6.70 per year per employee. No alternative benefit can begin to be purchased for that price. And finally, Madam Chairman, it costs an employer more to hire and train replacements than it does to reinstate the experienced employee.

Again, this is a help to desperate, hard-working, taxpaying families who more than ever need their jobs in tough economic times.

Madam Chairman, the Hyde-Gordon substitute to H.R. 2 is a commonsense refinement of the legislation that ensures that leave will not be abused and that employers have the maximum flexibility necessary to implement the act with no adverse impact on productivity. I urge my colleagues to support the Hyde-Gordon substitute.

Mr. CLAY. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, I rise in support of the Hyde and Gordon substitute.

Madam Chairman, I rise in support of the amendment in the nature of a substitute being offered by the gentleman from Tennessee [Mr. GORDON] and the gentleman from Illinois [Mr. HYDE].

While this amendment makes further compromises than I would have prefered, it addresses the central issue of this legislation and provides workers necessary protection to care for their families without jeopardizing their employment status.

I would like to remind Members that this legislation is not extravagant. This amendment provides no more than 12 weeks of unpaid leave for family emergency and that, even may be offset by the paid leave an employee has accrued.

This amendment requires medical certification that the employee is needed to care for the ill dependent. It also requires that the employee be medically certified as unable to fulfill the requirements of his or her position before being entitled to unpaid medical leave. This legislation covers only employers of 50 or more. It thereby exempts 95 percent of the employers. Even though one-fifth of the work force and one-third of the women in the work force work part time, it exempts employees who work less than 25 hours a week. This bill provides a key employee exemption to prevent undue hinderance of business operations. GAO estimates the cost of this legislation at $5.30 per employee a year, less than 2 cents a day.

This is an extremely modest bill. Yet, for those who need its protections, it is extremely critical. I urge that you vote for the Gordon-Hyde amendment.

Mr. GOODLING. Madam Chairman, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. HENRY].

Mr. HENRY. Madam Chairman, fellow colleagues, do not be seduced. Do not be seduced by what I will call the fatal attraction amendment.

First of all, let us make very clear that this is not a compromise. This is the bill, as it came back to us from the Senate without any significant compromise whatsoever. To mask this as a compromise seems to me to be wrong.

I know that many people on my side are very surprised that a gentleman with the sagacity of the gentleman from Illinois [Mr. HYDE] would be supporting it, and that I, in turn, am opposing this bill, and this amendment.

Let me tell you why: It is well intentioned, but I do not think we understand the practical consequences. It is well intended, but I do not think we fully understand or appreciate the practical impact on the implementation.

The issue is not just the degree of cost which is passed on to employers which may not be in and of itself that much, but the fact of the matter that in the context of this economy and in the context of when employees are fighting to keep existing health benefits today, mandating leave policy and placing it ahead of medical benefits threatens existing medical benefits.

The argument was made by one of the proponents of the measure of what about the mother who has a child with leukemia and wants to spend some time with that child? I want to protect, first of all, the medical benefit for that child that that mother may or may not have. In the cases in which such benefits are provided, the more you mandate extraneous or other benefit costs, it will come at the expense either of wages or existing benefits. That is a fact.

A study published just yesterday in the Wall Street Journal points out that the lowest percentile in the last 20 years of American small businesses anticipate any salary hikes at all in the coming year. Only 16 percent of all the small businesses in the United States even anticipate salary hikes to keep their employees even with inflation.

If we mandate these kinds of benefits, what happens to salaries? What happens to existing benefits and giving preferential treatment to one benefit? Placing it ahead of the question of wages, placing it ahead of medical care seems to me a dangerous precedent.

One final point: How many of us are aware that in the Senate debate of this issue a colloquy took place in which two Senators maintained, and I would disagree with it, but it is in the RECORD, and it is a very dangerous colloquy, where Senators DODD and KOHL maintained that this measure would not have ERISA Federal preemption over the States. Now, with all the problems that we face with health care, to start mandating social and health policy, because this references medical policy by way of implementation, and exempt it from Federal ERISA preemption, it going to open a major problem for us when we deal with the fundamental problem of health care for our workers.

□ 1700

Mr. GOODLING. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Madam Chairman, in my years in Congress I do not know that I have ever seen a bill in search of a philosophy more than the bill that is in front of us today. This is not a bill to provide parental leave. This is a bill simply to override the President's veto. This is not a bill to provide family care. This is simply a bill to override the President's veto, and we will stand for anything under the title of family and parental leave if we can override the President's veto in the process.

I want to give you a short history lesson. This is the sixth bottom line on parental leave we have had in the last three Congresses. In the 100th Congress we started out with 15 employees, 18 weeks for parental, 26 weeks for medical.

In the 101st Congress, we reduced that. We said no, let us have 50 employees for the first 3 years, then 35, 10 weeks rather than 18 weeks for parental, 15 weeks rather than 26 for medical.

But then that did not have the votes, so we created a third bottom line. That was the Gordon-Weldon amendment of that session last year where we said no, let us just go to 12 weeks for everything.

Well, now we are in the 102d Congress. We started out with 50 employees and 12 weeks per year. Then we thought, well, we do not have the votes for that, so what we better do is we had better float around a new option of 100 employees in the first 2 years, then 50, 12 weeks for birth and 6 for medical, but we could not get the votes to override the President on that one, so we said let us chuck that idea altogether and let us go back to the original version of this session, but then we did not want to do that, either, so we have now come up with bottom line philosophy No. 6.

Philosophy No. 6 says that we are still going to be at 50 employees, but we are going to change the hour eligibility from 1,000 to 1,250, so now if you work 20 hours a week, you are not covered, but if you work 25 hours a week as a part timer, you are covered.

My colleagues, this is not a bill. This is not parental leave. This is simply an attempt to get the votes to override the President.

Mr. GOODLING. Madam Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Madam Chairman, I thank the gentleman for yielding me this time.

Madam Chairman, the Hyde-Gordon substitute for the Family and Medical Leave Act of 1991 is basically the same one-way-for-all personnel leave program which was vetoed by the President last year.

To begin with, let me make this very clear. The bill is much, much more than parental leave. It sets up personnel leave rules for all of America's public and private employment entities, profit and not for profit. Coverage for a child's birth or for adoption are just small parts of the arcane, vast coverage and mandates of this bill.

The substitute bill is not the Washington mandate that blithely disregards the diversity of America's public and private employment structures, as well as the choices of their employees. It ignores that both public and private employers must dovetail their particular personnel leave policies not to Washington, but to the choices of their employees and to what meets their private and their public unique missions.

This bill somehow assumes that the personnel leave policies of a dress shop in Kansas City should be the same as those covering top security personnel of the New York or Chicago police departments, as though the personnel leave policies of a trauma unit operating out of a hospital or busy fire department can be the same as one that governs hamburger flippers at McDonald's

The U.S. Department of Labor must, under this bill, oversee this latest grandiose mandate from Washington and thereby foist itself upon tens of thousands of private and public local personnel leave policies all across America.

No one has dared estimate what the costs will be.

Furthermore, any employer who innocently or otherwise breaches any of the bill's myriad provisions and resultant DOL regulations can be sued in Federal court for substantial damages, plus attorney's fees, plus expert witness fees, plus interest, plus costs, ad infinitum.

But this House, which employs over 12,000 employees, will not suffer such a judicial indignity. No siree. We have a perk. We are special. We are first-class employers because we are exempted from being dragged into Federal court for liquidated damages, et cetera, et cetera. Yet under this substitute, the employees of this House are second-class employees. They do not have the right to enforce their claims in Federal court. No day in court for them. House employees must be content to enforce their rights under this bill by appealing to the friendly House administered by your friendly Fair Employment Practices Office. That is to say, any aggrieved employee can appeal only to a panel where their rights, protections and damages will be reviewed—by who? Of course, the friendly employer, the House of Representatives. The House panel will be prosecutor, judge, and jury. But then, if you cannot trust Congress, who in the world can you possibly trust?

What is this mad malady affecting the U.S. Congress which tells us that we inside this beltway should have special treatment and know better than the rest of America's employers and employees what benefits are most important?

I think this bill is absurd. We just have to look at it and realize that we are spinning our wheels.

Madam Chairman, I think it is a bad bill. We should vote against it.

Mr. GOODLING. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Nebraska [Mr. BARRETT].

Mr. BARRETT. Madam Chairman, the debate on the Family and Medical Leave Act is somewhat disturbing. Disturbing because I don't think one will find a Member in this Chamber who finds the idea of family or medical leave objectionable. But where we part company, is when one considers the mandatory approach undertaken in this proposed substitute.

I guess I could believe that this bill is necessary, if I had streams of letters coming into my office from constituents, and not special interest groups, urging me to support this legislation. I could believe that the Gordon-Hyde substitute is necessary, if constituents were telling me that heartless employers where forcing them to work when family emergencies arise.

But, Madam Chairman, I have not heard that from my constituents, and I doubt that many in this Chamber have heard anything of the sort.

But what I have heard, is the need for flexibility in determining benefits.

As we have heard, a Gallup poll recently asked employees what their most valuable benefit might be; 99 percent chose benefits other than family or medical leave.

And perhaps the most striking example of employees wanting to determine their own course at the work place was a 1991 study—by the Penn-Schoen organization—that found that 89 percent of all adults polled in the United States, wanted to freely negotiate benefits between themselves and their bosses, and not by the imposition of a Federal mandate.

In a poll of managers of companies, we find that two-thirds said they had expanded family-friendly benefits in the last year. Nine out of ten said they were providing these benefits beyond any legal requirement.

As a member of the Select Committee on Children, Youth, and Families, which held a hearing on the needs of families in the workplace, we heard from witnesses, not the outcry of intolerance by employers of the fundamental needs of workers; but of the success and necessity for flexibility in the workplace.

Madam Chairman, I will oppose the Gordon-Hyde substitute, or any mandatory approach to providing benefits to America's workers, not because I oppose personal or health leave, but because I oppose a mandatory leave policy that is unyielding to the needs and wants of America's workers and families.

Mr. GORDON. Madam Chairman, I yield such time as he may consume to my friend, the gentleman from Nevada [Mr. BILBRAY].

Mr. BILBRAY. Madam Chairman, I rise in support of the Family and Medical Leave Act, which is long overdue.

Madam Chairman, the Family and Medical Leave Act is not just about providing workers with job protection to care for themselves or their loved ones. This bill is also about fairness for those who have the compassion to devote their time to helping a relative in need. This bill is about care givers, and this bill is about women.

Women make up the large majority of care givers in this country, and as a result they are forced to spend time away from the workplace, away from their careers, away from a productive and self-sufficient lifestyle. Simply because they have been the traditional response to an emergency at home, not to mention bearing the responsibility of childbirth. The repercussions of this will stay with them through their working years and right on through retirement. It is very difficult to work toward a pension, that is, retaining a stable and continuous job in one company, when they must return home periodically to care for a family member. As a result, fewer than one in seven older women receive income from private pensions or annuities, compared to one in three for older men.

This trend carries itself through to retirement. Since older women are even more likely than most to take time away from their jobs to assume the role of care giver, the average retired female worker had a Social Security benefit that was only 76 percent of the benefit of the average retired male. We now have a society which boasts that 14 percent of all older women are living in poverty according to the latest statistics. This, while only 8 percent of men live in poverty. We cannot allow this societal discrimination to continue, not when we have the opportunity to make the change. We must enact the family and medical leave legislation to provide for care givers, for women, the opportunity to maintain their careers, their productivity, their livelihood, and to play the role of mom without pushing them into poverty for that choice.

□ 1710

Mr. GOODLING. Madam Chairman, I yield 1 minute to the distinguished gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Madam Chairman, parental leave is a difficult issue. The concept is right on; the approach here I believe is way off, and for one simple reason: the law applies to those who simply can't handle it.

I don't have a hangup on mandated benefits, though frankly I think our priorities are way off when we bring up an issue such as parental leave before we touch health care. It's like having a second car in the garage without having a first.

My concern is not for the large companies, nor even for the middle sized ones.

My concern is for the smaller firms who are now struggling to keep their heads above water. The definition of a small business—by the Small Business Administration—is 100 employees or less. This bill drops way below that figure to a level of 50 and puts the same requirement on a small business of that size as it does on General Motors. Now that's just not right.

Concept good—law bad. I'm sorry because parental leave is something whose time has come. Can't we keep the octopus-like tentacles of the Federal Government off even the tiniest of businesses. Raise the critical mass and I'm for this needed legislation, but don't load big company costs and pounds of paperwork on those who cannot protect themselves.

Mr. GOODLING. Madam Chairman, I yield myself the remaining time.

Madam Chairman, I did not have an opportunity to see what it was we were going to debate on the floor today. I had no idea really what the bill was going to be, even when we finished in the Committee on Rules. But since I do now know what the bill is, I will be offering in the motion to recommit 8 weeks' maternity-paternity leave.

Madam Chairman, I yield back the balance of my time.

Mr. GORDON. Madam Chairman, I yield the balance of our time to the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Madam Chairman, Members of the House, I rise in support of this amendment. I want to commend the gentleman from Tennessee [Mr. GORDON] and the gentleman from Illinois [Mr. HYDE] for their work on this very important amendment. I want to also commend the Chair of the subcommittee, the Chair of committee, and the ranking members who have all worked so hard on this legislation.

Madam Chairman, the issue in this bill is very, very simple. The issue is: Do we want to have a policy in our country that says that workers will not have to choose between a newborn baby and their job? They will not have to choose between a sick child or a sick parent and their career? They will not have to choose between their duties as a family member and their obligations as a wage earner?

I think we have to say today that these choices are unacceptable when America needs the contributions of every talented worker that we have.

Madam Chairman, I urge Members to understand that all of our major industrial competitors have legislation of this kind on the books in their country. This will not make us less competitive, it will make us more competitive.

Madam Chairman, in 1972, Jane and I found out that our son had incurable cancer. We went over to Children's Hospital in St. Louis, and they delivered that news.

We were lucky; we both had jobs that allowed us to go to his side and be at his side, sometimes at night, sometimes during the workday, to see that he got through that illness. He survived.

Madam Chairman, in part he survived because we were able to be there. I have constituents in my district, and I am sure you have them in yours, who do not have employers like DICK GEPHARDT and Jane Gephardt had and will not let them go to be at the side of a desperately sick family member to try to get them through that illness.

Our country is better than that, our people are better than that, and it is time we put on our statute books a law like Germany has and a law like most other industrialized countries have, that says that if you have a problem in your family of this magnitude, you can go and be at their side, which will make you a better worker, a better family member and a better American.

Vote for this bill.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Tennessee [Mr. GORDON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. GOODLING. Madam Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 287, noes 143, not voting 4, as follows:

[Roll No. 391]

AYES—287

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Green
Guarini
Gunderson
Hall (OH)
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Hughes
Hunter
Hyde
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Long
Lowey (NY)
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Pastor
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickle
Poshard
Price
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Richardson
Rinaldo
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Tauzin
Taylor (MS)
Thomas (CA)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (FL)
Zimmer

NOES—143

Allard
Allen
Archer
Armey
Aspin
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bliley
Boehner
Broomfield
Bunning
Burton
Byron
Callahan
Camp
Chandler
Clinger
Coble
Combest
Cooper
Cox (CA)
Crane
Cunningham
Dannemeyer
DeLay
Derrick
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Emerson
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gilchrest
Gingrich
Goodling
Goss
Gradison
Grandy
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Houghton
Huckaby
Hutto
Inhofe
Ireland
Johnson (TX)
Jones (GA)
Kasich
Kolbe
Kyl
Lagomarsino
LaRocco
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lloyd
Lowery (CA)
Luken
Marlenee
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Montgomery
Moorhead
Myers
Nichols
Nussle
Olin
Oxley
Packard
Parker
Patterson
Paxon
Payne (VA)
Petri
Pickett
Porter
Pursell
Quillen
Rhodes
Ridge
Riggs
Ritter
Roberts
Rohrabacher
Roth
Santorum
Sarpalius
Saxton
Schaefer
Sensenbrenner
Shuster
Skeen
Skelton
Smith (OR)
Stallings
Stearns
Stenholm
Stump
Sundquist
Tanner
Taylor (NC)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Whitten
Wolf
Wylie
Zeliff

NOT VOTING—4

Bateman
Hatcher
Schulze
Young (AK)

□ 1736

Messrs. HEFLEY, WHITTEN, INHOFE, and LEWIS of California changed their vote from "aye" to "no."

Mr. GONZALEZ and Mr. DAVIS changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as modified, as amended.

The committee amendment in the nature of a substitute, as modified, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose, and the Speaker pro tempore [Mr. LEWIS of Georgia] having assumed the chair, Mrs. KENNELLY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2) to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition and to temporary medical leave in certain cases involving a serious health condition, with adequate protection of the employees' employment and benefit rights, and to establish a commission to study ways of providing salary replacement for employees who take any such leave, pursuant to House Resolution 275, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the Committee amendment in the nature of a substitute, as amended.

The Committee amendment in the nature of a substitute, as amended, was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GOODLING. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GOODLING moves to recommit the bill, H.R. 2, to the Committee on Education and Labor with instructions to report the same forthwith to the House with the following amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Leave Act of 1991".

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

SEC. 2. DEFINITIONS.

For purposes of this title:

(1) The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C. 141 et seq.).

(2) The terms "employ" and "State" have the meanings given such terms in sections 3(g) and 3(c), respectively, of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g), 203(c)).

(3)(A) The term "eligible employee" means any employee as defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom leave is sought under section 102 for at least—

(i) 1,250 hours of service during the previous 12-month period, and

(ii) 12 months.

(B) Such term does not include—

(i) any Federal officer or employee covered under subchapter V of chapter 63 of title 5, United States Code (as added by title II of this Act), or

(ii) any employee of an employer employed at a worksite at which such employer employs less than 50 employees if the total number of employees employed by that employer within 25 miles of that worksite is less than 50.

(4) The term "employer" means (A) any person engaged in commerce or any activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more workweeks in the current or preceding calendar year, and (B) any State or political subdivision of a State.

(5) The term "employment benefits" means all benefits provided or made available to employees by an employer, and include group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a policy or practice of an employer or through an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) The term "Secretary" means the Secretary of Labor.

SEC. 102. LEAVE REQUIREMENT.

(a) IN GENERAL.—An eligible employee shall be entitled, subject to section 103, to 8 workweeks of leave during any 12-month period—

(1) because of the birth of a son or daughter of the employee; or

(2) because of the placement of a son or daughter with the employee for adoption.

(b) LEAVE PERIOD.—

(1) The entitlement to leave under paragraph (1) or (2) of subsection (a) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement, as the case may be. Where two parents are employed by the same employer, leave may not be taken under subsection (a) by both parents at the same time.

(2) An employer may require that all leave under paragraph (1) or (2) of subsection (a) be taken by an eligible employee in one period of time and not intermittently.

(c) UNPAID.—Leave under subsection (a) may consist of unpaid leave.

(d) USE OF OTHER LEAVE.—An employer may require an eligible employee to use all available vacation leave, personal leave, or other leave (other than medical or sick leave) before using the leave provided under subsection (a). Any such leave which the employee is required to use may be deducted by the employer from the leave period due under subsection (a). An eligible employee may also elect to use all available vacation leave, personal leave, or other leave (other than medical or sick leave) before using the leave provided under subsection (a). Any such leave used may be deducted by the employer from the leave period due under subsection (a).

(e) REQUIREMENTS TREATED AS SATISFIED IF CAFETERIA PLAN PROVIDES FOR LEAVE.—The requirements of the Act shall be treated as satisfied with respect to any employee if such employee is a participant in a cafeteria plan (as defined in section 125(d) of the Internal Revenue Code of 1986) maintained by the employer, section 125(a) of such Code applies to the benefits under such plan, and one of the benefits such employee may choose under such plan is at least 8 workweeks of leave described in subsection (a).

SEC. 103. NOTIFICATION TO EMPLOYER.

(a) NOTIFICATION TO EMPLOYER.—At least 21 days before the day on which the leave provided under section 102 is to commence, an eligible employee shall notify the employer in writing of—

(1) the intent to take the leave,

(2) the date upon which leave is to commence, and

(3) the reason for taking leave.

If exigent circumstances preclude such notice, the employee shall provide as much notice as possible under the circumstances.

(b) NOTIFICATION OF INTENT TO RETURN.—An eligible employee must provide notice to the employer in writing of the employee's intended date of return from leave provided under section 102 at least 14 days before the intended date of return. If exigent circumstances preclude such notice, the employee shall provide as much notice as possible under the circumstances.

(c) FAILURE TO NOTIFY OR INADEQUATE NOTIFICATION.—(1) An employer may deny restoration under section 104 if an eligible employee fails to provide the notice required under subsections (a) and (b) or makes a false statement in such notice. If because of exigent circumstances an employee fails to provide at least 14 days written notice as required by subsection (b), the employer may delay restoration for not more than 14 days from the intended date of the employee's return. During the period of delay, the employee shall be considered to be on leave under section 102.

(2) Good faith errors in the notices described in subsections (a) and (b) shall not constitute false statements.

SEC. 104. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—(1) Except as provided in paragraph (3), any eligible employee who takes leave under section 102 for its intended purpose shall be entitled, upon return from such leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) The taking of leave under section 102 shall not result in the loss of any employment benefit earned before the date on which the leave commenced.

(3) Nothing in this section shall be construed to entitle any eligible employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(b) MAINTENANCE OF HEALTH BENEFITS.—During any period an eligible employee takes leave under section 102, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(2) of the Internal Revenue Code of 1986) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 105. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—(1) It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right provided under this title.

(2) It shall be unlawful for any employer to discharge or in any other manner discriminate against any employee for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any employee because such employee—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified, or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 106. ENFORCEMENT.

(a) ENFORCEMENT BY THE SECRETARY.—(1) If an employee files with the Secretary a charge that an employer has failed to provide leave to the employee in accordance with section 102 or has otherwise denied the employee the employee's rights under this title and files such charge within 180 days of such action by the employer, the Secretary shall investigate the charge to determine if a reasonable cause exists to believe the charge.

(2) If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the employer named in the charge of the dismissal. If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) If the Secretary issues a complaint under paragraph (2), the Secretary shall attempt to resolve the complaint with the employer through conference and conciliation. If the Secretary is unable to resolve the complaint the Secretary may file a civil action in the United States district court for the district in which the employer conducts business or dismiss the complaint with notice to the complainant and the employer. In such an action, the court may order such equitable relief, including lost back pay and benefits, as the court determines is appropriate.

(b) ENFORCEMENT BY AN EMPLOYEE.—(1) If—

(A) the Secretary determines under subsection (a)(2) that there is no reasonable basis for a charge made by an employee,

(B) the Secretary fails to resolve a complaint issued by the Secretary under subsection (a)(2) and dismisses the complaint under subsection (a)(3), or

(C) within 90 days of the date a charge is filed with the Secretary under subsection (a)(1), the Secretary has not made a determination as to whether there is a reasonable basis for the charge,

the employee who filed such charge may bring a civil action within 90 days in the United States district court for the district in which the employer named in the charge conducts business. In such an action, the court may order such equitable relief, including lost back pay and benefits, as the court determines is appropriate and may allow the prevailing party a reasonable attorney's fee.

(2) Filing of a civil action by an employee under paragraph (1) shall bar further action by the Secretary.

SEC. 107. BENEFIT SUBSTITUTION.

An employer and eligible employee may agree to substitute another form of leave or other benefit not otherwise required by law for the rights and obligations provided under this title. Any such agreement must be in writing, be knowing and voluntary on the part of the employee, and shall be in effect for a period of no longer than 2 years. At least 30 days before entering into such an agreement, the employee must also be provided with a written explanation of the provisions of this title and the leave or other benefit to be substituted therefor. An employee shall also be allowed to revoke an agreement entered into under this section within 7 days of the execution of that agreement. An agreement meeting the requirements of this section shall constitute full compliance with this title.

SEC. 108. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places upon its premises where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer that willfully violates subsection (a) shall be assessed a civil money penalty not to exceed $100 for each separate offense.

SEC. 109. REGULATIONS.

The Secretary shall prescribe such regulations as are necessary to carry out this title within 1 year after the date of the enactment of this Act.

SEC. 110. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title shall take effect 6 months after the date of the enactment of this Act.

(b) EXCEPTION.—In the case of a collective bargaining agreement in effect on the effective date prescribed by subsection (a), this title shall apply on the earlier of—

(1) the date of the termination of such agreement, or

(2) the date which occurs 12 months after the date of the enactment of this Act.

TITLE II—FAMILY LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. FAMILY AND TEMPORARY MEDICAL LEAVE.

(a) IN GENERAL.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"Subchapter V—Family and temporary medical leave

"§ 6381. Definitions

"For purposes of this subchapter 'employee' means—

"(1) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(2) an individual under clause (v) or (ix) of such section;

whose employment is other than on a temporary or intermittent basis.

"§ 6382. Family leave

"(a) An employee shall be entitled, subject to section 6383, to 8 administrative workweeks of leave during any 12-month period—

"(1) because of the birth of a son or daughter of the employee; or

"(2) because of the placement of a son or daughter with the employee for adoption.

"(b) The entitlement to leave under paragraph (1) or (2) of subsection (a) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement, as the case may be. Where two parents are employed by the same employing agency, leave may not be taken under subsection (a) by both parents at the same time.

"(c) Leave under paragraph (1) or (2) of subsection (a) may consist of unpaid leave.

"(d) The employing agency may require that all leave under paragraph (1) or (2) of subsection (a) be taken by an employee in one period of time and not intermittently.

"(e) An employing agency may require an employee to use all available vacation leave, personal leave, or other leave (other than medical or sick leave) before using the leave provided under subsection (a). Any such leave which the employee is required to use may be deducted by the employing agency from the leave period due under subsection (a). An employee may also elect to use all available vacation leave, personal leave, or other leave (other than medical or sick leave) before using the leave provided under subsection (a). Any such leave used may be deducted by the employing agency from the leave period due under subsection (a).

"§ 6383. Notification.

"(a) At least 21 days before the day on which the leave provided under section 6382 is to commence, an employee shall notify the employing agency in writing of—

"(1) the intent to take the leave,

"(2) the date upon which leave is to commence, and

"(3) the reason for taking leave.

If exigent circumstances preclude such notice, the employee shall provide as much notice as possible under the circumstances.

"(b) An employee must provide notice to the employing agency in writing of the employee's intended date of return from leave provided under section 6382 at least 14 days before the intended date of return. If exigent circumstances preclude such notice, the employee shall provide as much notice as possible under the circumstances.

"(c)(1) An employing agency may deny restoration under section 6382 if an employee fails to provide the notice required under subsections (a) and (b) or makes a false statement in such notice. If because of exigent circumstances an employee fails to provide at least 14 days written notice as required by subsection (b), the employing agency may delay restoration of the employee's position for not more than 14 days from the intended date of the employee's return.

During the period of delay, the employee shall be considered to be on leave under section 6382.

"(2) Good faith errors in the notices described in subsections (a) and (b) shall not constitute false statements.

"§ 6384. Job protection

"An employee who uses leave under section 6382 of this title is entitled to be restored to the position held by such employee immediately before the commencement of such leave.

"§ 6385. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with such employee's rights under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6386. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6382 of this title may elect to continue the employee's health benefits enrollment while in such leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through that individual's employing agency, the appropriate employee contributions.

"§ 6387. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Child Leave Act of 1991.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end the following:

"SUBCHAPTER V—FAMILY AND TEMPORARY MEDICAL LEAVE

"6381. Definitions.
"6382. Family leave.
"6383. Job protection.
"6384. Notification.
"6385. Prohibition of coercion.
"6386. Health insurance.
"6387. Regulations.

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended—

(1) in subparagraph (c), by striking "or", and

(2) by adding "or" at the end of subparagraph (D) and by adding after that subparagraph the following:

"(E) subchapter V of chapter 63; or".

SEC. 202. EFFECTIVE DATE.

The amendments made by section 201 shall take effect 6 months after the date of the enactment of this Act.

TITLE III—COVERAGE OF CONGRESSIONAL EMPLOYEES

SEC. 301. LEAVE FOR CERTAIN CONGRESSIONAL EMPLOYEES.

(a) IN GENERAL.—The rights and protections under sections 102 through 105 and section 107 shall apply to any eligible employee of an employing authority and any employing authority, as defined in section 14(2) of Rule LI of the Rules of the House of Representatives. For the purposes of this title, the term "eligible employee" means any employee who has been employed (1) for at least 12 months by the employing authority with respect to whom leave is sought under this section, and (2) for at least 1,250 hours of service with such employing authority during the previos 12-month period.

(b) ADMINISTRATION.—In the administration of this section, the remedies and procedures under the Fair Employment Practices Resolution shall be applied. As used in this subsection, the term "Fair Employment Practices Resolution" means the resolution contained in Rule LI of the Rules of the House of Representatives.

(c) EMPLOYEE ACTION.—Within 90 days of exhausting all procedures authorized under subsection (b), or after 180 days of the timely filing of a complaint under such procedures, an eligible employee may bring a civil action against the employee's employing authority in the appropriate United States district court. In any such action, the court may order such equitable relief, including lost back pay and benefits, as the court determines is appropriate, and the court may also allow a prevailing employee reasonable attorney's fees as part of the costs.

(d) RULEMAKING.—The provisions of subsection (b) are enacted by the House of Representatives as an exercise of the rulemaking power of the House of Representatives, with full recognition of the right of the House to change its rules in the same manner, and to the same extent as in the case of any other rule of the House.

SEC. 302. EFFECTIVE DATE.

Section 301 shall take effect 6 months after the date of the enactment of this Act.

Mr. GOODLING (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. GOODLING] is recognized for 5 minutes in support of his motion to recommit.

□ 1740

Mr. GOODLING. Mr. Speaker, the motion to recommit with instructions contains an 8-week maternity-paternity leave. It covers employers with 50 employees or more. Eligible employees would be entitled to 8 weeks unpaid leave, in total, during any 12-month period for the birth or adoption of a son or daughter.

The requirements of the act are satisfied with respect to an employee who participates in a cafeteria plan if such plan offers at least 8 weeks of leave for birth and adoption.

Employees would have rights to be reinstated to the same or equivalent job with no loss of benefits, except that seniority and benefits would not accrue during leave.

Under health benefits, the employee would be entitled to the same coverage, if any, offered by the employer to other employees who are on the job.

The employee must provide at least 21 days notice of intent to take leave and 14 days notice of date of return, unless the exigent circumstances are such that they cannot allow that kind of time.

As far as retaliation, retaliation for exercising rights or participating in enforcement proceedings are prohibited.

Finally, the Department of Labor is charged with enforcement.

Mr. Speaker, that is a description of the substitute that I would offer at this time with a motion to recommit back to the committee and report forth with these instructions. A more detailed description follows.

Mr. Speaker, I earlier stated that I would be offering legislation, as part of a motion to recommit, which would provide basic protections to employees for leave following the birth or adoption of a child—in contrast to the overly broad sweep of H.R. 2 and the Gordon substitute we have just considered. While I know some of my more conservative colleagues would differ with me here, I believe this is the area on which there is a broad consensus for some type of legislation.

Let me describe the proposal in some detail. The amendment would provide for 8 weeks of unpaid leave per year, for both the mother and the father, for the birth or adoption of a child. As with H.R. 2 and the substitute, employers with 50 or more employees would be covered, and eligible employees would be those with at least 1 year of service with the employer and who have worked for 1,250 hours over the previous 12-month period. As under H.R. 2 and the substitute, the employee would be entitled to reinstatement to the same or an equivalent position and health benefits would be continued during the time of leave.

An employee would have to provide 21 days notice of intent to take leave and, unlike H.R. 2 and the substitute, would require advance notice of the intended date of return to work. If exigent circumstances make the required notice impossible, notice would have to be as much as possible.

I want to, in particular, mention that employees eligible to participate in a cafeteria plan which provides a range of benefits, one of which was 8 weeks of birth or adoption leave, would not be covered by the bill. The idea here is to both provide flexibility to the employer and employee in arranging benefits and to, as importantly, provide incentives for employers to adopt cafeteria plans—something which I think we all would encourage.

In a similar vein, the proposal has an admittedly rather novel provision which would allow an employee and an employer to negotiate an employment benefit which would substitute for the leave required under this act. Of course, I recognized that there could be some potential for abuse here, so the provision has several protections built into it to protect employees. Again, the idea here is to permit some flexibility so that employers and employees can allocate resources more efficiently and address situations where the leave imposed by the bill is of no use to a particular employee, such as one who is single or has no intention of having children, or indeed someone who simply doesn't want this type of employee benefit and may have use of another type such as child care or dental insurance. The one-size-fits-all approach of H.R. 2 and the substitute is avoided here; yet basic protections are retained if no agreement between the employee and employer is struck.

Enforcement would be through the Department of Labor; and employee could file a private cause of action in court under certain circumstances where the Department basically did not pursue the case or was unable to settle it. Damages are lost backpay and benefits.

My proposal also amends title II of of the bill to apply the same basic leave provisions to the Federal work force as are applied to the private sector and State and local governments. This seems only fair—I fail to understand why we should have two standards here. In this regard, I can't help but note that the Senate's Family and Medical Leave Act also set the same standards for Federal and private sector employees. Senator BOND had a good idea here. Too bad we didn't stick with it.

Similarly, the proposal applies to the House of Representatives; enforcement would be under the Fair Employment Practices Resolution, as under H.R. 2 and the substitute, but would allow, unlike these bills a private cause of action once these procedures were exhausted. Again, there is no reason that Congress should live by a different set of rules than that imposed on the private sector.

Mr. Speaker, with that I offer this motion to recommit and hope that the Members on both sides of the aisle who are uncomfortable with the substitute that we just passed will consider this alternative.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, there are a lot of Members like myself who do not believe it is appropriate for the Government to meddle into private affairs of American working men and women who might be tempted to vote no on this motion. I would say vote yes. Let us shuttle this cart into the ditch as quickly as possible and save the freedom of our working men and women in this country.

Mr. RIGGS. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from California.

Mr. RIGGS. Mr. Speaker, I rise in strong support of the motion to recommit with instructions.

Mr. GOODLING. Mr. Speaker, I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Speaker, I rise in opposition to the motion.

Mr. Speaker, I rise only to say that I listened carefully to the arguments for the Stenholm amendment and I find that the motion to recommit has virtually every one of the provisions that the Members supporting Stenholm were objecting to. So if you voted for Stenholm, you obviously would not like this very well.

I would like to observe that the most important thing that the gentleman from Pennsylvania [Mr. GOODLING] does with his motion to recommit is change the entire nature of the bill. H.R. 2 is a family and medical leave bill. Family obligations extend beyond simply giving birth to a child. The gentleman would narrow the scope of this bill to provide 8 weeks of unpaid leave only for the birth or adoption of a child and no leave to care for a critically ill child, a critically ill parent, or a critically ill spouse.

Mr. Speaker, we never had anybody in all the 6 years we have been considering this bill seriously offer an amendment to change the thrust of the entire bill into a maternity bill as distinguished from a family leave bill.

Mrs. ROUKEMA. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentlewoman from New Jersey who fought this battle over the years.

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to this motion to recommit. I want to say that I speak as the Member who first expanded this bill from a parental leave bill to include all members of the family. It is a family leave bill.

This motion sets up a special class of only those employees who are of childbearing age. That is exactly what it does. It adopts the principle, but it decimates the coverage for all other people, for mothers of terminally ill children, for grandma and grandpa who may be in hospice care and need that kind of care. It says "yes" to mama, but "no" to all the other workers that also need this care.

Mr. Speaker, I have got to say that I think if you really understand it in those terms, that it is meanspirited and narrow, while still giving up the principles as the gentleman from Texas [Mr. ARMEY] also noted.

Mr. DORNAN of California. Mr. Speaker, I rise today in strong opposition to H.R. 2, the Family and Medical Leave Act of 1991. This legislation, proposed and supported by antibusiness and anticommonsense liberals, is simply bad legislation that will not create a single new job in America. Creating jobs should be the focus of Congress as we come out of this recession.

At a time when the American public is calling on Congress to do the right things for our Nation's economy, legislation like this is used to trick people into believing that it is fair, up to date, and most of all, good for business and for working mothers. Don't be fooled. This bill is costly, it is bad for America's competitiveness, it will create further discrimination against women in the workplace, and it will not allow for the flexibility American workers have come to expect from their labor-management negotiations.

In general, time off for childbirth, adoption, or family illness is an important benefit employers can offer employees. It is a policy I apply in my own office. It is simply good business in my view. However, I strongly object to Congress trying to mandate leave policies for America's employers and work force. Instead, policies should be introduced which provide incentives and lift legal restrictions from businesses which otherwise discourage employers from voluntarily offering more benefits to its employees. This will enable employers to provide such benefits as family and medical leave and, in the process, will preserve the elements of choice and flexibility inherent in the successful employer-employee relationship that is an integral part of our free enterprise system.

Even though the bill mandates unpaid leave, it is still costly for businesses. Businesses must find, interview, employ and train a new worker or must hire and pay a temporary worker. Lyle Spencer, of McBer and Co., estimates that these costs could range as high as 90 percent of the new employee's annual wages. The employer must also continue to pay the absent employee's health insurance, which the General Accounting Office [GAO] has estimated would cost businesses $236 million per year. A March 1991 study of 1,730 small businesses by the Small Business Administration [SBA] concluded that the costs of offering 12 weeks of maternity and infant-care leave and providing health insurance during the absence could run as much as $7.9 billion per year—costs which would be paid by consumers in the form of higher prices, a damaged economy, and a loss of jobs.

Furthermore, America faces its stiffest economic competition in history. If our Nation's employers are to succeed in an increasingly complex and competitive global marketplace, they must have the flexibility to meet this challenge. It is vital that we do not mandate Federal policies which stifle the creation of new jobs or result in the elimination of existing jobs.

American employment of the past decade demonstrates how effectively our current labor policies work. Between 1980 and 1989, the United States created more than 18 million new jobs. In contrast, in European countries, where mandated benefits are more extensive and labor markets less flexible, job growth has been weak. Between 1980 and 1989, all of Europe generated only 5 million new jobs. As a nation, we must continue the policies that have been so effective in fostering the creation of jobs throughout the economy. As our President termed it, H.R. 2 is a "one size fits all government mandate"—it is both deceiving and fundamentally at odds with job growth and our ability to compete with foreign economies.

If, however, the shortsighted Congress compels an employer to provide a particular benefit, the total package of benefits employees already receive is not necessarily enlarged. Instead, it may necessitate the removal or reduction of some other benefits—benefits that employees prefer. This will almost certainly lead to a loss of employment opportunities for young women of childbearing age, as well as low-skilled or marginal workers, and teenagers, whose jobs will be sacrificed to pay for these added benefits.

Moreover, the Family and Medical Leave Act is nothing more than welfare for yuppies. Since it would provide parents with 12 weeks of job-protected, unpaid leave to be home with young children, the chief beneficiaries of family and medical leave legislation are apt to be more affluent workers who can afford to miss a few paychecks. This misleading bill will, in fact, do low-income workers more harm than good. Because an unpaid leave is a luxury, most low-income workers rarely take this benefit simply because they can't afford to do so. However, they might wind up with lower wages and fewer benefits as a result of employers passing along the costs of the new entitlements.

The liberals profess that the time has come for family and medical leave legislation, but they are out of touch with everyday American workers. The fact is that not even those who the legislation is intended to help want mandated leave time. A 1990 Gallup Poll showed that only 1 percent of Americans named parental leave as the most important employment benefit, and 16 percent named it as the least important benefit. An ABC-Washington Post survey in 1989 found that parental leave ranked dead last—3 percent named it as most important—of three employer-provided benefits considered by respondents.

Furthermore, there is no evidence that unpaid family leave is the specific benefit that most employed mothers would choose. Employed mothers of small children usually prefer other benefits, such as higher pay, a shorter workday, a 4-day workweek, flexible time schedules, part-time work, child care vouchers, better health plans, more paid vacations, or the option to pursue employment at home.

Since it is good business management, most businesses already offer some form of parental leave to their employees. A 1985 survey of members of the National Federation of Independent Businesses found that almost 75 percent of small business owners offer some form of parental leave. Firms which do not offer this benefit say that their businesses are too small to have key employees absent for an extended period of time. Clearly, mandated leave could eliminate many small businesses which are the backbone of the economy and which provide the majority of new jobs.

Therefore Mr. Speaker, let us not waste any more time claiming to know what is best for the American worker and what he or she wants most from an employer. After all, this family and medical leave legislation stifles flexibility in the workplace and dulls our competitive edge in the world market. This is a cost American businesses, workers, and consumers can do without and a benefit that benefits few.

Indeed, this is not the kind of legislation America needs during a recession. Instead of introducing bills which stimulate growth in the economy and foster employment, the liberals in Congress are bent on passing Pollyannalike legislation for political use during the upcoming election year. I know Congress and the American public are smarter than this. The Family and Medical Leave Act should be defeated, and I urge a "no" vote.

Mr. RANGEL. Madam Chairman I rise in strong support of the passage of the Family and Medical Leave Act, H.R. 2. This bill is absolutely essential if we are to address the new realities of the work force and establish a Federal standard that protects working parents, low-income workers, and minorities.

My colleagues and I, for the past 7 years, have pushed for the passage of this bill to help those who desperately need—and surely deserve—our support: American workers and their families.

After a decade of Ronald Reagan and George Bush, the cold reality is this: most American families can no longer support themselves on just one income.

As a result, more and more women have entered the work force. Currently, women make up nearly half of all working Americans. Today, in 9 out of 10 American homes, both parents are employed. These working women—and their husbands, their children, their elderly parents—need our support

And many women—nearly 9 million last year—are single parents, managing a career and a family all by themselves. These women have no choice but to work; their families depend on it.

So what happens if, because of childbirth or illness, a parent needs to take some time off? Without the Family and Medical Leave Act you risk losing your job or your health insurance—or both.

The Family and Medical Leave Act would provide workers with up to 12 weeks unpaid job-protected leave each year.

The bill would also guarantee workers continued health insurance benefits during their leave. This provision is vital, especially for low- and middle-income workers who depend on health insurance during an illness or injury.

The Family and Medical Leave Act calls for all employers with over 50 employees, including State, local, and Federal governments, to grant such unpaid leaves.

The proposed bill also guarantees workers their jobs in the event that they do take a prolonged leave of absence.

Madam Chairman, this bill is critical to my constituents, especially those who are African-American and Hispanic. African-Americans and Hispanics consistently earn less than their white counterparts, and are thus affected to a greater degree, by childbirth and unexpected illnesses.

Recent studies show that African-American and Hispanic women suffered a considerable decline in wages and a higher rate of unemployment than white mothers after childbirth. Moreover, the average African-American male loses thousands of dollars more in wages than the average white male when faced with a personal or family illness.

Right now, most families cannot afford to leave their jobs after a pregnancy or family illness. Leaving their jobs means forfeiting the income that allows them to pay the rent or put food on the table.

Families need and deserve the security of knowing that their jobs are safe if they must take a leave of absence.

The Family and Medical Leave Act would provide all workers, men and women, with the right to keep their jobs while at the same time protect employers from unnecessarily losing experienced employees.

Madam Chairman, my constituents need this bill, the employers of the city of New York need this bill, and the children of workers throughout this Nation need it. I strongly support The Family and Medical Leave Act.

Mr. SANDERS. Madam Chairman, I rise today in support of the Family and Medical Leave Act, which, for the first time in our Nation's history, gives an employee the right to take 12 weeks unpaid leave for:

First, the birth or adoption of a child.

Second, caring for a seriously ill child, parent, or spouse.

Third, dealing with one's own illness.

The critics of this legislation will tell us that even this modest first step is onerous and destructive, that family and medical leave will harm our international competitiveness. Does it harm Germany and Japan, the most successful postwar economies, who offer their employees 3 months of paid maternal leave? Perhaps our lack of competitiveness is more a result of our lack of compassion towards our workers and their families.

I have deep concerns that the standard of living of most Americans is declining, while at the same time the benefits accorded our citizens are falling further and further behind other nations. Every industrialized nation, with the exception of the United States and South Africa, provides universal health care to its citizens. Almost every nation in Europe guarantees more paid vacation time to their workers than American workers receive. Every industrialized nation, except the United States and South Africa, offers parental leave and, more importantly, they offer it with pay. Just a glance at our competitors' benefit shows how this Nation, with all its resources, is failing its workers and their families.

Austria: 20 weeks at 100 percent pay.

Canada: 15 weeks at 60 percent pay.

France: 16 weeks at 90 percent pay.

German: 14 to 19 weeks at 100 percent pay.

Japan: 16 weeks at 60 percent pay.

Italy: 22 weeks at 80 percent pay.

And what are we asking for today? Twelve weeks of unpaid leave. Not a lot to ask in the late 20th century—a first step towards a fair, supportive, and humane system of family leave.

Mr. FORD of Michigan. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GOODLING. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage of the bill.

The vote was taken by electronic device, and there were—yeas 119, nays 312, answered not voting 3, as follows:

[Roll No. 392]

YEAS—119

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Bentley
Bereuter
Bliley
Broomfield
Burton
Callahan
Camp
Campbell (CA)
Carr
Chandler
Clinger

Coble
Cooper
Cox (CA)
Crane
Cunningham
Darden
DeLay
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Franks (CT)
Gallo
Gekas
Gilchrest
Gingrich
Glickman
Goodling
Gunderson
Hancock
Hansen
Hayes (LA)
Henry
Herger
Hobson
Holloway
Hopkins
Houghton
Hunter
Hutto
Inhofe
Johnson (TX)
Jones (GA)
Kasich
Kolbe
Lent
Lewis (CA)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Marlenee
McCandless
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Moorhead
Myers
Nagle
Nussle
Olin
Oxley
Packard
Paxon
Penny
Petri
Porter
Quillen
Rhodes
Ridge
Riggs
Rogers
Rohrabacher
Roth
Rowland
Santorum
Saxton
Schaefer
Sensenbrenner
Shuster
Skeen
Slattery
Smith (OR)
Solomon
Spence
Stearns
Stump
Sundquist
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Wolf
Wylie
Zeliff

NAYS—312

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Barton
Bateman
Beilenson
Bennett
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Chapman
Clay
Clement
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Dannemeyer
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gallegly
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gonzalez
Gordon
Goss
Gradison
Grandy
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hayes (IL)
Hefley
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hyde
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Pursell
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Richardson
Rinaldo
Ritter
Roberts
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (FL)
Zimmer

NOT VOTING—3

Hatcher
Schulze
Young (AK)

☐ 1804

Messrs. DOOLITTLE, COMBEST, and COLEMAN of Missouri changed their vote from "yea" to "nay."

Mr. ZELIFF and Mr. NAGLE changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GOODLING. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 253, nays 177, not voting 4, as follows:

[Roll No. 393]

YEAS—253

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Boehlert
Bonior
Borski
Boucher
Boxer
Brooks
Brown
Bruce
Bryant
Bustamante
Campbell (CA)
Campbell (CO)
Cardin
Carper
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coughlin
Cox (IL)
Coyne
Davis
de la Garza
DeFazio
DeLauro
Dellums
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Gordon
Green
Guarini
Hall (OH)
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Hughes
Hyde
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Pastor
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickle
Poshard
Price
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Richardson
Rinaldo
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Skaggs
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Solomon
Spratt
Staggers
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Zimmer

NAYS—177

Allard
Allen
Archer
Armey
Aspin
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Brewster
Broomfield
Browder
Bunning
Burton
Byron
Callahan
Camp
Carr
Chandler
Clinger
Coble
Coleman (MO)
Combest
Cooper
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
Darden
DeLay
Derrick
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Edwards (TX)
Emerson
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gilchrest
Gingrich
Glickman
Goodling
Goss

Gradison
Grandy
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hutto
Inhofe
Ireland
Johnson (TX)
Jones (GA)
Kasich
Kolbe
Kyl
Lagomarsino
Lancaster
LaRocco
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Luken
Marlenee
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Montgomery
Moorhead
Myers
Neal (NC)
Nichols
Nussle
Olin
Orton
Oxley
Packard
Parker
Patterson
Paxon
Payne (VA)
Penny
Petri
Pickett
Porter
Pursell
Quillen
Ray
Rhodes
Ridge
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Roth
Rowland
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shuster
Sisisky
Skeen
Skelton
Slattery
Smith (OR)
Spence
Stallings
Stearns
Stenholm
Stump
Sundquist
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Whitten
Wolf
Wylie
Young (FL)
Zeliff

NOT VOTING—4

Dicks
Hatcher
Schulze
Young (AK)

☐ 1815

So the bill was passed.

The result of the vote was announced so as to read: "A bill to entitle employees to family leave in certain cases involving a birth, an adoption, or a serious health condition, with adequate protection of the employees' employment and benefit rights, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on H.R. 2, the bill just passed.

The SPEAKER pro tempore (Mr. LEWIS of Georgia). Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2, FAMILY AND MEDICAL LEAVE ACT OF 1991

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, the Clerk be authorized to make corrections in section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending H.R. 2, the Family and Medical Leave Act of 1991, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD of Michigan. Mr. Speaker, pursuant to House Resolution 275, I call up from the Speaker's table the Senate bill (S. 5) to grant employees family and temporary medical leave under certain circumstances, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The text of S. 5 is as follows:

S. 5

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family and Medical Leave Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

Sec. 101. Definitions.
Sec. 102. Leave requirement.
Sec. 103. Certification.
Sec. 104. Employment and benefits protection.
Sec. 105. Prohibited acts.
Sec. 106. Investigative authority.
Sec. 107. Enforcement.
Sec. 108. Special rules concerning employees of local educational agencies.
Sec. 109. Notice.
Sec. 110. Regulations.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Leave requirement.

TITLE III—COMMISSION ON LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave policies.
Sec. 404. Coverage of the Senate.
Sec. 405. Regulations.
Sec. 406. Effective dates.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of single-parent households and two-parent households in which the single parent or both parents work is increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early childrearing and the care of family members who have serious health conditions;

(3) the lack of employment policies to accommodate working parents can force individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent them from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects the working lives of women more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families, to promote the stability and economic security of families, and to promote national interests in preserving family integrity;

(2) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child, spouse, or parent who has a serious health condition;

(3) to accomplish the purposes described in paragraphs (1) and (2) in a manner that accommodates the legitimate interests of employers;

(4) to accomplish the purposes described in paragraphs (1) and (2) in a manner that, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(5) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

TITLE I—GENERAL REQUIREMENTS FOR LEAVE

SEC. 101. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and include "commerce" and any "industry affecting commerce", as defined in paragraphs (3) and (1), respectively, of section 120 of the Labor Management Relations Act, 1947 (29 U.S.C. 142 (3) and (1)).

(2) ELIGIBLE EMPLOYEE.—

(A) IN GENERAL.—The term "eligible employee" means any "employee", as defined in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)), who has been employed—

(i) for at least 12 months by the employer with respect to whom leave is sought under section 102; and

(ii) for at least 1,250 hours of service with such employer during the previous 12-month period.

(B) EXCLUSIONS.—The term "eligible employee" does not include—

(i) any Federal officer or employee covered under subchapter V of chapter 63 of title 5, United States Code (as added by title II of this Act); or

(ii) any employee of an employer who is employed at a worksite at which such employer employs less than 50 employees if the total number of employees employed by that employer within 75 miles of that worksite is less than 50.

(C) DETERMINATION.—For purposes of determining whether an employee meets the hours of service requirement specified in subparagraph (A)(ii), the legal standards established under section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) shall apply.

(3) EMPLOY; STATE.—The terms "employ" and "State" have the same meanings given such terms in subsections (g) and (c), respec-

tively, of section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203 (g) and (c)).

(4) EMPLOYEE.—The term "employee" means any individual employed by an employer.

(5) EMPLOYER.—

(A) IN GENERAL.—The term "employer"—

(i) means any person engaged in commerce or in any industry or activity affecting commerce who employs 50 or more employees for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(ii) includes—

(I) any person who acts, directly or indirectly, in the interest of an employer to any of the employees of such employer; and

(II) any successor in interest of an employer; and

(iii) includes any "public agency", as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(B) PUBLIC AGENCY.—For purposes of subparagraph (A)(iii), a public agency shall be considered to be a person engaged in commerce or in an industry or activity affecting commerce.

(6) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether such benefits are provided by a practice or written policy of an employer or through an "employee benefit plan", as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)).

(7) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine or surgery by the State in which the doctor performs such function or action; or

(B) any other person determined by the Secretary to be capable of providing health care services.

(8) PARENT.—The term "parent" means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

(9) PERSON.—The term "person" has the same meaning given such term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(10) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee.

(11) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(12) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment by a health care provider.

(13) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

SEC. 102. LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—Subject to section 103, an eligible employee shall be entitled to a total of 12 workweeks of leave during any 12-month period—

(A) because of the birth of a son or daughter of the employee;

(B) because of the placement of a son or daughter with the employee for adoption or foster care;

(C) in order to care for a son, daughter, spouse, or parent of the employee who has a serious health condition; or

(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) INTERMITTENT LEAVE.—

(A) IN GENERAL.—Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employer of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 103(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

(B) ALTERNATIVE POSITION.—If an employee seeks intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employer may require such employee to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(b) REDUCED LEAVE.—On agreement between the employer and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which such employee is entitled under subsection (a).

(c) UNPAID LEAVE PERMITTED.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) RELATIONSHIP TO PAID LEAVE.—

(1) UNPAID LEAVE.—If an employer provides paid leave for fewer than 12 workweeks, the additional weeks of leave necessary to attain the 12 workweeks of leave required under this title may be provided without compensation.

(2) SUBSTITUTION OF PAID LEAVE.—

(A) IN GENERAL.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or family leave of the employee for leave provided under subparagraph (A), (B), or (C) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection.

(B) SERIOUS HEALTH CONDITION.—An eligible employee may elect, or an employer may require the employee, to substitute any of the accrued paid vacation leave, personal leave, or medical or sick leave of the employee for leave provided under subparagraph (C) or (D) of subsection (a)(1) for any part of the 12-week period of such leave under such subsection, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(e) FORESEEABLE LEAVE.—

(1) REQUIREMENT OF NOTICE.—In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the eligible employee shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the birth or adoption for which the leave is to be taken.

(2) DUTIES OF EMPLOYEE.—In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment, the employee—

(A) shall make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse, or parent of the employee; and

(B) shall provide the employer with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the treatment for which the leave is to be taken.

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to leave under subsection (a) are employed by the same employer, the aggregate number of workweeks of leave to which both may be entitled may be limited to 12 workweeks during any 12-month period, if such leave is taken—

(1) under subparagraph (A) or (B) of subsection (a)(1); or

(2) to care for a sick parent under subparagraph (C) of such subsection.

SEC. 103. CERTIFICATION.

(a) IN GENERAL.—An employer may require that a claim for leave under subparagraph (C) or (D) of section 102(a)(1) be supported by a certification issued by the health care provider of the eligible employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employer.

(b) SUFFICIENT CERTIFICATION.—Certification provided under subsection (a) shall be sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

(4)(A) for purposes of leave under section 102(a)(1)(C), a statement that the eligible employee is needed to care for the son, daughter, spouse, or parent and an estimate of the amount of time that such employee is needed to care for the son, daughter, spouse, or parent; and

(B) for purposes of leave under section 102(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee; and

(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

(c) SECOND OPINION.—

(1) IN GENERAL.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 102(a)(1), the employer may require, at the expense of the employer, that the eligible employee obtain the opinion of a second health care provider designated or approved by the employer concerning any information certified under subsection (b) for such leave.

(2) LIMITATION.—A health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employer.

(d) RESOLUTION OF CONFLICTING OPINIONS.—

(1) IN GENERAL.—In any case in which the second opinion described in subsection (c) differs from the opinion in the original certification provided under subsection (a), the employer may require, at the expense of the employer, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) FINALITY.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) SUBSEQUENT RECERTIFICATION.—The employer may require that the eligible employee obtain subsequent recertifications on a reasonable basis.

SEC. 104. EMPLOYMENT AND BENEFITS PROTECTION.

(a) RESTORATION TO POSITION.—

(1) IN GENERAL.—Any eligible employee who takes leave under section 102 for the intended purpose of the leave shall be entitled, on return from such leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) LOSS OF BENEFITS.—The taking of leave under section 102 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

(3) LIMITATIONS.—Nothing in this section shall be construed to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(4) CERTIFICATION.—As a condition of restoration under paragraph (1), the employer may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work, except that nothing in this paragraph shall supersede a valid State or local law or a collective bargaining agreement that governs the return to work of employees taking leave under section 102(a)(1)(D).

(5) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 102 to periodically report to the employer on the status and intention of the employee to return to work.

(b) EXEMPTION CONCERNING CERTAIN HIGHLY COMPENSATED EMPLOYEES.—

(1) DENIAL OF RESTORATION.—An employer may deny restoration under subsection (a) to any eligible employee described in paragraph (2) if—

(A) such denial is necessary to prevent substantial and grievous economic injury to the operations of the employer;

(B) the employer notifies the employee of the intent of the employer to deny restoration on such basis at the time the employer determines that such injury would occur; and

(C) in any case in which the leave has commenced, the employee elects not to return to employment after receiving such notice.

(2) AFFECTED EMPLOYEES.—An eligible employee described in paragraph (1) is a salaried eligible employee who is among the highest paid 10 percent of the employees employed by the employer within 75 miles of the facility at which the employee is employed.

(c) MAINTENANCE OF HEALTH BENEFITS.—

(1) COVERAGE.—Except as provided in paragraph (2), during any period that an eligible employee takes leave under section 102, the employer shall maintain coverage under any "group health plan" (as defined in section 5000(b)(1) of the Internal Revenue Code of 1986) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

(2) FAILURE TO RETURN FROM LEAVE.—The employer may recover the premium that the employer paid for maintaining coverage for the employee under such group health plan during any period of unpaid leave under section 102 if—

(A) the employee fails to return from leave under section 102 after the period of leave to which the employee is entitled has expired; and

(B) the employee fails to return to work for a reason other than—

(i) the continuation, recurrence, or onset of a serious health condition that entitles the employee to leave under subparagraph (C) or (D) of section 102(a)(1); or

(ii) other circumstances beyond the control of the employee.

(3) CERTIFICATION.—

(A) ISSUANCE.—An employer may require that a claim that an employee is unable to return to work because of the continuation, recurrence, or onset of the serious health condition described in paragraph (2)(B)(i) be supported by—

(i) a certification issued by the health care provider of the eligible employee, in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(D); or

(ii) a certification issued by the health care provider of the son, daughter, spouse, or parent of the employee in the case of an employee unable to return to work because of a condition specified in section 102(a)(1)(C).

(B) COPY.—The employee shall provide, in a timely manner, a copy of such certification to the employer.

(C) SUFFICIENCY OF CERTIFICATION.—

(i) LEAVE DUE TO SERIOUS HEALTH CONDITION OF EMPLOYEE.—The certification described in subparagraph (A)(i) shall be sufficient if the certification states that a serious health condition prevented the employee from being able to perform the functions of the position of the employee on the date that the leave of the employee expired.

(ii) LEAVE DUE TO SERIOUS HEALTH CONDITION OF FAMILY MEMBER.—The certification described in subparagraph (A)(ii) shall be sufficient if the certification states that the employee is needed to care for the son, daughter, spouse, or parent who has a serious health condition on the date that the leave of the employee expired.

SEC. 105. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—

(1) EXERCISE OF RIGHTS.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) DISCRIMINATION.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because such individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified, or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 106. INVESTIGATIVE AUTHORITY.

(a) IN GENERAL.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, the Secretary shall have, subject to subsection (c), the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—Any employer shall keep and preserve records in accordance with section 11(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(c)) and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary shall not under the authority of this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once during any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge pursuant to section 107(b).

(d) SUBPOENA POWERS.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided for under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

SEC. 107. ENFORCEMENT.

(a) CIVIL ACTION BY EMPLOYEES.—

(1) LIABILITY.—Any employer who violates section 105 shall be liable to any eligible employee affected—

(A) for damages equal to—

(i) the amount of—

(I) any wages, salary, employment benefits, or other compensation denied or lost to such employee by reason of the violation; or

(II) in a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the employee, any actual monetary losses sustained by the employee as a direct result of the violation, such as the cost of providing care, up to a sum equal to 12 weeks of wages or salary for the employee;

(ii) the interest on the amount described in clause (i) calculated at the prevailing rate; and

(iii) an additional amount as liquidated damages equal to the sum of the amount described in clause (i) and the interest described in clause (ii), except that if an employer who has violated section 105 proves to the satisfaction of the court that the act or omission which violated section 105 was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of section 105, such court may, in the discretion of the court, reduce the amount of the liability to the amount and interest determined under clauses (i) and (ii), respectively; and

(B) for such equitable relief as may be appropriate, including, without limitation, employment, reinstatement, and promotion.

(2) STANDING.—An action to recover the damages or equitable relief prescribed in paragraph (1) may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of—

(A) the employees; or

(B) the employees and other employees similarly situated.

(3) FEES AND COSTS.—The court in such an action shall, in addition to any judgment awarded to the plaintiff, allow a reasonable attorney's fee, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

(4) LIMITATIONS.—The right provided by paragraph (1) to bring an action by or on behalf of any employee shall terminate, unless such action is dismissed without prejudice on motion of the Secretary, on—

(A) the filing of a complaint by the Secretary of Labor in an action under subsection (d) in which—

(i) restraint is sought of any further delay in the payment of the damages described in paragraph (1)(A) to such employee by an employer liable under paragraph (1) for the damages; or

(ii) equitable relief is sought as a result of alleged violations of section 105; or

(B) the filing of a complaint by the Secretary in an action under subsection (b) in which a recovery is sought of the damages described in paragraph (1)(A) owing to an eligible employee by an employer liable under paragraph (1).

(b) ACTION BY THE SECRETARY.—

(1) ADMINISTRATIVE ACTION.—The Secretary shall receive, investigate, and attempt to resolve complaints of violations of section 105 in the same manner that the Secretary receives, investigates, and attempts to resolve complaints of violations of sections 6 and 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 and 207).

(2) CIVIL ACTION.—The Secretary may bring an action in any court of competent jurisdiction to recover on behalf of an eligible employee the damages described in subsection (a)(1)(A).

(3) SUMS RECOVERED.—Any sums recovered by the Secretary on behalf of an employee pursuant to paragraph (2) shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to each employee affected. Any such sums not paid to an employee because of inability to do so within a period of 3 years shall be deposited into the Treasury of the United States as miscellaneous receipts.

(c) LIMITATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), an action may be brought under subsection (a) or (b) not later than 2 years after the date of the last event constituting the alleged violation for which the action is brought.

(2) WILLFUL VIOLATION.—In the case of such action brought for a willful violation of section 105, such action may be brought within 3 years of the date of the last event constituting the alleged violation for which such action is brought.

(3) COMMENCEMENT.—In determining when an action is commenced by the Secretary under subsection (b) for the purposes of this subsection, it shall be considered to be commenced on the date when the complaint is filed.

(d) ACTION FOR INJUNCTION BY SECRETARY.—The district courts of the United States shall have jurisdiction, for cause shown, over an action brought by the Secretary to restrain violations of section 105, including actions to restrain the withholding of payment of wages, salary, employment benefits, or other compensation, plus interest, found by the court to be due to eligible employees.

SEC. 108. SPECIAL RULES CONCERNING EMPLOYEES OF LOCAL EDUCATIONAL AGENCIES.

(a) APPLICATION.—

(1) IN GENERAL.—Except as otherwise provided in this section, the rights (including the rights under section 104, which shall extend throughout the period of leave of any employee under this section), remedies, and procedures under this Act shall apply to—

(A) any "local educational agency" (as defined in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12))) and an eligible employee of the agency; and

(B) any private elementary and secondary school and an eligible employee of the school.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1):

(A) ELIGIBLE EMPLOYEE.—The term "eligible employee" means an eligible employee of an agency or school described in paragraph (1); and

(B) EMPLOYER.—The term "employer" means an agency or school described in paragraph (1).

(b) LEAVE DOES NOT VIOLATE CERTAIN OTHER FEDERAL LAWS.—A local educational agency and a private elementary and secondary school shall not be in violation of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), solely as a result of an eligible employee of such agency or school exercising the rights of such employee under this Act.

(c) INTERMITTENT LEAVE FOR INSTRUCTIONAL EMPLOYEES.—

(1) IN GENERAL.—Subject to paragraph (2), in any case in which an eligible employee employed principally in an instructional capacity by any such educational agency or school seeks to take leave under subparagraph (C) or (D) of section 102(a)(1) that is foreseeable based on planned medical treatment and the employee would be on leave for greater than 20 percent of the total number of working days in the period during which the leave would extend, the agency or school may require that such employee elect either—

(A) to take leave for periods of a particular duration, not to exceed the duration of the planned medical treatment; or

(B) to transfer temporarily to an available alternative position offered by the employer for which the employee is qualified, and that—

(i) has equivalent pay and benefits; and

(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

(2) APPLICATION.—The elections described in subparagraphs (A) and (B) of paragraph (1) shall apply only with respect to an eligible employee who complies with section 102(e)(2).

(d) RULES APPLICABLE TO PERIODS NEAR THE CONCLUSION OF AN ACADEMIC TERM.—The following rules shall apply with respect to periods of leave near the conclusion of an academic term in the case of any eligible employee employed principally in an instructional capacity by any such educational agency or school:

(1) LEAVE MORE THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under section 102 more than 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of at least 3 weeks duration; and

(B) the return to employment would occur during the 3-week period before the end of such term.

(2) LEAVE LESS THAN 5 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under subparagraph (A), (B), or (C) of section 102(a)(1) during the period that commences 5 weeks prior to the end of the academic term, the agency or school may require the employee to continue taking leave until the end of such term, if—

(A) the leave is of greater than 2 weeks duration; and

(B) the return to employment would occur during the 2-week period before the end of such term.

(3) LEAVE LESS THAN 3 WEEKS PRIOR TO END OF TERM.—If the eligible employee begins leave under paragraph (A), (B), or (C) of section 102(a)(1) during the period that commences 3 weeks prior to the end of the academic term and the duration of the leave is greater than 5 working days, the agency or school may require the employee to continue to take leave until the end of such term.

(e) RESTORATION TO EQUIVALENT EMPLOYMENT POSITION.—For purposes of determinations under section 104(a)(1)(B) (relating to the restoration of an eligible employee to an equivalent position), in the case of a local educational agency or a private elementary and secondary school, such determination shall be made on the basis of established school board policies and practices, private school policies and practices, and collective bargaining agreements.

(f) REDUCTION OF THE AMOUNT OF LIABILITY.—If a local educational agency or a private elementary and secondary school that has violated title I proves to the satisfaction of the administrative law judge or the court that the agency, school, or department had reasonable grounds for believing that the underlying act or omission was not a violation of such title, such judge or court may, in the discretion of the judge or court, reduce the amount of the liability provided for under section 107(a)(1)(A) to the amount and interest determined under clauses (i) and (ii), respectively, of such section.

SEC. 109. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer that willfully violates this section shall be assessed a civil money penalty not to exceed $100 for each separate offense.

SEC. 110. REGULATIONS.

Not later than 60 days after the date of enactment of this title, the Secretary shall prescribe such regulations as are necessary to carry out this title.

TITLE II—LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. LEAVE REQUIREMENT.

(a) CIVIL SERVICE EMPLOYEES.—

(1) IN GENERAL.—Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER V—FAMILY LEAVE

"§ 6381. Definitions

"For purposes of this subchapter:

"(1) The term 'employee' means—

"(A) an 'employee', as defined by section 6301(2) of this title (excluding an individual employed by the Government of the District of Columbia); and

"(B) an individual described in clause (v) or (ix) of such section;

who has been employed for at least 12 months by an employing agency and completed at least 1,250 hours of service with an employing agency during the previous 12-month period.

"(2) The term 'health care provider' means—

"(A) a doctor of medicine or osteopathy that is legally authorized to practice medicine or surgery by the State in which the doctor performs such function or action; or

"(B) any other person determined by the Director of the Office of Personnel Management to be capable of providing health care services.

"(3) The term 'parent' means the biological parent of the child or an individual who stood in loco parentis to a child when the child was a son or daughter.

"(4) The term 'reduced leave schedule' means leave that reduces the usual number of hours per workweek, or hours per workday, of an employee.

"(5) The term 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment by a health care provider.

"(6) The term 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6382. Leave requirement

"(a)(1) An employee shall be entitled, subject to section 6383, to a total of 12 workweeks of leave during any 12-month period—

"(A) because of the birth of a son or daughter of the employee;

"(B) because of the placement of a son or daughter with the employee for adoption or foster care;

"(C) in order to care for the son, daughter, spouse, or parent of the employee who has a serious health condition; or

"(D) because of a serious health condition that makes the employee unable to perform the functions of the position of such employee.

"(2) The entitlement to leave under subparagraphs (A) and (B) of paragraph (1) for a birth or placement of a son or daughter shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3)(A) Leave under subparagraph (A) or (B) of paragraph (1) shall not be taken by an employee intermittently unless the employee and the employing agency of the employee agree otherwise. Subject to subparagraph (B), subsection (e), and section 6383(b)(5), leave under subparagraph (C) or (D) of paragraph (1) may be taken intermittently when medically necessary.

"(B) If an employee seeks intermittent leave under subparagraph (C) or (D) of paragraph (1) that is foreseeable based on planned medical treatment, the employing agency may require such employee to transfer temporarily to an available alternative position offered by the employing agency for which the employee is qualified and that—

"(i) has equivalent pay and benefits; and

"(ii) better accommodates recurring periods of leave than the regular employment position of the employee.

"(b) On agreement between the employing agency and the employee, leave under subsection (a) may be taken on a reduced leave schedule. Such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled under subsection (a).

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) An employee may elect, or an employing agency may require the employee, to substitute for leave under subparagraph (A), (B), or (C) of subsection (a)(1) any of the accrued annual leave under subchapter I of the employee for any part of the 12-week period of such leave under such subparagraph.

"(2) An employee may elect, or an employing agency may require the employee, to substitute for leave under paragraph (1)(D) of subsection (a) any of the accrued annual leave or sick leave under subchapter I of the employee for any part of the 12-week period of such leave under such paragraph, except that nothing in this subchapter shall require an employing agency to provide paid sick leave in any situation in which such employing agency would not normally provide any such paid leave.

"(e)(1) In any case in which the necessity for leave under subparagraph (A) or (B) of subsection (a)(1) is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the birth or adoption for which the leave is to be taken.

"(2) In any case in which the necessity for leave under subparagraph (C) or (D) of subsection (a)(1) is foreseeable based on planned medical treatment, the employee—

"(A) shall make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee or the health care provider of the son, daughter, spouse or parent of the employee; and

"(B) shall provide the employing agency with not less than 30 days notice of the intention to take leave under such subparagraph, subject to the actual date of the treatment for which the leave is to be taken.

"§ 6383. Certification

"(a) An employing agency may require that a claim for leave under subparagraph (C) or (D) of section 6382(a)(1), be supported by certification issued by the health care provider of the employee or of the son, daughter, spouse, or parent of the employee, as appropriate. The employee shall provide, in a timely manner, a copy of such certification to the employing agency.

"(b) A certification provided under subsection (a) shall be sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the health care provider regarding the condition;

"(4)(A) for purposes of leave under section 6382(a)(1)(C), a statement that the employee is needed to care for the son, daughter, spouse, or parent and an estimate of the amount of time that such employee is needed to care for the son, daughter, spouse, or parent; and

"(B) for purposes of leave under section 6382(a)(1)(D), a statement that the employee is unable to perform the functions of the position of the employee; and

"(5) in the case of certification for intermittent leave for planned medical treatment, the dates on which such treatment is expected to be given and the duration of such treatment.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a) for leave under subparagraph (C) or (D) of section 6382(a)(1), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning any information certified under subsection (b) for such leave.

"(2) Any health care provider designated or approved under paragraph (1) shall not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at the expense of the agency, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6384. Employment and benefits protection

"(a) Any employee who takes leave under section 6382 for the intended purpose of the leave shall be entitled, upon return from such leave—

"(1) to be restored by the employing agency to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"(b) The taking of leave under section 6382 shall not result in the loss of any employment benefit accrued prior to the date on which the leave commenced.

"(c) Except as otherwise provided by law, nothing in this section shall be construed to entitle any restored employee to—

"(1) the accrual of any seniority or employment benefits during any period of leave; or

"(2) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

"(d) As a condition to restoration under subsection (a), the employing agency may have a uniformly applied practice or policy that requires each employee to receive certification from the health care provider of the employee that the employee is able to resume work.

"(e) Nothing in this section shall be construed to prohibit an employing agency from requiring an employee on leave under section 6382 to periodically report to the employing agency on the status and intention of the employee to return to work.

"§ 6385. Prohibition of coercion

"(a) An employee shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) An employee allegation of a violation under subsection (a) is within the jurisdiction of the Merit Systems Protection Board under section 1204(a)(1) and may be investigated by the Special Counsel as a prohibited personnel practice under section 1214.

"(c) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6386. Health insurance

"(a)(1) Except as provided in paragraph (2), an employee enrolled in a health benefits plan under chapter 89 who is placed in a leave status under section 6382 may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909) through the employing agency of the employee, the appropriate employee contributions.

"(2) The employing agency may recover the contributions that the agency paid for maintaining such enrollment during any period of unpaid leave under section 6382 if—

"(A) the employee fails to return from leave under section 6382 after the period of leave to which the employee is entitled has expired; and

"(B) the employee fails to return to work for a reason other than—

"(i) the continuation, recurrence, or onset of a serious health condition that entitles the employee to leave under subparagraph (C) or (D) of section 102(a)(1); or

"(ii) other circumstances beyond the control of the employee.

"(3)(A) An employing agency may require that a claim that an employee is unable to return to work because of the continuation, recurrence, or onset of the serious health condition described in paragraph (2)(B)(i) be supported by—

"(i) a certification issued by the health care provider of the employee, in the case of an employee unable to return to work because of a condition specified in section 6382(a)(1)(D); or

"(ii) a certification issued by the health care provider of the son, daughter, spouse, or parent of the employee in the case of an employee unable to return to work because of a condition specified in section 6382(a)(1)(C).

"(B) The employee shall provide, in a timely manner, a copy of such certification to the employing agency.

"(C)(i) The certification described in subparagraph (A)(i) shall be sufficient if the certification states that a serious health condition prevented the employee from being able to perform the functions of the position of the employee on the date that the leave of the employee expired.

"(ii) The certification described in subparagraph (A)(ii) shall be sufficient if the certification states that the employee is needed to care for the son, daughter, spouse, or parent who has a serious health condition on the date that the leave of the employee expired.

"§ 6387. Regulations

"The Director of the Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Family and Medical Leave Act of 1991.".

(2) TABLE OF CONTENTS.—The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER V—FAMILY LEAVE AND TEMPORARY MEDICAL LEAVE

"6381. Definitions.
"6382. Leave requirement.
"6383. Certification.
"6384. Employment and benefits protection.
"6385. Prohibition of coercion.
"6386. Health insurance.
"6387. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (C); and

(2) by adding at the end the following new subparagraph:

"(E) subchapter V of chapter 63, which shall be applied so as to construe references to benefit programs to refer to applicable programs for employees paid from nonappropriated funds; or".

TITLE III—COMMISSION ON LEAVE

SEC. 301. ESTABLISHMENT.

There is established a commission to be known as the Commission on Leave (hereinafter referred to in this title as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to leave;

(B) the potential costs, benefits, and impact on productivity of such policies on employers; and

(C) alternative and equivalent State enforcement of this Act with respect to employees described in section 108(a); and

(2) not later than 2 years after the date on which the Commission first meets, prepare and submit, to the appropriate Committees of Congress, a report concerning the subjects listed in paragraph (1).

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex officio members to be appointed not later than 60 days after the date of the enactment of this Act as follows:

(A) SENATORS.—One Senator shall be appointed by the Majority Leader of the Senate, and one Senator shall be appointed by the Minority Leader of the Senate.

(B) MEMBERS OF HOUSE OF REPRESENTATIVES.—One Member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one Member of the House of Representatives shall be appointed by the Minority Leader of the House of Representatives.

(C) ADDITIONAL MEMBERS.—

(i) APPOINTMENT.—Two Members each shall be appointed by—

(I) the Speaker of the House of Representatives;

(II) the Majority Leader of the Senate;

(III) the Minority Leader of the House of Representatives; and

(IV) the Minority Leader of the Senate.

(ii) EXPERTISE.—Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, when performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not later than 30 days after the date on which all members are appointed, and the Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this Act, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the chairperson or vice chairperson of the Commission, the head of such agency shall furnish such information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission. Any appointment shall not interrupt or otherwise affect the civil service status or privileges of the employee appointed.

(e) USE OF FACILITIES AND SERVICES.—Upon the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of such agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of such agency to assist the Commission in carrying out the duties of the Commission. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(g) VOLUNTARY SERVICE.—Notwithstanding section 1342 of title 31, United States Code, the chairperson of the Commission may accept for the Commission voluntary services provided by a member of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTI-DISCRIMINATION LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or disability.

(b) STATE AND LOCAL LAWS.—Nothing in this Act or any amendment made by this Act shall be construed to supersede any provision of any State and local law that provides greater employee leave rights than the rights established under this Act or any amendment made by this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act or any amendment made by this Act shall be construed to diminish the obligation of an employer to comply with any collective bargaining agreement or any employment benefit program or plan that provides greater family and medical leave rights to employees than the rights provided under this Act or any amendment made by this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act or any amendment made by this Act shall not be diminished by any collective bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act or any amendment made by this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act or any amendment made by this Act.

SEC. 404. COVERAGE OF THE SENATE.

(a) COVERAGE.—

(1) APPLICATION.—The rights and protections established under sections 101 through 105 shall apply with respect to a Senate employee and an employing authority of the Senate.

(2) DEFINITIONS.—For purposes of the application described in paragraph (1)—

(A) the term "eligible employee" means a Senate employee; and

(B) the term "employer" means an employing authority of the Senate.

(b) INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment, pursuant to sections 101 through 105, shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.

(c) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under sections 101 through 105.

(d) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under sections 101 through 105, the Select Committee on Ethics, or such other entity as the Senate may designate, should to the extent practicable apply the same remedies applicable to all other employees covered by such sections. Such remedies shall apply exclusively.

(e) EXERCISE OF RULEMAKING POWER.—Notwithstanding any other provision of law, enforcement and adjudication of the rights and protections referred to in subsection (a) shall be within the exclusive jurisdiction of the United States Senate. The provisions of subsections (b), (c), and (d) are enacted by the Senate as an exercise of the rulemaking power of the Senate, with full recognition of the right of the Senate to change its rules, in the same manner, and to the same extent, as in the case of any other rule of the Senate.

SEC. 405. REGULATIONS.

The Secretary of Labor shall prescribe such regulations as are necessary to carry out sections 401 through 403 not later than 60 days after the date of the enactment of this Act.

SEC. 406. EFFECTIVE DATES.

(a) TITLE III.—Title III shall take effect on the date of the enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I and II and this title shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date prescribed by paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement; or

(B) the date that occurs 12 months after the date of the enactment of this Act.

MOTION OFFERED BY MR. FORD OF MICHIGAN

Mr. FORD of Michigan. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FORD of Michigan moves to strike out all after the enacting clause of S. 5 and insert in lieu thereof the provisions of H.R. 2, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2) was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 2094, FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 277 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 277

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill during the consideration of the bill (H.R. 2094) to require the least-cost resolution of insured depository institutions, to improve supervision and examinations, to provide additional resources to the Bank Insurance Fund, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendments made in order by this resolution and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered as having been read, and all points of order against said substitute are hereby waived. No amendment to said substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Said amendments shall be considered in the order and manner specified in the report and shall be considered as having been read. Said amendments shall be debatable for the period specified in the report, equally divided and controlled by the proponent and a Member opposed thereto. Said amendments shall not be subject to amendment except as specified in the report of the Committee on Rules. Where the report of the Committee on Rules specifies consideration of amendments en bloc, then said amendments shall be so considered, and such amendments en bloc shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. All points of order against the amendments in the report of the Committee on Rules are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1820

The SPEAKER pro tempore (Mr. LEWIS of Georgia). The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. All time yielded during the debate on House Resolution 277 is yielded for purposes of debate only.

Mr. FROST. Mr. Speaker, House Resolution 277 is a rule providing for the consideration of H.R. 2094, the Federal Deposit Insurance Corporation Improvement Act of 1991. As Members know, last Monday, the House rejected H.R. 6, the Financial Institutions Safety and Consumer Choice Act of 1991. However, part of the rejected bill contained provisions which would recapitalize the bank insurance fund, a critical necessity since the insurance fund is currently at dangerously low levels. Consequently, the Committee on Banking met last week to report new legislation which would provide funds for the bank insurance fund. During the markup of H.R. 2094, the Committee on Banking adopted an amendment in the nature of a substitute which contained several provisions which seek to insure the safety and soundness of the Nation's banking system and which were also a part of H.R. 6. The Committee on Rules met yesterday to consider a rule for H.R. 2094 and believes that the resolution now pending will present the House an opportunity to address the most critical problems facing the financing of the Federal Deposit Insurance system.

Mr. Speaker, House Resolution 277 provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and provides that the amendment in the nature of a substitute recommended by the Banking Committee shall be considered as original test for the purpose of amendment under the 5-minute rule. The rule waives all points of order against the substitute and provides that the substitute shall be considered as having been read.

No amendments to the substitute, except those printed in the report accompanying House Resolution 277, shall be in order. Those amendments are to be considered in the order and manner specified in the report and shall be considered as having been read. The rule further provides that the amendments are to be debatable for the period specified in the report and such debate time is to be equally divided and controlled by the proponent and a Member opposed. The first amendment, to be offered by the gentleman from Texas [Mr. GONZALEZ] will be debatable for 10 minutes; the second amendment, to be offered by the gentleman from Ohio [Mr. WYLIE] or his designee, will be debatable for 1 hour.

Both the Gonzalez and Wylie amendments are to be considered as amendments en bloc and those amendments are not amendable, not subject to a demand for a division of the question in the House or in the Committee of the Whole and all points of order against both amendments are waived in the rule.

Finally, Mr. Speaker, the rule provides that at the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. House Resolution 277 provides that the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, as every Member of this House knows, H.R. 6 tied up the business of the House for 3 days and was, in the end, defeated. The Banking Committee, in the face of this defeat, however, has acted responsibly and has reported legislation which addresses a major concern of depositors in the Nation's banks, that is, the solvency of the insurance fund which protects insured deposits. H.R. 2094 also addresses serious safety and soundness questions by providing for significant reform of the regulatory structure which oversees the operation of the Nation's banks.

The Committee on Rules has, however, recommended a rule which provides for amendments which go beyond recapitalization of the bank insurance fund and reform of the deposit insurance system. The two amendments made in order in the rule seek to address some of the other major issues which confronted the House during the consideration of H.R. 6.

The Gonzalez en bloc amendment consists of the text of H.R. 6 as considered by the House last week without the provisions of the bill contained in title IV. In addition, the Gonzalez amendment contains the text of amendments adopted by the House during the consideration of the bill for amendment as well as technical amendments to title I from the Energy and Commerce and Ways and Means Committees and technical amendments to title VI from the Agriculture, Energy and Commerce, and Ways and Means Committees. The Member amendments included in the Gonzalez en bloc amendment are as follows: to title I, the LaFalce, Neal of Massachusetts, and Johnson of Texas amendments; to title V, the Frank-Wylie amendment; and to title VI, the Reed, Donnelly, Campbell, and Moran amendments; and the Oakar conversion provision from H.R. 6.

The Wylie en bloc amendment would create a new title to H.R. 2094 and contains the following provisions: in new subtitle A, the Vento-Bereuter interstate banking and branching opt-out amendment as adopted by the House during the consideration of H.R. 6 as well as the Leach of Iowa amendment setting capital standards for banks before they are eligible to bank or branch across State lines. In new subtitle B, is the Hayes amendment which would close the Delaware loophole which allows interstate banks owned by bank holding companies to sell insurance outside the State in which it is chartered, and the amendment also clarifies the limits on the insurance activities of national banks. And, finally, in new subtitle C, is a provision which would prohibit the Federal Reserve from determining that bank holding companies can engage in real estate activities.

Mr. Speaker, the Committee on Rules adopted this rule yesterday by a unanimous-consent vote and recommends the rule as a means to allow the House to act on the needed recapitalization of the bank insurance fund. The House is also afforded the opportunity to accept or reject other banking reform provisions in the Gonzalez and Wylie en bloc amendments. The Committee on Rules believes House Resolution 277 is a fair rule and I urge its adoption.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. DREIER of California. Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

Mr. Speaker, I rise in support of House Resolution 277, which provides for consideration of H.R. 2094, the Financial Deposit Insurance Improvement Act of 1991. I recognize, Mr. Speaker, that few Members in this body will be satisfied with the amendment limitations imposed by this rule. I, too, am extremely disappointed that we will not be able to address comprehensive structural reform as part of this legislation.

We are kidding ourselves if we think H.R. 2094 is the panacea for the financial crisis facing the banking industry and the bank insurance fund. The industry is hampered by an archaic legal and regulatory structure that encourages penalty-free risk, prevents product and geographic diversification, and discourages new capital from entering the industry.

Mr. Speaker, industry restructuring and deposit insurance reform are inseparable because the health of the bank insurance fund is directly correlated to the health of the banking industry. Unless we allow commercial banks to undertake profitable banking-related activities in a safe and sound manner, we will be back here—possibly in another year—to vote on what could be a real taxpayer bailout of the bank insurance fund. And we will continue to face the prospects of additional bailouts until commercial banks are able to compete with the numerous non-banking entities that offer many of the same types of financial products and services.

But the reality is that we can't pass comprehensive reform this year. We had that opportunity but threw it away when the Rules Committee undermined the work of the Banking Committee by substituting regressive, anticompetitive provisions, thus ultimately leading to the defeat of H.R. 6.

The other reality is that the bank insurance fund is broke and needs to be recapitalized. H.R. 2094 would allow the FDIC to borrow $70 billion, to be repaid by bank insurance premiums and the sale of assets of failed institutions.

It rescinds the too-big-to-fail doctrine that results in the protection of investors and uninsured depositors. And it contains early intervention requirements so that the regulators must shut down undercapitalized banks before the taxpayers take a hit.

Mr. Speaker, H.R. 2094 is not a bailout of the banks. No stockholders will be protected from loss, no management will be unjustly enriched, and no institution will be insulated from competition. Only the deposits of widows, pensioners, and working Americans who have their life savings in an insured institution will be protected.

We need to move quickly to shore up the bank insurance fund and meet the financial obligation to depositors that the Government incurred when the deposit insurance system was created, and when Congress, in 1980, more than doubled the taxpayer's liability by raising the insurance level to $100,000.

We cannot go back and undo the damage that has been done as a result of past mistakes. We can only work to ensure that it never happens again.

For this reason, Mr. Speaker, I support the rule and urge its passage, and I reserve the balance of my time.

□ 1830

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. I thank the gentleman for yielding this time to me.

Mr. Speaker, within a week or so this body is going to be asked to appropriate some $80 billion to bail out the S&L institutions, which were destroyed by crooks and swindlers, that are having a horrendous impact on this country.

Tonight what we are discussing is the potential of another $70 billion bailout, this time for the commercial banks. Every Member of the body hopes, in fact, that the banks themselves will be able to recapitalize the FDIC. But every Member here understands, and economists all over this country are telling us, there is a real possibility that the banks will not be able to generate that capital and that taxpayers may in fact have to once again bail out the banking institutions.

Mr. Speaker, it is incomprehensible to me that if we are talking about asking the taxpayers of this country to be liable for a potential $70 billion bailout, that we have not in this legislation, and through these rules, addressed two simple issues. No. 1, how are we going to institute this payback? Are we simply going to dump it into the deficit for another 30 years and pay interest on it for 30 years and then come forward and cut Medicare, cut Federal aid to education, because, lo and behold, the deficit is very big? Or do we have the courage to deal with that reality?

No. 2, it seems to me to be irresponsible, that we are not dealing with the issue of who in fact, if we have to pay the payback, which part of our society is going to pay for it?

Is it going to be working people, elderly people, poor people, or are we going to ask the wealthiest people in our country, whose incomes have soared over the last decade, whose tax burden has declined, to start paying their fair share of taxes and pick up this responsibility?

So I urge a "no" vote on the rule because we are ignoring the most important aspect of the whole bailout potential.

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to the distinguished ranking member, the hardworking marine from Glens Falls, NY, the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman for yielding and for his comments.

Mr. Speaker, as the ranking Republican on the Rules Committee who, along with Rules Committee members from both sides of the aisle, struggled for days to craft a rule that would put a bill on the floor that would pass muster, I rise in strong support of both the rule and the bill.

I think many of us here realize from the disastrous defeat of the first bill—H.R. 6 just last week that a perfect bill—a bill that makes everyone happy—is just not going to appear on the floor, the way things stand now.

The question facing the Rules Committee was therefore, how we could craft a rule that would get the bill back on the floor, in fact, get the entire process back on track.

You may well understand, based on the debate over the last bill, just how difficult a task it is to arrive at a rule for this new bill—H.R. 2094—that will be acceptable to the House.

When the Committee on Rules revisited this matter after the defeat of the first bill, it became obvious to many of us that a so-called narrow bill—that is, one that would simply lend $70 billion to the bank insurance fund, and provide some limited reforms in bank supervision—would, quite likely, go down to defeat just as easily as last week's broad bill did.

Taking into consideration how the broad bill was defeated, and how a narrow bill looked politically unattractive to many Members, this rule seeks to bring together some kind of consensus product that stands the best chance of passage.

First of all, it makes in order en block amendments consisting of many of the amendments and provisions approved on the floor of the House in the debate on the last bill, H.R. 6.

In particular, it gives us a chance to address the question of interstate banking again—with an opt-out provision that respects the principle behind our dual banking system—States' rights.

Mr. Speaker, by making in order those amendments that passed—we have tried to make it possible to get this bill out of the House and on to conference, where the product can be perfected.

Mr. Speaker, I think that both sides of the aisle ought to get together and vote for this rule in order to get the debate and the process back on track.

I know it is not an easy issue to deal with—certainly no easier than the savings and loan bill we have to deal with in just a few more days—another $80 billion—this time directly out of the taxpayers' pockets.

But I think we ought to realize that if we leave this session without doing something on this, we might well open ourselves up to charges later on that we let the problem fester while banks went under—costing the taxpayers yet billions more.

That is why I support the rule, and the bill to follow, and for the sake of our taxpayers, and their bank accounts, I hope you all support the rule and the bill.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Georgia [Mr. BARNARD].

Mr. BARNARD. I thank the gentleman for yielding.

Mr. Speaker, let me thank the gentleman from Texas for yielding this time to me, this opportunity to speak with regard to the rule.

I realize very sincerely that the Committee on Rules had a very difficult job in trying to structure a rule for the consideration of this issue. As they bring this rule to the House floor tonight in consideration of H.R. 2094, they have certainly achieved merit in bringing a proposal to take those less controversial issues to the floor, titles II, V, and VI of H.R. 6, which we passed out of the committee.

However, the en bloc Wylie amendments concern three very important and sensitive issues; each one in and of itself deserves sincere consideration by this House.

Interstate banking should be considered on its own; the bank insurance thing should be considered on its own; and real estate power should be considered on its own.

Mr. WYLIE and I and Mr. ANNUNZIO forged an amendment in consideration of H.R. 6 which I felt pretty well dealt with the insurance matter. However, unfortunately, this is in a different place at a different stage. I think it is only appropriate that we consider this apart from, separate from interstate banking.

Lastly but not by any means least, we talk about the real estate reform; this is something that is anticipating something that may never take place but yet we are going to pass it without any debate, without any consideration out of the Committee on Banking, Finance and Urban Affairs.

Now, some will say, "No," that we did, when we set up the diversified holding company we did say that any powers, real estate powers, would be put in the diversified. But that day is gone. We are not considering diversified. Title IV of this bill is gone.

But now we want to go back and resurrect that title and put it in here.

Ladies and gentlemen, I certainly have to oppose the rule and hope you will vote in opposition to it.

Mr. DREIER of California. Mr. Speaker, I am happy to yield 5 minutes to the ranking Republican on the Committee on Banking, Finance and Urban Affairs, the gentleman from Worthington, OH [Mr. WYLIE].

Mr. WYLIE. I thank the gentlemen for yielding.

Mr. Speaker, I rise in support of the rule that has been made in order for H.R. 2094. I think the Committee on Rules has done a remarkably good job on a very difficult issue, and I think the rule reflects what I call the will-of-the-House rule.

H.R. 2094 is title I of H.R. 6. That is the bill we had on the floor last week. This is the most important part of this bill that is before us tonight, the recapitalization of the bank insurance fund.

If we do not do anything else before we recess for this year, it must be to recapitalize the bank insurance fund.

I know the chairman of the Committee on Banking, Finance and Urban Affairs agrees with me in that regard.

But title I of the bill also contains other important provisions, such as accounting reform, early intervention, annual examinations and the ending of so-called too-big-to-fail doctrine.

As has been mentioned before, the rule makes in order two amendments: first, the Gonzalez amendment, which will encompass noncontroversial provisions already voted on here on the House floor. This is a very important amendment, and I strongly urge my colleagues to support it.

□ 1840

In title II, for example, we have important foreign bank supervision reforms to prevent future BCCI's. In title V we have numerous depositor insurance reforms that are significant, such as limiting the use of brokered deposits to well-capitalized institutions, risk-based insurance premiums, FDIC bankup authority, restrictions on real estate lending, limitations on pass-through deposit insurance and restrictions on the underwriting of insurance by State chartered banks. In title VI we provided an emergency loan, and I emphasize emergency loan, for the State of Rhode Island to repay depositors who have in many cases lost their life savings because of the failure of the private deposit insurance fund.

Mr. Speaker, the en bloc amendment of the gentleman from Texas [Mr. GONZALEZ] also incorporates a number of amendments that were adopted during consideration of H.R. 6 last week, such as: the Frank-Wylie amendment on affordable housing, which has been mentioned, the Donnelly amendment providing continued health care coverage for employees of failed banks, the LaFalce amendment on regulatory flexibility, the Campbell amendment on real estate loans, the Johnson of Texas amendment and the Moran sense-of-the-Congress amendment on the credit crunch, just to name a few.

Second, Mr. Speaker, in addition to the en bloc amendment which I will offer is an en bloc amendment to interstate banking which has been made in order. This amendment incorporates the Vento-Bereuter compromise amendment on interstate banking which allows States to opt out of interstate branching, if they so desire.

Mr. Speaker, the Vento-Bereuter opt-out compromise passed the House by an astounding 366 to 4. The Sanders amendment to strike interstate banking and branching went down 374 to 20. It is clear to me that the overwhelming sentiment of the House is to have interstate banking and branching. But all of the States are in a position to decide if they want it by the opt-out amendment. By all estimates this provision will diversify risk for the banking system and save the industry billions of dollars in overhead costs.

My amendment also incorporates the so-called Hayes amendment on interstate sales of insurance by banks and a provision to prevent the Federal Reserve from expanding real estate powers for bank holding companies. Last year this amendment was adopted. In 1987, the Federal Reserve came up with a proposal which would have allowed banks to invest in real estate. The real estate market went down, and the idea was shelved, and I for one, as a Member of Congress, think that Congress ought to decide that issue.

The Committee on Rules has decided not to make in order the controversial title IV.

I am hopeful that the House can successfully complete consideration of H.R. 2094 by tomorrow, and I would urge Members to vote for the rule and vote for both en bloc amendments.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Speaker, I thank the gentleman from Texas [Mr. FROST] for yielding.

Mr. Speaker, I rise in opposition to this rule. The Committee on Banking, Finance and Urban Affairs has reported out a good bill; a narrow bill, but I believe a good bill. It is a bill that would replenish, before we go home, the FDIC to make sure that as depository institutions are closed, depositors would not be left in the lurch, that their deposits would be insured. In addition, the narrow bill before us mandates that there be early intervention in the instances where capital levels at institutions fall below certain levels, that the regulators would be mandated to intercede, to come in and to close those institutions. The legislation before us phases out the too-big-to-fall doctrine in 1995, so that it is less likely institutions will be deemed too big to fail. The legislation before us also prohibits the Federal Reserve from keeping institutions afloat through the use, or the abuse in some cases, of the discount window, which by all logic should be permitted to fail. Finally, the narrow bill before us requires, among other things, that annual exams be performed at all institutions.

Mr. Speaker, I again think this is a good bill that is narrow in scope. I would like to do a lot more. I suspect others would as well. I think this is what we can accomplish now, and it is a modest, but, I believe, a sound approach. I think we ought to pass this bill. I think we ought to come back next year and address those issues on which we are still divided: securities, mutual funds, real estate and so forth, and I believe we can, if we put our noses to the grindstone, if we bear down, we can come to agreement in most of those areas.

The rule before us makes in order two amendments, an amendment to be offered by our chairman, the gentleman from Texas [Mr. GONZALEZ], which I do not believe is a bad amendment, and another amendment by the gentleman from Ohio [Mr. WYLIE], which I simply believe goes in the wrong way. It takes us back into the controversy which surrounded H.R. 6, and I think we are going to get bogged down again if we go in that direction.

Mr. Speaker, I do not want to go back into that quagmire. I think we would end up in what I would term a legislative food fight between special interest groups of one sort or the other.

Let me just say on the question of interstate insurance that we will hear, perhaps later, from the author, the gentleman from Minnesota [Mr. VENTO], who authored the interstate opt-out provision. We will see how he feels about it, but those who supported that are troubled by some of the changes that have been made in the interstate provision, particularly as they relate to capital level.

Mr. Speaker, I am a Member who happens to believe that there are real problems with the bill, particularly with the amendment of the gentleman from Ohio [Mr. WYLIE], as they pertain to consumers, and to competition and insurance. I think consumers are better served by giving more choices, more opportunities to buy their insurance, and the amendment, unfortunately, that the gentleman from Ohio [Mr. WYLIE] will offer, made in order by the Committee on Rules, simply reduces competition, I think takes away from consumers the right to choose, and I would urge defeat for these reasons.

Mr. Speaker, I would urge the defeat of the rule.

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to the gentleman from East Rockaway, NY, [Mr. LENT], the ranking Republican on the Committee on Energy and Commerce.

Mr. LENT. Mr. Speaker, I rise in support of this rule, and I want to commend the members of the Committee on Rules for the way this rule has been crafted. The details of this rule have been very carefully gone over by prior speakers, and I am not going to repeat them all again. Suffice it to say that this rule provides us with another opportunity to move banking reform legislation forward. This opportunity is critically important.

Mr. Speaker, no one would disagree that our banking industry is in trouble and that we in the Congress must act now to address the underlying problems. We simply cannot continue to throw out the taxpayers' money again and again on more and more bailouts. That alternative is simply not acceptable, and this rule provides for the consideration of several important reform amendments which will help bring the national crisis in our financial services industry to an end.

So, Mr. Speaker, I would urge that my colleagues vote "aye" on this rule.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise to state my opposition to the rule.

Mr. Speaker, this rule is neither fair, nor logical, in terms of how it is structured. It purports to follow closely the consensus of the House, the consensus of the Committee on Banking, Finance and Urban Affairs. The fact of the matter is that the Committee on Rules has taken it upon itself to structure this rule in such a way as to avoid votes on issues that are highly controversial and have not been considered either in committee or on the floor of this House.

Namely I have no objection of the amendment that is to be offered by the gentleman from Texas [Mr. GONZALEZ]. I think it is questionable whether or not a broader bill ought to be brought on the floor in light of what happened November 4. I fear we may well repeat that particular performance tomorrow, as a now understood based on the fact we are not going to let this come up tonight to be voted on, but rather tomorrow, when we have been talked to by various groups that have an interest in a specific amendment. But under the guise of an important interstate banking and branching amendment that I worked very hard to develop the opt-out, amendment with the gentleman from Nebraska [Mr. BEREUTER] and others, including the gentleman from Ohio [Mr. WYLIE], but under the guise of that amendments strong support the Rules Committee has annealed to this amendment, put into it, items dealing with insurance, items dealing with real estate that frankly adversely affect banks. We are here trying to reinvigorate the fund, to recapitalize the fund and second trying to provide profitability for the banking system and what do we have here? An amendment that gives with one hand, and takes away with the other hand.

☐ 1850

And in the event that there is a question in the mind of this House the verdict is in. The banks and the various organizations and groups are telling us that this does more harm than good. I think in this case we would do well to listen to them. If we are serious about concluding our work here and doing a good job, it is important that the Congress therefore, reject the Wylie amendment, perhaps even reject this rule, and get back to dealing with the basics. Otherwise we are simply going to repeat the type of performance we had here on November 4, in which we were not able to come to a conclusion and there were only 89 votes for final passage.

So I object to the imbalance proposed by the rule, and object to not giving the Members of this House votes on the specific issues that are so important and that have not been voted on by this House or in the committee, rather than attempting to slip them through in the shadow of other matters that the House may well favor.

Mr. DREIER of California. Mr. Speaker, I know that this comes as a shock to my colleagues, but at this point I have no further requests for time, and I reserve the balance of my time.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. DREIER of California. Mr. Speaker, I yield an additional 2 minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

The SPEAKER pro tempore (Mr. MFUME). The gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 4 minutes.

Mr. KANJORSKI. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to the rule for four reasons. The first reason is that we offered a BCCI reform amendment originally when the bill was up last week. It passed en bloc with the unanimous voice consent of the House. We asked that it be part of the bill after tortuous hearings for 3 or 4 months. When we found some of the failures, when we found the BCCI bank failures, we tried to close some of the loopholes.

We did that by amendment, but now the Rules Committee has disallowed that as part of this reform bill, and those weaknesses and loopholes will exist in the future so that further BCCI scandals can occur on and on into the coming years until some action is taken.

Second, when we studied this bill, in section 142 we found the largest loophole in the world. This bill purports to close the too-big-to-fail concept. In fact, it does not close the too-big-to-fail concept. What it does is put the too-big-to-fail concept cost directly on the American taxpayers. There should not be a Member of this Congress who does not recognize that under the existing bill that we are asked to pass there is a provision that if there is a bank failure that is considered by the Federal Reserve and the Secretary of the Treasury to have an adverse economic impact on either a region or nationally, the Secretary of the Treasury and the Federal Reserve can agree to pay foreign depositors and uninsured depositors above $100,000 in any amounts in these large banks, and the payment will be in direct obligation of the United States of America. If we could imagine the failure of two or three of the large banks in the United States, this could be a drain, without any further action of this Congress or the President, of tens of billions of dollars of taxpayer funds that will never be recovered from the banking industry or through the FDIC premiums. That is a sham.

Mr. SLATTERY. Mr. Speaker, will my friend, the gentleman from Pennsylvania, yield?

Mr. KANJORSKI. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Speaker, I just hope that our colleagues were listening to what the gentleman from Pennsylvania just said with respect to the "too big to fail" doctrine, because he is absolutely correct. Any suggestion that we are repealing the too big to fail doctrine with this legislation is absolutely dead wrong. We are not doing that, as the gentleman has correctly pointed out.

All we are saying in this legislation is that the Secretary of the Treasury will have the authority to determine if we are going to continue to affect existing policy.

Mr. Speaker, I just want to commend the gentleman for his statement. He is absolutely correct.

Mr. KANJORSKI. Mr. Speaker, I thank the gentleman from Kansas, and I appreciate his response.

The third reason I am opposed to this rule is this: When this rule is passed, for the first time in the deliberative body of discussion the Members will have the hour of general debate control will be two Members who are in favor of the passage of the bill, and no one in opposition will be allocated any time except if they are fortunate enough to have those who approve and support the bill be willing to give them a minute or two in opposition. I suggested in fairness, since we are going to have an hour of debate, 20 minutes for the majority side and 20 minutes for the minority side, and then 20 minutes for the opposition should be allocated.

Finally, Mr. Speaker, this bill is nothing more than a sham to the American people. What we should be passing here is a bill that will infuse sufficient funds into the FDIC so that there will not be bank failures or depositors that will be wanting, enough funds to get us through until maybe next year. But then we should pass a sense-of-the-Congress resolution demanding that the President of the United States, not his surrogates, Mr. Darman and Mr. Sununu, and a representative committee of this Congress, both from the House and the Senate, meet through December and January to fashion an Economic Recovery Act of 1992. Right now all we are doing is putting in a transfusion when the victim is hemorrhaging, and it will have little effect except it will hold off until after the elections of 1992, when the disaster will happen.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART. Mr. Speaker, I thank my colleague for yielding time to me.

Mr. Speaker, let us face it, our Rules Committee has been placed in the most untenable position of trying to strike a combination of ingredients that, when properly mixed, kneaded, and allowed to rise overnight in the refrigerator, can be placed in the oven to give us a very nice and tasty loaf of bread. The fact of the matter is that there is nothing that can be added to this mix that is going to make it look like a loaf of bread. It is going to come out looking like a brick, and it is going to end up being a doorstop, because this loaf of bread just cannot rise to meet any expectations of resolving the Nation's banking crisis.

What is proposed before us this evening in this rule, which I will oppose, and the legislation, which I also will oppose, is legislation which has no safeguards and only more opportunities for the bureaucrats downtown and the courts to give away what this Congress will not speak to in terms of safeguards and protections for the taxpayers.

As to amendments previously accepted by this House, they are rejected for further consideration, and I fail to understand why, once the majority of this institution has worked its will, we cannot allow that to be placed squarely before us.

There are no firewalls, and conflicts of interest will abound. Offshore depositories will be unregulated, taxpayer protection will be done away with, and consumer disclosures are eliminated. This rule makes in order again an amendment that the House has specifically rejected on two particular occasions. My colleagues must believe that the third time is the charm. The reality is that it's three strikes and you're out.

Mr. Speaker, I ask the Members to reject this rule and reject this banking bill. I ask them to do what my colleague, the gentleman from Pennsylvania, has suggested: Give the BIF enough money to get through to the beginning of next year, and let us have real reform with real teeth.

Mr. DREIER of California. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL of North Carolina. Mr. Speaker, I thank the gentleman for yielding time to me.

A number of Members have spoken against the rule because of the things that are not in it. Mostly they are saying that it does not allow for a number of popular reforms, and I must say that I agree. I wish there was more that we could do, but I hate to sit here and listen to this without saying something about what it does, what it does allow and how it will help.

It has been pointed out a number of times that there are major regulatory reforms in the bill. There is early intervention, higher capital requirements, and requirements that there be better supervision and regulation.

One of the main lessons that I think we learned from the savings and loan situation was that we had cut back on regulation, cut back on capital requirements, and cut back on accounting standards, all the while letting them go into new activities. This bill increases capital, increases regulation and supervision, and increases accounting requirements. So it will help, I think, save taxpayers money.

It does something else that is important. It makes in order an amendment that will be offered by the gentleman from Ohio [Mr. WYLIE] that I will be supporting—and I know others will support it also—that will allow banks to do something they are doing already, interstate banking in a more efficient way.

□ 1900

It will let them branch. Now, I have seen estimates that this can save the industry billions of dollars without hurting anyone. This is not potentially a new authority, a new power. Forty-eight States now allow interstate banking. This interstate branching is a way to do what they are doing more efficiently, saving money that can be passed along to make the industry stronger or pay it out in dividends.

Mr. Speaker, this is a very important reform, and it should not be ignored. I certainly support the rule.

Mr. FROST. Mr. Speaker, for the purpose of debate only, I yield 2 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise for the first time in my time in the House against a rule. Not just because I am opposed to the legislation before us, but because I am dramatically opposed to the fact we will not hear during the debate of opening the doors to the Treasury and the taxpayers' pockets in an unprecedented way any dissenting voices, because of the rule we are about to vote on and probably adopt.

We have heard even worse misstatements of fact about this bill. Even the DSG report says the bill ends, beginning in 1995, the FDIC's too-big-to-fail policy. Yes, it closes the door on the existing too-big-to-fail policy, but it opens an even larger window for the son of too-big-to-fail.

Mr. Speaker, I urge Members to look at and read this bill that is going to come before us. Look at page 92. Read lines 5 through 13.

> Notwithstanding any other provision of this section, any Federal Reserve Bank may make advances to an undercapitalized depository institution under this section if the Secretary of the Treasury determines in writing, upon the recommendation of the Board, that the advances are necessary to prevent a severe adverse effect on a regional or the national economy.

Mr. Speaker, do you want to talk about a loophole? There is a loophole you can drive 10,000 armored cars through and empty Fort Knox and empty the taxpayers' pockets.

We talk about the discretion that we allow now to the seven secretive appointees of the Federal Reserve Board. Look at what the door is that we are going to open here.

Mr. Speaker, this bill should be defeated. We should send it back and get real banking reform, not another raid on the Federal Treasury.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL of North Carolina. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just want to comment briefly on this question of too-big-to-fail. I would love to see the policy ended myself, and we have done some things in the bill to help try to end this policy, mainly to put accountability where it will be clear to everyone involved, and that is with the Secretary of the Treasury.

But I just do not think we ought to let the idea slide by that somehow the Congress would consciously open the door to the Treasury to some kind of raid.

Mr. Speaker, there have been situations where if the Federal Reserve did not step in and save a bank, that the consequences on the rest of the economy would be so dramatic, so harmful, that they would be far worse than the cost of saving the bank.

Mr. Speaker, I think of the Continental Illinois situation, where I am told that if the Federal Reserve did not step in and save that bank, that it would bankrupt 200 other banks. Two hundred other banks had such a relationship that they would be bankrupted if the Federal Reserve did not step in and save it.

Now, that is not something I would have wanted to happen. I did not want the Fed to do that, but certainly we would not have liked the consequences if we did not have this entity that could do that of 200 banks around the country bankrupted in our districts. What would our constituents have said then? Would that have been a responsible action on our part? Clearly it would not have been.

Mr. Speaker, I hope nothing like that is ever necessary again. We in this bill are building in requirements, capital requirements and early intervention, so we hope that regulators catch any possible failure long before it becomes a failure, so we might never need too-big-to-fail. But certainly there can be emergency situations requiring emergency action, and we should not close the door to it.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge adoption of this rule so we can in fact move ahead with consideration of this very important legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. MOODY. Mr. Speaker, I rise to take this opportunity to very briefly address a concern that credit unions in my home State have brought to my attention.

Unfortunately, this rule does not allow me to offer an important amendment to address a situation that, as a result of a Federal Reserve Board proposal, is likely to have a severe adverse effect on credit unions.

Specifically, the Federal Reserve Board proposal would effectively prevent corporate credit unions, institutions that provide correspondent banking services to other credit unions, from participating in the Federal Reserve's payments system through the fedwire on the same terms and conditions as other depository institutions. The proposed rule conflicts with congressional intent as expressed in the Monetary Control Act of 1980.

This act established the right of corporate credit unions to participate in the payments system, including access to daylight overdrafts.

I rise to clarify that there is nothing in the Monetary Control Act that would deny corporate credit unions access to the payments systems or the Federal Reserve's discount window.

Mr. FROST. Mr. Speaker, I urge adoption of the rule. I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MFUME). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ECKART. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 305, nays 112, answered "present" 1, not voting 16, as follows:

[Roll No. 394]

YEAS—305

Abercrombie
Ackerman
Alexander
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
Bacchus
Baker
Ballenger
Barrett
Barton
Bateman
Bennett
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Burton
Bustamante
Byron
Camp
Campbell (CO)
Cardin
Chandler
Chapman
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Conyers
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeLauro
Derrick
Dicks
Dixon
Donnelly
Dooley
Doolittle
Downey
Dreier
Duncan
Durbin
Dwyer
Edwards (CA)
Edwards (OK)
Edwards (TX)
Engel
English
Espy
Ewing
Fascell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Hefner
Hoagland
Hobson
Hochbrueckner
Horn
Hoyer
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jefferson
Jenkins
Johnson (CT)
Johnston
Jones (NC)
Kaptur
Kasich
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Murphy
Murtha
Myers
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Olver
Ortiz
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Reed
Regula
Ridge
Riggs
Rinaldo
Ritter
Roe
Roemer
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Roybal
Russo
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Scheuer
Schumer
Serrano
Sharp
Shaw
Shays
Shuster
Sisisky
Skaggs
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Studds
Sundquist
Swett
Swift
Tallon
Tanner
Tauzin
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Visclosky
Vucanovich
Walker
Walsh
Washington
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wolf
Wylie
Yatron
Young (FL)

NAYS—112

Allard
Allen
Anderson
Andrews (ME)
AuCoin
Barnard
Beilenson
Bentley
Bereuter
Bruce
Bunning
Callahan
Carper
Carr
Clay
Collins (IL)
Collins (MI)
Costello
Crane
Dannemeyer
DeFazio
Dellums
Dickinson
Dingell
Dorgan (ND)
Dornan (CA)
Early
Eckart
Emerson
Erdreich
Evans
Fawell
Ford (MI)
Franks (CT)
Gekas
Gilchrest
Hancock
Harris
Hayes (IL)
Hefley
Henry
Hertel
Holloway
Hopkins
Houghton
Hubbard
Hughes
Jacobs
James
Johnson (SD)
Jones (GA)
Kanjorski
Kennedy
Kennelly
Klug
Kolbe
Kyl
Lehman (CA)
Levine (CA)
Livingston
Markey
Marlenee
McCandless
Mfume
Moody
Morella
Morrison
Nagle
Oberstar
Obey
Orton
Owens (NY)
Owens (UT)
Payne (VA)
Petri
Poshard
Ramstad
Ray
Rhodes
Richardson
Roberts
Rogers
Roth
Rowland
Sabo
Sanders
Schaefer
Schiff
Schroeder
Sensenbrenner
Sikorski
Skeen
Skelton
Slattery
Smith (OR)
Smith (TX)
Snowe
Stokes
Stump
Synar
Taylor (MS)
Taylor (NC)
Upton
Vento
Volkmer
Waters
Wise
Wolpe
Wyden
Yates
Zeliff
Zimmer

ANSWERED "PRESENT"—1

Cooper

NOT VOTING—16

Boxer
Bryant
Campbell (CA)
DeLay
Dymally
Hatcher
Herger
Horton
Johnson (TX)
Jontz
Miller (CA)
Mrazek
Oakar
Olin
Schulze
Young (AK)

□ 1926

Mr. SIKORSKI, Mr. HAYES of Illinois, and Mrs. KENNELLY changed their vote from "yea" to "nay."

Mr. CHANDLER and Mr. EDWARDS of Oklahoma changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REQUEST TO MAKE IN ORDER ON TOMORROW, NOVEMBER 14, 1991, CONSIDERATION OF H.R. 3575, UNEMPLOYMENT COMPENSATION AMENDMENTS

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that it be in order on tomorrow, November 14, 1991, to consider in the House the bill H.R. 3575; that all points of order against the bill and against its consideration be waived; that the bill be debatable for not to exceed 1 hour, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; that it be in order to consider, without the intervention of any point of order and in lieu of the amendments now printed in the bill, an amendment in the nature of a substitute consisting of the text of the bill H.R. 3757; and that the previous question be considered as ordered on the amendment and the bill to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. MFUME). Is there objection to the request of the gentleman from Illinois?

Mr. TAYLOR of North Carolina. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REPORT ON CONTINUING EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

(For message and statement, see proceedings of the Senate of today, Wednesday, November 13, 1991.)

□ 1930

FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT OF 1991

The SPEAKER pro tempore (Mr. MFUME). Pursuant to House Resolution 277 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2094.

□ 1932

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2094) to require the least-cost resolution of insured depository institutions, to improve supervision and examinations, to provide additional resources to the bank insurance fund, and for other purposes, with Mr. CARR in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield myself 4½ minutes.

Mr Chairman, H.R. 2094, reported by the Banking Committee last week, deals with the priorities in the banking legislation—refinancing of the bank insurance fund and initiating regulatory reforms to make certain that the deposit insurance funds and the taxpayers are protected.

This legislation was passed by the committee on a bipartisan vote of 37 to 15 on November 6, after the House had defeated a broader banking package dealing with expanded markets and powers for commercial banks.

Among other things, H.R. 2094:

First, provides authority for the bank insurance fund to borrow up to $30 billion from the U.S. Treasury—funds to be repaid by premiums to the FDIC.

Second, requires annual onsite examinations and annual audits.

Third, requires improved internal controls for banks.

Fourth, requires that regulators step in and take action when the condition of an institution deteriorates beyond the critical levels. This eliminates the present practice of letting institutions rot away and become wrecks with no salvage value.

Fifth, requires that the FDIC use the method least costly to the taxpayers in resolving failed institutions.

Sixth, establishes criteria for the use of the Federal Reserve discount window and sets a curb on the use of the window for secret bailouts of banks.

Seventh, requires data on small business lending, including lending for minority businesses, or banks' condition reports.

As my colleagues are aware, the lobbyists for the banking corporations, insurance companies and agents, and the securities firms have swarmed across Capitol Hill with massive wish lists that they want incorporated in any banking bill. It's been Christmas in November for the trade associations and the law firms dispatched from Santa's temporary headquarters at the Treasury Department.

But these recipes, these nostrums, these wish lists will not make banks instantly healthy. For banks reflect the economy, and the economy is sick. Just how sick? A few years ago we had 1,000 banks on the sick list; we have shut down 1,000—but there are still a 1,000 in the regulatory emergency room. So let us not delude ourselves—the key to healthy banks is a healthy economy. Meanwhile, we must provide for protection of depositors and we must improve safety—which is what H.R. 2094 does.

Despite the lobbying, I am convinced that our real constituents—the overwhelming majority—are concerned primarily that the banks be operated in a safe and sound manner and that their deposits be protected by the insurance funds. I am convinced that the American people want to make certain that we do nothing here today that will add to the risks and the possibility that we will have another financial bailout on our hands. The savings and loan disaster cannot be repeated.

In addition to the committee-reported bill—H.R. 2094—the Rules Committee has placed in order a number of other provisions. Most of these provisions were in the original H.R. 6 which was defeated in the House on November 4.

Mr. Chairman, again let me emphasize the need to restore the bank insurance fund without delay. Confidence in the banking system is fragile and we cannot let it erode further while the insurance fund slips toward the zero mark.

Just today, the General Accounting Office submitted its audit of the bank insurance fund which says flatly that the fund will be insolvent within the next 6 weeks. In fact, had the proper procedures been followed in accounting for losses, the insurance fund would already have been in a deficit position of $1.4 billion at the end of last year. GAO suggests that even the funds included in this bill may not be enough.

So I say to my colleagues this is a very serious situation. And dealing with it must be a priority that is ahead of industry wish lists. Whatever else we do, we must approve, without delay, the additional funding this bill provides for the bank insurance fund.

Mr. WYLIE. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, it is imperative that we recapitalize the bank insurance fund as soon as possible. By the end of the year, this fund which backs up $2.5 trillion in federally insured deposits will be insolvent. We must recapitalize the fund to protect depositors.

We must show again that the American people can depend on its Government, that it stands behind its Federal deposit insurance program, and that their accounts are backed by the full faith and credit of the U.S. Government.

The banking system is based on this trust. So this provision, title I, is crucial.

We also have an opportunity, in addition to recapitalizing the bank insurance fund, with the en bloc amendment which the gentleman from Texas [Mr. GONZALEZ] will offer, to eliminate some of the underlying problems of the banking system. The Gonzalez amendment would prohibit poorly capitalized institutions from offering excessive interest rates or soliciting brokered deposits. It requires the FDIC to institute risk-based premiums.

An amendment which Mr. NEAL and I will be offering is also very important. It would allow for full interstate banking, by incorporating provisions of the Vento-Bereuter amendment, which was adopted overwhelmingly, which would allow the States to opt out within 3 years if they do not like interstate banking or branching, but it would permit interstate banking to recognize the market realities, help diversify the risks, and provide substantial savings.

My amendment also incorporates the so-called Hayes amendment. Under a 1982 law, national banks were permitted to sell insurance in towns of 5,000. The Comptroller of the Currency interpreted this to mean that banks could sell insurance from a town of 5,000 to New York and Los Angeles. My amendment closes this loophole.

It would also close the so-called Delaware loophole, which is similar to the old South Dakota loophole, by saying a bank in Delaware cannot sell or underwrite insurance across State lines.

Ultimately a healthy, effective regulated banking system is the best protection against any taxpayer bailout.

□ 1940

I think these two amendments and the interstate branching provision will help achieve this goal.

Mr. Chairman, I urge my colleagues to adopt the Gonzalez en bloc amendment and support my en bloc amendment and support final passage of this very important legislation.

Mr. KLECZKA. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Wisconsin.

Mr. KLECZKA. Mr. Chairman, the question I have tonight for the gentleman from Ohio is if in fact the Wylie en bloc amendment will not prevail, would the gentleman still urge support of the bill?

Mr. WYLIE. I will cross that bridge when I come to it.

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I thank the chairman of the committee for yielding this time to me.

The bank and S&L problems are at the core of today's national economic problems. Very often the question as to today's economic problems persists and candidly I think as we look at what has happened we find the bank insurance fund now needing a $70 billion loan. The S&L industry, the RTC, needing $160 billion more this year, $80 billion in working capital and $80 billion in lost funds, which brings them to a total of well over $200 billion in just lost funds if we consider all the allocations made in the past 3 years.

So the recapitalization of those funds in order to safeguard our economy based on the foresight of the 1930's in terms of the insurance programs are key. Without those programs we would likely not just be in a recession today, but in a depression.

Second, we have to provide the safeguards that are necessary to make certain that the administration is spending these dollars appropriately, and candidly I think as I stand here I have serious concerns about how we are managing the problems with our banks and how we are managing the problems and how the regulator and specifically, the Bush administration, is managing the problems with the S&L's and banks.

This bill in the first title, the title that was reported by the Banking Committee, attempts to deal with the too-big-to-fail problem. It is not aggressive enough, but it represents a good initiative.

Title I also deals with the least cost resolution. It deals with some other provisions in terms of how the Federal Reserve Board functions and attempts to keep cost to the taxpayer down.

My concerns with this bill, though, and the third issue the Congress must address deals with the regulatory structure and the early intervention that is in this bill, the third matter we have to try and resolve is to set a policy path where financial institutions, banks, and S&L's, are going to be profitable in the future.

Clearly, we cannot do much about what is embedded in their portfolios, the mistakes and decisions they made in the 1980's. That is not something that can be regulated away or legislated away.

What we need to do is consider their profitability in the future, and candidly I think that this bill gives with one hand and takes away with the other.

I worked very hard with the gentleman from Nebraska [Mr. BEREUTER] and a coalition of Members to try to provide for interstate branching in this bill, an opt-out for States, a positive role.

At the same time, the Rules Committee sought not to make in order a clean shot in that well understood amendment, which has overwhelming support in this House, but they sought to anneal to that amendment, frankly, baggage that detracts and subtracts from the profitability of financial institutions. They sought to limit some of the profitable areas that banks have today, where there is no conflict, where there is no problem, with the retail sale of insurance, and they have substantially reduced the profitability of banks in that area.

Further, they propose solutions to problems that do not exist with regard to real estate.

The fact of the matter is that if we saddle amendments and policy changes upon financial institutions under the guise of interstate banking and branching provisions with such limitations, we substantially do damage to the policy path of bank profitability that is so necessary for our financial institutions.

I know there are many differences on interstate branching, but we came to a solution on this matter.

The fact of the matter is that measures that are saddled onto this particular provision cause more harm than good in the final analysis. As a consequence, I urge Members to defeat the amendment that the gentleman from Nebraska [Mr. BEREUTER] and I crafted and that others crafted as now modified by Mr. WYLIE, because I think it finally just does too much harm to positive policies that we need.

I think where we are headed with this bill is down the same path that we found ourselves in on November 4 when we could not get the number of Members to vote for the bill—only 89 positive votes.

We simply will deny profitability to the banks. Therefore, we are faced with the prospect of risking taxpayer dollars, but we are foreclosing on the option of banks' profitability and giving them the option to make some profit and be able to work their way out of this problem.

So sadly I have to say that I hope we will defeat the Wylie amendment as it has been modified, modified I might say by issues that were never voted on separately on this floor. These subjects could not stand the critical light of decision making by the Members of this body or in committee. They were defeated. In other words, they were saddled to a different subject matter so as to somehow slide these matters by without getting a clear vote by the Members of the House.

So, Mr. Chairman, I hope we will defeat that amendment when it is brought to the floor later on.

Mr. WYLIE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Chairman, there are aspects of this bill that are unhappy for this entire body. The banking industry, after all, came to Congress out of weakness, not strength, in the wake of two of the biggest private sector lending mistakes in this century, less-developed country lending as well as commercial real estate lending.

The bad news that therefore has developed is that the insurance deposit system is insolvent.

The good news, at least hopefully, is that there is a decent chance that the paycheck of the borrowings required in this bill can be made by the banking system itself, not the taxpayers, but only a chance. If the economy continues to weaken, all projections must be revised.

In any regard, if we play games with the deposit insurance system, we run the danger of deepening and lengthening this recession and potentially turning it into a depression.

For legislators, there are also some unhappy aspects in this bill because the Banking Committee is a refereeing committee. There are massive numbers of zero-sum games we are playing in this legislation, with many winners and many losers.

There is no way any legislature can befriend all his or her friends in this legislation. No matter where one stands, this is a classic enemy-making piece of modern legislation.

Interest groups aside, however, there are some very good aspects of this legislation compared to the legislation the Banking Committee brought before this body last week. Most particularly I point out that there is elimination of the provision allowing for the integration of Commerce and Banking. The hubris as well as judgment involved in the particularly radical proposal befuddled this Member. The original Banking Committee, in my judgment, overreached as it did in its repeal of Glass-Steagall without adequate fire walls.

The Energy and Commerce Committee on this floor last week, properly blocked the integration of Banking and Commerce but also overreached in its title IV when it created a "son of Glass-Steagall" which, in many ways, was more prohibitive than Glass-Steagall itself. So that is one of the reasons I think the legislation last week was defeated and we, the Banking Committee, are back before this body this week.

Tonight, the committee of jurisdiction has what I believe is a much more realistic piece of legislation. In it is the furbishment of the fund, which is an absolute necessity, and certain deposit insurance reforms as well as certain rules laying the ground work on how banks can operate if they go interstate.

I would like personally to talk just briefly about the Wylie amendment and an amendment of mine which is attached thereto.

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First let me just stress that interstate banking is with us, with or without this legislation; 47 States have already adopted one kind or another.

The question therefore before this body is not whether we are going to see interstate banking but whether we are going to see interstate branching, which to me is eminent common sense, and what rules this Congress may or may not choose to craft in guiding interstate banking and branching.

My concern has been kind of a johnny-one-note on capital standards because I believe there is a great danger that as we encourage geographic expansion, we may well encourage banks to grow without adequate capital. If they do, those banks could be not only too big to fail but much too big to fail.

Hence, I appreciate the fact that the leadership has allowed my capital standards amendment to remain in this particular provision offered by the distinguished ranking member, the gentleman from Ohio [Mr. WYLIE].

Every outside observer is calling for more capital. I would just simply stress that as we look at the present circumstance, if we impel growth without calling for more capital, we will be impelling growth in an industry but not in the economy. Lending to the private sector, not trading in securities, should be the primary activity of commercial banks; lending to the private sector, not borrowing from it for internal growth, should be the primary obligation of federally insured institutions at this very fragile time in our economy.

Accordingly, despite its opposition by the principal banking organizations in the country, I urge adoption of the Wylie amendment and passage of this bill.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. RINALDO].

Mr. RINALDO. Mr. Chairman, this bill is a responsible approach to a serious issue. It deals with the immediate problem of protecting our constituents' savings, while also giving the regulators the tools that they need to deal with failing banks.

Failure to pass this legislation could have very serious consequences. Our banking system is based on confidence. A bankrupt deposit insurance system does not instill much faith when the news media are filled with stories of failed financial institutions.

Passage of this bill will remind the people who sent us here that the U.S. Government is honoring its pledge. Their savings up to $100,000 are protected by the full faith and credit of this country.

However, this bill is only a short-term solution. We have not addressed the problems that caused the banking crisis in the first place. As good and as necessary as this bill is, we should not walk away from here today believing that the job is done.

Our financial services industry is still shackled by antiquated laws. Obsolete restrictions on competition will make our Nation a second-rate financial power unless we allow fair and equitable competition.

We cannot afford to wait until the money included in this bill is gone. We cannot afford to watch while foreign banks gobble up an even bigger share of our market.

Mr. Chairman, we must continue our efforts to modernize our financial industry. We can develop a system that allows all types of institutions to compete, while still protecting the public interest. The solution will require both imagination and compromise, but we must start now.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. BARNARD].

Mr. BARNARD. I thank the gentleman from Texas for yielding this time to me.

Mr. Chairman and Members of the House, we are dealing tonight with a far, far different issue than we dealt with in H.R. 6 or even when we started this process back in the early part of the year.

This process started with the production of the administration's proposal for comprehensive bank reform. Let me just assure you we are not talking about comprehensive bank reform tonight. No longer do we have deposit insurance reform; some part of it, but not substantive deposit insurance reform.

No longer do we have regulatory reform; that was jettisoned a long, long time ago. The only thing that remains tonight that we are talking about is interstate branching and insurance, real estate, and some other aspects.

Yes, we do have the core bill, which recapitalizes the bank insurance fund, and the core bill from the standpoint of very necessary safeguards as we move forward.

The core bill, the narrow bill as reported last by the Banking Committee, is a good step. The reason tonight I stand before you as one of the main proponents of comprehensive bank reform and oppose the Wylie en bloc amendments is because the whole purpose of H.R. 6 was to build the legislation whereby the banks would become profitable, well-capitalized, in order to be able to pay back the $30 billion that they are supposed to pay back of the insurance.

But all of that has gone by the boards. It was the wisdom of this Congress that we not accept title IV of the banking bill but we substitute it with a compromise.

That particular aspect, of course, is behind us, but that has disturbed the process.

The question is now why should we just pick and choose, pick and choose out of all of these selections just because we want to get a bank bill passed? Yes, we want a bank bill passed, but we want it to be a balanced bill. The Wylie en bloc amendments will not provide the banking industry the profitability and the capital attraction to pay for the bank insurance fund.

So, my friends, time has not completely gone; we sill have enough time to come back to the drawing table and do comprehensive bank reform. But to go headlong now, pick and choose in what we are doing now, is wrong; we will regret it. Those of you who say we do not want a taxpayer bailout of the banking industry, I will warn you that if we pass the Wylie en bloc amendments and they go to final passage, we will be back here in few years to come bailing out, with taxpayers' money, the bank insurance fund.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. MCMILLAN].

Mr. MCMILLAN of North Carolina. Mr. Chairman, after months of committee, work failure of H.R. 6 and yesterday's bipartisan effort of the Rules Committee, we finally have a chance to make a significant step forward on modernizing our financial services industry. This Congress can provide the consumer greater competitive choice while strengthening the banking system; or it can merely recapitalize the bank insurance fund.

While it is impossible for everyone to like everything about broad banking reform, this minimal legislation represents a carefully balanced, thoughtfully crafted, and urgently needed restructuring of this Nation's financial system. Recapitalizing the bank insurance fund, we know, is a must. Early intervention, all agree, is also essential in light of our regulatory experience. Most important, interstate branching is a positive and natural first step in removing the outdated barriers to health competition and financial strength.

What we do here is vital for the future of the U.S. economy. If we do it right, we can build toward stronger, more diversified and profitable institutions meeting the needs of business and consumers with reduced risks to the taxpayer in a framework of effective regulation.

If we fail, we will be left with fragmented, low return, inefficient institution with overconcentrated risks that no regulations can overcome. We owe it to our constituents to do more than just throw money at this problem. We owe them our best efforts at minimal banking reform. I urge my colleagues to vote yes on the bill with the Congressman Wylie amendments.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. CARPER].

(Mr. CARPER asked and was given permission to revise and extend his remarks.)

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Mr. CARPER. Mr. Speaker, I thank the gentleman from Texas [Mr. GONZALEZ], the chairman, for yielding this time to me. I thank the gentleman from New York [Mr. SCHUMER] as well.

Let me ask, there is a question for us to consider tonight. The question is: Why is the FDIC running out of money? Well, the reason it is running out of money is because banks are losing money, and the capital of those banks is being depleted. What has happened over the course of the last 10 or 20 years is that those areas where banks generally make some profit issuing credit cards, making business loans, making home loans, making car loans; just for example, those were banks that used to make a few dollars, and today the credit cards in our pockets might just as well come from Prudential, or Sears, GM, Ford, AT&T. Businesses no longer go to banks to get their big loans. They go where they issue commercial paper. They get their long-term debt issued by an investment bank. Sears is the biggest originator of home mortgages in our country. People want to buy cars. These days they do not get the money from banks. They go to GMAC, or Ford Financial or Chrysler Financial. The reason why banks lose money is they now have too many of their eggs in one basket, and that basket is a real estate basket, oftentimes a commercial real estate basket, and we all know what has happened to the value of commercial real estate in the last couple of years.

Mr. Speaker, my fear is that the amendment of the gentleman from Ohio [Mr. WYLIE], rather than enabling us to take some of those eggs out of that one basket, actually insures that even more eggs may go in that basket in the future. When we vote on the amendment of the gentleman from Ohio [Mr. WYLIE] I hope we ask ourselves the question: Does this amendment increase or diminish the likelihood of a taxpayer bailout, and my fear is that it may well increase that likelihood. We ought to ask ourselves: Does this amendment, the Wylie amendment, increase the ability of banks to raise capital, and my fear is that it ferociously may go just the other way.

And the last question I would have us ask ourselves of the Wylie amendment is: Does it really enhance competition, or does it effectively diminish it?

Mr. WYLIE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Chairman, no one disputes that the banking industry is in trouble. The question for Congress is whether we will solve its underlying problems, or will we continue to throw the taxpayer's money away on bailouts? I know my answer, I rise in support of H.R. 2094. I believe it will help bring the national crisis that has been developing in the financial services industry to an end.

It is distressing to realize, as many of us have had to do, that some of the problems of the banking industry result from regulations that prohibit them from competing for banking business. Not for securities business, not for insurance business, but for banking business. That will change under H.R. 2094.

Bank regulation is a complex interaction of State and Federal laws, court decisions, and the practices of the marketplace. As complex as the regulation is, the matrix of business activities currently being carried on by banks is more so. H.R. 2094 contains a framework of regulation in which those activities can be carried on, and in which the potential for bank profits can be realized. And that is the only way we can safeguard the taxpayer's money. Because, Mr. Chairman, banking profits are a proxy for capital, and capital is a proxy for taxpayer dollars.

Some criticize H.R. 2094 by saying that it does not contain additional enough firewalls. Firewalls for what? There are no new securities powers in this bill. There are no new insurance powers. What is contained in H.R. 2094 is pure banking reform. H.R. 2094 contains strict capital standards for banks. In other words, there will be more capital in banks to protect the taxpayer and to provide a sound foundation for responsible business activities.

The new capital standards are coupled with early intervention authority for bank regulators. For the first time they will be able to move in and reorganize a bank at the first sign of capital deficiency.

Taken together, capital standards and early intervention authority will ensure the stability of this Nation's banking organizations. These stronger and better regulated institutions will then make use of the increased efficiencies and reduced overhead that result from being able to cross State lines with branches instead of banks. That is all the insulation they need.

I support this legislation because I believe it can achieve the goal of increasing bank competition within a well regulated environment. I urge all of my colleagues to vote for it and to vote, as well, for the two amendments to be offered later tonight by the distinguished chairman of the House Committee on Banking, Mr. GONZALES, and the distinguished ranking member Mr. WYLIE.

These two amendments will vastly improve upon this legislation and make it true banking reform.

Mr. GONZALEZ. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, I thank the gentleman from Texas [Mr. GONZALEZ], the chairman, and I rise here in support of a narrow bill, but in opposition to a bill that goes further than that.

Mr. Chairman, we all know what brought us here, and that is that the banking system is out of whack. We have insured deposits. They no longer only serve the purpose to which they were intended, and we have all sorts of new activities that banks get into, and the question is: How do we balance those two?

One thing is certain, my colleagues, and that is that we are not going to be able to create that balance as the session ends, and so we have a real choice, an only choice. Either we do broad reform, which we cannot do, or we do a narrow bill that recapitalizes the fund, such as the bill reported out of the Committee on Banking, Finance and Urban Affairs, and that is the bill, along with the amendment of the gentleman from Texas [Mr. GONZALEZ] that I could support.

But I must say I have rarely seen a more cynical piece of legislation crafted than the amendment of the gentleman from Ohio [Mr. WYLIE]. It is a little of this, it is a little of that, and a little of this in an effort to try and pass a bill, and that is sincere effort. The problem is the little of this, and the little of that and the little of this, first, makes things worse; second, does not accomplish what it purports to, because interstate banking does not occur as long as the Leach amendment was made in order; and third, prevents any real chance for reform down the road.

My colleagues, we do have to pass something, but we should be here passing a narrow bill, and simply because some people not in this Chamber, but down at the other end of 1600 Pennsylvania Avenue, have messed this process up first time, second time, third time, we are all being asked to swallow hard, accept the amendment of the gentleman from Ohio and then vote for final passage.

The gentleman's amendment is like a jalopy. It is a little piece here, it is a little piece there, like a car I once drove that had a red fender on one side, a blue on the other, a yellow hood. It puttered and puttered, then finally fell apart. That is what this amendment will do.

Mr. Speaker, it does not make any sense. There is no sense, intellectual sense, and there is not even a political sense to this. The only purpose is it is a feeble attempt so that someone else, not in this Chamber, can wave the flag and say cynically they passed reform when they know they did not. If we vote down the amendment of the gentleman from Ohio [Mr. WYLIE] and vote down the bill, we can come back and do the narrow bill we are supposed to do.

Mr. WYLIE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Ohio, the distinguished ranking member of our committee.

Mr. Speaker, it is really a shame that we are having this debate right now because, as I look around the Chamber, those of us remaining are really sort of preaching to the choir. I think that might even apply for a goodly number of our visitors. But I think, while the mood in the Chamber is one of subdued sentiment, I think we really should have a sense of cautious optimism about where we are headed here because I think we are making lemonade out of lemons, all things considered. I think this is the best bill, and perhaps the only bill, that we are going to get before us, all things considered. This has been a very political process, a very complex process, and I need to emphasize, I think, to my colleagues, particularly any of those remaining back in their offices that we absolutely need to act on this issue now, now before we adjourn for the year, and in so doing we need to adopt both the Gonzalez and the Wylie en bloc amendments, and I personally, even though I was not part of the process, a new Member and all that sort of thing, I have to compliment the leadership of our committee because I think they have selected from a bewildering menu of possibilities exactly the right entree, for us to consider tomorrow.

Mr. KANJORSKI. Mr. Speaker, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from Pennsylvania.

Mr. KANJORSKI. Mr. Speaker, would the gentleman tell me why we have to pass this bill now?

Mr. RIGGS. I would be happy to. I was about to get to that.

Because I, frankly, am of the opinion that, if we do not act now, we could be accused of being derelict in our duties.

Mr. KANJORSKI. Why?

Mr. RIGGS. Well, I will expand on that in a little bit because we all know, and I know the gentleman, because he is a very knowledgeable and contributing member of the authorizing committee, certainly knows that the FDIC bank insurance fund borders on the brink of insolvency.

Mr. KANJORSKI. Why?

Mr. RIGGS. In my opinion, answering the original question, it is that our combination, our package——

Mr. KANJORSKI. Why is that the case though?

Mr. RIGGS. I will get to that. Our combination here of higher bank premiums to generate $30 billion and a loan from the General Treasury to complete the recapitalization of the BIF is the right way to go, as opposed to the possible alternative, which is inaction and a possible, a possible—

Mr. KANJORSKI. Why is there a need?

Mr. RIGGS. Against the General Treasury.

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Mr. KANJORSKI. Mr. Chairman, if the gentleman will yield, why is there a need for this after 54 years——

The CHAIRMAN. The gentleman from California [Mr. RIGGS] has the time.

Mr. RIGGS. I will yield to the gentleman, Mr. Chairman, if he would like a colloquy.

Mr. KANJORSKI. Why is there a need after 54 years of successful operation, now that this fund is in bankruptcy?

Mr. RIGGS. For all the reasons that have been articulated.

Mr. KANJORSKI. I have not heard any reasons offered.

Mr. RIGGS. Well, obviously there are losses to the American banking industry caused for a variety of reasons that have been well articulated on this floor.

Reclaiming my time and continuing on, I believe this is the right entre. Going to the heart of the gentleman's thrust, he well knows that in the Banking Committee alone we considered well over a hundred amendments, and that does not count the other refinements and the modifications that were made by the other committees with jurisdiction upon sequential referral. So we are down to the action stage. The time for talking has passed, and, yes, we can go on and on.

The CHAIRMAN. The time of the gentleman from California [Mr. RIGGS] has expired.

Mr. WYLIE. Mr. Chairman, I yield 1 additional minute to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I personally would like to have had this debate within the context of what we ought to be doing in the macroeconomic sense to stimulate the economy and create jobs and protect real estate values.

Mr. KANJORSKI. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. I will yield in just a moment. I am about to complete.

However, we are not going to get that opportunity. I again want to point out that there are those who are walking around—I have heard this scuttlebutt on the floor earlier today—saying, "Look out, here we go with a $70 billion cost to the General Treasury." That is not true under this bill.

However, there is a very real possibility that if we continue to drag our feet and do not act—and again I suggest that would be a dereliction of duty—we may be looking at a taxpayer bailout of the banking industry that will make the S&L problems and the RTC look like chump change.

Mr. KANJORSKI. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from California [Mr. RIGGS] has expired.

Mr. WYLIE. Mr. Chairman, I yield 2 minutes to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise for a very specific purpose this evening. It has now been almost 11 months since the State of Rhode Island had its fateful day of closing 45 State-chartered credit unions and banks. Thirteen institutions remain closed. Over $1 billion has been frozen. Almost a third of our State has been directly or indirectly affected by this historic occasion.

Our State deficit has risen to one of the highest per capita in the Nation. Our unemployment is 9.6 percent. Because of these unusual circumstances, we have come to the Federal Government, and with my colleague, the gentleman from Rhode Island [Mr. REED], we have worked closely with the chairman of the Banking Committee and with the ranking Republican, the gentleman from Ohio [Mr. WYLIE], and together we have fashioned what I think is a most appropriate amendment which will help our State of Rhode Island, as this Nation has helped other countries and has helped other companies like Chrysler and cities like New York.

On behalf of all Rhode Islanders, I wish to personally thank the chairman of the committee, the members of the staff, the ranking Republican, the administration, and all the people who have recognized the importance of helping their fellow citizens. They appreciate it, and they will long remember the assistance we are providing in the en bloc amendment.

Mr. Chairman, I urge my colleagues to support the Gonzalez amendment and to vote for final passage.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, I thank the chairman of the Committee on Banking, Finance and Urban Affairs for yielding time to me.

Mr. Chairman, here we are again with round 2 of the banking bill. Last week, I took to the floor and asked our membership to consider a narrow bill. I said, "Let's try to get the insurance fund back to good health. Let's try to ensure some help for the banks."

Nevertheless, that was not adopted. What happened to the bill? It was defeated by a vote of 89 to 324.

Today, under the context of a narrow bill, the House meets again, but we are not really considering a narrow bill. If we would stop with the committee print and the Gonzalez amendment, we would have a narrow bill to do the things I wanted to do. However, we have the Wylie bill, giving away something the banks want very badly, something that is called interstate banking.

If we do that, there will be no engine to push the deregulation bill in the next session or whenever we get back to it. That deregulation bill will hopefully contain some decent firewalls.

I asked the Rules Committee last night to make in order a moratorium amendment, one which is supported by many Members, including the chairman of the Committee on Energy and Commerce.

What will happen, I say to my friends, is this: Last week, the House indicated it would say no to security powers for commercial banks. But under the current authority for the regulators, they can give banks selective security powers. As I stand here tonight, 35 banks already have received permission for security powers. The Board of Governors for the Federal Reserve is now thinking about relaxing some of the firewalls that are attached to those security powers for banks, and without a moratorium, with a bankrupt bank fund, we are going to see the regulators, unelected people of this country, exposing the taxpayers to more risk by giving more and more banks an ability to get into the securities industry with none of the protections we had in the bill last week.

So I think it is imperative that we at some point get back to talking about a moratorium to stop what I believe is going to be a hemorrhage, because banks are going to lose money without congressional firewalls for security powers, knowing full well that the security fund is totally broke and that the bill before us provides $70 billion to recapitalize the insurance fund.

The CHAIRMAN. The Chair wishes to announce that the gentleman from Ohio [Mr. WYLIE] has 9 minutes remaining and the gentleman from Texas [Mr. GONZALEZ] has 10 minutes remaining.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

For what it is worth. Mr. Chairman, I would like to say that the administration is strongly in support of the Gonzalez en bloc amendment and also in support of the Wylie-Neal en bloc amendment, and I would like to read from the Statement of Administration Policy:

> The Administration continues to believe that comprehensive legislation is necessary to ensure the soundness and competitiveness of the U.S. banking system. The Administration will continue to work with congress to produce comprehensive legislation this year.
>
> The Administration strongly supports House passage of H.R. 2094, if amended by the Wylie-Neal and Gonzalez en bloc amendments. If the Wylie-Neal amendment is not adopted, the Administration will strongly oppose this legislation as failing to come to grips with the fundamental problems of the banking system.
>
> The Administration strongly supports both the Wylie-Neal and Gonzalez en bloc amendments as improvements to H.R. 2094, and especially supports the Wylie-Neal amendment with its interstate branching provisions. On balance, both of these amendments will help to strengthen the banking system and enhance safety and soundness. However, both amendments also contain provisions that the Administration will seek to improve or delete before the bill becomes law.

So, Mr. Chairman, the administration is in strong support of the bill, but they do want to make some changes. The administration opposes what they call extraordinarily high capital requirements on banks that engage in interstate activities, and they would seek a change in that regard, and also on a rollback of banks existing authority to sell insurance products across State lines. They would seek these changes, and they suggest that maybe national banks ought to be on a parity with State banks.

Mr. Chairman, I am pleased to suggest at this point that if we are able to pass the bill in its present form, the administration would support it and the President would sign it.

Mr. Chairman, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Chairman, I thank the gentleman very much for this time.

Mr. Chairman, I would like to take this opportunity to address the issues I discussed a little while ago with the gentleman from California [Mr. RIGGS]. I asked some questions that I thought were very pertinent.

I have listened to the discussion here for almost 40 years, and I hope the American people who may be watching this debate may just ask the question: Why are we in this trouble? What happened? What is happening?

Let me try to answer those questions as to why we are in that trouble. We are in the trouble we are in today because for the last 11 years we have had the poorest set of regulators regulating what the banks of this country have been doing, and they allowed the banks to get into trouble.

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What is the future cause of the trouble we are in, seriously? We have a recession that is going on. What reflects part of the serious recession that is going on? We have a real estate crash that appears to have no bottom yet. What are we doing about transfusing funds into the FDIC when the hemorrhaging is still going on in the victim? Nothing. We are talking about further little powers. We are talking about fine-tuning a system that is not working now.

Mr. Chairman, may I suggest to both my leadership and the other side of the aisle, but primarily to the President of the United States, no banking bill, regardless of what it contains, is going to change the economic climate that is out there today. What we really need is enough infusion into the FDIC to make sure the depositors are secure for a sufficient period of time over the next 2, 3, or 4 months. We need for this Congress and the President of the United States, not Mr. Darman or Mr. Sununu, to come together and fashion the Economic Recovery Act of 1992, so that we can infuse funds to stop the real estate crash, so we can infuse perhaps equity funds in some of the banks that will not collapse if we support them, which will be a lot cheaper than the U.S. Government becoming an owner of eventually over 400 billion dollars' worth of real estate.

Mr. Chairman, I urge Members to vote this bill down as presently constructed.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to respond to some of the observations which the gentleman from Pennsylvania [Mr. KANJORSKI] made. In the first place, we do have an early intervention provision in the bill now, which if we had had a little earlier on, we might not be in the mess we are in at the present time.

We also have annual examinations. We also have outside audits and improved accounting. All of these provisions were recommended by the GAO and we have incorporated them in the bill now before us.

We have interstate banking in place at the present time. As I have suggested before, what this provides for, of course, is interstate branching, so that the banks can effect economies of scale.

Mr. KANJORSKI. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I will be glad to yield to the gentleman from Pennsylvania.

Mr. KANJORSKI. Mr. Chairman, I would ask the gentleman from Ohio [Mr. WYLIE], we have one provision, section 142, that provides that if an adverse economic impact occurs regionally or nationally, and the bill does not define what an adverse severe economic impact is or what regional means, that rather than the FDIC being responsible, which is the premium receiver from the banking industry, rather than their being responsible for the payouts, any foreign deposits in American banks and any uninsured deposits, that is multimillion deposits, can be directly bailed out through the use of taxpayer money without any source of recovery.

Mr. Chairman, I would ask the gentleman, are you familiar with section 142, and do you agree that if that loophole exists, and if we have a failure of two or three of the largest banks in this country, it could cost the American taxpayers tens of billions of dollars without them having ever to come back to this Congress or anyone else?

Mr. WYLIE. Mr. Chairman, reclaiming my time, I would suggest to the gentleman from Pennsylvania [Mr. KANJORSKI] that that is pursuant to an amendment offered by the chairman of the Committee on Banking, Finance and Urban Affairs [Mr. GONZALEZ], and it did provide for a Treasury override.

If we need some modification of it as we go through the conference process, we can take a look at it. But I thought at the time when the gentleman from Texas [Mr. GONZALEZ] offered that amendment, it sounded all right.

The gentleman from Pennsylvania [Mr. KANJORSKI] has made some observations about it. If his observations are correct, which I do not think they are, then we may want to modify it. Treasury did not particularly want the amendment, I would say to the gentleman from Pennsylvania, but it sounded like a good amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, if we are talking about the modification restriction on the too-big-to-fail doctrine, I am very surprised that my friend thinks that is somehow some problem for the taxpayers. It is exactly the opposite.

We now have a situation where we have the too-big-to-fail doctrine where in case after case the taxpayer ultimately has been stuck for the whole thing. That is why we are here. What this does is put very severe limitations on it.

We said in extreme cases we will say that you can have this borne by the general fund, but only in extreme cases.

The alternative, if I understand what the gentleman from Pennsylvania [Mr. KANJORSKI] is attacking, is our efforts substantially to diminish the too-big-to-fail doctrine.

Mr. WYLIE. Mr. Chairman, reclaiming my time, I would also like to make an observation. In our bill we specifically repeal this so-called too-big-to-fail doctrine on January 1, 1995. This is a modification of that. We repeal the too-big-to-fail doctrine first.

Mr. FRANK of Massachusetts. If the gentleman will yield further, I think the problem we have, frankly, is not so much the too-big-to-fail doctrine, but too unhappy to vote yes under any circumstance doctrine, which I think affects too many of my colleagues.

Mr. WYLIE. Mr. Chairman, reclaiming my time, I agree with that observation. The gentleman from Pennsylvania [Mr. KANJORSKI] has 99 percent, and wants 100 percent.

Mr. Chairman, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Chairman, I rise in support of this measure. Our fundamental obligation on this issue is to recapitalize the bank insurance fund. Every Member of this House that comes from New England watched in sadness as the Bank of New England went under, the third most costly bank failure in the history of the United States. Every one of our constituents had their deposits honored when that bank went under, in many cases above and beyond the $100,000 requirement.

Our obligation at this point is clear: we should vote to recapitalize the bank insurance fund. More important, we should give our citizens a sense of confidence in the American banking system. That is what the system rests upon.

Mr. GONZALEZ. Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Chairman, I thank the gentleman from Texas for yielding time to me.

Mr. Chairman, allow me to say up front that I have no quarrel with the chairman of the Banking Committee and his hard work. We share many of the same concerns and I commend him for his work on this issue. However, during the debate you will hear many references to the term "narrow bill," so I want to address this issue.

If we can call a bill that spends $70 billion to bail out the bank insurance fund a narrow bill, then we need a truth in labeling law here in Congress. Frankly, no one here on the floor really believes this is a narrow bill in terms of dollars. That's why 324 of my colleagues voted no on final passage last week.

Seventy billion dollars is a big fat chunk of money that taxpayers will have to fork up in order to bail out bankers who used taxpayer's personal savings accounts, long-term CD investments, and kid's college funds for shaky loans to Third World countries and risky real estate deals, and to pay themselves big salaries and bonuses to enjoy lives of luxury. Now "Johnny Six-Pack" and "Jane Working-Mom" have to shoulder the burden. That is blatantly unfair.

It is highly ironic that the only provisions dropped out of the bill and not permitted as amendments were the provisions of title IV that the House voted not to strike.

To reiterate, this is not a narrow bill. It is a bill for special interests. It is not a bill that protects the consumer. It is not a bill for the American people. It is a bill for a handful of large banks.

Let me give you one example of narrow interests. The Wylie en bloc amendment was made in order to include several provisions relating to insurance. As the chairwoman of the subcommittee that adopted, indeed originated, those provisions, I supported them.

But several other provisions adopted by the Commerce, Consumer Protection and Competitive Subcommittee relating to insurance were dropped. They were strong consumer protection provisions. One prohibited banks from making a loan commitment conditional on buying insurance from the bank. Another required banks to give customers full disclosures when selling insurance products that were not covered by Federal deposit insurance. Another protected the confidentiality of consumer records.

Therefore, I shall oppose the Wylie amendment.

We are now told that the insurance industry is taken care of. Well what about the consumers? What about "Johnny Six-Pack" and "Jane Working-Mom" who want to buy a house and are told that in order to get a mortgage, they have to buy household insurance from the bank? They are not a narrow interest and their protections are left out of this $70 billion deep pockets plan.

And what about minorities? We have a report—a smoking gun report—that documents discrimination against minorities seeking loans. Does the bill or do the amendments address this problem? No.

This $70 billion backbreaker bailout throws money at a problem without fixing it. The banks now will be free to forever seek the deregulation provisions that Congress denied them by going to their unelected regulators and the courts because there are no restrictions. Yesterday in Rules, the Energy and Commerce Committee asked that an amendment be made in order for a moratorium on all new banking powers. The Rules Committee decided against it.

The Comptroller of the Currency and the Federal Reserve Board have been unlocking the doors of the National Treasury by defining away the law.

Last time around, we had a chance to vote for sensible regulation and we did so, when we voted not to strike title IV. This time we as a body have been denied that chance.

We are mortgaging our next generation's future on two bad bets. One is that the banks will magically change their ways, and stop being irresponsible in their business practices; The other is that the administration regulators who have consistently erred in their granting of greater powers to the banks will begin to regulate effectively. Do you think that the same regulators who failed to take timely action on BCCI can now be trusted? I wouldn't bet on it and I find it inconceivable that we would abdicate our responsibilities to protect our citizenry.

Dressing a $70 billion backbreaking bailout with no significant effort to correct the problems as a narrow bill assumes that our constituents just don't know enough to care. That's wrong. They do care. They want our hand out of their pockets.

I urge my colleagues to join me in defeating the Wylie en bloc amendment and this bill.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would rhetorically ask the question, why do the banks oppose the so-called Wylie-Neal amendment? The banks are for interstate branching and they do not oppose the opt-out provision of the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from Minnesota [Mr. VENTO]. But they are opposed to closing the so-called Delaware loophole amendment.

Mr. Chairman, the unique provision of the Delaware law provides for nationwide sales of insurance by state banks from Delaware. It does not permit insurance sales within the State of Delaware, but it permits a bank to be organized to sell insurance outside the State of Delaware. If it is so good to have a bank selling insurance, why would Delaware not permit the selling of insurance within its own State?

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Apparently what is good for the goose is not so good for the gander.

Also, the Delaware law was not upheld by the Federal Reserve, and the Fed's decision was to overturn the courts with reference to the Delaware law.

We want to make the law unmistakably clear in this regard. That is the purpose of my amendment, as it applies to the so-called Delaware loophole.

Now, who opposes the restriction on banks becoming directly involved in the sale of real estate? I do not know. One of the problems that we have in the case of the Bank of New England is that they were overinvested in real estate. We do not think that banks should be directly involved in investing in real estate at the present time, and that is what this amendment would do, as it applies to real estate.

We saw what happened in the case of the savings and loan industry where S&L's were allowed to directly invest in real estate, and we see the problem we have today.

I think that we should learn from history and adopt the Wylie-Neal amendment as we pass this bill.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, for the purposes of a colloquy with my distinguished ranking member, I heard earlier today from the California Bankers Association, and there is some concern regarding the gentleman's en bloc amendment.

I would just like to clarify in my mind that what the gentleman's amendment does is actually provide State banks a time period up to 3 years to convince their State legislatures that they ought to opt out of the interstate banking and branching provisions of this bill, if in fact they find the subtitle (b), subtitle (c) provisions pertaining to insurance and real estate.

Mr. WYLIE. Mr. Chairman, that is correct.

Mr. RIGGS. If the gentleman will continue to yield, I thank the gentleman for that observation.

Mr. WYLIE. Mr. Chairman, I appreciate the gentleman's contribution.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. FRANK] to close debate.

Mr. KANJORSKI. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. KANJORSKI. Mr. Chairman, the gentleman from Massachusetts [Mr. FRANK] mentioned the fact that we do not want to vote for the bill. Let me share two things that I am aware of, and I do not know if the information could be given to me otherwise. I know of no taxpayer bailout of any bank that has failed up until this time and that the provision in 142 is the first time that that will occur.

Second, I want to assure the Member from Massachusetts that this Member will support a government bailout of the FDIC of a sufficient amount to carry the FDIC so no depositor will lose through May, but with the provision that this Congress and this President get together and form an economic recovery act that will provide for what is really happening in this country.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman for proving my point, which is, he says he is willing to vote for the fund to pay off the depositors who are entitled under the law to their deposits if the President and Congress sign an economic recovery package.

Mr. KANJORSKI. Mr. Chairman, will the gentleman continue to yield?

Mr. FRANK of Massachusetts. Mr. Chairman, I have not yielded. I am sorry the gentleman is so excited, but I wish he would restrain himself just a little bit so we can get into this discussion.

I yielded to him before he even said anything and he said, I will support it on the condition that, and I do not intend to yield to the gentleman every 8 seconds when I yielded my first minute to him. If that is a difficult concept for him to understand, I will try to put it in writing.

The point is, the gentleman is saying we have to get the President up here after May. He says he will support it until May and then the President has to come and talk and we have to do an economic recovery program.

In the first place, I want to do an economic recovery program without the President's permission because I do not like his ideas on economic recovery. So I disagree with the gentleman that we here in the Congress should pursue our economic recovery program in a summit with Mr. Bush.

In the first place, I do not know if my passport is good and I do not know where he will be. So I do not want to have to travel. We get in trouble if we do foreign travel. If we have to do a summit with the President, God knows where we will have to go to get it.

Now to talk about this bill. We in the Committee on Banking, Finance and Urban Affairs are somewhat unfairly put upon, it seems to me. A lot of Members in this House would like more jurisdiction. I think we in the Committee on Banking, Finance and Urban Affairs, Mr. Chairman, probably should have less jurisdiction because we have the responsibility of raising, voting the money to pay the depositors.

Understand, this is not a favor to anybody. This is not a bailout of banks. This is not going to bank stockholders or bondholders. It is not going to the Trilateral Commission. It is going to Americans who put their money in the bank and were told if the bank failed, they would get paid off. That is where the money goes.

If Members would like to not pay that money, OK. I think they are wrong. I do not think that is a voluntary act. As a matter of fact, when we voted a couple of weeks ago, the ranking minority member and the chairman had some amendments that would have cut back on deposit insurance. And this House overwhelmingly voted that down.

How can Members consistently vote not to restrict deposit insurance and then, when we talk about making good deposit insurance, say, "It is a bailout"?

That is a bailout from common sense. If we vote for deposit insurance, we have got to pay people for it.

Now there is more than that in this bill. Let me say the right to come up with the money to make good on the promises of the United States of America is no great boon to the Committee on Banking, Finance and Urban Affairs. This is the Gaza Strip of jurisdictions. We should get a U.N. mandate to take it over. We should offer it to Egypt. We are stuck with it. We are stuck with it to carry out our responsibility to the taxpayers, whether or not we have economic recovery, whether or not we have a meeting with the President, whether or not the President comes up here, whether or not the Secretary of the Treasury goes down there, no matter what. We have an absolute solemn obligation to average Americans to pay them the money that they lost on deposits.

We do say in this bill, we do not want to keep paying people who have even more than the deposit limit. It is a restriction, a very severe restriction on too big to fail. It does say that in extreme cases where that would cause severe economic distress, we will go to the Treasury for advances. That has been represented as some new taxpayer liability.

In fact, I think it means much less. Members said, well, the taxpayers are not liable now. If that was not the case, why are we here?

This is not monopoly money we are voting. We are voting to lend taxpayer money to the bank insurance fund that nobody is sure will be repaid because we have to pay off deposit insurance, and we are trying to make that less of a case in the future.

Let me just talk about what else is in this bill. There are a number of very important regulatory reforms. There are limits on brokered deposits. There are limits on bank insurance contracts. There is early intervention, least-cost resolution. There is a lot of reform.

I tell my colleagues what is in here, we do not have anything in here that protects the securities industries from the banks. And I continue to be more baffled than anything else I can think of why some of my liberal friends are convinced that liberalism today means we have to protect Salomon Bros. and Merrill Lynch and all of those people from competition from the banks.

We are not in this business of giving the banks any more power in this bill here. We are not restricting them in areas where they may be competing with the securities industry. When we talk about protecting the consumer, I wish we had the CRA provision. We have some other provisions that I am for that are in this bill that protect consumers. What we do not do is protect the securities industry from the banks, and I have got to admit, I was absent the day in liberal school when we learned that protecting the securities industry was something we should be doing.

Ms. OAKAR. Mr. Chairman, long ago, before any of us were in Congress, this body made a commitment to the people of the United States. Simply stated, that commitment said, "We will protect you, the people, from total loss in case that financial institutions should fail you."

Our predecessors made this commitment not to the banks to ensure their perpetual existence or to the shareholders of the banks to ensure their profitability. It was made to the people, the workers who punch the clock each day, catch a bus, and save their pennies.

This promise has engendered a faith in the Government and the banking system by the people over the years. A faith that gives them the confidence to take out loans to purchase homes; the peace of mind that their money will be there for them in an emergency; the assurance that they can retire without being a burden to society. The working people of the United States have the right to expect that this commitment will be honored.

If we do not pass this recapitalization of the bank insurance fund, we have broken the promise to the citizens in our districts. We will be saying to them, "You taxpayers must hold the bag for bank mismanagement and incompetence."

The life savings of those who have contributed the most to this country with their honest work, will be lost. Make no mistake, this loss would be felt primarily by the middle class. The wealthy will have plenty of other investments to fall back on, but the workers usually have little else but their homes and their savings accounts.

There are larger implications for the Nation and the economy as well. If financial markets even sense that the Government might renege on its promise and not recapitalize the bank insurance fund, how will they react? How much more will credit tighten? How many more banks would fail if there was a mini-run by customers? What would happen to stock values? After the dismal economic performance of the last 2 years, I don't believe the economy can take much more.

The recapitalization of the bank insurance fund will signal to markets that this Congress is serious about the commitment made long ago to stabilize the banking industry in difficult times. Along with that reaffirmation, we have additional provisions that ensure the system's future strength.

We have held countless hearings with expert witnesses on banking and finance, consumer affairs issues, and other financial disciplines such as securities and insurance. This bill, and offered amendments, encompass prudent regulation, reporting, and accountability along with the recapitalization of the bank insurance fund and true interstate banking.

I believe this bill deserves your support.

The much-needed recapitalization of the bank insurance fund allows the FDIC to borrow up to $70 billion from the Treasury. It is important to remember that this recapitalization is merely a line of credit and that it will be paid back by the banks. Assessment rates have already been increased to 23 basic points to help ensure that these funds are only temporary transfers.

To prevent future problems, the bill contains strict new accounting standards, dictates that the least-cost resolution of a failed institution must be used, clarifies capital-level requirements, and calls for mandatory prompt intervention when capital levels fall too low. Institutions well below capital-level requirements, as strictly defined in this bill, must be placed in conservatorship within 30 days. All institutions will be required to be examined on an annual basis and must have an independent audit performed. Regulators will no longer be able to allow a failing institution to languish and ring up even more losses.

H.R. 2094 eliminates the too-big-to-fail doctrine, effective in 1995. No longer will regulators be able to prevent large banks from failing because they view these large institutions as too important to the financial industry or the country. Too often, managers at these large banks have abused this policy and taken risks that were totally unjustified, secure in the knowledge that if their big gamble failed, the Government and taxpayers would bail them out.

The provisions being offered in the Gonzalez en bloc amendment improve the safety and soundness of banking institutions.

Among these provisions, foreign banks will undergo more open and rigorous regulation through the provisions included here. Better coordination with foreign regulators and increased access to documentation will help to insure that the illegal activities that have plagued certain foreign banks operating in the United States can be identified with greater ease and, hopefully, prevented altogether. The FDIC, or any other U.S. regulatory agency is also expressly prohibited from making restitution for foreign deposits in U.S. banks that have failed. For years, these foreign deposits have had a free ride; they did not pay assessments into the bank insurance fund, yet they would receive full coverage. No more.

Consumer provisions that strengthen the Community Reinvestment Act by encouraging the financial institutions to participate in CRA are being offered. Banks are actually given tax credits for increasing their participation in low-income communities. This means better access to capital for the disenfranchised in our cities. Paperwork requirements are eased and banks are given proper credit for working with minority, female, and low-income groups.

My provision which allows bank insurance fund members to merge with savings association insurance fund member institutions is being offered with the Gonzalez amendment package today. It will encourage private capital to enter the system by allowing banks and thrifts to combine operations. This will help to offset potential losses to the insurance funds by further stabilizing the institution's financial base. Every dollar that private investors put into an institution decreases the likelihood of failure and relieves the taxpayers of a potentially expensive bailout. This amendment is a refinement of an idea I first proposed in the FIRREA legislation of 1989 and has proved to be most effective.

Provisions allowing individuals to retain multiple insured accounts and to retain deposit insurance limits at $100,000 per account are being offered today. The intent of maintaining multiple insured accounts is, again, to preserve depositor confidence in the system. Confusion resulting from changes in coverage could cause the transfer of billions of dollars causing further uncertainty. Limiting deposit coverage would likely force deposits to low-yield government bonds that already are completely insured. That would dry up credit availability for individuals and small businesses and make an already bad situation worse.

Multiple counts are not responsible for bank failures in any way. Bank failures are a result of mismanagement, poor investments by institutions, and poor regulation.

Passthrough protection is provided for the pensions of hard working middle-class Americans who rely on these accounts to provide for their retirements through my amendment passed in full committee. These are the pension plans in which ordinary workers participate.

This provision will not change any current practices associated with providing deposit insurance for these retirement plans. This is because the FDIC has offered passthrough deposit insurance for pension plans for 25 years. The FDIC considers a pension plan to be a collection of individuals participating in retirement income plan, not a single pension fund manager or corporation. The FDIC recognizes that pension plans are owned by the plan's participants and therefore should be protected. Consequently, my amendment will simply continue the 25 year regulatory history of insuring pension plans.

Another provision in the Gonzalez en bloc amendment requires risk-based capital standards to be implemented based upon the relative riskiness of a bank's assets. Risk-based assessments require the bank to back riskier investments with more capital; more of their own money. This weighting of assets will help ensure that bankers consider risk factors more thoroughly and invest prudently. In this, we finally reward bankers for their prudence rather than their greed and recognizes the difference between a solid investment and mere speculation.

The Federal banking agencies are required to formulate regulations setting standards for real estate lending by insured depository institutions. This is a very sound proposal that prescribes limits on real estate lending by our banks. We all know the trouble that the savings and loans and now the banks have gotten into because they were not able to regulate themselves and sensibly assess the risks involved with land and development deals. The banks, the Congress, and the taxpayers of this country are now paying the tab for empty offices and strip malls across the country.

Mr. Chairman, we do have certain obligations to carry out no matter how painful they may be. We must recapitalize the bank insurance fund and fulfill our promise. In doing so, we will help to stabilize the economy and ensure the future of so many Americans. We have additional provisions that will strengthen the oversight and accountability of the bans while providing an opportunity for continued growth and profitability. I urge the Members to support this bill.

The CHAIRMAN. All time for general debate has expired.

Under the rule, the committee amendment in a nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment and shall be considered as read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2094

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Deposit Insurance Corporation Improvement Act of 1991".

TITLE I—SAFETY AND SOUNDNESS

Subtitle A—Deposit Insurance Funds

SEC. 101. FUNDING FOR THE FEDERAL DEPOSIT INSURANCE FUNDS.

Section 14(a) of the Federal Deposit Insurance Act (12 U.S.C. 1824(a)) is amended by striking "$5,000,000,000" and inserting "$30,000,000,000".

SEC. 102. LIMITATION ON OUTSTANDING BORROWING.

(a) IN GENERAL.—Section 15(c) of the Federal Deposit Insurance Act (12 U.S.C. 1825(c)) is amended by striking paragraphs (5) and (6) and inserting the following new paragraphs:

"(5) MAXIMUM AMOUNT LIMITATION ON OUTSTANDING OBLIGATIONS.—Notwithstanding any other provisions of this Act, the aggregate amount of obligations of the Bank Insurance Fund or Savings Association Insurance Fund, respectively, outstanding at any time may not exceed the sum of—

"(A) the amount of cash or the equivalent of cash held by the Bank Insurance Fund or Savings Association Insurance Fund, respectively;

"(B) the amount which is equal to 90 percent of the Corporation's estimate of the fair market value of assets held by the Bank Insurance Fund or the Savings Association Insurance Fund, respectively, other than assets described in subparagraph (A); and

"(C) the total of the amounts authorized to be borrowed from the Secretary of the Treasury pursuant to section 14(a).

"(6) OBLIGATION DEFINED.—For purposes of paragraph (5), the term 'obligation' includes—

"(A) any guarantee issued by the Corporation;

"(B) any amount borrowed pursuant to section 14; and

"(C) any other obligation for which the Corporation has a direct or contingent liability to pay any amount."

(b) GAO REPORTS.—

(1) QUARTERLY REPORTING.—The Comptroller General of the United States shall submit a report each calendar quarter on the Federal Deposit Insurance Corporation's compliance with section 15(c)(5) of the Federal Deposit Insurance Act for the preceding quarter to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) ANALYSES TO BE INCLUDED.—Each report submitted under paragraph (1) shall include—

(A) an analysis of the performance of the Federal Deposit Insurance Corporation in meeting any repayment schedule under section 14(c) of the Federal Deposit Insurance Act (as added by section 103 of this Act); and

(B) an analysis of the actual recovery on asset sales compared to the estimated fair market value of the assets as determined for the purposes of section 15(c)(5)(B) of such Act.

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 15(c) of the Federal Deposit Insurance Act (12 U.S.C. 1825(c)) is amended by striking paragraph (7).

SEC. 103. REPAYMENT SCHEDULE.

(a) IN GENERAL.—Section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824) is amended by adding at the end the following new subsection:

"(c) REPAYMENT SCHEDULES REQUIRED FOR ANY BORROWING.—

"(1) IN GENERAL.—No amount may be provided by the Secretary of the Treasury to the Corporation under subsection (a) unless an agreement is in effect between the Secretary and the Corporation which—

"(A) provides a schedule for the repayment of the outstanding amount of any borrowing under such subsection; and

"(B) demonstrates that income to the Corporation from assessments under this Act will be sufficient to amortize the outstanding balance within the period established in the repayment schedule and pay the interest accruing on such balance.

"(2) CONSULTATION WITH AND REPORT TO CONGRESS.—The Secretary of the Treasury and the Corporation shall—

"(A) consult with the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate on the terms of any repayment schedule agreement described in paragraph (1) relating to repayment, including terms relating to any emergency special assessment under section 7(b)(7); and

"(B) submit a copy of each repayment schedule agreement entered into under paragraph (1) to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and

Urban Affairs of the Senate before the end of the 30-day period beginning on the date any amount is provided by the Secretary of the Treasury to the Corporation under subsection (a)."

(b) Emergency Special Assessments.—Section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended by redesignating paragraphs (7), (8), and (9) as paragraphs (8), (9), and (10), respectively, and by inserting after paragraph (6) the following new paragraph:

"(7) Emergency special assessments.—In addition to the assessments imposed on insured depository institutions under other provisions of this subsection, the Corporation may impose 1 or more special assessments on insured depository institutions in an amount determined by the Corporation if the amount of any such assessment—

"(A) is necessary—

"(i) to provide sufficient assessment income to repay amounts borrowed from the Secretary of the Treasury under section 14(a) in accordance with the repayment schedule in effect under section 14(c) during the period with respect to which such assessment is imposed;

"(ii) to provide sufficient assessment income to repay obligations issued to and other amounts borrowed from Bank Insurance Fund members under section 14(d); or

"(iii) for any other purpose the Corporation may deem necessary; and

"(B) is allocated between Bank Insurance Fund members and Savings Association Insurance Fund members in amounts which reflect the degree to which the proceeds of the amounts borrowed are to be used for the benefit of the respective insurance funds."

SEC. 104. BORROWING FOR BIF FROM BIF MEMBERS.

Section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824) is amended by inserting after subsection (c) (as added by section 103 of this subtitle) the following new subsection:

"(d) Borrowing for BIF From BIF Members.—

"(1) Borrowing authority.—The Corporation may issue obligations to Bank Insurance Fund members, and may borrow from Bank Insurance Fund members and give security for any amount borrowed, and may pay interest on (and any redemption premium with respect to) any such obligation or amount to the extent—

"(A) the proceeds of any such obligation or amount are used by the Corporation solely for purposes of carrying out the Corporation's functions with respect to the Bank Insurance Fund; and

"(B) the terms of the obligation or instrument limit the liability of the Corporation or the Bank Insurance Fund for the payment of interest and the repayment of principal to the amount which is equal to the amount of assessment income received by the Fund from assessments under section 7.

"(2) Liability of BIF.—Any obligation issued or amount borrowed under paragraph (1) shall be a liability of the Bank Insurance Fund.

"(3) Terms and conditions.—Subject to paragraph (1), the Corporation shall establish the terms and conditions for obligations issued or amounts borrowed under paragraph (1), including interest rates and terms to maturity.

"(4) Investment by BIF members.—

"(A) Authority to invest.—Subject to subparagraph (B) and notwithstanding any other provision of Federal law or the law of any State, any Bank Insurance Fund member may purchase and hold for investment any obligation issued by the Corporation under paragraph (1) without limitation, other than any limitation the appropriate Federal banking agency may impose specifically with respect to such obligations.

"(B) Investment only from capital and retained earnings.—Any Bank Insurance Fund member may purchase obligations or make loans to the Corporation under paragraph (1) only to the extent the purchase money or the money loaned is derived from the member's capital or retained earnings.

"(5) Accounting treatment.—In accounting for any investment in an obligation purchased from, or any loan made to, the Corporation for purposes of determining compliance with any capital standard and preparing any report required pursuant to section 7(a), the amount of such investment or loan shall be treated as an asset."

Subtitle B—Supervisory Reforms

SEC. 111. IMPROVED EXAMINATIONS.

(a) Annual Examinations.—

(1) In general.—Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by inserting after subsection (c) the following new subsection:

"(d) Annual On-Site Examinations of All Insured Depository Institutions Required.—

"(1) In general.—Each insured depository institution (other than an institution for which a conservator or receiver has been appointed) shall be examined at least once during each 12-month period (beginning on the date on which the most recent examination of such institution ended) by the appropriate Federal banking agency in an on-site examination unless the institution has been examined by the Corporation during such period in an on-site examination.

"(2) Acceptance of State on-site examinations.—Notwithstanding paragraph (1), the appropriate Federal banking agency or the Corporation may accept an examination report on any insured depository institution which is based on an on-site examination by the appropriate State bank supervisor."

(2) Effective date.—Section 10(d) of the Federal Deposit Insurance Act (as added by paragraph (1) of this subsection) shall take effect at the end of the 1-year period beginning on the date of the enactment of this Act.

(3) Transition rule.—During the period beginning after the end of the period described in paragraph (2) and ending on December 31, 1993, section 10(d) of the Federal Deposit Insurance Act shall be applied by substituting "18-month" for "12-month" with respect to any insured depository institution other than—

(A) an institution which received a composite CAMEL rating of 3, 4, or 5 under the Uniform Financial Institutions Rating System (or a comparable rating under an equivalent rating system) during the most recent examination of such institution; or

(B) an institution for which a notice or application has been received by the appropriate Federal banking agency under section 7(j) or 18(c) of the Federal Deposit Insurance Act during the 12-month period beginning on the date on which the most recent examination ended.

(b) Examination Improvement Program.—

(1) In general.—The appropriate Federal banking agencies, acting through the Federal Financial Institutions Examination Council, shall each establish a comparable examination improvement program which meets the requirements of paragraph (2).

(2) Requirements.—An examination improvement program meets the requirements of this paragraph if, under the program, the agency is required—

(A) to periodically review the organization and training of the staff of the agency who are responsible for conducting examinations of insured depository institutions and to make such improvements as the agency determines to be appropriate to ensure frequent, objective, and thorough examinations of such institutions; and

(B) to increase the number of examiners, supervisors, and other individuals employed by the agency in connection with conducting or supervising examinations of insured depository institutions to the extent necessary to ensure frequent, objective, and thorough examinations of such institutions.

(c) Definition Relating to State Bank Supervisors.—

(1) In general.—Section 3(r) of the Federal Deposit Insurance Act (12 U.S.C. 1813(r)) is amended to read as follows:

"(r) State Bank Supervisor.—

"(1) In general.—The term 'State bank supervisor' means any officer, agency, or other entity of any State which has primary regulatory authority over State banks or State savings associations in such State.

"(2) Interstate application.—The State bank supervisors of more than 1 State may be the appropriate State bank supervisor for any insured depository institution."

(2) Technical and conforming amendment.—Section 3(s) of the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) is amended to read as follows:

"(s) Definitions Relating to Foreign Banks and Branches.—

"(1) Foreign bank.—The term 'foreign bank' has the meaning given to such term by section 1(b)(7) of the International Banking Act of 1978.

"(2) Federal branch.—The term 'Federal branch' has the meaning given to such term by section 1(b)(6) of the International Banking Act of 1978.

"(3) Insured branch.—The term 'insured branch' means any branch (as defined in section 1(b)(3) of the International Banking Act of 1978) of a foreign bank any deposits in which are insured pursuant to this Act."

SEC. 112. INDEPENDENT ANNUAL AUDITS OF INSURED DEPOSITORY INSTITUTIONS.

(a) In General.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 36. EARLY IDENTIFICATION OF NEEDED IMPROVEMENTS IN FINANCIAL MANAGEMENT.

"(a) Annual Report on Financial Condition and Management.—

"(1) Report required.—Each insured depository institution shall submit an annual report to the Corporation, the appropriate Federal banking agency, and any appropriate State bank supervisor (including any State bank supervisor of a host State).

"(2) Contents of report.—Any annual report required under paragraph (1) shall contain—

"(A) the information required to be provided by—

"(i) the institution's management under subsection (b); and

"(ii) an independent public accountant under subsections (c) and (d); and

"(B) such other information as the Corporation and the appropriate Federal banking agency may determine to be necessary to assess the financial condition and management of the institution.

"(3) Public availability.—Any annual report required under paragraph (1) shall be available for public inspection.

"(b) Management Responsibility for Financial Statements and Internal Controls.—Each insured depository institution shall prepare—

"(1) annual financial statements in accordance with generally accepted accounting principles and such other disclosure requirements as the Corporation and the appropriate Federal banking agency may prescribe; and

"(2) a report signed by the chief executive officer and the chief accounting or financial officer of the institution which contains—

"(A) a statement of the management's responsibilities for—

"(i) preparing financial statements;

"(ii) establishing and maintaining an adequate internal control structure and procedures for financial reporting; and

"(iii) complying with the laws and regulations relating to safety and soundness which are designated by the Corporation or the appropriate Federal banking agency; and

"(B) an assessment, as of the end of the institution's most recent fiscal year, of—

"(i) the effectiveness of such internal control structure and procedures; and

"(ii) the institution's compliance with the laws and regulations relating to safety and soundness which are designated by the Corporation and the appropriate Federal banking agency.

"(c) INTERNAL CONTROL EVALUATION AND REPORTING REQUIREMENTS FOR INDEPENDENT PUBLIC ACCOUNTANTS.—

"(1) IN GENERAL.—With respect to any internal control report required by subsection (b)(2) of any institution, the institution's independent public accountant shall attest to, and report separately on, the assertions of the institution's management contained in such report.

"(2) ATTESTATION REQUIREMENTS.—Any attestation pursuant to paragraph (1) shall be made in accordance with generally accepted standards for attestation engagements.

"(d) ANNUAL INDEPENDENT AUDITS OF FINANCIAL STATEMENTS.—

"(1) AUDITS REQUIRED.—The Corporation, in consultation with the appropriate Federal banking agencies, shall prescribe regulations requiring that each insured depository institution shall have an annual independent audit made of the institution's financial statements by an independent public accountant in accordance with generally accepted auditing standards and section 37.

"(2) SCOPE OF AUDIT.—In connection with any audit under this subsection, the independent public accountant shall determine and report whether the financial statements of the institution—

"(A) are presented fairly in accordance with generally accepted accounting principles; and

"(B) comply with such other disclosure requirements as the Corporation and the appropriate Federal banking agency may prescribe.

"(3) REQUIREMENTS FOR INSURED SUBSIDIARIES OF HOLDING COMPANIES.—The requirements for an independent audit under subsection (d) may be satisfied for insured depository institutions that are subsidiaries of a holding company by an independent audit of the holding company.

"(e) DETECTING AND REPORTING VIOLATIONS OF LAWS AND REGULATIONS.—

"(1) IN GENERAL.—An independent public accountant shall apply procedures agreed upon by the Corporation to objectively determine the extent of the compliance of any insured depository institution or depository institution holding company with laws and regulations designated by the Corporation, in consultation with the appropriate Federal banking agencies.

"(2) ATTESTATION REQUIREMENTS.—Any attestation pursuant to paragraph (1) shall be made in accordance with generally accepted standards for attestation engagements.

"(f) FORM AND CONTENT OF REPORTS AND AUDITING STANDARDS.—

"(1) IN GENERAL.—The scope of each report by an independent public accountant pursuant to this section, and the procedures followed in preparing such report, shall meet or exceed the scope and procedures required by generally accepted auditing standards and other applicable standards recognized by the Corporation.

"(2) CONSULTATION.—The Corporation shall consult with the other appropriate Federal banking agencies in implementing this subsection.

"(g) IMPROVED ACCOUNTABILITY.—

"(1) INDEPENDENT AUDIT COMMITTEE.—

"(A) ESTABLISHMENT.—Each insured depository institution (to which this section applies) shall have an independent audit committee entirely made up of outside directors who are independent of management of the institution, and who satisfy any specific requirements the Corporation may establish.

"(B) DUTIES.—An independent audit committee's duties shall include reviewing with management and the independent public accountant the basis for the reports issued under subsections (b)(2), (c), and (d).

"(C) CRITERIA APPLICABLE TO COMMITTEES OF LARGE INSURED DEPOSITORY INSTITUTIONS.—In the case of each insured depository institution which the Corporation determines to be a large institution, the audit committee required by subparagraph (A) shall—

"(i) include members with banking or related financial management expertise;

"(ii) have access to the committee's own outside counsel; and

"(iii) not include any large customers of the institution.

"(2) REVIEW OF QUARTERLY REPORTS OF LARGE INSURED DEPOSITORY INSTITUTIONS.—

"(A) IN GENERAL.—In the case of any insured depository institution which the Corporation has determined to be a large institution, the Corporation may require the independent public accountant retained by such institution to perform reviews of the institution's quarterly financial reports in accordance with procedures agreed upon by the Corporation.

"(B) REPORT TO AUDIT COMMITTEE.—The independent public accountant referred to in subparagraph (A) shall provide the audit committee of the insured depository institution with reports on the reviews under such subparagraph and the audit committee shall provide such reports to the Corporation, any appropriate Federal banking agency, and any appropriate State bank supervisor.

"(C) LIMITATION ON NOTICE.—Reports provided under subparagraph (B) shall be only for the information and use of the insured depository institution, the Corporation, any appropriate Federal banking agency, and any State bank supervisor which received the report.

"(3) QUALIFICATIONS OF INDEPENDENT PUBLIC ACCOUNTANTS.—

"(A) IN GENERAL.—All audit services required by this section shall be performed only by an independent public accountant who—

"(i) has agreed to provide related working papers, policies, and procedures to the Corporation, an appropriate Federal banking agency, and any State bank supervisor, if requested; and

"(ii) has received a peer review that meets guidelines acceptable to the Corporation.

"(B) REPORTS ON PEER REVIEWS.—Reports on peer reviews shall be filed with the Corporation and made available for public inspection.

"(4) ENFORCEMENT ACTIONS.—

"(A) IN GENERAL.—In addition to any authority contained in section 8, the Corporation or an appropriate Federal banking agency may remove, suspend, or bar an independent public accountant, upon a showing of good cause, from performing audit services required by this section.

"(B) JOINT RULEMAKING.—The appropriate Federal banking agencies shall jointly issue rules of practice to implement this paragraph.

"(5) NOTICE BY ACCOUNTANT OF TERMINATION OF SERVICES.—Any independent public accountant performing an audit under this section who subsequently ceases to be the accountant for the institution shall promptly notify the Corporation pursuant to such rules as the Corporation shall prescribe.

"(h) EXCHANGE OF REPORTS AND INFORMATION.—

"(1) REPORT TO THE INDEPENDENT AUDITOR.—

"(A) IN GENERAL.—Each insured depository institution which has engaged the services of an independent auditor to audit such institution shall transmit to the auditor a copy of the most recent report of condition made by the institution (pursuant to this Act or any other provision of law) and a copy of the most recent report of examination received by the institution.

"(B) ADDITIONAL INFORMATION.—In addition to the copies of the reports required to be provided under paragraph (1), each insured depository institution shall provide the auditor with—

"(i) a copy of any supervisory memorandum of understanding with such institution and any written agreement between such institution and any appropriate Federal banking agency or any appropriate State bank supervisor which is in effect during the period covered by the audit; and

"(ii) a report of—

"(I) any action initiated or taken by the appropriate Federal banking agency or the Corporation during such period under subsection (a), (b), (c), (e), (g), (i), (s), or (t) of section 8;

"(II) any action taken by any appropriate State bank supervisor under State law which is similar to any action referred to in subclause (I); or

"(III) any assessment of any civil money penalty under any other provision of law with respect to the institution or any institution-affiliated party.

"(2) REPORTS TO BANKING AGENCIES.—

"(A) INDEPENDENT AUDITOR REPORTS.—Each insured depository institution shall provide to the Corporation, any appropriate Federal banking agency, and any appropriate State bank supervisor, a copy of each audit report and any qualification to such report, any management letter, and any other report within 15 days of receipt of any such report, qualification, or letter from the institution's independent auditors.

"(B) NOTICE OF CHANGE OF AUDITOR.—Each insured depository institution shall provide written notification to the Corporation, the appropriate Federal banking agency, and any appropriate State bank supervisor of the resignation or dismissal of the institution's independent auditor or the engagement of a new independent auditor by the institution, including a statement of the reasons for such change within 15 calendar days of the occurrence of the event.

"(i) REQUIREMENTS FOR INSURED SUBSIDIARIES OF HOLDING COMPANIES.—Except with respect to any audit requirements established under or pursuant to subsection (d), the requirements of this section may be satisfied for insured depository institutions that are subsidiaries of a holding company, if—

"(1) services and functions comparable to those required under this section are provided at the holding company level; and

"(2) either—

"(A) the institution has total assets, as of the beginning of such fiscal year, of less than $5,000,000,000; or

"(B) the institution—

"(i) has total assets, as of the beginning of such fiscal year, of more than $5,000,000,000 and less than $9,000,000,000; and

"(ii) has a CAMEL composite rating of 1 or 2 under the Uniform Financial Institutions Rating System (or an equivalent rating by any such agency under a comparable rating system) as of the most recent examination of such institution by the Corporation or the appropriate Federal banking agency.

"(j) EXEMPTION FOR SMALL DEPOSITORY INSTITUTIONS.—This section shall not apply with respect to any fiscal year of any insured depository institution the total assets of which, as of

the beginning of such fiscal year, are less than the greater of—

"(1) $150,000,000; or

"(2) such amount (in excess of $150,000,000) as the Corporation may prescribe by regulation."

(b) Effective Date.—The requirements established by the amendment made by subsection (a) shall apply with respect to fiscal years of insured depository institutions which begin after December 31, 1992.

SEC. 113. ASSESSMENTS REQUIRED TO COVER COSTS OF EXAMINATIONS.

(a) In General.—Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) (as added by section 111(a)(1) of this subtitle) the following new subsection:

"(e) Examination Fees.—

"(1) Regular and special examinations of depository institutions.—The cost of conducting any regular examination or special examination of any depository institution under subsection (b)(2), (b)(3), or (d) may be assessed by the Corporation against the institution in proportion to the assets or resources of the institution.

"(2) Examination of affiliates.—The cost of conducting any examination of any affiliate of any insured depository institution under subsection (b)(4) may be assessed by the Corporation against each affiliate which is examined in proportion to the assets or resources held by the affiliate on the date of the examination.

"(3) Assessment against depository institution in case of affiliate's refusal to pay.—

"(A) In general.—Subject to subparagraph (B), if any affiliate of any insured depository institution—

"(i) refuses to pay any assessment under paragraph (2); or

"(ii) fails to pay any such assessment before the end of the 60-day period beginning on the date the affiliate receives notice of the assessment,

the Corporation may assess such cost against, and collect such cost from, the depository institution.

"(B) Affiliate of more than 1 depository institution.—If any affiliate referred to in subparagraph (A) is an affiliate of more than 1 insured depository institution, the assessment under subparagraph (A) may be assessed against the depository institutions in such proportions as the Corporation determines to be appropriate.

"(4) Civil money penalty for affiliate's refusal to cooperate.—

"(A) Penalty imposed.—If any affiliate of any insured depository institution—

"(i) refuses to permit an examiner appointed by the Board of Directors under subsection (b)(1) to conduct an examination; or

"(ii) refuses to provide any information required to be disclosed in the course of any examination,

the depository institution shall forfeit and pay a penalty of not more than $5,000 for each day that any such refusal continues.

"(B) Assessment and collection.—Any penalty imposed under subparagraph (A) shall be assessed and collected by the Corporation in the manner provided in section 8(i)(2).

"(5) Deposits of examination assessment.—Amounts received by the Corporation under this subsection (other than paragraph (4)) may be deposited in the manner provided in section 13."

(b) Examinations of Applicants for Deposit Insurance.—Section 10(b)(2)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)(2)(B)) is amended to read as follows:

"(B) any depository institution which files an application with the Corporation to become an insured depository institution;".

(c) Technical and Conforming Amendment.—

(1) Section 7(b)(10) of the Federal Deposit Insurance Act (as so redesignated by section 103(b) of this Act) is amended by inserting "or section 10(e)" after "under this section".

(2) Section 10(b)(4)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)(4)(A)) is amended by striking "insured" each place such term appears.

SEC. 114. APPLICATION TO FDIC REQUIRED FOR INSURANCE.

(a) In General.—Section 5 of the Federal Deposit Insurance Act (12 U.S.C. 1815(a)) is amended by striking all that precedes subsection (b) and inserting the following:

"SEC. 5. DEPOSIT INSURANCE.

"(a) Application to Corporation Required.—

"(1) In general.—Except as provided in paragraphs (2) and (3), any depository institution which is engaged in the business of receiving deposits other than trust funds (as defined in section 3(p)), upon application to and examination by the Corporation and approval by the Board of Directors, may become an insured depository institution.

"(2) Interim depository institutions.—In the case of any interim Federal depository institution that is chartered by the appropriate Federal banking agency and will not open for business, the depository institution shall be an insured depository institution upon the issuance of the institution's charter by the agency.

"(3) Application and approval not required in cases of continued insurance.—Paragraph (1) shall not apply in the case of any depository institution whose insured status is continued pursuant to section 4.

"(4) Review requirements.—In reviewing any application under this subsection, the Board of Directors shall consider the factors described in section 6 in determining whether to approve the application for insurance.

"(5) Notice of denial of application for insurance.—If the Board of Directors votes to deny any application for insurance by any depository institution, the Board of Directors shall promptly notify the appropriate Federal banking agency and, in the case of any State depository institution, the appropriate State banking supervisor of the denial of such application, giving specific reasons in writing for the Board of Directors' determination with reference to the factors described in section 6.

"(6) Nondelegation requirement.—The authority of the Board of Directors to make any determination to deny any application under this subsection may not be delegated by the Board of Directors."

(b) Continuation of Insurance Upon Becoming a Member Bank.—Section 4(b) of the Federal Deposit Insurance Act (12 U.S.C. 1814(b)) is amended to read as follows:

"(b) Continuation of Insurance Upon Becoming a Member Bank.—In the case of an insured bank which is admitted to membership in the Federal Reserve System or an insured State bank which is converted into a national member bank, the bank shall continue as an insured bank."

SEC. 115. REGULATORY REQUIREMENTS STUDY.

(a) Study Required.—The Federal Deposit Insurance Corporation shall conduct a study to determine—

(1) ways to reduce and streamline regulatory requirements imposed by Federal banking agencies, particularly for small community depository institutions; and

(2) which, if any, regulatory requirements may be waived for such institutions without endangering the safety and soundness of the institutions.

(b) Report.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Federal Deposit Insurance Corporation shall submit a report to the Congress and the other appropriate Federal banking agencies (as defined in section 3(q) of the Federal Deposit Insurance Act) containing the Corporation's findings and conclusions under the study conducted pursuant to subsection (a) and any recommendations for legislative or administrative action the Corporation may determine to be appropriate.

(c) Implementation.—The Federal Deposit Insurance Corporation and other appropriate Federal banking agencies (as defined in section 3(q) of the Federal Deposit Insurance Act), acting through the Federal Financial Institutions Examination Council, shall implement any recommendation for administrative action made by the Corporation pursuant to subsection (b).

Subtitle C—Accounting Reforms

SEC. 121. ACCOUNTING OBJECTIVES, STANDARDS, AND REQUIREMENTS.

(a) In General.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 36 (as added by section 112 of this title) the following new section:

"SEC. 37. ACCOUNTING OBJECTIVES, STANDARDS, AND REQUIREMENTS.

"(a) In General.—

"(1) Objectives.—Accounting principles applicable to insured depository institutions should—

"(A) result in financial statements and reports of condition that accurately reflect the capital of such institutions;

"(B) facilitate effective supervision of the institutions; and

"(C) facilitate prompt regulatory action to resolve the institutions at the least cost to the insurance funds.

"(2) Standards.—

"(A) Uniform accounting principles consistent with GAAP.—Subject to the requirements of this Act and any other provision of Federal law, the accounting principles applicable to all insured depository institutions shall be uniform and consistent with generally accepted accounting principles.

"(B) Stringency.—If the appropriate Federal banking agency or the Corporation determines that the application of any generally accepted accounting principle to any insured depository institution is inconsistent with the objectives described in paragraph (1), the agency or the Corporation may prescribe an accounting principle which is applicable to such institutions which is no less stringent than generally accepted accounting principles.

"(3) Review and Implementation of Accounting Procedures Required.—Before the end of the 1-year period beginning on the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, each appropriate Federal banking agency shall take the following actions:

"(A) Review of accounting measures.—Review—

"(i) all accounting procedures used by insured depository institutions;

"(ii) all requirements established by the agency with respect to such accounting procedures; and

"(iii) the procedures and format for reports to the agency, including reports of condition.

"(B) Modification of noncomplying measures.—Modify or eliminate any accounting procedure or reporting requirement which the agency determines fails to comply with the objectives and standards established under paragraphs (1) and (2).

"(C) Inclusion of 'off balance sheet' items.—Prescribe regulations which require that all assets and liabilities, including contingent assets and liabilities, of insured depository institutions be reported in, or otherwise taken into *account in the preparation of, any balance sheet, financial statement, report of condition, or any other report of such institution.*

"(D) MARKET VALUE DISCLOSURE.—Develop jointly with the other appropriate Federal banking agencies a method for insured depository institutions to provide supplemental disclosure of the estimated fair market value of assets and liabilities, to the extent feasible and practicable, in any balance sheet, financial statement, report of condition, or any other report of any insured depository institution.

"(b) UNIFORM ACCOUNTING OF CAPITAL STANDARDS.—

"(1) IN GENERAL.—Each appropriate Federal banking agency shall maintain uniform accounting standards to be used for determining the capital ratios of insured depository institutions and for other regulatory purposes.

"(2) TRANSITION PROVISION.—Any standards in effect on the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991 under section 1215 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 shall continue in effect after such date of enactment until amended by the appropriate Federal banking agency under paragraph (1).

"(c) REPORTS TO BANKING COMMITTEES.—

"(1) ANNUAL REPORTS REQUIRED.—Each appropriate Federal banking agency shall annually submit a report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate containing a description of any difference between any accounting or capital standard used by such agency and any accounting or capital standard used by any other agency.

"(2) EXPLANATION OF REASONS FOR DISCREPANCY.—Each report submitted under paragraph (1) shall contain an explanation of the reasons for any discrepancy between any accounting or capital standard used by such agency and any accounting or capital standard used by any other agency.

"(3) PUBLICATION.—Each report under this subsection shall be published in the Federal Register."

(b) REPEAL OF PROVISION SUPERSEDED BY SUBSECTION (a) AMENDMENTS.—Section 1215 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833d) is hereby repealed.

SEC. 122. SMALL BUSINESS LOAN DATA REQUIRED IN REPORTS OF CONDITION.

Section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)) is amended by adding at the end the following new paragraph:

"(9) SMALL BUSINESS AND SMALL FARM LOAN DATA.—

"(A) IN GENERAL.—In the report of condition required under paragraph (3) for the 4th quarter of each calendar year, each insured depository institution shall include information indicating the total number and aggregate dollar amount of the institution's outstanding loans in each of the following categories:

"(i) Commercial loans to small businesses.

"(ii) Commercial mortgage loans to small businesses.

"(B) REPORTING CATEGORIES.—The information required by subparagraph (A) shall be listed separately for each of the following small business categories:

"(i) Businesses which were in existence for less than a year at the time the reported loans were made.

"(ii) Businesses with annual sales of $100,000 or less.

"(iii) Businesses with annual sales of more than $100,000 but not more than $250,000.

"(iv) Businesses with annual sales of more than $250,000 but not more than $1,000,000.

"(v) Businesses with annual sales of more than $1,000,000 but not more than $20,000,000.

"(C) MINORITY-OWNED BUSINESS CATEGORY.—The information required by subparagraphs (A) and (B) shall be further itemized for minority-owned small businesses.

"(D) CHARGE-OFFS AND INTEREST AND FEE INCOME.—Any report of condition referred to in subparagraph (A) shall indicate the insured depository institution's net charge-offs and the interest and fee income for commercial loans to small businesses and for commercial mortgage loans to small businesses, listed separately for each of the following small business categories:

"(i) Businesses with annual sales of $250,000 or less.

"(ii) Businesses with annual sales of more than $250,000.

"(E) AGRICULTURAL LOANS TO SMALL FARMS.—Any report of condition referred to in subparagraph (A) shall indicate the total number and aggregate dollar amount of the insured depository institution's outstanding agricultural loans to small farms.

"(F) DEFINITIONS.—For purposes of this paragraph—

"(i) SMALL BUSINESS.—The term 'small business' means an enterprise with annual sales of $20,000,000 or less.

"(ii) SMALL FARM.—The term 'small farm' means a farm business with annual sales of $500,000 or less.

"(iii) COMMERCIAL LOAN.—The term 'commercial loan' means a loan that is reportable as a commercial and industrial loan in the reports of condition submitted pursuant to this subsection.

"(iv) COMMERCIAL MORTGAGE LOAN.—The term 'commercial mortgage loan' means a loan that is reportable as a real estate loan secured by nonfarm nonresidential properties in the reports of condition submitted pursuant to this subsection.

"(v) AGRICULTURAL LOAN.—The term 'agricultural loan' means a loan that is reportable as a loan to finance agricultural production and other loans to farmers in the reports of condition submitted pursuant to this subsection.

"(G) EXEMPTION FOR SMALL DEPOSITORY INSTITUTIONS.—The requirements of this paragraph shall not apply to any insured depository institution which has total assets, as of the most recent full fiscal year of such institution, of $100,000,000 or less."

Subtitle D—Prompt Regulatory Action

SEC. 131. PROMPT REGULATORY ACTION.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 37 (as added by section 121 of this title) the following new section:

"SEC. 38. PROMPT REGULATORY ACTION.

"(a) ESTABLISHMENT AND IMPLEMENTATION REQUIRED.—

"(1) IN GENERAL.—Each appropriate Federal banking agency and the Corporation (acting in the Corporation's capacity as the insurer of depository institutions under this Act) shall establish a prompt regulatory action system which meets the requirements of this section, including the establishment of any standards, minimum capital requirements, deadlines for the submission and review of plans, and other classifications required to implement this section.

"(2) DOCUMENTATION OF DETERMINATION.—In complying with this section, the agency and the Corporation shall document in writing the facts and assumptions and any other conclusion underlying any determination to take any specific action and any determination not to take any other action authorized under this section.

"(3) DEADLINE FOR REGULATIONS.—Each appropriate Federal banking agency and the Corporation (with respect to regulations required to be prescribed under this section by the Corporation other than as an appropriate Federal banking agency) shall, after notice and opportunity for comment, prescribe final regulations under paragraph (1) not later than 180 days after the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991 and such regulations shall take effect not later than 270 days after such date of enactment.

"(b) DEFINITIONS.—For purposes of this section—

"(1) CAPITAL DISTRIBUTION.—The term 'capital distribution' means any of the following:

"(A) A dividend or other distribution in cash or in kind made with respect to any shares or other ownership interest of any insured depository institution, except a dividend consisting only of shares of the institution or any amount paid on the deposits of a mutual savings bank or a mutual savings association that is determined by the appropriate Federal banking agency not to constitute a dividend.

"(B) A payment made by an insured depository institution to repurchase, redeem, retire, or otherwise acquire any of the institution's shares, including any extension of credit made to finance an affiliate's acquisition of such shares.

"(C) A transaction that the appropriate Federal banking agency or the Corporation determines by order or regulation to be in substance the distribution of capital.

"(2) COMPENSATION.—The term 'compensation' means any payment of money or provision of any other thing of current or potential value in connection with employment.

"(3) CRITICAL CAPITAL LEVEL.—The term 'critical capital level' means a ratio of tier 1 capital to total assets of 2 percent.

"(4) EXECUTIVE OFFICER.—The term 'executive officer' shall have the same meaning as provided in section 22(h) of the Federal Reserve Act.

"(5) LEVEL 1 DEPOSITORY INSTITUTION.—The term 'level 1 depository institution' means any insured depository institution which—

"(A) maintains a risk-based capital ratio that is significantly in excess of the required minimum ratio;

"(B) maintains tier 1 capital that is significantly in excess of the minimum requirements for tier 1 capital; and

"(C) maintains capital that meets or exceeds the required minimum ratio for each other relevant capital measure.

"(6) LEVEL 2 DEPOSITORY INSTITUTION.—The term 'level 2 depository institution' means any insured depository which—

"(A) maintains capital in an amount that meets or exceeds the required minimum ratio for each relevant capital measure; and

"(B) is not a level 1 depository institution.

"(7) LEVEL 3 DEPOSITORY INSTITUTION.—The term 'level 3 depository institution' means any insured depository institution which—

"(A) is not in compliance with all currently applicable capital standards; and

"(B) is not a level 4 or level 5 depository institution.

"(8) LEVEL 4 DEPOSITORY INSTITUTION.—The term 'level 4 depository institution' means any insured depository institution which maintains capital in an amount which—

"(A) is significantly less than the required minimum ratio for any relevant capital measure; and

"(B) exceeds the critical capital level.

"(9) LEVEL 5 DEPOSITORY INSTITUTION.—The term 'level 5 depository institution' means any insured depository institution which maintains capital in an amount which is less than or equal to the critical capital level.

"(10) LEVERAGE LIMIT.—The term 'leverage limit' means the leverage limit established by the appropriate Federal banking agency.

"(11) OTHER DEFINITIONS RELATING TO CAPITAL MEASURES.—The terms 'total assets', 'tier 1

capital', and 'tier 2 capital' have the meanings given to such terms by the appropriate Federal banking agencies.

"(12) REQUIRED MINIMUM RATIO.—The 'required minimum ratio' means the minimum acceptable capital level adopted by the appropriate Federal banking agency by regulation or guideline with respect to each relevant capital measure.

"(13) RISK-BASED CAPITAL RATIO.—The term 'risk-based capital ratio' means the risk-based capital standard established by the appropriate Federal banking agency.

"(14) SUBORDINATED DEBT.—The term 'subordinated debt' means debt subordinated to the claims of depositors or general creditors.

"(15) UNDERCAPITALIZED DEPOSITORY INSTITUTION.—The term 'undercapitalized depository institution' means any level 3, level 4, or level 5 depository institution.

"(c) CAPITAL MEASURES AND RECLASSIFICATIONS OF LEVELS.—

"(1) CAPITAL AND LEVERAGE LIMIT REQUIREMENTS.—

"(A) IN GENERAL.—Any capital measure prescribed by any appropriate Federal banking agency for purposes of this section shall include at a minimum—

"(i) a tier 1 capital to assets ratio;

"(ii) a risk-based capital ratio; and

"(iii) a leverage limit.

"(B) INTEREST RATE AND OTHER MARKET RISKS.—In establishing any risk-based capital standard for purposes of this section, the appropriate Federal banking agencies shall take into account interest rate risk and other market risks.

"(2) MINIMUM CAPITAL RATIOS FOR INSTITUTIONS IN EACH LEVEL.—Consistent with the purposes of this section, each appropriate Federal banking agency shall establish, by regulation, the applicable minimum capital ratios for each relevant capital measure for the insured depository institutions in each level of depository institutions defined in subsection (a).

"(3) OTHER CAPITAL MEASURES.—An appropriate Federal banking agency may, by regulation or guideline, establish any additional relevant capital measure consistent with the purposes of this section.

"(4) CONSULTATION.—In prescribing any regulation under paragraph (2), each appropriate Federal banking agency shall consult with the Corporation.

"(5) RECLASSIFICATION OF UNSAFE OR UNSOUND INSTITUTIONS.—If the appropriate Federal banking agency or the Corporation determines that any insured depository institution is in an unsafe and unsound condition or is operating in a manner which poses a risk to any deposit insurance fund, the agency or the Corporation shall reclassify such institution as a depository institution of an appropriate level for purposes of this section.

"(d) STANDARDS FOR SAFETY AND SOUNDNESS.—

"(1) OPERATIONAL AND MANAGERIAL STANDARDS.—The appropriate Federal banking agencies, in consultation with the Credit Standards Advisory Committee, shall establish operational and managerial standards for all insured depository institutions and depository institution holding companies, including standards relating to the following subjects:

"(A) Internal controls, information systems, and internal audit systems in accordance with section 36.

"(B) Loan documentation requirements.

"(C) Underwriting standards.

"(D) Interest rate exposure.

"(E) Asset growth.

"(2) ASSET AND EARNINGS STANDARDS.—The appropriate Federal banking agencies shall establish standards governing the asset quality and earnings of any insured depository institution or depository institution holding company which shall include—

"(A) a maximum classified loans to capital ratio; and

"(B) an earnings standard for such institutions and companies which require such institutions and companies to maintain earnings sufficient to absorb losses of the institution or company without impairing the capital of the institution or holding company.

"(3) REQUIRED ACTION FOR FAILURE TO COMPLY WITH STANDARDS.—

"(A) CORRECTIVE ACTION PLAN.—In addition to any other action which the appropriate Federal banking agency may take, the agency shall require any insured depository institution or depository institution holding company which fails to meet any standard established pursuant to paragraph (1) or (2) to submit a corrective action plan for correcting any deficiency of the institution or company with respect to such standard to the agency not later than 30 days after the institution is notified by the agency of such failure.

"(B) FAILURE TO COMPLY.—If any insured depository institution or depository institution holding company fails to submit a corrective action plan which meets the appropriate Federal banking agency's approval or fails to comply with the corrective action plan, the agency shall issue an order requiring such corrective action and impose such restrictions as the agency determines to be appropriate.

"(C) RESTRICTIONS WHICH MAY BE INCLUDED IN ORDER.—Any order issued under subparagraph (B) to any insured depository institution or depository institution holding company may include the following restrictions:

"(i) RESTRICTING ASSET GROWTH.—Subject to subparagraph (E), prohibiting any increase in total assets of the institution.

"(ii) RESTRICTING INTEREST RATES PAID.—Restricting the interest rates the institution pays on deposits accepted after the date of the order, including any renewal or rollover of any deposit held on such date.

"(iii) REQUIRING AN INCREASE IN CAPITAL.—Requiring the institution or company to increase the amount of capital of the institution or company.

"(D) ORDER REQUIRED FOR CERTAIN INSTITUTIONS.—The appropriate Federal banking agency shall issue an order under subparagraph (B) imposing at least 1 of the restrictions described in subparagraph (C) on an insured depository institution if—

"(i) the insured depository institution fails to meet any operational or managerial standard established pursuant to paragraph (1) or asset or earnings standard established pursuant to paragraph (2); and

"(ii) the institution—

"(I) has been chartered as a depository institution for less than 2 years;

"(II) has undergone a change in control within the 2 years preceding the date on which the institution first failed to meet a standard described in clause (i); or

"(III) has experienced extraordinary growth (as defined by the agency) during the 18-month period ending on the date on which the institution first failed to meet a standard described in clause (i).

"(E) LIMITED GROWTH EXCEPTION.—Any order issued by any appropriate Federal banking agency under subparagraph (B) which prohibits any increase in the total assets of any insured depository institution in accordance with subparagraph (C)(i) may permit the institution to increase assets in an amount not to exceed the amount of net interest credited to the institution's deposit liabilities if—

"(i) the institution obtains the agency's written approval;

"(ii) any increase in assets is accompanied by an increase in tier 1 capital of a percentage (of such capital) which is not less than the leverage ratio applicable to the institution; and

"(iii) any increase in assets is invested in low-risk assets.

"(4) PROCEDURES.—Each appropriate Federal banking agency shall establish requirements and procedures for the preparation and submission of corrective action plans under paragraph (3) to the agency and shall require the agency to review and to approve or disapprove such plan before the end of the 60-day period beginning on the date such plan is received.

"(e) CAPITAL DISTRIBUTIONS RESTRICTED.—

"(1) IN GENERAL.—An insured depository institution shall make no capital distribution if the institution would not meet all currently applicable capital standards after making the distribution.

"(2) EXCEPTION.—Notwithstanding paragraph (1), any appropriate Federal banking agency, after consultation with the Corporation, may approve a capital distribution by any insured depository institution which would, but for this subparagraph, be prohibited under paragraph (1), if the agency makes a prior written determination that the distribution will enhance the ability of the institution to satisfy capital standards and the institution submits a capital restoration plan in accordance with subsection (f)(1) which is approved by the agency.

"(f) PROVISIONS APPLICABLE TO UNDERCAPITALIZED DEPOSITORY INSTITUTIONS.—

"(1) CAPITAL RESTORATION PLAN REQUIRED.—

"(A) IN GENERAL.—Any undercapitalized depository institution shall submit a capital restoration plan to the appropriate Federal banking agency before the end of the period prescribed by the agency under subparagraph (C).

"(B) CONTENTS OF PLAN.—The capital restoration plan shall—

"(i) specify how the insured depository institution will satisfy all applicable capital standards, without increasing the risk (including credit risk, interest rate risk, and other types of risk) to which the institution is exposed;

"(ii) specify the types and levels of activities in which the institution will engage; and

"(iii) contain such other information as the appropriate Federal banking agency may require.

"(C) DEADLINES FOR SUBMISSION AND REVIEW OF PLANS.—Each appropriate Federal banking agency shall establish deadlines that—

"(i) provide insured depository institutions with reasonable time to submit capital restoration plans, and generally require an institution to submit a plan not later than 45 days after the institution is first classified as an undercapitalized depository institution;

"(ii) require the agency to approve or disapprove any capital restoration plan expeditiously and generally not later than 60 days after the plan is submitted; and

"(iii) require the agency to submit a copy of any plan approved by the agency to the Corporation before the end of the 45-day period beginning on the date such approval is granted.

"(2) ASSET GROWTH RESTRICTIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the appropriate Federal banking agency shall prohibit any asset growth by any undercapitalized depository institution.

"(B) LIMITED GROWTH EXCEPTION.—The appropriate Federal banking agency may permit an undercapitalized depository institution to increase assets in an amount not to exceed the amount of net interest credited to the institution's deposit liabilities if—

"(i) the institution obtains the agency's written approval;

"(ii) any increase in assets is accompanied by an increase in tier 1 capital of a percentage (of

such capital) which is not less than the leverage ratio applicable to the institution; and

"(iii) any increase in assets is invested in low-risk assets.

"(3) CAPITAL PLAN GUARANTEE.—

"(A) IN GENERAL.—The appropriate Federal banking agency shall not approve a capital restoration plan under this subsection unless each company having control of the insured depository institution guarantees in writing the institution's compliance with the plan until the institution has satisfied all applicable capital standards for each of 12 consecutive months, and provides appropriate written assurances of continued performance.

"(B) AGGREGATE LIABILITY.—The aggregate amount of liability for any company under subparagraph (A) with respect to any insured depository institution shall not exceed the amount which is necessary (or would have been necessary) to bring the institution into compliance with all capital standards applicable with respect to such institution as of the time the institution fails to comply with a plan under this subsection.

"(4) EXAMINATION RATINGS TAKEN INTO ACCOUNT.—In reviewing any capital restoration plan submitted under this section with respect to any insured depository institution, the appropriate Federal banking agency may take into account the CAMEL ratings of such institution under the Uniform Financial Institutions Rating System (or any equivalent rating under a comparable system).

"(g) PROVISIONS APPLICABLE TO LEVEL 4 AND LEVEL 5 DEPOSITORY INSTITUTIONS AND INSTITUTIONS THAT FAIL TO SUBMIT OR IMPLEMENT CAPITAL RESTORATION PLANS.—

"(1) SCOPE OF APPLICATION.—This subsection shall apply to—

"(A) any level 4 or level 5 depository institution; and

"(B) any undercapitalized depository institution which—

"(i) fails to submit an acceptable capital restoration plan within the time allowed by the appropriate Federal banking agency under subsection (f)(1)(C); or

"(ii) fails in any material respect to implement a capital restoration plan approved by the agency.

"(2) AGENCY ACTIONS REQUIRED.—

"(A) IN GENERAL.—The appropriate Federal banking agency shall carry out the purpose of this section by issuing an order which imposes 1 or more of the actions described in paragraph (3) with respect to any institution described in paragraph (1).

"(B) SUBSECTION (h) ACTIONS AUTHORIZED.—In addition to actions described in paragraph (3), any appropriate Federal banking agency may issue an order which imposes, with respect to any institution described in paragraph (1), any restriction applicable under subsection (h) to any level 5 depository institution.

"(3) SPECIFIC ACTIONS AUTHORIZED.—The actions described in this paragraph with respect to any insured depository institution described in paragraph (1) are the following:

"(A) REQUIRING SALE OF SHARES OR OBLIGATIONS.—

"(i) Requiring the institution to sell enough shares or obligations of the institution so that the institution will satisfy capital standards after the sale.

"(ii) Requiring that instruments sold under clause (i) be voting shares.

"(B) RESTRICTING INTEREST RATES PAID.—Restricting the interest rates the institution pays on deposits accepted after the date of the order, including any renewal or rollover of any deposit held on such date.

"(C) PROHIBITING PAYMENT OF BONUSES TO EXECUTIVE OFFICERS.—Prohibiting the payment of any bonus to any executive officer.

"(D) PROHIBITING PAYMENT OF EXCESSIVE COMPENSATION TO EXECUTIVE OFFICERS.—Prohibiting the payment of compensation to any executive officer at a rate exceeding that officer's average rate of compensation during the 12 calendar months preceding the calendar month in which the institution ceased to comply with capital standards.

"(E) REQUIRING FDIC APPROVAL FOR NEW BRANCHES.—Requiring the institution to obtain the approval of the Corporation before establishing or acquiring any new branch.

"(F) PROHIBITING DEPOSITS FROM CORRESPONDENT BANKS.—Prohibiting the acceptance by the institution of deposits from correspondent depository institutions, including renewals and rollovers of prior deposits.

"(G) RESTRICTING OTHER ACTIVITIES.—Prohibiting any other activity of the institution which the agency finds is detrimental, or is likely to be detrimental, to the institution's financial condition.

"(H) REQUIRING A NEW ELECTION OF DIRECTORS.—Requiring a new election for the institution's board of directors or any member of the board of directors.

"(h) ADDITIONAL PROVISIONS APPLICABLE TO LEVEL 5 DEPOSITORY INSTITUTIONS.—

"(1) LIMITATIONS ON PAYMENTS ON SUBORDINATED DEBT.—

"(A) IN GENERAL.—An insured depository institution shall make no payment of principal or interest on the institution's subordinated debt unless, after making the payment, the institution would have capital in an amount which is equal to or greater than the critical capital level applicable with respect to such institution.

"(B) LIMITED EXEMPTION FOR CERTAIN SUBORDINATED DEBT.—Until January 1, 1996, subparagraph (A) shall not apply with respect to any subordinated debt that is—

"(i) outstanding on January 1, 1991; and

"(ii) not extended or otherwise renegotiated after such date.

"(2) CONSERVATORSHIP OR OTHER ACTION REQUIRED.—

"(A) IN GENERAL.—Before the end of the 120-day period beginning on the date the capital of any insured depository institution ceases to equal or exceed the critical capital level specified under subsection (b)(3), the appropriate Federal banking agency shall, notwithstanding any provision of any State law, appoint a conservator or receiver for the institution under this Act or any other applicable Federal law.

"(B) OTHER ACTION.—Notwithstanding the requirement under subparagraph (A) to appoint a conservator or receiver for any institution described in such subparagraph, the appropriate Federal banking agency shall take any other action described in subsection (g)(3) which the agency determines to be appropriate in lieu of such appointment if the agency—

"(i) determines in writing, with the written concurrence of the Corporation, that such action would better achieve the purposes of this section; and

"(ii) documents that such action would protect the appropriate deposit insurance fund more than the immediate appointment of a conservator or receiver for such institution.

"(C) PERIODIC REDETERMINATIONS REQUIRED.—Any determination by any appropriate Federal banking agency under subparagraph (B) to take any action with respect to an insured depository institution in lieu of the appointment of a conservator or receiver shall cease to be effective not later than the end of the 90-day period beginning on the date such determination is made and a conservator or receiver shall be appointed for such institution pursuant to subparagraph (A) unless the agency makes a new determination under subparagraph (B) at the end of the effective period of the prior determination.

"(D) APPOINTMENT OF RECEIVER REQUIRED IF OTHER ACTION FAILS TO RESTORE CAPITAL.—In the case of any institution referred to in subparagraph (A) for which a receiver has not been appointed and notwithstanding any provision of the law of any State, the appropriate Federal banking agency shall appoint a receiver for such institution as follows:

"(i) If the capital of such institution does not exceed the critical capital level at the end of the 6-month period beginning on the date action is first taken by the agency under subparagraph (A) or (B), a receiver shall be appointed at the end of such period.

"(ii) If the capital of such institution exceeds the critical capital level at the end of the 6-month period but fails to exceed such level at the end of any of the 3 months immediately following the end of that period, a receiver shall be appointed.

"(E) ACQUISITION BY ANOTHER INSURED DEPOSITORY INSTITUTION.—Notwithstanding the requirement under subparagraph (A) to appoint a conservator or receiver for any insured depository institution described in such subparagraph and subject to section 13, the appropriate Federal banking agency may require the insured depository institution to be acquired (as defined in section 13(f)(8)(B)) by another insured depository institution which offers to acquire such institution if the agency determines, with the written concurrence of the Corporation, that such acquisition would resolve the capital problems of the institution in a manner that is least costly to the affected deposit insurance fund and the taxpayer.

"(i) RESTRICTING ACTIVITIES OF LEVEL 5 DEPOSITORY INSTITUTIONS.—

"(1) IN GENERAL.—In addition to any other action authorized or required under this section, the Corporation shall, by regulation or order, restrict the activities of any level 5 depository institution.

"(2) MINIMUM RESTRICTIONS.—Regulations and orders prescribed or issued by the Corporation under paragraph (1) with respect to any institution described in such paragraph shall prohibit, at a minimum, the following activities by any such institution without the Corporation's prior written approval:

"(A) Any material transaction other than in the usual course of business, including any investment, expansion, acquisition, or other similar action with respect to which the institution is required to provide notice to the appropriate Federal banking agency.

"(B) Any highly leveraged transaction.

"(C) Any amendment to any charter or bylaws other than to the extent necessary to carry out any other requirement of any law, regulation, or order.

"(D) Any material change in accounting methods.

"(E) Any covered transaction (as defined in section 23A(b) of the Federal Reserve Act).

"(F) Payment of excessive compensation or bonuses.

"(G) Pay interest on new or renewed liabilities at a rate that would increase the institution's weighted average cost of funds.

"(H) Any other limitation on activities which will carry out the purposes of this section.

"(3) TERMINATION OF AFFILIATIONS.—The appropriate Federal banking agency or the Corporation may require any level 5 depository institution or any depository institution holding company which controls such institution to terminate any affiliation with any affiliate of such institution (other than an affiliate which is an insured depository institution) if the agency or the Corporation determines that the affiliate—

"(A) is in danger of default;

"(B) poses a significant risk to the liquidity or solvency of the insured depository institution or

any insured depository institution subsidiary of such company; or

"(C) is likely to cause a significant dissipation of such institution's or subsidiary's assets or earnings.

"(j) REVIEW REQUIRED IF INSURANCE FUND INCURS LOSS.—

"(1) IN GENERAL.—If any insurance fund or the Resolution Trust Corporation incurs a loss with respect to an insured depository institution on or after the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, the Inspector General of the Corporation shall—

"(A) review the regulatory supervision of the institution (including the implementation of this section) to ascertain why there was a loss to the fund;

"(B) transmit a written report to the appropriate Federal banking agency, the Corporation, and, in the case of a State depository institution, the appropriate State bank supervisor on the results of the review under subparagraph (A), including recommendations for preventing any such loss in the future; and

"(C) provide a copy of the report to—

"(i) the Comptroller General of the United States; and

"(ii) the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

"(2) LOSS INCURRED.—For purposes of this subsection, any insurance fund or the Resolution Trust Corporation incurs a loss with respect to an insured depository institution—

"(A) if the Corporation provides any assistance under section 13(c) with respect to that institution; or

"(B) if the Corporation or the Resolution Trust Corporation is appointed receiver for the institution.

"(3) DEADLINE FOR REPORT.—The Inspector General of the Corporation shall comply with paragraph (1) expeditiously, and in any event as follows:

"(A) If the institution is described in paragraph (2)(A), before the end of the 18-month period beginning when the assistance is provided unless the assistance is fully repaid before the end of that period.

"(B) If the institution is described in paragraph (2)(B), before the end of the 12-month period beginning on the date the receiver is appointed for the institution.

"(4) PUBLIC DISCLOSURE REQUIRED.—The Corporation shall disclose any report under paragraph (1)(B) upon request under section 552 of title 5, United States Code, without excising—

"(A) any portion of the report under section 552(b)(5); or

"(B) any information about the insured depository institution under paragraph (4) or (8) of section 552(b).

"(5) GAO REVIEW.—The Comptroller General of the United States shall annually—

"(A) review reports made under paragraph (1)(B) and recommend improvements in the supervision of insured depository institutions (including the implementation of this section); and

"(B) audit 1 or more of those reports.

"(6) APPLICABILITY.—This subsection shall not apply with respect to any assistance provided under section 13(c), or the appointment of any receiver, before the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991.

"(k) NEW CAPITAL PLAN NOT REQUIRED FOR CERTAIN SAVINGS ASSOCIATIONS.—Subsections (e), (f), (g), (h), and (i) shall not apply before July 1, 1994, with respect to any insured savings association if—

"(1) before the end of the 30-day period beginning on the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, the savings association has submitted a plan meeting the requirements of section 5(t)(6) of the Home Owners' Loan Act;

"(2) the Director of the Office of Thrift Supervision approves or does not disapprove that plan;

"(3) the plan remains in effect; and

"(4) the savings association remains in compliance with the plan."

(b) CONSERVATORSHIP AND RECEIVERSHIP AUTHORITY.—

(1) ADDITIONAL GROUNDS FOR APPOINTING CONSERVATOR OR RECEIVER FOR STATE BANKS.—Section 11(c)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1821(c)(5)) is amended by redesignating subparagraph (H) as subparagraph (I) and by inserting after subparagraph (G) the following new subparagraph:

"(H) In the case of any undercapitalized depository institution (as defined in section 38(b))—

"(i) failure to submit a capital restoration plan acceptable to the appropriate Federal banking agency within the time prescribed under section 38(f)(1)(C); or

"(ii) failure to implement a capital restoration plan submitted and accepted under section 38(f)(1)(C)."

(2) ADDITIONAL GROUNDS FOR APPOINTING CONSERVATOR FOR NATIONAL BANKS.—Section 203(a) of the Bank Conservation Act (12 U.S.C. 203(a)) is amended—

(A) by striking "or" at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting "; or"; and

(C) by adding at the end the following new paragraph:

"(9) in the case of a bank not in compliance with all currently applicable capital standards, the bank fails—

"(A) to submit a capital restoration plan acceptable to the Comptroller of the Currency within the time prescribed under section 38(f)(1)(C) of the Federal Deposit Insurance Act; or

"(B) to implement a capital restoration plan submitted and accepted under section 38(f)(1)(C)."

(3) ADDITIONAL GROUNDS FOR APPOINTING RECEIVER FOR NATIONAL BANKS.—The Comptroller of the Currency may appoint a receiver for any national bank which is not in compliance with all currently applicable capital standards if the bank—

(A) fails to submit a capital restoration plan acceptable to the Comptroller within the time prescribed under section 38(f)(1)(C) of the Federal Deposit Insurance Act; or

(B) fails to implement a capital restoration plan submitted and accepted under section 38(f)(1)(C) of the Federal Deposit Insurance Act.

(4) ADDITIONAL GROUNDS FOR APPOINTING CONSERVATOR OR RECEIVER FOR FEDERAL SAVINGS ASSOCIATIONS.—Section 5(d)(2)(A) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)(A)) is amended—

(A) by striking "or" at the end of clause (vii);

(B) by striking the period at the end of clause (viii) and inserting a semicolon; and

(C) by adding at the end the following new clause:

"(ix) with respect to an association not in compliance with all currently applicable capital standards prescribed by the Director—

"(I) failure to submit a capital restoration plan acceptable to the Director within the time prescribed under section 38(f)(1)(C); or

"(II) failure to implement a capital restoration plan submitted and accepted under section 38(f)(1)(C)."

SEC. 132. APPOINTMENT OF CONSERVATOR OR RECEIVER FOR INSURED STATE DEPOSITORY INSTITUTIONS.

(a) IN GENERAL.—Section 11(c)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1821(c)(4)) is amended to read as follows:

"(4) APPOINTMENT OF THE CORPORATION BY THE CORPORATION.—

"(A) IN GENERAL.—Except as otherwise provided in section 21A of the Federal Home Loan Bank Act and notwithstanding any other provision of Federal law or the law or the constitution of any State, the Board of Directors may appoint the Corporation as sole conservator or receiver of an insured depository institution, after consultation with the appropriate Federal banking agency and the appropriate State bank supervisor (if any), if the Board of Directors determines that—

"(i) 1 or more of the grounds specified in any subparagraph of paragraph (5) exist with respect to the institution; and

"(ii) the appointment is necessary to reduce—

"(I) the risk that the affected deposit insurance fund would incur a loss with respect to the insured depository institution, or

"(II) any loss that the affected deposit insurance fund is expected to incur with respect to that institution.

"(B) NONDELEGATION.—The Board of Directors shall not delegate any action under this paragraph."

(b) AMENDMENT RELATING TO APPLICABLE GROUND.—Section 11(c)(5)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1821(c)(5)(B)) is amended to read as follows:

"(B) A finding by the Corporation that—

"(i) a conservator, receiver, or other legal custodian has been appointed for the institution;

"(ii) the institution has been subject to the appointment of any such conservator, receiver, or custodian for a period of at least 15 days; and

"(iii) 1 or more of the depositors in the institution is unable to withdraw any amount of any insured deposit."

Subtitle E—Least-Cost Resolution

SEC. 141. LEAST-COST RESOLUTION.

(a) LEAST-COST RESOLUTIONS REQUIRED.—

(1) IN GENERAL.—Section 13(c) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)) is amended—

(A) by redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (6), (7), (8), (9) and (10), respectively;

(B) by redesignating subparagraph (B) of paragraph (4) as paragraph (5); and

(C) by amending paragraph (4) (as amended by subparagraph (B) of this paragraph) to read as follows:

"(4) LEAST-COST RESOLUTION REQUIRED.—

"(A) IN GENERAL.—Notwithstanding any other provision of this Act, the Corporation may not exercise any authority under this subsection or subsection (d), (f), (h), (i), or (k) with respect to any insured depository institution unless—

"(i) the Corporation determines that the exercise of such authority is necessary to meet the obligation of the Corporation to provide insurance coverage for the insured deposits in such institution; and

"(ii) the total amount of the expenditures by the Corporation and obligations incurred by the Corporation (including any immediate and long-term obligation of the Corporation and any direct or contingent liability for future payment by the Corporation) in connection with the exercise of any such authority with respect to such institution is the least costly to the affected deposit insurance fund of all possible methods for meeting the Corporation's obligation under this section.

"(B) DETERMINING LEAST COSTLY APPROACH.—In determining how to satisfy the Corporation's obligations to an institution's insured depositors

at the least possible cost to the affected deposit insurance fund, the Corporation shall comply with the following provisions:

"(i) PRESENT-VALUE ANALYSIS; DOCUMENTATION REQUIRED.—The Corporation shall—

"(I) evaluate alternatives on a present-value basis, using a realistic discount rate;

"(II) document that evaluation and the assumptions on which the evaluation is based, including any assumptions with regard to interest rates, asset recovery rates, asset holding costs, and payment of contingent liabilities; and

"(III) retain the documentation for not less than 5 years.

"(ii) FOREGONE TAX REVENUES.—Federal tax revenues that the Government would forego as the result of a proposed transaction, to the extent reasonably ascertainable, shall be treated as if they were revenues foregone by the affected deposit insurance fund.

"(C) TIME OF DETERMINATION.—

"(i) GENERAL RULE.—For purposes of this subsection, the determination of the costs of providing any assistance under paragraph (1) or (2) or any other provision of this section with respect to any depository institution shall be made as of the date on which the Corporation makes the determination to provide such assistance to the institution under this section.

"(ii) RULE FOR LIQUIDATIONS.—For purposes of this subsection, the determination of the costs of liquidation of any depository institution shall be made as of the earliest of—

"(I) the date on which a conservator is appointed for such institution;

"(II) the date on which a receiver is appointed for such institution; or

"(III) the date on which the Corporation makes any determination to provide any assistance under this section with respect to such institution.

"(D) LIQUIDATION COSTS.—In determining the cost of liquidating any depository institution for the purpose of comparing the costs under subparagraph (A) (with respect to such institution), the amount of such cost may not exceed the amount which is equal to the sum of the insured deposits of such institution as of the earliest of the dates described in subparagraph (C), minus the present value of the total net amount the Corporation reasonably expects to receive from the disposition of the assets of such institution in connection with such liquidation.

"(E) DEPOSIT INSURANCE FUNDS AVAILABLE FOR INTENDED PURPOSE ONLY.—

"(i) IN GENERAL.—After December 31, 1994, or at such earlier time as the Corporation determines to be appropriate, the Corporation may not take any action, directly or indirectly, with respect to any insured depository institution that would have the effect of increasing losses to any insurance fund by protecting—

"(I) depositors for more than the insured portion of deposits (determined without regard to whether such institution is liquidated); or

"(II) creditors other than depositors.

"(ii) DEADLINE FOR REGULATIONS.—The Corporation shall prescribe regulations to implement clause (i) not later than January 1, 1994, and the regulations shall take effect not later than January 1, 1995.

"(iii) PURCHASE AND ASSUMPTION TRANSACTIONS.—No provision of this subparagraph shall be construed as prohibiting the Corporation from allowing any person who acquires any assets or assumes any liabilities of any insured depository institution for which the Corporation has been appointed conservator or receiver to acquire uninsured deposit liabilities of such institution so long as the insurance fund does not incur any loss with respect to such deposit liabilities in an amount greater than the loss which would have been incurred with respect to such liabilities if the institution had been liquidated.

"(F) DISCRETIONARY DETERMINATIONS.—Any determination which the Corporation may make under this paragraph shall be made in the sole discretion of the Corporation."

(2) ANNUAL GAO COMPLIANCE AUDIT.—The Comptroller General of the United States shall annually audit the Federal Deposit Insurance Corporation and the Resolution Trust Corporation to determine the extent to which such corporations are complying with section 13(c)(4) of the Federal Deposit Insurance Act.

(3) CLARIFICATION OF MANNER OF APPLICATION TO THE RTC.—Section 21A(b)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(4)) is amended—

(A) by striking "POWERS.—Except as" and inserting "POWERS.—

"(A) IN GENERAL.—Except as"; and

(B) by adding at the end the following new subparagraph:

"(B) MANNER OF APPLICATION OF LEAST-COST RESOLUTION.—For purposes of applying section 13(c)(4) of the Federal Deposit Insurance Act to the Corporation under subparagraph (A), the Corporation shall be treated as the affected deposit insurance fund."

(b) SECURED CLAIMS IN EXCESS OF VALUE OF COLLATERAL.—Section 11(d)(5)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)(5)(D)) is amended to read as follows:

"(D) AUTHORITY TO DISALLOW CLAIMS.—

"(i) IN GENERAL.—The receiver may disallow any portion of any claim by a creditor or claim of security, preference, or priority which is not proved to the satisfaction of the receiver.

"(ii) PAYMENTS TO LESS THAN FULLY SECURED CREDITORS.—In the case of a claim of a creditor against an insured depository institution which is secured by any property or other asset of such institution, any receiver appointed for any insured depository institution—

"(I) may treat the portion of such claim which exceeds an amount equal to the fair market value of such property or other asset as an unsecured claim against the institution; and

"(II) may not make any payment with respect to such unsecured portion of the claim other than in connection with the disposition of all claims of unsecured creditors of the institution.

"(iii) EXCEPTIONS.—No provision of this paragraph shall apply with respect to—

"(I) any extension of credit from any Federal home loan bank or Federal Reserve bank to any institution described in paragraph (3)(A); or

"(II) any security interest in the assets of the institution securing any such extension of credit."

(c) DATA COLLECTIONS.—Section 7(a)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(8)) is amended to read as follows:

"(8) DATA COLLECTIONS.—In addition to or in connection with any other report required under this subsection, the Corporation shall take such action as may be necessary to ensure that—

"(A) each insured depository institution maintains; and

"(B) the Corporation receives on a regular basis from such institution,

information on the total amount of all insured deposits, preferred deposits, and uninsured deposits at the institution."

(d) INDUSTRY IMPACT ANALYSIS REQUIRED.—

(1) IN GENERAL.—Section 11(h) of the Federal Deposit Insurance Act (12 U.S.C. 1821(h)) is amended by adding at the end the following new paragraph:

"(4) FINANCIAL SERVICES INDUSTRY IMPACT ANALYSIS.—After the appointment of the Corporation as conservator or receiver for any insured depository institution and before taking any action under this section or section 13 in connection with the resolution of such institution, the Corporation shall—

"(A) evaluate the likely impact of the means of resolution, and any action which the Corporation may take in connection with such resolution, on the viability of other insured depository institutions in the same community; and

"(B) take such evaluation into account in determining the means for resolving the institution and establishing the terms and conditions for any such action."

(2) CLERICAL AMENDMENT.—The heading for section 11(h) of the Federal Deposit Insurance Act (12 U.S.C. 1821(h)) is amended by striking "LIQUIDATION" and inserting "RESOLUTION".

(e) ASSISTANCE BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—Section 13(c) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)) is amended by redesignating paragraphs (8), (9), and (10) (as so redesignated by subsection (a)(1)(A) of this section), as paragraphs (9), (10), and (11), respectively, and by inserting after paragraph (7) the following new paragraph:

"(8) ASSISTANCE BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—

"(A) IN GENERAL.—Subject to the least-cost provisions of paragraph (4), the Corporation shall consider providing direct financial assistance under this section for depository institutions before the appointment of a conservator or receiver for such institution only under the following circumstances:

"(i) TROUBLED CONDITION CRITERIA.—The Corporation determines—

"(I) grounds for the appointment of a conservator or receiver exist or likely will exist in the future unless the depository institution's capital levels are increased; and

"(II) it is unlikely that the institution can meet all currently applicable capital standards without assistance.

"(ii) OTHER CRITERIA.—The depository institution meets the following criteria:

"(I) The appropriate Federal banking agency and the Corporation have determined that, during such period of time preceding the date of such determination as the agency or the Corporation considers to be relevant, the institution's management has been competent and has complied with applicable laws, rules, and supervisory directives and orders.

"(II) The institution's management did not engage in any insider dealing, speculative practice, or other abusive activity.

"(B) PUBLIC DISCLOSURE.—Any determination under this paragraph to provide assistance under this section shall be made in writing and published in the Federal Register."

(f) DEFINITIONS.—Section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m)) is amended by adding at the end the following new paragraphs:

"(3) UNINSURED DEPOSITS.—The term 'uninsured deposit' means the amount of any deposit of any depositor at any insured depository institution in excess of the amount of the insured deposits of such depositor (if any) at such depository institution.

"(4) PREFERRED DEPOSITS.—The term 'preferred deposits' means deposits of any public unit (as defined in paragraph (1)) at any insured depository institution which are secured or collateralized as required under State law."

SEC. 142. LIMITATION ON USE OF LIQUIDITY LENDING FOR DEPOSIT INSURANCE FUND PURPOSES.

(a) REDESIGNATION OF SECTION 10(b) OF THE FEDERAL RESERVE ACT.—The Federal Reserve Act is amended by redesignating section 10(b) (12 U.S.C. 347b) as section 10B.

(b) LIMITATION ON LIQUIDITY LENDING FOR DEPOSIT INSURANCE PURPOSES.—Section 10B of the Federal Reserve Act (as so redesignated by subsection (a) of this section) is amended—

(1) by striking "Any Federal Reserve bank" and inserting "(a) IN GENERAL.—Any Federal Reserve bank"; and

(2) by adding at the end the following new subsection:

"(b) LIMITATIONS ON ADVANCES.—

"(1) LIMITATION ON EXTENDED PERIODS.—Except as provided in paragraph (2), no advances to any undercapitalized depository institution by any Federal Reserve bank under this section may be outstanding for more than 60 days in any 120-day period.

"(2) VIABILITY EXCEPTION.—

"(A) IN GENERAL.—If—

"(i) the head of the appropriate Federal banking agency certifies in advance in writing to the Federal Reserve bank that any depository institution is a viable depository institution; or

"(ii) the Board conducts an examination of any depository institution and the Chairman of the Board certifies in writing to the Federal Reserve bank that the institution is a viable depository institution,

the limitation contained in paragraph (1) shall not apply during the 60-day period beginning on the date such certification is received.

"(B) EXTENSIONS OF PERIOD.—The 60-day period may be extended for additional 60-day periods upon receipt by the Federal Reserve bank of additional written certifications under subparagraph (A) with respect to each such additional period.

"(C) AUTHORITY TO ISSUE A CERTIFICATE OF VIABILITY MAY NOT BE DELEGATED.—The authority of the head of any agency to issue a written certification of viability under this paragraph may not be delegated to any other person.

"(D) EXTENDED ADVANCES SUBJECT TO PARAGRAPH (3).—Notwithstanding paragraph (1), an undercapitalized institution which does not have a certificate of viability in effect under this paragraph may have advances outstanding for more than 60 days in any 120-day period if the Board elects to treat—

"(i) such institution as a level 5 depository institution under paragraph (3); and

"(ii) any such advance as an advance described in subparagraph (A)(i) of paragraph (3).

"(3) ADVANCES TO LEVEL 5 DEPOSITORY INSTITUTIONS.—

"(A) LIABILITY FOR INCREASED COSTS.—Notwithstanding any other provision of this section, if—

"(i) in the case of any level 5 depository institution (as defined in section 38 of the Federal Deposit Insurance Act)—

"(I) any advance under this section to such institution is outstanding without payment having been demanded as of the end of the 5-day period beginning on the date the institution becomes a level 5 depository institution; or

"(II) any new advance is made to such institution under this section after the end of such period; and

"(ii) after the end of such 5-day period, any deposit insurance fund in the Federal Deposit Insurance Corporation incurs costs in excess of the cost of liquidating such institution as of the end of such period,

the excess cost shall be an obligation of the Board to the affected deposit insurance fund, without regard to the terms of the advance or any collateral pledged to secure the advance.

"(B) LIMITATION ON EXCESS COST.—The liability of the Board under subparagraph (A) for the amount of any excess cost described in such subparagraph shall not exceed the amount of the loss the Board or any Federal Reserve bank would have realized on the increases in the amount of advances made after the 5-day period referred to in subparagraph (A) as if such increased advances had not been secured.

"(C) SEMIANNUAL ASSESSMENTS ON FEDERAL RESERVE BANKS TO PAY OBLIGATION.—The amount of any liability of the Board to the Federal Deposit Insurance Corporation shall be paid by the Board from the proceeds of semiannual assessments which the Board may impose on the net earnings of the Federal Reserve banks.

"(4) NO OBLIGATION TO MAKE ADVANCES.—A Federal Reserve bank shall have no obligation to make, increase, renew, or extend any advance or discount under this Act to any depository institution.

"(5) PERMISSIBLE ADVANCES TO AVOID SYSTEMIC RISK.—

"(A) IN GENERAL.—Notwithstanding any other provision of this section, any Federal Reserve bank may make advances to an undercapitalized depository institution under this section if the Secretary of the Treasury determines in writing, upon the recommendation of the Board, that the advances are necessary to prevent a severe adverse effect on a regional or the national economy.

"(B) LIABILITY FOR INCREASED COST.—To the extent that any advance pursuant to a determination of the Secretary of the Treasury under subparagraph (A) to any depository institution causes any deposit insurance fund in the Federal Deposit Insurance Corporation to incur costs in excess of the cost of liquidating such institution as of the first day of such advance, such excess cost shall be an obligation of the United States.

"(C) NOTICE.—The Secretary of the Treasury shall provide a written notice of each determination under subparagraph (A) to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate and each notice shall contain a description of the basis for the determination.

"(6) DEFINITIONS.—

"(A) APPROPRIATE FEDERAL BANKING AGENCY.—The term 'appropriate federal banking agency' has the meaning given such term in section 3(q) of the Federal Deposit Insurance Act.

"(B) CRITICAL CAPITAL LEVEL.—The term 'critical capital level' has the same meaning given to such term in section 38 of the Federal Deposit Insurance Act.

"(C) DEPOSITORY INSTITUTION.—The term 'depository institution' has the meaning given to such term in section 19(b)(1)(A).

"(D) UNDERCAPITALIZED DEPOSITORY INSTITUTION.—The term 'undercapitalized depository institution' means any depository institution which—

"(i) is not in compliance with all currently applicable capital standards; or

"(ii) has a composite CAMEL rating of 5 under the Uniform Financial Institutions Rating System (or an equivalent rating by any such agency under a comparable rating system) as of the most recent examination of such institution.

"(E) VIABLE DEPOSITORY INSTITUTION.—The term 'viable depository institution' means any depository institution which the appropriate Federal banking agency or the Board determines, giving due regard to the economic conditions and circumstances in the marketplace in which the institution operates, has capital in excess of the critical capital level and is not expected to fall below the critical capital level or be placed in conservatorship or receivership."

(c) CONFORMING AMENDMENT.—Section 11 of the Federal Reserve Act is amended by adding the following new subsection:

"(n) To examine, at the Board's discretion, any depository institution, and any affiliate of such depository institution, in connection with any advance to, any discount of any instrument for, or any request for any such advance or discount by, such depository institution under this Act."

(d) EFFECTIVE DATE.—The amendment made by subsection (b) shall take effect at the end of the 2-year period beginning on the date of the enactment of this Act.

SEC. 143. NO ASSISTANCE TO TROUBLED INSTITUTION WITHOUT REMOVING MANAGEMENT AND REPUDIATING SHAREHOLDERS CLAIMS.

Section 13(c) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)) is amended by inserting after paragraph (11) (as so redesignated by section 141(e) of this title) the following new paragraph:

"(12) ACTIONS REQUIRED IF ASSISTANCE IS PROVIDED.—

"(A) IN GENERAL.—Upon providing any assistance under this subsection to or on behalf of any insured depository institution and in addition to any other action or condition the Corporation may take or impose, the Corporation shall—

"(i) remove the board of directors of such institution; and

"(ii) treat the claim of any shareholder against the institution with respect to any share or other capital investment of such shareholder in the institution as if such institution had been closed.

"(B) PREEMPTION OF STATE LAW.—The requirements of this paragraph, and the duty of the Corporation to carry out such requirements, shall preempt any right of any shareholder in any insured depository institution under the law of any State.

"(C) WAIVER AUTHORITY.—

"(i) IN GENERAL.—The Corporation may waive the requirements of subparagraph (A)(i) for any person upon a written finding that such waiver would lessen the risk to the Corporation posed by the insured depository institution provided assistance.

"(ii) AUTHORITY LIMITED TO BOARD OF DIRECTORS.—The authority to waive the requirements of subparagraph (A)(i) may not be delegated by the Board of Directors.

"(iii) PUBLICATION OF WAIVER.—The Board of Directors shall publish a notice in the Federal Register of any waiver granted under this subparagraph and any amendment made by the Board to any such waiver."

Subtitle F—Federal Insurance for State Chartered Depository Institutions

SEC. 151. SHORT TITLE.

This subtitle may be cited as the "Uniform Depositor Protection Act of 1991".

SEC. 152. FEDERAL DEPOSIT INSURANCE REQUIRED FOR STATE CHARTERED BANKS, SAVINGS ASSOCIATIONS, AND CREDIT UNIONS.

(a) IN GENERAL.—After the end of the 2-year period beginning on the date of the enactment of this Act, no State depository institution or State credit union may accept deposits unless such depository institution or credit union is an insured depository institution or an insured credit union, as the case may be.

(b) DEFINITIONS.—For purposes of this section—

(1) STATE DEPOSITORY INSTITUTION.—The term "State depository institution" has the meaning given to such term by section 3(c)(5) of the Federal Deposit Insurance Act.

(2) STATE CREDIT UNION.—The term "State credit union"—

(A) has the meaning given to such term by section 101(6) of the Federal Credit Union Act; and

(B) includes—

(i) any corporate credit union; and

(ii) any member of the Central Liquidity Facility (as such terms are defined in section 302 of the Federal Credit Union Act).

(3) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given to such term by section 3(c)(2) of the Federal Deposit Insurance Act.

(4) INSURED CREDIT UNION.—The term "insured credit union" has the meaning given to

such term by section 101(7) of the Federal Credit Union Act.

Subtitle G—Technical Corrections

SEC. 161. TECHNICAL CORRECTIONS AND CLARIFICATIONS.

(a) SECTION 11 OF THE FEDERAL DEPOSIT INSURANCE ACT.—Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended—

(1) in subsection (d)(3)(A), by striking "(4)(A)" and inserting "(4)";

(2) in subsection (d)(11)(B), by striking "(14)(C)" and inserting "(15)(B)";

(3) in subsection (e)(3)(C)(ii), by striking "subsection (k)" and inserting "subsection (i)";

(4) in subsection (e)(4)(B)(iii), by striking "subsection (k)" and inserting "subsection (i)";

(5) in subparagraphs (A) and (E) of subsection (e)(8), by striking "subsections (d)(9) and (i)(4)(I)" and inserting "subsection (d)(9)";

(6) in subsection (n)(9), by striking "(13)" and inserting "(12)"; and

(7) in subsection (n)(11)(D), by striking "(8)" and inserting "(9)".

(b) CLARIFICATION OF FDIC POWERS IN FSLIC RESOLUTION FUND CONSERVATORSHIPS AND RECEIVERSHIPS.—Section 11A(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821a(a)) is amended by adding at the end the following new paragraphs:

"(4) RIGHTS, POWERS, AND DUTIES.—Effective August 10, 1989, the Corporation shall have all rights, powers, and duties to carry out the Corporation's duties with respect to the assets and liabilities of the FSLIC Resolution Fund that the Corporation otherwise has under this Act.

"(5) CORPORATION AS CONSERVATOR OR RECEIVER.—

"(A) IN GENERAL.—Effective August 10, 1989, the Corporation shall succeed the Federal Savings and Loan Insurance Corporation as conservator or receiver with respect to any depository institution—

"(i) the accounts of which were insured before August 10, 1989 by the Federal Savings and Loan Insurance Corporation; and

"(ii) for which a conservator or receiver was appointed before January 1, 1989.

"(B) RIGHTS, POWERS, AND DUTIES.—When acting as conservator or receiver with respect to any depository institution described in subparagraph (A), the Corporation shall have all rights, powers, and duties that the Corporation otherwise has as conservator or receiver under this Act."

(c) CLERICAL AMENDMENT TO SUBSECTION HEADING.—The heading for section 3(w) of the Federal Deposit Insurance Act (12 U.S.C. 1813(w)) is amended by striking "HOLDING COMPANIES" and inserting "AFFILIATES OF DEPOSITORY INSTITUTIONS".

(d) FDIC REMOVAL PERIOD MADE CONSISTENT WITH RTC PERIOD.—Section 9(b)(2)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1819(b)(2)(B)) is amended by inserting "before the end of the 90-day period beginning on the date the action, suit, or proceeding is filed against the Corporation or the Corporation is substituted as a party" before the period.

(e) CLARIFICATION OF FDIC AUTHORITY TO PAY DE MINIMUS CLAIMS.—The 2d sentence of section 11(i)(3)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(i)(3)(A)) is amended by striking "The" and inserting "Notwithstanding any other provision of Federal or State law, or the constitution of any State, the".

(f) CLERICAL AMENDMENT TO SECTION HEADING.—

(1) The heading for section 219 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is amended by striking "from taxation".

(2) The table of contents for the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is amended by striking "from taxation" in the item relating to section 219.

The CHAIRMAN. Only those amendments printed in House Report 102–309 shall be in order. Such amendments shall be considered in the order and manner specified in the report, shall be considered as having been read, and shall not be subject to amendment.

Where House Report 102–309 specifies consideration of amendments en bloc, such en bloc amendments shall not be subject to a demand for a division of the question. Debate time specified for each amendment shall be equally divided and controlled by the proponent and by an opponent of the amendment.

It is now in order to consider amendment number 1, printed in the House Report 102–309.

AMENDMENTS OFFERED EN BLOC OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. GONZALEZ:

Page 8, after line 17, insert the following (and redesignate the subsequent paragraphs accordingly):

"(2) LIMITATIONS ON BORROWING.—

"(A) APPLICABILITY OF PUBLIC DEBT LIMIT.—For purposes of the public debt limit established in section 3101(b) of title 31, United States Code, any obligation issued, or amount borrowed, by the Corporation under paragraph (1) shall be considered to be an obligation to which such limit applies.

"(B) APPLICABILITY OF FDIC BORROWING LIMIT.—For purposes of the dollar amount limitation established in section 14(a) of the Federal Deposit Insurance Act (12 U.S.C. 1824(a)), any obligation issued, or amount borrowed, by the Corporation under paragraph (1) shall be considered to be an amount borrowed from the Treasury under such section.

"(C) INTEREST RATE LIMIT.—The rate of interest payable in connection with any obligation issued, or amount borrowed, by the Corporation under paragraph (1) shall not exceed an amount determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities.

"(D) OBLIGATIONS TO BE HELD ONLY BY BIF MEMBERS.—The terms of any obligation issued by the Corporation under paragraph (1) shall provide that the obligation will be valid only if held by a Bank Insurance Fund Member.

Page 8, beginning on line 21, strike "paragraph (1)" and insert "paragraphs (1) and (2)".

Page 33, line 21, after "to" insert the following: "reports or statements required to be filed with Federal banking agencies by".

Page 34, line 11, after "to" insert "reports or statements required to be filed with Federal banking agencies by".

Page 34, line 20, insert after "Corporation may" the following: ", with respect to reports or statements required to be filed with such agency or Corporation,".

Page 34, line 25, strike "PROCEDURES" and insert "Principles".

Page 35, lines 5 and 16, strike "MEASURES" and insert "PRINCIPLES".

Page 35, strike lines 7 and 8 and insert the following:

"(i) all accounting principles used by depository institutions with respect to reports or statements required to be filed with a Federal banking agency;

Page 35, line 17, strike "procedure or reporting requirement" and insert "principle or reporting requirement of that Federal banking agency".

Page 35, strike line 21 and all that follows through page 36, line 12, and insert the following:

"(C) INCLUSION OF 'OFF BALANCE SHEET' ITEMS.—Develop and prescribe regulations which require that all assets and liabilities, including contingent assets and liabilities, of insured depository institutions be reported in, or otherwise taken into account in the preparation of any balance sheet, financial statement, report of condition, or other report of such institution, required to be filed with a Federal banking agency.

"(D) MARKET VALUE DISCLOSURE.—Develop jointly with the other appropriate Federal banking agencies a method for insured depository institutions to provide supplemental disclosure of the estimated fair market value of assets and liabilities, to the extent feasible and practicable, in any balance sheet, financial statement, report of condition, or other report of any insured depository institution required to be filed with a Federal banking agency.

Page 36, strike lines 17 through 19 and insert the following: "standards to be used for determining compliance with statutory or regulatory requirements of insured depository institutions.".

Page 41, after line 14, insert the following new section (and conform the table of contents accordingly):

SEC. 123. REPORTS OF FINANCIAL CONDITION BY LARGE INSTITUTIONS ENGAGED IN INTERSTATE BANKING.

Section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)) is amended by adding at the end the following new paragraph:

"(10) CONDITION REPORTS BY LARGE INSURED INSTITUTIONS ENGAGED IN INTERSTATE BANKING.—

"(A) COVERED INSTITUTIONS.—For purposes of this paragraph—

"(i) INTERSTATE BRANCHING INSTITUTION.—The term 'covered interstate branching institution' means an insured depository institution that has total assets of $1,000,000,000 or more, as of its most recent fiscal year, and maintains branches in more than one State.

"(ii) INTERSTATE SUBSIDIARY INSTITUTION.—The term 'covered interstate subsidiary institution' means an insured depository institution that has total assets of $500,000,000 or more, as of its most recent full fiscal year, and it is a subsidiary of a holding company that controls insured institution subsidiaries in more than one State and has consolidated assets of $1,000,000,000 or more, as of the holding company's most recent full fiscal year.

"(iii) DUAL COVERAGE.—An insured depository institution that satisfies the criteria of both clauses (i) and (ii) of this subparagraph shall be deemed to be a covered interstate branching institution.

"(B) INTERSTATE BRANCHES: QUARTERLY LOAN DATA.—A covered interstate branching institution shall include in each quarterly report of financial condition required by this subsection the following loan categories, listed separately for each State within which it maintains one or more branches—

"(i) LOAN DATA ITEMS.—(I) The aggregate dollar amount of the institution's outstanding in-State loans in regard to such State,

(II) the interest and fee income earned on such loans, (III) the dollar amount of such loans with nonaccrual status, and (IV) the net charge-offs for such loans.

"(ii) LOAN CATEGORIES.—(I) Construction loans, (II) commercial mortgage loans, (III) residential mortgage loans, (IV) farmland mortgage loans, (V) commercial loans to small businesses, (VI) agricultural production loans, and (VII) consumer loans.

"(C) DEFINITION OF IN-STATE LOANS.—For purposes of subparagraph (B) the term 'in-State loan' means a loan that is made to a business entity that is engaged in business in the State, an agricultural loan to an entity in the State, a loan that is secured with property located in the State, and a loan made to an individual who is a resident of the State.

"(D) INTERSTATE BRANCHES: QUARTERLY DEPOSIT DATA.—A covered interstate branching institution shall also include in each quarterly report of financial condition required by this subsection the following deposit data items for each of the following deposit categories, listed separately for each State within which it maintains one or more branches—

"(i) DEPOSIT DATA ITEMS.—(I) The aggregate dollar amount of deposit balances at the institution's branch offices located within each State, and (II) the interest paid on such deposit balances.

"(ii) DEPOSIT CATEGORIES.—(I) Demand deposits (deposit balance data only), (II) interest-bearing transaction accounts, (III) savings deposits, (IV) time deposits under $100,000, (V) time deposits of $100,000 or more, and (VI) State and local government deposits (deposit balance data only).

"(E) INTERSTATE BRANCHES: OTHER QUARTERLY DATA.—A covered interstate branching institution shall include in its report of financial condition required by this subsection the following financial data, listed separately for each State within which it maintains one or more branches—

"(i) the aggregate dollar amount the institution's real estate owned in each State not including property owned by the institution for banking operations; and

"(ii) the institution's income from service charges on deposit accounts at the institution's branch institution.

"(F) INTERSTATE BRANCHES AND INTERSTATE SUBSIDIARIES: ANNUAL LOAN DATA.—A covered interstate subsidiary institution shall include in its report of financial condition required by this subsection for the fourth quarter of each calendar year the following information for its home State and a covered interstate branching institution shall include in its report of financial condition required by this subsection for the fourth quarter of each calendar year the following information listed separately for each State within which it maintains one or more branches—

"(i) SMALL BUSINESS LOANS.—The institution's total number and aggregate dollar amount of commercial loans and commercial mortgage loans outstanding to small businesses whose principal place of business is located within such State; itemized separately for—

"(I) commercial loans; and

"(II) commercial mortgage loans;

and further itemized separately for—

"(I) small businesses with annual sales of $250,000 or less, and

"(II) small businesses with annual sales of more than $250,000.

"(ii) SMALL FARM LOANS.—The institution's total number and aggregate dollar amount of agricultural production loans and farmland mortgage loans outstanding to small farms whose principal place of business is located with such State; itemized separately for

"(I) agricultural production loans; and

"(II) farmland mortgage loans.

"(G) SMALL BUSINESS LOANS BY METROPOLITAN AREA.—The small business loans required by subparagraph (F)(i) shall be further itemized (according to the principal place of business of the small business borrowers) separately for—

"(i) each metropolitan area of the State,

"(ii) the low and moderate income portion of each such metropolitan area, and

"(iii) the minority portion (if any) of each such metropolitan area.

"(H) AUTHORITY TO REQUIRE ADDITIONAL INFORMATION.—The Federal banking agencies may require insured depository institutions to report additional information beyond the requirements of this paragraph for the purposes of monitoring the insured condition of the depository institutions engaged in interstate branching and monitoring the volume of credit provided at the State and local community level by institutions engaged in interstate banking through either separate insured institution subsidiaries or interstate branching, and for implementing Federal antitrust laws.

"(I) ADJUSTMENT OF LOAN CATEGORIES.—The Federal banking agencies may adjust the loan category definitions prescribed by this paragraph to reflect changes in loan category definitions or classifications generally employed in the reports of financial condition required by this subsection, except any such adjustments must be consistent with the purposes of this paragraph.

"(J) DEFINITIONS.—For purposes of this paragraph—

"(i) the term 'small business' means an enterprise with annual sales of $20,000,000 or less;

"(ii) the term 'small farm' means a farm business with annual sales of $500,000 or less;

"(iii) the term 'commercial loan' means a loan that is reportable as a commercial and industrial loan;

"(iv) the term 'agricultural production loan' means a loan that is reportable as a loan to finance agricultural production and other loans to farmers;

"(v) the term 'farmland mortgage loan' means a loan that is reportable as a real estate loan secured by farmland;

"(vi) the term 'metropolitan area' means a primary metropolitan statistical area, or consolidated metropolitan area, or consolidated metropolitan statistical area, as defined by the Secretary of Commerce;

"(vii) the term 'commercial mortgage loan' means a loan that is reportable as a real estate loan secured by nonfarm residential properties;

"(viii) the term 'construction loan' means a loan that is reportable as a real estate loan secured by construction and land development;

"(ix) the term 'consumer loan' means a loan that is reportable as a loan to individuals for household, family, and other personal purposes;

"(x) the term 'non-metropolitan portion' means the portion of a State that lies outside the metropolitan areas;

"(xi) the term 'low and moderate income area' means census tracts, as defined by the Secretary of Commerce, whose median family income is less than or equal to 80 percent of the median family income of the metro area in which they are located;

"(xii) the term 'minority area' means all census tracts as defined by the Secretary of Commerce in which minority persons compromise 75 percent or more of the resident population;

"(xiii) the term 'home State' means with respect to an insured depository institution that is a subsidiary of a holding company, the State in which the insured institution's deposit balances are principally located; and

"(xiv) the term 'reportable' refers to the reporting classifications employed in the reports of financial condition submitted pursuant to this subsection.".

Page 57, after line 13, insert the following:

"(C) NO EFFECT ON SECURITIES EXCHANGE ACT REQUIREMENTS.—Nothing in this section shall be interpreted to supersede, or in any way limit or condition compliance by brokers, dealers, government securities brokers, and government securities dealers with the financial responsibility requirements of the Securities Exchange Act of 1934 and the rules, regulations, and orders thereunder.

Page 64, after line 20, insert the following new subparagraph:

"(F) TREATMENT OF PROFITABLE INSTITUTIONS.—Notwithstanding the provisions of subparagraph (D), the appropriate Federal banking agency may continue to take such other action which the agency determines to be appropriate in lieu of such appointment if—

"(i) the agency determines, with the concurrence of the Corporation, that—

"(I) the insured depository institution has positive net worth;

"(II) the insured depository institution has been in full compliance with an approved capital restoration plan which requires consistent improvement in the institution's capital position since the date of the approval of such plan;

"(III) the insured depository institution is profitable or has an upward trend in earnings the agency projects as sustainable; and

"(IV) the insured depository institution is reducing the ratio of nonperforming loans to total loans; and

"(ii) the head of the appropriate Federal banking agency and the Chairperson of the Board of Directors both certify that the institution is viable and not expected to fail.

Page 66, after line 22, insert the following:

"(4) CONSULTATION WITH FUNCTIONAL REGULATORS.—Before the agency or Corporation makes a determination under paragraph (3) with respect to an affiliate that is a broker, dealer, government securities broker, government securities dealer, investment company, or investment adviser, the agency or Corporation shall consult with the Securities and Exchange Commission and, in the case of any other affiliate which is subject to any financial responsibility or capital requirement, any other functional regulator (as defined in section 2(s) of the Bank Holding Company Act of 1956) of such affiliate with respect to the proposed determination of the agency or the Corporation and actions pursuant to such determination.

Page 96, line 9, before the period insert the following: "or that such person complied with the applicable laws, rules, supervisory directives, and orders, and did not engage in any insider dealing, speculative practice, or other abusive activity while serving on the board of directors or any other management position in the institution."

Add at the end of the bill the following new titles:

TITLE II—REGULATORY IMPROVEMENT

Subtitle A—Regulation of Foreign Banks

SEC. 201. SHORT TITLE.

This subtitle may be cited as the "Foreign Bank Supervision Enhancement Act of 1991".

SEC. 202. REGULATION OF FOREIGN BANK OPERATIONS.

(a) ESTABLISHMENT AND TERMINATION OF FOREIGN BANK OFFICES IN THE UNITED STATES.—Section 7 of the International Banking Act of 1978 (12 U.S.C. 3105) is amended by striking subsection (d) and inserting the following new subsections:

"(d) ESTABLISHMENT OF FOREIGN BANK OFFICES IN THE UNITED STATES.—

"(1) PRIOR APPROVAL REQUIRED.—No foreign bank may establish a branch or an agency, or acquire ownership or control of a commercial lending company, without the prior approval of the Board.

"(2) STANDARDS FOR APPROVAL.—In acting on any application under paragraph (1), the Board may take into account—

"(A) whether the foreign bank engages directly in the business of banking outside the United States and is subject to comprehensive supervision or regulation on a consolidated basis by the appropriate authorities in its home country;

"(B) whether the appropriate authorities in the home country of the foreign bank have consented to the proposed establishment of a branch, agency or commercial lending company in the United States by the foreign bank;

"(C) the financial and managerial resources of the foreign bank, including the bank's experience and capacity to engage in international banking;

"(D) whether the foreign bank has provided the Board with adequate assurances that the bank will make available to the Board such information on the operations or activities of the foreign bank and any affiliate of the bank that the Board deems necessary to determine and enforce compliance with this Act, the Bank Holding Company Act of 1956, and other applicable Federal law; and

"(E) whether the foreign bank and the United States affiliates of the bank are in compliance with applicable United States law.

"(3) ESTABLISHMENT OF CONDITIONS.—Consistent with the standards for approval in paragraph (2), the Board may impose such conditions on its approval under this subsection as it deems necessary.

"(e) TERMINATION OF FOREIGN BANK OFFICES IN THE UNITED STATES.—

"(1) STANDARDS FOR TERMINATION.—The Board, after notice and opportunity for hearing and notice to any appropriate State bank supervisor, may order a foreign bank that operates a State branch or agency or commercial lending company subsidiary in the United States to terminate the activities of such branch, agency, or subsidiary if the Board finds that—

"(A) there is reasonable cause to believe that such foreign bank, or any affiliate of such foreign bank, has committed a violation of law or engaged in an unsafe or unsound banking practice in the United States; and

"(B) as a result of such violation or practice, the continued operation of the foreign bank's branch, agency or commercial lending company subsidiary in the United States would not be consistent with the public interest or with the purposes of this Act, the Bank Holding Company Act of 1956, or the Federal Deposit Insurance Act.

"(2) DISCRETION TO DENY HEARING.—The Board may issue an order under paragraph (1) without providing for an opportunity for a hearing if the Board determines that expeditious action is necessary in order to protect the public interest.

"(3) EFFECTIVE DATE OF TERMINATION ORDER.—An order issued under paragraph (1) shall take effect before the end of the 120-day period beginning on the date such order is issued unless the Board extends such period.

"(4) COMPLIANCE WITH STATE AND FEDERAL LAW.—Any foreign bank required to terminate activities conducted at offices or subsidiaries in the United States pursuant to this subsection shall comply with the requirements of applicable Federal and State law with respect to procedures for the closure or dissolution of such offices or subsidiaries.

"(5) RECOMMENDATION TO AGENCY FOR TERMINATION OF A FEDERAL BRANCH OR AGENCY.—The Board may transmit to the Comptroller of the Currency a recommendation that the license of any Federal branch or Federal agency of a foreign bank be terminated in accordance with section 4(i) if the Board has reasonable cause to believe that such foreign bank or any affiliate of such foreign bank has engaged in conduct for which the activities of any State branch or agency may be terminated under paragraph (1).

"(6) ENFORCEMENT OF ORDERS.—

"(A) IN GENERAL.—In the case of contumacy of any office or subsidiary of the foreign bank against which the Board or, in the case of an order issued under section 4(i), the Comptroller of the Currency has issued an order under paragraph (1) or a refusal by such office or subsidiary to comply with such order, the Board or the Comptroller of the Currency may invoke the aid of the district court of the United States within the jurisdiction of which the office or subsidiary is located.

"(B) COURT ORDER.—Any court referred to in subparagraph (A) may issue an order requiring compliance with an order issued under paragraph (1).

"(f) JUDICIAL REVIEW.—

"(1) JURISDICTION OF UNITED STATES COURTS OF APPEALS.—Any foreign bank—

"(A) whose application under subsection (d) or section 10(a) has been disapproved by the Board;

"(B) against which the Board has issued an order under subsection (e) or section 10(b); or

"(C) against which the Comptroller of the Currency has issued an order under section 4(i) of this Act,

may obtain a review of such order in the United States court of appeals for any circuit in which such foreign bank operates a branch, agency, or commercial lending company that has been required by such order to terminate its activities, or in the United States Court of Appeals for the District of Columbia Circuit, by filing a petition for review in the court before the end of the 30-day period beginning on the date the order was issued.

"(2) SCOPE OF JUDICIAL REVIEW.—Section 706 of title 5, United States Code, (other than paragraph (2)(F) of such section) shall apply with respect to any review under paragraph (1).

"(g) CONSULTATION WITH STATE BANK SUPERVISOR.—The Board shall request and consider any views of the appropriate State bank supervisor with respect to any application or action under subsection (d) or (e).".

(b) STANDARDS FOR APPROVAL OF FEDERAL BRANCHES AND AGENCIES.—Section 4(a) of the International Banking Act of 1978 (12 U.S.C. 3102(a)) is amended—

(1) by striking "(a) Except as provided in section 5," and inserting "(a) ESTABLISHMENT AND OPERATION OF FEDERAL BRANCHES AND AGENCIES.—

"(1) INITIAL FEDERAL BRANCH OR AGENCY.—Except as provided in section 5,"; and

(2) by adding at the end the following new paragraph:

"(2) BOARD CONDITIONS REQUIRED TO BE INCLUDED.—In considering any application for approval under this subsection, the Comptroller of the Currency shall include any condition imposed by the Board under section 7(d)(3) as a condition for the approval of such application by the agency.".

(c) STANDARDS FOR APPROVAL OF ADDITIONAL FEDERAL BRANCHES AND AGENCIES.—Section 4(h) of the International Banking Act of 1978 (12 U.S.C. 3102(h)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking "(h) A foreign bank" and inserting "(h) ADDITIONAL BRANCHES OR AGENCIES.—

"(1) APPROVAL OF AGENCY REQUIRED.—A foreign bank"; and

(3) by adding at the end the following new paragraph:

"(2) NOTICE TO AND COMMENT BY BOARD.—The Comptroller of the Currency shall provide the Board with notice and an opportunity for comment on any application to establish an additional Federal branch or Federal agency under this subsection.".

(d) DISAPPROVAL FOR FAILURE TO AGREE TO PROVIDE NECESSARY INFORMATION.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking "(c) The Board shall" and inserting "(c) FACTORS FOR CONSIDERATION BY BOARD.—

"(1) COMPETITIVE FACTORS.—The Board shall";

(3) by striking "In every case" and inserting "(2) BANKING AND COMMUNITY FACTORS.—In every case";

(4) by striking "community to be served. Notwithstanding any other provision of law" and inserting "community to be served.

"(4) TREATMENT OF CERTAIN BANK STOCK LOANS.—Notwithstanding any other provision of law"; and

(5) by inserting after paragraph (2) (as so designated by paragraph (3) of this subsection) the following new paragraph:

"(3) SUPERVISORY FACTORS.—The Board shall disapprove any application under this section by any company if—

"(A) the company fails to provide the Board with adequate assurances that the company will make available to the Board such information on the operations or activities of the company, and any affiliate of the company, as the Board determines to be appropriate to determine and enforce compliance with this Act; or

"(B) in the case of an application involving a foreign bank, the foreign bank is not subject to comprehensive supervision or regulation on a consolidated basis by the appropriate authorities in the bank's home country.".

(e) CONFORMING AMENDMENTS.—

(1) AFFILIATE DEFINED.—Section 1(b)(13) of the International Banking Act of 1978 (12 U.S.C. 3101(13)) is amended by inserting " 'affiliate,' " after "the terms" the 1st place such term appears.

(2) DEFINITIONS.—Section 1(b) of the International Banking Act of 1978 (12 U.S.C. 3101(b)) is amended—

(A) by striking "and" at the end of paragraph (13);

(B) by striking the period at the end of paragraph (14) and inserting a semicolon; and

(C) by adding at the end the following new paragraphs:

"(15) the term 'representative office' means any office of a foreign bank which is located in any State and is not a Federal branch, Federal agency, State branch, State agency, or subsidiary of a foreign bank;

"(16) the term 'office' means any branch, agency, or representative office; and

"(17) the term 'State bank supervisor' has the meaning given to such term in section 3 of the Federal Deposit Insurance Act.".

SEC. 203. CONDUCT AND COORDINATION OF EXAMINATIONS.

(a) AUTHORITY OF BOARD TO CONDUCT AND COORDINATE EXAMINATIONS.—Section 7(c) of the International Banking Act of 1978 (12 U.S.C. 3105(b)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) EXAMINATION OF BRANCHES, AGENCIES, AND AFFILIATES.—

"(A) IN GENERAL.—The Board may examine each branch or agency of a foreign bank, each commercial lending company or bank controlled by 1 or more foreign banks or 1 or more foreign companies that control a foreign bank, and other office or affiliate of a foreign bank conducting business in any State.

"(B) COORDINATION OF EXAMINATIONS.—

"(i) IN GENERAL.—The Board shall coordinate examinations under this paragraph with the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and appropriate State bank supervisors to the extent such coordination is possible.

"(ii) SIMULTANEOUS EXAMINATIONS.—The Board may request simultaneous examinations of each office of a foreign bank and each affiliate of such bank operating in the United States.

"(C) ANNUAL ON-SITE EXAMINATION.—Each branch or agency of a foreign bank shall be examined at least once during each 12-month period (beginning on the date the most recent examination of such branch or agency ended) in an on-site examination.

"(D) COST OF EXAMINATIONS.—The cost of any examination under subparagraph (A) shall be assessed against and collected from the foreign bank or the foreign company that controls the foreign bank, as the case may be."; and

(2) in paragraph (2), by inserting "REPORTING REQUIREMENTS.—" before "Each branch".

(b) COORDINATION OF EXAMINATIONS.—Section 4(b) of the International Banking Act of 1978 (12 U.S.C. 3102(b)) is amended by adding at the end thereof the following new sentence: "The Comptroller of the Currency shall coordinate examinations of Federal branches and agencies of foreign banks with examinations conducted by the Board under section 7(c)(1) and, to the extent possible, shall participate in any simultaneous examinations of the United States operations of a foreign bank requested by the Board under such section.".

(c) PARTICIPATION IN COORDINATED EXAMINATIONS.—

(1) IN GENERAL.—Section 10(b) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)) is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) EXAMINATION OF INSURED STATE BRANCHES.—The Board of Directors shall—

"(A) coordinate examinations of insured State branches of foreign banks with examinations conducted by the Board of Governors of the Federal Reserve System under section 7(c)(1) of the International Banking Act of 1978; and

"(B) to the extent possible, participate in any simultaneous examination of the United States operations of a foreign bank requested by the Board under such section.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Paragraph (6) of section 10(b) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)) (as so redesignated under paragraph (1) of this subsection) by striking "or (4)" and inserting "(4), or (5)".

SEC. 204. SUPERVISION OF THE REPRESENTATIVE OFFICES OF FOREIGN BANKS.

Section 10 of the International Banking Act of 1978 (12 U.S.C. 3107) is amended to read as follows:

"SEC. 10. REPRESENTATIVE OFFICES.

"(a) PRIOR APPROVAL TO ESTABLISH REPRESENTATIVE OFFICES.—

"(1) IN GENERAL.—No foreign bank may establish a representative office without the prior approval of the Board.

"(2) STANDARDS FOR APPROVAL.—In acting on any application under this paragraph to establish a representative office, the Board shall take into account the standards contained in section 7(d)(2) and may impose any additional requirements that the Board determines to be necessary to carry out the purposes of this Act.

"(b) TERMINATION OF REPRESENTATIVE OFFICES.—The Board may order the termination of the activities of a representative office of a foreign bank on the basis of the standards, procedures, and requirements applicable under paragraphs (1), (2), and (3) of section 7(d) with respect to branches and agencies.

"(c) EXAMINATIONS.—The Board may make examinations of each representative office of a foreign bank, the cost of which shall be assessed against and paid by such foreign bank.

"(d) COMPLIANCE WITH STATE LAW.—This Act does not authorize the establishment of a representative office in any State in contravention of State law.".

SEC. 205. REPORTING OF STOCK LOANS.

Section 7(j)(9) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)(9)) is amended to read as follows:

"(9) REPORTING OF STOCK LOANS.—

"(A) REPORT REQUIRED.—Any financial institution and any affiliate of any financial institution that has credit outstanding to any person or group of persons which is secured, directly or indirectly, by shares of an insured depository institution shall file a consolidated report with the appropriate Federal banking agency for such insured depository institution if the extensions of credit by the financial institution and such institution's affiliates, in the aggregate, are secured, directly or indirectly, by 25 percent or more of any class of shares of the same insured depository institution.

"(B) DEFINITIONS.—For purposes of this paragraph—

"(i) FINANCIAL INSTITUTION.—The term 'financial institution' means any insured depository institution and any foreign bank that is subject to the provisions of the Bank Holding Company Act of 1956 by virtue of section 8(a) of the International Banking Act of 1978.

"(ii) CREDIT OUTSTANDING.—The term 'credit outstanding' includes—

"(I) any loan or extension of credit,

"(II) the issuance of a guarantee, acceptance, or letter of credit, including an endorsement or standby letter of credit, and

"(III) any other type of transaction that extends credit or financing to the person or group of persons.

"(iii) GROUP OF PERSONS.—The term 'group of persons' includes any number of persons that the financial institution reasonably believes—

"(I) are acting together, in concert, or with one another to acquire or control shares of the same insured depository institution, including an acquisition of shares of the same insured depository institution at approximately the same time under substantially the same terms; or

"(II) have made, or propose to make, a joint filing under section 13 of the Securities Exchange Act of 1934 regarding ownership of the shares of the same insured depository institution.

"(C) INCLUSION OF SHARES HELD BY THE FINANCIAL INSTITUTION.—Any shares of the insured depository institution held by the financial institution or any of its affiliates as principal shall be included in the calculation of the number of shares in which the financial institution or its affiliates has a security interest for purposes of subparagraph (A).

"(D) REPORT REQUIREMENTS.—

"(i) TIMING OF REPORT.—The report required under this paragraph shall be a consolidated report on behalf of the financial institution and all affiliates of the institution, and shall be filed in writing within 30 days of the date on which the financial institution or any such affiliate first believes that the security for any outstanding credit consists of 25 percent or more of any class of shares of an insured depository institution.

"(ii) CONTENT OF REPORT.—The report under this paragraph shall indicate the number and percentage of shares securing each applicable extension of credit, the identity of the borrower, and the number of shares held as principal by the financial institution and any affiliate of such institution.

"(iii) COPY TO OTHER AGENCIES.—A copy of any report under this paragraph shall be filed with the appropriate Federal banking agency for the financial institution (if other than the agency receiving the report under this paragraph).

"(iv) OTHER INFORMATION.—Each appropriate Federal banking agency may require any additional information necessary to carry out the agency's supervisory responsibilities.

"(E) EXCEPTIONS.—

"(i) EXCEPTION WHERE INFORMATION PROVIDED BY BORROWER.—Notwithstanding subparagraph (A), a financial institution and the affiliates of such institution shall not be required to report a transaction under this paragraph if the person or group of persons referred to in such subparagraph has disclosed the amount borrowed from such institution or affiliate and the security interest of the institution or affiliate to the appropriate Federal banking agency for the insured depository institution in connection with a notice filed under this subsection, an application filed under the Bank Holding Company Act of 1956, section 10 of the Home Owners' Loan Act, or any other application filed with the appropriate Federal banking agency for the insured depository institution as a substitute for a notice under this subsection, such as an application for deposit insurance, membership in the Federal Reserve System, or a national bank charter.

"(ii) EXCEPTION FOR SHARES OWNED FOR MORE THAN 1 YEAR.—Notwithstanding subparagraph (A), a financial institution and any affiliate of such institution shall not be required to report a transaction involving—

"(I) a person or group of persons that has been the owner or owners of record of the stock for a period of 1 year or more; or

"(II) stock issued by a newly chartered bank before the bank's opening.".

SEC. 206. COOPERATION WITH FOREIGN SUPERVISORS.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by adding at the end the following new section:

"SEC. 15. COOPERATION WITH FOREIGN SUPERVISORS.

"(a) Disclosure of Supervisory Information to Foreign Supervisors.—Notwithstanding any other provision of law, the Board, Comptroller of the Currency, Federal Deposit Insurance Corporation, and Director of the Office of Thrift Supervision may disclose information obtained in the course of exercising supervisory or examination authority to any foreign bank regulatory or supervisory authority if the Board, Comptroller, Corporation, or Director determines that such disclosure is appropriate and will not prejudice the interests of the United States.

"(b) Requirement of Confidentiality.—Before making any disclosure of any information to a foreign authority, the Board, Comptroller of the Currency, Federal Deposit Insurance Corporation, and Director of the Office of Thrift Supervision shall obtain, to the extent necessary, the agreement of such foreign authority to maintain the confidentiality of such information to the extent possible under applicable law.".

SEC. 207. APPROVAL REQUIRED FOR ACQUISITION BY FOREIGN BANKS OF SHARES OF UNITED STATES BANKS.

Section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a)) is amended by striking "thereto" and all that follows through the period and inserting "to such provisions.".

SEC. 208. PENALTIES.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by inserting after section 15 (as added by section 206 of this subtitle) the following new section:

"SEC. 16. PENALTIES.

"(a) Civil Money Penalty.—

"(1) In general.—Any foreign bank, and any office or subsidiary of a foreign bank, that violates, and any individual who participates in a violation of, any provision of this Act, or any regulation prescribed or order issued under this Act, shall forfeit and pay a civil penalty of not more than $25,000 for each day during which such violation continues.

"(2) Assessment procedures.—Any penalty imposed under paragraph (1) may be assessed and collected by the Board or the Comptroller of the Currency in the manner provided in subparagraphs (E), (F), (G), (H), and (I) of section 8(i)(2) of the Federal Deposit Insurance Act for penalties imposed (under such section), and any such assessments shall be subject to the provisions of such section.

"(3) Hearing procedure.—Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this section.

"(4) Disbursement.—All penalties collected under authority of this section shall be deposited into the Treasury.

"(5) Violate defined.—For purposes of this section, the term 'violate' includes taking any action (alone or with others) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"(6) Regulations.—The Board and the Comptroller of the Currency shall each prescribe regulations establishing such procedures as may be necessary to carry out this section.

"(b) Notice Under This Section After Separation From Service.—The resignation, termination of employment or participation, or separation of an institution-affiliated party (within the meaning of section 3(u) of the Federal Deposit Insurance Act) with respect to a foreign bank, or any office or subsidiary of a foreign bank (including a separation caused by the termination of a location in the United States), shall not affect the jurisdiction or authority of the Board or the Comptroller of the Currency to issue any notice or to proceed under this section against any such party, if such notice is served before the end of the 6-year period beginning on the date such party ceased to be an institution-affiliated party with respect to such foreign bank or such office or subsidiary of a foreign bank (whether such date occurs on, before, or after the date of the enactment of the Foreign Bank Supervision Enhancement Act of 1991).

"(c) Penalty for Failure to Make Reports.—

"(1) First tier.—Any foreign bank, or any office or subsidiary of a foreign bank, that—

"(A) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such error—

"(i) fails to make, submit, or publish such reports or information as may be required under this Act or under regulations prescribed by the Board or the Comptroller of the Currency under this Act, within the period of time specified by the agency; or

"(ii) submits or publishes any false or misleading report or information; or

"(B) inadvertently transmits or publishes any report that is minimally late,

shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected. The foreign bank, or the office or subsidiary of a foreign bank, shall have the burden of proving that an error was inadvertent and that a report was inadvertently transmitted or published late.

"(2) Second tier.—Any foreign bank, or any office or subsidiary of a foreign bank, that—

"(A) fails to make, submit, or publish such reports or information as may be required under this Act or under regulations prescribed by the Board or the Comptroller of the Currency pursuant to this Act, within the time period specified by such agency; or

"(B) submits or publishes any false or misleading report or information,

in a manner not described in paragraph (1) shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected.

"(3) Third tier.—Notwithstanding paragraph (2), if any company knowingly or with reckless disregard for the accuracy of any information or report described in paragraph (2) submits or publishes any false or misleading report or information, the Board or the Comptroller of the Currency may, in the Board's or Comptroller's discretion, assess a penalty of not more than $1,000,000 or 1 percent of total assets of such foreign bank, or such office or subsidiary of a foreign bank, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected.

"(4) Assessment of penalties.—Any penalty imposed under paragraph (1), (2), or (3) shall be assessed and collected by the Board or the Comptroller of the Currency in the manner provided in subsection (a)(2) (for penalties imposed under such subsection) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such subsection.

"(5) Hearing procedure.—Section 8(h) of the Federal Deposit Insurance Act shall apply to any proceeding under this subsection.".

SEC. 209. POWERS OF AGENCIES RESPECTING APPLICATIONS, EXAMINATIONS, AND OTHER PROCEEDINGS.

Section 13(b) of the International Banking Act of 1978 (12 U.S.C. 3108(b)) is amended—

(1) by striking "(b) In addition to" and inserting "(b) Enforcement.—

"(1) In general.—In addition to";

(2) by adding at the end the following new paragraphs:

"(2) Authority to administer oaths; subpoena power.—In the course of, or in connection with, an application, examination, investigation, or other proceeding under this Act, the Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, as the case may be, any member of the Board or of the Board of Directors of the Corporation, and any designated representative of the Board, Comptroller, or Corporation (including any person designated to conduct any hearing under this Act) may—

"(A) administer oaths and affirmations and take or cause to be taken depositions; and

"(B) issue, revoke, quash, or modify any subpoena, including any subpoena requiring the attendance and testimony of a witness or any subpoenas duces tecum.

"(3) Administrative aspects of subpoenas.—

"(A) Attendance and production at designated site.—The attendance of any witness and the production of any document pursuant to a subpoena under paragraph (2) may be required at the place designated in the subpoena from any place in any State (as defined in section 3(a)(3) of the Federal Deposit Insurance Act) or other place subject to the jurisdiction of the United States.

"(B) Service of subpoena.—Service of a subpoena issued under this subsection may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the Board, Comptroller of the Currency, or Federal Deposit Insurance Corporation may by regulation or otherwise provide.

"(C) Fees and travel expenses.—Witnesses subpoenaed under this subsection shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States.

"(4) Contumacy or refusal.—

"(A) In general.—In the case of contumacy of any person issued a subpoena under this subsection or a refusal by such person to comply with such subpoena, the Board, Comptroller of the Currency, or Federal Deposit Insurance Corporation, or any other party to proceedings in connection with which subpoena was issued may invoke the aid of—

"(i) the United States District Court for the District of Columbia, or

"(ii) any district court of the United States within the jurisdiction of which the proceeding is being conducted or the witness resides or carries on business.

"(B) Court order.—Any court referred to in subparagraph (A) may issue an order requiring compliance with a subpoena issued under this subsection.

"(5) Expenses and fees.—Any court having jurisdiction of any proceeding instituted under this subsection may allow any party to such proceeding such reasonable expenses and attorneys' fees as the court deems just and proper.

"(6) CRIMINAL PENALTY.—Any person who willfully fails or refuses to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records in accordance with any subpoena under this subsection shall be fined under title 18, United States Code, imprisoned not more than 1 year, or both. Each day during which any such failure or refusal continues shall be treated as a separate offense.".

SEC. 210. CLARIFICATION OF MANAGERIAL STANDARDS IN BANK HOLDING COMPANY ACT OF 1956.

Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) (as amended by section 202(d) of this subtitle) is amended by adding at the end the following new paragraph:

"(5) MANAGERIAL RESOURCES.—Consideration of the managerial resources of a company or bank under paragraph (2) shall include consideration of the competence, experience, and integrity of the officers, directors, and principal shareholders of the company or bank.".

Subtitle B—Customer and Consumer Provisions

SEC. 221. PAPERWORK REDUCTION AND IMPROVEMENTS IN ADMINISTRATION OF COMMUNITY REINVESTMENT ACT OF 1977.

(a) REPORT TO CONGRESS.—

(1) IN GENERAL.—Before the end of the 120-day period beginning on the date of the enactment of this Act, each appropriate Federal banking agency shall submit to the Banking, Finance and Urban Affairs Committee of the House of Representatives and the Banking, Housing, and Urban Affairs Committee of the Senate a report containing the following:

(A) Identification of the documentation deemed by each agency to be necessary to properly carry out examinations under the Community Reinvestment Act of 1977.

(B) Recommendations for steps to reduce paperwork required of insured depository institutions in connection with examinations for compliance with the Community Reinvestment Act of 1977.

(C) Recommendations for improvements in the administration and enforcement of the Community Reinvestment Act of 1977.

(2) CONSIDERATIONS.—

(A) ASSET SIZE.—In preparing the recommendations for the report under paragraph (1), the appropriate Federal banking agency shall take into consideration the asset size of insured depository institutions and the administrative resources available to such institutions in developing recommendations for reduction of paperwork.

(B) CONSISTENCY OF RECOMMENDATION WITH PURPOSES OF THE ACT.—The recommendations for reduced paperwork contained in the report under paragraph (1) shall be consistent with the purposes of the Community Reinvestment Act of 1977 and the responsibility of the appropriate Federal banking agency to properly evaluate each insured depository institution performance under the Act.

(b) GAO STUDY AND RECOMMENDATIONS FOR IMPROVEMENTS AND COST SAVINGS.—

(1) REQUIRED.—The Comptroller General of the United States shall conduct a study of the examination processes used by the appropriate Federal banking agencies to evaluate the compliance with the Community Reinvestment Act of 1977.

(2) FACTORS TO BE CONSIDERED.—The study conducted under paragraph (1) shall include the following analyses:

(A) An analysis of the documentation required of insured depository institutions by each appropriate Federal banking agency in carrying out such examinations referred to in paragraph (1).

(B) An analysis of to what extent, if any, such documentation may vary according to the asset size of insured depository institutions.

(C) An analysis of the cost of such documentation based on a representative sample of various insured depository institutions by asset size.

(D) An analysis of the effect of such documentation on the costs to the agency in carrying out an examination under section 804 of the Community Reinvestment Act of 1977.

(E) An analysis of the number of—

(i) applications which have been filed by insured depository institutions which are subject to evaluation under provisions of the Community Reinvestment Act of 1977;

(ii) such applications which have been subject to formal protests;

(iii) such protests which have been granted public hearings by each of the banking agencies; and

(iv) such applications which have been denied on the grounds of unsatisfactory performance under the Community Reinvestment Act of 1977.

(F) An analysis of the time required to process applications subject to evaluation under the Community Reinvestment Act of 1977.

(G) An analysis of the methods utilized by each banking agency in processing protests filed under the Community Reinvestment Act of 1977.

(H) An analysis of the rating systems used by each appropriate Federal banking agency under the Community Reinvestment Act of 1977, together with a detailed description of any inconsistencies between the rating systems used by each such agency and the weight given the ratings in processing and evaluating protests filed under such Act.

(I) An analysis of the factors considered in evaluating the performance of credit card banks and other nontraditional institutions under the Community Reinvestment Act of 1977.

(3) REPORT.—Before the end of the 120-day period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report containing the findings and conclusions made by the Comptroller General in connection with the study required under paragraph (1).

(4) RECOMMENDATIONS.—The report submitted under paragraph (3) shall contain any recommendations for legislative or administrative action the Comptroller General may determine to be appropriate, including any legislative recommendations relating to—

(A) proposals to make administration and enforcement of the Community Reinvestment Act of 1977 more effective and consistent with the purposes of the Act; and

(B) proposals to reduce costs associated with examinations under, and the enforcement of, such Act.

(c) DEFINITIONS.—For purposes of this section—

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term "appropriate Federal banking agency" has the meaning given to such term in section 3(q) of the Federal Deposit Insurance Act.

(2) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given to such term in section 3(c)(2) of the Federal Deposit Insurance Act.

SEC. 222. ADDITIONAL FACTOR IN ASSESSING MAJORITY-OWNED INSTITUTION'S RECORD OF MEETING COMMUNITY CREDIT NEEDS.

Section 804 of the Community Reinvestment Act of 1977 (12 U.S.C. 2903) is amended—

(1) by inserting before the first sentence the following: "(a) IN GENERAL.—"; and

(2) by adding at the end the following new subsection:

"(b) MAJORITY-OWNED INSTITUTIONS.—In assessing and taking into account, under subsection (a), the record of a nonminority-owned and nonwomen-owned financial institution, the appropriate Federal financial supervisory agency shall consider and give credit for capital investment, loan participation, and other ventures undertaken by the institution in cooperation with minority- and women-owned financial institutions and low-income credit unions that help meet the credit needs of local communities in which such institutions and credit unions are chartered.".

SEC. 223. ENFORCEMENT OF EQUAL CREDIT OPPORTUNITY ACT.

(a) PATTERN OR PRACTICE.—Section 706(g) of the Equal Credit Opportunity Act (15 U.S.C. 1691e(g)) is amended by adding at the end the following new sentence: "Each agency referred to in paragraphs (1), (2), and (3) of section 704(a) shall refer the matter to the Attorney General whenever the agency has reason to believe that 1 or more creditors has engaged in a pattern or practice of discouraging or denying applications for credit in violation of section 701(a). Each such agency may refer the matter to the Attorney General whenever the agency has reason to believe that 1 or more creditors has violated section 701(a).".

(b) DAMAGES.—Section 706(h) of the Equal Credit Opportunity Act (15 U.S.C. 1691e(h)) is amended by inserting "actual and punitive damages and" after "including".

(c) NOTICE TO HUD.—Section 706 of the Equal Credit Opportunity Act (15 U.S.C. 1691e) is amended by adding at the end the following new subsection:

"(k) NOTICE TO HUD OF VIOLATIONS.—Whenever an agency referred to in paragraph (1), (2), or (3) of section 704(a)—

"(1) has reason to believe, as a result of receiving a consumer complaint, conducting a consumer compliance examination, or otherwise, that a violation of this title has occurred;

"(2) has reason to believe that the alleged violation would be a violation of the Fair Housing Act; and

"(3) does not refer the matter to the Attorney General pursuant to subsection (g),

the agency shall notify the Secretary of Housing and Urban Development of the violation, and shall notify the applicant that the Secretary of Housing and Urban Development has been notified of the alleged violation and that remedies for the violation may be available under the Fair Housing Act.".

SEC. 224. FAIR HOUSING REPORTING.

Effective 1 year after the date of the enactment of this Act, no Federal agency shall require any institution for which the agency is the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))) to prepare, file, or maintain any form for the purpose of collection, analysis, or maintenance of appropriate data to further the purposes of, or to fulfill the requirements of, the Fair Housing Act, other than a form for data collection, analysis, or maintenance prescribed pursuant to the Home Mortgage Disclosure Act.

SEC. 225. REGULATORY BURDEN STUDY.

(a) In General.—The Secretary of the Treasury and the head of each appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))) shall each conduct a review of all laws primarily under their respective jurisdictions and all regulations prescribed by them (except with respect to the Internal Revenue Code of 1986, and all regulations, rules, and orders issued thereunder) with respect to such laws to determine whether such laws and regulations adversely affect the capital position and profitability of insured depository institutions.

(b) Additional Review Required.—The review required by subsection (a) shall include an evaluation to determine whether such laws and regulations impose duplicative paperwork and compliance requirements.

(c) Report Required.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Secretary of the Treasury, and the head of each appropriate Federal banking agency shall each submit a report to the Congress containing—

(1) a description of the laws and regulations that should be revised, simplified, repealed, or rescinded in order to enhance the capitalization and profitability of insured depository institutions without adversely affecting safety and soundness and consumer protection;

(2) to the extent practicable, an analysis of the costs and benefits of such laws and regulations, including those pertaining to corporate applications and filings and other reporting and recordkeeping requirements;

(3) an analysis of the cost impact and effect on safety and soundness of reducing the number of items to be reported on reports of condition of depository institutions with assets of less than $50,000,000; and

(4) an evaluation of the appropriateness of terminating recordkeeping and reporting requirements not directly related to safety and soundness.

SEC. 226. NOTICE OF SAFEGUARD EXCEPTION.

Section 604(f)(2) of the Expedited Funds Availability Act (12 U.S.C. 4003(f)(2)) is amended by inserting after subparagraph (C) the following new subparagraph:

"(D) After a depository institution has provided notice as required under subparagraphs (A), (B) and (C), no further notice shall be required until the earlier of 1 year after notice has been provided or such other time as the exception for which the notice was provided ceases to apply.".

SEC. 227. PROHIBITION ON DECEPTIVE PRACTICES RELATING TO ELECTRONIC FUND TRANSFERS FROM ACCOUNTS.

(a) In General.—Section 907 of the Electronic Fund Transfer Act (15 U.S.C. 1693e) is amended by adding at the end the following new subsection:

"(c) Prohibition on Certain Deceptive Practices Involving Preauthorized Transfers From Accounts.—

"(1) In general.—No preauthorized electronic fund transfer, or any other electronic fund transfer, from any consumer's account may be made on the basis of any endorsement, deposit, transfer, or other form of negotiation of any check by the consumer.

"(2) No provision of any check may constitute authorization of consumer.—No provision contained on any check which is received by a receiving depository institution and is endorsed, deposited, transferred, or otherwise negotiated by any consumer may be treated as constituting the authorization of the consumer to make any preauthorized electronic fund transfer, or any other electronic fund transfer, from the consumer's account.

"(3) Regulations.—The Board shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.

"(4) Check defined.—For purposes of this subsection, the term 'check' has the meaning given to such term in section 602(7) of the Expedited Funds Availability Act.

"(5) Receiving depository institution.—For purposes of this subsection, the term 'receiving depository institution' has the meaning given to such term in section 602(20) of the Expedited Funds Availability Act.".

(b) Scope of Application.—The amendment made by subsection (a) shall apply with respect to any electronic fund transfer on or after the date of the enactment of this Act without regard to the date of the endorsement, deposit, transfer, or other form of negotiation of the check which, but for the enactment of such amendment, would constitute the authorization of the consumer to make any such transfer.

SEC. 228. DEPOSITS AT NONPROPRIETARY AUTOMATED TELLER MACHINES.

(a) In General.—Section 603(e) of the Expedited Funds Availability Act (12 U.S.C. 4002(e)) is amended by striking paragraphs (1)(C) and (2).

(b) Conforming Amendments.—The Expedited Funds Availability Act (12 U.S.C. 4001 et seq.) is amended—

(1) in section 603(e) (12 U.S.C. 4002(e))—

(A) by striking the heading for paragraph (1) and inserting the following:

"(1) Nonproprietary ATM.—"; and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(2) in section 604(a)(2) (12 U.S.C. 4003(a)(2)) by striking "and (2)".

SEC. 229. NOTICE OF BRANCH CLOSURE.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding after section 38 (as added by section 131 of this Act) the following new section:

"SEC. 39. NOTICE OF BRANCH CLOSURE.

"(a) Notice to Appropriate Federal Banking Agency.—

"(1) In general.—An insured depository institution which proposes to close any branch shall submit a notice of the proposed closing to the appropriate Federal banking agency not later than the first day of the 90-day period ending on the date proposed for the closing.

"(2) Contents of notice.—A notice under paragraph (1) shall include—

"(A) a detailed statement of the reasons for the decision to close the branch; and

"(B) statistical or other information in support of such reasons.

"(b) Notice to Customers.—

"(1) In general.—An insured depository institution which proposes to close a branch shall provide notice of the proposed closing to its customers.

"(2) Contents of notice.—Notice under paragraph (1) shall consist of—

"(A) posting of a notice in a conspicuous manner on the premises of the branch proposed to be closed during not less than the 30-day period ending on the date proposed for that closing; and

"(B) inclusion of a notice in—

"(i) at least one of any regular account statements mailed to customers of the branch proposed to be closed, or

"(ii) in a separate mailing,

by not later than the beginning of the 90-day period ending on the date proposed for that closing.

"(c) Adoption of Policies.—

"(1) In general.—Each insured depository institution shall adopt policies for closings of branches of the institution.

"(2) Contents of policies.—Policies adopted under this subsection by an insured depository institution may include, among other matters, the following:

"(A) Identification of candidates for closing.—A requirement that in identifying branches as candidates for closing, consideration shall be given to profitability and growth potential as indicated by, at a minimum—

"(i) deposit level and mix;

"(ii) loan level and mix;

"(iii) trends in deposits and loans;

"(iv) operating income;

"(v) operating expense and size of staff; and

"(vi) transaction volume and mix;

except that in the case of a closure of an automated teller machine, only clauses (v) and (vi) need be considered.

"(B) Market evaluation.—A requirement that in evaluating whether to close a branch, the institution shall assess the market demographics of, and the availability of competitive financial services to, the immediate market area of the branch, including assessment of—

"(i) economic trends and forecasts for the immediate market area;

"(ii) the overall coverage of the general market area of the branch, including by other branches of the institution;

"(iii) other financial institutions that serve that general market area, including locations of branches of such other institutions; and

"(iv) except in the case of a closing of an automatic teller machine, general deposit and loan trends—

"(I) at other branches of the depository institution, and

"(II) if available, at locations of competitor depository institutions that serve the general market area of the branch.

"(C) Assessment of impact.—A requirement that the following measures shall be taken to assess the impact of any decision to close a branch:

"(i) Determination of whether alternative actions could be taken to improve the profitability of the branch to make it viable on a long-term basis.

"(ii) Forecast the resulting—

"(I) account runoff, and

"(II) operating costs savings, including those resulting from reductions in staff and occupancy costs.

"(iii) Consider the impacts, if any, on surrounding neighborhoods and the actions that can be taken to minimize those impacts, including, at a minimum, by evaluation and financial consideration of other service alternatives for the market area of the branch, including—

"(I) other nearby branches, and

"(II) any appropriate changes in facilities where customers' accounts would be moved.

"(D) Review and approval.—Requiring the following reviews and approvals for all proposed branch closings:

"(i) Initiation of any such proposal by the appropriate executive officer responsible for the affected community.

"(ii) Review and approval of any recommendation of such an action by—

"(I) a regional executive officer,

"(II) the appropriate branch group manager,

"(III) the branch officer responsible for compliance with requirements of the Community Reinvestment Act of 1977, "(IV) the officer of the institution responsible for compliance with requirements of the Community Reinvestment Act of 1977,

"(V) appropriate executive management of the institution, and

"(VI) the Board of Directors of the institution.

"(E) NOTIFICATION TO CUSTOMERS.—Compliance with the following notification procedures for all branch closings:

"(i) Making every effort before the closing to assure that those affected by the closing, including neighborhood and political groups, are given ample and appropriate notice of the proposed closing, including by posting notice of the closing in the branch lobby and at each drive-in and automatic teller machine of the branch at least 30 days before the effective date of the action.

"(ii) Except in the case of a closing of an automatic teller machine, provision of a written notice to all account holders and safe deposit box customers at the branch at least 30 days before the effective date of the action, which includes—

"(I) the effective date of the action,

"(II) the branch to which accounts will be transferred,

"(III) the location of other nearby facilities of the institution, and

"(IV) a telephone number which customers may use to obtain further information about the action.

"(F) DOCUMENTATION.—The following documentation requirements:

"(i) Maintenance of all written analyses and decision approvals related to the closing (including all customer complaints about the closing that are submitted in writing) by the officer of the institution responsible for compliance with requirements of the Community Reinvestment Act of 1977, for a period of at least 2 years after the effective date of the closing.

"(ii) Indication in all written analyses related to the closing of whether the neighborhood surrounding the branch is a low- to moderate-income area.

"(iii) Maintenance by the branch officer responsible for compliance with requirements of the Community Reinvestment Act of 1977 of all customer complaints about the closing that are submitted in writing.

"(3) BRANCH DEFINED.—For purposes of this subsection, the term 'branch' includes an automatic teller machine.".

Subtitle C—Bank Enterprise Act

SEC. 231. SHORT TITLE.

This subtitle may be cited as the "Bank Enterprise Act of 1991".

SEC. 232. REDUCED ASSESSMENT RATE FOR DEPOSITS ATTRIBUTABLE TO LIFELINE ACCOUNTS.

(a) QUALIFICATION OF LIFELINE ACCOUNTS BY FEDERAL RESERVE BOARD.—

(1) IN GENERAL.—The Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation shall establish minimum requirements for accounts providing basic transaction services for consumers at insured depository institutions in order for such accounts to qualify as lifeline accounts for purposes of this section and section 7(b)(10) of the Federal Deposit Insurance Act.

(2) FACTORS TO BE CONSIDERED.—In determining the minimum requirements under paragraph (1) for lifeline accounts at insured depository institutions, the Board and the Corporation shall consider the following factors:

(A) Whether the account is available to provide basic transaction services for individuals who maintain a balance of less than $1,000 or such other amount which the Board may determine to be appropriate.

(B) Whether any service charges or fees to which the account is subject, if any, for routine transactions do not exceed a minimal amount.

(C) Whether any minimum balance or minimum opening requirement to which the account is subject, if any, is not more than a minimal amount.

(D) Whether checks, negotiable orders of withdrawal, or similar instruments for making payments or other transfers to third parties may be drawn on the account.

(E) Whether the depositor is permitted to make more than a minimal number of withdrawals from the account each month by any means described in subparagraph (D) or any other means.

(F) Whether a monthly statement itemizing all transactions for the monthly reporting period is made available to the depositor with respect to such account or a passbook is provided in which all transactions with respect to such account are recorded.

(G) Whether depositors are permitted access to tellers at the institution for conducting transactions with respect to such account.

(H) Whether other account relationships with the institution are required in order to open any such account.

(I) Whether individuals are required to meet any prerequisite which discriminates against low-income individuals in order to open such account.

(J) Such other factors as the Board may determine to be appropriate.

(3) DEFINITIONS.—For purposes of this subsection—

(A) BOARD.—The term "Board" means the Board of Governors of the Federal Reserve System.

(B) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given to such term in section 3(c)(2) of the Federal Deposit Insurance Act.

(C) LIFELINE ACCOUNT.—The term "lifeline account" means any transaction account (as defined in section 19(b)(1)(C) of the Federal Reserve Act) which meets the minimum requirements established by the Board under this subsection.

(b) REDUCED ASSESSMENT RATES FOR LIFELINE ACCOUNT DEPOSITS.—

(1) REPORTING LIFELINE ACCOUNT DEPOSITS.—Section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)) (as amended by sections 122 and 141 of this Act) is amended by redesignating paragraphs (6), (7), (8), and (9) as paragraphs (7), (8), (9), and (10), respectively, and by inserting after paragraph (5) the following new paragraph:

"(6) LIFELINE ACCOUNT DEPOSITS.—In the reports of condition required to be reported under this subsection, the deposits in lifeline accounts (as defined in section 232(a)(3)(C) of the Bank Enterprise Act of 1991) shall be reported separately.".

(2) ASSESSMENT RATES APPLICABLE TO LIFELINE DEPOSITS.—Section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended by redesignating paragraph (10) (as so redesignated by section 103(b) of this Act) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

"(10) ASSESSMENT RATE FOR LIFELINE ACCOUNT DEPOSITS.—Notwithstanding any other provision of this subsection, that portion of the average assessment base of any insured depository institution which is attributable to deposits in lifeline accounts (as reported in the institution's reports of condition pursuant to subsection (a)(6)) shall be subject to assessment at the assessment rate of ½ the maximum rate.".

(3) ASSESSMENT PROCEDURE.—Section 7(b)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)) is amended—

(A) by striking subclause (II) of clause (i) and inserting the following new subclause:

"(II) such Bank Insurance Fund member's average assessment base for the immediately preceding semiannual period (minus any amount taken into account under clause (iii) with respect to lifeline account deposits); and"; and

(B) by striking subclause (II) of clause (ii) and inserting the following new subclause:

"(II) such Savings Association Insurance Fund member's average assessment base for the immediately preceding semiannual period (minus any amount taken into account under clause (iii) with respect to lifeline account deposits); and"; and

(C) by adding at the end the following new clause:

"(iii) the semiannual assessment due from any Bank Insurance Fund member or Savings Association Insurance Fund member with respect to lifeline account deposits for any semiannual assessment period shall be the product of—

"(I) ½ the assessment rate applicable with respect to such deposits pursuant to paragraph (10) during that semiannual assessment period; and

"(II) the portion of such member's average assessment base for the immediately preceding semiannual period which is attributable to deposits in lifeline accounts (as reported in the institution's reports of condition pursuant to subsection (a)(6)).".

(c) AVAILABILITY OF FUNDS.—This section shall not take effect until sufficient funds are determined to be available to compensate the Federal Deposit Insurance Corporation for any losses resulting from reduced assessment rates.

SEC. 233. ASSESSMENT CREDITS FOR QUALIFYING ACTIVITIES RELATING TO DISTRESSED COMMUNITIES.

(a) DETERMINATION OF CREDITS FOR INCREASES IN COMMUNITY ENTERPRISE ACTIVITIES.—

(1) IN GENERAL.—The Community Enterprise Assessment Credit Board established under subsection (d) shall issue guidelines for insured depository institutions eligible under this subsection for any community enterprise assessment credit with respect to any semiannual period. Such guidelines shall—

(A) designate the eligibility requirements for any institution meeting applicable capital standards to receive an assessment credit under section 7(d)(4) of the Federal Deposit Insurance Act; and

(B) determine the community enterprise assessment credit available to any eligible institution under paragraph (3).

(2) QUALIFYING ACTIVITIES.—An insured depository institution shall be eligible for any community enterprise assessment credit for any semiannual period for—

(A) any increase during such period in the amount of new originations of qualified loans and other financial assistance provided for low- and moderate-income persons in distressed communities, or enterprises integrally involved with such neighborhoods, which the Board determines are qualified to be taken into account for purposes of this subsection; and

(B) any increase during such period in the amount of deposits accepted from persons domiciled in the distressed community, at any office of the institution (including any branch) located in any qualified distressed community, and any increase during such period in the amount of new originations of loans and other financial assistance made within that community, except that in no case shall the credit for increased deposits at any institution or branch exceed the credit for increased loan and other financial assistance by the bank or branch in the distressed community.

(3) AMOUNT OF ASSESSMENT CREDIT.—The amount of any community enterprise assessment credit available under section 7(d)(4) for any insured depository institution for any semiannual period shall be the amount which is equal to 5 percent, in the case of an institution which does not meet the community development organization requirements under section 235, and 15 percent, in the case of an institution which meets such requirements, (or any percentage designated under paragraph (5)) of the sum of—

(A) the amounts of assets described in paragraph (2)(A); and

(B) the amounts of deposits, loans, and other extensions of credit described in paragraph (2)(B).

(4) DETERMINATION OF QUALIFIED LOANS AND OTHER FINANCIAL ASSISTANCE.—Except as provided in paragraph (6), the types of loans and other financial assistance which the Board may determine to be qualified to be taken into account under paragraph (2)(A) for purposes of the community enterprise assessment credit, may include the following:

(A) Loans insured or guaranteed by the Secretary of Housing and Urban Development, the Secretary of the Department of Veterans Affairs, the Administrator of the Small Business Administration, and the Secretary of Agriculture.

(B) Loans or financing provided in connection with activities assisted by the Administrator of the Small Business Administration or any small business investment company and investments in small business investment companies.

(C) Loans or financing provided in connection with any neighborhood housing service program assisted under the Neighborhood Reinvestment Corporation Act.

(D) Loans or financing provided in connection with any activities assisted under the community development block grant program under title I of the Housing and Community Development Act of 1974.

(E) Loans or financing provided in connection with activities assisted under title II of the Cranston-Gonzalez National Affordable Housing Act.

(F) Loans or financing provided in connection with a homeownership program assisted under title III of the United States Housing Act of 1937 or subtitle B or C of title IV of the Cranston-Gonzalez National Affordable Housing Act.

(G) Financial assistance provided through community development corporations.

(H) Federal and State programs providing interest rate assistance for homeowners.

(I) Extensions of credit to nonprofit developers or purchasers of low-income housing and small business developments.

(J) In the case of members of any Federal home loan bank, participation in the community investment fund program established by the Federal home loan banks.

(K) Conventional mortgages targeted to low- or moderate-income persons.

(5) ADJUSTMENT OF PERCENTAGE.—The Board may increase or decrease the percentage referred to in paragraph (3) for determining the amount of any community enterprise assessment credit pursuant to such paragraph, except that the percentage established for insured depository institutions which meet the community development organization requirements under section 235 shall not be less than 3 times the amount of the percentage applicable for insured depository institutions which do not meet such requirements.

(6) CERTAIN INVESTMENTS NOT ELIGIBLE TO BE TAKEN INTO ACCOUNT.—Investments by any insured depository institution in loans and securities that are not the result of originations by the institution shall not be taken into account for purposes of determining the amount of any credit pursuant to this subsection.

(b) QUALIFIED DISTRESSED COMMUNITY DEFINED.—

(1) IN GENERAL.—For purposes of this section, the term "qualified distressed community" means any neighborhood or community which—

(A) meets the minimum area requirements under paragraph (3) and the eligibility requirements of paragraph (4); and

(B) is designated as a distressed community by any insured depository institution in accordance with paragraph (2) and such designation is not disapproved under such paragraph.

(2) DESIGNATION REQUIREMENTS.—

(A) NOTICE OF DESIGNATION.—

(i) NOTICE TO AGENCY.—Upon designating an area as a qualified distressed community, an insured depository institution shall notify the appropriate Federal banking agency of the designation.

(ii) PUBLIC NOTICE.—Upon the effective date of any designation of an area as a qualified distressed community, an insured depository institution shall publish a notice of such designation in major newspapers and other community publications which serve such area.

(B) AGENCY DUTIES RELATING TO DESIGNATIONS.—

(i) PROVIDING INFORMATION.—At the request of any insured depository institution, the appropriate Federal banking agency shall provide to the institution appropriate information to assist the institution to identify and designate a qualified distressed community.

(ii) PERIOD FOR DISAPPROVAL.—Any notice received by the appropriate Federal banking agency from any insured depository institution under subparagraph (A)(i) shall take effect at the end of the 90-day period beginning on the date such notice is received unless written notice of the approval or disapproval of the application by the agency is provided to the institution before the end of such period.

(3) MINIMUM AREA REQUIREMENTS.—For purposes of this subsection, an area meets the requirements of this paragraph if—

(A) the area is within the jurisdiction of 1 unit of general local government;

(B) the boundary of the area is contiguous; and

(C) the area—

(i) has a population, as determined by the most recent census data available, of not less than—

(I) 4,000, if any portion of such area is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

(II) 1,000, in any other case; or

(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

(4) ELIGIBILITY REQUIREMENTS.—For purposes of this subsection, an area meets the requirements of this paragraph if at least 2 of the following criteria are met:

(A) INCOME.—At least 70 percent of the families and unrelated individuals residing in the area have incomes of less than 80 percent of the median income of the area.

(B) POVERTY.—At least 20 percent of the residents residing in the area have incomes which are less than the national poverty level (as determined pursuant to criteria established by the Director of the Office of Management and Budget).

(C) UNEMPLOYMENT.—The unemployment rate for the area is one and one-half times greater than the national average (as determined by the Bureau of Labor Statistic's most recent figures).

(c) ASSESSMENT CREDIT PROVIDED.—

(1) IN GENERAL.—Section 7(d) of the Federal Deposit Insurance Act (12 U.S.C. 1817(d)) amended—

(A) by redesignating paragraphs (4) and (5) as paragraphs (6) and (7), respectively; and

(B) by inserting after paragraph (3) the following new paragraphs:

"(4) COMMUNITY ENTERPRISE ASSESSMENT CREDITS.—Notwithstanding paragraphs (2)(A) and (3)(A) and in addition to any assessment credit authorized under paragraph (2)(B) or (3)(B), the Corporation shall allow an assessment credit for any semiannual assessment period to any Bank Insurance Fund member or Savings Association Insurance Fund member satisfying the requirements of the Community Enterprise Assessment Credit Board under section 233(a)(1) of the Bank Enterprise Act of 1991 in the amount determined by such Board through regulation for such period pursuant to such section.

"(5) MAXIMUM AMOUNT OF CREDIT.—The total amount of assessment credits allowed under this subsection (including community enterprise assessment credits pursuant to paragraph (4)) for any insured depository institution for any semiannual period shall not exceed the amount which is equal to 20 percent, in the case of an institution which does not meet the community development organization requirements under section 235 of the Bank Enterprise Act of 1991, and 50 percent, in the case of an institution which meets such requirements, of the assessment imposed on such institution for the semiannual period.".

(2) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Subparagraph (A) of section 7(d)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(d)(1)) is amended by inserting "(other than credits allowed pursuant to paragraph (4))" after "amount to be credited".

(B) Subparagraph (B) of section 7(d)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(d)(1)) is amended by inserting "(taking into account any assessment credit allowed pursuant to paragraph (4))" after "should be reduced".

(d) COMMUNITY ENTERPRISE ASSESSMENT CREDIT BOARD.—

(1) ESTABLISHMENT.—There is hereby established the "Community Enterprise Assessment Credit Board".

(2) NUMBER AND APPOINTMENT.—The Board shall be composed of 5 members as follows:

(A) The Secretary of the Treasury or a designee of the Secretary.

(B) The Secretary of Housing and Urban Development or a designee of the Secretary.

(C) The Chairperson of the Federal Deposit Insurance Corporation or a designee of the Chairperson.

(D) 2 individuals appointed by the President from among individuals who represent community organizations.

(3) TERMS.—

(A) APPOINTED MEMBERS.—Each appointed member shall be appointed for a term of 5 years.

(B) INTERIM APPOINTMENT.—Any member appointed to fill a vacancy occurring before the expiration of the term to which such member's predecessor was appointed shall be appointed only for the remainder of such term.

(C) CONTINUATION OF SERVICE.—Each appointed member may continue to serve after the expiration of the period to which such member was appointed until a successor has been appointed.

(4) CHAIRPERSON.—The Secretary of the Treasury shall serve as the Chairperson of the Board.

(5) NO PAY.—No members of the Commission may receive any pay for service on the Board.

(6) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the Board's members.

(e) DUTIES OF THE BOARD.—

(1) PROCEDURE FOR DETERMINING COMMUNITY ENTERPRISE ASSESSMENT CREDITS.—The Board shall establish procedures for accepting and considering applications by insured depository institutions under subsection (a)(1) for community enterprise assessment credits and making determinations with respect to such applications.

(2) NOTICE TO FDIC.—The Board shall notify the applicant and the Federal Deposit Insurance Corporation of any determination of the Board with respect to any application referred to in paragraph (1) in sufficient time for the Corporation to include the amount of such credit in the computation made for purposes of the notification required under paragraph section 7(d)(1)(B).

(f) AVAILABILITY OF FUNDS.—This section shall not take effect until sufficient funds are determined to be available to compensate the Federal Deposit Insurance Corporation for any losses resulting from the award of community enterprise assessment credits.

(g) DEFINITIONS.—For purposes of this section—

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term "appropriate Federal banking agency" has the meaning given to such term in section 3(q) of the Federal Deposit Insurance Act.

(2) BOARD.—The term "Board" means the Community Enterprise Assessment Credit Board established under the amendment made by subsection (d).

(3) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the meaning given to such term in section 3(c)(2) of the Federal Deposit Insurance Act.

SEC. 234. COMMUNITY DEVELOPMENT ORGANIZATIONS.

(a) COMMUNITY DEVELOPMENT ORGANIZATIONS DESCRIBED.—For purposes of this subtitle, any insured depository institution shall be treated as meeting the community development organization requirements of this section if—

(1) the institution—

(A) is a community development bank, or controls any community development bank, which meets the requirements of subsection (b);

(B) controls any community development corporation, or maintains any community development unit within the institution, which meets the requirements of subsection (c);

(C) invests in any community development credit union which meets the requirements established by the National Credit Union Administration Board for community development credit unions; or

(D) invests in a community development organization jointly controlled by two or more institutions;

(2) except in the case of an institution which is a community development bank, the amount of the capital invested, in the form of debt or equity, by the institution in the community development organization referred to in paragraph (1) (or, in the case of any community development unit, the amount which the institution irrevocably makes available to such unit for the purposes described in paragraph (3)) is not less than the greater of—

(A) ½ of 1 percent of the capital, as defined by generally accepted accounting principles, of the institution; or

(B) the sum of the amounts invested in such community development organization; and

(3) the community development organization provides loans for residential mortgages, home improvement, and community development and other financial services, other than financing for the purchase of automobiles or extension of credit under any open-end credit plan (as defined in section 103(i) of the Truth in Lending Act), to low- and moderate-income persons, nonprofit organizations, and small businesses located in qualified distressed communities in a manner consistent with the intent of this subtitle.

(b) COMMUNITY DEVELOPMENT BANK REQUIREMENTS.—A community development bank meets the requirements of this subsection if—

(1) the community development bank has a 15-member advisory board designated as the "Community Investment Board" and consisting entirely of community leaders who—

(A) shall be appointed initially by the board of directors of the community development bank and thereafter by the Community Investment Board from nominations received from the community; and

(B) are appointed for a single term of 2 years, except that, of the initial members appointed to the Community Investment Board, ⅓ shall be appointed for a term of 8 months, ⅓ shall be appointed for a term of 16 months, and ⅓ shall be appointed for a term of 24 months, as designated by the board of directors of the community development bank at the time of the appointment;

(2) ⅓ of the members of the community development bank's board of directors are appointed from among individuals nominated by the Community Investment Board; and

(3) the bylaws of the community development bank require that the board of directors of the bank meet with the Community Investment Board at least once every 3 months.

(c) COMMUNITY DEVELOPMENT CORPORATION REQUIREMENTS.—Any community development corporation, or community development unit within any insured depository institution meets the requirements of this subsection if the corporation or unit provides the same or greater, as determined by the appropriate Federal banking agency, community participation in the activities of such corporation or unit as would be provided by a Community Investment Board under subsection (b) if such corporation or unit were a community development bank.

(d) ADEQUATE DISPERSAL REQUIREMENT.—The appropriate Federal banking agency may approve the establishment of a community development organization under this subtitle only upon finding that the distressed community is not adequately served by an existing community development organization.

(e) DEFINITIONS.—For purposes of this section—

(1) COMMUNITY DEVELOPMENT BANK.—The term "community development bank" means any depository institution (as defined in section 3(c)(1) of the Federal Deposit Insurance Act).

(2) COMMUNITY DEVELOPMENT ORGANIZATION.—The term "community development organization" means any community development bank, community development corporation, community development unit within any insured depository institution, or community development credit union.

(3) LOW- AND MODERATE-INCOME PERSONS.—The term "low- and moderate-income persons" has the meaning given such term in section 102(a)(20) of the Housing and Community Development Act of 1974.

(4) NONPROFIT ORGANIZATION; SMALL BUSINESS.—The terms "nonprofit organization" and "small business" have the meanings given to such terms by regulations which the appropriate Federal banking agency shall prescribe for purposes of this section.

(5) QUALIFIED DISTRESSED COMMUNITY.—The term "qualified distressed community" has the meaning given to such term in section 233(b).

TITLE III—FEDERAL DEPOSIT INSURANCE REFORM

Subtitle A—Activities

SEC. 301. LIMITATIONS ON BROKERED DEPOSITS AND DEPOSIT SOLICITATIONS.

(a) IN GENERAL.—Section 29 of the Federal Deposit Insurance Act (12 U.S.C. 1831f) is amended—

(1) in subsection (c), by striking "an insured depository institution" and inserting "any level 1 or level 2 depository institution";

(2) by striking subsection (e) and inserting the following new subsection:

"(e) ADDITIONAL RESTRICTIONS.—The Corporation may, by regulation or order, impose—

"(1) such additional restrictions on the acceptance of brokered deposits by any troubled institution as the Corporation may determine to be appropriate; and

"(2) such restrictions or limitations as the Corporation may determine to be appropriate on the acceptance, renewal, or rollover of funds obtained, directly or indirectly, through any deposit broker by any insured depository institution which the Corporation determines—

"(A) has suffered a material decline in capital so as to constitute a threat to the institution's solvency;

"(B) has knowingly or willfully violated any cease and desist order issued to the institution by the appropriate Federal banking agency, or any written agreement entered into between the institution and such agency, which relates to the safety or soundness of the institution; or

"(C) has failed to comply with any applicable reporting or notification requirements imposed by the Corporation with respect to the acceptance of brokered deposits by an insured depository institution.";

(3) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and inserting after subsection (e) (as amended by

paragraph (2) of this section) the following new subsection:

"(f) DEPOSIT SOLICITATION RESTRICTED.—An insured depository institution which does not meet the institution's applicable minimum capital requirements, or an employee of any such institution, shall not engage, directly or indirectly, in the solicitation of deposits by offering rates of interest (with respect to such deposits) which are significantly higher than the prevailing rates of interest on comparable deposits offered by other insured depository institutions in such institution's normal market areas.";

(4) in paragraph (4)(A) of subsection (g) (as so redesignated by paragraph (3) of this subsection) by striking "exclusively"; and

(5) by striking subsection (h) (as so redesignated by paragraph (3) of this subsection) and inserting the following new subsection:

"(h) TROUBLED INSTITUTION DEFINED.—For purposes of this section, the term 'troubled institution' means any insured depository institution which—

"(1) does not meet the minimum capital requirements applicable with respect to such institution;

"(2) based on the most recent report of condition, report of examination, or inspection of such institution, has been assigned a CAMEL composite rating of 4 or 5 under the Uniform Financial Institutions Rating System or an equivalent rating under a comparable system; or

"(3) has been informed in writing by the appropriate Federal banking agency that, on the basis of the institution's financial condition, the institution has been designated a 'troubled institution' for purposes of this section.".

(b) CLERICAL AMENDMENT.—The heading for section 29 of the Federal Deposit Insurance Corporation is amended to read as follows:

"SEC. 29. BROKERED DEPOSITS AND DEPOSIT SOLICITATIONS.".

SEC. 302. RISK-BASED ASSESSMENTS.

(a) ASSESSMENT RATES.—

(1) MAXIMUM RATE.—Section 7(b)(1)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)(C)) is amended—

(A) in clause (i), by striking "the greater of 0.15 percent or"; and

(B) by inserting after clause (iii), the following new clause:

"(iv) Until the Corporation establishes a risk-based assessment system pursuant to paragraph (8), the annual assessment rate for Bank Insurance Fund members shall not be less than 0.15 percent.".

(2) USE OF ESTIMATES AND PROJECTIONS.—Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended—

(A) by redesignating subparagraph (B) as subparagraph (C); and

(B) by inserting after subparagraph (A) the following new subparagraph:

"(B) USE OF ESTIMATES AND PROJECTIONS.—

"(i) AUTHORITY TO COMPUTE RATES.—The Corporation may make and use such estimates and projections as may be appropriate for computing assessment rates to be paid by Bank Insurance Fund members and Savings Association Insurance Fund members.

"(ii) AUTHORITY TO SET RATES.—The Corporation may—

"(I) set any assessment rate for Bank Insurance Fund members; and

"(II) after December 31, 1997, set any assessment rate for Savings Association Insurance Fund members.".

(3) REVISION OF ASSESSMENT BASE.—Section 7(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(3)) is amended to read as follows:

"(3) AVERAGE ASSESSMENT BASE.—The average assessment base for any insured depository institution for any semiannual period shall be the average of such depository institution's assessment base for each of the following 2 dates:

"(A) the 1st of the 2 dates falling within such semiannual period for which the depository institution is required to submit reports of condition pursuant to subsection (a)(3) (hereafter in this section referred to as 'reports of condition'); and

"(B) the 2nd of the 2 dates falling within the semiannual period immediately preceding such semiannual period for which the depository institution is required to submit reports of condition.".

(b) RISK-BASED ASSESSMENTS.—Section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) (as amended by this section and sections 103(b) and 232(b)(2) of this Act) is amended by redesignating paragraphs (8), (9), (10), and (11) as paragraphs (9), (10), (11), and (12) and by inserting after paragraph (7) (as added by section 103(b) of this Act) the following new paragraph:

"(8) RISK-BASED ASSESSMENTS.—

"(A) IN GENERAL.—Subject to paragraph (1), the Board of Directors shall, by regulation, establish a risk-based assessment system for insured depository institutions.

"(B) RISK-BASED ASSESSMENT SYSTEM DEFINED.—For purposes of this paragraph, the term 'risk-based assessment system' means a system under which the assessment rate determined for each insured depository institution is based on the risk that the institution poses to the appropriate deposit insurance fund.

"(C) PROVISIONS APPLICABLE TO ESTABLISHMENT OF SYSTEM.—In establishing a risk-based assessment system, the Board of Directors may use the following criteria:

"(i) The ratio of capital to assets of the insured depository institution, all members of the appropriate deposit insurance fund, or any group of such members.

"(ii) The activities conducted by the insured depository institution, all members of the appropriate deposit insurance fund, or any group of such members.

"(iii) The assets and liabilities of the insured depository institution, all members of the appropriate deposit insurance fund, or any group of such members.

"(iv) Such other circumstances, conditions, activities or risk factors which the Board of Directors determines to be appropriate.".

(c) REGULATIONS.—

(1) IN GENERAL.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation shall prescribe the final regulations required by section 7(b)(8) of the Federal Deposit Insurance Act (as added by subsection (b) of this section).

(2) EFFECTIVE DATE.—Such regulations shall take effect before the end of the 12-month period beginning on the date such regulations are published in final form.

(d) MORTGAGE LENDING SAFEGUARDS.—

(1) ANALYSIS.—Before the end of the 12-month period beginning on the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation shall analyze the impact of such system on the following categories of lending:

(A) Single family mortgages.

(B) Single family mortgages located in low- and moderate-income census tracts.

(C) Nonconforming single family mortgages.

(D) Multifamily mortgages.

(E) Construction lending for—

(i) single family homes;

(ii) single family homes located in low- and moderate-income census tracts;

(iii) nonconforming single family homes; and

(iv) multifamily homes.

(F) Small business loans.

(2) REPORT.—Before the issuance of final regulations implementing the risk-based assessment system established pursuant to the amendments made by subsection (b), the Board of Directors of the Federal Deposit Insurance Corporation shall submit to the Congress a report describing the findings of the analysis required under paragraph (1).

(e) PUBLIC HEARING.—Before the issuance of final regulations implementing the risk-based assessment system established pursuant to the amendments made by subsection (b), the Board of Directors of the Federal Deposit Insurance Corporation shall hold at least 1 public hearing regarding that system.

(f) 2-YEAR REVIEW.—Before the end of the 2-year period beginning on the effective date of final regulations implementing the risk-based assessment system established pursuant to the amendments made by subsection (b), the Board of Directors of the Federal Deposit Insurance Corporation shall—

(1) using data collected from examinations of insured depository institutions, analyze the impact of the risk-based assessment system on the categories of lending described in subsection (d)(1); and

(2) submit to the Congress a report on the findings of that analysis, including recommendations for any legislation needed to ensure that the risk-based assessment system does not have an inequitable impact on those categories of lending.

SEC. 303. RESTRICTIONS ON INSURED STATE BANK ACTIVITIES.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 23 the following new section:

"SEC. 24. ACTIVITIES OF INSURED STATE BANKS.

"(a) IN GENERAL.—After the end of the 1-year period beginning on the date of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1991, an insured State bank may not engage as principal in any type of activity that is not permissible for a national bank unless—

"(1) the Corporation has determined that the activity would pose no significant risk to the appropriate deposit insurance fund; and

"(2) the State bank is, and continues to be, in compliance with applicable capital standards prescribed by the appropriate Federal banking agency.

"(b) INSURANCE UNDERWRITING.—Notwithstanding subsection (a), an insured State bank may not engage in insurance underwriting except to the extent that activity is permissible for national banks.

"(c) EQUITY INVESTMENTS BY INSURED STATE BANKS.—

"(1) IN GENERAL.—An insured State bank may not, directly or indirectly, acquire or retain any equity investment of a type that is not permissible for a national bank.

"(2) EXCEPTION FOR CERTAIN SUBSIDIARIES.—Paragraph (1) shall not prohibit an insured State bank from acquiring or retaining an equity investment in a subsidiary of which the insured State bank is a majority owner.

"(3) EXCEPTION FOR QUALIFIED HOUSING PROJECTS.—

"(A) EXCEPTION.—Notwithstanding any other provision of this subsection, an insured State bank may invest as a limited partner in a partnership, the sole purpose of which is direct or indirect investment in the acquisition, rehabilitation, or new construction of a qualified housing project.

"(B) LIMITATION.—The aggregate of the investments of any insured State bank pursuant to this paragraph shall not exceed 2 percent of the total assets of the bank.

"(C) QUALIFIED HOUSING PROJECT DEFINED.—As used in this paragraph—

"(i) QUALIFIED HOUSING PROJECT.—The term 'qualified housing project' means residential real estate that is intended to primarily benefit lower income people throughout the period of the investment.

"(ii) LOWER INCOME.—The term 'lower income' means income that less than or equal to the median income based on statistics from State or Federal sources.

"(4) TRANSITION RULE.—

"(A) IN GENERAL.—The Corporation shall require any insured State bank to divest any equity investment the retention of which is not permissible under this subsection as quickly as can be prudently done, and in any event before the end of the 5-year period beginning on the date of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1991.

"(B) TREATMENT OF NONCOMPLIANCE DURING DIVESTMENT.—With respect to any equity investment held by any insured State bank on the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1991 which was lawfully acquired before such date, the bank shall be deemed not to be in violation of the prohibition in this subsection on retaining such investment so long as the bank complies with the applicable requirements established by the Corporation for divesting such investments.

"(d) SUBSIDIARIES OF INSURED STATE BANKS.—

"(1) IN GENERAL.—After the end of the 1-year period beginning on the date of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1991, a subsidiary of an insured State bank may not engage as principal in any type of activity that is not permissible for a subsidiary of a national bank unless—

"(A) the Corporation has determined that the activity poses no significant risk to the appropriate deposit insurance fund; and

"(B) the bank is, and continues to be, in compliance with applicable capital standards prescribed by the appropriate Federal banking agency.

"(2) SECURITIES AND INSURANCE UNDERWRITING PROHIBITED.—

"(A) PROHIBITION.—Notwithstanding paragraph (1) and any provision of the Financial Institutions Safety and Consumer Choice Act of 1991, no subsidiary of an insured State bank may engage in securities or insurance underwriting except to the extent such activities are permissible for national banks.

"(B) EXCEPTION.—Subparagraph (A) does not apply to a subsidiary of an insured State bank if—

"(i) the insured State bank was required, before June 1, 1991, to provide title insurance as a condition of the bank's initial chartering under State law; and

"(ii) control of the insured State bank has not changed since that date.

"(e) SAVINGS BANK LIFE INSURANCE.—

"(1) IN GENERAL.—No provision of this Act or the Financial Institutions Safety and Consumer Choice Act of 1991 shall be construed as prohibiting or impairing the sale or underwriting of savings bank life insurance, or the ownership of stock in a savings bank life insurance company, by any insured bank which—

"(A) is located in the Commonwealth of Massachusetts or the State of New York or Connecticut; and

"(B) meets the consumer disclosure requirements under section 18(k) with respect to such insurance.

"(2) FDIC FINDING AND ACTION REGARDING RISK.—

"(A) FINDING.—Before the end of the 1-year period beginning on the date of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1991, the Corporation shall make a finding whether savings bank life insurance activities of insured banks pose or may pose any significant risk to the insurance fund of which such banks are members.

"(B) ACTIONS.—

"(i) IN GENERAL.—The Corporation shall, pursuant to any finding made under subparagraph (A), take appropriate actions to address any risk that exists or may subsequently develop with respect to insured banks described in paragraph (1)(A).

"(ii) AUTHORIZED ACTIONS.—Actions the Corporation may take under this subparagraph include requiring the modification, suspension, or termination of insurance activities conducted by any insured bank if the Corporation finds that the activities pose a significant risk to any insured bank described in paragraph (1)(A) or to the insurance fund of which such bank is a member.

"(f) CURRENTLY PERMITTED EQUITY INVESTMENTS.—

"(1) IN GENERAL.—An insured State bank shall not acquire or retain, directly or indirectly, any equity investment of a type or in an amount that is not permissible for a national bank.

"(2) EXCEPTION.—Notwithstanding paragraph (1) or any limitation or prohibition otherwise imposed by any provision of law exclusively relating to banks, an insured State bank in a State which permits investments described in paragraph (1) as of September 30, 1991, may invest not more than 10 percent of the bank's total assets in—

"(A) common or preferred stock listed on a national securities exchange (except that not more than 0.5 percent of the bank's total assets may be invested in common or preferred stock of any 1 company); or

"(B) shares of an investment company registered under the Investment Company Act of 1940.

"(3) NOTICE OF PARAGRAPH (2) ACTIVITIES.—An insured State bank may only engage in any investment activity pursuant to paragraph (2) if—

"(A) the insured State bank has filed a 1-time notice with the Corporation of the bank's intent to acquire or retain such investments; and

"(B) pursuant to such notice, the Corporation has not determined, within 60 days of receiving such notice, that acquiring or retaining such investments poses a significant risk to the Bank Insurance Fund.

"(5) DIVESTITURE OF INVESTMENTS.—The Corporation may require divestiture by an insured State bank of any investment permitted under this subsection if the Corporation determines that such investment will have an adverse effect on the safety and soundness of such bank.

"(6) FDIC FINDINGS AND ACTION REGARDING RISK.—

"(A) FINDING.—Before the end of the 1-year period beginning on the date of enactment of the Financial Institutions Safety and Consumer Choice Act of 1991, the Corporation shall make a finding whether such equity investments by insured State banks pose or may pose any significant risk to the insurance fund of which such banks are members.

"(B) ACTIONS.—

"(i) IN GENERAL.—The Corporation shall, pursuant to any finding made under subparagraph (A), take appropriate actions to address any risk that exists or may subsequently develop with respect to insured banks described in paragraph (1).

"(ii) AUTHORIZED ACTIONS.—Actions the Corporation may take under this subparagraph include requiring the modification, suspension, or termination of such equity investments conducted by any insured State bank if the Corporation finds that the activities pose a significant risk to any insured bank described in paragraph (1) or to the insurance fund of which such bank is a member.

"(g) DETERMINATIONS.—The Corporation shall make determinations under this section by regulation or order.

"(h) ACTIVITY DEFINED.—For purposes of this section, the term 'activity' includes acquiring or retaining any investment.

"(i) OTHER AUTHORITY NOT AFFECTED.—This section shall not be construed as limiting the authority of any appropriate Federal banking agency or any State supervisory authority to impose more stringent restrictions.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The 13th undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 330) is amended by striking ": *Provided, however*, That no Federal reserve bank" and inserting ", except that the Board of Governors of the Federal Reserve System may limit the activities of State member banks and subsidiaries of State member banks in a manner consistent with section 24 of the Federal Deposit Insurance Act. No Federal reserve bank".

SEC. 304. RESTRICTIONS ON REAL ESTATE LENDING.

(a) RESTRICTIONS ON REAL ESTATE LENDING ESTABLISHED.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 39 (as added by section 229 of this Act) the following new section:

"SEC. 40. REAL ESTATE LENDING.

"(a) UNIFORM REGULATIONS.—The appropriate Federal banking agencies shall jointly adopt uniform regulations prescribing standards for loans or extensions of credit by insured depository institutions that are—

"(1) secured by liens on, interests in, or liens on interests in unimproved real estate, or

"(2) made for the purpose of financing the construction of a building or buildings or other improvements to real estate.

"(b) STANDARDS.—

"(1) CRITERIA.—In prescribing standards pursuant to subsection (a) for loans or extensions of credit described in such subsection, the agencies shall consider—

"(A) the risk presented to the Bank Insurance Fund or the Savings Association Insurance Fund, as the case may be, by such loans or extensions of credit;

"(B) the safe and sound operation of insured depository institutions; and

"(C) the availability of credit.

"(2) VARIATIONS PERMITTED.—In prescribing the standards referred to in paragraph (1), the agencies may jointly provide for differentiations among insured depository institutions and among types of loans to such extent and in such manner as may be—

"(A) required by Federal law;

"(B) warranted on the basis of risk to the deposit insurance funds; or

"(C) warranted on the basis of the safety and soundness of the institutions.

"(3) LOAN EVALUATION STANDARD.—No Federal financial regulatory agency shall adversely evaluate an investment or a loan made by a federally insured depository institution, or consider such a loan to be nonperforming, solely because the loan is made to or the investment is in commercial, residential, or industrial property.".

(b) EFFECTIVE DATE.—The regulations prescribed pursuant to the amendment made by subsection (a) shall take effect before the end of the 12-month period beginning on the date of the enactment of this Act.

SEC. 305. CAPITAL STANDARDS AND INTEREST RATE RISK.

(a) IN GENERAL.—The appropriate Federal banking agencies shall develop a system to monitor interest rate risk and to adjust risk-based capital standards to reflect interest rate risk.

(b) IMPLEMENTING REGULATIONS.—In order to implement the system required under subsection (a), the appropriate Federal banking agencies shall prescribe regulations in final form before the end of the 1-year period beginning on the date of the enactment of this Act. Such regulations shall take effect before the end of the 2-year period beginning on such date of enactment.

SEC. 306. TRANSITION RULE.

Section 5(t)(5)(D) of the Home Owners Loan Act (12 U.S.C. 1464(t)(5)(D)) is amended by striking "for a national bank," and inserting "for a national bank or if such impermissible activities were commenced after April 12, 1989, and before August 9, 1989, by a savings association with assets of less than $400,000,000 and were made in residential real estate or land held for development as residential real estate,".

SEC. 307. FDIC BACK-UP ENFORCEMENT AUTHORITY.

Section 8(t) of the Federal Deposit Insurance Act (12 U.S.C. 1818(t)) is amended to read as follows:

"(t) AUTHORITY OF BOARD TO TAKE ENFORCEMENT ACTION AGAINST INSURED DEPOSITORY INSTITUTIONS AND INSTITUTION-AFFILIATED PARTIES.—

"(1) AUTHORITY TO RECOMMEND THAT APPROPRIATE FEDERAL BANKING AGENCY TAKE ENFORCEMENT ACTION.—The Corporation, based on an examination of an insured depository institution by the Corporation or the appropriate Federal banking agency or on other information, may recommend that the appropriate Federal banking agency take any enforcement action authorized under this section or section 7(j) or 18(j) with respect to any insured depository institution or any institution-affiliated party.

"(2) AUTHORITY OF BOARD TO DIRECT ENFORCEMENT ACTION BE TAKEN IF APPROPRIATE FEDERAL BANKING AGENCY FAILS TO FOLLOW RECOMMENDATION.—

"(A) IN GENERAL.—If the appropriate Federal banking agency fails to take the recommended action, or to provide an acceptable plan for addressing the concerns of the Corporation set forth in the Corporation's recommendation, before the end of the 60-day period beginning on the date of the receipt of the formal recommendation from the Corporation, the Board of Directors may direct the Corporation to take such action if the Board of Directors determines that—

"(i) the insured depository institution is in an unsafe or unsound condition;

"(ii) failure to take the recommended action will result in continuance of unsafe or unsound practices in conducting the business of the insured depository institution; or

"(iii) the violation or threatened violation, or threatened practices or omission, or continuation of practices, or omissions may cause, or is likely to cause, a risk of loss to the appropriate insurance fund, or may prejudice the interests of depositors of the institution.

"(B) ENFORCEMENT POWERS.—In the exercise of any authority under this subsection at the direction of the Board of Directors—

"(i) the Corporation shall have the same powers with respect to any insured depository institution and any subsidiary or affiliate of the institution as the appropriate Federal banking agency has with respect to such institution, subsidiary, or affiliate; and

"(ii) the institution and any subsidiary or affiliate of the institution shall have the same duties and obligations with respect to the Corporation as the institution, subsidiary, or affiliate has with respect to the appropriate Federal banking agency.

"(3) EFFECT OF EXIGENT CIRCUMSTANCES.—

"(A) AUTHORITY TO ACT.—Notwithstanding paragraphs (1) and (2), the Board of Directors may direct the Corporation to exercise the Corporation's authority under this subsection before the end of the 60-day period described in paragraph (2)(A) in exigent circumstances after notifying the appropriate Federal banking agency.

"(B) AGREEMENT ON EXIGENT CIRCUMSTANCES.—The Board of Directors shall, by agreement with the other appropriate Federal banking agencies, establish and publish a description of the exigent circumstances under which the Board of Directors may direct the Corporation to act under this subsection without regard to the 60-day period described in paragraph (2)(A).

"(4) REQUESTS FOR FORMAL ACTIONS AND INVESTIGATIONS.—

"(A) SUBMISSION OF REQUESTS.—Whenever a regional office or regional bank of an appropriate Federal banking agency submits a request for a formal investigation or enforcement action, such regional office or regional bank shall concurrently submit the request to the head of the appropriate Federal banking agency and the Corporation.

"(B) AGENCIES REQUIRED TO REPORT ON REQUESTS.—Each appropriate Federal banking agency shall report semiannually to the Corporation the status or disposition of all such requests, including the reasons for the appropriate Federal banking agency's decision to either approve or deny all such requests.

"(5) NONDELEGATION.—The authority of the Board of Directors to make any determination or to direct the Corporation to take any action under this subsection may not be delegated.".

Subtitle B—Coverage

SEC. 311. DEPOSIT AND PASS-THROUGH INSURANCE.

(a) EXCLUSION OF CERTAIN OBLIGATIONS FROM DEPOSIT INSURANCE COVERAGE—

(1) IN GENERAL.—Section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) is amended by adding at the end the following new paragraph:

"(8) CERTAIN INVESTMENT CONTRACTS NOT TREATED AS INSURED DEPOSITS.—

"(A) IN GENERAL.—A liability of an insured depository institution shall not be treated as an insured deposit if the liability arises under any insured depository institution investment contract between any insured depository institution and any employee benefit plan which expressly permits benefit-responsive withdrawals or transfers.

"(B) DEFINITIONS.—For purposes of subparagraph (A)—

"(i) BENEFIT-RESPONSIVE WITHDRAWALS OR TRANSFERS.—The term 'benefit-responsive withdrawals or transfers' means any withdrawal or transfer of funds (consisting of any portion of the principal and any interest credited at a rate guaranteed by the insured depository institution investment contract) during the period in which any guaranteed rate is in effect, without substantial penalty or adjustment, to pay benefits provided by the employee benefit plan or to permit a plan participant or beneficiary to redirect the investment of his or her account balance.

"(ii) EMPLOYEE BENEFIT PLAN.—The term 'employee benefit plan'—

"(I) has the meaning given to such term in section 3(3) of the Employee Retirement Income Security Act of 1974; and

"(II) includes any plan described in section 401(d) of the Internal Revenue Code of 1986.".

(2) EXCLUSION OF OBLIGATIONS FROM TREATMENT AS DEPOSITS FOR OTHER PURPOSES.—Section 7(b)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(6)) is amended—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(D) any liability of the insured depository institution which is not treated as an insured deposit pursuant to section 11(a)(8).".

(b) INSURANCE OF DEPOSITS.—

(1) INSURED AMOUNTS PAYABLE.—Section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) (as amended by subsection (a)(1) of this section) is amended by striking "(a)(1)" and all that follows through paragraph (1) and inserting the following:

"(a) DEPOSIT INSURANCE.—

"(1) INSURED AMOUNTS PAYABLE.—

"(A) IN GENERAL.—The Corporation shall insure the deposits of all insured depository institutions as provided in this Act.

"(B) NET AMOUNT OF INSURED DEPOSIT.—The net amount due to any depositor at an insured depository institution shall not exceed $100,000 as determined in accordance with subparagraphs (C) and (D).

"(C) AGGREGATION OF DEPOSITS.—For the purpose of determining the net amount due to any depositor under subparagraph (B), the Corporation shall aggregate the amounts of all deposits in the insured depository institution which are maintained by a depositor in the same capacity and the same right for the benefit of the depositor either in the name of the depositor or in the name of any other person, other than any amount in a trust fund described in section 7(i)(1).

"(D) COVERAGE ON PRO RATA OR 'PASS-THROUGH' BASIS.—

"(i) IN GENERAL.—Except as provided in clause (ii), for the purpose of determining the amount of insurance due under subparagraph (B), the Corporation shall provide deposit insurance coverage with respect to deposits accepted by any insured depository institution on a pro rata or 'pass-through' basis to a participant in or beneficiary of an employee benefit plan (as defined in section 11(a)(8)(B)(ii)), including any eligible deferred compensation plan described in section 457 of the Internal Revenue Code of 1986.

"(ii) EXCEPTION.—After the end of the 1-year period beginning on the date of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1991, the Corporation shall not provide insurance coverage on a pro rata or 'pass-through' basis pursuant to clause (i) with respect to deposits accepted by any insured depository institution which, at the time such deposits are accepted, may not accept brokered deposits under section 29.

"(iii) COVERAGE UNDER CERTAIN CIRCUMSTANCES.—Clause (ii) shall not apply with respect to any deposit accepted by an insured depository institution described in such clause if, at the time the deposit is accepted—

"(I) the institution meets each applicable capital standard; and

"(II) the depositor receives a written statement from the institution that such deposits at such institution are eligible for insurance coverage on a pro rata or 'pass-through' basis.".

(2) CERTAIN RETIREMENT ACCOUNTS.—Section 11(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(3)) is amended to read as follows:

"(3) CERTAIN RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Notwithstanding any limitation in this Act relating to the amount of deposit insurance available for the account of any 1 depositor, deposits in an insured depository institution made in connection with—

"(i) any individual retirement account described in section 408(a) of the Internal Revenue Code of 1986;

"(ii) subject to the exception contained in paragraph (1)(D)(ii), any eligible deferred compensation plan described in section 457 of such Code; and

"(iii) any individual account plan defined in section 3(34) of the Employee Retirement Income Security Act, and any plan described in section 401(d) of the Internal Revenue Code of 1986, to the extent that participants and beneficiaries under such plan have the right to direct the investment of assets held in individual accounts maintained on their behalf by the plan,

shall be aggregated and insured in an amount not to exceed $100,000 per participant per insured depository institution.

"(B) AMOUNTS TAKEN INTO ACCOUNT.—For purposes of subparagraph (A), the amount aggregated for insurance coverage under this paragraph shall consist of the present vested and ascertainable interest of each participant under the plan, excluding any remainder interest created by, or as a result of, the plan.".

(3) CERTAIN TRUST FUNDS.—Section 7(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(i)) is amended to read as follows:

"(i) INSURANCE OF TRUST FUNDS.—

"(1) IN GENERAL.—Trust funds held on deposit by an insured depository institution in a fiduciary capacity as trustee pursuant to any irrevocable trust established pursuant to any statute or written trust agreement shall be insured in an amount not to exceed $100,000 for each trust estate.

"(2) INTERBANK DEPOSITS.—Trust funds described in paragraph (1) which are deposited by the fiduciary depository institution in another insured depository institution shall be similarly insured to the fiduciary depository institution according to the trust estates represented.

"(3) REGULATIONS.—The Board of Directors may prescribe such regulations as may be necessary to clarify the insurance coverage under this subsection and to prescribe the manner of reporting and depositing such trust funds.".

(4) EXPANDED COVERAGE BY REGULATION.—

(A) REVIEW OF COVERAGE.—For the purpose of prescribing regulations, during the 1-year period beginning on the date of the enactment of this Act, the Board of Directors shall review the capacities and rights in which deposit accounts are maintained and for which deposit insurance coverage is provided by the Corporation.

(B) REGULATIONS.— After the end of the 1-year period referred to in subparagraph (A), the Board of Directors may prescribe regulations that provide for separate insurance coverage for the different capacities and rights in which deposit accounts are maintained if a determination is made by the Board of Directors that such separate insurance coverage is consistent with—

(i) the purpose of protecting small depositors and limiting the undue expansion of deposit insurance coverage; and

(ii) the insurance provisions of the Federal Deposit Insurance Act.

(C) DELAYED EFFECTIVE DATE FOR REGULATIONS.—No regulation prescribed under subparagraph (B) may take effect before the 2-year period beginning on the date of the enactment of this Act.

(5) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m)) is amended by striking "(m)(1)" and all that follows through paragraph (1) and inserting the following:

"(m) INSURED DEPOSIT.—

"(1) IN GENERAL.—Subject to paragraph (2), the term 'insured deposit' means the net amount due to any depositor for deposits in an insured depository institution as determined under sections 7(i) and 11(a).".

(B) Section 11(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(2)(A)) is amended by striking "his deposit shall be insured" and inserting "such depositor shall, for the purpose of determining the amount of insured deposits under this subsection, be deemed a depositor in such custodial capacity separate and distinct from any other officer, employee, or agent of the United States or any public unit referred to in clause (ii), (iii), (iv), or (v) and the deposit of any such depositor shall be insured in an amount not to exceed $100,000 per account".

(C) The 2d subparagraph of section 11(a)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(2)) is amended by striking "(b)" and inserting "(B)".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (a) and paragraphs (2) and (3) of subsection (b) shall take effect at the end of the 2-year period beginning on the date of the enactment of this Act.

(2) APPLICATION TO TIME DEPOSITS.—

(A) CERTAIN DEPOSITS EXCLUDED.—Except with respect to the amendment referred to in paragraph (3), the amendments made by subsections (a) and (b) shall not apply to any time deposit which—

(i) was made before the date of enactment of this Act; and

(ii) matures after the end of the 2-year period referred to in paragraph (1).

(B) ROLLOVERS AND RENEWALS TREATED AS NEW DEPOSIT.—Any renewal or rollover of a time deposit described in subparagraph (A) after the date of the enactment of this Act shall be treated as a new deposit which is not described in such subparagraph.

(3) EFFECTIVE DATE FOR AMENDMENT RELATING TO CERTAIN EMPLOYEE PLANS.—

(A) Section 11(a)(1)(B) of the Federal Deposit Insurance Act (as amended by subsection (b)(1) of this section) shall take effect on the earlier of—

(i) the date of the enactment of this Act; or

(ii) January 1, 1992.

(B) Section 11(a)(3)(A) of the Federal Deposit Insurance Act (as amended by subsection (b)(2) of this section) shall take effect on the earlier of the dates described in clauses (i) and (ii) of subparagraph (A) with respect to plans described in clause (ii) of such section.

(d) INFORMATIONAL STUDY.—

(1) IN GENERAL.—The Federal Deposit Insurance Corporation, in conjunction with such consultants and technical experts as the Corporation determines to be appropriate, shall conduct a study of the cost and feasibility of tracking the insured and uninsured deposits of any individual and the exposure, under any Act of Congress or any regulation of any appropriate Federal banking agency, of the Federal Government with respect to all insured depository institutions.

(2) ANALYSIS OF COSTS AND BENEFITS.—The study under paragraph (1) shall include detailed, technical analysis of the costs and benefits associated with the least expensive way to implement the system.

(3) SPECIFIC FACTORS TO BE STUDIED.—As part of the study under paragraph (1), the Corporation shall investigate, review, and evaluate—

(A) the data systems that would be required to track deposits in all insured depository institutions;

(B) the reporting burdens of such tracking on individual depository institutions;

(C) the systems which exist or which would be required to be developed to aggregate such data on an accurate basis;

(D) the implications such tracking would have for individual privacy; and

(E) the manner in which systems would be administered and enforced.

(4) FEDERAL RESERVE BOARD SURVEY.—As part of the informational study required under paragraph (1), the Board of Governors of the Federal Reserve System shall conduct, in conjunction with other Federal departments and agencies as necessary, a survey of the ownership of deposits held by individuals including the dollar amount of deposits held, the type of deposit accounts held, and the type of financial institutions in which the deposit accounts are held.

(5) ANALYSIS BY FDIC.—The results of the survey under paragraph (4) shall be provided to the Federal Deposit Insurance Corporation before the end of the 1-year period beginning on the date of the enactment of this Act for analysis and inclusion in the informational study.

(6) REPORT TO CONGRESS.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Federal Deposit Insurance Corporation shall submit to the Congress a report containing a detailed statement of findings made and conclusions drawn from the study conducted under this section, including such recommendations for administrative and legislative action as the Corporation determines to be appropriate.

SEC. 312. FOREIGN DEPOSITS.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 40 (as added by section 304 of this title) the following new section:

"SEC. 41. PAYMENTS ON FOREIGN DEPOSITS PROHIBITED.

"Notwithstanding any other provision of law, the Corporation, the Board of Governors of the Federal Reserve System, the Resolution Trust Corporation, any other agency, department, and instrumentality of the United States, and any corporation owned or controlled by the United States may not, directly or indirectly, make any payment or provide any assistance, guarantee, or transfer under this Act or any other provision of law in connection with any insured depository institution which would have the direct or indirect effect of satisfying, in whole or in part, any claim against the institution for obligations of the institution which would constitute deposits as defined in section 3(l) but for subparagraphs (A) and (B) of section 3(l)(5).".

SEC. 313. PENALTY FOR FALSE ASSESSMENT REPORTS.

(a) INSURED DEPOSITORY INSTITUTIONS.—Section 7(c) of the Federal Deposit Insurance Act (12 U.S.C. 1817(c)) is amended by adding at the end the following new paragraph:

"(5) PENALTY FOR FAILURE TO MAKE ACCURATE CERTIFIED STATEMENT.—

"(A) FIRST TIER.—Any insured depository institution which—

"(i) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such an error, fails to submit the certified statement under paragraph (1) or (2) within the period of time required under paragraph (1) or (2) or submits a false or misleading certified statement; or

"(ii) submits the statement at a time which is minimally after the time required in such paragraph,

shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false and misleading information is not corrected. The institution shall have the burden of proving that an error was inadvertent or that a statement was inadvertently submitted late.

"(B) SECOND TIER.—Any insured depository institution which fails to submit the certified statement under paragraph (1) or (2) within the period of time required under paragraph (1) or (2) or submits a false or misleading certified statement in a manner not described in subparagraph (A) shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false and misleading information is not corrected.

"(C) THIRD TIER.—Notwithstanding subparagraphs (A) and (B), if any insured depository institution knowingly or with reckless disregard for the accuracy of any certified statement described in paragraph (1) or (2) submits a false or misleading certified statement under paragraph (1) or (2), the Corporation may assess a penalty of not more than $1,000,000 or not more than 1 percent of the total assets of the institution, whichever is less, per day for each day during which the failure continues or the false or misleading information in such statement is not corrected.

"(D) ASSESSMENT PROCEDURE.—Any penalty imposed under this paragraph shall be assessed and collected by the Corporation in the manner provided in subparagraphs (E), (F), (G), and (I) of section 8(i)(2) (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such section.

"(E) HEARING.—Any insured depository institution against which any penalty is assessed under this paragraph shall be afforded an agency hearing if the institution submits a request for such hearing within 20 days after the issuance of the notice of the assessment. Section 8(h) shall apply to any proceeding under this subparagraph.".

(b) INSURED CREDIT UNIONS.—Section 202(d)(2) of the Federal Credit Union Act (12 U.S.C. 1782(d)(2)) is amended to read as follows:

"(2) PENALTY FOR FAILURE TO MAKE ACCURATE CERTIFIED STATEMENT OR TO PAY DEPOSIT OR PREMIUM.—

"(A) FIRST TIER.—Any insured credit union which—

"(i) maintains procedures reasonably adapted to avoid any inadvertent error and, unintentionally and as a result of such an error, fails to submit any certified statement under subsection (b)(1) within the period of time required or submits a false or misleading certified statement under such subsection; or

"(ii) submits the statement at a time which is minimally after the time required,

shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false and misleading information is not corrected. The insured credit union shall have the burden of proving that an error was inadvertent or that a statement was inadvertently submitted late.

"(B) SECOND TIER.—Any insured credit union which—

"(i) fails to submit any certified statement under subsection (b)(1) within the period of time required or submits a false or misleading certified statement in a manner not described in subparagraph (A); or

"(ii) fails or refuses to pay any deposit or premium for insurance required under this title,

shall be subject to a penalty of not more than $20,000 for each day during which such failure continues, such false and misleading information is not corrected, or such deposit or premium is not paid.

"(C) THIRD TIER.—Notwithstanding subparagraphs (A) and (B), if any insured depository institution knowingly or with reckless disregard for the accuracy of any certified statement under subsection (b)(1) or submits a false or misleading certified statement under such subsection, the Corporation may assess a penalty of not more than $1,000,000 or not more than 1 percent of the total assets of the institution, whichever is less, per day for each day during which the failure continues or the false or misleading information in such statement is not corrected.

"(D) ASSESSMENT PROCEDURE.—Any penalty imposed under this paragraph shall be assessed and collected by the Corporation in the manner provided in section 206(k)(2) (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such section.

"(E) HEARING.—Any insured depository institution against which any penalty is assessed under this paragraph shall be afforded an agency hearing if the institution submits a request for such hearing within 20 days after the issuance of the notice of the assessment. Section 206(j) shall apply to any proceeding under this subparagraph.

"(F) SPECIAL RULE FOR DISPUTED PAYMENTS.—No penalty may be assessed for the failure of any insured credit union to pay any deposit or premium for insurance if—

"(i) the failure is due to a dispute between the credit union and the Board over the amount of the deposit or premium which is due from the credit union; and

"(ii) the credit union deposits security satisfactory to the Board for payment of the deposit or insurance premium upon final determination of the dispute.".

Subtitle C—Demonstration Project and Studies

SEC. 321. FEASIBILITY STUDY ON AUTHORIZING INSURED AND UNINSURED DEPOSIT ACCOUNTS.

(a) STUDY REQUIRED.—The Federal Deposit Insurance Corporation shall study the feasibility of authorizing insured depository institutions to offer both insured and uninsured deposit accounts to customers.

(b) FACTORS TO CONSIDER.—In conducting the study required under subsection (a), the Corporation shall consider the following factors:

(1) The risk a 2-window deposit system would pose to the deposit insurance system.

(2) The disclosure standards which would be necessary to prevent customer confusion over the insured status of deposits and fraudulent or misleading practices with respect to such insured status.

(3) The extent to which accounting standards would have to be revised or changed.

(4) The manner in which a 2-window deposit plan could be implemented with the least disruption to the stability of, and the confidence of consumers in, the banking system.

(c) REPORT.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Corporation shall submit a report to the Congress containing the Corporation's findings and conclusions with respect to the study under subsection (a) and any recommendations for legislative or administrative action the Corporation may determine to be appropriate.

SEC. 322. PRIVATE REINSURANCE STUDY.

(a) STUDY.—

(1) IN GENERAL.—The Board of Directors of the Federal Deposit Insurance Corporation, in consultation with the Secretary of the Treasury and individuals from the private sector with expertise in private insurance, private reinsurance, depository institutions, or economics, shall conduct a study of the feasibility of establishing a private reinsurance system.

(2) PROJECT.—The study conducted under this subsection shall include a demonstration project consisting of a simulation, by a sample of private reinsurers and insured depository institutions, of the activities required for a private reinsurance system, including—

(A) establishment of a pricing structure for risk-based premiums;

(B) formulation of insurance or reinsurance contracts; and

(C) identification and collection of information necessary to evaluate and monitor the risks in insured depository institutions.

(3) ACTUAL REINSURANCE TRANSACTIONS.—The Federal Deposit Insurance Corporation may engage in actual reinsurance transactions as part of a demonstration project conducted under paragraph (2).

(b) REPORT.—

(1) IN GENERAL.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Federal Deposit Insurance Corporation shall submit to the Congress a report on the study conducted under this section.

(2) CONTENTS.—The report under this subsection shall include—

(A) an analysis and review of the project conducted under subsection (a)(2);

(B) conclusions regarding the feasibility of a private reinsurance system;

(C) recommendations regarding whether—

(i) such a system should be restricted to depository institutions over a certain asset size;

(ii) similar systems are feasible for depository institutions or groups of depository institutions of a lesser asset size; and

(iii) public policy goals can be satisfied by such systems; and

(D) recommendations for administrative and legislative action that may be necessary to establish such systems.

Subtitle D—Credit Unions

SEC. 331. LIQUIDATIONS OF FEDERALLY INSURED STATE CREDIT UNIONS.

(a) AUTHORITY TO LIQUIDATE.—Section 207(a)(1) of the Federal Credit Union Act (12 U.S.C. 1787(a)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (D); and

(2) by inserting after subparagraph (A) the following new subparagraphs:

"(B) APPOINTMENT OF THE BOARD BY THE BOARD.—Notwithstanding any other provision of this Act, any other Federal law, or the law or constitution of any State, the Board may appoint itself as the liquidating agent of any State credit union insured under this title, and close such credit union, if the Board determines that the credit union is insolvent or bankrupt.

"(C) NOTICE AND APPROVAL OF STATE OFFICIAL.—

"(i) IN GENERAL.—The authority conferred by subparagraph (B) with respect to any State credit union shall be exercised only with the written approval of the State official having jurisdiction over such credit union that the grounds specified for such exercise exist.

"(ii) EXCEPTION.—If the approval of the State official having jurisdiction over any State credit union referred to in clause (i) has not been received within 30 days of receipt of notice by the State that the Board has determined such grounds exist, and the Board has responded in writing to the State's written reasons, if any, for withholding approval, then the Board may proceed without State approval only by unanimous vote of the Board.".

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (D) of section 207(a)(1) of the Federal Credit Union Act (12 U.S.C. 1787(a)(1)), as so redesignated by subsection (a) of this section, is amended in the first sentence by striking "(b)" and inserting "(J)".

(2) Section 207(a)(1)(A) of the Federal Credit Union Act (12 U.S.C. 1787(a)(1)(A)) is amended by striking "himself" and inserting "itself".

Subtitle E—FDIC Property Disposition

SEC. 341. FDIC AFFORDABLE HOUSING PROGRAM.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding after section 41 (as added by section 512 of this Act) the following new section:

"SEC. 42. FDIC AFFORDABLE HOUSING PROGRAM.

"(a) PURPOSE.—The purpose of this section is to provide homeownership and rental housing opportunities for very low-income, low-income, and moderate-income families.

"(b) LIMITATIONS ON APPLICABILITY OF PROGRAM.—

"(1) DURATION OF PROGRAM.—The provisions of this section shall be effective, subject to the provisions of paragraph (2), only during the 3-year period beginning 180 days after the enactment of the Financial Institutions Safety and Consumer Choice Act of 1991.

"(2) FISCAL LIMITATIONS.—

"(A) IN GENERAL.—During the period in which the provisions of this section are effective (as provided in paragraph (1)), such provisions shall apply only during the period beginning on the commencement date under subparagraph (B) and ending (if applicable) on the termination date under subparagraph (C).

"(B) COMMENCEMENT DATE.—For purposes of this paragraph, the commencement date shall be the day during the period referred to in paragraph (1) on which sufficient amounts are first determined to be available to compensate the Corporation for any losses resulting from the sale of properties under this section. For purposes of this subparagraph, such losses shall be the amount equal to the sum of any affordable housing discounts reasonably anticipated to accrue during the period in which the program under this section is effective. If the determination under the first sentence of this subparagraph is made before the commencement of the period referred to in paragraph (1), the commencement date shall be considered to be the first day of the period referred to in paragraph (1).

"(C) TERMINATION DATE.—For purposes of this paragraph, the termination date shall be the day during the period referred to in paragraph (1) on which the sum of the affordable housing discounts for eligible residential properties transferred under this section by the Corporation first exceeds $30,000,000, as determined by the Corporation.

"(D) OTHER DEFINITIONS.—For purposes of this paragraph—

"(i) the term 'affordable housing discount' means, with respect to any eligible residential property transferred under this section by the Corporation, the difference (if any) between the realizable disposition value of the property and the actual sale price of the property under this section; and

"(ii) the term 'realizable disposition value' means the estimated sale price that the Corporation reasonably would be able to obtain upon the sale of a property by the Corporation under the provisions of this Act, not including this section, and any other applicable laws, as determined by the Corporation taking into consideration such factors as the Corporation considers appropriate, including the actual sale prices of properties disposed of by the Resolution Trust Corporation under section 21A(c) of the Federal Home Loan Bank Act and the prices of other properties sold under similar programs.

"(3) EXISTING CONTRACTS.—The provisions of this section shall not apply to any eligible residential property that is subject to an agreement entered into by the Corporation before the date of the enactment of the Financial Institutions Safety and Consumer Choice Act of 1991 providing for any other disposition of the property.

"(c) RULES GOVERNING DISPOSITION OF ELIGIBLE SINGLE FAMILY PROPERTIES.—

"(1) NOTICE TO CLEARINGHOUSES.—Within a reasonable period of time after acquiring title to an eligible single family property, the Corporation shall provide written notice to clearinghouses. Such notice shall contain basic information about the property, including but not limited to location, condition, and information relating to the estimated fair market value of the property. Each clearinghouse shall make such information available, upon request, to other public agencies, other nonprofit organizations, and qualifying households. The Corporation shall allow public agencies, nonprofit organizations, and qualifying households reasonable access to eligible single family property for purposes of inspection.

"(2) OFFERS TO SELL SINGLE FAMILY PROPERTIES TO NONPROFIT ORGANIZATIONS, PUBLIC AGENCIES, AND QUALIFYING HOUSEHOLDS.—During the 180-day period beginning on the date on which the Corporation makes an eligible single family property available for sale, the Corporation shall offer to sell the property to—

"(A) qualifying households; or

"(B) public agencies or nonprofit organizations that agree to (i) make the property available for occupancy by and maintain it as affordable for low-income families for the remaining useful life of such property, or (ii) make the property available for purchase by such families.

The restrictions described in clause (i) of subparagraph (B) shall be contained in the deed or other recorded instrument. If, upon the expiration of such 180-day period, no qualifying household, public agency, or nonprofit organization has made a bona fide offer to purchase the property, the Corporation may offer to sell the property to any purchaser. The Corporation shall actively market eligible single family properties for sale to low-income families.

"(3) RECAPTURE OF PROFITS FROM RESALE OF SINGLE FAMILY PROPERTIES.—Except as provided in paragraph (5), if any eligible single family property sold to a qualifying household is resold by the qualifying household during the 2-year period beginning upon initial acquisition by the household, the Corporation shall recapture the percentage provided in paragraph (4) of the amount of any proceeds from the resale that exceeds the sum of (A) the original sale price for the acquisition of the property by the qualifying household, (B) the costs of any improvements to the property made after the date of the acquisition, and (C) any closing costs in connection with the acquisition.

"(4) PERCENTAGE OF PROFIT RECAPTURED.—The percentage of excess proceeds recaptured under paragraph (3) shall be as follows:

"(A) FIRST YEAR.—In the case of any resale occurring during the 1-year period beginning upon initial acquisition by the qualifying household, 75 percent of the amount of such excess proceeds.

"(B) SECOND YEAR.—In the case of any resale occurring during the 1-year period beginning 1 year after initial acquisition by the qualifying household, 50 percent of the amount of such excess proceeds.

"(5) EXCEPTION TO RECAPTURE REQUIREMENT.—The Corporation may in its discretion waive the applicability to any qualifying household of the requirement under paragraph (3) and the requirements relating to residency of a qualifying household under subsections (o)(12) (B) and (C). The Corporation may grant such a waiver only for good cause shown, including any necessary relocation of the qualifying household.".

"(6) EXCEPTION TO AVOID DISPLACEMENT OF EXISTING RESIDENTS.—Notwithstanding the first sentence of paragraph (2), during the 180-day period beginning on the date on which the Corporation makes an eligible single family property available for sale, the Corporation may sell the property to the household residing in the property, but only if (A) such household was residing in the property at the time notice regarding the property was provided to clearinghouses under paragraph (1), (B) such sale is necessary to avoid the displacement of, and unnecessary hardship to, the resident household, and (C) the resident household intends to occupy the property as a principal residence.".

"(d) RULES GOVERNING DISPOSITION OF ELIGIBLE MULTIFAMILY HOUSING PROPERTIES.—

"(1) NOTICE TO CLEARINGHOUSES.—Within a reasonable period of time after acquiring title to an eligible multifamily housing property, the Corporation shall provide written notice to clearinghouses. Such notice shall contain basic information about the property, including but not limited to location, number of units (identified by number of bedrooms), and information relating to the estimated fair market value of the property.

Each clearinghouse shall make such information available, upon request, to qualifying multifamily purchasers. The Corporation shall allow qualifying multifamily purchasers reasonable access to eligible multifamily housing properties for purposes of inspection.

"(2) EXPRESSION OF SERIOUS INTEREST.—Qualifying multifamily purchasers may give written notice of serious interest in a property during a period ending 90 days after the time the Corporation provides notice under paragraph (1), or until the Corporation determines that a property is ready for sale, whichever occurs first. The notice of serious interest shall be in such form and include such information as the Corporation may prescribe.

"(3) NOTICE OF READINESS FOR SALE.—Upon determining that a property is ready for sale, the Corporation shall provide written notice to any qualifying multifamily purchaser that has expressed serious interest in the property. Such notice shall specify the minimum terms and conditions for sale of the property.

"(4) OFFERS BY QUALIFYING MULTIFAMILY PURCHASERS.—A qualifying multifamily purchaser receiving notice in accordance with paragraph (3) shall have 45 days (from the date notice is received) to make a bona fide offer to purchase the property. The Corporation shall accept an offer that complies with the terms and conditions established by the Corporation.

"(5) EXTENSION OF RESTRICTED OFFER PERIODS.—The Corporation may provide notice to clearinghouses regarding, and offer for sale under the provisions of paragraphs (1) through (4), any eligible multifamily housing property—

"(A) in which no qualifying multifamily purchaser has expressed serious interest during the period referred to in paragraph (2), or

"(B) for which no qualifying multifamily purchaser has made a bona fide offer before the expiration of the period referred to in paragraph (4),

except that the Corporation may, in the discretion of the Corporation, alter the duration of the periods referred to in paragraphs (2) and (4) in offering any property for sale under this paragraph.

"(6) SALE OF MULTIFAMILY PROPERTIES TO OTHER PURCHASERS.—

"(A) TIMING.—If, upon the expiration of the period referred to in paragraph (2), no qualifying multifamily purchaser has expressed serious interest in a property, the Corporation may offer to sell the property, individually or in combination with other properties, to any purchaser.

"(B) LIMITATION ON COMBINATION SALES.—The Corporation may not sell in combination with other properties any property for which a qualifying multifamily purchaser has expressed serious interest in purchasing individually.

"(C) EXPIRATION OF OFFER PERIOD.—If, upon the expiration of the period referred to in paragraph (4), no qualifying multifamily purchaser has made an offer to purchase a property, the Corporation may offer to sell the property, individually or in combination with other properties, to any purchaser.

"(7) LOW-INCOME OCCUPANCY REQUIREMENTS.—

"(A) SINGLE BUILDING PROPERTIES.—With respect to any property consisting of a single building or structure purchased by a qualifying multifamily purchaser under paragraph (4)—

"(i) not less than 35 percent of the dwelling units in the building or structure shall be made available for occupancy by and maintained as affordable for low-income families during the remaining useful life of the building or structure in which the units are located; and

"(ii) not less than 20 percent of the dwelling units in the building or structure shall be made available for occupancy by and maintained as affordable for very low-income families during the remaining useful life of the building or structure in which the units are located.

"(B) AGGREGATION REQUIREMENTS FOR MULTISTRUCTURE PURCHASES.—With respect to any purchase under paragraph (4) by a qualifying multifamily purchaser property involving a property consisting of more than one building or structure or involving more than one property as a part of the same negotiation—

"(i) not less than 40 percent of the aggregate number of dwelling units in all of the buildings or structures of the properties purchased shall be made available for occupancy by and maintained as affordable for low-income families during the remaining useful life of the building or structure in which the units are located;

"(ii) not less than 20 percent of the aggregate number of dwelling units in all of the buildings or structures of the properties shall be made available for occupancy by and maintained as affordable for very low-income families during the remaining useful life of the building or structure in which the units are located; and

"(iii) not less than 10 percent of the dwelling units in each separate building or structure of each property purchased shall be made available for occupancy by and maintained as affordable for low-income families during the remaining useful life of the building or structure in which the units are located.

The requirements of this paragraph shall be contained in the deed or other recorded instrument.

"(8) EXEMPTIONS.—

"(A) CONTINUED OCCUPANCY OF CURRENT RESIDENTS.—No purchaser of an eligible multifamily property may terminate the occupancy of any person residing in the property on the date of purchase for purposes of the meeting low-income occupancy requirement applicable to the property under paragraph (7). The purchaser shall be considered to be in compliance with this subsection if each newly vacant dwelling unit is reserved for low-income occupancy until the low-income occupancy requirement is met.

"(B) FINANCIAL INFEASIBILITY.—The Secretary or the State housing finance agency for the State in which an eligible multifamily housing property is located may temporarily reduce the low-income occupancy requirements applicable to the property under paragraph (7), if the Secretary or such agency determines that an owner's compliance with such requirements is no longer financially feasible. The owner of the property shall make a good-faith effort to return low-income occupancy to the level required under paragraph (7), and the Secretary or the State housing finance agency, as appropriate, shall review the reduction annually to determine whether financial infeasibility continues to exist.

"(e) RENT LIMITATIONS.—

"(1) IN GENERAL.—With respect to properties under paragraph (2), rents charged to tenants for units made available for occupancy by very low-income families shall not exceed 30 percent of the income of a family whose income equals 50 percent of the median income for the area, as determined by the Secretary, with adjustment for family size. Rents charged to tenants for units made available for occupancy by low-income families other than very low-income families shall not exceed 30 percent of the income of a family whose income equals 65 percent of the median income for the area, as determined by the Secretary, with adjustment for family size.

"(2) APPLICABILITY.—The rent limitations under this subsection shall apply to any eligible single family property sold pursuant to subsection (c)(2)(B)(i) and to any eligible multifamily housing property sold pursuant to subsection (d).

"(f) PREFERENCES FOR SALES.—

"(1) IN GENERAL.—In selling any eligible multifamily housing property or combinations of eligible residential properties, the Corporation shall give preference, among substantially similar offers, to the offer that would reserve the highest percentage of dwelling units for occupancy or purchase by very low-income and low-income families and would retain such affordability for the longest term.

"(2) MULTISTRUCTURE PURCHASES.—The Corporation shall give preference, among substantially similar offers made under subsection (d)(4) to purchase an eligible multifamily housing property consisting of more than one building or to purchase more than one such property as a part of the same negotiation, to offers made by purchasers who agree to maintain low-income occupancy in each separate building or structure of each such property purchased in compliance with the levels required for properties under subsection (d)(7)(A).

"(3) DEFINITION OF SUBSTANTIALLY SIMILAR OFFERS.—For purposes of this subsection, a given offer to purchase eligible multifamily housing property or combinations of eligible residential properties shall be considered to be substantially similar to another offer if the purchase price under such given offer is not less than 85 percent and not greater than 115 percent of the purchase price under the other offer.

"(g) FINANCING SALES.—

"(1) ASSISTANCE BY CORPORATION.—

"(A) SALE PRICE.—The Corporation may sell eligible single family property to qualifying households, nonprofit organizations, and public agencies without regard to any minimum sale price. The Corporation shall establish a market value for each eligible multifamily housing property and shall sell such property at the net realizable market value, except that the Corporation may agree to sell eligible multifamily housing property at a price below the net realizable market value to the extent necessary to facilitate an expedited sale of the property and enable a public agency or nonprofit organization to comply with the low-income occupancy requirements applicable to such property under subsection (d)(7).

"(B) PURCHASE LOAN.—The Corporation may provide a loan at market interest rates to any purchaser of eligible residential property for all or a portion of the purchase price, which loan shall be secured by a first or second mortgage on the property. The Corporation may provide the loan at below market interest rates to the extent necessary to facilitate an expedited sale of eligible residential property and permit (i) a low-income family to purchase an eligible single family property under subsection (c), or (ii) a public agency or nonprofit organization to comply with the low-income occupancy requirements applicable to the purchase of an eligible residential property under subsection (c) or (d). The Corporation shall provide loans under this subparagraph in a form permitting sale or transfer of the loan to a subsequent holder.

"(2) ASSISTANCE BY HUD.—The Secretary shall take such action as may be necessary to expedite the processing of applications for assistance under section 202 of the Housing Act of 1959, the United States Housing Act of 1937, title IV of the Stewart B. McKinney Homeless Assistance Act, and the National Housing Act to enable any organization or individual to purchase eligible residential property.

"(3) ASSISTANCE BY FMHA.—The Secretary of Agriculture shall take such action as may be necessary to expedite the processing of applications for assistance under title V of the Housing Act of 1949 to enable any organization or individual to purchase eligible residential property.

"(4) EXCEPTION TO DISPOSITION RULES.—Notwithstanding the requirements under paragraphs (1), (2), (3), (4), (6), and (8) of subsection (d), the Corporation may provide for the disposition of eligible multifamily housing properties as necessary to facilitate purchase of such properties for use in connection with section 202 of the Housing Act of 1959.

"(5) BULK ACQUISITIONS UNDER HOME INVESTMENT PARTNERSHIPS ACT.—

"(A) PURCHASE PRICE.—In providing for bulk acquisition of eligible single family properties by participating jurisdictions for inclusion in affordable housing activities under title II of the Cranston-Gonzalez National Affordable Housing Act, the Corporation shall agree to an amount to be paid for acquisition of such properties. The acquisition price shall include discounts for bulk purchase and for holding of the property such that the acquisition price for each property shall not exceed the fair market value of the property, as valued individually.

"(B) EXEMPTIONS.—To the extent necessary to facilitate sale of properties under this paragraph, the requirements of subsections (c), (f), and (g)(1) shall not apply to such transactions and properties involved in such transactions.

"(C) INVENTORIES.—To facilitate acquisitions by such participating jurisdictions, the Corporation shall provide the participating jurisdictions with inventories of eligible single family properties not less than 4 times each year.

"(h) RULES GOVERNING DISPOSITION OF ELIGIBLE CONDOMINIUM PROPERTY.—

"(1) NOTICE TO CLEARINGHOUSES.—Within a reasonable period of time after acquiring title to an eligible condominium property, the Corporation shall provide written notice to clearinghouses. Such notice shall contain basic information about the property. Each clearinghouse shall make such information available, upon request, to purchasers described in subparagraphs (A) through (D) of paragraph (2). The Corporation shall allow such purchasers reasonable access to an eligible condominium property for purposes of inspection.

"(2) OFFERS TO SELL.—During the 180-day period following the date on which the Corporation makes an eligible condominium property available for sale, the Corporation may offer to sell the property, at the discretion of the Corporation, to 1 or more of the following purchasers:

"(A) Qualifying households.

"(B) Nonprofit organizations.

"(C) Public agencies.

"(D) For-profit entities.

"(3) LOW-INCOME OCCUPANCY REQUIREMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any nonprofit organization, public agency, or for-profit entity that purchases an eligible condominium property shall (i) make the property available for occupancy by and maintain it as affordable for low-income families for the remaining useful life of the property, or (ii) make the property available for purchase by such families. The restriction described in clause (i) of the preceding sentence shall be contained in the deed or other recorded instrument.

"(B) MULTIPLE-UNIT PURCHASES.—If any nonprofit organization, public agency, or for-profit entity purchases more than 1 eligible condominium property as a part of the same negotiation or purchase, the Corporation may (in the discretion of the Corporation) waive the requirement under subparagraph (A) and provide instead that not less than 35 percent of all eligible condominium properties purchased shall be (i) made available for occupancy by and maintained as affordable for low-income families for the remaining useful life of the property, or (ii) made available for purchase by such families. The restriction described clause (i) of the preceding sentence shall be contained in the deed or other recorded instrument.

"(C) SALE TO OTHER PURCHASERS.—If, upon the expiration of the 180-day period referred to in paragraph (2), no purchaser described in subparagraphs (A) through (D) of paragraph (2) has made a bona fide offer to purchase the property, the Corporation may offer to sell the property to any other purchaser.

"(i) COORDINATION WITH OTHER PROGRAMS.—

"(1) USE OF SECONDARY MARKET AGENCIES.—In the disposition of eligible residential properties, the Corporation (in consultation with the Secretary) shall explore opportunities to work with secondary market entities to provide housing for low- and moderate-income families.

"(2) CREDIT ENHANCEMENT.—With respect to such properties, the Secretary may, consistent with statutory authorities, work through the Federal Housing Administration, the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and other secondary market entities to develop risk-sharing structures, mortgage insurance, and other credit enhancements to assist in the provision of property ownership, rental, and cooperative housing opportunities for low- and moderate-income families.

"(3) NATIONAL AFFORDABLE HOUSING ACT.—The Corporation shall coordinate the disposition of eligible residential property under this section with appropriate programs and provisions of, and amendments made by, the Cranston-Gonzalez National Affordable Housing Act, including titles II and IV of such Act.

"(j) EXEMPTION FOR CERTAIN TRANSACTIONS WITH INSURED DEPOSITORY INSTITUTIONS.—The provisions of this section shall not apply with respect to any eligible residential property after the date the Corporation enters into a contract to sell such property to an insured depository institution (as defined in section 3), including any sale in connection with a transfer of all or substantially all of the assets of a closed insured depository institution (including such property) to another insured depository institution.

"(k) EXCEPTION FOR SALES TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—

"(1) SUSPENSION OF OFFER PERIODS.—With respect to any eligible residential property, the Corporation may (in the discretion of the Corporation) suspend any of the requirements of paragraphs (1) and (2) of subsection (c) and paragraphs (1) through (4) of subsection (d), as applicable, but only to the extent that during the duration of the suspension the Corporation negotiates the sale of the property to a nonprofit organization or public agency. If the property is not sold pursuant to such negotiations, the requirements of any provisions suspended shall apply upon the termination of the suspension. Any time period referred to in such subsections shall toll for the duration of any suspension under this paragraph.

"(2) USE RESTRICTIONS.—Any eligible single family property sold under this subsection shall be made available for occupancy by and maintained as affordable for low-income families for the remaining useful life of the property, or made available for purchase by such families. Eligible multifamily housing properties sold under this subsection shall comply with the low-income occupancy requirements under subsection (d)(7).

"(l) LIABILITY PROVISIONS.—

"(1) IN GENERAL.—The provisions of this section, or any failure by the Corporation to comply with such provisions, may not be used by any person to attack or defeat any title to property after it is conveyed by the Corporation.

"(2) LOW-INCOME OCCUPANCY.—The low-income occupancy requirements under subsections (c) and (d) shall be judicially enforceable against purchasers of property under this section and their successors in interest by affected very low- and low-income families, State housing finance agencies, and any agency, corporation, or authority of the United States. The parties specified in the preceding sentence shall be entitled to reasonable attorney fees upon prevailing in any such judicial action.

"(3) CLEARINGHOUSES.—A clearinghouse shall not be subject to suit for its failure to comply with the requirements of this section.

"(4) CORPORATION.—The Corporation shall not be liable to any depositor, creditor, or shareholder of any insured depository institution for which the Corporation has been appointed receiver, or any claimant against such an institution, because the disposition of assets of the institution under this section affects the amount of return from the assets.

"(m) AFFORDABLE HOUSING PROGRAM OFFICE.—The Corporation shall establish an Affordable Housing Program Office within the Corporation to carry out the provisions of this section and shall dedicate certain staff of the Corporation to the office.

"(n) REPORT.—In the annual report submitted by the Secretary to the Congress under section 8 of the Department of Housing and Urban Development Act, the Secretary shall include a detailed description of any activities under this section, including recommendations for any additional authority the Secretary considers necessary to implement the provisions of this section.

"(o) DEFINITIONS.—For purposes of this section:

"(1) CLEARINGHOUSE.—The term 'clearinghouse' means—

"(A) the State housing finance agency for the State in which an eligible residential property is located;

"(B) the Office of Community Investment (or other comparable division) within the Federal Housing Finance Board; and

"(C) any national nonprofit organizations (including any nonprofit entity established by the corporation established under title IX of the Housing and Community Development Act of 1968) that the Corporation determines has the capacity to act as a clearinghouse for information.

"(2) CORPORATION.—The term 'Corporation' means the Federal Deposit Insurance Corporation acting in its corporate capacity or its capacity as receiver.

"(3) ELIGIBLE CONDOMINIUM PROPERTY.—The term 'eligible condominium property' means a condominium unit, as such term is defined in section 604 of the Housing and Community Development Act of 1980—

"(A) to which such Corporation acquires title; and

"(B) that has an appraised value that does not exceed the applicable dollar amount set forth in the first sentence of section 203(b)(2) of the National Housing Act (without regard to any increase of such amount for high cost areas).

"(4) ELIGIBLE MULTIFAMILY HOUSING PROPERTY.—The term 'eligible multifamily housing property' means a property consisting of more than 4 dwelling units—

"(A) to which the Corporation acquires title; and

"(B) that has an appraised value that does not exceed the applicable dollar amount set forth in section 221(d)(3)(ii) of the National Housing Act for elevator-type structures (without regard to any increase of such amount for high-cost areas).

"(5) ELIGIBLE RESIDENTIAL PROPERTY.—The term 'eligible residential property' includes eligible single family properties and eligible multifamily housing properties.

"(6) ELIGIBLE SINGLE FAMILY PROPERTY.—The term 'eligible single family property' means a 1- to 4-family residence (including a manufactured home)—

"(A) to which the Corporation acquires title; and

"(B) that has an appraised value that does not exceed the applicable dollar amount set forth in the first sentence of section 203(b)(2) of the National Housing Act (without regard to any increase of such amount for high-cost areas).

"(7) INCOME.—The term 'income' shall have the meaning given the term in section 3(b) of the United States Housing Act of 1937.

"(8) LOW-INCOME FAMILIES.—The term 'low-income families' means families and individuals whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary, with adjustment for family size.

"(9) NET REALIZABLE MARKET VALUE.—The term 'net realizable market value' means a price below the market value that takes into account (A) any reductions in holding costs resulting from the expedited sale of a property, including foregone real estate taxes, insurance, maintenance costs, security costs, and loss of use of funds, and (B) the avoidance, if applicable, of fees paid to real estate brokers, auctioneers, or other individuals or organizations involved in the sale of property owned by the Corporation.

"(10) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' means a private organization (including a limited equity cooperative)—

"(A) no part of the earnings of which inures to the benefit of any member, shareholder, founder, contributor, or individual; and

"(B) that is approved by the Corporation as to financial responsibility.

"(11) PUBLIC AGENCY.—The term 'public agency' means any Federal, State, local, or other governmental entity, and includes any public housing agency.

"(12) QUALIFYING HOUSEHOLD.—The term 'qualifying household' means a household—

"(A) who intends to occupy eligible single family property as a principal residence;

"(B) who agrees to occupy the property as a principal residence for not less than 12 months (except as provided in subsection (c)(5));

"(C) who certifies in writing that the household intends to occupy the property as a principal residence for not less than 12 months (except as provided in subsection (c)(5)); and

"(D) whose income does not exceed 115 percent of the median income for the area, as determined by the Secretary, with adjustment for family size.

"(13) QUALIFYING MULTIFAMILY PURCHASER.—The term 'qualifying multifamily purchaser' means—

"(A) a public agency;

"(B) a nonprofit organization; or

"(C) a for-profit entity, which makes a commitment (for itself or any related entity) to comply with the low-income occupancy requirements under subsection (d)(7) for any eligible multifamily housing property for which an offer to purchase is made during or after the periods specified under subsection (d).

"(14) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(15) STATE HOUSING FINANCE AGENCY.—The term 'State housing finance agency' means the public agency, authority, corporation, or other instrumentality of a State that has the authority to provide residential mortgage loan financing throughout the State.

"(16) VERY LOW-INCOME FAMILIES.—The term 'very low-income families' means families and individuals whose incomes do not exceed 50 percent of the median income of the area involved, as determined by the Secretary, with adjustment for family size.".

(b) COORDINATION.—The Federal Deposit Insurance Corporation and the Resolution Trust Corporation shall consult and coordinate with each other in carrying out their respective responsibilities under the affordable housing programs under section 42 of the Federal Deposit Insurance Act and section 21A(c) of the Federal Home Loan Bank Act. Such corporations shall develop any procedures, and may enter into any agreements, necessary to provide for the coordinated, efficient, and effective operation of such programs.

(c) CONFORMING AMENDMENTS.—

(1) FEDERAL DEPOSIT INSURANCE ACT.—Section 11(d) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)) is amended—

(A) in paragraph (2)(B), in the matter preceding clause (i), by inserting "(subject to the provisions of section 42)" before the comma; and

(B) in paragraph (2)(E), by inserting "(subject to the provisions of section 42)" before the first comma.

(2) HOUSING ACT OF 1959.—Section 202(h)(2) of the Housing Act of 1959 (12 U.S.C. 1701q(h)(2)), as amended by section 801(a) of the Cranston-Gonzalez National Affordable Housing Act, is amended by inserting "or from the Federal Deposit Insurance Corporation under section 42 of the Federal Deposit Insurance Act" after "Federal Home Loan Bank Act".

TITLE IV—MISCELLANEOUS PROVISIONS

Subtitle A—Payment System Risk Reduction

SEC. 401. FINDINGS AND PURPOSE.

The Congress finds that—

(1) many financial institutions engage daily in thousands of transactions with other financial institutions directly and through clearing organizations;

(2) the efficient processing of such transactions is essential to a smoothly functioning economy;

(3) such transactions can be processed most efficiently if, consistent with applicable contractual terms, obligations among financial institutions are netted;

(4) such netting procedures would reduce the systemic risk within the banking system and financial markets; and

(5) the effectiveness of such netting procedures can be assured only if they are recognized as valid and legally binding in the event of the closing of a financial institution participating in the netting procedures.

SEC. 402. DEFINITIONS.

For purposes of this subtitle—

(1) BROKER OR DEALER.—The term "broker or dealer" means any company that is registered or licensed under Federal or State law to engage in the business of brokering, underwriting, or dealing in securities in the United States.

(2) CLEARING ORGANIZATION.—The term "clearing organization" means a clearinghouse, clearing association, clearing corporation, or similar organization—

(A) that provides clearing, netting, or settlement services for its members and—

(i) in which all members other than the clearing organization itself are financial institutions or other clearing organizations; or

(ii) which is registered as a clearing agency under the Securities Exchange Act of 1934; or

(B) that performs clearing functions for a contract market designated pursuant to the Commodity Exchange Act.

(3) COVERED CLEARING OBLIGATION.—The term "covered clearing obligation" means an obligation of a member of a clearing organization to make payment to another member of a clearing organization, subject to a netting contract.

(4) COVERED CONTRACTUAL PAYMENT ENTITLEMENT.—The term "covered contractual payment entitlement" means—

(A) an entitlement of a financial institution to receive a payment, subject to a netting contract from another financial institution; and

(B) an entitlement of a member of a clearing organization to receive payment, subject to a netting contract, from another member of a clearing organization of a covered clearing obligation.

(5) COVERED CONTRACTUAL PAYMENT OBLIGATION.—The term "covered contractual payment obligation" means—

(A) an obligation of a financial institution to make payment, subject to a netting contract to another financial institution; and

(B) a covered clearing obligation.

(6) DEPOSITORY INSTITUTION.—The term "depository institution" means—

(A) a depository institution as defined in section 19(b)(1)(A) of the Federal Reserve Act (other than clause (vii));

(B) a branch or agency as defined in section 1(b) of the International Banking Act of 1978;

(C) a corporation chartered under section 25(a) of the Federal Reserve Act; or

(D) a corporation having an agreement or undertaking with the Board of Governors of the Federal Reserve System under section 25 of the Federal Reserve Act.

(7) FAILED FINANCIAL INSTITUTION.—The term "failed financial institution" means a financial institution that—

(A) fails to satisfy a covered contractual payment obligation when due;

(B) has commenced or had commenced against it insolvency, liquidation, reorganization, receivership (including the appointment of a receiver), conservatorship, or similar proceedings; or

(C) has generally ceased to meet its obligations when due.

(8) FAILED MEMBER.—The term "failed member" means any member that—

(A) fails to satisfy a covered clearing obligation when due,

(B) has commenced or had commenced against it insolvency, liquidation, reorganization, receivership (including the appointment of a receiver), conservatorship, or similar proceedings, or

(C) has generally ceased to meet its obligations when due.

(9) FINANCIAL INSTITUTION.—The term "financial institution" means a broker or dealer, a depository institution, a futures commission merchant, or any other institution as determined by the Board of Governors of the Federal Reserve System.

(10) FUTURES COMMISSION MERCHANT.—The term "futures commission merchant" means a company that is registered or licensed under Federal law to engage in the business of selling futures and options in commodities.

(11) MEMBER.—The term "member" means a member of or participant in a clearing organization, and includes the clearing organization.

(12) NET ENTITLEMENT.—The term "net entitlement" means the amount by which the covered contractual payment entitlements of a financial institution or member exceeds the covered contractual payment obligations of the institution or member after netting under a netting contract.

(13) NET OBLIGATION.—The term "net obligation" means the amount by which the covered contractual payment obligations of a financial institution or member exceeds the covered contractual payment entitlements of the institution or member after netting under a netting contract.

(14) NETTING CONTRACT.—

(A) IN GENERAL.—The term "netting contract"—

(i) means a contract or agreement between 2 or more financial institutions or members, that—

(I) is governed by the laws of the United States, any State, or any political subdivision of any State, and

(II) provides for netting present or future payment obligations or payment entitlements (including liquidation or close-out values relating to the obligations or entitlements) among the parties to the agreement; and

(ii) includes the rules of a clearing organization.

(B) INVALID CONTRACTS NOT INCLUDED.—The term "netting contract" does not include any contract or agreement that is invalid under or precluded by Federal commodities law.

SEC. 403. BILATERAL NETTING.

(a) GENERAL RULE.—Notwithstanding any other provision of law, the covered contractual payment obligations and the covered contractual payment entitlements between any 2 financial institutions shall be netted in accordance with, and subject to the conditions of, the terms of any applicable netting contract.

(b) LIMITATION ON OBLIGATION TO MAKE PAYMENT.—The only obligation, if any, of a financial institution to make payment with respect to covered contractual payment obligations to another financial institution shall be equal to its net obligation to such other financial institution, and no such obligation shall exist if there is no net obligation.

(c) LIMITATION ON RIGHT TO RECEIVE PAYMENT.—The only right, if any, of a financial institution to receive payments with respect to covered contractual payment entitlements from another financial institution shall be equal to its net entitlement with respect to such other financial institution, and no such right shall exist if there is no net entitlement.

(d) PAYMENT OF NET ENTITLEMENT OF FAILED FINANCIAL INSTITUTION.—The net entitlement of any failed financial institution, if any, shall be paid to the failed financial institution in accordance with, and subject to the conditions of, the applicable netting contract.

(e) EFFECTIVENESS NOTWITHSTANDING STATUS AS FINANCIAL INSTITUTION.—This section shall be given effect notwithstanding that a financial institution is a failed financial institution.

SEC. 404. CLEARING ORGANIZATION NETTING.

(a) GENERAL NETTING RULE.—Notwithstanding any other provision of law, the covered contractual payment obligations and covered contractual payment entitlements of a member of a clearing organization to and from all other members of a clearing organization shall be netted in accordance with and subject to the conditions of any applicable netting contract.

(b) LIMITATION OF OBLIGATION TO MAKE PAYMENT.—The only obligation, if any, of a member of a clearing organization to make payment with respect to covered contractual payment obligations arising under a single netting contract to any other member of a clearing organization shall be equal to its net obligation arising under that netting contract, and no such obligation shall exist if there is no net obligation.

(c) LIMITATION ON RIGHT TO RECEIVE PAYMENT.—The only right, if any, of a member of a clearing organization to receive payment with respect to a covered contractual payment entitlement arising under a single netting contract from other members of a clearing organization shall be equal to its net entitlement arising under that netting contract, and no such right shall exist if there is no net entitlement.

(d) ENTITLEMENT OF FAILED MEMBERS.—The net entitlement, if any, of any failed member of a clearing organization shall be paid to the failed member in accordance with, and subject to the conditions of, the applicable netting contract.

(e) OBLIGATIONS OF FAILED MEMBERS.—The net obligation, if any, of any failed member of a clearing organization shall be determined in accordance with, and subject to the conditions of, the applicable netting contract.

(f) LIMITATION ON CLAIMS FOR ENTITLEMENT.—A failed member of a clearing organization shall have no recognizable claim against any member of a clearing organization for any amount based on such covered contractual payment entitlements other than its net entitlement.

(g) EFFECTIVENESS NOTWITHSTANDING STATUS AS MEMBER.—This section shall be given effect notwithstanding that a member is a failed member.

SEC. 405. PREEMPTION.

No stay, injunction, avoidance, moratorium, or similar proceeding or order, whether issued or granted by a court, administrative agency, or otherwise, shall limit or delay application of otherwise enforceable netting contracts in accordance with sections 403 and 404.

SEC. 406. RELATIONSHIP TO OTHER PAYMENTS SYSTEMS.

This subtitle shall have no effect by implication or otherwise on the validity or legal enforceability of a netting arrangement of any payment system which is not subject to this subtitle.

Subtitle B—Right to Financial Privacy Act of 1978

SEC. 411. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT OF 1978.

The Right to Financial Privacy Act of 1978 is amended—

(1) in section 1112(f)(2) (12 U.S.C. 3412(f)(2))—

(A) by inserting "for civil actions under section 951 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, or for forfeiture under sections 981 or 982 of title 18, United States Code" after "purposes"; and

(B) by adding at the end the following new sentence: "No agency or department so transferring such records shall be deemed to have waived any privilege applicable to those records under law.";

(2) in section 1113(h)(1)(A) (12 U.S.C. 3413(h)(1)(A)), by striking "the financial institution in possession of such records" and inserting "a financial institution (whether or not such proceeding, investigation, examination, or inspection is also directed at a customer)";

(3) in section 1113(h)(4) (12 U.S.C. 3413(h)(4)) by striking "the financial institution in possession of such records" and inserting "a financial institution (whether or not such proceeding, investigation, examination, or inspection is also directed at a customer)"; and

(4) in section 1113(l) (12 U.S.C. 3413(l)), by adding after paragraph (2) the following new sentence:

"No supervisory agency which transfers any such record under this subsection shall be deemed to have waived any privilege applicable to that record under law.".

Subtitle C—Final Settlement Payment Procedure

SEC. 421. FINAL SETTLEMENT PAYMENT PROCEDURE.

Section 11(d)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)) is amended to read as follows:

"(4) RULEMAKING AUTHORITY RELATING TO DETERMINATION OF CLAIMS.—

"(A) IN GENERAL.—The Corporation may prescribe regulations regarding the allowance or disallowance of claims by the receiver and providing for administrative determinations of claims and review of such determination.

"(B) FINAL SETTLEMENT PAYMENT PROCEDURE.—

"(i) IN GENERAL.—In the handling of receiverships of insured depository institutions, to maintain essential liquidity and to prevent financial disruption, the Corporation may, after the declaration of an institution's insolvency, settle all uninsured and unsecured claims on the receivership with a final settlement payment which shall constitute full payment and disposition of the Corporation's obligations to such claimants.

"(ii) FINAL SETTLEMENT PAYMENT.—For purposes of clause (i), a final settlement payment shall be payment of an amount equal to the product of the final settlement payment rate and the amount of the uninsured and unsecured claim on the receivership; and

"(iii) FINAL SETTLEMENT PAYMENT RATE.—For purposes of clause (ii), the final settlement payment rate shall be a percentage rate reflecting an average of the Corporation's receivership recovery experience, determined by the Corporation in such a way that over such time period as the Corporation may deem appropriate, the Corporation in total will receive no more or less than it would have received in total as a general creditor standing in the place of insured depositors in each specific receivership.

"(iv) CORPORATION AUTHORITY.—The Corporation may undertake such supervisory actions and promulgate such regulations as may be necessary to assure that the requirements of this section can be implemented with respect to each insured depository institution in the event of its insolvency.".

Subtitle D—Miscellaneous Committees, Studies, and Reports

SEC. 431. COMMISSION ON THE THRIFT INDUSTRY.

(a) ESTABLISHMENT OF COMMISSION.—There is hereby established a Commission to be known as the Commission on the Thrift Industry (hereinafter in this section referred to as the "Commission").

(b) MEMBERSHIP OF COMMISSION.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 8 members appointed not later than 90 days after the date of the enactment of this Act. The members shall be appointed as follows:

(A) 2 citizens of the United States, appointed by the President.

(B) 2 citizens of the United States, appointed by the President pro tempore of the Senate upon the recommendation of the majority leader of the Senate.

(C) 1 citizen of the United States, appointed by the President pro tempore of the Senate upon the recommendation of the minority leader of the Senate.

(D) 2 citizens of the United States, appointed by the Speaker of the House of Representatives upon the recommendation of the majority leader of the House of Representatives.

(E) 1 citizen of the United States, appointed by the Speaker of the House of Representatives upon the recommendation of the minority leader of the House of Representatives.

(2) ADDITIONAL QUALIFICATIONS.—

(A) IN GENERAL.—Members of the Commission who are appointed under any subparagraph of paragraph (1) other than subparagraph (A) and are not Members of the Congress shall be appointed from among individuals who are specially qualified to serve on the Commission by virtue of their education, training, or experience.

(B) LIMITATION.—Of the total number of the members of the Commission who are described in subparagraph (A), not more than 2 such members may be, at the time of any such member's appointment and during any such member's service on the Commission—

(i) a director, officer, or employee of any Federal or State agency or instrumentality with supervisory or regulatory authority over any savings association;

(ii) a director, officer, employee, or agent of any trade association which represents any savings association; and

(iii) a director, officer, employee, or agent of any consumer organizations.

(3) TERMS.—Members shall be appointed for the life of the Commission.

(4) CHAIRPERSON.—The Commission shall elect a Chairperson from among the members of the Commission.

(5) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(6) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(7) VACANCIES.—No vacancy on the Commission shall affect the powers of the Commission and any such vacancy shall be filled in the manner in which the original appointment was made.

(8) COMPENSATION AND EXPENSES.—

(A) NO BASIC PAY.—Except as provided in subparagraph (B), members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(B) PER DIEM AND TRAVEL EXPENSES.—Members of the Commission who are appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of substance, as authorized by law for persons serving intermittently in the government service to the extent that funds are available for such expenses.

(9) MEETINGS.—The Commission shall meet at the call of the Chairperson or a majority of the members.

(c) FUNCTIONS OF COMMISSION.—

(1) CONTENTS AND SPECIFIC RECOMMENDATIONS.—The Commission shall conduct an investigation and evaluation of and shall report and make recommendations on the future status of the thrift industry.

(2) ISSUES TO BE CONSIDERED.—Pursuant to its responsibilities under this section the Commission shall consider the following issues:

(A) The continued economic viability of savings associations, including the impact of the regulatory limits on safety and soundness.

(B) Obstacles and issues related to the conversion of savings associations to banks.

(C) The appropriateness and viability of a separate system of depository institutions dedicated to financing housing production.

(D) The appropriate role of community based financial institutions.

(E) The effectiveness and impact of the Qualified Thrift Lender Test.

(F) The status and role of the regional Federal home loan banks.

(G) The commercial ownership of savings associations.

(H) The merger of the Bank Insurance Fund and Savings Association Insurance Fund within the context of savings association conversion to bank status.

(I) The merger of regulators and regulations.

(J) The service provided to low- and moderate-income consumers and neighborhoods.

(K) The impact on the construction and sale of affordable housing.

(3) FINAL REPORT.—

(A) REPORT REQUIRED.—Not later than the end of the 2-year period beginning on the date of the enactment of this Act, the Commission shall submit to the President, the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate, a final report which contains a detailed statement of the findings and conclusions of the Commission, including such recommendations for administrative and legislative action as the Commission determines to be appropriate.

(B) MAJORITY VOTE.—A recommendation may be made by the Commission to the President and to the Congress only if it is adopted by a majority vote of the members of the Commission.

(C) ADDITIONAL, DISSENTING, AND SUPPLEMENTAL VIEWS.—The report required under subparagraph (A) shall contain any additional, dissenting, or supplemental views of any member of the Commission.

(d) POWERS OF COMMISSION.—

(1) HEARINGS.—The Commission may hold such hearings and sit and act at such times and places as the Commission may find advisable.

(2) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of operations, organizations, and personnel.

(3) ASSISTANCE FROM FEDERAL AGENCIES.—

(A) INFORMATION.—The Commission may request from the head of any Federal agency or instrumentality such information as the Commission may require for the purpose of this section. Each such agency or instrumentality shall furnish such information to the Commission, upon request made by the Chairperson of the Commission.

(B) ADMINISTRATIVE SUPPORT SERVICES AND PERSONNEL.—Upon request of the Chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head—

(i) make any of the facilities and services of such agency or instrumentality available to the Commission; and

(ii) detail any of the personnel of such agency or instrumentality to the Commission, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this section, except that any expenses of the Commission incurred under this clause shall be subject to the limitation on total expenses set forth in subsection (e)(2).

(4) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(5) CONTRACTING.—The Commission may, to such extent and in such amounts as provided in advance in appropriation Acts, enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge its duties under this section, subject to the limitation on total expenses set forth in subsection (e)(2).

(6) STAFF.—

(A) IN GENERAL.—Subject to such rules and regulations as may be adopted by the Commission and the limitation on total expenses set forth in subsection (e)(2), the Chairperson of the Commission may appoint, terminate, and fix the compensation of an executive director and such additional staff as the Chairperson deems advisable to assist the Commission.

(B) PAY RATES.—Individuals appointed under subparagraph (A) may be paid at rates not to exceed a rate equal to the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code.

(C) CERTAIN PROVISIONS OF TITLE 5, UNITED STATES CODE, NOT APPLICABLE.—Appointments may be made under subparagraph (A) without regard to—

(i) provisions of title 5, United States Code, concerning appointments in the competitive service, and

(ii) provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law relating to number, classification, and General Schedule rates.

(7) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee under the Federal Advisory Committee Act.

(e) EXPENSES OF COMMISSION.—

(1) IN GENERAL.—Any expense of the Commission shall be paid from such funds as may

be available to the Secretary of the Treasury.

(2) LIMITATION.—The total expenses of the Commission shall not exceed $500,000.

(3) GAO AUDIT.—Prior to the termination of the Commission pursuant to subsection (f), the Comptroller General of the United States shall conduct an audit of the financial books and record of the Commission to determine that the limitation on expenses under paragraph (2) has not been exceeded, and shall include its determination in an opinion to be included in the report of the Commission.

(f) TERMINATION OF COMMISSION.—The Commission shall cease to exist on the date that is 30 days after the date on which the Commission submits the report required under subsection (c)(3).

SEC. 432. BANK INSURANCE FUND ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is hereby established the Bank Insurance Fund Advisory Committee (hereinafter in this section referred to as the "Committee").

(b) MEMBERSHIP.—The Committee shall consist of 12 members, appointed as follows:

(1) 1 member shall be elected from each administrative district of the Federal Deposit Insurance Corporation (hereinafter in this section referred to as the "Corporation") by banks headquartered in that district from among individuals residing therein who are officers of banks that are Bank Insurance Fund members.

(2) 4 members appointed by the Corporation from among individuals who shall represent the public interest.

(c) VACANCIES.—Any vacancy on the Committee shall be filled in the same manner in which the original appointment was made.

(d) PAY AND EXPENSES.—Members of the Committee shall serve without pay, but each member shall be reimbursed, in such manner as the Corporation shall prescribe by regulation, for expenses incurred in connection with attendance of such members at meetings of the Committee.

(e) TERMS.—Members shall be appointed or elected for terms of 1 year.

(f) AUTHORITY OF THE COMMITTEE.—The Committee may—

(1) select its Chairperson, Vice Chairperson, and Secretary,

(2) adopt methods of procedure,

(3) confer with the Board of Directors on general and specific business conditions and regulatory and other matters affecting banks that are members of the Bank Insurance Fund, and

(4) request information and make recommendations with respect to matters within the jurisdiction of the Corporation and specifically with regard to the sources and uses of funds raised under sections 7 and 14 of the Federal Deposit Insurance Act.

(g) MEETINGS.—The Committee shall meet 4 times each year, and more frequently if requested by the Corporation.

(h) REPORTS.—The Committee shall submit by March 31 of each year a written report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs of the Senate. Such report shall describe the activities of the Committee for the preceding year and contain such recommendations as the Committee considers appropriate.

(i) PROVISION OF STAFF AND OTHER RESOURCES.—The Corporation shall provide the Committee with the use of such resources, including staff, as the Committee reasonably shall require to carry out its duties, including the preparation and submission of reports to the Congress, under this section.

(j) FEDERAL ADVISORY COMMITTEE ACT DOES NOT APPLY.—The Federal Advisory Committee Act shall not apply to the Committee.

SEC. 433. AMENDMENTS RELATING TO FEDERAL RESERVE BOARD RESERVE REQUIREMENTS.

(a) STUDY ON PAYMENT OF IMPUTED EARNINGS ON STERILE RESERVES TO INSURANCE FUNDS.—The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, and the National Credit Union Administration shall jointly—

(1) conduct a study on the feasibility of assessing Federal Reserve banks an amount equal to the imputed earnings on reserves held at such bank by insured depository institutions under section 19(b) of the Federal Reserve Act; and

(2) assess the likely beneficial and adverse effects such an assessment would have on the Federal reserve banks, the deposit insurance funds, the insured depository institutions, and the Federal payment system, including a comparison of the effects on each such subject of the study.

(b) REPORT TO CONGRESS.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, and the National Credit Union Administration shall jointly submit a report to the Congress on the findings and conclusions made with respect to the study under subsection (a), together with any recommendation for any legislative or administrative action which such agencies may determine to be appropriate.

(c) REPORT OF DISSENTING VIEWS.—Any agency described in subsections (a) and (b) which does not concur in the findings, conclusions, or recommendations referred to in subsection (b) or has additional findings, conclusions, or recommendations which were not included in the report may submit a report to the Congress describing—

(1) the reasons why the agency does not concur in the findings, conclusions, or recommendations referred to in subsection (b); and

(2) such additional findings, conclusions, or recommendations.

SEC. 434. DEPOSITORY INSTITUTIONS REFORM ADVISORY COMMITTEE.

(a) PURPOSE.—The purpose of this section is to establish a committee—

(1) to study the current system of regulation and supervision of financial institutions; and

(2) to make recommendations to—

(A) improve the system's ability to ensure the safe and sound operation of depository institutions; and

(B) minimize losses to the deposit insurance funds.

(b) ESTABLISHMENT.—There is hereby established the Depository Institutions Reform Advisory Committee (hereafter in this section referred to as the "Committee").

(c) MEMBERSHIP.—

(1) APPOINTMENT.—Subject to paragraphs (2) and (3), the Committee shall consist of 16 members as follows:

(A) 4 members of the public appointed by the Speaker of the House of Representatives.

(B) 4 members of the public appointed by the Majority Leader of the Senate.

(C) 8 members of the public appointed by the President, 1 of whom shall be designated by the President to be the Chairperson of the Committee.

(2) QUALIFICATION OF MEMBERS.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), members of the Committee shall be appointed from among individuals who are citizens of the United States and are specially qualified to serve on the Committee by virtue of their education, training, or experience with the depository institutions industry.

(B) INELIGIBILITY OF INDIVIDUALS HOLDING CERTAIN POSITIONS.—No individual may be appointed to the Committee who—

(i) holds any position to which such individual was appointed by the President; or

(ii) is an institution-affiliated party (as defined in section 3 of the Federal Depository Insurance Act) with respect to any depository institution.

(C) CONSUMERS AND ACADEMICS.—At least 2 of the members appointed under paragraph (1)(A), 2 of the members appointed under paragraph (1)(B), and 2 of the members appointed under paragraph (1)(C) shall be appointed from among individuals who are representatives of consumer organizations or who hold teaching positions at postsecondary educational institutions.

(3) POLITICAL AFFILIATION.—Not more than 8 members of the Committee shall be members of the same political party.

(4) PAY AND EXPENSES.—Members of the Committee shall serve without pay but each member of the Committee shall be reimbursed for expenses incurred in connection with attendance of such members at meetings of the Committee.

(5) MEETINGS.—The Committee shall meet, not less frequently than monthly, at the call of the Chairperson or a majority of the members.

(d) RESOURCES AND STAFF.—The Federal Deposit Insurance Corporation shall provide the Committee with all resources, including staff, offices, or equipment, as the Committee may require to carry out its duties.

(e) INFORMATION.—

(1) IN GENERAL.—The Committee may secure directly from any appropriate Federal banking agency or the Securities and Exchange Commission any information that the Committee deems necessary to enable it to carry out this section.

(2) AVAILABILITY UPON REQUEST OF CHAIRPERSON.—Upon request of the Chairperson of the Committee, the head of an appropriate Federal banking agency or of the Securities and Exchange Commission shall furnish the information to the Committee unless specifically prohibited by law.

(f) CONFLICT-OF-INTEREST AND CONFIDENTIALITY GUIDELINES.—The Committee shall prescribe guidelines to avoid—

(1) conflicts of interest with respect to the disclosure to, and use or release by, members of the Committee of any information relating to any depository or other financial institution or appropriate Federal banking agency; and

(2) the release of nonpublic information relating to depository or other financial institutions to which members may have access.

(g) DEFINITIONS.—For purposes of this section, any term used in this section which is defined in section 3 of the Federal Deposit Insurance Act shall have the meaning given such term in such section, except that the term "depository institution" includes any depository institution holding company (as defined in such section).

(h) DUTIES OF THE COMMITTEE.—

(1) IN GENERAL.—The Committee shall study and include in the report required under subsection (i) recommendations for changes in the regulation and supervision of depository institutions in order to ensure their safety and soundness and to minimize losses to the deposit insurance funds.

(2) EVALUATION OF SPECIFIC FACTORS.—The study shall include an evaluation of the ability of the appropriate Federal banking agencies to—

(A) identify risks associated with new or existing complex activities or products of depository institutions;

(B) identify and monitor transactions between a depository institution and its affiliates, and to assess and control potential risks arising from these transactions;

(C) attract and retain supervisory, examiner, and legal staff with the qualifications, training, and experience necessary to ensure safe and sound depository institutions;

(D) detect and control conflicts of interest arising in depository institutions;

(E) anticipate and rapidly respond to changes in the depository institutions environment; and

(F) improve operations by using private contractors to assist with examinations or other aspects of supervision.

(i) FINAL REPORT.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Committee shall submit to the President, each House of Congress, each appropriate Federal banking agency, and the Securities and Exchange Commission a report containing the findings of the Committee and such recommendations as the Committee may determine to be appropriate, including any specific proposal for legislative or administrative action.

(j) TERMINATION.—The Committee shall cease to exist as of the end of the 60-day period beginning on the date on which the Committee submits the final report under subsection (i).

SEC. 435. REPORT ON GOVERNMENT CHECK CASHING.

Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Congress a report on the effects, on insured depository institutions that serve client bases that have a disproportionately high number of persons that receive Federal Government checks, of requiring those institutions to cash those checks.

SEC. 436. PERMANENT AUTHORIZATION OF CREDIT STANDARDS BOARD.

(a) IN GENERAL.—Section 1205 of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1818 note) is amended by adding at the end the following new subsection:

"(f) FEDERAL ADVISORY COMMITTEE ACT DOES NOT APPLY.—The Federal Advisory Committee Act shall not apply with respect to the Committee.".

Subtitle E—Utilization of Private Sector

SEC. 441. UTILIZATION OF PRIVATE SECTOR.

Section 11(d)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)(2)) is amended by adding at the end the following new subparagraph:

"(K) UTILIZATION OF PRIVATE SECTOR.—In carrying out its responsibilities in the management and disposition of assets from insured depository institutions, as conservator, receiver, or in its corporate capacity, the Corporation shall utilize the services of private persons, including real estate and loan portfolio asset management, property management, auction marketing, and brokerage services, if such services are available in the private sector and the Corporation determines utilization of such services is practicable and efficient.".

SEC. 442. REPORTING.

Section 17 of the Federal Deposit Insurance Act (12 U.S.C. 1827) is amended by adding at the end the following new subsection:

"(h) ADDITIONAL REPORTS.—

"(1) In addition to the reports required under subsections (a), (b), and (c), the Corporation shall submit to Congress not later than April 30 and October 31 of each year, a semiannual report on the activities and efforts of the Corporation for the 6-month period ending on the last day of the month prior to the month in which such report is required to be submitted.

"(2) CONTENTS OF REPORT.—Each semiannual report required under this subsection shall include the following information with respect to the Corporation's assets and liabilities and the assets and liabilities of institutions for which the Corporation serves as a conservator or receiver:

"(A) A statement of the total book value of all assets held or managed by the Corporation at the beginning and end of the reporting period.

"(B) A statement of the total book value of such assets which are under contract to be managed by private persons and entities at the beginning and end of the reporting period.

"(C) The number of employees of the Corporation at the beginning and end of the reporting period.

"(D) The total amounts expended on employee wages, salaries, and overhead, during the reporting period which are attributable to—

"(i) contracting with, supervising, or reviewing the performance of private contractors, or

"(ii) managing or disposing of such assets.

"(E) A statement of the total amount expended on private contractors for the management of such assets.

"(F) A statement of the efforts of the Corporation to maximize the efficient utilization of the resources of the private sector during the reporting period and in future reporting periods and a description of the policies and procedures adopted to ensure adequate competition and fair and consistent treatment of qualified third parties seeking to provide services to the Corporation.".

SEC. 443. REQUIREMENT TO MINIMIZE PAYMENTS FOR LEGAL SERVICES.

The Federal Deposit Insurance Corporation and the Resolution Trust Corporation shall adopt and follow procedures with respect to contracts for legal, accounting, and investment banking services to assure that, to the extent reasonably practicable—

(1) the costs of such services are minimized, and

(2) there is a sufficiently representative distribution—

(A) geographically, and

(B) in terms of size of firms providing such service and contracts awarded for such services.

Subtitle F—Emergency Assistance for Rhode Island

SEC. 451. EMERGENCY LOAN GUARANTEE.

(a) IN GENERAL.—

(1) PROVISION FOR GUARANTEE.—Subject to the terms and conditions established by or under this subsection, the Secretary of the Treasury shall guarantee the repayment of any amount not to exceed $180,000,000 borrowed by the State of Rhode Island and Providence Plantations (hereafter in this section referred to as the "State of Rhode Island"), or the Depositors Economic Protection Corporation established by such State, to expedite the repayment of depositors at State-chartered banks and credit unions in receivership in such State and facilitate the resolution of such receiverships.

(2) LOAN COLLATERAL REQUIRED AS CONDITION FOR GUARANTEE.—The Secretary of the Treasury may not guarantee the repayment of any amount under paragraph (1) unless the amount of any loan for which the guarantee is sought is fully secured as follows:

(A) A first lien on assets held or controlled by the Depositors Economic Protection Corporation and the proceeds from the sale of such assets, are irrevocably pledged to the extent necessary to provide collateral for the guarantee.

(B) If the lien and assets described in subparagraph (A) are insufficient to fully secure the guarantee, then a first lien on any assets held or controlled by the State of Rhode Island or any instrumentality of the State of Rhode Island and the proceeds from the sale of such assets, are irrevocably pledged to the extent necessary to provide collateral for the guarantee.

(C) If the liens and assets described in subparagraphs (A) and (B) are insufficient to fully secure the guarantee, then any revenue from the State sales tax which is dedicated to the Depositors Economic Protection Corporation under the law of the State of Rhode Island in excess of the amount necessary to pay principal and interest on any obligation of the State or the Corporation issued before the date of the loan, is irrevocably dedicated to the extent necessary to provide collateral for the guarantee.

(3) GUARANTEE FEES.—The Secretary may assess and collect with respect to loans guaranteed under this subsection an annual guarantee fee computed daily at a rate which may not exceed one-half of 1 percent of the outstanding principal amount of the guaranteed loan.

(4) PLEDGE OF CERTAIN INCOME FOR REPAYMENT.—The Secretary may not guarantee under this section the repayment of any loan proposed to be made to the Depositors Economic Protection Corporation unless, for each fiscal year of the Depositors Economic Protection Corporation, all rents, issues, profits, products, proceeds, revenues, and other income (including insurance proceeds and condemnation awards) received by the Corporation from, or attributable to, the assets pledged to the United States in accordance with this subsection, in excess of the amount necessary to pay the interest, or principal and interest, on any loan to the Corporation guaranteed under paragraph (1) that is payable in such fiscal year, are irrevocably pledged to be deposited into a sinking fund or defeasance fund maintained by the Corporation and are irrevocably pledged and dedicated to the repayment of the principal of such guaranteed loan in the inverse order of the maturity of such principal installments.

(5) INVESTMENT GRADE RATING.—The Secretary may not guarantee under this section the repayment of any loan proposed to be made to the Depositors Economic Protection Corporation unless—

(A) each such proposed loan has received from a nationally recognized statistical rating organization a rating (for purposes of which the collateral securing the guarantee is considered to be securing the loan) of either the highest investment grade rating or not less than 1 less than the highest investment grade rating; or

(B) if no such rating is issued, the Secretary determines that the collateral securing the guarantee is sufficient so as to pose no risk of loss to the Federal government.

(6) TERMS.—

(A) IN GENERAL.—The guarantee provided for in this subsection shall be with respect to a loan which—

(i) is made not more than 1 year after the date of enactment of this Act;

(ii) will mature not later than 10 years after the date of such loan; and

(iii) is scheduled to be repaid in equal installments of principal during the last 5 years of the repayment term of such loan.

(B) AUTHORITY TO VARY TIME PERIODS.—The Secretary and the duly authorized representative of the State of Rhode Island may, by mutual agreement, modify any durational requirement specified in subparagraph (A).

(7) ADDITIONAL TERMS AND CONDITIONS.—Except as otherwise provided in this subsection, the terms and conditions of any loan guarantee under this section shall be established by mutual agreement of the Secretary of the Treasury and the duly authorized representative of the State of Rhode Island.

(b) APPROPRIATION OF AMOUNTS.—There are hereby appropriated to the Secretary of the Treasury such sums as may be necessary for any fiscal year to meet the obligation of the United States under subsection (a)(1).

(c) DESIGNATION OF PROVISIONS AS EMERGENCY REQUIREMENTS.—Each provision of this section is hereby designated as an emergency requirement for purposes of sections 252(e) and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985, and the President is hereby deemed to have designated each such provision as an emergency requirement for purposes of such section.

Subtitle G—Qualified Thrift Lender Test Improvements

SEC. 461. SHORT TITLE.

This subtitle may be cited as the "Qualified Thrift Lender Reform Act of 1991".

SEC. 462. ADJUSTMENT OF COMPLIANCE PERIODS FOR PURPOSES OF QUALIFIED THRIFT LENDER TEST.

Section 10(m)(1)(B) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(1)(B)) (as in effect on July 1, 1991) is amended to read as follows:

"(B) the savings association's qualified thrift investments continue to equal or exceed 70 percent of the savings association's portfolio assets on a monthly average basis in 9 out of every 12 months.".

SEC. 463. INCREASE IN AMOUNT OF LIQUID ASSETS EXCLUDABLE FROM PORTFOLIO ASSETS.

Section 10(m)(4)(B)(iii) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(B)(iii)) (as in effect on July 1, 1991) is amended by striking "10 percent" and inserting "20 percent".

SEC. 464. ADDITIONAL INVESTMENTS INCLUDED IN DEFINITION OF QUALIFIED THRIFT ASSETS.

Section 10(m)(4)(C) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(C)) (as in effect on July 1, 1991) is amended—

(1) by adding at the end of clause (ii) the following new subclause:

"(VI) Shares of stock issued by any Federal home loan bank."; and

(2) by adding at the end of clause (iii) the following new subclause:

"(VII) Shares of stock issued by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.".

SEC. 465. PRUDENT DIVERSIFICATION OF ASSETS.

(a) IN GENERAL.—Section 10(m)(4)(C)(iii)(VI) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(C)(iii)(VI)) (as in effect on July 1, 1991) is amended by striking "5 percent" and inserting "10 percent".

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 10(m)(4)(C)(iv) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(C)(iv)) (as in effect on July 1, 1991) is amended by striking "15 percent" and inserting "20 percent".

SEC. 466. CONSUMER LENDING BY FEDERAL SAVINGS ASSOCIATIONS.

The 2d sentence of section 5(c)(2)(D) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(2)(D)) is amended by striking "30 percent" and inserting "35 percent".

Subtitle H—Prohibition on Entering Secrecy Agreements and Protective Orders

SEC. 471. PROHIBITION ON ENTERING INTO SECRECY AGREEMENTS AND PROTECTIVE ORDERS.

Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by adding at the end the following new subsection:

"(s) PROHIBITION ON ENTERING SECRECY AGREEMENTS AND PROTECTIVE ORDERS.—The Corporation may not enter into any agreement or approve any protective order which prohibits the Corporation from disclosing the terms of any settlement of an administrative or other action for damages or restitution brought by the Corporation in its capacity as conservator or receiver for an insured depository institution.".

Subtitle I—Establishment of Capital Standard Requirement

SEC. 481. CAPITAL STANDARDS.

Federal banking regulatory agencies shall establish minimum capital standards at least equal to the minimum capital requirements under all international accords to which the United States has agreed on capital standards for financial institutions.

Subtitle J—Bank and Thrift Employee Provisions

SEC. 491. CONTINUATION OF HEALTH PLAN COVERAGE IN CASES OF FAILED FINANCIAL INSTITUTIONS.

(a) CONTINUATION COVERAGE.—The Federal Deposit Insurance Corporation—

(1) shall, in its capacity as a successor of a failed depository institution (whether acting directly or through any bridge bank), have the same obligation to provide a group health plan meeting the requirements of section 602 of the Employee Retirement Income Security Act of 1974 (relating to continuation coverage requirements of group health plans) with respect to former employees of such institution as such institution would have had but for its failure, and

(2) shall require that any successor described in subsection (b)(1)(B)(iii) provide a group health plan with respect to former employees of such institution in the same manner as the failed depository institution would have been required to provide but for its failure.

(b) DEFINITIONS.—For purposes of this section—

(1) SUCCESSOR.—An entity is a successor of a failed depository institution during any period if—

(A) such entity holds substantially all of the assets or liabilities of such institution, and

(B) such entity is—

(i) the Federal Deposit Insurance Corporation,

(ii) any bridge bank, or

(iii) an entity that acquires such assets or liabilities from the Federal Deposit Insurance Corporation or a bridge bank.

(2) FAILED DEPOSITORY INSTITUTION.—The term "failed depository institution" means any depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act) for which a receiver has been appointed.

(3) BRIDGE BANK.—The term "bridge bank" has the meaning given such term by section 11(i) of the Federal Deposit Insurance Act.

(c) NO PREMIUM COSTS IMPOSED ON FDIC.—Subsection (a) shall not be construed as requiring the Federal Deposit Insurance Corporation to incur, by reason of this section, any obligation for any premium under any group health plan referred to in such subsection.

(d) EFFECTIVE DATE.—This section shall apply to plan years beginning on or after the date of the enactment of this Act, regardless of whether the qualifying event under section 603 of the Employee Retirement Income Security Act of 1974 occurred before, on, or after such date.

Subtitle K—Severability

SEC. 496. SEVERABILITY.

If any provision of this Act, or any application of any provision of this Act to any person or circumstance, is held invalid, the remainder of the Act, and the application of any remaining provision of the Act to any other person or circumstance, shall not be affected by such holding.

Subtitle L—Sense of the House of Representatives on the Credit Crisis

SEC. 498. Credit Crunch.

(a) FINDINGS.—The Congress finds that—

(1) during the past year and a half a credit crunch of crisis proportions has taken hold of the economy and grown increasingly severe, particularly for real estate;

(2) to date the credit crisis has shown no sign of improvement with its effects being felt broadly throughout the Nation as business failures soar, financial institutions weaken, real estate values decline, and State and local property tax bases further erode;

(3) approximately $200,000,000,000 of the nearly $400,000,000,000 in commercial real estate loans now held by commercial banks are coming due within the next 2 years;

(4) banks for a variety of reasons, are reluctant to renew these maturing real estate loans;

(5) both pension funds in the United States, with assets of nearly $2,000,000,000,000, and a stronger and more active secondary market for commercial real estate debt and equity could play a more significant role in providing liquidity and credit to the real estate and banking sectors of the economy;

(6) many regulatory practices encourage banks to reduce their real estate lending without regard to long-term historical risk; and

(7) the stability of real estate has suffered during the past decade first from tax rules that in 1981 stimulated excessive investment in real estate, and then in 1986 when rules were adopted that discourage capital investment in real estate, artificially eroding real estate values.

(b) SENSE OF THE HOUSE OF REPRESENTATIVES.—It is the sense of the House of Representatives that—

(1) immediate and carefully-coordinated action should be taken by the Congress and the President to arrest the credit crisis referred to in subsection (a) and provide a healthy and efficient marketplace that works for owners, lenders, and investors; and

(2) that efforts should be undertaken to explore measures that—

(A) modernize and simplify the rules that apply to pension investment in real estate to remove unnecessary barriers to pension funds seeking to invest in real estate;

(B) strengthen the secondary market for commercial real estate debt and equity by removing arbitrary obstacles to private forms of credit enhancement;

(C) restore balance to the regulatory environment by considering the impact of risk-based capital standards on commercial, multifamily and single-family real estate; ending mark-to-market, liquidation-based, appraisals; encouraging loan renewals; and, fully communicating the supervisory policy to bank examiners in the field; and

(D) rationalize the tax system for real estate owners and operators by modifying the passive loss rules and encouraging loan restructures.

TITLE V—DEPOSITORY INSTITUTION CONVERSIONS

SEC. 501. MERGERS AND ACQUISITIONS OF INSURED DEPOSITORY INSTITUTIONS DURING CONVERSION MORATORIUM.

(a) IN GENERAL.—Section 5(d)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1815(d)(3)) is amended to read as follows:

"(3) OPTIONAL CONVERSIONS SUBJECT TO SPECIAL RULES ON DEPOSIT INSURANCE PAYMENTS.—

"(A) CONVERSIONS ALLOWED.—

"(i) IN GENERAL.—Notwithstanding paragraph (2)(A) and subject to the requirements of this paragraph, any insured depository institution may participate in a transaction described in clause (ii), (iii), or (iv) of paragraph (2)(B) with the prior written approval of the responsible agency under section 18(c)(2).

"(ii) HOLDING COMPANY SUBSIDIARIES.—If, in connection with any transaction referred to in clause (i), the acquiring, assuming, or resulting depository institution is a Bank Insurance Fund member which is a subsidiary of a bank holding company, the prior written approval of the Board shall be required for such transaction in addition to the approval of any agency referred to clause (i).

"(B) ASSESSMENTS ON DEPOSITS ATTRIBUTABLE TO FORMER DEPOSITORY INSTITUTION.—

"(i) ASSESSMENTS BY SAIF.—In the case of any acquiring, assuming, or resulting depository institution which is a Bank Insurance Fund member, that portion of the average assessment base of such member for any semiannual period which is equal to the adjusted attributable deposit amount (determined under subparagraph (C) with respect to the transaction) shall—

"(I) be subject to assessment at the assessment rate applicable under section 7 for Savings Association Insurance Fund members;

"(II) not be taken into account for purposes of any assessment under section 7 for Bank Insurance Fund members; and

"(III) be treated as deposits which are insured by the Savings Association Insurance Fund.

"(ii) ASSESSMENTS BY BIF.—In the case of any acquiring, assuming, or resulting depository institution which is a Savings Association Insurance Fund member, that portion of the average assessment base of such member for any semiannual period which is equal to the adjusted attributable deposit amount (determined under subparagraph (C) with respect to the transaction) shall—

"(I) be subject to assessment at the assessment rate applicable under section 7 for Bank Insurance Fund members;

"(II) not be taken into account for purposes of any assessment under section 7 for Savings Association Insurance Fund members; and

"(III) be treated as deposits which are insured by the Bank Insurance Fund.

"(C) DETERMINATION OF ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT.—The adjusted attributable deposit amount which shall be taken into account for purposes of determining the amount of the assessment under subparagraph (B) for any semiannual period by any acquiring, assuming, or resulting depository institution in connection with a transaction under subparagraph (A) is the amount which is equal to the sum of—

"(i) the amount of any deposits acquired by the institution in connection with the transaction (as determined at the time of such transaction);

"(ii) the total of the amounts determined under clause (iii) for semiannual periods preceding the semiannual period for which the determination is being made under this subparagraph; and

"(iii) the amount by which the sum of the amounts described in clauses (i) and (ii) would have increased during the preceding semiannual period (other than any semiannual period beginning before the date of such transaction) if such increase occurred at a rate equal to the annual rate of growth of deposits of the acquiring, assuming, or resulting depository institution minus the amount of any deposits acquired through the acquisition, in whole or in part, of another insured depository institution.

"(D) DEPOSIT OF ASSESSMENT.—That portion of any assessment under section 7 which—

"(i) is determined in accordance with subparagraph (B)(i) shall be deposited in the Savings Association Insurance Fund; and

"(ii) is determined in accordance with subparagraph (B)(ii) shall be deposited in the Bank Insurance Fund.

"(E) CONDITIONS FOR APPROVAL, GENERALLY.—

"(i) FACTORS TO BE CONSIDERED; APPROVAL PROCESS.—In reviewing any application for a proposed transaction under subparagraph (A), the responsible agency (and, in the event the acquiring, assuming, or resulting depository institution is a Bank Insurance Fund member which is a subsidiary of a bank holding company, the Board) shall follow the procedures and consider the factors set forth in section 18(c).

"(ii) INFORMATION REQUIRED.—An application to engage in any transaction under this paragraph shall contain such information relating to the factors to be considered for approval as the responsible agency or Board may require, by regulation or by specific request, in connection with any particular application.

"(iii) NO TRANSFER OF DEPOSIT INSURANCE PERMITTED.—This paragraph shall not be construed as authorizing transactions which result in the transfer of any insured depository institution's Federal deposit insurance from 1 Federal deposit insurance fund to the other Federal deposit insurance fund.

"(iv) MINIMUM CAPITAL.—The responsible agency, and the appropriate Federal banking agency for any depository institution holding company, shall disapprove any application for any transaction under this paragraph unless each such agency determines that the acquiring, assuming, or resulting depository institution, and any depository institution holding company which controls such institution, will meet all applicable capital requirements upon consummation of the transaction.

"(F) CERTAIN INTERSTATE TRANSACTIONS.—The Board may not approve any transaction under subparagraph (A) in which the acquiring, assuming, or resulting depository institution is a Bank Insurance Fund member which is a subsidiary of a bank holding company unless the Board determines that the transaction would comply with the requirements of section 3(d) of the Bank Holding Company Act of 1956 if, at the time of such transaction, the Savings Association Insurance Fund member involved in such transaction were a State bank which the bank holding company was applying to acquire.

"(G) EXPEDITED APPROVAL OF ACQUISITIONS.—

"(i) IN GENERAL.—Any application by a State nonmember insured bank to acquire another insured depository institution which is required to be filed with the Corporation by subparagraph (A) or any other applicable law or regulation shall be approved or disapproved in writing by the Corporation before the end of the 60-day period beginning on the date such application is filed with the Corporation.

"(ii) EXTENSIONS OF PERIOD.—The period for approval or disapproval referred to in clause (i) may be extended for an additional 30-day period if the Corporation determines that—

"(I) an applicant has not furnished all of the information required to be submitted; or

"(II) in the Corporation's judgment, any material information submitted is substantially inaccurate or incomplete.

"(H) ALLOCATION OF COSTS IN EVENT OF DEFAULT.—If any acquiring, assuming, or resulting depository institution is in default or danger of default at any time before this paragraph ceases to apply, any loss incurred by the Corporation shall be allocated between the Bank Insurance Fund and the Savings Association Insurance Fund, in amounts reflecting the amount of insured deposits of such acquiring, assuming, or resulting depository institution assessed by the Bank Insurance Fund and the Savings Association Insurance Fund, respectively, under subparagraph (B).

"(I) SUBSEQUENT APPROVAL OF CONVERSION TRANSACTION.—This paragraph shall cease to apply if—

"(i) after the end of the 5-year period referred to in paragraph (2)(A), the Corporation approves an application by any acquiring, assuming, or resulting depository institution to treat the transaction described in subparagraph (A) as a conversion transaction; and

"(ii) the acquiring, assuming, or resulting depository institution pays the amount of any exit and entrance fee assessed by the Corporation under subparagraph (E) of paragraph (2) with respect to such transaction.

"(J) ACQUIRING, ASSUMING, OR RESULTING DEPOSITORY INSTITUTION DEFINED.—For purposes of this paragraph, the term 'acquiring, assuming, or resulting depository institution' means any insured depository institution which—

"(i) results from any transaction described in paragraph (2)(B)(ii) and approved under this paragraph;

"(ii) in connection with a transaction described in paragraph (2)(B)(iii) and approved under this paragraph, assumes any liability to pay deposits of another insured depository institution; or

"(iii) in connection with a transaction described in paragraph (2)(B)(iv) and approved under this paragraph, acquires assets from any insured depository institution in consideration of the assumption of liability for any deposits of such institution.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) to section 5(d)(3)(C) of the Federal Deposit Insurance Act shall apply with respect to semiannual periods beginning after the date of the enactment of this Act.

SEC. 502. MERGERS, CONSOLIDATIONS, AND OTHER ACQUISITIONS AUTHORIZED.

(a) Federal Savings Associations.—Section 10 of the Home Owners' Loan Act (12 U.S.C. 1467a) is amended by adding at the end the following new subsection:

"(t) Mergers, Consolidations, and Other Acquisitions Authorized.—

"(1) In general.—Subject to sections 5(d)(3) and 18(c) of the Federal Deposit Insurance Act, any Federal savings association may acquire or be acquired by any insured depository institution.

"(2) Expedited approval of acquisitions.—

"(A) In general.—Any application by a savings association to acquire or be acquired by another insured depository institution which is required to be filed with the Director under section 5(d)(3) of the Federal Deposit Insurance Act or any other applicable law or regulation shall be approved or disapproved in writing by the Director before the end of the 60-day period beginning on the date such application is filed with the agency.

"(B) Extension of period.—The period for approval or disapproval referred to in subparagraph (A) may be extended for an additional 30-day period if the Director determines that—

"(i) an applicant has not furnished all of the information required to be submitted; or

"(ii) in the Director's judgment, any material information submitted is substantially inaccurate or incomplete.

"(3) Acquire defined.—For purposes of this subsection, the term 'acquire' has the meaning given to such term in section 13(f)(8)(B) of the Federal Deposit Insurance Act.

"(4) Regulations.—

"(A) Required.—The Director shall prescribe such regulations as may be necessary to carry out paragraph (1).

"(B) Effective date.—The regulations required under subparagraph (A) shall—

"(i) be prescribed in final form before the end of the 90-day period beginning on the date of the enactment of this subsection; and

"(ii) take effect before the end of the 120-day period beginning on such date.".

(b) National Banks.—Chapter 1 of title LXII of the Revised Statutes of the United States (12 U.S.C. 5133 et seq.) is amended by adding at the end the following new section:

"SEC. 5156A. MERGERS, CONSOLIDATIONS, AND OTHER ACQUISITIONS AUTHORIZED.

"(a) In General.—Subject to sections 5(d)(3) and 18(c) of the Federal Deposit Insurance Act, any national bank may acquire or be acquired by any insured depository institution.

"(b) Expedited Approval of Acquisitions.—

"(1) In general.—Any application by a national bank to acquire or be acquired by another insured depository institution which is required to be filed with the Comptroller of the Currency by section 5(d)(3) of the Federal Deposit Insurance Act or any other applicable law or regulation shall be approved or disapproved in writing by the agency before the end of the 60-day period beginning on the date such application is filed with the agency.

"(2) Extensions of period.—The period for approval or disapproval referred to in paragraph (1) may be extended for an additional 30-day period if the Comptroller of the Currency determines that—

"(A) an applicant has not furnished all of the information required to be submitted; or

"(B) in the Comptroller's judgment, any material information submitted is substantially inaccurate or incomplete.

"(c) Acquire Defined.—For purposes of this section, the term 'acquire' has the meaning given to such term in section 13(f)(8)(B) of the Federal Deposit Insurance Act.".

SEC. 503. ACQUISITION OF THRIFT INSTITUTIONS BY CERTAIN COMPANIES WHICH CONTROL BANKS AND ARE NOT TREATED AS HOLDING COMPANIES.

(a) In General.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended by adding at the end the following new paragraph:

"(14) Savings association acquisitions.—For purposes of paragraph (2)(A), an insured institution is described in this paragraph if control of the insured institution, or more than 5 percent of the shares of the insured institution, is acquired by a company described in paragraph (1) of this subsection in connection with a transaction—

"(A) which involves the insured institution and a bank controlled by the company;

"(B) which is approved under section 5(d)(3) of the Federal Deposit Insurance Act by the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act); and

"(C) in which a bank controlled by such company is the acquiring, assuming, or resulting depository institution (as defined in section 5(d)(3)(I) of the Federal Deposit Insurance Act).".

(b) Exceptions to Certain Limitations on Bank Activities to Facilitate Acquisitions.—Section 4(f)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(3)) is amended by adding at the end the following new subparagraph:

"(D) Exceptions for paragraph (14) mergers.—If any company described in paragraph (1) acquires control of any insured institution, or more than 5 percent of the shares of any insured institution, pursuant to a transaction described in paragraph (14)—

"(i) subparagraph (B)(i) shall not apply so as to prohibit the bank which is the acquiring, assuming, or resulting depository institution (as defined in section 5(d)(3)(I) of the Federal Deposit Insurance Act) in connection with such transaction from engaging in any activity in which the insured institution was engaged before the date of such transaction to the extent that—

"(I) the activity is permissible for bank holding companies under subsection (c)(8); and

"(II) the bank is not both accepting demand deposits that the depositor may withdraw by check or similar means for payment to third parties or others and engaging in the business of making commercial loans as a result of engaging in such activity; and

"(ii) subparagraph (B)(iv) shall not apply to an increase in the assets of the bank controlled by such company as a result of the transaction referred to in paragraph (14) during the 1-year period beginning on the date of such transaction.".

(c) Technical Amendments.—Clauses (i) and (ii)(VIII) of section 4(f)(2)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(2)(A)) are amended by striking "(10) or (12)" and inserting "(10), (12), or (14)".

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. Gonzalez] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Texas [Mr. Gonzalez].

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Mr. WYLIE. Mr. Chairman, if there is no Member in opposition, may I have the 5 minutes in opposition?

The CHAIRMAN. The gentleman from Ohio [Mr. Wylie] will be recognized for 5 minutes.

Mr. GONZALEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the en bloc amendment. The amendment includes titles II, V, and VI from H.R. 6. Among the most important provisions of these titles are the sections of title II regarding foreign banks, including a requirement for Federal Reserve Board approval to establish a branch or agency of a foreign bank in the United States as well as improved regulation and examination of those branches and agencies. The Banking Committee's investigations of Banca Nazionale del Lavoro and BCCI have established a compelling need for such improved supervision and regulation.

A second, critical, component of the amendment is the deposit insurance reform provisions from title V of H.R. 6. It limits activities that pose risks to the Federal deposit insurance funds.

The en bloc amendment also includes technical amendments by the committees to which H.R. 6 was sequentially referred and various amendments offered by Members and adopted on the floor last week. None of these provisions have been a source of controversy and I urge adoption of the amendment.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I enthusiastically support the Gonzalez en bloc amendment.

As I stated a little earlier, it incorporates provisions from titles II, V and VI which have been debated and approved. It includes some very important reforms, and if we are going to have an increase in the Bank Insurance Fund recapitalization premiums there ought to be some reforms in the banking system.

The amendment improves foreign bank supervision. This is a very important provision and I think helps ensure that we will not have another BCCI scandal.

It prohibits poorly capitalized institutions from offering excessive interest rates or soliciting brokered deposits. Only banks with level 1 and level 2 ratings can solicit brokered deposits or have broker deposits which will be insured by the Bank Insurance Fund from here on if this amendment is adopted and passed into law.

It requires the FDIC to institute risk-based premiums, which I think is very, very important. This provision will restore fairness and encourage banks to hold higher levels of capital.

The amendments also give the Federal Deposit Insurance Corporation the authority to prohibit risky activities in State chartered banks. I emphasize that. It gives the FDIC authority to prohibit risky activities in State chartered banks, something that has been needed a long time, and it is too bad that the regulators did not have the same authority with respect to State chartered S&Ls.

These are very good provisions. The amendment also provides help for depositors in Rhode Island, which was mentioned a little while earlier.

For all of these reasons and many more, which I could mention but I will not right now, I support the Gonzalez en bloc amendment.

Mr. GONZALEZ. Mr. Chairman, I yield 1½ minutes to my colleague, the distinguished gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Chairman, I thank the chairman for yielding this time, and also for his unstinting efforts on behalf of my home State, and all of the members of the Committee on Banking, Finance and Urban Affairs, and particularly the gentleman from Ohio [Mr. WYLIE], the ranking minority member for his help and his understanding.

I once again urge assistance for my State in the form of a loan guarantee program which will cost the Federal Government nothing, and which is perfectly consistent with the core element of this legislation, which is recapitalization of the FDIC fund. These moneys that will go to Rhode Island will be used for the same purpose that the FDIC will use their funds, to pay bank depositors, and to resolve closed financial institutions.

I urge passage of the Rhode Island amendment as part of the en bloc amendments and I also urge passage for the overall bill. For any Member who wants to see the effects of a failed insurance fund, come to Rhode Island. The effects are devastating, not only in the economic sense devastating, but there is a cost to the very foundation of government, to the faith of the people in their government. So today when we consider this legislation and tomorrow we are voting not only to provide funds to restore depositors their moneys, we are voting to restore faith and confidence in our banking system, and much more importantly, in our system of government.

I urge passage.

Mr. MORAN. Mr. Chairman, I rise in support of the en bloc amendment. This amendment includes a number of substantive reforms from improved oversight of foreign banks to changes that will lower the Federal Government's liability on insured deposits. The amendment also includes a number of noncontroversial floor amendments that were approved by the full House as part of the earlier attempt to pass bank reform legislation.

One of these amendments, which was approved by this distinguished body on November 4, was one I offered dealing with the severe credit crunch problem that is strangling this nation's economy. This amendment is nonpartisan and noncontroversial and is supported by a broad spectrum of organizations from the U.S. Chamber of Commerce to the Low-Income Housing Coalition.

Notwithstanding the consensus it reflects, it is nevertheless a very appropriate and important addition to this banking reform bill. It calls for a comprehensive, coordinated approach to deal with the credit crunch that is reaching crisis proportions throughout our country.

The American economy is much like a heavyweight champ that is on the ropes and about to go down for the count. Lower interest rates alone are not going to revive it. It has taken too many body blows, insufficient investment in its physical infrastructure, a decade of high living and a Federal checkbook that is $350 billion out of balance.

And now it is getting hit by foreign competition, by lack of consumer confidence, and a sick and failing banking system. Currently, to make matters tougher, it is having its arms held behind its back by a nationwide credit crunch that is making the money necessary to revive this economy too difficult to be obtained.

This amendment suggests both general and specific ways in which we can unleash the inherent strength of this economy to let it rebound, but it cannot come back unless small businesses, farmers, builders, and entrepreneurs can get credit from banks for reasonable and responsible loans.

In the real estate industry alone, 500,000 jobs have already been lost by building tradesmen, engineers, and realtors. And, it will get a lot worse before it gets better. There are more than $200 billion in short-term commercial bank loans made to the real estate industry for multi- and single-family residential projects and for office building construction that will come due over the next 2 years.

According to a recent Federal Reserve Board survey, 93 percent of these loans will not get the long-term extensions that they need. Yet, only 6 percent of these commercial loans are nonperforming. The rest are completely paid up to date. But the banking system is gripped by a fear of the future and by intimidation of the regulators. Some of this is justified, but much of it is unjustified.

The consequences of this mindset against real estate loans is that real estate values are dropping through the floor, which means that reduction in local property tax assessments will deprive our local governments of the millions of dollars necessary for essential municipal services that only come from property taxes. Hundreds of businesses whose operating loans are collateralized by their real estate property are having those loans foreclosed.

Mr. Chairman, the billions of dollars of federally owned real estate held by the Resolution Trust Corporation and the Federal Deposit Insurance Corporation is losing millions of dollars of book value every day because of this loss in real estate values.

This amendment calls for several things that would make a difference: Immediate and carefully coordinated action by the Congress and the President to arrest the credit crisis; modernization and simplification of the rules that apply to pension investments in real estate because that is a $2 trillion industry that is an appropriate source of long-term financing; a strengthening of the secondary market for commercial real estate debt and equity by removing arbitrary obstacles; restoring balance to the regulatory environment by considering the impact of risk-based capital standards on commercial and multi- and single-family real estate, ending the mark-to-market liquidation-based appraisals, and encouraging loan renewals, and fully communicating the supervisory polices that we establish to the bank examiners in the field; and lastly, rationalizing the tax system for real estate owners and operators by modifying the passive-loss rules and encouraging loan restructures.

Mr. Chairman, it would be unfortunate if these provisions were not part of the "narrow" bill that we are considering today. I urge my colleagues to support this en bloc amendment.

Ms. OAKAR. Mr. Chairman, I rise in strong support of H.R. 2094 and of the Gonzalez en bloc amendment to the bill.

I want to commend Chairman GONZALEZ for his strong leadership regarding H.R. 2094 and for offering his en bloc amendment.

Mr. Chairman, H.R. 2094 is a critical bill. It will provide the necessary recapitalization of the Bank Insurance Fund and many important regulatory and accounting reforms needed to avoid bank failures in the future. As all Members understand, the Bank Insurance Fund is in danger of becoming insolvent in the near future. This dire analysis has been confirmed by GAO and former FDIC Chairman Seidman. If this critical recapitalization legislation and its many important regulatory and accounting reforms are not adopted, our already faltering economy will face many serious consequences. In addition, I believe this bill is necessary to bolster the confidence of the American public in the banking system. Clearly, H.R. 2094 is "must pass" legislation.

In addition, I strongly support Chairman GONZALEZ's en bloc amendment. There are many thoughtful provisions in the en bloc amendment. However, I want to address two provisions for which I am particularly supportive.

The first is a provision I offered in full committee which I believe will limit the loss of the taxpayers which occurs when banks and savings and loans fail. In summary, this provision will permit any bank insurance fund member to combine with any savings association insurance fund member, and vice versa. This provision will encourage the use of private capital to acquire and merge financial institutions which may otherwise fail and end up costing the taxpayers a great deal of money. This amendment is noncontroversial since it passed the Full Banking Committee on a unanimous voice vote, was included in the Gonzalez-Dingell compromise version of title IV, and is in the Gonzalez Amendment today which consists of noncontroversial amendments.

The second provision of the Gonzalez en bloc amendment which I strongly support will protect the retirement pensions of millions of Americans. Again, this is an amendment I offered during full committee consideration. The provision will continue the 25-year old FDIC practice of providing pass-through deposit insurance on a pro rata basis for pension plans. Again, this is good legislation since it will protect the pensions of millions of Americans at a time when many of them are concerned about the safety of their deposits and investments in financial institutions. Stability of the banking system is also enhanced since, if deposit insurance for pension plans is discontinued, pension fund managers will probably move their pension fund deposits to financial institutions which they perceive as "too-big-to-fail". This movement of funds will undermine the stability of small banks. The amendment also provides fairness since so-called 401(K) plans—which are offered primarily to executives and management employees—will continue to receive pass-through deposit insurance. It is only fair to also protect the retirement pensions of hard-working Americans of all incomes.

Again, I want to commend Chairman GONZALEZ for his leadership regarding H.R. 2094 and for offering his en bloc amendment. I urge all Members to support the Gonzalez en bloc amendment.

Mr. WYLIE. Mr. Chairman, I yield back the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from Texas [Mr. GONZALEZ].

The amendments en bloc were agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in the House Report 102-309.

AMENDMENTS EN BLOC OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. WYLIE: Add at the end of the bill the following new title:

TITLE II—BANK REFORMS

Subtitle A—Nationwide Banking and Branching

SEC. 201. NATIONWIDE BANKING.

(a) INTERSTATE ACQUISITIONS.—Section 3(d) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(d)) is amended to read as follows:

"(d) INTERSTATE ACQUISITIONS AND BRANCHING.—

"(1) IN GENERAL.—Subject to paragraph (4), the Board may approve an application under this section by a bank holding company or foreign bank to acquire, directly or indirectly, any voting shares of, interest in or all or substantially all of the assets of any additional insured depository institution or bank holding company located in any State.

"(2) STATE LAW.—Subject to paragraph (4), any acquisition described in paragraph (1) that has been approved under this section may be consummated notwithstanding any State law that would prohibit or otherwise limit such acquisition on the basis of—

"(A) the location or size of the acquiring company, foreign bank, or subsidiary of such company or foreign bank;

"(B) the number of insured depository institution subsidiaries of such company or foreign bank; or

"(C) any other factor that, directly or indirectly has the effect of prohibiting or limiting the acquisition of shares or control of an insured depository institution or bank holding company located in that State by an out-of-State bank holding company or foreign bank if such factor is not applied with similar effect in the case of acquisitions of insured depository institutions or bank holding companies located in such State by bank holding companies located in the State.

"(3) CONCENTRATION LIMITS.—The Board may not approve an application under paragraph (1) if—

"(A) the applicant controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institutions deposits of the United States, as determined under regulations of the Board; or

"(B) the applicant controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the bank to be acquired is located, as determined under regulations of the Board, except that a State may waive the applicability of this subparagraph.

Nothing in this paragraph affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State bank holding companies.

"(4) LIMITATIONS ON CONSOLIDATIONS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), any insured depository institution acquired after the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991 pursuant to paragraph (1) may not be a party to any transaction under subsection (h) before the end of the 3-year period beginning on such date of enactment.

"(B) PROVISION APPLICABLE TO CERTAIN INSTITUTIONS.—Subparagraph (A) shall not apply with respect to any insured depository institution the acquisition of which occurs after the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991 pursuant to an application or notice filed before such date with any appropriate Federal banking agency or State bank supervisor.

"(5) EXCEPTION.—Notwithstanding the previous paragraphs, any provision of State law in existence on the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, or enacted thereafter, which restricts entry to the acquisition of existing banks shall apply, except that a State law which requires that the bank must have been in existence longer than 5 years shall not apply unless such law is in effect on such date of enactment.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect at the end of the 18-month period beginning on the date of the enactment of this Act.

SEC. 202. INTERSTATE BRANCHING BY NATIONAL BANKS.

Section 5155 of the Revised Statutes (12 U.S.C. 36) is amended—

(1) by redesignating subsections (d) through (h) as subsections (e) through (i), respectively; and

(2) by inserting after subsection (c) the following:

"(d) INTERSTATE BRANCHING BY NATIONAL BANKS.—

"(1) IN GENERAL.—

"(A) APPROVALS AUTHORIZED.—Beginning 3 years after the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, the Comptroller of the Currency may approve an application under this section which will permit a national bank that is adequately capitalized and adequately managed to establish or acquire, and operate, a branch located outside the State in which the main office of such bank is located, subject to paragraphs (2), (3), and (6).

"(B) CONDITIONS.—In determining whether to grant approval under subparagraph (A), the Comptroller of the Currency shall consider the bank's rating under the Community Reinvestment Act of 1977 and the views of the appropriate State bank officials regarding the bank's compliance with applicable State community reinvestment laws.

"(C) APPLICABLE LAW.—

"(i) IN GENERAL.—Subject to paragraph (6), any branch established or acquired under subparagraph (A) shall be subject to the laws of the host State with respect to intrastate branching, consumer protection, fair lending, and community reinvestment as if it were a branch of a bank chartered by that State, unless such State law, is preempted by Federal law regarding the same subject. There shall be no discriminatory effect in the application of such laws between a branch of a bank chartered by the host State and in-State branches of out-of-State national banks. Such State laws shall be enforced, with respect to branches of national banks by the Comptroller of the Currency. All other laws of the host State shall apply as if the branch was a national bank situated in that State.

"(ii) FILING REQUIREMENT.—A host State may require any national bank that has its main office in another State that wishes to establish a branch within the host State to comply with filing requirements that are not discriminatory in nature and that are similar in their effect to those that are imposed on a corporation from another State that is not engaged in the business of banking and that seeks to engage in business in the host State. The host State may preclude any national bank the main office of which is located in another State from establishing or operating a branch within the host State if that national bank or its branch materially fails to comply with the filing requirements.

"(2) STATE ELECTION TO PROHIBIT INTERSTATE BRANCHING.—

"(A) IN GENERAL.—The provisions of paragraph (1) shall not apply to branches to be located in a State which has enacted, during the period beginning on January 1, 1990, and ending 3 years after the date of the enactment of this subsection, a law that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State.

"(B) EFFECT OF PROHIBITION.—A national bank that has its main office in a State that has in effect a prohibition under subparagraph (A) may not acquire or establish a branch located in any other State under the provisions of this subsection.

"(3) STATE ELECTION TO PERMIT INTERSTATE BRANCHING.—

"(A) DURING THE 3-YEAR PERIOD FOLLOWING ENACTMENT.—The Comptroller of the Currency may approve an application under paragraph (1)(A) before the expiration of the 3-year period described in paragraph (1)(A), if the State in which the branch is or will be located enacts a law during that period expressly permitting interstate branching by all national and State banks before the expiration of the time period described in paragraph (1)(A).

"(B) AFTER THE 3-YEAR PERIOD FOLLOWING ENACTMENT.—A State that originally elected, pursuant to paragraph (2), to prohibit interstate branching may nonetheless elect at any later time to permit interstate branching if such State enacts a law expressly permitting interstate branching by all national and State banks.

"(4) STATE IMPOSED CONDITIONS ON INTERSTATE BRANCHING.—

"(A) A State may require a copy of an application submitted under this section to be filed with the host State banking authority in a timely manner (and the Comptroller of the Currency shall consider any timely comments of the host State prior to approving that application); and

"(B) subject to paragraph (6) a State may impose other conditions on a branch established or acquired under paragraph (1)(A) if—

"(i) the conditions do not discriminate against out of State banks or bank holding companies; and

"(ii) the imposition of the conditions is not preempted by Federal law regarding the same subject.

"(5) CONCENTRATION LIMITS.—

"(A) IN GENERAL.—The Comptroller may not approve an acquisition under paragraph (1)(A) by a bank of a branch located in another State if—

"(i) the bank controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution deposits of the United States, as determined under regulations of the Board of Governors of the Federal Reserve System; or

"(ii) the bank controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the branch to be acquired is located, as determined under regulations of the Board of Governors of the Federal Reserve System, except that a State may waive the applicability of this subparagraph.

"(B) LIMITATIONS.—Nothing in subparagraph (A)—

"(i) affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State banks or bank holding companies, or

"(ii) applies to the establishment of new branches located outside the State where the main office of the bank is located.

"(6) EXCEPTION.—Notwithstanding the previous paragraphs, any provision of State law in existence on the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, or enacted thereafter, which restricts entry to the acquisition of existing banks or branches shall apply, except that a State law which requires that the bank must have been in existence longer than 5 years shall not apply unless such law is in effect on such date of enactment. State laws in existence on the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991 that restrict such entry shall, for purposes of this paragraph, be deemed to apply to both banks and branches.

"(7) DEFINITIONS.—For purposes of this subsection—

"(A) ADEQUATELY CAPITALIZED.—The term 'adequately capitalized' means, with respect to any national bank, a bank which maintains capital in an amount which meets or exceeds the required minimum ratio for each relevant capital measure.

"(B) HOST STATE.—The term 'host State' means the State in which a national bank establishes or maintains a branch other than the State in which the bank has its main office and is engaging in banking business.

"(C) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act.".

SEC. 203. INTERSTATE BRANCHING BY STATE BANKS.

Section 18(d) of the Federal Deposit Insurance Act (12 U.S.C. 1828(d)) is amended by adding at the end the following:

"(3) INTERSTATE BRANCHING BY STATE BANKS.—Beginning 3 years after the date of enactment of the Financial Institutions Safety and Consumer Act of 1991, an insured State bank that is adequately capitalized and adequately managed may establish or acquire, and operate, a branch located outside the State in which the bank is chartered if authorized by the law of the State in which the bank is chartered, subject to paragraphs (5), (6), and (9).

"(4) APPLICABLE LAW.—

"(A) IN GENERAL.—Subject to paragraph (9), any branch of an out-of-State bank shall be subject to the laws of the host State as if such branch were a branch of a bank chartered by that State.

"(B) ACTIVITIES OF BRANCHES.—An insured State bank that establishes a branch or branches pursuant to paragraph (3) may not conduct any activity at such branch that is not permissible for a bank chartered by the host State.

"(C) FILING REQUIREMENT.—A host State may require any insured bank chartered by another State that wishes to establish a branch within the host State to comply with filing requirements that are not discriminatory in nature and that are similar in their effect to those that are imposed on a corporation from another State that is not engaged in the business of banking and that seeks to engage in business in the host State. The host State may preclude any State bank chartered by another State from establishing or operating a branch within the host State if that State bank or its branch materially fails to comply with the filing requirements.

"(D) RESERVATION OF CERTAIN RIGHTS TO STATES.—Nothing in this subsection limits in any way the right of a State to—

"(i) determine the authority of State banks chartered in that State to establish and maintain branches; or

"(ii) supervise, regulate, and examine State banks chartered by that State.

"(5) STATE ELECTION TO PROHIBIT INTERSTATE BRANCHING.—

"(A) IN GENERAL.—The provisions of paragraph (3) shall not apply to branches to be located in a State which has enacted, during the period beginning on January 1, 1990, and ending 3 years after the date of enactment of this subsection, a law that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State.

"(B) EFFECT OF PROHIBITION.—A State bank that is chartered by a State that has in effect a prohibition under subparagraph (A) may not acquire or establish a branch located in any other State under the provisions of this subsection.

"(6) STATE ELECTION TO PERMIT INTERSTATE BRANCHING.—

"(A) DURING THE 3-YEAR PERIOD FOLLOWING ENACTMENT.—A State bank may establish or acquire, and operate, a branch outside the State in which the main office of the bank is located, subject to the provisions of this subsection, before the expiration of the 3-year period described in paragraph (3), if the State in which the branch will be located enacts a law during that period expressly permitting interstate branching by all national and State banks before the expiration of the time period described in paragraph (3).

"(B) AFTER THE 3-YEAR PERIOD FOLLOWING ENACTMENT.—A State that originally elected, pursuant to paragraph (5), to prohibit interstate branching may nonetheless elect at any later time to permit interstate branching if such State enacts a law expressly permitting interstate branching by all national and State banks.

"(7) STATE IMPOSED CONDITIONS ON INTERSTATE BRANCHING.—

"(A) A State may require a copy of an application submitted under this section to be filed with the host State banking authority in a timely manner (and the home State banking authority and the appropriate Federal banking agency shall consider any timely comments of the host State prior to approving that application); and

"(B) Subject to paragraph (9), a State may impose other conditions on a branch established or acquired under paragraph (3) if—

"(i) the conditions do not discriminate against out-of-State banks or banking holding companies; and

"(ii) the imposition of the conditions is not preempted by Federal law regarding the same subject.

"(8) CONCENTRATION LIMITS.—

"(A) IN GENERAL.—The home State banking authority and the appropriate Federal banking agency may not approve an acquisition under paragraph (1)(A) by a bank of a branch located in another State if—

"(i) the bank controls, or upon completion of the acquisition would control, more than 10 percent of the insured depository institution deposits of the United States, as determined under regulations of the Board of Governors of the Federal Reserve System; or

"(ii) the bank controls, or upon completion of the acquisition would control, 30 percent or more of the insured depository institution deposits in the State in which the branch to be acquired is located, as determined under regulations of the Board of Governors of the Federal Reserve System, except that a State may waive the applicability of this subparagraph.

"(B) LIMITATIONS.—Nothing in subparagraph (A)—

"(i) affects the applicability of Federal antitrust laws or of State antitrust laws that do not discriminate against out-of-State bank holding companies, or

"(ii) applies to the establishment of new branches located outside the State where the main office of the bank is located.

"(9) EXCEPTION.—Notwithstanding the previous paragraphs, any provision of State law in existence on the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, or enacted thereafter, which restricts entry only through the acquisition of existing banks or branches shall apply, except that a State law which requires that the bank must have been in existence longer than 5 years shall not apply unless such law is in effect on such date of enactment. State laws in existence on the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991 that restrict such entry shall, for purposes of this paragraph, be deemed to apply to both banks and branches.

"(10) COORDINATION OF EXAMINATION AUTHORITY.—

"(A) IN GENERAL.—A host State bank supervisory or regulatory authority may examine a branch established in the host State by banks chartered by another State for the purpose of determining compliance with host State laws regarding banking, taxation, community reinvestment, fair lending, consumer protection, and permissible activities and to ensure that the activities of the branch are conducted in a manner consistent with sound banking principles and do not constitute a serious risk to the safety and sound operation of the branch.

"(B) ENFORCEMENT.—In the event that a host State bank authority as described in subparagraph (A) determines that there is a violation of host State law concerning the activities being conducted by the branch or that the branch is being operated in a manner not consistent with sound banking principles or in an unsafe and unsound manner, such host State bank authority may undertake such enforcement actions or proceedings as would be permitted under host State law if the branch in question were a bank chartered by that host State.

"(C) COOPERATIVE AGREEMENT.—The State bank authorities from one or more States are authorized to enter into cooperative agreements to facilitate State regulatory supervision of State banks, including cooperative agreements relating to the coordination of examinations and joint participation in examinations.

"(D) FEDERAL REGULATORY AUTHORITY.—

"(i) IN GENERAL.—Nothing in this subsection limits in any way the authority of the appropriate Federal banking agency to examine any bank or branch of a bank for which the agency is the appropriate Federal banking agency.

"(ii) REVIEW OF INTERSTATE AGREEMENTS.—If the appropriate Federal banking authority determines that the States have failed to reach an agreement under subparagraph (C), or that such an agreement fails to adequately protect the Federal Deposit Insurance Fund, the appropriate Federal banking authority shall not defer to State examinations of the out-of-State branches.

"(11) DEFINITIONS.—For purposes of this subsection—

"(A) HOST STATE.—The term 'host State' means the State in which a bank establishes or maintains a branch other than the State in which the bank is chartered and engaging in banking business.

"(B) ADEQUATELY CAPITALIZED.—For the purposes of this subsection, the term 'adequately capitalized' means, with respect to any insured State bank, a bank which maintains capital in an amount which meets or exceeds the minimum ratio for each relevant capital measure.".

SEC. 204. BRANCHING BY FOREIGN BANKS.

(a) IN GENERAL.—Section 5(a) of the International Banking Act of 1978 (12 U.S.C. 3103(a)) is amended to read as follows:

"(a) INTERSTATE BANKING OPERATIONS.—

"(1) IN GENERAL.—A foreign bank may establish and operate—

"(A) a Federal branch or agency, with the approval of the Board and the Comptroller of the Currency, in any State outside its home State to the extent that such establishment and operation would be permitted under section 5155 of the Revised Statutes for a national bank; or

"(B) a State branch or agency, with the approval of the Board and the appropriate regulatory authority of the State, in any State outside its home State to the extent that such establishment and operation would be permitted under section 18(d) of the Federal Deposit Insurance Act for a State bank,

as if the foreign bank were a national bank having its main office, or a State bank chartered, in the home State of the foreign bank.

"(2) CRITERIA FOR DETERMINATION.—In approving an application under paragraph (1), the Board and the Comptroller of the Currency—

"(A) shall apply the standards for establishment of a foreign bank office in the United States under section 7(e); and

"(B) may not approve an application unless it determines that the foreign bank's financial resources, including the capital level, are equivalent to those required for a domestic bank to be approved for branching under section 5155 of the Revised Statutes and section 18(d) of the Federal Deposit Insurance Act and, in the case of the first branching application by such foreign bank, after consultation with the Secretary of the Treasury regarding capital equivalency.

"(3) REQUIREMENT FOR A SEPARATE SUBSIDIARY.—If the Comptroller of the Currency or the Board, taking into account differing regulatory or accounting standards, finds that adherence to capital requirements equivalent to those imposed under section 5155 of the Revised Statutes and by section 18(d) of the Federal Deposit Insurance Act can be verified only if banking activities are carried out in a domestic banking subsidiary within the United States, it may approve an application under paragraph (1) subject to a requirement that the foreign bank or company controlling the foreign bank establish a domestic banking subsidiary in the United States.

"(4) ADDITIONAL AUTHORITY FOR INTERSTATE BRANCHES AND AGENCIES OF FOREIGN BANKS.—Notwithstanding paragraph (1) and section 4(h), a foreign bank may, with the approval of the Comptroller of the Currency, establish and operate a Federal branch or Federal agency or, with the approval of the Board and the appropriate State bank supervisor, a State branch or State agency in any State outside of the foreign bank's home State if—

"(A) the establishment and operation of a branch or agency is expressly permitted by the State in which the branch or agency is to be established; and

"(B) in the case of a Federal or State branch, the branch receives only such deposits as would be permissible for a corporation organized under section 25(a) of the Federal Reserve Act.".

(b) TREATMENT OF UNITED STATES BANKING SUBSIDIARIES.—Section 5 of the International Banking Act of 1978 (12 U.S.C. 3103) is amended by adding at the end the following:

"(d) TREATMENT OF UNITED STATES SUBSIDIARY OF A FOREIGN BANK.—A foreign bank that has a domestic subsidiary within the United States may establish Federal and State branches and agencies outside its home State to the extent permitted under section 5155(d) of the Revised Statutes and section 18(d) of the Federal Deposit Insurance Act.".

(c) HOME STATE DETERMINATIONS.—

(1) METHOD OF DETERMINING.—Section 4(h) of the International Banking Act of 1978 (12 U.S.C. 3102(h)) is amended—

(A) by striking the phrase "in the State in which such branch or agency is located"; and

(B) by adding at the end the following sentence: "For the purposes of section 5155(c) of the Revised Statutes (12 U.S.C. 36(c)), the home State of a foreign bank shall be its home State as determined under section 5(c).".

(2) SINGLE STATE DETERMINATIONS.—Section 5(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 3103(c)) is amended to read as follows:

"(c) DETERMINATION OF HOME STATE OF FOREIGN BANK.—For the purposes of this section—

"(1) the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in more than 1 State, is the 1 of those States elected of the foreign bank, or, in default of such election, by the Board; and

"(2) the home State of a foreign bank that has branches, agencies, subsidiary commercial lending companies, or subsidiary banks, or any combination thereof, in only 1 State, is that State.".

SEC. 205. PERMISSIBLE CONSOLIDATION.

Section 3 of the Bank Holding Company Act of 1956 (12 U.S.C. 1842) is amended by adding at the end the following subsection:

"(h) PERMISSIBLE CONSOLIDATION.—

"(1) IN GENERAL.—Except as provided in subsection (d)(1), a bank holding company having subsidiary banks located in more than 1 State may combine 2 or more of such banks into a single bank by means of merger, consolidation, or other transaction on or after 18 months from the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991. Notwithstanding any other provision of Federal law or any provision of State law, any consolidation effected in accordance with this subsection shall be permissible within a State as of 18 months after the date of enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991, unless such State has enacted a law in accordance with section 5155(d)(2)(A) of the Revised Statutes or section 18(d)(5)(A) of the Federal Deposit Insurance Act that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State.

"(2) ADDITIONAL BRANCHES.—The consolidated bank may, subject to compliance with all applicable Federal or State laws relating to the establishment, acquisition or operation of a branch, establish, acquire and operate additional branches at any location where the consolidated bank or a preexisting bank could, if they had not been parties to such consolidation, have established or acquired and operated a branch, unless precluded by any provision of State law in existence on the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991.

"(3) EFFECT OF STATE PROHIBITION OF BRANCHING.—If, during the period beginning 18 months from the date of the enactment of the Federal Deposit Insurance Corporation Improvement Act of 1991 and ending on the expiration of 3 years from such date of enactment, a consolidation authorized by paragraph (1) is effected resulting in the conversion of a bank into a branch located in a State which, after such consolidation, has enacted a law that applies equally to national and State banks and that expressly prohibits all out-of-State banks from establishing or acquiring branches located in that State, then such branch shall, under regulations of the Federal or State banking authority having jurisdiction of the bank prior to its conversion into a branch, be promptly converted back into the bank as it existed prior to such consolidation.

"(4) APPLICABLE LAW.—Any branch of a national bank established or acquired in connection with a consolidation or other transaction under paragraph (1) shall be subject to the laws of the host State with respect to intrastate branching, consumer protection, fair lending, and community reinvestment as if it were a branch of a bank chartered by that State, unless such State law, is preempted by Federal law regarding the same subject. There shall be no discriminatory effect in the application of such laws between a branch of a bank chartered by the host

State and in-State branches of out-of-State national banks. Such State laws shall be enforced, with respect to branches of national banks by the Comptroller of the Currency. All other laws of the host State shall apply as if the branch was a national bank situated in that State.".

SEC. 206. MINIMUM CAPITAL REQUIREMENT FOR NEW INTERSTATE BANKING AND BRANCHING POWERS.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by sections 201, 202, 203, 204, and 205 shall not apply with respect to any insured depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act) unless the depository institution has—

(1) a ratio of tier 1 capital to total assets of not less than 6 percent; and

(2) a ratio of total capital to total assets of not less than 8 percent.

(b) REGULATOR DISCRETION.—

(1) IN GENERAL.—Subject to paragraph (2) and with the approval of the Federal Deposit Insurance Corporation and the appropriate Federal banking agency, any financial services holding company which controlled any full-service bank subsidiary on May 15, 1991, may convert such bank into a branch of any out-of-State bank pursuant to the amendments made by this title without regard to the minimum capital requirements of this section.

(2) RESTRICTIONS.—No branch of a bank which results from a conversion described in paragraph (1) may have total assets in excess of the average amount held by such branch during May 1991, so long as such bank fails to meet the minimum capital requirement established by this section.

SEC. 207. STATE-BY-STATE CRA EVALUATIONS OF DEPOSITORY INSTITUTIONS WITH INTERSTATE BRANCHES.

Section 807 of the Community Reinvestment Act of 1977 (12 U.S.C. 2906) is amended by adding the following new subsection:

"(d) INSTITUTIONS WITH INTERSTATE BRANCHES.—

"(1) STATE-BY-STATE EVALUATION.—In the case of a regulated financial institution which maintains 1 or more domestic branches located outside the State in which the institution's principal place of business is located (hereafter in this subsection referred to as the 'home State'), the appropriate Federal financial supervisory agency shall prepare—

"(A) a written evaluation of the entire institution's record of performance under this Act, as required by subsections (a), (b), and (c) of this section; and

"(B) for each State in which the institution maintains 1 or more domestic branches (including the institution's home State), a separate written evaluation of the institution's record of performance within such State under this Act, as required by subparagraphs (A) and (B) of subsection (b)(1) of this section.

"(2) CONTENT OF STATE LEVEL EVALUATION.—A written evaluation prepared pursuant to paragraph (1)(B) of this subsection shall report the information required by such paragraph separately for each metropolitan area (as defined by the appropriate Federal financial supervisory agency) in which the regulated financial institution maintains 1 or more domestic branch offices and separately for the nonmetropolitan portion of the State if the institution maintains 1 or more domestic branch offices in such nonmetropolitan area.".

SEC. 208. PROHIBITION AGAINST DEPOSIT PRODUCTION OFFICES.

(a) REGULATIONS.—Before the end of the 120-day period beginning on the date of the enactment of this Act, the appropriate Federal banking agency shall prescribe regulations which prohibit any person from using any authority to engage in interstate branching pursuant to this title or any amendment made by this title to any other provision of law primarily for the purpose of deposit production.

(b) GUIDELINES FOR MEETING CREDIT NEEDS.—Regulations issued under subsection (a) shall include guidelines to ensure that each interstate branch meets the credit needs of the community and market area in which the branch operates.

(c) LIMITATION ON OUT-OF-STATE LOANS.—

(1) LIMITATION.—Regulations issued under subsection (a) shall require that if the percentage of outstanding loans made by an interstate branch to borrowers located in the host State of, or market area served by, the branch is less than half the average of such percentage for all Federal depository institutions and State depository institutions having their principal place of operations in the host State or that market area—

(A) the appropriate Federal banking agency for the branch shall review the loan portfolio of the branch and determine whether the branch is reasonably meeting the credit needs of the community and market area in which the branch operates; and

(B) if the agency determines that the branch is not reasonably meeting those needs—

(i) the branch shall be closed, and

(ii) the person which established the branch may not open a new branch in that State unless the person provides reasonable assurances to the satisfaction of the appropriate Federal banking agency that the new branch will reasonably meet the credit needs of the community and market area in which the new branch will operate.

(2) CONSIDERATIONS.—In making a determination under paragraph (1)(A) regarding an interstate branch, the appropriate Federal banking agency shall consider—

(A) whether the branch was acquired as part of the purchase of a failed or failing depository institution;

(B) whether the branch has a higher concentration of commercial and credit card lending; and

(C) the ratings received by the branch in evaluations under the Community Reinvestment Act of 1977.

(d) APPLICATION.—This section shall not apply to any interstate branch acquired before June 25, 1991, as part of any consolidation or merger of depository institutions.

(e) DEFINITIONS.—For the purposes of this section—

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term "appropriate Federal banking agency" has the meaning that term has in section 3 of the Federal Deposit Insurance Act.

(2) BRANCH.—The term "branch" means any office, agency, or other place of business located in any State at which deposits are received, checks paid, or money lent.

(3) FEDERAL DEPOSITORY INSTITUTION AND STATE DEPOSITORY INSTITUTION.—Each of the terms "Federal depository institution" and "State depository institution" has the meaning given that term in section 3 of the Federal Deposit Insurance Act.

(4) HOST STATE DEFINED.—The term "host State" means the State in which a bank establishes or maintains a branch, other than—

(A) the State in which the bank is chartered and engaging in banking business, or

(B) in the case of—

(i) a national bank, the State in which the principal place of business of such association is located, and

(ii) a bank holding company, the State in which the total deposits of all bank subsidiaries of such company is the largest,

as applicable under the amendments made by this title.

(5) INTERSTATE BRANCH.—The term "interstate branch" means a branch established pursuant to the authority referred to in subsection (a).

(6) PRINCIPAL PLACE OF OPERATIONS.—The term "principal place of operations" means the State in which the total deposits of all bank subsidiaries of a person are largest.

(7) STATE DEFINED.—The term "State" has the meaning given to such term in section 3 of the Federal Deposit Insurance Act.

SEC. 209. RESTATEMENT OF EXISTING LAW.

No provision of this title and no amendment made by this title to any other provision of law shall be construed as affecting in any way the right of any State, or any political subdivision of any State, to impose or maintain a nondiscriminatory franchise tax or other nonproperty tax instead of a franchise tax in accordance with section 3124 of title 31, United States Code.

SEC. 210. VISITORIAL POWERS.

Section 5240 of the Revised Statutes (12 U.S.C. 481 et seq.) is amended—

(1) by inserting before the 6th undesignated paragraph (12 U.S.C. 484) the following new paragraph heading:

"(6) VISITORIAL POWERS.—";

(2) by moving the left margins of subparagraphs (A) and (B) of paragraph (6) (as so designated by the amendment made by paragraph (1) of this section) 4 ems to the right; and

(3) by inserting after subparagraph (B) of such paragraph the following new subparagraph:

"(C) STATE VISITATIONS AUTHORIZED FOR TAX COMPLIANCE PURPOSES.—Notwithstanding subparagraph (A), any lawfully authorized auditor, examiner, or other representative acting on behalf of any State agency charged with the administration and collection of taxes imposed by a State or any political subdivision of a State may review at reasonable times those books and records of any Federal depository institution (as defined in section 3(c)(4) of the Federal Deposit Insurance Act) or any Federal credit union (as defined in section 101(1) of the Federal Credit Union Act) which are reasonably necessary to ensure compliance with the tax laws of the State or political subdivision.".

Subtitle B—Bank Insurance Sales Reform

SEC. 211. DELAWARE LOOPHOLE CLOSER.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by redesignating section 12 as section 13 and inserting after section 11 the following new section:

"SEC. 12. INSURANCE ACTIVITIES OF BANK SUBSIDIARIES OF HOLDING COMPANIES.

"(a) IN GENERAL.—No bank holding company may permit any bank subsidiary of such company, or any subsidiary of such bank, to provide insurance as a principal, agent, or broker beyond the borders of the State in which the subsidiary bank is chartered unless such insurance activities in the nonchartering State are specifically authorized by the statutes of that State, by language to that effect and not merely by implication.

"(b) CONTINUATION OF PRIOR ACTIVITIES.—Notwithstanding subparagraph (A) or section

4(i)(5), any bank holding company (or any successor of such company), or any bank subsidiary of a bank holding company (and any subsidiary of any such bank subsidiary) may continue insurance activities otherwise prohibited by subparagraph (A) on an interstate basis—

"(1) so long as those coverages insure against the same types of risks, or are otherwise functionally equivalent to, coverages provided on or before June 1, 1991;

"(2) to the extent that those activities were lawful and not the subject of legal challenge on that date; and

"(3) subject to State regulation and control.".

SEC. 212. TOWN OF 5,000 LOOPHOLE CLOSER.

(a) In General.—Chapter 1 of title LXII of the Revised Statutes is amended by inserting after section 5136A (12 U.S.C. 25a) following new section:

"SEC. 5136B. LIMITED INSURANCE ACTIVITIES FOR NATIONAL BANKS.

"(a) Limited Insurance Activities for National Banks Located in Small Towns.—In addition to the powers now vested by law in national banks organized under the laws of the United States, any national bank that is located in a place that has a population not exceeding 5,000 (as shown by the preceding decennial census) may engage in insurance sales and insurance solicitation activities if—

"(1) the sales and solicitation activities are confined to that place of 5,000 or less and the adjacent rural unincorporated areas closest to that place; and

"(2) the insurance is sold only to—

"(A) individuals who are residents of, or are employed in, any place (including any unincorporated rural area) in such State that has a population not exceeding 5,000 (as shown by the preceding decennial census);

"(B) persons—

"(i) who are engaged in business in any place in such State that has a population not exceeding 5,000 (as shown by the preceding decennial census) and have a principal business office in any such place; or

"(ii) whose principal headquarters is located in any such place,

with respect to employees (including owner-employees) who reside in or are principally employed in such place, real property located in such place, personal property which is principally used in such place, or services provided by persons located in such place; and

"(C) any other person if the insurance is issued with respect to—

"(i) real property located in any place in such State that has a population not exceeding 5,000 (as shown by the preceding decennial census); or

"(ii) personal property which is principally used in such place.

"(b) Certain Activities Prohibited in Connection With Insurance Activities.—No national bank which sells insurance pursuant to subsection (a) may—

"(1) assume or guarantee the payment of any premium on any insurance policy issued through the agency of the bank by the insurance company for which the bank is acting as agent; or

"(2) guarantee the truth of any statement made by an insurance customer in filing such customer's application for insurance.

"(c) Limitation on Title Insurance Activities.—No national bank may engage, directly or through a subsidiary, in any activity involving the underwriting or sale of title insurance other than title insurance agency activities in which such bank was actively and lawfully engaged, directly or through a subsidiary, as of June 1, 1991.".

(b) Repeal.—

(1) In general.—To the extent the paragraph described in paragraph (2) is in effect on the day before the date of the enactment of this Act (whether as a paragraph of the Act described in such paragraph or as a provision of any other law), such paragraph shall cease to be effective as of such date of enactment.

(2) Paragraph described.—The paragraph described in this paragraph is the paragraph contained in the Act entitled "An Act to amend certain sections of the Act entitled 'Federal reserve Act' approved December twenty-third, nineteen hundred and thirteen" and approved September 7, 1916 (39 Stat. 753; omitted from the United States Code) which—

(A) relates to the authority of national banks in small communities to act as insurance agents and real estate brokers; and

(B) begins "That in addition to the powers now vested by law in national banking associations".

(c) Clerical Amendment.—The table of sections for chapter 1 of title LXII of the Revised Statutes is amended by inserting after the item relating to section 5136A the following new item:

"5136B. Limited insurance activities for national banks.".

Subtitle C—Bank Real Estate Reform

SEC. 221. REAL ESTATE PROTECTIONS.

Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following new subsection:

"(j) Real Estate Activities.—

"(1) In general.—For purposes of subsection (c)(8), real estate investment, management, or development and the purchase and sale of real estate as principal or broker shall not be activities so closely related to banking as to be a proper incident thereto.

"(2) Continuation of prior activities.—Notwithstanding paragraph (1), any activity described in such paragraph that the Board has determined, before May 3, 1991, by a regulation or order that is in effect on December 31, 1992, to be so closely related to banking as to be a proper incident thereto may continue to be treated by the Board as a permissible activity for purposes of subsection (c)(8).".

Mr. GONZALEZ. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. Frank of Massachusetts) having assumed the chair, Mr. Carr, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2094) to require the least-cost resolution of insured depository institutions, to improve supervision and examinations, to provide additional resources to the Bank Insurance Fund, and for other purposes, had come to no resolution thereon.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2130, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION AUTHORIZATION ACT OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–313) on the resolution (H. Res. 278) providing for the consideration of the bill (H.R. 2130) to authorize appropriations for the National Oceanic and Atmospheric Administration for fiscal year 1992, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2929, CALIFORNIA DESERT PROTECTION ACT OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–314) on the resolution (H. Res. 279) providing for the consideration of the bill (H.R. 2929) to designate certain lands in the California desert as wilderness, to establish Death Valley, Jushua Tree, and Mojave National Parks, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3575, FEDERAL SUPPLEMENTAL COMPENSATION ACT OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–315) on the resolution (H. Res. 280) providing for the consideration of the bill (H.R. 3575) to provide for a program of Federal supplemental compensation, and for other purposes, which was referred to the House Calendar and ordered to be printed.

☐ 2050

PROVIDING HEALTH CARE TO ALL AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. Tallon] is recognized for 5 minutes.

Mr. TALLON. Mr. Speaker, the administration could find its way to forgive a $7 billion loan to Egypt and to fork over the equivalent of $5,000 to every man, woman, and child in Israel, yet this country cannot provide adequate health care for its own people.

It is a disgrace, and I see an expanded Medicare Program that covers every citizen as the only way to come to terms with this disaster.

Add up the cost of our military assistance to Israel, Egypt, and Turkey and would not we be better served using that money to provide health care to all Americans.

By streamlining the process and establishing preventative health care practices, we can lower our health care costs and increase the quality of care available to every American.

FAIRNESS FOR CERTAIN COMMUNITY COLLEGE EMPLOYEES UNDER THE FAIR LABOR STANDARDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation to exempt classified employees of community colleges who choose to work in an academic capacity in addition to performing their full-time classified duties from the overtime provisions of the Fair Labor Standards Act.

Classified work is that which does not require academic certification, and it includes such activities as support and maintenance. Many classified employees earn a credential outside of their job to teach certain courses at the community college where they are employed. While they are paid for their academic work in addition to their regular salary, most classified employees indicate that they teach because it is enjoyable and provides a means of self-development.

Most classified employees are paid an hourly salary based upon the negotiated certificated salary schedule for part-time instructors. However, the overtime formula mandated by the Fair Labor Standards Act requires that classified employees be paid substantially more than this negotiated amount for any academic work which is performed outside of their full-time classified employment. Allowing classified employees to work in an academic capacity has thus become prohibitively expensive for many community colleges, and they are being forced to discontinue this opportunity.

Classified employees in my district have requested that they be exempted from the overtime provisions of the Fair Labor Standards Act. The bill that I am introducing today has been fully endorsed by the California Federation of Teachers, the Monterey Peninsula College Teachers Association, and the Monterey Peninsula College Employees Association. I hope that my colleagues will join with me in supporting legislation which will provide classified employees with the opportunity to continue an enjoyable and self-enhancing activity.

For the convenience of my colleagues, the text of my legislation is included here:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTION.

Section 13(b) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(b)) is amended by striking out the period at the end of paragraph (29) and inserting in lieu thereof "; or" and by adding after that paragraph the following:

"(30) any employee employed in a classified position by a community college which provides 2 years of undergraduate education leading to an associate degree or certificate who, in addition to the employee's duties as a classified employee, on the employee's own volition serves in a certificated or other academic capacity.".

THE OCEAN DUMPING LIABILITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. STUDDS], is recognized for 5 minutes.

Mr. STUDDS. Mr. Speaker, today I am introducing legislation that is long overdue. The Ocean Dumping Liability Act [ODLA] will amend the Marine Protection, Research and Sanctuaries Act to make those who dump illegally into U.S. waters liable for the first time for damages caused by their actions.

Currently, the Ocean Dumping Act makes it illegal to dump industrial waste or sewage sludge into U.S. waters after December of this year, and it has been illegal for commercial and recreational vessels to dump plastic into our waters since 1988. Regardless of these laws, fishermen frequently tell stories of witnessing illegal dumping, and in Massachusetts Bay evidence surfaces in the form of unmarked plastic barrels with as yet undetermined contents.

This must be stopped. Currently, those who violate the law may be subject to tough fines, but are not financially responsible for cleanup costs or environmental damages. The Ocean Dumping Liability Act will change that. Modeled after provisions of the Superfund program and the Oil Pollution Act, the ODLA will help to convince so-called midnight dumpers that it does not pay to take the easy way out.

Mr. Speaker, this legislation would establish that anyone who destroys our precious natural marine resources as a result of illegal ocean dumping will be liable for costs relating to assessment of the damages, cleanup and restoration of the resources. In addition, the ODLA would allow individuals who are injured, who lose income, or whose property is damaged as a result of illegal ocean dumping, to sue for recovery.

Passage of the Ocean Dumping Liability Act is essential to the continued protection of our coastal waters. We owe it to those who make a living from this resource, and I urge my colleagues to support it.

THE DEFENSE AUTHORIZATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Madam Speaker, the Defense authorization bill has been, I guess, agreed to in conference between the Senate and this body, and all day long the Senate and House conference appropriators have been meeting trying to work out something, and it looks to me like it is going to come up the good, the bad, and the ugly.

So using those three sections and trying not to take all of my time for this special order, let me discuss what defense vintage end-of-the-year of 1991 is coming down to. First, the good, and we owe this in a bipartisan way to a reserve major general in this Chamber, the distinguished gentleman from Mississippi [Mr. MONTGOMERY], of the great State of Mississippi, who is truly the best friend guardsmen and reservists have in this Congress.

Now, what did the gentleman from Mississippi [Mr. MONTGOMERY] do with a lot of help on both sides of the aisle, but the majority of that help, I must say from in sheer percentage of numbers of those serving in this Chamber, and that is 166 Republicans and 268 Democrats plus one socialist, although we all know, Madam Speaker, there are a lot of socialists buried in that 268, hopefully none on our side of the aisle, and now, what did the bipartisan Montgomery team accomplish? Reduced Reserve personnel reductions.

The reduction suggested by the administration I love was a bit massive, 105,076. We have reduced that in conference because of the gentleman from Mississippi [Mr. MONTGOMERY] to 37,580, and we have also reduced full-time manning end strengths by only 1,240 instead of the proposed 4,001.

When I was flying in the Air National Guard and later flying rescue seaplanes in the Air Force Reserve, we used to call these people air technicians. They are still guardsmen or reservists, but they work full-time and sometimes that is a 7-day-a-week job, and I think, again, this measured reduction of Reserve forces is very interesting.

Madam Speaker, I just saw one of the cameras move. This is an important footnote. As in my wont, I have to do this every time I do a special order here. Here we go. It is getting to be almost a memorized rote. The cameras of this Chamber, all six of them, are at this moment in an ugly, rude, nasty way panning the House empty Chamber to act as though nobody is listening to this Congressman, ROBERT K. DORNAN from southern California, when we know, Madam Speaker, that there are about 2 million people in the C-SPAN television audience coast to coast, across the International Date Line in Guam by satellite, from the Virgin Islands and Puerto Rico up to the furthest tip of Deadhorse Airport in Alaska, people are watching this Chamber. I make an appeal, again, for the umpteenth time, probably about 10 times just in the last 2 months, to the distinguished Speaker for whom you are sitting in, Madam Speaker,the great THOMAS FOLEY of the State of Washington, who has just, with his personal effort and willpower, defeated the term-limitation bill up there a week ago, I ask Mr. FOLEY to, please, stop this ugly nonsense that destroys the dignity of this Chamber of panning the empty seats, which they do not do at the beginning of the day for 1-minute speeches when there are not but 2 or 3 Members on the floor except for those waiting in the front rows to make their 1-minute speeches. We did not have many more Members than are in this Chamber right now when we were going through the end of the banking bill and some of its amendments, and we only do this at the end of the day, because my good pal and great historical Speaker, the only one to serve as Speaker 10 years in a row, Thomas Patrick O'Neill of the great State of Massachusetts, to get at my other good friend, NEWT GINGRICH of Georgia and the great incomparable parliamentarian, BOB WALKER, of the great Commonwealth of Pennsylvania, and to get at these people, Speaker O'Neill said, "Let us have the cameras pan and show an empty Chamber and try and make a fool out of any great Democrat like MARTY RUSSO when he was down here in the well doing a special order, or better than that, when he is in the well with the whole delegation of Illinois paying tribute to some great Illinois Congressman or woman who went to the happy hunting ground for all good Congresspeople," and when we are down here doing one of these special orders, how rude when we are trying to honor a deceased Member of Congress to have the cameras panning an empty Chamber just to get back at NEWT GINGRICH and BOB WALKER 10 years ago, because they used this well skillfully. It does not make sense, Madam Speaker.

So I will give one of my orders to the cameramen that they never follow, because I do not have the power of the Speaker, pan the cameras on the south side here, up to the great marble medallions and look at the face of Moses. He is looking down at you, Madam Speaker. We are far enough away that it looks like the eyes are looking right at me rather than you, and show that Moses, in his great 10 Mosaic laws on those tablets, he would have, on an issue like this, judged decency, comity, and that is not comedy, folks, he would have said, "Stop panning the Chamber with the cameras and instead concentrate on the speaker to help the television audience have 1½ to 2 million people to concentrate on what is being said. Let us end this rudeness."

OK, I hope Mr. FOLEY or his great chief of staff, the incomparable Heather Foley, were watching. One day I am going to win this battle. I have circulated letters with 50 signatures, 80 signatures, asking the Speaker to, please, end the policy of panning the Chamber with the cameras and stop embarrassing people, and besides a few Congressmen, like the outstanding defender of national defense, from the great State of Ohio, ROBERT MCEWEN, who undoubtedly is going to be the next Senator from that State unless he chooses to be Governor, and he can have either that he wants, he sits in his office and watches these special orders if what we are saying on either lectern here happens to be worthy of being listened to, and sometimes MCEWEN even comes into the Chamber to watch, BOB MCEWEN of Ohio, that is, to watch a special order, so he knows what his colleagues on both sides of the aisle are up to.

All right, back to our defense bill, the good, the bad, and the ugly, and those guilty camera people who, under orders, are panning what is not an empty Chamber by any manner or means, and back to SONNY MONTGOMERY, major general, retired, U.S. Army, and the good work he did for the Reserve and the Guard.

A few other points. As a matter of fact, I tell you what I will do: To those, Madam Speaker, who are trying to familiarize themselves with the ways and means and intricacies of the House, we have a little policy around here called a "Dear Colleague" letter where, on our official stationery supplied by the taxpayers, we will actually write to one another using internal mail and beg one another to join in in an amendment, to get on a piece of legislation, a resolution, a joint resolution, and SONNY MONTGOMERY sent around a letter of November 5 begging us all to vote for the defense authorization act when it hit the floor probably next week, and although I cannot join him in that, because there are too many other flaws in the bill, and that is the bad and the ugly, I will compliment and read from SONNY's own "Dear Colleague" letter four points that he takes great pride in. Those would be the Guard and the Reserve. First, he says the bill stops the drastic cuts in the National Guard and the Reserve personnel force structure. I already gave you those figures.

Second, he said that the bill authorizes more than 1 billion in modern equipment for the National Guard and Reserve. And let me tell you what we have gotten for the Guard: the MLRS, and that is made by a great Texas firm, LTV, Ling-Temco-Vought, going all the way back to World War II building the great bent-wing, gull-wing fighter, the F-4U Corsair, and their A-7 Corsair saw service, at least two Navy squadrons, off the *Saratoga* right up to Desert Storm.

☐ 2100

LTV builds this multiple rocket system, and if you have seen that thing fire, it is impressive. It reminds you of what they call the Stalin Organ, the Katusha Rockets the Soviet Union used to great effect driving back the Nazi invaders from the motherland of Russia and Ukrainia.

Now, we have in our Defense bill engine upgrades for fighter aircraft. Having flown F-86-H's in the Guard, traded in our H model, which had a J-73 engine for older F-86-E's which had a J-57-GE engine, I can tell you when you add about 2,000 or 3,000 pounds of thrust to a jet engine, believe me, that makes a fighter pilot's day, month, year and the end of the career, which usually it is when you are flying in the Guard. I mean, it is the end of your service because you have had active duty years behind you.

Then, of course, there are other things like the C-130 aircraft, the longest production aircraft in the history of defense, even longer in production now than the venerable C-47 Sky Train, belovedly called the Gooney Bird by pilots that have flown it. I have a couple dozen hours of that in my form 5.

Well, the C-130 has become the Gooney Bird of the post-World War II world, and to get brand new C-130 Herc's, Hercules, right off the line down in Georgia in NEWT GINGRICH'S district and deliver them to the Guard, that is something that will make the eyes water of pilots who like to have a lot of fans out there on the wings turning around, and all sorts of state of the art navigational equipment for all our planes in the Army, the Navy and the Guard and the Air Force and all the Reserve units, that is good stuff.

No. 3 in SONNY's letter. He said, "Our bill beefs up the readiness of the National Guard and the Reserves through increased training dollars. This will insure," Mr. MONTGOMERY says, "that we multiply the successes of Operation Desert Storm through high quality and effective training programs in the coming year. There is no reason why we should not apply what we learned in Desert Shield/Desert Storm to the Guard and Reserve and keep going."

SONNY did not have time to mention in his letter here, but the performance of two Guard squadrons, the Syracuse, the Boys from Syracuse Air National Guard Squadron there, I think it is the 174th. They fly F-16's. They were the first Guard unit that the former Commander of TAC, Bob Russ, he gave them Pave Paw, a very sophisticated state of the art bombing system. So they said, "Let's call them up."

The other Guard unit was the 169th down in the State capital of South Carolina, Columbia. They fly F-16's, an earlier model. Those guys are absolutely terrific. They went from F-104 Star fighters to big C-134 tankers, back into the fighter business with F-16's.

I will tell you a little footnote story about that in a minute, Madam Speaker.

The third unit was an A-10 Reserve unit out of Louisiana flying the lovably ugly Warthog, the Air Force A-10 Thunderbolt-2, and what a job they did in the gulf.

So let us share what we learned by these three Guard squadrons and the other Reserve squadrons and other Reserve units, particularly one Army Apache Unit that performed so well and let us extend this type of quality training out.

I will finish this fourth one and come back and tell you the story about the South Carolina Guard.

No. 4. Congressman MONTGOMERY tells us, you may recall—by the way, that billion dollars we saved in modern equipment, gosh, could it be that was the billion dollars that some liberal Democrats thought we should give as a peace dividend to the former evil empire that caused all these massive defense budgets from 1945 on? Let us hope so, that the billion dollars we were going to give to the Soviet Union to pour down that massive ex-Bolshevik/Marxist/Leninist rat hole, rather than help them with people and training and programs or fly in reserve food with American flags plastered all over it, if they get in a starvation situation this winter, direct emergency aid, acknowledged by the world and received generously by the receiving people themselves as a gift from the American people, that is fine, but to just give them $1 billion over there to fritter away would have been foolish. Let us hope that billion dollars is now going to the Guard and Reserve.

No. 5. Mr. MONTGOMERY says, "You may recall we authorized certain benefit increases for the National Guard and Reserve on a temporary basis for the duration of the war. Our bill makes these benefit increases permanent to insure that we attract and retain the highest quality National Guard and Reserve people possible."

So not only are we beefing up their readiness, but all the benefits that we call temporary benefits, if they were good enough to be given to these people when they are in combat, why not give them these permanently when they are in combat training.

Remember, we have lost in combat training just since Ronald Reagan was elected President, I am not talking about senior persons having a heart attack on the golf course or somebody having a car crash coming back sleepy late at night on a 3-day pass. I am talking about tanks running over them in their sleeping bags at the end of an exercise. I am thinking of an actual sad story at Camp Pendleton. I am talking about artillery pieces rolling over our men on maneuvers. I am thinking of one that happened in Germany by a river, killed four men.

I am talking about gunnery ranges, even pistol and rifle firing ranges all over the military. We have several dozens of deaths each year, pilots bailing out of airplanes, the chute fails as happened to "Bug" Roach, a friend of DUKE CUNNINGHAM just a few weeks ago off the California Coast flying in the Top Gun Squadron that our colleague, DUKE CUNNINGHAM helped put together at Fighter Town USA, Miramar Naval Air Station.

I am talking about paratroopers who have a chute emergency, planes that blow up, planes that crash in the night, all those combat training deaths. Brace yourself. We have lost pushing 12,000 people, men and some women, dead in combat training accidents since we left Vietnam. That is a figure that not one-millionth of 1 percent of Americans are aware of. So let us give them the same benefits in the dangerous combat training situations and all the support personnel that help us stay as ready as the Minutemen of the Revolutionary War that gave birth to this country. Let them have the same benefits that they were given by this Congress during the Desert Shield and Desert Storm struggle to free Kuwait.

Now, the story I wanted to tell on the South Carolina Guard. The great parade, what was that date—June 8 this year. It was terrific. General Schwarzkopf turning and over his shoulder saying, "Forward march," and here comes a great representative parade down Constitution Avenue marching toward the west in front of the reviewing stand with President Bush there to greet them. It was quite a parade with fly-bys, with representative aircraft, flights of four of every aircraft that flew in the gulf.

At the end of the day, and I had both of my sons there and one of my daughters, three of my eight grandkids, and we just had the time of our lives; stayed in town at the Willard Hotel so we would not miss a good spot up front, and when it was all over and we were leaving this beautiful city and we are turning by the Lincoln Memorial, here is something that is very familiar to my eye because I have been lucky enough as a Congressman to fly in it five times.. It is an F–16 Fighting Falcon, a General Dynamics fighter, but it was sitting in front of the Lincoln Memorial. It was parked there waiting to be towed over on to the Mall so that young kids could see what their fathers' and mothers' tax dollars are paying for and it was going to sit there on the Mall the rest of the day of June 8 and all night, leave the 10th on Monday morning, but temporarily here it was in front of the Lincoln Monument.

I was out of film and I did not get a picture. I was down on one knee to get this nice angle up at this F–16 with the beautiful Lincoln Memorial patterned after the Parthenon on top of the Acropolis right behind it; but I said to my wife, kids and everybody, "Excuse me. I got to go shake that pilot's hand."

So I go over and meet the pilot who is from the South Carolina Guard, who flew this actual plane in combat. Here it is flown all the way back to the United States through the beauty of refueling. It did not come back from a ship. It flew its way home, landed at Andrews, towed over on a flatbed truck and here it comes down the whole length of the parade and here it is sitting in front of the Lincoln Memorial. It just jolted me.

I went over and talked to the pilot. I will not embarrass him by mentioning his name. I said, "Do you know Jet Gerrigan, whose mother called me when I was sitting in on the Rush Limbaugh Show?"

And he said, "Oh, are you kidding? Jet is great. His father flew in this squadron before. He was one of the flight commanders over there."

I think he is a major now. He was the ops officer.

He said, "Yes, he got a lot of combat missions in."

I said, "How many did you get?"

He said, "Thirty-four, which is about average."

I said, "What was that story when I walked up you were telling these young people here?"

He said, "Well, one of the last flights we were flying during the land war, next to the last day of the war"—so that would be February 27. I was in theater at that time. I was lucky enough to be the only Member of this Chamber or the other that actually got to sandbag on a combat mission. I went up with Johnny Griffin, a colonel type, Texas Air Guard, U.S. Air Force Reserve officer, and flew on Cowboy 5–3, a KC–135 with the old engines, lying back there next to the boom operator's position. As the boomer is refueling these airplanes, I am photographing him. That was the first day of the land war, flew out of a forward advanced staging base somewhere in Europe. Might be a country named after what we are going to be eating on the 28th of this month, enough hints, and from this forward base I had the joy of watching these men refuel and then take a right turn and head to downtown Baghdad to bomb the Samnan Pack Nuclear, Biological and Chemical Warfare Facility, right near downtown Baghdad.

□ 2110

Well, 3 days later these F–16's a flight of four, this young captain is telling me, were orbiting around an overcast that was covering the retreat of the Iraqi forces out of the utterly destroyed and looted Kuwait City. He said they were being called back by the GCI, probably an airborne AWACS controller, and then they said, "Wait a minute, I think we see a hole in the clouds. We are going to let down here." So they let down through this hole in the clouds and here is an Iraqi tank column disobeyng the broadcast, which was in Arabic, their orders to leave their tanks, throw down their rifles and walk out or at least have the guns in a gun-down position and indicate that they are going to surrender the weapons of war at some point.

Instead, here are the Iraqi tanks knocking cars out of the way, filled with loot, moving forward, armed to the teeth. As these four F–16's go under this about 3,000-foot cloud layer that is pretty visible——

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. DORNAN of California. I will yield in a moment. I was building to a nice point that I think the gentleman will enjoy. I will yield in just a second.

I would be happy to yield to my colleague from Connecticut in just a second.

As they let down, they do a low pass over this retreating armed Iraqi tank column and indicating that, "You had better surrender and throw your arms down." And this young captain in front of the Lincoln Memorial tells me, "I was rather surprised to see a tank commander standing on his tank holding up his middle finger." Imagine this, here are four F-16's from the South Carolina Guard, and this arrogant Iraqi, instead of surrendering, is giving the middle finger to four heavily laden F-16's.

Breathlessly, I asked the pilot, "Captain, tell this former Air Force fighter pilot that you expended your stores." That is military-ese for bombing the holy hell out of them.

He said, "Sir, all I can tell you is that in a few moments neither I nor any of my three F-16 wingmen had any ammunition left on the aircraft." And I said, "Well, what about the cannon, the 20-millimeter cannon, the gatling gun?" And he said, "Well, we spent a little ammunition, and when we left, it was one smoking column, I will tell you that."

I think there is a moral in that if there are fully loaded F-16 Air Force planes overhead, you had better throw your weapons to the side, not give them the bird, better to throw your weapons to the side, go down and face Mecca and start going into a respectful prayer position rather than antagonizing them.

They did not just give them that sign; they also fired their weapons into the sky. I would not want to indicate we were bombing armed strategically withdrawing, not-surrending forces, merely because they gave an obscene gesture. It was also because they turned their machineguns on them and started firing.

So on that note of American punishment for obscene gestures, firing at our Guard airplanes from South Carolina, I yield to my good friend, the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. I thank the gentleman for yielding.

Mr. Speaker, I was just remembering, looking over some of the information on the Iraqi nuclear program, just an interesting note of history, that the Kuwaitis called for an economic embargo of the United States in the early 1980's when, after the Israelis had destroyed the Issirac reactor in Iraq and the United States would not initiate an economic embargo of Israel, the Kuwaitis called on their Arab brothers to have an economic embargo of the United Stats to punish the United States for not responding to the first instance of taking out Iraqi nuclear capability.

The irony of history, of course, is that had that not occurred, Iraq may have had nuclear weapons to bring into Kuwait.

Mr. DORNAN of California. I am glad the gentleman brought up that point because it was June 7, 1981, I think a great day in history, that I took to this well—did the gentleman get elected in 1980 or 1978?

Mr. GEJDENSON. 1980.

Mr. DORNAN of California. 1980. So that was your freshman year. You remember we went over to the Armed Services room to look at some of the national technical means imagery that we were seeing even before the Israelis because they did not have that capability, of how successful their raid was on the Issirac reactor.

That was a Sunday, June 7, 1981. Only one person was killed. You could say he was innocent because he was a Frenchman, a French scientist, but then what was he doing building a nuclear reactor, endangering the peace of the world? So he was caught because he was pursuing the wrong profession in the wrong place at the wrong time. That was the only casualty in that June 7, 1981, incident, where the Israelis geopolitically changed the history of the world because if Saddam Hussein had had nuclear capability, we would have had to have approached the liberation of Kuwait in a totally different way. And that vote that we had on January 12 of this year, 240-something to 185, that vote could very easily have gone the other way and we would still be sitting here with sanctions on this mad dog, Saddam Hussein.

As a matter of fact, there have been articles appearing just within the last 3 weeks in the New York Times, the Los Angeles Times, and the Washington Post, that are so fundamentally correct on how close they were driving for nuclear capability, advanced biochemical warfare, advanced chemical warfare, that our intelligence community—and I have never criticized that community in this well ever, and I do not mean this to be interpreted as a criticism now—but we learned just how far off we were on the dark side of analysis because we had an opportunity to examine our intelligence against what was really taking place in what we thought was a backward country just emerging in the world.

I first went through Iraq on a world trip that I was taking to educate myself on geopolitics because I was hoping against hope that someday I would have a television show—and that happened 1½ years later, the trip worked—and that I would someday come to the Congress.

I went to Iraq in 1966, the first week of May in 1966, and all they had were old German rifles and the soldiers were barefooted. This was in the center of Baghdad around some of the very limited military facilities. So in less than a quarter of a century, they went to the fourth largest army in the world, which we demean now, and some liberal voices this country act as if it was not a challenge because we so effectively and surgically took them out as the fourth power in the world. But now if you were to picture all of the countries, the renegade states that have nuclear power, say nuclear weapons, China, North Korea, Iraq, a couple of states in the cone of South America, if you were to look at these as rocks and under those rocks we do not know what is going on, we had a chance to lift up the rock of Iraq and we were shocked at what we saw underneath this rock, what was taking place in secret; from superguns, anthrax through sulfur mustard gas, advanced sabine nerve gas. What they were doing in that country is incredible. I do not think this great victory in the gulf will redound to the benefit of President Bush, who I thought was so decisive in his leadership because I agreed with his calling Saddam Hussein an emerging Hitler—but Hitler is still alive, on the hoof, arrogantly telling the world that all the U.N. inspection teams in the world cannot get inside the heads of the scientists that he still has on the payroll. He arrogantly says, "We are going to turn right around and proceed in the same course we were going. It may take just a little longer than we were planning."

All right, I thank the gentleman for starting me into that important historical footnote.

Back to my theme, the good, the bad and the ugly.

I had finished with the good, what we had done for the Reserve and the National Guard. Now the bad.

What we have done to SDI is bad. I hope they are fishing it downstairs this evening and tomorrow and in the next few days in the Appropriations Committee conference. But here is what is wrong with just basing everything on a ground-based system, which may start out in the Dakotas in a few years, and not having a space-based defense as part of our SDI strategic defense initiative.

Brilliant Pebbles, which was gutted, zeroed out in the House, saved some money in the Senate, and it looks like we will get $390 million out of a budget on SDI of $4 billion, which is still a $1.5 billion cut from what we had hoped to get in line with the President's request. Now we slashed Brilliant Pebbles interceptors. That would have been the most effective in terms of strategic defense of global coverage. There is no better accuracy, cost effectiveness; we cut that nearly in half from $659 million. It is down to $390 million from $659 million, and that is only because the Senate was zeroed out.

□ 2120

Here is the beauty of Brilliant Pebbles, not just a ground-based defense of our country from errant nuclear missiles, 1, 6, 10, 20, coming from some other part of the world that we might think of as backward now as Iraq was 25 years ago, but with a concentrated effort and a lot of prostitutes in the arms business around the world selling out the future of their own children which happen from nations all over the world. Another nation can certainly relive what Iraq did and keep it just as secret.

What SDI Brilliant Pebbles does is it extends deterrence and protection beyond the United States to any deployed forces around the world. We could have covered all our troops in the gulf area with the Brilliant Pebbles system from space and nailed that Scud missile that hit the very very fragile built barracks outside of Riyadh, and they killed more people. I think it killed 29 men and women, more than was lost in any single skirmish or operation of the war. That would not have happened if we had had Brilliant Pebbles interceptors orbitting above that battle area. It will permit multiple shots against ballistic missiles, not only getting the incoming warheads, but also the missiles itself, hopefully immediately after launch.

I remember the great former head of the Defense Intelligence Agency, a No. 2 at the CIA, has become one of my closer friends outside of this Chamber in this area, Lt. Gen. Danny Graham, terrific man, sort of the Paul Revere of strategic defense, traveling all over this country, sounding the alarm for a decade of why we need this. We just celebrated the 10 anniversary of his operation High Frontier. Danny Graham said, "What better place to attack a missile that's heading toward your homeland to destroy one of your cities or the cities of your allies? What better place to destroy it than in the launch phase, dumping all of that evil debris right back on the country and the launch pad itself, if you've lucky, of those who decided to launch a weapon of terror against some peace-loving city around the world?"

So, we could have gotten all those Scuds out there at those hidden bases in western Iraq, and sites H–2, H–3. We could have gotten them right after launch.

It would also, Brilliant Pebbles aspect of strategic defense, would enhance all other ballistic missile defense systems, including theater and ground-based defense.

Now the cost of SDI overall, the whole program, launch-phase protection, transit protection, and point defense at the end; all of it is low. The cost of any system that enhances national security and defense is probably worth any price. We know that. One cannot put a price to their freedom or the loss of hundreds, if not millions of thousands, hundreds of thousands, if not several million people, with even just one device. SDI is actually inexpensive when it is compared to other funding.

For example, one of these what they call a factoid on CNN: The whole total funding of SDI in this request this year is less than 15 percent of the amount of citizens spent on tobacco in the year 1989. That is the most recent figures available. So, that is a higher figure in 1990 or this year 1991, 15 percent of our smoking habit to defend ourselves from one little missile that could wipe out the entire metropolitan area of New York or Los Angeles. As a percent of our gross national product, our GNP, this request is less than one-tenth of 1 percent to fulfill one of the desires in the Preamble to our Constitution after forming a more perfect Union, establishing justice, insuring domestic tranquillity. Then comes providing for the defense, ahead of promoting the general welfare, and I know general welfare is a big concern of the majority in this House, but our Founding Fathers and their great wives said providing for the defense comes on ahead of that. So, less than one-tenth of 1 percent is not much to ask for for strategic defense in our defense budget.

The President's fiscal year 1992 SDI request represents only 1.8 of the entire defense budget, less than 2 percent of our entire defense budget, which is still about $10 to $11 billion less than $300 billion.

By the way, the interest on our debt next year, keeping in mind we are going $1 billion into debt today, tomorrow, every day this fiscal year, $1.1 billion in debt; the interest on that debt has crept up to next year $282 billion. It will probably eclipse the defense budget within a year, or it is 2 years certainly, so 1.8 less than 2 percent is not much to spend for strategic defense and this proliferation issue, which I will be speaking about before the year is out in this well for another special order.

While we wait and debate the cost and the effectiveness of SDI, the proliferation of ballistic technology continues throughout the world. I have been focussing on Iraq, but it is estimated by our intelligence community and the intelligence community of Great Britain and NATO that 24 nations are going to have ballistic missile capability before this century, the bloodiest century in history, winds up.

So, that is the bad news, the defense budget, the cuts in SDI. The good: the courageous defense of the gentleman from Mississippi [Mr. MONTGOMERY] for the Guard and Reserve; the bad, slicing and chopping up SDI. Now comes the ugly: the cuts in our defense budget that are creating unbelievable cost problems.

By scaling back a lot of defense orders under the guise of saving money, orders that are the result of previously expended taxpayer money for research and development, the Government is driving up the cost of the weapons that it will buy to an astronomical level. Additionally, in this Chamber and the Senate, by changing its mind on defense requests from year to year, sometimes month to month, it makes efficient, long-term acquisition of weapons systems nearly impossible. We are the only allied country in the world, the only one in NATO, that buys on a year-to-year basis and drives these costs up.

Here are some for-instances: Over half of the B–2 program, somewhere between $33 and $34 billion has already been expended. Now this is as flexible a system as we have ever put into the air in the United States. History of our Air Corps, Army Air Force, or U.S. Air Force or our Navy Air Force. It will provide a smaller, but a far more capable power projection force in the new command. That Strategic Air Command is evolving into Air Combat Command, which is what we will be calling SAC a year from now because it will have all of our fighters join with it.

Take the C–17 aircraft. I guess this will be considered parochial on my part because it is built in Long Beach, two congressional districts over from mine, and a lot of my constituents travel along the 5 and the 22 freeways to get to Long Beach to work on this aircraft. We have cut the production from six to four, again to save money, but by slowing that down we are going to drive up the cost $900 million for these aircraft. We are going to build 210. We are now going to build 120 supposedly, and we have just added almost $1 billion to that whole program.

Now here is one that our only ace, military pilot ace, Navy pilot, the first ace of the Vietnam war, the Navy ace, only Navy ace. We only added one Air Force ace to that, Steve Ritchey. Our colleague, the gentleman from California [Mr. CUNNINGHAM], speaks about this with great passion on the House floor because he used the F–14 Tom Cat Grumman fighter as a surgical instrument to take five Communist Migs out of the sky over North Vietnam. Despite a previous research and development effort already spent at Grumman of $1.4 billion to take all of the aging F–14A Tom Cats out of the fleet, put new engines in them, considerably improved engines because the airframe was way ahead of the engines, we use the old engines developed under the late John F. Kennedy and President Johnson years, and we put the F–111 Pratt & Whitney engine, the F–30, into the F–14's and said to the Navy, "Well, you'll get a new engine in a year now," and almost 20 years later we are finally reengining some of the older airframes, calling it an F–14A-plus, but here we were going to remanufacture them into a total new model capable of its still-brilliant Phoenix missile system air-to-air capability combined with good strike capability to play a dual role as does the much smaller and shorter-range F–18 Hornet, and we were going to produce these F–14's, remanufactured D's, up in New York.

□ 2130

GEORGE HOCHBRUECKNER, the Congressman from Long Island of the majority party, a good Democrat, has just been brilliant trying to defend this in the Committee on Armed Services, coming over in the conference committee trying to defend it. We have had another Navy fighter pilot, a Marine fighter pilot over there, Senator GLENN, trying to defend this system. After termination of the A–12 Avenger, which never saw a runway, it never flew an hour, never had a piece of hardware we could actually look at because it was canceled by Secretary Cheney, for multiple good reasons, we needed this remanufactured F–14D more than ever. We are not going to build a one, so we can just flush out to sea $1.4 billion in R&D to develop the D model of ready-any-time-you-are Navy Tomcats.

Madam Speaker, I would like to refer to a recent Washington Post article on these inefficient buys. In the article, one unidentified majority staffer says, but what we get with this system we have here is "inefficient buys, planes that are half-built, and a slow collapse of the defense industrial base. It's a mess."

Let me see if my hard-working staff gave me that article. Yes, sir, they did. This is the Washington Post, Saturday, November 9. Just a couple of excerpts and then I will wrap up my special order, Madam Speaker.

> Such are the inexorable mathematics of defense contracting these days as weapons orders are scaled back to accommodate the political and budgetary realities of the postcold war era. By reducing its overall weapons budget, the government is inevitably driving up the cost of every weapons system it does buy.
>
> Another contributor is the budgeting process that allows Congress and the Pentagon the luxury of changing their minds each year about how many of which weapons to buy, making efficient buying nearly impossible.

It goes on to talk about what I already said, "The U.S. is the only nation in the world that has a one-year fiscal plan" for defense.

Here is a chart. Listen to this. We were going to buy four B–1 bombers. The cost was frightening enough. The sticker shock up to $800 million. By cutting it down to one aircraft, and this is a word I learned when I came back in 1985, a simple verb we applied to the Contra aid, "fenced," it means you put a little congressional fence around the money and do not spend it until other things happen. We have fenced $1 billion to buy one airplane until the House, which has voted against the plane 2 years in a row, says yes, which they probably will not. So it is in effect killing the plane. But if the House did, the plane would cost $1.5 billion. Why $1.5 billion? The big, fast, amazing Sea Wolf submarine, the state of the art, the new SS–21, we were going to build three of those. We are now only going to build one. That has driven the submarine up to $2 billion.

But imagine an airplane with a crew of two costing three-quarters of the price of a big nuclear submarine that can go deeper than any U.S. submarine we ever dreamed would be able to descend to in operational missions. So we have driven the pricetag on the Sea Wolf up to $2 billion, the B–2 bomber to $1.5 billion, which will kill it and give us a minisquadron of 15 B–2's after we have spent $34 billion in R&D to this point and production dollars to get to 15.

The C–17 transport, by cutting it from six back to four we have driven the price up an additional $50 million, so it goes up to $380 million. That is out of the ball park, even for a stretch 747–400. That is the one with the big extended deck up above behind the cockpit and the wingtips aerodynamically turned up for a long-range efficiency on the tips.

The M–1 tank, has anybody wondered about those beautiful Abrams tanks, what they cost compared to the Model T Ford or the Caddy Eldorado, or your beemer? An M–1 tank costs $2.9 million. By cutting back from a buy of 26 to only 60, that is 60 tanks to be built next year, the pricetag for each Abrams tanks goes up to $3.8 million.

How would you like to be the air crew if you were on a B–2 that got into serious trouble and you are the aircraft commander and you turn to the pilot next to you and say, "I think we are going to have to eject." Would you see cash register dollar signs in your copilot eyes?

I had great pause before I was about to obey an order to bail out of an F–100 because it was the world's first about $1 million airplane. I said, "No, I think I will land it on a dry lake." After I landed the airplane on a dry lake, and I was not anxious to bail out because I had done that only a few months before and broke my back, and I figured this time I would paralyze myself, I got chewed out pretty good by my squadron commander, who told me, "A human being, a pilot, is worth more than any airplane. Do not ever forget that. This is not the Soviet Union. We want you more than we want that airplane if there is an emergency."

That is when an airplane cost $1 million. But $1.5 billion? Or if we stop at 15 and spread out the whole cost of the program, how about $3 billion per airplane?

How would you like to be a Sea Wolf skipper, sailing around in a $2 billion submarine? Incredible. The Trident II missile, we have cut that from 49 down to 28, so the price tag goes up. This is for one missile, folks, from $27 million to $34 million. That is what a Tomcat costs. You would think a missile would be simpler than an aircraft with two crewmember positions.

The F–16 fighter, we were going to buy 108 at $16 million each, and that is way down from the $22 million they were costing, because of volume. We have cut that order back to 48, unless one of the Senators who is chairman of the Committee on Armed Services replaces it, to four, count them, four obsolete F–117 Nighthawk stealth fighters to reopen a total production line at Lockheed. There is a caucus of one person in the whole House and Senate together that wants to do that, you have power when you are the chairman of an Armed Services Committee.

But if we build just the 48 F–16 Falcons instead of 108, they are going to cost $22 million apiece. That brings it right back up to the old price.

I will close on one of these wonderful unnamed congressional staff members that I already quoted before in this Washington Post article, where he says, "The worst of all possible deals for the taxpayers . . . what you get is inefficient buys, planes that are half-built, and a slow collapse of the defense industrial base. It's a mess."

And it is a mess, and although we are still euphoric over the dissolution right in front of our eyes of communism in the mother temple, Moscow, and happy to see Leningrad renamed St. Petersburg, after Jesus's first apostle and first Pope, and we are happy to help them out if they get a tough winter there, as they are predicted, it is to be as bad as the winter of 1941 and 1942, which was a blessing in disguise because it kept the Panzer divisions of Hans Guderian from taking Moscow itself and Leningrad and driving even closer toward the oil fields of Bachu, the winter this year will not be a joyous event as was that severe winter of 1941.

Fifty years ago today the Germans had encircled Leningrad, taking the Tikivin railroad junction on the east side of Leningrad, and they were about 30 miles away from Moscow, still driving toward, on the north, on the eve of our Pearl Harbor sneak attack on Hawaii, German Panzer divisions with binoculars could see the Kremlin. That is how dicey it was for the Soviet Union 50 years ago this month and next

But this winter there may be so tough we will have to find the dollars to help them in spite of our slow recovery from the recession. But we simply have to have a better way of drawing down, deconstructing, as Mr. Cheney will come over to the Hill and tell conservatives in the Republican Study Committee, we have to build down our military to make a smaller military at a cheaper price with the same capability of projecting power around the world. You could do that with better training but you could also do it with some very expensive high-technology equipment.

If we are going to buy this equipment in smaller numbers, we at least should think about better planning and coming up with a plan with less political overtones. Between the way the executive branch, through a 10-year member of this Chamber and our No. 2 man in leadership, Dick Cheney, he had just been elected whip of our body when he was tapped in March 1989, to become the Secretary of Defense. Certainly this well-respected and knowledgeable former member of this deliberative body should be listened to with more respect and reason over here in this Chamber to figure out how not to price ourselves out of giving our men and women in uniform the very best equipment that is technologically possible.

Mr. Speaker, I would like to include this letter for the record.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, November 5, 1991.

DEAR COLLEAGUE: The conference report on the FY 92 Defense Authorization Act will come up for consideration on the House floor later this week.

I want you to know that this is a very good bill for the National Guard and Reserve.

First, our bill stops the drastic cuts in National Guard and Reserve personnel and force structure proposed by the Administration. We were able to argue successfully that these large scale cuts make no sense whatsoever and that, instead, we need an independent force structure study to tell us the right mix of Active and National Guard and Reserve forces for the future. This is a major win for supporters of the National Guard and Reserve.

Second, our bill authorizes more than $1 billion in modern equipment for the National Guard and Reserve forces, including the Multiple Launch Rocket System, engine upgrades for fighter aircraft, C-130 airlift aircraft and state-of-the-art navigation equipment.

Third, our bill beefs up readiness of the National Guard and Reserve through increased training dollars. This will ensure that we multiply the successes of Operation Desert Storm through high quality and effective training programs in the coming year.

Fourth, you may recall that we authorized certain benefit increases for the National Guard and Reserve on a temporary basis for the duration of the war. Our bill makes these benefit increases permanent to ensure that we attract and retain the highest quality National Guard and Reserve personnel possible.

I'm proud of what our bill does for the National Guard and Reserve forces of this country.

I hope that you join me in voting "yes" on the FY 92 Defense Authorization Act when it comes to the floor in the next few days.

Sincerely,
G.V. (SONNY) MONTGOMERY.

□ 2140

With that, I close out the good, the bad, and the ugly, and hope for the best with the House-Senate conferees in the Appropriations Committee.

ENSURING QUALITY EDUCATION FOR MISSISSIPPI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. ESPY] is recognized for 60 minutes.

Mr. ESPY. Madam Speaker, this morning about 10 o'clock I left the Capitol and walked across the street to attend an argument being held in the Supreme Court about a case from Mississippi, about Mississippi, and about higher education in Mississippi. The case was titled Ayers versus Mabus. In the minds of many, it will do for higher education what Brown versus Board of Education did for secondary education 36 years ago.

Madam Speaker, this is a very interesting case from my State and, I believe, for our Nation. I take this time, this hour, to discuss the particulars of this case, the ramifications that this case will have for Mississippi, and, if I can, Madam Speaker, to discuss some remedies that perhaps will be involved and some things we can do as Members of Congress to ensure quality education for all universities in Mississippi and throughout the Nation.

Madam Speaker, I am aware there is another very significant issue that bears some discussions that our distinguished majority leader would like to discuss, as well as having a dialog with other Members of this body, so at this time I yield to our distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

HEALTH CARE IN AMERICA

Mr. GEPHARDT. Madam Speaker, I thank the gentleman for yielding. I know that the subject that the gentleman will talk about tonight is very important to him and the country and the State of Mississippi, and we certainly look forward to that discussion. I appreciate very much the gentleman allowing us to spend a few moments of his special order on the important issue of health care.

GENERAL LEAVE

Mr. GEPHARDT. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GEPHARDT. Madam Speaker, I want to speak tonight, and we have some other Members who will speak tonight, about the issue of health care, national health insurance. I think that it is clear to all of us that there is not a more important issue to the American people today than the issue of health care.

There are some obvious factual reasons that people are so deeply concerned about health care and health care coverage. For instance, more than one in four Americans will be without health insurance in the next 2 years. We often hear the fact that 34 million Americans do not have health insurance, and we begin to think that is just a group that is locked in poverty.

That is really untrue, because the fact I just read, that one in four Americans will be without health insurance within the next 2½ years, meaning that the group that does not have insurance is a changing group. People lose their job, they lose their health care; they lose their job for a small period of time, they lose their health care.

Health care coverage has gotten so expensive that people can no longer afford to keep it, so they will drop it until they can afford to pick it up again. So we have about 60 or 65 million Americans who are in and out of the health care system in any 2 or 2½-year period of time.

Second, as I said, 34 million Americans, including 8 million children, do not have health insurance tonight as we speak. We also know that Americans who still have coverage will see their premiums increase by at least 15 percent per year over the next few years, which means that if we do nothing to improve and reform our health care system, many, many Americans who have health insurance today will surely lose it in the next 2, 3, 4, or 5 years, because they will not be able to afford those 15 percent increases.

We know that more and more citizens have seen their benefits reduced or their out-of-pocket costs increased. I think we have all had the experience of talking to the constituents who say the only issue in a collective bargaining negotiation is about health care premiums. There is no talk about pay or other issues, pensions, because health care is claiming so much and because their out-of-pocket costs are going up so rapidly.

We also know that employers who provide health care coverage already spend at least 11 percent of their payroll for that purpose and are expected to be spending 19 percent in 5 years for that purpose.

It is becoming a competitive issue. Lots of our companies competing against the Germans or the Japanese or the Koreans find that their health care costs are so much more than the competition that they cannot be competitive in the world marketplace.

Mr. GEJDENSON. Madam Speaker, will the gentleman yield?

Mr. ESPY. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Madam Speaker, it is a critical point. What you have to remember is this is at the top end of technology. Where we are most competitive as a Nation worldwide is at the highest level of technology, where people you are hiring are the ones with the best education, the highest price tag, and who want the best health care.

So what the gentleman said is not just important in a general way, but it increases its importance as we look at foreign competition. Then when you add on the fact that not only do we spend about 12 percent of our GNP on health care, and the Japanese spend 6.7 percent on their health care, we spend another $9 billion a year subsidizing the Japanese defense, so we help them pay for that cheaper health care that they have and we make our own industry less competitive.

American industry and workers are pushed back because of the cost of health care in this country. They are getting lower quality health care, it is costing more, and when we are trying to put a product on the market in the areas that we can do, in high tech items, we are again disadvantaged.

If I can just say one more thing and then yield back to the majority leader and the gentleman from Illinois [Mr. RUSSO] and others here who have done a great job, at a town meeting in my district a while back a couple who had tragically lost their jobs because the bank they worked for closed and went bankrupt, they lost their pensions and lost their health insurance, they are now trying to find health coverage. This is a middle class family.

Do you know the premiums they were offered? Nine thousand dollars. So here they have lost everything they have tried to put in the system in pension and health care costs by working for as safe an industry as we were supposed to have, banks, and what turns out to be the case? They have no health care coverage. They are afraid they are going to lose their home. To find health care coverage would cost them $9,000. It is just unacceptable.

Mr. ESPY. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Madam Speaker, I thank the gentleman for yielding.

Madam Speaker, I think the gentleman from Connecticut [Mr. GEJDENSON] has identified a very, very important point about our competitive situation. We talk about the incompatibility of our economy with other economies. We rarely talk about the health care difference. It is clearly one of the reasons we are falling behind in competition, among others.

It is not the only reason, but when you believe that as much as 20 percent of payroll in a few years could be going to health care, there is simply no way that we can be competitive with most other countries.

Mr. GEJDENSON. Madam Speaker, if the gentleman will yield further, when we talk about hiring people, when that high tech company makes a decision hiring another individual to increase, if there is a market available, and they look at the health care costs, it again makes them decide against expansion, because it is just too expensive to provide the kind of quality health care that people demand. It is not as if we are not paying as Americans. We are paying close to $700 billion. I think it is $666 billion, is what we are paying out for health care. It is costing us more and we are getting less.

Mr. GEPHARDT. Madam Speaker, I would ask that the gentleman from Mississippi [Mr. ESPY] yield to the gentleman from Illinois [Mr. RUSSO], who is one of the lead sponsors of this, and the lead sponsor on one of the very most important health proposals before the Congress today.

Mr. ESPY. I yield to the gentleman from Illinois.

☐ 2150

Mr. RUSSO. Madam Speaker, there is no question that the United States spends more money per capita on health care than any other country in the world. We are close to 12.4 percent of our gross national product on health care, yet millions of Americans are not covered and millions of millions of more Americans are underinsured.

The Canadians that have a national health care program cover all their people for 40 percent less per capita than we do. The Germans, who have national health care that covers all their people, do it for 87 percent per capita less than we do.

It is not the question of whether or not the United States spends sufficient money on health care. We certainly spend more than our share. We need to develop a system that gives this quality health care to all Americans and contains the costs of medical inflation.

Just to quote a recent study, which was done for the Robert Wood Johnson Foundation by a conservative economist named Jack Meyer, I will tell my good friend, the majority leader, if we developed a single-payer program, as I have introduced, the gentleman knows the Russo bill H.R. 1300, the United States would save in administrative costs alone, under a single-payer approach, $3 trillion by the year 2000.

Just imagine what we can do with $3 trillion in the next 8 years, dealing with the kinds of problems that we have in this country.

Employers would save a total of $2 trillion before taxes by the year 2000. Employers would save $522 billion in nominal dollars after taxes over the next decade, which means they can pour that into competition against our allies, against the industrialized countries who we compete with that all have universal coverage for their people.

We have an enormous cost to our system and yet look at our health care statistics. We are 13th in life expectancy. We are 24th in infant mortality. We are just about a Third World country in saving our young people. Yet no country in the world spends what we spend. And if we were to lower our costs, let us say we adopt the Canadian approach and were able to lower our costs to 2.87 percent of Gross National Product, we would save in the first year alone $241 billion and a total of $5.5 trillion over the decade. I am not advocating that we go from 12.5 to 8.7.

Mr. GEJDENSON. Madam Speaker, if the gentleman will continue to yield, the interesting number there, of course, is that would more than pay off our national debt. If we adopted a system that provided broader coverage, gave universal coverage to all Americans, the savings on that over the period of time that the gentleman discussed, a 10-year period, would pay for the National Debt, including the interest.

Mr. RUSSO. And we would have money left over. The national debt is 3.8 trillion, and we could save basically 3 trillion, if we just kept it at the current level of 12.5. But if we were to lower it, which I do not advocate, as the gentleman can well understand, we would save $5 trillion. And it would pay off the National Debt.

I think the important point here is if we are going to be the leaders in the world, we need to lead also in health care. We need to lead.

Right now the American public, in my view, is leading the Nation. They are leading the President.

They are asking the President, "You have been President for 3 years. What is your plan?"

This has been a program that millions of Americans have faced. People have lost their jobs, lost their insurance. People who do not take their children in for normal care because they cannot afford the deductible on the co-pay.

The public know that this administration is out of step. That was the message of the Pennsylvania election. We need leadership. We do not need more commissions. We do not need more studies. We need action, and we do not need incremental action. We need comprehensive reform.

Eighty-nine percent of Americans that were polled indicated they wanted comprehensive reform of the health care system. Sixty percent of conservatives want a single payer. Sixty-nine percent of Americans want a single payer. Eighy-nine percent want comprehensive reform.

I think the gentleman from Missouri has laid out the problem perfectly, the different heartaches that go throughout this society because we do not have adequate health care coverage that is affordable. I say again, it is not as if we do not have the money or are not spending the money. We are spending more than any other industrialized country in the world, and we have the most efficient, complicated system in the world.

Mr. GEPHARDT. Madam Speaker, if the gentleman will continue to yield, I thank the gentleman for his strong statement on an issue that he obviously had done much work in and cares a great deal about. When I go to my district in Missouri, I have many people who come to my meetings and talk to me about the Russo bill because they feel so strongly that it is a comprehensive answer that will not only give us better health care but will cut the costs or at least hold down the cost, as the gentleman said, to the level of gross national product that we are now spending on health care.

I appreciate the gentleman's contribution, which has been immense, and I look forward to working with him in the future.

Mr. DURBIN. Madam Speaker, will the gentleman yield?

Mr. ESPY. I yield to the gentleman from Illinois.

Mr. DURBIN. Madam Speaker, this evening's nightly newscast on CBS included some information statistics about the state of America's economy, which we are all interested in. There was one that is especially important for our discussion here. The cost of medical care is rising in the United States at three times the rate of inflation, which basically means it is outstripping any other sector of the economy in terms of increased cost.

The practical impact of that can be demonstrated by one statistic. One of the most popular hospitalization plans in the United States today and over the last decade, is the major medical plan offered by Blue Cross-Blue Shield. I have it for my own family, and I have had it over the last decade.

In 1980, the cost of the Blue Cross-Blue Shield major medical plan annually was $1,126, and that is in 1990 inflation adjusted dollars.

By 1989, 9 or 10 years later, it had grown from $1,126 per year to $3,285 per year. And we know, sad to report, that the earning power of the average American has not grown to match that.

So the cost of medical care has gone up dramatically for the average family while their earning power has been stagnant. The net result means, of course, that they have less to spend on so many other things for their family, food, clothing, shelter, college education expenses and more demands for health care costs.

There are all sorts of debates that we get involved in in this Congress about what is the real issue. The real issue is a pocketbook issue for American families. They have got to protect themselves and they have to protect their children. And they cannot afford to do it. If there is any message coming out of Pennsylvania last week in that election, where health care was the dominant issue, it was that working families across this country and begging for policymakers in Washington, DC to put the party labels aside, put all the old arguments aside and face the reality of what real families face every day.

What they face is health care costs out of control. It is the reason that many employees go on strike, because they cannot afford to give in more to management on a critical health care cost issue. It is the reason in my district that a school district had to lay off teachers because they could not afford the health care for all their employees. So they said, "Our options are few. We have to lay off some teachers."

Small business is facing crippling premiums, it is across the board, every sector of the economy. And when we talk about health care reform and a national health care system, we have to focus in on cost and quality. We have got good quality in most sectors of the economy. We have to maintain it. When it comes to costs, we have to bring them under control.

Mr. RUSSO. If the gentleman will continue to yield, I think the gentleman will also find, when he checks what that premium was for major medical, that he is now paying almost three times as much, but I am willing to bet that the benefits have not increased three times. As I recall how that plan works, you have less benefits today for three times the cost it was 10 years ago. And so it seems to me that either we address the cost containment features or we are going to have these spiraling costs go up in the year 2000. We will be paying $10–, 15,000 for again even less benefits. In fact, 80 percent of the strikes that have occurred in the last 3 years have been over maintaining the current health care benefits under collective bargaining, not trying to get more, just trying to keep them at the same level.

We know what inflation has done to earning power to pay for that.

□ 2200

Mr. DURBIN. I would say to the gentleman there are two words which would be abolished if the Russo plan should come to pass, and I am not sure how soon if ever that will be. Those two words would be "preexisting condition."

I have people come to me in town meetings and say, "Congressman, I have cancer and I went through the treatment, and my doctor tells me that thank God, I am cured. I have gone through the necessary period of time and I am back. My life is all the same, but not when it comes to hospitalization insurance. I can't buy it. They turn me down."

If you have a child born with a congenital condition, these insurance companies will pick and choose. They are looking for the people who are the best risks, and they are going to turn out folks who really need help. Those are the people who are vulnerable, those are the ones looking to this chamber, to Washington, DC to be responsive, and I might add looking to the President too. It is not enough for Mr. Sununu to take to the airways and say that there will be no grandiose plan on national health care. The American people are watching us and waiting for us to act, and I am happy that the Democratic caucus and our majority leader, Mr. GEPHARDT, and Mr. ESPY and others have given of their time this evening for this important discussion.

Mr. GEPHARDT. I thank the gentleman for his contribution and all the work he has done on the health care issue. We look forward to discussing this further in the future.

I would ask the gentleman from Mississippi to yield now to the gentleman from Florida [Mr. JOHNSTON], who is the author of a very important plan on health care, and like that of the gentleman from Illinois [Mr. RUSSO], his is a comprehensive plan. I would like for the gentleman to yield to him for a statement about the investigation that he has carried on for some time.

Mr. ESPY. Madam Speaker, I yield to the gentleman from Florida.

Mr. JOHNSTON. Madam Speaker, I thank the majority leader.

To follow up on a few things the gentleman from Illinois [Mr. RUSSO] said, right now we are spending per person in the United States almost $2,500 per capita as compared to Great Britain's $836. We are now going to be out of pocket by the year 2000, our own pockets, personally, almost $400 billion.

There are a number of uninsured. And there is a myth in this country that of the 37 million people who are uninsured everybody thinks they are the homeless, but almost 62 percent of the uninsured are working full time in the United States today. It is just that their employer cannot or will not provide them with insurance, and they cannot get it. So of the 37 million, 62 percent of them are working full time.

Infant mortality, as the gentleman from Illinois [Mr. RUSSO] said, in the United States is almost at the level of a Third World country. Out of every 1,000 births that we have, 10.1 children die in the United States. In Japan it is only five. It is cut in half there. Life expectancy is much less in the United States than it is in any other industrialized country in the world. And as the gentleman pointed out, we are pumping so much into each vehicle that comes off the line in Detroit, the myth is that: There go the liberal Democrats again. There they go, they are going to come out and put out a social program. As the gentleman knows, this pressure is not coming from the left. For 35 years it was the United Auto Workers and the AFL–CIO. It is coming from the right now. It is corporate America who has come to Congress and said, "You are going to have to do something about this. You are going to have to come up with a comprehensive medical plan for everyone."

Mr. GEJDENSON. If the gentleman will yield, there is also the cross-pressure which also hits small firms, because then we get to the problem of their group may not be large enough to get a rate, or they are worried, you know, if one person has a heart attack or somebody gets pregnant and you have a small start-up company, then your rates either go through the ceiling or you cannot get insurance.

Just adding one other thing to what the gentleman said about working people, one of the first cases I ran into as a Member of Congress was a gentleman who had worked for 25 or 30 years in a company and got laid off. They were scraping money together and working part-time. And you want to keep the mortgage payment going because you do not want to lose the house that you have almost paid for, and the kids may still be in school, so you are trying to keep that up. You cut back on food, but you cannot wipe it out completely. There comes a point where there just is not the cash to pay for all of the things you need to do, so they give up the insurance and they take the risk.

This was a pretty handy fellow. He was working on his car which had broken down, and the car was pretty old at this point. The chain fell, let go, and he got a traumatic brain injury and the family was wiped out. They lost their home, all of the years of work, all of the years of being a solid citizen, all of the years of paying taxes and suddenly it meant nothing. There was no box in this society that this family could fit in until they were destitute.

So not only do we pay more, not only do we get less, we treat people who have worked the hardest and contributed to society the worst in this process, and that is wrong.

Mr. JOHNSTON of Florida. One of the other aspects, if I can elaborate, Mr. Leader, that you spoke of is job lock. Thirty percent of the people in the United States today cannot move from one job to another because, as the gentleman from Connecticut [Mr. GEJDENSON] said, there is a preexisting condition. And they are miserable. They are probably poor employees. Their morale is shot because they have no incentive because they want to get out and work someplace else, but when they go they take with them this preexisting condition.

One of the things that was said several weeks ago was that if we started out brand new in this country with no health plan whatsoever, and we sat down in the Congress, and before the American people, and said we are going to give you a great health plan here, we are going to give you 1,500 insurance companies that in most instances only will insure you if you are healthy and wealthy, we are going to not insure 37 million people, we are going to have the highest death rate of any industrialized country, we are going to have the highest infant mortality, we are going to have those people who are senior citizens have to buy medigap policies, and oh, by the way, we are not going to have anything for long-term continuing care, and that is what we are going to present, how many Members in Congress would vote for that. No one would. So if you start out with that proposition, we can start out now with something that is revolutionary. If other countries can do it, we can.

Also, just a minor pitch for the Johnston bill or the Community Health Care Act. I reduce it down to the local level. It is paid for by the State and by the Federal Government, and also a copayment by the individual client in order that there will not be overutilization as there is in some instances in Canada. But it is managed locally. A local health care unit geographically dispersed, they would do the contracting with the hospitals and set the rates for the doctors, which I personally do not feel Washington should govern for the entire country. But it is a single pay process. It will cut our administrative costs in the United States from one out of every four dollars going to administrative costs probably down to 10 percent.

I just think the time has come. It is right and we have to do this.

There was an article in today's Post about the fact that we have assumed a lot of responsibilities governmentally, the fire department, police department, education, but what is more important than the governmental responsibility of health care for the American people. I commend you, Mr. Leader, for being in the forefront of this and taking charge of it, because the time has come and we have to do it now.

Mr. GEPHARDT. I thank the gentleman for his immense contribution. I do not know of many Members of Congress who spend 6 months or a year investigating a plan and writing it as the gentleman has. I think it is clearly a work of great, great importance, and I am sure it will be in the forefront of our discussions in these next 12 months as we get very, very serious about trying to reform our health care system.

Madam Speaker, I will now yield back to the gentleman from Mississippi [Mr. ESPY], and I want to thank him again and say that this is the first of many discussions that we will have on this floor in special orders about the health care crisis in America, and about the reform ideas that Democrats have. We are very serious about this, as the gentleman from Mississippi knows. We intend to try to pass health care legislation this next year, and we want to be aggressive and ambitious about what we do to change the system, because our constituents so very much want us to do this.

I yield back to the gentleman from Mississippi [Mr. ESPY], with gratitude for allowing us to take a good deal of his special order time.

Mr. FAZIO. Mr. Speaker: I want to thank the distinguished majority leader for taking this time to address the American people on the critical subject of health care reform. This effort is just another example of his determination—and the determination of congressional Democrats—to put the needs of working American families first on the national agenda.

The American people watching us tonight do not need to be told that rising health care costs pose a serious threat to the security of our families and the strength of our Nation's economy.

They have heard the cold-water statistics:

Health care costs now consume 11 percent of our GNP. Those costs will rise to 19 percent in just 6 years.

The average health insurance policy costs 15 percent more this year than last.

Some 34 million Americans do not have any health care coverage, and 60 million lack health coverage at some point over any 2-year period.

In California, almost 1 in 4 residents under the age of 65 have no access to health insurance.

And Americans know what those numbers mean for family members, neighbors, and friends.

They know the child who has suffered because her parents could not afford to take her to a doctor.

They know the small business owner struggling to meet the costs of health insurance for his employees.

They know the senior citizen worried that her life savings may be devastated by a catastrophic illness.

They know the neighbor who feels trapped in a bad job because he has developed a heart condition which no new insurer will cover.

It is typical working Americans like these who are affected by this crisis, because this problem has spread beyond the traditionally under-served to the heart of the middle class.

People like those who recently turned out in droves for a series of town hall meetings I held on health care in my district.

At those forums, I heard citizen after citizen describe a system out of control, a system beginning to affect the quality of their lives.

Last month, I received a letter from a constituent in Yolo County. In her letter, she told me that faced with the choice of keeping her home or maintaining her health insurance, she was forced to choose her home.

Choices like that should not have to be made. HARRIS WOFFORD won a stunning upset victory to the Senate last Tuesday because he had the courage to stand up and say that a citizen of the greatest Nation in the world should not have to make a choice like that.

As Senator WOFFORD observed, in a country which guarantees criminals the right to an attorney, working men and women deserve access to quality, affordable health care.

The American people believe that, I believe that, and Democrats across this country believe that.

Fortunately, we can all work together to bring this issue to the President's door—and we're clearly beginning to do that—but we can't achieve meaningful, lasting reform unless the President himself believes.

And I'm worried that the President may not.

It is clear that he heard the Wofford wakeup call last Tuesday. He said the next morning that the Wofford election meant he had to look concerned about health care reform.

But that's the problem. I'm worried that the President's motivation is primarily political. I'm worried that he's not interested in changing the status quo. I don't want to see an attempt to look concerned, with little intention to actually move forward.

There is little doubt that this issue will be a major component in our national political debate in the coming election year and beyond.

But the fundamental issue in this debate is not political. It is a question of making the courageous choices necessary to better safeguard one of the most precious possessions of any American—our good health.

I thank the majority leader again for taking the time to address this critical issue.

Mr. ESPY. Mr. Speaker, I thank the distinguished leader as well as my other good friends. It is I who should express some gratitude because I learned a great deal just standing here listening to the conversation.

I must weigh-in to say that we talk about infant mortality rates, and 10 deaths per 1,000 live births. I am fortunate to represent what is still, unfortunately, the third poorest congressional district in this Nation, and out of every 1,000 live births in many counties among the 22 counties I represent we have 33 deaths per 1,000 live births. That is the worst, and compares unfavorably with Cuba, Costa Rica, and most other nations of the world anywhere. So whatever we can do, Mr. Leader, to reform this albatross, just count me in.

Mr. GEPHARDT. I thank the gentleman.

Mr. ESPY. I thank the majority leader.

Madam Speaker, let us talk about another crucial issue, and that is the issue of higher education in Mississippi and in America.

As I said, this morning I walked across the street from this Capitol to attend an argument in the Supreme Court being held over there about a case emanating from Mississippi. The case was Ayers versus Mabus, and even though the case may have originated in Mississippi, it will impact on our entire Nation.

□ 2210

It is about the need for equity between predominantly black and predominantly white colleges and universities, but it is also about higher education for all Americans.

Fundamentally, it is about choices we must make in Washington to secure Mississippi's future and America's future.

Madam Speaker, now that the cold war is over, and thank God that it is, now that the main threat to our Nation's security has been substantially reduced, the question now is: Will we finally and at last commit ourselves to adequately fund education in America?

Madam Speaker, everybody agrees that education is the key to our future. It is the key to our ability to compete in the global economy. It is the key to raising our productivity. It is the key to the skilled work force we must have to ensure a rising standard of living for all Ameicans, but in Mississippi and in other places, too, universities are pitted against one another, black students and white students are pitted against one another, poor students and middle-class students are being pitted against one another in a fight over how to distribute ever smaller pieces of a shrinking pie.

Education is the absolute key to the future of Mississippi, but the education budget for all of our universities is being cut, not increased, and if this trend is not reversed, there is absolutely no way that Mississippi will be able to compete in the 21st century.

Will we founder while blacks and whites are waging a divisive, destabilizing, and destructive fight over pieces of a shrinking pie? Or will we expand that pie?

Madam Speaker, that is the choice. I say tonight that we ought to expand the pie. I say that we, in particular this Congress, must make education the same priority in the Federal budget that it is now in political rhetoric.

So I reserved time for this special order tonight to talk to the people in Mississippi and the Nation about issues, in this particular case which the Supreme Court has heard today and to share my views on ways that we can move Mississippi forward and, indeed, to move America forward.

Madam Speaker, the case is Ayres versus Mabus. It was filed in 1975, 16 years ago. The issue it addresses recalls issues of a Mississippi Inner South which in many ways is part of a distant past, but the Court decision will profoundly affect higher education in Mississippi and the systems in many other States well into the future.

Black plaintiffs in the Ayres case charge that Mississippi still maintains a system of higher education which is separate and unequal, that Mississippi does less for students in its historically black colleges and universities than for students in its predominantly white colleges and universities. Simply put, the Ayres case charges that the State of Mississippi still discriminates against the students and faculty of its three historically black colleges and universities. The lawsuit alleges that the three historically black universities are discriminated against in the areas of funding, in the programs which are offered, and in the facilities available and in the salaries which are paid to the faculty.

It alleges that the discrimination results in an inferior quality of education at these three historically black colleges and universities and, thus, the maintenance of a higher education system which is still separate and inherently still unequal. They asked the Court to order the State to take affirmative action to remedy the situation. They argued that the Court should order Mississippi to provide more funds and other enhancements to these three historically black universities.

So in the minds of the plaintiffs, Madam Speaker, the case will do for higher education what Brown versus Board of Education in Topeka, KS, did for secondary education some 36 years ago.

Lawyers for the State also went before the Supreme Court this morning and argued today that Mississippi has provided equal access to all of its students including its minority students to attend the colleges or universities of their choice. They argue that the three historically white institutions are no longer segregated as they were 30 years ago when James Meredith broke down those racial barriers at the University of Mississippi.

Now, to be sure, Madam Speaker, minority students are welcome at the University of Mississippi in Oxford. They are welcome at the University of Southern Mississippi in Hattiesburg and welcome at Mississippi State University at Starkville, and certainly welcome at Mississippi University for Women at Columbus, but the plaintiffs argue that the University of Mississippi is still separate because 90 percent of the students are white. The State points out that only two-thirds of the black students attending all State universities attend institutions which are predominantly black. One-third go to institutions which are predominantly white.

Plaintiffs argue that historically black institutions are underfunded, but the State argued also that all of Mississippi's universities are underfunded. They argued that funding for facilities is divided fairly on the basis of enrollment, and that on average black faculty salaries in Mississippi are slightly higher than faculty salaries for whites.

So needless to say, Madam Speaker, this is a very controversial case in our State. It has evoked all of the emotions which come to the fore whenever an issue like this one is couched in terms of black versus white. Some people see the case as an education version of the zero-sum game in which the enhancement for historically black institutions must mean cutbacks for predominantly white institutions, and enhanced educational opportunities for black students must come at the cost of diminished opportunities for whites.

For some people, access to higher education is being treated the same way that some prominent politicians discuss access to jobs. Madam Speaker, we remember the commericals undertaken by a certain Member of the other body from North Carolina in a recent election, so all we have to do is change "jobs" to "education," and we can get a picture of what is going on.

Now, suppose that commercial said that your child needed that education but they had to give it to a minority;

in that commercial the white parents are justifiably anguished because in their minds the opportunities available to their children are being diminished, the money needed to enhance their children's education is being taken away, but their anger is misdirected at the minority parent who has the same problem, inadequate educational opportunities for their children. That is what happens, Madam Speaker, when education becomes a zero-sum game. It is what happens when we accept solutions which really are not solutions, when one race wins, the other loses. It is about what happens when politicians divert people's anguish about the future into anger at one another rather than putting forward solutions which will work for everyone. It is what happens when politicians talk about what appears to be good for blacks or what appears to be good for whites rather than what appears to be good for America.

The realities in Mississippi and in the Nation are that the opportunities for higher education available to all students are diminishing, and until we address this issue, no matter how the Ayres case is decided, Mississippi and America cannot win. The reality is that as long as our Nation is divided along lines of race, whether it is for jobs or whether it is for education, no one can win, and we will all lose.

Madam Speaker, in Mississippi there is little doubt that historically black institutions are chronically underfunded. All you have to do is compare the facilities at predominantly black Jackson State University to those at predominantly white institutions to make this conclusion. All you have to do is to see the disparity, to compare the $25,760 average salary for professors at Mississippi Valley State University with the $29,198 salary at Mississippi University for Women, or the $39,257 salary at the University of Southern Mississippi, to see this disparity. Because of these disparities, the Congressional Black Caucus signed an amicus brief on behalf of the plaintiffs in the Ayres case.

May I say, parenthetically, that this administration, through the argument of its Solicitor General, also weighed in this morning on behalf of the plaintiffs, but all of us have to sign on to a real commitment to expand and enhance higher education opportunities for all Americans.

□ 2220

There can also be no doubt, Madam Speaker, that all of Mississippi colleges and universities are underfunded. Mississippi spends $3,914 per student on higher education, but the southeastern average is $4,884, almost $1,000 higher. Average pay for Mississippi's university faculty is $35,414, but the southeastern average is $42,352, $7,000 higher, and the national average is $9,500 higher.

In 1991, Kentucky schools received $29 million for scholarships from their State, but Mississippi schools received only $2.1 million.

While some States have been able to increase funding for higher education, Mississippi has been forced to cut back by some 5 percent, or $16 million.

This is just last year. Because of the budget cuts, predominantly black and predominantly white institutions in Mississippi are forced to operate with libraries that are inadequate, forced to operate with equipment that is obsolete, and with buildings and laboratories which are outdated.

All of our universities are being forced to cope with the losing of quality professors who can make more money elsewhere.

In the first 8 months last year, Madam Speaker, 230 of Mississippi's 3,000 full-time faculty resigned. Most accepted higher paying jobs out of the State or accepted jobs with private businesses.

Speaking about the entire system of higher education in Mississippi, the commissioner of higher education said last year, "We are worse off than we were 10 years ago."

Madam Speaker, 15 years after the Ayers case was filed to address the chronic underfunding and shortages at these three historically black universities, the system of higher education in Mississippi for all students is worse off than it was 10 years ago.

Mississippi cannot afford to act unilaterally to reverse this decline.

Madam Speaker, to bring Mississippi forward, we must expand educational opportunities in the State and reduce the disparity between what we offer our children and what wealthier States can offer their children.

To address this disparity within our State, the court may see fit to order Mississippi to increase funding for these three historically black institutions. That after all is one of the key issues in the Ayers suit that the court in its infinite wisdom will decide.

But how do we address the disparity between Mississippi and the rest of the Nation, the disparity between the United States and Japan, or the United States and Germany?

Only the Congress and the self-proclaimed education President can significantly increase the funding for higher education throughout this country. Only Congress and the education President can provide the funding so that access to higher education is not based on race or on a student's financial situation, but on that particular student's ability to do the work.

Only this Congress and this education President can put our dollars where our mouths are so that there is adequate funding to insure that all of our students receive the kind of education they need to keep this country competitive into the next century.

Only we can end this insane zero-sum game where nobody really wins and our Nation really loses. Only we can—but Madam Speaker, the question is not whether we can, but whether we will.

If we want to compete in Mississippi and the rest of America, I believe that we must.

If we want to to compete, then we as a Nation will have to find a way to spend more than the nine-tenths of 1 percent of our gross domestic product on higher education, a rate which ranks us only 7th among 15 nations studied, and is less than Denmark, less than Sweden, Norway, less than France and Canada.

If we want to compete, Madam Speaker, then in the 1990's we will have to do better than increase real dollars for education by 2 percent, because that is all that we increased it by throughout the 1980's.

Madam Speaker, now is the most opportune time of the last half century to redirect some of these resources and make education the priority in the budget which we know it to be in the real world. Now that the Soviet threat is history, we need to meet head on the greatest threat to our Nation's economic future, and that is this inadequate education system in our country. In this battle, we know that smart students, and not smart bombs, are the keys to victory.

We have to realize that the Soviets are no longer coming, that the Japanese are already here. They only way we can compete is if we redirect our resources.

Madam Speaker, since World War II, we have spent over $11 trillion on our Nation's defense, in constant 1991 dollars. Over the last decade, we have spent almost $4 trillion. Over the same 10 years, one in every four dollars of our national Treasury has been spent on defense.

Yet the Federal Government, through the Department of Education, spends less than 2 percent of our budget for education, and less than half of that is spent on higher education. So we spend 1 in 4 dollars on defense, but less than 2 of every 100 dollars on education.

Just as we summoned the national unity and provided the resources to win the cold war and to win the war in the Persian Gulf, Madam Speaker, we need the same commitment, the same unity and the same sense of national purpose to insure that all of our students in every State, in this Nation receive the education that they need, that they must have to compete.

We cannot afford to continue this zero sum game, where the courts must decide how to relegate meager resources between historically black colleges and predominantly white colleges, when what we need most is to provide adequate funding for all colleges.

We must face the fact that we still are not doing enough. Last week, Madam Speaker, we passed the Labor-HHS and Education appropriations bill for fiscal year 1992. It included $27.7 billion for the Department of Education. It included money for student loans, for compensatory education, for special education, for these same colleges and universities across our Nation. In many cases we are able to increase funding levels from fiscal year 1991.

But $27.7 billion for the Department of Education pales in comparison to the $291 billion we will allocate to the Department of Defense, with $160 billion of that related to the defense of Europe.

The Nation spent $160 billion on post-secondary education in fiscal year 1991, but only $20 billion came from the Federal Government.

So Madam Speaker, the Federal Government spends $160 billion for the defense of Europe, and only $20 billion for post-secondary education for America. What does that say about our priorities?

Despite the tremendous changes in the world, we still believe that smart bombs should be the priority over smart students. The world has changed radically, but Madam Speaker, I question whether we have changed our thinking at all.

We are also on the verge of reauthorizing the programs under the Higher Education Act. A primary objective in this legislation is to increase the grants and loans available to students from hard-pressed working and middle income families. While their incomes have stagnated or declined in the last decade, the costs of public and private colleges have increased two or three times faster than the growth in median income.

This legislation will help close the education gap for those families whose income is between $15,000 and $30,000 a year, for those families whose 18- to 24-year-olds are less likely to be in college as families with incomes above $50,000. It will help close that gap, but the gap will still be there, and I submit it will still be too wide. It will still be too wide, despite the best efforts of States and private citizens, citizens like Patrick Taylor, Madam Speaker, in Louisiana, and Eugene Lang of the State of New York, citizens who have spearheaded efforts to guarantee students who could otherwise not afford college, that they will have a chance to go if they can upgrade their academic skills.

In 1988, Mr. Taylor, a Louisiana oil executive, Madam Speaker, made a promise to 221 low-achieving students within the city of New Orleans. He promised them that he would send them to college if they finished high school with a B average, if the girls did not become pregnant, and if they did not get involved in any type of crime.

Madam Speaker, the results have been remarkable. Now the program has been expanded. From 221 students, we now have 1,000 students in New Orleans who signed up for this Taylor plan.

□ 2230

Madam Speaker, they are meeting the tough academic requirements—at least an 18 on the A.C.T., maintaining a 2.5 grade point average out of a possible 4, and taking a core curriculum that includes chemistry, foreign language, and advanced mathematics. These formally low achieving students are now excelling beyond anyone's expectations, because they have been guaranteed a chance to go to college.

Mr. Taylor's experience is similar to that of Mr. Lang in New York. His I have a dream program has inspired other business leaders, and state governments, to adopt guaranteed scholarship programs for low and middle income students, all tied to their demonstrated performance in the classroom.

These efforts have met with a resounding success. They have demonstrated that when students have hope for the future, they work for the future. When they know that effort will be rewarded, they work extra hard.

But these efforts by some States and some individuals are not enough to fill the gap—especially for minority youth. We keep more young black males in jail, at a cost of $24,000 per year, than we send to college, at a cost of less than half that. Youth are going to jail because they have no hope. Their dreams are deferred. They have no Taylor plan.

But when they go to jail, rather than college, they take a part of our Nation's future with them. As Mr. Taylor said recently, "In the next ten years, if we don't get a third of our high school kids going to college, we are going to cease to exist as an industrial Nation." Mr. Speaker, we simply must do more.

Today, despite our student aid programs, the vast majority of youth from poor families do not go to college. Among minority youth, 78 percent of Blacks aged 18 to 24 do not go to college. 82 percent of Hispanic youth the same age, do not go to college. Even though the percent graduating from high school has risen, the percent enrolling in college has fallen.

The cost of a college education at most private universities has been out of reach for all but the wealthiest families. Now even public universities are too expensive for most families as well. Sending their children to college has become an unbearable burden for most all American families.

Since 1980 average tuition costs have increased by 40 percent, after inflation, while median family income increased by only 6 percent. During the same period, Federal student aid increased by 18 percent.

Thus, it is not surprising that two-thirds of the students enrolled in public universities come from families in the top half of the national income scale.

NATIONAL SERVICE IDEA

What can we do as I move to conclusion? I have already addressed the need to change our priorities and expand the education budget. We also must think creatively and look to new and innovative ideas.

We can expand on the concept of guaranteeing students scholarships in exchange for national service. Congress has already authorized a $22 million national service demonstration program. We need to watch it carefully, and see whether in this new era a national service program can indeed become the GI bill for the next generation.

A national service program would work indeed, like a civilian G.I. bill. Students can be given college vouchers, if they agree to work in the community, to work as tutors, or with the elderly, or in our hospitals. They would be given vouchers for college, instead of loans, in exchange for their service to our Nation. Our children would gain an education. Our community would gain some much needed help, and a new commitment to each other.

The message to our youth must be that effort will be rewarded. And the message from us must be that we will help to pay for it—because our children and their education is indeed our highest priority.

IMPROVEMENTS WILL NEED MONEY

Despite the President's assertions that we can improve education without more money, the Ayers case says emphatically that that just "aint so".

In Mississippi, too many qualified professors who would have preferred to stay have left Mississippi for more money elsewhere; too many buildings and laboratories are in need of repair; too many libraries are ill-equipped to adequately serve faculty and students; too many students are from families that still cannot afford a college education, even with financial aid.

That's why I applaud the direction taken by my friend Leon Panetta, the Chairman of the Budget Committee. He has proposed a 10 year budget outline to target $100 billion to $120 billion to education over the next ten years. And he is proposing that we expand on our current plans to reduce defense by 20 to 25 percent over the decade to even maybe 40 percent. As he stated, "the goal should be a defense that guards against the threats of the future, but does not waste resources on those of the past."

Madam Speaker, the threats of the past were external. The threats to our future are internal, and there is no greater danger facing this Nation than our failure to properly educate and train our youth—and that must include strengthening historically black colleges, and also strengthening all colleges.

THE COURT'S DECISION AND OUR DECISION

Madam Speaker, the Supreme Court's decision in the Ayers case will directly impact the quality of education at historically black colleges and universities all across America. But I submit that the decisions which this Congress makes on education will impact the quality of education for all students, and thus the quality of life for all Americans.

We can keep playing the zero-sum game. We can keep pitting students against one another, sowing the seeds for the politics of division, disunity, and ultimately despair. Or we can ensure that all students receive the education they must have in order for our Nation to grow.

Aristotle once said 25 centuries ago, that "the educated differ from the uneducated as much as the living differ from the dead."

Our Nation cannot continue to act as if the world has not changed—because it has. And we cannot continue to avoid the major decisions we must make about our priorities—because we must.

The Supreme Court will decide how Mississippi must allocate resources between its colleges and universities. But we must decide how our Nation will allocate its resources between the threats to our past and the threats to our future.

I hope that the people of Mississippi, people throughout our Nation, will see this case for what it is—and not get caught up in the zero sum game. And I hope that this Congress will commit itself to providing the resources our institutions and students must have if our Nation, and our families, are to survive and indeed to prosper.

ENVIRONMENTAL EXTREMISTS ARE HARMING ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 60 minutes.

Mr. DUNCAN. Madam Speaker, I rise tonight because of my great concern about this Nation. All over this country people are struggling economically, especially small businesses, which are the heart and backbone of our economy. Small businesses are in a real struggle to survive today and many are barely hanging on.

The fault lies not with President Bush, the fault lies with the liberals who have controlled this Congress for at least the last 25 or 30 years now.

□ 2240

They have passed so many rules and regulations and required so much red tape that it is almost impossible for a small business to make it in this Nation today. It is hard enough to survive against ordinary competition, but when one has to fight their own big brother in Washington, too, it is just too much for those small businesses.

There are many examples of this, but in my own area of east Tennessee just a few years ago there were very many small coal companies. Some were one or two men operations. There are probably over a hundred of these companies. Then the regulators took over and started coming up with every rule and regulation imaginable, so many that only very large companies could possibly comply. Slowly the small companies, the little guys, have gone by the wayside, and only had big companies survive.

Big businesses love big government. Thus, less opportunity for all and higher prices for everyone who has to buy coal, and higher prices for everyone who buys products from companies which use coal, which is just about all of us.

Another example is the Federal pension system. Last year I flew through Atlanta and picked up an Atlanta newspaper. The paper had an article which said that for the last 5 years for which statistics were available over 400,000 companies, mainly small businesses, had done away with their pension plan because it had become too costly and too complicated to comply with all the rules, regulations, red tape and paperwork.

Now this was 400,000 companies, not just employees. This would involve several million employees who had pension plans who no longer had them due to bureaucratic red tape. How sad.

Probably the biggest threat to our economy today, however, and to small business in particular, is environmental extremism. The reasons I decided to do this special order tonight is because of testimony I heard today in a subcommittee of the Committee on Public Works and Transportation in regard to the Superfund legislation, originally passed by this Congress in 1980. Today we heard testimony that costs of Superfund cleanup projects may cost the insurance industry anywhere from $41 billion up to possibly as high as $1 trillion. The Federal Government has borne most of the costs so far, so governmental costs could be much greater. These costs on an industry with a total net worth of $135 billion are simply impossible to bear.

So what do we do? Do we just do away with the insurance industry? Do we bankrupt it, even the large companies? That would really be good for the economy. Do we shift these potentially trillion-dollar costs to the Federal Government while the Federal Government is already over $4 trillion in debt? We are losing approximately $1 billion a day every day at the Federal level in the fiscal year which began October 1. All of us want to clean up dangerous sites, but there has been such gross and unbelievable exaggeration in this area that it is just about ridiculous.

Dixon Ray, one of the few scientists ever elected to high office in this country, is a liberal Democrat who was Governor of Washington State. She also served as chairwoman of the Atomic Energy Commission. She wrote a book in 1990 called "Trashing the Planet." I wish all my colleagues would read this short, but well-documented, book. In it she destroys many of the myths, exaggerations, outright scare tactics and lies used by environmental extremists in recent years. In regard to the Superfund she pointed out that most of this cleanup work is based on the fear of dioxin: . . .

> Even though no deaths or serious harm to humans can be attributed to it.

She then wrote:

> Finally it is the presence of minute traces, parts per billion, or even parts per trillion, of dioxin that has caused so many waste disposal sites to be marked for cleanup under the Superfund. Of approximately 1,000 sites now on the Superfund national priorities list only one dozen have been cleaned up at a cost so far of $9 billion. The average cleanup costs for each site is estimated to be at least 12 to $15 million, with some going as high as $100 million. Reasonable estimates for total cleanup of all sites range from 1 to $10 trillion. Is the public health risk really this great? Unfortunately the public is unaware of these and their implications for short-changing other health problems and of the potential implication for the economic vitality of America.

Let me emphasize these last words of Ms. Ray: the potential implications for the economic vitality of America, and her figures were dated a year ago and have gone up substantially since that time.

Two Members speaking on this floor earlier tonight, one a Democrat, one a Republican, voiced their fears about a potential depression. They used the dreaded D-word, depression. We are in serious trouble in this Nation economically primarily because of the fiscal irresponsibility of the Federal Government, but in large part also because we have gone totally, completely, ridiculously overboard on all sorts of environmental legislation, of which the Superfund is just one example.

Listen to testimony we heard today from Charles Waterman, a Midwest banker, on behalf of the American Bankers Association:

> It is critical to understand clearly that this is not just a lender problem. This is a major problem for borrowers, businesses, farmers, and even home owners, and it is equally important to understand that, as each month goes by, the problem grows and grows as lenders learn more about their liabilities and as the potential borrowers come in and ask for loans.

As a matter of fact, in a hearing on the status of the underground storage tank regulatory program several witnesses commented on the ongoing problem of getting financing from lenders who are concerned with environmental liability. For example, the Petroleum Marketers Association of America in a 1991 survey found that one-third of loan applications for underground storage activity were denied by lenders with lender concerns about environmental liability accounting for the vast majority of denials.

At the same hearing the representatives from the National Association of Convenience Stores told the subcommittee that convenience store marketers are having considerable difficulty in obtaining loans for tank replacements, upgrades, leak detection and corrective action. The hearing record should provide the subcommittee ample evidence that a credit problem exists within the U.S.T. community.

Also a special report issued by Moody's Investigator Services emphasizes that some industries may bear such substantial costs for environmental compliance and cleanup that the credit profile of the industry may be altered.

Let us look at a hypothetical that is increasingly becoming standard for the business community. Suppose a dry cleaner owner asked for a $50,000 loan. It might even be for a loan to clean up an environmental problem. The collateral for the loan would also always be the real property of the dry cleaner itself. An environmental study paid for by the business owner would be required. This could cost from $500 to $2,500, a very stiff expense on a $50,000 loan. But even with a clean result from the study, would the bank make the loan? Increasingly the answer is no. Why? The study is not fool-proof, and therefore the bank is still at risk, first, that its collateral is worthless; and, second, that if it has to foreclose, it could face cleanup costs many times the value of the loan.

Simply put: Why would any lender risk potentially hundreds and thousands of dollars of liability over a loan on which it might make a profit, if all goes well, of a thousand dollars or so per year? Can a bank justify such a risk to its shareholders or to its regulators?

Now take this hypothetical and apply it to all types of businesses using chemical products: petroleum, fertilizers, pesticides, et cetera. It should not be hard to see that this growing problem will have a dramatic impact on whole segments of our economy.

One other hypothetical: Suppose the dry cleaner, the owner of the gas station, or the auto repair shop or fertilizer distributor wants to sell his or her business. How is the purchaser going to obtain a loan to buy it when the collateral for the loan would be business property? Thus, the value of thousands of existing small businesses may be severely impacted.

Let me quote from a typical letter written by a banker:

> Because of the potential liability our bank board adopted a policy which prohibits us making loans on any property which presently has or might in the future present a toxic waste problem. This would include any chemical, cleaning, petroleum product, sales, or service, or landfill-related business. We know and understand these are vital businesses to most communities, but unless banks are relieved of the tremendous potential liability of sack cleanup, we will be unable to serve the credit needs. Some environmental groups have indicated that they believe a change in Superfund will have a negative impact on efforts to clean up the environment.

□ 2250

The fact is that clarification of the Stewart Crafter exemption will aid the cleanup of contaminated property. This fact is illustrated by one simple proposition. Unless the law is changed, who is going to finance the efforts of businesses and agriculture to undertake environmental cleanup? Carrying it one step further, who is going to finance those companies which specialize in environmental cleanup such as waste management companies? Unless something is done to change the current situation, financing for environmental cleanup is going to be hard to come by. Those businesses which need to borrow to clean up their properties and those businesses which are in the environmental cleanup business are by definition those with the highest risk of environmental problems and, therefore, those that are going to face the most difficulty obtaining financing. Thus, because of environmental extremism once again and going overboard on protective legislation, small businesses are slowly but surely coming to a standstill in this country today.

This same witness, Mr. Waterman, made reference to the very harmful impact on the small businesses, and that is my primary concern. However, the head of Bethlehem Steel recently testified before our committee on the great environmental costs of his company, costs that he said were making it extremely difficult for even a large company like his to compete against competition from other nations.

Now, his company employs over 30,000 people. They pay the health care costs for 170,000 people, counting retirees, spouses, and children. Now, if the environmental extremists force large companies like this out of business, we will all be in real trouble in this Nation.

In her book that I mentioned earlier, Dixie Ray destroys or questions other myths and falsehoods about things like acid rain, the greenhouse effect, and other environmental concerns. I could spend hours talking about all of the hoaxes, myths, falsehoods that environmental extremists have claimed in recent years, but let me give just a few brief examples of some news that some of these so-called environmentalists do not want the people to hear.

One is the NAPAP study, the 10-year, $570 million National Asset Participation and Assessment Program. The NAPAP study, recently featured on 60 Minutes, contains some good news about the environment. Over 3,000 leading scientists participated in this work and found that there really is no significant acid rain problem. While there is such a thing as acid rain, these scientists found that natural causes like frost do more damage than does acid rain, the effect of which they said is so small it is almost impossible to measure. Now, this is a 10-year study financed by the Federal Government with over 3,000 scientists from all over the Nation participating in it. It is certainly good to know that some of the scare headlines of recent years just have not been true, and it is also good to know that we do not need to spend billions and billions of dollars on this problem.

More good news about the environment that you will seldom hear. Three MIT scientists, after reviewing the ocean temperature data since the mid-19th century, wrote recently in Technology Review that "one of the most striking results suggested by the data is that there appears to have been little or no global warming over the past century." This is not me saying this, this is three MIT scientists, scientists from one of the most respected institutions in this country.

Another study by the National Oceanic and Atmospheric Administration concluded that the small amount of global warming that is taking place "would increase food production, enhance forest growth, and enlarge water supplies," according to an article in the Washington Post. This is not me speaking, this is a study conducted by the National Oceanic and Atmospheric Administration.

Of course, there are some of the more extreme environmental groups which do not want to admit that there is anything good going on with the environment because they are afraid of losing their big-money contributors, and unfortunately, today it is sad but true that many formerly respectable, formerly conservative environmental organizations, even middle-of-the-road organizations, have become radical or even left-wing in this country today.

In another area, three Nobel Prize winning economists, Milton Friedman, James Buchanan, and George Stigler, wrote to President Bush a few months ago that "our new Clean Air Act's unduly stringent and extremely costly provisions could seriously threaten our economy." Their words, the words of three Nobel Prize winning economists, not my words.

Synicated columnist Warren Brooks has estimated this bill, the Clean Air Act, will cost our economy at least $8 billion, and probably much higher, and cause the loss of several hundred thousand jobs across this Nation. He points out that the bill will require 143,000 small businesses to go through a permitting process that will cost this small business community of this Nation $1 billion to $3 billion.

In an editorial a few months ago in the Wall Street Journal called "Scientific Fadism," the Wall Street Journal said this: "George Bush went over to Georgetown University yesterday to address a U.N.-sponsored group of environmentalists gathered to discuss the subject of global warming. All he said was, 'Wherever possible, we believe that market mechanisms should be applied and that our policies must be consistent with economic growth and free-market principles in all countries.' Based on the reaction, you would have thought the President had held up a mirror in front of a vampire."

Market mechanisms? Economic growth? "Aaaaaahhhh!" shrieked the environmental elite. Or, as David Becker of the Sierra Club so plainly put it: "It was a gross disappointment. There was more talk in the speech about economics than about the environment." What more does anyone need to know about the environmentalist gestalt?

Congress and the administration are embarking on consideration of the Clean Air Act. If the past is prelude, science and economics are in for a rough ride.

"We have been around the track with many scientific fads recently," continues this Wall Street Journal editorial, "such as 'nuclear winter' and the asbestos panic. Early on the sytem always seems to promote the fad and suppress the science.

"Carl Sagan's nuclear winter postulations, much ballyhooed when they first appeared, have now been dismissed by most of the scientific community. The idea was that a sudden release of smoke, caused by burning cities in a nuclear war, would have a drastic cooling effect on the atmosphere, and that the human race would eventually be annihilated by the temperature drop. It turns out that the assumptions and estimates upon which the computer models were based were deeply flawed.

"Today, estimates of post-nuclear war cooling have moderated. 'It's nice to see these guys acting like scientists again,' one researcher told the New York Times. In the nuclear winter delusion, only the credibility of a few arms control hysterics suffered. But another false alarm—the asbestos scare—shows that the cost of scientific faddism can be enormous.

"Congress passed a law banning asbestos, and schools have spent billions removing it. Scientists are now calling this episode a 'panic' and suggesting that the money was wasted." In fact, scientists now tell us that removing the asbestos puts particles in the air and causes more harm than if we had left it alone.

Today the environmental movement has increasingly become one of elitists, one for the rich, people who do not have to worry about prices. For example, some of the more extreme environmentalists have said we should raise the price of gasoline to $3 or $4 or $5 a gallon to cut down on our consumption of oil. They want to encourage more use of mass transit.

Well, that is well and good for those who live in the cities, or if you want to force everyone to live in the big cities, thus increasing our environmental problems there. Yet that would be disastrous for an area like mine, where many people have to drive long distances to go to work, to raise gas prices by $3 or $4 a gallon, which would be extremely harmful to lower- and middle-income people and would be another nail in the coffin of the small towns and rural areas of this Nation.

□ 2300

Time will not permit me to mention all that I should, but let me mention briefly the wetlands issue. In an article entitled "In A Murky Quagmire" the U.S. News and World Report told this story:

> Tom and Betty Ruark never dreamed that the purchase of 16 acres down the road from their home in Woolford, Md., could catapult them to the brink of bankruptcy. Three years ago, property values in the small town on the Chesapeake Bay's Eastern Shore were skyrocketing, and while the Ruarks knew that federal regulations restricted development on wetlands, they also knew that their land was puddled for only a few weeks in the spring—and bone-dry by July. But a year after they bought the lot, officials stepped up enforcement and declared it a protected wetland. Suddenly, the Ruarks' lot plummeted in value and they had a colossal debt. "This is crazy," says Tom Ruark. "I'm about to lose my house because Washington has decided that ducks need more habitat."

Now in response to a hail of criticism from farmers, mining and oil companies, land developers and small property owners like the Ruarks, the Government is considering changing its definition of a wetland.

Certainly this has been a major interference with private property in this Nation. Once again it is something that has been brought about by environmental extremists and has caused us to declare as a wetland area areas that do not have puddles that you can see, but simply have a little tiny bit of underground water contained in them a few days each year. This is ridiculous to the extent that we have gone overboard on this.

In addition, locking up all of our natural resources causes great harm to our economy and hurts lower and middle income people.

Locking up oil hurts lower and middle income people greatly. We cannot drill offshore because of environmental extremists. Thus we increase the possibility of oil spills from tankers because we have to import so much oil from overseas. We cannot drill on even a very small or very minute portion of ANWR. If we could open up some of these areas for drilling, we could substantially lower the price of oil in this country, and thus help lower- and middle-income people greatly.

Locking up our forests causes the price of lumber for houses to go way up. Environmental extremists in this country slowly but surely are destroying the American dream in this Nation today.

I am certainly not defending pollution, but as long as one human being is alive on this Earth, there is going to be some pollution. Why do the environmental extremists perpetrate these falsehoods? Why do they use scare tactics? The obvious answer is they want more money, more money from government. They want more contributions from their contributors, many of whom do not realize how radical and leftwing some of these environmental organizations have become.

I would like to read at this point in time some suggestions by Dixie Ray from her book when she concluded her book "Trashing the Planet." She offered these suggestions:

> First, a person can put pressure, individually and through groups, on members of the legislative branch, both state and federal, to refrain from acting precipitously on expensive "cures" for unproven environmental ills. Ask for evidence. It's public tax money that they are proposing to spend; it should not be wasted.
>
> Second, don't succumb to the argument put forward by political environmentalists that action must be taken in advance of understanding the problem, "just in case." Keep in mind that they have a job or position to protect. Remember, the alarmists depend on continued crises, even if they are contrived, to keep themselves in business. Insist on facts.
>
> Third, keep a sense of perspective. This old earth has been through a lot, including drastic climate changes, without any help from humans. It will continue to change. The earth has never been stable or remained the same for long.
>
> Finally, humans cannot live on earth without altering it and without using natural resources. Our responsibility is to be good stewards of the environment and to remember that a well-tended garden is better than a neglected woodlot. It is demeaning beyond belief to consider mankind simply another species of animal, no better and no worse than wild beasts.

I would draw this special order to a conclusion by saying a few additional comments. Increasingly, Madam Speaker, today the environmental movement is becoming one controlled by a very liberal or even leftwing political activist and special interest groups. Increasingly today, the environmental movement is becoming one for the elite, the rich, the upper crust, controlled by limousine liberals. Increasingly today, the environmental movement is becoming one that is very much opposed to the free enterprise system which made this country the strongest economic power on the face of this Earth.

Increasingly, the environmental movement today is becoming one that does not believe in the concept of private property which has meant so much to the economic well-being of so many.

It is ironic that at the very time when nations all over this world are collapsing economically and are being forced to move toward free enterprise and free market principles and private property, environmental extremists in this Nation are forcing us to go in a very different and a very economically destructive way.

Increasingly today, the environmental movement is one that is bringing great harm to the working men and women of this country and costing thousands and thousands of jobs. I believe what we need is some moderation. We need to realize that while we should always try to improve our environment, people have other needs, too, education, housing, nutrition, medical care, just to name a few of the more important ones.

We need to look before we leap. We need to stand up and tell these extremists that we can no longer afford to spend billions and billions of dollars to meet some unattainable standard that has almost no health benefit whatsoever. We need to protect our environment, but we need to do it in a way that does not destroy this Nation economically and force all of us to become employees of the Japanese and companies from foreign nations.

We need to tell the people that the best environmentalists are private property owners who almost always take much better care of land than do public government owners and at no cost to the taxpayers.

We need to tell people that the worst polluters in the world are the government-controlled businesses around the world, while the most conservation minded companies are those which operate under a free market system that forces them to act in an efficient, nonwasteful manner.

Madam Speaker, above all we need to tell the people that we want to make sure that this country remains free so that Americans can succeed once again and not just survive.

Mr. TAYLOR of North Carolina. Madam Speaker, if the gentleman will yield, first of all I want to commend the gentleman for what I think is one of the most outstanding comments and summaries on the environmental and economic situation in this country that I have heard in a long time. I wish that that could be heard by every one in this country, because I think it was so well articulated and it is shared by so many people.

But it is not being made clear when the hysteria that drives many of the movements and the regulations and the laws that come from this body come forth to destroy economic initiatives for no real gain or purpose in the environment.

I would like to ask the gentleman if he recalls today in the Committee on Interior and Insular Affairs where he and I serve together, the gentleman had an opportunity to speak in this very area, where we presented an amendment to a bill that is drawn to take thousands of acres of natural forest land out of timber production. It is drawn to set aside one area in a scenic area and one in a recreational area.

In that designation we tried to amend that bill to allow the Secretary to give him the right to continue to practice wise timber culture in those areas, not inconsistent with operating those areas as scenic areas or natural recreation areas, and we were voted down by the committee.

Mr. DUNCAN. Madam Speaker, I want to say that I have an extremely high opinion of the gentleman form North Carolina [Mr. TAYLOR], and did not know that he was coming over here tonight. I certainly appreciate his participation in this special order, because I do not think that many people realize how radical and strange some of these environmental groups have become. But they are very slowly but surely destroying the economy of this Nation and hurting the working man greatly.

The gentleman has been in the forefront, in the short time he has been here, in the battle to preserve jobs for the working men and women of this country, and to help this country remain strong economically in what is becoming a very difficult time in the history of this Nation.

I want to tell the gentleman that I appreciate his remarks that he has just made. I supported his amendment, which, of course, we knew would be voted down in the Committee on Interior and Insular Affairs today because, as everyone knows, this Congress is the most liberal Congress we have ever had in the history of this Nation.

□ 2310

Some people thing that is good. Some think it is bad. But there is certainly no dispute about that. This is the most liberal Congress we have ever had. We have a great many Members, unfortunately, in leadership positions in this Congress who do not believe in the free enterprise system and who do not believe in the concept of private property.

So we are putting restrictions on land all over this country. We are taking over land at an unbelievable rate. It is just amazing to me the Federal Government owns 97 percent of the land in Alaska at this time. It owns 83 percent of the land in Nevada. it owns just hundreds of millions of acres all over this country. And the amount of land being taken over and tied up by the Federal Government all across this Nation is growing by leaps and bounds. Every week we have bills in the Committee on Interior and Insular Affairs to take over additional acreage. Later on, I think tomorrow or next week, we will take up the California Desert Protection Act, which the administration recommended that we protect, I think, approximately 2 million acres in California. But because of the environmental extremists and their control of the political agenda in this body, we have got a bill now that ties up some of the richest land in this country from a minerals standpoint and ties up something like 8 or 9 million acres. So these are matters that I am very concerned about, particularly at a time when this Nation is facing such great difficulties from an economic standpoint.

Mr. TAYLOR of North Carolina. In my district, we have unemployed rates that range between 20 and 30 percent. Our effort in the committee today with the very modest proposal was to try to protect some of those remaining jobs in a way that would not destroy the environment because our amendment gave—although it gave the Secretary the right to manage the property with wise civil and cultural practices, it also said that they had to be in line with the purpose of the bill for a recreational area and for a scenic area. So it was a very modest proposal.

Even that proposal was voted down in the face of 20 to 30 percent unemployment that we have and the threat to the remaining jobs in the district that is in our area.

The thing that concerns me is the gentlemen to the left are up here almost every night talking about unemployment, about the President, and talking about why he is failing the Nation by not moving forward with something to reduce unemployment. The words that I hear coming from over there are a lot like the son that killed his father and then went to the jury and pled for mercy on the basis of being an orphan.

The very regulations and laws that we are pushing through here every day, the increased taxes that we are pushing through every day, all the way from the 5-cent gas proposal that was proposed by these gentlemen just a few months ago to the increased unemployment tax on workers and on small businesses that was recommended and passed the Committee on Banking, Finance and Urban Affairs, all of these taxes, all of these regulations are wiping out jobs in this country.

We do that day after day and then show amazement that we are losing jobs, that we are falling behind in international competition and that we are destroying the economy. And the source of that destruction is here within the regulation and laws that we see before us.

Mr. DUNCAN. I agree with the gentleman from North Carolina and I would say that as you were making these comments I was thinking now fortunate the people of North Carolina are to have a man like you representing them in the Congress. Here it is 11:15 at night. You are still here hard at work.

I serve on two committees that you serve on, and I know of your hard work on those committees. As you mentioned, in the amendment offered today, the gentleman brought up the fact that in one his counties there is 36-percent unemployment. That is an unbelievable rate, 36-percent unemployment. Yet it did not even phase any of the Members of the other party in the Committee on Interior and Insular Affairs.

As the gentleman says, every day we hear Members from the other party stand up and express concern about the working men and women of this country and about the unemployed. Yet they consistently vote in a manner that is extremely adverse to the interests of the working men and women of this country and in a way which causes the loss of thousands and thousands of jobs around this country. As the gentleman pointed out so ably in his remarks a while ago, what we really need in this country is an economic growth package that will produce jobs. We need an economic growth package that will lower taxes for the middle class. I heard a speech by Senator PHIL GRAMM of Texas a couple of weeks ago in Nashville. He made some comments that I thought were very appropriate and very meaningful to me. He said the Democrats say that we need more spending on housing, education, nutrition, and medical care. And he said, "I agree with them. We need more spending on all of those things, housing, nutrition, medical care, education."

But he said, "The question is, Who do you trust to do that spending? The Congress and the bureaucrats or the families of America?"

If we leave more money in the hands of the families of America, what will they spend it on? They will spend it on better housing, better nutrition, better medical care, and things of that nature. But they just will not have all the middleman costs, all the costs of the bureaucracy to administer.

We hear cries from the other side, but we do not see those votes that are consistent with that concern for the working men and women of this country.

The gentleman talked about the 36-percent unemployment in certain areas in his district. I know places in East Tennessee where not only the unemployment is extremely high but the average income is very low. And yet, as I pointed out in this talk, in past years we have had environmental extremists, many of them coming down from Harvard and other places, many of them having never been to east Tennessee before or spent very little time there, and they have come up and insisted on so many rules and regulations that they forced all these coal companies out of existence, thus depriving people of the only livelihood basically that they could have in some of those areas and forcing them to go to the big cities of the North to look for jobs.

It is just amazing to me that people can throw other people out of work with so little concern.

We have talked in the Committee on Interior and Insular Affairs about the spotted eye controversy. I think it is sad that our Government seems to care more about an owl than it does about hundreds, possibly 100,000 people losing their jobs.

I asked some of these environmental elitists who testified at the committee one day, I said, "How would you, if you were a lumber worker who basically was not trained for any other work, how would you explain to your wife and children some night over the dinner table that you were going to lose your job and potentially lose your home and other things because our Government cared more about an owl than it did about working people in this country?"

And not only care about working people but, as I said before, it drives up the prices of lumber. It drives up other prices. We have got to cut some trees in this country if we are going to have homes, books, newspapers. If we are going to have even conveniences like toilet paper and things like that.

So I do not understand some of these people who want to say that we cannot touch any of our natural resources. They want to in some way do away with all pollution. As I said before, if we have even one person left on the face of this Earth, we are going to have some amount of pollution.

The thing we should do is control it and handle these things in a reasonable and moderate way instead of going to the extremes and socializing our entire economy, coming to the Federal Government and giving the Federal Government control over every acre of land in this country and over even the smallest businesses in this country and going in exactly the opposite direction that all the other nations of the world, which are having such economic troubles, going in the opposite direction from them.

One last comment I will make. Louis Rukeyser, the TV commentator and syndicated columnist, said in a column in August:

> Now that the free market principles have met with such enthusiasm behind the Iron Curtain and all around the world, let us try a truly radical idea. Let us try them here in the United States.

□ 1220

I think he made such an outstanding point, and certainly it is a point consistent with your comments and my comments here tonight.

I thank the gentleman from North Carolina for coming over and participating with me in this special order.

Mr. TAYLOR of North Carolina. I appreciate the gentleman's courtesy in letting me speak on this issue.

CONFERENCE REPORT (H. REPT. 102-311)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2100) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Years 1992 and 1993".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
Sec. 4. Expiration of authorizations for fiscal years after 1992.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense Agencies.
Sec. 105. Defense Inspector General.
Sec. 106. Reserve components.
Sec. 107. Chemical demilitarization program.
Sec. 108. Multiyear authorizations.

PART B—ARMY PROGRAMS

Sec. 111. M-1 Abrams tank program.
Sec. 112. Repeal of lease authority for new training helicopter program.
Sec. 113. AH-64 Apache helicopter modifications.
Sec. 114. Procurement of AHIP Scout helicopters.

PART C—NAVY PROGRAMS

Sec. 121. Transfer of certain funds for procurement of Navy aircraft.
Sec. 122. Authorization for use of certain funds for Navy aircraft procurement.
Sec. 123. Air cushion landing craft report.

Sec. 124. Transfer of funds for Trident missiles.

PART D—AIR FORCE PROGRAMS

Sec. 131. B-2 bomber aircraft program.
Sec. 132. B-1B bomber aircraft program.
Sec. 133. C-17 aircraft program.
Sec. 134. F100/220E engine remanufacture kits.
Sec. 135. Advanced cruise missile.
Sec. 136. Temperature specification for air-launched cruise missile flight data transmitter; review of testing methodologies.
Sec. 137. F-15 aircraft program.
Sec. 138. AMRAAM missile program.
Sec. 139. F-117 aircraft program.

PART E—DEFENSE AGENCY PROGRAMS

Sec. 141. C-20 aircraft program.
Sec. 142. MC-130H (Combat Talon) aircraft program.
Sec. 143. MH-47E/MH-60K helicopter modification programs.

PART F—OTHER MATTERS

Sec. 151. Chemical weapons stockpile disposal program.
Sec. 152. Ground-Wave Emergency Network.
Sec. 153. Limitations relating to redeployment of Minuteman III ICBMs.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS

Sec. 201. Authorization of appropriations.
Sec. 202. Amounts for basic research and exploratory development.
Sec. 203. Manufacturing technology.
Sec. 204. Authorization to make certain fiscal year 1991 Navy funds available for other purposes.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 211. V-22 Osprey aircraft program.
Sec. 212. Extension of prohibition on testing Mid-Infrared Advanced Chemical Laser against an object in space.
Sec. 213. A-(X) Advanced Tactical Aircraft, Navy.
Sec. 214. F-22 Advanced Tactical Fighter aircraft program, Air Force.
Sec. 215. Supercomputer modernization program.
Sec. 216. Management of Navy mine countermeasures programs.
Sec. 217. Non-acoustic anti-submarine warfare program.
Sec. 218. Anti-submarine warfare stand-off weapon.
Sec. 219. Ship-to-shore fire support.
Sec. 220. Superconducting Magnetic Energy Storage Project.
Sec. 221. Sealift research and development.
Sec. 222. ICBM modernization program.

PART C—MISSILE DEFENSE PROGRAM

Sec. 231. Short title.
Sec. 232. Missile defense goal of the United States.
Sec. 233. Implementation of goal.
Sec. 234. Follow-on technology research.
Sec. 235. Program elements for Strategic Defense Initiative.
Sec. 236. Research, development, test, and evaluation objectives for SDI program elements.
Sec. 237. Strategic Defense Initiative funding.
Sec. 238. Review of follow-on deployment options.
Sec. 238. ABM Treaty defined.
Sec. 240. Interpretation.

PART D—OTHER MISSILE DEFENSE MATTERS

Sec. 241. Arrow Tactical Anti-Missile Program.
Sec. 242. Development and testing of anti-ballistic missile systems or components.

PART E—OTHER MATTERS

Sec. 251. Medical countermeasures against biowarfare threats.
Sec. 252. University Research Initiative.
Sec. 253. Grant for the Institute for Advanced Science and Technology.
Sec. 254. Advanced applied technology demonstration facility for environmental technology.
Sec. 255. Continued cooperation with Japan on technology research and development.
Sec. 256. Federally funded research and development centers.
Sec. 257. Revision in membership of Strategic Environmental Research and Development Program Council: membership on Council and on Scientific Advisory Board.

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATIONS OF APPROPRIATIONS

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Humanitarian assistance.
Sec. 305. Support for the 1993 World University Games.
Sec. 306. Support for the 1996 Summer Olympics.
Sec. 307. Presidential inauguration assistance.

PART B—LIMITATIONS

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Sec. 312. Repeal of requirement for authorization of civilian personnel by end strength.
Sec. 313. Limitation relating to consolidation of supply depots.
Sec. 314. Limitation on the performance of depot-level maintenance of materiel.
Sec. 315. Two-year extension of authority of base commanders over contracting for commercial activities.
Sec. 316. Limitations on the use of Defense Business Operations Fund.
Sec. 317. Acquisition of inventory.

PART C—ENVIRONMENTAL PROVISIONS

Sec. 331. Reimbursement requirement for contractors handling hazardous wastes from defense facilities.
Sec. 332. Extension of waste minimization program.
Sec. 333. Prohibition on use of environmental restoration funds for payment of fines and penalties.
Sec. 334. Environmental restoration requirements at military installations to be closed.
Sec. 335. Prohibition on the purchase of surety bonds and other guaranties for the Department of Defense.
Sec. 336. Surety bonds for Defense Environmental Restoration Program contracts.

PART D—OTHER MATTERS

Sec. 341. Annual report on defense capabilities and programs of the Armed Forces.
Sec. 342. Coverage of contracts for equipment maintenance and operation under provision allowing appropriated funds to be available for certain contracts for 12 months.
Sec. 343. Use of proceeds from the sale of certain lost, abandoned, or unclaimed personal property.
Sec. 344. Use of proceeds from the transfer or disposal of commissary store facilities and property purchased with nonappropriated funds.
Sec. 345. Use of appropriated funds for expenses relating to certain voluntary services.
Sec. 346. Treatment of severance pay for foreign nationals under overseas military banking contracts.
Sec. 347. Improvement of inventory management policy and procedure.
Sec. 348. Prevention of the transportation of brown tree snakes on aircraft and vessels of the Department of Defense.
Sec. 349. Donation of certain scrap metal to the Memorial Fund for Disaster Relief.
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Sec. 402. Assessment of the structure and mix of active and reserve forces.

PART B—RESERVE FORCES

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the Reserves.
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Sec. 414. Pilot program for active component support of the Reserves.

PART C—MILITARY TRAINING STUDENT LOADS

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Sec. 513. Administration of athletics programs at the service academies.
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PART C—RESERVE PERSONNEL

Sec. 521. Increased number of active duty officers assigned to full-time support and training of Army National Guard combat units.
Sec. 522. Guaranteed reserve forces duty scholarship program.
Sec. 523. Baccalaureate degree required for appointment or promotion of reserve component officers to grades above first lieutenant or lieutenant (junior grade).
Sec. 524. Priority in making original appointments in Guard and reserve components for ROTC scholarship program graduates.

Sec. 525. Waiver of prohibition on certain reserve service with the ROTC program.
Sec. 526. Report on the supervision, management, and administration of the Marine Corps Reserve.
Sec. 527. Report on commissioning and training of new Army National Guard officers.
Sec. 528. Expansion of duties for which Reserves are entitled to military leave from Federal employment.

PART D—ASSIGNMENT OF WOMEN IN THE ARMED FORCES

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Sec. 554. Payment for leave accrued and lost by Korean conflict prisoners of war.
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Sec. 602. Limitation on the amount of basic allowance for quarters for members receiving such allowance by reason of their payment of child support.
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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

SEC. 4. EXPIRATION OF AUTHORIZATIONS FOR FISCAL YEARS AFTER 1992.

Authorizations of appropriations, and of personnel strength levels, in this Act for any fiscal year after fiscal year 1992 are effective only with respect to appropriations made during the first session of the One Hundred Second Congress.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Army as follows:

(1) For aircraft, $1,783,600,000.

(2) For missiles, $1,046,762,000.

(3) For weapons and tracked combat vehicles, $1,007,300,000.

(4) For ammunition, $1,362,400,000.

(5) For other procurement, $3,081,801,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Navy as follows:

(1) For aircraft, $7,089,800,000.

(2) For weapons, $4,720,860,000.

(3) For shipbuilding and conversion, $8,365,790,000.

(4) For other procurement, $6,492,355,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Marine Corps in the amount of $1,124,637,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Air Force as follows:

(1) For aircraft, $10,636,931,000.

(2) For missiles, $5,204,883,000.

(3) For other procurement, $8,194,009,000.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Defense Agencies in the amount of $2,239,029,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Inspector General of the Department of Defense in the amount of $800,000.

SEC. 106. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $227,000,000.

(2) For the Air National Guard, $454,800,000.

(3) For the Army Reserve, $84,300,000.

(4) For the Naval Reserve, $45,000,000.

(5) For the Air Force Reserve, $225,000,000.

(6) For the Marine Corps Reserve, $25,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

(a) FUNDING.—Funds are hereby authorized to be appropriated for fiscal year 1992 for the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), in the amount of $472,602,000.

(b) FUNDING FOR ARMY CRYOFRACTURE PROGRAM.—Within the amount authorized to be appropriated by subsection (a), $33,900,000 is available for the Army cryofracture program, of which—

(1) $13,900,000 is available for research, development, test, and evaluation of the cryofracture method of chemical weapons demilitarization only; and

(2) $20,000,000 is available for the procurement of long lead items for a cryofracture demonstration plant on and after the date on which the Secretary of the Army certifies in writing to the congressional defense committees that the Army will construct a cryofracture demonstration plant.

SEC. 108. MULTIYEAR AUTHORIZATIONS.

(a) ARMY.—The Secretary of the Army may use funds appropriated for fiscal year 1992 to enter into multiyear procurement contracts in accordance with section 2306(h) of title 10, United States Code, for the Army Tactical Missile System (ATACMS).

(b) NAVY.—The Secretary of the Navy may use funds appropriated for fiscal year 1992 to enter into multiyear procurement contracts in accordance with section 2306(h) of title 10, United States Code, for the following programs:

(1) The MK-48 ADCAP torpedo program.

(2) The enhanced modular signal processor program.

PART B—ARMY PROGRAMS

SEC. 111. M-1 ABRAMS TANK PROGRAM.

(a) TANK INDUSTRIAL BASE.—None of the funds appropriated for the Army pursuant to this Act may be used to initiate or implement closure of any portion of the tank industrial base.

(b) FISCAL YEAR 1991 FUNDS.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of the Army shall obligate $150,000,000 in advance procurement funds appropriated for the Army for fiscal year 1991 for the M1A2 tank program.

(2) Section 142 of Public Law 101–510 (104 Stat. 1503) is repealed.

(c) FISCAL YEAR 1992 FUNDS.—(1) Of the amount authorized to be appropriated for fiscal year 1992 pursuant to section 101(3)(A)—

(A) $90,000,000 shall be available for procurement of 60 new production M1A2 tanks; and

(B) $225,000,000 shall be available for the remanufacture of M1 tanks.

(2) The amount referred to in paragraph (1)(B) may be used only to remanufacture M1 tanks to the M1A2 configuration, except that—

(A) if the Secretary of the Army notifies the congressional defense committees that the milestone IIIA decision to proceed with low-rate initial production of the M1A2 tank, scheduled for January 1992, will be delayed for more than 90 days, the Secretary (i) shall proceed initially with remanufacture of M1 tanks to the M1A1 configuration and, upon a subsequent decision to proceed with such low-rate initial production, shall transition to conversion from the M1 to the M1A2 configuration, and (ii) may use such amount for remanufacture of M1 tanks to either configuration in accordance with clause (i); and

(B) if the Secretary of the Army notifies the congressional defense committees that the milestone IIIA decision as to whether or not to proceed with low-rate initial production of the M1A2 tank failed to affirm production go-ahead for such low-rate initial production, the Secretary shall proceed to use such amount for remanufacture of M1 tanks to the M1A1 configuration.

SEC. 112. REPEAL OF LEASE AUTHORITY FOR NEW TRAINING HELICOPTER PROGRAM.

Section 361 of Public Law 101–510 (104 Stat. 1541) is repealed.

SEC. 113. AH-64 APACHE HELICOPTER MODIFICATIONS.

(a) AUTHORIZATION.—

(1) Of the funds authorized to be appropriated for research, development, test, and evaluation for the Army for fiscal year 1992, $31,000,000 shall be available for the AH–64C aircraft development program.

(2) Of the funds authorized to be appropriated for aircraft procurement for the Army for fiscal year 1992, $1,000,000 shall be available for the AH–64C aircraft program.

(b) LIMITATION.—None of the funds appropriated or otherwise made available for aircraft procurement for the Army for fiscal 1992 may be obligated for the AH–64B helicopter modification program until—

(1) any amounts appropriated for fiscal year 1992 for the AH–64C aircraft program have been obligated; and

(2) the Secretary of the Army certifies to the congressional defense committees that the future-year defense program of the Department of Defense contains sufficient resources to develop and procure at least six AH–64C model aircraft for operational testing during each of fiscal years 1994 and 1995.

SEC. 114. PROCUREMENT OF AHIP SCOUT HELICOPTERS.

The prohibition in section 133(a)(2) of Public Law 101–189 (103 Stat. 1383) does not apply to the obligation of—

(1) funds in amounts not to exceed $135,000,000 for the procurement of not more than 24 OH–58D AHIP Scout aircraft from funds appropriated for fiscal year 1992 pursuant to section 101; and

(2) funds in amounts not to exceed $90,200,000 for the procurement of not more than 12 OH–58D AHIP Scout aircraft from funds appropriated pursuant to title XII of this Act.

PART C—NAVY PROGRAMS

SEC. 121. TRANSFER OF CERTAIN FUNDS FOR PROCUREMENT OF NAVY AIRCRAFT.

(a) AUTHORITY.—To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1991 for research, development, test, and evaluation that remain available for obligation, $851,600,000 to the appropriations for the Navy for fiscal year 1991 for procurement of aircraft.

(b) AVAILABILITY OF FUNDS.—Amounts transferred pursuant to subsection (a) shall remain available until September 30, 1992.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in subsection (a) is in addition to any other transfer authority provided in this or any other Act.

SEC. 122. AUTHORIZATION FOR USE OF CERTAIN FUNDS FOR NAVY AIRCRAFT PROCUREMENT.

(a) USE OF UNOBLIGATED FUNDS.—The Secretary of the Navy may use $40,000,000 of fiscal year 1991 AV–8B Harrier procurement funds for other authorized programs, projects, and activities within the Navy for aircraft procurement. The authority provided in the preceding sentence is available only to the extent provided in appropriation Acts. These funds may not be used for the AV–8B Harrier program.

(b) DESCRIPTION OF FUNDS.—The amounts referred to in subsection (a) as fiscal year 1991 AV-8B Harrier procurement funds are amounts appropriated for fiscal year 1991 for the Navy for aircraft procurement that were provided for either advance procurement of new AV–8B aircraft, for remanufacturing of AV–8B aircraft, or for AV–8B production line termination costs.

(c) LIMITATION ON USE OF FUNDS.—(1) None of the funds in the Defense Cooperation Account may be used to augment funding from AV–8B multiyear procurement programs for fiscal year 1989, 1990, or 1991 for design, testing, integration, or nonrecurring production costs related to the AV–8B radar upgrade program, nor to supplement or replace any funds designated for AV–8B aircraft in those fiscal years that have been diverted for those purposes.

(2) No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1992 may be obligated for the AV–8B radar upgrade program or for the remanufacture of AV–8B aircraft requiring installation of a new fuselage.

SEC. 123. AIR CUSHION LANDING CRAFT REPORT.

Not later than March 31, 1992, the Secretary of Defense shall submit to the congressional defense committees a report containing the following information:

(1) A goal for amphibious shipping and a discussion of how that goal relates to the needs of the commanders of the unified and specified combatant commands.

(2) A procurement objective for air cushion landing craft (LCAC) and a discussion of how that objective supports the amphibious shipping goal.

(3) A discussion of how the planned procurement of air cushion landing craft (LCAC) in the multiyear defense plan will affect the inventory levels for such craft.

SEC. 124. TRANSFER OF FUNDS FOR TRIDENT MISSILES.

(a) AUTHORITY.—To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1991 for other procurement that remain available for obligation, $56,700,000 to the appropriations for the Navy for fiscal year 1992 for procurement of weapons for the procurement of Trident missiles. Funds transferred pursuant to this subsection shall remain available until September 30, 1993.

(b) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in subsection (a) is in addition to any other transfer authority provided in this or any other Act.

PART D—AIR FORCE PROGRAMS

SEC. 131. B–2 BOMBER AIRCRAFT PROGRAM.

(a) AMOUNT FOR PROGRAM.—Subject to subsection (b), of the amount appropriated pursuant to section 103(1)(A) for the Air Force for fiscal year 1992 for procurement of aircraft, not more than $2,800,000,000 may be obligated for procurement, including advance procurement, for the B–2 bomber aircraft program.

(b) LIMITATIONS ON NEW PRODUCTION AIRCRAFT.—Of the amount referred to in subsection (a), $1,000,000,000 may be obligated for the procurement of not more than one new production B–2 bomber aircraft. None of such funds may be obligated for procurement of such a new production aircraft unless and until—

(1) the Secretary of Defense submits to the congressional defense committees—

(A) the certification with respect to the performance and procurement limit that is described in subsection (c);

(B) the certification with respect to compliance with aircraft correction-of-deficiency requirements in Public Law 101–189 that is described in subsection (d)(1);

(C) the reports referred to in subsection (d)(2); and

(D) the report referred to in subsection (e); and

(2) subsequent to the submission of the certification and reports referred to in paragraph (1), there is enacted an Act authorizing the obligation of such funds for the procurement of not more than one new production B–2 bomber aircraft.

(c) CERTIFICATION OF PERFORMANCE AND PROCUREMENT LIMIT.—A certification by the Secretary of Defense referred to in subsection (b)(1)(A) is a certification—

(1) that the performance milestones (including initial flight testing) for the B–2 aircraft for fiscal year 1991 (as contained in the B–2 full performance matrix program established under section 121 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180) and section 232 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456)) have been met and that any proposed waiver or modification to the B–2 performance matrix will be provided in writing in advance to the congressional defense committees;

(2) that no major aerodynamic or flight worthiness problems have been identified during the B–2 aircraft testing conducted before October 1, 1991;

(3) that the capability to update the navigation system using the Coherent Map Mode of the B–2 radar has been successfully demonstrated;

(4) that the basic capabilities of X-band and KU-band transponders have been successfully demonstrated;

(5) that the baseline analysis of the radar cross-section signature data for Air Vehicle 1 (AV–1) has been completed;

(6) that the test program for the B–2 aircraft has demonstrated sufficiently the following critical performance characteristics from flight testing to provide a high degree of confidence in mission accomplishment:

(A) Detection and survivability.

(B) Air vehicle performance.

(C) Strength and durability of the structure.

(D) Offensive and defensive avionics.

(E) Weapon separation testing planned (as of August 1, 1991) to take place during fiscal year 1992; and

(7) that the original radar cross section operational performance objectives of the B–2 aircraft have been successfully demonstrated from flight testing.

(d) CERTIFICATION OF COMPLIANCE WITH B–2 AIRCRAFT CORRECTION-OF-DEFICIENCY REQUIREMENTS IN PUBLIC LAW 101–189.—(1) A certification by the Secretary of Defense referred to in subsection (b)(1)(B) is a certification that the Secretary of the Air Force has entered into a contract for the procurement of B–2 aircraft authorized for fiscal years 1989 and 1990 that meets the requirements of section 117(d) of Public Law 101–189 relating to correction-of-deficiencies clauses in B–2 aircraft procurement contracts.

(2) The Secretary of Defense shall submit forthwith to the congressional defense committees the reports (relating to correction-of-deficiencies clauses in B–2 aircraft procurement contracts) required by section 117 of Public Law 101–189.

(e) LOW OBSERVABILITY REPORT.—A report of the Secretary of Defense referred to in subsection (b)(1)(D) is a report submitted to the congressional defense committees with respect to the B–2 aircraft program that includes the following:

(1) An assessment by the Secretary of Defense of whether the B–2 aircraft will meet its low observability (including radar cross section) requirements, including requirements which were not fulfilled in a B–2 flight test in July 1991.

(2) A description of any additional actions required to assure the B–2 aircraft will meet its low observability requirements, which were not planned for the B–2 aircraft program as of July 1991, and the costs associated with any such actions.

(3) A description of the mission of the B–2 aircraft.

(4) An assessment by the Secretary of Defense concerning the number of B–2 aircraft necessary for a cost-effective and operationally effective force to carry out the mission referred to in paragraph (3).

SEC. 132. B–1B BOMBER AIRCRAFT PROGRAM.

(a) REPORT BY DIRECTOR OF OPERATIONAL TEST AND EVALUATION.—(1) The Director of Operational Test and Evaluation of the Department of Defense shall review all B–1B bomber aircraft flight test data related to the electronic

countermeasures (ECM) system for that aircraft and shall submit to the congressional defense committees a report on the results of the review.

(2) The report required by paragraph (1) shall include the following:

(A) An assessment of the realism of the threat environment against which the CORE program was tested.

(B) An assessment of whether the CORE program, if implemented on the B-1 bomber fleet, would result in an operationally effective and operationally suitable program.

(C) A comparison of the operational effectiveness of the B-1B bomber with the currently fielded ALQ-161A ECM system to the B-1B bomber with the CORE configuration of the ALQ-161A ECM system.

(D) An assessment of the extent to which completed Air Force testing of the CORE program validates claims that installation of the CORE capability fleetwide would reduce logistics requirements and maintenance costs and increase B-1 operational availability.

(E) An assessment of the maturity of the CORE program and whether testing to date is adequate to support a procurement decision.

(3) The report required by paragraph (1) shall be submitted not later than 90 days after the date of the enactment of this Act.

(b) DEPARTMENT OF DEFENSE EVALUATION AND REPORT.—(1) The Secretary of Defense shall evaluate the costs and effectiveness of taking various actions to maintain or enhance the capabilities of the B-1B bomber aircraft and shall submit to the congressional defense committees a report on the results of the evaluation.

(2) The report required by paragraph (1) shall include the following matters:

(A) A comparison of the projected 20-year lifecycle costs of maintaining the B-1B bomber aircraft—

(i) with the current configuration of the ALQ-161A ECM system;

(ii) with the CORE configuration of the ALQ-161A ECM system; and

(iii) with the modification and installation of an existing ECM suite, such as the ALQ-172 system on B-52 bombers.

(B) A comparison of the projected operational availability of the B-1B bomber aircraft for conventional and nuclear bombing missions—

(i) with the current configuration of the ALQ-161A ECM system;

(ii) with the CORE configuration of the ALQ-161A ECM system; and

(iii) with the modification and installation of an existing ECM suite, such as the ALQ-172 system on B-52 bombers.

(C) An assessment of the costs and effectiveness of taking various actions to maintain or enhance the penetration capabilities of the B-1B bomber aircraft, to include—

(i) undertaking the CORE modification of the ALQ-161A ECM system;

(ii) adding and integrating radar warning receivers for situation awareness into the B-1B bomber aircraft;

(iii) undertaking the augmentations of the B-1B bomber aircraft evaluated in the report to Congress required by section 121(e) of Public Law 101-189 (103 Stat. 1379);

(iv) implementing the modifications identified in the General Accounting Office report entitled "B-1B Cost and Performance" (GAO/NSIAD 89-55); and

(v) providing all conventional capabilities currently available on or planned for B-52G, B-52H, and B-2 bombers.

(D) A detailed plan for making each modification of B-1B bomber aircraft proposed for fiscal years 1992 through 1999, including—

(i) the schedule for the modification;

(ii) the cost of the modification for each such fiscal year; and

(iii) the total expected cost of each modification for which the procurement is planned not to be completed before fiscal year 2000.

(E) A comparison (carried out using then-year dollars) of the total cost for investment for modifications and upgraded capabilities and for operations and support over a period of 20 years (including the cost of appropriate aerial refueling tanker support) for each of the following options for the bomber force:

(i) Retaining in the force the B-52G and B-52H bombers currently in the force and retiring the B-1B bombers currently in the force.

(ii) Retaining in the force the B-52G and B-1B bombers currently in the force and retiring the B-52H bombers currently in the force, with the cost of retaining the B-1B bombers computed by including the costs of modifying those bombers to carry cruise missiles and of modifying those bombers to carry out conventional missions for which B-52H bombers are currently assigned.

(iii) Retaining in the force the B-52H and B-1B bombers currently in the force and retiring the B-52G bombers currently in the force, with the cost of retaining the B-52H and B-1B bombers computed by including the costs of modifying B-52H or B-1B bombers as necessary to carry out conventional missions to which B-52G bombers are currently assigned.

(iv) Retaining in the force the B-52G, B-52H, and B-1B bombers currently in the force, with the cost of retaining the B-1B bombers computed by including the costs of modifying those bombers for delivering only improved conventional munitions.

(v) Retaining in the force the B-1B bombers currently in the force and retiring the B-52G and B-52H bombers currently in the force, with the cost of retaining the B-1B bombers computed by including the costs of modifying those bombers to carry cruise missiles and to carry out conventional missions to which B-52G and B-52H bombers are currently assigned.

(F) A statement of the number of heavy bombers, other than bombers with low observable (stealth) characteristics, required for conventional bombing missions, taking into consideration the historical use of heavy bombers in conventional warfare.

(3) The report required by paragraph (1) shall be submitted not later than 90 days after the date of the enactment of this Act.

(4) The Secretary shall certify in such report that each proposed modification described in paragraph (2)(D)—

(A) is necessary in order to extend the period during which the B-1B bomber aircraft can effectively perform nuclear and conventional bombing missions; and

(B) is cost-effective.

(c) REVIEW AND REPORT BY THE COMPTROLLER GENERAL.—(1) The Comptroller General shall review and evaluate the report required by subsection (a) and the report required by subsection (b).

(2) Within 90 days after the date of the submission of those reports, the Comptroller General shall submit to the congressional defense committees a report on the results of that review and evaluation, together with such recommendations as he considers appropriate.

(d) FISCAL YEAR 1992 FUNDING FOR B-1B PROCUREMENT.—(1) Of the funds authorized to be appropriated by this Act for the Air Force for fiscal year 1992 for the procurement of aircraft, $202,700,000 shall be available for the B-1B bomber program.

(2) Of the amount referred to in paragraph (1), not more than $20,000,000 may be obligated to obtain level three technical drawings for the CORE ECM system. Those funds may not be expended for the procurement of hardware or for implementation of the CORE configuration modification to the B-1B aircraft.

(3) Of the amount referred to in paragraph (1), not more than $67,000,000 may be obligated for deferred logistics activities.

(4) No amount may be obligated for a purpose stated in paragraph (2) or (3) until a period of 15 calendar days has elapsed after the reports required by subsections (a), (b), and (c) have been submitted to the congressional defense committees.

(e) REPEAL OF AUTHORITY FOR FUNDING FOR B-1B AVIONICS MODIFICATIONS.—Subsection (f) of section 121 of Public Law 101-189 (103 Stat. 1380) is repealed.

(f) PROHIBITION REGARDING RADAR WARNING RECEIVER PROJECT.—Funds may not be obligated to carry out project 3895 contained in Air Force program element 64270F.

SEC. 133. C-17 AIRCRAFT PROGRAM.

(a) USE OF AUTHORIZED APPROPRIATIONS.—Of the amounts authorized to be appropriated for the Air Force for aircraft procurement by section 103, not more than the following amounts may be made available for procurement of the C-17 aircraft for fiscal year 1992:

(1) $1,525,203,000 for procurement.

(2) $122,424,000 for advance procurement.

(3) $126,200,000 for spare parts.

(b) LIMITATION FOR FISCAL YEAR 1992.—Of the funds appropriated for the Department of Defense for fiscal year 1992 that are made available for the C-17 aircraft program (other than funds for advance procurement), not more than $400,000,000 may be obligated for the procurement of C-17 aircraft until the Secretary of Defense submits to the congressional defense committees a report that—

(1) describes the total cost to complete the full-scale development contract for that aircraft, identifying both the total cost to be borne by the Government and those costs to be borne solely by the contractor;

(2) contains a projection of how potential cost overruns under that contract would affect subsequent production contract prices;

(3) includes a certification by the Secretary that the first flight of the first development aircraft under that program, and the first flight of the first production aircraft under that program, have both been completed;

(4) sets forth in detail all reductions made in performance specifications for the C-17 aircraft since the signing of the original development contract under the program; and

(5) includes a certification by the Chairman of the Joint Chiefs of Staff (made after consultation with the commanders of the unified and specified combatant commands)—

(A) that the reductions in performance specifications referred to in paragraph (4) do not reduce the military utility of the C-17 aircraft below the levels needed by those commanders; and

(B) that the C-17 aircraft continues to be the most cost-effective means to meet current and projected airlift requirements.

(c) LIMITATION FOR FISCAL YEAR 1993.—None of the funds appropriated for the Department of Defense for fiscal year 1993 that are made available for the C-17 aircraft program (other than funds for advance procurement) may be obligated before—

(1) the Air Force has accepted delivery of the fifth production aircraft under that program; and

(2) the Director of Operational Test and Evaluation of the Department of Defense—

(A) has evaluated the performance of the C-17 aircraft with respect to critical operational issues after the first 50 flight hours of flight testing conducted during initial operational testing and evaluation of the aircraft; and

(B) has provided to the Secretary of Defense and to the congressional defense committees an early operational assessment of the aircraft re-

garding both the aircraft's overall suitability and deficiencies in the aircraft relative to (i) the initial requirements and specifications for the aircraft, and (ii) the current requirements and specifications for the aircraft.

SEC. 134. F100/220E ENGINE REMANUFACTURE KITS.

Funds available to be obligated for procurement of remanufacture kits for the F100/220E engines may be obligated only if the contract includes a warranty on the reliability of the complete engine.

SEC. 135. ADVANCED CRUISE MISSILE.

Section 136 of Public Law 101–510 (104 Stat. 1502) is amended—

(1) by inserting "and" at the end of subparagraph (A) of paragraph (1);

(2) by striking out subparagraph (C) of paragraph (1);

(3) by striking out paragraphs (2) and (3); and

(4) by redesignating paragraph (4) as paragraph (2).

SEC. 136. TEMPERATURE SPECIFICATION FOR AIR-LAUNCHED CRUISE MISSILE FLIGHT DATA TRANSMITTER; REVIEW OF TESTING METHODOLOGIES.

(a) PLAN.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall develop and begin implementing a plan to correct the failure by the contractor to deliver flight data transmitters for the air-launched cruise missile that comply with the applicable cold temperature specifications requiring the data transmitters to operate after prolonged exposure to temperatures as low as minus 65 degrees Fahrenheit.

(b) REVIEW OF TESTING METHODOLOGIES.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall conduct a review of the testing methodologies used to ascertain compliance with cold temperature specifications required under defense contracts, including the specification requiring flight data transmitters for the air-launched cruise missile to operate after prolonged exposure to temperatures as low as minus 65 degrees Fahrenheit. The review shall include an assessment of the implications of applying such a method uniformly throughout the Department of Defense.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on implementation of the plan developed under subsection (a) and the results of the review conducted under subsection (b).

SEC. 137. F–15 AIRCRAFT PROGRAM.

(a) AVAILABILITY OF F–15 SALES PROCEEDS FOR PROCUREMENT OF REPLACEMENT F–15 AIRCRAFT.—Of the funds received by the United States from the sale of F–15 aircraft to Saudi Arabia as described in the certification transmitted to the Congress pursuant to section 36(b)(1) of the Arms Export Control Act on August 26, 1990 (transmittal number 90–36)—

(1) $250,000,000 may be used for the procurement of F–15E aircraft in order to replace the F–15 aircraft sold to Saudi Arabia; and

(2) $364,000,000 may be used for the procurement of support equipment for the F–15 aircraft fleet.

(b) CONSTRUCTION WITH PRIOR LAW.—The prohibition in section 134(a)(2) of Public Law 101–189 (103 Stat. 1383) does not apply to the obligation of funds for the purposes described in subsection (a) or for the acquisition of F–15 aircraft for which funds are authorized to be appropriated in title XII of this Act.

SEC. 138. AMRAAM MISSILE PROGRAM.

Section 163 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1389) is amended by adding at the end the following new subsection:

"(d) ALTERNATIVE REMOVAL OF FUNDING LIMITATION.—The limitation on the obligation of funds for full-rate production of the AMRAAM system set forth in subsection (a) shall cease to apply upon the submission by the Director of Operational Test and Evaluation to the congressional defense committees of a report stating that, based upon the operational test and evaluation conducted on the AMRAAM system to the date of the report, it is the opinion of the Director that the results of such test and evaluation confirm that such system is effective and suitable for combat.".

SEC. 139. F–117 AIRCRAFT PROGRAM.

The number of new production F–117 aircraft procured using funds appropriated for fiscal years after fiscal year 1991 may not exceed 12.

PART E—DEFENSE AGENCY PROGRAMS

SEC. 141. C–20 AIRCRAFT PROGRAM.

Of the funds authorized to be appropriated or otherwise made available for procurement for the Defense Agencies for fiscal year 1992, $93,000,000 shall be available for procurement of three Gulfstream IV C–20F operational support aircraft. The Secretary of Defense shall assign the three additional C–20F aircraft to meet the operational support aircraft requirements of the Department of Defense.

SEC. 142. MC–130H (COMBAT TALON) AIRCRAFT PROGRAM.

Section 161(a) of Public Law 101–189 (103 Stat. 1388) is amended by striking out "and the procurement of contractor-furnished equipment".

SEC. 143. MH-47E/MH-60K HELICOPTER MODIFICATION PROGRAMS.

The requirements of subsections (a)(2) and (b) of section 2366, of title 10, United States Code, and the requirements of section 2399(a) of such title, shall apply to the MH-60K and MH-47E helicopter modification programs as if the date on which those programs proceed beyond low-rate initial production is the day that is one year after the date of the enactment of this Act.

PART F—OTHER MATTERS

SEC. 151. CHEMICAL WEAPONS STOCKPILE DISPOSAL PROGRAM.

(a) CHANGE IN STOCKPILE ELIMINATION DEADLINE.—Subsection (b)(5) of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), is amended by striking out "April 30, 1997" and inserting in lieu thereof "July 31, 1999".

(b) CLARIFICATION OF COOPERATIVE AGREEMENT AUTHORITY.—Subsection (c)(3) of such section is amended by adding at the end the following: "Additionally, the Secretary may provide funds through cooperative agreements with State and local governments for the purpose of assisting them in processing and approving permits and licenses necessary for the construction and operation of facilities to carry out this section. The Secretary shall ensure that funds provided through such a cooperative agreement are used only for the purpose set forth in the preceding sentence.".

SEC. 152. GROUND-WAVE EMERGENCY NETWORK.

Section 132 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1501) is amended by inserting "before October 1, 1992, and" before "until—".

SEC. 153. LIMITATIONS RELATING TO REDEPLOYMENT OF MINUTEMAN III ICBMS.

(a) PROHIBITION REGARDING OPERATIONALLY DEPLOYED MISSILES.—Funds appropriated for fiscal year 1992 or any fiscal year preceding fiscal year 1992 pursuant to an authorization contained in this or any other Act may not be obligated or expended for the redeployment or transfer of operationally deployed Minuteman III intercontinental ballistic missiles from one Air Force ICBM base to another Air Force ICBM base.

(b) LIMITATION REGARDING STORED MISSILES.—No Minuteman III missile in storage may be transferred to a Minuteman II silo until the Secretary of Defense submits to Congress a plan for the restructuring of the United States strategic forces consistent with the strategic arms reduction talks (START) treaty signed by the United States and the Soviet Union. Such plan shall include—

(1) a discussion of the force structure options that were considered in developing the plan;

(2) for each option, the locations for the Minuteman III ICBMs and Small ICBMs and the number of each such type of missile for each location;

(3) the cost of each such option; and

(4) the reasons for selecting the force structure provided for in the plan.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1992 for the use of the Armed Forces for research, development, test, and evaluation as follows:

(1) For the Army, $6,686,600,000.

(2) For the Navy, $8,633,875,000.

(3) For the Air Force, $14,467,094,000.

(4) For the Defense Agencies, $10,269,034,000, of which—

(A) $228,495,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(B) $14,200,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNTS FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1992.—Of the amounts authorized to be appropriated by section 201, $4,179,933,000 shall be available for basic research and exploratory development projects.

(b) BASIC RESEARCH AND EXPLORATORY DEVELOPMENT DEFINED.—For purposes of this section, the term "basic research and exploratory development" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

SEC. 203. MANUFACTURING TECHNOLOGY.

(a) FUNDING.—Of the amounts authorized to be appropriated by section 201, $280,000,000 shall be available for, and may be obligated only for, manufacturing technology as follows:

(1) For the Army Industrial Preparedness program, $28,058,000.

(2) For the Navy Industrial Preparedness program, $74,407,000.

(3) For the Air Force Industrial Preparedness program, $60,535,000.

(4) For the Defense Agencies, $117,000,000, of which—

(A) $17,000,000 is authorized for the Defense Logistic Agency Industrial Preparedness program; and

(B) $100,000,000 is authorized for Advanced Manufacturing Technology.

(b) DEFINITION.—For the purposes of this section, the term "industrial preparedness" means the Manufacturing Technology (MANTECH) program.

(c) SUBMISSION OF ANNUAL PLAN TO CONGRESS.—Section 2513 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "a National" and inserting in lieu thereof "an annual National"; and

(2) by adding at the end the following new subsection:

"(e) The Secretary shall submit the annual Plan to Congress not later than March 15 of each year. The Plan may be submitted in classified and unclassified versions.".

(d) LIMITATION.—No funds appropriated for fiscal year 1992 or 1993 may be obligated for a *manufacturing technology-related research and development activity unless that particular activity—*

(1) is specifically included in the National Defense Manufacturing Technology Plan submitted to Congress during the preceding fiscal year pursuant to section 2513(a) of title 10, United States Code (as amended by subsection (c));

(2) is required by law; or

(3) is specifically approved by the Secretary of Defense.

SEC. 204. AUTHORIZATION TO MAKE CERTAIN FISCAL YEAR 1991 NAVY FUNDS AVAILABLE FOR OTHER PURPOSES.

(a) AUTHORITY.—The Secretary of the Navy may use fiscal year 1991 Sea Lance funds (1) for program termination costs related to the termination of the Sea Lance weapon system, and (2) for other authorized programs, projects, and activities of the Navy for research, development, test, and evaluation for fiscal year 1991 or for fiscal year 1992. The authority provided in the preceding sentence is available only to the extent provided in appropriations Acts, not to exceed $71,000,000.

(b) DESCRIPTION OF FUNDS.—The funds referred to in subsection (a) as fiscal year 1991 Sea Lance funds are amounts appropriated for fiscal year 1991 for the Navy for research, development, test, and evaluation that were provided for the Sea Lance weapon system and that remain available for obligation and (due to the termination of that system) are no longer required for that system (other than for program termination costs).

(c) AVAILABILITY OF FUNDS.—This section does not extend the period of the availability for obligation of the funds described in subsection (b).

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

SEC. 211. V-22 OSPREY AIRCRAFT PROGRAM.

(a) FUNDING.—Of the funds authorized to be appropriated pursuant to section 201 or otherwise made available for research, development, test, and evaluation for the Navy for fiscal year 1992, the sum of $790,000,000 shall be used only for development, manufacture, and operational test of three production representative V-22 Osprey aircraft, of which the amount of $165,000,000 is derived by transfer pursuant to subsection (b). The authority under the preceding sentence is available only to the extent provided in appropriation Acts.

(b) TRANSFER OF UNOBLIGATED FISCAL YEAR 1991 FUNDS.—To the extent provided in appropriations Acts, the Secretary of the Navy shall transfer, out of any funds appropriated to the Navy for fiscal year 1991 for procurement of aircraft that remain available for obligation, $165,000,000 for research, development, test, and evaluation in connection with the V-22 Osprey aircraft program. The preceding sentence does not extend the period of the availability for obligation of amounts transferred under that sentence.

(c) AVAILABILITY OF FUNDS FOR THE SPECIAL OPERATIONS VARIANT.—Of the amounts authorized to be appropriated pursuant to section 201(4) for the Defense Agencies for fiscal year 1992, $15,000,000 shall be available for research, development, test, and evaluation in connection with the special operations variant of the V-22 Osprey aircraft.

SEC. 212. EXTENSION OF PROHIBITION ON TESTING MID-INFRARED ADVANCED CHEMICAL LASER AGAINST AN OBJECT IN SPACE.

The Secretary of Defense may not carry out a test of the Mid-Infrared Advanced Chemical Laser (MIRACL) transmitter and associated optics against an object in space during 1992 unless such testing is specifically authorized by law.

SEC. 213. A-(X) ADVANCED TACTICAL AIRCRAFT, NAVY.

The Secretary of Defense may not classify the total acquisition cost and the acquisition schedule for the A-(X) (next-generation naval attack aircraft) program at the level of special access classification.

SEC. 214. F-22 ADVANCED TACTICAL FIGHTER AIRCRAFT PROGRAM, AIR FORCE.

(a) FINDINGS.—Congress finds—

(1) that the emphasis placed on manufacturing in the next phase of the F-22 Advanced Tactical Fighter (ATF) aircraft program is a correct and significant step toward an appropriate acquisition system for the 1990s and beyond;

(2) that the objective of the next phase of the ATF program, known as the Engineering and Manufacturing Development Phase, should be to complete a production representative design (verified by testing production prototypes) with known cost and minimal risk for the Production Phase; and

(3) that the Air Force, having demonstrated satisfactory ATF system performance in the Demonstration Validation Phase, should give priority in the Engineering and Manufacturing Development Phase to investing in ATF manufacturing technologies over improving ATF performance.

(b) MANUFACTURING AND AFFORDABILITY.—The Secretary of the Air Force shall elevate manufacturing considerations during the Engineering and Manufacturing Development Phase of the ATF program—

(1) by accepting small reductions in aircraft performance, if necessary, to achieve a more producible and affordable production design;

(2) by directing the contractor to evaluate a wide selection of alternative production processes and technologies (including use of commercial standards or practices of manufacturing technology) for production of the aircraft; and

(3) by investing funds in those processes and technologies evaluated pursuant to paragraph (2) which have the highest cost or quality return on investment, with the objective of further lowering production costs and improving supportability.

(c) REPORT.—The Secretary of the Air Force shall submit to the congressional defense committees a report covering the production processes evaluated under subsection (b)(2) and the analysis supporting those processes which are ultimately selected under subsection (b)(3) for use in production. The report shall be submitted before fabrication of the first production prototype airframe is begun.

SEC. 215. SUPERCOMPUTER MODERNIZATION PROGRAM.

(a) PLAN.—(1) The Secretary of Defense, acting through the Director, Defense Research and Engineering (DDR&E), shall develop a plan by which the Department of Defense, beginning in fiscal year 1993, will modernize the supercomputer capability of Department of Defense laboratories. The plan shall include determinations of the equipment and software to be procured or leased and a schedule for the funding required to carry out the plan.

(2) The plan shall be developed by April 1, 1992. The Secretary shall submit the plan to the Committees on Armed Services of the Senate and the House of Representatives not later than that date.

(b) PROHIBITION OF NON-DOMESTIC ALTERNATIVES.—None of the equipment planned to be procured or leased under the plan may be obtained from a non-United States computer manufacturer unless the Secretary of Defense certifies to Congress that no United States computer manufacturer can meet the requirement being met by that procurement.

SEC. 216. MANAGEMENT OF NAVY MINE COUNTERMEASURES PROGRAMS.

(a) RESPONSIBILITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Director, Defense Research and Engineering shall have the primary responsibility for developing and testing naval mine countermeasures systems during fiscal years 1993 through 1997.

(b) WAIVER AUTHORITY.—The Secretary of Defense may waive the requirement in subsection (a) with respect to any fiscal year if, not later than June 1 of the calendar year in which that fiscal year begins, the Secretary certifies to the congressional defense committees that—

(1) the Secretary of the Navy, in consultation with the Chief of Naval Operations and the Commandant of the Marine Corps, has submitted to the Secretary of Defense an updated mine countermeasures master plan that identifies—

(A) technologies having promising potential for use for improving mine countermeasures; and

(B) programs for advancing those technologies into production;

(2) the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, for that fiscal year and the multiyear defense program submitted to Congress in connection with that budget pursuant to section 114a of title 10, United States Code, propose sufficient resources for executing the updated mine countermeasures master plan; and

(3) the Chairman of the Joint Chiefs of Staff has determined that the budget resources for mine countermeasures and the updated mine countermeasures master plan are sufficient.

SEC. 217. NON-ACOUSTIC ANTI-SUBMARINE WARFARE PROGRAM.

After December 31, 1991, funds appropriated or otherwise made available to the Department of the Navy for fiscal years 1992 and 1993 may not be obligated for research, development, test, and evaluation for non-acoustic anti-submarine warfare unless the Secretary of Defense has certified to the congressional defense committees, before any such obligation, that—

(1) the Department of Defense is conducting two viable, independent non-acoustic anti-submarine warfare programs within the Department; and

(2) at least one such program is not managed within the Department of the Navy.

SEC. 218. ANTI-SUBMARINE WARFARE WEAPON SYSTEM REQUIREMENTS.

(a) REPORT.—The Secretary of the Navy shall submit to the congressional defense committees a report containing an analysis of the requirements of the Navy for antisubmarine weapons systems and the program and plans of the Navy for meeting those requirements.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) A description of the operational requirements of the Navy for antisubmarine weapons for launch from submarines, for launch from surface ships, and for launch from aircraft.

(2) A description of weapons and alternative candidate weapons systems, concepts, and technologies that could satisfy those operational requirements, to include heavyweight torpedoes, lightweight torpedoes, quick-reaction weapons for surface ships, long-range weapons for surface ships, long-range weapons for submarines, and any other weapons concept considered for meeting the requirements stated in paragraph (1).

(3) An estimate of the costs associated with developing, acquiring, operating, and maintaining each of the weapons and alternatives described under paragraph (2).

(4) A detailed description of the programs and plans of the Navy for meeting its antisubmarine weapons systems requirements and for develop-

ing, acquiring, and operating antisubmarine weapons, including identification of funding requested for those programs and plans for fiscal year 1993.

(c) DEADLINE FOR SUBMISSION OF REPORT.—The report under subsection (a) shall be submitted not later than May 15, 1992.

SEC. 219. SHIP-TO-SHORE FIRE SUPPORT.

(a) R&D PROGRAM.—The Secretary of the Navy shall establish a naval surface fire support research and development program. The Secretary shall, with the budget request for fiscal year 1993, submit to the congressional defense committees a review of the fiscal year 1992 program for investigation, demonstration, and evaluation of potential technologies and weapons systems for improving ship-to-shore fire support.

(b) INITIAL REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of the Navy shall submit to the congressional defense committees a comprehensive report on naval ship-to-shore fire support requirements. The report shall be prepared in consultation with the Chief of Naval Operations and the Commandant of the Marine Corps and shall include the following:

(1) A description of operational requirements of the Navy and of the Marine Corps for naval surface fire support of amphibious and strike operations and a summary of the analysis supporting these requirements.

(2) A survey of the alternative technologies and other options which could be useful in meeting the requirements described under paragraph (1), including specifically—

(A) options based on guns, multiple-launch rockets, or missiles; and

(B) references to relevant activities being pursued by other military departments and Defense agencies and in private industry.

(3) Identification of the funds requested for fiscal year 1993 for ship-to-shore fire support, identification of plans and programs for ship-to-shore fire support programs in future years, and a description of the plan of the Navy for improving ship-to-shore fire support in the near term (with improvements that are capable of being introduced into the fleet within five years).

(c) SECOND REPORT.—No later than one year after the date of the enactment of this Act, the Secretary of the Navy shall submit to the congressional defense committees a second report on ship-to-shore fire support. That report shall include the following:

(1) A cost and operational effectiveness analysis (COEA) based on the requirements and technologies identified in the report under subsection (b), to include evaluation of the effectiveness and use of gun, multiple-launch rocket, and missile systems for surface fire support, both independently and in conjunction with fires from attack helicopter and fixed-wing aircraft.

(2) The near-term plans and the long-term plans of the Navy for meeting its ship-to-shore fire support requirements and a description of the research, development, test, and evaluation programs and of the procurement programs to be carried out in support of those plans.

(d) INDEPENDENT STUDY AND ANALYSIS.—(1) The Secretary of Defense shall provide for an independent study of naval ship-to-shore fire support requirements to be conducted by the Institute for Defense Analysis, a Federal contract research center. The study shall include (A) an assessment of the operational requirements of the Navy and of the Marine Corps for naval surface fire support of amphibious and strike operations and an independent review and analysis of alternative candidates for meeting both near-term requirements and long-term requirements for ship-to-shore fire support, and (B) an evaluation of the use and cost effectiveness of gun, multiple-launch rocket, and missile systems for ship-to-shore fire support. The Institute shall submit interim and final reports to the Secretary on such study at such times as the Secretary may require.

(2) The Secretary shall submit an interim report on the results of the study under paragraph (1) to the congressional defense committees within six months after the date of the enactment of this Act. The interim report shall focus on near-term systems and concepts that can be introduced into the fleet within five years and shall identify the preferred technologies for development in the near term.

(3) The Secretary shall submit a final report on the results of the study to the congressional defense committees within one year after the date of the enactment of this Act. The final report shall include a more thorough survey of the available and projected technologies that may be relevant to the mission requirements of the Navy for surface ship-to-shore fire support during the period ten-to-fifteen years after the date of the enactment of this Act.

(e) RESTRICTION ON USE OF FUNDS.—Of the funds appropriated pursuant to authorizations of appropriations in this Act for the Navy ship-to-shore fire support program—

(1) up to $2,500,000 may be used for the study required by subsection (b) and for the cost and operational effectiveness analysis required under subsection (c); and

(2) up to $1,500,000 may be used for the study required under subsection (d).

SEC. 220. SUPERCONDUCTING MAGNETIC ENERGY STORAGE PROJECT.

(a) PROJECT OFFICE.—The Secretary of Defense shall establish or designate an office within the Department of Defense to have responsibility for the Superconducting Magnetic Energy Storage Project. The project shall be carried out in coordination with the Secretary of Energy.

(b) PLAN.—(1) The Secretary of Defense shall develop a plan for the project. The plan shall be developed in cooperation with the Secretary of Energy and shall include provisions for sharing of the costs of the project by each Department.

(2) The plan shall be designed so as to lead to the demonstration of an engineering test model of the superconducting magnetic storage system.

(3) The plan shall be submitted to the Congress not later than April 1, 1992.

(c) FUNDING FOR FISCAL YEAR 1992.—Of the amounts authorized to be appropriated pursuant to section 201 for fiscal year 1992, $20,000,000 shall be available to conduct planning and initial design activities for the project.

SEC. 221. SEALIFT RESEARCH AND DEVELOPMENT.

The Secretary of the Navy may transfer not to exceed $25,000,000 from unobligated funds appropriated for the Navy for fiscal year 1991 for shipbuilding and conversion and made available for sealift to amounts appropriated for the Navy for fiscal year 1992 for research, development, test, and evaluation, to be available for the sealift program established pursuant to section 1424 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1683; 10 U.S.C. 7291 note). The authority under the preceding sentence is available only to the extent provided in appropriations Acts.

SEC. 222. ICBM MODERNIZATION PROGRAM.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for fiscal year 1992, not more than $566,444,000 shall be available for the intercontinental ballistic missile (ICBM) modernization program, of which—

(1) not more than $548,838,000 shall be available for the small ICBM (SICBM) program; and

(2) none shall be available for the rail garrison MX (RGMX) program.

(b) LIMITATION.—(1) The funds described in subsection (a)(1) may not be obligated until the Secretary of Defense certifies to the congressional defense committees that a sufficient amount of such funds will be obligated to conduct a viable program of research and development of mobile basing options for the SICBM program consistent with the sense of Congress set forth in section 231(b)(4) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1516).

(2) Not later than 90 days after the date on which the Secretary makes a certification under paragraph (1), the Secretary shall submit to the congressional defense committees a report describing—

(A) the revised research and development program for SICBM mobile basing options;

(B) the amount of the funds that the Secretary intends to obligate in each of fiscal years 1992 through 1997 for such program; and

(C) the earliest date on which a SICBM mobile basing option will be available in the event that conditions warrant a rebasing of the missile from existing Minuteman ICBM silos.

(c) REPORT.—Not later than March 1, 1992, the Secretary of Defense shall submit to the congressional defense committees a report on the cost and practicality of extending the service life of existing Minuteman III ICBMs beyond the year 2010.

(d) AVAILABILITY OF UNOBLIGATED FISCAL YEAR 1991 FUNDS.—(1) Of the balance of the amount appropriated for the Air Force for fiscal year 1991 for research, development, test, and evaluation for ICBM modernization that remains available for obligation, $17,500,000 may, to the extent provided in appropriations Acts, be used during fiscal year 1992 for obligation for the procurement of MX missiles.

(2) The authority provided in paragraph (1) does not extend the period of the availability for obligation of the funds referred to in that paragraph.

(3) The authority provided in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

PART C—MISSILE DEFENSE PROGRAM

SEC. 231. SHORT TITLE.

This part may be cited as the "Missile Defense Act of 1991".

SEC. 232. MISSILE DEFENSE GOAL OF THE UNITED STATES.

(a) MISSILE DEFENSE GOAL.—It is a goal of the United States to—

(1) deploy an anti-ballistic missile system, including one or an adequate additional number of anti-ballistic missile sites and space-based sensors, that is capable of providing a highly effective defense of the United States against limited attacks of ballistic missiles;

(2) maintain strategic stability; and

(3) provide highly effective theater missile defenses (TMDs) to forward-deployed and expeditionary elements of the Armed Forces of the United States and to friends and allies of the United States.

(b) ENDORSEMENT OF ADDITIONAL MEASURES.—As an additional component of the overall goal of protecting the United States against the threat posed by ballistic missiles, Congress endorses such additional measures as—

(1) joint discussions between the United States and the Soviet Union on strengthening nuclear command and control, to include discussions concerning the use of permissive action links and post-launch destruct mechanisms on all intercontinental-range ballistic missiles of the two nations;

(2) reductions that enhance stability in strategic weapons of the United States and Soviet Union to levels below the limitations of the Strategic Arms Reduction Talks (START) Treaty, to include the down-loading of multiple warhead ballistic missiles; and

(3) reinvigorated efforts to halt the proliferation of ballistic missiles and weapons of mass destruction.

SEC. 233. IMPLEMENTATION OF GOAL.

(a) In General.—To implement the goal specified in section 232(a), the Congress—

(1) directs the Secretary of Defense to take the actions specified in subsection (b); and

(2) urges the President to take the actions described in subsection (c).

(b) Actions of the Secretary of Defense.—

(1) Theater missile defense options.—The Secretary of Defense shall aggressively pursue the development of advanced theater missile defense systems, with the objective of downselecting and deploying such systems by the mid-1990s.

(2) Initial deployment.—The Secretary shall develop for deployment by the earliest date allowed by the availability of appropriate technology or by fiscal year 1996 a cost-effective, operationally-effective, and ABM Treaty-compliant anti-ballistic missile system at a single site as the initial step toward deployment of an anti-ballistic missile system described in section 232(a)(1) designed to protect the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks. The system to be developed should include—

(A) 100 ground-based interceptors, the design of which is to be determined by competition and downselection for the most capable interceptor or interceptors;

(B) fixed, ground-based, anti-ballistic missile battle management radars; and

(C) optimum utilization of space-based sensors, including sensors capable of cueing ground-based anti-ballistic missile interceptors and providing initial targeting vectors, and other sensor systems that also are not prohibited by the ABM Treaty, such as a ground-based sub-orbital surveillance and tracking system.

(3) Deployment plan.—Within 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a plan for the deployment of theater missile defense systems and an anti-ballistic missile system which meet the guidelines established in paragraphs (1) and (2).

(c) Presidential Actions.—

(1) Negotiations regarding the ABM Treaty.—Congress recognizes the President's call on September 27, 1991, for "immediate concrete steps" to permit the deployment of defenses against limited ballistic missile strikes and the response of the President of the Soviet Union undertaking to consider such proposals from the United States on nonnuclear ABM systems.

(2) In this regard, Congress urges the President to pursue immediate discussions with the Soviet Union on the feasibility and mutual interests of amendments to the ABM Treaty to permit the following:

(A) Construction of anti-ballistic missile sites and deployment of ground-based anti-ballistic missile interceptors in addition to those currently permitted under the ABM Treaty.

(B) Increased use of space-based sensors for direct battle management.

(C) Clarification of what development and testing of space-based missile defenses is permissible under the ABM Treaty.

(D) Increased flexibility for technology development of advanced ballistic missile defenses.

(E) Clarification of the distinctions for the purposes of the ABM Treaty between theater missile defenses and anti-ballistic missile defenses, including interceptors and radars.

SEC. 234. FOLLOW-ON TECHNOLOGY RESEARCH.

(a) Follow-on Anti-Ballistic Missile Technologies.—To effectively develop technologies relating to achieving the goal specified in section 232(a) and to provide future options for protecting the security of the United States and the allies and friends of the United States, robust funding for research and development for promising follow-on anti-ballistic missile technologies, including Brilliant Pebbles, is required.

(b) Exclusion From Initial Plan.—Deployment of Brilliant Pebbles is not included in the initial plan for the limited defense system architecture described in section 232(a).

(c) Report and Limitation.—The Secretary of Defense shall submit to the congressional defense committees a report on conceptual and burden sharing issues associated with the option of deploying space-based interceptors (including Brilliant Pebbles) for the purpose of providing global defenses against ballistic missile attacks. Not more than 50 percent of the funds made available for the purposes described in section 237(b)(3) for the Space-Based Interceptors program element for fiscal year 1992 may be obligated for the Brilliant Pebbles program until 45 days after submission of the report.

SEC. 235. PROGRAM ELEMENTS FOR STRATEGIC DEFENSE INITIATIVE.

(a) Exclusive Elements.—The following program elements shall be the exclusive program elements for the Strategic Defense Initiative:

(1) Limited Defense System.

(2) Theater Missile Defenses.

(3) Space-Based Interceptors.

(4) Other Follow-On Systems.

(5) Research and Support Activities.

(b) Applicability to Budgets.—The program elements specified in subsection (a) shall be the only program elements used in the program and budget provided concerning the Strategic Defense Initiative submitted to Congress by the Secretary of Defense in support of the budget submitted to Congress by the President under section 1105 of title 31, United States Code, for any fiscal year.

SEC. 236. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION OBJECTIVES FOR SDI PROGRAM ELEMENTS.

(a) Limited Defense System Program Element.—The Limited Defense System program element shall include programs, projects, and activities (and supporting programs, projects, and activities) which have as a primary objective the development of systems, components, and architectures for a deployable anti-ballistic missile system as described in section 232(a)(1) capable of providing a highly effective defense of the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks, but below a threshold that would bring into question strategic stability. Such activities shall include those activities necessary to develop and test systems, components, and architectures capable of deployment by fiscal year 1996 as part of an ABM Treaty-compliant initial site defensive system. For purposes of planning, evaluation, design, and effectiveness studies, such programs, projects, and activities may take into consideration both the current limitations of the ABM Treaty and modest changes to its numerical limitations and its limitations on the use of space-based sensors.

(b) Theater Missile Defenses Program Element.—The Theater Missile Defenses program element shall include programs, projects, and activities (including those associated before the date of the enactment of this Act with the Tactical Missile Defense Initiative) that have as primary objectives either of the following:

(1) The development of deployable and rapidly relocatable advanced theater missile defenses capable of defending forward-deployed and expeditionary elements of the Armed Forces of the United States, to be carried out with the objective of selecting and deploying more capable theater missile defense systems by the mid-1990s.

(2) Cooperation with friendly and allied nations in the development of theater defenses against tactical or theater ballistic missiles.

(c) Space-Based Interceptors Program Element.—The Space-Based Interceptors program element shall include programs, projects, and activities (and supporting programs, projects, and activities) that have as a primary objective the conduct of research on space-based kinetic-kill interceptors and associated sensors that could provide an overlay to ground-based anti-ballistic missile interceptors.

(d) Other Follow-on Systems Program Element.—The Other Follow-On Systems program element shall include programs, projects, and activities that have as a primary objective the development of technologies capable of supporting systems, components, and architectures that could produce highly effective defenses for the future.

(e) Research and Support Activities Program Element.—The Research and Support Activities program element shall include programs, projects, and activities that have as primary objectives the following:

(1) The provision of basic research and technical, engineering, and managerial support to the programs, projects, and activities within the program elements referred to in subsection (a) through (d).

(2) Innovative science and technology projects.

(3) The provision of necessary test and evaluation services other than those required for a specific program element.

(4) Program management.

SEC. 237. STRATEGIC DEFENSE INITIATIVE FUNDING.

(a) Total Amount.—Of the amounts appropriated pursuant to section 201 for fiscal year 1992 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1992, not more than $4,150,000,000 may be obligated for the Strategic Defense Initiative.

(b) Specific Amounts for the Program Elements.—Of the amount described in subsection (a)—

(1) not more than $1,521,780,000 shall be available for programs, projects, and activities within the Limited Defense System program element;

(2) not more than $828,710,000 shall be available for programs, projects, and activities within the Theater Missile Defenses program element;

(3) not more than $465,000,000 shall be available for programs, projects, and activities within the Space-Based Interceptors program element, of which not more than $390,000,000 shall be available for the Brilliant Pebbles program account;

(4) not more than $629,550,500 shall be available for programs, projects, and activities within the Other Follow-On Systems program element; and

(5) not more than $704,959,500 shall be available for programs, projects, and activities within the Research and Support Activities program element.

(c) Environmental Impact Statement.—Of the amount described in paragraph (b)(1)—

(1) not more than $5,000,000 may be used to carry out an expeditious site-specific environmental impact statement in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(2) not more than $40,000,000 may be used to conduct studies, site surveys, technical assessments, analysis, and refurbishments to remove the Grand Forks anti-ballistic missile site from its deactivated status.

The Congress hereby expressly waives any and all requirements to evaluate alternative sites to the site at Grand Forks.

(d) Reporting Requirement.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the

allocation of funds appropriated for the Strategic Defense Initiative for fiscal year 1992. The report shall specify the amount of such funds allocated for each program, project, and activity of the Strategic Defense Initiative and shall list each Strategic Defense Initiative program, project, and activity under the appropriate program element.

(e) Transfer Authorities.—

(1) In general.—Before the submission of the report required under subsection (d) and notwithstanding the limitations set forth in subsection (b), the Secretary of Defense may transfer funds among the program elements named in subsection (b).

(2) Limitation.—The total amount that may be transferred to or from any program element named in subsection (b)—

(A) may not exceed 10 percent of the amount provided in such subsection for the program element from which the transfer is made; and

(B) may not result in an increase of more than 10 percent of the amount provided in such subsection for the program element to which the transfer is made.

(3) Exception.—Transfer authority may not be used for a decrease in funds identified in subsection (b)(2) for Theater Missile Defenses.

(4) Merger and availability.—Amounts transferred pursuant to paragraph (1) shall be merged with and be available for the same purposes as the amounts to which transferred.

(f) Land Transfer, North Dakota.—The Administrator of the General Services Administration shall, without reimbursement and no later than 90 days after the date of the enactment of this Act, transfer accountability of the real property and improvements thereon, comprising approximately 473 acres (fee and easements) located within and contiguous to the Grand Forks SAFEGUARD-MSR site at Nekoma, North Dakota, to the Secretary of the Army.

SEC. 238. REVIEW OF FOLLOW-ON DEPLOYMENT OPTIONS.

As deployment at the anti-ballistic missile site described in section 233(b)(2) draws near to the deployment date of fiscal year 1996, the President and the Congress shall assess the progress in the ABM Treaty amendments negotiation called for under section 233(c) and shall consider the options available to the United States as now exist under the ABM Treaty. To assist in this review process, the President shall submit to the Congress not later than May 1, 1994, an interim report on the progress of the negotiations.

SEC. 239. ABM TREATY DEFINED.

For purposes of this part, the term "ABM Treaty" means the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles, signed in Moscow on May 26, 1972.

SEC. 240. INTERPRETATION.

Nothing in this part may be construed to imply—

(1) congressional authorization for development, testing, or deployment of anti-ballistic missile systems in violation of the ABM Treaty, including any protocol or amendment to that treaty; or

(2) final congressional authorization for deployment of anti-ballistic missile systems in compliance with the ABM Treaty.

Part D—Other Missile Defense Matters

SEC. 241. ARROW TACTICAL ANTI-MISSILE PROGRAM.

(a) Cooperative Research and Development.—Congress endorses a continuing program of cooperative research and development, jointly funded by the United States and the government of Israel, on the Arrow Tactical Anti-Missile program with a view to proving out (through such cooperative research and development) the feasibility and practicality of the system.

(b) Arrow Deployability Initiative.—(1) Subject to paragraphs (2) and (3), the Secretary of Defense may obligate from funds appropriated pursuant to section 201 for fiscal year 1992 up to $54,400,000 for the purpose of initiating research and development of systems to deploy the Arrow missile in the future, such as battle management, lethality, system integration, test bed, and fire control radar. Funds for such purpose may not be derived from funds available for the Strategic Defense Initiative.

(2) The authority under paragraph (1) is in addition to any other authority provided in this Act regarding the Arrow Tactical Anti-Missile program.

(3) Funds may not be obligated for the purpose described in paragraph (1) unless—

(A) the United States and the government of Israel enter into a Memorandum of Understanding governing the conduct and funding of such an effort;

(B) the Secretary of Defense certifies to the congressional defense committees that the Arrow missile has successfully completed the current four-test proof-of-principle flight test program; and

(C) the President has certified to Congress—

(i) with respect to any waiver of activities sanctionable under the laws described in paragraph (4) granted on or before the date of the enactment of this Act to any firm involved in the Arrow program at the time of such certification, that such activities have been terminated and the government of the nation in which such firm is located has given assurances to the United States that such activities by such firm will not be repeated; and

(ii) that the government of Israel has undertaken to adopt export controls pursuant to the Guidelines and Annex of the Missile Technology Control Regime (MTCR).

(4) The laws referred to in paragraph (3)(C)(i) are section 73(a)(1) of the Arms Export Control Act, section 11B(b)(1) of the Export Administration Act of 1979, and sections 1702 and 1703 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510).

SEC. 242. DEVELOPMENT AND TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS OR COMPONENTS.

(a) Use of Funds.—

(1) Limitation.—Funds appropriated to the Department of Defense for fiscal year 1992, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1992 or for any fiscal year before 1992, may not be obligated or expended—

(A) for any development or testing of anti-ballistic missile systems or components except for development and testing consistent with the development and testing described in the May 1991 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of anti-ballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the May 1991 SDIO Report.

(2) Exception.—The limitation under paragraph (1) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1992 if the transfer is made in accordance with section 1001 of this Act.

(b) Definition.—In this section, the term "May 1991 SDIO Report" means the report entitled, "1991 Report to Congress on the Strategic Defense Initiative," dated May 16, 1991, prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives by the Secretary of Defense pursuant to section 224 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1398; 10 U.S.C. 2431).

Part E—Other Matters

SEC. 251. MEDICAL COUNTERMEASURES AGAINST BIOWARFARE THREATS.

(a) Funding.—Of the amounts appropriated pursuant to section 201 for fiscal year 1992, not more than $53,800,000 shall be available for the medical component of the Biological Defense Research Program (BDRP) of the Department of Defense.

(b) Limitations.—(1) No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may be obligated or expended for product development, or for research, development, testing, or evaluation, of medical countermeasures against a biowarfare threat except for medical countermeasures against a validated biowarfare threat agent or a potential (far-term) biowarfare threat agent.

(2) Of the funds made available pursuant to subsection (a), not more than $10,000,000 may be obligated or expended for research, development, testing, and evaluation of medical countermeasures against potential (far-term) biowarfare threats.

(c) Definitions.—In this section:

(1) The term "biowarfare threat agent" means a biological agent that—

(A) is named in the biological warfare threat list published jointly by the Defense Intelligence Agency (DIA) and the Armed Forces Medical Intelligence Center (AFMIC); or

(B) is identified as a biowarfare agent by the Deputy Chief of Staff of the Army for Intelligence in accordance with Army regulations applicable to intelligence support for the medical component of the Biological Defense Research Program.

(2) The term "validated biowarfare threat agent" means a biowarfare threat agent that is being or has been developed or produced for weaponization within 10 years, as assessed and determined jointly by the Defense Intelligence Agency and the Armed Forces Medical Intelligence Center.

(3) The term "potential (far-term) biowarfare threat agent" means a biowarfare threat agent that is an emerging or future biowarfare threat, is the object of research by a foreign threat country, and will be ready for weaponization in more than 10 years and less than 20 years, as assessed and determined jointly by the Defense Intelligence Agency and the Armed Forces Medical Intelligence Center.

(4) The term "weaponization" means incorporation into usable ordnance or other militarily useful means of delivery.

SEC. 252. UNIVERSITY RESEARCH INITIATIVE.

Of the amounts authorized to be appropriated for fiscal year 1992 pursuant to section 201, $182,373,000 shall be available for research and development under the University Research Initiative program of the Department of Defense, of which $30,000,000 shall be available only for research in advanced manufacturing technologies and industrial processes.

SEC. 253. GRANT FOR THE INSTITUTE FOR ADVANCED SCIENCE AND TECHNOLOGY.

(a) Authority To Make Grant.—Of the amount authorized to be appropriated pursuant to section 201 for the Defense Agencies, and as previously authorized in Public Law 101–510 and appropriated in Public Law 101–511 for the establishment of an Institute for Advanced Science and Technology (IAST), an additional $25,000,000 shall be made available until expended as a grant. The grant shall be made to the institution of higher education which has been selected as the site, through competitive *procedures and based on the qualifications stipulated in section 243 of Public Law 101–510, of the Institute for Advanced Science and Technology for Phase II.*

(b) Cost-Sharing Requirement.—The grant under subsection (a) shall be available for construction of the facility for the institute. In making the grant, the Secretary of Defense shall ensure that the Federal share of the cost of the construction project does not exceed 50 percent of the total cost of the project.

(c) Purpose of Grants.—The grant shall be used to support development of critical technologies as identified by the Department of Defense in its Critical Technologies Plan as required by Public Law 100–456.

SEC. 254. ADVANCED APPLIED TECHNOLOGY DEMONSTRATION FACILITY FOR ENVIRONMENTAL TECHNOLOGY.

(a) Authority To Make Grant.—Of the amount authorized to be appropriated for research, development, test, and evaluation for fiscal year 1992 for the Defense Agencies, $20,000,000 shall be available for a grant to a nonprofit organization or an institution of higher education to establish an advanced applied technology demonstration facility for environmental technology. Such grant shall be awarded through the use of competitive procedures.

(b) Qualifications.—A grant under subsection (a) may be awarded only to an organization or institution that—

(1) has nationally recognized expertise in environmental technology and business administration; and

(2) proposes a clear plan (as determined by the Secretary of Defense) showing how its management of such a facility will be usable by the Department of Defense in resolving environmental cleanup problems of the Department.

(c) Cost Sharing.—In evaluating proposals for a grant under subsection (a), the Secretary of Defense shall consider as favorable evaluation factors for the award of the grant provisions of such a proposal under which the organization or institution submitting the proposal—

(1) proposes that, if awarded the grant, it will agree to have available all equipment necessary to conduct environmental cleanup demonstration projects at the facility; and

(2) demonstrates that it has, or upon receipt of the grant will obtain, secure sources of funding such that—

(A) the Federal share of the administrative costs of the facility established with the grant will not exceed one-half of the total administrative costs of the facility for the first 2 years of the operation of the facility; and

(B) no Department of Defense assistance for the operation of the facility will be required after the first 3 years of the operation of the facility.

SEC. 255. CONTINUED COOPERATION WITH JAPAN ON TECHNOLOGY RESEARCH AND DEVELOPMENT.

Of the funds authorized to be appropriated pursuant to section 201 for research, development, test, and evaluation for fiscal year 1992, and made available for basic research, exploratory development, and advanced technology, $10,000,000 shall be available for such fiscal year for research and development projects conducted jointly by the United States and Japan in accordance with section 1454(d) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1695).

SEC. 256. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) Workload Levels To Be Specified in Budget Documents.—(1) Section 2367 of title 10, United States Code, is amended by adding at the end the following:

"(d) Identification to Congress of FFRDC Workload Effort.—(1) In the documents provided to Congress by the Secretary of Defense in support of the budget submitted by the President under section 1105 of title 31 for any fiscal year, the Secretary shall set forth the proposed amount of the man-years of effort to be funded by the Department of Defense for each federally funded research and development center for the fiscal year covered by that budget.

"(2) After the close of a fiscal year, and not later than January 1 of the next year, the Secretary shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report setting forth the actual obligations and the actual man-years of effort expended at each federally funded research and development center during that fiscal year.".

(2)(A) Paragraph (1) of subsection (d) of section 2367 of title 10, United States Code, as added by paragraph (1), shall take effect with respect to the budget submitted for fiscal year 1994.

(B) Paragraph (2) of such subsection shall take effect with respect to fiscal year 1992.

(b) Man-Year Limitations.—Funds appropriated or otherwise made available for the Department of Defense for fiscal years 1992 and 1993 may not be obligated at any of the following federally funded research and development centers in order to obtain work in excess of the number of man-years specified for that center as follows:

(1) For the Center for Naval Analysis, 270.

(2) For the Institute for Defense Analysis—

(A) for studies and analysis, 320;

(B) for systems and engineering in connection with operational test and evaluation, 75; and

(C) for research and development in connection with command, control, communications, and intelligence, 150.

(3) For the Rand Project Air Force, 150.

(4) For the National Defense Research Institute, 160.

(5) For the Arroyo Center, 150.

(6) For the Logistics Management Institute, 140.

(7) For the Aerospace Corporation, 2,500.

(8) For the MIT Lincoln Laboratory, 1,150.

(9) For the Software Engineering Institute, 160.

(10) For the Institute for Advanced Technology, 40.

(c) Funding Limitation.—Of the funds appropriated or otherwise made available for the Department of Defense for fiscal years 1992 and 1993, not more than $446,000,000 may be obligated for the federally funded research and development center of MITRE.

(d) Authority To Waive Limitations.—The Secretary of Defense may waive a limitation in subsection (b) or (c) in the case of any federally funded research and development center. Such a waiver may not be implemented until the Secretary notifies the congressional defense committees of the proposed waiver and the reasons for the waiver and a period of 60 days elapses after the date on which the notification is made. However, in a case in which the Secretary determines that it is essential to the national security that funds be obligated for work in excess of that limitation before the end of such 60-day period, the Secretary may waive such 60-day period upon notification to the congressional defense committees of that determination and the reasons for the determination.

SEC. 257. REVISION IN MEMBERSHIP OF STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM COUNCIL: MEMBERSHIP ON COUNCIL AND ON SCIENTIFIC ADVISORY BOARD.

(a) Revision in Membership of Council.—Section 2902(b) of title 10, United States Code, is amended—

(1) by striking out "nine members" and inserting in lieu thereof "thirteen members";

(2) by redesignating paragraph (9) as paragraph (10); and

(3) by inserting after paragraph (8) the following new paragraph:

"(9) One representative from each of the Army, Navy, Air Force, and Coast Guard, who shall be non-voting members.".

(b) Revision in Membership of Advisory Board.—Section 2904 of such title is amended—

(1) in subsection (a), by striking out "13 members" and inserting in lieu thereof "14 members"; and

(2) in subsection (b), by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The following persons shall be permanent members of the Advisory Board:

"(A) The Science Advisor to the President, or his designee.

"(B) The Administrator of the National Oceanic and Atmospheric Administration, or his designee.".

TITLE III—OPERATION AND MAINTENANCE

Part A—Authorizations of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) Authorization of Appropriations.—Funds are hereby authorized to be appropriated for fiscal year 1992 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

(1) For the Army, $21,155,854,000.

(2) For the Navy, $23,185,380,000.

(3) For the Marine Corps, $1,845,500,000.

(4) For the Air Force, $19,657,010,000.

(5) For the Defense Agencies, $8,652,716,000.

(6) For the Army Reserve, $968,200,000.

(7) For the Naval Reserve, $824,600,000.

(8) For the Marine Corps Reserve, $80,900,000.

(9) For the Air Force Reserve, $1,078,700,000.

(10) For the Army National Guard, $2,124,800,000.

(11) For the Air National Guard, $2,276,300,000.

(12) For the National Board for the Promotion of Rifle Practice, $4,000,000.

(13) For the Defense Inspector General, $120,100,000.

(14) For Drug Interdiction and Counter-drug Activities, Defense, $1,158,600,000.

(15) For the Court of Military Appeals, $5,500,000.

(16) For Environmental Restoration, Defense, $1,183,900,000.

(17) For Humanitarian Assistance, $13,000,000.

(b) Special Authorization for Contingencies.—There are authorized to be appropriated for fiscal year 1992, in addition to the amounts authorized to be appropriated in subsection (a) and (c), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as a result of inflation in the cost of activities authorized by subsection (a) and (c).

(c) Authorization of Appropriations for Fiscal Year 1993.—Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

(1) For the Army, $20,039,200,000.

(2) For the Navy, $23,781,100,000.

(3) For the Marine Corps, $2,190,200,000.

(4) For the Air Force, $21,047,600,000.

(5) For the Defense Agencies, $9,119,800,000.

(6) For the Army Reserve, $993,500,000.

(7) For the Naval Reserve, $816,950,000.

(8) For the Marine Corps Reserve, $77,650,000.

(9) For the Air Force Reserve, $1,263,900,000.

(10) For the Army National Guard, $2,116,300,000.

(11) For the Air National Guard, $2,723,600,000.

(12) For the Inspector General of the Department of Defense, $116,700,000.

(13) For Drug Interdiction and Counter-drug Activities, Defense, $1,249,400,000.

(14) For the Court of Military Appeals, $5,900,000.

(15) For Environmental Restoration, Defense, $1,450,200,000.

(16) For Humanitarian Assistance, $13,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

(a) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.—There is authorized to be appropriated for fiscal year 1992 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $3,400,200,000.

(b) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1993.—There is authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $1,145,300,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is authorized to be appropriated for fiscal year 1992 from the Armed Forces Retirement Home Trust Fund the sum of $57,651,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. HUMANITARIAN ASSISTANCE.

(a) PURPOSE.—(1) Funds appropriated pursuant to the authorization in section 301(a)(17) for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union.

(2) Of the funds authorized to be appropriated for fiscal year 1992 pursuant to such section for such purpose, not more than $3,000,000 shall be available for distribution of humanitarian relief supplies to displaced persons or refugees who are noncombatants, including those affiliated with the Cambodian non-Communist resistance, at or near the border between Thailand and Cambodia.

(b) AUTHORITY TO TRANSFER FUNDS.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to such section for fiscal year 1992 for humanitarian assistance, other than the funds described in subsection (a)(2), to provide for—

(1) the payment of administrative costs incurred in providing the transportation described in subsection (a); and

(2) the purchase or other acquisition of transportation assets for the distribution of humanitarian relief supplies in the country of destination.

(c) TRANSPORTATION UNDER DIRECTION OF THE SECRETARY OF STATE.—Transportation for humanitarian relief provided with funds appropriated pursuant to such section for humanitarian assistance shall be provided under the direction of the Secretary of State.

(d) MEANS OF TRANSPORTATION TO BE USED.—Transportation for humanitarian relief provided with funds appropriated pursuant to such section for humanitarian assistance shall be provided by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to provide transportation other than by the most economical means available. The means used to provide such transportation may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to such section for humanitarian assistance shall remain available until expended, to the extent provided in appropriation Acts.

(f) REPORTS TO CONGRESS.—(1) The Secretary of Defense shall submit (at the times specified in paragraph (2)) to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report on the provision of humanitarian assistance under the humanitarian relief laws specified in paragraph (4).

(2) A report required by paragraph (1) shall be submitted—

(A) not later than 60 days after the date of the enactment of this Act;

(B) not later than June 1, 1992; and

(C) not later than June 1 of each year thereafter until all funds available for humanitarian assistance under the humanitarian relief laws specified in paragraph (4) have been obligated.

(3) A report required by paragraph (1) shall contain (as of the date on which the report is submitted) the following information:

(A) The total amount of funds obligated for humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(B) The number of scheduled and completed flights for purposes of providing humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(4) The humanitarian relief laws referred to in paragraphs (1), (2), and (3) are the following:

(A) This section.

(B) Section 303 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1525).

(C) Section 304 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1409).

(D) Section 303 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 1948).

(E) Section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1078).

(F) Section 305 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 617).

(5) Section 303 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1525) is amended by striking out subsection (f).

SEC. 305. SUPPORT FOR THE 1993 WORLD UNIVERSITY GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1993 World University Games to be held in the State of New York.

(b) PAY AND NONTRAVEL-RELATED ALLOWANCES.—(1) Except as provided in paragraph (2), the costs for pay and nontravel-related allowances of members of the Armed Forces for the support and services referred to in subsection (a) may not be charged to appropriations made pursuant to the authorization in subsection (c).

(2) Paragraph (1) does not apply in the case of members of a reserve component called or ordered to active duty to provide logistical support and personnel services for the 1993 World University Games.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of Defense for fiscal year 1992 the sum of $3,000,000 to carry out subsection (a).

SEC. 306. SUPPORT FOR THE 1996 SUMMER OLYMPICS.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1996 games of the XXVI Olympiad to be held in Atlanta, Georgia.

(b) PAY AND NONTRAVEL-RELATED ALLOWANCES.—(1) Except as provided in paragraph (2), the costs for pay and nontravel-related allowances of members of the Armed Forces for the support and services referred to in subsection (a) may not be charged to appropriations made pursuant to the authorization of appropriations in subsection (c).

(2) Paragraph (1) does not apply in the case of members of a reserve component called or ordered to active duty to provide logistical support and personnel services for the games of the XXVI Olympiad.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of Defense for fiscal year 1992 the sum of $2,000,000 to carry out subsection (a).

SEC. 307. PRESIDENTIAL INAUGURATION ASSISTANCE.

(a) FURNISHING OF MATERIALS, SUPPLIES, AND SERVICES.—With respect to the Presidential inauguration to take place on January 20, 1993, the Secretary of Defense may lend materials and supplies, and provide materials, supplies, and services of personnel, during fiscal years 1992 and 1993—

(1) to the Inaugural Committee established under the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721); and

(2) to the joint committee of the Senate and House of Representatives described in section 9 of that Act (36 U.S.C. 729).

(b) TERMS OF ASSISTANCE.—Assistance under subsection (a) shall be loaned or provided in such manner as the Secretary of Defense determines to be appropriate and under such conditions as the Secretary may prescribe.

(c) ADDITIONAL AUTHORITY.—The authority provided by subsection (a) is in addition to the authority provided by section 2543 of title 10, United States Code.

PART B—LIMITATIONS

SEC. 311. LIMITATION ON OBLIGATIONS AGAINST STOCK FUNDS.

(a) LIMITATION.—(1) The Secretary of Defense may not incur obligations against the stock funds of the Department of Defense during fiscal year 1992 in an amount in excess of 80 percent of the sales from such stock funds during that fiscal year.

(2) For purposes of determining the amount of obligations incurred against, and sales from, the stock funds during fiscal year 1992, the Secretary shall exclude obligations and sales for fuel, commissary and subsistence items, retail operations, repair of equipment, and the cost of operations.

(b) EXCEPTION.—The Secretary of Defense may waive the limitation contained in subsection (a) if the Secretary determines that such waiver is critical to the national security of the United States. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

SEC. 312. REPEAL OF REQUIREMENT FOR AUTHORIZATION OF CIVILIAN PERSONNEL BY END STRENGTH.

(a) IN GENERAL.—Section 115 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out paragraph (4); and

(2) in subsection (b)—

(A) by inserting "or" at the end of paragraph (2);

(B) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(C) by striking out paragraph (4).

(b) CONFORMING AMENDMENT.—Section 129(a) of such title is amended—

(1) by striking out "department, (2)" and inserting in lieu thereof "department and (2)"; and

(2) by striking out ", and (3)" and all that follows through "fiscal year" in the first sentence.

SEC. 313. LIMITATION RELATING TO CONSOLIDATION OF SUPPLY DEPOTS.

(a) LIMITATION.—The Secretary of Defense may not proceed with the consolidation of supply depots under decision 902 of the Defense Management Review (or any successor of that decision) until the Secretary—

(1) completes an analysis of the results of the supply depot consolidations referred to in subsection (c);

(2) makes a determination that an automatic data processing system in the Department of Defense for the consolidation of supply depots is developed and operational and meets the requirements of the military departments; and

(3) submits to Congress a report describing the basis and results of the analysis under paragraph (1) and the determination under paragraph (2).

(b) ELEMENTS OF ANALYSIS.—The analysis required by subsection (a)(1) shall include—

(1) a determination of the cost savings associated with the supply depot consolidations referred to in subsection (c); and

(2) an assessment of the effect of those consolidations on the ability of the military departments to provide mission support.

(c) EXCEPTION.—Notwithstanding subsection (a), the Secretary of Defense may proceed with—

(1) the consolidation of the Mechanicsburg, New Cumberland, Ogden, and Red River supply depots; and

(2) any consolidation of the supply depots made as part of the Bay Area regional prototype and initiated before the date of the enactment of this Act.

SEC. 314. LIMITATION ON THE PERFORMANCE OF DEPOT-LEVEL MAINTENANCE OF MATERIEL.

(a) PERCENTAGE LIMITATION.—(1) Section 2466 of title 10, United States Code, is amended to read as follows:

"§2466. Limitations on the performance of depot-level maintenance of materiel

"(a) PERCENTAGE LIMITATION.—Not less than 60 percent of the funds available for each fiscal year for depot-level maintenance of materiel managed for the Department of the Army and the Department of the Air Force shall be used for the performance of such depot-level maintenance by employees of the Department of Defense.

"(b) PROHIBITION ON MANAGEMENT BY END STRENGTH.—The civilian employees of the Department of Defense involved in the depot-level maintenance of materiel may not be managed on the basis of any end-strength constraint or limitation on the number of such employees who may be employed on the last day of a fiscal year. Such employees shall be managed solely on the basis of the available workload and the funds made available for such depot-level maintenance.

"(c) WAIVER OF LIMITATION.—The Secretary of the Army, with respect to the Department of the Army, and the Secretary of the Air Force, with respect to the Department of the Air Force, may waive the applicability of subsection (a) for a fiscal year, to a particular workload, or to a particular depot-level activity if the Secretary determines that the waiver is necessary for reasons of national security and notifies Congress regarding the reasons for the waiver.

"(d) EXCEPTION.—Subsection (a) shall not apply with respect to the Sacramento Army Depot, Sacramento, California.

"(e) REPORTS.—Not later than January 15, 1992, and January 15, 1993, the Secretary of the Army and the Secretary of the Air Force shall jointly submit to Congress a report describing the progress during the preceding fiscal year to achieve and maintain the percentage of depot-level maintenance required to be performed by employees of the Department of Defense pursuant to subsection (a).".

(2) The item relating to section 2466 of title 10, United States Code, in the table of sections at the beginning of chapter 146 of such title is amended to read as follows:

"2466. Limitations on the performance of depot-level maintenance of materiel.".

(3) The Secretary of the Army and the Secretary of the Air Force may not cancel a depot-level maintenance contract in effect on the date of the enactment of this Act in order to comply with the requirements of section 2466(a) of such title, as amended by subsection (a).

(b) COMPETITION PILOT PROGRAM.—(1) During fiscal years 1992 and 1993, the Secretary of Defense shall conduct a pilot program under which competitive procedures are used to select entities to perform depot-level maintenance of materiel for the Department of the Army and the Department of the Air Force. Entities eligible for selection shall include depot-level activities of the Department of Defense. The program may not involve more than 10 percent of all depot-level maintenance of materiel that is not required to be performed by employees of the Department of Defense pursuant to the limitations contained in section 2466 of title 10, United States Code.

(2) Section 922 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1627) is repealed.

(c) REVIEW BY COMPTROLLER GENERAL.—Not later than February 1, 1994, the Comptroller General shall submit to Congress an evaluation of all depot maintenance workloads of the Department of Defense, including Navy depot maintenance workloads, that are performed by an entity selected pursuant to competitive procedures.

(d) REPORT BY SECRETARY OF DEFENSE.—Not later than December 1, 1993, the Secretary of Defense shall submit to Congress a report—

(1) containing a five-year strategy of the Department of Defense to use competitive procedures for the selection of entities to perform depot maintenance workloads; and

(2) describing the cost savings anticipated through the use of those procedures.

SEC. 315. TWO-YEAR EXTENSION OF AUTHORITY OF BASE COMMANDERS OVER CONTRACTING FOR COMMERCIAL ACTIVITIES.

(a) EXTENSION.—Section 2468(f) of title 10, United States Code, is amended by striking "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of September 30, 1991.

SEC. 316. LIMITATIONS ON THE USE OF DEFENSE BUSINESS OPERATIONS FUND.

(a) MANAGEMENT METHOD.—During the period beginning on the date of the enactment of this Act and ending on April 15, 1993, the Secretary of Defense may manage the performance of the working-capital funds and industrial, commercial, and support type activities described in subsection (b) through the use of a single Defense Business Operations Fund. Except for the funds and activities specified in subsection (b), no other functions, activities, funds, or accounts of the Department of Defense may be managed through the Defense Business Operations Fund.

(b) FUNDS AND ACTIVITIES INCLUDED.—The funds and activities referred to in subsection (a) are—

(1) working-capital funds established under section 2208 of title 10, United States Code, and in existence on the date of the enactment of this Act;

(2) those activities that, on the date of the enactment of this Act, are funded through the use of a working-capital fund established under that section; and

(3) the Defense Finance and Accounting Service, the Defense Industrial Plant Equipment Center, the Defense Commissary Agency, the Defense Technical Information Service, and the Defense Reutilization and Marketing Service.

SEC. 317. ACQUISITION OF INVENTORY.

(a) LIMITATION.—Chapter 131 of title 10, United States Code, is amended by inserting after section 2212 the following new section:

"§2213. Limitation on acquisition of excess supplies

"(a) TWO-YEAR SUPPLY.—The Secretary of Defense may not incur any obligation against a stock fund of the Department of Defense for the acquisition of any item of supply if that acquisition is likely to result in an on-hand inventory (excluding war reserves) of that item of supply in excess of two years of operating stocks.

"(b) EXCEPTIONS.—The head of a procuring activity may authorize the acquisition of an item of supply in excess of the limitation contained in subsection (a) if that activity head determines in writing—

"(1) that the acquisition is necessary to achieve an economical order quantity and will not result in an on-hand inventory (excluding war reserves) in excess of three years of operating stocks and that the need for the item is unlikely to decline during the period for which the acquisition is made; or

"(2) that the acquisition is necessary for purposes of maintaining the industrial base or for other reasons of national security.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2212 the following new item:

"2213. Limitation on acquisition of excess supplies.".

PART C—ENVIRONMENTAL PROVISIONS

SEC. 331. REIMBURSEMENT REQUIREMENT FOR CONTRACTORS HANDLING HAZARDOUS WASTES FROM DEFENSE FACILITIES.

(a) REQUIREMENT.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

"§2708. Contracts for handling hazardous waste from defense facilities

"(a) REIMBURSEMENT REQUIREMENT.—(1) Each contract or subcontract to which this section applies shall provide that, upon receipt of hazardous wastes properly characterized pursuant to applicable laws and regulations, the contractor or subcontractor will reimburse the Federal Government for all liabilities incurred by, penalties assessed against, costs incurred by, and damages suffered by, the Government that are caused by—

"(A) the contractor's or subcontractor's breach of any term or provision of the contract or subcontract; and

"(B) any negligent or willful act or omission of the contractor or subcontractor, or the employees of the contractor or subcontractor, in the performance of the contract or subcontract.

"(2) Not later than 30 days after such a contract or subcontract is awarded, the contractor or subcontractor shall demonstrate that the contractor or subcontractor will reimburse the Federal Government as provided in paragraph (1).

"(b) APPLICABILITY.—(1) Except as provided in paragraph (2), this section applies to all contracts entered into by the Secretary of Defense or the Secretary of a military department, and *all subcontracts under such contracts, with an owner or operator of a hazardous waste treatment or disposal facility during fiscal year 1992 for the offsite treatment or disposal of hazardous wastes from a facility under the jurisdiction of the Secretary of Defense.*

"(2) This section does not apply to—

"(A) any contract or subcontract to perform remedial action or corrective action under the Defense Environmental Restoration Program, other programs or activities of the Department of Defense, or authorized State hazardous waste programs;

"(B) any contract or subcontract under which the generation of the hazardous waste to be disposed of is incidental to the performance of the contract; or

"(C) any contract or subcontract to dispose of ammunition or solid rocket motors.

"(c) EXCEPTION TO REIMBURSEMENT REQUIREMENT.—Notwithstanding subsection (a), in the case of any contract to which this section applies, if the Secretary of Defense or the Secretary of the military department concerned determines that—

"(1) there is only one responsible offeror or there is no responsible offeror willing to provide the reimbursement required by subsection (a) for such contract; or

"(2) failure to award the contract would place the facility concerned in violation of any requirement of the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.),

then the contract may be awarded without including the reimbursement provision required by subsection (a).

"(d) DEFINITIONS.—For purposes of this section:

"(1) The term 'hazardous waste' has the meaning given that term by section 1004(5) of the Solid Waste Disposal Act (42 U.S.C. 6903(5)), except that such term also includes polychlorinated biphenyls.

"(2) The term 'remedial action' has the meaning given that term by section 101(24) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(24)).

"(3) The term 'corrective action' has the meaning given that term under section 3004(u) of the Solid Waste Disposal Act (42 U.S.C. 6924(u)).

"(4) The term 'polychlorinated biphenyls' has the meaning given that term under section 6(e) of the Toxic Substances Control Act (15 U.S.C. 2605(e)).

"(e) EFFECT ON LIABILITY.—Nothing in this section shall affect the liability of the Federal Government under any Federal or State law or under common law.".

(2) The table of sections relating to chapter 160 of such title is amended by adding at the end the following new item:

"2708. Contracts for handling hazardous waste from defense facilities.".

(b) EFFECTIVE DATE.—Section 2708 of title 10, United States Code, shall apply with respect to contracts entered into after the expiration of the 60-day period beginning on the date of the enactment of this Act.

SEC. 332. EXTENSION OF WASTE MINIMIZATION PROGRAM.

Section 354 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189) is amended as follows:

(1) Subsection (a) is amended by striking out "fiscal year 1992" and inserting in lieu thereof "fiscal years 1992, 1993, and 1994".

(2) Subsection (b) is amended in the second sentence by striking out "fiscal year 1992" and inserting in lieu thereof "each of fiscal years 1992, 1993, and 1994".

SEC. 333. PROHIBITION ON USE OF ENVIRONMENTAL RESTORATION FUNDS FOR PAYMENT OF FINES AND PENALTIES.

None of the funds appropriated for fiscal year 1992 pursuant to the authorization for the Environmental Restoration, Defense account provided in section 301 may be used for the payment of fines or penalties unless the act or omission for which a fine or penalty is imposed arises out of activities funded by the account.

SEC. 334. ENVIRONMENTAL RESTORATION REQUIREMENTS AT MILITARY INSTALLATIONS TO BE CLOSED.

(a) REQUIREMENTS FOR INSTALLATIONS TO BE CLOSED UNDER 1989 BASE CLOSURE LIST.—(1) All draft final remedial investigations and feasibility studies related to environmental restoration activities at each military installation described in paragraph (2) shall be submitted to the Environmental Protection Agency not later than 24 months after the date of the enactment of this Act.

(2) Paragraph (1) applies to each military installation—

(A) which is to be closed pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note); and

(B) which is on the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(b) REQUIREMENTS FOR INSTALLATIONS TO BE CLOSED UNDER 1991 BASE CLOSURE LIST.—(1) All draft final remedial investigations and feasibility studies related to environmental restoration activities at each military installation described in paragraph (2) shall be submitted to the Environmental Protection Agency not later than 36 months after the date of the enactment of this Act.

(2) Paragraph (1) applies to each military installation—

(A) which is to be closed pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510) as a result of being recommended for closure in the report transmitted to Congress by the President pursuant to section 2903(e) of such Act on or before September 1, 1991, and

(B) which is on the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(c) DEADLINE EXTENSION.—(1) Subject to paragraph (2), the Secretary of Defense, after consultation with the Administrator of the Environmental Protection Agency, may extend for a 6-month period the period of time in which the requirements of subsection (a) or (b) must be met with respect to a military installation covered by subsection (a) or (b) if, within the scope of the Federal Facility Agreement governing cleanup at the installation, any of the following conditions exists at the installation:

(A) There are newly discovered sites or areas on the installation where a hazardous substance has been released, stored, or disposed of. For purposes of this subparagraph, the term "newly discovered" means discovered after the expiration of the 6-month period beginning on the date of enactment of this Act.

(B) There are technical engineering difficulties in carrying out the investigations and studies.

(C) Expediting the investigations and studies would constitute a substantial endangerment to the public health and the environment.

(D) Adequate funds have not been appropriated to the Department of Defense, or adequate resources are not available to any party to the Federal Facility Agreement, to carry out or oversee the investigations and studies by the applicable deadline.

(2)(A) An extension under paragraph (1) shall take effect if—

(i) the Secretary of Defense submits to Congress a notification containing a certification that, to the best of the Secretary's knowledge and belief, the requirements of subsection (a) or (b) cannot be met with respect to the military installation by the applicable deadline because one of the conditions set forth in paragraph (1) exists; and

(ii) a period of 30 calendar days after receipt by Congress of such notice has elapsed.

(B) In the computation of the 30-day period under subparagraph (A)(ii), there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than 3 calendar days to a day certain.

(3) The Secretary may grant more than one 6-month extension for a military installation under paragraph (1), but each such extension is subject to paragraphs (1) and (2).

(d) BUDGET ESTIMATE.—Each year the President shall include, in the budget submitted to Congress for a fiscal year (pursuant to section 1105 of title 31, United States Code), an estimate of the funding levels required for the Department of Defense to comply with this section during the fiscal year for which the budget is submitted.

SEC. 335. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTIES FOR THE DEPARTMENT OF DEFENSE.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1992 or fiscal year 1993 may be obligated or expended for the purchase of surety bonds or other guaranties of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

SEC. 336. SURETY BONDS FOR DEFENSE ENVIRONMENTAL RESTORATION PROGRAM CONTRACTS.

(a) IN GENERAL.—Section 2701 of title 10, United States Code, is amended by adding at the end the following:

"(h) SURETY-CONTRACTOR RELATIONSHIP.—Any surety which provides a bid, performance, or payment bond in connection with any direct Federal procurement for a response action contract under the Defense Environmental Restoration Program and begins activities to meet its obligations under such bond, shall, in connection with such activities or obligations, be entitled to any indemnification and the same standard of liability to which its principal was entitled under the contract or under any applicable law or regulation.

"(i) SURETY BONDS.—

"(1) APPLICABILITY OF MILLER ACT.—If under the Act of August 24, 1935 (40 U.S.C. 270a-270d), commonly referred to as the 'Miller Act', surety bonds are required for any direct Federal procurement of any response action contract under the Defense Environmental Restoration Program and are not waived pursuant to the Act of April 29, 1941 (40 U.S.C. 270e-270f), the surety bonds shall be issued in accordance with such Act of August 24, 1935.

"(2) LIMITATION OF ACCRUAL OF RIGHTS OF ACTION UNDER BONDS.—If, under applicable Federal law, surety bonds are required for any direct Federal procurement of any response action contract under the Defense Environmental Restoration Program, no right of action shall accrue on the performance bond issued on such contract to or for the use of any person other than an obligee named in the bond.

"(3) LIABILITY OF SURETIES UNDER BONDS.—If, under applicable Federal law, surety bonds are required for any direct Federal procurement of any response action contract under the Defense Environmental Restoration Program, unless otherwise provided for by the Secretary in the bond, in the event of a default, the surety's liability on a performance bond shall be only for

the cost of completion of the contract work in accordance with the plans and specifications of the contract less the balance of funds remaining to be paid under the contract, up to the penal sum of the bond. The surety shall in no event be liable on bonds to indemnify or compensate the obligee for loss or liability arising from personal injury or property damage whether or not caused by a breach of the bonded contract.

"(4) Nonpreemption.—Nothing in this section shall be construed as preempting, limiting, superseding, affecting, applying to, or modifying any State laws, regulations, requirements, rules, practices, or procedures. Nothing in this section shall be construed as affecting, applying to, modifying, limiting, superseding, or preempting any rights, authorities, liabilities, demands, actions, causes of action, losses, judgment, claims, statutes of limitation, or obligations under Federal or State law, which do not arise on or under the bond.

"(j) Applicability.—Subsections (h) and (i) shall not apply to bonds executed before the date of the enactment of the National Defense Authorization Act for Fiscal Years 1992 and 1993 or after December 31, 1992.".

PART D—OTHER MATTERS

SEC. 341. ANNUAL REPORT ON DEFENSE CAPABILITIES AND PROGRAMS OF THE ARMED FORCES.

Section 113(i)(2) of title 10, United States Code, is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) include a description of the means by which the Department of Defense will maintain the capability to reconstitute or expand the defense capabilities and programs of the armed forces of the United States on short notice to meet a resurgent or increased threat to the national security of the United States;".

SEC. 342. COVERAGE OF CONTRACTS FOR EQUIPMENT MAINTENANCE AND OPERATION UNDER PROVISION ALLOWING APPROPRIATED FUNDS TO BE AVAILABLE FOR CERTAIN CONTRACTS FOR 12 MONTHS.

Section 2410a of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting ", equipment," after "tools"; and

(2) by adding at the end the following new paragraph:

"(4) The operation of equipment.".

SEC. 343. USE OF PROCEEDS FROM THE SALE OF CERTAIN LOST, ABANDONED, OR UNCLAIMED PERSONAL PROPERTY.

(a) Demonstration Project.—Notwithstanding section 2575(b) of title 10, United States Code, the Secretary of Defense shall conduct a demonstration project under which the proceeds from the sale under that section of lost, abandoned, or unclaimed property found on a military installation referred to in subsection (b) shall be credited to the operation and maintenance account of that installation and used—

(1) to reimburse the installation for any costs incurred by the installation to collect, transport, store, protect, or sell the property; and

(2) if all such costs are reimbursed, to support morale, welfare, and recreation activities under the jurisdiction of the Armed Forces conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces at that installation.

(b) Covered Military Installations.—Subsection (a) shall apply to Naval Base, Norfolk, Virginia, and Naval Air Station, Norfolk, Virginia.

(c) Recovery of Proceeds.—The owner (or the heirs, next of kin, or legal representative of the owner) of personal property the proceeds of which are credited to a military installation under subsection (a) may file a claim with the Secretary of Defense for the amount equal to the proceeds (less costs referred to in subsection (a)(1)). Amounts to pay the claim shall be drawn from the morale, welfare, and recreation account for the installation that received the proceeds. Unless the claim is filed with the Secretary of Defense within five years after the date of the disposal of the property, the claim may not be considered by a court or the Secretary of Defense. A claim may not be filed under section 2575(b) of title 10, United States Code, in the case of property covered by this section.

(d) Period of Demonstration Project.—The demonstration project required by subsection (a) shall—

(1) terminate at the end of the one-year period beginning on the date of the enactment of this Act; and

(2) apply with respect to the disposal during that period under section 2575 of title 10, United States Code, of property found on the military installations referred to in subsection (b).

(e) Report.—Not later than 60 days after the end of the one-year period described in subsection (d), the Secretary of Defense shall submit a report to Congress describing the results of the demonstration project required by subsection (a).

SEC. 344. USE OF PROCEEDS FROM THE TRANSFER OR DISPOSAL OF COMMISSARY STORE FACILITIES AND PROPERTY PURCHASED WITH NONAPPROPRIATED FUNDS.

(a) Base Closures Under 1988 Act.—(1) Section 204(b)(4) of the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100–526; 102 Stat. 2629; 10 U.S.C. 2687 note) is amended—

(A) by inserting "or (C)" after "subparagraph (B)" in subparagraph (A); and

(B) by adding at the end the following new subparagraphs:

"(C) In the case of the transfer or disposal under this subsection of any real property or facility that was acquired, constructed, or improved (in whole or in part) with funds described in subparagraph (D), a portion of the proceeds equal to the total amount of the funds so used shall be deposited in a reserve account established in the Treasury to be administered and used by the Secretary (in such an aggregate amount as is provided in advance in appropriation Acts) for the purpose of acquiring, constructing, or improving commissary stores and nonappropriated fund instrumentalities.

"(D) The funds referred to in subparagraph (C) are funds received from—

"(i) the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code (or a prior law to that effect); or

"(ii) a nonappropriated fund instrumentality.".

(2) Section 209 of that Act (102 Stat. 2634) is amended by adding at the end the following new paragraph:

"(10) The term 'nonappropriated fund instrumentality' means an instrumentality of the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

(b) Base Closures Under 1990 Act.—(1) Section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 104 Stat. 1815; 10 U.S.C. 2687 note) is amended—

(A) in subsection (a)(2)(C), by inserting "except as provided in subsection (d)," after "(C)"; and

(B) by adding at the end the following new subsection:

"(d) Disposal or Transfer of Commissary Stores and Property Purchased With Nonappropriated Funds.—(1) In the case of the transfer or disposal under this part of any real property or facility that was acquired, constructed, or improved (in whole or in part) with funds described in paragraph (2), a portion of the proceeds equal to the total amount of the funds so used shall be deposited in the reserve account established under section 204(b)(4)(C) of the Defense Authorization Amendments and Base Closure and Realignment Act. The Secretary may use amounts in the account (in such an aggregate amount as is provided in advance in appropriation Acts) for the purpose of acquiring, constructing, or improving commissary stores and nonappropriated fund instrumentalities.

"(2) The funds referred to in paragraph (1) are funds received from—

"(A) the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code; or

"(B) a nonappropriated fund instrumentality.

"(3) As used in this subsection, the term 'nonappropriated fund instrumentality' means an instrumentality of the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

(2) Section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1819; 10 U.S.C. 2687 note) is amended—

(A) in subsection (c)(1), by striking out "Any" in the second sentence and inserting in lieu thereof "Except as provided in subsection (d),"; and

(B) by adding at the end the following new subsection:

"(d) Amounts Corresponding to the Value of Property Purchased With Nonappropriated Funds.—(1) In the case of a payment referred to in subsection (c)(1) for the residual value of real property or improvements at an overseas military facility, the portion of the payment that is equal to the value of the improvements carried out with nonappropriated funds shall be deposited in the reserve account established under section 204(b)(4)(C) of the Defense Authorization Amendments and Base Closure and Realignment Act. The Secretary may use amounts in the account (in such an aggregate amount as is provided in advance by appropriation Acts) for the purpose of acquiring, constructing, or improving commissary stores and nonappropriated fund instrumentalities.

"(2) As used in this subsection:

"(A) The term 'nonappropriated funds' means funds received from—

"(i) the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code; or

"(ii) a nonappropriated fund instrumentality.

"(B) The term 'nonappropriated fund instrumentality' means an instrumentality of the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

(c) Effective Date.—The amendments made by this section shall apply with regard to the

transfer or disposal of any real property or facility pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act or the Defense Base Closure and Realignment Act of 1990 occurring on or after the date of the enactment of this Act.

SEC. 345. USE OF APPROPRIATED FUNDS FOR EXPENSES RELATING TO CERTAIN VOLUNTARY SERVICES.

Section 1588(c) of title 10, United States Code, is amended by striking out "may only be made from nonappropriated funds" in the third sentence and inserting in lieu thereof "may be made from appropriated or nonappropriated funds".

SEC. 346. TREATMENT OF SEVERANCE PAY FOR FOREIGN NATIONALS UNDER OVERSEAS MILITARY BANKING CONTRACTS.

(a) WAIVER AUTHORITY.—Section 2324(e) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph:

"(2)(A) The Secretary may provide in a military banking contract that the provisions of paragraphs (1)(M) and (1)(N) shall not apply to costs incurred under the contract by the contractor for payment of mandated foreign national severance pay. The Secretary may include such a provision in a military banking contract only if the Secretary determines, with respect to that contract, that the contractor has taken (or has established plans to take) appropriate actions within the contractor's control to minimize the amount and number of incidents of the payment of severance pay by the contractor to employees under the contract who are foreign nationals.

"(B) In subparagraph (A):

"(i) The term 'military banking contract' means a contract between the Secretary and a financial institution under which the financial institution operates a military banking facility outside the United States for use by members of the armed forces stationed or deployed outside the United States and other authorized personnel.

"(ii) The term 'mandated foreign national severance pay' means severance pay paid by a contractor to a foreign national employee the payment of which by the contractor is required in order to comply with a law that is generally applicable to a significant number of businesses in the country in which the foreign national receiving the payment performed services under the contract.

"(C) Subparagraph (A) does not apply to a contract with a financial institution that is owned or controlled by citizens or nationals of a foreign country, as determined by the head of the agency awarding the contract. Such a determination shall be made in accordance with the criteria set out in paragraph (1) of section 4(g) of title III of the Act of March 3, 1933 (41 U.S.C. 10b-1) (commonly referred to as the Buy American Act) and the policy guidance referred to in paragraph (2)(A) of that section.".

(b) APPLICATION OF SECTION.—The amendments made by subsection (a) shall not apply with respect to a foreign national whose employment under a military banking contract (defined in section 2324(e)(2)(B) of title 10, United States Code, as added by subsection (a)) was terminated before the date of the enactment of this Act.

SEC. 347. IMPROVEMENT OF INVENTORY MANAGEMENT POLICY AND PROCEDURE.

(a) IMPROVEMENT IN INVENTORY MANAGEMENT POLICY.—Section 2458(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(3) set forth a uniform system for the valuation of inventory items by the military departments and Defense Agencies.".

(b) ANNUAL REPORT ON INVENTORY.—Section 2721 of such title is amended—

(1) by inserting "(a)" before "Under"; and

(2) by adding at the end the following new subsection:

"(b) The regulations prescribed pursuant to subsection (a) shall include a requirement that the records maintained under such subsection—

"(1) to the extent practicable, provide up-to-date information on all items in the inventory of the Department of Defense;

"(2) indicate whether the inventory of each item is sufficient or excessive in relation to the needs of the Department for that item; and

"(3) permit the Secretary of Defense to include in the budget submitted to Congress under section 1105 of title 31 for each fiscal year, information relating to—

"(A) the amounts proposed for each appropriation account in such budget for inventory purchases of the Department of Defense; and

"(B) the amounts obligated for such inventory purchases out of the corresponding appropriations account for the preceding fiscal year.".

(c) IMPLEMENTATION.—The Secretary of Defense shall establish the uniform system of valuation described in section 2458(a)(3) of title 10, United States Code (as added by subsection (a)), and prescribe the regulations required by section 2721(b) of such title (as added by subsection (b)), not later than 180 days after the date of the enactment of this Act.

SEC. 348. PREVENTION OF THE TRANSPORTATION OF BROWN TREE SNAKES ON AIRCRAFT AND VESSELS OF THE DEPARTMENT OF DEFENSE.

The Secretary of Defense shall take such action as may be necessary to prevent the inadvertent introduction of brown tree snakes from Guam to Hawaii in aircraft and vessels transporting personnel or cargo for the Department of Defense. In carrying out this section, the Secretary shall consider the use of sniffer or tracking dogs, snake traps, and other preventive processes or devices at aircraft and vessel loading facilities in Guam or Hawaii or at intermediate transit points for personnel or cargo transported between Guam and Hawaii.

SEC. 349. DONATION OF CERTAIN SCRAP METAL TO THE MEMORIAL FUND FOR DISASTER RELIEF.

(a) DONATION AUTHORIZED.—Notwithstanding any provision of the Federal Property and Administrative Services Act of 1941 (40 U.S.C. 471 et seq.) or any other provision of law, the Secretary of Defense may donate not more than 15 tons of cruise missile scrap generated by the INF Treaty destruction requirements and managed by the Defense Logistics Agency at the Davis-Monthan Air Force Base, Tucson, Arizona, to the Memorial Fund for Disaster Relief, a corporation incorporated under the laws of the State of Delaware.

(b) INF TREATY DEFINED.—For purposes of this section, the term "INF Treaty" means the Treaty Between the United States and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, signed in Washington, D.C., on December 8, 1987.

SEC. 350. MANAGEMENT OF MARITIME PREPOSITIONING SHIP PROGRAMS.

(a) PRIMARY RESPONSIBILITY.—Subject to the authority, direction, and control of the Secretary of Defense, the Commandant of the Marine Corps shall have the primary responsibility within the Department of Defense for managing the maritime prepositioning ship programs of the Department of Defense during fiscal years 1993 and 1994.

(b) CHANGE IN PERSON RESPONSIBLE.—The Secretary of Defense may give the primary responsibility referred to in subsection (a) to a person other than the Commandant of the Marine Corps with respect to a fiscal year if, not later than May 1 of the year in which that fiscal year begins, the Secretary certifies to the congressional defense committees that—

(1) the Navy's funding of maritime prepositioning ship programs is adequate to meet Marine Corps requirements for that fiscal year; and

(2) the Navy's maritime prepositioning ship program meets the requirements of the combatant commands for that fiscal year.

(c) CONSULTATION.—Before making a certification under subsection (b), the Secretary of Defense shall consult with the Commandant of the Marine Corps and the commanders of the combatant commands having responsibility for conducting or relying on mobility force operations.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1992, as follows:

(1) The Army, 660,200, of whom not more than 96,781 shall be commissioned officers.

(2) The Navy, 551,400, of whom not more than 69,768 shall be commissioned officers.

(3) The Marine Corps, 188,000 of whom not more than 19,180 shall be commissioned officers.

(4) The Air Force, 486,800 of whom not more than 92,020 shall be commissioned officers.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1993, as follows:

(1) The Army, 618,200 of whom not more than 90,768 shall be commissioned officers.

(2) The Navy, 536,000, of whom not more than 67,607 shall be commissioned officers.

(3) The Marine Corps, 182,200 of whom not more than 18,591 shall be commissioned officers.

(4) The Air Force, 458,100 of whom not more than 86,594 shall be commissioned officers.

SEC. 402. ASSESSMENT OF THE STRUCTURE AND MIX OF ACTIVE AND RESERVE FORCES.

(a) REQUIREMENT FOR ASSESSMENT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing an assessment of a wide range of alternatives relating to the structure and mix of active and reserve forces appropriate for carrying out assigned missions in the mid- to late-1990s.

(b) CONCEPT FOR ASSESSMENT.—(1) The assessment shall consist of two parts.

(2)(A) The first part shall consist of a study conducted by a federally funded research and development center that is independent of the military departments. The study shall provide comprehensive analytical information about the matters set out in subsection (c).

(B) The Secretary shall ensure that the study group established by the federally funded research and development center to conduct the study has full access to the Department of Defense information necessary for the conduct of the study, including information on the performance of active and reserve forces during Operations Desert Shield and Desert Storm. The study group shall examine all active and reserve component missions, with particular emphasis on missions carried out by land forces.

(C) The study group shall be assisted by a panel of experts who, by reason of their background, experience, and knowledge, are particularly qualified in the areas covered by the study.

(3) The second part of the assessment shall consist of an evaluation by the Secretary of Defense and the Chairman of the Joint Chiefs of Staff of the independent analysis, assumptions, findings, and recommendations of the study group under paragraph (1). The Secretary and the Chairman shall determine, on the basis of the evaluation, the mix or mixes of reserve and active forces included in the independent study that are considered acceptable to carry out expected future military missions.

(c) MATTERS TO BE INCLUDED.—(1) The study conducted pursuant to subsection (b)(2) shall include the following:

(A) An assessment of the existing policies and practices for implementing the Total Force Policy of the Department of Defense, including—

(i) the methodology used by the Department of Defense in assigning missions between the active and reserve components; and

(ii) the methodology used by the Department of Defense to determine how force reductions are distributed within and between active and reserve components.

(B) An assessment of the effectiveness of the Total Force Policy during the Persian Gulf conflict.

(C) An assessment of a range of possible mixes of active and reserve forces, assuming a range of manning levels and declining funding levels.

(D) An assessment of the costs associated with alternative active and reserve force mixes and structures.

(2) In making the assessment referred to in paragraph (1)(C), the study group referred to in subsection (b)(2) shall—

(A) for each active forces manning level considered in the range of possible mixes of active and reserve forces, consider the levels provided for the Selected Reserve in this Act for fiscal year 1993, levels significantly higher than those levels, and levels significantly lower than those levels;

(B) for each mix of active and reserve forces, conduct an analysis of the ability of the resulting alternative base-forces to successfully prosecute a range of military operations and focus on the time that would be required to prepare such forces for combat, the cost of training and maintaining such forces in peacetime, and the sustainability of reserve recruiting and retention; and

(C) in analyzing various active and reserve mix options, consider possible revisions in the missions assigned to some active and reserve units, possible changes in training practices, and possible changes in the organizational structure of active and reserve components.

(d) COMMENCEMENT OF ASSESSMENT.—The assessment shall be initiated not later than 30 days after the date of the enactment of this Act.

(e) REPORTS.—The study group referred to in subsection (b)(2) shall submit to the Secretary of Defense an interim report on the matters set out in subsection (c) not later than May 1, 1992, and a final report on such matters not later than December 1, 1992. The Secretary shall submit each such report to the committees within 15 days after receiving the report. The Secretary shall submit the evaluation required in subsection (b)(3) to such committees not later than February 15, 1993.

(f) FUNDING.—Of the amount appropriated for fiscal year 1992 pursuant to title II and made available for federally funded research and development centers, not more than $2,000,000 shall be available for the conduct of the study under this section.

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1992, as follows:

(1) The Army National Guard of the United States, 440,000.

(2) The Army Reserve, 308,000.

(3) The Naval Reserve, 144,000.

(4) The Marine Corps Reserve, 42,400.

(5) The Air National Guard of the United States, 118,100.

(6) The Air Force Reserve, 83,396.

(7) The Coast Guard Reserve, 15,150.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1993, as follows:

(1) The Army National Guard of the United States, 425,450.

(2) The Army Reserve, 296,230.

(3) The Naval Reserve, 141,545.

(4) The Marine Corps Reserve, 42,230.

(5) The Air National Guard of the United States, 119,400.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(c) WAIVER AUTHORITY.—The Secretary of Defense may increase the end strength authorized by subsection (a) by not more than 2 percent.

(d) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for any fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) FISCAL YEAR 1992.—Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1992, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,142.

(2) The Army Reserve, 13,146.

(3) The Naval Reserve, 22,521.

(4) The Marine Corps Reserve, 2,285.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 649.

(b) FISCAL YEAR 1993.—Within the end strengths prescribed in section 411(b), the reserve components of the Armed Forces are authorized, as of September 30, 1993, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,860.

(2) The Army Reserve, 12,862.

(3) The Naval Reserve, 22,055.

(4) The Marine Corps Reserve, 2,282.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 636.

SEC. 413. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) SENIOR ENLISTED MEMBERS.—The table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E-9	569	202	279	14
E-8	2,585	429	800	74".

(b) OFFICERS.—The table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	575	110
Lieutenant Colonel or Commander	1,524	520	595	75
Colonel or Navy Captain	372	188	227	25".

SEC. 414. PILOT PROGRAM FOR ACTIVE COMPONENT SUPPORT OF THE RESERVES.

(a) PILOT PROGRAM REQUIRED.—During fiscal year 1993, the Secretary of the Army shall institute a pilot program to provide active component advisers to combat units, combat support units, and combat service support units in the Selected Reserve of the Ready Reserve that have a high priority for deployment on a time-phased troop deployment list or have another contingent high priority for deployment. The advisers shall be assigned to full-time duty in connection with organizing, administering, recruiting, instructing, or training such units.

(b) OBJECTIVES OF PROGRAM.—The objectives of the program are as follows:

(1) To improve the readiness of units in the reserve components of the Army.

(2) To increase substantially the number of active component personnel directly advising reserve component unit personnel.

(3) To provide a basis for determining the most effective mix of reserve component personnel and active component personnel in organizing, administering, recruiting, instructing, or training reserve component units.

(4) To provide a basis for determining the most effective mix of active component officer and enlisted personnel in advising reserve component units regarding organizing, administering, recruiting, instructing, or training reserve component units.

(c) PERSONNEL TO BE ASSIGNED.—(1) The Secretary shall assign officers, warrant officers, and enlisted members to serve as advisers under the program. Subject to paragraph (2), the Secretary shall determine the appropriate mix and numbers of such personnel to be assigned under the program.

(2) The Secretary shall assign at least 1,300 officers as advisers to combat units and 700 officers as advisers to combat support units and combat service support units.

(3) The number of officers performing duties under the program in fiscal year 1993 shall be counted for purposes of section 401(b)(1).

(d) ACTION ON THE BASIS OF PROGRAM RESULTS.—Based on the experience under the pilot program, the Secretary of the Army may expand or modify the program as he considers appropriate in order to increase the readiness and training of reserve component units for any period after September 30, 1993. Modifications in the program may not reduce the minimum number of officer advisers assigned below 2,000.

(e) ARMY RESERVE COMPONENT END STRENGTHS FOR FISCAL YEARS 1994–1998.—(1) Subsection (b) of section 412 of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1547; 10 U.S.C. 261 note) is amended—

(A) by striking out "FISCAL YEARS 1992–1997.—" and inserting in lieu thereof "FISCAL YEARS 1994–1998.—"; and

(B) by striking out the table in paragraph (2) and inserting in lieu thereof the following:

"Fiscal Year	Army Reserve	Army National Guard
1994	12,006	23,579
1995	11,339	22,269
1996	10,672	20,959
1997	10,005	19,649
1998	9,341	18,340".

(2) Subsection (d) of such section is amended—

(A) in paragraph (1), by striking out "fiscal year 1992" and inserting in lieu thereof "fiscal year 1994"; and

(B) in paragraph (2), by striking out "fiscal years 1992 and 1993" and inserting in lieu thereof "fiscal year 1994".

PART C—MILITARY TRAINING STUDENT LOADS

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) FISCAL YEAR 1992.—For fiscal year 1992, the Armed Forces are authorized average military training loads as follows:

(1) The Army, 80,724.

(2) The Navy, 61,619.

(3) The Marine Corps, 24,533.

(4) The Air Force, 36,361.

(5) The Uniformed Services University of the Health Sciences, 619.

(b) FISCAL YEAR 1993.—For fiscal year 1993, the Armed Forces are authorized average military training loads as follows:

(1) The Army, 76,534.

(2) The Navy, 61,567.

(3) The Marine Corps, 24,992.

(4) The Air Force, 35,994.

(5) The Uniformed Services University of the Health Sciences, 602.

(c) ADJUSTMENTS.—The average military student loads authorized in subsections (a) and (b) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

PART D—OTHER PERSONNEL STRENGTH MATTERS

SEC. 431. REDUCTION IN NUMBER OF ACTIVE DUTY AIR FORCE COLONELS.

The table in section 523(a)(1) of title 10, United States Code, is amended by striking out the figures under the heading "Colonel" relating to the Air Force and inserting in lieu thereof the following:

"3,392
"3,573
"3,754
"3,935
"4,115
"4,296
"4,477
"4,658
"4,838
"5,019
"5,200
"5,381".

TITLE V—MILITARY PERSONNEL POLICY

PART A—OFFICER PERSONNEL POLICIES

SEC. 501. INITIAL APPOINTMENT OF COMMISSIONED OFFICERS TO BE IN A RESERVE GRADE.

Section 532 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) After September 30, 1996, no person may receive an original appointment as a commissioned officer in the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps until that person has completed one year of service on active duty as a commissioned officer (other than a warrant officer) of a reserve component.".

SEC. 502. TRANSITION PERIOD FOR CERTAIN GENERAL AND FLAG OFFICERS AWAITING RETIREMENT.

(a) REDUCTION IN PERIOD.—Section 601(b)(4) of title 10, United States Code, is amended by striking out "90 days" and inserting in lieu thereof "60 days".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins more than 90 days after the date of the enactment of this Act.

SEC. 503. SELECTIVE EARLY RETIREMENT FLEXIBILITY AUTHORITY.

(a) EXCLUSION OF OFFICERS OTHERWISE APPROVED FOR RETIREMENT.—Section 638(e) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(e)";

(2) by designating the second sentence as paragraph (2)(A);

(3) by inserting "(except as provided in subparagraph (B))" after "under this section, such list"; and

(4) by adding at the end the following:

"(B) A list under subparagraph (A) may not include an officer in that grade and competitive category who has been approved for voluntary retirement under section 3911, 6323, or 8911 of this title, or who is to be involuntarily retired under any provision of law, during the fiscal year in which the selection board is convened or during the following fiscal year.

"(C) An officer not considered by a selection board convened under section 611(b) of this title by reason of subparagraph (B) shall be retired on the date approved for the retirement of that officer as of the convening date of such selection board unless the Secretary concerned approves a modification of such date in order to prevent a personal hardship for the officer or for other humanitarian reasons.".

(b) TEMPORARY EARLY RETIREMENT SELECTION AUTHORITY.—(1) Subparagraph (C) of section 638a(b)(2) of such title is amended to read as follows:

"(C) Officers, other than those described in subparagraphs (A) and (B), holding a regular grade below the grade of colonel, or in the case of the Navy, captain, who are eligible for retirement under section 3911, 6323, or 8911 of this title, or who after two additional years or less of active service would be eligible for retirement under one of those sections and whose names are not on a list of officers recommended for promotion.".

(2) Subsection (c) of section 638a of such title is amended—

(A) by inserting "(1)" after "(c)"; and

(B) by adding at the end the following:

"(2) In the case of an action authorized under subsection (b)(2), the Secretary of Defense may also authorize the Secretary of the military department concerned when convening a selection board under section 611(b) of this title to consider regular officers on the active-duty list for early retirement to include within the officers to be considered by the board reserve officers on the active-duty list on the same basis as regular officers.".

SEC. 504. INTEGRITY OF THE PROMOTION SELECTION BOARD PROCESS.

(a) COMMUNICATIONS WITH BOARDS.—(1) Section 615 of title 10, United States Code, is amended—

(A) by redesignating subsections (a) through (d) as subsections (b) through (e); and

(B) by inserting after the section heading the following new subsection (a):

"(a)(1) The Secretary of Defense shall prescribe regulations governing information furnished to selection boards convened under section 611(a) of this title. Those regulations shall apply uniformly among the military departments. Any regulations prescribed by the Secretary of a military department to supplement those regulations may not take effect without the approval of the Secretary of Defense in writing.

"(2) No information concerning a particular eligible officer may be furnished to a selection board except for the following:

"(A) Information that is in the officer's official military personnel file and that is provided to the selection board in accordance with the regulations prescribed by the Secretary of Defense pursuant to paragraph (1).

"(B) Other information that is determined by the Secretary of the military department concerned, after review by that Secretary in accordance with standards and procedures set out in the regulations prescribed by the Secretary of Defense pursuant to paragraph (1), to be substantiated, relevant information that could reasonably and materially affect the deliberations of the selection board.

"(C) Subject to such limitations as may be prescribed in those regulations, information communicated to the board by the officer in accordance with this section, section 614(b) of this title (including any comment on information referred to in subparagraph (A) regarding that officer), or other applicable law.

"(D) A factual summary of the information described in subparagraphs (A), (B), and (C) that, in accordance with the regulations prescribed pursuant to paragraph (1), is prepared by administrative personnel for the purpose of facilitating the work of the selection board.

"(3) Information provided to a selection board in accordance with paragraph (2) shall be made available to all members of the board and shall be made a part of the record of the board. Communication of such information shall be in a written form or in the form of an audio or video recording. If a communication is in the form of an audio or video recording, a written transcription of the recording shall also be made a part of the record of the selection board.

"(4) Paragraphs (2) and (3) do not apply to the furnishing of appropriate administrative processing information to the selection board by administrative staff designated to assist the board, but only to the extent that oral communications are necessary to facilitate the work of the board.

"(5) Information furnished to a selection board that is described in subparagraph (B), (C), or (D) of paragraph (2) may not be furnished to a later selection board unless—

"(A) the information has been properly placed in the official military personnel file of the officer concerned; or

"(B) the information is provided to the later selection board in accordance with paragraph (2).

"(6)(A) Before information described in paragraph (2)(B) regarding an eligible officer is furnished to a selection board, the Secretary of the military department concerned shall ensure—

"(i) that such information is made available to such officer; and

"(ii) that the officer is afforded a reasonable opportunity to submit comments on that information to the selection board.

"(B) If an officer cannot be given access to the information referred to in subparagraph (A) because of its classification status, the officer shall, to the maximum extent practicable, be furnished with an appropriate summary of the information.".

(2)(A) The heading for section 614 of such title is amended by striking out "; COMMUNICATIONS WITH BOARDS".

(B) The item relating to such section in the table of sections at the beginning of subchapter I of chapter 36 of such title is amended by striking out "; communications with boards".

(b) DISCLOSURE OF BOARD RECOMMENDATIONS.—Section 616 of such title is amended by adding at the end the following new subsections:

"(e) The recommendations of a selection board may be disclosed only in accordance with regulations prescribed by the Secretary of Defense. Those recommendations may not be disclosed to a person not a member of the board (or a member of the administrative staff designated by the Secretary concerned to assist the board) until the written report of the recommendations of the board, required by section 617 of this title, is signed by each member of the board.

"(f) The Secretary convening a selection board under section 611(a) of this title, and an officer or other official exercising authority over any member of a selection board, may not—

"(1) censure, reprimand, or admonish the selection board or any member of the board with respect to the recommendations of the board or the exercise of any lawful function within the authorized discretion of the board; or

"(2) attempt to coerce or, by any unauthorized means, influence any action of a selection board or any member of a selection board in the formulation of the board's recommendations.".

(c) RECOMMENDATIONS FOR REMOVAL OF SELECTED OFFICERS FROM REPORT.—Section 618 of such title is amended by adding at the end the following new subsection:

"(g) If the Secretary of a military department or the Secretary of Defense makes a recommendation under this section that the name of an officer be removed from a report of a selection board and the recommendation is accompanied by information that was not presented to that selection board, that information shall be made available to that officer. The officer shall then be afforded a reasonable opportunity to submit comments on that information to the officials making the recommendation and the officials reviewing the recommendation. If an eligible officer cannot be given access to such information because of its classification status, the officer shall, to the maximum extent practicable, be provided with an appropriate summary of the information.".

(d) SCREENING OF OFFICERS FOR CONSIDERATION BY SELECTION BOARDS.—Section 619(c) of such title is amended—

(1) in paragraph (2)—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) may, in accordance with standards and procedures prescribed by the Secretary of Defense in regulations which shall apply uniformly among the military departments, limit the officers to be considered by a selection board from below the promotion zone to those officers who are determined to be exceptionally well qualified for promotion;";

(B) by striking out subparagraph (B); and

(C) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(2) by adding at the end the following new paragraph:

"(3)(A) The Secretary of Defense may authorize the Secretaries of the military departments to preclude from consideration by selection boards for promotion to the grade of brigadier general or rear admiral (lower half) officers in the grade of colonel or, in the case of the Navy, captain who—

"(i) have been considered and not selected for promotion to the grade of brigadier general or rear admiral (lower half) by at least two selection boards; and

"(ii) are determined, in accordance with standards and procedures prescribed pursuant to subparagraph (B), as not being exceptionally well qualified for promotion.

"(B) If the Secretary of Defense authorizes the Secretaries of the military departments to have the authority described in subparagraph (A), the Secretary shall prescribe by regulation the standards and procedures for the exercise of such authority. Those regulations shall apply uniformly among the military departments and shall include the following provisions:

"(i) A requirement that the Secretary of a military department may exercise such authority in the case of a particular selection board only if the Secretary of Defense approves the exercise of that authority for that board.

"(ii) A requirement that an officer may be precluded from consideration by a selection board under this paragraph only upon the recommendation of a preselection board of officers convened by the Secretary of the military department concerned and composed of at least three officers all of whom are serving in a grade higher than the grade of such officer.

"(iii) A requirement that such a preselection board may not recommend that an officer be precluded from such consideration unless the Secretary concerned has given the officer advance written notice of the convening of such board and of the military records that will be considered by the board and has given the officer a reasonable period before the convening of the board in which to submit comments to the board.

"(iv) A requirement that the Secretary convening such a preselection board shall provide general guidance to the board in accordance with standards and procedures prescribed by the Secretary of Defense in those regulations.

"(v) A requirement that the preselection board may recommend that an officer be precluded from consideration by a selection board only on the basis of the general guidance provided by the Secretary of the military department concerned, information in the officer's official military personnel records that has been described in the notice provided the officer as required pursuant to clause (iii), and any communication to the board received from that officer before the board convenes.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to selection boards convened under section 611(a) of title 10, United States Code, after the end of the 60-day period beginning on the date of the enactment of this Act.

SEC. 505. RETIREMENT OF CHIEF OF NAVAL OPERATIONS AND COMMANDANT OF THE MARINE CORPS IN HIGHEST GRADE.

(a) CHIEF OF NAVAL OPERATIONS.—Section 5034 of title 10, United States Code, is amended by inserting "and by and with the advice and consent of the Senate" after "President".

(b) COMMANDANT OF THE MARINE CORPS.—Section 5043(c) of such title is amended by inserting "and by and with the advice and consent of the Senate" after "President".

SEC. 506. GRADE OF RETIRED OFFICERS RECALLED TO ACTIVE DUTY.

(a) SERVICE IN HIGHER GRADE HELD WHILE ON ACTIVE DUTY.—Subsection (d) of section 688 of title 10, United States Code, is amended—

(1) by striking out "paragraph (2)" in paragraph (1) and inserting in lieu thereof "paragraphs (2) and (3)"; and

(2) by adding at the end the following new paragraph:

"(3)(A) A retired member ordered to active duty under this section who has previously served on active duty satisfactorily, as determined by the Secretary of the military department concerned, in a grade higher than that member's retired grade may be ordered to active duty in the highest grade in which the member had so served satisfactorily, except that such a member may not be so ordered to active duty in a grade above major general or rear admiral.

"(B) A retired member ordered to active duty in a grade that is higher than the member's retired grade pursuant to paragraph (1) shall be treated for purposes of subsection (b) as if the member was promoted to that higher grade while on that tour of active duty.

"(C) If, upon being released from that tour of active duty, such a retired member has served on active duty satisfactorily, as determined by the Secretary concerned, for not less than a total of 36 months in a grade that is a higher grade than the member's retired grade, the member is entitled to placement on the retired list in that grade.".

(b) CONFORMING AMENDMENT.—Section 311(c) of Public Law 102–25 (105 Stat. 85) is amended by inserting ", and before the date of the enactment of the National Defense Authorization Act for Fiscal Years 1992 and 1993" before the period.

PART B—SERVICE ACADEMIES

SEC. 511. LIMITATION ON THE NUMBER OF CADETS AND MIDSHIPMEN AUTHORIZED TO ATTEND THE SERVICE ACADEMIES.

(a) REDUCTION IN AUTHORIZED STRENGTHS.—The authorized strength of the Corps of Cadets of the United States Military Academy, the Air Force Cadets of the United States Air Force Academy, and the brigade of midshipmen of the United States Naval Academy may not exceed 4,000 for each service academy for class years beginning after 1994.

(b) CLASS REDUCTIONS NOT TO AFFECT CERTAIN APPOINTMENTS.—Any reduction in the number of appointments to the class of a service academy required as a result of subsection (a) may not be achieved by reducing the number of appointments under section 4342(a), 6954(a), or 9342(a) of title 10, United States Code, as applicable.

(c) GAO REPORT.—(1) The Comptroller General of the United States shall determine for each of the Army, Navy, Air Force, and Marine Corps the percentage for each benchmark year of the commissioned officers receiving an original appointment during that year who were graduates of a service academy. The Comptroller General shall also determine the average of those annual percentages for each of those Armed Forces.

(2) The Comptroller General shall select the benchmark years (including the number of years to be used as benchmark years) for purposes of paragraph (1). The Comptroller General may select different benchmark years for each of the Army, Navy, Air Force, and Marine Corps. Each year selected as a benchmark year shall be one for which the active duty strength of the Armed Force concerned was approximately the authorized end strength established by law for that Armed Force for members on active duty for fiscal year 1995.

(3) Not later than February 15, 1992, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the results of the determinations of the Comptroller General under paragraph (1).

(d) SERVICE ACADEMY DEFINED.—For purposes of this section, the term "service academy" means the United States Military Academy, the United States Air Force Academy, or the United States Naval Academy.

(e) CONFORMING AMENDMENT.—Section 531 of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1563; 10 U.S.C. 4342 note) is repealed.

SEC. 512. ELIMINATION OF MINIMUM ENLISTED SERVICE REQUIREMENT FOR NOMINATION TO THE NAVAL ACADEMY.

Section 6958(c) of title 10, United States Code, is amended—

(1) by striking out paragraph (2); and

(2) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

SEC. 513. ADMINISTRATION OF ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) IN GENERAL.—Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

"§180. Service academy athletic programs: review board

"(a) INDEPENDENT REVIEW BOARD.—The Secretary of Defense shall appoint a board to review the administration of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

"(b) COMPOSITION OF BOARD.—The Secretary shall appoint the members of the board from among distinguished administrators of institutions of higher education, members of Congress, members of the Boards of Visitors of the academies, and other experts in collegiate athletics programs. The Superintendents of the three academies shall be members of the board. The Secretary shall designate one member of the board, other than a Superintendent of an academy, as Chairman.

"(c) DUTIES.—The board shall, on an annual basis—

"(1) review all aspects of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy, including—

"(A) the policies relating to the administration of such programs;

"(B) the appropriateness of the balance between the emphasis placed by each academy on athletics and the emphasis placed by such academy on academic pursuits; and

"(C) the extent to which all athletes in all sports are treated equitably under the athletics program of each academy; and

"(2) determine ways in which the administration of the athletics programs at the academies can serve as models for the administration of athletics programs at civilian institutions of higher education.

"(d) ADMINISTRATIVE PROVISIONS.—(1) Each member of the board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, for each day (including travel time) during which such member is engaged in the performance of the duties of the board. Members of the board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

"(2) The members of the board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, while away from their homes or regular places of business in the performance of services for the board.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"180. Service academy athletic programs: review board.".

SEC. 514. AUTHORITY TO WAIVE MAXIMUM AGE LIMITATION ON ADMISSION TO THE SERVICE ACADEMIES FOR CERTAIN ENLISTED MEMBERS WHO SERVED DURING THE PERSIAN GULF WAR.

(a) WAIVER AUTHORITY.—The Secretary of the military department concerned may waive the maximum age limitation in section 4346(a), 6958(a)(1), or 9346(a) of title 10, United States Code, in the case of any enlisted member of the Armed Forces who—

(1) becomes 22 years of age while serving on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm during the Persian Gulf War; or

(2) was a candidate for admission to the service academy under the jurisdiction of such Secretary in 1990, was prevented from being admitted to the academy during that year by reason of the service of such person on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, and became 22 years of age after July 1, 1990, and before the end of such service in that area of operations.

(b) DEFINITIONS.—For purposes of this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

PART C—RESERVE PERSONNEL

SEC. 521. INCREASED NUMBER OF ACTIVE DUTY OFFICERS ASSIGNED TO FULL-TIME SUPPORT AND TRAINING OF ARMY NATIONAL GUARD COMBAT UNITS.

Within the end strength for the number of officers of the Army on active duty as of the end of fiscal year 1992 that is prescribed by section 401(a)(1), the Secretary of the Army shall assign 1,300 of the officers on active duty within that number to full-time duty in connection with organizing, administering, recruiting, instructing, or training combat units of the Army National Guard.

SEC. 522. GUARANTEED RESERVE FORCES DUTY SCHOLARSHIP PROGRAM.

(a) PROGRAM REVISIONS.—Section 2107a of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by striking out "a student at a military junior college" and inserting in lieu thereof "enrolled in the Advanced Course of the Army Reserve Officers' Training Corps at a military college, military junior college, or civilian institution"; and

(B) by inserting "Reserve or Army National Guard" after "second lieutenant in the Army";

(2) in subsection (a)(2)—

(A) by inserting "military college or" after "To be considered a";

(B) by striking out "that does not confer baccalaureate degrees and that meets" and inserting in lieu thereof "and meet"; and

(C) by adding at the end the following new sentence: "For purposes of this section, a military junior college does not confer a baccalaureate degree.";

(3) in subsection (b)(6), by striking out "such reserve component" and inserting in lieu thereof "a troop program unit of the Army Reserve or Army National Guard";

(4) in subsection (f), by inserting "or who does not complete a baccalaureate degree within five years after appointment as a cadet under this section," after "when offered,"; and

(5) in subsection (h)—

(A) by striking out "(1)";

(B) by striking out "not less than 10 cadets under this section each year" and inserting in lieu thereof "not more than 208 cadets each year under this section, to include not less than 10 cadets"; and

(C) by striking out paragraph (2).

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§2107a. Financial assistance program for specially selected members: Army Reserve and Army National Guard".

(2) The item relating to such section in the table of sections at the beginning of chapter 103 of such title is amended to read as follows:

"2107a. Financial assistance program for specially selected members: Army Reserve and Army National Guard.".

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the feasibility and desirability of increasing the number and type of senior Reserve Officer Training Corps scholarships available for recruitment of officers for the Army National Guard and Army Reserve.

SEC. 523. BACCALAUREATE DEGREE REQUIRED FOR APPOINTMENT OR PROMOTION OF RESERVE COMPONENT OFFICERS TO GRADES ABOVE FIRST LIEUTENANT OR LIEUTENANT (JUNIOR GRADE).

(a) IN GENERAL.—After September 30, 1995, no person may be appointed to a grade above the grade of first lieutenant in the Army Reserve, Air Force Reserve, or Marine Corps Reserve or *to a grade above the grade of lieutenant (junior grade) in the Naval Reserve, or be federally recognized in a grade above the grade of first lieutenant as a member of the Army National Guard or Air National Guard, unless that person has been awarded a baccalaureate degree by an accredited educational institution.*

(b) EXCEPTIONS.—Subsection (a) does not apply to the following:

(1) The appointment to a higher grade of a person who is appointed in or assigned for service in a health profession for which a baccalaureate degree is not a condition of original appointment or assignment.

(2) The appointment in the Naval Reserve or Marine Corps Reserve of an individual appointed for service as an officer designated as a limited duty officer.

(3) The appointment in the Naval Reserve of an individual appointed for service under the Naval Aviation Cadet (NAVCAD) program.

SEC. 524. PRIORITY IN MAKING ORIGINAL APPOINTMENTS IN GUARD AND RESERVE COMPONENTS FOR ROTC SCHOLARSHIP PROGRAM GRADUATES.

In making appointments of persons as second lieutenants in the Army Reserve, Air Force Reserve, or Marine Corps Reserve or to the grade of ensign in the Naval Reserve, or in granting federal recognition in the grade of second lieutenant to members of the Army National Guard or Air National Guard, the Secretary of the military department concerned shall give preference to persons who have completed a post-secondary program of education pursued under a ROTC scholarship program at a college or university accredited to award baccalaureate degrees or pursued under a ROTC scholarship program at an accredited two-year or four-year military college.

SEC. 525. WAIVER OF PROHIBITION ON CERTAIN RESERVE SERVICE WITH THE ROTC PROGRAM.

The Secretary of the military department concerned may waive the prohibition in section 690 of title 10, United States Code, in the case of a member of a reserve component of the Armed Forces referred to in that section who is serving in an assignment to duty with a unit of the Reserve Officer Training Corps program on September 30, 1991, if the Secretary determines that the removal of the member from that assignment will cause a financial hardship for that member.

SEC. 526. REPORT ON THE SUPERVISION, MANAGEMENT, AND ADMINISTRATION OF THE MARINE CORPS RESERVE.

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the supervision, management, and administration of the Marine Corps Reserve.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) A description of the organizational chain of command of the Marine Corps Reserve from unit level through Headquarters, United States Marine Corps.

(2) The identity of each office, if any, within the Headquarters, United States Marine Corps, that has as its specific responsibility the oversight of personnel, training, management, and administration matters with respect to the Marine Corps Reserve.

(3) If such offices exist, a discussion of the extent to which it is the policy and practice of the Marine Corps to assign members of the Marine Corps Reserve to duty in such offices.

(4) A discussion of how the current structure of the chain of command and organization of administrative responsibility for the Marine Corps Reserve at Headquarters, United States Marine Corps, is designed to facilitate the efficiency, readiness, and ability of the Marine Corps Reserve to execute the purpose set out in section 262 of title 10, United States Code.

(5) A discussion of any actions that the Secretary of Defense considers appropriate for improving the supervision, management, and administration of the Marine Corps Reserve, including any actions taken or planned to be taken by the Secretary as a result of the issues identified in the preparation of the report.

(6) Any recommended legislation that the Secretary considers necessary for the improvement of the organization, supervision, management, or administration of the Marine Corps Reserve.

(c) DEADLINE FOR SUBMISSION OF REPORT.—The report shall be submitted not later than December 31, 1992.

SEC. 527. REPORT ON COMMISSIONING AND TRAINING OF NEW ARMY NATIONAL GUARD OFFICERS.

Not later than six months after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report concerning—

(1) the desirability of a program requiring all Army National Guard personnel seeking a commission through officer candidate school to attend the Federal Officer Candidate School at Fort Benning, Georgia, as a condition for Federal recognition; and

(2) the desirability of increasing the allocation of positions at the course of instruction known as the Officer Basic Course for attendees from the Army National Guard whose attendance would be paid by the Army and not by the State National Guard.

SEC. 528. EXPANSION OF DUTIES FOR WHICH RESERVES ARE ENTITLED TO MILITARY LEAVE FROM FEDERAL EMPLOYMENT.

Section 6323(b)(2) of title 5, United States Code, is amended by striking out "law—" and inserting in lieu thereof the following: "law or for the purpose of providing assistance to civil authorities in the protection or saving of life or property or the prevention of injury—".

PART D—ASSIGNMENT OF WOMEN IN THE ARMED FORCES

Subpart 1—Statutory Limitations

SEC. 531. REPEAL OF STATUTORY LIMITATIONS ON ASSIGNMENT OF WOMEN IN THE ARMED FORCES TO COMBAT AIRCRAFT.

(a) AIR FORCE.—(1) Section 8549 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 843 of such title is amended by striking out the item relating to section 8549.

(b) NAVY AND MARINE CORPS.—Section 6015 of title 10, United States Code, is amended in the third sentence—

(1) by striking out "or in aircraft";

(2) by inserting "(other than as aviation officers as part of an air wing or other air element assigned to such a vessel)" after "combat missions"; and

(3) by inserting "other" after "temporary duty on".

Subpart 2—Commission on the Assignment of Women in the Armed Forces

SEC. 541. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on the Assignment of Women in the Armed Forces (hereinafter in this subpart referred to as the "Commission").

(b) COMPOSITION.—(1) The Commission shall be composed of 15 members appointed by the President. The Commission membership shall be diverse with respect to race, ethnicity, gender, and age. The President shall designate one of the members as Chairman of the Commission.

(2) The President shall appoint the members of the Commission from among persons who have distinguished themselves in the public or private sector and who have had significant experience (as determined by the President) with one or more of the following matters:

(A) Social and cultural matters affecting the military and civilian workplace gained through recognized research and policymaking, as demonstrated by retired military personnel, representatives from educational organizations, and leaders from civilian industry and non-Department of Defense governmental agencies.

(B) The law.

(C) Factors used to define appropriate combat job qualifications, including physical, mental, educational, and other factors.

(D) Service in the Armed Forces in a combat environment.

(E) Military personnel management.

(F) Experiences of women in the military gained through service as—

(i) a female service member (current or former);

(ii) a manager of an organization with a representative presence of women; or

(iii) a member of an organization with responsibility for policy review, advice, or oversight of the status of women in the military.

(G) Women's issues in American society.

(3) In making appointments to the Commission, the President shall consult with the chairmen and ranking minority members of the Committees on Armed Services of the Senate and the House of Representatives.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL ORGANIZATIONAL REQUIREMENTS.—(1) The President shall make all appointments under subsection (b) within 60 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting within 15 days after the first date on which all members of the Commission have been appointed. At that meeting, the Commission shall develop an agenda and a schedule for carrying out its duties.

SEC. 542. DUTIES.

(a) IN GENERAL.—The Commission shall assess the laws and policies restricting the assignment of female service members and shall make findings on such matters.

(b) STUDIES.—In carrying out such assessment, the Commission shall—

(1) conduct a thorough study of duty assignments available for female service members;

(2) examine studies already completed concerning duty assignments for female service members; and

(3) conduct such additional studies as may be required.

(c) MATTERS TO BE CONSIDERED.—Matters to be considered by the Commission shall include the following:

(1) The implications, if any, for the combat readiness of the Armed Forces of permitting female service members to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including the implications with respect to—

(A) the physical readiness of the armed forces and the process for establishing minimum physical and other qualifications;

(B) the effects, if any, of pregnancy and other factors resulting in time lost for male and female service members; in evaluating lost time, comparisons must be made between like mental categories and military occupational specialties rather than simple gender comparisons; and

(C) the effects, if any, of such assignments on unit morale and cohesion.

(2) The public attitudes in the United States on the use of women in the military.

(3) The legal and policy implications (A) of permitting only voluntary assignments of female service members to combat positions, and (B) of permitting involuntary assignments of female service members to some or all combat positions.

(4) The legal and policy implications—

(A) of requiring females to register for and to be subject to conscription under the Military Selective Service Act on the same basis as males if females were provided the same opportunity as males for assignment to any position in the Armed Forces;

(B) of requiring females to register for and to be subject to conscription under the Military Selective Service Act on the same basis as males if females in the Armed Forces were assigned to combat position only as volunteers; and

(C) of requiring females to register for and to be subject to conscription under the Military Selective Service Act on a different basis than males if females in the Armed Forces were not assigned to combat positions on the same basis as males.

(5) The extent of the need to modify facilities and vessels, aircraft, vehicles, and other equipment of the Armed Forces to accommodate the assignment of female service members to combat positions or to provide training in combat skills to female service members, including any need to modify quarters, weapons, and training facilities and equipment.

(6) The costs of meeting the needs identified pursuant to paragraph (5).

(7) The implications of restrictions on the assignment of women on the recruitment, retention, use, and promotion of qualified personnel in the Armed Forces.

SEC. 543. REPORT.

(a) IN GENERAL.—(1) Not later than November 15, 1992, the Commission shall transmit to the President a final report on the results of the study conducted by the Commission.

(2) The Commission may transmit to the President and to Congress such interim reports as the Commission considers appropriate.

(b) CONTENT OF FINAL REPORT.—(1) The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with such recommendations for further legislation and administrative action as the Commission considers appropriate.

(2) The report shall include recommendations on the following matters:

(A) Whether existing law and policies restricting the assignment of female service members should be retained, modified, or repealed.

(B) What roles female service members should have in combat.

(C) What transition process is appropriate if female service members are to be given the opportunity to be assigned to combat positions in the Armed Forces.

(D) Whether special conditions and different standards should apply to females than apply to males performing similar roles in the Armed Forces.

(c) SUBMISSION OF FINAL REPORT TO CONGRESS.—Not later than December 15, 1992, the President shall transmit to the Congress the report of the Commission, together with the President's comments and recommendations regarding such report.

SEC. 544. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this subpart, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense and any other Federal department or agency any information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this subpart. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 545. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission present at a properly called meeting.

(c) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this subpart.

SEC. 546. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without pay in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The Chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The appointment of a staff director shall be subject to the approval of the Commission.

(2) The Chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that no rate of pay fixed under this paragraph may exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the Chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

SEC. 547. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Administrator of General Services shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

(c) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(d) PROCUREMENT AUTHORITY.—The Commission may procure supplies, services, and property and make contracts, in any fiscal year, in order to carry out its duties, but (except in the case of temporary or intermittent services procured under section 546(e)) only to such extent or in such amounts as are provided in appropriation Acts or are donated pursuant to subsection (c). Contracts and other procurement arrangements may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any similar provision of Federal law.

(e) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act shall not apply to the Commission.

(f) TRAVEL.—To the maximum extent practicable, the members and employees of the Commission shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a responsibility of the Commission, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

SEC. 548. PAYMENT OF COMMISSION EXPENSES.

The compensation, travel expenses, and per diem allowances of members and employees of the Commission shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department of Defense. The other expenses of the Commission shall be paid out of funds available to the Department of Defense for the payment of similar expenses incurred by that Department.

SEC. 549. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which Commission submits its final report under section 543(a)(1).

SEC. 550. TEST ASSIGNMENTS OF FEMALE SERVICE MEMBERS TO COMBAT POSITIONS.

(a) TEST ASSIGNMENTS.—In carrying out its duties, the Commission may request the Secretary of Defense to conduct test assignments of female service members to combat positions. The Secretary shall determine, in consultation with the Commission, the types of tests that are appropriate and shall retain a record of the disposition of each such request.

(b) WAIVER AUTHORITY.—For the purpose of conducting test assignments of female service members to combat positions pursuant to requests under subsection (a), the Secretary of Defense may waive section 6015 of title 10, United States Code, and any other restriction that applies under Department of Defense regulations or policy to the assignment of female service members to combat positions.

PART E—MISCELLANEOUS

SEC. 551. ESTABLISHMENT OF PHYSICIAN ASSISTANT SECTION IN ARMY MEDICAL SPECIALIST CORPS.

(a) ESTABLISHMENT.—(1) Subsection (a) of section 3070 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) The Physician Assistant Section.".

(2) Such subsection is further amended—

(A) by striking out "sections—" and inserting in lieu thereof "sections:";

(B) by striking out "the" at the beginning of paragraphs (1), (2), and (3) and inserting in lieu thereof "The";

(C) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period; and

(D) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period.

(3) Subsection (c) of such section is amended by striking out "three assistant chiefs" in the first sentence and inserting in lieu thereof "four assistant chiefs".

(b) APPOINTMENT OF ASSISTANT CHIEF.—Notwithstanding the requirement in subsection (c) of section 3070 of title 10, United States Code, as amended by subsection (a), with respect to the appointment of officers of the Regular Army as chiefs of sections of the Army Medical Specialist Corps, a warrant officer of the Army who is appointed as a reserve commissioned officer and assigned to the Army Medical Specialist Corps for service in the Physician Assistant Section of that Corps during the five-year period beginning on the date of the enactment of this Act may be appointed as an assistant chief of that Corps and chief of the Physician Assistant Section.

(c) RETIREMENT.—A member of the Army who on the date of the enactment of this Act is a warrant officer serving on active duty (other than for training) as a physician assistant and who is subsequently appointed as a commissioned officer in, or is assigned to, the Physician Assistant Section of the Army Medical Specialist Corps may elect at the time of the officer's retirement after 20 years or more of active service that could be credited to the officer under section 511 of the Career Compensation Act of 1949, as amended—

(1) to revert to the highest warrant officer grade in which the officer served on active duty (other than for training) satisfactorily (as determined by the Secretary of the Army) for a period of more than 30 days; and

(2) to be retired under chapter 65 of title 10, United States Code.

(d) CONSTRUCTIVE CREDIT FOR DETERMINATION OF GRADE AND RANK.—(1) For the purpose of determining the grade and rank within grade of a person who is appointed as a commissioned officer in the Army Medical Specialist Corps for service in the Physician Assistant Section, or who is assigned to the Army Medical Specialist Corps for service as a physician assistant, and who on the date of the enactment of this Act is a warrant officer and a physician assistant on active duty or in an active reserve status, the Secretary of the Army shall credit that person at the time of such appointment with any service on active duty, or in an active reserve status, as a physician assistant performed as a member of the Armed Forces before that appointment.

(2) The Secretary of Defense shall prescribe regulations to carry out this subsection.

SEC. 552. REVIEW OF PORT CHICAGO COURT-MARTIAL CASES.

The Secretary of the Navy shall carry out without delay a thorough review of the cases of all 258 individuals convicted in the courts-martial arising from the explosion at the Port Chicago (California) Naval Magazine on July 17, 1944. The purpose of the review shall be to determine the validity of the original findings and sentences and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original investigations and trials. If the Secretary determines that the conviction of an individual in any such case was in error or an injustice, then, notwithstanding any other provision of law, he may correct that individual's military records (including the record of the court-martial in such case) as necessary to rectify the error or injustice.

SEC. 553. APPOINTMENT OF ADJUTANTS GENERAL OF THE NATIONAL GUARD OF THE VIRGIN ISLANDS AND GUAM.

Section 314(b) of title 32, United States Code, is amended—

(1) by striking out "each Territory and" in the first sentence, and

(2) by striking out the second sentence.

SEC. 554. PAYMENT FOR LEAVE ACCRUED AND LOST BY KOREAN CONFLICT PRISONERS OF WAR.

(a) PAYMENT.—The Secretary of the military department concerned shall pay, from amounts available for military pay and allowances, an amount determined under subsection (b) to each individual who as a member of the Armed Forces during the Korean conflict was held as a prisoner of war. The authority of the Secretary to make such payments is effective for any fiscal year only to the extent that amounts are provided in advance in appropriation Acts.

(b) PAYMENT AMOUNT.—The amount of a payment under this section shall be the greater of—

(1) $300; or

(2) subject to subsection (c), the amount of leave actually accrued and lost by the individual concerned during the period the individual was in a prisoner of war status.

(c) REQUIRED RECORDS.—A payment under this section may be paid in an amount determined under subsection (b)(2) only if the individual to whom the payment is to be made has adequate records documenting to the satisfaction of the Secretary concerned (1) the period the individual was in a prisoner of war status, (2) the grade in the Armed Forces held by the individual during that period, and (3) such other information as the Secretary requires to compute such actual amount.

(d) DEADLINE FOR PAYMENTS.—The Secretary of the military department concerned shall make any payment required by subsection (a) not later than the end of the six-month period beginning on the date of the enactment of this Act.

SEC. 555. SENSE OF CONGRESS REGARDING PRIORITY FOR DEMOBILIZATION OF RESERVE FORCES CALLED OR ORDERED TO ACTIVE DUTY IN CONNECTION WITH A CONTINGENCY OPERATION.

(a) FINDINGS.—Congress finds that the Department of Defense—

(1) was not sufficiently sensitive to the sacrifices made by reservists called or ordered to active duty in connection with the Persian Gulf conflict and by the families, employers, and communities of those reservists; and

(2) did not give adequate priority to the redeployment and demobilization of reserve forces called or ordered to active duty in connection with the conflict.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense—

(1) should examine the redeployment policy used during the Persian Gulf conflict with a view toward developing a policy for future contingencies that would expedite the return of reserve units activated or deployed during the contingency at the earliest opportunity consistent with mission requirements; and

(2) in the case of any future contingency operation, should to the maximum extent possible following termination of the conditions that gave rise to the contingency operation expeditiously shift the missions assigned to those reserve units activated for the purpose of the contingency operation to active duty units, to Federal civilians, or to contractors.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1992.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1992 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1992, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 4.2 percent.

SEC. 602. LIMITATION ON THE AMOUNT OF BASIC ALLOWANCE FOR QUARTERS FOR MEMBERS RECEIVING SUCH ALLOWANCE BY REASON OF THEIR PAYMENT OF CHILD SUPPORT.

(a) LIMITATION.—Section 403 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(m)(1) Except as provided in paragraph (2), in the case of a member of a uniformed service who is assigned to quarters of the United States or a housing facility under the jurisdiction of a uniformed service and who is authorized a basic allowance for quarters solely by reason of the member's payment of child support, the amount of the basic allowance for quarters to which the member is entitled shall be equal to the difference between the basic allowance for quarters applicable to the member's grade, rank, or rating at the with-dependent rate and the applicable basic allowance for quarters at the without-dependent rate.

"(2) A member of a uniformed service shall not be entitled to a basic allowance for quarters solely by reason of the payment of child support if the monthly rate of that child support is less than the amount of the basic allowance for quarters computed for the member under paragraph (1).

"(3) The application of this subsection to a member of a uniformed service shall not affect the entitlement of that member to a basic allowance for quarters at a partial rate under section 1009(c) of this title.".

(b) EXCEPTION FOR CERTAIN MEMBERS.—Subsection (m) of section 403 of title 37, United States Code (as added by subsection (a)), shall not apply with respect to a member of a uniformed service assigned to quarters of the United States or a housing facility under the jurisdiction of a uniformed service who, on the day before the date of the enactment of this Act, was entitled to receive a basic allowance for quarters solely by reason of the member's payment of child support. The exception provided by this subsection shall expire with respect to a member described in the preceding sentence on the date on which the member becomes entitled to receive a basic allowance for quarters at the with-dependents rate for a reason other than, or in addition to, the member's payment of child support.

SEC. 603. DETERMINATION OF VARIABLE HOUSING ALLOWANCE FOR RESERVES AND RETIREES CALLED OR ORDERED TO ACTIVE DUTY.

Section 403a(a) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) In the case of a member described in subparagraph (B) who is assigned to duty away from the member's principal place of residence (as determined under regulations prescribed by

the Secretary of Defense), the member shall be considered to be assigned to duty at that residence for the purpose of determining the entitlement of the member to a variable housing allowance under this section.

"(B) A member referred to in subparagraph (A) is a member of a uniformed service who—

"(i) is a member of a reserve component called or ordered to active duty (other than for training) or is a retired member ordered to active duty under section 688(a) of title 10; and

"(ii) is not authorized transportation of household goods under section 406 of this title from the member's principal place of residence to the place of that duty assignment.".

SEC. 604. ADMINISTRATION OF BASIC ALLOWANCE FOR QUARTERS AND VARIABLE HOUSING ALLOWANCE.

(a) Basic Allowance for Quarters.—Section 403 of title 37, United States Code (as amended by section 602), is further amended—

(1) in subsection (a)—

(A) by inserting "(1)" after "(a)"; and

(B) by adding at the end the following new paragraph:

"(2) A member of a uniformed service with dependents is not entitled to a basic allowance for quarters as a member with dependents unless the member makes an annual certification to the Secretary concerned indicating the status of each dependent of the member. The certification shall be made in accordance with regulations prescribed by the Secretary of Defense."; and

(2) in subsection (j)(1), by striking out "President may" and inserting in lieu thereof "Secretary of Defense shall".

(b) Variable Housing Allowance.—Section 403a of such title (as amended by section 603), is further amended—

(1) in subsection (b)—

(A) by striking out "or" at the end of paragraph (2);

(B) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following new paragraph:

"(4) unless the member makes an annual certification (in accordance with such regulations as the Secretary of Defense may prescribe) to the Secretary concerned identifying the housing costs of the member."; and

(2) in subsection (e)—

(A) by striking out "President" in paragraph (1) and inserting in lieu thereof "Secretary of Defense";

(B) by striking out "a survey area" in paragraphs (2) and (3) each place it appears and inserting in lieu thereof "an area";

(C) by striking out "the survey area" in paragraph (2)(A) and inserting in lieu thereof "that area"; and

(D) by striking out "such area reported on the variable housing allowance survey" in paragraph (2)(B) and inserting in lieu thereof "that area determined on the basis of the annual certifications of housing costs of members of the uniformed services receiving a variable housing allowance for that area".

(c) Effective Date.—The amendments made by this section shall take effect six months after the date of the enactment of this Act.

SEC. 605. REVISION IN RATE OF PAY OF AVIATION CADETS.

Subsection (c) of section 201 of title 37, United States Code, is amended to read as follows:

"(c) Unless entitled to the basic pay of a higher pay grade, an aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to monthly basic pay at the lowest rate prescribed for pay grade E–4.".

SEC. 606. PAY OF SENIOR NONCOMMISSIONED OFFICERS WHILE ON TERMINAL LEAVE.

(a) Basic Pay During Terminal Leave.—Chapter 3 of title 37, United States Code, is amended by adding at the end the following new section:

"§210. Pay of the senior noncommissioned officer of an armed force during terminal leave

"(a) A noncommissioned officer of an armed force who, immediately following the completion of service as the senior enlisted member of that armed force, is placed on terminal leave pending retirement shall be entitled, for not more than 60 days while in such status, to the rate of basic pay authorized for the senior enlisted member of that armed force.

"(b) In this section, the term 'senior enlisted member' means the following:

"(1) The Sergeant Major of the Army.

"(2) The Master Chief Petty Officer of the Navy.

"(3) The Chief Master Sergeant of the Air Force.

"(4) The Sergeant Major of the Marine Corps.

"(5) The Master Chief Petty Officer of the Coast Guard.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"210. Pay of the senior noncommissioned officer of an armed force during terminal leave.".

SEC. 607. ONE-YEAR EXTENSION OF AUTHORITY TO REIMBURSE MEMBERS ON SEA DUTY FOR ACCOMMODATIONS IN PLACE OF QUARTERS.

(a) Reinstatement and Extension of Expired Authority.—Subsection (b) of section 7572 of title 10, United States Code, is amended to read as in effect on September 30, 1991, and, as so amended, is further amended—

(1) in paragraph (3)—

(A) by striking out "$1,421,000 for fiscal year 1986 and"; and

(B) by striking out "1991" and inserting in lieu thereof "1992"; and

(2) by adding at the end the following new paragraph:

"(4) The authority provided under this subsection shall expire on September 30, 1992.".

(b) Effect of Subsequent Expiration of Authority.—Such section is further amended by adding at the end the following new subsection:

"(d)(1) After the expiration of the authority provided in subsection (b), an officer of the naval service on sea duty who is deprived of quarters on board ship because of repairs or because of other conditions that make the officer's quarters uninhabitable may be reimbursed for expenses incurred in obtaining quarters if it is impracticable to furnish the officer with accommodations under subsection (a).

"(2) The total amount that an officer may be reimbursed under this subsection may not exceed an amount equal to the basic allowance for quarters of an officer of that officer's grade.

"(3) This subsection shall not apply to an officer who is entitled to basic allowance for quarters.

"(4) The Secretary may prescribe regulations to carry out this subsection.".

(c) Application of Amendment.—The amendment made by subsection (a) shall apply with respect to members of the uniformed services who perform sea duty on or after October 1, 1991.

PART B—BONUSES AND SPECIAL AND INCENTIVE PAYS

SEC. 611. REPEAL OF WARTIME AND NATIONAL EMERGENCY PROHIBITIONS ON THE PAYMENT OF CERTAIN PAY AND ALLOWANCES.

(a) Imminent Danger Pay.—Section 310(a) of title 37, United States Code, is amended by striking out "Except in time of war declared by Congress, and under" and inserting in lieu thereof "Under".

(b) Family Separation Allowance.—Section 427(b)(1) of such title is amended by striking out "Except in time of war or of national emergency hereafter declared by Congress, and in" and inserting in lieu thereof "In".

SEC. 612. EXTENSIONS OF AUTHORITIES RELATING TO PAYMENT OF CERTAIN BONUSES AND OTHER SPECIAL PAY.

(a) Aviator Retention Bonus.—(1) Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1992".

(2)(A) In the case of an officer described in subparagraph (B) who executes an agreement under section 301b of such title during the 90-day period beginning on the date of the enactment of this Act, the Secretary concerned may treat such agreement as having been executed and accepted for purposes of such section on the first date on which the officer would have qualified for such an agreement had the amendment made by paragraph (1) taken effect on October 1, 1991.

(B) An officer referred to in subparagraph (A) is an officer who, during the period beginning on October 1, 1991, and ending on the date of the enactment of this Act, would have qualified for an agreement under such section had the amendment made by paragraph (1) taken effect on October 1, 1991.

(C) For purposes of this paragraph, the term "Secretary concerned" has the meaning given that term in section 101(5) of title 37, United States Code.

(b) Special Pay for Enlisted Members of the Selected Reserve Assigned to High Priority Units.—(1) Section 308d(c) of such title is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1992".

(2) The amendment made by paragraph (1) shall take effect as of September 30, 1991, and shall apply with respect to inactive duty for training performed after that date for which special pay is authorized under section 308d of such title.

(c) Accession Bonuses for Nurse Officer Candidates.—(1) Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1992".

(2)(A) In the case of a person described in subparagraph (B) who executes an agreement under section 2130a of such title during the 90-day period beginning on the date of the enactment of this Act, the Secretary concerned may treat such agreement as having been executed and accepted for purposes of such section on the first date on which the person would have qualified for such an agreement had the amendment made by paragraph (1) taken effect on October 1, 1991.

(B) A person referred to in subparagraph (A) is a person who, during the period beginning on October 1, 1991, and ending on the date of the enactment of this Act, would have qualified for an agreement under such section had the amendment made by paragraph (1) taken effect on October 1, 1991.

(C) For purposes of this paragraph, the term "Secretary concerned" has the meaning given that term in section 101(8) of such title.

SEC. 613. INCREASE IN IMMINENT DANGER PAY.

Section 310(a) of title 37, United States Code (as amended by section 611(a)), is further amended by striking out "lowest rate for hazardous duty incentive pay specified in section 301(c)(1) of this title" and inserting in lieu thereof "rate of $150".

SEC. 614. CLARIFICATION OF PARACHUTE JUMPING FOR PURPOSES OF HAZARDOUS DUTY PAY.

Section 301(c)(1) of title 37, United States Code, is amended by striking out "at a high altitude with a low opening" in the second sentence and inserting in lieu thereof "in military free fall operations involving parachute deployment by the jumper without the use of a static line".

SEC. 615. INELIGIBILITY OF FLAG OFFICERS FOR MULTIYEAR RETENTION BONUS FOR MEDICAL OFFICERS.

(a) REITERATING INELIGIBILITY.—The restriction contained in subsection (b)(2) of section 301d of title 37, United States Code, on the eligibility of flag and general officers serving as full-time physicians to receive a multiyear retention bonus under that section shall not be construed as being limited, modified, or superseded by any provision of law, whether enacted before, on, or after the date of the enactment of this Act, unless that provision of law—

(1) specifically refers to that section and this subsection; and

(2) identifies the flag and general officers affected by that provision.

(b) SAVINGS PROVISION.—(1) A medical officer of the Armed Forces who is a flag or general officer and has received any payment of a bonus under section 301d of title 37, United States Code, before the date of the enactment of this Act may not be required to reimburse the United States for such payment by reason of the enactment of subsection (a).

(2) A written agreement referred to in section 301d of title 37, United States Code, that was entered into on or after April 10, 1991, and before the date of the enactment of this Act by a medical officer of the Armed Forces referred to in paragraph (1) in exchange for a payment (or a promise of payment) of a bonus under that section shall be terminated as of the later of—

(A) the end of the month following the month in which this Act is enacted; or

(B) the end of the period covered by the bonus payment or payments received by that officer as described in that paragraph.

PART C—TRAVEL AND TRANSPORTATION ALLOWANCES

SEC. 621. DEFINITION OF DEPENDENT FOR PURPOSES OF ALLOWANCES.

The text of section 401 of title 37, United States Code, is amended to read as follows:

"(a) DEPENDENT DEFINED.—In this chapter, the term 'dependent', with respect to a member of a uniformed service, means the following persons:

"(1) The spouse of the member.

"(2) An unmarried child of the member who—

"(A) is under 21 years of age;

"(B) is incapable of self-support because of mental or physical incapacity and is in fact dependent on the member for more than one-half of the child's support; or

"(C) is under 23 years of age, is enrolled in a full-time course of study in an institution of higher education approved by the Secretary concerned for purposes of this subparagraph, and is in fact dependent on the member for more than one-half of the child's support.

"(3) A parent of the member if—

"(A) the parent is in fact dependent on the member for more than one-half of the parent's support;

"(B) the parent has been so dependent for a period prescribed by the Secretary concerned or became so dependent due to a change of circumstances arising after the member entered on active duty; and

"(C) the dependency of the parent on the member is determined on the basis of an affidavit submitted by the parent and any other evidence required under regulations prescribed by the Secretary concerned.

"(b) OTHER DEFINITIONS.—For purposes of subsection (a):

"(1) The term 'child' includes—

"(A) a stepchild of the member (except that such term does not include a stepchild after the divorce of the member from the stepchild's parent by blood);

"(B) an adopted child of the member, including a child placed in the home of the member by a placement agency for the purpose of adoption; and

"(C) an illegitimate child of the member if the member's parentage of the child is established in accordance with criteria prescribed in regulations by the Secretary concerned.

"(2) The term 'parent' means—

"(A) a natural parent of the member;

"(B) a stepparent of the member;

"(C) a parent of the member by adoption;

"(D) a parent, stepparent, or adopted parent of the spouse of the member; and

"(E) any other person, including a former stepparent, who has stood in loco parentis to the member at any time for a continuous period of at least five years before the member became 21 years of age.".

SEC. 622. TRAVEL AND TRANSPORTATION ALLOWANCE FOR DEPENDENTS OF MEMBERS ASSIGNED TO A VESSEL UNDER CONSTRUCTION.

Section 406c(b)(1) of title 37, United States Code, is amended by striking out "the location that was the home port of the ship before commencement of construction" and inserting in lieu thereof "the designated home port of the ship, or the area where the dependents of the member are residing,".

SEC. 623. TRAVEL AND TRANSPORTATION ALLOWANCES FOR CERTAIN EMERGENCY DUTY WITHIN LIMITS OF DUTY STATION.

Section 408 of title 37, United States Code, is amended—

(1) by inserting "(a)" before "A member of a uniformed service"; and

(2) by adding at the end the following new subsection:

"(b)(1) Under regulations prescribed by the Secretary concerned, a member of a uniformed service who performs emergency duty described in paragraph (2) is entitled to travel and transportation allowances under section 404 of this title for that duty.

"(2) The emergency duty referred to in paragraph (1) is duty that—

"(A) is performed by a member under emergency circumstances that threaten injury to property of the Federal Government or human life;

"(B) is performed at a location within the limits of the member's station (other than at the residence or normal duty location of the member);

"(C) is performed pursuant to the direction of competent authority; and

"(D) requires the member's use of overnight accommodations.".

SEC. 624. AUTHORITY OF MEMBERS TO DEFER AUTHORIZED TRAVEL IN CONNECTION WITH CONSECUTIVE OVERSEAS TOURS.

Section 411b(a)(2) of title 37, United States Code, is amended to read as follows:

"(2) Under the regulations referred to in paragraph (1), a member may defer the travel for which the member is paid travel and transportation allowances under such paragraph until not more than one year after the date on which the member begins the consecutive tour of duty at the same duty station or reports to another duty station under the order involved, as the case may be.".

SEC. 625. INCREASE IN FAMILY SEPARATION ALLOWANCE.

(a) INCREASE IN ALLOWANCE.—Subsection (b)(1) of section 427 of title 37, United States Code (as amended by section 611(b)), is further amended by striking out "$60" and inserting in lieu thereof "$75".

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "ALLOWANCE EQUAL TO BASIC ALLOWANCE FOR QUARTERS.—" after "(a)"; and

(2) in subsection (b), by inserting "ADDITIONAL SEPARATION ALLOWANCE.—" after "(b)".

SEC. 626. TRANSPORTATION OF THE REMAINS OF CERTAIN DECEASED DEPENDENTS OF RETIRED MEMBERS OF THE ARMED FORCES.

(a) TRANSPORTATION OF REMAINS.—Section 1490 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting ", or a dependent of such a member," after "equivalent pay"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) In this section:

"(1) The term 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.

"(2) The term 'dependent' has the meaning given such term in section 1072(2) of this title.".

(b) CONFORMING AMENDMENTS.—(1) The heading of section 1490 of title 10, United States Code, is amended to read as follows:

"§1490. Transportation of remains: certain retired members and dependents who die in military medical facilities".

(2) The table of sections at the beginning of chapter 75 of such title is amended by striking out the item relating to section 1490 and inserting in lieu thereof the following:

"1490. Transportation of remains: certain retired members and dependents who die in military medical facilities.".

PART D—MATTERS RELATED TO CONTINGENCY OPERATIONS

SEC. 631. DEFINITION OF CONTINGENCY OPERATION.

(a) TITLE 10.—Section 101 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(47) The term 'contingency operation' means a military operation that—

"(A) is designated by the Secretary of Defense as an operation in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or

"(B) results in the call or order to, or retention on, active duty of members of the uniformed services under section 672(a), 673, 673b, 673c, 688, 3500, or 8500 of this title, chapter 15 of this title, or any other provision of law during a war or during a national emergency declared by the President or Congress.".

(b) TITLE 37.—Section 101 of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(26) The term 'contingency operation' has the meaning given that term in section 101(47) of title 10.".

SEC. 632. BASIC ALLOWANCE FOR QUARTERS FOR CERTAIN RESERVES WITHOUT DEPENDENTS.

(a) PAYMENT REQUIRED.—Section 403(d) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following new paragraph:

"(2) A member of a reserve component without dependents who is called or ordered to active duty in support of a contingency operation (other than a member who is authorized transportation of household goods under section 406 of this title as part of that call or order) may not be denied a basic allowance for quarters if, because of that call or order, the member is unable to continue to occupy a residence—

"(A) which is maintained as the primary residence of the member at the time of the call or order; and

"(B) which is owned by the member or for which the member is responsible for rental payments.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to calls or orders of members of the reserve components of the Armed Forces to active duty on or after that date.

SEC. 633. VARIABLE HOUSING ALLOWANCE.

Section 403a(b)(3) of title 37, United States Code (as amended by section 604(b)(1)(B)), is further amended by striking out "140 days" and inserting in lieu thereof "140 days, unless the call or order to active duty is in support of a contingency operation".

SEC. 634. MEDICAL, DENTAL, AND NONPHYSICIAN SPECIAL PAYS FOR RESERVE, RECALLED, OR RETAINED HEALTH CARE OFFICERS.

(a) ELIGIBLE FOR SPECIAL PAY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302e the following new section:

"§302f. Special pay: reserve, recalled, or retained health care officers

"(a) ELIGIBLE FOR SPECIAL PAY.—A health care officer described in subsection (b) shall be eligible for special pay under section 302, 302a, 302b, 302c, 302e, or 303 of this title (whichever applies) notwithstanding any requirement in those sections that—

"(1) the call or order of the officer to active duty be for a period of not less than one year; or

"(2) the officer execute a written agreement to remain on active duty for a period of not less than one year.

"(b) HEALTH CARE OFFICERS DESCRIBED.—A health care officer referred to in subsection (a) is an officer of the armed forces who is otherwise eligible for special pay under section 302, 302a, 302b, 302c, 302e, or 303 of this title and who—

"(1) is a reserve officer on active duty (other than for training) under a call or order to active duty for a period of more than 30 days but less than one year;

"(2) is involuntarily retained on active duty under section 673c of title 10, or is recalled to active duty under section 688 of title 10 for a period of more than 30 days; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year at a time when—

"(A) officers are involuntarily retained on active duty under section 673c of title 10; or

"(B) the Secretary of Defense determines (pursuant to regulations prescribed by the Secretary) that special circumstances justify the payment of special pay under this section.

"(c) MONTHLY PAYMENTS.—Payment of special pay pursuant to this section may be made on a monthly basis. The officer shall refund any amount received under this section in excess of the amount that corresponds to the actual period of active duty served by the officer.

"(d) SPECIAL RULE FOR RESERVE MEDICAL OFFICER.—While a reserve medical officer receives a special pay under section 302 of this title by reason of subsection (a), the officer shall not be entitled to special pay under subsection (h) of that section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302e the following new item:

"302f. Special pay: reserve, recalled, or retained health care officers.".

SEC. 635. WAIVER OF BOARD CERTIFICATION REQUIREMENTS.

(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—Chapter 5 of title 37, United States Code, is amended by inserting after section 303a the following new section:

"§303b. Waiver of board certification requirements

"(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—A member of the armed forces described in subsection (b) who completes the board certification or recertification requirements specified in section 302(a)(5), 302b(a)(5), 302c(c)(3), or 302c(d)(4) of this title before the end of the period established for the member in subsection (c) shall be paid special pay under the applicable section for active duty performed during the period beginning on the date on which the member was assigned to duty in support of a contingency operation and ending on the date of that certification or recertification if the Secretary of Defense determines that the member was unable to schedule or complete that certification or recertification earlier because of that duty.

"(b) ELIGIBLE MEMBERS DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a medical or dental officer or a nonphysician health care provider;

"(2) has completed any required residency training; and

"(3) was, except for the board certification requirement, otherwise eligible for special pay under section 302(a)(5), 302b(a)(5), 302c(c)(3), or 302c(d)(4) of this title during a duty assignment in support of a contingency operation.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subsection (a) for completion of board certification or recertification requirements with respect to a member of the armed forces is the 180-day period (extended for such additional time as the Secretary of Defense determines to be appropriate) beginning on the date on which the member is released from the duty to which the member was assigned in support of a contingency operation.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 303a the following new item:

"303b. Waiver of board certification requirements.".

SEC. 636. WAIVER OF FOREIGN LANGUAGE PROFICIENCY CERTIFICATION REQUIREMENT.

(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—Chapter 5 of title 37, United States Code, is amended by inserting after section 316 the following new section:

"§316a. Waiver of certification requirement

"(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—(1) A member of the armed forces described in subsection (b) shall be paid special pay under section 316 of this title for the active duty performed by that member during the period described in paragraph (2) if—

"(A) the member was assigned to duty in connection with a contingency operation;

"(B) the Secretary concerned (under regulations prescribed by the Secretary of Defense) determines that the member was unable to schedule or complete the certification required for eligibility for the special pay under that section because of that duty;

"(C) except for not meeting the certification requirement in that section, the member was otherwise eligible for that special pay for that active duty; and

"(D) the member completes the certification requirement specified in that section before the end of the period established for the member in subsection (c).

"(2) The period for which a member may be paid special pay for active duty pursuant to paragraph (1) is the period beginning on the date on which the member was assigned to the duty referred to in subparagraph (A) of that paragraph and ending on the date of the member's certification referred to in subparagraph (D) of that paragraph.

"(b) ELIGIBLE MEMBER DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who meets the requirement referred to in section 316(a)(3) of this title.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subparagraph (D) of subsection (a)(1) with respect to a member of the armed forces is the 180-day period beginning on the date on which the member was released from the duty referred to in that subsection. The Secretary concerned may extend that period for a member in accordance with regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 316 the following new item:

"316a. Waiver of certification requirement.".

SEC. 637. TREATMENT OF ACCRUED LEAVE.

(a) MEMBERS WHO DIE WHILE ON ACTIVE DUTY.—Subsection (d) of section 501 of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "However," in the third sentence and inserting in lieu thereof "Except as provided in paragraph (2),"; and

(3) by adding at the end the following new paragraph:

"(2) In the case of a member of the uniformed services who dies as a result of an injury or illness incurred while serving on active duty in support of a contingency operation, the limitations in the second sentence of subsection (b)(3), subsection (f), and the second sentence of subsection (g) shall not apply with respect to a payment made under this subsection for leave accrued during the contingency operation.".

(b) OTHER MEMBERS.—Subsection (b) of that section is amended by adding at the end the following new paragraph:

"(5) The limitation in the second sentence of paragraph (3) and in subsection (f) shall not apply with respect to leave accrued—

"(A) by a member of a reserve component while serving on active duty in support of a contingency operation;

"(B) by a member of the armed forces in the Retired Reserve while serving on active duty in support of a contingency operation; or

"(C) by a retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps or a member of the Fleet Reserve or Fleet Marine Corps Reserve while the member is serving on active duty in support of a contingency operation.".

SEC. 638. AUTHORIZATION TO EXCEED CEILING ON ACCUMULATION OF LEAVE.

Section 701(f) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(f)";

(2) by striking out "Leave" in the last sentence and inserting in lieu thereof "Except as provided in paragraph (2), leave"; and

(3) by adding at the end the following new paragraph:

"(2) Under the uniform regulations referred to in paragraph (1), a member of an armed force who serves on active duty in a duty assignment in support of a contingency operation during a fiscal year and who, except for this paragraph—

"(A) would lose any accumulated leave in excess of 60 days at the end of that fiscal year, shall be permitted to retain such leave (not to exceed 90 days) until the end of the succeeding fiscal year; or

"(B) would lose any accumulated leave in excess of 60 days at the end of the succeeding fiscal year (other than by reason of subparagraph (A)), shall be permitted to retain such leave (not to exceed 90 days) until the end of the next succeeding fiscal year.".

SEC. 639. SAVINGS PROGRAM FOR OVERSEAS MEMBERS AND MEMBERS IN A MISSING STATUS.

(a) MISSING MEMBERS.—Subsection (b) of section 1035 of title 10, United States Code, is amended—

(1) by striking out "or during the Persian Gulf conflict." in the second sentence and inserting in lieu thereof ", the Persian Gulf conflict, or a contingency operation."; and

(2) by striking out the last sentence.

(b) OTHER MEMBERS.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection:

"(f) The Secretary of Defense may authorize a member of the armed forces who is on a temporary duty assignment outside of the United States or its possessions in support of a contingency operation to make deposits of unallotted current pay and allowances during that duty as provided in subsection (a). The Secretary shall prescribe regulations establishing standards and procedures for the administration of this subsection.".

(c) DEFINITIONS.—Subsection (g) of such section (as redesignated by subsection (b)(1)) is amended to read as follows:

"(g) In this section:

"(1) The term 'missing status' has the meaning given that term in section 551(2) of title 37.

"(2) The term 'Vietnam conflict' means the period beginning on February 28, 1961, and ending on May 7, 1975.

"(3) The term 'Persian Gulf conflict' means the period beginning on January 16, 1991, and ending on the date thereafter prescribed by Presidential proclamation or by law.".

SEC. 640. TRANSITIONAL HEALTH CARE.

(a) HEALTH CARE PROVIDED.—Chapter 55 of title 10, United States Code, is amended—

(1) by redesignating section 1074b as section 1074c; and

(2) by inserting after section 1074a the following new section:

"§1074b. Transitional medical and dental care: members on active duty in support of contingency operations

"(a) HEALTH CARE PROVIDED.—A member of the armed forces described in subsection (b), and the dependents of the member, shall be entitled to receive health care described in subsection (c) upon the release of the member from active duty in support of a contingency operation until the earlier of—

"(1) 30 days after the date of the release of the member from active duty; or

"(2) the date on which the member and the dependents of the member are covered by a health plan sponsored by an employer.

"(b) ELIGIBLE MEMBER DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a member of a reserve component and is called or ordered to active duty in support of a contingency operation;

"(2) is involuntarily retained on active duty under section 673c of this title in support of a contingency operation; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year in support of a contingency operation.

"(c) HEALTH CARE DESCRIBED.—The health care referred to in subsection (a) is—

"(1) medical and dental care available under section 1076 of this title in the same manner as such care is available for a dependent described in subsection (a)(2) of that section; and

"(2) health benefits contracted for under the authority of section 1079(a) of this title and subject to the same rates and conditions as apply to persons covered under that section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 1074b and inserting in lieu thereof the following new items:

"1074b. Transitional medical and dental care: members on active duty in support of contingency operations.

"1074c. Medical care: authority to provide a wig.".

PART E—MISCELLANEOUS

SEC. 651. PERMANENT EXTENSION OF PROGRAM TO REIMBURSE MEMBERS OF THE ARMED FORCES FOR ADOPTION EXPENSES.

(a) CODIFICATION OF PROGRAM FOR DEPARTMENT OF DEFENSE.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1051 following new section:

"§1052. Reimbursement for adoption expenses

"(a) AUTHORIZATION TO REIMBURSE.—The Secretary of Defense shall carry out a program under which a member of the armed forces may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) ADOPTIONS COVERED.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) BENEFITS PAID AFTER ADOPTION IS FINAL.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) TREATMENT OF OTHER BENEFITS.—A benefit may not be paid under this section for any expense paid to or for a member of the armed forces under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) LIMITATIONS.—(1) Not more than $2,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.

"(g) DEFINITIONS.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged by a State or local government agency which has responsibility under State or local law for child placement through adoption or by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption. Such term does not include any expense incurred—

"(A) by an adopting parent for travel; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(2) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees (including court costs) in connection with services that are unavailable to a member of the armed forces under section 1044 or 1044a of this title; and

"(D) medical expenses, including hospital expenses of the biological mother of the child to be adopted and of a newborn infant to be adopted.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1051 the following new item:

"1052. Reimbursement for adoption expenses.".

(b) CODIFICATION OF PROGRAM FOR COAST GUARD PURPOSES.—(1) Chapter 13 of title 14, United States Code, is amended by adding at the end the following new section:

"§514. Reimbursement for adoption expenses

"(a) AUTHORIZATION TO REIMBURSE.—The Secretary shall carry out a program under which a member of the Coast Guard may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) ADOPTIONS COVERED.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) BENEFITS PAID AFTER ADOPTION IS FINAL.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) TREATMENT OF OTHER BENEFITS.—A benefit may not be paid under this section for any expense paid to or for a member of the Coast Guard under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) LIMITATIONS.—(1) Not more than $2,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

"(g) DEFINITIONS.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged by a State or local government agency which has responsibility under State or local law for child placement through adoption or by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption. Such term does not include any expense incurred—

"(A) by an adopting parent for travel; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(2) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees (including court costs) in connection with services that are unavailable to a member of the Coast Guard under section 1044 or 1044a of title 10; and

"(D) medical expenses, including hospital expenses of the biological mother of the child to be adopted and of a newborn infant to be adopted.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"514. Reimbursement for adoption expenses.".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall apply to adoptions completed on or after that date.

SEC. 652. INCREASE IN AMOUNT OF DEATH GRATUITY.

(a) Increase.—Section 1478(a) of title 10, United States Code, is amended—

(1) by striking out "1475–1477" and inserting in lieu thereof "1475 through 1477"; and

(2) by striking out "equal to six months' pay" and all that follows through the period in the first sentence and inserting in lieu thereof "$6,000.".

(b) Effective Date and Transitional Provision.—(1) The amendments made by subsection (a) shall take effect as of August 2, 1990.

(2) In the case of the payment of a death gratuity under sections 1475 through 1477 of title 10, United States Code, with respect to a person who died during the period beginning on August 2, 1990, and ending on the date of the enactment of this Act, the amount of the death gratuity under section 1478(a) of such title (as amended by subsection (a)) shall be reduced by the amount of any such gratuity paid with respect to such person under this section (as in effect on August 1, 1990).

SEC. 653. SURVIVOR BENEFIT PLAN.

(a) Additional Premium for SBP Open Season Enrollment.—(1) Section 1405 of the Military Survivor Benefits Improvement Act of 1989 (title XIV of Public Law 101–189; 103 Stat. 1586; 10 U.S.C. 1448 note) is amended by adding at the end the following new subsection:

"(j) Additional Premium.—The Secretary of Defense may require that the SBP premium for a person making an election under subsection (a)(1) or (b) include, in addition to the amount required under section 1452(a) of title 10, United States Code, an amount determined under regulations prescribed by the Secretary of Defense for the purposes of this subsection. Any such amount shall be stated as a percentage of the base amount of the person making the election and shall reflect the number of years that have elapsed since the person retired, but may not exceed 4.5 percent of that person's base amount.".

(2) Section 1406 of such Act is amended by adding at the end the following:

"(4) The term 'SBP premium' means the reduction in retired pay required as a condition of providing an annuity under the Survivor Benefit Plan.

"(5) The term 'base amount' has the meaning given that term in section 1447(2) of title 10, United States Code.".

(b) Amount of Annuity Under Supplemental Survivor Benefit Plan.—(1) Section 1457(b) of title 10, United States Code, is amended by striking out "20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity" and inserting in lieu thereof "5, 10, 15, or 20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity, as specified by that person when electing to provide the annuity".

(2) Section 1460(b)(2) of such title is amended by inserting before the period the following: "and, in the case of a person providing a supplemental spouse annuity computed under section 1457(b) of this title, a constant percentage of such person's base amount for each 5 percent increment specified in accordance with that section".

(3) The amendments made by this subsection shall take effect on April 1, 1992.

(c) Clarification That Maximum Basic Coverage Required To Elect Supplemental Coverage.—(1) Section 1458(a)(1) of title 10, United States Code, is amended by inserting "at the maximum level" after "Survivor Benefit Plan".

(2) Section 1405 of the Military Survivor Benefits Improvement Act of 1989 (title XIV of Public Law 101–189; 103 Stat. 1586; 10 U.S.C. 1448 note) is amended—

(A) in subsection (a)(2), by inserting "at the maximum level" after "Survivor Benefit Plan" the first place it appears; and

(B) in subsection (c)(2), by inserting "at the maximum level, or during the open enrollment period the person increases the level of such participation to the maximum level under subsection (b) of this section," after "Survivor Benefit Plan".

SEC. 654. PAYMENT OF SURVIVOR ANNUITY TO A REPRESENTATIVE OF A LEGALLY INCOMPETENT PERSON.

(a) Survivor Benefit Plan Annuity.—Section 1455 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The President"; and

(2) by adding at the end the following new subsections:

"(b) The regulations prescribed pursuant to subsection (a) shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(1) a person for whom a guardian or other fiduciary has been appointed; and

"(2) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(c) The regulations under subsection (b) may include provisions for the following:

"(1) In the case of an annuitant referred to in subsection (b)(1), payment of the annuity to the appointed guardian or other fiduciary.

"(2) In the case of an annuitant referred to in subsection (b)(2), payment of the annuity to any person who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant.

"(3) Subject to paragraphs (4) and (5), a requirement for the payee of an annuity to spend or invest the amounts paid on behalf of the annuitant solely for benefit of the annuitant.

"(4) Authority for the Secretary concerned to permit the payee to withhold from the annuity payment such amount, not in excess of 4 percent of the annuity, as the Secretary concerned considers a reasonable fee for the fiduciary services of the payee when a court appointment order provides for payment of such a fee to the payee for such services or the Secretary concerned determines that payment of a fee to such payee is necessary in order to obtain the fiduciary services of the payee.

"(5) Authority for the Secretary concerned to require the payee to provide a surety bond in an amount sufficient to protect the interests of the annuitant and to pay for such bond out of the annuity.

"(6) A requirement for the payee of an annuity to maintain and, upon request, to provide to the Secretary concerned an accounting of expenditures and investments of amounts paid to the payee.

"(7) In the case of an annuitant referred to in subsection (b)(2)—

"(A) procedures for determining incompetency and for selecting a payee to represent the annuitant for the purposes of this section, including provisions for notifying the annuitant of the actions being taken to make such a determination and to select a representative payee, an opportunity for the annuitant to review the evidence being considered, and an opportunity for the annuitant to submit additional evidence before the determination is made; and

"(B) standards for determining incompetency, including standards for determining the sufficiency of medical evidence and other evidence.

"(8) Provisions for any other matters that the President considers appropriate in connection with the payment of an annuity in the case of a person referred to in subsection (b).

"(d) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to subsection (b) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

(b) Family Protection Plan Annuity.—(1) Subchapter I of chapter 73 of title 10, United States Code, is amended by inserting after section 1444 the following new section:

"§1444a. Regulations regarding payment of annuity to a representative payee

"(a) The regulations prescribed pursuant to section 1444(a) of this title shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(1) a person for whom a guardian or other fiduciary has been appointed; and

"(2) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(b) Those regulations may include the provisions set out in section 1455(c) of this title.

"(c) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to subsection (a) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 1444 the following:

"1444a. Regulations regarding payment of annuity to a representative payee.".

SEC. 655. WAIVER OF REDUCTION OF RETIRED PAY UNDER SPECIFIED CONDITIONS.

(a) Amendments Relating to Dual Pay.—(1) Section 5532 of title 5, United States Code, is amended by adding at the end the following:

"(h)(1) If warranted by circumstances described in subsection (g)(1)(A) or (B) (as applicable), the Director of the Administrative Office of the United States Courts shall, with respect to an employee in the judicial branch, have the same waiver authority as would be available to the Director of the Office of Personnel Management, or a duly authorized agency head, under subsection (g) with respect to an employee of an Executive agency.

"(2) Authority under this subsection may not be exercised with respect to a justice or judge of the United States, as defined in section 451 of title 28.

"(i)(1) If warranted by circumstances described in subsection (g)(1)(A) or (B) (as applicable), an official or committee designated in paragraph (2) shall, with respect to the employees specified in the applicable subparagraph of such paragraph, have the same waiver authority as would be available to the Director of the Office of Personnel Management, or a duly authorized agency head, under subsection (g) with respect to an employee of an Executive agency.

"(2) Authority under this subsection may be exercised—

"(A) with respect to an employee of an agency in the legislative branch, by the head of such agency;

"(B) with respect to an employee of the House of Representatives, by the Speaker of the House of Representatives; and

"(C) with respect to an employee of the Senate, by the Committee on Rules and Administration of the Senate.

"(3) Any exercise of authority under this subsection shall be in conformance with such written policies and procedures as the agency head, the Speaker of the House of Representatives, or the Committee on Rules and Administration of the Senate (as applicable) shall prescribe, consistent with the provisions of this subsection.

"(j) For the purpose of subsections (g) through (i), 'Executive agency' shall not include the General Accounting Office.".

(2) Section 5531 of title 5, United States Code, is amended—

(A) in paragraph (2) by striking "and" after the semicolon;

(B) in paragraph (3) by striking the period at the end and inserting a semicolon; and

(C) by adding after paragraph (3) the following:

"(4) 'agency in the legislative branch' means the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, the Office of the Architect of the Capitol, the United States Botanic Garden, and the Congressional Budget Office;

"(5) 'employee of the House of Representatives' means a congressional employee whose pay is disbursed by the Clerk of the House of Representatives;

"(6) 'employee of the Senate' means a congressional employee whose pay is disbursed by the Secretary of the Senate; and

"(7) 'congressional employee' has the meaning given that term by section 2107 of this title, excluding an employee of an agency in the legislative branch.".

(b) AMENDMENTS RELATING TO THE CIVIL SERVICE RETIREMENT SYSTEM.—(1) Section 8344 of title 5, United States Code, is amended by adding at the end the following:

"(j)(1) If warranted by circumstances described in subsection (i)(1)(A) or (B) (as applicable), the Director of the Administrative Office of the United States Courts shall, with respect to an employee in the judicial branch, have the same waiver authority as would be available to the Director of the Office of Personnel Management, or a duly authorized agency head, under subsection (i) with respect to an employee of an Executive agency.

"(2) Authority under this subsection may not be exercised with respect to a justice or judge of the United States, as defined in section 451 of title 28.

"(k)(1) If warranted by circumstances described in subsection (i)(1)(A) or (B) (as applicable), an official or committee designated in paragraph (2) shall, with respect to the employees specified in the applicable subparagraph of such paragraph, have the same waiver authority as would be available to the Director of the Office of Personnel Management, or a duly authorized agency head, under subsection (i) with respect to an employee of an Executive agency.

"(2) Authority under this subsection may be exercised—

"(A) with respect to an employee of an agency in the legislative branch, by the head of such agency;

"(B) with respect to an employee of the House of Representatives, by the Speaker of the House of Representatives; and

"(C) with respect to an employee of the Senate, by the Committee on Rules and Administration of the Senate.

"(3) Any exercise of authority under this subsection shall be in conformance with such written policies and procedures as the agency head, the Speaker of the House of Representatives, or the Committee on Rules and Administration of the Senate (as applicable) shall prescribe, consistent with the provisions of this subsection.

"(4) For the purpose of this subsection, 'agency in the legislative branch', 'employee of the House of Representatives', 'employee of the Senate', and 'congressional employee' each has the meaning given to it in section 5531 of this title.

"(l)(1) For the purpose of subsections (i) through (k), 'Executive agency' shall not include the General Accounting Office.

"(2) An employee as to whom a waiver under subsection (i), (j), or (k) is in effect shall not be considered an employee for purposes of this chapter or chapter 84 of this title.".

(2) Section 8344(i)(3) of title 5, United States Code, is repealed.

(c) AMENDMENTS RELATING TO THE FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—(1) Section 8468 of title 5, United States Code, is amended by adding at the end the following:

"(g)(1) If warranted by circumstances described in subsection (f)(1)(A) or (B) (as applicable), the Director of the Administrative Office of the United States Courts shall, with respect to an employee in the judicial branch, have the same waiver authority as would be available to the Director of the Office of Personnel Management, or a duly authorized agency head, under subsection (f) with respect to an employee of an Executive agency.

"(2) Authority under this subsection may not be exercised with respect to a justice or judge of the United States, as defined in section 451 of title 28.

"(h)(1) If warranted by circumstances described in subsection (f)(1)(A) or (B) (as applicable), an official or committee designated in paragraph (2) shall, with respect to the employees specified in the applicable subparagraph of such paragraph, have the same waiver authority as would be available to the Director of the Office of Personnel Management, or a duly authorized agency head, under subsection (f) with respect to an employee of an Executive agency.

"(2) Authority under this subsection may be exercised—

"(A) with respect to an employee of an agency in the legislative branch, by the head of such agency;

"(B) with respect to an employee of the House of Representatives, by the Speaker of the House of Representatives; and

"(C) with respect to an employee of the Senate, by the Committee on Rules and Administration of the Senate.

"(3) Any exercise of authority under this subsection shall be in conformance with such written policies and procedures as the agency head, the Speaker of the House of Representatives, or the Committee on Rules and Administration of the Senate (as applicable) shall prescribe, consistent with the provisions of this subsection.

"(4) For the purpose of this subsection, 'agency in the legislative branch', 'employee of the House of Representatives', 'employee of the Senate', and 'congressional employee' each has the meaning given to it in section 5531 of this title.

"(i)(1) For the purpose of subsections (f) through (h), 'Executive agency' shall not include the General Accounting Office.

"(2) An employee as to whom a waiver under subsection (f), (g), or (h) is in effect shall not be considered an employee for purposes of this chapter or chapter 83 of this title.".

(2) Section 8468(f)(3) of title 5, United States Code, is repealed.

(d) REPORTING REQUIREMENT.—(1) For the purpose of this subsection, the term "agency in the legislative branch" has the meaning given such term by section 5531(4) of title 5, United States Code, as amended by subsection (a).

(2) Each agency in the legislative branch shall submit to the Speaker of the House of Representatives and the Committee on Rules and Administration of the Senate, for each calendar year, a written report on how any authority made available as a result of the enactment of this section was used by such agency during the period covered by such report.

(3) A report under this subsection—

(A) shall include the number of instances in which each type of authority was exercised, the circumstances justifying the exercise of authority, and, unless previously submitted, a description of the policies and procedures governing each type of authority exercised; and

(B) shall be submitted not later than 30 days after the end of the calendar year to which it relates.

SEC. 656. EXPANDED ELIGIBILITY OF CERTAIN HEALTH CARE OFFICERS FOR CERTAIN SPECIAL PAYS FOR SERVICE IN CONNECTION WITH OPERATION DESERT STORM.

Section 304(e) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 81; 37 U.S.C. 302 note) is amended by striking out "November 5, 1990" and inserting in lieu thereof "August 1, 1990".

SEC. 657. INCREASE IN THE AMOUNT OF A CLAIM FOR RECOUPMENT OF OVERPAYMENTS OF PAY, ALLOWANCES, AND EXPENSES THAT MAY BE WAIVED.

(a) AMENDMENT TO TITLE 5.—Section 5584(a)(2)(A) of title 5, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$1,500".

(b) AMENDMENT TO TITLE 10.—Section 2774(a)(2)(A) of title 10, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$1,500".

(c) AMENDMENT TO TITLE 32.—Section 716(a)(2)(A) of title 32, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$1,500".

PART F—READJUSTMENT BENEFITS FOR CERTAIN VOLUNTARILY SEPARATED MEMBERS

SEC. 661. SPECIAL SEPARATION BENEFITS.

(a) REQUIREMENT FOR PROGRAMS.—(1) Chapter 59 of title 10, United States Code, is amended by inserting after section 1174 the following new section:

"§1174a. Special separation benefits programs

"(a) REQUIREMENT FOR PROGRAMS.—The Secretary of each military department shall carry out a special separation benefits program under this section. An eligible member of the armed forces may request separation under the program. The request shall be subject to the approval of the Secretary.

"(b) BENEFITS.—Upon the approval of the request of an eligible member, the member shall—

"(1) be released from active duty or discharged, as the case may be; and

"(2) be entitled to—

"(A) separation pay equal to 15 percent of the product of (i) the member's years of active service, and (ii) 12 times the monthly basic pay to which the member is entitled at the time of his discharge or release from active duty; and

"(B) the same benefits and services as are provided under chapter 58 of this title for members of the armed forces who are involuntarily separated within the meaning of section 1141 of this title.

"(c) ELIGIBILITY.—Subject to subsections (d) and (e), a member of an armed force is eligible for voluntary separation under a program established for that armed force pursuant to this section if the member—

"(1) has not been approved for payment of a voluntary separation incentive under section 1175 of this title;

"(2) has served on active duty for more than 6 years before the date of the enactment of this section;

"(3) has served on active duty for not more than 20 years;

"(4) has served at least 5 years of continuous active duty immediately preceding the date of the member's separation from active duty;

"(5) if a Reserve, is on an active duty list; and

"(6) meets such other requirements as the Secretary may prescribe, which may include requirements relating to—

"(A) years of service;

"(B) skill or rating;

"(C) grade or rank; and

"(D) remaining period of obligated service.

"(d) PROGRAM APPLICABILITY.—The Secretary of a military department may provide for the

program under this section to apply to any of the following members:

"(1) A regular officer or warrant officer of an armed force.

"(2) A regular enlisted member of an armed force.

"(3) A member of an armed force other than a regular member.

"(e) APPLICABILITY SUBJECT TO NEEDS OF THE SERVICE.—(1) Subject to paragraphs (2) and (3), the Secretary concerned may limit the applicability of a program under this section to any category of personnel defined by the Secretary in order to meet a need of the armed force under the Secretary's jurisdiction to reduce the number of members in certain grades, the number of members who have completed a certain number of years of active service, or the number of members who possess certain military skills or are serving in designated competitive categories.

"(2) Any category prescribed by the Secretary concerned for regular officers, regular enlisted members, or other members pursuant to paragraph (1) shall be consistent with the categories applicable to regular officers, regular enlisted members, or other members, respectively, under the voluntary separation incentive program under section 1175 of this title or any other program established by law or by that Secretary for the involuntary separation of such members in the administration of a reduction in force.

"(3) A member of the armed forces offered a voluntary separation incentive under section 1175 of this title shall also be offered the opportunity to request separation under a program established pursuant to this section. If the Secretary of the military department concerned approves a request for separation under either such section, the member shall be separated under the authority of the section selected by such member.

"(f) APPLICATION REQUIREMENTS.—(1) In order to be separated under a program established pursuant to this section—

"(A) a regular enlisted member eligible for separation under that program shall—

"(i) submit a request for separation under the program before the expiration of the member's term of enlistment; or

"(ii) upon discharge at the end of such term, enter into a written agreement (pursuant to regulations prescribed by the Secretary concerned) not to request reenlistment in a regular component; and

"(B) a member referred to in subsection (d)(3) eligible for separation under that program shall submit a request for separation to the Secretary concerned before the expiration of the member's established term of active service.

"(2) For purposes of this section, the entry of a member into an agreement referred to in paragraph (1)(A)(ii) under a program established pursuant to this section shall be considered a request for separation under the program.

"(g) OTHER CONDITIONS, REQUIREMENTS, AND ADMINISTRATIVE PROVISIONS.—Subsections (e) through (h), other than subsection (e)(2)(A), of section 1174 of this title shall apply in the administration of programs established under this section.

"(h) TERMINATION OF PROGRAM.—(1) Except as provided in paragraph (2), the Secretary of a military department may not conduct a program pursuant to this section after September 30, 1995.

"(2) No member of the armed forces may be separated under a program established pursuant to this section after the date of the termination of that program.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1174 the following new item:

"1174a. Special separation benefits programs.".

(b) COMMENCEMENT OF PROGRAMS WITHIN 60 DAYS.—The Secretary of each military department shall commence the program required by section 1174a of title 10, United States Code (as added by subsection (a)), not later than 60 days after the date of the enactment of this Act.

SEC. 662. VOLUNTARY SEPARATION INCENTIVE.

(a) PROGRAM AUTHORIZED—(1) Chapter 59 of title 10, United States Code, as amended by section 661, is further amended by adding at the end thereof the following new section:

"§1175. Voluntary separation incentive

"(a) Consistent with this section and the availability of appropriations for this purpose, the Secretary of Defense may provide a financial incentive to members of the armed forces described in subsection (b) for voluntary appointment, enlistment, or transfer to a Reserve component, requested and approved under subsection (c), for the period of time the member serves in a reserve component.

"(b) The Secretary of Defense may provide the incentive to a member of the armed forces if the member—

"(1) has served on active duty for more than 6 but less than 20 years;

"(2) has served at least 5 years of continuous active duty immediately preceding the date of separation;

"(3) if a Reserve, is on the active duty list; and

"(4) meets such other requirements as the Secretary may prescribe from time to time, which may include requirements relating to—

"(A) years of service;

"(B) skill or rating;

"(C) grade or rank; and

"(D) remaining period of obligated service.

"(c) A member of the armed forces offered a voluntary separation incentive under this section shall be offered the opportunity to request separation under a program established pursuant to section 1174a of this title. If the Secretary of the military department concerned approves a request for separation under either such section, the member shall be separated under the authority of the section selected by such member.

"(d)(1) A member of the armed forces described in subsection (b) may request voluntary appointment, enlistment, or transfer to a reserve component accompanied by this incentive, provided the member has completed 6 years of active service prior to the time this provision is enacted.

"(2) The Secretary, in his discretion, may approve or disapprove a request according to the needs of the armed forces.

"(3) After September 30, 1995, the Secretary may not approve a request.

"(e)(1) The annual payment of the incentive shall equal 2.5 percent of the monthly basic pay the member receives on the date appointed, enlisted, or transferred to the reserve component, multiplied by twelve and multiplied again by the member's years of service. The annual payment will be made for a period equal to the number of years that is equal to twice the number of years of service of the member.

"(2) A member entitled to voluntary separation incentive payments who is also entitled to basic pay for active or reserve service, or compensation for inactive duty training, shall forfeit an amount of voluntary separation incentive payable for the same period that is equal to the total amount of basic pay, or compensation, received.

"(3) A member who has received the voluntary separation incentive and who qualifies for retired or retainer pay under this title shall have deducted from each payment of such retired or retainer pay so much of such pay as is based on the service for which he received the voluntary separation incentive until the total amount deducted equals the total amount of voluntary separation incentive received.

"(4) A member who is receiving voluntary separation incentive payments shall not be deprived of this incentive by reason of entitlement to disability compensation under the laws administered by the Department of Veterans Affairs, but there shall be deducted from voluntary separation incentive payments an amount equal to the amount of any such disability compensation concurrently received. Notwithstanding the preceding sentence, no deduction may be made from voluntary separation incentive payments for any disability compensation received because of an earlier period of active duty if the voluntary separation incentive is received because of discharge or release from a later period of active duty.

"(5) The years of service of a member for purposes of this section shall be computed in accordance with section 1405 of this title.

"(6) Years of service that form the basis of the payment under paragraph (5) may not be counted in computing eligibility for, or the amount of, annuities under title 5 or any other law providing annuities to Federal civilian employees.

"(f) The member's right to incentive payments shall not be transferable, except that the member may designate beneficiaries to receive the payments in the event of the member's death.

"(g) Subject to subsection (h), payments under this provision shall be paid from appropriations available to the Department of Defense.

"(h)(1) There is established on the books of the Treasury a fund to be known as the 'Voluntary Separation Incentive Fund' (hereinafter in this subsection referred to as the 'Fund'). The Fund shall be administered by the Secretary of the Treasury. The Fund shall be used for the accumulation of funds in order to finance on an actuarially sound basis the liabilities of the Department of Defense under this section.

"(2) There shall be deposited in the Fund the following, which shall constitute the assets of the Fund:

"(A) Amounts paid into the Fund under paragraphs (5), (6), and (7).

"(B) Any amount appropriated to the Fund.

"(C) Any return on investment of the assets of the Fund.

"(3) All voluntary separation incentive payments made after December 31, 1992, under this section shall be paid out of the Fund. To the extent provided in appropriation Acts, the assets of the Fund shall be available to pay voluntary separation incentives under this section.

"(4) The Department of Defense Retirement Board of Actuaries (hereinafter in this subsection referred to as the 'Board') shall perform the same functions regarding the Fund, as provided in this subsection, as such Board performs regarding the Department of Defense Military Retirement Fund.

"(5) Not later than January 1, 1993, the Board shall determine the amount that is the present value, as of that date, of the future benefits payable under this section in the case of persons who are separated pursuant to this section before that date. The amount so determined is the original unfunded liability of the Fund. The Board shall determine an appropriate amortization period and schedule for liquidation of the original unfunded liability. The Secretary shall make deposits to the Fund in accordance with that amortization schedule.

"(6) For persons separated under this section on or after January 1, 1993, the Secretary shall deposit in the Fund during the period beginning on that date and ending on September 30, 1995—

"(A) such sums as are necessary to pay the current liabilities under this section during such period; and

"(B) the amount equal to the present value, as of September 30, 1995, of the future benefits payable under this section, as determined by the Board.

"(7)(A) For each fiscal year after fiscal year 1996, the Board shall—

"(i) carry out an actuarial valuation of the Fund and determine any unfunded liability of the Fund which deposits under paragraphs (5) and (6) do not liquidate, taking into consideration any cumulative actuarial gain or loss to the Fund;

"(ii) determine the period over which that unfunded liability should be liquidated; and

"(iii) determine for the following fiscal year, the total amount, and the monthly amount, of the Department of Defense contributions that must be made to the Fund during that fiscal year in order to fund the unfunded liabilities of the Fund over the applicable amortization periods.

"(B) The Board shall carry out its responsibilities for each fiscal year in sufficient time for the amounts referred to in subparagraph (A)(iii) to be included in budget requests for that fiscal year.

"(C) The Secretary of Defense shall pay into the Fund at the end of each month as the Department of Defense contribution to the Fund the amount necessary to liquidate unfunded liabilities of the Fund in accordance with the amortization schedules determined by the Board.

"(8) Amounts paid into the Fund under this subsection shall be paid from funds available for the pay of members of the armed forces under the jurisdiction of the Secretary of each military department.

"(9) The investment provisions of section 1467 of this title shall apply to the Voluntary Separation Incentive Fund.

"(i) The Secretary of Defense may issue such regulations as may be necessary to carry out this section.".

(2) The table of sections at the beginning of such chapter, as amended by section 661, is further amended by adding at the end the following:

"1175. Voluntary separation incentive.".

(b) Tax Treatment—Notwithstanding the Internal Revenue Code of 1986 and any other provision of law, any voluntary separation incentive paid to a member of the Armed Forces under section 1175 of title 10, United States Code (as added by subsection (a)), shall be includable in gross income for federal tax purposes only for the taxable year in which such incentive is paid to the participant or beneficiary of the member.

SEC. 663. REPORT ON PROGRAMS.

Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing the Secretary's assessment of the effectiveness of the programs established under sections 1174a and 1175 of title 10, United States Code, as added by sections 661 and 662.

SEC. 664. LIMITED AUTHORITY TO WAIVE END STRENGTHS.

(a) AUTHORITY.—The Secretary of Defense may increase the end strength authorized for an armed force for fiscal year 1992 under section 401(a) by a number not greater than 2 percent of that end strength if the Secretary determines that it is in the interest of the United States to do so in order to avoid the necessity of involuntarily separating personnel of that armed force for the purpose of achieving that end strength. The authority in the preceding sentence is in addition to the authority under section 115(c)(1) of title 10, United States Code.

(b) FUNDING INCREASED PERSONNEL COSTS.—(1) To the extent provided in appropriation Acts, the Secretary may transfer amounts available to the Department of Defense as necessary to meet increased personnel costs resulting from the exercise of the authority provided in subsection (a).

(2) The transfer authority provided in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

TITLE VII—HEALTH CARE PROVISIONS

PART A—HEALTH CARE SERVICES

SEC. 701. ESTABLISHMENT OF SUPPLEMENTAL DENTAL BENEFITS PLANS FOR DEPENDENTS.

(a) AUTHORITY TO ESTABLISH.—Subsection (a)(1) of section 1076a of title 10, United States Code, is amended—

(1) by striking out "dental benefit plans" in the first sentence and inserting in lieu thereof "basic and supplemental dental benefits plans"; and

(2) by adding at the end the following new sentence: "A member may not enroll in a supplemental dental benefits plan unless the member is also a member of a basic dental benefits plan.".

(b) BENEFITS UNDER BASIC AND SUPPLEMENTAL DENTAL PLANS.—Subsection (d) of such section is amended to read as follows:

"(d) BENEFITS AVAILABLE UNDER PLANS.—(1) A basic dental benefits plan established under subsection (a) may provide only the following benefits:

"(A) Diagnostic, oral examination, and preventative services and palliative emergency care.

"(B) Basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(2) In addition to the benefits available under a basic dental benefits plan, a supplemental dental benefits plan established under subsection (a) may provide such dental care benefits as the Secretary of Defense, after consultation with the other administering Secretaries, considers to be appropriate.".

(c) PREMIUM FOR SUPPLEMENTAL PLANS.—Subsection (b) of such section is amended—

(1) by inserting "PREMIUMS.—" after "(b)";

(2) in paragraph (1), by striking out "dental benefit plan" and inserting in lieu thereof "dental benefits plan";

(3) in paragraph (2), by striking out "a plan under this section" and inserting in lieu thereof "a basic dental benefits plan"; and

(4) by adding at the end the following new paragraph:

"(3) A member enrolled in a supplemental dental benefits plan shall pay a supplemental monthly premium of not more than $15 for the member and the family of the member. The supplemental monthly premium shall be in addition to the premium payable under paragraph (2) for the member's basic dental benefits plan.".

(d) COPAYMENTS.—Subsection (e) of such section is amended to read as follows:

"(e) COPAYMENTS.—(1) A member whose spouse or child receives care under a basic dental benefits plan shall—

"(A) pay no charge for care described in subsection (d)(1)(A); and

"(B) pay 20 percent of the charges for care described in subsection (d)(1)(B).

"(2) A supplemental dental benefits plan may require a member enrolled in that plan to pay not more than 50 percent of the charges for orthodontic services, crowns, gold fillings, bridges, or complete or partial dentures that are received by the spouse or a child of the member, are covered by that plan, and are not covered by the member's basic dental benefits plan.".

(e) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "AUTHORITY TO ESTABLISH PLANS.—" after "(a)";

(2) in subsection (c), by inserting "DEDUCTION OF PREMIUM FROM BASIC PAY.—" after "(c)";

(3) in subsection (f), by inserting "TRANSFER OF MEMBER.—" after "(f)";

(4) in subsection (g), by inserting "AUTHORITY SUBJECT TO APPROPRIATIONS.—"; and

(5) in subsection (h), by inserting "LIMITATIONS ON EXPENDITURES.—" after "(h)".

SEC. 702. HOSPICE CARE.

(a) HOSPICE CARE FOR DEPENDENTS IN FACILITIES OF THE UNIFORMED SERVICES.—Section 1077 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) Notwithstanding subsection (b)(1), hospice care may be provided under section 1076 of this title in facilities of the uniformed services to a terminally ill patient who chooses (pursuant to regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries) to receive hospice care rather than continuing hospitalization or other health care services for treatment of the patient's terminal illness.

"(2) In this section, the term 'hospice care' means the items and services described in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)).".

(b) HOSPICE CARE FOR DEPENDENTS UNDER CONTRACTS FOR MEDICAL CARE.—(1) Subsection (a) of section 1079 of title 10, United States Code, is amended—

(A) in paragraph (13), by striking out "clause (4)" and inserting in lieu thereof "paragraph (4)";

(B) by striking out "and" at the end of paragraph (14);

(C) by striking out the period at the end of paragraph (15)(D) and inserting in lieu thereof "; and"; and

(D) by adding at the end the following new paragraph:

"(16) hospice care may be provided only in the manner and under the conditions provided in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)).".

(2) Subsection (j)(2)(B) of such section is amended by inserting "hospice program (as defined in section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395x(dd)(2))," after "home health agency,".

SEC. 703. BLOOD-LEAD LEVEL SCREENINGS OF DEPENDENT INFANTS OF MEMBERS OF THE UNIFORMED SERVICES.

Section 1077(a)(8) of title 10, United States Code, is amended by inserting before the period the following: ", including well-baby care that includes one screening of an infant for the level of lead in the blood of the infant".

SEC. 704. EXPANSION OF CHAMPUS COVERAGE TO INCLUDE CERTAIN MEDICARE PARTICIPANTS.

(a) ELIGIBILITY OF DISABLED PERSONS.—Section 1086 of title 10, United States Code, is amended by striking out subsection (d) and inserting in lieu thereof the following new subsection:

"(d)(1) A person who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) is not eligible for health benefits under this section.

"(2) The prohibition contained in paragraph (1) shall not apply in the case of a person referred to in subsection (c) who—

"(A) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2));

"(B) is under 65 years of age; and

"(C) is enrolled in the supplementary medical insurance program under part B of such title (42 U.S.C. 1395j et seq.).".

"(3) If a person described in paragraph (2) receives medical or dental care for which payment may be made under both title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and a plan contracted for under subsection (a), the amount payable for that care under the plan may not exceed the difference between—

"(A) the sum of any deductibles, coinsurance, and balance billing charges that would be imposed on the person if payment for that care were made solely under that title; and

"(B) the sum of any deductibles, coinsurance, and balance billing charges that would be imposed on the person if payment for that care were made solely under the plan.".

(b) CONFORMING AMENDMENTS.—(1) Such section is further amended—

(A) in subsection (c)—

(i) by striking out "The following" and inserting in lieu thereof "Except as provided in subsection (d), the following"; and

(ii) by striking out the sentence following paragraph (3); and

(B) in subsection (g), by striking out "Notwithstanding subsection (d) or any other provision of this chapter," and inserting in lieu thereof "Section 1079(j) of this title shall apply to a plan contracted for under this section, except that".

(2) Section 1713(d) of title 38, United States Code, is amended by striking out "the second sentence of section 1086(c)" and inserting in lieu thereof "section 1086(d)(1)".

(c) APPLICATION OF AMENDMENTS.—Subsection (d) of section 1086 of title 10, United States Code, as amended by this section, shall apply with respect to health care benefits or services received by a person described in such subsection on or after the date of enactment of this Act.

PART B—HEALTH CARE MANAGEMENT

SEC. 711. MODIFICATION OF AREA RESTRICTION ON PROVISION OF NONEMERGENCY INPATIENT HOSPITAL CARE UNDER CHAMPUS.

Section 1079(a)(7) of title 10, United States Code, is amended by striking out "except that" and all that follows through the semicolon and inserting in lieu thereof the following: "except that—

"(A) those services may be provided in any case in which another insurance plan or program provides primary coverage for those services; and

"(B) the Secretary of Defense may waive the 40-mile radius restriction with regard to the provision of a particular service before October 1, 1993, if the Secretary determines that the use of a different geographical area restriction will result in a more cost-effective provision of the service;".

SEC. 712. MANAGED HEALTH CARE NETWORKS.

(a) AUTHORIZATION OF SUCH NETWORKS.—Section 1079 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(n) The Secretary of Defense may enter into contracts (or amend existing contracts) with fiscal intermediaries under which the intermediaries agree to organize and operate, directly or through subcontractors, managed health care networks for the provision of health care under this chapter. The managed health care networks shall include cost containment methods, such as utilization review and contracting for care on a discounted basis.".

(b) DELIVERY OF HEALTH CARE SERVICES IN THE TIDEWATER REGION OF VIRGINIA.—(1) Using the authority provided in section 1092 of title 10, United States Code, and section 1079(n) of that title (as added by subsection (a)), the Secretary of Defense shall undertake a program to provide for the delivery of health care services to members of the Armed Forces serving on active duty and covered beneficiaries under chapter 55 of that title in the Tidewater region of Virginia. Such program shall—

(A) incorporate the primary features of managed health care with cost containment initiatives, including utilization review, preadmission screening, establishment of provider networks, and contracting for care with civilian providers on a discounted basis; and

(B) shall be based on the catchment area management demonstration projects required by section 731(a) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1117).

(2) The Secretary of Defense shall ensure that—

(A) the delivery of services under the program required by this subsection begins not later than September 30, 1992; and

(B) all funds appropriated for the delivery of health care services in the Tidewater region of Virginia, including those funds appropriated for services provided in that region under sections 1079 and 1086 of title 10, United States Code, shall be allocated to the local manager of the program.

SEC. 713. CLARIFICATION OF RESTRICTION ON CHAMPUS AS A SECONDARY PAYER.

Section 1079(j)(1) of title 10, United States Code, is amended by inserting ", or covered by," after "person enrolled in".

SEC. 714. CLARIFICATION OF RIGHT OF THE UNITED STATES TO COLLECT FROM THIRD-PARTY PAYERS.

Section 1095(i)(2) of title 10, United States Code, is amended by striking out "or no fault insurance".

SEC. 715. STATEMENTS REGARDING THE NONAVAILABILITY OF HEALTH CARE.

(a) CONSIDERATION OF AVAILABILITY OF CONTRACT CARE.—Chapter 55 of title 10, United States Code, is amended by adding at the end the following new section:

"§1105. Issuance of nonavailability of health care statements

"In determining whether to issue a nonavailability of health care statement for any person entitled to health care in facilities of the uniformed services under this chapter, the commanding officer of such a facility may consider the availability of health care services for such person pursuant to any contract or agreement entered into under this chapter for the provision of health care services within the area served by that facility.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1105. Issuance of nonavailability of health care statements.".

SEC. 716. SUBMITTAL OF CLAIMS FOR PAYMENT FOR SERVICES UNDER CHAMPUS.

(a) SUBMITTAL OF CLAIMS UNDER CHAMPUS.—(1) Chapter 55 of title 10, United States Code, is amended by adding after section 1105, as added by section 715, the following new section:

"§1106. Submittal of claims under CHAMPUS

"(a) SUBMITTAL TO CLAIMS PROCESSING OFFICE.—Each provider of services under the Civilian Health and Medical Program of the Uniformed Services shall submit claims for payment for such services directly to the claims processing office designated pursuant to regulations prescribed under subsection (b). A claim for payment for services shall be submitted in a standard form (as prescribed in the regulations) not later than one year after the services are provided.

"(b) REGULATIONS.—The regulations required by subsection (a) shall be prescribed by the Secretary of Defense after consultation with the other administering Secretaries.

"(c) WAIVER.—The Secretary of Defense may waive the requirements of subsection (a) if the Secretary determines that the waiver is necessary in order to ensure adequate access for covered beneficiaries to health care services under this chapter.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 1105, as added by section 715, the following new item:

"1106. Submittal of claims under CHAMPUS.".

(b) REGULATIONS.—The regulations required by section 1106 of title 10, United States Code (as added by subsection (a)), shall be prescribed to take effect not later than 180 days after the date of the enactment of this Act.

SEC. 717. REPEAL OF REQUIREMENT THAT ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIPS BE TARGETED TOWARD CRITICALLY NEEDED WARTIME SKILLS.

Section 2124 of title 10, United States Code, is amended by striking out "except that—" and all that follows through the period and inserting in lieu thereof "except that the total number of persons so designated may not, at any time, exceed 6,000.".

SEC. 718. LIMITATION ON REDUCTIONS IN NUMBER OF MEDICAL PERSONNEL OF THE DEPARTMENT OF DEFENSE.

(a) REVISION OF EXISTING LIMITATION.—Section 711 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1582) is amended—

(1) in subsection (a), by striking out "medical personnel below" and all that follows through "September 30, 1989," and inserting in lieu thereof "medical personnel of the Department of Defense below the baseline number";

(2) in subsection (a)(2), by inserting "medical" after "military"; and

(3) by adding at the end of subsection (c) the following new paragraph:

"(3) The term 'baseline number' means the number equal to the sum of 12,510 and the number of medical personnel of the Department of Defense serving on September 30, 1989, excluding commissioned officers of the Navy.".

(b) MINIMUM NUMBER OF NAVY HEALTH PROFESSIONS OFFICERS.—Of the total number of officers authorized to be serving on active duty in the Navy on the last day of a fiscal year, 12,510 shall be available only for assignment to duties in health profession specialties.

SEC. 719. EXTENSION OF DEADLINE FOR THE USE OF DIAGNOSIS-RELATED GROUPS FOR OUTPATIENT TREATMENT.

Section 724 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (103 Stat. 1478; 10 U.S.C. 1101 note) is amended by striking out "October 1, 1991" and inserting in lieu thereof "October 1, 1993".

SEC. 720. AUTHORIZATION FOR THE USE OF THE COMPOSITE HEALTH CARE SYSTEM AT A MILITARY MEDICAL FACILITY WHEN COST EFFECTIVE.

Section 704(h) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3900), as added by section 717(c)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1586), is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1) The Secretary may authorize the use of the Composite Health Care System to provide information systems support in a military medical treatment facility that was not involved in the operational test and evaluation phase referred to in subsection (b) on November 5, 1990, if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that the use of the Composite Health Care System in that facility is the most cost-effective method for providing automated operations at the facility.".

SEC. 721. ADMINISTRATION OF THE MANAGED-CARE MODEL OF UNIFORMED SERVICES TREATMENT FACILITIES.

(a) DESIGNATION OF SATELLITE FACILITIES AS UNIFORMED SERVICES TREATMENT FACILITIES.—

(1) Subject to paragraph (3), the Secretary of Defense may designate a satellite facility described in paragraph (2) as a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code.

(2) A satellite facility referred to in paragraph (1) means a facility that—

(A) is owned, operated, or staffed by a facility described in section 911(c) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(c)); and

(B) pursuant to an agreement entered into with the Secretary of Defense, is authorized for a designated service area to provide medical and dental care for persons eligible to receive such care in facilities of the uniformed services under chapter 55 of title 10, United States Code.

(3) The authority of the Secretary of Defense under paragraph (1) shall take effect on the date on which the Secretary certifies to Congress that the managed-care delivery and reimbursement model required under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1587) has been fully implemented.

(b) TERMINATION OF DESIGNATION.—The designation of a satellite facility under subsection (a) may be terminated in accordance with the procedure provided under section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)).

(c) REIMBURSEMENT FOR CARE.—A facility described in section 911(c) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(c)), may be reimbursed for medical and dental care provided by that facility or a satellite facility of that facility designated under subsection (a) to persons eligible to receive such care in facilities of the uniformed services under chapter 55 of title 10, United States Code. The reimbursement shall be made pursuant to an agreement with the Secretary of Defense as part of the managed-care delivery and reimbursement model required under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1587).

(d) PREEMPTION OF STATE AND LOCAL LAWS.—A law or regulation of a State or local government relating to health insurance or health maintenance organizations shall not apply to a Uniformed Services Treatment Facility that enters into an agreement with the Secretary of Defense under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1587) to the extent that—

(1) the law or regulation is inconsistent with a specific provision of the agreement or a regulation prescribed by the Secretary relating to the managed-care delivery and reimbursement model; or

(2) the Secretary determines that preemption of the law or regulation is necessary to implement or operate the managed-care delivery and reimbursement model referred to in that section or to achieve some other Federal interest.

SEC. 722. AUTHORIZATION FOR THE EXTENSION OF CHAMPUS REFORM INITIATIVE.

(a) AUTHORITY.—Upon the termination (for any reason) of the contract of the Department of Defense in effect on the date of the enactment of this Act under the CHAMPUS reform initiative established under section 702 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note), the Secretary of Defense may enter into a replacement or successor contract with the same or a different contractor and for such amount as may be determined in accordance with applicable procurement laws and regulations and without regard to any limitation (enacted before, on, or after the date of the enactment of this Act) on the availability of funds for that purpose.

(b) TREATMENT OF LIMITATION ON FUNDS FOR PROGRAM.—No provision of law stated as a limitation on the availability of funds may be treated as constituting the extension of, or as requiring the extension of, any contract under the CHAMPUS reform initiative that would otherwise expire in accordance with its terms.

PART C—MISCELLANEOUS

SEC. 731. HEALTH CARE DEMONSTRATION PROJECT FOR THE AREA OF NEWPORT, RHODE ISLAND.

(a) DEMONSTRATION PROJECT REQUIRED.—In order to control the cost of medical care, the Secretary of Defense shall undertake a demonstration project to provide for the delivery of inpatient medical services in the Newport, Rhode Island, area to members of the Armed Forces on active duty and covered beneficiaries under chapter 55 of title 10, United States Code, based on an external partnership agreement or agreements with civilian health care facilities and providers. To the maximum extent possible, the Secretary shall negotiate such agreements on a discounted basis at rates less than those prescribed for diagnosis related-groups.

(b) WAIVER OF CHAMPUS COPAYMENT.—(1) In order to encourage participation by covered beneficiaries in the demonstration project required by this section, the Secretary of Defense may permit a health care facility or provider participating in the project to reduce or waive the cost-sharing requirements of sections 1079 and 1086 of title 10, United States Code, if the Secretary determines that it is cost-effective to permit such reduction or waiver.

(2) If a health care facility or provider participating in this demonstration project reduces or waives cost-sharing requirements for health care services, the Secretary of Defense may require the facility or provider to certify that the amount charged to the Federal Government for such health care was not increased above the amount that the facility or provider would have charged the Federal Government for such health care had the payment not been reduced or waived. The Secretary of Defense may further require a health care facility or provider to provide information to the Secretary to show the compliance of the facility or provider with this paragraph.

(c) NEGOTIATIONS REGARDING WAIVER OF MEDICARE COPAYMENTS.—The Secretary of Defense shall initiate negotiations with the Secretary of Health and Human Services for the purpose of reaching an agreement under which the Secretary of Health and Human Services would permit a waiver of the deductible and copayment under medicare program for covered beneficiaries in the demonstration project required by this section on the same basis as the waiver permitted by the Secretary of Defense.

SEC. 732. DEPENDENCY STATUS OF A MINOR IN THE CUSTODY OF A NON-PARENT MEMBER OR FORMER MEMBER OF THE ARMED FORCES.

(a) FINDINGS.—Congress finds the following:

(1) Members and former members of the Armed Forces, for good and humanitarian reasons or because of a deep sense of familial responsibility, are taking legal custody of minors (including minors related to a member or former member by blood or adoption) who are neglected, abandoned, abused, or orphaned children.

(2) Under current law, unless a minor referred to in paragraph (1) is also adopted by a member or former member of the Armed Forces, the minor is not considered a dependent of the member or former member for purposes of eligibility for care in the military medical health care system under chapter 55 of title 10, United States Code, or allowances under chapter 7 of title 37, United States Code. A compelling reason for the reluctance of many members and former members to adopt minors referred to in paragraph (1) is the fact that they are already related by blood or adoption.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) creative solutions should be found to enable a member or former member of the Armed Forces who is eligible for military health care to obtain care in the military medical health care system for a minor who is in the legal custody of the member or former member, especially when the minor is related by blood or adoption to the member or former member; and

(2) the Secretaries of the military departments, in exercising their authority to grant designee status to a minor to receive health care at military treatment facilities, should give special attention and consideration to those cases involving a minor who is related by blood or adoption to a member or former member of the Armed Forces and is in the legal custody of the member or former member.

(c) REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit a report to Congress analyzing the desirability, feasibility, and cost implications of implementing a permanent change to the definition of dependent for purposes of eligibility for care in the military medical health care system under chapter 55 of title 10, United States Code, and allowances under chapter 7 of title 37, United States Code, to include minors who are in the legal custody of, and related by blood or adoption to, a member or former member of the Armed Forces and are not currently included in such definition.

(2) The report required by this section shall also include data covering the preceding five-year period to indicate the manner in which the Secretaries of the military departments have handled requests for designee status for minors who are in the legal custody of a member or former member of the Armed Forces, including minors related by blood or adoption to a member or former member, and are otherwise ineligible for health care in the military medical health care system. Such data shall include—

(A) the total number of requests for designee status involving these minors during that period;

(B) the total number of these minors given designee status during that period; and

(C) the average distance and range of distances that the minors given designee status must travel for medical and dental care in the military medical health care system.

(3) The report required by this section shall also include an assessment by the Secretary of Defense of the necessity, desirability, and cost implications of designating as dependents for purposes of eligibility for care in the military medical health care system under chapter 55 of title 10, United States Code, and allowances under chapter 7 of title 37, United States Code, unmarried persons who—

(A) are in the legal custody of members or former members of the Armed Forces;

(B) are not considered the dependents of a member or former member for purposes of eligibility to obtain care in the military medical health care system or allowances under chapter 7 of title 37, United States Code;

(C) are dependent on the member for half of their support; and

(D) are under 21 years of age, incapable of self support because of disability, or under 23 years of age and enrolled in a full-time course of study in an institution of higher education.

(4) The assessment required by paragraph (3) shall include an estimate of the number of persons referred to in that paragraph who potentially could be granted dependent status as a result of the change considered in that assessment and the costs of making that change.

SEC. 733. COMPREHENSIVE STUDY OF THE MILITARY MEDICAL CARE SYSTEM.

(a) REQUIREMENT FOR STUDY AND REPORT.—The Secretary of Defense shall conduct a com-

prehensive study of the military medical care system. Not later than December 15, 1992, the Secretary shall submit to the congressional defense committees a detailed accounting on the progress of the study, including preliminary results of the study. Not later than December 15, 1993, the Secretary shall submit to the congressional defense committees a final report on the study.

(b) ELEMENTS OF STUDY.—The Secretary of Defense shall include as part of the study required by subsection (a) the following:

(1) A systematic review of the military medical care system required to support the Armed Forces during a war or other conflict and any adjustments to that system required to provide cost-effective health care in peacetime to covered beneficiaries.

(2) A comprehensive review of the existing methods of providing health and dental care through civilian health and dental care programs that are available as alternatives to the methods for providing such care through the existing military medical care system, including the cost and quality results of experimental use of such alternative methods by the Secretary and the level of satisfaction of the persons who have received health or dental care under such alternative methods.

(c) SURVEY.—The study required by subsection (a) shall also include a survey of members of the Armed Forces and covered beneficiaries in order to—

(1) determine their access to and use of inpatient and outpatient health care services in the military medical care system—

(A) by source of care and source of payment, including private sector health insurance; and

(B) in relation to civilian sector standards established for particular clinical services; and

(2) determine their attitudes and the extent of their knowledge regarding—

(A) the quality and availability of health and dental care under the military medical care system;

(B) their freedom of choice with respect to health care providers and level of health care benefits;

(C) the premiums, fees, copayments, and other charges imposed under the military medical care system; and

(D) any changes in the rules, regulations or charges that characterize the military medical care system.

(d) CONTENT OF REPORT.—The report required by subsection (a) shall include with respect to the systematic review of the military medical care system required under subsection (b)(1) the following:

(1) For each of the fiscal years 1993 through 1997 and over a longer range periods of 10 years and 15 years, the numbers, types, and geographic distribution of active duty and civilian personnel and fixed military treatment facilities needed to support the Armed Forces during a war or other conflict if such a war or conflict occurred during such fiscal years and each such period, respectively.

(2) An analysis of adjustments to the military medical care system that may be needed to provide cost-effective care in peacetime to covered beneficiaries, including in the analysis of cost-effectiveness the following:

(A) The various methods available for providing health and dental care to covered beneficiaries (including providing such care through Medicare risk contractors) that exist as alternatives to the existing methods of providing such care to covered beneficiaries under the military medical care system.

(B) The full range of marginal costs associated with providing different clinical services directly in military treatment facilities and a comparison of the costs of providing such care in facilities of the uniformed services with the costs of providing such care pursuant to regional indemnity contract plans and health maintenance organization contract plans.

(C) Any plans of the Secretary of Defense to increase or reduce premiums, fees, copayments, or other charges, and the likely responsiveness of beneficiaries to such changes, including the "trade-off" factors displayed when covered beneficiaries choose between direct military care and care provided in the civilian sector.

(D) Any differences in providing care between covered beneficiaries who live within 40 miles of military treatment facilities and covered beneficiaries who live outside such catchment areas.

(3) An evaluation of the use by covered beneficiaries of inpatient and outpatient health care services, stated in terms of use per member and variations in that per member use by armed force, clinical service, and geographic areas, and a comparison of that use with utilization in civilian indemnity plans, Blue Cross and Blue Shield plans, health maintenance organizations, and with utilization guidelines prepared by the medical community, in order to—

(A) identify any systematic problems in either the overuse or underuse of health care services by beneficiaries of the military medical care system or any excesses or deficiencies in the availability of health and dental care services in facilities of the uniformed services;

(B) analyze the relationship between the demand for health care and the availability of military medical resources; and

(C) plan new methods for influencing or managing peacetime use of health care services, including redesigned budgetary and financial incentives and programs of utilization review.

(4) The costs of the present system during fiscal year 1992 and the projected costs of a reconfigured system during each of the fiscal years and periods referred to in paragraph (1).

(5) An evaluation of the quality and availability of preventive health and dental care.

(6) An evaluation of the adequacy of existing regulations to ensure that the existing and future availability of appropriate health care for disabled active and reserve members of the Armed Forces is adequate.

(7) An assessment of the quality and availability of mental health services for members of the Armed Forces and their dependents, including a comparison of services available in various demonstration sites.

(8) An assessment of the qualifications of the personnel involved in the Department of Defense review of the utilization of mental health benefits provided under the Civilian Health and Medical Program of the Uniformed Services.

(9) An evaluation of the efficacy of the actions taken by the Secretary to ensure that individuals carrying out medical or financial evaluations under the system make such disclosures of personal financial matters as are necessary to ensure that financial considerations do not improperly affect such evaluations.

(10) An evaluation of the adequacy of the existing appeals process and of existing procedures to ensure the protection of patient rights.

(11) The optimal military and Department of Defense civilian staffing plan for the next five years to achieve the most cost-effective delivery of health care services to the beneficiary population and a strategy to achieve that goal in light of reductions in military spending and the size of the Armed Forces.

(12) Any other information related to the review required by subsection (b)(1) that the Secretary determines to be appropriate.

(e) ADDITIONAL ITEMS OF REPORTS.—The report required by subsection (a) shall also include the following:

(1) The results of the survey conducted pursuant to subsection (c).

(2) The results of the review conducted pursuant to subsection (b)(2).

(3) A description of any plans of the Secretary of Defense to use any alternative methods to the existing military medical care system to ensure that suitable health and dental care is available to covered beneficiaries.

(4) A proposal for purchasing health care for covered beneficiaries through private-sector managed care programs, together with a discussion of the cost-effectiveness and practicality of doing so within the military medical care system.

(5) Any other information that the Secretary determines to be appropriate.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "military medical care system" means the program of medical and dental care provided for under chapter 55 of title 10, United States Code.

(2) The term "covered beneficiaries" means the beneficiaries under chapter 55 of title 10, United States Code, other than the beneficiaries under section 1074(a) of such title.

SEC. 734. REGISTRY OF MEMBERS OF THE ARMED FORCES EXPOSED TO FUMES OF BURNING OIL IN CONNECTION WITH OPERATION DESERT STORM.

(a) ESTABLISHMENT OF REGISTRY.—The Secretary of Defense shall establish and maintain a special record relating to members of the Armed Forces who, as determined by the Secretary, were exposed to the fumes of burning oil in the Operation Desert Storm theater of operations during the Persian Gulf conflict. The Secretary shall establish the Registry with the advice of an independent scientific organization.

(b) CONTENTS OF REGISTRY.—The Registry shall include—

(1) a list containing the name of each member referred to in subsection (a); and

(2) a description of the circumstances of each exposure of that member to the fumes of burning oil as described in subsection (a), including the length of time of the exposure.

(c) REPORTING REQUIREMENT RELATING TO EXPOSURE STUDIES.—The Secretary shall submit to Congress each year, at or about the time that the President's budget is submitted that year under section 1105 of title 31, United States Code, a report regarding—

(1) the results of all on-going studies on the members referred to in subsection (a) to determine the health consequences (including any short- or long-term consequences) of the exposure of such members to the fumes of burning oil; and

(2) the need for additional studies relating to the exposure of such members to such fumes.

(d) MEDICAL EXAMINATION.—Upon the request of any member listed in the Registry, the Secretary of the military department concerned shall, if medically appropriate, furnish a pulmonary function examination and chest x-ray to such person.

(e) EFFECTIVE DATE.—The Secretary shall establish the Registry not later than 180 days after the date of the enactment of this Act.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf conflict" has the meaning given such term in section 3(3) of such Act.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

PART A—ACQUISITION PROCESS

SEC. 801. REPEAL OF MANPOWER ESTIMATES REPORTING REQUIREMENT.

(a) REPEAL.—Section 2434 of title 10, United States Code, is amended by striking out "un-

less—'' in subsection (a) and all that follows in that subsection and inserting in lieu thereof the following: ''unless an independent estimate of the cost of the program, together with a manpower estimate, has been considered by the Secretary.''.

(b) CONFORMING AMENDMENTS.—(1) Section 2434 of such title is further amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(2) Section 2432 of such title is amended in subsection (a)(4) by striking out ''2434(c)(2)'' and inserting in lieu thereof ''2434(b)(2)''.

SEC. 802. PAYMENT OF COSTS OF CONTRACTORS FOR INDEPENDENT RESEARCH AND DEVELOPMENT AND FOR BIDS AND PROPOSALS.

(a) IN GENERAL.—(1) Section 2372 of title 10, United States Code, is amended to read as follows:

"§2372. Independent research and development and bid and proposal costs: payments to contractors

''(a) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing the payment, by the Department of Defense, of expenses incurred by contractors for independent research and development and bid and proposal costs.

''(b) COSTS ALLOWABLE AS INDIRECT EXPENSES.—The regulations prescribed pursuant to subsection (a) shall provide that independent research and development and bid and proposal costs shall be allowable as indirect expenses on covered contracts to the extent that those costs are allocable, reasonable, and not otherwise unallowable by law or under the Federal Acquisition Regulation.

''(c) ADDITIONAL CONTROLS.—Subject to subsection (f), the regulations prescribed pursuant to subsection (a) may include the following provisions:

''(1) A limitation on the allowability of independent research and development and bid and proposal costs to work which the Secretary of Defense determines is of potential interest to the Department of Defense.

''(2) For each of fiscal years 1993 through 1995, a limitation in the case of major contractors that the total amount of the independent research and development and bid and proposal costs that are allowable as expenses of the contractor's covered segments may not exceed the contractor's adjusted maximum reimbursement amount.

''(3) Implementation of regular methods for transmission—

''(A) from the Department of Defense to contractors, in a reasonable manner, of timely and comprehensive information regarding planned or expected Department of Defense future needs; and

''(B) from contractors to the Department of Defense, in a reasonable manner, of information regarding progress by the contractor on the contractor's independent research and development programs.

''(d) ADJUSTED MAXIMUM REIMBURSEMENT AMOUNT.—For purposes of subsection (c)(2), the adjusted maximum reimbursement amount for a major contractor for a fiscal year is the sum of—

''(1) the total amount of the allowable independent research and development and bid and proposal costs incurred by the contractor during the preceding fiscal year;

''(2) 5 percent of the amount referred to in paragraph (1); and

''(3) if the projected total amount of the independent research and development and bid and proposal costs incurred by the contractor for such fiscal year is greater than the total amount of the independent research and development and bid and proposal costs incurred by the contractor for the preceding fiscal year, the amount that is determined by multiplying the amount referred to in paragraph (1) by the lesser of—

''(A) the percentage by which the projected total amount of such incurred costs for such fiscal year exceeds the total amount of the incurred costs of the contractor for the preceding fiscal year; or

''(B) the estimated percentage rate of inflation from the end of the preceding fiscal year to the end of the fiscal year for which the amount of the limitation is being computed.

''(e) WAIVER OF ADJUSTED MAXIMUM REIMBURSEMENT AMOUNT.—The Secretary of Defense may waive the applicability of any limitation prescribed under subsection (c)(2) to any contractor for a fiscal year to the extent that the Secretary determines that allowing the contractor to exceed the contractor's adjusted maximum reimbursement amount for such year—

''(1) is necessary to reimburse such contractor at least to the extent that would have been allowed under regulations as in effect on the day before the date of the enactment of the National Defense Authorization Act for Fiscal Years 1992 and 1993; or

''(2) is otherwise in the best interest of the Government.

''(f) LIMITATIONS ON REGULATIONS.—Regulations prescribed pursuant to subsection (c) may not include provisions that would infringe on the independence of a contractor to choose which technologies to pursue in its independent research and development program.

''(g) ENCOURAGEMENT OF CERTAIN CONTRACTOR ACTIVITIES.—The regulations under subsection (a) shall encourage contractors to engage in research and development activities of potential interest to the Department of Defense, including activities intended to accomplish any of the following:

''(1) Enabling superior performance of future United States weapon systems and components.

''(2) Reducing acquisition costs and life-cycle costs of military systems.

''(3) Strengthening the defense industrial base and the technology base of the United States.

''(4) Enhancing the industrial competitiveness of the United States.

''(5) Promoting the development of technologies identified as critical under section 2522 of this title.

''(6) Increasing the development and promotion of efficient and effective applications of dual-use technologies.

''(7) Providing efficient and effective technologies for achieving such environmental benefits as improved environmental data gathering, environmental cleanup and restoration, pollution reduction in manufacturing, environmental conservation, and environmentally safe management of facilities.

''(h) MAJOR CONTRACTORS.—A contractor shall be considered to be a major contractor for the purposes of subsection (c) for any fiscal year if for the preceding fiscal year the contractor's covered segments allocated to Department of Defense contracts a total of more than $10,000,000 in independent research and development and bid and proposal costs.

''(i) DEFINITIONS.—In this section:

''(1) COVERED CONTRACT.—The term 'covered contract' has the meaning given that term in section 2324(m) of this title.

''(2) COVERED SEGMENT.—The term 'covered segment', with respect to a contractor, means a product division of the contractor that allocated more than $1,000,000 in independent research and development and bid and proposal costs to Department of Defense contracts during the preceding fiscal year. In the case of a contractor that has no product divisions, such term means the contractor as a whole.''.

(2) The item relating to section 2372 in the table of sections at the beginning of chapter 139 of such title is amended to read as follows:

''2372. Independent research and development and bid and proposal costs: payments to contractors.''.

(b) IMPLEMENTING REGULATIONS.—The Secretary of Defense shall prescribe proposed regulations to implement the amendment made by subsection (a)(1) not later than April 1, 1992, and shall prescribe final regulations for that purpose not later than June 1, 1992.

(c) OTA STUDY.—The Director of the Office of Technology Assessment shall conduct a study to determine the effect of the regulations prescribed under section 2372 of title 10, United States Code (as amended by subsection (a)), on the achievement of the policy stated in subsection (g) of that section. Not later than December 1, 1995, the Director shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the results of the study.

(d) INTEGRATED FINANCING POLICY.—Section 2330 of title 10, United States Code, is amended by inserting at the end of subsection (a)(2) the following:

''(D) Policies relating to reimbursement of independent research and development and bid and proposal costs.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992, and shall apply to independent research and development and bid and proposal costs incurred by a contractor during fiscal years of that contractor that begin on or after that date.

SEC. 803. RESEARCH AND DEVELOPMENT CONTRACTS.

(a) REPORTING REQUIREMENT.—(1) Section 2352 of title 10, United States Code, is amended to read as follows:

"§2352. Contracts: notice to Congress required for contracts performed over period exceeding 10 years

''(a) REQUIREMENT.—The Secretary of a military department shall submit to Congress a notice described in subsection (b) with respect to a contract of that military department for services for research or development in any case in which—

''(1) the contract is awarded or modified, and the contract is expected, at the time of the award or as a result of the modification (as the case may be), to be performed over a period exceeding 10 years from the date of initial award of the contract; or

''(2) the performance of the contract continues for a period exceeding 10 years, and no notice of the type described in subsection (b) has otherwise been provided to Congress.

''(b) NOTICE.—The notice required under subsection (a) is a notice—

(1) identifying the contract;

(2) stating the date on which initial award of the contract occurred; and

(3) stating the period of time over which performance of the contract is expected to occur.

''(c) TIME OF SUBMISSION OF NOTICE.—The notice required under subsection (a) shall be submitted not later than 30 days after—

''(1) the date of award or modification of the contract, in the case of a contract described in subsection (a)(1); and

''(2) the date on which performance of the contract exceeds 10 years, in the case of a contract described in subsection (a)(2).''.

(2) The item relating to section 2352 in the table of sections at the beginning of chapter 139 of such title is amended to read as follows:

''2352. Contracts: notice to Congress required for contracts performed over period exceeding 10 years.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as of October 31, 1991.

SEC. 804. CLARIFICATION OF REVISED THRESHOLDS FOR CONTRACTOR CERTIFICATION OF COST OR PRICING DATA.

(a) CLARIFICATION.—Paragraph (1) of section 2306a(a) of title 10, United States Code, is amended to read as follows:

"(1) The head of an agency shall require offerors, contractors, and subcontractors to make cost or pricing data available as follows:

"(A) An offeror for a prime contract under this chapter to be entered into using procedures other than sealed-bid procedures shall be required to submit cost or pricing data before the award of a contract if—

"(i) in the case of a prime contract entered into after December 5, 1990, and before January 1, 1996, the price of the contract to the United States is expected to exceed $500,000; and

"(ii) in the case of a prime contract entered into on or before December 5, 1990, or after December 31, 1995, the price of the contract to the United States is expected to exceed $100,000.

"(B) The contractor for a prime contract under this chapter shall be required to submit cost or pricing data before the pricing of a change or modification to the contract if—

"(i) in the case of a change or modification made to a prime contract referred to in subparagraph (A)(i), the price adjustment is expected to exceed $500,000;

"(ii) in the case of a change or modification made after December 5, 1991, to a prime contract that was entered into on or before December 5, 1990, and that has been modified pursuant to paragraph (6), the price adjustment is expected to exceed $500,000; and

"(iii) in the case of a change or modification not covered by clause (i) or (ii), the price adjustment is expected to exceed $100,000.

"(C) An offeror for a subcontract (at any tier) of a contract under this chapter shall be required to submit cost or pricing data before the award of the subcontract if the prime contractor and each higher-tier subcontractor have been required to make available cost or pricing data under this section and—

"(i) in the case of a subcontract under a prime contract referred to in subparagraph (A)(i), the price of the subcontract is expected to exceed $500,000;

"(ii) in the case of a subcontract entered into after December 5, 1991, under a prime contract that was entered into on or before December 5, 1990, and that has been modified pursuant to paragraph (6), the price of the subcontract is expected to exceed $500,000; and

"(iii) in the case of a subcontract not covered by clause (i) or (ii), the price of the subcontract is expected to exceed $100,000.

"(D) The subcontractor for a subcontract covered by subparagraph (C) shall be required to submit cost or pricing data before the pricing of a change or modification to the subcontract if—

"(i) in the case of a change or modification to a subcontract referred to in subparagraph (C)(i) or (C)(ii), the price adjustment is expected to exceed $500,000; and

"(ii) in the case of a change or modification to a subcontract referred to in subparagraph (C)(iii), the price adjustment is expected to exceed $100,000.".

(b) MODIFICATIONS TO CONTRACTS.—Section 2306a(a) is further amended by adding at the end the following new paragraph:

"(6)(A) Upon the request of a contractor that was required to submit cost or pricing data under paragraph (1) in connection with a prime contract entered into on or before December 5, 1990, the head of the agency that entered into such contract shall modify the contract to reflect subparagraphs (B)(ii) and (C)(ii) of paragraph (1). All such modifications shall be made without requiring consideration.

"(B) The head of an agency is not required to modify a contract under subparagraph (A) if that head of an agency determines that the submission of cost or pricing data with respect to that contract should be required under subsection (c).".

(c) CONFORMING AMENDMENT AND REPEAL.—(1) Paragraph (5) of section 2306a(a) is amended by striking out "paragraph (1)(C)(ii)" and inserting in lieu thereof "paragraph (1)(C)".

(2) Paragraph (2) of section 803(a) of Public Law 101–510 (as amended by section 704(a)(4) of Public Law 102–25) is hereby repealed.

SEC. 805. PROCUREMENT FLEXIBILITY FOR SMALL PURCHASES DURING CONTINGENCY OPERATIONS.

Section 2302(7) of title 10, United States Code, is amended by inserting before the period the following: ", except that, in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation, the term means $100,000".

SEC. 806. PAYMENT PROTECTIONS FOR SUBCONTRACTORS AND SUPPLIERS.

(a) REGULATIONS.—The Secretary of Defense shall prescribe in regulations the following requirements:

(1) INFORMATION PROVIDED BY DEPARTMENT OF DEFENSE RELATING TO PAYMENT.—(A) Subject to section 552(b)(1) of title 5, United States Code, upon the request of a subcontractor or supplier of a contractor performing a Department of Defense contract, the Department of Defense shall promptly make available to such subcontractor or supplier the following information:

(i) Whether requests for progress payments or other payments have been submitted by the contractor to the Department of Defense in connection with that contract.

(ii) Whether final payment to the contractor has been made by the Department of Defense in connection with that contract.

(B) This paragraph shall apply with respect to any Department of Defense contract that is in effect on the date which is 270 days after the date of enactment of this Act or that is awarded after such date.

(2) INFORMATION PROVIDED BY DEPARTMENT OF DEFENSE RELATING TO PAYMENT BONDS.—(A) Upon the request of a subcontractor or supplier described in subparagraph (B), the Department of Defense shall promptly make available to such subcontractor or supplier any of the following:

(i) The name and address of the surety or sureties on the payment bond.

(ii) The penal amount of the payment bond.

(iii) A copy of the payment bond.

(B) Subparagraph (A) applies to—

(i) a subcontractor or supplier having a subcontract, purchase order, or other agreement to furnish labor or material for the performance of a Department of Defense contract with respect to which a payment bond has been furnished to the United States pursuant to the Miller Act; and

(ii) a prospective subcontractor or supplier offering to furnish labor or material for the performance of such a Department of Defense contract.

(C) With respect to the information referred to in subparagraphs (A)(i) and (A)(ii), the regulations shall include authority for such information to be provided verbally to the subcontractor or supplier.

(D) With respect to the information referred to in subparagraph (A)(iii), the regulations may impose reasonable fees to cover the cost of copying and providing requested bonds.

(E) This paragraph shall apply with respect to any Department of Defense contract covered by the Miller Act that is in effect on the date which is 270 days after the date of enactment of this Act or that is awarded after such date.

(3) INFORMATION PROVIDED BY CONTRACTORS RELATING TO PAYMENT BONDS.—(A) Upon the request of a prospective subcontractor or supplier offering to furnish labor or material for the performance of a Department of Defense contract with respect to which a payment bond has been furnished to the United States pursuant to the Miller Act, the contractor shall promptly make available to such prospective subcontractor or supplier a copy of the payment bond.

(B) This paragraph shall apply with respect to any Department of Defense contract covered by the Miller Act for which a solicitation is issued after the expiration of the 60-day period beginning on the effective date of the regulations promulgated under this subsection.

(4) PROCEDURES RELATING TO COMPLIANCE WITH PAYMENT TERMS.—(A) Under procedures established in the regulations, upon the assertion by a subcontractor or supplier of a contractor performing a Department of Defense contract that the subcontractor or supplier has not been paid by the prime contractor in accordance with the payment terms of the subcontract, purchase order, or other agreement with the prime contractor, the contracting officer may determine the following:

(i) With respect to a construction contract, whether the contractor has made progress payments to the subcontractor or supplier in compliance with chapter 39 of title 31, United States Code.

(ii) With respect to a contract other than a construction contract, whether the contractor has made progress or other payments to the subcontractor or supplier in compliance with the terms of the subcontract, purchase order, or other agreement with the prime contractor.

(iii) With respect to either a construction contract or a contract other than a construction contract, whether the contractor has made final payment to the subcontractor or supplier in compliance with the terms of the subcontract, purchase order, or other agreement with the prime contractor.

(iv) With respect to either a construction contract or a contract other than a construction contract, whether any certification of payment of the subcontractor or supplier accompanying the contractor's payment request to the Government is accurate.

(B) If the contracting officer determines that the prime contractor is not in compliance with any matter referred to in clause (i), (ii), or (iii) of subparagraph (A), the contracting officer may, under procedures established in the regulations—

(i) encourage the prime contractor to make timely payment to the subcontractor or supplier; or

(ii) reduce or suspend progress payments with respect to amounts due to the prime contractor.

(C) If the contracting officer determines that a certification referred to in clause (iv) of subparagraph (A) is inaccurate in any material respect, the contracting officer shall, under procedures established in the regulations, initiate appropriate administrative or other remedial action.

(D) This paragraph shall apply with respect to any Department of Defense contract that is in effect on the date of promulgation of the regulations under this subsection or that is awarded after such date.

(b) REGULATIONS DEADLINES.—(1) The Secretary of Defense shall publish proposed regulations under subsection (a) not later than 180 days after the date of the enactment of this Act.

(2) The Secretary of Defense shall publish final regulations under subsection (a) not later than 270 days after the date of the enactment of this Act.

(c) GOVERNMENT-WIDE APPLICABILITY AUTHORIZED.—If the Federal Acquisition Regulatory Council (established by section 25(a) of the Office of Federal Procurement Policy Act) determines that it would be more appropriate for the requirements described in subsection (a) to apply Government-wide, the regulations required by subsection (a) may be prescribed as modifications to the Federal Acquisition Regulation (issued pursuant to section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1)).

(d) ASSISTANCE TO SMALL BUSINESS CONCERNS.—Paragraph (5) of section 15(k) of the Small Business Act (15 U.S.C. 644(k)(5)) is amended to read as follows:

"(5) assist small business concerns to obtain payments, required late payment interest penalties, or information regarding payments due to such concerns from an executive agency or a contractor, in conformity with chapter 39 of title 31, United States Code, or any other protection for contractors or subcontractors (including suppliers) that is included in the Federal Acquisition Regulation or any individual agency supplement to such Government-wide regulation;".

(e) GAO REPORT.—(1) The Comptroller General of the United States shall conduct an assessment of the matters described in paragraph (2) and submit a report pursuant to paragraph (3).

(2) In addition to such other related matters as the Comptroller General considers appropriate, the matters to be assessed pursuant to paragraph (1) are the following:

(A) Timely payment of progress or other periodic payments to subcontractors and suppliers by prime contractors on Federal contracts by—

(i) identifying all existing statutory and regulatory provisions, categorized by types of contracts covered by such provisions;

(ii) evaluating the feasibility and desirability of requiring that a prime contractor (other than a construction prime contractor subject to the provisions of sections 3903(b) and 3905 of title 31, United States Code) be required to—

(I) include in its subcontracts a payment term requiring payment within 7 days (or some other fixed term) after receiving payment from the Government; and

(II) submit with its payment request to the Government a certification that it has timely paid its subcontractors in accordance with their subcontracts from funds previously received as progress payments and will timely make required payments to such subcontractors from the proceeds of the progress payment covered by the certification;

(iii) evaluating the feasibility and desirability of requiring that all prime contractors (other than a construction prime contractor subject to the provisions of section 3903(b) and 3905 of title 31, United States Code) furnish with its payment request to the Government proof of payment of the amounts included in such payment request for payments made to subcontractors and suppliers;

(iv) evaluating the feasibility and desirability of requiring a prime contractor to establish an escrow account at a federally insured financial institution and requiring direct disbursements to subcontractors and suppliers of amounts certified by the prime contractor in its payment request to the Government as being payable to such subcontractors and suppliers in accordance with their subcontracts; and

(v) evaluating the feasibility and desirability of requiring direct disbursement of amounts certified by a prime contractor as being payable to its subcontractors and suppliers in accordance with their subcontracts (using techniques such as joint payee checks, escrow accounts, or direct payment by the Government), if the contracting officer has determined that the prime contractor is failing to make timely payments to its subcontractors and suppliers.

(B) Payment protection of subcontractors and suppliers through the use of payment bonds or alternatives methods by—

(i) evaluating the effectiveness of the modifications to part 28.2 of the Federal Acquisition Regulation Part 28.2 (48 C.F.R. 28.200) relating to the use of individual sureties, which became effective February 26, 1990;

(ii) evaluating the effectiveness of requiring payment bonds pursuant to the Miller Act as a means of affording protection to construction subcontractors and suppliers relating to receiving—

(I) timely payment of progress payments due in accordance with their subcontracts; and

(II) ultimate payment of such amounts due;

(iii) evaluating the feasibility and desirability of increasing the payment bond amounts required under the Miller Act from the current maximum amounts to an amount equal to 100 percent of the amount of the contract;

(iv) evaluating the feasibility and desirability of requiring payment bonds for supply and services contracts (other than construction), and, if feasible and desirable, the amounts of such bonds; and

(v) evaluating the feasibility and desirability of using letters of credit issued by federally insured financial institutions (or other alternatives) as substitutes for payment bonds in providing payment protection to subcontractors and suppliers on construction contracts (and other contracts).

(C) Any evaluation of feasibility and desirability carried out pursuant to subparagraph (A) or (B) shall include the appropriateness of—

(i) any differential treatment of, or impact on, small business concerns as opposed to concerns other than small business concerns;

(ii) any differential treatment of subcontracts relating to commercial products entered into by the contractor in furtherance of its non-Government business, especially those subcontracts entered into prior to the award of a contract by the Government; and

(iii) extending the protections regarding payment to all tiers of subcontractors or restricting them to first-tier subcontractors and direct suppliers.

(3) The report required by paragraph (1) shall include a description of the results of the assessment carried out pursuant to paragraph (2) and may include recommendations pertaining to any of the following:

(A) Statutory and regulatory changes providing payment protections for subcontractors and suppliers (other than a construction prime contractor subject to the provisions of sections 3903(b) and 3905 of title 31, United States Code) that the Comptroller General believes to be desirable and feasible.

(B) Proposals to assess the desirability and utility of a specific payment protection on a test basis.

(C) Such other recommendations as the Comptroller General considers appropriate in light of the matters assessed pursuant to paragraph (2).

(4) The report required by paragraph (1) shall be submitted not later than by February 1, 1993, to the Committees on Armed Services and on Small Business of the Senate and House of Representatives.

(f) INSPECTOR GENERAL REPORT.—(1) The Inspector General of the Department of Defense shall submit to the Secretary of Defense a report on payment protections for subcontractors and suppliers under contracts entered into with the Department of Defense. The report shall include an assessment of the extent to which available judicial and administrative remedies, as well as suspension and debarment procedures, have been used (or recommended for use) by officials of the Department to deter false statements relating to (A) payment bonds provided by individuals pursuant to the Miller Act, and (B) certifications pertaining to payment requests by construction contractors pursuant to section 3903(b) of title 31, United States Code. The assessment shall cover actions taken during the period beginning on October 1, 1989, and ending on September 30, 1992.

(2) The report required by paragraph (1) shall be submitted to the Secretary of Defense not later than March 1, 1993. The report may include recommendations by the Inspector General on ways to improve the effectiveness of existing methods of preventing false statements.

(g) MILLER ACT DEFINED.—For purposes of this section, the term "Miller Act" means the Act of August 24, 1935 (40 U.S.C. 270a–270d).

SEC. 807. GOVERNMENT-INDUSTRY COMMITTEE ON RIGHTS IN TECHNICAL DATA.

(a) REGULATIONS.—(1) Not later than September 15, 1992, the Secretary of Defense shall prescribe final regulations required by subsection (a) of section 2320 of title 10, United States Code, that supersede the interim regulations prescribed before the date of the enactment of this Act for the purposes of that section.

(2) In prescribing such regulations, the Secretary shall give thorough consideration to the recommendations of the government-industry committee appointed pursuant to subsection (b).

(3) Not less than 30 days before prescribing such regulations, the Secretary shall—

(A) transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing such regulations, the recommendations of the committee, and any matters required by subsection (b)(4); and

(B) publish such regulations for comment in the Federal Register.

(4) The regulations shall apply to contracts entered into on or after November 1, 1992, or, if provided in the regulations, an earlier date. The regulations may be applied to any other contract upon the agreement of the parties to the contract.

(b) GOVERNMENT-INDUSTRY COMMITTEE.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall appoint a government-industry committee for the purpose of developing regulations to recommend to the Secretary of Defense for purposes of carrying out subsection (a).

(2) The membership of the committee shall include, at a minimum, representatives of the following:

(A) The Under Secretary of Defense for Acquisition.

(B) The acquisition executives of the military departments.

(C) Prime contractors under major defense acquisition programs.

(D) Subcontractors and suppliers under major defense acquisition programs.

(E) Contractors under contracts other than contracts under major defense acquisition programs.

(F) Subcontractors and suppliers under contracts other than contracts under major defense acquisition programs.

(G) Small businesses.

(H) Contractors and subcontractors primarily involved in the sale of commercial products to the Department of Defense.

(I) Contractors and subcontractors primarily involved in the sale of spare or repair parts to the Department of Defense.

(J) Institutions of higher education.

(3) Not later than June 1, 1992, the committee shall submit to the Secretary a report containing the following matters:

(A) Proposals for the regulations to be prescribed by the Secretary pursuant to subsection (a).

(B) Proposed legislation that the committee considers necessary to achieve the purposes of section 2320 of title 10, United States Code.

(C) Any other recommendations that the committee considers appropriate.

(4) If the Secretary omits from the regulations prescribed pursuant to subsection (a) any regulation proposed by the advisory committee, any regulation proposed by a minority of the committee in any minority report accompanying the committee's report, or any part of such a proposed regulation, the Secretary shall set forth his reasons for each such omission in the report submitted to Congress pursuant to subsection (a)(3)(A).

(c) RESTRICTION.—(1) Before the date described in paragraph (2), the Secretary may not revise or supersede the interim regulations implementing section 2320 of title 10, United States Code, prescribed before the date of the enactment of this Act, except to the extent required by law or necessitated by urgent and unforeseen circumstances affecting the national defense.

(2) The date referred to in paragraph (1) is the date 30 days following the date on which the report required by subsection (a)(3) is transmitted to the Committees on Armed Services of the Senate and House of Representatives.

(d) DEFINITION.—In this section, the term "major defense acquisition program" has the meaning given such term by section 2430 of title 10, United States Code.

SEC. 808. CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT.

(a) REQUIREMENT.—The Secretary of Defense shall prescribe regulations to ensure that—

(1) a Department of Defense employee or member of the armed forces with an appropriate security clearance who is engaged in oversight of an acquisition program of the Department of Defense (including a program involving highly sensitive information) maintains control of the employee's or member's work product; and

(2) procedures for protecting unauthorized disclosure of classified information by contractors do not require such an employee or member to relinquish control of his or her work product to any such contractor.

(b) REGULATIONS.—The Secretary of Defense shall prescribe the regulations required by subsection (a) not later than 120 days after the date of the enactment of this Act.

(c) SUNSET.—This section shall cease to be effective on September 30, 1992.

SEC. 809. STATUS OF THE DIRECTOR OF DEFENSE PROCUREMENT.

For the purposes of the amendment made by section 807 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1593) to section 25(b)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(b)(2)), the Director of Defense Procurement of the Department of Defense shall be considered to be an official at an organizational level of an Assistant Secretary of Defense within the Office of the Under Secretary of Defense for Acquisition.

PART B—ACQUISITION ASSISTANCE PROGRAMS

SEC. 811. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) AVAILABILITY OF AUTHORIZED APPROPRIATIONS.—Of the amounts authorized to be appropriated pursuant to section 301 for Defense Agencies for fiscal years 1992 and 1993 for operation and maintenance, $9,000,000 shall be available for each such fiscal year for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts provided for in subsection (a), $600,000 shall be available for each of fiscal years 1992 and 1993 for the purpose of carrying out programs sponsored by eligible entities referred to in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow for effective use of the funds made available in accordance with this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

SEC. 812. DEFENSE RESEARCH BY HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

(a) FUNDING.—Of the amounts authorized to be appropriated for fiscal years 1992 and 1993 pursuant to title II of this Act, $15,000,000 shall be available for each such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 1207(c)(3) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note).

(b) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall publish for public comment procedures and regulations for providing assistance referred to in paragraph (1). The Secretary shall promulgate final regulations for providing such assistance not later than 270 days after the date of the enactment of this Act.

SEC. 813. REAUTHORIZATION OF BOND WAIVER TEST PROGRAM.

(a) AUTHORITY.—(1) In the award of construction contracts by the Department of Defense to participants in the Minority Small Business and Capital Ownership Development Program of the Small Business Administration, the Secretary of Defense may exercise the authority to grant surety bond exemptions to such participants provided by section 7(j)(13)(D) of the Small Business Act (15 U.S.C. 636(j)(13)(D)). In any case in which the Secretary exercises such authority, the Secretary may award a construction contract directly to a participant in such program, without approval by or consultation with the Small Business Administration.

(2) In exercising the authority provided by paragraph (1), the Secretary of Defense shall make every reasonable effort to award not fewer than 30 contracts for construction projects (including repair and alteration of existing facilities) during each fiscal year.

(b) DELEGATION OF AUTHORITY.—The Secretary of Defense shall delegate to one or more Secretaries of a military department the authority provided by subsection (a)(1).

(c) NO RIGHT OF ACTION AGAINST THE UNITED STATES.—A dispute between a contractor granted a surety bond exemption pursuant to section 7(j)(13)(D) of the Small Business Act and a subcontractor at any tier or a supplier of such contractor relating to the amount or entitlement of a payment due such subcontractor or supplier does not constitute a dispute to which the United States is a party. The United States may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

(d) REGULATIONS.—The Secretary of Defense shall prescribe final regulations and procedures for exercising the authority provided in this section not later than 270 days after the date of the enactment of this Act.

(e) PROGRAM DURATION.—The authority provided by this section shall apply to contracts awarded before October 1, 1994.

(f) CONFORMING REPEAL.—Section 833 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1509; 15 U.S.C. 636 note) is hereby repealed.

SEC. 814. PILOT MENTOR-PROTEGE PROGRAM.

(a) FUNDING.—Of the amounts authorized to be appropriated for fiscal years 1992 and 1993 pursuant to title I of this Act, $30,000,000 shall be available for each such fiscal year for the pilot Mentor-Protege Program established pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1607).

(b) PILOT MENTOR-PROTEGE PROGRAM IMPROVEMENTS.—(1) Section 831(g) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 140 Stat. 1609) is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2)(A) The Secretary of Defense shall provide to a mentor firm reimbursement for the costs of the assistance furnished to a protege firm pursuant to paragraphs (1) and (7) of subsection (f). The Secretary shall ensure that the reimbursement is provided for—

"(i) as a line item in a Department of Defense contract under which the mentor firm is furnishing products or services to the Department, subject to a maximum amount of reimbursement specified in such contract;

"(ii) as a reimbursement of indirect costs incurred under the program which have been assigned to indirect cost pools, to the extent that such assigned costs are otherwise reasonable, allocable, and allowable;

"(iii) in a separate contract, cooperative agreement, or other agreement entered into between the Secretary and the mentor firm for the purpose of providing reimbursement of costs incurred under the program, subject to a maximum amount of reimbursement specified in such contract or agreement; or

"(iv) through a combination of the methods of reimbursement described in clauses (i), (ii), and (iii), but only if the mentor firm has an accounting system and controls adequate to assure proper identification and assignment of program costs to appropriate direct and indirect cost accounts.

"(B) The Secretary and a mentor firm may provide for the allocation of such costs to any Department of Defense contract awarded to the mentor firm.".

(2) Section 831(g) of such Act is further amended in paragraph (3)(A)—

(A) by striking out "paragraph (2) may" and inserting "either subparagraph (A) or (C) of paragraph (2) or are reimbursed pursuant to subparagraph (B) of such paragraph shall";

(B) by inserting after "a Department of Defense contract" the following: ", under a contract with another executive agency,"; and

(C) by striking out "Executive" and inserting in lieu thereof "executive".

(3) Section 831 of such Act is amended by adding at the end the following new subsection:

"(n) AVAILABILITY OF FUNDING.—Funds authorized and appropriated to carry out the program shall remain available until September 30, 1999.".

(4) Section 831(k) of such Act is amended by adding at the end the following: "The Secretary shall ensure that the Department of Defense policy regarding the pilot Mentor-Protege Program, dated July 30, 1991 (and any successor policy), is published and maintained in the Code of Federal Regulations.".

(c) CONFORMING AMENDMENT.—Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended by adding at the end the following new paragraph:

"(12) For purposes of determining the attainment of a subcontract utilization goal under any subcontracting plan entered into with any executive agency pursuant to this subsection, a mentor firm providing development assistance to a protege firm under the pilot Mentor-Protege Program established pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note) shall be granted credit for such assist-

ance in accordance with subsection (g) of such section.".

PART C—DEFENSE INDUSTRIAL AND TECHNOLOGY BASE INITIATIVES

SEC. 821. DEVELOPMENT OF CRITICAL TECHNOLOGIES.

(a) ENACTMENT OF NEW TITLE 10 CHAPTER FOR CRITICAL TECHNOLOGY PROVISIONS.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 149 the following new chapter 150:

"CHAPTER 150—DEVELOPMENT OF DUAL-USE CRITICAL TECHNOLOGIES

"Sec.
"2521. Definitions.
"2522. Annual defense critical technologies plan.
"2523. Defense dual-use critical technology partnerships.
"2524. Critical technology application centers assistance program.
"2525. Office for Foreign Defense Critical Technology Monitoring and Assessment.
"2526. Overseas foreign critical technology monitoring and assessment financial assistance program.

"§2521. Definitions

"In this chapter:

"(1) The terms 'Federal laboratory' and 'laboratory' have the meaning given the term 'laboratory' in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

"(2) The term 'critical technology' means a technology that is—

"(A) a national critical technology; or

"(B) a defense critical technology.

"(3) The term 'national critical technology' means a technology that—

"(A) appears on the list of national critical technologies contained in a biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)); and

"(B) has not been expressly deleted from such list by such a report subsequently submitted to Congress by the President.

"(4) The term 'defense critical technology' means a technology that—

"(A) appears on the list of critical technologies contained in an annual defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of this title; and

"(B) has not been expressly deleted from such list by such a plan subsequently submitted to Congress by the Secretary.

"(5) The term 'dual-use critical technology' means a critical technology that has military applications and nonmilitary commercial applications.

"(6) The term 'eligible firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(B) is a company or other business entity the majority ownership or control of which is by United States citizens or is a company or other business of a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.

Such term includes a consortium of such companies or other business entities, as determined by the Secretary of Commerce.

"(7) The term 'Pacific Rim country' means a foreign country located on or near the periphery of the Pacific Ocean.

"§2523. Defense dual-use critical technology partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Defense, acting through the Director of Defense Research and Engineering, shall conduct a program providing for the establishment of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between the Department of Defense and entities referred to in subsection (b) in order to encourage and provide for research, development, and application of dual-use critical technologies. The Secretary may make grants, enter into contracts, or enter into cooperative agreements and other transactions pursuant to section 2371 of this title in order to establish the partnerships.

"(b) NON-DEPARTMENT OF DEFENSE PARTICIPANTS.—In the case of each partnership, the entities with which the Secretary enters into the partnership shall include two or more eligible firms or a nonprofit research corporation established by two or more eligible firms and, may also include, as determined appropriate by the Secretary of Defense, a Federal laboratory or laboratories, institutions of higher education, agencies of State governments, and other entities that participate in the partnership by supporting the activities conducted by such firms or corporations under this section.

"(c) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—The Secretary of Defense shall ensure that, to the maximum extent he determines to be practicable, the amount of the funds provided by the Federal Government under a partnership does not exceed the total amount provided by non-Federal Government participants in that partnership.

"(d) ASSISTANCE AUTHORIZED.—The Secretary of Defense may provide a partnership with technical and other assistance to facilitate the achievement of the purposes of this section.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships, except that procedures other than competitive procedures may be used in any case in which an exception set out in section 2304(c) of this title applies.

"(f) SELECTION CRITERIA.—The criteria for the selection of proposed partnerships for establishment under this section shall include the following:

"(1) The extent to which the program proposed to be conducted by the partnership advances and enhances the national security interests of the United States.

"(2) The technical excellence of the program proposed to be conducted by the partnership.

"(3) The qualifications of the personnel proposed to participate in the partnership's research activities.

"(4) A likelihood that there will not be timely private sector investment in activities to achieve the goals and objectives of the proposed partnership other than through the partnership.

"(5) The potential effectiveness of the partnership in the further development and application of technology proposed to be developed by the partnership for the defense industrial base.

"(6) The extent of the financial commitment of eligible firms to the proposed partnership.

"(7) Such other criteria that the Secretary prescribes.

"§2524. Critical technology application centers assistance program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation and coordination with the Secretary of Commerce, shall conduct a program to provide assistance for the activities of eligible regional critical technology application centers in the United States.

"(b) ELIGIBLE CENTERS.—A regional critical technology application center is eligible for assistance under the program if—

"(1) the purpose of the center is to facilitate the use of one or more defense critical technologies for defense and commercial purposes by an industry in the region served by that center in order to maintain within the United States industrial capabilities that are vital to the national security of the United States; and

"(2) the center meets the other requirements of this section.

"(c) PROGRAM PARTICIPANTS.—(1) The participants in a critical technology application center—

"(A) shall include—

"(i) eligible firms that conduct business in the region of the United States served or to be served by the center; and

"(ii) a sponsoring agency in such region; and

"(B) may include other organizations considered appropriate by the Secretary of Defense.

"(2)(A) A sponsoring agency of a center may be any agency described in subparagraph (B) that, as determined by the Secretary, provides adequate assurances that it will—

"(i) meet the financial requirement in subsection (e); and

"(ii) provide assistance in the management of the center.

"(B) An agency referred to in subparagraph (A) is any of the following:

"(i) An agency of a State or local government.

"(ii) A nonprofit organization established, or performing functions, pursuant to an agreement entered into by two or more States or local governments.

"(iii) A membership organization in which a State or local government is a member.

"(d) ASSISTANCE AUTHORIZED.—(1) Under the program, the Secretary may provide—

"(A) financial assistance for the activities of a critical technology application center (including, in the case of a proposed center, the establishment of such center) in any amount not in excess of 30 percent of the cost of conducting such activities (including the cost of establishing a proposed center) during the period covered by the financial assistance; and

"(B) technical assistance for the activities (and, in the case of a proposed center, the establishment) of a center awarded financial assistance authorized by subparagraph (A).

"(2) The Secretary may not provide financial assistance under the program for construction of facilities.

"(3) The Secretary may furnish assistance to a critical technology application center under the program for not more than 6 years.

"(e) FINANCIAL CONTRIBUTIONS OF CENTER PARTICIPANTS.—(1) The sponsoring agency of a critical technology application center and the eligible firms participating in the center shall pay at least 70 percent of the total cost incurred each year for the activities of the center. Funds contributed for the activities of the center by institutions of higher education or private, nonprofit organizations participating in the center shall be considered as funds contributed by the sponsoring agency.

"(2) If the right to use or license the results of any research and development activity of a center is limited by participants in the center to one or more, but less than one half, of the eligible firms participating in the center, the non-Federal Government participants in the center shall pay the total cost incurred for such activity.

"(f) MANAGEMENT PLAN.—A critical technology application center shall operate under a management plan that includes provisions for the eligible firms participating in the center to

have the primary responsibility for directing the activities of the center and to exercise that responsibility through, among any other means, majority voting membership of such firms on the board of directors of the center.

"(g) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (d) and (e) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(h) SELECTION CRITERIA.—The criteria for selection of a center to receive financial assistance under this section shall include the following:

"(1) The potential for the activities of the center to result in—

"(A) increased availability of technology for the enhancement of national security; and

"(B) the emergence in such region of new firms that are capable of applying dual-use critical technologies.

"(2) The potential for the center to be able to apply critical technology research and development supported or conducted by Federal laboratories and institutions of higher education in the advancement of national security interests of the United States.

"(3) The potential for the center to sustain itself through support from industry and other non-Federal Government sources after termination of the Federal assistance provided pursuant to this section.

"(4) The level of involvement of appropriate State and local agencies, institutions of higher education, and private, nonprofit entities in the center.

"(5) Such other criteria as the Secretary prescribes.

"§2525. Office for Foreign Defense Critical Technology Monitoring and Assessment

"(a) IN GENERAL.—The Secretary of Defense shall establish within the Office of the Director of Defense Research and Engineering an office known as the 'Office for Foreign Defense Technology Monitoring and Assessment' (hereinafter in this section referred to as the 'Office').

"(b) RELATIONSHIP TO DEPARTMENT OF COMMERCE.—The head of the Office shall consult closely with appropriate officials of the Department of Commerce in order—

"(1) to minimize the duplication of any effort of the Department of Commerce by the Department of Defense regarding the monitoring of foreign activities related to defense critical technologies that have potential commercial uses; and

"(2) to ensure that the Office is effectively utilized to disseminate information to users of such information within the Federal Government.

"(c) RESPONSIBILITIES.—The Office shall have the following responsibilities:

"(1) To maintain within the Department of Defense a central library for the compilation and appropriate dissemination of unclassified and classified information and assessments regarding significant foreign activities in research, development, and applications of defense critical technologies.

"(2) To establish and maintain—

"(A) a widely accessible unclassified data base of information and assessments regarding foreign science and technology activities that involve defense critical technologies, including, especially, activities in Europe and in Pacific Rim countries; and

"(B) a classified data base of information and assessments regarding such activities.

"(3) To perform liaison activities among the military departments, Defense Agencies, and other appropriate elements of the Department of Defense, with appropriate agencies and offices of the Department of Commerce and the Department of State, and with other departments and agencies of the Federal Government in order to ensure that significant activities in research, development, and applications of defense critical technologies are identified, monitored, and assessed by an appropriate department or agency of the Federal Government.

"(4) To ensure the maximum practicable public availability of information and assessments contained in the unclassified data bases established pursuant to paragraph (2)—

"(A) by limiting, to the maximum practicable extent, restrictive classification of such information and assessments; and

"(B) by disseminating to the National Technical Information Service of the Department of Commerce information and assessments regarding defense critical technologies having potential commercial uses.

"(5) To disseminate through the National Technical Information Service of the Department of Commerce unclassified information and assessments regarding defense critical technologies having potential commercial uses so that such information and assessments may be further disseminated within the Federal Government and to the private sector.

"§2526. Overseas foreign critical technology monitoring and assessment financial assistance program

"(a) ESTABLISHMENT AND PURPOSE OF PROGRAM.—The Secretary of Defense may establish a foreign critical technology monitoring and assessment program. Under the program, the Secretary may enter into cooperative arrangements with one or more eligible not-for-profit organizations in order to provide financial assistance for the establishment of foreign critical technology monitoring and assessment offices in Europe, Pacific Rim countries, and such other countries as the Secretary considers appropriate.

"(b) ELIGIBLE ORGANIZATIONS.—Any not-for-profit industrial or professional organization that has economic and scientific interests in research, development, and applications of dual-use critical technologies is eligible to enter into a cooperative arrangement referred to in subsection (a).".

(b) TRANSFER OF SECTION.—(1) Section 2508 of title 10, United States Code, is redesignated as section 2522 and, as so redesignated, is transferred to chapter 150 of such title (as added by subsection (a)), and inserted after section 2521.

(2) The table of sections at the beginning of chapter 148 of such title is amended by striking out the item relating to section 2508.

(c) REPEAL.—(1) Section 2368 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2368.

(d) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 201, there shall be available for the following purposes the amounts specified for such purposes, as follows:

(1) For each of fiscal years 1992 and 1993, for the Defense Advanced Research Projects Agency to carry out section 2523 of title 10, United States Code (as added by subsection (a)), relating to dual-use critical technology partnerships, $100,000,000.

(2) For fiscal year 1992, for the critical technology application centers program established pursuant to section 2524 of title 10, United States Code (as added by subsection (a)), $50,000,000.

(e) TECHNICAL AMENDMENTS NECESSITATED BY ENACTMENT OF THE NEW CHAPTER 150.—Part IV of subtitle A of title 10, United States Code, is amended—

(1) by striking out the heading of chapter 151 and inserting in lieu thereof the following:

"SUBCHAPTER II—ISSUE OF SERVICEABLE MATERIAL OTHER THAN TO THE ARMED FORCES";

(2) by striking out the heading of chapter 150 in effect on the day before the date of the enactment of this Act (relating to issue to Armed Forces) and the table of sections at the beginning of such chapter and inserting in lieu thereof the following:

"CHAPTER 152—ISSUE OF SUPPLIES, SERVICES, AND FACILITIES

"SUBCHAPTER Sec.
"I. Issue to the Armed Forces 2540
"II. Issue of Serviceable Material Other Than to the Armed Forces 2541

"SUBCHAPTER I—ISSUE TO THE ARMED FORCES

"Sec.
"2540. Reserve components: supplies, services, and facilities.";

and

(3) by redesignating the section 2521 in effect on the day before the date of the enactment of this Act (relating to supplies, services, and facilities for reserve components) as section 2540.

(f) CLERICAL AMENDMENT.—The tables of chapters at the beginning of subtitle A of title 10, United States Code, and at the beginning of part IV of such subtitle are each amended by striking out the items relating to chapters 150 and 151 and inserting in lieu thereof the following:

"150. Development of Dual-Use Critical Technologies 2521
"152. Issue of Supplies, Services, and Facilities .... 2540".

SEC. 822. CRITICAL TECHNOLOGY STRATEGIES.

(a) REQUIREMENT FOR CRITICAL TECHNOLOGY STRATEGIES.—(1) The President shall develop and revise as needed a multiyear strategy for federally supported research and development for each critical technology designated by the President. In designating critical technologies for the purpose of this section, the President shall begin with the national critical technologies listed in a biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)). A critical technology strategy may cover more than one critical technology.

(2) The President shall assign responsibilities and develop procedures for conducting executive branch activities to carry out this section.

(3) During the development of a critical technology strategy, the President shall provide for the following:

(A) The development of goals and objectives for the appropriate Federal role in the development of the critical technology or technologies that the President expects to be covered by the strategy.

(B) Close consultation with appropriate representatives of United States industries, members of industry associations, representatives of labor organizations in the United States, members of professional and technical societies in the United States and other persons who are qualified to provide advice and assistance in the development of such critical technology or technologies.

(C) The development of an organizational structure within the Federal Government that is appropriate for coordinating, managing, and reviewing the Federal Government's role in the implementation of the strategy, including allocating roles among federal departments and agency.

(D) The development of policies and procedures for synergistic government, industrial,

and university participation in the implementation of the strategy.

(E) The development of federal budget estimates for research and development regarding the critical technology or technologies covered by the strategy for the first 5 fiscal years covered by that strategy.

(b) Report.—Not later than February 15 of each year, beginning in 1993, the President shall submit to Congress an annual report describing the implementation of subsection (a). The annual report shall include the following:

(1) For each critical technology designated by the President for the purpose of subsection (a), a description of the progress made in implementing subsection (a) during the fiscal year preceding the fiscal year in which the report is submitted.

(2) A description of each proposed program, if any, for further implementing subsection (a) with respect to a critical technology through the date for the submission of the next annual report.

(3) A copy of each strategy, if any, completed or revised pursuant to subsection (a) during the fiscal year covered by the report.

(c) Revisions in Critical Technologies Institute.—(1) Section 822 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1598) is amended to read as follows:

"SEC. 822. CRITICAL TECHNOLOGIES INSTITUTE

"(a) Establishment.—There shall be established a federally funded research and development center to be known as the 'Critical Technologies Institute' (hereinafter in this section referred to as the 'Institute').

"(b) Incorporation.—As determined by the chairman of the committee referred to in subsection (c), the Institute shall be—

"(1) administered as a separate entity by an organization currently managing another federally funded research and development center; or

"(2) incorporated as a nonprofit membership corporation.

"(c) Operating Committee.—(1) The Institute shall have an Operating Committee composed of 11 members as follows:

"(A) The Director of the Office of Science and Technology Policy.

"(B) The Secretary of Defense, or the Secretary's designee.

"(C) The Secretary of Energy, or the Secretary's designee.

"(D) The Secretary of Health and Human Services, or the Secretary's designee.

"(E) The Secretary of Commerce, or the Secretary's designee.

"(F) The Administrator of the National Aeronautics and Space Administration, or the Administrator's designee.

"(G) The Director of the National Science Foundation, or the Director's designee.

"(H) Four other members appointed by the President from among officials of the Executive branch (other than those referred to in subparagraphs (A) through (G)).

"(2) The President shall designate a chairman of the committee from among the members of the committee who are senior officials of the Executive Office of the President.

"(3)(A) The term of service of members of the committee appointed under paragraph (1)(H) shall be 4 years, except that of the four members first appointed, one shall be appointed for a term of 1 year, one shall be appointed for a term of 2 years, one shall be appointed for a term of 3 years, and one shall be appointed for a term of 4 years. The terms of appointment of members appointed under this subparagraph shall be designated by the President at the time of the appointments.

"(B) A vacancy in a membership of the committee referred to in subparagraph (A) shall be filled in the same manner as the original appointment. A member appointed under this subparagraph shall serve the remainder of the unexpired term of the predecessor of the member.

"(C) Members of the committee referred to in subparagraph (A) may be reappointed.

"(4) The committee shall meet not less than four times a year.

"(d) Duties.—The duties of the Institute shall include the following:

"(1) The assembly of timely and authoritative information regarding significant developments and trends in technology research and development in the United States and abroad, with particular emphasis on information relating to the technologies identified in the most recent biennial report submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)).

"(2) Analysis and interpretation of the information referred to in paragraph (1) to determine whether such developments and trends are likely to affect United States technology policies.

"(3) Initiation of studies and analyses (including systems analyses and technology assessments) of alternatives available for ensuring long-term leadership by the United States in the development and application of the technologies referred to in paragraph (1), including appropriate roles for the Federal Government, State governments, private industry, and institutions of higher education in the development and application of such technologies.

"(4) Provision, upon the request of the Director of the Office of Science and Technology Policy, of technical support and assistance—

"(A) to the committees and panels of the President's Council of Advisers on Science and Technology that provide advice to the Executive branch on technology policy; and

"(B) to the committees and panels of the Federal Coordinating Council for Science, Engineering, and Technology that are responsible for planning and coordinating activities of the Federal Government to advance the development of critical technologies and sustain and strengthen the technology base of the United States.

"(e) Consultation on Institute Activities.—In carrying out the duties referred to in subsection (d), personnel of the Institute shall—

"(1) consult widely with representatives from private industry, institutions of higher education, and non-profit institutions; and

"(2) to the maximum extent practicable, incorporate information and perspectives derived from such consultations in carrying out such duties.

"(f) Annual Reports.—The committee shall submit to the President an annual report on the activities of the committee under this section. Each report shall be in accordance with requirements prescribed by the President.

"(g) Sponsorship.—(1) The Director of the National Science Foundation shall be the sponsor of the Institute.

"(2) The Director of the National Science Foundation, in consultation with the chairman of the committee, shall enter into a sponsoring agreement with respect to the Institute. The sponsoring agreement shall require that the Institute carry out such functions as the chairman of the committee may specify consistent with the duties referred to in subsection (d). The sponsoring agreement shall be consistent with the general requirements prescribed for such a sponsoring agreement by the Administrator for Federal Procurement Policy.".

(2) The amendment made by paragraph (1) shall take effect as of November 5, 1990.

(3) The sponsoring agreement required by subsection (g) of section 822 of Public Law 101–510, as amended by paragraph (1), shall be entered into not later than February 15, 1992.

(d) Funding.—(1) To the extent provided in appropriations Acts, the Secretary of Defense shall make available to the Director of the National Science Foundation, out of funds appropriated for fiscal year 1991, $5,000,000 for funding the activities of the Institute.

(2) There is authorized to be appropriated for each fiscal year after fiscal year 1991 for the Institute such sums as may be necessary for the operation of the Institute.

(3) Funds appropriated to any department or agency for the Critical Technologies Institute established under section 822 of the National Defense Authorization Act for Fiscal Year 1991, as amended by subsection (c), for fiscal year 1992 by any Act enacted before the date of the enactment of this Act shall be transferred to the National Science Foundation only for the purposes of carrying out activities of the Institute.

SEC. 823. ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.

(a) Authority To Establish Partnerships.—(1) Chapter 149 of title 10, United States Code, is amended by adding at the end the following new section:

"§2518. Defense Advanced Manufacturing Technology Partnerships

"(a) Establishment of Partnerships.—The Secretary of Defense may enter into cooperative arrangements (hereinafter in this section referred to as 'partnerships') with entities referred to in subsection (b) in order to encourage and provide for research and development of advanced manufacturing technologies with the potential for having a broad range of applications.

"(b) Non-Department of Defense Participants.—In the case of each partnership, the entities with which the Secretary enters into the partnership shall include two or more eligible firms or a nonprofit research corporation established by two or more eligible firms and may also include, as determined appropriate by the Secretary of Defense, a Federal laboratory or laboratories, institutions of higher education, agencies of State governments, and other entities that participate in the partnership by supporting the activities conducted by such firms or corporations under this section. A partnership may include other organizations considered appropriate by the Secretary of Defense.

"(c) Administration of Program.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (e) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(d) Selection Criteria.—The criteria for the selection of proposed partnerships for establishment under this section shall include the following criteria:

"(1) The criteria specified in section 2523(f) of this title.

"(2) The extent to which the partnerships provide for the development of advanced manufacturing technologies usable for significantly reducing the potential health, safety, and environmental hazards associated with existing manufacturing processes.

"(e) Definitions.—In this section, the terms 'eligible firm' and 'Federal laboratory' have the meanings given such terms in section 2521 of this title.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2518. Defense Advanced Manufacturing Technology Partnerships.".

(b) Establishment of Initial Partnerships.—The Secretary of Defense shall establish not less than two advanced manufacturing technology partnerships pursuant to section 2518 of title 10, United States Code, as added by sub-

section (a), not later than one year after the date of enactment of this Act.

(c) FUNDING.—(1) Of the amounts authorized to be appropriated pursuant to section 203(a)(4)(B), $25,000,000 shall be available for each of fiscal years 1992 and 1993 to carry out section 2518 of title 10, United States Code, as added by subsection (a).

(2) Of the amounts authorized to be appropriated pursuant to section 201, $5,000,000 shall be available for each of fiscal years 1992 and 1993 for activities relating to advanced manufacturing technology that are carried out by United States industry, institutions of higher education in the United States, or Federal laboratories under the authority of bilateral or multilateral technology agreements entered into by the United States and other nations. The amount of such funds allocated for each such activity may not exceed one-third of the total estimated cost of carrying out that activity for the period for which the funds are to be provided.

SEC. 824. MANUFACTURING EXTENSION PROGRAMS.

(a) REVISION OF AUTHORITY.—Section 2517 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The Secretary of Defense,";

(2) in the first sentence, by striking out "and other existing organizations" and all that follows through "manufactured parts";

(3) in the second sentence—

(A) by inserting "and section 26" after "section 25"; and

(B) by inserting "and 278l" after "278k"; and

(4) by adding at the end the following new subsection:

"(b)(1) The Secretary of Defense, in consultation with the Secretary of Commerce, shall establish a program—

"(A) to support existing manufacturing extension programs of regions, States, local governments, and private, nonprofit organizations;

"(B) to promote the development of a broad range of such programs that will benefit both the national security and the economic prosperity of the United States; and

"(C) to increase the involvement of appropriate segments of the private sector in activities that improve the manufacturing quality, productivity, and performance of United States-based small manufacturing firms.

"(2) In awarding financial assistance under the program, the Secretary, on the basis of merit pursuant to a competitive selection process, shall select manufacturing extension programs that demonstrate evidence of the following:

"(A) Comprehensive and high quality services, including staff with significant experience in industrial manufacturing.

"(B) Significant involvement by, and support from, private industry.

"(C) The potential for assisting a significant number of United States-based small manufacturing firms with a limited expenditure of Federal funds.

"(3)(A) The amount of financial assistance furnished to a manufacturing extension program under this subsection may not exceed the total amount provided by non-Federal Government participants in the program for the period for which the assistance is to be provided. Financial assistance shall be provided to a recipient program for a period of five years unless such financial assistance is earlier terminated for good cause. Recipients of such financial assistance shall be required to report to the Secretary annually beginning one year after the date that such financial assistance is initiated. Such report shall include a description of the progress of the recipient program in meeting the objectives set out in paragraph (1).

"(B) The Secretary of Defense shall require a major evaluation of each manufacturing extension program receiving financial assistance under this subsection. The evaluation shall be conducted during the third year that such program receives such financial assistance. If, on the basis of such evaluation, the Secretary finds that the financial assistance to the extension program should be terminated for good cause, the Secretary shall provide sufficient financial assistance to terminate that program. The amount of that assistance may not exceed the amount that would otherwise have been provided for continuing the financial assistance to the recipient program through the end of the fourth year.

"(C) Subparagraphs (A) and (B) do not prohibit a recipient program from reapplying for financial assistance under this subsection upon the expiration or termination of the furnishing of financial assistance under this subsection. The application for additional financial assistance shall be subject to the requirements and procedures set out in this subsection in the same manner and to the same extent as initial applications for financial assistance under this subsection.

"(4) The Secretary of Defense and the Secretary of Commerce shall enter into an agreement for carrying out the program established pursuant to this subsection. The agreement shall include procedures to ensure that the program is fully coordinated with related manufacturing programs of the Department of Commerce.".

(b) DEFINITIONS.—Section 2511 of title 10, United States Code, is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraphs:

"(2) The term 'manufacturing extension program' means a public or private, nonprofit program for the improvement of the quality, productivity, and performance of United States-based small manufacturing firms in the United States.

"(3) The term 'United States-based small manufacturing firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) engages in manufacturing;

"(B) has less than 500 employees;

"(C) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(D) is a company or other business entity the majority ownership or control of which is by United States citizens or is a company or other business entity of a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.".

(c) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 201, $50,000,000 shall be available to carry out section 2517(b) of title 10, United States Code (as added by subsection (a)(4)).

SEC. 825. DEFENSE MANUFACTURING EDUCATION.

(a) ESTABLISHMENT OF PROGRAMS.—(1) Chapter 111 of title 10, United States Code, is amended by striking out section 2196 and inserting in lieu thereof the following:

"§2196. Manufacturing engineering education: grant program

"(a) ESTABLISHMENT OF GRANT PROGRAM.—(1) The Secretary of Defense shall establish a program under which the Secretary makes grants to support—

"(A) the enhancement of existing programs in manufacturing engineering education; or

"(B) the establishment of new programs in manufacturing engineering education that meet such requirements.

"(2) Grants under this section may be made to institutions of higher education or to consortia of such institutions.

"(3) The Secretary shall establish the program in consultation with the Secretary of Education, the Director of the National Science Foundation, and the Director of the Office of Science and Technology Policy.

"(b) NEW PROGRAMS IN MANUFACTURING ENGINEERING EDUCATION.—A program in manufacturing engineering education to be established at an institution of higher education may be considered to be a new program for the purpose of subsection (a)(1)(B) regardless of whether the program is to be conducted—

"(1) within an existing department in a school of engineering of the institution;

"(2) within a manufacturing engineering department to be established separately from the existing departments within such school of engineering; or

"(3) within a manufacturing engineering school or center to be established separately from an existing school of engineering of such institution.

"(c) MINIMUM NUMBER OF GRANTS FOR NEW PROGRAMS.—Of the total number of grants awarded pursuant to this section, at least one-third shall be awarded for the purpose stated in subsection (a)(1)(B).

"(d) GEOGRAPHICAL DISTRIBUTION OF GRANTS.—In awarding grants under this subsection, the Secretary shall, to the maximum extent practicable, avoid geographical concentration of grant awards.

"(e) COORDINATION OF GRANT PROGRAM WITH THE NATIONAL SCIENCE FOUNDATION.—The Secretary of Defense and the Director of the National Science Foundation shall enter into an agreement for carrying out the grant program established pursuant to this section. The agreement shall include procedures to ensure that the grant program is fully coordinated with similar existing programs of the National Science Foundation.

"(f) COVERED PROGRAMS.—(1) A program of engineering education supported with a grant awarded pursuant to this section shall meet the requirements of this section.

"(2) Such a grant may be made for a program of education to be conducted at the undergraduate level, at the graduate level, or at both the undergraduate and graduate levels.

"(g) COMPONENTS OF PROGRAM.—The program of education for which such a grant is made shall be a consolidated and integrated multidisciplinary program of education having each of the following components:

"(1) Multidisciplinary instruction that encompasses the total manufacturing engineering enterprise and that may include—

"(A) manufacturing engineering education and training through classroom activities, laboratory activities, thesis projects, individual or team projects, and visits to industrial facilities, consortia, or centers of excellence in the United States and foreign countries;

"(B) faculty development programs;

"(C) recruitment of educators highly qualified in manufacturing engineering;

"(D) presentation of seminars, workshops, and training for the development of specific research or education skills; and

"(E) activities involving interaction between the institution of higher education conducting the program and industry, including programs for visiting scholars or industry executives.

"(2) Opportunities for students to obtain work experience in manufacturing through such ac-

tivities as internships, summer job placements, or cooperative work-study programs.

"(3) Faculty and student research that is directly related to, and supportive of, the education of undergraduate or graduate students in advanced manufacturing science and technology because of—

"(A) the increased understanding of advanced manufacturing science and technology that is derived from such research; and

"(B) the enhanced quality and effectiveness of the instruction that result from that increased understanding.

"(h) Grant Proposals.—The Secretary of Defense, in coordination with the Director of the National Science Foundation, shall solicit from institutions of higher education in the United States (and from consortia of such institutions) proposals for grants to be made pursuant to this section for the support of programs of manufacturing engineering education that are consistent with the purposes of this section.

"(i) Merit Competition.—Applications for grants shall be evaluated on the basis of merit pursuant to competitive procedures prescribed by the Secretary in consultation with the Director of the National Science Foundation.

"(j) Selection Criteria.—The Secretary may select a proposal for the award of a grant pursuant to this section if the proposal, at a minimum, does each of the following:

"(1) Contains innovative approaches for improving engineering education in manufacturing technology.

"(2) Demonstrates a strong commitment by the proponents to apply the resources necessary to achieve the objectives for which the grant is to be made.

"(3) Provides for the conduct of research that supports the instruction to be provided in the proposed program and is likely to improve manufacturing engineering and technology.

"(4) Demonstrates a significant level of involvement of United States industry in the proposed instructional and research activities.

"(5) Is likely to attract superior students.

"(6) Proposes to involve fully qualified faculty personnel who are experienced in research and education in areas associated with manufacturing engineering and technology.

"(7) Proposes a program that, within three years after the grant is made, is likely to attract from sources other than the Federal Government the financial and other support necessary to sustain such program.

"(8) Proposes to achieve a significant level of participation by women, members of minority groups, and individuals with disabilities through active recruitment of students from among such persons.

"(k) Federal Support.—The amount of financial assistance furnished to an institution under this section may not exceed 50 percent of the estimated cost of carrying out the activities proposed to be supported in part with such financial assistance for the period for which the assistance is to be provided.

"§2197. Manufacturing managers in the classroom

"(a) Establishment of Program.—The Secretary of Defense, in consultation with the Secretary of Education and the Secretary of Commerce, shall conduct a program to support the following activities of one or more manufacturing managers and experts at institutions of higher education:

"(1) Identifying the education and training requirements of United States manufacturing firms located in the same geographic region as an institution participating in the program.

"(2) Assisting in the development of teaching curricula for classroom and in-factory education and training classes at such an institution.

"(3) Teaching such classes and overseeing the teaching of such classes by others.

"(4) Improving the knowledge and expertise of permanent faculty and staff of such an institution.

"(5) Marketing the programs and facilities of such an institution to firms referred to in paragraph (1).

"(6) Coordinating the activities described in the other provisions of this subsection with other programs conducted by the Federal Government, any State, any local government, or any private, nonprofit organization to modernize United States manufacturing firms, especially the regional centers for the transfer of manufacturing technology and programs receiving financial assistance under section 2196 of this title.

"(b) Merit Competition—Applications for assistance under this section shall be evaluated on the basis of merit pursuant to competitive procedures prescribed by the Secretary.

"(c) Selection Criteria.—The Secretary shall select institutions for the award of financial assistance under this section from among institutions submitting applications for such assistance that—

"(1) demonstrate that the proposed activities are of an appropriate scale and a sufficient quality to ensure long term improvement in the applicant's capability to serve the education and training needs of United States manufacturing firms in the same region as the applicant;

"(2) demonstrate a significant level of industry involvement and support;

"(3) demonstrate attention to the needs of any United States industries that supply manufactured products to the Department of Defense or to a contractor of the Department of Defense; and

"(4) meet such other criteria as the Secretary may prescribe.

"(d) Federal Support.—The amount of financial assistance furnished to an institution under this section may not exceed 50 percent of the estimated cost of carrying out the activities proposed to be supported in part with such financial assistance for the period for which the assistance is to be provided. In no event may the amount of the financial assistance provided to an institution exceed $250,000 per year. The period for which financial assistance is provided an institution under this section shall be at least two years unless such assistance is earlier terminated for cause determined by the Secretary.

"§2199. Definitions

"In this chapter:

"(1) The term 'defense laboratory' means a laboratory operated by the Department of Defense or owned by the Department of Defense and operated by a contractor or a facility of a Defense Agency at which research and development activities are conducted.

"(2) The term 'institution of higher education' has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

"(3) The term 'regional center for the transfer of manufacturing technology' means a regional center for the transfer of manufacturing technology referred to in section 25(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278k).".

(2) The table of sections at the beginning of such chapter is amended by striking out the item relating to 2196 and inserting in lieu thereof the following:

"2196. Manufacturing engineering education: grant program.
"2197. Manufacturing managers in the classroom.
"2199. Definitions.".

(b) Initial Implementation; Priority in Funding.—Within one year after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Director of the National Science Foundation, shall award grants under section 2196 of title 10, United States Code (as added by subsection (a)), to institutions of higher education throughout the United States.

(c) Funding.—Of the amounts authorized to be appropriated pursuant to section 201, there shall be available—

(1) for the manufacturing engineering education grant program established pursuant to section 2196 of title 10, United States Code (as added by subsection (a)), $25,000,000 for each of fiscal years 1992; and

(2) for the manufacturing managers in the classroom Program established pursuant to section 2197 of such title (as added by subsection (a)), $5,000,000 for fiscal year 1992.

SEC. 826. COOPERATIVE AGREEMENTS AND OTHER TRANSACTIONS RELATING TO ADVANCED RESEARCH PROJECTS.

(a) Extension of Authority to Military Departments.—Subsection (a) of 2371 of title 10, United States Code, is amended by inserting "and the Secretary of each military department, in carrying out advanced research projects," after "Defense Advanced Research Projects Agency,".

(b) Conforming Amendments.—(1) Subsection (b) of such section is amended—

(A) in paragraph (1), by striking out "by the Secretary"; and

(B) in paragraph (2), by striking out "to the account" in the first sentence and inserting in lieu thereof "to the appropriate account".

(2) Subsection (d) of such section is amended by striking out "The Secretary" after "(d)" and inserting in lieu thereof "The Secretary of Defense".

(3) Subsection (e) of such section is amended—

(A) by striking out "an account" and inserting in lieu thereof "separate accounts for each of the military departments and the Defense Advanced Research Projects Agency"; and

(B) by striking out "such account" and inserting in lieu thereof "those accounts".

(4) Subsection (f)(5) of such section is amended by striking out "the account" and inserting in lieu thereof "each account".

(c) Authority Made Permanent.—Subsection (g) of such section is repealed.

SEC. 827. FLEXIBLE COMPUTER-INTEGRATED MANUFACTURING PROGRAM.

(a) Program Required.—The Secretary of Defense shall conduct a program for the development of advanced flexible capabilities for computer-integrated manufacturing and for the use of those capabilities throughout the Department of Defense and in commercial entities that are part of the defense industrial base of the United States.

(b) Joint Services Center.—(1) For the purposes of the program under subsection (a), the Secretary of Defense shall establish a center, to be operated with the participation of the Army, Navy, Air Force, and Marine Corps, for the purposes set forth in paragraph (2).

(2) The center established under paragraph (1) shall—

(A) evaluate the potential for using flexible computer-integrated manufacturing (FCIM) technology (such as the technology from the Rapid Acquisition of Manufactured Parts (RAMP) program of the Navy) for previously unidentified applications at Department of Defense depot-level maintenance facilities;

(B) provide the means for the rapid transfer of such technology (including technology from the RAMP program, if appropriate) within the Department of Defense; and

(C) provide any Department of Defense depot-level maintenance facility with technical guidance and support for initial training in the use

of that technology and in the initial operation of that technology.

(c) NAVY RAMP PROGRAM.—The Secretary of the Navy shall continue the program of the Navy designated as the Rapid Acquisition of Manufactured Parts (RAMP) program that is carried out to develop technologies and applications for the rapid acquisition of manufactured parts. For the purposes of that program, the Secretary shall determine the number of naval aviation and ship maintenance facilities and depots at which RAMP capabilities can be established economically.

(d) FUNDING.—(1) Of the amounts authorized to be appropriated pursuant to section 201 for fiscal years 1992 and 1993, $21,500,000 shall be available for each such fiscal year for the program conducted pursuant to subsection (a).

(2) Of the amount available under paragraph (1) for each such fiscal year—

(A) $4,000,000 shall be available to carry out subsection (b);

(B) $7,500,000 shall be available to carry out subsection (c); and

(C) $4,000,000 shall be available for a grant to the Institute for Advanced Flexible Manufacturing Systems.

(e) PREVENTION OF DUPLICATION.—The Secretary of the Army and the Secretary of the Air Force may not carry out any activity to develop a capability for flexible computer-integrated manufacturing (1) that would substantially duplicate the existing capabilities of the Navy for flexible computer-integrated manufacturing, or (2) that can be achieved using the design of the Navy in existence as of the date of the enactment of this Act for a system for the rapid acquisition of manufactured parts (RAMP).

SEC. 828. UNITED STATES-JAPAN MANAGEMENT TRAINING PROGRAMS.

(a) ESTABLISHMENT.—Chapter 111 of title 10, United States Code, as amended by section 825, is further amended by inserting after section 2197 the following new section:

"§2198. Management training program in Japanese language and culture

"(a) The Secretary of Defense, in coordination with the National Science Foundation, shall establish a program for the making of grants on a competitive basis to United States institutions of higher education and other United States not-for-profit organizations for the conduct of programs for scientists, engineers, and managers to learn Japanese language and culture.

"(b) The Secretary of Defense shall prescribe in regulations the criteria for awarding a grant under the program for activities of an institution or organization referred to in subsection (a), including the following:

"(1) Whether scientists, engineers, and managers of defense laboratories and Department of Energy laboratories are permitted a level of participation in such activities that is beneficial to the development and application of defense critical technologies by such laboratories.

"(2) Whether such activities include the placement of United States scientists, engineers, and managers in Japanese government and industry laboratories—

"(A) to improve the knowledge of such scientists, engineers, and managers in (i) Japanese language and culture, and (ii) the research and development and management practices of such laboratories; and

"(B) to provide opportunities for the encouragement of technology transfer from Japan to the United States.

"(3) Whether an appropriate share of the costs of such activities will be paid out of funds derived from non-Federal Government sources.

"(c) In this section, the term 'defense critical technology' means a technology identified in an annual defense critical technologies plan submitted to the Congress under section 2522 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2197 (as added by section 825) the following new item:

"2198. Management training program in Japanese language and culture.".

SEC. 829. DEPARTMENT OF DEFENSE SUPPORT FOR SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION.

(a) SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION SUPPORT MASTER PLAN.—(1) At the same time that the President submits to Congress the budget for each of fiscal years 1993 through 1997 pursuant to section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress a master plan for activities by the Department of Defense during the next fiscal year to support education in science, mathematics, and engineering at all levels of education in the United States. Each such plan shall be developed in consultation with the Secretary of Education.

(2) The activities provided for in the plan submitted under paragraph (1) for any fiscal year shall contribute to the achievement of the national education goals stated in the Report of the Committee on Education and Human Resources of the Federal Coordinating Council for Science, Engineering, and Technology that was submitted to Congress with the submission of the budget for fiscal year 1992.

(3) Each such plan shall provide the basis for the Secretaries of the military departments and the heads of the Defense Agencies of the Department of Defense—

(A) to define the programs of the military departments and Defense Agencies to support the achievement of the goals referred to in paragraph (2); and

(B) to allocate resources for such programs.

(b) CONTENT OF PLAN.—The plan under subsection (a) for a fiscal year shall include the following:

(1) A description of each action for the improvement of scientific, mathematics, and engineering education identified by the Secretary of Defense under sections 2191 through 2195 of title 10, United States Code, for such fiscal year and the funds that are provided in the budget for such fiscal year for such action.

(2) The long-range goals and priorities of the Department of Defense for improving the Department's support for science, mathematics, and engineering education programs, including—

(A) education programs within, or directly supported by, the Department of Defense;

(B) education programs in other departments and agencies of the Federal Government;

(C) education programs at elementary, secondary, and postsecondary educational institutions; and

(D) other programs within or supported by the Department of Defense that are potentially capable of assisting local education agencies to integrate advanced technology into their classrooms that will improve student learning with science, mathematics, and engineering.

(c) ROLE OF DIRECTOR, DEFENSE RESEARCH AND ENGINEERING.—Subject to the authority, direction, and control of the Secretary of Defense, the Director of Defense Research and Engineering shall perform the duties of the Secretary under this section.

(d) IMPLEMENTATION REPORT.—Not later than March 15, 1992, the Secretary of Defense shall submit to Congress a report on steps taken by the Department of Defense to encourage science, mathematics, and engineering teachers returning to the United States from teaching assignments in the Department of Defense Overseas Dependents School System to continue to teach in those subject areas in local education agencies and in military impact aid schools throughout the United States.

PART D—OTHER DEFENSE INDUSTRIAL BASE MATTERS

SEC. 831. REQUIREMENT FOR SUBMITTAL OF PLANS RELATING TO THE IMPROVEMENT OF THE DEFENSE INDUSTRIAL BASE.

(a) EVALUATION OF USE OF FOREIGN COMPONENTS BY DEFENSE INDUSTRIAL BASE.—(1) The Secretary of Defense shall submit to the congressional defense committees a plan for the collection and assessment of information on the extent to which the defense industrial base of the United States—

(A) procures subsystems of weapon systems, components of weapon systems, and components of subsystems of weapon systems from foreign sources; and

(B) is dependent upon those foreign sources for the procurement of such subsystems and components.

(2) The report shall be prepared in coordination with the Secretary of Commerce and the United States Trade Representative.

(3) The report shall be submitted not later than March 15, 1992.

(b) IDENTIFICATION OF BARRIERS TO INTEGRATION OF COMMERCIAL AND DEFENSE INDUSTRIAL BASE.—(1) The Secretary of Defense shall submit to the congressional defense committees a plan for the removal of barriers to the effective integration of the commercial and defense sectors of the industrial base of the United States.

(2) The plan shall include—

(A) the Secretary's recommendations for any legislation necessary to remove those barriers;

(B) a discussion of the actions to be taken by the Secretary to remove those barriers; and

(C) a summary of the information relied on in the development of the plan.

(3) The Secretary shall designate an official within the Office of the Secretary of Defense to develop the plan. In developing the plan, that official shall, in consultation with appropriate representatives of other departments and agencies of the Federal Government, State and local governments, and the private sector, identify and evaluate—

(A) the areas of industrial production in which a greater integration of commercial and defense activities would be beneficial for national defense purposes;

(B) any Federal, State, and local statutes, regulations, and policies that are barriers to the integration of those activities; and

(C) the actions necessary to remove the barriers to the integration of those activities.

(4) The report shall be submitted not later than September 30, 1992.

SEC. 832. REQUIREMENTS RELATING TO EUROPEAN MILITARY PROCUREMENT PRACTICES.

(a) EUROPEAN PROCUREMENT PRACTICES.—The Secretary of Defense shall—

(1) compute the total value of American-made military goods and services procured each year by European governments or companies;

(2) review defense procurement practices of European governments to determine what factors are considered in the selection of contractors and to determine whether American firms are discriminated against in the selection of contractors for purchases by such governments of military goods and services; and

(3) establish a procedure for discussion with European governments about defense contract awards made by them that American firms believe were awarded unfairly.

(b) DEFENSE TRADE AND COOPERATION WORKING GROUP.—The Secretary of Defense shall establish a defense trade and cooperation working group. The purpose of the group is to evaluate the impact of, and formulate United States posi-

tions on, European initiatives that affect United States defense trade, cooperation, and technology security. In carrying out the responsibilities of the working group, members of the group shall consult, as appropriate, with personnel in the Departments of State and Commerce and in the Office of the United States Trade Representative.

(c) GAO Review.—The Comptroller General shall conduct a review to determine how the members of the North Atlantic Treaty Organization are implementing their bilateral reciprocal defense procurement memoranda of understanding with the United States. The Comptroller General shall complete the review, and submit to Congress a report on the results of the review, not later than February 1, 1992.

SEC. 833. BUY AMERICAN ACT WAIVER RESCISSIONS.

(a) Determination by the Secretary of Defense.—(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) Report to Congress.—The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal years 1992 and 1993. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) Buy American Act Defined.—For purposes of this section, the term "Buy American Act" means title III of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes", approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 834. EXTENSION AND CLARIFICATION OF COVERAGE OF PROCUREMENT LIMITATION ON VALVES AND MACHINE TOOLS.

(a) Extension Through Fiscal Year 1996.—Section 2507(d) of title 10, United States Code, is amended in paragraph (1) by striking out "During fiscal years 1989, 1990, and 1991," and inserting in lieu thereof "Effective through fiscal year 1996,".

(b) Applicability.—Such section is further amended—

(1) by striking out paragraph (4);

(2) by redesignating paragraph (3) as paragraph (5); and

(3) by inserting the following new paragraphs after paragraph (2):

"(3) Contracts covered by paragraph (1) include the following:

"(A) Contracts for the procurement of items described in paragraph (2) for use in any property under the control of the Department of Defense, including government-owned, contractor-operated facilities.

"(B) Contracts entered into by contractors on behalf of the Department of Defense for the procurement of items described in paragraph (2) for the purposes of providing the items to other contractors as Government-furnished equipment.

"(4) In any case in which a contract subject to the requirement of paragraph (1) includes the procurement of more than one Federal Supply Class of machine tools or machine tools and accessories described in paragraph (2), each supply class shall be evaluated separately for purposes of determining whether the limitation in this subsection applies.".

SEC. 835. REVISION OF RESTRICTION ON PROCUREMENT OF CARBONYL IRON POWDERS.

Section 2507(e) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "The Secretary" and inserting in lieu thereof "Until January 1, 1993, the Secretary";

(2) by striking out paragraph (3);

(3) in paragraph (4)(A), by striking out "by an entity" and all that follows and inserting in lieu thereof a period; and

(4) by redesignating paragraph (4) as paragraph (3).

SEC. 836. TECHNICAL CORRECTION RELATING TO PARTNERSHIP INTERMEDIARIES.

Section 21(a) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3715) is amended by inserting after "federally funded research and development center", the following: "that is not a laboratory (as defined in section 12(d)(2))".

Part E—Miscellaneous Acquisition Policy Matters

SEC. 841. REQUIREMENT FOR PURCHASE OF GASOHOL IN FEDERAL FUEL PROCUREMENTS WHEN PRICE IS COMPARABLE.

(a) Requirement.—Section 2398 of title 10, United States Code, is amended—

(1) by inserting "(a) DOD Motor Vehicles.—" before "To the maximum extent"; and

(2) by adding at the end the following subsections:

"(b) Other Federal Fuel Procurements.—Consistent with the vehicle management practices prescribed by the heads of affected departments and agencies of the Federal Government and consistent with Executive Order Number 12261, whenever the Secretary of Defense enters into a contract for the procurement of unleaded gasoline that is subject to tax under section 4081 of the Internal Revenue Code of 1986 for motor vehicles of a department or agency of the Federal Government other than the Department of Defense, the Secretary shall buy alcohol-gasoline blends containing at least 10 percent domestically produced alcohol in any case in which the price of such fuel is the same as, or lower than, the price of unleaded gasoline.

"(c) Solicitations.—Whenever the Secretary issues a solicitation for bids to procure unleaded gasoline under subsection (b), the Secretary shall expressly include in such solicitation a request for bids on alcohol-gasoline blends containing at least 10 percent domestically produced alcohol.".

(b) Effective Date.—Section 2398(b) of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts awarded pursuant to solicitations issued after the expiration of the 180-day period beginning on the date of the enactment of this Act.

(c) Report on Exemptions.—The Secretary of Defense shall review all exemptions granted for the Department of Defense, and the Administrator of the General Services Administration shall review all exemptions granted for Federal agencies and departments, to the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act (Public Law 96–294; 42 U.S.C. 8871) and shall terminate any exemption that the Secretary or the Administrator determines is no longer appropriate. Not later than 90 days after the date of the enactment of this Act, the Secretary and the Administrator shall submit jointly to Congress a report on the results of the review, with a justification for the exemptions that remain in effect under those provisions of law.

(d) Sense of Congress.—It is the sense of Congress that whenever any motor vehicle capable of operating on gasoline or alcohol-gasoline blends that is owned or operated by the Department of Defense or any other department or agency of the Federal Government is refueled, it shall be refueled with an alcohol-gasoline blend containing at least 10 percent domestically produced alcohol if available along the normal travel route of the vehicle at the same or lower price than unleaded gasoline.

SEC. 842. PROMPT PAYMENT FOR PURCHASE OF FISH.

Section 3903(a)(2) of title 31, United States Code, is amended—

(1) by striking out "provide" and inserting in lieu thereof "or of fresh or frozen fish (as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), provide"; and

(2) by striking out "meat or meat food product" and inserting in lieu thereof "meat, meat food product, or fish".

SEC. 843. WHISTLEBLOWER PROTECTIONS FOR MEMBERS OF THE ARMED FORCES.

(a) Regulations Required.—The Secretary of Defense shall prescribe regulations prohibiting members of the Armed Forces from taking or threatening to take any unfavorable personnel action, or withholding or threatening to withhold a favorable personnel action, as a reprisal against any member of the Armed Forces for making or preparing a lawful communication to any employee of the Department of Defense or any member of the Armed Forces who is assigned to or belongs to an organization which has as its primary responsibility audit, inspection, investigation, or enforcement of any law or regulation.

(b) Violations by Persons Subject to the UCMJ.—The Secretary shall provide in the regulations that a violation of the prohibition by a person subject to chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is punishable as a violation of section 892 of such title (article 92 of the Uniform Code of Military Justice).

(c) Deadline.—The regulations required by this section shall be prescribed not later than 180 days after the date of the enactment of this Act.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Part A—General Matters

SEC. 901. POSITION OF DEPUTY UNDER SECRETARY OF DEFENSE FOR POLICY.

(a) Establishment.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 134 the following new section:

"§ 134a. Deputy Under Secretary of Defense for Policy

"(a) There is a Deputy Under Secretary of Defense for Policy, appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Deputy Under Secretary of Defense for Policy shall assist the Under Secretary of Defense for Policy in the performance of his duties. The Deputy Under Secretary of Defense for Policy shall act for, and exercise the powers of, the Under Secretary when the Under Secretary is absent or disabled.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 134 the following:

"134a. Deputy Under Secretary of Defense for Policy.".

(b) EXECUTIVE SCHEDULE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Deputy Under Secretary of Defense for Policy.".

SEC. 902. CINC INITIATIVE FUND.

(a) IN GENERAL.—Chapter 6 of title 10, United States Code, is amended by inserting after section 166 the following new section:

"§166a. Combatant commands: funding through the Chairman of Joint Chiefs of Staff

"(a) CINC INITIATIVE FUND.—From funds made available in any fiscal year for the budget account in the Department of Defense known as the 'CINC Initiative Fund', the Chairman of the Joint Chiefs of Staff may provide funds, upon request, to the commanders of the combatant commands. The Chairman may provide such funds for any of the activities named in subsection (b).

"(b) AUTHORIZED ACTIVITIES.—Activities for which funds may be provided under subsection (a) are the following:

"(1) Force training.

"(2) Contingencies.

"(3) Selected operations.

"(4) Command and control.

"(5) Joint exercises (including activities of participating foreign countries).

"(6) Humanitarian and civil assistance.

"(7) Military education and training to military and related civilian personnel of foreign countries.

"(8) Personnel expenses of defense personnel for bilateral or regional cooperation programs.

"(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds in the CINC Initiative Fund, should give priority consideration to requests for funds to be used for activities that would enhance the war fighting capability, readiness, and sustainability of the forces assigned to the commander requesting the funds.

"(d) RELATIONSHIP TO OTHER FUNDING.—Any amount provided by the Chairman of the Joint Chiefs of Staff during any fiscal year out of the CINC Initiative Fund for an activity referred to in subsection (b) shall be in addition to amounts otherwise available for that activity for that fiscal year.

"(e) LIMITATIONS.—(1) Of funds made available under this section for any fiscal year—

"(A) not more than $7,000,000 may be used to purchase items with a unit cost in excess of $15,000;

"(B) not more than $1,000,000 may be used to pay for any expenses of foreign countries participating in joint exercises as authorized by subsection (b)(5); and

"(C) not more than $500,000 may be used to provide military education and training to military and related civilian personnel of foreign countries as authorized by subsection (b)(7).

"(2) Funds may not be provided under this section for any activity that has been denied authorization by Congress.

"(f) INCLUSION OF NORAD.—For purposes of this section, the Commander, United States Element, North American Aerospace Defense Command shall be considered to be a commander of a combatant command.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 166 the following new item:

"166a. Combatant commands: funding through the Chairman of Joint Chiefs of Staff.".

SEC. 903. ESTABLISHMENT OF GENERAL COUNSELS OF THE MILITARY DEPARTMENTS AT LEVEL IV OF THE EXECUTIVE SCHEDULE.

(a) STATUTORY PAY GRADE.—Chapter 53 of title 5, United States Code, is amended—

(1) by adding at the end of section 5315 the following:

"General Counsel of the Department of the Army.

"General Counsel of the Department of the Navy.

"General Counsel of the Department of the Air Force."; and

(2) in section 5316—

(A) by striking out the following:

"General Counsel of the Department of the Air Force.

"General Counsel of the Department of the Army."; and

(B) by striking out the following:

"General Counsel of the Department of the Navy.".

(b) CONFORMING AMENDMENT.—Section 703(b) of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 1001–456; 102 Stat. 1996; 5 U.S.C. 5316 note), is repealed.

SEC. 904. REPEAL OF REQUIRED REDUCTION IN DEFENSE ACQUISITION WORKFORCE.

Section 905 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1621) is repealed.

PART B—PROFESSIONAL MILITARY EDUCATION

SEC. 911. AUTHORITY TO HIRE CIVILIAN FACULTY MEMBERS FOR THE INSTITUTE FOR NATIONAL STRATEGIC STUDY.

Section 1595(d) of title 10, United States Code, is amended by inserting "the Institute for National Strategic Study," after "Armed Forces Staff College,".

SEC. 912. DEFINITION OF THE PRINCIPAL COURSE OF INSTRUCTION AT THE ARMED FORCES STAFF COLLEGE.

(a) PRINCIPAL COURSE OF INSTRUCTION DEFINED.—Section 663(e) of title 10, United States Code, is amended—

(1) by inserting "(1)" before "The"; and

(2) by adding at the end the following new paragraph:

"(2) In this subsection, the term 'principal course of instruction' means any course of instruction offered at the Armed Forces Staff College as Phase II joint professional military education.".

(b) APPLICATION OF AMENDMENT.—The amendment made by subsection (a)(2) shall not apply with respect to the Armed Forces Staff College until October 1, 1993.

PART C—INTELLIGENCE MATTERS

SEC. 921. DEFENSE INTELLIGENCE AGENCY.

(a) SUPERVISION.—Subject to the authority, direction, and control of the Secretary of Defense, the Assistant Secretary of Defense referred to in section 136(b)(3) of title 10, United States Code, may during the period beginning on the date of the enactment of this Act and ending on January 1, 1993, be assigned supervision of the Defense Intelligence Agency but, notwithstanding any other provision of law, may not be assigned day-to-day operational control over the Defense Intelligence Agency.

(b) RESPONSIBILITIES OF DIRECTOR.—Subject to the authority, direction, and control of the Secretary of Defense, the responsibilities of the Director of the Defense Intelligence Agency during the period beginning on the date of the enactment of this Act and ending on January 1, 1993, shall include the following:

(1) Providing intelligence and intelligence support to—

(A) the Secretary of Defense;

(B) the Director of Central Intelligence;

(C) the Chairman of the Joint Chiefs of Staff; and

(D) the commanders of the unified and specified combatant commands.

(2) Managing the General Defense Intelligence Program, including—

(A) preparing, reviewing, and submitting to the Secretary of Defense and the Director of Central Intelligence the budget proposal for that program for any fiscal year; and

(B) supervising the overall execution of the budgets and programs of all functional areas within the General Defense Intelligence Program, with emphasis on science and technology activities, human intelligence activities, and imagery activities.

(3) Ensuring that the roles and authorities of the functional managers within the Defense Intelligence Agency are strong enough to ensure that those managers have a significant role in the preparation, review, approval, and supervision of the overall execution of the budgets and programs within their areas of responsibility.

The provision of substantive intelligence by the Director to the officers named in paragraph (1) shall not be subject to prior screening by any other official.

(c) TRANSFER OF CERTAIN ACTIVITIES TO DIA.—The Secretary of the Army and the Director of the Defense Intelligence Agency shall take all required actions, including transfer of all necessary resources, in order to transfer the Armed Forces Medical Intelligence Center and the Missile and Space Intelligence Center from the Department of the Army to the control of the Defense Intelligence Agency. Transfers pursuant to the preceding sentence shall be completed not later than January 1, 1992.

SEC. 922. CONSULTATION REQUIRED CONCERNING APPOINTMENT OF DIRECTORS OF DIA AND NSA.

(a) IN GENERAL.—Subchapter II of chapter 8 of title 10, United States Code, is amended—

(1) by redesignating section 201 as section 202; and

(2) by inserting after the table of sections at the beginning of such subchapter the following new section 201:

"§201. Consultation regarding appointment of certain intelligence officials

"Before submitting a recommendation to the President regarding the appointment of an individual to the position of Director of the Defense Intelligence Agency or Director of the National Security Agency, the Secretary of Defense shall consult with the Director of Central Intelligence regarding the recommendation.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by striking out the item relating to section 201 and inserting in lieu thereof the following:

"201. Consultation regarding appointment of certain intelligence officials.
"202. Unauthorized use of Defense Intelligence Agency name, initials, or seal.".

SEC. 923. JOINT INTELLIGENCE CENTER.

(a) REQUIREMENT FOR CENTER.—The Secretary of Defense shall direct the consolidation of existing single-service current intelligence centers that are located within the District of Columbia or its vicinity into a joint intelligence center that is responsible for preparing current intelligence assessments (including indications and warning). The joint intelligence center shall be located within the District of Columbia or its vicinity. As appropriate for the support of military operations, the joint intelligence center shall provide for and manage the collection and analysis of intelligence.

(b) MANAGEMENT.—The center shall be managed by the Defense Intelligence Agency in its capacity as the intelligence staff activity of the Chairman of the Joint Chiefs of Staff.

(c) RESPONSIVENESS TO COMMAND AUTHORITIES.—The Secretary shall ensure that the center is fully responsive to the intelligence needs of the Secretary, the Chairman of the Joint

Chiefs of Staff, and the commanders of the combatant commands.

SEC. 924. DEPARTMENT OF DEFENSE USE OF NATIONAL INTELLIGENCE COLLECTION SYSTEMS.

(a) Procedures for Use.—The Secretary of Defense, after consultation with the Director of Central Intelligence, shall prescribe procedures for regularly and periodically exercising national intelligence collection systems and exploitation organizations that would be used to provide intelligence support, including support of the combatant commands, during a war or threat to national security.

(b) Use in Joint Training Exercises.—In accordance with procedures prescribed under subsection (a), the Chairman of the Joint Chiefs of Staff shall provide for the use of the national intelligence collection systems and exploitation organizations in joint training exercises to the extent necessary to ensure that those systems and organizations are capable of providing intelligence support, including support of the combatant commands, during a war or threat to national security.

(c) Report.—Not later than May 1, 1992, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a joint report—

(1) describing the procedures prescribed under subsection (a); and

(2) stating the assessment of the Chairman of the Joint Chiefs of Staff of the performance in joint training exercises of the national intelligence collection systems and the Chairman's recommendations for any changes that the Chairman considers appropriate to improve that performance.

TITLE X—GENERAL PROVISIONS

Part A—Financial and Budget Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) Authority To Transfer Authorizations.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1992 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,250,000,000.

(b) Limitations.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) Effect on Authorization Amounts.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) Notice to Congress.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1002. DATE FOR TRANSMITTAL OF JOINT OMB/CBO ANNUAL OUTLAY REPORT.

(a) Codification and Change in Date.—(1) Subtitle A of title 10, United States Code, is amended by striking out chapter 9 and inserting in lieu thereof the following:

"CHAPTER 9—DEFENSE BUDGET MATTERS

"Sec.

"221. Scoring of outlays.

"§221. Scoring of outlays

"(a) Annual OMB/CBO Report.—Not later than the day on which the budget for any fiscal year is submitted to Congress pursuant to section 1105 of title 31, the Director of the Office of Management and Budget and the Director of the Congressional Budget Office shall submit to the Speaker of the House of Representatives and the Committees on Armed Services, Appropriations, and the Budget of the Senate a joint report containing an agreed resolution of all differences between—

"(1) the technical assumptions to be used by the Office of Management and Budget in preparing estimates with respect to all accounts in major functional category 050 (National Defense) for that budget; and

"(2) the technical assumptions to be used by the Congressional Budget Office in preparing estimates with respect to those accounts for that budget.

"(b) Use of Averages.—If the two Directors are unable to agree upon any technical assumption, the report shall reflect the average of the relevant outlay rates or assumptions used by the two offices.

"(c) Matters To Be Included.—The report with respect to a budget shall identify the following:

"(1) The agreed first-year and outyear outlay rates for each account in budget function 050 (National Defense) for each fiscal year covered by the budget.

"(2) The agreed amount of outlays estimated to occur from unexpended appropriations made for fiscal years before the fiscal year that begins after submission of the report.".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part I of subtitle A, of title 10, United States Code, are each amended by striking out the item relating to chapter 9 and inserting in lieu thereof the following:

"9. Defense Budget Matters .... 221".

(b) Conforming Amendments.—Section 5 of Public Law 101–189 (10 U.S.C. 114a note; 103 Stat. 1364) is amended—

(1) by striking out subsection (a);

(2) by redesignating subsection (b) as subsection (a) and in that subsection striking out "subsection (i)(1)" and inserting in lieu thereof "section 221 of title 10, United States Code,"; and

(3) by redesignating subsection (c) as subsection (b).

SEC. 1003. FOREIGN NATIONAL EMPLOYEES SEPARATION PAY ACCOUNT.

(a) Establishment of Account.—(1) Chapter 81 of title 10, United States Code, is amended by inserting before section 1583 the following new section:

"§1581. Foreign National Employees Separation Pay Account

"(a) Establishment and Purpose.—There is established on the books of the Treasury an account to be known as the 'Foreign National Employees Separation Pay Account, Defense'. The account shall be used for the accumulation of funds to finance obligations of the United States for separation pay for foreign national employees of the Department of Defense.

"(b) Deposits Into Account.—(1) The Secretary of the Treasury shall deposit into the account all amounts that were obligated by the Secretary of Defense before the date of the enactment of this section and that remain unexpended for separation pay for foreign national employees of the Department of Defense.

"(2) The Secretary of Defense shall deposit into the account from applicable appropriations all amounts obligated on or after the date of the enactment of this section for separation pay for foreign national employees of the Department of Defense.

"(c) Payments From Account.—Amounts in the account shall remain available for expenditure in accordance with the purpose for which obligated until expended.

"(d) Deobligated Funds.—Any amount in the account that is deobligated shall be available for a period of two years from the date of deobligation for recording, adjusting, and liquidating amounts properly chargeable to the liability of the United States for which the obligation was made. Any such deobligated amount remaining at the end of such two-year period shall be canceled.

"(e) Employees Covered.—This section applies only with respect to separation pay of foreign nationals employed by the Department of Defense under any of the following agreements that provide for payment of separation pay:

"(1) A contract.

"(2) A treaty.

"(3) A memorandum of understanding with a foreign nation.".

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 1583 the following new item:

"1581. Foreign National Employees Separation Pay Account.".

(b) Conforming Amendments.—Section 1592 of title 10, United States Code, is amended—

(1) by inserting "(including funds in the Foreign National Employees Separation Pay Account, Defense, established under 1581 of this title)" after "Funds available to the Department of Defense"; and

(2) by striking out "a contract performed in a foreign country" and inserting in lieu thereof "a contract, a treaty, or a memorandum of understanding with a foreign nation that provides for payment of separation pay".

SEC. 1004. REVISION OF REPORTING REQUIREMENT REGARDING THE EFFECT OF CERTAIN PAYMENTS AND ADJUSTMENTS ON THE FEDERAL DEFICIT.

(a) Temporary Requirement for OMB Report.—At the same time that the President submits to Congress the budget for each of fiscal years 1993, 1994, 1995, and 1996 under section 1105 of title 31, United States Code, the Director of the Office of Management and Budget shall submit to Congress a report regarding the effect on the Federal deficit of payments and adjustments made with respect to sections 1552 and 1553 of such title for the fiscal year in which such budget is submitted, the fiscal year preceding that fiscal year, and the fiscal year covered by that budget. The report shall include separate estimates for the accounts of each agency.

(b) Elimination of Permanent Requirement for CBO Report.—Section 1554 of title 31, United States Code, is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

SEC. 1005. INCORPORATION OF CLASSIFIED ANNEX.

(a) Status of Classified Annex.—The Classified Annex prepared by the Committee of Conference to accompany the conference report on the bill H.R. 2100 of the One Hundred Second Congress and transmitted to the President is hereby incorporated into this Act.

(b) Construction With Other Provisions of Act.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) Limitation on Use of Funds.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a

program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) Distribution of Classified Annex.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

Part B—Naval Vessels and Related Matters

SEC. 1011. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1684) is amended—

(1) in subsection (a), by striking out "During fiscal year 1991, naval" and inserting in lieu thereof "Naval";

(2) by adding at the end the following new subsection:

"(e) Expiration of Authority.—The authority provided by this section expires on September 30, 1992.";

and

(3) by striking out "**DURING FISCAL YEAR 1991**" in the section heading.

SEC. 1012. TRANSFER OF OBSOLETE AIRCRAFT CARRIER ORISKANY.

(a) Authority.—Notwithstanding subsections (a) and (c) of section 7308 of title 10, United States Code, but subject to subsection (b) of that section, the Secretary of the Navy may transfer the obsolete aircraft carrier Oriskany (CV 34) to the nonprofit organization City of America for cultural and educational purposes.

(b) Limitation.—The transfer authorized by subsection (a) may be made only if the Secretary of the Navy determines that the vessel is of no further use to the United States for national security purposes.

(c) Restrictions on Transfer.—The transfer authorized by subsection (a) may not be made until—

(1) the United States has received from or on behalf of the City of America an amount not less than the estimated scrap value of the vessel (as determined by the Secretary of the Navy) that would otherwise be received by the United States if the vessel were not transferred pursuant to this section; and

(2) City of America has agreed in writing that all work necessary to restore the Oriskany will be performed in United States shipyards.

(d) Terms and Conditions.—The Secretary of the Navy may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1013. TRANSFER OF OBSOLETE RESEARCH VESSEL GYRE.

(a) Authority To Transfer Vessel.—Notwithstanding subsections (a) and (c) of section 7308 of title 10, United States Code, but subject to subsection (b) of that section, the Secretary of the Navy may transfer the obsolete research vessel Gyre to the Texas Agricultural and Mechanical University for education and research purposes.

(b) Limitation.—The transfer authorized by subsection (a) may be made only if the Secretary determines that the vessel Gyre is of no further use to the United States for national security purposes.

(c) Terms and Conditions.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1014. REPORT ON CRITERIA USED BY NAVY FOR RECOMMENDING APPROVAL OF SUBMARINE EXPORT LICENSE.

Not later than four months after the date of the enactment of this Act, the Secretary of the Navy shall submit to the congressional defense committees a report on the matters that would be taken into account and the criteria that would be used by the Secretary in determining whether to recommend to the Secretary of State that a license for the export of a submarine constructed in the United States be granted to the applicant for the license.

SEC. 1015. FAST SEALIFT PROGRAM.

Section 1424 of Public Law 101–510 (104 Stat. 1683) is amended by adding at the end of subsection (b) the following:

"(4) The vessels constructed under the program shall incorporate propulsion systems, bridge and machinery control systems, and interior communications equipment manufactured in the United States.".

SEC. 1016. OVERHAUL OF THE U.S.S. JOHN F. KENNEDY (CV–67).

(a) Overhaul Required.—The Secretary of the Navy shall, subject to amounts provided in appropriations Acts, carry out a complex overhaul of the U.S.S. John F. Kennedy at the Philadelphia Naval Shipyard. In carrying out the overhaul, the Secretary shall plan the start of the overhaul for September 1993 and shall manage the overhaul project so that the duration of the overhaul is approximately 24 months and the cost of the overhaul is approximately $491,300,000.

(b) Use of Unobligated Fiscal Year 1991 Funds.—From funds appropriated for shipbuilding and conversion for the Navy for fiscal year 1991 for the service life extension of the U.S.S. John F. Kennedy that remain unobligated, the Secretary of the Navy may use such amounts as may be provided in appropriations Acts, not to exceed $105,000,000, for the complex overhaul of the U.S.S. John F. Kennedy at Philadelphia Naval Shipyard.

(c) Use of Authorized Appropriations.—(1) Of the amounts authorized to be appropriated for the Navy for operation and maintenance for each of fiscal years 1992 and 1993, the following amounts shall be made available only for overhaul of the U.S.S. John F. Kennedy pursuant to this section:

(A) For fiscal year 1992, $16,000,000.

(B) For fiscal year 1993, $252,000,000.

(2) Of the amounts authorized to be appropriated for the Navy for other procurement for each of fiscal years 1992 and 1993, the following amounts shall be made available only for overhaul of the U.S.S. John F. Kennedy pursuant to this section:

(A) For fiscal year 1992, $12,300,000.

(B) For fiscal year 1993, $33,600,000.

(3) Of amounts authorized to be appropriated for the Department of Defense, not more than $491,300,000 may be expended on the complex overhaul of the U.S.S. John F. Kennedy at the Philadelphia Naval Shipyard.

(d) Repeal of Related Provision.—Section 203 of Public Law 102–27 (105 Stat. 139) is repealed.

SEC. 1017. INAPPLICABILITY TO INFLATABLE BOATS OF RESTRICTION ON CONSTRUCTION IN FOREIGN SHIPYARDS.

Section 7309 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) An inflatable boat or a rigid inflatable boat, as defined by the Secretary of the Navy, is not a vessel for the purpose of the restriction in subsection (a).".

Part C—Guard and Reserve Matters

SEC. 1021. PROHIBITION RELATING TO DEACTIVATION OF NAVAL RESERVE HELICOPTER MINE COUNTERMEASURES SQUADRONS.

Funds appropriated or otherwise made available for the Department of Defense for fiscal years before fiscal year 1994 may not be used to deactivate Naval helicopter mine countermeasures squadrons HM–18 and HM–19 as units in the Naval Reserve.

SEC. 1022. REPEAL OF REQUIREMENT FOR TRANSFER OF CERTAIN AIRCRAFT TO AIR FORCE RESERVE COMPONENTS.

Section 1436 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1688) is repealed.

SEC. 1023. AUTHORITY TO WAIVE REQUIREMENT TO TRANSFER TACTICAL AIRLIFT MISSION TO RESERVE COMPONENTS.

(a) Waiver Authority.—Section 1438 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1689) is amended—

(1) in subsection (a), by striking out "Not later than September 30, 1992, the Secretary of Defense shall assign the tactical airlift mission of the Department of Defense" and inserting in lieu thereof "The Secretary of the Air Force shall assign the tactical airlift mission of the Air Force"; and

(2) by adding at the end the following new subsection:

"(d) The Secretary of the Air Force may waive subsection (a) for any fiscal year if, not later than May 1 of the year in which that fiscal year begins, the Secretary certifies to the congressional defense committees that—

"(1) the requirements for tactical airlift capability of the commanders of the unified commands during that fiscal year require continued operation of tactical airlift aircraft by active duty Air Force units; and

"(2) the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, for that fiscal year and the multiyear defense program submitted to Congress in connection with that budget pursuant to section 114a of title 10, United States Code, propose sufficient funding to procure tactical airlift aircraft of the type required by the commanders of the unified commands for active Air Force tactical airlift squadrons.".

(b) Inapplicability During Fiscal Year 1992.—Section 1438 of such Act, as amended by subsection (a), shall not apply during fiscal year 1992.

SEC. 1024. AUTHORITY FOR WAIVER OF REQUIREMENT FOR TRANSFER OF A–10 AIRCRAFT TO THE ARMY AND MARINE CORPS.

(a) Amendment.—Section 1439(b)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1689) is amended by striking out ", by not later than September 30, 1996,".

(b) Waiver Authority.—The Secretary of Defense may waive section 1439(b)(2) of the National Defense Authorization Act for Fiscal Year 1991, as amended by subsection (a), for any fiscal year if, not later than May 1 of the year in which that fiscal year begins, the Secretary certifies to the congressional defense committees the following:

(1) That it will be necessary during that fiscal year and for subsequent fiscal years for E–8 surveillance aircraft to be used to carry out mission requirements of the commanders of the unified commands in the respective theaters of operations for which those commanders are responsible.

(2) That the total number of aircraft proposed to be procured under the E-8A Joint Surveillance and Target Attack Radar System (JSTARS) aircraft program is sufficient to meet

the war fighting needs of the commanders of the unified commands.

(3) That the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, for that fiscal year and the multiyear defense program submitted to Congress in connection with that budget pursuant to section 114a of title 10, United States Code, propose sufficient resources for the procurement of JSTARS aircraft in the quantities, and at the rate, necessary to meet the operational needs of the commanders of the unified commands at the earliest practicable date.

(4) That any subsequent reduction in the procurement objective for the JSTARS aircraft program from the levels certified pursuant to paragraph (3) will be established solely on the basis of reduced war fighting requirements identified by the commanders of the unified commands.

(5) That there are no technical limitations with the JSTARS aircraft program that would otherwise necessitate a change in the schedule for fielding the JSTARS aircraft under the program.

(c) CONSULTATION.—Before submitting a certification pursuant to subsection (b), the Secretary of Defense shall consult with the commanders of the unified commands, the Chairman of the Joint Chiefs of Staff, and the Under Secretary of Defense for Acquisition regarding the matters to be certified. The certification shall include a certification by the Secretary that the Secretary has consulted with those officers.

(d) INAPPLICABILITY DURING FISCAL YEAR 1992.—Section 1439 of such Act, as amended by subsection (a), shall not apply during fiscal year 1992.

PART D—MATTERS RELATED TO ALLIES AND OTHER NATIONS

SEC. 1041. SENSE OF CONGRESS REGARDING UNITED STATES TROOPS IN EUROPE.

It is the sense of Congress that—

(1) the United States has a strong interest in continuing and strengthening the North Atlantic Treaty Organization (NATO) to preserve world peace and security and to aid in the transition to a Europe that is whole and free;

(2) the United States should work with its NATO allies to adapt NATO to better respond to the changing world situation, which includes—

(A) the dissolution of the Warsaw Pact as a military and political alliance;

(B) the reduction in the threat of attack on western Europe posed by the Soviet Union;

(C) the reduction in the amount of financial resources that the United States is able to devote to defense spending; and

(D) the improved ability of other member nations of NATO to carry a greater share of the common NATO defense burden;

(3) barring unforeseen developments which result in a substantial increase in the threat to the national security of the United States, the Armed Forces should plan for an end strength level of members of the Armed Forces assigned to permanent duty ashore in European member nations of NATO that should not exceed approximately 100,000 members by the end of fical year 1995; and

(4) a principal function of the members so assigned should be to facilitate the rapid and large-scale reception of reinforcing United States troops in the event of a military necessity.

SEC. 1042. REDUCTION IN AUTHORIZED END STRENGTH FOR THE NUMBER OF MILITARY PERSONNEL IN EUROPE.

(a) REDUCTION.—Section 1002(c)(1) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note), is amended in the first sentence by striking out "261,855" and inserting in lieu thereof "235,700".

(b) WAIVER AUTHORITY.—Such section is amended in the third sentence—

(1) by striking out "261,855" and inserting in lieu thereof "235,700"; and

(2) by striking out "311,855" and inserting in lieu thereof "261,855".

SEC. 1043. STRATEGIC FRAMEWORK AND DISTRIBUTION OF RESPONSIBILITIES FOR THE SECURITY OF ASIA AND THE PACIFIC.

(a) FINDINGS.—Congress makes the following findings:

(1) The alliance between the United States and its allies in East Asia contributes greatly to the security of that region.

(2) It is in the national interest of the United States to maintain a forward military and naval presence in East Asia.

(3) The pace of economic, political, and social advances in many of the East Asian countries, particularly Japan and South Korea, continues to accelerate.

(4) As a result of such advances the capacity of those countries to contribute to the responsibilities for their own defense has increased dramatically.

(5) While the level of defense burdensharing by Japan and South Korea has increased, continued acceleration of the rate of transfer of that burden is desirable.

(6) The United States remains committed to the security of its friends and allies in Asia and the Pacific Rim region.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the United States should regularly review the missions, force structure, and locations of its military forces in Asia and the Pacific, including Hawaii;

(2) the United States should also regularly review its basing structure in the Pacific and Asia, with special attention to developments in the Philippines, Japan, and South Korea, and determine basing, forward deployments, maritime and land base prepositioning, amphibious forces, and strategic lift to meet evolving strategic needs;

(3) the United States should regularly review the threats and potential threats to regional peace, the United States, and its friends and allies;

(4) the United States should continue to assess the feasibility and desirability of the ongoing partial, gradual reduction of military forces in Asia and the Pacific;

(5) in view of the advances referred to in subsection (a)(3), Japan and South Korea should continue to assume increased responsibility for their own security and the security of the region;

(6) Japan and South Korea should continue to offset the direct costs incurred by the United States in deploying military forces for the defense of those countries including costs related to the presence of United States military forces in those countries; and

(7) Japan should continue to contribute to improvements to global stability by contributing to countries in regions of importance to world stability through the Official Development Assistance Program of Japan.

(c) REPORT REQUIRED.—Not later than April 1, 1992, the President shall submit to the congressional defense committees, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives a report on the strategic posture and military force structure of the United States in Asia and the Pacific, including the forces in Hawaii. The President shall include in such report a strategic plan relating to the continued United States presence in that region.

(d) CONTENT OF REPORT.—The report required by subsection (c) shall specifically include the following matters:

(1) An assessment of the trends in the regional military balance involving potential threats to the United States and its allies and friends in Asia and the Pacific, with special attention to—

(A) the implications of recent developments in the Soviet Union and the People's Republic of China for United States and allied security planning in Asia and the Pacific; and

(B) regional conflicts, such as the struggle in Cambodia.

(2) An assessment of the trends in acquiring and deploying nuclear, biological, and chemical weapons and long range missiles and other delivery systems and other destabilizing transfers of arms and technology.

(3) An assessment of the extent to which a requirement continues to exist for a regional security role for the United States in East Asia.

(4) An identification of any changes—

(A) in the missions, force structure, and locations of United States military forces in Asia and the Pacific that could strengthen the capabilities of such forces and lower the costs of maintaining such forces; and

(B) in contingency and reserve armed forces in the United States and other areas.

(5) A review of the United States basing structure in the Pacific and Asia with special attention to developments in the Philippines, Japan, and South Korea, including a review of the implications for basing, forward deployments, maritime, and land base prepositioning, amphibious forces, and strategic lift to meet evolving strategic needs.

(6) A discussion of the strategic implications of the departure of United States forces from Clark Air Force Base and of the remaining facilities in the Philippines.

(7) A discussion of the need for expanding the United States access to facilities in Singapore and other states in East Asia that are friendly to the United States.

(8) A discussion of the recent trends in the contributions to burdensharing and the common defense being made by the friends and allies of the United States in Asia and the ways in which increased defense responsibilities and costs presently borne by the United States can be transferred to the friends and allies of the United States in Asia and the Pacific.

(9) An assessment of the feasibility of relocating United States military personnel and facilities in Japan and South Korea to reduce friction between such personnel and the people of those countries.

(10) A discussion of any changes in bilateral command arrangements that would facilitate a transfer of military missions and command to allies of the United States in East Asia.

(11) A discussion of the changes in—

(A) the flow of arms and military technology between the United States and its friends and allies;

(B) the balance of trade in arms and technology; and

(C) the dependence and interdependence between the United States and its friends and allies in military technology.

SEC. 1044. UNITED STATES TROOPS IN KOREA.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States plans to reduce its troop presence in the Republic of Korea to 36,500 personnel by the end of 1992.

(2) The Department of Defense has not announced specific plans for further personnel reductions below that level.

(3) The National Unification Board of South Korea estimates the gross national product (GNP) of North Korea to have been $21,000,000,000 in 1989, while the Bank of Korea estimates that the size of the Republic of Korea's economy in that year was $210,000,000,000, a factor of 10 larger. At its current growth rate, as estimated by the Economic Planning Board of the Republic of Korea, the annual expansion of

the economy of the Republic of Korea is nearly equivalent in size to the entire North Korean economy.

(4) The Republic of Korea continues to face a substantial military threat from North Korea that requires a vigorous response on both military and diplomatic levels.

(5) The Republic of Korea has decided to increase its level of host nation support, although such support still falls short of the actual cost involved and short of the relative level provided by the Government of Japan.

(6) While recognizing that the Republic of Korea has consistently increased its defense budget in real terms by an average of about 6 percent annually for the past five years, to a current level of 4.2 percent of gross national product, the Republic of Korea devotes a smaller share of its economy to defense than does the United States, at 4.9 percent of gross national product.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the Republic of Korea remains an important ally of the United States, with the two countries sharing important political, economic, and security interests;

(2) commensurate with the security situation on the Korean peninsula and the size and vitality of the economy of the Republic of Korea—

(A) the Department of Defense should consider whether future reductions of United States military forces from the Republic of Korea beyond those now planned to be completed by the end of 1992 can be made in a way that does not undermine the credibility or effectiveness of those forces against an attack by North Korea; and

(B) the Republic of Korea should undertake greater efforts to meet its security requirements, particularly in the area of force modernization; and

(3) the Government of the Republic of Korea should increase the level of host nation support it provides to United States forces in the area so that its relative level more closely approximates that of Japan.

(c) PRESIDENTIAL REPORT.—(1) The President shall transmit to Congress, either separately or as part of another relevant report, a report on the overall security situation on the Korean peninsula, the implications of relevant political and economic developments in the area for the security situation there, and United States policy for the area.

(2) Issues covered in the report shall include—

(A) a qualitative and quantitative assessment of the military balance on the Korean peninsula;

(B) a description of the material requirements of the armed forces of the Republic of Korea;

(C) a description of United States military personnel requirements;

(D) a description of the state of United States-Republic of Korea relations, the state of China-Republic of Korea relations, and the state of Soviet-Republic of Korea relations; and

(E) a description of prospects for change in North Korea.

(3) The report shall be transmitted not later than June 30, 1992, and shall be transmitted in both classified and unclassified form.

SEC. 1045. BURDENSHARING CONTRIBUTIONS BY JAPAN AND THE REPUBLIC OF KOREA.

(a) AUTHORITY TO ACCEPT CONTRIBUTIONS.—During fiscal years 1992 and 1993, the Secretary of Defense may accept cash contributions from Japan and the Republic of Korea for the purposes specified in subsection (c).

(b) CREDIT TO APPROPRIATIONS.—Contributions accepted in a fiscal year under subsection (a) shall be credited to appropriations of the Department of Defense that are available for that fiscal year for the purposes for which the contributions are made. The contributions so credited shall be—

(1) merged with the appropriations to which they are credited; and

(2) available for the same time period as those appropriations.

(c) AVAILABILITY OF CONTRIBUTIONS.—Contributions accepted under subsection (a) shall be available only for the payment of the following costs in the country making the contributions:

(1) Compensation for local national employees of the Department of Defense.

(2) Military construction projects of the Department of Defense.

(3) Supplies and services of the Department of Defense.

(d) AUTHORIZATION OF MILITARY CONSTRUCTION.—Contributions credited under subsection (b) to an appropriation account of the Department of Defense may be used—

(1) by the Secretary of Defense to carry out a military construction project that is consistent with the purposes for which the contributions were made and is not otherwise authorized by law; or

(2) by the Secretary of a military department, with the approval of the Secretary of Defense, to carry out such a project.

(e) NOTICE AND WAIT REQUIREMENTS.—(1) When a decision is made to carry out a military construction project under subsection (d), the Secretary of Defense shall submit a report to the congressional defense committees containing—

(A) an explanation of the need for the project;

(B) the then current estimate of the cost of the project; and

(C) a justification for carrying out the project under that subsection.

(2) The Secretary of Defense or the Secretary of a military department may not commence a military construction project under subsection (d) until the end of the 21-day period beginning on the date on which the Secretary of Defense submits the report under paragraph (1) regarding the project.

(f) REPORTS.—Not later than 30 days after the end of each quarter of fiscal years 1992 and 1993, the Secretary of Defense shall submit to the congressional defense committees a report specifying separately for Japan and the Republic of Korea—

(1) the amount of the contributions accepted by the Secretary during the preceding quarter under subsection (a) and the purposes for which the contributions were made; and

(2) the amount of the contributions expended by the Secretary during the preceding quarter and the purposes for which the contributions were expended.

SEC. 1046. DEFENSE COST-SHARING.

(a) DEFENSE COST-SHARING AGREEMENTS.—(1) The President shall consult with the foreign nations described in paragraph (2) to seek to achieve, within 12 months after the date of the enactment of this Act, an agreement on equitable defense cost-sharing with each such nation.

(2) The foreign nations referred to in paragraph (1) are—

(A) each member nation of the North Atlantic Treaty Organization (other than the United States); and

(B) every other foreign nation with which the United States has a bilateral or multilateral defense agreement that provides for the assignment of combat units of the Armed Forces of the United States to permanent duty in the nation or the placement of combat equipment of the United States in the nation.

(3) Each defense cost-sharing agreement entered into under paragraph (1) should provide that the foreign nation agrees to share equitably with the United States, through cash compensation or in-kind contributions, or a combination thereof, the costs to the United States that arise solely from the implementation of the provisions of the bilateral or multilateral defense agreement with that nation.

(b) EXCEPTION.—The provisions of subsection (a) shall not apply to those foreign nations that receive assistance under section 23 of the Arms Export Control Act (22 U.S.C. 2763) relating to the foreign military financing program or under chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 et seq.) relating to the Economic Support Fund.

(c) CONSULTATIONS.—In conducting the consultations required under subsection (a), the President should make maximum feasible use of the Department of Defense and the post of Ambassador-at-Large created by section 8125(c) of the Department of Defense Appropriations Act, 1989 (10 U.S.C. 113 note).

(d) ALLIES MUTUAL DEFENSE PAYMENTS ACCOUNT.—The Secretary of Defense shall maintain an accounting for defense cost-sharing under each agreement entered into with a foreign nation pursuant to subsection (a). The accounting shall show for each foreign nation the amount and nature of the—

(1) cost-sharing contributions agreed to by the nation;

(2) cost-sharing contributions delivered by the nation;

(3) additional contributions by the nation to any commonly funded multilateral programs providing for United States participation in the common defense;

(4) contributions by the United States to any such commonly funded multilateral programs;

(5) contributions of all other nations to any such commonly funded multilateral programs; and

(6) costs to the United States that arise solely from the implementation of the provisions of the bilateral or multilateral defense agreement with the nation.

(e) REPORTING REQUIREMENTS.—The Secretary of Defense shall include in each Report on Allied Contributions to the Common Defense prepared under section 1003 of Public Law 98-525 (22 U.S.C. 1928 note) information, in classified and unclassified form—

(1) describing the efforts undertaken and the progress made by the President in carrying out subsections (a) and (c) during the period covered by the report;

(2) specifying the accounting of defense cost-sharing contributions maintained under subsection (d) during that period; and

(3) assessing how equitably foreign nations not described in subsection (a) or excepted under subsection (b) are sharing the costs and burdens of implementing defense agreements with the United States and how those defense agreements serve the national security interests of the United States.

SEC. 1047. USE OF CONTRIBUTIONS OF FRIENDLY FOREIGN COUNTRIES AND NATO FOR COOPERATIVE DEFENSE PROJECTS.

(a) IN GENERAL.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§2350i. Foreign contributions for cooperative projects

"(a) CREDITING OF CONTRIBUTIONS.—Whenever the United States participates in a cooperative project with a friendly foreign country or the North Atlantic Treaty Organization (NATO) on a cost-sharing basis, any contribution received by the United States from that foreign country or NATO to meet its share of the costs of the project may be credited to appropriations available to an appropriate military department or another appropriate organization within the Department of Defense, as determined by the Secretary of Defense.

"(b) USE OF AMOUNTS CREDITED.—The amount of a contribution credited pursuant to subsection (a) to an appropriation account in connection with a cooperative project referred to in that subsection shall be available only for payment of the share of the project expenses allocated to the foreign country or NATO making the contribution. Payments for which such amount is available include the following:

"(1) Payments to contractors and other suppliers (including the Department of Defense and other participants acting as suppliers) for necessary articles and services.

"(2) Payments for any damages and costs resulting from the performance or cancellation of any contract or other obligation.

"(3) Payments or reimbursements of other program expenses, including program office overhead and administrative costs.

"(4) Refunds to other participants.

"(c) DEFINITIONS.—In this section:

"(1) The term 'cooperative project' means a jointly managed arrangement, described in a written cooperative agreement entered into by the participants, that—

"(A) is undertaken by the participants in order to improve the conventional defense capabilities of the participants; and

"(B) provides for—

"(i) one or more participants (other than the United States) to share with the United States the cost of research and development, testing, evaluation, or joint production (including follow-on support) of defense articles;

"(ii) the United States and another participant concurrently to produce in the United States and the country of such other participant a defense article jointly developed in a cooperative project described in clause (i); or

"(iii) the United States to procure a defense article or a defense service from another participant in the cooperative project.

"(2) The term 'defense article' has the meaning given such term in section 47(3) of the Arms Export Control Act (22 U.S.C. 2794(3)).

"(3) The term 'defense service' has the meaning given such term in section 47(4) of the Arms Export Control Act (22 U.S.C. 2794(4)).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of such chapter is amended by adding at the end the following new item:

"2350i. Foreign contributions for cooperative projects.".

SEC. 1048. EXPANSION OF AUTHORITY FOR THE NAVY TO PROVIDE ROUTINE PORT AND AIRPORT SERVICES TO FOREIGN COUNTRIES.

(a) REPEAL OF LIMITATION ON ELIGIBLE FOREIGN COUNTRIES.—Subsection (a) of section 7227 of title 10, United States Code, is amended by striking out "friendly" each place it appears.

(b) PROVISION OF AIRPORT SERVICE WITHOUT REIMBURSEMENT.—Subsection (b) of such section is amended—

(1) by striking out "(A)" after "(2)";

(2) by striking out "an allied country" in the first sentence of paragraph (2) and inserting in lieu thereof "a foreign country";

(3) by inserting after the first sentence of paragraph (2) the following new sentence: "When furnishing routine airport services under this section to military aircraft of a foreign country, the Secretary may furnish such services without reimbursement if such services are provided under an agreement that provides for the reciprocal furnishing by such country of routine airport services to military aircraft of the United States without reimbursement.";

(4) by striking out subparagraph (B) of paragraph (2); and

(5) by designating the last sentence of paragraph (2) as paragraph (3) and in that paragraph—

(A) by striking out "port services" and inserting in lieu thereof "port or airport services"; and

(B) by striking out "this paragraph" and inserting in lieu thereof "paragraph (2)".

SEC. 1049. EXTENSION OF AUTHORITY FOR TRANSFER OF EXCESS DEFENSE ARTICLES TO CERTAIN COUNTRIES.

(a) EXTENSION OF AUTHORITY.—Section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) is amended—

(1) in subsection (a), by striking out "during the fiscal years 1987 through 1991,"; and

(2) by adding at the end of the section the following:

"(f) DURATION OF AUTHORITY.—The authority of this section shall be effective during fiscal years 1992 through 1996.".

(b) AVOIDING DUPLICATIVE AMENDMENTS.—If the International Cooperation Act of 1991 is enacted before this Act is enacted and that Act makes the amendments to section 516 of the Foreign Assistance Act of 1961 that are stated in subsection (a), then the amendments stated in subsection (a) shall not take effect. If the International Cooperation Act of 1991 is enacted after this Act is enacted and that Act would make the amendments to section 516 of the Foreign Assistance Act of 1961 that are made by subsection (a), then the amendments that would be made by that Act that are identical to the amendments made by subsection (a) shall not take effect.

SEC. 1050. AUTHORITY OF SECRETARY OF DEFENSE IN CONNECTION WITH COOPERATIVE AGREEMENTS ON AIR DEFENSE IN ITALY.

(a) AUTHORITY TO CARRY OUT AGREEMENTS.—The Secretary of Defense is authorized to carry out the Italian air defense agreements. In carrying out those agreements, the Secretary—

(1) may provide without monetary charge to the Republic of Italy articles and services as specified in the agreements; and

(2) may accept from the Republic of Italy (in return for the articles and services provided under paragraph (1)) articles and services as specified in the agreements.

(b) ADMINISTRATION OF AGREEMENTS.—In connection with the administration of the Italian air defense agreements, the Secretary of Defense may—

(1) waive any surcharge for administrative services otherwise chargeable under section 21(e)(1)(A) of the Arms Export Control Act (22 U.S.C. 2761(e)(1)(A));

(2) waive any charge not otherwise waived for services associated with contract administration for the sale under the Arms Export Control Act of Patriot air defense missile fire units or components thereof to the Republic of Italy contemplated in the agreements; and

(3) use, to the extent contemplated in the agreements, the North Atlantic Treaty Organization (NATO) Maintenance and Supply Agency—

(A) for the supply of logistic support in Europe for the Patriot missile system; and

(B) for the acquisition of such logistic support, to the extent that the Secretary determines that the procedures of that agency governing such supply and acquisition are appropriate.

(c) AUTHORITY SUBJECT TO AVAILABILITY OF APPROPRIATIONS.—The authority of the Secretary of Defense to enter into contracts under the Italian air defense agreements is available only to the extent that appropriated funds are otherwise available for that purpose.

(d) DEFINITION.—For the purposes of this section, the term "Italian air defense agreements" means—

(1) the agreement entitled "Memorandum of Understanding Between the Secretary of Defense of the United States of America and the Minister of Defense of the Italian Republic on Cooperative Measures for Enhancing Air Defense in Italy", signed on March 24, 1988; and

(2) the agreement entitled "Implementing Agreement to the Memorandum of Understanding Between the Secretary of Defense of the United States of America and the Minister of Defense of the Italian Republic on Cooperative Measures for Enhancing Air Defense in Italy", signed on April 20, 1990.

SEC. 1051. EXTENSION OF AWACS AUTHORITY.

Section 2350e of title 10, United States Code, is amended—

(1) in subsection (c)—

(A) by striking out "and" at the end of paragraph (2);

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following new paragraph (3):

"(3) the Addendum to the Multilateral Memorandum of Understanding Between the North Atlantic Treaty Organization (NATO) Ministers of Defense on the NATO E-3A Cooperative Programme (dated December 6, 1978) relating to the modernization of the NATO Airborne Early Warning and Control (NAEW&C) System, dated December 7, 1990; and"; and

(2) in subsection (d), by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

SEC. 1052. TRAINING OF SPECIAL OPERATIONS FORCES WITH FRIENDLY FOREIGN FORCES.

(a) PAYMENT FOR TRAINING.—(1) Chapter 101 of title 10, United States Code, is amended by adding at the end the following new section:

"§2011. Special operations forces: training with friendly foreign forces

"(a) AUTHORITY TO PAY TRAINING EXPENSES.—Under regulations prescribed pursuant to subsection (c), the commander of the special operations command established pursuant to section 167 of this title and the commander of any other unified or specified combatant command may pay, or authorize payment for, any of the following expenses:

"(1) Expenses of training special operations forces assigned to that command in conjunction with training, and training with, armed forces and other security forces of a friendly foreign country.

"(2) Expenses of deploying such special operations forces for that training.

"(3) In the case of training in conjunction with a friendly developing country, the incremental expenses incurred by that country as the direct result of such training.

"(b) PURPOSE OF TRAINING.—The primary purpose of the training for which payment may be made under subsection (a) shall be to train the special operations forces of the combatant command.

"(c) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the administration of this section. The regulations shall establish accounting procedures to ensure that the expenditures pursuant to this section are appropriate.

"(d) DEFINITIONS.—In this section:

"(1) The term 'special operations forces' includes civil affairs forces and psychological operations forces.

"(2) The term 'incremental expenses', with respect to a developing country, means the reasonable and proper cost of rations, fuel, training ammunition, transportation, and other goods and services consumed by such country, except that the term does not include pay, allowances, and other normal costs of such country's personnel.

"(e) REPORTS.—Not later than April 1 of each year, the Secretary of Defense shall submit to Congress a report regarding training during the preceding fiscal year for which expenses were paid under this section. Each report shall specify the following:

"(1) All countries in which that training was conducted.

"(2) The type of training conducted, including whether such training was related to counter-narcotics or counter-terrorism activities, the duration of that training, the number of members of the armed forces involved, and expenses paid.

"(3) The extent of participation by foreign military forces, including the number and service affiliation of foreign military personnel involved and physical and financial contribution of each host nation to the training effort.

"(4) The relationship of that training to other overseas training programs conducted by the armed forces, such as military exercise programs sponsored by the Joint Chiefs of Staff, military exercise programs sponsored by a combatant command, and military training activities sponsored by a military department (including deployments for training, short duration exercises, and other similar unit training events).".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2011. Special operations forces: training with friendly foreign forces.".

(b) BUDGETING FOR TRAINING.—Section 166 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) SOF TRAINING WITH FOREIGN FORCES.—A funding proposal for force training under subsection (b)(2) may include amounts for training expense payments authorized in section 2011 of this title.".

SEC. 1053. EXPANSION OF COUNTRIES ELIGIBLE TO PARTICIPATE IN FOREIGN COMPARATIVE TESTING PROGRAM.

Section 2350a(g) of title 10, United States Code, is amended by inserting "and other friendly foreign countries" in paragraphs (1)(A) and (4)(A) after "major allies of the United States".

SEC. 1054. LIMITATION ON EMPLOYMENT OF FOREIGN NATIONALS AT MILITARY INSTALLATIONS OUTSIDE THE UNITED STATES.

(a) AUTHORIZATION.—The number of employment positions on the last day of fiscal years 1992 and 1993 at United States military installations located outside the United States that may be filled by foreign nationals who are employed pursuant to an indirect-hire civilian personnel agreement and are paid by the United States may not exceed the following:

(1) For fiscal year 1992, 60,000.

(2) For fiscal year 1993, 47,750.

(b) WAIVER AUTHORITY.—The Secretary of Defense may waive the requirement of subsection (a) for a fiscal year if the Secretary determines that the national security interests of the United States require waiver of such requirement. The Secretary shall notify Congress of any use of this waiver authority and the reasons for the waiver.

(c) SENSE OF CONGRESS.—It is the sense of Congress that, beginning with fiscal year 1994, the President should achieve reductions (below fiscal year 1993 levels) in the cost to the United States of salaries and other remuneration of foreign nationals employed at United States military installations located outside the United States through agreements under which the host countries assume a greater share of these costs.

PART E—TECHNICAL AND CLARIFYING AMENDMENTS

SEC. 1061. AMENDMENTS TO TITLE 10, UNITED STATES CODE.

(a) MISCELLANEOUS AMENDMENTS.—Title 10, United States Code, is amended as follows:

(1) Section 115a(d)(3) is amended by inserting "provide" after "(3)".

(2) The heading of section 129b is amended by inserting "**of**" at the end.

(3) Section 280 is amended by striking out "2511" both places it appears and inserting in lieu thereof "2540".

(4)(A) The heading of section 690 is amended by striking out "**Corp**" and inserting in lieu thereof "**Corps**".

(B) The item relating to section 690 in the table of sections at the beginning of chapter 39 is amended to read as follows:

"690. Limitation on duty with Reserve Officer Training Corps units.".

(5) Section 1142(b)(5) is amended by striking out the semicolon at the end and inserting in lieu thereof a period.

(6) Section 1144(b) is amended—

(A) in paragraph (1), by striking out "resume" and inserting in lieu thereof "resumé";

(B) in paragraph (3)—

(i) by striking out "veterans service organization" and inserting in lieu thereof "veterans' service organizations"; and

(ii) by striking out "Armed Forces" and inserting in lieu thereof "armed forces"; and

(C) in paragraph (6), by striking out "such area" and inserting in lieu thereof "those areas".

(7) The heading of section 1408 is amended to read as follows:

"§1408. Payment of retired or retainer pay in compliance with court orders".

(8) Section 1737(c)(2)(B) is amended by striking out the comma after "Acquisition" the second place it appears.

(9) Section 2306a(e)(1)(A)(ii) is amended by striking out "Internal Revenue Code of 1954" and inserting in lieu thereof "Internal Revenue Code of 1986".

(10) Section 2307(f) is amended by striking out "(l)" after "(f)" and inserting in lieu thereof "(1)".

(11) Sections 2244(a) and 2393(d) are amended by striking out "Federal government" each place it appears and inserting in lieu thereof "Federal Government".

(12) Section 2343(b) is amended—

(A) by striking out "this title," and inserting in lieu thereof "this title and"; and

(B) by striking out ", and section 719 of the Defense Production Act of 1950 (50 U.S.C. App. 2168)".

(13) Section 2383(b) is amended by striking out "has the meaning given such term by section 2323(f) of this title." and inserting in lieu thereof "means any individual piece, part, subassembly, or component which is furnished for the logistic support or repair of an end item and not as an end item itself.".

(14) Section 2432(h)(2)(A) is amended by striking out "subsections (c)(1) and (c)(3) of section 2431" and inserting in lieu thereof "subsections (b)(1) and (b)(3) of section 2431".

(15) The item relating to section 2608 in the table of sections at the beginning of chapter 155 is amended by striking out "and services".

(16) Section 2608(g) is amended by inserting "(1)" before "Upon request".

(17)(A) The heading of section 2721 is amended to read as follows:

"§2721. Property records: maintenance on quantitative and monetary basis".

(B) The item relating to that section in the table of sections at the beginning of chapter 161 is amended to read as follows:

"2721. Property records: maintenance on quantitative and monetary basis.".

(18) Section 2674(c)(3) is amended by striking out "misdeameanor" and inserting in lieu thereof "misdemeanor".

(19) Section 2902(f)(2)(A) is amended by striking out "Department's" and inserting in lieu thereof "department's".

(20)(A) Section 3210(a) is amended by striking out "section 3202(a)" and inserting in lieu thereof "section 526".

(B) Section 3218 is amended by striking out "section 3202" and inserting in lieu thereof "section 526".

(21) Section 5451 is amended—

(A) by striking out "(a) Except as provided in subsection (b), the" and inserting in lieu thereof "The"; and

(B) by striking out subsection (b).

(22)(A) Section 5150(c) is amended by striking out "section 5444" and inserting in lieu thereof "section 526".

(B) Section 5457(a) is amended by striking out "section 5442" and inserting in lieu thereof "section 526".

(C) Section 5458(a) is amended by striking out "section 5443" and inserting in lieu thereof "section 526".

(23)(A) Section 8210(a) is amended by striking out "section 8202(a)" and inserting in lieu thereof "section 526".

(B) Section 8218 is amended by striking out "section 8202" and inserting in lieu thereof "section 526".

(24) Section 4542 is amended—

(A) in subsection (c)(3), by striking out "subsection (d)" and inserting in lieu thereof "subsection (f)"; and

(B) in subsection (f), by striking out "subsection (b)(3)" and inserting in lieu thereof "subsection (c)(3)".

(25) The item relating to section 9316 in the table of sections at the beginning of chapter 901 is amended by striking out the section twist preceding the section number.

(26)(A) The table of sections at the beginning of chapter 85 is amended by striking out the item relating to section 1622.

(B) Effective on October 1, 1992, such table of sections is amended by striking out the item relating to section 1623.

(C) Effective on October 1, 1993—

(i) chapter 85 (as amended by section 1207(c) of Public Law 101–510) is repealed; and

(ii) the tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, are amended by striking out the item relating to that chapter.

(27)(A) The items relating to chapter 149 in the table of chapters at the beginning of subtitle A, and in the table of subchapters of part IV of subtitle A, are each amended by striking out "Maufacturing" and inserting in lieu thereof "Manufacturing".

(B) The items relating to chapter 609 in the table of chapters at the beginning of subtitle C, and in the table of subchapters of part III of subtitle C, are each amended by striking out "Educational" and inserting in lieu thereof "Education".

(b) COURT OF MILITARY APPEALS.—(1)(A) Section 942(e) of title 10, United States Code, is amended—

(i) by inserting "(A)" after "(1)";

(ii) by striking out "(2)(A)" before "The chief judge of the court" and realigning the sentence beginning "The chief judge of the court" so as to appear at the end of paragraph (1)(A) (as designated by clause (i));

(iii) by striking out "a senior judge of the court" in the sentence referred to in clause (ii) and inserting in lieu thereof "an individual who is a senior judge of the court under this subparagraph";

(iv) by inserting after paragraph (1)(A) (as designated by clause (i)) the following:

"(B) If, at the time the term of a judge expires, no successor to that judge has been appointed, the chief judge of the court may call upon that judge (with that judge's consent) to continue to perform judicial duties with the court until the vacancy is filled. A judge who, upon the expiration of the judge's term, continues to perform judicial duties with the court without a break in service under this subparagraph shall be a senior judge while such service continues."; and

(v) by striking out "(B) A senior judge" and inserting in lieu thereof "(2) A senior judge".

(B) Paragraphs (3), (4), and (6) of such section are amended by striking out "paragraph (2)" each place it appears and inserting in lieu thereof "paragraph (1)".

(C) Section 945(a)(1) of such title is amended by adding at the end the following: "A person who continues service with the court as a senior judge under section 943(e)(1)(B) of this title (art. 143(e)(1)(B)) upon the expiration of the judge's term shall be considered to have been separated from civilian service in the Federal Government only upon the termination of that continuous service.".

(D) The amendments made by this paragraph shall take effect as of November 29, 1989.

(2) Section 942(f) of such title is amended—

(A) in paragraph (1)—

(i) by striking out "or" at the end of subparagraph (A);

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or"; and

(iii) by adding at the end the following:

"(C) during a period when there is a vacancy on the court and in the opinion of the chief judge of the court such a designation is necessary for the proper dispatch of the business of the court.";

(B) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(C) by inserting after paragraph (1) the following new paragraph (2):

"(2) The chief judge of the court may not request that a designation be made under paragraph (1) unless the chief judge has determined that no person is available to perform judicial duties with the court as a senior judge under subsection (e).".

(c) DEFINITION OF SIGNIFICANT NONMAJOR DEFENSE ACQUISITION PROGRAM.—Section 1737(a)(3) of title 10, United States Code, is amended—

(1) by striking out "$50,000,000 (based on fiscal year 1980 constant dollars)" and inserting in lieu thereof "the dollar threshold set forth in section 2302(5)(A) of this title for such purposes for a major system"; and

(2) by striking out "$250,000,000 (based on fiscal year 1980 constant dollars)" and inserting in lieu thereof "the dollar threshold set forth in section 2302(5)(A) of this title for such purpose for a major system".

SEC. 1062. AMENDMENTS TO PUBLIC LAW 101–510.

(a) DIVISION A.—Division A of the National Defense Authorization Act for Fiscal Year 1991 (Public 101–510) is amended as follows:

(1) Section 555(e)(1) (104 Stat. 1570) is amended by striking out "judgement" and inserting in lieu thereof "judgment".

(2) Section 827(b)(3) (104 Stat. 1607) is amended by striking out "section 6 or 8" and inserting in lieu thereof "section 7 or 9".

(3) Section 1481(e)(2) (104 Stat. 1706) is amended by striking out "section 1036" and inserting in lieu thereof "section 904(b)".

(4) Section 1515 (104 Stat. 1726) is amended—

(A) by striking out "local boards" in subsections (a) and (c) and inserting in lieu thereof "Local Boards"; and

(B) by striking out "that board" in subsection (d)(2) and inserting in lieu thereof "that Board".

(5) Section 1517(f) (104 Stat. 1729) is amended by striking out "this Act" both places it appears and inserting in lieu thereof "this title".

(b) DIVISION B.—Section 2922(b) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1820) is amended by inserting "of" after "section 2819".

(c) DIVISION D.—Section 4303 of the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101–510; 104 Stat. 1854) is amended—

(1) in subsection (c)(1), by striking out "section 4003(b)" and inserting in lieu thereof "section 4004(c)(1)"; and

(2) in subsection (d), by striking out "section 4003" and inserting in lieu thereof "section 4004(c)(3)".

SEC. 1063. AMENDMENTS TO OTHER LAWS.

(a) TITLES 5 AND 37, UNITED STATES CODE.—Section 5564(i)(1) of title 5, United States Code, and section 554(i)(1) of title 37, United States Code, are each amended by striking out "4713, 6522, 9712, or 9713" and inserting in lieu thereof "6522, or 9712".

(b) PUBLIC LAW 101–511.—Section 8105(d)(2) of Public 101–511 (104 Stat. 1902) is amended by striking out "immeditely" and inserting in lieu thereof "immediately".

(c) REPEAL OF SUPERSEDED AUTHORITY RELATING TO UNITED STATES SOLDIERS' AND AIRMEN'S HOME.—Section 1625 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 24 U.S.C. 43 note) is repealed.

(d) PUBLIC LAW 101–25.—(1) Section 601(a) of Public Law 101–25 (105 Stat. 105) is amended—

(A) by striking out "members of the Armed Forces serving on active duty during the Persian Gulf conflict" and inserting in lieu thereof "members of the Armed Forces and of members of the National Guard who served on active duty during the Persian Gulf conflict"; and

(B) by striking out "have been" and inserting in lieu thereof "were".

(2) Section 602(a) of such Public Law (105 Stat. 106) is amended by striking out "members of the Armed Forces serving on active duty" and inserting in lieu thereof "members of the Armed Forces and members of the National Guard who served on active duty during the Persian Gulf conflict".

PART F—CONGRESSIONAL FINDINGS, POLICIES, AND COMMENDATIONS

SEC. 1071. SENSE OF CONGRESS RELATING TO THE CONTRIBUTIONS TO OPERATION DESERT STORM MADE BY THE DEFENSE-RELATED INDUSTRIES OF THE UNITED STATES.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States and its coalition allies achieved a great victory in Operation Desert Storm, carried out in the Persian Gulf region in the winter of 1991.

(2) The outstanding success of Operation Desert Storm was due in great measure to the ready availability of weapons and weapon systems exhibiting remarkable accuracy through advanced technological design.

(3) These weapons and weapon systems were designed and produced by the defense-related industries of the United States.

(4) The battle plan for Operation Desert Storm formulated by the commander of the United States Central Command relied on the availability and performance of these weapons and weapon systems.

(5) The successful use of these weapons and weapon systems in accordance with that plan resulted in astonishingly small numbers of killed and wounded among the Armed Forces of the United States and of allied coalition forces in general.

(b) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the defense-related industries of the United States, and the men and women who work in those industries, deserve the gratitude and appreciation of the Congress and of the United States for the design and production of the technologically-advanced weapons and weapon systems that helped to ensure victory in Operation Desert Storm;

(2) that future decisions relating to the national security of the United States must take into account the need to maintain strong defense-related industries in the United States; and

(3) that it is vitally important to the United States that the defense-related industries of the United States be capable of responding to the national security requirements of the United States.

SEC. 1072. SENSE OF CONGRESS RELATING TO COOPERATION BETWEEN THE MILITARY DEPARTMENTS AND BIG BROTHERS AND BIG SISTERS ORGANIZATIONS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Big Brothers of America and the Big Sisters of America, consisting of 499 independent organizations located across the United States, assist at-risk children and the families of such children by establishing mentor programs that foster one-to-one relationships between such children and concerned adult mentors.

(2) The Big Brothers and Big Sisters organizations annually assist approximately 110,000 such children.

(3) As a result of cooperation between the Department of Defense and Big Brothers and Big Sisters organizations, successful mentor programs have been established at several military installations located in the United States and overseas.

(4) There are an estimated 80,000 single-parent families, and at least 80,000 at-risk youth in those families, that are headed by members of the Armed Forces.

(5) Appropriately trained members of the Armed Forces are exceptionally qualified to serve as concerned adult mentors of at-risk youths in Big Brothers and Big Sisters mentor programs.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) additional cooperation between the Department of Defense and the Big Brothers and Big Sisters organizations located in communities near military installations will assist members of the Armed Forces serving at those installations and those communities in responding to the family support needs of those members and communities; and

(2) the Secretary of Defense should take all practicable steps necessary to encourage such cooperation at military installations located in the United States and to promote the establishment of additional Big Brothers and Big Sisters organizations at such installations located overseas.

SEC. 1073. COMMENDATION OF THE MILITARY COLLEGES FOR THEIR CONTRIBUTIONS TO TRAINING CITIZEN-SOLDIERS.

(a) FINDINGS.—Congress makes the following findings:

(1) The number of essential military colleges (institutions that the Department of Defense has recognized as constituting a special aspect of American higher education) has decreased from 11 institutions in 1914 to only 4 today: Norwich University, founded in 1819; Virginia Military Institute, established in 1839; The Citadel, The Military College of South Carolina, chartered in 1842; and North Georgia College, which opened in 1873.

(2) The hallmark of these institutions has been their dedication to the principle of the citizen-soldier, and in this regard they are joined in spirit and devotion by the Cadet Corps at Texas A & M University and at Virginia Polytechnic Institute and State University.

(3) Citizen-soldiers are educated, trained, and inspired to become productive members of society in any calling, but are also prepared to serve their country in a military role during times of war or national peril.

(4) These citizen-soldiers have accepted as their duty an obligation to serve their country in every instance of war since the Mexican War, and have without fail or hesitation answered the call to arms—most recently with service in Southwest Asia as part of Operation Desert Storm.

(b) Recognition and Commendation.—In light of the findings in subsection (a), the Congress—

(1) recognizes and commends military colleges for the unique contributions they have made and continue to make; and

(2) urges citizens of the United States to support the concept of the citizen-soldier to which these colleges are dedicated.

SEC. 1074. SENSE OF CONGRESS RELATING TO THE CHEMICAL DECONTAMINATION TRAINING FACILITY, FORT MCCLELLAN, ALABAMA.

(a) Findings.—Congress makes the following findings:

(1) The possibility of use of chemical weapons by Iraqi forces was the most significant military threat confronted by members of the Armed Forces of the United States who served in the Persian Gulf region in connection with Operation Desert Storm.

(2) There continues to be extreme concern with respect to the ever more rapid proliferation of chemical weapons and agents, especially among nations in the Middle East.

(3) This proliferation makes it increasingly necessary that members of the Armed Forces have the capability of self-defense against chemical weapons and agents.

(4) Combat training with live chemical agents directly promotes this capability by reducing the life-threatening fear and self doubt that some soldiers experience on a battlefield contaminated by chemical weapons or agents.

(5) Such training further promotes this capability by enhancing the professional credibility of the members of the Armed Forces who train others with respect to chemical weapons and agents.

(6) The Chemical Decontamination Training Facility (CDTF) located at Fort McClellan, Alabama, is the only facility for conducting combat training with live chemical agents in the Western Hemisphere.

(7) The operations of the Chemical Decontamination Training Facility depend upon the support activities of the Army Chemical School which is also located at Fort McClellan, Alabama.

(8) The Defense Base Closure and Realignment Commission has reported that the closure or diminished operation of the Chemical Decontamination Training Facility could have an adverse impact on the capability of the Armed Forces to defend against the use of chemical weapons and agents and, thus, on the national security of the United States.

(9) The capability of members of the Armed Forces to defend against chemical weapons and agents depends upon maintaining a fully operating facility for conducting combat training with live chemical agents located in the Western Hemisphere including maintaining associated support activities.

(b) Sense of Congress.—It is the sense of Congress that the necessity for the Armed Forces to have an effective live chemical agent training facility requires that the Chemical Decontamination Training Facility and the Army Chemical School be continued in operation at Fort McClellan, Alabama, unless a new facility for conducting combat training with live chemical agents is constructed.

SEC. 1075. POLICY REGARDING CONTRACTING WITH FOREIGN FIRMS THAT PARTICIPATE IN THE SECONDARY ARAB BOYCOTT.

(a) Restatement of Policy Regarding Trade Boycotts.—As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b) Sense of Congress.—Consistent with the policy referred to in subsection (a), it is the sense of Congress that—

(1) no Department of Defense prime contract should be awarded to a foreign person unless that person certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel; and

(2) the Secretary of Defense should consider developing a procurement policy to implement the policy expressed in paragraph (1).

SEC. 1076. SENSE OF CONGRESS CONCERNING ISSUANCE OF COMMEMORATIVE CARD FOR OPERATION DESERT STORM SERVICEMEMBERS.

(a) Issuance of Card.—It is the sense of Congress that the Secretary of Defense may issue a special commemorative card to each member of the Armed Forces who—

(1) served in the Persian Gulf theater of operations in connection with the Persian Gulf conflict (including service as a member of an air crew over that theater); or

(2) as a member of a reserve component or a retired member, was ordered to active duty in connection with the Persian Gulf conflict.

(b) Content.—Any such commemorative card shall indicate that the servicemember was a participant in the Persian Gulf conflict.

Part G—Miscellaneous Matters

SEC. 1081. SURVIVOR NOTIFICATION AND ASSISTANCE; ACCESS TO MILITARY RECORDS OF SERVICE MEMBERS WHO DIE ON ACTIVE DUTY.

(a) Policy Re-examination.—The Secretary of Defense shall reexamine policies of the Department of Defense relating to casualty notification and assistance, including policies relating to the access of parents, spouses, and adult children to the records of deceased members of the Armed Forces. The review (1) should determine if existing regulations adequately respect a service member's wishes in the event of death on active duty, and (2) should consider new needs or problems resulting from complex family situations. The review should take into account experiences resulting from the Persian Gulf conflict and should seek to determine if changes in policy or procedures would be in the best interests of both service members and their families.

(b) Matters to be Examined.—The study should examine the advantages and disadvantages of each of the following:

(1) Making the personnel records of a service member who dies on active duty available, in whole or in part, to any adult family member who requests those records.

(2) Excluding from disclosure to family members certain types or categories of information in a deceased service member's personnel records and, if any should ever be excluded, identifying what contents and under what circumstances.

(3) Releasing to family members of a deceased service member relevant records not in the member's personnel records, such as any record of investigation into the circumstances of the member's death.

(4) Making autopsy reports automatically available to family members upon request.

(5) Requiring that more than one family member make a request before activating the release of any information from the member's personnel records.

(6) Revising the "Emergency Data" form prepared by service members (A) to allow specific provision for notification of additional family members in cases such as the case of a divorced service member who leaves children with both a current and a former spouse, or (B) to establish which family member should be entitled to have access to the service member's military records.

(7) Such other matters as the Secretary determines to be appropriate or relevant to the purposes of the study.

(c) Report.—The Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing the results of the study not later than February 1, 1992.

SEC. 1082. DISCLOSURE OF INFORMATION CONCERNING UNITED STATES PERSONNEL CLASSIFIED AS PRISONER OF WAR OR MISSING IN ACTION DURING VIETNAM CONFLICT.

(a) Public Availability of Information.—(1) Except as provided in subsection (b), the Secretary of Defense shall, with respect to any information referred to in paragraph (2), place the information in a suitable library-like location within a facility within the National Capital region for public review and photocopying.

(2)(A) Paragraph (1) applies to any record, live-sighting report, or other information in the custody of the Department of Defense that relates to the location, treatment, or condition of any Vietnam-era POW/MIA on or after the date on which the Vietnam-era POW/MIA passed from United States control into a status classified as a prisoner of war or missing in action, as the case may be, until that individual is returned to United States control.

(B) For purposes of this section, a Vietnam-era POW/MIA is any member of the Armed Forces or civilian employee of the United States who was at any time classified as a prisoner of war or missing in action during the Vietnam era and whose person or remains have not been returned to United States control.

(b) Exceptions.—(1) The Secretary of Defense may not make a record or other information available to the public pursuant to subsection (a) if—

(A) the record or other information is exempt from the disclosure requirements of section 552 of title 5, United States Code, by reason of subsection (b) of that section; or

(B) the record or other information is in a system of records exempt from the requirements of subsection (d) of section 552a of such title pursuant to subsection (j) or (k) of that section.

(2) The Secretary of Defense may not make a record or other information available to the public pursuant to subsection (a) if the record or other information specifically mentions a person by name unless—

(A) in the case of a person who is alive (and not incapacitated) and whose whereabouts are known, that person expressly consents in writing to the disclosure of the record or other information; or

(B) in the case of a person who is dead or incapacitated or whose whereabouts are unknown, a family member or family members of that person determined by the Secretary of Defense to be appropriate for such purpose expressly consent in writing to the disclosure of the record or other information.

(3)(A) The limitation on disclosure in paragraph (2) does not apply in the case of a person who is dead or incapacitated or whose whereabouts are unknown if the family member or members of that person determined pursuant to subparagraph (B) of that paragraph cannot be located after a reasonable effort.

(B) Paragraph (2) does not apply to the access of an adult member of the family of a person to any record or information to the extent that the record or other information relates to that person.

(C) The authority of a person to consent to disclosure of a record or other information for the purposes of paragraph (2) may be delegated to another person or an organization only by means of an express legal power of attorney granted by the person authorized by that paragraph to consent to the disclosure.

(c) DEADLINES.—(1) In the case of records or other information that are required by subsection (a) to be made available to the public and that are in the custody of the Department of Defense on the date of the enactment of this Act, the Secretary shall make such records and other information available to the public pursuant to this section not later than three years after that date. Such records or other information shall be made available as soon as a review carried out for the purposes of subsection (b) is completed.

(2) Whenever after March 1, 1992, a department or agency of the Federal Government receives any record or other information referred to in subsection (a) that is required by this section to be made available to the public, the head of that department or agency shall ensure that such record or other information is provided to the Secretary of Defense, and the Secretary shall make such record or other information available in accordance with subsection (a) as soon as possible and, in any event, not later than one year after the date on which the record or information is received by the department or agency of the Federal Government.

(3) If the Secretary of Defense determines that the disclosure of any record or other information referred to in subsection (a) by the date required by paragraph (1) or (2) may compromise the safety of a Vietnam-era POW/MIA who may still be alive in Southeast Asia, then the Secretary may withhold that record or other information from the disclosure otherwise required by this section. Whenever the Secretary makes a determination under the preceding sentence, the Secretary shall immediately notify the President and the Congress of that determination.

(d) DEFINITION.—For purposes of this section, the term "Vietnam era" has the meaning given that term in section 101 of title 38, United States Code.

SEC. 1083. FAMILY SUPPORT CENTER FOR FAMILIES OF PRISONERS OF WAR AND PERSONS MISSING IN ACTION.

(a) REQUEST FOR ESTABLISHMENT.—The President is authorized and requested to establish in the Department of Defense a family support center to provide information and assistance to members of the families of persons who at any time while members of the Armed Forces were classified as prisoners of war or missing in action in Southeast Asia and who have not been accounted for. Such a support center should be located in a facility in the National Capital region.

(b) DUTIES.—The center should be organized and provided with such personnel as necessary to permit the center to assist family members referred to in subsection (a) in contacting the departments and agencies of the Federal Government having jurisdiction over matters relating to such persons.

SEC. 1084. DISPLAY OF POW/MIA FLAG.

(a) DISPLAY OF POW/MIA FLAG.—The POW/MIA flag, having been recognized and designated in section 2 of Public Law 101–355 (104 Stat. 416) as the symbol of the Nation's concern and commitment to resolving as fully as possible the fates of Americans still prisoner, missing, and unaccounted for, thus ending the uncertainty for their families and the Nation, shall be displayed—

(1) at each national cemetery and at the National Vietnam Veterans Memorial each year on Memorial Day and Veterans Day and on any day designated by law as National POW/MIA Recognition Day; and

(2) on, or on the grounds of, the buildings specified in subsection (b) on any day designated by law as National POW/MIA Recognition Day.

(b) SPECIFIED BUILDINGS FOR FLAG DISPLAY.—The buildings referred to in subsection (a)(2) are the buildings containing the primary offices of—

(1) the Secretary of State;

(2) the Secretary of Defense;

(3) the Secretary of Veterans Affairs; and

(4) the Director of the Selective Service System.

(c) PROCUREMENT AND DISTRIBUTION OF FLAGS.—Within 30 days after the date of the enactment of this Act, the Administrator of General Services shall procure POW/MIA flags and distribute them as necessary to carry out this section.

(d) TERMINATION OF FLAG DISPLAY REQUIREMENT.—Subsection (a) shall cease to apply upon a determination by the President that the fullest possible accounting has been made of all members of the Armed Forces and civilians employees of the United States who have been identified as prisoner of war or missing in action in Southeast Asia.

(e) POW/MIA FLAG DEFINED.—As used in this section, the term "POW/MIA flag" means the National League of Families POW/MIA flag recognized officially and designated by section 2 of Public Law 101–355 (104 Stat. 416).

SEC. 1085. EXTENSION OF OVERSEAS WORKLOAD PROGRAM.

Section 1465(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1700) is amended by inserting after "fiscal year 1991" the following "or 1992".

SEC. 1086. TECHNICAL DATA PACKAGES FOR LARGE-CALIBER CANNON.

(a) EXTENSION OF EXCEPTION TO ALL FRIENDLY FOREIGN COUNTRIES.—Subsection (b)(1) of section 4542 of title 10, United States Code, is amended by striking out "member nation" and all that follows through "major non-NATO ally" and inserting in lieu thereof "friendly foreign country".

(b) CROSS-REFERENCE CORRECTIONS.—Such section is further amended—

(1) in subsection (c)(3), by striking out "subsection (d)" and inserting in lieu thereof "subsection (f)"; and

(2) in subsection (f), by striking out "subsection (b)(3)" and inserting in lieu thereof "subsection (c)(3)".

SEC. 1087. EMERGENCY DIRECT LOANS FOR SMALL BUSINESS CONCERNS LOCATED IN COMMUNITIES ADVERSELY AFFECTED BY TROOP DEPLOYMENTS DURING THE PERSIAN GULF CONFLICT.

(a) LOANS AUTHORIZED.—The Administrator of the Small Business Administration may make an emergency direct loan to a small business concern described in subsection (d) that is located in a county in the United States in which at least five small business concerns have suffered severe economic injury as a result of the emergency deployment after July 31, 1990, in connection with the Persian Gulf conflict of members and units of the Armed Forces from military installations in or near that county.

(b) AMOUNT OF LOAN.—A loan made under this section to a small business concern may not exceed $50,000. The terms and interest rates for loans under this section shall be the same as the terms and interest rates provided for loans under section 7(c)(5)(C) of the Small Business Act (15 U.S.C. 636(c)(5)(C)).

(c) SOURCE OF LOAN FUNDS.—The Secretary of Defense shall transfer, to the extent provided in advance in appropriation Acts, funds of the Department of Defense to the Administrator of the Small Business Administration as those funds are actually required for loans under subsection (a). The total amount so transferred may not exceed $30,000,000. The funds shall be transferred only from amounts made available to the Department of Defense pursuant to the authorization of appropriations contained in sections 4103(b) and 4203(a) of the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (division D of Public Law 101–510; 104 Stat. 1851, 1853). No funds other than the funds transferred under this subsection shall be used by the Administrator to provide loans under subsection (a).

(d) ELIGIBLE SMALL BUSINESS CONCERNS.—A small business concern referred to in subsection (a) is a small business concern that—

(1) has suffered economic injury as a result of the emergency deployment of members and units of the Armed Forces in connection with the Persian Gulf conflict; and

(2) has been unable to obtain credit elsewhere.

(e) APPLICATIONS FOR LOANS.—To receive a loan under subsection (a), an eligible small business concern shall submit an application to the Administrator of the Small Business Administration in such form and containing such information as the Administrator may require by regulation. The Administrator may not accept an application for a loan under subsection (a) if the application is submitted after the end of the 180-day period beginning on the date on which the Administrator first accepts such applications.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "small business concern" has the meaning given that term in section 3 of the Small Business Act (15 U.S.C. 632).

(2) The term "county" includes other equivalent political subdivisions of a State.

(g) REGULATIONS.—The Administrator of the Small Business Administration shall prescribe regulations to carry out this section not later than 10 days after the date of the enactment of this Act. Section 553 of title 5, United States Code, shall not apply with respect to promulgating such regulations, except that the Administrator may solicit comments in making any modification of such regulations.

(h) EXPIRATION OF LOAN AUTHORITY.—The authority of the Administrator of the Small Business Administration to make loans under subsection (a) shall expire at the end of 270-day period beginning on the date on which the Administrator first accepts applications for loans under this section.

SEC. 1088. ADDITIONAL DEPARTMENT OF DEFENSE SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) SUPPORT TO OTHER AGENCIES.—Section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1629) is amended—

(1) in subsection (a), by striking out "During fiscal year 1991," and inserting in lieu thereof "During fiscal years 1991, 1992, and 1993,"; and

(2) in subsection (g), by striking out "under section 1001(1), $50,000,000" and inserting in lieu thereof "for fiscal year 1992 under section 301(a)(14) of the National Defense Authorization Act for Fiscal Years 1992 and 1993, $40,000,000".

(b) AERIAL AND MARITIME SUPPORT FOR COUNTER-DRUG ACTIVITIES OF LAW ENFORCEMENT AGENCIES.—Section 124(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" before "The Department"; and

(2) by adding at the end the following new paragraph:

"(2) The responsibility conferred by paragraph (1) shall be carried out in support of the counter-drug activities of Federal, State, local, and foreign law enforcement agencies.".

SEC. 1089. TECHNICAL REVISIONS TO CHARTER FOR BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION PROGRAM.

The Barry Goldwater Scholarship and Excellence in Education Act (title XIV of Public Law 99–661) is amended as follows:

(1) Section 1404(b)(3) (20 U.S.C. 4703(b)(3)) is amended by striking out ", at least one of whom" and all that follows through "aerospace education".

(2) Section 1408 (20 U.S.C. 4707) is amended—

(A) in subsection (b), by striking out all after "in" in the second sentence and inserting in lieu thereof "public debt securities of the United States with maturities suitable to the fund."; and

(B) in subsection (c)—

(i) by striking out "(exceptional special obligations issued exclusively to the fund)"; and

(ii) by striking out ", and such" and all that follows through "accrued interest".

(3) Section 1410(b) (20 U.S.C. 4709(b)) is amended by striking out "be compensated" and all that follows through "section 5332" and inserting in lieu thereof "serve as a noncareer appointee of the Senior Executive Service and shall be compensated at a rate determined by the Board in accordance with section 5383".

SEC. 1090. PROTECTION OF KEYS AND KEYWAYS USED IN SECURITY APPLICATIONS BY THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—Chapter 67 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1386. Keys and keyways used in security applications by the Department of Defense

"(a)(1) Whoever steals, purloins, embezzles, or obtains by false pretense any lock or key to any lock, knowing that such lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment shall be punished as provided in subsection (b).

"(2) Whoever—

"(A) knowingly and unlawfully makes, forges, or counterfeits any key, knowing that such key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment; or

"(B) knowing that any lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment, possesses any such lock or key with the intent to unlawfully or improperly use, sell, or otherwise dispose of such lock or key or cause the same to be unlawfully or improperly used, sold, or otherwise disposed of,

shall be punished as provided in subsection (b).

"(3) Whoever, being engaged as a contractor or otherwise in the manufacture of any lock or key knowing that such lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment, delivers any such finished or unfinished lock or any such key to any person not duly authorized by the Secretary of Defense or his designated representative to receive the same, unless the person receiving it is the contractor for furnishing the same or engaged in the manufacture thereof in the manner authorized by the contract, or the agent of such manufacturer, shall be punished as provided in subsection (b).

"(b) Whoever commits an offense under subsection (a) shall be fined under this title or imprisoned not more than 10 years, or both.

"(c) As used in this section, the term 'key' means any key, keyblank, or keyway adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 67 of title 18, United States Code, is amended by adding after the item relating to section 1385 the following:

"1386. Keys and keyways used in security applications by the Department of Defense.".

SEC. 1091. ADMINISTRATION OF THE SELECTIVE SERVICE SYSTEM.

Section 10 of the Military Selective Service Act (50 U.S.C. App. 460) is amended—

(1) in subsection (b)(2), by striking out "without the approval of the Director"; and

(2) in subsection (g), by striking out "semiannually" and inserting in lieu thereof "annually".

SEC. 1092. SEPARATE MAINTENANCE ALLOWANCE FOR FEDERAL EMPLOYEES LOCATED AT JOHNSTON ISLAND.

(a) AUTHORITY.—(1) Subchapter IV of chapter 59 of title 5, United States Code, is amended by inserting after section 5942 the following:

"§5942a. Separate maintenance allowance for duty at Johnston Island

"(a) Notwithstanding section 5536 of this title, and under regulations prescribed by the President, an employee of an Executive agency (other than a Government corporation) who is assigned to a post of duty at Johnston Island, a possession of the United States in the Pacific Ocean, is entitled to receive a separate maintenance allowance if the head of the employing agency finds that—

"(1) it is necessary for the employee to maintain the employee's spouse or dependents, or both, at a location other than Johnston Island—

"(A) by reason of dangerous or adverse living conditions at Johnston Island; or

"(B) for the convenience of the Federal Government; and

"(2) the allowance is needed to help the employee meet the additional expenses involved in maintaining the employee's spouse or dependents, or both, at such other location rather than at the post.

"(b) The regulations prescribed by the President shall include provisions for determining the rate at which an allowance under this section shall be paid.".

(2) The table of sections for chapter 59 of title 5, United States Code, is amended by inserting after the item relating to section 5942 the following:

"5942a. Separate maintenance allowance for duty at Johnston Island.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the first month beginning on or after the date of the enactment of this Act.

SEC. 1093. EXTENSION OF FOREIGN POST DIFFERENTIALS TO CERTAIN FEDERAL EMPLOYEES WHO SERVED IN CONNECTION WITH OPERATION DESERT STORM.

(a) WAIVER OF REQUIREMENT THAT EMPLOYEE BE DETAILED TO A POST FOR AN "EXTENDED" PERIOD.—An individual who performed service of a type described in subsection (b) shall, upon appropriate written application, be granted the total amount to which such individual would have been entitled for such service under section 5925(a) of title 5, United States Code, disregarding any eligibility requirement relating to the minimum period of time for which an individual must serve at, or be detailed to, a post.

(b) DESCRIPTION OF SERVICE INVOLVED.—This section applies with respect to any period of service if, or to the extent that—

(1) it was performed as an employee—

(A) in connection with Operation Desert Storm;

(B) during the Persian Gulf conflict;

(C) at a post within the area designated by the President, in Executive Order 12744, as a "combat zone" for purposes of section 112 of the Internal Revenue Code of 1986; and

(D) while a differential under section 5925(a) of title 5, United States Code, was authorized with respect to such post; and

(2) no differential under such section 5925(a) was granted to such employee for such service.

(c) REGULATIONS.—The President may prescribe any regulations necessary to carry out this section.

(d) DEFINITIONS.—For the purpose of this section—

(1) the term "employee" has the meaning given such term by section 5921(3) of title 5, United States Code;

(2) the term "Operation Desert Storm" has the meaning given such term by section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (10 U.S.C. 101 note); and

(3) the term "Persian Gulf conflict" means the period beginning on August 2, 1990, and ending on June 2, 1991.

SEC. 1094. PROVISIONAL SUPERVISED EMPLOYMENT OF FEDERAL CHILD CARE SERVICES PERSONNEL.

(a) EMPLOYMENT PENDING COMPLETION OF BACKGROUND CHECK.—Section 231 of the Crime Control Act of 1990 (42 U.S.C. 13041) is amended—

(1) in the second sentence of subsection (a)(1), by striking out "6 months after the date of enactment of this chapter, and no additional staff" and inserting in lieu thereof "May 29, 1991. Except as provided in subsection (b)(3), no additional staff"; and

(2) in subsection (b), by adding at the end the following new paragraph:

"(3) An agency or facility described in subsection (a)(1) may hire a staff person provisionally prior to the completion of a background check if, at all times prior to receipt of the background check during which children are in the care of the person, the person is within the sight and under the supervision of a staff person with respect to whom a background check has been completed.".

(b) ADDITIONAL SAFETY MEASURES FOR FEDERAL CHILD CARE SERVICE FACILITIES.—It is the sense of Congress that each agency of the Federal Government, each facility operated by the Federal Government, and each facility operated under contract with the Federal Government, that provides child care services to children under the age of 18—

(1) modify child care facilities to the extent necessary to ensure that, except for restrooms, there are no secluded areas not open to the general view of persons in such facilities;

(2) provide for regular oversight of the management and operations of child care facilities by an agency official who is not directly in charge of the operation of the facility; and

(3) to the maximum extent feasible allow parental access to children in child care facilities at all times.

SEC. 1095. IRAQ AND THE REQUIREMENTS OF SECURITY COUNCIL RESOLUTION 687.

(a) FINDING.—The Congress finds that the Government of Iraq continues to violate United Nations Security Council Resolution 687, which required Iraq to submit within 15 days of its adoption on April 3, 1991, a declaration of the locations, amounts, and types of all weapons of mass destruction and to "unconditionally ac-

cept the destruction, removal or rendering harmless" of chemical weapons, biological weapons, and missiles with a range greater than 150 kilometers and the removal of nuclear weapons-usable material.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) Iraq's noncompliance with United Nations Security Council Resolution 687 constitutes a continuing threat to the peace, security, and stability of the Persian Gulf region;

(2) the President should consult closely with the partners of the United States in the Desert Storm coalition and with the members of the United Nations Security Council in order to present a united front of opposition to Iraq's continuing noncompliance with Security Council Resolution 687; and

(3) the Congress supports the use of all necessary means to achieve the goals of Security Council Resolution 687 as being consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102–1).

SEC. 1096. IRAQ AND THE REQUIREMENTS OF SECURITY COUNCIL RESOLUTION 688.

(a) FINDING.—The Congress finds that the Government of Iraq, through its ongoing suppression of the political opposition, including Kurds and Shias, continues to violate the Universal Declaration of Human Rights and United Nations Security Council Resolution 688 which demanded that Iraq "ensure that the human and political rights of all Iraqi citizens are respected".

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) Iraq's noncompliance with United Nations Security Council Resolution 688 constitutes a continuing threat to the peace, security, and stability of the Persian Gulf region;

(2) the President should consult closely with the partners of the United States in the Desert Storm coalition and with the members of the United Nations Security Council in order to present a united front of opposition to Iraq's continuing noncompliance with Security Council Resolution 688; and

(3) the Congress supports the use of all necessary means to achieve the goals of United Nations Security Council Resolution 688 consistent with all relevant United Nations Security Council Resolutions and the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102–1).

SEC. 1097. ANNUAL REPORT ON THE PROLIFERATION OF MISSILES AND ESSENTIAL COMPONENTS OF NUCLEAR, BIOLOGICAL, AND CHEMICAL WEAPONS.

(a) REPORT REQUIRED.—(1) The President shall submit to the Committees on Armed Services and Foreign Affairs of the House of Representatives and the Committees on Armed Services and Foreign Relations of the Senate an annual report on the transfer by any country of weapons, technology, or materials that can be used to deliver, manufacture, or weaponize nuclear, biological, or chemical weapons (hereinafter in this section referred to as "NBC weapons") to any country other than a country referred to in subsection (d) that is seeking to acquire such weapons, technology, or materials, or other system that the Secretary of Defense has reason to believe could be used to deliver NBC weapons.

(2) The first such report shall be submitted not later than 90 days after the date of the enactment of this Act.

(b) MATTERS TO BE COVERED.—Each such report shall cover—

(1) the transfer of all aircraft, cruise missiles, artillery weapons, unguided rockets and multiple rocket systems, and related bombs, shells, warheads and other weaponization technology and materials that the Secretary has reason to believe may be intended for the delivery of NBC weapons;

(2) international transfers of MTCR equipment or technology to any country that is seeking to acquire such equipment or any other system that the Secretary has reason to believe may be used to deliver NBC weapons; and

(3) the transfer of technology, test equipment, radioactive materials, feedstocks and cultures, and all other specialized materials that the Secretary has reason to believe could be used to manufacture NBC weapons.

(c) CONTENT OF REPORT.—Each such report shall include the following:

(1) The status of missile, aircraft, and other weapons delivery and weaponization programs in any such country, including efforts by such country to acquire MTCR equipment, NBC-capable aircraft, or any other weapon or major weapon component which is dedicated to the delivery of NBC weapons, whose primary use is the delivery of NBC weapons, or that the Secretary has reason to believe could be used to deliver NBC weapons.

(2) The status of NBC weapons development, manufacture, and deployment programs in any such country, including efforts to acquire essential test equipment, manufacturing equipment and technology, weaponization equipment and technology, and radioactive material, feedstocks or components of feedstocks, and biological cultures and toxins.

(3) A description of assistance provided by any person or government, after the date of the enactment of this Act, to any such country in the development of—

(A) missile systems, as defined in the MTCR or that the Secretary has reason to believe may be used to deliver NBC weapons;

(B) aircraft and other delivery systems and weapons that the Secretary has reason to believe could be used to deliver NBC weapons; and

(C) NBC weapons.

(4) A listing of those persons and countries which continue to provide such equipment or technology described in paragraph (3) to any country as of the date of submission of the report.

(5) A description of the diplomatic measures that the United States, and that other adherents to the MTCR and other agreements affecting the acquisition and delivery of NBC weapons, have made with respect to activities and private persons and governments suspected of violating the MTCR and such other agreements.

(6) An analysis of the effectiveness of the regulatory and enforcement regimes of the United States and other countries that adhere to the MTCR and other agreements affecting the acquisition and delivery of NBC weapons in controlling the export of MTCR and other NBC weapons and delivery system equipment or technology.

(7) A summary of advisory opinions issued under section 11B(b)(4) of the Export Administration Act of 1979 (50 U.S.C. App. 2401b(b)(4)) and under section 73(d) of the Arms Export Control Act (22 U.S.C. 2797b(d)) .

(8) An explanation of United States policy regarding the transfer of MTCR equipment or technology to foreign missile programs, including programs involving launches of space vehicles.

(d) EXCLUSIONS.—The countries excluded under subsection (a) are Australia, Belgium, Canada, Denmark, the Federal Republic of Germany, France, Greece, Iceland, Israel, Italy, Japan, Luxembourg, the Netherlands, Norway, Portugal, Spain, Turkey, the United Kingdom, and the United States.

(e) CLASSIFICATION OF REPORT.—The President shall make every effort to submit all of the information required by this section in unclassified form. Whenever the President submits any such information in classified form, he shall submit such classified information in an addendum and shall also submit concurrently a detailed summary, in unclassified form, of that classified information.

(f) DEFINITIONS.—For purposes of this section:

(1) The terms "missile", "MTCR", and "MTCR equipment or technology" have the meanings given those terms in section 74 of the Arms Export Control Act (22 U.S.C. 2797c).

(2) The term "weaponize" or "weaponization" means to incorporate into, or the incorporation into, usable ordnance or other militarily useful means of delivery.

(g) REPEAL OF SUPERSEDED LAW.—Section 1704 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1749; 22 U.S.C. 2797) is repealed.

TITLE XI—WARRANT OFFICER MANAGEMENT

SEC. 1101. SHORT TITLE.

This title may be cited as the "Warrant Officer Management Act".

PART A—NEW WARRANT OFFICER PERSONNEL SYSTEM

SEC. 1111. ESTABLISHMENT OF PERMANENT GRADE OF CHIEF WARRANT OFFICER, W-5.

(a) ESTABLISHMENT OF GRADE.—The grade of chief warrant officer, W–5, is hereby established in the Army, Navy, Air Force, and Marine Corps.

(b) BASIC PAY.—The table relating to warrant officer grades in section 201(b) of title 37, United States Code, is amended to read as follows:

"Pay Grade:	*Warrant Officer Grade:*
W–5	*Chief Warrant Officer, W–5.*
W–4	*Chief Warrant Officer, W–4.*
W–3	*Chief Warrant Officer, W–3.*
W–2	*Chief Warrant Officer, W–2.*
W–1	*Warrant Officer, W–1.".*

(c) RATES OF PAY AND ALLOWANCES.—A warrant officer who holds the grade of Chief Warrant Officer, W–5, is entitled to pay and allowances at the monthly rates as follows:

BASIC PAY

	Years of service computed under section 205		
	22 or less	Over 22	Over 26
W–5	3455.90	3587.10	3846.30

BASIC ALLOWANCE FOR QUARTERS

Pay grade	Without dependents		With dependents
	Full rate	Partial rate	
W–5	573.00	25.20	626.40

BASIC ALLOWANCE FOR SUBSISTENCE

134.42

(d) RATES FOR SPECIAL AND INCENTIVE PAYS AND TRANSPORTATION ALLOWANCES.—(1) The table relating to hazardous duty pay in section 301(b) of title 37, United States Code, is amended by inserting below the item relating to the pay grade O–1 the following:

"W–5........ 250".

(2) The table relating to submarine duty pay for warrant officers in section 301c(b) of such title is amended—

(A) by striking out the item relating to the pay grade W–4 the first place it appears and inserting in lieu thereof the following:

"W-5........ $235 $310 $310 $355 $355 $355 $355
"W-4........ 235 310 310 355 355 355 355";
and

(B) by striking out the item relating to the pay grade W-4 the second place it appears and inserting in lieu thereof the following:

"W-5........ $355 $355 $355 $355 $355 $355 $355
"W-4........ 355 355 355 355 355 355 355".

(3) The table relating to career sea pay for warrant officers in section 305a(b) of such title is amended—

(A) by inserting after the item relating to the pay grade W-4 the first place it appears the following:

"W-5........ 150 150 150 150 170 290 310";

(B) by inserting after the item relating to the pay grade W-4 the second place it appears the following:

"W-5........ 310 310 310 350 375 400 450";
and

(C) by inserting after the item relating to the pay grade W-4 the last place it appears the following:

"W-5........ 450 500 500".

(4) The table relating to transportation of baggage and household effects in section 406(b)(1)(C) of such title is amended by inserting after the item relating to the pay grade O-1 the following:

"W-5........ 16,000 17,500".

SEC. 1112. PROMOTION AND RETENTION OF WARRANT OFFICERS.

(a) NEW WARRANT OFFICER PERSONNEL SYSTEM.—Part II of subtitle A of title 10, United States Code, is amended by striking out subchapter II of chapter 33 and inserting in lieu thereof the following:

"CHAPTER 33A—APPOINTMENT, PROMOTION, AND INVOLUNTARY SEPARATION AND RETIREMENT FOR MEMBERS ON THE WARRANT OFFICER ACTIVE-DUTY LIST

"Sec.
"571. Warrant officers: grades.
"572. Warrant officers: original appointment; service credit.
"573. Convening of selection boards.
"574. Warrant officer active-duty lists; competitive categories; number to be recommended for promotion; promotion zones.
"575. Recommendations for promotion by selection boards.
"576. Information furnished to selection boards; selection procedures.
"577. Promotions: effect of failure of selection for.
"578. Promotions; how made; effective date.
"579. Removal from a promotion list.
"580. Regular warrant officers twice failing of selection for promotion: involuntary retirement or separation.
"581. Selective retirement.
"582. Warrant officer active-duty list: exclusions.
"583. Definitions.

"§571. Warrant officers: grades

"(a) The regular warrant officer grades in the Army, Navy, Air Force, and Marine Corps corresponding to the pay grades prescribed for warrant officers by section 201(b) of title 37 are as follows:

"Warrant officer grade:
"Chief warrant officer, W-5
"Chief warrant officer, W-4
"Chief warrant officer, W-3
"Chief warrant officer, W-2
"Warrant officer, W-1

"(b) Appointments in the grade of regular warrant officer, W-1, shall be made by warrant by the Secretary concerned. Appointments in regular chief warrant officer grades shall be made by commission by the President.

"(c) An appointment may not be made in any of the armed forces in the regular warrant officer grade of chief warrant officer, W-5, if the appointment would result in more than 5 percent of the warrant officers of that armed force on active duty being in the grade of chief warrant officer, W-5. In computing the limitation prescribed in the preceding sentence, there shall be excluded warrant officers described in section 582 of this title.

"§572. Warrant officers: original appointment; service credit

"For the purposes of promotion, persons originally appointed in regular or reserve warrant officer grades shall be credited with such service as the Secretary concerned may prescribe. However, such a person may not be credited with a period of service greater than the period of active service performed in the grade, or pay grade corresponding to the grade, in which so appointed, or in any higher grade or pay grade.

"§573. Convening of selection boards

"(a)(1) Whenever the Secretary of a military department determines that the needs of the service so require, he shall convene a selection board to recommend for promotion to the next higher warrant officer grade warrant officers on the warrant officer active-duty list who are in the grade of chief warrant officer, W-2, chief warrant officer, W-3, or chief warrant officer, W-4.

"(2) Warrant officers serving on the warrant officer active duty list in the grade of warrant officer, W-1, shall be promoted to the grade of chief warrant officer, W-2, in accordance with regulations prescribed by the Secretary of the military department concerned. Such regulations shall require that an officer have served not less than 18 months on active duty in the grade of warrant officer, W-1, before promotion to the grade of warrant officer, W-2.

"(b) A selection board shall consist of five or more officers who are on the active-duty list of the same armed force as the warrant officers under consideration by the board. At least five members of a selection board must be serving in a permanent grade above major or lieutenant commander. The Secretary concerned may appoint warrant officers, senior in grade to those under consideration, as additional members of the selection board. If warrant officers are appointed members of the selection board and if competitive categories have been established by the Secretary under section 574(b) of this title, at least one must be appointed from each warrant officer competitive category under consideration by the board, unless there is an insufficient number of warrant officers in the competitive category concerned who are senior in grade to those under consideration and qualified, as determined by the Secretary concerned, to be appointed as additional members of the board.

"(c) The Secretary concerned may convene selection boards to recommend regular warrant officers for continuation on active duty under section 580 of this title and for retirement under section 581 of this title.

"(d) When reserve warrant officers of one of the armed forces are to be considered by a selection board convened under subsection (a), the membership of the board shall, if practicable, include at least one reserve officer of that armed force, with the exact number of reserve officers to be determined by the Secretary concerned.

"(e) No officer may serve on two consecutive boards under this section, if the second board considers any warrant officer who was considered by the first board.

"(f) The Secretary concerned shall prescribe all other matters relating to the functions and duties of the boards, including the number of members constituting a quorum, and instructions concerning notice of convening of boards and communications with boards.

"§574. Warrant officer active-duty lists; competitive categories; number to be recommended for promotion; promotion zones

"(a) The Secretary of each military department shall maintain for each armed force under the jurisdiction of that Secretary a single list of all warrant officers (other than warrant officers described in section 582 of this title) who are on active duty.

"(b) The Secretary of each military department may establish competitive categories for promotion. Warrant officers in the same competitive category shall compete among themselves for promotion.

"(c) Before convening a selection board under section 573 of this title, the Secretary concerned shall determine for each grade (or grade and competitive category) to be considered by the board the following:

"(1) The maximum number of warrant officers to be recommended for promotion.

"(2) A promotion zone for warrant officers on the warrant officer active-duty list.

"(d) The position of a warrant officer on the warrant officer active-duty list shall be determined as follows:

"(1) Warrant officers shall be carried in the order of seniority of the grade in which they are serving on active duty.

"(2) Warrant officers serving in the same grade shall be carried in the order of their rank in that grade.

"(3) A warrant officer on the warrant officer active-duty list who receives a temporary appointment or a temporary assignment in a grade other than a warrant officer grade or chief warrant officer grade shall retain his position on the warrant officer active duty list while so serving.

"(e) A chief warrant officer may not be considered for promotion to the next higher grade under this chapter until the officer has completed 3 years of service on active duty in the grade in which the officer is serving.

"§575. Recommendations for promotion by selection boards

"(a) A selection board convened under section 573(a) of this title shall recommend for promotion to the next higher grade those warrant officers considered by the board whom the board, giving due consideration to the needs of the armed force concerned for warrant officers with particular skills, considers best qualified for promotion within each grade (or grade and competitive category) considered by the board.

"(b)(1) In the case of a selection board to consider warrant officers for selection for promotion to the grade of chief warrant officer, W-4, or chief warrant officer, W-5, the Secretary concerned shall establish the number of warrant officers that the selection board may recommend from among warrant officers being considered from below the promotion zone within each grade (or grade and competitive category). The number of warrant officers recommended for promotion from below the promotion zone does not increase the maximum number of warrant officers which the board is authorized under section 574 of this title to recommend for promotion.

"(2) The number of officers recommended for promotion from below the promotion zone may not exceed 10 percent of the total number recommended, except that the Secretary of Defense may authorize such percentage to be increased to not more than 15 percent.

"(c) A selection board convened under section 573(a) of this title may not recommend a warrant officer for promotion unless—

"(1) the officer receives the recommendation of a majority of the members of the board; and

"(2) a majority of the members of the board find that the officer is fully qualified for promotion.

"(d) Each time a selection board is convened under section 573(a) of this title to consider warrant officers in a competitive category for promotion to the next higher grade, each warrant officer in the promotion zone, and each warrant officer above the promotion zone, for the grade and competitive category under consideration shall be considered for promotion.

"§576. Information to be furnished to selection boards; selection procedures

"(a) The Secretary of the military department concerned shall furnish to each selection board convened under section 573 of this title the following:

"(1) The maximum number of warrant officers that may be recommended for promotion from those serving in any grade (or grade and competitive category) to be considered, as determined in accordance with section 574 of this title.

"(2) The names and pertinent records of all officers in each grade (or grade and competitive category) to be considered.

"(3) Such information or guidelines relating to the needs of the armed force concerned for warrant officers having particular skills, including guidelines or information relating to the need for either a minimum number or a maximum number of officers with particular skills within a grade or competitive category, as the Secretary concerned determines to be relevant in relation to the requirements of that armed force.

"(b) From each promotion zone for a grade (or grade and competitive category), the selection board shall recommend for promotion to the next higher warrant officer grade those warrant officers whom it considers best qualified for promotion, but no more than the number specified by the Secretary concerned.

"(c) The names of warrant officers selected for promotion under this section shall be arranged in the board's report in order of the seniority on the warrant officer active-duty list.

"(d) Under such regulations as the Secretary concerned may prescribe, the selection board shall report the names of those warrant officers considered by it whose records establish, in its opinion, their unfitness or unsatisfactory performance. A regular warrant officer whose name is so reported shall be considered, under regulations provided by the Secretary concerned, for retirement or separation under section 1166 of this title.

"(e) The report of the selection board shall be submitted to the Secretary of the military department concerned. The Secretary may approve or disapprove all or part of the report.

"(f)(1) Upon receipt of the report of a selection board submitted to him under subsection (e), the Secretary concerned shall review the report to determine whether the board has acted contrary to law or regulation or to guidelines furnished the board under this section. Following such review, unless the Secretary concerned makes a determination as described in paragraph (2), the Secretary shall submit the report as required by subsection (e).

"(2) If, on the basis of a review of the report under paragraph (1), the Secretary of the military department concerned determines that the board acted contrary to law or regulation or to guidelines furnished the board under this section, the Secretary shall return the report, together with a written explanation of the basis for such determination, to the board for further proceedings. Upon receipt of a report returned by the Secretary concerned under this paragraph, the selection board (or a subsequent selection board convened under section 573 of this title for the same grade and competitive category) shall conduct such proceedings as may be necessary in order to revise the report to be consistent with law, regulation, and such guidelines and shall resubmit the report, as revised, to the Secretary in accordance with subsection (e).

"§577. Promotions: effect of failure of selection for

"A warrant officer who has been considered for promotion by a selection board convened under section 573 of this title, but not selected, shall be considered for promotion by each subsequent selection board that considers officers in his grade (or grade and competitive category) until he is retired or separated or he is selected for promotion. However, the Secretary concerned may, by regulation, preclude from consideration by a selection board by which he would otherwise be eligible to be considered, a warrant officer who has an established separation date that is within 90 days after the date on which the board is convened.

"§578. Promotions; how made; effective date

"(a) When the report of a selection board convened under this chapter is approved by the Secretary concerned, the Secretary shall place the names of the warrant officers approved for promotion on a single promotion list for each grade (or grade and competitive category), in the order of the seniority of such officers on the warrant officer active-duty list.

"(b) Promotions of warrant officers on the warrant officer promotion list shall be made when, in accordance with regulations issued by the Secretary concerned, additional warrant officers in that grade (or grade and competitive category), are needed.

"(c) A regular warrant officer who is promoted is appointed in the regular grade to which promoted, and a reserve warrant officer who is promoted is appointed in the reserve grade to which promoted. The date of appointment in that grade and date of rank shall be prescribed by the Secretary concerned. A warrant officer is entitled to the pay and allowances for the grade to which appointed from the date specified in the appointment order.

"(d) Promotions shall be made in the order in which the names of warrant officers appear on the promotion list and after warrant officers previously selected for promotion in the applicable grade (or grade and competitive category) have been promoted.

"§579. Removal from a promotion list

"(a) The name of a warrant officer recommended for promotion by a selection board convened under this chapter may be removed from the report of the selection board by the President.

"(b) The Secretary concerned may remove the name of a warrant officer who is on a promotion list as a result of being recommended for promotion by a selection board convened under this chapter at any time before the promotion is effective.

"(c) An officer whose name is removed from the list of officers recommended for promotion by a selection board continues to be eligible for consideration for promotion.

"(d) If the next selection board that considers the warrant officer for promotion under this chapter selects the warrant officer for promotion and the warrant officer is promoted, the Secretary concerned may, upon his promotion, grant him the same effective date for pay and allowances and the same date of rank, and the same position on the warrant officer active-duty list as the warrant officer would have had if his name had not been so removed.

"(e) If the next selection board does not select the warrant officer for promotion, or if his name is again removed under subsection (a) from the list of officers recommended for promotion by the selection board or under subsection (b) from the warrant officer promotion list, he shall be treated for all purposes as if he has twice failed of selection for promotion.

"§580. Regular warrant officers twice failing of selection for promotion: involuntary retirement or separation

"(a)(1) Unless retired or separated sooner under some other provision of law, a regular chief warrant officer who has twice failed of selection for promotion to the next higher regular warrant officer grade shall be retired under paragraph (2) or (3) or separated from active duty under paragraph (4).

"(2) If a warrant officer described in paragraph (1) has more than 20 years of creditable active service on (A) the date on which the Secretary concerned approves the report of the board under section 576(e) of this title, or (B) the date on which his name was removed from the recommended list under section 579 of this title, whichever applies, the warrant officer shall be retired. The date of such retirement shall be not later than the first day of the seventh calendar month beginning after the applicable date under the preceding sentence, except as provided by section 8301 of title 5. A warrant officer retired under this paragraph shall receive retired pay computed under section 1401 of this title.

"(3) If a warrant officer described in paragraph (1) has at least 18 but not more than 20 years of creditable active service on (A) the date on which the Secretary concerned approves the report of the board under section 576(e) of this title, or (B) the date on which his name was removed from the recommended list under section 579 of this title, whichever applies, the warrant officer shall be retired not later than the date determined under the next sentence unless he is selected for promotion to the next higher regular warrant officer grade before that date. The date of the retirement of a warrant officer under the preceding sentence shall be on a date specified by the Secretary concerned, but not later than the first day of the seventh calendar month beginning after the date upon which he completes 20 years of active service, except as provided by section 8301 of title 5. A warrant officer retired under this paragraph shall receive retired pay computed under section 1401 of this title.

"(4)(A) If a warrant officer described in paragraph (1) has less than 18 years of creditable active service on (i) the date on which the Secretary concerned approves the report of the board under section 576(e) of this title, or (ii) the date on which his name was removed from the recommended list under section 579 of this title, whichever applies, the warrant officer shall be separated. The date of such separation shall be not later than the first day of the seventh calendar month beginning after the applicable date under the preceding sentence.

"(B) A warrant officer separated under this paragraph shall receive separation pay computed under section 1174 of this title except in a case in which—

"(i) upon his request and in the discretion of the Secretary concerned, he is enlisted in the grade prescribed by the Secretary; or

"(ii) he is serving on active duty in a grade above chief warrant officer, W–5, and he elects, with the consent of the Secretary concerned, to remain on active duty in that status.

"(5) A warrant officer who is subject to retirement or discharge under this subsection is not eligible for further consideration for promotion.

"(6) In this subsection, the term 'creditable active service' means active service that could be credited to a warrant officer under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114).

"(b) The Secretary concerned may defer, for not more than 4 months, the retirement or sepa-

ration under this section of a warrant officer if, because of unavoidable circumstances, evaluation of his physical condition and determination of his entitlement to retirement or separation for physical disability require hospitalization or medical observation that cannot be completed before the date on which he would otherwise be required to retire or be separated under this section.

"(c) The Secretary concerned may defer, until such date as he prescribes, the retirement under subsection (a) of a warrant officer who is serving on active duty in a grade above chief warrant officer, W-5, and who elects to continue to so serve.

"(d) If a warrant officer who also holds a grade above chief warrant officer, W-5, is retired or separated under subsection (a), his commission in the higher grade shall be terminated on the date on which he is so retired or separated.

"(e)(1) A regular warrant officer subject to discharge or retirement under this section may, subject to the needs of the service, be continued on active duty if he is selected for continuation on active duty by a selection board convened under section 573(c) of this title.

"(2) A warrant officer who is selected for continuation on active duty under this subsection but declines to continue on active duty shall be discharged, retired, or retained on active duty, as appropriate, in accordance with this section.

"(3) Each warrant officer who is continued on active duty under this subsection, not subsequently promoted or continued on active duty, and not on a list of warrant officers recommended for continuation or for promotion to the next higher regular grade shall, unless sooner retired or discharged under another provision of law—

"(A) be discharged upon the expiration of his period of continued service; or

"(B) if he is eligible for retirement under any provision of law, be retired under that law on the first day of the first month following the month in which he completes his period of continued service.

Notwithstanding subparagraph (A), a warrant officer who would otherwise be discharged under such subparagraph and who is within 2 years of qualifying for retirement under section 1293 of this title shall, unless he is sooner retired or discharged under some other provision of law, be retained on active duty until he is qualified for retirement under that section and then be retired.

"(4) The retirement or discharge of a warrant officer pursuant to this subsection shall be considered to be an involuntary retirement or discharge for purposes of any other provision of law.

"(5) Continuation of a warrant officer on active duty under this subsection pursuant to the action of a selection board convened under section 573(c) of this title is subject to the approval of the Secretary concerned.

"(6) The Secretary of Defense shall prescribe regulations for the administration of this subsection.

"§581. Selective retirement

"(a) A regular warrant officer in the Army, Navy, Air Force, or Marine Corps who holds a warrant officer grade above warrant officer, W-1, and whose name is not on a list of warrant officers recommended for promotion and who is eligible to retire under any provision of law may be considered for retirement by a selection board convened under section 573(c) of this title. The Secretary concerned shall specify the maximum number of warrant officers that such a board may recommend for retirement.

"(b) A warrant officer who is recommended for retirement under this section and whose retirement is approved by the Secretary concerned shall be retired, under any provision of law under which he is eligible to retire, on the date requested by him and approved by the Secretary concerned, which date shall be not later than the first day of the seventh calendar month beginning after the month in which the Secretary concerned approves the report of the board which recommended the officer for retirement.

"(c) The retirement of a warrant officer pursuant to this section shall be considered to be an involuntary retirement for purposes of any other provision of law.

"(d)(1) The Secretary concerned shall prescribe regulations for the administration of this section. Such regulations shall require that when the Secretary concerned submits a list of regular warrant officers to a selection board convened under section 573(c) of this title to consider regular warrant officers for selection for retirement under this section, the list shall include each warrant officer on the active-duty list in the same grade or same grade and competitive category whose position on the active-duty list is between that of the most junior regular warrant officer in that grade whose name is submitted to the board and that of the most senior regular warrant officer in that grade whose name is submitted to the board.

"(2) Such regulations shall establish procedures to exclude from consideration by the Board any warrant officer who has been approved for voluntary retirement, or who is to be mandatorily retired under any other provision of law, during the fiscal year in which the Board is convened or during the following fiscal year. An officer not considered by a selection board convened under section 573(c) of this title under such regulations because the officer has been approved for voluntary retirement shall be retired on the date approved for the retirement of such officer as of the convening date of such selection board unless the Secretary concerned approves a modification of such date in order to prevent a personal hardship for the officer or for other humanitarian reasons.

"§582. Warrant officer active-duty list: exclusions

"Warrant officers in the following categories are not subject to this chapter:

"(1) Reserve warrant officers—

"(A) on active duty for training;

"(B) on active duty under section 672(d) of this title in connection with organizing, administering, recruiting, instructing, or training the reserve components;

"(C) on active duty to pursue special work;

"(D) ordered to active duty under section 673b of this title; or

"(E) on full-time National Guard duty.

"(2) Retired warrant officers on active duty.

"(3) Students enrolled in the Army Physician's Assistant Program.

"§583. Definitions

"In this chapter:

"(1) The term 'promotion zone' means a promotion eligibility category consisting of officers on a warrant officer active-duty list in the same grade (or the same grade and competitive category) who—

"(A) in the case of grades below chief warrant officer, W-5, have neither (i) failed of selection for promotion to the next higher grade, nor (ii) been removed from a list of warrant officers recommended for promotion to that grade (other than after having been placed on that list after a selection from below the promotion zone); and

"(B) are senior to the warrant officer designated by the Secretary concerned to be the junior warrant officer in the promotion zone eligible for promotion to the next higher grade.

"(2) The term 'warrant officers above the promotion zone' means a group of officers on a warrant officer active-duty list in the same grade (or the same grade and competitive category) who—

"(A) are eligible for consideration for promotion to the next higher grade;

"(B) are in the same grade as warrant officers in the promotion zone; and

"(C) are senior to the senior warrant officer in the promotion zone.

"(3) The term 'warrant officers below the promotion zone' means a group of officers on a warrant officer active-duty list in the same grade (or the same grade and competitive category) who—

"(A) are eligible for consideration for promotion to the next higher grade;

"(B) are in the same grade as warrant officers in the promotion zone; and

"(C) are junior to the junior warrant officer in the promotion zone.".

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) Chapter 33 of such title is amended by striking out the chapter heading, the table of subchapters, and the heading of subchapter I and inserting in lieu thereof the following:

"CHAPTER 33—ORIGINAL APPOINTMENTS OF REGULAR OFFICERS IN GRADES ABOVE WARRANT OFFICER GRADES".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of such title are amended by striking out the item relating to chapter 33 and inserting in lieu thereof the following:

"33. Original Appointments of Regular Officers in Grades Above Warrant Officer Grades 531
"33A. Appointment, Promotion, and Involuntary Separation and Retirement for Members on the Warrant Officer Active-Duty List .... 571".

SEC. 1113. TEMPORARY APPOINTMENTS.

(a) REPEAL OF PERMANENT AUTHORITY FOR TEMPORARY PROMOTIONS.—Section 602 of title 10, United States Code, is repealed.

(b) AUTHORITY FOR TEMPORARY APPOINTMENTS DURING WAR OR NATIONAL EMERGENCY.—Section 603(a) of such title is amended—

(1) by striking out "commissioned";

(2) by striking out "in warrant officer grades or"; and

(3) by striking out the period at the end of the second sentence and inserting in lieu thereof ", except that an appointment in the grade warrant officer, W-1, shall be made by warrant by the Secretary concerned.".

(c) NAVY AND MARINE CORPS WARRANT OFFICER APPOINTMENTS.—Section 5596 of such title is amended—

(1) in subsection (a), by striking out "appointments—" and all that follows through "of officers designated" and inserting in lieu thereof "appointments of officers designated"; and

(2) in subsection (d), by striking out "subsection (a)(2)" and inserting in lieu thereof "subsection (a)".

(d) TECHNICAL AND CLERICAL AMENDMENTS.—(1)(A) The heading of section 603 of such title is amended to read as follows:

"§603. Appointments in time of war or national emergency".

(B) The table of sections at the beginning of chapter 35 of such title is amended by striking out the items relating to sections 602 and 603 and inserting in lieu thereof the following:

"603. Appointments in time of war or national emergency.".

(2)(A) The heading of section 5596 of such title is amended by striking out "**warrant officers and**".

(B) The item relating to section 5596 in the table of sections at the beginning of chapter 539 of such title is amended by striking out "warrant officers and".

SEC. 1114. RANK OF WARRANT OFFICERS.

(a) RANK WITHIN GRADE.—Chapter 43 of title 10, United States Code, is amended by inserting after section 741 the following new section:

"§742. Rank: warrant officers

"(a) Among warrant officer grades, warrant officer grades of a higher numerical designation are senior to warrant officer grades of a lower numerical designation.

"(b) Rank among warrant officers of the same grade, and date of rank of warrant officers, is determined in the same manner as prescribed in section 741 of this title for officers in grades above warrant officer grades.".

(b) CONFORMING REPEAL.—Section 745 of such title is repealed.

(c) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 43 of such title is amended—

(1) by inserting after the item relating to section 741 the following new item:

"742. Rank: warrant officers.";

and

(2) by striking out the item relating to section 745.

SEC. 1115. SUSPENSION IN TIME OF WAR OR NATIONAL EMERGENCY.

Section 644 of title 10, United States Code, is amended by striking out "commissioned" in the first sentence.

SEC. 1116. MANDATORY RETIREMENT OF REGULAR ARMY WARRANT OFFICERS FOR LENGTH OF SERVICE.

Section 1305(a) of title 10, United States Code, is amended—

(1) by striking out "A permanent regular warrant officer" and inserting in lieu thereof "(1) Except as provided in paragraph (2), a regular warrant officer (other than a regular Army warrant officer in the grade of chief warrant officer, W–5)"; and

(2) by adding at the end the following new paragraph:

"(2)(A) A regular Army warrant officer in the grade of chief warrant officer, W–5, who has at least 30 years of active service as a warrant officer that could be credited to him under section 511 of the Career Compensation Act of 1949, as amended (70 Stat. 114), shall be retired 60 days after the date on which he completes that service, except as provided by section 8301 of title 5.

"(B) A regular Army warrant officer in a warrant officer grade below the grade of chief warrant officer, W–5, who completes 24 years of active service as a warrant officer before he is required to be retired under paragraph (1) shall be retired 60 days after the date on which he completes 24 years of active service as a warrant officer, except as provided by section 8301 of title 5.".

PART B—TRANSITION AND SAVINGS PROVISIONS

SEC. 1121. TRANSITION FOR CERTAIN REGULAR WARRANT OFFICERS SERVING IN A HIGHER TEMPORARY GRADE BELOW CHIEF WARRANT OFFICER, W–5.

(a) CERTAIN OFFICERS TO BE CONSIDERED AS RECOMMENDED FOR PROMOTION.—A regular warrant officer of the Armed Forces (other than the Coast Guard) who on the effective date of this title is on active duty and—

(1) is serving in a temporary grade below chief warrant officer, W–5, that is higher than his permanent grade;

(2) is on a list of officers recommended for promotion to a temporary grade below chief warrant officer, W–5; or

(3) is on a list of officers recommended for promotion to a permanent grade higher than the grade in which he is serving;

shall be considered to have been recommended by a board convened under section 573 of title 10, United States Code, as added by this title, for promotion to the permanent grade equivalent to the grade in which he is serving or for which he has been recommended for promotion, as the case may be.

(b) BOARD CONSIDERATION FOR OFFICERS REMOVED FROM PROMOTION LIST.—An officer referred to in paragraph (1) of subsection (a) who is not promoted to the grade to which he is considered under such subsection to have been recommended for promotion because his name is removed from a list of officers who are considered under such paragraph to have been recommended for promotion shall be considered by a board convened under section 573 of title 10, United States Code, as amended by this title, for promotion to the permanent grade equivalent to the temporary grade in which he was serving on the effective date of this title as if he were serving in his permanent grade.

(c) DATE OF RANK.—The date of rank of an officer referred to in subsection (a)(1) who is promoted to the grade in which he is serving on the effective date of this title is the date of his temporary appointment in that grade.

SEC. 1122. TRANSITION FOR CERTAIN RESERVE WARRANT OFFICERS SERVING IN A HIGHER TEMPORARY GRADE BELOW CHIEF WARRANT OFFICER, W–5.

(a) CERTAIN OFFICERS TO BE CONSIDERED AS RECOMMENDED FOR PROMOTION.—(1) Except as provided in subsection (b), a reserve warrant officer of the Armed Forces (other than the Coast Guard) who on the effective date of this title is subject to placement on the warrant officer active-duty list and who—

(A) is serving in a temporary grade below chief warrant officer, W–5, that is higher than his permanent grade; or

(B) is on a list of warrant officers recommended for promotion to a temporary grade below chief warrant officer, W–5, that is the same as or higher than his permanent grade;

shall be considered to have been recommended by a board convened under section 598 of title 10, United States Code, for promotion to the permanent grade equivalent to the grade in which he is serving or for which he has been recommended for promotion, as the case may be.

(2) The date of rank of a warrant officer referred to in paragraph (1)(A) who is promoted to the grade in which he is considered under such paragraph to have been recommended for promotion is the date of his temporary appointment in that grade.

(b) RESERVES ON ACTIVE DUTY.—A reserve warrant officer who on the effective date of this title—

(1) is subject to placement on the warrant officer active-duty list;

(2) is serving on active duty in a temporary grade; and

(3) holds a permanent grade higher than the temporary grade in which he is serving,

shall while continuing on active duty retain such temporary grade and shall be considered for promotion to a grade equal to or lower than his permanent grade as if such temporary grade is a permanent grade. If such warrant officer is recommended for promotion, his appointment to such grade shall be a temporary appointment.

SEC. 1123. CONTINUATION OF CERTAIN TEMPORARY APPOINTMENTS OF NAVY AND MARINE CORPS WARRANT OFFICERS.

A warrant officer of the Navy or Marine Corps who, on the effective date of this title, is subject to placement on the warrant officer active-duty list and who—

(1) was appointed as a temporary warrant officer under section 5596 of title 10, United States Code, and

(2) has retained a permanent enlisted status,

shall, while continuing on active duty, retain such temporary status and grade. Such an officer shall be considered for promotion to a higher warrant officer grade under this title as if that temporary grade is a permanent grade. If the officer is recommended for promotion, the officer's appointment to that grade shall be a temporary appointment.

SEC. 1124. SAVINGS PROVISION FOR CERTAIN REGULAR ARMY WARRANT OFFICERS FACING MANDATORY RETIREMENT FOR LENGTH OF SERVICE.

(a) SAVINGS PROVISION.— Subject to subsection (b), a regular warrant officer of the Army who on the effective date of this title—

(1) is a permanent regular chief warrant officer; or

(2) is on a list of officers recommended for promotion to a regular chief warrant officer grade,

may be retained on active duty until he completes 30 years of active service or 24 years of active warrant officer service, whichever is later, that could be credited to him under section 511 of the Career Compensation Act of 1949 (70 Stat. 114) (as in effect on the day before the effective date of this part), and then be retired under the appropriate provision of title 10, United States Code, on the first day of the month after the month in which he completes that service.

(b) EXCEPTIONS.—Subsection (a) does not apply to a regular warrant officer who—

(1) is sooner retired or separated under another provision of law;

(2) is promoted to the regular grade of chief warrant officer, W–5; or

(3) is continued on active duty under section 580(e) of title 10, United States Code, as added by this title.

SEC. 1125. PRESERVATION OF EXISTING LAW FOR COAST GUARD.

(a) IN GENERAL.—Notwithstanding any other provision of law, the provisions of sections 555 through 565 of title 10, United States Code, as in effect on the day before the effective date of this title, shall continue to apply to the Coast Guard on and after that date.

(b) CONFORMING AMENDMENTS TO TITLE 14, UNITED STATES CODE.—(1) Section 286a(a) of title 14, United States Code, is amended by inserting "(as in effect on the day before the effective date of the Warrant Officer Management Act)" after "section 564(a)(3) of title 10".

(2) Section 334(b) of such title is amended by striking out "section 564, 1263, 1293, or 1305 of title 10" and inserting in lieu thereof "section 564 of title 10 (as in effect on the day before the effective date of the Warrant Officer Management Act) or 1263, 1293, or 1305 of title 10".

PART C—TECHNICAL AND CONFORMING AMENDMENTS AND EFFECTIVE DATE

SEC. 1131. TECHNICAL AND CONFORMING AMENDMENTS.

Title 10, United States Code, is amended as follows:

(1)(A) Sections 521(a) and 741(d)(3) are amended by striking out "warrant officer (W–4)" and inserting in lieu thereof "chief warrant officer, W–5,".

(B) Section 522 is amended by striking out "chief warrant officer (W–4)" and inserting in lieu thereof "chief warrant officer, W–5,".

(2) Section 597(a) is amended by striking out "section 555(a)" and inserting in lieu thereof "section 571(a)".

(3) Section 598 is amended by inserting "not on the warrant officer active-duty list" after "reserve warrant officers".

(4) Section 628(a)(1) is amended by striking out "section 558" and inserting in lieu thereof "section 573".

(5) Section 1166(a) is amended by striking out "section 560" and inserting in lieu thereof "section 576".

(6) Section 1174(a) is amended by striking out "section 564" and inserting in lieu thereof "section 580".

(7) Section 1406 is amended by striking out "564" in the first column in the table in subsection (b) and inserting in lieu thereof "580".

(8)(A) Sections 5414, 5457, 5458, 5501, 5502, 5600(a)(1), 5665, 6389(d), and 6391(a) are amended by striking out "W–4" each place it appears (including in section headings) and inserting in lieu thereof "W–5".

(B) The table of sections at the beginning of each chapter of title 10, United States Code, containing a section referred to in subparagraph (A) (other than sections 5600, 6389, and 6391) is amended by striking out "W–4" in the item relating to each such section and inserting in lieu thereof "W–5".

(9) Section 5503 is amended—

(A) by redesignating paragraphs (1), (2), (3), and (4) as paragraphs (2), (3), (4), and (5), respectively; and

(B) by inserting before paragraph (2), as so redesignated, the following new paragraph (1):

"(1) Chief warrant officer, W–5.".

SEC. 1132. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on February 1, 1992.

TITLE XII—SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR OPERATION DESERT STORM

SEC. 1201. EXTENSION OF SUPPLEMENTAL AUTHORIZATIONS.

(a) APPLICABILITY OF PUBLIC LAW 102–25 AUTHORIZATIONS TO FISCAL YEAR 1992.—Sections 101 and 102(c) of Public Law 102–25 (105 Stat. 78) are each amended by striking out "fiscal year 1991" each place it appears and inserting in lieu thereof "fiscal years 1991 and 1992".

(b) LIMITATION ON APPLICABILITY OF NOTICE-AND-WAIT REQUIREMENT.—The provisions of section 105 of Public Law 102–25 (105 Stat. 79) shall apply only to appropriations provided in Public Law 102–28 (105 Stat. 161).

(c) INCREASED LIMITATION ON AUTHORITY FOR TRANSFER OF FISCAL YEAR 1992 AUTHORIZATIONS.—The amount of the transfer authority provided in section 1001 is increased by the amount of the transfers of funds made to fiscal year 1992 appropriations accounts pursuant to sections 101 and 102(c) of Public Law 102–25, as amended by subsection (a).

(d) TECHNICAL AMENDMENTS.—

(1) CORRECTION OF REFERENCE.—Sections 102 and 203(b) of Public Law 102–25 (105 Stat. 75) are amended by striking out "Persian Gulf Conflict Working Capital Account" each place such term appears and inserting in lieu thereof "Persian Gulf Regional Defense Fund".

(2) CONFORMING AMENDMENT.—Sections 101(b)(2), 102(d), and 105(b)(4) of Public Law 102–25 (105 Stat. 75) are amended by striking out "working capital account" each place such term appears and inserting in lieu thereof "Persian Gulf Regional Defense Fund".

SEC. 1202. AUTHORIZATION OF APPROPRIATIONS FOR OPERATION DESERT STORM.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Department of Defense for fiscal year 1992 from current and future balances in the Defense Cooperation Account the sum of $3,811,096,000 as follows:

(1) PROCUREMENT.—For procurement:

(A) ARMY.—For the Army:

(i) For aircraft, $200,600,000.

(ii) For missiles, $221,800,000.

(iii) For weapons and tracked combat vehicles, $63,300,000.

(iv) For other procurement, $80,500,000.

(B) NAVY.—For the Navy:

(i) For aircraft, $458,000,000.

(ii) For weapons, $8,100,000.

(iii) For other procurement, $112,700,000.

(C) MARINE CORPS.—For the Marine Corps, $4,300,000.

(D) AIR FORCE.—For the Air Force:

(i) For aircraft, $387,700,000.

(ii) For other procurement, $560,000,000.

(2) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—For research, development, test, and evaluation:

(A) ARMY.—For the Army, $47,800,000.

(B) NAVY.—For the Navy, $6,100,000.

(C) AIR FORCE.—For the Air Force, $26,500,000.

(D) DEFENSE AGENCIES.—For the Defense Agencies, $28,100,000.

(3) OPERATION AND MAINTENANCE.—For operation and maintenance as follows:

(A) ARMY.—For the Army, $227,300,000.

(B) DEFENSE AGENCIES.—For the Defense Agencies, $50,000,000.

(C) ARMY RESERVE.—For the Army Reserve, $23,200,000.

(D) NAVAL RESERVE.—For the Naval Reserve, $28,300,000.

(E) ARMY NATIONAL GUARD.—For the Army National Guard, $41,900,000.

(F) AIR NATIONAL GUARD.—For the Air National Guard, $55,000,000.

(4) WORKING CAPITAL FUNDS.—For providing capital for such funds as follows:

(A) ARMY STOCK FUND.—For the Army Stock Fund, $410,000,000.

(B) NAVY STOCK FUND.—For the Navy Stock Fund, $450,000,000.

(C) AIR FORCE STOCK FUND.—For the Air Force Stock Fund, $280,000,000.

(5) MILITARY PERSONNEL, ARMY NATIONAL GUARD.—For military personnel, Army National Guard, $40,196,000.

(b) AVAILABILITY BY TRANSFER.—To the extent provided in appropriations Acts, amounts appropriated pursuant to subsection (a) shall be available only in accordance with that subsection for—

(1) transfer by the Secretary of Defense to fiscal year 1992 appropriations accounts of the Department of Defense for incremental costs associated with Operation Desert Storm; and

(2) replenishment of the Persian Gulf Regional Defense Fund by transfer from the Defense Cooperation Account.

(c) RELATIONSHIP TO OTHER AUTHORIZATIONS.—The authorizations of appropriations in this section are in addition to the amounts otherwise authorized to be appropriated by any other provision of this Act or by any other Act enacted before the date of the enactment of this Act.

(d) MONTHLY REPORTS ON TRANSFERS.—Not later than seven days after the end of each month in fiscal year 1992, the Secretary of Defense shall submit to the congressional defense committees and the Comptroller General of the United States a detailed report on the cumulative total amount of the transfers made under the authority of this title through the end of that month.

SEC. 1203. DEFINITIONS.

(a) INCLUSION OF OPERATION PROVIDE COMFORT.—Section 3(1) of Public Law 102–25 (105 Stat. 77) is amended by striking out "Operation Desert Shield and Operation Desert Storm" and inserting in lieu thereof "Operation Desert Shield, Operation Desert Storm, and Operation Provide Comfort".

(b) INCREMENTAL COSTS ASSOCIATED WITH OPERATION DESERT STORM.—In this title, the term "incremental costs associated with Operation Desert Storm" has the meaning given such term in section 3(2) of Public Law 102–25 (105 Stat. 77).

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1992".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects in the amounts shown for the following installations and locations inside the United States:

ALABAMA

Anniston Army Depot, $105,800,000.
Fort Rucker, $17,700,000.
Redstone Arsenal, $74,700,000.

ALASKA

Fort Greely, $7,600,000.
Fort Richardson, $7,000,000.
Fort Wainwright, $7,950,000.

ARIZONA

Fort Huachuca, $18,000,000.

CALIFORNIA

Fort Hunter Liggett, $4,700,000.
Fort Irwin, $10,320,000.
Sierra Army Depot, $1,950,000.

COLORADO

Fort Carson, $10,500,000.
Pueblo Army Depot, $6,300,000.

GEORGIA

Fort Benning, $2,150,000.
Fort Gordon, $1,200,000.
Fort Stewart, $950,000.

HAWAII

Fort Shafter, $5,650,000.
Schofield Barracks, $3,650,000.

KANSAS

Fort Riley, $2,600,000.

KENTUCKY

Fort Campbell, $17,050,000.
Fort Knox, $23,450,000.

LOUISIANA

Fort Polk, $22,730,000.

MARYLAND

Aberdeen Proving Ground, $11,150,000.
Fort Ritchie, $3,900,000.

MASSACHUSETTS

Natick Research Center, $4,250,000.

MISSOURI

Fort Leonard Wood, $12,200,000.

NEW HAMPSHIRE

Cold Regions Laboratory, $3,700,000.

NEW JERSEY

Fort Dix, $20,000,000.

NEW MEXICO

White Sands Missile Range, $14,209,000.

NEW YORK

Seneca Army Depot, $1,150,000.
United States Military Academy, West Point, $15,800,000.
Fort Drum, $6,200,000.

NORTH CAROLINA

Fort Bragg, $13,400,000.

OKLAHOMA

Fort Sill, $3,350,000.

OREGON

Umatilla Army Depot, $11,100,000.

PENNSYLVANIA

Letterkenny Army Depot, $3,150,000.
Tobyhanna Army Depot, $10,100,000.

TEXAS

Fort Bliss, $22,200,000.
Corpus Christi Army Depot, $3,400,000.
Fort Hood, $46,700,000.
Fort Sam Houston, $4,350,000.
Red River Army Depot, $2,020,000.

UTAH

Dugway Proving Ground, $4,000,000.
Tooele Army Depot, $14,700,000.

VIRGINIA

Fort A.P. Hill, $6,100,000.
Fort Belvoir, $19,950,000.
Fort Eustis, $8,500,000.
Fort Lee, $18,000,000.
Fort Myer, $5,550,000.
Fort Pickett, $2,800,000.
Fort Story, $900,000.
Vint Hill Farms Station, $3,550,000.

WASHINGTON

Fort Lewis, $49,000,000.

WISCONSIN

Fort McCoy, $18,500,000.

CONUS CLASSIFIED

Classified Location, $3,000,000.

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects in the amount shown for the following location outside the United States:

KWAJALEIN ATOLL

Kwajalein, $77,400,000.

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(6)(A), the Secretary of the Army may construct or acquire military family housing units (including land) in the number of units shown, and in the amount shown, for the following installations:

(1) Fort Hunter Liggett, California, one hundred fifty-four units, $22,000,000.

(2) Fort Irwin, California, one hundred seventy-two units, $18,000,000.

(3) Fort Carson, Colorado, one unit, $150,000.

(4) Camp Merrill, Georgia, forty units, $4,550,000.

(5) Fort Stewart, Georgia, one unit, $190,000.

(6) Hawaii, Oahu Various, three hundred sixty units, $41,500,000.

(7) Fort Leonard Wood, Missouri, two units, $360,000.

(8) Fort Lee, Virginia, one unit, $270,000.

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(6)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $5,220,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(6)(A), the Secretary of the Army may improve existing military family housing in an amount not to exceed $74,980,000.

SEC. 2104. DEFENSE ACCESS ROADS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2105(a)(5), the Secretary of the Army may make advances to the Secretary of Transportation for the construction of defense roads under section 210 of title 23, United States Code, at Fort Eustis, Virginia, in the total amount of $2,800,000.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,576,674,000, as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $718,829,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $77,400,000.

(3) For unspecified minor construction projects authorized under section 2805 of title 10, United States Code, $11,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $118,400,000, of which $25,000,000 shall be for Host Nation Support construction projects.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $2,800,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $167,220,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $1,397,025,000, of which not more than $360,783,000 may be obligated or expended for the leasing of military family housing worldwide.

(7) For the homeowners assistance program, as authorized by section 2832 of title 10, United States Code, $84,000,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this division may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2106. AUTHORIZED LONG-TERM FACILITIES CONTRACTS.

Subject to section 2809 of title 10, United States Code, the Secretary of the Army may enter into long-term contracts for construction, management, and operation of facilities for the purpose shown, and in the estimated capital investment cost shown, for the following installations:

(1) Redstone Arsenal, Alabama, child development center, $1,900,000.

(2) Redstone Arsenal, Alabama, transient quarters, $6,000,000.

(3) Fort Irwin, California, consolidated maintenance and supply complex, $30,000,000.

(4) Fort McPherson, Georgia, child development center, $2,300,000.

(5) Price Support Center, Illinois, transient quarters, $6,000,000.

(6) Detroit Arsenal, Detroit, Michigan, child development center, $1,100,000.

(7) Fort Belvoir, Virginia, child development center, $6,500,000.

SEC. 2107. AUTHORIZED MILITARY HOUSING RENTAL GUARANTEE PROJECTS.

Subject to section 2836 of title 10, United States Code (as added by section 2809 of this Act), the Secretary of the Army may enter into rental guarantee agreements for military housing for the number of units shown at the following installations and locations:

(1) Oahu, Hawaii, five hundred units.

(2) Fort Belvoir, Virginia, three hundred units.

SEC. 2108. AUTHORIZATION OF FAMILY HOUSING PROJECT FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

Section 2102(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1760) is amended by striking out "Kansas, Fort Riley, two hundred and four units, $12,500,000." and inserting in lieu thereof "Kansas, Fort Riley, two hundred fifty units, $16,500,000.".

SEC. 2109. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) FISCAL YEAR 1991 PROJECT.—(1) Section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1758) is amended by striking out the following:

"INDIANA

"Fort Benjamin Harrison, $5,600,000.".

(2) Section 2104(a) of such Act (104 Stat. 1761) is amended—

(A) by striking out "$2,285,237,000" and inserting in lieu thereof "$2,282,937,000"; and

(B) in paragraph (1), by striking out "$582,207,000" and inserting in lieu thereof "$579,907,000".

(b) FISCAL YEAR 1990 PROJECTS.—(1) Section 2101(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1614) is amended under the heading "CALIFORNIA" by striking out the following:

"Fort Ord, $2,450,000.
"Sacramento Army Depot, $3,900,000.".

(2) Section 2104(a) of such Act (103 Stat. 1618) is amended—

(A) by striking out "$2,239,165,000" and inserting in lieu thereof "$2,232,815,000"; and

(B) in paragraph (1), by striking out "$554,445,000" and inserting in lieu thereof "$548,095,000".

SEC. 2110. ELEMENTARY SCHOOL FOR DEPENDENTS OF DEPARTMENT OF DEFENSE PERSONNEL AT FORT WAINWRIGHT, ALASKA.

(a) GRANT AUTHORITY.—The Secretary of the Army may make a direct grant to the Fairbanks North Star Borough School District, Fairbanks, Alaska, for support of the construction of a public elementary school facility sufficient to accommodate the dependents of members of the Armed Forces assigned to Fort Wainwright, Alaska, and dependents of Department of Defense employees employed at Fort Wainwright.

(b) MAXIMUM AUTHORIZED GRANT.—The total amount made available by grant from the Secretary to the Fairbanks North Star Borough School District under subsection (a) may not exceed $11,600,000.

(c) SOURCE OF FUNDS.—(1) To the extent provided in appropriations Acts, funds authorized in title XXI of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1759) to be appropriated for construction of a school at Fort Wainwright, Alaska, shall be available to carry out this section.

(2) Section 2101(a) of such Act (104 Stat. 1759) (as amended by section 2109(a)) is further amended by striking out "Fort Wainwright, $13,900,000." under the heading "ALASKA" and inserting in lieu thereof "Fort Wainwright, $17,200,000.";

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the grant authorized by this section as the Secretary considers appropriate.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using funds appropriated pursuant to the authorization of appropriations in section 2205(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALASKA

Adak, Naval Security Group Activity, $12,700,000.

Amchitka Island, Fleet Surveillance Support Command, $7,200,000.

Anchorage, Naval Security Group Support Detachment, $2,600,000.

Shemya, Naval Security Group Support Detachment, $3,140,000.

CALIFORNIA

Camp Pendleton, Amphibious Task Force, $17,750,000.

Camp Pendleton, Marine Corps Air Station, $2,010,000.

Camp Pendleton, Marine Corps Base, $1,460,000.

China Lake, Naval Weapons Center, $16,600,000.

Concord, Naval Weapons Station, $1,250,000.

Coronado, Naval Amphibious Base, $1,600,000.

Fallbrook, Naval Weapons Station Annex, $9,700,000.

Miramar, Naval Air Station, $3,250,000.

Monterey, Naval Postgraduate School, $14,900,000.

Port Hueneme, Naval Construction Battalion Center, $17,250,000.

San Diego, Fleet Combat Training Center, Pacific, $640,000.

San Diego, Naval Station, $3,110,000.

San Diego, Naval Submarine Base, $14,130,000.

San Diego, Naval Supply Center, $10,350,000.

San Diego, Navy Public Works Center, $16,800,000.

Seal Beach, Naval Weapons Station, $3,780,000.

Twentynine Palms, Marine Corps Air-Ground Combat Center, $680,000.

Vallejo, Mare Island Naval Shipyard, $12,570,000.

CONNECTICUT

New London, Naval Submarine Base, $5,680,000.

New London, Submarine Support Facility, $5,800,000.

DISTRICT OF COLUMBIA

District of Columbia, Commandant Naval District Washington, $5,750,000.

FLORIDA

Jacksonville, Naval Aviation Depot, $3,300,000.

Mayport, Naval Station, $3,140,000.

Orlando, Naval Training Center, $21,430,000.

Panama City, Naval Coastal Systems Center, $11,150,000.

Pensacola, Naval Air Station, $4,000,000.

Pensacola, Naval Supply Center, $5,700,000.

GEORGIA

Kings Bay, Naval Submarine Base, $9,780,000.

McIntosh County, $2,881,000.

HAWAII

Barbers Point, Naval Air Station, $3,300,000.

Honolulu, Naval Communication Area Master Station, Eastern Pacific, $1,500,000.

Lualualei, Naval Magazine, $8,700,000.

Pearl Harbor, Naval Inactive Ship Maintenance Facility, $3,200,000.

Pearl Harbor, Naval Shipyard, $800,000.

Pearl Harbor, Naval Submarine Base, $62,000,000.

Pearl Harbor, Navy Public Works Center, $13,440,000.

ILLINOIS

Great Lakes, Naval Training Center, $7,000,000.

INDIANA

Crane, Naval Weapons Support Center, $19,450,000.

MARYLAND

Annapolis, Naval Radio Transmitting Facility, $5,220,000.

Bethesda, National Naval Medical Center, $4,470,000.

Indian Head, Naval Ordnance Station, $6,600,000.

Patuxent River, Naval Air Test Center, $5,800,000.

St. Inigoes, Naval Electronic Systems Engineering Activity, $8,450,000.

MISSISSIPPI

Gulfport, Naval Construction Battalion Center, $7,000,000.

Meridian, Naval Air Station, $1,618,000.

NEVADA

Fallon, Naval Air Station, $8,200,000.

NEW JERSEY

Earle, Naval Weapons Station, $4,900,000.

NORTH CAROLINA

Camp Lejeune, Marine Corps Base, $2,500,000.

Cherry Point, Marine Corps Air Station, $18,450,000.

Cherry Point, Naval Aviation Depot, $7,700,000.

New River, Marine Corps Air Station, $7,100,000.

OKLAHOMA

Tinker Air Force Base, Naval Air Detachment, $4,700,000.

PENNSYLVANIA

Philadelphia, Naval Inactive Ship Maintenance Activity, $4,000,000.

RHODE ISLAND

Newport, Naval Education and Training Center, $3,210,000.

SOUTH CAROLINA

Beaufort, Marine Corps Air Station, $2,250,000.

Charleston, Fleet and Mine Warfare Training Center, $14,620,000.

Charleston, Naval Weapons Station, $3,250,000.

Parris Island, Marine Corps Recruit Depot, $5,100,000.

TEXAS

Kingsville, Naval Air Station, $1,500,000.

VIRGINIA

Chesapeake, Naval Security Group Activity, Northwest, $13,800,000.

Dahlgren, Naval Surface Warfare Center, $18,280,000.

Little Creek, Naval Amphibious Base, $12,730,000.

Norfolk, Naval Air Station, $9,370,000.

Norfolk, Naval Communication Area Master Station, Atlantic, $6,550,000.

Norfolk, Naval Station, $340,000.

Norfolk, Naval Supply Center, $1,250,000.

Norfolk, Navy Public Works Center, $7,300,000.

Norfolk, Oceanographic System Atlantic, $3,250,000.

Oceana, Naval Air Station, $7,270,000.

Portsmouth, Naval Hospital, $6,600,000.

Portsmouth, Shore Intermediate Maintenance Activity, $14,000,000.

Yorktown, Naval Weapons Station, $4,650,000.

WASHINGTON

Bangor, Commander, Submarine Group 9, $2,050,000.

Bangor, Trident Refit Facility, $2,170,000.

Bremerton, Puget Sound Naval Shipyard, $39,700,000.

Bremerton, Puget Sound Naval Supply Center, $12,550,000.

Everett, Naval Station, $21,790,000.

Whidbey Island, Naval Air Station, $6,800,000.

WEST VIRGINIA

Green Bank Naval Observatory, $5,400,000.

VARIOUS LOCATIONS

Land Acquisition, $45,900,000.

(b) OUTSIDE THE UNITED STATES.—Using funds appropriated pursuant to the authorization of appropriations in section 2205(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

BAHRAIN ISLAND

Bahrain Island, Administration Support Unit, $1,300,000.

GUAM

Naval Communication Area Master Station, Western Pacific, $2,000,000.

Navy Public Works Center, $670,000.

ICELAND

Keflavik, Naval Air Station, $9,300,000.

Keflavik, Naval Communication Station, $10,600,000.

ITALY

Naples, Naval Support Activity, $6,500,000.

Sicily, Naval Communication Station, $2,750,000.

Sigonella, Naval Air Station, $12,150,000.

PUERTO RICO

Roosevelt Roads, Naval Station, $10,510,000.

SCOTLAND

Edzell, Naval Security Group Activity, $1,400,000.

VARIOUS LOCATIONS

Host Nation Infrastructure Support, $2,000,000.

Satellite Terminals, $10,570,000.

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2205(a)(7)(A), the Secretary of the Navy may construct or acquire military family housing units (including land) and perform other military family housing functions for the purpose shown, and in the amount shown, at the following installations:

(1) Camp Pendleton, Marine Corps Base, California, one hundred fifty units, $16,172,000.

(2) Lemoore, Naval Air Station, California, community center, $1,070,000.

(3) Point Mugu, Pacific Missile Test Center, California, one hundred units, $11,160,000.

(4) San Diego, Navy Public Works Center, California, two hundred sixty units, $29,800,000.

(5) Washington Naval District, District of Columbia, demolition, $9,910,000.

(6) Mayport, Naval Station, Florida, community center, $710,000.

(7) Glenview Naval Air Station, Illinois, two hundred units, $16,000,000.

(8) Lakehurst, Naval Air Engineering Center, New Jersey, housing office, $340,000.

(9) Dahlgren, Naval Surface Weapons Center, Virginia, one hundred fifty units, $13,240,000.

(10) Guantanamo Bay, Naval Station, Cuba, two hundred seventy-eight units, $38,400,000.

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2205(a)(7)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,200,000.

(c) REPROGRAMMING.—The Secretary of the Navy may construct 148 military family housing units in the amount of $17,128,000 at the Public Works Center, San Diego, California. Funds appropriated for the Department of the Navy for fiscal years 1989 and 1991 for military family housing projects at Naval Base Long Beach, California, that remain available for obligation on the date of the enactment of this Act are hereby authorized to be available, to the extent provided in advance in appropriations Acts, to carry out this subsection.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2205(a)(7)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $55,438,000.

SEC. 2204. DEFENSE ACCESS ROADS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2205(a)(6), the Secretary of the Navy may make advances to the Secretary of Transportation for the construction of defense roads under section 210 of title 23, United States Code, at various locations and in the amount of $1,000,000.

SEC. 2205. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,832,149,000, as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $739,859,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $69,750,000.

(3) For military construction projects, Earle, Naval Weapons Station, New Jersey, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1765), $11,400,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $12,400,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $88,600,000.

(6) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $1,000,000.

(7) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $198,440,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $710,700,000, of which not more than $72,900,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this division may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2206. AUTHORIZED LONG-TERM FACILITIES CONTRACTS.

Subject to section 2809 of title 10, United States Code, the Secretary of the Navy may enter into long-term contracts for construction, management, and operation of facilities for the purpose shown, and in the estimated capital investment cost shown, for the following installations:

(1) Marine Corps Air Station, El Toro, California, bachelor officers quarters, $8,300,000.

(2) Naval Research Laboratory, Washington, District of Columbia, child development center, $1,400,000.

(3) Naval Air Station, Jacksonville, Florida, child development center, $1,000,000.

(4) Naval Air Station, Pensacola, Florida, child development center, $1,100,000.

(5) Naval Avionics Center, Indianapolis, Indiana, child development center, $2,000,000.

(6) Naval Undersea Warfare Engineering Station, Keyport, Washington, child development center, $1,300,000.

SEC. 2207. AUTHORIZED FAMILY HOUSING LEASE PROJECTS.

Subject to section 2835 of title 10, United States Code (as added by section 2806 of this Act), the Secretary of the Navy may enter into contracts for the lease of family housing units in the number of units shown, and at the net present values shown, for the following installations and locations:

(1) Bangor, Washington, three hundred units, $21,250,000.

(2) Kings Bay, Georgia, four hundred units, $28,070,000.

(3) Naval Air Station Whidbey Island, Washington, three hundred units, $21,110,000, a project previously approved by the Navy.

(4) Dahlgren, Naval Surface Warfare Center, Dahlgren, Virginia, one hundred fifty units, $11,000,000.

SEC. 2208. AUTHORIZED MILITARY HOUSING RENTAL GUARANTEE PROJECTS.

Subject to section 2836 of title 10, United States Code (as added by section 2809 of this Act), the Secretary of the Navy may enter into rental guarantee agreements for military housing in the number of units shown at the following installations and locations:

(1) Oahu, Hawaii, three hundred sixty-eight units.

(2) Great Lakes Naval Training Center, Illinois, one hundred fifty units.

(3) Cheltenham, Maryland, two hundred eighty-four units.

SEC. 2209. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) FISCAL YEAR 1991 PROJECTS.—(1) Section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1763) is amended—

(A) under the heading "CALIFORNIA" by striking out "Long Beach, Naval Station, $3,520,000.";

(B) under the heading "NEW JERSEY" by striking out "Earle, Naval Weapons Station, $85,400,000." and inserting in lieu thereof "Earle, Naval Weapons Station, $31,500,000.";

(C) by striking out the following:

"PENNSYLVANIA

"Warminster, Naval Air Development Center, $10,770,000."; and

(D) under the heading "WASHINGTON" by striking out "Silverdale, Strategic Weapons Facility Pacific, $56,480,000." and inserting in lieu thereof "Silverdale, Strategic Weapons Facility Pacific, $11,060,000.".

(2) Section 2205(a) of such Act (104 Stat. 1767) is amended—

(A) by striking out "$2,014,223,000" and inserting in lieu thereof "$1,954,513,000"; and

(B) in paragraph (1), by striking out "$959,802,000" and inserting in lieu thereof "$900,092,000".

(b) FISCAL YEAR 1990 PROJECTS.—(1) Subsection (a) of section 2201 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1621) is amended—

(A) under the heading "CALIFORNIA"—

(i) by striking out "Moffett Field Naval Air Station, $1,000,000."; and

(ii) by striking out "Tustin, Marine Corps Air Station, $2,990,000." and inserting in lieu thereof "Tustin, Marine Corps Air Station, $640,000.";

(B) under the heading "CONNECTICUT" by striking out "New London, Naval Underwater Systems Center, $12,600,000."; and

(C) under the heading "PENNSYLVANIA" by striking out "Philadelphia, Naval Shipyard, $10,000,000." and inserting in lieu thereof "Philadelphia, Naval Shipyard, $3,000,000.".

(2) Subsection (b) of such section (103 Stat. 1625) is amended by striking out the following:

"AUSTRALIA

"Exmouth, Harold E. Holt Naval Communications Station, $610,000.".

(3) Section 2204(a) of such Act (103 Stat. 1627) is amended—

(A) by striking out "$1,962,935,000" and inserting in lieu thereof "$1,939,375,000";

(B) in paragraph (1), by striking out "$915,511,000" and inserting in lieu thereof "$892,561,000"; and

(C) in paragraph (2), by striking out "$90,930,000" and inserting in lieu thereof "$90,320,000".

SEC. 2210. SPECIFICATION OF THE MILITARY CONSTRUCTION PROJECT PREVIOUSLY AUTHORIZED FOR THE MARINE CORPS SUPPORT ACTIVITY, KANSAS CITY, MISSOURI.

The authority provided in section 2201(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1621) for a military construction project for the Marine Corps Support Activity, Kansas City, Missouri, shall apply only to a military construction project for a Marine Corps Reserve Center to house the Marine Corps Reserve Support Center.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2305(a)(1), the Secretary of the Air Force may acquire real property and may carry out military construction projects in the amount shown for the following installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $9,200,000.

ALASKA

Eielson Air Force Base, $30,900,000.
Elmendorf Air Force Base, $1,400,000.
Shemya Air Force Base, $38,400,000.

ARIZONA

Davis-Monthan Air Force Base, $4,100,000.
Luke Air Force Base, $8,800,000.

CALIFORNIA

Beale Air Force Base, $2,250,000.
Edwards Air Force Base, $14,300,000.
March Air Force Base, $7,910,000.
Sierra Army Depot, $2,700,000.
Travis Air Force Base, $26,130,000.
Vandenberg Air Force Base, $20,000,000.

COLORADO

Buckley Air National Guard Base, $42,050,000.
Cheyenne Mountain Air Force Base, $610,000.
Falcon Air Force Station, $1,400,000.
Peterson Air Force Base, $26,300,000.
United States Air Force Academy, $21,000,000.

DELAWARE

Dover Air Force Base, $12,750,000.

FLORIDA

Cape Canaveral Air Force Station, $24,000,000.
Eglin Air Force Base, $2,830,000.
Homestead Air Force Base, $4,900,000.
Tyndall Air Force Base, $850,000.

GEORGIA

Robins Air Force Base, $30,450,000.

HAWAII

Camp H. M. Smith, $2,600,000.
Hickam Air Force Base, $7,100,000.

ILLINOIS

Scott Air Force Base, $13,290,000.

KANSAS

McConnell Air Force Base, $7,650,000.

LOUISIANA

Barksdale Air Force Base, $11,200,000.

MARYLAND

Andrews Air Force Base, $8,100,000.

MASSACHUSETTS

Hanscom Air Force Base, $11,200,000.

MICHIGAN

K.I. Sawyer Air Force Base, $1,700,000.

MISSISSIPPI

Columbus Air Force Base, $600,000.
Keesler Air Force Base, $3,400,000.

MISSOURI

Whiteman Air Force Base, $24,450,000.

MONTANA

Conrad Strategic Training Range Site, $700,000.

Havre Strategic Training Range Site, $700,000.

NEBRASKA

Offutt Air Force Base, $13,850,000.

NEVADA

Nellis Air Force Base, $8,400,000.

NEW HAMPSHIRE

New Boston Satellite Tracking Station, $4,210,000.

NEW JERSEY

McGuire Air Force Base, $31,500,000.

NEW MEXICO

Cannon Air Force Base, $1,300,000.
Holloman Air Force Base, $33,600,000.
Kirtland Air Force Base, $5,600,000.

NEW YORK

Griffiss Air Force Base, $2,700,000.
Plattsburgh Air Force Base, $9,040,000.

NORTH CAROLINA

Pope Air Force Base, $8,200,000.
Seymour Johnson Air Force Base, $11,200,000.

NORTH DAKOTA

Dickinson Strategic Training Range Site, $640,000.
Grand Forks Air Force Base, $4,400,000.
Minot Air Force Base, $3,950,000.

OHIO

Wright-Patterson Air Force Base, $39,300,000.

OKLAHOMA

Altus Air Force Base, $61,340,000.
Tinker Air Force Base, $3,700,000.
Vance Air Force Base, $4,750,000.

SOUTH CAROLINA

Charleston Air Force Base, $21,850,000.

SOUTH DAKOTA

Belle Fourche Strategic Training Range Site, $640,000.
Ellsworth Air Force Base, $2,710,000.

TENNESSEE

Arnold Engineering Development Center, $2,400,000.

TEXAS

Dyess Air Force Base, $620,000.
Kelly Air Force Base, $13,900,000.
Lackland Air Force Base, $5,700,000.
Lackland Air Force Base Training Annex, $1,170,000.
Laughlin Air Force Base, $4,250,000.
Randolph Air Force Base, $410,000.
Reese Air Force Base, $2,000,000.
Sheppard Air Force Base, $16,670,000.

UTAH

Hill Air Force Base, $9,200,000.

VIRGINIA

Langley Air Force Base, $5,800,000.

WASHINGTON

Fairchild Air Force Base, $7,050,000.

WYOMING

F.E. Warren Air Force Base, $5,300,000.
Powell Strategic Training Range Site, $700,000.

VARIOUS LOCATIONS

Various Locations, $5,000,000.

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2305(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ASCENSION

Ascension Island Auxiliary Airfield, $11,000,000.

GREENLAND

Thule Air Base, $12,700,000.

GUAM

Andersen Air Force Base, $2,600,000.

PORTUGAL

Lajes Field, $5,000,000.

UNITED KINGDOM

RAF Lakenheath, $3,600,000.
RAF Molesworth, $15,600,000.

VARIOUS LOCATIONS

Classified Location, $3,500,000.
Classified Location, $5,500,000.

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2305(a)(8)(A), the Secretary of the Air Force may construct or acquire military family housing units (including land) and perform other military family housing functions for the purpose shown, and in the amount shown, at the following installations:

(1) Edwards Air Force Base, California, housing office, $453,000.

(2) Tyndall Air Force Base, Florida, housing maintenance facility, $410,000.

(3) Scott Air Force Base, Illinois, housing office, $550,000.

(4) Andrews Air Force Base, Maryland, housing office, $571,000.

(5) Seymour Johnson Air Force Base, North Carolina, housing office, $365,000.

(6) Tinker Air Force Base, Oklahoma, housing office, $370,000.

(7) Hill Air Force Base, Utah, one hundred thirty units, $11,628,000.

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2305(a)(8)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,000,000.

SEC. 2303. IMPROVEMENT TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2305(a)(8)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $141,236,000.

SEC. 2304. DEFENSE ACCESS ROADS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2305(a)(7), the Secretary of the Air Force may make advances to the Secretary of Transportation for the construction of defense roads under section 210 of title 23, United States Code, at Andrews Air Force Base, Maryland, and Whiteman Air Force Base, Missouri, in the total amount of $11,050,000.

SEC. 2305. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,089,303,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $778,970,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $59,500,000.

(3) For the construction of the Large Rocket Test Facility, Arnold Engineering Development Center, Tennessee, as authorized by section 2301(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100–456; 102 Stat. 2101), $44,000,000.

(4) For the construction of facilities for the 37th Tactical Fighter Wing at Holloman Air Force Base, New Mexico, as authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1769), $39,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $11,500,000.

(6) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $74,300,000.

(7) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $11,050,000.

(8) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $161,583,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $909,400,000, of which not more than $140,900,000 may be obligated or expended for leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2306. AUTHORIZED LONG-TERM FACILITIES CONTRACTS.

Subject to section 2809 of title 10, United States Code, the Secretary of the Air Force may enter into long-term contracts for construction, management, and operation of facilities for the purpose shown, and in the estimated capital investment cost shown, for the following installations:

(1) Eielson Air Force Base, Alaska, child development center, $3,600,000.

(2) McGuire Air Force Base, New Jersey, child development center, $3,900,000.

(3) Cannon Air Force Base, New Mexico, child development center, $1,200,000.

(4) McChord Air Force Base, Washington, child development center, $4,700,000.

SEC. 2307. AUTHORIZED FAMILY HOUSING LEASE PROJECTS.

Subject to section 2835 of title 10, United States Code (as added by section 2806 of this Act), the Secretary of the Air Force may enter into contracts for the lease of family housing units in the number of units shown, and at the net present value shown, for the following installations:

(1) March Air Force Base, California, five hundred eighty-two units, $55,360,000.

(2) Cannon Air Force Base, New Mexico, three hundred fifty units, $24,400,000.

SEC. 2308. AUTHORIZED MILITARY HOUSING RENTAL GUARANTEE PROJECTS.

Subject to section 2836 of title 10, United States Code (as added by section 2809 of this Act), the Secretary of the Air Force may enter into rental guarantee agreements for military housing in the number of units shown for the following installations:

(1) Patrick Air Force Base, Florida, five hundred eighty-five units.

(2) Offutt Air Force Base, Nebraska, four hundred units.

SEC. 2309. AUTHORIZATION OF PROJECTS FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

Section 2301 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1769) is amended—

(1) in subsection (a), by striking out "Air Force Academy, $3,000,000." under the heading "COLORADO" and inserting in lieu thereof "Air Force Academy, $18,000,000."; and

(2) in subsection (b), by adding at the end the following:

"VARIOUS LOCATIONS

"Classified location, $3,500,000.".

SEC. 2310. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) FISCAL YEAR 1991 PROJECTS.—(1) Section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1769) (as amended by section 2309(a)) is further amended—

(A) under the heading "ALASKA" by striking out "Various Locations, $11,000,000."

(B) by striking out the following:

"ARIZONA

"Williams Air Force Base, $3,650,000.";

(C) under the heading "CALIFORNIA" by striking out "Castle Air Force Base, $8,200,000.";

(D) under the heading "FLORIDA" by striking out "MacDill Air Force Base, $12,250,000." and inserting in lieu thereof "MacDill Air Force Base, $3,350,000.";

(E) by striking out the following:

"INDIANA

"Grissom Air Force Base, $4,500,000.";

(F) under the heading "MICHIGAN" by striking out "Wurtsmith Air Force Base, $960,000."; and

(G) under the heading "TEXAS" by striking out "Carswell Air Force Base, $12,616,000.".

(2) Section 2304(a) of such Act (104 Stat. 1773) is amended—

(A) by striking out "$1,954,059,000" and inserting in lieu thereof "$1,922,733,000";

(B) in paragraph (1), by striking out "$777,081,000" and inserting in lieu thereof "$742,255,000"; and

(C) in paragraph (2), by striking out "$34,200,000" and inserting in lieu thereof "$37,700,000".

(b) FISCAL YEAR 1990 PROJECTS.—(1) Section 2301(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1630) is amended—

(A) under the heading "ARIZONA" by striking out "Williams Air Force Base, $1,850,000.";

(B) by striking out the following:

"ARKANSAS

"Ira Eaker Air Force Base, $4,050,000.";

(C) under the heading "COLORADO" by striking out "Lowry Air Force Base, $21,250,000." and inserting in lieu thereof "Lowry Air Force Base, $19,050,000.";

(C) under the heading "FLORIDA" by striking out "MacDill Air Force Base, $4,490,000.";

(D) under the heading "INDIANA" by striking out "Grissom Air Force Base, $6,800,000." and inserting in lieu thereof "Grissom Air Force Base, $4,650,000.";

(E) under the heading "LOUISIANA" by striking out "England Air Force Base, $10,300,000." and inserting in lieu thereof "England Air Force Base, $300,000.";

(F) by striking out the following:

"MAINE

"Loring Air Force Base, $8,500,000.";

(G) under the heading "SOUTH CAROLINA" by striking out "Myrtle Beach Air Force Base, $2,350,000."; and

(H) under the heading "TEXAS"—

(i) by striking out "Bergstrom Air Force Base, $2,400,000."; and

(ii) by striking out "Carswell Air Force Base, $650,000.".

(2) Section 2304(a) of such Act (103 Stat. 1636) is amended—

(A) by striking out "$2,192,638,000" and inserting in lieu thereof "$2,154,998,000"; and

(B) in paragraph (1), by striking out "$945,836,000" and inserting in lieu thereof "$907,196,000".

SEC. 2311. CHANGE IN LOCATION OF PREVIOUSLY AUTHORIZED PROJECT.

Section 2301(b) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1634) is amended under the heading "OMAN"—

(1) by striking out "Seeb, $2,200,000."; and

(2) by striking out "Thumrait, $23,600,000." and inserting in lieu thereof "Thumrait, $25,800,000.".

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(1) and, in the case of the projects described in paragraphs (2) and (3) of section 2404(c), other amounts appropriated pursuant to authorizations enacted after this Act for such projects, the Secretary of Defense may acquire real property and carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Classified Location, $4,500,000.

Reston, Virginia, $600,000.

DEFENSE LOGISTICS AGENCY

Tracy Defense Depot, California, $2,000,000.

Jacksonville Defense Fuel Support Point, Florida, $2,200,000.

Pensacola Defense Fuel Support Point, Florida, $16,000,000.

Columbus Defense Construction Supply Center, Ohio, $89,000,000.

Dayton Defense Electronics Supply Station, Ohio, $2,000,000.

Craney Island Defense Fuel Support Point, Norfolk, Virginia, $19,800,000.

Fort Belvoir, Virginia, $27,000,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $1,000,000.

St. Louis Aerospace Center, Missouri, $1,000,000.

DEFENSE MEDICAL FACILITIES OFFICE

Little Rock Air Force Base, Arkansas, $690,000.

San Diego Naval Training Center, California, $17,500,000.

Stockton Naval Communications Station, California, $22,000,000.

Travis Air Force Base, California, $2,000,000.

Fitzsimmons Army Hospital, Colorado, $3,000,000.

Homestead Air Force Base, Florida, $60,000,000.

Tyndall Air Force Base, Florida, $800,000.

Hickam Air Force Base, Hawaii, $13,800,000.

Tripler Army Hospital, Hawaii, $3,500,000.

Fallon Naval Air Station, Nevada, $6,000,000.

Nellis Air Force Base, Nevada, $1,000,000.

Camp Lejeune, North Carolina, $4,600,000.

Cherry Point Marine Corps Air Station, North Carolina, $34,000,000.

Fort Bragg, North Carolina, $5,000,000.

Fort Sill, Oklahoma, $2,700,000.

Tinker Air Force Base, Oklahoma, $4,100,000.

Carlisle Barracks, Pennsylvania, $510,000.

Newport Naval Education and Training Center, Rhode Island, $14,000,000.

Dallas Naval Air Station, Texas, $3,500,000.

Fort Lee, Virginia, $11,800,000.

Langley Air Force Base, Virginia, $1,150,000.

DEFENSE NUCLEAR AGENCY

White Sands Missile Range, New Mexico, $20,000,000.

Arnold Engineering Development Center, Tennessee, $7,000,000.

NATIONAL SECURITY AGENCY

Camp Smith, Hickam Air Force Base, Hawaii, $488,000.

Fort George C. Meade, Maryland, $5,722,000.

OFFICE OF THE SECRETARY OF DEFENSE

Defense Language Institute, Monterey, California, $6,000,000.

Uniformed Services University of the Health Sciences, Bethesda, Maryland, $600,000.

Classified Locations, $35,600,000.

SECTION 6 SCHOOLS

Fort Stewart, Georgia, $6,951,000.

Marine Corps Air Station, Beaufort, South Carolina, $989,000.

SPECIAL OPERATIONS COMMAND

Kodiak Coast Guard Support Center, Alaska, $2,050,000.

Coronado Naval Amphibious Base, California, $2,100,000.

Camp Pendleton, California, $4,900,000.

Eglin Air Force Base, Auxiliary Field 3, Florida, $2,400,000.

Eglin Air Force Base, Auxiliary Field 9, Florida, $17,550,000.

Fort Benning, Georgia, $3,900,000.

Fort Campbell, Kentucky, $5,800,000.

Kirtland Air Force Base, New Mexico, $2,050,000.

Fort Bragg, North Carolina, $6,000,000.

Fort A.P. Hill, Virginia, $2,300,000.

Oceana Naval Air Station, Virginia, $2,350,000.

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE LOGISTICS AGENCY

Diego Garcia Defense Fuel Support Point, $16,100,000.

DEFENSE MEDICAL FACILITIES OFFICE

Camp Essayons, Korea, $1,050,000.

DEFENSE NUCLEAR AGENCY

Johnston Island, $5,100,000.

NATIONAL SECURITY AGENCY

Classified Location, $4,490,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Location, $2,100,000.

(c) ON-SITE INSPECTION AGENCY.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(13), the Secretary of Defense may acquire or construct portal facilities at various locations in support of the On-Site Inspection Agency in an amount not to exceed $2,000,000.

(d) TRANSFER OF PROJECT AUTHORITY.—The authority to carry out construction and modernization activities in support of the supply distribution mission at the Red River Army Depot, Texas, is hereby transferred to the Secretary of Defense. The Secretary of Defense shall exercise such authority through the head of the Defense Logistics Agency. Amounts appropriated for the Red River Army Depot, Texas, pursuant to the authorization of appropriations in section 2104(a)(3) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1619) are hereby transferred to the Secretary of Defense to carry out such construction and modernization activities.

SEC. 2402. FAMILY HOUSING.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(12)(A), the Secretary of Defense may construct or acquire one family housing unit (including land) at a classified location in the total amount not to exceed $160,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(12)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $40,000.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,680,940,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $434,500,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $28,840,000.

(3) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99–661; 100 Stat. 4035), $37,000,000.

(4) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1640), $40,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $14,000,000.

(6) For conforming storage facilities constructed under the authority of section 2404 of the Military Construction Authorization Act, 1987 (division B of Public Law 99–661; 100 Stat. 4037), $7,000,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(8) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $73,800,000.

(9) For base closure and realignment activities pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), $674,600,000.

(10) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $297,000,000.

(11) For an energy conservation program under section 2865 of title 10, United States Code, $36,000,000.

(12) For military family housing functions:

(A) For construction and acquisition of military family housing facilities, $200,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $26,000,000, of which not more than $21,664,000 may be obligated or expended for the leasing of military family housing units worldwide.

(13) For acquisition or construction of portal facilities at various locations in support of the On-Site Inspection Agency, $2,000,000.

(b) Authorization of Unobligated Funds.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1992 for military construction functions of the Defense Agencies that remain available for obligation on the date of the enactment of this Act are hereby authorized to be made available, to the extent provided in advance in appropriations Acts, in an amount not to exceed $17,000,000 for the construction of the headquarters building of the Defense Logistics Agency at Fort Belvoir, Virginia, as authorized under section 2401(a).

(c) Limitation of Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this division may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and subsection (b);

(2) $10,000,000 (the balance of the amount authorized under section 2401(a) for the construction of the defense logistics headquarters at Fort Belvoir, Virginia); and

(3) $50,000,000 (the balance of the amount authorized under section 2401(a) for the construction of the hospital replacement at Homestead Air Force Base, Florida).

SEC. 2405. CONTRACTS FOR CERTAIN PROJECTS.

In the case of the military construction projects authorized by section 2401(a) to be constructed at Fort Belvoir, Virginia, and Homestead Air Force Base, Florida, the Secretary of Defense may enter into one or more contracts for the design and construction of the projects in advance of appropriations for the projects. Each such contract shall limit the payments the United States is obligated to make under the contract to the amount of appropriations available, at the time the contract is entered into, for obligation under such contract.

SEC. 2406. SPECIAL OPERATIONS BATTALION HEADQUARTERS, FORT BRAGG, NORTH CAROLINA.

(a) Availability of Funds.—Of the amount appropriated pursuant to the authorization of appropriations in section 2404(a) for fiscal year 1992, $6,000,000 shall be available only for the construction of a headquarters facility for a special operations battalion at Fort Bragg, North Carolina.

(b) Restriction on Use.—A facility constructed pursuant to subsection (a) may be used only as a headquarters for a special operations battalion.

SEC. 2407. DESIGN FOR REPLACEMENT FACILITIES FOR FITZSIMONS ARMY MEDICAL CENTER.

Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall enter into a contract for the preparation of the concept design of replacement facilities for the Fitzsimons Army Medical Center located in Aurora, Colorado. The contract shall require that the concept design for the replacement facilities shall—

(1) be completed not later than September 30, 1992;

(2) provide for a capacity of not less than 400 beds; and

(3) accommodate future expansion in the event that such expansion becomes necessary as the result of increased peacetime need or to meet mobilization requirements.

SEC. 2408. DEFENSE MEDICAL FACILITY, HOMESTEAD AIR FORCE BASE, FLORIDA.

None of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may be obligated for construction of a defense medical facility at Homestead Air Force Base, Florida, until the Secretary of the Air Force submits to the congressional defense committees a report describing the long-term plans of the Air Force for the use of Homestead Air Force Base as an active, operational installation.

SEC. 2409. TERMINATION OF AUTHORITY TO CARRY OUT A CERTAIN PROJECT.

(a) Project at Philadelphia Naval Shipyard.—Section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1776) is amended under the heading "DEFENSE MEDICAL FACILITIES OFFICE" by striking out "Philadelphia Naval Shipyard, Pennsylvania, $11,600,000.".

(b) Conforming Amendment.—Section 2405 of such Act (104 Stat. 1779)—

(1) by striking out "$1,656,078,000" and inserting in lieu thereof "$1,644,478,000"; and

(2) by striking out "$275,448,000" and inserting in lieu thereof "$263,848,000.".

SEC. 2410. AUTHORIZATION FOR UNAUTHORIZED FISCAL YEAR 1991 APPROPRIATIONS FOR SPECIAL OPERATIONS COMMAND PROJECTS.

(a) Authorization.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amount shown for each of the following installations and locations inside the United States:

SPECIAL OPERATIONS COMMAND

Fort Bragg, North Carolina, $8,100,000.

Additional Classified Locations, $2,000,000.

(b) Construction With FY91 Military Construction Authorization.—The authorization provided in subsection (a) for the projects specified in such subsection shall take effect as of November 5, 1990, as if included in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1776).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure program as authorized by section 2501, in the amount of $225,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1991, for the costs of acquisition, architectural and engineering services, repair or renovation of improvements on real property, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $210,745,000; and

(B) for the Army Reserve, $106,507,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $56,900,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $218,760,000; and

(B) for the Air Force Reserve, $20,800,000.

SEC. 2602. AUTHORIZATION OF PROJECTS FOR WHICH FUNDS HAVE BEEN APPROPRIATED AND TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN OTHER PROJECTS.

(a) Fiscal Year 1991 Projects.—Section 2601 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1781) is amended—

(1) in paragraph (1)(A), by striking out "$297,544,000" and inserting in lieu thereof "$314,887,000";

(2) in paragraph (3)(A), by striking out "$172,340,000" and inserting in lieu thereof "$176,290,000"; and

(3) in paragraph (3)(B), by striking out "$37,700,000" and inserting in lieu thereof "$37,200,000".

(b) Fiscal Year 1990 Projects.—Section 2601(3) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1644) is amended—

(1) in subparagraph (A), by striking out "$198,628,000" and inserting in lieu thereof "$195,628,000"; and

(2) in subparagraph (B), by striking out "$46,200,000" and inserting in lieu thereof "$35,600,000".

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS.

(a) Expiration of Authorizations After Three Years in Certain Cases.—Except as provided in subsection (b), all authorizations contained in titles XXI, XXII, XXIII, XXIV, XXV, and XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1994; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995.

(b) Exception.—Subsection (a) shall not apply with respect to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 1994; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1995 for military construction projects, land acquisitions, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EXTENSION OF PRIOR YEAR AUTHORIZATIONS.

(a) Extension of Authorization of Fiscal Year 1991 Projects.—Section 2701 of the Military Construction Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1782) is amended in subsections (a) and (b)—

(1) by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1993"; and

(2) by striking out "fiscal year 1993," and inserting in lieu thereof "fiscal year 1994,".

(b) Extension of Authorization of Fiscal Year 1990 Projects.—(1) Section 2701 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1645) is amended in subsections (b)(1) and (c)(1)—

(A) by striking out "October 1, 1991" and inserting in lieu thereof "October 1, 1992"; and

(B) by striking out "fiscal year 1992," and inserting in lieu thereof "fiscal year 1993 (other than the Military Construction Authorization Act for Fiscal Years 1992 and 1993),".

(2) The amendments made by paragraph (1) shall not apply with respect to authorizations for the following projects authorized in that Act:

(A) Naval Underwater Systems Center in the amount of $12,600,000 at New London, Connecticut, as authorized in section 2201(a) of that Act (103 Stat. 1622).

(B) Eleven units of military family housing in an amount of $1,619,000 at Kelly Air Force Base, Texas, as authorized in section 2302(a) of that Act (103 Stat. 1634)

(c) Extension of Authorization of Certain Fiscal Year 1989 Projects.—Notwithstanding section 2701(a) of the Military Construction Authorization Act, 1989 (Public Law 100–456; 102 Stat. 2115), authorizations for the following projects authorized in sections 2101, 2201, 2301, or 2303 of that Act, as extended by section 2106(c), 2206(b), or 2309(b) of the Military Construction Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1762, 1768, 1775) shall remain in effect until October 1, 1992, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later:

(1) Battalion headquarters in the amount of $2,300,000 at Fort Wainwright, Alaska.

(2) Forward Training Area in the amount of $8,280,000 at Marine Corps Air Station, Cherry Point, North Carolina.

(3) Operations facility in the amount of $5,300,000 at Location 276 (Turkey).

(4) Post office in the amount of $550,000 at Incirlik Air Base, Turkey.

(5) Upgrade Capehart Military Family Housing, Phase II, in the amount of $6,006,000 at Holloman Air Force Base, New Mexico.

(d) Extension of Authorization of One Fiscal Year 1988 Project.—(1) Notwithstanding section 2171(a) of the Military Construction Authorization Act, 1988 and 1989 (Public Law 101–180; 101 Stat. 1206), the authorization for the project described in paragraph (2) shall remain in effect until October 1, 1992, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later.

(2) The project referred to in paragraph (1) is the project—

(A) for cold-iron utilities support in the amount of $7,480,000 at Naval Support Office, La Maddelena, Italy; and

(B) authorized in section 2121(b) of that Act (101 Stat. 1190), as extended by section 2206(a) of the Military Construction Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1768).

TITLE XXVIII—GENERAL PROVISIONS

Part A—Military Construction Program and Military Family Housing Changes

SEC. 2801. CONSTRUCTION OF RESERVE COMPONENT FACILITIES.

Section 2233(a)(2) of title 10, United States Code, is amended by inserting before the semicolon the following: "or to acquire or construct facilities for such use".

SEC. 2802. TURN-KEY SELECTION PROCEDURES.

(a) Removal of Limitations.—Section 2862 of title 10, United States Code, is amended by striking out subsections (b) and (c).

(b) Conforming Amendments.—Subsection (a) of such section is amended—

(1) by striking out "(1)" and inserting in lieu thereof "Authority to Use.—"; and

(2) by striking out "(2)" and inserting in lieu thereof "(b) Definition.—".

SEC. 2803. HEALTH, SAFETY, AND ENVIRONMENTAL QUALITY EMERGENCY CONSTRUCTION.

Section 2803(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out ", and" and inserting in lieu thereof "or to the protection of health, safety, or the quality of the environment, and"; and

(2) in paragraph (2), by inserting before the period the following: "or the protection of health, safety, or environmental quality, as the case may be".

SEC. 2804. INCREASED AUTHORITY FOR USE OF OPERATION AND MAINTENANCE FUNDS FOR ACQUISITION AND CONSTRUCTION OF RESERVE COMPONENT FACILITIES.

Section 2233a(b) of title 10, United States Code, is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

SEC. 2805. LONG-TERM FACILITIES CONTRACTS.

(a) Modification and Permanent Extension of Test Program.—(1) Section 2809 of title 10, United States Code, is amended to read as follows:

"§2809. Long-term facilities contracts for certain activities and services

"(a) Submission and Authorization of Proposed Projects.—The Secretary concerned may enter into a contract for the procurement of services in connection with the construction, management, and operation of a facility on or near a military installation for the provision of an activity or service described in subsection (b) if—

"(1) the Secretary concerned has identified the proposed project for that facility in the budget material submitted to Congress by the Secretary of Defense in connection with the budget submitted pursuant to section 1105 of title 31 for the fiscal year in which the contract is proposed to be awarded;

"(2) the Secretary concerned has determined that the services to be provided at that facility can be more economically provided through the use of a long-term contract than through the use of conventional means; and

"(3) the project has been authorized by law.

"(b) Authorized Purposes of Contract.—The activities and services referred to in subsection (a) are as follows:

"(1) Child care services.

"(2) Utilities, including potable and waste water treatment services.

"(3) Depot supply activities.

"(4) Troop housing.

"(5) Transient quarters.

"(6) Hospital or medical facilities.

"(7) Other logistic and administrative services, other than depot maintenance.

"(c) Conditions on Obligation of Funds.—A contract entered into for a project pursuant to subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(2) A commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for that project for that fiscal year.

"(3) A statement that such a commitment given under the authority of this section does not constitute an obligation of the United States.

"(d) Competitive Procedures.—Each contract entered into under this section shall be awarded through the use of competitive procedures as provided in chapter 137 of this title. In accordance with such procedures, the Secretary concerned shall solicit bids or proposals for a contract for each project that has been authorized by law.

"(e) Term of Contract.—A contract under this section may be for any period not in excess of 32 years, excluding the period for construction.

"(f) Notice and Wait Requirements.—A contract may not be entered into under this section until—

"(1) the Secretary concerned submits to the appropriate committees of Congress, in writing, a justification of the need for the facility for which the contract is to be awarded and an economic analysis (based upon accepted life cycle costing procedures) which demonstrates that the proposed contract is cost effective when compared with alternative means of furnishing the same facility; and

"(2) a period of 21 calendar days has expired following the date on which the justification and the economic analysis are received by the committees.".

(2) The item relating to such section in the table of sections at the beginning of subchapter I of chapter 169 of such title is amended to read as follows:

"2809. Long-term facilities contracts for certain activities and services.".

(b) APPLICATION OF AMENDMENT.—Section 2809 of title 10, United States Code, as amended by subsection (a), shall apply with respect to contracts entered into under that section on or after the date of the enactment of this Act.

SEC. 2806. LONG-TERM BUILD TO LEASE AUTHORITY FOR MILITARY FAMILY HOUSING.

(a) MODIFICATION AND PERMANENT EXTENSION OF TEST PROGRAM.—(1) Subchapter II of chapter 169 of title 10, United States Code, is amended by adding at the end the following new section:

"§2835. Long-term leasing of military family housing to be constructed

"(a) BUILD AND LEASE AUTHORIZED.—Subject to subsection (b), the Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into a contract for the lease of family housing units to be constructed or rehabilitated to residential use near a military installation within the United States under the Secretary's jurisdiction at which there is a shortage of family housing. Housing units leased under this section shall be assigned, without rental charge, as family housing to members of the armed forces who are eligible for assignment to military family housing.

"(b) SUBMISSION AND AUTHORIZATION OF PROPOSED LEASE CONTRACTS.—(1) The Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into a lease contract under subsection (a) for such military housing as is authorized by law for the purposes of this section.

"(2) The budget material submitted to Congress by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard, in connection with the budget submitted pursuant to section 1105 of title 31 for each fiscal year shall include materials that identify the military housing projects for which lease contracts are proposed to be entered into under subsection (a) in such fiscal year.

"(c) COMPETITIVE PROCESS.—Each contract under subsection (a) shall be awarded through the use of publicly advertised, competitively bid, or competitively negotiated, contracting procedures as provided in chapter 137 of this title. In accordance with such procedures, the Secretary of a military department, or the Secretary of Transportation, as the case may be, shall solicit bids or proposals for a contract for the lease of military housing authorized in accordance with subsection (b)(1). Such a contract may provide for the contractor of the housing facilities to operate and maintain such housing facilities during the term of the lease.

"(d) CONDITIONS ON OBLIGATION OF FUNDS.—A lease contract entered into for a military housing project under subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(2) A commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for that project for that fiscal year.

"(3) A statement that such a commitment entered into under the authority of this section does not constitute an obligation of the United States.

"(4) A requirement that housing units constructed pursuant to the contract shall be constructed—

"(A) to Department of Defense specifications, in the case of a Department of Defense contract; and

"(B) to Department of Transportation specifications, in the case of a contract for the Coast Guard.

"(e) LEASE TERM.—A contract under this section may be for any period not in excess of 20 years (excluding the period required for construction of the housing facilities).

"(f) RIGHT OF FIRST REFUSAL TO ACQUIRE.—A contract under this section shall provide that, upon the termination of the lease period, the United States shall have the right of first refusal to acquire all right, title, and interest to the housing facilities constructed and leased under the contract.

"(g) NOTICE AND WAIT REQUIREMENTS.—A contract may not be entered into for the lease of housing facilities under this section until—

"(1) the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard, submits to the appropriate committees of Congress, in writing, an economic analysis (based upon accepted life cycle costing procedures) which demonstrates that the proposed contract is cost-effective when compared with alternative means of furnishing the same housing facilities; and

"(2) a period of 21 calendar days has expired following the date on which the economic analysis is received by those committees.

"(h) SUPPORT BUILDINGS.—A contract for the lease of family housing under this section may include provision for the lease of a child care center, civic center building, and similar type buildings constructed for the support of family housing.".

(2) The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

"2835. Long-term leasing of military family housing to be constructed.".

(b) CONFORMING AMENDMENT.—Section 2828 of title 10, United States Code, is amended—

(1) by striking out subsection (g); and

(2) by redesignating subsection (h) as subsection (g).

(c) APPLICATION OF AMENDMENTS.—Section 2835 of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts entered into under that section on or after the date of the enactment of this Act. The amendment made by subsection (b)(1) shall not affect the validity of any contract entered into before that date under section 2828(g) of such title, as in effect on the day before that date.

SEC. 2807. INCREASED COST LIMITATIONS FOR UNSPECIFIED MINOR CONSTRUCTION PROJECTS.

(a) DEFINITION OF MINOR CONSTRUCTION.—Subsection (a)(1) of section 2805 of title 10, United States Code, is amended by striking out "$1,000,000" and inserting in lieu thereof "$1,500,000".

(b) O&M-FUNDED PROJECTS.—Subsection (c)(1) of such section is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

SEC. 2808. INCREASE IN THE AMOUNT OF SPACE FOR MILITARY FAMILY HOUSING UNITS UNDER CERTAIN CIRCUMSTANCES.

(a) INCREASE AUTHORIZED FOR HARSH CLIMATES.—Section 2826 of title 10, United States Code, is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (f), (g), and (h), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) The applicable maximum net floor area prescribed by subsection (a) may be increased by 300 square feet for a family housing unit in a location where harsh climatological conditions severely restrict outdoor activity for a significant part of each year, as determined by the Secretary concerned pursuant to regulations prescribed by the Secretary of Defense. The regulations shall apply uniformly to the armed forces.".

(b) INCREASE AUTHORIZED WHERE PURCHASE OF LARGER UNITS IS COST EFFECTIVE.—Such section is further amended by inserting after subsection (d), as added by subsection (a)(2), the following new subsection:

"(e) In the case of the acquisition by purchase of military family housing units for members of the armed forces in pay grades below pay grade O-6, the applicable maximum net floor area prescribed by subsection (a) may be increased by 20 percent if the Secretary concerned determines that the purchase of larger units is cost effective when compared to available units within the space limitations specified in that subsection. The authority provided by this subsection shall expire on September 30, 1994.".

SEC. 2809. MILITARY HOUSING RENTAL GUARANTEE PROGRAM.

(a) MODIFICATION AND PERMANENT EXTENSION OF TEST PROGRAM.—(1) Subchapter II of chapter 169 of title 10, United States Code, is amended by adding after section 2835, as added by section 2806, the following new section:

"§2836. Military housing rental guarantee program

"(a) AUTHORITY.—Subject to subsection (b), the Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into an agreement to assure the occupancy of rental housing to be constructed or rehabilitated to residential use by a private developer or by a State or local housing authority on private land, on land owned by a State or local government, or on land owned by the United States, if the housing is to be located on or near a new military installation or an existing military installation that has a shortage of housing to meet the requirements of eligible members of the armed forces (with or without accompanying dependents). The authority provided under this subsection shall be exercised under uniform regulations prescribed by the Secretary of Defense.

"(b) SUBMISSION AND AUTHORIZATION OF PROPOSED AGREEMENTS.—(1) The Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into agreements pursuant to subsection (a) for such military housing rental guaranty projects as are authorized by law.

"(2) The budget material submitted to Congress by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard, in connection with the budget submitted pursuant to section 1105 of title 31 for each fiscal year shall include materials that identify the military housing rental guaranty projects for which agreements are proposed to be entered into under subsection (a) in that fiscal year.

"(c) CONTENT OF AGREEMENT.—An agreement under subsection (a)—

"(1) may not assure the occupancy of more than 97 percent of the units constructed under the agreement;

"(2) shall establish initial rental rates that are not more than rates for comparable rental dwelling units in the same general market area and may include an escalation clause;

"(3) may apply to existing housing;

"(4) shall require that the housing units be constructed—

"(A) in the case of a Department of Defense agreement, to Department of Defense specifications or, at the discretion of the Secretary of the military department concerned, in compliance with the local building codes; and

"(B) in the case of an agreement for the Coast Guard, to Department of Transportation specifications;

"(5) may not be for a term in excess of 25 years;

"(6) may not be renewed unless the project is located on government owned land, in which case the renewal period may not exceed the original contract term;

"(7) may not assure more than an amount equivalent to the shelter rent of the housing units, determined on the basis of amortizing initial construction costs;

"(8) may only be entered into to the extent that there is a shortage in military family housing;

"(9) may only be entered into if existing military-controlled housing at all installations in the commuting area (except for a new installation or an installation for which there is projected a significant increase in the number of families due to an increase in the number of authorized personnel) has exceeded 97 percent use for a period of not less than 18 consecutive months immediately preceding the date on which the agreement is entered into, excluding units temporarily inactivated for major repair or improvements;

"(10) shall provide for priority of occupancy for military families;

"(11) shall include a provision authorizing the Secretary of the military department concerned, or the Secretary of Transportation with respect to the Coast Guard, to take such action as the Secretary considers appropriate to protect the interests of the United States, including rendering the agreement null and void if, in the opinion of the Secretary, the owner of the housing fails to maintain a satisfactory level of operation and maintenance;

"(12) may provide in the agreement for the rental of a child care center, civic center building, and similar type buildings constructed for the support of family housing;

"(13) may provide that utilities, trash collection, snow removal, and entomological services will be furnished by the Federal Government at no cost to the occupant to the same extent that these items are provided to occupants of housing owned by the Federal Government; and

"(14) may require that rent collection and operation and maintenance services in connection with the housing be under the terms of a separate agreement or be carried out by personnel of the Federal Government.

"(d) CONDITIONS ON OBLIGATION OF FUNDS.—An agreement entered into for a project pursuant to subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the agreement in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(2) A commitment to obligate the necessary amount for each fiscal year covered by the agreement when and to the extent that funds are appropriated for such project for such fiscal year.

"(3) A statement that such a commitment entered into under the authority of this section does not constitute an obligation of the United States.

"(e) COMPETITIVE PROCESS.—An agreement under subsection (a) shall be made through the use of publicly advertised, competitively bid, or competitively negotiated, contracting procedures as provided in chapter 137 of this title. In accordance with such procedures, the Secretary of a military department, or the Secretary of Transportation, as the case may be, shall solicit bids or proposals for a guaranty agreement for each military housing rental guaranty project authorized in accordance with subsection (b).

"(f) NOTICE AND WAIT REQUIREMENTS.—An agreement may not be entered into under subsection (a) until—

"(1) the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard, submits to the appropriate committees of Congress, in writing, an economic analysis (based upon accepted life cycle costing procedures) which demonstrates that the proposed agreement is cost effective when compared with alternative means of furnishing the same housing facilities; and

"(2) a period of 21 calendar days has expired following the date on which the economic analysis is received by those committees.

"(g) DISPUTES.—The Secretary concerned may require that disputes arising under an agreement entered into under subsection (a) be decided in accordance with the procedures provided for by the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.).".

(2) The table of sections at the beginning of such subchapter is amended by adding after the item relating to section 2835 (as added by section 2806) the following new item:

"2836. Military housing rental guarantee program.".

(b) CONFORMING AMENDMENT.—Section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note) is repealed.

(c) APPLICATION OF AMENDMENTS.—Section 2836 of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts entered into under that section on or after the date of the enactment of this Act. The amendment made by subsection (b) shall not affect the validity of any contract entered into before that date under section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note), as in effect on the day before that date.

PART B—DEFENSE BASE CLOSURE AND REALIGNMENT

SEC. 2821. DEFENSE BASE CLOSURE AND REALIGNMENT ACT OF 1990 AMENDMENTS.

(a) APPOINTMENT OF COMMISSION.—Section 2902(c)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by adding at the end the following new subparagraph:

"(C) If the President does not transmit to Congress the nominations for appointment to the Commission on or before the date specified for 1993 in clause (ii) of subparagraph (B) or for 1995 in clause (iii) of such subparagraph, the process by which military installations may be selected for closure or realignment under this part with respect to that year shall be terminated.".

(b) EMPLOYMENT OF STAFF BY COMMISSION.—Section 2902(i) of such Act is amended—

(1) in paragraph (3)—

(A) by inserting "(A)" after "(3)"; and

(B) by adding at the end the following new subparagraphs:

"(B)(i) Not more than one-fifth of the professional analysts of the Commission staff may be persons detailed from the Department of Defense to the Commission.

"(ii) No person detailed from the Department of Defense to the Commission may be assigned as the lead professional analyst with respect to a military department or defense agency.

"(C) A person may not be detailed from the Department of Defense to the Commission if, within 12 months before the detail is to begin, that person participated personally and substantially in any matter within the Department of Defense concerning the preparation of recommendations for closures or realignments of military installations.

"(D) No member of the Armed Forces, and no officer or employee of the Department of Defense, may—

"(i) prepare any report concerning the effectiveness, fitness, or efficiency of the performance on the staff of the Commission of any person detailed from the Department of Defense to that staff;

"(ii) review the preparation of such a report; or

"(iii) approve or disapprove such a report."; and

(2) by adding at the end the following new paragraph:

"(6) The following restrictions relating to the personnel of the Commission shall apply during 1992 and 1994:

"(A) There may not be more than 15 persons on the staff at any one time.

"(B) The staff may perform only such functions as are necessary to prepare for the transition to new membership on the Commission in the following year.

"(C) No member of the Armed Forces and no employee of the Department of Defense may serve on the staff.".

(c) PROHIBITION AGAINST RESTRICTING COMMUNICATIONS WITH THE COMMISSION.—Section 2902 of such Act is amended by adding at the end the following new subsection:

"(m) PROHIBITION AGAINST RESTRICTING COMMUNICATIONS.—Section 1034 of title 10, United States Code, shall apply with respect to communications with the Commission.".

(d) DATE FOR COMPLETION OF SELECTION CRITERIA.—Section 2903(b)(2)(B) of such Act is amended—

(1) by striking out "February 15" in the first sentence and inserting in lieu thereof "January 15"; and

(2) by striking out "March 15" in the second sentence and inserting in lieu thereof "February 15".

(e) DEPARTMENT OF DEFENSE RECOMMENDATIONS.—Section 2903(c) of such Act is amended—

(1) in paragraph (1), by striking out "April 15, 1993, and April 15, 1995," and inserting in lieu thereof "March 15, 1993, and March 15, 1995,";

(2) in paragraph (4), by inserting at the end the following new sentence: "(4) In addition to making all information used by the Secretary to prepare the recommendations under this subsection available to Congress (including any committee or member of Congress), the Secretary shall also make such information available to the Commission and the Comptroller General of the United States."; and

(3) by inserting at the end the following new paragraphs:

"(5)(A) Each person referred to in subparagraph (B), when submitting information to the Secretary of Defense or the Commission concerning the closure or realignment of a military installation, shall certify that such information is accurate and complete to the best of that person's knowledge and belief.

"(B) Subparagraph (A) applies to the following persons:

"(i) The Secretaries of the military departments.

"(ii) The heads of the Defense Agencies.

"(iii) Each person who is in a position the duties of which include personal and substantial involvement in the preparation and submission of information and recommendations concerning the closure or realignment of military installations, as designated in regulations which the Secretary of Defense shall prescribe, regulations which the Secretary of each military department shall prescribe for personnel within that military department, or regulations which the head of each Defense Agency shall prescribe for personnel within that Defense Agency.

"(6) In the case of any information provided to the Commission by a person described in paragraph (5)(B), the Commission shall submit that information to the Senate and the House of

Representatives to be made available to the Members of the House concerned in accordance with the rules of that House. The information shall be submitted to the Senate and the House of Representatives within 24 hours after the submission of the information to the Commission. The Secretary of Defense shall prescribe regulations to ensure the compliance of the Commission with this paragraph.".

(f) Commission Recommendations.—Section 2903(d)(2) of such Act is amended—

(1) in subparagraph (B), by striking out "In making" and inserting in lieu thereof "Subject to subparagraph (C), in making"; and

(2) by adding at the end the following new subparagraphs:

"(C) In the case of a change described in subparagraph (D) in the recommendations made by the Secretary, the Commission may make the change only if the Commission—

"(i) makes the determination required by subparagraph (B);

"(ii) determines that the change is consistent with the force-structure plan and final criteria referred to in subsection (c)(1);

"(iii) publishes a notice of the proposed change in the Federal Register not less than 30 days before transmitting its recommendations to the President pursuant to paragraph (2); and

"(iv) conducts public hearings on the proposed change.

"(D) Subparagraph (C) shall apply to a change by the Commission in the Secretary's recommendations that would—

"(i) add a military installation to the list of military installations recommended by the Secretary for closure;

"(ii) add a military installation to the list of military installations recommended by the Secretary for realignment; or

"(iii) increase the extent of a realignment of a particular military installation recommended by the Secretary.".

(g) Clarification of Congressional Consideration of Commission Report.—Section 2908(d) of such Act is amended in the first sentence by striking out "the resolution (but" and all that follows through "do so)." and inserting in lieu thereof the following: "the resolution. A Member may make the motion only on the day after the calendar day on which the Member announces to the House concerned the Member's intention to make the motion, except that, in the case of the House of Representatives, the motion may be made without such prior announcement if the motion is made by direction of the committee to which the resolution was referred.".

(h) Military Installation Defined.—(1) Section 2910(4) of such Act is amended by inserting at the end the following new sentence: "Such term does not include any facility used primarily for civil works, rivers and harbors projects, flood control, or other projects not under the primary jurisdiction or control of the Department of Defense.".

(2) The amendment made by paragraph (1) shall take effect as of November 5, 1990, and shall apply as if it had been included in section 2910(4) of the Defense Base Closure and Realignment Act of 1990 on that date.

(i) No Authority To Withhold Information.—Nothing in this section or in the Defense Base Closure and Realignment Act of 1990 shall be construed to authorize the withholding of information from Congress, any committee or subcommittee of Congress, or the Comptroller General of the United States.

SEC. 2822. CONSISTENCY IN BUDGET DATA.

(a) Military Construction Funding Requests.—In the case of each military installation considered for closure or realignment or for comparative purposes by the Defense Base Closure and Realignment Commission, the Secretary of Defense shall ensure, subject to subsection (b), that the amount of the authorization requested by the Department of Defense for each military construction project in each of the fiscal years 1992 through 1999 for the following fiscal year does not exceed the estimate of the cost of such project (adjusted as appropriate for inflation) that was provided to the Commission by the Department of Defense.

(b) Explanation for Inconsistencies.—The Secretary may submit to Congress for a fiscal year a request for the authorization of a military construction project referred to in subsection (a) in an amount greater than the estimate of the cost of the project (adjusted as appropriate for inflation) that was provided to the Commission if the Secretary determines that the greater amount is necessary and submits with the request a complete explanation of the reasons for the difference between the requested amount and the estimate.

(c) Investigation.—(1) The Inspector General of the Department of Defense shall investigate each military construction project for which the Secretary is required to submit an explanation to Congress under subsection (b) if the Inspector General determines (under standards prescribed by the Inspector General) that the difference between the requested amount and the estimate for the project is significant.

(2) With respect to each military construction project investigated under paragraph (1), the Inspector General shall determine—

(A) why the amount requested to be authorized in the case of that project exceeds the estimated cost of the project that was submitted to the Commission by the Department of Defense; and

(B) whether the relevant information submitted to the Commission with respect to that project was inaccurate, incomplete, or misleading in any material respect.

(3) The Inspector General shall submit a report to the Secretary describing the results of each investigation conducted under paragraph (1). The Secretary shall forward a copy of the report to the congressional defense committees.

SEC. 2823. ELIGIBILITY OF DEPARTMENT OF DEFENSE EMPLOYEES AND MEMBERS OF THE ARMED FORCES FOR HOMEOWNERS ASSISTANCE IN CONNECTION WITH BASE CLOSURES.

(a) Expanded Eligibility.—Subsection (b) of section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) is amended by striking out the matter above the first proviso and inserting in lieu thereof the following:

"(b)(1) In order to be eligible for the benefits of this section, a civilian employee or a member of the Armed Forces—

"(A) must be assigned to or employed at or in connection with the installation or activity at the time of public announcement of the closure action, or employed by a nonappropriated fund instrumentality operated in connection with such base or installation;

"(B) must have been transferred from such installation or activity, or terminated as an employee as a result of a reduction in force, within six months prior to public announcement of the closure action; or

"(C) must have been transferred from the installation or activity on an overseas tour within three years prior to public announcement of the closure action.

"(2) A member of the Armed Forces shall also be eligible for the benefits of this section if the member—

"(A) was transferred from the installation or activity within three years prior to public announcement of the closure action; and

"(B) in connection with the transfer, was informed of a future, programmed reassignment to the installation.

"(3) The eligibility of a civilian employee and member of the Armed Forces under paragraph (1) and a member of the Armed Forces under paragraph (2) for benefits under this section in connection with the closure of an installation or activity is subject to the additional conditions set out in paragraphs (4) and (5).".

(b) Conforming Amendments.—(1) Subsection (a) of such section is amended—

(A) in paragraph (1), by striking out "servicemen" and inserting in lieu thereof "member of the Armed Forces of the United States"; and

(B) in paragraph (2), by inserting before the semicolon the following: "or, in the case of a member of the Armed Forces not assigned to that base or installation at the time of public announcement of such closing, will prevent any reassignment of such member to the base or installation".

(2) The first proviso of subsection (b) of such section is amended—

(A) by striking out "Provided, That, at" and inserting in lieu thereof the following:

"(4) At";

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(C) by striking out the colon at the end and inserting in lieu thereof a period.

(3) The second proviso of subsection (b) of such section is amended—

(A) by striking out "Provided further, That as" and inserting in lieu thereof the following:

"(5) As"; and

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively.

(4) Subsection (l) of such section is amended by striking out "the second proviso of subsection (b)" and inserting in lieu thereof "subsection (b)(5)".

SEC. 2824. ENVIRONMENTAL PLAN FOR JEFFERSON PROVING GROUND, INDIANA.

(a) Plans Required.—The Secretary of Defense shall prepare a proposed and final plan containing the environmental response actions and corrective actions required for the environmental restoration and cleanup of the entire 55,000 acres of the Jefferson Proving Ground, Indiana, including all areas north and south of the firing line.

(b) Content of Plans.—The plans required under subsection (a) shall include the following information:

(1) An identification of the categories of potential alternative uses, including unrestricted use, for the entire installation following closure.

(2) For each of the potential use categories identified pursuant to paragraph (1), the following information:

(A) An identification and detailed description of the environmental response actions and corrective actions required for the environmental restoration and cleanup of the installation to a condition suitable for the uses in such category.

(B) A schedule (including milestones) for completing such environmental response actions and corrective actions.

(C) The total estimated cost of completing such activities and the estimated cost of such environmental response actions and corrective actions for each fiscal year through fiscal year 1998.

(D) A description of any impediments to achieving successful completion of such environmental response actions and corrective actions.

(c) Proposed Plan.—Within 180 days after the date of the enactment of this Act, the Secretary shall—

(1) prepare the proposed plan required under subsection (a);

(2) publish simultaneously in the Federal Register and in at least 2 newspapers of general circulation in Madison, Indiana, and the surrounding area a notice of the availability of the proposed plan, including the Secretary's request for comments on the proposed plan from the public; and

(3) provide copies of the proposed plan to appropriate State and local agencies authorized to develop and enforce environmental standards.

(d) OPPORTUNITIES FOR PUBLIC COMMENT.—(1) There shall be a period of at least 60 days for public comment on the proposed plan.

(2) The Secretary shall hold at least 1 public meeting on the proposed plan in the area of the Jefferson Proving Ground not earlier than 45 days after the date of the publication of the notice in the Federal Register required by subsection (c). The public may submit comments on the proposed plan at the meeting. The comments may be in either oral or written form.

(e) AVAILABILITY OF PUBLIC COMMENTS.—The Secretary shall make available to the public all comments received by the Secretary on the proposed plan.

(f) FINAL PLAN.—(1) At the same time that the President submits the budget to Congress for fiscal year 1994 pursuant to section 1105 of title 31, United States Code, the Secretary shall submit the final plan required by subsection (a) to Congress.

(2) The final plan shall include the Secretary's recommendations for uses of the Jefferson Proving Ground, the environmental response actions and corrective actions required to permit such uses, and the Secretary's specific responses to each comment received on the proposed plan pursuant to subsection (d).

(g) EFFECT ON OTHER LAWS.—Nothing in this section shall be construed as preempting, limiting, superseding, affecting, or modifying any Federal, State, or local law or regulation, including the Solid Waste Disposal Act (42 U.S.C. 3251 et seq.) and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 2825. DISPOSITION OF CREDIT UNION FACILITIES ON MILITARY INSTALLATIONS TO BE CLOSED.

(a) AUTHORITY TO CONVEY FACILITIES.—(1) Subject to subsection (c) and notwithstanding any other provision of law, the Secretary of the military department having jurisdiction over a military installation being closed pursuant to a base closure law may convey all right, title, and interest of the United States in a facility located on that installation to a credit union that—

(A) conducts business in the facility; and

(B) constructed or substantially renovated the facility using funds of the credit union.

(2) In the case of the conveyance under paragraph (1) of a facility that was not constructed by the credit union but was substantially renovated by the credit union, the Secretary shall require the credit union to pay an amount determined by the Secretary to be equal to the value of the facility in the absence of the renovations.

(b) AUTHORITY TO CONVEY LAND.—As part of the conveyance of a facility to a credit union under subsection (a), the Secretary of the military department concerned shall permit the credit union to purchase the land upon which that facility is located. The Secretary shall offer the land to the credit union before offering such land for sale or other disposition to any other entity. The purchase price shall be not less than the fair market value of the land, as determined by the Secretary.

(c) LIMITATION.—The Secretary of a military department may not convey a facility to a credit union under subsection (a) if the Secretary determines that the operation of a credit union business at such facility is inconsistent with the plan for the reuse of the installation developed in coordination with the community in which the facility is located.

(d) BASE CLOSURE LAW DEFINED.—For purposes of this section, the term "base closure law" means the following:

(1) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 102 Stat. 2627; 10 U.S.C. 2687 note).

(3) Section 2687 of title 10, United States Code.

(4) Any other similar law enacted after the date of the enactment of this Act.

SEC. 2826. REPORT ON EMPLOYMENT ASSISTANCE SERVICES.

(a) REPORT REQUIRED.—Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth the availability of employment assistance services for civilian employees of the Department of Defense who may be affected by reductions in defense employment as a result of the closure and realignment of military installations under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102–510; 104 Stat. 1808; 10 U.S.C. 2687 note) and title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 102 Stat. 2627; 10 U.S.C. 2687 note). The Secretary shall prepare the report in coordination with the Secretary of Labor.

(b) CONTENT OF REPORT.—The report required by subsection (a) shall include the following:

(1) A detailed description of plans to reduce the work force, including specific time tables, at military installations currently designated for closure or realignment under those Acts.

(2) A description of the availability of all current Federal, State, and local programs and efforts to provide training and reemployment assistance to involuntarily separated personnel in each community affected by base closure or realignment.

(3) A description of any plans by the Department of Labor and the Department of Defense to expand existing job training programs for civilian employees of the Department of Defense affected by base closure and realignments and the estimated cost of such program expansions.

(4) A description of any specific Army, Navy, or Air Force programs which provide job training and reemployment assistance to civilian workers affected by current base closure and realignment actions, the current cost of these programs, and any plans to expand these programs to meet future job training and reemployment requirements.

SEC. 2827. FUNDING FOR ENVIRONMENTAL RESTORATION AT MILITARY INSTALLATIONS TO BE CLOSED AND REPORT ON ENVIRONMENTAL RESTORATION COSTS AT SUCH INSTALLATIONS.

(a) EXCLUSIVE SOURCE OF FUNDING.—(1) Section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 104 Stat. 1815; 10 U.S.C. 2687 note) is amended by adding at the end the following new subsection:

"(d) ACCOUNT EXCLUSIVE SOURCE OF FUNDS FOR ENVIRONMENTAL RESTORATION PROJECTS.—Except for funds deposited into the Account under subsection (a), funds appropriated to the Department of Defense may not be used for purposes described in section 2905(a)(1)(C).

The prohibition in this subsection shall expire upon the termination of the authority of the Secretary to carry out a closure or realignment under this part.".

(2) Section 2905(a)(1)(C) of such Act (Public Law 101–510; 104 Stat. 1813; 10 U.S.C. 2687 note) is amended—

(A) by striking out "may" and inserting in lieu thereof "shall"; and

(B) by striking out "or funds appropriated to the Department of Defense for environmental restoration and mitigation".

(3) The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(b) REPORT ON ENVIRONMENTAL RESTORATION COSTS FOR INSTALLATIONS TO BE CLOSED UNDER 1990 BASE CLOSURE LAW.—(1) Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31, United States Code), the Secretary of Defense shall submit to Congress a report on the funding needed for the fiscal year for which the budget is submitted, and for each of the following four fiscal years, for environmental restoration activities at each military installation described in paragraph (2), set forth separately by fiscal year for each military installation.

(2) The report required under paragraph (1) shall cover each military installation which is to be closed pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510).

PART C—LAND TRANSACTIONS

SEC. 2831. ACQUISITION OF LAND, BALDWIN COUNTY, ALABAMA.

(a) ACQUISITION OF LAND.—The Secretary of the Navy may acquire the fee simple interest in a parcel of real property consisting of approximately 60 acres within the runway clear zones located at Outlying Landing Field Barin, Baldwin County, Alabama.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcel of real property to be acquired under subsection (a) shall be determined by a survey that is satisfactory to the Secretary of the Navy.

(c) TERMS AND CONDITIONS.—The Secretary of the Navy may require any terms or conditions in connection with the acquisition under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2832. LAND CONVEYANCE, LOMPOC, CALIFORNIA.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary of Army may convey to the City of Lompoc, California (in this section referred to as the "City"), without consideration, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 41 acres located at the United States Disciplinary Barracks, Lompoc, California, together with any improvements on such land.

(b) CONDITION.—The conveyance authorized by subsection (a) shall be subject to the condition that the City use the real property conveyed for—

(1) educational purposes; or

(2) the purposes provided for in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1526).

(c) REVERSION.—If the Secretary of the Army determines at any time that the City is not complying with the condition specified in subsection (b), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements on the property, shall revert to the United States and the United States shall have the right of immediate entry on that property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcel of property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary of the Army. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require any additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2833. LAND EXCHANGE, SCOTT AIR FORCE BASE, ILLINOIS.

(a) IN GENERAL.—Subject to subsection (b), the Secretary of the Air Force may convey to the County of Saint Clair, Illinois (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel *of real property known as the Cardinal Creek Housing Complex, Scott Air Force Base, Illinois, consisting of approximately 150 acres, together with the improvements on the property.*

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a) of the parcel described in that subsection, the County shall convey to the United States a parcel of real property located in the vicinity of Scott Air Force Base, Illinois. The fair market value of the real property conveyed to the United States shall be at least equal to the fair market value of the real property (including the improvements on that property) conveyed to the County under subsection (a).

(c) DETERMINATIONS OF FAIR MARKET VALUE.—The determinations of the Secretary of the Air Force regarding the fair market values of the parcels of real property to be conveyed pursuant to subsections (a) and (b) shall be final.

(d) DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed pursuant to subsections (a) and (b) shall be determined by surveys that are satisfactory to the Secretary of the Air Force. The cost of such surveys shall be borne by the County.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2834. LAND CONVEYANCE, NEW BEDFORD, MASSACHUSETTS.

(a) CONVEYANCE.—Subject to subsection (b), the Secretary of the Army may convey to the City of New Bedford, Massachusetts (in this section referred to as the "City"), all right, title, and interest of the United States in and to the following parcels of real property:

(1) A parcel consisting of approximately 12 acres, with improvements thereon, located at Clark's Point, New Bedford, Massachusetts, and comprising the New Bedford Army Reserve Center.

(2) A parcel consisting of approximately 2,500 square feet, with improvements thereon, located at Clark's Point, New Bedford, Massachusetts.

(3) A utility easement and right of way appurtenant to the parcels referred to in paragraphs (1) and (2) running from Rodney French Boulevard (south).

(b) CONSIDERATION.—(1) In consideration for the conveyance authorized in subsection (a), the City shall—

(A) accept the parcels to be conveyed under this section in their existing condition;

(B) conduct any response actions with respect to the parcels that are necessary (as determined under the laws of the State of Massachusetts) to prevent the release or threat of release of any oil or hazardous material identified in and described as being located on the parcels in the "Phase One Limited Site Investigation United States Army Reserve Center Fort Rodman Parcel 5 New Bedford, Massachusetts", dated May 1991, and prepared by Tibbetts Engineering Corporation;

(C) agree to indemnify the United States for all costs of necessary response actions with respect to the parcels arising from the failure of the City to conduct any response action referred to in subparagraph (B); and

(D) pay to the United States the amount, if any, by which the fair market value of the parcels on the date of the conveyance of the parcels (as determined in an appraisal satisfactory to the Secretary of the Army) exceeds the cost of the response actions referred to in subparagraph (B).

(2) The cost of the appraisal referred to in paragraph (1)(D) shall be borne by the City.

(3) In this subsection, the terms "response action", "release", "threat of release", "oil", and "hazardous material" shall have the meanings given such terms in section 2 of the Massachusetts Oil and Hazardous Material Release Prevention and Response Act (Mass. Gen. Laws Ann. ch. 21E, §2 (West 1990)).

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property conveyed under this section shall be determined by a survey satisfactory to the Secretary of the Army. The cost of the survey shall be borne by the City.

(d) DISPOSITION OF PROCEEDS.—The Secretary of the Army shall deposit any amount received by the Secretary under subsection (b)(1)(D) into the special account referred to in section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(e) ENTRY ONTO PROPERTY.—Beginning on the date of the enactment of this Act, the Secretary of the Army shall permit authorized representatives of the City to enter upon the parcels of real property referred to in subsection (a) for the purpose of preparing the parcels for the construction of a waste water treatment plant.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the conveyances under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2835. RELEASE OF REVERSIONARY INTEREST, BERRIEN COUNTY, MICHIGAN.

(a) IN GENERAL.—The Secretary of the Navy shall release the reversionary interest of the United States to approximately 1.7 acres of real property conveyed by the quitclaim deed described in subsection (b).

(b) DEED DESCRIPTION.—The deed referred to in subsection (a) is a quitclaim deed executed by the Secretary of the Navy, dated February 25, 1936, which conveyed to the State of Michigan approximately 1.7 acres of land in Berrien County, Michigan, situated in section 23, township 4 south, range 19 west.

(c) PROPERTY DESCRIPTION.—The exact acreage and legal description of the property that is subject to the reversionary interest to be released under this section shall be determined by surveys satisfactory to the Secretary of the Navy. The cost of any survey shall be borne by the State of Michigan.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require any additional term or condition in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

(e) INSTRUMENT OF RELEASE.—The Secretary of the Navy shall execute and file in the appropriate office a deed of release, amended deed, or other appropriate instrument effectuating the release of the reversionary interest under this section.

SEC. 2836. LAND CONVEYANCE, SANTA FE, NEW MEXICO.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary of the Army may convey to the New Mexico State Armory Board (in this section referred to as the "Board") all right, title, and interest of the United States in and to the parcel of real property consisting of approximately 5 acres, including improvements on the parcel, located at 2500 Cerrillos Road, Santa Fe, New Mexico, the location of a United States Army Reserve Center.

(b) CONSIDERATION.—In consideration for the conveyance under subsection (a) of the parcels described in that subsection, the Board shall convey to the United States all right, title, and interest of the State of New Mexico in and to a parcel of real property consisting of approximately 13 acres located in Santa Fe County, New Mexico.

(c) CONDITIONS OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be subject to the following conditions:

(1) That the Board design and construct on the property conveyed pursuant to subsection (b) (on terms satisfactory to, and subject to the approval of, the Secretary of the Army) a facility suitable for use as a replacement for the United States Army Reserve Center referred to in subsection (a).

(2) That the Board permit (on terms satisfactory to the Secretary and the Board) units of the United States Army Reserve located in New Mexico to use, at no cost to the United States, Board facilities at the headquarters complex of the New Mexico National Guard, Santa Fe, New Mexico, that are also being used by units of the New Mexico National Guard.

(d) REVERSION.—If the Secretary of the Army determines at any time that the Board is not complying with the conditions specified in subsection (c), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry thereon.

(e) DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed under subsections (a) and (b) shall be determined by surveys that are satisfactory to the Secretary of the Army. The cost of such surveys shall be borne by the Board.

(f) USE OF APPROPRIATED FUNDS.—The cost of designing and constructing the United States Army Reserve Center required under subsection (c)(1) shall be paid out of funds appropriated for the construction of such center in Public Law 101–148 (103 Stat. 920) or out of other funds appropriated for the Department of Defense for military construction and made available for such construction project.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2837. REVISION OF LAND CONVEYANCE AUTHORITY, NAVAL RESERVE CENTER, BURLINGTON, VERMONT.

Section 2837(c) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1800) is amended—

(1) in paragraph (1)(A), by striking out "$1,500,000" and inserting in lieu thereof "$800,000"; and

(2) in paragraph (2), by striking out "January 1, 1992" and inserting in lieu thereof "January 1, 1993".

SEC. 2838. LEASE AND DEVELOPMENT OF CERTAIN REAL PROPERTY, NORFOLK, VIRGINIA.

(a) IN GENERAL.—Subject to subsection (b), the Secretary of the Navy may lease to a private entity all or part of approximately 150 acres of real property that is located at the Naval Base, Norfolk, Virginia, and known as the Willoughby site. The lease may be for such period as the Secretary determines to be in the interests of the United States.

(b) CONSIDERATION.—(1) As consideration for the lease of real property under subsection (a), the lessee or lessees shall make available to the Secretary of the Navy such facilities or the use of such facilities, or both, as may be constructed or rehabilitated on the property by the lessee or lessees. The lessee or lessees shall be responsible for all costs of constructing, operating, maintaining, or repairing such facilities. The lease of the property shall be the only consideration required from the Secretary in exchange for obtaining or using such facilities.

(2) The value of using or obtaining the facilities under paragraph (1), or both, shall be at least equal to the fair market rental value of the real property leased under subsection (a), as determined by the Secretary.

(c) CONDITIONS.—(1) The Secretary of the Navy shall provide that any real property leased under this section be developed in consultation with the City of Norfolk, Virginia.

(2) A lease may not be entered into under this section until 21 days after the Secretary submits a plan for the development of the real property to be leased under subsection (a) to the Committees on Armed Services of the Senate and the House of Representatives, including a justification of how the plan is more advantageous to the United States than developing the real property with Federal funds.

(3) Any lease under this section shall be awarded through publicly advertised, competitively bid, or competitively negotiated, contracting procedures as provided under chapter 137 of title 10, United States Code.

(4) The Secretary may require such additional terms and conditions in connection with the leases authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2839. LEASE AT HUNTERS POINT NAVAL SHIPYARD, SAN FRANCISCO, CALIFORNIA.

Section 2824(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1790) is amended by striking out "within one year after the date of the enactment of this Act," and inserting in lieu thereof "not later than November 5, 1992,".

SEC. 2840. LAND EXCHANGE, PEARL HARBOR, HAWAII.

(a) AUTHORITY TO CONVEY.—Subject to subsection (b), the Secretary of the Navy may convey to the City and County of Honolulu, Hawaii (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property (including improvements on the property) consisting of approximately 43.8 acres in Pearl City, Oahu, Hawaii, and known as Navy Drum Storage Area.

(b) CONSIDERATION.—In consideration for the conveyance authorized by subsection (a), the City shall—

(1) convey to the United States all right, title and interest to approximately 28.3 acres of real property on Waiawa peninsula, Oahu, Hawaii, known as the former Pearl City Sewage Treatment Plant site, together with improvements on the site and associated roadway access and utility easements;

(2) pay to the United States an amount equal to the estimate (determined by the Secretary of the Navy) of the cost to demolish and dispose of sewage treatment plant improvements located on the site;

(3) pay to the United States an amount equal to the estimate (determined by the Secretary) of the cost to construct road access improvements to the site, including a replacement bridge across Waiawa Stream; and

(4) in the event that the fair market value of the land and improvements conveyed by the Secretary under subsection (a) exceeds the sum of the amount of the fair market value of the land and improvements referred to in paragraph (1) and the amounts referred to in paragraphs (2) and (3), pay to the United States an amount equal to the excess.

(c) USE OF PROCEEDS.—(1) The Secretary of the Navy may use, to the extent provided in appropriation Acts, the amounts paid by the City under subsection (b)—

(A) to carry out the demolition and disposal activities referred to in paragraph (2) of that subsection; and

(B) to construct the road access improvements referred to in paragraph (3) of that subsection.

(2) The Secretary shall deposit the unobligated balance of such amounts, if any, into the special account established pursuant to section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)).

(d) ENVIRONMENTAL RESTORATION.—(1) The City shall undertake such studies and appraisals as are necessary (as determined by the Secretary of the Navy and the City) to identify the type and quantity of the hazardous substances, if any, that are located on the parcels of real property conveyed pursuant to subsections (a) and (b)(1). The cost of any such studies and appraisals shall be borne by the City.

(2) Upon the completion of the studies and appraisals referred to in paragraph (1), the City and the Secretary shall carry out any remedial actions with respect to the hazardous substances located on such parcels (as identified in such studies and appraisals) that are necessary to protect human health and the environment. The cost of any such remedial actions shall be borne—

(A) by the Secretary, in the case of the parcel of real property conveyed pursuant to subsection (a); and

(B) by the City, in the case of the parcel of real property conveyed pursuant to subsection (b)(1).

(3) The conveyances of real property authorized under subsections (a) and (b)(1) may be completed in whole or in part before the completion of the remedial actions referred to in paragraph (2). The conveyance of a parcel of real property pursuant to this paragraph shall not relieve the Secretary or the City, as the case may be, from completing the remedial actions required for that property.

(e) DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed pursuant to subsections (a) and (b)(1) shall be determined by surveys that are satisfactory to the Secretary of the Navy.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the conveyances under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2841. LAND CONVEYANCE, NEW LONDON, CONNECTICUT.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (b), the Secretary of the Navy may convey to the State of Connecticut the following:

(1) All right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, located adjacent to the State Pier, New London, Connecticut.

(2) The leasehold interest of the United States in and to a parcel of real property on the State Pier, including improvements thereon, located adjacent to the parcel referred to in paragraph (1).

(b) CONDITIONS OF CONVEYANCE.—The conveyances authorized under subsection (a) shall be subject to the following conditions:

(1) The State of Connecticut may not require that the Department of the Navy—

(A) pay the cost of any improvements made to the parcels of property referred to in subsection (a) after the date of the enactment of this Act;

(B) except as provided in paragraph (3), restore the portion of the State Pier subject to the leasehold interest referred to in subsection (a)(2) to its original condition; or

(C) pay to the State of Connecticut any amount of rent for the parcel referred to in subsection (a)(2) under the lease referred to in that subsection after the date of the enactment of the Act.

(2) The Department of the Navy shall pay for all costs associated with the removal of equipment of the Department from the parcels referred to in subsection (a) if such removal is agreed to by the Secretary and the State of Connecticut.

(3) The Department of the Navy shall be responsible for any environmental restoration of the parcel of the State Pier subject to the leasehold interest referred to in subsection (a)(2) that is necessary (as determined by the Secretary) as a result of the lease of the parcel by the Department of the Navy.

(4) In the event that the fair market value (as determined by the Secretary) of the parcel of real property and the leasehold interest conveyed under subsection (a) exceeds the fair market value (as so determined) of any obligations of the United States to the State of Connecticut that are released by the State of Connecticut by reason of paragraphs (1) through (3), the State of Connecticut shall pay the United States the amount of such excess.

(c) PROCEEDS.—Any funds paid to the United States under subsection (b)(4) shall be deposited into the special account established by section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)).

(d) DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property subject to the conveyances referred to in subsection (a) shall be determined by surveys satisfactory to the Secretary of the Navy. The cost of the surveys shall be borne by the State of Connecticut.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the conveyances under this section as the Secretary determines appropriate to protect the interests of the United States.

PART D—PROHIBITION ON CERTAIN CONSTRUCTION

SEC. 2851. PROHIBITION ON CONSTRUCTION AT CROTONE, ITALY.

None of the funds available to the Department of Defense, including contributions for the North Atlantic Treaty Organization Infrastructure program pursuant to section 2806 of title 10, United States Code, may be obligated in connection with relocating functions of the Department of Defense located at Torrejon Air Force Base, Madrid, Spain, on June 15, 1989, to Crotone, Italy.

SEC. 2852. RESTRICTION ON CERTAIN DEVELOPMENT AT FORT HUNTER LIGGETT, CALIFORNIA.

(a) RESTRICTION ON DEVELOPMENT.—Subject to subsection (c), the Secretary of the Army shall prohibit above-ground construction on the real property described in subsection (b) to the extent that the Secretary determines necessary for maintaining a viewshed buffer area for the Mission San Antonio de Padua.

(b) APPLICABILITY.—Subsection (a) applies to real property (consisting of approximately 339.86 acres) under the jurisdiction of the Secretary that is within the parcel of real property designated as Parcel A on the December 1990 record of survey that—

(1) is recorded with the County of Monterey, California, for Monterey County map location number 5562, Rancho Milpitas, Fort Hunter Liggett, County of Monterey, California;

(2) shows the restricted building zone at Mission San Antonio de Padua; and

(3) shows the exterior boundaries of the Mission San Antonio de Padua appearing on the August 1919 map of resurvey of the Mission prepared by H. F. Cozzens and William Davies.

(c) EXCEPTION.—The prohibition in subsection (a) shall not apply in the case of any construction for the maintenance or protection of any improvements to real property that are eligible

for inclusion on the National Register of Historic Places.

(d) OTHER USE.—The Secretary may permit the use of the property to which the prohibition in subsection (a) applies for any purpose that is consistent with the prohibition set out in that subsection, including use for access, training, recreation, grazing, forestry, and fire control.

PART E—MISCELLANEOUS

SEC. 2861. REVIEW OF ASSETS OF THE RESOLUTION TRUST CORPORATION BEFORE ACQUISITION OF OPTIONS ON REAL PROPERTY.

Section 2677 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) Before acquiring an option on real property under subsection (a), the Secretary of a military department shall review the most recent inventory of real property assets published by the Resolution Trust Corporation under section 21A(b)(12)(F) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(12)(F)) and determine whether any real property listed in the inventory is suitable for use by the military department for the purposes for which the real property is sought.

"(2) The requirement for the review referred to in paragraph (1) shall terminate on September 30, 1996.".

SEC. 2862. CLARIFICATION OF THE AUTHORITY OF THE SECRETARIES OF THE MILITARY DEPARTMENTS TO LEASE NONEXCESS PROPERTY.

(a) LEASE CONDITIONS.—Subsection (b) of section 2667 of title 10, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking out "must" and inserting in lieu thereof "shall"; and

(B) by striking out "and" at the end of that paragraph;

(2) by redesignating paragraph (4) as paragraph (5);

(3) by inserting after paragraph (3) the following new paragraph:

"(4) shall provide for the payment (in cash or in kind) by the lessee of consideration in an amount that is not less than the fair market value of the lease interest, as determined by the Secretary; and"; and

(4) in paragraph (5) (as redesignated by paragraph (2))—

(A) by inserting "improvement," before "maintenance"; and

(B) by inserting "the payment of" before "part or all".

(b) TECHNICAL AMENDMENT.—Subsection (d)(3) of such section is amended—

(1) by striking out subparagraph (A);

(2) by striking out "(B) As part of the request for authorizations of appropriations to such Committees for each fiscal year after fiscal year 1992" and inserting in lieu thereof the following: "As part of the request for authorizations of appropriations submitted to the Committees on Armed Services of the Senate and House of Representatives for each fiscal year"; and

(3) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively.

SEC. 2863. TEST PROGRAM OF LEASES OF REAL PROPERTY FOR ACTIVITIES RELATED TO SPECIAL FORCES OPERATIONS.

(a) AUTHORITY TO LEASE.—(1) Chapter 159 of title 10, United States Code, is amended by inserting after section 2679 the following new section:

"§2680. Leases: land for special operations activities

"(a) AUTHORITY TO ACQUIRE LEASEHOLDS.—The Secretary of Defense may acquire a leasehold interest in real property if the Secretary determines that the acquisition of such interest is necessary in the interests of national security to facilitate special operations activities of forces of the special operations command established pursuant to section 167 of this title.

"(b) LIMITATIONS ON AUTHORITY.—(1) The Secretary may not acquire a leasehold interest in any real property under subsection (a) if the estimated annual rental cost of that real property exceeds $500,000.

"(2) The Secretary may not acquire more than five leasehold interests in real property under subsection (a) during a fiscal year.

"(3) The term of a leasehold interest acquired under this section shall not exceed one year.

"(c) CONSTRUCTION OR MODIFICATION OF FACILITY ON LEASEHOLD.—The Secretary may provide in a lease entered into under this section for the construction or modification of any facility on the leased property in order to facilitate the activities referred to in subsection (a). The total cost of the construction or modification of such facility may not exceed $750,000 in any fiscal year.

"(d) EXPIRATION OF AUTHORITY.—The authority of the Secretary of Defense to acquire a leasehold interest in real property under this section shall expire on September 30, 1993. The expiration of that authority shall not affect the validity of any contract entered into under this section on or before that date.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2679 the following new item:

"2680. Leases: land for special operations activities.".

(b) REPORTING REQUIREMENT.—Not later than March 1, 1993, and March 1, 1994, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report that—

"(1) identifies each leasehold interest acquired during the previous fiscal year by the Secretary under subsection (a) of section 2680 of title 10, United States Code, as added by subsection (a); and

"(2) contains a discussion of each project for the construction or modification of facilities carried out pursuant to subsection (c) of such section during such fiscal year.

SEC. 2864. LAW ENFORCEMENT AUTHORITY ON THE PENTAGON RESERVATION.

Section 2674(b)(2) of title 10, United States Code, is amended to read as follows:

"(2) shall have the same powers (other than the service of civil process) as sheriffs and constables upon the property referred to in the first sentence to enforce the laws enacted for the protection of persons and property, to prevent breaches of the peace and suppress affrays or unlawful assemblies, and to enforce any rules or regulations with respect to such property prescribed by duly authorized officials.".

SEC. 2865. REPAIR OF DAMAGES AT MCCONNELL AIR FORCE BASE CAUSED BY TORNADOES.

(a) FINDINGS.—Congress finds the following:

(1) On April 26, 1991, tornadoes caused extensive damage to McConnell Air Force Base in Wichita, Kansas.

(2) The immediate repair of the damage caused by the tornadoes is necessary to return this important military installation to its highest state of readiness and to provide the military personnel and their families stationed at this installation the necessary support facilities to assure an appropriate standard of living.

(b) REPAIR REQUIRED.—Pursuant to the authority of the Secretary of the Air Force to restore or replace damaged or destroyed facilities under section 2854 of title 10, United States Code, the Secretary shall expeditiously repair the damage to McConnell Air Force Base in Wichita, Kansas, caused by the devastating tornadoes on April 26, 1991.

SEC. 2866. STUDY OF THE NEED FOR THE CONSTRUCTION OF TORNADO SHELTERS.

Not later than April 15, 1992, the Secretary of Defense shall submit to the congressional defense committees a report regarding the advisability of constructing tornado shelters at military installations located in areas where tornadoes frequently occur. If the Secretary determines that the construction of shelters is advisable, the report shall contain a proposed schedule for the construction of such shelters.

SEC. 2867. REPORT ON REPLACEMENT BRIDGE NEAR THE NAVY HOMEPORT AT PASCAGOULA, MISSISSIPPI.

Not later than January 15, 1992, the Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report describing the status of the planning and design of a replacement bridge on Highway 90 near the Navy homeport at Pascagoula, Mississippi.

SEC. 2868. REPORTS RELATING TO MILITARY CONSTRUCTION FOR FACILITIES SUPPORTING NEW WEAPON SYSTEMS.

(a) REQUIREMENT.—The Secretary of Defense shall submit to Congress with the budget submitted under section 1105 of title 31, United States Code, for the fiscal year in which the first construction of a facility for the permanent basing of a new weapon system is to be authorized a report describing—

(1) the site or sites selected or planned for permanent basing of the planned force of that weapon system;

(2) the rationale for selecting such site or sites; and

(3) the military construction activities proposed for each such site.

(b) NEW WEAPON SYSTEM DEFINED.—For purposes of this section, the term "new weapon system" means any military aircraft or major naval combatant vessel for which a complete permanent basing plan has not been publicly announced before the date of the enactment of this Act.

SEC. 2869. INITIATION OF CONSTRUCTION OF PHOENIX, ARIZONA, AND VICINITY (STAGE 2) FLOOD CONTROL.

(a) IN GENERAL.—With funds appropriated for fiscal year 1992 by the Energy and Water Development Appropriations Act, 1992 (Public Law 102–104) for construction water projects, the Secretary of the Army is directed, with respect to the Phoenix, Arizona, and vicinity (Stage 2) flood control project, to initiate construction to cover the Arizona Canal Diversion Channel—

(1) for approximately 150 linear feet east of Central Avenue in Phoenix;

(2) for 1,760 feet west from 32nd Street to the property line of the Arizona Biltmore in Phoenix; and

(3) from 1,250 east of 32nd Street to the Cudia City Wash Spillway in Paradise Valley.

(b) COST SHARING.—The Federal share of the cost of construction under subsection (a) shall be 90 percent, and the non-Federal share of such cost shall be provided by the city of Phoenix and the town of Paradise Valley, Arizona, for the portions of such construction which are in such city and town, respectively.

(c) EXPEDITED CONSTRUCTION.—The Secretary is directed to take all appropriate steps to expedite construction under subsection (a).

(d) TERMS AND CONDITIONS.—Except as provided in subsection (b), the construction under subsection (a) shall be carried out under the terms and conditions set forth in the agreement dated July 21, 1977, and executed in accordance with section 221 of the Flood Control Act of 1970 (Public Law 91–611) between the Maricopa County Flood Control District and the Secretary of the Army with respect to the project referred to in subsection (a).

(e) TERMINATION OF AUTHORITY.—The authorization in this section shall expire on September 30, 1993.

SEC. 2870. TECHNICAL AMENDMENTS.

Title 10, United States Code, is amended as follows:

(1) Section 2676(d) is amended in the second sentence—

(A) by striking out "(1)"; and

(B) by striking out ", or (2)" and all that follows through "increased cost".

(2) Section 2803(b) is amended in the third sentence by striking out ", or after" and all that follows "that period".

(3) Section 2804(b) is amended in the third sentence by striking out ", or after" and all that follows through "that period".

(4) Section 2805(b)(2) is amended in the second sentence—

(A) by striking out "(A)"; and

(B) by striking out ", or (B)" and all that follows through "that period".

(5) Section 2806(c)(2)(B) is amended—

(A) by striking out "after either" and inserting in lieu thereof "after"; and

(B) by striking out "or after each" and all that follows through "increased contribution".

(6) Section 2807(c)(2) is amended—

(A) by striking out "either"; and

(B) by striking out "or after each" and all that follows through "level of activity".

(7) Section 2854(b) is amended in the second sentence—

(A) by striking out "(1)"; and

(B) by striking ", or (2)" and all that follows through "that period".

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 3101. OPERATING EXPENSES.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $4,075,800,000 to be allocated as follows:

(A) For research and development, $1,182,600,000.

(B) For weapons testing, $457,500,000.

(C) For production and surveillance, $2,273,950,000.

(D) For program direction, $161,750,000.

(2) For defense nuclear materials production, $1,464,312,000, to be allocated as follows:

(A) For production reactor operations, $584,418,000.

(B) For processing of defense nuclear materials, including naval reactors fuel, $531,217,000.

(C) For supporting services, $305,433,000.

(D) For program direction, $43,244,000.

(3) For verification and control technology, $209,900,000.

(4) For nuclear materials safeguards and security technology development program, $88,731,000.

(5) For security investigations, $62,600,000.

(6) For Office of Security evaluations, $15,000,000.

(7) For new production reactors, $142,835,000.

(8) For naval reactors, $723,400,000, to be allocated as follows:

(A) For plant development, $93,000,000.

(B) For reactor development, $285,997,000.

(C) For reactor operation and evaluation, $205,600,000.

(D) For program direction, $15,963,000.

(E) For enriched material, operating, $122,840,000.

(9) For education, training, and technology transfer, $49,900,000, including the following:

(A) For worker protection training, $10,000,000.

(B) For scholarship and fellowship programs, $1,000,000.

(C) For the Hanford health information network, $1,554,000.

(D) For site specific health assessments, $8,000,000.

SEC. 3102. PLANT AND CAPITAL EQUIPMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project GPD–101, general plant projects, various locations, $28,800,000.

Project GPD–121, general plant projects, various locations, $34,700,000.

Project 92–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $6,600,000.

Project 92–D–122, health physics/environmental projects, Rocky Flats Plant, Golden, Colorado, $7,200,000.

Project 92–D–123, plant fire/security alarm systems replacement, Rocky Flats Plant, Golden, Colorado, $5,200,000.

Project 92–D–125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $3,500,000.

Project 92–D–126, replace emergency notification systems, various locations, $4,200,000.

Project 91–D–126, health physics calibration facility, Mound Plant, Miamisburg, Ohio, $4,000,000.

Project 90–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $34,100,000.

Project 90–D–124, high explosives (HE) synthesis facility, Pantex Plant, Amarillo, Texas, $12,927,000.

Project 90–D–126, environmental, safety, and health enhancements, various locations, $1,428,000.

Project 88–D–104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, New Mexico, $1,515,000.

Project 88–D–106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $53,608,000.

Project 88–D–122, facilities capability assurance program, various locations, $47,473,000.

Project 88–D–123, security enhancements, Pantex Plant, Amarillo, Texas, $30,000,000.

Project 87–D–104, safeguards and security enhancement II, Lawrence Livermore National Laboratory, California, $5,300,000.

Project 85–D–105, combined device assembly facility, Nevada Test Site, Nevada, $12,027,000.

Project 85–D–121, air and water pollution control facilities, Y–12 Plant, Oak Ridge, Tennessee, $3,000,000.

(2) For materials production:

Project GPD–146, general plant projects, various locations, $40,000,000.

Project 92–D–140, F and H canyon exhaust upgrades, Savannah River, South Carolina, $12,000,000.

Project 92–D–141, reactor seismic improvement, Savannah River, South Carolina, $14,200,000.

Project 92–D–142, nuclear material processing training center, Savannah River, South Carolina, $2,500,000.

Project 92–D–143, health protection instrument calibration facility, Savannah River, South Carolina, $2,000,000.

Project 92–D–150, operations support facilities, Savannah River, South Carolina, $3,000,000.

Project 92–D–151, plant maintenance and improvements, Phase I, Savannah River, South Carolina, $4,060,000.

Project 92–D–153, engineering support facility, Savannah River, South Carolina, $8,017,000.

Project 91–D–143, increase 751–A electrical substation capacity, Phase I, Savannah River, South Carolina, $2,614,000.

Project 90–D–141, Idaho chemical processing plant fire protection, Idaho National Engineering Laboratory, Idaho, $12,000,000.

Project 90–D–149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $39,000,000.

Project 90–D–150, reactor safety assurance, Phases I, II, and III, Savannah River, South Carolina, $14,530,000.

Project 90–D–151, engineering center, Savannah River, South Carolina, $105,000.

Project 89–D–140, additional separations safeguards, Savannah River, South Carolina, $28,150,000.

Project 89–D–148, improved reactor confinement system, Savannah River, South Carolina, $12,121,000.

Project 88–D–153, additional reactor safeguards, Savannah River, South Carolina, $6,528,000.

Project 86–D–149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations, $36,865,000.

Project 85–D–139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $82,700,000.

(3) For verification and control technology:

Project 90–D–186, center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico, $10,000,000.

(4) For nuclear materials safeguards and security:

Project GPD–186, general plant projects, Central Training Academy, Albuquerque, New Mexico, $2,000,000.

(5) For new production reactors:

Project 92–D–300, new production reactor capacity, various locations, $359,465,000.

Project 92–D–301, new production reactor (NPR) safety center, Los Alamos National Laboratory, New Mexico, $2,000,000.

(6) For naval reactors development:

Project GPN–101, general plant projects, various locations, $8,500,000.

Project 92–D–200, laboratories facilities upgrades, various locations, $4,900,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $15,000,000.

Project 90–N–103, advanced test reactor off-gas treatment system, Idaho National Engineering Laboratory, Idaho, $2,800,000.

Project 90–N–104, facilities renovation, Knolls Atomic Power Laboratory, Niskayuna, New York, $5,000,000.

(7) For capital equipment not related to construction:

(A) For weapons activities, $252,050,000.

(B) For materials production, $92,198,000.

(C) For verification and control technology, $10,100,000.

(D) For nuclear safeguards and security, $5,269,000.

(E) For new production reactors, $11,200,000.

(F) For naval reactors development, $58,400,000.

SEC. 3103. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) AUTHORIZATION.—Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for carrying out the environ-

mental restoration and waste management programs necessary for national security programs as follows:

(1) For operating expenses, $3,177,142,000, to be allocated as follows:

(A) For corrective activities—environment, $27,689,000.

(B) For corrective activities—defense programs, $33,518,000.

(C) For environmental restoration, $1,074,392,000.

(D) For waste management, $1,723,796,000.

(E) For technology development, $274,778,000.

(F) For transportation management, $18,220,000.

(G) For program direction, $24,749,000.

(2) For plant projects:

Project GPD–171, general plant projects, various locations, $88,027,000.

Project 92–D–171, mixed waste receiving and storage, Los Alamos National Laboratory, Los Alamos, New Mexico, $6,640,000.

Project 92–D–172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $2,400,000.

Project 92–D–173, NOx abatement facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $7,000,000.

Project 92–D–174, sanitary landfill, Idaho National Engineering Laboratory, Idaho, $10,000,000.

Project 92–D–176, B plant safety class ventilation upgrades, Richland, Washington, $4,400,000.

Project 92–D–177, tank 101–AZ waste retrieval system, Richland, Washington, $5,800,000.

Project 92–D–180, inter-area line upgrade, Savannah River, South Carolina, $2,100,000.

Project 92–D–181, fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $3,000,000.

Project 92–D–182, sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $2,100,000.

Project 92–D–183, transportation complex, Idaho National Engineering Laboratory, Idaho, $895,000.

Project 92–D–184, Hanford infrastructure underground storage tanks, Richland, Washington, $300,000.

Project 92–D–185, road, ground, and lighting safety improvements, 300/1100 areas, Richland, Washington, $800,000.

Project 92–D–186, steam system rehabilitation, Phase II, Richland, Washington, $400,000.

Project 92–D–187, 300 area electrical distribution, conversion, and safety improvements, Phase II, Richland, Washington, $1,100,000.

Project 92–D–402, sanitary sewer system rehabilitation, Lawrence Livermore National Laboratory, California, $3,000,000.

Project 92–D–403, tank upgrades project, Lawrence Livermore National Laboratory, California, $3,500,000.

Project 91–D–171, waste receiving and processing facility module 1, Richland, Washington, $7,400,000.

Project 91–D–172, high-level waste tank farm replacement, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $30,000,000.

Project 91–D–173, hazardous low-level waste processing tanks, Savannah River, South Carolina, $10,100,000.

Project 91–D–175, 300 area electrical distribution, conversion, and safety improvements, Phase I, Richland, Washington, $4,419,000.

Project 91–E–100, environmental and molecular sciences laboratory, Richland, Washington, $17,100,000.

Project 90–D–125, steam ash disposal facility, Y–12 Plant, Oak Ridge, Tennessee, $8,122,000.

Project 90–D–126, environment, safety, and health improvements, various locations, $7,419,000.

Project 90–D–171, laboratory ventilation and electrical system upgrade, Richland, Washington, $1,116,000.

Project 90–D–172, aging waste transfer lines, Richland, Washington, $6,000,000.

Project 90–D–173, B plant canyon crane replacement, Richland, Washington, $5,800,000.

Project 90–D–174, decontamination laundry facility, Richland, Washington, $3,700,000.

Project 90–D–175, landlord program safety compliance-I, Richland, Washington, $8,840,000.

Project 90–D–176, transuranic (TRU) waste facility, Savannah River, South Carolina, $5,500,000.

Project 90–D–177, RWMC transuranic (TRU) waste treatment and storage facility, Idaho National Engineering Laboratory, Idaho, $25,000,000.

Project 90–D–178, TSA retrieval containment building, Idaho National Engineering Laboratory, Idaho, $4,490,000.

Project 89–D–122, production waste storage facilities, Y–12 Plant, Oak Ridge, Tennessee, $9,238,000.

Project 89–D–126, environment, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $41,000.

Project 89–D–141, M-area waste disposal, Savannah River, South Carolina, $4,170,000.

Project 89–D–172, Hanford environmental compliance, Richland, Washington, $27,700,000.

Project 89–D–173, tank farm ventilation upgrade, Richland, Washington, $4,231,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River, South Carolina, $14,145,000.

Project 89–D–175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $4,330,000.

Project 88–D–102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,546,000.

Project 88–D–173, Hanford waste vitrification plant, Richland, Washington, $79,200,000.

Project 87–D–181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $4,697,000.

Project 86–D–103, decontamination and waste technology, Lawrence Livermore National Laboratory, Livermore, California, $5,060,000.

Project 83–D–148, nonradioactive hazardous waste management, Savannah River, South Carolina, $9,100,000.

(3) For capital equipment, $121,832,000, to be allocated as follows:

(A) For corrective activities—environment, $1,249,000.

(B) For corrective activities—defense programs, $6,520,000.

(C) For waste management, $95,913,000.

(D) For technology development, $17,500,000.

(E) For transportation management, $650,000.

(b) Other Authorization.—From funds authorized to be appropriated pursuant to subsection (a) to the Department of Energy for environmental restoration and waste management activities, the Secretary of Energy may reimburse the cities of Westminster, Broomfield, Thornton, and Northglen in the State of Colorado $10,000,000 for the cost of implementing water management programs. Such reimbursement shall not be considered a major Federal action for purposes of section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

SEC. 3104. FUNDING LIMITATIONS.

(a) Inertial Confinement Fusion.—Of the funds appropriated to the Department of Energy for fiscal year 1992 for operating expenses and plant and capital equipment, $197,000,000 shall be available for the defense inertial confinement fusion program.

(b) W–79 Projectile Modification.—None of the funds appropriated or otherwise made available for the Department of Energy for fiscal year 1992 may be obligated for the modification of the W–79 atomic fired artillery projectile.

PART B—RECURRING GENERAL PROVISIONS

SEC. 3121. REPROGRAMMING.

(a) Notice to Congress.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may not be taken until—

(A) the Secretary of Energy has submitted to the congressional defense committees a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

(b) Limitation on Amount Obligated.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) In General.—The Secretary of Energy may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(b) Report to Congress.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the Committees on Armed Services and to the Committees on Appropriations of the Senate and House of Representatives explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) In General.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3102 or 3103 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such actions necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) IN GENERAL.—Funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

(b) NUCLEAR DIRECTED ENERGY WEAPONS CONCEPTS.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1992 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research and testing for nuclear directed energy weapons concepts, including plant and capital equipment related thereto; and

(2) shall be merged with the funds appropriated to the Department of Energy.

(c) INERTIAL CONFINEMENT FUSION PROGRAMS.—The Secretary of Defense may transfer to the Secretary of Energy not more than $12,000,000 of the funds appropriated to the Department of Defense for the inertial confinement fusion program. Funds so transferred shall be merged with funds appropriated to the Department of Energy national security programs for research and development.

SEC. 3125. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary of Energy may carry out advance planning and construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In the case of any project in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the congressional defense committees in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such planning and design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—In addition to the funds authorized to be appropriated for advance planning and construction design under sections 3102 and 3103, the Secretary of Energy may use any other funds available to the Department of Energy in order to perform planning, design, and construction activities for any Department of Energy defense activity construction project that, as determined by the Secretary, must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

(b) LIMITATION.—(1) The Secretary may not exercise the authority under subsection (a) in the case of any construction project until—

(A) the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out with funds under such authority and the circumstances making such activities necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(2) In the computation of the 30-day period, there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

PART C—MISCELLANEOUS

SEC. 3131. WORKER PROTECTION AT NUCLEAR WEAPONS FACILITIES.

(a) TRAINING GRANT PROGRAM.—(1) The Secretary of Energy is authorized to award grants to organizations referred to in paragraph (2) in order for such organizations—

(A) to provide training and education to persons who are or may be engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) to develop curricula for such training and education.

(2)(A) Subject to subparagraph (B), the Secretary is authorized to award grants under paragraph (1) to non-profit organizations that have demonstrated (as determined by the Secretary) capabilities in—

(i) implementing and conducting effective training and education programs relating to the general health and safety of workers; and

(ii) identifying, and involving in training, groups of workers whose duties include hazardous substance response or emergency response.

(B) The Secretary shall give preference in the award of grants under this section to employee organizations and joint labor-management training programs that are grant recipients under section 126(g) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 9660a).

(3) An organization awarded a grant under paragraph (1) shall carry out training, education, or curricula development pursuant to Department of Energy orders relating to employee safety training, including orders numbered 5480.4 and 5480.11.

(b) ENFORCEMENT OF EMPLOYEE SAFETY STANDARDS.—(1) Subject to paragraph (2), the Secretary shall assess civil penalties against any contractor of the Department of Energy who (as determined by the Secretary)—

(A) employs individuals who are engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) fails (i) to provide for the training of such individuals to carry out such hazardous substance response or emergency response, or (ii) to certify to the Department of Energy that such employees are adequately trained for such response pursuant to orders issued by the Department of Energy relating to employee safety training (including orders numbered 5480.4 and 5480.11).

(2) Civil penalties assessed under this subsection may not exceed $5,000 for each day in which a failure referred to in paragraph (1)(B) occurs.

(c) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

(d) DEFINITIONS.—For the purposes of this section, the term "hazardous substance" includes radioactive waste and mixed radioactive and hazardous waste.

(e) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3101(9)(A), $10,000,000 may be used for the purpose of carrying out this section.

SEC. 3132. SCHOLARSHIP AND FELLOWSHIP PROGRAM FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ESTABLISHMENT.—The Secretary of Energy shall conduct a scholarship and fellowship program for the purpose of enabling individuals to qualify for employment in environmental restoration and waste management positions in the Department of Energy.

(b) ELIGIBILITY.—To be eligible to participate in the scholarship and fellowship program, an individual must—

(1) be accepted for enrollment or be currently enrolled as a full-time student at an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(2) be pursuing a program of education that leads to an appropriate higher education degree in a qualifying field of study, as determined by the Secretary;

(3) sign an agreement described in subsection (c);

(4) be a citizen or national of the United States or be an alien lawfully admitted to the United States for permanent residence; and

(5) meet such other requirements as the Secretary prescribes.

(c) AGREEMENT.—An agreement between the Secretary and a participant in the scholarship and fellowship program established under this section shall be in writing, shall be signed by the participant, and shall include the following provisions:

(1) The Secretary's agreement to provide the participant with educational assistance for a specified number of school years (not exceeding 5) during which the participant is pursuing a program of education in a qualifying field of study. The assistance may include payment of tuition, fees, books, laboratory expenses, and a stipend.

(2) The participant's agreement (A) to accept such educational assistance, (B) to maintain enrollment and attendance in the program of education until completed, (C) while enrolled in such program, to maintain satisfactory academic progress as prescribed by the institution of higher education in which the participant is enrolled, and (D) after completion of the program of education, to serve as a full-time employee in an environmental restoration or waste management position in the Department of Energy for a period of 12 months for each school year or part thereof for which the participant is provided a scholarship or fellowship under the program established under this section.

(d) REPAYMENT.—(1) Any person participating in a scholarship or fellowship program established under this section shall agree to pay to the United States the total amount of educational assistance provided to the person under the program, plus interest at the rate prescribed by paragraph (4), if the person—

(A) does not complete the course of education as agreed to pursuant to subsection (c), or completes the course of education but declines to serve in a position in the Department of Energy as agreed to pursuant to subsection (c); or

(B) is voluntarily separated from service or involuntarily separated for cause from the Department of Energy before the end of the period for

which the person has agreed to continue in the service of the Department of Energy.

(2) If an employee fails to fulfill his agreement to pay to the Government the total amount of educational assistance provided to the person under the program, plus interest at the rate prescribed by paragraph (4), a sum equal to the amount of the educational assistance (plus such interest) is recoverable by the Government from the person or his estate by—

(A) in the case of a person who is an employee, setoff against accrued pay, compensation, amount of retirement credit, or other amount due the employee from the Government; and

(B) such other method as is provided by law for the recovery of amounts owing to the Government.

(3) The Secretary may waive in whole or in part a required repayment under this subsection if the Secretary determines the recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(4) For purposes of repayment under this section, the total amount of educational assistance provided to a person under the program shall bear interest at the applicable rate of interest under section 427A(c) of the Higher Education Act of 1965 (20 U.S.C. 1077a(c)).

(e) PREFERENCE FOR COOPERATIVE EDUCATION STUDENTS.—In evaluating applicants for award of scholarships and fellowships under the program, the Secretary of Energy may give a preference to an individual who is enrolled in, or accepted for enrollment in, an educational institution that has a cooperative education program with the Department of Energy.

(f) COORDINATION OF BENEFITS.—A scholarship or fellowship awarded under this section shall be taken into account in determining the eligibility of the student for Federal student financial assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(g) AWARD OF SCHOLARSHIPS AND FELLOWSHIPS.—(1) Subject to paragraph (2), the Secretary shall award at least 20 scholarships (for undergraduate students) and 20 fellowships (for graduate students) during fiscal year 1992.

(2) The requirement to award 20 scholarships and 20 fellowships under paragraph (1) applies only to the extent there is a sufficient number of applicants qualified for such awards.

(h) REPORT TO CONGRESS.—Not later than January 1, 1993, the Secretary of Energy shall submit to Congress a report on activities undertaken under the program and recommendations for future activities under the program.

(i) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3101(9)(B), $1,000,000 may be used for the purpose of carrying out this section.

SEC. 3133. RESUMPTION OF PLUTONIUM OPERATIONS IN BUILDINGS AT ROCKY FLATS.

(a) RESUMPTION OF PLUTONIUM OPERATIONS.—The Secretary of Energy may not resume plutonium operations in a plutonium operations building at the Rocky Flats Plant, Golden, Colorado, until the Defense Nuclear Facilities Safety Board determines, to the satisfaction of the Board, that the Secretary's response to the Board's recommendations numbered 90–2, 90–5, and 91–1 adequately protects public health and safety with respect to the operation of such building.

(b) RESUMPTION OF PRODUCTION OF PLUTONIUM WARHEAD COMPONENTS.—The production of plutonium warhead components for any particular type of warhead may not be resumed at the Rocky Flats Plant until the later of—

(1) April 1, 1992; or

(2) 30 days after the date on which the Secretary of Defense and the Secretary of Energy certify to Congress that the production of that type of warhead is necessary in the interest of the national security of the United States.

(c) REPORTS ON WARHEAD PIT REUSE.—(1) The Defense Science Board shall prepare and submit to Congress a report on each type of warhead proposed to be produced at the Rocky Flats Plant. The report shall contain the following information:

(A) Whether the reuse of existing plutonium pits in the production of that type of warhead is feasible.

(B) If such reuse is feasible, the approximate cost and date on which it is feasible to begin the production of warheads of that type using such pits.

(C) What modifications (if any) to the warhead, the weapon system for the warhead, or production facilities are necessary to permit the reuse of plutonium pits for the production of warheads of that type, and where (in the case of the warhead or the weapon system) such modifications would be made.

(D) Whether and how the performance of the warheads would be diminished or altered, if at all, by reason of the reuse of such pits for the production of those warheads.

(E) The impact of pit reuse on worker exposure rates, and the amount of waste generated by pit reuse in comparison to new pit production.

(F) Such other matters as the Defense Science Board finds appropriate.

(2) In each instance that the Defense Science Board prepares a report under this subsection, the Board shall submit such report to the Secretary of Defense and the Secretary of Energy at least 30 days before submitting such report to Congress.

(3) In each instance that the Defense Science Board submits a report under this subsection to Congress, the Secretary of Defense and the Secretary of Energy shall jointly submit a report to Congress containing comments on the Board's report and any related matters.

(4) The Defense Science Board shall submit a report to Congress under this subsection with respect to warhead type W–88 not later than March 1, 1992.

(d) FORM OF REPORTS.—Each report submitted pursuant to this section shall be submitted in an unclassified form. Classified information may be submitted in a classified appendix.

(e) DEFINITION.—For purposes of this section, the term "plutonium operations building" means the building numbered 371, 559, 707, 771, 776, 777, or 779 at the Rocky Flats Nuclear Weapons Plant, Golden, Colorado, or any other building at such Plant in which plutonium operations are conducted.

SEC. 3134. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT ACCOUNT.

(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States for the Department of Energy an account to be known as the "Defense Environmental Restoration and Waste Management Account" (hereafter in this section referred to as the "Account").

(b) AMOUNTS IN ACCOUNT.—All sums appropriated to the Department of Energy for environmental restoration and waste management at defense nuclear facilities shall be credited to the Account. Such appropriations shall be authorized annually by law. To the extent provided in appropriations Acts, amounts in the Account shall remain available until expended.

SEC. 3135. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT FIVE-YEAR PLAN AND BUDGET REPORTS.

(a) FIVE-YEAR PLAN.—(1) Not later than September 1 of each year, the Secretary of Energy shall issue a plan for environmental restoration and waste management activities to be conducted, during the five-year period beginning on October 1 of the next calendar year, at (A) defense nuclear facilities and (B) all other facilities owned or operated by the Department of Energy. The plan also shall contain a description of environmental restoration and waste management activities conducted during the fiscal year in which the plan is submitted and of such activities to be conducted during the fiscal year beginning on October 1 of the same calendar year. Such five-year plan shall be designed to complete environmental restoration at all Department of Energy facilities not later than the year 2019.

(2) The Secretary shall prepare each annual five-year plan in a preliminary form at least four months before the date on which that plan is required to be issued under paragraph (1). The preliminary plan shall contain the matters referred to in paragraph (4) (other than the matters referred to in subparagraph (J) of that paragraph). The Secretary shall provide the preliminary plan to the Governors and Attorneys General of affected States, appropriate representatives of affected Indian tribes, and the public for coordination, review, and comment.

(3) At the same time the Secretary issues an annual five-year plan under paragraph (1), the Secretary shall submit the plan to the President and Congress, publish a notice of the issuance of the plan in the Federal Register, and make the plan available to the Governors and Attorneys General of affected States, appropriate representatives of affected Indian tribes, and the public.

(4) The annual five-year plan, and the actions and other matters contained in the plan, shall be in accordance with all laws, regulations, permits, orders, and agreements. The plan shall contain the following matters:

(A) A description of the actions, including identification of specific projects, necessary to maintain or achieve compliance with Federal, State, or local environmental laws, regulations, permits, orders, and agreements.

(B) A description of the actions, including identification of specific projects, to be taken at each Department of Energy facility in order to implement environmental restoration activities planned for each such facility.

(C) A description of research and development activities for the expeditious and efficient environmental restoration of such facilities.

(D) A description of the technologies and facilities necessary to carry out the environmental restoration activities.

(E) A description of the waste management activities, including identification of specific projects, necessary to continue to operate the Department of Energy facilities or to decontaminate and decommission the facilities, as the case may be.

(F) A description of research and development activities for waste management.

(G) A description of the technologies and facilities necessary to carry out the waste management activities.

(H) A description of activities and practices that the Secretary is undertaking or plans to undertake to minimize the generation of waste.

(I) The estimated costs of, and personnel required for, each project, action, or activity contained in the plan.

(J) A description of the respects in which the plan differs from the preliminary form of that plan issued pursuant to paragraph (2), together with the reasons for any differences.

(K) A discussion of the implementation of the preceding annual five-year plan.

(L) Such other matters as the Secretary finds appropriate and in the public interest.

(5) The Secretary shall consult with the Administrator of the Environmental Protection

Agency, Governors and Attorneys General of affected States, and appropriate representatives of affected Indian tribes in the preparation of the plan and the preliminary form of the plan pursuant to paragraphs (1) and (2). The Secretary shall include as an appendix to the plan (A) all comments submitted on the preliminary form of the plan by the Administrator, Governors and Attorneys General of affected States, and affected Indian tribes, and (B) a summary of comments submitted by the public.

(6) The Secretary shall include in the annual five-year plan issued in 1992 a discussion of the feasibility and need, if any, for the establishment of a contingency fund in the Department of Energy to provide funds necessary to meet the requirements in environmental laws, to remove an immediate threat to worker or public health and safety, to prevent or improve a condition where postponement of activity would lead to deterioration of the environment, and to undertake additional environmental restoration activities at Department of Energy defense nuclear facilities that are not provided for in the budgets for fiscal years in which it is necessary to meet such requirements or undertake such activities.

(7) The first annual five-year plan issued pursuant to this section shall be issued in 1992.

(b) TREATMENT OF PLANS UNDER NEPA.—The development and adoption of any part of any plan (including any preliminary form of any such plan) under subsection (a) shall not be considered a major Federal action for the purposes of subparagraph (C), (E), or (F) of section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)). Nothing in this subsection shall affect the Department of Energy's ongoing preparation of a programmatic environmental impact statement on environmental restoration and waste management.

(c) GRANTS.—The Secretary of Energy is authorized to award grants to, and enter into cooperative agreements with, affected States and affected Indian tribes to assist such States and tribes in participating in the development of the annual five-year plan (including the preliminary form of such plan).

(d) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3103, $20,000,000 may be used for the purpose of carrying out subsection (c).

(e) BUDGET REPORTS.—Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31, United States Code), the President shall submit to Congress a description of proposed activities and funding levels contained in the annual five-year plan (issued, pursuant to subsection (a)(1), in the year preceding the year in which the budget is submitted to Congress) that are not included in the budget or are included in the budget in a different form or at a different funding level, together with the reasons for such differences.

SEC. 3136. CRITICAL TECHNOLOGY PARTNERSHIPS.

(a) PARTNERSHIPS.—For the purpose of facilitating the transfer of technology, the Secretary of Energy shall ensure, to the maximum extent practicable, that atomic energy defense activities research on, and development of, any dual-use critical technology is conducted through cooperative research and development agreements, or other arrangements, that involve laboratories of the Department of Energy and other entities.

(b) DEFINITIONS.—In this section:

(1) The term "dual-use critical technology" means a technology—

(A) that is critical to atomic energy defense activities, as determined by the Secretary of Energy;

(B) that has military applications and nonmilitary applications; and

(C) that either—

(i)(I) appears on the list of national critical technologies contained in a biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)); and

(II) has not been expressly deleted from such list by such a report subsequently submitted to Congress by the President; or

(ii)(I) appears on the list of critical technologies contained in an annual defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of title 10, United States Code; and

(II) has not been expressly deleted from such list by such a plan subsequently submitted to Congress by the Secretary.

(2) The term "cooperative research and development agreement" has the meaning given that term by section 12(d) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)).

(3) The term "other entities" means—

(A) firms, or a consortium of firms, that are eligible to participate in a partnership or other arrangement with a laboratory of the Department of Energy, as determined in accordance with applicable law and regulations; or

(B) firms, or a consortium of firms, described in subparagraph (A) in combination with one or more of the following:

(i) Institutions of higher education in the United States.

(ii) Departments and agencies of the Federal Government other than the Department of Energy.

(iii) Agencies of State Governments.

(iv) Any other persons or entities that may be eligible and appropriate, as determined in accordance with applicable laws and regulations.

(4) The term "atomic energy defense activities" does not include activities covered by Executive Order No. 12344, dated February 1, 1982, pertaining to the Naval nuclear propulsion program.

SEC. 3137. NATIONAL ATOMIC MUSEUM.

(a) RECOGNITION AND STATUS.—The museum operated by the Department of Energy and currently located at Building 20358 on Wyoming Avenue South near the corner of M Street within the confines of the Kirtland Air Force Base (East), Albuquerque, New Mexico—

(1) is recognized as the official atomic museum of the United States;

(2) shall be known as the "National Atomic Museum"; and

(3) shall have the sole right throughout the United States and its possessions to have and use the name "National Atomic Museum".

(b) VOLUNTEERS.—(1) In operating the National Atomic Museum, the Secretary of Energy may—

(A) recruit, train, and accept the services of individuals without compensation as volunteers for, or in aid of, interpretive functions or other services or activities of and related to the museum; and

(B) provide to volunteers incidental expenses, such as nominal awards, uniforms, and transportation.

(2) Except as provided in paragraphs (3) and (4), a volunteer who is not otherwise employed by the Federal Government is not subject to laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, because of service as a volunteer under this subsection.

(3) For purposes of chapter 171 of title 28 of the United States Code (relating to tort claims), a volunteer under this subsection is considered a Federal employee.

(4) For the purposes of subchapter I of chapter 81 of title 5 of the United States Code (relating to compensation for work-related injuries), a volunteer under this subsection is considered an employee of the United States.

(c) Authority.—(1) In operating the National Atomic Museum, the Secretary of Energy, may—

(A) accept and use donations of money or gifts pursuant to section 652 of the Department of Energy Organization Act (42 U.S.C. 7262), if such gifts or money are designated in a written document signed by the donor as intended for the museum, and such donations or gifts are determined by the Secretary to be suitable and beneficial for use by the museum;

(B) operate a retail outlet on the premises of the museum for the purpose of selling or distributing mementos, replicas of memorabilia, literature, materials, and other items of an informative, educational, and tasteful nature relevant to the contents of the museum; and

(C) exhibit, perform, display, and publish information and materials concerning museum mementos, items, memorabilia, and replicas thereof in any media or place anywhere in the world, at reasonable fees or charges where feasible and appropriate, to substantially cover costs.

(2) The net proceeds of activities authorized under subparagraphs (B) and (C) of paragraph (1) may be used by the National Atomic Museum for activities of the museum.

SEC. 3138. REVISION OF WAIVER OF POST-EMPLOYMENT RESTRICTIONS APPLICABLE TO EMPLOYEES OF CERTAIN NATIONAL LABORATORIES.

(a) REVISION.—Subparagraph (B) of section 207(k)(1) of title 18, United States Code, is amended—

(1) by inserting "(i)" after "(B)"; and

(2) by adding at the end the following new clause:

"(ii) Notwithstanding clause (i), a waiver granted under this paragraph to any person who was an officer or employee of Lawrence Livermore National Laboratory, Los Alamos National Laboratory, or Sandia National Laboratory immediately before the person's Federal Government employment began shall apply to that person's employment by any such national laboratory after the person's employment by the Federal Government is terminated.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to persons granted waivers under section 207(k)(1) of title 18, United States Code, on or after that date.

SEC. 3139. SENSE OF CONGRESS REGARDING DESIGNATION OF SITE FOR NEW PRODUCTION REACTOR AT SAVANNAH RIVER SITE, SOUTH CAROLINA.

(a) FINDINGS.—The Congress finds that the longstanding role of the Savannah River Site, South Carolina, in the production of tritium and other nuclear materials, the infrastructure in place at the Savannah River Site for processing tritium, and the role planned for the Savannah River Site in the nuclear weapons production complex in the future all indicate that the Savannah River Site would be the best site for construction of the new production reactor.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Energy should select the Savannah River Site for the site of the new production reactor.

(c) NOTICE AND WAIT PROVISION.—If the Secretary of Energy selects, in the Record of Decision of the environmental impact statement for the new production reactor, a site for the new production reactor other than the Savannah River Site, the Secretary—

(1) may not obligate any funds for site-specific activities or procurement until the expiration of the 90-day period beginning on the date of the issuance of the Record of Decision, or until Con-

gress approves the site selected, whichever is earlier; and

(2) shall submit to Congress, on the date of issuance of the Record of Decision, a report describing the reasons for selecting a site other than the Savannah River Site.

SEC. 3140. REPORT ON SCHEDULE FOR RESUMPTION OF NUCLEAR TESTING TALKS AND TEST BAN READINESS PROGRAM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the United States and the Soviet Union share a special responsibility to resume the Nuclear Testing Talks to continue negotiations toward additional limitations on nuclear weapons testing.

(b) REPORT.—Not later than 60 days after the date of the enactment of this Act, the President shall submit to Congress a report containing a proposed schedule for resumption of the Nuclear Testing Talks and identifying the goals to be pursued in those talks.

(c) NUCLEAR TEST BAN READINESS PROGRAM.—Of the funds appropriated to the Department of Energy for fiscal year 1992 for weapons activities, $20,000,000 shall be available to conduct the nuclear test ban readiness program established pursuant to section 1436 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 42 U.S.C. 2121 note).

SEC. 3141. WARHEAD DISMANTLEMENT AND MATERIAL DISPOSAL.

(a) FINDINGS.—The Congress makes the following findings:

(1) On September 27, 1991, the President announced as part of a unilateral initiative designed to "enhance stability and reduce the risk of nuclear war," that the United States should explore with the Soviet Union "joint technical cooperation on the safe and environmentally responsible storage, transportation, dismantling, and destruction of nuclear weapons".

(2) On October 5, 1991, the President of the Soviet Union stated in response that "We hereby stress readiness to embark on a specific dialogue with the United States on the elaboration of safe and ecologically responsible technologies for the storage and transportation of nuclear warheads and nuclear charges, and to design jointly measures to enhance nuclear safety."

(3) The President's initiative and the Soviet response hold out the prospect of enhancing stability and reducing the risk of nuclear war.

(b) CONGRESSIONAL ENDORSEMENT.—Congress strongly endorses the initiative proposed by the President and the Soviet response and looks forward—

(1) to hearing the proposed initiatives of the President during the congressional review of the President's proposed budget for fiscal year 1993; and

(2) to helping facilitate such initiatives through appropriate legislative measures which are requested by the President.

(c) WARHEAD DISMANTLEMENT.—Of the funds appropriated to the Department of Energy for fiscal year 1992 for weapons activities, $10,000,000 shall be available to conduct a program to develop and demonstrate a means for verifiable dismantlement of nuclear warheads.

SEC. 3142. REPORT ON NUCLEAR WEAPONS MATTERS.

(a) REPORT.—Not later than April 1, 1992, the President shall submit to the congressional defense committees a report containing the following:

(1) Information on the national security requirements of each of the following items, for the period beginning on September 30, 1991, and ending on September 30, 2001:

(A) The planned stockpile of nuclear weapons.

(B) The amount of tritium necessary to maintain the planned stockpile, including—

(i) the amount of tritium available from inventory;

(ii) the amount of tritium that must be produced and when; and

(iii) an assessment of the need for and duration of operation of the K-reactor, located at the Savannah River Site in South Carolina.

(C) The feasibility and desirability of use of W–76 warheads in place of W–88 warheads in the Trident II missiles carried by Trident Fleet Ballistic Missile submarines.

(D) The need for and duration of operation of the Rocky Flats Plant facilities (other than Building 559) located at Golden, Colorado, for the purposes of—

(i) production of W–88 warheads; and

(ii) plutonium operations other than warhead production.

(E) The earliest practicable date for the commencement of operation of facilities that replace the K-reactor and the Rocky Flats Plant, including an assessment of the effect of a delay (beyond the second quarter of fiscal year 1992) in the selection of the site and the technology for the new production reactor.

(2) A plan for assistance to the workforce at Rocky Flats and the K-reactor, including retraining for new employment opportunities at the sites, that could be provided in the event that either facility ceases production.

(b) FORM OF REPORT.—The report required by subsection (a) shall be submitted in classified and unclassified form.

TITLE XXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1992 $12,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

SEC. 3202. POWERS AND FUNCTIONS OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD.

(a) POWERS.—(1) Subsection (b)(1)(A) of section 313 of the Atomic Energy Act of 1954 (42 U.S.C. 2286b) is amended by striking out "100" and inserting in lieu thereof "150".

(2) Subsection (g) of such section is amended by striking out "The Board" and inserting in lieu thereof "Notwithstanding any other provision of law relating to the use of competitive procedures, the Board".

(b) EXPANSION AND CLARIFICATION OF AUTHORITY RELATING TO ATOMIC WEAPONS.—(1) Section 318(1)(B) of such Act (42 U.S.C. 2286g(1)(B)) is amended by striking out "with the assembly or testing of nuclear explosives or".

(2) Section 312 of such Act (42 U.S.C. 2286a) is amended—

(A) by inserting "(a) IN GENERAL.—" before "The Board shall perform"; and

(B) by adding at the end the following new subsection:

"(b) EXCLUDED FUNCTIONS.—The functions of the Board under this chapter do not include functions relating to the safety of atomic weapons. However, the Board shall have access to any information on atomic weapons that is within the Department of Energy and is necessary to carry out the functions of the Board.".

TITLE XXIII—NATIONAL DEFENSE STOCKPILE

PART A—CHANGES IN STOCKPILE AMOUNTS

SEC. 3301. AUTHORIZATION OF DISPOSALS.

(a) AUTHORITY.—During fiscal years 1992 and 1993, the National Defense Stockpile Manager may dispose of materials in the National Defense Stockpile in accordance with this section. The value of materials disposed of may not exceed $150,000,000 during each of such fiscal years. Such disposal may be made only as specified in subsection (b).

(b) MATERIALS AUTHORIZED TO BE DISPOSED.—Any disposal under subsection (a) shall be made—

(1) from quantities of materials in the National Defense Stockpile previously authorized for disposal by law, including the materials authorized for disposal in accordance with the table contained in section 3302(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1686); or

(2) in the case of materials in the National Defense Stockpile that have been determined to be excess to the current requirements of the stockpile, in accordance with the following table:

Material	*Unit*	*Quantities*
Bismuth	*LB*	*500,000*
Diamond, industrial, crushing bort	*KT*	*10,000,000*
Fluorspar, metallurgical grade	*SDT*	*20,000*
Graphite, Malagasy	*ST*	*3,635*
Manganese, battery grade	*SDT*	*25,000*
Manganese, chemical grade	*SDT*	*173,000*
Mercury	*FL*	*15,000*
Mica, muscovite block	*LB*	*2,700,000*
Mica, muscovite splittings	*LB*	*1,100,000*
Tin	*MT*	*15,000*

(c) ADDITIONAL AUTHORITY.—The disposal authority provided in subsection (a) is in addition to any other disposal authority provided by law.

(d) LIMITATION ON DISPOSALS.—The National Defense Stockpile Manager may dispose of materials under this section during fiscal years 1992 and 1993 only to the extent that the total amount received (or to be received) from such disposals for each of such fiscal years does not

exceed the amount obligated from the National Defense Stockpile Transaction Fund during such fiscal year for the purposes authorized under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).

SEC. 3302. AUTHORIZATION OF ACQUISITIONS.

(a) ACQUISITIONS.—During each of the fiscal years 1992 and 1993, the National Defense Stockpile Manager shall obligate $150,000,000 out of funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations Acts) for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).

(b) RESEARCH AND DEVELOPMENT PROGRAMS.—Of the amount specified in subsection (a), $25,000,000 may be obligated during each of such fiscal years for materials development and research under clause (G) of such section.

PART B—PROGRAMMATIC CHANGES

SEC. 3311. MATERIALS DEVELOPMENT AND RESEARCH.

(a) AVAILABILITY OF NATIONAL DEFENSE STOCKPILE TRANSACTION FUND FOR DEVELOPMENT AND RESEARCH.—Section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)) is amended by adding at the end the following new subparagraph:

"(G) Contracting under competitive procedures for materials development and research to—

"(i) improve the quality and availability of materials stockpiled from time to time in the stockpile; and

"(ii) develop new materials for the stockpile.".

(b) MATTERS TO BE DISCUSSED IN ANNUAL MATERIALS PLAN.—Section 11(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–2(b)) is amended—

(1) by designating the first, second, and third sentences as paragraphs (1), (2), and (3), respectively, and adjusting the margins of those paragraphs; and

(2) by adding at the end of paragraph (2), as so designated, the following new sentences: "Each such report shall also contain details regarding the materials development and research projects to be conducted under section 9(b)(2)(G) during the fiscal years covered by the report. With respect to each development and research project, the report shall specify the amount planned to be expended from the fund, the material intended to be developed, the potential military or defense industrial applications for that material, and the development and research methodologies to be used.".

SEC. 3312. ROTATION OF STOCKPILE MATERIALS FOR BETTER MATERIALS.

Section 6(a)(4) of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98e(a)(4)) is amended by inserting before the semicolon the following: "or better material".

SEC. 3313. INCREASED INTERVALS BETWEEN REPORTS TO CONGRESS.

(a) REPORT ON STOCKPILE OPERATIONS.—Section 11(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–2(a)) is amended—

(1) in the first sentence—

(A) by striking out "The President" and inserting in lieu thereof "Not later than January 15 of each year, the President"; and

(B) by striking out "every six months a" and inserting in lieu thereof "an annual";

(2) in paragraph (1), by striking out "6-month period" and inserting in lieu thereof "fiscal year";

(3) in paragraph (2), by striking out "period" and inserting in lieu thereof "fiscal year"; and

(4) in paragraph (5), by striking out "next fiscal year" and inserting in lieu thereof "current fiscal year".

(b) REPORT ON STOCKPILE REQUIREMENTS.—(1) Subsection (a) of section 14 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–5) is amended—

(A) by striking out "The Secretary" in the first sentence and inserting in lieu thereof "Not later than January 15 of every other year, the Secretary";

(B) by striking out "an annual report" in the first sentence and inserting in lieu thereof "a report"; and

(C) by striking out "shall be submitted with the annual report submitted under section 11(b) and" in the second sentence.

(2) The heading of such section is amended by striking out "ANNUAL" and inserting in lieu thereof "BIENNIAL".

(3) The first report required by section 14(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–5(a)), as amended by paragraph (1) shall be submitted not later than January 15, 1993.

SEC. 3314. CONTINUATION OF DISPOSAL AUTHORITY DURING PERIODS OF VACANCY IN THE POSITION OF STOCKPILE MANAGER OR DEFICIENCY IN DELEGATION OF AUTHORITY TO THE STOCKPILE MANAGER.

Section 16 of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98h–7) is amended by striking out subsection (d).

TITLE XXXIV—CIVIL DEFENSE

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.), as follows:

(1) For fiscal year 1992, $148,628,000.

(2) For fiscal year 1993, $137,728,000.

TITLE XXXV—PANAMA CANAL COMMISSION

SEC. 3501. SHORT TITLE.

This title may be cited as the "Panama Canal Commission Authorization Act for Fiscal Year 1992".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, without regard to fiscal year limitations, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, and improvement of the Panama Canal for fiscal year 1992.

(b) LIMITATION ON RECEPTION AND REPRESENTATION EXPENSES.—Of amounts available to the Panama Canal Commission for fiscal year 1992, not more than $52,000 may be used for official reception and representation expenses, of which—

(1) not more than $12,000 may be used for expenses of the Supervisory Board of the Commission;

(2) not more than $6,000 may be used for expenses of the Secretary of the Commission; and

(3) not more than $34,000 for fiscal year 1992 may be used for expenses of the Administrator of the Commission.

(c) PURCHASE OF PASSENGER MOTOR VEHICLES.—Funds available to the Panama Canal Commission for fiscal year 1992 may be used for the purchase of passenger motor vehicles (including large heavy-duty vehicles) used to transport personnel of the Commission across the Isthmus of Panama. Such vehicles may be purchased without regard to price limitations prescribed by law or regulation.

SEC. 3503. GENERAL PROVISIONS.

(a) PAY INCREASES.—Notwithstanding section 1341 of title 31, United States Code, funds available for use by the Panama Canal Commission for fiscal year 1992 may be obligated to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law which are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the United States in comparable positions.

(b) EXPENSES IN ACCORDANCE WITH LAW.—Expenditures authorized under this Act may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

SEC. 3504. REVISION OF EXECUTIVE PAY SCHEDULE FOR THE ADMINISTRATOR OF THE PANAMA CANAL COMMISSION.

(a) REVISION.—Section 5315 of title 5, United States Code, is amended by inserting at the end the following:

"Administrator of the Panama Canal Commission.".

(b) CONFORMING AMENDMENT.—Section 5316 of such title is amended by striking out "Administrator of the Panama Canal Commission.".

SEC. 3505. POLICY ON MILITARY BASE RIGHTS IN PANAMA.

(a) FINDINGS.—The Congress finds that—

(1) the Panama Canal is a vital strategic asset to the United States and its allies;

(2) the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and the Panama Canal Treaty, both signed on September 7, 1977, mandate that (A) no United States troops are to remain in Panama after December 31, 1999; (B) the Canal Zone is to be incorporated into Panama; (C) United States Panama-based communications facilities are to be phased out; (D) all United States training in Panama of Latin American soldiers is to be halted; and (E) management and operational control of the Canal is to be turned over to Panamanian authorities;

(3) the government of President Guillermo Endara has demonstrated its determination to restore democracy to Panama by quickly moving to implement changes in the nation's political, economic, and judicial systems;

(4) friendly cooperative relations currently exist between the United States and the Republic of Panama;

(5) the region has a history of unstable governments which pose a threat to the future operation of the Panama Canal, and the United States must have the discretion and the means to defend the Canal and ensure its continuous operation and availability to the military and commercial shipping of the United States and its allies in times of crisis;

(6) the Panama Canal is vulnerable to disruption and closure by unforeseen events in Panama, by terrorist attack, and by air strikes or other attack by foreign powers;

(7) the United States fleet depends upon the Panama Canal for rapid transit ocean to ocean in times of emergency, as demonstrated during World War II, the Korean Conflict, the Vietnam Conflict, the Cuban Missile Crisis, and the Persian Gulf Conflict, thereby saving 13,000 miles and three weeks steaming effort around Cape Horn;

(8) the presence of the United States Armed Forces offers a viable defense against sabotage or other threat to the Panama Canal; and

(9) the 10,000 United States military personnel now based in Panama, including the headquarters of the United States Southern Command, cannot remain there beyond December 31, 1999, without a new agreement with Panama.

(b) POLICY.—It is the sense of the Congress that the President—

(1) should begin negotiations with the Government of Panama, at a mutually acceptable time,

to consider whether the two Governments should allow the permanent stationing of United States military forces in Panama beyond December 31, 1999; and

(2) should consult with the Congress throughout those negotiations.

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

From the Committee on Armed Services, for Consideration of the entire House bill and Senate amendment, and modifications committed to conference:

LES ASPIN,
G.V. MONTGOMERY,
BEV BYRON,
NICHOLAS MAVROULES,
EARL HUTTO,
IKE SKELTON,
DAVE MCCURDY,
THOMAS M. FOGLIETTA,
MARILYN LLOYD,
NORMAN SISISKY,
RICHARD RAY,
JOHN SPRATT,
FRANK MCCLOSKEY,
SOLOMON P. ORTIZ,
GEORGE (BUDDY) DARDEN,

For all provisions of the conference report except the failure to include the F-14 Program and property fund B-1B-ECM:

GEORGE J. HOCHBRUECKNER,

For all provisions of the conference report except those relating to the F-14:

OWEN PICKETT,
H. MARTIN LANCASTER,
JOHN TANNER,

For all provisions of the conference report except those relating to the F-14:

MICHAEL R. MCNULTY,
GLEN BROWDER,
GENE TAYLOR,
WILLIAM L. DICKINSON,
FLOYD SPENCE,
LARRY J. HOPKINS,
BOB DAVIS,
DAVID O'B MARTIN,
JOHN R. KASICH,
HERBERT H. BATEMAN,
BEN BLAZ,
ANDY IRELAND,
CURT WELDON,
JON KYL,
ARTHUR RAVENEL, Jr.,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

CHARLES WILSON,

As additional conferees from the Committee on Education and Labor, for consideration of secs. 3131 and 3132 of the House bill, and secs. 805, 811, 2109, 2807, 3131 and 3136 of the Senate amendment, and modifications committed to conference:

WILLIAM D. FORD,
JOSPEH M. GAYDOS,
DALE E. KILDEE,
PAT WILLIAMS,
CARL C. PERKINS,
BILL GOODLING,
PAUL B. HENRY,

As additional conferees from the Committee on Energy and Commerce, for consideration of secs. 331, 336, 817, 3131-33, 3138, and 3201 of the House bill, and secs. 320, 826, 2804, 2806, 2846, 3131-33, 3135-36, 3138-39, 3201 and 3202 of the Senate amendment, and modifications committed to conference:

JOHN D. DINGELL,
AL SWIFT,
DENNIS E. ECKART,
JIM SLATTERY,
DON RITTER,
JACK FIELDS,

As additional conferees from the Committee on Foreign Affairs, for consideration of secs. 234, 304, 313, 812 and 3136 of the House bill, and secs. 211(b)(3), (g), (h), and (i), 229, 304, that portion of sec. 801 adding 10 USC 2526, secs. 905, 940, 1111, 1113, 1117-22, 1127, 1129, 1133-34, 1138, 1143-44 and 1147 of the Senate amendment, and modifications committed to conference:

DANTE B. FASCELL,
LEE H. HAMILTON,
GUS YATRON,
STEPHEN J. SOLARZ,
HOWARD L. BERMAN,
WM S. BROOMFIELD,
BEN GILMAN,
ROBERT J. LAGOMARSINO,

As additional conferees from the Committee on Government Operations, for consideration of secs. 811, 816 and 817 of the House bill, and secs. 319, 527, 826, 829, 835, 839, 1103, 1141, 2806, and 2823 of the Senate amendment, and modifications committed to conference We agree with all provisions with the exception of section 822 of the Senate amendment:

JOHN CONYERS, Jr.,
GLENN ENGLISH,
MIKE SYNAR,
BOB WISE,
BARBARA BOXER.
FRANK HORTON,
CHRISTOPHER SHAYS,
STEVEN SCHIFF,

As additional conferees from the Committee on the Judiciary, for consideration of sec. 817 of the House bill, and secs. 626, 826, 1128, 3131(e)(5), 3134, and 3145(b)(4) of the Senate amendment, and modifications committed to conference:

JACK BROOKS,
BARNEY FRANK,
DON EDWARDS,

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of secs. 521-29 of the House bill, and title XXXV of the Senate amendment, and modifications committed to conference:

WALTER B. JONES,
GERRY E. STUDDS,
BILLY TAUZIN,
DON YOUNG,
JACK FIELDS,

As additional conferees from the Committee on Post Office and Civil Service, for consideration of sec. 508 of the House bill, and secs. 526, 622, 624, 627, 831, and 3504 of the Senate amendment, and modifications committed to conference:

WILLIAM L. CLAY,
MARY ROSE OAKAR,
GERRY SIKORSKI,
GARY L. ACKERMAN,
TOM SAWYER,
BEN GILMAN,
FRANK HORTON,
JOHN MYERS,

As additional conferees from the Committee on Public Works and Transportation, for consideration of sec. 336 of the House bill, and sec. 2810(g) of the Senate amendment, and modifications committed to conference:

ROBERT A. ROE,
GLENN M. ANDERSON,
ROBERT A. BORSKI,
JAMES L. OBERSTAR,
JOHN PAUL HAMMERSCHMIDT,
BUD SHUSTER,
THOMAS E. PETRI,

As additional conferees from the Committee on Science, Space and Technology, for consideration of secs. 801-05, 811, 907, 3132, and 3137-39 of the Senate amendment, and modifications committed to conference:

GEORGE E. BROWN, Jr.,
JAMES H. SHEUER,
TIM VALENTINE,
RICK BOUCHER,
RICHARD H. STALLINGS,

As additional conferees from the Committee or Small Business, for consideration of sec. 842 of the Senate amendment, and modifications committed to conference:

JOHN J. LAFALCE,
NEAL SMITH,

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of secs. 804 and 807 of the Senate amendment, and modifications committed to conference:

TOM CARPER,
JOHN J. LAFALCE,
MARY ROSE OAKAR,
BRUCE F. VENTO,
PAUL E. KANJORSKI,
TOM RIDGE,
BILL PAXTON,
MEL HANCOCK,

Managers on the Part of the House.

SAM NUNN,
J. JAMES EXON,
CARL LEVIN,
TED KENNEDY,
JEFF BINGAMAN,
ALAN J. DIXON,
JOHN GLENN,
AL GORE,
TIM WIRTH,
RICHRD SHELBY,
ROBERT C. BYRD,
JOHN W. WARNER,
STROM THURMOND,
BILL COHEN,
JOHN MCCAIN,
MAKOLM WALLOP,
TRENT LOTT,
DAN COATS,
CONNIE MACK,
BOB SMITH

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2100) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

Summary Statement of Conference Action

The conferees recommend authorization for the Department of Defense for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military construction and family housing, weapons programs of the Department of Energy, and civil defense totaling $213.3 billion. This figure is $198.5 million above the amount requested by the President, $449.9 million above the House bill, and $217.3 million above the Senate amendment.

The authorizations included in this bill are substantially less than the functional total of $290.8 billion for national defense provided in the Budget Resolution. The primary reason for this difference is that, although military end strengths and pay raises require authorization, the actual funding for military pay and benefits (approximately $78.0 billion) is not reflected in this bill.

The budget authority implication of the authorizations in this bill is in compliance with the budget authority ceiling in the Budget Resolution.

Summary Table of Authorizations

The defense authorization act provides authorizations for appropriations but does not generally provide budget authority. Budget authority is generally provided in appropriation acts.

In order to relate the conference recommendations to the Budget Resolution, matters in addition to the dollar authorizations contained in this bill must be taken into account. A number of programs in the defense function are authorized permanently or, in certain instances, authorized in other annual legislation. In addition, this authorization bill would establish personnel levels and include a number of legislative provisions affecting military compensation.

The following table summarizes authorizations included in the bill for fiscal years 1992 and 1993 and, in addition, summarizes the implication of the conference action for the budget totals for national defense (budget function 050).

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS
[IN MILLIONS OF DOLLARS]

	FY 1992				BUDGET AUTHORITY IMPLICATION				FY 1993		BUDGET AUTH IMPLICATION	
	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Amended Request	House	Senate	Conference	Authorization Request	Conference Authorization	Amended Request	Conference
Aircraft Procurement, Army	1,667.700	1,873.700	1,666.200	1,783.600	1,667.700	1,873.700	1,666.200	1,783.600	1,247.400		1,247.400	
Missile Procurement, Army	1,035.806	1,503.206	1,042.335	1,046.762	1,035.806	1,503.206	1,042.335	1,046.762	1,182.300		1,182.300	
Weapons & Tracked Combat Vehicles	839.100	1,240.000	1,022.300	1,007.300	839.100	1,240.000	1,022.300	1,007.300	574.300		574.300	
Procurement of Ammunition, Army	1,249.800	1,266.400	1,529.200	1,362.400	1,249.800	1,266.400	1,529.200	1,362.400	1,195.400		1,195.400	
Other Procurement, Army	3,163.800	3,386.200	3,014.643	3,081.801	3,163.800	3,386.200	3,014.643	3,081.801	3,254.400		3,254.400	
Aircraft Procurement, Navy	7,114.800	7,509.530	7,080.800	7,089.800	7,786.300	8,181.030	7,752.300	7,761.300	7,327.200		7,327.200	
Weapons Procurement, Navy	4,581.300	4,776.565	4,834.700	4,720.860	4,530.700	4,725.965	4,784.100	4,670.260	4,754.600		4,754.600	
Shipbuilding & Conversion, Navy	8,493.200	8,499.200	7,726.400	8,365.790	8,604.900	8,610.900	7,838.100	8,477.490	8,210.900		8,210.900	
Other Procurement, Navy	6,471.200	6,612.519	6,373.400	6,492.355	6,458.800	6,600.119	6,361.000	6,479.955	6,446.900		6,446.900	
Procurement, Marine Corps	1,039.400	1,123.700	1,738.737	1,124.637	1,010.100	1,094.400	1,709.437	1,095.337	650.900		650.900	
Aircraft Procurement, Air Force	11,115.500	8,103.056	10,324.739	10,636.931	11,115.500	8,103.056	10,324.739	10,636.931	13,456.800		13,456.800	
Missile Procurement, Air Force	5,600.000	5,580.489	5,362.110	5,204.883	5,600.000	5,580.489	5,362.110	5,204.883	6,776.800		6,776.800	
Other Procurement, Air Force	8,058.100	8,124.604	7,939.282	8,194.009	8,058.100	8,124.604	7,939.282	8,194.009	8,868.700		8,868.700	
Procurement, Defense Agencies	2,089.600	2,576.350	2,127.708	2,239.029	2,089.600	2,576.350	2,127.708	2,239.029	2,185.000		2,185.000	
National Guard And Reserve Equipment		650.000	667.700	1,061.100		650.000	667.700	1,061.100				
Chemical Agents & Munitions Destruction	474.800	488.700	508.700	472.602	474.800	488.700	508.700	472.602	626.600		626.600	
Defense Inspector General	0.300	0.300	0.800	0.800								
Total Procurement	62,994.406	63,314.519	62,959.754	63,884.659	63,685.006	64,005.119	63,649.854	64,574.759	66,758.200		66,758.200	
R,D,T& E Army	6,307.300	6,457.100	6,522.068	6,686.600	6,307.300	6,457.100	6,522.068	6,686.600	5,898.300		5,898.300	
R,D,T& E Navy	8,194.233	9,176.041	8,417.708	8,633.875	7,503.333	8,485.141	7,726.808	7,942.975	9,399.125		9,399.125	
R,D,T& E Air Force	15,032.600	15,338.254	14,676.254	14,467.094	15,032.600	15,338.254	14,676.254	14,467.094	15,154.600		15,154.600	
R,D,T& E Defense Agencies	10,238.500	9,433.689	10,384.178	10,026.339	10,238.500	9,433.689	10,384.178	10,026.339	10,462.900		10,462.900	
Developmental Test & Evaluation	286.300	286.300	271.300	228.495	286.300	286.300	271.300	228.495	289.000		289.000	
Operational Test & Evaluation	14.200	14.200	14.200	14.200	14.200	14.200	14.200	14.200	14.700		14.700	
Total Research & Development	40,073.133	40,705.584	40,285.708	40,056.603	39,382.233	40,014.684	39,594.808	39,365.703	41,218.625		41,218.625	

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS
[IN MILLIONS OF DOLLARS]

	FY 1992								FY 1993			
					BUDGET AUTHORITY IMPLICATION						BUDGET AUTH IMPLICATION	
	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Amended Request	House	Senate	Conference	Authorization Request	Conference Authorization	Amended Request	Conference
Operation & Maint., Army	21,886.800	20,647.526	21,263.100	21,155.854	21,886.800	20,647.526	21,263.100	21,155.854	19,936.500	20,039.200	19,936.500	20,039.200
Operation & Maint., Navy	23,934.200	22,576.427	23,148.350	23,185.380	23,934.200	22,576.427	23,148.350	23,185.380	23,699.800	23,781.100	23,699.800	23,781.100
Operation & Maint., Marine Corps	1,894.600	1,786.305	2,170.300	1,845.500	1,894.600	1,786.305	2,170.300	1,845.500	1,739.800	2,190.200	1,739.800	2,190.200
Operation & Maint., Air Force	20,351.900	19,163.113	19,963.380	19,657.010	20,351.900	19,163.113	19,963.380	19,657.010	20,760.400	21,047.600	20,760.400	21,047.600
Operation & Maint., Defense Agencies	8,794.800	10,352.583	8,635.800	8,652.716	8,794.800	10,352.583	8,635.800	8,652.716	7,583.200	9,119.800	7,583.200	9,119.800
Office of the Inspector General	115.900	120.600	120.100	120.100	116.200	120.900	120.900	120.900	116.700	116.700	116.700	116.700
Operation & Maint., Army Reserve	937.200	946.550	963.100	968.200	937.200	946.550	963.100	968.200	973.100	993.500	973.100	993.500
Operation & Maint., Navy Reserve	816.100	796.697	841.500	824.600	816.100	796.697	841.500	824.600	797.000	816.950	797.000	816.950
Operation & Maint., Marine Corps Reserve	75.900	78.227	81.900	80.900	75.900	78.227	81.900	80.900	75.400	77.650	75.400	77.650
Operation & Maint., Air Force Reserve	1,075.400	1,067.360	1,080.900	1,078.700	1,075.400	1,067.360	1,080.900	1,078.700	1,232.500	1,263.900	1,232.500	1,263.900
Operation & Maint., Army National Guard	2,080.700	2,097.140	2,128.900	2,124.800	2,080.700	2,097.140	2,128.900	2,124.800	2,083.700	2,116.300	2,083.700	2,116.300
Operation & Maint., Air National Guard	2,287.800	2,243.116	2,280.400	2,276.300	2,287.800	2,243.116	2,280.400	2,276.300	2,700.900	2,723.600	2,700.900	2,723.600
Rifle Practice, Army	5.000	4.000	5.000	4.000	5.000	4.000	5.000	4.000	5.000		5.000	
Court of Military Appeals	5.500	5.500	5.500	5.500	5.500	5.500	5.500	5.500	5.900	5.900	5.900	5.900
Environmental Restoration, Defense	1,252.900	1,252.900	1,183.900	1,183.900	1,252.900	1,252.900	1,183.900	1,183.900	1,450.200	1,450.200	1,450.200	1,450.200
World University Games		3.000	1.000	3.000		3.000	1.000	3.000				
Humanitarian Assistance	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000
Drug Interdiction, Defense	1,158.600	1,133.704	1,158.600	1,158.600	1,158.600	1,133.704	1,158.600	1,158.600	1,249.400	1,249.400	1,249.400	1,249.400
Rest. of Rocky Mountain Arsenal					20.000	20.000	20.000	20.000			20.000	20.000
Summer Olympics			2.000	2.000			2.000	2.000				
Total Operation & Maintenance	86,686.300	84,287.748	85,046.730	84,340.060	86,706.600	84,308.048	85,067.530	84,360.860	84,422.500	87,005.000	84,442.500	87,025.000
Army Stock Fund		827.300				827.300						
Air Force Stock Fund		1,592.800				1,592.800						
Defense Business Operations Fund	3,400.200		3,400.200	3,400.200	3,400.200		3,400.200	3,400.200	2,273.200	1,145.300	2,273.200	1,145.300
Pentagon Reservation Maint. Rev Fund									63.300		63.300	
Total Revolving/Management Funds	3,400.200	2,420.100	3,400.200	3,400.200	3,400.200	2,420.100	3,400.200	3,400.200	2,336.500	1,145.300	2,336.500	1,145.300

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS

[IN MILLIONS OF DOLLARS]

	FY 1992								FY 1993			
					BUDGET AUTHORITY IMPLICATION						BUDGET AUTH IMPLICATION	
	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Amended Request	House	Senate	Conference	Authorization Request	Conference Authorization	Amended Request	Conference
Total Military Personnel					78,016.900	78,179.000	78,332.000	78,324.000			77,513.400	78,473.400
Total Legislative Proposals	-100.000				-335.900	-150.000		-150.000	-710.000	-110.000	-902.900	-110.000
Military Construction, Army	851.300	1,431.820	865.500	928.429	851.300	1,431.820	865.500	928.429	959.800		959.800	
Military Construction, Navy	657.800	1,305.079	868.781	923.009	657.800	1,305.079	868.781	923.009	745.100		745.100	
Military Construction, Air Force	1,061.900	1,522.930	952.290	1,018.320	1,082.400	1,543.430	972.790	1,038.820	780.500		780.500	
Milt. Construction, Defense Agencies	571.600	764.818	658.440	683.140	571.600	764.818	658.440	683.140	236.100		236.100	
NATO Infrastructure	358.800	158.800	314.417	225.000	358.800	158.800	314.417	225.000	266.200		266.200	
Milt. Construction, Army National Guard	50.400	166.286	122.874	210.745	50.400	166.286	122.874	210.745	54.100		54.100	
Milt. Construction, Air National Guard	131.800	203.914	184.300	218.760	131.800	203.914	184.300	218.760	40.600		40.600	
Military Construction, Army Reserve	57.500	115.910	66.241	106.507	57.500	115.910	66.241	106.507	28.200		28.200	
Military Construction, Naval Reserve	20.900	46.376	56.900	56.900	20.900	46.376	56.900	56.900	26.400		26.400	
Milt. Construction, Air Force Reserve	20.800	32.340	20.800	20.800	20.800	32.340	20.800	20.800	36.700		36.700	
Base Realignment And Closure Account	633.600	658.600	674.600	674.600	633.600	658.600	674.600	674.600	440.700		440.700	
Base Realignment And Closure Commission	100.000	100.000	297.000	297.000	100.000	100.000	297.000	297.000	100.000		100.000	
Leasing/PY Deauthorizations			566.590	480.690		-87.580	11.571	-152.193				
Total Military Construction	4,516.400	6,506.873	5,648.733	5,843.900	4,536.900	6,439.793	5,114.214	5,231.517	3,714.400		3,714.400	
Family Housing, Army	1,534.425	1,559.695	1,538.975	1,564.245	1,534.300	1,559.570	1,538.850	1,564.120	1,476.927		1,476.800	
Family Housing, Navy	879.900	878.140	895.900	909.140	879.900	878.140	895.900	909.140	792.900		792.900	
Family Housing, Air Force	1,081.500	1,098.300	1,081.500	1,070.983	1,081.500	1,098.300	1,081.500	1,070.983	1,167.000		1,167.000	
Family Housing, Defense Agencies	26.200	26.200	26.200	26.200	26.200	26.200	26.200	26.200	26.800		26.800	
Homeowners Assistance Fund	84.000	84.000	84.000	84.000	89.000	89.000	89.000	89.000	85.000		90.000	5.000
Total Family Housing	3,606.025	3,646.335	3,626.575	3,654.568	3,610.900	3,651.210	3,631.450	3,659.443	3,548.627		3,553.500	5.000
Trust Funds/Offsetting Receipts					-720.800	-720.800	-720.800	-720.800			-740.800	-740.800
Total DoD Military	201,176.464	200,881.159	200,967.700	201,179.990	278,282.039	278,147.154	278,069.256	278,045.682	201,288.852	88,040.300	277,893.425	165,797.900

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS

[IN MILLIONS OF DOLLARS]

	FY 1992								FY 1993			
					BUDGET AUTHORITY IMPLICATION						BUDGET AUTH IMPLICATION	
	Authorization Request	House Authorization	Senate Authorization	Conference Authorization	Amended Request	House	Senate	Conference	Authorization Request	Conference Authorization	Amended Request	Conference
DOE Atomic Energy Defense Activities	11,768.000	11,811.928	11,968.000	11,968.000	11,768.000	11,811.928	11,968.000	11,968.000	12,231.820		12,231.820	
Defense Nuclear Facilities Safety Board	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	13.679		13.679	
Total Atomic Energy Defense Activities	11,780.000	11,823.928	11,980.000	11,980.000	11,780.000	11,823.928	11,980.000	11,980.000	12,245.499		12,245.499	
Intelligence Community Staff					30.719	30.719	30.719	30.719			31.956	
Selective Service Salaries & Expenses					27.480	27.480	27.480	27.480			28.316	
Ready Reserve Force					225.000	225.000	225.000	225.000			234.000	
CIA Retirement					164.100	164.100	164.100	164.100			168.900	
FEMA Civil Defense	153.628	153.628	143.628	148.628	310.002	310.002	300.002	305.002	152.728	137.728	299.934	137.728
Total Other Defense	153.628	153.628	143.628	148.628	757.301	757.301	747.301	752.301	152.728	137.728	763.106	137.728
Total National Defense Function (Excluding Desert Shield/Storm)	213,110.092	212,858.715	213,091.328	213,308.618	290,819.340	290,728.383	290,796.557	290,777.983	213,687.079	88,178.028	290,902.030	165,935.628
Title XII-Desert Storm Supplemental FY1992 New Authorizations	2,948.700		4,392.855	3,811.096	2,948.700		4,392.855	3,811.096				

CONGRESSIONAL DEFENSE COMMITTEES

The term "congressional defense committees" is often used in this statement of the managers. It means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

FISCAL YEAR 1993 AUTHORIZATIONS

In addition to amounts authorized elsewhere in this act, the conferees recommend authorization for the following programs in procurement and research and development for fiscal year 1993:

Procurement, Defense Agencies

Other major equipment, DLA, $32.5 million

Research and Development, Navy

Mine countermeasures, $30.0 million

Research and Development, Defense Agencies

FOCUS HOPE, $20.0 million

Joint DoD-DOE munitions technology, $19.8 million

CTACS, $75.0 million

Manufacturing extension program, $65.0 million

Manufacturing engineering education, $25.0 million

Defense science and math education, $15.0 million

Advanced applied technology demonstration facility, $10.0 million

ARMS CONTROL

Based on thorough consultation with officials from the Office of the Secretary of Defense, the military Services, and the On-Site Inspection Agency (OSIA), the conferees recommend several funding adjustments to the budget request for activities related to arms control. The adjustments reflect delays in the anticipated dates of entry into force of the Conventional Forces in Europe (CFE) and Strategic Arms Reduction Talks (START) agreements, as well as changes in inspection requirements under these recently signed treaties. The conferees also took into account recently identified adjustments in funding requirements for activities related to the START Treaty, the Intermediate-Range Nuclear Forces (INF) Treaty, and the Nuclear Testing Treaties (NTT).

The adjustments result in an increase to the amended budget request of $19.3 million in procurement, an increase of $10.1 million in RDT&E, and a reduction of $39.5 in operation and maintenance accounts. The recommended adjustments result in an overall savings of $10.1 million dollars in DoD funding for arms control-related programs, which are listed in the table below and reflected in the appropriate account tables throughout this statement of the managers:

FY 1992 DoD Arms Control Budget
(Dollars in Millions)

Account	Program	Request	Change	Recommendation
Other Procurement, Army	Chemical agent monitor	2.4	3.8	6.2
Weapons Procurement, Navy	Trident II missile	22.0	-7.3	14.7
Other Procurement, Navy	Vertical launch systems	3.9	0.0	3.9
Missile Procurement, Air Force	Minuteman missile modifications	15.6	7.4	23.0
Other Procurement, Air Force	Items less than $2 million	0.6	-0.6	0.0
	10,000 lb forklift	0.1	0.6	0.7
Procurement, Defense Agencies	Vehicles & other capital equipment (OSIA)	7.5	15.4	22.9
Research, Development, Test and Evaluation, Air Force	ICBM modernization	4.1	10.6	14.7
	Test & evaluation support	0.1	-0.1	0.0
	B-2 bomber	0.2	-0.2	0.0
	B-1B bomber	0.2	-0.2	0.0
Research, Development, Test and Evaluation, Defense Agencies	Verification technology demonstration, Defense Nuclear Agency	83.2	0.0	83.2
	Treaty verification, DARPA	19.8	0.0	19.8
Operations & Maintenance, Army		36.5	11.8	48.3
Operations & Maintenance, Navy		50.6	-27.4	23.2
Operations & Maintenance, Air Force		22.6	-2.4	20.2
Operations & Maintenance, Defense Agencies (OSIA)		182.9	-28.3	154.6
Operations & Maintenance, Defense Agencies (DLA)		0.0	6.8	6.8
Military Construction, Defense Agencies (OSIA)		2.0	0.0	2.0
	TOTAL	454.3	-10.1	444.2

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $62,944.4 million for procurement in the Department of Defense. The House bill would authorize $63,314.5 million. The Senate amendment would authorize $62,959.8 million. The conferees recommend authorization of $63,884.7 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

AIRCRAFT PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $1,667.7 million for Aircraft Procurement, Army. The House bill would authorize $1,873.7 million. The Senate amendment would authorize $1,666.2 million. The conferees recommend authorization of $1,783.6 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	AIRCRAFT PROCUREMENT, ARMY										
1	GRISLY HUNTER (TIARA)										
	C-23										
2	C-20 AIRCRAFT										
3	GUARDRAIL COMMON SENSOR (TIARA)	6	189,505	6	189,505	6	189,505			6	189,505
4	TRACTOR HALL		299		299		299				299
5	TOTAL PACKAGE FIELDING		1,442		1,442		1,442				1,442
6	AH-64 ATTACK HELICOPTER (APACHE) (MYP)		142,066		142,066		138,066		-4,000		138,066
7	LIGHT HELICOPTER FAMILY										
8	UH-60 BLACKHAWK (MYP)	60	334,178	60	334,178	60	334,178			60	334,178
9	UH-60 ADVANCE PROCUREMENT (CY)		173,300		173,300		173,300				173,300
	TRAINING HELICOPTER								23,500		23,500
	MODIFICATION OF AIRCRAFT										
10	INSTALLATION OF MODERNIZATION EQUIPMENT										
11	TRACTOR DEW		200		200		200				200
12	OV-1 MODS SURVEILLANCE AIRPLANE (TIARA)										
13	GUARDRAIL MODS (TIARA)		31,936		31,936		31,936				31,936
14	RU-21 MODS (TIARA)										
15	AH1S MODS		3,445		3,445		3,445				3,445
16	AH-64 MODS		82,771		82,771		83,771		1,000		83,771
	C-23 MODS										
17	CH-47 CARGO HELICOPTER (MODS) (MYP)		256,877		256,877		256,877				256,877
18	CH-47 ADVANCE PROCUREMENT (CY)										
19	OH-58 MODS		21,934		21,934		21,934				21,934
20	C-20 AIRCRAFT MODS										
21	FLIGHT DATA RECORDER		499		499		499				499
22	UH-1 MODS		9,166	6,000	15,166		9,166		5,000		14,166
23	UH-60 MODS		34,837		34,837		34,837				34,837
24	ARMED OH-58D		183,244	36	383,244		183,244	24	90,400	24	273,644
25	EH-60 HELICOPTER MODS		6,299		6,299		6,299				6,299
26	AIRBORNE AVIONICS										
27	ASE MODS		19,045		19,045		19,045				19,045
28	MODIFICATIONS < $2.0M		13,900		13,900		13,900				13,900

P-1		Amended FY1992 Request		House FY1992 Authorization		Senate FY1992 Authorization		Conference Change to Request		Conference FY92 Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
29	ACFT 9WW MODS										
30	SOF AIRCRAFT MODS										
31	SOF AC MODS ADVANCE PROC (CY)										
32	TRACTOR HEAVY MODS										
33	APA SPARES AND REPAIR PARTS										
	EXTERNAL FUEL TANKS										
34	AIRCRAFT SURVIVABILITY EQUIPMENT		48,035		48,035		49,535				48,035
35	AIRBORNE COMMAND & CONTROL CONSOLES		5,989		5,989		5,989				5,989
36	AVIONICS SUPPORT EQUIPMENT		27,057		27,057		27,057				27,057
37	COMMON GROUND EQUIPMENT		47,465		47,465		47,465				47,465
38	AIR TRAFFIC CONTROL		1,996		1,996		1,996				1,996
39	SYNTHETIC FLIGHT TRAINING SYSTEMS										
40	INDUSTRIAL FACILITIES		27,690		27,690		27,690				27,690
41	LAUNCHER, 2.75 ROCKET		4,525		4,525		4,525				4,525
	DBOF-DIRECT FUNDING DCAA/DCMC										
	TOTAL PACKAGE FIELDING										
	TOTAL AIRCRAFT PROCUREMENT ARMY		1,667,700		1,873,700		1,666,200		115,900		1,783,600

Aircraft survivability equipment

The Senate amendment would authorize $1.5 million for the Army to purchase the MJU-27 decoy for use in Army helicopters.

The House bill contained no similar authorization.

The Senate recedes.

The conferees understand that the Navy and the Marine Corps utilized the MJU-27 decoy effectively in Operation Desert Storm. The conferees also understand that Army helicopters possess no comparable capability. The conferees believe that it is imperative that the Army provide comparable capability for Army helicopters as quickly as possible. The conferees intend to monitor the Army's progress next year in fielding such a capability.

MISSILE PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $1,035.8 million for Missile Procurement, Army. The House bill would authorize $1,503.2 million. The Senate amendment would authorize $1,042.3 million. The conferees recommend authorization of $1,046.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	MISSILE PROCUREMENT, ARMY										
1	CHAPARRAL SYSTEM SUMMARY		6,819		6,819		6,819				6,819
2	LOS-F-H SYSTEM SUMMARY										
3	HAWK SYSTEM SUMMARY		1,647		1,647		1,647				1,647
4	OTHER MISSILE SUPPORT		596		596		596				596
5	PATRIOT SYSTEM SUMMARY (MYP)		107,052	310	307,052		107,052				107,052
6	STINGER SYSTEM SUMMARY		37,526	1,800	112,526		37,526				37,526
7	AVENGER SYSTEM SUMMARY	144	127,418	144	127,418	144	127,418			144	127,418
8	AVENGER ADV PROCUREMENT (CY)		52,700		52,700		52,700				52,700
9	LASER HELLFIRE SYS SUMMARY	112	19,697	112	19,697	112	19,697			112	19,697
10	ADV ANTITANK WPNS SYS MED (AAWS-M) SYS S										
11	AAWS-M ADV PROCUREMENT (CY)										
12	TOW 2 SYSTEM SUMMARY	10,000	200,578	10,000	200,578	10,000	200,578			10,000	200,578
13	MLRS ROCKET		2,111		17,111	2,000	32,111	2,000	59,589	2,000	61,700
14	MLRS ADVANCE PROCUREMENT (CY)										
15	MLRS LAUNCHER	43	178,233	43	178,233	43	153,733		-44,633	43	133,600
16	MLRS ADVANCE PROCUREMENT (CY)		3,000		3,000		3,000				3,000
17	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	300	150,928	300	150,928	300	150,928		-4,000	300	146,928
18	ATACMS ADVANCE PROCUREMENT (CY)		23,985		23,985		23,985				23,985

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	MODIFICATION OF MISSILES										
19	PATRIOT MODS		35,505		35,505		35,505				35,505
20	CHAPARRAL MODS		462		462		462				462
21	HAWK MODS		10,019		10,019		10,019				10,019
22	AVENGER MODS		7,772		7,772		7,772				7,772
23	TOW MODS		8,263		8,263		8,263				8,263
24	MLRS MODS		36,934		36,934		36,934				36,934
25	MODIFICATIONS LESS THAN $2.0M		2,500		2,500		3,529				2,500
26	TRACTOR RIG		8,243		8,243		8,243				8,243
27	DEPOT MODIFICATION APPLICATION										
28	MPA SPARES AND REPAIR PARTS										
29	AIR DEFENSE TARGETS		11,210		11,210		11,210				11,210
30	ITEMS LESS THAN $2.0M (MISSILES)		1,608		1,608		1,608				1,608
31	PRODUCTION BASE SUPPORT		1,000		1,000		1,000				1,000
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DBOF ADJUSTMENT				177,400						
	TOTAL PACKAGE FIELDING										
	TOTAL MISSILE PROCUREMENT ARMY		1,035,806		1,503,206		1,042,335		10,956		1,046,762

Stinger missiles

Although the conferees did not recommend additional funding in fiscal year 1992 for further production of Stinger missiles, such action is taken without prejudice. The conferees acknowledge concern for preserving the existing U.S. industrial base for the Stinger missile, including the subcontractor base for the rocket motor and rocket motor tube metal parts. In this connection, the conferees would be receptive to a reprogramming request, if necessary to preserve the industrial base.

WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $839.1 million for Weapons and Tracked Combat Vehicles, Army. The House bill would authorize $1,240.0 million. The Senate amendment would authorize $1,022.3 million. The conferees recommend authorization of $1,007.3 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request		--- House FY1992 Authorization		------- Senate FY1992 Authorization		------Conference--- Change to Request		-- Conference FY92 -- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT OF W&TCV, ARMY										
1	BRADLEY FIGHTING VEHICLE FAMILY (MYP)		109,104		109,104		109,104				109,104
2	BRADLEY ADVANCE PROC (CY)										
3	BRADLEY FVS TRAINING DEVICES										
4	M1 ABRAMS TANK TRAINING DEVICES		7,989		7,989		7,989				7,989
5	ARMORED GUN SYSTEM (AGS)						15,000		3,000		3,000
6	M1 ABRAMS TANK SERIES (MYP)		43,744	60	90,044	60	90,044	60	46,300	60	90,044
7	M1 ADVANCE PROCUREMENT (CY)										
7a	FAASV										
	MODIFICATION OF TRACKED COMBAT VEHICLES										
8	CARRIER, MOD		5,700		5,700		5,700				5,700
9	BFVS SERIES (MOD)		185,494		335,494		110,494		-75,000		110,494
10	HOWITZER, MED SP FT 155MM M109 SER(MOD)		161,606		127,006		130,006		-34,600		127,006
11	HOWITZER, MED SP 155(MOD)M109A5		22,088		22,088		22,088				22,088
12	FAASV PIP TO FLEET										
13	M1 ABRAMS TANK (MOD)		79,664		304,664		304,664		225,000		304,664
14	9WW										
15	MODIFICATIONS LESS THAN $2.0M (TCV-WTCV)		1,017		1,017		1,017				1,017
16	HOST NATION SUPPORT										
17	WTCV SPARES AND REPAIR PARTS										
18	ITEMS LESS THAN $2.0M (TCV-WTCV)		203		203		203				203
19	PRODUCTION BASE SUPPORT (TCV-WTCV)		73,287		73,287		62,987		-10,300		62,987
20	REGIONAL MAINTENANCE TRAINING SITES-EQUI		590		590		590				590

P-1		Amended		--- House FY1992	-------	Senate FY1992	------	-Conference---		-- Conference FY92 --	
		FY1992 Request		Authorization		Authorization		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	WEAPONS AND OTHER COMBAT VEHICLES										
21	HOWITZER, LIGHT, TOWED, 105MM, M119	86	36,420	86	36,420	86	36,420			86	36,420
22	SOF WEAPONS										
23	MACHINE GUN, 5.56MM (SAW)	2,316	5,785	2,316	5,785	2,316	5,785			2,316	5,785
24	GRENADE LAUNCHER, AUTO, 40MM, MK19-3			841	13,100	1,066	16,600	1,066	16,600	1,066	16,600
25	LAUNCHER, SMOKE GRENADE	1,637	1,097	1,637	1,097	1,637	1,097			1,637	1,097
26	MORTAR, 120MM	433	27,197	433	27,197	433	27,197			433	27,197
27	M16 RIFLE	53,575	24,052	53,575	24,052	53,575	24,052			53,575	24,052
28	SNIPER WEAPON SYSTEM										
29	5.56 CARBINE XM4	10,000	5,027	10,000	5,027	10,000	5,027			10,000	5,027
30	PERSONAL DEFENSE WEAPON, 9MM		603		603		603				603
31	PDW 9MM SUB COMPACT	4,080	1,910	4,080	1,910	4,080	1,910			4,080	1,910
32	VEH RAPID FIRE WPN SYS-BUSHMASTER (MYP)										
33	SQUAD AUTOMATIC WEAPON (MOD)		2,413		2,413		2,413				2,413
34	M16 RIFLE MODS		4,625		9,025		4,625				4,625
35	MODIFICATIONS LESS THAN $2.0M (WOCV-WTCV		635		635		635				635
36	MODERNIZATION OF EQUIPMENT-O&M TRANSFER										
37	WTCV SPARES AND REPAIR PARTS										
38	ITEMS LESS THAN $2.0M (WOCV-WTCV)		3,376		3,376		3,376				3,376
39	PRODUCTION BASE SUPPORT (WOCV-WTCV)		26,572		26,572		26,572				26,572
40	INDUSTRIAL PREPAREDNESS		8,902		8,902		8,902				8,902
	DBOF DENY MILCON CAPITAL BUDGET						-1,100		-1,100		-1,100
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DBOF TECHNICAL CORRECTION						-1,700		-1,700		-1,700
	DBOF ADJUSTMENT				-3,300						
	TOTAL PACKAGE FIELDING										
	TOTAL PROCUREMENT OF W&TCV, ARMY		839,100		1,240,000		1,022,300		168,200		1,007,300

Armored gun system

The Senate amendment would authorize $15.0 million to initiate production facilities for the EX-35 cannon for the Army's armored gun system (AGS). The Senate report (S. Rept. 102-113) also directed that in order to maintain maximum feasible commonality between the Army and Marine Corps, the AGS program should incorporate the turret developed for the Marine Corps' LAV-105 mobile gun program. That condition depended on the Marine Corps' budgeting the funds in the Future Years Defense Program to procure the LAV-105 program.

The House bill contained no similar authorization.

The conferees recommend $3.0 million to initiate facilities for the EX-35 cannon system. In recent months, the Marine Corps has decided to terminate any plans to procure the LAV-105 system. Elsewhere in this statement of the managers, the conferees recommend continued funding of the LAV-105 program. Because of its uncertain future, however, the conferees do not believe it is appropriate to force the Army to utilize the LAV-105 turret for the AGS program. The conferees note that both the Marine Corps and the Army would use the EX-35 cannon in any event, so there is no reason not to start building facilities at this time.

The conferees do believe, however, that the Defense Department cannot afford to permit the Army and the Marine Corps to develop separate, parallel, and redundant light armored mobile gun systems. The conferees insist on the maximum practical commonality between the Marine Corps and Army programs.

Bradley fighting vehicle modifications

The amended budget request contained $185.5 million for the Bradley fighting vehicle survival modification program to convert older A1 model vehicles to the current A2 model.

The House bill increased the request by $150.0 million and directed the Secretary of the Army to begin a survival modification to the first-generation A0 Bradleys in the fleet.

The Senate amendment reduced the budget request by $75.0 million, but added a similar amount in fiscal year 1993 to provide level funding. The Senate amendment did not include any funds for the upgrade of the early model Bradleys.

The conferees recommend an authorization of $110.5 million. The conferees note that when the ongoing A1-to-A2 survival modification program is complete and the last new production A2 model Bradley is delivered, the fleet will consist of 4,424 of the A2 models and 2,300 of the A0 models. In other words, over one-third of the fleet will not have had survival modifications incorporated into them—modifications which resulted from live-fire tests directed by the Congress in the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661).

The conferees are disappointed that the Army has been reluctant to undertake an A0 model survival upgrade program, especially since there is a similar, ongoing modification program to the A1 model. The conferees believe a modification program of these first-generation fighting vehicles should be undertaken, but withhold judgment pending submission by the Secretary of the Army to the congressional defense committees of a report which thoroughly reassesses Bradley requirements and employment for all force packages. The results of this reassessment should be submitted by March 15, 1992.

AMMUNITION, ARMY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $1,249.8 million for Ammunition, Army. The House bill would authorize $1,266.4 million. The Senate amendment would authorize $1,529.2 million. The conferees recommend authorization of $1,362.4 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	PROCUREMENT OF AMMUNITION, ARMY										
1	NUCLEAR WEAPONS SUPPORT MATERIEL		7,241		7,241		7,241				7,241
2	PROJ, 155MM, NUCLEAR, M785										
3	PROJ, 155MM, BINARY CHEMICAL, M687										
	SMALL/MEDIUM CAL AMMUNITION										
4	CTG, 5.56MM, ALL TYPES		64,601		70,101		64,601		5,500		70,101
5	CTG, 7.62MM, ALL TYPES		10,382		10,682		10,382		300		10,682
6	CTG, 9MM, ALL TYPES		466		466		466				466
7	CTG, .45 CAL, ALL TYPES		85		85		85				85
8	CTG, .50 CAL, ALL TYPES		4,500		21,000		4,500		16,500		21,000
9	CTG, 20MM, ALL TYPES		10,611		10,611		15,611				10,611
9a	CTG, 20MM, PIVADS, M940								5,000		5,000
10	CTG, 25MM, ALL TYPES		40,652		39,952	1,522	108,152		-700		39,952
11	CTG, 30MM, ALL TYPES						5,000		5,000		5,000
12	CTG, 40MM, ALL TYPES		5,258		5,258		5,258				5,258
	MORTAR AMMUNITION										
13	CTG, MORTAR, 60MM, SMOKE, M722										
14	CTG, MORTAR, 60MM, HE/MO, M720										
15	CTG, MORTAR, 120MM, HE/MO, XM934					108	37,000	108	37,000	108	37,000
16	CTG, MORTAR, 120MM, HE/PD, XM933	132	36,421	132	36,421	132	36,421			132	36,421
17	CTG, MORTAR, 120MM, ILLUM, XM930										
18	CTG, MORTAR, 120MM, SMOKE, XM929										
	TANK AMMUNITION										
19	CTG, TANK, 35MM, SUBCAL PRAC, M968										
20	CTG, TANK, 105MM, TP-T, M490A1	120	29,323	120	21,223	120	29,323		-8,100	120	21,223
21	CTG, TANK, 105MM, DS-TP, M724A1	120	29,548	120	16,948	120	29,548		-12,600	120	16,948
22	CTG, TANK, 105MM, APFSDS-T, M900A1	45	64,477	45	64,477	45	64,477			45	64,477
23	CTG, TANK, 120MM, APFSDS-T	[ ]	[ ]								[ ]
24	CTG, TANK, 120MM, HEAT-MP-T	[ ]	[ ]								[ ]
25	CTG, TANK, 120MM, TP-T, M831	39	31,387	39	31,387	87	77,687			39	31,387
26	CTG, TANK, 120MM, TPCSDS-T, M865	176	111,627	176	111,627	259	164,227			176	111,627

P-1		Amended		--- House FY1992 -------		Senate FY1992 ------		Conference---		-- Conference FY92 --	
		FY1992 Request		Authorization		Authorization		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	ARTILLERY AMMUNITION										
27	CTG, ARTY, 75MM, BLANK, M337A1										
28	CTG, ARTY, 105MM, HERA, M913	30	15,059	30	15,059	30	15,059			30	15,059
29	PROJ, ARTY, 155MM, DPICM, M483A1										
30	PROJ, ARTY, 155MM, SMOKE WP, M825										
31	PROJ, ARTY, 155MM, ADAM-S M731										
32	PROJ, ARTY, 155MM, RAAMS-S M741										
33	PROJ, ARTY, 155MM, BASEBURNER M864	134	120,914	134	120,914	134	120,914		30,000	134	150,914
34	PROJ, ARTY, 155MM, SADARM, XM898										
35	PROJ, ARTY, 155MM, HE, M107										
36	PROJ, ARTY, 155MM, TRNG, M804										
37	PROP CHG, 155MM, GREEN BAG, M3										
38	PROP CHG, 155MM, RED BAG, M203	241	144,583	241	144,583	241	144,583			241	144,583
39	PROP CHG, 155MM, RED BAG, M119										
39a	PROP CHG, 155MM, WHITE BAG										
40	PROP CHG, 8-INCH, GREEN BAG, M1	102	18,179	102	18,179	102	18,179			102	18,179
	ARTILLERY FUZES										
41	FUZE, ARTILLERY, ELEC TIME, M767										
42	FUZE, ARTILLERY, PD, M739										
43	FUZE, ARTILLERY, PROXIMITY, M732A2										
44	FUZE, ARTILLERY, ELEC TIME, M762						20,500		20,500		20,500
45	FUZE, ARTILLERY, MOUT, MK399 MOD 1										
	MINES										
46	MINE, TRAINING, ALL TYPES		8,201		8,201		8,201				8,201
47	MINE, VOLCANO, AT/AP, M87										
48	MINE, CLEARING CHARGE, ALL TYPES										
	ROCKETS										
49	RANGER ANTI-ARMOR WPN SYS (SOF)										
50	AT-4 MULTI-PURPOSE WEAPON										
51	ROCKET, LAW, ALL TYPES		2,143		2,143		2,143				2,143
52	ROCKET, HYDRA 70, ALL TYPES				39,000		39,000		39,000		39,000

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	OTHER AMMUNITION										
53	CTG, 165MM, COMB ENG VEH, TP, M623										
54	PRIMER, PERCUSSION, M82	2,098	6,574	2,098	6,574	2,098	6,574			2,098	6,574
55	DEMOLITION MUNITIONS, ALL TYPES		6,649		6,649		6,649				6,649
56	GRENADES, ALL TYPES		3,949		3,949		3,949				3,949
57	SIGNALS, ALL TYPES		4,614		4,614		4,614				4,614
58	SIMULATORS, ALL TYPES		4,735		4,735		4,735				4,735
	MISCELLANEOUS										
59	AMMO COMPONENTS, ALL TYPES		24,447		24,447		24,447				24,447
60	CAD/PAD, ALL TYPES		9,216		9,216		9,216				9,216
61	ITEMS LESS THAN $2 MILLION		1,184		1,184		1,184				1,184
62	EOD EXPLOSIVE ITEMS		2,274		2,274		2,274				2,274
63	REPLENISHMENT SPARES/REPAIR PARTS (AMMO)										
64	AMMUNITION PECULIAR EQUIPMENT		6,815		6,815		6,815				6,815
65	FIRST DESTINATION TRANSPORTATION (AMMO)		6,341		6,341		6,341				6,341
66	NITROGUANIDINE		25,079		11,779		25,079		-13,300		11,779
67	AMMO 9WW/ELT										
68	HOST NATION SUPPORT (AMMO)										
	PRODUCTION BASE SUPPORT										
69	PROVISION OF INDUSTRIAL FACILITIES		74,923		74,923		76,423		1,500		76,423
70	COMPONENTS FOR PROVE-OUT		1,800		1,800		1,800				1,800
71	LAYAWAY OF INDUSTRIAL FACILITIES		29,000		29,000		29,000				29,000
72	PROVING GROUND MODERNIZATION		1,500		1,500		1,500				1,500
73	MAINTENANCE OF INACTIVE FACILITIES		70,100		70,100		70,100				70,100
74	CONVENTIONAL AMMO DEMILITARIZATION		24,000		24,000		29,000		5,000		29,000
999	CLASSIFIED PROGRAMS		190,942		180,942		190,942		-18,000		172,942
	TOTAL AMMUNITION ARMY		1,249,800		1,266,400		1,529,200		112,600		1,362,400

OTHER PROCUREMENT, ARMY

OVERVIEW

Amended budget request for fiscal year 1992 contained an authorization of $3,163.8 million for Other Procurement, Army. The House bill would authorize $3,386.2 million. The Senate amendment would authorize $3,014.6 million. The conferees recommend authorization of $3,081.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	--- House FY1992 Authorization Quantity	--- House FY1992 Authorization Amount	------- Senate FY1992 Authorization Quantity	------- Senate FY1992 Authorization Amount	------Conference--- Change to Request Quantity	------Conference--- Change to Request Amount	-- Conference FY92 -- Authorization Quantity	-- Conference FY92 -- Authorization Amount
	OTHER PROCUREMENT, ARMY										
	TACTICAL AND SUPPORT VEHICLES										
1	TACTICAL TRAILERS/DOLLY SETS		8,311		8,311		8,311				8,311
2	SEMITRAILER FB BB/CONT TRANS 22 1/2 T										
3	SEMITRAILER, TANK, 5000G				23,900				23,900		23,900
4	HI MOB MULTI-PURP WHLD VEH (HMMWV)(MYP)	7,302	282,137	7,302	282,137	7,302	282,137			7,302	282,137
5	SMALL UNIT SUPPORT VEHICLE (SUSV)										
6	FAMILY OF MEDIUM TACTICAL VEH (MYP)	1,815	161,028	1,815	161,028	2,900	246,028	-436	-31,028	1,379	130,000
7	HEAVY EQUIPMENT TRANSPORTER SYS		182,859		182,859				-21,500		161,359
8	FAMILY OF HEAVY TACTICAL VEHICLES (MYP)	281	99,743	281	99,743	281	99,743			281	99,743
9	TRUCK, TRACTOR, LINE HAUL, M915/M916										
10	MODIFICATION OF IN SVC EQUIP		3,133		3,133		3,133				3,133
11	ITEMS LESS THAN $2.0M (TAC VEH)		100		100		100				100
12	PASSENGER CARRYING VEHICLES	453	7,184	453	7,184	225	3,584	-228	-3,600	225	3,584
13	GENERAL PURPOSE VEHICLES		4,838		4,838		4,838				4,838
14	SPECIAL PURPOSE VEHICLES		4,878		4,878		4,878				4,878
15	1ST DEST TRANS/TOT PKG FIELDING TACOM										
16	SYSTEM FIELDING SUPPORT PEO		8,878		8,878		8,878				8,878
17	PROJECT MANAGEMENT SUPPORT		3,296		3,296		3,296				3,296
18	SYSTEM FIELDING SUPPORT (TACOM)		897		897		897				897
19	SPARES AND REPAIR PARTS-OPA 1										
20	PRODUCTION BASE SUPPORT (TAC VEH)										

P-1 LINE	ITEM	Amended FY1992 Request		--- House FY1992 Authorization		------- Senate FY1992 Authorization		------Conference--- Change to Request		-- Conference FY92 - Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
21	CLASSIFIED PROJECT 9WW										
22	JCSE EQUIPMENT (USREDCOM)										
23	TRACTOR SEAT										
24	DEFENSE SATELLITE COMMUNICATIONS SYSTEM		47,874		47,874		47,874				47,874
25	GMF CONTROL	3	1,100	3	1,100	3	1,100			3	1,100
26	NAVSTAR GLOBAL POSITIONING SYSTEM	1,149	32,699	1,149	57,699	1,149	32,699			1,149	32,699
27	NAVSTAR AIRBORNE										
28	SINGLE CHANNEL OBJECT TACT TERM (SCOTT)		17,878		17,878		17,878				17,878
29	MOD OF IN-SVC EQUIP (TAC SAT)		9,436		9,436		9,436				9,436
30	SAT TERM, COMM, AN/TSC-93										
31	COMMAND CENTER IMPROVEMENT PROG (CCIP)		8,680		8,680		8,680				8,680
32	EUSA-C3I INITIATIVES										
33	SECURE CONFERENCING PROJECT		629		629		629				629
34	STD THEATER CMD & CONTROL SYS (STACCS)		1,445		1,445		1,445				1,445
35	WWMCCS INFORMATION SYSTEM (WIS)		10,045		10,045		10,045				10,045
36	ARMY DATA DISTRIBUTION SYSTEM (ADDS)		17,199		44,199		44,199		27,000		44,199
37	MOBILE SUBSCRIBER EQUIP (MSE)		72,538		72,538		72,538				72,538
38	SINCGARS FAMILY		287,534		337,534		287,534				287,534
39	SMALL UNIT TRANSCEIVER										
40	SOF COMMUNICATIONS										
41	SW ASIA COMM INFRASTRUCTURE		1,436		1,436		1,436				1,436
42	EAC COMMUNICATIONS		27,574		27,574		27,574				27,574
43	MOD OF IN-SVC EQUIP (EAC COMM)		16,209		16,209		12,209		-4,000		12,209
44	ITEMS LESS THAN $2.0M (CMBT COMM)		8,963		8,963		8,963				8,963
45	TSEC - AEPDS (EAM AUTOMATION)										
46	TSEC - ARMY KEY MGT SYS (AKMS)		7,560		7,560		7,560				7,560
47	TSEC - TEMPEST (COMSEC)		1,000		1,000		1,000				1,000
48	TSEC - TRUNK ENCRYPTION DEVICES (TED)		7,099		7,099		7,099				7,099
49	TSEC/KG-84, DED LOOP ENCRYP DEV	1,386	11,091	1,386	11,091	1,386	11,091			1,386	11,091
50	TSEC/KY-99, MINTERM		6,619		6,619		6,619				6,619
51	TSEC - SEC VOICE IMPRV PROG (COMSEC)		2,290		2,290		2,290				2,290
52	TSEC - ITEMS LESS THAN $2.0M (COMSEC)		7,269		7,269		7,269				7,269
53	TERRESTRIAL TRANSMISSION		6,210		6,210		6,210				6,210
54	C-E FACILITIES/PROJECTS		4,080		4,080		4,080				4,080

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
55	DEFENSE DATA NETWORK (DDN)		3,029		3,029		3,029				3,029
56	ELECTROMAG COMP PROG (EMCP)		619		619		619				619
57	WW TECH CON IMP PROG (WWTCIP)		3,177		3,177		3,177				3,177
58	INFORMATION SYSTEMS		55,372		55,372		52,372		-3,000		52,372
59	DEFENSE MESSAGE SYSTEM (DMS)		9,241		9,241		9,241				9,241
60	LOCAL AREA NETWORK (LAN)		5,230		5,230		5,230				5,230
61	PENTAGON TELECOM CTR (PTC)		2,906		2,906		2,906				2,906
62	FOREIGN COUNTERINTELLIGENCE PROG (FCI)		497		497		497				497
63	GENERAL DEFENSE INTELLIGENCE PROG (GDIP)		43,188		3,288		31,488		-30,471		12,717
64	ITEMS LESS THAN $2.0M (INTEL SPT)		2,116		2,116		2,116				2,116
65	ALL SOURCE ANALYSIS SYS (ASAS)(TIARA)		63,985		58,985		63,985		-5,000		58,985
66	COMMANDERS TACTICAL TERM (CTT)(TIARA)	6	11,212	6	11,212	6	11,212			6	11,212
67	HF COMINT COLLECTOR (TIARA)		6,000						-6,000		
68	IEW - GND BASE COMMON SENSORS (TIARA)										
69	IMAGERY PROCESSING SYSTEM (IPS)(TIARA)		1,501		1,501		1,501				1,501
70	JOINT STARS (ARMY) (TIARA)										
71	LMRDFS, AN/PRD-12 (TIARA)										
72	DIGITAL TOPOGR SPT SYS (DTSS)(TIARA)		7,325		7,325		7,325				7,325
73	DRUG INTERDICTION PROGRAM (DIP) (TIARA)										
74	TACT ELEC SURV SYS (TESS)(TIARA)		5,556		5,556		5,556				5,556
75	TROJAN (TIARA)		6,221		6,221		6,221				6,221
76	GUARDRAIL REMOTE RELAY (TIARA)										
77	MOD OF IN-SVC EQUIP (INTEL SPT)(TIARA)		20,174		20,174		20,174				20,174
78	ITEMS LESS THAN $2.0M (TIARA)		2,912		2,912		2,912				2,912
79	TACTICAL DECEPTION DEVICE (TAC-D)		2,539		2,539		2,539				2,539
80	MOD OF IN-SVC EQUIP (EW)										
81	LT SPEC DIV INTERIM SENSOR (LSDIS)		12,000		12,000		12,000				12,000
82	NON-IMAGING ID SYSTEMS										
83	NCTR - VSX										
84	NIGHT VISION DEVICES		102,944		102,944		102,944				102,944
85	PHYSICAL SECURITY SYSTEMS		20,182		20,182		20,182				20,182
86	RADIATION MONITORING SYSTEMS										
87	ARTILLERY ACCURACY EQUIP		14,242		14,242		14,242				14,242
88	MOD OF IN-SVC EQUIP (TAC SURV)		30,806		30,806		30,806				30,806
89	ITEMS LESS THAN $2.0M (TAC SURV)										

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
90	FIRE SUPPORT ADA CONVERSION		6,873		6,873		6,873				6,873
91	CORPS/THEATER ADP SVC CTR (CTASC)		14,886		14,886		14,886				14,886
92	FORWARD ENTRY DEVICE (FED)		18,802		18,802		18,802				18,802
93	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		700		700		700				700
94	LOGTECH		7,062		7,062		7,062				7,062
95	MANEUVER CONTROL SYSTEM (MCS)		45,942		45,942		8,042		-37,900		8,042
96	TACT ARMY CMBT COMPT SY(TACCS)		25,703		25,703		25,703				25,703
97	AUTOMATED DATA PROCESSING EQUIP		75,278		75,278		115,278		40,000		115,278
	ADP/CIM GENERAL REDUCTION										
98	RESERVE COMPONENT AUTOMATION SYS (RCAS)		153,700		153,700		153,700				153,700
99	AFRTS		5,052		5,052		5,052				5,052
100	ITEMS LESS THAN $2.0M (A/V)		4,757		4,757		4,757				4,757
101	CALIBRATION SETS EQUIPMENT		13,458		13,458		13,458				13,458
102	CORE ELECTRONIC AUTO TEST (STE-X)										
103	INTEGRATED FAMILY OF TEST EQUIP (IFTE)		48,048		48,048		48,048				48,048
104	SIMP TEST EQUIP - INTERNAL COMBUST ENGS	640	3,200	640	3,200	640	3,200			640	3,200
105	TMDE MODERNIZATION (TMOD)		19,794		19,794		9,794		-10,000		9,794
106	SPARES AND REPAIR PARTS- OPA 2										
107	INITIAL SPARES										
108	ARMY PRINTING AND BINDING EQUIPMENT		4,357		4,357		4,357				4,357
109	INSTALLATION C4 UPGRADE (ICU)		22,133		22,133		22,133				22,133
110	PECIP AND QRIP		7,071		7,071		7,071				7,071
111	PRODUCTION BASE SUPPORT (C-E)		1,000		1,000		1,000				1,000
112	1ST DES TRAN/TOT PACK FLD/NEW EQ TRN										
113	SPECIAL PROGRAMS		69,340		69,340		22,140		-41,000		28,340

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	--- House FY1992 ------- Authorization Quantity	Amount	Senate FY1992 ------ Authorization Quantity	Amount	---Conference--- Change to Request Quantity	Amount	-- Conference FY92 -- Authorization Quantity	Amount
	OTHER SUPPORT EQUIPMENT										
114	SIMP COLL PROT EQUIP M20	270	1,553	270	1,553	270	1,553			270	1,553
115	COLL PROT EQUIP, NBC TEMPER, TENT XM28		4,373		4,373		4,373				4,373
116	MASK, PROTECTIVE, NBC M40/M42		32,441		32,441		32,441				32,441
117	MASK, ACFT	9,717	22,054	9,717	22,054	9,717	22,054			9,717	22,054
118	REMOTE SENSING CHEMICAL AGENT ALARM XM21	12	10,111	12	10,111	12	10,111			12	10,111
119	CHEMICAL AGENT MONITOR	50	6,376	50	6,376	50	6,376		3,800	50	10,176
120	RECONNAISSANCE SYSTEM, NBC (NBCRS) XM93	25	49,983	25	49,983	25	49,983			25	49,983
121	DECONTAMINATE APP PWR DR LT WT M17	528	7,976	528	7,976	528	7,976			528	7,976
122	RADIATION MONITORING SYSTEM (OPA-3)		16,485		16,485		16,485				16,485
123	ITEMS LESS THAN $2.0M(BRIDGING)										
124	DISPENSER, MINE XM139	130	15,128	130	15,128	130	15,128			130	15,128
125	DETECTING SET, MINE, AN/PSS-12	5,600	8,400	5,600	8,400	5,600	8,400			5,600	8,400
126	VEHICLE MAGNETIC SIGNATURE DUP	247	11,431	247	11,431	247	11,431			247	11,431
127	INT SURVEY EQ (AISI)		4,400		4,400		4,400				4,400
128	M-9 ARMORED COMBAT EARTHMOVER (ACE)										
129	MOD IN-SVC EQ (ENGR-NC)										
130	AIR CONDITIONERS VARIOUS SIZE/CAPACITY		8,356		8,356		8,356				8,356
131	FIELD KITCHEN,MOBILE, TRL MTD.										
132	STANDARD INTEGRATED CMD POST SYSTEM		41,503		41,503		41,503				41,503
133	DIVING EQUIPMENT										
134	LAUNDRY UNIT/TRL MTD	85	6,000	85	6,000	130	9,000	45	3,000	130	9,000
135	TOOL OUTFIT, PIONEER, PORTABLE SET	292	5,909	292	5,909	292	5,909			292	5,909
136	SOLDIER ENHANCEMENT		12,278		12,278		12,278				12,278
137	BALLISTIC LASER INDIVIDUAL PROTECTION SY										
138	ITEMS LESS THAN $2.0M (CSS-EQ)		11,500		11,500		11,500				11,500
139	MOD IN-SVC EQUIP (CSE)										
140	SOF ITEMS LESS THAN 2.0M (CSS-EQ)										
141	TANK ASSEMBLY FAB COLL POL 50000 G										
142	TANK ASSEMBLY FAB COLLAPSIBLE POL 10000G										
143	TANK ASSY, FAB COLLAPS, 20,000 GAL POL										
144	TANK/PUMP UNIT LIQ DISP F/TRK MOUNTING										

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	--- House FY1992 Authorization Quantity	--- House FY1992 Authorization Amount	------- Senate FY1992 Authorization Quantity	------- Senate FY1992 Authorization Amount	------Conference--- Change to Request Quantity	------Conference--- Change to Request Amount	-- Conference FY92 -- Authorization Quantity	-- Conference FY92 -- Authorization Amount
145	LABORATORY, PETROLEUM, SEMI-TRLR MTD										
146	FUEL SYSTEM SUPPLY POINT, 60000 GALLON	158	5,000	158	5,000	158	5,000			158	5,000
147	PUMP ASSY LIQ GAS WHL 4 IN OUT 350 GPM										
148	SWA PETROLEUM DISTRIBUTION SYSTEM		7,944		7,944		7,944				7,944
149	FORWARD AREA REFUELING SYS ADV AVIATION	5	1,000	5	1,000	5	1,000			5	1,000
150	HEMTT AVIATION REFUELING SYSTEM	320	6,400	320	6,400	320	6,400			320	6,400
151	ITEMS LESS THAN $2.0M (POL)		7,939		7,939		7,939				7,939
152	WATER PURIF UNIT REV OS 3000 GPH	42	16,698	42	16,698					42	16,698
153	FWD AREA WTR POINT SUP SYSTEM	157	2,609	157	2,609	157	2,609			157	2,609
154	TANK FABRIC COLL WTR 3000 GAL (ONION)	1,070	2,132	1,070	2,132	1,070	2,132			1,070	2,132
155	WATER QUALITY ANALYSIS SET PURIF	432	3,445	432	3,445	432	3,445			432	3,445
156	ITEMS LESS THAN $2.0M (WATER EQ)		8,191		8,191		8,191				8,191
157	COMBAT SUPPORT MEDICAL		19,204		19,204		19,204				19,204
158	MEDICAL SUPPORT EQUIPMENT		84,893		84,893		84,893				84,893
159	TOOL OUTFIT HYDRAULIC REPAIR 3/4 TRL MTD	28	1,700	28	1,700	28	1,700			28	1,700
160	WELDING SHOP, TRAILER MTD										
161	ITEMS LESS THAN $2.0M (MAINT EQ)		9,247		9,247		9,247				9,247
162	COMPACTOR HI-SPEED TAMP SELF PROP (CCE)										
163	CRUSHING/SCREENING PLANT, 150 TPH										
164	MOD IN-SVC EQ (CONST EQUIP)										
165	ITEMS LESS THAN $2.0M (CONST EQUIP)		6,040		6,040		6,040				6,040
166	TUG INLAND AND COASTAL WATERWAYS										
167	CAUSEWAY SYSTEMS		5,021		5,021		5,021				5,021
168	MOD IN-SVC EQ (FLOAT/RAIL)										
169	ITEMS LESS THAN $2.0M (FLOAT/RAIL)		3,152		3,152		3,152				3,152
170	GENERATORS AND ASSOCIATED EQUIP		73,804		73,804		45,804		-28,000		45,804
171	FRONT/SIDE LOADER FORKLIFT, CBD, PT, 6K	4	1,000	4	1,000	4	1,000			4	1,000
172	TRUCK, FORK LIFT, DE, PT, RT, 6000 LB										
173	TRUCK, FORK LIFT, DE, PT, RT, 4000 LB										
174	ITEMS LESS THAN $2.0M (MHE)		6,816		6,816		6,816				6,816
175	COMBAT TRAINING CENTERS SUPPORT		12,265		12,265		12,265				12,265

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
176	PREPOSITIONED NTC EQUIP										
177	TRAINING DEVICES, NONSYSTEM		104,926		74,926		84,926		-20,000		84,926
177a	TRAINING DEVICES, NONSYSTEM PY FUNDS						-10,000				
178	SIMNET/CLOSE COMBAT TACTICAL TRAINER										
179	SYSTEM FIELDING SUPPORT (OPA-3)		29,185		29,185		29,185				29,185
180	FIRST DESTINATION TRANS (OPA-3)										
181	SPARES AND REPAIR PARTS-OPA 3										
182	BASE LEVEL COM'L EQUIPMENT		30,457		30,457		30,457				30,457
183	PROD ENHANCING CAPITAL INVEST PROG		6,728		6,728		6,728				6,728
184	QUICK RETURN ON INVESTMENT PROGRAM		3,813		3,813		3,813				3,813
185	PRODUCTION BASE SUPPORT (OTH)		1,000		1,000		1,000				1,000
186	COMBINED DEFENSE IMPROVEMENT PROJECT (CD		1,500		1,500		1,500				1,500
187	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)		19,541		19,541		19,541				19,541
188	OSD PRODUCTIVITY INVESTMENT FUNDING		13,432		13,432		13,432				13,432
189	INDUSTRIAL MODERNIZATION INCENTIVE PROG		11,200		11,200		11,200				11,200
190	SPECIAL EQUIPMENT FOR USER TESTING		16,592		16,592		16,592				16,592
191	HOST NATION SUPPORT - EUROPE										
192	INSTALLATION OF MODERNIZATION EQUIPMENT										
193	AREA ORIENTED DEPOT UPGRADE										
194	IND/DEPOT MAINT EQUIP										
195	TRACTOR ACE		2,800		2,800		2,800				2,800
	DBOF DENY MILCON CAPITAL BUDGET						-1,100		-1,100		-1,100
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DBOF TECHNICAL CORRECTION						62,900		62,900		62,900
	DBOF ADJUSTMENT				177,400						
	ARMY SHELTER FAMILY						15,000				
	TOTAL PACKAGE FIELDING										
	CLASSIFIED PROGRAM										
	TOTAL OTHER PROCUREMENT ARMY		3,163,800		3,386,200		3,014,643		-81,999		3,081,801

Heavy equipment transporter system

The amended budget request included $182.9 million for completion of the heavy equipment transporter system (HETS) program.

The House bill would authorize the requested amount.

The Senate amendment, while supporting the HETS requirement, recommended no funds be authorized in fiscal year 1992; instead, it authorized $182.9 million in the Defense Cooperation Account for the purchase of HETS.

The Senate recedes. The conferees recommend an authorization of $161.4 million. In light of the fact that the Army may have underestimated its HETS requirements and that an option exists on the current multiyear contract to procure additional HETS, the conferees strongly agree that the Army submit the results of a HETS requirements reevaluation with its fiscal year 1993 amended budget submission.

Family of medium tactical vehicles

The amended budget request included $161.0 million to procure 1,815 trucks under the Army's medium family of tactical vehicles (FMTV) program.

The House bill would authorize the requested amount.

The Senate amendment would increase the requested amount for a total of $246.0 million to buy 2,900 FMTV trucks.

The conferees do not recommend additional funding in fiscal year 1992 since it is unclear that additional funds could be used effectively within the first year of low-rate production. The conferees are aware that the Army may decide to buy either the M939 5-ton truck or the FMTV truck with funds in the supplemental authorization for Operation Desert Storm. Therefore, the conferees recommend $130.0 million for fiscal year 1992 for the FMTV program and $41.8 million in the Desert Storm supplemental account for medium trucks.

Reports from Operation Desert Shield/Desert Storm indicate a compelling need to modernize the medium truck fleet. The performance of the heavy expanded mobility tactical truck (HEMTT) in the heavy truck fleet and the high mobility multipurpose wheeled vehicle (HMMWV) in the light truck fleet reflects the importance of modernization of tactical trucks.

The conferees strongly support the FMTV program, consider the FMTV an essential modernization effort and direct the Army to ensure the program is adequately funded in future years.

The conferees also believe that the Marine Corps has requirements which can best be met by the FMTV and urge the Marine Corps to participate in the procurement program as soon as possible.

Automatic data processing equipment

The amended budget request contained $75.3 million for several automatic data processing (ADP) programs, including funds for the sustaining base information systems (SBIS) program.

The House bill would authorize the budget request.

The Senate amendment would add $40.0 million to accelerate the SBIS program.

The conferees support the SBIS program and approve the realignment of $40.0 million in order to accelerate it. Because of reductions in other programs in the ADP equipment funding line, the conferees recommend a total authorization of $89.6 million for ADP equipment, which includes $40.0 million for SBIS.

Training devices non-system

The amended budget request included $104.9 million for non-system training devices for the Army.

The House bill would reduce the request by $30.0 million because of savings available in the tank weapons gunnery simulation system/precision gunnery system (TWGSS/PGS).

The Senate amendment would reduce the TWGSS/PGS program by $25.0 million, cutting $10.0 million identified as prior year savings and $15.0 million requested for fiscal year 1992. The Senate amendment would also eliminate $5.0 million of the funds identified for GUARDFIST I program within this program element.

The conferees recommend an authorization of $84.9 million in fiscal year 1992, a reduction of $20.0 million reflecting savings in both the TWGSS/PGS and GUARDFIST I programs.

Mobile shelters

The Senate amendment would establish a new "Army Shelter Family" procurement line and authorize $15.0 million for that purpose. The Senate undertook this action in order to better identify long term requirements for mobile shelters, to ensure stable funding, and to facilitate procurement planning by suppliers of mobile shelters.

The House bill contained no similar direction.

The Senate recedes.

The conferees understand that funding for Army shelters currently contained in separate program elements is sufficient to execute programs scheduled for shelters at this time. Nonetheless, the conferees fully support the intent of the Senate amendment to make more explicit the Army's requirements for shelters. The conferees direct the Army to establish a separate P-1 program element for shelters and budget accordingly in the future.

AIRCRAFT PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $7,114.8 million for Aircraft Procurement, Navy. The House bill would authorize $7,509.5 million. The Senate amendment would authorize $7,080.8 million. The conferees recommend authorization of $7,089.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	AIRCRAFT PROCUREMENT, NAVY										
1	A-12/AX										
2	A-12/AX ADV PROCUREMENT (CY)										
3	EA-6B/REMFG (ELECTRONIC WARFARE) PROWLER		98,434		93,434		98,434		-5,000		93,434
4	EA-6B ADVANCE PROCUREMENT (CY)		17,000		17,000		17,000				17,000
5	AV-8B (V/STOL)HARRIER PY SAVINGS								-40,000		-40,000
6	AV-8B ADVANCE PROCUREMENT (CY)										
7	F-14A/D/REMFG (FIGHTER) TOMCAT		173,000	19	453,730		173,000				173,000
8	F-14 ADVANCE PROCUREMENT (CY)				50,000						
9	F/A-18 (FIGHTER) HORNET	48	1,986,666	48	1,986,666	48	1,986,666			48	1,986,666
10	F/A-18 ADVANCE PROCUREMENT (CY)		149,484		149,484		149,484				149,484
10a	CH-46E										
10b	CH-46E ADVANCE PROCUREMENT										
11	CH/MH-53E (HELICOPTER) SUPER STALLION	20	454,700	20	454,700	16	339,700			20	454,700
12	CH-53 ADVANCE PROCUREMENT (CY)		54,128		54,128		40,128				54,128
13	V-22 (TILT/ROTOR ACFT) OSPREY										
14	V-22 ADVANCE PROCUREMENT (CY)										
15	AH-1W (HELICOPTER) SEA COBRA	12	128,661	12	128,661	12	128,661			12	128,661
16	SH-60B (ASW HELICOPTER) SEAHAWK	12	205,485	12	205,485	12	205,485			12	205,485
17	SH-60B ADVANCE PROCUREMENT (CY)		38,476		38,476		38,476				38,476
18	SH-60F CV (ASW HELICOPTER)	12	202,301	12	202,301	12	202,301			12	202,301
19	SH-60F ADVANCE PROCUREMENT (CY)		48,216		48,216		48,216				48,216
20	P-7A (PATROL) LRAACA										
21	E-2C (EARLY WARNING) HAWKEYE	6	500,908	6	470,908	6	500,908		-30,000	6	470,908
22	E-2C ADVANCE PROCUREMENT (CY)		39,001		39,001		39,001				39,001
23	T-44A										
24	T-45TS (TRAINER) GOSHAWK	12	322,467	12	362,467	12	322,467		40,000	12	362,467
25	T-45 ADVANCE PROCUREMENT (CY)		21,026		21,026		21,026				21,026
26	HH-60H (HELICOPTER)	9	165,559	9	165,559	9	165,559			9	165,559
27	HH-60H ADVANCE PROCUREMENT (CY)										

P-1		Amended FY1992 Request		--- House FY1992 Authorization	-------	Senate FY1992 Authorization	------	---Conference--- Change to Request		-- Conference FY92 -- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	MODIFICATION OF AIRCRAFT										
28	A-3 SERIES										
29	A-4 SERIES		4,353		4,353		4,353				4,353
30	A-6 SERIES		5,485		5,485		5,485				5,485
31	EA-6 SERIES		71,654		71,654		71,654				71,654
32	A-7 SERIES										
33	AV-8 SERIES		19,791		19,791		19,791				19,791
33a	AV-8B REMANUFACTURE						65,000				
34	F-4 SERIES										
35	F-14 SERIES		53,562		53,562		53,562				53,562
36	ADVERSARY		3,874		3,874		3,874				3,874
37	ES-3 SERIES		5,562		5,562		5,562				5,562
38	OV-10 SERIES		4,176		4,176		4,176				4,176
39	F-18 SERIES		28,431		28,431		28,431				28,431
40	H-46 SERIES		68,064		68,064		68,064				68,064
41	H-53 SERIES		50,216		50,216		50,216				50,216
42	SH-60 SERIES		29,007		29,007		29,007				29,007
43	VH-60 SERIES		45		45		45				45
44	H-1 SERIES		118,201		118,201		118,201				118,201
45	H-2 SERIES		108,202		112,202		113,202				108,202
46	H-3 SERIES		39,513		39,513		39,513				39,513
47	EP-3 SERIES		18,486		18,486		33,486		15,000		33,486
48	P-3 SERIES		14,868		14,868		14,868				14,868
49	S-3 SERIES		77,071		132,071		77,071				77,071
50	E-2 SERIES		57,398		57,398		57,398				57,398
51	TRAINER A/C SERIES		10,645		10,645		10,645				10,645
52	C-130 SERIES		16,834		16,834		16,834				16,834
53	FEWSG		17,230		17,230		17,230				17,230
54	CARGO/TRANSPORT A/C SERIES		1,753		1,753		1,753				1,753
55	E-6 SERIES		19,523		19,523		57,823		38,300		57,823
56	VARIOUS		100		100		100				100
57	POWER PLANT CHANGES		27,434		27,434		27,434				27,434
58	MISC FLIGHT SAFETY CHANGES		162		162		162				162
59	COMMON ECM EQUIPMENT		101,414		101,414		116,414				101,414
60	COMMON AVIONICS CHANGES		12,428		12,428		12,428				12,428

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
61	INSTALLATION OF MODERNIZATION EQUIPMENT										
62	APN SPARES AND REPAIR PARTS		950,962		950,962		950,962				950,962
63	COMMON GROUND EQUIPMENT		440,245		440,245		440,245				440,245
63a	COMMON GROUND EQUIPMENT PY SAVINGS						-38,000		-38,000		-38,000
64	AIRCRAFT INDUSTRIAL FACILITIES		37,207		37,207		37,207				37,207
65	WAR CONSUMABLES		15,472		15,472		15,472				15,472
66	OTHER PRODUCTION CHARGES		35,891		35,891		35,891				35,891
67	SPECIAL SUPPORT EQUIPMENT		37,929		37,929		37,929				37,929
68	FIRST DESTINATION TRANSPORTATION		6,100		6,100		6,100				6,100
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DBOF DENY MILCON CAPITAL BUDGET						-5,300		-5,300		-5,300
	BUDGET AMENDMENT CORRECTION										
	TOTAL AIRCRAFT PROCUREMENT, NAVY		7,114,800		7,509,530		7,080,800		-25,000		7,089,800

F–14 remanufacturing program

The amended budget request included $173.0 million to terminate further work on the F–14 aircraft and to move fleet support to existing Navy industrial facilities.

The House bill would authorize $679.7 million, of which $226.0 million was appropriated in previous years and $453.7 million was new budget authority in fiscal year 1993. The House bill would also authorize $50.0 million of advance procurement to continue the remanufacture program in fiscal year 1993. The House bill stipulated that the remanufacture program should convert F–14A+ models into the D configuration. The House bill also recommended $50.0 million in research and development for the so-called "quickstrike" conversion that would modify the F–14 so that it can accomplish attack missions.

The Senate amendment would authorize the requested amount.

The conferees recommend the requested amount.

CH/MH–53E Super Stallion aircraft

The amended budget request included $454.7 million for 20 aircraft in the CH/MH–53E program. In addition, $54.1 million was requested for advance procurement for fiscal year 1993. The Defense Department has indicated that 16 of these helicopters would be CH–53E aircraft to be used for filling the Marine Corps requirement for heavy lift. The remaining four helicopters would be MH–53E mine countermeasures helicopters.

The House bill would authorize the requested amounts.

The Senate amendment would authorize 16 CH–53E aircraft in the Aircraft Procurement, Navy account and four MH–53E mine warfare helicopters in the National Guard and Reserve Procurement account.

The Senate recedes.

The conferees are particularly concerned with the Navy's delay in awarding the fiscal year 1991 contract for MH–53E helicopters for the Navy Reserve. Because the Navy had decided that its plan to retire the Reserve helicopter mine countermeasures squadrons prevented it from obligating these funds, various contract options have expired. Unfortunately, the Navy has continued this delay, even after receiving clear guidance from all four congressional defense committees. The conferees have been informed that up to four of the 12 helicopters approved in fiscal year 1991 have been lost to cost growth because of this delay. The conferees, therefore, direct the Secretary of the Navy to use as many of the four MH–53 aircraft from the fiscal year 1992 procurement as are necessary to restore a total of 12 aircraft to complete the modernization of the Reserve helicopter mine countermeasures squadrons.

T–45A training system procurement

The amended budget request contained $322.5 million for procurement of 12 T–45 training aircraft in fiscal year 1992 and $21.0 million for advance procurement of 12 additional aircraft in fiscal year 1993.

The House bill would authorize an additional $40.0 million to accelerate the incorporation of the "cockpit 21" digital avionics design into not later than aircraft number 61.

The Senate amendment provided no additional funding for "cockpit 21", but would encourage digital cockpit upgrades not later than fiscal year 1994.

The conferees understand that the Navy now plans to outfit or retrofit 100 percent of the T–45 fleet with the digital cockpit. Additionally, the conferees have learned that the Defense Acquisition Board has directed the Navy to examine the competitive acquisition of an alternative engine to address engine-related cost and performance concerns for the T–45.

The conferees agree to recommend an additional $40.0 million for the T–45 program. In order to minimize retrofit costs, the conferees direct that of the $40.0 million provided over the budget request, $25.0 million be utilized to initiate the "cockpit 21" digital upgrade program during fiscal year 1992, and $15.0 million be applied to qualify an alternative engine leading to competition.

The conferees direct production incorporation of the engine selected through competition and the digital cockpit not later than aircraft number 97.

EP–3 series

The amended budget request included $18.5 million for EP–3 procurement.

The House bill would authorize the requested amount.

The Senate amendment would authorize an additional $15.0 million to install an integrated tactical data relay capability to improve support to tactical combat forces.

The House recedes.

E–6 TACAMO procurement

The amended budget request contained $19.5 million for E–6 Take Charge and Move Out (TACAMO) strategic communications relay aircraft.

The House bill would authorize the requested amount.

The Senate amendment would authorize an additional $38.3 million for the TACAMO program to procure Milstar terminals for the E–6. The Senate amendment would direct that the E–6 assume the mission of strategic communications relay now performed by a large fleet of obsolescent C–135 aircraft, and that a maximum number of these EC–135s be retired consistent with the consolidation of the strategic communications mission.

The conferees are aware of the recent study conducted by DoD on the consolidation of the communications mission currently performed by EC–135 and E–6 TACAMO aircraft. The conferees encourage and support this kind of effort.

The conferees believe that the E–6 TACAMO aircraft will provide a suitable platform for the assumption of the communications relay mission for survivable command and control of strategic and theater nuclear forces. Assumption of an expanded communications mission justifies retaining the planned fleet of 16 E–6 aircraft. With the TACAMO's high-power transmitter, and using the Milstar satellite system, a minimum of 28 of the 39 EC–135 command post and relay aircraft that support the nuclear commanders-in-chief could be replaced by three-to-five E–6s, thus eliminating the need to modernize these aircraft. The conferees further believe that the plan to consolidate basing of the E–6 at Tinker Air Force Base should proceed as currently scheduled.

Accoringly, the conferees direct the Secretary of Defense to take those actions required to support the expanded mission of the E–6 TACAMO, and the concomitant retirement of EC–135s. The conferees further direct the Department of Defense to ensure that planned upgrades for the remaining EC–135 aircraft are completed, including Milstar terminals, and that E–6 manning levels and aircraft support are adequate to support continuous airborne operations for 30 days. Finally, the conferees direct that the consolidation of the E–6 TACAMO fleet at Tinker Air Force Base continue as planned.

The conferees recommend $57.8 million for E–6 procurement, an increase of $38.3 million over the amended budget request of $19.5 million. The addition of $38.3 million shall be used to procure Milstar terminals for the E–6 aircraft.

WEAPONS PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $4,581.3 million for Weapons Procurement, Navy. The House bill would authorize $4,776.6 million. The Senate amendment would authorize $4,834.7 million. The conferees recommend authorization of $4,720.9 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request		House FY1992 Authorization		Senate FY1992 Authorization		Conference Change to Request		Conference FY92 Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	WEAPONS PROCUREMENT, NAVY										
	BALLISTIC MISSILES										
1	TRIDENT I		6,805		6,805		6,805				6,805
2	TRIDENT II	28	977,353	28	977,353	49	1,207,053	21	140,450	49	1,117,803
3	TRIDENT II ADVANCE PROCUREMENT (CY)		218,000		218,000		218,000				218,000
4	MISSILE INDUSTRIAL FACILITIES		2,008		2,008		2,008				2,008
	OTHER MISSILES										
5	TOMAHAWK	236	454,123	236	454,123	236	454,123			236	454,123
6	AMRAAM	191	205,681	191	205,681	191	205,681			191	205,681
7	PHOENIX										
8	HARPOON/SLAM		37,803	200	212,803		37,803				37,803
9	HARM	749	210,691	749	210,691	749	210,691			749	210,691
10	STANDARD MISSILES	525	415,254	525	415,254	525	415,254			525	415,254
11	RAM										
12	HELLFIRE										
13	PENGUIN	42	44,445	42	44,445	42	44,445			42	44,445
14	PENGUIN ADVANCE PROCUREMENT (CY)										
15	MAVERICK MISSILES										
16	TOW IIA										
17	AERIAL TARGETS		172,828		172,828		172,828				172,828
18	DRONES AND DECOYS				10,000				10,000		10,000
19	OTHER MISSILE SUPPORT		28,096		28,096		28,096				28,096
20	TOMAHAWK MODS		44,842		44,842		44,842				44,842
21	SPARROW MODS		53,258		53,258		30,258		-23,000		30,258
22	SIDEWINDER MODS		48,313		48,313		48,313				48,313
23	PHOENIX MODS		12,166		12,166		12,166				12,166
24	HARPOON MODS		37,401		37,401		37,401				37,401
25	STANDARD MISSILES MODS		26,445		26,445		26,445				26,445
26	INSTALLATION OF MODERNIZATION EQUIPMENT										
27	WEAPONS INDUSTRIAL FACILITIES		31,575		31,575		44,775		13,200		44,775
28	FLEET SATELLITE COMMUNICATIONS (MYP)	3	283,079	3	283,079	3	283,079			3	283,079
29	FLTSATCOM ADVANCE PROC (CY)										
30	ARCTIC SATELLITE COMMUNICATIONS		3,728		3,728		3,728				3,728
31	ORDNANCE SUPPORT EQUIPMENT		112,614		92,879		112,614		-19,735		92,879

P-1		Amended FY1992 Request		--- House FY1992 Authorization		Senate FY1992 Authorization		-------Conference-- Change to Request		-- Conference FY92 -- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
TORPEDOES AND RELATED EQUIPMENT											
32	MK-48 ADCAP TORPEDO (MYP)	108	220,833	108	220,833	108	220,833			108	220,833
33	MK-48 ADVANCE PROCUREMENT (CY)		74,490		74,490		74,490				74,490
34	SEA LANCE										
35	MK-50 ALWT	246	261,663	246	261,663	246	261,663			246	261,663
36	ASW TARGETS		18,371		18,371		18,371				18,371
37	ASROC		2,877		2,877		2,877				2,877
38	VERTICAL LAUNCHED ASROC (VLA)		3,256		3,256		3,256				3,256
39	MK-46 TORPEDO MODS		9,873		9,873		9,873				9,873
40	QUICKSTRIKE MINE		11,366		11,366		11,366				11,366
41	MK-60 CAPTOR MODS		1,326		1,326		1,326				1,326
42	SWIMMER WEAPONS SYSTEM-(SOF)										
43	TORPEDO SUPPORT EQUIPMENT		48,453		48,453		48,453				48,453
44	ASW RANGE SUPPORT		27,989		27,989		27,989				27,989
45	FIRST DESTINATION TRANSPORTATION		8,959		8,959		8,959				8,959
OTHER WEAPONS											
46	MK-15 PHALANX CIWS		506		506		506				506
47	MK-75 76MM GUN MOUNT										
48	MK-19 40MM MACHINE GUN	568	11,095	568	11,095	568	11,095			568	11,095
49	MK-38 25MM GUN MOUNT	55	10,009	55	10,009	55	10,009			55	10,009
50	SMALL ARMS AND WEAPONS		24,058		24,058		24,058				24,058
51	SMALL ARMS AND WEAPONS-(SOF)										
52	CIWS MODS		56,969		86,969		56,969				56,969
53	5/54 GUN MOUNT MODS		17,351		17,351		17,351				17,351
54	3/50 GUN MOUNT MODS										
55	MK-75 76MM GUN MOUNT MODS		7,653		7,653		7,653				7,653
56	MODS UNDER $2 MILLION		2,482		2,482		2,482				2,482
57	GUN SUPPORT EQUIPMENT										

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	OTHER ORDNANCE										
58	GENERAL PURPOSE BOMBS		42,162		42,162		42,162				42,162
59	2.75 INCH ROCKETS		10,699		10,699		10,699				10,699
60	MACHINE GUN AMMUNITION		8,196		8,196		31,696		23,500		31,696
61	PRACTICE BOMBS		15,888		15,888		15,888		-2,788		13,100
62	GATOR		9,567		9,567		9,567		-9,567		
63	3 INCH/50 GUN AMMUNITION										
64	5 INCH/38 GUN AMMUNITION										
65	5 INCH/54 GUN AMMUNITION		49,407		49,407		49,407				49,407
66	CIWS AMMUNITION		12,023		12,023		22,023		10,000		22,023
67	76MM GUN AMMUNITION		8,941		8,941		8,941				8,941
68	OTHER SHIP GUN AMMUNITION		34,906		34,906		34,906		-2,500		32,406
69	SMALL ARMS & LANDING PARTY AMMUNITION		13,492		13,492		13,492				13,492
70	PYROTECHNIC AND DEMOLITION		14,653		14,653		14,653				14,653
	DBOF-DIRECT FUNDING DCAA/DCMC										
	SPARES AND REPAIR PARTS										
71	WPN SPARES AND REPAIR PARTS		115,279		115,279		115,279				115,279
	CLASSIFIED PROGRAM										
	TOTAL WEAPONS PROCUREMENT, NAVY		4,581,300		4,776,565		4,834,700		139,560		4,720,860

Tomahawk missiles

The amended budget request included $454.1 million for procuring 236 new Tomahawk missiles and remanufacturing other older Tomahawk missiles, for a total workload of roughly 400 missiles. This is the minimum number necessary to keep production underway. Of the 236 new missiles, the Navy had intended to produce 60 nuclear, land-attack variants of the missile (TLAM-N). The Future Years Defense Program also included more TLAM-N missiles.

The President's recent decision to withdraw TLAM-N missiles from the fleet has caused the Navy to revise its plans. The conferees now understand that the Navy will not produce any more TLAM-N missiles.

The conferees recommend $454.1 million for Tomahawk missiles, but direct the Navy to build only non-nuclear variants of the missile.

Standoff land attack missile (SLAM)

The amended budget request included $37.8 million for the Harpoon missile program, which includes the standoff land attack missile (SLAM) variant.

The House bill would add $175.0 million to procure 200 additional SLAM missiles for a total authorization of $212.8 million.

The Senate amendment would approve the requested amount.

The conferees recommend the requested amount.

SHIPBUILDING AND CONVERSION, NAVY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $8,493.2 million for Shipbuilding and Conversion, Navy. The House bill would authorize $8,499.2 million. The Senate amendment would authorize $7,726.4 million. The conferees recommend authorization of $8,365.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	SHIPBUILDING AND CONVERSION, NAVY										
1	TRIDENT (FIRE SAFETY IMPROVEMENT)				6,000						
3	CARRIER REPLACEMENT PROGRAM										
4	SSN-688 CLASS SUBMARINE (NUCLEAR)										
5	SSN-21	1	1,527,725	1	1,527,725	1	1,427,725		-100,000	1	1,427,725
6	SSN-21 ADVANCE PROCUREMENT (CY)		375,500		375,500		375,500				375,500
7	CV SLEP										
8	ENTERPRISE REFUELING/MODERNIZATION										
9	DDG-51	5	4,165,105	5	4,165,105	5	4,110,105		-55,000	5	4,110,105
10	DDG-51 ADVANCE PROCUREMENT (CY)		16,200		16,200		16,200				16,200
11	LHD-1 AMPHIBIOUS ASSAULT SHIP (MYP)										
12	LHD-1 ADVANCE PROCUREMENT (CY)										
13	LSD-41 (CARGO VARIANT)	1	245,134	1	245,134	1	245,134			1	245,134
14	MCM MINE COUNTERMEASURES SHIP										
15	MHC MINE HUNTER COASTAL	2	231,096	2	231,096	3	361,096	1	130,000	3	361,096
16	AO (JUMBO)										
17	TAGOS SURTASS SHIPS										
18	AOE	1	540,110	1	540,110	1	540,110		-40,110	1	500,000
19	OCEANOGRAPHIC SHIPS	2	129,818	2	129,818	2	129,818			2	129,818
20	MOORED TRAINING SHIP										
21	SEALIFT						1,364,100				
22	SERVICE CRAFT		15,468		15,468		15,468				15,468
23	LANDING CRAFT										
24	LCAC LANDING CRAFT	12	265,902	12	265,902	12	265,902			12	265,902
25	LCAC ADVANCE PROCUREMENT (CY)										
26	PATROL BOATS (SOF)										
27	OUTFITTING		275,150		275,150		275,150				275,150
28	POST DELIVERY		175,153		175,153		175,153				175,153
29	INFLATION FOR PRIOR YEARS PROGRAMS		524,900		524,900		100,000		-61,300		463,600
30	USCG ICEBREAKERS										
31	USCG PATROL BOATS										
32	FIRST DESTINATION TRANSPORTATION		5,939		5,939		5,939				5,939
33	SHIP SPECIAL SUPPORT EQUIPMENT										
	PRIOR YEAR SHIPBUILDING FUNDS						-1,680,000				
	DBOF DENY MILCON CAPITAL BUDGET						-1,000		-1,000		-1,000
	TOTAL SHIPBUILDING AND CONVERSION, NAVY		8,493,200		8,499,200		7,726,400		-127,410		8,365,790

Ship escalation funding

The amended budget request included $524.9 million to pay for changes in economic factors beyond the management control of the Navy.

The House bill would authorize the requested amount.

The Senate amendment would authorize only $100.0 million for this purpose. This adjustment was based on information provided in Selected Acquisition Reports (SARs) and on improvements in economic indicators used in the original budget estimate.

The conferees recommend $463.6 million for ship escalation funding, as shown in the following table:

PRIOR YEAR SHIPBUILDING ESCALATION ALLOCATIONS

[Dollars in millions]

Program	1985	1986	1987	1988	1989	1990	1991	Total
SSBN–726	.8	7.2	5.0	4.0	17.8	49.4	22.5	106.6
CVN–68	....	....	....	130.0	....	....	....	130.0
SSN–688	14.9	49.9	31.7	16.9	28.3	....	....	141.6
SSN–21	....	....	....	....	20.0	....	2.9	22.9
DDG–51	....	....	.7	40.6	13.1	....	....	54.4
MHC–51	....	....	....	....	.1	....	....	.1
TAGOS	....	....	....	....	1.0	.2	....	1.1
AOE–6	....	....	(1)	....	.6	1.1	....	1.7
WAGB	....	....	....	....	....	5.1	....	5.1
Total	15.7	57.1	37.5	191.4	80.8	55.7	25.4	463.6

Note: Totals may not add due to rounding.

[1] Less than $50,000

The conferees have been informed that various fact-of-life changes and a new ship cost adjustment (SCA) report indicate that $463.6 million is needed to satisfy the total prior year escalation funding requirement. The conferees encourage the Secretary of the Navy and the Secretary of Defense to suggest possible changes in SAR reporting mechanisms that would better portray the effects of changing economic factors and separate them from other changes in program scope or content.

The conferees do not intend that these funds be used as a revolving fund for balancing the books on various shipbuilding programs, regardless of how these funds were originally justified. Therefore, the conferees direct the Secretary of the Navy to report any proposed changes in the allocation of these funds to the congressional defense committees before any realignments are made.

The conferees also encourage the Navy to complete the SCA process so that the results are available to the congressional defense committees by June 1 of each year.

OTHER PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $6,471.2 million for Other Procurement, Navy. The House bill would authorize $6,612.5 million. The Senate amendment would authorize $6,373.4 million. The conferees recommend authorization of $6,492.4 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	OTHER PROCUREMENT, NAVY										
	SHIPS SUPPORT EQUIPMENT										
1	LM-2500 GAS TURBINE		12,735		12,735		12,735				12,735
2	ALLISON 501K GAS TURBINE	1	4,437	1	4,437	1	4,437			1	4,437
3	STEAM PROPULSION IMPROVEMENT		4,110		4,110		4,110				4,110
4	OTHER PROPULSION EQUIPMENT		10,440		10,440		10,440				10,440
5	OTHER GENERATORS		33,676		33,676		33,676				33,676
6	OTHER PUMPS		6,804		6,804		6,804				6,804
7	HIGH PRESSURE AIR COMPRESSORS		185		185		185				185
8	SUBMARINE PROPELLERS	17	10,770	17	10,770	17	10,770			17	10,770
9	OTHER PROPELLERS AND SHAFTS		2,036		2,036		2,036				2,036
10	ELEC SUSPENDED GYRO NAVIGATOR		2,122		2,122		2,122				2,122
11	OTHER NAVIGATION EQUIPMENT		10,687		10,687		10,687				10,687
12	UNDERWAY REPLENISHMENT EQUIPMENT		36,315		36,315		36,315				36,315
13	TYPE 18 PERISCOPES		11,382		11,382		11,382				11,382
14	PERISCOPES AND ACCESSORIES		1,048		1,048		1,048				1,048
15	FIREFIGHTING EQUIPMENT		29,904		29,904		29,904				29,904
16	COMMAND AND CONTROL SWITCHBOARD		4,160		4,160		4,160				4,160
17	POLLUTION CONTROL EQUIPMENT		29,964		29,964		29,964				29,964
18	SUBMARINE SILENCING EQUIPMENT		18,438		18,438		18,438				18,438
19	SURFACE SHIP SILENCING EQUIPMENT		6,390		6,390		6,390				6,390
20	SUBMARINE BATTERIES	30	13,804	30	13,804	30	13,804			30	13,804
21	STRATEGIC PLATFORM SUPPORT EQUIPMENT		38,078		38,078		38,078				38,078
22	SWS SHIPBOARD SUPPORT EQUIPMENT										
23	DSSP EQUIPMENT		4,842		4,842		4,842				4,842
24	SEALIFT SUPPORT EQUIPMENT										
25	AIR CONDITIONERS										
26	MINESWEEPING EQUIPMENT		3,039		3,039		3,039				3,039
27	HM&E ITEMS UNDER $2 MILLION		40,402		40,402		40,402				40,402
28	SURFACE IMA		8,091		8,091		8,091				8,091
29	DEGAUSSING EQUIPMENT		5,869		5,869		5,869				5,869
30	RADIOLOGICAL CONTROLS		333		333		333				333
31	MINI/MICROMINI ELECTRONIC REPAIR		707		707		707				707
32	CHEMICAL WARFARE DETECTORS	664	5,902	664	5,902	664	5,902			664	5,902

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33	SUBMARINE LIFE SUPPORT SYSTEM	4	10,810	4	10,810	4	10,810			4	10,810
34	MOLDED CASE CIRCUIT BREAKERS										
35	REACTOR POWER UNITS	1	98,170	1	98,170	1	98,170			1	98,170
36	REACTOR COMPONENTS		249,341		249,341		249,341				249,341
37	DIVING AND SALVAGE EQUIPMENT		6,543		6,543		6,543				6,543
38	NAVAL SPECIAL WARFARE EQUIPMENT		3,371		3,371		3,371				3,371
39	NAVAL SPECIAL WARFARE EQUIPMENT-(SOF)										
40	STANDARD BOATS	326	19,940	326	19,940	326	19,940			326	19,940
41	OTHER SHIPS TRAINING EQUIPMENT		7,929		7,929		7,929				7,929
42	PRODUCTION SUPPORT FACILITIES		8,588		8,588		8,588				8,588
43	OPERATING FORCES IPE		15,120		15,120		15,120				15,120
44	INSTALLATION OF MODERNIZATION EQUIPMENT										
45	INSTALLATION OF PRIOR YEAR EQUIPMENT										
46	NUCLEAR ALTERATIONS		189,086		189,086		189,086				189,086
	DBOF DENY MILCON CAPITAL BUDGET						-38,700		-38,700		-38,700
47	MODERNIZATION SUPPORT		786,159		786,159		786,159				786,159
COMMUNICATIONS AND ELECTRONICS EQUIPMENT											
48	AN/SPS-40		21,831		70,331		21,831				21,831
49	AN/SPS-48		20,354		20,354		20,354				20,354
50	AN/SPS-49		3,192		3,192		21,892				3,192
51	AN/SYS-()		8,129		8,129		8,129				8,129
52	MK-23 TARGET ACQUISITION SYSTEM	2	21,101	2	21,101	2	21,101			2	21,101
53	RADAR SUPPORT		10,057		10,057		10,057				10,057
54	SURFACE SONAR SUPPORT EQUIPMENT		21,948		21,948		21,948				21,948
55	AN/SQQ-89 SURF ASW COMBAT SYSTEM		315,276		315,276		315,276				315,276
56	AN/BQQ-5		165,848		165,848		165,848				165,848
57	SURFACE SONAR WINDOWS AND DOME		12,246		12,246		12,246				12,246
58	SONAR SUPPORT EQUIPMENT		15,711		15,711		15,711				15,711
59	SONAR SWITCHES AND TRANSDUCERS		29,744		29,744		29,744				29,744
60	FBM SYSTEM SONARS		2,192		2,192		2,192				2,192
61	SUBMARINE ACOUSTIC WARFARE SYSTEM		19,350		19,350		19,350				19,350
62	SSTD		27,882		27,882		27,882				27,882
63	ACOUSTIC COMMUNICATIONS		195		195		195				195
64	SUBMARINE ADVANCED COMBAT SYSTEM		192,328		192,328		192,328				192,328
65	SOSUS		78,153		78,153		78,153				78,153

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66	FDS		4,000		4,000		4,000				4,000
67	LAMPS MK I ASW SUPPORT										
68	AN/SQR-18 TOWED ARRAY SONAR				5,000				5,000		5,000
69	AN/SQR-15 TOWED ARRAY SONAR										
70	SURTASS		31,051		31,051		31,051				31,051
71	ASW OPERATIONS CENTER		30,752		30,752		30,752				30,752
72	CARRIER ASW MODULE		9,943		9,943		9,943				9,943
73	AN/SLQ-32		116,385		134,385		116,385				116,385
74	AN/SSQ-95										
75	AN/WLR-1		3,356		3,356		3,356				3,356
76	AN/WLR-8		8,092		8,092		8,092				8,092
77	ICAD SYSTEMS		5,875		5,875		5,875				5,875
78	EW SUPPORT EQUIPMENT		9,943		9,943		9,943				9,943
79	C-3 COUNTERMEASURES		21,398		36,398		21,398		15,000		36,398
80	COMBAT CRYPTOLOGIC SUPPORT CONSOLE										
81	COMBAT DF	1	10,091	1	10,091	1	10,091			1	10,091
82	OUTBOARD		5,620		5,620		5,620				5,620
83	NAVAL INTELL PROCESSING SYSTEM		18,324		18,324		18,324				18,324
84	AN/WLQ-4 DEPOT		2,196		2,196		2,196				2,196
85	AN/WLQ-4 IMPROVEMENTS		10,446		10,446		10,446				10,446
86	AN/BLD-1 (INTERFEROMETER)		4,929		4,929		4,929				4,929
87	SUBMARINE SUPPORT EQUIPMENT PROGRAM		4,662		4,662		4,662				4,662
88	NAVY TACTICAL DATA SYSTEM		56,718		56,718		56,718				56,718
89	TACTICAL FLAG COMMAND CENTER		31,613		31,613		31,613				31,613
90	LINK 16 HARDWARE		39,357		39,357		39,357				39,357
91	MINESWEEPING SYSTEM REPLACEMENT		22,103		22,103		22,103				22,103
92	NAVSTAR GPS RECEIVERS	302	16,997	302	16,997	302	16,997			302	16,997
93	HF LINK-11 DATA TERMINALS		2,155		2,155		2,155				2,155
94	ARMED FORCES RADIO AND TV		7,831		7,831		7,831				7,831
95	STRATEGIC PLATFORM SUPPORT EQUIPMENT		173,410		173,410		173,410				173,410
96	SWS COMM/ELEC SUPPORT EQUIPMENT										
97	OTHER SPAWAR TRAINING EQUIPMENT										
98	OTHER NAVSEA TRAINING EQUIPMENT										
98a	SQQ-T1 ANTISUBMARINE TRAINERS				10,000				10,000		10,000
99	OTHER TRAINING EQUIPMENT		25,439		25,439		25,439				25,439

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100	MATCALS		4,172		4,172		4,172				4,172
101	SHIPBOARD AIR TRAFFIC CONTROL		11,268		11,268		11,268				11,268
102	AUTOMATIC CARRIER LANDING SYSTEM		37,524		37,524		35,524		-2,000		35,524
103	TACAN		2,186		2,186		2,186				2,186
104	AIR STATION SUPPORT EQUIPMENT		25,273		25,273		25,273				25,273
105	MICROWAVE LANDING SYSTEM		246		246		246				246
106	FACSFAC		4,147		4,147		4,147				4,147
107	RADAR AIR TRAFFIC CONTROL										
108	ID SYSTEMS		13,772		13,772		13,772				13,772
109	TADIX-B		14,448		14,448		14,448				14,448
110	NAVAL SPACE SURVEILLANCE SYSTEM		2,911		2,911		2,911				2,911
111	SPACE SYSTEM PROCESSING										
112	MULTOTS										
113	NCCS ASHORE		34,424		34,424		34,424				34,424
114	RADIAC		7,696		7,696		7,696				7,696
115	OVER THE HORIZON RADAR		2,754		2,754		2,754				2,754
116	GPETE		21,825		21,825		21,825				21,825
117	INTEG COMBAT SYSTEM TEST FACILITY		4,905		4,905		4,905				4,905
118	CALIBRATION STANDARDS		9,104		9,104		9,104				9,104
119	EMI CONTROL INSTRUMENTATION		11,840		11,840		11,840				11,840
120	SHORE ELEC ITEMS UNDER $2 MILLION		10,267		10,267		10,267				10,267
121	SHIPBOARD TACTICAL COMMUNICATIONS		65,046		65,046		65,046				65,046
122	SHIPBOARD HF COMMUNICATIONS										
123	SHIPBOARD UHF COMMUNICATIONS										
124	FLIGHT DECK COMMUNICATIONS		1,405		1,405		1,405				1,405
125	PORTABLE RADIOS		22,182		22,182		22,182		-2,000		20,182
126	SHIP COMMUNICATIONS AUTOMATION		43,985		43,985		43,985				43,985
127	SHIP COMM ITEMS UNDER $2 MILLION		23,141		23,141		23,141				23,141
128	SHORE LF/VLF COMMUNICATIONS		7,420		7,420		7,420		-1,500		5,920
129	VERDIN		2,648		2,648		2,648				2,648
130	SUBMARINE COMMUNICATION EQUIPMENT		12,596		12,596		12,596				12,596
131	SATCOM SHIP TERMINALS		167,489		167,489		167,489				167,489
132	SATCOM SHORE TERMINALS		36,677		36,677		36,677				36,677

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133	JCS COMMUNICATIONS EQUIPMENT		2,406		2,406		2,406				2,406
134	ELECTRICAL POWER SYSTEMS		650		650		650				650
135	SHORE HF COMMUNICATIONS		28,685		28,685		28,685				28,685
136	DCS TECH CONTROL IMPROVEMENTS		2,719		2,719		2,719				2,719
137	VOICE FREQ CARRIER TELEGRAPH										
138	WORLDWIDE WIDEBAND COMMUNICATION										
139	WWMCCS COMMUNICATIONS EQUIPMENT		11,646		11,646		11,646				11,646
140	SHORE COMMUNICATIONS AUTOMATION		6,048		6,048		6,048				6,048
141	SHORE COMM ITEMS UNDER $2 MILLION		1,397		1,397		1,397				1,397
142	SINGLE AUDIO SYSTEM										
143	STU-III										
144	SECURE VOICE SYSTEM		67,988		67,988		67,988		-1,000		66,988
145	SECURE DATA SYSTEM		55,623		55,623		55,623				55,623
146	TSEC/KG-84										
147	TSEC/KY-57/58 (VINSON)										
148	TSEC/KYV-5 (ANDVT)										
149	TSEC/KG-81 (WALBURN)										
150	TSEC/KGR-96 (ITSS)										
151	BLACKER CRYPTO										
152	TSEC/KG-58/KGV-6 (PLRS)										
153	TRITAC CRYPTO										
154	TSEC/KGV-11										
155	KEY MANAGEMENT SYSTEMS		9,630		9,630		9,630				9,630
156	SIGNAL SECURITY		421		421		421				421
157	CRYPTOGRAPHIC ITEMS UNDER $2 MILLION		2,436		2,436		2,436				2,436
158	TSEC/KGV-8										
159	CRYPTOLOGIC COMMUNICATIONS EQUIPMENT		2,645		2,645		2,645				2,645
160	CRYPTOLOGIC ITEMS UNDER $2 MILLION		2,010		2,010		2,010				2,010
161	CRYPTOLOGIC RESERVES EQUIPMENT		721		721		721				721
162	CRYPTOLOGIC FIELD TRAINING EQUIPMENT		543		543		543				543
163	SHORE CRYPTOLOGIC SUPPORT SYSTEM										
164	WAR RESERVE										
165	ELEC ENGINEERED MAINT (NAVSEA)										
166	ELEC ENGINEERED MAINT (SPAWAR)										
167	ELECT. ENGINEERED MAINTENANCE		8,440		8,440		8,440				8,440
	COMMO/ELECTRONICS PY SAVINGS						-135,000				
168	OTHER DRUG INTERDICTION SUPPORT										

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	AVIATION SUPPORT EQUIPMENT										
169	SONOBUOYS		77,531		94,531		77,531				77,531
170	AN/SSQ-36 (BT)										
171	AN/SSQ-53 (DIFAR)										
172	AN/SSQ-62 (DICASS)										
173	AN/SSQ-77 (VLAD)										
174	SIGNAL, UNDERWATER SOUND (SUS)										
175	GENERAL PURPOSE BOMBS										
175a	ROCKEYE BOMBS				4,000						
176	2.75 INCH ROCKETS										
177	MACHINE GUN AMMUNITION										
178	PRACTICE BOMBS										
179	CARTRIDGES & CART ACTUATED DEVLOPMENT		18,367		18,367		18,367				18,367
180	AIRCRAFT ESCAPE ROCKETS		6,964		6,964		6,964				6,964
181	AIR EXPENDABLE COUNTERMEASURES		65,033		65,033		70,033		5,000		70,033
182	MARINE LOCATION MARKERS		6,537		6,537		6,537				6,537
183	DEFENSE NUCLEAR AGENCY MATERIAL		3,674		3,674		3,674				3,674
184	JATOS		8,061		8,061		8,061				8,061
185	GATOR										
186	WEAPONS RANGE SUPPORT EQUIPMENT		59,800		59,800		59,800				59,800
187	EXPEDITIONARY AIRFIELDS		4,843		4,843		4,843				4,843
188	AIRCRAFT REARMING EQUIPMENT		16,375		16,375		16,375				16,375
189	CATAPULTS AND ARRESTING GEAR		46,640		46,640		46,640				46,640
190	METEOROLOGICAL EQUIPMENT		33,008		33,008		29,608		-3,400		29,608
191	OTHER PHOTOGRAPHIC EQUIPMENT		1,354		1,354		1,354				1,354
192	AVIATION LIFE SUPPORT		6,432		6,432		6,432				6,432
193	AIRBORNE MINE COUNTERMEASURES		1,004		1,004		1,004				1,004
194	LAMPS MK III SHIPBOARD EQUIPMENT		8,638		8,638		8,638				8,638
195	REWSON PHOTOGRAPHIC EQUIPMENT		1,764		1,764		1,764				1,764
196	STOCK SURVEILLANCE EQUIPMENT		2,253		2,253		2,253				2,253
197	OTHER AVIATION SUPPORT EQUIPMENT		10,186		10,186		10,186				10,186

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	ORDNANCE SUPPORT EQUIPMENT										
198	3 INCH/50 GUN AMMUNITION										
199	5 INCH/38 GUN AMMUNITION										
200	5 INCH/54 GUN AMMUNITION										
201	16 INCH GUN AMMUNITION										
202	CIWS AMMUNITION										
203	76MM GUN AMMUNITION										
204	OTHER SHIP GUN AMMUNITION										
205	GUN FIRE CONTROL EQUIPMENT		14,749		14,749		14,749				14,749
206	MK-92 FIRE CONTROL SYSTEM		12,463		12,463	2	61,363				12,463
207	HARPOON SUPPORT EQUIPMENT		28,990		28,990		28,990				28,990
208	TERRIER SUPPORT EQUIPMENT		19,610		19,610		19,610				19,610
209	TARTAR SUPPORT EQUIPMENT		28,926		28,926		28,926				28,926
210	POINT DEFENSE SUPPORT EQUIPMENT		18,007		18,007		18,007				18,007
211	AIRBORNE ECM/ECCM		1,195		1,195		1,195				1,195
212	AEGIS SUPPORT EQUIPMENT		46,950		46,950		46,950				46,950
213	SURFACE TOMAHAWK SUPPORT EQUIPMENT		53,533		53,533		53,533				53,533
214	SUBMARINE TOMAHAWK SUPPORT EQUIPMENT		3,397		3,397		3,397				3,397
215	VERTICAL LAUNCH SYSTEMS	1	64,333	1	64,333	1	64,333			1	64,333
215a	RAM SUPPORT EQUIPMENT				20,000			4	20,000	4	20,000
216	STRATEGIC PLATFORM SUPPORT EQUIPMENT		26,610		26,610		26,610				26,610
217	STRATEGIC MISSILE SYSTEMS EQUIPMENT		57,414		57,414		57,414				57,414
218	STRATEGIC ORDNANCE DISPOSAL										
219	MK-117 FIRE CONTROL SYSTEM		56,796		56,796		56,796				56,796
220	SUBMARINE ASW SUPPORT EQUIPMENT		13,495		13,495		13,495				13,495
221	SURFACE ASW SUPPORT EQUIPMENT		19,952		19,952		19,952				19,952
222	ASW RANGE SUPPORT EQUIPMENT		11,567		11,567		11,567				11,567
223	EXPLOSIVE ORDNANCE DISPOSAL EQUIPMENT		11,023		11,023		11,023				11,023
224	SWIMMER WEAPONS SYSTEMS-(SOF)										
225	UNMANNED SEABORNE TARGET		5,304		5,304		5,304				5,304
226	ANTI-SHIP MISSILE DECOY SYSTEM		5,090		5,090		5,090				5,090
227	CALIBRATION EQUIPMENT		1,079		1,079		1,079				1,079
228	STOCK SURVEILLANCE EQUIPMENT		1,816		1,816		1,816				1,816
229	OTHER ORDNANCE TRAINING EQUIPMENT		2,772		2,772		2,772				2,772
230	SMALL ARMS & LANDING PARTY AMMUNITION										

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
231	SMALL ARMS & LANDING PARTY AMMO-(SOF)										
232	PYROTECHNIC AND DEMOLITION										
233	PYROTECHNIC AND DEMOLITION-(SOF)										
234	QUICKSTRIKE										
235	FLEET MINE SUPPORT EQUIPMENT		13,970		13,970		13,970				13,970
236	MINE NEUTRALIZATION DEVICES		2,865		2,865		2,865				2,865
237	DEFENSE NUCLEAR AGENCY MATERIAL		1,514		1,514		1,514				1,514
238	SHIP EXPENDABLE COUNTERMEASURE		26,337		26,337		26,337				26,337
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
239	ARMORED SEDANS		159		159		159				159
240	PASSENGER CARRYING VEHICLES	435	6,970	435	6,970	435	6,970			435	6,970
241	SPECIAL PURPOSE VEHICLES		14,105		14,105		14,105				14,105
242	GENERAL PURPOSE TRUCKS		21,234		21,234		21,234				21,234
243	TRAILERS/TRUCK TRACTORS		4,999		4,999		4,999				4,999
244	EARTH MOVING EQUIPMENT	131	8,327	131	8,327	131	8,327			131	8,327
245	CONSTRUCTION & MAINTENANCE EQUIPMENT		5,779		5,779		5,779				5,779
246	FIRE FIGHTING EQUIPMENT	44	5,943	44	5,943	44	5,943			44	5,943
247	WEIGHT HANDLING EQUIPMENT	14	2,708	14	2,708	14	2,708			14	2,708
248	AMPHIBIOUS EQUIPMENT		86,049		86,049		86,049				86,049
249	COMBAT CONSTRUCTION SUPPORT EQUIPMENT		2,460		2,460		2,460				2,460
250	MOBILE UTILITIES SUPPORT EQUIPMENT		2,283		2,283		2,283				2,283
251	COLLATERAL EQUIPMENT		9,726		9,726		9,726				9,726
252	OCEAN CONSTRUCTION EQUIPMENT		1,337		1,337		1,337				1,337
253	FLEET MOORINGS		3,135		3,135		3,135				3,135
254	POLLUTION CONTROL EQUIPMENT		10,509		10,509		10,509				10,509
255	OTHER CIVIL ENG SUPPORT EQUIPMENT		6,552		6,552		6,552				6,552

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	SUPPLY SUPPORT EQUIPMENT										
256	FORKLIFT TRUCKS		7,036		7,036		7,036				7,036
257	OTHER MATERIALS HANDLING EQUIPMENT		4,330		4,330		4,330				4,330
258	AUTOMATED MATERIALS HANDLING SYSTEM		525		525		525				525
259	OTHER SUPPLY SUPPORT EQUIPMENT		2,457		2,457		2,457				2,457
260	POLLUTION CONTROL EQUIPMENT										
261	FIRST DESTINATION TRANSPORTATION		17,633		17,633		17,633				17,633
262	SPECIAL PURPOSE SUPPLY SYSTEMS		131,737		131,737		131,737				131,737
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT										
263	SURFACE SONAR TRAINERS		1,707		1,707		1,707				1,707
264	SUBMARINE SONAR TRAINERS		3,815		3,815		3,815				3,815
265	SURFACE COMBAT SYSTEM TRAINERS		1,506		1,506		1,506				1,506
266	SUBMARINE COMBAT SYSTEM TRAINERS		6,067		6,067		6,067				6,067
267	SHIP SYSTEM TRAINERS		36,926		36,926		36,926				36,926
268	TRAINING SUPPORT EQUIPMENT		5,736		5,736		5,736				5,736
269	TRAINING DEVICE MODIFICATIONS		57,120		57,120		57,120				57,120
270	COMMAND SUPPORT EQUIPMENT		22,701		22,701		22,701				22,701
271	EDUCATION SUPPORT EQUIPMENT		15,549		15,549		15,549				15,549
272	MEDICAL SUPPORT EQUIPMENT		35,824		35,824		35,824				35,824
273	INTELLIGENCE SUPPORT EQUIPMENT		42,138		42,938		40,838		755		42,893
274	ITEMS UNDER $2 MILLION		981				981				981
275	OPERATING FORCES SUPPORT EQUIPMENT		23,182		23,182		23,182				23,182
276	NAVAL RESERVE SUPPORT EQUIPMENT		2,845		2,845		2,845				2,845
276a	OCEANOGRAPHIC SUPPORT EQUIPMENT				4,000				4,000		4,000
277	ENVIRONMENTAL SUPPORT EQUIPMENT		13,417		13,417		23,417		10,000		23,417
278	PHYSICAL SECURITY EQUIPMENT		26,782		26,782		26,782				26,782
279	INDUSTRIAL DEPOT MAINTENANCE EQUIPMENT										
280	COMPUTER ACQUISITION PROGRAM		126,965		126,965		126,965				126,965
	ADP/CIM REDUCTION										
281	PRODUCTIVITY INVESTMENT (PIF)		52,183		52,183		52,183				52,183
	DENY DBOF MILCON CAPITAL BUDGET										
	DBOF-DIRECT FUNDING DCAA/DCMC										
282	PROD ENH INCENT FUND (PEIF)		844		844		844				844
	SPARES AND REPAIR PARTS										
283	OPN SPARES AND REPAIR PARTS		515,389		515,389		515,389				515,389
	TOTAL OTHER PROCUREMENT, NAVY		6,471,200		6,612,519		6,373,400		21,155		6,492,355

Sonobuoys

The amended budget request included $77.4 million for sonobuoy procurement.

The House bill would authorize an additional $17.0 million for sonobuoy procurement, for a total of $94.5 million.

The Senate amendment would authorize the requested amount.

The House recedes.

The conferees endorse the guidance in the Senate report (S. Report 102–113) on sonobuoy production rates and direct the Secretary of the Navy to submit a report on sonobuoys to the congressional defense committees not later than February 14, 1992. The report should address sonobouy production for each of the fiscal years 1989 through 1994 and include: (a) estimated and actual sonobuoy production and usage; (b) estimated war reserve requirements and the actual and estimated war reserve levels; and (c) an estimate of the minimum annual production necessary to sustain a mobilization base for surge production of sonobuoys.

Rail/pylon dispenser system

The Senate amendment would authorize $5.0 million to initiate a rail/pylon dispenser program to increase the amount of chaff and flares stored aboard Navy combat aircraft.

The House bill contained no similar authorization.

The House recedes.

PROCUREMENT, MARINE CORPS

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $1,039.4 million for Procurement, Marine Corps. The House bill would authorize $1,123.7 million. The Senate amendment would authorize $1,738.7 million. The conferees recommend authorization of $1,124.6 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	--- House FY1992 Authorization Quantity	--- House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	---Conference--- Change to Request Quantity	---Conference--- Change to Request Amount	-- Conference FY92 -- Authorization Quantity	-- Conference FY92 -- Authorization Amount
	PROCUREMENT, MARINE CORPS										
1	5.56 MM, ALL TYPES		24,832		24,832		24,832				24,832
2	7.62 MM, ALL TYPES		40,744		40,744		40,744				40,744
3	LINEAR CHARGES, ALL TYPES		6,420		6,420		13,420				6,420
4	.50 CALIBER		38,285		38,285		38,285				38,285
5	40 MM, ALL TYPES		107,491		107,491		62,158		-45,333		62,158
6	60 MM ILLUM M721		18,000		18,000		18,000				18,000
7	60 MM SMOKE WP		5,500		5,500		5,500				5,500
8	60 MM HE M888		13,220		13,220		13,220				13,220
9	81 MM HE		34,559		34,559		34,559				34,559
10	81 MM TP M879		7,000		7,000		7,000				7,000
11	CTG 105MM TP-1										
12	120MM HEAT MP-T M830		36,143		36,143		26,843		-9,300		26,843
13	120MM APFSDS-T M829E1		31,633		31,633		8,033				31,633
14	120MM TPCSDS-T M865		6,000		6,000		6,000				6,000
15	120 MM TP-T M831		5,092		5,092				-5,092		
16	155MM HE ADAM		40,200		40,200		40,200				40,200
17	155MM HE M107										
18	155MM M864 PROJ BASEBURNER		53,000		53,000		53,000				53,000
19	155MM CHARGE WHITE BAG										
20	155MM CHARGE GREEN BAG										
21	FUZE, PD, M739A1										
22	FUZE PROXIMITY M732A2										
23	FUZE, ET, XM762						20,000				
24	FUZE, ET, XM767										
25	83 MM ROCKET HEAA (SMAW)				10,000		35,600		10,000		10,000
26	LIGHT ANTI-ARMOR WEAPON		5,277		5,277		30,002		24,725		30,002
27	25MM HEI-T		13,164		13,164		22,164				13,164
28	25MM, TP-T, M793		1,400		1,400		5,400				1,400
29	CTG 25MM APDST		3,737		3,737		6,737				3,737
30	9 MM ALL TYPES										
31	GRENADES, ALL TYPES		14,714		14,714		14,714				14,714
32	AMMO MODERNIZATION		10,150		10,150		10,150				10,150
33	ITEMS LESS THAN $2 MIL		9,650		9,650		9,650				9,650

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	--- House FY1992 Authorization Quantity	--- House FY1992 Authorization Amount	------- Senate FY1992 Authorization Quantity	------- Senate FY1992 Authorization Amount	------Conference--- Change to Request Quantity	------Conference--- Change to Request Amount	-- Conference FY92 -- Authorization Quantity	-- Conference FY92 -- Authorization Amount
34	AAV7A1 PIP		12,268		12,268		12,268				12,268
35	MODIFICATION KITS (TRKD VEH)		1,000		1,000		1,000				1,000
36	M-1 A1 MAIN BATTLE TANK										
37	ITEMS UNDER $2M (TRKD VEH)		219		219		219				219
38	MOD KITS (ARTILLERY)		600		600		600				600
39	ITEMS UNDER $2M (ALL OTHER)		280		280		280				280
40	MACHINE GUN, 50 CAL M2	321	2,416	321	2,416	321	2,416			321	2,416
41	5.56MM SQUAD AUTOMATIC WEAPON										
42	M60E3 PIP		8,409		8,409		8,409				8,409
43	SMAW PIT										
44	MK-19 40MM MACHINE GUN	381	5,185	381	5,185	381	5,185			381	5,185
45	HAWK MOD		8,709		8,709		8,709				8,709
46	AAWS-MEDIUM		3,963		3,963				-3,963		
47	PEDESTAL MOUNTED STINGER (PMS)	5	5,200	25	26,500	5	5,200			5	5,200
47a	STINGER NIGHT SIGHTS			225	6,200						
48	TOW										
48a	MLRS LAUNCHERS						23,000		23,000		23,000
48b	MLRS ROCKETS						72,300		72,300		72,300
49	MODIFICATION KITS										
50	MANPACK RADIOS AND EQUIP		392		392		392				392
51	VEHICLE MTD RADIOS & EQUIPMENT (MYP)		39,320		39,320		39,320				39,320
52	AN/GRC-XXXX										
53	TSC-96 PIP FLEET SAT COM TERMINAL										
54	UNIT LEVEL CIRCUIT SWITCH (ULCS)		12,683		12,683		12,683				12,683
55	TACT COMM CENTER EQUIP										
56	AN/PSG( ) DIGITAL COMM TERMINAL										
57	OSCILLOSCOPE	1,704	1,980	1,704	1,980	1,704	1,980			1,704	1,980
58	SWEEP GENERATOR										
59	SIGNAL GENERATOR	200	1,990	200	1,990	200	1,990			200	1,990
60	ELECTRONIC TEST EQUIP (TEL)		9,041		5,041		5,041		-4,000		5,041
61	SINGLE CHAN GRD & AIR RADIO		50,200		50,200		50,200				50,200

P-1		Amended		--- House FY1992	-------	Senate FY1992	------Conference---			-- Conference FY92 --	
		FY1992 Request		Authorization		Authorization		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	OTHER SUPPORT (TEL)										
62	MODIFICATION KITS (TEL)		694		694		694				694
63	ITEMS LESS THAN $2M (TEL)		1,850		1,850		1,850				1,850
64	POS LOCATING RPTG SYSTEM (PLRS)		7,900		7,900		7,900				7,900
65	TACTICAL AIR OPER MODULE (TAOM)										
66	ADVANCED TACTAIR COMMAND CENTR										
67	MARINE TACTICAL C2		7,285		7,285		7,285				7,285
68	ALL SOURCE IMAGERY PROCESSOR (JSIPS TALT										
69	LEWDD										
70	SENIOR WARRIOR	1	27,600	1				-1	-27,600		
70a	JSTARS TERMINALS						17,600				
70b	TACTICAL GROUND INTERCEPT FACILITY						15,000		12,000		12,000
70c	COMMANDERS TACTICAL TERMINAL-HYBRID						4,200		4,200		4,200
70d	COMMANDERS TACTICAL TERMINAL-RECEIVE ONLY						4,800		4,800		4,800
70e	TACTICAL RECONNAISSANCE INITIATIVES						3,000		3,000		3,000
71	INTELLIGENCE SUPPORT EQUIPMENT		17,052		17,052		17,052				17,052
72	MOD KITS (INTEL)		4,194		4,194		4,194				4,194
73	ITEMS LESS THAN $2M (INTELL)		1,570		1,570		1,570				1,570
74	ELECTRONIC TDME REPAIR FACILITY										
75	AN/USM-489 SPECTRUM ANALYZER, PORTABLE										
76	MECH TEST TMDE		875		875		875				875
77	ELECTRONIC TEST EQUIP										
78	NIGHT VISION EQUIPMENT		9,491		9,491		44,491		30,000		39,491
79	ADP EQUIPMENT		16,297		16,297		16,297				16,297
80	TEST CALIB & MAINT SPT		945		945		945				945
81	MODIFICATION KITS (NONTEL)		16,715		16,715		16,715				16,715
82	ITEMS LESS THAN $2M (NONTEL)		1,614		1,614		1,614				1,614
83	COMMERCIAL PASSENGER VEHICLES	45	1,950	45	1,950	45	1,950			45	1,950
84	COMMERCIAL CARGO VEHICLES		9,000		9,000		9,000				9,000
85	5/4T TRUCK HMMWV (MYP)	1,264	40,304	1,264	40,304	1,264	40,304			1,264	40,304
86	M876 TRUCK,MAINTENANCE,TELEPHONE/UTILITY										
87	5-TON TRUCKS										
88	LOGISTICS VEHICLE SYSTEM	127	13,780	307	35,680	127	13,780			127	13,780
89	TRAILERS		7,909		7,909		7,909				7,909
90	MODIFICATION KITS		3,700		3,700		3,700				3,700
91	ITEMS LESS THAN $2 MIL		435		435		435				435

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	M-9 ACE			80	60,000						
	TOWED ASSAULT BRIDGE			40	6,500			40	6,500	40	6,500
	FMTV										
92	ENVIRONMENTAL CONTROL EQUIP ASSORT		5,512		5,512		5,512				5,512
93	LIGHT ROUGH TERRAIN CRANE										
94	AMPHIBIOUS ASSAULT FUEL SYSTEM										
95	TACTICAL FUEL SYSTEM (TFS) EQUIPMENT		3,167		3,167		3,167				3,167
96	TOPOGRAPHIC/SURVEY EQUIPMENT										
97	POWER EQUIPMENT ASSORTED		7,307		7,307		7,307				7,307
98	TRAY RATION HEATING SYSTEM										
99	COMMAND SUPPORT EQUIPMENT		1,000		1,000		1,000				1,000
100	AMPHIBIOUS RAID EQUIPMENT		616		616		616				616
101	PRODUCTIVITY INVESTMENT		8,762		8,762		8,762				8,762
102	PHYSICAL SECURITY EQUIPMENT		1,093		1,093		1,093				1,093
103	GARRISON MOBILE ENGR EQUIP		3,000		3,000		3,000				3,000
104	WAREHOUSE MODERNIZATION		1,000		1,000		1,000				1,000
105	MATERIAL HANDLING EQUIP		2,297		2,297		2,297				2,297
106	FIRST DESTINATION TRANSPORTATION		7,388		7,388		7,388				7,388
107	LIGHTWEIGHT DECONTAMINATION SYSTEM	142	2,100	142	2,100	142	2,100			142	2,100
108	DRY CHEMICAL FIRE EXTINGUISTER										
109	TRAINING DEVICES		6,798		6,798		6,798				6,798
110	SHELTER FAMILY		7,992		7,992		7,992				7,992
111	CONTAINER FAMILY		5,898		5,898		5,898				5,898
112	MODIFICATION KITS		1,865		1,865		1,865				1,865
113	NBC ALARM & DECONTAMINATION EQUIPMENT										
114	CHEMICAL AGENT MONITOR	1	214	1	214	1	214			1	214
115	ITEMS LESS THAN $2 MIL		7,574		7,574		7,574				7,574
116	INSTALLATION OF MODERNIZATION EQUIPMENT										
117	INSTALLATION OF PRIOR YEAR EQUIPMENT										
	DBOF-DIRECT FUNDING DCAA/DCMC										
	MARITIME PREPOSITIONING EQUIPMENT						550,000				
118	INDUSTRIAL/DEPOT MAINTENANCE EQUIPMENT		2,400		2,400		2,400				2,400
119	SPARES AND REPAIR PARTS-MC		82,191		72,191		72,191		-10,000		72,191
	TOTAL PROCUREMENT, MARINE CORPS		1,039,400		1,123,700		1,738,737		85,237		1,124,637

Marine Corps modernization

The Senate amendment included initiatives to enhance modernization of the Marine Corps in several areas in which the Marine Corps has not kept pace with the other Services. The initiatives, including enhancements in both research and development and procurement, focused on the following areas: infantry, armor, night fighting capabilities, artillery and fire support, air defense, mine detection and clearance, and tactical intelligence.

The House bill provided additional authorization for engineer equipment and support vehicles requested by the Marine Corps.

The conferees agree that Members' findings, derived during visits to the Persian Gulf area, congressional hearings, and after-action reports, reveal deficiencies in Marine Corps capabilities. The conferees agree to authorize funds for fiscal year 1992 above those included in the amended budget request, as shown below:

MARINE CORPS INITIATIVES

[Fiscal year 1992, dollars in millions]

Program	Procurement	R&D
Infantry:		
Fund Marine enhancement program.		12.0 (Navy)
Armor:		
Add 60 M1A1 tanks	46.3 (Army).	
Facilitize gun for LAV 105/AGS.	3.0 (Army).	
Night fighting capability:		
Develop LAV–25 night sight.		2.3 (Navy)
Buy addl night vision devices.	30.0.	
Artillery/fire support:		
Buy 9 MLRS launchers	23.0.	
Buy 10,000 MLRS rockets	72.3.	
Improve ship-to-shore fire support.		16.0 (Navy)
Develop lightweight howitzer (PE603635M).		2.5 (Navy)
Air defense:		
Develop addl missile for LAV AD.		5.0 (Navy)
Mine detection & clearance:		
Improve airborne mine countermeasures R&D.		14.0 (Navy)
Pursue robotic mine countermeasures technology (PE603709D).		5.0 (DARPA)
Tactical intelligence:		
Buy addl commanders tactical terminals (CTT).	9.0.	
Buy F/A–18 recon radar/photo upgrades.		29.2 (Navy)
Buy EP–3 data links to support the Marine Corps.	15.0 (Navy).	
Develop lighter JSTARS ground stations.		25.0 (Army)
Buy tactical recon devices	3.0.	
Buy tactical ground intercept facility.	12.0	3.0 (Navy)

The conferees understand that the Defense Department may not be able to completely revise the Marine Corps' fiscal year 1993 budget request to solve all of the identified problems. The conferees expect, however, that the Departments of Defense and the Navy will provide additional attention and resources to solve these problems.

The conferees recommend authorization for the Army to procure an additional 60 M1A2 tanks. As the Army receives these tanks, the conferees direct the Army to provide the Marine Corps 60 M1A1 tanks of the configuration common to the Marine Corps' M1A1 tanks.

The Senate amendment included $17.6 million to procure joint surveillance target attack radar systems (JSTARS) ground stations with commanders' tactical terminals for each of the three active Marine divisions. Due to conflicting responses from the Marine Corps regarding the procurement of these systems, the conferees defer authorization without prejudice. The conferees are, however, convinced that these terminals are essential for the Marines and direct the Marine Corps to include full funding in its fiscal year 1993 amended budget request for these three systems.

The conferees direct the Secretary of the Navy to provide a report with the fiscal year 1993 amended budget request detailing his five-year plan to solve these shortcomings. The conferees also direct the Secretary of Defense to ensure that the Marine Corps fully participates with the Army in the development and procurement of future ground combat systems.

AIRCRAFT PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $11,115.5 million for Aircraft Procurement, Air Force. The House bill would authorize $8,103.1 million. The Senate amendment would authorize $10,324.7 million. The conferees recommend authorization of $10,636.9 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		Amended FY1992 Request		--- House FY1992 ------- Authorization		Senate FY1992 ------ Authorization		----Conference--- Change to Request		-- Conference FY92 -- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
1	B-1B (MYP)		107,895		107,895				-40,895		67,000
2	B-2A (MYP)	4	2,456,028		-184,927	4	2,456,028		-2,456,028		
3	B-2 ADVANCE PROCUREMENT (CY)		455,268				455,268		-455,268		
	B-2 PROCUREMENT, GENERALLY								1,800,000		1,800,000
	B-2 PRODUCTION AIRCRAFT							1*	1,000,000	1*	1,000,000
4	C-20B										
5	F-15 E		169,657		169,657		169,657				169,657
6	F-15 ADVANCE PROCUREMENT (CY)										
7	F-16 C/D (MYP)	48	1,073,187	48	1,073,187		73,187			48	1,073,187
8	F-16 ADVANCE PROCUREMENT (CY)		78,100		78,100						78,100
	F-117					24	1,027,000	4	560,000	4	560,000
9	MC-130H - SOF										
10	AC-130U GUNSHIP - SOF										
11	C-17 (MYP)	6	1,975,203	6	1,975,203	4	1,525,203	-2	-450,000	4	1,525,203
12	C-17 ADVANCE PROCUREMENT (CY)		222,424		122,424		122,424		-100,000		122,424
	C-17 PY SAVINGS										
13	C-27A										
14	C-130H	8	245,479	8	245,479	8	245,479			8	245,479
15	C-130H ADVANCE PROCUREMENT (CY)		120,421		120,421		120,421				120,421
16	HC-130H										
	LC-130H										
17	ENHANCED FLIGHT SCREENER	38	8,478	38	14,012	38	8,478		5,534	38	14,012
18	TANKER, TRANSPORT, TRAINER SYSTEM	37	167,420	34	156,246	37	167,420	-3	-11,174	34	156,246
19	MH-60G	6	23,535	6	23,535	6	23,535			6	23,535
20	CIVIL AIR PATROL A/C	27	1,974	27	1,974	27	1,974			27	1,974
21	E-8B										
22	E-8B ADVANCE PROCUREMENT (CY)		62,700		62,700		125,400		62,700		125,400
23	VC-137 REPLACEMENT AIRCRAFT		7,012		7,012		7,012				7,012
MODIFICATION OF INSERVICE AIRCRAFT											
24	B-2A		1,652		1,652		1,652				1,652
25	B-1B		195,647		235,647		115,700		-79,947		115,700
25a	B-1B ECM				298,000				20,000		20,000

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
26	B-52		56,907		56,907		56,907		-25,800		31,107
27	A-7										
28	A-10		391		391		391				391
29	F/RF-4										
30	F-15		294,537		294,537		294,537				294,537
31	F-16		250,985		250,985		250,985				250,985
32	F-111		74,140		74,140		74,140				74,140
	F-117										
33	TR-1A		55,101		55,101				-55,101		
34	T/AT-37		14,448		14,448		14,448				14,448
35	C-5		68,471		68,471		68,471				68,471
36	C-9		1,374		1,374		1,374				1,374
37	C-17A		1,618		1,618				-1,618		
38	C-21		100		100		100				100
39	C-STOL		602		602		602				602
40	C-137		3,220		3,220		3,220				3,220
41	C-141		45,203		45,203		105,203				45,203
42	T-38		29,460		29,460		29,460				29,460
43	T-41 AIRCRAFT		201		201		201				201
44	T-43		9,412		9,412		9,412				9,412
45	KC-10A (ATCA)		3,612		3,612		3,612				3,612
46	C-12		201		201		201				201
47	C-18		121		121		121				121
48	C-20 MODS		121		121		121				121
49	VC-25A MOD		201		201		201				201
50	C-130		78,273		78,273		78,273				78,273
51	SOF C130										
52	C-135	18	465,108	18	628,908	18	426,808	8	121,700	26	586,808
53	E-3		50,897		50,897		50,897				50,897
54	E-4		6,362		6,362		6,362				6,362
55	E-8										
56	H-3 AIRCRAFT SYSTEM										
57	SOF HH-53										

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	--- House FY1992 Authorization Quantity	House FY1992 Authorization Amount	------- Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	------Conference--- Change to Request Quantity	Conference Change to Request Amount	-- Conference FY92 -- Authorization Quantity	Conference FY92 Authorization Amount
58	H-60		602		602		602				602
59	MOD INSTALLATIONS										
60	OTHER AIRCRAFT		46,920		46,920		46,920				46,920
61	SOF OTHER AIRCRAFT										
62	OV-10										
63	CLASSIFIED PROJECTS		56,254		22,273		68,254		-10,392		45,862
64	SOF CLASSIFIED PROJECTS										
65	CIVIL RESERVE AIRLIFT FLEET (CRAF)										
66	APAF SPARES AND REPAIR PARTS		984,465		695,365		822,765		-387,500		596,965
67	COMMON AGE		469,335		439,335		469,335		-80,000		389,335
68	INDUSTRIAL RESPONSIVENESS		11,759		11,759		11,759				11,759
69	WAR CONSUMABLES		25,456		25,456		25,456				25,456
70	OTHER PRODUCTION CHARGES		445,331		443,531		545,931		101,720		547,051
71	COMMON ECM EQUIPMENT		192,232		192,232		192,232				192,232
72	COMMON GROUND EQUIP										
73	OTHER PRODUCTION CHARGES-SOF										
	DBOF DENY MILCON CAPITAL BUDGET						-1,200		-1,200		-1,200
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DBOF TECHNICAL CORRECTION						4,700		4,700		4,700
	DBOF ADJUSTMENT				42,500						
	UNDISTRIBUTED						16,100				
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE		11,115,500		8,103,056		10,324,739		-478,569		10,636,931

* SUBJECT TO SUBSEQUENT ACT

F–16 fighter

The amended budget request included $1,073.2 million to procure 48 F–16 fighters and $78.1 million in advance procurement to procure the final 24 fighters in fiscal year 1993. After that point, F–16 procurement would terminate.

The House bill would authorize the requested levels, but would direct the Air force to continue to produce 48 aircraft each year through fiscal year 1994 to complete the multiyear contract of 402 aircraft. The House bill would authorize $1,097.0 million to procure 48 aircraft in fiscal year 1993 and $52.5 million for advance procurement of 48 aircraft in fiscal year 1994.

The Senate amendment would terminate the F–16 program immediately and would authorize only $78.2 million in fiscal year 1992 and $400.0 million in fiscal year 1993 to terminate the F–16 program.

The conferees recommend an authorization of $1.073.2 million to procure 48 F–16 fighters in fiscal year 1992 and $78.1 million in advance procurement to procure 24 fighters in fiscal year 1993.

Enhanced flight screener

The amended budget request contained $167.0 million for the procurement of 37 T–1A trainer aircraft and $8.5 million to purchase the first 38 enhanced flight screener (EFS) aircraft to replace the aging T–41.

The House bill would reduce funding for the T–1A by $11.2 million and 3 aircraft, and, at the same time, add $5.534 million to the EFS program.

The Senate amendment would authorize the amounts requested for the two programs.

The conferees understand that the shrinking force structure permits a reduction in the total T–1A procurement goals by 11 aircraft. Reducing the procurement in fiscal year 1992 and succeeding years will retain the current favorable contract terms. Consequently, the conferees recommend an authorization of 34 aircraft and $156.2 million for the T–1A program.

Concerning the EFS program, the conferees understand that changes in the program have resulted in a shortfall in current funding. Therefore, the conferees recommend an increase of $5.5 million in fiscal year 1992. The conferees are concerned over cost growth in the EFS program, however, and caution the Air Force that unit costs above $250,000 will not be acceptable. Total program cost growth over the current estimated $12.5 million will necessitate a reduction in the overall fleet size.

E–8B JSTARS advance procurement

The amended budget request contained $62.7 million in advance procurement to initiate production of the E–8B joint surveillance and target attack radar (JSTARS) aircraft in fiscal year 1993.

The House bill would authorize the requested amount.

The Senate amendment would double the requested amount to insure production of two JSTARS aircraft in fiscal year 1993. In addition, the Senate amendment contained $652.6 million to procure two JSTARS aircraft with funds available in the Defense Cooperation Account.

The conferees recommend $125.4 million in advance procurement for two aircraft in fiscal year 1993. The Senate recedes on its procurement of two E–8B aircraft with funds available in the Defense Cooperation Account.

C–135 modifications

The House bill would add $163.8 million for eight additional KC–135R tanker re-engining kits above the 18 requested in the amended budget request.

The Senate amendment approved the 18 kits requested, but proposed a reduction in this budget line of $38.3 million related to transferring the strategic communications relay mission from EC–135 aircraft to E–6A TACAMO aircraft. The conferees' recommendations and agreements with respect to the E–6 TACAMO are addressed in a separate section of this statement of the managers under E–6 TACAMO.

The Senate recedes on providing eight additional tanker modifications. The conferees recommend a total of $586.8 million in fiscal year 1992 for C–135 modifications for a total of 26 tanker modifications. The conferees also agree to deny $38.3 million of the request for EC–135 Milstar terminals.

Rivet Joint RC–135

The Senate amendment would authorize additional funds for Air Force Rivet Joint RC–135 reconnaissance aircraft to improve dissemination of critical, time-sensitive intelligence to combat forces.

The House bill contained no similar authorization.

The House recedes. The conferees agree that Rivet Joint communications capabilities must be improved and authorize funding above the requested amount for this purpose. Further details are contained in the classified annex to this statement of the managers.

MISSILE PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $5,600.0 million for Missile Procurement, Air Force. The House bill would authorize $5,580.5 million. The Senate amendment would authorize $5,362.1 million. The conferees recommend authorization of $5,204.9 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	 Amount	--- House FY1992 --- Authorization Quantity	 Amount	--- Senate FY1992 --- Authorization Quantity	 Amount	---Conference--- Change to Request Quantity	 Amount	-- Conference FY92 -- Authorization Quantity	 Amount
	MISSILE PROCUREMENT, AIR FORCE										
1	PEACEKEEPER (M-X)		195,178		195,178	12	385,778	6	56,822	6	252,000
2	MISSILE REPLACEMENT EQ-BALLISTIC		45,645		45,645		45,645				45,645
3	ADVANCED CRUISE MISSILE	120	433,688	120	433,688	120	433,688			120	433,688
4	ACM ADVANCE PROCUREMENT (CY)		68,100		68,100		68,100				68,100
5	HAVE FLAG	[ ]	[ ]								[ ]
6	HAVE NAP	32	34,662	32	34,662	32	34,662			32	34,662
7	AGM-131A SRAMII		10,969		10,969		10,969		-10,969		
8	SRAM II ADVANCE PROCUREMENT (CY)										
9	AIM-9L/M SIDEWINDER										
10	AGM-130 POWERED GBU-15	120	70,017	120	70,017	120	70,017			120	70,017
11	AGM-65D MAVERICK		5,490		5,490						5,490
11a	AGM-65D MAVERICK PY SAVINGS						-100,000		-100,000		-100,000
12	AGM-88A HARM	465	113,151	465	113,151	465	113,151			465	113,151
13	AMRAAM	700	653,432	700	653,432	700	497,232		-119,200	700	534,232
14	TARGET DRONES	60	28,833	60	28,833	60	28,833			60	28,833
15	INDUSTRIAL PREPAREDNESS										
16	MISSILE REPLACEMENT EQ-OTHER		29,145		29,145		29,145				29,145
17	CLASSIFIED PROGRAM	[ ]	[ ]								[ ]
	MODIFICATION OF INSERVICE MISSILES										
18	ADVANCED CRUISE MISSILE		12,040		12,040		12,040				12,040
19	HAVE NAP		1,706		1,706		1,706				1,706
20	AIM-9 SIDEWINDER		872		872		872				872
21	MM II/III MODIFICATIONS		144,715		144,715		144,715		7,400		152,115
22	AGM-65D MAVERICK		4,402		4,402		4,402				4,402
23	AGM-88A HARM		2,147		2,147		2,147				2,147
24	AIR LAUNCH CRUISE MISSILE		27,950		27,950		27,950				27,950
25	MOD INSTALLATIONS										
26	PEACEKEEPER (M-X)		2,370		2,370		2,370				2,370
27	MODIFICATIONS UNDER $2.0M		324		324		324				324

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
28	MPAF SPARES AND REPAIR PARTS		104,279		90,062		104,279				104,279
	OTHER SUPPORT										
29	SPACEBORNE EQUIP (COMSEC)		7,873		7,873		7,873				7,873
30	GLOBAL POSITIONING (MYP)	4	150,084	4	150,084	4	150,084		-18,100	4	131,984
31	GPS ADVANCE PROCUREMENT (CY)		66,002		66,002		66,002				66,002
32	SPACE SHUTTLE OPERATIONS		32,023		32,023		32,023				32,023
33	SPACE SHUTTLE ADV PROCUREMENT (CY)		29,500		29,500		29,500				29,500
34	DEF METEOROLOGICAL SAT PROG (MYP)	2	108,052	2	108,052	2	108,052			2	108,052
35	DMSP ADVANCE PROCUREMENT (CY)										
36	DEFENSE SUPPORT PROGRAM (MYP)		65,752		65,752		65,752				65,752
37	DSP ADVANCE PROCUREMENT (CY)										
38	DEFENSE SATELLITE COMM SYSTEM (MYP)		55,724		55,724		55,724				55,724
39	SPACE BOOSTERS (MYP)		295,614		295,614		295,614				295,614
40	SPACE BOOSTERS ADVANCE PROC (CY)										
41	MEDIUM LAUNCH VEHICLE	4	183,040	4	183,040	4	183,040			4	183,040
42	MLV ADVANCE PROCUREMENT (CY)		38,986		38,986		38,986				38,986
43	FOREST GREEN		582		582		582				582
44	IONDS (MYP)	4	39,786	4	18,686	4	36,986		-21,070	4	18,716
45	IONDS ADVANCE PROCUREMENT (CY)		12,854		12,854		12,854				12,854
46	SPECIAL PROGRAMS		2,419,740		2,419,740		2,106,340		-239,400		2,180,340
47	SPECIAL UPDATE PROGRAMS		72,679		72,679		172,679				72,679
999	CLASSIFIED PROGRAMS		32,594				32,594				32,594
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DBOF TECHNICAL CORRECTION						49,400		49,400		49,400
	DBOF ADJUSTMENT				48,400						
	TOTAL MISSILE PROCUREMENT, AIR FORCE		5,600,000		5,580,489		5,362,110		-395,117		5,204,883

MX production

The Senate amendment would authorize the production of 12 additional MX missile spares in fiscal year 1992.

The House bill would authorize no additional production of MX spares.

The House recedes with an amendment. The conferees recommend $452.4 million in fiscal year 1992 for MX procurement, including the production of an additional six MX missiles. Of these funds, $200.4 million would be derived from prior year funds. The conferees further direct that the five MX missiles that had been procured for test launches from the rail garrison MX train be transferred to the MX follow-on test and evaluation inventory to extend the service life of this system.

OTHER PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $8.058.1 million for Other Procurement, Air Force. The House bill would authorize $8,124.6 million. The Senate amendment would authorize $7,939.3 million. The conferees recommend authorization of $8,194.0 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	--- House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	---Conference--- Change to Request Quantity	Change to Request Amount	-- Conference FY92 -- Authorization Quantity	Conference FY92 Authorization Amount
	OTHER PROCUREMENT, AIR FORCE										
	MUNITIONS AND ASSOCIATED EQUIPMENT										
1	2.75 INCH ROCKET MOTOR										
2	2.75 INCH ROCKET HEAD - WP										
3	ITEMS LESS THAN $2,000,000		4,609		4,609		4,609				4,609
4	5.56 MM										
5	20 MM COMBAT					945,000	8,100	945,000	8,100	945,000	8,100
6	20MM TRAINING					4500000	16,900	4500000	16,900	4500000	16,900
7	30 MM TRAINING	5,216	44,379	5,216	44,379	5,216	44,379			5,216	44,379
8	40MM HE GRENADES										
9	CARTRIDGE CHAFF RR-180	250,800	2,508	250,800	2,508	250,800	2,508			250,800	2,508
10	SIGNAL MK-4 MOD 3										
11	CART IMP 3000 FT/LBS										
12	ITEMS LESS THAN $2,000,000		2,954		2,954		2,954				2,954
13	MK-82 INERT/BDU-50										
14	BSU-49 INFLATABLE RETARDER	15,039	5,450	15,039	5,450	15,039	5,450			15,039	5,450
15	BOMB HARD TARGET 2000LB	1,840	21,360	1,840	21,360	1,840	21,360			1,840	21,360
16	BSU-85 INFLATABLE RETARDER	14,655	14,120	14,655	14,120	14,655	14,120			14,655	14,120
17	BOMB AREA DENIAL 1000LB										
18	LASER BOMB GUIDANCE KIT	265	17,565	265	17,565	265	17,565			265	17,565
19	GBU-15										
20	BOMB PRACTICE 25 POUND			600	8,850		9,800				
21	BOMB PRACTICE BDU-38										
22	MK-84 BOMB-EMPTY										
23	SKEET/SENSOR FUZED WEAPON	98	108,650	98	108,650	98	108,650			98	108,650
24	CBU-87(COMBINED EFFECTS MUNITIONS)										
25	BIGEYE										
26	ITEMS LESS THAN $2,000,000										
27	FLARE, IR MJU-7B	141,411	6,637	141,411	6,637	141,411	6,637			141,411	6,637
28	PARACHUTE FLARE LUU-2 B/B										
29	MJU-23 FLARE										
30	MJU-10B	147,570	7,454	147,570	7,454	147,570	7,454			147,570	7,454
31	SPARES AND REPAIR PARTS -OPAF 1		8,039		8,039		8,039				8,039
32	SPECIAL PROGRAMS		14,546		14,546		14,546				14,546

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
33	MODIFICATIONS		3,758		3,758		3,758				3,758
34	ITEMS LESS THAN $2,000,000		7,581		7,581		7,581				7,581
35	FMU-139	46,461	36,885	46,461	36,885	46,461	36,885			46,461	36,885
36	ITEMS LESS THAN $2,000,000										
37	81MM MORTAR										
38	SHOTGUN - 12 GAGE	252	66	252	66	252	66			252	66
39	HOST NATION SUPPORT WEAPONS										
40	SQUAD AUTOMATIC WEAPON										
41	M-16 A2 RIFLE WEAPON	13,964	7,021	13,964	7,021	13,964	7,021			13,964	7,021
42	9MM COMPACT PISTOL	600	272	600	272	600	272			600	272
	VEHICULAR EQUIPMENT										
43	SEDAN, 4 DR 4X2	108	1,331	108	1,331	108	1,331			108	1,331
44	STATION WAGON, 4X2										
45	BUS, 28 PASSENGER	11	473	11	473	11	473			11	473
46	BUS INTERCITY										
47	BUS, 44 PASSENGER	13	898	13	898	13	898			13	898
48	AMBULANCE, BUS										
49	MODULAR AMBULANCE										
50	14-23 PASSENGER BUS	5	187	5	187	5	187			5	187
51	LAW ENFORCEMENT VEHICLE	269	3,712	269	3,712	269	3,712			269	3,712
52	ARMORED SEDAN	2	329	2	329			-2	-329		
53	TRUCK, STAKE/PLATFORM	372	5,565	372	5,565	372	5,565			372	5,565
54	TRUCK, CARGO-UTILITY, 3/4T, 4X4	654	11,168	654	11,168	654	11,168			654	11,168
55	TRUCK, CARGO-UTILITY, 1/2T, 4X2	381	5,791	381	5,791	381	5,791			381	5,791
56	TRUCK, PICKUP, 1/2T, 4X2										
57	TRUCK, PICKUP, COMPACT										
58	TRUCK MULTI-STOP 1 TON 4X2	605	10,773	605	10,773	605	10,773			605	10,773
59	TRUCK, PANEL, 4X2	258	2,970	258	2,970	258	2,970			258	2,970
60	TRUCK CARRYALL	649	10,909	649	10,909	649	10,909			649	10,909
61	COMMERCIAL UTILITY CARGO VEHICLE										
62	MEDIUM TACTICAL VEHICLE	93	7,366	93	7,366	93	7,366			93	7,366
63	TRUCK TRACTOR, OVER 5T	109	6,102	109	6,102	109	6,102			109	6,102
64	TRUCK, DUMP 5 TON	159	6,491	159	6,491	159	6,491			159	6,491
65	CAP VEHICLES				800		800		800		800

P-1 LINE ITEM	Amended FY1992 Request Quantity	Amount	--- House FY1992 Authorization Quantity	Amount	Senate FY1992 Authorization Quantity	Amount	Conference Change to Request Quantity	Amount	-- Conference FY92 -- Authorization Quantity	Amount
66 ITEMS LESS THAN $2,000,000		8,664		8,664		8,664				8,664
67 TRUCK, TANK, 1200 GAL										
68 TRUCK TANK FUEL R-11	2	3,222	2	3,222	2	3,222			2	3,222
69 TRUCK, TANK, FUEL, M-49										
70 TRACTOR, A/C TOW, MB-4										
71 TRACTOR, TOW, FLIGHTLINE										
72 MOBILE MAINT UNIT										
73 ITEMS LESS THAN $2,000,000		20,323		25,575		20,323				20,323
74 TRUCK CRASH P-19	1	1,450	1	1,450	1	1,450			1	1,450
75 TRUCK CRASH P-23	10	4,265	10	4,265	10	4,265			10	4,265
76 TRUCK WATER P-26 (P-18)	15	1,772	27	6,890	15	1,772			15	1,772
77 TRUCK PUMPER P-24										
78 TRUCK PUMPER P-22										
79 ITEMS LESS THAN $2,000,000		2,317		2,317		2,317				2,317
80 TRUCK F/L 4000 LB GED/DED 144 INCH	157	6,226	334	11,040	157	6,226			157	6,226
81 TRUCK, F/L 6000 LB	30	944	30	944	30	944			30	944
82 TRUCK, F/L 10,000 LB	193	10,020	193	10,020	193	10,020		600	193	10,620
83 25K FORKLIFT										
84 25K A/C LOADER										
85 ITEMS LESS THAN $2,000,000		5,199		5,199		5,199				5,199
86 LOADER, SCOOP	46	2,874	46	2,874	46	2,874			46	2,874
87 RUNWAY SNOW REMOV AND CLEANING EQUIP	188	22,579	188	22,579	188	22,579			188	22,579
88 CRANE, 7-50 TON										
89 EXCAVATOR, DED, PT										
90 SPARES AND REPAIR PARTS -OPAF 2		2,035		2,035		2,035				2,035
91 MODIFICATIONS		550		550		550				550
92 ITEMS LESS THAN $2,000,000		9,432		9,432		9,432				9,432
ELECTRONICS AND TELECOMMUNICATIONS EQUIP										
93 COMSEC EQUIPMENT		49,493		49,493		49,493				49,493
94 SPARES AND REPAIR PARTS-OPAF		1,104		1,104		1,104				1,104
95 MODIFICATIONS (COMSEC)		502		502		502				502
96 INTELLIGENCE DATA HANDLING SYS		1,468		1,468		1,468				1,468
97 INTELLIGENCE TRAINING EQUIPMENT		7,119		7,119		7,119				7,119
98 INTELLIGENCE COMM EQUIP		3,945		3,945		3,945				3,945

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
99	ITEMS LESS THAN $2,000,000		12,317		12,317		12,317				12,317
100	AIR TRAFFIC CTRL/LAND SYS (ATCALS)		14,135		14,135		14,135		-14,135		
100a	AIR TRAFFIC CTRL/LAND SYS PY SAVINGS						-20,000				
101	TACTICAL AIR CONTROL SYS IMPROVE		68,865		68,865		65,865				68,865
102	WEATHER OBSERV/FORCAST		59,524		59,524		58,524		-1,000		58,524
103	DEFENSE SUPPORT PROGRAM		52,066		52,066		52,066				52,066
104	OTH-B RADAR										
105	SAC COMMAND AND CONTROL		35,929		35,929		35,929		-4,600		31,329
106	CHEYENNE MOUNTAIN COMPLEX		33,974		33,974		33,974				33,974
107	BMEWS MODERNIZATION										
108	SPACETRACK										
109	NAVSTAR GPS		3,411		3,411		3,411				3,411
110	USAFE COMMAND/CONTROL SYSTEM										
111	PACAF COMMAND/CONTROL										
112	DEFENSE METEOROLOGICAL SAT PROG		16,806		16,806		9,106		-7,700		9,106
113	MARS/USAF-FAA RADAR UPGRADE		54,535		54,535		54,535				54,535
114	TAC SIGINT SUPPORT		20,471		20,471		6,771		-15,600		4,871
115	DIST EARLY WARNING RDR/NORTH WARNING		9,233		9,233		9,233				9,233
116	TACTICAL GROUND INTERCEPT FACILITY		13,134		13,134		13,134		-13,134		
117	TR-1 GROUND STATIONS		41,955		41,955		41,955		-41,955		
118	DRUG INTERDICTION PROGRAM										
119	AIR BASE OPERABILITY										
120	IMAGERY TRANS		22,843		22,843		343				22,843
121	TACTICAL WARNING SYSTEMS SUPPORT		614		614		614				614
122	NORTH ATLANTIC DEFENSE C3		5,118		5,118		5,118				5,118
123	AUTOMATIC DATA PROCESSING EQUIP		85,739		85,739		65,739		-4,491		81,248
124	ADP OPERATIONS CONSOLIDATION		70,358		70,358		70,358				70,358
	ADP/CIM CONSOLIDATION										
125	WWMCCS/WIS ADPE		17,642		17,642		17,642				17,642
126	MAC COMMAND AND CONTROL SUPPORT		16,851		16,851		16,851				16,851
127	AIR FORCE PHYSICAL SECURITY SYSTEM		28,693		28,693		28,693				28,693
128	WEAPONS STORAGE/SECURITY										
129	RANGE IMPROVEMENTS		51,665		51,665		51,665				51,665
130	C3 COUNTERMEASURES		2,855		2,855		2,855				2,855

P-1		Amended FY1992 Request		--- House FY1992 Authorization		Senate FY1992 Authorization		---Conference--- Change to Request		-- Conference FY92 -- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
131	JOINT SURVEILLANCE SYSTEM										
132	BASE LEVEL DATA AUTO PROGRAM		20,146		20,146		10,146				20,146
133	SATELLITE CONTROL FACILITY		27,836		27,836		27,836				27,836
134	CONSTANT WATCH		5,457		5,457		5,457				5,457
135	CONSOLIDATED SPACE OPS CENTER		3,745		3,745		3,745				3,745
136	ESMC/WSMC I&M		61,186		61,186		61,186				61,186
137	PROGRAM 698AJ										
138	INFORMATION TRANSMISSION SYSTEMS		8,732		8,732		8,732				8,732
139	TELEPHONE EXCHANGE		60,641		60,641		52,241		-800		59,841
140	JOINT TACTICAL COMM PROGRAM(MYP)		48,418		48,418		48,418				48,418
141	USTRANSCOM		5,019		5,019		5,019				5,019
142	USSOCCOM										
143	USCENTCOM		5,021		5,021		5,021				5,021
144	AUTOMATED TELECOMMUNICATIONS PRG		4,265		4,265		4,265				4,265
145	MILSTAR		263,907		263,907		263,907				263,907
146	SATELLITE TERMINALS		7,581		7,581		7,581				7,581
147	WIDEBAND SYSTEMS UPGRADE		4,558		4,558		4,558				4,558
148	MINIMUM ESSENTIAL EMER COMM NET		17,546		17,546		17,546				17,546
149	TACTICAL C-E EQUIPMENT		32,997		32,997		32,997				32,997
150	RADIO EQUIPMENT		2,268		2,268		2,268				2,268
151	TV EQUIPMENT (AFRTV)		4,047		4,047		4,047				4,047
152	CCTV/AUDIOVISUAL EQUIPMENT		2,737		2,737		2,737				2,737
153	E + I REQUIREMENTS										
154	SPARES AND REPAIR PARTS -OPAF 3		162,457		162,457		142,157		-37,200		125,257
155	CAP COM & ELECT				500		500		500		500
156	ITEMS LESS THAN $2,000,000		9,726		9,726		9,726		-600		9,126
157	COMM-ELECTRONICS CLASS IV		26,680		26,680		26,680				26,680
158	ANTIJAM VOICE		30,061		30,061		30,061				30,061
	COMMO/ELECTRONICS PY SAVINGS						-146,000				
159	SPACE SYSTEMS CLASS IV MODS		12,286		12,286		12,286				12,286

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP										
160	BASE/ALC CALIBRATION PACKAGE		8,717		8,717		8,717				8,717
161	NEWARK AFS CALIBRATION PACKAGE		2,180		2,180		2,180				2,180
162	ITEMS LESS THAN $2,000,000		23,367		23,367		23,367				23,367
163	NIGHT VISION GOGGLES		6,238		6,238		6,238				6,238
164	NIGHT VISION GOGGLES-SOF										
165	BREATHING APPARATUS TWO HOUR		6,239		6,239		6,239				6,239
166	CHEMICAL/BIOLOGICAL DEF PROG		35,155		35,155		35,155				35,155
167	ITEMS LESS THAN $2,000,000		3,253		3,253		3,253				3,253
168	BASE MECHANIZATION EQUIPMENT		9,105		9,105		9,105				9,105
169	AIR TERMINAL MECHANIZATION EQUIP		3,743		3,743		3,743				3,743
170	INDUSTRIAL/DEPOT MAINTENANCE EQUIPMT										
171	ITEMS LESS THAN $2,000,000		10,788		10,788		10,788				10,788
172	GENERATORS-MOBILE ELECTRIC										
173	FLOODLIGHTS SET TYPE NF2D		11,159		11,159		11,159				11,159
174	ITEMS LESS THAN $2,000,000		2,169		2,169		2,169				2,169
175	BASE PROCURED EQUIPMENT		33,485		33,485		33,485				33,485
176	MEDICAL/DENTAL EQUIPMENT		74,535		74,535		74,535				74,535
177	AIR BASE OPERABILITY		13,120		13,120		13,120				13,120
178	PALLET AIR CARGO	4,000	4,176	4,000	4,176	4,000	4,176			4,000	4,176
179	PHOTOGRAPHIC EQUIPMENT		3,581		3,581		3,581				3,581
180	TACTICAL SHELTER		3,757		3,757		3,757				3,757
181	PRODUCTIVITY ENHANCEMENT		8,246		8,246		8,246				8,246
182	PRODUCTIVITY INVESTMENTS		21,599		21,599		21,599				21,599
183	MOBILITY EQUIPMENT		546		546		546				546

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
184	WARTIME HOST NATION SUPPORT		3,293		3,293		3,293				3,293
185	SPARES AND REPAIR PARTS-OPAF 4		745		745		745				745
186	ITEMS LESS THAN $2,000,000		13,195		13,195		13,195				13,195
187	INTELLIGENCE PRODUCTION ACTIVITY		62,888		29,788		172,488		-29,086		33,802
188	TECH SURV COUNTERMEASURES EQ		2,918		2,918		2,918				2,918
189	SELECTED ACTIVITIES		5,387,165		5,396,235		5,450,665		148,950		5,536,115
190	SPECIAL UPDATE PROGRAM		162,051		162,051		162,051				162,051
191	INDUSTRIAL PREPAREDNESS		3,871		3,871		3,871				3,871
192	MISC EQUIPMENT										
193	MISC EQUIPMENT-SOF										
194	MODIFICATIONS		100		100		100				100
195	FIRST DESTINATION TRANSPORTATION		17,244		17,244		17,244				17,244
	SENIOR YEAR GROUND STATIONS								130,689		130,689
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DBOF ADJUSTMENT				65,200						
	CLASSIFIED PROGRAM										
	TOTAL OTHER PROCUREMENT, AIR FORCE		8,058,100		8,124,604		7,939,282		135,909		8,194,009

Defense meteorological satellite program terminals

The amended budget request included $16.8 million to procure upgraded terminals for the defense meteorological satellite program (DMSP).

The House bill would authorize the requested amount.

The Senate amendment would authorize $8.5 million for DMSP procurement, a reduction of $7.7 million from the request. The reduction results from delays in the program that should defer without prejudice the procurement of tactical terminals.

The House recedes.

PROCUREMENT, DEFENSE AGENCIES

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $2,089.6 million for Procurement, Defense Agencies. The House bill would authorize $2,576.4 million. The Senate amendment would authorize $2,127.7 million. The conferees recommend authorization of $2,239.0 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	PROCUREMENT, DEFENSE AGENCIES										
1	MOTOR VEHICLES, OSD										
2	MAJOR EQUIPMENT, OSD/WHS		89,952		89,952		89,952				89,952
3	REMOTELY PILOTED VEHICLES		138,370		138,370		138,370				138,370
4	CORPORATE INFORMATION MANAGEMENT		94,700		94,700		94,700				94,700
5	ELECTRONIC WARGAMING EQUIPMENT										
6	COMMAND CONTROL COMMUNICATIONS & INTELLI										
7	DRUG INTERDICTION										
7a	ELECTRONIC WARFARE EQUIPMENT				40,000						
7b	C-20F AIRCRAFT			3	93,000	3	93,000	3	93,000	3	93,000
8	CLASSIFIED EQUIPMENT, NSA		[ ]						[16,100]		[ ]
9	VEHICLES, DNA		914		914		914				914
10	OTHER CAPITAL EQUIPMENT, DNA		3,615		3,615		3,615				3,615
11	WWMCCS ADP SYSTEMS		11,093		11,093		11,093				11,093
12	ITEMS LESS THAN $2 MILLION, DCA		27,009		27,009		27,009				27,009
13	PRODUCTIVITY INVESTMENT FUNDING, DCA										
14	DRUG INTERDICTION SUPPORT										
15	DEF BUSINESS OPERATIONS FUND										
16	INDUSTRIAL/DEPOT MAINTENANCE EQUIP		13,502		13,502		13,502				13,502
17	INTELLIGENCE & COMMUNICATIONS, DIA		[ ]						[70,420]		[ ]
	MAJOR EQUIPMENT, DLA										
18	MATERIALS HANDLING EQUIPMENT, DLA										
19	VEHICLES, DLA										
20	MECHANIZED MATERIALS HANDLING SYS										
21	ADP EQUIPMENT, DLA										
22	TELECOMMUNICATIONS EQUIPMENT, DLA										
23	OTHER MAJOR EQUIPMENT, DLA				32,500						
24	ITEMS LESS THAN $2 MILLION, DLA										
25	INDUSTRIAL/DEPOT MAINTENANCE EQ, DLA										
26	ADP EQUIPMENT, DMA										
27	OFFSET PRESS, DMA										
28	VEHICLES, DMA		456		456		456				456
29	OTHER CAPITAL EQUIPMENT, DMA		20,317		20,317		20,317				20,317
30	COUNTERNARCOTICS, DMA										

P-1		Amended		--- House FY1992	-------	Senate FY1992	------Conference---		-- Conference FY92 --	
		FY1992 Request		Authorization		Authorization		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
31	GEODESY AND GEOPHYSICAL EQUIPMENT		300		300		300				300
32	VEHICLES, DIS		2,115		2,115		2,115				2,115
33	OTHER CAPITAL EQUIPMENT, DIS		3,203		3,203		3,203				3,203
34	ITEMS LESS THAN $2 MILLION, USUHS		825		825		825				825
35	ITEMS LESS THAN $2 MILLION, DCAA		3,586		3,586		3,586				3,586
36	MAJOR EQUIPMENT, DSPO		239,240		239,240		179,240		-60,000		179,240
37	AIRBORNE RECONNAISSANCE SUPPORT PROGRAM										
38	MAJOR EQUIPMENT, OJCS		21,686		21,686		21,686				21,686
39	VEHICLES, OSIA		20		20	2	50	2	30	2	50
40	OTHER CAPITAL EQUIPMENT, OSIA		7,501		7,501		25,571		15,379		22,880
41	PATRIOT		25,000		25,000		25,000				25,000
42	ERINT										
43	THAAD										
999	CLASSIFIED PROGRAMS		465,965		546,115		444,473		86,520		552,485
	MENTOR-PROTEGE PROGRAM						15,000		30,000		30,000
	DBOF TECHNICAL CORRECTION						10,900		10,900		10,900
	DBOF-DIRECT FUNDING DCAA/DCMC										
	DEFENSE MODELING AND SIMULATION OFFICE								10,000		10,000
	JOINT SIMULATION OFFICE-PY SAVINGS						-60,000		-60,000		-60,000
	DBOF ADJUSTMENT				230,400						
	SUPERCOMPUTERS										
	DEFENSE FINANCE AND ACCOUNTING SERVICE										
	ADP/CIM REDUCTION										
SPECIAL OPERATIONS COMMAND											
44	MC-130H COMBAT TALON II		112,993		112,993		112,993				112,993
45	C-130 MODIFICATIONS		101,663		101,663		114,563		12,900		114,563
46	MH-47/MH-60 MODIFICATIONS		311,577		311,577		311,577				311,577
47	MH-60 MODIFICATIONS										
48	HH-53 MODIFICATIONS		19,618		19,618		19,618				19,618
49	OTHER AIRCRAFT MODIFICATIONS										
50	AIRCRAFT SUPPORT		24,791		24,791		24,791				24,791

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
51	PATROL BOAT, COASTAL		2,605		2,605		2,605				2,605
52	MK VIII MOD 1 - SEAL DELIVERY VEHICLE										
53	SUBMARINE CONVERSION										
54	SOF INDIV WEAPONS AMMUNITION		13,083		13,083		21,083				13,083
55	SOF PYRO/DEMO		20,780		20,780		20,780				20,780
56	SOF PLATFORM GUN AMMUNITION		39,252		39,252		42,252				39,252
57	AC-130 GUNSHIP AMMUNITION										
58	ROCKET, HYDRA										
59	RANGER ANTI-ARMOR WPN SYS AMMUNITION										
60	SMALL ARMS AND LANDING PARTY AMMUNITION										
61	PYROTECHNIC AND DEMOLITION										
62	COMM EQUIPMENT & ELECTRONICS		77,816		77,816		85,816				77,816
63	SOF SMALL ARMS & WEAPONS		5,682		5,682		5,682				5,682
64	SPECIAL WARFARE EQUIPMENT		23,608		23,608		23,608				23,608
65	COMMUNICATION EQUIPMENT MODIFICATIONS										
66	MISCELLANEOUS EQUIPMENT		40,999		51,699		51,699		10,700		51,699
67	CLASSIFIED PROGRAMS		124,264		124,264		124,264				124,264
68	PSYOP EQUIPMENT		1,500		1,500		1,500				1,500
69	SWIMMER WEAPONS SYSTEM										
70	RANGER VEHICLES										
71	NAVY SMALL ARMS AND WEAPONS										
	TOTAL PROCUREMENT, DEFENSE AGENCIES		2,089,600		2,576,350		2,127,708		149,429		2,239,029

Red River Army Depot Supply Operations Center

The amended budget request contained no funds to purchase equipment for the supply Operations Center at the Red River Army Depot.

The House bill would add $32.5 million to the amended budget request for this purpose.

The Senate amendment would not add these funds.

The conferees understand that the Defense Logistics Agency (DLA) is in the early stages of facility planning for the Red River Supply Operations Center. The conferees support the DLA supply distribution consolidation initiative, particularly with respect to Red River, and direct DLA to move forward as quickly as possible. However, the conferees note that DLA has indicated that equipment procurement for the Supply Operations Center will not begin until July 1993. Therefore, the conferees recommend $32.5 million in fiscal year 1993 for this purpose.

On-Site Inspection Agency

The amended budget request contained $7.521 million for procurement for the On-Site Inspection Agency (OSIA).

The House bill would authorize the requested amount.

The Senate amendment would authorize $25.571 million for procurement of mission essential equipment, based on changes to the budget assumptions for implementation of arms control agreements which occurred after the House bill had been approved.

After thorough consultation with OSIA and other Department of Defense officials regarding revisions in OSIA requirements, the conferees recommend authorization of $22.930 million for procurement of mission-essential equipment and vehicles for fiscal year 1992.

Of that amount, the conferees recommend authorization of $50,000 for the procurement of two vehicles. To ensure that adequate funds are available in the appropriate accounts to meet treaty requirements, the conferees recommend authorization of $22.880 million for other capital equipment for OSIA for fiscal year 1992. Additionally, if OSIA requirements evolve further, the authorizing committees will consider requests by the Department of Defense for additional adjustments in OSIA funding during the fiscal year, as appropriate.

Special operations forces

The amended budget request included $920.2 million for procurement for the U.S. Special Operations Command.

The House bill would authorize $930.9 million.

The Senate amendment would authorize $962.8 million.

The conferees recommend an authorization of $943.8 million, an increase of $23.6 million above the requested amount. The conferees agree that the increase of $23.6 million shall be spent in the following areas:

(1) *C–130 modifications ($12.9 million)*—These funds would procure forward looking infrared radar (FLIR) for C–130 special operations low level (SOLL) transport aircraft and HC–130 tanker aircraft.

(2) *portable signals intelligence systems ($9.5 million)*

(3) *deployable SOCRATES ($41.2 million)*—These funds would enable the SOCRATES intelligence system to be deployed to special operations units below the Service component headquarters level.

PROCUREMENT, NATIONAL GUARD AND RESERVE EQUIPMENT

OVERVIEW

The House bill would authorize $650.0 million for Procurement, National Guard and Reserve Equipment. The Senate amendment would authorize $667.7 million. The conferees recommend authorization of $1,061.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	NATIONAL GUARD AND RESERVE EQUIPMENT										
	RESERVE EQUIPMENT										
	ARMY RESERVE										
1	MISCELLANEOUS EQUIPMENT								25,000		25,000
2	COMMUNICATIONS ELECTRONICS				5,000						
	SINCGARS RADIOS						15,000		15,000		15,000
3	SHOP EQUIPMENT										
4	TEST SET COMMON CORE										
5	TACTICAL TRUCKS				20,000				20,000		20,000
6	FAMILY OF HEAVY TACTICAL VEHICLES										
	C-12F					3	7,500	3	9,300	3	9,300
7	DRUG INTERDICTION										
	NIGHT VISION EQUIPMENT								15,000		15,000
	NAVY RESERVE										
8	MISCELLANEOUS EQUIPMENT								10,000		10,000
9	AN-SQT-1 TRAINERS										
10	AN-SQQ-58 SONOBOUYS										
11	C-130H AIRCRAFT										
	C-130T										
12	C-20 AIRCRAFT										
13	HH-60H UPGRADE KITS				45,000						
14	AN-AQA-7B IPADS										
15	MH-53 HELICOPTERS					4	129,000				
16	LAMPS MK-1 ASW UPGRADE				35,000				35,000		35,000
17	P-3C AIRCRAFT SUPPORT EQUIPMENT										
18	INSTALLATION OF MODIFICATIONS										
19	DRUG INTERDICTION										
	P-3 UPGRADES										

P-1		Amended FY1992 Request		--- House FY1992 Authorization		------- Senate FY1992 Authorization		------Conference--- Change to Request		-- Conference FY92 -- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	MARINE CORPS RESERVE										
20	MISCELLANEOUS EQUIPMENT								10,000		10,000
	COMMO EQUIPMENT				5,000				15,000		15,000
21	KC-130T AIRCRAFT										
22	AH-1W COBRA AIRCRAFT										
23	DRUG INTERDICTION										
	AIR FORCE RESERVE										
24	MISCELLANEOUS EQUIPMENT								25,000		25,000
25	C-130 AIRCRAFT			8	200,000			8	200,000	8	200,000
26	F-16 MODIFICATIONS				20,000						
27	C-130 MODIFICATIONS										
28	INSTALLATION OF MODIFICATIONS										
29	DRUG INTERDICTION										
	NATIONAL GUARD EQUIPMENT										
	ARMY NATIONAL GUARD										
30	MISCELLANEOUS EQUIPMENT								20,000		20,000
31	TRUCK MODERNIZATION										
31a	MEDIUM TACTICAL TRUCKS-PY SAVINGS						-11,600				
32	OH-58D HELICOPTERS										
32a	AH-1 MODS						15,000				
33	UH-60 HELICOPTERS										
34	MEDIUM TACTICAL TRUCKS				20,000				10,000		10,000
35	TRUCK, TRACTOR, H915A1										
36	TRUCK, TRACTOR, M916										
37	SMALL UNIT SUPPORT VEHICLE (SUSV)										
38	M113 ARMORED PERSONNEL CARRIER										
39	BATTERY COMPUTER SYSTEM										
40	C-23 AIRCRAFT			10	60,000			10	60,000	10	60,000
41	FAMILY OF HEAVY VEHICLES										
42	FAMILY OF M113 VEHICLES						10,000		10,000		10,000
43	C-26 AIRCRAFT					2	6,000				
44	MLRS LAUNCHERS						110,000		110,000		110,000
45	MLRS BN SPT EQUIPMENT										

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
46	NIGHT VISION DEVICES						15,000		15,000		15,000
47	COMMUNICATIONS ELECTRONICS				5,000						
47a	SQUAD ENGAGEMENT TRAINING DEVICES						10,000				
	RESERVE STAFF SIMULATION CENTER						2,000		2,000		2,000
	SINCGARS RADIOS										
48	DRUG INTERDICTION										
AIR NATIONAL GUARD											
49	MISCELLANEOUS EQUIPMENT										
50	C-130 AIRCRAFT			2	50,000	12	309,800	12	309,800	12	309,800
51	INSTALLATION OF MODIFICATIONS										
52	C-130 MODIFICATIONS										
53	C-26 AIRCRAFT										
54	MH-60G HELICOPTERS										
55	F-16 MODIFICATIONS				15,000				10,000		10,000
56	F-16 SUPPORT EQUIPMENT										
57	F-15/F-16 ENGINE UPGRADE				40,000				20,000		20,000
58	F-15 MSIP				40,000				20,000		20,000
	LANTIRN				90,000				45,000		45,000
59	KC-135 AIRCRAFT MODS										
60	DRUG INTERDICTION										
61	4TH TACTICAL COMM										
62	TAC AIR CONTROL IMPROVEMENTS/MCE						50,000		50,000		50,000
	TOTAL GUARD AND RESERVE EQUIPMENT				650,000		667,700		1,061,100		1,061,100

Forward area alerting radar

The conferees understand that the Army is in the process of deactivating its aged forward area alerting radars (FAAR) because they are considered tactically obsolete and logistically unsupportable. The conferees also understand that there are units in the Army National Guard that have no alerting radar capability whatsoever. Rather than deactivate the FAAR radars, the Army should transfer FAAR radars to the National Guard, especially to those states in which Guard units are involved in the counter-drug campaign.

The conferees stress, however, that it is not cost effective to upgrade the FAARS and caution the National Guard Bureau not to entertain or promote any effort to upgrade the FAAR radars. The Army is buying a state-of-the-art radar for one third of the cost it would take just to upgrade the aged FAAR.

P-1 LINE	ITEM	Amended FY1992 Request Quantity	Amended FY1992 Request Amount	House FY1992 Authorization Quantity	House FY1992 Authorization Amount	Senate FY1992 Authorization Quantity	Senate FY1992 Authorization Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference FY92 Authorization Quantity	Conference FY92 Authorization Amount
	CHEM AGENTS AND MUNITIONS DESTRUCTION, DEF										
1	CHEM DEMIL - RDTE				13,900				13,900		13,900
2	CHEM DEMIL - PROC		261,702		261,702		261,702		-33,900		227,802
3	CHEM DEMIL - O&M		213,098		213,098		213,098		-2,198		210,900
4	RETROGRADE										
	DBOF-DIRECT FUNDING DCAA/DCMC										
	CRYOFRACTURE-R&D						13,900				
	CRYOFRACTURE-PROCUREMENT						20,000		20,000		20,000
	TOTAL CHEM AGENTS AND MUNITIONS DESTRUCT		474,800		488,700		508,700		-2,198		472,602

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Multiyear authorizations (sec. 108)

The House bill included a provision (sec. 108) that would authorize multiyear procurement for the Army tactical missile system and MK-48 ADCAP torpedo program.

The Senate amendment included a similar provision (sec. 108) that would approve these multiyear programs. However, the Senate amendment would authorize an additional program, the enhanced modular signal processor.

The House recedes.

M1 tank program (sec. 111)

The House bill contained a provision (sec. 111) that would prohibit the closure of any portion of the tank industrial base involved in the remanufacture of M1A2 tanks, require the Secretary of the Army to obligate $150.0 million provided in fiscal year 1991 for M1A2 procurement, authorize $90.0 million for 60 new M1A2 tanks in fiscal year 1992, and authorize $225.0 million to continue the remanufacture program in fiscal year 1992. The provision also would stipulate that funds appropriated in these amounts for weapons and tracked combat vehicles would be available only for these stated purposes.

The House bill also would increase the authorization for research and development by $64.4 million (program element 23735A) to complete full scale development and testing of the block 2 vehicle.

The Senate amendment contained a provision (sec. 111) that would require the Secretary of the Army to obligate the $150.0 million appropriated in fiscal year 1991 for M1A2 tank procurement, authorize $90.0 million for new M1A2 tanks in fiscal year 1992, and authorize $225.0 million to continue the tank modification program in fiscal year 1992.

The Senate recedes.

The conferees recommend a provision that would require the Secretary of the Army to obligate the $150.0 million appropriated in fiscal year 1991 for M1A2 tank procurement, authorize $90.0 million for new M1A2 tanks in fiscal year 1992, and authorize $225.0 million to continue the tank modification program in fiscal year 1992. The provision would provide that if there are delays in the qualification of the M1A2 design, remanufacture may initially proceed with an M1A1 configuration.

The conferees also recommend an authorization of $84.7 million in program element 23735A to complete full scale development and testing of the block 2 vehicle.

The conferees direct the Army to transfer M1A1 tanks to the Marine Corps on a one-for-one basis as it receives the 60 new production tanks recommended by the conferees.

New training helicopter (sec. 112)

In fiscal year 1991, the Congress authorized the Army to proceed with long-term arrangements to lease commercial helicopters to replace its current aging UH-1 training helicopter fleet. The conferees now understand that long-term leases are unlikely to be cost-effective and that the procurement of new training helicopters is the most cost-effective solution.

Though neither the House bill nor the Senate amendment included funds to procure a new training helicopter, the conferees are persuaded that such a recommendation is justified in light of the new facts, and is fully consistent with the earlier congressional authorization to proceed with a modernization program for training helicopters. Consequently, the conferees recommend $23.5 million for the Army to procure an off-the-shelf training helicopter. The conferees direct, however, that these funds may be obligated only for a helicopter that was selected through thorough and open competitive procedures.

The conferees also recommend a provision that would repeal the authority granted to the Army to enter into a long-term lease for a new training helicopter.

AH-64 helicopter modernization (sec. 113)

The amended budget request contained $82.8 million for AH-64 helicopter upgrades and $233.2 million for Longbow engineering development.

The House bill expressed disappointment in the Army's plan for block upgrade modifications and would deny authorization for the AH-64B configuration.

The Senate amendment would fund an Army proposal to convert 254 AH-64A model aircraft into a new AH-64B configuration and the remaining AH-64A aircraft into a C/D configuration through a service life extension effort. The proposed AH-64C model would contain all B model upgrades plus all AH-64D (Longbow) items, except the Longbow fire control radar and the improved T-701C engines. The AH-64D model would include the Longbow fire control radar and the upgraded engines. In addition to authorizing the requested amounts, the Senate amendment would authorize an additional $31.0 million in R&D and $1.0 million in procurement to support this building block modernization approach. The Senate amendment would also authorize an additional $3.5 million for development of an alternate air-to-air missile capability to complement the existing Stinger missile.

The House recedes with an amendment.

The conferees recommend the requested amounts and the additional $35.5 million to immediately begin the AH-64B and C modernization program and to develop the complementary air-to-air missile technology. The conferees direct the Secretary of the Army to obtain an early operational assessment of the AH-64C from the Director of Operational Testing and Evaluation and submit the results to the congressional defense committees prior to planned obligation of HA-64D (Longbow) procurement.

The conferees recommend a provision that would restrict obligation of funds for the AH-64B model program.

Procurement of Army scout helicopters (sec. 114)

The amended budget request contained $183.2 million for OH-58D aircraft modifications, which included $44.6 million to terminate the Army helicopter improvement program (AHIP) and close the production line.

The House bill contained a provision (sec. 117) that would waive a prohibition contained in section 133 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189) concerning the Army scout helicopter program (AHIP) and permit procurement of 36 AHIP scout aircraft in fiscal year 1992. The House bill also would authorize a total of $200.0 million to procure 36 AHIP helicopter kits in fiscal year 1992.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize the procurement of 24 kits for $135.0 million in fiscal year 1992, and 12 kits for $90.2 million from funds remaining available in the Defense Cooperation Account to pay for AHIP helicopters lost during Operation Desert Storm. The conferees recognize that the $44.6 million requested for termination expenses will not be needed since production will continue through fiscal year 1992. Therefore, the conferees reduce the requested amount for OH-58D modifications by that amount, recommending an authorization of $138.6 million for other OH-58D aircraft modifications. The conferees expect the Army to include funds to terminate the AHIP program as part of the Army's fiscal year 1993 amended budget request.

The conferees also recommend a provision that would exempt these 36 aircraft from section 133 of Public Law 101-189.

Transfer of certain funds for procurement of Navy aircraft (sec. 121)

The Senate amendment contained a provision (sec. 112) that would authorize the transfer out of unobligated balances certain funds remaining from the cancelled A-12 program to other Navy aviation programs.

The House bill contained no similar provision.

The House recedes.

AV-8B (V/STOL) Harrier aircraft (sec. 122)

The amended budget request included no funds for production of new AV-8B aircraft. The AV-8B multiyear procurement program ended with procurement of 24 aircraft in fiscal year 1991. The supplemental authorization request for Operation Desert Storm included $230.0 million for production of six new AV-8B aircraft to replace those lost during the Persian Gulf war.

The House bill did not authorize any funds for AV-8B procurement, but the House report (H. Rept. 102-60) required the Secretary of Defense to provide a plan for upgrading and modernizing the AV-8B fleet and required the DoD Inspector General to investigate and report on the high incidence of AV-8B mishaps.

The Senate amendment would authorize the $230.0 million requested for AV-8B procurement in the Defense Cooperation Account. The Senate amendment would also provide an additional $65.0 million in the Aircraft Procurement, Navy account to remanufacture two crash-damaged AV-8Bs to the newest, radar-equipped configuration. Remanufacturing would extend their service lives and verify claims about the remanufacturing process.

The Navy initiated a program to upgrade the 24 fiscal year 1991 AV-8B production aircraft to incorporate a radar used on the F/A 18 aircraft. The Government's of Italy and Spain joined this effort as partners in a cooperative program, under the terms of a memorandum of understanding (MOU).

However, the conferees have learned of possible funding shortfalls within the AV-8B cooperative program. The conferees now understand that the fiscal year 1991 multiyear contract is being executed to buy only 21 aircraft for the Navy and to sell three aircraft to the Government of Italy at a price below the price the Navy is paying for them. In addition, two TAV-8B trainer aircraft were sold to the Government of Italy. Funds from that sale were applied to the cooperative program, rather than deposited in the U.S. Treasury as is the normal rule. The Navy subsequently applied these funds to the radar upgrade program on a "replacement-in-kind" basis, notwithstanding the fact that there was no plan and is now no plan to use any of the funds for replacement TAV-8B trainer aircraft.

The possibility of an unfunded liability is of great concern to the conferees. The conferees understand that there are unusual problems in pursuing cooperative programs, but are unaware of any other cooperative development or production program that has had the problems or that has been financed like this effort. The conferees believe that the navy's management and oversight of the AV–8B program has been, at the very least, lax. The conferees also believe that communications with Congress have been poor. For example, the budget documentation accompanying the fiscal year 1992 amended budget request, transmitted in February 1991, showed a quantity of 24 AV–8B aircraft being purchased by the Navy in fiscal year 1991. However, the conferees understand that the Assistant Commandant of the Marine Corps made the decision to reduce the number of aircraft from 24 to 21 in January 1990, more than a year earlier.

The conferees direct the Department of Defense Inspector General to conduct a complete investigation into the management and funding of the AV–8B program and submit her findings with the submission of the fiscal year 1993 amended budget request. The conferees also direct the General Accounting Office to report on the management and funding of the AV–8B program to the congressional defense committees by March 1, 1992.

The conferees are sympathetic to the possibility of AV–8B force structure shortfalls in the Marine Corps, and recommend $180.0 million in the Defense Cooperation Account to purchase six aircraft to replace combat losses during Operation Desert Shield/Desert Storm. The conferees recommend a provision that would restrict the use of funds for the AV–8B program.

The conferees do not believe that this is the time or method for starting a major remanufacturing program. The status of the current cooperative program is unclear, and the Navy has shown no budgetary commitment to the remanufacturing program. Accordingly, the conferees recommend no fiscal year 1992 authorization for remanufacturing AV–8B aircraft. The conferees agree to defer, without prejudice, approval of a remanufacturing program. The conferees expect that approval of such a program will be influenced by evidence of a Navy Department commitment to it, including funding in the Future Years Defense Program.

Air cushion landing craft (sec. 123)

The Senate amendment included a provision (sec. 114) that would prohibit the obligation of any funds for air cushion landing craft (LCAC) until the Secretary of Defense provides a report on amphibious shipping goals and programs.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree to require that the Secretary of Defense submit a report to the congressional defense committees on amphibious shipping goals and programs by March 31, 1992. The conferees do not recommend any prohibition on obligiations for the LCAC program.

Trident-II missiles (sec. 124)

The amended budget request for fiscal year 1992 contained $1,195.4 million for 28 Trident-II (D–5) missiles, including $218.0 million for advance procurement for 31 Trident-II missiles in fiscal year 1993. The fiscal year 1993 request included $1,037.7 million for 31 Trident-II missiles, plus $223.0 million for advance procurement of 50 missiles in fiscal year 1994.

The House bill would authorize the requested amount for fiscal year 1992. It would also recommend an additional $15.0 million for Navy research and development with regard to the safety of the propellant and rocket motor used in the D–5 missile, as discussed in the report of the Panel on Nuclear Weapons Safety, chaired by Dr. Sidney Drell.

The Senate amendment would increase the requested amount to $1,425.1 million for procurement in fiscal year 1992, including advance procurement, and to $1,448.4 million for procurement in fiscal year 1993, including advance procurement. These recommendations would provide for production of 72 Trident-II missiles in fiscal years 1992 and 1993, including production for the U.K. Trident program.

The conferees recommend $1,335.8 million for up to 49 Trident-II missiles for fiscal year 1992, and for advance procurement of missiles during fiscal year 1993. The production of these missiles assumes the use of $127.3 million of prior-year funding as described in the Senate report (S. Rept. 102–113). In addition, the conferees reconfirm the requirement in the Senate report for a report on the remaining program costs and savings that would accrue from multi-year procurement of the balance of the Trident-II missiles produced at annual rates of, respectively, 48, 60, and 72 missiles, beginning in fiscal year 1993. Pending receipt of that report, the conferees make no recommendation for fiscal year 1993.

The conferees further recommend an additional $15.0 million in research and development funds in fiscal year 1992 for the Navy to study the safety of the propellant and rocket motor used in the D–5 missile. These funds shall be used to conduct analytical modelling and an experimental test program to reduce the uncertainty in estimates of the velocity required to detonate a State III rocket motor using class 1.1 propellant as compared to class 1.3 propellant. This study is in response to concerns raised by the Panel on Nuclear Weapons Safety.

The Secretary of the Navy shall submit to the congressional defense committees by December 15, 1992 a plan for such test activities, and shall subsequently report to the committees annually on the progress of such tests until they are completed.

The Senate amendment also contained a provision (sec. 117) that would transfer $56.7 million of prior year unobligated balances within the Other Procurement, Navy accounts to the Trident-II program.

The House bill contained no similar provision.

The House recedes.

B–2 bomber (sec. 131)

The amended budget request contained $3,200.4 million for procurement of four new production B–2 bombers, including advance procurement and initial spares, in fiscal year 1992.

The House bill contained a provision (sec. 113) that would terminate the production of further B–2 bombers, complete the flight test program and manufacture of those B–2s on order, provide 15 operational B–2 bombers to the U.S. Strategic Command, and preserve the production facilities and tooling for the B–2 to provide an option for future production. The House bill would provide no procurement funds in support of this provision.

The Senate amendment contained a provision (sec. 118) that would limit the obligation of funds for the four new production B–2 aircraft pending completion of a series of performance and flight test criteria, and various certifications by the Secretary of Defense. The provision would fully fund the requested amount for fiscal year 1992. Pending receipt of an analysis by the Defense Department of further cost and budgetary savings resulting from the substitution of B–2 capabilities for other weapon systems and capabilities, the Senate amendment would make no recommendation for fiscal year 1993.

The conferees recommend authorization of a total of $2,800.0 million for procurement and advance procurement purposes within the B–2 bomber program. Of this amount, the obligation of $1,000.0 million and the one new production B–2 aircraft would be restricted until all fencing and reporting provisions contained in the conference agreement have been met; the Secretary of Defense has delivered a report to the congressional defense committees on the progress and status of B–2 low-observability testing; and thereafter, the obligation of the funds to procure not more than one new production B–2 bomber aircraft is specifically authorized in legislation enacted after the date of enactment of this act.

B–1B bomber program (sec. 132)

The amended budget request for the B–1 bomber program contained $107.9 million for procurement items and $195.6 million for modifications to the B–1B for fiscal year 1992, and $142.9 million for procurement items and $195.1 million for modifications in fiscal year 1993.

The House bill would approve the requested amount for fiscal year 1992, add $40.0 million for improved conventional weapons capability, and add $298.0 million for the initial implementation of the CORE version of the defensive electronic counter-measures (ECM) system.

The Senate amendment would deny funding for the procurement items requested, reduce the request for modifications by $79.9 million to $115.7 million for safety-of-flight modifications only, and deny funds for development of radar warning receivers contained in the Air Force "electronic warfare development" line item (program element 64270F).

The House bill also contained a provision (sec. 112) that would modify section 121 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) to reflect changes in the availability of M-account funds and to require a report by the Air Force on plans to remedy various B–1B deficiencies.

The Senate amendment also contained a provision (sec. 119) that would require various reviews and certifications of the readiness of the CORE ECM program for production and integration, and the associated costs and benefits. The provision would also require the Secretary of Defense to submit a proposed multi-year plan to correct B–1B deficiencies and add cost-effective improvements to augment B–1B nuclear and conventional capabilities.

The conferees recommend $202.7 million for procurement for the B–1B bomber program. Of this amount, $115.7 million would be available immediately but could only be used for the correction of safety-of-flight deficiencies previously identified.

Of the remaining $87.0 million, $67.0 million would be authorized for logistics and maintenance improvements, and $20.0 million would be available only for the completion of the level three technical drawings for the CORE ECM program. Under the provision agreed to by the conferees, these funds may not be obligated until a series of reports on various aspects of future capabilities of the B–1B are provided to the congressional defense committees by the Director of Operational Test and Evaluation, the Secretary of Defense, and the Comptroller General. The conferees urge the Department of Defense to provide at least preliminary reports to the congressional defense committees within the mandated reporting period.

The conferees do not recommend any funds for the development and testing of radar warning receivers.

The conferees note that the President's action in removing U.S. bombers from alert status significantly downplays the strategic nuclear mission for all bombers. In addition, the President's cancellation of the standoff short-range attack missile, the SRAM–II, limits severely the use of non-stealthy heavy bombers for nuclear penetration missions. The START treaty will further limit the United States to fewer than 110 bombers carrying nuclear cruise missiles. Therefore, beyond the carriage of nuclear cruise missiles on B–52H bombers (or B–1B bombers if B–52H bombers were retired), the foreseeable nuclear role for non-stealthy bombers is limited.

261 non-stealthy heavy bombers (B–52Gs, B–52Hs, and B–1Bs) are currently available for conventional bombing missions, since none are currently assigned to nuclear alert. Peak levels of heavy bomber usage in previous conventional conflicts have ranged from 70 during the war with Iraq, to as high as 116 during the Vietnam war. Therefore, the conferees are led to the view that, irrespective of the number of B–2 "stealth" bombers ultimately procured, the United States may have more non-stealthy heavy bombers than can be justified for either nuclear or conventional conflict scenarios. Given the substantial operating and support costs of heavy bomber units, significant savings would accrue from further retirements of non-stealthy heavy bombers. Thus, it is incumbent on the Department of Defense to make a strong case for retention of substantial numbers of non-stealthy heavy bombers for conventional missions, and to set forth detailed plans (including the B–1B modification plan contained in the Senate amendment) to develop improved conventional capabilities.

These are matters which the congressional defense committees intend to review carefully in connection with next year's defense budget request. For this reason, the conferees make no recommendation for fiscal year 1993 for the B–1B bomber program.

C–17 aircraft procurement (sec. 133)

The amended budget request included $1,975.2 million for procuring six C–17 aircraft, $222.4 million for advance procurement for 12 C–17 aircraft in fiscal year 1993, and $176.2 million for initial spare parts for C–17 aircraft.

The House bill would authorize the requested amount for six C–17 aircraft, $122.4 million for advance procurement for six aircraft in fiscal year 1993, and $176.2 million for initial spares. The House bill also contained a provision (sec. 115) that would restrict obligations (other than for advance procurement) until the Secretary of Defense submitted: (1) a report on full scale development (FSD) contract costs and the effect of any FSD overruns on subsequent procurement costs; and (2) a certification that the scheduled delivery dates for Lot III production aircraft could be accomplished within the contract's ceiling price.

The Senate amendment would authorize $1,525.2 million for the procurement of four C–17 aircraft, $122.4 million for advance procurement of up to eight aircraft in fiscal year 1993, and $126.2 million for initial spares. The Senate amendment also included a provision (sec. 120) that would restrict obligations (other than for advance procurement) unless the Air Force maintains contracting on the original "event-based" schedule, and until the Secretary of Defense submitted a report: (1) detailing C–17 performance specification reductions, and (2) containing a certification that any performance reductions do not constrain the aircraft's utility to the combatant commanders and that the C–17 is still the best way of meeting airlift requirements.

The conferees recommend four aircraft and $1,525.2 million for procurement, $122.4 million for advance procurement, and $126.2 million for initial spares. The conferees agree that it would be impossible for the Secretary to make the certification required by the House provision, because the schedule underlying the Lot III contract has already slipped. The House recedes from this part of its provision. The conferees also agree that, while the milestones are being achieved, up to $400.0 million may be obligated by the Air Force for the government's share of any termination liability needed to avoid a break in the production line.

Otherwise, the conferees agree to a provision that would incorporate the restrictions and milestones of both the House and Senate provisions. The conferees also direct the General Accounting Office to provide periodic reports to the Armed Services Committees of the Senate and the House of Representatives on the cost, schedule, and performance of the C–17 program.

F100/220E engine remanufacture kits (sec. 134)

The House bill contained a provision (sec. 118) that would require the Air Force to procure F100/220E engine kits only if the contract includes a warranty on the reliability of the complete engine.

The Senate amendment contained no similar provision.

The Senate recedes.

Advanced cruise missile (sec. 135)

The House bill contained a provision (sec. 114) that would modify section 136 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) regarding the advanced cruise missile program.

The Senate amendment contained no similar provision.

The Senate recedes.

Temperature specification for air-launched cruise missile flight data transmitter (sec. 136)

The House bill contained a provision (sec. 128) that would require the Secretary of Defense to develop and begin implementing within 60 days a plan to correct deficiencies discovered in the flight data transmitters of the air-launched cruise missile (ALCM). The provision would also require the Secretary to develop within 120 days a single, common methodology for testing compliance of components with cold-temperature specifications on all future defense contracts.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would provide that the Defense Department is to study and report on the implications of applying a single, common methodology for such testing.

Availability of F–15 sales proceeds for replacement aircraft (sec. 137)

The Senate amendment contained a provision (sec. 121) that would authorize the Air Force to use the proceeds from the sale of F–15 aircraft to Saudi Arabia to purchase six replacement aircraft and to procure certain support equipment.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify that these funds may be obligated to buy replacement aircraft, notwithstanding section 134 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189).

Further, the conferees recommend that $268.8 million available in the Defense Cooperation Account be made available to procure three replacement F–15s for those lost during Operation Desert Storm.

Advanced medium-range air-to-air missile (AMRAAM) (sec. 138)

The amended budget request included $653.4 million to procure 700 AMRAAM missiles.

The House bill would authorize the requested level.

The Senate amendment would authorize $497.2 million, a reduction of $156.2 million.

The conferees recommend an authorization of $534.2 million for 700 missiles.

The Senate amendment also contained a provision (sec. 122) that would amend section 163 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) that would require certain certifications concerning performance of the AMRAAM missile in operational testing. The Senate provision would amend that certification to instate the normal certification criteria established for operational testing by section 2399(b)(2) of title 10, United States Code.

The House bill contained no similar provision.

The House recedes.

F–117 fighter (sec. 139)

The House bill would authorize $233.0 million to initiate a comprehensive modernization program for the existing fleet of F–117 aircraft. Of that amount, $83.0 million would initiate several improvements for the baseline F–117A aircraft and $140.0 million would initiate research on an F–117A+ derivative that would incorporate more powerful engines and other modifications to improve the range and combat efficiency of the aircraft.

The Senate amendment would authorize $1,027.0 million to procure 24 additional F–117 aircraft. The Senate amendment also would authorize $15.0 million to study the feasibility of a reconnaissance derivative of the F–117.

The conferees recommend $560.0 million for four aircraft in fiscal year 1992. Further, the conferees recommend a provision that would place a statutory limit of 12 new production F–117 aircraft.

The conferees also recommend $83.0 million in research and development to initiate improvements to the F–117A aircraft.

C–20 aircraft program (sec. 141)

The House bill contained a provision (sec. 116) that would direct that $93.0 million in procurement be available for procurement of three Gulfstream IV C–20F aircraft. The provision would specify that they shall be assigned to whatever missions the Secretary of Defense judges to be the highest priority.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees believe the Secretary should determine where the C–20s can best be used, but strongly that they are needed in the Pacific region where current administrative aircraft are inadequate.

MC–130H (Combat Talon) aircraft program (sec. 142)

Section 161 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) prohibits the obligation or expenditure of certain funds for the procurement of MC-130H special operations transport aircraft until the Director of Operational Test and Evaluation (DOT&E) in the Office of the Secretary of Defense submits the following certification to the congressional defense committees: the qualification test and evaluation and qualification operational test and evaluation demonstrate that the aircraft is capable of performing terrain following/terrain avoidance as prescribed in the September 1988 test and evaluation master plan. The funds that cannot be obligated or expanded until this certification is completed are those for (1) the payment of an award fee to the contractor responsible for integrating the aircraft avionics, and (2) the procurement of contractor-furnished equipment.

Since section 161 was enacted into law two years ago, almost all of the necessary testing has been successfully completed. The only requirement that has not been tested is the aircraft's performance in moderate rain. According to the Office of the DOT&E, this testing requirement has not been satisfied because there has not been enough rain in the vicinity of Edwards Air Force base or other test locations. Neither the Office of the DOT&E nor the Air Force is aware of or expects a performance problem in this area.

The conferees believe that the original intent of section 161 has largely been achieved. It is not worthwhile to delay further the production and procurement of the last two MC-130H aircraft while the final test data is collected, especially because it is difficult to predict when the necessary weather conditions may exist.

The conferees recommend a provision that would amend section 161 to allow the obligation or expenditure of funds for the procurement of contractor-furnished equipment. Funds for the payment of an award fee could still not be obligated or expended until the certification required by section 161 is submitted to the congressional defense committees.

The conferees commend the Director of Operations Test and Evaluation and his staff for their conscientious and thorough work on this certification. Despite the Air Force interest in certifying the aircraft before all the necessary testing has been successfully concluded, the Office of the DOT&E insisted that the test standard set forth in section 161 be fully satisfied.

MH-47E/MH-60K helicopter modification programs (sec. 143)

The amended budget request contained $311.6 million for the MH-47E and the MH-60K helicopter modification program.

The House bill and the Senate amendment would authorize the requested amount.

The conferees have learned that extenuating circumstances have caused the MH-47E/MH-60K modification program to breach the RDT&E cost ceiling for non-major systems. Thus, these programs are now considered major systems for acquisition management and operational testing purposes. But strict application of the testing provisions of sections 2366 and 2399 of title 10, United States Code, could break multi-year production for the baseline MH-47 and MH-60 aircraft and economic order quantity procurements for the mission equipment packages. The conferees believe existing multi-year procurement contracts for the baseline MH-47 and MH-60 aircraft and current, interdependent mission equipment contracts are advantageous to the government. The conferees also believe that restructuring these contracts to permit strict program compliance with testing requirements would be prohibitively expensive.

The conferees note that a significant amount of relevant operational testing and operational experience has already been achieved for the baseline aircraft and some of the mission equipment in other applications. Thus, fundamental design risk is considered to be low.

The conferees recommend a provision that would defer for one year the date by which the testing required by sections 2366 and 2399 of title 10, United States Code, must be completed and reported to the Congress. This action should be viewed only as an effort to preserve the integrity of contracts advantageous to the government and the integrity of statutory testing requirements in the face of extenuating circumstances.

The conferees recommend authorization of the requested amount.

Funding clarification for the chemical weapons stockpile disposal program (sec. 151)

The House bill contained a provision (sec. 126) that would allow the Secretary of Defense to provide, through cooperative agreements, funds to state and local governments for the purpose of assisting them in processing permits and licenses necessary for the construction and operation of chemical demilitarization facilities.

The Senate amendment contained a similar provision (sec. 107(c)) that would also allow the Secretary to provide funds to assist with oversight expenses.

The Senate recedes.

The conferees do not now believe that activities will occur in fiscal year 1992 that would necessitate oversight actions by state and local governments. The conferees agree, however, that this issue will be reconsidered when the states or local governments begin to undertake regulatory oversight activities.

The conferees direct the Defense Department to prepare and submit a report to the Committees on Armed Services of the Senate and the House of Representatives that describes the type of oversight activities for which funding assistance might be provided; an estimate of the cost of such assistance; and a description of those oversight activities, the cost of which would be borne by the appropriate state or local regulatory agencies. The Department should include in the report a formula for cost-sharing between the Department and the state and local regulatory agencies. This report should be submitted at the same time a budget is submitted to Congress pursuant to section 1105 of title 31, United States Code, for a fiscal year in which authority to provide oversight funds is sought. No funds may be provided to state and local regulatory agencies for regulatory oversight activities until 60 days after receipt of this report.

Ground wave emergency network (sec. 152)

The House bill contained a provision (sec. 127) that would amend section 132 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1501). The amendment would extend the prohibition on the obligation or expenditure of funds for construction of the ground wave emergency network (GWEN) until October 1, 1992.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees direct the Secretary of Defense to include in his recommendations and comments on the independent study of the health and environmental effects of the GWEN system an evaluation of the requirement to continue the GWEN program in light of reductions in the threat and changes in the U.S. force posture.

Limitations relating to redeployment of Minuteman III ICBMs (sec. 153).

The Senate amendment contained a provision (sec. 1139) that would prohibit the use of any fiscal year 1992 or prior year funds for the redeployment or transfer of operationally deployed Minuteman III (MMIII) intercontinental ballistic missiles (ICBMs) from one Air Force ICBM base to another Air Force ICBM base. The provision would also restrict the Air Force from putting any spare MMIII missiles now in storage in a Minuteman II (MMII) silo until the Secretary of Defense submits to the Congress a plan for the restructuring of U.S. strategic forces consistent with the START Treaty.

The House bill contained no similar provision.

The House recedes. The conferees agree that nothing in this provision is intended to prohibit the Air Force from taking any preparatory actions for deploying spare MMIII ICBMs in MMII silos short of actually emplacing MMIII ICBMs in the former MMII silos, including performance of long-lead activities such as the acquisition and installation of hardware to convert the MMII silos to MMIII silos. The conferees also recommend this provision without prejudice to the overall merits of the Air Force's proposed ICBM base consolidation plan.

LEGISLATIVE PROVISIONS NOT ADOPTED

C-23 Sherpa aircraft program

The House bill contained a provision (sec. 119) that would require that any funds used to procure C-23 aircraft be used to procure aircraft from the original manufacturer of its U.S. licensee.

The Senate amendment contained no similar provision.

The House recedes.

SSN-21 nuclear attack submarine program

The House bill included a provision (sec. 120) that would direct the manner in which the acquisition strategy for the SSN-21 submarine should be developed and require a report on the implementation of this direction.

The Senate amendment contained no similar provision.

The House recedes.

Authorization of intelligence activities

The House bill contained a provision (sec. 123) that would provide that the authorization of appropriations by this act would not be deemed to constitute specific authorization for those intelligence or intelligence-related activities which comprise the national foreign intelligence program.

The Senate amendment contained no similar provision.

The House recedes.

SSN-21 nuclear attack submarine program

The House bill included a provision (sec. 125) that would express the sense of Congress that the President's budget request for fiscal year 1993, which included one submarine, was not sufficient and should be revised. This section also would authorize two SSN-21 nuclear attack submarines in fiscal year 1993, and direct that the two submarines be built in different shipyards.

The Senate amendment contained no similar provision.

The House recedes.

MK-92 fire control system upgrades

The Senate amendment included a provision (sec. 116) that would restrict obligations for the production or installation of MK-92 mod 6 fire control system upgrades until the system had successfully completed operational testing.

The House bill contained no similar provision.

The Senate recedes.

Because the conferees agree not to recommend funds for MK-92 mod 6 upgrades, the Senate provision is inappropriate.

Repeal of unnecessary budget format

The Senate amendment contained a provision (sec. 123) that would repeal section 2217 of title 10, United States Code, which concerns the unit costs of weapons systems in the defense budget when such systems are included in the budget of more than one military Service.

The House bill contained no similar provision.

The Senate recedes.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION (RDT&E)

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $40,073.1 million for research, development, test, and evaluation in the Department of Defense. The House bill would authorize $40,705.6 million. The Senate amendment would authorize $40,285.7 million. The conferees recommend authorization of $40,056.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

RESEARCH AND DEVELOPMENT, ARMY

OVERVIEW

The amendment budget request for fiscal year 1992 contained an authorization of $6,307.3 million for Army research, development, test, and evaluation. The House bill would authorize $6,457.1 million. The Senate amendment would authorize $6,522.1 million. The conferees recommend authorization of $6,686.6 million as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
		RESEARCH DEVELOPMENT TEST & EVAL ARMY					
1	61101A	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	14,812	12,812	14,812	-2,000	12,812
2	61102A	DEFENSE RESEARCH SCIENCES	179,363	179,363	179,363		179,363
		OTHER TECH BASE UNIVERSITY GRANTS					
3	61104A	ELECTROMECHANICS & HYPERVELOCITY PHYSICS	2,959	17,959	2,959		2,959
4	62104A	TRACTOR ROSE	1,578	1,578	1,578		1,578
5	62105A	MATERIALS TECHNOLOGY	11,537	11,537	15,537	9,000	20,537
6	62120A	ELECTRONIC SURVIVABILITY AND FUZING TECH	19,799	19,799	19,799		19,799
7	62122A	SURVIVABILITY ENHANCEMENT	5,769	5,769	24,269	5,000	10,769
8	62123A	TRACTOR FIELD	2,831	2,831	2,831		2,831
9	62211A	AVIATION TECHNOLOGY	45,544	45,544	45,544	6,300	51,844
10	62270A	EW TECHNOLOGY	22,964	22,964	22,964		22,964
11	62303A	MISSILE TECHNOLOGY	25,560	25,560	25,560		25,560
12	62307A	LASER WEAPONS TECHNOLOGY	5,191	5,191	5,191		5,191
13	62601A	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	44,106	44,106	44,106		44,106
14	62618A	BALLISTICS TECHNOLOGY	53,977	62,977	53,977	9,000	62,977
15	62622A	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING	50,351	50,351	50,351		50,351
16	62623A	JOINT SERVICE SMALL ARMS PROGRAM	4,531	4,531	4,531		4,531
17	62624A	WEAPONS AND MUNITIONS TECHNOLOGY	39,463	39,463	39,463		39,463
18	62705A	ELECTRONICS AND ELECTRONIC DEVICES	16,894	25,894	16,894	9,000	25,894
19	62709A	NIGHT VISION TECHNOLOGY	30,005	30,005	35,005		30,005
20	62716A	HUMAN FACTORS ENGINEERING TECHNOLOGY	10,372	10,372	10,372		10,372
21	62720A	ENVIRONMENTAL QUALITY TECHNOLOGY	18,984	28,984	18,984	10,000	28,984
22	62727A	NON-SYSTEM TRAINING DEVICE TECHNOLOGY	3,500	3,500	3,500		3,500
23	62782A	COMMAND, CONTROL, COMMUNICATIONS TECH	19,226	19,226	19,226		19,226
24	62783A	COMPUTER AND SOFTWARE TECHNOLOGY	5,702	5,702	5,702		5,702
25	62784A	MILITARY ENGINEERING TECHNOLOGY	42,564	42,564	42,564		42,564
26	62785A	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	16,014	16,014	16,014		16,014
27	62786A	LOGISTICS TECHNOLOGY	31,552	31,552	31,552		31,552
28	62787A	MEDICAL TECHNOLOGY	89,579	139,579	91,579	37,000	126,579
29	62788A	TRACTOR FLOP	1,608	1,608	1,608		1,608
30	62789A	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY	3,374	3,374	3,374		3,374

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
31	63001A	LOGISTICS ADVANCED TECHNOLOGY	10,455	10,455	10,455		10,455
32	63002A	MEDICAL ADVANCED TECHNOLOGY	22,245	22,245	22,245	1,500	23,745
		LASER BURN TREATMENT					
		PROSTATE DISEASE RESEARCH					
33	63003A	AVIATION ADVANCED TECHNOLOGY	33,255	33,255	33,255		33,255
34	63004A	WEAPONS AND MUNITIONS ADVANCED TECH	40,865	50,865	43,865	8,500	49,365
35	63005A	COMBAT VEHICLE AND AUTOMOTIVE ADV TECH	26,037	26,037	26,037		26,037
36	63006A	COMMAND/CONTROL/COMMUNICATIONS ADV TECH	12,691	12,691	12,691		12,691
37	63007A	HUMAN FACTORS/PERSONNEL/TRAIN ADV TECH	15,672	15,672	15,672		15,672
38	63009A	CLASSIFIED PROGRAM	5,142	5,142	5,142		5,142
39	63012A	TRACTOR HOLE	9,583	9,583	9,583		9,583
40	63013A	TRACTOR DIRT	100	100	100		100
41	63017A	TRACTOR RED	6,721	6,721	11,721	5,000	11,721
42	63102A	MATERIALS AND STRUCTURES ADVANCED TECH	2,870	2,870	7,870		2,870
42a	62XXXA	PRECOMPETITIVE TECHNOLOGY			10,000		
43	63105A	AIDS RESEARCH	3,259	3,259	3,259	24,750	28,009
44	63270A	EW TECHNOLOGY	7,122	7,122	7,122		7,122
45	63271A	TRACTOR NAIL					
46	63272A	JOINT TACTICAL MISSILE DEFENSE					
47	63313A	MISSILE AND ROCKET ADVANCED TECHNOLOGY	19,506	19,506	44,506		19,506
48	63314A	DIRECTED ENERGY					
49	63322A	TRACTOR CAGE	20,966	20,966	20,966		20,966
50	63393A	TRACTOR TRAILER	10,996	10,996	10,996		10,996
51	63606A	LANDMINE WARFARE AND BARRIER ADV TECH	8,728	23,728	18,728	20,000	28,728
52	63607A	JOINT SERVICE SMALL ARMS PROGRAM	5,431	5,431	5,431		5,431
53	63710A	NIGHT VISION ADVANCED TECHNOLOGY	22,620	22,620	32,620		22,620
54	63733A	ENVIRONMENTAL QUALITY CONTROL EQUIPMENT					
55	63734A	MILITARY ENGINEERING ADVANCED TECHNOLOGY	2,433	2,433	2,433		2,433
56	63742A	ADVANCED ELECTRONIC DEVICES DEVELOPMENT	4,036	4,036	4,036		4,036
57	63759A	CHEMICAL BIOLOGICAL DEF/SMOKE ADV TECH	3,174	3,174	3,174		3,174
58	63772A	ADV TACTICAL COMPUTER SCIENCE & TECH	8,624	8,624	8,624		8,624
59	10011A	ADV SPECIAL OPERATIONS RESCH, DEV & ACQ					

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
60	63325A	CHEMICAL WEAPONS TREATY MONITORING					
61	63392A	ANTI-SATELLITE WEAPON (ASAT)	65,000	65,000	65,000		65,000
62	12814A	SPECIAL PROGRAMS	[ ]				[ ]
63	33152A	WWMCCS INFO SYSTEM	[ ]				[ ]
996		STRATEGIC CLASSIFIED	22,186	22,186	22,186		22,186
64	63303A	SURFACE-TO-SURFACE MISSILE ROCKET SYSTEM	46,761	21,761	46,761		46,761
65	63604A	NUCLEAR MUNITIONS-ADV DEV	[ ]				[ ]
66	63612A	ADVANCED ANTI-TANK WEAPON SYSTEMS		68,300		137,000	137,000
67	63619A	LANDMINE WARFARE AND BARRIER - ADV DEV	11,515	11,515	11,515		11,515
68	63627A	SMOKE, OBSCURANT & EQUIP DEFEATING SYS-	17,004	17,004	17,004		17,004
69	63639A	ARMAMENT ENHANCEMENT INITIATIVE	[ ]				[ ]
70	63645A	ARMORED SYSTEMS MODERNIZATION-ADV DEV	400,808	400,808	450,108	-42,300	358,508
70a		UNICHARGE FULL SCALE DEVELOPMENT				8,000	8,000
70b		COMMAND AND CONTROL VEHICLE				15,000	15,000
70c		ATACS RESTRUCTURE				40,000	40,000
71	63713A	ARMY DATA DISTRIBUTION SYSTEM	19,534	19,534	19,534		19,534
72	63730A	TACTICAL SURVEILLANCE SYSTEM - ADV DEV	16,828	4,028	16,828		16,828
73	63745A	TACTICAL ELECTRONIC SUPPORT SYS-ADV DEV	3,365	3,365	3,365		3,365
74	63746A	SINCGARS ADV DEVELOP	172	172	172		172
75	63747A	SOLDIER SUPPORT AND SURVIVABILITY	8,257	8,257	8,257		8,257
76	63754A	CLASSIFIED PROGRAM- ADV DEV	[ ]				[ ]
77	63757A	FORWARD AREA AIR DEFENSE (FAAD) SYSTEM	97,387	97,387	97,387		97,387
77a		FAAD ALTERNATIVES			10,000		
78	63766A	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM	15,851	15,851	15,851		15,851
79	63774A	NIGHT VISION SYSTEMS ADVANCED DEVELOP	6,067	6,067	6,067		6,067
80	63776A	LONGBOW					
81	63801A	AVIATION - ADV DEV	13,828	13,828	13,828		13,828
82	63802A	WEAPONS AND MUNITIONS - ADV DEV			6,000		
83	63803A	CHEMICAL SYSTEMS - ADV DEV					
84	63804A	LOGISTICS AND ENGINEER EQUIP-ADV DEV	19,973	19,973	19,973		19,973
85	63805A	COMBAT SERVICE SUPPORT COMPUTER SYSTEM	24,635	24,635	24,635		24,635

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
86	63806A	CHEMICAL/BIOLOGICAL DEF EQUIP- ADV DEV	29,060	29,060	29,060		29,060
87	63807A	MEDICAL SYSTEMS - ADV DEV	32,089	32,089	32,089		32,089
88	63808A	CLASSIFIED PROGRAM	9,417	9,417	9,417		9,417
89	63810A	ADVANCED MISSILE SYSTEM-HEAVY					
90	63811A	METEOROLOGICAL DATA SYSTEMS	3,474	3,474	3,474		3,474
91	64202A	AIRCRAFT WEAPONS	3,012	3,012	3,012		3,012
92	64216A	AIRCRAFT PROPULSION SYSTEM	41,829	41,829	41,829		41,829
93	64220A	ARMED, DEPLOYABLE 06-58D	18,671	18,671	18,671		18,671
94	64223A	LIGHT ARMED SCOUT HELICOPTER	507,754	507,754	507,754		507,754
95	64270A	EW DEVELOPMENT	[ ]			[7,000]	[ ]
96	64321A	JOINT TACTICAL FUSION PROGRAM	130,775	105,775	109,275	-21,500	109,275
97	64324A	ARMY TACTICAL MISSILE SYS (ARMY TACMS)					
98	64603A	NUCLEAR MUNITIONS - ENG DEV	4,384	4,384	4,384		4,384
99	64604A	MEDIUM TACTICAL VEHICLES	11,879	20,979	23,479	11,600	23,479
100	64609A	SMOKE, OBSCURANT & EQUIP SYS- ENG DEV	12,988	12,988	12,988		12,988
101	64611A	ADVANCED ANTI-TANK WEAPON SYS-ENG DEV	120,412	120,412	49,512		120,412
102	64619A	LANDMINE WARFARE	35,238	35,238	35,238		35,238
103	64622A	HEAVY TACTICAL VEHICLES	5,488	5,488	5,488		5,488
104	64633A	AIR TRAFFIC CONTROL	8,971	8,971	8,971		8,971
105	64645A	ARMORED SYS MODERNIZATION (ASM)-ENG. DEV	43,109	43,109	43,109		43,109
106	64709A	IDENTIFICATION-FRIEND-OR-FOE - ENG DEV					
107	64710A	NIGHT VISION SYSTEMS - ENG DEV	26,994	26,994	26,994		26,994
108	64713A	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	9,956	9,956	9,956		9,956
109	64715A	NON-SYSTEM TRAINING DEVICES - ENG DEV	51,266	51,266	61,266	10,000	61,266
110	64723A	SPECIAL PURPOSE DETECTORS					
111	64726A	INTEGRATED METEOROLOGICAL SUPPORT SYSTEM	4,491	4,491	4,491		4,491
112	64740A	TACTICAL SURVEILLANCE SYSTEM - ENG DEV	21,590	10,190	21,590		21,590
113	64741A	AIR DEFENSE COMMAND/CONTROL/INTELL-ENG D	31,953	31,953	31,953		31,953
114	64746A	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	11,232	11,232	11,232		11,232
115	64754A	CLASSIFIED PROGRAM - ENG DEV					
116	64766A	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM	20,157	20,157	20,157		20,157

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
117	64767A	TRACTOR JEWEL	104,372	104,372	104,372		104,372
118	64768A	TRACTOR MARK	116,341	116,341	124,341		116,341
119	64769A	TRACTOR HELM	66,973	66,973	101,973	35,000	101,973
120	64770A	JOINT SURVEILL/TARGET ATTACK RADAR SYS	48,721	48,721	73,721	25,000	73,721
121	64779A	JOINT INTEROP TACTICAL C2 SYS (JINTACCS)					
122	64801A	AVIATION - ENG DEV	12,517	12,517	12,517		12,517
123	64802A	WEAPONS AND MUNITIONS - ENG DEV	1,002	1,002	1,002		1,002
124	64803A	CHEMICAL SYSTEMS - ENG DEV					
125	64804A	LOGISTICS AND ENGINEER EQUIP-ENG DEV	27,607	27,607	27,607		27,607
126	64805A	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS	3,007	3,007	3,007		3,007
127	64806A	CHEMICAL/BIOLOG DEFENSE EQUIP-ENG DEV	48,599	48,599	48,599		48,599
128	64807A	MEDICAL MATERIEL/MEDICAL BIOL DEF EQUIP	25,937	25,937	25,937		25,937
129	64808A	LANDMINE WARFARE/BARRIER - ENG DEV	12,355	12,355	12,355		12,355
130	64810A	FIBER OPTIC GUIDED MISSILE - ENG DEV					
131	64812A	CLASSIFIED PROGRAM	46,699	46,699	46,699		46,699
132	64813A	TRACTOR PULL	16,762	16,762	16,762	-16,762	
132a	63813A	TRACTOR PULL				16,762	16,762
133	64814A	SENSE AND DESTROY ARMAMENT MISSILE - ENG	150,816	160,816	150,816		150,816
134	64815A	TRACTOR TRAILER					
135	64816A	LONGBOW - ENG DEV	233,201	233,201	267,701	34,500	267,701
136	64817A	TRACTOR CRASH/BALL	32,914	32,914	32,914		32,914
137	64818A	ARMY TACTICAL COMMAND & CONTROL SYSTEMS	23,949	23,949	23,949		23,949
138	64819A	LOSAT	152,255	83,955	152,255	-152,255	
139	64820A	RADAR DEVELOPMENT	40,079	40,079	40,079		40,079
140	64821A	FOLLOW-ON LANCE ENGINEERING DEVELOPMENT					
141	65710A	JOINT CB POINT OF CONTACT, TEST & ASSESS	5,885	5,885	5,885		5,885
142	23726A	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	48,395	48,395	48,395		48,395
143	23735A	COMBAT VEHICLE IMPROVEMENT PROGRAMS	29,713	99,113	29,713	55,000	84,713
144	23740A	MANEUVER CONTROL SYSTEM	31,439	31,439	36,439	5,000	36,439
145	23743A	155MM SELF-PROPELLED HOWITZER IMPROVE					
146	23744A	AIRCRAFT MODS/PRODUCT IMPROVEMENT PROG	8,948	8,948	8,948		8,948

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
147	23745A	WEAPONS AND MUNITIONS EQUIPMENT UPGRADE					
148	23752A	AIRCRAFT ENGINE COMPONENT IMPROVE PROG	6,349	6,349	6,349		6,349
149	23755A	FIELD ARTILLERY AMMO SUPPORT VEHICLE	814	814	814		814
150	23801A	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT	53,042	53,042	53,042		53,042
151	23802A	OTHER MISSILE PRODUCT IMPROVEMENT PROG	106,638	102,638	106,638		106,638
152	23806A	TRACTOR RIG	13,086	13,086	13,086		13,086
153	23808A	TRACTOR CARD	7,476	7,476	7,476		7,476
154	27316A	TACIT RAINBOW					
155	28010A	JOINT TACT COMMUNIC PROGRAM (TRI-TAC)	4,992	4,992	4,992		4,992
156	1110011A	FORCE ENHANCEMENTS-ACTIVE					
156a		INTEGRATED DEVELOP, TEST & TRAINING SYS			15,000	15,000	15,000
156b		SOLDIER ENHANCEMENT PROGRAM			18,000	18,000	18,000
997		TACTICAL CLASSIFIED	206,307	213,307	206,307	7,000	213,307
157	64716A	TERRAIN INFORMATION - ENG DEV	15,062	15,062	15,062		15,062
158	64778A	POSITIONING SYSTEMS DEVELOPMENT	3,957	3,957	3,957		3,957
159	31359A	SPECIAL ARMY PROGRAM	[ ]			[-3,960]	[ ]
160	33142A	SATCOM GROUND ENVIRONMENT	113,411	113,411	113,411		113,411
161	33401A	COMMUNICATIONS SECURITY (COMSEC)	6,615	6,615	6,615		6,615
162	35127A	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	[ ]				[ ]
163	35889A	INTELL SUPPORT TO OSD COUNTERNARCOTICS					
998		INTELL & COMMUNICATIONS CLASSIFIED	7,269	2,769	7,269	-3,960	3,309

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
164	65103A	RAND ARROYO CENTER	19,974	22,974	23,800	2,876	22,850
165	65301A	ARMY KWAJALEIN ATOLL	181,464	181,464	179,464	18,500	199,964
166	65502A	SMALL BUSINESS INNOVATIVE RESEARCH (H)					
167	65601A	ARMY TEST RANGES AND FACILITIES	174,584	174,584	174,584		174,584
168	65602A	ARMY TECH TEST INSTRUMENT & TARGETS	103,739	99,739	94,739	-13,711	90,028
169	65603A	ARMY USER TEST INSTRUMENT & THREAT SIMUL	45,834	45,834	45,834		45,834
170	65604A	TECHNOLOGY AND VULNERABILITY ASSESSMENT	43,127	48,127	43,127	5,000	48,127
171	65605A	DOD HIGH ENERGY LASER TEST FACILITY	28,396	28,396	28,396		28,396
172	65702A	METEOROLOGICAL SUPPORT TO RDT&E ACTIV	21,180	21,180	21,180		21,180
173	65706A	MATERIEL SYSTEMS ANALYSIS	23,701	23,701	23,701		23,701
174	65709A	EXPLOITATION OF FOREIGN ITEMS	22,923	22,923	22,923		22,923
175	65712A	SUPPORT OF OPERATIONAL TESTING	66,621	66,621	66,621		66,621
176	65801A	PROGRAMWIDE ACTIVITIES	95,048	95,048	95,048		95,048
177	65802A	INTERNATIONAL COOPERATIVE RESRCH AND DEV	1,962	1,962	1,962		1,962
178	65803A	TECHNICAL INFORMATION ACTIVITIES	12,757	12,757	12,757		12,757
179	65805A	MUNITIONS STANDARDIZATION, EFFECTIVENESS	16,293	16,293	16,293		16,293
180	65810A	RDT&E SUPPORT FOR NONDEVELOPMENTAL ITEMS	6,196	6,196	6,196		6,196
181	65856A	ENVIRONMENTAL COMPLIANCE - PROG 6	52,474	62,474	52,474	10,000	62,474
182	65872A	PRODUCTIVITY INVESTMENTS	22,526	22,526	22,526		22,526
183	65894A	REAL PROPERTY MAINTENANCE - RDT&E	193,971	193,971	193,971		193,971
184	65896A	BASE OPERATIONS - RDT&E	197,850	197,850	197,850		197,850
185	65898A	MANAGEMENT HEADQUARTERS (RESRCH AND DEV)	14,518	14,518	14,518		14,518
186	78011A	INDUSTRIAL PREPAREDNESS	21,058	28,058		7,000	28,058
		DBOF- TECHNICAL CORRECTION: DTIC			7,300	7,300	7,300
		DBOF- TECHNICAL CORRECTION: IACS			3,200	3,200	3,200
		DBOF- DIRECT FUNDING FOR DCAA/DCMC CONTRACTOR TRAVEL					
187	91501A	RESCISSION TO BE DETERMINED					
		TOTAL R,D,T & E ARMY	6,307,300	6,457,100	6,522,068	379,300	6,686,600

CASE facility

The House bill would authorize $15.0 million in program element 601104A to lease a facility to be used by the Institute for Advanced Technology, a federally funded research and development center for the U.S. Army.

The Senate amendment also would authorize $15.0 million in a separate program element, but would stipulate that the funds may not be obligated until the Department of Defense determined what program would be conducted within the facility.

The conferees recommend an authorization of $15.0 million. The conferees stipulate that none of the funds may be obligated until the Secretary of the Army determines what program activity will be conducted within the facility, and the Under Secretary of Defense of Acquisition determines that acquisition of the CASE facility is consistent with the ongoing efforts of the Department of Defense to consolidate DoD laboratories and research facilities.

Ductile iron

The Senate amendment would add $5.0 million to Army program element 63102A to explore application of ductile iron technology for various Army applications.

The House bill contained no similar authorization.

The conferees recommended an authorization of $5.0 million for ductile iron technology, but believe it is more appropriately managed in program element 62105A.

Army medical technology

The House bill would increase the authorization for the Army's medical technology program (program element 62787A) by $50.0 million in fiscal year 1992. This increase is intended to support a variety of projects, including expedited research and dissemination of information on Lyme disease and Rocky Mountain spotted fever and on the use of PYROCAP B-136 in several different field uses.

The Senate amendment contained an increase of $2.0 million for this program element to support advanced laser burn treatment diagnostics and therapeutic research.

The conferees recommend an increase of $37.0 million for fiscal year 1992. The conferees direct that the Army carry out a research and education program in Lyme disease and Rocky Mountain spotted fever and assess the risk of these diseases in military installations. As a part of this program, the Army shall also provide laboratory support to identify and assay deer ticks that transmit the Lyme disease and maintain a repository of information and data. Funding for the Lyme disease and Rocky Mountain spotted fever research and education program shall be provided at the levels specified in section 235 of the House bill.

The conferees further direct that research in advanced laser burn treatment be supported at the level included in the Senate report (S. Rept. 102–113).

The conferees agree that the direction included in the House report (H. Rept. 102–60) regarding PYROCAP B-136 shall be followed in implementing the Army's medical technology program.

The conferees also agree to increase funding in the AIDS research area (program element 63105A) by $24.8 million in recognition of the significant advances made by the Army in this area.

Weapons and munitions, advanced technology

The amended budget request contained $40.9 million for advanced development and demonstration of advanced munitions and weapons systems technology.

The House bill recommended an additional authorization of $10.0 million in program element 603004A to develop advanced technology for improvement of strategic and tactical mobility of cannon and multiple launch rocket systems for support of light forces. The additional funds would also be used to extend the range and accuracy of existing cannon and rocket systems deployed with Army and Marine Corps forces.

The Senate amendment recommended an increased authorization of $3.0 million to undertake development of an extended range variant of the multiple launch rocket system (MLRS).

The conferees recommend an increased authorization of $8.5 million for improvements in range, accuracy, and tactical mobility for field artillery cannon and rocket systems to address the concerns expressed in the House report (H. Rept. 102–60). Priority should be given to MLRS range extension and necessary improvements in MLRS system accuracy at extended ranges. The conferees also believe priority should be given to completion of a joint Army and Marine evaluation of competing lightweight 155mm howitzer system concepts and initiation of a joint program to meet Army and Marine requirements for an advanced, lightweight, towed 155mm cannon system. Within the program element for weapons and munitions, advanced technology, the conferees expect that the development and demonstration for electric gun technology for future applications will continue to receive high priority.

The conferees direct the Secretary of the Army to report to the congressional defense committees on the Army's overall program for addressing deficiencies in fire support and for modernization of the fire support mission area during hearings on the amended budget request for fiscal year 1993.

Fiber optic guided missile

The Senate amendment would authorize $25.0 million to initiate an austere proof of principle demonstration program of the fiber optic guided missile (FOGM) technology, utilizing elements of the recently cancelled FOGM program for that demonstration.

The House bill contained no similar authorization.

The conferees understand that there are sufficient funds available in the previously cancelled program to fund the demonstration program and no additional budget authority is required at this time. The conferees endorse the recommendation of the Senate amendment and believe the Army needs to undertake a user-based evaluation of the FOGM missile to determine if it holds promise for the future.

Landmine warfare and barrier advance technology

The amended budget request included $8.7 million for research and development for landmine warfare and barrier advance technology.

The House bill would increase the requested amount by $15.0 million. The increase would be used to accelerate certain countermine warfare technologies and to evaluate all existing 26 meter tactical bridges.

The Senate amendment would increase funding by $10.0 million to accelerate development of countermine warfare techniques.

The conferees recommend a total authorization of $28.7 million, an increase of $20.0 million. Half of the increase shall be used to evaluate all existing 26 meter tactical bridges, and half for countermine warfare. The Conferees endorse the concerns and directions expressed by the House and Senate reports (H. Rept. 102–60 and S. Rept. 102–113).

Line of sight anti-tank (LOSAT) system

The amended budget request included $152.3 million to initiate full scale development of the Army's line-of-sight anti-tank system.

The House bill would authorize the requested amount, but shift $68.3 million from program element 64819A to program element 63612A. The House bill would authorize the remaining $84.0 million in the requested account. The House bill divided the funds at the request of the Army in light of delays encountered in the development program.

The Senate amendment would authorize the funds as requested.

The conferees have been informed that the Army will have to undertake more extensive testing prior to the Defense Acquisition Board review, potentially deferring full scale development to fiscal year 1992. Such a delay would preclude the use of 6.4 funds, as requested. Consequently, the conferees recommend an authorization of $137.0 million in program element 63612A to be used only for the LOSAT program. The conferees fully support the development of LOSAT.

Armored systems modernization

The amended budget request included $400.8 million to continue advanced development of a series of programs under the Army's armored systems modernization program.

The House bill would authorize the funds as requested, but would emphasize the need to accelerate development of the advanced field artillery system (AFAS) component of the program.

The Senate amendment would authorize $450.1 million, with the additional $49.3 million earmarked to accelerate the development of the AFAS program. The Senate report (S. Rept. 102–113) expressed concern over the state and direction of the overall armored systems modernization program, and directed the Secretary of the Army to undertake a comprehensive review of the overall modernization requirements of the Army, including the need to sustain the current industrial base.

The conferees recommend $421.5 million for all of the elements of the armored systems modernization. The conferees recommend $358.5 million for the core armored systems modernization program, including the common chassis, combat survival, advanced field artillery, and countermobility vehicle technology demonstrators. This recommendation represents an increase of $49.3 million in the AFAS program over the levels contained in the amended budget request. The conferees also recommend as related ASM programs, $8.0 million to initiate full scale development of unicharge propellant, $15.0 million to start a command and control vehicle, and $40.0 million for the advanced tank cannon system (ATACS).

The conferees understand that the Army is undertaking a comprehensive review of the armored systems modernization program. The conferees endorse the concerns and observations reflected in the House and Senate reports (H. Rept. 102–60 and S. Rept. 102–113). The conferees restate their concern that the AFAS system should enjoy the highest priority within the ASM program.

FAADS alternatives

The Senate amendment would authorize $10.0 million to evaluate various existing weapon systems that might be considered as alternatives to the Army's line-of-sight forward heavy system within the forward area air defense system (FAADS).

The House bill contained no comparable authorization.

While continuing to support the FAADS program, the conferees are concerned that the Army may not be able to afford it over the long term. The conferees note, however, that the FAADS evaluation tests are continuing. Any consideration of alternatives until those tests are completed is premature. Consequently, the conferees believe that it would not be appropriate at this time to authorize funds for alternatives to FAADS.

Medium truck service life extension program

The amended budget request included $3.0 million to evaluate the cost-effectiveness of a service life extension program (SLEP) for the Army's fleet of medium tactical trucks.

Both the House bill and the Senate amendment would authorize an additional $9.1 million above the budget request in order to complete the prototype build/test effort in fiscal year 1992.

The conferees recommend an authorization of $12.1 million for a SLEP to upgrade a limited number of 2½-ton trucks. The conferees agree that the SLEP should proceed only if tests indicate that the life of an old truck can be extended by 80 percent for 50 percent of the cost of a new truck.

Reports from operations in the Persian Gulf indicate the critical importance of modernizing the medium truck fleet. The conferees insist that the 2½-ton truck SLEP not have any adverse effect on the family of medium tactical vehicles (FMTV) program.

The Marine Corps also intends to initiate a SLEP for 5-ton trucks. The conferees expect the Army and the Marine Corps to coordinate their requirements for a medium truck SLEP and consolidate their efforts in order to achieve the most cost effective approach possible.

Cargo variant of high mobility multipurpose wheeled vehicle

The Senate amendment would authorize $2.5 million for the Army to evaluate a 2½-ton truck derivative of the Army's high mobility multipurpose wheeled vehicle (HMMWV).

The House bill contained no similar authorization.

The House recedes.

The conferees believe that the Army should evaluate a derivative of the HMMWV for its light truck requirements and recommend $2.5 million for that purpose. The conferees insist, however, that this evaluation should focus on specific needs of light and special operations forces for a mobile shelter carrier.

The conferees understand that the Marine Corps also has requirements that could potentially be met by a HMMWV derivative. The conferees expect the Marine Corps to work jointly with the Army on this evaluation to determine the utility of this vehicle for Marine requirements. The Army and the Marine Corps will submit a joint report to the congressional defense committees describing the results of the evaluation by September 1, 1992.

The conferees emphasize that a derivative HMMWV should not be considered as an alternative to either the FMTV program or the medium truck service life extension program.

Advanced anti-tank weapon system-medium

The amended budget request included $120.4 million to continue development of the Army's advanced anti-tank weapon system-medium (AAWS-M).

The House bill would authorize the funds as requested.

The Senate amendment would authorize $49.5 million in light of the problems encountered in the program, and direct the Army to solve those problems prior to proceeding with full scale development of the missile system.

The conferees recommend an authorization of $120.4 million, but are concerned over the serious problems encountered by the program and the sharp rise in development costs. The conferees note that the estimate of development costs for the AAWS-M program has increased nearly 200 percent, while, at the same time, the Army has relaxed the program requirements of the system in order to mitigate even further cost increases. The conferees note that such large increases in development costs are generally followed by large procurement cost increases as well. To date, the Army has argued that it anticipates no large increase in procurement costs.

The conferees do not believe that the AAWS-M program is so important as to justify any unit cost. The conferees believe that the Defense Department needs to establish a clear boundary on cost growth for the AAWS-M program. To that end, the conferees direct the Under Secretary of Defense for Acquisition to provide a report to the congressional defense committees that summarizes the results of the cost and effectiveness analysis that led him to recommend continuation of the AAWS-M program, indicates the increase he anticipates in the procurement costs of the program in light of the difficulties encountered in development, and indicates the cost level for AAWS-M at which it would no longer be cost-effective to proceed with the program when compared to other means available to the Army to destroy armored vehicles. The Under Secretary shall submit this report not later than March 1, 1992.

Close combat tactical trainer

The amended budget request included $51.3 million for non-system training devices in the Army. Included in this program element is the Army's close combat tactical trainer (CCTT) program, which is a program to develop an advanced system of distributed simulators based on the pathbreaking SIMNET program.

The House bill would authorize the program at the requested funding levels.

The Senate amendment would increase funding by $10.0 million in order to accelerate development of the CCTT program under the Army's "quickstart" program.

The conferees recommend an authorization of $61.3 million and direct the Army to proceed with the CCTT program as quickly as possible, consistent with prudent program management.

Tactical radar correlator

The amended budget request included $21.6 million for Army tactical surveillance system engineering development.

The House bill would transfer $11.4 million of the requested amount to the Air Force follow-on tactical reconnaissance system (FOTRS) program. The House bill would direct the Air Force to assume responsibility for developing a common synthetic aperture radar (SAR) processor that is integrated with the joint Service imagery processing system (JSIPS).

The Senate amendment would authorize the requested amount and would reflect the position that the Army should develop the common SAR processor. The Senate amendment would direct the Army and the JSIPS program office to reach formal agreement on responsibilities for developing a common processor that is integrated with JSIPS.

The House recedes. The conferees direct the Army to continue the program, but only after an agreement is reached with the Air Force.

JSTARS ground terminals

The amended budget request included $48.7 million for continuing development of ground stations for the joint surveillance and target acquisition radar (JSTARS) system.

The House bill would authorize the requested level.

The Senate amendment would increase the authorization by $25.0 million to initiate a program to develop a so-called "lightweight" JSTARS terminal that would be less expensive than the current JSTARS terminal and would be simplified so that it could be fielded more widely to lower level operational units than currently planned by the Army.

The conferees recommend an authorization of $73.7 million and endorse the goal of fielding a lightweight JSTARS terminal as quickly as possible, consistent with sound program management. The conferees encourage the Army to undertake this development competitively, but caution the Army not to stretch out the development of this needed capability.

Soldier/Marine enhancement program

The Senate amendment included $18.0 million for the Army and $12.0 million for the Marine Corps for the Soldier/Marine enhancement program (SMEP) in fiscal year 1992. The Senate amendment doubled these amounts for fiscal year 1993.

The House bill did not authorize any funds for this program.

The House recedes. The conferees agree that this congressional initiative, which is intended to provide better equipment and individual weapons to enhance the effectiveness of our nation's foot soldiers, has proven successful and should be continued.

Several SMEP items, such as the desert boot, desert uniform, and eye-protective goggles, proved critical during Operation Desert Shield/Desert Storm. The conferees believe there are many more opportunities to make further progress in making our footsoldiers more effective. Attention should be focused on developing weapons and equipment to lighten the load of the individual infantryman while at the same time making him more effective. Lighter, more lethal weapons and munitions for individual infantrymen should be pursued.

The conferees restate their intention that the purpose of the SMEP is to evaluate, test, and type classify existing prototypes or commercially available items—not to fund lengthy development programs or to procure large numbers of major items for use.

The conferees are encouraged with the initiatives taken by both the Army and the Marine Corps and urge them to continue to make every effort to enhance the effectiveness of their footsoldiers. The conferees also commend the Army and the Marine Corps for taking steps to institutionalize the Soldier/Marine enhancement program.

The conferees direct the Army and the Marine Corps to coordinate to ensure they are optimizing their actions to benefit both Services while not duplicating their efforts.

The Army and the Marine Corps are directed to submit a report on the SMEP to the congressional defense committees by March 2, 1992. The report should describe the initiatives completed, activities underway, and those planned for the future.

Kwajalein Atoll contractor housing

The conferees have recently become aware of the need for additional contractor housing on Kwajalein Atoll to support the contractor personnel who will be arriving by the first quarter of fiscal year 1994 to execute the Strategic Defense Initiative ground-based missile test programs. Given the already serious housing shortage on the Atoll, if additional housing is not provided, it could seriously undermine this program and the direction provided by the conferees elsewhere in this Act in the Missile Defense Act of 1991.

The conferees, therefore, recommend an additional $18.5 million for program element 605301A—Army Kwajalein Atoll—for Army research and development-related construction activities. These funds are to be used to provide, by the end of calendar year 1993, the required contractor housing units and associated shoreline protection at Kwajalein Atoll.

Unintentional radiation phenomena

The House bill would authorize an additional $5.0 million under program element 65604A for investigation of engine plume and radio frequency phenomena.

The Senate amendment contained no similar authorization.

The conferees agree to authorize the additional $5.0 million and are also aware of problems associated with the radiometric imagining system (RIS). The Army may utilize a portion of the additional funds to bring the RIS program to a satisfactory conclusion.

Army industrial preparedness

The House bill would increase the authorization for the Army's industrial preparedness program (program element 78011A) by $7.0 million in fiscal year 1992 with direction to accelerate work to improve the manufacturing capability of advanced ceramic armor and the insertion of advanced ceramics in high strength steel applications.

The Senate amendment contained no similar increase in funding and, instead, consolidated all industrial preparedness funding supporting defense manufacturing technology under a single program element (63705D).

The conferees recommend a total increase of $7.0 million in program element 11708A for fiscal year 1992. The conferees direct that of the available funding, $5.0 million be made available for the National Defense Center for Environmental Excellence.

The conferees are aware of the difficulties that exist in producing infrared focal plane arrays at yield levels that result in an affordable product. Therefore, the conferees urge the Army to seriously consider addressing this problem in its industrial preparedness MANTECH program.

Harpy anti-radar drone

The conferees are aware that the ground-launched Harpy anti-radar drone may have the potential for meeting Army requirements for an anti-radiation weapon system. The conferees urge the Army to consider the Harpy and other viable alternatives for meeting validated Army requirements.

RESEARCH AND DEVELOPMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $8,194.2 million for Navy research, development, test, and evaluation. The House bill would authorize $9,176.0 million. The Senate amendment would authorize $8,417.7 million. The conferees recommend authorization of $8,633.9 million as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference	
						Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL NAVY					
1	61152N	IN-HOUSE INDEPENDENT LABORATORY RESEARCH	25,868	25,868	25,868	-8,368	17,500
2	61153N	DEFENSE RESEARCH SCIENCES	395,767	392,767	405,767	-3,000	392,767
		OTHER TECH BASE UNIVERSITY GRANTS					
3	62111N	ANTI-AIR WARFARE/ANTI-SURF WARFARE TECH	70,517	70,517	70,517	-2,236	68,281
4	62121N	SURFACE SHIP TECHNOLOGY	17,006	32,006	17,006	15,000	32,006
5	62122N	AIRCRAFT TECHNOLOGY	23,776	23,776	23,776		23,776
6	62131M	MARINE CORPS LANDING FORCE TECHNOLOGY	18,036	18,036	18,036		18,036
7	62232N	COMMAND, CONTROL, & COMMUNICATIONS TECH	19,617	19,617	19,617		19,617
8	62233N	MISSION SUPPORT TECHNOLOGY	37,017	37,017	37,017		37,017
9	62234N	SYSTEMS SUPPORT TECHNOLOGY	80,521	87,521	80,521	7,000	87,521
10	62270N	ELECTRONIC WARFARE TECHNOLOGY	13,975	13,975	13,975		13,975
11	62314N	ASW TECHNOLOGY	130,902	170,902	130,902		130,902
12	62315N	MINE AND SPECIAL WARFARE TECHNOLOGY	20,549	20,549	20,549		20,549
13	62323N	SUBMARINE TECHNOLOGY	17,813	17,813	17,813		17,813
14	62324N	NUCLEAR PROPULSION	15,282	15,282	15,282		15,282
15	62435N	OCEAN AND ATMOSPHERIC SUPPORT TECHNOLOGY	39,724	44,724	39,724	5,000	44,724
16	62936N	INDEPENDENT EXPLORATORY DEVELOPMENT	15,803	15,803	15,803		15,803
16a	62XXXN	PRECOMPETITIVE TECHNOLOGY			20,000		
17	63210N	AIRCRAFT PROPULSION	7,542	7,542	7,542	-4,542	3,000
18	63217N	ADVANCED AIRCRAFT SUBSYSTEMS	6,004	6,004	6,004	-3,004	3,000
19	63270N	EW TECHNOLOGY	4,916	9,916	4,916		4,916
20	63303N	ELECTROMAGNETIC RADIATION SOURCE ELIMINA	5,091	5,091	5,091	-2,091	3,000
21	63508N	SHIP PROPULSION SYSTEM	4,536	4,536	4,536		4,536
22	63573N	ELECTRIC DRIVE					
23	63640M	MARINE CORPS ADV TECHNOLOGY DEMONS (ATD)	32,815	25,315	32,815		32,815
24	63701N	HUMAN FACTORS ENGINEERING	2,868	2,868	2,868		2,868
25	63706N	MEDICAL DEVELOPMENT	16,222	17,222	16,222	21,000	37,222
26	63707N	MANPOWER AND PERSONNEL SYSTEMS	3,245	3,245	3,245		3,245
27	63712N	GENERIC LOGISTICS R&D TECHNOLOGY DEMONS	13,829	21,329	13,829		13,829
28	63720N	EDUCATION AND TRAINING	6,106	6,106	6,106		6,106
29	63732M	MARINE CORPS ADVANCED MANPOWER/TRAINING	3,294	3,294	3,294		3,294
30	63733N	SIMULATION AND TRAINING DEVICES	5,177	5,177	5,177		5,177
31	63747N	ADVANCED ANTI-SUBMARINE WARFARE TECH	42,939	42,939	42,939		42,939
32	63792N	ADVANCED TECHNOLOGY TRANSITION	65,153	65,153	65,153		65,153
33	63794N	C3 ADVANCED TECHNOLOGY	1,373	1,373	1,373		1,373

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
35	63451N	TACTICAL SPACE OPERATIONS	4,181	4,181	4,181		4,181
36	63588N	SSBN SURVIVABILITY	17,570	17,570	17,570		17,570
37	63735N	WWMCCS ARCHITECTURE SUPPORT	997	997	997		997
38	64363N	TRIDENT II	61,603	76,603	61,603	15,000	76,603
39	65856N	STRATEGIC TECHNICAL SUPPORT	7,422	7,422	7,422		7,422
		SEALAR			15,000		
40	11221N	FLEET BALLISTIC MISSILE SYSTEM	14,812	14,812	14,812		14,812
41	11224N	SSBN SECURITY TECHNOLOGY PROGRAM	53,270	53,270	53,270		53,270
42	11226N	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	37,216	37,216	37,216		37,216
43	11228N	TRIDENT	39,863	39,863	39,863		39,863
44	11401N	EXTREMELY LOW FREQUENCY (ELF) COMMUNIC	537	537	537		537
45	11402N	NAVY STRATEGIC COMMUNICATIONS	29,935	29,935	29,935		29,935
46	12427N	NAVAL SPACE SURVEILLANCE	805	805	805		805
47	33131N	MIN ESSENTIAL EMERG COMMUNIC (MEECN)	2,365	2,365	2,365		2,365
48	33152N	WWMCCS, INFORMATION SYSTEM	4,435	4,435	4,435		4,435
49	63109N	INTEGRATED AIRCRAFT AVIONICS	25,158	25,158	25,158		25,158
50	63207N	AIR/OCEAN TACTICAL APPLICATIONS	7,936	7,936	7,936		7,936
51	63208N	T-45 TRAINING SYSTEM	6,477	6,477	6,477		6,477
52	63216N	AIR CREW SYSTEMS TECHNOLOGY	10,386	15,386	10,386	5,000	15,386
53	63222N	SKIPPER ENHANCEMENTS					
54	63228N	CV ASW MODULE	3,967	3,967	3,967		3,967
55	63231N	NAVY ADVANCED TACTICAL FIGHTER					
56	63254N	AIR ASW	9,831	9,831	9,831	-1,300	8,531
57	63260N	AIRBORNE MINE COUNTERMEASURES	9,602	9,602	9,602		9,602
58	63261N	TACTICAL AIRBORNE RECONNAISSANCE	15,574	21,774	24,774	9,200	24,774
59	63262N	AIRCRAFT SURVIVABILITY & VULNERABILITY	12,943	12,943	12,943		12,943
60	63306N	ADVANCED A/L AIR-TO-SURFACE MISSILE SYS					
61	63318N	ADVANCED SURFACE-TO-AIR MISSILE	34,760	34,760	34,760		34,760
62	63319N	NATO AAW SYSTEMS					
63	63320N	LOW COST ANTI-RADIATION SEEKER		4,000		4,000	4,000
64	63321N	ADVANCED AIR-TO-AIR MISSILE (AAAM)	89,331	89,331	89,331		89,331
65	63382N	BATTLE GROUP AAW COORDINATION	11,152	11,152	11,152		11,152
66	63502N	SURFACE MINE COUNTERMEASURES	18,472	18,472	18,472		18,472
66a		MINE COUNTERMEASURES INITIATIVE FUND			30,000	20,500	20,500

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67	63504N	ADVANCED SUBMARINE ASW DEVELOPMENT	31,232	31,232	31,232		31,232
68	63506N	SURFACE SHIP TORPEDO DEFENSE	58,388	58,388	58,388		58,388
69	63512N	SHIPBOARD AVIATION SYSTEMS	11,440	11,440	11,440		11,440
70	63513N	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	28,039	24,239	28,039		28,039
71	63514N	SHIP COMBAT SURVIVABILITY	25,589	25,589	25,589		25,589
72	63522N	SUB ARCTIC WARFARE SUPPORT EQUIP PROG	5,151	5,151	5,151	-1,151	4,000
73	63525N	PILOT FISH	57,710	57,710	57,710		57,710
74	63528N	NON-ACOUSTIC ANTI-SUBMARINE WARFARE	26,197	26,197	26,197	-12,397	13,800
75	63529N	ADVANCED ASW TARGET	17,102	17,102	17,102		17,102
76	63536N	RETRACT JUNIPER	50,656	50,656	50,656		50,656
77	63542N	RADIOLOGICAL CONTROL	2,876	2,876	2,876		2,876
78	63551N	LINK SAKI	24,859		5,000	-24,859	
79	63553N	SURFACE ASW	67,236	67,236	67,236		67,236
80	63561N	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	35,621	35,621	65,621	20,000	55,621
81	63562N	SUBMARINE TACTICAL WARFARE SYSTEMS	7,013	7,013	7,013		7,013
82	63564N	SHIP DEVELOPMENT	17,267	17,267	17,267	-12,267	5,000
82b		FAST SEALIFT TECHNOLOGY			15,000		
82c		MINE COUNTERMEASURES SUPPORT SHIP DESIGN			10,000		
83	63570N	ADVANCED NUCLEAR POWER SYSTEMS	89,884	89,884	89,884		89,884
84	63573N	ELECTRIC DRIVE	80,906	80,906	80,906	-27,107	53,799
85	63576N	CHALK EAGLE	142,607	142,607	142,607		142,607
86	63582N	COMBAT SYSTEM INTEGRATION	9,730	9,730	9,730		9,730
87	63591N	JOINT ADVANCED SYSTEMS	177,170	177,170	177,170		177,170
88	63601N	MINE DEVELOPMENT	8,874	8,874	8,874		8,874
89	63609N	CONVENTIONAL MUNITIONS	43,168	43,168	43,168		43,168
90	63610N	ADVANCED WARHEAD DEVELOPMENT	6,640	6,640	6,640		6,640
91	63611M	MARINE CORPS ASSAULT VEHICLES	79,908	79,908	79,908	-38,000	41,908
92	63612M	MAR CORPS MINE/COUNTERMEASURES SYS-ADV D					
93	63634N	TACTICAL NUCLEAR DEVELOPMENT	6,426	6,426	6,426		6,426
94	63635M	MARINE CORPS GROUND COMBAT/SUPPORT SYS	9,319	11,819	11,819	2,500	11,819
95	63654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOP	8,531	8,531	8,531		8,531
96	63656N	ADVANCED MINOR CALIBER GUN		2,500		2,500	2,500
97	63691N	MK 48 ADCAP - ADV DEV	52,627	52,627	52,627	-26,000	26,627
98	63702N	OCEAN ENGINEERING SYSTEMS DEVELOPMENT	1,652	1,652	1,652		1,652
99	63704N	ASW OCEANOGRAPHY	9,894	9,894	9,894		9,894
100	63708N	ASW SIGNAL PROCESSING	27,812	27,812	27,812		27,812

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101	63709N	ADVANCED MARINE BIOLOGICAL SYSTEM	1,868	1,868	4,868	3,000	4,868
102	63711N	FLEET TACTICAL DEVELOP/EVALUATION PROG	6,144	6,144	6,144		6,144
103	63713N	OCEAN ENGINEERING TECHNOLOGY DEVELOP	13,546	17,546	13,546	2,000	15,546
104	63717N	COMMAND AND CONTROL SYSTEMS	8,160	8,160	8,160		8,160
105	63719N	CONTAINER OFF-LOADING/TRANSFER SYS(COTS)	1,003	1,003	1,003		1,003
106	63724N	NAVY ENERGY PROGRAM	4,714	4,714	4,714		4,714
107	63725N	FACILITIES IMPROVEMENT	466	466	466		466
108	63726N	MERCHANT SHIP NAVAL AUGMENTATION PROGRAM	1,886	1,886	1,886		1,886
109	63729M	MARINE CORPS COMBAT SERVICES SUPPORT					
110	63734N	CHALK CORAL	67,115	67,115	67,115		67,115
111	63737N	LINK HAZEL	11,547	11,547	11,547		11,547
112	63740N	LINK LAUREL	49,199	49,199	49,199		49,199
113	63746N	RETRACT MAPLE	216,173	216,173	196,173		216,173
114	63748N	LINK PLUMERIA	20,851	20,851	16,651		20,851
115	63750N	CHALK WEED	1,362	1,362	1,362		1,362
116	63751N	RETRACT ELM	149,847	149,847	149,847		149,847
117	63752N	CHALK POINSETTIA	1,616	1,616	1,616		1,616
118	63763N	WARFARE SYS ARCHITECTURE AND ENGINEERING	7,365	7,365	7,365		7,365
119	63785N	ANTI-SUB WARFARE ENVIRONMENTAL ACOUSTIC	18,372	18,372	18,372		18,372
120	63787N	SPECIAL PROCESSES	58,277	58,277	58,277		58,277
121	63795N	GUN WEAPON SYSTEM ADVANCED TECHNOLOGY	5,134	5,134	5,134		5,134
121a		SHIP FIRE SUPPORT			31,000	16,000	16,000
122	64203N	STANDARD AVIONICS DEVELOPMENT	11,572	11,572	11,572		11,572
123	64211N	IFF SYSTEM DEVELOPMENT	22,343	32,343	22,343	10,000	32,343
124	64212N	LAMPS	30,215	30,215	30,215		30,215
125	64213N	HELICOPTER DEVELOPMENT	63,121	11,621	11,621	-51,500	11,621
126	64214N	AV-8B AIRCRAFT - ENG DEV	9,486	9,486	9,486		9,486
127	64215N	SUPPORT EQUIPMENT	19,718	19,718	19,718	-9,718	10,000
128	64218N	AIR/OCEAN EQUIPMENT ENGINEERING	2,806	2,806	2,806		2,806
129	64219N	AIRBORNE ASW DEVELOPMENTS	25,843	25,843	25,843	-17,533	8,310
130	64221N	P-3 MODERNIZATION PROGRAM	41,144	82,644	82,644	17,603	58,747
131	64233N	ADVANCED TACTICAL AIRCRAFT					
132	64260N	C/MH-53E	9,305	9,305	9,305		9,305
		CH-46E UPGRADES					
133	64261N	ACOUSTIC SEARCH SENSORS	51,061	47,061	51,061	-21,000	30,061

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134	64262N	V-22A		990,000	365,000	790,000	790,000
134a		V-22 PRIOR YEAR		-365,000	-365,000	-165,000	-165,000
135	64264N	AIR CREW SYSTEMS DEVELOPMENT	17,318	21,518	17,318	4,200	21,518
136	64265N	AIR LAUNCHED SATURATION SYSTEM	7,531	7,531		-7,531	
137	64268N	AIRCRAFT ENGINE COMPONENT IMPROVE PROG	58,856	58,856	58,856		58,856
138	64270N	EW DEVELOPMENT	142,283	142,283	141,483	-32,143	110,140
138a		SURFACE SHIP ELECTRONIC WARFARE			5,000		
139	64301N	MK 92 FIRE CONTROL SYSTEM UPGRADE	2,012	2,012	2,012		2,012
139a		MULTI-SENSOR INTEGRATION			25,000	23,000	23,000
140	64303N	AEGIS AREA AIR DEFENSE	7,902	7,902	7,902		7,902
141	64307N	AEGIS COMBAT SYSTEM ENGINEERING	92,153	92,153	92,153		92,153
142	64309N	SEA LANCE (PY SAVINGS)		20,000		-71,000	-71,000
143	64314N	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE	2,693	2,693	2,693		2,693
144	64354N	AIR-TO-AIR MISSILE SYSTEMS ENGINEERING					
145	64355N	VERTICAL LAUNCH ASROC	36,933			-36,933	
145a		ASW STANDOFF WEAPON			30,000		
146	64358N	CLOSE-IN WEAPON SYSTEM (PHALANX)	10,597	10,597	14,597		10,597
147	64361N	NATO SEA SPARROW	6,234	6,234	6,234		6,234
148	64366N	STANDARD MISSILE IMPROVEMENTS	36,821	36,821	36,821		36,821
149	64367N	TOMAHAWK	28,815	28,815	28,815		28,815
150	64369N	5" ROLLING AIRFRAME MISSILE			5,000	5,000	5,000
151	64370N	SSN-688 CLASS VERTICAL LAUNCH SYSTEM					
152	64372N	NEW THREAT UPGRADE	9,977	9,977	9,977		9,977
153	64373N	AIRBORNE MINE COUNTERMEASURES - ENG DEV		14,000	9,000	14,000	14,000
154	64502N	SUBMARINE COMMUNICATIONS	14,033	14,033	14,033		14,033
155	64503N	SUBMARINE SONAR DEVELOPMENT	41,494	41,494	41,494	-2,000	39,494
156	64504N	AIR CONTROL	10,562	10,562	10,562		10,562
157	64506N	CHEMICAL WARFARE COUNTERMEASURES	5,597	5,597	5,597		5,597
158	64507N	NAVY STANDARD SIGNAL PROCESSORS	9,266	9,266	9,266		9,266
159	64508N	RADAR SURVEILLANCE EQUIPMENT	8,043	8,043	8,043		8,043
160	64515N	SUBMARINE SUPPORT EQUIPMENT PROGRAM	18,901	18,901	18,901		18,901
161	64516N	SHIP SURVIVABILITY	5,048	5,048	5,048		5,048
162	64518N	COMBAT INFORMATION CENTER CONVERSION	19,133	19,133	19,133	-3,000	16,133
163	64524N	SUBMARINE COMBAT SYSTEM	270,272	270,272	270,272	-27,300	242,972
164	64559N	DEEP SUBMERGENCE TECHNOLOGY	27,284	27,284	27,284	-3,850	23,434
165	64561N	SSN-21 DEVELOPMENTS	157,441	157,441	157,441		157,441

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166	64562N	SUBMARINE TACTICAL WARFARE SYSTEM	79,208	79,208	79,208		79,208
167	64567N	SHIP CONTRACT DESIGN/DEVELOPMENT (ENG)	32,827	32,827	47,827	-10,627	22,200
168	64574N	NAVY TACTICAL COMPUTER RESOURCES	36,567	36,567	36,567		36,567
169	64578N	LINK BIRCH					
170	64601N	MINE DEVELOPMENT	8,963	8,963	8,963		8,963
171	64602N	NAVAL GUNNERY IMPROVEMENTS	4,513	4,513	4,513		4,513
172	64603N	UNGUIDED CONVENTIONAL AIR-LAUNCHED WPNS	8,389	8,389	8,389		8,389
173	64604N	CHEMICAL WARFARE WEAPONS					
174	64608N	SURFACE ELECTRO-OPTIC SYSTEM					
174a		SURFACE SHIP LASER RANGE FINDER			2,000		
174b		SURFACE SHIP INFRARED SENSOR			3,000		
175	64609N	BOMB FUZE IMPROVEMENT	24,533	20,533	24,533		24,533
176	64610N	MK 50 TORPEDO	2,002	2,002	2,002		2,002
177	64612M	MARINE CORPS MINE COUNTERMEASURES SYSTEM	1,183	1,183	1,183		1,183
178	64654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOP	5,679	5,679	5,679		5,679
179	64656M	MARINE CORPS ASSAULT VEHICLES - ENG DEV	19,104	23,004	19,104	3,900	23,004
180	64657M	MC GROUND COMBAT/SUPPORTING ARMS SYSTEM					
181	64704N	ANTI-SUB WARFARE OCEANOGRAPHIC EQUIP	1,260	1,260	1,260		1,260
182	64707N	OVER-THE-HORIZON TARGETING	2,974	2,974	2,974	-2,974	
183	64710N	NAVY ENERGY PROGRAM	3,389	3,389	3,389		3,389
184	64713N	SURFACE ASW SYSTEM IMPROVEMENT	121,724	121,724	121,724	-58,000	63,724
185	64714N	AIR WARFARE TRAINING DEVICES	832	832	832		832
186	64715N	SURFACE WARFARE TRAINING DEVICES	10,711	10,711	10,711		10,711
187	64717M	MARINE CORPS COMBAT SERVICES SUPPORT	107	107	107		107
188	64718M	MARINE CORPS INTELL/ELECTRONICS WARFARE	370	370	370		370
189	64719M	MAR CORPS COMMAND/CONTROL/COMMUNIC SYS	17,181	21,081	17,181		17,181
190	64727N	JOINT STANDOFF WEAPON SYSTEMS	53,447	53,447	53,447		53,447
191	64761N	INTELLIGENCE	2,026	2,026	2,026		2,026
192	64771N	MEDICAL DEVELOPMENTS	4,160	4,160	4,160		4,160
193	64780M	JINTACCS MARINE CORPS	788	788	788		788
194	64784N	FIXED DISTRIBUTED SYSTEM - ENG	229,154	229,154	229,154	-20,000	209,154
194a		ADVANCED DEPLOYABLE SYSTEMS				20,000	20,000
195	65803N	ELECTROMAGNETIC SPECTRUM MANAGEMENT	3,658	3,658	3,658		3,658
196	65867N	C2 SURVEILLANCE/RECONNAISSANCE SUPPORT	15,769	15,769	15,769		15,769
197	24134N	A-6 SQUADRONS	6,423	6,423	6,423		6,423
198	24136N	F/A-18 SQUADRONS	452,077	472,077	472,077	32,000	484,077
199	24152N	EARLY WARNING AIRCRAFT SQUADRONS	6,349	6,349	6,349		6,349

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200	24154N	SEA-BASED ELECTRONIC WARFARE SQUADRONS					
201	24163N	FLEET TELECOMMUNICATIONS (TACTICAL)	18,682	18,682	18,682		18,682
202	24229N	SURFACE COMBATANT ORDNANCE AND MISSILES	28,428	28,428	28,428	-1,200	27,228
203	24311N	UNDERSEA SURVEILLANCE SYSTEMS	72,594	72,594	72,594	-3,700	68,894
204	24313N	SHIP-TOWED ARRAY SURVEILLANCE SYSTEMS	17,622	17,622	17,622		17,622
205	24413N	AMPHIB TACTICAL SUPP UNITS (DISPLACEMENT	3,400	3,400	3,400		3,400
206	24571N	SPECIAL PROJECTS	18,377	18,377	18,377		18,377
207	25601N	HARM IMPROVEMENT (SLAM)		100,000			
208	25604N	TACTICAL INFORMATION SYSTEM	73,658	73,658	73,658		73,658
209	25620N	ASW COMBAT SYSTEMS INTEGRATION	19,367	19,367	19,367		19,367
210	25633N	AIRCRAFT EQUIP RELIABILITY/MAINT PROG					
211	25667N	F-14 UPGRADE	116,281	166,281	116,281		116,281
212	25670N	TACTICAL INTELLIGENCE PROCESSING	2,109	2,109	2,109		2,109
213	25675N	OPERATIONAL REACTOR DEVELOPMENT	58,593	58,593	58,593		58,593
214	26313M	MARINE CORPS TELECOMMUNICATIONS	3,833	3,833	3,833		3,833
215	26623M	MC GROUND COMBAT/SUPPORTING ARMS SYSTEMS	20,489	24,889	27,789	19,300	39,789
216	26624M	MARINE CORPS COMBAT SERVICES SUPPORT	205	205	205		205
217	26625M	MARINE CORPS INTELL/ELECTRONICS WARFARE	28,305	67,805	32,305	3,000	31,305
218	26626M	MAR CORPS COMMAND/CONTROL/COMMUNIC SYS	18,835	18,835	18,835		18,835
219	27316N	TACIT RAINBOW					
220	28010M	JOINT TACT COMMUNIC PROGRAM (TRI-TAC)	673	673	673		673
221	35889N	INTELL SUPPORT TO OSD COUNTERNARCOTICS					
		MARINE ENHANCEMENT PROGRAM			12,000		
		CLASSIFIED PROGRAM			34,500	55,000	55,000
		SUBMARINE LASER COMMUNICATIONS					
222	1110011N	FORCE ENHANCEMENTS-ACTIVE					
223	64230N	WARFARE SUPPORT SYSTEM	2,521	2,521	2,521		2,521
224	64231N	TACTICAL COMMAND SYSTEM	33,977	33,977	33,977		33,977
225	64514N	NAVIGATION SYSTEMS	4,132	4,132	4,132		4,132
226	64577N	EHF SATCOM	33,686	33,686	33,686		33,686
227	64777N	NAVSTAR GPS	50,504	50,504	50,504		50,504
228	65866N	NAVY COMMAND & CONTROL PLANNING AND DEV	3,082	3,082	3,082		3,082
229	31327N	TECHNICAL RECON AND SURVEILLANCE	[ ]			[-3,665]	[ ]
230	33109N	SATELLITE COMMUNICATIONS	31,122	31,122	31,122		31,122

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231	33401N	COMMUNICATIONS SECURITY (COMSEC)	[ ]				[ ]
232	33603N	MILSTAR SATELLITE COMMUNICATIONS SYSTEM	3,534	3,534	3,534		3,534
233	34111N	SPECIAL ACTIVITIES	[ ]			[20,000]	[ ]
999		INTELL & COMMUNICATIONS CLASSIFIED	678,821	688,421	699,721	16,335	695,156
234	63721N	ENVIRONMENTAL PROTECTION	26,143	26,143	26,643		26,143
235	64208N	RANGE INSTRUMENTATION SYSTEMS DEV (RISD)	9,836	9,836	9,836		9,836
236	64255N	ELECTRONIC WARFARE SIMULATOR DEVELOPMENT	31,304	31,304	31,304	-5,100	26,204
237	64258N	TARGET SYSTEMS DEVELOPMENT	99,537	27,537	77,537	-59,537	40,000
238	64703N	PERSONNEL, TRAIN, SIMUL, & HUMAN FACTORS	1,794	1,794	1,794		1,794
239	65151M	STUDIES AND ANALYSIS SUPPORT - MC	2,170	2,170	2,170		2,170
240	65152N	STUDIES AND ANALYSIS SUPPORT - NAVY	6,297	6,297	6,297		6,297
241	65153M	MARINE CORPS OPS ANALYSIS GROUP, CNA	4,157	4,657	4,157	392	4,549
242	65154N	CENTER FOR NAVAL ANALYSES	24,321	26,821	24,321	1,875	26,196
243	65155N	FLEET TACTICAL DEVELOPMENT AND EVAL	12,721	12,721	12,721		12,721
244	65156M	MARINE CORPS OPERATIONAL TEST AND EVAL	5,000	5,000	5,000		5,000
245	65502N	SMALL BUSINESS INNOVATIVE RESEARCH					
246	65804N	TECHNICAL INFORMATION SERVICES	2,741	2,741	2,741		2,741
247	65853N	MANAGEMENT AND TECHNICAL SUPPORT	12,286	12,286	10,286		12,286
248	65857N	INTERNATIONAL RDT&E	3,210	3,210	3,210	-1,000	2,210
249	65861N	RDT&E LABORATORY & FACILITIES MANGNT SPT	58,343	58,343	58,343		58,343
250	65862N	RDT&E INSTRUMENTATION AND MATERIEL SPT	18,123	18,123	18,123		18,123
251	65863N	RDT&E SHIP AND AIRCRAFT SUPPORT	86,341	101,341	101,341	15,000	101,341

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252	65864N	TEST AND EVALUATION SUPPORT	342,091	373,091	332,091		342,091
253	65865N	OPERATIONAL TEST AND EVAL CAPABILITY	8,038	8,038	8,038		8,038
254	65871M	MAR CORPS TACTICAL EXPLOIT OF NATL CAP	1,153	1,153	1,153		1,153
255	65872N	PRODUCTIVITY INVESTMENTS	534	534	534		534
256	25658N	LABORATORY FLEET SUPPORT	6,512	6,512	6,512		6,512
257	35111N	WEATHER SERVICE	1,122	1,122	1,122		1,122
258	35160N	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	13,095	13,095	13,095		13,095
259	78011N	INDUSTRIAL PREPAREDNESS	25,302	100,002	5,000	49,105	74,407
260	91501N	RESCISSION TO BE DETERMINED					
		DBOF- TECHNICAL CORRECTION: DTIC			6,100	6,100	6,100
		DBOF- TECHNICAL CORRECTION: IACS			2,700	2,700	2,700
		DBOF- DIRECT FUNDING FOR DCAA/DCMC					
		DBOF ADJUSTMENT			-19,600	-19,600	-19,600
		HISTORICAL DEOBLIGATIONS					
		CONTRACTOR TRAVEL					
		BUDGET AMENDMENT CORRECTION	[-851,600]				
		TOTAL R,D,T & E NAVY	8,194,233	9,176,041	8,417,708	439,642	8,633,875

Sea-launched and recovery space launch program

The amended budget request included $2.5 million to continue development of a low-cost, reusable space booster that would be launched and recovered at sea. The Navy is attempting to develop this sea-launched and recovery (SEALAR) program with mostly private capital under a cooperative research and development agreement (CREDA), consistent with the intent of the Federal Technology Transfer Act of 1986.

The House bill would authorize the requested amount.

The Senate amendment would authorize $17.5 million on the basis that SEALAR is a promising approach to solving serious launch problems, including high cost, lack of flexibility, and poor responsiveness. Because of concern that the Navy will not be able to attract enough private capital to develop the system without a tangible government commitment, the Senate amendment would authorize additional funding and require that the Navy commit to launch a specific payload on the booster if SEALAR is successfully tested.

The conferees recommend the requested amount. The conferees agree that SEALAR is a promising technology initiative and support the Navy's efforts to develop the technology under a CREDA. The conferees believe, however, that the first phase of the program, which includes tests of launch, recovery, and reuse, will have to be completed before Congress would authorize additional funding.

Tactical electro-optical imaging

The House bill and the Senate amendment, based on lessons learned from Operation Desert Shield/Desert Storm, proposed a variety of initiatives to improve tactical intelligence capabilities, particularly imagery capabilities.

The House bill and the Senate amendment would authorize acceleration of a long-range oblique imaging program for the Marine Corps. The Senate amendment would also direct the TR-1 and U-2 reconnaissance aircraft program office to reexamine plans for electro-optical imaging capabilities in light of Operation Desert Storm experience. In addition, the advanced airborne reconnaissance program is examining options for future long-range electro-optical imaging capabilities.

The conferees believe that it would be useful and appropriate for the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD/C^{3}I) to sponsor a study of long-range airborne imaging requirements, programs, and plans. The purpose of the study would be to determine whether (1) there are cost-effective, operationally sound, militarily useful, and affordable opportunities to proliferate such capabilities to other airborne reconnaissance platforms using common equipment, data links, and ground stations; and (2) there are opportunities to eliminate any redundancies or combine electro-optical imaging development efforts among the Marine Corps, the Air Force, the airborne reconnaissance support program, and elsewhere in DoD.

The conferees request the ASD/C^{3}I to provide the results of this study by May 1, 1992, to the congressional defense committees.

Integrated electric drive

Both the House bill and the Senate amendment would approve the amended budget request of $80.9 million for the Navy's program to develop integrated electric drive (IED) propulsion.

The conferees understand that funds for this program are likely to be appropriated at a level below the requested amount. The conferees express their strong support for the development of IED capability by the Navy for application to future surface combatants and other naval platforms. The conferees recognize the progress the Navy has made in defining the requirements and plan for developing an IED system as reflected in the Navy's progress report and program plan of March 1991. The conferees look forward to receiving from the navy in mid-1992 a further report on the Navy's plans for system architecture, systems engineering approach, testing, and fleet introduction of an IED system.

The conferees suggest that the Navy consider modifying the program in two ways: (1) by establishing an early, definite goal for demonstrating electric drive at sea, and (2) by establishing a separate project for early development of individual components, such as solid state power controllers, that could have both military and commercial application.

The conferees recommend an authorization of $53.8 million in fiscal year 1992 for the integrated electric drive program.

Ocean engineering technology development

The House bill recommended an additional authorization of $4.0 million to accelerate the development of cylinders of relatively large diameter made of advanced ceramic materials which might be used for manned and unmanned underwater vehicles capable of withstanding the pressure of deep ocean environments.

The Senate amendment contained no similar authorization.

The conferees agree to an additional authorization of $2.0 million to initiate a competitive 36-month project to develop larger, advanced ceramic cylinders for use in manned and unmanned underwater vehicles. The estimated total cost of the project is $4.0 million.

Identification friend or foe (IFF) system development

The amended budget request included $22.3 million for advance development of systems for combat identification.

The House bill would authorize $32.3 million, with the added $10.0 million authorized for recovering those elements of the recently cancelled Mark XV IFF system that might be used in a future follow-on combat identification system.

The Senate amendment did not provide funds for any follow-on development of the Mark XV system.

The conferees recommend an authorization of $32.3 million, but emphasize that those funds are to be used only to exploit those elements of the Mark XV IFF system that might be applicable to a future follow-on combat identification system, and not to restart the Mark XV system.

P-3 modernization

The amended budget request included $41.4 million for the Navy's P-3 modernization program.

Both the House bill and the Senate amendment would add $41.5 million to accelerate development of a replacement P-3 aircraft with improved engines.

The conferees recommend $58.7 million for the P-3 modernization program. This amount includes $41.5 million for design and development of an upgraded propulsion plant and other improvements for the P-3 aircraft and funds for the update IV avionics project. The conferees expect that this authorization, together with funds previously provided, will be sufficient for the Navy to proceed with its requested P-3 modernization programs. The conferees believe that the potential size of a full P-3 modernization program is such that the program should be managed and reported as a major defense acquisition program. Accordingly, the conferees direct the Secretary of Defense to declare P-3 modernization of a major defense acquisition program and to convene the Defense Acquisition Board to review the P-3 program prior to obligation of funds for production of new P-3 aircraft. Additionally, the conferees direct the Secretary of the Navy to review alternatives for sustaining maritime patrol force levels and report his findings to the congressional defense committees not later than June 1, 1992.

Ship air defense

The Senate amendment increased funding for ship air defense in several different programs, including multi-sensor integration (MSI); rolling airframe missile (RAM); close-in weapon system (CIWS); surface ship electronic warfare (EW); surface ship infrared (IR) sensor; and surface ship laser range finder.

The Senate report (S. Rept. 102-113) recommended a multi-sensor integration demonstration and observed that it could show significant improvements in the near term for correcting known deficiencies in defenses against anti-ship missiles.

The House bill contained no similar increases in funding.

The conferees recommend $23.0 million to conduct an MSI demonstration, and $5.0 million to continue development of an IR mode upgrade to the rolling airframe missile. The conferees agree not to authorize additional funds for surface ship EW, surface ship IR sensor, surface ship laser range finder, and CIWS, but the Navy is invited to reprogram available funds to support these efforts.

Finally, the conferees observe that the Senate report (S. Rept. 102-113) directed the Secretary of the Navy to submit a report on Navy anti-air warfare programs to the congressional defense committees not later than February 28, 1992.

Cooperative engagement program

The conferees direct that, concurrent with submission of the amended budget request for fiscal year 1993, the Secretary of the Navy shall provide to the congressional defense committees a program plan for the cooperative engagement program. This plan shall include (1) a description of the program and its objectives, (2) a milestone schedule, (3) an assessment of funding requirements for fiscal year 1993, and (4) a projection of funding required for fiscal years 1994 through 1996. The conferees direct the Secretary of the Navy to establish, in the fiscal year 1994 budget submission, a separate cooperative engagement program line within the Navy RDT&E and procurement accounts, as appropriate. Additional guidance on the cooperative engagement program is provided in the classified annex to this statement of the managers.

Antisubmarine warfare technology

The Navy's recent statement that it does not require a long-range, antisubmarine warfare (ASW) stand-off weapon and its decision to terminate development of the Sea Lance or any other ASW stand-off weapon are evidence that the Navy assigns a lower priority to ASW.

The conferees believe that new generations of advanced nuclear and conventionally-powered submarines could pose a significant threat to the fleet. The Navy must continue a strong emphasis on the exploration of advanced technologies for ASW surveillance and weapons systems to avoid unpleasant surprises.

The Navy and the Defense Advanced Research Projects Agency (DARPA) are pursuing wide-ranging and complex programs which seek technology advances on a number of fronts: active and passive detection, identification, and target acquisition; advanced sensors, information processing, and fire control; quiet launch and quiet propulsion for weapon systems; and increased range and improved kill mechanisms.

The diversity of the research and development organizations involved and the extent of the programs underway in ASW make coordination and integration of these efforts by DARPA and the Department of the Navy absolutely essential. The Conferees expect the Secretary of Defense and the Secretary of the Navy to address the scope of the DARPA ASW program and measures being taken to ensure its integration and coordination during congressional hearings on the fiscal year 1993 amended budget request.

Airborne mine countermeasures

The House bill would authorize an additional $14.0 million in program element 604373N to accelerate the development of airborne mine detection technology for the Navy and Marine Corps. The House report (H. Rept. 102–60) also expressed the belief that first priority in the accelerated development program should be incorporation of the lessons learned from employment of Magic Lantern in Operation Desert Storm and the development of Magic Lantern for further operational testing.

The Senate amendment recommended $9.0 million for the completion and operational testing of the previously funded Magic Lantern systems. The Senate amendment would also authorize $5.0 million for the procurement of H–2 helicopter modifications to support the completion of operational testing for the Magic Lantern system.

The Senate recedes.

The conferees reaffirm the need for accelerated development and operational testing of the Magic Lantern technology as a potential near term improvement in Navy mine countermeasures, recommend authorization of $14.0 million for this purpose, and designate these efforts as a congressional special interest item. The Conferees also reaffirm their belief that the Navy should also focus on systems that could provide longer term solutions to mine countermeasures problems. Therefore, the conferees agree to continue the airborne mine detection and surveillance system (AMDAS) technology demonstration (program element 603640M) as a part of the Navy-Marine Corps joint mine detection program, because termination of this effort before its potential has been evaluated would be premature. The conferees expect that both Magic Lantern and AMDAS will be integral parts of the revised Department of the Navy mine countermeasures program and direct the Navy to submit a full report on the program and an update to its overall mine warfare master plan with submission of the amended budget request for fiscal year 1993.

Advanced submarine systems development

The amended budget request included $35.6 million for advanced submarine systems development.

The house bill would approve the requested amount.

The Senate amendment would authorize $65.6 million, an increase of $30.0 million for the purpose of accelerating the transition into the Navy of technology developed under the DARPA advanced submarine technology program.

The conferees believe that the DARPA program has developed promising devices and technologies (such as improved countermeasures launchers, periscopes, and materials) which must be transferred to the Navy. Otherwise, past expenditures will have been wasted. The conferees completely support Navy efforts to accelerate planning for a successor to the *Seawolf* submarine, but the conferees also believe there may be more than one successor design. Even if some of the promising technologies developed in the DARPA program cannot be made ready in time for the next submarine design, performance or cost advantages may lead the Navy to build to a second design a few years later.

The conferees recommend authorization of $55.6 million for the Navy's advanced submarine systems development program, an increase of $20.0 million to the requested amount. These additional funds may be used either for transferring DARPA submarine technology into the Navy or for support of the Centurion submarine design project.

Ship development/design

The amended budget request included $17.3 million for ship development, a program which focuses mostly on ship preliminary design.

The House bill approved the requested amount.

The Senate amendment added $10.0 million for design of a mine countermeasures support ship ("mother ship") and $15.0 million for development of fast sealift technology.

The amended budget request also included $32.8 million for ship contract design, a stage in the acquisition of new ships which comes after preliminary design and before contract award.

The House bill approved the requested amount.

The Senate amendment added $10.0 million for sealift ships and $5.0 million for design of a helicopter hangar for DDG–51 *Arleigh Burke* class destroyers.

The conferees are aware that the Appropriations Committees of the Senate and the House of Representatives did not approve increased funding for either of these two programs and, in fact, made reductions to the requested amounts.

The Senate recedes.

The conferees recommend $5.0 million for ship preliminary design, a reduction of $12.3 million from the request, and $22.2 million for ship contract design, a reduction of $10.6 million from the request. These reductions are made without prejudice. The conferees invite the Navy to reprogram available funds into these programs to fund priority requirements.

The conferees are sympathetic to the need for a mine countermeasures support ship. The Navy is invited to reprogram funds to support preliminary design of such a vessel. The requirement to fund contract design of sealift ships is met by a separate provision that would authorize transfer of prior year sealift funds from procurement to research and development accounts. The conferees note that a hangar on the DDG–51 class ships may have promise for support of unmanned aerial vehicles and agree that the Navy should explore this matter further.

Light armored vehicle 105 (LAV–105)

The amended budget request included $19.1 million for continuing engineering development for three prototype LAV–105 vehicles. The LAV–105 is intended to provide a 105mm gun for the light armored vehicle. Such a vehicle would provide a major caliber, direct fire suppression capability for Marine Corps ground units.

The House bill would authorize an additional $3.9 million in fiscal year 1992 to ensure completion of the LAV–105 and availability of its lightweight gun and turret system for the Army's armored gun system (AGS) program. The House report (H. Rept. 102–60) expressed the view that a turret system common to both Army and Marine Corps lightweight armored vehicles would yield significant cost savings and operational advantages.

The Senate amendment approved the requested amount. The Senate report (S. Rept 102–113) noted that the Marine Corps LAV–105 program paralleled the Army's AGS program. The report expressed the view that the LAV–105 turret development would provide an ordnance system for the AGS and promote commonality between the Services.

The conferees have been informed that the Marine Corps has terminated the LAV–105 program. The conferees understand that this decision was based on an assessment that procurement funds will not be available for procuring the system. Under a new Department of Defense policy, engineering development funds will not be provided when procurement is not planned in future budgets. The conferees note that the decision to terminate the program was made in the second year of a three-year full-scale development in which more than half the development funds have been spent, which has been operating on schedule and within budget, and which recently completed successful contractor firing tests.

In the opinion of the conferees, the decision to terminate LAV–105 development is a clear example of the concern raised in the House report about the undesirable consequences of annual budget decisions. The problem is that disciplined development milestones are not followed, programs are terminated in later development stages, and the government realizes little, if any, benefit from its investment. The conferees believe that this is a short-sighted policy that increases program instability and harms the defense industrial base.

In a period of steep reductions in funds available for defense research, development, and procurement, increased emphasis should be put on acquisition policy which emphasizes the greater use of prototype development, without necessarily committing to production at the beginning of the program. The conferees intend that this aspect of defense acquisition policy will be a subject for discussion during hearings on the fiscal year 1993 amended budget request.

The conferees do not agree with the decision to terminate LAV–105 development, and believe that full-scale development (engineering and manufacturing development) and operational test of the LAV–105 system prototypes should be completed.

The conferees direct the Secretary of the Navy to continue the LAV–105 program and authorize $23.0 million in fiscal year 1992 for this purpose. The conferees further direct the Secretary of the Navy to program funds for completion of the LAV–105 prototype development and operational test in the fiscal year 1993 amended budget submission.

Fixed distributed systems/advanced deployable systems

The amended budget request contained $229.2 million for research and development of the fixed distributed system (FDS) and no funds for the advanced deployable system (ADS).

The House report (H. Rept. 102-60) commended the Navy for the development of a deployable version of the FDS. Nevertheless, the report expressed concern that an ADS program was not planned during the current Future Years Defense Program, despite the Navy's increased emphasis on low-intensity conflict planning. The House bill would approve the requested funds, but directed that not less than $40.0 million of the fiscal year 1992 authorization for FDS be used for the development and at-sea demonstration of an ADS that incorporates both acoustic and non-acoustic sensors, is small enough for deployment by aircraft or unmanned underwater vehicles, and is capable of being reconfigured depending on the mission, but optimized for shallow water antisubmarine warfare (ASW) against quiet, non-nuclear submarines.

The Senate report (S. Rept. 102-113) expressed similar concerns and stated that the Navy should re-orient its focus more toward quick response systems for rapidly developing regional crises, that procurement of a large number of fixed systems should probably be limited, and that the Navy should develop ASW surveillance systems which are deployable in a matter of hours or days, not weeks or months. The Senate report expressed no preference for any particular system concept, but recommended that the Navy conduct systems technology demonstration programs to focus on the enabling technologies that could make such concepts achievable, such as high density processor technology, deployable high gain array designs, and advances in artificial intelligence.

The conferees understand that the Navy intends to allocate $20.0 million of the $229.2 million in the amended budget request for a deployable version of FDS and 20.0 million for ADS. The conferees applaud the Navy's responsiveness and agree to fund FDS at $209.2 million, with the understanding that $20.0 million will fund a deployable version of FDS. The conferees also direct the Navy to create a new RDT&E program line, advance deployable systems, for better visibility of this new initiative and agree to provide $20.0 million for this effort.

The conferees believe that this ADS effort should examine combinations of acoustic and non-acoustic sensors, both passive and active, to achieve reliable detection and classifications. The conferees also agree that ADS development should aim at systems small enough for deployment by aircraft or unmanned underwater vehicles, capable of being reconfigured depending on the mission, and optimized for shallow water ASW against quiet, non-nuclear submarines.

Target systems development (SLAT)

The amended budget request included $99.5 million for the Navy's target systems development program, which included $71.9 million for continued development of SLAT (supersonic low-altitude target).

The House bill would authorize $22.5 million for Navy target systems development.

The Senate amendment would authorize $77.5 million for this program, including $49.9 million for SLAT to reflect a re-phasing of the testing effort.

The Department of Defense appeal to the conference on the fiscal year 1992 defense appropriations bill reflected a requirement of $40.0 million for target systems development. This estimate is based on an adjusted requirement of $27.6 million for other target systems, and a re-evaluation of the SLAT program that indicates a funding requirement in fiscal year 1992 of $12.4 million.

The conferees understand that the Navy intends to assess the SLAT program in April 1992 to determine whether to proceed with the program. Between now and the time of that review, the Navy and the contractor will have had an opportunity to demonstrate during flight testing whether identified quality improvements in SLAT have been successful.

The conferees believe the Navy must have suitable targets that can adequately replicate the potential threats, but do not intend the Navy to buy a target at any cost. The conferees observe that the cost of potential target systems must be weighed against the opportunity cost of not knowing whether billions of dollars in air defense weapons and sensors will actually perform as expected. The conferees expect the Navy to find a solution to this deficiency.

The conferees recommend a total authorization of $40.0 million for the Navy's target system development program. If, after successful SLAT flight testing, the Navy identifies a need for additional funding, the conferees will consider a reprogramming request to cover such requirements for SLAT.

Navy industrial preparedness

The House bill would increase the authorization for the Navy's industrial preparedness program by $74.7 million in fiscal year 1992 with direction that $10.0 million should be used for the establishment of a metal joining center.

The Senate amendment contained no similar increase in funding for Navy industrial preparedness. Instead, it consolidated all industrial preparedness funding supporting defense manufacturing technology under a single program element (63705D), except for $5.0 million authorized to continue the Navy's program to educate acquisition managers and technical personnel on techniques for managing technical risk.

The conferees recommend a total increase in program element 11708N of $49.1 million for fiscal year 1992. The conferees direct that of this additional funding, $5.0 million be made available to continue the Navy's education program for managing technical risk. The conferees further direct that $10.0 million be made available on a merit basis to either establish a new joining center, or to enhance an existing joining center, in accordance with the guidance in the House report (H. Rept. 102-60).

RESEARCH AND DEVELOPMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $15,032.6 million for Air Force research, development, test, and evaluation. The House bill would authorize $15,338.3 million. The Senate amendment would authorize $14,676.3 million. The conferees recommend authorization of $14,467.1 million as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
		RESEARCH DEVELOPMENT TEST & EVAL AF					
1	61101F	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	9,972	9,972	9,972	-1,689	8,283
2	61102F	DEFENSE RESEARCH SCIENCES	203,206	209,206	213,506	6,000	209,206
		OTHER TECH BASE UNIVERSITY GRANTS					
3	62101F	GEOPHYSICS	40,441	40,441	40,441	-1,389	39,052
4	62102F	MATERIALS	69,235	69,235	69,235	-1,000	68,235
5	62201F	AEROSPACE FLIGHT DYNAMICS	71,656	71,656	71,656	-3,300	68,356
6	62202F	HUMAN SYSTEMS TECHNOLOGY	53,673	63,673	53,673	10,000	63,673
7	62203F	AEROSPACE PROPULSION	69,355	72,355	69,355	3,000	72,355
8	62204F	AEROSPACE AVIONICS	83,086	73,086	83,086	-2,796	80,290
9	62205F	PERSONNEL, TRAINING AND SIMULATION	30,953	30,953	32,453		30,953
10	62206F	CIVIL ENGINEERING & ENVIRONMENTAL QUAL	6,744	16,744	6,744	5,000	11,744
11	62302F	ROCKET PROPULSION AND ASTRONAUTICS TECH	47,341	37,341	47,341	-4,291	43,050
12	62601F	ADVANCED WEAPONS	38,450	38,450	38,450		38,450
13	62602F	CONVENTIONAL MUNITIONS	43,010	43,010	43,010		43,010
14	62702F	COMMAND CONTROL AND COMMUNICATIONS	88,665	88,665	88,665		88,665
14a	62XXXF	PRECOMPETITIVE TECHNOLOGY			40,000		
15	63106F	LOGISTICS SYSTEMS TECHNOLOGY	14,649	14,649	14,649		14,649
16	63109F	INEWS/ICNIA					
17	63112F	ADVANCED MATERIALS FOR WEAPON SYSTEMS	17,887	17,887	17,887		17,887
18	63202F	AEROSPACE PROPULSION SUBSYS INTEGRATION	30,295	30,295	30,295		30,295
19	63203F	ADVANCED AVIONICS FOR AEROSPACE VEHICLES	38,001	38,001	38,001		38,001
20	63205F	AEROSPACE VEHICLE TECHNOLOGY	22,858	22,858	12,558		22,858
21	63211F	AEROSPACE STRUCTURES	20,113	20,113	20,113		20,113
22	63216F	AEROSPACE PROPULSION AND POWER TECH	42,057	42,057	42,057		42,057
23	63227F	PERSONNEL, TRAINING AND SIMULATION TECH	9,501	9,501	9,501		9,501
24	63231F	CREW SYS & PERSONNEL PROTECTION TECHNOL	18,542	18,542	18,542		18,542
25	63245F	ADVANCED FIGHTER TECHNOLOGY INTEGRATION	24,073	24,073	10,173		24,073
26	63250F	LINCOLN LABORATORY	27,891	27,891	27,891		27,891
27	63253F	ADVANCED AVIONICS INTEGRATION	19,530	19,530	19,530		19,530
28	63269F	NATIONAL AERO SPACE PLANE TECH PROG	231,833	231,833	231,833	-31,833	200,000
29	63270F	EW TECHNOLOGY	35,845	40,845	35,845	-2,000	33,845
30	63302F	SPACE AND MISSILE ROCKET PROPULSION	14,866	14,866	14,866		14,866

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference	
						Change to Request	Authorized
31	63311F	ADVANCED STRATEGIC MISSILE SYSTEMS	63,045	63,045	63,045		63,045
32	63363F	ARMAMENT TECHNOLOGY INTEGRATION	2,131	2,131	2,131		2,131
33	63401F	ADVANCED SPACECRAFT TECHNOLOGY	17,914	27,914	17,914	5,000	22,914
34	63410F	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS	4,936	4,936	4,936		4,936
35	63428F	SPACE SURVEILLANCE TECHNOLOGY	25,100	4,600	5,000	-20,525	4,575
36	63601F	CONVENTIONAL WEAPONS	33,621	33,621	33,621		33,621
37	63605F	ADVANCED WEAPONS TECHNOLOGY	57,152	57,152	57,152		57,152
38	63707F	WEATHER SYSTEMS - ADV DEV	5,533	5,533	5,533		5,533
39	63723F	CIVIL AND ENVIRONMENTAL ENGINEERING TECH	12,036	12,036	12,036		12,036
40	63726F	C3I SUBSYSTEM INTEGRATION	9,483	9,483	9,483		9,483
41	63728F	ADVANCED COMPUTER TECHNOLOGY	9,857	9,857	9,857		9,857
42	63789F	C3 ADVANCED DEVELOPMENT	9,635	9,635	9,635		9,635
43	10011F	ADVANCED SPECIAL OPS RESRCH, DEV AND ACQ					
44	63105F	OLYMPIC	[ ]				[ ]
45	63110F	SPECIAL EVALUATION PROGRAM	[ ]				[ ]
46	63111F	MERIDIAN	[ ]				[ ]
47	63311F	ADVANCED STRATEGIC MISSILE SYSTEMS					
48	63367F	RELOCATABLE TARGET CAPABILITY PROGRAM					
49	64226F	B-1B	3,574	3,574	3,574	-200	3,374
50	64240F	B-2 ADVANCED TECHNOLOGY BOMBER	1,563,072	1,563,072	1,563,072	-200	1,562,872
51	64244F	SHORT RANGE ATTACK MISSILE II (SRAM II)	165,879	165,879	165,879	-151,879	14,000
52	64312F	ICBM MODERNIZATION					
	64312F	(START COMPLIANCE)	4,083	4,083	4,083	10,600	14,683
	64312F	(PEACEKEEPER IN SILOS)	2,906	2,906	2,906		2,906
	64312F	(RAIL GARRISON)	260,082	260,082	245,082	-260,082	
	64312F	(SMALL ICBM)	548,838	548,838	548,838		548,838
53	64361F	AIR LAUNCHED CRUISE MISSILE (ALCM)					
54	64410F	SPACE-BASED RADAR (SBR) FSD					
55	64711F	SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)	6,745	6,745	6,745		6,745
56	11113F	B-52 SQUADRONS	3,981	3,981	3,981		3,981
57	11120F	ADVANCED CRUISE MISSILE	108,698	108,698	108,698		108,698
58	11142F	KC-135 SQUADRONS	14,968	14,968	14,968		14,968
59	11213F	MINUTEMAN SQUADRONS	53,959	53,959	53,959		53,959
60	11312F	PACCS AND WWABNCP SYSTEM EC-135 CLASS V	1,314	1,314	1,314		1,314
61	11313F	WAR PLANNING AUTOMATED DATA PROCESSING	5,976	5,976	5,976		5,976
62	11815F	ADVANCED STRATEGIC PROGRAMS	[ ]				[ ]

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
63	12310F	NCMC - TW/AA SYSTEMS	133,000	133,000	133,000		133,000
64	12325F	JOINT SURVEILLANCE SYSTEM	5,390	5,390	5,390		5,390
65	12411F	SURVEILLANCE RADAR STATIONS/SITES	13,019	13,019	13,019		13,019
66	12412F	DISTANT EARLY WARNING (DEW) RADAR STAT	2,862	2,862	2,862		2,862
67	12417F	OVER-THE-HORIZON BACKSCATTER RADAR	7,961	7,961	7,961		7,961
68	12423F	BALLISTIC MISSILE EARLY WARN SYS (BMEWS)	17,887	17,887	17,887		17,887
69	12424F	SPACETRACK	20,124	20,124	20,124		20,124
70	12431F	DEFENSE SUPPORT PROGRAM	53,423	53,423	53,423		53,423
70a		FOLLOW-ON EARLY WARNING SYSTEMS	82,000	82,000	62,000		82,000
70b		ADVANCED WARNING SYSTEM					
71	12432F	SLBM RADAR WARNING SYSTEM	966	966	966		966
72	12433F	NUDET DETECTION SYSTEM	6,873	6,873	6,873		6,873
73	32015F	NATIONAL EMERGENCY AIRBORNE COMMAND POST					
74	33131F	MIN ESSENTIAL EMERG COMM NETWORK (MEECN)	20,577	20,577	20,577		20,577
75	33152F	WWMCCS, INFORMATION SYSTEM	816	816	816		816
76	33601F	MILSTAR SATELLITE COMM SYS(AF TERMINALS)	161,183	161,183	161,183		161,183
77	33603F	MILSTAR SATELLITE COMMUNICATIONS SYSTEM	901,263	901,263	901,263		901,263
78	35124F	SPECIAL APPLICATIONS PROGRAM	[ ]				[ ]
79	35892F	SPECIAL ANALYSIS ACTIVITIES	[ ]				[ ]
80	41123F	MILITARY AIRLIFT GROUP (IF)					
996		STRATEGIC CLASSIFIED	360,715	360,715	370,715		360,715
81	63107F	TECHNICAL EVALUATION SYSTEM	[ ]				[ ]
82	63230F	ADVANCED TACTICAL FIGHTER					
83	63260F	INTELLIGENCE ADVANCED DEVELOPMENT	5,497	5,497	5,497		5,497
84	63307F	AIR BASE OPERABILITY ADVANCED DEVELOP	3,375	3,375	3,375		3,375
85	63320F	LOW COST ANTI-RADIATION SEEKER					
86	63617F	COMMAND, CONTROL, AND COMMUNIC APPLIC	3,399	3,399	3,399		3,399
87	63714F	DOD PHYSICAL SECURITY EQUIP- EXTERIOR	741	741	741		741
88	63742F	COMBAT IDENTIFICATION TECHNOLOGY	23,896	23,896	23,896		23,896
89	63801F	SPECIAL PROGRAMS	[ ]				[ ]
90	64201F	AIRCRAFT AVIONICS EQUIPMENT DEVELOPMENT	14,909	14,909	14,909		14,909
91	64212F	AIRCRAFT EQUIPMENT DEVELOPMENT	4,093	4,093	4,093		4,093
92	64218F	ENGINE MODEL DERIVATIVE PROGRAM (EMDP)	1,022	1,022	1,022		1,022

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference	
						Change to Request	Authorized
92a		F-117A IMPROVEMENT		223,000		83,000	83,000
93	64222F	NUCLEAR WEAPONS SUPPORT	5,841	5,841	5,841		5,841
94	64223F	ALTERNATE FIGHTER ENGINE					
95	64231F	C-17 PROGRAM	377,359	377,359	377,359		377,359
96	64233F	SPECIALIZED UNDERGRADUATE PILOT TRAINING	4,274	4,274	4,274		4,274
97	64236F	INFRARED SEARCH AND TRACK SYSTEM					
98	64237F	VARIABLE STABILITY IN-FLIGHT SIMULATOR	2,090	2,090	2,090		2,090
99	64239F	ADVANCED TACTICAL FIGHTER FSD	1,637,182	1,637,182	1,637,182		1,637,182
100	64242F	ADVANCED TACTICAL AIRCRAFT					
101	64245F	SHORT RANGE ATTACK MISSILE - TACTICAL	34,346		34,346	-34,346	
102	64247F	MODULAR AUTOMATIC TEST EQUIPMENT					
103	64249F	NIGHT/PRECISION ATTACK	26,639	26,639	26,639		26,639
104	64250F	INTEGRATED EW/CNI DEVELOPMENT					
105	64268F	AIRCRAFT ENGINE COMPONENT IMPROVE PROG	114,101	114,101	114,101		114,101
106	64270F	EW DEVELOPMENT	215,221	211,221	215,221	-17,250	197,971
106a		B-1B RWR			-9,800	-9,800	-9,800
107	64321F	JOINT TACTICAL FUSION PROGRAM	[ ]				[ ]
108	64327F	HARDENED TARGET MUNITIONS	7,183	7,183	7,183		7,183
109	64601F	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT	12,741	12,741	12,741		12,741
110	64602F	ARMAMENT/ORDNANCE DEVELOPMENT	4,812	4,812	4,812		4,812
111	64604F	SUBMUNITIONS	5,082	5,082	5,082		5,082
112	64607F	WIDE-AREA, ANTI-ARMOR MUNITIONS					
113	64617F	AIR BASE OPERABILITY	10,170	10,170	10,170		10,170
114	64703F	AEROMEDICAL SYSTEMS DEVELOPMENT	6,797	6,797	6,797		6,797
115	64704F	COMMON SUPPORT EQUIPMENT DEVELOPMENT	12,675	12,675	15,175		12,675
116	64706F	LIFE SUPPORT SYSTEMS	12,253	12,253	12,253		12,253
117	64708F	CIVIL, FIRE, ENVIRONMENTAL, SHELTER ENG	2,661	2,661	2,661		2,661
118	64725F	COMBAT IDENTIFICATION SYSTEMS					
119	64733F	SURFACE DEFENSE SUPPRESSION	21,464	21,464	21,464		21,464
120	64740F	COMPUTER RESOURCES MANAGEMENT TECHNOLOGY	8,419	8,419	8,419		8,419
121	64750F	INTELLIGENCE EQUIPMENT	2,983	2,983	2,983		2,983
122	64754F	JOINT TACT INFO DISTRIBUTION SYS (JTIDS)	16,421	16,421	16,421		16,421
123	64756F	SIDE LOOKING AIRBORNE RADAR	4,166	4,166			4,166
124	64770F	JOINT SURV/TARGET ATTACK RADAR (JSTARS)	311,859	311,859	325,859	5,000	316,859
125	64779F	JOINT INTEROP OF TACT C2 SYS (JINTACCS)	5,622	5,622	5,622		5,622
126	27129F	F-111 SQUADRONS	30,067	30,067	30,067		30,067

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
127	27130F	F-15A/B/C/D SQUADRONS					
128	27131F	A-10 SQUADRONS	12,832	12,832	12,832		12,832
129	27133F	F-16 SQUADRONS	174,828	174,828	174,828	-14,850	159,978
130	27134F	F-15E SQUADRONS	119,795	119,795	119,795		119,795
131	27136F	MANNED DESTRUCTIVE SUPPRESSION	5,000	5,000	5,000		5,000
132	27137F	CONSTANT HELP	[ ]				[ ]
133	27141F	F-117A SQUADRONS	22,762	22,762	22,762		22,762
133a		F-117 RECCE MODS			15,000		
134	27161F	TACTICAL AIM MISSILES	26,358	26,358	26,358	-12,800	13,558
135	27162F	TACTICAL AGM MISSILES					
136	27163F	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE	30,582	30,582	10,582		30,582
137	27168F	F-111 SELF PROTECTION SYSTEMS					
138	27169F	SEEK CLOCK	[ ]				[ ]
139	27215F	TR-1 SQUADRON	54,220	54,220	20	-54,220	
140	27217F	FOLLOW-ON TACTICAL RECONNAISSANCE SYS	56,553	173,953	96,153	32,000	88,553
141	27247F	AF TENCAP	562	562	562		562
142	27248F	SPECIAL TACTICAL UNIT DETACHMENTS	[ ]				[ ]
143	27316F	TACIT RAINBOW					
144	27411F	OVERSEAS AIR WEAPON CONTROL SYSTEM	2,156	2,156	2,156		2,156
145	27412F	TACTICAL AIR CONTROL SYSTEMS	23,564	23,564	23,564		23,564
146	27417F	AIRBORNE WARNING AND CONTROL SYS (AWACS)	202,129	202,129	202,129		202,129
147	27419F	TACTICAL AIRBORNE COMMAND & CONTROL SYS	3,483	3,483	3,483		3,483
148	27423F	ADVANCED COMMUNICATIONS SYSTEMS	3,980	3,980	3,980		3,980
149	27424F	COPPER COAST	[ ]				[ ]
150	27431F	TACTICAL AIR INTELLIGENCE SYSTEM ACTIV					
151	27433F	TACTICAL IMPROVEMENT PROGRAM	[ ]				[ ]
152	27579F	ADVANCED SYSTEM IMPROVEMENTS	[ ]				[ ]
153	27582F	HAVE TRUMP (H)	[ ]				[ ]
154	27590F	SEEK EAGLE	29,010	29,010	29,010	-8,000	21,010
155	27591F	OMEGA	[ ]				[ ]
156	28006F	MISSION PLANNING SYSTEMS	13,433	13,433	13,433		13,433
157	28010F	JOINT TACT COMMUNIC PROGRAM (TRI-TAC)	6,709	6,709	6,709		6,709
158	28021F	ELECTRONIC COMBAT SUPPORT	2,678	2,678	2,678		2,678
159	28042F	HAVE FLAG	[ ]			[35,000]	[ ]
160	33605F	SATELLITE COMMUNICATIONS TERMINALS	2,208	2,208	2,208		2,208
161	35137F	NATIONAL AIRSPACE SYSTEM (NAS) PLAN	4,687	4,687	4,687	-1,431	3,256

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
162	35142F	CENTENNIAL	[ ]				[ ]
163	35158F	CONSTANT SOURCE	8,165	8,165	8,165		8,165
164	35887F	ELECTRONIC COMBAT INTELLIGENCE SUPPORT	1,858	1,858	1,858		1,858
165	41316F	SENIOR CITIZEN	[ ]				[ ]
166	41840F	MAC COMMAND AND CONTROL SYSTEM	11,570	11,570	11,570		11,570
167	44011F	SPECIAL OPERATIONS FORCES	1,991	1,991	1,991	-1,991	
168	52610F	A-7 SQUADRONS (ANG)					
169	1110011F	FORCE ENHANCEMENTS-ACTIVE					
		1000 LB THRUST ENGINE QUALIFICATION			3,000	3,000	3,000
997		TACTICAL CLASSIFIED	977,309	1,012,309	949,409	35,000	1,012,309
170	31305F	INTELLIGENCE PRODUCTION ACTIVITIES	[ ]			[380]	[ ]
171	31310F	FOREIGN TECHNOLOGY DIVISION	[ ]			[-871]	[ ]
172	31313F	DEFENSE DISSEMINATION PROGRAM	[ ]				[ ]
173	31314F	INFRARED/E-O/DEW PROCESS & EXPLOITATION	[ ]			[-3,993]	[ ]
174	31315F	MISSILE & SPACE TECHNICAL COLLECTION	[ ]				[ ]
175	31317F	SENIOR YEAR OPERATIONS	[ ]			[54,220]	[ ]
176	31324F	FOREST GREEN	[ ]			[-27,949]	[ ]
177	31357F	NUDET DETECTION SYSTEM	[ ]			[-1,494]	[ ]
178	33110F	DEFENSE SATELLITE COMMUNICATIONS SYSTEM	14,394	14,394	14,394		14,394
179	33126F	LONG-HAUL COMMUNICATIONS (DCS)	3,555	3,555	3,555		3,555
180	33144F	ELECTROMAGNETIC COMPATIBILITY ANAL CTR	10,133	10,133	10,133		10,133
181	33401F	COMMUNICATIONS SECURITY (COMSEC)	[ ]				[ ]
182	33411F	SPECIAL ACTIVITIES	[ ]			[-19,500]	[ ]
182a		CLASSIFIED PROGRAM			-100,000		
183	35114F	TRAFFIC CONTROL, APPROACH, AND LANDING	11,359	11,359	11,359		11,359
184	35159F	DEFENSE RECONNAISSANCE SUPPORT ACTIV	[ ]				[ ]
185	35164F	NAVSTAR GLOBAL POS SYS (USER EQUIP)	14,407	14,407	14,407		14,407
186	35165F	NAVSTAR GLOBAL POS SYS (SPACE & CONTROL)	52,005	52,005	52,005	18,100	70,105
187	35185F	CAVALRY					
188	35889F	INTELL SUPPORT TO OSD COUNTERNARCOTICS					
998		INTELL & COMMUNICATIONS CLASSIFIED	2,333,744	2,307,844	2,564,764	793	2,334,537

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
189	63402F	SPACE TEST PROGRAM	53,323	53,323	53,323	-5,799	47,524
190	63438F	SATELLITE SYSTEMS SURVIVABILITY	8,681	8,681	8,681		8,681
191	64211F	ADVANCED AERIAL TARGET DEVELOPMENT	25,321	25,321	25,321		25,321
192	64227F	TRAINING SYSTEMS DEVELOPMENT	51,745	51,745	51,745	-8,850	42,895
193	64243F	MANPOWER, PERSONNEL AND TRAINING DEVELOP	3,554	3,554	3,554		3,554
194	64408F	ADVANCED LAUNCH SYSTEM	147,744	72,744	50,000	-97,744	50,000
195	64609F	R&M MATURATION/TECHNOLOGY INSERTION	20,999	20,999	20,999	-2,000	18,999
196	64707F	WEATHER SYSTEMS - ENG DEV	5,299	5,299	5,299		5,299
197	64735F	RANGE IMPROVEMENT	76,468	76,468	76,468	-3,400	73,068
198	64747F	ELECTROMAGNETIC RADIATION TEST FACIL	4,768	4,768	4,768		4,768
199	64755F	IMPROVED CAPABILITY FOR DEVELOPMENT TEST	56,259	56,259	51,259		56,259
200	65101F	PROJECT AIR FORCE	22,488	22,488	25,600		22,488
201	65306F	RANCH HAND II EPIDEMIOLOGY STUDY	9,710	9,710	9,710		9,710
202	65502F	SMALL BUSINESS INNOVATIVE RESEARCH					
203	65708F	NAVIGATION/RADAR/SLED TRACK TEST SUPPORT	25,935	25,935	25,935		25,935
204	65712F	INITIAL OPERATIONAL TEST & EVALUATION	26,394	26,394	26,394	-5,000	21,394
205	65807F	TEST AND EVALUATION SUPPORT	402,330	412,330	362,330	-31,000	371,330
206	65808F	DEVELOPMENT PLANNING	16,081	16,081	11,081	-6,434	9,647
207	65809F	DYCOMS					
208	65863F	RDT&E AIRCRAFT SUPPORT	43,503	43,503	43,503		43,503
209	65894F	REAL PROPERTY MAINTENANCE - RDT&E	105,123	101,123	95,123	-4,000	101,123
210	65896F	BASE OPERATIONS - RDT&E	76,306	76,306	71,306		76,306

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference	
						Change to Request	Authorized
211	35110F	SATELLITE CONTROL NETWORK	120,655	120,655	120,655		120,655
212	35119F	MEDIUM LAUNCH VEHICLES	45,615	45,615	45,615		45,615
213	35130F	CONSOLIDATED SPACE OPERATIONS CENTER	15,657	15,657	15,657		15,657
214	35138F	UPPER STAGE SPACE VEHICLES	5,957	5,957	5,957		5,957
215	35144F	TITAN SPACE LAUNCH VEHICLES	143,915	143,915	143,915		143,915
216	35160F	DEFENSE METEOROLOGICAL SAT PROG (DMSP)	28,478	28,478	28,478		28,478
217	35171F	SPACE SHUTTLE OPERATIONS					
218	71112F	INVENTORY CONTROL POINT OPERATIONS	2,967	2,967	2,967		2,967
219	72207F	DEPOT MAINTENANCE (NON-IF)	2,959	2,959	2,959		2,959
220	78011F	INDUSTRIAL PREPAREDNESS	50,535	110,535		10,000	60,535
221	78012F	LOGISTICS SUPPORT ACTIVITIES	6,614	6,614	6,614		6,614
222	78026F	PROD, RELIAB, AVAIL, MAINTAIN. PROG OFC	24,364	24,364	24,364		24,364
223	91218F	CIVILIAN COMPENSATION PROGRAM	5,199	5,199	5,199		5,199
224	1001004F	INTERNATIONAL ACTIVITIES	3,970	3,970	3,970	-1,000	2,970
		CONTRACTOR TRAVEL					
		DBOF- TECHNICAL CORRECTION: DTIC			6,300	6,300	6,300
		DBOF- TECHNICAL CORRECTION: IACS			2,800	2,800	2,800
		DBOF- DIRECT FUNDING FOR DCAA/DCMC					
225	91501F	RESCISSION TO BE DETERMINED					
		THERMIONICS			5,000		
		EXCIMER LASER					
		POKER FLAT ROCKET RANGE					
		UNDISTRIBUTED					
		TOTAL R,D,T & E AIR FORCE	15,032,600	15,338,254	14,676,254	-565,506	14,467,094

Defense initiative on tele-education and training

The Senate amendment contained an increased authorization of $1.5 million to program element 62205F to support research in techniques to improve student participation in tele-education.

The House bill contained no similar increase in authorization.

The conferees urge the Air Force to undertake this initiative using funding authorized under the personnel, training, and simulation program element.

National aerospace plane

The amended budget request included $231.8 million in the Department of Defense and $72.0 million in NASA for the joint national aerospace plane (NASP).

The House bill would authorize the requested amount in DoD.

The Senate amendment would terminate the program.

The conferees agree to authorize $200.0 million for DoD to continue phase II of the program but delay completion of phase II until fiscal year 1994. The conferees make no commitment to phase III of the program and shall not consider such a commitment until it is clear that both DoD and NASA have committed to fully funding the effort in future years.

The Housing and Urban Development and Independent Agencies (HUD/IA) Appropriations Act for Fiscal Year 1992 approved only $5.0 million of the requested $72.0 million for NASA's participation in the NASP program. The NASA request for NASP, relative to the DoD request for fiscal years 1992 and 1993, indicates a low level of commitment to the program from NASA. The HUD/IA Appropriations Act indicates that Congress judges NASP to be a low priority for NASA as well. The conferees do not believe that DoD can afford to continue the NASP program without substantially greater financial participation by NASA.

Moreover, the conferees note that the principal argument for NASP has become the assurance of U.S. technological leadership, not the development of a military capability. As noted in the Senate report (S. Rept. 102–113), the Department of Defense at this point has no idea of what the costs and benefits of NASP might be in terms of missions or the acquisition and operating costs for an operational system. Future DoD budgets are expected to decline sharply, and DoD resources must be focused on the satisfaction of clear military requirements. The conferees serve notice to the administration that the NASP program will *not* be permitted to become a civilian space program activity overwhelmingly funded by DoD.

Advanced spacecraft technology

The House bill would authorize $10.0 million to expedite advanced development of thermionic space power technology.

The Senate amendment would authorize $5.0 million for thermionic space power research and development in the Air Force, contingent on a technology funding agreement between the Strategic Defense Initiative Organization, the Department of Energy, and the Air Force.

The House recedes. The conferees recommend $5.0 million for thermionics technology in the Air Force subject to a funding agreement as stipulated in the Senate amendment.

Wide area surveillance

The amended budget request included $25.1 million and $24.9 million for space-based wide-area surveillance technology demonstration programs in the Air Force and Navy, respectively.

The House bill would authorize $4.6 million for the Air Force and would deny the request for the Navy.

The Senate amendment would authorize $5.0 million for each program.

The conferees recommend $4.6 million for the Air Force program. Additional direction for both programs is contained in the classified annex to this statement of the managers.

SRAM–II/SRAM–T

The amended budget request contained $165.9 million in fiscal year 1992 and $170.1 million in fiscal year 1993 for RDT&E for the SRAM–II missile, and $11.0 million in fiscal year 1992 and $81.0 million in fiscal year 1993 for SRAM–II procurement. The amended budget request contained $34.3 million in fiscal year 1992 and $106.5 million in fiscal year 1993 for RDT&E for the SRAM–T program.

The House bill approved the requested amount for the SRAM–II, but denied funding for the SRAM–T.

The Senate amendment approved the requested amounts for both programs.

On September 27, 1991, the President announced his decision to cancel the SRAM–II and SRAM–T missile programs. Accordingly, the conferees recommend $14.0 million in fiscal year 1992 RDT&E funds to cover anticipated termination costs for the SRAM–II and SRAM–T programs.

Tactical warning and attack assessment

The amended budget request included $82.0 million to begin the demonstration/validation phase of the follow-on early warning system (FEWS). This program would replace the defense support program ballistic missile early warning system.

The House bill would authorize the requested amount.

The Senate amendment would authorize $62.0 million, a reduction of $20.0 million from the request.

The conferees agree to authorize the requested amount for FEWS. The conferees endorse the direction to DoD in the Senate report (S. Rept. 102–113) for FEWS, DSP, distributed surveillance systems, and theater requirements for warning, attack assessment, and defense. However, the conferees do not endorse the concept of a combined interceptor and tactical warning/attack assessment (TW/AA) system. The conferees agree that the Strategic Defense Initiative Organization and the Air Force may study the potential of the sensor systems being considered in the Brilliant Pebbles program to contribute to a distributed surveillance system.

The conferees note also that DoD has not provided Congress with analysis of whether a distributed, low-altitude satellite concept, designed to provide both TW/AA *and* mid-course support to missile defense systems, would be more cost and operationally effective in meeting valid requirements with reasonable technical risk than *two* new satellite systems—one at low altitude for mid-course support and one at high altitude for all TW/AA missions.

The conferees direct the Secretary of Defense to provide a report to the congressional defense committees on the Department's actions to comply with this guidance by April 1, 1992. The conferees agree that the FEWS demonstration/validation phase may proceed while these matters are resolved. The Secretary also may proceed with the planned multiyear procurement of DSP satellites 23–25 if the Secretary determines, in accordance with guidance in the Senate report, that one or more cannot be eliminated.

Pave Paws

The Defense Department some time ago discovered a safety-of-flight problem at Robins Air Force Base. The problem arises because of the close proximity of the Pave Paws submarine-launched ballistic missile warning radar to the runway at Robins AFB, which is an important and busy logistics base. So-called elector-explosive devices (EEDs) onboard aircraft, which are used in ejection seats and ejectable stores, may detonate or fail if exposed to high radio-frequency energy levels.

The Air Force adopted a two-phased approach to eliminate this safety problem and restore the ability of the Pave Paws radar to perform its mission. The first phase involved techniques to turn off a face of the radar when an aircraft approaches in conjunction with restrictions on flight operations. This phase resolved the safety problem but either base operations or missile warning operations would remain degraded.

In the second phase, estimated to cost $3.6 million, modifications would be made to the radar to turn off only those radar beams that would hit an aircraft. This phase would eliminate the necessity to maintain flight restrictions in order to minimize the impact on Pave Paws' mission capability.

The Air Force intended to finance the second phase with expiring fiscal year 1990 research and development funds. The conferees have been informed that the Air Force failed to identify the funds or implement the plan.

The conferees understand that the Air Force may now prefer to drop the planned second phase of the program due to the reduction in the threat from soviet ballistic missile submarines. The Air Force might decide that more extended interruptions in Pave Paws radar operation could be tolerated due to this reduced threat. With more extended downtime on the radar, flight restrictions could be lifted.

If the Secretary of Defense decides to forgo phase two, the conferees direct that all flight restrictions at Robins Air Force Base be lifted to restore normal base operations with assured flight safety by extending the downtime of the Pave Paws radar during aircraft operations. The conferees also authorize the Secretary of Defense to transfer not more than $4.0 million from within available resources to complete phase two if the Secretary determines that full restoration of the Pave Paws warning capability is required. The conferees require notification 15 days in advance of any transfer and identification of funding sources. The conferees also direct the Secretary of the Air Force to notify the congressional defense committees as soon as a decision is made, but direct that a decision be made no later than February 1, 1992.

Tactical fighter data link

The amended budget request contained $16.4 million for continued development of the joint tactical information distribution system (JTIDS).

The House bill would authorize the requested amount, but the House report (H. Rept. 102–60) recognized that near-term, low cost, anti-jam link systems compatible with JTIDS have already been developed. The house report directed the Air Force to evaluate interim alternatives to JTIDS during the upcoming integrated controls for advanced air superiority (ICAAS) demonstration.

The Senate amendment would authorize the requested amount.

The conferees believe that an existing, low cost, near-term JTIDS alternative which is compatible with the JTIDS system should be evaluated in order to provide modern tactical fighter link capability while awaiting JTIDS availability. The conferees agree with the House direction to evaluate JTIDS alternatives during the ICAAS demonstration.

Additionally, the conferees understand that Air Force interoperability with Navy, Army, and NATO systems will suffer if JTIDS class 2 terminals are not installed on F–15 aircraft. Accordingly, the conferees direct the Air Force to prepare a plan to equip two full wings of F–15 fighter aircraft. Accordingly, the conferees direct the Air Force to prepare a plan to equip two full wings of F–15 fighter aircraft with JTIDS. The plan should include the cost, benefits, RDT&E and procurement requirements, and a comparison of proposed JTIDS effectiveness with alternatives evaluated during the ICAAS demonstration. The conferees direct the Air Force to submit the plan to the Secretary of Defense and to the congressional defense committees not later than January 1, 1992.

Tactical reconnaissance systems

The amended budget request included $56.6 million for the Air Force follow-on tactical reconnaissance system (FOTRS), which includes two major programs: the advanced tactical air reconnaissance system (ATARS) and the joint service imagery processing system (JSIPS). The amended budget request provided $82.6 million for the Navy counterpart to ATARS, the tactical air reconnaissance system (TARS), and $3.0 million for the Navy version of JSIPS. The amended budget request also included $14.5 million and $24.2 million for Marine Corps and Army JSIPS funding, respectively.

The House bill would consolidate all FOTRS-related programs in the Air Force FOTRS program by transferring all such funding from each of the other military departments. The House bill would authorize additional funds for several programs, including $20.0 million for a radar upgrade to the F/A–18; $9.2 million for the integration of both the radar upgrade and a Marine Corps electro-optical, long-range oblique photography system (EO–LOROPS) into the TARS program; $3.0 million to enable JSIPS to receive and process EO–LOROPS imagery; $19.6 million to accelerate the RF–16 program in the Air Force; $15.0 million to adapt the airborne imagery transmission (ABIT) to tactical reconnaissance systems for transmitting data through a relay aircraft immediately to tactical forces; $4.0 million to modify JSIPS processing equipment to receive data from national systems; $25.0 million to develop a common synthetic aperture radar processor that would become part of the JSIPS program; and $9.0 million to procure three JSIPS tactical subsystems for the Army.

The Senate amendment would make no similar consolidation of FOTRS-related programs. The Senate amendment would, however, authorize additional funds for tactical reconnaissance initiatives, including $20.0 million for the same F/A–18 radar upgrade; $9.2 million to integrate the radar upgrade and EO–LOROPS into the TARS program; $4.0 million to enable JSIPS to receive and process EO–LOROPS imagery; $19.6 million to accelerate the RF–16 program; $15.0 million for the ABIT data relay effort; and $5.0 million to develop a common data relay to disseminate processed intelligence to tactical units.

The conferees agree that the Services should continue to manage their JSIPS programs separately, subject to conformance with interoperability and mutual support requirements. The conferees authorize additional funds, as follows: $20.0 million for F/A–18 radar upgrades; $9.2 million to integrate the radar upgrade and EO–LOROPS into the TARS program; $7.3 million to integrate the radar upgrade and EO–LOROPS improvements with the JSIPS and ATARS systems; $2.0 million to accelerate the RF–16 program; $14.7 million for ABIT and common data relay development efforts; $4.0 million to modify the JSIPS processing equipment to receive data from national systems; $4.0 million for ATARS risk reduction efforts; $3.0 million to complete research and development of a tactical ground intercept facility (TGIF) for the Marine Corps; and $12.0 million to fund the non-recurring cost of modifying new production F/A–18Cs to make them ATARS-compatible.

The conferees direct that the Marine Corps TGIF utilize equipment from the common data link and the battle group passive horizon extension system programs. The conferees also direct that the Defense Department manage the ABIT and common data relay development efforts through the common data link program office. Funding adjustments and the affected program elements are displayed in the following table.

TACTICAL RECONNAISSANCE INITIATIVES

[In millions of dollars]

Program	Request	Change	Authorized
TacAir reconnaissance	15.6	+9.2	24.8
APG–73 radar upgrade		+3.0	
EO–LOROPS		+6.2	
F/A–18 squadrons	435.1	+32.0	467.1
APG–73 radar upgrade		+20.0	
ATARS wiring		+12.0	
USMC intell/EW systems	28.3	+3.0	31.3
TGIF R&D		+3.0	
FOTRS	56.6	+32.0	88.6
JSIPS/ATARS integration		+7.3	
RF–16 acceleration		+2.0	
ABIT/common data link		+14.7	
JSIPS from national sources		+4.0	
ATARS risk reduction efforts		+4.0	

Global positioning system

The amended budget request included $150.1 million to continue the multi-year procurement of global positioning satellites (GPS).

The Air Force has informed the conferees that $18.1 million of the requested amount, programmed to fund a requirement to operate through a stressed nuclear environment, should be transferred from procurement to GPS research and development.

The conferees recommend this transfer.

National launch system

The amended budget request included for the national launch system (NLS) $175.0 million in NASA, $147.7 million in the Air Force, and $27.0 million in the Strategic Defense Initiative Organization (SDIO).

The House bill would authorize $72.7 million in the Air Force and $27.0 million in SDIO for the program.

The State amendment would authorize $50.0 million in the Air Force and the requested amount in SDIO.

The House recedes.

The conferees agree to authorize a total of $77.0 million in DoD. The conferees endorse the guidance in the Senate report (S. Rept. 102–113) with respect to reducing NLS program costs. The conferees agree to provide maximum flexibility to the Air Force to determine funding priorities within the program.

Titan IV

The conferees believe that the Department of Defense has developed reasonable plans for the Titan IV solid rocket motor upgrade (SRMU) program and potential alternatives. The conferees emphasize, however, that additional funding for SRMU development is unwarranted.

Air Force industrial preparedness

The House bill would increase the authorization for the Air Force's industrial preparedness program by $60.0 million in fiscal year 1992. Of this amount, $30.0 million should be available for the National Center for Manufacturing Sciences (NCMS).

The Senate amendment contained no similar increase in funding for Air Force industrial preparedness and, instead, would consolidate all industrial preparedness funding supporting defense manufacturing technology under a single program element (63705D).

The conferees recommend a total increase to the Air Force industrial preparedness manufacturing technology program (program element 11708F) of $10.0 million to a total funding level of $60.5 million for fiscal year 1992. The conferees direct that of this additional funding, $30.0 million be made available to support the NCMS in accordance with the guidance in the House report (H. Rept. 102–60).

Tactical electronic combat development and testing

The House report (H. Rept. 102–60) directed the Secretary of the Air Force to evaluate Air Force Plans to modernize its electronic combat development and testing systems, including simulators, hardware in the loop facilities, integration facilities, and open air threat simulators. Further, the report directed the Secretary to review efforts to standardize equipment and test methods among the various test locations and efforts to interconnect multiple test locations for increased test realism and for improved utilization of specialized test assets and expertise. The Secretary was directed to report on the overall electronic combat test strategy for the B–1, B–2, F–16, and F–22 aircraft.

The Senate report (S. Rept. 102–113) contained no similar direction.

The conferees agree with the purpose of the recommendation by the House report, but believe it is too narrow and should be expanded to include all DoD electronic combat development and testing facilities. The conferees direct the Secretary of Defense to undertake the comprehensive review suggested by the House report, but it should cover the other military departments and defense agencies as well. The Secretary should devote special attention to duplication of capabilities and opportunities to consolidate redundant and duplicative testing and simulation facilities within each component. This report should be submitted to the congressional defense committees not later than May 1, 1992.

RESEARCH AND DEVELOPMENT, DEFENSE AGENCIES

OVERVIEW

The amended budget request for fiscal year 1992 contained an authorization of $10,539.0 million for Defense Agencies research, development, test, and evaluation. The House bill would authorize $9,734.2 million. The Senate amendment would authorize $10,669.7 million. The conferees recommend authorization of $10,269.0 million as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference	
						Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL DEF AG					
1	61101E	DEFENSE RESEARCH SCIENCES	88,290	108,290	95,490	12,800	101,090
2	61101W	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,206	2,206	2,206		2,206
		MILITARY NURSING RESEARCH					
3	61103D	UNIVERSITY RESEARCH INITIATIVES	87,373	182,373	107,373	95,000	182,373
3a	61XXXD	DEFENSE GRADUATE FELLOWSHIPS			20,000		
3b	61XXXD	K-12 EDUCATION PROGRAMS			10,000		
3c	61XXXD	US-JAPAN TRAINING			10,000	10,000	10,000
3d	61XXXD	HBCU/MI S&E EDUCATION SUPPORT			15,000	15,000	15,000
		OTHER TECH BASE UNIVERSITY GRANTS					
4	61106D	RESEARCH PROJECTS					
5	61107D	HF ACTIVE AURORAL RESEARCH PROGRAM					
6	61112D	CRITICAL TECHNOLOGY CENTER					
7	62109H	SUPERCONDUCTIVE MAGNETIC ENERGY STORAGE		40,000		20,000	20,000
7a		ADVANCED MATERIALS			15,000		
8	62222D	COUNTERTERROR TECHNICAL SUPPORT	7,000	7,000	7,000		7,000
9	62225D	CONCEPT EVALUATIONS	100,000	100,000		-100,000	
10	62227D	MEDICAL FREE ELECTRON LASER	20,000	20,000	20,000		20,000
11	62301E	STRATEGIC TECHNOLOGY	268,380	268,380	288,380	20,000	288,380
12	62702E	TACTICAL TECHNOLOGY	117,900	132,900	137,900	3,000	120,900
12a		MHD SUBMARINE PROPULSION			5,000		
13	62707E	PARTICLE BEAM TECHNOLOGY	3,000	3,000	3,000		3,000
14	62708E	INTEGRATED COMMAND AND CONTROL TECH	35,500	135,500	35,500	75,000	110,500
15	62712E	MATERIALS AND ELECTRONICS TECHNOLOGY	62,036	137,036	100,036	81,000	143,036
16	62714E	TREATY VERIFICATION	19,800	36,000	36,000		19,800
17	62715H	DEFENSE NUCLEAR AGENCY	441,141	378,141	416,141	-73,393	367,748
		FOCUS HOPE		20,000		20,000	20,000
		MULTI-CHIP MODULES					
		UNDISTRIBUTED					
		ENVIRONMENTAL SPECIAL PROJECT		20,000		20,000	20,000
		DOD ENVIRONMENTAL STUDIES DEVELOPMENT		10,000		5,000	5,000

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference	
						Change to Request	Authorized
18	63214C	SPACE-BASED INTERCEPTORS	1,612,267		625,383	-1,147,267	465,000
19	63215C	LIMITED PROTECTION SYSTEMS	674,440	840,000	1,550,530	847,340	1,521,780
20	63216C	THEATER AND ATBM DEFENSES	279,460		857,460	549,250	828,710
21	63217C	FOLLOW-ON SYSTEMS	925,149	820,000	744,609	-295,599	629,550
22	63218C	RESEARCH AND SUPPORT ACTIVITIES	1,081,258	996,000	822,018	-376,298	704,960
23	63220C	SDI-SURVEILL, ACQUIS, TRACKING AND KILL					
24	63221C	SDI-DIRECTED ENERGY WEAPONS					
25	63222C	SDI-KINETIC ENERGY WEAPONS					
26	63223C	SDI-SYSTEMS AND BATTLE MANAGEMENT					
27	63224C	SDI-SURVIV, LETHALITY, AND KEY SUPPORT					
28	63225D	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEV	10,260	10,260	24,960	9,740	20,000
		ARROW				[54,400]	[54,400]
28a		DOD/DOE CRITICAL TECHNOLOGY MOU			5,000		
29	63226E	EXPERIMENTAL EVAL MAJOR INNOVATIVE TECH	289,700	279,700	282,200	-11,740	277,960
29b		ADVANCED ASW TECHNOLOGY			25,000		
29c		ADVANCED STOVL TECHNOLOGY			25,000		
29d		LASER COMMUNICATIONS			20,000	10,000	10,000
29e		FUEL CELL TECHNOLOGY			4,000		
30	63227E	RELOCATABLE TARGET DETECTION TECHNOLOGY	10,000	28,000	10,000	18,000	28,000
31	63231D	MINIATURE DIAGNOSTIC PROTON ACCELERATOR					
32	63569E	ADVANCED SUBMARINE TECHNOLOGY		20,000	45,000	45,000	45,000
33	63570E	PRE-COMPETITIVE TECHNOLOGY DEVELOPMENT		50,000	100,000	100,000	100,000
33a		CTACS			50,000	50,000	50,000
34	63704D	SPECIAL TECHNICAL SUPPORT	10,184	10,184			10,184
35	63706E	MICROWAVE/MILL WAVE MONOLITHIC INT CIRC					
36	63707E	PROTOTYPING OF ADV TECH & INNOVATIVE CON					
37	63716D	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM			100,000	50,000	50,000
38	63717D	EXCIMER LASER TECHNOLOGY			5,000	10,000	10,000
39	63736D	COMPUTER AIDED LOGISTICS SUPPORT	10,475	10,475	10,475		10,475
40	63737D	BALANCED TECHNOLOGY INITIATIVE	191,568	229,568	191,568	-36,600	154,968
41	63738D	COOPERATIVE DOD/VA MEDICAL RESEARCH		20,000		20,000	20,000
41a		MEDICAL RESEARCH		30,000		30,000	30,000
42	63739E	MANUFACTURING TECHNOLOGY	206,200	206,200	206,200		206,200
43	63744C	TACTICAL MISSILE DEFENSE INIT - DEM VAL	508,000	787,460		-508,000	
44	63756D	CONSOLIDATED DOD SOFTWARE INITIATIVE	6,932	26,932	6,932	20,000	26,932
45	63756E	CONSOLIDATED DOD SOFTWARE INITIATIVE	44,000	54,000	44,000	10,000	54,000
46	64704D	ROCKET MOTOR DEMILITARIZATION PROGRAM	28,000	28,000	28,000		28,000

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
47	35108K	COMMAND AND CONTROL RESEARCH	2,069	2,069	2,069		2,069
48	72807E	INFRARED FOCAL PLANE ARRAY					
49	1110011D	FORCE ENHANCEMENTS-ACTIVE					
50	1140011BB	ADV SPECIAL OPS RESEARCH, DEV & ACQUIS					
51	1140011D	ADV SPECIAL OPS RESEARCH, DEV & ACQUIS					
52	1160401BB	SPECIAL OPERATIONS TECHNOLOGY DEVELOP	3,000	3,000	3,000		3,000
53	1160402BB	SPECIAL OPS ADV TECHNOLOGY DEVELOPMENT	13,700	16,700	18,900	3,000	16,700
54	1160407BB	SOF MEDICAL TECHNOLOGY DEVELOPMENT	299	299	299		299
55	63711H	VERIFICATION TECHNOLOGY DEMONSTRATION	83,230	83,230	83,230		83,230
56	63734J	ISLAND SUN SUPPORT	60,448	60,448	60,448		60,448
57	63734K	ISLAND SUN					
58	63741D	AIR DEFENSE INITIATIVE	273,000	123,000	218,000	-109,000	164,000
59	64225C	TACTICAL MISSILE DEFENSE INITIATIVE FSD	70,000	70,000		-70,000	
60	32016K	NATL MILITARY COMMAND SYS-WIDE SUPPORT	11,333	11,333	11,333		11,333
61	32019K	WWMCCS SYSTEMS ENGINEER	11,635	11,635	11,635		11,635
62	33131K	MIN ESSENTIAL EMERG COMM NETWORK (MEECN)	3,934	3,934	3,934		3,934
63	33154K	WWMCCS ADP MODERNIZATION	40,026	40,026	40,026		40,026
64	63228D	PHYSICAL SECURITY EQUIPMENT	39,926	60,926	39,926	21,000	60,926
65	63709D	JOINT ROBOTICS PROGRAM	20,740	20,740	30,740	5,000	25,740
66	63710D	CLASSIFIED PROGRAM - C3I	5,300	5,300	5,300		5,300
67	63714D	NON-ACOUSTIC ASW			40,000	52,000	52,000
68	63715D	AIM-9 CONSOLIDATED PROGRAM	43,781	43,781	43,781		43,781
69	63743D	THEATER TACTICAL BALLISTIC MISSILE DEF					
70	64702D	JOINT STANDOFF WEAPONS PROGRAM	20,000	20,000	20,000	-20,000	
71	64771D	JOINT TACTICAL INFORMATION DISTRIBUTION	118,570	118,570	118,570		118,570
72	21135J	CINC C2 INITIATIVES	1,803	1,803	1,803		1,803
73	21135K	CINC C2 INITIATIVES					
74	28045K	C3 INTEROPER (JOINT TACTICAL C3 AGENCY)	43,961	43,961	43,961		43,961
75	28298K	MANAGEMENT HQ (JOINT TACTICAL C3 AGENCY)	7,103	7,103	7,103		7,103
76	35141D	JOINT REMOTELY PILOTED VEHICLES PROGRAM	68,562	114,662	68,562	38,400	106,962
		MOBILE OFFSHORE BASE			1,000	1,000	1,000
		NON-LETHAL FORCE			1,000		
		DEFENSE MODELING AND SIMULATION OFFICE			50,000	40,000	40,000

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
		NATIONAL GUARD INITIATIVE			10,000		
		IFSAR RADAR TECHNOLOGY			18,000		
77	35815D	GENERAL SUPPORT FOR SO/LIC			3,000	2,000	2,000
78	1110011BB	FORCE ENHANCEMENTS-ACTIVE					
79	1160404BB	SPECIAL OPERATIONS TACTICAL SYSTEMS DEV	194,290	194,290	213,090	12,800	207,090
80	1160405BB	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS	10,637	15,837	15,837	5,200	15,837
81	1160408BB	SOF OPERATIONAL ENHANCEMENTS	54,190	27,893	54,190		54,190
81a		SPECIAL OPERATIONS FORCES (AF TRANSFER)					
82	31011G	CRYPTOLOGIC ACTIVITIES	[ ]			[-16,450]	[ ]
83	31301L	GENERAL DEFENSE INTELLIGENCE PROGRAM	[ ]			[49,156]	[ ]
84	33126K	LONG-HAUL COMMUNICATIONS (DCS)	10,102	10,102	10,102		10,102
85	33127K	SUPPORT OF THE NATIONAL COMMUNIC SYS	1,600	1,600	1,600		1,600
86	33401G	COMMUNICATIONS SECURITY (COMSEC)	[ ]				[ ]
87	34311D	SELECTED ACTIVITIES					
88	35139B	DMA MAPPING, CHARTING, & GEODESY (MC&G)	226,790	226,790	226,790		226,790
89	35154I	AIRBORNE RECONNAISSANCE SUPPORT PROGRAM	222,800	328,400		-75,000	147,800
90	35159B	DEFENSE RECONNAISSANCE SUPPORT ACTIV	6,955	6,955	6,955		6,955
91	35159G	DEFENSE RECONNAISSANCE SUPPORT ACTIV	[ ]				[ ]
92	35159I	DEFENSE RECONNAISSANCE SUPPORT ACTIV	52,876	74,876	67,876	22,000	74,876
93	35167G	COMPUTER SECURITY	[ ]				[ ]
94	35190D	C3I INTELLIGENCE PROGRAMS	8,600	55,200	13,900		8,600
95	35884L	INTELL PLANNING & REVIEW ACTIVITIES	[ ]			[11,700]	[ ]
96	35885G	TACTICAL CRYPTOLOGIC ACTIVITIES	[ ]				[ ]
97	35889G	INTELL SUPPORT TO OSD COUNTERNARCOTICS	[ ]				[ ]
98	35889L	INTELL SUPPORT TO OSD COUNTERNARCOTICS					
999		INTELL & COMMUNICATIONS CLASSIFIED	1,226,759	1,306,659	1,180,295	44,406	1,271,165
99	63705D	MANUFACTURING TECHNOLOGY		50,000	250,000	100,000	100,000
99a		MANUFACTURING EXTENSION PROGRAM			50,000	50,000	50,000
99b		FCIMS PROGRAMS			21,500	21,500	21,500
99c		MANUFACTURING ENGINEERING EDUCATION			25,000	25,000	25,000
99d		MANAGERS IN THE CLASSROOMS			5,000	5,000	5,000
		ADVANCED MATERIALS				15,000	15,000
99e		ADV. MFG. INTERNATIONAL ACTIVITIES			5,000		
100	63708D	INTEGRATED DIAGNOSTICS	10,751	10,751	10,751		10,751

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
101	63790D	NATO RESEARCH AND DEVELOPMENT	40,956	40,956	40,956	-21,700	19,256
		US-ISRAELI DEFENSE INDUSTRIAL COOPERATION					
102	64722S	JOINT SERVICE EDUCATION AND TRAINING SYS			20,000		
103	65104D	TECHNICAL SUPPORT TO USD(A)	41,176	41,176	11,976		41,176
104	65106D	GENERAL SUPPORT FOR PA&E					
105	65107D	GENERAL SUPPORT FOR POLICY					
106	65108D	GENERAL SUPPORT FOR NET ASSESSMENT					
107	65109D	GENERAL SUPPORT FOR FM&P					
108	65110D	TECH SUPPORT TO USD(A)--CRITICAL TECH					
109	65112D	RAND NATIONAL DEFENSE RESEARCH INSTITUTE			21,800		
110	65114E	BLACK LIGHT	4,000	4,000	4,000		4,000
111	65116D	GENERAL SUPPORT TO C3I					
112	65117D	FOREIGN MATERIAL ACQUISITION & EXPLOIT	10,612	10,612	10,612		10,612
112a		FOREIGN TECHNOLOGY MONITORING			17,500		
113	65119D	GENERAL SUPPORT FOR P&L					
114	65135D	ENVIRONMENTAL CENTER					
115	65502D	SMALL BUSINESS INNOVATIVE RESEARCH					
116	65502E	SMALL BUSINESS INNOVATIVE RESEARCH					
117	65711S	CRITICAL TECHNOLOGY ANALYSIS					
118	65798S	DOD SUPPORT ACTIVITIES	14,200	14,200	12,200		14,200
119	65801S	DEFENSE TECHNICAL INFORMATION CENTER		22,500			
120	65802S	INFORMATION ANALYSIS CENTERS		5,500			
121	65803S	R&D IN SUPPORT OF DOD ENLISTMENT, TEST					
122	65872D	PRODUCTIVITY INVESTMENTS	600	600	600		600
123	65898E	MANAGEMENT HQ (RESEARCH AND DEV)	17,667	17,667	17,667		17,667
124	35889D	INTELL SUPPORT TO OSD COUNTERNARCOTICS					
125	35889E	INTELL SUPPORT TO OSD COUNTERNARCOTICS					
126	78011S	INDUSTRIAL PREPAREDNESS		17,000		17,000	17,000
127	1001015D	TECHNOLOGY SECURITY FUNCTIONS					
		CONTRACTOR TRAVEL					
		SUPERCOMPUTERS		40,000			
		DBOF- TECHNICAL CORRECTION: DTIC			4,200	4,200	4,200
		DBOF- TECHNICAL CORRECTION: IACS			1,800	1,800	1,800
		DBOF- DIRECT FUNDING FOR DCAA/DCMC					
128	91501D	RESCISSION TO BE DETERMINED					
		TOTAL R, D, T & E DEFENSE AGENCIES	10,238,500	9,433,689	10,384,178	-212,161	10,026,339

Line	PE	Program	Amended FY 1992 Request	House Authorized	Senate Authorized	Conference Change to Request	Conference Authorized
		DIRECTOR OF TEST & EVAL DEFENSE					
1	64940D	CENTRAL TEST & EVAL INVESTMENT DEVELOP	125,527	125,527	120,527	-35,600	89,927
2	65130D	FOREIGN COMPARATIVE TESTING	34,923	34,923	34,923		34,923
3	65131D	LIVE FIRE TESTING	16,450	16,450	16,450		16,450
4	65132D	JOINT TECH COORD GROUP FOR AIRCRAFT SURV					
5	65804D	DEVELOPMENT TEST AND EVALUATION	109,400	109,400	99,400	-22,205	87,195
		TOTAL DEVELOPMENTAL TEST	286,300	286,300	271,300	-57,805	228,495
		DIRECTOR OF OPERATIONAL TEST & EVAL					
1	65118D	OPERATIONAL TEST AND EVALUATION	14,200	14,200	14,200		14,200
		TOTAL OPERATIONAL TEST	14,200	14,200	14,200		14,200

DARPA tactical technology

The Senate amendment would increase the authorization for the Defense Advanced Research Project Agency (DARPA) tactical technology project (program element 62702E) by $20.0 million for fiscal year 1992. This increase would provide an additional $10.0 million for the acoustic charge transport technology program and $10.0 million for the hybrid millimeter wave program.

The House bill would increase the authorization by $15.0 million for a laser communications project.

The conferees recommend an increase of $3.0 million for fiscal year 1992. The conferees believe that DARPA should continue to support each of the projects specifically given increased funding support in fiscal year 1992 in the House and Senate reports (H. Rept. 102–60 and S. Rept. 102–113).

Magnetohydrodynamic (MHD) propulsion

The Senate report (S. Rept. 102–113) expressed the belief that MHD propulsion for future classes of submarines holds great promise for reducing submarine acoustic signatures. The Senate amendment would authorize $5.0 million in the tactical technology program for building a model to conduct an open ocean hardware test of the MHD concept.

The House bill contained no similar authorization.

The House recedes.

High definition display technology

The House bill would increase the authorization for the Defense Advanced Research Project Agency (DARPA) integrated command and control technology project (program element 62708E) by $100.0 million for fiscal year 1992.

The Senate amendment contained no similar increase in authorization.

The conferees recommend an increased authorization of $75.0 million for fiscal year 1992. The conferees believe that developments in this technology area can and will have direct and immediate application of significant benefit to weapon systems in all military Services.

Materials and electronics technology

The House bill would increase the authorization for the Defense Advanced Research Project Agency (DARPA) materials and electronics technology project (program element 62712E) by $75.0 million for fiscal year 1992. Of this amount, the House bill recommended that $70.0 million be used to support the defense advanced lithography program.

The Senate amendment contained an increased authorization of $38.0 million for this DARPA program element. Increased funding in the amount of $26.0 million was directed to provide continued support to DARPA's fiber metal matrix composites program and $12.0 million was directed to support high-temperature superconducting multi-chip module development. The Senate report (S. Rept. 102–113) also urged DARPA to participate with industry in developing a microelectronics roadmap.

The conferees recommend an increase of $81.0 million for a total of $143.0 million for materials and electronics technology. Of this amount, the conferees direct that $26.0 million be used to support the fiber metal matrix composites program, and $5.0 million be used to support diamond substrates and superconducting multi-chip module development. The conferees also expect that DARPA will continue to support research in neural network technology. The conferees further direct that $70.0 million be used to continue to support the advanced lithography technology development activity, as detailed in the report accompanying the House bill (H. Rept. 102–60), including research and development in x-ray, deep ultraviolet, free-electron laser, and other advance lithography techniques. In addition, the conferees agree that other potential spin-off uses of this technology, such as use of x-ray lithography in coronary angiography, may be investigated as a part of this program.

Center for Advanced Technologies

The House bill would authorize $20.0 million each year for fiscal years 1992 and 1993 to be used to support the Center for Advanced Technologies in training machine tool operators in skills critical to the defense industrial base.

The Senate report (S. Rept. 102–113) directed the Department of Defense to prepare an inventory of DoD training and education programs. The Senate amendment also authorized an additional $20.0 million for program element 64722S to permit DoD to support workforce training programs with high potential to develop new workforce training techniques.

The conferees believe that support of training programs such as are being undertaken by the Center for Advanced technologies is important for preserving the defense industrial base. These workforce skills improvement programs will become increasingly important to the Defense Department and defense contractors in the coming years. The conferees recommend an additional $20.0 million for support of the Center's Focus Hope program in each of the fiscal years 1992 and 1993.

Defense Nuclear Agency

The amended budget request included $441.1 million for the Defense Nuclear Agency (DNA). The apparent increase over previous years' budget levels was due to duties reassigned to DNA from other defense agencies and the Services.

The House bill would authorize $378.1 million for DNA.

The Senate amendment would authorize $416.1 million. The Senate report (S. Rept. 102–113) described the need for the increase in some detail, and gave direction to DNA on how funding for vulnerability tests is to be allocated. The conferees endorse this direction.

The conferees agree that the initiatives in survivability, nuclear effects, system hardness, lethality, and target hardening are well founded. The conferees agree that funding for these efforts should be programmed through DNA. Otherwise, the work stands little chance of being funded adequately or conducted with the necessary degree of independence. However, additional funding should come through program offices in the Services and other defense agencies if work is unique to their requirements. DNA also is the only source for the technology needed to design and test survivability for critical communications, surveillance, and weapons system electronics, and DNA can make unique contributions to solving lethality problems.

The conferees disagree with the view that the need for the underground nuclear tests MIGHTY UNCLE and DIVINE ARCHER has not been established, and that test preparations should be delayed until final test configurations are determined. Underground tests require extensive multi-year preparation, including large-scale mining and utility installation. If these activities were to be interrupted, at least a large portion of the workforce would likely be dismissed, only to be rehired later.

The conferees also agree that DNA should pursue the Tin Yoke and electric armament programs as described in the Senate report. The conferees support the proposed program of DNA policy studies and assessments. Given the uncertainties that exist about the future direction of U.S. deterrence strategy, force structure, and defense budgets, the conferees believe such efforts provide important support to government policymakers.

The conferees recommend $367.7 million for DNA.

Electric gun technology

The Senate amendment recommended that $20.0 million of the amount authorized and appropriated for the Defense Nuclear Agency (DNA) be applied to electro-thermal gun technology.

The House bill contained no similar recommendation.

As noted in another section of this statement of the managers, the conferees agree not to specify a funding level for the DNA electro-thermal gun technology program, but urge DNA to continue its efforts as funding permits.

The conferees agree that electric gun technology offers the potential for revolutionary improvements in weapon systems capabilities but note the significant differences in the Services and defense agencies on the maturity, priority, applications, management, and funding for the various components of this technology area.

The conferees understand that the Director of Defense Research and Engineering (DDR&E) has approved the formation of a joint electric armaments committee to coordinate the electric armament science and technology programs in DoD and the Department of Energy. This committee should help the DDR&E to fashion a balanced and integrated research program. However, the committee's roles and responsibilities and the structure and management of the DoD electric armament program are unclear.

The conferees direct the DDR&E to provide to the congressional defense committees by March 1, 1992, a comprehensive report on the overall DoD electric gun technology program. This report should address program objectives; applications and missions; schedules; funding requirements; technical accomplishments to date; the structure, roles, and responsibilities of the joint electric armament committee and the various Service and defense agency program offices; measures being taken to further improve program management; and cooperative endeavors with NATO allies.

Joint DoD/DoE munitions technology development

The amended budget request contained $10.3 million for fiscal year 1992 and $19.8 million for fiscal year 1993 for the Joint DoD/DoE Munitions Technology Development Program.

The House bill would provide the $10.3 million requested for fiscal year 1992, but would make no allocation for fiscal year 1993.

The Senate amendment would increase the requested amount for fiscal year 1992 by $14.7 million, to $25.0 million, and the requested amount for fiscal year 1993 by $12.2 million, to $30.0 million.

The conferees note that the fiscal year 1991 funding level is $18.0 million. They see no logic to the Administration's request to reduce funding for fiscal year 1992 sharply, only to request an equally steep increase for fiscal year 1993, in what should be a level-of-effort technology program. Accordingly, the conferees agree to authorize $20.0 million for fiscal year 1992 and $25.0 million for fiscal year 1993.

Emerging technologies (EEMIT)

The amended budget request included $289.7 million for the EEMIT program, a funding line which consolidates several programs, including advanced submarine technology and advanced antisubmarine warfare (ASW) technology.

The House bill would provide $279.7 million for this program.

The Senate amendment would provide $282.2 million. In addition, the Senate amendment would separately authorize an additional $25.0 million for advanced antisubmarine warfare (ASW) technology, an additional $4.0 million for fuel cell technology, and an additional $45.0 million for advanced submarine technology.

The conferees recommend $278.0 million for the EEMIT program, a reduction of $11.7 million. Within this amount, an additional $25.0 million would be authorized for advanced ASW technology. Also, the conferees agree to authorize $45.0 million for advanced submarine technology (program element 603569E, as indicated elsewhere in this statement of the managers), which is in addition to the $55.0 million requested for advanced submarine technology in the EEMIT program. The conferees encourage DARPA to continue developing fuel cell technology.

Short take-off vertical land (STOVL) strike fighter

The amended budget request included $289.7 million for "experimental evaluation of major technologies" within the Defense Advanced Research Projects Agency (DARPA).

The Senate amendment would authorize an additional $25.0 million for DARPA to evaluate the concept of a STOVL strike fighter (SSF). The authorization reflected a belief that the SSF would offer great potential as a future generation, multi-Service, multi-role, low cost strike fighter aircraft.

The House bill contained no similar authorization.

The Senate recedes.

The conferees agree that an SSF aircraft which offers low cost, stealth, speed, and agility and which has the potential for meeting multi-Service, multi-role requirements could present an excellent, cost saving modernization opportunity for the Navy, Air Force, and Marine Corps. Accordingly, the conferees request the Director of DARPA, in conjunction with the Navy, Air Force, and Marine Corps, to develop and submit an assessment of potential Service requirements for such an SSF to the Secretary of Defense and to the congressional defense committees. That report should identify the critical component technologies that must be developed and demonstrated, as well as the potential cost and schedule estimates, for such a technology development and demonstration program.

Laser communications

The House bill would authorize $15.0 million for submarine laser communications within the tactical technology program within DARPA.

The Senate amendment included authorization of $20.0 million.

The conferees agree to authorize $10.0 million for DARPA to continue developing laser communications technologies that would permit communications between satellites and submarines. The conferees note that any system compatible with satellite applications should be readily adaptable to aircraft applications, if cost and performance trade-offs indicate that aircraft platforms are a preferred alternative for some applications.

The conferees note that testing results thus far have been encouraging, but that greater Navy participation in the analysis and funding is essential to develop these technologies into workable fleet systems. Therefore, the conferees invite the Navy to request funding for this purpose in future budgets.

Strategic environmental research and development program (SERDP)

The Senate amendment recommended $100 million for continuation of the strategic environmental research and development program (SERDP), and criticized the slow pace of program implementation by the Department of Defense.

The House bill recommended no funds for the SERDP. However, the House report (H. Rept. 102-60) recommended an increase of $90.0 million for the military Services, the Defense Advanced Research Projects Agency (DARPA), and the Office of the Secretary of Defense (OSD) to develop new methods, processes, and technologies for the prevention, source reduction (as defined in the Pollution Prevention Act of 1990), and reclamation or support of defense-unique, as well as global, environmental problems. The House report cited the department of Defense's paucity of investment in this area and lack of action on the SERDP. The House also would direct OSD to establish a directorate, prepare a long range plan and establish a new budget line for this activity.

The conferees agree that support for the SERDP is essential and recommend $50.0 million for fiscal year 1992. The conferees understand that the initial program funding remains largely unobligated; therefore, the $50.0 million authorized to continue the program should not be interpreted as a sign of declining support.

The conferees agree that the program office required by the House report could be accommodated in a SERDP directorate that is appropriately staffed to carry out the functions of the program envisioned and detailed in past legislative reports by the Congress. The conferees agree that the research and development conducted by industry, the military Services, and universities in the SERDP must relate to each of the Services for further development and implementation to be effective.

In addition, the conferees agree that the military Services must have in place robust programs addressing environmental problems that are Service-unique but shall be fully integrated with the SERDP activity. Therefore, the conferees recommend increased funding for the Service programs in accordance with the recommendation of the House report.

Program Implementation

The Department of Defense, the Department of Energy, and the Environmental Protection Agency have developed an initial plan that contains a number of promising and potentially beneficial programs for inclusion in the SERDP in fiscal year 1992 using the $150.0 million in funding carried over from fiscal year 1991.

The conferees note that one of the three primary SERDP research and development program areas is environmental data gathering and analysis, including environmental change research. The initial plan contains only a few projects in this area. The conferees direct the SERDP Council to increase emphasis on research and development efforts in this area, particularly in projects that have a combined environmental and military benefit, by utilizing the additional $50.0 million authorized by this provision.

This additional funding will also enable the SERDP Council to initiate some long term projects that will allow DoD to focus on efforts to identify ways in which it can reduce harmful air emissions, such as sulphur dioxide, and can reduce discharges to marine environments.

The conferees are somewhat troubled by several of the projects in the initial plan. Research and development in the area of waste minimization is one of the objectives of the SERDP. Emphasis in this area should, however, be given to projects that are of interest to the Department of Defense and of joint interest to the Departments of Defense and Energy. The conferees are concerned that undue emphasis may have been placed on activities that have no direct application to the Department of Defense or potential spin-off application to the private sector.

The Department of Defense, the Department of Energy, and the Environmental Protection Agency have created an exciting roster of environmental research and development projects. The Armed Services Committees of the Senate and the House of Representatives look forward to the implementation of the many new and previously identified projects in fiscal year 1992.

The conferees look forward to receiving the first five-year plan for the SERDP. A long range plan and financial strategy are integral parts of the program and critical to sound environmental research and development.

Excimer laser technology

The Senate amendment would authorize $5.0 million for development of high-resolution laser imaging technology. The Senate amendment would authorize only $5.0 million for excimer laser research, and direct that these funds be applied only to imaging technology development, because the Department of Defense provided assurances that other important excimer technology efforts would be adequately funded in fiscal year 1992.

The conferees have learned that the Defense Department was wrong. Accordingly, the conferees recommend $10.0 million for excimer laser technology development under the auspices of the Office of the Secretary of Defense (OSD). Non-imaging applications being pursued by the Air Force should receive top priority in the resource allocation by OSD. Direction contained in the Senate amendment for imaging applications shall be followed as funding permits.

Consolidated DOD software initiative

The House bill would increase the authorization for the consolidated DOD software initiative (program element 63756D) by $20.0 million in fiscal year 1992.

The Senate amendment contained no similar increase in authorization.

The conferees recommend an increase of $20.0 million for fiscal year 1992. The conferees direct that of the additional funds provided, $7.2 million be made available only to support a cooperative effort between the Defense Advanced Research Projects Agency and existing software-only, industry-based consortia such as the Software Productivity Consortium. This funding is intended to initiate new activities involving the reuse of existing software programs in new applications and in improving methods of software development. The conferees direct that the remaining additional funds be used to support continued development of the Ada language system.

Special operations advanced technology development

The amended budget request included $13.7 million for special operations advanced technology development.

The House bill would authorize $16.7 million.

The Senate amendment would authorize $18.9 million.

The Senate recedes. The conferees agree that the increase of $3.0 million above the requested amount is to be spent in the following areas:

1. *power sources ($1.0 million)*—These funds will support the development of safe, high-energy batteries unique to special operations equipment.

2. *other technology areas ($2.0 million)*—The U.S. Special Operations Command may use these funds for development work on see-into-wall imaging, language/voice identification, imagery receiving, and special small arms.

Air defense initiative

The amended budget request contained $273.0 million for the air defense initiative (ADI) program.

The House bill would authorize $123.0 million for ADI and would transfer $40.0 million to the Navy so that the antisubmarine warfare (ASW) programs pursued under ADI could be managed and funded in the Navy. The House bill would also direct that the Navy program funds for a full-scale test of low-low frequence array (LLFA) technology.

The Senate amendment would authorize $218.0 million for the ADI program.

The conferees recommend $164.0 million for the ADI program, including $15.0 million for a full-scale test of the LLFA technology. The conferees expect the Department of Defense to request funding to continue the full-scale test program in fiscal year 1993 and beyond. The conferees believe that a full-scale test is required to adequately demonstrate the potential of LLFA technology to solve a number of antisubmarine warfare problems. The conferees expect the ADI program office and the Navy to coordinate and integrate their respective ASW efforts.

Robotics mine-clearing technology

The Senate amendment included $10.0 million each year in fiscal years 1992 and 1993 for the joint unmanned ground vehicle program (program element 603709D). These funds were intended to simulate and analyze robotic techniques for the identification, labeling, and neutralization of mines.

The House bill contained no similar authorization.

The conferees agree to provide $5.0 million for this purpose in fiscal year 1992 and direct that a report be submitted to the congressional defense committees by June 1, 1992, describing the programs underway and how future funds would be used in this area.

Unmanned aerial vehicles

The amended budget request contained $68.6 million for development and administration of various individual programs within the unmanned aerial vehicle (UAV) division of the Joint Program Office (JPO).

The House bill would authorize an additional $31.1 million for these various programs as well as an undesignated increase of $15.0 million for this activity.

The Senate amendment would authorize the requested amount. The Senate report (S. Rept. 102–113) criticized the JPO for failing to reduce the number of individual UAV programs and encouraged the JPO to evaluate technologies which could be utilized commonly across the entire family of vehicles.

The conferees recommend the requested amount for the UAV-short range and UAV-medium range programs. Further, the conferees direct the JPO to fund tilt rotor UAV, MAVUS II, and all other shipboard compatible technologies under the UAV-maritime program. The conferees recommend an increase of $25.0 million for the UAV-maritime program for the purpose of conducting a fair and open demonstration/validation of the candidate technologies and for preparation to appear before a Defense Acquisition Board (DAB). The conferees recommend that the Secretary of Defense establish a single annual DAB to review the UAV programs as a family of vehicles, rather than a more frequent consideration of individual efforts.

In order to reduce the number of individual JPO UAV efforts, the conferees recommend that the JPO consolidate the battalion targeting system (BTS) under the UAV-close range program and add $6.0 million to this program to accelerate full scale development.

Finally, the conferees strongly support the concept of interoperability within the UAV family of vehicles and add $6.2 million to promote this effort. The conferees direct the JPO to utilize $1.2 million of this funding to initiate integration of the common automatic recovery system (CARS). The conferees expect the JPO to identify additional systems and technologies, like CARS, that will have broad application throughout the UAV family of vehicles.

Special operations tactical systems development

The amended budget request included $194.3 million for special operations tactical systems development.

The House bill would authorize the requested amount.

The Senate amendment would authorize $213.1 million.

The conferees recommend an authorization of $207.1 million, an increase of $12.8 million above the requested amount. The conferees agree that the increase of $12.8 million shall be spent in the following areas that are described in the Senate report (S. Rept. 102–113); MK V fast patrol boat ($5.0 million); stabilized weapons platform system for coastal patrol boats ($3.8 million); and joint advanced special operations radio system (JASORS) ($4.0 million).

Small submersible swimmer delivery system

In the statement of the managers (H. Rept. 101–923) accompanying the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), the conferees suggested that the Navy send observers to trials of a small German submersible and evaluate the system for potential use by the U.S. Navy.

The conferees understand that the German Navy conducted extensive harbor and sea trials of the small submersible, known as the Narwal, and that the most recent tests were observed by U.S. DoD representatives who were impressed by the system's performance and capabilities. The conferees further understand that the Navy is working on a memorandum of understanding with the German Ministry of Defense which will permit evaluation of the Narwal small submersible's potential and suitability for use by Navy SEAL teams. The evaluation is planned for the period of March to September 1992. The conferees direct that a report of the results of the evaluation be furnished to the congressional defense committees by November 30, 1992.

Landsat satellites

The House bill would authorize $30.0 million for long-lead procurement for the Landsat 7 satellite and ground station funding.

The Senate amendment contained no similar authorization.

The conferees recommend $15.0 million for the Department of Defense to develop its position on the requirements for, and the characteristics of, a follow-on to Landsat 6 and to enhance Landsat ground receiving station capabilities for more effective support of DoD military requirements.

The conferees believe that Landsat is an important program for the United States and that the Department of Defense will continue to be major user of Landsat data. Landsat was used extensively during Operation Desert Storm, providing data not available from other systems.

Landsat is at a critical point. A successor to Landsat 6, if there is to be one, must be initiated soon to prevent a gap in service. Many government departments, as well as the private sector, use Landsat. However, Landsat has not been self supporting (and shows no indication of becoming so in the near future), and no agency has stepped forward to take responsibility for Landsat. Thus a difficult decision needs to be made soon regarding the management and funding of the program.

The conferees are informed that the administration may be nearing a decision on program management, objectives, and funding. The conferees doubt that sufficient resources or time are available to support an ambitious new satellite system design. It is more likely that the reasonable course would be to replicate the current system's capabilities, perhaps with modest enhancements.

The conferees agree that the Department of Defense should have the resources necessary to determine its requirements and the capabilities and characteristics it believes that Landsat should possess in the future. Accordingly, the conferees recommend $10.0 million for requirements definition and design and engineering studies. The conferees encourage DoD to involve other users in these deliberations.

The conferees continue to believe that the Department of Defense is not the appropriate agency to manage the Landsat program and that it would be inappropriate for the defense budget to finance, solely or predominantly, the Landsat system.

In addition, the conferees recommend $5.0 million to upgrade one or more Landsat ground stations to improve the responsiveness of the Landsat system to military requirements. The conferees recommend that this $5.0 million be used for image preprocessing, generation, recording, and transmission enhancements to decrease the time from collection to dissemination.

Arrow anti-missile program (sec. 241)

The House bill contained a provision (sec. 234) that would authorize the Secretary of Defense to obligate from funds made available for fiscal year 1992 for the joint tactical missile defense program up to $54.4 million to initiate research and development of systems to deploy the Arrow tactical anti-missile missile in the future, such as battle management, lethality, system integration, test bed, and fire control radar. The funds for these systems could not, however, be obligated until the United States and Israel entered into a memorandum of agreement governing the conduct and funding of such an effort and the Secretary of Defense certified to the congressional defense committees that the Arrow missile had successfully completed its flight test program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees endorse a continuing program of U.S./Israeli cooperative research and development on the Arrow program with a view to proving out the feasibility and practicality of the system. As stated in section 232, however, the conferees endorse reinvigorated efforts to halt the proliferation of ballistic missiles as an additional component of the overall goal established in this act to protect the United States against the threat posed by ballistic missiles. In this regard, the conferees were disturbed by reports that an Israeli firm had recently engaged in missile proliferation activities that were subject to sanctions under the Arms Export Control Act, the Export Administration Act of 1979, and the National Defense Authorization Act for Fiscal Year 1991.

The conferees commend the Government of Israel for its announcement that it intends to adopt export controls pursuant to the Guidelines and Annex of the Missile Technology Control Regime (MTCR). Nonetheless, the conferees recommend that, in addition to the restrictions contained in the House provision, the $54.4 million authorized in this section for the Arrow program not be obligated unless the President has certified to Congress that, with respect to any waiver of activities subject to sanctions under the laws described above granted on or before the date of enactment of this act to any firm involved in the Arrow program at the time of such certification, such activities have been terminated and the government of the nation in which such firm is located has given assurances to the United States that such activities will not be repeated. The certification must also affirm that the Government of Israel has undertaken to adopt.

NATO research and development

In their consideration of the amended budget request for fiscal year 1992, the Appropriations Committees of the Senate and House of Representatives made significant reductions in the amount recommended for NATO research and development. The House Appropriations Committee expressed extreme concern about budget execution under this program.

The conferees express their support for international cooperation in research and development and the desirability of establishing joint development programs in areas of mutual interest between the United States and its major NATO and non-NATO allies. The conferees are aware that an individual nation's development costs may be significantly reduced by sharing in cooperative research and development and interoperability among allied military forces significantly for meeting high priority requirements identified by the commanders in chief of major allied commands and for contributing to collaboration between U.S. and allied military and academic laboratories.

The conferees are also aware that national differences in administration and programming have often caused delays in establishing and conducting cooperative research and development projects. These delays have contributed markedly to the poor budget execution record in the NATO research and development program that was cited by the House Appropriations Committee. The conferees strongly encourage the Secretary of Defense to reduce the administrative lead time and facilitate budget execution in these important projects. The conferees request the Secretary of Defense to report on the further development of this program during hearings on the amended budget request for fiscal year 1993.

Technical support to USD(A)

The Senate amendment contained an authorization of $12.0 million for program element 65104D to provide technical support to the Under Secretary of Defense for Acquisition (USD(A)), a reduction of $29.2 million to the amended budget request. A portion of this reduction was made to accommodate an authorization of $21.8 million for the RAND National Defense Research Institute (program element 65112D). In the amended budget request, the funding for the RAND institute was incorporated into program element 65104D.

The House bill provided funding for technical support to the USD(A) at the amended budget request level.

The Senate recedes.

However, the conferees intend that funding for federally funded research and development centers not be aggregated with any other funding. The conferees therefore direct that funding for the RAND National Defense Research Institute be separately identified and included in the fiscal year 1993 amended budget request.

Defense Modeling and Simulation Office

In fiscal year 1991, Congress directed the Secretary of Defense to establish a joint simulation office to coordinate the policies and programs of the Department in the area of defense modeling and simulation. The amended budget request contained no funds for this purpose. The Department did not formally establish the Defense Modeling and Simulation Office (DMSO) until June 1991.

The Senate amendment would authorize $50.0 million to continue the work of the newly formed DMSO.

The House bill contained no similar authorization.

The conferees recommend an authorization of $40.0 million in research, development, test, and evaluation and $10.0 million in procurement for fiscal year 1992 for support of DMSO activities. The next annual report by the Secretary of Defense to Congress shall review the activities of the DMSO, including program plans for fiscal year 1992 and funding requirements for fiscal year 1993.

Artificial blood substitutes

The House report (H. Rept. 102-60) directed the Secretary of the Navy to assess opportunities to accelerate the availability of recombinant human hemoglobin (RHH) derived artificial blood substitutes. Support for RHH must be assessed against other blood technology in considering accelerating its early availability. A plan describing the development framework, timetable, and investment recommendation was directed to be provided to the Committees on Armed Services of the Senate and the House of Representatives by March 1, 1992.

The Senate report (S. Rept. 102–113) contained similar direction.

The conferees understand that RHH represents only one of many emerging approaches in developing artificial blood substitutes. The conferees do not intend that the Defense Department plan for accelerating product availability of an artificial blood substitute concentrate on the RHH technology exclusively. The Department of Defense should, instead, look without prejudice at all promising emerging technologies and prepare a plan for those technologies that best fits the Department's needs. The conferees hope that the Department would also assess each such technology's potential to satisfy civilian artificial blood supply needs, and to eventually become commercially self-supporting. In this regard, the conferees believe that the Department's assessment should be fully coordinated with the National Institute of Health and any other public or private sector activity involved in artificial blood substitute development.

To ensure that adequate time exists to fully consider all alternatives, the conferees agree to delay the submission date for the artificial blood substitute plan until July 30, 1992.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Manufacturing technology (sec. 203)

The House bill contained a provision (sec. 203) that would authorize $305.6 million for manufacturing technology (MANTECH) and would specifically allocate that amount to the Army, Navy, Air Force, and Defense Logistics Agency industrial preparedness programs and to the Office of the Secretary of Defense for advanced manufacturing technology.

The Senate amendment would consolidate a total authorization for defense manufacturing technology of $250.0 million under the Office of the Secretary of Defense (OSD). Lacking the information and guidance expected from the Department's anticipated National Defense Manufacturing Plan (required under chapter 149 of title 10, United States Code), the Senate amendment would direct that OSD allocate MANTECH funding in a manner generally consistent with the needs of the Defense Department and the prior planning and commitments of the military Services and defense agencies. The Senate report (S. Rept. 102–113) also directed the establishment of a Joint Manufacturing Technology Office that would act as the DoD focal point for overall management of the MANTECH program.

The Senate amendment also contained a provision (sec. 803) that would amend section 2513 of title 10, United States Code, to require the annual submission of the Defense Manufacturing Technology Plan not later than March 15 of each year. Further, this provision would limit obligation of fiscal years 1992 and 1993 funds to those activities that are (a) included in the National Defense Manufacturing Technology Plan submitted to Congress the preceding fiscal year, or (b) are required by law, or (c) are specifically approved by the Secretary of Defense.

The conferees agree to consolidate the House and Senate provisions with an amendment.

The conferees agree that an effective Defense Department MANTECH program can exist only if the overall program is carried out under the oversight and policy guidance of the Office of the Secretary of Defense and as reflected in the annual Defense Manufacturing Technology Plan. Recognizing that the Defense Department must have latitude in managing this process, however, the conferees believe that the establishment of a Joint Manufacturing Technology Office within OSD should be left to the discretion of the Secretary of Defense.

The conferees further recognize that the military departments and defense agencies have established and are pursuing, many worthwhile MANTECH programs and believe that, where it is appropriate, these programs should continue to be supported. In particular, MANTECH programs currently underway within the Defense Logistics Agency, for which no funding was included in the amended budget request, should be continued.

Therefore, the conferees agree to increase the total funding to support research and development in manufacturing technology to a funding level of $280.0 million for fiscal year 1992, an increase of $183.1 million above the amended budget request. Of this amount, $28.1 million shall be provided for Army MANTECH programs under PE 78011A, $74.4 million for Navy MANTECH programs under PE 78011N, $60.5 million for Air Force MANTECH programs under PE 78011F, and $17.0 million for the Defense Logistics Agency under PE 78011S. In addition, $100.0 million would be authorized for the OSD advanced manufacturing technology program under PE 65705D. The conferees further direct that funding for the OSD advanced manufacturing MANTECH program may only be used to implement projects included under the National Defense Manufacturing Technology Plan except as specifically otherwise directed by the Under Secretary of Defense for Acquisition.

Industrial preparedness funding authorized for the individual military Service and defense agency MANTECH programs should support the goals and objectives of the National Defense Manufacturing Plan. The conferees believe, however, that these industrial preparedness manufacturing technology projects, as implemented by the military Services and defense agencies, should be under the management of those Services or agencies and that they should directly control the associated funding.

Authorization to make certain fiscal year 1991 Navy funds available for other purposes (sec. 204)

The Fiscal Year 1991 Defense Appropriations Act (Public Law 101–511) included $71.0 million for continued development of the Sea Lance weapon system. The conferees agree to a provision that would transfer fiscal year 1991 Sea Lance funds, above those required for program termination, to other Navy research and development efforts. The conferees expect the Navy's termination of the Sea Lance will include documenting and shelving the research, analysis, hardware, and software associated with the Sea Lance program. If additional funding is required for this purpose, the conferees expect the Navy to fund the termination effort from within available resources.

V–22 Osprey aircraft (sec. 211)

The amended budget request contained no new funding for the V–22 Osprey aircraft program.

The House bill contained a provision (sec. 211) that would authorize $990.0 million in fiscal year 1992 (including $625.0 million in fiscal year 1992 funds and $365.0 million of prior year funds) for the development, manufacture, and operational test of three production representative V–22 aircraft and $755.0 million for three additional production representative aircraft in fiscal year 1993. The House bill also would prohibit the expenditure of any research and development funds for exploring any alternatives to the V–22 to be used for performing the medium lift mission.

The Senate amendment would authorize the Navy to use $365.0 million in prior year unobligated funding for continued testing with existing full scale development aircraft, and $15.0 million of fiscal year 1992 funds for the defense agencies in connection with the special operations variant of the V–22. The Senate amendment also contained a provision (sec. 221) that would prohibit the Navy from obligating any fiscal year 1992 funds after January 1, 1992, and any fiscal year 1993 funds after January 1, 1993, for the V–22 program until the Director of Operational Test and Evaluation has evaluated performance during operational test IIA and IIB, respectively, and has provided operational assessments of V–22 aircraft performance to the Secretary of Defense.

The Senate recedes with an amendment.

The conferees note that $200.0 million in fiscal year 1989 funds were made available for the V–22 aircraft program and were required to be obligated within 60 days by section 204 of the Dire Emergency Supplemental Appropriations for Consequences of Operation Desert Shield/Desert Storm, Food Stamps, Unemployment Compensation Administration, Veterans Compensation and Pensions, and Other Urgent Needs Act of 1991 (Public Law 102–27; enacted on April 10, 1991).

The conferees agree to a provision that would authorize a total of $790.0 million for the Navy for fiscal year 1992 for development, manufacture, and operational test of three production representative V–22 aircraft. The total authorized includes $165.0 million transferred from unobligated fiscal year 1991 Navy aircraft procurement funds to Navy research and development funds for the V–22. The provision also would make $15.0 million available from within defense agencies funds for research, development, test, and evaluation in connection with the special operations variant of the V–22 aircraft.

The conferees note that the Congress made funds available in fiscal year 1991 to conduct operational testing approved by the Director of Operational Test and Evaluation. The conferees direct the Secretary of Defense and the Secretary of the Navy to ensure that a test and evaluation master plan (TEMP) for evaluating the production representative aircraft is published before May 1, 1992, in order to insure developmental and operational testing appropriate to existing engineering and manufacturing development for a major defense acquisition program.

Extension of prohibition on testing mid-infrared advance chemical laser against an object in space (sec. 212)

The House bill contained a provision (sec. 212) that would prohibit the Secretary of Defense from carrying out a test of the mid-infrared advanced chemical laser (MIRACL) against an object in space during 1992 unless such testing is specifically authorized by law.

The Senate bill contained no similar provision.

The Senate recedes with an amendment that would confine the prohibition to 1992.

A–(X) advanced tactical aircraft, Navy (sec. 213)

The House bill contained a provision (sec. 214) that would stipulate that the total acquisition cost and the acquisition schedule for the A–(X) aircraft may not be classified at the special access classification level.

The Senate amendment contained no similar provision.

The Senate recedes.

F–22 advanced tactical fighter (sec. 214)

The House bill contained a provision (sec. 215) that would direct the Secretary of the Air Force to undertake certain studies on manufacturing processes and technologies, including the use of commercial standards and practices, that might help lower the cost to manufacture the F–22 advanced tactical fighter. These studies would be required to be submitted prior to the initiation of fabrication of the first production prototype. The provision also would direct the Secretary of the Air Force to prepare an alternate acquisition plan that would defer production of the aircraft until after operational testing of prototype aircraft built during the engineering and manufacturing development phase.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Air Force to undertake certain studies on manufacturing processes and technologies that could lower the cost to manufacture the F–22 aircraft in the future.

Supercomputer modernization program (sec. 215)

The House bill contained a provision (sec. 217) that would authorize an additional $40.0 million only for procurement or leasing of supercomputer hardware, software, or peripherals to initiate, upgrade, or modernize a supercomputer capability at Department of Defense RDT&E laboratories. The provision also would require the Director of Defense Research and Engineering (DDR&E) to develop a supercomputer modernization plan to manage execution of this program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees strongly endorse continuing to enhance and improve the high performance computing capabilities available at Department of Defense research and development laboratories. The conferees understand, however, that such improvements can be achieved in a variety of different ways, and that the particular approach selected should fit the mission, needs, and existing capabilities of a particular laboratory.

Because of the divergent approaches that are appropriate and available for upgrading DoD research and development computational capabilities, the conferees believe that it is essential to expeditiously complete the supercompouter modernization upgrade plan called for in the House provision.

The conferees also endorse the direction in the Senate report (S. Rept. 102–113) that the Director of the Defense Advanced Research Projects Agency (DARPA) should review and refine that agency's high performance computer acquisition procedures. The conferees direct the Director of DARPA to monitor all high performance computing-related procurements and research and development grants and contracts (including both hardware and software elements) to ensure that the proper acquisition procedures are used. The Director of DARPA shall also submit a report on steps taken to refine the high performance computing acquisition process, including a description of all contracts or grants awarded on a non-competitive basis, at the same time the supercomputer modernization plan is provided to the Congress.

Mine countermeasures initiatives (sec. 216)

The Senate amendment contained a provision (sec. 222) that would prohibit the obligation, after January 1, 1992, of funds appropriated or otherwise available for fiscal years 1992 and 1993 for developing and testing mine countermeasures systems unless primary responsibility for developing and testing such systems within the Navy for such years was transferred to the Research, Development, and Acquisition Command of the Marine Corps.

The House bill contained no similar provision. The House conferees strongly support strengthening mine countermeasures programs. However, the House conferees do not believe that transfer of responsibility for such programs to the Marine Corps will accomplish the objectives sought, and note that the Marine Corps opposes the proposed transfer.

The experiences in Operation Earnest Will and Operation Desert Shield/Desert Storm have clearly emphasized the threat to amphibious and other naval operations posed by fixed and floating mines in the shallow waters of the littoral regions and the deeper waters of confined seas. The severe damage to the USS *Princeton* and the USS *Tripoli* caused by mines highlights the importance of an accelerated mine detection and mine countermeasures program for the Navy and the Marine Corps. The conferees are profoundly concerned that the Department of the Navy has failed to sufficiently emphasize mine countermeasures in its research and development program to the detriment of both the Navy and the Marine Corps. The relatively limited funding allocated for mine countermeasures research and development in the Navy's amended budget request for fiscal year 1992 reflected a continuation of this trend.

The conferees note with pleasure, however, that the Department of the Navy is apparently seeking to redress past shortcomings in mine countermeasures and is developing an enhanced mine countermeasures program. The conferees have been informed that: (1) the Department of the Navy has established a Navy/Marine joint mine detection technology program; (2) the Chief of Naval Operations and the Commandant of the Marine Corps have established a committee of senior flag and general officers to ensure the integration, coordination, and oversight of efforts in shallow water mine countermeasures; (3) working level joint committees have been formed at lower echelons to develop and coordinate detailed operational requirements and programs; (4) an enhanced research, development, test, and evaluation program in shallow water mine countermeasures has been established; and (5) the Navy will reprogram funds for these purposes. The conferees applaud these efforts.

The conferees caution, however, that these actions by the Department of the Navy are only the first steps in what must be a program of continuing emphasis on mine countermeasures if the ability of the Navy and the Marine Corps to operate in mined waters, or waters that can be mined, is to be maintained. In furtherance of the increased priority of this area, the conferees recommend an additional $20.5 million in fiscal year 1992 and $30.0 million in fiscal year 1993 to establish a mine countermeasures initiative fund. In combination with ongoing Navy efforts in mine countermeasures, this fund will allow acceleration of existing efforts and the evaluation of innovative technologies in enhanced mine countermeasures. The Navy is directed to program additional funds in this area in the future.

The conferees recommend a provision that would require the transfer of responsibility for naval mine countermeasures within the Department of Defense from the Department of the Navy to the Director of Defense Research, Development, and Engineering no later than October 1, 1992, unless the Secretary of Defense certifies to the congressional defense committees that the Navy has an updated and funded mine countermeasures master plan and that the Chairman of the Joint Chiefs of Staff has determined that this plan and its supporting budget are sufficient in terms of military requirements, considering fiscal constraints. Such certification must be made no later than June 1 of the calendar year in which the fiscal year begins.

The conferees further direct the Secretary of Defense to submit to the congressional defense committees specific levels of funding for fiscal year 1993 for the improvement of mine countermeasures capabilities in support of Marine Corps operations. The conferees agree to designate mine warfare programs as special congressional interest items.

Non-acoustic antisubmarine warfare (sec. 217)

The amended budget request contained $26.2 million for non-acoustic antisubmarine warfare (NAASW) research within the Department of the Navy. No funds were requested to continue the independent NAASW research effort conducted for several years within the Office of the Secretary of Defense (OSD). Indeed, the Deputy Secretary of Defense has recommended terminating this independent effort, despite clear and unequivocal congressional direction to the contrary.

The House bill would authorize the requested amount for the Navy and an additional $25.0 million for the independent OSD program. The House bill would designate the NAASW efforts as tactical intelligence and related activities (TIARA) programs and would transfer the program from the Office of the Director of Defense Research and Engineering (DDR&E) to the Office of the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD/C^{3}I).

The Senate amendment would authorize the requested amount for the Navy and an additional $40.0 million for the independent OSD program. The Senate amendment also contained a provision (sec. 223) that would prohibit the obligation of funds for the Navy's NAASW program until the Secretary of Defense certifies that DoD is conducting two viable, independent NAASW programs, at least one of which is not managed within the Navy.

The conferees agree to adopt the Senate provision and to authorize $13.8 million for the navy and $52.0 million for OSD NAASW research. Congress has provided clear and unequivocal guidance that the Department of Defense shall conduct two viable, independent NAASW programs, one of which must be managed outside the Department of the Navy. The conferees also direct the following: (1) the Secretary of Defense shall transfer the OSD program from DDR&E to ASD/C^{3}I and designate this program as a TIARA program; (2) the Secretary shall take such action as necessary to ensure that ASD/C^{3}I and the Navy share program plans and results of research efforts with each other; and (3) the OSD program manager for NAASW shall be a Senior Executive Service (SES)-level position.

The conferees agree that the recent decision to take bombers off alert and to forego mobile missile basing significantly increases the importance of the survival of strategic ballistic missile submarines (SSBNs). The conferees believe that a vigorous NAASW research program is imperative to ensure that the SSBN force remains survivable.

The conferees direct that the independent OSD program attempt to quantify and disseminate its progress to date in radar technology. Such reports should provide for peer review of both existing data and models, and the results of the OSD efforts. The conferees believe that peer review of both Navy and OSD program results should give decisionmakers in DoD a better basis for comparing results with previous data and models. This effort should be coordinated by the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence.

The conferees provide additional guidance on NAASW in the classified annex to this statement of the managers.

Antisubmarine warfare stand-off weapon (sec. 218)

The amended budget request included $39.9 million for continued development of the vertical launch antisubmarine rocket (VLA) and no funds for development of Sea Lance.

The House bill would authorize no funds for VLA and $20.0 million for Sea Lance.

The Senate amendment would authorize no funds for either VLA or Sea Lance, but would authorize $30.0 million for a new ASW stand-off weapon.

The Senate amendment also included a provision (sec. 224) that would prohibit obligation of Navy research and development funds for any antisubmarine warfare (ASW) stand-off weapon until the Secretary of the Navy submitted a report on the requirements, costs, and alternatives for providing an ASW stand-off weapon capability.

The House bill contained no similar provision.

The conferees observe that the statement of the managers (H. Rept. 101–923) accompanying the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) required the Navy to study "ASW stand-off weapons requirements, alternatives, and costs of the alternatives." The Navy has not provided this analysis to Congress. However, based on preliminary results from this analysis, the Navy recently reaffirmed its decision to terminate the Sea Lance program. The conferees expect the Navy's termination of the Sea Lance will include documenting and shelving the research, analysis, hardware, and software associated with the Sea Lance program. If additional funding is required for this purpose, the conferees expect the Navy to provide for this effort from within available resources. The conferees believe that the results of the Sea Lance program could be of value by reducing the potential for duplication and associated costs in similar development efforts.

No information has been provided on the cost of the program the Navy intends to pursue. Accordingly, the conferees agree not to recommend any funds for fiscal year 1992 for development of an ASW stand-off weapon. Funds provided in past years are sufficient to pursue development and flight test of the VLA with the Mark-46 torpedo, for which purpose the Navy sought no additional funds.

The Navy's failure to provide the information requested last year on ASW stand-off weapons has prompted the conferees to recommend a provision that would direct the Navy to provide a report on all antisubmarine weapons, which will be considered in evaluating funding requests for ASW programs in fiscal year 1993. The conferees expect the Navy to include in this report, as a minimum, information on the following weapons: (a) Mark-48 ADCAP heavyweight torpedo, (b) improved or future heavyweight torpedo, (c) Mark-50 lightweight torpedo, (d) improved or future lightweight torpedo, (e) VLA with Mark-46 torpedo, (f) VLA with Mark-50 torpedo, (g) Sea Lance, and (h) Tomahawk ASW variant. The cost estimates for existing weapons should be precise, while the estimates for possible future weapons may be more conjectural.

(Ship-to-shore fire support (sec. 219)

The Senate amendment would express concerns regarding the loss of ship-to-shore fire support, and authorize $31.0 million to initiate a program to demonstrate the ability to use Army rocket munitions on Navy ships to fill this need. The Senate amendment also included a provision (sec. 225) that would restrict obligations for the submarine tactical warfare system until the Secretary of the

Navy submitted a report to the congressional defense committees on the Navy's requirements for ship-to-shore fire support.

The House bill contained no similar provision.

In the statement of the managers (H. Rept. 101-923) that accompanied the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510, the conferees expressed concern about the reduced capability of the Navy to provide adequate fire support for amphibious operations. The conferees provided $31.0 million for a proof-of-principle demonstration using Army rocket munitions and directed the Navy to prepare a report on ship-to-shore fire support requirements and to evaluate gun and rocket alternatives for meeting those needs. The Navy failed to conduct any analysis or prepare any report.

The conferees are deeply concerned about the failure of the Navy to respond to clear congressional direction on fire support. The conferees agree that the Navy's capability is declining at a time when providing fire support for amphibious operations is increasing in relative importance. The conferees agree most strongly that this is an urgent problem which requires immediate attention, and recommend an authorization of $16.0 million in fiscal year 1992 to begin such an effort. The conferees strongly encourage the Secretary of the Navy to initiate immediately a program to investigate, evaluate, and demonstrate potential technologies and weapons systems to meet fire support needs. Such a program should focus initially on near term candidates, considering gun, multiple rocket, and missile systems, and should consider relevant work ongoing elsewhere in DoD and industry.

The conferees agree that, of the funds authorized for the ship-to-shore fire support program, up to $2.5 million may be used by the Navy for the studies, cost and operational effectiveness analyses, and reports described in this section and up to $1.5 million may be used for independent studies and reports by the Institute for Defense Analysis (IDA).

The conferees direct that the remaining $12.0 million be used only for developmental efforts for near term systems identified as preferred solutions by the Navy and IDA interim reports.

Superconducting magnetic energy storage (sec. 220)

The House bill would increase the authorization for the superconducting magnetic energy storage (SMES) program by $40.0 million in fiscal year 1992. To fund this increase, the House bill would reduce technology base programs in each military Service.

The Senate amendment contained no similar increase in authorization.

The conferees recommend an increase of $20.0 million for program element 62109H. The conferees direct that phase II of the SMES program should be initiated and aggressively pursued beginning with the immediate "downselect" of the competing contractors no later than 90 days after the date of enactment of this act and the obligation of the approximately $10.0 million remaining in unobligated funds that were appropriated for the program in fiscal year 1991.

The conferees recognize that SMES technology has excellent potential to provide lower cost, pulsed power sources for defense application. It also offers a unique opportunity to contribute to energy conservation by U.S. electric public utilities. The conferees therefore recommend a provision that would direct the Department of Defense to coordinate with the Department of Energy in preparing a development plan for this dual-use technology which would include provisions for equitably sharing the cost of development between the federal government and the private sector and may include partnership arrangements. Copies of this plan shall be made available to the appropriate committees in the Senate and House of Representatives at the time of submission of the President's budget for fiscal year 1993.

Under the conferees agreement, the Secretary of Defense would be directed to establish or designate an office within DoD with responsibility for the project. The conferees further direct that the "downselection" should be made as early as possible and should not be delayed by the preparation of the development plan. The conferees direct this "downselection" in the expectation that it will yield benefits based on the resources already invested in the SMES program.

The conferees designate the SMES project as a congressional interest item.

Sealift research and development (sec. 221)

The conferees agree to a provision that would authorize the transfer of up to $25.0 million from fiscal year 1991 sealift procurement into fiscal year 1992 sealift research and development. This transfer would fund contract design work which is essential for construction of new sealift ships. This authority, which was requested by the Navy, would be subject to the availability of appropriations.

ICBM modernization program (sec. 222)

The Senate amendment contained a provision (sec. 226) that would authorize $548.8 million for the small ICBM (SICBM) program and $245.1 million for the rail garrison MX (RGMX) program in fiscal year 1992. The provision would prohibit the obligation or expenditure of funds to conduct any flight test of an MX missile from an operational model RGMX train or to procure, assemble, integrate, test, or certify an operational model RGMX train in a manner that could result in the MX ICBM being considered a mobile ICBM for purposes of the START Treaty. This latter restriction would not apply to $20.0 million in fiscal year 1992 needed to complete the critical design reviews (CDR) for the operational model RGMX train. Finally, the provision would express the sense of the Congress that the administration should rescind its designation of the MX ICBM as a mobile ICBM in START.

The House bill contained no similar provision. However, the House bill would authorize $548.8 million for the SICBM program and $260.1 million for the RGMX program in fiscal year 1992.

On September 27, 1991, President Bush directed that the development of the RGMX and the mobile portions of the SICBM program be terminated. Secretary of Defense Cheney stated that the budgetary savings in fiscal year 1992 associated with these two actions would, if implemented, be $260.1 million and $115.0 million, respectively.

The House recedes with an amendment.

The conferees agree with President Bush's decision to terminate the RGMX program. The conferees have been advised by the Air Force that although this termination action will cost approximately $78.0 million in fiscal year 1992, adequate funds are available from current unobligated and unexpended fund balances to cover all termination requirements. Accordingly, the conferees authorize no funds for the RGMX program for fiscal year 1992.

The conferees do not agree with the President's decision to terminate all mobility portions of the SICBM program.

The conferees are not persuaded that the decades-long U.S. effort to identify a survivable and stabilizing mobile ICBM basing mode should be abandoned. While notional START II arms reduction agreements can be imagined that would reduce strategic offensive systems on each side to levels that would support a decision to maintain U.S. ICBMs in silos, discussions on strategic arms reductions beyond START I have only recently begun and no U.S. goal for eventual START II levels has been set. Meanwhile, START I affords each side more than enough offensive striking power to destroy the other's silo-based ICBMs. In tandem with the President's decision to cancel all ground alerts for U.S. strategic bombers, the administration's proposal to terminate all R&D on ICBM mobility means that U.S. deterrence against a no-warning strategic first-strike would rest on the 18 Trident submarines permitted the United States under START, only about 10 of which will be at sea at any one time. The conferees are concerned that this combination of bomber and ICBM vulnerability to a surprise attack would pose unacceptable risks to the United States in the event of a Soviet breakthrough in non-acoustic submarine detection technologies.

For these reasons, the conferees agree that no funds shall be obligated or expended on the SICBM program in fiscal year 1992 unless the administration supports an adequately funded R&D program on mobile SICBM options. The conferees recommend a statutory limitation to this effect. The conferees do not intend to invite the Administration to utilize this provision as a rationale for cancelling the SICBM missile development program. Nor is it the intent of the conferees to rule out an initial silo deployment of the SICBM or to insist on continuation of the hard mobile launcher (HML) system to the exclusion of other mobility options. However, the conferees continue to believe that, as expressed in section 231 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510), the United States should preserve "a realistic option for subsequent mobile basing should future strategic or arms control developments so require."

The conferees are skeptical that Congress would support a proposal to cancel the mobility features of SICBM and authorize the substantial sums that would be required to deploy Midgetman in silos absent more information concerning the cost and practicality of possible alternative approaches for fielding a single-warhead, silo-based U.S. ICBM force. According to the Secretary of Defense, it will cost (in then-year dollars) $37.2 billion to complete development of the SICBM missile and deploy 500 of these single-warhead ICBMs in existing Minuteman ICBM silos, assuming an initial operating capability (IOC) date of fiscal year 1997 or 1998. If the IOC slips to the year 2000 or beyond, the remaining development and procurement costs will exceed $40.0 billion.

The Air Force has testified that it would cost $3.7 billion to extend the service life of existing Minuteman III ICBMs through the year 2010. However, it has also confirmed that test missiles for the Minuteman III system would be used up by that date, making its continued retention in the inventory problematical unless the deployed inventory was reduced. To aid in considering what options may be available to the United States if a consensus cannot be reached between Congress and the Executive Branch on the need for mobility options for SICBM, the conferees direct the Secretary of Defense to submit to Congress no later than March 1, 1992 a report assessing the cost, practicality, and time limitations of extending the Minuteman III force to the year 2010 and beyond.

Lastly, the conferees are aware that in September 1991, the U.S. Strategic Air Command solicited concepts from industry for "upgrading Minuteman III to have a probability of kill of an SS-18 silo equivalent to the assessed Peacekeeper capability." The conferees note that the SICBM is being designed to provide such a capability and thus believe that it would be premature to proceed with such upgrades to the MMIII until Congress and the Executive Branch reach agreement on the future of the SICBM program. To provide the congressional defense committees with an opportunity to review this issue in hearings next year and to consider the issue in the context of understandings that they hope will be reached concerning the future of SICBM, the conferees direct the Air Force to halt further actions to provide MMIII with an SS-18 silo-kill capability for the remainder of the fiscal year. The conferees reached this conclusion without prejudice to the requirement to improve the capability of the Minuteman III system or extend its service life.

Strategic defense initiative (secs. 231–240)

The House bill contained a provision (sec. 221) that would authorize $2,656.0 million for the Strategic Defense Initiative (SDI) in fiscal year 1992, including no funding for the Phase I defense program element (which includes the Brilliant Pebbles program), $840.0 million for the limited protection systems program element, $820.0 million for the follow-on systems program element, and $996.0 million for the research and support activities program element. The House bill also contained a provision (sec. 213) that would authorize $857.5 million for the joint tactical missile defense program, and designate the Army as executive agent for the programs.

The Senate amendment contained a provision (sec. 211) that would establish a new national goal for defending the United States, its armed forces overseas, and its friends and allies against limited ballistic missile attacks; authorize the initial steps towards implementation of this goal; and urge the adoption of a new U.S. negotiating strategy on ballistic missile defenses. The provision would authorize $4.6 billion for SDI in fiscal year 1992, including $1.5505.3 million for the limited defense system program element, $857.5 million for the theater missile defense program element, $625.4 million for the space-based interceptors program element (which includes the Brilliant Pebbles program), $744.6 million for the follow-on systems program element, and $822.0 million for the research and support activities program element. The Senate amendment would not transfer management responsibility for theater missile defense programs from the SDI Organization to the Army.

The House recedes with an amendment.

The conferees agree on the following:

Goal

The conferees agree that it is a goal of the United States to:

(1) deploy an anti-ballistic missile system, including one or an adequate additional number of ABM sites and space-based sensors, capable of providing a highly effective defense of the United States against limited attacks of ballistic missiles, including accidental or unauthorized launches or Third World attacks;

(2) maintain strategic stability; and

(3) provide highly effective theater missile defenses (TMD) to U.S. forward-deployed and expeditionary armed forces and to our friends and allies.

As an additional component of our overall goal to protect the United States against the threat posed by ballistic missiles, the conferees agree to endorse such additional measures as:

(1) Joint United States-Soviet discussions on strengthening nuclear command and control, to include the use of permissive action links and post-launch destruct mechanisms on all U.S. and Soviet intercontinental range ballistic missiles;

(2) Stabilizing reductions of U.S. and Soviet strategic weapons to levels below the limitations of the Strategic Arms Reduction Talks (START) Treaty, to include the downloading of multiple warhead ballistic missiles; and

(3) Reinvigorated efforts to halt the proliferation of ballistic missiles and weapons of mass destruction.

Implementation

To implement this goal, the conferees agree to direct the Secretary of Defense to:

(1) aggressively pursue the development of a range of advanced TMD options, with the objective of "down-selecting" and deploying such systems by the mid-1990s;

(2) develop for deployment by the earliest date allowed by the availability of appropriate technology or by fiscal year 1996 a cost-effective, operationally-effective, and ABM Treaty-compliant anti-ballistic missile system at a single site as the initial step toward deployment of the new anti-ballistic missile limited defense architecture. The conferees agree that there is no commitment to procure ABM systems or components for deployment before the technology for these systems or components is ready. However, the conferees understand that to meet the deployment date for the initial ABM treaty-compliant system and to achieve the mid-1990s deployment date for a theater missile defense system, acceleration of normal acquisition processes and procedures is required in light of the very high priority of these objectives.

The treaty-compliant system to be developed for deployment would most likely be located at Grand Forks Air Force Base, North Dakota, and would include:

(a) 100 ground-based interceptors, with the design to be determined by competition and "down-selection" for the most capable interceptor or interceptors;

(b) fixed, ground-based anti-ballistic missile battle management radars; and

(c) optimum utilization of space-based sensors, including sensors capable of cueing ground-based anti-ballistic missile interceptors and providing initial targeting vectors, and other sensor systems that also are not prohibited by the ABM Treaty, such as a ground-based sub-orbital surveillance and tracking system.

The conferees also agree to direct the Secretary of Defense to submit to the congressional defense committees within 180 days of the enactment of this act a plan for the deployment of a TMD system and a treaty-compliant ABM system which meet the guidelines established in the provision. The conferees direct the Secretary's plan to also identify any changes in the conduct of the Strategic Defense Initiative program during fiscal year 1992, as described in the May 1991 SDIO report by the SDI Organization (SDIO), that would be required as a result of this new program guidance.

In addition to requiring the Secretary of Defense to develop for deployment and ABM Treaty-compliant system, the conferees also recommend the implementation of a parallel arms control track. The conferees agree to a provision urging the President to pursue immediate discussions with the Soviet Union on the feasibility and mutual interest of amendments to the ABM Treaty to permit the following:

(1) additional anti-ballistic missile sites and additional ground-based anti-ballistic missile interceptors;

(2) increased utilization of space-based sensors for direct battle management;

(3) clarification of what constitutes permissible development and testing of space-based missile defenses;

(4) increased flexibility for technology development of advanced ballistic missile defenses; and

(5) clarification of the distinctions between TMDs and ABMs, including interceptors and radars.

As deployment at the treaty-complaint anti-ballistic missile site at Grand Forks draws near to the deployment date of fiscal year 1996, the conferees agree that the President and the Congress shall assess the progress in the ABM Treaty amendments negotiations and consider the options available to the United States as now exist under the ABM Treaty. To assist in this review process, the provision would direct the President to submit to the Congress not later than May 1, 1994, an interim report on the progress of the negotiations.

Follow-on technologies

To effectively develop technologies relevant to achieving the goal established by the provision and to provide future options for protecting the security of the United States and our allies and friends, the conferees agree that robust research and development funding for promising follow-on anti-ballistic missile technologies, including Brilliant Pebbles, is required. Deployment of Brilliant Pebbles is not included in the initial plan for the limited defense system architecture described in the provision. In addition, the provision would direct the Secretary of Defense to submit to the congressional defense committees a report on conceptual and burdensharing issues associated with the option of deploying space-based interceptors, including Brilliant Pebbles, for the purpose of providing global defenses against ballistic missile attacks. Not more than 50 percent of the funds authorized for the space-based interceptors program element in fiscal year 1992 may be obligated for the Brilliant Pebbles program until 45 days after submission of the report.

To reflect the changes in the SDI architecture that would be required by the provision, the provision would provide that the following program elements shall be the exclusive program elements for the Strategic Defense Initiative:

(1) limited defense system
(2) theater missile defenses
(3) space-based interceptors
(4) other follow-on systems
(5) research and support activities

The conferees agree that ground-based interceptors, such as the ground-based interceptor (GBI) program and the endo-exoatmospheric interceptor (E2I) program; ground-based sensors, such as the ground based terminal radar (GBRT) program and the ground-based surveillance and tracking system (GSTS); and space-based sensors, such as Brilliant Eyes, should be funded within the limited defense system program element. The conferees further agree that all space-based interceptor programs, including

Brilliant Pebbles, should be funded within the space-based interceptors program element.

Funding

The conferees recommend a fiscal year 1992 funding level for SDI of $4.15 billion. Of this amount:

(1) not more than $1,521,780,000 shall be available for programs, projects, and activities within the limited defense program element;

(2) not more than $828,710,000 shall be available for programs, projects, and activities within the theater missile defenses program element;

(3) not more than $465,000,000 shall be available for programs, projects, and activities within the space-based interceptors program element, of which not more than $390 million shall be available for the Brilliant Pebbles program;

(4) not more than $629,550,500 shall be available for programs, projects, and activities within the other follow-on systems program element; and

(5) not more than $704,959,500 shall be available for programs, projects, and activities within the research and support activities program element.

Of the amount included for the limited defense system program element, up to $5.0 million may be obligated and expended to carry out an expeditious site-specific environmental impact statement and up to $40.0 million may be obligated and expended to conduct studies, site surveys, technical assessments, analyses, and refurbishments related to removing the Grand Forks ABM site from its deactivated status. The Secretary of Defense may make a one-time adjustment of up to plus or minus 10 percent of the funding levels appropriated pursuant to this authorization to any of the program elements. However, no funds may be transferred from the amount provided the theater missile defense line.

Advanced Research Center

The conferees believe that the Advanced Research Center (ARC), Huntsville, Alabama, continues to make critically important contributions to the development of a ballistic missile defense system. Therefore, they strongly support the Strategic Defense Initiative Organization (SDIO) plan to upgrade the facility's computer hardware and software capabilities.

Unfortunately, upgrades to the ARC computer capabilities have been planned, but repeatedly delayed, over the past several years due to budget pressure and the SDIO predominant focus on developing the National Test Facility's (NTF) computer capabilities. While work at the NTF is important and must continue, it does not justify allowing the considerable capabilities of the ARC to become out-dated. Upgrades to the ARC Computer hardware and software in no way conflict with ongoing work at the NTF and are, in fact, complementary.

On the issue of missile defenses, the conferees make their interests clear by directing the development of a ground-based system for deployment by the earliest date allowed by the availability of appropriate technology or by fiscal year 1996. As such, improvements to the ARC are crucial to the development and support of ground-based elements of such a system. Improvements will also allow the ARC to better support necessary battle management/command, control, and communications testbed development and key technology base programs.

Therefore, the conferees direct SDIO to fully fund its own fiscal year 1992 budget plan of $28.7 million, including $13.7 million for computer upgrades, for the ARC export controls pursuant to the Guidelines and Annex of the Missile Technology Control Regime.

Limitation on development and testing of anti-ballistic missile systems or components (sec. 242)

The Senate amendment contained a provision (sec. 212) that would specify that funds provided to the Defense Department for fiscal year 1992 and previous years may not be obligated or expended for the development or testing of anti-ballistic missile (ABM) systems or components unless such development or testing is consistent with the development and testing described in the May 1991 Strategic Defense Initiative Organization (SDIO) report.

The House bill contained a virtually identical provision (sec. 222).

The House recedes.

Restriction on use of funds for nonvalidated biowarfare threats (sec. 251)

The House bill contained a provision (sec. 216) that would prohibit the use of any Department of Defense funds for research, development, test, evaluation, or product development of countermeasures against a biowarfare threat agent that has not been assessed by the intelligence community as being developed or produced for weaponization purposes.

The Senate amendment contained a provision (sec. 227) that would authorize not more than $53.8 million for fiscal year 1992 for the medical component of the biological defense research program (BRDP). The provision would also prohibit the obligation or expenditure of any DOD funds for product development or for research, development, testing, or evaluation of medical countermeasures against a biowarfare threat agent not contained in the biological warfare threat list published jointly by the Defense Intelligence Agency (DIA) and the Armed Forces Medical Intelligence Center (AFMIC). The provision would require that no less than 80 percent of the medical component of BDRP funding be targeted on validated threats that could be confronted by U.S. armed forces within the next 10 years. In addition, the provision would permit the BDRP to conduct research, development, testing, or evaluation of medical countermeasures, including anti-viral drugs and vaccines, against a biological agent that is not contained in the joint DIA/AFMIC biowarfare threat list if such an exception is approved by the Deputy Chief of Staff of the Army for Intelligence in accordance with applicable Army regulations governing intelligence support for the medical component of the BDRP.

The House recedes.

University Research Initiative (sec. 252)

The Senate amendment contained a provision (sec. 228) that would authorize $107.4 million in funding for the University Research Initiative (URI) program for fiscal year 1992. Of this amount, $20.0 million would be available for university research in manufacturing and industrial process technologies. The provision would also set aside $18.2 million for the URI research initiative program to improve geographic distribution of URI funding, consistent with the overall program goals.

The House bill contained no similar provision.

The House recedes with an amendment that would delete subsection (b)(2) of the Senate provision and direct the Defense Department to continue its program for geographically expanding the research base in accordance with previously submitted URI plans. The conferees would also increase to $30.0 million the amount intended to support manufacturing technology and industrial processes research.

The conferees agree to a total URI authorization of $182.4 million for fiscal year 1992. The conferees note that they intend the research projects in manufacturing technologies and industrial processes funded by this provision to support a broad range of topics, including areas such as computer control, software development, and artificial intelligence that may, for example, be applied to flexible computer integrated manufacturing processes. The intent of this provision is to emphasize within the university research community the Defense Department's growing need for affordable weapon systems, and how research in advanced manufacturing technologies can be used to reduce weapon system acquisition costs.

Of the total amount authorized, the conferees direct that $50.0 million shall be available for the augmented awards for science and engineering research training (AASERT) program initiated in fiscal year 1991. The conferees also direct that $25.0 million be provided for an additional grant for an institute for advanced science and technology originally authorized in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510). The conferees further direct that $10.0 million be made available for the National Defense Science and Engineering Graduate Fellowships program. The conferees also agree to an additional $10.0 million to fund the Defense Department's experimental program to stimulate competitive research (DoD–EPSCOR) with the provision that all States eligible to compete for EPSCOR funding under the similar National Science Foundation program be permitted to compete for these DoD–EPSCOR funds. The conferees direct that $6.0 million be competitively awarded as a grant to a university for instrumentation and scientific equipment in accordance with the conditions stipulated in the House report (H. Rept. 102–60).

Grant for an institute for advanced science and technology (sec. 253)

The House bill contained a provision (sec. 232) that would authorize $25.0 million for competitive award to increase the magnitude of support for an institute for science and technology to carry out research on critical technologies under the conditions set forth in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510).

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees agree that funding for this institute for fiscal year 1992 shall be made available from the funds authorized and appropriated for the University Research Initiative program.

Advanced applied technology demonstration facility for environmental technology (sec. 254)

The House bill contained a provision (sec. 233) that would authorize $20.0 million in fiscal year 1992 and $10.0 million in fiscal year 1993 for a grant to a non-profit organization to establish an advanced technology demonstration facility having expertise in applied environmental technology and business administration. This facility would commercialize new methods for converting waste sludge into environmentally beneficial products. The grant would authorize the acquisition of resources and equipment.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that any such grant be awarded through the use of competitive procedures. Further, the conferees believe (a) that the institution selected for the grant must be a nationally recognized center with demonstrated expertise in applied environmental technology areas such as those described in the House report (H. Rept. 102-60); (b) that the military Services and defense agencies must be able to use the applied technology development and demonstrations in resolving their environmental cleanup problems; and (c) that a clear plan should exist showing how the demonstration facility would, within a period not to exceed three years, require no further grants from the Department of Defense.

The conferees direct the Secretary of Defense to include, as one selection criterion, the level of cost-sharing that will complement the Defense Department funding.

Continued cooperation with Japan on technology research and development (sec. 255)

The Senate amendment contained a provision (sec. 229) that would specify that of the funds made available for basic research, exploratory development, and advanced technology, $10 million shall be available for fiscal year 1992 for research and development projects conducted jointly by the United States and Japan in accordance with section 1454(d) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510).

The House bill contained no similar provision.

The House recedes. The Senate report (S. Rept. 102-113) directed the Secretary of Defense to commission an independent study of U.S.-Japanese scientific and technological relations by the National Academy of Sciences. The conferees recognize the value of such an assessment and direct the Secretary of Defense to commission the National Academy of Sciences to prepare the study described in the Senate report.

Federally funded research and development centers (sec. 256)

The amended budget request failed to comply with congressional guidance regarding federally funded research and development centers (FFRDCs) enacted in the Department of Defense Appropriations Act for Fiscal Year 1991 (Public Law 101-511).

The House bill noted inconsistencies in the application of reductions across various FFRDCs, and recommended selected increases from last year's substantial reductions at several FFRDCs.

The Senate amendment contained a provision (sec. 230) that would instate a comprehensive congressional oversight policy approach to Department of Defense funding and management of FFRDCs.

The House recedes with an amendment.

The conferees agree with the assessments detailed in the Senate report (S. Rept. 102-113) regarding the growth of FFRDCs and the Defense Department's lack of attention to congressional concern. The conferees agree that the ceiling limitations will permit adequate support to DoD yet control growth of the FFRDCs, in the absence of internal DoD guidance. The conferees expect DoD to establish mechanisms to review and justify to the congressional defense committees, on a biennial basis, the requirements for FFRDC assistance, beginning with the defense budget submission for fiscal years 1994 and 1995.

The conferees further note the lack of uniform definitions and standards which renders difficult efforts to compare either funding or manning levels at various FFRDCs. Accordingly, the conferees direct the Secretary of Defense to review the various standards currently in use, and to develop for implementation not later than the end of fiscal year 1993 a set of uniform standards and definitions to be used by all FFRDCs and their sponsors. The Secretary will provide a report on the method selected to the congressional defense committees not later than March 31, 1993.

The conferees further urge the sponsors of FFRDCs within the Department of Defense to exercise a degree of restraint in funding FFRDC activities. By longstanding direction and policy guidance, work is placed with FFRDCs only when neither government in-house agencies nor private-sector for-profit firms can adequately perform the necessary tasks. Because FFRDCs are largely exempt from the requirements of the Competition in Contracting Act, placing work at FFRDCs tends to be both more rapid and less burdensome, but FFRDCs cannot be allowed to exploit unfair competitive advantages. The conferees note again the sizeable growth—23 percent—in manning levels at FFRDCs since the historic peak of the defense budget in 1985, and declare their intention to work with the Department to develop a long-term plan to provide stable reductions in FFRDC manning in future years, commensurate with the needs of DoD for such services and the level of defense spending.

Finally, the Department of Defense is enjoined from creating additional FFRDCs, unless such additional FFRDCs are authorized in law.

Revision in membership of Strategic Environmental Research and Development Program Council (sec. 257)

The Senate amendment contained a provision (sec. 907) that would amend section 2902(b) of title 10, United States Code, by adding one representative from each of the Army, Navy, Air Force, and Coast Guard as non-voting members to the Strategic Environmental Research and Development Program Council.

The House bill contained no similar provision.

The House recedes with an amendment that would designate the Administrator of the National Oceanic and Atmospheric Administration as a permanent member of the Strategic Environmental Research and Development Program Scientific Advisory Board and increase the number of Board members from 13 to 14.

LEGISLATIVE PROVISIONS NOT ADOPTED

Funding limitation for special access program

The House bill contained a provision (sec. 218) that would establish a funding limitation on a special access program.

The Senate amendment contained no similar provision.

The House recedes.

Lyme disease research and education program

The House bill contained a provision (sec. 235) that would authorize $800,000 to establish a research and education program within the Department of the Army on the causes, detection, and transmission of Lyme disease and Rocky Mountain spotted fever.

The Senate bill contained no similar provision.

The House recedes.

National defense center for environmental excellence

The House bill contained a provision (sec. 236) that would authorize $5.0 million in fiscal year 1992 for the National Defense Center for Environmental Excellence.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree, however, that $5.0 million shall be made available for this center from funding authorized and appropriated for the Department of the Army's industrial preparedness research and development program.

Engine model development program

The Senate amendment contained a provision (sec. 231) that would provide $3.0 million to complete qualification testing of a thousand-pound thrust class engine for use in future cruise missile designs.

The House bill contianed no similar provision.

The conferees recommend $3.0 million for the purpose stated in the Senate provision. The conferees endorse the goal of the Senate provision, but do not believe a statutory provision is required to implement this direction. The conferees believe that this authorization concludes any requirements for government funding to qualify or otherwise develop this engine.

TITLE III—OPERATION AND MAINTENANCE AND WORKING CAPITAL FUNDS

OVERVIEW

The House bill would authorize $84,287,748,000 for operation and maintenance in the Department of Defense and $2,420,100,000 for Working Capital Fund accounts in fiscal year 1992. The House bill would not authorize any funds for fiscal year 1993.

The Senate amendment would authorize $85,046,730,000 for operation and maintenance for the Department of Defense and $3,400,200,000 for the Working Capital Fund accounts in fiscal year 1992. The Senate amendment would also authorize $87,010,000,000 for operation and maintenance for the Department of Defense and $1,145,300,000 for Working Capital Fund accounts in fiscal year 1993.

The conferees recommend authorization of $84,340,060,000 for operation and maintenance in the Department of Defense and $3,400,200,000 for Working Capital Fund accounts in fiscal year 1992, and $87,005,000,000 for operation and maintenance and $1,145,300,000 for Working Capital Fund accounts in fiscal year 1993, as reflected in the following tables.

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OPERATION AND MAINTENANCE
SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION
(DOLLARS IN THOUSANDS)

ACCOUNT	FY 1992 REQUEST	HOUSE CHANGE	FY 1992 HOUSE AUTHORIZED	SENATE CHANGE	FY 1992 SENATE AUTHORIZED	CONFERENCE CHANGE	FY 1992 CONFERENCE AUTHORIZED
O&M, ARMY	21,886,800	(1,239,274)	20,647,526	(623,700)	21,263,100	(730,946)	21,155,854
O&M, NAVY	23,934,200	(1,357,773)	22,576,427	(785,850)	23,148,350	(748,820)	23,185,380
O&M, MARINE CORPS	1,894,600	(108,295)	1,786,305	275,700	2,170,300	(49,100)	1,845,500
O&M, AIR FORCE	20,351,900	(1,188,787)	19,163,113	(388,520)	19,963,380	(694,890)	19,657,010
O&M, DEFENSE AGENCIES	8,794,800	1,557,783	10,352,583	(159,000)	8,635,800	(142,084)	8,652,716
O&M, INSPECTOR GENERAL	115,900	4,700	120,600	4,200	120,100	4,200	120,100
O&M, ARMY RESERVE	937,200	9,350	946,550	25,900	963,100	31,000	968,200
O&M, NAVY RESERVE	816,100	(19,403)	796,697	25,400	841,500	8,500	824,600
O&M, MARINE CORPS RESERVE	75,900	2,327	78,227	6,000	81,900	5,000	80,900
O&M, AIR FORCE RESERVE	1,075,400	(8,040)	1,067,360	5,500	1,080,900	3,300	1,078,700
O&M, ARMY NATIONAL GUARD	2,080,700	16,440	2,097,140	48,200	2,128,900	44,100	2,124,800
O&M, AIR NATIONAL GUARD	2,287,800	(44,684)	2,243,116	(7,400)	2,280,400	(11,500)	2,276,300
RIFLE PRACTICE, ARMY	5,000	(1,000)	4,000	0	5,000	(1,000)	4,000
COURT OF MILITARY APPEALS	5,500	0	5,500	0	5,500	0	5,500
ENVIRONMENTAL RESTORATION	1,252,900	0	1,252,900	(69,000)	1,183,900	(69,000)	1,183,900
HUMANITARIAN ASSISTANCE	13,000	0	13,000	0	13,000	0	13,000
DRUG INTERDICTION/COUNTER DRUG ACTV	1,158,600	(24,896)	1,133,704	0	1,158,600	0	1,158,600
WORLD UNIVERSITY GAMES	0	3,000	3,000	1,000	1,000	3,000	3,000
SUMMER OLYMPICS	0	0	0	2,000	2,000	2,000	2,000
TOTAL OPERATION & MAINTENANCE	86,686,300	(2,398,552)	84,287,748	(1,639,570)	85,046,730	(2,346,240)	84,340,060

WORKING CAPITAL FUNDS

ACCOUNT	FY 1992 REQUEST	HOUSE CHANGE	FY 1992 HOUSE AUTHORIZED	SENATE CHANGE	FY 1992 SENATE AUTHORIZED	CONFERENCE CHANGE	FY 1992 CONFERENCE AUTHORIZED
WORKING CAPITAL FUNDS							
Army Stock Fund	0	827,300	827,300	0	0	0	0
Navy Stock Fund	0	0	0	0	0	0	0
Air Force Stock Fund	0	1,592,800	1,592,800	0	0	0	0
Defense Stock Fund	0	0	0	0	0	0	0
Army Industrial Fund	0	0	0	0	0	0	0
Navy Industrial Fund	0	0	0	0	0	0	0
Marine Corps Industrial Fund	0	0	0	0	0	0	0
Air Force Industrial Fund	0	0	0	0	0	0	0
Defense Industrial Fund	0	0	0	0	0	0	0
Defense Business Operations Fund	3,400,200	(3,400,200)	0	0	3,400,200	0	3,400,200
TOTAL WORKING CAPITAL FUNDS	3,400,200	(980,100)	2,420,100	0	3,400,200	0	3,400,200

O&M, ARMY
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, ARMY	21,886,800		20,647,526		21,263,100		21,155,854
DBOF adjustment		(225,600)				0	
AMC headquarters		(15,000)				(5,000)	
Recruiting		(10,000)				(5,000)	
Administration		(10,000)				(10,000)	
Base closure contingency		(41,000)				(41,000)	
Real property maintenance (to MILCON)		(581,800)				0	
Excess inventories		(90,000)				(45,000)	
Foreign national civilians		(110,000)				(65,000)	
Overseas training		(20,000)				(20,000)	
Classified programs		(216,374)		(48,300)		(54,746)	
AAFES European headquarters relocation		8,000				8,000	
Nursing demonstration program		2,500				0	
Chemical equipment and training		50,000				50,000	
Combat training center		20,000				20,000	
Foreign currency repricing				(510,200)		(342,300)	
Revised inflation estimate				(28,800)		(48,900)	
Revolving fund balances				(100,000)		(230,000)	
FY 1991 civilian personnel program				(30,000)		(30,000)	
Travel				(15,000)		(15,000)	
Depot maintenance				40,000		40,000	
Real property maintenance				125,000		120,000	
Environmental compliance				15,000		15,000	
Chief Financial Officer Act of 1990				3,500		3,500	
Army Environmental Policy Institute				1,500		1,500	
CHAMPUS				23,400		11,000	
Arms control						11,800	
Pentagon Reservation improvements				25,600		25,600	
DBOF - MILCON Capital Budget				(74,700)		(74,700)	
DBOF - technical corrections				(50,700)		(50,700)	
TOTAL		(1,239,274)		(623,700)		(730,946)	

O&M, NAVY
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, NAVY	23,934,200		22,576,427		23,148,350		23,185,380
DBOF adjustment		(586,700)				0	
Sea Systems Command		(15,000)				(5,000)	
Naval Aviation Command		(15,000)				(5,000)	
Base closure contingency		(50,000)				(50,000)	
Real property maintenance (to MILCON)		(417,820)				0	
Excess inventories		(110,000)				(55,000)	
Foreign national civilians		(50,000)				(15,000)	
Classified programs		(118,253)		(22,400)		(14,070)	
Quality of life improvements, Naples		5,000				5,000	
Foreign currency repricing				(50,800)		(20,000)	
Revised inflation estimate				(28,200)		(53,500)	
Revolving fund balances				(100,000)		(230,000)	
FY 1991 Civilian personnel program				(31,000)		(31,000)	
Persian Gulf depot maintenance				(255,000)		(255,000)	
Depot maintenance				75,000		75,000	
Real property maintenance				100,000		90,000	
Environmental compliance				15,000		15,000	
Recruiting				14,100		0	
Chief Financial Officer Act of 1990				1,850		1,850	
Navy earth orbit activities				900		900	
CHAMPUS				26,300		13,000	
Fenwick Pier demonstration project						1,000	
Arms control						(27,400)	
Pentagon Reservation improvements				9,600		9,600	
DBOF - MILCON Capital Budget				(194,200)		(194,200)	
DBOF - technical corrections				(5,000)		(5,000)	
Executive Agent - Maritime Prepositioning				(342,000)		0	
TOTAL		(1,357,773)		(785,850)		(748,820)	

O&M, MARINE CORPS
($ IN THOUSANDS)

	FY 92 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, MARINE CORPS	1,894,600		1,786,305		2,170,300		1,845,500
DBOF adjustment		(20,500)				0	
Real property maintenance (to MILCON)		(102,795)				0	
Chemical equipment and training		15,000				15,000	
Foreign currency repricing				(5,000)		3,000	
Revised inflation estimate				(2,400)		(4,200)	
FY 1991 civilian personnel program				(5,000)		(5,000)	
MPS reconstitution				(75,000)		(75,000)	
Depot maintenance				10,000		10,000	
Real property maintenance				15,000		15,000	
Recruiting				4,000		0	
DBOF - MILCON Capital Budget				(6,800)		(6,800)	
DBOF - technical corrections				(1,100)		(1,100)	
Executive Agent - Maritime Prepositioning				342,000		0	
TOTAL		(108,295)		275,700		(49,100)	

O&M, AIR FORCE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, AIR FORCE	20,351,900		19,163,113		19,963,380		19,657,010
DBOF adjustment		(182,100)				0	
Headquarters and administration		(25,000)				(25,000)	
Civilian pay adjustment		(30,000)				(30,000)	
Wartime host nation support		(4,000)				(4,000)	
Base closure contingency		(59,000)				(59,000)	
Real property maintenance (to MILCON)		(408,850)				0	
Excess inventories		(140,000)				(90,000)	
Foreign national civilians		(30,000)				(15,000)	
Classified programs		(339,337)		(47,600)		(45,470)	
Junior ROTC		2,500				2,500	
Computer aided acquisition & logistics system (CALS)		27,000				27,000	
Foreign currency repricing				(179,200)		(129,600)	
Revised inflation estimate				(29,100)		(45,500)	
Revolving fund balances				(100,000)		(230,000)	
FY 1991 civilian personnel program				(76,000)		(76,000)	
Travel				(40,000)		(40,000)	
Depot maintenance				75,000		75,000	
Real property maintenance				60,000		55,000	
Environmental compliance				15,000		15,000	
Chief Financial Officer Act of 1990				7,000		7,000	
Civil Air Patrol				880		1,380	
CHAMPUS				21,300		10,000	
Arms control						(2,400)	
Pentagon Reservation improvements				18,400		18,400	
DBOF - MILCON Capital Budget				(60,200)		(60,200)	
DBOF - technical corrections				(54,000)		(54,000)	
TOTAL		(1,188,787)		(388,520)		(694,890)	

O&M, DEFENSE AGENCIES
($ IN THOUSANDS)

	FY 92 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, DEFENSE AGENCIES	8,794,800		10,352,583		8,635,800		8,652,716
DBOF adjustment		(300)				0	
Arms control - OSIA		(15,000)		(28,300)		(28,300)	
Arms control - DLA						6,800	
Real property maintenance (to MILCON)		(55,217)				0	
Excess inventories		(25,000)				(12,500)	
Foreign national civilians		(12,000)				(5,000)	
Office of Economic Adjustment				1,000		0	
Military Family Resource Center		(5,000)				(3,000)	
DLA procurement technical assistance		9,000				9,000	
Special Operations Forces		43,000		42,300		43,000	
Defense Commissary Agency		980,100				0	
Classified programs		638,200		(102,300)		(77,284)	
Foreign currency repricing				(51,400)		(32,500)	
Revised inflation estimate				(11,700)		(19,700)	
Revolving fund balances				(50,000)		(110,000)	
Legacy Resource Management Program				15,000		15,000	
National Defense Stockpile operations						32,000	
Pentagon Reservation improvements				26,500		26,500	
DBOF - MILCON Capital Budget				(100)		(100)	
Defense Contract Audit Agency						14,000	
TOTAL		1,557,783		(159,000)		(142,084)	

O&M, INSPECTOR GENERAL
($ IN THOUSANDS)

	FY 92 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, INSPECTOR GENERAL	115,900		120,600		120,100		120,100
Legislative workload		4,700		4,700		4,700	
Transfer to procurement				(500)		(500)	
TOTAL		4,700		4,200		4,200	

O&M, ARMY RESERVE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, ARMY RESERVE	937,200		946,550		963,100		968,200
DBOF adjustment		(6,600)				0	
Real property maintenance (to MILCON)		(21,050)				0	
Selected reserve end strength		37,000		31,000		37,000	
Revised inflation estimate				(1,200)		(2,100)	
DBOF - MILCON Capital Budget				(2,200)		(2,200)	
DBOF - technical corrections				(1,700)		(1,700)	
TOTAL		9,350		25,900		31,000	

O&M, NAVY RESERVE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, NAVY RESERVE	816,100		796,697		841,500		824,600
DBOF adjustment		(10,600)				0	
Real property maintenance (to MILCON)		(22,803)				0	
Harbor mine hunting coop program		2,000				2,000	
Selected reserve end strength		12,000		30,000		12,000	
Revised inflation estimate				(900)		(1,800)	
DBOF - MILCON Capital Budget				(3,500)		(3,500)	
DBOF - technical corrections				(200)		(200)	
TOTAL		(19,403)		25,400		8,500	

O&M, MARINE CORPS RESERVE
($ IN THOUSANDS)

	FY 92 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, MARINE CORPS RESERVE	75,900		78,227		81,900		80,900
Real property maintenance (to MILCON)		(2,673)				0	
Selected reserve end strength		5,000		6,000		5,000	
TOTAL		2,327		6,000		5,000	

O&M, AIR FORCE RESERVE
($ IN THOUSANDS)

	FY 92 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, AIR FORCE RESERVE	1,075,400		1,067,360		1,080,900		1,078,700
DBOF adjustment		(4,500)				0	
Real property maintenance (to MILCON)		(11,540)				0	
Selected reserve end strength		8,000		8,000		8,000	
Revised inflation estimate				(200)		(2,400)	
DBOF - MILCON Capital Budget				(1,500)		(1,500)	
DBOF - technical corrections				(800)		(800)	
TOTAL		(8,040)		5,500		3,300	

O&M, ARMY NATIONAL GUARD
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, ARMY NATIONAL GUARD	2,080,700		2,097,140		2,128,900		2,124,800
DBOF adjustment		(15,100)				0	
Real property maintenance (to MILCON)		(32,460)				0	
Selected reserve end strength		64,000		65,000		64,000	
Revised inflation estimate				(1,500)		(4,600)	
DBOF - MILCON Capital Budget				(5,000)		(5,000)	
DBOF - technical corrections				(10,300)		(10,300)	
TOTAL		16,440		48,200		44,100	

O&M, AIR NATIONAL GUARD
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, AIR NATIONAL GUARD	2,287,800		2,243,116		2,280,400		2,276,300
DBOF adjustment		(12,100)				0	
Real property maintenance (to MILCON)		(32,584)				0	
Revised inflation estimate				(1,000)		(5,100)	
DBOF - MILCON Capital Budget				(4,000)		(4,000)	
DBOF - technical corrections				(2,400)		(2,400)	
TOTAL		(44,684)		(7,400)		(11,500)	

O&M, RIFLE PRACTICE, ARMY
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, RIFLE PRACTICE, ARMY	5,000		4,000		5,000		4,000
Reduction		(1,000)		0		(1,000)	
TOTAL		(1,000)		0		(1,000)	

O&M, U.S. COURT OF MILITARY APPEALS
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, U.S. COURT OF MILITARY APPEALS	5,500		5,500		5,500		5,500
TOTAL		0		0		0	

O&M, ENVIRONMENTAL RESTORATION, DEFENSE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, ENVIRONMENTAL RESTORATION DEFENSE	1,252,900		1,252,900		1,183,900		1,183,900
Reduction				(69,000)		(69,000)	
TOTAL		0		(69,000)		(69,000)	

O&M, HUMANITARIAN ASSISTANCE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, HUMANITARIAN ASSISTANCE	13,000		13,000		13,000		13,000
TOTAL		0		0		0	

O&M, DRUG INTERDICTION & COUNTER DRUG ACT, DEFENSE
($ IN THOUSANDS)

	FY 92 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O&M, DRUG INTERDICTION	1,158,600		1,133,704		1,158,600		1,158,600
Project 3415 Riverine Craft (Procurement)		(3,000)					
Project 6404 SOCOM Riverine Support (Proc.)		(1,100)					
Project 7405 Air Nat. Guard Alert Detach.		(5,137)					
Project 9402 Joint Staff Support		(369)					
Project 1403 Counter-drug R&D		(10,000)					
Project 7403 National Guard		(15,000)					
Project 4420 AFOSI Drug Enforcement		(2,290)					
Project 4211 AWAC's Adaptive HF Commo		(6,000)					
Demand reduction		(10,000)					
OPTEMPO		(12,000)					
Support to law enforcement		40,000					
TOTAL		(24,896)		0		0	

O&M, WORLD UNIVERSITY GAMES
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, WORLD UNIVERSITY GAMES	0		3,000		1,000		3,000
Increase		3,000		1,000		3,000	
TOTAL		3,000		1,000		3,000	

O&M, 1996 SUMMER OLYMPICS
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, 1996 SUMMER OLYMPICS	0		0		2,000		2,000
Increase				2,000		2,000	
TOTAL		0		2,000		2,000	

O&M, WORKING CAPITAL FUNDS
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY 92 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O&M, WORKING CAPITAL FUNDS							3,400,200
Army Stock Fund	0	827,300	827,300	0	0	0	
Navy Stock Fund	0	0	0	0	0	0	
Air Force Stock Fund	0	1,592,800	1,592,800	0	0	0	
Defense Stock Fund	0	0	0	0	0	0	
Army Industrial Fund	0	0	0	0	0	0	
Navy Industrial Fund	0	0	0	0	0	0	
Marine Corps Industrial Fund	0	0	0	0	0	0	
Air Force Industrial Fund	0	0	0	0	0	0	
Defense Industrial Fund	0	0	0	0	0	0	
Defense Business Operations Fund	3,400,200	(3,400,200)	0	0	3,400,200	3,400,200	
TOTAL	3,400,200	(980,100)	2,420,100	0	3,400,200	3,400,200	

OPERATION AND MAINTENANCE
SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION
(DOLLARS IN THOUSANDS)

ACCOUNT	FY 1993 REQUEST	HOUSE CHANGE	FY 1993 HOUSE AUTHORIZED	SENATE CHANGE	FY 1993 SENATE AUTHORIZED	CONFERENCE CHANGE	FY 1993 CONFERENCE AUTHORIZED
O&M, ARMY	19,936,500	(19,936,500)	0	102,700	20,039,200	102,700	20,039,200
O&M, NAVY	23,699,800	(23,699,800)	0	81,300	23,781,100	81,300	23,781,100
O&M, MARINE CORPS	1,739,800	(1,739,800)	0	450,400	2,190,200	450,400	2,190,200
O&M, AIR FORCE	20,760,400	(20,760,400)	0	287,200	21,047,600	287,200	21,047,600
O&M, DEFENSE AGENCIES	7,583,200	(7,583,200)	0	1,536,600	9,119,800	1,536,600	9,119,800
O&M, INSPECTOR GENERAL	116,700	(116,700)	0	0	116,700	0	116,700
O&M, ARMY RESERVE	973,100	(973,100)	0	20,400	993,500	20,400	993,500
O&M, NAVY RESERVE	797,000	(797,000)	0	19,950	816,950	19,950	816,950
O&M, MARINE CORPS RESERVE	75,400	(75,400)	0	2,250	77,650	2,250	77,650
O&M, AIR FORCE RESERVE	1,232,500	(1,232,500)	0	31,400	1,263,900	31,400	1,263,900
O&M, ARMY NATIONAL GUARD	2,083,700	(2,083,700)	0	32,600	2,116,300	32,600	2,116,300
O&M, AIR NATIONAL GUARD	2,700,900	(2,700,900)	0	22,700	2,723,600	22,700	2,723,600
RIFLE PRACTICE, ARMY	5,000	(5,000)	0	0	5,000	(5,000)	0
COURT OF MILITARY APPEALS	5,900	(5,900)	0	0	5,900	0	5,900
ENVIRONMENTAL RESTORATION	1,450,200	(1,450,200)	0	0	1,450,200	0	1,450,200
HUMANITARIAN ASSISTANCE	13,000	(13,000)	0	0	13,000	0	13,000
DRUG INTERDICTION/COUNTER DRUG ACTV	1,249,400	(1,249,400)	0	0	1,249,400	0	1,249,400
TOTAL OPERATION & MAINTENANCE	84,422,500	(84,422,500)	0	2,587,500	87,010,000	2,582,500	87,005,000

WORKING CAPITAL FUNDS

ACCOUNT	FY 1993 REQUEST	HOUSE CHANGE	FY 1993 HOUSE AUTHORIZED	SENATE CHANGE	FY 1993 SENATE AUTHORIZED	CONFERENCE CHANGE	FY 1993 CONFERENCE AUTHORIZED
WORKING CAPITAL FUNDS							
Army Stock Fund	0	0	0	0	0	0	0
Navy Stock Fund	0	0	0	0	0	0	0
Air Force Stock Fund	0	0	0	0	0	0	0
Defense Stock Fund	0	0	0	0	0	0	0
Army Industrial Fund	0	0	0	0	0	0	0
Navy Industrial Fund	0	0	0	0	0	0	0
Marine Corps Industrial Fund	0	0	0	0	0	0	0
Air Force Industrial Fund	0	0	0	0	0	0	0
Defense Industrial Fund	0	0	0	0	0	0	0
Defense Business Operations Fund	2,273,200	(2,273,200)	0	(1,127,900)	1,145,300	(1,127,900)	1,145,300
Pentagon Reservation Maint. Rev. Fund	63,300	(63,300)	0	(63,300)	0	(63,300)	0
TOTAL WORKING CAPITAL FUNDS	2,336,500	(2,336,500)	0	(1,191,200)	1,145,300	(1,191,200)	1,145,300

ITEMS OF SPECIAL INTEREST

Maintaining the industrial base for critical "war stopper" items

The experience of Operation Desert Storm underscores the importance of maintaining the production capability in the industrial base for critical items of military supply and material. During Operation Desert Storm, a number of items were identified as potential "war stoppers," including chemical antidote autoinjectors; chemical protective gloves; chemical protective suit ensembles; combat rations, including Meals, Ready-to-Eat (MREs) and Tray Pack Rations (T-rations); combat boots, including cold weather boots; and barrier materials. The Defense Department considers an item to be a "war stopper" if it is critical to carrying out the mission of the military Services and has a large surge of mobilization requirement, but peacetime buys are insufficient to maintain an industrial capability. Often these critical items have limited shelf lives and long production lead times.

Now that the production surge requirements of Operation Desert Storm have ended, there are pressures to cut back on the acquisition of these critical items and to close production lines. The result could very well be the loss of critical production capability that is essential to meet surge requirements like Operation Desert Storm in the future.

The conferees direct the Defense Department to take the necessary steps to ensure the maintenance and stability of the industrial base for critical "war stopper" items in the future. The conferees direct the Secretary of Defense to submit a report to the congressional defense committees no later than January 31, 1992 on the approach it has selected and how that approach will be implemented.

Contracting of functions at closing military bases

The conferees note that in a number of instances, the military Services will be considering the contracting of functions which are currently performed by the Services at installations which will be closed. Consideration of the contracting of certain technical training functions by the Air Force is an example.

In pursuing these alternatives, the conferees direct the military Service involved to consider contractor use of facilities on closing bases. In some instances, this may require timely development of interim leasing arrangements so that potential contractors are able to develop bids making use of surplus training facilities which were often custom designed for that function. By considering the potential reuse of these facilities, the military Service will encourage contracting proposals which could optimize the government's past facility investment and provide the lowest overall training cost.

Ribbed ventilating undergarments

The conferees are aware of a clothing item called a ribbed ventilating undergarment which is designed to create a body thermostat system that cools an individual in a hot climate and warms when it is cool. The Marine Corps is currently testing this item of clothing. The Marine Corps should report to the congressional defense committees and to the other military Services on the results of its test of this item of clothing no later than May 1, 1992.

On-Site Inspection Agency

The amended budget request contained $182.9 million for operation and maintenance (O&M) requirements for the On-Site Inspection Agency (OSIA).

The House bill would reduce the requested amount by $15.0 million based on estimated delays and reductions in the arms control requirements of OSIA.

The Senate amendment would reduce the requested amount by $28.3 million based on revised estimates provided to the Senate Armed Services Committee after the House bill had been approved. The revised estimates were based on reductions in inspection requirements under the Conventional Forces in Europe (CFE) Treaty and changes in the projected dates of entry into force of both the CFE Treaty and the Strategic Arms Reduction Treaty (START).

After thorough consultations with OSIA and other Department of Defense officials regarding revisions in OSIA requirements, the conferees agree to a reduction of $28.3 million from the requested amount. However, if OSIA requirements evolve further, the authorizing committees will consider requests by the Department of Defense for additional adjustments in OSIA funding during the fiscal year, as appropriate. The conferees recommend authorization of $154.6 million for O&M for OSIA for fiscal year 1992.

In addition, the conferees recommend authorizing $22.93 million for fiscal year 1992 for procurement for OSIA. The details of this recommendation are provided within the procurement section of this statement of the managers.

U.S. military presence in the Philippines

The future of the U.S. military presence in the Philippines is uncertain. The tremendous damage caused by the eruption of Mt. Pinatubo and the Philippine Senate's rejection of a new base agreement have made it extremely difficult to plan the future duration and extent of U.S. military operations in the Philippines.

For fiscal year 1991, the cost for clean-up, claims, evacuation, and replacement equipment at Subic Naval Base has been estimated at about $270.0 million above normal base operations costs. It is estimated that another $130 million could be required to upgrade certain facilities at Subic Naval Base if the U.S. Navy is allowed to operate there for an extended period of time. Because it is uncertain how long the U.S. military will operate at Subic Naval Base, the conferees believe that the highest priority repairs of facilities there should ensure the health, safety, and quality of life.

The U.S. facilities at Clark Air Base will be turned over to the Government of the Philippines in December 1991. The conferees expect that the excess fuel remaining at Clark Air Base will be transferred for the use of U.S. military forces at Subic Naval Base.

The amended budget request included about $50.0 million for base operations at Clark Air Base during fiscal year 1992. Now that U.S. forces will be leaving Clark Air Base in December, the conferees expect that most of this $50.0 million will be used to pay personal property claims arising from the volcanic eruption. These claims are now estimated to be about $110 million.

The eruption of Mt. Pinatubo caused considerable hardship for U.S. military and civilian personnel and their families. Their personal property claims must be settled quickly and fairly. The conferees direct the Department of Defense to submit within 90 days after the enactment of this act a report to the Committees on Armed Services of the Senate and House of Representatives on: (1) the estimate of the number and value of the claims that are expected to be filed; (2) the actual number and value of the claims that have been settled; (3) the average time that it takes to settle claims after they are filed; and (4) the Defense Department's plan to fund the settlement of these claims.

Environmental practices at Naval Education and Training Center, Newport, Rhode Island

The conferees have been informed of a recent Environmental Protection Agency (EPA) inspection of environmental practices at the Naval Education and Training Center (NETC), Newport, Rhode Island. During this inspection, EPA officials discovered problems in the storage and handling of hazardous waste.

The conferees are concerned that NETC, Newport, as well as a number of other DoD facilities, continue to have problems with the storage and disposal of hazardous waste. Although the EPA has not issued its final report on NETC, Newport, the conferees are pleased that the Navy is taking steps to address and correct the problems identified by EPA at this facility to prevent any future occurrences of this kind.

Aircraft paint stripping study

The House report (H. Rept. 102–60) directed the Air Force Industrial Preparedness (MANTECH) office to evaluate plastic bead blasting techniques as an alternative means to remove paint. Test results would be made available for congressional review by March 1, 1992.

The Senate report (S. Rept. 102–113) directed the Secretary of the Air Force to study various paint stripping equipment technologies to evaluate potential savings in hazardous waste generation along with overall performance of the various approaches. A report would be submitted to the Committees on Armed Services of the Senate and House of Representatives within 120 days of the enactment of this act.

The conferees direct the Secretary of the Air Force to perform the required study following the guidelines set forth in the Senate report, and also direct that this study should take advantage of existing paint stripping test data bases that have been already compiled by both domestic and foreign aircraft manufacturers and airlines.

Economic adjustment assistance

In providing economic adjustment assistance pursuant to Division D of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), the Department of Defense has interpreted Division D to apply only to a community that is "substantially and seriously" affected by the termination of a single contract or to defense reductions that affect a single contractor. Notwithstanding any language which may give rise to inferences to the contrary in enactment of Division D, Congress intended the term "contract" as used in subsection 4101(a) to be interpreted in accordance with the rules of statutory construction (1 U.S.C. 1) that the use of the words importing the singular include and apply to several things—in this case, multiple Department of Defense contract actions which may "substantially and seriously affect a community."

Age requirements for automobile rental

The conferees understand that some automobile rental companies in the United States may have rental policies based on age that prevent many military men and women from renting an automobile.

The conferees direct the General Accounting Office to survey the rental policies with regard to age of major automobile rental companies in the United States, the basis for these policies, and the effect of these policies on U.S. military members. The General Accounting Office should submit the results of this survey to the congressional defense committees no later than June 1, 1992.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Armed Forces Retirement Home (sec. 303)

The House bill contained a provision (sec. 303) that would authorize $50.8 million to be appropriated for fiscal year 1992 from the Armed Forces Retirement Home Trust Fund for the operation of the Armed Forces Retirement Home.

The Senate amendment contained a provision (sec. 303) that would authorize $57.7 million to be appropriated in fiscal year 1992 for this purpose.

The House recedes.

Humanitarian assistance (sec. 304)

The House bill contained a provision (sec. 304) that would extend through fiscal year 1992 the authority contained in prior defense authorization acts for the provision of humanitarian assistance.

The Senate amendment contained a similar provision (sec. 304).

The Senate recedes.

Support for the 1993 World University Games (sec. 305)

The House bill contained a provision (sec. 305) that would authorize the Secretary of Defense to provide logistical support and personnel services in connection with the 1993 World University Games to be held in the State of New York. The House bill would also authorize $3.0 million for this support in fiscal year 1992.

The Senate amendment contained a similar provision (sec. 305) that would authorize the Secretary of Defense to support the 1993 World University Games, and would authorize $1.0 million for this support in fiscal year 1992.

The Senate recedes with an amendment that would provide that the costs for pay and nontravel-related allowances of members of the Armed Forces providing support and services to the 1993 World University Games (other than members of the reserve components called or ordered to active duty to provide support for the Games) may not be charged to appropriations authorized under this provision. The conferees expect the Defense Department to include future costs for DoD support for these Games in its budget request.

Support for the 1996 Summer Olympics (sec. 306)

The Senate amendment contained a provision (sec. 306) that would authorize the Secretary of Defense to provide logistical support and personnel services in connection with the 1996 games of the XXVI Olympiad. This section would also authorized $2.0 million for the Department of Defense for fiscal year 1992 to provide this support.

The House bill contained no similar provision.

The House recedes with an amendment. The conferees expect the Defense Department to include future costs for DoD support for these Games in its budget request.

Inauguration assistance (sec. 307)

The Senate amendment contained a provision (sec. 322) that would authorize the Secretary of Defense to provide support to the Inaugural Committee established under the Presidential Inaugural Ceremonies Act (36 U.S.C. 721) and to the joint committee of the Senate and the House of Representatives described in that Act.

The House bill contained no similar provision.

The House recedes.

Limitation on obligations against stock funds (sec. 311)

The House bill contained a provision (sec. 311) that would place a ceiling on certain obligations against the stock funds of the Department of Defense during fiscal year 1992.

The Senate amendment contained a similar provision (sec. 311).

The House recedes.

Repeal of requirement for authorization of civilian personnel by end of strength (sec. 312)

The House bill contained a provision (sec. 312) that would provide that civilian personnel of the Department of Defense may not be managed during fiscal year 1992 on the basis of any end strength constraint or limitation.

The Senate amendment contained a provision (sec. 321) that would repeal the requirement for the Department of Defense to manage civilian personnel by end strengths.

The House recedes.

Limitation relating to consolidation of supply depots (sec. 313)

The House bill contained a provision (sec. 314) that would temporarily suspend the consolidation of supply operations currently occurring under the Defense Logistics Agency. No further consolidation could take place until the prototype demonstration projects in the San Francisco Bay area and the Defense Distribution East area are completed, including the development and implementation of the required automatic data processing systems. The Defense Department would have to report to Congress on the results of its analysis before it began any further consolidations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

Limitation on depot maintenance workload competitions (sec. 314)

The House bill contained a provision (sec. 322) that would allow the Department of Defense to compete annually between $5.0 to $15.0 million of depot maintenance workload with the private sector. This provision would also limit the competition to not more than 40 percent of each depot's workload.

The Senate amendment contained a provision (sec. 313) that would amend section 922(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) to extend the depot maintenance workload competition pilot program through fiscal year 1992. This provision would also repeal section 2464 of title 10, United States Code, which currently prohibits the Army and the Air Force from competing depot maintenance tasks between the Army and the Air Force or between the Army or the Air Force and a private contractor.

The Senate recedes with an amendment. The conference provision would provide that not less than 60 percent of the total depot maintenance of material in the Army and the Air Force shall be performed by employees of the Department of Defense. This percentage limitation should be measured in dollars. The conference provision would also provide that the civilian employees of the Department of Defense involved in the depot-level maintenance of material may not be managed on the basis of any end-strength constraint or limitation on the number of such employees who may be employed on the last day of a fiscal year. Such employees shall be managed solely on the basis of the available workload and the funds made available for such depot-level maintenance.

The Secretary of the Army and the Secretary of the Air Force may not cancel a depot-level maintenance contract in effect on the date of enactment of this Act in order to comply with the requirements of this provision. The Secretary of the Army and the Secretary of the Air Force may waive the operation of this provision for their respective Services if the Secretary concerned determines that the waiver is necessary for reasons of national security and notifies Congress regarding the reasons for the waiver. Not later than January 15 of 1992 and 1993, the Secretary of the Army and the Secretary of the Air Force shall jointly submit to Congress a report describing the progress during the preceding fiscal year to achieve and maintain the percentage limitation of depot-level maintenance required to be performed by employees of the Department of Defense pursuant to this provision.

The conference provision would also authorize a depot maintenance competition pilot program for the Army and the Air Force. During fiscal years 1992 and 1993, the Secretary of Defense shall conduct a pilot program under which competitive procedures are used to select entities to perform depot-level maintenance of material for the Army and the Air Force. The program may not involve more than 10 percent of all depot-level maintenance of material that is not required to be performed by employees of the Department of Defense pursuant to the limitations in this provision. The conferees direct that depot maintenance programs selected for this competition pilot program not be drawn disproportionately from one or several Army or Air Force depot maintenance activities. Not later than December 1, 1993, the Secretary of Defense shall submit a report to Congress containing a five-year strategy of the Department of Defense to use competitive procedures for the selection of entities to perform depot maintenance workloads and describing the cost savings anticipated through the use of these procedures.

Authority of base commanders over contracting for commercial activities (sec. 315)

The House bill contained a provision (sec. 323) that would make permanent the authority of base commanders over contracting for commercial activities in section 2468 of title 10, United States Code.

The Senate amendment contained a provision (sec. 314) that would repeal section 2468 of title 10, United States Code.

The Senate recedes with an amendment that would extend the temporary authority of base commanders over contracting for commercial activities through September 30, 1993. The conferees direct the Secretary of Defense to submit a report to the congressional defense committees no later than March 1, 1993, pertaining to the impact of this provision on the commercial activities of the Department of Defense.

Defense Business Operations Fund (sec. 316)

The House bill contained a provision (sec. 341) that would prohibit the Department of Defense from establishing a Defense Business Operations Fund (DBOF).

The Senate amendment contained no similar provision, and would authorize funds for the DBOF for fiscal year 1992.

The Senate recedes with an amendment that would authorize the establishment and operation of the DBOF through April 15, 1993. This fund would consolidate the activities previously funded in the existing stock and industrial funds, as well as the Defense Finance and Accounting Service, the Defense Commissary Agency, the Defense Technical

Information Center (including the Information Analysis Centers), the Defense Reutilization and Marketing Service, and the Defense Industrial Plant Equipment Center. The Defense Department shall maintain the separate identity of each working-capital fund and industrial, commercial, or support type activity managed through the DBOF for purposes of accounting, financial reporting, and auditing. The conferees endorse the concept of capital budgeting for equipment for the DBOF, but disapprove funding military construction projects through this new fund.

The conferees direct that no new activities be funded through the DBOF in fiscal year 1993 in order to give Congress an opportunity to evaluate the execution of this fund in fiscal year 1993 before any further expansion. No later than January 1, 1992, the Defense Department shall provide overall policy, implementation plans, and management performance factors to the congressional defense committees and to the General Accounting Office (GAO) that will describe actions taken by DoD to develop and implement satisfactory accounting and management systems for the DBOF. The GAO shall monitor program developments, including system design, testing, and implementation, and report to the congressional defense committees no later than June 15, 1992. The Defense Department is also directed to submit a similar report to the congressional defense committees by the same date.

Finally, the conferees direct DoD to notify the congressional defense committees of its intent to make any transfers or reprogrammings involving the funds and activities of the DBOF in accordance with current notification standards and procedures.

Acquisition of inventory (sec. 317)

The Senate amendment contained a provision (sec. 323) that would prohibit the Secretary of Defense from incurring any obligations against the stock funds of the Department of Defense for the acquisition of any items of supply if such acquisition is likely to result in an on-hand inventory (excluding war reserves) of such items of supply in excess of two years of operating stocks. However, under this section, the head of a procuring activity would be able to authorize the acquisition of an item of supply if such head of a procuring activity determines in writing that such acquisition is necessary for industrial base purposes of for other national security reasons.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify that the head of a procuring activity would be able to authorize the acquisition of an item of supply if such head of a procuring activity determines in writing that such acquisition is necessary to achieve an economical order quantity that will not result in an on-hand inventory (excluding war reserves) in excess of three years of operating stocks and that the requirement for such item is unlikely to change in such three-year period.

Reimbursement requirement for contractors handling hazardous wastes from defense facilities (sec. 331)

The House bill contained a provision (sec. 331) that would require that all DoD contracts for the off-site treatment and disposal of hazardous wastes require the contractor to reimburse the government for all liabilities incurred by the government by the contractor's or subcontractor's breach of any term or provision of the contract or any negligent or willful act of omission. The section would also provide that, within 30 days of award of a hazardous waste disposal contract, the contractor must demonstrate its ability to reimburse the government under the terms of this section.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees recognize that many companies engaged in the offsite treatment and disposal of hazardous waste currently provide some type of "hold harmless," indemnification, or reimbursement clause in their existing contracts. Nevertheless, the conferees agree that the offsite contractor should be responsible for its actions in treating and disposing of hazardous waste. The conferees do not intend, however, for this provision to interfere with existing contracts that provide for reimbursement or indemnification.

In addition, the conferees intend that any facility with liability insurance meeting the requirements of 40 CFR 264.147 or any facility that meets the financial assurance requirements of 40 CFR 264.147 for sudden and non-sudden accidental occurrences will be deemed to meet the financial responsibility requirements of subsection (a)(2) of 10 U.S.C. 2708, as amended by this provision.

Codification of waste minimization program (sec. 332)

The House bill contained a provision (sec. 332) that would make permanent the waste minimization program at Department of Defense depot maintenance activities established in section 354 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189). This program would otherwise terminate at the end of fiscal year 1992. Under the House provision, the program would continue to fund capital improvements and process changes to minimize the generation of hazardous waste at these facilities at a funding level not less than one half percent per year of total industrial fund revenues received in fiscal year 1988.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would extend this program for two years.

Prohibition on the use of environmental restoration funds for payment of fines and penalties (sec. 333)

The House bill contained a provision (sec. 334) that would prohibit the use of fiscal year 1992 defense environmental restoration account (DERA) funds for the payment of environmental fines and penalties.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would restrict the use of DERA funds to fines and penalties arising out of the defense environmental restoration program.

Environmental restoration requirements at military installations to be closed (sec. 334)

The House bill contained a provision (sec. 336) that would require that all remedial investigations and feasibility studies related to environmental restoration activities at bases on the national priorities list under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to be closed pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act shall be completed no later than 18 months after the date of enactment of this act. All such studies for bases on the national priorities list to be closed pursuant to the Defense Base Closure and Realignment Act of 1990 shall be completed no later than 30 months after the date of enactment of this act.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree to extend the deadlines to 24 and 36 months, respectively. The deadlines would apply to the submission to the Environmental Protection Agency of all draft final remedial investigations and feasibility studies (RI/FS) related to the environmental restorations at such military installations. The conferees also agree to a deadline extension provision that would allow the Secretary of Defense to extend the RI/FS study deadlines for one or more six-month periods, 30 days after a notice has been provided to Congress. This notice shall be made after consultation with the Administrator of the Environmental Protection Agency, and shall contain a certification that the applicable deadline cannot be met. The Secretary's decision to extend such deadlines must be based on the following criteria with the scope of the federal facility agreement governing the cleanup of the installation; the discovery of newly discovered hazardous waste sites; technical engineering difficulties in carrying out the studies; expediting the studies would constitute a substantial endangerment to the public health and environment; or adequate resources are not available to any party to the federal facility agreement to carry out or oversee the studies. Lastly, the conferees agree that the President's annual budget request shall include an estimate of the funding levels required for the Department of Defense to comply with this section.

Prohibition on the purchase of surety bonds and other guaranties for the Department of Defense (sec. 335)

The Senate amendment contained a provision (sec. 316) that would prohibit the use of appropriated funds to obtain surety or performance bonds to guarantee the performance of the United States to fulfill a legal requirement.

The House bill contained no similar provision.

The House recedes.

Surety bonds for defense environmental restoration program contracts (sec. 336)

The Senate amendment contained a provision (sec. 320) that would amend section 2701 of title 10, United States Code, dealing with the surety bonds required for the defense environmental restoration program and issued in accordance with the Miller Act between October 1, 1991, and December 31, 1992. Specifically, section 320 would limit the right of action against the bonding company to an obligee named in the bond (the Department of Defense); limit the liability of surety bonding companies to the cost of the completion of the contract work in accordance with the contract; and specify that the bonding company shall not be held responsible for liability arising from personal injury or property damage. Section 320 would also provide that any surety bond company providing a bond for a defense environmental cleanup contract shall be entitled to the same indemnification or standard of liability as the cleanup contractor originally performing the work.

The House bill contained no similar provision.

The House recedes.

Annual report on defense capabilities and programs of the Armed Forces (sec. 341)

The House bill contained a provision (sec. 321) that would require the Secretary of Defense to include in the Defense Department's annual budget request a strategic plan outlining how the Department of Defense will maintain an adequate capability to reconstitute a larger force structure if a resurgent threat of massive conflict returns. The plan would further detail the features of force capability that are most difficult to reconstitute and how those features will be retained.

The Senate amendment contained no similar provision.

The Senate recedes.

Coverage of contracts for equipment maintenance and operation under procedures allowing appropriated funds to be available for certain contracts for 12 months (sec. 342)

The House bill contained a provision (sec. 324) that would authorize the use of operation and maintenance funds for payments under equipment operation and equipment maintenance contracts for 12 months at any time during a fiscal year.

The Senate amendment contained a similar provision (sec. 312).

The Senate recedes.

Use of proceeds from the sale of certain lost, abandoned, or unclaimed personal property (sec. 343)

The House bill contained a provision (sec. 326) that would provide that the proceeds from the sale under section 2575(b) of title 10, United States Code, of lost, abandoned, or unclaimed property found on Naval Base, Norfolk and Naval Air Station, Norfolk, shall be credited to the operation and maintenance account of that installation.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish a one-year demonstration program at Naval Base, Norfolk and Naval Air Station, Norfolk, under which proceeds from the sale of lost, abandoned, or unclaimed property on the installation will be credited to the operation and maintenance account of that installation.

Use of proceeds from the transfer or disposal of commissary store facilities and property purchased with nonappropriated funds (sec. 344)

The House bill contained a provision (sec. 342) that would establish a "Nonappropriated Fund Facility Investment Base Closure Recovery Account". Funds deposited into this account would be used by the Department of Defense to replace, restore, or construct nonappropriated fund facilities or commissaries.

The Senate amendment contained no similar provision.

The Senate recedes.

Authorization of use of appropriated funds for expenses relating to certain voluntary services (sec. 345)

The Senate amendment contained a provision (sec. 620) that would authorize the use of appropriated funds for the reimbursement of incidental expenses which are incurred by a person providing voluntary services as an ombudsman or family center volunteer.

The House bill contained no similar provision.

The House recedes.

Treatment of severance pay for foreign nationals under overseas military banking contracts (sec. 346)

The Senate amendment contained a provision (sec. 830) that would authorize the Secretary of Defense to waive the prohibition on reimbursement of certain severance payments under section 2324(e)(1)(M) of title 10, United States Code, when the Secretary determines that: (1) the application of the limitations would jeopardize the continuation of important support functions for service members; (2) the contractor has taken steps to minimize the payment of severance pay; and (3) such payments are necessary to comply with a generally applicable law of the host nation.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the applicability of the waiver provision to severance payments incurred by financial institutions operating military banking facilities overseas. The conferees will consider extending this provision to other types of entities in the future that demonstrate similar difficulty in providing essential support functions to service members as a result of the limitation in current law on reimbursement of severance payments.

Improvement of inventory management policy and procedure (sec. 347)

The Senate amendment contained a provision (sec. 840) that would require the Defense Department to establish a uniform system for the valuation of inventory items in DoD, and would require that inventory reports, to the extent practicable, include up-to-date information on all inventory items in DoD.

The House bill contained no similar provision.

The House recedes.

Prevention of the transportation of brown tree snakes on aircraft and vessels of the Department of Defense (sec. 348)

The Senate amendment contained a provision (sec. 318) that would require the Secretary of Defense to take such action as may be necessary to prevent the inadvertent introduction of brown tree snakes from Guam to Hawaii in aircraft and vessels transporting personnel or cargo for the Department of Defense.

The House bill contained no similar provision.

The House recedes.

Donation of certain scrap metal to The Memorial Fund for Disaster Relief (sec. 349)

The Senate amendment contained a provision (sec. 319) that would authorize the Secretary of Defense to waive the provisions of the Federal Property and Administrative Services Act of 1941 (40 U.S.C. 471 et seq.) to donate no more than 15 tons of cruise missile scrap generated by the INF Treaty destruction requirements to The Memorial Fund for Disaster Relief.

The House bill contained no similar provision.

The House recedes.

Maritime prepositioning ship program (sec. 350)

The House bill authorized funds for the maritime prepositioning ship (MPS) program in the Operation and Maintenance, Navy account, as requested in the amended budget request.

The Senate amendment transferred authorization of $342.0 million in fiscal year 1992 from the Operation and Maintenance, Navy account in which these funds were requested, to the Operation and Maintenance, Marine Corps account. The Senate report (S. Rept. 102-113) directed that the Marine Corps be designated as the executive agent within the Department of Defense for DoD maritime prepositioning programs.

The conferees agree not to transfer funding for the maritime prepositioning ship program from the Navy to the Marine Corps at this time. The conferees also agree that the MPS program worked very well in delivering Marine Corps combat power during Operation Desert Shield/Desert Storm, and that this program should continue to receive the highest priority. For this reason, the conferees recommend a provision that would require the Commandant of the Marine Corps to have primary responsibility within the Department of Defense for managing the maritime prepositioning ship programs during fiscal years 1993 and 1994, subject to the authority, direction, and control of the Secretary of Defense. The Secretary of Defense may waive this requirement with respect to any fiscal year if, not later than May 1 of the year in which that fiscal year begins, the Secretary of Defense, after consultation with the Commandant of the Marine Corps and the commanders of the combatant commands that conduct or rely upon mobility force operations, certifies to the congressional defense committees that the Navy's funding of maritime prepositioning ship programs is adequate to meet Marine Corps requirements, and that the Navy's maritime prepositioning ship program meets the commanders' requirements.

LEGISLATIVE PROVISIONS NOT ADOPTED

Prohibition on the establishment or maintenance of wartime energy reserve in Israel

The House bill contained a provision (sec. 313) that would prohibit the establishment or maintenance of a wartime energy reserve in Israel.

The Senate amendment contained no similar provision.

The House recedes. The conferees base their decision on the fact that the Department of Defense Appropriations Act for Fiscal Year 1992, recently passed in the Senate, repeals section 8810 of Public Law 101-511, the Department of Defense Appropriations Act for Fiscal Year 1991, which would require the establishment of a wartime energy reserve in Israel by the United States.

Pilot program for composting yard and cafeteria waste at military installations

The House bill contained a provision (sec. 333) that would require the Secretary of Defense to establish, within a year after the enactment of this act, a pilot program on a military installation to compost yard and cafeteria waste to determine its feasibility to reduce solid waste.

The Senate amendment contained no similar provision.

The House recedes.

Uniform approach for determining environmental cleanup requirements at overseas military installations

The House bill contained a provision (sec. 335) that would amend section 342(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) to require that the policy of governing the environmental requirements at military installations located outside the United States include a uniform approach for determining environmental cleanup requirements.

The Senate amendment contained no similar provision.

The House recedes.

Pursuant to section 342(b) of the National Defense Authorization Act for Fiscal Year 1991, the Secretary of Defense is developing a policy for determining the responsibilities of the Department of Defense with respect to environmental requirements at military installations outside the United States. The conferees urge the Secretary to establish a clear and consistent policy to evaluate, assess, and respond to environmental concerns at these military installations.

The conferees are concerned that without a clear and consistent approach to determining environmental requirements, negotiations with the host countries to close overseas installations will be impaired. The conferees agree that a uniform policy would provide guidance both to the base commanders responsible for environmental management and to the negotiators who will ultimately be responsible for determining the financial ramifications of closing and cleaning up the overseas bases. Without a clear and consistent policy, each host country would endeavor to exploit any inconsistencies in the U.S. approach to environmental matters, particularly cleanup requirements, by demanding that the approach most favorable to the host country be included in any base closure negotiations.

In addition, the conferees agree that without a clear and consistent benchmark to determine environmental cleanup requirements, future efforts by Congress to review the outcome of such negotiations will be very difficult.

The conferees also agree that a clear and consistent approach to determining environmental cleanup requirements would be a valuable tool to ensure that DoD personnel and their families are not exposed to health hazards at the overseas military bases that will continue to be used by the U.S. military.

The conferees are mindful of the complex and sensitive nature of the negotiations involving closure of overseas military bases, and expect the Secretary to develop a policy that supports the U.S. position in these negotiations. The conferees wish to point out, however, that the need to develop a clear and consistent approach to environmental requirements at overseas military installations does not preclude the Secretary from taking into account the unique situations and specific circumstances of each host country during any base closure negotiations.

Technology demonstration project for use of direct fuel cell power plants for military installations

The House bill contained a provision (sec. 343) that would allow the Department of Defense to conduct a demonstration project of a direct fuel cell power plant on a military installation.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that under existing statutory authority, the Secretary of Defense, alone or in cooperation with the Department of Energy, may, through a competitive solicitation, enter into a technology demonstration project to determine the feasibility of using fuel cell power plants to provide power for military installations.

The conferees direct the Secretary of Defense to study and report on the feasibility of a fuel cell power plant demonstration project on an appropriate, representative military installation. The report shall be submitted to the Congress not later than six months after enactment of this act.

The study should include, but need not be limited to: a discussion of the feasibility of using 2-MW fuel cell and other appropriately sized fuel cell power plants; the possibility of a joint demonstration program with the Department of Energy; multiple agency funding and private sector cost sharing arrangements for any demonstration project; comparative life cycle costs of fuel cell power plants and conventional power sources; relative energy savings or energy efficiencies of fuel cell power plants and conventional power plants; and a survey of military installations suitable for a demonstration project and permanent installation.

Impact assistance for Nye County, Nevada

The Senate amendment contained a provision (sec. 317) that would authorize the Secretary of Defense to provide up to $1.0 million in impact assistance to Nye County, Nevada.

The House bill contained no similar provision.

The Senate recedes.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

End strengths for active forces (sec. 401)

The House bill contained a provision (sec. 401) that would authorize active duty end strengths for each of the military Services for fiscal years 1992 and 1993.

The Senate amendment contained a similar provision (sec. 401). The Senate provision would also prescribe officer end strengths as a subset of the active duty end strengths prescribed for each military Service for fiscal years 1992 and 1993.

The House recedes with an amendment.

The amendment would authorize the active duty end strengths shown in the tables below:

ACTIVE DUTY END STRENGTHS

	Fiscal year	
	1992	1993
Army	660,200	618,200
Navy	551,400	536,000
Marine Corps	188,000	182,200
Air Force	486,800	458,100
Total	1,886,400	1,794,500

OFFICER END STRENGTHS

	Fiscal year	
	1992	1993
Army	96,781	90,768
Navy	69,768	67,607
Marine Corps	19,180	18,591
Air Force	92,020	86,594
Total	277,749	263,560

Independent study of active and reserve force structure and end strength reductions (sec. 402)

The House bill contained a provision (sec. 402) that would require the Secretary of Defense to provide for the conduct of a study, by a source independent of the Department of Defense, of the existing and projected active and reserve component force structure, force mix, and end strength, and to make recommendations for reductions or revisions in the future.

The Senate amendment contained no similar provision.

The Senate recedes with clarifying and technical amendments.

End strengths for Selected Reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize the Selected Reserve end strengths for each of the Reserve components for fiscal years 1992 and 1993.

The Senate amendment contained a similar provision (sec. 411).

The House recedes with an amendment that would authorize end strengths for the Selected Reserve at the House levels for fiscal year 1992, and at the Senate levels for fiscal year 1993. The authorized levels are shown below.

END STRENGTHS FOR SELECTED RESERVE

	Fiscal year 1992		Fiscal year 1993	
	Request	Authorized	Request	Authorized
Army National Guard	410,900	440,000	366,300	425,450
Army Reserve	282,700	308,000	254,500	296,230
Naval Reserve	134,600	144,000	127,100	141,545
Marine Corps Reserve	40,900	42,400	38,900	42,230
Air National Guard	118,100	118,100	119,400	119,400
Air Force Reserve	81,200	83,396	82,400	82,400
Coast Guard Reserve	15,150	15,150	15,150	15,150
Totals	1,083,550	1,151,046	1,003,750	1,122,405

The conferees expect that the force structure of the Reserve components in fiscal years 1992 and 1993 will be consistent with the Selected Reserve end strength levels authorized for each component in this section. The conferees further expect that any changes proposed by the Department of Defense to Selected Reserve strengths and associated force structure levels in fiscal year 1994 and beyond will be made on the basis of an analytically supported rationale. In this regard, the conferees require an independent study elsewhere in this act on the future structure and mix of active and Reserve forces. The conferees expect to rely on the study, and the evaluation of the study by the Department of Defense, to make future judgments about Reserve component strengths and force structure levels.

End strengths for reservists on active duty in support of the Reserves (sec. 412)

The House bill contained a provision (sec. 412) that would authorize Reserve full-time support end strengths for each of the Reserve components for fiscal years 1992 and 1993. The Senate amendment contained a similar provision (sec. 412).

The House recedes with an amendment that would authorize end strengths for reservists on active duty in support of the Reserve components at the House levels for fiscal year 1992, and at levels in fiscal year 1993 reflecting the difference in Selected Reserve end strength levels between fiscal years 1992 and 1993. The authorized levels are shown below.

RESERVE FULL-TIME SUPPORT END STRENGTHS

	Fiscal year 1992		Fiscal year 1993	
	Request	Authorized	Request	Authorized
Army National Guard	23,341	25,142	21,580	24,860
Army Reserve	12,683	13,146	12,003	12,862
Naval Reserve	22,045	22,521	21,113	22,055
Marine Corps Reserve	2,170	2,285	2,310	2,282
Air National Guard	9,081	9,081	9,072	9,081
Air Force Reserve	643	649	618	636
Totals	69,963	72,824	66,516	71,776

Active duty reserve support grade ceilings for fiscal years 1992 and 1993 (sec. 413)

The Senate amendment contained a provision (sec. 414) that would authorize the active duty reserve support grade ceilings for each military Service for fiscal years 1992 and 1993.

The House bill contained no similar provision.

The House recedes.

Pilot program for active component of the Reserves (sec. 414)

The House bill contained a provision (sec. 414) that would repeal the requirements of sections 412b and 412e of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) to reduce the number of reservists on active duty in support of the Army Reserve components and replace them with active component personnel.

The Senate amendment contained a provision (sec. 412c) that would defer for one year the requirements of sections 412b through 412e of the National Defense Authorization Act for Fiscal Year 1991.

The House recedes with an amendment that would defer for two years the implementation of the limitations prescribed by Public Law 101-510. In addition, the amendment would direct a pilot active duty advisor program in fiscal year 1993 for Reserve component combat, combat support, and service support units, and prescribe the minimum number of officers that will be assigned as advisors. The amendment would permit the Secretary of the Army to determine the ultimate size and mix (officers, warrant officers, and enlisted) of the pilot advisory effort beyond the prescribed officer strength floors.

The conferees agree that a robust active duty advisor program is one of the keys to improving Army Reserve component readiness. Furthermore, the conferees believe that initial, aggressive measures must be taken to overcome any reticence to initiate such a program in the face of shrinking resources, and to break down institutional barriers and misperceptions that exist between the active and Reserve components. Therefore, the conferees direct the assignment of at least 2,000 active duty officers to the advisory effort in fiscal year 1993.

The conferees are committed to continuing the active duty advisory effort beyond the pilot program. They recognize, however, that the Army must determine the objectives, scope, and operational details of a full-fledged program. Moreover, the Army faces a significant challenge in most effectively integrating the advisory effort with the existing full-time support program, which relies heavily on Reserve component personnel on active duty.

Such an integration effort could require adjustments to the existing full-time support program and the new active component advisory effort. Thus, the conferees expect the Department of the Army to develop a comprehensive plan for the coordinated use of active and Reserve personnel involved in full-time support of the Reserve components. Any legislative proposals necessary for implementation of that plan will be given full and speedy consideration by both Houses of Congress.

The conferees expect that service in this active component advisory program will be viewed as career enhancing when these personnel are considered by future promotion selection boards. The conferees intend to monitor this situation closely and will take whatever corrective action may be required to ensure that individuals assigned to the active component advisor program remain competitive for promotions.

Authorization of military training student loads (sec. 421)

The House bill contained a provision (sec. 421) that would authorize the military training student loads for each military Service and Reserve component for fiscal years 1992 and 1993.

The Senate amendment contained a similar provision (sec. 412).

The House recedes with an amendment that would authorize the military training student loads shown below:

MILITARY TRAINING STUDENT LOADS

Service	Fiscal year—	
	1992	1993
Army	80,724	76,534
Navy	61,619	61,567
Marine Corps	24,533	24,992
Air Force	36,361	35,994
DOD (Health University)	619	602
Total	203,856	199,689

In attempting to resolve the differences in the House and Senate provisions, the conferees discovered gross discrepancies between the projections for military training student loads by the Office of the Secretary of Defense (OSD) Comptroller and the projections by the OSD Office of Force Management and Personnel in the *FY 1992 Military Manpower Training Report*. These discrepancies resulted from "differences buried deep in various analysts' spreadsheets" and the lack of an internal crosswalk procedure within OSD.

The conferees decided to authorize the military student training loads in the aggregate for each Service as projected by the OSD Comptroller. Given the wide disparity in estimates within OSD, the conferees have no certainty that the loads authorized adequately support the actual needs of the Department. If the levels authorized turn out to be too low, the conferees would consider a reprogramming request. In addition, to preclude future discrepancies, the conferees direct the Secretary of Defense to develop procedures to ensure accuracy and consistency in military student training load authorization requests, and to report those corrective actions to the Committees on Armed Services of the Senate and the House of Representatives in the next *Military Manpower Training Report*.

Reduction in the number of authorized Air Force colonels (sec. 431)

The Senate amendment contained a provision (sec. 403) that would reduce by 250 the number of Air Force colonels authorized under section 523 of title 10, United States Code.

The House bill contained no similar provision.

The House recedes. In a related matter, the conferees note the interest of the Chairman of the Joint Chiefs of Staff in securing an increase, by an aggregate of 12, in the number of active duty general and flag officer positions prescribed for fiscal year 1995 in section 405 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510). The conferees intend to review the justification for such an increase when it is provided, and to take appropriate action during consideration of the amended budget request for fiscal year 1993.

LEGISLATIVE PROVISION NOT ADOPTED

Authorization of appropriations for military personnel for fiscal year 1992

The House bill contained a provision (sec. 431) that would limit the amount authorized to be appropriated for military personnel to $78,179,000,000 for fiscal year 1992.

The Senate amendment contained no similar provision.

The House recedes.

TITLE V—MILITARY PERSONNEL POLICY

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Initial appointment of commissioned officers (sec. 501)

The Senate amendment contained a provision (sec. 501) that would require all commissioned officers to be initially appointed as Reserve officers regardless of their commissioning source.

The House bill contained no similar provision.

The House recedes with an amendment that would establish an effective date of October 1, 1996 for this provision.

In a related matter, the conferees understand that Service academy graduates are receiving initial assignments in combat arms, operational, or unrestricted line occupational specialties in a higher proportion relative to the total number of newly commissioned officers than is the case with respect to those who receive their commissions as a result of having graduated from the Reserve Officer Training Corps, Office Candidate School, or Officer Training School. It appears that a disproportionate number of those who receive their commissions from these sources receive initial assignments in combat support and combat service support occupational specialties. This practice raises a concern that the nature of the initial duty assignment may depend more upon the source of commission than upon the merits on an individual's performance while working to achieve a commission. The conferees expect initial assignments to combat arms, operational, or unrestricted line occupational specialties to be based upon merit and not upon source of commission and intend to closely monitor initial officer assignment practices during the current force drawdown.

Transition period for officers in the three- and four-star grades awaiting retirement (sec. 502)

The Senate amendment contained a provision (sec. 502) that would reduce from 90 to 30 days the period in which officers in the temporary three- and four-star grades can continue to hold the grades in a transition state while awaiting retirement.

The House bill contained no similar provision.

The House recedes with an amendment. The amendment would reduce the transition period to 60 days instead of 30 days, and would make this provision effective the first day of the first month following 90 days after enactment of this act.

Selective early retirement flexibility (sec. 503)

The Senate amendment contained a provision (sec. 503) that would authorize the Department of Defense to selectively retire officers in the 0-4 and 0-3 grades through fiscal year 1995.

The House bill contained no similar provision.

The House recedes with technical and clarifying amendments.

Integrity of the promotion selection board process (sec. 504)

The Senate amendment contained a provision (sec. 511) that would require the Secretary of Defense to establish uniform procedures to enhance the integrity of the promotion selection process, including procedures governing communication of information to selection boards and the right of eligible officers to comment on such information.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Require Senate confirmation of the retirement of the Chief of Naval Operations and the Commandant of the Marine Corps (sec. 505)

The Senate amendment contained a provision (sec. 505) that would modify sections

5034 and 5043 of title 10, United States Code, to require Senate confirmation of the retirement of the Chief of Naval Operations and the Commandant of the Marine Corps.

The House bill contained no similar provision.

The House recedes.

Grade of retired officers recalled to active duty (sec. 506)

The House bill contained a provision (sec. 513) that would authorize the recall of retired military personnel in the highest grade such personnel previously held on active duty and authorize such personnel to be advanced on the retired list to that grade provided such personnel serve an active duty period of six months in the higher grade or a cumulative period of three years in that grade on active duty upon release from recall to active duty.

The Senate amendment contained a similar provision (sec. 531).

The Senate recedes.

Limitation on the number of cadets and midshipmen authorized to attend the military Service academies (sec. 511)

The House bill contained a provision (sec. 505) that would authorize a maximum strength of 4,000 for the four classes of cadets at the United States Military Academy and the United States Air Force Academy, and for the four classes of midshipmen at the United States Naval Academy for class years beginning after 1994. The Comptroller General would also be required to submit a report on the historical percentages of overall officer accessions comprised of Service academy graduates and to recommend future appointment policies for the Service academies based on that data.

The Senate bill contained no similar provision.

The Senate recedes.

Repeal of requirement for an enlisted nominee to the Naval Academy to have served at least one year on the date of entrance to the Naval Academy (sec. 512)

The Senate amendment contained a provision (sec. 506) that would amend section 6958(c) of title 10, United States Code, to eliminate the requirement that an enlisted nominee to the Naval Academy must have served at least one year as an enlisted member on the date of entrance to the Naval Academy.

The House bill contained no similar provision.

The House recedes.

Athletic programs at the military Service academies (sec. 513)

The Senate amendment contained a provision (sec. 507) that would require the Secretary of Defense to establish an independent board to examine annually the athletic programs at the military Service academies.

The House bill contained no similar provision.

The House recedes.

Authority to waive maximum age limits for admission to the military Service academies (sec. 514)

The Senate amendment contained a provision (sec. 508) that would authorize the Secretaries of the military departments to waive the maximum age limits prescribed in sections 4346(a), 6958(a)(1), and 9346(a) of title 10, United States Code, for personnel who lost eligibility for admission to the military Service academies on the basis of age due to service in the Persian Gulf area of operations during Operation Desert Shield/Desert Storm.

The House bill contained no similar provision.

The House recedes.

Increased number of active duty officers assigned to full-time support and training of Army National Guard combat units (sec. 521)

The House bill contained a provision (sec. 534) that would require the Army to assign 1,015 active component officers to the Army National Guard to assist in organizing, administering, instructing, and training Army National Guard combat units.

The Senate amendment contained a similar provision (sec. 413) that would require the assignment of 1,300 active component officers to the Army National Guard.

The House recedes with a technical amendment.

Guaranteed reserve forces duty scholarship program (sec. 522)

The House bill contained a provision (sec. 531) that would require the Secretary of the Army to appoint up to 208 cadets to two-year ROTC scholarships under the Army's guaranteed Reserve forces duty scholarship program. The provision would also require the Secretary of the Army to submit a report to the Committees on Armed Services of the Senate and the House of Representatives on the feasibility and desirability of increasing the number and type of ROTC scholarships available to recruit individuals for service in the Army Reserve and Army National Guard.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees emphasize that nothing in this provision is designed to inhibit the ability of individuals selected for guaranteed Reserve forces duty scholarships to ultimately serve on active duty in the event they properly quality for such service.

Baccalaureate degree required for promotion of Reserve component officers to grade of captain or Navy lieutenant (sec. 523)

The House bill contained a provision (sec. 532) that would require that no person may be appointed to the grade of captain or Navy lieutenant in the Reserve components unless that person has been awarded a baccalaureate degree by an accredited educational institution, effective October 1, 1995.

The Senate bill contained no similar provision. The Senate recedes with a clarifying amendment that would exempt application of this section to associate degree nurses in the Army, and to limited duty officers and naval aviation cadet program graduates in the Navy.

Priority on making original appointments in Guard and Reserve components for ROTC scholarship program graduates (sec. 524)

The House bill contained a provision (sec. 533) that would require that individuals who have completed Reserve Officers' Training Corps scholarship programs be given preference in original appointments for the National Guard and Reserve.

The Senate amendment contained no similar provision.

The Senate recedes.

Waiver of limitation on the assignment of full-time reserve personnel to ROTC duty (sec. 525)

The Senate amendment contained a provision (sec. 504) that would authorize the Secretaries of the military departments to waive the requirement in section 559 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) that all full-time reserve personnel be removed from Reserve Officers' Training Corps duty by September 30, 1991, where the removal of such an individual would cause a financial hardship on the individuals.

The House bill contained no similar provision.

The House recedes. The conferees emphasize that eliminating the participation of full-time reserve component personnel from the ROTC program in no way diminishes the importance of that program. The conferees expect the Department of Defense to continue to recognize the importance of the ROTC program by filling these positions with outstanding active duty personnel.

Report on the supervision, management, and administration of the Marine Corps Reserve (sec. 526)

The Senate amendment contained a provision (sec. 512) that would require the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and the House of Representatives describing the headquarters organization and supervisory responsibility for the Reserve components within each of the Armed Services.

The House bill contained no similar provision.

The House recedes with an amendment. The amendment would limit the scope of the report to the headquarters organization and structure for the supervision, management, and administration of the Marine Corps Reserve.

Report on commissioning and training of new Army National Guard officers (sec. 527)

The House bill contained a provision (sec. 535) that would require the Secretary of the Army to report to the Committees on Armed Services of the Senate and the House of Representatives on: (1) the desirability of requiring all persons seeking to be commissioned through officer candidate school to attend the Army Officer Candidate School at Fort Benning, Georgia; and (2) the desirability of increasing the number of Army National Guard positions funded by the Army rather than the states.

The Senate amendment contained no similar provision.

The Senate recedes.

Expansion of duties from which reservists are entitled to military leave from federal employment (sec. 528)

The House bill contained a provision (sec. 508) that would expand the circumstances in which federal government employees or employees of the District of Columbia who are members of the Reserve components would be entitled to military leave to include aid to civil authorities in the protection or saving of life and property and the prevention of injury.

The Senate amendment contained no similar provision.

The Senate recedes.

Repeal of statutory limitation on assignment of female members to combat aircraft (sec. 531)

The House bill contained a provision (sec. 512) that would repeal the combat exclusion for women flying combat missions in the Air Force. Similarly, the provision would lift the assignment restriction of women flying combat missions in aircraft in the Navy and Marine Corps. The assignment restriction for vessels engaged in combat missions would be retained, except that women could be assigned to such vessels as aviation officers as part of an air wing or other air element assigned to such vessels.

The Senate amendment contained a similar provision (sec. 530) that would also specify that: (1) the Secretaries of the military departments may prescribe the conditions under which women in the military Services under their jurisdiction may be assigned to duty in aircraft that are engaged in combat missions; and (2) the provision shall be construed only as an expression of an intent of Congress to permit the assignment of women to duty in aircraft that are engaged in combat missions.

The Senate recedes.

Commission on the assignment of women in the armed forces (secs. 541–550)

The Senate amendment contained provisions (secs. 521–529 and sec. 530A) that would require the President to appoint a commission to conduct a comprehensive study and make recommendations on the assignment of women in the armed forces of the United States.

The House bill contained no similar provisions.

The House recedes with clarifying and technical amendments.

Establishment of physician assistant section within the Army Medical Specialist Corps (sec. 551)

The House bill contained a provision (sec. 501) that would establish a physician assistant section within the Army Medical Specialist Corps, permit the commissioning of Army physician assistants, and enable the Secretary of the Army to appoint current Army warrant officer physician assistants in a commissioned officer grade consistent with their training and experience.

The Senate amendment contained no similar provision.

The Senate recedes with clarifying and technical amendments.

Review of Port Chicago court-martial cases (sec. 552)

The House bill contained a provision (sec. 511) that would require the Secretary of the Navy to review the World War II court-martial cases of black service members convicted for refusing to return to work after an explosion at the Port Chicago (California) Naval Magazine because of concerns about safety.

The Senate amendment contained a similar provision (sec. 513).

The House recedes with a clarifying amendment.

Authorization for governors of the Virgin Islands and Guam (rather than the President) to appoint the adjutants general for their respective National Guards (sec. 553)

The House bill contained a provision (sec. 504) that would authorize the governors of the Virgin Islands and Guam to appoint the adjutants general for their respective National Guards.

The Senate amendment contained no similar provision.

The Senate recedes.

Payment for leave accrued and lost by Korean conflict prisoners of war (sec. 554)

The House bill contained a provision (sec. 503) that would require that each former member of the armed forces who lost leave as a result of being a prisoner of war during the Korean conflict be paid the greater of either $300 or an amount that compensates the member in full for the leave actually accrued and lost while a prisoner of war.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress regarding the priority for demobilization of Reserve forces called or ordered to active duty in connection with the Persian Gulf conflict (sec. 555)

The House bill contained a provision (sec. 506) that would formally recognize that the Department of Defense has not been sufficiently sensitive to the personal sacrifices made by members of the Reserve components who served on active duty in connection with the Persian Gulf conflict. The provision would further express the sense of Congress that the Secretary of Defense should examine the rationale for retaining Reserve component units on active duty and expeditiously shift the missions assigned to Reserve units to active duty units, to federal civilians, or to contractors.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would apply the House provision prospectively with a view toward developing a policy for future contingencies that would expedite the return of Reserve units at the earliest opportunity consistent with mission requirements.

LEGISLATIVE PROVISIONS NOT ADOPTED

Limitation on military duty requirements resulting in separation of female members from their infant children

The House bill contained a provision (sec. 502) that would preclude the activation of Reserve personnel who are mothers of children under the age of six months and the assignment of active duty personnel who are mothers of children under the age of six months to a location or circumstance that would require separation from the child.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that the Deputy Secretary of Defense approved, on August 21, 1991, a change to a Department of Defense military personnel assignments directive that would provide: (1) that military mothers shall be deferred for assignment or deployment to a location that would require separation from the child during the four-month period after the birth of a child; (2) that a single member or one member of a married couple shall be deferred from assignment or deployment to a location that would require separation from a child during the four-mouth period after the adoption of a child; and (3) that a member who becomes a single parent as a result of unforseen circumstances, such as the death of a spouse, may apply for an assignment, deferment, or reassignment. The conferees further note that these policies apply to both active and Reserve component members, and that affected personnel may waive the policy.

Finally, the conferees note that the Department of Defense has been urged repeatedly since February 1991 to develop and promulgate a uniform policy on the assignment and deployment of military parents. The conferees are disappoined at the tardiness of the Department of Defense in developing and promulgating this long overdue policy.

Authority of the United States Military Academy to confer the degree of Master of Arts in Leader Development

The House bill contained a provision (sec. 509) that would authorize the Superintendent of the United States Military Academy to confer the degree of Master of Arts in Leader Development upon graduates who have fulfilled the requirements for that degree.

The Senate amendment contained no similar provision.

The House recedes.

Limitation on number of officers on active duty who may be frocked to one star general and flag officers ranks

The House bill contained a provision (sec. 510) that would reduce the number of officers who may be frocked to the rank of brigadier general and rear admiral (lower half) from the current limit of 95 to 90 until September 30, 1995. After that date, frocking would be authorized for a maximum of 75 officers in these ranks.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that the administrative limit established by the Department of Defense on the number of frocked officers to the one-star rank that would have been reduced by the House provision resulted from the Senate's previous oversight on the practice of frocking. Consistent with the reduction in the number of general and flag officers required by section 403 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), the conferees expect the Department of Defense to reduce the number of officers frocked to the one-star rank as would have been required by the House provision.

Extensions of certain military personnel management authorities

The Senate amendment contained a provision (sec. 509) that would extend the expiration dates of certain military personnel management authorities from September 30, 1992 to September 30, 1995.

The House bill contained no similar provision.

The Senate recedes.

Permanent authority for promotion of certain Navy lieutenants

The Senate amendment contained a provision (sec. 510) that would make permanent the authority for the temporary promotion of certain Navy lieutenants which expires on September 30, 1992.

The House bill contained no similar provision.

The Senate recedes.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Limitation on the amount of basic allowance for quarters (BAQ) for members receiving such allowances solely by reason of payment of child support (sec. 602)

The House bill contained a provision (sec. 602) that would limit the amount of BAQ paid to single personnel residing in government quarters who draw BAQ solely by reason of payment of child support to the difference between the "with dependent" and "without dependent" BAQ rates.

The Senate amendment contained a similar provision (sec. 602) that would be applied prospectively.

The House recedes with a technical amendment.

Administration of basic allowance for quarters and variable housing allowance (sec. 604)

The House bill contained a provision (sec. 606) that would establish a mandatory annual certification by service members of their housing costs and dependency status as a basis for entitlement to basic allowance for quarters. The provision would also authorize the Secretary of Defense to prescribe regulations for the administration of the variable housing allowance program.

The Senate amendment contained a similar provision (sec. 603).

The Senate recedes with a technical amendment.

Aviation cadet pay (sec. 605)

The Senate amendment contained a provision (sec. 611) that would change aviation cadet pay from 50 percent of the pay of an 0-1 with less than two years of service, which is about the same as E-1 pay, to the basic pay rate for an E-4 with two or less years of service.

The House bill contained no similar provision.

The House recedes.

Pay for senior enlisted members while on terminal leave (sec. 606)

The Senate amendment contained a provision (sec. 612) that would allow the senior enlisted members of the Army, Navy, Air Force, Marine Corps, and Coast Guard to continue to receive the rate of basic pay for these positions when they vacate these positions and are placed on terminal leave pending retirement. A senior enlisted member in this status is entitled to such basic pay for not more than 90 days.

The House bill contained no similar provision.

The House recedes with an amendment. The amendment would establish a 60-day limit instead of a 90-day limit, consistent with the 60-day limit established elsewhere in this act for general and flag officers in the O-9 and O-10 grades in a similar status.

One year extension of authority to reimburse members on sea duty for accommodations in place of quarters (sec. 607)

The House bill contained a provision (sec. 604) that would extend until September 30, 1992, the authority of the Secretary of the Navy to reimburse certain enlisted personnel for the housing expenses they incur when their shipboard quarters are uninhabitable during overhaul and government quarters are unavailable.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish an effective date of October 1, 1991.

Repeal of wartime and national emergency prohibitions on the payment of certain pay and allowances (sec. 611)

The House bill contained a provision (sec. 611) that would repeal provisions in law that: 1) prohibit the Secretary of Defense from paying imminent danger pay in time of war declared by Congress; and 2) prohibit the Secretary of Defense from paying family separation allowance in time of war or national emergency declared by Congress.

The Senate amendment contained no similar provision.

The Senate recedes.

Extension of authorities relating to payment of certain bonuses and other special pays (sec. 612)

The House bill contained provisions (secs. 615 and 616) that would extend from September 30, 1991 to September 30, 1992, the authorities for: (1) the payment of a retention bonus to aviation career officers; and (2) the payment of special unit assignment pay for enlisted members of the Selected Reserve.

The Senate amendment contained a similar provision (sec. 617) that would: (1) extend the expiration date for these authorities to September 30, 1993; (2) extend the authority for the nurse officer candidate program from September 30, 1991 to September 30, 1994; and (3) extend a number of other authorities that expire on September 30, 1992.

The Senate recedes with an amendment that would extend the nurse officer candidate program until September 30, 1992 and prevent a lapse in the legislative authority to pay these bonuses.

Increase in imminent danger pay (sec. 613)

The House bill contained a provision (sec. 612) that would make permanent the increase in imminent danger pay from $110.00 per month to $150.00 per month provided in the Persian gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25).

The Senate amendment contained a similar provision (sec. 648).

The Senate recedes.

Hazardous duty pay for certain types of parachute jumping (sec. 614)

The Senate amendment contained a provision (sec. 616) that would expand current authority (37 U.S.C. 301(c)(1)) for monthly hazardous duty pay of $165 per month for high altitude/low opening parachute jumps to include all free fall operations involving jumper deployed parachute openings.

The House bill contained no similar provision.

The House recedes.

Ineligibility of flag officers for multiyear retention bonus (sec. 615)

The Senate amendment contained a provision (sec. 705) that would repeal section 201 of the Dire Emergency Supplemental Appropriations for Consequences of Operation Desert Shield/Desert Storm, Food Stamps, Unemployment Compensation Administration, Veterans and Compensation and Pension, and Other Urgent Needs Act of 1991 (Public Law 102-27). The section that would be repealed by this provision makes practicing general and flag officer physicians eligible for a multiyear bonus.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Clarification and expansion of the definition of the term "defendent" for certain allowances (sec. 621)

The Senate amendment contained a provision (sec. 615) that would modify the current definition of the term "dependent" in 37 U.S.C. 401 to include certain people who are clearly dependent upon a service member for support, such as a child whose custody is granted to a member by a court order or decree, parents-in-law, and other minors who reside in the member's household who are currently precluded from meeting the "dependent status test" for travel and transportation allowances.

The House bill contained no similar provision.

The House recedes with an amendment that would delete from the definition of dependent the reference to unmarried persons for whom the member has been granted physical custody pursuant to a court order.

The conferees elected not to establish a new category of dependent that had not been previously recognized in the definition of dependent in either title 37 or title 10 of the United States Code. The conferees instead direct the Secretary of Defense to study the need for designating such individuals as dependents. The conferees believe it is important to understand the scope of the need in order to make an informed decision on amending the entitlements in titles 37 and 10 in a consistent manner.

Travel and transportation allowance for dependents of members assigned to a vessel under construction (sec. 622)

The House bill contained a provision (sec. 605) that would amend section 406c(b)(1) of title 37, United States Code, to authorize transportation of dependents to the location of ship construction from the designated home port of the ship, or the area in which the dependents of the member are residing.

The Senate amendment contained a similar provision (sec. 613).

The Senate recedes.

Reimbursement for meal and lodging expenses in certain unusual and emergency circumstances (sec. 623)

The Senate amendment contained a provision (sec. 614) that would authorize reimbursement for travel and transportation expenses, in unusual or emergency situations involving danger to human life or destruction of federal property, to service members who are directed by competent authority to perform duty at locations within the limits of their duty station requiring overnight accommodations.

The House bill contained no similar provision.

The House recedes.

Flexibility to defer travel authorized in conjunction with a consecutive overseas tour (sec. 624)

The Senate amendment contained a provision (sec. 621) that would amend 37 U.S.C. 411b(a)(2) to provide members of the uniformed Services and their dependents with the flexibility to defer travel in conjunction with a consecutive overseas tour for up to one year from the date the member reports to a new duty station or begins a consecutive overseas tour at the same duty station.

The House bill contained no similar provision.

The House recedes.

Increases in family separation allowance (sec. 625)

The House bill contained a provision (sec. 613) that would make permanent the increase in family separation allowance from $50.00 per month to $75.00 per month provided in the Persian Gulf Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25).

The Senate amendment contained a similar provision (sec. 650).

The Senate recedes.

Transportation of remains for a dependent of a retired member of the armed forces who dies in a military medical treatment facility (sec. 626)

The Senate amendment contained a provision (sec. 619) that would amend 10 U.S.C. 1490 to authorize the transportation of the remains of a dependent of a retired member of the armed forces who dies in a military medical treatment facility away from the family's permanent residence. Such authority currently exists for retired decedents.

The House bill contained no similar provision.

The House recedes.

Definition of contingency operation (sec. 631)

The House bill contained a provision (sec. 621) that would define a contingency operation, for the purposes of triggering the implementation of various special pays and allowances, to include military operations, designated by the Secretary of Defense, in which service members are or may become involved in hostilities involving foreign or other opposing military forces, or those in which reservists, recalled retirees, or personnel involuntarily retained on active duty serve on active duty in support of a contingency operation.

The Senate amendment contained a similar provision (sec. 641).

The Senate recedes.

Basic allowance for quarters for reservists without dependents (sec. 632)

The House bill contained a provision (sec. 623) that would amend section 403(d) of title 37, United States Code, to authorize unmarried reserve service members to receive the basic allowance for quarters when serving on active duty in support of a contingency operation.

The Senate amendment contained a similar provision (sec. 645).

The House recedes.

Medical, dental, and nonphysician special pay for reserve, recalled, or retired health care officers (sec. 634)

The House bill contained a provision (sec. 614) that would make permanent certain special pays for medical, dental, and nonphysician personnel provided in the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25).

The Senate amendment contained a similar provision (sec. 647).

The Senate recedes.

Waiver of board certification requirements (sec. 635)

The House bill contained a provision (sec. 626) that would add section 303b to title 37, United States Code. The new section would authorize certain health care providers assigned to duties in support of a contingency operation (1) 180 days after such assignment is terminated to complete board certification requirements, and (2) to receive board certification pay for the total period of the assignment.

The Senate amendment contained a similar provision (sec. 533).

The Senate recedes.

Waiver of foreign language proficiency certification requirements (sec. 636)

The Senate amendment contained a provision (sec. 532) that would make permanent the temporary authority provided in the Persian Gulf Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25), for the payment of foreign language proficiency pay to certain personnel assigned in support of a contingency operation up to 180 days after such assignment is terminated. The provision would require foreign language proficiency certification thereafter for continued receipt of foreign language proficiency pay.

The House bill contained no similar provision.

The House recedes.

Treatment of accrued leave (sec. 637)

The House bill contained a provision (sec. 624) that would amend section 501 of title 37, United States Code. The provision would authorize exceptions to the limit on the amount of accrued leave for which a member may receive payment. The provision would also provide exceptions to the limit for survivors of service members who die while on active duty in support of a contingency operation, and reserve and retired members serving on active duty in support of a contingency operation.

The Senate amendment contained a similar provision (sec. 642).

The Senate recedes.

Authorization to exceed ceiling on accumulation of leave (sec. 638)

The House bill contained a provision (sec. 625), that would amend section 701 of title 10, United States Code, to authorize service members on active duty in support of a contingency operation to accrue up to 90 days of leave in the current or subsequent fiscal year if they would lose accumulated leave in excess of 60 days.

The Senate amendment contained a similar provision (sec. 643).

The Senate recedes with a technical amendment.

Savings program for overseas members and members in a missing status (sec. 639)

The House bill contained a provision (sec. 628) that would amend section 1035 of title 10, United States Code, to authorize missing or captured service members to exceed the $10,000 cap on the savings program if they were captured or declared missing during a contingency operation. The provision would also authorize the Secretary of Defense to permit service members on temporary duty assignment outside of the United States in support of a contingency operation to deposit unallotted current pay and allowances into the savings program.

The Senate amendment contained a similar provision (sec. 644).

The Senate recedes.

Transitional health care (sec. 640)

The House bill contained a provision (sec. 627) that would amend chapter 55 of title 10, United States Code, to provide 30 days of transitional health care to serve members and their families who were reserve members called or ordered to active duty, or members retained on active duty in support of a contingency operation.

The Senate amendment contained a similar provision (sec. 782).

The Senate recedes.

Reimbursement of adoption expenses (sec. 651)

The Senate amendment contained a provision (sec. 618) that would authorize military families to be reimbursed for adoption expenses up to $2,000 per adoption with a maximum of $5,000 in any calendar year.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify the types of expenses for which reimbursements are authorized.

The conferees note that, several years ago, the General Accounting Office (GAO) provided a report on adoption reimbursement policies within the private sector. To assist in future evaluation of the results of this new adoption benefit, the conferees request the General Accounting Office to expand upon that earlier effort by undertaking a comprehensive report on the utilization of the program authorized by this section over the next two years. The GAO report should include an examination of the value of the adoption benefit both as an incentive for recruitment and retention and as a motivator to encourage service members to adopt. In conducting this examination, the General Accounting Office should accumulate and evaluate data over the two-year period regarding the categories of expenses reimbursed, the categories of service members participating in the program, the types of agencies from which adoptions are made, and the demographics of the children adopted. The General Accounting Office review should also include a survey of the career orientation of the participants.

Increase in amount of death gratuity (sec. 652)

The House bill contained a provision (sec. 631) that would make permanent the increase in death gratuity pay from $3,000 to $6,000 provided in the Persian Gulf Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25).

The Senate amendment contained a similar provision (sec. 651).

The House recedes with a technical amendment.

Open season enrollment for survivor benefit plan (sec. 653)

The House bill contained a provision (sec. 632) that would authorize the Department of Defense to require an additional reduction in retired pay for certain retired members who enroll in the basic survivor benefit plan during open season. The reduction would be based on the number of years since the member retired and elected not to participate in the plan.

The Senate amendment contained a provision (sec. 623) that would provide incremental options for the supplemental survivor benefit plan.

The House recedes with an amendment. The amendment would incorporate the House provision and limit the additional reduction in retired pay of the House provision to not more than 4.5 percent.

Payment of survivor annuity to a representative of a legally incompetent person (sec. 654)

The Senate amendment contained a provision (sec. 625) that would authorize the Department of Defense, like other federal agencies, to pay an annuity due a minor or incompetent survivor of a military retiree under the Retired Serviceman's Family Protection Plan or the Survivor Benefit Plan to a representative payee, without requiring the payee to be appointed by a court.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Waiver of reduction of retired pay under specified conditions (sec. 655)

The Senate amendment contained a provision (sec. 624) that would provide the Senate and the House of Representatives with the same authority with respect to their employees as is provided in current law for Executive Branch employees concerning waiver of the penalty against further government service by military retirees.

The House bill contained no similar provision.

The House recedes with an amendment that would include Legislative Branch agencies and the Judicial Branch in the waiver authority, and that would provide the waiver authority for civil service retired pay as well as military retired pay.

Clarification of the intent of section 304 of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (sec. 656)

The Senate amendment contained a provision (sec. 652) that would amend section 304 of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25) to adjust the effective date of the entitlement to special pays for health care officers to August 1, 1990.

The House bill contained no similar provision.

The House recedes.

Increased authority for waiver of claims for recoupment of overpayments of pay, allowances, and expenses (sec. 657)

Under current law, when the government erroneously overpays pay, travel allowances, or transportation allowances, the government may waive repayment upon a determination that collection of the claim would be against equity and good conscience and not in the best interests of the United States. The head agency may approve a waiver that does not exceed $500, while a waiver for a greater amount may be approved only by the Comptroller General. The Senate amendment contained a provision (sec. 626) that would increase the agency head's waiver authority to $2,500.

The House bill contained no similar provisions.

The Senate recedes with an amendment that would authorize an increase in the waiver authority to $1,500.

Temporary authority to provide involuntary separation pay and transition benefits to active duty personnel electing to voluntarily separate in lieu of facing selection for involuntary separation (secs. 661–664)

The Senate amendment contained provisions that would: (1) prohibit involuntary separations in fiscal year 1992 (sec. 401(c)), and (2) authorize the Secretary of Defense to waive the authorized fiscal year 1992 active duty end strengths if the bar on involuntary separations would cause personnel imbalances that impair combat readiness (sec. 401(d)).

The House bill contained no similar provisions.

The Senate recedes with an amendment.

The amendment would delete both Senate provisions, and instead provide temporary authority to the Secretaries of the military departments to: (1) offer involuntary separation pay and transition benefits to active duty personnel who elect to voluntarily separate in order to avoid the possibility of facing selection for involuntary separation or denial of reenlistment; and (2) offer a voluntary separation incentive in the form of an annuity to active duty personnel who elect to voluntarily separate in order to avoid the possibility of facing selection for involuntary separation or denial of reenlistment.

The conferees take this action because of their concern over the effect of strength reductions during the next few years on our men and women in uniform and their families. The conferees especially recognize that this drawdown in strength is different from previous drawdowns because it affects people who are a product of an all volunteer force. Therefore, the conferees would provide these temporary authorities as tools to assist the military Services in selectively reducing, on a voluntary basis, that portion of the career personnel inventory that is not retirement eligible. The conferees believe that these authorities would give a reasonable, fair choice to personnel who would otherwise have no option but to face selection for involuntary separation, and to risk being separated at a point not of their own choosing.

With regard to the first of the two provisions, the conferees agree that the "voluntary" separation pay benefit would be calculated at 15 percent of basic pay multiplied by the number of years of service of the separating member. Current involuntary separation pay is calculated on 10 percent of basic pay multiplied by the number of years of service of the separating member. The conferees believe this enhancement will provide an equitable, up-front incentive for personnel to choose in lieu of facing the prospect of involuntary separation. The enhanced separation pay benefit would be in addition to employment assistance, medical care, commissary and exchange shopping, housing, relocation assistance, and leave and travel benefits provided by the Congress in section 502 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510).

With regard to the second provision, the conferees recommend the voluntary separation incentive plan proposed by the Secretary of Defense, but provide that the incentive would be funded on an accrual basis in the same manner as military retirement pay and the Montgomery G.I. Bill benefits. In this regard, the conferees establish a voluntary separation incentive fund, and require the Department of Defense to begin paying into the fund starting on January 1, 1993. To facilitate the use of the voluntary separation incentive, the conferees authorize the Department of Defense to implement the incentive on an "unfunded basis" until December 31, 1992. However, the conferees require the Department of Defense to increase the fund to cover any unfunded liabilities incurred before that date in accordance with an amortization schedule approved by the Department of Defense Retirement Board of Actuaries.

The conferees note the Secretary of Defense's personal efforts to press the conferees for the adoption of the voluntary separation incentive he proposed. The conferees also note that the Secretary's proposal was submitted to the Congress on September 23, 1991. At the same time, he withdrew an earlier proposal that had been submitted to the Congress on July 25, 1991. Although several features of the revised proposal required further examination, the conferees decided to adopt, with the exception of the funding feature, the Secretary's revised proposal as submitted. The conferees did this largely on the basis of the Secretary's stated urgent need for the incentive. With regard to the funding of the voluntary separation incentive, the conferees believe that fiscal responsibility requires accrual funding of this benefit, and the Secretary concurs. It is on the basis of the agreement that the voluntary separation incentive would be funded on an accrual basis that the conferees accept the Secretary's revised proposal.

The conferees further authorize the Secretary of Defense to waive up to two percent of the active duty end strengths authorized for fiscal year 1992 in order to avoid any involuntary separations, and to transfer funds for such purpose.

Finally, the conferees require the Secretary of Defense to report on the effectiveness of the authorities provided in this section in reducing involuntary separations six months after they are implemented. In this regard, the conferees are concerned about provisions in the voluntary separation incentive, as proposed by the Department of Defense, included in this section. For example, the conferees are uncertain about the advisability of the provisions that would require individuals who receive the incentive to forfeit their entitlement to count their military service for federal civil service retirement purposes; and to offset the incentive against future receipt of Reserve drill pay and active duty pay. The conferees are also uncertain about the advisability of the provision that would allow for the unlimited designation of beneficiaries of the incentive by the member in event of the member's death.

In addition, the conferees are interested in exploring other options to help the military Services reduce their personnel inventory on a voluntary basis. For example, personnel overages in the 15- to 20-year segment of the force may be trimmed by offering an early retirement option. The conferees understand that the Department of Defense does not intend to offer the voluntary separation incentives provided in this section to the 15- to 20-year segment of the force, so an early retirement option may be a viable alternative.

The Senate conferees note that many very well qualified individuals in this segment of the force could contribute their skills in public education as teachers. In this regard, the Senate conferees are interested in exploring the possibility of linking an early retirement option with service in public education. Alternatives could include a deferred military retirement annuity that would be funded in part by contributions from an educational institution, or other variations on this theme. In order for the Senate conferees to evaluate such a program, the Senate conferees expect the Secretary of Defense to include in the report required by this section an evaluation of the feasibility, desirability, and cost of such a program.

The conferees expect the Committees on Armed Services of the Senate and the House of Representatives to consider any changes and initiatives, such as an early retirement option, that may be appropriate to improve the effectiveness of these personnel authorities.

Overpayment of certain members who served in support of the Persian Gulf conflict

The conferees understand that a large number of military personnel, especially National Guardsmen and Reservists, who served in support of the Persian Gulf conflict have been erroneously overpaid. According to preliminary estimates, over 120,000 service members have been overpaid, and the amount of the erroneous overpayments is in excess of $80 million. This sum represents a substantial potential liability for taxpayers.

The conferees are very disappointed that insensitive and mechanical collection letters were initially sent to many service members who served in Operations Desert Shield and Desert Storm. The conferees understand that the Department of Defense has now temporarily suspended all collection activity while a complete review of all categories of debts is conducted. The conferees are dismayed that so many individuals could be overpaid by such a large aggregate amount. The conferees note that Department of Defense is now committed to a thorough review before resuming standard debt collection procedures. The Department has tentatively attributed the indebtedness to a variety of sources that normally accompany the turmoil characteristic of a contingency like Operation Desert Storm. However, the conferees note that Department of Defense finance officials, and not service members, appear to be responsible for the overwhelming majority of the overpayments.

The conferees expect the Department of Defense to take steps now to ensure fair and uniform treatment of all personnel who have been overpaid. The conferees expect the Secretary of Defense to waive any interest charges, penalties, or administrative fees for debts to the government incurred by service members as result of service in connection with the Persian Gulf conflict.

The conferees also expect the Inspector General of the Department of Defense to investigate this matter and to recommend appropriate action to the Secretary of Defense. In this regard, the conferees direct the Secretary of Defense to provide the Committees on Armed Services of the Senate and the House of Representatives a report of the recommendations of the Inspector General, as well as a report of any remedial measures he has undertaken. The report shall be submitted no later than February 1, 1992.

TITLE VII—HEALTH CARE PROVISIONS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Dependent dental insurance plan (sec. 701)

The Senate amendment contained a provision (sec. 701) that would authorize the Secretary of Defense to expand the dependent dental insurance program provided in 10 U.S.C. 1076a to include an option for supplemental coverage of a broader range of dental services at a higher monthly premium.

The House bill contained no similar provision.

The House recedes with an amendment.

The amendment would establish a $15.00 per month premium ceiling on the supplemental program authorized by this provision. The conferees envision an 80-20 cost sharing ratio between the government and service member and note that this can be easily accommodated within the existing statutory ceiling on government payments for the CHAMPUS dental program.

The conferees expect the Department of Defense to make a concerted effort to have a viable program in place at the beginning of fiscal year 1993.

Hospice care (sec. 702)

The House bill contained a provision (sec. 703) that would authorize coverage of hospice care in either military hospitals or under CHAMPUS when the Secretary of Defense determines that hospice care is as cost-effective as continued inpatient hospitalization. Hospice care would be limited to palliative care and support services and would not include extraordinary or heroic efforts to extend the life of a terminally ill patient.

The Senate amendment contained a similar provision (sec. 702) except that the type of care would be the same as that defined under Medicare law.

The House recedes with a technical amendment. The conferees expect the CHAMPUS reimbursement methodology to be similar to that of Medicare.

Blood lead level screenings of infant dependents (sec. 703)

The Senate amendment contained a provision (sec. 704) that would authorize, as part of currently authorized infant care, well baby care that includes one screening of an infant for the level of lead in the blood of the infant.

The House bill contained no similar provision.

The House recedes.

Expansion of CHAMPUS coverage to include certain Medicare participants (sec. 704)

The Senate amendment contained a provision (sec. 706) that would authorize CHAMPUS to be a secondary payer to certain Medicare beneficiaries.

The House bill contained no similar provision.

The House recedes with an amendment that would: (1) limit coverage to those beneficiaries under age 65; (2) limit coverage to those beneficiaries enrolled in Part B of Medicare; (3) begin coverage on the date of enactment of this act; and (4) revise the method for coordinating benefits between CHAMPUS and Medicare.

Modification of area restriction on provision of nonemergency inpatient hospital care under CHAMPUS (sec. 711)

The House bill contained a provision (sec. 713) that would permit the Secretary of Defense to modify the 40-mile-radius catchment area designation for speciality care if the Secretary determines that an alternative geographic area designation would be more cost-effective.

The Senate amendment contained no similar provision.

The Senate recedes.

Managed health care networks (sec. 712)

The House bill contained a provision (sec. 714) that would (1) provide permanent authority to the Secretary of Defense to modify fiscal intermediary contracts in order to require the fiscal intermediary to organize and operate a managed health care network; and (2) direct the Secretary of Defense to implement, by the end of fiscal year 1992, a comprehensive program of managed health care in the Tidewater region of Virginia, utilizing the authority provided in section 1092 of title 10, United States Code, and the expanded authority recommended in section 714(a).

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Clarification on restriction on CHAMPUS as secondary payer (sec. 713)

The House bill contained a provision (sec. 716) that would make a technical amendment to section 1079(j)(1) of title 10, United States Code, to clarify that the CHAMPUS second payer requirement applies to persons who are enrolled in or covered by any other insurances, medical service, or health plan.

The Senate amendment contained no similar provision.

The Senate recedes.

Clarification of right of the United States to collect from third-party payers (sec. 714)

The House bill contained a provision (sec. 717) that would make a technical amendment to section 1095 of title 10, United States Code to clarify the authority to collect from third party payers in the case of tort liability.

The Senate amendment contained no similar provision.

The Senate recedes.

Control of nonavailability certificates for CHAMPUS in catchment areas with health care service contracts (sec. 715)

The Senate amendment contained a provision (sec. 707) that would authorize commanders of military medical treatment facilities to consider contracts and agreements for health care services with providers and institutions within a facility's catchment area in determining the availability of adequate medical services when issuing or denying non-availability certificates for CHAMPUS care.

The House bill contained no similar provision.

The House recedes.

CHAMPUS claim forms (sec. 716)

The Senate amendment contained a provision (sec. 708) that would require all health care providers, regardless of the providers' CHAMPUS participation status, seeking payment from CHAMPUS to submit claims directly to the appropriate CHAMPUS fiscal intermediary.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Repeal of requirement that armed forces health professions scholarships be targeted toward critically needed wartime specialities (sec. 717)

The House bill contained a provision (sec. 712) that would repeal the requirement in section 2124 of title 10, United States Code, that 2,500 armed forces health professions scholarships be reserved only for third or fourth year medical students who agree to accept residency training in a critically needed wartime skill.

The Senate amendment contained no similar provision.

The Senate recedes.

Revision in limitation on reductions in number of medical personnel in the Department of Defense (sec. 718)

The House bill contained a provision (sec. 711) that would clarify that the number of Navy officers in health profession specialties may not be lower than that prescribed in section 643(b)(3) of the National Defense Authorization Act for Fiscal Year 1989 (Public Law 100-456).

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment. The Navy officer end strengths authorized in section 401 of this act accommodate this requirement. The conferees note that section 711 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) permits the Secretary of Defense to waive the end strength floor on medical personnel if those personnel are excess to requirements and will not increase CHAMPUS costs. In formulating their manpower programs, the Services cannot overlook the requirement to provide medical care to the growing beneficiary population, even in a force drawdown environment. The conferees will continue to monitor closely Department of Defense plans to provide for the most cost-effective delivery of medical care to active duty personnel, retirees, and dependents. Overlooking that requirement in the manpower planning process simply shifts the cost from the military personnel account to the operation and maintenance account. The Services must strive to find solutions, not simply to "rob Peter to pay Paul."

Extension of deadline for use of diagnosis-related groups for outpatient care (sec. 719)

The Senate amendment contained a provision (sec. 709) that would amend section 724 of the National Defense Authorization Act for Fiscal Year 1990 (Public Law 101-189) to extend the effective date for the use of diagnosis-related groups to outpatient treatment from October 1, 1991 to October 1, 1993.

The House bill contained no similar provision.

The House recedes.

Composite health care system (sec. 720)

The Senate amendment contained a provision (sec. 710) that would authorize the use of the composite health care system (CHCS) to provide information systems support in military medical treatment facilities when the Secretary of Defense certifies to the Committees on Armed Services of the Senate and the House of Representatives that such use is the most cost-effective method of providing such support at the facilities.

The House bill contained no similar provision.

The House recedes.

Management and funding of uniformed services treatment facilities (USTF) (sec. 721)

The Senate amendment contained a provision (sec. 711) that would require all uniformed services treatment facilities (USTFs), including satellite facilities, to be managed and funded in accordance with the provisions of section 911 of Public Law 97-99 and section 1252 of Public Law 98-94, as amended, when the USTF managed care model is implemented. This provision would standardize the management and funding of all USTFs under a single managed care system.

The House bill contained no similar provision.

The House recedes with an amendment. The conferees recognize that the implementation of the managed care model will require the devotion of significant corporate attention and resources. Moreover, because uniformed services treatment facilities have been operating as facilities of the uniformed Services, they have heretofore been exempt from the application of many state and local laws governing health maintenance organizations, hospital insurance, and other aspects of hospital financing and administration. Because the managed care model may bring these facilities within the purview of state and local laws and in order to provide USTFs with the flexibility needed to establish and operate the managed care model without undue delay or complication, the conferees recommended an amendment to the Senate provision that would preempt the application of state and local laws in certain instances. The conferees emphasize that this is a limited preemption which is intended to apply only when there is a specific conflict between state law or regulation and the agreement entered into between a USTF and the Secretary of Defense, or when the Secretary determines that preemption is necessary to achieve a governmental interest associated with the implementation of the managed care model.

Authority to extend CHAMPUS reform initiatives (sec. 722)

The Senate amendment contained a provision (sec. 714) that would authorize the Secretary of Defense to enter into a successor CHAMPUS reform initiative (CRI) contract in accordance with applicable procurement law and regulation. The provision would also provide that no limitation on appropriations may require extension of any CRI contract that would otherwise expire.

The House bill contained no similar provision.

The House recedes.

Health care demonstration project for the area of Newport, Rhode Island (sec. 731)

The House bill contained a provision (sec. 715) that would direct the Secretary of Defense to conduct a medical care demonstration project to provide for the delivery of inpatient medical services in the Newport, Rhode Island, area based on an external partnership agreement with civilian health care facilities and providers in the surrounding community. Under the demonstration project, the Secretary of Defense could permit a health care facility or provider to reduce or waive CHAMPUS co-payment requirements, if the Secretary determines such action to be cost-effective.

The Senate amendment contained no similar provision.

The House recedes.

Report on eligibility for military health care of minors not children of members of the armed forces (sec. 732)

The House bill contained a provision (sec. 718) that would direct the Secretary of Defense to conduct a study and report on the desirability, feasibility, and cost of expanding military health care coverage to minors for whom service members and retirees have been granted legal custody, including historical data on the demand for such coverage.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish the requirement for the study of a new category of dependent as discussed in another section of this statement of the managers.

Comprehensive study of military health care system (sec. 733)

The Senate amendment contained a provision (sec. 713) that would direct the Secretary of Defense to conduct a comprehensive study of the military health care system and submit a report on the study to the congressional defense committees by December 15, 1992.

The House bill contained no similar provision.

The House recedes with clarifying and technical amendments.

In a related matter, the conferees are concerned about the effect that base closures will have on the capability of the military Services to provide accessible and adequate health care to beneficiaries, and on CHAMPUS costs as more of the workload is transferred out of military treatment facilities. The conferees believe that is absolutely essential for the Department of Defense to have well developed plans for each base closure location that address these concerns. At a minimum, the conferees expect such plans to include: 1) consideration of joint use or preferred care provider services which utilize rather than abandon existing facilities; and 2) consideration of the comparison of cost both to the government and to beneficiaries for standard CHAMPUS versus alternative health care options for each base closure location.

The conferees underscore the need for the Department of Defense to act aggressively and promptly on this matter. Information from base closure locations indicates that the Department may be "behind the power curve" in dealing with this very important matter affecting not only the readiness of the military medical system, but the health and quality of life of military health care beneficiaries as well. The conferees expect the Assistant Secretary of Defense for Health Affairs to report on Department of Defense plans for each base closure location and to include a discussion of the consideration indicated above in written statements provided for medical hearings on the amended defense authorization request for fiscal year 1993.

Registry of service members exposed to burning oil fumes in Operation Desert Storm (sec. 734)

The Senate amendment contained a provision (sec. 715) that would require the Secretary of Defense to establish a registry of service personnel exposed to oil fires during Operation Desert Storm, report annually on ongoing studies of health consequences, and provide medical examinations to individuals in the registry.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Provision of conversion health policies

The House bill contained a provision (sec. 701) that would expand the current definition of "conversion health policy," contained in sections 1145 and 1086a of title 10, United States Code, to include a health insurance policy or program that is developed and offered by the Secretary of Defense or a private insurer.

The Senate amendment contained no similar provision.

The House recedes. The conferees note that the House included this provision in the House bill at the request of the Department of Defense after the Department notified the Congress that the private insurer offering conversion health policies under both sections 1145 and 1086a had indicated an intention to terminate that coverage in the future. After negotiations with the Department of Defense, the insurer subsequently agreed to offer a one-year, non-renewable policy with Department of Defense coverage of pre-existing conditions during the one-year period.

The conferees note that the conversion health plan option under both sections 1145 and 1086a are modeled on the Federal Employees Health Benefits Program (FEHBP) for federal civil service employees and the Employee Retirement Income Security Act (ERISA) for private sector employees. Insurers participating in the Federal Employees Health Benefits Program are required to offer individuals losing their FEHBP eligibility because of termination of employment or changes in family circumstances the opportunity for continued health insurance coverage under that insurance plan, with the individual paying both the employer's and the employee's share of the cost. The Employee Retirement Income Security Act imposes similar requirements on private sector employers. Many states impose far more stringent "conversion" option requirements on insurers operating within those states in order to protect individuals with pre-existing conditions who may otherwise end up on public welfare rolls.

The conferees further note that the Department of Defense has devoted insufficient time and attention to the need for a viable health care conversion option program for individuals losing their connection with the military health care system, contrary to the intent of the comprehensive transition assistance program for involuntarily separated personnel included in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510). If the Department of Defense does not succeed in negotiating a more satisfactory conversion option plan, the conferees may next year provide expanded coverage within the military health care system or modify CHAMPUS fiscal intermediary or other health care contracts in order to ensure the availability of adequate conversion health insurance coverage.

Mental health services

The House bill contained a provision (sec. 702) that would direct the Secretary of Defense to: (1) implement a partial hospitalization benefit for CHAMPUS mental health services not later than January 1, 1992; (2) authorize the establishment of individual case management for extraordinary medical or psychological disorders; and (3) require biennial inspection of each residential treatment center certified to provide care for CHAMPUS beneficiaries.

The Senate amendment contained a provision (sec. 703) that would authorize partial hospitalization as a CHAMPUS benefit and provide specific guidance to the Department of Defense on the types of services to be covered under the partial hospitalization benefit and the level of reimbursement to providers.

The conferees agree to delete both provisions.

The House and Senate provisions were designed to address the special needs of beneficiaries requiring an intermediate or "step-down" level of mental health services—less intensive than an inpatient setting but more intensive than outpatient care. The Department of Defense is now taking steps on its own to implement a partial hospitalization benefit. The conferees acknowledge the Department's desire to address this need and agree to delete both provisions. As the Department has moved forward in this effort, however, a number of difficult issues have arisen. For example: What type of providers and facilities should be included? How should rates of reimbursement take into account whether therapy is individual or group, whether services are provided by physicians, therapists, or social workers, and whether services are provided for two, four, six, or eight hours per day? What are the pros and cons of day limits on partial hospitalization?

Because of the complicated nature of implementing a partial hospitalization benefit, the Department of Defense needs to develop a detailed plan for its implementation. The conferees expect the Department to have a partial hospitalization benefit in place by April 1, 1992, and direct the Secretary of Defense to submit a report on the implementation plan for this new benefit to the Committees on Armed Services of the Senate and the House of Representatives, not later than December 31, 1991. This plan should comprehensively address all issues related to a CHAMPUS hospitalization benefit, including the following:

(1) Whether the benefit should be hospital-based, institutional-based, or available to other providers. In order to ensure better competition for rates and services, the report should discuss how providers such as free-standing units can be certified and phased into the program within a year, if they are not covered initially;

(2) Whether a day of partial hospitalization services should be considered as a portion of a day (such as ½ day of inpatient mental health services) or whether partial hospitalization services should be subject to a separate annual day limit;

(3) How the daily rate of reimbursement payable to providers should be determined, including (a) whether it should be the same regardless of the number of hours and type of services provided in a given day or over the period of treatment, and (b) whether it should be an all inclusive rate that incorporates physician services; and

(4) Whether providers of partial hospitalization services must also be providers of inpatient mental health services.

In developing the plan, the Department of Defense should take into consideration how partial hospitalization has been implemented in all other systems—including the Medicare program and the programs of private sector employers and insurers, especially with respect to reimbursement policies and the incorporation of non-hospital-based providers into the program.

Because of the progress that the Department is making on more rigorous inspection of CHAMPUS-certified residential treatment centers, the conferees believe that a requirement for biennial certification is unnecessary at this time. However, the conferees intend to monitor this situation very closely over the next year and will undertake any corrective action that may be required to ensure the quality of mental health services provided to CHAMPUS beneficiaries.

As resolution of these issues is vital to the success of this new benefit, the conferees believe the Department should consult with affected constituencies—providers and beneficiaries—in the development of the benefit.

Reproductive health services in medical facilities of the uniformed services outside the United States

The House bill contained a provision (sec. 1036) that would entitle military personnel assigned outside the United States to reproductive health services in military medical facilities located outside the United States if they pay the full cost.

The Senate amendment contained no similar provision.

The House recedes.

Selected Reserve medical capability

The conferees stress their long-standing interest in promoting medical readiness by ensuring that the military Services maintain adequate medical manpower resources within both the active and Reserve components. The conferees note that the amended budget request included a reduction in the Navy Reserve end strength of 18,800, and that 16 percent of that reduction, or 3,030, was projected to be in medical-related support skills. The conferees are concerned that 16 percent is a disproportionately large reduction that may reflect a lack of commitment to the medical readiness goals pursued by the Congress. The Navy also plans a substantial realignment of medical manpower within the remaining billets.

The conferees expect the Secretary of Defense, as a part of next year's budget submission, to provide to the Committees on Armed Services of the Senate and the House of Representatives the plans for medical end strengths within the Reserve components through fiscal year 1997. The Secretary should include with these plans a discussion of how the Reserve and active component planning within each Service will be integrated to enhance Total Force medical readiness during the drawdown of the force structure. In addition, the Secretary should specifically address the reduction and reorganization of the Navy's Reserve medical capability.

Year 2000 health objectives plan

The conferees emphasize the importance of health promotion and disease prevention for military personnel and their families and endorse the goals delineated in *Healthy People 2000, National Health Promotion and Disease Prevention Objectives*, published in September 1990 by the Department of Health and Human Services (HHS). *Healthy People 2000* outlines a national initiative to improve the health of all Americans over the next decade through a coordinated and comprehensive push toward disease prevention.

To achieve the broad goals of increasing the span of healthy life, reducing health disparities, and achieving access to preventive services for all Americans, the Department of Health and Human Services established specific and quantifiable objectives, including the assessment of behavior and health risks and the design of appropriate interventions. A General Accounting Office (GAO) report on Department of Defense health promotion activities, dated June 1991, noted that the Department had recently announced that it would adopt a modified version of the year 2000 objectives, tailored to its particular circumstances. The GAO report further noted that adopting the HHS objectives first required the Department to establish more specific health goals than it has now.

The conferees endorse the year 2000 objectives and expect the Department of Defense to move forward with its planned implementation, including the collection of necessary baseline information, in a deliberative and expeditious fashion. The conferees intend to monitor DoD progress closely.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Repeal of manpower estimates reporting requirement (sec. 801)

Current law (10 U.S.C. 2434) requires an independent cost estimate for each major defense acquisition program. The law also requires the Secretary of Defense to submit a manpower estimate of the program to the Congress before proceeding to full scale development. The Senate amendment contained a provision (sec. 832) that would replace the requirement for a report to Congress with a requirement that the Secretary consider the independent cost estimate, including a manpower estimate, before proceeding to full scale development.

The House bill contained no similar provision.

The House recedes.

Enhancement of Department of Defense authority to pay independent research and development costs and bid and proposal costs (sec. 802)

The House bill contained a provision (sec. 231) that would eliminate the requirements for advance agreements and technical reviews from the process of Defense Department reimbursement of contractor independent research and development and bid and proposal (IR&D/B&P) costs beginning in fiscal year 1993. The House provision also would make such costs allowable without the current administratively imposed cost ceilings, subject to the standard tests for reimbursement applicable to other indirect costs, to the extent that the funds were used for projects of potential interest to the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conference agreement would eliminate both the advance agreement and formal technical review processes. All independent research and development and bid and proposal costs would be reimbursed to the extent that they are reasonable, allocable, and not otherwise made unallowable by law or regulation.

The conferees note that in the past, questions have arisen as to whether such costs, when incurred by a contractor through participation in consortia or cooperative agreement, would be reimbursable. The conferees agree that such costs should be reimbursed. Under the conference agreement, such costs would be fully reimbursable to the extent that they are reasonable, allocable, and not otherwise disallowed under applicable laws or regulations.

Under the conference agreement, the Department of Defense would be able to control such costs through: (1) negotiation of forward pricing rate agreements, where applicable; (2) the negotiation of individual contracts; and (3) the determination of the reasonableness of costs incurred.

The Secretary of Defense would be authorized to require as a condition for reimbursement that projects for which such funds are expended be of potential interest to the Department of Defense. The conferees recognize that the Secretary of Defense may not wish to apply the potential interest requirement in some cases, especially those involving reimbursements to small businesses.

In view of concerns expressed by the Department of Defense about the increase in defense expenditures in the near term that might result from the elimination of cost ceilings, the conference agreement would establish increased ceiling adjustments for certain contractors for fiscal years 1993 through 1995. Each contractor allocating over $10.0 million in independent research and development and bid and proposal costs to Department of Defense contracts in the current year would be allowed to recover up to 105 percent of the allowable costs that they incurred in the preceding year. To encourage industry to increase expenditures on independent research and development, the 105 percent ceiling would be subject to an upward adjustment, under which contractors would be reimbursed an additional amount equal to the percentage of a company's increase in its overall incurred independent research and development and bid and proposal costs over the previous year, but not in an amount exceeding the rate of inflation.

In calculating amounts for purposes of the ceiling, contractor segments allocating less than $1.0 million of independent research and development and bid and proposal costs to Department of Defense contracts in the preceding year would not be included in the totals. The 105 percent formula is intended to be applied to forward pricing of contracts, where applicable. Cost recovery within the ceilings would be limited only by the standards of reasonableness, allocability, and potential interest of the projects to the Department of Defense. The three-year increase is aimed at building towards 100 percent recovery of costs. Nothing in this section shall be construed as authorizing recovery of costs in excess of 100 percent of the independent research and development and bid and proposal costs that are allowable in accordance with applicable standards of reasonableness, allocability, and potential interest to the Department of Defense.

The conferees, while authorizing these near term ceilings, agree that there are situations in which the ceiling should not apply. Thus, the Secretary would be authorized to waive the ceiling when the Secretary determines that allowing the contractor to exceed the amount: (1) is necessary to reimburse the contractor for at least the same amount as the contractor would have received under the regulations in effect prior to the date of enactment of this act; or (2) is otherwise in the best interest of the government. In general, the conferees urge that the Secretary waive the ceiling restrictions for firms whose growth justify higher amounts of reimbursements. The conferees intend that, in general, his waiver authority should be delegated to the contracting officer.

The conference agreement would require establishment of simplified but effective formal communication mechanisms for fiscal and technical information between the Department of Defense and the defense industry to improve the communication about requirements and capabilities that was provided through the current system of advance agreements and technical review processes.

The conference agreement would also require the Office of Technology Assessment to use data generated from these mechanisms, as well as other pertinent information, to prepare a report on the effectiveness of the changes instituted in this section. The report would be submitted to Congress no later than December 1, 1995.

Research and development contracts (sec. 803)

The Senate amendment contained a provision (sec. 823) that would permit the current 10-year limitation on research and development contracts to be extended for successive one-year periods, subject to congressional notification.

The House bill contained no similar provision.

The House recedes with an amendment that would replace the current 10-year limitation with a provision requiring notice to Congress with respect to contracts: (1) when performance is expected to exceed 10 years, or (2) when performance exceeds 10 years and notice has not previously been provided.

Certified cost and pricing data threshold clarifications (sec. 804)

Section 803 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), as amended by section 701(b) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25), increased the threshold for the submission of certified cost and pricing data to $500,000 for all contracts entered into after December 5, 1990. The legislation did not increase the threshold for subcontracts under contracts in effect before that date.

The Senate amendment contained a provision (sec. 839) that would apply the increased threshold to all subcontracts under contracts entered into before December 5, 1990.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify the application of the increased threshold with respect to modifications to, and subcontracts under, contracts entered into between the government and a prime contractor on or before December 5, 1990. The amendment would become effective on December 5, 1991. A prime contractor may request a modification of the contractual requirements to reflect the changes made by this section. Upon receipt of such a request, the contract would be modified to set forth the new threshold with respect to both modifications and subcontracts.

The conferees note that the changes made by the amendment affect only the threshold for mandatory submission of cost and pricing data with respect to modifications and subcontracts. The amendment does not affect the statutory right of the government, in specific cases, to require submission of such data with respect to transactions below the threshold; nor does the amendment affect any right of a contractor to require the submission of cost and pricing data by a subcontractor under the terms of a contract between the two parties.

Procurement flexibility for small purchases during contingency operations (sec. 805)

The Senate amendment contained a provision (sec. 836) that would raise the dollar threshold for the use of simplified procurement procedures from $25,000 to $100,000 for contracts to be awarded and performed, or purchase made, outside the United States in support of military contingency operations in the future. This provision was adopted in response to a recommendation by the Secretary of Defense in his report to the Congress, *Conduct of the Persian Gulf Conflict* (July 1991).

The House bill contained no similar provision.

The House recedes.

Payment protection for DOD subcontractors (sec. 806)

The House bill contained a provision (sec. 811) that would require certain DoD non-construction prime contractors to notify their first-tier subcontractors at the time they submit a request for progress payments, to provide their subcontractors a copy of the payment terms between DoD and the prime contractor, and to certify the subcontractors have been paid before the prime contractor can receive additional payments.

The Senate amendment contained a provision (sec. 828) that would require the Defense Department and its construction prime contractors to provide a copy of the contractor's payment bond to potential subcontractors upon request.

The Senate recedes with an amendment.

The conference agreement would require the Secretary of Defense to issue regulations to: (1) advise subcontractors (including suppliers) whether progress or other payments have been made to prime contractors; (2) require contracting officers and construction prime contractors to provide upon request of actual or prospective subcontractors (including suppliers) a copy of, or information concerning sureties to, a payment bond required by the Miller Act; and (3) require a contracting officer to investigate a credible assertion by a subcontractor that it is not being paid in accordance with its subcontract agreement and take remedial action if appropriate.

The regulations called for in the conference agreement would require DoD to provide payment bond information verbally or in writing to a construction subcontractor. They would also provide prospective subcontractors access to a copy of the bond before entering into a subcontract agreement with the prime contractor. To implement this protection, the conferees suggest including a clause in the solicitation that informs the prime contractor of its obligation to furnish a prospective subcontractor a copy of the payment bond upon request. The Defense Department may impose reasonable fees to cover the costs of providing the bond.

The regulations would also require the contracting officer to make inquiries concerning credible assertions that a prime contractor paid by the Government is not making payments to the subcontractor in accordance with their subcontract. With respect to construction contractors, the conferees expect the officer to assess whether the subcontract agreement includes a payment provision that is consistent with the Prompt Payment Act.

If the contracting officer determines that amounts due to a subcontractor have not been paid in accordance with the subcontract, the conferees direct that the regulations require the contracting officer to take all appropriate actions necessary to ensure such payment is made. They shall also provide for the reduction or suspension of amounts due the prime contractor where necessary, appropriate, and taken in a manner that does not adversely affect the cashflow of subcontractors. Finally, the conferees direct the regulations to require the contracting officer to take all appropriate and corrective action where he determines that a prime contractor has made a false certification to the contracting officer with regard to payments to a subcontractor.

While the conferees intend a contracting officer to thoroughly investigate credible assertions by a subcontractor that it has not been paid, nothing in this provision would provide, or is intended to provide, a cause of action against, or a dispute, to which the United States may be made a party.

The Prompt Payment Act applies Government-wide as do other provisions of law and regulation relating to payment. Accordingly, the conferees urge that this provision be implemented on a Government-wide basis. Under a conforming amendment to the Small Business Act, non-construction small business subcontractors would now be able to call upon the various Small and Disadvantaged Business Utilization Offices for assistance regarding subcontract payments.

Finally, the conference agreement would require the General Accounting Office to undertake a comprehensive review of current payment protections afforded to subcontractors. The report should also include recommendations to modernize the Miller Act. It would also require the DoD Inspector General to prepare a report on the extent to which available judicial and administrative remedies, as well as suspension and debarment procedures, have been used to deter false statements and false payment certifications.

Government-industry committee on rights in technical data (sec. 807)

The Senate amendment contained a provision (sec. 834) that would establish a government-industry committee on rights in technical data in an effort to resolve current differences concerning the appropriate balance between contractor and government rights in such data.

The House bill contained no similar provision.

The House recedes with an amendment that would make clarifying changes in the provision and that would ensure that the Department of Defense not issue a new technical data rights regulation until the Secretary has considered the recommendations of the government-industry committee.

Control of government personnel work product (sec. 808)

The House bill contained a provision (sec. 814) that would require the Department of Defense to ensure that appropriately cleared Department of Defense personnel engaged in oversight of acquisition programs, including classified programs, maintain control of their work product.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree that oversight personnel should not relinquish control of their work product to contractors who are the subject of their oversight. The conferees understand that the Department of Defense has been developing guidance, but has been slow in issuing the necessary regulation. Accordingly, this provision would require issuance of such a regulation. The conferees note that after an appropriate regulation is issued, a statutory requirement will no longer be necessary. Therefore, the conferees agree to "sunset" the provision on September 30, 1992, but expect the Department of Defense to ensure that an effective regulation continues in effect after that date. In the event that an appropriate regulation is not issued, the conferees agree that detailed legislative guidance may be required.

Status of the Director of Defense Procurement (sec. 809)

The Senate amendment contained a provision (sec. 822) that would authorize the Under Secretary of Defense for Acquisition to delegate the Under Secretary's responsibility to represent the Department at the Federal Acquisition Regulatory Council to the Director of Defense Procurement.

The House bill contained no similar provision.

The House recedes.

Procurement technical assistance cooperative agreement program (sec. 811)

The Senate amendment contained a provision (sec. 825) that would authorize $9.0 million for the procurement technical assistance cooperative agreement program in each of fiscal years 1992 and 1993.

The House bill contained a similar provision (sec. 801).

The House recedes.

Defense research by historically Black colleges and universities and minority institutions (sec. 812)

The Senate amendment contained a provision (sec. 821) that would authorize $15.0 million in each of fiscal years 1992 and 1993 to enhance the capabilities of historically Black colleges and universities and minority institutions (HBCUs/MIs) to perform defense research.

The House bill contained no similar provision.

The House recedes.

The conference agreement would authorize $15.0 million in each of fiscal years 1992 and 1993 for infrastructure assistance to HBCUs/MIs authorized by section 1207(c)(3) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661), as amended. Within 270 days of enactment of this act, the Secretary of Defense would be required to issue procedures and regulations concerning the operation of the infrastructure assistance program.

The conferees urge the Secretary to develop a program making funds available for infrastructure assistance upon the request of a military Service or defense agency in cases in which they award a contract or grant for defense research to an HBCU/MI that is in an amount equal to the requested infrastructure assistance. Infrastructure assistance should be linked to the award of the research contract or grant and be used to augment such expenditures.

Under section 1207(c) the Secretary is authorized to provide technical assistance to HBCUs/MIs regarding defense procurement procedures and the preparation of proposals, and other appropriate assistance. The assistance DoD has provided has been useful in generally informing schools of requirements for participation in defense research programs. However, in light of the congressional authorization of $15.0 million to provide infrastructure assistance, the conferees believe that the Department should reassess the type of technical assistance provided to schools.

The conferees direct that the section 1207 report to the Congress due in December 1992 describe actions that the Department has under consideration, has taken, or will take to ensure that future technical assistance results in increased awards to HBCUs/MIs and in rapid growth of funding for infrastructure assistance from DoD components. This report should also describe the program and regulatory requirements governing the operation of the infrastructure assistance program.

Reauthorization of bond waiver test program (sec. 813)

Section 833 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189) requires the Small Business Administration (SBA), in coordination with the military Services, to waive the statutory requirement that certain small business concerns owned and controlled by socially and economically disadvantaged individuals post a surety bond as a condition for the award of federal construction contracts.

The Senate amendment contained a provision (sec. 827) that would: (1) extend this program through fiscal year 1993; (2) authorize the Secretary of the Air Force to waive the surety bond requirement without approval of the SBA; and (3) increase the goal for the number of bond waivers Department-wide from 30 to 45 per year.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Defense to waive the requirement for a surety bond and to award contracts directly to participants in the SBA minority small business and capital ownership development program without consultation with or approval of the SBA. The amendment would further direct the Secretary of Defense to delegate these authorities to one or more of the military Services and establish a Department-wide goal for bond waivers of 30 in each of fiscal year 1992 and 1993.

Where the waiver authority is exercised, the provision would make it clear that, consistent with existing law, such action does not establish for subcontractors or suppliers a cause of action against or a dispute to which the United States may be made a party. To provide the maximum protections to subcontractors, the conferees encourage the use of direct disbursement techniques of amounts due subcontractors, including payment by the government through a federally-insured bank acting as escrow agent.

An interim report by the General Accounting Office (GAO) on the operation of the bond waiver program reinforces the conferees' belief that the Department of the Air Force has evidenced a sustained, long-term commitment to make small disadvantaged businesses a more integral part of the industrial base supporting Air Force programs. Accordingly, the conferees strongly urge the Secretary of Defense to include the Secretary of the Air Force among the delegations implementing this provision. In addition, the Secretary should include within such delegations responsibility for the Service's Office of Small and Disadvantaged Business Utilization to develop procedures to implement this provision.

Finally, the conferees direct the GAO to issue a report to the Committees on Armed Services and Small Business of the Senate and the House of Representatives by March 30, 1994 assessing the Department's implementation of the bond waiver program established in section 833 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189) and the authorities provided in this provision. The conferees direct the GAO to make interim reports on these matters in April 1992 and 1993.

Pilot mentor-protege program (sec. 814)

The Senate amendment contained two provisions concerning the pilot mentor-protege program. Section 821 would authorize $15.0 million in each of fiscal years 1992 and 1993 for the program and section 838 would require publication of the DoD program policy in the Defense Federal Acquisition Regulation Supplement.

The House bill contained no similar provisions.

The House recedes.

Subsection (a) of the conference agreement would authorize $30.0 million in each of fiscal years 1992 and 1993 for the mentor-protege program. The conferees strongly urge the Secretary of Defense to allocate some of these funds to managers of major programs, giving strong consideration to funding those mentor protege agreements approved by program managers that transfer high technology requirements, processes, or equipment to the protege firm. Program managers should ensure that such agreements emphasize, among other benefits, cost, quality enhancements, or return on investment with the objective of lowering production costs.

The conferees will favorably consider reprogramming requests from major program managers who fund mentor-protege agreements with program dollars.

Subsection (b)(1) of the conference agreement would clarify various methods (and combinations of methods) by which costs incurred by a mentor firm in providing developmental assistance to its proteges may be reimbursed and recognized for credit towards the attainment of the mentor firm's subcontracting goals. The agreement would make explicit that a mentor firm may: (1) be reimbursed for the indirect costs incurred when using its own employees to provide developmental assistance under an approved mentor-protege agreement; and (2) seek credit for such costs for purposes of determining whether the mentor firm attains a subcontracting participation goal applicable to the mentor firm under a DoD contract or under a divisional or company-wide subcontracting plan negotiated with DoD or other executive branch agencies.

Subsection (b)(2) would require DoD to publish and maintain the DoD policy on the pilot mentor-protege program (dated July 31, 1991) in the Code of Federal Regulations. This policy contains significantly more than internal operating procedures or directions to DoD personnel. It specifies a broad range of detailed requirements concerning admission to, and participation in, the program by defense contractors as mentors, proteges, or third-party assistance providers.

The conferees are aware of, and strongly support, the goal of the Defense Management Review to streamline the defense regulatory system. However, this effort must not result in the elimination of regulatory coverage that is necessary for public participation in the defense acquisition process. Section 24(a) of the Office of Federal Procurement Policy Act requires the publication of any procurement policy, regulation, procedure, or form that has: (1) a significant effect beyond the internal operating procedures of the Department, or (2) a significant cost or administrative effect on those participating or seeking to participate in the defense acquisition process.

DOD dual-use critical technology partnerships (sec. 821)

The Senate amendment contained a provision (sec. 801) that would authorize the Secretary of Defense to enter into cooperative arrangements to develop dual-use critical technologies as identified in both the Defense Critical Technologies Plan and the National Critical Technologies Report. The intent of this provision is that the industry partners should lead these partnerships but participation by government laboratories and universities is permitted and encouraged. The provision would require that at least 50 percent of funding over the life of a partnership derive from non-federal sources but would allow for a smaller industry share at the start of a partnership when risks are greatest. Partnerships would be selected on the basis of merit through competitive procedures. The provision would further require that the reporting requirements established for the DARPA pre-competitive technology development program in the statement of the managers (H. Rept. 101-923) accompanying the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) be continued in fiscal year 1992. The Senate amendment would authorize a total of $170.0 million of additional funding to fund these partnerships in the three military Services and DARPA.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree to changes to the Senate provision that would focus these partnership programs on security needs within DARPA. These partnership programs should address both the application of technology as well as its research and development and should define a role for the national laboratories where appropriate. Further, partnerships may be established using grants, contracts, or cooperative agreements depending on the requirements of each particular situation. Non-profit consortia, such as SEMATECH, are permitted to enter into these partnerships with the government.

The conferees also recognize that the regulations applicable to the allocation of patent and data rights under the procurement statutes may not be appropriate to partnership arrangements in certain cases. The conferees believe that the option to support "partnerships" pursuant to section 2317 of title 10, United States Code, provides adequate flexibility for the Defense Department and other partnership participants to agree to allocations of intellectual property rights in a manner which will meet the needs of all parties involved in a transaction.

The conferees recommend an additional $100.0 million to DARPA in fiscal year 1992 to participate in these dual-use critical technology partnerships.

Critical technology application centers (sec. 821)

The Senate amendment contained a provision (sec. 801) that would direct the Secretary of Defense to make grants to support the establishment, on a cost share basis, of regional critical technology application centers (CTACs). These centers are intended to provide services that a single firm could not accomplish individually. Under the Senate provision, the federal government cost-share for establishing any individual center would not exceed 30 percent, for a start-up period not exceeding six years. Centers would be selected using a merit-based process prescribed by the Secretary of Defense. The Senate amendment authorized $50.0 million in fiscal year 1992 and $75.0 million in fiscal year 1993 for this program.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees emphasize that the critical technology application centers established and funded, in part, by the Department of Defense must focus on the development and application of critical technologies that are directly related to the national security of the United States. The conferees also note that it is not their intention that these centers be dominated by one or a small number of firms to develop proprietary product designs or processes for their own benefit.

The conferees recommend $50.0 million in fiscal year 1992 to initiate the CTAC program.

Foreign critical technology monitoring and assessment (sec. 821)

The Senate amendment contained a provision (sec. 801) that would direct the Secretary of Defense to establish a clearinghouse for foreign defense critical technology monitoring and assessment within the Office of the Director of Defense Research and Engineering. The Senate amendment authorized $10.0 million in each year for fiscal years 1992 and 1993 to support the operation of this center. The provision would further direct DoD to enter into a memorandum of understanding with the National Science Foundation (NSF) under which the DoD clearinghouse would make available $1.0 million in each of fiscal years 1992 and 1993 to support a similar NSF effort.

The Senate provision also would establish a grant program to support industry associations and professional societies in establishing offices abroad to monitor foreign critical technologies. Funding of $7.5 million would be authorized for this grant program for each of fiscal years 1992 and 1993.

The House bill contained no similar provisions.

The House recedes with an amendment.

The conferees direct the Secretary of Defense to establish an office within the Office of the Secretary that, in cooperation with the National Technical Information Service of the Department of Commerce, will support achieving the goals of the Senate provision. The conferees further agree that the Secretary of Defense should be given the authority to support similar private sector initiatives in foreign critical technology monitoring and assessment.

Critical technology strategies (sec. 822)

The Senate amendment contained a provision (sec. 802) that would require the President, acting through the Director of the White House Office of Science and Technology Policy and the Federal Coordinating Council for Science, Engineering, and Technology Committee (FCCSET), to develop, issue, and submit to Congress, on a regular basis until October 1, 1996, multi-year strategic road maps for each national critical technology. The provision would direct the FCCSET to maintain a continuing, close involvement of private sector industries to ensure that the road maps meet their intended purpose. The Senate provision contained a list of issues to be addressed in each strategic road map, and would direct the establishment of one or more national critical technology advisory committees to provide expert advice to the FCCSET in developing the road maps.

The House bill contained no similar provision.

The House recedes with an amendment.

The term "strategic road map" would be changed to "strategy" for purposes of clarity. To address concerns that the process for developing and implementing such critical technology strategies should be as flexible as possible, the conferees agree to require a critical technology strategy for each critical technology and to establish criteria that any process or processes for the development of strategies must embody. The President would be directed to begin with the National Critical Technology Report in choosing the critical technologies to be addressed by the strategies. The details of each such strategy would largely be left to the judgment of the President and those involved in the carrying out the process.

Rather than being required to submit a specified number of critical technology strategies by a certain date, the President would be directed to report on progress implementing the provision by February 15 each year beginning in 1993. The conferees are encouraged that processes are already underway in the Executive Branch to produce by February 1993 strategies in the areas of advanced materials, biotechnology, and manufacturing technology. The conferees look forward to the Executive Branch building on that record in a timely fashion in future years.

The conferees hope that the Executive Branch views this provision, coupled with the requirement to prepare and submit a biennial National Critical Technologies Report, as an opportunity for the federal government to cooperate with American industry and academia in enhancing national security and economic competitiveness. It will also be an opportunity to define the appropriate degree of risk-sharing between government and industry in the development of technologies important both to government missions and to the commercial marketplace.

The conferees believe that the Critical Technologies Institute (CTI) established by section 822 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) could play an important role in bringing private sector input into the process of developing critical technology strategies. In close consultation with the administration, the conferees have made clarifying changes to the CTI statute to facilitate its operation in a manner most useful to the President.

Advanced manufacturing technology partnerships (sec. 823)

The Senate amendment contained a provision (sec. 803) that would direct the Secretary of Defense to make available $50.0 million of the total funding provided for manufacturing technology development to support at least three advanced manufacturing technology partnerships with industry or non-profit institutions.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees recommend that $25.0 million be made available to fund these partnerships and that the Secretary of Defense establish at least two such partnerships in fiscal year 1992. The conferees note that the amount of funding to be used in establishing these advanced manufacturing partnerships is predicated on having the full amount authorized by this provision also appropriated by the Congress. The conferees intend that if the amount ultimately appropriated for defense manufacturing technology programs is substantially less than that authorized, the Secretary of Defense may make a proportionate reduction in the amount used for this purpose.

Manufacturing extension programs (sec. 824)

The Senate amendment contained a provision (sec. 804) that would instruct the Secretary of Defense to establish a national manufacturing extension program to improve the quality, productivity, and performance of U.S. manufacturing foundation firms. Under this program, the Defense Department would provide matching funds to state and local governments and nonprofit organizations to support manufacturing extension programs with both government and private sector participation. The provision would direct the establishment of an interagency council to prescribe policies and procedures for implementing the program, provide for coordination between the various departments and agencies of the federal government, provide a focal point for representatives from state and local governments and non-profit agencies, and develop long-range planning. An additional $50.0 million would be authorized for this program for fiscal year 1992 and $65.0 million for fiscal year 1993.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees believe that the Secretary of Defense should closely coordinate manufacturing technology extension programs to promote synergy and avoid duplication with current programs administered by the Department of Commerce. The Senate provision would be clarified to ensure such cooperation without the need for a cumbersome interagency council. The conferees also emphasize that DoD support existing manufacturing extension programs of states, local governments, and private, nonprofit organizations. Programs may provide for infactory assistance, teaching factories, computer-integrated manufacturing centers, advanced manufacturing technology testbeds, flexible manufacturing networks, and other productivity and quality improvement activities. Finally, the conferees recommend as a condition of continued funding a requirement for periodic evaluation of the effectiveness of an individual DoD-supported extension program.

The conferees recommend $50.0 million for the Office of the Secretary of Defense in fiscal year 1992 for the Department of Defense to carry out this program.

Defense manufacturing engineering education (sec. 825)

The Senate amendment contained a provision (sec. 805) that would direct the Secretary of Defense to provide merit-based grants to at least 10 universities and colleges to either establish new manufacturing engineering teaching and research activities, or to improve and expand existing manufacturing engineering education programs. Grants would be made only in instances in which the federal share of the total program cost did not exceed 50 percent. The Senate amendment included an additional authorization of $25.0 million for fiscal years 1992 and 1993 for this grant program.

This section of the Senate amendment contained another provision that would direct the Secretary of Defense to establish a manufacturing managers in the classroom program that would bring experienced manufacturing managers into the classrooms of institutions of higher education. The Senate amendment included an additional authorization of $5.0 million for this program with no more than $250,000 to be provided to any particular institution in any year.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree that the Secretary of Education should be consulted by the Secretary of Defense in establishing the manufacturing engineering education and manufacturing managers in the classroom grant programs. The conferees also direct the Secretary of Defense to consider consortia of institutions of higher education to be eligible to receive grants under the manufacturing engineering education program.

Cooperative agreements and other transactions relating to advanced research projects (sec. 826)

The Senate amendment contained a provision (sec. 806) that would amend section 2271 of title 10, United States Code, to (a) broaden this authority to include both military departments and the Defense Advanced Research Projects Agency (DARPA) and (b) make it a permanent part of title 10, United States Code.

The House bill contained no similar provision.

The House recedes.

Flexible computer integrated manufacturing/rapid acquisition of manufactured parts (FCIM/RAMP) (sec. 827)

The Senate amendment contained a provision (sec. 809) that would direct the Secretary of Defense to conduct a program to develop and use advanced flexible computer integrated manufacturing (FCIM) capabilities in the military Services and the U.S. defense industrial base. The provision would specifically direct the Secretary of the Navy to continue to develop the rapid acquisition of manufactured parts (RAMP) technologies and applications and to establish a RAMP-FCIM center of excellence. The Senate amendment would also prohibit the Army or the Air Force from undertaking new development activities that would duplicate the existing Navy RAMP program capability.

The House bill contained no similar legislative provision but included additional funding for the RAMP program.

The House recedes with an amendment that would direct the Secretary of Defense to establish a joint Services center to evaluate potential FCIM applications, to provide for rapid FCIM technology transfer, to establish a means to train DoD personnel in FCIM operations, and to provide technical advisory support. The conferees expect that this center will be under the direct oversight of the the Joint Logistics Commanders. The amendment also would direct the Secretary of the Navy to determine the number of naval aviation and ship maintenance facilities and depots in which a full RAMP capability can economically be established.

United States-Japan management training program (sec. 828)

The Senate amendment contained a provision (sec. 810) that would amend section 111 of title 10, United States Code, to make permanent the authority to establish a U.S.-Japan management training program. The Senate amendment would also authorize $10.0 million in additional funding for this program in fiscal year 1992.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees believe that the Secretary of Defense should implement these programs in coordination with the Director of the National Science Foundation.

Defense science, mathematics, and engineering education (sec. 829)

The Senate amendment contained a provision (sec. 811) that would direct the Secretary of Defense to prepare a defense science, mathematics, and engineering education master plan covering the Department's planned activities and funding for all levels of education for the next five years. The provision would also require the Secretary of Defense to establish a grant program to support on-going programs, or to establish new programs, on a cost-share basis specifically directed at improving the educational process in science and mathematics at the pre-college level. Funding would be authorized for this grant program at $10.0 million for fiscal year 1992 and $15.0 million for fiscal year 1993.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees direct that the plan should include, as one major element, a description of how the Department will insure that computer hardware transferred into the classroom will be accompanied by the transfer of the software component in a manner that readily integrates both software and hardware into the classroom learning environment.

The conferees also clarify that the master plan, and the report on steps taken by the Defense Department to encourage teachers returning from overseas teaching assignments to continue teaching science and mathematics in the United States, shall be submitted to the congressional defense committees, the Labor and Human Resources Committee of the Senate, and the Education and Labor Committee of the House of Representatives.

Defense industrial base (sec. 831)

The Senate amendment contained a provision (sec. 807) that would require the Secretary of Defense to undertake a comprehensive examination of all factors that inhibit greater integration of the defense and nondefense industrial sectors and to establish a plan of action to remove these barriers. The results of this examination, and the resulting plan, should be available no later than September 30, 1992.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees direct that the Secretary of Defense coordinate with the Secretary of Commerce and the U.S. Trade Representative in evaluating the Defense Department's dependence on foreign components for use in U.S. weapon systems.

The conferees also recommend that the Secretary of Defense establish a task force of knowledgeable experts in accounting and financial management from the Defense Department, the Office of Federal Procurement Policy, academia, and the private sector to investigate ways to remove the barriers between the defense and non-defense sectors created by unique cost-accounting and auditing standards. This task force should advise the Secretary on how these accounting and auditing barriers could be removed in time to be incorporated in the plan to be forwarded by the Secretary of Defense to the Congress no later than September 30, 1992.

Requirements relating to European military procurement practices (sec. 832)

The House bill contained a provision (sec. 812) that would direct the Secretary of Defense and the Comptroller General to review and evaluate European military procurement practices.

The Senate amendment contained no similar provision. The Senate recedes with an amendment that would clarify certain parts of the House provision. The conferees note that the report required from the Comptroller General under subsection (c) should be submitted to the congressional defense committees, the Foreign Relations Committee of the Senate, and the Foreign Affairs Committee of the House of Representatives.

Buy American Act waiver recisions (sec. 833)

The House bill contained a provision (sec. 816) that would require the Secretary of Defense to rescind the Secretary's waiver of the Buy American Act with respect to a particular product if the Secretary determines that a foreign country with which the United States has entered into a reciprocal defense procurement agreement has violated the agreement by discriminating against a similar U.S. product covered by the agreement. The provision would also direct the Secretary to prepare a report on the amount of DoD purchases from foreign entities.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Extension and clarification of coverage of procurement limitation on valves and machine tools (sec. 834)

The House bill contained a provision (sec. 803) that would extend and clarify the "Buy American" restriction on naval valves and machine tools.

The Senate amendment contained no similar provision.

The Senate recedes.

Revision of restriction on procurement of carbonyl iron powders (sec. 835)

The Senate amendment contained a provision (sec. 833) that would amend the "Buy American" restriction on carbonyl iron powders (10 U.S.C. 2507(e)) by (1) advancing the date by which the Secretary of Defense could terminate the restriction, and (2) deleting the requirement that a domestic manufacturer be more than 50 percent owned or controlled by U.S. or Canadian citizens.

The House bill contained no similar provision.

The House recedes with an amendment that would terminate the "Buy American" restriction after January 1, 1993.

The conferees note that section 2507(e) of title 10, United States Code, requires "that only domestically manufactured carbonyl iron powders may be used in a system or item procured by or provided to the Department of Defense." The section defines the term "domestically manufactured" to mean "manufactured in a facility located in the United States or Canada. . ." Finally, the term "carbonyl iron powders" is defined to mean "powders or particles produced from the thermal decomposition of iron penta carbonyl." The conferees believe that the terms of section 2507(e), as long as they are in effect, clearly require that all of the thermal decomposition of iron penta carbonyl must take place in the United States or Canada in order for the resulting carbonyl iron powders to be used in a system or item procured by or provided to the Department of Defense.

Technical correction relating to partnership intermediaries (sec. 836)

The Senate amendment contained a provision (sec. 837) that would make a technical correction to section 21(a) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3715) making clear that laboratory directors are the individuals authorized to enter into partnership intermediaries at those federally funded research and development centers that are also laboratories, as defined in section 12(d)(2) of the Act.

The House bill contained no similar provision.

The House recedes.

Requirement for purchase of gasohol in federal fuel procurements when price is comparable (sec. 841)

The House bill contained a provision (sec. 815) that would provide that whenever the Secretary of Defense enters into a contract for a procurement of unleaded gasoline for motor vehicles of a department or agency of the Federal Government other than DoD, the Secretary shall buy alcohol-gasoline blends containing at least 10 percent domestically produced alcohol in any case in which the price of such fuel is the same as, or lower than, the price of unleaded gasoline. The House provision would also require the Secretary of Defense to review all exemptions granted to the Department of Defense from the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act (Public Law 96-294; 42 U.S.C. 8871), and to terminate any exemptions that the Secretary determines are no longer appropriate. Not later than 90 days after the date of enactment of this act, the Secretary should submit to Congress a report on the results of the review, wit a justification for the exemptions that remain in effect under those provisions of law.

The Senate amendment contained a similar provision (sec. 839 that would require the Secretary of Defense to purchase alcohol-gasoline blends for departments and agencies of the Federal Government consistent with the vehicles management practices prescribed by the heads of affected departments and agencies and consistent with their obligation under Executive Order Number 12261 to use gasohol to the maximum extent possible. The Senate provision would also require the Secretary of Defense to review all exemptions granted to the Department of Defense, and require the Administrator of the General Services Administration to review all exemptions granted to other Federal agencies and departments, from the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act. The Secretary and the Administrator would be required to terminate all exemptions that they determine are no longer appropriate, and to report to the Congress 90 days after enactment of this act on the results of the review. The Senate provision would also express the sense of Congress that whenever any motor vehicle capable of operating on gasoline or alcohol-gasoline blends that is owned or operated by the Department of Defense or any other department or agency of the Federal Government is refueled, it should be refueled with an alcohol-gasoline blend containing at least 10 percent domestically produced alcohol if available along the normal travel route of the vehicle at the same or lower price than unleaded gasoline.

The House recedes.

Prompt payment for purchase of fish (sec. 842)

The Senate amendment contained a provision (sec. 841) that would extend the provisions of the Prompt Payment Act to cover fresh or frozen fish.

The House bill contained no similar provision.

The House recedes.

Whistleblower protections (sec. 843)

Under 10 U.S.C. 1034, service members who claim that they have suffered a reprisal after providing information to Congress or an Inspector General are entitled to special investigations by the Inspector General, expedited review, and special proceedings before the applicable Board for Correction of Military Records. The House bill contained a provision (sec. 813) that would expand these special provisions to cover claims of reprisal following disclosures to any person in an organization responsible for audit, inspection, investigation, or enforcement of any law or regulation.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to prescribe regulations prohibiting reprisals against members of the armed forces who make lawful communications to officials in audit, investigation, or law enforcement organizations designated by the Secretary of Defense. Persons violating such a regulation would be subject to trial by court-martial under Article 92 of the Uniform Code of Military Justice. The conferees direct the Inspector General of the Department of Defense to review, on an annual basis for each fiscal year through 1995, the manner in which the military departments address claims of reprisal, and to make appropriate recommendations to the Secretary of Defense and the Congress with respect to any changes in regulation or legislation that may be required to protect service members against reprisals.

LEGISLATIVE PROVISIONS NOT ADOPTED

Transportaion of components of DoD contractor supplied items

The House bill contained a provision (sec. 804) that would expand the cargo preference for transportation of supplies on U.S. vessels to include "components".

The Senate amendment contained no similar provision.

The House recedes.

Post-employment restrictions

The House bill and the Senate amendment each contained provisions (secs. 817 and 826, respectively) that would revise the laws governing post-employment restrictions and related ethics provisions in the Office of Federal Procurement Policy Act, the Ethics in Government Act of 1978, and titles 10, 18, 37, and 42 of the United States Code.

Each House recedes from its respective provision.

Permanent authority to conduct personnel demonstration project

The Senate amendment contained a provision (sec. 831) that would make permanent the authority granted under section 4 of Public Law 100-56 to permit two U.S. Navy laboratories, the Naval Weapons Center (NWC) at China Lake, California and the Naval Ocean Systems Center (NOSC) at San Diego, California, to operate under alternative personnel management systems originally authorized in 1980 as demonstration projects.

The House bill contained no similar provision.

The Senate recedes.

Recommendations of Comptroller General in bid protests

The Senate amendment contained a provision (sec. 835) that would clarify the role of the Comptroller General with respect to fee awards in bid protest cases.

The House bill contained no similar provision.

The Senate recedes. The conferees agree that legislation on this matter should be deferred pending further review by the Congress.

The conferees have received information indicating that the Department of Defense has been unwilling to engage in discussions with contractors aimed at resolving disputes after protests are filed with the General Accounting Office. The conferees recommend that the Secretary of Defense review this matter to ensure that the Department adopts clear policies that encourage resolution of disputes in the most timely and cost-effective manner.

Small Business Administration certificate of competency program improvements

The Senate amendment contained a provision (sec. 842) that would modify the Small Business Administration certificate of competency program as it affects the defense acquisition process.

The House bill contained no similar provision.

The Senate recedes.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Deputy Under Secretary of Defense for Policy (sec. 901)

The Senate amendment contained a provision (sec. 902) that would establish the position of Deputy Under Secretary of Defense for Policy. The creation of this position is intended to further the involvement of the Under Secretary of Defense for Policy in the formulation of strategy and contingency planning, and to enhance the linkage between strategy and resources.

The House bill contained no similar provision.

The House recedes.

CINC initiative fund (sec. 902)

The House bill contained a provision (sec. 902) that would authorize $25.0 million for use by the Chairman of the Joint Chiefs of Staff to fund specialized requirements of the commanders of the unified and specified combatant commands (CINCs).

The Senate amendment contained a provision (sec. 904) that would also authorize $25.0 million for the CINC initiative fund. The provision would expand the requirements that could be funded to include foreign countries' participation in joint (combined) exercises and support for the counter-drug activities of law enforcement agencies.

The conferees believe that the time has come to codify in title 10, United States Code, the authority for and specific activities to be funded under the CINC initiative fund. The conferees agree, moreover, that annual monetary limits should be imposed on the expenses of foreign countries' participation in joint (combined) exercises and on the provision of military education and training to military and related civilian personnel of foreign countries. The conferees believe that a specific authorization to fund support for counter-drug activities is unnecessary, since such use of the fund is already authorized under existing categories, such as force training, contingencies, and selected operations. The conferees are aware that CINC requests for counter-drug activities have previously been rejected on the sole basis that a separate fund exists for such activities. the conferees direct that CINC counter-drug requests not be automatically rejected, but that such requests be allowed to compete with the numerous other CINC requests. If they are of sufficient priority, they should be eligible for funding from the CINC initiative fund. The conferees further direct that none of the funds made available for foreign countries' participation in joint exercises under this section may be utilized to purchase equipment or other items that are to be transferred to the armed forces of a foreign country.

Establishment of general counsels of the military departments at Level IV of the Executive Schedule (sec. 903)

The conferees recommend a provision that would place the general counsels of the military departments in the list of positions established at Level IV of the Executive Schedule.

Repeal of required reduction in defense acquisition workforce (sec. 904)

The House bill contained a provision (sec. 903) that would repeal section 905 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510), which requires a 20 percent reduction in the defense acquisition workforce over a five-year period.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees agree that personnel reductions will be needed to ensure that the size of the acquisition workforce is compatible with the reduced size of the armed forces over the next five years. In view of planned reductions in defense acquisition activities over the next five years, the conferees agree that these reductions can be achieved without a statutory mandate.

Authority to hire civilian faculty at the Institute For National Strategic Study (sec. 911)

The House bill contained a provision (sec. 912) that would add the Institute for National Strategic Study to the list of National Defense University components eligible to employ civilian faculty instructors and lecturers under the authority of section 1595(d) of title 10, United States Code.

The Senate amendment contained no similar provision.

The Senate recedes.

Definition of the principal course of instruction at the Armed Forces Staff College (sec. 912)

The House bill contained a provision (sec. 913) that would define the term "principal course of instruction" at the Armed Forces Staff College as any course that is offered at that institution as Phase II joint professional military education.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delay the effective date of this provision for two years.

Defense Intelligence Agency (sec. 921)

The Senate amendment included a provision (sec. 911) that would codify the duties, responsibilities, authorities, and reporting chain of the Director of the Defense Intelligence Agency (DIA). The purpose of the provision was to increase the authority of the DIA Director to match his responsibilities for managing defense intelligence.

The Senate amendment also contained a provision (sec. 914) that would assign to the DIA Director the responsibility for managing all imagery intelligence processing, exploitation, and dissemination activities within the Department of Defense.

The House bill contained no similar provisions. However, the report (H. Rept. 102-65) accompanying H.R. 2038, the Intelligence Authorization Act for Fiscal Year 1992, would transfer three science and technology (S&T) intelligence centers to DIA; consolidate funding in DIA for the remaining three S&T centers; and assign to DIA authority, direction, and control over all the S&T centers. The report also would consolidate funding in DIA for all human intelligence and foreign counterintelligence programs and activities in DoD.

The House recedes with an amendment that would, until January 1, 1993:

(1) permit the Secretary of Defense to assign supervision, but not day-to-day operational control, over DIA to the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD(C^3I)), subject to the authority, direction, and control of the Secretary of Defense. As used in this section, the term "supervision" would mean that degree of staff supervision which had been exercised by the ASD(C^3I) over DIA prior to November 27, 1990.

(2) direct, subject to the authority, direction, and control of the Secretary of Defense:

(a) the DIA Director to provide substantive intelligence to the Secretary of Defense, the Director of Central Intelligence (DCI), the Chairman of the Joint Chiefs of Staff, and the combatant commanders without the prior screening of any other official.

(b) that the DIA Director shall manage the general defense intelligence program (GDIP), including preparing, reviewing, and submitting the budget proposal to the Secretary of Defense and the Director of Central Intelligence, and supervising the execution of the budgets and programs of all GDIP functional areas, with emphasis on science and technology intelligence, human intelligence, and imagery activities.

(c) the DIA Director to strengthen the roles and authorities of the functional intelligence managers within the Agency.

In addition, section 921 would direct that the Armed Forces Medical Intelligence Center and the Missile and Space Intelligence Center be transferred to DIA.

The conferees also recommend that research and development and procurement funding for the remaining four science and technology intelligence centers as well as for military human intelligence be transferred to DIA. Budgets for operations and maintenance and military pay, however, shall remain in the military Services.

The conferees note that the jurisdictional committees of the Senate and House of Representatives are embarked on a comprehensive review of the U.S. intelligence community and all of its component parts. That review should be completed in time to permit enactment of legislation next year. Accordingly, the conferees are reluctant at this time to codify any reorganizational changes or to go beyond this provision. The conferees intend to reconsider this matter next year. Accordingly, the requirements of subsections 921(a) and 921(b) would expire on January 1, 1993.

The conferees believe, however, that DoD needs a strong, independent, full-service intelligence agency, with functional management and budgetary responsibilities across the range of intelligence disciplines and activities—training, collection, collection tasking, exploitation, analysis, and distribution. The conferees direct that the Director of the Defense Intelligence Agency retain and exercise his current functional management responsibilities.

The conferees believe that DIA must have full knowledge and oversight of the activities of GDIP organizations and personnel, even when these organizations and personnel are supporting their military Services. The conferees intend the budgetary authority provided to the DIA Director to extend to monitoring all aspects of the budget execution phase, including approving major decisions and recommending transfers of funds during the year of execution.

Section 921 would strengthen the role of all the DIA functional managers. The conferees believe that these individuals should participate in developing and approving budgets, should monitor all aspects of budget execution, regardless of the nature of the activity or compartmentation, and should, with the approval of the Director of DIA, provide direction and tasking on major substantive matters. The conferees do not intend for the terms "supervision" or "monitoring" in this context to mean day-to-day operational control of the budget execution process.

The GDIP budget preparation and approval process is dominated by a separate GDIP staff element within DIA. A recent DoD Inspector General report concluded that the DIA functional managers had too little authority and that this deficiency largely resulted from the separation and independence of the budget process from the line management process.

The rationale for a GDIP budget staff separate from and independent of the DIA functional managers was that a separate staff could ensure that DIA treated Service and command interests fairly. The conferees appreciate this concern but note that no such complaints are registered about the National Security Agency (NSA), even though that agency's control of Service and command budgets and activities is significantly greater than that of DIA. Furthermore, the adverse effects of an independent GDIP staff appear to outweigh the benefits. The conferees know of no other organization in DoD that separates management from budgeting. Having a separate staff corrodes the authority of the functional managers and of DIA as a whole. It is inevitable that a separate staff will acquire unwarranted independent, substantive authority.

The conferees agree that the GDIP budget process should be changed. Section 921 would increase the authority and role of the DIA functional managers in the budget process. The conferees direct the DIA Director to integrate the GDIP budget staff function into the functional management structure. In turn, the Director must ensure that the DIA functional managers act as *community* representatives and not as defenders of DIA programs, activities, and interests.

Imagery Management

The conferees note that a report prepared for the DCI on intelligence reorganization in May 1991 rejected an NSA model for imagery intelligence and recommended instead that DoD aggressively improve management of imagery exploitation and dissemination.

The Senate amendment contained a provision (sec. 914) that would increase the authority of DIA as the imagery functional manager. Currently DIA is responsible for functional management of imagery within DoD, although its authority over tactical intelligence and related activities (TIARA) is limited. The conferees agree that a separate provision is not necessary due to the increased authority granted to DIA generally by section 921. The conferees agree that DIA should focus on personnel and training policies, and the development and enforcement of standards for exploitation, analysis, and dissemination. Section 921 is not intended to centralize DoD imagery processing, exploitation, and dissemination activities within DIA.

Integration of DoD Intelligence Activities and Programs

The Congress has for several years urged the DCI and the Secretary of Defense to better integrate the budgets and activities of all the national foreign intelligence program (NFIP) components and the Defense Department's TIARA programs. The newly created Intelligence Policy Support Group (IPSG) could be a useful vehicle for the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence as he submits recommendations to the Secretary on intelligence budgets. In this regard, the conferees understand that any alterations or adjustments in the budgets of the DoD NFIP components that may be recommended to the Secretary of Defense shall take place only after the budgets have been prepared and submitted to the DCI and the Secretary.

Changes in DOD Directives and Policy Memoranda

The conferees note that the Secretary of Defense will have to make changes to DOD directives and memoranda to reflect the changes mandated by section 921. All such changes should be made within 60 days after enactment of this act. The conferees request the Secretary to provide all relevant directives to the congressional defense and intelligence committees.

Assistant Deputy Director for Operations

In its report (S. Rept. 102–117) accompanying S. 1539, the Intelligence Authorization Act for Fiscal Year 1992, the Senate Select Committee on Intelligence directs the creation of an Assistant Deputy Director for Operations (ADDO) for Military Support within the CIA to be filled by a general or flag officer. The House bill contained no similiar provision.

The conferees believe that creating an ADDO for Military Support is justified. Specifically, there is a need to improve clandestine intelligence collection to support military operations; to improve coordination between CIA and DoD human intelligence; to ensure the proper relationship between civilian and military responsibilities and authorities; and to ensure that the Secretary of Defense maintains command and control of operations planned or undertaken by military personnel.

The conferees, however, are concerned about the role of a senior military officer within the CIA Directorate of Operations and about the involvement of military officers in clandestine operations that are conducted outside the chain of command of the Department of Defense. The conferees do not intend that this officer should have any operational authority over clandestine operations or covert actions undertaken by the CIA. Similarly, the conferees do not intend that this office shall have any operational line responsibility for clandestine or covert operations undertaken by elements of the Department of Defense. While the Director of Central Intelligence has a coordination role in the planning and execution of these activities under existing policy, the conferees believe and direct that clandestine intelligence activities should continue to be executed by the appropriate DoD component. The Defense Intelligence Agency is the functional manager for all DoD human intelligence, subject to the authority, direction, and control of the Secretary of Defense.

Consultation on the nomination of DIA and NSA Directors (sec. 922)

A report prepared for the Director of Central Intelligence (DCI) in May 1991 recommended that the Director's ability to manage the entire national foreign intelligence program be improved. The report specifically recommended that the DCI have a stronger role in the selection of the Directors of the NFIP components within DoD. The conferees agree with this recommendation.

Accordingly, the conferees recommend a provision that would require the Secretary of Defense to consult with the DCI regarding the appointment of the Directors of the Defense Intelligence Agency and the National Security Agency.

Joint intelligence center (sec. 923)

The Senate amendment contained a provision (sec. 912) that would direct the Secretary of Defense to retain the Joint Intelligence Center (JIC) that was created in Washington to support Operation Desert Shield/Desert Storm. This JIC should serve as the only intelligence center for current intelligence, indications and warning, and, consistent with its wartime responsibilities, collection tasking and management in support of military operations. The JIC should be managed by DIA in its capacity as the intelligence arm of the Chairman of the Joint Chiefs of Staff.

The House bill contained no similar provision.

The House recedes with an amendment that would change the requirement to maintain a "single and joint intelligence center" to a requirement to consolidate existing single-Service current intelligence centers into a joint intelligence center.

The conferees intend that this joint intelligence center shall have access to all relevant national and tactical (operational) intelligence regardless of compartmentation. The conferees do not intend to force DoD to abolish the separate operational intelligence centers (which develop or track order of battle, force movements, data bases, and in-depth tactical and operational analyses as directed under the delegated production program) that support the combatant commands and the JIC. Indeed, the conferees direct that these operational intelligence centers respond fully to the combatant commands and the JIC. These centers shall not duplicate the current intelligence functions of the JIC or the functions of other current intelligence centers that will be phased out as a result of section 923.

Department of Defense use of national intelligence collection systems (sec. 924)

The Senate amendment contained a provision (sec. 913) that would mandate that the Secretary of Defense, and, through the Secretary, the Chairman of the Joint Chiefs of Staff and the commanders of the combatant commands, regularly and periodically exercise the use of national intelligence collection systems and associated exploitation organizations.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Chairman of the Joint Chiefs of Staff to include national intelligence collection systems and exploitation organizations in joint training exercises and submit his assessment of their performance and recommendations for any changes needed to improve their performance.

The conferees note that a report prepared for the Director of Central Intelligence in May 1991 on intelligence organization and management concluded that existing arrangements for transferring control over national intelligence systems to the Department of Defense in a time of crisis or war need to be updated and exercised. The conferees agree with this recommendation.

In a related area, the conferees agree with the proposal in the Senate report (S. Rept. 102–113) for the Chairman of the Joint Chiefs of Staff to propose explicit combat support roles for national systems program offices and associated exploitation centers and to periodically assess the readiness of these programs and exploitation centers to support combat operations.

Finally, the conferees agree with the proposal in the Senate report to authorize additional funds for fiscal year 1992 for increased and more realistic exercise and training support from national intelligence collection systems to the combatant commands. Additional guidance is contained in the classified annex to this statement of the managers.

LEGISLATIVE PROVISIONS NOT ADOPTED

Joint Requirements Oversight Council

The House bill contained a provision (sec. 901) that would direct the Secretary of Defense to include in the charter of the Joint Requirements Oversight Council (JROC) missions and processes that would bring the JROC charter into total consonance with the provisions of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433).

The Senate amendment contained no similar provision.

The House recedes. The conferees note that the JROC charter is being revised to address the concerns expressed by the conferees last year and reflected in the House provision. Further, the conferees fully expect that these specific changes in the JROC charter will emerge intact from the Defense Department's internal coordination process. The conferees once again commend the Department of Defense for its responsiveness to congressional concerns and hope that this is the last year that this matter will have to be addressed.

Support for professional military education

The House bill contained a provision (sec. 911) that would express the sense of the Congress that the reductions in military forces should not negate the actions taken by the Department of Defense in response to the recommendations of the report of the Panel on Military Education. The provision also contains an expression of congressional policy concerning the continuing efforts of the Secretary of Defense to take action in response to the Panel's recommendations.

The Senate amendment contained no similar provision.

The House recedes.

Defense acquisition workforce amendments

The Defense Acquisition Workforce Improvement Act, which was contained in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), requires major changes in the organization and management of DoD personnel in acquisition positions. In addition, the legislation authorizes important new benefits for the acquisition workforce. These benefits include the authority to provide special pay for individuals in critical positions, use of student loan repayments as a recruitment incentive, payment for training leading to an educational degree, waiver of the penalty against further government service, and establishment of intern and scholarship programs. The legislation, which charted an ambitious agenda, assigns responsibility for management of this program to the Under Secretary of Defense for Acquisition.

The Senate amendment contained a provision (sec. 824) that would amend last year's legislation to transfer these personnel responsibilities from the Under Secretary of Defense for Acquisition to the Assistant Secretary (Force Management and Personnel). The Senate provision also would authorize the Secretary of Defense, if he deemed it necessary, to postpone the effective date of various requirements established in last year's laws by not more than one year.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that to date, although there has been planning activity at the staff level, very few of the benefits authorized by last year's legislation have been implemented. The conferees are particularly concerned that the Department is not focussing sufficient attention on the provisions of last year's Act that provide incentives for the acquisition workforce in order to make it a more attractive career field.

At a time when major reductions in defense spending and force structure could have an adverse effect on employee morale, these incentives can provide an important means of attracting and retaining a high quality acquisition workforce. The conferees will monitor the Department's implementation of the legislation carefully, and will take appropriate legislative action next year if vigorous steps are not taken to implement the incentives that were an integral part of last year's legislation.

Vice Chairman of the Joint Chiefs of Staff

The Senate amendment contained a provision (sec. 901) that would make the Vice Chairman a full member of the Joint Chiefs of Staff.

The House bill contained no similar provision.

The Senate recedes.

Joint duty credit for Operations Desert Storm and Desert Shield

The Senate amendment contained a provision (sec. 903) that would require the Secretary of Defense to grant credit for a full tour of duty in a joint duty assignment for officers who have served in the Persian Gulf combat zone. The tour of duty must have provided significant experience in joint matters or involved frequent professional interaction with units and members of another armed force or an allied armed force.

The House bill contained no similar provision.

The Senate recedes.

Oversight and management of special access programs

The Senate amendment contained a provision (sec. 906) that would: (1) consolidate special access programs under the Deputy Secretary of Defense, (2) require Congress to be informed of the initiation of a special access program prior to expenditure of funds, and (3) establish procedures for ensuring availability of information about the program to the congressional defense committees.

The House bill contained a provision (sec. 124) that would require public disclosure of certain information involving total program cost and major schedule milestones for a special access program that has a program cost with the definition of a major defense acquisition program.

The House and Senate each recede on their respective provisions. The Deputy Secretary of Defense has advised the conferees that the Department is consolidating and strengthening its management of special access programs in order to address the problems discussed in the Senate and House reports (S. Rept. 102–113 and H. Rept. 102–60). In addition, he has assured the conferees that he will improve the procedures for congressional access to special access information. In view of these actions and commitments, the conferees agree that legislative action on these provisions is not necessary at this time.

TITLE X—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Date for transmittal of joint outlay report (sec. 1002)

The House bill (sec. 1002) and the Senate amendment (sec. 1102) contained similar provisions that would change the date of the submission of the annual joint report by the Office of Management and Budget and the Congressional Budget Office concerning national defense outlays from December 15 to the date on which the President's budget is submitted.

The conferees agree to this provision with a technical change.

Foreign national employees separation pay account (sec. 1003)

The House bill contained a provision (sec. 1003) that would establish an account to finance the obligations of the United States government for separation pay for foreign national employees of the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Revision of reporting requirement regarding the effect of certain payments and adjustments on the federal deficit (sec. 1004)

The Senate amendment contained a provision (sec. 1103) that would revise the reporting requirement in section 1554 of title 31, United States Code, which concerns the effect on the deficit of outlays from accounts previously known as "M accounts."

The House bill contained no similar provision.

The House recedes with a technical amendment.

Classified annex (sec. 1005)

There is a classified annex to this conference report. The classified annex is incorporated by reference into this act and has the force and effect of law. The classified annex is available to the Senate and the House of Representatives during consideration of this conference report, and will be made available to the President at the time of presentment of this legislation.

Extension of authorization for aviation depots and naval shipyards to engage in defense-related production and services (sec. 1011)

The House bill contained a provision (sec. 1022) that would extend, for one year, until the end of fiscal year 1992, the authority provided by section 1425 of the National Defense Authorization Act of Fiscal Year 1991 (Public Law 101–510), for naval shipyards and Army, naval and Air Force aviation depots to bid on defense-related production and services.

The Senate amendment contained a similar provision (sec. 315).

The Senate recedes.

Transfer of obsolete aircraft carrier Oriskany (sec. 1012)

The Senate amendment included a provision (sec. 1111) that would authorize the Secretary of the Navy to transfer the obsolete aircraft carrier U.S.S. *Oriskany* to a nonprofit Japanese organization, the International Information Friendship Foundation (IIFF), under certain conditions.

The House bill contained no similar provision.

The House recedes with an amendment that would allow the transfer of the vessel to the City of America, subject to the conditions contained in the Senate provision. The conferees understand that the City of America is to be organized under United States law rather than Japanese law.

Transfer of obsolete research vessel Gyre (sec. 1013)

The Senate amendment included a provision (sec. 1112) that would authorize the Secretary of the Navy to transfer the obsolete research vessel *Gyre* to the Texas Agricultural and Mechanical University for education and research purposes.

The House bill contained no similar provision.

The House recedes.

Report on submarine export license (sec. 1014)

The Senate amendment included a provision (sec. 1131) that would require the Secretary of the Navy to report on the criteria to be used in deciding about potential requests by corporations in the United States for a license to import for further assembly and re-export submarine components designed and manufactured abroad.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees understand that approval for any submarine export license will depend primarily upon the recommendation of the Secretary of the Navy. The conferees agree to a provision that would require a report on matters to be considered and criteria to be used in determining whether the Secretary of the Navy will recommend that an export license be issued.

Fast sealift program (sec. 1015)

The conferees recommend a provision that would amend section 1424 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), which established a fast sealift program. The amendment would specify that vessels constructed under the program shall incorporate propulsion systems, bridge and machinery control systems, and interior communications equipment manufactured in the United States.

Construction of vessels with national defense features

The conferees are aware of an innovative proposal to build roll-on/roll-off (RO/RO) vessels for the car carrying trade between the United States and Japan. This proposal would involve a joint venture to transfer shipbuilding technology from Japanese shipyards to U.S. yards. It may require that the U.S. government re-evaluate the decision to terminate the construction differential subsidy (CDS) program that was previously funded in the Maritime Administration's budget. This CDS program would provide funds to incorporate defense features into these RO/RO vessels that would make them better able to carry military equipment in an emergency.

The conferees are very interested in steps that would help implement the intent of the National Sealift Policy to rely as much as possible on the private sector for sealift capability. Ships in a RO/RO configuration proved to be the most useful vessels that were available during the Persian Gulf war. Therefore, the conferees direct the Secretary of the Navy to provide an analysis of this proposal with the submission of the next budget, including the proposal's costs and benefits, any required changes in law or regulation required to implement it, and how the Navy would propose that such a program be administered.

Overhaul of the U.S.S. John F. Kennedy (CV–67) (sec. 1016)

The Senate amemdment included a provision (sec. 113) that would authorize the transfer of $405.0 million appropriated in fiscal year 1991 for the service life extension of the aircraft carrier U.S.S. *John F. Kennedy* (CV–67) to the sealift program. The provision also would repeal section 203 of the Dire Emergency Supplemental Appropriations for Consequences of Operation Desert Shield/Desert Storm, Food Stamps, Unemployment Compensation Administration, Veterans Compensation and Pensions, and Other Urgent Needs Act of 1991 (Public Law 102–27) which prohibited the use of appropriated funds for overhaul of the *Kennedy*.

The House bill contained no similar provision.

The Department of Defense recently announced that the *Kennedy* is to receive a complex overhaul at the Philadelphia Naval Shipyard beginning in fiscal year 1993. The conferees understand that the estimated cost of the overhaul is $491.3 million, and that the current funding plan for the overhaul is as follows (in millions of dollars):

	Fiscal year—				
	1990 and prior	1991	1992	1993	Total
O&M,N	0	3.0	16.0	334.0	353.0
OPN	61.0	8.4	35.3	33.6	138.3
Total	61.0	11.4	51.3	367.6	491.3

The conferees also understand that the Navy proposes to use the remaining $105.0 million of service life extension funds to offset these requirements as follows:

O&M,N	0	0	0	−82.0	−82.0
OPN	0	0	−23.0	0	−23.0
Total	0	0	−23.0	−82.0	−105.0

Therefore, the net funding requirements are:

O&M,N	0	3.0	16.0	252.0	271.0
OPN	61.0	8.4	12.3	33.6	115.3
Total	61.0	11.4	28.3	285.6	386.3

The conferees further understand that the planned work package for the overhaul includes approximately 823,000 mandays, including approximately 652,000 mandays for repair and approximately 171,000 mandays for modernization. The overhaul is scheduled to begin in September 1993 and to be completed in September 1995.

The conferees recommend a provision that would: (1) make available the $105.0 million already provided for the service life extension of the *Kennedy* to help fund the overhaul announced by the Department of Defense; (2) require the Navy to conduct a complex overhaul of the *Kennedy* at the Philadelphia Naval Shipyard; (3) establish a ceiling on the total cost of the overhaul at $491.3 million; and (4) repeal section 203 of Public Law 102–27.

The conferees direct the Navy to proceed with the planning and long leadtime procurement for overhaul of the *Kennedy* at the Philadelphia Naval Shipyard, consistent with the recent announcement by the Department of Defense. The conferees intend the Navy to manage the *Kennedy* overhaul to the total cost and schedule as described above, without increasing or decreasing the total planned effort.

The conferees understand that the Navy must obligate some fiscal year 1992 funds within 90 days if the announced schedule is to be maintained. The conferees direct the Secretary of Defense to report to the congressional defense committees within 60 days after the date of enactment of this act on the obligation plan supporting the announced schedule and content of the overhaul of the *Kennedy*, including $105.0 million made available from service life extension funds, $16.0 million authorized under the Operation and Maintenance, Navy account, and $12.3 million authorized under the Other Procurement, Navy account.

The House recedes with an amendment.

The conferees emphasize that their agreement has no effect on the implementation of the recommendations of the Base Closure Commission as they affect the Philadelphia Naval Shipyard.

Inapplicability to inflatable boats of restriction on construction in foreign shipyards (sec. 1017)

The Senate amendment contained a provision (sec. 115) that would specify that an inflatable boat or a rigid inflatable boat is not covered by the "Buy American" restriction contained in section 7309 of title 10, United States Code.

The House bill contained no similar provision.

The House recedes. The conferees agree that section 7309 of title 10, United States Code, should not cover inflatable boats or rigid inflatable boats. However, the importance of the U.S. shipbuilding industry justifies special considerations in the procurement of these boats. In particular, the conferees believe that the Secretary of the Navy should (1) evaluate in a competitive procurement all appropriate U.S.-made, as well as foreign-made, boats; (2) procure foreign-made boats only if they are non-developmental items; and (3) procure foreign-made boats only if the Secretary determines that no U.S. manufacturer has proposed a boat that satisfies the military or schedule requirements of the procurement.

Prohibition relating to deactivation of Naval Reserve helicopter mine countermeasures squadrons (sec. 1021)

The Senate amendment included a provision (sec. 1114) that would prohibit deactivation of naval helicopter mine countermeasures squadrons HM-18 and HM-19 as units in the Naval Reserve.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Naval reserve study

The Navy is conducting a "Total Force Appraisal" that will review the alignment of functions, missions, and forces between the active and Reserve components. The conferees welcome this study and look forward to receiving the results of its analysis.

The conferees, however, are concerned that the Navy may be acting to eliminate Reserve force structure before the overall appraisal is completed. The conferees, therefore, direct that Reserve force structure cuts in fiscal year 1992 be limited to those units that are in direct support of or augment active force units that are being disestablished.

In this context, the conferees note two specific examples. First, elsewhere in this act, the conferees recommend a specific provision that would preclude retiring the helicopter mine countermeasures squadrons. Second, the conferees note with concern proposed Navy plans to disestablish the Reserve antisubmarine warfare helicopter squadron (HSL-74) that would support the frigates that are being placed in the Reserve force structure as part of the "Innovative Reserve Concept." Retaining this squadron could be important to ensuring that the frigates are ready to go to sea within 180 days as called for in this concept. Accordingly, the conferees direct that this squadron not be disestablished prior to receipt of the "Total Force Appraisal."

Repeal of requirement for transfer of certain aircraft to Air Force reserve components (sec. 1022)

The House bill contained a provision (sec. 121) that would repeal section 1436 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) that requires the Air Force to transfer aircraft to Air National Guard and Air Force Reserve squadrons.

The Senate amendment contained an identical provision (sec. 1115).

The House recedes.

Amending requirement to transfer tactical airlift mission (sec. 1023)

Section 1438 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) requires the Secretary of Defense to transfer the tactical airlift mission entirely to the Air National Guard and the Air Force Reserve.

The House bill contained a provision (sec. 122) that would repeal section 1438 of Public Law 101-510.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would modify section 1438 to provide for an annual waiver so long as the Air Force continues to modernize its tactical airlift squadrons.

Amending requirement to replace OV-1 and OV-10 aircraft with A-10 aircraft (sec. 1024)

Section 1439 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) requires the Army and the Marine Corps to retire obsolete observation aircraft, and the Air Force to transfer A-10 aircraft to the Army and the Marine Corps to be modified to replace the retiring aircraft on a one-for-one basis.

The Senate amendment contained a provision (sec. 1116) that would delete the retirement and transfer provision for the Marine Corps OV-10 aircraft.

The House bill contained no comparable provision.

The House recedes with an amendment.

The conferees agree to delete any retirement and transfer provision as it relates to the Marine Corps OV-10 aircraft. The conferees also have been informed by the Army and the Air Force that the Army no longer requires observation aircraft in light of the impending fielding of the joint surveillance and target attack radar (JSTARS) aircraft. The conferees are concerned over the historical reluctance of the Air Force to procure JSTARS aircraft to meet Army—and by logical implication, Marine Corps—requirements. The conferees agree, however, that it is preferable to field a capable system like JSTARS to meet the ground commanders' surveillance requirements.

Consequently, the conferees recommend a provision that would amend the original transfer requirement. The provision would authorize an annual waiver of the transfer requirement so long as the JSTARS program stays on schedule and is procured in sufficient numbers to meet the warfighting requirements of the combatant commanders. If the JSTARS requirements cannot be met, the conferees believe that the Army should retain organic observation aircraft and that the A-10 aircraft should be provided for that purpose.

Sense of Congress regarding U.S. commitment to NATO (sec. 1041)

The House bill contained a provision (sec. 1033) that would express the sense of the Congress that the United States should reduce the number of its troops permanently stationed in Europe to less than 10,000 by fiscal year 1995 and organize those troops to facilitate the rapid and large-scale reception of U.S. reinforcements in the event of a military necessity.

The Senate amendment contained a provision (sec. 1135) that would express the sense of the Congress that barring unforeseen developments which result in a substantial increase in the threat to our national security, the United States should plan for an end strength level of U.S. troops permanently assigned ashore in European member nations of NATO by the end of fiscal year 1995 that should not exceed approximately 100,000.

The Senate recedes with an amendment. The conferees agree that barring unforeseen developments which result in a substantial increase in the threat to our national security, the United States should plan for an end strength level of U.S. troops permanently assigned ashore in European member nations of NATO by the end of fiscal year 1995 that should not exceed approximately 100,000. The conferees further agree that a principal function of these troops should be to facilitate the rapid and large-scale reception of reinforcing U.S. troops in the event of a military necessity.

Reduction in authorized end strength for the number of military personnel in Europe (sec. 1042)

The Senate bill contained a provision (sec. 402) that would lower the congressionally-mandated European troop strength (ETS) ceiling to 235,700, effective September 30, 1992. The provision would permit the President to waive this ceiling if he certifies to the Congress that the national security interests of the United States require a waiver, in which case the ETS ceiling would revert to the current level of 261,855.

The House bill contained no similar provision.

The House recedes.

Strategic framework and distribution of responsibilities for the security of Asia and the Pacific (sec. 1043)

The Senate amendment contained a provision (sec. 1127) that would express the sense of Congress on the U.S. military presence in Asia and the Pacific. The provision would also require the President to submit to the Congress a report on the strategic posture and military force structure of the United States in Asia and the Pacific.

The House bill contained no similar provision.

The House recedes.

United States troops in Korea (sec. 1044)

The Senate amendment contained a provision (sec. 1144) that would express the sense of the Senate on the U.S. military presence in the Republic of Korea.

The House bill contained no similar provision.

The House recedes with an amendment that would change the provision to an expression of the sense of Congress.

Burdensharing contributions by Japan and Korea (sec. 1045)

The Senate amendment contained a provision (sec. 1118) that would authorize the Secretary of Defense, during fiscal years 1992 and 1993, to accept cash contributions from the Republic of Korea to cover the costs of DoD local national employees and military construction projects

The House bill contained no similar provision.

The House recedes with an amendment that would: (1) authorize the Secretary of Defense to accept cash contributions from Japan as well as the Republic of Korea; (2) add the costs of DoD supplies and services to those that could be covered by the cash contributions; (3) specifically authorize the Secretary of Defense or the Secretary of a military department to use the cash contributions to carry out military construction projects; and (4) modify the report required from the Secretary of Defense to make it consistent with the report required by section 2350g(b) of title 10, United States Code.

The conferees intend that the DoD services that may be covered by cash contributions include construction planning, design, and management functions. Also, the conferees expect that the funds received from Japan and the Republic of Korea shall be used to offset costs that would otherwise be incurred by the Defense Department to meet facility or other standards that apply across the military Services. The conferees do not intend that these funds be used for expenditures that exceed these world-wide standards or that cannot be fully justified on their merits and within the overall funding constraints of the Services. The conferees will use this criterion to evaluate Service expenditure proposals and reports.

Defense cost-sharing (sec. 1046)

The House bill contained a provision (sec. 1034) that would require (a) consultations to seek to achieve, within six months, equitable cost-sharing agreements with all nations with which the United States has a defense agreement; (b) a report from the President every six months on progress in those consultations; and (c) a report from the Secretary of Defense every six months containing an accounting of the contributions made pursuant to such cost-sharing agreements.

The Senate bill contained a provision (sec. 1129) that would (a) require consultations to seek to achieve, within one year, equitable cost-sharing agreements with all nations in which the United States has permanently stationed combat units; (b) provide exceptions from that requirement for those countries that receive from the United States Foreign Military Financing (FMF) assistance or Economic Support Fund (ESF) assistance; and (c) require that information on progress in the consultations and the accounting of contributions made pursuant to such cost-sharing agreements be included in the annual *Report on Allied Contributions to the Common Defense* (required by section 1003 of the Department of Defense Authorization Act for Fiscal Year 1985 by March 1 of each year).

The Senate recedes with an amendment. The conferees agree that (a) equitable cost-sharing agreements are to be sought with each member of the North Atlantic Treaty Organization (NATO) and each nation in which the United States has permanently stationed combat units or equipment; (b) countries that receive FMF or ESF assistance from the United States will be exempted from this requirement; and (c) the reporting required by this provision will be included in the annual *Report on Allied Contributions to the Common Defense.*

The conferees further agree that (a) nothing in this provision precludes consultations on equitable defense cost-sharing agreements with nations with which such consultations are not required by this provision; and (b) the annual *Report on Allied Contributions to the Common Defense* will have to be significantly reshaped and reoriented to include the information required by this provision and to reflect revolutionary changes in the global security environment. As a result, this annual report will be more comprehensive and will shift from a focus on security requirements within Europe to an assessment of how equitably the responsibilities for global security and stability are being shared. The report will serve as the basis of congressional review and decisions on the additional steps that should be taken in the future on defense cost-sharing.

Treatment and availability of contributions of friendly foreign countries and NATO for cooperative defense projects (sec. 1047)

The Senate amendment contained a provision (sec. 1117) that would authorize allied funds contributed to cooperative defense projects to be credited to Defense Department appropriation accounts. These funds would then be obligated to cover only project costs.

The House bill contained no similar provision.

The House recedes.

Expansion of authority for the Navy to provide supplies and services to foreign countries (sec. 1048)

The Senate amendment contained a provision (sec. 1119) that would authorize the Navy to extend routine port and airport services on a reciprocal basis to the naval ships and military aircraft of countries other than allied or friendly countries, such as the Soviet Union.

The House bill contained no similar provision.

The House recedes.

Extension of authority for transfer of excess defense equipment to certain nations (sec. 1049)

The Senate amendment contained a provision (sec. 1120) that would make permanent the authority of the President to transfer excess defense articles free of charge to certain countries.

The House bill contained no similar provision.

The House recedes with an amendment that would (1) extend the President's authority through fiscal year 1996, and (2) specify that the provision will not take effect if the same extension is enacted as a provision of the International Cooperation Act of 1991 before this Act is enacted.

Authority of Secretary of Defense in connection with cooperative agreements on air defense in Italy (sec. 1050)

The Senate amendment contained a provision (sec. 1121) that would authorize the Secretary of Defense to carry out the 1988 air defense agreement with Italy.

The House bill contained no similar provision.

The House recedes.

NATO AWACS program (sec. 1051)

In 1978, legislation was enacted into law to authorize the Secretary of Defense to waive certain costs and charges in the implementation of the NATO agreement to procure 18 E-3A AWACS aircraft. The legislation was subsequently broadened in 1989 to include follow-on support agreements for the program.

On December 7, 1990, NATO concluded an addendum to the original agreement which sets forth the terms under which the NATO AWACS fleet will be modernized. The conferees recommend a provision that would amend the authority contained in section 2350e of title 10, United States Code, to cover this most recent addition to the NATO AWACS agreement. The provision would also extend the authority for two more years until the end of fiscal year 1993.

Training of special operations forces with friendly foreign forces (sec. 1052)

The Senate amendment contained a provision (sec. 1122) that would clarify the authority of the U.S. Special Operations Command and other combatant commands to use operation and maintenance funds for overseas deployments in which special operations forces train and train with the armed forces of friendly foreign countries. The provision would also authorize the combatant commands to pay the incremental expenses that friendly developing countries would incur as the direct result of training with U.S. forces.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to submit an annual report on the use of funds appropriated pursuant to this provision. The conferees direct the Secretary of Defense to submit the report to the Armed Services and Foreign Relations Committees of the Senate and the Armed Services and Foreign Affairs Committees of the House of Representatives.

Foreign comparative testing (sec. 1053)

The Senate amendment contained a provision (sec. 1124) that would enable "friendly foreign countries" to continue to participate in the DOD Foreign Comparative Testing program.

The House bill contained no similar provision.

The House recedes with an amendment that would make a technical change in the Senate provision.

Limitation on the costs to the United States for payments to foreign nationals employed at military installations outside the United States (sec. 1054)

The House bill contained a provision (sec. 1035) that would establish end strength ceilings for fiscal years 1992, 1993, and 1994 on the number of employment positions at U.S. military installations outside the U.S. that may be filled by foreign nationals who are employed pursuant to an indirect-hire civilian personnel agreement and are paid by the U.S. This provision would also express the sense of Congress that, beginning with fiscal year 1995, the President should achieve reductions (below fiscal year 1994 levels) in the cost to the United States of salaries and other remuneration of foreign nationals employed at United States military installations located outside the United States through agreements under which the host countries assume a greater share of these costs.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish end strengths for fiscal years 1992 and 1993 on foreign nationals who are employed pursuant to an indirect-hire civilian personnel agreement and are paid by the U.S. that are 5,000 and 15,000, respectively, below the levels contained in the amended budget request. The conference provision would also authorize the Secretary of Defense to waive the end strengths in this provision if the Secretary determines that the national security interests of the United States require such action. Finally, the conference provision would express the sense of Congress that, beginning with fiscal year 1994, the President should achieve reductions (below fiscal year 1993 levels) in the cost to the United States of salaries and other remuneration of foreign nationals employed at United States military installations located outside the United States through agreements under which the host countries assume a greater share of these costs.

Technical and clarifying amendments (secs. 1061–1063)

The House bill contained a provision (sec. 1031) that would codify and clarify certain provisions of law and provide certain technical amendments.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

Sense of Congress relating to the contributions to Operation Desert Storm made by the defense-related industries of the United States (sec. 1071)

The Senate amendment contained a provision (sec. 1124) that would express the sense of Congress that the defense-related industries of the United States, and the men and women who work for such industries, deserve the gratitude and appreciation of the Congress and the United States for the design and production of the technologically-advanced weapons that ensured victory by the United States and its international coalition allies in Operation Desert Storm; that future decisions relating to the national security of the United States must take into account the need to maintain strong defense-related industries in the United States; and that it is vitally important to the United States that the defense-related industries of the United States be capable of responding to the national security requirements of the United States.

The House bill contained no similar provision. The House report (H. Rept. 102-60), however, did express appreciation to the companies and workers who contributed to producing the high technology weaponry that helped secure the victory in the Persian Gulf.

The House recedes with an amendment.

Sense of Congress relating to cooperation between the military departments and Big Brothers and Big Sisters organizations (sec. 1072)

The Senate amendment contained a provision (sec. 1126) that would express the sense of Congress that the military departments should cooperate with the Big Brothers and Big Sisters organizations.

The House bill contained no similar provision.

The House recedes.

Commendation of the military colleges for their contributions to training the citizen-soldiers (sec. 1073)

The Senate amendment contained a provision (sec. 1132) that would recognize and commend military colleges for the unique contributions they have made and continue to make, and urges citizens of the United States to support the concept of the citizen-soldier to which these colleges are dedicated.

The House bill contained no similar provision.

The House recedes.

Sense of Congress relating to the chemical decontamination training facility at Fort McClellan, Alabama (sec. 1074)

The Senate amendment contained a provision (sec. 1137) that would express the sense of Congress that the necessity for an effective live chemical agent training facility requires that the Chemical Decontamination Training Facility and the Army Chemical School be continued in operation at Fort McClellan, Alabama, unless a new facility for conducting combat training with live chemical agents is constructed.

The House bill contained no similar provision.

The House recedes.

Policy regarding contracting with foreign firms that participate in the secondary Arab boycott (sec. 1075)

The Senate amendment contained a provision (sec. 1138) that would express the sense of the Congress that no Department of Defense prime contract should be awarded to a foreign person unless that person certifies that it does not comply with the secondary Arab boycott of Israel.

The House bill contained no similar provision.

The House recedes.

Sense of Congress concerning issuance of commemorative card for Operation Desert Storm service members (sec. 1076)

The House bill contained a provision (sec. 1037) that would express the sense of Congress that the Secretary of Defense shall issue a special commemorative card to each member of the Armed Forces who served in the Persian Gulf theater of operations in connection with the Persian Gulf conflict or who, as a member of a reserve component or a retired member, was ordered to active duty in connection with the Persian Gulf conflict.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

Survivor notification and assistance; access to military records of service members dying on active duty (sec. 1081)

The Senate amendment contained a provision (sec. 514) that would require the Secretary of Defense to respond promptly to requests by the family or legal representatives of deceased service members for relevant records, including autopsy reports and reports of investigations.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to review existing casualty notification and assistance policies and provide a report on the results of the review to the Committees on Armed Services of the Senate and the House of Representatives. The conferees anticipate that the review process within the Department of Defense should result in significant improvements in providing appropriate information to family members. If such improvements are not made, legislative action will be necessary.

Disclosure of information on prisoners of war or missing in action personnel (sec. 1082)

The Senate amendment contained a provision (sec. 1130) that would require the release of records or other information pertaining to any U.S. personnel classified as prisoners of war or missing in action, subject to certain limitations.

The House bill contained no similar provision.

The House recedes with an amendment that would focus the responsibility for making such records and other information available to the public on the Secretary of Defense in recognition of the fact that the Defense Intelligence Agency (DIA) is the repository of virtually all such information; limit the applicability of the provision to the Vietnam War; broaden the reach to all persons who were ever classified as a prisoner of war or missing in action; specify that the records and other information shall be available for review and photocopying in a library-like location in the National Capital region; delete the requirement for the publication of a list of U.S. personnel classified as POW, MIA, or killed in action since 1940; and clarify the review and consent requirements.

The conferees note that a large amount of material is in the hands of DIA but envision expeditious action by the DIA on this extremely important task. The conferees expect that the closest living relatives will be requested to consent not only to the release of existing but also future information that is obtained by the federal government and that normal photocopying fees and normal waivers of such fees shall apply. The conferees also note that in some instances, family members have disputed the identification of the remains of a Vietnam-era POW/MIA. For purposes of this provision, the conferees expect the Secretary of Defense to treat such a case as one in which the remains have not been returned to U.S. control.

Support center for families of prisoners of war and persons missing in action (sec. 1083)

The Senate amendment contained a provision (sec. 1136) that would authorize the establishment in the Executive Office of the White House of a family support center to facilitate contact with departments and agencies of the federal government for families of prisoners of war (POWs) and persons missing in action (MIAs) in Southeast Asia. The center would also act as a clearinghouse for documents and materials relating to POWs and MIAs.

The House bill contained no similar provision.

The House recedes with an amendment that would change the location of the family support center to the Department of Defense and would delete the clearinghouse function of the center. The conferees note that this provision complements the provisions of another section concerning the disclosure of information regarding POWs and MIAs. The conferees believe that the Department of Defense is best equipped and has the highest incentive to respond to the needs of the families of such personnel.

Requirement to display POW/MIA flag on Federal buildings and Vietnam Memorial (sec. 1084)

The Senate amendment contained provisions (secs. 1140–1142) that would provide that the POW/MIA flag shall be displayed on or in the immediate vicinity of all federal buildings and at the National Vietnam Veterans Memorial until such time as the fullest possible accounting has been made of all members of the armed forces of the United States and civilians who are known to have become prisoners of war or who are missing in action in Southeast Asia. The Administrator of General Services, in consultation with the heads of other Executive departments and agencies, would determine the federal buildings at which the POW/MIA flag would be displayed and the manner in which it should be displayed.

The House bill contained no similar provision.

The House recedes with an amendment that would require the National League of Families' POW/MIA flag to be displayed at each national cemetery and at the Vietnam Veterans Memorial on Memorial Day, Veterans Day, and on any day designated by law as National POW/MIA Recognition Day, and at certain federal buildings on any day designated by law as National POW/MIA Recognition Day. The POW/MIA flag would be flown at these locations on the days indicated until such time as the President determines that the fullest possible accounting has been made of all members of the armed forces of the United States and civilian employees of the United States who have been identified as prisoners of war or missing in action in Southeast Asia.

Overseas Workload Program (sec. 1085)

The House bill contained a provision (sec. 802) that would extend through fiscal year 1992 legislation (section 1465 of the National Defense Authorization Act for Fiscal Year

1991 (Public Law 101-510)) governing the Overseas Workload Program.

The Senate amendment contained no similar provision.

The Senate recedes.

Technical data packages for large-caliber cannon (sec. 1086)

The Senate amendment contained a provision (sec. 1123) that would add "friendly foreign countries" to the NATO and major non-Nato allies to which the Secretary of the Army may transfer, under certain conditions, technical data packages for large caliber cannon.

The House bill contained no similar provision.

The House recedes.

Emergency direct loans for small business concerns located in communities adversely affected by troop deployments during the Persian Gulf conflict (sec. 1087)

The House bill contained a provision (sec. 1032) that would transfer $15.0 million from the Department of Defense to the Small Business Administration for loans to small businesses that sustained economic injury due to troop deployments in support of the Persian Gulf conflict.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

The conference agreement would provide $30.0 million for this program.

Additional DoD support for counter-drug activities (sec. 1088)

The Senate amendment contained a provision (sec. 905) that would extend the terms of section 1004(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) for two additional years and would provide $40.0 million for support to the counter-drug activities of federal, state, local and foreign law enforcement agencies. The provision also would make certain adjustments to the Department's detailed budget justification document, both for the Operations and Maintenance and the Tactical Intelligence and Related Activities accounts. Finally, the provision would amend section 124 of title 10, United States Code, to make clear that the Department's lead role in the detection and monitoring of the aerial and maritime transit of illegal drugs into the United States would be carried out in support of law enforcement agencies.

The House bill also provided $40.0 million for support to the counter-drug activities of law enforcement agencies, reduced funding by approximately $25.0 million, and made certain adjustments to the Department's detailed budget justification document.

The House recedes with an amendment that would make certain adjustments to the counter-drug accounts as reflected in the following table and in the classified annex to this statement of the managers. The conferees expect prior notification to the Armed Services and Foreign Relations Committees of the Senate and the Armed Services and Foreign Affairs Committees of the House of Representatives of activities conducted pursuant to subsections (b) (3), (4), and (5) of section 1004, as amended by this provision, as it relates to support to foreign law enforcement agencies.

The conferees are aware of a report by the DoD Inspector General that questions various aspects of Joint Task Force 5 (JTF5): its location, manning, separate existence, and detection and monitoring activities within the U.S. Pacific Command area. The conferees believe that the amendment to section 124 of title 10, United States Code, to subordinate the Defense Department's lead role with respect to detection and monitoring to the needs of the law enforcement community should ensure that the Defense Department's detection and monitoring activities will be more responsive to intelligence queuing and combined planning with law enforcement agencies. Nevertheless, questions remain and the conferees direct the Secretary of Defense to submit a report to the congressional defense committees within 90 days after the enactment of this act on the potential for combining the headquarters of the three counter-drug joint task forces and the desirability of co-locating the combined headquarters at the El Paso Intelligence Center or other law enforcement centers.

The conferees are also aware of the Gulf States counter-drug initiative and believe its mission is consistent with the congressional intent regarding the Defense Department's counter-drug efforts. Due to the innovative nature of the initiative and the cooperative relationship between the states involved in formulating this proposal, the conferees urge full funding of the initiative.

Drug Interdiction and Counter-Drug Activities, Operation and Maintenance

[In thousands of dollars]

Fiscal year 1992 Drug Interdiction and Counter-Drug Activities O&M Request	1,158,600
Reductions:	
Project 4420 AFOSI drug enforcement	(1,940)
(procurement)	(350)
Demand reduction	(10,800)
OPTEMPO	(40,000)
Total reductions	(53,090)
Increases:	
Project 9490 contraband detection/cargo container inspection technology (RDT&E)	2,590
Project 5201/5202 drug enforcement telecommunications support (C3I Network)	10,000
Project 4499 Civil Air Patrol	500
Additional support to law enforcement	40,000
Total increases	53,090

Technical revision to the charter of the Barry Goldwater Scholarship and Excellence in Education Program (sec. 1089)

The House bill contained a provision (sec. 1038) that would make technical changes relating to compensation of the board members of the Barry Goldwater Scholarship and Excellence in Education Program.

The Senate amendment contained no similar provision.

The Senate recedes.

Protection of keys and keyways used in security applications by the Department of Defense (sec. 1090)

The Senate amendment contained a provision (sec. 1128) which would make it a crime to unlawfully duplicate keys used by the Department of Defense for security purposes.

The House bill contained no similar provision.

The House recedes.

Administration of military Selective Service System (sec. 1091)

The House bill contained a provision (sec. 507) that would make two minor changes to the administration of the Selective Service System. First, no state director of the Selective Service system would be permitted to serve concurrently in any other appointed or elected state government position. Second, reports currently required to be submitted on a semiannual basis would only be required annually.

The Senate amendment contained no similar provision.

The Senate recedes

Remote maintenance allowance for certain civilian employees of the Federal Government assigned to Johnston Island (sec. 1092)

The Senate amendment contained a provision (sec. 622) that would amend chapter 59 of title 5, United States code, to authorize a remote maintenance allowance for civilian employees of the United States assigned to Johnston Island equal to that authorized an employee in a foreign area under section 5924(3) of title 5, United States Code.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Extension of foreign post differentials to certain federal employees who served in connection with Operation Desert Storm (sec. 1093)

The Senate amendment contained a provision (sec. 627) that would provide for the retroactive payment of a foreign post differential to certain federal employees who served on temporary duty in connection with Operation Desert Storm in the Persian Gulf conflict.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Provisional supervised employment of Federal child care services personnel (sec. 1094)

The conferees have been advised by the Department of Defense of administrative difficulties that it has encountered in complying with section 231 of the Crime Control Act of 1990 (42 U.S.C. 13041). Section 231 requires federal and state criminal history checks for newly hired child care services personnel. The difficulties involve the length of time that it takes for these checks and the relatively high turnover of child care services personnel.

According to the Department, child care programs and services would be severely curtailed because of employment gaps between the time an employee leaves and a replacement is cleared for hire. This situation could result in the unintended effect of putting children at greater risk by forcing them into unsupervised settings. In addressing this issue, the conferees found that similar problems would arise in other federal child care facilities.

In view of this situation, the conferees recommend a provision that would allow the provisional supervised employment of federal child care services personnel prior to completion of a criminal history check. Personnel hired under this provision would be under the direct, line-of-sight supervision of cleared employees.

The conferees stress that this is a facilitating provision, and in no way lessens the basic need for the protection of children by the federal and state screening of all federal child care services personnel.

Iraq and the requirements of Resolution 687 (sec. 1095)

The Senate amendment contained a provision (sec. 1134) that would enumerate congressional findings concerning Iraq's failure to comply with United Nations Security Council Resolution 687. The provision also would express the sense of the Congress that: (1) Iraq's failure to comply is a threat to the peace, security, and stability of the Persian Gulf region; (2) the Congress supports the use of all necessary means to achieve the goals of the Resolution; (3) the President should continue to consult closely with our partners in the Operation Desert Storm coalition and with the Security Council; and (4) the President should minimize civilian casualties if the use of force proves necessary.

The House bill contained no similar provision.

The House recedes with an amendment that would recognize the use of all necessary means to achieve the goals of the Resolution as being consistent with the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102-1) and delete the paragraph urging the President to minimize civilian casualties, which is already required by the Law of Armed Conflict and thus is unnecessary to include in this provision.

Iraq and the requirements of Resolution 688 (sec. 1096)

The Senate amendment contained a provision (sec. 1134) that would enumerate congressional findings concerning Iraq's threat to the rights of Iraqi Kurds and Shias. The provision also would express congressional support for the use of all necessary means to protect the Kurds, consistent with the relevant United Nations resolutions and the authorities contained in the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102-1).

The House bill contained no similar provision.

The House recedes with an amendment that would note that Iraq's suppression of the Kurds and Shias violates the United Nations Declaration of Human Rights and United Nations Security Council Resolution 688. The amendment also would express the sense of Congress that (1) Iraq's non-compliance with Resolution 688 constitutes a threat to the peace, security, and stability of the Persian Gulf region; (2) the President should consult closely with our partners in the Operation Desert Storm coalition and the United Nations Security Council; and (3) the Congress supports the use of all necessary means to achieve the goals of Resolution 688 consistent with all relevant United Nations resolutions and Public Law 102-1.

Annual report on proliferation of missile and weapons of mass destruction technology (sec. 1097)

The Senate amendment contained a provision (sec. 1113) which would expand the existing requirement under section 1704 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) for an annual Presidential report on proliferation of missile technology controlled under the Missile Technology Control Regime (MTCR), to include nuclear, biological, and chemical weapons components and technology. The Senate report (S. Rept. 102-113) also urged the President to take immediate action to submit the report on missile proliferation which was due under the existing law on March 5, 1991.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees recommend a provision that would clarify the intent of the report to identify transfers by any country of missile and weapons of mass destruction technology to all countries except those specifically exempted from the reporting requirement. Based on these countries' adherence to the MTCR or other nonproliferation agreements, the provision would exempt from the report transfers to nineteen listed countries, regardless of the source of the transfers. However, the provision is not intended in any way to limit or modify reporting requirements under any other existing laws regarding weapons proliferation or technology diversion.

LEGISLATIVE PROVISIONS NOT ADOPTED

Limitation on procurement of anchor and mooring chain

The House bill contained a provision (sec. 1021) that would prohibit the Secretary of Defense from procuring certain anchor and mooring chain that is not manufactured in the United States.

The Senate amendment contained no similar provision.

The House recedes.

Report on military personnel in Columbia, Peru, and Bolivia

The House bill contained a provision (sec. 1039) that would call for a Presidential report concerning U.S. military personnel assigned to duty in Columbia, Peru, and Bolivia for counter-narcotics purposes.

The Senate amendment contained no similar provision.

The House recedes.

Report on feasibility and desirability of establishing an armor combat tank badge

The Senate amendment contained a provision (sec. 1146) that would require the Secretary of the Army to submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than six months after the date of enactment of this act, a report on the feasibility and desirability of establishing an armor combat tank badge.

The House bill contained no similar provision.

The Senate recedes.

TITLE XI—WARRANT OFFICER MANAGEMENT

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Warrant officer management (secs. 1101-1132)

The House bill contained nine sections (secs. 521-529) designed to provide a comprehensive and uniform system for the appointment, promotion, separation, and retirement of warrant officers. Among other changes, the House provisions would establish a new grade of chief warrant officer, W-5, abolish the current distinction between temporary and permanent grades of warrant officers, provide new promotion selection procedures, create new warrant officer active duty lists for each Service, provide for selective continuation on active duty and retirement of warrant officers, and provide for the transition of current warrant officers into the new management system.

The Senate amendment contained no similar provisions.

The Senate recedes with an amendment. the conferees believe that this series of provisions, known collectively as the Warrant Officer Management Act (WOMA), will provide the comprehensive and uniform system for the appointment, promotion, separation, and retirement of warrant officers that the House provisions were designed to achieve.

The amendment would make a number of substantive changes to the House provisions. In addition to the establishment of the new grade of chief warrant officer, W-5, new pay and allowances for individuals serving in this grade would be prescribed in order to provide an incentive for warrant officers to continue to serve their country and to recognize the highly complex and technical skills these individuals possess.

The conference agreement would also add several new features to the warrant officer promotion process. Promotion service credit could be awarded to active and Reserve component warrant officers being considered for promotion to ensure that they receive appropriate recognition for experience that enhances their utility to the Department of Defense. The Service Secretaries would be authorized to establish competitive categories for promotion within grades being considered for promotion in order to allow those with similar qualifications, such as warrant officer aviators, to compete among themselves for promotion. Promotion zones would be established, and below-the-zone promotion opportunity for those being considered for promotion to the grades of W-4 and W-5 would be provided. No more than 10 percent of the warrant officers being considered for promotion could be selected from below the promotion zone, except that the Secretary of Defense could authorize selection of up to 15 percent of those considered. Limiting below-the-zone promotion consideration is appropriate because early promotion has in the past been used to test future leaders, and the conferees believe that leadership potential is a legitimate early promotion criterion only in the more senior warrant officer grades. WOMA would also establish a three-year minimum time-in-grade requirement before warrant officers could be considered for promotion to the grades of W-3, W-4, and W-5, and an 18-month time-in-grade requirement before those in the grade of W-1 could be promoted to the grade of W-2. These requirements are consistent with historical notions of minimum service requirements before promotion eligibility and will facilitate management of the promotion flow among warrant officers. Finally, WOMA would prescribe the information that may be furnished to promotion selection boards and secretarial review procedures following issuance of a selection board's report. These procedures would conform the warrant officer promotion process with that which now exists for commissioned officers under the Defense Office Personnel Management Act (DOPMA) (Public Law 96-513).

The WOMA provisions would also delineate the management of warrant officers once selected for promotion and upon a failure of selection for promotion. Under the conference agreement, warrant officers not selected for promotion would be considered by subsequent promotion boards until promoted, separated, or retired. The names of those selected for promotion would be placed on a promotion list in order of seniority. Such warrant officers would be promoted unless the President removes their names from the selection board report or the Service Secretary removes their names from the promotion list. Procedures would be established governing promotion consideration of those whose names are removed from a promotion list. Current law would be amended to prescribe authority to establish dates of appointment and dates of rank for warrant officers and the seniority of warrant officers among those in the same grade and between those of differing grades. Taken together, these provisions would allow the Department of Defense to manage warrant officers following promotion consideration in much the same way commissioned officers are managed under DOPMA.

Warrant officer separation and retirement authorities are included in WOMA. The act would specify that warrant officers twice failing of selection for promotion will be separated or retired, and those separated will be entitled to receive separation pay. The selective continuation authority for warrant officers eligible for separation or retirement contained in the House bill would remain largely unchanged. The conference agreement would specify that warrant officers with an approved voluntary retirement date will be excluded from consideration by a retirement selection board. The conferees believe these changes are important in the current force reduction environment because the Armed Services need to manage attrition among senior service members.

In the aggregate, WOMA would establish a personnel management structure for warrant officers that is roughly parallel to that which now exists for commissioned officers under DOPMA. The conferees regard this legislation as necessary to the management of the warrant officer force during the present force drawdown and in the years ahead.

The conferees note that the WOMA provisions would not apply to Coast Guard warrant officers. The current management authorities for Coast Guard warrant officers are largely contained in title 10, United States Code, which WOMA would amend. The conferees note that most Coast Guard commissioned officer personnel management laws are found in title 14, United States Code. If the Coast Guard wished to be included in WOMA, the Coast Guard should have submitted a proposal to comprehensively amend title 14, United States Code, to establish a personnel management system for its warrant officers parallel to that created in this legislation. Moreover, the Coast Guard chose not to make parallel changes in title 14, United States Code, when DOPMA was passed, and the conferees understand that the Coast Guard did not intend to implement WOMA in fiscal year 1992, even if the law were made applicable to warrant officers of that Service. In view of these circumstances, the conferees provide for the uninterrupted management of Coast Guard warrant officers under the existing system of laws in title 10, United States Code. The conferees leave it to the Coast Guard to determine whether to pursue further legislation to amend title 14, United States Code, to make changes to commissioned and warrant officer management authorities parallel to the system enacted in title 10, United States Code, for the military Services.

TITLE XII—SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR OPERATION DESERT STORM

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Supplemental Authorizations for Operation Desert Storm (secs. 1201–1203)

Title I of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25) authorizes the use of foreign contributions in the Defense Cooperation Account, as well as funds in the Persian Gulf Regional Defense Fund, to pay incremental costs of Operation Desert Shield and Operation Desert Storm. The provisions of that act authorize the Secretary of Defense to transfer amounts from either account, subject to certain conditions, including notification to the congressional defense committees seven days prior to the transfer of any funds.

The Senate amendment contained provisions (secs. 1001–1003) that would extend to fiscal year 1992 the authority to use the Defense Cooperation Account and the Persian Gulf Regional Defense Fund and would authorize additional appropriations from these accounts for the incremental costs of Operation Desert Storm.

The House bill contained no similar provisions.

The House recedes with an amendment.

Section 1201 would extend the authority to use both foreign contributions and previously appropriated U.S. funds through fiscal year 1992. The Department of Defense would be authorized to follow current notice-and-wait procedures with respect to the remainder of the $42.6 billion in funds provided in the Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991 (Public Law 102–28).

Before making the transfers under section 1201, the Secretary of Defense must continue to comply with the conditions for such transfers applicable under current law, including prior notification to the congressional defense committees.

The conferees are concerned with the lack of information accompanying the request for $291.0 million for prepositioning of equipment in the Persian Gulf region. The Senate amendment deferred consideration of this matter without prejudice, pending receipt of detailed explanatory information from the Department of Defense. To date, no such information has been received. The conferees direct the Department to provide such information to the congressional defense committees in advance of submitting any proposed transfer notice under section 1201 for these activities.

Section 1202 would provide new authority to transfer not more than $3.8 billion from either the Defense Cooperation Account or the Persian Gulf Regional Defense Fund to pay incremental costs of Operation Desert Shield/Desert Storm during fiscal year 1992. This section would authorize appropriations in addition to the $42.6 billion already provided by the Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991. The conferees recommend that the monthly report required by section 1202 be combined with the report already required by section 106 of Public Law 102–25.

The incremental costs of Operation Desert Shield/Desert Storm for which supplemental appropriations would be authorized in section 1202 are identified in the table below. Appropriation of these funds would be authorized directly and is not subject to the notification provisions of section 1201.

The table of programs authorized in section 1202 includes changes made by the conferees to the administration's request.

DESERT STORM SUPPLEMENTAL AUTHORIZATIONS

Item	Supplemental request		Conference change to request		Conference authorization	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Aircraft Procurement Army:						
CH–47D modifications	2	27,000			2	27,000
OH–58D modifications	12	90,200			12	90,200
UH–60 helicopter	6	38,400			6	38,400
UH–60 helicopter (replaces UH–1)	7	45,000			7	45,000
Total		200,600		0		200,600
Missile Procurement Army:						
Tow/Stinger restockage		21,800				21,800
Patriot missile			300	200,000	300	200,000
Total		21,800		200,000		221,800
Weapons and Tracked Combat Vehicles:						
M1A1 tanks			18	63,000	18	63,000
Production base support						
Total		0		63,000		63,000
Other Procurement Army:						
HMMWV	155	4,800			155	4,800
HEMMT M977	42	6,600			42	6,600
HEMTT M978	161	27,300			161	27,300
5-ton truck (M939/FMTV)	436	41,800			436	41,800
Heavy equipment transporter						
Tactical trailer/dolly set	436	41,800			436	41,800
Total		80,500		0		80,500
Aircraft Procurement Navy:						
SH–60B helicopter	1	17,000			1	17,000
F–18 aircraft	5	135,000			5	135,000
F–18 aircraft (replaces A–6)	4	108,000			4	108,000
AV–8B aircraft	6	230,000		−50,000	6	180,000
AH–1W helo (replaces AH–1J)	2	18,000			2	18,000
Total		508,000		−50,000		458,000
Weapons Procurement Navy:						
5″ 54 gun mount	1	8,100			1	8,100

DESERT STORM SUPPLEMENTAL AUTHORIZATIONS—Continued

Item	Supplemental request		Conference change to request		Conference authorization	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Other Procurement Navy:						
Civil engineering equipment		97,700				97,700
MK–1103 mine clearing sleds		2,100				2,100
Trucks		300				300
Medical support equipment		12,600				12,600
Total		112,700		0		112,700
Procurement Marine Corps:						
Light armored vehicle	4	4,300			4	4,300
Aircraft Procurement Air Force:						
AC–130 aircraft (SOCOM)	1	71,400			1	71,400
F–15E			3	268,800	3	268,800
F–117A tailpipes				42,000		42,000
UH–60L helicopter (SOCOM)	1	5,500			1	5,500
E–8B JSTARS						
Total		76,900		310,800		387,700
Other Procurement Air Force:						
Laser bomb guidance kits		460,000				460,000
CBU–87 combined effects munition				100,000		100,000
Total		460,000		100,000		560,000
Total procurement		1,472,900		623,800		2,096,700
RDT&E Army:						
Chem-Bio defense equipment adv dev		6,600				6,600
Night vision sys eng dev		6,100				6,100
Chem/smoke equipment def TECH		3,700				3,700
Missile/air, def pip (23801A)		100				100
Special army program (39500A)		1,000				1,000
Defense Rsch. sciences (61102A)		500				500
Materials technology (62105A)		200				200
Elec. surv and fuzing tech. (62120A)		200				200
Tractor HIP (62122A)		300				300
EW Technology (62270a)		100				100
CMBT. Veh. & Auto Tech. (62601A)		1,100				1,100
Ballistics Technology (62618A)		100				100
Human Fact. Engr. Tech. (62716A)		100				100
C3 Technology (62782A)		600				600
MIL engineering tech. (62784A)		2,000				2,000
Logistics technology (62786A)		500				500
Medical technology (62787A)		800				800
Medical adv. tech. (63002A)		300				300
Tractor hole (63012A)		2,100				2,100
Matl and struc adv tech (63102A)		200				200
Landmine war/bar adv tech (63606A)		2,000				2,000
Soldier spt & surv. (63747A)		200				200
Log & engr equip adv dev (63804A)		100				100
Medical systems—AD (63807A)		400				400
EW development (64270A)		100				100
CBT Feeding Clo Equip (64713A)		700				700
Tactical surv system—ED (64740A)		200				200
Tactical elec surv sys—ED (64766A)		700				700
JT surv Tgt at Rdr Sys (64770A)		4,700				4,700
Log & Eng Equip—ED (64804A)		1,400				1,400
Med mat/med bio def equip (64807A)		300				300
Army test ranges/Fac (65601A)		1,400				1,400
Tech/vuln assessment (65604A)		300				300
Mat Sys Analysis (65706A)		100				100
Exploitation of Foreign Items (65709A)		4,000				4,000
Programwide Activities (65801A)		900				900
Tech info Activities (65803A)		100				100
Real prop maint acty (65894A)		100				100
Base operations—RDT&E (65894A)		1,000				1,000
Mngt. HQ (R&D) (65898A)		200				200
Night vision tech (62709A)		700				700
Cmbt. veh & auto adv. tech (63005A)		800				800
Chem/Bio def equip ED (64806A)		200				200
Mil eng adv tech (63734A)		600				600
Total		47,800		0		47,800
RDT&E Navy:						
Tactical command system		1,300				1,300
Mine countermeasures		2,200				2,200
Link 11 improvement		900				900
Theater mission planning center		400				400
EHF SATCOM		700				700
Tactical intelligence processor		600				600
Total		6,100		0		6,100
RDT&E Air Force:						
AWACS		7,300				7,300
Conventional munitions		400				400
Conventional wpns tech		100				100
Crew sys & pres prot tech		900				900
Aerospace avionics		400				400
C3I subsystem integration		300				300
Advanced computer technology		500				500
C3 advanced development		1,200				1,200
Aerospace flight dynamics		300				300
F–15 squadrons		700				700
EW development		1,800				1,800
NAVSTAR GPS		100				100
Joint surveillance system		3,300				3,300
Constant source		3,800				3,800
Armament ord dev		1,700				1,700
Surface def suppression		3,400				3,400
Aeromedical sys dev		300				300

DESERT STORM SUPPLEMENTAL AUTHORIZATIONS—Continued

Item	Supplemental request		Conference change to request		Conference authorization	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Total		26,500		0		26,500
RDT&E Defense Agencies:						
Flying carpet		10,300				10,300
DART		5,600				5,600
TACNAT/FULCRUM (62702E)		3,300				3,300
Last/ceramics insertions (62702E)		1,000				1,000
IFF (62702E)		300				300
Last/tactical (63226E)		1,100				1,100
Spec. warfare remote image periscope		300				300
Adv. sat. tech (MACSAT) (63226E)		300				300
OSD		2,800				2,800
DCA		300				300
SOCOM		2,700				2,700
DSPO		100				100
Total		28,100		0		28,100
Total research and development		108,500		0		108,500
Operation and maintenance, Army transportation		227,300				227,300
Operation and maintenance, defense agencies special operations command		0		50,000		50,000
Operation and maintenance, Army Reserve reserve operations		0		23,200		23,200
Operation and maintenance, Navy Reserve airframe and engine rework		0		28,300		28,300
Operation and maintenance, Army National Guard fuel price increase		0		41,900		41,900
Operation and maintenance, Air National Guard fuel price increase		0		55,000		55,000
Total operation and maintenance		227,300		198,400		425,700
Army Stock Fund:						
Depot level reparables		410,000				410,000
Total		410,000		0		410,000
Navy Stock Fund:						
Depot level reparables		450,000				450,000
Total		450,000		0		450,000
Air Force Stock Fund:						
Depot level reparables		280,000				280,000
Total		280,000		0		280,000
Total stock funds		1,140,000		0		1,140,000
National Guard personnel, Army:						
Guard personnel				40,196		40,196
Total military personnel				40,196		40,196
Total supplemental authorizations		2,948,700		862,396		3,811,096

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

OVERVIEW

The amended budget request for fiscal year 1992 contained $8,122,425,000 for military construction and family housing.

The House bill would authorize $10,153,208,000 for military construction, family housing, and major repair.

The Senate amendment would provide $8,711,318,000 for military construction and family housing.

The conferees recommend authorization of $9,017,778,000 for military construction and family housing for fiscal year 1992.

The amended budget request for fiscal year 1993 contained authorization of $7,263,027,000 for military construction and family housing.

The House bill would authorize $10,015,590,000 for military construction, family housing, and major repair.

The Senate amendment would provide $5,393,234,000 for military construction and family housing.

The conferees defer authorization of military construction and family housing for fiscal year 1993. The Department's request, which included almost a complete halt in new construction, was, in the view of the conferees, unresponsive to the Services' facility modernization needs. The conferees expect the Department of Defense to submit a fiscal year 1993 amended budget request, adjusted for actions taken by Congress, fact of life changes, and revised cost estimates. Additionally, since the actions of the Defense Base Closure and Realignment Commission have helped clarify the long term defense base structure, the conferees expect that the fiscal year 1993 amended budget request will provide a more robust facility modernization effort than was reflected in the original fiscal year 1993 request.

FY 1992 MILITARY CONSTRUCTION AUTHORIZATION OF APPROPRIATIONS RECAPITULATION [In thousands of dollars]	BUDGET REQUEST	HOUSE PASSED	PASSED SENATE	HOUSE +/- SENATE	CONFERENCE AGREEMENT
ARMY	851,300	1,431,820	865,500	566,320	928,429
NAVY	657,800	1,305,079	868,781	436,298	923,009
AIR FORCE	1,061,900	1,522,930	952,290	570,640	1,018,320
DEFENSE AGENCIES	571,600	764,818	658,440	106,378	683,140
NATO INFRASTRUCTURE	358,800	158,800	314,417	(155,617)	225,000
BASE REALIGN & CLOSURE, 1988	633,600	658,600	674,600	(16,000)	674,600
BASE REALIGN & CLOSURE, 1991	100,000	100,000	297,000	(197,000)	297,000
ARMY NATIONAL GUARD	50,400	166,286	125,585	40,701	210,745
AIR NATIONAL GUARD	131,800	203,914	186,900	17,014	218,760
ARMY RESERVE	57,500	115,910	63,530	52,380	106,507
NAVY RESERVE	20,900	46,376	56,900	(10,524)	56,900
AIR FORCE RESERVE	20,800	32,340	20,800	11,540	20,800
TOTAL MILITARY CONSTRUCTION	4,516,400	6,506,873	5,084,743	1,422,130	5,363,210
FAMILY HOUSING CONSTRUCTION, ARMY	137,400	162,670	141,950	20,720	167,220
FAMILY HOUSING SUPPORT, ARMY	1,396,900	1,396,900	1,396,900	0	1,396,900
PORTION APPLIED TO DEBT REDUCTION	125	125	125	0	125
FAMILY HOUSING CONSTRUCTION, NAVY	169,200	182,440	185,200	(2,760)	198,440
FAMILY HOUSING SUPPORT, NAVY	710,700	695,700	710,700	(15,000)	710,700
FAMILY HOUSING CONSTRUCTION, AIR FORCE	172,100	188,900	172,100	16,800	161,583
FAMILY HOUSING SUPPORT, AIR FORCE	909,400	909,400	909,400	0	909,400
FAMILY HOUSING CONSTRUCTION, DEF AGENCIES	200	200	200	0	200
FAMILY HOUSING SUPPORT, DEF AGENCIES	26,000	26,000	26,000	0	26,000
HOMEOWNERS ASSISTANCE FUND	84,000	84,000	84,000	0	84,000
TOTAL FAMILY HOUSING	3,606,025	3,646,335	3,626,575	19,760	3,654,568
TOTAL MILITARY CONSTRUCTION & FAMILY HOUSING	8,122,425	10,153,208	8,711,318	1,441,890	9,017,778
FY 1990 DEAUTHORIZATION	0	0	0	0	(82,150)
FY 1991 DEAUTHORIZATION	0	(87,580)	0	(87,580)	(127,636)
NET BUDGET IMPACT	8,122,425	10,065,628	8,711,318	1,354,310	8,807,992

TITLE XXI—ARMY

FISCAL YEAR 1992

The House bill would authorize $3,075,515,000 for Army military construction, family housing, and major repair programs for fiscal year 1992.

The Senate amendment would authorize $2,488,475,000 for this purpose.

The conferees recommend authorization of $2,576,674,000 for military construction and family housing for the Army for fiscal year 1992.

FISCAL YEAR 1993

The House bill would authorize $2,954,195,000 for Army military construction, family housing, and major repair programs for fiscal year 1993.

The Senate amendment would authorize $1,955,527,000 for these purposes.

The conferees defer an authorization for these purposes for fiscal year 1993.

Elementary school, Fort Wainwright, Alaska (sec. 2110)

The Senate amendment contained a provision (sec. 2109) that would clarify the intent of Congress in authorizing $8.3 million in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) to construct an elementary school at Fort Wainwright, Alaska. The provision would authorize the Secretary of the Army to make a direct grant to the Fairbanks North Star Borough School District, Fairbanks, Alaska, for the construction of this school in lieu of the Army constructing the facility and subsequently transferring title to the school district for its operation.

The House bill contained no similar provision.

The House recedes with an amendment that would increase the authorized amount of this initiative to $11.6 million. The conferees authorize the Secretary of the Army to transfer such additional sums up to a total of $11.6 million as may be required to fund construction of a school within the scope authorized in the National Defense Authorization Act for Fiscal Year 1991.

Airport feasibility study, Manhattan, Kansas

The Senate amendment contained a provision (sec. 2110) that would authorize the expenditure of no more than $250,000 for the Secretary of the Army to study the need for and feasibility of developing a joint military/civilian airport at Manhattan, Kansas.

The House bill contained no similar provision.

The Senate recedes. The Secretary of the Army is currently conducting such an evaluation.

Base realignment and closure, Ford Ord, California

The Base Realignment and Closure Commission and Congress have accepted the Secretary of Defense's recommendation to relocate the Seventh Infantry Division to Fort Lewis, Washington, and to close Fort Ord Army Base. The communities surrounding Fort Ord are willing to accept the decision to close the installation; however, this closure threatens the area with enormous economic dislocations and very possibly, a regional depression.

The communities need information on the effects of the Army's actions in order to plan the best strategy to avoid problems and take advantage of opportunities for the reuse of Fort Ord. Delay in receiving this information means the communities cannot move forward to reorder their priorities and set new directions regarding alternative uses of the land and facilities arising from the absence of the Army.

The conferees, therefore, direct the Army to proceed immediately with an environmental impact statement (EIS) for the reuse and disposal of Fort Ord. This document should specifically address the socio-economic effects of the relocation of the Army on Ford Ord. This requirement does not preclude the Army from implementing the actions mandated by the Base Realignment and Closure Commission. The conferees expect the EIS will be pursued expeditiously so as to provide the information needed by the communities. The notice of intent to prepare the EIS and begin the scoping process should be issued not later than February 15, 1992, and the EIS should be completed within 18 months of its initiation.

Yakima, Washington range expansion

The conferees recommend $18.0 million for the Yakima, Washington training area expansion. The conferees also agree to delete land east of the Columbia River from the acquisition. The conferees believe that the current permit process will allow the Army to continue to use this site for a limited number of river crossing exercises. The conferees also support the additional guidance provided to the Army by the statement of the managers (H. Rept. 102–236) accompanying the Military Construction Appropriations Act for Fiscal Year 1992.

TITLE XXII—NAVY

FISCAL YEAR 1992

The House bill would authorize $2,183,219,000 for Navy military construction, family housing, and major repair programs for fiscal year 1992.

The Senate amendment would authorize $1,764,681,000 for this purpose.

The conferees recommend authorization of $1,832,149,000 for military construction and family housing for the Navy for fiscal year 1992.

FISCAL YEAR 1993

The House bill would authorize $2,018,349,000 for Navy military construction, family housing, and major repair programs for fiscal year 1993.

The Senate amendment would authorize $990,000,000 for these purposes.

The conferees defer an authorization for these purposes for fiscal year 1993.

Military family housing, Public Works Center, San Francisco and Public Works Center, San Diego, California (sec. 2202)

The conferees are concerned over the shortage of family housing units in the San Francisco and San Diego areas. Additional units are required to reduce the long-standing housing deficits in these high cost areas.

The conferees understand that the funds appropriated in fiscal year 1990 for a military family housing project for Public Works Center (PWC), San Francisco were transferred in a July 1990 reprogramming request to repair and replace real property damaged by hurricane Hugo. Given the urgency of the Hugo restoration requirements, and the then uncertain base closure actions, the transfer of appropriations was considered appropriate. Inasmuch as the military family housing projects appropriated in fiscal years 1989 and 1991 for Naval Base Long Beach, California, are no longer required with the closure of the base, the conferees believe that the appropriations for these projects should be used to construct the fiscal year 1990 PWC San Francisco units. Additionally, inasmuch as the combined appropriation of the Long Beach projects exceeds the funding requirement for the PWC San Francisco project, the conferees believe the balance should be used to construct additional units for PWC San Diego.

Therefore, the conferees direct the Secretary of the Navy to construct 344 family housing units for Public Works Center, San Francisco at Naval Air Station Alameda, for $34.0 million and 148 units for Public Works Center, San Diego, for $17.1 million, using funds appropriated to the Department of the Navy for fiscal years 1989 and 1991 for military family housing projects at Naval Base Long Beach. The Secretary of the Navy shall notify the appropriate committees of Congress, in writing, 21 days prior to award of the construction contracts.

Termination of authority to carry out certain projects (sec. 2209)

The House bill contained a provision (sec. 2206) that would terminate certain projects authorized in the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) at Earle Naval Weapons Station, New Jersey, and at Silverdale Strategic Weapons Facility Pacific, Washington. The House provision reflects the belief that the large trestle replacement project at Earle should be funded through the NATO Infrastructure Program. The projects at Silverdale have become unnecessary due to the slippage in the Trident D–5 weapons program.

The Senate amendment contained a provision (sec. 2208) that would rescind a lesser amount, $45.5 million, for projects previously authorized for the Silverdale Strategic Weapons Facility.

The House recedes. In doing so, the conferees agree to amend the project authorization for the trestle replacement at Earle, New Jersey to $31.5 million, and to authorize for appropriation $11.4 million in fiscal year 1992 to complete the U.S. national share of this project.

The conferees would also provide a residual authorization of $11.1 million for utilities and site work at the Strategic Weapons Facility at Silverdale, Washington.

Specification of military construction project, Marine Corps Support Activity, Kansas City, Missouri (sec. 2210)

The Senate amendment contained a provision (sec. 2209) that would modify the authorization for the Marine Corps Support Activity, Kansas City, Missouri, that was included in the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–510). The project was to be phase I of a multi-year initiative to relocate several Marine Corps activities from administrative space leased from the General Services Administration into new facilities constructed with military construction funds on leased property at the civilian Richards-Gebaur Airport in Kansas City, Missouri. Due to a number of changes in Marine Corps plans, this provision would direct that the project authorized as phase I be designed and constructed to meet only the needs of the Marine Corps Reserve in the Kansas City area.

The House bill contained no similar provision.

The House recedes.

Aerospace Maintenance Technology and Environmental Compliance Center (AMTEC), Jacksonville, Florida

The House bill authorized $15.0 million for construction of an aerospace maintenance technology and environmental compliance center (AMTEC) to be located at Jacksonville, Florida.

The Senate amendment contained no similar authorization.

The House recedes.

The conferees recognize that the Department of Defense is already studying the need to consolidate and streamline its expanding environmental research and development program. The Secretary of Defense is, therefore, directed to study the feasibility and advisability of establishing AMTEC in order to consolidate in one national location the scientific personnel and facilities required for aerospace maintenance technology and environmental compliance research. Consistent with this study, the Secretary of Defense is directed to include the evaluation of Jacksonville, Florida for this function. The conferees further direct the Secretary to submit a report on the findings to the Committees on Armed Services of the Senate and the House of Representatives no later than April 15, 1992.

Glenview Naval Air Station, Illinois

In recommending $16.0 million for family housing at Glenview Naval Air Station, Illinois, the conferees direct the Department of the Navy to include a family housing office/community center in the design for this project. This facility was demolished during a previous phase of the reconstruction of the installation's family housing complex.

TITLE XXIII—AIR FORCE

FISCAL YEAR 1992

The House bill would authorize $2,621,230,000 for Air Force military construction, family housing, and major repair programs for fiscal year 1992.

The Senate amendment would authorize $2,033,790,000 for this purpose.

The conferees recommend authorization of $2,089,303,000 for military construction and family housing for the Air Force for fiscal year 1992.

FISCAL YEAR 1993

The House bill would authorize $2,456,360,000 for Air Force military construction, family housing, and major repair programs for fiscal year 1993.

The Senate amendment would authorize $1,380,100,000 for these purposes.

The conferees defer an authorization for these purposes for fiscal year 1993.

Resiting of military construction project in Oman (sec. 2311)

The National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) authorized $6.6 million for a war readiness materiel warehouse at Thumrait Air Base, Oman. Subsequently, the Air Force and Oman have determined that this facility would more effectively be sited at Seeb Air Base, Oman. The conferees do not object to this alteration in location, and recommend a provision that would amend Public Law 101–189 with this change. The conferees urge the Department to exercise this authority as soon as practical.

Strategic command and control aircraft support, Offutt Air Force Base, Nebraska

In the procurement title of this act, the conferees direct the restructuring of the Defense Department's strategic airborne command and control aircraft by requiring the retirement of a minimum of 28 EC–135 aircraft and the modification of the Navy's E–6 TACAMO aircraft.

As a result of this initiative, the conferees defer authorization of $12.5 million for the construction and associated land acquisition of a worldwide airborne command post facility at Offutt Air Force Base, Nebraska. Once the Department has had an opportunity to implement the restructuring of these command and control assets, it may determine that a new facility is required at Offutt AFB to support the residual EC–135 aircraft stationed there, or E–6 aircraft which may occasionally need to operate from that installation. Such a proposal should be fully justified in light of the adjusted airborne assets and their programmed long term mission requirements, and submitted in the amended budget request for fiscal year 1993 or subsequent years.

TITLE XXIV—DEFENSE AGENCIES

FISCAL YEAR 1992

The House bill would authorize $1,549,618,000 for defense agencies military construction, family housing, and major repair programs, and the Defense Base Closure Accounts for fiscal year 1992.

The Senate amendment would authorize $1,656,240,000 for these purposes.

The conferees recommend authorization of $1,680,940,000 for military construction and family housing for defense agencies and for the Defense Base Closure Accounts for fiscal year 1992.

FISCAL YEAR 1993

The House bill would authorize $1,811,950,000 for defense agencies military construction, family housing, and major repair programs, and the Defense Base Closure Accounts for fiscal year 1993.

The Senate amendment would authorize $745,700,000 for these purposes.

The conferees defer an authorization for these purposes for fiscal year 1993.

Red River Army Depot, Texas (sec. 2401)

The House bill contained a provision (sec. 2401(c)) that would transfer the authority to construct a central distribution center at Red River Army Depot, Texas, from the Secretary of the Army to the Secretary of Defense through the Director of the Defense Logistics Agency (DLA).

The Senate amendment contained a similar provision (sec. 2401(d)) that, in authorizing the transfer, would provide that the activities to be supported through such construction would be in support of the DLA supply distribution mission at Red River, which is not identical in scope or function to the previously planned central distribution center.

The House recedes. The conferees understand that the DLA is in the early stages of facility planning for the Red River Army Depot distribution operation. Improvement of the supply facilities at Red River has been in the planning stages for more than a decade. The conferees are concerned that further delay will hamper the Depot's ability to efficiently perform its wholesale supply mission. The conferees therefore direct the DLA to move forward as quickly as possible with the design and construction of improvements at Red River Army Depot in order to maintain its wholesale supply mission.

Reprogramming of previous authorization (sec. 2404)

The Senate amendment contained a provision (sec. 2404(b)) that would authorize $17.0 million in unobligated funds which were authorized prior to fiscal year 1992 to be made available for projects authorized in fiscal year 1992. This provision would recognize that the Defense Logistics Agency (DLA), because of changed plans, no longer needs $15.1 million in construction at Mechanicsburg, Pennsylvania. Combining this sum with prior year savings would provide $17.0 million in authorization to apply to a $27.0 million authorization for construction at Fort Belvoir, Virginia, where DLA activities currently in leased space are being relocated with the new DLA headquarters under construction there.

The House bill contained no similar provision.

The House recedes.

Contracts for certain projects at Homestead Air Force Base and Fort Belvoir (sec. 2405 & 2408)

The House bill contained a provision (sec. 2405) that would authorize the Secretary of Defense to enter into contracts for the design and construction of hospitals at Fort Bragg, North Carolina and Homestead Air Force Base, Florida; and a Defense Logistics Agency headquarters at Fort Belvoir, Virginia, in advance of appropriations.

The Senate amendment contained a similar provision (sec. 2405) that would extend this authority only to the Defense Logistics Agency headquarters at Fort Belvoir.

The Senate recedes with an amendment that would provide a full authorization and authority to enter into contracts for the projects at Homestead Air Force Base, Florida and Fort Belvoir, Virginia.

The conferees prohibit the obligation of any funds for construction of the hospital at Homestead Air Force Base until the Secretary of the Air Force certifies to the congressional defense committees that the Air Force intends to retain this base in its active base structure.

Special operations battalion headquarters, Fort Bragg, North Carolina (sec. 2406)

The Senate amendment contained a provision (sec. 2407) that would require a new battalion headquarters complex at Fort Bragg, North Carolina authorized in this act, to be used only as a headquarters for a special operations battalion.

The House bill contained no similar provision.

The House recedes.

Design for replacement facilities for Fitzsimons Army Medical Center (sec. 2407)

The conferees recommend a provision that would direct the Secretary of Defense to enter into a contract within 30 days of enactment of this act for the preparation of a concept design for a 400-bed replacement facility for Fitzsimons Army Medical Center located at Aurora, Colorado. The concept design, or 35 percent, would be reached by September 30, 1992.

The conferees are concerned that the Secretary has failed to proceed with the design of a replacement medical center even though an architectural engineering design team was selected in late 1990, and $27.5 million was included for that purpose in the planning and design budget for the Defense Medical Facilities Office. The conferees understand that the program for design (PFD) has been prepared but was not released. An economic analysis completed in 1987, and all updates to that document, found that a referral graduate teaching hospital at Fitzsimons Army Medical Center would generate significant savings ($39.0 million annually or $288.0 million over the 25-year life cycle of a new facility). The conferees understand that the closure of Lowry Air Force Base in Denver would decrease the Fitzsimons workload by about 7 percent, or 30 beds, and would therefore have little effect on the size of the new facility.

The conferees direct the Secretary of Defense to enter into a contract for the preliminary design of this complex within 30 days after enactment of this act. With the completion of this design effort by the end of fiscal year 1992, the conferees intend that this initiative be mature enough to be included in the fiscal year 1994 budget submission.

Authorization for unauthorized fiscal year 1991 appropriations for U.S. Special Operations Command projects (sec. 2410)

The Senate amendment contained a provision (sec. 2406) that would authorize the construction of two projects for the U.S. Special Operations Command which were appropriated in the Military Construction Appropriations Act for Fiscal Year 1991, but which have not as yet been authorized. One project is an operations complex at Fort Bragg, North Carolina, authorized for $8.1 million. The other project is a land acquisition authorized for $2.0 million at a classified location within the United States.

The House bill contained no similar provision.

The House recedes.

Study of joint venture medical center, Alameda County, California

The conferees note that the turbulence in the Defense Department's base structure is substantially affecting the military medical mission. Elsewhere in this act, the conferees direct the Assistant Secretary of Defense for Health Affairs to evaluate the military medical care needs of eligible populations which are adversely affected by the closure of military bases. In another provision, the conferees direct the Department of Defense to complete an ongoing evaluation of graduate military medical education and provide this study to the Congress prior to reallocating this important training. Finally, the conferees have for several years encouraged the Department of Defense to develop, where practical, joint DoD/Department of Veterans' Affairs health care facilities.

Current and future base closings will have a major effect on the ability of the DoD to provide health care to active duty military personnel, their dependents, and the retiree community. At the same time, the conferees note that private sector hospital infrastructure needs replacement or upgrade in many communities.

The combination of these factors may make the concept of joint venture medical facilities among the private sector, the Department of Defense, and the Department of Veterans' Affairs an attractive alternative to unilateral medical facility modernization.

For example, the conferees are aware that Letterman Army Medical Center in San Francisco is scheduled for closure, and the Naval Hospital, Oakland requires substantial investment for seismic upgrades. At the same time, the County of Alameda faces the need to replace two of its aging hospital facilities. To meet current building and licensing codes and to provide adequate and safe surroundings for patient care and medical education, the county has proposed a joint venture medical center in which the county and Navy would cooperatively finance, construct, and operate a single medical complex on the existing 195 acre site of the Naval Hospital, Oakland. This complex would replace all three hospitals and provide a complete range of diagnostic, treatment, and support services through a functionally interconnected complex of structures.

The conferees believe that joint ventures warrant study and direct the Assistant Secretary of Defense for Health Affairs to evaluate the feasibility of the joint venture between the Navy and Alameda County, and provide the congressional defense committees the results of this evaluation no later than March 30, 1992. The conferees fully expect the DoD to be prepared to address the concept of joint venture medical facility modernizations during oversight hearings in 1992.

Replacement hospital, Fort Bragg, North Carolina

The House bill would authorize $250.0 million for the construction of the Womack Army Medical Center at Fort Bragg, North Carolina. Section 2405 of the House bill would authorize the Secretary of Defense to enter into contracts for this project in advance of appropriations. While construction of the hospital would not begin until fiscal year 1993, $15.0 million in site preparation would be available in fiscal year 1992, using funds from the Base Closure Account.

The Senate amendment would not authorize the construction of this hospital but would not prohibit the use of base closure funds for this purpose. While it supported the need for such a project, the Senate amendment expressed the belief that authorization of the project was premature since it had not been designed. Further, the decision to expand graduate medical education functions at the new hospital was made without the benefit of an ongoing Defense Department evaluation of the long term need for and location of military graduate medical education.

The House recedes. The conferees affirm the need for a replacement facility at Fort Bragg, and the expansion of current capabilities to better serve the surrounding patient catchment area. Consequently, the conferees direct the Department to use $15.0 million from the Base Closure Account to initiate site preparation in fiscal year 1992.

The conferees, however, defer authorization of the construction of the medical center itself until the Department is able to provide a proposal based upon at least 35 percent design, which is scheduled to be completed by December 1991. This level of design has been a general requirement for all projects requested by the Department, and is particularly important for large, complex structures such as the project proposed at Fort Bragg. The conferees also direct that any proposed expansion of graduate medical education at the Womack Army Medical Center be supported by the analysis of this function which is currently underway. The conferees direct the Secretary of Defense to provide the congressional defense committees a copy of this evaluation no later than February 1, 1992.

TITLE XXV—NATO

FISCAL YEAR 1992

The House bill would authorize $158,800,000 for the U.S. contribution to the NATO Infrastructure program for fiscal year 1992.

The Senate amendment would authorize $314,417,000 for this purpose.

The conferees recommend $225,000,000 for this purpose.

FISCAL YEAR 1993

The House bill would authorize $158,500,000 for the U.S. contribution to the NATO Infrastructure program for fiscal year 1993.

The Senate amendment would authorize $226,200,000 for this purpose.

The conferees defer an authorization for this purpose for fiscal year 1993.

TITLE XXVI—GUARD AND RESERVE

FISCAL YEAR 1992

The House bill would authorize $564,826,000 for military construction for the Guard and Reserve components for fiscal year 1992.

The Senate amendment would authorize $451,115,000 for this purpose.

The conferees recommend authorization of $613,712,000 for military construction for fiscal year 1992. This authorization would be distributed as follows:

Army National Guard	$210,745,000
Army Reserve	106,507,000
Navy/Marine Corps Reserve	56,900,000
Air National Guard	218,760,000
Air Force Reserve	20,800,000

FISCAL YEAR 1993

The House bill would authorize $616,236,000 for military construction for the Guard and Reserve components for fiscal year 1993.

The Senate amendment would authorize $94,707,000 for this purpose.

The conferees defer an authorization for this purpose for fiscal year 1993.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Expiration of authorizations (sec. 2701)

The House bill contained a provision (sec. 2701) that would provide a three-year authorization for those projects authorized in titles XXI, XXII, XXIII, XXIV, and XXV of the bill. This provision provides one more year of authorization than had been provided previously.

The Senate amendment contained a similar provision (sec. 2701) that would provide the same authorization period for these titles as well as projects authorized in title XXVI.

The House recedes with an amendment that would provide the same three-year authorizacion for construction and related projects previously authorized for fiscal years 1990 and 1991. The conferees believe that this longer period is appropriate in light of the increased turbulence in the base structure, but expect that the majority of projects will be obligated during the year for which they are authorized.

In taking this action, the conferees selectively excluded from extension projects which were previously authorized but no longer needed.

For certain important projects initially authorized in fiscal years 1988 and 1989, the provision provides a one-year extension to enable contracts to be awarded.

TITLE XXVIII—GENERAL PROVISIONS

PART A—MILITARY CONSTRUCTION PROGRAMS AND MILITARY FAMILY HOUSING CHANGES

LEGISLATIVE PROVISIONS ADOPTED

Increased authority for use of operation and maintenance funds for acquisition and construction of reserve component facilities (sec. 2801)

The Senate amendment contained a provision (sec. 2822) that would increase the threshold for operation and maintenance-funded minor construction projects for Reserve components from $200,000 to $300,000. This change would adjust the threshold for inflation, and keep it parallel to the threshold applicable under a separate provision in this act for regular components.

The House bill contained no similar provision.

The House recedes.

Turn-key selection procedures (sec. 2802)

The House bill contained a provision (sec. 2802) that would make two changes in the legal authority to use one-step, turn-key construction contracting. The provision would repeal section 2862(b) of title 10, United States Code, which limits each Service to three turn-key contracts per year, and section 2862(c) of title 10, United States Code, which provides an expiration date of October 1, 1991.

The Senate amendment contained a similar provision (sec. 2852) that would make similar changes, but would also permit the heads of defense agencies to manage the use of this authority without any further approval from the Office of the Secretary of Defense.

The Senate recedes.

Permanent authority for long-term contract facilities (sec. 2805)

The Senate amendment contained a provision (sec. 2823) that would extend for two years a test authority to enter into service contracts, which may include the provision of facilities for certain functions. The provision also would require the Defense Department to solicit for any such contracts which were identified in its budget request and which were authorized for that purpose.

The House bill contained no similar provision.

The House recedes with an amendment that would make this authority permanent.

The conferees believe that use of this authority by the Department of Defense has illustrated that in certain instances, such services contracts are more cost-effective than the provision of such services by the government.

In determining the scope of the government's liability for such initiatives and scoring for purposes of the Budget Enforcement Act of 1990, the conferees believe that only the facility component of these contracts should be scored in the first year. Since the principal purpose of these contracts is the provision of services, the committee believes that the majority of the expense which relates to the procurement of services should be scored annually.

Permanent authority to lease military family housing near military installations (sec. 2806)

The Senate amendment contained a provision (sec. 2824) that would extend the test authority in section 2828(g)(8) of title 10, United States Code, for two years, until September 30, 1993. This provision would permit the Department of Defense to enter into long-term leases of family housing (the "section 801" program) when this approach is more cost-effective than military construction.

In addition, this provision would limit such contracts to off-post sites, and would require that they be identified in the budget submission by location, number of units, and overall cost in terms of net present value. This procedure will clearly illustrate the scope of the authority's application in any fiscal year. The provision would also direct the solicitation under this authority of projects which were authorized for that purpose.

The House bill contained no similar provision.

The House recedes with an amendment that would make this authority permanent. The conferees believe that when such projects are built on private land, the agreements meet the Office of Management and Budget criteria for classification as "operation leases" rather than as "capital leases." As such, the conferees believe that outlays should be scored annually as payments are made under these agreements. Budget authority sufficient to cover the government's termination liability should be scored initially.

Increased cost limitations for unspecified minor construction projects (sec. 2807)

The Senate amendment contained a provision (sec. 2826) that would amend section 2805 of title 10, United States Code, to increase the threshold of unspecified minor construction projects from $1.0 million to $1.5 million. The provision would also increase the threshold for operation and maintenance-funded minor construction for the regular components from $200,000 to $300,000. These adjustments would return these thresholds to the approximate purchasing power of 1982, when they were last changed.

The House bill contained no similar provision.

The House recedes.

Amendment of limitation on military family housing space (sec. 2808)

The Senate amendment contained a provision (sec. 2827) that would authorize the Services to convert basements, attics, and other space within existing or planned family housing to indoor recreation space in areas where harsh weather severely restricts outdoor activity. This additional living space, no more than 300 square feet, would not be counted in computing the authorized net floor area authorized under section 2826(a) of the title 10, United States Code. The application of this provision would be applied uniformly among the armed forces in accordance with regulations prescribed by the Secretary of Defense.

The House bill contained a provision (sec. 2102(c)) that would waive the space limitation contained in section 2826 of title 10, United States Code, with regard to a general officer quarter authorized for construction of Fort Lee, Virginia.

The House recedes with an amendment. In approving the Senate provision, the conferees direct that any modification and usage under this authority be in accordance with applicable construction and fire safety codes related to egress. The conferees further direct that implementing regulations specifically address the compliance with such codes and that such regulations be provided to the Committees on Armed Services of the Senate and the House of Representatives no later than 120 days after enactment of this act.

The conferees would further amend the current space limitation for military family housing in those instances in which the military Services elect to acquire existing housing rather than constructing new homes. In such cases, if acquisition proves more cost effective over the useful life of the structures compared to construction on military installations, the Services would be authorized, for a period of three years, to exceed current space limitations by up to 20 percent for housing units acquired for military personnel in the grades of 0-5 and below. This tests waiver is intended to take advantage of housing opportunities available due to unusually favorable purchasing conditions near some military installations which are experiencing chronic housing shortages.

The conferees remain concerned about the overall appropriateness of the current military family housing space standards. While acknowledging action by the Appropriations Committees of the Senate and the House of Representatives to prohibit construction of housing units in excess of these statutory limits, the conferees believe a thorough review of this issue is in order and direct the Secretary of Defense to complete such an evaluation. A report of findings and recommendations shall be provided to the congressional defense committees by February 1, 1992. In the meantime, the conferees do not intend to waive current law as it applies to housing construction on a case by case basis. If there is justification for amending the current space limitations for new family housing constructed on military bases or secured through third party financing authorities, the conferees believe such changes should be applied across the entire Defense Department.

Military housing rental guarantee program (sec. 2809)

The Senate amendment contained a provision (sec. 2831) that would extend the test authority contained in section 2821 note of title 10, United States Code, to September 30, 1993. The provision would also require the Services to submit with their annual budget requests, the number of projects, as well as the location and scope, that they plan to pursue under this authority in the budget year. It would also direct the solicitation of projects under this authority which were authorized for that purpose.

The House bill contained on similar provisions.

The House recedes with an amendment that would make this authority permanent.

The conferees believe that contracts under this authority are neither leases nor lease purchases, but rather a government assurance that housing to be constructed under such contracts will be occupied at a level not to exceed historical occupancy rates in the area, usually 97 percent. All cost of constructing and maintaining the housing will be covered by the rent collected from individual housing occupants, rather than from the government. Since the government has no financial liability to the contractor other than its contingent liability should occupancy levels fall below the prescribed guaranteed level, the committee believes that the scoring requirements of the Budget Enforcement Act of 1990 are met.

PART B—DEFENSE BASE CLOSURE AND REALIGNMENT

LEGISLATION PROVISIONS ADOPTED

Amendments to the Defense Base Closure and Realignment Act of 1990 (sec. 2821)

The Senate amendment contained a provision (sec. 2801) that would amend the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510) in the following ways:

(1) The time available to the Commission and to the General Accounting Office to analyze and make recommendations concerning the closures and realignments recommended by the Secretary of Defense would be increased by one month. This would be accomplished by establishing earlier deadlines for the Department of Defense to develop closure criteria, publish a long-term force structure plan, and for the Secretary to make his recommendations to the Commission. The revised deadline for the Secretary's recommendations would be March 15, rather than April 15.

In order to insure that the Commission has sufficient time to organize itself prior to receiving the Secretary's recommendations, the provision would require the President to submit to the Senate a complete slate of nominees for the Commission within the statutory deadlines in January 1993 and January 1995 as a precondition for using the base closure procedures under the Act.

(2) The provision would clarify the procedures the Commission must use in considering for closure or realignment any installations or activities outside the list recommended by the Secretary. The Commission would be required to identify such installations and activities in the Federal Register at least 30 days prior to the submission of the Commission's report to the President, and to hold public hearings concerning these additional installations. The legislation would make it clear that the Commission can add installations to the Secretary's list of recommended actions only if the Commis-

sion determines that the Secretary deviated substantially from the published force structure plan and final criteria. Any additions to the Secretary's list by the Commission would have to be consistent with the Department's force structure plan and the final criteria.

(3) Under current law, no more than one-third of the Commission's staff may be detailed from the DoD. To further strengthen the independence of the staff, the legislation would provide the following additional limitations: (a) no more than one-fifth of the Commission's research and analysis staff could be detailed from DoD; (b) DoD personnel who had been personally involved in the development of Department closure and realignment initiatives during the previous 12 months could not be detailed to the Commission; (c) no employee of the Department could render performance reports on Commission staff detailed from the DoD for the period of their service to the Commission; and (d) no person detailed from the DoD could be assigned as the lead professional analyst with respect to a military Service or defense agency.

(4) During 1992 and 1994, the Commission could retain a staff of no more than 15 individuals whose tasks would be limited to those needed to prepare for the transition to the Commission's new membership in the following year. Members of the armed services and DoD civilian employees would be prohibited from serving on such transition staffs.

(5) A key element to public support for the base closure process is the prompt disclosure to the Commission, the General Accounting Office, and Congress of all information used by the Department in making its recommendations, including information about installations not on the list used for comparative purposes. The provision would expressly set forth the Department's obligation to respond to any request from Congress, including a request from a committee or a Member of Congress, for any such information. Similarly, the provision would encourage communications with the Defense Base Closure and Realignment Commission by expanding the applicability of prohibitions against interference with communications by members of the armed forces contained in section 1034 of title 10, United States Code.

(6) The provision would make it clear that Congress intended, in enacting the Defense Base Closure and Realignment Act, to exclude from the Act's coverage those facilities used primarily for civil works, rivers and harbors projects, flood control, or other projects not under the primary jurisdiction of the Department of Defense. This aspect of the provision would have retroactive effect, ensuring that the Corps of Engineers civil works activities in the Commission's 1991 list are not subject to closure of realignment under the Act. This action would not have any effect on the balance of the Commission's recommendations which are subject to review by Congress under section 2904(b) of the Act.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify the parliamentary procedure by which the House of Representatives would consider a resolution of disapproval of the Commission's recommendation.

In recommending these amendments to the Base Closure and Realignment Act of 1990, the conferees reaffirm the view, expressed in the statement of the managers (H. Rept. 101-923) accompanying the Defense Base Closure and Realignment Act of 1990, that actions taken under the Act "would not be subject to the rulemaking and adjudication requirements [of the Administrative Procedures Act] and would not be subject to judicial review."

This conference agreement would make it clear that Congress, in enacting the Defense Base Closure and Realignment Act of 1990, did not intend to include facilities used primarily in the civil works function of the U.S. Army Corps of Engineers. Facilities used primarily for that function include district and division offices of the Corps of Engineers and any other facility used primarily for civil works, rivers and harbors projects, flood control, or other projects not directly supporting the Department of Defense. This aspect of the provision would have retroactive effect, ensuring that the Corps of Engineers civil works activities referred to in the Commission's July 1991 list would not be subject to closure or realignment under the Act. It is the conferees' view that any realignment of Corps of Engineers functions which may be outside those described in section 2821(h) of this act should be undertaken only if the Secretary of Defense determines that such realignments or closures would not adversely affect the performance of the civil works function of the Corps of Engineers, and would otherwise be justified on the basis of other considerations, such as mission requirements and cost effectiveness.

Consistency of budget data (sec. 2822)

The Senate amendment contained a provision (sec. 2802) that would underscore the importance of base closure and realignment information submitted to the Secretary of Defense or to the Defense Base Closure and Realignment Commission. The provision would require persons in a position of responsibility with respect to such submissions to certify the accuracy and completeness of the information. In addition, the provision would require the Defense Department, in the presentation of military construction requests, to use the same estimates for such projects that were used by the Department during the base closure and realignment process. In the event that there are any differences in project cost estimates (other than adjustments for inflation), the Department would be required to explain such differences in the budget justification material. In addition, the DoD Inspector General would investigate any project involving a significant difference between the estimates submitted to the Commission and the estimates in the budget request, to determine the reasons for the differences, including a determination as to whether any of the information submitted to the Commission was inaccurate, incomplete, or misleading in any material respect.

The House bill contained no similar provision.

The House recedes.

Eligibility for the homeowners assistance program in connection with base closures (sec. 2823)

The Senate amendment contained a provision (sec. 2803) that would amend section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (Public Law 89-754) to expand the eligibility for benefits under the homeowners assistance program to military and federal civilian employees who transferred within three years of the announcement of the closing of a military installation. This expansion would protect homeowners who retained primary residences near closing military bases, with the expectation of returning to serve at that location.

The House amendment contained no similar provision.

The House recedes with an amendment that would establish identical eligibility requirements for military and civilian DoD employees, and would limit eligibility to individuals who have been stationed at a closing base during a period no more than three years prior to its announcement for closure.

Environmental plan for Jefferson Proving Ground, Indiana (sec. 2824)

The Senate amendment contained a provision (sec. 2804) that would direct the Secretary of the Army to prepare an environmental plan for the environmental restoration and cleanup of the entire 55,000 acres of the Jefferson Proving Ground, Indiana.

The House bill contained no similar provision.

The House recedes with an amendment that makes clear that this study does not interfere with, supplant or in any way supercede any environmental laws applicable to the Jefferson Proving Ground.

Disposition of credit union facilities on military installations to be closed (sec. 2825)

The Senate amendment contained a provision (sec. 2805) that would authorize the Secretary of the military Service involved to convey to a credit union title to facilities on closing bases which were constructed with credit union funds. In such an event, the Secretary would provide the right of first refusal to such an institution to purchase the associated land, provided the retention of the credit union operation was consistent with the economic redevelopment plan developed by the local community.

The House bill contained no similar provision.

The House recedes with an amendment that would stipulate that (1) any such land sales be at no less than fair market value, and (2) that the Secretary be authorized to convey to such credit unions facilities which have been significantly modified at the credit union's expense for its own use. In this latter case, the Secretary may sell such a facility to the credit union at a cost determined by the Secretary which reflects the value of the facility prior to the credit union's renovation.

Report on employment assistance (sec. 2826)

The Senate amendment contained a provision (sec. 2807) that would direct the Secretary of Defense, in coordination with the Secretary of Labor, to provide the Congress a report regarding the availability of employment assistance for DoD civilian employees who are affected by base closures or realignments under the Defense Base Closure and Realignment Acts of 1988 and 1990.

The House bill contained no similar provision.

The House recedes.

Funding for environmental restoration at military installations to be closed under the Defense Base Closure and Realignment Act of 1990 (sec. 2827)

The House bill contained a provision (sec. 2832) that would establish the Base Closure Account (created by the Defense Base Closure and Realignment Act of 1990) as the exclusive source of funds for the environmental restoration of installations to be closed under this authority, beginning October 1, 1992. The provision would also direct the Department of Defense to provide the Congress, as part of its budget submission, a report outlining the environmental restoration costs projected for each such closing installation during the budget year and each of the succeeding four years.

The Senate amendment contained a similar provision (sec. 2801(f)) that would take effect upon enactment of this act.

The Senate recedes with an amendment that would make this provision effective immediately upon enactment of this act. The conferees agree to adjust the funding level of this account for fiscal year 1992 to accommodate its exclusive use for environmental restoration. The conferees agree that the cleanup activities at closing bases, although funded exclusively by the Base Closure Accounts rather than the Defense Environmental Restoration Account, are nevertheless part of the defense environmental restoration program and should be managed as part of that program.

LEGISLATIVE PROVISION NOT ADOPTED

Conveyance of closed bases to neighboring communities

The Senate amendment contained a provision (sec. 2806) that would direct the Secretary of Defense to convey the land and facilities constituting installations to be closed under the Defense Base Closure and Realignment Acts of 1988 and 1990 at no cost on a priority basis to local communities. This exception to the disposal procedures currently in effect would apply if such communities were to experience significant economic effects from such closures. The provision would also alter the procedures affecting the environmental restoration, and would provide the President limited authority to waive certain installations from being disposed of in this manner.

The House bill contained no similar provision.

The Senate recedes. The conferees are sympathetic to the economic turbulence encountered by communities that are adjacent to closing military installations. To minimize this hardship, base closure and related laws contain provisions to ease the burden of these closures on local communities.

While the Senate provision highlights a number of obstacles to timely redevelopment of closing military installations, its proposed solutions raise a number of problems. The no-cost conveyance of surplus properties would deprive the federal government of revenues which have been estimated at $3.5 billion over the next five years. The provision would also have overridden a number of laws which provide first consideration of surplus federal property to support such national priorities as the criminal justice system, substance abuse rehabilitation, and shelter for the homeless. Finally, the provision would have affected provisions of various environmental laws, including the Comprehensive Environmental Response, Compensation, and Liability Act, and the Solid Waste Disposal Act.

Inasmuch as this provision was not considered by the committees of jurisdiction prior to its adoption by the Senate, the conferees believe that the issues it raises related to communities affected by closing military bases ought to be given careful scrutiny by these committees. The chairmen of the relevant communities of jurisdiction of the House of Representatives have therefore pledged to hold hearings on these matters, as soon as practicable in 1992, to examine legislative approaches to assist these communities.

PART C—LAND TRANSACTIONS

LEGISLATIVE PROVISIONS ADOPTED

Acquisition of interests in land, Baldwin County, Alabama (sec. 2831)

The Senate amendment contained a provision (sec. 2845) that would authorize the Department of the Navy to acquire interest in approximately 60 acres of land within the runway clear zones at Outlying Landing Field Barin, Baldwin County, Alabama.

The House bill contained no similar provision.

The House recedes. The conferees note that no authorization of appropriation is required for this acquisition because funds are being provided through a transfer of $600,000 from the General Services Administration under that agency's Relocation and Asset Management Program. These funds represent approximately half of the value of the sale of land which is not excess, but which is severely encroached from aviation activities associated with its current use as Outlying Landing Field Site 6, Naval Air Station Whiting Field, Alabama.

Land conveyance, Lompoc, California (sec. 2832)

The Senate amendment contained a provision (sec. 2847) that would authorize the Secretary of the Army to convey to the City of Lompoc, California, without consideration, approximately 41 acres located at the U.S. Disciplinary Barracks, together with any improvements on such property. This provision would extend a previous conveyance authority contained in the Military Construction Authorization Act for Fiscal Year 1985 (Public Law 98-407, 98 Stat. 1526), and require similar conditions regarding the use of the property for educational purposes.

The House bill contained no similar provision.

The House recedes.

Land exchange, Scott Air Force Base, Illinois (sec. 2833)

The Senate amendment contained a provision (sec. 2842) that would authorize the Secretary of the Air Force to enter into a value-for-value exchange of land and improvements at Scott Air Force Base, Illinois. This authority would permit the Secretary to transfer title to a family housing complex located on the extremity of Scott AFB to the County of St. Clair, Illinois, in exchange for another site planned to be adjacent to the remainder of the base, upon which the country has committed to constructing a like number of family housing units.

The House bill contained no similar provision.

The House recedes. The conferees understand that a variety of details regarding local, state, and Defense and Transportation Department involvement in this venture have yet to be completed. The provision would establish a statutory basis upon which the Air Force could proceed with good faith negotiations towards this end.

Land conveyance, New Bedford, Massachusetts (sec. 2834)

The Senate amendment contained a provision (sec. 2846) that would authorize the Secretary of the Army to convey two parcels of land in New Bedford, Massachusetts to the City of New Bedford.

The House bill contained no similar provision.

The House recedes with a technical amendment that would clarify the utility easement and right-of-way appurtenant, and that Massachusetts law is the applicable statutory authority that governs what response actions are to be taken on the parcels.

Land exchange, Santa Fe, New Mexico (sec. 2836)

The Senate amendment contained a provision (sec. 2841) that would authorize the Secretary of the Army to enter into a land exchange with the New Mexico State Armory Board in which the Army would convey its interest in the United States Army Reserve Center, Santa Fe, New Mexico, in exchange for approximately 13 acres of land which would be developed as a New Mexico National Guard complex. The Board would also design and construct a suitable replacement Reserve center and meet other conditions established by the Secretary to insure that the Army receives no less than fair market value for the site it conveys.

The House bill contained no similar provision.

The House recedes.

Revision of land conveyance authority, Naval Reserve Center, Burlington, Vermont (sec. 2837)

The Senate amendment contained a provision (sec. 2843) that would amend section 2837 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) regarding the conveyance of a Navy Reserve Center to the City of Burlington, Vermont, and the construction of a replacement center, partially funded by the city. Because of favorable cost estimates, the provision would reduce the city's cash contribution from $1.5 million to $800,000.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the effective date of this provision until January 1, 1993. The conferees expect the Navy to work with the City of Burlington to mitigate the ancillary costs to the city associated with this initiative. The conferees would support an arrangement whereby the city's contribution to the Navy is made gradually during the period of land acquisition and construction.

Lease and development of certain real property, Norfolk, Virginia (sec. 2838)

The House bill contained a provision (sec. 2821) that would authorize the Secretary of the Navy to lease out the Willoughby site of the Norfolk Naval Base, Virginia to a private developer. In exchange, the developer would build, operate, and maintain specified facilities for Navy use, such as office space, or the developer could rehabilitate existing facilities. The value of the leased land will be the full cost to the United States of the transaction. Therefore, this provision would result in no additional spending. The Secretary must provide Congress with a plan for development of the property and wait 21 days before entering into a lease which must be publicly advertised and competitively bid or negotiated.

The Senate amendment contained no similar provision.

The Senate recedes.

Lease at Hunters Point Naval Shipyard, San Francisco, California (sec. 2839)

The conferees agree to a provision that would extend the authority provided to the Secretary of the Navy in the Military Construction Authorization Act for Fiscal Year 1991 (Public Law 101-510) to lease the Hunters Point Naval Shipyard until November 5, 1992.

Land exchange, Pearl Harbor, Hawaii (sec. 2840)

The conferees agree to a provision that would authorize the Secretary of the Navy to enter into a value-for-value land exchange with the City and County of Honolulu, Hawaii. In exchange for approximately 43.8 acres in Pearl City, Oahu, which is a portion of the Navy Drum Storage Area, the city and county would convey to the Navy approximately 28.3 acres on Waiawa peninsula, Oahu. If the fair market value of the property conveyed by the Navy exceeds the value of the property conveyed by the city and county, including the costs of demolition and road access improvements, the difference shall be deposited in a special fund established by section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)). Under this provision, such funds would be available for real property maintenance and environmental restoration, with an equal division between the installation and the Department of the Navy.

Land conveyance, New London, Connecticut (sec. 2841)

The conferees agree to a provision that would authorize the Secretary of the Navy to enter into a value-for-value exchange of assets between the Department of the Navy and the State of Connecticut. Under this authority, the Navy would vacate a lease of a state-owned pier and cancel planned improvements to that structure, and would convey to the state two acres of land adjacent to the pier which will be excess to Navy requirements. To the extent that the fair market value of the assets conveyed by the Navy exceeds the value of the liabilities avoided by the Navy, the state shall deposit the difference in a special fund established by section 204(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)). Under this provision, such funds would be available for real property maintenance and environmental restoration within the Department of the Navy.

PART D—PROHIBITIONS ON CERTAIN CONSTRUCTION

LEGISLATIVE PROVISIONS ADOPTED

Restriction on the use of U.S. funds for the relocation of the 401st Tactical Fighter Wing to Crotone, Italy (sec. 2851)

The House bill contained a provision (sec. 2811) that would prohibit the obligation or expenditure of funds available to the Department of Defense in connection with relocating DoD functions located at Torrejon Air Base, Madrid, Spain, on June 15, 1989, to Crotone Air Base, Italy, or any other location outside the United States.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit the obligation of U.S. funds for the relocation of DoD functions from Torrejon Air Base to Crotone Air Base.

Restriction on certain development at Fort Hunter Liggett, California (sec. 2852)

The House bill contained a provision (sec. 2812) that would direct the Secretary of the Army to prohibit any above ground construction in the nearly 340 acres of land surrounding the Mission San Antonio de Padua located on Fort Hunter Liggett in California. The provision would provide an exception for construction necessary to protect property eligible for inclusion on the National Register of Historic Places.

The Senate amendment contained no similar provision.

The Senate recedes.

PART E—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Options on real property (sec. 2861)

The Senate amendment contained a provision (sec. 2830) that would amend section 2677 of title 10, United States Code, to permit the Secretaries of the military departments to acquire an option to lease real property prior to obtaining approval to actually lease the property. The value of the option could, in no case, be more than 12 percent of the appraised annual fair market rental value of the property.

The provision would also require that prior to requesting any lease under section 2677, the Services screen assets of the Resolution Trust Corporation (RTC) to determine if property for sale or lease by this entity would present a more cost-effective alternative than a commercial lease.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the authority to enter into options for leasing property prior to congressional approval. The conferees agree to retain the requirement that the military Services review the assets of the RTC prior to acquiring an option on real property. Any subsequent request for authorization of the acquisition shall include a certification that such a screening has occurred and a report concerning whether appropriate facilities within the RTC inventory were available, functional, and economically justified.

Clarification of authority to lease non-excess property (sec. 2862)

The House bill contained a provision (sec. 325) that would clarify the provisions of section 2667(b) of title 10, United States Code, pertaining to the leasing of non-excess property.

The Senate amendment contained an identical provision (sec. 2833).

The conferees wish to clarify that in determining the "appropriate" value for leases under this authority, the consideration to the government in cash or other benefits shall be, at a minimum, the fair market value of the lease. The conferees wish to provide flexibility to the Service Secretaries in making this determination, but in doing so, expect the aggregate value to be no less than the fair market value.

Acquisition of land in support of special operations forces and activities (sec. 2863)

The Senate amendment contained a provision (sec. 2834) that would authorize, on a one-year test basis, the expedited leasing and modification of facilities in support of special operations missions. The cost of each lease could not exceed $500,000 and the modifications or construction thereto could not exceed $750,000. A report on the use of this authority would be required by March 1, 1993.

The House bill contained no similar provision.

The House recedes with an amendment that would provide this authority until September 30, 1993, and require report on its use annually beginning on March 1, 1993. The amendment would limit the application of this authority to no more than five leases in any year, and limit any such lease to a term of no more than 12 months.

Law enforcement authority on the Pentagon Reservation (sec. 2864)

The Senate amendment contained a provision (sec. 2835) that would clarify the authority of DoD law enforcement officials on the Pentagon Reservation. The provision would provide the DoD the same statutory authority concerning law enforcement and security functions as is provided to the General Services Administration under 40 U.S.C. 318.

The House bill contained no similar provision.

The House recedes.

Emergency repair to McConnell Air Force Base, Kansas (sec. 2865)

The House bill contained a provision (sec. 1040) that would express the sense of Congress that the Secretary of Defense and the Secretary of the Air Force should make every effort to expeditiously repair the damage to McConnell Air Force Base, Kansas, caused by tornadoes on April 26, 1991.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize, under the authority of section 2854 of title 10, United States Code, the necessary repairs and replacement construction which have not already been accomplished using available operations and maintenance funds. The conferees believe that this authority provides the most expeditious means to respond to emergency damage to government facilities and that appropriated funds should be used to meet these needs, regardless of whether appropriated or nonappropriated funds were originally used to capitalize the damaged or destroyed facilities.

Study of tornado shelters (sec. 2866)

The Senate amendment contained a provision (sec. 2836) that would direct the DoD to evaluate the advisability of constructing tornado shelters on military installations located in areas where such storms are prevalent.

The House bill contained no similar provision.

The House recedes.

Highway improvement, Pascagoula, Mississippi (sec. 2867)

The Senate amendment contained a provision (sec. 2206) that would add $5.0 million for the Navy's contribution for planning and design of a replacement bridge near the Navy's new homeport at Pascagoula, Mississippi.

The House bill contained no similar provision.

The House recedes. The conferees direct the Secretary of the Navy to report to the Committees on Armed Services of the Senate and the House of Representatives not later than January 15, 1992 on the status of the design and the plans for replacing the Highway 90 bridge near the homeport at Pascagoula, Mississippi.

Requirements to study basing of new weapon systems (sec. 2868)

The Senate amendment contained two provisions regarding the past and prospective basing evaluations of the B-2 bomber. Section 2310 would prohibit the Secretary of the Air Force from entering into any contracts for the design or construction of facilities related to the basing of the B-2 aircraft until 180 days after the Secretary of Defense submits to the Committees on Armed Services of the Senate and the House of Representatives a report containing: (1) all basing options for the B-2; (2) the sites planned for or selected for locating these aircraft; and (3) a cost comparison of the basing of the B-2 at Whiteman Air Force Base and any follow-on bases compared to all existing Strategic Air Command bases, including those scheduled for closure.

Section 1145 would specifically address the analysis needed prior to selection of any additional B-2 main operating bases and direct that former Strategic Air Command bases such as Forbes Air Force Base, Kansas, be included in such an evaluation.

The House bill contained no similar provisions.

The House recedes with an amendment that would expand the scope of these provisions to include the beddown of all major weapon systems. The conferees reaffirm their support for that part of the statement of the managers (H. Rept. 101-923) accompanying the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510) that directed the Department of Defense to provide a full siting plan for each new major weapon system when the first increment of military construction is requested to support that system. To date, such system wide plans have not been provided.

The amendment to the Senate provision would direct that such system wide beddown plans and associated construction costs be provided with the budget request for the initial increment of construction. For those systems such as the B-2 and C-17 aircraft, which are already being fielded, the conferees direct that full siting plans for these systems be provided with the fiscal year 1993 amended budget request.

The conferees direct the Department to include in the rationale for any further B-2 basing an analysis of all strategic bases, including those scheduled for closure or those which, like Forbes Airport, formerly supported strategic operations.

Technical amendments (sec. 2869)

The House bill contained a provision (sec. 2831) that would make technical changes in a number of provisions of title 10, United States Code. Each of these provisions appear to be unconstitutional under the ruling of the Supreme Court in *Immigration and Naturalization Service v. Chadha*, 462 U.S. 919 (1983). The changes would eliminate any doubt about the provisions' constitutionality.

The Senate amendment contained no similar provision.

The Senate recedes.

Initiation of construction of Phoenix, Arizona, and vicinity project (sec. 2870)

The conferees direct the Secretary of the Army to utilize funds appropriated for the Phoenix, Arizona, and vicinity project in the Water Development Appropriations Act for Fiscal Year 1992 (Public Law 102-104) to cover three segments of the Arizona Canal Diversion Channel through the city of Phoenix and Town of Paradise Valley, Arizona, in order to mitigate the damage caused by construction of the project and to rehabilitate the area for its previous use. The cover work shall be contingent upon 10 percent local cost-sharing by the City of Phoenix and Town of Paradise Valley, and shall not constitute a precedent with respect to covers for other projects where such work may only represent aesthetic enhancement. The authorization in this section shall expire September 30, 1993.

LEGISLATIVE PROVISIONS NOT ADOPTED

Major military repair projects

The House bill contained a provision (sec. 2804) that would provide that major military repair projects costing in excess of $50,000 would be transferred from the operation and maintenance accounts to the military construction accounts in fiscal year 1992 and future years. The DoD recommended this initiative begin in fiscal year 1993. The House bill would accelerate this transfer by one year.

The Senate amendment contained no similar provision.

The House recedes. The conferees direct the Department of Defense to continue to evaluate this proposal and, if appropriate, resubmit it as a part of the fiscal year 1993 amended budget submission. If a decision is made to resubmit the proposal, the conferees expect the Secretary of Defense to develop clear instructions to the military Serivices and defense agencies for its implementation. The effect of such a proposal on local commanders' flexibility to meet a full spectrum of facility needs within such a funding structure should be carefully considered. Because of the deteriorated state of the installation infrastructure, the conferees believe it is imperative that repair and maintenance resources be used only for that purpose, regardless of whether the funding remains in the operation and maintenance accounts or is shifted to the military construction accounts.

Transfer authority

The Senate amendment contained two provisions (secs. 2503 and 2523) that would permit the transfer of unobligated funds authorized for the U.S. contribution to the NATO Infrastructure Program for fiscal years 1992 and 1993, to be used to carry out construction authorized for the defense agencies military construction programs.

The House bill contained no similar provisions.

The Senate recedes.

Permanent authority to obligate certain funds under the homeowners assistance program

The Senate amendment contained a provision (sec. 2828) that would repeal a September 30, 1991 expiration date for the use of funds transferred from the Base Closure Account to the Homeowners Assistance Account (HOA). Since the HOA is a revolving fund used to provide assistance to Defense Department employees who are adversely affected by the closure of military installations, eliminating the expiration date of these funds will permit their continued use of base closures generate increased calls against the HOA.

The House bill contained no similar provision.

The Senate recedes. The conferees direct the Secretary of the Army to provide to the congressional defense committees, no later than March 1 of each year, a report which outlines the status of the homeowners assistance program, its current assets and liabilities, and the anticipated use of the HOA during the budget year.

Modification of authority for indemnification of landlords of armed forces personnel and related collection authority

The Senate amendment contained a provision (sec. 2832) that would amend section 1055 of title 10, United States Code, to clairfy the indemnification authority of military commanders to make the government whole when it has reimbursed landlords for damages to property caused by military personnel or their families.

The House bill contained no similar provision.

The Senate recedes. The conferees are concerned that this provision, if adopted, would interfere with the serivce member's right to due process.

10:08 AM

#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT	
0	I	ALABAMA	ARMY	ANNISTON ARMY DEPOT	AMMUNITION DEMILITARIZATION FAC PHII	96,200	96,200	96,200	0	96,200	
1	I	ALABAMA	ARMY	ANNISTON ARMY DEPOT	AMMUNITION DEMILITARIZATION SUPPORT FAC	4,100	4,100	4,100	0	4,100	
2	I	ALABAMA	ARMY	ANNISTON ARMY DEPOT	MISSILE MAINTENANCE FACILITY	0	5,500	5,500	0	5,500	1/
3	I	ALABAMA	ARMY	FORT RUCKER	AVIATION MAINTENANCE HANGAR	14,600	14,600	14,600	0	14,600	
4	I	ALABAMA	ARMY	FORT RUCKER	FUEL STORAGE FACILITY	3,100	3,100	3,100	0	3,100	
5	I	ALABAMA	ARMY	REDSTONE ARSENAL	ADMINISTRATION FACILITY	67,600	67,600	67,600	0	67,600	
6	I	ALABAMA	ARMY	REDSTONE ARSENAL	AMMUNITION HANDLING INSTRUCTION FACILITY	7,100	7,100	7,100	0	7,100	
7	I	ALABAMA	AIR FORCE	GUNTER AFB	SENIOR NCO ACADEMY SUPPORT FACILITIES	5,200	5,200	5,200	0	5,200	
8	I	ALABAMA	AIR FORCE	GUNTER AFB	UPGRADE DORMITORIES	4,000	4,000	4,000	0	4,000	
9	I	ALABAMA	ARMY NAT GRD	DANNELLY FIELD	AVIATION SUPPORT FACILITY	0	7,528	0	7,528	7,528	
10	I	ALABAMA	ARMY NAT GRD	DANNELLY FIELD	ARMORY	0	2,613	0	2,613	2,613	
11	I	ALABAMA	AIR NAT GRD	DANNELLY FIELD	JET FUEL STORAGE COMPLEX	0	3,500	0	3,500	3,500	
12	I	ALASKA	ARMY	FORT GREELY	BARRACKS	7,600	7,600	7,600	0	7,600	
13	I	ALASKA	ARMY	FORT RICHARDSON	UPGRADE PHYSICAL FITNESS CENTER	0	0	7,000	(7,000)	7,000	
14	I	ALASKA	ARMY	FT J M WAINWRIGHT	BATTLE SIMULATION FACILITY	3,750	0	3,750	(3,750)	3,750	
15	I	ALASKA	ARMY	FT J M WAINWRIGHT	UNIT CHAPEL	4,200	4,200	4,200	0	4,200	
16	I	ALASKA	NAVY	ADAK NAVAL SECURITY GROUP ACTIVITY	BACHELOR ENLISTED QUARTERS	9,100	9,100	9,100	0	9,100	
17	I	ALASKA	NAVY	ADAK NAVAL SECURITY GROUP ACTIVITY	CLASSIC WIZARD FACILITY ADDITION	3,600	3,600	3,600	0	3,600	
18	I	ALASKA	NAVY	AMCHITKA ISLAND FLEET SURVEILLANCE	SUPPLY PIER	7,200	0	7,200	(7,200)	7,200	
19	I	ALASKA	NAVY	ANCHORAGE NAVAL SECURITY GRP SUPPO	OPERATIONS BUILDING CLASSIC OWL	2,600	2,600	2,600	0	2,600	
20	I	ALASKA	NAVY	SHEMYA NAVAL SECURITY GROUP SUPPORT	OPERATIONS BUILDING CLASSIC OWL	3,140	3,140	3,140	0	3,140	
21	I	ALASKA	AIR FORCE	EIELSON AFB	RANGE CONTROL FACILITY	0	0	4,500	(4,500)	4,500	
22	I	ALASKA	AIR FORCE	EIELSON AFB	TRANSIENT ENLISTED PERSONNEL QUARTERS	12,800	0	12,800	(12,800)	12,800	
23	I	ALASKA	AIR FORCE	EIELSON AFB	TRANSIENT PERSONNEL QUARTERS	13,600	13,600	13,600	0	13,600	
24	I	ALASKA	AIR FORCE	ELMENDORF AFB	MUNITIONS MAINTENANCE CONTROL FACILITY	1,400	1,400	1,400	0	1,400	
25	I	ALASKA	AIR FORCE	SHEMYA AFB	AIR FREIGHT TERMINAL	8,800	8,800	8,800	0	8,800	
26	I	ALASKA	AIR FORCE	SHEMYA AFB	HAZARDOUS MATERIALS STORAGE FACILITY	4,000	4,000	4,000	0	4,000	
27	I	ALASKA	AIR FORCE	SHEMYA AFB	SEA WALL/EROSION PROTECTION	6,300	6,300	6,300	0	6,300	
28	I	ALASKA	AIR FORCE	SHEMYA AFB	SUPPLY WAREHOUSE	16,500	16,500	16,500	0	16,500	
29	I	ALASKA	AIR FORCE	SHEMYA AFB	UPGRADE BASE ROADS PHASE II	2,800	2,800	2,800	0	2,800	
30	I	ALASKA	DEFENSE AGENCIES	U.S. COAST GUARD SUPPORT CENTER,KOD	SOF COLD WEATHER TRAINING FACILITY	2,050	2,050	2,050	0	2,050	
31	I	ALASKA	AIR NAT GRD	EILSON AFB	SQUADRON OPERATIONS	0	0	4,600	(4,600)	4,600	
32	I	ALASKA	AIR NAT GRD	KULIS ANGB	ADD/ALT AVIONICS/ECM SHOP	850	850	850	0	850	
33	I	ALASKA	AIR NAT GRD	KULIS ANGB	ADD/ALT SQUADRON OPERATIONS FAC	3,850	3,850	3,850	0	3,850	

10:08 AM

#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
34	I	ALASKA	AIR NAT GRD	KULIS ANGB	ALTER HELICOPTER MAINTENANCE FACILITY........	1,200	1,200	1,200	0	1,200
35	I	ALASKA	AIR NAT GRD	KULIS ANGB	FIRE STATION..................................	0	0	400	(400)	400
36	I	ARIZONA	ARMY	FORT HUACHUCA	APPLIED INSTRUCTION FACILITY.................	9,500	0	9,500	(9,500)	9,500
37	I	ARIZONA	ARMY	FORT HUACHUCA	HARDSTAND/TACTICAL EQUIPMENT SHOP............	4,400	4,400	4,400	0	4,400
38	I	ARIZONA	ARMY	FORT HUACHUCA	MODIFIED RECORD FIRE RANGE...................	1,500	1,500	1,500	0	1,500
39	I	ARIZONA	ARMY	FORT HUACHUCA	NCO ACADEMY...................................	2,600	0	2,600	(2,600)	2,600
40	I	ARIZONA	AIR FORCE	DAVIS-MONTHAN AIR FORCE BASE	WASTE WATER TREATMENT FACILITY...............	0	4,100	4,100	0	4,100
41	I	ARIZONA	AIR FORCE	LUKE AFB	ALTER WASTEWATER TREATMENT FAC...............	6,000	6,000	6,000	0	6,000
42	I	ARIZONA	AIR FORCE	LUKE AFB	CONSTRUCT COURSEWARE TRAINING FACILITY.......	2,800	2,800	2,800	0	2,800
43	I	ARIZONA	AIR FORCE	WILLIAMS AFB	SPECIALIZED UPT MAINTENANCE SUPPORT..........	5,700	5,700	0	5,700	0 2/
44	I	ARIZONA	ARMY NAT GRD	MARANA	AVIATION MAINTENANCE FACILITY................	0	6,670	0	6,670	6,670
45	I	ARIZONA	ARMY NAT GRD	PHOENIX	ARMORY, ADDITION (STARC)......................	984	984	984	0	984
46	I	ARIZONA	AIR NAT GRD	LIBBY AAF	UPGRADE RUNWAY LIGHTS........................	0	0	1,200	(1,200)	1,200
47	I	ARIZONA	AIR NAT GRD	TUCSON INTERNATIONAL AIRPORT	NEW HANGAR, 162ND TACTICAL FIGHTER GROUP.....	0	5,600	7,900	(2,300)	7,900
48	I	ARKANSAS	DEFENSE AGENCIES	LITTLE ROCK	HOSPITAL LIFE SAFETY UPGRADE.................	690	690	690	0	690
49	I	CALIFORNIA	ARMY	FORT HUNTER LIGGETT	BARRACKS MODERNIZATION........................	4,700	4,700	4,700	0	4,700
50	I	CALIFORNIA	ARMY	FT IRWIN	BATTERY MAINTENANCE FACILITY.................	670	670	670	0	670
51	I	CALIFORNIA	ARMY	FT IRWIN	COMPANY OPERATIONS FACILITIES (3)............	2,300	2,300	2,300	0	2,300
52	I	CALIFORNIA	ARMY	FT IRWIN	FIXED LAUNDRY.................................	2,450	2,450	2,450	0	2,450
53	I	CALIFORNIA	ARMY	FT IRWIN	RATIONS WAREHOUSE.............................	2,700	2,700	2,700	0	2,700
54	I	CALIFORNIA	ARMY	FT IRWIN	TACTICAL EQUIPMENT SHOP.......................	2,200	2,200	2,200	0	2,200
55	I	CALIFORNIA	ARMY	SIERRA ARMY DEPOT	LAND ACQUISITION..............................	1,950	1,950	1,950	0	1,950
56	I	CALIFORNIA	NAVY	CAMP PENDLETON AMPHIBIOUS TASK FORC	BACHELOR ENLISTED QUARTERS....................	5,750	5,750	5,750	0	5,750
57	I	CALIFORNIA	NAVY	CAMP PENDLETON AMPHIBIOUS TASK FORC	LANDING CRAFT AIR CUSHION COMPLEX-INCR IV....	12,000	12,000	12,000	0	12,000
58	I	CALIFORNIA	NAVY	CAMP PENDLETON MARINE CORPS AIR STA	AIRCRAFT FIRE AND RESCUE STATION ADDITION....	650	650	650	0	650
59	I	CALIFORNIA	NAVY	CAMP PENDLETON MARINE CORPS AIR STA	OPERATIONAL TRAINER FACILITY ADDITION........	1,360	1,360	1,360	0	1,360
60	I	CALIFORNIA	NAVY	CAMP PENDLETON MARINE CORPS BASE	ARMORY ADDITION AND MOTOR TRANSPORT FAC......	1,460	1,460	1,460	0	1,460
61	I	CALIFORNIA	NAVY	CHINA LAKE NAVAL WEAPONS CENTER	INTEGRATED NAVAL AIR DEFENSE FACILITY........	0	16,600	16,600	0	16,600 1/
62	I	CALIFORNIA	NAVY	CONCORD NAVAL WEAPONS STATION	MISSILE TEST CELL.............................	0	1,250	1,250	0	1,250 1/
63	I	CALIFORNIA	NAVY	CORONADO NAVAL AMPHIBIOUS BASE	SMALL CRAFT BERTHING PIER....................	1,600	1,600	1,600	0	1,600
64	I	CALIFORNIA	NAVY	FALLBROOK NAVAL WEAPONS STATION	MISSILE PRODUCTION FACILITY..................	0	9,700	9,700	0	9,700 1/
65	I	CALIFORNIA	NAVY	MIRAMAR NAVAL AIR STATION	CASS TRAINING BUILDING ADDITION..............	2,000	2,000	2,000	0	2,000
66	I	CALIFORNIA	NAVY	MIRAMAR NAVAL AIR STATION	MAINTENANCE HANGAR ALTERATIONS...............	1,250	1,250	1,250	0	1,250
67	I	CALIFORNIA	NAVY	MONTEREY NAVAL POSTGRADUATE SCHOOL	FIRE PROTECTION SYSTEM.......................	2,900	2,900	2,900	0	2,900
68	I	CALIFORNIA	NAVY	NAVAL POSTGRADUATE SCHOOL (NPS)	INSTRUCTION BLDG..............................	0	12,000	0	12,000	12,000

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
69	I	CALIFORNIA	NAVY	PORT HUENEME NAVAL CONSTR BATTALION	BACHELOR ENLISTED QUARTERS (INCREMENT I).....	6,880	6,880	6,880	0	6,880
70	I	CALIFORNIA	NAVY	PORT HUENEME NAVAL CONSTR BATTALION	CHILD DEVELOMENT CENTER ADDITION............	2,070	2,070	2,070	0	2,070
71	I	CALIFORNIA	NAVY	PORT HUENEME NAVAL CONSTR BATTALION	CONSTRUCTION BATTALION CTR OPERATIONS FAC....	8,300	8,300	8,300	0	8,300
72	I	CALIFORNIA	NAVY	SAN DIEGO FLEET COMBAT TRNG CTR PAC	APPLIED INSTRUCTRUCTION BUILDING ADDITION....	640	640	640	0	640
73	I	CALIFORNIA	NAVY	SAN DIEGO NAVAL STATION	MESS HALL IMPROVEMENTS......................	310	310	310	0	310
74	I	CALIFORNIA	NAVY	SAN DIEGO NAVAL STATION	SHIP DEMAGNETIZING FACILITY.................	2,800	2,800	2,800	0	2,800
75	I	CALIFORNIA	NAVY	SAN DIEGO NAVAL SUBMARINE BASE	BACHELOR ENLISTED QUARTERS..................	14,130	14,130	14,130	0	14,130
76	I	CALIFORNIA	NAVY	SAN DIEGO NAVAL SUPPLY CENTER	FIRE PROTECTION SYSTEM......................	0	1,750	1,750	0	1,750 1/
77	I	CALIFORNIA	NAVY	SAN DIEGO NAVAL SUPPLY CENTER	WAREHOUSE...................................	0	0	0	0	8,600
78	I	CALIFORNIA	NAVY	SAN DIEGO PUBLIC WORKS CENTER	AUTOMOTIVE VEHICLE MAINTENANCE SHOP..........	0	9,300	9,300	0	9,300 1/
79	I	CALIFORNIA	NAVY	SAN DIEGO PUBLIC WORKS CENTER	ELECTRICAL DISTRIBUTION SYSTEM UPGRADE.......	0	7,500	7,500	0	7,500 1/
80	I	CALIFORNIA	NAVY	SEAL BEACH NAVAL WEAPONS STATION	TOMAHAWK MISSILE MAGAZINE....................	0	3,780	3,780	0	3,780 1/
81	I	CALIFORNIA	NAVY	TWENTYNINE PALMS MARCORP AIR-GRND C	FIRE FIGHTER TRAINING FACILITY..............	680	680	680	0	680
82	I	CALIFORNIA	NAVY	VALLEJO MARE ISLAND NAVAL SHIPYARD	COMPUTER OPERATIONS CENTER..................	0	9,000	0	9,000	9,000
83	I	CALIFORNIA	NAVY	VALLEJO MARE ISLAND NAVAL SHIPYARD	ROAD REALIGNMENT............................	3,570	3,570	3,570	0	3,570
84	I	CALIFORNIA	AIR FORCE	BEALE AFB	ALERT CREW READINESS CENTER.................	800	800	800	0	0 9/
85	I	CALIFORNIA	AIR FORCE	BEALE AFB	COVERED AIRCRAFT WASHRACK...................	2,250	2,250	2,250	0	2,250
86	I	CALIFORNIA	AIR FORCE	CASTLE AFB	ADD/ALTER WEAPONS/RELEASE SYS SHOP/STORAGE...	3,000	3,000	0	3,000	0 2/
87	I	CALIFORNIA	AIR FORCE	CASTLE AIR FORCE BASE	CHILD CARE CENTER ADDITION..................	0	1,600	0	1,600	0 2/
88	I	CALIFORNIA	AIR FORCE	CASTLE AIR FORCE BASE	TANKER RAMP LIGHTING........................	0	1,800	0	1,800	0 2/
89	I	CALIFORNIA	AIR FORCE	CASTLE AFB	WAR READINESS SPARE KITS (WRSK) WAREHOUSE....	1,300	1,300	0	1,300	0 2/
90	I	CALIFORNIA	AIR FORCE	EDWARDS AFB	ALTER DORMITORIES...........................	7,500	7,500	7,500	0	7,500
91	I	CALIFORNIA	AIR FORCE	EDWARDS AFB	UPGRADE ELECTRIC DISTRIBUTION SYSTEMT........	6,800	6,800	6,800	0	6,800
92	I	CALIFORNIA	AIR FORCE	MARCH AFB	COMBAT ARMS TRAINING FACILITIES.............	710	710	710	0	710
93	I	CALIFORNIA	AIR FORCE	MARCH AFB	DORMITORY...................................	7,200	7,200	7,200	0	7,200
94	I	CALIFORNIA	AIR FORCE	SIERRA DEPOT	MUNITIONS MAINTENANCE FACILITY..............	2,700	2,700	2,700	0	2,700
95	I	CALIFORNIA	AIR FORCE	TRAVIS AFB	ADD TO AND ALTER ELECTRIC SUBSTATION.........	4,000	4,000	4,000	0	4,000
96	I	CALIFORNIA	AIR FORCE	TRAVIS AIR FORCE BASE	ALTER DORMITORIES...........................	0	5,500	0	5,500	5,500
97	I	CALIFORNIA	AIR FORCE	TRAVIS AFB	C-141 ADD/ALTER FLIGHT SIM TRAINING FAC......	1,700	1,700	1,700	0	1,700
98	I	CALIFORNIA	AIR FORCE	TRAVIS AIR FORCE BASE	CHILD DEVELOPMENT CENTER....................	0	3,350	0	3,350	3,350
99	I	CALIFORNIA	AIR FORCE	TRAVIS AIR FORCE BASE	CONSOLIDATED SUPPORT CENTER.................	0	9,000	0	9,000	9,000
100	I	CALIFORNIA	AIR FORCE	TRAVIS AFB	FIELD TRAINING FACILITY.....................	780	780	780	0	780
101	I	CALIFORNIA	AIR FORCE	TRAVIS AFB	RELOCATE JET FUEL PIPELINE..................	810	810	810	0	810
102	I	CALIFORNIA	AIR FORCE	TRAVIS AFB	SOUND SUPPRESSOR SUPPORT FACILITY...........	0	990	990	0	990 1/
103	I	CALIFORNIA	AIR FORCE	VANDENBERG AFB	LAND ACQUISITION PHASE II...................	80,000	80,000	0	80,000	20,000

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
104	I	CALIFORNIA	DEFENSE AGENCIES	DEFENSE LANGUAGE INSTITUTE - MONTER	GENERAL INSTRUCTIONAL BUILDING..............	6,000	6,000	6,000	0	6,000
105	I	CALIFORNIA	DEFENSE AGENCIES	CAMP PENDLETON	SOF TRAINING COURSE COMPLEX.................	4,900	4,900	4,900	0	4,900
106	I	CALIFORNIA	DEFENSE AGENCIES	FT. ORD	HOSPITAL ADDITION...........................	0	2,200	0	2,200	0 2/
107	I	CALIFORNIA	DEFENSE AGENCIES	NAVAL AMPHIBIOUS BASE, CORONADO	SOF COMBATANT OPERATIONAL STORAGE BLG........	2,100	2,100	2,100	0	2,100
108	I	CALIFORNIA	DEFENSE AGENCIES	SAN DIEGO NAVAL TRAINING CENTER	MEDICAL/DENTAL CLINIC REPLACEMENT............	17,500	17,500	17,500	0	17,500
109	I	CALIFORNIA	DEFENSE AGENCIES	STOCKTON	FLEET HOSPITAL PREPOSITIONING FACILITY.......	22,000	22,000	22,000	0	22,000
110	I	CALIFORNIA	DEFENSE AGENCIES	TRACY DEFENSE DEPOT	WATER WELLS.................................	0	2,000	2,000	0	2,000 1/
111	I	CALIFORNIA	DEFENSE AGENCIES	TRAVIS	ARMED SERVICES WHOLE BLOOD FACILITY..........	2,000	2,000	2,000	0	2,000
112	I	CALIFORNIA	ARMY NAT GRD	CAMP ROBERTS	RANGE, (KD) KNOW DISTANCE REHAB..............	324	324	324	0	324
113	I	CALIFORNIA	ARMY NAT GRD	VARIOUS	ARMORY MAINTENANCE PROGRAM...................	0	600	0	600	0 3/
114	I	COLORADO	ARMY	FORT CARSON	FLIGHT SIMULATOR BUILDING....................	3,000	3,000	3,000	0	3,000
115	I	COLORADO	ARMY	FORT CARSON	INFORMATION SYSTEMS FACILITY.................	7,500	7,500	7,500	0	7,500
116	I	COLORADO	ARMY	PUEBLO DEPOT ACTIVITY	AMMUNITION DEMILITARIZATION SUPPORT FAC......	6,300	6,300	6,300	0	6,300
117	I	COLORADO	AIR FORCE	BUCKLEY ANG BASE	ADD TO AEROSPACE DATA FACILITY...............	40,000	40,000	40,000	0	40,000
118	I	COLORADO	AIR FORCE	BUCKLEY ANG BASE	ADD TO AND ALTER TECHNICAL SUPPORT FAC.......	1,200	1,200	1,200	0	1,200
119	I	COLORADO	AIR FORCE	BUCKLEY ANG BASE	ADD TO SATELLITE COMMUNICATION GROUND TERM...	850	850	850	0	850
120	I	COLORADO	AIR FORCE	CHEYENNE MT COMPLEX AFB	BOUNDARY FENCE...............................	610	610	610	0	610
121	I	COLORADO	AIR FORCE	FALCON AFS	FIRE STATION.................................	1,400	1,400	1,400	0	1,400
122	I	COLORADO	AIR FORCE	PETERSON AFB	ADD TO AND ALTER DORMITORY PHASE II..........	2,700	2,700	2,700	0	2,700
123	I	COLORADO	AIR FORCE	PETERSON AFB	CENTRALIZED INTEGRATION SPT FAC (PHASE I)....	21,000	21,000	21,000	0	21,000
124	I	COLORADO	AIR FORCE	PETERSON AFB	CHILD DEVELOPMENT CENTER.....................	2,600	2,600	2,600	0	2,600
125	I	COLORADO	AIR FORCE	US AIR FORCE ACADEMY	CONSOLIDATED EDUC & TRNG FAC, PHASE II.......	15,000	21,000	15,000	6,000	21,000
126	I	COLORADO	DEFENSE AGENCIES	FITZSIMMONS ARMY HOSPITAL	LIFE SAFETY UPGRADE..........................	0	3,000	0	3,000	3,000
127	I	COLORADO	ARMY NAT GRD	LONGMONT	ORGANIZATIONAL MAINTENANCE SHOP..............	0	3,218	0	3,218	3,218
128	I	COLORADO	AIR NAT GRD	BUCKLEY ANGB	ADD/ALTER AIRCRAFT ENGINE SHOP...............	500	500	500	0	500
129	I	COLORADO	AIR NAT GRD	BUCKLEY ANGB	POWER CHECK PAD W/SUPPRESSOR.................	800	800	800	0	800
130	I	COLORADO	AIR NAT GRD	BUCKLEY ANG BASE	ALTER AIRCRAFT MAINTENANCE HANGAR............	0	5,000	0	5,000	5,000
131	I	COLORADO	AIR NAT GRD	BUCKLEY ANG BASE	CONSTRUCT VEHICLE MAINTENANCE COMPLEX........	0	2,200	0	2,200	2,200
132	I	COLORADO	AIR FORCE RESERVE	PETERSON AFB	SURVIVAL EQUIP/LIFE SUP......................	1,150	1,150	1,150	0	1,150
133	I	CONNECTICUT	NAVY	NEW LONDON NAVAL SUBMARINE BASE	FIRE STATION.................................	770	770	770	0	770
134	I	CONNECTICUT	NAVY	NEW LONDON NAVAL SUBMARINE BASE	FUEL TANKS REPLACEMENT.......................	3,650	3,650	3,650	0	3,650
135	I	CONNECTICUT	NAVY	NEW LONDON NAVAL SUBMARINE BASE	RELIGIOUS EDUCATION CENTER...................	1,260	1,260	1,260	0	1,260
136	I	CONNECTICUT	NAVY	NEW LONDON SUBMARINE SUPPORT FACILI	SUBMARINE INTERMEDIATE MAINT FAC MODERN......	5,800	5,800	5,800	0	5,800
137	I	CONNECTICUT	AIR NAT GRD	BRADLEY FIELD	JET FUEL STORAGE COMPLEX.....................	2,500	2,500	2,500	0	2,500
138	I	CONNECTICUT	AIR NAT GRD	BRADLEY AIR NATIONAL GUARD BASE	UPGRADE FACILITIES...........................	0	8,980	0	8,980	8,980

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
139	I	DELAWARE	AIR FORCE	DOVER AFB	ADD TO AND ALTER AIRCRAFT MAINTENANCE SHOP...	2,950	2,950	2,950	0	2,950
140	I	DELAWARE	AIR FORCE	DOVER AIR FORCE BASE	CHILD CARE FACILITY...........................	0	2,600	0	2,600	2,600
141	I	DELAWARE	AIR FORCE	DOVER AFB	DORMITORIES...................................	7,200	7,200	7,200	0	7,200
142	I	DELAWARE	AIR NAT GRD	GREATER WILMINGTON AIRPORT	COMPOSITE OPERATIONS & TRAINING FAC..........	2,700	2,700	2,700	0	2,700
143	I	DISTRICT OF COLUMBIA	NAVY	WASHINGTON COMMANDANT NAVAL DISTRIC	CHILD DEVELOPMENT CENTER......................	3,700	3,700	3,700	0	3,700
144	I	DISTRICT OF COLUMBIA	NAVY	WASHINGTON COMMANDANT NAVAL DISTRIC	HAZARDOUS WASTE STORAGE FACILITY.............	2,050	2,050	2,050	0	2,050
145	I	DISTRICT OF COLUMBIA	AIR FORCE	BOLLING AIR FORCE BASE	BASE ENGINEER COMPLEX PHASE I................	5,400	0	5,400	(5,400)	0 4/
146	I	DISTRICT OF COLUMBIA	ARMY NAT GRD	FORT BELVOIR	AVN AASF ADDITION............................	2,765	2,765	2,765	0	2,765
147	I	DISTRICT OF COLUMBIA	NAVY RESERVE	NAVAL AIR FACILITY WASHINGTON	HANGER ADDITION..............................	1,300	1,300	1,300	0	1,300
148	I	FLORIDA	NAVY	JACKSONVILLE NAVAL AIR STATION	AMTEC FACILITY...............................	0	15,000	0	15,000	0 5/
149	I	FLORIDA	NAVY	JACKSONVILLE NAVAL AVIAION DEPOT	INDUSTRIAL WASTE TREATMENT FACILITY..........	0	3,300	3,300	0	3,300 1/
150	I	FLORIDA	NAVY	MAYPORT NAVAL STATION	CHILD DEVELOPMENT CENTER.....................	2,150	2,150	2,150	0	2,150
151	I	FLORIDA	NAVY	MAYPORT NAVAL STATION	HAZARDOUS WASTE STORAGE FACILITY.............	990	990	990	0	990
152	I	FLORIDA	NAVY	ORLANDO NAVAL TRAINING CENTER	BARRACKS.....................................	7,980	7,980	7,980	0	7,980
153	I	FLORIDA	NAVY	ORLANDO NAVAL TRAINING CENTER	CHILD DEVELOPMENT CENTERS....................	4,000	4,000	4,000	0	4,000
154	I	FLORIDA	NAVY	ORLANDO NAVAL TRAINING CENTER	COLD STORAGE WAREHOUSE.......................	2,150	2,150	2,150	0	2,150
155	I	FLORIDA	NAVY	ORLANDO NAVAL TRAINING CENTER	MESS HALL....................................	7,300	7,300	7,300	0	7,300
156	I	FLORIDA	NAVY	PANAMA CITY NAVAL COASTAL SYSTEMS C	BACHELOR ENLISTED QUARTERS...................	9,000	9,000	9,000	0	9,000
157	I	FLORIDA	NAVY	PANAMA CITY NAVAL COASTAL SYSTEMS C	MESS HALL....................................	2,150	2,150	2,150	0	2,150
158	I	FLORIDA	NAVY	PENSACOLA NAVAL AIR STATION	BRIG...	4,000	4,000	4,000	0	4,000
159	I	FLORIDA	NAVY	PENSACOLA NAVAL SUPPLY CENTER	COLD STORAGE WAREHOUSE.......................	0	5,700	5,700	0	5,700 1/
160	I	FLORIDA	AIR FORCE	CAPE CANAVERAL AFS	CENTAUR CRYOGENIC TANKING FACILITY...........	24,000	24,000	24,000	0	24,000
161	I	FLORIDA	AIR FORCE	EGLIN AFB	OPERATIONS AND COMMUNICATIONS FACILITY.......	2,830	2,830	2,830	0	2,830
162	I	FLORIDA	AIR FORCE	HOMESTEAD AFB	ALTER DORMITORIES............................	4,900	4,900	4,900	0	4,900
163	I	FLORIDA	AIR FORCE	TYNDALL AFB	SOUND SUPPRESSOR SUPPORT.....................	850	850	850	0	850
164	I	FLORIDA	DEFENSE AGENCIES	EGLIN AUX FIELD 3	SOF ADAL MUNITIONS COMPLEX...................	2,400	2,400	2,400	0	2,400
165	I	FLORIDA	DEFENSE AGENCIES	EGLIN AUX FIELD 9	ADD TO AND ALTER CHILD DEVELOMENT CTR........	1,250	1,250	1,250	0	1,250
166	I	FLORIDA	DEFENSE AGENCIES	EGLIN AUX FIELD 9	ADD/ALTER AIRCRAFT ENG INSP/REPAIR SHOP......	750	750	750	0	750
167	I	FLORIDA	DEFENSE AGENCIES	EGLIN, 9	ENLISTED DORMITORY...........................	0	5,500	0	5,500	5,500
168	I	FLORIDA	DEFENSE AGENCIES	EGLIN AUX FIELD 9	SOF ADD/ALTER AIRCFT SUP EQUIP SHOP/STOR.....	1,050	1,050	1,050	0	1,050
169	I	FLORIDA	DEFENSE AGENCIES	EGLIN AUX FIELD 9	SOF AFSOC HDQ'S ANNEX FACILITY...............	5,400	5,400	5,400	0	5,400
170	I	FLORIDA	DEFENSE AGENCIES	EGLIN AUX FIELD 9	SOF SPECIAL OPERATIONS SCHOOL................	3,600	3,600	3,600	0	3,600
171	I	FLORIDA	DEFENSE AGENCIES	HOMESTEAD AFB	HOSPITAL, PHASE I............................	0	30,000	0	30,000	10,000
172	I	FLORIDA	DEFENSE AGENCIES	JACKSONVILLE DEF FUEL SPRT POINT	FIRE PROTECTION SYSTEM.......................	0	2,200	2,200	0	2,200 1/
173	I	FLORIDA	DEFENSE AGENCIES	PENSACOLA DEFENSE FUEL SUPPORT PNT	FUEL TANKAGE.................................	0	16,000	16,000	0	16,000 1/

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174	I	FLORIDA	DEFENSE AGENCIES	TYNDALL	MEDICAL LOGISTICS FACILITY..........................	800	800	800	0	800
175	I	FLORIDA	ARMY NAT GRD	CAMP BLANDING	AVIATION FUEL FACILITY.............................	0	0	275	(275)	275
176	I	FLORIDA	ARMY NAT GRD	CAMP BLANDING	LAW RANGE..	0	0	550	(550)	550
177	I	FLORIDA	ARMY NAT GRD	CAMP BLANDING	MAC RANGE..	0	0	954	(954)	954
178	I	FLORIDA	ARMY NAT GRD	WAUCHULA	ARMORY	0	0	1,077	(1,077)	1,077
179	I	FLORIDA	AIR NAT GRD	JACKSONVILLE	VEHICLE MAINTENANCE................................	0	700	700	0	700
180	I	FLORIDA	AIR FORCE RESERVE	HOMESTEAD AFB	PARARESCUE OPERATIONS..............................	1,300	1,300	1,300	0	1,300
181	I	GEORGIA	ARMY	FORT BENNING	GENERAL INSTRUCTION FACILITY.......................	2,150	2,150	2,150	0	2,150
182	I	GEORGIA	ARMY	FORT GORDON	ENERGY MONITORING AND CONTROL SYSTEM..........	1,200	1,200	1,200	0	1,200
183	I	GEORGIA	ARMY	FT STEWART/HUNTER AAF	AUTOMATED RECORD FIRE RANGE.......................	950	950	950	0	950
184	I	GEORGIA	NAVY	KINGS BAY NAVAL SUBMARINE BASE	GENERATOR TEST BUILDING ADDITION..............	580	580	580	0	580
185	I	GEORGIA	NAVY	KINGS BAY NAVAL SUBMARINE BASE	TRIDENT TRAINING COMPLEX ADDITION.............	9,200	9,200	9,200	0	9,200
186	I	GEORGIA	NAVY	MCINTOSH COUNTY	LAND ACQUISITION PHASE II.........................	0	2,881	2,881	0	2,881
187	I	GEORGIA	AIR FORCE	ROBINS AFB	ADD TO AND ALTER ALERT CREW FACILITY.........	3,100	3,100	3,100	0	3,100
188	I	GEORGIA	AIR FORCE	ROBINS AFB	ALTER TACTICAL TRAINING FACILITY	0	0	2,250	(2,250)	0
189	I	GEORGIA	AIR FORCE	ROBINS AFB	BASE ENGINEER COMPLEX PHASE I.................	6,800	6,800	6,800	0	6,800
190	I	GEORGIA	AIR FORCE	ROBINS AFB	EXTEND UTILITIES/COMM SYSTEM	0	0	2,650	(2,650)	2,650
191	I	GEORGIA	AIR FORCE	ROBINS AFB	FLIGHT SIMULATOR..................................	0	0	2,200	(2,200)	2,200
192	I	GEORGIA	AIR FORCE	ROBINS AFB	INDUSTRIAL WASTEWATER OUTFALL LINE..........	0	1,700	1,700	0	1,700 1/
193	I	GEORGIA	AIR FORCE	ROBINS AFB	JSTARS AUTOMATIC TEST FACILITY................	0	2,500	2,500	0	2,500 1/
194	I	GEORGIA	AIR FORCE	ROBINS AFB	JSTARS ADD TO AND ALTER SQUAD OPS FAC........	2,000	2,000	0	2,000	0
195	I	GEORGIA	AIR FORCE	ROBINS AFB	JSTARS ADD/ALTER AIRCRAFT MAINT UNIT FAC.....	800	800	0	800	0
196	I	GEORGIA	AIR FORCE	ROBINS AFB	JSTARS CONST (AGS) BASE SUPP & EQUIP WAREHOUS	3,100	3,100	0	3,100	0
197	I	GEORGIA	AIR FORCE	ROBINS AFB	JSTARS MISSION SIMULATOR & SOFTWARE SPT FAC..	8,300	8,300	0	8,300	0
198	I	GEORGIA	AIR FORCE	ROBINS AFB	JSTARS TACTICAL TRAINING SQUADRON FACILITY...	2,200	2,200	0	2,200	2,300
199	I	GEORGIA	AIR FORCE	ROBINS AFB	MISSION SIMULATOR/SOFTWARE SPT FAC...........	0	0	9,200	(9,200)	9,200
200	I	GEORGIA	DEFENSE AGENCIES	FORT BENNING	PARACHUTE DRYING FACILITY	0	0	3,900	(3,900)	3,900
201	I	GEORGIA	DEFENSE AGENCIES	FORT STEWART	DIAMOND ELEMENTARY SCHOOL (Sec. 6)...........	0	6,591	6,951	(360)	6,951
202	I	GEORGIA	NAVY RESERVE	NAS ATLANTA	GSE SHOP..	1,600	1,600	1,600	0	1,600
203	I	GEORGIA	AIR FORCE RESERVE	DOBBINS AFB	BCE COMPLEX.......................................	3,890	3,890	3,890	0	3,890
204	I	HAWAII	ARMY	FORT SHAFTER	CHILD DEVELOPMENT CENTER........................	3,500	3,500	3,500	0	3,500
205	I	HAWAII	ARMY	FORT SHAFTER	FIRE STATION......................................	2,150	2,150	2,150	0	2,150
206	I	HAWAII	ARMY	SCHOFIELD BARRACKS	SUPPLY SERVICE & ADMINISTRATION BLDG.........	3,650	3,650	3,650	0	3,650
207	I	HAWAII	NAVY	BARBERS POINT NAVAL AIR STATION	BACHELOR ENLISTED QUARTERS MODERNIZATION.....	3,300	3,300	3,300	0	3,300
208	I	HAWAII	NAVY	HONOLULU NAVAL COM AREA MASTER STA	BACHELOR ENLISTED QUARTERS MODERNIZATION.....	1,500	1,500	1,500	0	1,500

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
209	I	HAWAII	NAVY	LUALUALEI NAVAL MAGAZINE	TORPEDO MAINTENANCE FACILITIES................	8,700	8,700	8,700	0	8,700
210	I	HAWAII	NAVY	PEARL HARBOR NAV INACTIVE SHIP MAIN	ELECTRICAL DISTRIBUTION SYS IMPROVEMENTS.....	3,200	3,200	3,200	0	3,200
211	I	HAWAII	NAVY	PEARL HARBOR NAVAL SHIPYARD	FIRE PROTECTION SYSTEM........................	0	800	800	0	800 1/
212	I	HAWAII	NAVY	PEARL HARBOR PUBLIC WORKS CNTR	SEWAGE SYSTEM IMPROVEMENTS....................	0	1,650	1,650	0	1,650 1/
213	I	HAWAII	NAVY	PEARL HARBOR PUBLIC WORKS CNTR	WASTEWATER TREATMENT PLANT EXPANSION.........	0	10,540	10,540	0	10,540 1/
214	I	HAWAII	NAVY	PEARL HARBOR PUBLIC WORKS CNTR	WASTEWATER TREATMENT PLANT MODIFICATIONS.....	0	1,250	1,250	0	1,250 1/
215	I	HAWAII	NAVY	PEARL HARBOR NAVAL SUBMARINE BASE	BERTHING WHARF................................	23,000	23,000	23,000	0	23,000
216	I	HAWAII	NAVY	PEARL HARBOR NAVAL SUBMARINE BASE	SHORE INTERMEDIATE MAINTENANCE ACTIVITY......	39,000	39,000	39,000	0	39,000
217	I	HAWAII	AIR FORCE	CAMP SMITH	MILSTAR GROUND COMMUNICATIONS TERMINAL.......	2,600	2,600	2,600	0	2,600
218	I	HAWAII	AIR FORCE	HICKAM AFB	NCO PROFESSIONAL MIL EDUCATION CTR COMPLEX...	5,100	5,100	5,100	0	5,100
219	I	HAWAII	AIR FORCE	HICKAM AFB	UPGRADE WATER DISTRIBUTION SYSTEM............	2,000	2,000	2,000	0	2,000
220	I	HAWAII	DEFENSE AGENCIES	CAMP SMITH	NCPAC RELOCATION CAMP SMITH..................	488	488	488	0	488
221	I	HAWAII	DEFENSE AGENCIES	TRIPLER ARMY HOSPITAL	MEDICAL EDUCATION CENTER	0	0	3,500	(3,500)	3,500
222	I	HAWAII	DEFENSE AGENCIES	HICKAM AIR FORCE BASE	MEDICAL DENTAL CLINIC ADD/ALT................	13,800	13,800	13,800	0	13,800
223	I	HAWAII	ARMY NAT GRD	PEARL CITY	TRNG SITE, REGIONAL MAINT....................	1,883	1,883	1,883	0	1,883
224	I	HAWAII	AIR NAT GRD	HICKAM AFB	COMPOSITE VEHICLE MAINTENANCE SHOP...........	2,900	2,900	2,900	0	2,900
225	I	IDAHO	ARMY NAT GRD	GOWEN FIELD	ARMORY.......................................	0	0	5,995	(5,995)	5,995
226	I	IDAHO	ARMY NAT GRD	GOWEN FIELD	AVN, AASE....................................	8,261	8,261	8,261	0	8,261
227	I	IDAHO	ARMY NAT GRD	GOWEN FIELD	TRNG SITE, AMMO STG..........................	5,365	5,365	5,365	0	5,365
228	I	IDAHO	AIR NAT GRD	GOWEN FIELD	POWER CHECK PAD..............................	0	0	800	(800)	800
229	I	IDAHO	AIR NAT GRD	GOWEN FIELD	MAINTENANCE COMPLEX..........................	0	0	0	0	2,100
230	I	ILLINOIS	NAVY	GREAT LAKES NAVAL TRAINING CENTER	MESS HALL MODERNIZATION......................	7,000	7,000	7,000	0	7,000
231	I	ILLINOIS	AIR FORCE	SCOTT AFB	AIRCRAFT MAINTENANCE FACILITY................	8,900	8,900	8,900	0	8,900
232	I	ILLINOIS	AIR FORCE	SCOTT AFB	DINING FACILITY..............................	4,390	4,390	4,390	0	4,390
233	I	ILLINOIS	ARMY NAT GRD	NORTH RIVERSIDE	OMS MODIFICATIONS............................	0	0	362	(362)	362
234	I	ILLINOIS	AIR NAT GRD	GREATER PEORIA AIRPORT	POWER CHECK PAD W/SUPPRESSOR.................	800	800	800	0	800
235	I	ILLINOIS	AIR NAT GRD	GREATER PEORIA AIRPORT	SECURITY POLICE OPERATIONS FACILITY..........	600	600	600	0	600
236	I	ILLINOIS	AIR NAT GRD	GREATER PEORIA AIRPORT	OPERATIONAL TRAINING FACILITY................	0	0	4,800	(4,800)	4,800
237	I	ILLINOIS	NAVY RESERVE	NRRC GREAT LAKES	TRAINING BUILDING............................	6,300	6,300	6,300	0	6,300
238	I	INDIANA	ARMY	FORT BENJAMIN HARRISON	ADMINISTRATION BUILDING, PHASE I.............	25,000	0	0	0	0
239	I	INDIANA	NAVY	CRANE NAVAL WEAPONS SUPPORT CENTER	ELECTRONICS COUNTERMEASURES SYSTEM CENTER....	0	10,000	0	10,000	10,000
240	I	INDIANA	NAVY	CRANE NAVAL WEAPONS SUPPORT CENTER	ELECTRONICS MAINTENANCE SHOP.................	8,700	8,700	8,700	0	8,700
241	I	INDIANA	NAVY	CRANE NAVAL WEAPONS SUPPORT CENTER	PEST CONTROL FACILITY........................	0	750	750	0	750 1/
242	I	INDIANA	AIR FORCE	GRISSOM AIR FORCE BASE	FIRE TRAINING FAC............................	0	560	0	560	0 2/
243	I	INDIANA	AIR FORCE	GRISSOM AIR FORCE BASE	PHYSICAL FITNESS CENTER......................	0	5,900	0	5,900	0 2/

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
244	I	INDIANA	ARMY NAT GRD	CAMP ATTERBURY	RANGE, MULTI-PURPOSE MG/SAW(RETS)	1,130	1,130	1,130	0	1,130
245	I	INDIANA	AIR NAT GRD	TERRE HAUTE	MUNITIONS MAINT STORAGE COMPLEX	0	2,200	0	2,200	2,200
246	I	IOWA	ARMY NAT GRD	WATERLOO	AVN ADDITION	505	505	505	0	505
247	I	IOWA	ARMY NAT GRD	CAMP DODGE	ACCESS ROAD, PHASE II	0	0	0	0	5,450
248	I	IOWA	AIR NAT GRD	SIOUX CITY MAP	ADD/ALT AIRCRAFT ENGINE SHOP	980	980	980	0	980
249	I	IOWA	AIR NAT GRD	SIOUX CITY MAP	ADD/ALT AVIONICS/ECM POD SHOP	1,150	1,150	1,150	0	1,150
250	I	KANSAS	ARMY	FORT RILEY	MODIFIED RECORD FIRE RANGE	1,800	1,800	1,800	0	1,800
251	I	KANSAS	ARMY	FORT RILEY	WATER DISTRIBUTION MONITORING SYSTEM	0	0	800	(800)	800
252	I	KANSAS	AIR FORCE	MCCONNELL AIR FORCE BASE	CONSOLIDATED EDUCATION CENTER	0	3,300	0	3,300	0 6/
253	I	KANSAS	AIR FORCE	MCCONNELL AFB	FIRE STATION	4,950	4,950	4,950	0	4,950
254	I	KANSAS	AIR FORCE	MCCONNELL AFB	TEMPORARY LODGING FACILITY	2,700	0	2,700	(2,700)	2,700
255	I	KANSAS	ARMY NAT GRD	FORT RILEY	MATES EXPANSION	6,662	6,662	6,662	0	6,662
256	I	KANSAS	AIR NAT GRD	MCCONNELL AFB	ADD TO CORROSION CONTROL FACILITY	550	550	750	(200)	750
257	I	KENTUCKY	ARMY	FORT CAMPBELL	EFFLUENT CONTROL FACILITY	650	650	650	0	650
258	I	KENTUCKY	ARMY	FORT CAMPBELL	MAINTENANCE FACILITY	14,800	14,800	14,800	0	14,800
259	I	KENTUCKY	ARMY	FORT CAMPBELL	MODIFIED RECORD FIRE RANGE	1,600	1,600	1,600	0	1,600
260	I	KENTUCKY	ARMY	FORT KNOX	COMBAT PISTOL RANGE MOD	600	600	600	0	600
261	I	KENTUCKY	ARMY	FORT KNOX	DINING FACILITY MODERNIZATION	2,700	2,700	2,700	0	2,700
262	I	KENTUCKY	ARMY	FORT KNOX	ENERGY MONITORING AND CONTROL SYSTEM	3,150	3,150	3,150	0	3,150
263	I	KENTUCKY	ARMY	FORT KNOX	SEWAGE TREATMENT PLANT	17,000	17,000	17,000	0	17,000
264	I	KENTUCKY	DEFENSE AGENCIES	FORT CAMPBELL	SOF BATTALION HEADQUARTERS	5,800	5,800	5,800	0	5,800
265	I	KENTUCKY	AIR NAT GRD	STANDIFORD	RELOCATION, PHASE II	0	0	5,000	(5,000)	5,000
266	I	LOUISIANA	ARMY	FORT POLK	CENTRAL WASH FACILITY MODERNIZATION	930	930	930	0	930
267	I	LOUISIANA	ARMY	FORT POLK	CONSOLIDATED MAINTENANCE FACILITY	11,000	11,000	11,000	0	11,000
268	I	LOUISIANA	ARMY	FORT POLK	TACTICAL EQUIPMENT SHOP	10,800	10,800	10,800	0	10,800
269	I	LOUISIANA	AIR FORCE	BARKSDALE AFB	ADD/ALTER WEAPONS & RELEASE SYSTEM SHOP	520	520	520	0	520
270	I	LOUISIANA	AIR FORCE	BARKSDALE AFB	ALERT TAXIWAY BARRIER	780	780	780	0	780
271	I	LOUISIANA	AIR FORCE	BARKSDALE AFB	B-52 FLIGHT SIMULATOR TRAINING FACILITY	5,000	5,000	5,000	0	5,000
272	I	LOUISIANA	AIR FORCE	BARKSDALE AFB	ELECTRICAL SYSTEM UPGRADE	0	0	1,200	(1,200)	1,200
273	I	LOUISIANA	AIR FORCE	BARKSDALE AFB	ENGINE TEST PAD	0	0	2,000	(2,000)	2,000
274	I	LOUISIANA	AIR FORCE	BARKSDALE AFB	WATER SYSTEM MODIFICATION	0	0	1,700	(1,700)	1,700
275	I	LOUISIANA	ARMY NAT GRD	CAMP BEAUREGARD	RANGE, MODIFIED RECORD FIRE (RETS)	937	937	937	0	937
276	I	LOUISIANA	ARMY NAT GRD	FORT POLK (LEESVILLE)	ARMORY, 200-PERSON	2,067	2,067	2,067	0	2,067
277	I	LOUISIANA	AIR NAT GRD	NEW ORLEANS NAS	ADD TO MEDICAL TRAINING FAC (ANG/AFRES)	450	450	450	0	450
278	I	LOUISIANA	ARMY RESERVE	BATON ROUGE	USAR CENTER	3,672	3,672	3,672	0	3,672

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279	I	LOUISIANA	AIR FORCE RESERVE	NEW ORLEANS NAS	MED TRAINING ADD	450	450	450	0	450
280	I	MAINE	ARMY NAT GRD	CARIBOU	OMS5 ADDITION / ALTERATION	686	686	686	0	686
281	I	MAINE	AIR NAT GRD	BANGOR IAP	JET FUEL STORAGE & DISTRIBUTION SYS	6,700	6,700	6,700	0	6,700
282	I	MARYLAND	ARMY	ABERDEEN PROVING GROUND	COLD STORAGE WAREHOUSE	6,400	6,400	6,400	0	6,400
283	I	MARYLAND	ARMY	ABERDEEN PROVING GROUND	FLIGHT CONTROL TOWER	850	850	850	0	850
284	I	MARYLAND	ARMY	ABERDEEN PROVING GROUND	PHYSICAL FITNESS CENTER	0	0	3,900	(3,900)	3,900
285	I	MARYLAND	ARMY	FORT RITCHIE	FIRE STATION	0	0	1,500	(1,500)	1,500
286	I	MARYLAND	ARMY	FORT RITCHIE	SECURITY UPGRADE	2,400	2,400	2,400	0	2,400
287	I	MARYLAND	NAVY	ANNAPOLIS DAVID TAYLOR NAVSHPRSCH/D	COMPOSITE MATERIALS LABORATORY	3,450	3,450	3,450	0	0 4/
288	I	MARYLAND	NAVY	ANNAPOLIS NAVAL RADIO TRANSMITTING	ANTENNA MODIFICATIONS	2,400	2,400	2,400	0	2,400
289	I	MARYLAND	NAVY	ANNAPOLIS NAVAL RADIO TRANSMITTING	ELECTRICAL DISTRIBUTION SYS IMPROVEMENTS	1,900	1,900	1,900	0	1,900
290	I	MARYLAND	NAVY	ANNAPOLIS NAVAL RADIO TRANSMITTING	ELECTRICAL DISTRIBUTION SYS IMPROVEMENTS	920	920	920	0	920
291	I	MARYLAND	NAVY	BETHESDA NATIONAL NAVAL MEDICAL CEN	BACHELOR ENLISTED QUARTERS MODERNIZATION	3,500	3,500	3,500	0	3,500
292	I	MARYLAND	NAVY	BETHESDA NATIONAL NAVAL MEDICAL CEN	SANITARY SEWAGE SYSTEM IMPROVEMENTS	970	970	970	0	970
293	I	MARYLAND	NAVY	INDIAN HEAD NAVAL ORDNANCE STATION	INDUSTRIAL WASTEWATER TREATMENT FACILITY	0	6,600	6,600	0	6,600 1/
294	I	MARYLAND	NAVY	PATUXENT RIVER NAVAL AIR TEST CENTE	ALERT FORCE FACILITY	5,800	5,800	5,800	0	5,800
295	I	MARYLAND	NAVY	ST INIGOES NAVAL ELECTRONIC SYS ENG	ACLS INTEGRATION AND TEST FACILITY	1,750	1,750	1,750	0	1,750
296	I	MARYLAND	NAVY	ST INIGOES NAVAL ELECTRONIC SYS ENG	ELECTRONICS SYSTEMS INTEGRATION LABORATORY	5,800	5,800	5,800	0	5,800
297	I	MARYLAND	NAVY	ST INIGOES NAVAL ELECTRONIC SYS ENG	SANITARY WASTEWATER SYSTEM	900	900	900	0	900
298	I	MARYLAND	AIR FORCE	ANDREWS AIR FORCE BASE	DEFENSE ACCESS ROAD	0	6,000	6,000	0	6,000
299	I	MARYLAND	AIR FORCE	ANDREWS AFB	DORMITORY	5,400	5,400	5,400	0	5,400
300	I	MARYLAND	AIR FORCE	ANDREWS AIR FORCE BASE	REPLACE ROOF -- COMMUNICATIONS CENTER	0	2,700	0	2,700	2,700
301	I	MARYLAND	DEFENSE AGENCIES	DMA HYDROGRAPHIC/TOPOGRAPHIC CENTER	FIRE SAFETY AND SECURITY IMPROVEMENTS	1,000	1,000	1,000	0	1,000
302	I	MARYLAND	DEFENSE AGENCIES	FORT MEADE	ENGINEER SUPPORT FACILITY	1,400	1,400	1,400	0	1,400
303	I	MARYLAND	DEFENSE AGENCIES	FORT MEADE	FIRE PROTECTION SAB3 SAB4 SCP	1,000	1,000	1,000	0	1,000
304	I	MARYLAND	DEFENSE AGENCIES	FORT MEADE	OPS 2B GENERATOR MOD	750	750	750	0	750
305	I	MARYLAND	DEFENSE AGENCIES	FORT MEADE	OPS 3 SPRINKLER AND FIRE ALARM	1,500	1,500	1,500	0	1,500
306	I	MARYLAND	DEFENSE AGENCIES	FORT MEADE	PERIMETER CONTROL	9,000	0	9,000	(9,000)	0 4/
307	I	MARYLAND	DEFENSE AGENCIES	FORT MEADE	SPC PLATING CENTER	1,072	1,072	1,072	0	1,072
308	I	MARYLAND	DEFENSE AGENCIES	USUHS	ALTERATIONS EXISTING ANIMAL FACILITY	600	600	600	0	600
309	I	MARYLAND	ARMY NAT GRD	CHELTENHAM	ARMORY	0	3,300	0	3,300	3,300
310	I	MARYLAND	ARMY NAT GRD	TOWSON	DLOG WAREHOUSE,DIV DLOGS/CLASS I	373	373	373	0	373
311	I	MARYLAND	AIR NAT GRD	ANDREWS AFB	COMPOSITE MAINTENANCE FACILITY	2,250	2,250	2,250	0	2,250
312	I	MARYLAND	AIR FORCE RESERVE	ANDREWS AFB	COMP TRAINING FAC	1,550	1,550	1,550	0	1,550
313	I	MASSACHUSETTS	ARMY	NATICK RESEARCH CENTER	ADMINISTRATION FACILITY ADDITION	1,350	1,350	1,350	0	1,350

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314	I	MASSACHUSETTS	ARMY	NATICK RESEARCH CENTER	CLIMATIC CONTROL SYSTEM.......................	2,900	2,900	2,900	0	2,900
315	I	MASSACHUSETTS	AIR FORCE	HANSCOM AFB	SECURITY POLICE OPERATIONS....................	3,200	3,200	3,200	0	3,200
316	I	MASSACHUSETTS	AIR FORCE	HANSCOM AFB	UPGRADE LABORATORY PHYSICAL PLANT PHASE II...	8,000	8,000	8,000	0	8,000
317	I	MASSACHUSETTS	ARMY NAT GRD	CAMP EDWARDS	TRNG SITE, HEATING PLANT......................	1,369	1,369	1,369	0	1,369
318	I	MASSACHUSETTS	AIR NAT GRD	BARNES AIRPORT	AIRCRAFT BARRIER..............................	0	0	2,050	(2,050)	2,050
319	I	MASSACHUSETTS	AIR NAT GRD	BARNES AIRPORT	ENGINE CHECK FACILITY.........................	0	0	1,250	(1,250)	1,250
320	I	MASSACHUSETTS	AIR NAT GRD	OTIS ANGB	UPGRADE HEAT SYSTEMS (ANG/ARES)...............	3,500	3,500	3,500	0	3,500
321	I	MASSACHUSETTS	ARMY RESERVE	TAUTON	USAR CENTER...................................	0	0	3,526	(3,526)	3,526
322	I	MICHIGAN	AIR FORCE	KI SAWYER AFB	ADD TO AND ALTER B-52 FLIGHT SIMULATOR FAC...	400	400	400	0	400
323	I	MICHIGAN	AIR FORCE	KI SAWYER AFB	ALERT TAXIWAY BARRIERS........................	1,300	1,300	1,300	0	1,300
324	I	MICHIGAN	AIR NAT GRD	WK KELLOGG REGIONAL AIRPORT	AVIONICS & WEAPONS RELEASE SHOP...............	2,800	2,800	2,800	0	2,800
325	I	MICHIGAN	AIR NAT GRD	WK KELLOGG REGIONAL AIRPORT	ENGINE MAINTENANCE SHOP	0	0	2,250	(2,250)	2,250
326	I	MICHIGAN	AIR NAT GRD	WK KELLOGG REGIONAL AIRPORT	SQUADRON OPERATIONS FAC.......................	2,450	2,450	2,450	0	2,450
327	I	MICHIGAN	AIR NAT GRD	WK KELLOGG REGIONAL AIRPORT	UNSUPPRESS POWER CHECK PAD....................	700	700	700	0	700
328	I	MINNESOTA	ARMY NAT GRD	CAMP RIPLEY	TROOP MEDICAL TRNG FAC........................	0	1,100	0	1,100	1,100
329	I	MINNESOTA	ARMY NAT GRD	MONTEVIDEO	ARMORY (100 PN)...............................	0	1,891	0	1,891	1,891
330	I	MINNESOTA	ARMY NAT GRD	ROSEMOUNT	ARMORY (400 PN)...............................	0	5,120	0	5,120	5,120
331	I	MISSISSIPPI	NAVY	GULFPORT	SEABEE WAREHOUSE..............................	0	0	7,000	(7,000)	7,000
332	I	MISSISSIPPI	NAVY	NAS MERIDIAN	FIRE STATION EXPANSION........................	0	418	0	418	418
333	I	MISSISSIPPI	NAVY	NAS MERIDIAN	FIRE TRAINING FACILITY........................	0	1,200	0	1,200	1,200
334	I	MISSISSIPPI	AIR FORCE	COLUMBUS AFB	ALTER SPECIALIZED UPT SQUADRON OPS FAC.......	600	600	600	0	600
335	I	MISSISSIPPI	AIR FORCE	KEESLER AFB	TRAINING DEVELOPMENT SQUADRON FACILITY.......	3,400	3,400	3,400	0	3,400
336	I	MISSISSIPPI	ARMY NAT GRD	CAMP SHELBY	ADAL MAINTENANCE FACILITY.....................	0	0	600	(600)	600
337	I	MISSISSIPPI	ARMY NAT GRD	CAMP SHELBY	PAVE TRAINING ROADS...........................	0	0	1,200	(1,200)	1,200
338	I	MISSISSIPPI	ARMY NAT GRD	MARKS	ARMORY..	0	0	200	(200)	200
339	I	MISSISSIPPI	ARMY NAT GRD	TUPELO	OMS...	0	0	992	(992)	992
340	I	MISSISSIPPI	ARMY NAT GRD	CAMP MCCAIN	REMOTE TARGETING SYSTEM.......................	0	0	0	0	546
341	I	MISSISSIPPI	ARMY NAT GRD	SENATOBIA	ORG. MAINTENANCE SHOP.........................	0	0	0	0	723
342	I	MISSISSIPPI	ARMY NAT GRD	WEST POINT	ORG. MAINTENANCE SHOP.........................	0	0	0	0	1,270
343	I	MISSISSIPPI	ARMY NAT GRD	VARIOUS LOCATIONS	MOBILE FIRE TRAINING SITES....................	0	0	0	0	306
344	I	MISSISSIPPI	AIR NAT GRD	KEY FIELD	FUEL CELL & CORROSION CONTROL DOCK...........	4,450	4,450	4,450	0	4,450
345	I	MISSISSIPPI	AIR NAT GRD	KEY FIELD	UPGRADE AIRCRAFT PAVEMENTS....................	13,370	13,370	13,370	0	13,370
346	I	MISSOURI	ARMY	FORT LEONARD WOOD	ADMINISTRATION BUILDING.......................	12,200	12,200	12,200	0	12,200
347	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 ADD TO AND ALTER FIRE STATION............	5,100	5,100	0	5,100	5,100
348	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 ADD TO AND ALTER UTILITY SYSTEMS.........	6,700	6,700	0	6,700	6,700

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
349	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 ADD/ALTER PHYSICAL FITNESS CENTER	3,800	3,800	0	3,800	3,800
350	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 AREA SECURITY IMPROVEMENTS	7,850	7,850	0	7,850	7,850
351	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 CONVENTIONAL MUNITIONS SUPPORT FAC	1,750	1,750	0	1,750	1,750
352	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 DEFENSE ACCESS ROADS	5,050	5,050	0	5,050	5,050
353	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 ENGINE MAINTENANCE SHOP	3,400	3,400	0	3,400	3,400
354	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 FLIGHT SIMULATOR FACILITY	4,050	4,050	0	4,050	4,050
355	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 HAZARDOUS MATERIAL STORAGE	1,700	1,700	0	1,700	1,700
356	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 IMPACT AID	1,000	1,000	0	1,000	1,000
357	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 MUNITIONS STORAGE IGLOOS	4,000	4,000	0	4,000	4,000
358	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 SURVIVAL EQUIPMENT FACILITY	1,000	1,000	0	1,000	1,000
359	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 WEAPONS RECEIVING AND PROCESSING FAC	3,100	3,100	0	3,100	3,100
360	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 WEAPONS STORAGE AREA SUPPLY WAREHOUSE	1,000	1,000	0	1,000	1,000
361	I	MISSOURI	AIR FORCE	WHITEMAN AFB	B-2 GENERAL REDUCTION	0	(10,000)	0	(10,000)	(20,000)
362	I	MISSOURI	DEFENSE AGENCIES	DMA AEROSPACE CENTER	FIRE PROTECTION IMPROVEMENTS	1,000	1,000	1,000	0	1,000
363	I	MISSOURI	ARMY NAT GRD	FORT CROWDER	RANGE, AUTOMAT(ARF)UPGRADE (RETS)	822	822	822	0	822
364	I	MISSOURI	AIR NAT GRD	ROSECRANS MEMORIAL AIRPORT	ALTER OPERATIONS & TRAINING FACILITY	1,600	1,600	1,600	0	1,600
365	I	MISSOURI	ARMY RESERVE	FORT LEONARD WOOD	EQMT CONC SITE/AREA MNT SPT ACT/WAREHOUS	4,055	4,055	4,055	0	4,055
366	I	MONTANA	AIR FORCE	CONRAD STRS	ADD/ALTER STRAT TRNG RANGE TECH OPS FAC	700	700	700	0	700
367	I	MONTANA	AIR FORCE	HAVRE STRS	ADD/ALTER STRAT TRNG RANGE TECH OPS FAC	700	700	700	0	700
368	I	MONTANA	ARMY NAT GRD	FORT HARRISON	ARMORY	0	0	3,400	(3,400)	3,400
369	I	NEBRASKA	AIR FORCE	OFFUTT AFB	ALERT FACILITY/SQUADRON OPERATIONS	4,700	4,700	4,700	0	4,700
370	I	NEBRASKA	AIR FORCE	OFFUTT AFB	HEADQUARTERS LIFE SAFETY UPGRADE	3,100	3,100	3,100	0	3,100
371	I	NEBRASKA	AIR FORCE	OFFUTT AFB	MILSTAR GROUND COMMUNICATIONS TERMINAL	2,950	2,950	2,950	0	2,950
372	I	NEBRASKA	AIR FORCE	OFFUTT AFB	SECURITY POLICE OPERATIONS	3,100	3,100	3,100	0	3,100
373	I	NEBRASKA	AIR FORCE	OFFUTT AFB	WORLDWIDE AIRBORNE COMMAND POST FAC	12,500	12,500	0	12,500	0 7/
374	I	NEBRASKA	ARMY NAT GRD	CAMP ASHLAND	BARRACKS AND CLASSROOMS	0	0	6,613	(6,613)	6,613
375	I	NEBRASKA	ARMY NAT GRD	KEARNEY	ARMORY	0	0	2,215	(2,215)	2,215
376	I	NEBRASKA	ARMY NAT GRD	KEARNEY	OMS	0	0	690	(690)	690
377	I	NEBRASKA	ARMY NAT GRD	LINCOLN	USPFO WAREHOUSE	0	0	2,289	(2,289)	2,289
378	I	NEVADA	NAVY	FALLON NAVAL AIR STATION	BACHELOR ENLISTED QUARTERS	0	0	5,700	(5,700)	5,700
379	I	NEVADA	NAVY	FALLON NAVAL AIR STATION	RANGE AIR SURVEILLANCE FACILITY	2,500	2,500	2,500	0	2,500
380	I	NEVADA	AIR FORCE	NELLIS AFB	BASE ENGINEERING COMPLEX PHASE II	5,300	5,300	5,300	0	5,300
381	I	NEVADA	AIR FORCE	NELLIS AFB	CHILD DEVELOPMENT CENTER	3,100	3,100	3,100	0	3,100
382	I	NEVADA	DEFENSE AGENCIES	FALLON NAVAL AIR STATION	MEDICAL/DENTAL CLINIC REPLACEMENT	6,000	6,000	6,000	0	6,000
383	I	NEVADA	DEFENSE AGENCIES	NELLIS AIR FORCE BASE	WAR RESERVE MATERIEL STORAGE	1,000	1,000	1,000	0	1,000

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
384	I	NEVADA	ARMY NAT GRD	YERRINGTON	OMS	0	0	770	(770)	770
385	I	NEVADA	ARMY NAT GRD	WASHOE COUNTY	OMS	0	0	1,050	(1,050)	1,050
386	I	NEVADA	AIR NAT GRD	RENO AIRPORT	POWER CHECK PAD	0	0	700	(700)	700
387	I	NEW HAMPSHIRE	ARMY	COLDREG LABORATORIES	RESEARCH & DEVELOPMENT TECHNICAL LIBRARY	3,700	3,700	3,700	0	3,700
388	I	NEW HAMPSHIRE	AIR FORCE	NEW BOSTON SATELLITE TRACKING STATI	BCE COMPLEX, PASS/ ID, AND SECURITY FENCE	4,210	4,210	4,210	0	4,210
389	I	NEW HAMPSHIRE	AIR NAT GRD	PEASE APT	ADAL SQUADRON OPERATIONS	0	0	1,450	(1,450)	1,450
390	I	NEW HAMPSHIRE	AIR NAT GRD	PEASE AFB	POWER CHECK PAD W/SOUND SUPPRESSOR	530	530	530	0	530
391	I	NEW JERSEY	ARMY	FT DIX	SEWAGE TREATMENT PLANT	20,000	20,000	20,000	0	20,000
392	I	NEW JERSEY	NAVY	EARLE NAVAL WEAPONS STATION	CHILD DEVELOPMENT CENTER	1,250	1,250	1,250	0	1,250
393	I	NEW JERSEY	NAVY	EARLE NAVAL WEAPONS STATION	ROAD IMPROVEMENTS	3,650	3,650	3,650	0	3,650
394	I	NEW JERSEY	NAVY	EARLE NAVAL WEAPONS STATION	TRESTLE REPLACEMENT	0	0	36,500	(36,500)	11,400
396	I	NEW JERSEY	AIR FORCE	MCGUIRE AIR FORCE BASE	ALTER DORMITORIES	0	5,200	0	5,200	5,200
397	I	NEW JERSEY	AIR FORCE	MCGUIRE AIR FORCE BASE	CHILD DEVELOPMENT CENTER	0	3,800	0	3,800	3,800
398	I	NEW JERSEY	AIR FORCE	MCGUIRE AFB	SEWAGE TREATMENT AND DISPOSAL	22,500	22,500	22,500	0	22,500
399	I	NEW JERSEY	ARMY RESERVE	EDISON (NIXON)	NEW EQMT CONC SITE/AREA MAINT SPT ACTIV	3,981	3,981	3,981	0	3,981
400	I	NEW JERSEY	ARMY RESERVE	MOUNT FREEDOM	DINING FACILITY ADDITION	359	359	359	0	359
401	I	NEW MEXICO	ARMY	WHITE SANDS MISSILE RANGE	WATER WELL	4,250	4,250	4,250	0	4,250
402	I	NEW MEXICO	ARMY	WHITE SANDS MISSILE RANGE	AERIAL CABLE RANGE	0	0	0	0	9,959 8/
403	I	NEW MEXICO	AIR FORCE	CANNON AFB	ADD TO AND ALTER COMBAT OPERATIONS FAC.	490	490	490	0	490
404	I	NEW MEXICO	AIR FORCE	CANNON AFB	ADD TO AND ALTER PHYSICAL FITNESS CENTER	410	410	410	0	410
405	I	NEW MEXICO	AIR FORCE	CANNON AFB	ADD TO YOUTH CENTER	400	400	400	0	400
406	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	ADAL F-117A MAINTENANCE COMPLEX	5,800	5,800	5,800	0	5,800
407	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	ADD TO AIRCRAFT PARKING APRON	2,050	2,050	2,050	0	2,050
408	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	ADD/ALTER A/C MAINTENANCE COMPLEX	5,100	0	0	0	0 9/
409	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	ALTER DORMITORIES	6,000	6,000	6,000	0	6,000
410	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	BASE SUPPORT/INFRASTRUCTURE	6,800	6,800	6,800	0	6,800
411	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	CONTROL TOWER	2,500	2,500	2,500	0	2,500
412	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	F-117A FACILITIES PHASE II	39,000	39,000	39,000	0	39,000
413	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	HANGAR	4,500	4,500	4,500	0	4,500
414	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	MUNITIONS FACILITIES	3,900	3,900	3,900	0	3,900
415	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	OPERATIONS FACILITY	1,050	1,050	1,050	0	1,050
416	I	NEW MEXICO	AIR FORCE	HOLLOMAN AFB	SQUADRON OPERATIONS FACILITY	1,000	1,000	1,000	0	1,000
417	I	NEW MEXICO	AIR FORCE	KIRTLAND AFB	ALTER DORMITORIES	5,600	5,600	5,600	0	5,600
418	I	NEW MEXICO	DEFENSE AGENCIES	KIRTLAND AIR FORCE BASE	SOF AERIAL DELIVERY FACILITY	2,050	2,050	2,050	0	2,050
419	I	NEW MEXICO	DEFENSE AGENCIES	WHITE SANDS MISSILE RANGE	LARGE BLAST/THERMAL SIMULATOR PHASE II	20,000	20,000	20,000	0	20,000

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
420	I	NEW MEXICO	ARMY NAT GRD	SANTA FE	AMUNITION BUNKER................................	0	0	340	(340)	340
421	I	NEW MEXICO	ARMY NAT GRD	SANTA FE	MILITARY EDUCATION FACILITY.....................	0	0	3,764	(3,764)	3,764
422	I	NEW MEXICO	AIR NAT GRD	KIRTLAND AFB	ALTER AVIONICS AND ECM SHOP.....................	790	790	790	0	790
423	I	NEW YORK	ARMY	FORT DRUM	MULTIPURPOSE MACHINE GUN RANGE..................	0	2,500	0	2,500	2,350
424	I	NEW YORK	ARMY	FORT DRUM	AUTO RECORD OF FIRE RANGE.......................	0	2,100	0	2,100	2,100
425	I	NEW YORK	ARMY	FORT DRUM	FIRING RANGE....................................	0	1,850	0	1,850	1,750
426	I	NEW YORK	ARMY	SENECA ARMY DEPOT	FIRE STATION....................................	1,150	1,150	1,150	0	1,150
427	I	NEW YORK	ARMY	U S MILITARY ACADEMY	ADMINISTRATION BUILDING MODIFICATION..........	7,300	7,300	8,800	(1,500)	8,800
428	I	NEW YORK	ARMY	U S MILITARY ACADEMY	ADMINISTRATION FACILITY.........................	7,000	0	7,000	(7,000)	7,000
429	I	NEW YORK	AIR FORCE	GRIFFISS AFB	ADDITION TO SQUADRON OPERATIONS FACILITY.....	1,500	1,500	1,500	0	1,500
430	I	NEW YORK	AIR FORCE	GRIFFISS AFB	ALERT TAXIWAY BARRIERS..........................	1,200	1,200	1,200	0	1,200
431	I	NEW YORK	AIR FORCE	PLATTSBURG AFB	AIRFIELD LIGHTING...............................	0	1,000	0	1,000	0 9/
432	I	NEW YORK	AIR FORCE	PLATTSBURG AFB	JET FUEL STORAGE................................	0	880	0	880	880
433	I	NEW YORK	AIR FORCE	PLATTSBURG AFB	ELECTRICAL DISTRIBUTION SYSTEM..................	0	7,200	0	7,200	7,200
434	I	NEW YORK	AIR FORCE	PLATTSBURGH AFB	UPGRADE RUNWAY THRESHOLD LIGHTING.............	960	960	960	0	960
435	I	NEW YORK	ARMY NAT GRD	SYRACUSE	ARMORY..	0	6,440	0	6,440	6,440
436	I	NEW YORK	AIR NAT GRD	HANCOCK FIELD	JET FUEL STORAGE COMPLEX........................	3,750	3,750	3,750	0	3,750
437	I	NEW YORK	AIR FORCE RESERVE	NIAGARA FALLS IAP	HANGAR FIRE PROTECT SYS.........................	1,810	1,810	1,810	0	1,810
438	I	NORTH CAROLINA	ARMY	FORT BRAGG	ARTILLERY HEADQUARTERS BUILDING.................	3,600	3,600	3,600	0	3,600
439	I	NORTH CAROLINA	ARMY	FORT BRAGG	CHAPEL FAMILY LIFE CENTER.......................	2,950	2,950	2,950	0	2,950
440	I	NORTH CAROLINA	ARMY	FORT BRAGG	MODIFIED RECORD FIRE RANGE......................	1,850	1,850	1,850	0	1,850
441	I	NORTH CAROLINA	ARMY	FORT BRAGG	TACTICAL EQUIPMENT SHOP.........................	5,000	5,000	5,000	0	5,000
442	I	NORTH CAROLINA	NAVY	CAMP LEJEUNE MARINE CORPS BASE	VEHICLE READY FUEL STORAGE FACILITY..........	2,500	2,500	2,500	0	2,500
443	I	NORTH CAROLINA	NAVY	CHERRY POINT MARINE CORPS AIR STATI	AIRCRAFT BOMBING RANGE SUPPORT FACILITIES....	1,450	1,450	1,450	0	1,450
444	I	NORTH CAROLINA	NAVY	CHERRY POINT MARINE CORPS AIR STATI	WASTEWATER TREATMENT PLANT IMPROVEMENTS......	17,000	17,000	17,000	0	17,000
445	I	NORTH CAROLINA	NAVY	CHERRY POINT NAVAL AVIATION DEPOT	AIRCRAFT ACCESSORIES OVERHAUL SHOP...........	0	7,700	7,700	0	7,700 1/
446	I	NORTH CAROLINA	NAVY	NEW RIVER MARINE CORPS AIR STATION	AIRCRAFT DIRECT FUELING FAC MODIFICATIONS....	7,100	7,100	7,100	0	7,100
447	I	NORTH CAROLINA	AIR FORCE	POPE AFB	ADD TO AND ALTER PHYSICAL FITNESS CENTER.....	4,450	4,450	4,450	0	4,450
448	I	NORTH CAROLINA	AIR FORCE	POPE AFB	CHILD DEVELOPMENT CENTER........................	2,050	2,050	2,050	0	2,050
449	I	NORTH CAROLINA	AIR FORCE	POPE AFB	MATERIAL HANDLING EQUIP MAINTENANCE FAC......	1,700	1,700	1,700	0	1,700
450	I	NORTH CAROLINA	AIR FORCE	SEYMOUR JOHNSON AFB	ADD/ALTER KC-10 FUEL SYSTEM MAINTENANCE......	2,700	2,700	2,700	0	2,700
451	I	NORTH CAROLINA	AIR FORCE	SEYMOUR JOHNSON AFB	ALTER DORMITORIES...............................	8,500	8,500	8,500	0	8,500
452	I	NORTH CAROLINA	DEFENSE AGENCIES	CAMP LEJEUNE MARINE CORPS BASE	TROOP MEDICAL CLINIC - NEW RIVER.............	4,600	4,600	4,600	0	4,600
453	I	NORTH CAROLINA	DEFENSE AGENCIES	CHERRY POINT	HOSPITAL REPLACEMENT............................	34,000	34,000	34,000	0	34,000
454	I	NORTH CAROLINA	DEFENSE AGENCIES	FORT BRAGG	AMBULATORY CARE CLINIC..........................	5,000	5,000	5,000	0	5,000

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
455	I	NORTH CAROLINA	DEFENSE AGENCIES	FORT BRAGG	SPECIAL OPERATIONS BATTALION HQ	0	0	6,000	(6,000)	6,000
456	I	NORTH CAROLINA	ARMY NAT GRD	CAMP BUTNER	RANGE, MODIFIED RECORD FIRE(RETS)	986	986	986	0	986
457	I	NORTH CAROLINA	ARMY NAT GRD	CONCORD	ORGANIZATIONAL MAINTENANCE SHOP	0	887	0	887	887
458	I	NORTH CAROLINA	ARMY NAT GRD	FORT BRAGG	MATES EXPAN	2,796	2,796	2,796	0	2,796
459	I	NORTH CAROLINA	ARMY NAT GRD	RALEIGH	PROPERTY AND FISCAL OFFICE	0	1,824	0	1,824	1,824
460	I	NORTH CAROLINA	AIR NAT GRD	DOUGLAS MAP	FIREMEN TRAINING FACILITY	570	570	570	0	570
461	I	NORTH DAKOTA	AIR FORCE	DICKINSON STRS	ADD/ALTER STRAT TRNG RANGE TECHNICAL OPS	640	640	640	0	640
462	I	NORTH DAKOTA	AIR FORCE	GRAND FORKS AFB	ADD TO AND ALTER PHYSICAL FITNESS CENTER	4,400	0	4,400	(4,400)	4,400
463	I	NORTH DAKOTA	AIR FORCE	MINOT AFB	ADD TO AND ALTER MISSILE MAINTENANCE SHOP	3,950	3,950	3,950	0	3,950
464	I	NORTH DAKOTA	ARMY NAT GRD	DEVILS LAKE	RANGE, MULTIPURPOSE MG (RETS)	1,376	1,376	1,376	0	1,376
465	I	NORTH DAKOTA	ARMY NAT GRD	GRAND FORKS	ARMORY	0	0	6,200	(6,200)	6,200
466	I	NORTH DAKOTA	ARMY NAT GRD	GRAND FORKS	OMS	0	0	3,800	(3,800)	3,800
467	I	NORTH DAKOTA	AIR NAT GRD	HECTOR FIELD	REPLACE FUEL TANKS	0	0	1,500	(1,500)	1,500
468	I	OHIO	AIR FORCE	WRIGHT-PATTERSON AFB	ACQUISITION MANAGEMENT COMPLEX	20,000	20,000	20,000	0	20,000
469	I	OHIO	AIR FORCE	WRIGHT-PATTERSON AFB	ADD TO AVIONICS RESEARCH LABORATORY	8,300	8,300	8,300	0	8,300
470	I	OHIO	AIR FORCE	WRIGHT-PATTERSON AFB	TAXIWAY	11,000	11,000	11,000	0	11,000
471	I	OHIO	DEFENSE AGENCIES	COLUMBUS DEF CON SUPPLY CENTER	OPERATIONS CENTER, PHASE I	0	89,000	89,000	0	89,000 1/
472	I	OHIO	DEFENSE AGENCIES	DAYTON DEFENSE ELEC SUPPLY STATION	FIRE AND SECURITY STATION	0	2,000	2,000	0	2,000 1/
473	I	OHIO	ARMY NAT GRD	TOLEDO	ARMORY	0	3,183	0	3,183	3,183
474	I	OHIO	AIR NAT GRD	RICKENBACKER ANGB	ADD/ALTER MAINTENANCE HANGAR & SHOP	3,000	3,000	3,000	0	0 2/
475	I	OHIO	AIR NAT GRD	RICKENBACKER ANGB	ADD/ALTER SQUADRON OPERATIONS FACILITY	1,200	1,200	1,200	0	0 2/
476	I	OHIO	AIR NAT GRD	RICKENBACKER ANGB	ALTER FUEL SYS MAINT CORR CONTROL DOCK	800	800	800	0	0 2/
477	I	OHIO	AIR NAT GRD	RICKENBACKER ANGB	ORGANIZATIONAL MAINTENANCE SHOP	0	600	0	600	0 2/
478	I	OHIO	AIR NAT GRD	SPRINGFIELD MAP	ECM PODS MAINTENANCE & STORAGE	500	500	500	0	500
479	I	OHIO	ARMY RESERVE	PERRYSBURG	RESERVE CENTER ADDITION	0	2,749	0	2,749	2,749
480	I	OHIO	AIR FORCE RESERVE	YOUNGSTOWN MAP	ADAL AVIONICS/MAINT SHOP	1,450	1,450	1,450	0	1,450
481	I	OKLAHOMA	ARMY	FORT SILL	ENERGY MONITORING AND CONTROL SYSTEM	3,350	3,350	3,350	0	3,350
482	I	OKLAHOMA	NAVY	TINKER AIR FORCE BASE NAVAL AIR DET	BACHELOR ENLISTED QUARTERS (INCREMENT II)	4,700	4,700	4,700	0	4,700
483	I	OKLAHOMA	AIR FORCE	ALTUS AFB	C-17 ADD TO AND ALTER APRON/HYDRANT SYS	6,690	6,690	6,690	0	6,690
484	I	OKLAHOMA	AIR FORCE	ALTUS AFB	C-17 ADD/ALTER AERIAL PORT TRAINING FAC	3,800	3,800	3,800	0	3,800
485	I	OKLAHOMA	AIR FORCE	ALTUS AFB	C-17 AIRCRAFT CORROSION CONTROL/MAINT SHOP	13,800	13,800	13,800	0	13,800
486	I	OKLAHOMA	AIR FORCE	ALTUS AFB	C-17 ALTER SQUADRON OPERATIONS	850	850	850	0	850
487	I	OKLAHOMA	AIR FORCE	ALTUS AFB	C-17 PARALLEL RUNWAY	30,000	30,000	30,000	0	30,000
488	I	OKLAHOMA	AIR FORCE	ALTUS AFB	FUEL SYSTEMS MAINTENANCE DOCK	6,200	6,200	6,200	0	6,200
489	I	OKLAHOMA	AIR FORCE	TINKER AFB	UPGRADE WATER SUPPLY & STORAGE DISTRIBUTION	0	3,700	3,700	0	3,700 1/

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
490	I	OKLAHOMA	AIR FORCE	VANCE AFB	ADD TO AND ALTER SPEC UPT SQUADRON OPS FAC...	550	550	550	0	550
491	I	OKLAHOMA	AIR FORCE	VANCE AFB	VEHICLE MAINTENANCE COMPLEX..................	4,200	4,200	4,200	0	4,200
492	I	OKLAHOMA	DEFENSE AGENCIES	FORT SILL	TROOP MEDICAL CLINIC.........................	2,700	2,700	2,700	0	2,700
493	I	OKLAHOMA	DEFENSE AGENCIES	TINKER	HOSPITAL ADD/ALT.............................	4,100	4,100	4,100	0	4,100
494	I	OKLAHOMA	AIR NAT GRD	TULSA AIRPORT	AVOPMOCS/ECM SHOP............................	0	0	1,050	(1,050)	1,050
495	I	OKLAHOMA	AIR NAT GRD	TULSA AIRPORT	FUEL CELL CENTER/CORROSION FACILITY..........	0	0	2,750	(2,750)	2,750
496	I	OKLAHOMA	AIR NAT GRD	WILL ROGERS WORLD AIRPORT	APRON ADDITION...............................	0	4,350	0	4,350	4,350
497	I	OKLAHOMA	AIR NAT GRD	WILL ROGERS WORLD AIRPORT	VEHICLE MAINTENANCE COMPLEX..................	3,200	3,200	3,200	0	3,200
498	I	OKLAHOMA	ARMY RESERVE	ENID	ADDITION/ALTERATION TO USAR CENTER...........	1,578	1,578	1,578	0	1,578
499	I	OKLAHOMA	ARMY RESERVE	NORMAN	ADDN/ALT TO USAR CTR/ORG MAINTENANCE SHOP....	2,862	2,862	2,862	0	2,862
500	I	OKLAHOMA	AIR FORCE RESERVE	TINKER AFB	ADAL MED TRAINING............................	500	500	500	0	500
501	I	OREGON	ARMY	UMATILLA ARMY DEPOT	AMMUNITION DEMILITARIZATION SUPPORT FAC......	3,600	3,600	3,600	0	3,600
502	I	OREGON	ARMY	UMATILLA ARMY DEPOT	AMMUNITION DEMILITARIZATION UTILITIES........	7,500	7,500	7,500	0	7,500
503	I	OREGON	ARMY NAT GRD	CAMP RILEA	BATTALION HEADQUARTERS BUILDING..............	0	665	0	665	665
504	I	OREGON	ARMY NAT GRD	CAMP RILEA	SENIOR NCO/OFFICERS' QUARTERS................	0	997	0	997	997
505	I	OREGON	ARMY NAT GRD	FOREST GROVE	ARMORY.......................................	0	2,591	0	2,591	2,591
506	I	OREGON	AIR NAT GRD	PORTLAND IAP	JET FUEL STORAGE COMPLEX.....................	3,600	3,600	3,600	0	3,600
507	I	OREGON	ARMY NAT GRD	BEND	ARMED FORCES RESERVE CENTER..................	0	0	2,711	(2,711)	2,711
508	I	OREGON	AIR FORCE RESERVE	PORTLAND IAP	JET FUEL STORAGE COMPLEX.....................	1,100	1,100	1,100	0	1,100
509	I	PENNSYLVANIA	ARMY	LETTERKENNY ARMY DEPOT	TRUCK BLOCKING/LOADING CENTER................	0	3,150	3,150	0	3,150 1/
510	I	PENNSYLVANIA	ARMY	TOBYHANNA ARMY DEPOT	HAZARDOUS MATERIAL STORAGE FAC...............	0	1,900	0	1,900	1,900
511	I	PENNSYLVANIA	ARMY	TOBYHANNA ARMY DEPOT	TACTICAL COMPONENT REBUILD FACILITY..........	0	8,200	8,200	0	8,200 1/
512	I	PENNSYLVANIA	NAVY	PHILADELPHIA NAV INACTIVE SHIP MAIN	OBSTRUCTION REMOVAL AND ELECTRICAL POWER.....	4,000	4,000	4,000	0	4,000
513	I	PENNSYLVANIA	DEFENSE AGENCIES	CARLISLE BARRACKS	DENTAL CLINIC ADD/ALT........................	510	510	510	0	510
514	I	PENNSYLVANIA	ARMY NAT GRD	FORT INDIANTOWN GAP	MAINTENANCE SHOP.............................	0	2,790	0	2,790	2,790
515	I	PENNSYLVANIA	ARMY NAT GRD	FORT MIFFLIN, PHIL.	ORGANIZATIONAL MAINTENANCE SHOP..............	0	370	0	370	370
516	I	PENNSYLVANIA	ARMY NAT GRD	EVERETT	ARMORY.......................................	0	0	0	0	1,750
517	I	PENNSYLVANIA	AIR NAT GRD	GREATER PITTSBURGH IAP	AIRCRAFT PARKING APRON.......................	11,200	11,200	11,200	0	11,200
518	I	PENNSYLVANIA	AIR NAT GRD	GREATER PITTSBURGH IAP	ALTER AIRCRAFT HANGAR........................	1,000	1,000	1,000	0	1,000
519	I	PENNSYLVANIA	AIR NAT GRD	GREATER PITTSBURGH IAP	ALTER ENGINE SHOP............................	450	450	450	0	660
520	I	PENNSYLVANIA	AIR NAT GRD	GREATER PITTSBURGH IAP	SQD. OPS.....................................	0	0	0	0	1,950
521	I	PENNSYLVANIA	ARMY RESERVE	JOHNSTOWN	JOINT ARMY/MC AVIATION FACILITY..............	0	30,224	0	30,224	30,224
522	I	PENNSYLVANIA	ARMY RESERVE	NEW CUMBERLAND	NEW USAR CENTER/ORG MAINTENANCE SHOP.........	3,910	3,910	3,910	0	3,910
523	I	PENNSYLVANIA	NAVY RESERVE	NMCRC PHILADELPHIA	RESCEN REHAB.................................	3,400	3,400	3,400	0	3,400
524	I	RHODE ISLAND	NAVY	NAVAL EDUC AND TRNG CNTR, NEWPORT	AIR CONDITIONING SYSTEM......................	0	710	0	710	710

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
525	I	RHODE ISLAND	NAVY	NAVAL EDUC AND TRNG CNTR, NEWPORT	FUEL TANKS	0	2,000	0	2,000	2,000
526	I	RHODE ISLAND	NAVY	NAVAL EDUC AND TRNG CNTR, NEWPORT	JOINT CHILD CARE RECREATION CENTER	0	500	0	500	500
527	I	RHODE ISLAND	DEFENSE AGENCIES	NAVAL EDUC AND TRNG CNTR, NEWPORT	AMBULATORY CARE CLINIC	0	14,000	0	14,000	14,000
528	I	RHODE ISLAND	ARMY NAT GRD	CAMP FOGARTY	ARMORY	0	5,151	0	5,151	5,151
529	I	RHODE ISLAND	ARMY NAT GRD	CAMP VARNUM	SEWER AND WATER SYSTEM	0	578	0	578	578
530	I	SOUTH CAROLINA	NAVY	BEAUFORT MARINE CORPS AIR STATION	AIR TRAFFIC CONTROL TOWER	2,250	2,250	2,250	0	2,250
531	I	SOUTH CAROLINA	NAVY	CHARLESTON FLEET & MINE WARFARE TRN	FIRE FIGHTING TRAINER FACILITY	14,620	14,620	14,620	0	14,620
532	I	SOUTH CAROLINA	NAVY	CHARLESTON NAVAL WEAPONS STATION	HIGH EXPLOSIVE MAGAZINE	0	1,100	1,100	0	1,100 1/
533	I	SOUTH CAROLINA	NAVY	CHARLESTON NAVAL WEAPONS STATION	TOMAHAWK MISSILE MAGAZINE	0	2,150	2,150	0	2,150 1/
534	I	SOUTH CAROLINA	NAVY	PARRIS ISLAND MARINE CORPS RECRUIT	COMBAT TRAINING FACILITY	5,100	5,100	5,100	0	5,100
535	I	SOUTH CAROLINA	AIR FORCE	CHARLESTON AFB	C-17 ADD TO AND ALTER APRON/HYDRANT SYSTEM	19,000	19,000	19,000	0	19,000
536	I	SOUTH CAROLINA	AIR FORCE	CHARLESTON AFB	C-17 FIRE/CRASH RESCUE STATION	2,850	2,850	2,850	0	2,850
537	I	SOUTH CAROLINA	DEFENSE AGENCIES	MCAS, BEAUFORT	ELEMENTARY SCHOOL ADDITION (SEC. 6)	0	960	989	(29)	989
538	I	SOUTH CAROLINA	ARMY NAT GRD	LEESBURG	MAINTENANCE SHOP	0	0	2,200	(2,200)	2,200
539	I	SOUTH CAROLINA	ARMY NAT GRD	LEESBURG	SEWER SYSTEM	0	0	1,200	(1,200)	1,200
540	I	SOUTH CAROLINA	ARMY NAT GRD	MANNING	ARMORY	0	0	1,500	(1,500)	1,500
541	I	SOUTH CAROLINA	AIR NAT GRD	MCENTIRE ANGB	CONNECTION TO CITY WATER	520	520	520	0	520
542	I	SOUTH CAROLINA	ARMY RESERVE	FORT JACKSON	ADDN/ALT TO USAR CTR/ORG MAINTENANCE SHOP	6,122	6,122	6,122	0	6,122
543	I	SOUTH DAKOTA	AIR FORCE	BELLE FOURCHE STRS	ADD/ALTER STRAT TRNG RANGE TECHNICAL OPS	640	640	640	0	640
544	I	SOUTH DAKOTA	AIR FORCE	ELLSWORTH AFB	ALERT TAXIWAY BARRIER	670	670	670	0	670
545	I	SOUTH DAKOTA	AIR FORCE	ELLSWORTH AFB	UPGRADE WEAPONS STORAGE AREA LIGHTING	1,250	1,250	1,250	0	1,250
546	I	SOUTH DAKOTA	AIR FORCE	ELLSWORTH AFB	WATER STORAGE TANK	790	790	790	0	790
547	I	SOUTH DAKOTA	ARMY NAT GRD	DESMET	ARMORY, 60-PERSON	939	939	939	0	939
548	I	SOUTH DAKOTA	ARMY NAT GRD	FORT MEADE	TRNG SITE, BOQ/BEQ	638	638	638	0	638
549	I	SOUTH DAKOTA	AIR NAT GRD	JOE FOSS FIELD	ADD/ALT AVIONICS SHOPS/HANGAR SHOP	850	850	850	0	850
550	I	SOUTH DAKOTA	AIR NAT GRD	JOE FOSS FIELD	ADD/ALT ENGINE/NDI SHOP	450	450	450	0	450
551	I	SOUTH DAKOTA	AIR NAT GRD	JOE FOSS FIELD	ADD/ALTER BCE MAINTENANCE SHOP	300	300	300	0	300
552	I	SOUTH DAKOTA	AIR NAT GRD	JOE FOSS FIELD	COMPOSITE SUPPORT FACILITY	2,600	2,600	2,600	0	2,600
553	I	TENNESSEE	AIR FORCE	ARNOLD ENGINEERING DEV CENTER	ADD TO AND ALTER FUEL SYSTEMS	2,400	2,400	2,400	0	2,400
554	I	TENNESSEE	AIR FORCE	ARNOLD ENGINEERING DEV CENTER	LARGE ROCKET TEST FACILITY (J-6)	44,000	44,000	44,000	0	44,000
555	I	TENNESSEE	DEFENSE AGENCIES	ARNOLD ENGINEERING CENTER	DECADE X-RAY SIMULATOR	7,000	7,000	7,000	0	7,000
556	I	TENNESSEE	ARMY NAT GRD	COVINGTON	ARMORY	0	1,600	0	1,600	1,600
557	I	TENNESSEE	ARMY NAT GRD	FAYETTESVILLE	ARMORY	0	0	892	(892)	892
558	I	TENNESSEE	ARMY NAT GRD	ERWIN	ARMORY	0	1,094	1,094	0	1,094
559	I	TENNESSEE	ARMY NAT GRD	LIVINGSTON	ARMORY	0	0	1,161	(1,161)	1,161

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560	I	TENNESSEE	ARMY NAT GRD	UNION CITY	ARMORY....................................	0	1,659	0	1,659	1,659
561	I	TENNESSEE	AIR NAT GRD	MEMPHIS ANGB	AERIAL PORT TRAINING FACILITY...............	0	0	1,650	(1,650)	1,650
562	I	TENNESSEE	AIR NAT GRD	MEMPHIS ANGB	FIRE STATION....................................	0	0	1,300	(1,300)	1,300
563	I	TENNESSEE	AIR NAT GRD	MEMPHIS ANGB	POWE CHECK PAD..................................	0	0	800	(800)	800
564	I	TENNESSEE	AIR NAT GRD	MEMPHIS IAP	COMPOSITE AVIONICS/NDI FACILITY.............	1,650	1,650	1,650	0	1,650
565	I	TENNESSEE	AIR NAT GRD	MEMPHIS IAP	FUEL SYSTEMS MAINTENANCE/CORROSION CONTROL...	4,700	4,700	4,700	0	4,700
566	I	TENNESSEE	ARMY RESERVE	JACKSON	JOINT TRAINING FACILITY.........................	0	1,537	0	1,537	1,537
567	I	TENNESSEE	NAVY RESERVE	NAS MEMPHIS	LOGISTIC SUPP FAC...............................	2,000	2,000	2,000	0	2,000
568	I	TENNESSEE	NAVY RESERVE	NAS MILLINGTON	AIRCRAFT MAINTENANCE HANGAR....................	0	0	10,900	(10,900)	10,900
569	I	TEXAS	ARMY	CORPUS CHRISTI ARMY DEPOT	ENGINEER ANALYSIS FAC..........................	3,400	3,400	3,400	0	3,400
570	I	TEXAS	ARMY	FORT BLISS	BARRACKS MOD....................................	0	10,600	0	10,600	10,600
571	I	TEXAS	ARMY	FORT BLISS	BARRACKS MOD....................................	0	11,600	0	11,600	11,600
572	I	TEXAS	ARMY	FORT HOOD	AUTOMATED RECORD FIRE RANGE....................	1,500	1,500	1,500	0	1,500
573	I	TEXAS	ARMY	FORT HOOD	BARRACKS MODERNIZATION.........................	15,000	15,000	15,000	0	15,000
574	I	TEXAS	ARMY	FORT HOOD	BARRACKS MOD....................................	0	15,200	0	15,200	15,200
575	I	TEXAS	ARMY	FORT HOOD	CONSOLIDATED MAINTENANCE FACILITY PH III.....	15,000	15,000	15,000	0	15,000
576	I	TEXAS	ARMY	FORT SAM HOUSTON	MEDICAL SYSTEMS EQUIPMENT TRAINING COMPL.....	3,750	3,750	3,750	0	3,750
577	I	TEXAS	ARMY	FORT SAM HOUSTON	WATER DISTRIBUTION SYSTEM......................	600	600	600	0	600
578	I	TEXAS	ARMY	RED RIVER ARMY DEPOT	GENERAL PURPOSE WAREHOUSE......................	0	1,100	1,100	0	1,100 1/
579	I	TEXAS	ARMY	RED RIVER ARMY DEPOT	HYDRAULIC SHOP ALTERATIONS.....................	0	920	920	0	920 1/
580	I	TEXAS	NAVY	KINGSVILLE NAVAL AIR STATION	ELECTRICAL DISTRIBUTION SYS IMPROVEMENTS.....	1,500	1,500	1,500	0	1,500
581	I	TEXAS	AIR FORCE	CARSWELL AIR FORCE BASE	LIFE SUPPORT BUILDING..........................	0	1,300	0	1,300	0 2/
582	I	TEXAS	AIR FORCE	CARSWELL AIR FORCE BASE	SURVIVAL EQUIPMENT SHOP........................	0	1,500	0	1,500	0 2/
583	I	TEXAS	AIR FORCE	DYESS AFB	ALTER FUEL SYSTEMS MAINTENANCE HANGAR........	620	620	620	0	620
584	I	TEXAS	AIR FORCE	KELLY AFB	ALTER DORMITORIES..............................	3,900	3,900	3,900	0	3,900
585	I	TEXAS	AIR FORCE	KELLY AFB	WEAPONS SYSTEMS SUPPORT FACILITY..............	0	10,000	10,000	0	10,000 1/
586	I	TEXAS	AIR FORCE	LACKLAND AFB	ALTER RECRUIT DORMITORY........................	2,000	2,000	2,000	0	2,000
587	I	TEXAS	AIR FORCE	LACKLAND AFB	CONSOLIDATED BMTS HQTRS AND ACADEMIC FAC.....	3,700	3,700	3,700	0	3,700
588	I	TEXAS	AIR FORCE	LACKLAND TRAINING ANNEX	MOBILITY STORAGE/TRAINING......................	1,170	1,170	1,170	0	1,170
589	I	TEXAS	AIR FORCE	LAUGHLIN AFB	ADD/ALTER SPECIALIZED UPT SQUADRON OPS FAC...	1,450	1,450	1,450	0	1,450
590	I	TEXAS	AIR FORCE	LAUGHLIN AFB	MISSION SUPPORT COMPLEX........................	2,800	2,800	2,800	0	2,800
591	I	TEXAS	AIR FORCE	RANDOLPH AFB	ALTER SPECIALIZED UPT SUPPORT FACILITY.......	410	410	410	0	410
592	I	TEXAS	AIR FORCE	REESE AFB	ADD/ALTER LIFE SUPPORT EQUIPMENT FAC.........	1,000	1,000	1,000	0	1,000
593	I	TEXAS	AIR FORCE	REESE AFB	ADD/ALTER SPECIALIZED UPT SUPPORT FAC........	1,000	1,000	1,000	0	1,000
594	I	TEXAS	AIR FORCE	SHEPPARD AFB	ADD TO AND ALTER MEDICAL TRAINING COMPLEX....	7,900	7,900	7,900	0	7,900

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595	I	TEXAS	AIR FORCE	SHEPPARD AFB	ALTER FLIGHT TRAINING FACILITY................	420	420	420	0	420
596	I	TEXAS	AIR FORCE	SHEPPARD AFB	REGIONAL WASTEWATER CONNECTION................	1,500	1,500	1,500	0	1,500
597	I	TEXAS	AIR FORCE	SHEPPARD AFB	RUNWAY/LAND ACQUISITION.......................	6,850	6,850	6,850	0	6,850
598	I	TEXAS	DEFENSE AGENCIES	FORT SAM HOUSTON	HOSPITAL REPLACEMENT PHASE V..................	37,000	37,000	37,000	0	37,000
599	I	TEXAS	DEFENSE AGENCIES	NAVAL AIR STATION	MEDICAL/DENTAL CLINIC REPLACEMENT.............	3,500	3,500	3,500	0	3,500
600	I	TEXAS	ARMY NAT GRD	CAMP MABRY	SUPPORT MAINTENANCE SHOP......................	0	0	5,992	(5,992)	5,992
601	I	TEXAS	ARMY NAT GRD	CAMP SWIFT	ARMORY..	0	0	1,643	(1,643)	1,643
602	I	TEXAS	ARMY NAT GRD	KINGSVILLE	ARMORY..	0	399	0	399	399
603	I	TEXAS	ARMY NAT GRD	LONGVIEW	ARMORY EXPANSION..............................	0	399	0	399	399
604	I	TEXAS	ARMY NAT GRD	NEW BOSTON	ARMORY..	0	1,994	0	1,994	1,994
605	I	TEXAS	ARMY NAT GRD	REDBIRD	ORGANIZATIONAL MAINTENANCE SHOP...............	0	702	0	702	702
606	I	TEXAS	ARMY NAT GRD	WEATHERFORD	ARMORY..	0	399	0	399	399
607	I	TEXAS	AIR NAT GRD	CAMP MABRY	HEADQUARTERS BUILDING.........................	0	500	0	500	770
608	I	TEXAS	ARMY RESERVE	CONROE	ADDN/ALT TO USARC/AVN SPT FAC/ORG MNT SHOP...	9,855	9,855	11,359	(1,504)	11,359
609	I	UTAH	ARMY	DUGWAY PROVING GROUND	PHYSICAL FITNESS TRAINING CENTER..............	4,000	4,000	4,000	0	4,000
610	I	UTAH	ARMY	TOOELE ARMY DEPOT	AMMUNITION DEMILITARIZATION FAC PHIII........	14,700	14,700	14,700	0	14,700
611	I	UTAH	AIR FORCE	HILL AFB	DEPOT PRODUCTION SUPPORT FACILITY............	0	4,050	4,050	0	4,050 1/
612	I	UTAH	AIR FORCE	HILL AFB	MISSILE MAINTENANCE SHOP	0	0	2,450	(2,450)	2,450
613	I	UTAH	AIR FORCE	HILL AFB	WEAPONS AND RELEASE SYSTEMS SHOP.............	0	2,700	2,700	0	2,700 1/
614	I	UTAH	ARMY NAT GRD	UTAH COUNTY	ARMORY..	0	0	2,860	(2,860)	2,860
615	I	UTAH	ARMY NAT GRD	UTAH COUNTY	OMS...	0	0	996	(996)	996
616	I	VERMONT	ARMY NAT GRD	WESTMINSTER	OMS...	0	749	749	0	749
617	I	VERMONT	AIR NAT GRD	BULINGTON IAP	CIVIL ENGINEERING SHOP........................	0	0	1,850	(1,850)	1,850
618	I	VERMONT	AIR NAT GRD	BURLINGTON IAP	ALTER WEAPON RELEASE SHOP.....................	400	400	400	0	400
619	I	VIRGINIA	ARMY	FORT A P HILL	SHOWER AND LATRINE FACILITIES.................	6,100	6,100	6,100	0	6,100
620	I	VIRGINIA	ARMY	FORT BELVOIR	INFORMATION SYSTEM FACILITY...................	0	0	14,000	(14,000)	14,000
621	I	VIRGINIA	ARMY	FORT BELVOIR	PHYSICAL FITNESS TRAINING CENTER..............	3,750	3,750	3,750	0	3,750
622	I	VIRGINIA	ARMY	FORT BELVOIR	ROAD IMPROVEMENTS.............................	2,200	2,200	2,200	0	2,200
623	I	VIRGINIA	ARMY	FORT EUSTIS	AVIATION UNIT MAINTENANCE HANGAR..............	6,600	6,600	6,600	0	6,600
624	I	VIRGINIA	ARMY	FORT EUSTIS	MODIFIED RECORD FIRE RANGE....................	1,900	1,900	1,900	0	1,900
625	I	VIRGINIA	ARMY	FORT LEE	BARRACKS......................................	6,700	6,700	6,700	0	6,700
626	I	VIRGINIA	ARMY	FORT LEE	FINANCE/ACCT OFFICE...........................	0	5,300	0	5,300	5,300
627	I	VIRGINIA	ARMY	FORT LEE	NCO TRNG FAC..................................	0	6,000	0	6,000	6,000
628	I	VIRGINIA	ARMY	FORT MYER	PHYSICAL FITNESS TRAINING CENTER..............	5,000	5,000	5,000	0	5,000
629	I	VIRGINIA	ARMY	FORT MYER	VEHICLE STORAGE...............................	550	550	550	0	550

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630	I	VIRGINIA	ARMY	FORT PICKETT	UPGRADE FUEL STORAGE FACILITIES.............	2,800	2,800	2,800	0	2,800
631	I	VIRGINIA	ARMY	FORT STORY	CHILD DEVELOPMENT CENTER....................	900	900	900	0	900
632	I	VIRGINIA	ARMY	VINT HILL FARMS STATION	BARRACKS WITH DINING FACILITY...............	1,700	0	1,700	(1,700)	1,700
633	I	VIRGINIA	ARMY	VINT HILL FARMS STATION	GENERAL PURPOSE WAREHOUSE...................	1,850	0	1,850	(1,850)	1,850
634	I	VIRGINIA	NAVY	CHESAPEAKE NAVAL SECURITY GROUP ACT	BEQ AND MESS HALL ADDITION..................	8,100	8,100	8,100	0	8,100
635	I	VIRGINIA	NAVY	CHESAPEAKE NAVAL SECURITY GROUP ACT	COMMUNICATION/SEC MATRL ISSUING OFF ADDW.....	1,400	1,400	1,400	0	1,400
636	I	VIRGINIA	NAVY	CHESAPEAKE NAVAL SECURITY GROUP ACT	ELECTRICAL DISTRIBUTION SYSTEM UPGRADE.......	4,300	4,300	4,300	0	4,300
637	I	VIRGINIA	NAVY	DAHLGREN NAVAL SURFACE WARFARE CNTR	ELECTRONICS SYSTEMS LABORATORY...............	0	8,100	8,100	0	8,100 1/
638	I	VIRGINIA	NAVY	DAHLGREN NAVAL SURFACE WARFARE CNTR	FLEET REQUIREMENTS SUPPORT BUILDING..........	0	10,180	10,180	0	10,180 1/
639	I	VIRGINIA	NAVY	LITTLE CREEK NAVAL AMPHIBIOUS BASE	LANDING CRAFT AIR CUSHION COMPLEX-INCR III...	10,500	10,500	10,500	0	10,500
640	I	VIRGINIA	NAVY	LITTLE CREEK NAVAL AMPHIBIOUS BASE	SURFACE WARFARE DEVELOPMENT GRP OPS FAC......	2,230	2,230	2,230	0	2,230
641	I	VIRGINIA	NAVY	NORFOLK NAVAL AIR STATION	AIRCRAFT MAINTENANCE HANGAR..................	8,270	8,270	8,270	0	8,270
642	I	VIRGINIA	NAVY	NORFOLK NAVAL AIR STATION	ALERT FORCE FACILITY.........................	1,100	1,100	1,100	0	1,100
643	I	VIRGINIA	NAVY	NORFOLK NAVAL COMM AREA MASTER STA	SATELLITE TERMINAL & COMM CENTER ADDITIONS...	6,550	6,550	6,550	0	6,550
644	I	VIRGINIA	NAVY	NORFOLK NAVAL STATION	FIRE ALARM SYSTEM IMPROVEMENTS...............	340	340	340	0	340
645	I	VIRGINIA	NAVY	NORFOLK NAVAL SUPPLY CENTER	ADMINISTRATIVE OFFICE........................	0	1,250	1,250	0	1,250 1/
646	I	VIRGINIA	NAVY	NORFOLK OCEANOGRAPHIC SYSTEM ATLANT	SURTASS SUPPORT CENTER.......................	3,250	3,250	3,250	0	3,250
647	I	VIRGINIA	NAVY	NORFOLK PUBLIC WORKS CENTER	ELECTRICAL DISTRIBUTION LINES................	0	3,150	3,150	0	3,150 1/
648	I	VIRGINIA	NAVY	NORFOLK PUBLIC WORKS CENTER	STEAM DISTRIBUTION SYSTEM IMPROVEMENTS.......	0	4,150	4,150	0	4,150 1/
649	I	VIRGINIA	NAVY	OCEANA NAVAL AIR STATION	OPERATIONAL FLIGHT TRAINER BUILDING ADDN.....	2,020	2,020	2,020	0	2,020
650	I	VIRGINIA	NAVY	OCEANA NAVAL AIR STATION	SQUADRON TRAINING BUILDING ADDITION..........	5,250	5,250	5,250	0	5,250
651	I	VIRGINIA	NAVY	PORTSMOUTH NAVAL HOSPITAL	BACHELOR ENLISTED QUARTERS...................	6,600	6,600	6,600	0	6,600
652	I	VIRGINIA	NAVY	PORTSMOUTH SHORE INTERMEDIATE MAINT	SHORE INTERMEDIATE MAINTENANCE FACILITY......	14,000	14,000	14,000	0	14,000
653	I	VIRGINIA	NAVY	YORKTOWN NAVAL WEAPONS STATION	TOMAHAWK MISSILE MAGAZINE....................	0	4,650	4,650	0	4,650 1/
654	I	VIRGINIA	AIR FORCE	LANGLEY AFB	ELECTRIC SUBSTATION..........................	4,500	4,500	4,500	0	4,500
655	I	VIRGINIA	AIR FORCE	LANGLEY AFB	MILSTAR GROUND COMMUNICATIONS TERMINAL.......	1,300	1,300	1,300	0	1,300
656	I	VIRGINIA	DEFENSE AGENCIES	CRANEY ISLAND DEFENSE FUEL SPRT PNT	FUEL TANKAGE.................................	0	19,800	19,800	0	19,800 1/
657	I	VIRGINIA	DEFENSE AGENCIES	DEREY BUILDING RESTON	EMERGENCY GENERATOR SUPPORT..................	600	600	600	0	600
658	I	VIRGINIA	DEFENSE AGENCIES	FORT A. P. HILL	SOF NAVAL SPECIAL WARFARE TRNG FACILITY......	2,300	2,300	2,300	0	2,300
659	I	VIRGINIA	DEFENSE AGENCIES	FORT LEE	HOSPITAL MOD.................................	0	11,800	0	11,800	11,800
660	I	VIRGINIA	DEFENSE AGENCIES	LANGLEY	ALTER OB WARD................................	1,150	1,150	1,150	0	1,150
661	I	VIRGINIA	DEFENSE AGENCIES	NAVAL AIR STATION OCEANA	SOF BOAT LAUNCH FACILITY.....................	2,350	2,350	2,350	0	2,350
662	I	VIRGINIA	DEFENSE AGENCIES	PENTAGON BUILDING COMPLEX	PENTAGON CLASSIFIED WASTE INCINERATOR........	4,700	4,700	0	4,700	0 10/
663	I	VIRGINIA	DEFENSE AGENCIES	PENTAGON BUILDING COMPLEX	PENTAGON HEATING AND REFRIGERATION PLANT.....	75,400	0	0	0	0 10/
664	I	VIRGINIA	DEFENSE AGENCIES	PORTSMOUTH NAVAL HOSPITAL	HOSPITAL REPLACEMENT PHASE III...............	40,000	40,000	40,000	0	40,000

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
665	I	VIRGINIA	AIR NAT GRD	RICHARD E BYRD IAP	EXTEND AIRCRAFT PARKING APRON................	400	400	400	0	400
666	I	VIRGINIA	ARMY RESERVE	FORT PICKETT	SW ASIA PETROL DIST SYS OPNL PROJ STRG F.....	752	752	752	0	752
667	I	WASHINGTON	ARMY	FORT LEWIS	EDUCATION DEVELOPMENT CENTER.................	0	7,900	0	7,900	7,900
668	I	WASHINGTON	ARMY	FORT LEWIS	HOT REFUELING POINT..........................	1,050	1,050	1,050	0	1,050
669	I	WASHINGTON	ARMY	FORT LEWIS	LAND ACQUISITION FOR YAKIMA..................	19,000	0	19,000	(19,000)	18,000
670	I	WASHINGTON	ARMY	FORT LEWIS	OPERATIONS FACILITY..........................	2,600	2,600	2,600	0	2,600
671	I	WASHINGTON	ARMY	FORT LEWIS	TACTICAL EQUIPMENT SHOP......................	16,200	16,200	16,200	0	16,200
672	I	WASHINGTON	ARMY	FORT LEWIS	WATER TREATMENT PLANT UPGRADE................	3,250	3,250	3,250	0	3,250
673	I	WASHINGTON	NAVY	BANGOR COMMANDER SUBMARINE GROUP 9	SATELLITE TERMINAL ADDITION..................	2,050	2,050	2,050	0	2,050
674	I	WASHINGTON	NAVY	BANGOR TRIDENT REFIT FACILITY	DATA PROCESSING CENTER ADDITION..............	2,170	2,170	2,170	0	2,170
675	I	WASHINGTON	NAVY	BREMERTON PUGET SOUND N.S. CTR	HAZARDOUS AND FLAMMABLE STORAGE..............	0	12,550	12,550	0	12,550 1/
676	I	WASHINGTON	NAVY	BREMERTON PUGET SOUND SHIPYARD	INACTIVE SUBMARINE MOORING FACILITY..........	0	3,300	3,300	0	3,300 1/
677	I	WASHINGTON	NAVY	BREMERTON PUGET SOUND SHIPYARD	INDUSTRIAL SUPPORT COMPLEX...................	0	23,500	23,500	0	23,500 1/
678	I	WASHINGTON	NAVY	BREMERTON PUGET SOUND SHIPYARD	MOORING PLATFORM.............................	0	1,200	1,200	0	1,200 1/
679	I	WASHINGTON	NAVY	BREMERTON PUGET SOUND SHIPYARD	PIER UPGRADE.................................	0	11,700	11,700	0	11,700 1/
680	I	WASHINGTON	NAVY	EVERETT NAVAL STATION	ADMINISTRATION FACILITY......................	4,500	4,500	4,500	0	4,500
681	I	WASHINGTON	NAVY	EVERETT NAVAL STATION	MESS HALL....................................	2,400	2,400	2,400	0	2,400
682	I	WASHINGTON	NAVY	EVERETT NAVAL STATION	UTILITIES AND SITE IMPROVEMENTS..............	14,890	14,890	14,890	0	14,890
683	I	WASHINGTON	NAVY	WHIDBEY ISLAND NAVAL AIR STATION	FLEET AREA CONTROL AND SURVEILLANCE FAC......	6,800	6,800	6,800	0	6,800
684	I	WASHINGTON	AIR FORCE	FAIRCHILD AIR FORCE BASE	CHILD CARE CENTER............................	0	4,550	0	4,550	4,550
685	I	WASHINGTON	AIR FORCE	FAIRCHILD AFB	CRUISE MISSILE FUEL STORAGE TANK ADDITION....	300	300	300	0	300
686	I	WASHINGTON	AIR FORCE	FAIRCHILD AFB	PARACHUTE TRAINING FACILITY..................	2,200	2,200	2,200	0	2,200
687	I	WASHINGTON	AIR NAT GRD	FAIRCHILD AFB	FIRE SUPPRESSION SYSTEM......................	1,800	1,800	1,800	0	1,800
688	I	WASHINGTON	AIR FORCE RESERVE	MCCHORD AFB	MEDICAL TRNG/ADMIN...........................	600	600	600	0	600
689	I	WEST VIRGINIA	NAVY	GREEN BANK	ALTER OPERATIONS CENTER	0	0	5,400	(5,400)	5,400
690	I	WEST VIRGINIA	ARMY NAT GRD	HUNTINGTON	GUARD/RESERVE CENTER.........................	0	0	9,600	(9,600)	2,983
691	I	WEST VIRGINIA	ARMY RESERVE	HUNTINGTON	GUARD/RESERVE CENTER.........................	0	0	0	0	6,617
692	I	WEST VIRGINIA	AIR NAT GRD	E WV REGIONAL APT (MARTINSBURG)	ADD/ALTER MEDICAL TRAINING FACILITY..........	550	550	550	0	550
693	I	WEST VIRGINIA	AIR NAT GRD	MARTINSBURG AIRPORT	FIRE STATION.................................	0	0	1,100	(1,100)	1,100
694	I	WEST VIRGINIA	AIR NAT GRD	MARTINSBURG AIRPORT	SMALL ARMS RANGE.............................	0	0	750	(750)	750
695	I	WEST VIRGINIA	AIR NAT GRD	MARTINSBURG AIRPORT	VEHICLE MAINTENANCE COMPLEX..................	0	0	1,700	(1,700)	1,700
696	I	WEST VIRGINIA	AIR NAT GRD	YAEGAR AIRPORT	SECURITY POLICE OPERATIONS...................	0	0	650	(650)	650
697	I	WEST VIRGINIA	NAVY RESERVE	MARTINSBURG	C-130 SUPPORT FACILITIES.....................	0	0	25,100	(25,100)	25,100
698	I	WISCONSIN	ARMY	FORT MCCOY	CONSOLIDATED MAINTENANCE FACILITY............	18,500	18,500	18,500	0	18,500
699	I	WISCONSIN	ARMY NAT GRD	CAMP WILLIAMS	TRNG SITE WASTE TREATMENT PLANT..............	400	400	400	0	400

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
700	I	WISCONSIN	ARMY NAT GRD	FORT MCCOY	MOBILIZATION AND TRAINING EQUIPMENT SITE.....	0	8,941	0	8,941	8,941
701	I	WISCONSIN	ARMY NAT GRD	FORT MCCOY	MOTOR VEHICLE STORAGE BUILDING..............	0	493	0	493	493
702	I	WISCONSIN	ARMY NAT GRD	SUSSEX	ARMORY................................	0	1,574	0	1,574	1,574
703	I	WISCONSIN	ARMY NAT GRD	SUSSEX	OPERATION MAINTENANCE SHOP..................	0	1,039	0	1,039	1,039
704	I	WISCONSIN	ARMY NAT GRD	SUSSEX	MOTOR VEHICLE STORAGE BLDG..................	0	317	0	317	317
705	I	WISCONSIN	AIR NAT GRD	TRUAX FIELD	POWER CHECK PAD WITH SOUND SUPPRESSOR........	0	1,000	0	1,000	1,000
706	I	WISCONSIN	AIR NAT GRD	TRUAX FIELD	AVIONICS & ELECTRONIC COUNTERMEASURE POD SHOP	0	1,500	0	1,500	1,500
707	I	WISCONSIN	AIR NAT GRD	TRUAX FIELD	AIRCRAFT ARRESTING SYSTEM..................	0	1,200	0	1,200	1,200
708	I	WISCONSIN	AIR NAT GRD	VOLK FIELD	UPGRADE SEWAGE PLANT (ANG/AFRES)............	1,250	1,250	1,250	0	1,250
709	I	WISCONSIN	ARMY RESERVE	STURTEVANT	RESERVE CENTER ROADS, HOLDING POND..........	0	750	0	750	750
710	I	WISCONSIN	ARMY RESERVE	STURTEVANT	USAR CTR/ORGANIZATIONAL MAINTENANCE SHOP.....	4,755	4,755	4,755	0	4,755
711	I	WYOMING	AIR FORCE	FE WARREN AFB	TRANSPORTATION COMPLEX, PHASE II............	5,300	5,300	5,300	0	5,300
712	I	WYOMING	AIR FORCE	POWELL STRS	ADD/ALTER STRAT TRNG RANGE TECH OPS FAC......	700	700	700	0	700
713	I	WYOMING	AIR NAT GRD	CHEYENNE MAP	AVIONICS MAINTENANCE SHOP	0	0	2,200	(2,200)	2,200
714	I	WYOMING	AIR NAT GRD	CHEYENNE MAP	CORROSION CONTROL FACILITY..................	0	0	3,500	(3,500)	3,500
715	I	WYOMING	AIR NAT GRD	CHEYENNE MAP	JET FUEL STORAGE COMPLEX....................	3,100	3,100	3,100	0	3,100
716	I	WYOMING	AIR NAT GRD	CHEYENNE MAP	REPLACE FUEL STORAGE TANKS..................	0	0	700	(700)	700
717	I	CONUS CLASSIFIED	ARMY	CLASSIFIED LOCATIONS	CLASSIFIED PROJECTS........................	3,000	3,000	3,000	0	3,000
718	I	CONUS CLASSIFIED	DEFENSE AGENCIES	CLASSIFIED	WHCA COMMUNICATIONS & OPERATIONS CENTER:.....	4,500	4,500	4,500	0	4,500
719	I	CONUS CLASSIFIED	DEFENSE AGENCIES	OSD MILCON	CLASSIFIED PROJECT CLASSIFIED LOCATION.......	35,600	35,600	35,600	0	35,600
720	I	CONUS VARIOUS	ARMY	VARIOUS LOCATIONS	ACCESS ROADS - VARIOUS LOCATIONS............	7,200	7,200	7,200	0	2,800 9/
721	I	CONUS VARIOUS	AIR FORCE	CONUS VARIOUS	MINUTEMAN-VARIOUS FACILITIES................	5,000	5,000	5,000	0	5,000
722	O	ASCENSION ISLAND	AIR FORCE	ASCENSION ISLAND	CONSOLIDATED INSTRUMENTATION FACILITY........	11,000	11,000	11,000	0	11,000
723	O	BAHRAIN ISLAND	NAVY	ADMINISTRATIVE SUPPORT UNIT	COMMUNICATION BUILDING ADDITION.............	1,300	1,300	1,300	0	1,300
724	O	CANADA	AIR FORCE	VARIOUS LOCATIONS-CANADA	FOLS/DOBS..................................	20,700	20,700	20,700	0	0 4/
725	O	DIEGO GARCIA	DEFENSE AGENCIES	DLA	FUEL TANKAGE...............................	0	16,100	16,100	0	16,100 1/
726	O	GERMANY	ARMY	FEUCHT	TEMPORARY AVIATION UNIT MAINT HANGAR.........	590	0	590	(590)	0 4/
727	O	GERMANY	ARMY	HOHENFELS TNG AREA	ROCK CRUSHER PLANT.........................	960	0	960	(960)	0 4/
728	O	GERMANY	AIR FORCE	RAMSTEIN AB	ADD/ALTER VEHICLE MAINTENANCE FAC...........	3,500	0	3,500	(3,500)	0 4/
729	O	GREENLAND	AIR FORCE	THULE AB	UPGRADE AIRFIELD PAVEMENTS PHASE II.........	12,700	12,700	12,700	0	12,700
730	O	GUAM	NAVY	NAVAL COMM AREA MASTER STATION WEST	CLASSIC WIZARD UPGRADE......................	900	900	900	0	900
731	O	GUAM	NAVY	NAVAL COMM AREA MASTER STATION WEST	FIRE PROTECTION SYSTEM......................	1,100	1,100	1,100	0	1,100
732	O	GUAM	NAVY	NAVY PUBLIC WORKS CENTER	OIL SPILL PREVENTION........................	0	670	670	0	670 1/
733	O	GUAM	AIR FORCE	ANDERSEN AFB	ADD TO AND ALTER CHILD DEVELOPMENT CENTER....	2,600	2,600	2,600	0	2,600
734	O	GUANTANAMO BAY, CUBA	NAVY	NAVAL STATION	WATERFRONT OPERATIONS BUILDING..............	2,750	0	0	0	0

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
735	0	ICELAND	NAVY	KEFLAVIK NAVAL AIR STATION	FUEL FACILITIES (INCREMENT VII)............	0	9,300	9,300	0	9,300 1/
736	0	ICELAND	NAVY	KEFLAVIK NAVAL COMMUNICATION STATIO	COMMUNICATION CENTER........................	10,600	10,600	10,600	0	10,600
737	0	ICELAND	AIR FORCE	KEFLAVIK	HELICOPTER RESCUE RECOVERY HANGAR..........	10,500	0	10,500	(10,500)	0 4/
738	0	ITALY	NAVY	NAPLES NAVAL SUPPORT ACTIVITY	AIR CARGO TERMINAL..........................	4,770	0	4,770	(4,770)	0 4/
739	0	ITALY	NAVY	NAPLES NAVAL SUPPORT ACTIVITY	UTILITIES SYSTEM UPGRADE....................	6,500	6,500	6,500	0	6,500
740	0	ITALY	NAVY	SICILY NAVAL COMMUNICATION STATION	SATELLITE TERMINAL..........................	2,750	2,750	2,750	0	2,750
741	0	ITALY	NAVY	SIGONELLA NAVAL AIR STATION	ENGINE MAINTENANCE SHOP ADDITION............	2,300	2,300	2,300	0	2,300
742	0	ITALY	NAVY	SIGONELLA NAVAL AIR STATION	OPERATIONS CONTROL CENTER...................	9,850	9,850	9,850	0	9,850
743	0	JOHNSTON ISLAND	DEFENSE AGENCIES	DNA HDQTRS FIELD COMMAND	ALTER POWER PLANT PHASE II..................	5,100	5,100	5,100	0	5,100
744	0	KOREA	ARMY	CAMP CARROLL	CONSOLIDATED MAINTENANCE FACILITY...........	5,600	0	5,600	(5,600)	0 4/
745	0	KOREA	ARMY	CAMP HOVEY	TACTICAL EQUIPMENT SHOP.....................	9,100	0	9,100	(9,100)	0 4/
746	0	KOREA	ARMY	CAMP WALKER	COMMUNICATIONS CENTER.......................	2,250	0	2,250	(2,250)	0 4/
747	0	KOREA	DEFENSE AGENCIES	KOREA VARIOUS	FROZEN BLOOD FACILITY - CAMP HUMPHREYS......	2,350	0	2,350	(2,350)	0 4/
748	0	KOREA	DEFENSE AGENCIES	KOREA VARIOUS	TROOP MEDICAL CLINIC - CAMP ESSAYONS........	1,050	1,050	1,050	0	1,050
749	0	KOREA	DEFENSE AGENCIES	KOREA VARIOUS	TROOP MEDICAL CLINIC - K-16 AIRFIELD........	1,450	1,450	1,450	0	0 4/
750	0	KWAJALEIN	ARMY	KWAJALEIN	CHAPEL FAMILY LIFE CENTER...................	2,550	2,550	2,550	0	2,550
751	0	KWAJALEIN	ARMY	KWAJALEIN	CHILD DEVELOPMENT CENTER....................	3,800	3,800	3,800	0	3,800
752	0	KWAJALEIN	ARMY	KWAJALEIN	COLD STORAGE WAREHOUSE......................	10,200	10,200	10,200	0	10,200
753	0	KWAJALEIN	ARMY	KWAJALEIN	CONSOLIDATED MAINTENANCE FACILITY...........	4,950	4,950	4,950	0	4,950
754	0	KWAJALEIN	ARMY	KWAJALEIN	CONTROLLED HUMIDITY WAREHOUSE...............	9,900	9,900	9,900	0	9,900
755	0	KWAJALEIN	ARMY	KWAJALEIN	MARINE TERMINAL & SECURITY UPGRADE..........	3,400	3,400	3,400	0	3,400
756	0	KWAJALEIN	ARMY	KWAJALEIN	POWER PLANT ADDITION........................	33,000	33,000	33,000	0	33,000
757	0	KWAJALEIN	ARMY	KWAJALEIN	UNACCOMPANIED PERSONNEL HOUSING.............	9,600	9,600	9,600	0	9,600
758	0	PORTUGAL	AIR FORCE	LAJES FIELD	CONTROL TOWER AND RADAR APPROACH CONTROL....	5,000	5,000	5,000	0	5,000
759	0	PUERTO RICO	NAVY	NAVAL STATION ROOSEVELT ROADS	CHILD DEVELOPMENT CENTER....................	0	2,850	0	2,850	2,850
760	0	PUERTO RICO	NAVY	ROOSEVELT ROADS NAVAL STATION	SANITARY WASTEWATER SYSTEM UPGRADE..........	7,660	7,660	7,660	0	7,660
761	0	PUERTO RICO	AIR NAT GRD	BORINQUEN APT (RAMEY AFB)	ADD/ALT COMM ELECTRONICS MAINT FAC..........	1,800	1,800	1,800	0	1,800
762	0	PUERTO RICO	AIR NAT GRD	BORINQUEN APT (RAMEY AFB)	COMPOSITE VEHICLE MAINT/SITE PREPARATION....	1,800	1,800	1,800	0	1,800
763	0	PUERTO RICO	AIR NAT GRD	PUERTO RICO IAP	ADD/ALT ENGINE SHOP.........................	890	890	890	0	890
764	0	PUERTO RICO	AIR NAT GRD	PUERTO RICO IAP	SITE PREPARATION, ROADS & ULTILITIES........	1,500	1,500	1,500	0	1,500
765	0	PUERTO RICO	ARMY RESERVE	PUERTO NUEVO	ADDN/ALT TO USAR CTR/ORG MAINTENANCE SHOP....	9,699	9,699	9,699	0	9,699
766	0	PUERTO RICO	NAVY RESERVE	MCRC ROOSEVELT ROADS	TRAINING BUILDING...........................	2,800	2,800	2,800	0	2,800
767	0	SCOTLAND	NAVY	EDZELL NAVAL SECURITY GROUP ACTIVIT	CLASSIC WIZARD FACILITIES UPGRADE...........	1,400	1,400	1,400	0	1,400
768	0	UNITED KINGDOM	NAVY	LONDON NAVAL COMMUNICATION UNIT	SATELLITE TERMINAL..........................	1,800	1,800	1,800	0	1,800
769	0	UNITED KINGDOM	AIR FORCE	RAF LAKENHEATH	F-15E ADD/ALTER FUELS MAINTENANCE FAC........	3,600	3,600	3,600	0	3,600

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
770	O	UNITED KINGDOM	AIR FORCE	RAF MOLESWORTH	JOINT ANALYSIS CENTER........................	15,600	15,600	15,600	0	15,600
771	O	OVERSEAS CLASSIFIED	NAVY	OVERSEAS CLASSIFIED	SATELLITE TERMINAL...........................	8,770	8,770	0	8,770	8,770
772	O	OVERSEAS CLASSIFIED	AIR FORCE	OVERSEAS CLASSIFIED	MILSTAR GROUND COMMUNICATIONS TERMINAL.......	5,500	5,500	5,500	0	5,500
773	O	OVERSEAS CLASSIFIED	AIR FORCE	OVERSEAS CLASSIFIED	SPECIAL OPERATIONS FACILITY..................	3,500	0	3,500	(3,500)	3,500
774	O	OVERSEAS CLASSIFIED	DEFENSE AGENCIES	CLASSIFIED LOCATION	RAPID DEPLOYMENT MED FACILITY WAREHOUSE......	10,400	10,400	10,400	0	0 4/
775	O	OVERSEAS CLASSIFIED	DEFENSE AGENCIES	CLASSIFIED OVERSEAS LOCATIONS	ESSENTIAL MESS UPGRADE.......................	625	625	625	0	625
776	O	OVERSEAS CLASSIFIED	DEFENSE AGENCIES	CLASSIFIED OVERSEAS LOCATIONS	UNACCOMPANIED PERS HOUSING...................	2,935	2,935	2,935	0	2,935
777	O	OVERSEAS CLASSIFIED	DEFENSE AGENCIES	CLASSIFIED OVERSEAS LOCATIONS	UPGRADE SEWAGE TREATMENT PLANT...............	930	930	930	0	930
778	O	OVERSEAS CLASSIFIED	DEFENSE AGENCIES	OVERSEAS CLASSIFIED	CLASSIFIED OVERSEAS PROJECT..................	2,100	2,100	2,100	0	2,100
779	X	WORLDWIDE UNSPECIFIED	ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	HOST NATION SUPPORT - EUROPE AND PACIFIC.....	25,000	25,000	25,000	0	25,000
780	X	WORLDWIDE UNSPECIFIED	ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN..........................	89,600	93,400	121,730	(28,330)	93,400
781	X	WORLDWIDE VARIOUS	ARMY	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (ARMY)..........................	0	478,800	0	478,800	0 11/
782	X	WORLDWIDE UNSPECIFIED	ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION...............	11,000	11,000	11,000	0	11,000
783	X	WORLDWIDE VARIOUS	ARMY	WORLDWIDE VARIOUS LOCATIONS	ARMY UNSPECIFIED MINOR CONSTRUCTION (O&M)....	0	103,000	0	103,000	0 11/
784	X	WORLDWIDE UNSPECIFIED	ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	GENERAL DAVIS-BACON REDUCTION................	0	0	(40,500)	40,500	0 12/
785	X	WORLDWIDE UNSPECIFIED	NAVY	UNSPECIFIED WORLDWIDE LOCATION	GENERAL DAVIS-BACON REDUCTION................	0	0	(31,500)	31,500	0 12/
786	X	WORLDWIDE UNSPECIFIED	NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	ACCESS ROADS.................................	1,000	1,000	1,000	0	1,000
787	X	WORLDWIDE UNSPECIFIED	NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN..........................	77,200	79,700	88,600	(8,900)	88,600
788	X	WORLDWIDE VARIOUS	NAVY	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (NAVY)..........................	0	332,920	0	332,920	0 11/
789	X	WORLDWIDE UNSPECIFIED	NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION...............	12,400	12,400	12,400	0	12,400
790	X	WORLDWIDE VARIOUS	NAVY	WORLDWIDE VARIOUS LOCATIONS	NAVY UNSPECIFIED MINOR CONSTRUCTION (O&M)....	0	84,900	0	84,900	0 11/
791	X	WORLDWIDE UNSPECIFIED	AIR FORCE	WORLDWIDE LOCATIONS	DAVIS-BACON GENERAL REDUCTION	0	0	(50,000)	50,000	0 12/
792	X	WORLDWIDE UNSPECIFIED	AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN..........................	67,700	74,300	117,700	(43,400)	74,300
793	X	WORLDWIDE VARIOUS	AIR FORCE	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (AIR FORCE).....................	0	367,850	0	367,850	0 11/
794	X	WORLDWIDE UNSPECIFIED	AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION...............	11,500	11,500	11,500	0	11,500
795	X	WORLDWIDE VARIOUS	AIR FORCE	WORLDWIDE VARIOUS LOCATIONS	AF UNSPECIFIED MINOR CONSTRUCTION (O&M)......	0	41,000	0	41,000	0 11/
796	X	WORLDWIDE VARIOUS	DEFENSE AGENCIES	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (DEFENSE AGENCIES)..............	0	30,922	0	30,922	0 11/
797	X	WORLDWIDE VARIOUS	DEFENSE AGENCIES	WORLDWIDE VARIOUS LOCATIONS	DEF AGENCIES MINOR CONSTRUCTION (O&M)........	0	24,295	0	24,295	0 11/
798	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	OSD MILCON	PLANNING AND DESIGN (SP OPS).................	1,700	1,700	3,200	(1,500)	3,200
799	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	CONFORMING STORAGE FACILITIES	0	0	7,000	(7,000)	0
800	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	PORTAL CONSTRUCTION	CONSTRUCTION OF PORTAL SITES.................	2,000	2,000	2,000	0	2,000
801	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	CONTINGENCY CONSTRUCTION.....................	15,000	0	15,000	(15,000)	10,000
802	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	DAVIS-BACON GENERAL REDUCTIONS	0	0	(27,000)	27,000	0 12/
803	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	ENERGY CONSERVATION IMPROVEMENT PROGRAM......	30,000	36,000	30,000	6,000	36,000
804	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN (DMFO)...................	38,100	43,700	38,100	5,600	43,700

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
805	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN (OSD)	21,800	21,800	48,800	(27,000)	21,800
806	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN (WASH HDQ SERV)	10,000	10,000	0	10,000	0 9/
807	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN (SDIO)	8,100	8,100	8,100	0	5,100
808	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION(JCS)	6,500	6,500	6,500	0	6,500
809	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION(DODDS)	3,000	3,000	3,000	0	3,000
810	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION(DMFO)	2,500	2,500	2,500	0	2,500
811	X	WORLDWIDE UNSPECIFIED	DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION(OSD)	2,000	2,000	2,000	0	2,000
812	X	WORLDWIDE UNSPECIFIED	ARMY NAT GRD	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	2,300	7,600	2,300	5,300	7,600
813	X	WORLDWIDE VARIOUS	ARMY NAT GRD	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (ARNG)	0	26,460	0	26,460	0 11/
814	X	WORLDWIDE UNSPECIFIED	ARMY NAT GRD	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	5,100	5,100	5,100	0	5,100
815	X	WORLDWIDE VARIOUS	ARMY NAT GRD	WORLDWIDE VARIOUS LOCATIONS	ARNG UNSPECIFIED MINOR CONSTRUCTION (O&M)	0	6,000	0	6,000	0 11/
816	X	WORLDWIDE UNSPECIFIED	AIR NAT GRD	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	15,200	17,400	15,500	1,900	17,400
817	X	WORLDWIDE VARIOUS	AIR NAT GRD	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (ANG)	0	20,356	0	20,356	0 11/
818	X	WORLDWIDE UNSPECIFIED	AIR NAT GRD	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	3,800	3,800	3,800	0	3,800
819	X	WORLDWIDE VARIOUS	AIR NAT GRD	WORLDWIDE VARIOUS LOCATIONS	ANG UNSPECIFIED MINOR CONSTRUCTION (O&M)	0	12,228	0	12,228	0 11/
820	X	WORLDWIDE UNSPECIFIED	ARMY RESERVE	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	5,400	7,500	6,400	1,100	7,500
821	X	WORLDWIDE VARIOUS	ARMY RESERVE	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (ARMY RESERVE)	0	13,650	0	13,650	0 11/
822	X	WORLDWIDE UNSPECIFIED	ARMY RESERVE	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	500	500	500	0	500
823	X	WORLDWIDE VARIOUS	ARMY RESERVE	WORLDWIDE VARIOUS LOCATIONS	AR UNSPECIFIED MINOR CONSTRUCTION (O&M)	0	7,400	0	7,400	0 11/
824	X	WORLDWIDE UNSPECIFIED	NAVY RESERVE	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	2,500	2,500	2,500	0	2,500
825	X	WORLDWIDE VARIOUS	NAVY RESERVE	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (NAVY RESERVE)	0	18,583	0	18,583	0 11/
826	X	WORLDWIDE UNSPECIFIED	NAVY RESERVE	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	1,000	1,000	1,000	0	1,000
827	X	WORLDWIDE VARIOUS	NAVY RESERVE	WORLDWIDE VARIOUS LOCATIONS	NR UNSPECIFIED MINOR CONSTRUCTION (O&M)	0	6,893	0	6,893	0 11/
828	X	WORLDWIDE UNSPECIFIED	AIR FORCE RESERVE	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	4,800	4,800	4,800	0	4,800
829	X	WORLDWIDE VARIOUS	AIR FORCE RESERVE	WORLDWIDE VARIOUS LOCATIONS	MAJOR REPAIR (AIR FORCE RESERVE)	0	7,140	0	7,140	0 11/
830	X	WORLDWIDE UNSPECIFIED	AIR FORCE RESERVE	UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	2,200	2,200	2,200	0	2,200
831	X	WORLDWIDE VARIOUS	AIR FORCE RESERVE	WORLDWIDE VARIOUS LOCATIONS	AFR UNSPECIFIED MINOR CONSTRUCTION (O&M)	0	4,400	0	4,400	0 11/
832	X	WORLDWIDE VARIOUS	DEFENSE AGENCIES	WORLDWIDE VARIOUS LOCATIONS	CONFORMING STORAGE	0	7,000	0	7,000	7,000 1/
833	X	WORLDWIDE UNSPECIFIED	BASE CLOSURE 2	BASE CLOSURE ACCOUNT 1990	BASE CLOSURE 1990 BRAC II	100,000	100,000	297,000	(197,000)	297,000
834	X	WORLDWIDE UNSPECIFIED	BASE CLOSURE 1	BASE CLOSURE ACCOUNT 1988	BASE CLOSURE 1988 BRAC I	633,600	658,600	674,600	(16,000)	674,600
835	X	WORLDWIDE UNSPECIFIED	NATO	VARIOUS LOCATIONS	NATO INFRASTRUCTURE	358,800	158,800	314,417	(155,617)	225,000
836	X	WORLDWIDE VARIOUS	NAVY	LAND ACQUISITION	LAND ACQUISITION	45,900	45,900	45,900	0	45,900
837	X	WORLDWIDE VARIOUS	NAVY	VARIOUS LOCATIONS	HOST NATION INFRASTRUCTURE SUPPORT	2,000	2,000	2,000	0	2,000
838	X	WORLDWIDE VARIOUS	ARMY NAT GRD	VARIOUS LOCATIONS	ARMORY UNIT STORAGE BLDG	983	983	983	0	983
839	I	CALIFORNIA	FHC ARMY	FORT HUNTER LIGGETT	NEW CONSTRUCTION (154)	22,000	22,000	22,000	0	22,000

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
840	I	CALIFORNIA	FHC ARMY	FORT IRWIN	NEW CONSTRUCTION (172)	18,000	18,000	18,000	0	18,000
841	I	COLORADO	FHC ARMY	FORT CARSON	NEW CONSTRUCTION (1)	150	150	150	0	150
842	I	GEORGIA	FHC ARMY	CAMP MERRILL	NEW CONSTRUCTION (40)	0	0	4,550	(4,550)	4,550
843	I	GEORGIA	FHC ARMY	FORT STEWART	NEW CONSTRUCTION (1)	190	190	190	0	190
844	I	HAWAII	FHC ARMY	VARIOUS OAHU	NEW CONSTRUCTION (140)	16,500	16,500	16,500	0	16,500
845	I	HAWAII	FHC ARMY	HAWAII, VARIOUS	FAMILY HOUSING (220)	0	25,000	0	25.000	25,000
846	I	MISSOURI	FHC ARMY	FORT LEONARD WOOD	NEW CONSTRUCTION (2)	360	360	360	0	360
847	I	VIRGINIA	FHC ARMY	FORT LEE	GENERAL OFFICE QUARTER (1 UNIT)	0	270	0	270	270
848	X	WORLDWIDE UNSPECIFIED	FHC ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	74,980	74,980	74,980	0	74,980
849	X	WORLDWIDE UNSPECIFIED	FHC ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	5,220	5,220	5,220	0	5,220
850	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	81,072	81,072	81,072	0	81,072
851	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	INTEREST PAYMENTS	50	50	50	0	50
852	X	WORLDWIDE UNSPECIFIED	DEBT	UNSPECIFIED WORLDWIDE LOCATIONS	DEBT REDUCTION	125	125	125	0	125
853	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	360,783	360,783	360,783	0	360,783
854	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	467,207	467,207	467,207	0	467,207
855	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	95,106	95,106	95,106	0	95,106
856	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	1,988	1,988	1,988	0	1,988
857	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	69,092	69,092	69,092	0	69,092
858	X	WORLDWIDE UNSPECIFIED	FHS ARMY	UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	321,602	321,602	321,602	0	321,602
859	I	CALIFORNIA	FHC NAVY	LEMOORE NAVAL AIR STATION	NEW CONSTRUCTION (COMMUNITY CENTER)	1,070	1,070	1,070	0	1,070
860	I	CALIFORNIA	FHC NAVY	MARINE CORPS BASE CAMP PENDLETON	NEW CONSTRUCTION (150)	16,172	16,172	16,172	0	16,172
861	I	CALIFORNIA	FHC NAVY	NAVAL PUBLIC WORKS CENTER	NEW CONSTRUCTION (260)	29,800	29,800	29,800	0	29,800
862	I	CALIFORNIA	FHC NAVY	POINT MUGU, PAC MISSILE	NEW CONSTRUCTION (100)	11,160	11,160	11,160	0	11,160
863	I	DISTRICT OF COLUMBIA	FHC NAVY	WASHINGTON COMMANDANT NAVAL DISTRIC	(DEMOLITION)	9,910	9,910	9,910	0	9,910
864	I	FLORIDA	FHC NAVY	NAVAL STATION MAYPORT	NEW CONSTRUCTION (COMMUNITY CENTER)	710	710	710	0	710
865	I	ILLINOIS	FHC NAVY	NAS GLENVIEW	NEW CONSTRUCTION (200)	0	0	16,000	(16,000)	16,000
866	I	NEW JERSEY	FHC NAVY	LAKEHURST NAVAL AIR ENGINEERING CEN	NEW CONSTRUCTION (HOUSING OFFICE)	340	340	340	0	340
867	I	VIRGINIA	FHC NAVY	NAVAL SUR. WEA. CENTER, DAHLGREN	FAMILY HOUSING (150)	0	13,240	0	13,240	13,240
868	O	GUANTANAMO BAY, CUBA	FHC NAVY	NAVAL STATION GUANTANAMO BAY	REPLACEMENT CONSTRUCTION (278)	38,400	38,400	38,400	0	38,400
869	X	WORLDWIDE UNSPECIFIED	FHC NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	55,438	55,438	55,438	0	55,438
870	X	WORLDWIDE UNSPECIFIED	FHC NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	6,200	6,200	6,200	0	6,200
871	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	23,705	23,705	23,705	0	23,705
872	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	72,900	72,900	72,900	0	72,900
873	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	311,834	296,834	311,834	(15,000)	311,834
874	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	65,147	65,147	65,147	0	65,147

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
875	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	990	990	990	0	990
876	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	90	90	90	0	90
877	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	39,106	39,106	39,106	0	39,106
878	X	WORLDWIDE UNSPECIFIED	FHS NAVY	UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	196,928	196,928	196,928	0	196,928
879	I	ARKANSAS	FHC AIR FORCE	EAKER AIR FORCE BASE	WHOLE HOUSE RENOVATION PROGRAM	0	16,800	0	16,800	0 2/
880	I	CALIFORNIA	FHC AIR FORCE	CASTLE AFB	FAMILY HOUSING (114 UNITS)	10,517	10,517	0	10,517	0 2/
881	I	CALIFORNIA	FHC AIR FORCE	EDWARDS AFB	HOUSING OFFICE	453	453	453	0	453
882	I	CALIFORNIA	FHC AIR FORCE	MARCH AFB	FAMILY HOUSING (85 UNITS)	0	0	10,517	(10,517)	0 4/
883	I	FLORIDA	FHC AIR FORCE	TYNDALL AFB	HOUSING MAINTENANCE FACILITY	410	410	410	0	410
884	I	ILLINOIS	FHC AIR FORCE	SCOTT AFB	HOUSING OFFICE	550	550	550	0	550
885	I	MARYLAND	FHC AIR FORCE	ANDREWS AFB	HOUSING OFFICE	571	571	571	0	571
886	I	NORTH CAROLINA	FHC AIR FORCE	SEYMOUR JOHNSON AFB	HOUSING OFFICE	365	365	365	0	365
887	I	OKLAHOMA	FHC AIR FORCE	TINKER AFB	HOUSING OFFICE	370	370	370	0	370
888	I	UTAH	FHC AIR FORCE	HILL AFB	FAMILY HOUSING (130 UNITS)	11,628	11,628	11,628	0	11,628
889	X	WORLDWIDE UNSPECIFIED	FHC AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	141,236	141,236	141,236	0	141,236
890	X	WORLDWIDE UNSPECIFIED	FHC AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	6,000	6,000	6,000	0	6,000
891	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	51,178	51,178	51,178	0	51,178
892	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	140,900	140,900	140,900	0	140,900
893	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	378,712	378,712	378,712	0	378,712
894	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	45,603	45,603	45,603	0	45,603
895	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	9,597	9,597	9,597	0	9,597
896	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	80	80	80	0	80
897	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	26,201	26,201	26,201	0	26,201
898	X	WORLDWIDE UNSPECIFIED	FHS AIR FORCE	UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	257,129	257,129	257,129	0	257,129
899	O	OVERSEAS CLASSIFIED	FHC DEFENSE AGENCIES	OVERSEAS CLASSIFIED	SINGLE UNIT HOUSING	160	160	160	0	160
900	X	WORLDWIDE UNSPECIFIED	FHC DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	40	40	40	0	40
901	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	1,851	1,851	1,851	0	1,851
902	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	107	107	107	0	107
903	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	35	35	35	0	35
904	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	12,047	12,047	12,047	0	12,047
905	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	9,617	9,617	9,617	0	9,617
906	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	725	725	725	0	725
907	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	214	214	214	0	214
908	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	150	150	150	0	150
909	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	69	69	69	0	69

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#	I/O	LOCATION	SERVICE	INSTALLATION	PROJECT	BUDGET REQUEST	H. PASSED	S. PASSED	H+/-S	CONFERENCE AGREEMENT
910	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT...........................	27	27	27	0	27
911	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT................................	302	302	302	0	302
912	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT................................	54	54	54	0	54
913	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT...............................	410	410	410	0	410
914	X	WORLDWIDE UNSPECIFIED	FHS DEFENSE AGENCIES	UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT...............................	392	392	392	0	392
915	X	WORLDWIDE UNSPECIFIED	FH-HOMEOWNERS	UNSPECIFIED WORLDWIDE LOCATIONS	ACQUISITION OF REAL PROPERTY....................	60,562	60,562	60,562	0	60,562
916	X	WORLDWIDE UNSPECIFIED	FH-HOMEOWNERS	UNSPECIFIED WORLDWIDE LOCATIONS	OTHER OPERATING COSTS...........................	21,483	21,483	21,483	0	21,483
917	X	WORLDWIDE UNSPECIFIED	FH-HOMEOWNERS	UNSPECIFIED WORLDWIDE LOCATIONS	PAYMENT TO HOMEOWNERS...........................	1,955	1,955	1,955	0	1,955
918	I	ALASKA	DEAUTH 1991	VARIOUS LOCATIONS - ALASKA	OTH-B...	0	(11,000)	0	(11,000)	(11,000) 9/
919	I	NEW JERSEY	DEAUTH 1991	EARLE NAVAL WEAPONS STATION	TRESTLE REPLACEMENT.............................	0	(20,100)	0	(20,100)	0 9/
920	I	WASHINGTON	DEAUTH 1991	SILVERDALE STRATEGIC WEAPONS FAC	D-5 PROJECTS....................................	0	(56,480)	0	(56,480)	(45,420) 9/
921	I	ARMY	DEAUTH 1990	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(6,350) 2/
922	I	ARMY	DEAUTH 1991	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(5,600) 2/
923	I	NAVY	DEAUTH 1990	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(23,560) 2/
924	I	NAVY	DEAUTH 1991	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(14,290) 2/
925	I	AIR FORCE	DEAUTH 1990	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(38,640) 2/
926	I	AIR FORCE	DEAUTH 1991	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(38,826) 2/
927	I	DEFENSE AGENCIES	DEAUTH 1991	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(11,600) 2/
928	I	AIR NAT GRD	DEAUTH 1990	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(3,000) 2/
929	I	AIR NAT GRD	DEAUTH 1991	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(400) 2/
930	I	AIR FORCE RESERVE	DEAUTH 1990	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(10,600) 2/
931	I	AIR FORCE RESERVE	DEAUTH 1991	UNSPECIFIED US LOCATIONS	VARIOUS PROJECTS................................	0	0	0	0	(500) 2/

1/ AUTHORIZATION REQUESTED UNDER THE DEFENSE BUSINESS OPERATING BUDGET (DBOF)
2/ NOT REQUIRED DUE TO BASE CLOSURE OR REALIGNMENT
3/ NOT MILITARY CONSTRUCTION
4/ DEFERRED - NO APPROPRIATION
5/ DEFERRED - REPORT LANGUAGE REQUIRES A FEASIBILITY STUDY
6/ AUTHORITY PROVIDED UNDER SECTION 2854, TITLE 10, U.S. CODE - RESTORATION OR REPLACEMENT OF DAMAGED OR DESTROYED FACILITIES
7/ DEFER PENDING THE RESTRUCTURE OF AIRBORNE COMMAND AND CONTROL ASSETS
8/ TRANSFERRED FROM RESEARCH AND DEVELOPMENT BUDGET
9/ NOT REQUIRED
10/ USE PENTAGON RENOVATION FUND
11/ TRANSFERRED TO OPERATIONS AND MAINTENANCE BUDGET
12/ LEGISLATION NOT ENACTED TO MODIFY DAVIS BACON ACT

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Part A of Title XXXI of Division C of the House bill would authorize appropriations for the Department of Energy national security programs in the amount of $11.8 billion.

Part A of Title XXXI of Division C of the Senate amendment would authorize $12.0 billion for these purposes.

The conferees recommend an authorization of $12.0 billion.

The budget request, the authorizations contained in the House bill and the Senate amendment, and the conference agreement are presented in the following tables.

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
Weapons Activities	4,402.854	4,476.500	4,411.128	4,631.000	4,623.428	146.928
Operating Expenses	(3,795.381)	(3,930.450)	(3,884.300)	(4,049.450)	(4,075.800)	145.350
Construction	(335.242)	(316.300)	(283.578)	(318.300)	(295.578)	-20.722
Capital Equipment	(272.231)	(229.750)	(243.250)	(263.250)	(252.050)	22.300
Materials Production	2,341.900	1,876.900	1,876.900	1,876.900	1,876.900	0.000
Operating Expenses	(1,892.770)	(1,464.312)	(1,464.312)	(1,464.312)	(1,464.312)	0.000
Construction	(343.508)	(320.390)	(320.390)	(320.390)	(320.390)	0.000
Capital Equipment	(105.622)	(92.198)	(92.198)	(92.198)	(92.198)	0.000
Verification and Control Technology	196.408	235.000	235.000	235.000	230.000	-5.000
Operating Expenses	(181.484)	(214.900)	(214.900)	(214.900)	(209.900)	-5.000
Construction	(5.000)	(10.000)	(10.000)	(10.000)	(10.000)	0.000
Capital Equipment	(9.924)	(10.100)	(10.100)	(10.100)	(10.100)	0.000
Nuclear Safeguards and Security	91.000	96.000	96.000	96.000	96.000	0.000
Operating Expenses	(83.934)	(88.731)	(88.731)	(88.731)	(88.731)	0.000
Construction	(2.000)	(2.000)	(2.000)	(2.000)	(2.000)	0.000
Capital Equipment	(5.066)	(5.269)	(5.269)	(5.269)	(5.269)	0.000
Security Investigations	65.000	62.600	62.600	62.600	62.600	0.000
Operating Expenses	(65.000)	(62.600)	(62.600)	(62.600)	(62.600)	0.000
Office of Security Evaluations	0.000	15.000	15.000	15.000	15.000	0.000
Operating Expenses	(0.000)	(15.000)	(15.000)	(15.000)	(15.000)	0.000
New Production Reactors	375.000	500.000	555.000	552.000	515.500	15.500
Operating Expenses	(134.900)	(152.335)	(155.335)	(152.335)	(142.835)	-9.500
Construction	(231.300)	(336.465)	(388.465)	(388.465)	(361.465)	25.000
Capital Equipment	(8.800)	(11.200)	(11.200)	(11.200)	(11.200)	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
Naval Reactors	652.000	801.000	801.000	821.000	818.000	17.000
Operating Expenses	(569.200)	(706.400)	(706.400)	(726.400)	(723.400)	17.000
Construction	(27.400)	(36.200)	(36.200)	(36.200)	(36.200)	0.000
Capital Equipment	(55.400)	(58.400)	(58.400)	(58.400)	(58.400)	0.000
Education, Training and Technology Transfer					49.900	49.900
Operating Expenses					(49.900)	49.900
Subtotal, Defense Programs Operating Expenses	(6,722.669)	(6,634.728)	(6,591.578)	(6,773.728)	(6,832.478)	(197.750)
Subtotal, Defense Programs Construction Expenses	(944.450)	(1,021.355)	(1,040.633)	(1,075.355)	(1,025.633)	(4.278)
Subtotal, Defense Programs Capital Equipment	(457.043)	(406.917)	(420.417)	(440.417)	(429.217)	(22.300)
Subtotal, DOE Defense Programs	(8,124.162)	(8,063.000)	(8,052.628)	(8,289.500)	(8,287.328)	(224.328)
Environmental Restoration & Waste Mgmt	2,789.852	3,705.000	3,759.300	3,754.800	3,680.672	-24.328
Operating Expenses	(2,391.428)	(3,175.442)	(3,187.542)	(3,196.142)	(3,177.142)	1.700
Construction	(408.258)	(407.726)	(449.926)	(436.826)	(449.926)	42.200
Capital Equipment	(119.917)	(121.832)	(121.832)	(121.832)	(121.832)	0.000
Program Savings & Slippages	-129.751				-68.228	-68.228
Total, DOE Operating Expenses	(8,984.346)	(9,810.170)	(9,779.120)	(9,969.870)	(9,941.392)	(131.222)
Total, DOE Plant Construction Expenses	(1,352.708)	(1,429.081)	(1,490.559)	(1,512.181)	(1,475.559)	(46.478)
Total, DOE Capital Equipment	(576.960)	(528.749)	(542.249)	(562.249)	(551.049)	(22.300)
General Reduction				-(76.300)		
Total, DOE Defense Activities	10,914.014	11,768.000	11,811.928	11,968.000	11,968.000	200.000
Defense Nuclear Facilities Safety Board	12.500	12.000	12.000	12.000	12.000	0.000
Total, Atomic Energy Defense Activities	10,926.514	11,780.000	11,823.928	11,980.000	11,980.000	200.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
Operating Expense						
Weapons Activities						
Research and development	1,092.218	1,047.600	1,056.100	1,198.600	1,182.600	135.000
Inertial confinement fusion	(157.900)	(165.300)	(166.300)	(166.300)	(166.300)	1.000
Science education programs	(50.000)					0.000
Technology transfer		(32.000)		(50.000)	(48.000)	16.000
Advanced Manufacturing Initiative				(10.000)	(10.000)	10.000
Testing	437.268	447.500	447.500	465.500	457.500	10.000
Production and surveillance	2,161.180	2,273.600	2,218.950	2,223.600	2,273.950	0.350
Program direction	104.715	161.750	161.750	161.750	161.750	0.000
Total, Weapons Activities	3,795.381	3,930.450	3,884.300	4,049.450	4,075.800	145.350
Materials Production						
Reactor operations	811.457	584.418	584.418	584.418	584.418	0.000
Processing of nuclear materials	628.969	531.217	531.217	531.217	531.217	0.000
Supporting services	292.043	305.433	305.433	305.433	305.433	0.000
Enriched material	117.801					
Program direction	42.500	43.244	43.244	43.244	43.244	0.000
Total, Materials Production	1,892.770	1,464.312	1,464.312	1,464.312	1,464.312	0.000
Verification and Control Technology	181.484	214.900	214.900	214.900	209.900	-5.000
Nuclear Safeguards and Security	83.934	88.731	88.731	88.731	88.731	0.000
Security Investigations	65.000	62.600	62.600	62.600	62.600	0.000
Office of Security Evaluations		15.000	15.000	15.000	15.000	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
New Production Reactors	134.900	152.335	155.335	152.335	142.835	-9.500
Naval Reactors						
Plant development	89.300	93.000	93.000	99.000	93.000	0.000
Reactor development	258.900	268.997	268.997	272.997	285.997	17.000
Reactor operation and evaluation	207.000	205.600	205.600	214.600	205.600	0.000
Program direction	14.000	15.963	15.963	16.963	15.963	0.000
Enriched material, operating		122.840	122.840	122.840	122.840	0.000
Total, Naval Reactors	569.200	706.400	706.400	726.400	723.400	17.000
Education, Training and Technology Transfer					49.900	49.900
Worker protection training			(10.000)	(10.000)	(10.000)	10.000
Scholarship and fellowship programs			(1.000)	(1.000)	(1.000)	1.000
Hanford health information network	(5.000)			(1.554)	(1.554)	1.554
Site specific health assessments				(8.000)	(8.000)	8.000
Subtotal, DOE Defense Activities						
Operating Expenses	6,722.669	6,634.728	6,591.578	6,773.728	6,832.478	197.750
Construction						
Weapons Activities						
GPD-101, general plant projects, various locations	27.100	28.800	28.800	28.800	28.800	0.000
GPD-121, general plant projects, various locations	36.350	34.700	34.700	34.700	34.700	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
92-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations		6.600	6.600	6.600	6.600	0.000
92-D-122, health physics/environmental projects, Rocky Flats Plant, Golden, Colorado		7.200	7.200	7.200	7.200	0.000
92-D-123, plant fire/security alarm systems replacement, Rocky Flats Plant, Golden, Colorado		5.200	5.200	5.200	5.200	0.000
92-D-125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado		3.500	3.500	3.500	3.500	0.000
92-D-126, replace emergency notification systems, various locations		4.200	4.200	4.200	4.200	0.000
91-D-122, short range attack missile tactical (SRAM T) production facilities, various locations	15.000	23.372	0.000	23.372	0.000	-23.372
91-D-123, production assurance transformer replacement, Kansas City Plant, Missouri	2.600					
91-D-124, safeguards and security upgrades, Phase III, Mound Facility, Miamisburg, Ohio	1.100					
91-D-126, health physics calibration facility, Mound Plant, Miamisburg, Ohio	1.000	4.000	4.000	4.000	4.000	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
91-D-127, criticality alarm and production annunciation utility replacement, Rocky Flats Plant, Golden, Colorado	6.600					
90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations	9.600	22.100	22.100	34.100	34.100	12.000
90-D-122, production capabilities for the nuclear depth/strike bomb (ND/SB), various locations		10.000	0.000	0.000	0.000	-10.000
90-D-124, high explosives (HE) synthesis facility, Pantex Plant, Amarillo, Texas		12.927	12.927	12.927	12.927	0.000
90-D-126, environmental, safety, and health enhancements, various locations	8.500	1.428	1.428	1.428	1.428	0.000
89-D-126, environmental, safety and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio	0.488					
88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico	1.000	1.515	1.515	1.515	1.515	0.000
88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations	72.547	53.608	53.608	53.608	53.608	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
88-D-122, facilities capability assurance program, various locations	106.806	47.473	47.473	47.473	47.473	0.000
88-D-123, security enhancements, Pantex Plant, Amarillo, Texas	18.244	30.000	30.000	30.000	30.000	0.000
88-D-124, fire protection upgrade, various locations	1.481					
88-D-125, high explosive machining facility, Pantex Plant, Amarillo, Texas	8.840					
88-D-126, personnel radiological monitoring laboratories, various locations	1.600					
87-D-104, safeguards and security enhancement II, Lawrence Livermore National Laboratory, Livermore, California	1.150	4.650	5.300	4.650	5.300	0.650
87-D-122, short-range attack missle II (SRAM II) warhead production facilities, various locations	8.634					
86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina	2.360					
85-D-105, combined device assembly facility, Nevada Test Site, Nevada	4.242	12.027	12.027	12.027	12.027	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
85-D-121, air and water pollution control facilities, Y-12 Plant, Oak Ridge, Tennessee		3.000	3.000	3.000	3.000	0.000
Total, Weapons Activities Construction	335.242	316.300	283.578	318.300	295.578	-20.722
Materials Production						
GPD-146, general plant projects, various locations	36.994	40.000	40.000	40.000	40.000	0.000
92-D-140, F and H canyon exhaust upgrades, Savannah River, South Carolina		12.000	12.000	12.000	12.000	0.000
92-D-141, reactor seismic improvement, Savannah River, South Carolina		14.200	14.200	14.200	14.200	0.000
92-D-142, nuclear material processing training center, Savannah River, South Carolina		2.500	2.500	2.500	2.500	0.000
92-D-143, health protection instrument calibration facility, Savannah River, South Carolina		2.000	2.000	2.000	2.000	0.000
92-D-150, operations support facilities, Savannah River, South Carolina		3.000	3.000	3.000	3.000	0.000
92-D-151, plant maintenance and improvements, Phase I, Savannah River, South Carolina		4.060	4.060	4.060	4.060	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
92-D-153, engineering support facility, Savannah River, South Carolina		8.017	8.017	8.017	8.017	0.000
91-D-143, increase 751-A electrical substation capacity, Phase I, Savannah River, South Carolina	6.000	2.614	2.614	2.614	2.614	0.000
91-D-145, new whole body counter facility, Savannah River, South Carolina	4.350	0.000				
90-D-141, Idaho chemical processing plant fire protection, Idaho National Engineering Laboratory, Idaho	6.000	12.000	12.000	12.000	12.000	0.000
90-D-143, plutonium finishing plant fire safety and loss limitation, Richland, Washington	2.500					
90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina	49.100	39.000	39.000	39.000	39.000	0.000
90-D-150, reactor safety assurance, Phases I, II, and III, Savannah River, South Carolina	32.600	14.530	14.530	14.530	14.530	0.000
90-D-151, engineering center, Savannah River, South Carolina	4.000	0.105	0.105	0.105	0.105	0.000
89-D-140, additional separations safeguards, Savannah River, South Carolina	16.300	28.150	28.150	28.150	28.150	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
89-D-148, improved reactor confinement system, Savannah River, South Carolina	12.800	12.121	12.121	12.121	12.121	0.000
88-D-153, additional reactor safeguards, Savannah River, South Carolina	1.000	6.528	6.528	6.528	6.528	0.000
87-D-159, environmental, health, and safety improvements, Phases I, II, III, IV, and V, Feed Materials Production Center, Fernald, Ohio	14.133					
86-D-149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations	61.750	36.865	36.865	36.865	36.865	0.000
85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho	87.500	82.700	82.700	82.700	82.700	0.000
85-D-145, fuel production facility, Savannah River, South Carolina	8.481					
Total, Materials Production	343.508	320.390	320.390	320.390	320.390	0.000
Verification and control technology						
90-D-186 center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico	5.000	10.000	10.000	10.000	10.000	0.000
Total, Verification and control technology	5.000	10.000	10.000	10.000	10.000	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
Nuclear Safeguards and Security						
GPD-186, general plant projects, Central Training Academy, Albuquerque, New Mexico	2.000	2.000	2.000	2.000	2.000	0.000
Total, Nuclear Safeguards and Security	2.000	2.000	2.000	2.000	2.000	0.000
New Production Reactors						
92-D-300, new production reactor capacity, various locations		334.465	386.465	386.465	359.465	25.000
92-D-301, new production reactor (NPR) safety center, Los Alamos National Laboratory, New Mexico		2.000	2.000	2.000	2.000	0.000
88-D-154, new production reactor capacity, various locations (design only)	231.300					
Total, New Production Reactors	231.300	336.465	388.465	388.465	361.465	25.000
Naval Reactors						
GPN-101, general plant projects, various locations	8.600	8.500	8.500	8.500	8.500	0.000
92-D-200, laboratories facilities upgrades, various locations		4.900	4.900	4.900	4.900	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
90-N-102, expended core facility dry cell project, Naval Reactors Facility, Idaho	4.000	15.000	15.000	15.000	15.000	0.000
90-N-103, advanced test reactor off-gas treatment system, Idaho National Engineering Laboratory, Idaho	1.800	2.800	2.800	2.800	2.800	0.000
90-N-104, facilities renovation, Knolls Atomic Power Laboratory, Niskayuna, New York	7.900	5.000	5.000	5.000	5.000	0.000
89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York	3.600					
88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho	1.500					
Total, Naval Reactors Construction	27.400	36.200	36.200	36.200	36.200	0.000
Subtotal, DOE Defense Activities Plant Construction	944.450	1,021.355	1,040.633	1,075.355	1,025.633	4.278

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
Capital Equipment						
Weapons Activities	272.231	229.750	243.250	263.250	252.050	22.300
Inertial confinement fusion	(17.100)	(17.200)	(30.700)	(30.700)	(30.700)	13.500
Materials Production	105.622	92.198	92.198	92.198	92.198	0.000
Verification and control technology	9.924	10.100	10.100	10.100	10.100	0.000
Nuclear Safeguards and Security	5.066	5.269	5.269	5.269	5.269	0.000
New Production Reactors	8.800	11.200	11.200	11.200	11.200	0.000
Naval Reactors	55.400	58.400	58.400	58.400	58.400	0.000
Subtotal, DOE Defense Activities Capital Equipment	457.043	406.917	420.417	440.417	429.217	22.300

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
Environmental Restoration & Waste Mgmt						
Operating Expenses						
Corrective Activities - Environment	43.846	27.689	27.689	27.689	27.689	0.000
Corrective Activities - Defense Programs	17.808	33.518	33.518	33.518	33.518	0.000
Environmental Restoration	833.215	1,074.392	1,074.392	1,082.392	1,074.392	0.000
Worker protection training			(10.000)	(10.000)	(0.000)	0.000
Waste Management	1,252.927	1,722.096	1,723.796	1,723.796	1,723.796	1.700
Technology Development	183.480	274.778	285.178	285.778	274.778	0.000
Continuous emissions monitoring			(0.400)	(0.000)	(0.400)	0.400
Accelerator transmutation of waste			(10.000)	(10.000)	(10.000)	10.000
Scholarship and fellowship programs			(1.000)	(1.000)	(0.000)	0.000
Transportation Management	14.660	18.220	18.220	18.220	18.220	0.000
Program Direction	24.106	24.749	24.749	24.749	24.749	0.000
Program Direction/Landlord	21.386					
Subtotal, ER&WM Operating Expenses	2,391.428	3,175.442	3,187.542	3,196.142	3,177.142	1.700
Construction						
GPD-171, General Plant Projects	63.689	88.027	88.027	88.027	88.027	0.000
92-D-171, mixed waste receiving and storage, Los Alamos National Laboratory, Los Alamos, New Mexico		6.640	6.640	6.640	6.640	0.000
92-D-172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas		2.400	2.400	2.400	2.400	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
92-D-173, NOx abatement facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho		7.000	7.000	7.000	7.000	0.000
92-D-174, sanitary landfill, Idaho National Engineering Laboratory, Idaho		10.000	10.000	10.000	10.000	0.000
92-D-176, B plant safety class ventilation upgrades, Richland		4.400	4.400	4.400	4.400	0.000
92-D-177 tank 101-AZ waste retrieval system, Richland		5.800	5.800	5.800	5.800	0.000
92-D-180, inter-area line upgrade, Savannah River, Aiken, South Carolina		2.100	2.100	2.100	2.100	0.000
92-D-181, fire and life safety improvements, Idaho National Engineering Laboratory, Idaho		3.000	3.000	3.000	3.000	0.000
92-D-182, sewer system upgrade, Idaho National Engineering Laboratory, Idaho		2.100	2.100	2.100	2.100	0.000
92-D-183, transportation complex, Idaho National Engineering Laboratory, Idaho		0.895	0.895	0.895	0.895	0.000
92-D-184, Hanford infrastructure underground storage tanks, Richland		0.300	0.300	0.300	0.300	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
92-D-185, road, ground, and lighting safety improvements, 300/1100 areas, Richland		0.800	0.800	0.800	0.800	0.000
92-D-186, steam system rehabilitation, Phase II, Richland		0.400	0.400	0.400	0.400	0.000
92-D-187, 300 area electrical distribution conversion and safety improvements, Phase II, Richland		1.100	1.100	1.100	1.100	0.000
92-D-402, sanitary sewer system rehabilitation, Lawrence Livermore National Laboratory, California		3.000	3.000	3.000	3.000	0.000
92-D-403, tank upgrades project, Lawrence Livermore National Laboratory, California		3.500	3.500	3.500	3.500	0.000
91-D-171, waste receiving and processing facility module 1, Richland, Washington	2.700	7.400	7.400	7.400	7.400	0.000
91-D-172, high-level waste tank farm replacement, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho	13.000	30.000	30.000	30.000	30.000	0.000
91-D-173, hazardous low-level waste processing tanks, Savannah River, South Carolina	5.800	10.100	10.100	10.100	10.100	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
91-D-175, 300 area electrical distribution conversion and safety improvements, Phase I, Richland, Washington	0.900	4.419	4.419	4.419	4.419	0.000
91-E-100, environmental and molecular sciences laboratory, Richland, Washington a/	a/	17.100	17.100	4.000	17.100	0.000
90-D-103, environment, safety, and health improvements, various locations	4.200					
90-D-125, steam ash disposal facility, Y-12 Plant, Oak Ridge, Tennessee	6.000	8.122	8.122	8.122	8.122	0.000
90-D-126, environment, safety, and health improvements, various locations		7.419	7.419	7.419	7.419	0.000
90-D-171, laboratory ventilation and electrical system upgrade, Richland, Washington	4.100	1.116	1.116	1.116	1.116	0.000
90-D-172, aging waste transfer lines, Richland, Washington	4.000	6.000	6.000	6.000	6.000	0.000
90-D-173, B plant canyon crane replacement, Richland, Washington	4.300	5.800	5.800	5.800	5.800	0.000

a/ In FY 1991, this activity was appropriated under the ESR&D appropriation ($5.170 million).

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
90-D-174, decontamination laundry facility, Richland, Washington	9.900	3.700	3.700	3.700	3.700	0.000
90-D-175, landlord program safety compliance-I, Richland, Washington	10.870	8.840	8.840	8.840	8.840	0.000
90-D-176, transuranic (TRU) waste facility, Savannah River, South Carolina	15.300	5.500	5.500	5.500	5.500	0.000
90-D-177, RWMC transuranic (TRU) waste treatment and storage facility, Idaho National Engineering Laboratory, Idaho Falls, Idaho	26.000	25.000	25.000	25.000	25.000	0.000
90-D-178, TSA retrieval containment building, Idaho National Engineering Laboratory, Idaho Falls, Idaho	11.100	4.490	4.490	4.490	4.490	0.000
89-D-122, production waste storage facilities, Y-12 plant, Oak Ridge, Tennessee	5.500	9.238	9.238	9.238	9.238	0.000
89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio	1.723	0.041	0.041	0.041	0.041	0.000
89-D-141, M-area waste disposal, Savannah River, South Carolina	7.500	4.170	4.170	4.170	4.170	0.000

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina	28.000					
89-D-171, Idaho National Engineering Laboratory road renovation, Idaho	7.300					
89-D-172, Hanford environmental compliance, Richland, Washington	42.460	27.700	27.700	27.700	27.700	0.000
89-D-173, tank tarm ventilation upgrade, Richland, Washington	3.400	4.231	4.231	4.231	4.231	0.000
89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina	11.330	14.145	14.145	14.145	14.145	0.000
89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina	7.600	4.330	4.330	4.330	4.330	0.000
88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico	3.500	1.546	1.546	1.546	1.546	0.000
88-D-173, Hanford waste vitrification plant, Richland, Washington	75.500	37.000	79.200	79.200	79.200	42.200
87-D-159, environment, health, and safety improvements, Phasas I, II, III, & VI, Feed Materials Production Center, Fernald, Ohio	27.586					

Fiscal Year 1992 Atomic Energy Defense Activities

[Amounts in millions of dollars]

	FY 1991 Authorization Conference	FY 1992 Authorization Request	FY 1992 HASC Mark	FY 1992 SASC Mark	FY1992 HASC/SASC Conference	Conference Minus Request
87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina		4.697	4.697	4.697	4.697	0.000
86-D-103, decontamination and waste technology, Lawrence Livermore National Laboratory, Livermore, California		5.060	5.060	5.060	5.060	0.000
83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina	5.000	9.100	9.100	9.100	9.100	0.000
Subtotal, ER&WM Construction	408.258	407.726	449.926	436.826	449.926	42.200
Capital Equipment						
Corrective Activities - Environment	1.980	1.249	1.249	1.249	1.249	0.000
Corrective Activities - Defense Programs	0.000	6.520	6.520	6.520	6.520	0.000
Waste Management	82.019	95.913	95.913	95.913	95.913	0.000
Technology Development	16.820	17.500	17.500	17.500	17.500	0.000
Transportation Management	0.000	0.650	0.650	0.650	0.650	0.000
Waste Transportation & Site Mgmt	19.098	0.000				
Subtotal, ER&WM Capital Equipment	119.917	121.832	121.832	121.832	121.832	0.000
Program savings & slippages	-129.751				-68.228	-68.228
Total, Environmental Restoration & Waste Mgmt	2,789.852	3,705.000	3,759.300	3,754.800	3,680.672	-24.328

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Operating expenses (sec. 3101)

The House bill contained a provision (sec. 3101) that would authorize $6.6 billion for operating expenses for national security programs of the Department of Energy.

The Senate amendment contained a provision (sec. 3101) that would authorize $6.8 billion.

The conferees recommend $6.8 billion for national security programs.

Education, training, and technology transfer operating expenses (sec. 3101)

The conferees recommend a separate funding category for certain education, training, and technology transfer programs arising out of the Department of Energy atomic energy defense activities, and recommend $49.9 million for these programs. This category would include $10.0 million for worker protection training to implement section 3131 of this act, $1.0 million for the scholarship to implement section 3132 of this act, $1.6 million for the Hanford health information network, and $8.0 million for site specific health assessments.

Hanford health information network (sec. 3101)

The Senate amendment contained a provision (sec. 3104(c)) that would authorize funding for the Handford health information network for fiscal years 1992–1994.

The House bill contained no similar provision.

The House recedes.

The conferees agree to provide funding for the Hanford health information network in annual amounts.

The conferees agree that of the funds authorized to be appropriated to the Department of Energy for fiscal year 1992, $1.6 million shall be available to implement the network. The conferees understand that additional sums of $1.8 million will be necessary in each of fiscal years 1993 and 1994.

Site specific health assessments (sec. 3101)

The Senate report (S. Rept. 102–113) directed the Department of Energy to complete agreements with the Agency for Toxic Substances and Disease Registry (ATSDR) to conduct health assessments at Department of Energy nuclear weapons sites. The conferees are concerned about the findings of the Office of Technology Assessment that the Department has no coherent strategy for evaluating the health risks presented by radioactive and hazardous contaminants present at the nuclear weapons sites. The conferees recommend $8.0 million to allow the Department of Energy Office of Environmental Restoration and Waste Management to work with the ATSDR to conduct these site specific health risk assessments.

Plant and capital equipment (sec. 3102)

The House bill contained a provision (sec. 3102) that would authorize $1.0 billion for plant and capital equipment and $420.4 million for plant and capital equipment not related to construction.

The Senate amendment contained a provision (sec. 3102) that would authorize $1.1 billion for plant and capital equipment and $440.4 for plant and capital equipment not related to construction.

The conferees recommend $1.0 billion for plant and capital equipment and $429.2 million for plant and capital equipment not related to construction.

Livermore roads (sec. 3102)

The conferees recommend $1.8 million for road improvements at Lawrence Livermore Laboratory (project 87–D–104, safeguards and security enhancements, Lawrence Livermore National Laboratory, Livermore, California), an increase of $650,000 over the budget request. The conferees intend that this funding may be used for any adjacent road improvements, and is not limited to Vasco Road improvements. The City of Livermore has made road improvements that specifically, but not exclusively, have benefited the Lawrence Livermore and Sandia national laboratories. The Department of Energy has provided $2.4 million to the City of Livermore for improvements to Vasco Road. While the Department of Energy has reimbursed the city for improvements adjacent to the site, there is continuing uncertainty about the Department of Energy's contribution policy for improvements for adjacent roads.

The conferees believe that the federal government should contribute to adjacent road improvements. The conferees recommend that the Department of Energy formulate a policy for funding road improvements that would apply at all Department sites, in conjunction with the City of Livermore and other affected government entities, and report to the Committees on Armed Services of the Senate and the House of Representatives on a recommended policy not later than March 1, 1992.

Environmental restoration and waste management (sec. 3103)

The House bill contained a provision (sec. 3103) that would authorize $3.8 billion for operations and plant and capital equipment for environmental restoration and waste management programs necessary for national security programs.

The Senate amendment contained a provision (sec. 3103) that would authorize $3.8 billion for operations and equipment.

The conferees recommend $3.7 billion for operations and equipment.

Reimbursement for water management (sec. 3103(b))

The Senate amendment contained a provision (sec. 3104(b)) that would direct the Secretary of Energy to reimburse the cities of Westminister, Broomfield, Thornton, and Northglen, Colorado in the amount of $70.137 million plus interest for costs, for costs they incurred in implementing a water management program for area communities. In addition, the provision would prevent the reimbursement from being considered a major federal action for the purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et. seq.).

The House bill contained no similar provision.

The House recedes with an amendment.

The amendment would allow the Secretary of Energy to reimburse the cities of Westminister, Broomfield, Thornton, and Northglen, Colorado for the cost of implementing a water management program for area communities, and would provide $10 million for fiscal year 1992. This is a multiyear project. The conferees believe that reimbursement should be considered on an annual basis, as expenditures are incurred. The conferees understand that the cost of the water management program is estimated not to exceed $70.137 million adjusted for inflation, $40.0 million to be spent in fiscal year 1993 and the remainder in fiscal year 1994.

Funding limitations: inertial confinement fusion (sec. 3104(a))

The House bill contained a provision (sec. 3104) that would specify that of the funds appropriated to the Department of Energy for fiscal year 1992 for operating expenses and plant and capital equipment, $197.0 million would be authorized for defense inertial confinement fusion.

The Senate amendment contained a similar provision (sec. 3104(a)).

The conferees agree that $197.0 million ($166.3 million for operating costs and $30.7 million for capital equipment) of the funds appropriated for fiscal year 1992 shall be available for the defense inertial confinement fusion program and expect that $197.0 million will be obligated for the defense inertial confinement fusion program.

Funding limitations: W–79 projectile modification (sec. 3104(b))

The Senate amendment contained a provision (sec. 3104(d)) that would prohibit funds appropriated or otherwise made available to the Department of Energy from being obligated for the modification of the W–79 atomic fired artillery projectile.

The House bill contained no similar provision.

The House recedes.

The conferees agree that this provision should not be interpreted to preclude actions necessary to ensure safe transportation and dismantlement of the W–79 atomic fired artillery projectile.

Reprogramming (sec. 3121)

The House bill contained a provision (sec. 3121) that would establish reprogramming procedures at the Department of Energy.

The Senate amendment contained a similar provision (sec. 3121).

The House recedes.

Limits on general plant projects (sec. 3122)

The House bill contained a provision (sec. 3122) that would allow the Secretary of Energy to carry out construction projects under the general plant projects provisions if the total estimated cost of the construction project did not exceed $1.2 million.

The Senate amendment contained a similar provision (sec. 3122) that would increase the general plant project limitation to $2.0 million.

The Senate recedes.

Limits on construction projects (sec. 3123)

The House bill contained a provision (sec. 3121) that would prohibit construction from being started or additional obligations from being incurred in conjunction with any construction project authorized by section 3102 or 3103 of this act when the current estimated cost of the construction project is 25 percent higher than either the amount authorized for the project or the total estimated cost of the project, until 30 days after the Secretary has submitted a notice detailing the proposed action.

The Senate amendment contained a similar provision (sec. 3123).

The House recedes.

Emergency planning, design, and construction activity (sec. 3126)

The House bill contained a provision (sec. 3126) that would establish procedures for emergency construction planning and design.

The Senate amendment contained a provision (sec. 3126) that would establish procedures for emergency construction planning and design, and construction activities.

The House recedes.

Worker protection at nuclear weapons facilities (sec. 3131)

The House bill contained a provision (sec. 3131) that would establish a grant program to provide training and education to persons who are or who may be engaged in hazardous substance response or emergency response actions at Department of Energy facilities. The provision also would provide for civil penalties against any Department of Energy contractor who fails either to provide training or to certify that the worker is adequately trained.

The Senate amendment contained a similar provision (sec. 3136).

The House recedes with an amendment.

Scholarship and fellowship program for environmental restoration and waste management (sec. 3132)

The House bill contained a provision (sec. 3132) that would require the Secretary of Energy to establish and manage a scholarship and fellowship program for full-time students who are enrolled in fields relevant to the Department of Energy Office of Environmental Restoration and Waste Management for the purpose of enabling individuals to qualify for environmental restoration and waste management positions in the Department.

The Senate amendment contained a similar provision (sec. 3131) that only differed in the repayment mechanism.

The House recedes with an amendment that would require full repayment of the loan amount in the event the participant does not complete the program. The conferees agree that the amendment would encourage program participants to complete the program and thus can be expected to provide the maximum benefit to the Office of Environmental Restoration and Waste Management.

Resumption of plutonium operations in buildings at Rocky Flats (sec. 3133)

The House bill contained a provision (sec. 3133) that would express the sense of Congress that the Secretary of Energy should extend the charter of the Advisory Committee on Nuclear Facility Safety, and that would require a report and certification by the Secretary of Energy prior to the resumption of any plutonium operations in buildings at the Rocky Flats Plant, Golden, Colorado.

The Senate amendment contained a provision (sec. 3135) that would prevent the Secretary of Energy from resuming plutonium operations at the Rocky Flats Plant until the Secretary of Energy had responded to certain recommendations of the Defense Nuclear Facilities Safety Board, and until the Defense Science Board and the Nuclear Weapons Council had completed a joint report on the feasibility of reusing plutonium pits in warhead manufacture.

The House recedes with an amendment.

The amendment would provide that the Secretary of Energy may not resume production of plutonium warhead components until April 1, 1992, or 30 days after the date on which the Secretary of Energy certifies that the production of the warhead component, scheduled to be produced, is in the interest of national security. The amendment would require the Defense Science Board to prepare a report on the feasibility of using existing plutonium pits, in lieu of manufacturing new pits, but would provide an opportunity for the Secretary of Defense and the Secretary of Energy to review the report and to submit comments on the report, and any other related matters, to Congress.

Defense environmental restoration and waste management account (sec. 3134)

The Senate amendment contained a provision (sec. 3132(e)) that would establish in the Treasury of the United States for the Department of Energy an account to be known as the "Defense Environmental Restoration Account." All sums appropriated for the Department of Energy defense environmental restoration and waste management program would be credited to this account.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Environmental restoration and waste management five-year plan and budget reports (sec. 3135)

The Senate amendment contained a provision (sec. 3132(c)) that would direct the Secretary of Energy to prepare a five-year plan for the environmental restoration and waste management activities at Department of Energy defense nuclear facilities that would have been created under section 3132(a) of the Senate amendment.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the scope of the annual five-year plan to cover defense and non-defense environmental restoration and waste management activities.

Five-year plan and grants (sec. 3135(b))

The Senate amendment contained a provision (sec. 3132) that would establish an Office of Environmental Restoration at the Department of Energy; create an environmental restoration program; direct the Secretary to prepare an annual environmental restoration and waste management five-year plan, including a proposed order of priorities; and authorize the Secretary to make grants and to enter into cooperative agreements with affected states and Indian tribes to facilitate participation in the five-year planning process. Subsection 3103(b)(2) would provide a general authorization for the Secretary of Energy to make grants and cooperative agreements.

The House bill contained no similar provision.

The House recedes with an amendment. The conferees recommend $20.0 million for fiscal year 1992 for grants and cooperative agreements to assist affected states and Indian tribes to participate in the development of the five-year plan. The conferees believe that the Department of Energy five-year planning process will, in the long run, benefit from broad public interaction. For that reason, the conferees direct the Department of Energy to urge any state that receives a grant pursuant to this subsection to utilize some of the grant funding to encourage broad public participation.

Critical technology partnerships (sec. 3136)

The Senate amendment contained three provisions (secs. 3137–3139) that would require or permit the Secretary of Energy to enter into partnerships involving private entities and Department of Energy laboratories for certain research and development.

The House bill contained no similar provisions.

The conferees agree to a provision that would require that the Secretary of Energy ensure, to the maximum extent practicable, that defense research and development involving dual use critical technologies is conducted through partnerships involving laboratories of the Department of Energy, eligible firms, and other appropriate participants.

The conferees recognize the substantial overlap between military and commercial technologies and the very substantial capabilities in dual use technologies that exist within the private sector. The conferees expect that the effect of the provision will be that a growing portion of the Department of Energy defense programs research and development activities will be conducted within partnership arrangements involving substantial participation by private sector entities.

The conferees believe that participants in partnerships should be selected on the basis of merit. Selection of a participant should emphasize technical excellence, personnel quality, financial capacity, and the overall potential of a participant to contribute to the development of dual use critical technology.

The conferees recommend that the Secretary encourage jointly-funded partnerships involving two or more eligible firms in order to provide a more solid foundation for further development of the technology following the partnership. The conferees also recommend that the Secretary seek, to the maximum extent practicable, partnerships in which the non-federal participants contribute at least 50 percent of the total cost of the partnership activities, including the fair market value of equipment, services, materials, and other tangible contributions to a partnership.

The conferees believe that the appropriate allocation of ownership of intellectual property rights will be key to the successful establishment of partnerships in which the private sector participants are making a substantial contribution to the total cost of the partnership. The conferees believe that existing statutes, executive orders, and regulations provide the Secretary with necessary authority for the appropriate allocation of ownership of intellectual property rights and the protection of information developed within a partnership. The conferees urge that the Secretary use such existing authority in order to facilitate the establishment of dual-use critical technology partnerships that involve the Department of Energy and Department of Energy laboratories.

The Senate report (S. Rept. 102–113) allocated $10.0 million to establish at least two partnerships for the development of advanced materials synthesis and processing, $15.0 million to establish at least three partnerships for the development of advanced manufacturing technologies, and $15.0 million for other critical technology partnerships. The conference agreement would require that, to the maximum extent practicable, all research and development involving dual use critical technologies carried out under atomic energy defense activities, other than the naval nuclear propulsion program, be conducted through partnerships. Therefore, the conferees do not specify specific amounts for partnership arrangements. The conferees agree that the sums available for research on, and development of, dual use critical technologies through partnership arrangements are limited only by the total sums available for research and development activities, and are not limited to sums authorized for technology transfer.

National Atomic Museum (sec. 3137)

The Senate amendment contained provisions (secs. 3141–3145) that would recognize the National Atomic Museum as the official atomic museum of the United States; authorize the Department of Energy to recruit and train volunteers and to treat volunteers as federal employees for purposes of the Federal Tort Claims Act and for worker-related injuries; authorize the museum to accept gifts and operate a retail outlet; authorize the museum to operate a library and to serve as a repository for information and items reflecting the atomic age.

The House bill contained no similar provision.

The House recedes with a technical amendment. The conferees note with appreciation the role played by the late Herman Roser in drafting the charter of this museum.

Revision of waiver of post-employment restrictions applicable to employees of certain Department of Energy laboratories (sec. 3138)

The Senate amendment contained a provision (sec. 3134) that would revise post-employment restrictions applicable to employees of certain national laboratories at the Department of Energy.

The House bill contained no similar provision.

The House recedes.

Sense of congress regarding designation of site for new production reactor at Savannah River, South Carolina, site (sec. 3139)

The House bill contained a provision (sec. 3134) that would express the sense of Congress that the Secretary of Energy should select the Savannah River site as the site of the new production reactor. The provision also would direct the Secretary of Energy to submit a report to Congress detailing the reasons for the decision, if the Secretary selects a site other than the Savannah River site.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on schedule for resumption of nuclear testing talks and test ban readiness program (sec. 3140)

The House bill contained a provision (sec. 3136) that would express the sense of Congress concerning achievement of a comprehensive test ban.

The Senate amendment contained a provision (sec. 1143) that would express the sense of Congress regarding nuclear weapons testing limitation talks.

The House recedes with an amendment.

The conferees agree that the United States and Soviet Union share a special responsibility to resume nuclear testing talks to continue negotiations toward additional limitations on nuclear weapons testing. The amendment would direct the President to submit a report containing a proposed schedule for the resumption of these talks.

In light of recent U.S. initiatives to reduce the number and change the status of nuclear weapons, and the response from the Soviet republics, the conferees agree that the Department of Energy should continue to develop technologies that would be useful in the event of an agreement to stop underground nuclear weapons testing. The conferees encourage the Secretary of Energy to increase efforts to develop and maintain relevant skills training programs and to continue research and development efforts in such areas as hydrodynamic test capabilities, including flash x-ray technology; advanced computational capability; inertial confinement fusion; and weapons standardization.

The conferees recommend $20.0 million for test ban readiness activities.

Warhead dismantlement and material disposal (sec. 3141)

The Senate amendment contained a provision (sec. 1147) that would require the technical advisory committee on verification of fissile material and nuclear warhead controls, which was established pursuant to section 3151 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), to submit a report, which was due on April 30, 1991, no later than 60 days after the date of enactment of this act.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree to a provision that would endorse the warhead dismantlement initiatives announced by the President of the United States on September 27, 1991 and the President of the Soviet Union on October 5, 1991. The provision also would make $10.0 million available to conduct a program to develop and demonstrate a means for a verifiable dismantlement of warheads.

Report on nuclear weapons matters (sec. 3142)

Sweeping changes have taken place since the defense authorization bills were originated and passed by the House of Representatives and the Senate. The strategic arms reduction talks (START) treaty was signed and awaits ratification. On September 27, 1991, the President announced broad, unprecedented unilateral changes to the alert status of U.S. nuclear forces and to the U.S. stockpile. Most of the inventory of forward-based tactical nuclear weapons are being returned to the United States. Also, the retirement of ICBMs and Poseidon ballistic missile submarines that would have to be removed under START has been accelerated. Finally, the President has announced his intention to seek further reductions in the overall level of nuclear weapons.

The effects of these changes have not yet been fully analyzed, particularly as they affect facility modernization within the Department of Energy defense programs and the role of existing facilities.

The conferees believe a careful examination is needed of the effect of the recently announced nuclear stockpile decisions on the needs for plutonium processing and fabrication capabilities for tritium production. Accordingly, the conferees recommend a provision that would require the President to submit a report on the plan for the nuclear weapons stockpile for the next decade and the implications of this plan for nuclear materials production and processing capabilities. The report would specifically address when new replacement facilities for the K-reactor and for the Rocky Flats Plant need to be brought on line.

The conferees note that the President has not proposed the elimination of nuclear weapons. Accordingly, it is unlikely that obsolescent nuclear weapons production facilities can simply be decommissioned; rather, they will likely have to be replaced. The conferees agree that planning for a new production reactor and relocation of the Rocky Flats Plant plutonium processing operations should continue as urgent high priority activities.

The conferees believe that the Department of Energy should manage any transitions in the nuclear weapons complex with minimum dislocation and disruption to the existing workforce. Accordingly, the conferees recommend a requirement that the report include a plan for assistance to the workforce at Rocky Flats and at the K-reactor, including retraining for new employment opportunities at the sites, that could be provided in the event that either facility ceases production.

LEGISLATIVE PROVISIONS NOT ADOPTED

Amendment to the Atomic Energy Community Act of 1955

The House bill contained a provision (sec. 3135) that would amend the Atomic Energy Community Act of 1955 to provide that annual assistance payments could be made only if the recipient provides satisfactory assurances to the Secretary of Energy that the payments would be used to supplement and not supplant the level of State and local funds that would be available in the absence of the federal payment.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree that the community assistance payments should be used for their originally intended purpose—to assist the local community affected by Department of Energy activities. The conferees are concerned that the State of New Mexico is using these payments to offset, and thus reduce, funding that would otherwise be provided to the Los Alamos, New Mexico School Board by the State of New Mexico. The conferees agree that the intention of federal assistance is to provide aid to the community with a federal facility to supplement and not to supplant funding that would otherwise be available to the community. The conferees urge the State not to further supplant the funds paid to the School Board.

Sense of Congress concerning treatment of strategic target system program under the National Environmental Policy Act of 1969

The House bill contained a provision (sec. 3137) that would express the sense of the Congress that the strategic target system program conducted by the Sandia National Laboratories at the Kauai Test Facility of the Pacific Missile Range Facility, Kauai, Hawaii, should be treated as a major federal action for the purposes of section 102(2)(C) of the National Environmental Policy Act of 1969.

The Senate amendment contained no similar provision.

The House recedes.

General reduction

The Senate amendment contained a provision (sec. 3105) that would reduce the amount authorized to be appropriated for the Department of Energy by $76.3 million.

the House bill contained no similar provision.

The Senate recedes.

Defense environmental restoration and waste management program

The Senate amendment contained a provision (sec. 3121(a)) that would direct the Secretary of Energy to establish and carry out a defense environmental restoration and waste management program, including technology research and development and technology demonstration activities at defense nuclear facilities.

The House bill contained no similar provision.

The Senate recedes.

Office of environmental restoration and waste management

The Senate amendment contains a provision (sec. 3132(b)) that would establish an office of Environmental Restoration and Waste Management at the Department of Energy to carry out the Defense Environmental Restoration and Waste Management Program.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree that the Department of Energy environmental restoration and waste management activities, including research, development, and demonstration activities, should be carried out by an office devoted to these activities and headed by an Assistant Secretary. Over a year ago, the Secretary of Energy announced his intention to create such an office and to assign an Assistant Secretary of Energy to run the office.

The conferees are pleased that the nomination of a candidate for an Assistant Secretary of Energy to manage these activities has recently been submitted.

Private sector participation in waste cleanup and modernization activities

The Senate amendment contained a provision (sec. 3133) that would authorize the Secretary of Energy to enter into long-term contracts for products and services in furtherance of waste cleanup and modernization activities of the Department of Energy. Under the Senate amendment, a contractor would be required to comply with any applicable labor agreement.

The purpose of the Senate amendment was to stimulate construction of privately capitalized, owned, and operated facilities that would provide products and services to the Department of Energy. Long-term contracts would help contractors attract the capital needed for construction. Private investment would reduce the investment necessary by the federal government to carry out waste treatment and modernization activities.

The House bill contained no similar provision.

The Senate recedes.

The conferees conclude that a number of issues associated with long term contract authority simply could not be resolved in the conference. The conferees agree that the committees of jurisdiction should further consider the matter during the next year.

The conferees support the objectives of the Senate provision and endorse the acquisition of products and services from the private sector when such action is cost effective. The conferees note that the time and cost required to construct and bring into operation a privately owned facility may be less than the time and cost to complete a comparable government-owned facility. This could allow more rapid and lower cost cleanup actions at Department of Energy facilities.

The conferees note that the Secretary of Energy presently has authority under section 161(u) of the Atomic Energy Act of 1954 to enter into contracts for periods up to 10 years. The conferees encourage the use of this authority where appropriate and cost effective. To the extent that the present authority is insufficient to permit cost effective employment of services provided by the private sector, the conferees direct the Secretary of Energy to submit a report, due February 1, 1992, that describes the additional authorities that are needed to achieve these ends.

ITEMS OF SPECIAL INTEREST

New Production Reactor

The budget request included $500.0 million for the New Production Reactor.

The House bill would authorize $555.0 million for the New Production Reactor.

The Senate amendment would authorize $552.0 million for the New Production Reactor.

The conferees recommend $515.5 million for the New Production Reactor. This level of funding for the New Production Reactor does not include sufficient funds to complete technology development for a light water target. The conferees believe that the work in progress on this technology should be finished, utilizing weapons activities and materials production funds.

The conferees also agree that a long-term, reliable, continued supply of tritium is necessary to national security and urge the Department of Energy to pursue aggressively the New Production Reactor program.

Research on continuous incinerator monitoring

The House bill would authorize $400,000 for the Argonne National Laboratory to develop a continuous emission monitor using Fourier transform infrared spectrometry and to demonstrate the technology on an effluent stack at a Department of Energy defense facility such as Oak Ridge, Kansas City, Los Alamos, or Sandia National Laboratory.

The Senate amendment contained no similar authorization.

The conferees agree that the Department should develop this continuous monitoring capability for air emissions to ensure regulatory compliance and increase public acceptance of incinerators as a treatment technology for waste streams. The conferees recommend $400,000 for this purpose.

Environmental and Molecular Sciences Laboratory

The budget request included $17.1 million for the Environmental and Molecular Sciences Laboratory.

The House bill would authorize $17.1 million.

The Senate amendment would authorize $4.0 million.

The conferees recommend $17.1 million. The conferees remain concerned that the Department of Energy has not fully explained either the purpose of the laboratory, or the relationship of the laboratory to Department of Energy defense activities, or to other existing Department of Energy defense and multi-program laboratories.

The conferees also recognize the need for a capability to characterize, manage, and remediate the hazardous and nuclear wastes that have been generated over the past 40 years as a part of the federal government's effort to produce materials for national security programs.

The conferees direct the Secretary of Energy to submit a report to the congressional defense committees that: defines the mission of the Environmental and Molecular Sciences Laboratory; describes the relationship of the laboratory to existing Department of Energy laboratories, including any effect on funding and personnel levels; describes the funding to be provided to the laboratory by both the defense and non-defense elements of the Department of Energy; describes the total estimated cost, and the total project cost of the laboratory; assesses the capabilities that the laboratory will possess that do not exist at other Department of Energy laboratories; and discusses the Department's plans to ensure that there is no duplication of research between this and any other Department of Energy or federal laboratory.

The conferees direct that no funds be obligated for construction activities or procurement until 30 days after the date on which the report is submitted to the congressional defense committees.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

Title XXXII of the House bill contained a provision (sec. 3201) that would authorize $12.0 million for the operation of the Defense Nuclear Facilities Safety Board.

Title XXXII of the Senate amendment contained a similar provision (sec. 3201) that would authorize $12.0 million for fiscal year 1992 and $14.0 million for fiscal year 1993 for the operation of the Defense Nuclear Facilities Safety Board.

The conferees recommend $12.0 million for the operation of the Defense Nuclear Facilities Safety Board for fiscal year 1992.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISION ADOPTED

Powers and functions of the Defense Nuclear Facilities Safety Board (sec. 3202)

The House bill contained a provision (sec. 3138) that would amend the Atomic Energy Act to expand the authority of the Defense Nuclear Facilities Safety Board to include the Department of Energy Pantex facility in Texas, provide that the authority of the Board does not extend to the safety of atomic weapons, and clarify that the Board shall have access to atomic weapons information necessary to carry out its functions.

The Senate amendment contained a provision (sec. 3202) that would amend the Atomic Energy Act to expand the authority of the Defense Nuclear Facilities Safety Board to include the Pantex facility in Texas and the Nevada Test Site. The provision would also increase the number of full-time equivalent employees from 100 to 150, provide that the authority of the Board does not extend to the safety of atomic weapons, and provide that the Board shall have access to such atomic weapons information as the Board determines is necessary to carry out its functions.

The House recedes with an amendment that would authorize the Board access to weapons information necessary to carry out its functions under subsection (a) of section 312 of the Atomic Energy Act, as amended by this provision. The conferees recognize that there may be occasions on which the Board may require access to atomic weapons information to carry out its statutory functions and expect the Secretary of Energy to provide such information as is necessary for the Board to carry out its responsibilities.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

PART A—CHANGES IN STOCKPILE AMOUNTS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization of disposals (sec. 3301)

The House bill contained a provision (sec. 3301) that would amend the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189) to limit the value of materials disposed of from the stockpile to $180.0 million during each of the fiscal years 1992 and 1993.

The Senate amendment contained a provision (sec. 3301) that would authorize disposal of quantities of 10 materials from the stockpile, and provide that this disposal authority is in addition to any other disposal authority.

The House recedes with an amendment that would authorize the disposal of quantities of 10 materials from the stockpile and limit the value of materials disposed of from the stockpile to $150.0 million during each of the fiscal years 1992 and 1993.

Authorization of acquisitions (sec. 3302)

The House bill contained a provision (sec. 3301) that would amend the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189) to require the obligation of $180.0 million in each of the fiscal years 1992 and 1993, subject to such limitations as may be provided in appropriations acts, for acquisition and upgrade of materials for the stockpile.

The Senate amendment contained a provision (sec. 3301) that would permit the National Defense Stockpile Manager to obligate $133.7 million out of funds of the National Defense Stockpile Transaction Fund, subject to such limitations as may be provided in appropriations acts, for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)). Of this amount, $25.0 million could be obligated for materials development and research.

The Senate recedes with an amendment that would require obligation of $150.0 million in each of the fiscal years 1992 and 1993 for acquisition and upgrade of stockpile materials, subject to such limitations as may be provided in appropriations acts. Of this amount, $25.0 million may be obligated each year for materials development and research under section 9(b)(2)(G) of the Strategic and Critical materials Stock Piling Act (50 U.S.C. 98h).

Part B—Programmatic Changes

LEGISLATIVE PROVISION ADOPTED

Materials development and research (sec. 3311)

The Senate amendment contained a provision (sec. 3311) that would permit materials development and research with funds from the Stockpile Transaction Fund, and would require that any materials development and research projects conducted with funds from the Stockpile Transaction Fund be included in the Stockpile Manager's Annual Materials Plan.

The House bill contained no similar provision.

The House recedes with an amendment that would permit the use of the Stockpile Transaction Fund for materials development and research contracts awarded on a competitive basis. The conferees direct that notification of proposed materials development and research projects shall be included in the Annual Materials Plan, or amendments thereto, submitted to Congress under the Stock Piling Act. Any proposed development and research projects contained in an amendment to an Annual Materials Plan, or any materials development and research projects included in an original Annual Materials Plan submitted after the legally required due date, shall be considered to be a reprogramming that is subject to prior approval reprogramming procedures.

Rotation of stockpile materials (sec. 3312)

The Senate amendment contained a provision (sec. 3314) that would expand the conditions under which the Stockpile Manager may rotate stockpile materials to include technological obsolescence.

The House bill contained no similar provision.

The House recedes with an amendment that would permit the Stockpile Manager to acquire better materials when rotating stockpile materials.

Increased interval between reports to Congress (sec. 3313)

The Senate amendment contained a provision (sec. 3316) that would change the report on stockpile operations from a six-month report to an annual report, and would change the annual report on stockpile requirements to a biennial report.

The House bill contained no similar provision.

The House recedes with an amendment that would require each report to be submitted not later than January 15 of the year due.

Continuation of disposal authority during periods of vacancy in the position of Stockpile Manager or deficiency in delegation of authority to the Stockpile Manager (sec. 3314)

The Senate amendment contained a provision (sec. 3317) that would repeal section 16(d) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(7)), which prohibited a continuation of disposal authority during periods of vacancy in the position of Stockpile Manager or deficiency in delegation of authority to the Stockpile Manager.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Procedures for changing objectives for stockpile quantities

The Senate amendment contained a provision (sec. 3312) that would allow changes in stockpile requirements to take place 30 calendar days after notification of Congress. Under current law, such changes require authorizing legislation or, in the case of a change of less than 10 percent, an effective date after the start of the next fiscal year.

The House bill contained no similar provision.

The Senate recedes.

Authority for stockpile operations.

The Senate amendment contained a provision (sec. 3313) that would allow changes in the Annual Materials Plan to become effective 30 days after notification of the Congress, and would eliminate the prohibition on the disposal of stockpile materials when the unobligated balance in the Stockpile Transaction Fund exceeds $100.0 million and the two-year limit on expenditures of funds appropriated from the Fund.

The House bill contained no similar provision.

The Senate recedes.

Authorized purposes for expenditures from the National Defense Stockpile Transaction Fund

The Senate amendment contained a provision (sec. 3315) that would expand the use of Stockpile Transaction Fund money to cover the operating costs of the stockpile.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIV—CIVIL DEFENSE

Legislative Provision

LEGISLATIVE PROVISION ADOPTED

Civil defense (sec. 3401)

The amended budget request included $153.6 million for activities authorized under the Federal Civil Defense Act of 1950, as amended.

The House bill would authorize the requested amount. The House bill expressed the view that the civil defense program should focus on the consequences, instead of the causes, of disasters and that the Federal Emergency Management Agency (FEMA) should maximize its readiness to deal with the types of disasters most likely to occur. The House bill encouraged the administration to submit an estimate of resources necessary to prepare to respond to the types of disasters most likely to occur.

The Senate amendment would authorize $143.6 million, a reduction of $10.0 million, on the grounds that the risk of a nuclear war has been assessed by DoD to be lower than at any time in the postwar period.

The conferees recommend $148.6 million, a reduction of $5.0 million from the request. The conferees recommend that the administration reexamine disaster preparedness resource requirements and reconsider how best to structure the FEMA mission statement and funding arrangements. As a defense function, the civil defense budget outlook is not bright, given the trend in defense spending overall and the reduced risk of nuclear war in particular. If it is determined that national disaster preparedness requirements exceed the scope and resources that can be justified for national defense, alternative funding arrangements must be addressed. The conferees request that an interagency study group be established to examine these issues and to provide a report to the Congress by April 1, 1992.

TITLE XXXV—PANAMA CANAL COMMISSION

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Panama Canal Commission authorization (secs. 3501–3504)

The Senate amendment contained provisions (secs. 3501–3504) that would authorize expenditures for fiscal year 1992 for the Panama Canal Commission. The provisions would also adjust the executive level and pay of the Administrator of the Commission commensurate with the responsibilities of that office. The provisions of the Senate amendment are identical to H.R. 1775, the Panama Canal Commission Authorization Act for Fiscal Year 1992, as passed by the House of Representatives on June 25, 1991.

The House bill contained no similar provision.

The House recedes.

Policy on military base rights in Panama (sec. 3505)

The Senate amendment contained a provision (sec. 3506) that would state a number of findings concerning the Panama Canal and the treaty requirement that the U.S. military presence in Panama must end by December 31, 1999. The provision would also express the sense of the Congress that the President should begin negotiations with the Government of Panama to consider whether a new base rights agreement should be negotiated to allow the stationing of U.S. military forces in Panama in the next century.

The House bill contained no similar provision.

The House recedes with an amendment that would preserve most of the findings of the Senate provision and express the sense of the Congress that the President should begin negotiations with the Government of Panama at a mutually acceptable time to consider whether the two Governments should allow the stationing of United States military forces in Panama beyond December 31, 1999. The conferees note, moreover, that the continued presence of the headquarters of the U.S. Southern Command in its area of responsibility is extremely important and call on the Secretary of Defense to avoid any premature action to relocate that headquarters.

From the Committee on Armed Services, for consideration of the entire House bill and Senate amendment, and modifications committed to conference:

Les Aspin,
G.V. Montgomery,
Bev Byron,
Nicholas Mavroules,
Earl Hutto,
Ike Skelton,
Dave McCurdy,
Thomas M. Foglietta,
Marilyn Lloyd,
Norman Sisisky,
Richard Ray,
John Spratt,
Frank McCloskey,
Solomon P. Ortiz,
George (Buddy) Darden,

For all provisions of the conference report except the failure to include the F–14 Program and property fund B–1B–ECM:

George J.
Hochbrueckner,

For all provisions of the conference report except those relating to the F-14:

Owen Pickett,
H. Martin Lancaster,
John Tanner,
Michael R. McNulty,
Glen Browder,
Gene Taylor,
William L. Dickinson,
Floyd Spence,
Larry J. Hopkins,
Bob Davis,
David O'B Martin,
John R. Kasich,
Herbert H. Bateman,
Ben Blaz,
Andy Ireland,
Curt Weldon,
Jon Kyl,
Arthur Ravenel, Jr.,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

Charles Wilson,

As additional conferees from the Committee on Education and Labor, for consideration of secs. 3131 and 3132 of the House bill, and secs. 805, 811, 2109, 2807, 3131 and 3136 of the Senate amendment, and modifications committed to conference:

William D. Ford,
Joseph M. Gaydos,
Dale E. Kildee,
Pat Williams,
Carl C. Perkins,
Bill Goodling,
Paul B. Henry,

As additional conferees from the Committee on Energy and Commerce, for consideration of secs. 331, 336, 817, 3131–33, 3138, and 3201 of the House bill, and secs. 320, 826, 2804, 2806, 2846, 3131–33, 3135–36, 3138–39, 3201 and 3202 of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Al Swift,
Dennis E. Eckart,
Jim Slattery,
Don Ritter,
Jack Fields,

As additional conferees from the Committee on Foreign Affairs, for consideration of secs. 234, 304, 313, 812 and 3136 of the House bill, and secs. 211(b)(3), (g), (h), and (i), 229, 304, that portion of sec. 801 adding 10 USC 2526, secs. 905, 940, 1111, 1113, 1117–22, 1127, 1129, 1113–34, 1138, 1143–44 and 1147 of the Senate amendment, and modifications committed to conference:

Dante B. Fascell,
Lee H. Hamilton,
Gus Yatron,
Stephen J. Solarz,
Howard L. Berman,
Wm. S. Broomfield,
Ben Gilman,
Robert J. Lagomarsino,

As additional conferees from the Committee on Government Operations, for consideration of secs. 811, 816 and 817 of the House bill, and secs. 319, 527, 826, 829, 835, 839, 1103, 1141, 2806, and 2823 of the Senate amendment, and modifications committed to conference: We agree with all provisions with the exception of section 822 of the Senate amendment:

John Conyers, Jr.,
Glenn English,
Mike Synar,
Bob Wise,
Barbara Boxer,
Frank Horton,
Christopher Shays,
Steven Schiff,

As additional conferees from the Committee on the Judiciary, for consideration of sec. 817 of the House bill, and secs. 626, 826, 1128, 3131(e)(5), 3134, and 3145(b)(4) of the Senate amendment, and modifications committed to conference:

Jack Brooks,
Barney Frank,
Don Edwards,

As additional conferees from the Committee on Merchant Marine and Fisheries, for consideration of secs. 521–29 of the House bill, and title XXXV of the Senate amendment, and modifications committed to conference:

Walter B. Jones,
Gerry E. Studds,
Billy Tauzin,
Don Young,
Jack Fields,

As additional conferees from the Committee on Post Office and Civil Service, for consideration of sec. 508 of the House bill, and secs. 526, 622, 624, 627, 831, and 3504 of the Senate amendment, and modifications committed to conference:

William L. Clay,
Mary Rose Oakar,
Gerry Sikorski,
Gary L. Ackerman,
Tom Sawyer,
Ben Gilman,
Frank Horton,
John Myers,

As additional conferees from the Committee on Public Works and Transportation, for consideration of sec. 336 of the House bill, and sec. 2810(g) of the Senate amendment, and modifications committed to conference:

Robert A. Roe,
Glenn M. Anderson,
Robert A. Borski,
James L. Oberstar,
John Paul
Hammerschmidt,
Bud Shuster,
Thomas E. Petri,

As additional conferees from the Committee on Science, Space and Technology, for consideration of secs. 801–05, 811, 907, 3132, and 3137–39 of the Senate amendment, and modifications committed to conference:

George E. Brown, Jr.,
James H. Scheuer,
Tim Valentine,
Rick Boucher,
Richard H. Stallings,

As additional conferees from the Committee on Small Business, for consideration of sec. 842 of the Senate amendment, and modifications committed to conference:

John J. LaFalce,
Neal Smith,

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of secs. 804 and 807 of the Senate amendment, and modifications committed to conference:

Tom Carper,
John J. LaFalce,
Mary Rose Oakar,
Bruce F. Vento,
Paul E. Kanjorski,
Tom Ridge,
Bill Paxton,
Mel Hancock,

Managers on the Part of the House.

Sam Nunn,
J. James Exon,
Carl Levin,
Ted Kennedy,
Jeff Bingaman,
Alan J. Dixon,
John Glenn,
Al Gore,
Tim Wirth,
Richard Shelby,
Robert C. Byrd,
John W. Warner,
Strom Thurmond,
Bill Cohen,
John McCain,
Malcolm Wallop,
Trent Lott,
Dan Coats,
Connie Mack,
Bob Smith,

Managers on the Part of the Senate.

Mr. COX of Illinois. Mr. Speaker, I would like to express my support for H.R. 2100, Defense authorization for fiscal year 1992. However, with my support for many of the provisions in this bill comes some serious reservations and concerns. Our country's defense policy, and the money appropriated for this purpose, should reflect the current conditions in the international arena. In addition, the tremendous budget deficit should encourage us to prioritize the spending needs of this country. Sections of this bill fail to comply with these two important realities.

The increased funding for the strategic defense initiative [SDI] in H.R. 2100 does not reflect the developing cooperation between the United States and the Soviet Union, and the steps toward democracy taken by countries throughout Eastern Europe and the Third World. The adoption of the Senate-passed Missile Defense Act can only send a confrontational message to a world working toward cooperation and interdependence. This bill authorizes United States' deployment of a defensive, antiballistic missile system for the first time since the signing of the 1972 ABM Treaty, and it urges the President to pursue negotiations, which if successful, would make the treaty meaningless. Why are we taking steps backward in the arms control process, when we finally have the flexibility to take strides forward?

This level of spending, $1 billion more than last year, also fails to comply with the critical need to control Federal spending. In light of current budget constraints, a weak economy, and the many domestic priorities this country must address, we should not be increasing SDI funding for the first time since fiscal year 1988. Instead, we must constrain funding for programs that our country simply cannot afford.

Before being elected to the U.S. House of Representatives, I told the voters of the 16th District of Illinois that fiscal responsibility would be a top priority for me, and that our Government must start focusing on what lies ahead for future generations. I am supporting this bill because of the significant controls it makes on the procurement of the B–2 bomber and on other weapons programs, especially those in the Department of Energy. However, the inordinate amount of funding for SDI, which includes many elements from the Senate Missile Defense Act and was never debated by this body, is an important segment of this legislation that I do not support.

I look forward to efforts next year to control funding for this program and others which directly thwart progress toward alleviating our budget deficit. We must protect our children and our grandchildren, as they will be the ones who will ultimately pay for these programs.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BATEMAN (at the request of Mr. MICHEL), until 5:45 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RIGGS) to revise and extend their remarks and include extraneous material:)

Mr. RIGGS, for 60 minutes each day, on November 18, 19, 20, and 21.

Mr. DUNCAN, for 60 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. TALLON, for 5 minutes, today.

Mr. SERRANO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. STUDDS, for 5 minutes, today.

(The following Member (at the request of Mr. ESPY) to revise and extend his remarks and include extraneous material:)

Mr. GEPHARDT, for 60 minutes each day, on November 20 and 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. RIGGS) and to include extraneous matter:)

Mr. DANNEMEYER.
Mr. DOOLITTLE.
Mr. PORTER.
Mr. GREEN of New York.
Mr. BURTON of Indiana.
Ms. ROS-LEHTINEN in nine instances.
Mr. FRANKS of Connecticut.
Mr. SOLOMON.
Mr. BEREUTER.
Mr. WYLIE.
Mr. GILMAN.
Mr. DELAY.
Mr. CHANDLER.
Mr. MICHEL.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. CARDIN in two instances.
Mr. HAMILTON.
Mr. LANTOS.
Mr. TALLON.
Mr. RANGEL.
Mr. BORSKI.
Mr. JACOBS.
Mr. TORRES in four instances.
Mr. ASPIN.
Mr. LUKEN.
Mr. RAHALL in three instances.
Mr. DINGELL.
Mr. HUBBARD.
Mr. MAZZOLI.
Mr. GUARINI.
Mr. SOLARZ.
Mr. LEHMAN of Florida.
Mr. DIXON.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1287. An act to amend the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et. seq.); to the Committee on Interior and Insular Affairs.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3402. An act to amend the Public Health Service Act to revise and extend certain programs regarding health information, health promotion, and vaccine injury compensation; and

H.J. Res. 374. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1745. An act to amend the Civil Rights Act of 1964 to strengthen and improve Federal civil rights laws, to provide for damages in cases of intentional employment discrimination, to clarify provisions regarding disparate impact actions, and for other purposes.

ADJOURNMENT

Mr. DUNCAN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 21 minutes p.m.) the House adjourned until tomorrow, Thursday, November 14, 1991, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2335. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of November 1, 1991, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 102-161); to the Committee on Appropriations and ordered to be printed.

2336. A letter from the Deputy Secretary of Defense, transmitting a report on alternative Peacekeeper missile test plans, pursuant to section 135 of the National Defense Authorization Act, fiscal year 1991; to the Committee on Armed Services.

2337. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 2350c of title 10, United States Code, to change the requirement for liquidating credits and liabilities accrued under cooperative airlift agreements from every 3 months to a period agreed upon by the parties on a regular basis, not to exceed every 24 months; to provide for space available travel for the military forces of an allied nation; and for other purposes; to the Committee on Armed Services.

2338. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Venezuela, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

2339. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving United States exports to Venezuela, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking, Finance and Urban Affairs.

2340. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 9-97, "District of Columbia Procurement Practices Act of 1985 Council Contract Approval Procedures Temporary Amendment Act of 1991," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

2341. A letter from the Secretary of Education, transmitting a copy of Final Regulations—Pell Grant Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2342. A letter from the Secretary of Education transmitting a copy of Final Regulations: Training Personnel for the Education of Individuals with Disabilities—Grants for Personnel Training, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

2343. A letter from the Inspector General, Department of the Interior, transmitting a copy of a final audit report entitled "Accounting for Reimbursable Expenditures of Environmental Protection Agency Superfund Money, Office of Environmental Affairs, Office of the Secretary," Report No. 92-I-69, dated October 1991, pursuant to 31 U.S.C. 7501 note; to the Committee on Energy and Commerce.

2344. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Japan for defense articles and services (Transmittal No. 92-04), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

2345. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of John R. Davis, Jr., of California, to be Ambassador to Romania, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

2346. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Memorandum of Justification for Presidential Determination regarding the drawdown of defense articles and services for Mexico; to the Committee on Foreign Affairs.

2347. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of a "Note of Thanks" to the United States Congress from Stepan Khmara, a Deputy of the Ukrainian Supreme Rada (Parliament); to the Committee on Foreign Affairs.

2348. A letter from the Chairman, National Credit Union Administration, transmitting the semiannual report of activities of the Inspector General covering the period April 1, 1991 through September 30, 1991, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

2349. A letter from the Chairman, U.S. Nuclear Waste Technical Review Board, transmitting NWTRB's report required under the Inspector General Act Amendments of 1988; to the Committee on Government Operations.

2350. A letter from the Assistant Attorney General, Department of Justice, transmitting the 1990 annual report on the activities and operations of the Department's Public Integrity Section, Criminal Division, pursuant to 28 U.S.C. 529; to the Committee on the Judiciary.

2351. A letter from the Secretary, Department of Commerce, transmitting recommendations as to the need for the adoption of U.S. import and export restrictions on anadromous fish and products thereof, pursuant to Public Law 101-627, section 801(e) (104 Stat. 4465); to the Committee on Merchant Marine and Fisheries.

2352. A letter from the Administrator, Federal Aviation Administration, transmitting a report on airport and airway improvements for the Virgin Islands, pursuant to Public Law 101-508, section 9116(a) (104 Stat. 1388-364); to the Committee on Public Works and Transportation.

2353. A letter from the Corps of Engineers, District Engineer, Department of the Army, transmitting notification that the McNary Second Powerhouse Project, Washington and Oregon, with the exception of the levee beautification feature, is eligible for automatic deauthorization on November 16, 1991; to the Committee on Public Works and Transportation.

2354. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report on the transfer of property to the Republic of Panama under the Panama Canal Treaty of 1977 and related agreements, pursuant to 22 U.S.C. 3784(b); jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

2355. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the establishment of a Beringian Heritage International Park; jointly, to the Committees on Foreign Afairs and Interior and Insular Affairs.

2356. A letter from the U.S. Coast Guard, Department of Transportation, transmitting a report on operational and environmental risks posed by the transportation of oil by vessel to deepwater ports versus the transportation of oil to other ports, pursuant to Public Law 101-380, section 1004(d)(2)(B) (104 Stat. 493); jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

2357. A letter from the Secretary, Department of Transportation, transmitting a report on auxiliary flight service station program, pursuant to Public Law 101-508, section 9115(b) (104 Stat. 1388-364); jointly, to the Committees on Public Works and Transportation and Appropriations.

2358. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a report concerning the establishment of an International Criminal Court, pursuant to Public Law 101-513, section 599E(c) (104 Stat. 2067); jointly, to the Committees on Appropriations, the Judiciary, and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPIN: Committee of Conference. Conference report on H.R. 2100 (Rept. 102-311). Ordered to be printed.

Mr. BROOKS: Committee on the Judiciary. H.R. 1717. A bill to amend chapter 96 (relating to racketeer influenced and corrupt organizations) of title 18, United States Code; with an amendment (Rept. 102-312). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHEAT: Committee on Rules. House Resolution 278. Resolution providing for the consideration of H.R. 2130, a bill to authorize appropriations for the National Oceanic and Atmospheric Administration for fiscal year 1992 (Rept. 102-313). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 279. Resolution providing for the consideration of H.R. 2929, a bill to designate certain lands in the California desert as wilderness, to establish the Death Valley, Joshua Tree, and Mojave National Parks, and for other purposes (Rept. 102-314). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 280. Resolution providing for the consideration of H.R. 3575, a bill to provide a program of Federal supplemental compensation, and for other purposes (Rept. 102-315). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

H.R. 2152. Referral to the Committee on Ways and Means extended for a period ending not later than February 28, 1992.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GILMAN (for himself, Mr. BOEHLERT, Mr. PORTER, Mr. SHAYS, Mr. SCHEUER, Mr. VENTO, Mr. WAXMAN, and Mr. YATRON):

H.R. 3756. A bill to establish the National Commission on the Environment and National Security; jointly, to the Committees on Foreign Affairs, Armed Services, and Merchant Marine and Fisheries.

By Mr. ROSTENKOWSKI (for himself, Mr. MICHEL, Mr. GEPHARDT, and Mr. DOWNEY):

H.R. 3757. A bill to provide a program of emergency unemployment compensation, and for other purposes; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mrs. BOXER (for herself, Mr. RIGGS, Mr. HERGER, Mr. BROWN, and Mr. SYNAR):

H.R. 3758. A bill to designate metam sodium as a hazardous substance; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mr. COX of California:

H.R. 3759. A bill to provide for the exchange or sale of real property at the Tustin Marine Corps Air Station in the State of California under the Defense Base Closure and Realignment Act of 1990; to the Committee on Armed Services.

By Ms. OAKAR:

H.R. 3760. A bill to change the composition of the Capitol Police Board; to the Committee on House Administration.

H.R. 3761. A bill to provide greater flexibility in the operation of the House beauty shop revolving fund by eliminating a requirement for transfer of net profits to the general fund of the Treasury; to the Committee on House Administration.

By Mr. OBERSTAR (for himself, Mr. ROE, Mr. HAMMERSCHMIDT, Mr. MINETA, Mr. CLINGER, Mr. LEHMAN of Florida, and Mr. PAYNE of Virginia):

H.R. 3762. A bill to amend the Metropolitan Washington Airports Act of 1986 to modify the composition of the board of review of the Metropolitan Washington Airports Authority, and for other purposes; jointly, to the Committees on Public Works and Transportation and Rules.

By Mr. PANETTA:

H.R. 3763. A bill to amend the Fair Labor Standards Act of 1938 to provide an exemption from the overtime pay provisions of such act for certain employees of community colleges; to the Committee on Education and Labor.

By Mr. PENNY (for himself, Mr. SMITH of New Jersey, Mr. MONTGOMERY, Mr. STUMP, Mr. PICKETT, Mr. SANTORUM, and Mr. RIDGE):

H.R. 3764. A bill to amend title 5, United States Code, to provide veterans' preference eligibility with respect to individuals who served on active duty in the Armed Forces during the Persian Gulf war, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PETERSON of Florida:

H.R. 3765. A bill to suspend temporarily certain bars to the furnishing of veterans' benefits to certain former spouses of veterans and to suspend temporarily a bar to the recognition of certain married children of veterans for veterans' benefits purposes; to the Committee on Veterans' Affairs.

By Mr. RAVENEL:

H.R. 3766. A bill to amend the Internal Revenue code of 1986 to encourage economic growth by providing for a temporary restoration of the deduction for personal interest; to the Committee on Ways and Means.

By Mr. SOLARZ:

H.R. 3767. A bill to amend the Age Discrimination in Employment Act of 1967 to protect elected judges against discrimination based on age; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

316. By the SPEAKER: Memorial of the Senate of the State of Wisconsin, relative to

Federal highway and transit aid; to the Committee on Public Works and Transportation.

317. Also, memorial of the Legislature of the State of California, relative to employment in connection with the reconstruction of Kuwait; jointly, to the Committees on Education and Labor and Government Operations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 123: Mr. LIVINGSTON, Mrs. ROUKEMA, Mr. TALLON, Mr. SAXTON, Mr. MCEWEN, and Mr. SANTORUM.

H.R. 300: Mr. SMITH of Florida.

H.R. 444: Mr. EDWARDS of Oklahoma, Mr. GALLEGLY, and Mrs. MEYERS of Kansas.

H.R. 842: Mr. CLEMENT.

H.R. 843: Mr. LEHMAN of Florida and Mr. GONZALEZ.

H.R. 911: Mr. HANSEN, Ms. SLAUGHTER of New York, and Mr. ANDREWS of Maine.

H.R. 953: Mr. DANNEMEYER, Mr. FLAKE, Mr. LEWIS of Georgia, and Mr. PAYNE of New Jersey.

H.R. 1184: Mr. NEAL of North Carolina.

H.R. 1239: Ms. NORTON.

H.R. 1248: Mr. SOLOMON, Mr. GILMAN, and Mr. FAWELL.

H.R. 1270: Mr. PETRI.

H.R. 1406: Mr. FAWELL.

H.R. 1417: Mr. SYNAR.

H.R. 1422: Mr. FAZIO, Mr. VENTO, Mr. ROE, Mr. COLEMAN of Texas, Mr. HORTON, Mr. HENRY, Mr. CAMPBELL of Colorado, Mr. LEVINE of California, Mr. LAFALCE, Mr. RAMSTAD, Mr. MURTHA, Mr. RHODES, Mr. JOHNSON of South Dakota, and Mrs. ROUKEMA.

H.R. 1430: Mr. JOHNSTON of Florida and Mr. RICHARDSON.

H.R. 1452: Mr. FAWELL.

H.R. 1565: Ms. MOLINARI.

H.R. 1771: Mr. HEFNER and Mr. SHAW.

H.R. 1992: Mr. DOOLITTLE and Mr. HOAGLAND.

H.R. 2070: Mr. HUTTO and Mr. MCNULTY.

H.R. 2248: Mr. IRELAND, Mr. GALLO, Mr. DORNAN of California, and Mr. SANTORUM.

H.R. 2334: Ms. NORTON and Mr. VENTO.

H.R. 2336: Mr. RAY, Mr. PACKARD, Ms. NORTON, Mr. GILLMOR, and Mr. GEKAS.

H.R. 2437: Mr. DELLUMS, Mr. SHAYS, Mr. WYDEN, Mr. JOHNSTON of Florida, Mr. SISISKY, Mr. AUCOIN, Mr. PICKETT, Mr. POSHARD, and Mr. EMERSON.

H.R. 2540: Mr. HAYES of Louisiana, Mr. SCHEUER, and Mr. SANTORUM.

H.R. 2541: Mr. ORTON.

H.R. 2632: Mr. LIPINSKI.

H.R. 2890: Mr. SPENCE, Mr. JENKINS, Mr. HEFNER, Mr. RICHARDSON, Mr. STENHOLM, Mr. PARKER, and Mr. HARRIS.

H.R. 2898: Mr. MCDERMOTT, Mr. JONTZ, and Mr. BORSKI.

H.R. 2959: Mr. PARKER.

H.R. 3011: Mr. HANSEN and Mr. EVANS.

H.R. 3015: Ms. NORTON and Mr. KOPETSKI.

H.R. 3026: Mr. MCEWEN.

H.R. 3098: Mr. WEISS.

H.R. 3113: Ms. NORTON.

H.R. 3185: Mr. LEWIS of Georgia.

H.R. 3195: Mr. BROWN.

H.R. 3215: Mr. BACCHUS and Mr. WEISS.

H.R. 3221: Mr. DICKINSON, Mr. TAYLOR of North Carolina, Mr. HUBBARD, Mr. JOHNSON of South Dakota, and Mr. NICHOLS.

H.R. 3285: Mr. BEILENSON, Mr. FLAKE, Mr. HUGHES, and Mr. STUDDS.

H.R. 3311: Mr. GINGRICH, Mr. TAYLOR of North Carolina, Mr. RIGGS, Mr. BURTON of Indiana, Mr. TALLON, Mr. RAMSTAD, Mr. JOHNSON of South Dakota, Mr. HANCOCK, and Mr. TAYLOR of Mississippi.

H.R. 3313: Mr. GEJDENSON and Mr. RITTER.

H.R. 3327: Mr. WYLIE, Mr. JENKINS, Mr. HEFNER, Mr. RICHARDSON, Mr. STENHOLM, Mr. PAYNE of Virginia, Mr. PARKER, and Mr. HARRIS.

H.R. 3550: Mrs. MINK.

H.R. 3553: Mr. TRAXLER.

H.R. 3571: Mr. LIPINSKI, Mr. PARKER, Mr. ROE, and Mr. TANNER.

H.R. 3578: Mr. DE LUGO, Mr. SWETT, Mr. SLATTERY, Mrs. COLLINS of Michigan, and Mr. SCHUMER.

H.R. 3583: Mr. BERMAN.

H.R. 3639: Mr. GALLO.

H.R. 3649: Mr. EVANS and Ms. DELAURO.

H.R. 3653: Mr. CLINGER.

H.R. 3655: Mr. DE LUGO, Mr. JONTZ, Mrs. LOWEY of New York, and Mr. BACCHUS.

H.R. 3656: Mr. JONTZ, Mrs. LOWEY of New York, and Mr. BACCHUS.

H.R. 3660: Mr. LENT.

H.R. 3677: Mr. BOEHNER, Mrs. LLOYD, Mr. ESPY, and Ms. MOLINARI.

H.R. 3678: Mr. DOOLITTLE.

H.R. 3694: Mr. FASCELL.

H.R. 3702: Mr. BONIOR and Mr. KLECZKA.

H.R. 3734: Mr. BARTON of Texas, Mr. TAYLOR of North Carolina, Mr. COBLE, Mr. RIGGS, Mr. FIELDS, Mr. MOORHEAD, Mr. BLILEY, and Mr. PAXON.

H.R. 3750: Mr. GONZALEZ, Mr. MCCLOSKEY, Mr. MOAKLEY, Mr. WAXMAN, and Mr. WOLPE.

H.J. Res. 239: Mr. WASHINGTON.

H.J. Res. 307: Mr. GILMAN, Mr. CHAPMAN, Mr. DICKS, Mr. DE LUGO, Mr. MFUME, Mr. SMITH of New Jersey, Mr. ERDREICH, Mr. DORNAN of California, Ms. SLAUGHTER of New York, and Mr. DE LA GARZA.

H.J. Res. 318: Mr. HALL of Ohio.

H.J. Res. 326: Mr. MILLER of Ohio, Mr. ACKERMAN, Mrs. BOXER, Mr. KENNEDY, Mr. RUSSO, Mr. COLEMAN of Texas, Mr. DARDEN, Mr. PAYNE of New Jersey, Mrs. UNSOELD, Mr. PICKETT, and Mrs. JOHNSON of Connecticut.

H.J. Res. 342: Mr. TRAFICANT, Mr. WALSH, Mr. YATES, Mr. ANDREWS of Maine, Mr. BEVILL, Mr. BLAZ, Mr. BREWSTER, Mr. CALLAHAN, Mr. CONYERS, Mr. COOPER, Mr. DYMALLY, Mr. ENGEL, Mr. ESPY, Mr. GEPHARDT, Mr. HAMMERSCHMIDT, Mr. HOBSON, Mr. JENKINS, Ms. KAPTUR, Mr. KOLTER, Mr. KOPETSKI, Mr. LENT, Mr. LEVIN of Michigan, Mr. MCMILLAN of North Carolina, Mr. MACHTLEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. NATCHER, Mr. NOWAK, Mrs. PATTERSON, Mr. PETERSON of Minnesota, Mr. RAVENEL, Mrs. ROUKEMA, Mr. SANDERS, Mr. SAVAGE, Mr. SAWYER, Mr. SERRANO, Mr. SLATTERY, Ms. SNOWE, Mr. SOLARZ, Mr. TALLON, and Mr. TOWNS.

H.J. Res. 362: Mr. EVANS and Mr. FIELDS.

H. Con. Res. 156: Mr. SCHIFF, Mr. LEVINE of California, Mr. LOWERY of California, Mr. TRAFICANT, Mr. BONIOR, and Mr. GALLEGLY.

H. Con. Res. 180: Mr. DELLUMS, Mr. FAWELL, Mr. GILMAN, Mr. KENNEDY, Mr. WAXMAN, Mr. TOWNS, Mr. ENGEL, Mr. GREEN of New York, Mr. EVANS, and Mrs. MORELLA.

H. Con. Res. 216: Mrs. LOWEY of New York, Mr. CAMPBELL of California, and Mr. FROST.

H. Con. Res. 226: Mr. JOHNSTON of Florida, Mr. KOPETSKI, Mr. YATRON, Mr. FALEOMAVAEGA, Mr. ESPY, Mr. EVANS, Mr. FOGLIETTA, Mr. FAWELL, Mr. ASPIN, Mr. ENGEL, Mr. LIPINSKI, and Mr. FRANKS of Connecticut.

H. Con. Res. 227: Mr. HAYES of Louisiana and Mr. DEFAZIO.

H. Res. 234: Mr. CAMPBELL of California, Mr. FRANKS of Connecticut, Mr. SCHAEFER, and Mr. SMITH of New Jersey.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2872: Mr. PRICE.

EXTENSIONS OF REMARKS

ADDRESS BY HER MAJESTY QUEEN NOOR AT THE 1991 ANNUAL AMERICAN-ARAB ANTI-DISCRIMINATION ORANGE COUNTY BANQUET

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. RAHALL. Mr. Speaker, it gives me a great deal of pleasure, and it is indeed a privilege as well, to share with you the recent remarks by Her Majesty Queen Noor of Jordan, made when she addressed the 1991 Annual American-Arab Antidiscrimination Banquet, in Orange County, Los Angeles, CA this past October 26, 1991.

Her Majesty Queen Noor speaks of the deep commitment of millions of Arab-Americans to the cause of justice and the defeat of forces of ignorance, intolerance, and prejudice against Arab-Americans here and abroad. She speaks eloquently against racial and political stereotyping of Arabs and Moslems here in America that often brings them violence, as individuals and as a group.

Her Majesty Queen Noor expresses the great hopes and expectations of all of us regarding efforts to bring about peace in the Middle East through the conference in Madrid, as well as about Jordan's own political development, begun just 2½ years ago, under their liberal democratic constitution.

Following are those remarks, expressing the eternal hope of us all for the achievement of stability and security in the Middle East region, and for a new era of mutually constructive cooperation between the Arab world and the West. I commend them to your reading.

ADDRESS BY HER MAJESTY QUEEN NOOR AT THE 1991 ANNUAL AMERICAN-ARAB ANTI-DISCRIMINATION ORANGE COUNTY BANQUET

Mrs. Odeh, Senator Abourezk, Mr. Mokhiber, Mr. Bayda, members of the board and honoured guests, I am very pleased to join you here today for the 1991 annual A.D.C. Orange County Banquet and to convey to you the respect and appreciation that the American-Arab Antidiscrimination Committee enjoys in Jordan and throughout the Arab world.

A.D.C.'s success in North America, and its positive perception in the Arab world, reflect principles that it has consistently adhered to since its inception. Your struggle since 1980 against stereotyping, discrimination and ethnic or religious oppression has responded to the real needs and hopes of Arab-Americans.

Your achievements reflect the hard work and deep commitment of millions of Arab-Americans and others around the world who have fought diligently for the cause of justice, over many years, in repeated battles, to defeat the forces of ignorance, intolerance and prejudice.

I think here of grandparents, my grandparents amongst them, who arrived on the deck of slow steamers at the turn of the century, who spoke broken English, sold clothing, pumped gas, or opened grocery stores, who worked hard and sacrificed personal comforts in order to educate their children, and who, when they died, left a land in which they had enjoyed personal comfort, but not yet a sense of communal identity;

I think of mothers and fathers in mid-century who tried to escape the indignity of discrimination by camouflaging their ethnicity, and who remained largely outside the political mainstream to safeguard their jobs, their lives, their families, and their dreams;

I think of young Arab-Americans today who are angered by the racial and political stereotyping of Arabs and Muslims, and who will neither accept nor endure Anti-Arab violence that leads to the murder of brave individuals like Alex Odeh.

I think of you and your children, generations of fresh promise that carry the twin torches of Arab and American cultural heritage, individuals and communities who honor the common legacy of an Arab civilization that once gave the world light and now strives to rekindle its flame, and, of an American Nation that pioneered the concept of a civil and liberal nationhood and now seeks to live up to its original promise.

In the last 14 months, you in A.D.C. and the larger Arab-American community once again rose to the challenge of disciplined and purposeful political action, redressing emotionalism through rationality, and countering false imagery with logic and fact. I must convey to you the support and admiration of your larger Arab family in the Middle East for all that you worked to achieve during the difficult days of the gulf crisis. I also must alert you to greater challenges yet to come, and to the important role you can play as the Arab world continues to undergo historic change.

I was born and raised in an Arab-American home, conscious and proud of my ethnic roots. Since my marriage to King Hussein, I have been privileged to live and work in a country that is also conscious and proud of its role in the long quest for Arab national identity and political rights. My life has been an Arab-American dynamic in the fullest possible sense—a continuous physical and spiritual journey between the Arab world and the United States. I know that in the Arab-American community, the concept of "the old country" is very real, the memories vivid, the bonds strong. Allow me, for a few moments, to take you back to the old country, to update you on the changing land of your ancestors and the reinvigorated landscape of contemporary Arabism.

Many of you, your parents, or your grandparents came to North America as immigrants, escaping from an Arab world that appeared to offer them only hardship and perpetual struggle. This occurred under Ottoman domination before 1918, and during the past half century of almost uninterrupted regional warfare, domestic strife, economic uncertainty, and often tense relations with the world's major powers.

With the rise in Arab population from 50 million in 1930 to 215 million in 1990, our region today suffers from critical pressures on finite natural resources, particularly water and arable land. The crisis climaxed in the 1980s. The Arab world plagued by severe distortions in patterns of trade, consumption and production suffered economic stagnation and increasing dependence on foreign sources for food, money, weapons, and consumer and capital goods. Foreign debt, unemployment, and poverty levels rose sharply, and standards of living declined steadily. Traditional rigid political structures did not respond to widespread grassroots demands for more participatory and responsive government. The Arab people were angered further by the chronic and frustrating stalemate with Israel. International complacency and double standards prevailed as U.N. resolutions on the Arab-Israeli conflict were ignored.

In recent decades, just as you have responded to domestic discrimination by launching a sophisticated movement for protection, political participation, and self-assertion, so has the Arab world responded to its need for dignity, national rights and self-respect by seeking a more responsive order. The economic problems of the 1980s, combined with the enormous destruction, waste and pain of the recent gulf crisis, have intensified the conviction that we finally must overcome the taboos and the constraints of the past in order to build a better future—for the past has brought us only conflict and tension, and a major regional war every decade. The reasons for such conflict and war remain unchanged today. In the aftermath of the gulf war, the Arab people must focus on precisely the same problems that motivated them to action in the 1980s. As a consequence of the war, not one of our chronic problems has disappeared, most of them have been aggravated, and some new ones have been created.

Let me here acknowledge and pay tribute to the efforts of Mr. Ramsey Clark and his colleagues. Their interviews and film have done so much to convey to the American people the intense human suffering and destruction of modern technological warfare.

The Arab people stand today on the threshold of a new era—perhaps even an Arab reawakening that may resume the national march for freedom, dignity and cooperation that was first launched at the turn of the century. The original Arab awakening included the great Arab revolt of 1916, led by Sherif Hussein of Mecca, the great grandfather of my husband King Hussein. All of us in Jordan today see our current political development as a logical continuation of the quest for goals first articulated in our lands nearly a century ago—freedom, unity, progress, and national self-respect.

We in Jordan have been in the midst of our own transformation for over two and a half years—a short period of time, to be sure, but nevertheless a vital moment in modern Arab history. I would like to outline for you very briefly some of the developments that have taken place in Jordan since the spring of 1989—for Jordan can be seen today as a symbol of the unlimited possibilities and aspirations that define our greater Arab world.

Our political development is based firmly on our liberal democratic constitution. Its principles are reflected and detailed in the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

recently ratified Jordanian National Charter, drafted by a royal commission representing all political forces in the country. The charter commits the State and all its citizens to a pluralistic democracy based on respect for human rights; equality for men and women before the law; and guarantees of freedom of expression for all through political parties, the press and various other constituencies. It also emphasizes the civil and non-political status of the institutions of government and the armed services, and decision making based on the will of the majority while assuring protection of minority rights and interests. Parallel with our political development, we have intensified our economic liberation. We continue to increase our reliance on a free-market economy that taps the entrepreneurial skills of the private sector while developing more extensive international trade and investment contacts.

Our progress is not ours alone, however, for we consciously see ourselves as a testing ground and model for democratic transformation throughout the Middle East. We have heard many expressions of support from grassroots organizations and individuals throughout the Arab world. We are determined to succeed and to be an example for all Arabs—not only in domestic progress towards a pluralistic democracy consistent with Arab social traditions, but also in our continued role as would-be peace-makers, whether in Kuwait, Iraq, Palestine, or elsewhere in the region.

In the Arab world, the goals we all aspire to are very familiar to you. They are based on principles long enshrined in North American lands and traditions—principles of personal liberty, social justice, economic equity, the accountability of public officials, equality of opportunity and participatory decision-making.

As we strive towards these goals, we are encouraged by an historic change in Arab attitudes and a reevaluation of old concepts that had long been seen as dogmatically inviolable. Armed with a new sense of realism and pragmatism, we are in the midst of deep and serious national soul-searching, asking questions about Arabism and the Arab order, identifying the aliments that have held us back, and articulating new and more realistic goals for the immediate future.

Professionals, public officials, intellectuals, politicians, and farmers and workers alike have started to recognize that we must develop a just, productive and stable order at home before we can aspire to re-order the region or the world. There is substantial consensus on the need for democratic pluralism and human rights as the cornerstones of the new Arab order. As democratisation expands throughout our lands, the new Arab spirit will unleash important forces that were not fully tapped in recent decades—forces of energy, intellect, confidence, creativity, and national commitment.

The New Arab order we seek must penetrate beyond the surface of democracy to incorporate substantive changes for the better in areas such as the conditions of technology transfer from the industrialized world, regional economic integration and closer cooperation with other developing countries. This new order also must emphasize guarantees of human rights, equal opportunities for women, protection of our fragile environmental base, respect for our solid social traditions and a revival of intellectual and creative output.

The new Arab spirit is self-evident in the enthusiastic grassroots response to emerging opportunities for political participation. In several recently democratising Arab countries, scores of new political parties and publications have been established. Human rights organisations are now active. The press is coming to life with debate and new ideas. Schoolchildren engage in discussions on the forms and values of democracy. Parliamentarians learn the meaning of accountability to their constituencies, and the judiciary seeks to live up to the new responsibilities it must shoulder in a system of checks-and-balances.

In short, we seek nothing less than an Arab renaissance. The next phase will encompass more coherent, consistent and constructive relations among the Arab countries and a rethinking of our sometimes strained ties with the major Western powers. Our interaction with the West seeks not only political breakthroughs based on mutual respect and equal application of international law, but also reconciliation between two civilisations that should not, but sometimes do, see each other as threatening and antagonistic. The progress that has brought us to the eve of this week's Middle East peace conference in Madrid is an example of a major political breakthrough based on international respect for law and shared moral principles. We in Jordan and others in the Arab world have worked closely with the United States, the Soviet Union and Europe to bring about this conference. We have waited many decades for this opportunity to shift the momentum in our region. From warfare and waste to justice, reconciliation and peace for all. Resolving the Arab-Israeli conflict today on the basis of UN resolutions would allow the Arab people to transcend the obstacles that virtually have frozen their political, economic and cultural development for nearly five decades.

We hope the Madrid Conference will prove to be an historic turning point that will lead to stability and security in our region and a new era of mutually constructive cooperation between the Arab world and the West.

Such cooperation can take place only against a backdrop of understanding and respect, which we can foster by generating more authenic mutual perceptions between Arabs and Americans. Accurate information, historical facts, cultural realities, historical sentiments, and national truths need to be understood and exchanged more vigorously in both directions.

You have such a vital role to play, for the challenges you face in the future are at least as important as the responsibilities you have shouldered in the past. You can help us to build a truly new Arab order, and to generate more positive ties between the Arab world and the West. If you value the emerging Arab democratic transformation, you must strengthen this process by your recognition and appreciation, by speaking of it in this country and elsewhere in the West, and by reaching out and connecting with it. You have a key role to play in challenging Israel's claims that it is both a true democracy and the region's only democracy. Your help also is vital for the success of current efforts to resolve the Arab-Israeli conflict.

Our goals should ring particularly dear to Arab-Americans, and should move you to look at the old country with a fresh eye. We want you to remember the land of your ancestors with more than pride, legends and nostalgia. Look to us once again with political hope, for we are in the midst of the most energetic transformation since the decolonisation period in the 1920s. Look to us with faith, for we express a self-confidence rooted in indigenous Arab traditions. And look to us with a renewed sense of belonging, for our Arab nation is reaching deep into the depths of its rich identity and heritage.

The old country you heard about from your parents and grandparents is a very different place today. The future holds great promise for the Arab people, if we can continue our movement forward.

Those of you who have an opportunity to visit the Arab world will see and experience the new spirit I have tried to describe for you. Despite the political problems and the economic pressures, despite the turmoil and the violence that still plagues many areas, despite the tension born of chronic militarism, our Arab nation refuses to submit or to surrender. We absorb setbacks but do not accept defeat. Our nation continues to cherish life, morality and progress, and continues to struggle for dignity through democracy and national identity.

This is the reality of life in Jordan and much of the rest of the Arab world. This is the message I bring you from an ancient land in the midst of rapid change from your old country in the throes of an inspiring renewal

Thank you very much, and may God always grant you strength and success in all your endeavours.

EXTENDED UNEMPLOYMENT BENEFITS: NEEDED—A RESPONSIVE BILL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. PORTER. Mr. Speaker, we have a serious unemployment problem in this country, a problem that affects people at all levels of society: blue collar and white collar alike. Both Republicans and Democrats agree that people are hurting and need extended unemployment benefits.

So why aren't Americans getting those benefits? Because, Mr. Speaker, the Democratic leadership has spent the last several months cynically grandstanding this issue at the expense of the people who are most in need of help.

The Democrats have repeatedly sent up irresponsible legislation that busts the budget agreement—legislation they know the President will veto because it is so irresponsible. Most discouragingly, the Democratic leadership refuses to allow a vote on a responsible Republican proposal that the President has promised to sign, a proposal that will put needed benefits in the hands of Americans with no new taxes, no spending cuts, and no violation of the budget agreement.

Mr. Speaker, if Republicans controlled the Congress, we would have passed this proposal months ago, and unemployed Americans would already be receiving needed benefits.

Let's hope that the negotiations currently underway will produce the needed, responsible bill the President can sign.

CONGRATULATIONS TO THE MARY WADE HOME OF NEW HAVEN CONNECTICUT ON THEIR 125TH ANNIVERSARY

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. DeLAURO. Mr. Speaker, I rise today to pay tribute the Mary Wade Home in New Haven on their 125th anniversary of service to the community.

In 1866, Mrs. Henrietta Whitney founded the Mary Wade Home to provide shelter to young homeless girls who needed personal support. In the 125 years since its inception, the home's services have shifted to meet the changing needs of the community and the home now serves the elderly. While the clientele of the home has changed, the same founding philosophy of personal service and care prevails.

The people of the Mary Wade Home have recognized the debt we owe to our seniors and I commend them on their dedication. Since the days of Mrs. Whitney, wife of Eli Whitney, the home's dedicated, professional staff has provided quality service to those who have made the Mary Wade Home their place of residence. Today's seniors have worked their entire lives to contribute to our society and provide for their families. We cannot forget them now that they are retired and vulnerable to the rising costs of health care, housing and other necessities.

As we move into the twentieth century, the eighteenth century Mary Wade Home can provide us with a model of what high quality care for the elderly should be. I urge my colleagues to join with me in congratulating the people of the Mary Wade Home on this noteworthy accomplishment.

BURGER KING HONORS EXCELLENCE IN EDUCATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, The Burger King Corp. sponsored the recent Burger King Honors Excellence in Education symposium held on October 22–25 in Washington, DC. The symposium was cosponsored by the National Association of Secondary School Principals [NASSP] and the Council of Chief State School Officers [CCSSO] to honor the top teacher and principal in each of the 50 States. This year's program was the eighth annual Burger King Honors Excellence in Education symposium.

The program was founded with the belief that our Nation's educators all too often have not received sufficient appreciation for their efforts to provide quality education. Held annually, since 1984, the symposium provides a forum for top educators to exchange ideas and opinions concerning the current issues facing education today.

Among the many speakers attending the event was U.S. Secretary of Education Lamar Alexander to share his vision for the future of education. In addition to key education, government, and business leaders, the conference participants included students enrolled in the Burger King Academy program. Working with Cities in Schools, the Nation's leading dropout prevention organization, the Burger King Corp. has established 18 Burger King Academies in 11 States nationwide. Among these Burger King Academies is a very successful program in south Florida, through which many students have been encouraged to stay in school and achieve.

Mr. Speaker, I commend the initiative shown by the Burger King Corp. to become involved with promoting excellence in education, and in particular, the leadership shown by Mr. Barry J. Gibbons, chief executive officer of the Burger King Corp. I want to recognize Mr. F. Craig Sturgeon, who was honored for his leadership at Miami Edison High School, where he received the award of Principal of the Year in Miami. He has since been promoted, and currently works as director of Region I for Dade County Public Schools and attended this year's symposium. I also want to honor the Cities in Schools Program and its leaders, William R. Burson, chairman; Lois L. Gracey, State director of Florida; and the chair of the Miami organization, Kerry Clemmons and its executive director, Bentonne Snay.

HONORING THE MARY E. MELLER EDUCATION CENTER, EL RANCHO UNIFIED SCHOOL

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. TORRES. Mr. Speaker, I rise today in recognition of the Mary E. Meller Education Center in Pico Rivera, CA, which was officially rededicated on October 22, 1991.

The Mary E. Meller School, built in 1955, served as a comprehensive middle school for 28 years. In 1983, the school was closed due to declining enrollment. I am proud to announce that the El Rancho Unified School District Board of Education reaffirmed its support of adult education by reopening the school and placing the district's comprehensive adult education program on that campus.

Additionally, the campus houses the El Rancho Unified School District's Resource Center which provides staff development opportunities for all district staff. Also, a parent education meeting room has been established wherein parents can meet and conduct inservice training sessions.

The Mary E. Meller Education Center's primary focus is a facility where a comprehensive range of educational services are provided from adult and parent education to staff development opportunities. This renewed scope and purpose reinforces the El Rancho Unified School District's commitment to supporting educational opportunities beyond Kindergarten through grade 12.

Mr. Speaker, it is with pride that I rise to recognize the Mary E. Meller Education Center on the occasion of the rededication ceremony of this educational facility in my district and I ask my colleagues in the House of Representatives to join me in extending our best wishes and congratulations.

TRIBUTE TO JTPA ALUMNI

HON. CALVIN DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. DOOLEY. Mr. Speaker, in Fresno, CA, the Fresno Private Industry Council recently held its eighth annual awards ceremony in honor of the National Job Training Partnership Act Alumni Week. This celebration was in recognition of the many successes earned by individuals participating in programs funded by the JTPA. Their successes are examples of how the JTPA works to improve lives and economically enhance the local community.

The JTPA is the Nation's largest employment and training legislation. Its purpose is to prepare youth and unskilled adults for entry into the work force and to provide job training for economically disadvantaged individuals. Federal money is directed through the States to local agencies which provide on-the-job training, job search assistance, and other services to more than 1 million people a year.

Fresno's Private Industry Council was established in 1983 and is funded by the JTPA. The Fresno PIC's mission is to provide the goals of the JTPA to the adults and youth of Fresno and Fresno County. By forming an alliance between business, public employment services, labor, education, rehabilitation, community organizations, and social service programs, the FPIC has provided opportunities to many individuals to become educated employees.

The JTPA alumni are individuals who have successfully completed the program and have overcome the barriers to employment. They are now productive members of the local community and are advocates for the program.

The Awards for Excellence ceremony held by the Fresno PIC honored those who have graduated from the program and those whose efforts made the program productive. Corporations as well as individuals were recognized for their contributions and accomplishments.

I commend the endeavors of the Job Training Partnership Act and the Fresno Private Industry Council, whose combined efforts provide members of our community a chance to succeed and become self-sufficient. I also ask my colleagues to join me in congratulating the JTPA alumni. These outstanding individuals have overcome the various setbacks of life and have set inspiring examples for many others to follow.

EVERYONE WANTS PEACE FOR YUGOSLAVIA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. BURTON of Indiana. Mr. Speaker, on November 2, 1991, I had the opportunity to speak before the Serbian Unity Congress in Chicago, IL. I also had the opportunity to discuss the Yugoslav crisis with a large segment of the Serbian-American community. During my discussions, several Serbs pointed out that no one seems to take seriously the security concerns of Serbs living in Croatia.

Mr. Speaker, everyone wants peace for Yugoslavia. However, I am concerned that the Serbian Unity Congress has raised a legitimate and important point. Few Members of the U.S. Congress and few people in the administration seem to understand that if Croats have the right to self-determination and wish to leave Yugoslavia; then the Serbs in Croatia by the same right should be allowed to leave Croatia and remain in Yugoslavia.

For those Members of Congress who desire a better understanding of the Serbian position on the Yugoslav Crisis, I have inserted a memorandum entitled, "The United States of America and the Yugoslav Crisis." I have also inserted a letter from the president of the Serbian Unity Congress, Michael Djordjevich, to Secretary of State Baker and an open letter from Serbian-Americans to Lawrence Eagleburger, Deputy Secretary of State.

CAPITAL GUARANTY,
September 27, 1991.

Hon. JAMES A. BAKER, III,
Department of State, Washington, DC.

DEAR SECRETARY BAKER: Your speech to the Security Council of the United Nations on September 25 has indeed missed the mark and has saddened me personally very much.

Certainly, you must know that Croatia seceded from Yugoslavia in June, without the consent of more than 700,000 Serbs living inside the existing borders of Croatia. If these Serbs, comprising at least 12 percent of Croatia's population, wish to remain on the same land their ancestors owned for hundreds of years, it is feared their only choice will be the loss of their ethnic and religious identity. Their fears are understandable and are rooted in painful memories of World War II (1941-45), when the then Independent State of Croatia exterminated over 700,000 civilian Serbs, Jews and Gypsies.

If the Croats have the right to self-determination and wish to leave Yugoslavia; then the Serbs in Croatia by the same right should be allowed to remain in Yugoslavia. This is the truth and crux of the Yugoslav crisis, which your speech has failed to address.

As for the so-called "borders" of Croatia they are a fantasy and a fraud. These borders were artificially established in 1943 during Yugoslavia's Civil War by Tito, the Croatian-born Communist. There were no elections, no plebiscites ever about the internal borders of Yugoslavia. Perhaps Serbia is not attempting to form a "Greater Serbia," as is claimed? Perhaps she is attempting to protect the 30 percent of her population living outside her borders? These administrative borders have never been agreed upon by the Serbs nor internationally recognized. Serbia's only legitimate borders with Croatia can be those agreed upon in the International Treaty of London of 1915.

It is regretful indeed that the skillfully planned and relentlessly executed export of Serbo-phobia from Croatia and its implanting in Europe and the United States has prevented accurate assessment of events in Yugoslavia. Curiously enough, even Ambassador Zimmermann's recent appraisal of the situation in Yugoslavia—which radically diverges from yours—has apparently not found its way to your office.

At onerous costs, Serbia fought on the side of the Western democracies in both World Wars. She will, I am convinced, again gain her rightful recognition and will become a responsive member of the democratic world. Unfortunately, our Government's position, if not modified quickly, will leave deep scars on all Serbs in Yugoslavia and on Americans of Serbian descent here.

Very truly yours,

MICHAEL DJORDJEVICH,
President and Chief Executive Officer.

YUGOSLAVIA

LAWRENCE S. EAGLEBURGER,
Deputy Secretary of State,
Department of State, Washington, DC

HONORABLE SECRETARY EAGLEBURGER: I am one of 1.2 million Serbian-Americans. Would you like to hear our side of the story?

The internal borders of Yugoslavia are the legacy of the Croatian Communist dictator Josip Broz Tito. Sebrs were not even represented and concomitantly had NO voice when those artificial administrative borders were created (AVNOJ, 1943, 1945). These Croatia-favoring borders, like those who inspired them, Josip Broz Tito and Stalin's Comintern, have no legitimacy within any Yugoslav framework.

It would be politically, historically and morally reprehensible, and ultimately dangerous, to enforce Tito's Communist borders at the expense of the Serbian population. Further, forcing Serbs to leave the country they consider their own has no legal basis (i.e., Statehood of West Virginia, 1863; Ulster, 1920).

On a practical level, and in the interests of the United States and Europe, forcing the Serbs to live in a Croat State that is openly anti-Serb with a Living Genocidal Legacy-would create a new, even more volatile and violent Balkan Powderkeg-that would threaten European stability for generations to come.

Therefore, I urge the United States to take the lead role in approaching the Yugoslav problem with an eye on the long-term-by avoiding loaded phrases and inflammatory statements-that would ultimately compromise any role it could play as an impartial mediator. Otherwise, the political reality in Yugoslavia will be only the ominous prepetuation of violence and instability.

Sincerely,

__________.

P.S. "The Croatian Catholic Church is on record as having rejcice over the creation of the Nazi-puppet state of Croatia in 1941, under whose aegis more than a half a million Serbs were likely put to death. But the Serbs were not compensated for their sufferings after the war. Instead, Tito, the half-Croat, half-Slovene ourtailed the power of the Serbs in the new Communist Yugoslavia."—New Republic, 8 April 1991, "Bloody Balkans."

THE UNITED STATES OF AMERICA AND YUGOSLAV CRISIS

(Submitted to Hon. James A. Baker III, Secretary of State)

I. GEOPOLITICAL AND HISTORICAL SETTING

A powerful case can be made that the global issue behind the current Yugoslav crisis is whether Germany will once again be allowed to attempt to dominate Europe.

1. Apparently, our foreign policy planners are reluctant to consider the Yugoslav events in historical and geopolitical terms. Most probably because such consideration would cast doubt upon our currently preferred view that the "new" united Germany will refrain from challenging the Anglo-American-French domination of EC and NATO. Of course, understandably enough, no one wants to reopen the issues fought over in the two World Wars. But the truth is that, with the USSR down and out and Russia a pauper, Germany doesn't need EC or NATO. Even if Germany remains a democracy, her geopolitical dynamics may revive a coalition of neo-fascists, petty jingoists, and religious and other reactionaries throughout post-Communist Europe.

2. In fact, the European Community's current handling of the Yugoslav crisis already reveals its inability to take a unified position: France, England, and Spain want to preserve the integrity of Yugoslavia, while Germany and Austria (though the latter is not an official member of the Community) seem to be eager to wreck Yugoslavia by supporting and recognizing the independence of Slovenia and Croatia. If these developments are not resolutely discouraged, they will revive the old rivalries between major European powers and split the European Community into two blocks: one led by France and England, and the other by Germany and Austria.

We must not disregard the real possibility that sometime in the future Germany may connect with a revived Russia and again threaten our interests and foster instability in that part of the world. It is in such a scenario that the Balkans will continue to be one of the key elements of European geopolitics.

Seen in this setting, the events now unfolding in Yugoslavia may be a foretoken of the real "New Order" arising autochthonously from the ashes of Fascism and Communism. We pray and hope that for once in modern times our foreign policy planners will anticipate this reality, instead of reacting to it.

II. THE UNITED STATES GEOPOLITICAL INTERESTS IN YUGOSLAVIA

Our overall policy toward Yugoslavia should be guided by our long-rang strategic and geopolitic interests in that part of the world. These interests must not be obscured and distorted by self-serving, squabbling Yugoslavs, aspiring Germans or cautious French. The scenario we sketched in Part I of this Memorandum is quite sensible. Historical evidence suggests that our true friends in the Balkans have consistently been the Serbs and the Greeks. Hence, our long-range policy should be to nurture these two nations and through them keep our foothold in the strategically important South East Europe.

The Yugoslav issue with all its implications is too important to be left to the European Common Market. We must be actively involved in the resolution of the current Yugoslav crisis, and safeguard our well-defined long-range interests in the Balkans.

III. YUGOSLAVIA: THE REAL ISSUES

Having failed to strategically define the Yugoslav crisis, we made a number of tactical errors, most of them still part of the Yugoslav drama being played out.

1. While Slovenian and Croatian leaders initiated the current crisis, we placed most of the blame upon Serbia. We have thus alienated this power center in Yugoslavia and the Balkans and have imperiled friendship with our proven friend in both World Wars.

2. We seem to have succumbed to the very skillful and well-heeled public relations blitz by the Slovenes, the Croatians, and their

pro-German friends and supporters. These two republics were portrayed as "democratic and pro-Western". But the fact of the matter is that all governments in the republic of Yugoslavia are led and dominated by former communists; all are striving hard, each in its own way, to preserve the authoritarian hold over the political and economic affairs in their respective republics.

None of these governments deserves United States sympathy or preferential treatment. All are ideologically opposed to the fundamental values of the American democracy. This also goes for the ghost-like Federal government of Premier Ante Markovic, an unelected holdover from the old Communist regime, whom we have befriended and nurtured for some mysterious and inexplicable reasons.

3. While our expressed objective has been to preserve Yugoslavia, we have done everything to alienate the very people who created Yugoslavia and without whose support there can be no Yugoslavia—the Serbs. The implementation of Nickles Amendment and our open support of the former Communist, never-elected Premier Markovic, have been some of the major insults to the Serbs. Moreover, on the issue of human rights, we have staunchly supported the Albanians extremists in Kosovo, while paying lip service to the most serious and documented violation against Serbs in Croatia, Bosnia and Herzegovina and Kosovo itself.

4. We have failed to openly admit that the key element in the Yugoslav crisis has been the internal borders. They were established in 1943, during Yugoslavia's Civil War, at a guerrilla meeting organized by Josip Broz Tito.

The Serbs have never accepted these borders. There will be no common ground for any dialogue with Serbs, unless and until we recognize this fact.

Serbia cannot be expected to abandon millions of her people to the uncertain future and mercy of newly formed and hostile foreign countries. The Serbs have lived in Lika, Kraina and Slavonia for centuries and their right to the land was confirmed by the London Treaty of 1915.

5. Our policy has failed to take properly into account the fear of millions of Serbs that history may repeat itself. There is a genuine fear on the part of Serbs living in Croatia (about 12 to 15 percent of the total population in the Republic of Croatia). These people do not wish to leave Yugoslavia and be a part of the new state of Croatia.

Many policies and symbols of the new State of Croatia tragically remind the Serbs of the mass genocide carried out by the Croatian Fascists fifty years ago, when close to one million Serbs, Jews and Gypsies were slaughtered in the then Independent State of Croatia (1941–45).

So long as we continue to consider these issues to be "water under the bridge" as one foreign policy official remarked to us, a peaceful and lasting solution to the Yugoslav crisis will remain out of our reach.

IV. POSSIBLE RESOLUTION

We are beginning with the premise that the post-World War II Yugoslavia is dead. Referendums held in Slovenia and Croatia recently have clearly indicated the will of their people to either radically restructure Yugoslavia or leave it. Furthermore, we believe that the current Yugoslav external borders should be preserved, in order to avoid potential for "Balkanization" of South-East Europe, or even Europe itself. We hold that any resolution of the Yugoslav crisis must not impair the Helsinki Accords.

Despite recent dramatic events in Slovenia, there should ultimately be no problem in satisfying their demands for either full independence or some type of loose ties with a restructured Yugoslavia. The case of Croatia is altogether different, because of the large number of Serbs who do not wish to leave Yugoslavia and become subjects of the new Croatian State. The fact is that Yugoslavia can be neither made, nor unmade, without the consent of its largest nation—Serbia.

We should encourage a solution which would fulfill the basic aspirations of the majority of the people involved. The solution would be implemented within the existing borders of present-day Yugoslavia, and it postulates four essential prerequisites:

(a) Borders between The Republic of Croatia and Yugoslavia would have to be redrawn in such a manner as to assure that (1) a majority of Serbs in Croatia remain in Yugoslavia, and (2) that after this split, the new State of Croatia can effectively function as a political, economic and social entity.

(b) Strong and functioning mechanisms must be created to permanently secure and protect all civil, ethnic and other rights of minorities which would have to remain behind such new borders, due to geographic or socio-economic imperatives. To this end, a set of carefully crafted treaties ought to be implemented which would clearly guarantee these rights. A type of regional structure for these minorities should be designed. Moreover, an international commission, made up of impartial members, as well as representatives of the respective ethnic minorities will have to be constituted.

(c) Once these objectives are accomplished, a set of treaties regulating future relations between the new States of Slovenia and Croatia on the one hand, and Yugoslavia on the other, can be worked out.

(d) The United States and the European Community must resist the temptations and pressures to simultaneously bring the issue of Kosovo, the Albanians and their grievances to the table.

This "linkage" would enormously complicate the problem, and possibly prevent effective solutions. The problem of the Albanian minority and the issue of the illegal immigrants from the State of Albania are serious and important, but they need their own, separate agenda and treatment.

This recommended approach appears to be optimal under the present circumstances and complexities, because:

1. It takes into account the already expressed desires and aspirations of the Serbian, Slovenian and Croatian people;

2. It leaves the present-day Yugoslavia intact in terms of geography, transportation, economic and financial markets and, most importantly, within the currently existing external borders;

3. It leave the Helsinki Accords inviolate;

4. It may become a model for resolution of similar problems in other parts of the world.

We strongly urge your consideration of the proposal.

We are ready to assist and help in whatever way we can.

MICHAEL DJORDJEVICH,
President,
Serbian Unity Congress.

PROTECTING RETIREMENT PAY FOR OUR WORKERS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. MAZZOLI. Mr. Speaker, I commend to the attention of our colleagues the following Wall Street Journal article of October 24. The article underscores the importance of establishing safeguards for America's retirees who depend upon annuities for their retirement income.

Mr. Speaker, many of my constituents have come face-to-face with the distressing prospect of not having stable and secure retirement checks because the annuities underwriting these checks are not stable and secure. Thus with their long-worked for and long-awaited retirement years in jeopardy, they are immensely frustrated and frightened at a particularly vulnerable time in their lives.

Mr. Speaker, following a takeover of Standard Gravure, a company located in my community of Louisville, KY, the takeover group liquidated the so-called over-funded pension plan—following normal and required notice to the Pension Benefit Guarantee Corp. [PBGC]—and the assets were, in part, remitted to the purchasing group and, in part, used to purchase insurance annuities to guarantee the retirees' retirement checks.

Takeovers which wind up depleting a pension fund are bad enough, but takeovers which result in annuities underwritten by insurance companies which go belly up are immoral.

Yet, that is exactly what happened to my constituents. Standard Gravure purchased annuities for its retirees through Executive Life Insurance Co. of California which, as we all too bitterly know, is today in receivership. And, my constituents—the loyal and hard-working retirees of a former linchpin corporation of our community—are placed at risk at the very moment in their lives when they have little way to cushion the shock if their pension checks stop.

Currently, the California Insurance Commission is accepting bids to take over the Executive Life operation and bring them and all their commitments—such as Standard Gravure retirees—back to liquidity. For the time being, Standard Gravure retirees are being made whole by a combined payment from the receiver and from Standard Gravure. But, this patchwork quilt may not endure, and the retirees are understandably concerned and alarmed about their future.

This year, several congressional panels have heard hours and hours of testimony from insurance and pension experts regarding the most effective and efficient means of protecting retirees' annuities along the line of retiree pensions which are protected through the PBGC.

As this Wall Street Journal article mentions, one solution may be to establish a national guarantee administration which would be responsible for protecting annuities. This would supplement today's helter-skelter pattern of non-uniform State guarantee laws. Another solution may be to expand the mandate and the financial resources of the Pension Benefit

Guaranty Corporation to include guarantees for annuities.

Were a bill I have cosponsored been law today, some of the travail suffered by Standard Gravure retirees, and retirees across the Nation facing a similar plight, could possibly have been avoided.

H.R. 3210, the Retirement Annuity Protection Act of 1991, would require the PBGC—which today receives all proposals to terminate pensions and convert them to annuities—to review these proposals to determine if the State involved maintains a guarantee fund and that the fund holds sufficient reserves to pay benefits were the annuity to default. The bill would also require a disclosure to beneficiaries of the underwriting insurance company's assets, investment, and solvency.

H.R. 3210 is not the final solution. But, it is a step in the right direction. One thing is clear, Mr. Speaker: It is not equitable or acceptable to allow takeover artists, in their greed and rapacity, to sever the lines securing a retiree to security and comfort in his or her retirement years.

Again, Mr. Speaker, I believe our colleagues will find the following article interesting.

[From the Wall Street Journal, Oct. 24, 1991]

SAFE ANNUITIES OR FEDERALIZED ANNUITIES

(By Howard C. Weizmann)

My Aunt Gertrude called the other day from California. She was worried. Her retirement checks are provided from an annuity purchased from an insurance company. The California state insurance commissioner had taken over an insolvent insurer, Executive Life Insurance Co., and she had heard that retirement payments provided by annuities like the one she receive were being limited to 70 cents on the dollar—a fate my aunt could not afford.

Unfortunately, other than assuring Aunt Gertrude that her insurance company was not likely to become insolvent, there was not much comfort I could offer. Retirement annuities are the Achilles heel of the private retirement system. The federal Pension Benefit Guaranty Association, set up by Congress in 1974, insures only pensions paid from ongoing defined benefit plans—the kind of retirement plan that promises a specific benefit at retirement. Annuities purchased on behalf of retirees from an insurance company fall outside the PBGC's guarantees.

There are millions of Aunt Gertrudes. The General Accounting Office estimates that between 3 and 4 million retirees receive their checks from insurance companies. Since 1975, 170 life insurance companies have failed—40% of them in the past two years. The Labor Department has estimated that the Executive Life insolvency alone affects about 75,000 annuitants. To date, the state guarantee associations established in all but two states and the District of Columbia have performed adequately in dealing with less drastic situations by tithing solvent insurers to pay for the losses of insolvent ones. But all that could change as more insurers get in trouble.

It's not just annuitants who should be worried. The entire employer-sponsored retirement system rests upon the efficacy of insured annuities. Employers who sponsor pensions purchase annuities to transfer their liabilities for retirement payments to an insurer when a pension plan terminates.

The reason retirement annuities have become an Achilles heels is because of the shift in risk. When a plan purchases an annuity on behalf of a retiree, a new entity assumes the responsibility to provide a steady income for the rest of the retiree's life and, in many cases, the life of his or her survivor. While these plan fiduciaries are obliged to choose wisely, there is a risk that an insurer may later go belly-up. This risk is the beneficiary's.

At first glance, it's easy to blame the insurers for Aunt Gertrude's problem. After all, the reason that insured annuities were not covered by federal guarantees in 1974 was the industry's conviction that the state guarantee system was up to the job. Industry rating systems continued to give Executive Life high ratings long after everyone knew the company was in trouble—inducing unsuspecting employers to purchase annuities from the company.

But there is enough blame to go around. Employers who purchased annuities had a responsibility, imposed by law, to investigate the strength of the insurer. Federal agencies also share some of the blame. In requiring terminating plans to purchase annuities, without providing annuity investment criteria, the Pension Benefit Guarantee Corp. could be accused to shirking its duties. The Department of Labor is open to criticism for not establishing standards for annuity purchases earlier and, until recently, for not being more vigorous in its enforcement activities. Both agencies have only just begun to develop regulations on annuity purchase standards.

While congressional leaders are still looking for culprits to hang—16 separate congressional committees have expressed an interest in this issue—it's time for those who care about the private retirement system to set about fixing the problem. Without such an effort, Executive Life retirees may get less than they were promised, and the credibility of the private pension system may go the way of Executive Life.

This is not how the story should end. The employer's decision to buy an annuity cannot be allowed to put retirees at risk. To allow this to happen is not only unfair, but would invite increased federal regulation of the insurance industry and the retirement system itself, already heavily over-regulated. Premiums paid to the federal PGBC have increased to $72 per participant from $8.50 in 1987. These increases are the result of federal budget considerations as much as the fund's liabilities.

Can the current system of state guaranty associations be made to work? Yes, but it must be recognized that the system has shortcomings. Its rules differ dramatically from state to state. Worse, the current system of state guarantee associations encourages inappropriate risk-taking by insurers, because risky insurers are underwritten by more prudent companies. As a result, the healthy insurers pay twice: first when they lose the business to companies like Executive Life who undercut the market by selling cheap annuities, and next when they are obliged to clean up the mess through the state guarantee associations.

Some government officials have suggested that plan officials be required to pick the safest of the safest from the annuity market grab-basket. Such a rule would simply kill competition in the annuity market and unreasonably raise the cost of annuities. Moreover, such standards deal only with the decision to purchase the annuity, but don't provide much help when a good choice later goes sour.

There are other options. One solution would be to require annuity purchasers to pay an additional premium to a national industry pool, which would be available to make up for lost retirement benefits in cases of insolvency. To prevent dumping of liabilities on the fund by aggressive companies, the size of these premiums should be based on the riskiness of the insure's portfolio. A First Executive-type company might promise a cheaper annuity because its annuities are backed by riskier investments, but it would be forced to charge a higher premium.

The cost of such a fund could be reduced by limiting protections to retirement annuities (or perhaps to other annuities purchased on behalf of a third party beneficiary such as in personal injury cases and by capping the maximum insured benefit, as the federal pension guarantee fund currently does. The remaining cost of providing annuity protection would be passed on to the purchaser, a price that most plan fiduciaries would gladly pay to reduce their legal exposure.

A national guarantee association would simplify the current state system by permitting the administration of the guarantees from one source rather than through each state. Since it would be adequately funded, it would protect the pension promise at the time the annuity is purchased and after, even during hard times in the insurance industry. Failure of a plan fiduciary to purchase from a nonparticipating insurer would leave plan fiduciaries legally vulnerable. For those who think federal "oomph" is needed, Washington could require participation in the fund.

Every crisis creates opportunities. We need to start considering ways to protect retirees now. I know my Aunt Gertrude would feel better.

A TRIBUTE TO THE BLACK-CUBAN FOUNDATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I wish to commend the Black Cuban Foundation for its work to preserve the Afro-Cuban culture in exile and to foster improved relations between the black Cubans and the rest of the community in which they live.

The Black Cuban Foundation was founded on July 30, 1989, and promptly began to promote their prevalent role in Cuban culture through educational workshops and media interviews. The success of its work has been recognized by various groups, including the Municipios de Cuba en el Exilio, La Comision de Derechos Humanos, and the Chamber of Commerce of the city of Miami.

Currently, the Black Cuban Foundation is working to further highlight the Afro-Cuban population in the community. This includes fostering a sense of belonging as new American citizens. Through its work in Miami, the special issues confronting the black Cuban community have begun to be discussed, stressing tolerance and acceptance. Further, the Black Cuban Foundation has allied itself with the Universal Declaration of Human Rights of the United Nations.

The work of the foundation is a positive force in the south Florida community. In recognition of these lofty goals, I would like to applaud the fervent work of Lucia Rojas, president; Oscar Martinez, vice president; and Ladislao Moraleza, treasurer and secretary. The work of Lilia Pardo Hogges, Felipe Gonzalez, Juan A. Woods, Reinaldo Pico, and Regla Fernandez should receive equal praise. I appreciate the opportunity to recognize the work of the Black Cuban Foundation.

HONORING BEATRICE PROO AND MARIA AGUIRRE, RETIRING TRUSTEES, EL RANCHO UNIFIED SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. TORRES. Mr. Speaker, I rise today to recognize my dear friends, Beatrice Proo and Maria Aguirre, trustees for the El Rancho Unified School District Board of Education in Pico Rivera, CA. Bea and Maria are retiring from the board of trustees after many years of dedicated service and will be honored at a special ceremony on Tuesday, November 26, 1991.

BEATRICE PROO

Bea served for 18 years in various teaching positions ranging from music director and athletic coach to vice principal and principal of schools throughout California. She was first elected to the El Rancho Unified School District Board of Education on November 2, 1982, and reelected in 1983 and 1987. She served as board clerk in 1984–85, as board vice president in 1985–86, and two terms as board president in 1986–87 and 1990–91.

In addition, Bea has been an active participant in a variety of civic and community organizations, such as the Pico Rivera Chamber of Commerce, Pico Rivera Soroptomist Club, Tri-Cities Regional Occupational Program Board of Directors and was elected to the Los Angeles County School Trustees Association's Executive Board in 1989.

MARIA AGUIRRE

Maria was first elected to the El Rancho Unified School District Board of Education in 1979, and reelected in 1983 and 1987. She served as board clerk in 1982–83 and 1990–91, as board vice president in 1983–84 and 1989–90, and as board president in 1984.

Maria is a 46-year resident of the city of Pico Rivera. She served with distinction on the district bilingual advisory council, migrant education advisory council, the hall of fame committee and the Whittier Area Trustee Association executive board, to name a few. In addition, she has worked tirelessly to implement education reforms which increased graduation requirements and established high levels of student academic performance standards. Throughout her years of service, she has been a vocal proponent in initiating, promoting, and implementing bilingual-bicultural education in the El Rancho Unified School District.

Bea Proo's and Marie Aguirre's leadership abilities and tireless efforts to improve education for the youth of Pico Rivera have brought them noteworthy praise from civic leaders, education and business communities, and their colleagues on the board of education.

Mr. Speaker, on Tuesday, November 26, 1991, the El Rancho Unified School District Board of Education will honor these special individuals for their unselfish and dedicated service to the community. I ask my colleagues in the House of Representatives to join me in saluting Beatrice Proo and Maria Aguirre on the occasion of their retirement from the board of education.

A TRIBUTE TO THE VICTIMS OF TERRORISM

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. CARDIN. Mr. Speaker, I rise today on behalf of Americans and their families who have been victims of terrorism. We are all cautiously optimistic about the prospects for progress at the Madrid peace talks and the bilateral talks which are to follow. We must not, however, in our hopefulness, overlook the pain and suffering of these American citizens.

By bringing the nations of the Middle East to the conference table, the President and the Secretary of State have made it possible for real progress. Whether that progress is now achieved is up to the countries of the region.

If they are to take advantage of this opportunity, the countries must be willing to abandon destructive tendencies that in some cases have been their trademarks for many years. In the case of Syria, long years of government-sponsored terrorist activity must now give way to a genuine willingness to establish a peaceful relationship with Israel.

For the United States, we must be extremely cautious in our dealings with the government of Hafez Assad. Since December 1979, Congress has designated Syria as a country supporting international terrorism.

Assad's government continues to offer asylum to Ahmed Jibril, the leader of the Popular Front for the Liberation of Palestine-General Command. The Popular Front is based in Damascus and is widely believed to be responsible for the bombing of Pan Am flight 103 in December 1988 over Lockerbie, Scotland. Syria remains an unabashed accomplice in the killing of 270 innocent people in this devastating terrorist attack.

I am concerned that the moral authority of the United States to condemn terrorism is compromised when President Bush welcomes President Assad of Syria as a friend and fails to raise the issue of the Syrian role in terrorist attacks. The Bush administration's apparent insensitivity to American citizens who have suffered due to Syrian terrorist attacks is detrimental to achieving our goal of peace through a successful regional Middle East peace conference. How can we urge a respect for human life and ignore the value of American lives that were lost in Lockerbie, Scotland in 1988?

The peace conference in Madrid would have been an appropriate forum to reiterate to Syria, as well as all of the other nations of the region, that support for terrorism is unacceptable. Before any viable peace agreement can be drafted, all of the parties involved must foreswear terrorism. As representatives of the American people, it is our duty to press the case for American values, including respect for international law. We must remain vigilant in our desire to extinguish terrorism.

We recognize the wounds terrorists have left in the hearts of Americans and people all over the world. We must share the burden of their tears and remember them by continuing to be strong advocates against international terrorism. By committing ourselves to eliminating terrorism, American diplomatic policy will reflect the concerns of the American people.

Mr. Speaker, let us pay tribute to these innocent victims and their families. I am placing in the RECORD some material that illustrates the struggle faced by the families of the innocent victims of terrorism.

First, I have included a copy of a letter to the White House signed by the relatives of terrorist victims.

The second piece of material was written by a mother whose child was killed by the terrorist bombing of Pan Am flight 103. This article was published as commentary in the New York Times on December 21, 1989.

I urge all my colleagues to review this information:

TO PRESIDENT GEORGE BUSH,
The White House.

We the undersigned are relatives of some of the hundreds of Americans who have been murdered by terrorists over the past decades. Like people the world over, we applaud any moves that will lead to a genuine peace in the Middle East. We know better than most the deadly results of conflict in that region of the world.

Yet we now feel abandoned by you for in all the preliminary discussions there has been virtually no public mention of the terrorism that has killed our loved ones and so many others. The omission is ominous. Nations that sponsor terrorism have suddenly become our allies. Leaders who were once described as bloody dictators and fanatics are now called pragmatists and moderates. You have personally embraced Hafez Assad, one of the worst. He has taken no action against the numerous terrorist groups which operate in Syrian controlled Lebanon.

Far from hiding, the chiefs of terrorist gangs like Hezbollah and the Popular Front for the Liberation of Palestine/General Command move freely throughout the Middle East, give interviews to the international press and generally are allowed to pass themselves off as respectable leaders. They have certainly not abandoned the business of terrorism as recent killings in Japan and France testify. There are persistent and all too believable reports that some of these gangs are being paid off to temporarily curtail their activities, that secret deals are being made to release those few terrorists who have actually been imprisoned for their crimes, and that in some nations police officials have looked the other way to allow terrorist murderers to escape.

The United States is clearly the broker and prime moving force behind the planned Middle East peace conference. Justice for all those murdered Americans requires that the subject of terrorism become an important part of those discussions. We have a right not merely to ask but to demand the following:

1. While we urge the release of all hostages and genuine political prisoners there can be no deals of any sort to release or pardon those convicted terrorists like the Hamadei Brothers and Hafez Dalkemoni.

2. That those nations like Libya, Syria and Iran immediately end their sponsorship of

terrorist organizations. Simple assurances are not enough, for talk is cheap. Specific commitments and deadlines for the closing of terrorist bases and headquarters must be negotiated.

3. That the nations that have harbored groups involved in the murder of Americans immediately turn over to U.S. authorities all information regarding these crimes.

4. That all those implicated in the murder of American citizens be extradited to face trial in the United States. This would include such notorious terrorists as Abu Abbas, Abu Nadal, Ahmed Jibril and Imad Mugiyah.

Such demands would in no way curtail the peace process in the Middle East. On the contrary, ridding the world of international murderers would go a long way toward assuring peace. Meeting these demands would allow nations which have a history of sponsoring terrorists prove that they have changed and are now ready to join the civilized world.

Meeting these demands would bring a measure of justice for the deaths of our loved ones, a justice that has long been denied. It would also put the world on notice that Americans can no longer be killed or imprisoned with impunity and that terrorists can not expect to get away with their crimes, and even be rewarded for them.

There is no doubt in our minds that the United States, as the world's only remaining superpower, has the political clout to effectively pressure nations that sponsor terrorism to end their support and to bring the criminals to justice. The planned Middle East peace conference offers the United States an historic opportunity. The power and the opportunity are there Mr. President. Do you have the will and foresight to put aside temporary political expediency and act decisively to end this decades-long horror forever?

PAN AM 103

Daniel and Susan Cohen, parents of Theodora Cohen, age 20.

Jack and Kathleen Flynn, parents of John Patrick Flynn, age 21.

Jim and Rosemary Wolfe, father and stepmother of Miriam Wolfe, age 20.

Milt and Sue Cohen, grandparents of Theodora Cohen.

Hope Asrelsky, mother of Rachael Asrelsky, age 21.

John Root, husband of Hanna-Maria Root, age 26.

Robert and Sally Berrell, parents of Steven Berrell, age 21.

Eleanor Bright, wife of Nicholas Bright, age 32.

Barbara Zwynenberg, mother of Mark Zwynenberg, age 29.

Dr. Eugene and Mrs. Iva Saraceni, parents of Elyse Saraceni, age 20.

John and Florence Bissett, parents of Kenneth Bissett, age 21.

John Anselmo, uncle of Kenneth Bissett.

Thomas and Barbara Ahern, parents of John Ahern, age 26.

Bonnie O'Connor, sister of John Ahern.

Stephanie Bernstein, wife of Michael Bernstein.

George and Judy Williams, parents of 1st Lieutanant George W. Williams, age 24.

Ann and Oregon Rodgers, parents of Lou Anne Rodgers, age 20.

Mr. and Mrs. Lawrence Mild, parents of Miriam Wolfe, age 20.

Tom and Joan Dater, parents of Gretchen Joyce Dater, age 20.

Paul and Eleanor Hudson, parents of Melina Hudson, age 16.

Jack and Jane Schultz, parents of Thomas Britton Schultz, age 20.

TWA HIJACKING

Richard and Patricia Stethem, parents of Navy Diver, Robert Dean Stethem, age 23.

Sheryl Stethem Sierralta, sister of Navy Diver, Robert Dean Stethem.

ROME AIRPORT MASSACRE

John and Cecile Buonocore, parents of John Buonocore III, age 20.

MARINE BARRACKS BOMBING

John Knipple, father of Corporal James Chandonnet Knipple, U.S.M.C., age 20.

Jack and Judy Young, parents of Sergeant Jeffrey D. Young, U.S.M.C., age 22.

ACHILLE LAURO HIJACKING

Ilsa and Lisa Klinghoffer, daughters of Leon Klinghoffer.

UTA FLIGHT 722

Alexander Alimanestianu, son of Mihai Alimanestianu.

[From the New York times, Dec 21, 1989]

MY ONLY CHILD, DEAD A YEAR

(By Susan Cohen)

PORT JERVIS, N.Y.— Today is the first anniversary of the worst day of my life. While America celebrates the season with holiday brightness, I am in black despair. On Dec. 21, 1988, my daughter and only child, Theodora (we called her Theo), was on her way home from London, where she had spent a semester studying drama. Theo never reached home. She was murdered by Palestinian terrorists: 269 people died with her. Theo was on Pan Am Flight 103, which exploded over Lockerbie. Scotland, one year ago today.

What was she like, my Theo? On the bad days, and they are very frequent, I can't look at her photos because of the pain. But on better days, when it hurts a little less, I go through the albums, starting at the beginning. Theo as a beautiful baby. Theo in kindergarten, the shortest kid in her class: that would never change.

When she went off to Syracuse University years later to study drama and voice, she was only five feet tall, still complaining: "Is this it? Won't I get any taller?"

I turn the pages of the album. There's Theo horseback riding at summer camp. There's Theo at Disney World. Theo in high school plays and musicals. Her father and I gave her a dozen red roses when she won the lead in "the Diary of Anne Frank." Next I look at the pictures of Theo on stage at Syracuse, smiling and confident. We gave her a dozen red roses the summer of '88 when she played Louisa in "The Fantasticks," in summer stock. It was her first lead in professional theater. A start.

Spunk and a sense of humor, that was my daughter. Long dark hair, sparkling dark eyes, a wide smile, that was my daughter. Witty, flamboyant, quick-tempered, tough to be around at times, that was my daughter. She was full of fire and adventure and joy. She was vibrant, she sang so well, she showed so much promise.

The last time I heard from Theo was Dec. 19, 1988. She said, "I miss you and I love you." The last time I was happy was the morning of Dec. 21. I couldn't wait to see her.

In a few hours I'd leave for Kennedy Airport, her plane would land, she'd arrive bursting with news about the 50 plays she'd seen in London, the people she'd met there, the places she'd been, her latest boyfriend, what she'd be doing in theater when she got back to Syracuse.

Then came the panicky phone call from a friend. I turned on the television. There was the wreckage of Pan Am 103 in Lockerbie. Theo was dead. In that one instant life broke; my husband helped me get into the car and we drove to the airport. At Kennedy, all I did was scream.

I haven't recovered. I never will. I cry much of the time. I who never before took anything stronger than an aspirin now take anti-depressants and anti-anxiety drugs every day, shored up by therapists. The loss of a loved child is the worst loss in the world. Theo was my future, and now I have no future. Theo's youth kept me young. Now I'm old.

I've got a lot of questions. Why hasn't our Government told the American people what every credible reporter knows—that high-ranking Iranian officials hired Ahmed Jibril, head of the Popular Front for the Liberation of Palestine, General Command, to place a bomb on an American plane in retaliation for the downing of an Iranian airliner by the U.S. warship Vincennes during the summer of 1988?

Why were the Reagan and Bush Administrations so callous to the victims' families, first ignoring us, then lying to us? Why were we treated so cruelly? Family members were telephoned and told their "parcel" was waiting for them at the airport. Our particular "parcel" was a coffin dropped by a forklift, containing the body of my precious Theo.

Is the Administration so eager to make a deal with Iran and Syria that it would rather forget, and have others forget, the most massive terrorist attack against American civilians in history?

Why does our government refrain from pressuring Iran, which financed the bombing, and Syria, which gives sanctuary to Jibril, into assuming their obligations in the family of nations? Without such pressure, does anyone really believe Jibril will ever be caught and tried?

Why was Pan Am's security so incredibly lax? After all, Pan Am had received advance warnings about a possible terrorist attack.

Theo deserved to live. So did the other Americans on Pan Am 103. And the passengers from other countries. And the people who were killed on the ground in Lockerbie.

For months, our Government said no public warnings about possible terrorist attacks could be issued. Yet this month it issued such a warning. If there had been such a warning in December 1988, there might have been no bombing. Certainly Theo would not have been on the plane. Was my daughter's life, and the lives of all the others on Pan Am 103, of no value to our Government?

DR. JAKOB PETUCHOWSKI RETIRES

HON. CHARLES LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. LUKEN. Mr. Speaker, It is with great pleasure and respect that I rise today to pay tribute to Dr. Jakob Petuchowski upon his retirement as the Sol and Arlene Bronstein professor of Judaeo-Christian studies and research professor of Jewish theology and liturgy at Hebrew Union College-Jewish Institute of Religion in Cincinnati, OH. His life as a dedicated scholar and as a successful leader in Jewish-Christian relations is highly commendable.

Dr. Petuchowski's scholarly achievements are vast. He has received the bachelor of arts honors from the University of London, as well as master's and Ph.D. degrees and rabbinic ordination from Hebrew Union College of Cincinnati. He is also the recipient of honorary degrees from the University of Cologne and Brown University. In addition to these degrees, he was awarded the Order of Merit First Class by the President of the Federal Republic of Germany and was elected as a fellow of the American Academy for Jewish Research.

Dr. Petuchowski's service as a congregational rabbi across the country as well as a visiting professor in the United States, Israel and Europe is truly worthy of great praise. In addition, Dr. Petuchowski published 36 books and over 600 articles on the subjects of Jewish theology and liturgy, rabbinics, and Judaeo-Christian studies.

It is an honor to have his presence in the Cincinnati community. A person of such stature continues to reinforce Cincinnati's burgeoning reputation as global educational center.

As a member of Cincinnati's extended college community I offer to him my sincerest congratulations.

A TRIBUTE TO THE GUATEMALA U.S. TRADE ASSOCIATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, an invitation for United States business to invest in Guatemala was extended by the Ministry of Economy of that country, Mr. Juan Luis Miron, during the inaugural reception of the Guatemala U.S. Trade Association [GUSTA], a new business chamber that seeks to increase trade and investment between both countries. The event, on September 26, highlighted the Central American nation's commitments to more liberal economic policies.

In addition to Minister Miron, speeches were made by the private secretary to the President of Guatemala, Guillermo Gonzalez, and the president of the Guatemalan Association of Exporters of Non-traditional Products [Gexpront], Juan Sanchez.

GUSTA will be based in the same building where the Guatemala Trade Office and the Tourist Commission are located, thereby forming a promotional center for Guatemala in different fields, including both the public and private sectors. Guatemala's development foundation, Fundesa, will also open an office in the same building.

Emphasis was also made on the fact that both the private sector and the Government of Guatemala recognize and support GUSTA as the promotional center that will assist business people of both nations. GUSTA can facilitate information and other tolls enabling them to initiate or expand business between both countries.

I would like to recognize the board of directors of the Guatemala U.S. Trade Association: Fernando Paiz, Erwin Ponciano, Richard Voswinckel, Luis de Armas, Mauricio Jaramillo, Joe Koplowitz, Jack Neuhaus, and Carlos de Witt.

NATIONAL COMMISSION ON ENVIRONMENT AND NATIONAL SECURITY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. GILMAN. Mr. Speaker, today I am introducing legislation H.R. 3756, along with original cosponsors Representatives BOEHLERT, PORTER, SHAYS, SCHEUER, VENTO, WAXMAN, and YATRON, which establishes a National Commission on the Environment and National Security. With the end of the cold war, the collapse of the Soviet economy and Soviet influence in Eastern Europe, and new agreements between the Soviet Union and the major market economies, traditional military and political threats to national security have declined. At the same time, local and global environmental problems have become more widespread and serious. These threats—including deforestation, global warming, depletion of the ozone layer, desertification, natural resource depletion, and acid rain—all affect the well-being of present and future generations as well as causing or worsening instability and violent conflict.

Yet this shift has been given too little attention in Congress or by the administration. Currently, no institution in Congress or the executive branch is charged with analyzing this different meaning of national security and its implications. The Commission on the Environment and National Security would fill that void by examining the changing nature of U.S. national security interests in relation to environmental threats and recommend how to reorder our national security priorities.

The legislation provides for a 14-member commission with powers to conduct hearings, secure assistance from Federal agencies, and subpoena witnesses. The Commission would be composed of Presidential and congressional appointees. It would prepare and submit a preliminary report on its findings within 18 months of its creation and a final report within 2 years. The report would assess the threats to national security posed by environmental threats in light of new scientific knowledge. On the basis of this analysis, the report would examine policy and funding needs and make specific recommendations for giving national security related environmental threats adequate priority.

Accordingly, I urge my colleagues to support H.R. 3756, and ask that the full text of the bill be printed in the RECORD at this point.

H.R. 3756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Commission on the Environment and National Security Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) new environmental threats at global, national, and regional levels adversely affect—

(A) natural resources through deforestation, loss of biological diversity, desertification, soil erosion, soil contamination, and depletion and contamination of aquifers;

(B) the atmosphere through depletion of the ozone layer, climate change, and acid rain; and

(C) ocean resources through pollution of regional seas and coastal areas, overfishing, and radiation damage to the ocean food chain;

(2) such new environmental threats also affect the national security of the United States and are potential causes of instability and war;

(3) depletion of natural resources, improper methods of natural resource extraction, and improper consumption and disposal of natural resources also affect the national security of the United States and are potential causes of instability and war;

(4) in the past the national security of the United States was defined to emphasize the importance of global economic stability, the economic competitiveness of the United States, and the security of the United States relating to energy sources;

(5) with the end of the Cold War and the dramatic reduction in the military threat to United States interests, the national security of the United States needs to be redefined to respond to the new environmental threats; and

(6) the Federal Government currently lacks a focal point for assessing the importance of such new environmental threats to the national security of the United States.

SEC. 3. ESTABLISHMENT.

There is established a commission to be known as the "National Commission on the Environment and National Security" (hereinafter in this Act referred to as the "Commission").

SEC. 4. DUTIES OF COMMISSION.

(a) STUDY.—The Commission shall study the changing nature of the national security of the United States in light of recent global political changes and new environmental threats to natural resources, the atmosphere, and ocean resources, including such new environmental threats referred to in section 2.

(b) REPORT.—The Commission shall submit a preliminary and final report pursuant to section 8 each of which shall contain—

(1) a detailed statement of the findings and conclusions of the Commission on the matters described in subsection (a); and

(2) specific recommendations with respect to—

(A) new national security priorities of the United States in light of the new environmental threats and recent global political changes;

(B) additional Federal funding that may be required to respond to such new environmental threats; and

(C) possible institutional changes in the executive and legislative branches of the Federal Government that may be needed to ensure that such new environmental threats receive adequate priority in the national security policies and budgetary allocations of the United States.

SEC. 5. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 14 members, to be appointed not later than 30 days after the date of the enactment of this Act, as follows:

(1) 2 members appointed by the President.

(2) 3 members, 1 of whom shall be a Senator, appointed by the President pro tempore of the Senate from among the recommenda-

tions made by the majority leader of the Senate.

(3) 3 members, 1 of whom shall be a Senator, appointed by the President pro tempore of the Senate from among the recommendations made by the minority leader of the Senate.

(4) 3 members, 1 of whom shall be a member of the House of Representatives, appointed by the Speaker of the House of Representatives.

(5) 3 members, 1 of whom shall be a member of the House of Representatives, appointed by the minority leader of the House of Representatives.

(b) ADDITIONAL QUALIFICATIONS.—The Commission members (not including the members of Congress) shall be chosen from among individuals who—

(1) are scientists, environmental specialists, experts on national and international security, or analysts who have studied the relationship between the environment and national security, and

(2) are not officers or employees of the United States.

(c) POLITICAL AFFILIATION.—Not more than one-half of the members appointed from individuals who are not officers or employees of the United States may be of the same political party. With respect to members who are Members of Congress, not more than one-half may be of the same political party.

(d) CONTINUATION OF MEMBERSHIP.—If a member was appointed to the Commission as a Member of Congress and the member ceases to be a Member of Congress, or was appointed to the Commission because the member was not an officer or employee of any government and later becomes an officer or employee of a government, that member may continue as a member for not longer than the 60-day period beginning on the date that member ceases to be a Member of Congress, or becomes such an officer or employee, as the case may be.

(e) TERMS.—

(1) IN GENERAL.—Each member shall be appointed for the life of the Commission.

(2) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) BASIC PAY.—

(1) RATES OF PAY.—Except as provided in paragraph (2), each member shall be paid at a rate not to exceed the daily equivalent of the annual rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which such member is engaged in the actual performance of duties of the Commission.

(2) PROHIBITION OF COMPENSATION OF FEDERAL EMPLOYEES.—Members of the Commission who are members of Congress may not receive additional pay, allowances, or benefits by reason of their service on the Commission.

(g) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(h) QUORUM.—8 members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(i) CHAIRPERSON.—The Chairperson of the Commission shall be elected by a majority of the members.

(j) MEETINGS.—The Commission shall meet at the call of the Chairperson.

SEC. 6. DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Commission shall have a Director who shall be appointed by the Chairperson. The Director shall be paid at a rate not to exceed the maximum rate of basic pay payable for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(b) STAFF.—Subject to rules prescribed by the Commission, the Chairperson may appoint and fix the pay of additional personnel as the Chairperson considers appropriate.

(c) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for GS-18 of the General Schedule.

(d) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed the maximum annual rate of basic pay payable for GS-18 of the General Schedule.

(e) STAFF OF FEDERAL AGENCIES.—Upon request of the Commission, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this Act.

SEC. 7. POWERS OF COMMISSION.

(a) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairperson of the Commission, the head of that department or agency shall furnish that information to the Commission.

(d) GIFTS, BEQUESTS, AND DEVISES.—The Commission may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Commission.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this Act.

(g) SUBPOENA POWER.—

(1) IN GENERAL.—The Commission may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence relating to any matter under investigation by the Commission. The attendance of witnesses and the production of evidence may be required from any place within the United States at any designated place of hearing within the United States.

(2) FAILURE TO OBEY A SUBPOENA.—If a person refuses to obey a subpoena issued under paragraph (1), the Commission may apply to a United States district court for an order requiring that person to appear before the Commission to give testimony, produce evidence, or both, relating to the matter under investigation. The application may be made within the judicial district where the hearing is conducted or where that person is found, resides, or transacts business. Any failure to obey the order of the court may be punished by the court as civil contempt.

(3) SERVICE OF SUBPOENAS.—The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under The Federal Rules of Civil Procedure for the United States district courts.

(4) SERVICE OF PROCESS.—All process of any court to which application is be made under paragraph (2) may be served in the judicial district in which the person required to be served resides or may be found.

(h) IMMUNITY.—Except as provided in this subsection, a person may not be excused from testifying or from producing evidence pursuant to a subpoena on the ground that the testimony or evidence required by the subpoena may tend to incriminate or subject that person to criminal prosecution. A person, after having claimed the privilege against self-incrimination, may not be criminally prosecuted by reason of any transaction, matter, or thing which that person is compelled to testify about or produce evidence relating to, except that the person may be prosecuted for perjury committed during the testimony or made in the evidence.

(i) CONTRACT AUTHORITY.—The Commission may contract with and compensate government and private agencies or persons for the purpose of conducting research or surveys necessary to enable the Commission to carry out its duties under this Act, and for other services.

SEC. 8. REPORTS.

(a) PRELIMINARY REPORT.—The Commission shall submit to the President and the Congress a preliminary report not later than 18 months after the date on which all the members of the Commission have been appointed.

(b) FINAL REPORT.—The Commission shall submit a final report to the President and the Congress not later than 2 years after the date on which all the members of the Commission have been appointed.

SEC. 9. TERMINATION

The Commission shall terminate 60 days after submitting its final report pursuant to section 8(b).

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Amounts shall be made available to carry out this Act only to the extent such amounts are made available in advance in appropriations Acts.

SITUATION IN THE SOVIET UNION

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. ASPIN. Mr. Speaker, I address my colleagues today on a topic of vital importance to the defense of Americans. That topic is the situation in the Soviet Union, or what we used to think of as the Soviet Union. Specifically, I wanted to report to you on where we stand in a chain of events that began in August when hardliners in Moscow briefly deposed Mikhail Gorbachev and attempted to turn the clock back to the Communist, totalitarian past. That coup failed. It not only failed to turn the clock back, it had the opposite result from that desired by the plotters. It accelerated change and put the reformers in the saddle.

That was the good news. The bad news was that a harsh winter approached with food shortages and severe economic hardship looming. If the first winter of freedom under the reformers in the Soviet Union were a disaster, who could say that the next hardline coup would not succeed?

We need look no further than our daily newspapers to see disturbing evidence that predictions of hardship are already coming true. Food is being rationed in Moscow. Food rioters in Armenia attacked a bakery. Soviet Georgia reports critical medicine shortages. In Riga, the trouble is fuel. The transportation system, already shoddy, is grinding to a halt.

This is only the beginning. The next 6 to 9 months are a crucial time in the development of democracy in the Soviet Union and therefore a crucial time for the prospects for a more peaceful world.

The questions are should we respond to this potential crisis in the Soviet Union and how? Before answering those questions, Mr. Speaker, I would ask my colleagues to recall the roller coaster of expectations we experienced in August of this year. In early August, we were the victors in the cold war and the Soviet Union was on the road to reform.

For decades, the ideologically driven military machine that was the Soviet Union had dominated our planning for defense. Now, the ideology was discredited and the military machine was shrinking. Because of this reduction in the threat, we appropriately planned to reduce our defense forces by 25 percent over 5 years.

Then the hardliners attempted their coup. We watched from the sidelines as a struggle developed in the first few hours of the coup attempt between the reformers and the hardliners, between chaos and order in a nation with nearly 30,000 nuclear weapons. Recall, if you will, how we felt we had no way to influence the outcome. Would we face cooperative democracies as we hoped, or a new, albeit reduced, dictatorship? And during the struggle, would the command and control of those nuclear weapons be affected? We wanted to tip the scales in favor of democracy—and nuclear safety—but we had no means to do it.

Then the coup failed and the reformers were thrust into leadership. We were, in effect, given a second chance.

We now have another chance to promote American interests during this crucial period in the Soviet Union. We have another chance to find a way to defend ourselves against the different kind of nuclear danger this unstable period represents. And for the longer term, we have another chance to increase the odds that the reformers will stay in control.

In our conference report on the Fiscal Year 1992 Defense Authorization Act, Senator NUNN and I attempted to come up with some new thinking to meet this new situation. What we came up with was defense by different means, but defense nevertheless.

We proposed a 1-year, $1 billion program to reduce the Soviet threat and, in the longer term, reduce the American defense budget, as I'll explain in a moment. It was a $1-billion-now-to-save-billions-later proposition. The program had two parts:

Anti-Chaos Aid.—This initiative would authorize President Bush to use Pentagon funds to alleviate food and medicine shortages this winter, involving the enormous logistical ability of the United States military in the delivery of these items to the Soviet people. Transportation and distribution problems are even more severe than food shortages, making U.S. participation crucial.

Defense Conversion.—Over the longer term, dismantling the Soviet nuclear arsenal and reducing its military industrial complex are the keys to preventing the reemergence of the Soviet military threat. This initiative would make a start on both.

There were two reasons we took these steps in conference on the Fiscal Year 1992 Defense Authorization Act.

First, it is clearly in our interest to forestall chaos in a country with nearly 30,000 nuclear weapons. If the central government disintegrated and severe shortages tore at the Soviet social fabric, the command and control of nuclear weapons would surely weaken. We have seen news reports of a strategic SS–25 mobile missile unit threatening to return to base if its men were not fed. And other reports say Strategic Rocket Force troops have gone foraging for food in the countryside and fishing in nearby streams to feed themselves. The danger is that disintegration of discipline or even civil war could cause these weapons to fall into the wrong hands. If circumstances became desperate enough, weapons could be sold on the black market.

Second, American taxpayers have a vital interest in whether reformers or hardliners are in power, because of the enormous impact this will have on the U.S. defense budget. We want reformers to stay in the saddle. We had already planned to reduce our defense forces by about 25 percent over 5 years because of the reduction in the Soviet threat that had occurred prior to August.

No matter what happens to the reformers, we can still make that reduction. It was based on a couple of things that won't change. First, the Moscow-run Warsaw Pact is gone, the Communist governments that comprised its members have been turned out and eastern Europe is busy trying democracy and economic reform. Second, the Soviet conventional military threat itself is much diminished by its own problems and those of the disintegrating Soviet Union.

But further reductions in the United States' defense budget are highly dependent on the triumph of the reformer agenda and the institution of democracy in the former Soviet Union. We at the House Armed Services Committee are now making ready for the coming debate on these further reductions. That debate may come on the 1993 defense budget and we are looking at alternative budget proposals. But we won't be able to realize those further reductions unless the reformers stay in power. And we're not talking about small amounts here. We're looking at cutting tens of billions off today's baseline. That's why we characterized our initiative as a billion-now-to-save-billions-later proposal. That's literally what it was.

And that's why we thought of it as a good investment, as an insurance policy, if you will. And it was an insurance policy with a special twist. If no one got sick, we didn't have to pay the premium. It worked like this. We gave the President authority to use up to $1 billion from the Pentagon budget to help avert chaos in the Soviet Union and to make a start on converting its military industrial complex. It would be completely up to the President's discretion whether he spent the money. If he determined it was necessary for the national security of the United States, he could spend the money for the two general purposes. If things went better this winter than we feared, then he didn't have to spend the money. In other words, it was like not having to pay your health insurance premium until you get sick. It looked like a good deal for the American people.

And the defense budget was the right place to get the money for two reasons. First, reducing the Soviet threat is clearly defense, even if we were going about it by different means. Second, the logic of the budget deal worked out last year between the Congress and the White House favored defense as the source. Under that agreement the money could not be shifted to nondefense purposes. Some have unfairly criticized the initiative by saying the money should go to U.S. domestic purposes. They either didn't bother to check the facts or didn't care. Defense money couldn't be used domestically in fiscal 1992 under the budget agreement.

However unfair, these criticisms have created a political atmosphere in which it is difficult if not impossible to press the initiative. Last week, we asked the Bush administration for support. Views within the administration had already undergone a remarkable change. When we first proposed the initiative, Defense Secretary Dick Cheney called it foolish. More recently, he said he was not opposed to it and thought the Pentagon would have a role in distributing emergency assistance to the Soviet Union. Officials in the administration privately say they welcome the initiative and thought it would be necessary to use it, but there has been no further public expression.

We offered the President the right source for antichaos assistance and allowed him the proper discretion in its use. We had no takers. Therefore, we have no choice but to remove it from the conference report on the Fiscal Year 1992 Defense Authorization Act so that the report may be speedily approved.

So, our insurance policy against nuclear chaos and the return of dictatorship in the Soviet Union will not be in the defense bill. But I want to point out that most of the defense budget is an insurance policy against things that may not happen but would be terrible if they did. And like other kinds of insurance, the Soviet insurance package may not be needed, if we are lucky. Maybe there won't be chaos in the Soviet Union with all its nuclear weapons. Maybe there won't be another coup, or maybe if there is one, it won't succeed. Maybe we will be lucky. But if we aren't, the Soviet people won't be the only losers.

HONORING ERNEST M. MAY, PH.D., FOR YEARS OF SERVICE TO CHRIST HOSPITAL

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. GUARINI. Mr. Speaker, I would ask you and my distinguished colleagues to join me in recognizing the contributions of Dr. Ernest May, senior vice chairman of Christ Hospital in Jersey City.

This Saturday night, the hospital's board of trustees and staff will honor Dr. May for his nearly 20 years of dedicated service to the hospital and medical community.

Dr. May first joined the board of trustees at Christ Hospital in 1972. A resident of Summit, NJ, Dr. May was serving at that time as president of Otto B. May, Inc., in Newark, NJ. He remained in that position until he retired in 1974.

While serving as a corporate leader and a trustee for the hospital, Dr. May was also active in medical and community organizations around the State.

Dr. May's work included serving as a commissioner of the National Commission on Nursing, a member of the Mental Health Association in New Jersey, a trustee of the Association for Children in New Jersey, a member of the State's Board of Higher Education and a member of the Council of State Colleges.

In addition to his position on Christ Hospital's board of trustees, Mr. May was also a trustee for the hospital's Community Mental Health Center. This center offers programs for drug and alcohol abuse, teenage suicide prevention, and services for the victims of sexual assault.

Through all of his positions, Dr. May sought to improve medical care for all residents of the State of New Jersey. His commitment to the residents of Hudson County, my congressional district, was continually shown through the expansion of services at Christ Hospital.

A 402-bed acute care facility, Christ Hospital is the regional oncology center for Hudson County. It provides emergency care on a 24-hour basis and has several outpatient clinics.

The hospital also engages in numerous community services. Through the senior transportation service, the hospital provides transportation to the elderly and disabled, and through other programs provides meals to the homebound elderly.

The hospital also has a Center for Health Awareness, which provides a multitude of preventive medicine programs to the community and local businesses.

Dr. May played a pivotal role in Christ Hospital's determination to provide this plethora of services to our community.

Speaking about Dr. May's leadership, Lloyd R. Currier, president and chief executive officer of Christ Hospital said: As leader of the Christ Hospital board of trustees, Dr. May has greatly influenced the social responsibility of the hospital to the community. He has achieved this among the members of the board while maintaining their acute financial responsibilities as trustees.

Besides his professional endeavors, Dr. May is also a staunch supporter of opera and the arts. Through participation and support of the arts, Dr. May has sought to enrich the cultural health of our state and community as well as our medical health.

I know that the trustees and staff of Christ Hospital and his wife Betty are all proud of the accomplishments and achievements of Dr. May.

Mr. Speaker, I would like you and my distinguished colleagues to join me in thanking Dr. May for his outstanding work on behalf of the people of Hudson County and all New Jersey.

NORTHWESTERN MEAT HONORED AS ONE OF TOP TEN HISPANIC BUSINESSES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize Northwestern Meat which was recently selected as one of the 10 most important Hispanic businesses in Dade County by the Greater Miami Chamber of Commerce and the Hispanic Heritage Council.

Along with the other businesses, Northwestern Meat was presented with this award at the Omni International Hotel at a luncheon honoring these distinguished firms. The businesses were selected from a list of the 100 most important Hispanic firms in the United States which was published in Hispanic Business magazine.

Greater Miami Chamber of Commerce President-elect Carlos Arboleya said that these firms were selected for their efforts for the Hispanic community and for their contribution to the economic development of Dade County.

Accepting the award for Northwestern Meat was the company's president Elpidio Nunez, who emphasized the Hispanic influence in the economic development of Dade County, including the importance of Cuba as a future market for the Miami area.

I would like to take this opportunity to thank Northwestern Meat for the contributions it has made to the economy of south Florida, providing economic opportunity, economic development, and employment for the people of the Miami area.

FEDERAL FIREFIGHTERS IN SOUTHERN WEST VIRGINIA

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. RAHALL. Mr. Speaker, over the course of the last 2 weeks fires raged through southern West Virginia's woodlands, burning some 300,000 acres of forested land in the State. Over this past weekend freezing rains provided enough precipitation for the threat of further fires to be over.

Today, I want to commend all of those brave individuals who fought these wildfires. In addition, I want to make note of a first in southern West Virginia. Approximately 250 firefighters from the National Park Service, Forest Service, U.S. Fish and Wildlife Service, and the Bureau of Indian Affairs descended upon southern West Virginia in order to suppress fires threatening the Gauley River National Recreation Area and the New River Gorge National River, two units of the National Park System established by legislation I sponsored in the House. These individuals came from across the country, and represented such diverse areas as Yellowstone National Park to the Mark Twain National Forest.

The Federal response to these fires, however, did not simply benefit the two units of the National Park System in southern West Virginia. The State and local fire-fighting effort was greatly enhanced by the Federal presence. For example, I am convinced that without the work of the Federal interagency fire team, the town of Ansted in Fayette County would be in flames.

In this regard, I want to commend the coordinators of the Federal response to these fires: Bill Blake, the chief ranger for the new river Gorge National River, and Greg Stiles, deputy superintendent of the Shenandoah National Park, who I visited with on Sunday evening at the Beckley staging area.

Mr. Speaker, the public receives a great many benefits from our National Park System. However, I think that we in southern West Virginia were made aware of one additional benefit over the last week. The fact is that if we did not have park units threatened by fires, there would have been no Federal interagency team in the region assisting our State and local fire-fighting efforts. And as I said, without the work of these Federal firefighters, not only would our park units have been damaged, but the town of Ansted as well as many other individual homes in the area would have burned.

PERSONAL EXPLANATION FOR ROLLCALL NO. 353

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. PORTER. Mr. Speaker, on October 30, 1991, I was recorded voting "present" on rollcall No. 353, the rule for consideration of the conference report on H.R. 2508, the International Cooperation Act of 1991. I supported the rule and I had intended to be recorded voting "yes."

CIVIL RIGHTS BILL

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. WEISS. Mr. Speaker, I regret that I was unavoidably absent from last Thursday's vote on S. 1745, the Civil Rights Act of 1991. If I had been present, I would have voted in favor of the bill, although I would have reluctantly done so for three reasons: The caps on damages for certain types of discrimination, the provisions exempting certain pending cases challenging the Wards Cove decision, and the President's blatant electioneering with the bill.

In short, S. 1745 is landmark legislation that restores and reaffirms civil rights for all Americans in the workplace. The compromise bill overturns five key 1989 Supreme Court cases that narrowed the reach and remedies of employment discrimination. It gives—for the first time—the victims of intentional job discrimination on the basis of sex, religion, and disability the right to collect compensatory and punitive damages. Finally, the bill establishes a Glass Ceiling Commission and prohibits race-norming of employment tests.

But it is important to note that the bill is a compromise, and as such, has two major shortfalls.

First, the bill wrongly places caps on the punitive damages available for victims of discrimination on the basis of sex, religion, and disability. The compromise bill places an overall cap on certain compensatory damages and punitive damages of $50,000 for firms with between 16 and 100 employees, $100,000 for firms with between 100 and 200 employees, and $200,000 for firms with between 200 and 500 employees, and $300,000 for firms with more than 500 employees. The bill exempts firms from punitive damages if they have fewer than 15 employees.

The cap on damages does not apply to victims of intentional racial discrimination. Because of this double standard, the bill sends the misguided message that certain types of discrimination are worse than other types. Nothing could be more wrong.

Second, the bill also unfairly exempts certain lawsuits from the application of the 1991 act. With regards to the Wards Cove decision, the bill exempts any disparate impact case filed before March 1, 1975. Some cases filed before that date are still pending in the lower courts, and it is a matter of fundamental fairness that the plaintiffs should receive the protection of the Act.

Not only does the bill have flaws in its substance, but it is once again subject to the White House's political calculations. Congress has debated this civil rights bill for the past 2 years. In 1990, Congress passed landmark civil rights legislation overturning the Court's 1989 decisions, only to have President Bush veto it and label it a quota bill. And after 6 months of working out a compromise legislation, the President at every turn threatened to veto the legislation.

This fall, the President suddenly got religion on civil rights legislation, after years of calling it a quota bill. This coincidentally is the same time that the former Klansman and Republican gubernatorial candidate David Duke in Louisiana gained more prominence in the national media. President Bush and the Republican Party has done much to stir up racial tension in this country with their campaign advertisements about Willie Horton and JESSE HELMS' quota ad.

Now, President Bush seems to realize the real danger of his party's strategy of fanning racial flames and now by agreeing to a compromise is trying to dampen down those flames he has helped ignite. I only hope he is not too late.

This bill is significant on another political level. It is an outright rejection of the agenda of the right wing of the Supreme Court, which is to restrict or overturn earlier civil rights decisions. The bill overturns in part of in whole seven civil rights cases decided by the Supreme Court. In short, the Congress is saying to the Court, "You got it wrong." I would say to the Supreme Court that it ought to listen to Congress, which is the elected body that is closest to the wishes of the American people.

Finally, a great deal of attention has been given by the press to the inclusion of the employees of the White House and Senate to the Civil Rights Act. This is as it should be. But I would point out that the House of Representatives was way ahead of the President when he called Congress a group of privileged legislators. House employees have had title VI rights since 1988, when the House established the Office of Fair Employment Practices, which provides counseling and mediation of complaints brought by House employees.

For these reasons, I have reservations about S. 1745, but I will support it because it does make significant improvements in remedying job discrimination in the work force. In the upcoming session of the 102d Congress, I will support the redress of the glaring omissions of this legislation so that Congress can provide uniform and fair civil rights to all Americans.

CELEBRATING 70 YEARS OF MARRIAGE WITH WILLIAM AND VELMA HARTWELL

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. POSHARD. Mr. Speaker, I rise to pay tribute to a couple in my district, who this Saturday celebrate 70 years of wedded bliss.

William and Velma Hartwell were married November 12, 1921, in Paducah, KY, while travelling by train. And what a wonderful ride through life they have taken together.

Life wasn't always easy for the Hartwells. William spent long years working for the railroads, coal mines, and building the roads which helped southern Illinois grow and prosper. He also kept busy raising crops and livestock on his farm. William still keeps a large garden of fruits and vegetables which he nurtures with the same loving care which held his marriage and his family together for so many years. Velma has generously given of her time and talent to present each of her children and grandchildren with a handmade quilt.

They have 4 children, 13 grandchildren, 23 living great grandchildren, and most recently, a great-great grandchild which came into the world just in time to be present for this blessed event. They've resided at Route 2, Creal Springs for all of their 70 years of marriage.

Throughout this time, they've been deeply involved in the Cana Baptist Church in rural Creal Springs, where the celebration of their anniversary will take place. Velma served there as a Sunday School teacher for many years, and this church and their faith has been a source of strength and inspiration for William and Velma.

Although, it may not make national headlines, I believe the Nation needs to pay attention to this event. At a time when our society is full of strife, we can look proudly to the Hartwells for wisdom and guidance. Their marriage is a prescription to cure a lot of what ails us, and I suspect it calls for a dose of respect, humor, and a generous portion of love and affection.

To all of the friends and family of this wonderful couple, please enjoy this day of celebration and commitment. And to William and Velma, my heartfelt thanks for all you have done for all those whose lives you have touched.

GAO REQUESTED TO INVESTIGATE BCCI

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. MICHEL. Mr. Speaker, I want to alert my colleagues to the fact that the General Accounting Office has begun an investigation into the BCCI scandal at my request. I will submit for the RECORD a copy of my request to the Comptroller General, Mr. Bowsher.

Specifically, I have asked the GAO to examine BCCI's political influence here in Washington, including the activities of their Washington office. BCCI apparently was operating their Washington office on a petty cash type system, but I am confident the GAO can reconstruct their financial operation system.

Mr. Speaker, I have asked the GAO to get involved in part, because the House Banking Committee has not pursued this matter after only two hearings. While Republicans believe the BCCI scandal should be investigated to its fullest, we cannot control the agenda of committees we do not control.

I welcome input from my colleagues on this investigation and I will report back on any relevant findings.

HOUSE OF REPRESENTATIVES,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, July 25, 1991.

Hon. CHARLES BOWSHER,
Comptroller General, General Accounting Office, Washington, DC.

DEAR CHUCK: I am writing to request a formal investigation of the activities of the Bank of Credit and Commerce International (BCCI) and its operations in the United States.

Recent news articles have indicated that BCCI was engaged in widespread international fraud. Allegations of fraud include the use of nominee shareholders to purchase financial institutions in the U.S. in order to disguise BCCI interests. BCCI is said to have used its secret ownership in First American Bank as a means to perpetrate fraud in other BCCI entities. According to press reports, BCCI was also able to purchase financial institutions in Georgia, California and Florida through the use of front men such as Ghaith

R. Pharoan, a Saudi businessman. Pharoan is reported to have purchased stock in Centrust Savings of Miami, Florida on behalf of BCCI without disclosing BCCI's involvement in the transaction.

I am requesting that the GAO investigate BCCI and its operations in the U.S. with respect to the following: 1) the activities of BCCI officers, employees, affiliates and subsidiaries including the use of nominee shareholders; 2) how BCCI was able to circumvent the regulatory process and gain control of American financial institutions; 3) the relationship between BCCI officials or BCCI controlled entities with any current or former U.S. public officials, including, but not limited to, gifts, political contributions and personal loans; and 4) the extent to which BCCI controlled, or was otherwise involved with, institutions engaged in money laundering activities.

I look forward to working with the General Accounting Office to find out the extent of BCCI's activities and to hopefully find ways to prevent this type of scandal from ever happening again.

Sincerely,

BOB MICHEL,
Republican Leader.

THE AMAZING GERALDI FAMILY AND THE UP WITH DOWN SYNDROME FOUNDATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, the Up With Down Syndrome Foundation has offered compassion, encouragement, and care to many children with Down's syndrome and their families. Under the visionary leadership of Camille Geraldi, the founder and executive director of the Up With Down Syndrome Foundation, the organization continues to reach out to hundreds of children with this condition.

The Up With Down Syndrome organization helps children triumph over the difficult circumstances of Down's syndrome either as an adopted member of Camille and Michael Geraldi's family or as part of the day care program. The services provided include: Specialized care for infants, individualized education programs, family counseling, and summer camp. Medical care is provided free of charge from Camille's husband, Dr. Michael Geraldi. It is the loving care provided by the people of the Up With Down Syndrome organization, however, that sets this program apart. It is an act of extraordinary selflessness to adopt and to make one's own, so very many children.

People are taking notice of the work being done at the Up With Down Syndrome Foundation. The CBS "Sixty Minutes" television crew produced a forthcoming show including the work of the foundation. People magazine recently included children with Down's syndrome in their "Amazing Americans" issue. The Geraldi family last week was recognized by President George Bush as the recipient of the Point of Light designation.

Mr. Speaker, I commend Camille Geraldi and Dr. Michael Geraldi for their compassionate work with children growing up with Down's syndrome. I would like to recognize the leadership of the Up With Down Syndrome Foundation board of directors. These include: Ruth Ann Kaner, Father Gerald Grace, Sister Mary Claire Fennel, Dr. Patricia Cook, Marcia Sheehan. Those involved with the day to day affairs of the organization include: William L. Finks, Jo-Ann Alvarez, Henry Breznik, Eunice Lopez and many other child care workers and volunteers, I encourage them to continue their good and valuable work.

HONORING THELMA ARNOTT'S RETIREMENT FROM THE STATE OF CALIFORNIA, DEPARTMENT OF REHABILITATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. TORRES. Mr. Speaker, I rise today to recognize a special individual, Mrs. Thelma Arnott. Mrs. Arnott is retiring from public service work after 21 years of employment with the State of California, Department of Rehabilitation, and will be honored at a retirement ceremony on December 12, 1991.

Mrs. Arnott began her work with the Department of Rehabilitation in 1970 as a clerk-typist II in the Pasadena District. She received numerous promotions throughout the years and served as an account technician, senior clerk typist, and clerical supervisor I, to name a few. She also served as the office service supervisor III for the Covina District and thereafter the Norwalk District.

In 1989, Mrs. Arnott was the recipient of the Superior Supervisory Achievement Award in recognition of her outstanding contributions to persons with disabilities. She is highly regarded as one of the Department of Rehabilitation's outstanding clerical supervisors and, as a consequence, has been selected to serve on the statewide Steering Committee for District Automation, as well as numerous other statewide task forces.

Thelma Arnott was married to Don Arnott for 42 years and has three children and five grandchildren.

Mr. Speaker, on December 12, 1991, the employees of the Department of Rehabilitation will gather to honor Thelma Arnott, and I ask my colleagues to join me in saluting this exceptional woman on her outstanding service to the people of the State of California.

A TRIBUTE TO THE SISTERS OF THE HOLY FAMILY OF NAZARETH

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to the Sisters of the Holy Family of Nazareth on the occasion of the commemoration of their 100 years of service in the diocese of Brooklyn. I am proud to take this opportunity to take the floor to say a few words about the good work Sisters of the Holy Family of Nazareth have done these many years.

It was 1891 when the Sisters of the Holy Family of Nazareth commenced their work in Brooklyn. Their mission was to educate the families who had immigrated from Poland, teaching the traditions of Catholicism and preserving Polish heritage. The Sisters devotedly served the Greenpoint, Williamsburg, and South Brooklyn communities, educating and nurturing generations of families and symbolizing the finest traditions of service to the church.

This century of dedication of the Sisters of the Holy Family of Nazareth is being commemorated at a mass of thanksgiving on Sunday, November 24, 1991, at St. Stanislaus Kostka Church. I think it is particularly appropriate that this recognition will take place during the week of Thanksgiving, a time of the year when we are appreciative of the benefits of living in the United States of America. So many of the families served by the Sisters of the Holy Family of Nazareth fled religious and political persecution to come to the United States and are thankful of this day of the opportunities they have had to raise families imbued with the spirit of Polish culture and Catholic traditions. It has been with the assistance of the Sisters of the Holy Family of Nazareth that many have been able to carry out this dream.

I am proud to recognize the Sisters of the Holy Family of Nazareth before my colleagues and fellow citizens.

JAY WEISS: "MR. PUBLIC HEALTH" OF SOUTH FLORIDA

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. LEHMAN of Florida. Mr. Speaker, when it comes to south Florida, Jay Weiss is "Mr. Public Health." If President Bush ever changed his Secretary of Health and Human Services, the best possible choice, though a Democrat, would be Jay Weiss.

He would bring his compassion, energy, intelligence, and dedication to the national level and do what it takes to bring some sense to our present lack of a national health care program.

Jay is more than a citizen activist. He is the most unselfish, self-effacing, yet out-front person possible. These are contradictory terms but they fit this most unusual person—a "citizen-soldier" for human needs. He helps those who are our most vulnerable.

I would like to share with my colleagues an article that attests to Jay's accomplishments as well as his deep commitment to public service.

CHAMPION OF PUBLIC HEALTH

Jay Weiss puts his money where his mouth is. Indeed, he puts his money, his energy, and his commitment where his heart is. He does it in the hope that Dade Countians will be all the more healthy.

Mr. Weiss, of Southern Wine & Spirits Inc., has been a long-time benefactor of this community. He's now stepping down as chairman of Dade's Public Health Trust, capping nine years on the board. He can be proud of what was accomplished at and for Jackson Memorial Hospital under his watch.

He takes pride in the new trauma center, which is set to open in early 1992. He beams at the rating given JMH by the Joint Commission on Accreditation of Healthcare Organizations. JMH's doctors and nurses are directly responsible for its getting one of the highest certification ratings in the country.

When prudence prevailed and JMH withdrew public funds from a $250,000 boardroom-renovation project, Mr. Weiss kicked in $60,000 of his own.

Then there is the half-penny sales tax. He campaigned with heart, soul, and checkbook to make sure that Dade Countians support their hospital. JMH is the people's hospital. It is the only such public facility in Dade. Overburdened with taking care of the indigent, JMH indeed needs help—from inside and outside its walls.

Now that the public has agreed to give Jackson the funding boost that Mr. Weiss and others championed, an expanded and restructured Public Health Trust must carry on Mr. Weiss's good works. That is, doing not just what is best for the institution, but what is best for the vast number of people with limited health-care options, while being smart with the public's money.

In the meantime, Mr. Weiss will take his stewardship to a smaller, but no less vital arena. He will be co-chairman of the board of the new health-care center in Overtown.

The community can be grateful for Jay Weiss's public service, and because he acts as if his work for others is never done.

U.S. POSTAL SERVICE MIAMI DIVISION HONORS OLYMPICS WITH TORCH RUN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my great pleasure to recognize the Miami division of the U.S. Postal Service [USPS] which recently honored the 1992 Olympics with torch runs and other athletic events of Miami Dade Community College North Campus Stadium on November 3. The torch runs and other events are part of the USPS sponsorship of the 1992 Olympics.

Two authentic replicas of the Olympic torch were passed through every post office in the Miami division beginning on October 6, one from Cape Canaveral in the north, and the other from Key West in the south. Over 2,200 postal employees volunteered to participate in the torch run which began with one torch carried from Cape Canaveral in the north, and the other carried from Key West in the south. They gradually moved both torches to a grand final march into the Miami Dade Community College North Campus stadium on November 3.

After the torch entered the stadium, postal service employees and Special Olympics children teamed up in three different athletic events. Fifteen teams with eight members each participated in three events. Each team had four postal service employees and four Special Olympics children. They participated in a shot put event using a ball, a discus throw event using a hoop, and a path of the letter event delivering a letter.

The event concluded with an awards ceremony, and a torch pass. Anyone who wished to "Torch the Torch" was provided the opportunity as the group formed a circle and passed the torch.

Among the guests at the ceremony was former Olympic swimmer Shirley Babashoff. She won eight medals at the 1972 and 1976 Summer Olympics, and set several world records during her 11 years experience as a swimmer. She is now a Huntington Beach, CA letter carrier.

I would like to take this opportunity to thank those Miami area postal employees who demonstrated the Olympic values of excellence and achievement by participating in this event.

REPRESENTATIVE GRANDY LAUDED ON HIS POSITION ON FISCAL ISSUE: ARE TAX CUTS LIKE TAKING THE GROCERY MONEY TO THE KENO HALL?

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. BEREUTER. Mr. Speaker, our colleague, the distinguished gentleman from Iowa [Mr. GRANDY], a member of the Ways and Means Committee is lauded by the November 8, 1991, edition of the Omaha World-Herald for his truthfulness in warning of the dangers of ignoring the deficit problems while in the rush to cut taxes for their election-year impact. Members are encouraged to read the following editorial:

GRANDY TRUTHFUL ON FISCAL MESS

How quickly the federal deficit became a non-issue to some politicians after Congress and the White House enacted the 1990 agreement that was supposed to do something about the problem. America is fortunate to have a few elected officials who tell the truth about the fiscal mess into which the government is spending itself.

Rep. Fred Grandy is one such official. The Iowa Republican said what needed to be said when he warned that it would be a major mistake to ignore the deficit in a rush to reduce federal tax rates.

The news in recent weeks leaves the impression that the biggest fiscal issue in Washington is how to structure tax relief in the middle brackets. Sen. Lloyd Bentsen has a plan. Sen. Bob Kerrey has one. So does Sen. Bill Bradley, among others.

The danger, Grandy pointed out, is that some of the tax relief plans could force Congress to abandon the 1990 budget agreement, under which new spending programs are difficult to establish. "There is a real need for discipline," he said.

Years of undisciplined spending brought the government to the point where, in the most recent fiscal year, it had to borrow $269 billion dollars just to pay for all the programs that Congress had enacted. By current estimates, another $348 billion will have to be borrowed in the current fiscal year.

Those sums, added to the unretired loans from previous years, will force the national debt well above $4 trillion.

Already the government must spend more than 20 cents on interest payments for each dollar that comes into the Treasury. Daniel K. Evans, a Washington-based economic forecaster, said the borrowing eliminates resources that would otherwise help the economy grow. Declining productivity makes Americans feel poor, he said.

Grandy said he might support a tax-rate reduction that encouraged individual saving. America's relatively low level of individual savings in recent years is, in the view of some economists, one of the causes of economic stagnation.

The deficit, according to N. Gregory Mankiw, a Harvard University economist, "remains an immense drag on national saving." He said reducing the deficit would be the most direct way for the government to encourage more saving by Americans.

Mankiw acknowledged that the rush to cut taxes, with the 1992 elections coming closer, might be good politics. Good politics aren't necessarily good economics, however. With the federal budget so wildly out of balance, anything that would sharply increase spending or reduce revenues would be like taking the grocery money to the keno hall. It would be fiscal insanity.

WATERBURY'S DRUG FREE DECADE

HON. GARY A. FRANKS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. FRANKS of Connecticut. Mr. Speaker, as one of six goals of the education strategy, America 2000, the President and the Nation's Governors have called for every school in America to be free of drugs by the year 2000. In order to attain this goal, students and communities must take an active role to rid their schools and communities of drugs.

Our youth holds the key to the future and without their support in this battle the war cannot be won. By just focusing attention to the effects of the drug epidemic, students can begin the battle to say no to drugs.

I want to salute several schools and organizations in my community of Waterbury, CT, who have signed up for America's Drug Free Decade as part of the National Red Ribbon Campaign. This drive is sponsored by the National Federation of Parents for Drug Free Youth.

The following is a list of schools and community organizations who signed up for America's Drug Free Decade:

NOW, Inc.
Sacred Heart High School.
Holy Cross High School.
West Side Middle School.
The Greater Waterbury Chapter of the National Political Congress Of Black Women.
Waterbury Police Department.
North End Middle School.
Wallace Middle School.
John F. Kennedy High School.
Wilby High School.
Crosby High School.
Walsh Magnet School.

I want to take this opportunity to commend these groups for their efforts in making the 1990's a drug free decade.

NEW MONOPOLIES FROM OLD

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. LANTOS. Mr. Speaker, I would like to call to the attention of my distinguished colleagues an insightful article entitled "New Monopolies From Old" that appeared in Monday's New York Times.

Congressman JIM COOPER of Tennessee, the author of the article, has sponsored the Telecommunications Act of 1991. In doing so, he seeks to prevent the seven regional telephone companies from completely controlling the information services market. In short, the Telecommunications Act of 1991 will keep the so-called Baby Bells from becoming Bully Bells.

If the Baby Bells are granted the monopoly over information services which they so resolutely seek, the average ratepayer will pay a high price indeed. Clearly, it is not in the interest of the consumer to be the captive market of Baby Bells operating free of competition. I have decided to join Mr. COOPER in support of his legislation because I am convinced that the consumer will ultimately benefit from vigorous competition between information providers.

Mr. Speaker, I ask that Congressman COOPER'S article be placed in today's RECORD. I also ask that my colleagues give it the thoughtful attention it deserves.

NEW MONOPOLIES FROM OLD

(By Jim Cooper)

WASHINGTON.—In 1968, Americans were finally allowed to make a basic choice: what kind of phone we could have in our homes. In 1982, with the breakup of the A.T.&T. monopoly, we were permitted to choose long-distance companies. This freedom should be expanded in the 1990's: Americans should be given maximum choice of local telephone and information service companies.

But a decision by the Supreme Court on Oct. 30 could continue to limit our choices. By affirming a lower court decision in the protracted A.T.&T. case, the Court cleared the way for the seven regional Bell companies to use their $80 billion in annual telephone revenues to enter the information services market. Unless Congress acts soon, the decision, and the consequent damage to competition, will probably be irreversible.

Local telephone service and information service are the odd couple of telecommunications. Local service is old and familiar—it's when you call someone across town. Everyone pays monthly phone bills, usually to one of the seven regional Bell companies.

Information services, still in their infancy, include everything other than telephone calls that can be made over the phone line. Instead of dialing a friend, you call a computer or data-base. Paging and answering services, 900 numbers, electronic yellow pages and home banking are some early services in this multibillion-dollar industry. Many Americans don't use these services yet. And until now, antitrust laws have stopped the Bells from owning them.

What local service and information services have in common is that they both squeeze through the same wire that links your home or business to the outside world. Both old-fashioned and ultramodern communications must pass through this "bottleneck," which is usually owned by the regional Bell companies.

While Congress cannot suddenly eliminate this bottleneck, it can enable other companies to provide local service through the wire. A number of companies are proving that better, cheaper local service is not only possible but profitable. The Bells themselves are exploring competition in local service in the United Kingdom. Why not here at home?

Consumers should also be able to choose from a wide array of information services. We should be able to pick a Bell information service, just as we pick any other.

But we need safeguards on Bell entry into information services so that regular telephone customers are not forced to subsidize new and risky ventures. Stockholders take that gamble, not ratepayers. We must also create rules to prevent the Bell companies from discriminating against rivals by using their monopoly over local service to their own advantage. When you're the only delivery boy in town, it's tempting to deliver your own products first.

Proper safeguards would force the Bells to offer their new information services through separate subsidiaries with separate accounting. Each Bell should also compete first outside its own service area.

We want the Bells in the race to provide us with better information services, but we shouldn't allow them to cheat. As long as they monopolize local service, it is too easy for them to shakedown their backers, local customers, and to trip their competitors, other information companies.

My bill in Congress, the Telecommunications Act of 1991, would keep local phone bills as low as possible while encouraging diversity of information service providers. The bill is pro-competition. Unless Congress acts soon, the seven Bell companies will use their old monopolies to build new ones.

* * *

TRIBUTE TO WOMEN VETERANS

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. WYLIE. Mr. Speaker, today, the Columbus, OH, Department of Veterans Affairs Outpatient Clinic is sponsoring an annual women veterans recognition program as a part of the observance of National Women Veterans Recognition Week. May I take this opportunity to offer the following remarks on the contributions women have made while serving their country and the expanding role they are playing in our Nation's defense structure.

Throughout American history, women have played an important role in our Nation's Armed Forces. In our struggle for independence from England, we see examples of women serving in defense of our Nation during the Revolutionary War. Molly Pitcher, the woman who took her fallen husband's place on the guns during the American Revolution, is the most notable example of that period. It is also widely recognized that there were instances of women who distinguished themselves as men on the front lines during the Revolution and the Civil War.

The first official recognition of women's contributions to the military is generally considered to be the award of the Congressional Medal of Honor to Mary Walker, a contract surgeon with the Union Army. Ms. Walker was the first, and the only woman to date, to be awarded the Medal of Honor.

At the turn of the century the Army Nurse Corps was established. Subsequently, the other services also created nursing branches each of which has provided highly professional and often heroic medical treatment to our Army, Navy, Air Force, and Marine personnel. The services also created administrative branches such as the Women's Army Corps, or WACS, the Navy's WAVES, the Air Force's WAFs, and women Marines. These dedicated women played a vital administrative role during World War II, Korea, and Vietnam freeing up thousands of men for combat duty.

The 1970's was a decade of major advancement for women in the military. That period saw the first woman promoted to the rank of General and marked the beginning of the integration of women into various career branches and command operations. For the first time, women were admitted into the service academies, ROTC programs on campuses throughout America, and in officers candidate schools. It was during this time that more women were actively recruited and entered the Armed Forces. For example, in 1972 women made up 2 percent of the U.S. military. By 1990 that number had increased to 11 percent.

During the 1980's and 1990's women played major roles in combat operations side by side with their male counterparts during Grenada, Panama, and most recently in the Persian Gulf. Following the impressive performance of women during those operations, Congress now is debating the issue of expanding women's military roles to possibly include flying Air Force and Navy combat aircraft.

Women have served honorably with pride and distinction in our Armed Forces. As one who served in combat during World War II myself, I am proud of the sacrifices that women in the Armed Forces have made on behalf of our country, and I am honored to share the title of "veteran" with them.

* * *

YVONNE BURKHOLZ'S ROLE IN WOMEN'S ISSUES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, Yvonne Burkholz is beginning her second term as Chair of the Dade County Commission on the Status of Women. Serving as a liaison between our public leaders and the women of South Florida, the commission provides a forum for issues of vital concern to the women of Florida.

The Dade County Commission on the Status of Women was established in 1971, and the membership of the commission tries to reflect the diverse cultures and ethnic backgrounds represented in Dade County. Its purpose is indicative of its philosophy, ". . . encourage involvement of women in matters pertaining to community progress; to encourage women to recognize family environment as fundamental to preservation of our national culture and security. . . ."

On June 15, 1991, the commission held its annual retreat and agreed on a list of projects to be pursued for the coming year. Endeavors like the Connections Directory and party, the Women's Archives, the Healthcare Conference, the Media Directory, establishing a joint commission meeting, the Court Room Observer Program, and the Friends of the Commission Organization were discussed.

Ms. Burkholz participated in the 1991 Breast Cancer Awareness Project and now more women will be helped to obtain low-cost mammograms. She has played a role in this first step in solving this serious and growing problem one out of nine women face breast cancer).

As a public figure, Ms. Burkholz has brought to the forefront the fact that rape is on the increase. Ms. Burkholz has shown that the Dade County Commission on the Status of Women must work with all the other women's organizations to become part of the solutions to these and other serious societal ills.

Ms. Burkholz remains committed in women's issues, and I am recognizing her dedication in keeping the public aware of problems that our communities must deal with.

TRIBUTE TO MR. JOHN PEHRSON UPON HIS RETIREMENT

HON. CALVIN DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. DOOLEY. Mr. Speaker, on November 20, 1991, the California citrus industry will sadly bid farewell to a valuable ally and friend, John Pehrson, upon his retirement.

John Pehrson, a citrus farmer in California's central valley, dedicated his career to the development of the citrus industry. He has spent the last 38 years at the University of California engaged in research projects and analytical practices in order to enhance the value and quality of citrus.

John has been recognized by his colleagues for several outstanding contributions, including the development of water requirement data for citrus trees which led to effective water management techniques and conservation; the development of data concerning weed and insect impact on the fruit which created more effective usage of chemicals; and the maintenance of the university's virus free citrus industry.

John's career has been vital to citrus growers and his efforts have always extended beyond his professional responsibilities. He has been a member of several industry organizations such as California Citrus Mutual, the Citrus Research Board, Citrus Men's Club, and Lemon Men's Club. All of these groups are founded and run for the betterment of the citrus industry.

California is known for its production of quality agricultural commodities that are meeting the demands of the world's growing and needy population. John's contributions to California's agriculture are invaluable and greatly appreciated by all of those who benefit from his hard work and knowledge. I would like to join his colleagues, friends, and family in honoring John for his commitment and service to the citrus industry and send him best wishes for a well-deserved retirement.

CONTROLLING HEALTH CARE COSTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, November 13, 1991 into the CONGRESSIONAL RECORD:

CONTROLLING HEALTH CARE COSTS

Few questions are more difficult for me to answer at public meetings than what to do about the cost of health care. With costs at an all time high and rising rapidly, Hoosiers are concerned about whether they can afford quality care for their families. Most people agree that a lasting solution to rising costs can be found only through comprehensive reform of the health care system. Efforts to develop a reform package, however, have thus far failed from a lack of consensus. Short of such reform, a number of incremental strategies for reducing costs should be considered.

PREVENTIVE CARE AND EDUCATION

Americans must recognize their responsibility to take care of themselves. Billions of dollars are spent each year to correct preventable conditions: heart disease caused by diet; drug and alcohol abuse; or cancer from smoking. The best way to cut health care costs is to not get sick. Educating people to take better care of themselves could save billions. Preventive care, such as immunizations, prenatal care, or annual doctor exams, may cost some money now, but would cut expenses dramatically in the long run. One estimate is that every $1 spent on vaccinations saves $14 in long-term health care costs.

KNOWLEDGE OF WHAT WORKS

Doctors do their best to keep costs down, but the medical community often disagrees about which procedures are most productive. Frequency of surgery for procedures such as coronary bypass, caesarian sections, or tonsillectomies can vary widely from doctor to doctor. Such choices are often difficult, and a major effort is needed to determine the procedure that works best under each circumstance.

RESEARCH

Medical research must be directed toward our largest health care problems, for example, those arising from aging or drug addiction. Reordering medical research toward finding solutions to problems which affect the largest number of people will reduce costs sharply.

MALPRACTICE INSURANCE

Malpractice insurance has a double impact on health care costs. Doctors pass on the cost of malpractice insurance to consumers, and the threat of a malpractice suit leads to a tremendous number of tests that doctors administer just to protect themselves. In 1988, doctors paid $5.6 billion for malpractice insurance premiums, and one estimate is that doctors charge Americans an additional $15 billion annually for health care by practicing defensive medicine. Indiana has used strategies such as limiting lawyer's contingency fees and capping awards for "pain and suffering" to control malpractice costs.

DRUG COSTS

Although prescription drugs comprise only 10 percent of the nation's total health care cost, many Americans identify drug costs as their primary concern. Most insurance policies, as well as Medicare, offer little or no coverage, and consumers feel price increases directly. The federal government has encouraged greater use of lower-cost substitute drugs, but the impact on drug prices has been minimal. Proposals to decrease the time required for a drug to receive federal approval would reduce production costs. Another approach is for the government to use its power as a consumer to limit how much it pays for drugs, which would encourage companies to reduce prices.

COST-SHARING

For most consumers, the cost of health care is covered by health insurance or by government programs, providing little incentive to hold the line on costs. If consumers are more aware of costs, they may consume health care more prudently. Some believe that deductibles patients pay could be increased. Others point out that employer sponsored health care plans—which are tax exempt and often cost the employee a fraction of the total cost—encourage employees to demand too much medical care since the cost is subsidized.

RELIANCE ON TECHNOLOGY

Few argue that advances in medical technology, from magnetic imaging to CAT scans, should be restricted. Even so, the availability of these high-tech services has created a medical arms race. Patients demand the best possible care and providers (doctors and hospitals) constantly seek to acquire the latest equipment, often without sufficient regard to its cost-effectiveness. Some strategies would, for example, limit the reimbursement providers receive from the government to purchase such equipment.

UTILIZATION CONTROLS

Another strategy would set limits on which medical services are covered. A number of health insurance plans now require a "second opinion" or certification of a patient's nonemergency condition before the insurance company will pay for the service.

MANAGED CARE

Other strategies would limit the freedom of consumers to choose any provider. An increasing number of groups employ managed care under which they negotiate with doctors or insurers over coverage, prices and treatment. This approach can rein in excessive testing and treatment and brake runaway costs.

PAPERWORK

The American health care system generates huge administrative expenses, and doctors and hospital administrators often complain about the burden of their paperwork. Strenuous efforts have to be made to reduce costly administrative burdens. For example, one approach is to provide all Americans with a computerized "smart card" which would contain an individual's health history and insurance coverage. Such a card would eliminate the need to fill out new medical history forms each time a patient receives care and could be used for automatic billing.

CONCLUSION

There are, of course, other strategies to contain health care costs: increasing the number of health care providers, rationing the availability of medical services, and placing price controls and regulations on the cost of services.

All of the strategies have drawbacks. How successful future efforts will be to hold down health care costs is unclear. Past efforts have not been successful. Health care costs continue to explode. My sense is that many Americans see managing health care costs as a supreme political test for the coming decade. Controlling health care costs may require some kind of comprehensive reform to replace the present patchwork system. But until that debate is resolved, incremental strategies to limit costs must be aggressively pursued.

A TRIBUTE TO RELIGIOUS EDUCATION AT ST. MICHAEL THE ARCHANGEL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the religious education program at St. Michael the Archangel, a school which offers religious education to public school children and to adults who need spiritual guidance.

St. Michael's goal is to extend to any individual a base and a sense of values in these difficult times we live. The staff and teachers at St. Michael volunteer their services without pay and their dedication and love to the children is commendable.

St. Michael's focus is on keeping kids off the streets and on helping them with the difficult issues they face today. For example, when the subject is drugs, St. Michael's begins by defining to the kids what drugs are. They state that the solution of the drug problem is to begin by saying "No." St. Michael's teaches the kids that it is a very simple solution, but in order to apply it you have to be brave and affirmative in determination and character. St. Michael's believes that every child must know himself.

I am pleased to recognize George Briz, Cesar Alonso, Minerva Perez, Juan Rodriguez, Ana Ortega, Antonio Cabanzon, Elia Vives, Ivonne Navarro, Esther Rodriguez, Daisy Vidal, Sylvia Martinez, Maria Alicot, Maurilia Caselli, Virginia Delgado, Gisela D. de Villegas, Julio Garcia-Gomez, Oscar Posada, Sor Rosa Cruz, Gisela Padron, Mercy Hernandez, Ana Lopez, Elizabeth Arnal, Ivan Alicot, Raul Rubio, Lenore Polo, Dania Orta, Noemi Arellano, Alfonso Arellano, Indira Gonzalez, Rudy Nunez, Vicky Mendez, Rudy Nunez, Roberto Nieves, and Ignacio Polo for their tremendous commitment to this wonderful cause.

DARE TEACHES YOUTH TO REMAIN FREE OF DRUGS AND ALCOHOL

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. RAHALL. Mr. Speaker, picture if you will, a man standing before a room full of elementary schoolchildren, half his size, displaying a case full of quaaludes, amphetamines, cocaine, crack, LSD, inhalers, syringes, hypodermic needles, and other drug paraphernalia. Who is this person? Why are our children being subjected to him and his wares? Prevention, that's why.

The man is Cpl. Robert McQuaid of the Kenova, WV, Police Department, and the program is DARE—the Drug Abuse Resistance Educator. DARE's 2-week training sessions qualify Corporal McQuaid and other WV police officers to teach a 16-week education course designed to enlighten WV young people of the facts about drugs and alcohol and their cruel consequences. The program is intended for kindergarten through high school seniors, but it focuses on fifth and sixth graders and the choices they make through peer pressure. By encouraging its students to ask questions about this curious and taboo subject called drugs, D.A.R.E. and its instructors steer our young people towards the right decisions. The only right decision. A drug-free life.

Mr. Speaker, I DARE America's youth to remain free of drugs and alcohol. I am proud to say that in my home State of West Virginia, the Drug Abuse Resistance Educator course and its volunteers are teaching our youth to do just that.

WHEN BUSH ATTACKS PERKS HE FORGETS ABOUT HIS FLORISTS

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. JACOBS. Mr. Speaker, I place in the RECORD the following Wall Street Journal article written by Jeffrey Birnbaum and published November 11th, 1991.

People who live in White Houses shouldn't throw mud—especially when they have participated fully, without protest, in the congressional perks they now say they find shocking.

WHEN BUSH ATTACKS PERKS, HE FORGETS ABOUT HIS FLORISTS

WASHINGTON—President Bush has been making a big issue of perks lately—Congressional perks. He called lawmakers a "privileged class" that "answers to no one with respect to its budget, its staff [and] its perks." Republican strategists say the theme is likely to recur during the election year.

And indeed, there's no doubt that members of Congress are well-pampered, with a slew of special benefits that range from a cut-rate car wash to subsidized medical care to free plants from the U.S. Botanic Garden.

But when it comes to perquisites, Congress is a Holiday Inn—and the top tier of the executive branch is the Ritz. Taxpayer-provided privileges for those in the upper echelons of the president's own division of government are far more lavish and more plentiful than on Capitol Hill.

WHY WALK?

Consider:

When FBI Director William Sessions travels the block from his agency's building to the Justice Department, he doesn't walk. He is driven in a chauffeured car.

When Commerce Secretary Robert Mosbacher was on a presidential mission to Poland, he didn't take just any elevator. He had one of the few that was working in Warsaw's Marriott Hotel held for his exclusive use.

At the White House, when the boss isn't interested, staffers can get free access to the presidential boxes at the three main Kennedy Center theaters, which are stocked with miniature champagne bottles with presidential seals on the labels.

And when Interior Secretary Manuel Lujan appears in public, he has a bodyguard, though the threat to his safety is not readily apparent. "Public lands issues are very emotional," a spokesman explains, noting that an anti-drilling protester once tried to splatter him with oil.

Some of this special attention is understandable. Few people, for instance, would begrudge the president's special treatment. The public "tolerates in the president a range of facilities and assets they would never tolerate in members of the legislative branch," says GOP Rep. Newt Gingrich. And some argue that a few perks are a small price to pay for the talent of officials who could be earning a lot more money—and in some cases getting much better perks—in private industry.

FOUR CALLIGRAPHERS

Even so, "the president should look at his own house for abuses of perks; there are many," says James Thurber, a political science professor at American University. And not surprisingly, Rep. Vic Fazio of California, the chairman of the House Democrats' campaign committee, warns the president that "tossing the first stone could be very difficult for someone who lives in a glass house." (White House spokesman Marlin Fitzwater declined to comment on White House perks.)

Everyone knows the president has aides who help him on the economy or the Soviet Union; less known is that taxpayers pick up the tab for five full-time florists to arrange flowers. The staff of the White House residence is 93 strong and includes five chefs, five curators and four calligraphers. They maintain a facility that is more like a resortse citizens than a house; recent additions include a basketball practice court and a putting green. So numerous are amenities available to those who work at the White House that the president has a special assistant just to dole them out.

The bounty of the executive branch's benefits even came as a shock to the Speaker of the House. In May, when President Bush was hospitalized with a heart ailment, Speaker Thomas Foley—who follows the vice president in the line of succession—was briefly treated as if he were a member of the executive branch. He was whisked to his early-morning workout in a downtown athletic club by three Secret Service vehicles and a half-dozen agents; usually he pedals a bicycle there alone.

When the president was released from the hospital later that day, the entourage disappeared. "It was like some kind of Cinderella story," he recalls. "Suddenly your coach turns into a pumpkin and your horses into mice."

'PORTAL-TO-PORTAL'

A few leaders of the House and Senate, including Mr. Foley, have taxpayer-provided cars and drivers. The others have to fend for themselves, including Democratic Sen. Lloyd Bentsen of Texas. As he drives himself to work in the morning, he says, "I see an extraordinary number of people sitting in the back seat of government cars reading their newspapers. I try to work my way in-between them."

There are hundreds of such cars in the nation's capital. They are big, dark-colored and American built. The best ones have leather upholstery and boast the additional status symbol of a cellular telephone. Cabinet secretaries, deputy secretaries, a few agency heads and five White House aides get what's called "portal-to-portal service."

White House Chief of Staff John Sununu is one of these. His free use of taxpayer transportation caused an uproar earlier this year, and he was stripped of his authority to use military aircraft at will. But he hasn't completely forsworn their use: Just last month he took a government plane to New York for the Al Smith dinner, at an estimated cost of $5,000. A commercial flight would have cost less than $300. The White House counsel's office determined the trip was official business and that commercial travel presented an "unacceptable risk of delay and availability of secure communications on commercial aircraft could not be assured."

HIGH-FLIERS

Executive branch aides are high-flying as well—too high-flying, according to the General Accounting Office. At the officials' disposal are a fleet of 1,200 nonmilitary aircraft worth $2 billion. And they fly everywhere in the world, often without regard to whether it is cheaper—or just as convenient—to charter or even go coach, as regulations say they should. Transportation Secretary Samuel Skinner caught flak this year for flying on government jets to London, the Paris air show and Minnesota for stops including golf's U.S. Open as the Senate struggled with one of his top priorities, the highway bill. (Mr. Skinner's aides say he sometimes fly commercial flights.)

First class is the class that several cabinet secretaries fly, including Treasury's Nicholas Brady, Energy's James Watkins and Housing and Urban Development's Jack Kemp. In a fit of pique, lawmakers tried to clip Mr. Kemp's wings, voting last year to forbid him from first-class travel unless he demonstrated it was necessary for his health. The former professional football player promptly produced a letter from his physician stating that he needed extra leg room because of a knee injury from his quarterbacking days.

The Pentagon gets reduced-rate seats for concerts and sporting events at the Washington-area's Capital Center for use by its employees. Such special treatment is easy to get used to. Donald I. MacDonald, a former White House drug adviser and Health and Human Services official during the Reagan administration, recalls the time he wanted to see the Impressionist exhibit at the National Gallery of Art, but was put off by the long lines. One of his colleagues told him, "You're crazy if you wait" and explained that if he called ahead, tickets would be left at a special window for him.

"You pick up your tickets," Dr. MacDonald recalls happily, "and walk to the front of the line."

THE LIMITS OF SELF-RELIANCE

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. PRICE. Mr. Speaker, I want to call my colleagues' attention to a thoughtful article in the Baltimore Sun which challenges some of our new and supposedly enlightened stereotypes about the disabled. Hugh Gallagher argues that in exaggerating the possibilities of self-reliance we may underestimate the financial and human resources which are still necessary to cope with severe disability. We may also place a new and unfair burden on the severely disabled, leading them to feel guilty if they cannot become fully self-supporting and independent.

Hugh Gallagher will be remembered by some in this body as legislative director for the late Senator E.L. "Bob" Bartlett of Alaska. He has since distinguished himself by his writings, including "FDR's Spendid Deception," a study of Roosevelt as a disabled person, and "By Trust Betrayed," a study of patients, physicians, and the license to kill in the Third Reich.

I ask that Mr. Gallagher's article be reprinted at this point in the RECORD.

SELF-RELIANCE: FINE, FOR THE SELF-RELIANT

(By Hugh Gregory Gallagher)

The old bad way of looking at disabled people has been replaced by a new bad way of looking at them.

The old stereotype of disability was personified by the March of Dimes poster child—a lovely little girl, leaning on her little crutches, her legs encased in braces, rather like a handicapped Campbell Soup kid. This was meant to evoke a cloying combination of pathos, pity and money—and it did. The misleading image this conveyed was of disabled people as lovable, perhaps, but pathetic, helpless creatures.

Nowadays, there is a new stereotype which, in its own way, is just as misleading. This portrays the disabled person as a regular guy, an able-bodied person who just happens to ride around in a wheelchair. All that keeps him from leading a full, productive life are societal obstacles: architectural barriers, discrimination in the work place. Eliminate the barriers, end the discrimination and the problems of the handicapped will be solved.

By this image, disabled people are seen as victims of discrimination in a civil-rights sense. This is the image which has been embraced by the leaders of the disability-rights movement.

The efforts of the disability-rights movement, making use of this civil-rights model, have achieved a great deal for disabled people. Accessible public transportation, ramps, curb-cuts, reserved parking, TDY for the hearing-impaired, Braille signs for the blind—these are just some of the recent developments that make it easier for more disabled people to hold down a job and to move into the mainstream of society.

Last year the Congress, responding to the appeal of this vision of disability, approved the Americans with Disabilities Act, as sweeping a piece of civil-rights legislation as has ever been written. Republicans and Democrats, conservatives as well as liberals supported it. President Bush was proud to sign it into law at a joyful celebration of hundreds of disability-rights activists held on the White House lawn.

The political appeal of this concept of disability is easy to understand. It fosters self-reliance, *a la* Ralph Waldo Emerson; it proffers a relatively easy "solution" to the "problem" posed by disabled people; and, what really lights up the eyes of the conservatives, it promises to get disabled people off the welfare rolls.

There are, however, two serious drawbacks to this "self-reliance" vision of the disabled:

The first is that it ignores the terrible and continuing financial costs associated with severe disability. Thanks to developments in medical science over the last generation, for the first time, infants with severe birth defects, persons with extremely high levels of spinal injury and other such severely traumatized persons can expect a normal life span. The costs associated with the continuing medical services, equipment and attendant care required to assure these people even a minimal standard of living are very high.

Serious disability is time-consuming, exhausting, emotionally devastating and costly. There are very few families with the financial—to say nothing of the emotional resources—to cope unassisted with severe disability. With the breakdown of the family structure, particularly in the poorer segments of society, the number of disabled people and their families needing help is increasing.

These severely disabled people are full American citizens and their condition is the human condition. In a just society surely their expenses should be seen as a shared responsibility.

The second drawback to the disability-rights model concerns the impact it can have upon the individual who is severely disabled. Reducing the problems of disability to societal obstacles, ignores, even denies, the extraordinary physiological and psychological demands which severe disability places upon an individual, whatever the accessibility of the social environment. Disability is damaging to one's self-esteem, it works havoc with one's relationships and can do irrevocable harm to an entire family's life.

There is a lot of stress, pain and infection involved in severe disability. In spite of their best efforts, many disabled people see their condition progressively worsen; they find themselves facing a life of increasing helplessness and dependency. It is not surprising that the level of alcoholism, drug addiction, suicide and mental distress among the severely handicapped is high.

The self-reliance model of disability says that once societal barriers have been removed, then handicapped persons will take their place as full productive citizens with jobs, living independently in full self-reliance. And this has happened—as barriers are removed, ever more handicapped people have come into the work place.

However, this self-reliance model places a new burden upon the severely disabled—a burden which some are simply unable to bear in any consistent manner. These people are fighting chronic infection, weakness, fatigue and depression. They struggle to find, keep and pay for adequate attendant care. Although in disability-rights circles it may not be fashionable to say so, these people are displaying extraordinary courage and guts just staying alive. The last thing they need is to be told that they are failures as handicapped people if they do not hold down a full-time job.

Certainly the disabled should be offered every incentive to become self-supporting and to live independently. this is what all disabled people would like to do. However, acknowledgment must be made that there are those who, for whatever combination of physical and emotional problems, simply cannot do more than they are now doing. These people have every reason to be proud and in no way guilty about the valiant struggle which is their daily life.

TRIBUTE TO JAY WEISS, HEALTH CARE CHAMPION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to pay tribute to Jay Weiss, who is retiring from his position as chairman of Dade County Public Health Trust after 9 years of faithful service. The editorial in the Miami Herald, "Champion of Public Health," narrates how Mr. Weiss has made a difference in the quality of health care in the Miami area.

CHAMPION OF PUBLIC HEALTH

Jay Weiss puts his money where his mouth is. Indeed, he puts his money, his energy, and his commitment where his heart is. He does it in the hope that Dade Countians will be all the more healthy.

Mr. Weiss, of Southern Wine & Spirits, Inc., has been a long-time benefactor of this community. He's now stepping down as chairman of Dade's Public Health Trust, capping nine years on the board. He can be proud of what was accomplished at and for Jackson Memorial Hospital under his watch.

He takes pride in the new trauma center, which is set to open in early 1992. He beams at the rating given JMH by the Joint Commission on Accreditation of Healthcare Organizations. JMH's doctors and nurses are directly responsible for its getting one of the highest certification ratings in the country.

When prudence prevailed and JMH withdrew public funds from a $250,000 boardroom-renovation project, Mr. Weiss kicked in $60,000 of his own.

Then there is the half-penny sales tax. He campaigned with heart, soul, and checkbook to make sure that Dade Countians support this hospital. JMH is the people's hospital. It is the only such public facility in Dade. Overburdened with taking care of the indigent, JMH indeed needs help—from inside and outside its walls.

Now that the public has agreed to give Jackson the funding boost that Mr. Weiss and others championed, an expanded and restructured Public Health Trust must carry on Mr. Weiss's good works. That is, doing not just what is best for the institution, but what is best for the vast number of people with limited health-care options, while being smart with the public's money.

In the meantime, Mr. Weiss will take his stewardship to a smaller, but no less vital arena. He will be co-chairman of a revitalization board in Overtown.

The community can be grateful for Jay Weiss's public service, and because he acts as if his work for others is never done.

I am happy to commend Mr. Weiss and his work on the Public Health Trust. He has helped to improve the face of Dade County health care. Even though he will remain active in the public health care arena, he will be truly missed in the trust. Furthermore, his work over the past 9 years will not be forgotten for he has left a lasting legacy.

REJECT DAVID DUKE, LOUISIANA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. GREEN of New York. Mr. Speaker, today I take the unusual step of addressing the citizens of Louisiana—citizens whom I do not personally represent, but citizens whom I must strongly and solemnly appeal to nonetheless. I call on the people of Louisiana to send racists around the country a message of absolute and overwhelming defeat. I call on the citizens of Louisiana to reject the intolerant. Defeat David Duke, Louisiana.

David Duke, an avowed racist and anti-Semite, is asking you to grant him the public trust of your governorship. I appeal to you on the eve of your elections because this great Nation of ours can ill afford to remain silent or passive in the face of Louisiana's election race. These are politically dangerous times, and to ignore the threat a Duke election would pose is to ignore history.

David Duke has built a career around the politics of hate and fear—encouraging disdain for the poor, loathing for minorities, and intolerance for religious diversity. He seeks to take our Nation back to a woeful time when Americans were segregated according to race and religion. He seeks to take the world backwards to revisit the unspeakable horrors of the Holocaust, where millions of ordinary men, women, and children perished because of the obsessive hatreds of those in political power. David Duke is a man obsessed with hate.

David Duke tries to cloak his message of hate in the language of mainstream politics and religion, just as he tries to hide his white sheet under a three-piece suit. Duke does not lead with these tactics, he destroys.

The dilemma facing Louisiana also faces the Nation. By defeating David Duke, Louisiana can turn back the tide of intolerance and reject the politics of hate.

What is our Nation if not a place of leadership against racism and bigotry? Lead the Nation Louisiana. In the strongest possible terms, I urge you to reject David Duke. Duke deserves political oblivion, not your public trust.

FLORENCE RICE: CONSUMER ADVOCATE FOR THE POOR

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. RANGEL. Mr. Speaker, I call the attention of my colleagues to an exemplary citizen of Harlem who has spent the last four decades working to improve the lot of poor consumers. With unflagging persistence and energy, Ms. Florence Rice has convinced businesses and some of New York City's major utilities to correct unfair and discriminatory practices against the poor.

Ms. Rice who was recently honored for her service by the American Association of Retired Persons began her career as an activist after becoming enraged by a local paint store that refused to honor a giveaway offer. With the help of others, she led a boycott that forced the store to close. Since that time, Ms. Rice has had many victories including persuading State regulators to force the New York Telephone Co. to cease its practice of requiring its minority customers to pay pre-installation deposits.

Ms. Rice, who was raised in foster homes, is the recipient of many honors by civic groups and companies, and recently was a guest of an international conference on consumerism in the Far East. She continues her efforts to educate and assist the poor in her community.

Mr. Speaker, I invite my colleagues to read the attached New York Times article, "A Friend of the Consumer Says She Will Keep Fighting" and appreciate those like Ms. Rice who spend their lives dedicated to assisting the disadvantaged.

A FRIEND OF THE CONSUMER SAYS SHE WILL KEEP FIGHTING

(By Barry Meier)

There is a determination in Florence Rice's round and stoic face, the glow of a powerful will that has persevered through 72 years of challenges and appears ready for much more.

"My whole thing is that you can't let anything defeat you," Ms. Rice said without a suggestion of hubris. "If you let yourself worry about anything long enough, you're not going to be able to help other people."

Ms. Rice knows about helping. For more than four decades, she has dedicated herself to the problems of a neglected and often-exploited group of consumers: the poor, particularly those who live and work in Harlem.

Last Monday some of Ms. Rice's family and friends gathered in Washington, where she received an award from the American Association of Retired Persons for her efforts on behalf of older consumers. It was another in a long list of honors bestowed on Ms. Rice by corporations and civic groups. The honors have had a unifying theme.

"All of my awards come with no money," Ms. Rice noted wryly.

GETTING 'A FAIR SHAKE'

While most consumer advocates have devoted themselves to such problems as the quality of a car or the purity of food, Ms. Rice has taken on the questions of how the poor can get credit to by a car, or how to teach them to use their resources wisely.

"She's a very dedicated person, very concerned that minority customers get a fair shake," said United States Representative Bill Green, Republican of New York, who has known Ms. Rice for several years.

Toward that end, Ms. Rice has battled a host of businesses she suspected were overcharging or abusing poor consumers: utility and telephone companies, food and furniture stores, credit companies and banks. For decades, she was virtually a one-woman consumer movement known as the Harlem Consumer Education Council. It operated out of a rundown storefront on Madison Avenue near 125th Street.

"I became angry when I realized that we were being victimized," Ms. Rice said. "We made the least money, and we were being charged more than anyone else."

Ms. Rice, now a great-grandmother, was born in Buffalo and was raised in foster homes. She worked first as a domestic and later in garment factories until she clashed with union officials, whom she accused of racial bias.

She next worked in a Harlem furniture store, where she learned about the pitfalls faced by poorer customers who buy on credit. She was dismissed in a dispute over working conditions and soon began to champion consumer interests full time.

Ms. Rice said her life as an activist began one day in Harlem as a new paint store was opening. The store had advertised that it would give a free can of paint to every customer, but when Ms. Rice arrived at 9:30 A.M., the giveaway was over.

"I rounded up some of the men who were standing on the corner, and we started picketing the place," she said. "Pretty soon, it had to shut down."

In 1963 she helped found the consumer education council and worked on surveys that showed that the prices of food and basic services in Harlem were higher than in wealthier areas. She also began taking on adversaries like Consolidated Edison and the New York Telephone Company, accusing them of discriminating against the poor.

She scored a major victory when she persuaded state regulators to force the telephone company to drop its practice of requiring deposits from consumers perceived to be poor credit risks.

"Twenty-four hours, seven days a week, she's on the job," said Sandy Wilson, associate director of customer outreach for New York Telephone. "She can be very tough, but Florence will also always listen."

AS LITTLE AS $3,000

Ms. Rice has also held classes to help the poor and elderly learn about consumer credit, insurance and other financial services.

But the road has not been an easy one. For years, her organization operated on as little as $3,000 in donations a year.

There have also been disappointments. A Harlem food co-op that Ms. Rice helped to found disintegrated in the late 1960's due to internal disputes. Such experiences have left her with very definite views about organizations. "I believe in direct action," she said, "If you want something done and you form a committee, you are dead."

But time or disappointments have not slowed her down. She recently returned from the Far East, where she was a guest at an international conference on consumerism.

Her corporate vigilance continues apace, though more genially than in years past. Recently, for example, Ms. Rice threatened action when the Harlem offices of a company representing New York Telephone were about to be closed, inconveniencing consumers.

"I told them they could have me arrested, but then a nice person from the phone company called and told me not to worry; they weren't going to shut the offices down," she said.

Ms. Rice also has some pressing crusades. She is deeply concerned about what she sees as the poor-quality education in public schools, and urges black parents to send their children to private schools run by blacks. One of her dreams is to set up an international consumer affairs institute, which would deal with such issues as the use of dangerous pesticides in developing countries.

Looking back, Ms. Rice has no regrets.

"This whole thing has been fun," she said. "I did it because I wanted to do it, and I've been able to help a lot of people coming down the road. I did change a whole lot of people's lives. And I'm sure that if it had been a job, I never would have performed as well."

A TRIBUTE TO ROY M. LOWE

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. HUBBARD. Mr. Speaker, I take this opportunity to pay tribute to my longtime friend Roy M. Lowe of Lowes, KY, who died at age 86 on November 11 at Western Baptist Hospital in Paducah.

Roy Lowe, for decades the owner and operator of the historic and widely known Lowe Funeral Home of Lowes, was the great grandson of Levi W. Lowe, the founder of Lowes, a community in the northwest corner of Graves County and near Paducah. He also owned the Lowe Funeral Chapel in Fancy Farm.

Roy Lowe graduated from the Cincinnati College of Embalming in 1924. He then entered the funeral business which had been conducted by his family in Lowes since 1841. He was a member of the Kentucky State Board of Embalmers and Funeral Directors for two terms and was twice elected president of the Kentucky Funeral Directors Association, the only person to ever have held the office twice, 1944 and 1945.

Roy Lowe was for many years president of the Bank of Lowes. He was a founding trustee of the West Kentucky Rural Telephone Cooperative, which he served as secretary and treasurer for 33 years. He was also an avid historian and storyteller, and provided the material for many articles about the people and events of northwestern Graves County.

He was co-owner of Robert Terry Construction Co. and a member of Folsomdale Masonic Lodge 283.

Roy Lowe was very active in the Democratic Party during the 1940's and 1950's. He was Democratic Election Commissioner for Graves County, and was a delegate to the Democratic National Convention. He was a friend and supporter of Alben W. Barkley, a native of the Lowes community.

Survivors include his wife, Dessie Lowe; a daughter, Judy L. Milner, Bardwell; a son, James R. Lowe, Houston, Texas; six grandchildren, seven great grandchildren, several nieces and nephews.

Hundreds of friends and admirers of Roy Lowe visited Lowe Funeral Home last night and attended the funeral service today at 2 p.m.

Last night I spoke with his daughter Judy Milner and son Bob Lowe by telephone. I regret I cannot attend today's funeral because of House of Representatives business and votes today.

Roy Lowe was my dear friend and, as his children reminded me last night, was my enthusiastic supporter in every political campaign of mine from 1967–90.

Through the years I have visited Lowe Funeral Home hundreds of times. I always was greeted at the front door of Lowe Funeral Home by my affable, successful friend—the owner of the funeral home.

The hundreds visiting Lowe Funeral Home last night and today must have sensed the unusual situation of not receiving that friendly handshake and pat on the back they had usually received in the past from the owner.

My wife Carol and I extend our sympathy to Roy's lovely wife Dessie and other members of his family.

HONORING JOE DUARDO AND HARWARD STEARNS, RETIRING TRUSTEES, WHITTIER UNION SCHOOL DISTRICT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. TORRES. Mr. Speaker, I rise today to recognize two special individuals, Mr. Joe A. Duardo and Mr. Harward A. Stearns, trustees of the Whittier Union High School District. Mr. Duardo and Mr. Stearns are retiring from the board of trustees after many years of dedicated service and will be honored at a reception on December 4, 1991.

JOE A. DUARDO

Joe Duardo has been a school board member in Whittier since 1974. He served for 13 years as a member of the South Whittier Elementary School District board of trustees and in 1987 was elected to the board of trustees of the Whittier Union High School District, where he presently serves as board president. In addition to his service as a trustee, he has spent the last 12 years as a member of the California School Boards Association, which represents over 5,000 school board members statewide.

Mr. Duardo received his bachelor of science degree from UCLA and was hired by the Xerox Corp. as a research investigator in 1962. He spent the next 23 years performing experimental work that advanced the understanding of the physics of lasers and led to design improvements. Nearly two dozen of his scientific papers have been published in scientific journals and presented at related conferences. During his career at Xerox, he was involved in various corporate social programs, such as the Social Service Leave, Community Involvement Project, and the Youth Motivation Task Force. Currently, Mr. Duardo works as a consultant in superintendent searches, language instruction and cross-cultural training to school districts, the California Youth Authority and the Tomas Rivera Center.

Mr. Duardo also has received numerous recognition awards from the California State Legislature, the U.S. Department of Justice, Los Angeles County Human Relations Committee, as well as community and education groups.

HARWARD A. STEARNS

Harward A. Stearns received his bachelor of arts degree from Stanford University in 1954 and received his juris doctorate from Stanford University School of Law in 1956.

He was first elected to the Lowell Joint School District in 1965 and served until 1968. He was then elected to the East Whittier School District and served from 1969–1981, and subsequently served on the Whittier Union High School District from 1981 to the present.

His accomplishments and community work are varied. He served as president and director of the Intercommunity Blind Center, president of the Lions Eye Foundation of Southern California, member of the Whittier Area Education Study Council, director of the Los Angeles County School Trustees Association, and California School Boards Association—Delegate Assembly.

Mr. Stearns is a member of the Whittier Junior Chamber of Commerce, the West Whittier Lions Club since 1957, and the Whittier YMCA's Men's Club. His affiliations include the Whittier Bar Association, Los Angeles County Bar Association, California State Bar Association, Southeast Bar Association, and the American Blind Lawyers Association.

Joe Duardo's and Harward Stearns' leadership abilities and tireless efforts to improve education for the youth of Whittier have brought them noteworthy praise from civic leaders, education and business communities, service organizations, and their colleagues on the board of trustees.

Mr. Speaker, on December 4, 1991, the Whittier Union High School District board of trustees will honor these special individuals for their unselfish and dedicated service to the community. I ask my colleagues in the House of Representatives to join me in saluting Joe Duardo and Harward Stearns on the occasion of their retirement from the board of trustees.

A TRIBUTE TO THE WHITMAN'S CHOCOLATE CO.

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. BORSKI. Mr. Speaker, I rise today in recognition of the 150th anniversary of the Whitman's Chocolate Co.

In 1842, the Whitman's Chocolate Co. was founded by Stephen Whitman, an American manufacturing pioneer. He believed Americans could make chocolate every bit as good, if not better, than the French, who at the time dominated the market.

Mr. Whitman opened a little shop near the Philadelphia waterfront, where his candy was in competition with foreign sweets. He soon learned to make the most of his location by purchasing specialized and hard-to-get candy ingredients from all over the world.

Sailors learned of his need for these enticing items, and Mr. Whitman was able to compete with overseas confectioners. The Whitman's name became famous for quality candies.

In 1912, Whitman's Chocolates introduced the Whitman's Sampler. The Whitman's Sampler soon became, and continues to be, the best known and largest selling box of prestige candy in the country. The Sampler was the single most important innovation in the company's history.

Over the years, the company grew larger as Whitman's national sales organization was established and better drug stores throughout the country became the main avenue of distribution. As demand grew, mass merchandisers, department stores, specialty shops, airports, and gift shops were opened as outlets. Shipments are now made to these stores from the Whitman's factory in my district in northeast Philadelphia and warehouse locations in Los Angeles, Chicago, Cleveland, and Atlanta.

Today, Whitman's Chocolate Co. employs over 1,100 Philadelphia working men and women. They produce approximately 100,000 pounds of chocolates a day, and this capacity is even greater during certain high production periods of the year, especially Valentine's Day, Easter, Mother's Day, and Christmas.

Today, Whitman's Chocolates will be honored by induction into the National Museum of American History, a part of the Smithsonian Institution.

Mr. Speaker, I join the community of Philadelphia and chocolate lovers everywhere in honoring Whitman's Chocolate Company on its 150th Anniversary.

ONCE UPON A TIME THERE WAS AN UNEMPLOYMENT INSURANCE FUND

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. RAHALL. Mr. Speaker, since we seem to be living with Alice in Wonderland, let me begin these remarks with: Once Upon a Time * * *

Once upon a time, the Unemployment Trust Fund was established for the sole purpose of paying extended benefits during times of economic distress. Democrats believed that it was the height of indifference when unemployment trust fund surpluses were allowed to continue to grow while millions of Americans were exhausting their unemployment benefits, at the same time they were being denied access to extended benefits.

The Fund now contains a surplus of nearly $8 billion—and this money didn't fall down from the sky on Chicken-Little's head, nor was it dredged up from a rabbit hole—it came from business contributions to be used during such periods of economic distress. Together with interest earned, it is estimated that the Government will take in 10 times the money that is paid out.

Once upon a time, beginning in about June 1990, we had a recession. it became, as much as we hoped it would go away, a lingering recession, if not the emergence of a depression. During this recession—and it was either shallow or deep, depending on who was writing the fairy tales on a given day of the week—even our working low- and middle-income families were staggering under the burden of meeting everyday expenses. Imagine the plight of our non-working families, who were previously among our proud taxpaying citizens, but who were exhausting their unemployment benefits, with no new jobs in sight.

No new job and no extended benefits, Mr. Speaker, means no income—do we expect our unemployed to swallow their self-respect and pride and resort to welfare?

But since when didn't welfare cost money? Since when didn't increased use of AFDC, Food Stamps, and other welfare services cost money? How much money? Surely as much as would be spent if we simply used the trust fund to pay legitimate unemployment benefits to eligible out-of-work individuals, for whom the trust fund was established?

Surely no more money would be spent on new welfare participants than the amount in the Trust Fund? Still the reason for not using the Trust Fund was: It will increase the deficit.

In Alice's world, then, we are to believe that vastly increased outlays for welfare and other subsistence programs does not increase the deficit.

What happened to our economy in the first place to bring us to this place in time?

Well, Mr. Speaker, once upon a time * * * back in 1981, at the height of the Reagan-Bush recession, President Reagan then revealed his indifference to the plight of the unemployed with this rhetorical question: "Is it news that some fellow in South Succotash someplace has just been laid off?" (March 16, 1982).

When we sent the President our second and most recent bill extending unemployment benefits, he called it "garbage." This from the man who said, when unemployment began to soar upwards: "Whatever it is, it won't be longlasting." (New York Times, November 30, 1990).

Whatever it is? It won't be long-lasting?

Since President Bush uttered those words in November 1990, 1.6 million additional "fellows from South Succotash" have become unemployed for a grand total to date of nearly 9 million. There are 3 million Americans who have exhausted their unemployment benefits.

The Democratic bills sent to the President called for as many as 20 weeks in additional benefits, for States hardest hit—among them my own State of West Virginia. The Republican substitute offered only 6 weeks—covering only 14 percent of the exhaustees, leaving the unemployed in 44 States to receive nothing.

Speaking of Once Upon a Time—remember Desert Storm and the fantabulous welcome home we gave our returning troops?

Well, the Republican substitute unemployment bill, which as we all know Mr. Speaker, the President preferred over the Democratic bills, added insult to injury when it changed the law to eliminate coverage for military men and women who are currently eligible—including veterans returning from Desert Storm and Desert Shield. Their bill eliminated $535 million (or 65 percent) of unemployment benefits for veterans over the next 5 years.

Once upon a time, there was a Grinch who stole Christmas. An additional 6 weeks in benefits, as proposed by the Republicans, would not see unemployed families through Christmas—it would in some cases, where only 4 weeks of benefits were restored, barely see those families through Thanksgiving. The longer we wait, the less chances there are of offering these families any relief during our most family-oriented, our most treasured, our most revered holiday season.

Once upon a time, there were children in those unemployed families who believed in Santa Claus. If we don't act soon, we are going to make them believe there really is a Grinch that steals Christmas.

Once upon a time, Mr. Speaker, we told a little girl named Virginia, that yes, Virginia, there is a Santa Claus. But there will be no Santa for the children of 3 million jobless

Americans who have exhausted their benefits unless we act now.

Mr. Speaker, so important have unemployment benefits been to American workers, that every Presidential administration for the past four decades, when faced with recession, has acted to extend those much needed UI Benefits. Yes, Virginia, even Republican administrations.

Eisenhower did it. Nixon did it. Ford did it. Even President Reagan did it. But where is Bush? In Europe, or Japan, or Rome, or anywhere besides the United States, where his people need him to be, that's where.

These unemployed individuals are working men and women who have always worked, earned their keep, paid their taxes, and contributed to society. These are not deadbeats or welfare queens, but Mr. and Mrs. John Q. Public who deserve to get the assistance they have earned as working men and women.

But once upon a time, in the land of OMB, on July 22 of this year to be exact, Keeper of the Purse Richard Darman, the President's budget advisor, stated that: "extending unemployment benefits has the perverse effect of becoming an incentive to be unemployed."

I doubt very much that the previously employed, hard-working, taxpaying men and women in this country who have run out of benefits and can't find a job, would appreciate knowing that the President's spokesman believes that to give them added benefits would lead them to wallowing happily in unemployment heaven.

Shades of Willy Horton. We now have an entire population numbering in the millions, who have come down with deadbeat-itis.

All of a sudden people who were previously gainfully employed Americans suddenly changed their work ethic and became willing to settle for less monthly income, loss of their homes due to defaulted mortgages, to have their automobiles repossessed due to nonpayment, willing to remove their children from college, and willing to place themselves and their families at risk of death and disease due to loss of employer-based health insurance! Amazing! Could this be mass hysteria causing such an outbreak in deadbeat-itis?

Living in Alice's World, the Administration has insisted for too long that the recession is shallow, or that it is over. But even if the recession ended tomorrow, the economy—and particularly the unemployment rate—would take at least 6 months or more to show the change. According to recent reports by the U.S. Chamber of Commerce and the National Small business lobbyists, even if the recession ends tomorrow, they have no intention of rehiring laid off employees, or hiring new-starts for new jobs that might be created, until the middle of next year—if then.

Once upon a time, when the payroll tax that supports the insurance program was paid by business—the Chairman of Ways and Means proposed to raise that tax by a relatively small amount for a temporary time, and he decreed that this was not, could not be, something either party should shy away from. Not only that, he had worked his magic so that it would overcome President Bush's objections. Abracadabra! We had a proposal that had an acceptable funding mechanism and one that made good sense besides. What? Nothing doing?

Speaking of Alice in Wonderland—or la la land—we have heard that President Bush likes the Dole proposal best. What is the Dole proposal? You might well ask!

The Dole proposal would fund the costs of extended benefits by selling electromagnetic spectrums to private individuals.

And the people who inhabit this land may well reply: We don't know a lot about electromagnetic spectrums Mr. President, but aren't they used by broadcasters and the like, and aren't they now in the public domain? And Alice herself might be heard to say: Why, electromagnetic spectrums are not now and never have been "owned" by any individual or entity. They sort of belong to all of us, in a way. Shouldn't we keep it that way? Lest we need them someday?

Speaking of fairy tales, how about this:

Once upon a time, before the advent of the 21st century and our vast expansion of this Nation's telecommunications technologies, we had total access to electromagnetic spectrums necessary for such expanded communications needs. They were not "for sale."

But as it happened, way back in the 20th century, when President Bush, was in charge of things, it finally became important to him as a political matter to provide extended unemployment benefits to those who had exhausted their previous benefits.

And so it happened that while President Bush denied that there was a real emergency in the land, and while he would not permit extension of those benefits by using the Trust Fund set up for that purpose and which had plenty of surplus dollars sitting idle, and while he most emphatically would not use the emergency provision in the budget act to pay for the extended benefits, he might—just might—sell off our electromagnetic spectrums for this purpose.

And so the President wondered: Would Congress, in its third desperate attempt to help the helpless unemployed, bow to a recalcitrant President and agree to sell our electromagnetic spectrums to the general public to pay those costs? Would they vote to mortgage their future and be found, in some future year, looking desperately for hundreds of billions of dollars to buy back those spectrums from private owners?

Stay tuned, as they say in la la land.

Mr. Speaker, as the Representative of the people from the land of Almost Heaven West Virginia, where the unemployment rate is 10.1 percent, I say:

Let us extend those unemployment benefits. Let us do it by raising the business payroll tax, or by declaring an emergency, or by taxing the rich, or by selling electromagnetic spectrums. I don't much care "how" anymore. I just care "when."

Let us do it now. Let us put food on the tables of these families on Thanksgiving day.

Let's put toys under the trees for those children who still believe in Santa Claus. If we don't send a bill to the President now, those checks won't arrive in time to do that much.

And maybe, by the time these new benefits are exhausted as well, the recession will truly be over, and the economic recovery so well on its way, that business will not only rehire those laid off, but will offer new jobs that are created by a rebounding economy.

Sound like a fairy tale? Here's a good beginning: Once upon a time, in a land known for its opportunities, the richest nation on earth renewed unemployment benefits for those in need.

Having cast that bread upon the waters, as the Good Book recommends, the richest nation on earth became richer, and its people prospered. And lo, the word "unemployment" gradually disappeared from general usage until, one day, a child came across it in an old dictionary found in the attic. The child asked its parents what the word "unemployed" really meant, for you see it never was clearly defined. And the child's parents responded:

Once upon a time * * *

MR. JERRY COBB

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. DOOLITTLE. Mr. Speaker, when I served in the California State Senate, I had the pleasure of meeting Mr. Jerry Cobb, a renowned composer, singer, and musical stage performer.

Out of his immense pride as an American and as a tribute to the heroic successes of the National Aeronautics and Space Administration and its individual astronauts, Mr. Cobb composed "The Astronaut's Anthem" soon after the astonishing moonwalk of Apollo astronaut Neal Armstrong.

The U.S. space program has been a proud symbol of American ingenuity and scientific achievement, and NASA's manned and unmanned exploration of the Moon, our neighboring planets, and the solar systems and galaxies has been a source of awe and inspiration to the people of this country and the world.

"The Astronaut's Anthem" is a moving and emotionally powerful composition, as well as a salute to the greatness of America, the achievements of its astronauts, and the consciousness of the universe engendered in all peoples of the Earth by space exploration.

I commend Mr. Cobb for his outstanding contribution to American music and, most especially, for composing this tribute to our Nation's astronauts.

BAKERS MILLS WESLEYAN CHURCH CELEBRATES 100TH ANNIVERSARY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. SOLOMON. Mr. Speaker, when French traveler Alexis de Tocqueville visited this country 160 years ago, he noticed the importance of churches in the lives of many Americans.

Nothing has changed since then, at least as far as the 24th District of New York is concerned. Our churches are still the most important institution in our lives.

Our district, like many others, has many churches with fascinating histories. A good example of that is the Bakers Mills Wesleyan Church which recently celebrated its 100th anniversary.

I would like to place in today's RECORD an article on this church and its people, which appeared in my hometown newspaper, the Glens Falls Post-Star.

[From the Glens Falls Post-Star, Nov. 4, 1991]

100 YEARS FOR BAKERS MILLS CHURCH—WESLEYAN CHURCH LOOKS TOWARD THE PAST, FUTURE

(By David Kibbe)

BAKERS MILLS—The Wesleyan Church celebrated the 100th anniversary of its founding Sunday with fond recollections of the men and women who carried the church through its first centennial and optimism for the generations to come.

"I believe the story of Bakers Mills Wesleyan Church is not a story that has a period at the end," the Rev. Michael Fisher, the current pastor, told the congregation during an anniversary service Sunday afternoon.

"I know the Lord will continue to use the work here," he said. "The church will continue until Jesus comes."

About 150 congregation members gathered for the service, filling the wooden pews in the small church with a portrait of Jesus at the rear of the altar.

The congregation of the Johnsburg church, dressed in suits, dresses or flannel shirts, responded "Amen" to remarks made by congregation members and former pastors during the service. Often, they were moved to laughter by jokes and yarns spun during the service.

Former pastors remarked that the families of old, familiar faces continued to grow, ensuring that the links that have held together the white church on Bakers Mills Road would remain strong.

"It's been a part of my life since before I was born," said Gretchen Ross Millington. "My Dad, when he was a young teenager, helped cut the logs to build this place."

Millington, whose grandparents were members of the church, recalled her early experiences at the church, learning about the Bible during Sunday school and listening to ministers spread the word of God.

"I came to the altar, and I really gave myself to the Lord, soul, body and everything," she said.

Most of the children in her large family were baptized there, Millington said.

Millington ran through the history of the church over the years, sometimes choking with emotion at the mention of former pastors who have passed away.

A number of former pastors spoke at the service, including the Rev. Michael Bennett, the Rev. Kenneth Smith, the Rev. Robert Finley, the Rev. Gilbert Clemens and the Rev. Robert Tice.

Former pastors spoke about the earlier days, before the 100-year-old church building had a basement, and when a barrel was needed in the parsonage to collect leaking water.

Dr. H.C. Wilson, the regional superintendent of the Wesleyan Church, and the Rev. Lloyd Stuart, district superintendent, also attended the service.

Wilson told the congregation to continue to spread the message of God in Johnsburg. "Accept personal evangelistic responsibility," he said.

The church celebrated the anniversary with a weekend-long series of events. Services were also held Saturday night and Sunday morning, and congregation members attended a dinner Sunday afternoon at the Weavertown Community Hall.

After the Sunday afternoon service, congregation members gathered in front of the church for a group picture. Inside the church, family scrapbooks with photographs of the church and its members were on display.

Fisher became pastor of the church in June 1989, and he told the congregation that he had come to the right place.

"My wife and I love the people here," he said. "We sense the love. We're at home here."

TRIBUTE TO THE VOLUNTEERS OF CAMP BASKERVILL

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. TALLON. Mr. Speaker, I am pleased to recognize the volunteers associated with Camp Baskervill of Pawleys Island, SC, for being recognized by President Bush as today's Daily Point of Light.

Voluntarism is the key to making a program like Camp Baskervill work. So often, however, voluntarism goes unnoticed and unappreciated. It is most gratifying to see these volunteers that are the backbone of this organization being recognized for their commitment and devotion to making life better for so many people in the community.

Camp Baskervill was founded in 1939, to serve as a camp for black boys. Since then, it has grown in size and scope to encompass services that include medical care, educational programs for children, adult day care, and emergency services, to name just a few. Not only does it carry out programs at the campsite, but it also recruits volunteers to assist in building and rebuilding homes for people across the State.

The community served by Camp Baskervill has benefited in so many ways by the commitment of the volunteers who work behind the scenes to make these programs work. It is appropriate that, as we approach Thanksgiving, we thank the people who make Camp Baskervill such a thriving and successful outreach program for our community.

A favorite verse of mine describes perfectly the spirit of voluntarism evident at Camp Baskervill:

Do all the good you can,
By all the means you can,
In all the ways you can,
In all the places you can,
At all the times you can,
To all the people you can,
As long as ever you can.

TRIBUTE TO B'NAI B'RITH

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. CARDIN. Mr. Speaker, Saturday, February 29, 1991, marks the 31st anniversary of the Maryland State Association of B'nai B'rith.

B'nai B'rith is the world's oldest and largest service organization, setting an example of community service for 149 years.

Edward J. Friedman will be inducted as the new president of the Maryland State Association on February 29, 1992. Mr. Friedman is the past president of the Reisterstown-Owings Mills Lodge which has a history of several years of community service.

Mr. Friedman will succeed Frada Wall, who is completing a distinguished 1-year term as president.

Mr. Speaker, it is a pleasure to call the 31st anniversary of the Maryland State Association of B'nai B'rith to the attention of my colleagues. With service organizations such as B'nai B'rith and individuals like those being honored, our work as public servants in Congress is made that much easier and that much more pleasurable.

VETERANS' PREFERENCE FOR DESERT SHIELD/DESERT STORM OPERATIONS

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. PENNY. Mr. Speaker, earlier this year the Office of Personnel Management [OPM] announced that Armed Forces personnel who served during the Desert Shield/Desert Storm operations could claim veterans' preference in Federal employment. OPM further indicated, however, that preference would be restricted to those receiving the Southwest Asia Service Medal. This medal is awarded only to military personnel who served in Saudi Arabia, Kuwait, Iraq, other Southwest Asian countries, or in the surrounding waters or airspace, on or after August 2, 1990, and before the termination date of the Persian Gulf war.

This restricted application of veterans' preference is not consistent with past national policy. During the Vietnam era, our last period of war, individuals who served more than 180 days on active duty during that period were eligible for veterans' preference. Eligibility was not based on a service member's duty station but on the fact of active duty service during a wartime period.

The bill I am introducing today with CHRIS SMITH of New Jersey would extend veterans preference to all veterans of the Persian Gulf war period who served 24 months of continuous active duty, or the full period for which they were called or ordered to active duty, thus ensuring that our national policy as it relates to veterans of the Persian Gulf war period is consistent with the policy established for veterans of previous periods of war.

Because veterans' preference in Federal employment comes under the jurisdiction of the Committee on Post Office and Civil Service, I urge my colleagues on that committee to take favorable action on this measure.

A MANDATE FOR THE AMERICAN FAMILY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 13, 1991

Mr. ANDERSON. Mr. Speaker, A majority of American families have both parents working to make ends meet. The proportion of children living in a single-parent household rose from 11 percent in 1970 to 25 percent in 1990. The combination of dual-wage-earning families and single-parent households has led to what one organization has termed the parenting deficit. Changing social and economic conditions have left parents to choose between economic security and family responsibilities. H.R. 2, the Family and Medical Leave Act, would ease this burden on families by providing 12 weeks of unpaid leave for the birth or adoption of a child or to care for a seriously ill child, parent, spouse, or personal illness. This will give parents the job security and time necessary to meet financial and family needs.

A substitute has been offered to H.R. 2 by Congressmen GORDON and HYDE, identical to the Bond-Ford compromise passed overwhelmingly in the Senate. This substitute would further strengthen the eligibility requirements needed for an employee to qualify for family or medical leave. Under the Gordon-Hyde substitute, only employees who work 1,250 hours a year, an average of 25 a week, would be eligible for leave. The substitute would not apply to key employees, defined as the highest paid 10 percent of an employer's work force, and would allow employers to recover the cost of health insurance premiums paid for employees who do not return to work from a period of leave.

The substitute contains a much narrower definition of serious health condition, limiting the definition to those conditions requiring inpatient care in a health care facility or continuing treatment by a health care provider. Employees requesting family leave to care for a seriously ill family member must provide certification that they are needed to care for the family member and 30 days notice rather than reasonable time to receive leave. The medical certification must include the expected dates and planned duration of medical treatment.

We are all concerned that Federal Government mandates will impair the flexibility of small businesses. By offering flexible hours and benefit plans, small businesses have been the engine of economic growth and job creation throughout the 1980's. The legislation before us recognizes the important role of small businesses and effectively responds to their needs by only applying to employers with more than 50 employees. This exempts 95 percent of all employers while covering 50 percent of all employees.

Opponents of the bill argue that employers will find it difficult to comply with this legislation, causing increased costs and litigation. However, a four-State survey conducted by the Families and Work Institute showed that employers have implemented family leave legislation easily and inexpensively. The majority of employers reported no increase in cost for training, administration, or unemployment insurance as a result of the State laws. Furthermore, no impact on the length of leave working mothers take at the time of childbirth was found.

The cost of this legislation has also been shown to be minimal. A study conducted by the Small Business Administration shows that the cost of permanently replacing an employee is greater than granting unpaid leave. Furthermore, the study found that firms routinely develop strategies to handle the work load of employees while they are on leave. These strategies include rerouting work to others in the department, sending work home to the employee on leave, hiring temporary replacements, and leaving nonessential work until the employee's return from leave. The General Accounting Office [GAO] estimates this bill will cost $5.30 a year per covered employee. The GAO estimate probably overstates the costs since it assumes that all those eligible for leave will take the full amount of leave available.

I am extremely wary of imposing mandates on business. But I believe that this is balanced family legislation that responds to the needs of families as well as business. I will leave the final word in this debate to President Bush. While the President was a candidate in 1988, he boldly stated, "We need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness. That isn't fair the other way, and it's not right, and we've got to do something about that." I hope the President realizes the wisdom of his own words and signs this important bill.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, November 14, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 15

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine global change research, focusing on ozone depletion and its impact on the environment.

SR-253

Select on Indian Affairs

Business meeting, to mark up S. 1869, to provide for the divestiture of certain properties of the San Carlos Indian Irrigation Project in the State of Arizona; to be followed by a hearing on S. 1607, to provide for the settlement of the water rights claims of the Northern Cheyenne Tribe.

SR-485

Select on POW/MIA Affairs

To resume hearings to examine unanswered questions and U.S. efforts with regard to U.S. prisoners of war and soldiers missing in action.

SH-216

10:00 a.m.

Foreign Relations

Near Eastern and South Asian Affairs Subcommittee

Business meeting, to consider pending calendar business.

SD-419

Governmental Affairs

To resume hearings to review the regulatory review process of the Council on Competitiveness.

SD-342

Judiciary

Business meeting, to consider pending calendar business.

SD-226

NOVEMBER 19

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on the nomination of Karen Borlaug Phillips, of Virginia, to be a Member of the Interstate Commerce Commission.

SR-253

Rules and Administration

To hold hearings on S. Con. Res. 57, to establish a Joint Committee on the Organization of Congress.

SR-301

10:00 a.m.

Commerce, Science, and Transportation

To hold oversight hearings on title 5 of Public Law 100-418, authorizing the President to conduct a study on the effect of foreign mergers, acquisitions, and takeovers on U.S. national security.

SR-253

3:00 p.m.

Governmental Affairs

To hold hearings on the nominations of Reggie B. Walton, to be an Associate Judge of the Superior Court of the District of Columbia, and Emmet G. Sullivan, to be an Associate Judge of the District of Columbia Court of Appeals.

SD-342

NOVEMBER 20

9:00 a.m.

Select on Indian Affairs

Business meeting, to mark up S. 1036, Lumbee Recognition Act, and S. 1607, Northern Cheyenne Reserved Water Rights; to be followed by hearings on the nominations of A. David Lester, of Colorado, Wiley T. Buchanan, of the District of Columbia, Robert H. Ames, of California, and William S. Johnson, of New Mexico, each to be a Member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development, to be followed by a business meeting to consider the aforementioned nominations; and to be followed by an oversight hearing on Federal court review of tribal court rulings in actions arising under the Indian Civil Rights Act.

SR-485

9:30 a.m.

Governmental Affairs

To hold hearings on the Federal Government's role in promoting energy conservation technology.

SD-342

10:00 a.m.

Armed Services

Readiness, Sustainability and Support Subcommittee

To hold hearings on Department of Defense purchases from the Federal Prison Industries.

SR-232A

Environment and Public Works

Environmental Protection Subcommittee

To hold hearings to examine proposed revisions to the procedures for determining wetlands jurisdiction.

SD-406

NOVEMBER 21

9:30 a.m.

Environment and Public Works

Nuclear Regulation Subcommittee

To hold hearings to examine international nuclear safety standards.

SD-406

Governmental Affairs

Oversight of Government Management Subcommittee

To hold oversight hearings to review the Department of Defense hospital and medical supplies system.

SD-342

Select on Indian Affairs

To hold hearings on the provisions of S. 1705, to resolve claims of the Sisseton-Wahpeton Sioux Tribe of South Dakota, the Devils Lake Sioux Tribe of North Dakota, and the Sisseton-Wahpeton Sioux Council of the Assiniboine and Sioux Tribes of Montana arising out of a judgment fund distribution.

SR-485

NOVEMBER 26

9:30 a.m.

Select on Indian Affairs

To hold hearings on S. 1602, to ratify a compact between the Assiniboine and Sioux Indian Tribes of the Fort Peck Reservation and the State of Montana.

SR-485